# Management Board Report on Performance of mBank S.A. Group in 2024

(including Management Board Report on Performance of mBank S.A.)




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This document is a translation from the original Polish version. In case of any discrepancies between the Polish and English versions, the Polish version shall prevail.

**Table of content**

1. About mBank Group ..... 7
1.1. Business model and history of mBank Group ..... 7
1.2. Composition of mBank Group ..... 10
1.3. mBank Group geographical presence ..... 13
1.4. Information for investors ..... 13
1.5. Credit ratings of mBank and mBank Hipoteczny ..... 17
1.6. ESG ratings and indices of mBank ..... 19
1.7. Key events and projects of mBank Group in 2024 ..... 20
1.8. Awards and distinctions ..... 29
2. mBank Group's environment ..... 32
2.1. Macroeconomic environment ..... 32
2.2. Market and regulatory environment ..... 39
2.3. mBank Group's market position of segments ..... 47
2.4. Outlook for the banking sector and mBank for 2025 ..... 48
3. Strategy of mBank Group ..... 50
3.1. From an icon of mobility, to an icon of possibility - strategy for 2021-2025 ..... 50
3.2. Vision for mBank Group, pillars of the strategy and main directions of development ..... 51
3.3. Strategic financial targets of mBank Group for 2025 ..... 56
4. Financial position of mBank Group and mBank in 2024 ..... 58
4.1. Financial position of mBank Group ..... 58
4.2. Changes in the consolidated statement of financial position of mBank Group ..... 64
4.3. Financial position of mBank in 2024 ..... 69
4.4. Changes in the statement of financial position of mBank ..... 73
5. mBank Group capital and funding ..... 76
5.1. mBank Group capital base ..... 76
5.2. mBank Group funding ..... 78
6. Retail Banking Area ..... 80
6.1. Financial results ..... 81
6.2. Activity of Retail Banking Area in numbers ..... 82
6.3. Retail Banking of mBank in Poland ..... 83
6.4. Retail Banking in the Czech Republic and Slovakia ..... 89
7. Corporate and Investment Banking Area ..... 91
7.1. Financial results ..... 92
7.2. Activity of Corporate and Investment Banking Area in numbers ..... 93
7.3. Corporate and Investment Banking of mBank ..... 93
8. Activities of subsidiaries of mBank Group ..... 100
8.1. Summary of financial results of mBank Group subsidiaries ..... 100
8.2. Business activity of selected subsidiaries ..... 100
9. Risk management ..... 103
9.1. Risk management foundations ..... 103
9.2. Main risks of mBank Group's business ..... 104
9.3. Capital adequacy ..... 115
10. Sustainability statement of mBank Group for 2024 ..... 117
10.1. General information (ESRS 2) ..... 117

10.2. Environmental information (ESRS E1 and EU Taxonomy, E4) ..... 162
10.3. Social Issues Information (ESRS S1, S4) ..... 259
10.4. Information about business activities (ESRS G1) ..... 297
10.5. Additional information ..... 313

11. Statement of mBank on application of corporate governance principles in 2024 . 320

11.1. Application of corporate governance principles at mBank ..... 320
11.2. Internal control and risk management systems in the process of preparing financial statements of mBank ..... 329
11.3. Significant blocks of shares ..... 331
11.4. Principles of appointing and dismissing Management Board members ..... 332
11.5. Rules for amending the company's By-laws ..... 333
11.6. Procedures and powers of the General Meeting ..... 333
11.7. Composition, competences and procedures of the Management Board and the Supervisory Board ..... 336
11.8. Application of the Diversity Policy of mBank S.A. to the Management Board and Supervisory Board ..... 356

Responsible Banking Progress Statement: Summary ..... 358

Glossary ..... 361

Statements of the Management Board ..... 364

## mBank Group in 2024

| **Universal financial services** | | | |
|---|---|---|---|
|  |  |  |  |
| **Our clients** | **Our employees** | **Mobile application** | **Transactions** |
| **5,714 thou.** retail clients<br>**36.1 thou.** corporate clients | **7,569** FTE<br>in mBank Group | **3.8** million users | **12.2%** market share in value of card transactions<br>(9M 2024) |
| **Mobile banking at its best** | | | |
| **Active users of mBank's services in Poland** | **Growing importance of digital channel in daily banking** | **Convenient and safe mOkazje zakupy e-commerce marketplace** | **New functionalities in Personal Finance Manager (PFM)** |
| Number of monthly active users increased to **3,459 thou.**; active users of BLIK increased to **2,333 thou.** | **89%** of processes in retail banking area are initiated by the clients in digital channels;<br>**94%** of corporate clients use mBank mobile app | new feature co-developed with Morele.net **facilitates** ordering favourite products **directly** from the mBank's mobile app | **retirement calculator** allows to build a personalized saving plan for retirement |
| **Key results and indicators** | | | |
| **Revenues** | **Cost to income ratio** | **Total assets growth** | **Total capital ratio** |
| PLN **12,007** million | **28.2%** | **+8.4%**<br>year on year | **15.9%** |
| **Basic facts for investors** | | | |
| **Market capitalisation** | **Share price** | **Member of the WSE indices, including:** | **mBank ratings** |
| PLN **23.3** billion<br>(EUR 5.4 billion) | **PLN 547.2**<br>(as at 31.12.2024) | WIG20 WIGbanki | **Fitch**: BBB-<br>**Standard & Poor's**: BBB<br>**Sustainalytics**: 13.4 (low ESG risk)<br>**MSCI**: AA (leader) |

## Executive summary

- **Excellent financial results driven by high profitability of the Core Business**
  - Highest net profit in the history of mBank Group at the level of PLN 2,243.2, despite high costs of legal risk related to foreign currency loans which amounted to PLN 4,307.0 million
  - Net profit of the Core Business (mBank Group excluding FX Mortgage Loans segment ) at PLN 5,637.9 million
  - Net ROE of the Core Business at 39.7%
- **High dynamics of loans and increase of market share driven by growth of new sales of retail and corporate loan**
  - Net loans and advances increased by 7.1% year on year
  - Positive dynamics of retail lending at the level of 6.7% year to year, due to record high volume of sales of mortgage and non-mortgage loans, at the level of PLN 10.6 billion and PLN 11.3 billion respectively
  - Corporate loan portfolio up by 6.8% year on year, driven by increase of loan sales by 21% compared with 2023.
- **Strengthening of the capital position in order to pave the way for growth**
  - Consolidated Tier 1 ratio at 14.52% and Total Capital Ratio at 15.85%
  - Material surplus over the PFSA capital requirements: 5.4 p.p. over the Tier 1 capital ratio and 4.8 p.p. over the Total Capital Ratio
  - Inaugural Additional Tier 1 bond issuance executed by mBank allowed to obtain PLN 1.5 billion and improve capital ratios by 1.5 p.p.
  - Synthetic securitisation transaction for a portfolio of PLN 5.2 billion, improving TCR of mBank Group by approximately 0.4 p.p. at the end of the year
  - Decision to retain profit earned in 2024 and 2025
  - $MREL_{TREA}$ at the level of 23.51%, $MREL_{TEM}$ at the level of 9.10%, above the requirements
- **Effective management of the CHF loan portfolio to further decrease balance sheet risk**
  - Under the settlement program rolled out in Q4 2022, mBank singed over 22,900 settlements with clients by the end of 2024
  - The number of active credit agreements has been reduced by 80.8% compared to the initial number of contracts
- **Total income at the highest level in history**
  - Record high total income of PLN 12,006.9 million generated by growth in both segments of mBank clients
  - Net interest income at highest level in history driven by favourable monetary policy, rising volumes and lower deposit costs despite the negative impact of the "credit holidays"
  - Significant improvement of net interest margin to 4.4%
- **Excellent efficiency despite increase of total overhead costs**
  - Normalised cost to income ratio at 28.3%
  - Increase in total overhead costs (including depreciation) by 10.2% due to inflationary pressure, growth of volumes and scale of operations and investments in future growth
- **Prudent risk management reflected in a high quality portfolio** – cost of risk at 49 bps, NPL ratio at 4.1%
- **Constant focus on providing clients with convenient and useful solutions which improve their financial health**
  - mOkazje zakupy program, a new feature co-created with mBank partner Morele.net, which allows clients to easily order products directly from mBank mobile application
  - Implementation of new functionalities in the finance manager (PFM), which, among others, support clients in planning their retirement

### Summary of results of mBank Group Core Business in 2024

| PLN million | Core Business | Non-core | mBank Group |
|---|---|---|---|
| Net interest income | 9,562.1 | 26.9 | 9,589.0 |
| Net fee, trading and other income | 2,483.7 | -65.8 | 2,417.9 |
| **Total income** | **12,045.8** | **-38.9** | **12,006.9** |
| **Total costs** | **-3,362.4** | **-25.9** | **-3,388.3** |
| Net impairment losses and fair value change on loans and advances | -638.9 | 53.4 | -585.5 |
| Cost of legal risk related to FX loans | 0.0 | -4,307.0 | -4,307.0 |
| **Operating profit** | **8,044.5** | **-4,318.4** | **3,726.1** |
| Taxes on the Group balance sheet items | -739.8 | -12.6 | -752.4 |
| **Profit/loss before income tax** | **7,304.7** | **-4,330.9** | **2,973.7** |
| **Net profit/loss** | **5,637.9** | **-3,394.7** | **2,243.2** |
| **Total assets** | **243,849.4** | **2,108.0** | **245,957.4** |
| Net interest margin | 4.39% | | 4.35% |
| Cost/Income ratio | 27.9% | | 28.2% |
| ROE net | 39.7% | | 14.8% |
| ROA net | 2.5% | | 1.0% |

**Core Business** – results of mBank Group excluding the FX Mortgage Loans segment.
**Total income** - calculated as the sum of net interest income, net fee and commission income, dividend income, net trading income, other income, other operating income and other operating expenses.
**Net impairment losses and fair value change on loans and advances** - the sum of impairment or reversal of impairment on financial assets not measured at fair value through profit or loss and gains or losses from non-trading loans and advances mandatorily measured at fair value through profit or loss.
**Net interest margin** – calculated by dividing net interest income by average interest earning assets. Net interest income calculated for the purpose of net interest margin excludes gains or losses on modification. Gains or losses on modification includes costs of credit holidays. Interest earning assets are a sum of cash and balances with the Central Bank, loans and advances to banks, debt securities (in all valuation methods) and loans and advances to customers (net; in all valuation methods). The average interest earning assets are calculated on the basis of the balances as at the end of each month. Net interest income is annualized based on the number of days in the analysed period (an annualization factor is calculated by dividing a number of days in the year by a number of days in the analysed period).
**Cost/Income ratio** – calculated by dividing overhead costs and depreciation by total income (excluding tax on Group's balance sheet items).
**ROE net** – calculated by dividing net profit/loss attributable to Owners of the Bank by the average equity attributable to Owners of the Bank, net of the year's results. The average equity is calculated on the basis of the balances as at the end of each month. Net profit/loss attributable to Owners of the Bank is annualized based on the number of days in the analysed period (an annualization factor is calculated by dividing a number of days in the year by a number of days in the analysed period).
**ROA net** - calculated by dividing net profit/loss attributable to Owners of the Bank by the average total assets. The average total assets are calculated on the basis of the balances as at the end of each month. Net profit/loss attributable to Owners of the Bank is annualized based on the number of days in the analysed period (an annualization factor is calculated by dividing a number of days in the year by a number of days in the analysed period).

In order to present the genuine and undistorted performance of mBank Group, the non-core part, comprising of foreign currency mortgage loans, is shown separately from the total business. Non-core assets are defined as all residential mortgage loans granted to individual customers in Poland that at any point in time were in another currency than PLN. In addition to the FX mortgage loan portfolio, associated provisions for legal risk arising from these contracts are also allocated to the segment.

**The capital allocated to the non-core unit amounted to PLN 657 million** as of December 31, 2024. It is calculated primarily based on:

- total risk exposure amount of the segment and minimum Tier 1 capital ratio required by PFSA,
- economic capital for operational risk.

From the managerial perspective, growth of mBank's core business is effectively based on lower capital due to its portion being set aside for FX Mortgage Loans segment.

# 1. About mBank Group

## 1.1. Business model and history of mBank Group

mBank Group conducts business based on the universal banking model, specialising in servicing all client groups. The offer includes retail, SME, corporate and investment banking as well as other financial products and services such as leasing, factoring, brokerage, wealth management, investment funds, insurance, payment gateway and corporate finance. Services provided under mBank logo are marked with different colours, depending on the target group of the offer.

| Personal Banking | Premium Banking | Private Banking | Business | SME and corporates | Young |
|---|---|---|---|---|---|

The bank was established in 1986 as **Bank Rozwoju Eksportu (BRE Bank)**, initially focusing on corporate clients. We have been operating in the segment of individual clients since 2000, i.e. from the moment of launching mBank, a fully online bank. In 2001, we established MultiBank, which complemented the bank's business model with servicing clients in the outlet network in the largest Polish cities. Since the very beginning, mBank has relied on organic growth, which means that the current scale of its business has been achieved without takeovers of other banks and financial institutions. mBank is the only bank in Poland with successful track record of rolling out its online retail banking model into foreign markets. Since 2007, we have been operating in the Czech Republic and Slovakia. In 2013, we unified our brand under mBank name, which was most powerful of our brands.

| | |
|---|---|
| **1986** | **Establishment of Bank Rozwoju Eksportu as a joint-stock company** |
| **1992** | **Listing of BRE Bank on the Warsaw Stock Exchange** |
| **1994** | **Signing of a strategic partnership agreement with Commerzbank AG** |
| **1998** | **Acquisition and merger with Polski Bank Rozwoju SA** |
| **2000** | **Establishment of mBank – the first internet-only bank in Poland – completed in just one hundred days** |
| **2001** | **Launch of Multibank, the second retail arm of BRE Bank, targeting affluent customers** |
| **2007** | **Foreign expansion of retail operations, the first branches of mBank are set up in the Czech Republic and Slovakia** |
| **2013** | **Rebranding – Replacing of three existing brands by one: mBank**<br>**New mBank transactional platform is launched** |
| **2018** | **Strategic partnership with WOŚP, launch of e-commerce services via mElements** |
| **2020** | **Adjustment of internal processes and client offer during the COVID-19 pandemic**<br>**Systematic increase of Renewable Energy Sources funding** |
| **2021** | **New strategy for 2021-2025** |
| **2022** | **Development of sustainable banking and significant expansion of our range of ESG banking products and services**<br>**Two credit risk sharing transactions of mBank's portfolio, landmark for the Polish market** |
| **2023** | **Launch of mTFI company**<br>**Largest synthetic securitisation transaction in Central and Eastern Europe**<br>**Largest ever issuance of green NPS bonds by a Polish bank** |
| **2024** | **Launch of mOkazje zakupy, a new shopping platform available for mBank customers**<br>**The first AT1 bond issuance in Poland conducted by a commercial bank** |

mBank Group's activities are based on the **model of values** focused on the benefit of customers, shareholders, employees and other stakeholders. We identify their real needs and implement appropriate solutions in order to meet the existing and future requirements.

| | | | | |
|---|---|---|---|---|
| **Authenticity** | **Empathy** | **Courage** | **Responsibility** | **Cooperation** |



mBank's widely recognised operational excellence is based on the state-of-the-art user interface for online banking, next-generation mobile application, video banking, as well as real-time, event-driven customer relationship management (CRM) based on client behaviour patterns. The whole product offer is centred around the current account with a broad spectrum of financial services accessible in just "one click", as the strategic aim of mBank is to be the most convenient transactional bank on the market. Our internet platform available to clients is modern, convenient, easy-to-access and user-friendly. We have also been systematically expanding our mobile application to provide customers with the possibility of managing their finances wherever they are.



Giving priority to users' comfort, mBank regularly improves its offer and thus remains at the forefront of institutions introducing new solutions, such as **Personal Finance Manager (PFM)** for retail clients or further development of **Paynow** payment gateway for e-commerce. mBank has been accompanying its retail customers in their everyday lives for 23 years, providing a wide range of additional services based on online or mobile banking. These involve, among others, the possibility to access public administration services from mBank's transactional platform and the possibility to submit an application for benefit programs such as the "**Family 500+**" benefit in mBank's mobile application. Further benefits include additional services, such as **mOkazje zakupy** (mDiscounts e-commerce market place) and possibility to pay for car parks in several dozen Polish cities using mBank's application.



mBank's offer includes products and services tailored to various customers' needs, including loans, savings, investment and insurance products as well as other solutions dedicated to enterprises and businesses. The comprehensive offer makes it possible to more effectively address specific requirements of particular groups of customers. At the same time, the coherent business model in all of the mentioned areas enables clients' to easily move between segments, which allows mBank to support their professional and personal development at all stages.



mBank Group aims to build a partnership with corporate customers, which is based on good relations and comprehensive advisory. Drawing on the BRE Bank S.A. experiences and competencies, we know how important it is to take individual approach to a customer and to adequately understand the specifics of their business. We support entrepreneurs from the very beginning of their professional path, enabling them to launch their business with mBank online or in the bank's branch and offering them a package of kick-off services such as **financing, accounting and currency services or terminals.** We introduce new products to our offer on a regular basis and pay special attention to providing remote access to our services. Large enterprises and international corporations successfully use the integrated range of commercial banking solutions, with particular focus on the advanced platform of **transactional banking** and **mobile application.** This comprehensive product offer is complemented by **investment banking** services, such as equity capital markets (ECM), debt capital markets (DCM) and mergers & acquisitions (M&A) advisory services.

mBank's distribution concept combines the most technologically advanced solutions, which meet the market challenges and set new trends in the Polish banking sector. Internet and mobile-based tools as well as the extensive network of distribution outlets and call centre build a comprehensive contact platform for mBank's customers. The IT platform architecture allows the bank to develop and introduce new products, services and sales channels efficiently and with a low operational risk. Thanks to such a flexible infrastructure, mBank is able to effectively manage its business expansion strategy.

## Selected financial and business data of mBank Group

| Selected financial data (PLN mln) | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| Total assets | 178,861 | 198,373 | 209,892 | 226,981 | 245,957 |
| Net loans | 108,271 | 117,677 | 120,183 | 113,521 | 121,419 |
| Deposits | 133,672 | 157,072 | 174,131 | 185,467 | 200,809 |
| Equity | 16,675 | 13,718 | 12,715 | 13,737 | 17,767 |
| Total income | 5,867 | 6,111 | 7,857 | 10,802 | 12,007 |
| Total costs | -2,411 | -2,457 | -3,319 | -3,074 | -3,388 |
| Loan loss provisions | -1,293 | -879 | -849 | -1,106 | -586 |
| Net profit | 104 | -1,179 | -703 | 24 | 2,243 |
| **Selected financial ratios** | **2020** | **2021** | **2022** | **2023** | **2024** |
| Net interest margin | 2.3% | 2.2% | 3.7% | 4.2% | 4.3% |
| Cost/Income ratio | 41.1% | 40.2% | 42.2% | 28.5% | 28.2% |
| Cost of risk | 1.20% | 0.76% | 0.69% | 0.93% | 0.49% |
| Return on Equity (ROE) | 0.6% | -7.2% | -5.3% | 0.2% | 14.8% |
| Return on Assets (ROA) | 0.1% | -0.6% | -0.3% | 0.0% | 1.0% |
| Tier I capital ratio | 17.0% | 14.2% | 13.8% | 14.7% | 14.5% |
| Total Capital Ratio (TCR) | 19.9% | 16.6% | 16.4% | 17.0% | 15.9% |
| Loan-to-deposit ratio | 81.0% | 74.9% | 69.0% | 61.2% | 60.5% |
| NPL ratio | 4.8% | 3.9% | 4.0% | 4.2% | 4.1% |
| Coverage ratio | 58.3% | 53.1% | 52.2% | 54.7% | 51.1% |
| **Selected business data** | **2020** | **2021** | **2022** | **2023** | **2024** |
| Individual customers (thous.) | 5,660 | 5,514 | 5,642 | 5,716 | 5,714 |
| Corporate customers | 29,083 | 31,315 | 33,025 | 34,546 | 36,123 |
| Number of employees (FTEs) | 6,688 | 6,738 | 7,014 | 7,319 | 7,569 |

**Net loans** (Net loans and advances to customers) – the sum of loans and advances to customers measured at amortised cost, non-trading loans and advances mandatorily measured at fair value through profit or loss, and loans and advances classified as trading assets.
**Total income** - calculated as the sum of net interest income, net fee and commission income, dividend income, net trading income, other income, other operating income and other operating expenses.
**Total costs** (Total overhead costs (including deprecation)) - calculated as the sum of total overhead costs and depreciation.
**Loan loss provisions** (Net impairment losses and fair value change on loans and advances) – the sum of impairment or reversal of impairment on financial assets not measured at fair value through profit or loss and gains or losses from non-trading loans and advances mandatorily measured at fair value through profit or loss.
**Net interest margin** - calculated by dividing net interest income by average interest earning assets. Net interest income calculated for the purpose of net interest margin excludes gains or losses on modification. Gains or losses on modification includes costs of credit holidays. Interest earning assets are a sum of cash and balances with the Central Bank, loans and advances to banks, debt securities (in all valuation methods) and loans and advances to customers (net; in all valuation methods). The average interest earning assets are calculated on the basis of the balances as at the end of each month. Net interest income is annualized based on the number of days in the analysed period (an annualization factor is calculated by dividing a number of days in the year by a number of days in the analysed period).
**Cost/Income ratio** - calculated by dividing overhead costs and depreciation by total income (excluding tax on Group's balance sheet items).
**Return on Equity (ROE)** (Net ROE) - calculated by dividing net profit/loss attributable to Owners of the Bank by the average equity attributable to Owners of the Bank, net of the year's results. The average equity is calculated on the basis of the balances as at the end of each month. Net profit/loss attributable to Owners of the Bank is annualized based on the number of days in the analysed period (an annualization factor is calculated by dividing a number of days in the year by a number of days in the analysed period).
**Return on Assets (ROA)** (Net ROA) - calculated by dividing net profit/loss attributable to Owners of the Bank by the average total assets. The average total assets are calculated on the basis of the balances as at the end of each month. Net profit/loss attributable to Owners of the Bank is annualized based on the number of days in the analysed period (an annualization factor is calculated by dividing a number of days in the year by a number of days in the analysed period).

## 1.2. Composition of mBank Group

### Composition of mBank Group and main areas of its activity

The subsidiaries of mBank Group offer a complex service for the customers and allow for processes optimisation and achieving various business targets. The structure of mBank Group from the perspective of segments and business areas as of end of 2024, is presented below:

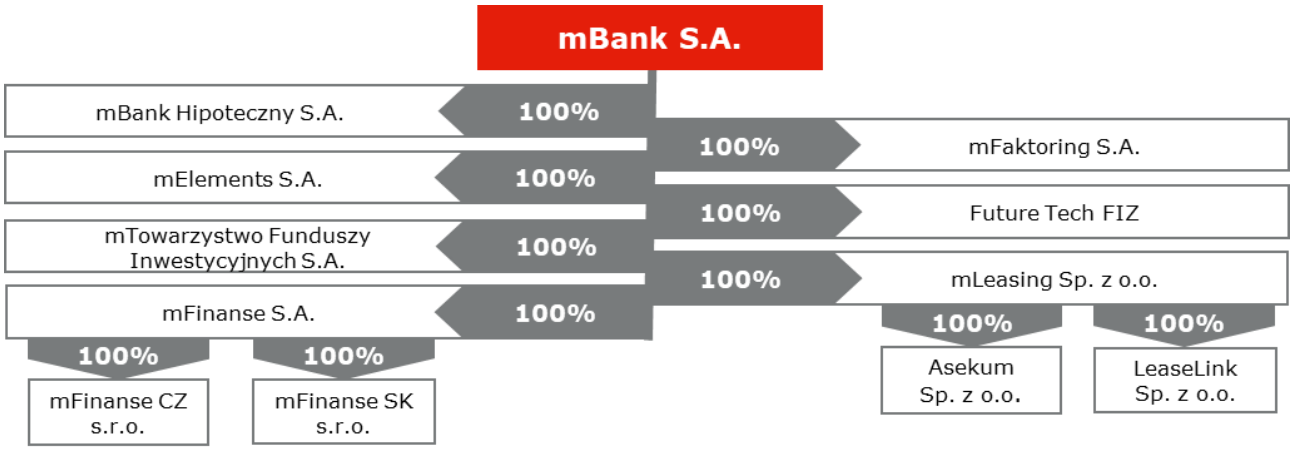
| Segment | Retail Banking | Corporate and Investment Banking |
|---|---|---|
| Bank | ■ Retail customers and microenterprises<br>■ Affluent retail customers (Private Banking and Wealth Management) | ■ Corporations and non-banking financial institutions (K1)<br>■ Large Companies (K2)<br>■ Small and Medium Enterprises (K3)<br>■ Cooperation with banks and financial markets activity |
| Consolidated subsidiaries | ■ mLeasing Sp. z o.o. – Retail<br>■ Asekum Sp. z o.o.[1] – Retail<br>■ LeaseLink Sp. z o.o.[1]<br>■ mBank Hipoteczny S.A.<br>■ mFinanse S.A.<br>■ mFinanse CZ s.r.o.[2]<br>■ mFinanse SK s.r.o.[2]<br>■ mElements S.A. – Retail<br>■ mTowarzystwo Funduszy Inwestycyjnych S.A. | ■ mLeasing Sp. z o.o. – Corporate<br>■ Asekum Sp. z o.o.[1] – Corporate<br>■ mFaktoring S.A.<br>■ mElements S.A. – Corporate |
| **Other subsidiaries** | ■ Future Tech FIZ | |

*[1]mBank owns 100% shares in Asekum Sp. z o.o. and LeaseLink Sp. z o.o. indirectly, through mLeasing Sp. z o.o.*
*[2]mBank owns 100% shares in mFinanse CZ s.r.o. and mFinanse SK s.r.o. indirectly, through mFinanse S.A.*

At the beginning of 2021, we have separated FX Mortgage Loans segment from Retail Banking segment. This change aimed to present separately results related to the product, which has been withdrawn from the offer for individual customers, and at the same time is significant from the point of view of the assigned assets and the impact on the Group's results. As a result a more accurate and undistorted image of mBank Group is presented. Additionally, we separated the Treasury and Other segment from the core business.

mAccelerator (Future Tech FIZ) is the investment fund supporting the development and commercialization of new technologies. It was equipped with a budget of EUR 51 million (over PLN 220 million). The fund invests in minority shares in technology startups, and independently, as a venture builder, establishes and develops technological companies.

mBank Group (including consolidated subsidiaries) as at the end of 2024 was composed as presented below.



**Key subsidiaries of mBank Group from the perspective of client offer**

| | |
|---|---|
| mBank Hipoteczny | ■ the longest track record of issuing covered bonds on the Polish capital market<br>■ supporting the stable, long-term and safe funding of the Group with the use of pooling model in co-operation with mBank<br>■ rating by Moody's Investors Service for mortgage covered bonds at a level of Aa1, which is the long-term country ceiling for local and foreign currency bonds |
| mLeasing | ■ the subsidiary offers leases and loans, as well as additional services in three main business lines: passenger cars, machinery and equipment, green assets, addressed to both corporate and retail clients<br>■ various leasing products and services in the corporate segment, including passenger and commercial vehicle leasing, heavy equipment fleet management, machinery and equipment leasing, support in the decarbonization process, and energy transition transformation<br>■ in the retail segment the subsidiary offers products for micro-enterprises and SMEs, which can enter into lease and advancement agreements<br>■ leasing in e-commerce online payments offered through LeaseLink<br>■ brokerage services in the area of motor and property insurance provided by Asekum |
| mFaktoring | ■ the sixth largest player among the members of the Polish Factors Association<br>■ financing of ongoing business operations, receivables management, assumption of insolvency risk, maintenance of settlement accounts of clients and collection of receivables, domestic and export factoring with recourse, non-recourse domestic and export factoring, reverse factoring – financing of client's liabilities<br>■ products offered by mFaktoring are available in all mBank branches providing services to SMEs and corporates in Poland<br>■ member of the Polish Factors Association<br>■ member of Poland's first factoring consortium |
| mFinanse | ■ the subsidiary is an open platform for selling financial products of various financial entities, including mBank<br>■ offer includes a wide range of products, such as mortgage loans, accounts and non-mortgage loans: cash loans and revolving loan for both individuals and corporates<br>■ it offers products of 27 active external financial entities in 180 points of sale located across Poland and 136 partner outlets |
| mTFI | ■ broad market offering including investment solutions targeting retail banking and private banking clients<br>■ integrating environmental, social and governance (ESG) aspects into investment processes – most mTFI-managed funds promote environmental or social aspects<br>■ supporting the idea of long-term investing thru a systematic savings programs, cycle of life funds and retirement programs |

## mBank's Authorities

### Supervisory Board of mBank

On January 1, 2024, Bernhard Spalt has begun his tenure as a Member of the Supervisory Board of mBank S.A. He replaced Marcus Chromik, who announced his resignation from his position as a Member of the Supervisory Board of mBank to the Chairwoman of the Supervisory Board of mBank on October 20, 2023, with effect on December 31, 2023.

On October 14, 2024, Bettina Orlopp resigned from her position as a Member of the Supervisory Board of mBank. She will remain a Member of the Supervisory Board until February 27, 2025. The Remuneration and Nomination Committee of the Supervisory Board recommended Carsten Schmitt as a candidate for the vacant position. His appointment to the Supervisory Board of mBank is subject to a positive assessment of suitability. On November 21, 2024, Carsten Schmitt was appointed to the position of Chief Financial Officer (CFO) to the Board of Managing Directors of Commerzbank AG, subject to regulatory approvals. Due to Bettina Orlopp's resignation from her position as a Member of the Supervisory Board of mBank, the Supervisory Board appointed Bernhard Spalt as Deputy Chairperson of the Supervisory Board of mBank, effective December 13, 2024.

As of December 31, 2024, the composition of the Supervisory Board of mBank S.A. was as follows:

1. Agnieszka Słomka-Gołębiowska – Chairwoman of the Supervisory Board
2. Bernhard Spalt – Deputy Chairperson of the Supervisory Board
3. Hans-Georg Beyer – Member of the Supervisory Board
4. Tomasz Bieske - Member of the Supervisory Board
5. Mirosław Godlewski - Member of the Supervisory Board
6. Aleksandra Gren - Member of the Supervisory Board
7. Bettina Orlopp – Member of the Supervisory Board
8. Thomas Schaufler - Member of the Supervisory Board

There are four independent members in the Supervisory Board:

1. Agnieszka Słomka-Gołębiowska
2. Tomasz Bieske
3. Mirosław Godlewski
4. Aleksandra Gren

Four committees operate within the Supervisory Board: Risk Committee, Audit Committee, Remuneration and Nomination Committee and IT Committee. The composition and tasks of each committee is described in chapter 11. "Statement of mBank on application of corporate governance principles in 2024".

### Management Board of mBank

On March 27, 2024, the Supervisory Board of mBank elected members to the Management Board of mBank for the term of office starting on March 28, 2024. On July 4, 2024 Cezary Stypułkowski handed in his resignation as President of the Management Board of mBank with immediate effect. His resignation was submitted following consultations with the Supervisory Board and is an integral part of the succession process. The process, which was conducted in line with the best practices, was transparent and organised.

On 5 June 2024 Cezary Kocik was conditionally appointed as President of the Management Board of mBank. On October 11, 2024, the Polish Financial Supervision Authority consented to the appointment of Cezary Kocik as the President of the Management Board of mBank. As a result, Cezary Kocik has fully assumed the position of President of the Management Board. Moreover, on July 25, 2024, the Supervisory Board of mBank S.A. appointed Krzysztof Bratos to the Management Board of mBank S.A. as Vice-president of the Management Board, Head of Retail Banking, replacing Cezary Kocik, effective July 26, 2024.

Cezary Stypułowski took the helm at mBank in October 2010. Since then the bank has strengthened its position as the most technologically advanced and customer-friendly online banking platform.

As of December 31, 2024, the composition of the Management Board was as follows:

1. Cezary Kocik – President of the Management Board
2. Krzysztof Bratos – Vice-president of the Management Board, Head of Retail Banking
3. Krzysztof Dąbrowski – Vice-president of the Management Board, Head of Operations and Information Technology
4. Marek Lusztyn – Vice-president of the Management Board, Chief Risk Officer
5. Julia Nusser - Vice-president of the Management Board, Chief People & Regulatory Officer
6. Adam Pers - Vice-president of the Management Board, Head of Corporate and Investment Banking

7. Pascal Ruhland - Vice-president of the Management Board, Chief Financial Officer

For more information on the Management Board and Supervisory Board of mBank, see chapter 11. "Statement of mBank on application of corporate governance principles in 2024".

## 1.3. mBank Group geographical presence

mBank offers its services not only in Poland, but also in the Czech Republic and Slovakia. The leading role of mobile and internet banking provider is supplemented by comprehensive service in the branches. In Poland, retail branches network covers 305 outlets whereas corporate network comprises 43 points of service, additionally supplemented by branches of mBank Group subsidiaries. In 2024 the number of branches in Poland decreased by 2, while in Czech Republic and Slovakia it decreased by 4. When contacting the consultants in the branches, clients can not only use products and services of mBank Group, but also install and learn how to use mobile and internet banking.

Retail network in Poland:

- 82 mBank branches
- 29 light branches
- 15 advisory centres
- 139 mKiosks
- 40 Financial centres and agency service points of mFinanse

Czech Republic

- 13 financial centres and light branches
- 17 mKiosks

Slovakia:

- 6 financial centres and light branches
- 7 mKiosks

Corporate branches:

- 29 corporate branches
- 14 corporate offices

Depending on their needs, our clients can take advantage of full product offering and cash services in traditional mBank branches. Comprehensive portfolio of more sophisticated financial products, such as mortgage loans and corporate funding, is available also in financial centres and agency service points of mFinanse. In the advisory centres, both individual and corporate clients are served, who can also use the services of mBank Group's subsidiaries. The light branches are dedicated to distribute basic financial products and provide clients with cash services up to defined limits. mKiosks, located in the shopping malls, allow clients to familiarize with mBank's offer, open an account and obtain a non-mortgage loan.

## 1.4. Information for investors

### Information on mBank shares and shareholders

mBank shares have been listed on the Warsaw Stock Exchange (WSE) since 1992.

As at December 31, 2024, mBank's registered share capital amounted to PLN 169,987,892 and was divided into 42,496,973 shares, including 42,485,973 ordinary bearer shares and 11,000 ordinary registered shares with a nominal value of PLN 4 each. Each share carries one voting right at the General Meeting.

In 2024, the total number of shares increased by 31,806. The new shares were issued pursuant to Resolution No. 38 of the 31st Annual General Meeting of mBank S.A. dated May 9, 2018 on issuing subscription warrants, a conditional increase of the share capital with exclusion of the pre-emptive right of the existing shareholders to take up subscription warrants and shares, a change of the Company's by-laws and on applying for admission of shares to trading on the regulated market, and on dematerialisation of the shares.

**mBank shares are included in the following indices:**
WIG
WIG20
WIG20TR
WIG30
WIG30TR
WIG140
WIG-Poland
WIG-Banks
CEEplus
MSCI Poland

| Information concerning mBank shares | 2023 | 2024 |
|---|---|---|
| Total number of shares | 42,465,167 | 42,496,973 |
| Nominal value per share (PLN) | 4.00 | 4.00 |
| Registered share capital (PLN) | 169,860,668 | 169,987,892 |
| Share price at closing of the year's last trading session (PLN) | 535.00 | 547.20 |
| P/E ratio | 944.2 | 10.4 |
| P/BV ratio | 1.7 | 1.4 |
| Maximum share price (PLN) | 573.80 | 750.00 |
| Minimum share price (PLN) | 272.80 | 493.20 |
| Market capitalisation at the year-end (PLN billion) | 22.7 | 23.3 |
| Average traded volume (PLN million) | 13.3 | 16.2 |
| Dividend per share (paid out in the year, PLN) | 0 | 0 |

## mBank shareholders and share price on the WSE

### mBank shareholders

Commerzbank AG has been the strategic shareholder of mBank since 1994. Its stake increased gradually from 21.0% in 1995 to 50.0% in 2000 and 72.2% in 2003. Starting from 2005, Commerzbank's stake has been gradually declining due to the implementation of the managerial options programs.

As at December 31, 2022, Commerzbank AG held 69.07% of shares and votes at the General Meeting of mBank. Commerzbank AG is the majority shareholder. The remaining shares, which are in free float, are held by financial investors, in particular Polish pension funds and Polish and foreign investment funds. The only shareholder that has exceeded the 5% threshold of shares and votes at the general meeting at the end of 2024 was Nationale-Nederlanden Otwarty Fundusz Emerytalny.

For more information about mBank's shareholders read the Statement of mBank on Application of Corporate Governance Principles in 2024, chapter 11.3 "Significant blocks of shares".

### Performance of mBank shares on the WSE in 2024



The Polish stock market in 2024 was characterized by significant volatility. Structural factors such as improved corporate profits, the release of EU funds, and the prospect of significant investments in the energy transformation had a positive impact on investor demand. On the other hand, investor sentiment was affected by uncertainty on the markets. It resulted, among other things, from concerns about economic growth in the world's largest economies, geopolitical tensions, expectations about the results of the US elections and their subsequent consequences.

In the first half of 2024, the Warsaw Stock Exchange indices broke through multi-year highs. Positive trends on the WSE were supported by improving macroeconomic situation with falling inflation and a high real increase in wages, as well as good financial results reported by companies from various sectors, including in particular the banking sector and the construction industry.

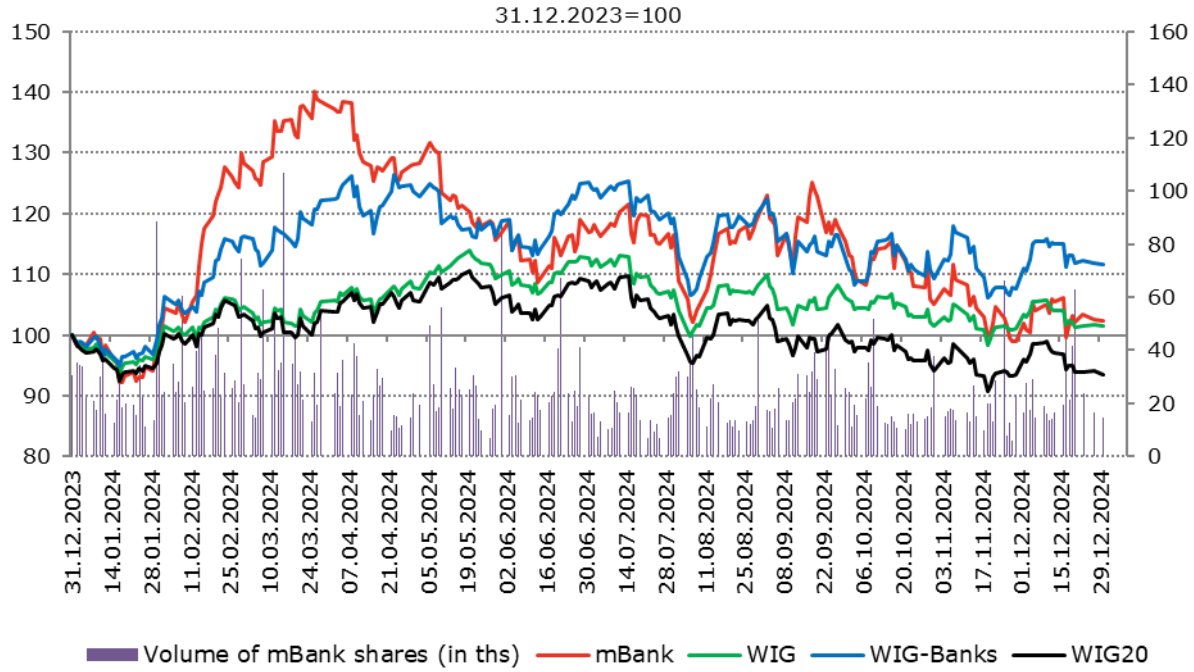
The demand for bank shares, in addition to good financial results generated especially by the net interest income, was impacted by the postponement of the prospect of interest rate cuts, the consent of the Polish Financial Supervision Authority to pay dividends from 2023 profits and the chances for dividends in the longer term. The increased demand for shares of Polish banks from abroad resulted from the improvement in investment sentiment in Poland after the political change resulting from the elections in October 2023. In the first quarter, mBank shares were a particular beneficiary of the positive sentiment on the WSE. On March 26, 2024, mBank's quotations reached a historic high, after which some investors started to take profits.

Stronger turbulence was recorded at the turn of July and August under the impact of foreign markets. The expected rise in unemployment in the US, the increase in interest rates in Japan and the growing tensions

in the Middle East raised concerns among investors that the United States started to face a recession. This led to a sell-off of stocks on global markets, including the Warsaw Stock Exchange. After a short-term correction, stock prices began to rise again. Nevertheless, in the fourth quarter of 2024, a downward trend prevailed, with high volatility of quotations. Market trends were impacted by economic and political developments, such as further interest rate cuts by central banks and the results of the presidential election in the United States. After Donald Trump's victory in the presidential election, new potential scenarios for ending Russia's war in Ukraine have emerged. In turn, Donald Trump's announcement about the possibility of introducing tariffs had a negative impact on investors' sentiment.

The chart below shows relative changes in mBank share prices and stock market indices (left axis) and the volume of trading in mBank shares in 2024 (right axis).

**Relative changes of mBank share prices and stock market indices and volume of mBank shares traded in 2024**



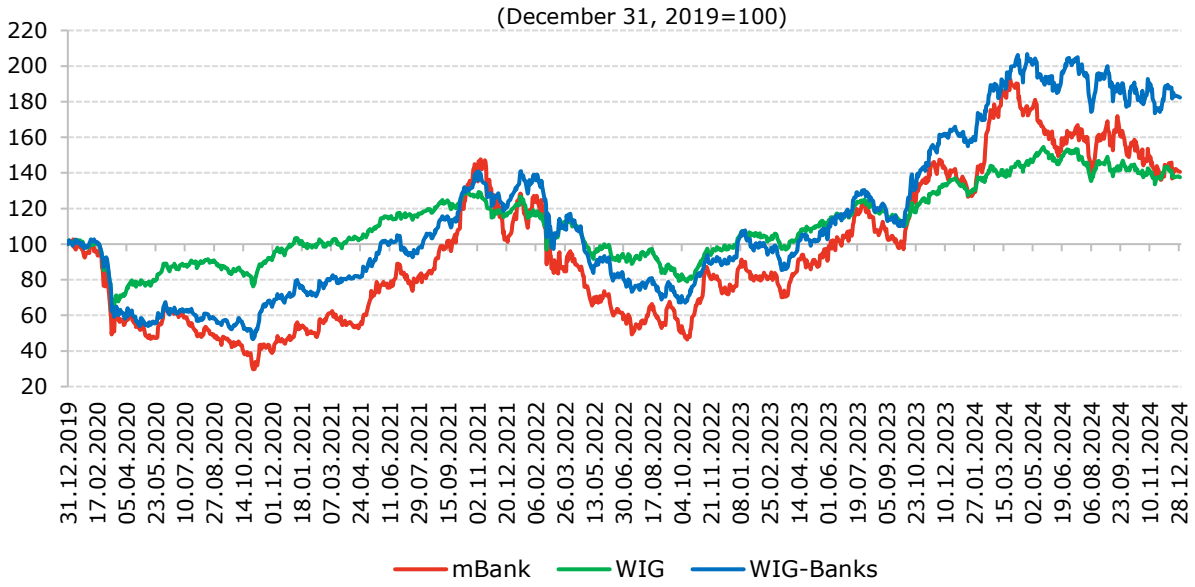

In 2024, WIG increased by 1.4% and the WIG20 index declined by 6.4% compared to the levels at the end of 2023. Bank stocks performed significantly better than the major indices. The WIG-Banks index increased by 11.6% in 2024 compared to the level recorded at the end of December 2023. The level of the WIG-Banks index was significantly influenced by the strong growth in PKO BP share quotations, which have the largest share in the index portfolio.

The closing price of mBank share at the last trading session in 2024 (December 30) stood at PLN 547.20, up by 2.3% compared with the last trading day of 2023. The relatively low free float of mBank (30.9%) compared to other banks listed on the WSE had a negative impact on the value of turnover in mBank shares on the WSE. The average daily turnover in mBank shares in 2024 amounted to PLN 16.2 million (i.e. 0.06% of market capitalization).

mBank's capitalisation amounted to PLN 23.3 billion (EUR 5.4 billion) as at December 31, 2024, which represents an increase from PLN 22.7 billion (EUR 5.2 billion) reported at the end of 2023. P/BV (price/book value) ratio of mBank Group stood at 1.4 compared with 1.7 a year before.

The chart below shows the relative changes in mBank's share price and stock market indices over the last five years.

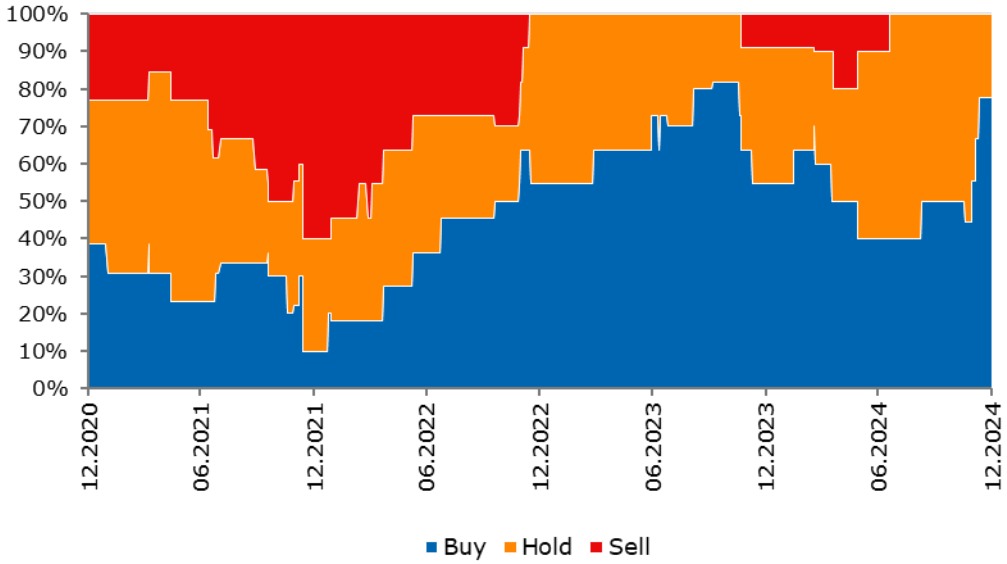
**Relative changes in mBank's share prices and WSE indices in 2020-2024**




| mBank share price vs. indices | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| mBank | 54.0% | +141.7% | -31.7% | +80.7% | +2.3% |
| WIG-Banking | -29.6% | +81.3% | -27.6% | +76.9% | +11.6% |
| WIG | -1.4% | +21.5% | -17.1% | +36.5% | +1.4% |
| EURO STOXX Banks Index | -23.7% | +36.2% | -4.6% | +23.5% | +23.4% |

From among the bank analysts and brokers actively monitoring mBank's financial performance and issuing recommendations on mBank shares, seven analysts advised investors to buy shares of mBank and two issued "hold" recommendations. For comparison, a year before, six analysts recommended buying mBank's shares, four issued a "hold" recommendation, and one analyst recommended selling the shares.

**Structure of stock market recommendations for mBank in 2020-2024**



The current consensus regarding mBank Group's expected results is available on mBank's website: https://www.mbank.pl/en/investor-relations/shares/consensus.html.

### Investor Relations at mBank

The Investor Relations team, acting in cooperation with the Management Board and other organisational units, provides analysts and investors with reliable and complete information about mBank Group.

When communicating with investors, the media and clients, mBank applies the Information Policy, which is based on the principles of open and transparent communication, taking into account the needs of all stakeholders. We provide them with universal and equal access to information in accordance with the highest market standards and applicable laws. We spare no effort to ensure that the information provided by us is up to date, reliable, useful, coherent, and comparable with information provided by other banks.

We have been actively communicating with capital market participants, which includes addressing our activities to the information needs of individual groups, in accordance with the best market standards and practices.

Similar to other issuers worldwide, we have adopted a hybrid approach to the IR activities, which combines the advantages of face-to-face shareholder meetings with remote communication.

Information provided via e-mail and the regularly updated content published on the official mBank's website play a significant role in communications with stakeholders.

**Investor Relations website** (https://www.mbank.pl/en/investor-relations/) features information divided into categories, including: periodic reports, financial results and selected business data, presentations and video recordings of earnings conferences, data on shareholders and share price of mBank on the WSE, consensus of forecast results of the Group, compendium of knowledge for new investors, current reports, information on general meetings, ratings and debt instruments. The website gives investors access to historic results of the Group and the bank (periodic reports, presentations and video recordings of earnings conferences) and to an archive of general meetings.

In addition, the Responsible Bank website contains information on various aspects of our activities related to sustainable development. Materials published there include our integrated/ESG reports and information about our ESG strategy and activities, sustainable development standards (i.e. primarily policies and procedures applicable at the bank), declarations regarding our ESG goals, as well as ratings, indices and awards related to this area.

Analysts and mBank's investors are kept informed about major developments in mBank Group via a monthly **Newsletter** and ad-hoc messages sent by email.

In 2024, investors and stock market analysts participated in four **earnings conferences**. All meetings with the Management Board accompanying the announcement of quarterly figures were posted on the bank's website. Our relations with analysts, shareholders and potential investors are also strengthened through meetings at **conferences organised by Polish and foreign brokerage houses**. In 2024, mBank participated in six conferences, two roadshows (in London as well in MENA and Asia) and meetings organised in connection with the issuance of bonds under the EMTN Program and Additional Tier 1 bonds.

In 2024, the Management Board representatives also held meetings with analysts from **rating agencies**. In addition, the bank has been in regular contact with rating agencies through teleconferences and emails.

## 1.5. Credit ratings of mBank and mBank Hipoteczny

### mBank's credit ratings assigned on request

mBank has solicited ratings assigned by S&P Global Ratings (S&P) and Fitch Ratings (Fitch).

### S&P Global Ratings

On May 17, 2024, S&P Global Ratings affirmed mBank's "BBB" long-term issuer credit rating, its "A2" short-term rating and the rating of senior unsecured bonds issued by mBank: Senior Preferred Debt at "BBB" and Senior Non-Preferred Debt at "BB+". At the same time the rating agency improved the outlook of the long-term rating from stable to positive. The positive outlook reflects S&P's view that mBank is taking significant steps to derisk FX mortgage loans. S&P expects that legal costs related to its CHF loan portfolio will remain substantial, but gradually recede over the next two years.

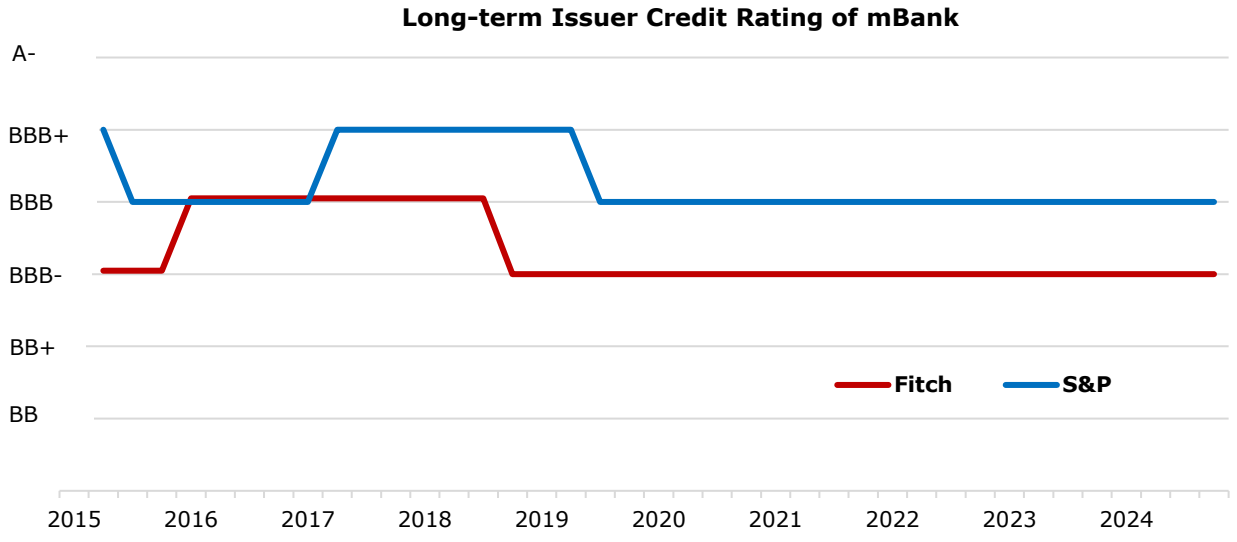
### Fitch Ratings

On June 28, 2024, Fitch affirmed mBank's Long term Issuer Default Rating at "BBB-", Viability Rating at "bbb-" and the stable outlook of the long-term rating.

Fitch reiterated its opinion that legal risks related to FX mortgage loans constrain mBank's ratings. At the same time, according to Fitch, mBank has well-established domestic franchise, conservative risk appetite, adequate capitalisation, and good funding and liquidity profile.

| Ratings of mBank S.A. | S&P | Fitch |
|---|---|---|
| Long-term issuer credit rating (foreign currency) | BBB | BBB- |
| Short-term issuer credit rating (foreign currency) | A-2 | F3 |
| Stand-alone rating (Stand-alone Credit Profile by S&P / Viability rating by Fitch) | bbb- | bbb- |
| Long-term resolution counterparty ratings (long-term RCR) | BBB+ | - |
| Short-term resolution counterparty rating (short-term RCR) | A-2 | - |
| Ratings for unsecured issuances under Euro Medium Term Note Program (EMTN)<br>1. Senior Preferred Debt<br>- Long-term rating<br>- Short-term rating<br>2. Senior Non-Preferred Debt<br>- Long-term rating<br>- Short-term rating | <br><br><br>BBB<br>A-2<br><br>BB+<br>A-2 | <br><br><br>BBB-<br>F3<br><br>BB+<br>F3 |
| Rating of AT1 instruments | - | B+ |
| *Outlook of Long-term rating* | *positive* | *stable* |

Changes in mBank's solicited long-term ratings are presented in the diagram below.



## Other credit ratings

### Rating of mBank and mBank Hipoteczny assigned by Moody's Investors Service

Moody's Investors Service (Moody's) evaluates mBank's creditworthiness based on publicly available information. Moody's assigned solicited rating to mBank Hipoteczny and mortgage covered bonds issued by mBank Hipoteczny.

On April 26, 2024, Moody's affirmed mBank's Baa1/P-2 long-term and short-term deposit ratings and revised the rating outlook to positive from negative. The reasons is that Moody's expects that the legal risks stemming from CHF mortgages will decline over the next 12-18 months and it will lead to enhancement of mBank's profitability and restoration of its organic capital generation.

| Moody's Investors Service | Ratings of mBank[1)] | Ratings of mBank Hipoteczny |
|---|---|---|
| Long-term Deposit Rating (foreign currency) | Baa1 | - |
| Short-term Deposit Rating (foreign currency) | Prime-2 | - |
| Long-term Issuer Rating (foreign) | - | Baa2 |
| Short-term Issuer Rating (foreign) | - | Prime-2 |
| Long-term Counterparty Risk Rating (foreign currency) | A3 | A3 |
| Short-term Counterparty Risk Rating (foreign currency) | Prime-2 | Prime-2 |
| Baseline Credit Assessment (BCA) | ba1 | - |
| Adjusted Baseline Credit Assessment | Baa3 | - |
| Rating of covered bonds issued by mBank Hipoteczny | - | Aa1 |
| Outlook of Long-term Deposit Rating / Issuer Rating | positive | positive |

[1)] *Ratings based solely on publicly available information*

### Capital Intelligence Ratings

On April 3, 2024 Capital Intelligence Ratings affirmed mBank's long-term foreign currency rating at "BBB" and short-term foreign currency rating at "A2". The rating outlook remains stable.

## Summary of ratings for Poland, mBank and Commerzbank

The table below compares long-term ratings (foreign currency) for mBank, Commerzbank and Poland assigned by S&P, Fitch and Moody's as of December 31, 2024.

| Rating agency | Poland | mBank S.A. | Commerzbank AG |
|---|---|---|---|
| S&P Global Ratings | A- (stable) | BBB (positive) | A (stable) |
| Fitch Ratings | A- (stable) | BBB- (stable) | - |
| Moody's Investors Service | A2 (stable) | Baa1[1)] (positive) | A1[1)] (positive) |

[1)] *Long-term deposit rating. For mBank based on publicly available information.*
*LT ICR of Commerzbank by Moody's is A2 (positive).*

*Rating outlook in parentheses.*

## 1.6. ESG ratings and indices of mBank

### Rating of mBank assigned by Sustainalytics

On December 19, 2024, Morningstar Sustainalytics conducted the annual full review of the ESG risk assessment of mBank Group. After taking into account all documents, on January 9, 2025, the ESG Risk Rating of mBank Group was slightly increased to 13.4 from 12.8 (the result of the rating update after a methodology change in May 2024). According to the scale used by the agency, the Group is exposed to

low risk of significant financial impacts related to ESG factors. Previous full ESG Risk Rating assessment for the Group was published on April 25, 2023.

In no case can the ESG Risk Rating Report be interpreted as investment advice or an expert opinion within the meaning of applicable law.

The Morningstar Sustainalytics ESG Risk Rating measures a company's exposure to significant industry-specific ESG risks and how well the company manages those risks. This multidimensional way of measuring ESG risk combines management and exposure concepts to obtain an ESG risk rating. It is a quantitative measure of unmanaged ESG risk (ESG risk score or ESG Risk Rating), which is comparable across all industries. The ESG risk rating from Sustainalytics distinguishes five levels of risk: negligible, low, medium, high, and severe. More information about ESG risk ratings can be found on the website: www.sustainalytics.com/corporate-solutions/esg-solutions/esg-risk-ratings.

The latest Sustainalytics ESG Risk Rating report along with the legal notice is published at: https://www.mbank.pl/en/investor-relations/ratings-debt-instruments/ratings/. It should be noted that the rating may change during the year due to the impact of various ESG factors on the assessment. The current rating can be obtained by investors from Sustainalytics. Legal notice: https://www.sustainalytics.com/legal-disclaimers.

More information about mBank's activities in the ESG area is presented on our website: https://www.mbank.pl/en/about-us/corporate-social-responsibility/main-page/.

**Rating of mBank assigned by MSCI**

On November 8, 2024, MSCI ESG Ratings upgraded mBank's rating to AA (on a scale from AAA to CCC). The previous rating published on October 26, 2023, was at level A.

The report indicates that the upgrade was due to the expansion of mBank's consumer protection practices, which are now on par with comparable banks and include debt collection policies. In terms of corporate governance, mBank applies leading practices compared to its peer group.

The MSCI ESG Rating measures a company's resilience to long-term ESG risks. Companies are rated on a scale from AAA (leader) to CCC (laggard) based on their exposure to sector-specific risks and their ability to manage those risks compared to their peer group. The MSCI ESG Rating for mBank along with the legal notice is available on our website: https://www.mbank.pl/en/investor-relations/ratings-debt-instruments/ratings/. It should be emphasized that the rating may change during the year due to the impact of various ESG factors. Investors can download the company's current rating from MSCI.

**FTSE4Good Index Series**

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that mBank S.A. has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products. More information on the index can be found on the website: https://www.ftserussell.com/products/indices/ftse4good/

**Bloomberg Gender-Equality Index 2023**

mBank has been included in the elite group of companies listed in the Bloomberg Gender-Equality Index 2023, which actively support equal opportunities in the workplace. The publication of the index was completed on October 21, 2024.

The Bloomberg Gender-Equality Index analyzes the performance of public companies with a market capitalization of over $1 billion in terms of gender equality in the workplace, measured in five areas: female leadership and talent development, equal pay and gender pay parity, inclusive work culture, anti-sexual harassment policies, and pro-women brand. Only companies that have achieved a score exceeding the globally defined threshold qualify for the index.

## 1.7. Key events and projects of mBank Group in 2024

**Settlement program for mBank’s clients with mortgages in CHF**

In the fourth quarter of 2022, following completion of the pilot phase, mBank launched an attractive settlement program for customers with CHF loans. mBank has signed over 22,9 thousand settlements with clients until end of 2024. mBank has presented the settlement offer to all clients and regularly renews it. The offer consists in converting the loan into PLN as if it had been taken out and repaid in the Polish

currency from the beginning. As a result, the outstanding principal is reduced. Until end of 2024, mBank's CHF mortgage portfolio decreased by 80.8%. The settlement process is efficient and does not require many formalities from borrowers. The bank is also open to negotiation with its customers. The converted loan bears interest at a variable or periodically fixed rate at an attractive level (4.99% at the date of preparation of this report). Settlements allow customers to definitively eliminate FX risk and interest rate risk for up to 5 years (interest rates may vary in the future depending on market conditions). The bank has launched a special website (in Polish) which describes the settlement program in detail. For more information on the settlements, see 34. explanatory note of the Consolidated Financial Statements of mBank Group S.A. for 2024.

**First issuance of AT1 bonds in Poland by commercial bank**

mBank as the first commercial bank in Poland offered AT1 (Additional Tier 1) bonds to a wide range of institutional investors. In the pioneering issuance of bonds, mBank raised PLN 1.5 billion, which was the maximum planned nominal of bonds to be issued, whereby with investor demand amounting to PLN 1.76 billion.

The transaction was settled on December 6, 2024. The bonds are the first of their kind publicly issued by a Polish bank. AT1 bonds are perpetual securities, entitling the holder to receive interest indefinitely, with the provision that mBank may redeem them after 5 years, subject to KNF approval.

The interest rate on AT1 bonds is fixed for five years, then set for subsequent five-year periods as the sum of the current PLN Swap 5Y rate and a fixed margin of 6.00 percentage points. The interest rate for the first five-year period is 10.63% per annum. Interest is paid semi-annually.

According to the KNF decision of December 30, 2024, AT1 bonds were classified as additional Tier I capital instruments, thereby increasing own funds and improving capital ratios at both the individual and consolidated levels. This issuance will enable mBank to more dynamically grow the volume of loans granted to individual and corporate clients.

The issuance of AT1 bonds by mBank also represents a significant contribution and impetus for the development of the Polish capital market. The bonds are listed in the alternative trading system on the Warsaw Stock Exchange (WSE).

**mBank conducted a green preferred senior transaction worth EUR 500 million**

In September 2024, mBank placed a green issuance of preferred senior bonds worth EUR 500 million with 6-year tenor and call option after 5 years (6NC5) on the international market under the EMTN program. The transaction attracted significant interest from investors, having the largest order book and the highest number of investors in the history of mBank's issuances.

The transaction aims to support fulfillment of MREL requirements. The bonds have a fixed coupon of 4.034% per annum for the first five years, and in the sixth year, the coupon becomes variable, set as the sum of the EURIBOR 3M rate and a fixed margin of 1.75 percentage points per annum. The bonds were admitted to trading on the Luxembourg Stock Exchange.

The transaction was the third mBank’s benchmark issuance denominated in euro and structured in a green format according to the Green Bond Framework. To date, mBank has raised a total of EUR 1.75 billion from green bond issuances. The proceeds will be used to finance and refinance retail mortgage loans for energy-efficient residential buildings and onshore wind and photovoltaic projects. These assets are selected according to the criteria established in the Green Bond Framework and verified for compliance with the Climate Bonds Initiative requirements by an independent reviewer, Sustainalytics. Climate Bonds Initiative certificates, pre-issuance and post-issuance opinions issued by Sustainalytics, and allocation and impact reports are available on the bank's website.

**Synthetic securitization of corporate loan portfolio**

On November 6, 2024, mBank concluded a synthetic securitization transaction on corporate loans portfolio with total nominal value of PLN 5,237 million. This is a fourth securitization transaction carried out by mBank. As part of the transaction, the bank transferred a significant portion of the credit risk to the investor, while the loan portfolio subject to securitization remains on mBank's balance sheet. The transaction positively impacts capital ratios and MREL, both at the individual and consolidated levels.

The transfer of risk of the securitized portfolio is conducted through the issuance of credit linked notes (CLN). CLN with a nominal value of PLN 560 million were issued on November 6, 2024. On the issuance date, the bonds were paid in the amount of approximately PLN 419 million. mBank has the option to increase the securitized portfolio to a maximum of PLN 7.0 billion, subject to investor approval (ramp-up option). After exercising the ramp-up option, the paid amount of CLN will increase to PLN 560 million.

CLN were introduced to the alternative trading system on the Vienna MTF organized by Wiener Börse AG. The new securitization transaction meets the STS criteria (simple, transparent, and standardized securitization).

**Updated mBank's Group Strategy for capital management**

On July 24, 2024, the Management Board decided to update the „Capital management strategy of mBank Group". It assumes that no dividend will be paid out from the profit earned by the bank in 2024. On July 25, 2024, the Supervisory Board approved the updated „Capital management strategy of mBank Group".

mBank plans to use the retained profit for dynamic lending growth and further business development while maintaining the capital buffers above regulatory requirements. It will also ensure maintaining the Tier 1 ratio at a level of at least 2.5 p.p. above the minimum requirements at the end of the year, in line with mBank Group's Strategy for 2021-2025. The long-term dividend strategy of the bank for subsequent years assumes dividend pay-out at the level of 50% of net profit.

**mOkazje zakupy is a new shopping platform available to mBank clients**

"mOkazje zakupy" is an mBank project that makes it even easier for customers to shop online, directly from their bank app. Both purchase and payment take place without leaving the app. A pilot of the "mOkazje zakupy" project was launched in June 2024. In the first phase of the project, 50,000 mBank clients were given the opportunity to buy on the Morele platform directly in the bank's mobile application. One product per day was offered at a unique, attractive price.

The implementation of "mOkazje zakupy" was divided into several phases. In August 2024, another 450,000 customers received an invitation to use "mOkazje zakupy". The number of products offered through the service (from categories such as electronics, gaming, small appliances, home and garden, sports, tourism) also increased to more than 100. The pilot ended in the fourth quarter of 2024. Since mid-December 2024, "mOkazje zakupy" is available to all mBank clients, and they can choose from about a million of offers segregated in two thousand categories. The functionality includes all essential eCommerce tools such as a search engine, filtering, various delivery methods for orders, transaction history, and instant payments.

On the Morele platform, clients will also find personalized offers in many categories, promotions and daily deals. The store reaches over 1 million recipients daily via its own media and fulfills orders on 13 foreign markets, which gives merchants and brands simple and quick access to many European markets.

mBank, in its development strategy for 2021-2025, announced an increase in its share in the e-commerce market. Entering into cooperation with the Morele purchasing platform is a key action that will help achieve this goal. In the future, mBank also wants to invite its corporate clients to join the platform. mBank estimates that over 50,000 e-shop owners use its service (which constitutes 1/3 of all e-shops in Poland). In 2023, mBank's clients made 240 million transactions in e-shops and spent nearly PLN 27 billion in them. It means that every fourth zloty which appeared on the e-commerce market at that time came from mBank's account (calculations based on the bank's data and PMR "Handel Internetowy w Polsce 2022", Strategy & „Perspektywy rozwoju rynku e-commerce w Polsce 2018-2027").

**New, innovative methods of payment**

mBank has expanded its offer of mobile wallets. Now clients can pay for purchases with a ring or watch strap equipped with Fidesmo Pay or Digiseq Pay software. Thus, mBank has become a leader among banks that enable customers to use modern forms of mobile payments.

Wearable accessories, among their numerous functions, also allow users to pay. It works similarly to smartphones or watches connected to a mobile wallet, e.g. Apple Pay or Garmin Pay. A client has to only bring such a gadget close to the terminal.

The software which allows clients to pay with a ring or a special watch strap is called Fidesmo Pay (available for Visa and Mastercard cards) or Digiseq Pay (for Mastercard cards). The devices can be purchased on the website of both software manufacturers. The device comes with instructions that explain step by step how to connect a payment card to it.

mBank clients have long been able to use Apple Pay, Google Pay, Garmin Pay, Fitbit Pay, Xiaomi Pay and Swatch Pay mobile wallets. Now more methods have been added: Fidesmo Pay, Digiseq Pay, Tappy Pay and Zepp Pay.

**Deferred payments in Paynow**

Paynow is an advanced technological payment gateway offered to mBank clients. The gateway is based on cloud solutions, enabling it to seamlessly handle hundreds of transactions per second. Over 20,000 clients have already used Paynow, including the largest online stores in Polish e-commerce. Its development is

managed by mElements, a company from mBank Group. Since September, companies using the gateway have been able to offer deferred payments in their online stores, thanks to collaboration with PayPo.

Deferred payments, commonly referred to as BNPL (Buy Now, Pay Later), is a service that allows customers to purchase goods and pay for them at a later date, usually within 30 days. According to the "Global Payments Trends" forecast, by 2025, 12% of all e-commerce transactions will be completed using this payment method. Paynow charges a commission of 1.2% of the transaction amount for using deferred payments. Data from PayPo shows that customers who use deferred payments are more likely and quicker to make purchase decisions, which leads to increased sales for the store.

**New version of mBank CompanyMobile, mobile application for corporations**

mBank has launched a new version of CompanyMobile mobile application for corporations, offering many attractive features that facilitate daily financial management for businesses. One of these features is the expansion of the app to include previously unavailable card management functions, allowing users to easily manage their cards directly from their phones.

The app allows users to add all or selected cards to the card widget. With the introduction of a clear list, using the cards in the app has become more intuitive and user-friendly. If a user has more than one card, they can simply click the card widget to navigate to the list screen. All cards assigned to the user are displayed there, organized and grouped by the contexts to which they have been assigned. Additionally, the app offers a realistic representation of the cards' appearance – the graphics reflect their actual design. This allows users to quickly and easily identify their cards within the app. This is another enhancement that makes financial management in CompanyMobile even more convenient and modern.

**The new strategy of mLeasing and expanded payment options**

At the beginning of 2024, the Management Board of mLeasing adopted new strategy. The adopted strategy is a response to the dynamically changing market environment and growing impact of climate change on business challenges. Strategy assumes the support of clients and partners in the coming transformation of the automotive market, including fleet owners and individual car users. The new GreenHub introduced by the strategy is a comprehensive solution to facilitate the implementation of decarbonization and emission reduction plans for mLeasing customers. The distribution strategy focuses on diversifying and strengthening its own sales channels, mainly the mAuto platform and digital shopping channels.

LeaseLink, a fintech owned by mLeasing, has introduced deferred payments for businesses. It has become the only entity on the market offering such a broad payment ecosystem aimed at businesses, which includes leasing, installment payments, and BNPL (buy now, pay later). Small and medium-sized enterprises also have access to the Paynow payment gateway, allowing them to finance company purchases without cash. Furthermore, in the third quarter of 2024, LeaseLink launched equipment rental services and merchant finance, creating a comprehensive financing offer – LeaseLink 360°.

**mLeasing is a leader in electromobility and support in the energy transformation**

mLeasing actively supports clients and partners in the transformation of the automotive market. The subsidiary registered 1,349 new battery electric vehicles (BEV) this year, making it the leader among companies financing and leasing new cars.

According to the latest data from CEPIK, mLeasing registered one of the highest number of BEVs on the market in the 2024 — fully electric vehicles that are leading the way in reducing the carbon footprint. This is the result of the subsidiary's consistent efforts in the field of electromobility. For fleet owners, mLeasing offers a full range of services, from helping with car selection to financing and facilitating everyday use. With car users in mind, the subsidiary is piloting a comprehensive fleet decarbonization program.

In October 2024, mLeasing launched a new online platform called "Green Transformation" (in Polish). The platform will support small and medium-sized businesses in reducing energy costs and lowering CO2 emissions. Entrepreneurs will receive assistance at every stage of goal implementation. They will gain essential knowledge about environmental protection, as well as a comprehensive set of products and services for sustainable business development. Through the platform, entrepreneurs will conduct an energy audit and estimate their carbon emissions. These values form the basis for reducing operating costs, developing a decarbonization plan, and limiting the negative environmental impact.

**mBank increases the limit for financing sustainable energy**

In July 2024, mBank once again increased its financing limit for renewable energy sources (RES) to PLN 6.4 billion. We finance the construction of wind and solar farms through bilateral and syndicated loans with the participation of other commercial banks and the European Bank for Reconstruction and Development. In consortium loans mBank serves as the credit agent or collateral agent.

mBank Group's Strategy for 2021-2025 aims to support sustainable investments totaling PLN 10 billion. The funds will be directed towards areas such as energy transformation, the circular economy,

electromobility, the implementation of the ESG strategy, and the decarbonization of the bank's clients. One of the key actions in this area is the financing of investments in renewable energy sources.

More information about the sustainable financing at mBank is available in chapter 10.2 "Environmental information (ESRS E1,E4)".

**mBank and KUKE jointly support entrepreneurs in implementing green investments**

mBank, in cooperation with KUKE, introduces an innovative guarantee program for entrepreneurs undertaking green energy investments. The offer enables attractive financing for projects related to renewable energy sources and improving energy efficiency. As a result, mBank clients can execute their investment plans more quickly and easily, contributing to environmental protection. Thanks to the guarantees, companies can obtain loans for green investments that cover up to 80% of the required financing. The repayment period for such loans can exceed 20 years, with a minimum loan amount of PLN 10 million.

mBank has been cooperating with KUKE since June 2023, when the institutions signed their first cooperation agreement. This agreement enabled companies to access attractive investment loans secured by payment guarantees for the purpose of developing their export potential.

**Co-organizing the issuance of green bonds**

mBank became a co-organizer, dealer, and structuring agent for Polenergia's green bond issuance. The issuance is part of the strategy to support the transformation of the Polish energy sector. Polenergia, the largest private energy group in Poland, issued green bonds for the first time. mBank was one of three institutions involved in organizing the issuance. Polenergia will use the proceeds to finance or refinance the development, acquisition, construction, and operation of green projects in the renewable energy sector, including offshore wind farms, as well as energy efficiency projects. The debt securities issued under this framework meet the Green Bond Principles established by the International Capital Market Association.

The issuance of 5-year bonds worth PLN 750 million was met with tremendous interest from investors, confirming the growing awareness of the importance of investing in renewable energy projects.

**50% of clients to be financially resilient**

mBank, as the first bank in Poland, signed the Commitment to Financial Health and Inclusion and Principles for Responsible Banking, as part of the United Nations Environment Program Financial Initiative (UNEP-FI). In June 2024, mBank announced the first goal that it will implement as part of this activity. The goal is to increase and maintain financial resilience and financial well-being of Poles, through support in managing expenses and building a financial cushion.

mBank's goal set together with UNEP-FI is to increase the percentage of clients who believe they are financially resilient to at least 50%. In 2024, we achieved this goal at a level of 54%. This means that more than half of our clients consider themselves financially resilient. We will continue to pursue this goal by encouraging clients to actively use the Finance Manager, a personal finance management tool (PFM).

The Finance Manager is designed to help clients manage their current and future finances wisely. Its role also includes supporting clients in preparing for life-cycle events (e.g. retirement). By the end of 2024, 1.92 million users were utilizing the PFM tool.

The bank will even better help its clients to plan their finances, avoid unnecessary debt and improve risk management skills. Finance manager is a tool available in the mBank mobile application and the website. By transparently presenting current inflows and outflows, categorizing them and comparing them over time, it allows clients to efficiently analyze and manage their finances on an ongoing basis.

**Education on cybersecurity, saving and safely investing for retirement**

mBank conducts regular educational activities related to safety. In 2024, as part of the "Self-Defense Online" campaign, we highlighted ways to protect against common online scams. The campaign included TV and radio spots, as well as online initiatives. Additionally, we promoted mBank's solution: identity confirmation via mobile authorization, on the internet and radio. This feature allows clients to verify whether a caller claiming to represent the bank is truly one of our employees or a fraudster impersonating them. In the second half of the year, we launched a broad communication campaign encouraging audiences to listen to the audio series "Clamor – Stories" ("Jazgot – Historie"), an mBank production, that illustrates the methods used by fraudsters and shares stories of individuals subjected to psychological manipulation. This was the second season of the audio series, which received highly positive feedback from both the industry and listeners. The audio series was made available on the most popular podcast platforms. This unconventional form of communication allowed us to expand the reach of our efforts and draw attention to the complex issue of social engineering tactics used by fraudsters to gain their victims' trust.

As the general partner, we have continued our participation in the "Capticated by Economy" ("Porwani Przez Ekonomię") project for another year. Together with the Warsaw Institute of Banking, Professor Witold Orłowski, and PwC, we help to teach young people a healthy approach to finance. In 2024, we provided students and teachers registered in the project with additional lessons on the topics of credit and investing. Lessons based on our scenarios are conducted in schools across Poland, enriched with interactive educational tools. Since the launch, the project drew a total of over 1,200 schools, 1,400 teachers, and 330,000 students. An additional initiative under the project in 2024 was the preparation of a report titled "Let's Talk About Money". The report was created to understand the challenges of educating young people about finance. It addresses teenagers' and their parents' attitudes towards finances, sources of financial knowledge, and their assessment of financial literacy. The report serves as a resource for parents and teachers to facilitate further discussions about finances.

mBank manages the largest number of brokerage retirement accounts, including IKE and IKZE, in Poland. To encourage Poles to save, from September 2024, mBank stopped charging deposit fees on foreign securities held in these accounts. For all clients, mBank has created a special educational website, "Invest for Your Retirement on Your Own" (in Polish). Additionally, within the mobile app, as part of the financial manager tool, mBank has introduced a retirement calculator. This tool helps mBank clients determine how much money they need to save for retirement and plan regular savings.

ETF funds are one of the most popular financial instruments in Poland. Seven out of ten people who invest in foreign markets have this type of instrument in their portfolio. To help new investors, mBank launched an educational project "Akcja Edukacja" (Action Education). It consists of several videos and articles where mBank explains what ETF funds are and how to invest passively. mBank's specialists explain the benefits and risks associated with such investments. In eMakler, the brokerage service integrated with mBank accounts, mBank offers an advanced ETF search engine. This tool allows users to access key information and conveniently choose from over 400 funds available at mBank.

With Polish women in mind, mBank launched the campaign "Women Live Longer... Also in Retirement." A study conducted by Maison & Partners in May 2024 revealed that only one in three women in Poland takes actions that could increase their pension. Just 6% invest in financial markets. mBank's campaign was inaugurated with a meeting attended by financial educators and journalists. The campaign produced podcasts, interviews, and reports to highlight the issue. Online, advertising spots based on memes "That's why women live longer than men" were published. The goal is to humorously draw attention to the serious problem and encourage action. The spots direct viewers to a specially prepared website where women can find tips on how to start securing their financial future.

**Operations of mBank Foundation**

We have been implementing the M for Mathematics (m jak matematyka) strategy since 2013. We strongly believe that mathematics provides the foundation for logical thinking and is vital to understanding the world around us. Knowing mathematics helps to take informed financial decisions and encourages interest in science. mBank believes that mathematics contributes to both personal professional success and the development of Poland's economy. In 2024, the mFoundation allocated over PLN 3,600,000 to statutory activities connected with mathematics education.

As part of our initiatives, we support children, teenagers and their parents and teachers, as well as university students and young scientists. In 2024, grants for educational projects were awarded to 270 entities, including public schools and kindergartens, non-governmental organisations, higher education institutions and libraries.

First edition of the grant program "mFactorial"

On March 14, mFactorial (mSilnia) program has begun. It is a new program for elementary schools students. The mFactorial has replaced mPower (mPotęga) after 10 years. The main goal of the program is to develop mathematical thinking. mFactorial also promotes practical approach to teaching mathematics and encourages cooperation between teachers of different subjects. The new program consists of two categories: an educational project competition - for schools and a lesson scenario competition - for educators. Public elementary schools, teacher training centers, universities, libraries and NGOs took part in the first competition. In the second competition, methodologists, teachers, educators and popularizers of mathematics could took part and submit their scenario. In the first edition of mFactorial, mBank has awarded grants to 65 projects from all over Poland and 8 original scenarios for the total amount of PLN 857,000.

Contest "A Step in the Future" for the best student thesis in mathematics

On March 30, the birthday of the great Polish mathematician Stefan Banach, the mFoundation announced the results of its annual competition "A Step into the Future" ("Krok w przyszłość"). The jury of the competition, chaired by Professor Paweł Strzelecki from the Faculty of Mathematics, Informatics and Mechanics of the University of Warsaw, selected the best papers in mathematics written by students that

promoted innovative, original ideas or set new research directions and methods. The jury awarded the grand prize of PLN 20,000 and three equivalent awards of PLN 10,000 each. On June 30, 2024, mBank announced the next, ninth edition of the competition.

„Rethinking Maths: Recipes for Effective Maths Education"

In June 2024 mFoundation organized conference „Rethinking Maths: Recipes for Effective Maths Education". Over 100 teachers from all over Poland took part in this event. The main goal of this event was to find universal solutions, which would help to improve mathematical education and allow to teach math more efficiently. The key element of the conference was a debate featuring Polish and Estonian experts. It focused on the need for systemic changes pertaining to teacher autonomy, communication between teachers teaching different subjects and at different levels, and maths education based on problem solving. mBank Foundation forwarded the conclusions from the debate to the Ministry of National Education.

Fourth edition of "Growing with Maths" grant program for kindergartens

In September, mFoundation started accepting applications for the fourth edition of the Growing with Maths (Rosnę z matematyką) program. The program was available to kindergartens, schools with kindergartens and non-governmental organisations from all over Poland. This year's edition gathered 446 ideas for educational math activities for children aged 3–7. The jury of the contest selected 127 projects and awarded grants totaling PLN 860,000. The money will fund hundreds of hours of creative maths classes for the youngest school children.

Grant program „Pragmatic dimension of geometry"

Since 2022 mBank has launched a number of new themed grant programm. Once a year in autumn, mFoundation announces the main theme for the next 12 months. From October 2022 to September 2023, the foundation awarded grants to projects that combined math education with ecology. Since October 2023, the main theme has been geometry. The program "Pragmatic dimension of geometry" ("Praktyczny wymiar geometrii") supports ideas proving that geometry is an interesting, inspiring field that can be much more than just a boring school subject. It can be taught as part of competitions, special courses, extracurricular classes, meetings and workshops. In 2024, mFoundation awarded grants totaling PLN 643,000 to 85 projects.

Other activities

mFoundation has been organising educational events for many years. In 2023 it held the 9th Maths Picnic in the Copernicus Science Centre and the 9th Festival of Mathematics organised jointly with Gazeta Wyborcza daily. We also support maths Olympians as part of the Masters of Mathematics (Mistrzowie matematyki) project. In 2024, in cooperation with the Association for Mathematics Education, we provided scholarships to 29 winners of the Mathematics Olympiad and Junior Mathematics Olympiad. The total amount of scholarships was PLN 44,000. Additionally, the mFoundation offers free publications promoting maths, which can be downloaded at www.mjakmatematyka.pl. These include:

- Matematyka jest wszędzie (Maths is Everywhere), Dziecinnie prosta matematyka (Child's Play Maths) and Matematyka na zielono (Green Mathematics) dedicated to families with children aged 0–13,
- Wielcy polscy matematycy znani i nieznani (Known and Unknown: Great Polish Mathematicians) and Środek do celu (Means to an End) dedicated to teachers who want to learn how to make maths lessons more interesting.

Implementation and financial reports on the foundation's operations are available at www.mfundacja.pl.

**Support for promoting culture – a summer full of concerts**

The M for mBank's Art Collection ("m jak malarstwo") project is one of mBank's social responsibility projects. Thanks to our special fund established in 2022, we are creating a collection of artworks authored by the most interesting and promising young Polish artists. The artworks are selected on behalf of mBank by a committee composed of renowned representatives of the art market and a representative of the fund. When selecting individual works, the committee responsible for art purchases is guided by both their artistic worth and prospective valuation in the longer term. This may include both single artworks from individual artists and larger collections. Between 2020 and 2024, mBank bought 152 artworks authored by 96 contemporary Polish painters. mBank's initiative revitalises the Polish art market and supports the most talented young artists. We expect that in the future mBank's collection will pave the way for a new generation of artists, and the M for mBank's Art Collection fund will operate like a perpetual motion machine supporting artists.

In July 2024, mBank became the strategic partner and main stage sponsor of Łódź Summer Festival for the second time. This is the largest urban festival in Poland. The event took place from July 26 to 28, and all concerts were free of charge. The festival featured a unicorn – the unofficial symbol of the revitalized

city of Łódź. Its design was created by mBank a year ago to mark the city's 600th anniversary. The unicorn and Łódź dialect form the basis of the creative concept that the bank uses to promote the event.

In August, mBank became the patron of the Academy of Fine Arts for the 7th time during the Pol'and'Rock Festival. The festival took place from August 1 to 3. mBank prepared many attractions for the 30th anniversary edition of the event. Among them were workshops on cybersecurity, a commemorative payment card in both physical and mobile versions, and gifts for festival participants. mBank has been a partner of the Pol'and'Rock Festival since 2018 as the patron of the Academy of Finest Arts – a place for important meetings and discussions.

In September, mBank returned to Łódź for the Great September Festival. The third edition of this unique showcase festival, combining the characteristics of a public event with a meeting for the music industry, took place from September 12 to 14. mBank and Mastercard were patrons of the event. Just like last year, mBank prepared a limited-edition payment card, designed to match the festival's visual identity, which offers a 50% discount on festival merchandise.

mBank is eager to engage in interesting cultural events, especially those that are appealing from the perspective of its customers. The bank has many clients in Łódź, as analysis shows that over 40% of the city's adult residents hold an account with mBank. The retail banking division of mBank also has its roots in Łódź, where it was established over 20 years ago. mBank is also one of the largest employers in the region, employing around 3,000 people.

**mBank plays together with the Great Orchestra of Christmas Charity**

The Great Orchestra of Christmas Charity (WOŚP) played for the 32nd time in 2024. For mBank, it was the seventh anniversary of its cooperation with the foundation as strategic partner and sponsor. The 32nd WOŚP finale took place on January 28, 2024. This time, the foundation raised money for equipment to treat lung diseases. In addition to the gifts prepared every year and the functions made available in the application, mBank also enabled support for the Foundation's goals through the "heart" icon in the transaction service. In 2024, for the first time, the bank offered payment cards with commemorative WOŚP design and blind notch that makes the use of the card easier for visually impaired people. The youngest clients who opened an eKonto Junior received special pins with motifs associated with the Orchestra for their new payment cards. Companies served by mBank's corporate and investment banking could make a contribution to the collection organised by the Great Orchestra of Christmas Charity. mBank donated the equivalent of six months' fees for accounts opened by companies from January to the end of June 2024 to the foundation's account.

The 33rd Great Orchestra of Christmas Charity (WOŚP) finale took place on January 26, 2025. This year, the WOŚP foundation raised money to support and equip pediatric oncology and hematology departments. Once again, mBank participated in the event and supported its organization – in total, about 1,000 employees were involved in various activities. As a result of the joint effort of mBank employees and its clients, nearly PLN 140 million has been raised for WOŚP over the past 8 years. mBank itself donated PLN 19.5 million during this time. This year, clients could also use a special „heart" icon in the mobile application to donate to the foundation. To every click on the icon, PLN 1 was added by mBank. In parallel, mBank offered traditional and digital payment cards with WOŚP motifs designed by Jurek Owsiak, the Charity's founder, and with a built-in notch for blind people. For corporate clients, mBank prepared another edition of the "In the Rhythm of WOŚP" promotion.

**New features of mBank's online banking and app**

In 2024 we focused on improving the functionalities of our online banking and mobile app. The most important changes made in this period include:

- **Budget and summary in the Financial Manager (PFM)** – In the budget management tool in our mobile application, we added new features: budget planning and personalized summaries of income and expenses on a monthly and annual cycle. Their goal is to help clients better understand the flow of funds in their accounts, and consequently gain fuller control over their finances - taking care of so-called financial health. mBank is the first among Polish banks to join the global trend of presenting annual data in a visually intriguing way. In just the first 6 days after making this functionality available, over 485,000 clients viewed their summary.



- **Retirement calculator** - In our mobile application, we have provided our clients with a calculator that allows them to create their own savings plan for retirement. Clients simply need to answer a few questions about their current income, accumulated funds, and the lifestyle they want to lead in retirement. Based on this and data from ZUS, the calculator estimates the amount the client will have available for retirement. If it is not sufficient for the intended goal – the chosen lifestyle – it suggests

how much needs to be saved monthly to accumulate the missing amount. Making your own retirement calculation does not involve purchasing any product. The plan can be saved and edited in the future. Our goal in creating the retirement calculator was to encourage clients to think about their finances in the long term.

- **mOkazje zakupy** - At the end of the year, with the new version of the mobile application, all mBank clients gained access to mOkazje zakupy. The entire purchasing process is quick, safe, and intuitive: a search engine with filtering and sorting options helps find the right product. Address data is automatically filled in, and finalizing the order only requires entering the app PIN or confirming the transaction with Face ID. Payment is also instantaneous, as it occurs without any external redirects.



- **Investment management section expansion** - We continue to develop the investment management area in the mobile application. Currently, this section provides more information about the composition of funds in the portfolio. We have added investment visualization and simplified navigation.
- **New loans tab** - Now, clients can find all loans in one place in the mobile application, with intuitive filters. The new tab meets the WCAG (Web Content Accessibility Guidelines) requirements.
- **Downloading transfer confirmation before session** - We have enabled clients to download the transfer confirmation immediately after placing the order and before the settlement session. This highly anticipated feature was used 110,000 times in the mobile application and 106,000 times in the transactional service in the first month.
- **Mobile onboarding with biometrics** - At the end of 2024, we introduced biometric verification in the remote account opening process. This improvement enhances the client experience and shortens the time to open an account through the mobile application. Biometrics also increase the security of our clients when opening an account remotely.
- **Managing payment card tokens** - In the mobile application, clients can easily check the list of all available tokens associated with the payment card, such as a smart band or smartwatch. By removing a single token, they can quickly disable payments with a given device if needed.
- **Changing BLIK limits and phone number in the mobile application** - Last year, we added the ability to manage BLIK limits for payments and transactions and update the contact phone number in the mobile application. Clients can now make changes easily while maintaining all security principles.
- **Personalizing the application dashboard** - The mBank application dashboard now allows for the customization of products, shortcuts, and widgets, speeding up and simplifying the use of the application. In 2024, we expanded the dashboard with a new element. Individual clients gained access to another widget, visible immediately after logging in. Clients with access to the Shopping section will find current promotions in it. To make the application even safer, we added the option to hide the account balance on the main screen of the mobile application in the dashboard view personalization options.
- **New microanimations communication formats** - To effectively reach our clients with communication and reduce the effect of the so-called banner blindness, we introduced the first improvements in this area in 2024. From the fourth quarter, our clients can see a communication microanimation on the dashboard, which appears briefly after logging into the application. As a result, clients more frequently open messages about financial health, online dangers, and offers tailored to the client's situation.
- **New chat search engine** - We implemented a search engine for the most popular topics to help our clients quickly and independently solve problems they encounter in the chat. The new search engine is available after entering the chat from the transactional service and the mBank mobile application. The main advantages of the tool are an intuitive interface designed with the participation of our clients, simplicity and ease of searching for help topics. If the client does not find an answer to their question, they can always write to our employee in the chat.
- **New video contact path with the bank** - Currently, the client can schedule a meeting with a bank employee via video channel. In the first stage, we provide this contact path for discussions about investment products, where we know clients need additional support in handling such products. Clients receive notifications about the scheduled meeting in the message box in the transactional service and via a "push" message in the mobile application in advance. Additionally, it is easy to cancel the meeting by responding to the meeting notification.

Thanks to regular changes, we increased the number and involvement of app users in 2024. Our mobile app had 3.8 million users in December 2024 in Poland, Czech Republic and Slovakia (+5.1% YoY). Moreover, the number of Monthly Active Users (MAU) amounted to 3.5 million.

## 1.8. Awards and distinctions

mBank wins award for best portfolio management and remains best domestic bank - Euromoney Global Private Banking Awards

At the end of March, mBank was honored with two awards during the Euromoney Global Private Banking Awards gala. An international Jury recognized mBank with the award for the best domestic private banking and the award for the best portfolio management. This year, the panel of experts highlighted a significant number of new initiatives which supported the development of mBank's operations. mBank was also distinguished for digital solutions for clients in online banking.

Four awards in the World's Best Corporate Digital Bank 2024 contest

In the Global Finance World's Best Corporate Digital Bank 2024 competition, mBank won 4 accomplishments. The awards were handed for: Best Corporate Mobile Banking in Central and Eastern Europe, Best Corporate Digital Bank in Poland, Best Mobile Banking App in Poland and Best in Innovation in Poland. Once again, mBank received the title of the best digital bank in Poland. The mBank CompanyMobile application received the title of the best corporate mobile banking application in Poland for the second year in a row, but for the first time it was recognized as the best in CEE. For the first time, the jury indicated mBank as the best example of an innovative bank in Poland.

Award for mBank's Wealth management for outstanding offering to private clients

During the international Global Private Banking Innovation Awards gala, mBank's private banking received an award for the best Wealth Management for portfolios worth from PLN 100,000 up to 250,000 US dollars. The Global Private Banker magazine also recognized mBank for investment facilitation solutions, which give private banking clients ongoing access to their portfolio, results and all statistics from the transaction service. The gala is organized by Global Private Banker magazine.

Honorable mention for best digital private banking at Wealth Tech Awards

In the Wealth Tech Awards 2024 competition, mBank won in the Best Digital Private Banking in Central and Eastern Europe category. The competition was organized by PWM Financial Times. This year, the competition jury appreciated the digital development of mBank's private banking. The award covered all our activities in the digitization of private banking.

Recognition of mBank's digital offer – second place at highly prestigious Mobile Trends Awards

mBank received a special award in the Mobile Trends Awards competition. Thanks to the votes received in the online poll, mBank took second place in the "Mobile application development" category. More information on new features that appeared in the application last year are included in chapter 1.7 "Key events and projects of mBank Group in 2024". For 12 years, the awards have been granted to companies which have successfully used mobile technologies in their projects.

Diamond award for the most creative mobile campaign presented to mBank's mobile onboarding process

During the Performance Marketing Diamonds competition gala, mBank received the main prize "Diamond" in the category of the most creative mobile campaign. The competition jury appreciated the acquisition campaign in the mobile onboarding process, i.e. directly within the application. The competition is organized by the Chamber of Electronic Commerce. The event has an international character and is a day dedicated to marketers who specialize in performance marketing, affiliation, preparing content and e-commerce strategies.

mBank won the first place at Quorus-Infosys Finacle Banking Innovation Awards 2024

mBank was awarded the first place at international contest Quorus-Infosys Finacle Banking Innovation Awards 2024 in Operational Excellence category. mBank's project "Unique way to activate mBank's mobile app", was selected among 400 solutions from 177 institutions across 57 countries. mBank's team had introduced innovative method to activate mobile app, which only takes one minute. This method uses NFC technology. A physical card (active) is required to connect with an account. This solution vastly improves user experience and cybersecurity.

Active Ops Awards

mBank's Operation Department for the second time in a row was awarded in the prestigious, international contest ActiveOps Awards. mBank was nominated in two categories: OPS Excellence and OPS Team of the

Year. Capacity conference, organized by ActiveOps in UK, USA and Australia, offers a unique opportunity to look at the future of operations. During the event, various companies are awarded for introducing innovations in their operations departments, which stand out from the competition.

„Financing Bank of the Year", the Polish Private Equity & Venture Capital Association

mBank won another award from Polish Private Equity & Venture Capital Association (PSIK) in the Financing Bank of the Year category. The contest promotes the highest standards in the private equity/venture capital sector and PE/VC investor contribution to the development of Polish companies and the society. The award is even more valuable to mBank as it is provided by PSIK members representing the market. This year, mBank received widespread recognition from private equity and venture capital funds.

Laures in „Diamenty Zielonego Przemysłu" (Diamonds of green industry) contest

mBank was awarded in „Diamenty Zielonego Przemysłu" (Diamonds of Green Industry) contest, in category "Leader of Green Financing". This contest is aimed to honor companies and entrepreneurs, that stand out from the competition, and implement sustainable development goals in their strategy. The statuettes are awarded to companies that introduce innovative products and solutions, as well as make investments with the highest environmental standards in mind. The competition is organized by the Executive Club.

Paynow awarded with third place at the Reinvention Awards

Paynow's mechanisms for increasing sales conversion were awarded third place in the Operational Efficiency category in the Qorus Reinvention Awards – Europe competition. Paynow is created by mBank and mElements. Conversion-increasing mechanisms are functions which give a payer buying from an online shop with Paynow implemented the best chance of successfully completing a transaction.

The Best Annual Report

mBank's annual report for 2023 received the title of "The Best of the Best" from the Institute of Accounting and Taxes. mBank was distinguished in the category of financial institutions for the twelfth time in a row. Every year, mBank's reports are appreciated by market commentators, who confirm the high utility value of the reports for shareholders and investors. The competition aims to create standards for preparing annual reports in accordance with International Financial Reporting Standards and International Accounting Standards, recognized by the market, and to promote publications with the highest utility value.

Two silvers at the Effie Gala for mBank's cybersecurity efforts

At the 25th Effie Gala, mBank received two silver awards. Honorable mentions went to mBank's campaigns: self-defense on the net and the criminal audio series Jazgot. mBank has been building awareness of online threats and showing how to protect against them on a large scale for 9 years. The Effie Gala is one of the most recognizable events at which the most important Polish marketing awards are presented.

Honors for mBank's diversity and inclusion strategy with top position in nationwide ranking

This year, mBank was also among the most advanced employers in the field of diversity and inclusion management in Poland. The Diversity IN Check ranking is based on a study conducted by the Responsible Business Forum. It assesses the level of advancement of Polish companies in managing diversity and inclusion. mBank achieved one of the highest results in the study: over 80%.

Golden awards for customer experience and recruitment campaign

During the Next Generation Contact Center & CX Best Practice conference, mBank received golden awards in two categories: Best Contact Center and Best Recruitment Campaign. The international jury appreciated the presentation of our "CC Premium" strategy and the recruitment process during the presentation at the conference. The "CC Premium" strategy was deemed by the competition jury to be the best and worth imitating by companies that want to provide customers with the highest quality experiences.

HR development programs distinguished by main prize

mBank received an award in the Power of Attraction (Siła Przyciągania) competition organized by Puls Biznesu Magazine. In the category "Support for employee development - new competences in a new reality", mBank received the main prize. The jury appreciated the "Future Skills" project and the "Mission Innovation" conference of mBank which aims to develop future competences.

First place for "Fridays with Development" program at this year's HR Dream Team awards

mBank's "Fridays with Development" program won the first place in the 9th edition of HR Dream Team in the category of talent development in the organization. "Fridays with development" is a series of workshops, consultations, remote trainings and webinars held every Friday. Employees can choose topics according to their interests and needs. HR Dream Team is the culmination of the most interesting, boldest and most effective projects implemented by HR teams in organizations.

Multiple prizes for mBank at this year's Employer Branding Excellence Awards competition

mBank won the main prize in the Employer Branding Strategy category in the Employer Branding Excellence Awards 2024 competition. The jury of the competition appreciated mBank's campaign "We are distinguished by people", which presents the organizational culture and values of mBank. In addition, mBank received distinctions in two other categories: External Campaign (for the "Technologies that matter" project) and Employee Advocacy (for the "Diversity Ambassadors" project). The main idea of the competition organized by the HRM Institute is to reward and present the best employer branding practices in Poland.

mBank's press office recognized as the best by jounalists

The mBank press office was once again recognized as a leader in the banking sector. At the same time, opinion leaders indicated mBank as the most recommendable to individual customers in a study by ARC Rynek i Opinia Sp. z p.p., market research. PR specialists won first places in the following categories: speed of response, knowledge of the specificity of journalists' work, professionalism and knowledge. They are also best at building relationships with media representatives and presenting topics in an interesting way.

Gold for Contact Center and Best Recruitment Campaign

mBank received gold in the category of Best Contact Center and Best Recruitment Campaign. The awards were granted by an international jury during the Next Generation Contact Center & CX Best Practice conference organized by Contact Center World. mBank's CC Premium strategy was recognized as the best and considered an example to be followed by companies which intend to provide customers with the highest quality experience.

A Series of Awards for mBank's Audio Series "Jazgot," including in a competition for the best podcast

The crime audio series "Jazgot" ("Clamor"), coproduced by mBank and the Voice House studio, has been appreciated once again. This time, its communication and entertainment values, and above all, its beneficent work for the society, which the recording applies by educating recipients in the field of cybersecurity, were appreciated by the jury in the competition organized by Klub Twórców Reklamy. The series received two silver and one bronze awards, and since its publication it has won a total of seven awards. "Jazgot" is very popular.

On the other hand, in the Podcast of the Year contest, "Jazgot" received an award in the "Brand Sponsoring a Podcast" category, as well as an Audioteka award for a well-told story. Podcast of the Year is a competition aimed at promoting the quality, originality and culture of transmission of various audio forms in digital media.

The radio show "Jazgot" also received the top prize in the PR Wings competition organized by the Association of Public Relations Agencies in the "Protection from Misinformation" category. "Jazgot" enjoys great popularity. The second season of the series premiered in October 2024.

More information on awards and distinctions can be found on the Bank's website in the "Press Centre" section: https://en.media.mbank.pl/.

# 2. mBank Group's environment

## 2.1. Macroeconomic environment

### Economy and the banking sector in Poland

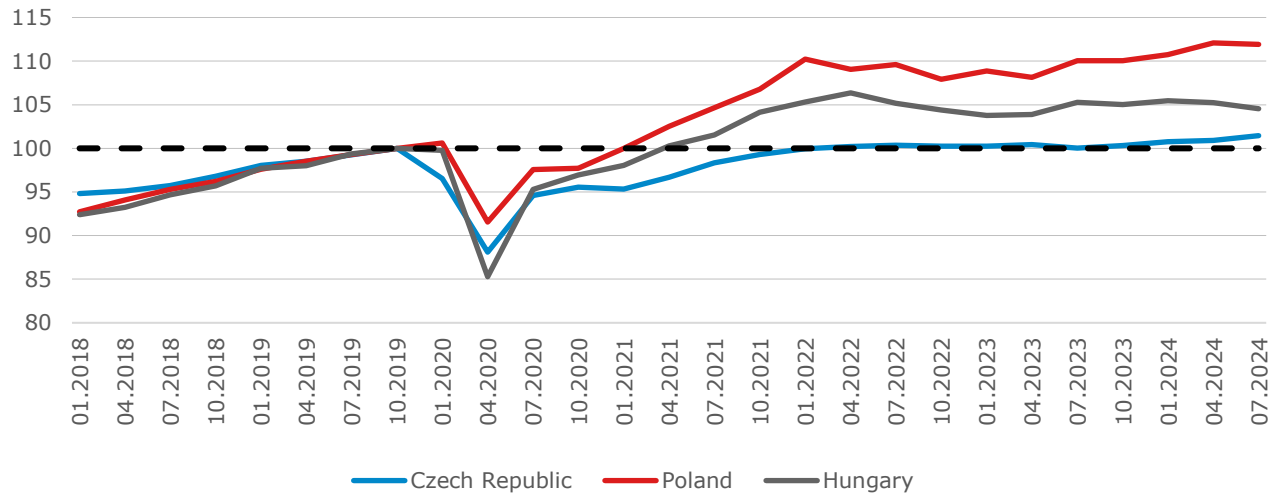
| Key macroeconomic indicators | 2024 | Banking sector parameters | 2024 |
|---|---|---|---|
| Real GDP growth rate (mBank estimate) | 2.8% | Base interest rate | 5.75% |
| Nominal GDP per capita (EUR) | 19 900[1] | Loan to Deposit ratio | 67.5%[2] |
| GDP per capita in PPS (EU-27=100) | 77%[1] | NPL ratio | 5.0%[2] |
| Average annual inflation rate | 3.7% | Total Capital Ratio (TCR) | 21.4%[3] |
| Average annual unemployment rate | 5.1% | Net Return on Assets (ROA net) | 1.34%[2] |
| Population | 36.6 mln | Net Return on Equity (ROE net) | 15.7%[2] |

*Source: Statistics Poland (GUS), Eurostat, Polish Financial Supervision Authority.*
*[1] Data as at the end of 2023*
*[2] Data as at December 2024 (as released on February 18, 2025)*
*[3] Data as at September 30, 2024*

Summary of developments

GDP growth in 2024 was significantly better than in the previous year. As a result, final growth is likely to be close to 3%. Consumption proved to be the main driver of growth last year. The change in inventories (future consumption) also had a slightly positive impact. The contribution on the investment side is likely to be close to neutral. On the other hand, weak external demand combined with relatively strong imports resulted in a negative contribution from foreign trade. While we expect foreign trade to remain under pressure in 2025, we see a more pronounced acceleration for investment. It is worth noting that the Polish economy performed significantly better than the Czech Republic or Hungary last year.

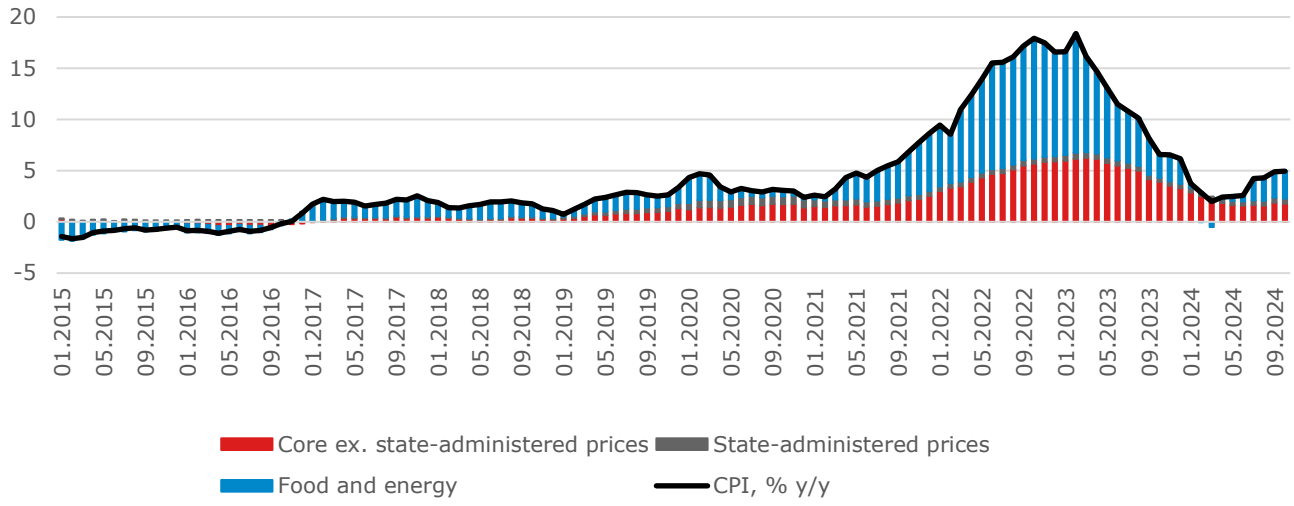
**Depth of recession and pace of upswing in the region (Q4 2019 = 100)**




*Source: Own calculations based on Macrobond.*

Inflation has followed a rather uneven path over the past year. In the first half of the year, the annual CPI fell as low as 2%, partly due to base effects. The second half of the year was characterised by much higher figures in the vicinity of 5%. However, the growth was not another wave of inflation caused by strong demand or supply constraints. The reason why inflation accelerated so sharply from July onwards was the government's decision to raise the fixed tariff for the sale of electricity.

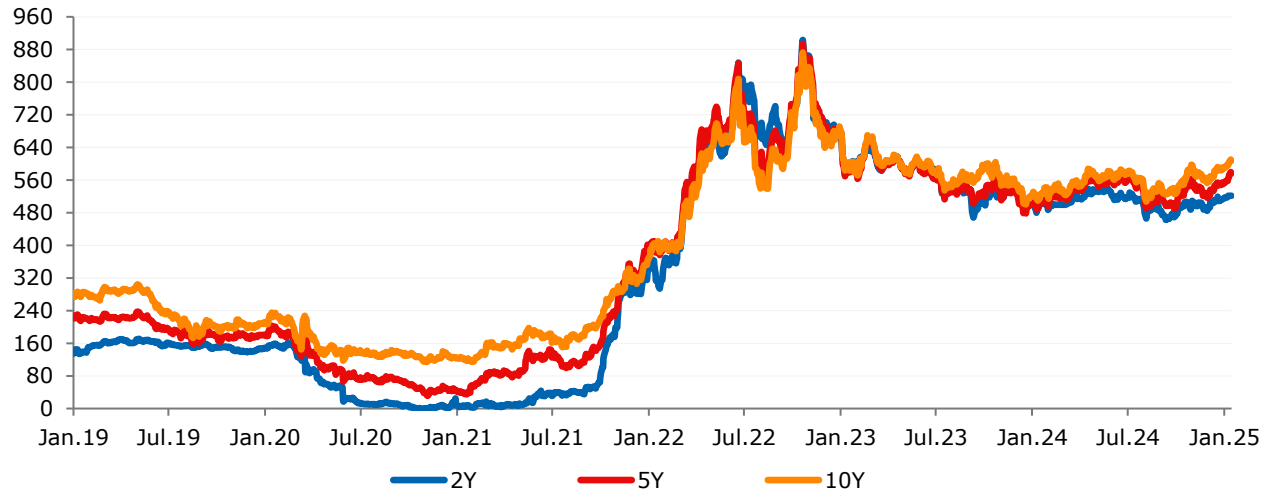
**Decomposition of CPI inflation**




*Source: Own calculations based on GUS.*

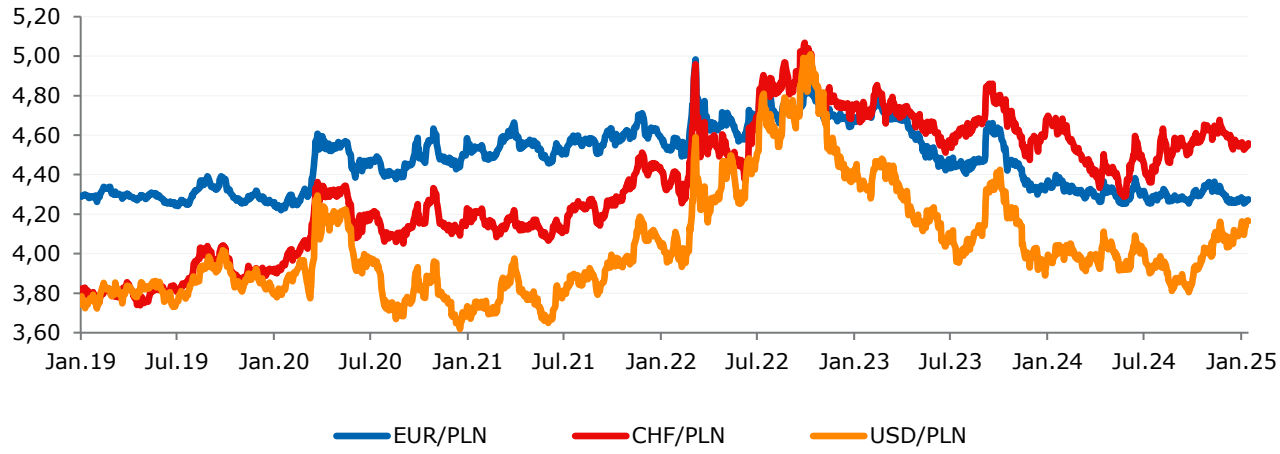
Over the past year, yields on government bonds have risen, although the increase has varied depending on the maturity of the note. The longer duration, the greater the rise in yields. At the same time, the Monetary Policy Council decided not to change interest rates. As a result, the NBP reference rate remained at 5.75%. During the year, however, the MPC's communication changed quite significantly, which had an impact on the high volatility of the expected path of interest rates. In 2025 a record level of borrowing needs to be financed, which in gross terms we expect to exceed PLN 550 billion. However, such a large supply should find adequate demand given the expected growth in deposits, continued interest in government bonds from foreign investors, relatively attractive valuations and the Ministry of Finance's ability to issue treasury bills.

**Polish Treasury bond yields**




*Source: Bloomberg.*

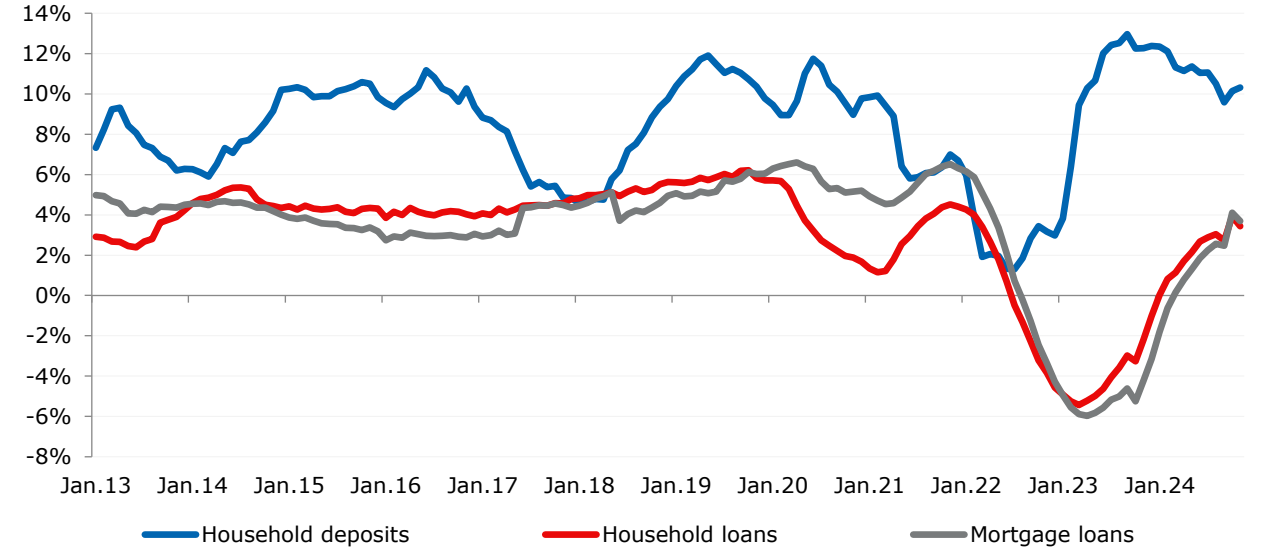
**Currency exchange rates**




*Source: Bloomberg*

Banking sector

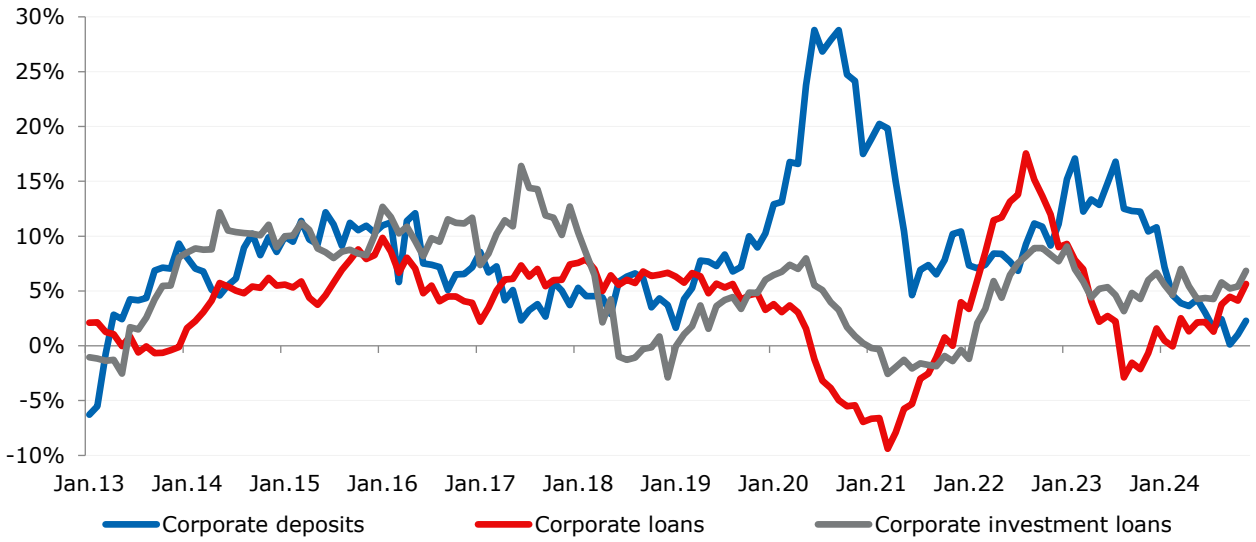
**Poland: Household loans and deposits (excl. FX effect)**




*Source: Own calculations based on NBP data.*

Household deposits continued their strong growth in 2024, although the change turned to a downward trend. At the same time, loans, including mortgages, were gradually rebounding. In the corporate sector, the rate of deposit growth has been declining, supported by the lagged effect of wage growth combined with weaker demand for offered goods and services. It is worth noting, however, that demand for corporate loans has been improving.

**Poland: Corporate loans and deposits (excl. FX effect)**




*Source: Own calculations based on NBP data.*

## Economy and the banking sector in the Czech Republic

| Key macroeconomic parameters | 2024 | Banking sector indicators | 2024 |
|---|---|---|---|
| Real GDP growth rate (estimate) | 1.0% | Base interest rate | 4.00% |
| Nominal GDP per capita (EUR) | 29 180[1] | Loan to Deposit ratio | 63.5% |
| GDP per capita in PPS (EU-27=100) | 90%[1] | NPL ratio | 1.7% |
| Average annual inflation rate | 2.5% | Total Capital Ratio (TCR) | 22.7%[2] |
| Average annual unemployment rate | 3.8% | Return on Assets (ROA) | 1.2%[2] |
| Population | 10.9 mln | Return on Equity (ROE) | 15.7%[2] |

*Source: Eurostat, Česká národní banka (CNB), Český statistický úřad.*

*[1] Data as of end of 2023*
*[2] Cumulative data for 9 months (as at September 30, 2024)*

GDP, inflation, interest rates and FX rates

The Czech economy was characterised by modest GDP growth in 2024. The relative weakness can be attributed to exposure to the automotive market, which is associated with a significant dependence on economic activity in Germany. The details of GDP growth show a clearly negative contribution from inventories and a slight increase in investment. At the same time, foreign trade has recently had a positive impact on growth. However, it is not a more pronounced recovery on the export side, but the weakness of domestic demand and the resulting decline in imports.

Inflationary processes in the Czech economy have stabilised in recent quarters. As a result, CPI inflation is recorded within the 2-3% range. Core inflation has also followed a similar trend. The economic weakness combined with the stabilisation of inflationary processes has led to an aggressive monetary easing cycle. As a result, the central bank's key interest rate has been cut from 6.75% to 4%. The central bank's current communication suggests greater caution about the size of future moves.

As a result of the much larger rate cuts in the Czech Republic than in the euro area, the interest rate differential has widened to the detriment of the Czech currency. As a result, the Czech koruna depreciated by around 2% against the single currency. In terms of government bond yields, the Czech Republic followed a similar trend to other economies, with yields on government bonds with longer maturities rising.

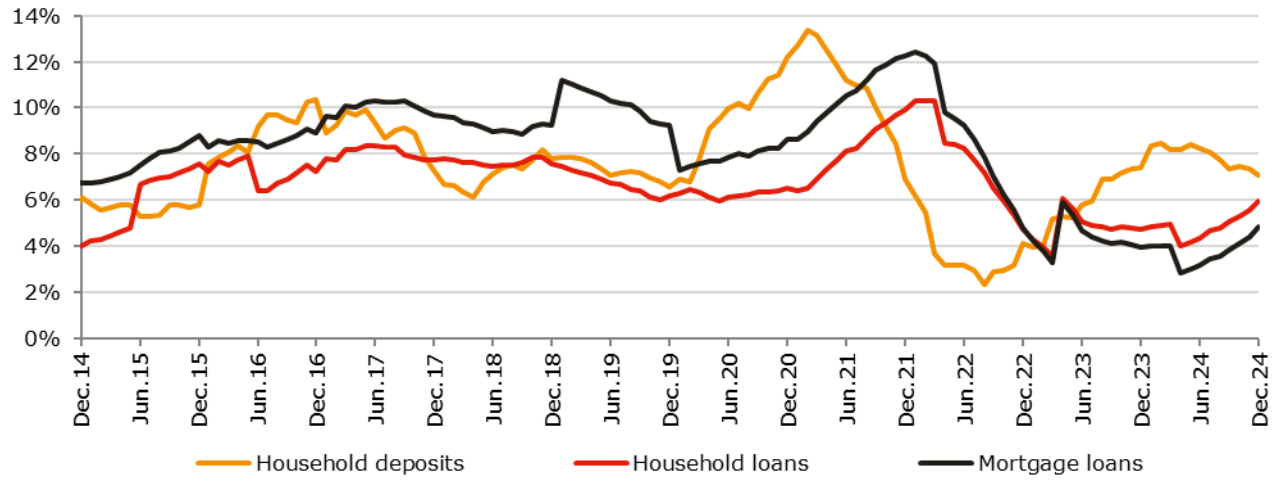
Banking sector

The Czech banking sector in 2024 continued its stable and favourable development. Despite interest rate cuts, it maintained high profitability, with return on equity (ROE) marginally exceeding 15%. It was backed by broadly stable net interest income, accompanied by some contraction of margin. Cost of deposits started

falling, helped by their evolving term structure, but rates on new loans were also down in both business segments. Net fee and commission income improved visibly compared to 2023. Good cost discipline allowed for keeping the rise of operating expenses in line with the inflation pace. Loan loss provisions persisted at low level, translating into risk costs close to zero.

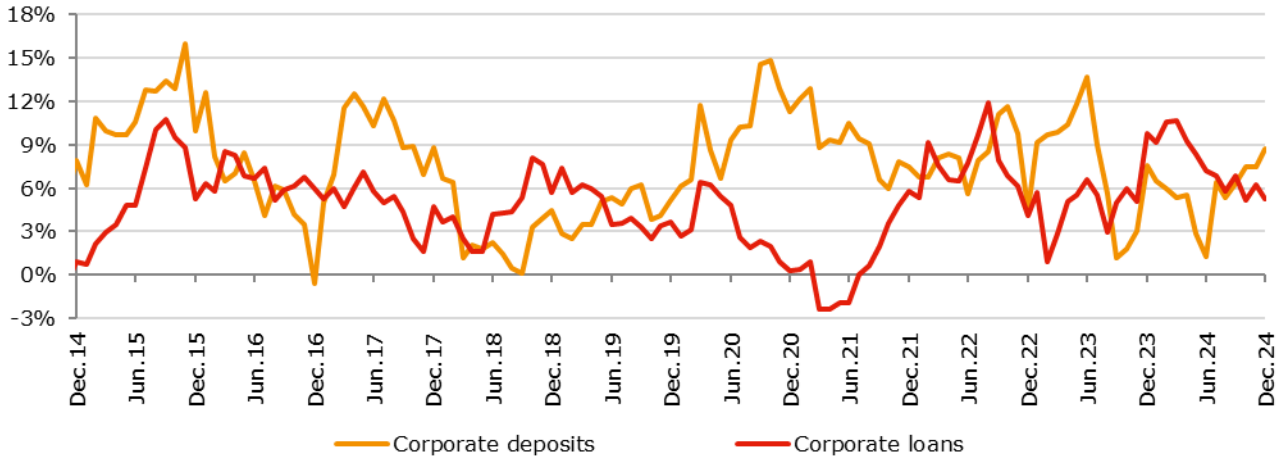
Asset quality in the Czech Republic remained very resilient as evidenced by the NPL ratio of 1.7% at the end of 2024, which is the second lowest level compared to other countries in the CEE region. Funding and liquidity profiles continued to be solid with the sector's loan-to-deposit ratio of 64%. Czech banks have also been very well-capitalized. A small decline in the aggregate risk weight coupled with a growth of own funds offsetting an increase in total risk exposure amount contributed to their robust position. At its meeting on financial stability issues in April 2024, the Board of ČNB decided to lower the countercyclical capital buffer rate from 2.0% to 1.75%. On the basis of an assessment of cyclical systemic risks, it was reduced further to 1.25% in mid-2024.

**The Czech Republic: Household Loans and Deposits (YoY dynamics)**




The dynamics of total loans to households in the Czech Republic has been mainly shaped by mortgage segment. Over the last three years, credit activity was markedly influenced by interest rate cycle and development of residential property prices, determining affordability of housing. As a result, the growth of retail exposure declined to below 5% at the end of 2022 and maintained close to this level until recent revival of mortgage lending, which translated into un upward trend in H2 2024. Further to an assessment of systemic risks associated with mortgage lending and the real estate market, the Czech National Bank decided to leave the upper limit on the LTV ratio (loan-to-value) unchanged at 80% (or 90% for applicants under 36 years purchasing owner-occupied housing). The upper limit on the DTI ratio (debt-to-income) was deactivated from January 2024. The portfolio of non-mortgage loans was rising faster in 2024, with the annual pace approaching to 9%. No deterioration of asset quality in the retail segment was observed in 2024 and the share of non-performing loans in the total volume of loans to households remained unchanged in annual perspective at 1.3%. Rising expenditures, driven by post-pandemic reopening of the economy and high inflation, caused the growth of retail deposits to slow down visibly in 2022. Then, the trend reverted and annual dynamics accelerated to 7.5% at the end of 2023 and continued at the similar level over 2024. Development of term deposits turned to negative territory at the end of the year and their share edged down to 24% of total base.

**The Czech Republic: Corporate Loans and Deposits (YoY dynamics)**




Having passed the contraction phase in H1 2021, corporate loans in the Czech Republic started rebounding and reached the growth pace exceeding 10% in Q3 2022. Their development in 2023 was volatile, with dynamics averaging at mid-single digit, followed by an uptick in H1 2024 and return to around 5% in the final quarter of the year. The share of non-performing loans in the total volume of loans to non-financial corporations was constantly declining from the end of 2021. It went down to historically low level of 2.5% in December 2023 and did not diverge materially from that in 2024. Companies kept solid liquidity, reflected in growth of corporate deposits staying above 5%, with an exception of June 2024 affected by base effects.

## Economy and the banking sector in Slovakia

| Key macroeconomic parameters | 2024 | Banking sector indicators | 2024 |
|---|---|---|---|
| Real GDP growth rate (estimate) | 2.1% | Base interest rate | 3.15% |
| Nominal GDP per capita (EUR) | 22 520[1] | Loan to Deposit ratio | 114.1% |
| GDP per capita in PPS (EU-27=100) | 74%[1] | NPL ratio | 1.6% |
| Average annual inflation rate | 2.8% | Total Capital Ratio (TCR) | 20.7%[2] |
| Average annual unemployment rate | 5.0% | Return on Assets (ROA) | 0.7%[2] |
| Population | 5.4 mln | Return on Equity (ROE) | 7.8%[2] |

*Source: Eurostat, Národná banka Slovenska (NBS).*

*[1] Data as of end of 2023*
*[2] Cumulative data for 9 months (as at September 30, 2024)*

GDP, inflation and interest rates

The Slovak economy is expected to have reached average annual GDP growth of close to 2% last year. This will be an improvement compared to 1.4% growth in 2023. In the course of last year, private consumption, which had been in recession the year before, recovered markedly. At the same time, public consumption grew quite strongly. Despite the excellent investment performance in 2023, the previous year was also quite strong in this respect. The recovery in domestic demand was reflected on the import side, where growth rates exceeded those of exports.

Inflation in the Slovak economy has recently stabilised in the 2-3% range. Core inflation has slowed even more. As in other economies, inflation in Slovakia is relatively high for services and quite low for goods. The European Central Bank has cut the deposit rate from 4% to 3%. At the same time, the central bank decided to narrow the interest rate corridor. Looking ahead, we expect monetary easing to continue due to the weakness in economic activity and the expected slowdown in wage growth.

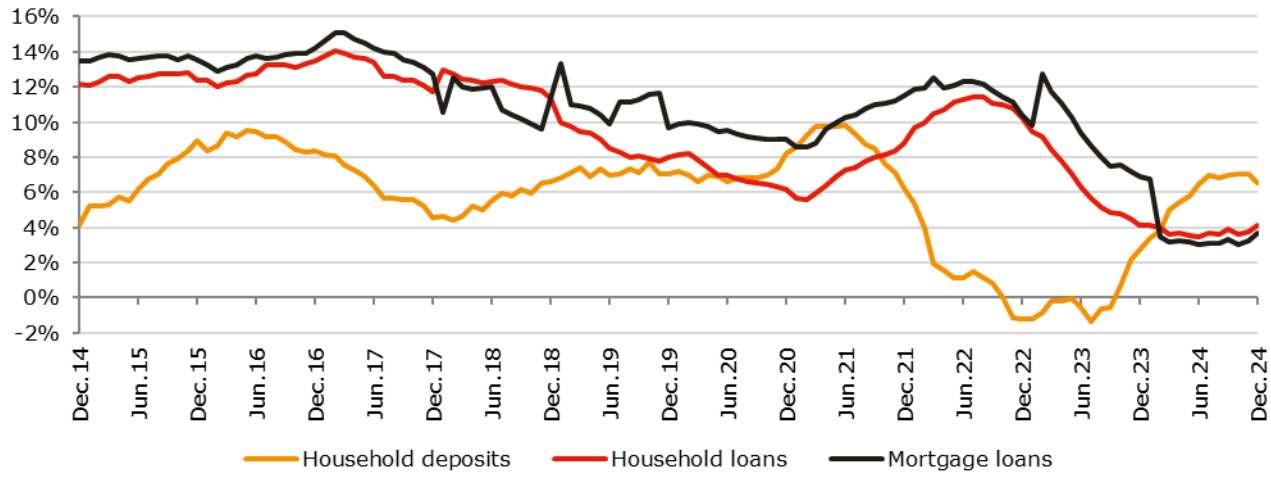
Banking sector

After many years when it was weaker than in other countries of the CEE region, the profitability of Slovak banking sector improved significantly in 2023. However, with an effect starting from January 2024, the local government approved a new tax on banks as part of a set of measures aimed at consolidating public finances and reducing a soaring deficit. Its rate was determined at 30% of profits. Then, the levy is set to fall 5 percentage points per year to 15% in 2027. Consequently, despite further rise of net interest income,

accompanied by an uptrend of net fees and commissions, the return on equity worsened to a single-digit level in 2024. Growth of operating expenses was slower than revenues, translating into better efficiency, while loan loss provisions declined to an equivalent of risk costs of around 0.1%.

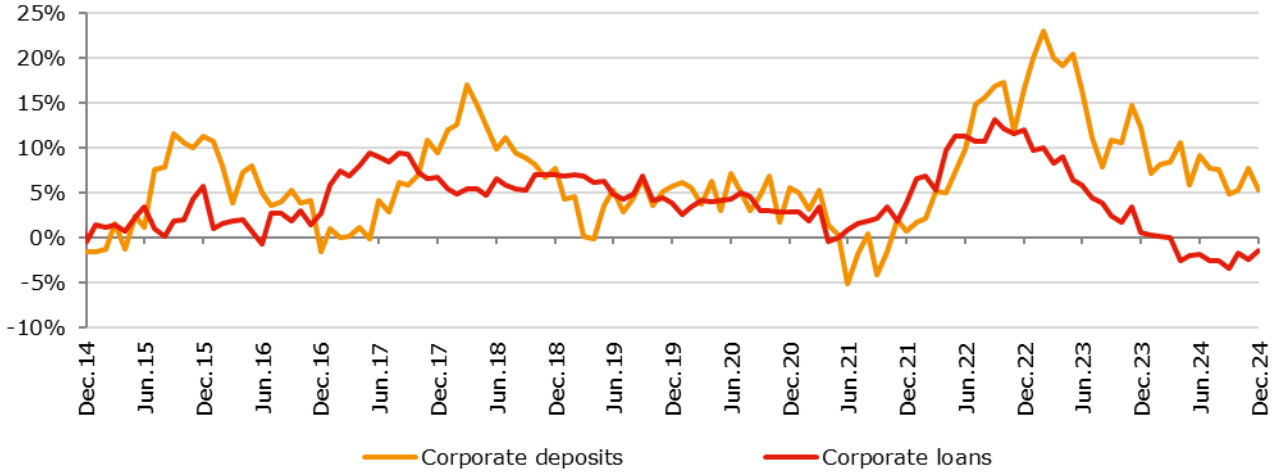
The NPL ratio for Slovakia is among lowest in the CEE region, reaching 1.6% at the end of 2024, and maintaining at the same level as a year earlier. Stable asset quality was supported by a reduction of non-performing receivables in corporate segment. The overall loan-to-deposit ratio continued to be above 100% in 2024, but including covered bonds and other issued debt securities, which are commonly used source of funding for Slovak banks, it would amount to around 90%. The sector's total capital ratio was further supported by a growth of own funds due to a partial retention of 2023 earnings counterbalancing an increase in risk-weighted assets, strengthening the resilience against potential unfavourable developments. Národná banka Slovenska increased the countercyclical capital buffer (CCyB) rate by 0.5 percentage point to 1.5% with effect from August 2023 and saw no reasons to adjust it in the course of 2024.

**Slovakia: Household Loans and Deposits (YoY dynamics)**




Due to high interest rates, total loans to households were on a downward trend in 2023. The development of portfolio was predominantly driven by mortgages, taking into account some time lag related to the changes in their origination. A monetary policy easing in the Eurozone implied signs of a recovery in the Slovak housing loan market. A rise in new sales observed from Spring 2024, and particularly in the final quarter of the year, translated into a slight acceleration of annual growth rate for the outstanding volume at the end of 2024. Shift in buyer sentiment and higher demand, amid expectations of falling interest rates, stopped a downward trend in prices of residential real estate which began in mid-2022 and continued in 2023 in all regions of the country. Consumer credit returned to positive development from a shrinking phase in H2 2022. Its annual growth reached the highest level since the outbreak of Covid-19 pandemic, and continued at steady pace of 7-8% in 2024. After improvement recorded in preceding years, the share of non-performing loans in the total volume of loans to households remained broadly stable during 2023 and 2024, oscillating around 1.8%. For both mortgage and consumer credit, the indicators marked the historical lows. The post-pandemic surge in consumer spending and subsequent period of high inflation dampened the inflow of new retail funds. Growth of household deposits dropped from 10% observed in Q2 2021 to a negative territory. A one-year period of contraction ended in Q4 2023, followed by a rebuilding of savings reflected in an increasing dynamics, which stabilised at 6-7% in H2 2024.

**Slovakia: Corporate Loans and Deposits (YoY dynamics)**




Development of corporate credit volume in Slovakia rebounded considerably during 2022, picking in September with a year-on-year growth of 13%. In 2023, a constant slowdown of loan dynamics was observed, driven mainly by industry sector and commercial real estate, which dropped markedly after a significant expansion in a preceding year. Uncertain economic outlook, worse business sentiment and a decline in order book levels in some sectors resulted in a weak demand for financing for fixed investment and falling need for working capital financing, what led to a contraction of corporate loans, with negative dynamics persisting from Q2 2024. After a slight deterioration of credit quality indicators in 2023, the share of non-performing loans in the total volume of loans to non-financial corporations decreased to 2.7% at the end of 2024 from 2.8% a year earlier. The annual growth of corporate deposits accelerated from close-to-zero level in December 2021 to above 20% in Q1 2023 owed to post-pandemic cash inflows. Then, the dynamic started gradually normalizing and ultimately slowed down to around 5% at end of 2024.

## 2.2. Market and regulatory environment



mBank Group is an active participant and often a leader of changes introduced in anticipation of and in response to developments in its environment, including the area of regulations and technology. The employees of mBank Group spare no effort in proactively adjusting the offer and principles of operation to new challenges, always with an eye on building top quality relationships with stakeholders. Some of the requirements imposed on mBank and the Group subsidiaries do not affect clients directly, but still involve a heavy workload connected with adjusting internal processes. Below we discuss selected key developments significantly affecting mBank Group observed in 2024 or anticipated in the nearest future. Capital requirements as well as regulations on accounting and reporting standards have been addressed in following, dedicated sections of this report.

Regulation (EU) 2024/1183 of the European Parliament and of the Council establishing the European Digital Identity Framework

On May 20, 2024, Regulation (EU) 2024/1183 of the European Parliament and of the Council establishing the European Digital Identity Framework (eIDAS 2.0 Regulation) entered into force. It aims to improve the effectiveness of Regulation (EU) 920/2014, extend its benefits to the private sector and promote trusted digital identities.

The regulation introduces the European Digital Identity Wallet (EDIW) to the eIDAS Regulation, which is the first electronic identification means harmonised at the European level. Natural and legal persons will use it to identify themselves and to provide authentication of their identity when accessing public and private services across the European Union. The sectors obliged to recognise the EDIW include banking and financial services. Institutions will be obliged to start recognising the EDIW not later than 36 months from the date of entry into force of the implementing acts, which will be adopted by the European Commission by November 21, 2024, exclusively upon the voluntary request of the user.

Resolution of the Supreme Court in case no. III CZP 25/22

On April 25, 2024, the Supreme Court adopted a resolution resolving legal issues relating to loans indexed to or denominated in a foreign currency. The issues were presented by the First President of the Supreme Court in view of the discrepancies in the interpretation of law in the rulings of the Supreme Court and the common courts. The Supreme Court resolved that:

- If it is considered that a provision of an indexed or denominated loan agreement relating to the method of determining the foreign exchange rate constitutes an unlawful contractual provision and is not binding, it cannot be assumed, under current legislation, that this provision is replaced by a different method of determining the foreign exchange rate resulting from law or customs.
- If it is impossible to determine the exchange rate of a currency binding on the parties under a loan agreement indexed to or denominated in this currency, the remaining scope of the agreement is not binding on the parties either.
- If, in the performance of a loan agreement which is not binding due to unlawful nature of its provisions, the bank disbursed to the borrower the whole or part of the loan amount and the borrower made loan repayments, separate claims for recovery of sums paid but not due arise for each party.
- If a loan agreement is not binding due to unlawful nature of its provisions, the limitation period for the bank's claim for recovery of sums disbursed under the loan begins, in principle, from the day following the day on which the borrower challenged the bank about the binding nature of the agreement.
- If a loan agreement is not binding due to unlawful nature of its provisions, none of the parties has legal grounds to demand interest or other consideration for the use of its funds in the period between the time when the undue payment was made and the time when recovery of that payment became delayed.

Moreover, on April 25, 2024, the Polish Bank Association (ZBP) published an announcement in connection with this resolution, which is available at https://zbp.pl/Aktualnosci/Wydarzenia/CZP-25-22.

Act extending the loan payment holidays into 2024

On May 7, 2024, the Act of April 12, 2024 Amending the Act on Assistance to Home Loan Borrowers in a Difficult Financial Situation and the Act on Crowdfunding of Business Undertakings and Support for Borrowers was promulgated. In accordance with the act, consumers are entitled to suspend their loan repayments:

- for two months from June 1, 2024 to August 31, 2024,
- for two months from September 1, 2024 to December 31, 2024.

The suspension of loan repayments depends on the borrower meeting certain conditions connected with, among others, the loan amount, the instalment-to-income ratio and the number of children.

Act on Ensuring Compliance of Economic Operators with Accessibility Requirements for Certain Products and Services

On May 15, 2024, the Act on Ensuring Compliance of Economic Operators with Accessibility Requirements for Certain Products and Services was published. The act sets out, among others, accessibility requirements for products and services and obliges economic operators to ensure compliance with these requirements. This pertains, among others, to automated teller machines and cash deposit machines as well as to retail banking services provided to consumers, such as credit agreements for consumers and mortgage agreements, etc. The requirements laid down in the act aim to facilitate access for persons with disabilities. The act stipulates fines for service providers offering services that do not meet the accessibility requirements. The act enters into force on June 28, 2024, with the exceptions provided for in the act.

Amendments to Recommendation G of the Polish Financial Supervision Authority (KNF) on interest rate risk management at banks

On February 26, 2024, the Polish Financial Supervision Authority adopted the amended Recommendation G on interest rate risk management at banks. The new Recommendation G is a set of good practices for managing interest rate risk at banks and keeping the interest rate risk-sensitive volatility of the financial result and measures of economic value within limits that do not compromise the security of banks. The recommendation takes into account the current conditions for products generating interest rate risk and techniques used to manage this risk. The final wording of the new Recommendation G was determined by both domestic regulations and the recently adopted package of EU regulations on interest rate risk management. The amended Recommendation G specifies and supplements these regulations, in particular in the scope of interest rate risk management (also in the trading portfolio) at banks. The KNF expects banks to comply with the amended Recommendation G by December 31, 2024. Until then, banks must comply with the Recommendation G published in 2002.

Regulation on instant credit transfers in euro

On March 13, 2024, Regulation (EU) 2024/886 of the European Parliament and of the Council amending Regulations (EU) No 260/2012 and (EU) 2021/1230 and Directives 98/26/EC and (EU) 2015/2366 as regards instant credit transfers in euro was adopted. The regulation governs instant credit transfer

transactions. It obliges payment service providers to offer the service of sending and receiving instant credit transfers and ensure verification of payees.

Act on Amending Certain Acts to Mitigate Certain Consequences of Identity Theft

The act introduces an obligation to check whether the person to whom certain services are provided has blocked their personal identification number (PESEL) in the newly created register of blocked PESEL numbers. The act obliges banks to make this check, among others, before concluding the following agreements with a consumer: a savings account agreement; a savings and settlement account agreement; an agreement on the provision of the payment service referred to in Article 3 (1) (4) of the Act of August 19, 2011 on Payment Services if the agreement provides for an option to conclude a loan agreement; a loan for any purpose agreement; or a lease agreement.

EU AML Package

On June 19, 2024, the following three legal acts were published in the Official Journal of the EU (the AML Package):

- Regulation (EU) 2024/1624 of the European Parliament and of the Council of 31 May 2024 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing ("AML Regulation");
- Directive (EU) 2024/1640 of the European Parliament and of the Council of 31 May 2024 on the mechanisms to be put in place by Member States for the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Directive (EU) 2019/1937, and amending and repealing Directive (EU) 2015/849 ("AML IV Directive"); and
- Regulation (EU) 2024/1620 of the European Parliament and of the Council of 31 May 2024 establishing the Authority for Anti-Money Laundering and Countering the Financing of Terrorism and amending Regulations (EU) No 1093/2010, (EU) No 1094/2010 and (EU) No 1095/2010 ("AMLA Regulation").

Act of December 6, 2024 on Amending the Accounting Act, the Act on Statutory Auditors, Audit Firms and Public Oversight, and Certain Other Acts

The purpose of the act is to implement into the national legislation the EU Corporate Sustainability Reporting Directive (Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 – CSRD). Pursuant to Article 35, the act enters into force 14 days after its promulgation (i.e. January 1, 2025), except for: 1) Article 3, which enters into force on April 1, 2025, 2) Article 13, which enters into force on June 22, 2025, 3) Article 10, which enters into force on July 1, 2025. Moreover, the act introduces the size criteria for micro, small, medium-sized and large undertakings and large corporate groups in line with Commission Delegated Directive (EU) 2023/2775 of 17 October 2023 amending Directive 2013/34/EU of the European Parliament and of the Council as regards the adjustments of the size criteria for micro, small, medium-sized and large undertakings or groups (OJ L 2023/2775, 21.12.2023), which will make it possible for a larger number of undertakings to apply simplified accounting principles.

Directive (EU) 2024/790 of the European Parliament and of the Council – markets in financial instruments (MiFID III)

Like its predecessors, MiFID III aims to ensure integrity and stability of financial markets, better transparency of actions taken by market participants and protection of investors, especially retail investors. MiFID III regulates position limits and position management controls in commodity derivatives and derivatives of emission allowances and refers to Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC. The EU member states must implement the new provisions of MiFID III into their national legislations by September 29, 2025.

ESMA guidelines on funds' names using ESG or sustainability-related terms (ESMA34-472-440)

On May 14, 2024, ESMA published the final report containing guidelines on funds' names using ESG or sustainability-related terms. The purpose of the guidelines is to ensure investor protection against unjustified or exaggerated use of sustainability-related terms in funds' names and provide asset managers with clear and measurable criteria to assess their eligibility to use ESG or sustainability-related terms in funds' names. The guidelines stipulate that these terms can be used in the case of investments with a minimum proportion of at least 80% of funds used to meet the environmental or social characteristics or sustainable investment objectives. The guidelines have been in force since November 21, 2024. However, the transition period for making changes in existing investment funds' names will last until May 21, 2025.

Directive (EU) 2024/1760 of the European Parliament and of the Council – corporate sustainability due diligence (Corporate Sustainability Due Diligence Directive – CSDDD)

The CSDDD imposes the due diligence obligations on specified groups of companies to prevent negative impacts of business operations in the field of human rights and environmental protection. Under the directive, companies are obliged to, among others, conduct the due diligence process in the scope of human rights and environmental protection, integrate the due diligence policy into the corporate policy (and update it on an annual basis), establish a complaints procedure, monitor the effectiveness of their due diligence policy and publish the monitoring results, and designate a CSDDD representative. The directive must be implemented into national legislations within the period of two years.

Regulation (EU) 2024/3005 of the European Parliament and of the Council – the transparency and integrity of Environmental, Social and Governance (ESG) rating activities

The regulation aims to enhance the reliability, transparency and comparability of ESG ratings and boost investor confidence in sustainable financial products. In line with the regulation, ESG ratings will be prepared by institutions that have been granted authorisation and are supervised by the European Securities and Markets Authority (ESMA). Rating agencies providing ESG ratings will have to implement adequate organisational and structural solutions ensuring their independence and accuracy. Ratings will be subject to requirements concerning the transparency of their provision, especially in terms of the methodology and information sources. The regulation entered into force on January 2, 2025, and will become effective as of July 2, 2026.

Regulation (EU) 2024/1623 of the European Parliament and of the Council – requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor (CRR III) and Directive (EU) 2024/1619 of the European Parliament and of the Council – supervisory powers, sanctions, third-country branches, and environmental, social and governance risks (CRD VI)

The CRR III and CRD VI package contains new ESG requirements for banks, including ESG disclosures, e.g. GAR (Green Assets Ratio) and BTAR (Banking Book Taxonomy Alignment Ratio), and introduces requirements for ESG risk management (including stress testing under ICAAP). As regards ESG, the new laws require banks to build/verify relevant strategies and processes, assess their capital needs and manage risk over the short, medium and long term. The risk management system should cover processes for the identification, measurement, management and monitoring of ESG risks (understood as the non-compliance of the bank's business model and strategy with the EU strategy for sustainable growth) with a time horizon of at least 10 years.

Directive (EU) 2024/825 of the European Parliament and of the Council – empowering consumers for the green transition through better protection against unfair practices and through better information

The directive aims to tackle unfair commercial practices that prevent consumers from making sustainable consumption choices. The directive provides for solutions addressing the use of terms that mislead consumers through non-transparent and non-credible sustainability labels or information tools. Moreover, the directive supports the achievement of circular economy goals. It envisages, among others, the introduction of the reparability score for a good as provided by the producer in line with the EU laws so as to allow consumers to make an informed transactional decision and choose goods that are easier to repair.

Directive (EU) 2024/1275 of the European Parliament and of the Council – the energy performance of buildings (Energy Performance of Buildings Directive - EPBD)

The purpose of the directive is to improve the energy performance of buildings and reduce the greenhouse gas emissions from buildings within the Union, with a view to achieving a zero-emission building stock by 2050. The directive introduces requirements relating to, among others, minimum energy performance requirements for new buildings and existing buildings that are undergoing a major renovation, the calculation and disclosure of the life-cycle global warming potential of buildings, solar energy in buildings, technical building systems and sustainable mobility infrastructure and regular inspection of technical systems in buildings. The directive requires the member states to introduce a scheme for renovation passports, establish a national building renovation plan and a national trajectory for the progressive renovation of the national residential building stock, and to make changes in the energy performance certification scheme by way of application of energy performance classes. A major part of the directive should be implemented by May 29, 2026.

Act of June 14, 2024 on the Protection of Whistleblowers

The act sets forth the conditions for the protection of whistleblowers reporting or publicly disclosing information about legal violations as well as the protection measures for whistleblowers reporting or publicly disclosing information about legal violations. The act introduces rules for: establishing an internal procedure for reporting information on legal violations and taking follow-up measures, reporting information on legal

violations to a public authority, publicly disclosing information on legal violations, and sets out the tasks of public authorities related to reporting information on legal violations and taking follow-up measures.

Directive (EU) 2022/2381 of the European Parliament and of the Council – improving the gender balance among directors of listed companies and related measures

The directive aims to ensure a balanced representation of women and men among the directors of listed companies. Pursuant to the directive, listed companies are to reach either of the following objectives by June 30, 2026:

a) members of the underrepresented sex hold at least 40% of non-executive director positions;

b) members of the underrepresented sex hold at least 33 % of all director positions, including both executive and non-executive directors.

On September 20, 2024, the Government Legislation Centre published on its website a Draft Act on Amending the Act on Public Offering and Conditions for Introducing Financial Instruments to Organised Trading and on Public Companies and the Act on Introducing Certain EU Provisions on Equal Treatment. As at December 31, 2024, the process of implementing the directive into the Polish legislation was not completed.

Directive (EU) 2023/970 of the European Parliament and of the Council – to strengthen the application of the principle of equal pay for equal work or work of equal value between men and women through pay transparency and enforcement mechanisms

The directive lays down minimum requirements to strengthen the application of the principle of equal pay for equal work or work of equal value between men and women. The directive must be implemented by June 7, 2026.

Commission Delegated Regulation (EU) 2024/2795 – the own funds requirements for market risk

The regulation defers the obligation to start applying the provisions in Regulation (EU) 2024/1623 concerning the calculation of own funds requirements for market risk by 1 year, i.e. until January 1, 2026.

Regulation (EU) 2024/1623 introduces into Regulation (EU) No 575/2013 specific disclosure requirements for market risk, tailored to the requirements laid down in the Fundamental Review of the Trading Book (FRTB) standards for the calculation of own funds requirements for market risk. Due to delays to the implementation of the FRTB standards in other jurisdictions, a decision has been made to defer the obligation to implement the standards in the EU to ensure an international level playing field.

Regulation (EU) 2024/2847 of the European Parliament and of the Council – cybersecurity requirements for products with digital elements

Regulation (EU) 2024/2847 of the European Parliament and of the Council (CRA) is yet another act introduced with a view to achieving the EU's cybersecurity objectives. It pertains to the making available on the market of products with digital elements. The CRA contains requirements in the scope of the making available on the market of products with digital elements, i.e. software and hardware and their integrated remote data processing solutions. Under the regulation, economic operators that make such products available on the EU single market (manufacturers, importers, distributors) must, among others, ensure that their products meet the CRA requirements and have appropriate documentation. The member states are obliged to designate a market surveillance authority that will verify the compliance of the products.

Regulation of the Minister of Finance of October 28, 2024 – on the granting of de minimis aid by Bank Gospodarstwa Krajowego in the form of loan repayment guarantees as part of the Strategic Plan for Common Agricultural Policy for years 2023–2027

The regulation specifies detailed conditions and procedure for the granting of de minimis aid by Bank Gospodarstwa Krajowego (BGK) in the form of loan repayment guarantees, under the government's guarantee program, as part of the Strategic Plan for Common Agricultural Policy for years 2023–2027.

The de minimis aid consists in BGK issuing a guarantee covering not more than 80% of the outstanding loan amount. The guarantee is issued at the request of a business owner submitted to the lending bank. Aid in this form may be granted until December 31, 2029.

Regulation of the Minister of Finance of September 18, 2024 on the countercyclical buffer rate

The regulation stipulates that the countercyclical buffer rate accounts for 1% of the total risk exposure amount of institutions that hold credit exposures on the territory of the Republic of Poland, calculated in line with Article 92 (3) of Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012. The regulation entered into force on September 24, 2024.

Regulation of the Minister of Finance of September 24, 2024 on the Detailed Technical and Organisational Conditions for Investment Firms, State Banks Providing Brokerage Services, Banks Referred to in Article 70 (2) of the Act on Trading in Financial Instruments, and Custodian Banks

The regulation specifies the detailed technical and organisational conditions required for investment firms, state banks providing brokerage services and banks referred to in Article 70 (2) of the Act of July 29, 2005 on Trading in Financial Instruments to conduct business activity, and for the maintenance of securities accounts, derivatives accounts and omnibus accounts by custodian banks, including among others:

- manner of and detailed conditions for safekeeping, registering and safeguarding financial instruments and funds of clients, including detailed conditions for using financial instruments and funds of clients, in particular, for the purpose of collateral establishment, and the categories of entities with which clients' funds can be deposited;
- detailed criteria regarding employees' compliance with the requirement to have relevant knowledge, competences and experience;
- detailed criteria regarding management board members' and supervisory board members' compliance with the requirement to have good repute, relevant knowledge, competences and experience;
- procedure and conditions applicable to the assessment and verification of compliance of the above-mentioned persons with the relevant requirements binding on them regarding relevant knowledge and competences, good repute and experience, and the procedure and conditions for maintaining and improving knowledge and competences of these persons;
- whistleblowing procedure;
- method and detailed conditions for registering the concluded transactions and storing and archiving documents and other information carriers drawn up in connection with business activity.

The regulation entered into force on September 28, 2024.

Regulation (EU) 2024/1689 of the European Parliament and of the Council laying down harmonised rules on artificial intelligence and amending selected regulations

It is the first comprehensive regulation governing the use of artificial intelligence systems (AI systems) in the European Union. The regulation governs AI systems in line with a risk-based approach, categorising them as prohibited systems or high-risk AI systems, among others. Such systems include, e.g. AI systems used for:

- processing certain biometric data;
- evaluating creditworthiness; or
- risk assessment and pricing in relation to natural persons for health and life insurance.

The essential obligations of entities applying high-risk AI systems include:

- ensuring they use these systems in accordance with the instructions of use;
- human oversight over AI systems by way of designating dedicated employees; and
- in the case of certain systems, including those used for the purposes of creditworthiness evaluation, conducting the fundamental rights impact assessment for the high-risk AI systems.

The regulation entered into force on August 1, 2024.

Commission Delegated Regulation (EU) 2024/1085 – regulatory technical standards on the assessment methodology under which competent authorities verify an institution's compliance with the requirements to use internal models for market risk

The Delegated Regulation stipulates, among other things, that when verifying an institution's compliance with the requirements to use internal models for market risk, competent authorities assess:

- the governance aspects;
- aspects relating to the internal risk-measurement model used to compute the expected shortfall measure and the stress scenario risk measure;
- aspects relating to the internal default risk model used to compute the additional own funds requirement for default risk.

The regulation entered into force on July 7, 2024.

Commission Delegated Regulation (EU) 2024/1772 – regulatory technical standards specifying the criteria for the classification of ICT-related incidents and cyber threats, setting out materiality thresholds and specifying the details of reports of major incidents

The delegated regulation specifies, among others:

- criteria for the classification of clients, financial counterparts and transactions;
- rules for determining the reputational impact of incidents;
- rules for determining the duration of an incident and service downtime and the geographical spread with regard to the areas affected by an incident;
- rules for determining the criticality of the services affected by an incident and its economic impact;
- rules for classifying an incident as major and materiality thresholds for determining major incidents;
- rules for determining significant cyber threats.

The regulation entered into force on July 15, 2024.

Commission Delegated Regulation (EU) 2024/1773 – regulatory technical standards specifying the detailed content of the policy regarding contractual arrangements on the use of ICT services supporting critical or important functions provided by ICT third-party service providers

The delegated regulation sets out requirements for the policy regarding the use of ICT services supporting critical or important functions provided by ICT third-party service providers, including, among others:

- the size and the overall risk profile of a financial entity, and the nature, scale and elements of increased or reduced complexity of its services, activities and operations;
- rules for reviewing and updating the policy;
- requirements, including the rules, the responsibilities and the processes, for each main phase of the lifecycle of a contractual arrangement;
- requirements to define the business needs of a financial entity before a contractual arrangement is concluded (risk assessment);
- rules regarding due diligence in the process for selecting and assessing the prospective ICT third-party service providers;
- rules on conflicts of interest.

The regulation entered into force on July 15, 2024.

Commission Implementing Regulation (EU) 2024/1872 – mapping tables specifying the correspondence between the credit risk assessments of external credit assessment institutions and the credit quality steps

The regulation aims to specify the correspondence between the relevant credit assessments issued by external credit assessment institutions (ECAI) and the credit quality steps set out in Regulation (EU) No 575/2013 on prudential requirements for credit institutions. The regulation entered into force on July 25, 2024.

Regulation of the Minister of Finance of July 10, 2024 on Information on Banks' Operations Related to Structured Deposits

The regulation aims to specify the detailed scope of the information concerning the commencement, restriction and cessation of these operations, material breaches of the provisions related to these operations and structured deposits offered or concluded, including the form, timing and manner of their communication to the Polish Financial Supervision Authority (KNF). Banks that recommend, offer, conclude or enable the conclusion of structured deposit agreements on the territory of the Republic of Poland or perform these activities on the territory of another country are bound by disclosure obligations. The regulation entered into force on August 2, 2024.

Commission Delegated Regulation (EU) 2024/1700 – regulatory technical standards specifying, for simple, transparent and standardised non-ABCP traditional securitisation, and for simple, transparent and standardised on-balance-sheet securitisation, the content, methodologies and presentation of information related to the principal adverse impacts of the assets financed by the underlying exposures on sustainability factors

The delegated regulation specifies:

- the rules for preparing and for the content of the statement on principal adverse impacts on sustainability factors of the assets financed by underlying exposures of the securitisation;

- general rules for the presentation of information. Moreover, annexed to the delegated regulation is a template principal adverse sustainability impacts statement.

The regulation entered into force on July 8, 2024.

Regulation (EU) 2024/1781 of the European Parliament and of the Council (CRR III) – establishment of a framework for the setting of ecodesign requirements for sustainable products

The regulation establishes a framework for the setting of ecodesign requirements that products have to comply with to be placed on the market or put into service, with the aim of improving the environmental sustainability of products in order to make sustainable products the norm and to reduce the overall carbon footprint and environmental footprint of products over their life cycle, and of ensuring the free movement of sustainable products within the internal market. The regulation also establishes a digital product passport, provides for the setting of mandatory green public procurement requirements and creates a framework to prevent unsold consumer products from being destroyed. In the scope of the financing of ecodesigns, the regulation may also have an indirect impact on financial institutions. The regulation entered into force on July 18, 2024.

Regulation (EU) 2024/1624 of the European Parliament and of the Council – prevention of the use of the financial system for the purposes of money laundering or terrorist financing

The regulation is part of a comprehensive package that aims to strengthen the Union's framework for anti-money laundering and countering the financing of terrorism. The regulation contains provisions addressed to obliged entities, which were hitherto included, among others, in Directive (EU) 2015/849 of the European Parliament and of the Council, and provides for their complete harmonisation. This will result in uniform rules and obligations binding on obliged entities across the European Union.

The regulation lays down rules concerning:

- the measures to be applied by obliged entities to prevent money laundering and terrorist financing;
- beneficial ownership transparency requirements for legal entities, express trusts and similar legal arrangements;
- measures to limit the misuse of anonymous instruments.

The regulation entered into force on July 9, 2024.

## 2.3. mBank Group's market position of segments

**Performance indicators[1]: mBank Group vs sector**

**Net interest margin 4.3%** vs 3.4%
**Cost-to-income ratio 34.5%** vs 43.0%
(including banking tax)

**Return on Assets 0.97%** vs 1.34%
**Return on Equity 14.8%** vs 15.7%
**Loans to deposits 60.5%** vs 67.5%

| **Business category** *(# - market position)* | **Market share** | | | | |
|---|---|---|---|---|---|
| | **2020** | **2021** | **2022** | **2023** | **2024** |
| **Corporate Banking** | | | | | |
| Corporate loans | 8.5% | 8.2% | 8.1% | 8.0% | **8.1%** |
| Corporate deposits | 9.4% | 10.7% | 10.8% | 11.0% | **10.8%** |
| Leasing | 7.6% | 7.4% | 6.8% | 7.3% | **6.5%** |
| Factoring *(**#6** on the market)* | 8.2% | 8.2% | 7.8% | 7.8% | **7.8%** |
| **Retail Banking in Poland** | | | | | |
| Total loans | 7.4% | 7.9% | 8.3% | 7.9% | **7.8%** |
| of which mortgage loans | 7.9% | 8.4% | 8.8% | 8.4% | **8.4%** |
| PLN mortgage loans | 6.2% | 7.1% | 7.7% | 7.7% | **8.2%** |
| Non-mortgage loans | 6.6% | 7.1% | 7.2% | 7.0% | **6.7%** |
| Deposits | 7.8% | 8.3% | 8.8% | 8.4% | **8.4%** |
| **Retail Banking in the Czech Republic** | | | | | |
| Total loans | 1.6% | 1.8% | 1.7% | 1.5% | **1.5%** |
| of which mortgage loans | 1.7% | 1.9% | 1.7% | 1.5% | **1.3%** |
| Non-mortgage loans | 1.2% | 1.4% | 1.7% | 1.7% | **1.9%** |
| Deposits | 1.8% | 1.8% | 1.8% | 1.8% | **1.9%** |
| **Retail Banking in Slovakia** | | | | | |
| Total loans | 1.0% | 1.4% | 1.3% | 1.2% | **1.3%** |
| of which mortgage loans | 1.1% | 1.3% | 1.1% | 1.0% | **0.9%** |
| Non-mortgage loans | 1.0% | 1.6% | 2.1% | 2.7% | **3.3%** |
| Deposits | 2.1% | 2.2% | 2.3% | 2.2% | **2.0%** |
| **Investment Banking** | | | | | |
| **Financial markets** | | | | | |
| Treasury bills and bonds | 10.6% | 11.0% | 9.6% | 11.9% | **12.3%** |
| IRS/FRA | 20.7% | 19.9% | 14.3% | 13.6% | **14.7%** |
| Brokerage | | | | | |
| Equities trading *(**#11** on the market)* | 5.3% | 5.0% | 4.0% | 4.4% | **4.2%** |
| Futures *(**#1** on the market)* | 17.6% | 27.7% | 18.6% | 23.4% | **23.7%** |
| Options *(**#8** on the market)* | 4.4% | 3.1% | 1.7% | 1.2% | **1.3%** |

Source: Own calculations based on data from mBank, NBP, WSE, Česká národní banka (ČNB), Národná banka Slovenska (NBS), Fitch Polska, Polish Factors Association, Polish Leasing Association, press reports.
[1] mBank Group ratios calculated as defined in chapter 4. "Financial position of mBank Group and mBank in 2024", except for Net Interest Margin which was adjusted to sector calculation (net interest income divided by average total assets). Below presented are definitions for the sector data. According to the PFSA's methodology, total income is decreased by a part of legal risk costs attributed to active FX mortgage loan portfolio, what negatively affects cost-to-income (C/I) ratio for the sector.
Sector data as at December 31, 2024 (released on February 18, 2025). Sector ratios calculated based on the monthly data of banking sector published by PFSA (banking sector together with branches of credit institutions).
**Net interest margin**: net interest income divided by average total assets (calculated based on the end-of-month data)
**Cost/Income ratio** (incl. banking tax): total costs (sum of administration costs and depreciation) divided by net total operating income.
**Return on assets**: profit for the year divided by average total assets (calculated based on the end-of-month data)
**Return on equity**: profit for the year divided by average total equity (calculated based on the end-of-month data)
**Loan to deposit ratio**: sum of loans and advances at amortised cost, loans and advances/other receivables at fair value through other comprehensive income and loans and advances/other receivables designated at fair value through profit or loss divided by deposits (measured at amortised cost) as of the end of period.

## 2.4. Outlook for the banking sector and mBank for 2025

### What will 2025 be like for the Polish economy?

| Key macroeconomic parameters | 2023 | 2024 | 2025P |
|---|---|---|---|
| GDP growth (YoY) | 0.2% | 2.8% | 3.8% |
| Domestic demand (YoY) | -3.2% | 3.3% | 4.7% |
| Private consumption (YoY) | -1.0% | 3.0% | 2.9% |
| Investment (YoY) | 13.1% | 2.7% | 10.0% |
| Inflation (EOP) | 6.2% | 4.8% | 2.8% |
| NBP reference rate (EOP) | 5.75% | 5.75% | 4.0% |
| CHF/PLN (EOP) | 4.68 | 4.55 | 4.68 |
| EUR/PLN (EOP) | 4.34 | 4.28 | 4.45 |

*Source: mBank's estimates as at January 24, 2025. YoY – year on year, EOP – end of period.*

The economic outlook for the beginning of the year is promising. In 2025 we expect GDP growth to accelerate to 3.8%, compared with an estimated 2.8% growth in 2024. Importantly, a marked acceleration on the investment side will be the key driver of growth this year. This forecast is based on a material acceleration in Recovery Fund spending. At the same time, private consumption is expected to grow at a similar rate to last year. On the one hand, we expect wage growth to slow down. On the other hand, households have recently rebuilt previously depleted savings. As a result, consumption can still be expected to grow at a decent rate, as the outlook for GDP growth improves. Under these conditions, inflation is expected to decline and at the end of the year to be at the level of 3%. It should be noted that base effects are likely to significantly push inflation down at the beginning of the second half of 2025. In such a scenario, we expect National Bank of Poland to cut interest rates to 4.0%, which should be reflected in a gradual depreciation of the local currency.

Banking sector and monetary aggregates

| Banking sector - monetary aggregates | 2023 | 2024 | 2025P |
|---|---|---|---|
| Corporate loans | -0.7% | 4.8% | 2.7% |
| Mortgage loans | -3.6% | 3.1% | 2.1% |
| Non-mortgage loans | 3.0% | 3.9% | 4.2% |
| Corporate deposits | 8.7% | 2.1% | 8.0% |
| Household deposits | 11.3% | 8.7% | 8.5% |

*Source: mBank's estimates as at January 25, 2025.*

After a very weak 2023, in 2024 we saw a recovery in lending on the mortgage side last year. Loans to the corporate sector also increased, and we continued to see decent growth in other loans to households. Strong wage growth led to another year of solid growth in household deposits. At the same time, the growth rate of corporate deposits slowed down as margins normalized and the lagged effects of wage increases materialized. We expect all analysed monetary aggregates to grow in 2025, with the largest increases to materialize in deposits. One factor that may somewhat dampen mortgage growth are house prices, which have risen sharply in recent years.

## Outlook for mBank Group in 2025



Total revenues to be above PLN 11 billion, but slightly lower than in 2024, assuming interest rate scenario described on the previous page



Capital base to increase further thanks to planned Tier 2 issuance and strong profit generation



Both corporate loans and retail credit portfolio to rise above the market



Legal risk costs related to FX mortgages to materially burden the financial results for the last time in 2025

# 3. Strategy of mBank Group

## 3.1. From an icon of mobility, to an icon of possibility - strategy for 2021-2025

In 2024, we continued following the strategy of mBank Group for 2021-2025 titled "From an icon of mobility, to an icon of possibility", adopted by the management board and approved by the supervisory board in Autumn 2021. It was developed to leverage on our current competitive strengths and successfully adapt to new environment and market challenges and as a result establish a bank that will continue to be ranked among top financial players in Poland, whilst reaching better market valuation.

Defining mBank Group's aspirations and goals included in the strategy for 2021-2025, we took into account expected economic and market prospects, regulatory requirements, technological progress, evolution of consumer behaviour, local constraints and internal conditions. With rapid changes in most of these dimensions over the last 2 years, we reviewed the strategy in the middle of its implementation horizon. As a result, the management board concluded that no modifications of the main development directions and key elements of the current strategy are needed and has kept them binding, but decided to adjust selected targets and measures in response to the changed operating environment.

In the increasingly competitive market, attacking by new entrants, fintechs and internet giants, we believe that we can further build our advantage around fundamental banking values such as stability, security and secrecy. They are hard to be delivered by non- or scarcely-regulated entities. Our clients should have strong conviction that they can trust our services, because we comply with much more demanding rules and standards.

Our mission is: "**Convenient, secure, focused on your future... mBank – more than a mobile bank.**"

In mBank Group's strategy for 2021-2025, we are focusing on **5 areas**:

- **Retail banking**: We aspire to be a leading retail banking franchise integrated with client life cycle. The continued successful organic growth will be fuelled by acquisition of new (primarily young) clients and deepening of banking relations with the existing client base. We are organized around demographic segments to develop a complete offer and value proposition precisely responding to the needs arising at different phases of the customer life. We will focus on personal financial management tools, comprehensive investment offering (via own newly-established TFI), mortgage lending directed to mBank's transactional clientele (thanks to enhanced underwriting process), and non-banking services. With a reinforced mobile-first approach, we design mBank's contact channels aligned to a primacy of remote access and digital sales. We will support entrepreneurs and small firms by providing them with industry-customized expertise and integrated platform for managing their business-related activities.
- **E-commerce**: Having already strong position in the e-commerce market in Poland and outstanding transactional capabilities, we aspire to be the preferred bank for merchants and online shops, as well as favourite platform for customers buying on the Internet. We see the growth opportunity in further enhancement of our offer and supplementing it with new components. We want our payment integrator Paynow to gain a significant share in processing transactional volumes. We will also broaden the range of value added services and provide financing tailored for online sellers to increase the importance of relationship with mBank and become partner in the main parts of their e-commerce activity.
- **Corporate banking**: We are expanding our operations in the corporate banking segment, focusing on the profitability of relationships and optimizing exposures towards higher revenues. We will initiate, develop and intensify the cooperation with companies from prospective industries and the fastest growing sectors of the economy, aligned with our sustainable agenda. We are increasing our focus on SME segment to support their progressing e-commerce entry. To further improve customer satisfaction and internal efficiency, we will provide the best end-to-end digital banking experience for corporates in Poland. We will redesign our credit process to make it supporting business development as well as ensuring prudent level of risk costs. In parallel, we intend to strengthen cooperation with our clients through additional knowledge-based services, assistance of top-rated advisors and deep industry expertise.
- **Technology, security and data**: Our primary goal is to provide high quality, availability and security of mBank's services and solutions to customers. By being cloud-ready, we will strive to maintain the technological advantage of mBank in the financial sector. It will allow us to boost flexibility, foster innovation of business applications, shorten time-to-market, and enlarge the scalability of used technology. Continuous development of a multi-layer cybersecurity defence model and assuring data secrecy is our constant effort. We aim to offer the highest possible protection of our mobile application and deliver the most secure and client-friendly identity confirmation process in all digital channels. We will employ artificial intelligence and data science to support creation of innovative customer products and better risk assessment, as well as increase effectiveness of internal systems and workflows.

- **Employees and organisation culture**: We will create a culture where cooperation is based on trust and positive intentions. This gives people a comfortable space to experiment, innovate and make bold decisions. We want to assure a best-in-class hybrid work environment. mBank's managers will progress practical skills in managing distributed teams, while our employees will take advantage of new communication and collaboration technology. We will make people capabilities a competitive advantage for the company through a strengths-based approach to leverage individual talents and focus on key future competences needed for the organisation to succeed.

Defined **sustainable development goals** are an integral part of our strategy, updated in Q4 2023. We aim to maintain our position as a leader in sustainable banking in Poland, fully aware of our responsibility for the climate, society, the financial well-being of our clients, and alignment with our declared values. We have committed to reducing our greenhouse gas emissions both from our direct operations and our loan portfolio. We will achieve net-zero emissions in own operations by 2040 and the same goal for our credit exposures will be achieved by 2050. To decarbonize our portfolio we are following Science Based Targets initiative method based on the latest scientific knowledge. We encourage our clients to use products and services that promote sustainable development and support the energy transition. By integrating sustainable standards into our business processes and risk management, we ensure responsible sales, clear and precise communication, transparently presenting the risks associated with financial products. We also continue our educational initiatives on safe banking practices, cybersecurity and personal data protection. Thanks to development of special personal financial management functionalities, we support financial health of mBank's clients. We want to build a working environment that fosters sustainability and gender equality, recognizing diversity and inclusion as an fundamental principles of our organization. Our goal is to build transparent, trust-based relationships with our stakeholders, ensuring the highest quality of sustainability disclosures. Detailed information on our initiatives and progress in achieving our sustainability goals can be found in the non-financial section of our report in chapter 10. "Sustainability statement of mBank Group for 2024".

## 3.2. Vision for mBank Group, pillars of the strategy and main directions of development

Based on its advanced transactional solutions and expertise in financing and servicing selected market segments, mBank will continue to attract individual and corporate customers who are seeking the easiest ways to move, manage and invest their money or address their liquidity needs. We will aspire to be not only the bank of first choice for our customers, but the place where they will concentrate all their financial-related activities.

We anchor the future of mBank on the following principles:

- understanding of customer needs in their life cycle and adequately designing products,
- providing our clients with advanced financial management solutions,
- mobile access being the core medium/channel for interaction with the client,
- security of clients' payments and assets,
- banking secrecy and promise to protect customer information, personal data and financial profile of their activities,
- ensuring our clients the best experience in the e-commerce universe,
- executing sustainable development agenda focused on our responsibility for climate, society and financial health of our clients.

Key initiatives and business activities which we undertook and execute in the horizon of this strategy have been grouped into 5 blocks:

1. Leading retail banking franchise integrated with client life cycle

We aspire to be a partner for a 100-year long life of our clients. We also want to provide a complete business management centre for entrepreneurs and small companies. Therefore, our efforts are concentrated on a thorough and precise understanding of customer needs, as well as their evolving preferences and behaviours. In-depth knowledge will allow us to provide a holistic and well-calibrated value proposition, covering not only banking products, but also additional services, in order to increase the usage intensity of mBank's offer and strengthen the relationships. Our success in the coming years will be measured by a dynamic acquisition of customers, with a particular focus on young segment. This will protect the existing unique demographic profile of our client base, which will continue to be a key factor driving further mBank's growth.

The main goals we focused on in 2024 included:

- **organic growth through the continuous acquisition of new (primarily young) clients and accompanying them throughout the whole life cycle, providing precisely designed value proposition**. To support mBank's favourable demographic structure and maintain the assumed trajectory of new account openings, we performed special campaigns in digital channels, including a marketing activity dedicated to young clients aged 18-24. Our efforts were also focused on strengthening mBank's presence on the lists of the best business bank accounts for entrepreneurs and small companies. With an intention to boost retention, we continued appreciating existing customers for their relationship with mBank through dedicated promotional offers within the loyalty program "benefits zone".

- de**veloping a comprehensive investment offer tailored to the needs of each client segment, supporting clients in long-term wealth accumulation and leveraging their earning potential**. Assets under management grew in line with the strategy, and at the same time, the number of clients investing their funds with mBank increased significantly. We continued raising awareness of investing among Poles, with a particular focus on retirement savings. As part of these measures, we implemented two key solutions: a personalised tool enabling clients to create their own retirement savings plan, and a retirement package as part of which clients can open an Individual Pension Account (IKE) or an Individual Pension Security Account (IKZE) and invest in life-cycle funds, which have been designed for long-term retirement savings. The life-cycle funds are managed by mTFI S.A., which in 2024 completed the takeover of portfolios of investment funds that had previously been managed as white label funds by external entities cooperating with mBank.

- **helping clients manage their finances wisely thanks to structured information on inflows, expenses and assets**. The development of subsequent functionalities of the finance manager (PFM) is a multi-stage process scheduled up until 2025. In 2024, the finance manager underwent a number of upgrades improving user experience and strengthening the bank's position in personal finance management. We implemented a new design of the "Finance Overview" section, with an intuitive user interface that clearly presents the structure of assets and liabilities. We launched a new, more engaging format of the monthly summary, which has been rated positively by clients at 4.4 (maximum rating: 5). We prepared annual summaries resembling those available in popular sports apps or music streaming services. These innovations propelled mBank to the forefront of global banking in personal finance management, earning it the prestigious Global Digital Champion title in Deloitte's mystery client survey, which evaluated 350 institutions across 44 countries.

- **boosting the scope of digital sales and service by enabling to easily fulfil all needs on a mobile device**. We are working on streamlining the mobile account opening process to ensure that its share in new client acquisition continues to steadily increase. We expanded the use of mojeID to make identity confirmation in remote services even more convenient and implemented biometric client verification. Our branch advisors and contact centre employees educate clients in self-service in digital channels and help them apply for products. We systematically analyse the issues reported by the clients to our employees and expand the scope of operations that clients can perform independently in digital channels.

- **expanding ecosystem of non-banking services to strengthen the intensity of relationship with customers through providing them with additional utility and convenience**. In response to our clients' growing interest in travel, we introduced a dedicated "Travel" category in our additional services section and began developing new services (such as eSIMs) to provide comprehensive support throughout their journeys. We improved the parking service in that we added the option to purchase a "start-stop" ticket allowing clients to end their parking session at their convenience.

2. <u>The first-choice bank for e-commerce market participants</u>

The e-commerce market in Poland has been booming in recent years; between 2020 and 2024, it grew by 14% annually on average. E-commerce payments have been growing at an even greater pace among mBank clients, by about 20% a year. The trend is expected to continue in the coming years. We anticipate that shifts in consumer shopping preferences will drive nearly all businesses to offer their products and services online on an increasingly larger scale. Entering the e-commerce segment is one of the ways for banks to diversify their income structure and strengthen client loyalty. With around 25% of all e-commerce transactions in Poland performed by mBank's clients (3.3 million active mobile app users and over 100 million logins monthly) and an already wide recognition of mBank's shopping platform mOkazje (marketing consent granted by 2.7 million clients), we are uniquely positioned to succeed on this market.

The main goals we focused on in 2024 included:

- **implementing mOkazje Zakupy, an innovative solution enabling clients to order products easily, quickly and conveniently without leaving mBank's app**. We launched mOkazje Zakupy in December 2024. All adult individual clients of mBank (3.8 million clients) can use it to buy close to 1.5 million products from about 2,000 categories, browse individual recommendations (e.g. based on shopping habits), and take advantage of special offers and time-limited deals. The service offers all the key e-commerce tools, such as a browser, filters, various shipping methods, transaction history, instant mBank payments and mBank's BNPL (Buy Now, Pay Later), introduced in January 2025.

- **developing Paynow's unique offer focused on improving payment conversion, which directly translates into better sales in our merchants' online shops**. Measures taken in this area included the implementation of new functions, such as the optimisation of the one-click payment process and new payment methods. We developed Paynow with a view to serving new business models, with a particular focus on the dynamically growing marketplace segment. In Q4 2024, we piloted an innovative solution enabling the handling of split payment transactions for marketplace platforms, which opens new possibilities of cooperating with clients operating in this model. Furthermore, we strengthened the cooperation within mBank Group by integrating e-commerce product offerings and other banking products. These measures helped increase cross-selling efficiency and deepen our relationships with business clients. We worked on extending the target group by establishing cooperation with sales platforms to reach a broader group of merchants and end clients. In 2024, we initiated cooperation with the key e-commerce platforms operating in Poland, which contributed to the increased reach of Paynow and further strenghtened our position in the online payments market.

- **providing value adding services (VAS) designed for online sellers to increase the importance of relationship with mBank by partnering with them in main parts of their e-commerce activity**. We are offering a set of tools for a start, such as the option to launch an e-shop with Sky-Shop, using ready-made templates and a technical support of experts, mOrganizer for handling invoices, useful particularly at the later stage of business growth, as well as a free-of-charge accounting helpline. We also promote dedicated webinars, articles and blog for firms entering e-commerce market and already operating in the Internet.

3. Best digital corporate banking for high-potential companies

mBank's aspiration is to provide the best corporate banking services in Poland. We commit ourselves to be distinguished by professionalism, expertise and quality of the service as well as a personalised and transparent offer, taking into account the needs of particular customer segments. It will be confirmed by industry benchmarks and high net promoter score (NPS). In parallel, corporate area of mBank continues its thorough digital transformation. By moving the offering and all post-sales processes into remote channels, we are increasing the range of products available via virtual branch integrated with mBank CompanyNet system. Comfortable remote communication will increase the satisfaction rate from cooperation with us. We digitize processes, supporting and enabling customers to self-service online. However, human assistance is still available when needed, as it remains crucial to developing and strengthening relationships.

The main goals we focused on in 2024 included:

- **initiating, developing and intensifying the cooperation with companies from prospective industries and the fastest growing sectors of the economy as well as continued support of energy transformation**. Thanks to the development of financing offer, implementation of financing policies and adequately determining the limits, we have been increasing our involvement in projects related to the sustainable development, including renewable energy sources, e-commerce and businesses supporting it, automation and digitalization solutions, modern technologies and digital entertainment as well as healthcare and pharma industry, with the aim to lift their share in mBank's portfolio.

- **contributing to the growth of SME segment in Poland and benefitting from its progressing e-commerce presence and higher profitability**. Tailored, digital service model, operational excellence, pre-approved products and activities aimed at boosting product penetration (cross-sell) are key success factors in K3 segment.

- **continued development of sales management support tools**. In 2024, we continued to develop the new CRM platform supporting the sales units in serving the existing clients and acquiring new ones. We focused on further migration of key functionalities to the new platform. We introduced a new user-friendly dashboard with new navigation. At the same time, we significantly boosted the system usability. The changes to CRM gained users' appreciation reflected by a very high CSAT (Customer

Satisfaction Index) at 77% (increase by 32 pp against last year's result). We are working on further changes, which we will be gradually introducing in 2025. In addition, we prepared an analytical tools to facilitate client portfolio management, including, in particular, a module for analysing a range of indices (benchmarking) and comparing them within groups of clients with similar features (clustering) at the level of business lines, segments and branches. We also introduced several significant elements enhancing cross-selling based on predictive analytics. On top of that, we carried out a market potential analysis. All the tools are available to client advisors in CRM to support acquisition-related activities

- **providing the best end-to-end digital banking experience for corporate customers in Poland**. Building new relationships with corporate clients, both SMEs and large companies, in digital channels has become the norm for mBank. In 2024, we opened over 88% of accounts digitally. We are continuously improving the digital onboarding process through, among others, automation of its further steps and addition of new legal forms of entities served. We broadened the scope of methods for identity confirmation in mBank CompanyNet and implemented the biometric verification. Clients can now perform authorisation with the use of electronic IDs or passports from over 90 countries registered in the ICAO Public Key Directory. At the same time, we worked on **digitisation of further processes and services**. Among others, we are developing the remote agreement signing process in each product line (it currently covers 18 product agreement types). The process will be fully integrated with mBank CompanyNet and will not require clients' qualified electronic signatures. We are enhancing and automating service-related processes, e.g., we implemented a process to handle the so-called "hybrid agreements" that arise from changes in the law and are used in transition periods. mBank CompanyMobile users can now use improved app functionalities, including a new currency exchange module that allows them to confirm transactions with a single click and a state-of-the-art payment card management module. These modifications have stepped up the mobile banking penetration level, which has already exceeded the initial target set in the 2025 strategy.

- **redesigning the corporate lending process to make it more predictable and ensure better business development support and safe and adequate level of risk costs**. In 2024, we concentrated our efforts on further enhancement of the lending process efficiency and on reducing the TTC (Time to Cash). The recorded improvement in the TTC by several dozen percent year on year is the result of the implementation of monitoring based on early warning signals, a new limit process for corporate groups, the implementation of further 16 agreement templates for automatic generation, a new eBGK module (including fully digitised application process for products covered with the de minimis guarantee) and further standardisation and optimisation of the operations performed as part of the lending process, e.g. improved SLA (Service-Level Agreement) and error-free transmission of credit applications between units participating in the process. Thanks to the rapidly progressing migration of clients to the tools supporting the new process, we limited the number of systems used in the lending process. Thanks to the use of a single tool supporting the process, we can precisely measure its duration and ensure its high predictability.

- **developing a profitable business in the corporate banking area while ensuring capital and cost efficiency (at the level of both business lines and individual client relationships)**. By taking advantage of market possibilities, we are expanding our credit portfolio and increasing the use of capital, while maintaining high capital efficiency. We continue applying a selective approach towards new exposures, strictly based on the analysis of their profitability. Companies for which the assumed AROR (the relation of adjusted revenues to risk weighted assets) threshold is not fulfilled are subject to special decision framework. Centralisation of internal processes, development of remote channels, and digitalisation of the offer increase employment productivity.

4. Technology, security and data as a source of advantage

Historically, mBank's success was achieved thanks to its technological prowess, reflected in advanced and innovative products and services (mobile applications, first 24/7 core banking system on the Polish market). Now, when most institutions in financial sector aspire to the title of technological leaders, we want to keep ourselves a few steps ahead of competition, making sure all innovation enablers and IT-related advantages are available for our business leaders in their continuous pursuit in delivering the best digital offer and experience. Giving access to most modern technologies and ways of work (e.g. DevOps, Microservice architectures, agile self-organising teams), we count on attracting talents in the industry.

The main goals we focused on in 2024 included:

- **providing high quality, availability, security and stability of mBank's solutions and services to customers on a continuous basis**. Key strategic IT projects included the modernization of our two central platforms, Globus for corporate banking and Altamira for retail banking, to eliminate technological debt and enable their further effective upgrades in the future. We increase the level of

maturity of the software development process through continuous monitoring and automation of security controls and tests, as well as implementation of multi-level quality gates.

- **maintaining the technological advantage of mBank in the financial sector by being cloud-ready, allowing for flexibility, scalability of technology and swift adaptation to business and organizational needs**. As one of the first banks in Poland, we provided our employees with modern tools for communication and cooperation in the public cloud through the organisation-wide implementation of the Microsoft Office 365 service. We introduced appropriate legal frameworks and adopted a standardised way of implementing SaaS and PaaS based solutions at mBank, reflecting all security, regulatory and operational requirements. It is followed by preparation of architectural patterns and migration schemes for various groups of bank systems. We advance competences of our teams in the field of developing applications in private and public cloud.

- **ensuring highest possible security level to mBank's clients and employees by continuous development of a multi-layer cybersecurity defence model for both on-premise and cloud solutions**. We constantly search for weaknesses in our infrastructure and address vulnerabilities before they are exploited. In line with a defined frequency, we conduct comprehensive Red Team tests, verifying the organization's security level and its resistance to emerging cyber threats. We implemented the Stop Scams Program for retail clients, aimed at building a comprehensive fraud prevention system. We raise the awareness of employees thanks to trainings performed as part of the Security Academy, an internal mBank's initiative where experts to present crucial risks and remedies.

- **caring for the highest protection of mobile application serving as a digital key to all mBank's channels and delivering the most secure and client-friendly identity confirmation process in all digital channels**. We are implementing RASP-like (Realtime Application Self-Protection) functionalities, progressively increasing mobile app's security level and dynamically reacting to emerging threats. We want to introduce upgraded solutions that are able to learn customer behavioural patterns in order to detect possible anomalies on their mobile devices. We promote digital identity services as allowing for a convenient authentication, in particular in the process of opening a new account and mobile application onboarding.

5. Distinctive people and organisation culture

Companies offering people greater flexibility will be better at attracting talent and retaining key employees. Due to concerns about negative effect of remote work on company culture, innovation and sense of belonging to the organisation, employers are adopting hybrid work models aimed at combining advantages of working from the office and from home. Strong employer brand supports mBank in recruiting top specialists. We are also helping our people to leverage their strengths and obtain future competences. Through strategic, long-term capability planning, we are ready to facilitate learning in the direction which is beneficial for both individual and the organisation. Our aspiration is that mBank's employee will be a reference of a digital-savvy person.

The main goals we focused on in 2024 included:

- **creating culture where cooperation is based on trust and positive intentions**. At mBank, it is defined by 5 key values: authenticity, empathy, courage, responsibility and cooperation. We used internal communication, employee events and development events to strengthen these values in the organization.

- **developing best-in-class hybrid work environment**. We continue to work in a flexible and adaptive model that responds to the needs of employees and meets the expectations of managers. We assess its perception within the organisation based on opinions from the cyclical survey. The functioning of staff in the hybrid mode is supported by top practices in management of distributed teams as well as advanced workplace technology and digitized HR processes.

- **increasing the effectiveness of recruitment and maintaining high retention rate of mBank's employees**. In addition to benefiting from succession program and internal promotions, we continued mBank's recommendation program, in which current employees can encourage their colleagues to join the company and apply for a given position, gaining a reward in the event of their employment. New components were added to the recruitment process to verify a candidate's fit with the organisational culture and values, raising candidates' awareness of mBank's culture at the same time.

- **diagnosing and developing the capabilities of our employees to make them a competitive advantage for the bank**. We are anchoring in strengths-based approach to leverage individual talents, identified according to Gallup's methodology (CliftonStrengths study). Our training activity is designed to develop future skills needed for the organization to succeed. This year, we have been

focused on raising awareness in the Gen AI area. Each year, we invite our employees to join interdisciplinary teams and take part in a special competition aimed at identifying innovations worth implementing internally, within our organisation, or externally, for our clients.

## 3.3. Strategic financial targets of mBank Group for 2025

The strategic goal of mBank Group is to keep the position among top Polish banks not only in terms of business growth, but also key financial metrics. In the coming years, our profitability will be anchored in high revenues, decent cost discipline and prudent approach to risk management, accompanied by visibly declining legal risk provisions related to FX mortgage loans. Favourable changes in the balance sheet structure are going to support net interest margin, while a well-managed development of operating costs will ensure excellent efficiency. Consequently, we assume to generate a return for the shareholders that will be attractive compared to other players in the Polish sector, and mBank's long-term goal remains to pay 50% of net profit as a dividend.

We aim to optimize the balance sheet of mBank Group from both profitability and structural perspective, keeping focus on efficient capital usage. In particular, we intend to systematically increase the share of higher yielding assets (retail and SME loans) and maintain diversification of funding sources (in terms of maturity, currency and products). Projected trends in volumes will be reflected in continuously high liquidity and loan-to-deposit ratio oscillating below 70%. We plan to remain an active participant of the international market of debt instruments, with a size of issuances needed to fulfil the MREL requirement. We will focus mainly on non-preferred senior debt in EUR (under green bond framework) that is eligible funding from this perspective.

In 2025, the planned development of our business volumes in key strategic segments is assumed to be faster than in the sector, which shall imply an improvement of market shares. With materializing demographic effect, hidden within our retail customer base, mBank's financial results are foreseen to gain additional boost, unrelated to the current acquisition. It will favourably affect our growth prospects compared to domestic competitors. In parallel, along with progressing decline of FX mortgage loan portfolio, our reported performance will be gradually converging to the profitability of core business, which is alluring in the context of Polish sector.

The strategic financial goals of mBank Group were updated in 2023 to incorporate a new set of macroeconomic parameters as well as other factors impacting the business, volumes, activity and resources. We intend to maintain excellent operational efficiency, ensure stability, achieve specified growth rates and provide satisfactory profitability. Our activities until the end of current strategy in 2025 will be focused on fulfilling the following ratios, metrics and dynamics, describing our aspirations in four dimensions:

| Measure | Target level | Current level | Comment |
|---|---|---|---|
| **Efficiency** | | | |
| **Cost/Income ratio** (C/I) | **below 40%** in 2025 | 28.2% in 2024 | supported by high interest rates offsetting inflationary pressure |
| **Stability** | | | |
| **Tier 1 capital ratio** | year-end level min **2.5 p.p.** above the PFSA requirement | +5.4 p.p. at the end of 2024 | surplus helped by securitisations and issuance of AT1 bonds |
| **Cost of risk** (COR) | **~0.80%** in the mid-term | 0.49% in 2024 | lower thanks to improving financial standing of clients and sale of NPL receivables |
| **Growth** | | | |
| **Loans** | CAGR 2022-2025: **~3%** | dynamics in 2024: +6.6% YoY | lending revival fuelled by surging new sales of retail loans |
| **Deposits** | CAGR 2022-2025: **~6%** | dynamics in 2024: +8.3% YoY | growth focused on current accounts amid pricing optimisation |
| **Total revenues** | CAGR 2022-2025: **4-5%**[1] | dynamics in 2024: +11.2% YoY | driven by record-high net interest income and slightly better net fees |
| **Profitability** | | | |
| **Net interest margin** (NIM) | **above 3.0%** in 2025 | 4.3% in 2024 | thanks to high loan yields and active deposit management |
| **Return on equity** (ROE) | **~14%** in 2025 | 14.8% in 2024 | depressed by legal risk costs related to FX mortgage loans, while core ROE was at 39.7% |

Note: Target level for capital ratios is valid under current regulatory regime and adopted assumptions.

[1] the growth pace calculated against the level of revenues adjusted for the negative impact of "credit holidays" at 9 191 million

The financial targets for 2025 reflect a base scenario for mBank Group's development and they may be affected both positively and negatively by a number of factors.

Upside potential to our revenue trajectory and profitability may stem from:

- high interest rates for longer than the path assumed in the financial plan
- development of investment products, wealth management and brokerage services in Poland supporting growth of fees and commissions in retail segment
- stronger rebound of lending, with a utilisation of unlocked EU funds for Poland

On the negative side, our financial performance and capital position may weaken due to:

- more adverse line of jurisprudence in court cases related to FX mortgage loans resulting in a need to book still high legal risk provisions
- deterioration of geopolitical situation and macroeconomic conditions (lower GDP growth, high unemployment rate, lack of private investments) as well as unfavourable market development (PLN depreciation) impacting business volumes and risk profile
- intensification of excessive customer protection, supervisory guidelines and new regulatory requirements
- stronger competitive pressure, both from other banks and new players, undermining revenues

# 4. Financial position of mBank Group and mBank in 2024

## 4.1. Financial position of mBank Group

All the growth rate figures presented in the analysis of financial results have been calculated on the basis of the Consolidated Financial Statements of mBank S.A. Group for 2024 (in PLN thousands). Differences in the tables, if any, result from rounding.

**Profit and loss account of mBank Group**

mBank Group recorded a record high net profit in 2024, despite the burden of further costs of legal risk related to foreign currency mortgage loans. mBank Group reported profit before tax of PLN 2,973.7 million in 2024, compared to a profit of PLN 970.6 million in 2023. Net profit attributable to Owners of mBank S.A. amounted to PLN 2,243.2 million compared to PLN 24.1 million scored a year earlier.

Income tax of mBank Group amounted to PLN 730.4 million in 2024 vs previous year's PLN 946.5 million.

A summary of the financial results of mBank Group is presented in the table below.

| PLN million | 2023 | 2024 | Change in PLN M | Change in % |
|---|---|---|---|---|
| Interest income | 14,826.8 | 14,523.3 | -303.5 | -2.0% |
| Interest expense | -5,953.3 | -4,934.2 | 1,019.1 | -17.1% |
| **Net interest income** | **8,873.5** | **9,589.0** | **715.6** | **8.1%** |
| Fee and commission income | 3,015.9 | 3,207.7 | 191.8 | 6.4% |
| Fee and commission expense | -1,100.0 | -1,235.8 | -135.8 | 12.3% |
| **Net fee and commission income** | **1,915.9** | **1,971.9** | **56.0** | **2.9%** |
| **Core income** | **10,789.4** | **11,560.9** | **771.5** | **7.2%** |
| Dividend income | 9.5 | 14.3 | 4.8 | 50.5% |
| Net trading income | 73.3 | 176.7 | 103.3 | 140.9% |
| Other income | 11.9 | 64.6 | 52.7 | 442.2% |
| Other operating income | 317.7 | 477.6 | 159.8 | 50.3% |
| Other operating expenses | -399.5 | -287.1 | 112.4 | -28.1% |
| **Total income** | **10,802.3** | **12,006.9** | **1,204.6** | **11.2%** |
| Net impairment losses and fair value change on loans and advances | -1,105.5 | -585.5 | 520.0 | -47.0% |
| Costs of legal risk related to foreign currency loans | -4,908.2 | -4,307.0 | 601.2 | -12.2% |
| Overhead costs and depreciation | -3,074.4 | -3,388.3 | -313.9 | 10.2% |
| **Operating profit or loss** | **1,714.1** | **3,726.1** | **2,012.0** | **117.4%** |
| Taxes on Group balance sheet items | -743.6 | -752.4 | -8.8 | 1.2% |
| **Profit before income tax** | **970.6** | **2,973.7** | **2,003.1** | **206.4%** |
| Income tax expense | -946.5 | -730.4 | 216.2 | -22.8% |
| **Net profit** | **24.1** | **2,243.4** | **2,219.3** | **9,224.8%** |
| **- attributable to Owners of mBank S.A.** | **24.1** | **2,243.2** | **2,219.2** | **9,225.9%** |
| - Non-controlling interests | 0.0 | 0.1 | 0.1 | - |

| | | |
|---|---|---|
| ROA net | 0.0% | 1.0% |
| ROE gross | 7.1% | 19.7% |
| ROE net | 0.2% | 14.8% |
| Cost / Income ratio | 28.5% | 28.2% |
| Net interest margin | 4.18% | 4.35% |
| Common Equity Tier 1 ratio | 14.7% | 13.1% |
| Tier 1 ratio | 14.7% | 14.5% |
| Total capital ratio | 17.0% | 15.9% |
| Leverage ratio | 5.3% | 5.6% |

**Core income** – calculated as the sum of net interest income and net fee and commission income.
**Other income** – calculated as gains or losses from derecognition of financial assets and liabilities not measured at fair value through profit or loss and gains or losses from non-trading equity and debt securities mandatorily measured at fair value through profit or loss.
**Total income –** calculated as the sum of net interest income, net fee and commission income, dividend income, net trading income, other income, other operating income and other operating expenses.
**Overhead costs and depreciation** – calculated as the sum of total overhead costs and depreciation.
**Net impairment losses and fair value change on loans and advances** – calculated as the sum of impairment or reversal of impairment on financial assets not measured at fair value through profit or loss and gains or losses from non-trading loans and advances mandatorily measured at fair value through profit or loss.
**Net ROA** – calculated by dividing net profit/loss attributable to the owners of mBank by the average total assets. The average total assets are calculated on the basis of the balances as at the end of each month. Net profit/loss attributable to the owners of mBank is annualised based on the number of days in the analysed period (the annualisation ratio is calculated as the quotient of the number of days in a year and the number of days in the analysed period).
**Gross ROE** – calculated by dividing pre-tax profit/loss by the average equity (net of the year's results). The average equity is calculated on the basis of the balances as at the end of each month. Pre-tax profit/loss is annualised based on the number of days in the analysed period (the annualisation ratio is calculated as the quotient of the number of days in a year and the number of days in the analysed period).
**Net ROE** – calculated by dividing net profit/loss attributable to the owners of mBank by the average equity (net of the year's results). The average equity is calculated on the basis of the balances as at the end of each month. Net profit/loss attributable to the owners of mBank is annualised based on the number of days in the analysed period (the annualisation ratio is calculated as the quotient of the number of days in a year and the number of days in the analysed period).
**Cost/Income ratio** – calculated by dividing overhead costs and depreciation by total income (excluding tax on balance sheet items of the Group).
**Net interest margin** – calculated by dividing net interest income by average interest earning assets. To calculate the margin, net interest income was calculated without factoring in the result from the non-substantial modification which includes the cost of the credit holidays. Interest earning assets are the sum of cash and balances with the Central Bank, loans and advances to banks, debt securities (in all valuation methods) and loans and advances to clients (net; in all valuation methods). The average interest earning assets are calculated on the basis of the balances as at the end of each month. Net interest income is annualised based on the number of days in the analysed period (the annualisation ratio is calculated as the quotient of the number of days in a year and the number of days in the analysed period).

The main drivers of the financial results of mBank Group in 2024 included:

- **Record high total income** at PLN 12,006.9 million. Net interest income remained its main component. It reached PLN 9,589.0 million and increased year on year due to active management of deposit costs and our focus on the profitability of client relationships, despite the negative impact of "credit holidays". Net fee and commission income also recorded an increase and reached PLN 1,971.9 million.
- **Increase of operating expenses** (including depreciation) to PLN 3,388.3 million linked to inflationary pressures and growing business scale.
- **Improved efficiency** measured by the cost/income ratio, which stood at 28.3% in 2024 vs 28.6% in 2023 (adjusted for the effect of the "credit holidays" and one-off income related to recovery of receivables).
- **Decrease in cost of risk** to 49 basis points vs 93 points last year, due to maintained good quality of the loan portfolio.
- **Costs of legal risk related to foreign currency loans** at PLN 4,307.0 million vs PLN 4,908.2 million in 2023.
- **Continued organic growth and business expansion** as demonstrated by:
  - **increase in the number of corporate clients** to 36.1 thousand (+1.6 thousand clients compared with the end of 2023);
  - **increase in the number of active mobile app users** by 196.0 thousand to 3,842.0 thousand

- **increase in the number of the Personal Financial Manager users** to 1,921.0 thousand (+449.0 thousand compared with the end of 2023).

**Profit before tax of the Core Business** (mBank Group excluding FX Mortgage Loans segment) totalled PLN 7,304.7 million in 2024, up by 22.0% from PLN 5,988.4 million in 2023. Net profit rose by 22.4% to PLN 5,637.9 million in the period under review. This was reflected in **net ROE, which stood at 39.7% in 2024** vs 40.0% in 2023.

Capital ratios of mBank Group remained at a high level in 2024. At the end of the year, the consolidated Total Capital Ratio stood at 15.85% compared with 17.04% in the previous year. Tier 1 capital ratio amounted to 14.52% compared with 14.71% at the end of 2023. The Common Equity Tier 1 capital ratio reached 13.05% vs 14.71% at the end of 2023. The leverage ratio stood at 5.6% at the end of December 2024 compared with 5.3% the year before.

### Selected data of mBank Group by country

| Selected data (PLN mln) | Revenues (total income) | Profit/Loss before income tax | Income tax | Net profit/loss | Number of employees (in FTE) |
|---|---|---|---|---|---|
| **Poland** | 11,476.5 | 2,764.8 | -666.5 | 2,098.3 | 7,187 |
| **Czech Republic** | 353.9 | 127.3 | -31.0 | 96.3 | 286 |
| **Slovakia** | 176.6 | 81.6 | -32.9 | 48.7 | 96 |
| **Group** | 12,006.9 | 2,973.7 | -730.4 | 2,243.4 | 7,569 |

**Revenues (total income)** - calculated as the sum of net interest income, net fee and commission income, dividend income, net trading income, other income, other operating income and other operating expenses.

### Income of mBank Group

Total income generated by mBank Group was record high, reaching PLN 12,006.9 million in 2024, compared with PLN 10,802.3 million the year before, which represents an increase of PLN 1,204.6 million, i.e. 11.2%. The increase was mainly driven by improved net interest income.

**Net interest income** was mBank Group's largest income source in 2024 (79.9%). It reached PLN 9,589.0 million, compared with PLN 8,873.5 million in 2023 (+8.1%, or 10.3% excluding the impact of "credit holidays"). The increase in net interest income resulted mainly from active management of deposit costs and our focus on the profitability of client relationships, and was achieved despite interest rate cuts by a total of 100 bps in 2023.

**Net interest margin**, calculated as a relation between net interest income and average interest earning assets, stood at 4.35% compared with 4.18% in 2023. To calculate the margin, net interest income was calculated without factoring in the result from the non-substantial modification which includes the cost of the credit holidays.

Interest income decreased by PLN 303.5 million or -2.0% year on year to PLN 14,523.3 million (by -0.7% if adjusted for the impact of "credit holidays"). Loans and advances were the main source of the Group's interest income. Interest income from loans and advances decreased by PLN 390.1 million or -3.6% year on year. Interest income from investment securities grew by PLN 204.7 million, or 7.8%, while interest income from cash and short-term funds increased by PLN 159.7 million, i.e. 18.1%.

| PLN million | 2023 | 2024 | Change in PLN M | Change in % |
|---|---|---|---|---|
| Loans and advances | 10,916.4 | 10,526.4 | -390.1 | -3.6% |
| Investment securities | 2,641.3 | 2,846.0 | 204.7 | 7.8% |
| Cash and short-term placements | 882.9 | 1,042.6 | 159.7 | 18.1% |
| Trading debt securities | 69.9 | 59.6 | -10.2 | -14.7% |
| Interest income on derivatives classified into banking book | 119.5 | 120.9 | 1.4 | 1.2% |
| Gains or losses on the non-substantial modification (net) | 44.8 | -155.8 | -200.7 | -447.7% |
| Other | 151.9 | 83.6 | -68.4 | -45.0% |
| **Total interest income** | **14,826.8** | **14,523.3** | **-303.5** | **-2.0%** |

**Interest income from loans and advances** includes interest income from loans and advances on the following items: assets held for trading, non-trading financial assets measured mandatorily at fair value through profit or loss and financial assets measured at amortised cost.
**Interest income from investment securities** includes interest income on the following items: non-trading financial assets measured mandatorily at fair value through profit or loss, including debt securities, financial assets measured at fair value through other comprehensive income and financial assets measured at amortised cost, including debt securities.

In the period under review, interest expense fell significantly (by PLN 1,019.1 million or -17.1%), which was mainly attributable to lower deposit costs (down by PLN 699.7 million).

**Net fee and commission income**, accounting for 16.4% of mBank Group's total income, increased year on year. In the period under review, it stood at PLN 1,971.9 million, which represents an increase by PLN 56.0 million or 2.9%.

| PLN million | 2023 | 2024 | Change in PLN M | Change in % |
|---|---|---|---|---|
| Payment cards-related fees | 685.5 | 766.2 | 80.7 | 11.8% |
| Credit-related fees and commissions | 610.3 | 623.4 | 13.1 | 2.2% |
| Commissions from currency transactions | 496.5 | 484.9 | -11.5 | -2.3% |
| Commissions for agency service regarding sale of insurance products of external financial entities | 135.5 | 149.6 | 14.1 | 10.4% |
| Fees from brokerage activity and debt securities issue | 162.6 | 165.5 | 2.9 | 1.8% |
| Commissions from bank accounts | 286.5 | 311.2 | 24.6 | 8.6% |
| Commissions from money transfers | 239.1 | 251.9 | 12.9 | 5.4% |
| Commissions due to guarantees granted and trade finance commissions | 113.7 | 114.6 | 0.9 | 0.8% |
| Commissions for agency service regarding sale of products of external financial entities | 84.7 | 119.4 | 34.7 | 41.0% |
| Commissions on trust and fiduciary activities | 30.2 | 31.6 | 1.3 | 4.4% |
| Fees from portfolio management services and other management related fees | 27.0 | 36.4 | 9.4 | 34.8% |
| Fees from cash services | 61.9 | 65.7 | 3.8 | 6.1% |
| Other | 82.5 | 87.3 | 4.9 | 5.9% |
| **Total fee and commission income** | **3,015.9** | **3,207.7** | **191.8** | **6.4%** |

Fee and commission income increased by PLN 191.8 million or 6.4% year on year. Owing to the growing number of clients and transactions, payment card-related fees reported the highest increase (rising by PLN 80.7 million or 11.8%). In the period under review, the value of cashless transactions went up by 16.2%, while its number was higher by 9.9%. Commissions for agency service regarding sale of insurance products of external financial entities increased by PLN 34.7 million or 41.0%. Due to a raise in some fees charged from retail customers, commissions from bank accounts increased by PLN 24.6 million, i.e. 8.6%.

Commission expenses grew in the period under review by PLN 135.8 million or +12.3%. The largest increase was recorded in the payment card-related fees, which was mainly driven by a higher volume of mBank clients' transactions in 2024.

Dividend income amounted to PLN 14.3 million in 2024, compared with PLN 9.5 million in 2023.

Net trading income stood at PLN 176.7 million in 2024 and increased by PLN 103.3 million or 140.9% year on year. The increase in the net trading result was mainly driven by an improvement in the foreign exchange result.

Other income, calculated as gains or losses from derecognition of financial assets and liabilities not measured at fair value through profit or loss and gains or losses from non-trading equity and debt securities mandatorily measured at fair value through profit or loss, increased by PLN 52.7 million and stood at PLN 11.9 million. The income was mainly driven by the revaluation of Polski Standard Płatności Sp. z o.o.

Net other operating income (other operating income net of other operating expenses) stood at PLN 190.8 million in 2024 vs PLN -81.8 million in 2023. In 2024, a one-off income at PLN 164.0 million from a recovery of receivables was booked under a final court decision issued in the bank's favour.

**Contribution of business segments and business lines to the financial results**

A summary of financial results of individual business lines of mBank Group is presented in the table below.

| PLN million | 2023 | 2024 | Change in PLN M | Change in % | Share in income (in %) |
|---|---|---|---|---|---|
| Retail Banking | 6,809.2 | 7,457.0 | 647.8 | 9.5% | 62.1% |
| Corporate and Investment Banking | 3,778.9 | 4,321.6 | 542.7 | 14.4% | 36.0% |
| Treasury and Other | 281.2 | 266.9 | -14.3 | -5.1% | 2.2% |
| **Core business income** | **10,869.3** | **12,045.5** | **1,176.2** | **10.8%** | **100.3%** |
| FX Mortgage Loans | -67.0 | -38.6 | 28.4 | -42.4% | -0.3% |
| **Income of mBank Group** | **10,802.3** | **12,006.9** | **1,204.6** | **11.2%** | **100.0%** |

**Costs of legal risk related to foreign currency loans**

Total costs of legal risk related to foreign currency loans recognised in the income statement in 2024 stood at PLN 4,307.0 million (compared to PLN 4,908.2 million in 2023). They are mainly due to updates to the expected costs of the settlement program, updates to the projected number of lawsuits, updates to the statutory interest costs included in the model, and updates to the probabilities of possible court judgments. The methodology is described in detail in Note 34 to the Consolidated Financial Statements of mBank S.A. Group for 2024.

**Costs of mBank Group**

In 2024, mBank Group continued to implement measures aimed at improving efficiency measured by the Cost/Income ratio. The total overhead costs (including depreciation) of mBank Group stood at PLN 3,388.3 million, which represents a 10.2% increase on the previous year.

| PLN million | 2023 | 2024 | Change in PLN M | Change in % |
|---|---|---|---|---|
| Staff-related expenses | -1,447.3 | -1,619.0 | -171.7 | 11.9% |
| Material costs, including: | -886.8 | -967.4 | -80.6 | 9.1% |
| *- costs of administration and real estate services* | -333.7 | -349.6 | -15.9 | 4.8% |
| *- IT costs* | -250.7 | -276.6 | -26.0 | 10.4% |
| *- marketing costs* | -194.9 | -215.6 | -20.6 | 10.6% |
| *- consulting costs* | -87.1 | -105.0 | -18.0 | 20.6% |
| *- other material costs* | -20.4 | -20.5 | -0.1 | 0.5% |
| Taxes and fees | -41.5 | -48.3 | -6.9 | 16.6% |
| Contributions and transfers to the Bank Guarantee Fund | -181.8 | -146.8 | 35.0 | -19.3% |
| Contributions to the Borrower Support Fund | 0.0 | 0.0 | 0.0 | 0.0% |
| Contributions to the Social Benefits Fund | -13.0 | -20.3 | -7.3 | 55.7% |
| Institutional Protection Scheme | -0.1 | 0.0 | 0.1 | 0.0% |
| Depreciation | -504.0 | -586.6 | -82.6 | 16.4% |
| **Costs of mBank Group** | **-3,074.4** | **-3,388.3** | **-313.9** | **10.2%** |
| Cost / Income ratio | 28.5% | 28.2% | - | - |
| Employment (FTE) | 7,319 | 7,569 | 250 | 3.4% |

**Cost/Income ratio** – calculated by dividing overhead costs and depreciation by total income (excluding tax on balance sheet items of the Group).

In 2024, staff-related expenses increased by PLN 171.7 million or 11.9%. In the period under review, remuneration costs increased and number of FTE went up by 250 (mainly in IT and retail areas).

Material costs rose by PLN 80.6 million (9.1%) in the period under review, in particular as a result of higher costs of IT, marketing and consulting. Depreciation increased by PLN 82.8 million in the period under review. Contributions and transfers to the Bank Guarantee Fund stood at PLN 146.8 million, a decrease by PLN 35.0 million year on year.

The above-mentioned development of income and expenses resulted in a year-on-year decrease of the Cost/Income ratio, which stood at 28.2% (vs 28.5% in 2023). The normalised Cost/Income ratio (excluding the effect of the "credit holidays" and one-off income from recovered receivables) stood at 28.3% vs 28.6% in 2023.

**Impairment on and change in the fair value of loans and advances**

In 2024, net impairment losses and fair value change on loans and advances of mBank Group (calculated as the sum of two items: impairment or reversal of impairment on financial assets not measured at fair value through profit or loss and gains or losses from non-trading loans and advances mandatorily measured at fair value through profit or loss) stood at PLN -585.5 million. Compared with 2023, it decreased by PLN 520.0 million or 47.0%.

Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss is related to the part of the portfolio of loans and advances measured at amortised cost. The item "gains or losses from non-trading loans and advances mandatorily measured at fair value through profit or loss" is related to the credit risk of the portfolio of loans and advances measured with the use of that method.

As a result, the cost of risk in 2024 stood at 49 bps, compared with 93 bps in 2023.

| PLN million | 2023 | 2024 | Change in PLN M | Change in % |
|---|---|---|---|---|
| Retail Banking | -892.3 | -412.8 | 479.6 | -53.7% |
| Corporate and Investment Banking | -228.5 | -223.9 | 4.6 | -2.0% |
| FX Mortgage Loans | 17.9 | 53.1 | 35.2 | 196.6% |
| Treasury and Other | -2.6 | -2.0 | 0.6 | -24.0% |
| **Net impairment losses and fair value change on loans and advances** | **-1,105.5** | **-585.5** | **520.0** | **-47.0%** |

Cost of risk in the Retail Banking segment decreased by PLN 479.6 million compared to the previous year. This decline is due to improved payment discipline among customers and the favourable impact of the macroeconomic environment. An additional factor shaping the results was the positive impact of the sale of non-performing loans. In 2023, cost of risk was negatively affected by one-off factors, including the implementation of an additional trigger classifying exposures to Stage 2 (the so-called threefold PD backstop indicator).

In the Corporate and Investment Banking segment cost of risk decreased slightly by PLN 4.6 million. The similar level of loan loss provisions results from the stable quality of the corporate portfolio and the positive impact of the sale of non-performing loans.

## 4.2. Changes in the consolidated statement of financial position of mBank Group

### Changes in the assets of mBank Group

Group assets stood at PLN 245,957.4 million as at December 31, 2024. During 2024 their value grew by PLN 18,976.8 million (+8.4%).

The table below presents changes in particular items of mBank Group assets.

| PLN million | 31.12.2023 | 31.12.2024 | Change in PLN M | Change in % |
|---|---|---|---|---|
| Cash and cash equivalents | 36,702.4 | 36,680.9 | -21.5 | -0.1% |
| Loans and advances to banks | 7,119.1 | 9,738.5 | 2,619.4 | 36.8% |
| Securities held for trading and derivative instruments | 1,719.5 | 1,797.7 | 78.2 | 4.5% |
| Net loans and advances to customers | 113,520.8 | 121,418.6 | 7,897.8 | 7.0% |
| Investment securities | 60,583.9 | 68,993.4 | 8,409.6 | 13.9% |
| Intangible assets | 1,701.9 | 1,956.7 | 254.8 | 15.0% |
| Tangible assets | 1,481.4 | 1,461.8 | -19.6 | -1.3% |
| Other assets | 4,151.5 | 3,909.7 | -241.8 | -5.8% |
| **Assets of mBank Group** | **226,980.5** | **245,957.4** | **18,976.8** | **8.4%** |

**Net loans and advances to customers** – the sum of loans and advances to customers measured at amortised cost, non-trading loans and advances mandatorily measured at fair value through profit or loss, and loans and advances classified as trading assets.
**Investment securities** – the sum of financial assets measured at fair value through other comprehensive income, debt securities measured at amortised cost, and non-trading equity and debt securities mandatorily measured at fair value through profit or loss.
**Other assets** – the sum of fair value changes of the hedged items in portfolio hedge of interest rate risk, non-current assets and disposal groups classified as held for sale, investment properties, current income tax assets, deferred income tax assets and other assets.

Loans and advances to customers remained the largest asset category of mBank Group at the end of 2024. As at December 31, 2024, they accounted for 49.4% of the balance sheet total compared with 50.0% at the end of 2023. The net volume of loans and advances to customers increased by PLN 7,897.8 million (7.0%) compared with the end of 2023.

| PLN million | 31.12.2023 | 31.12.2024 | Change in PLN M | Change in % |
|---|---|---|---|---|
| Loans and advances to individuals | 66,260.1 | 70,589.1 | 4,329.0 | 6.5% |
| Loans and advances to corporate entities | 50,836.0 | 54,251.1 | 3,415.1 | 6.7% |
| Loans and advances to public sector | 132.9 | 144.8 | 12.0 | 9.0% |
| **Total (gross) loans and advances to customers** | **117,229.0** | **124,985.0** | **7,756.0** | **6.6%** |
| Provisions for loans and advances to customers | -3,708.2 | -3,566.4 | 141.8 | -3.8% |
| **Total (net) loans and advances to customers** | **113,520.8** | **121,418.6** | **7,897.8** | **7.0%** |

Gross loans and advances to customers are calculated as the sum of three items: loans and advances to customers measured at amortized cost (gross carrying amount), loans and advances held for trading, and non-trading loans and advances mandatorily measured at fair value through profit or loss.

In 2024, the growth in loans and advances granted to customers was primarily driven by the increase in gross loans and advances to individual customers. The value of gross loans and advances to individual customers was up by PLN 4,329.0 million, i.e., 6.5%. The increase of volume of gross loans and advances to individual clients at mBank was higher than the dynamic observed for the entire market of loans to households. In 2024, the market of loans to households increased by 2.7% (NBP's data). Net of the FX effect, mBank's loans and advances to individuals grew by 7.0% in 2024. The line item remains significantly impacted by the updates of cash flow estimates related to CHF mortgage loans and the reduction of their gross carrying amount in accordance with IFRS 9, as a result of cost of legal risk related to this portolio. Excluding the portfolio of foreign currency mortgage loans and the impact of exchange rate changes, loans granted to individual customers increased by 10.2% annually.

The sales of mortgage loans increased more than 2.5 times in 2024. It amounted to PLN 10,585.4 million against PLN 4,116.4 million in the previous year. This is the highest level of mortgage loan sales in the history of mBank Group. In 2024, mBank Group focused on selling fixed-rate loans to its own customer base. The value of sales generated in 2024 under the Safe 2% Loan program, which provides for government subsidies reducing the mortgage instalments of eligible borrowers, amounted to PLN 1.4 billion. The remaining, predominant part of sales was achieved by mBank without the support of government initiatives. In 2024, we also observed an increase in mBank's share in the mortgage loan sales market, which peaked in August 2024 at 19.2% on a monthly basis. This is the highest market share of mBank in mortgage loan sales since 2008. In 2024, mBank was the fifth bank in the market in terms of new mortgage loan sales, with a share of 12.0%.

In 2024, mBank Group sold PLN 11,347.3 million in non-mortgage loans, which represents a 31.8% growth in sales compared with 2023. The sales volume was record-high despite the environment of persistently high interest rates, high inflation and limited consumption.

The volume of gross loans and advances to corporate clients increased by PLN 3,415.1 million (6.7%) in 2024 compared with the end of 2023. The increase of volume of gross loans and advances to corporate clients at mBank was higher than the dynamic observed for the entire corporate loans market. The volume of loans to enterprises increased by 4.5% year on year as at the end of December 2024 (NBP's data). Excluding reverse repo/buy sell back transactions and the FX effect, the value of mBank Group's loans to corporate entities increased by 7.1% compared to the end of 2023.

The sales of loans to corporate entities (including new sales, limit increases and renewals) reached PLN 39,951.0 million in 2024, up by 21.0% year on year. In 2024, new loans and loan renewals dominated the sales. Their volumes grew by 39.2% and by 9.6% year on year, respectively. The most popular form of financing in 2024 was structured finance, including those financing renewable energy sources, and overdraft loans. Their sales increased year on year by 29.9% and 22.8%, respectively.The volume of loan sales remained the highest in the K2 client segment, and increased year on year in all three client segments.

The volume of gross loans and advances to the public sector increased by PLN 12.0 million (+9.0%) in 2024.

Investment securities constituted mBank Group's second largest asset category (28.1%). During 2024, their value grew by PLN 8,409.6 million (+13.9%). This growth was achieved, among other things, by investing the money deposited by clients with mBank in Treasury bonds and money bills.

Loans and advances to banks increased by 2,619.4 million (+36.8% year on year) to PLN 9,738.5 million, mainly as a result of the higher value of reverse repo and buy/sell back transactions by PLN 2,310.1 million (36.5%) to PLN 8,633.4 million.

Securities held for trading and derivative instruments rose by 4.5% year on year to PLN 1,797.7 million. Their value was positively impacted by higher value of debt securities of the central and local government institutions sector, and negatively impacted by lower value of derivative instruments.

Intangible assets grew by 15.0% year on year to PLN 1,956.7 million, mainly as a result of the bank purchasing new software licenses.

Tangible assets decreased by 1.3% year on year to PLN 1,461.8 million, due to a reduction in the value of the land use right asset.

**Changes in liabilities and equity**

The table below presents changes in liabilities and equity of mBank Group in 2024:

| PLN million | 31.12.2023 | 31.12.2024 | Change in PLN M | Change in % |
|---|---|---|---|---|
| Liabilities to other banks | 3,315.3 | 3,059.4 | -255.9 | -7.7% |
| Amounts due to customers | 185,467.5 | 200,809.0 | 15,341.5 | 8.3% |
| Liabilities from debt securities in issue | 11,105.2 | 12,130.3 | 1,025.2 | 9.2% |
| Subordinated liabilities | 2,714.9 | 2,675.5 | -39.4 | -1.5% |
| Other liabilities | 10,640.4 | 9,516.1 | -1,124.4 | -10.6% |
| **Total liabilities** | **213,243.3** | **228,190.4** | **14,947.1** | **7.0%** |
| **Total equity** | **13,737.2** | **17,767.0** | **4,029.8** | **29.3%** |
| **Liabilities and equity of mBank Group** | **226,980.5** | **245,957.4** | **18,976.8** | **8.4%** |

**Other liabilities** – the sum of financial liabilities held for trading and hedging derivatives, lease liabilities measured at amortised cost, fair value changes of the hedged items in portfolio hedge of interest rate risk, liabilities included in disposal groups classified as held for sale, provisions, current income tax liabilities, deferred income tax provisions and other liabilities.

Amounts due to customers are the principal source of funding of mBank Group. Their share in the Group's funding structure has been growing systematically over the last years and remains at a safe and high level. In 2024, mBank issued bonds as part of the EMTN program, AT1 bonds, as well as CLN bonds in connection with portfolio securitisation, which translated into the stabilization of the share of amounts due to customers in the Group's liabilities and equity. Despite a year-on-year increase in the volume of amounts due to customers, this item accounted for 81.6% of the Group's equity and liabilities at the end of 2024, compared with 81.7% at the end of 2023.

| PLN million | 31.12.2023 | 31.12.2024 | Change in PLN M | Change in % |
|---|---|---|---|---|
| Individual customers | 128,412.4 | 142,247.6 | 13,835.2 | 10.8% |
| Corporate entities | 56,439.0 | 57,719.9 | 1,281.0 | 2.3% |
| Public sector customers | 616.2 | 841.4 | 225.3 | 36.6% |
| **Total amounts due to customers** | **185,467.5** | **200,809.0** | **15,341.5** | **8.3%** |

Amounts due to customers grew by PLN 15,341.5 million (+8.3%) in 2024, reaching PLN 200,809.0 million at the end of the year. The bank actively managed the range of deposit products offered to clients, aiming to ensure a safe level of financial liquidity in the context of another tranche of EMTN bonds maturing in Q4 2024, remain competitive in the market, and adjust the interest rates on deposits to high inflation and to NBP's interest rates. The bank's actions brought about an increase of funds placed in current accounts and stabilization of term deposits. The volume of funds in current accounts grew to PLN 162,613.8 million, up by 10.1% compared with the end of December 2023. Term deposits increased by 0.2% to PLN 36,108.5 million in 2024. In 2024, amounts due to individual customers were higher in all three client segments.

Amounts due to individual customers increased by PLN 13,835.2 million (+10.8%) compared with the end of 2023, reaching PLN 142,247.6 million. Deposits in current and savings accounts went up by 13.8% to PLN 117,236.2 million, whereas the volume of term deposits dropped by 1.5% year on year to PLN 24,752.7 million.

Amounts due to corporate entities grew by PLN 1,281.0 million (+2.3% year on year) to PLN 57,719.9 million. In case of the amounts due to corporate entities, the dominant part of the increase was the inflow of funds into current accounts (+1.2%; +PLN 535.0 million). At the same time, term deposits of corporate entities grew by 3.6% to PLN 11,291.0 million.

Amounts due to the public sector increased by PLN 225.3 million (+36.6% year on year) to PLN 841.4 million. Deposits in current and savings accounts of public sector rose by 30.7% to PLN 776.1 million. Term deposits of public sector customers grew almost threefold to PLN 64.8 million.

Amounts due to other banks decreased by PLN 255.9 million (+7.7%) to PLN 3,059.4 million compared to the end of 2023. Their volume was shaped, on the one hand, by a 67.5% increase in deposits held with mBank by other banks, which reached PLN 592.1 million, and by a 39.1% increase in repo transactions to PLN 178.3 million. On the other hand, it was affected by the liabilities from cash collateral, which dropped by 77.4% to PLN 125.9 million. At the same time, we observed a decrease in term deposits of other banks held at mBank by 46.1% to PLN 103.2 million.

The share of liabilities from debt securities in issue in mBank Group's funding structure remained at 4.9% at the end of 2024. Their volume increased by 1,025.2 million (+9.2% year on year) to PLN 12,130.3 million. In Q4 2024, the bank redeemed one tranche of bonds issued under the EMTN program with a nominal value of CHF 125.0 million on its maturity date. In Q3 2024, the bank issued green preferred senior bonds worth EUR 500 million. In Q4 2024, the bank launched CLN bonds with a nominal value of PLN 560 million in connection with a securitisation transaction.

Subordinated liabilities decreased by PLN 39.4 million (+1.5% year on year), to PLN 2,675.5 million, primarily due to the currency effect.

Other liabilities decreased to PLN 9,516.1 million, down by PLN 1,124.4 million (+10.6% year on year). The decline was mainly attributable to a fall in other liabilities (mainly interbank settlements) by PLN 1,775.7 million (+28.1%) to PLN 4,532.5 million, and to a decrease in financial liabilities held for trading and hedging derivatives by PLN 401.7 million (-26.9%) to PLN 1,094.0 million.

Total equity grew by PLN 4,029.8 million (+29.3%) to PLN 17,767.0 million in 2024, primarily due to the increase in retained earnings, resulting from the growth of the current year's profit by PLN 2,219.2 million, or more than 93 times year on year, to 2,243.2 million. The increase in total equity in 2024 was also influenced by the issuance of AT1 bonds with a nominal value of PLN 1,500.0 million, which the bank conducted in Q4 2024.

The share of total equity in equity and liabilities of mBank Group at the end of 2024 increased compared with the previous year to 7.2%.

**Other information**

A description of significant off-balance sheet items of mBank Group can be found in Note 35 to the mBank S.A. Group IFRS Consolidated Financial Statements for 2024.

A description of related party transactions can be found in Note 45 to the mBank S.A. Group IFRS Consolidated Financial Statements for 2024.

In 2024, mBank Group did not conclude any significant agreements on issuing loan repayment guarantees or sureties.

As at December 31, 2024 mBank S.A. did not have any agreements referred to in Article 141t (1) of the Banking Law Act.

In 2024, mBank signed an agreement with the National Bank of Slovakia (NBS) which allows it to obtain financing from NBS as part of open market operations organised by NBS in accordance with ECB rules.

At the end of 2024, the value of borrowers' accounts or assets pledged as collateral meeting the requirements arising from the CRR totaled PLN 348.8 billion for mBank Group.

Information concerning proceedings pending before courts, arbitration bodies, and public administration bodies are presented in Note 33 to the mBank S.A. Group IFRS Consolidated Financial Statements for 2024.

**Investment spending in 2024**

Similar to previous years, mBank's investment activity in 2024 focused on initiatives supporting customer experience. We also aimed to increase efficiency and digitize processes, as well as meet regulatory requirements.

The Group's investment outlays in 2024 amounted to PLN 771.4 million. This represents an increase of 18.7% compared to last year, when the outlays were PLN 650.0 million. As in previous periods, the majority of mBank Group's investment outlays were in the IT area (PLN 601.7 million; 78.0%). This is also the area with the highest increase compared to last year (PLN 108.5 million).

One of the most important projects implemented in 2024 was the enhancement of the Personal Finance Manager (PFM) service with new functionalities. Responding to the needs of individual clients, we introduced changes to the "Mój Majątek" (My Assets) section. Thanks to this, clients have access to a clear summary, charts facilitating data analysis, and easier navigation to other sections of the application. Changes also included functionalities enabling retirement planning. Additionally, we adapted products and customer service processes to verify clients' PESEL status.

Furthermore, mBank's investments in 2024 were focused on the e-commerce area. Considering the development prospects of this market in Poland, we launched a joint marketplace platform with an external partner. It is available through mBank's mobile application.

Corporate Banking Area continued to work on a customer-friendly platform for handling of credit applications. We also introduced a new electronic application for de minimis guarantees in the mBank CompanyNet electronic banking system. As part of the development of the mBank CompanyMobile mobile application, we implemented the ability to personalize the currency module according to clients' needs. Intensive work was also carried out on introducing a number of changes in the corporate CRM. New views and functionalities were created to improve the efficiency and convenience of using the system. Utilizing new technologies (including AI solutions), we implemented tools to support corporate banking advisors in obtaining and analyzing information about companies and industries. We also provided a virtual assistant that supports advisors in best matching the offer to the needs and expectations of customers.

We introduced solutions to support the assessment of clients and transactions in terms of sustainable development, including compliance with the EU Taxonomy, mBank's ESG strategy, and corporate clients' climate awareness (climate goals and carbon footprint calculation).

In the area of risk, work focused primarily on implementing regulatory changes in credit risk, liquidity risk, and interest rate risk. We ensured consistent management of credit default risk at the Group level. We also implemented changes resulting from new Basel regulations regarding the calculation of capital requirements.

In 2024, we continued work on the modernization of corporate and retail branches. We aimed to provide adequate space for clients and bank employees. Subsequent stages of activities in this area will be implemented in the coming years.

Regardless of business initiatives, mBank invested in IT technology. We aimed to maintain a high level of cybersecurity (both in the bank and its subsidiaries). Consistently, part of the investment resources was directed to ensure compliance with changing legal requirements. In addition to the mentioned regulations, we also worked on the areas of payments, reference indicators, preventing the use of the financial system for money laundering, personal data protection, tax administration requirements, etc.

**Investment plans for 2025**

In the Retail Banking Area, actions aimed at increasing client activity are planned. Additionally, in 2025, we will continue working on a new mortgage sales process across all distribution channels. Further intensive work will focus on increasing the credibility and usability of the marketplace platform for individual clients. We will also focus on enabling easy financing of purchases on the platform and making the platform available to SME customers. Moreover, we want to simplify the basic client path to make it shorter, faster, and more intuitive. This way, we aim to improve customer satisfaction and reduce the number of complaints. The actions taken will reduce the excessive number of contacts with employees in the Contact Center and mBank branches. We also plan to continue working on the mobile application.

In 2025, we plan to further develop internet and mobile banking systems for corporate clients as well as CRM. We will continue to automate financing processes to ensure the highest quality of service and the best corporate client experience.

Due to upcoming regulatory changes, including in the area of payments, it will be necessary to implement appropriate modifications to ensure compliance with the regulations. An important element of our investments will also be ensuring consistency with other changes in legal requirements. We will focus primarily on the areas of ESG, Basel IV, DORA, and the Web Content Accessibility Guidelines (WCAG).

To effectively support risk measurement and management, we will develop domain systems and databases that power IT tools.

## 4.3. Financial position of mBank in 2024

### Profit and loss account of mBank

mBank closed 2024 with a profit before tax of PLN 2,905.4 million compared with a profit before tax of PLN 897.6 million in 2023. Net profit amounted to PLN 2,235.7 million compared to PLN 29.3 million in 2023. Income tax paid by mBank amounted to PLN 669.7 million in 2024.

A summary of the financial results of mBank is presented in the table below.

| PLN million | 2023 | 2024 | Change in PLN M | Change in % |
|---|---|---|---|---|
| Interest income | 13,996.5 | 13,812.4 | -184.1 | -1.3% |
| Interest expense | -5,708.5 | -4,764.2 | 944.3 | -16.5% |
| **Net interest income** | **8,288.0** | **9,048.2** | **760.2** | **9.2%** |
| Fee and commission income | 2,789.0 | 2,931.8 | 142.8 | 5.1% |
| Fee and commission expense | -975.5 | -1,073.0 | -97.5 | 10.0% |
| **Net fee and commission income** | **1,813.6** | **1,858.9** | **45.3** | **2.5%** |
| **Core income** | **10,101.6** | **10,907.1** | **805.5** | **8.0%** |
| Dividend income | 4.9 | 6.7 | 1.7 | 34.9% |
| Net trading income | 75.8 | 168.0 | 92.2 | 121.7% |
| Other income | 14.4 | 56.1 | 41.7 | 288.8% |
| Other operating income | 78.1 | 260.5 | 182.5 | 233.7% |
| Other operating expense | -264.0 | -170.9 | 93.2 | -35.3% |
| **Total income** | **10,010.8** | **11,227.5** | **1,216.7** | **12.2%** |
| Net impairment losses and fair value change on loans and advances | -975.0 | -510.5 | 464.6 | -47.6% |
| Costs of legal risk related to foreign currency loans | -4,908.2 | -4,307.0 | 601.2 | -12.2% |
| Overhead costs and depreciation | -2,745.2 | -3,024.2 | -279.0 | 10.2% |
| Taxes on bank balance sheet items | -719.7 | -730.9 | -11.2 | 1.6% |
| Share of profits (losses) of subordinated entities valued using the equity method | 236.0 | 250.4 | 14.4 | 6.1% |
| **Profit/loss before income tax** | **897.6** | **2,905.4** | **2,007.7** | **223.7%** |
| Income tax | -868.3 | -669.7 | 198.6 | -22.9% |
| **Net profit/loss** | **29.3** | **2,235.7** | **2,206.4** | **7,524.6%** |
| Net ROA | 0.0% | 1.0% | | |
| Gross ROE | 6.5% | 19.5% | | |
| Net ROE | 0.2% | 15.0% | | |
| Cost/Income ratio | 27.5% | 27.0% | | |
| Net interest margin | 4.0% | 4.2% | | |
| Common Equity Tier 1 ratio | 17.1% | 15.0% | | |

| | | |
|---|---|---|
| Tier 1 ratio | 17.1% | 16.7% |
| Total capital ratio | 19.8% | 18.2% |
| Leverage ratio | 6.0% | 6.4% |

**Core income** – calculated as the sum of net interest income and net fee and commission income.
**Other income –** calculated as gains or losses from derecognition of financial assets and liabilities not measured at fair value through profit or loss and gains or losses from non-trading equity and debt securities mandatorily measured at fair value through profit or loss.
**Total income** - calculated as the sum of net interest income, net fee and commission income, dividend income, net trading income, other income, other operating income and other operating expenses.
**Total overhead costs (including deprecation)** - calculated as the sum of total overhead costs and depreciation.
**Net impairment losses and fair value change on loans and advances** – the sum of impairment or reversal of impairment on financial assets not measured at fair value through profit or loss and gains or losses from non-trading loans and advances mandatorily measured at fair value through profit or loss.
**Net ROA** - calculated by dividing net profit/loss attributable to Owners of the Bank by the average total assets. The average total assets are calculated on the basis of the balances as at the end of each month. Net profit/loss attributable to Owners of the Bank is annualized based on the number of days in the analysed period (an annualization factor is calculated by dividing a number of days in the year by a number of days in the analysed period).
**Gross ROE** - calculated by dividing profit/loss before income tax by the average equity attributable to Owners of the Bank net of the year's results. The average equity is calculated on the basis of the balances as at the end of each month. Profit/loss before income tax is annualized based on the number of days in the analysed period (an annualization factor is calculated by dividing a number of days in the year by a number of days in the analysed period).
**Net ROE** - calculated by dividing net profit/loss attributable to Owners of the Bank by the average equity attributable to Owners of the Bank, net of the year's results. The average equity is calculated on the basis of the balances as at the end of each month. Net profit/loss attributable to Owners of the Bank is annualized based on the number of days in the analysed period (an annualization factor is calculated by dividing a number of days in the year by a number of days in the analysed period).
**Cost/Income ratio** - calculated by dividing overhead costs and depreciation by total income (excluding tax on bank's balance sheet items).
**Net interest margin** - calculated by dividing net interest income by average interest earning assets. To calculate the margin, net interest income was calculated without factoring in the result from the non-substantial modification which includes the cost of the credit holidays. Interest earning assets are the sum of cash and balances with the Central Bank, loans and advances to banks, debt securities (in all valuation methods) and loans and advances to customers (net; in all valuation methods). The average interest earning assets are calculated on the basis of the balances as at the end of each month. Net interest income is annualized based on the number of days in the analysed period (an annualization factor is calculated by dividing a number of days in the year by a number of days in the analysed period).

## Income of mBank

Total income generated by mBank amounted to PLN 11,227.5 million in 2024 compared with PLN 10,010.8 million in 2023, representing an increase by PLN 1,216.7 million, i.e. 12.2%. The increase was mainly driven by improved net interest income.

Net interest income remained mBank's largest income source in 2024 (accounting for 80.6% of total income). It stood at PLN 9,048.2 million, compared with PLN 8,288.0 million in 2023 (+9.2%). The increase in net interest income resulted mostly from active management of deposit costs, as well as the bank's focus on the profitability of client relationships. In 2024, the bank recognised a negative impact of credit holidays on net interest income in the amount of PLN 109.7 million.

Net interest margin, calculated as the relation between net interest income and average interest-earning assets, stood at 4.2% vs 4.0% in 2023.

The average interest rates on deposits and loans with mBank are presented in the table below.

**Average interest rate (mBank)**

| | | Retail Banking[1] (Poland and foreign branches) | | | Corporate and Investment Banking | | | mBank total | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 2022 | 2023 | 2024 | 2022 | 2023 | 2024 | 2022 | 2023 | 2024 |
| **Deposits** | PLN | 0.95% | 2.35% | 1.58% | 1.65% | 2.40% | 1.94% | 1.17% | 2.36% | 1.68% |
| | FX | 0.48% | 1.06% | 1.19% | 0.10% | 0.45% | 0.45% | 0.37% | 0.87% | 0.97% |
| **Total loans** | PLN | 9.04% | 10.52% | 9.21% | 7.12% | 8.49% | 7.80% | 8.40% | 9.85% | 8.75% |
| | FX | 1.75% | 2.91% | 3.77% | 2.82% | 5.54% | 6.11% | 2.05% | 3.82% | 4.75% |
| **Mortgage loans** | PLN | 7.00% | 8.41% | 7.33% | | | | | | |
| | FX | 1.31% | 2.39% | 3.11% | | | | | | |

[1] The Retail Banking data include the data of the FX mortgage loans segment.

Interest income decreased by PLN 184.1 million or -1.3% compared to 2023. Loans and advances were the main source of the bank's interest income. Interest income from loans and advances declined by PLN 371.1 million or 3.7% year on year, mainly due to the interest rate cuts by the Monetary Policy Council in the autumn of 2023, totaling 100 basis points. Interest income from investment securities increased by PLN 268.2 million or 9.8%.

| PLN million | 2023 | 2024 | Change in PLN M | Change in % |
|---|---|---|---|---|
| Loans and advances | 9,967.7 | 9,596.7 | -371.1 | -3.7% |
| Investment securities | 2,727.7 | 2,995.9 | 268.2 | 9.8% |
| Cash and short-term placements | 877.0 | 1,038.0 | 161.0 | 18.4% |
| Trading debt securities | 70.1 | 59.6 | -10.4 | -14.9% |
| Interest income on derivatives classified into banking book | 176.2 | 164.4 | -11.8 | -6.7% |
| Other | 177.9 | -42.1 | -220.0 | -123.7% |
| **Total interest income** | **13,996.5** | **13,812.4,** | **-184.1** | **-1.3%** |

**Loans and advances** – the sum of interest income from loans and advances to customers recognised in: financial assets measured at amortised cost, non-trading financial assets mandatorily measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income.
**Investment securities** – the sum of interest income from debt securities included in financial assets measured at fair value through other comprehensive income, debt securities included in assets measured at amortised cost and non-trading equity and debt securities mandatorily measured at fair value through profit or loss.

The decrease in interest expenses in 2024 by PLN 944.3 million or 16.5% was mainly driven by lower deposit costs (decrease by PLN 701.2 million), due to lower interest paid on deposits after interest rate cuts.

Net fee and commission income, accounting for 16.6% of mBank's total income, increased compared to 2023. It grew by PLN 45.3 million, i.e. 2.5% compared with the previous year.

| PLN million | 2023 | 2024 | Change in PLN M | Change in % |
|---|---|---|---|---|
| Payment cards-related fees | 685.5 | 766.2 | 80.7 | 11.8% |
| Credit-related fees and commissions | 511.6 | 514.5 | 2.9 | 0.6% |
| Commissions from currency transactions | 496.5 | 484.9 | -11.5 | -2.3% |
| Commissions for agency service regarding sale of insurance products of external financial entities | 87.4 | 96.1 | 8.7 | 9.9% |
| Fees from brokerage activity and debt securities issue | 163.5 | 165.7 | 2.3 | 1.4% |
| Commissions from bank accounts | 286.5 | 311.2 | 24.6 | 8.6% |
| Commissions from money transfers | 238.8 | 251.9 | 13.1 | 5.5% |
| Commissions due to guarantees granted and trade finance commissions | 99.6 | 99.1 | -0.5 | -0.5% |
| Commissions for agency service regarding sale of products of external financial entities | 39.7 | 54.2 | 14.5 | 36.6% |
| Commissions on trust and fiduciary activities | 30.2 | 31.6 | 1.3 | 4.4% |
| Fees from portfolio management services and other management-related fees | 17.9 | 19.8 | 1.8 | 10.2% |
| Fees from cash services | 61.9 | 65.7 | 3.8 | 6.1% |
| Other | 69.9 | 71.0 | 1.1 | 1.6% |
| **Total fee and commission income** | **2,789.0** | **2,931.8** | **142.8** | **5.1%** |

Fee and commission income went up by PLN 142.8 million (5.1%) year on year. The largest growth was observed in payment cards-related fees (+PLN 80.7 million, i.e. 11.8%). In the period under review, the value of cashless transactions increased by 16.2%, while the number was higher by 9.9%. Simultaneously, mainly due to the changes introduced in the fee schedule for retail clients, commissions from bank accounts increased by PLN 24.6 million, i.e., 8.6% year on year.

Commission expenses grew in the period under review by PLN 97.5 million or 10.0%. The largest growth was observed in payment cards-related fees and commissions paid to external entities for sale of the bank's products.

Dividend income amounted to PLN 6.7 million in 2024, compared with PLN 4.9 million in 2023.

Net trading income stood at PLN 168.0 million in 2024, up by PLN 92.2 million (121.7%) compared with the previous year. The largest increase was recorded in the foreign exchange result.

Other income, including gains or losses from derecognition of financial assets and liabilities not measured at fair value through profit or loss and gains or losses from non-trading equity instruments and debt securities mandatorily measured at fair value through profit or loss, amounted to PLN 56.1 million compared with PLN 14.4 million in 2023. The income arises from, among others, the revaluation of shares in companies (among others, Polski Standard Płatności Sp. z o.o., Krajowa Izba Rozliczeniowa Sp. z o.o., Biuro Informacji Kredytowej S.A.).

Net other operating income (other operating income net of other operating expenses) reached PLN 89.6 million, mainly due to PLN 164.0 million income from a recovery of receivables under a final court decision issued in the bank's favour.

### Costs of legal risk related to foreign currency loans

In 2024, costs of legal risk related to foreign currency loans decreased year on year and stood at PLN 4,307.0 million. The methodology of calculating the cost of legal risk related to this portfolio is described in detail in Note 34 to the mBank S.A. Group Consolidated Financial Statements 2024.

### Costs of mBank

The total overhead costs of mBank (including depreciation) amounted to PLN 3,024.2 million, up by 10.2% compared with the previous year.

| PLN milion | 2023 | 2024 | Change in PLN M | Change in % |
|---|---|---|---|---|
| Staff-related expenses | -1,309.1 | -1,463.9 | -154.9 | 11.8% |
| Material costs | -777.9 | -847.2 | -69.3 | 8.9% |
| Taxes and charges | -38.5 | -45.1 | -6.6 | 17.1% |
| Contributions and transfers to the Bank Guarantee Fund | -173.2 | -139.2 | 34.0 | -19.6% |
| Institutional Protection Scheme | -0.1 | 0.0 | 0.1 | -100.0% |
| Depreciation | -434.3 | -509.7 | -75.5 | 17.4% |
| **Costs of mBank** | **-2,745.2** | **-3,024.2** | **-279.0** | **10.2%** |
| Cost/Income ratio | 27.5% | 27.0% | - | - |
| Employment (FTE) | 6,649 | 6,902 | 254 | 3.8% |

**Cost/Income ratio** – calculated by dividing overhead costs and depreciation by total income (excluding tax on bank's balance sheet items).

In 2024, staff-related expenses increased by PLN 154.9 million or 11.8%. In the period under review, remuneration costs increased and 254 FTEs were added.

Material expenses increased by PLN 69.3 million (8.9%) in the period under review, in particular, as a result of higher IT, marketing and consulting costs.

Contributions and transfers to the Bank Guarantee Fund were lower by PLN 34.0 million year on year in 2024.

Changes in the income and costs of mBank translated into a decrease in the cost/income ratio. It stood at 27.0% at the end of 2024, down from 27.5% in the previous year.

**Net impairment losses and fair value change on loans and advances**

In 2024, net impairment losses and fair value change on loans and advances of mBank (sum of impairment or reversal of impairment on financial assets not measured at fair value through profit or loss and gains or losses from non-trading loans and advances mandatorily measured at fair value through profit or loss) amounted to PLN -510.5 million, down by PLN 464.4 million or 47.6% against the prior year. The decrease was reported mainly in the Retail Banking area. The decrease of credit risk provisions in Retail Banking results mainly from the observed improvement in clients' payment discipline and the favorable impact of the macroeconomic environment. An additional factor shaping the results was the positive impact of the sale of non-performing loans. In 2023, cost of risk was materially affected by the implementation of an additional trigger classifying exposures to Stage 2. In the Corporate and Investment Banking segment, the final amount of provisions was at similar level thanks to the stable quality of the corporate portfolio and the positive impact of the sale of non-performing loans.

## 4.4. Changes in the statement of financial position of mBank

**Changes in assets**

In 2024 mBank's assets rose by PLN 19,849.9 million (+8.9%). Total assets stood at PLN 242,268.4 million as at December 31, 2024.

The table below presents changes in particular items of mBank assets.

| PLN million | 31.12.2023 | 31.12.2024 | Change in PLN M | Change in % |
|---|---|---|---|---|
| Cash and cash equivalents | 36,641.4 | 36,601.5 | -40.0 | -0.1% |
| Loans and advances to banks | 10,476.2 | 13,248.6 | 2,772.4 | 26.5% |
| Securities held for trading and derivative instruments | 1,727.2 | 1,807.5 | 80.3 | 4.6% |
| Net loans and advances to customers | 103,935.7 | 111,477.3 | 7,541.5 | 7.3% |
| Investment securities | 61,978.3 | 71,073.7 | 9,095.4 | 14.7% |
| Intangible assets | 1,513.9 | 1,734.8 | 220.9 | 14.6% |
| Tangible assets | 1,165.9 | 1,112.1 | -53.8 | -4.6% |
| Other assets | 4,979.8 | 5,213.1 | 233.3 | 4.7% |
| **Total assets of mBank** | **222,418.5** | **242,268.4** | **19,849.9** | **8.9%** |

**Net loans and advances to customers** – the sum of loans and advances to customers measured at amortised cost, non-trading loans and advances mandatorily measured at fair value through profit or loss, loans and advances classified as trading assets, and loans and advances measured at fair value through other comprehensive income.
**Investment securities** – the sum of debt securities measured at fair value through other comprehensive income, debt securities measured at amortised cost, and non-trading equity and debt securities mandatorily measured at fair value through profit or loss.
**Other assets** – the sum of fair value changes of the hedged items in portfolio hedge of interest rate risk, non-current assets and disposal groups classified as held for sale, investment properties, current income tax assets, deferred income tax assets and other assets.

Loans and advances to customers remained the largest asset category of mBank at the end of 2024. As at December 31, 2024, they accounted for 46.0% of total assets compared with 46.7% at the end of 2023. This year-on-year decline resulted, among others, from adjustments related to the update of cash flow estimates related to CHF mortgage loans and the reduction of their gross carrying amount in accordance with IFRS 9, as a result of cost of legal risk related to this portolio.

The volume of net loans and advances to customers grew by PLN 7,541.5 million (+7.3%) year on year.

| PLN million | 31.12.2023 | 31.12.2024 | Change in PLN M | Change in % |
|---|---|---|---|---|
| Loans and advances to individuals | 57,478.5 | 61,403.0 | 3,924.5 | 6.8% |
| Loans and advances to corporate entities | 49,376.8 | 52,908.0 | 3,531.2 | 7.2% |
| Loans and advances to public sector | 132.9 | 144.8 | 12.0 | 9.0% |
| **Total (gross) loans and advances to customers** | **106,988.2** | **114,455.9** | **7,467.6** | **7.0%** |
| Provisions for loans and advances to customers | -3,052.5 | -2,978.6 | 73.9 | -2.4% |
| **Total (net) loans and advances to customers** | **103,935.7** | **111,477.3** | **7,541.5** | **7.3%** |

Gross loans and advances to individuals rose by PLN 3,924.5 million (6.8%) compared with the end of 2023.

At the same time, gross loans and advances to corporate entities grew by PLN 3,531.2 million (+7.2%). Gross loans and advances to the public sector increased by PLN 12.0 million (+9.0%).

Investment securities constituted mBank's second largest asset category (29.3%). In 2024, their value grew by PLN 9,095.4 million (+14.7%).

Other assets made up 24.6% of the bank's balance sheet total.

**Changes in liabilities and equity**

The table below presents changes in mBank's equity and liabilities in 2024.

| PLN million | 31.12.2023 | 31.12.2024 | Change in PLN M | Change in % |
|---|---|---|---|---|
| Liabilities to other banks | 3,346.2 | 3,085.3 | -260.9 | -7.8% |
| Amounts due to customers | 185,117.1 | 200,775.8 | 15,658.6 | 8.5% |
| Liabilities from debt securities in issue | 7,625.5 | 9,062.5 | 1,437.0 | 18.8% |
| Subordinated liabilities | 2,714.9 | 2,675.5 | -39.4 | -1.5% |
| Other liabilities | 9,951.8 | 8,905.6 | -1,046.2 | -10.5% |
| **Total liabilities** | **208,755.5** | **224,504.6** | **15,749.1** | **7.5%** |
| **Total equity** | **13,662.9** | **17,763.7** | **4,100.8** | **30.0%** |
| **Total liabilities and equity of mBank** | **222,418.4** | **242,268.4** | **19,849.9** | **8.9%** |

**Other liabilities** – the sum of financial liabilities held for trading and hedging derivatives, lease liabilities measured at amortised cost, fair value changes of the hedged items in portfolio hedge of interest rate risk, liabilities included in disposal groups classified as held for sale, provisions, current income tax liabilities, deferred income tax provisions and other liabilities.

Amounts due to customers remained mBank's principal source of funding. At the end of 2024, their share in liabilities and equity remained safe and high at 82.9% (83.2% in 2023).

Amounts due to customers rose by PLN 15,658.6 million (+8.5%) to PLN 200,775.8 million in 2024. The main growth driver were amounts due to individual customers, which grew by 10.8%. Amounts due to corporate entities went up by 2.8%, whereas amounts due to the public sector increased by 36.6%.

| PLN million | 31.12.2023 | 31.12.2024 | Change in PLN M | Change in % |
|---|---|---|---|---|
| Individual customers | 128,412.3 | 142,247.6 | 13,835.2 | 10.8% |
| Corporate entities | 56,088.6 | 57,686.7 | 1,598.1 | 2.8% |
| Public sector customers | 616.2 | 841.4 | 225.3 | 36.6% |
| **Total amounts due to customers** | **185,117.1** | **200,775.8** | **15,658.6** | **8.5%** |

Liabilities from debt securities in issue rose by PLN 1,437.0 million (+18.8% year on year) to PLN 9,062.5 million. In Q4 2024, the bank redeemed one tranche of bonds issued under the EMTN program with a nominal value of CHF 125.0 million on its maturity date. In Q3 2024, the bank issued green preferred senior bonds worth EUR 500 million. In Q4 2024, the bank launched CLN bonds with a nominal value of PLN 560 million in connection with a securitisation transaction.

Total equity grew by PLN 4,100.8 million (+30.0%) in 2024, primarily as a consequence of the increase in retained earnings, resulting from the growth of the current year's profit by PLN 2,206.4 million, or more than 76 times year on year, to 2,235.7 million. The increase in total equity in 2024 was also influenced by the issuance of AT1 bonds with a nominal value of PLN 1,500.0 million, which the bank conducted in Q4 2024. The share of total equity in equity and liabilities of mBank Group at the end of 2024 increased compared with the previous year to 7.3%.

# 5. mBank Group capital and funding

## 5.1. mBank Group capital base

### Structure of own funds including Tier 1 and Tier 2 capital

The amount of capital maintained by mBank Group and mBank meets the regulatory requirements and allows for the planned business expansion at the defined risk appetite level. This is reflected in the Common Equity Tier 1 capital ratio (15.05% at the stand-alone level and 13.05% at the consolidated level at the end of 2024), the Tier 1 capital ratio (16.71% at the stand-alone level and 14.52% at the consolidated level at the end of 2024) and the total capital ratio (18.21% at the stand-alone level and 15.85% at the consolidated level at the end of 2024), which are above the minimal levels required by the Polish Financial Supervision Authority (PFSA) for CET 1, Tier 1 and TCR by 7.11 p.p., 7.61 p.p. and 7.45 p.p. respectively at the stand-alone level and by 4.76 p.p., 5.43 p.p. and 5.47 p.p. at the consolidated level. A detailed description of capital requirements for the Group and the bank as well as the factors influencing their change in 2024 is presented in chapter 9.3. "Capital adequacy".

Regulatory capital requirements for mBank Group as of December 31, 2024, are presented below.

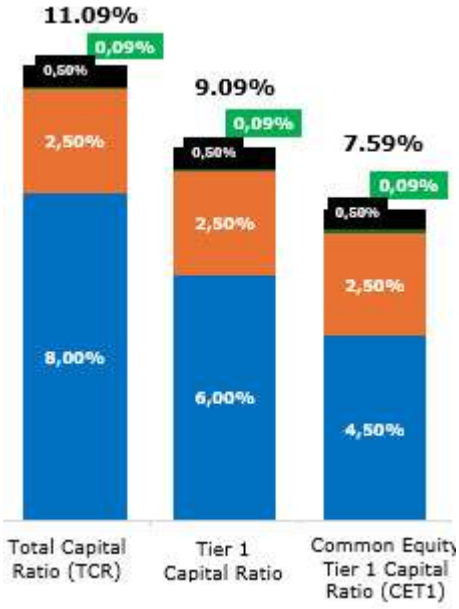
**Countercyclical Capital Buffer** is calculated as the weighted average of the countercyclical buffer rates that apply in the countries where the relevant credit exposures of the Group are located.

**Systemic Risk Buffer** determined at 3.0% in Poland entering into force from January 1, 2018; it replaced the previous PFSA add-on; for mBank it applies only to domestic exposures. Since March 2020, due to COVID-19 pandemic, this buffer amounts to 0% along with the decision issued by the Minister of Finance.

**Other Systemically Important Institution (O-SII) Buffer** imposed by an administrative decision of the PFSA, in which mBank has been identified as other systemically important institution; its level is reviewed annually.

**Conservation Capital Buffer** is equal for all banks in Poland as introduced by the Act on Macroprudential Supervision Over the Financial System and Crisis Management in the Financial System. Its implementation has been gradual. Since January 1, 2019 it has risen to 2.5% and was binding at this level in 2024.

**CRR Regulation minimum level** based on Regulation (EU) No 575/2013 of the European Parliament and of the Council of June 26, 2013 on prudential requirements for credit institutions and amending Regulation (EU) No 648/2012.




Consolidated own funds stood at PLN 16.2 billion at the end of 2024, out of which PLN 13.3 billion was Common Equity Tier 1 capital, whereas PLN 1.5 billion was Additional Tier 1 (AT1) capital. The main components of Tier 1 include:

- capital instruments and the related share premium accounts
- retained earnings from previous years,
- accumulated other comprehensive income and regulator's adjustments,
- independently reviewed interim profits net of any foreseeable charge or dividend,
- funds for general banking risk,
- regulatory adjustments.

The Additional Tier 1 capital represents the value of mBank's issued capital bonds, included under "Additional capital items".

Compared to the previous year, consolidated Tier 1 capital increased by PLN 2.1 billion, mainly due to the issuance of capital bonds with a nominal value of PLN 1.5 billion, classified as Additional Tier 1 capital, and the inclusion of the net profit for the first three quarters of 2024 amounting to PLN 1.3 billion. The increase was partially offset by the rise in negative regulatory adjustments for intangible assets and the shortfall of credit risk adjustments against expected losses under the IRB method, totalling PLN 586.9 million.

Tier 2 capital stood at PLN 1.4 billion at the end of 2024, which represents a year-on-year decrease by PLN 652.0 million resulting from partial amortisation of three subordinated obligations in accordance with Article 64 of CRR (subordinated debt with a fixed maturity included in own funds is amortised on a daily basis for the last five years).

The table below presents the balances of mBank Group's subordinated debt as at December 31, 2024.

| Type | Nominal value | Currency | Maturity date | Tier 2 Capital |
|---|---|---|---|---|
| Loan | 250 M | CHF | 21.03.2028 | Yes, but recognised in own funds in the amount of CHF 161.1 million (PLN 730.9 million) due to the amortisation period |
| Bond | 750 M | PLN | 17.01.2025 | Yes, but recognised in own funds in the amount of PLN 7.0 million due to the amortisation period |
| Bond | 550 M | PLN | 10.10.2028 | Yes, but recognised in own funds in the amount of PLN 416.8 million due to the amortisation period |
| Bond | 200 M | PLN | 10.10.2030 | Yes, recognised in own funds in the full amount |

More information on capital adequacy can be found in Note 48 to mBank S.A. Group Consolidated Financial Statements 2024, whereas detailed information on the dividend policy are provided below.

**Dividend**

The dividend policy of mBank incorporates the assumptions of the Group's strategy and risk management strategy and is conducted in accordance with the principles of prudence, ensuring that mBank and mBank Group maintain the capital ratios at a safe level. While recommending the payment of dividends, mBank's management board takes into account, among other things, business plan, the bank's financial situation and profitability, the macroeconomic and regulatory environment and – notably - recommendations of the Polish Financial Supervisory Authority (PFSA).

In July 2023, the mBank's Management Board adopted, and the Supervisory Board approved the Capital Management Strategy of the mBank Group, which assumes no dividend payment from the profit obtained by mBank S.A. in 2024. This position on no dividend payment from the profit achieved in 2024 was maintained in the updated Capital Management Strategy of the mBank Group, approved by the Supervisory Board in December 2024. Additionally, the decision was extended to include no dividend payment from the profit generated in 2025, as informed by the Management Board in the current report in December 2024. The Bank plans to allocate the retained earnings to increase loan volumes, maintaining capital buffers above regulatory requirements and in line with the Bank's strategy. Nevertheless, mBank's long-term dividend strategy for the coming years, including 2026, assumes a dividend payment of 50% of the net profit of the mBank Group.

**Minimum requirement for own funds and eligible liabilities (MREL)**

On April 9, 2024, mBank received a letter from the Bank Guarantee Fund (BFG) regarding the minimum requirement for own funds and eligible liabilities (MREL). The letter notifiedthe bank of a joint decision of the resolution authorities, i.e. the Single Resolution Board (SRB) and the BFG.

The decision sets the final MREL target for the bank at a consolidated level, with the exclusion of mBank Hipoteczny in accordance with Article 97 (4a) of the Act of June 10, 2016, on the Bank Guarantee Fund, the Deposit Guarantee Scheme and Resolution (BFG Act). The total requirement is 15.36% of the total risk exposure amount (TREA), including 13.69% for own funds and subordinated eligible liabilities.

The requirement accounts for 5.91% of the total exposure measure (TEM), including 5.26% for own funds and subordinated eligible liabilities. When settling MREL targets, the resolution authorities took into account the multiple point of entry resolution strategy adopted at the Commerzbank AG Group level.

The Common Equity Tier I (CET1) capital instruments counted by mBank towards the combined buffer requirement cannot be included in MREL-TREA.

On November 15, 2024, the BFG updated its MREL methodology. In particular, it introduced the expectation that part of the MREL target, known as the recapitalization amount, should be met with debt instruments (other than CET1).

As at December 31, 2024, mBank met the MREL target communicated in the decision received on April 9, 2024. As at December 31, 2024, MREL-TREA stood at 23.51%, including 21.91% for own funds and subordinated eligible liabilities. For MREL-TEM, the ratio is 9.10%, including 8.48% for own funds and subordinated eligible liabilities. The bank also meets the MREL target with debt instruments in an amount no lower than the recapitalization amount.

Additionally, as at December 31, 2024, mBank does not qualify as a Top-Tier Bank or a "Fished Bank," as defined in Article 97h, (1) and (3) of the BFG Act.

Detailed MREL information is provided in the Disclosures on Capital Adequacy available at https://www.mbank.pl/en/about-us/capital-adequacy-information-policy/.

## 5.2. mBank Group funding

mBank Group maintains a diversified funding structure. It takes into account profitability principles and the stability of financing credit activities. mBank Group complies with regulatory requirements, including maintaining appropriate levels of financial liquidity and capital adequacy ratios.

Customer deposits represent the main funding source of the Group. Their share in the Group's funding structure has been growing systematically and as of December 31, 2024, it reached 88,0% (compared to 87,0% at the end of 2023). The growth is primarily driven by retail deposits. Thanks to the granularity of the deposit base, they constitute a stable source of funding. The loans to deposits ratio for the Group as of December 31, 2024, was 60.5% compared to 61.2% in the previous year.

Wholesale funding is an important element in the mBank Group's funding strategy. It plays a significant role in providing stable, long-term financing, ensuring the diversification of funding sources, and allowing regulatory measures to be maintained above required levels. Wholesale funding consists of issued debt securities and bilateral loans and credits taken out from other banks.

The largest share of the Group's wholesale funding comes from Eurobond issuances conducted by mBank under the EMTN Program. The total volume of outstanding Eurobonds amounted to EUR 1.75 billion at the end of 2024.

Within the Group, mBank Hipoteczny is also an issuer of debt securities. As a mortgage bank, it has the ability to issue covered bonds to finance the portfolio of retail mortgage loans.

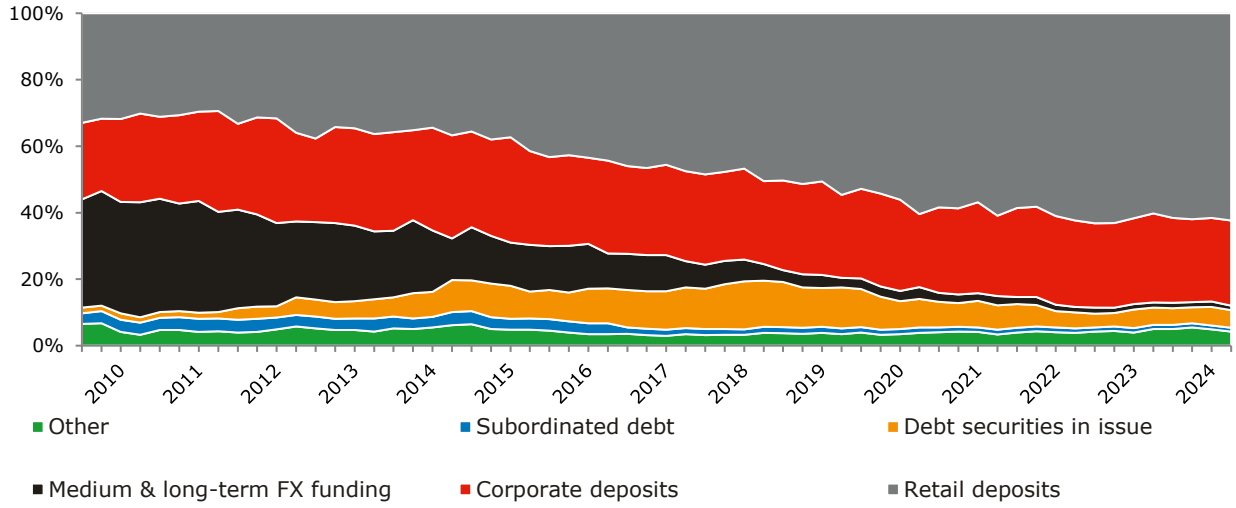
The source of funding for the Group's operations and one of the elements of the capital management policy are also capital instruments classified as own funds: subordinated loans and bonds classified as Tier II capital and bonds classified as additional Tier I (AT1) instruments that were issued by mBank in 2024 for the first time.

Additionally, mBank is an issuer of credit-linked notes (CLNs), which are part of synthetic securitization transactions. Between 2022 and 2024, mBank conducted four such transactions. All CLN bonds are listed on the Vienna Stock Exchange.

More information about transactions conducted by mBank in 2024 can be found in chapter 1.7. "Key events and projects in the mBank Group in 2024".

The liabilities to other banks are complementary to the issuance of debt securities, but their share in the funding structure is systematically decreasing. Currently, this position includes bilateral loans taken out from the European Investment Bank amounting to CHF 427 million. In the past, loans from our strategic shareholder were a source of funding for mortgage loans in foreign currency. mBank repaid the last loan from Commerzbank in 2018.

**Changes in mBank Group's funding structure**




Currently, for the Group's foreign currency funding, we use medium-term and long-term balance sheet instruments, including issuances of unsecured bond, bilateral loans from the EIB, subordinated loans, as well as FX Swap and CIRS transactions.

**Bond issued under the EMTN Program**

In April 2018, mBank established the Euro Medium Term Note Program (EMTN Program) with a total nominal value of EUR 3 billion. The EMTN Program enables the issuance of debt securities in many tranches and currencies, with different interest structures and maturities.

Since the launch of the EMTN Program, mBank has conducted a total of six eurobond issuances, denominated in both CHF and EUR. The bonds have been admitted to trading on the regulated market of the Luxembourg Stock Exchange (EUR bonds) and the Zurich Stock Exchange (CHF bonds). As of the end of 2024, there are three outstanding series of EUR-denominated bonds.

The issuance of EUR 500 million in September 2021 was the first issue of non-preferred senior (NPS) bonds on the Polish capital market. In September 2023, the bank issued another NPS bonds with a nominal value of EUR 750 million. This was the largest debt securities issuance in the Group's history in terms of volume. In September 2024, the bank issued the preferred senior (PS) bonds with nominal of EUR 500 million.

The primary purpose of issuing NPS and PS bonds is to meet the MREL requirement. Due to their structure, they are also an important and stable source of long-term financing for the bank.

The table below summarizes the outstanding bond series as of the end of 2024.

| Series | Bond format | Issue date | Nominal value | Maturity date | Coupon |
|---|---|---|---|---|---|
| 11 | non-preferred senior (NPS) | 20.09.2021 | EUR 500,000,000 | 21.09.2027 | 0.966% |
| 12 | non-preferred senior (NPS) | 11.09.2023 | EUR 750,000,000 | 11.09.2027 | 8.375% |
| 13 | preferred senior (PS) | 27.09.2024 | EUR 500,000,000 | 27.09.2030 | 4.034% |

All outstanding Eurobonds have been issued in the green bond format. The principles for allocation of the proceeds to the bank's assets are defined by the mBank S.A. Group Green Bond Framework. According to this document, the funds raised from the issuance of green bonds will be used to finance and refinance retail mortgage loans for the purchase or construction of energy-efficient buildings, as well as onshore wind and photovoltaic farm projects.

## 6. Retail Banking Area

mBank's Retail Banking segment serves 5,714 thousand individual clients and microenterprises in Poland, the Czech Republic and Slovakia online, directly through the call centre, via mobile banking and other state-of-the-art technological solutions, as well as in a branch network. The bank offers a broad range of products and services including current and savings accounts, accounts for microenterprises, credit products, deposit products, payment cards, investment products, insurance products, brokerage services, and leasing for microenterprises.

Key financial data (at the end of 2024):

| Share in total income | Pre-tax profit | Total income |
|---|---|---|
| 62.1% ↓ | PLN 4,389.8 M ↑ | PLN 7,457.0 M ↑ |

**Key highlights**

- Another record-high profit before tax at the level of PLN 4,389.8 million (+25.3% compared to the previous year), along the increase in revenues of 9.5% year on year.
- Mortgage sales reached a record level of PLN 10,585.4 million (including PLN 1.4 billion under the Safe Credit 2% program), which is an increase of 157.1% year on year. mBank's share in the zloty mortgage market increased to 8.2% compared to 7.7% in 2023.
- Increase of non-mortgage loan sales by PLN 11,347.3 million (+31.8% year on year)
- Growth of retail deposits by 11.3% in 2024, ensuring safe liquidity position of mBank Group
- Number of mBank retail clients amounted to 5,714.5 thou., including 1,115.6 thou. clients (+1.2% year on year) in mBank foreign branches.
- Value of cashless transactions increased by 16.2%, while the number increased by 9.9% on annual basis, along with rising activity of clients and increased consumption in the economy.
- Share of digital channels in the sale of non-mortgage loans (by number of pieces) levelled off at 81% in 2024 compared to 82% a year before, while the share of mobile application increased to 63.1% compared to 60.6% a year before. Share of processes in retail banking area initiated by the clients in digital channels increased to 89% in 2024, up from 87% a year before.
- Marketplace mOkazje zakupy allows mBank clients to make purchases directly in mBank's app. The project pilot started in June 2024; as of December, all adult clients can use mOkazje zakupy
- Functionalities supporting the clients in managing their finance responsibly: the personal financial management (PFM) tool now features a new "My Assets" section with an intuitive interface that presents the structure of assets and liabilities. Customers also received additional features enabling budget planning, personalized summaries of income and expenses on a monthly and annual basis, and a retirement calculator that helps to build their own savings plan for retirement
- Development of mobile app: expansion of the investment management section, management of payment card tokens, and changes to BLIK limits and phone numbers directly in the application; improvement of the mobile account opening process through the implementation of biometric customer verification and the extended use of the convenient mojeID verification method
- As part of the expanded mobile wallet offer, customers can pay for purchases using rings, watch straps, and other wearable accessories equipped with Fidesmo Pay or Digiseq Pay software.
- Companies using the Paynow payment gateway can offer deferred payments (BNPL – Buy Now, Pay Later), which increases sales and accelerates customers' purchasing decisions.
- Actions for sustainable development: continued growth in the sale of loans financing properties with low energy consumption (based on the annual demand for non-renewable primary energy), which in 2024 accounted for 13.2% of total mortgage sales; as the first signatory in Poland of the Commitment to Financial Health and Inclusive Banking and the Principles for Responsible Banking, we aim for at least 50% of our clients to consider themselves financially resilient.

## 6.1. Financial results

In 2024, the Retail Banking segment generated a profit before tax of PLN 4,389.8 million, which represents an increase by PLN 887.1 million, i.e. 25.3% year on year. Total income increased by 9.5% year on year. The magnitude of the increase of profit before tax results mainly from higher net interest income, which increased by PLN 567.4 million, i.e. 10.0% year on year. The foreign branches in Czechia and Slovakia in 2024 generated a profit before tax of PLN 208.9 million compared to PLN 279.7 million in 2023, which represents a decrease by 25.3% year on year.

| PLN M | 2023 | 2024 | Change in PLN M | Change in % |
|---|---|---|---|---|
| Net interest income | 5,688.2 | 6,255.7 | 567.4 | 10.0% |
| Net fee and commission income | 956.9 | 1,035.5 | 78.7 | 8.2% |
| Net trading income | 101.9 | 120.8 | 18.9 | 18.5% |
| Other income | 52.2 | 58.8 | 6.7 | 12.8% |
| Net other operating income/expense | 10.0 | -13.8 | -23.8 | -237.6% |
| **Total income** | **6,809.2** | **7,457.0** | **647.8** | **9.5%** |
| Net impairment losses and fair value change on loans and advances | -892.3 | -412.8 | 479.6 | -53.7% |
| Total overhead costs (including deprecation) | -1,960.7 | -2,178.5 | -217.8 | 11.1% |
| Taxes on Group's balance sheet items | -453.5 | -476.0 | -22.5 | 5.0% |
| **Profit/loss before tax of Retail Banking** | **3,502.7** | **4,389.8** | **887.1** | **25.3%** |

**Other income** – calculated as gains or losses from derecognition of financial assets and liabilities not measured at fair value through profit or loss and gains or losses from non-trading equity and debt securities mandatorily measured at fair value through profit or loss.
**Total income** - calculated as the sum of net interest income, net fee and commission income, dividend income, net trading income, other income, other operating income and other operating expenses.
**Total overhead costs (including deprecation)** - calculated as the sum of total overhead costs and depreciation.
**Net impairment losses and fair value change on loans and advances** – the sum of impairment or reversal of impairment on financial assets not measured at fair value through profit or loss and gains or losses from non-trading loans and advances mandatorily measured at fair value through profit or loss.

## 6.2. Activity of Retail Banking Area in numbers

**Refers to mBank and mBank Hipoteczny**

| (`000) | 31.12.2022 | 31.12.2023 | 31.12.2024 | Annual change |
|---|---|---|---|---|
| **Number of retail clients, including[1]:** | **5,642.8** | **5,716.2** | **5,714.5** | **0.0%** |
| Poland | 4,590.1 | 4,614.3 | 4,598.9 | -0.3% |
| Foreign branches | 1,052.7 | 1,102.0 | 1,115.6 | 1.2% |
| The Czech Republic | 732.3 | 775.5 | 791.8 | 2.1% |
| Slovakia | 320.4 | 326.5 | 323.8 | -0.8% |
| **Mobile application users** | **3,338.5** | **3,646.1** | **3,841.7** | **5.4%** |
| Poland | 2,920.0 | 3,167.6 | 3,330.2 | 5.1% |
| Foreign branches | 418.5 | 478.5 | 511.5 | 6.9% |
| **PLN M** | | | | |
| **Loans to retail clients, including:** | **71,645.1** | **66,512.0** | **70,925.1** | **6.6%** |
| Poland | **61,381.5** | **57,515.7** | **61,858.9** | **7.6%** |
| mortgage loans | 42,701.1 | 39,088.7 | 42,327.8 | 8.3% |
| non-mortgage loans | 18,680.4 | 18,426.9 | 19,531.1 | 6.0% |
| Foreign branches | **10,263.6** | **8,996.3** | **9,066.3** | **0.8%** |
| The Czech Republic | 7,114.6 | 6,100.7 | 6,019.9 | -1.3% |
| Slovakia | 3,149.0 | 2,895.6 | 3,046.4 | 5.2% |
| **Deposits of retail clients, including:** | **122,726.8** | **128,291.6** | **142,107.4** | **10.8%** |
| Poland | **105,750.2** | **112,337.9** | **125,074.3** | **11.3%** |
| Foreign branches | **16,976.5** | **15,953.6** | **17,033.0** | **6.8%** |
| The Czech Republic | 12,047.8 | 11,547.6 | 12,708.5 | 10.1% |
| Slovakia | 4,928.8 | 4,406.0 | 4,324.5 | -1.9% |
| **Investment assets of mBank individual clients (Poland)** | **18,746.0** | **22,396.6** | **27,336.8** | **22.1%** |
| **(`000)** | | | | |
| **Credit cards, including** | **361.0** | **367.9** | **362.0** | **-1.6%** |
| Poland | 326.1 | 332.9 | 326.7 | -1.9% |
| Foreign branches | 34.8 | 35.1 | 35.3 | 0.7% |
| **Debit cards, including:** | **4,851.2** | **5,233.9** | **5,421.8** | **3.6%** |
| Poland | 4,082.3 | 4,379.4 | 4,515.6 | 3.1% |
| Foreign branches | 768.9 | 854.5 | 906.2 | 6.0% |
| | | | | |
| **Distribution network** | | | | |
| Advisory Centres | 15 | 15 | 15 | |

| | | | |
|---|---|---|---|
| Light branches | 31 | 31 | 29 |
| mBank (f. Multibank) | 84 | 83 | 82 |
| mKiosks (incl. Partner Kiosks) | 149 | 138 | 139 |
| mFinanse Financial Centres | 40 | 40 | 40 |
| Czech Republic & Slovakia | 46 | 47 | 43 |

[1] Includes the number of Kompakt Finanse clients.

## 6.3. Retail Banking of mBank in Poland

### Retail banking offer for individuals

In 2024, we continued to develop our product range and improve customer service quality. Amid the consistently high interest rates and inflation, we ensured that our offering remained attractive to clients and competitive in the banking market. We continued our ESG efforts and enhanced our e-commerce solutions and internal processes. Moreover, we took measures towards achieving our goals relating to Retail Banking, as described in the mBank Group Strategy for 2021-2025. In line with our strategy, we support our clients' financial well-being, among others, by encouraging them to analyse their budget.

We further develop the functionalities available in the Personal Finance Manager (PFM), a tool helping clients manage and understand their finances and household budgets. PFM helps users take care of their financial well-being. The clients can set a monthly spending limit in the app and track a summary of their transactions for the month. They can also easily check on the progress bar whether it meets the activity condition for no card fees. Additionally, in 2024, we introduced a retirement calculator in PFM, which allows customers to independently build their own retirement savings plan. mBank is the first bank in Poland to offer such a tool in a mobile application. More information about the retirement calculator can be found in chapter 1.7. "Key events and projects in mBank Group in 2024". In 2024, the average monthly number of unique users of PFM in the mobile app and online banking reached 1.45 million.

The significance of the mobile channel continues to rise: the mobile app is currently used by 3,330.2 thou. clients in Poland, up by 5.1% compared with 2023 (3,167.6 thou. users). Share of the mobile application in the sale of non-mortgage loans increased to 63.1% at the end of 2024 compared with 60.6% in 2023 (by number of pieces). Monthly active users (MAU) increased to 3,459.4 thou. (+2.5% year on year). For more information on new mobile solutions, see chapter 1.7. "Key events and projects in mBank Group in 2024".

In line with our strategy, we care about the financial health of our clients. In 2024, we implemented communication activities based on the 6 principles of healthy finances. They assume that a person who has healthy finances:

- uses the Internet safely,
- spends his or her money consciously,
- has a financial cushion,
- borrows for things he or she really needs,
- keeps himself/herself, his/her loved ones safe and insures what he/she considers most valuable,
- invests for the future.

We support clients in using our banking services conveniently. We offer them the tools to make informed financial decisions. Transparent information on bank fees allows our clients to better control their finances. We have introduced an automatic card transaction counter in the mobile application. With it, our clients can quickly and conveniently check whether they have met the card activity condition that exempts them from the card fee.

Non-mortgage loans

In 2024, we achieved a high level of non-mortgage loan sales. We granted PLN 9,028.8 million in loan volume to individuals. This represents an increase of 28.1% compared to the previous year, strengthening our position in the non-mortgage loan market. At the same time, mBank focused on maintaining the assumed profitability. Our activities are primarily focused on our active client base. Amongst them, for a subsequent year in a row, services in electronic channels were very popular.

In 2024, the share of non-mortgage loan sales through the digital channel in the total sales volume amounted to 81% (quantity-based). We pay particular attention to the share of non-mortgage loan sales through the mobile application, which in 2024 amounted to 63.1%.

We develop new process keeping in mind the positive experience of our clients. In 2024, we introduced a simple and convenient method of deferred payments: mBank pay later. The possibility of deferred payments in mOkazje zakupy was released to clients in January 2025.

We modified the loan process to include the legislator's requirement regarding the restriction of the PESEL number. This is an important change for our clients and their financial security. In 2024, we implemented changes related to the NBP reference rate in loan agreements for newly concluded instalment and revolving loans.

Mortgage loans

The beginning of 2024 focused on disbursing loans under the Safe 2% Loan program. While the program ended at the end of 2023, significant volumes under this program were disbursed by the bank in the first half of 2024. In 2024, mBank launched PLN 1.4 billion of loans under the Safe 2% Loan program, while during the entire program period a total of PLN 2.2 billion was released.

The total value of mortgage loan sales in 2024 amounted to PLN 10,270.3 million, representing an increase of 158.7% compared to the previous year. The share of loans based on a periodically fixed rate amounted to 69.4% of the sales volume, which is an increase of 3.5 percentage points compared to 2023.

In 2024, we continued to sell mortgage loans financing properties which are characterized with low energy consumption. The conditions of this product are determined based on the annual demand for non-renewable primary energy indicator specified in the Energy Performance Certificate or the Designed Energy Performance Certificate. The offer was very popular among our clients – its volume accounted for 13.2% of the total sales value in 2024.

The NPL ratio for the mortgage loan portfolio for individuals in Poland increased slightly year on year and amounted to 2.1% at the end of 2024.

Deposits

At the end of 2024, the value of mBank's retail deposits in Poland was at PLN 125,074.3 million and grew by PLN 12,736.4 million, i.e. 11.3% compared to 2023. Polish deposit market was characterized with high interest rates on retail deposit offer in 2024. On such a competitive market, mBank maintained high effectiveness in acquisition and retention of retail deposits. Simultaneously, it improved interest margin in annual terms, and achieved a high deposit retention rate. Such outstanding results were generated due to agile deposit offer management. Clients with expiring contracts were offered products aligned with their needs. The target was supported by numerous sales and retention campaigns, as well as special offers.

In 2024, mBank was effectively achieving strategic objectives related to increase of its market position in the portfolio of saving and current accounts. As a result, the volume of current and savings accounts in Poland increased by 13.4% to PLN 99,328.3 million.

Investment funds for retail clients

In 2024, the balance of purchases and redemptions of investment funds for retail clients was positive. The sale of funds was supported by promotions. mBank has implemented another edition of the promotion combining investment in funds with a bank deposit. Moreover, mBank encouraged systematic investing through the "Investing regularly" promotion. As part of this promotion, mBank pays a cash bonus to clients who make regular payments to the investment fund of their choice.

In February, we refreshed the presentation of investment funds included under the SFIO Ready Strategies umbrella. The changes were introduced in the transaction system and the mobile application. We added more information about the investment itself and its composition. We want to give our clients a greater sense of control over their money and simultaneously better understanding of how our experts manage it.

In May, the transfer of assets, which were previously managed in the "Gotowe Strategie SFIO" fund in Skarbiec TFI, into mTowarzystwo Funduszy Inwestycyjnych S.A. (mTFI) was completed. The transfer concluded process of taking over investment funds, which were assembled for mBank by external entities and previously managed in a white-label formula.

In September, we implemented a simple and personalized tool that allows clients to independently develop a plan for making additional savings for retirement.

In November mBank has expanded its offer with "Pakiet Emerytalny" (Retirement Package). The product allows clients to open IKE account (Individual Retirement Account) or IKZE account (Individual Retirement

Security Account). Clients can invest on these accounts in selected cycle of life fund, which are designed to save and invest money for a retirement. mTFI S.A. is managing these funds.

Cards and accounts

We carried out numerous acquisition activities targeted at various segments:

- Clients with eKonto możliwości (eAccount with possibilities) and eKonto do usług (eAccount for services) received preferential currency rates for card payments under the multi-currency service.
- We prepared a promotion to encourage parents to open the first bank account for their children. Clients who opened the "eKonto Junior with pocket money" account and met the terms and conditions of the offer received up to PLN 150 of "pocket money" to their child's account.

When it comes to mBank's youngest clients, in 2024 we gained almost 53.0 thou. new Junior clients. Since the beginning of the offer we acquired in total over 296.0 thou. Junior account holders. This result brings mBank closer to achieve strategic goal of obtaining 300.0 thou. youngest clients.




Apart from the standard offer, for a subsequent year mBank clients could use one of the special offers for travelers. Clients from every segment: young, mature and affluent received lots of benefits and discounts for travel insurance and dedicated mOkazje (mBenefits) within assembled vacation packs. Young and mature clients could use moneyback service while making card transaction abroad, and affluent clients could use Visa World Intensive free of charge.

At the beginning of the year, mBank introduced changes to fees, among others, for ATM withdrawals. Clients who make card transactions on a daily basis will not be affected. We implemented the changes so that the cost increase is not fixed, but depends on the choice of the client, i.e, the desire to use a specific service associated with a given fee.

In April 2024 mBank enriched the core offer for individual clients with eKonto do usług (eAccount for services). New account provides active clients with an access to all ATMs in Poland for free. Clients will not be charged for ATM withdrawals if the withdrawn amount is at least PLN 300. Additionally, the account enables cash withdrawal in a store checkout for free under cash back service. The offer is available to existing mBank clients.

We have introduced many improvements to the application and website, which will ensure even greater convenience to our clients. In response to customer needs, we have made it possible to change BLIK transaction limits in the mobile application. Thanks to this new functionality, users can modify their limits at any time without logging into the website or contacting us by phone.

We have also made it possible to receive a transfer confirmation before the outgoing session. This functionality allows to download the transfer confirmation immediately after it is ordered, even before the next session starts.

In cooperation with Visa, mBank created a special card for the Łódź Summer Festival for the first time. The card was available to clients from mid-July to early August 2024. The front of the card featured a graphic referring to the city of Łódź – Jednorożec Galancik.

As part of a special campaign conducted from June to September 2024, mBank clients could take advantage of a package of summer benefits. The package included: a multi-currency service on preferential terms, free ATM withdrawals abroad, a discount on travel insurance, and additional discounts in mOkazje zakupy (mDiscounts). Additionally, up to PLN 200 could be returned to the account of a client as a percentage of payments made with debit cards abroad.

In the second half of 2024, during the Great September festival in Łódź, we once again enabled the ordering of a card with a dedicated design. The Great September cards with a limited design feature a "blind notch". This is an indentation on the shorter edge of the plastic, which makes it easier for blind or visually impaired people to use the card. The card could also be ordered in a mobile version. The mobile card is immediately active in the mBank application and ready to use.

Since mid-2024, all mBank cards have also been operational during banking system maintenance breaks (night work). Purchase transactions in stores and cash withdrawals are available.

In 2024, the value of payment card and BLIK transactions made by mBank's retail clients amounted to PLN 126.2 billion, which represents a rise by 16.2% year on year. The number of transactions made by mBank clients increased by 9.9% year on year to 1,511.9 million. The share of card transactions made by mBank cards in the total number of card transactions in Poland stood at 12.3% at the end of September 2024,

while the share of card transactions made by mBank cards in the total value of card transactions in Poland stood at 12.7% (last available data, cumulative for the first nine months of 2024).

Additional services

In 2024 we continued to develop our mOkazje (mDiscounts) program. Participating clients receive part of the money they spent on purchases back onto their account. Last year was the best year in the entire history of the mOkazje program (mDiscounts). In 2024, clients using the mDiscounts received in total PLN 7.9 million return of funds to accounts. It is an increase of 34% to the 2023. Of the stated amount over PLN 6 million was financed by partners of the program (an increase of 54% on an annual basis).

The post-transaction discount (MoneyBack) applied to 388,000 clients, which means an increase of 38% year on year. The number of discounted transactions increased by 41% to 675 thousand. MoneyBack is not the only benefit that clients receive under the mDiscounts program. In the past year, mBank has offered over 33,000 discount vouchers through pop up notifications.

In 2024, mDiscounts have undergone a revolutionary change. In addition to the part that is offering benefits and has existed since 2013, a marketplace mOkazje zakupy has also been launched. The new feature was co-developed with Morele.net. It facilitates ordering favourite products directly from the mBank's mobile app. More information about mOkazje zakupy is available in chapter 1.7. "Key events and projects of mBank Group in 2024".

Offer for affluent clients

'Intensive' offer is our answer to the needs of affluent clients. mKonto Intensive is an account that gives access to a package of products and services. The account and card are free if a client has regular inflows or has assets at mBank. Clients have access to

- free cash deposits and withdrawals (subject to meeting the required withdrawal threshold),
- three express transfers per month
- and a multi-currency card.

As part of the package, we offer preferential terms for loans and savings products. We provide access to premium service, a personal expert at the branch and priority service on the mLine. We offer a convenient and secure mobile application with access to a financial manager functionalities (PFM). We also offer investment products, brokerage services and an account for children.

In 2024, we increased the income threshold defining affluent clients (from PLN 7,000 to PLN 10,000 per month). We did not change the second, optional criterion included in this definition: the total sum of deposits and investments held in the bank, which remains a minimum of PLN 100,000.

To enhance the Intensive offer, we also focused on seasonal packages for traveling clients. During the summer and winter periods, clients benefited from numerous advantages and discounts as part of the prepared packages. A key aspect for us was offering the Visa Świat Intensive currency card, which clients can use not only during their travels but also in everyday life.

Brokerage operations and asset management

The Brokerage Bureau of mBank offers a broad scope of brokerage services including, but not limited to:

- transactions in regulated markets in Poland and abroad as well as in the OTC (CFD) market,
- investment advisory and asset portfolio management as part of wealth management services,
- conducting public offerings (IPO/SPO/ABB) on capital markets, takeover bids for the sale of shares, and share buybacks.

Our clients include:

- retail and private banking clients,
- largest Polish institutional investors: pension funds, investment funds, and asset management companies,
- issuers of securities, private equity funds,
- foreign funds.

In 2024, investor activity on the Warsaw Stock Exchange (GPW) main market increased by approximately 20% compared to the previous year. The GPW recorded a decline in the share of retail clients in GPW trading compared to the very high shares in 2020-21.

We have maintained a strong leadership position in the brokerage services segment for retail clients. According to the Central Securities Depository of Poland (KDPW), we managed over 470 thousand brokerage accounts at the end of 2024, which is by far the largest number of brokerage accounts among all Polish brokerage bureaus and houses. In terms of the increase in the number of investment accounts, mBank was the second player on the market (according to KDPW data), having opened approximately 33.7 thousand accounts.

Despite the continued concentration of clients in the Polish market, interest in the foreign markets segment is still growing, particularly in passive investment solutions (ETF instruments). At the end of 2024, foreign assets were present in the portfolios of nearly 56.4 thousand clients and accounted for approximately 14% of all retail client assets.

The modern investment tools and comprehensive range of products and services are key factors why retail investors choose mBank's Brokerage Bureau. In 2024, we introduced a new Information Service. In the new version of the tool, clients can quickly find information about the company they are interested in and potential investment inspirations. We also made available to our clients a proprietary ETF fund search engine, which helps find the right ETF according to specified preferences, learn about its composition, and the amount of fees. Both implemented solutions are another step towards providing intuitive and simple solutions that facilitate entry into the world of investments, aligning with the observed market trend of passive investing.

We also continuously care about increasing financial awareness among our clients. In 2024, we participated in numerous industry conferences, conducted lectures, courses, and published educational articles that help start investing in foreign markets and ETF funds. Our experts participated in events such as Passive Revolution, Invest Cuffs, Wall Street, and ForFin 2024, where we acted as a strategic partner. Together with the Warsaw Stock Exchange and Beta Securities, we organized the fifth edition of the Warsaw Passive Investment Conference. Additionally, we published a series of videos (Views from the Tower) and podcasts (Everyone Knows), as well as prepared a range of publications directed to clients and employees (e.g., Expected Investment Directions and Investment Compass). We also held thematic meetings with private banking clients dedicated to financial markets. These activities were in line with mBank's declaration of supporting financial health and inclusive banking under the United Nations Environment Program Finance Initiative (UNEP-FI).

All model investment strategies managed in the Asset Management formula by the Asset Management Department at the mBank Brokerage Bureau recorded positive results. The highest returns were noted by strategies with the largest equity component (Megatrends, Dynamic Growth ESG, and Balanced ESG) due to rising stock market prices. The results of strategies with the largest bond component (Capital Protection and Income) were supported by the relatively good performance of the Polish debt market and low interest rate risk American bonds.

Assets managed by the Wealth Management Department in the Asset Management formula remained at approximately PLN 2.5 billion in 2024. Strategies with a large debt component (Income) were particularly popular among clients. The largest outflows were recorded by the Anti-Inflation strategy, largely due to the conversion of funds to the aforementioned debt strategies.

Despite the limited number of capital transactions (especially IPOs) on the Warsaw Stock Exchange in 2024, mBank's Brokerage Bureau remained very active and participated, among others, in:

- SPO of Bioceltix S.A. shares (PLN 60 million) as a global co-coordinator and joint bookrunner;
- SPO of Tatry Mountain Resorts shares (EUR 120 million) with pre-emptive rights as a co-coordinator and joint bookrunner;
- IPO of Żabka Group S.A. shares (PLN 6.5 billion) as a joint bookrunner;
- SPO of Captor Therapeutics shares (PLN 33 million) as a global co-coordinator and joint bookrunner;
- accelerated bookbuilding (ABB) offering of Shoper S.A. shares (PLN 207 million) as a global co-coordinator and joint bookrunner;
- takeover bids for the sale of shares in Wojas S.A. and GI Group Poland S.A. as an agent;
- buybacks of shares of Comp S.A., cyber_Folks S.A., Neuca S.A., and Oponeo S.A. as an agent;
- compulsory buyout of shares in Wojas S.A. shares as an agent.

Relations with UNIQA

In 2024 mBank continued the bancassurance cooperation with its strategic partner UNIQA. The partnership includes sale of insurance products to mBank clients focusing on stand-alone products including:

- car insurance,
- travel insurance,
- home insurance,
- life and health insurance.

Our clients intensively use remote channels to contact the bank. Therefore, while developing the insurance offer, mBank takes into account meeting their expectations. As a result, all standalone insurances are available in each sales channel, including mBank's mobile application. In 2024 mBank clients purchased 47% of standalone insurances via mobile application (+5 p.p. year on year).

In 2024, mBank customers purchased 16% more travel insurance policies compared to the previous year, 63% of which were through the mobile app. Additionally, motor insurance experienced high demand in 2024. In 2024 mBank clients purchased 46% more insurances than in the previous year, including 29% of them via the mobile application.

We are observing a consistent increase in the number of clients who hold at least one active standalone insurance policy not tied to a banking product (+7% year-on-year).

**Products and services for small and medium-sized enterprises**

In 2024, we made the application for setting up a company and a business account available in the mBank mobile app. We also introduced the promotion "Otwórz konto i firmę za 0 zł" (Open an account and a company for 0 PLN). At the same time, we promoted the account for sole proprietorships "Konto firmowe za 0 zł" (Business account for PLN 0) and for companies "Komfortowe konto dla spółki" (Comfortable account for the company). Entrepreneurs who started a business or opened a business account with us received "moneyback", which could reach up to PLN 1,500.

We listen intently to the needs of our clients – at the end of 2024 we abolished fees for internal money transfers. This decision received a positive reaction among entrepreneurs.

In 2024, together with our partner VISA, we organized the "Czas na Twój biznes" (Time for Your Business) competition, in which we were the first bank to show the transformation of an individual person into an entrepreneur. Future entrepreneurs received advice and substantive support from us during workshops. We provided the winners of the competition with funds to implement their own business ideas.

We regularly shared knowledge with entrepreneurs through direct communication and on our websites. We published industry reports, informative articles, and news about changes in tax regulations. To appreciate our entrepreneurs, in June 2024, we organized a series of webinars for "Entrepreneur's Day". This short "business series", inspired by real events and recommendations made by clients, was broadcasted from Monday to Friday. In addition to a dose of knowledge, each day our clients could enjoy specially prepared promotions for services that help them run their business, such as mKsięgowość (mAccounting), Paynow payment gateway, or POSapp phone terminal.

As part of promoting our products, we invited entrepreneurs to collaborate and talk about their companies and mBank solutions which facilitate their daily business operations on RMF FM radio. A series of short interviews was also published on RMF FM radio's social media. For the first time, we also organized a presentation by an entrepreneur using mBank services as part of the ASP workshop at the Pol'and'Rock festival.

In Q2 2024, we continued to fully support the Financial Shield 1.0 and 2.0 programs under the Polish Development Fund (PFR), carrying out a number of processes related to the settlement of funds granted through us. Our task was to provide the necessary documents and repay subsidies, conduct debt collection processes, and report results to the PFR.

In 2024, the Paynow payment gateway achieved an annual increase of 35% in transaction value. We established cooperation with new payment method providers, allowing us to offer our customers the ApplePay mobile wallet and deferred payments. We also streamlined the process of verifying our merchants' websites, enabling us to start cooperation faster.

We offered new clients a promotional price for the mAccounting Comfort service. Thanks to the service, clients receive full accounting support from a dedicated accountant. At the same time, by using the mFinance Organizer, they have constant access to their company's financial information and can easily pay taxes and ZUS obligations, which are verified by the supporting accountant.

In the area of business financing, we achieved a sales growth rate of 12% compared to the previous year. We focused on development in two sub-segments: clients with revenues up to PLN 1 million and mature clients. By changing our pricing approach and strengthening communication and marketing campaigns directed at clients, we achieved a sales volume growth of 22% year on year in both segments. Additionally,

the development of the offer for mature clients (SME+ project/Flash project) allowed for a 100% increase in available product limits.

At the same time, we continued the strategy of developing financing for limited liability companies, where we achieved a 32% year on year increase in sales volumes.

## 6.4. Retail Banking in the Czech Republic and Slovakia

2024 brought several changes that had an impact on the Czech banking market in particular. Despite the ongoing war in Ukraine, the situation in the Czech Republic stabilized. Inflation approached the Czech National Bank's inflation target at the beginning of the year and remained between 2-3% throughout the year. This stabilisation led to a significant and rapid decline in base interest rates in the first half of the year, with the 2W REPO rate falling from 6.75% in January to 4% in December. This significant reduction impacted the level of interest rates on savings accounts and mortgages. After several years of stable or rising rates on savings accounts, rates fell quite rapidly in 2024. In such environment mBank managed to increase the volume of deposits on an annual basis. The situation on the Slovak market was stable throughout 2024. It was shaped by beneficial macroeconomic factors and rates in the euro area. This led to stabilization of mBank results in Slovakia. Mortgage lending remains impacted by the Polish banking tax. In 2024 mBank not only increased the balances of deposits, but also acquired 61,000 clients with personal and business accounts in the Czech Republic and Slovakia.

In addition to deposits, mBank has also focused on the sale of cash loans. Thanks to improvements in processes, risk assessment approach and sales channels, mBank achieved all-time high results in cash loan sales. Total sales grew by more than 66% year on year in the Czech Republic and more than 53% in Slovakia. The profitability improved thanks to a unique risk-based pricing approach, which is used in mBank Group in the Czech Republic and Slovakia.

mBank continued to launch innovations for small business owners, which started with the introduction of the new product offering in November 2023. One of the most significant innovations was the launch of the Entrepreneur's Advisor portal, which brought small business owners all the necessary and useful information in one place, filling the gap in information access. During 2024, these products were marketed by several communication campaigns. Thanks to this, mBank reached another milestone, namely the monthly acquisition of over 1,800 new clients in December 2024.

The most significant innovation mBank prepared in 2024, was in the area of payments. This is an area in which mBank has been a long-standing leader and has further strengthened its position. In June 2024, mBank, as the first on the Czech and Slovak market, in cooperation with its partners from Mastercard and Niceboy, introduced a revolutionary innovation in the form of a payment ring. Thanks to the fact that the payment ring does not need to be charged, is very durable and waterproof, mBank clients have a new option to pay contactless and digitally. The first edition of payment rings were introduced in both markets via nationwide communication campaign and immediately aroused great interest of media and clients, who made nearly 400,000 transactions with the payment ring within 2024. In the course of 2024, mBank further expanded its range of wearable payment devices with exclusive and designer payment bracelets and, in November, with children's wristbands that enable cashless payments for children aged 8 and older.

mBank further expanded the payment functionalities in the Czech market with the option to pay for fuel directly from the car. It introduced this innovation together with partners Mastercard and Škoda, again as the first bank, in September 2024.

With newly introduced state-of-the-art technologies, the use of mobile applications and all newly launched payment tools, the bank has decided to modify the role of its physical business locations (branches) to that of Digital Advisors. At the same time, mBank in Czech Republic and Slovakia has changed the format of some of its branches from previously kiosks located in the shopping malls to closed units that provide more privacy and discretion for clients and fulfilment of the newly defined role.

**Loans and deposits**

The mBank loan portfolio in the Czech Republic and Slovakia stood at PLN 9,066.3 million as of December 31, 2024, representing an increase of 0.8% year on year. In the Czech Republic, loans decreased to PLN 6,019.9 million, down by 1.3% year on year. In Slovakia, loans grew to PLN 3,046.4 million, up by 5.2% year on year.

The non-mortgage loan portfolio of mBank’s foreign branches increased by 23.8% to PLN 3,345.2 million as of December 31, 2024. In the Czech Republic, non-mortgage loans increased to PLN 2,130.9 million, up by 21.1% year on year. In Slovakia, non-mortgage loans stood at PLN 1,214.2 million, up by 29.0% year on year. In local currencies both foreign branches also noted growth of their non-mortgage loan portfolios.

The mortgage loan portfolio of foreign branches amounted to PLN 5,721.1 million as of December 31, 2024, which was 9.1% lower than the previous year. The portfolio of mortgage loans in the Czech Republic decreased to PLN 3,888.9 million, down by 10.4% year on year. The portfolio of mortgage loans in Slovakia declined to PLN 1,832.2 million, down by 6.2% year on year.

The sale of non-mortgage loans in mBank's foreign branches increased by 48.3% to PLN 2,318.5 million. In the Czech Republic, the sale of non-mortgage loans increased to PLN 1,576.3 million (49.1% year on year), while in Slovakia it increased to PLN 742.2 million (46.8% year on year). The increase in sales was influenced, among other things, by interest rate cuts by the Czech National Bank and the European Central Bank.

The sale of mortgage loans in foreign branches increased to PLN 315.1 million, representing an increase of 115.4% year on year. The value of the new mortgage loan portfolio in the Czech Republic increased by 260.3% year on year to PLN 193.9 million as of December 31, 2024. The sale of mortgage loans in Slovakia increased by 31.1% year on year to PLN 121.2 million. Similar to non-mortgage loans, the scored results were positively influenced by lower interest rates.

In 2024, the volume of deposits in foreign branches increased by 6.8% year on year to PLN 17,033.0 million. Deposits in the Czech Republic increased to PLN 12,708.5 million, up by 10.1% year on year. Deposits in Slovakia declined to PLN 4,324.5 million, down by 1.9% year on year. In local currencies, the deposit portfolio of the branch in the Czech Republic increased year on year, while the portfolio of the branch in Slovakia remained stable. As in the case of deposits in Polish zloty, we observed a change in their structure. Savings accounts noted an increase by 11.8% year on year to PLN 9,992.3 million in the Czech Republic and Slovakia. The growth was driven by savings accounts in the Czech Republic, which grew by 16.2% to PLN 8,481.9 million, while savings accounts in Slovakia declined by 7.7% to PLN 1,510.4 million. Non-interest-bearing current accounts in both foreign branches were at a level similar to the previous year (a change of -0.8% in the Czech Republic and 1.3% in Slovakia year on year).

## 7. Corporate and Investment Banking Area

The Corporate and Investment Banking segment serves 36,123 corporate clients including large enterprises (K1 - annual sales exceeding PLN 1 billion), mid-sized enterprises (K2 - annual sales of PLN 50 million – PLN 1 billion) and small enterprises (K3 - annual sales below PLN 50 million, full accounting) through a network of dedicated 43 branches. mBank Group's offer of products and services for corporate clients focuses on traditional banking products and services (including corporate accounts, domestic and international money transfers, payment cards, cash services, and liquidity management products), corporate finance products, hedging instruments, equity capital market (ECM) services, debt capital market (DCM) instruments, mergers and acquisitions (M&A), leasing and factoring.

Key financial data of Corporate and Investment Banking Area (at the end of 2024):

| Share in total income | Pre-tax profit | Total income |
|---|---|---|
| 36.0% ↑ | PLN 2,721.2 M ↑ | PLN 4,321.6 M ↑ |

**Key highlights**

- Increase in profit before tax to a record-high level of PLN 2,721.2 million, by 19.8% year on year, with an increase in total revenues by 14.4% year on year.
- Sale of corporate loans increased by 21.0% year on year to PLN 40.0 billion in 2024, mainly due to the growth of "structured finance" loans (+29.9% year on year), which finance, among others, renewable energy sources (RES)
- mBank's share in the corporate loans market increased to 8.1% (by 0.1 percentage points year on year), with an increase in the market share of current financing and investment loans.
- Growth of corporate loans (+6.7% year on year) and deposits (+2.3% year on year) at Group level
- The number of corporate clients increased to 36,123, by 4.6% year on year, mainly due to growth in the K2 and K3 segments, thanks to the development of digital and mobile services for corporate clients and support in the field of e-commerce.
- 88% of clients use the digital process when opening an account at mBank, and 94% of clients have at least one user utilizing the mCompany Mobile banking.
- New version of the mBank CompanyMobile app for corporations offers many attractive features that facilitate daily financial management of the company, including card-related functions such as selecting a default card, changing the PIN or limits, as well as grouping transaction history by cards and the ability to temporarily block a card.
- In the Global Finance World's Best Corporate Digital Bank 2024 competition, the mBank CompanyMobile app was awarded the title of the best corporate mobile banking app in Poland for the second year in a row and was recognized as the best in CEE for the first time.
- The business expansion of Paynow, supported by strategic cooperation with mBank's subsidiary Leaselink, which provides merchants with the possibility of direct financing for their business purchases; in September, the Paynow gateway was expanded to include deferred payments, known as BNPL (Buy Now, Pay Later). The dynamic growth of volumes processed by the Paynow payment gateway (+85% year on year) is thanks to cloud architecture.
- Development of ESG activities: At the end of 2024, mBank's RES portfolio amounted to PLN 4.8 billion. In 2024, mBank financed thirteen investments, including nine photovoltaic farms and four wind farm investments, allocating over PLN 1 billion for this purpose. At the end of 2024, mBank launched a new guarantee program in cooperation with KUKE, which will enable attractive financing for projects related to renewable energy sources and energy efficiency.
- In January 2024, the seventh anniversary of the cooperation between the Great Orchestra of Christmas Charity (WOŚP), which played for the 32nd time this year, and mBank, the main banking partner of the foundation, was celebrated. The foundation raised money to ensure the highest standards of lung diagnostics and treatment. mBank prepared a promotion for corporate clients, under which account maintenance and transfer fees (from January to June) were donated to the WOŚP foundation.

## 7.1. Financial results

The Corporate and Investment Banking segment generated a profit before tax of PLN 2,721.2 million in 2024, which represents an increase by PLN 450.4 million, i.e. 19.8% year on year. The reason for record high profit before tax for another consecutive year in a row was mainly high net interest income.

| PLN M | 2023 | 2024 | Change in PLN M | Change in % |
|---|---|---|---|---|
| Net interest income | 2,508.7 | 2,852.3 | 343.6 | 13.7% |
| Net fee and commission income | 1,038.7 | 1,024.4 | -14.2 | -1.4% |
| Net trading income | 265.5 | 233.4 | -32.1 | -12.1% |
| Other income | 1.0 | 1.9 | 0.9 | 89.9% |
| Net other operating income/expense | -35.0 | 209.5 | 244.5 | +/- |
| **Total income** | **3,778.9** | **4,321.6** | **542.7** | **14.4%** |
| Net impairment losses and fair value change on loans and advances | -228.5 | -223.9 | 4.6 | -2.0% |
| Total overhead costs (including deprecation) | -1,033.9 | -1,129.3 | -95.4 | 9.2% |
| Taxes on Group's balance sheet items | -245.7 | -247.2 | -1.5 | 0.6% |
| **Profit/loss before tax of Corporate and Investment Banking** | **2,270.8** | **2,721.2** | **450.4** | **19.8%** |

**Other income** – calculated as gains or losses from derecognition of financial assets and liabilities not measured at fair value through profit or loss and gains or losses from non-trading equity and debt securities mandatorily measured at fair value through profit or loss.
**Total income** - calculated as the sum of net interest income, net fee and commission income, dividend income, net trading income, other income, other operating income and other operating expenses.
**Total overhead costs (including deprecation)** - calculated as the sum of total overhead costs and depreciation.
**Net impairment losses and fair value change on loans and advances** – the sum of impairment or reversal of impairment on financial assets not measured at fair value through profit or loss and gains or losses from non-trading loans and advances mandatorily measured at fair value through profit or loss.

## 7.2. Activity of Corporate and Investment Banking Area in numbers

**Refers to mBank only**

| | 31.12.2022 | 31.12.2023 | 31.12.2024 | Annual change in % |
|---|---|---|---|---|
| **Number of corporate clients** | **33,025** | **34,546** | **36,123** | **4.6%** |
| K1 | 2,218 | 2,379 | 2,436 | 2.4% |
| K2 | 10,329 | 10,607 | 11,029 | 4.0% |
| K3 | 20,478 | 21,560 | 22,658 | 5.1% |
| **PLN M** | | | | |
| **Loans to corporate clients, including** | **32,974.8** | **33,038.2** | **35,625.8** | **7.8%** |
| K1 | 6,578.8 | 6,327.7 | 7,396.7 | 16.9% |
| K2 | 21,705.5 | 23,082.3 | 24,340.1 | 5.4% |
| K3 | 3,079.3 | 2,728.9 | 2,859.5 | 4.8% |
| Reverse repo/buy sell back transactions | 1,611.2 | 899.3 | 1,029.5 | 14.5% |
| **Deposits of corporate clients, including** | **50,264.7** | **55,767.6** | **57,494.3** | **3.1%** |
| K1 | 14,576.9 | 13,959.5 | 14,421.2 | 3.3% |
| K2 | 22,104.9 | 27,395.9 | 27,317.4 | -0.3% |
| K3 | 13,273.0 | 14,236.8 | 14,825.4 | 4.1% |
| Repo transactions | 309.9 | 175.4 | 930.3 | 430.3% |

## 7.3. Corporate and Investment Banking of mBank

In 2024, the Corporate and Investment Banking segment focused on delivering comprehensive financial solutions, supporting businesses in liquidity management, investment financing, capital raising, and energy transition. The dynamic macroeconomic and regulatory environment required mBank to adopt a flexible approach and innovative solutions to effectively respond to the needs of corporate clients. The volume of newly signed corporate loan agreements reached almost PLN 40 billion – growth of 21% year on year. We generated increases across our customer groups – in particular in the K2 segment, representing medium and large sized corporates. The corporate client base increased year on year by 4.6% to 36,123. Our initiatives launched so far have been well received by clients, which is reflected by the results of the customer satisfaction survey. The NPS of the corporate and investment banking segment reached 45 in 2024. Among the clients who declared mBank as their main bank, the NPS stood at 53.

We continued to develop digital banking services, making it easier for businesses to access modern financial tools and streamlining financial management processes. In 2024, we launched a new version of the mBank CompanyMobile app for corporate clients, featuring numerous new, convenient functions related to card management and app personalization. In order to respond to challenging market conditions, mBank has been continuously enhancing its corporate banking customer service processes and adjusting its product portfolio to client needs and the legal environment.

mBank CompanyMobile app

In 2024, we continued to intensively develop the mBank CompanyMobile app, and in the second half of the year, we released its new version.

The new version of our mobile application for corporate clients offers a range of attractive features that enable more efficient and intuitive work, including currency exchange and card management. Thanks to advanced personalization capabilities, mBank clients can customize the view and individual options to their specific needs. In 2024, we introduced, among other things, an innovative FX module with personalization options, detailed push notifications, and a new card module.

During the development of new application features, we placed particular emphasis on personalization and a user-friendly interface, so that users can easily and intuitively customize this tool to their needs. For example, they can configure the dashboard in the FX module according to their preferences. They can set account balance views, favourite currency pairs, and default accounts for transactions. Thanks to the analysis function of exchange rate fluctuations over specific time intervals, the new application becomes a comprehensive tool for effective currency trading. Personalization facilitates daily cash management, and clients can quickly check the balances of their most frequently used accounts and track favourite currency pairs in real-time. We also introduced a feature that goes beyond typical currency exchange. After a successful transaction, the user can transfer funds to a business partner, and the application automatically indicates the transfer currency, account, and amount.

As part of the development of the mBank CompanyMobile app, we introduced detailed push notifications, which provide users with precise information about events such as account credits and debits, rejected orders, or orders waiting for authorization. After activating this feature, users receive notifications that include details about the company, account, amount, counterparty, or transaction title. This new functionality increases transparency, saves time and enables faster business decision-making.

In the new card module users can add one or more of their cards and manage them freely on their phone. The application offers realistic card graphics – their appearance in the application matches the actual look, making it easy to identify the cards. Additionally, in the new version of the application, we have introduced new card-related functions: card activation, PIN change, authorization limit change, temporary card block, or permanent card cancellation. The ability to cancel a card, prepared in case of loss or theft, was previously only available by contacting the bank. Furthermore, card users can conveniently check card balances, view transaction history or choose a default card in the application.

Apart from card-related changes, the latest version of the application includes features such as:

- account search and transaction history filtering,
- application PIN change,
- changing the application language to Polish, English, and German directly within the application.

The development of the FX module has contributed to a steady increase in the number of currency exchange transactions carried out in the mobile application throughout the year (up by 33.7% year on year). We also observe a dynamic increase in the number of FX module users (up by 23.2% compared to 2023).

Digital onboarding of corporate clients

We establish business relationships with corporate clients quickly and digitally thanks to our digital onboarding system. In 2024, over 88% of new corporate accounts were opened digitally. Digital onboarding of new corporate clients, both from the small and medium-sized enterprises segment as well as large corporations, is now a standard at mBank.

Online Assistant – Corporate Client's Center

Digitalizing corporate client support is one of mBank's priorities. In 2024, consultants at the Corporate Client Center, as part of the Online Assistant service, handled 23,000 interactions with clients via chat and remote assistance, compared to 14,000 interactions in 2023. Clients increasingly choose this form of contact with the bank. The Online Assistant significantly speeds up obtaining answers to daily inquiries and is a convenient way of communication. In 2024, 7,400 clients used this form of contact, which is a 42% increase compared to the previous year. Consultants at the Corporate Client Center handled 87,000 incoming phone calls from corporate clients. Over 90% of calls were answered within 20 seconds of dialling the phone number.

**Products and services on offer**

Corporate loans

The value of loans granted by mBank to corporate clients (excluding reverse repo transactions) stood at PLN 34,596.3 million at the end of 2024, representing an increase of 7.6% year on year.

| PLN M | 31.12.2022 | 31.12.2023 | 31.12.2024 | Annual change |
|---|---|---|---|---|
| Loans to corporate clients[1] | 31,364 | 32,139 | 34,596 | 7.6% |
| Loans to enterprises[2] | 32,454 | 32,793 | 34,850 | 6.3% |
| Loans granted to local governments | 11 | 49 | 27 | -45.3% |
| Market of loans to enterprises | 424,357 | 411,559 | 429,740 | 4.5% |
| mBank's share in the market of loans to enterprises | 7.6% | 8.0% | 8.1% | |

*[1] The bank, excluding reverse repo transactions.*
*[2] NBP category which ensures comparability of results of the banking sector.*

Corporate deposits

The value of corporate deposits at mBank (excluding repo transactions) stood at PLN 56,564.0 million at the end of 2024, representing an increase of 1.7% year on year.

| PLN M | 31.12.2022 | 31.12.2023 | 31.12.2024 | Annual change |
|---|---|---|---|---|
| Corporate deposits[1] | 49,955 | 55,592 | 56,564 | 1.7% |
| Deposits of enterprises[2] | 52,924 | 58,089 | 58,724 | 1.1% |
| Deposits of local governments | 758 | 206 | 278 | 34.6% |
| Market of deposits of enterprises | 490,691 | 528,933 | 546,244 | 3.3% |
| mBank's share in the total deposits of enterprises | 10.8% | 11.0% | 10.8% | |

*[1] The bank, excluding repo transactions.*
*[2] NBP category which ensures comparability of results of the banking sector.*

Paynow payment gateway

In 2024, we dynamically developed the Paynow payment gateway in response to the equally dynamic growth of the e-commerce industry. In August 2024, the online quick payment gateway was enriched with deferred payment methods from PayPo. This was the only missing link among the most popular payment methods chosen by Poles shopping online. In 2025, we plan to further optimize the service and add new features to enhance cooperation with new clients.

Online stores that decided to use the Paynow payment gateway service gained a reliable partner that helps them grow their online business and they also increased their sales. In 2024, the value of sales processed was 85% higher than in the previous year.

Sustainable Financing

As of the end of December 2024, mBank allocated over PLN 7.6 billion for financing sustainable investments and mobilized over PLN 8.5 billion through arranging of bond issuances and taking part in consortia, totaling over PLN 16.1 billion raised for green transformation and sustainable development activities, which is significantly above the mBank Group's Strategy target for 2021-2025 of PLN 10 billion.

One of the main activities in this area is financing renewable energy sources (RES) investments. mBank consistently increases its share in financing RES projects. By introducing a credit policy for financing renewable energy installations in December 2018, it allocated PLN 500 million for this purpose. The bank consistently increased its share in financing renewable energy projects (RES). As a result, since June 2024, the limit for RES has been raised to PLN 6.4 billion. Additionally, since December 2024, mBank has modified the financing criteria for "small RES" (i.e., up to 10 MW), opening up to smaller transactions with more complex structures.

As a result, the RES portfolio at mBank reached PLN 4.8 billion at the end of December 2024. In 2024, mBank financed 13 investments, including 9 photovoltaic (PV) farms and 4 wind farm (WF) investments, allocating over PLN 1 billion for this purpose. Additionally, under the "small RES" policy, 3 photovoltaic (PV) farms were financed for over PLN 29 million.

In addition to financing renewable energy sources, mBank's 2024 offer also included Sustainability Linked Loans (SLL), which are loans linked to achieving sustainable development goals, and green loans with subsidies for financing investments related to sustainable development. The green loan is subsidized by Bank Gospodarstwa Krajowego (BGK) from the so-called ecological premium. In 2024, the bank granted SLLs amounting to PLN 2.6 billion. Among these transactions, four involved new exposures in sectors such as retail, technology and IT, as well as waste management and cleaning services. Thanks to these types of loans, enterprises gain additional benefits related to margin reduction, provided they meet the conditions set out in the agreement, which contribute to the implementation of the decarbonization plan and climate goals or the achievement of sustainable development strategies. mBank was also involved in the issuance of green bonds by three clients, totalling nearly PLN 1.5 billion. In one of these issuances, it acted as the green bond structuring agent. These transactions concerned projects in the energy and real estate sectors.

More information about sustainable financing for corporate clients can be found in chapter 10.2. "Environmental information (ESRS E1, E4)".

De minimis Guarantee

In 2024, mBank continued the implementation of the Portfolio De Minimis Guarantee Line (PLD) Agreement as part of the government program "Supporting Entrepreneurship through BGK Sureties and Guarantees". As of December 31, 2024, the utilized limit amounted to PLN 110 million.

On June 25, 2018, mBank signed another Portfolio Guarantee Line De Minimis Agreement (PLD-KFG) as a continuation of the previous agreement (PLD). The de minimis guarantee limit granted to mBank under the PLD-KFG agreement amounts to PLN 6.8 billion. As at December 31, 2024, the utilised limit amounted to PLN 4.02 billion.

COSME Guarantee

As part of the portfolio guarantee line with the re-guarantee of the European Investment Bank under the COSME program (European Union program for the competitiveness of enterprises for 2014–2020), the guarantee limit granted to mBank, under the agreement with BGK, was PLN 2.0 billion. The COSME guarantee program ended on April 30, 2022. As of December 31, 2024, the value of active guarantees was PLN 14 million.

FGR Guarantee

Under the portfolio agreement for the agricultural guarantee line (FGR) concluded with BGK, the guarantee limit granted to mBank is PLN 85 million. As of December 31, 2024, the value of the utilized limit was PLN 37.5 million.

Additionally, in 2024, we continued the after-sales service of BGK guarantees:

Biznesmax Guarantee

The Operational Program Intelligent Development under the Guarantee Fund for supporting innovative enterprises (FG POIR) ended on December 31, 2023. The guarantee limit granted to mBank under the agreement with BGK amounted to PLN 750 million. As of December 31, 2024, the value of active guarantees was at PLN 383.0 million. In 2024, the guarantee service included handling (evaluation and acceptance) applications submitted by clients under the interest rate subsidy.

Liquidity Guarantee

Under the Agreement on Guarantee Line of the Liquidity Guarantee Fund (FGP), mBank received a guarantee limit of PLN 11.0 billion. The final deadline for granting liquidity guarantees expired on June 30, 2022. As part of the FGP program, as of December 31, 2024, the value of active guarantees amounted to PLN 175.7 million.

Crisis Guarantee

Following the FGP program, the guarantee under the Crisis Guarantee Fund was available until December 31, 2023. The limit granted to mBank was PLN 1.7 billion. As of December 31, 2024, the value of active guarantees amounted to PLN 987.9 million.

In 2024, we also signed three agreements under the portfolio guarantee lines with BGK:

FG FENG Guarantee

Based on the portfolio guarantee line agreement FG FENG, mBank was granted a total limit of PLN 470 million, comprising two components:

- Biznesmax Plus – PLN 250 million, including PLN 100 million for guarantees securing working capital loans,
- Ekomax – PLN 220 million for securing only investment loans.

The guarantee has been available for sale since April 23, 2024. As of December 31, 2024, the value of the utilized limit for the Biznesmax Plus component amounted to PLN 108.9 million. There was no active sale under the Ekomax component.

Investmax Guarantee

Based on the portfolio guarantee line agreement with the re-guarantee provided by the European Investment Fund under the InvestEU program, mBank was granted a total guarantee limit of PLN 250 million, within two instruments:

- SME support instrument, intended to secure the repayment of loans for enterprises in the micro, small, and medium-sized enterprise sectors - PLN 200 million,
- Microfinance instrument, intended to secure the repayment of loans exclusively for micro-enterprises - PLN 50 million.

The guarantee has been available for sale since November 13, 2024. As of December 31, 2024, the entire limit was available.

Issue of debt securities for corporate clients

2024 was characterized by material recovery of issuers and investors' activity on the market. mBank carried out (standalone or as a consortium member) a significant number of new issues of debt securities.

mBank placed securities, among others, for: Toyota Leasing (PLN 950 million), RCI Leasing Polska sp. z o.o (PLN 850 million), Polenergia SA (PLN 750 million), Rpower SA (PLN 610 million), ARCHICOM SA (PLN 358 million), Polski Holding Nieruchomości SA (PLN 355 million), Cognor SA (PLN 240 million), Develia SA (PLN 200 million), MLP Group SA (EUR 41 million), Dom Development SA (PLN 140 million), Ghelamco Invest sp. z o.o (PLN 104 million).

In the green bonds segment, mBank carried out bond issues with a total value of more than PLN 1.46 billion.

Transactional banking

Cash Management at mBank is a platform offering modern solutions that support strategic planning, monitoring, and effective management of the most liquid financial resources. Focusing on cash processing and electronic banking, it provides innovative tools that support enterprises in their daily financial operations.

Our Cash Management solutions aim not only to increase the efficiency of cash flow management but also to optimize costs and generate interest income. The dynamically developing offer reflects our ability to adapt to the changing needs of clients, providing them with new and expanded tools.

Below are some key indicators that illustrate the dynamics of the Cash Management offer at mBank compared to the previous year:

| | |
|---|---|
| Number of incoming foreign transfers | +5.2% |
| Number of outgoing foreign transfers | +7.7% |
| Number of mBank Company Mobile users | +19.7% |
| Number of mobile transactions | +53.7% |
| Number of active users of FX module | +33.7% |

The Product Offering Development

As part of our product offering development, we introduced the option to finance contracts within a multi-product credit line. Now, clients can use revolving loans, overdraft facilities, guarantees, and letters of credit under a single agreement, along with overdrafts and other products.

ISO 20022 Project

Over the next 2 years, the formats of all types of payments will change. Ultimately, a unified international standard ISO 20022 will be in place. This will make data exchange between different systems easier, enabling precise transaction identification and automatic posting.

First, foreign payments will be altered, followed by domestic payments. As a result of planned changes, clients will be required to modify the way they submit orders (both manually entered and those submitted through various interfaces). Bank statements will also change, especially electronic statements.

We continuously update and inform clients about the upcoming changes. We introduced them to our clients during live workshops, which were very popular. We trained nearly 400 of our largest clients. We created a website for clients with the most important information about the project. Clients can already make some transfers in the new format.

Digitalization and optimization of the Credit Process

In 2024, we continued our efforts to digitalize and optimize the credit process. As part of the development and improvement of the electronic credit application (EWK), we added new functionalities, such as the possibility to submit an application solely for annual review and to provide quarterly data earlier (compared to formal requirements) by the client. We also provided a converter for consolidated reports in XML format and the electronic application for de minimis guarantee (eBGK).

Digitalized Postal Transfer

In 2024, we worked on digitalizing the Postal Transfer service. Now, thanks to the connection with the Post Office via API, transaction files with postal transfers and their execution statuses are processed automatically. The digitization of this process has eliminated paper confirmations. As a result, we optimized costs for both the bank and the client. The bank no longer needs to receive printed forms from the Post Office. The client benefits from reduced fees charged by the Post Office, including the elimination of the receipt confirmation fee. We shortened the time of process handling. The client receives the final status of the transfer execution within 25 days. We also observe a lower number of complaints.

Activity of the Financial Markets Sales Department

In 2024, the Financial Markets Sales Department recorded further growth of income related to most of its products (both in the treasury area and investment area). In 2024, we continued improving key operational and control tasks in the challenging regulatory and economic environment.

- Margin result on transactions concluded with corporate clients was higher by 3.1% year on year and exceeded PLN 1 billion. The increase in the result was primarily driven by deposit transactions.
- We have been successfully onboarding new clients. For actively managed clients, we proactively sought areas for growth. This led to a 3.2% increase in the average monthly number of active clients.
- The commodities team maintained its position as the market leader in hedging transactions for commodity price volatility, despite a decline in realized performance. The key differentiators were a wide range of offered products and high-quality service for corporate clients. The biggest challenges included operating in the challenging regulatory and economic environment, the dynamic increase in market competitiveness, and implementing changes in the bank's policy on combating climate change.
- The project team participated in over 200 projects. In 94 projects, it concluded hedging transactions. The achieved result increased by 9.0% compared to 2023. The team completed projects in the areas of CRE, renewable energy (RES), and Structured Finance. Since the middle of the year, the team has been operating under new cross-selling rules (i.e., selling a loan together with a derivative transaction to hedge interest rate or currency risk).
- Increased activity of retail clients in the Dealer Service Department led to a rise in active clients across all segments (Private Banking, corporate and individual clients) and an increase in margin.

mBank's market shares in specific financial instrument markets as of December 31, 2024, are presented below:

| | Treasury bills & bonds | IRS/FRA |
|---|---|---|
| mBank | 12.30% | 14.70% |

### Financial Institutions

As at the end of 2024, mBank had four active loans from other banks worth the equivalent of PLN 3,072 million in total. On the balance sheet, the level of debt was PLN 98 million lower than at the end of 2023 due to the strengthening of the zloty against the Swiss franc at the end of 2024.

At the end of December 2024 the total value of loans granted by mBank to other banks amounted to the equivalent of PLN 227 million. It indicates significant increase of about PLN 139 million in comparison to 2023. mBank's portfolio included active short and medium-term loans granted to Polish and foreign banks.

mBank maintains healthy business relationships with banking clients and renders high quality services which is confirmed by the numerous awards received by the bank in 2024 in this area. mBank maintains strong position in the field of settlements services in zloty (PLN).

Furthermore, in 2024 mBank focused its efforts on actively supporting commercial transactions concluded by Polish exporters.

### Custody services

mBank provides services including:

- settlement of transactions in securities registered in local and foreign markets;
- safe-keeping of clients' assets;
- maintenance of securities accounts and registers of securities in non-public trading;
- maintenance of asset registers of pension funds and investment funds as well as monitoring the valuation of clients' assets;
- handling benefits from securities.

mBank's custody clients are mainly local and foreign financial institutions, in particular investment and pension funds, other banks offering custodian and investment services, insurance companies, asset management institutions and nonfinancial institutions. In 2024, the number of served investment funds decreased by 12.4% year on year.

# 8. Activities of subsidiaries of mBank Group

## 8.1. Summary of financial results of mBank Group subsidiaries

In 2024, the profit before tax generated by mBank Group's subsidiaries amounted to PLN 358.1 million. Compared with profit before tax recorded in 2023, it was higher by PLN 38.5 million, i.e. 12.1%.

The results were mainly influenced by the record-high gross profit of mLeasing, which generated 69.6% of the gross profit of mBank's consolidated subsidiaries. The gross results of mFinanse improved year on year. In 2023 it was negatively affected by the creation of a provision related to ZUS control. The result of mBank Hipoteczny was negatively impacted by the government "credit holidays" program.

The table below presents the profit before tax posted by individual subsidiaries in 2024 compared with 2023.

| PLN M | 2023 | 2024 | Change in PLN M | Change in % |
|---|---|---|---|---|
| mFinanse | 3.6 | 29.2 | 25.5 | 701.5% |
| mLeasing[1] | 214.8 | 249.4 | 34.6 | 16.1% |
| mBank Hipoteczny | 52.7 | 20.8 | -31.9 | -60.5% |
| mFaktoring | 41.2 | 34.5 | -6.7 | -16.2% |
| mTowarzystwo Funduszy Inwestycyjnych | 6.3 | 7.8 | 1.5 | 23.3% |
| Other[2] | 1.0 | 16.4 | 15.5 | 1,614.8% |
| **Total gross profit/loss of mBank's subsidiaries** | **319.6** | **358.1** | **38.5** | **12.1%** |

[1] Includes result of Asekum Sp. z o.o. and LeaseLink Sp. z o.o.
[2] "Other" subsidiaries includes mElements and Future Tech.

## 8.2. Business activity of selected subsidiaries

### mFinanse

In 2024, sale of mortgage loans in mFinanse reached record high levels. The lending process has accelerated since 2023. It was a result of, among others, PFSA's new flexible approach to calculating creditworthiness and continued installment subsidies government program "Safe 2% Loan". High dynamics of apartment sales offered by developers translated to record-high sales of the subsidiary in 2024. The volume of newly granted mortgage loans amounted to PLN 5.5 billion, and was almost twofold higher than in 2023 (PLN 3.2 billion).

In the area of cash loans, revolving loans and credit cards, the subsidiary achieved very good sales results. In 2024, the value of sales of these products increased almost twofold and amounted to PLN 1.5 billion compared to PLN 854.5 million in 2023. The main driver of this result was the sale of cash loans, which amounted to PLN 1.4 billion in 2024.

Sale of products to enterprises (credit products and leasing) was at a level comparable to 2023. It slightly decreased to PLN 653.5 million, i.e. by 3.3% in 2024.

As a result of above-described factors, mFinanse improved its profit before tax. The gross profit of the subsidiary in 2024 amounted to PLN 29.2 million, while in the previous year it was at PLN 3.6 million.

### mLeasing

The value of contracts concluded by mLeasing in 2024 amounted to PLN 7,144.6 million, compared to PLN 7,256.6 million a year earlier. This represents a decrease by 1.5% year on year. The value of contracts concluded for movable property amounted to PLN 7,058.0 million, compared to PLN 7,090.3 million a year earlier (i.e. -0.5%). The value of contracts concluded for real estate amounted to PLN 86.7 million, compared to PLN 166.3 million in 2023 (i.e. -47.9%).

Sales at mLeasing increased by 1.5% in the category of financing vehicles under 3.5 tons, but decreased by 9.3% in the category of vehicles over 3.5 tons. The remaining new business increased slightly by 0.3% year on year. In 2024, mLeasing has further strengthened its position in the area of car financing and leasing, recording sales increases, among others, on the e-commerce platform mAuto – sales increase of 75.0%.

In 2024, the consolidated gross profit of the subsidiary amounted to PLN 249.4 million, which represents an increase of 16.1% compared with 2023. Revenues in 2024 were 3.4% higher than in the previous year and amounted to PLN 480.2 million.

In 2024, the subsidiary focused on developing activities, especially in the ESG area. mLeasing adopted the decarbonization strategy, which sets intermediate goals and aims to achieve zero emissions by 2050. The subsidiary defined and separated green assets that support the energy transformation process of its clients. An important step was also the launch of the dedicated Green Transformation platform, which aims to provide knowledge, tools, and product offerings for clients seeking support in implementing their decarbonization strategies.

mLeasing continued to actively support clients' transition to electromobility. In the category of electric vehicle registrations, it achieved a year on year increase of 80%, which is one of the highest growth rates and gives mLeasing the fourth place in the market. In 2024, 1,298 electric vehicle (BEVs) leasing and rental agreements were concluded, including 835 cars with funding from the "Mój Elektryk" (My Electric Car) program. Additionally, mLeasing became a provider of charging services (eMSP), giving the clients access to over 3,500 fast charging points in Poland, as well as convenient billing of charging costs at public and private stations. For clients interested in reducing the emissions of their fleet, mLeasing offers a comprehensive program. It comprises fleet profile analysis and carbon footprint calculation, fleet replacement planning, and infrastructure proposals with cost forecasts. Moreover, the subsidiary created a unique pilot program for its clients, which includes a temporary installation of a home charger. During the pilot program, in addition to testing BEV cars, the client can also test the charging service and cost billing.

## Bank Hipoteczny

mBank Hipoteczny is the longest-operating mortgage bank in Poland. As the only entity in mBank Group, it has the ability to issue covered bonds, which it places both on the domestic and international capital markets. This ensures stable and long-term financing for the portfolio of real estate-secured loans. mBank Hipoteczny's covered bonds are considered low-risk investment instruments, as confirmed by the high Aa1 rating assigned by Moody's Investors Service.

Since May 2023, the bank continues to develop its loan portfolio exclusively in the retail sector. During this time, in close cooperation with mBank, we conducted six pooling transactions totaling PLN 1.7 billion. The gross value of the retail loan portfolio at the end of 2024 amounted to PLN 9.6 billion, compared to PLN 9.1 billion at the end of 2023. The 5.8% increase in the portfolio value was partly due to the completed pooling transactions.

The financing of the loan portfolio was mainly through the issuance of mortgage covered bonds. In 2024, mBank Hipoteczny issued three series of mortgage covered bonds in a non-prospectus offering with a total nominal value of PLN 1.2 billion. The total value of outstanding mortgage covered bonds as of the reporting date was PLN 6.6 billion, representing 38.7% of the entire Polish covered bond market. In 2024, mBank Hipoteczny did not issue any bonds, nor did it hold any outstanding bonds. This was a conscious policy resulting from the high liquidity of mBank Group and a strategy focused on intra-group financing.

mBank Hipoteczny ended 2024 with a loss before tax of PLN 0.7 million. This was influenced by a decrease in net interest income, achieved under the conditions of the government's "credit holidays" program. At the same time, mBank Hipoteczny's operating costs decreased slightly. The changes in the retail portfolio model and the associated costs contributed to an increase in loan loss provisions in 2024 compared to the previous year.

## Faktoring

In 2024, mFaktoring’s turnover, i.e., the value of aggregated invoices, reached a high level of PLN 36.6 billion. This represents an increase of 4.3% compared to 2023, i.e. a growth rate similar to the entire factoring market (+4.7%). At the end of 2024, an 7.8% market share translated into sixth position of mFaktoring in the factoring market in Poland (data of the Polish Factors Association).

Profit before tax of mFaktoring amounted to PLN 34.5 million, compared to PLN 41.2 million for 2023. The subsidiary did not observe significant changes in the receivables portfolio or a significant increase in risk in this area. mFaktoring monitored impact of the war in Ukraine on the receivables portfolio. No signs of significant deterioration in the payment discipline of the largest recipients in portfolio were noted.

In 2024, mFaktoring acquired 176 new clients, i.e. 12.8% more year on year. Total volume of new factoring limit contracts amounted to PLN 647.7 million.

The period for granting guarantees through the Crisis Guarantee Fund in cooperation with Bank Gospodarstwa Krajowego ended on December 31, 2023. The program was used to secure factoring limits granted to ensure the financial liquidity of our clients. Contracts covered by the program remain valid in accordance with the contract term.




2024 was a period of dynamic growth and significant changes for mTowarzystwo Funduszy Inwestycyjnych S.A. (mTFI), which strengthened its position in the investment fund market. A key achievement was the completion of the process of taking over all investment funds previously created in the "white label" formula by external entities. This strategic action enabled full integration of fund management under the mTFI brand, ensuring greater operational consistency and better control over the offered products.

The assets of the funds managed by mTFI S.A. increased from just over PLN 1.0 billion to approximately PLN 3.3 billion at the end of 2024, with nearly PLN 700 million of the increase resulting from the takeover of sub-funds managed under the Gotowe Strategie SFIO umbrella. In line with market trends, the largest inflows were recorded in debt funds, which attracted significant interest from clients due to favourable investment results achieved under the conditions of stable NBP interest rates at relatively high levels.

In 2024, in cooperation with mBank, we launched the IKZE/IKE service based on life cycle solutions under the Gotowe Strategie SFIO umbrella. This initiative aligns with our vision of systematic investing and democratizing investments, enabling clients to access modern investment solutions aimed at building long-term retirement savings.

One of the most important projects carried out in 2024 was the completion of the process of adapting all sub-funds under the Gotowe Strategie SFIO umbrella to the requirements of Article 8 of the SFDR Regulation, which means they promote environmental and social aspects. From January 1, 2025, the entire offer dedicated to mass clients significantly incorporates ESG factors, confirming our commitment to sustainable development and providing products that meet current market requirements. More information about investment standards, including information on the inclusion of ESG aspects, can be found on the website https://www.mtfi.pl/pl/esg (in Polish).

At the same time, we developed cooperation with mBank's Brokerage Office in the management of financial instrument portfolios. At the end of 2024, assets worth nearly PLN 2.5 billion were accumulated under this service, confirming the high trust in our investment solutions from private banking clients.

mTFI S.A. aims to be a leader in providing modern and sustainable investment solutions, continuing dynamic growth in line with client expectations and global market trends.

# 9. Risk management

## 9.1. Risk management foundations

mBank Group manages risk on the basis of regulatory requirements and best market practices by developing risk management strategies, policies, and guidelines.

The risk management process is conducted at all levels of the organisational structure, starting at the levels of the Supervisory Board (including the Risk Committee of the Supervisory Board) and the bank's Management Board, through specialised committees and organisational units responsible for risk identification, measurement, monitoring, control, and reduction, down to each business unit.

Risk management roles and responsibilities in mBank Group are organised around **the three lines of defence scheme**:

- The first line of defence is **Business** (business units), whose task is to take risk and capital aspects into consideration when making all business decisions, within the risk appetite set for the Group;
- The second line of defence, mainly the **organisational units of the risk management area**, **Security, Data Protection Inspector and Compliance function**, creates framework and guidelines concerning managing individual risks, supports and supervises Business in their implementation and independently analyses and assesses the risk. The second line of defence acts independently of the Business;
- The third line of defence is **Internal Audit**, which independently assesses risk management activities performed by the first and the second lines of defence.

In the communication between organisational units in the risk management area and business lines in mBank, as well as between the bank and the Group subsidiaries, an important role is played by the **Business and Risk Forum of mBank Group**, which is constituted by the Retail Banking Risk Committee, Corporate and Investment Banking Risk Committee, and Financial Markets Risk Committee. The main function of these committees is to develop the principles of risk management and risk appetite in a given business line, by making decisions and issuing recommendations concerning in particular: risk policies, risk assessment processes and tools, risk limit system, assessment of the quality and profitability of the portfolio of exposures to clients, approval of introducing new products to the offer.

The management function at the strategic level and the function of control of credit, market, liquidity, and operational risks and risk of models used to quantify the aforesaid risk types are performed in the risk management area supervised by the Deputy Chairman of the Management Board, Chief Risk Officer.

The Risk management strategy of mBank Group is based on three pillars:

- **We support sustainable growth** i.a. through dialogue with the Business, we indicate directions for acquisitions and expansion. Our goal is to build a diversified loan portfolio with a significant share of prospective and responsible sectors and segments. In our credit decisions, policies, expansion, and portfolio structure, we take into account the impact on the natural environment and the community in which we operate. We finance clients' needs responsibly, educate them, raising awareness of sustainable development and transparently communicate the decisions. More information regarding client financing, taking into account their transformational needs, can be found in chapter 10.2. "Environmental information (ESRS E1, E4)". We develop solutions in dialogue with the client and with care for the good quality of loan portfolio. We actively support growth by developing tools and processes designed from the client's perspective.
- **We pursue prudent and stable risk management**, i.a. by shaping a safe and profitable balance sheet and managing risk in an integrated manner. We combine business needs, risk management principles and regulatory requirements. We maintain a stable and diversified financing structure, reducing misalignments and maintaining liquidity buffers. Thus, we ensure regulatory compliance, the safety of deposited funds and optimize the use of available capital. We monitor newly emerging risks and build the competencies of our employees in this area. We develop the ability to manage ESG and cyber risks, i.e. by continuously improving the process of our clients' assessment in terms of environmental, social, governance, and cyber risk. We respond to changes in the macroeconomic environment and assess the impact of various events on the Group's risk profile.
- **We are developing the risk management area in response to the challenges of a changing world.** Thanks to automation, digitization and efficient processes, we are ready for the growth of business scale. We are adapting liquidity risk management tools to adequately monitor and manage risks arising from the increased activity of clients using mobile applications and the growing importance of instant payments. We are developing a system of early warning indicators, including monitoring changes in the perception of the Bank and the mBank Group in mass media, including social media.

We are shaping our readiness to take action if a rapid response is needed when a scenario of a dynamic outflow of customer deposits materializes. We are also conservatively adjusting the internal liquidity risk measures in response to the most current market experience.

## 9.2. Main risks of mBank Group's business

The Management Board of mBank takes measures to ensure that the Group manages all material risks arising from the implementation of the adopted strategy of mBank Group, in particular, through approving strategies and processes for managing material risks in the Group.

As of December 31, 2024, the following risks were recognized as material in the Group's operations: credit risk, risk of foreign currency loan portfolio (related to actual or potentials threat to the bank's results and capital, arising from foreign currency mortgage loans granted to unsecured borrowers until 2012), operational risk, market risk, business risk (including strategic risk), liquidity risk, compliance risk, reputational risk, model risk, capital risk (including the risk of excessive leverage), securitization risk and environmental risk (E, according to the horizontal materiality assessment), social risk (S) and corporate governance risk (G).

The following sections present the rules of managing credit, market, liquidity and operational risk in mBank Group.

**Credit risk**

The bank organises credit risk management processes in line with the principles and requirements set out in the resolutions and recommendations of the Polish Financial Supervision Authority (PFSA) (in particular Recommendation S, T and C), EBA's guidelines on loan origination and monitoring and CRR/CRDIV, which address issues related to credit risk management.

Tools and measures

The assessment of credit risk related to the financing of mBank Group clients is carried out based on common statistical models developed for the application of the AIRB method (Advanced Internal Rating Based) and based on standardized tools. It relies on common definitions of terms and parameters used in the process of credit risk management and rating assessment. The bank ensures their cohesion at the Group level.

The Group uses different models for particular client segments. The rules governing clear assignment of clients to a system are defined in the bank and the Group subsidiaries internal regulations.

In their credit risk management process, the bank and the Group subsidiaries use the core risk measures defined under the AIRB approach:

- PD – Probability of Default (%);
- LGD (Loss Given Default) – estimated relative loss in case of default (%);
- EAD (Exposure at Default) – estimated exposure at the time of default (amount);
- EL – Expected Loss taking into account the probability of default (amount);

and related measures including:

- RD (Risk Density) – relative expected loss defined as EL to EAD (%);
- LAD (Loss at Default) – estimated loss (amount) in case of default (the product of EAD and LGD).

In the decision-making process, for reporting and communication with business units, PD and EL are expressed in the language of rating classes whose definitions (Masterscale) are uniform across Commerzbank Group.

In its credit risk management process, the bank also attaches great importance to the assessment of unexpected loss. For this purpose, the bank uses the RWA (Risk Weighted Assets) measure, which is applied, under the AIRB approach, to calculate regulatory capital required to cover credit risk (unexpected loss).

In managing mortgage-secured credit exposures the Group uses the LtV ratio (Loan to Value), i.e. the value of the loan to the market value (or mortgage banking calculated value) of the real estate which secures the loan.

Stress testing is an additional tool of credit risk assessment. Stress testing of the regulatory capital and economic capital required to cover credit risk is carried out quarterly.

In addition to the tools listed above, which are applied both in the corporate and in the retail credit risk measurement, the Group uses tools specific to these areas.

**For corporate credit risk** the Group defines the maximum exposure to a client/group of related clients using the following credit risk mitigating measures:

- MBPZO (Maximum Safe Total Exposure), which defines the maximum level of financial debt of an entity from financial institutions calculated under the bank's methodology, approved by the bank's competent decision-making body. An alternative measure is Borrowing Capacity (BC);
- LG (General Limit), which defines the level of credit risk financial exposure to a client/group of related clients acceptable to the Group, approved by the bank's competent decision-making body. LG includes a structured limit and products granted outside the structured limit.

In order to minimise credit risk, the Group uses a broad range of collateral for credit products, which also enable active management of the capital requirement. In the assessment of the quality of collaterals for risk products, mBank and mLeasing use the MRV ratio (Most Realistic Value) reflecting the pessimistic variant of debt recovery from the collateral through forced sale.

The level of profitability from relations with clients is taken into account in the credit decision process, so that the planned level of profitability covers at least the estimated amounts of the expected loss on bank customer involvement.

**Retail credit risk** measures are constructed to reflect the characteristics of this customer segment and, in the case of portfolio measures, the high granularity of the loan portfolio:

- DtI (Debt-to-Income) - i.e. monthly credit payments to the net income of a household (used for individual customers);
- DStI (Debt-Service-to-Income) – the ratio of actual yearly credit charges and other financial burdens to the applicant's yearly net income (ratio used only for individual customers);
- DPD (Days-Past-Due) - a family of portfolio risk measures based on the number of days past due date (e.g. the share of contracts which are from 31 to 90 days past due date in the total portfolio by number or by value);
- Vintage ratios, which present the quality of cohorts of loans grouped by disbursement time at a different phase of their lifetime;
- CoR (Cost of risk) - cost of risk for a loan portfolio (segment), i.e. ratio of credit provisions result (or changes in valuation of contracts based on fair value approach) to the exposure;
- Roll-rates, which measure the migration of contracts between days-past-due brackets (1-30, 31-60, 61-90 DPD, etc.).

Strategy

*Corporate and Investment Banking*

- In accordance with the Corporate Credit Risk Management Strategy in mBank Group, the main goal in this area is defining a safe level of risk appetite in sales of risk-bearing products to the Group clients and use synergies by integrating the offer of the bank and Group subsidiaries. The Corporate Credit Risk Management Strategy takes into account the objectives of the mBank Group Strategy for 2021-25, which determines the pillars of corporate and investment banking development in the coming years, including: The first-choice bank for e-commerce market participants,
- Best digital corporate banking for high-potential companies,
- Technology, security and data as a source of competitive advantage.

The Corporate Risk Management Strategy is realised by credit risk policies, limits reducing the concentration risk and the principles of risk assessment of business entities applying for financing. The bank manages credit risk both at the single entity level and the consolidated level.

The Group actively manages credit risk aiming to optimise profitability taking into account the cost of risk. mBank focuses on increasing exposure to clients with low or medium PD-rating (stable financial condition)

and low or medium level of risk concentration. In its current credit risk management, including concentration risk, the bank performs quarterly portfolio analyses using a Steering Matrix which incorporates PD rating and LAD. The Group strives to avoid concentration in industries and sectors where credit risk is considered excessively high. The bank uses internally defined industry limits for day-to-day management of the sector concentration risk.

The bank monitors credit portfolio on a quarterly basis including an analysis of the dynamics of change in size and structure of the credit portfolio, sectoral concentration and client risk (analysis of changes of PD rating), quality of collateral against credit exposures, the scale of change in EL, Risk Density, and default exposures.

Developing its lending activities, the Group considers its environmental, social and corporate governance impacts and incorporates ESG considerations into its credit risk processes and policies. At the same time, mBank intensifies the optimization, automation and digitization of credit processes.

In compliance with the Recommendation S of the Polish Financial Supervision Authority (PFSA), the bank has identified a mortgage-secured credit exposure portfolio in retail and corporate banking and applies the Mortgage-Secured Credit Exposure Risk Management Policy. The bank manages the mortgage-secured credit exposure portfolio risk with a focus on defining an optimised portfolio structure in terms of quality (rating), currencies, country regions, tenors, and types of properties.

mBank offers innovative investment products as part of a new integrated platform that ensures appropriate product selection and efficient use of capital.

*Retail Banking*

Lending in retail banking is a key segment of the Group's business model, both in terms of the share in total assets and the contribution to its profits.

As credit exposures are highly granular (c.a. 2 million active loans), the retail banking credit risk management process is based on a portfolio approach. This is reflected in the statistical profile of risk rating models including the models which fulfil the regulatory requirements of the Advanced Internal Ratings-Based approach (AIRB). The AIRB parameters (PD, LGD and EL) are used widely in order to estimate credit requirements, to determine acceptance criteria and terms of transactions, and to report risks.

Furthermore, the Retail Banking credit risk management has the following characteristics:

- high standardisation and automation of the credit process, including decision-making, both in acquisition, post-sale services, and debt collection;
- little (as compared to Corporate Banking) discretionary competences in the decision-making process (e.g. no discretionary adjustment of clients' ratings);
- extensive risk reporting system based on portfolio analysis of credit exposure quality, including vintage analysis and roll-rates analysis.

The main point of reference in the retail banking credit risk management process is risk appetite defined in correlation with the strategy of mBank Group. The general principle underlying the lending strategy of the Group in terms of sales of retail loans is to address the offer to clients who have an established relationship with the bank or to address it to new clients for whom the loan is a product initiating a long-term relationship of highly transactional nature. Thereby, the bank continues to focus its non-mortgage loans policies on lending to existing clients with a high creditworthiness. To reduce risks associated with new clients, the bank develops its credit policy using, among others, credit testing and is actively developing its fraud prevention system.

The new acquisition in mortgage loans segment focuses on products which may be financed with the issue of mortgage bonds. Those exposures will then be transferred to mBank Hipoteczny in the pooling process to enable the issue of mortgage bonds. The conservative policy of assessing borrowers' reliability and creditworthiness is applied taking into account, i.e. long-term interest rate estimates (considering buffers resulting from supervisory regulations).

In order to mitigate the risk associated with a decrease in the value of mortgage collateral in relation to the value of credit exposure, the Group's credit offer is (and will be) directed mainly to clients who buy standard properties within large urban areas.

<u>Quality of mBank Group loan portfolio</u>

As of December 31, 2024, the share of impaired exposures in the total (gross) amount of loans and advances granted to clients (NPL) slightly decreased to 4.1% from 4.2% at the end of December 2023. The change of the indicator applies to both lines.

In accordance with the EBA guidelines on management of non-performing and forborne exposures, which came into force from June 30, 2019, banks are obliged to monitor and manage the NPL portfolio. Banks should strive to maintain the value of the NPL portfolio below the threshold set by the regulator at 5%. As of December 31, 2024, the NPLREG ratio (ratio calculated according to EBA guidelines) was at 3.7%.

Provisions (defined as credit risk costs for loans and advances to customers, i.e. provisions for loans and advances at amortised cost and fair value change of loans and advances mandatorily at fair value through profit or loss) decreased from PLN 3,817.7 million at the end of December 2023 to PLN 3,636.6 million at the end of December 2024.

Coverage ratios of non-performing loans and advances (coverage ratio and coverage ratio including provisions for performing loans) decreased in the analysed period respectively from 54.7% and 76.8% in December 2023 to 51.1% and 71.4% in December 2024.

The manner of identifying evidence of default is based on all available credit data of a given client and encompasses all of the client's liabilities towards the bank.

The table below presents the quality of mBank Group loan portfolio as at the end of December 2024 and as at the end of December 2023.

| Loans and advances to clients 31.12.2024 (PLN ('000)) | At amortised cost | At fair value | Loans and advances, total |
|---|---|---|---|
| Gross carrying amount | 124,455,194 | 601,175 | 125,056,369 |
| Non-performing loans and advances | 5,003,849 | 89,172 | 5,093,021 |
| Non-performing loans ratio (NPL) | 4.0% | 14.8% | 4.1% |
| Provisions for non-performing loans | -2,550,402 | -51,544 | -2,601,946 |
| Provisions for performing loans | -1,016,016 | -18,687 | -1,034,703 |
| Coverage ratio | 51.0% | 57.8% | 51.1% |
| Coverage ratio, including provisions for performing loans | 71.3% | 78.8% | 71.4% |

| Loans and advances to clients 31.12.2023 (PLN ('000)) | At amortised cost | At fair value | Loans and advances, total |
|---|---|---|---|
| Gross carrying amount | 116,584,779 | 755,415 | 117,340,194 |
| Non-performing loans and advances | 4,835,699 | 138,313 | 4,974,012 |
| Non-performing loans ratio (NPL) | 4.1% | 18.3% | 4.2% |
| Provisions for non-performing loans | -2,634,964 | -85,566 | -2,720,530 |
| Provisions for performing loans | -1,073,235 | -23,927 | -1,097,162 |
| Coverage ratio | 54.5% | 61.9% | 54.7% |
| Coverage ratio, including provisions for performing loans | 76.7% | 79.2% | 76.8% |

**Non-performing loans and advances** - loans and advances at amortised cost with impairment (stage 3 and POCI) and loans and advances mandatorily at fair value through profit or loss in default
**NPL ratio** – loans and advances at amortised cost with impairment (stage 3 and POCI) and loans and advances mandatorily at fair value through profit or loss in default in the whole portfolio
**Provisions for non-performing loans** – provisions for loans and advances at amortised cost with impairment (stage 3 and POCI) and fair value change of loans and advances mandatorily at fair value through profit or loss in default
**Provisions for performing loans** – provisions for loans and advances at amortised cost without impairment (stages 1 and 2) and fair value change of non-default loans and advances mandatorily at fair value through profit or loss
**Coverage ratio** – coverage ratio of loans and advances related to the portfolio in default.

**Market risk**

In the process of organisation of the market risk management, the bank follows requirements resulting from the law and supervisory recommendations, in particular, the PFSA Recommendations (among others A, C, G and I) and the EBA guidelines, concerning market risk management.

Tools and measures

In its operations, the bank is exposed to market risk, which is defined as a risk resulting from unfavourable change of the current valuation of financial instruments in the Group's portfolios due to changes of the market risk factors, in particular:

- interest rates (IR);
- foreign exchange rates (FX);
- stock share prices and indices;
- implied volatilities of relevant options;
- credit spreads (CS) to the extent reflecting market fluctuations of debt instruments prices.

In terms of the banking book, the bank distinguishes the interest rate risk, which defines as the risk of an adverse change in both the current valuation of the banking book position and the net interest income as a result of changes in interest rates.

For the purpose of internal management, the bank quantifies exposure to market risk, both for banking and trading books, by measuring:

- the Value at Risk (VaR);
- expected loss under condition that this loss exceeds Value at Risk (ES – Expected Shortfall);
- the Value at Risk in stressed conditions (Stressed VaR);
- economic capital to cover market risk;
- stress tests scenario values;
- portfolio sensitivities to changes of market prices or market parameters (IR BPV – Interest Rate Basis Point Value, CS BPV – Credit Spread Basis Point Value).

For the banking book, the bank also uses the following measures:

- sensitivity of the economic value of capital (ΔEVE);
- sensitivity of net interest income (ΔNII);
- sensitivity of net interest income to changes in fair value (EaR);

Strategy

The implementation of the market risk management strategy involves managing the bank's positions in a way enabling to maintain market risk profile within the risk appetite defined by the bank.

The bank is focused on meeting customers' business needs, while reducing trade in derivatives, as well as applying the principle of lack of commodity open positions.

The bank stabilises interest income using long-term fixed-rate assets and derivatives and assuming - for equity capital and current accounts - the maximum modelled maturity of 10 years.

The main principle stipulates separation between the market risk monitoring and control functions and the functions related to opening and maintaining open market risk positions. In addition, the bank applies the rule of organisational separation between managing banking book and trading book positions.

Market risk measurement

The mBank's positions constitute the main source of market risk for the mBank Group.

*Value at risk*

In 2024, the market risk exposure, as measured by the Value at Risk (VaR for a 1-day holding period, at 97.5% confidence level), was at a low level in relation to VaR limits, which was mainly caused by a decrease in market volatility over the observation horizon. The table below presents VaR and Stressed VaR for the Group's and mBank's portfolios (including modelling of equity capital and current accounts):

| PLN (`000) | 2024 | | | | 2023 | | | |
|---|---|---|---|---|---|---|---|---|
| | mBank Group | | mBank | | mBank Group, | | mBank | |
| | 31.12.2024 | Mean | 31.12.2024 | Mean | 31.12.2023 | Mean | 31.12.2023 | Mean |
| VaR IR | 30,871 | 19,761 | 30,129 | 19,081 | 13,944 | 15,588 | 14,065 | 15,147 |
| VaR FX | 2,053 | 1,249 | 2,150 | 1,259 | 1,245 | 683 | 1,243 | 661 |
| VaR CS | 56,292 | 49,526 | 55,456 | 48,838 | 53,871 | 74,789 | 53,394 | 73,608 |
| **VaR** | 44,254 | 40,446 | 42,215 | 40,124 | 49,861 | 77,807 | 50,869 | 77,098 |
| **Stressed VaR** | 171,484 | 121,811 | 167,993 | 119,120 | 100,141 | 89,755 | 98,210 | 88,529 |

*VaR IR – interest rate risk (without separate credit spread)*
*VaR FX - FX risk*
*VaR CS – credit spread risk*

The results present an approach taking into account the modeling of stable parts of capital and current accounts.

The Value at Risk (VaR) was largely influenced by the portfolios of instruments sensitive to the interest rates and to the separate credit spread - mainly the portfolios of the Treasury bonds (in the banking and trading books) and positions resulting from interest rate swap transactions. The decrease of VaR value was mainly caused by lower volatility on the financial markets, while the increase in Stressed VaR resulted mainly from the increase of the interest rate exposure.

*Sensitivities measures*

The table presents the values of IR BPV and CS BPV (+1 b.p.) for the Group's and mBank's portfolios, broken down into the banking and trading books (including modelling of equity capital and current accounts):

| PLN (`000) | IR BPV | | | | CS BPV | | | |
|---|---|---|---|---|---|---|---|---|
| | mBank Group | | mBank | | mBank Group | | mBank | |
| | 31.12.2024 | 31.12.2023 | 31.12.2024 | 31.12.2023 | 31.12.2024 | 31.12.2023 | 31.12.2024 | 31.12.2023 |
| Banking book | -3,206 | -1,501 | -3,110 | -1,455 | -10,738 | -8,481 | -10,604 | -8,401 |
| Trading book | -296 | -38 | -296 | -38 | -557 | -282 | -557 | -282 |
| **Total** | -3,502 | -1,539 | -3,406 | -1,493 | -11,295 | -8,763 | -11,161 | -8,683 |

The credit spread sensitivity (CS BPV) for mBank's banking book increased in 2024 due to gradual growth of the bond portfolio and approximately 80% resulted from the positions in debt securities valued at amortised cost. Changes in market prices have no impact on the revaluation reserve or the income statement for these positions.

Interest rate risk sensitivity (IR BPV) has increased in 2024 primarily due to increased purchases of treasury bonds.

*Interest rate risk of the banking book*

The sensitivity of net interest income is calculated and monitored in the bank's base scenario assuming a normal situation and in different defined stress-test scenarios.

The table below presents the sensitivity of the net interest income within 12-month horizon, assuming a 100 bps change of market interest rates (parallel shift of the curves with floor on product level in decreasing interest rates scenario) and based on a stable portfolio over the period.

| PLN (‘000) | Δ NII* | |
|---|---|---|
| | 31.12.2024 | 31.12.2023 |
| Sudden parallel up by 100 bp | 452,024 | 623,075 |
| Sudden parallel down by 100 bp | -577,735 | -835,752 |

** The measure calculated at mBank level. More information on delta NII is included in the Condensed Consolidated Financial Statements for 2023.*

The decrease in the ΔNII measure y/y resulted from actions taken to stabilize the net interest income, including concluding transactions on debt securities and derivatives, in order to adjust the revaluation dates on the assets vs liabilities, with particular focus on the short end of the curve (up to 1Y). The bank continued to hold a significant portion of funds in short-term floating rate assets that increase the sensitivity of NII to changes in interest rates, and the corresponding liabilities were insensitive to changes in interest rates in downside scenarios, i.e. current accounts, with interest at 0% (statutory floor at 0%). The remaining changes result from the increase in the total balance sheet. Additionally, the liquidity surplus at the year-end date was placed with NBP above the level of the mandatory reserve which insensitive to interest rate, which also resulted in a decrease in ΔNII as at December 31, 2024. At the same time, it is worth noting that the sensitivity of NII in relation to the Bank's annual net interest income is significantly lower than in previous years, which is caused by the increase in the duration of assets mainly due to the purchase of fixed-rate treasury bonds and due to the concluded interest rate swap transactions.

In connection with the entry into force of the EU Commission Delegated Regulation 2024/856 establishing the definition of "large reduction" for net interest income at the level of 5% of Tier 1 capital for the purposed of supervisory outlier tests ( dNII SOT), the bank calculates and monitors a new measure in accordance with the regulation. For the reporting period, the bank's sensitivity remained below the defined supervisory threshold.

This measure is calculated using specific methodological assumptions, including stable balance sheet, historical margins for renewed products and price elasticity of the deposit base, adequate in a given market situation, which means that it should not be treated as a forecast of interest income, but a measure of sensitivity to a given moment. under certain conditions.

**Liquidity risk**

mBank organises liquidity risk management processes in line with the requirements resulting from the law and supervisory recommendations, in particular the PFSA Recommendations (among others P, C, H and S) as well as EBA guidelines concerning liquidity risk management.

**mBank Group liquidity position**

In 2024, the European Central Bank began a series of interest rate cuts, justifying its decisions with falling inflation in the eurozone. At the same time, the NBP, maintained interest rates unchanged. In conditions of large excess liquidity that persisted in the Polish banking sector, banks kept deposit interest rates stable.

In 2024, the bank operated in an uncertain geopolitical and market situation. Despite unpredictable market conditions, the bank was characterized by high resistance to liquidity risk. The growth of the deposit base and the relatively low dynamics of credit development had a direct impact on the strengthening of the liquidity position.

The bank maintained high liquidity due to the high share of retail deposits in the bank's balance sheet, a large portfolio of liquid assets and low concentration of liabilities. The high level of guaranteed deposits also was important. Additionally, in 2024, an increase in the value of the Treasury bond portfolio was noted, which contributed to the increase in the liquid assets buffer.

In December 2024, the bank successfully issued AT1 capital bonds in PLN, which were included in additional Tier 1 capital instruments, as well as green bonds in the format of senior preferred bonds (PS) in EUR under the EMTN program, which additionally positively impacted the bank's liquidity level.

In July 2024, the Polish Financial Supervision Authority introduced a recommendation regarding the Long-Term Funding Ratio (LTFR), aimed at reducing the risk associated with the current structure of mortgage loan financing, which is mostly based on retail deposits, especially current deposits. The recommendation aims to increase the financing of long-term mortgage loans with long-term debt instruments. The recommendation promotes long-term debt instruments and loans with a fixed or periodically fixed interest rate, and also contains incentives for the issuance of green debt instruments. Banks are required to meet

the minimum LTFR level of 40% from the end of 2026. The LTFR is reported by mBank to the KNF from the reporting date for the end of July 2024.

Despite such volatile market conditions, mBank's liquidity measures throughout the reporting period were well above minimum regulatory levels and internal levels that determine risk appetite.

Tools and measures

In its operations, mBank is exposed to liquidity risk, i.e. the risk of losing its ability to honour its payment obligations, arising from the bank's balance-sheet and off-balance-sheet positions, on terms favourable to the bank and at a reasonable price.

The bank has defined a set of liquidity risk measures and a system of limits, buffers and warning thresholds that protect the bank's liquidity in the event of unfavourable internal or external conditions. Independent measurement, monitoring and controlling of liquidity risk is performed daily by the Balance Risk Management Department.

The main measures used in liquidity risk management of the bank include internal measures based on liquidity gap calculation in various scenarios in LAB methodology as well as the regulatory measures i.e. LCR and NSFR.

LAB liquidity scenarios reflect the projected future cash flow gap of assets, liabilities and off-balance-sheet commitments of the bank, which represent potential risk of being unable to meet liabilities within a specific time horizon and under a certain scenario.

The methodology for measuring the liquidity gap (LAB) includes normal conditions scenario (LAB Base Case) and stress scenarios (short-term, long-term and combined). Stress scenarios are limited. Moreover, the bank has a process of reporting and monitoring of intraday liquidity position including crisis scenario for intraday liquidity. The reverse stress scenario is the complement of the liquidity stress testing system.

In order to support the process of liquidity risk management, the bank has a system of early warning indicators (EWI) and recovery indicators. This system consists of indicators that monitor the level of utilization of regulatory and internal limits, as well as significant changes in market factors, changes in the structure of the bank's balance sheet and changes in the perception of our brand by customers and other market participants. Exceeding the threshold levels by the defined indicators may trigger the launch of the Contingency Plan or the Recovery Plan for mBank Group.

LCR calculation and reporting is carried out in accordance with the Delegated Commission Regulation (EU) 2015/61 of October 10, 2014, amended by the Commission Delegated Regulation (EU) 2018/1620 of July 13, 2018, which applies from April 30, 2020. With respect to NSFR, the bank reports to the NBP according to the Commission Implementing Regulation (EU) 2021/451 of the 17th of December 2020 introducing the NSFR as a reporting requirement from the 28th of June 2021, according to uniform reporting forms applicable to all institutions.

Strategy

The liquidity strategy is pursued by active management of the balance sheet structure and future cash flows as well as maintenance of liquidity reserves adequate to liquidity needs depending on the activity of the bank and the current market situation as well as funding needs of the Group subsidiaries. The bank manages liquidity risk at two levels: strategic (within committees of the bank) and operational (Treasury Department).

Liquidity risk limiting covers supervisory (LCR and NSFR) and internal measures. The liquidity risk internal limit system is based mainly on defining acceptable levels of gaps in stress conditions in specific time horizons and for different liquidity risk profiles. The bank limits also the volume of foreign currency funding of mBank with FX swaps and CIRS and monitors its term concentration. The structure of these limits reflects the bank's preferences regarding the term structure of surpluses invested in foreign currencies.

The bank has a centralised approach to the Group's funding management. The subsidiaries are financed by mBank through the Treasury Department. Additionally, mBank Hipoteczny raises funding in the market by issuance of covered bonds and short-term debt securities and mLeasing raises funding by issuance of short-term debt securities.

The Financing Strategy is based on the following assumptions:

- Diversification of sources and terms of financing,
- Maintaining safe regulatory levels and internal liquidity measures,
- Stable increase in transaction deposits,
- Incurring liabilities eligible for the MREL or WFD indicator or ensuring the implementation of the ESG strategy e.g. by issuing green bonds,

- Maintaining the issuance capacity of mBank Hipoteczny, but with the bank's greater involvement in financing the subsidiary by purchasing its covered bonds,
- Increasing financial independence from the majority shareholder.

The bank has the Contingency Plan in case of a threat of losing financial liquidity, which sets the strategy, division of roles and procedures to be implemented in the event of a situation related to the risk of losing liquidity by mBank Group and aimed at neutralising this threat. The Contingency Plan is tested annually. In 2024, as part of the Contingency Plan, a new dynamic outflow of funds scenario was tested, in which the bank considered the occurrence of a cyber incident.

Measuring liquidity risk at the consolidated and individual level

The liquidity of mBank remained at a safe, high level in 2024, as reflected in the high surplus of liquid assets over short-term liabilities in the LAB liquidity gap and in the levels of regulatory measures.

The Group's liquidity risk measurement includes in addition mBank Hipoteczny and mLeasing. mBank monitors liquidity risk of the subsidiaries to protect liquidity also at the Group level in the event of adverse events (crises).

Liquidity measures, both internal and regulatory, throughout the entire reporting period were definitely above the current structure of limits.

The table below presents the LAB gaps for tenors up to 1M and 1Y and the regulatory measures LCR and NSFR at the end of 2023 at mBank and mBank Group level:

| | 31.12.2024 | 31.12.2024 |
|---|---|---|
| **Measure[1]** | **mBank** | **mBank Group** |
| **LAB Base Case 1M** | 51,337 | 54,281 |
| **LAB Base Case 1Y** | 38,288 | 39,912 |
| **LCR** | 222% | 232% |
| **NSFR** | 158% | 164% |

*[1] LAB measures are shown in PLN million; LCR and NSFR are relative measures presented as a decimal.*

### Operational risk

mBank organises the operational risk management process taking into account the rules and requirements set out in external regulations, particularly in the Recommendations M, H and D of the Polish Financial Supervision Authority (PFSA), the CRR Regulation and the Regulation of the Minister of Development and Finance (on the risk management system and internal control system and the remuneration policies at banks), which constitute the starting point for the framework of the control system and operational risk management in mBank Group.

Tools and process

Due to the dynamics of changes in factors affecting operational risk, the key elements of the risk management process are: identification, assessment, control and monitoring, counteracting the materialisation of operational risk and risk reporting.

In order to effectively manage operational risk, the bank uses quantitative and qualitative methods and tools that aim at reason-oriented management of this risk. The bank performs them in conjunction with the control function, which is an element of the internal control system.

In accordance with the requirements of Recommendation M, the bank has a process of identifying threats related to operational risk for all significant areas of the bank's operations and risk analysis in the process of creating new and modifying existing products, changing processes and systems, as well as changing the organizational structure.

The operational risk management process is carried out on the basis of a group of tools, including:

- Self-Assessment of Operational Risk, which is performed by organizational units of the bank and the Group companies. The purpose of this process is to ensure the risk identification and assessment and taking adequate risk mitigation measures. In addition, the Self-assessment supports the process of introducing changes and improving control processes. The end result of the Self-Assessment is the assessment of processes, sub-processes and key operational risks as well as the creation of the corrective action plans.

- The Register of Operating Losses is a database of losses resulting from operational events that arise, which are recorded with a focus on the cause of their occurrence. The analysis of recorded data takes place in the Non-Financial Risk Management Department and in organizational units. This approach enables organizational units to analyse their risk profile on an ongoing basis. mBank also uses access to external databases on operational losses and uses them to analyse operational risk and potential threats to which institutions operating in the financial sector are exposed.
- The key risk indicators (KRI) support the ongoing monitoring of risk. The process makes it possible to predict in advance the occurrence of an increased level of operational risk and to react appropriately by organizational units in order to avoid the occurrence of operational events and losses. KRI thanks to the system of warning and alarm thresholds, allow to determine the level of risk tolerance.
- Operational risk scenarios that analyse the risks associated with the occurrence of rare but potentially very severe operational risk events.
- Assessment of operational risk of products before the implementation of a new or modified product offer and analysis of the impact of the outsourcing agreement on the operational risk profile.

Strategy

The organisation of the operational risk control and management system is aimed at enabling effective control and management of this risk at every level of the bank's organisational hierarchy. The structure of operational risk control and management covers in particular the role of the Supervisory Board and its Committees, Management Board of the bank, the Business and Risk Forum, the Chief Risk Officer, the Non-Financial Risk Management Department, and the tasks assigned to persons managing operational risk in particular organisational units and business areas of the bank across all lines of defence. The central operational risk control function focuses on:

- preparation and coordination of the operational risk control and management process in the bank,
- development of tools,
- raising awareness in the bank about operational risk and the control function

reporting the operational risk profile.

Whereas operational risk management takes place in every organisational unit of the bank and in every subsidiary of mBank Group. It consists of identifying, evaluation and monitoring operational risk and taking actions aimed to avoid, mitigate or transfer operational risk. The operational risk management process is supervised by the Supervisory Board of the bank through its Risk Committee.

Operational losses

In 2024, as part of operational risk management, mBank and mBank Group faced in particular losses connected with legal risk related to the foreign currency loan portfolio. The vast majority of the mBank and mBank Group's operational losses refers to the following business lines (separated in accordance with the CRR Regulation): commercial banking and retail banking.

The following table presents the distribution of actual gross losses by operational risk category, incurred by mBank in 2024 and 2023:

| Operational risk categories | Total gross losses (mBank) (in PLN thousand) | |
|---|---|---|
| | 31.12.2024 | 31.12.2023 |
| **Internal frauds** | **0** | **3,474** |
| Theft and internal fraud | 0 | 3,474 |
| **External frauds** | **8,879** | **45,917** |
| Theft and external fraud | 8,869 | 45,907 |
| Systems security | 9 | 10 |
| **Employment practices and workplace safety** | **-415** | **4,278** |

| | | |
|---|---|---|
| Employee relations | -415 | 4,278 |
| **Clients, products and business practices, excluding foreign currency loans** | **130,670** | **80,617** |
| Suitability, disclosure & fiduciary | 20,073 | 100,024 |
| Improper business or market practices, excluding foreign currency loans | 110,572 | -20,069 |
| Product defects | 23 | 662 |
| Consulting services | 2 | 0 |
| **Clients, products and business practices for foreign currency loans (CHF)** | **4,306,964** | **4,908,205** |
| Improper business or market practices for foreign currency loans (CHF) | 4,306,964 | 4,908,205 |
| **Damages to physical assets** | **70** | **10** |
| Disasters and other events | 70 | 10 |
| **Business disruption and system failures** | **2,289** | **4,426** |
| Systems | 2,289 | 4,426 |
| **Execution, Delivery and Process Management** | **12,829** | **14,231** |
| Transaction capture, execution & maintenance | 12,551 | 11,695 |
| Monitoring and reporting | 254 | 1,900 |
| Customer intake and documentation | 24 | 534 |
| Customer account management | 0 | 102 |
| **Total** | **4,461,285** | **5,061,157** |

The following table presents the distribution of actual gross losses by operational risk category, incurred by mBank Group in 2024 and 2023.

| Operational risk categories | Total gross losses (mBank Group) (in PLN thousand) | |
|---|---|---|
| | 31.12.2024 | 31.12.2023 |
| **Internal frauds** | **0** | **3,722** |
| Theft and internal fraud | 0 | 3,722 |
| **External frauds** | **38,098** | **76,938** |
| Theft and external fraud | 38,089 | 76,929 |
| Systems security | 9 | 10 |
| **Employment practices and workplace safety** | **-415** | **4,309** |
| Employee relations | -415 | 4,309 |
| **Clients, products and business practices, excluding foreign currency loans** | **165,665** | **66,841** |
| Suitability, disclosure & fiduciary | 21,015 | 100,198 |
| Improper business or market practices, excluding foreign currency loans | 144,625 | -34,019 |
| Product defects | 23 | 662 |

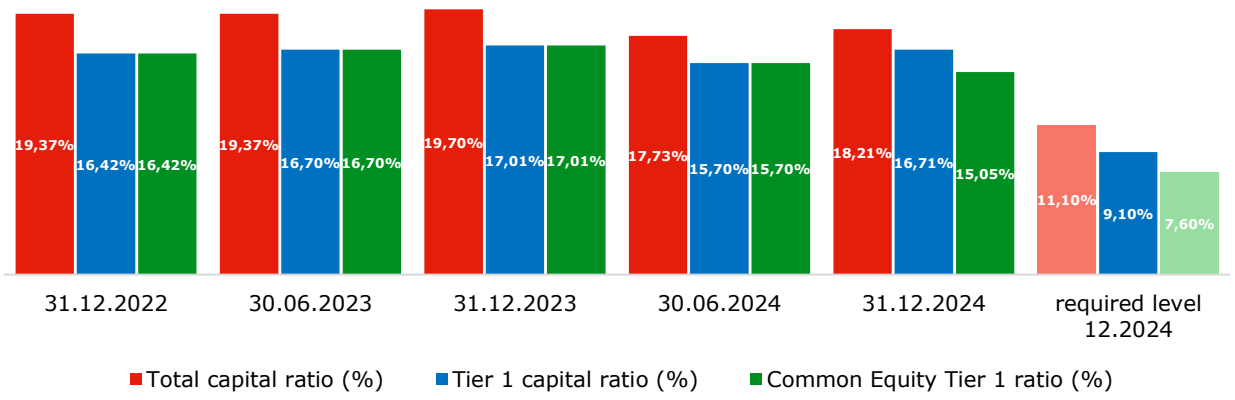
| | | |
|---|---|---|
| **Clients, products and business practices for foreign currency loans (CHF)** | **4,306,964** | **4,908,205** |
| Improper business or market practices for foreign currency loans (CHF) | 4,306,964 | 4,908,205 |
| **Damages to physical assets** | **70** | **10** |
| Disasters and other events | 70 | 10 |
| **Business disruption and system failures** | **2,334** | **4,426** |
| Systems | 2,334 | 4,426 |
| **Execution, Delivery and Process Management** | **13,944** | **14,401** |
| Transaction capture, execution & maintenance | 12,878 | 11,851 |
| Monitoring and reporting | 699 | 1,900 |
| Customer intake and documentation | 367 | 548 |
| Customer account management | 0 | 102 |
| **Total** | **4,526,659** | **5,078,851** |

The high share of losses in the "Clients, products and business practices" category in 2024 was primarily due to incurred costs of legal risk related to loans in CHF. The level of operational risk losses is monitored on an ongoing basis and regularly reported to the bank's Management Board, the bank's Supervisory Board and to the committees of the Business and Risk Forum. There are monitoring and escalation mechanisms in mBank Group when the operational loss thresholds are exceeded. They ensure an appropriate analysis of operational events and trigger corrective actions.

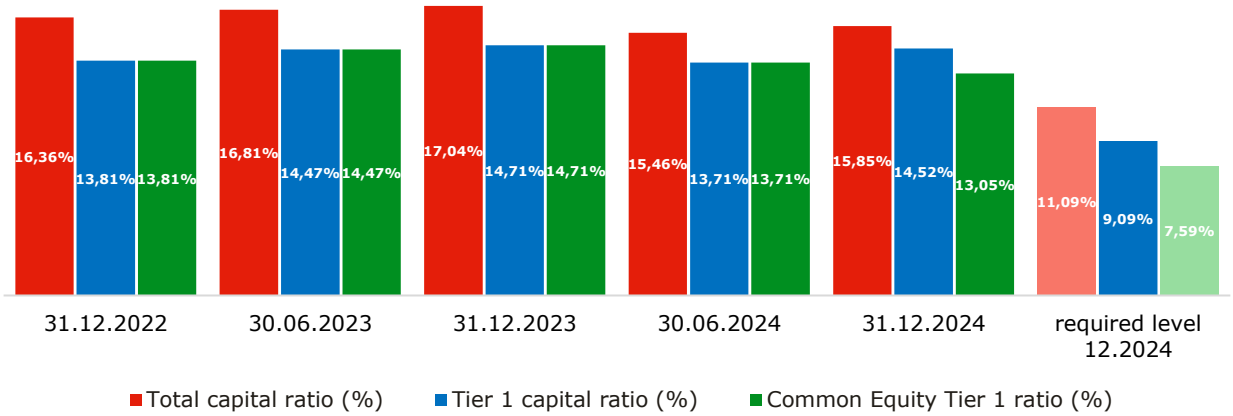
## 9.3. Capital adequacy

One of the bank's main tasks is to ensure an adequate level of capital. As part of the capital management policy, the bank creates a framework and guidelines for the most effective planning and use of the capital base. The strategic goals of mBank and mBank Group are aimed at maintaining the total capital ratio as well as the Common Equity Tier 1 capital ratio above the levels required by the supervision authority. This allows to maintain business development while meeting the supervisory requirements in the long perspective.

**Capital adequacy of mBank**



**Capital adequacy of mBank Group**




The capital ratios of mBank Group in 2024 were driven mainly by the following factors:

- In 4Q 2024, the bank implemented the decision of the European Central Bank to make significant changes to the models of all parameters: PD, CCF and LGD, in portfolios subject to the AIRB method.
- Additional Tier 1 capital and profit for the three quarters of 2024 taken into account in the calculation of own funds;
- partial amortization of subordinated liabilities included in the calculation of own funds,
- decrease in the value of TREA, which was driven mainly by: conclusion of a synthetic securitization transaction on November 6, 2024 executed on a portfolio of corporate non-mortgage loans with a total value of PLN 5,237 million.

Risk-weighted assets are expected to increase by around 6.5% in 2025 as a result of the implementation of CRR 3. As key technical standards are at the draft stage, the final impact is still uncertain.

Moreover, the bank remains in decision process with the banking authorities on material changes to the credit risk assessment (day past due calculation) and resulting impact on risk weighted assets. The timing and impact will depend on the decision of the banking authorities.

mBank Group is obligated to maintain own funds on the level exceeding regulatory and supervisory requirements. Consequently the level of the required capital ratios encompasses:

- Basic capital ratio requirement under the CRR Regulation: 8% at own funds level, and 6% at Tier 1 capital level and 4.5% at Common Equity Tier 1 level;
- the combined buffer requirement of additional 3.09% (on consolidated basis), which consists of:
  - the capital conservation buffer (2.5%);
  - the other systemically important institution's buffer (0.5%) - according to the PFSA decision, in 2016 mBank had been identified as other systemically important institution (O-SII) subject to a capital buffer;
  - systemic risk buffer (0.00%) – starting from 1st January 2018 the Regulation of the Minister of Development and Finance with regard to systemic risk buffer entered into force. The Regulation introduced systemic risk buffer of 3% of the total risk exposure amount applied to all exposures located in Poland. Due to the exceptional socioeconomic situation that appeared after the occurrence of the global pandemic COVID-19, this requirement was abolished by repealing the Regulation of the Minister of Finance, which has been in force since 19 March 2020;
  - countercyclical capital buffer (0.09%).

On individual basis the value of the combined buffer requirement is 3.10%.

Capital ratios, both on consolidated and individual basis, were above the values. With a surplus of own funds mBank Group comfortably meets the additional own funds requirement and the combined buffer requirement.

The consolidated leverage ratio calculated in accordance with the provisions of the CRR Regulation and the Commission Delegated Regulation (EU) 2015/62 of October 10, 2014, amending Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to the leverage ratio, amounted to 5.6%. The stand-alone leverage ratio amounted to 6.4%.

More details on capital adequacy of mBank Group is included in the Disclosures regarding capital adequacy.

# 10. Sustainability statement of mBank Group for 2024

## 10.1. General information (ESRS 2)

### Opening Word

In 1987 the World Commission on Environment and Development, acting on request of the United Nations, prepared a report entitled "Our common future", proposing a definition of sustainability which continues to be used until today. According to that definition, sustainable development is about meeting the needs of the present without compromising the ability of future generations to meet their own needs. Since then, multiple collective steps have been taken to translate that definition into tangible actions across environmental, social and governance (ESG) layers. The ESG framework has emerged as a key market-leading approach to operationalize the process of sustainable transition. It establishes a range of factors to be accounted for when designing sustainable development strategies and taking actions to measure, deliver and report on progress, allowing for application of sustainability principles from the level of the overall economy, down to the level of a single business. Various actors of the global ecosystem have their roles to play in the wide-ranging transition in which financial institutions are often taking a lead role. But the business application of the framework has also gained its opponents, pointing to its flaws, such as excessive regulatory burdens, greenwashing risk or lack of pragmatism.

Indeed, sustainable development cannot be looked at in isolation from the broader political and economic context. "The future of European competitiveness" report published in September 2024 with wide-ranging inputs from across academia, NGOs, public institutions and business environment paints this broader picture, outlining the key challenges. It diagnoses their reasons and proposes actions towards change, focused on improvement of European competitiveness to drive long-term sustainable growth. The main challenges presented in the report include a need to:

- Boost innovation through improving economic conditions for entrepreneurs, reducing complex regulatory environment, increasing research and innovation (R&I) spending and improving the ability to commercialize innovation.
- Develop a joint plan for decarbonisation and competitiveness, whereby investments into green technologies present themselves as opportunities to reduce energy prices, supporting the competitive advantages of European businesses.
- Increase the security to support geopolitical stability and reduce supply chain dependencies, setting fundament for sustainable growth.

Response to these challenges requires coordinated action by public and private actors. For the Finance industry, the key role to play is through provision, mobilization and distribution of large portion of capital necessary to allow for those actions to be taken. According to the report, a minimum annual additional investment of EUR 750 to 800 billion is needed, based on the latest European Commission estimates, corresponding to 4.4-4.7% of EU GDP in 2023. It would require an increase of EU's investment share from the current 22% up to 27% and what is more, to break down a long-lasting trend of persistent decline. For it to happen, a more effective mobilization of EU household savings would need to occur to channel this capital to productive investments.

Many of those issues are applicable also to Poland, in particular decarbonisation. Energy prices are amongst highest of those in the whole of EU given historical dependency on coal, low levels of diversification, absence of nuclear in the energy mix and slower than anticipated deployment of renewables in the last decade. Funding the transformation is more challenging due to relatively low scale of the Polish capital market and banking sector. According to the report "Poland and Europe: innovation, investment, growth cont.", published by Polish Bank Association (Związek Banków Polskich - ZBP) in 2024, own capitals of the banking sector in Poland in relation to GDP stood at c. 7.4%, almost lowest in the whole EU. Banking sector assets in relation to GDP stood at 88.7%, again almost lowest level in the EU. And for the economy to grow dynamically, it requires a healthy finance sector of relevant size. Citing the World Bank report relating to the middle-income trap, it's been pointed that for Poland to further reduce the distance to the wealthiest economies, more complex and more innovative production capacities need to be established, supported by investments in development of highly skilled workforce, increased R&I spend and tighter cooperation between business and academia. For Czech Republic and Slovakia, other important markets of mBank Group operations, some of the challenges remain similar. Equally, we remain mindful of many of the issues called out being highly relevant to the German economy, the key market of operations of Commerzbank AG, the main shareholder of mBank. Whilst all these difficulties should be noted, there are also new opportunities opening up. Economic success of Poland in the last 30 years has been unprecedented and the economy remains well-positioned for further growth. Poland is also one of key beneficiaries of the Fit for 55 package with 2024 bringing an unlocking of the funding under the national plan to distribute those funds (Krajowy Plan Odbudowy - KPO). Its climate, social and competitiveness components are expected

to provide a boost to Polish economy in the near future, supporting a just transition and sustainable development.

At mBank Group we remain focused on navigating the aforementioned challenges proactively and on leveraging the opportunities brought along by our strategy and business model. As we continue on the journey, we are committed to developing in a sustainable way, generating value for a broad group of stakeholders in our value chain: our clients, employees, shareholders and partners we cooperate with, but also the silent stakeholder, the environment, as demonstrated by our actions. Having previously reported under Non-Financial Reporting Directive (NFRD) and Global Reporting Initiative (GRI) standards, we are now embedding the requirements of Corporate Sustainability Reporting Directive (CSRD), a more rigorous disclosure framework. Following the format of the European Sustainability Reporting Standards (ESRS), paired with the EU Taxonomy disclosure, we are committed to providing a transparent and insightful communication about the sustainable development of mBank Group to show how it is becoming an increasingly integral part of our operations. A cornerstone of the new reporting standard is an exercise called Double Materiality Assessment (DMA), which, through a set of financial and non-financial analyses helps to establish material Impacts, Risks and Opportunities (IROs) relevant to the business. Impacts aim to demonstrate the influence of an undertaking's business on external environment and different stakeholder groups that operate within it. They range across positive and negative, as well as actual and potential. Risks and Opportunities capture and quantify the implications of external sustainability factors on the company's financials. Material IROs are then mapped to respective disclosure standards, 12 of which have been released to support disclosures under CSRD, with specific data points and KPIs to report on. For mBank Group, the following were identified, which are already, to large extent, directly or indirectly, covered by our existing mBank Group strategy for 2021-2025:

- ESRS 1 & 2 as mandatory, general standards to report on by all companies, regardless of their sector of operations. They set out cross-cutting requirements for general disclosures in sustainability reporting that are applicable across all topical standards.
- ESRS E1 "Climate change", demonstrating connections between mBank Group own operations, lending and investment activities, as well as products and services we provide to our customers, and the climate condition of our planet, particularly the amount of greenhouse gases (GHG) entering the atmosphere and causing global temperature increase. This is the area where we see an important role to play for us and the broader finance ecosystem, supporting the energy transformation of the Polish economy, as well as industrial decarbonisation that, as we described, is key to preserve economic competitiveness of Europe and Poland. We are already a major financier of renewable energy projects in Poland and are setting our own science-based targets on decarbonisation that we are now in the process of verifying.
- ESRS E4 "Biodiversity and ecosystems", given their important role in the context of the condition of natural environment, including connection to climate change, and a range of risks and opportunities it can open up – for mBank Group particularly through exposures in our corporate portfolio.
- ESRS S1 "Own workforce", as we believe that our success is highly correlated with how we take care of our people and apply their talents to create value for the business. Skilled, creative and diverse workforce lays fundaments for innovative, strong and sustainable company that people feel proud to be part of.
- ESRS S4 "Consumers and end-users", where we describe our practices towards retail customers, by which we aim to prove our deep belief in having a customer-focused business, which satisfies their needs throughout the client life cycle. We also aim to apply transparent communication practices through the right channels to generate outstanding customer experience. We have already set public target for improvement of financial health and resilience of our clients, and our Personal Finance Manager (PFM) application is rated amongst the best-in-class worldwide.
- ESRS G1 "Business conduct", demonstrating importance of having a transparent and well-controlled operating model, with embedded environmental, social and governance principles, leading into a creation of safe and secure institution of public trust. We believe that this sustainability statement will help stakeholders to further understand our philosophy of applying these principles in practice.

Below we also present a snapshot of what we see as our key achievements in 2024, as well as some of the main challenges we'd like to draw attention to.

## Key achievements

**E1**

- Continued increase of green assets in the portfolio:
  - mBank RES portfolio of PLN 4.8 billion with limit increased to PLN 6.4 billion.
    In 2024 we financed 13 projects (9 solar, 4 wind) engaging more than PLN 1 billion
  - 13% of mortgages sold in 2024 financing the most energy efficient properties
- Increased coverage of carbon footprint calculation. SBTi targets submitted for validation
- PLN 2.1 billion of green bonds issued in 2024, total of PLN 7.5 billion issued under current strategy horizon
- Almost 98% of electrical energy we bought and consumed in 2024 was green

**E4**

- Biodiversity impact analysis undertaken for the first time for our corporate portfolio

**S1**

- Gender pay gap reduced to 3.2%
- 37.5% of female representatives in management and supervisory boards of mBank and main subsidiaries
- Representation of women in the succession program was 53.1%

**S4**

- Number of Personal Finance Manager users up to 1.92 million supported by implementation of new functionalities. Targeting at least 50% of clients in 2025 claiming to be financially resilient

**G1**

- 89% of suppliers declaring compliance with 10 Principles of UN Global Compact in 2024
- Top 100 leaders across mBank Group with ESG-related objectives
- Environmental Risk Strategy implemented

## Key challanges

- Decarbonisation dependency on clients – Pace of reducing bank's carbon footprint is linked to the transformation of our customers who themselves have different possibilities and pace of change. Carbon footprint calculation is still largely based on proxies and averages, limiting its decision-making value.
- Regulatory uncertainty – Increasing requirements, as well as dynamic changes and different interpretations of regulations hamper long-term planning and consume significant amount of resources.
- Business model adjustments – Introduction of new products requires changes to financing thresholds and risk models, impacting operational processes and credit decisions, as well as requiring regular employee education.

### (BP-1) Basis for the preparation of the report

The hereby presented sustainability statement of mBank Group for 2024 was prepared on a consolidated basis, noting that the scope of consolidation is the same as in the case of the financial statements. For details about the entities covered by the consolidated financial statements of mBank S.A. Group, see Note 1 ("Information about mBank S.A. Group") to the financial statements. Group subsidiaries included in the consolidation are not obliged for individual or consolidated sustainability reporting in 2024 pursuant to Articles 19a (9) or 29a (8) of Directive 2013/34/EU. mBank Hipoteczny S.A. will be required to carry out individual sustainability reporting, effective from the publication date of the disclosures for 2025. mBank Hipoteczny S.A. will remain included in the consolidated reporting of mBank S.A. Group in next years the same way as it is for 2024.

This statement applies to mBank Group's value chain presented in below subchapter "About mBank Group". The document presents information, actions, policies and targets pertaining to employees, clients and business partners. The metrics reported in the statement factor in data relating to the Group's own operations and the upstream and downstream value chain. Downstream data include, in particular, data on interactions with clients and environmental data related to the portfolio (including scope 3 category 15 emissions). Metrics pertain mainly to own operations and relationships with clients in the context of the portfolio and, to a lesser degree, to information on suppliers, where detailed information on the data collected is provided as part of the carbon footprint disclosure. This approach results from the limited availability of verified data in our suppliers' reports and from the gradual expansion of mBank Group's databases to enable the collection and management of information obtained from suppliers.

When preparing the statement, mBank Group did not take the possibility of omitting the specific piece of information corresponding to intellectual property, know-how or results of innovation. Apart from the information required under the ESRS, the Group reports information on sustainability also based on standards such as the EU Taxonomy reporting in line with Commission Delegated Regulation (EU) 2023/2485, Commission Delegated Regulation (EU) 2023/2486 and the PRB (UNEP FI Principles for Responsible Banking) Reporting and Self-Assessment.

As this statement is the first one prepared according to CSRD and ESRS, there are no changes identified in preparation and presentation of information on sustainability compared to previous reporting period in terms of requirement BP-2. Amended form in presentation of data compared to reports issued in previous years results from the change in legal basis for their preparation. In selected cases, such as greenhouse gas emissions calculation in chapter 10.2. "Environmental information (ESRS E1, E4)", we refer to the changes in presentation of data compared to previous reports, striving for transparency of our disclosures for stakeholders.

### (SBM-1 items 40e – 41) ESG Strategy of mBank Group

In 2024, we continued to implement the Strategy of mBank Group for 2021–2025 "From the icon of mobility to the icon of possibility", adopted by the Management Board and approved by the Supervisory Board in autumn 2021. Midway through the strategy horizon, in 2023, we reviewed our objectives and redefined them in terms of further integration with our priorities, actions, risk-related issues and management processes. The ESG agenda is an integral part of this document and of our operations.

The sustainability-related strategic objectives of mBank Group are divided into three pillars, i.e. environmental, social and governance, as depicted in the table below.

| ENVIRONMENTAL PILLAR | | |
|---|---|---|
| **Strategic objectives** | **Target values and indicators** | **Achievement in 2024** |
| Reduce the greenhouse gas emissions of the credit portfolio, using SBTi to achieve net zero emissions. | Transform the credit portfolio to achieve net zero emissions by 2050. | We calculated the carbon footprint of our loan portfolio in accordance with the best market practices. As part of the work on the new strategy of mBank Group, in order to achieve our ambition of reaching net zero emissions by 2050, we are building a Climate Transition Plan, which we will publish in 2025. |
| | Decide on the portfolios to be covered by SBTi and methods of their decarbonisation. | The decision on the scope of the submission has been made and based on it, the application to SBTi has been submitted within the set deadline. The application is in the process of validation and awaiting final approval. |
| | Submit decarbonisation targets to SBTi for official validation by 30 September 2024. | |

| | | |
|---|---|---|
| Be a partner for clients by offering products and services that stimulate their sustainable and "green" activities. | Provide PLN 10 billion of "green" financing (for renewable energy sources, decarbonisation, circular economy, electromobility, etc.) by the end of 2025, including PLN 5 billion from mBank and PLN 5 billion from other sources, such as consortia and green bond issues for clients. | At the end of 2024, the value of sustainable financing provided by mBank amounted to PLN 7.6 billion, and the mobilized capital reached almost PLN 8.5 billion. The products included financing for renewable energy sources, sustainability-linked loans, green bonds, financing in line with the EU Taxonomy and Group's strategy. |
| | Increase the annual sales of mortgage loans for real estate in accordance with NZEB-10% (Nearly Zero Energy Building) to 14% of all mortgage loans granted by mBank (by volume) in 2024 and to 18% in 2025. | The achievement of the goal in 2024 was 13.2%. This achievement is close to the assumed goal. This level is partly due to the slower development of the energy-efficient real estate market than originally assumed and the high sales of loans under the Safe Loan 2% program, which did not support energy-efficient construction. |
| | Offer at least 50% of investment solutions which promote environmental or social characteristics ("light-green" products in accordance with Article 8 of the SFDR) within mBank Group by 2025. | On 1 October 2024, mTFI S.A. announced amendments to the articles of association of the *Gotowe Strategie Specjalistyczny Fundusz Otwarty* fund. In line with the amendments, as of 1 January 2025, 50% of our investment solutions offered within the Group promote environmental or social characteristics (and are subject to the disclosure requirements as per Article 8 of the SFDR). |
| | Issue "green" bonds on the terms and conditions set forth in mBank S.A. Group Green Bond Framework in the amount of PLN 5 billion by the end of 2025. | In 2024, mBank issued green bonds of a nominal value of PLN 2.1 billion. Since the beginning of the strategy, mBank has issued green bonds with a total value of PLN 7.5 billion. |
| Reduce own greenhouse gas emissions by decarbonising own operations. | Achieve zero net emissions from own operations by 2040. | We have expanded the scope of carbon footprint calculations in our own operations. We continue to transform our fleet, which already includes 110 electric cars and 25 plug-in hybrids (PHEVs), which together account for 17% of the fleet. |
| | Use clean energy, with a minimum of 80% of electricity purchased for the bank from renewable sources from 2023. | The share of energy from renewable sources accounted for almost 98% of consumption in mBank Group in 2024. |
| **SOCIAL RESPONSIBILITY PILLAR** | | |
| **Strategic objectives** | **Target values and indicators** | **Achievement in 2024** |
| Provide an attractive work environment that ensures diversity, equality and inclusion. | Ensure gender balance in the succession program (at least a 45% representation of both men and women) and reduce the pay gap (keeping it below 5%). | In 2024, we achieved the goal of ensuring gender balance in the succession program (the proportions of women and men designated as successors in the succession program at the end of 2024 were: 53.1% women and 46.9% men).<br>The pay gap at the end of 2024 was 3.2%. It was calculated at the level of mBank S.A., in accordance with the simplified Guidelines of the European Banking Authority (EBA) on benchmarking remuneration practices, gender pay gap, and approved higher ratios of variable to fixed remuneration components based on Directive 2013/36/EU (based on pay quartiles, which are determined by dividing all employees into four groups according to their pay level. In each quartile, the average pay for both men and women is calculated, |

| | | |
|---|---|---|
| | | and then the pay gap is identified. The overall pay gap is the average of all quartiles) |
| Ensure balanced gender representation within mBank Group. | Increase the representation of women in managerial bodies of mBank's main subsidiaries (including mLeasing, mFaktoring, mBank Hipoteczny, mTFI, and mFinanse) to 40% by the end of 2026. | At the end of 2024, the share of women in the management bodies of the listed companies was 37.5% |
| Make a positive social impact by fostering financial health and education of our clients. | Continue financial education and promote responsible management of personal finances among clients by increasing the number of users of relevant functionalities in mobile and online services. | ■ In June 2024, mBank announced a goal to be implemented under UNEP FI. It is to increase and maintain the financial resilience and financial well-being of Poles by supporting them in managing expenses and building a financial cushion. The goal by the end of 2025 is to increase to at least 50% the percentage of customers who believe they are financially resilient. In 2024, we achieved it at the level of 54%.<br>■ At the end of 2024, 1.92 million users were using the Personal Finance Manager (PFM) tool. The key factors supporting this were the development of new functionalities: asset view, facilitating clients' financial analysis by transferring history to the finance section, month and year summary ("mBank wrapped"), and engaging communication with clients.<br>■ For another year, as a general partner, we are participating in the project "Captivated by Economics," in which, together with the Warsaw Institute of Banking (WIB), we teach young people a healthy approach to finances. By the end of 2024, over 330,000 students participated in the project. |
| **GOVERNANCE PILLAR** | | |
| **Strategic objectives** | **Target values and indicators** | **Achievement in 2024** |
| Include environmental, social and governance risk in mBank's risk management system. | Implement ESG in the credit documentation and in the internal capital adequacy assessment process (ICAAP) and carry out a materiality assessment of ESG risk on an annual basis. | In 2024, we introduced the Environmental Risk Management Strategy, which provides the definitions and principles of managing this risk. We conducted a materiality assessment of ESG-related risks. Additionally, we enriched the credit process with new elements related to sustainable development. |
| Strengthen our corporate governance by taking into account the ESG characteristics. | Ensure that all TOP 100[1] managers (mBank and main subsidiaries) have ESG objectives set with a weight of 10% in their OKRs (Objective and Key Results). | At the end of 2024, the OKRs of all TOP 100 mBank managers included ESG-related objectives with a weight of at least 10%. |
| Promote transparency and ESG standards among business partners. | Have 70% of eligible partners and suppliers (as part of the centralised procurement process) operating in accordance with the Ten Principles of the UN Global Compact by 2025. | By the end of 2024, mBank collected 745 statements from its partners and suppliers confirming compliance with the 10 Principles of the UN Global Compact. 89% of contracts signed under the central procurement process had an appropriate ESG statement from the supplier or partner. This estimate does not include contracts signed outside the central procurement process. |

[1] Top 100 is a group of key leaders within mBank Group, which as of 31st Dec 2024 included around 170 members

(SBM-1 paragraph 40g) The key projects undertaken in the Group in 2024, supporting Strategy implementation, are connected with climate-related challenges and financial education, and are described in details below:

- Transition Plan to Achieve Climate Neutrality - in 2024, the mBank Group's Sustainable Development Committee initiated the Transition Plan project, aimed at developing an action plan to achieve climate neutrality for mBank Group. The Transition Plan will include goals and actions for climate change mitigation consistent with the Group's business strategy and financial plan. The plan will be evolving and adapted in the coming years to the changing regulatory, business, and technological environment, taking into account changes in the natural environment. This will enable dynamic forecasting of the path to achieving the Group's climate neutrality goals while generating sustainable value for all stakeholder groups. More information about the Transition Plan is presented in chapter 10.2. "Environmental information (ESRS E1, E4)", in subchapter "ESRS E1 Climate Change".

- Green Bond Issuance Framework by mBank - since 2021, mBank has been an issuer of green bonds. As of the date of this statement, mBank has placed three benchmark euro-denominated green bond issues on the market, raising a total of EUR 1.75 billion. The issues are conducted in accordance with the "mBank S.A. Group Green Bond Framework," first published in 2020 and updated twice to reflect the latest standards and growing investor expectations. This document meets the guidelines of the Green Bond Principles 2021 (and their 2022 annex), issued by the International Capital Market Association (ICMA), as confirmed by a Second Party Opinion from the independent reviewer Sustainalytics. The funds raised from the issues are used exclusively to finance and/or refinance assets defined in the framework document, such as retail mortgages financing energy-efficient residential buildings and onshore wind and photovoltaic projects. Additionally, these assets are verified for compliance with the Climate Bonds Initiative requirements by Sustainalytics. The obtained Climate Bonds Initiative certificates, verification reports by Sustainalytics, and allocation and impact reports are available on the bank's website. More details about the 2024 issuance are provided in chapter 1.7. "Key events and projects of mBank Group in 2024".

- Financial Health - in line with its adopted strategy, mBank continues its efforts to improve the financial health of its customers, based on six principles of healthy finances. mBank, as the first bank in Poland, signed a declaration supporting financial health and inclusive banking under the United Nations Environment Program Finance Initiative (UNEP-FI). We strive to improve the financial resilience and well-being of Poles by supporting expense management and building a financial cushion. Our first goal in this spirit is to maintain the proportion of financially resilient customers who regularly use the Financial Manager functionality available in the mBank mobile app at 50% by 2025. This functionality allows customers to have full control over their budget, cash flows, savings, and investments. We help our customers prepare for important life events, such as buying a home, children's education, or retirement. By transparently presenting current income and expenses, categorizing them, and comparing them over time, the financial manager allows for efficient analysis of current finances. The asset summary and budget planning view are designed to help make optimal decisions and build a financial cushion. Currently, over 2.25 million customers, or more than 60% of active mBank mobile app users, use the Financial Manager. Customers rate the quality of our solution highly, giving it a score of 4.3 out of 5. The goal reported by mBank is publicly available through the UNEP FI website and directly on the mBank website.

To bolster the implementation of our strategic ESG objectives, we are implementing the following objective within the framework of mBank Group's Strategy for 2021-2025: "Ensure that all TOP 100 managers (mBank and main subsidiaries) have ESG objectives, including OKRs (Objectives and Key Results), set with a weight of 10%". The OKR objectives support delivery of the Group's strategy, management of priorities and direction of Group's development. While the achievement of OKRs does not directly translate to employees' remuneration, it is regularly assessed by the employees themselves and by their supervisors, which gives OKRs features of an incentivising tool. The ESG-related OKRs for the TOP 100 managers are diverse, position-specific and their weight in the entire objective pool of a given person amounts to at least 10%. At the end of 2024, the OKRs of all TOP 100 mBank Group managers included ESG-related objectives with a weight of at least 10%.

Throughout the process of setting the strategy, mBank Group used the knowledge related to the business environment, including the knowledge related to interests and opinions of stakeholders. We included information obtained through ongoing interactions with stakeholders undertaken by respective units, such as business units engaged in dialogue with customers. Interests and opinions of stakeholders are included into our business model, described in the following section, in a similar manner. At the same time, the double materiality assessment we have undertaken in 2024 and that we plan to further improve in future periods, will allow us to include interests and opinions of stakeholders in a more comprehensive way.

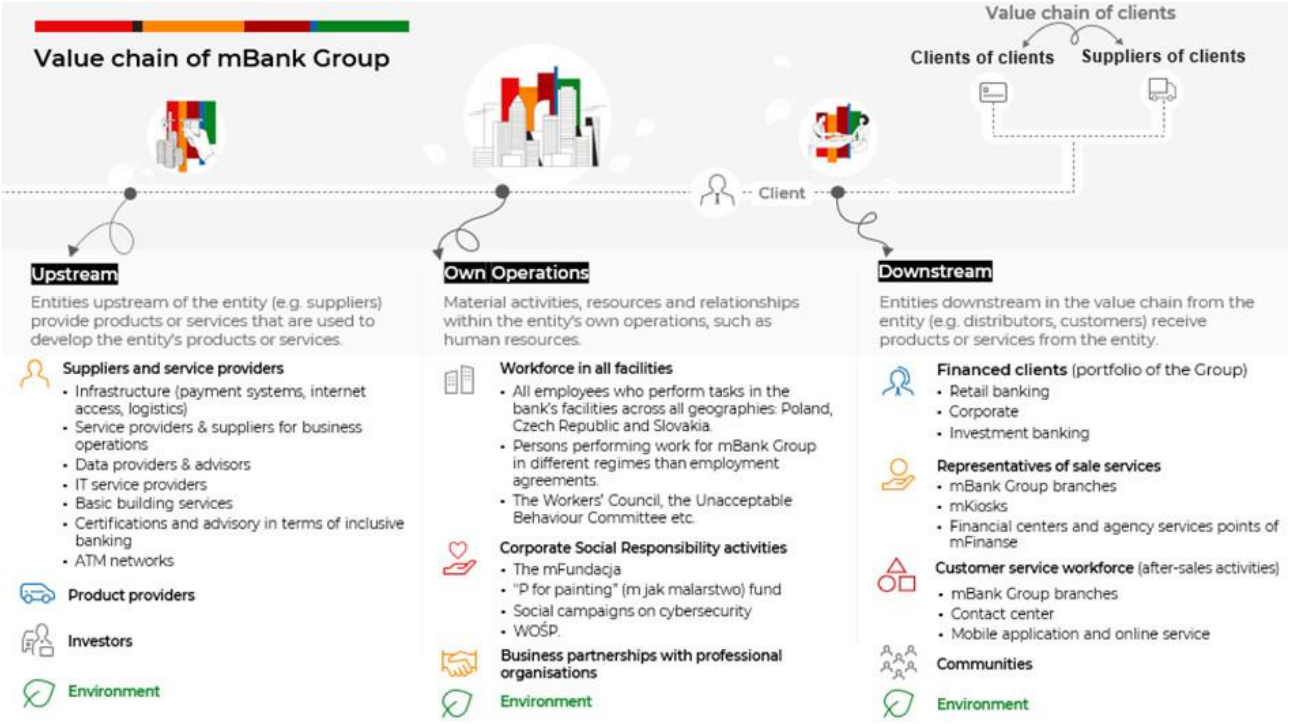
## About mBank Group

*(SBM-1 points 41-42) Business model and value chain*

mBank Group's business model is described in detail in chapter 1.1. The Group's composition is described in chapter 1.2, and the geographical distribution of the Group's network is described in chapter 1.3. These components comprise a system supporting the Group in achieving its strategic objectives and in creating value over the short-, medium- and long-term for all stakeholder groups. The number of employees of mBank Group as at the end of 2024 broken down by geographic areas was as follows:

| Poland | Czechia | Slovakia |
|---|---|---|
| 8,250 | 272 | 79 |

mBank Group, as an entity from the financial industry, plays a central role in facilitating cash transfer processes within the economy by enabling its clients to deposit and invest their funds securely, providing financing and offering a broad variety of additional services, including solutions offered by its subsidiaries (leasing, factoring, a payment gateway) as well as access to government programs through its online banking and mobile app. The value chain, including mBank Group's position in it, is presented on the chart below.




The main business actors with which mBank Group has relationships across its value chain include:

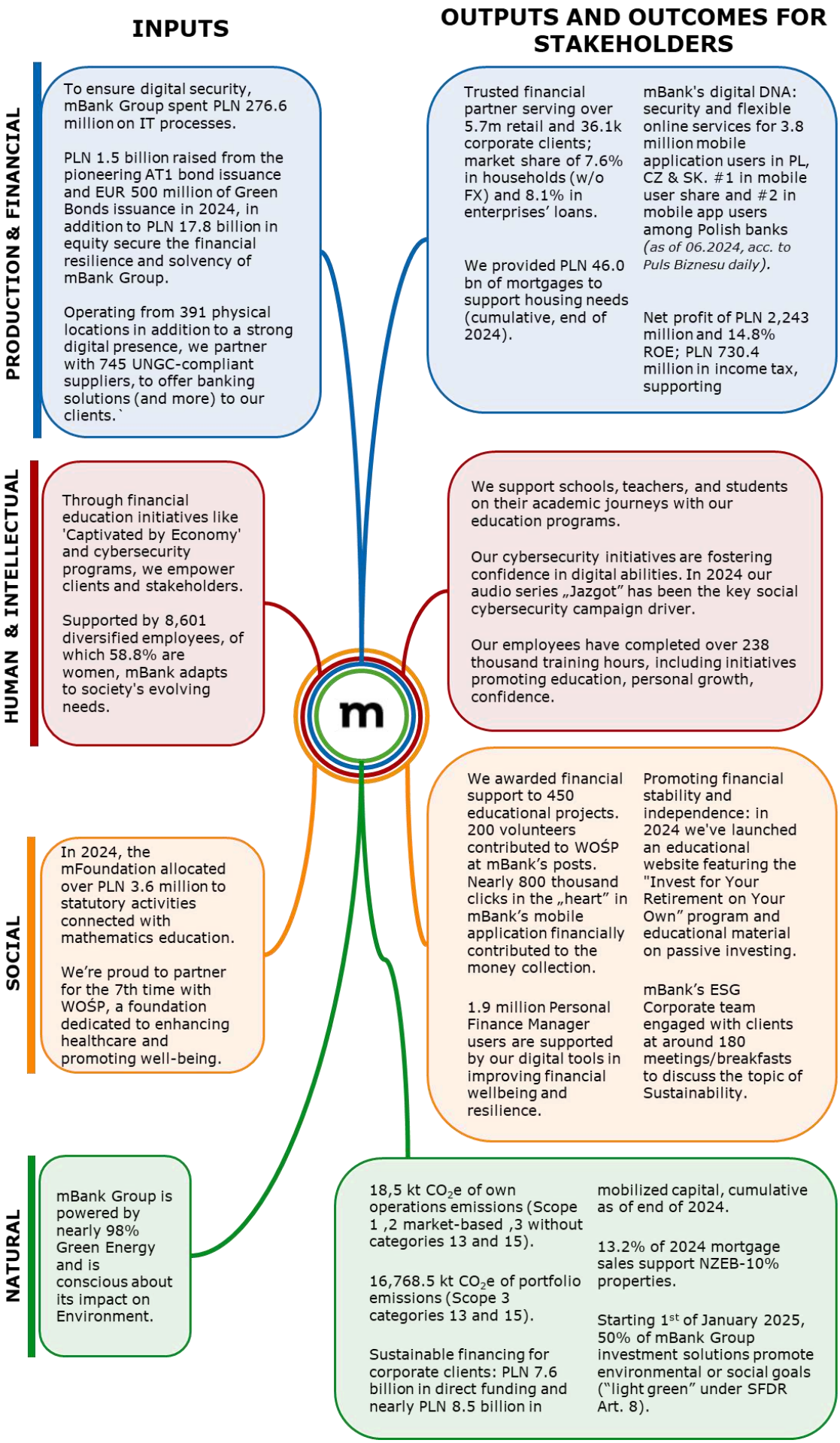
- entities in the upstream value chain:
  - providers of services and infrastructure necessary for pursuing operations in the financial sector, including providers of IT services and ATMs; outsourcers; providers of infrastructure that connects mBank Group to the financial market and enables its clients to make payments and transfers; legal and business advisors;
  - providers of products such as payment cards, IT equipment;
  - equity and debt investors who entrust mBank Group with their financial capital to achieve a financial gain and, increasingly often, also to achieve sustainable development goals.
- entities within own operations:
  - employees of the head offices of the bank and of the Group subsidiaries in Warsaw and in Łódź and employees of all branches in Poland, Czechia and Slovakia;
  - persons working with mBank Group under cooperation agreements;
  - organisations representing the interests of employees, such as the Employee Council or the Unacceptable Behaviour Committee;

- entities and initiatives through which mBank Group carries out its corporate social responsibility activities, in particular, mFoundation, the p for painting (m jak malarstwo) fund, social campaigns promoting cybersecurity addressed to the general public, and the cooperation with and financial services provided to the Great Orchestra of Christmas Charity (WOŚP). For more information on the above-mentioned activities, please refer to chapter 1.7. "Key events and projects of mBank Group in 2024";
- industry organisations with which mBank Group cooperates or to which it is a signatory, e.g. the Polish Bank Association, the UN Global Compact, the United Nations Environment Program Finance Initiative (UNEP-FI) and its Principles for Responsible Banking, the Chamber of Brokerage Houses, the Partnership for Carbon Accounting Financials, the Polish Private Equity and Venture Capital Association, the Polish Association of Listed Companies;

- entities in the downstream value chain:
  - clients using universal banking services provided by mBank Group, i.e. Retail Banking services, services for the SME segment, and Corporate and Investment Banking services, and clients using other financial products and services of mBank Group, such as leasing, factoring, brokerage activities, wealth management, investment funds, insurance, payment gateway and corporate finance;
  - representatives of the sales forces at mBank's and mFinanse's branches;
  - employees providing after-sales service to clients, e.g. handling of complaints, product modifications, technical support for the online banking and the app;
  - communities impacted by the activity of mBank Group, e.g. students or entrepreneurs to whom mBank Group addresses themed contests and initiatives; families and relatives of mBank's clients who make informed use of the Finance Manager and take care of their financial health; the state, which collects, among others, the bank tax; groups profiting from government programs distributed by banks and the access to public institutions.

The natural environment, as a "silent stakeholder", is not able to directly take a stance in the context of mBank Group's activity. Nevertheless, mBank Group uses information and data available in the market and from public and non-governmental institutions popularising them to mitigate its impact on and ensure the well-being of the natural environment as part of its business activity.

Our activity is based on a business model that generates benefits for stakeholders across our value chain. Capitals consumed into mBank Group's activity, including our approach to gathering, developing and securing these capitals, and our outputs and benefits generated for stakeholders, are presented in the chart below.


INPUTS
OUTPUTS AND OUTCOMES FOR STAKEHOLDERS
PRODUCTION & FINANCIAL
To ensure digital security, mBank Group spent PLN 276.6 million on IT processes.
PLN 1.5 billion raised from the pioneering AT1 bond issuance and EUR 500 million of Green Bonds issuance in 2024, in addition to PLN 17.8 billion in equity secure the financial resilience and solvency of mBank Group.
Operating from 391 physical locations in addition to a strong digital presence, we partner with 745 UNGC-compliant suppliers, to offer banking solutions (and more) to our clients.`
Trusted financial partner serving over 5.7m retail and 36.1k corporate clients; market share of 7.6% in households (w/o FX) and 8.1% in enterprises' loans.
We provided PLN 46.0 bn of mortgages to support housing needs (cumulative, end of 2024).
mBank's digital DNA: security and flexible online services for 3.8 million mobile application users in PL, CZ & SK. #1 in mobile user share and #2 in mobile app users among Polish banks (as of 06.2024, acc. to Puls Biznesu daily).
Net profit of PLN 2,243 million and 14.8% ROE; PLN 730.4 million in income tax, supporting
HUMAN & INTELLECTUAL
Through financial education initiatives like 'Captivated by Economy' and cybersecurity programs, we empower clients and stakeholders.
Supported by 8,601 diversified employees, of which 58.8% are women, mBank adapts to society's evolving needs.
We support schools, teachers, and students on their academic journeys with our education programs.
Our cybersecurity initiatives are fostering confidence in digital abilities. In 2024 our audio series „Jazgot" has been the key social cybersecurity campaign driver.
Our employees have completed over 238 thousand training hours, including initiatives promoting education, personal growth, confidence.
SOCIAL
In 2024, the mFoundation allocated over PLN 3.6 million to statutory activities connected with mathematics education.
We're proud to partner for the 7th time with WOŚP, a foundation dedicated to enhancing healthcare and promoting well-being.
We awarded financial support to 450 educational projects. 200 volunteers contributed to WOŚP at mBank's posts. Nearly 800 thousand clicks in the „heart" in mBank's mobile application financially contributed to the money collection.
1.9 million Personal Finance Manager users are supported by our digital tools in improving financial wellbeing and resilience.
Promoting financial stability and independence: in 2024 we've launched an educational website featuring the "Invest for Your Retirement on Your Own" program and educational material on passive investing.
mBank's ESG Corporate team engaged with clients at around 180 meetings/breakfasts to discuss the topic of Sustainability.
NATURAL
mBank Group is powered by nearly 98% Green Energy and is conscious about its impact on Environment.
18,5 kt $CO_2e$ of own operations emissions (Scope 1 ,2 market-based ,3 without categories 13 and 15).
16,768.5 kt $CO_2e$ of portfolio emissions (Scope 3 categories 13 and 15).
Sustainable financing for corporate clients: PLN 7.6 billion in direct funding and nearly PLN 8.5 billion in mobilized capital, cumulative as of end of 2024.
13.2% of 2024 mortgage sales support NZEB-10% properties.
Starting 1st of January 2025, 50% of mBank Group investment solutions promote environmental or social goals ("light green" under SFDR Art. 8).

The types of products and services offered by mBank Group are designed to meet the needs of our clients and help implement the Group's strategy, including the sustainability agenda (the so-called ESG agenda). In 2024, the groups of clients served by mBank Group did not change significantly. The geographical markets in which mBank Group is present also remained unchanged. The strategic objectives outlined in chapter 3. "mBank Group Strategy" point to products and services which help put the sustainability strategy into practice. From the perspective of clients, these include:

- financing of projects pertaining to renewable energy sources,
- sustainability-linked loans,
- issues of sustainability-linked bonds,
- EU Taxonomy-aligned financing,
- mortgage loans for real estate with documented low energy consumption, determined on the basis of the annual non-renewable primary energy demand index,
- Eco-Friendly Loan for microenterprises, e.g. for PV installations, heat pumps, or carbon neutral means of transport,
- financing and lease of photovoltaics, energy storage facilities, heat pumps and electric vehicle charging infrastructure,
- investment solutions promoting environmental or social characteristics.

From investors' perspective, mBank offers green bonds. The 2024 issue is described in detail in chapter 1.7. "Key events and projects in mBank Group in 2024".

mBank Group complies with laws on products and services offered to adequate groups of clients by e.g. verifying creditworthiness of potential borrowers before granting loans or carrying out MiFID questionnaires for clients who wish to invest their funds. In addition, mBank Group applies internal rules, limits and restrictions, which do not arise from formal regulatory requirements, but allow us to conduct our business in the spirit of sustainability. These include e.g. restrictions defined in the Credit Policy of mBank S.A. on Sectors Relevant to EU Climate Policy. We apply exclusions from financing covering, among others, hard coal mines, lignite mines, shale gas exploration and nuclear power. We also have in place restrictions on the financing of the broadly defined coal-fired power generation and heating based on fossil fuels. In addition, we have introduced guidelines related to the requirements for decarbonisation strategies for entities from the energy sector and defined the conditions for financing entities providing technology and services to the coal mining, conventional power generation and fuel sector value chain.

In 2024, the Group adopted an expanded version of the Policy on Providing Services to Reputation-Sensitive Industries at mBank, which defines the industries and activities that mBank undertakes not to serve or finance as well as those to which it applies special service standards. These include, but are not limited to the pornography industry, extremist groups and ideologies, gambling and weapons as well as companies which, regardless of the industry, are involved in gross violations of human rights or whose activities endanger naturally or culturally valuable natural areas. As a signatory to the UN Global Compact initiative, we do not provide services to entities violating the Ten Principles of the UN Global Compact and/or the laws aligned with the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. The Policy specifies the provisions on financing the production of and trade in arms, ammunition and other militaria by entities that do not qualify for the defence and security industry.

Pursuant to the Credit Policy of mBank S.A. on Financing Clients from the F&A Industry (food and agriculture), mBank does not finance companies raising animals for fur.

**Sustainability management**

### Management Board and Supervisory Board

mBank Group implements the corporate governance principles required under the law and inspired by best market practices. For a detailed overview, see chapter 11. "Statement of mBank on application of corporate governance principles in 2024". This chapter presents information on the corporate governance processes, controls and procedures used to monitor, manage and oversee sustainability matters.

We consider sustainability matters an integral part of activities undertaken across the Bank. Therefore, sustainability management is carried out in accordance with the division of competences between the members of the Management Board (as adopted in a Management Board's resolution and approved by the Supervisory Board) and in accordance with the roles and responsibilities assigned to particular positions and teams in the rules of individual organisational units. In addition, in 2024, the organisation of operations

was hugely supported by the ESG Program. The sustainability management structure in mBank Group is presented in detail on the chart below.




*(GOV-1 items 21a – 21e) Structure of the Management Board and the Supervisory Board*

The composition of the Management Board and the Supervisory Board of mBank is described in detail in chapter 1.2 "Composition of mBank Group" and chapter 11.7 "Composition, competences and procedures of the Management Board and the Supervisory Board". In 2024, there were changes in the composition of the Management Board of mBank, which are explained in detail in the said chapters. In the cases where these changes had an impact on the characteristics of the Bank's bodies in terms of the factors specified in tables below, we indicated their values in relevant periods.

Management Board of mBank

| | |
|---|---|
| Number of executive members | 7 |
| Number of non-executive members | 0 |
| Representatives of employees and other workers | 0 |
| Number of women | 1 |
| Number of men | 6 |
| Percentage by gender[2] | 17% |

Supervisory Board of mBank

| | |
|---|---|
| Number of executive members | 0 |
| Number of non-executive members | 8 |
| Percentage of independent board members | 50% |
| Representatives of employees and other workers | 0 |
| Number of women | 3 |
| Number of men | 5 |
| Percentage by gender | 60% |

[2] The board's gender diversity is calculated as an average ratio of female to male board members

Other aspects of diversity

| Aspect of diversity | Management Board of mBank | Supervisory Board of mBank |
|---|---|---|
| AGE | | |
| 30–50 | from 1 January to 4 July 2024 – 5<br>from 5 July to 25 July – 5<br>from 26 July to the report publication date – 6 | 2 |
| 50–60 | from 1 January to 4 July 2024 – 1<br>from 5 July to 25 July – 1<br>from 26 July to the report publication date – 1 | 5 |
| Above 60 | from 1 January to 4 July 2024 – 1<br>from 5 July to 25 July – 0<br>from 26 July to the report publication date – 0 | 1 |
| NATIONALITY | | |
| Polish | from 1 January to 4 July 2024 – 5<br>from 5 July to 25 July – 4<br>from 26 July to the report publication date – 5 | 4 |
| German | from 1 January to 4 July 2024 – 2<br>from 5 July to 25 July – 2<br>from 26 July to the report publication date – 2 | 2 |
| Austrian | - | 2 |

*(GOV-1 points 22a – 23b) The role of the Management Board and the Supervisory Board*

Detailed information on the roles and responsibilities of the Management Board and the Supervisory Board are described in chapter 1.2 "Composition of mBank Group" and chapter 11.7 "Composition, competences and procedures of the Management Board and the Supervisory Board". For better clarity of sustainability disclosures, aspects concerning the composition, competences and procedures of the Management Board and the Supervisory Board which are directly connected with material ESG topics are presented separately in this chapter of the Performance Report.

mBank's Management Board manages the parent company of mBank S.A. Group. The Management Board, acting pursuant to the law, the By-laws of the Bank, resolutions of the General Meeting and the Supervisory Board and the Rules of the Management Board, represents the bank, plans the core directions of the bank's development, examines material issues from the scope of the bank's activities, and adopts resolutions and decisions concerning all relevant matters, except for the matters reserved to other statutory governing bodies of the bank.

Members of mBank's Management Board and lower-level employees sit on supervisory boards of the subsidiaries consolidated within mBank Group, thus exercising supervisory control over them.

The Supervisory Board performs functions stipulated in the By-laws of mBank S.A., the Code of Commercial Partnerships and Companies and the Banking Law Act. The Supervisory Board acts according to its rules. The powers of the Supervisory Board include:

- overseeing the work of the Management Board when setting guidelines for the Bank's operation,
- approving the Bank's annual financial plans,
- approving the Bank's operating strategy,
- overseeing the risk management system and the internal control system,
- analysing regular information received from the Management Board on all the material issues,
- deciding on the composition of the Management Board and the remuneration for the Management Board members.

mBank's Management Board manages, in a comprehensive manner, and the Supervisory Board oversees all the matters identified as material in the double materiality analysis described in section (IRO-1) "Double materiality assessment" based on their impacts, risks and opportunities. The organisational chart of mBank S.A. is published on the Bank's website and provides a reference for disclosures in this chapter.

Under the name of the policies, to which we refer in the table below and the further part of the statement, we understand documents named "Policy" and other documents approved by at least one member of the

management board, and in the case of foreign branches, by their Directors (e.g., circular letters, order of the President of the Management Board, mBank Group Strategy for 2021-2025).

Table: Management and oversight of IROs in mBank with respective internal regulations

| Body responsible for overseeing a material topic and its impacts, risks and opportunities | Manner of exercising oversight and how it is reflected in the terms of reference and mandates of the Management Board and the Supervisory Board as well as the management's role | Procedures governing the responsibility for overseeing and managing a material topic and its impacts, risks and opportunities as well as integration with other internal functions |
|---|---|---|
| **1. Climate change adaptation** | | |
| **2. Climate change mitigation** | | |
| Supervisory Board of mBank<br>Management Board of mBank<br>Sustainability Committee<br>Vice-President of the Management Board, Chief Risk Officer<br>Vice-President of the Management Board, Head of Corporate and Investment Banking | The management's role with respect to climate change adaptation and mitigation has been entrusted to the director of the Non-Financial Risk Management Department, who also acts at the Chief Environmental Risk Officer (CERO) in mBank Group. The CERO reports directly to the Vice-President of the Management Board, Chief Risk Officer. The CERO reports material topics related to mBank Group's climate change adaptation to the Sustainability Committee and the Bank's Management Board.<br>The approach to addressing climate-related impacts, risks and opportunities connected with the portfolio integrated with the process of risk management in mBank Group.<br>With regards to products offered to clients that support climate change adaptation and mitigation, the management's role in the Bank's business areas, in the corporate and investment banking area has been entrusted to the director of the Corporate Banking Sustainable Finance Department with support from the managing director for Corporate Banking Analytics and Business Development.<br>Approach taken in the retail banking area has been described in scope of topic number 11. | Climate change adaptation and mitigation:<br>• Credit Policy for Industries Relevant to EU Climate Policy<br>• Credit Policy for Financing Renewable Energy Source (RES) Systems<br>• Policy on Providing Services to Reputation-Sensitive Industries at mBank |
| **3. Energy** | | |
| Supervisory Board of mBank<br>Management Board of mBank<br>Sustainability Committee<br>Vice-President of the Management Board, Chief Financial Officer | The responsibility for energy management and the purchase of Guarantees of Origin lies with the Procurement and Administration Department supervised by the CFO. Decarbonisation targets, including carbon footprint management in Scope 1 in connection with energy consumption in own operations, are overseen by the CERO. The effects of cooperation between the indicated units are reported to the Sustainable Development Committee, which oversees the implementation of the ESG strategy of mBank Group, including the strategic objective "Reduce own greenhouse gas emissions by decarbonising own operations". | Circular Letter on the Principles of Procurement of Electric Energy from Renewable Energy Sources (RES) to be used by mBank S.A. and the mBank S.A. Group subsidiaries |
| **4. Transition plan to reach climate neutrality** | | |
| Supervisory Board of mBank<br>Management Board of mBank<br>Sustainability Committee<br>Vice-President of the Management Board, Chief Risk Officer | The Chief Environmental Risk Officer (CERO) in mBank Group is responsible for preparing the net zero emissions transition plan. To this end, the "Transition Plan" project has been set up under sponsorship of the Vice-President of the Management Board, Chief Risk Officer. The members of the project's steering committee include the CSO, the CERO, the director for sustainable reporting, the director of the Corporate Banking Sustainable Finance Department, the director of the Corporate Risk Processes Department and the director of the Credit Products Department. Representatives of different areas of the Bank and its subsidiaries are also involved in the project. When working on the transition plan, the team ensures integration with the financial plan and risk management process in mBank Group. | *At the time of publication of this Report, the Transition Plan had not been adopted, but work was underway to develop it. The responsibility for coordinating the preparation and updating of the Transition Plan and monitoring its implementation in the Group is defined by the Organizational Regulation of the Non-Financial Risk Management Department.* |

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| **5. Biodiversity and ecosystems** | | |
| Supervisory Board of mBank<br>Management Board of mBank<br>Sustainability Committee<br>Vice-President of the Management Board, Chief Risk Officer | The management's role with respect to the Group's approach to biodiversity and ecosystems has been entrusted to the director of the Corporate Risk Processes Department, who reports directly to the Vice-President of the Management Board, Chief Risk Officer. | *At the time of publication of this Report, there was no document in the Group at the policy level that regulated the responsibility for managing the significant issue of biodiversity, which is due to the initial stage of work in this area. The substantive coordination of work towards preparation of ESRS E4 Biodiversity and ecosystems disclosure was undertaken by the Corporate Risk Processes Department.* |
| **6. Working conditions in own workforce** | | |
| **7. Equal treatment and opportunities for all** | | |
| Supervisory Board of mBank<br>Management Board of mBank<br>Sustainability Committee<br>Vice-President of the Management Board, Chief People and Regulatory Officer | • The Vice-President of the Management Board, Chief People and Regulatory Officer oversees the implementation of the HR and remuneration policies adopted in mBank Group. The Vice-President oversees, among others, the Employee Relations and Organisational Culture Department. The implementation of the strategic objective "Ensure balanced gender representation within mBank Group" is overseen by the Sustainability Committee.<br>• The Vice-President of the Management Board, Chief People and Regulatory Officer supervises the Occupational Health and Safety Service. | • Remuneration Policy<br>• Remuneration Policy for Employees Having a Material Impact on the Risk Profile<br>• Work Rules of mBank<br>• Ethics Program<br>• Policy on Preventing Mobbing, Discrimination and Other Unacceptable Behaviours<br>• Diversity and Inclusion Policy |
| **8. Information-related impacts for consumers and/or end-users** | | |
| Supervisory Board of mBank<br>Management Board of mBank<br>President of the Management Board<br>Vice-President of the Management Board, Head of Retail Banking | • The ESG strategy of mBank Group defines a strategic objective "Make a positive social impact by fostering financial health and education of our clients". The implementation of the ESG strategy in mBank Group is supervised by the Management Board and monitored by the Sustainability Committee with coordination from Chief Sustainability Officer (CSO). The Vice-President of the Management Board, Chief People and Regulatory Officer supervises the position for sustainability area management CSO.<br>• The managing director for marketing oversees the operations of the Communication and Marketing Strategy Department and the Retail Banking Marketing Department. The managing director reports to the President of the Management Board. | • Personal Data Security Policy<br>• Personal Data Management Policy in Time (Retention)<br>• Cybersecurity Policy<br>• Policy for Introducing New Products<br>• Conflict of Interest Management Policy at mBank S.A.<br>• Order of the President of the Management Board on Handling Complaints and Grievances at mBank S.A. |
| **9. Social inclusion of consumers and financial health** | | |
| Supervisory Board of mBank<br>Management Board of mBank<br>President of the Management Board<br>Vice-President of the Management Board, Head of Retail Banking | The responsibility for analysing the accessibility of digital channels lies with the Omnichannel Banking Department. The responsibility for the accessibility of banking outlets lies with the Retail Banking Branch team. The directors of these departments report to the managing director for retail banking sales and business processes, who reports to Vice-President of the Management Board, Head of Retail Banking. | • the Accessibility Standard in mBank's Digital Channels as an annex to the Order of the President of the Management Board on marketing communication standards at mBank S.A. |

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| **10. Customer experience** | | |
| Supervisory Board of mBank<br>Management Board of mBank<br>President of the Management Board<br>Vice-President of the Management Board, Head of Retail Banking | Customer experience is mainly managed at the Bank by the Retail Banking Clients Relationship Department, the Retail CRM Department, the Direct Engagement Department and the retail banking outlets, which report to the managing director for retail banking sales and business processes, as well as by the Private Banking Client Department, which reports to the managing director for private banking and brokerage services. The managing directors report to the Vice-President of the Management Board, Head of Retail Banking. | • Policy of Introducing New Products at mBank S.A.<br>• Order of the President of the Management Board on the Communication Standard at mBank (mKanon) |
| **11. Sustainable development supporting offer** | | |
| Supervisory Board of mBank<br>Management Board of mBank<br>Vice-President of the Management Board, Head of Retail Banking | With regards to products offered to clients that support climate change adaptation and mitigation, the management's role in the Bank's business areas, in the retail banking area has been entrusted to the director of the Credit Products Department with support from managing director for Retail Banking Products and Customer Segments.<br>Approach taken in the corporate banking area has been described in scope of topics number 1. and 2. | • mBank Group Strategy for 2021-2025 |
| **12. Corporate culture** | | |
| Supervisory Board of mBank<br>Management Board of mBank<br>Sustainability Committee<br>Vice-President of the Management Board, Chief People and Regulatory Officer | The ESG strategy of mBank Group defines the strategic objective "Provide an attractive work environment that ensures diversity, equality and inclusion". The implementation of the ESG strategy in mBank Group is supervised by the Management Board and monitored by the Sustainability Committee with coordination from Chief Sustainability Officer (CSO). Vice-President of the Management Board, Chief People and Regulatory Officer, supervises the position for sustainability area management (CSO) and the operations of the Employee Relations and Organisational Culture Department. | • Code of conduct<br>• Ethics Program<br>• Policy of Managing Conflicts of Interest<br>• Policy on Preventing Mobbing, Discrimination and Other Unacceptable Behaviour<br>• Diversity and Inclusion Policy<br>• Work Rules of mBank |
| **13. Protection of whistleblowers** | | |
| Supervisory Board of mBank<br>Management Board of mBank<br>Vice-President of the Management Board, Chief People and Regulatory Officer | The management's role with respect to the topic of whistleblower protection has been entrusted to the director of the Compliance Department, who reports directly to the Vice-President of the Management Board, Chief People and Regulatory Officer. | • The President of the Management Board's Order on Reporting Violations, the Procedure for Analysing Them, and Taking Follow-up Actions |
| **14. Corruption and bribery** | | |
| Supervisory Board of mBank<br>Management Board of mBank<br>Vice-President of the Management Board, Chief People and Regulatory Officer | The management's role with respect to the topic of corruption and bribery has been entrusted to the director of the Compliance Department, who reports directly to the Vice-President of the Management Board, Chief People and Regulatory Officer. | • Anti-Corruption Policy |
| **15. Prevention and detection of money laundering** | | |
| Supervisory Board of mBank<br>Management Board of mBank<br>Vice-President of the Management Board, Chief People and Regulatory Officer | The management's role with respect to the topic of prevention and detection of money laundering has been entrusted to the director of the Financial Crime Prevention Department, who reports directly to the Vice-President of the Management Board, Chief People and Regulatory Officer. | • Anti-Money Laundering and Countering the Financing of Terrorism Policy at mBank Group<br>• Anti-Money Laundering and Counter-Terrorism Financing Program<br>• Global Sanctions Policy |

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| **16. Tax transparency** | | |
| Supervisory Board of mBank<br>Management Board of mBank<br>Vice-President of the Management Board, Chief Financial Officer | The management's role with respect to the topic of tax transparency has been entrusted to the director of the Tax Department, who reports directly to the Vice-President of the Management Board, Chief Financial Officer. | • Tax Risk Management Policy<br>• Policy on Preventing Tax Crimes and Fraud |
| **17. Risk management** | | |
| Supervisory Board of mBank<br>Management Board of mBank<br>Sustainability Committee<br>Vice-President of the Management Board, Chief Risk Officer | • The management's role with respect to the topic of risk management has been entrusted to the following persons reporting directly to the CRO: managing director for retail risk and the departments reporting to them, and the directors of the Integrated Risk Management Department, Balance-Sheet Risk Management Department, Risk Projects and Architecture Department, Corporate Risk Assessment Department, Corporate Risk Processes Department and Non-Financial Risk Management Department. The roles and tasks related to risk management are set in line with the three lines of defence model:<br>• the first line of defence comprises business units tasked with taking risk and capital aspects into consideration when making all business decisions within the risk appetite set for the Group,<br>• the second line of defence comprises mainly organisational units of the risk management area, plus the Security Department, the Data Protection Officer and the Compliance Department. They develop the framework and guidelines for managing individual risk types, support and supervise the business units in their implementation and independently analyse and assess risk. The second line of defence acts independently of the business units,<br>• the third line of defence is the Internal Audit Department, which independently evaluates risk management by the first and second lines of defence.<br>The issue of environmental, social and governance risk management is also governed by the strategy. Pursuant to its provisions, the Group's objective is to include ESG risk in mBank's risk management system. ESG-related issues were implemented in the credit documentation and in the internal capital adequacy assessment process (ICAAP), and the Group conducts the materiality assessment of ESG risk on an annual basis, the results of which are reported to the Management Board and Supervisory Board.<br>Important topic in scope of risk management is counteracting greenwashing. This topic is operationally managed in Non-Financial Risk Management Department. | • Risk Management Strategy<br>• Risk Catalogue of mBank Group |

The targets related to material impacts, risks and opportunities in the sustainability area were determined in the mBank Group Strategy for 2021–2025 and in other internal procedures and documents regulating the management of material topics. Strategic objectives are set by the Management Board and written down in a strategy document, which is then approved by the Supervisory Board. The way the bank's bodies oversee the setting and monitoring of the implementation of non-strategic objectives is indicated in the context of each material topic described in the subsequent sections of the disclosure. Sustainability-related strategic objectives of the Group are monitored on a quarterly basis. Thanks to the online tool – ESG Dashboard, the organisation can transparently share the progress in the implementation of the objectives with all its employees. This corresponds with the digital DNA of mBank Group by which we aim to apply technology, allowing for direct visibility of impacts we're making on people, organisation and planet.

Strategic objectives are additionally embedded in the organisation through MbO (management by objectives) and OKRs (objectives and key results). The ESG Dashboard and the implementation of the objectives set as part of MbO and OKRs are presented to the Management Board and Supervisory Board.

Strategic issues related to the sustainable development are incorporated into the objectives of the Management Board, while TOP100 directors include ESG priorities into their objectives.

*ESG expertise of the Management Board and the Supervisory Board*

mBank has in place the Policy for the Assessment of Qualifications (Suitability), Appointment and Dismissal of Members of the Bank's Bodies at mBank S.A. It determines the skills and expertise that members of the bank's bodies should possess in order to duly oversee the bank's operations, which also applies to sustainability matters. The policy is subject to periodic updates, as part of which it is aligned with new guidelines and regulations to ensure proper operation of the Group. The Remuneration and Nomination Committee of the Supervisory Board of mBank S.A. defines the scope of duties for candidates for the Management Board and Supervisory Board of the Bank, as well as the required expertise and competences and the expected time commitment necessary to perform the function, and conducts a periodic assessment (at least once a year) of the structure, size, composition and effectiveness of the Management Board and the suitability assessment of individual members of the Supervisory Board and Management Board. The text of the policy and suitability assessments, as well as the resumes of the members of the Management Board and Supervisory Board are publicly available on the Bank's website. Experience of the members of the Management Board linked to sectors, products and geographical presence of the Group has been presented in chapter 11.7. "Composition, competences and procedures of the Management Board and the Supervisory Board". In this section we have focused on sustainability-oriented competences.

To ensure that appropriate skills and expertise are available or will be developed to effectively oversee sustainability matters, members of the Management Board can broaden their knowledge and competences in this field through training and participation in industry events. This, in particular, applies to topics that are only gaining popularity on the market, especially in the context of the banking sector, e.g. balance sheet decarbonisation or ESG risks management.

In September 2024, the Supervisory Board in cooperation with, among others, CDP[3], organised a workshop dedicated to the topic of the transition plans in the banking sector that was attended by the representatives of the Supervisory Board and Management Board of the bank. Additionally, in October 2024, the Vice-President of the Management Board, Chief People and Regulatory Officer organised an all-day conference called *mBank Sustainability Summit* for the mBank Group employees. During the conference, internal and external experts addressed a number of topics relating to sustainability and integration of ESG issues into business operations. Such events and workshops support the continuous development of the expertise of the Management Board in the areas we define as material from the sustainability standpoint. Below we present a summary of the sustainability-related expertise of the members of our main administrative bodies. It is important to note, in particular with regards to the Management Board members, that while building individual competencies is part of their development paths, it is also the collective skillset of the organisation that the Management Board is focused on building and leveraging to ensure the sustainable development of the overall organisation. With respect to sustainability matters, Management Board are supported by a group of around 40 key specialists, experts and senior leaders. Therefore, we also describe competencies of selected sustainability leaders from the organisation whose knowledge and experience the Management Board can rely on while making decisions.

The President of the Management Board supports the development of sustainability competences and expertise of all members of the Management Board of the bank. To ensure the highest corporate governance standards and keeping the bank's stakeholders in mind, the President directly supervises the Legal Department and the Disputed Loans Department. The President of the Management Board is also responsible for creating and implementing the bank's strategy, the integral part of which is sustainable financing, with due regard to all material ESG factors. In 2024, the President of the Management Board took part in, among others, the Impact'24 conference, which included thematic panels on green transformation, stimulating innovation for Europe's sustainable growth, or ESG business transformation.

The Chief People and Regulatory Officer assumed the role of the Chairwoman of the mBank Group Sustainability Committee in 2024. She maintains ongoing communication with the Sustainability Committee of the Supervisory Board of Commerzbank with regards to issues connected with mBank's ESG strategy and the approach to its implementation. In 2024, the Chief People and Regulatory Officer participated in, among others:

- the Business and Sustainability Program at the University of Cambridge Institute for Sustainability Leadership,
- workshops with the advisory firm on oversight of ESG reporting and corporate governance issues,
- individual training sessions with ESG experts from consulting company,

[3] More information about organisation can be found on: https://www.cdp.net/en/about

- European Financial Congress in Sopot as the panellist in the debate entitled "Use of sustainability data and building competitive advantage".

A special set of competencies in the team reporting into Chief People and Regulatory Officer is delivered by the Chief Sustainability Officer, who has got many years of experience in managing the sustainability areas in Polish and international companies. She completed a sustainable supply chain management course at the University of Cambridge. She is the co-author of books on, among others, human rights and forced labour, business ethics, diversity and inclusion. In 2024, she has been a frequent speaker and panellist at financial and sustainability conferences, including the ESG Academy and Financial Intermediation Congress.

The Chief Risk Officer is responsible for, among others, ESG risk management and the coordination of the transition plan development to ensure compliance with the EU climate targets.

In 2024, the Chief Risk Officer participated in, among others:

- European Financial Congress as a moderator of the "CROs roundtable" panel, where a discussion about challenges laying ahead of the banking sector takes place each year, including climate risks. CRO also participated in a panel on implementation of the Women on Boards directive,
- Banking and Insurance Forum, where as a panellist he discussed financing of projects related to energy system transformation, impact of ESG factors on banking, and other topics,
- Meetings in the Institute of International Finance in Washington D.C., where he had the ability to hear about leading trends in relation to climate change adaptation, green transformation and ESG risk management in the finance sector,
- Meetings in International Monetary Fund in Washington D.C., where he was able to find out about challenges related to just energy transition and circular economy.

CRO supervises directly the Non-Financial Risk Management Department and the Chief Environmental Risk Officer (CERO), who are specialising in ESG risk management, decarbonisation and EU Taxonomy and have adequate competences in this respect.

The Chief Financial Officer supervises the position for sustainability reporting, which is responsible for non-financial reporting and ESG disclosures compliant with the CSRD and EU Taxonomy requirements. The Chief Financial Officer took part in:

- the Business and Sustainability Program at the University of Cambridge Institute for Sustainability Leadership,
- the Bank Governance Program at the University of Oxford, covering topics of climate risk management, sustainable financing, sustainable reporting, changes in bank governance and regulatory environment,
- workshop entitled "What's most important from the perspective of investors and issuers? Leadership & innovation in the ESG space",
- workshops with the advisory firm on oversight of ESG reporting.

Key sources of knowledge and expertise being developed in the CFO area in relation to sustainable development include the sustainability reporting and investor relations teams. The director for sustainable reporting plays a special role in this regard. He has wealth of experience gathered in an international banking environment, including in the scope of integrating climate transition planning with the strategy and business operations. He completed the Climate Change Transformation Program organised by the University of Edinburgh Business School, and obtained the Certificate in Green and Sustainable Finance issued by the UK Chartered Banker Institute.

Vice-President of the Management Board, Head of Corporate and Investment Banking, is a member of the Program Council of the UN Global Compact Network Poland. In 2024, the Vice-President:

- took part in the European Economic Congress in Katowice, where, as a panelist, he presented the bank's position and its role as a source of financing the economy and its transformation processes, including presenting ESG criteria in the strategies of banking sector entities, and participated in a panel on changes in investment financing models, including aspects of sustainable investments,
- contributed to important publications in the area of sustainable development in the last year, such as "Green Finance in Poland 2024" report[4] and "YEARBOOK 2024 – UN Global Compact Network Poland report"[5].

[4] https://ungc.org.pl/raport-zielone-finanse-w-polsce-2024/ (page 128)
[5] Yearbook 2024 - UNGC, (page 132)

The Corporate and Investment Banking Division, which the Vice-President supervises, employs many specialists who have both professional knowledge and experience in the area of sustainable development. At the same time, the Division established the Sustainable Finance Corporate Banking Department focused on the development of sustainable financing and the implementation of mBank's ESG strategy in the corporate & investment banking segment. The team, including the department Director, are experts in the field who demonstrate relevant knowledge and experience, backed by completion of additional studies and courses. They are also active in working groups and institutions aimed at developing coherent guidelines in the area of sustainable finance organized by the Ministry of Development and Technology, the Polish Bank Association and the Sustainable Investment Forum Poland (POLSIF).

The Vice-President of the Management Board, Head of Retail Banking, supervises, among others, retail banking organisational units responsible for sustainable finance development based on solutions supporting environmental and social causes for retail customers, such as lending aligned with the EU Taxonomy, products supporting energy saving and decarbonisation or helping our customers keep their finance healthy. He has constant access to expertise with regards to sustainability matters held by the broader team. A special role in this respect is held by the director for ESG from the Private Banking and brokerage services. With 20 years of experience in the capital markets, she held regulatory and consultancy roles with exposure to sustainability reporting and due diligence. She is a member of the Sustainable Investment Forum Poland (POLSIF). In 2024 she has participated in a number of sustainability-related conferences and training sessions. In Retail Banking, the Individual Client Department deliver broad competencies in relation to the topic of healthy finance. The department director has been involved in mBank’s client segments area for nearly 10 years, and is responsible for the shape of the retail offering to individual clients, in particular for client acquisition, boosting engagement and improving the NPS. In recent years, he has coordinated activities implementing the objectives aiming to strengthen mBank's ESG responsibility in the individual clients area and co-authored, among other things, the principles of healthy finances.

The Vice-President of the Management Board, Head of Operations and Information Technology ensures the highest standards of cybersecurity in response to the ESG risk factors. He supervises, among others, the COO Governance Department, which owns the Digital Resilience Strategy introduced in autumn 2024 to address the regulatory requirements set out by the DORA. In 2024, the Head of Operations and Information Technology took part in:

- a number of workshops on strengthening digital resilience in the context of progressing digitisation and new regulations (such as the DORA), including a DORA training for managers organised by a law firm,
- discussion for managers of financial institutions about the future of, challenges for and developments in the banking sector in the context of managing the DEI area during the Debate of Bank Leaders at the Finanse Jutra 2024 event,
- the IT Program Board at the European Financial Congress as an active participant,
- the panel entitled “Transformation of business processes: key to the client-centric approach”.

Members of the Supervisory Board have expertise with regard to the material topics reported in this disclosure, among which sustainability matters are of particular importance. The Chairwoman of the Supervisory Board of mBank possesses exceptional expertise with regards to sustainability matters. She is an independent member of supervisory boards and advises companies on corporate governance and sustainability agenda. She expands her expertise and uses it as a member of the EU Platform on Sustainable Finance, who advises the European Commission on the implementation of the sustainability agenda. She is also a member of the Sustainable Investment Forum Poland (POLSIF) Board. The Chairwoman is a professor at the Warsaw School of Economics, focusing her research on corporate governance and sustainability.

Members of the Supervisory Board are ensured access to expertise individually, within the organisations they work for, and collectively. They participated in training and meetings on the topic of sustainability, such as the training in transition planning mentioned above.

**(GOV-2, GOV-3) Processes for managing material sustainability topics**

The key decisions regarding sustainability matters in the Group are taken by the Management Board of mBank. They are consulted with the internal stakeholders. The mBank Group Sustainability Committee (KZR) operates within the structures of the Management Board of the Bank, comprising six Vice-Presidents of the Management Board: Vice-President of the Management Board, Chief Risk Officer (CRO); Vice-President of the Management Board, Chief Financial Officer (CFO); Vice-President of the Management Board, Head of Corporate and Investment Banking; Vice-President of the Management Board, Head of Retail Banking; Vice-President of the Management Board, Head of Operations and IT (COO); and Vice-President of the Management Board, Chief People and Regulatory Officer (CPR), who chairs the Committee.

The Committee oversees the implementation of the ESG Strategy in the Group, takes decisions and issues recommendations, and provides a platform for dialogue on sustainability matters between organisational units of the bank and between the bank and the Group subsidiaries. The Committee's decisions and recommendations foster consistency in approaches to sustainable development among other Group bodies. In addition, the Committee coordinates the alignment of the Group with regulatory and market ESG requirements.

As part of these activities, the Committee:

- identifies the main lines of action and organises the ESG management system,
- sets the bank's ESG framework in policies and procedures,
- supervises the Group's ESG management system,
- defines the structure and organises the process of managing proceeds from the issue of green debt instruments.

In 2024, the Sustainability Committee held 9 meetings to discuss the implementation status of the ESG strategy, the ESG program and the statuses of the following key projects: CSRD & EU Taxonomy, Transition Plan, SBTi and green bonds. During its meetings in 2024 the Committee took 21 decisions on approving procedures, definitions, plans or results of actions taken by various teams in the sustainability area. In addition, at every meeting the Committee also discusses risks and their mitigants.

The Supervisory Board collegially supervises the bank's operation and monitors the progress in implementing the bank's strategy (Strategy for 2021–2025 "From the icon of mobility to the icon of possibilities"), which also covers sustainable development. During its meetings, the Supervisory Board is presented with reports and other materials addressing sustainability issues. Since 2024, the Supervisory Board has been provided with CSO Updates, which highlight the main actions completed and planned by the CSO and update the status of ESG objectives.

The Supervisory Board is supported by the following committees: the Audit Committee, the Risk Committee, the Remuneration and Nomination Committee, and the IT Committee.

The Audit Committee, in particular, monitors the sustainability reporting process and assesses the adequacy and effectiveness of the internal control system. On a quarterly basis, during its meetings the Committee discusses the ESG report, which covers, among others, the status of preparations for reporting in line with the ESRS (CSRD) and the EU Taxonomy.

The Risk Committee supervises how the bank manages the risk of negative impact of environmental factors on clients, counterparties or on the bank's balance sheet. On a quarterly basis, during its meetings the Committee discusses materials on environmental risk. Information presented to the Risk Committee in 2024 covered, in particular, decarbonisation of own operations and the mBank Group's portfolio, the progress in setting science-based decarbonisation targets (SBTi) and development of the transition plan.

The Remuneration and Nomination Committee monitors the bank's initiatives on diversity and inclusion, which involve initiatives to close the pay gap between men and women and actions to improve gender balance in employment and succession. During its meetings in 2024, the Committee discussed these issues regularly. Moreover, the Committee is provided with annual reports on the implementation status of diversity objectives and reports on remuneration and staff turnover.

The IT Committee supports the Supervisory Board in exercising ongoing supervision over the bank's operation in the IT and IT security area, and monitors the effectiveness of the IT operational risk management system. The Committee is provided with quarterly reports of the management board covering the IT and IT security area, and discusses them during its meetings.

When implementing and supervising the implementation of the organisation's strategy, the Management Board and the Supervisory Board take into consideration the impacts, risks and opportunities relating to sustainable development. Recently, the role of ESG in decision-making processes has been evolving. Proper management of risks connected with the transition towards a more environmentally and socially sustainable economy requires mBank Group to implement a number of necessary organisational and managerial changes. These include, in particular, extending the catalogue of risks and integrating these risks in the process of defining and managing the risk appetite. While these processes are taking place, consideration is given to new business opportunities opening up for the Group through the development and increasing popularisation of new products and services supporting the transformation. In managing the Group's activities, the Management Board incorporates evolving trends in relation to the perception of corporate social responsibility into its decisions that affect not only its own workforce but also a wide range of external shareholders. The Management Board's review of the objectives of the bank's diversity policy can serve as an example. Also the principles of ethics have been verified and assessed to adapt them to the changing

internal and external situation of the bank, as presented in the report of the Management Board's Representative for Diversity, Inclusion and Ethics adopted by the Management Board.

Moreover, the Management Board and the Supervisory Board have been in dialogue about the necessary compromises connected with impacts, risks and opportunities in the context of mBank Group's development to ensure that value for various groups of stakeholders is generated in a sustainable manner. This was the case, among others, with the mBank Group environmental risk management strategy approved in 2024 by Sustainable Development Committee and the Management Board and awaiting approval of the Supervisory Board in 2025. This document combines information on risk appetite, management and planned actions referring to the environmental risk, including reference to limits to be imposed on the exposures of high climate risk. While making efforts to create a positive impact on the environment, we cannot lose sight of the need to build long-lasting relationships with clients and to allocate capital effectively in order to produce satisfactory returns for shareholders over the long term. In an effort to maintain the appropriate level of control and to ensure the achievement of the broad set of the Group's strategic objectives, the Management Board and the Supervisory Board monitor progress in implementing the business and financial objectives as well as the strategic environmental, social and governance (ESG) objectives. At the same time, particular ESG objectives may also require prioritisation. For example, the financing of the energy sector's transformation through loans to companies with a high share of Taxonomy-aligned capital expenditure (CapEx) is an effective way to support activities aligned with the EU Taxonomy. However, since mBank Group has not been active in this client segment over the recent years, the commencement of such lending activity would likely result in increasing the Group's scope 3 category 15 emissions, which in the short term can contradict with the planned decarbonisation of the Group. At the same time, a decision not to finance the transformation of high-emission companies would exclude the Group from full participation in the decarbonisation of the real economy. This requires in-depth analyses and compromises between ambitions to support the climate transition of existing and future clients of the Group and the implementation of own ambitious decarbonisation targets, including science-based targets submitted to SBTi and targets set in the transition plan.

These discussions are held not only at the level of the Management Board and the Supervisory Board, but also in project and working groups, and are coordinated, in particular, by the Chief Sustainability Officer (CSO). The CSO is tasked with:

- Coordinating the development of the bank's sustainability strategy. Actively supporting, monitoring and supervising the implementation of the bank's strategy (the CSO is a competence centre on sustainability) and ensuring effective implementation of the bank's sustainability strategy across the organisation.
- Building a sustainability culture at the bank and in mBank Group. Spreading the expertise with regard to sustainability matters in the organisation and promoting sustainability-related topics and values among the employees of the bank and the Group subsidiaries.
- Initiating and coordinating actions ensuring consistent and effective cooperation among individual units of the bank and mBank Group subsidiaries responsible for performing sustainability-related tasks. Issuing opinions on business actions taken by other units of the bank in an effort to ensure that they comply with sustainability policies and regulations and the Bank's sustainability strategy.
- Managing the bank's relations with external stakeholders, including with regulatory authorities, industry associations, non-governmental organisations and investors implementing sustainability measures. Actively participating in the work of external industry and international bodies implementing sustainability measures in financial institutions.
- Monitoring regulatory changes and trends in the sustainability area. Assessing and analysing changing conditions and their impact on the bank's operation and reporting on it to competent bodies of the Bank. Cooperating with Commerzbank and sharing best practices and requirements arising from the fact of being a subsidiary of Commerzbank.
- Preparing or coordinating the preparation of the part of the Management Board's report dedicated to sustainability in cooperation with other bank units. Ensuring adequate implementation of sustainability objectives, measures and reporting in mBank Group in accordance with regulatory requirements.

**(MDR-A, paragraph 69) Expenditures on the implementation of sustainability actions**

In order to fully leverage opportunities connected with a transition of economy towards socially and environmentally sustainable, as well as to effectively manage risks generated by the transformation processes or social and environmental changes surrounding the Group, we take actions at strategic and operational levels as described throughout the hereby sustainability disclosure. These actions result in investment spending, including capital expenditures (CAPEX), and generate operating expenses (OPEX) related to the current activities or the evolution of the business model. In addition, at mBank Group we are

incurring a range of expenses resulting from the inclusion of ESG factors into every-day activity in business segments and support functions. Many of these efforts we have been undertaking since years, although new obligations continue to arise in relation to ESG, and so the new processes resulting from them are becoming part of broader mechanisms of the Group's operations, at the same time being integrated into overall cost base. In light of this, assessing total financial resources allocated to delivery of the plans related to sustainable development in the current and future periods, starts to pose a range of operational challenges. At the same time, considering evolution of processes to plan and manage these spendings, any attempt to isolate them is in our opinion sub-optimal and does not support effective decision making.

Notwithstanding that, below we present a summary of key material OPEX and CAPEX spending in relation to mBank Group activities in relation to sustainable development in 2024:

- Staff costs related to attracting and maintaining employees focused on implementation of the sustainable development strategy, customer-facing business activities in corporate and retail segments, as well as regulatory reporting or development and servicing of supporting applications and tools.
- Costs related to services received from external consultants, auditors and law firms supporting development of processes and internal competencies of mBank Group, or companies providing access to data used for the purposes of analysis and reporting. Most of these costs are managed through our multi-year ESG Program.
- Spending related to activities aimed at promoting or supporting delivery of sustainable development objectives of the Group, in particular those defined under the ESG strategy of mBank Group for 2021-2025.
- Costs of activities aimed at education of external stakeholders, in particular in relation to environmental and social matters.
- Spending related to Corporate Social Responsibility (CSR) activities of the Group.
- Membership fees related to participation in organisations and societies promoting sustainable development ideas.
- Cost of trainings related to building ESG competencies.
- Audit fees in consequence of material increase of regulatory and reporting obligations, in particular related to CSRD.
- Development of new or existing IT infrastructure (platforms, systems, applications, data warehouses, calculators) and tools supporting processes of analysis and reporting on sustainable development.

As noted above, majority of the costs we incur are integrated into budgets of respective units and are not managed in isolation from other types of business spending. However, we would like to bring transparency and provide further detail for selected initiatives, especially those where in 2024 mBank undertook significant efforts to establish effective and sustainable teams, infrastructure and processes.

ESG Program

At mBank Group we leverage the Program, managed from the level of mBank S.A., as the main entity within the Group, to support Sustainable Development Committee and therefore steer key initiatives in the area of sustainable development. Where we generate investment and advisory costs, they are jointly managed as part of the ESG Program, which started in 2022, and are monitored in detail by the Sustainable Development Committee. Decisions related to the size of this spending are also subject to ongoing cost management processes within the Group. The full scope of these actions allows to maintain adequate level of control over costs, effective channelling of funding and supports cost planning efforts. Total costs of the Program in 2024 amounted to PLN 5 million, at the same time showing a growth trend over 2022-2024, demonstrating intensification of efforts. We expect the required spending to remain high in 2025 as we plan to continue to invest in IT infrastructure development, digitalisation of analytical and reporting processes, and further transform our operations.

Investment in knowledge and people

People are central to mBank Group culture and future success. In 2024 we either set up or began operational activity as part of a number of new roles focused around sustainable development, including Chief Sustainability Officer, Sustainability Reporting Director, Non-Financial Risk Management Department Director, Sustainable Finance Department Director in Corporate Banking, ESG Director in Private Banking or Green Assets Department Director in mLeasing. That resulted in setting up an mBank Group community, together with accompanying teams, of above 40 individuals dedicated to fulfilling responsibilities connected

to sustainable development, supported by a broader group of colleagues and enthusiasts. Costs incurred in 2024 as a result amounted to around PLN 10 million. We perceive this investment as critical for building adequate competencies, allowing us to leverage the opportunities stemming from the transformation towards sustainable economy, but also as a way to mitigate risks related to dynamically changing regulatory and business obligations. We also want to make sure we are there for our clients to support their sustainable transformation journeys.

Responsible communication with stakeholders

In mBank Group we place matters such as education and promotion of sustainable development principles very high amongst our priorities in relation to communication with external stakeholders. In 2024 we have undertaken a range of activities promoting environmental and social matters important to us through marketing campaigns, participation in conferences, educational campaigns or dedicated customer meetings during which we attempted to also demonstrate how financial institutions can accelerate the process of transformation towards more sustainable economy. In relation to these activities we incurred costs of around PLN 10 million.

**(GOV-3) Sustainability-related performance in incentive schemes**

A detailed description of the incentive scheme of mBank Group is provided in chapter 10.3. The amount of fixed remuneration paid to the members of the Management Board and the Supervisory Board is not directly dependent on the achievement of the ESG objectives, including climate-related aspects. However, the progress in implementing objectives covered by the system indirectly affects the assessment of the performance and the amount of variable remuneration of the Management Board.

In 2024, the incentive system was focused on variable remuneration, which is awarded, among others, based on the assessment of achievement of MbO objectives, including ESG objectives. The weights of ESG objectives set for the members of mBank's Management Board range from 15% to 20% (with no clear indication, what share of this ratio is connected with the topic of climate change), depending on their respective functions. The objectives set for the Management Board are approved and updated by the Supervisory Board. The key success factors covered objectives consistent with the strategic objectives.

**(GOV-4) Due Diligence Statement**

mBank Group makes every effort to conduct its business in a sustainable and responsible manner, respecting human rights, labour, the environment, and anti-corruption principles. In 2015, mBank committed to these principles by joining the United Nations Global Compact (UNCG) initiative. We present a broad view of the due diligence process conducted by us in relation to sustainability issues in various sections of this statement. It includes our approach to our own operations, primarily employees and compliance with regulations and standards by mBank Group itself, as well as our approach in the value chain, i.e., our actions and requirements for suppliers and customers.

In 2024, the due diligence process was first included in relation to material topics as understood by ESRS. The table below provides information on the key elements of the due diligence process in relation to the respective sections of the statement.

| Core elements of due diligence | Sections in the sustainability statement |
|---|---|
| Embedding due diligence in governance, strategy and business model | ■ ESRS 2 GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies,<br>■ ESRS 2 GOV-3: Integration of sustainability- related performance in incentive schemes,<br>■ ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model. |
| Engaging with affected stakeholders | ■ ESRS 2 GOV-2 understood as cooperation resulting from decisions made by the Management Board and/or discussed during Supervisory Board meetings based on information presented at these meetings,<br>■ ESRS 2 SBM-2: Interests and views of stakeholders,<br>■ ESRS 2 IRO-1,<br>■ ESRS 2 MDR-P, and<br>■ topical ESRS: reflecting particular stages and aims of engaging stakeholders in the due diligence process, including for instance cooperation and education of clients in order to support them in climate transition, described in section ESRS E1. |
| Identifying and assessing negative impacts on people and the environment | ■ ESRS 2 IRO-1,<br>■ ESRS 2 SBM-3,<br>■ mBank Group Specific Disclosure (ESD) „(ESD) Risk management (including counteracting greenwashing)", describing the process of identification of negative impacts from the perspective of risk |

| | |
|---|---|
| | management, which in banking sector is particularly advanced area of operations. |
| Taking action to address negative impacts on people and the environment | ■ ESRS 2 MDR-A shown as actions within each section dedicated to specific material topics, marked as "MDR-A",<br>■ ESRS E1-1 „Transition plan to reach climate neutrality". |
| Tracking the effectiveness of these efforts and providing respective information | ■ ESRS 2 MDR-M in terms of explaining the metrics used to assess the Group's progress in specific areas, presented in relevant sections dedicated to specific material topics, such as explaining the methodologies used to calculate the Group's emissions provided in section ESRS E1 or explaining the principles of monitoring financial health indicators in accordance with mBank's goal reported to PRB, which we write about in section ESRS S4,<br>■ ESRS 2 MDR-T in terms of goals presented in relevant sections dedicated to specific material topics, such as diversity or succession goals specified in section ESRS S-1 and financial health goals of customers described in section ESRS S4, which are strategic goals of the Group. |

Among the various activities conducted in the Group in 2024 that can be classified as elements of the due diligence process, two of them were of particular importance. The first was the double materiality analysis, described in detail in section (IRO-1) "Double Materiality Assessment" later in this chapter. In this process, we expanded the approach practiced in the due diligence process, aimed at identifying actual and potential negative impacts on the environment and people, to include the identification of aspects of positive impact and opportunities in the context of sustainable development. To this end, we conducted, among other things, a dialogue session with stakeholders. The second action we took to support the implementation of due diligence in the organization was the analysis of documents and procedures carried out by a specialized external entity, in terms of mBank meeting minimum human rights guarantees. The analysis covered publicly available documents, internal documents provided by mBank, and the use of qualitative techniques in the form of group and individual interviews. The areas in which regulations were analyzed include bank activities significantly related to human rights issues, i.e., freedom of association and the right to collective bargaining, working conditions such as health and safety, remuneration, working hours, forced labor, child labor, data protection, discrimination, industry risk, as well as - significantly from a human rights perspective, aspects related to the natural environment, corruption, and bribery, and aspects related to human rights in the supply chain. Both actions provided us with conclusions to deepen analyses and adjust internal procedures towards compliance with best market practices in the field of due diligence.

mBank communicates its expectations regarding principles and values to its suppliers and business partners, which it expects entities in its value chain to adhere to, including respect for human rights and compliance with labour rights. These expectations are reflected in the "Sustainable Development Code for mBank S.A. Suppliers and Partners", "Participation Rules in the Procurement Process" or the information material for the "Taxonomy Statement of the Client (Corporate Banking)", which refers to the standards mentioned in Article 18 of the EU Taxonomy[6]. 89% of our suppliers subject to this procedure have read and declared that they comply with the "Supplier Principles". The principles particularly refer to acting in accordance with the Universal Declaration of Human Rights, International Labour Organization standards, OECD guidelines (especially in the area of anti-corruption), the 2030 Agenda for Sustainable Development (SDGs), the United Nations Convention Against Corruption, and the provisions of international trade sanctions and embargoes.

### (GOV-5) Risk management and internal control over sustainability reporting

The responsibility for sustainability reporting rests with a dedicated unit set up for this purpose in the finance area and headed by the director for sustainability reporting. The director is in charge of preparing the report in cooperation with other units of the Group, in particular the CSO, thus ensuring adequate implementation of sustainability objectives, measures and reporting across mBank Group in accordance with regulatory requirements.

In order to manage the operational and regulatory risks connected with the preparation of the first sustainability disclosures of mBank Group under the CSRD and in line with the ESRS, the Group launched a dedicated project, which received adequate resources and support from the Management Board. The project was tasked with organising the preparation of mBank Group's disclosures and cooperating with mBank's majority shareholder, Commerzbank AG, in the preparation of Commerzbank Group's disclosures. The project was organised into thematic streams led by owners and coordinators at mBank and representatives in the Group subsidiaries, acting under the leadership of the sustainability reporting unit. The project was additionally supported by external advisors to mitigate the related risks. The progress of work on the disclosures, any risks identified in the reporting process and their mitigants as well as remedial measures were reported by the sustainability reporting team to the Sustainability Committee and documented in the materials submitted to the Committee. Moreover, in 2024 the Group's readiness for

[6] More information on the process of checking compliance with minimum guarantees of our clients under EU Taxonomy reporting is described in chapter 10.2. "Environmental information (ESRS E1, E4)", subchapter "Taxonomy disclosure".

CSRD reporting was tested. Matters where needs for further actions were identified were discussed with appropriate units that received detailed recommendations, a summary of which was presented to the Sustainability Committee. The work on implementing the recommendations was performed in 2024 and will continue into the coming periods.

During its meetings, the Audit Committee of the Supervisory Board was updated on the progress in preparing the Group for sustainability reporting by the director for sustainability reporting in the presence of respective Management Board members.

Internal controls covering sustainability reporting and management of related risks are detailed in the Order of the President of the Management Board on mBank Group's Sustainability Reporting under the CSRD and the Order of President of the Management Board on Rules of Reporting on Eligibility and Alignment of mBank Group's Exposures with the EU Taxonomy. The controls cover:

- allocation of responsibility for preparing information and data on individual topics,
- identification of reliable data sources, both internal and external, as described in internal manuals, procedures and methods,
- requirement to apply the four-eye principle when preparing data and information before they are published in the disclosures,
- review and verification of the materials by the sustainability reporting team together with respective units, thereby installing it as an additional line of defence in the operational risk management process,
- handover of the disclosures to the director for sustainability reporting and the CSO for approval, upon receiving which, handover to the members of the Management Board towards approval.

As far as the risk connected with using estimates in sustainability reporting is concerned, the principles applicable in the Group assert that the accuracy of the data provided should be commensurate with its relevance. It is acceptable to use estimates, provided that they are transparently documented.

In addition, as part of a project launched in 2024 the workstreams prepared descriptions of processes and responsibility, which made it possible to close the gaps identified in processes and laid the foundations for a detailed description of tasks performed by individual units as part of the sustainability reporting process. In case of risks related to correct reporting of the Group's carbon footprint, which arise from the multitude of approaches used on the market and the need to use selected market indicators, the control mechanism comprised a review and development of new methodologies, as well as the creation of a new function in the risk area responsible for coordinating methodological consistency across the Group. In order to mitigate the risks identified in the social and governance streams, dedicated teams were appointed to indicate areas of responsibility for defining and ensuring the provision of necessary data that so far had not been reported by the Group in the form required under the CSRD. When working on this disclosure, additional risks were identified whose mitigation required extensive project work and changes in systems. The mechanism used to control these risks involves putting them on a list of risks reported to the Sustainability Committee and developing a tactical approach to reporting where it was not possible to implement final solutions by the time of preparing the disclosure.

Moreover, in 2023 mBank's internal audit team performed an in-depth analysis of ESG processes in the Group, which also covered the Group's readiness to reporting in accordance with the CSRD and the ESRS. The analysis resulted in a number of recommendations. Throughout 2024, the internal audit team, the Management Board and the Audit Committee of the Supervisory Board successively monitored their implementation in terms of quality of work and timely completion. The recommendations with deadlines in 2024 were completed and approved by the Internal Audit Department, which additionally strengthened the developing control environment of ESG processes amid the dynamically changing market and regulatory landscape.

The implementation of adequate data quality management standards and the use of technologies available within mBank Group and on the market are an important part of the control environment for sustainability reporting data. In 2024, the ESG Data Architecture workstream of the ESG Program, the sustainability reporting team and other units of mBank Group joined forces to set out a pathway of actions to be taken in the coming years. The process of building an ESG data mart and defining a process for selecting reporting tools has commenced. However, since most of the tools available on the market are still in their early stage of development, we expect that this process will continue and that the implementation of relevant technologies and their integration with the Group's IT infrastructure will take several years. Although this will require higher capital expenditure (CapEx), the growth in operational expenditure (OpEx) on processes in their final form will be limited thanks to the automations applied. At the same time, the process of implementing the data quality management rules already applicable at mBank into sustainability data management has also begun. It will progress along with the organisation's maturity in this area.

The metrics presented in this statement, i.e., all indicators showing the Group's progress in terms of sustainable development, have not been approved by any external body other than the assurance service provider. In cases where the fact that the Group cooperates with advisors on various sustainability issues was deemed relevant to the recipients of this report, we have indicated it in the content of the respective chapters.

**(IRO-1) Double Materiality Assessment**

Process description

The Double Materiality Assessment (DMA) considers two dimensions: the impact and financial materiality. For a financial institution such as mBank, the impact materiality describes the impacts caused across the supply chain and by the own business activities, as well as the investment portfolio, on the environment and society. The financial materiality on the other hand, focuses on the influence of the outside world on the Group's financial standing and can materialize through both risks and opportunities arising from matters such as climate change or gender equality. The DMA process, as such, becomes a starting point for collecting data unique and relevant to the undertaking not only for the purpose of reporting, but more importantly, to further enable integration into business processes and become co-driver of value, helping to track progress towards reducing negative or strengthening positive impacts.

In 2024 we conducted our first double materiality assessment process to map and gain a deep understanding of material impacts, risks and opportunities (IROs) arising from sustainability topics associated with our business model. This analysis has been accepted by the Sustainable Development Committee and Management Board in Q1 2024 and again in Q3 2024 following a refresh based on more recent input data, as well as observations from the stakeholder dialogue session we conducted in June 2024. We developed mBank Group's approach with reference to ESRS, guidance published by EFRAG and expert support. We have built a step-by-step process, including assessment method and the relevant stakeholders' engagement.

While the DMA is an obligatory regulatory requirement, we rather perceive it as an additional tool to be utilized to advance the Group's ability to identify and manage IROs. By incorporating its results into internal management processes we move beyond the sole reporting of sustainability data and showcase that ESG initiatives are able to sustainably create value and positive impacts within mBank and for the broader stakeholder circle.

Our double materiality assessment was carried out based on the following approach:

1. Understanding the context

Our starting point was to map and understand key elements of our value chain and affected stakeholders across our business activities and business relationships. To do this, we conducted internal and external context analysis. The external analysis consisted of a market analysis that could help us identify possible sources of macroeconomic and industry-specific IROs and included a benchmark peer analysis. Combined with the results of the internal analysis, this phase allowed us to prepare a long list of potentially material sustainability topics and subtopics for mBank Group, from which IROs are likely to arise.

| |
|---|
| **Sources for internal analysis:** ESG Report/sustainability statement, annual report of mBank Group, ESG strategy, documentation of the bank's risk management process, ESG-related policies, mBank Group's media communication analysis, organizational know-how. |
| **Sources for external analysis:** sectoral and industry reports, research and analytical studies on the impact of the sector on ESG topics, reports on the market and macroeconomic situation in the region, ESG regulations for the banking sector, ESG ratings and rankings, peer analysis. |

2. Identification of actual and potential IROs

The long list of topics and subtopics was then used to inform the process of identifying and preparing the list of potential IROs. We assigned the identified IROs to the underlying part of the value chain they were related to, considering time horizon of impacts as a context. Based on the value chain identified (see the section "Value chain of mBank Group"), we developed a stakeholder engagement approach by selecting key internal and external stakeholders to be consulted directly through the survey and the dialogue session.

While the integration of stakeholders' views is an essential part of the sustainability reporting structure as one of the main sources of information, our understanding of the engagement process reaches far deeper. The gained insights pose a unique resource, which is utilized in a variety of different ways to drive benefits beyond the purpose of reporting and compliance. The insights influence the portfolio of products and services we offer our clients and broadens the risk assessment horizon. For example, by recognizing material ESG risks, such as those stemming from climate-related financial exposures or social governance

issues, mBank can better anticipate and mitigate potential threats to our financial stability and can continue to be a strong and reliable partner to clients in the present and future.

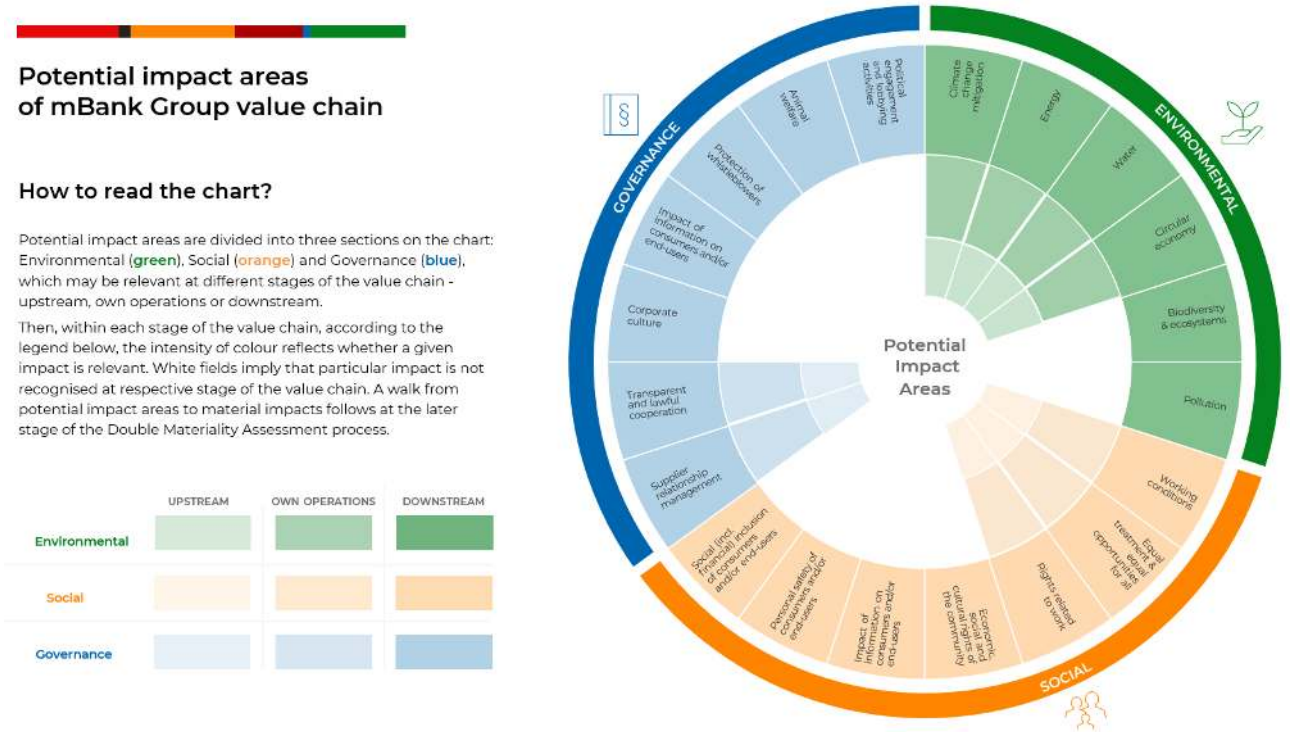
The process engaged stakeholders from mBank Group's key location in Poland. The assessment of potential IROs was performed in close collaboration with a relevant range of internal and external stakeholder groups. Both affected and interested stakeholders were consulted through representatives of: suppliers, clients, investors, business partners, industry and non-governmental organizations and experts on sustainable development in the banking sector. The inclusion and understanding of our stakeholders is crucial in equipping us with the ability to drive long-term value creation, further build competitive advantages, improve operational resilience and to align our ESG business strategy with the expectations of stakeholders, regulators in particular. After IROs were identified along our value chain – downstream, own operations and upstream, they were then assigned to the lower granularity level of ESRS topics including sub-sub topics.

**Dialogue with stakeholders**

The stakeholder engagement process included both qualitative and quantitative research, as well as expert workshops. We conducted two surveys: one aimed at employees of the Group already involved in ESG topics, and the other directed towards investors. The employee survey allowed us to initially identify and assess the Group's positive and negative impacts on environmental and social issues, while the investor survey provided input into the financial materiality component. Employees identified energy, **prevention and detection of money laundering** as well as **cybersecurity and data ethics** as the most important impacts. On the other hand, investors considered the most significant risks to be **GHG emissions in the bank's portfolio**, **corporate culture**, and **cybersecurity**.

A particularly valuable and interesting experience was the qualitative research, in the form of a dialogue session, to which representatives of the main stakeholder groups were invited. A range of important sustainability issues relevant to the financial sector were discussed. During the discussion, the need for responsible decisions regarding mBank Group's portfolio emerged strongly. Participants emphasized that mBank influences its environment not only through its direct activities, but also through the initiatives and organizations it finances. Stakeholders appreciated mBank's current efforts to combat climate change through international initiatives like SBTi and the use of recognized standards such as PCAF. At the same time, they stressed that these actions should not be seen as the final achievement but rather as a platform for further development. The Group's social engagement was positively received, but dialogue participants encouraged mBank to provide more significant support to smaller local communities. Stakeholders also pointed out insufficient actions by mBank Group in the area of ESG verification and collaboration with suppliers. During the discussion, it was noted that in order to position itself as a leader in the ESG field, the bank must take an ambitious approach across the entire value chain, including its starting point. Issues of inclusive banking and service accessibility were also emphasized with stakeholders, pointing out that mBank should focus not only on physical accessibility improvements, but also for addressing the needs of vulnerable clients.

Following EFRAG guidance on double materiality assessment, our starting point is assumed to be the impact materiality assessment, as a sustainability impact may become financially material when it translates into financial effects in the short, medium, and long term. However, both perspectives were intertwined with inter-dependencies between the two dimensions considered across the entire DMA exercise.




3. IRO Assessment

All qualitative inputs used to assess IROs were translated into quantitative inputs based on a set of defined thresholds for each of the assessed criteria. Impact materiality was assessed independently from financial materiality by looking at positive or negative, and actual or potential impacts, and then financial risks and opportunities for each sustainability matter.

The scoring criteria used are based on the requirements of ESRS:

- Impact materiality: scale, scope, irremediability (where impact is negative), likelihood (where impact is potential) using a 1-5 scale (where 5 means highest impact).
- Financial materiality: financial magnitude of risk or opportunity, likelihood and the nature of the financial effect using a 1-5 scale.

The threshold for human rights-related impacts was adjusted based on ESRS guidelines.

Internal stakeholders performed the initial scoring of IROs before adjustments were made based on external stakeholder input (dialogue session results). After conducting the employee survey, topics indicated by respondents as material were recalculated. Both impact (own operations) and financial materiality assessment were consulted during the workshop or structured in-depth interviews with our C-suite management, and finally, the IROs were deemed either material or non-material by the Sustainable Development Committee.

*Portfolio impact analysis*

To meet the requirements of the CSRD that states the DMA must be conducted for the entire value chain of the Group, the portfolio impact materiality was conducted as a second dimension of the impact materiality analysis. To do this, we implemented the United Nations Environmental Program Finance Initiative (UNEP FI) methodology using the Portfolio Impact Analysis Tool for Banks. Consumer Banking and the Institutional Banking Identification Modules were used to identify portfolio impacts for mBank Group. We performed the analysis using the last full year's audited data. The data input for the:

- consumer banking concerns our retail banking segment;
- institutional banking concerns mBank Group corporate and investment banking segment

For the portfolio impact analysis in the area of biodiversity impact, we also implemented the Encore methodology approach developed to identify exposure to nature-related risk and understand dependencies and impacts on nature (see subchapter "ESRS E4 Biodiversity and ecosystems", E4-5).

*Assumptions and thresholds*

The thresholds and evaluation criteria used to assess the impacts, risks and opportunities followed the recommendations of ESRS. Key assumptions included:

- Clustering of similar (sub-)sub-topics as defined in the ESRS standards into one sustainability topic to facilitate the identification of IROs during interviews, workshops, or dialogue session.
- Assumption that the consulted stakeholders would share insights on the topics where they have the most knowledge.
- While assessing IROs, benchmarking with Commerzbank results was conducted to ensure consistency of approach within the group, where we recognised this was relevant.
- Material topics were considered those that received an impact or financial materiality score **equal or above 3**

We found the materiality matrix as the clearest and the most convenient visualization of the DMA results (see "(SBM-3) List of material topics").

4. Integration of the results into reporting and strategy

Final governance steps in the process of double materiality assessment included validation and approval by Sustainable Development Committee of mBank Group, then by the Management Board as the highest governance body, with further notification to the Supervisory Board Audit Committee, which oversees sustainability reporting processes.

We believe that double materiality analysis is not only an obligatory step to meet regulatory requirements but also a valuable tool that enhances our ability to manage identified IROs. Incorporating the DMA into Group's internal management processes is crucial for shaping a comprehensive strategy which advances sustainable development and promotes ESG values. The results helped us to identify both financially material risks and environmental and social impacts, allowing these factors to be further integrated into the bank's internal risk management system. By recognizing material ESG risks, such as climate-related financial exposures or social governance issues, mBank can better anticipate and mitigate potential threats to our financial stability. At the same time, the analysis uncovers business opportunities in sustainable finance, that might help us to create value and gain a competitive advantage by offering innovative products such as green bonds, sustainability-linked loans or investments in ESG funds. Furthermore, identifying the environmental and social impacts of our investment portfolio enables the Group to offer our clients more sustainable financial solutions. We can collaborate with clients to not only support the reduction of negative environmental and social impacts, but also their transition towards more sustainable business practices. Ultimately, double materiality equips us with the insights needed to drive long-term value creation, improve operational resilience, and align our ESG and business strategies with the expectations of stakeholders and regulators. In Q4 2024, on CSO's request, Sustainability leaders at mBank have prepared proposed targets for the new strategy considering outcomes of the DMA.

**(SBM-2) Interests and views of stakeholders**

In mBank Group, we implement our Strategy, which includes ESG aspects, oriented towards the requirements and needs of various stakeholders. The key stakeholders of mBank Group, i.e., interested parties, include selected entities from the value chain description of the Group. We understand key stakeholders as those to whom the Group's Strategy is directed:

- Employees of the Group, with whom cooperation is organized, among others, within the framework of shaping remuneration policy in the context of market trends and employee expectations, improving the training offer in response to employees' needs for developing future skills, or regularly surveying employee sentiments regarding work standards through Pulse Check surveys. The aim of these activities is to maintain motivation and job satisfaction in the Group while developing competencies that will allow it to grow its business. The results of Pulse Check surveys are discussed at various levels of the organization, including the Management Board level, and management processes are improved in response to them.
- Shareholders and investors, who are not only a source of capital and expect a satisfactory return on investment from mBank Group but also as partners supporting sustainable development. Cooperation with the majority shareholder, Commerzbank Group, involves regular contacts at various levels of the organization, from specialist positions where employees share knowledge to management positions and regular meetings within the Supervisory Board and its committees. The aim of this cooperation is to ensure consistent operating standards within the Commerzbank Group, fulfil the duties of Supervisory Board members diligently, and co-create best business practices in the region. The Group incorporates the results of this cooperation within the framework of internal procedures and processes

alignment and responding to challenges posed to individual teams by members of governing and supervisory bodies. Regarding other shareholders and investors, who are significant stakeholders of mBank as a regular issuer of securities on the financial market, cooperation mainly involves communication within earnings conferences, current information, materials prepared for shareholder meetings, and materials and meetings prepared within the series of meetings with shareholders and investors, so-called roadshows. The results of these interactions are taken into account by the Group in improving its market communication and building the sustainable finance segment, where mBank acts as an issuer of green bonds.

- Clients of the Group, whom we strive to support in meeting their needs. The Group conducts cyclical NPS (Net Promoter Score) surveys with clients to understand their needs. The results are analysed and passed on to teams responsible for product and process development, which are ultimately used in building the strategy and business model. Individual clients can also provide their suggestions about any area of their experience through various communication channels, such as phone contact, direct contact at a branch, through the mobile application, or via social media. We also maintain a dialogue with customers at the launch stage of new solutions in digital channels. Service and functionality proposals are tested with mBank users. Detailed information on their engagement is presented in the section "ESRS S4 Consumers and end-users". Regarding corporate clients, cooperation is organized both based on bilateral contacts and within the Group's activities at various conferences and market events. The aim of this engagement is to improve the Group's offer, both in terms of the product range and the experiences of interacting with the Group's employees and using our platforms. For example, the Group has made educational materials on ESG available in the form of the report "Financing the transformation of the economy towards sustainable development," prepared in cooperation with Polityka Insight. Information on green transformation and a free CO2 calculator, available after logging in, is provided on the mLeasing website. These materials are available to a wide audience and do not require establishing a business relationship with mBank Group.

- Our suppliers and business partners with whom we want to build relationships based on mutual trust. mBank S.A., as a signatory of the 10 principles of the UN Global Compact, supports the achievement of the UN's sustainable development goals, especially those within our sphere of influence. In our daily activities, we respect the provisions of the most important international regulations concerning human rights, labour standards, environmental protection, and anti-corruption[7]. Ongoing interactions with suppliers within the framework of concluding and performing mutual obligations create space for feedback to continuously improve cooperation. Similarly, contacts with numerous business partners within associations, working groups, industry events, or bilateral meetings. We cooperate with other financial institutions within various initiatives, such as the Polish Bank Association, striving to build consistent market standards. An equally important stakeholder of the Group is the regulator - the Financial Supervision Authority, and other public entities with whom the Group remains in contact by providing information in the form of surveys, conducting correspondence, and engaging in direct dialogue. These efforts primarily serve to improve internal governance within the Group.

- In mBank Group, we also carry out activities that have a positive impact on the communities around us. Our corporate social responsibility activities are carried out with the participation of the mBank Foundation. We pay attention to issues important to society, such as cybersecurity.

The way we analysed the opinions of key stakeholders within the materiality assessment process is described in the section (IRO-1) "Double Materiality Analysis Process".

The current Group Strategy has a five-year horizon, but it was updated and adapted to market realities halfway through its duration. The Group's business model undergoes more frequent adjustments if required by our stakeholders. The information obtained by the Group within various contacts with our stakeholders is translated into business planning and further development of the strategy and business model. They support key strategic analyses, which involve market analysis and trend analysis in the environment. In terms of strategy, the Group does not conduct formal dialogue with numerous stakeholders regarding its shaping. The key entities during strategy preparation are the Group's management team and members of the Supervisory Board, also representing the main shareholder. Strategic decisions take into account customer expectations regarding offered products and employee expectations regarding the attractiveness of their workplace. They are supported by various studies, including those provided by research companies. At the time of publishing this statement, we are in the process of preparing a new strategy, within which we will strive to meet the voices of stakeholders gathered through Pulse Check surveys for employees, surveys and other customer studies, and the indirect voice of investors and shareholders. The results of the dialogue with stakeholders may be taken into account in the development of the new strategy where appropriate. mBank Group is in the process of validating medium-term decarbonization goals specified in the submission to SBTi. These goals will constitute an important element of the Transition Plan in line with

[7] More about the principles we follow at mBank S.A., the leading company of the Group, can be found in our Sustainable Development Code for suppliers and partners available at [11](https://www.mbank.pl/pdf/CSR/mbank_kodeks-dostawcow_2021_pl_.pdf)

the new strategy of mBank Group, which will be announced in 2025. We also plan to take further steps within the analyses of the bank's portfolio dependencies and impacts on biodiversity and ecosystem issues, which we describe in the subchapter "ESRS E4 Biodiversity and ecosystems". In the Group's opinion, these changes align with strengthening market trends and should serve to improve the Group's relations with its stakeholders.

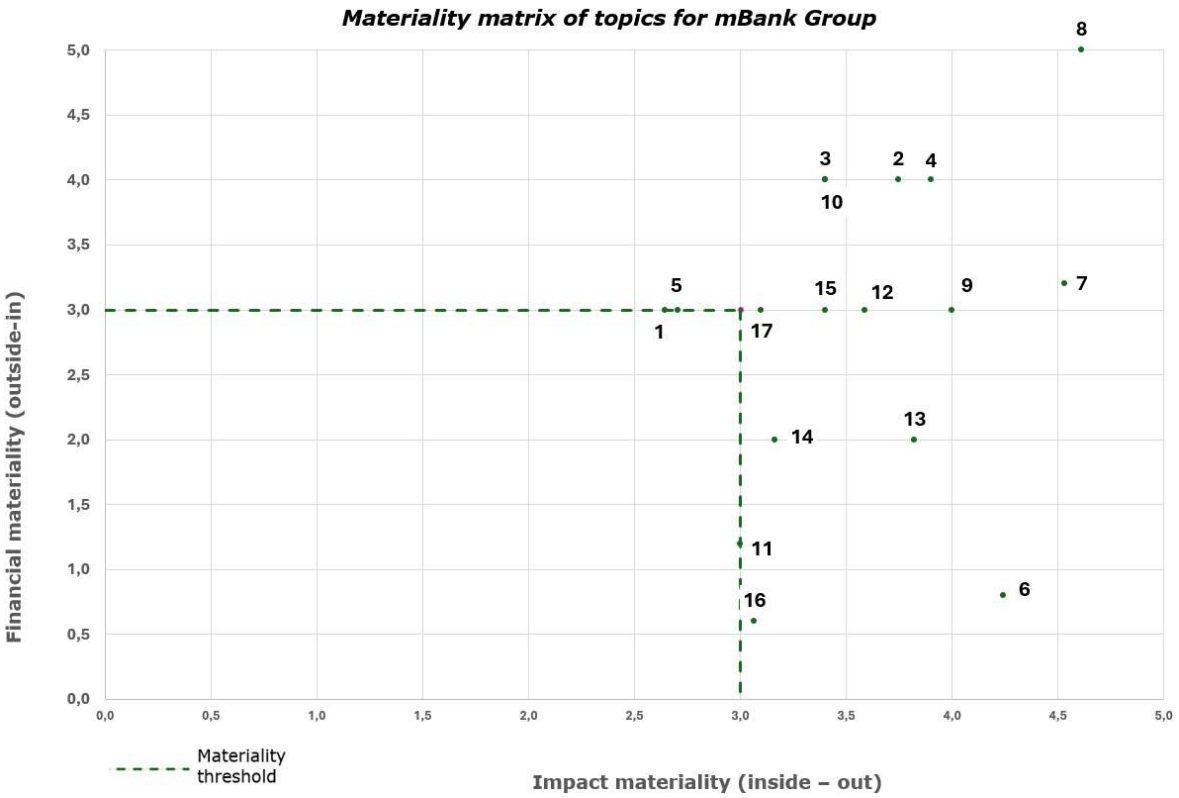
The opinions and interests of stakeholders in the area of sustainable development were conveyed to the Management Board in 2024 in the form of a summary of the results of a dialogue session with stakeholders presented at the Sustainable Development Committee forum. Similarly, the results of Pulse Check surveys are presented at various levels of the organization, and the possibilities of responding to signals reported by employees through this channel are discussed, among others, at leader meetings.

### (SBM-3) List of material topics

The following results of the materiality assessment were presented to, validated and approved by the Sustainable Development Committee and the Management Board.

| | |
|---|---|
| **Environmental** | |
| 1 | Climate change adaptation[1] |
| 2 | Climate change mitigation[1,2] |
| 3 | Energy[2] |
| 4 | Transition plan[1,2] |
| 5 | Biodiversity and ecosystems[1] |
| **Social** | |
| 6 | Working conditions[2] |
| 7 | Equal treatment and opportunities for all[2] |
| 8 | Information-related impacts for consumers and/or end-users[2] |
| 9 | Social inclusion of consumers and financial health[1,2] |
| 10 | Customer experience[2] |
| 11 | Sustainable development supporting offer[2] |
| **Governance** | |
| 12 | Corporate culture[2] |
| 13 | Protection of whistle-blowers[2] |
| 14 | Corruption and bribery[2] |
| 15 | Prevention and detection of money laundering[2] |
| 16 | Tax transparency[2] |
| 17 | Risk management[2] |

*[1] Applies to Group's portfolio [2] Applies to own operations*




The characteristics of significant impacts, risks, and opportunities presented in this section of the statement serve to concisely present material topics. Their detailed interrelationships with the Group's strategy and business model are comprehensively shown in the respective sections dedicated to them, within the framework of the policies, actions, and goals assigned to them. The table below provides a brief description of significant impacts, risks, and opportunities and their placement in the value chain. The table also indicates whether the impact, risk, or opportunity is assigned to topics covered by ESRS or constitutes a Group-specific disclosure (Entity Specific Disclosure - ESD). A comprehensive description of our significant impacts, risks, and opportunities is presented in the table below, along with our approach to assessing the resilience of the strategy and business model to these issues. This approach, in our opinion, allows for a better presentation not only of the placement of topics in our operations but also of how we manage them. As a public trust entity, we strive to assure our stakeholders of our reliable approach to sustainability issues in our operations. ESG topics, have been present in the Group's strategy since 2020, with each subsequent strategy aiming for greater integration of business issues with sustainability matters. Not only the significant impacts, risks, and opportunities identified in the Group for the first time in the 2024 disclosure but also those disclosed by other market participants will provide important insights for the Group's decision-making process and the practical implementation of our strategy. Striving for the resilience of our strategy and business model, as well as wanting to remain an attractive entity for entrusting us with capital, both financial and human (by entering into professional relationships with the Group) we will observe the potential need for changes to the strategy and business model and take necessary, justified actions in this regard. The experiences of recent years, such as the dynamic adjustment of operations to remote work during and after the Covid-19 pandemic, demonstrate that we are capable of making impactful decisions while maintaining the quality of services offered and even turning the changes introduced into its strengths, such as remote customer contacts.

At the current stage of ESRS disclosures, we do not provide detailed information on the current financial effects of significant risks and opportunities and do not identify significant risk of material adjustment in the next annual reporting period of the balance sheet values of assets and liabilities shown in the related financial statement. The justification for this approach is the procedure adopted in the current reporting period in the Group to assess financial impact within the framework of double materiality analysis, which does not allow for assigning specific amounts to each of the risks and opportunities, which we explain in section (IRO-1) "Double materiality assessment".

In terms of significant impacts, in the double materiality analysis, we analysed the impact on all areas of sustainability. Naturally, the main area of analysis for individual topics was the topical group to which they were assigned within ESRS. For example, in mitigating climate change, the first area considered was the environment. However, taking into account that in the Group, ESG risk is considered horizontally, as we write more about in section (ESRS 2 SBM-3) "Climate-related risks and opportunities", as well as the

direction of regulatory development, such as the requirement to check minimum guarantees within the qualification of assets for EU Taxonomy disclosures, and the equally important area of governance, we strive in the Group to comprehensively consider our impacts. We believe that our influence on the environment, social area, and corporate governance issues is closely related to the Group's strategy and business model. Strategic decisions translate into processes undertaken within current operations, which then affect our stakeholders and the natural environment. For example, the strategic goals of net climate neutrality are reflected in the Group's active financing of solutions contributing to climate change mitigation and minimizing the financing of environmentally harmful projects. The strategic goals of promoting diversity in the workplace affect the working conditions of our employees, who are a key resource - alongside funding sources - for business development. Our impact analysis included, in accordance with regulatory requirements, short-, medium-, and long-term horizons. We recognize that in most aspects, the impact horizon converged towards the long term, due to the fact that many aspects related to sustainability take years to reach their full potential, such as building a corporate culture based on diversity. Similarly, in the case of climate impact, discussions are held in the Group, corresponding to the market debate, on the perception of the appropriateness of short-term environmental impact through banks' exit from investing in high-emission entities versus the long-term impact of maintaining such clients on the balance sheet and financing their transformation, which can also positively affect the social area by maintaining jobs.

Our impacts result from and are related to maintained business relationships. The main part of the Group's operations involves financing the needs of its clients, so our impacts materialize in current and potential business relationships with our clients. Similarly, relationships with our employees are subject to ongoing analysis and form the core of our impact in terms of employment. As a company listed on the Stock Exchange, we are aware of our broad market presence and strive to take care of these impacts starting from our key business relationships. In cases where the cited actions are simultaneously related to fulfilling regulatory obligations and are not voluntary actions, the impact of fulfilling these obligations is still assessed as positive. Due to the first-time analysis and disclosure of significant impacts, risks, and opportunities, there have been no changes compared to the previous reporting period.

| ESRS | Material topic | Impact on society/environment | Name and type of material impact, risk or opportunity | Focus area |
|---|---|---|---|---|
| ESRS E1 Climate change | 1. Climate change adaptation | The bank should consider the adaptation factors of financed projects to climate change in its credit processes, as clear communication can help clients build resilience to increasingly frequent adverse weather events. On the other hand, the projects financed by the bank may contribute to the depletion of important resources, such as water or land (agricultural infrastructure). Lack of adaptation to this type of risk can cause physical risk and negatively impact credit risk (interruption in loan repayments). | **Opportunity**: Contribution to better protection from natural disaster | Group's portfolio |
| | | | **Physical risk**: Financing industries that can cause natural disaster or worsen it | Group's portfolio |
| | 2. Climate change mitigation | The Group has a real and potential positive impact on the environment. We achieve this through actions to reduce greenhouse gas emissions and finance activities related to climate change mitigation, as well as increasingly financing activities covered by the EU Taxonomy. The negative impact is the result of the Group's direct actions within its business activities. At the same time, we are taking actions to reduce energy consumption and strive to power our operations with renewable energy sources. Although the Group avoids financing high-emission activities, some of the projects we finance still exhibit such characteristics. | **Actual positive impact:** Financing activities related to climate change mitigation and adaptation | Own operations |
| | | | **Actual negative impact:** Emissions resulting from the bank's direct operations | Own operations |
| | | | **Opportunity:** Contributing to the reduction of greenhouse gas (GHG) emissions | Own operations / Group's portfolio |
| | | | **Transition risk:** Contributing to greenhouse gas (GHG) emissions | Own operations / Group's portfolio |
| | 3. Energy | The real negative impact results from the Group's use of gas, central heating, gasoline, and diesel. Granting mortgage loans results in | **Actual positive impact:** Energy consumption reduction measures | Own operations |

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| | | increased energy consumption and contributes to greenhouse gas emissions. mBank has a real positive impact by continuously reducing its own energy consumption and increasing the use of renewable energy. | **Actual negative impact:** Energy consumption in bank locations | Own operations |
| | | | **Transition risk:** Contributing to greenhouse gas (GHG) emissions[8] | Group's portfolio |
| | 4. Transition plan | Setting decarbonization goals and creating a Transition Plan can support the Group in exerting a positive impact on the climate by reducing greenhouse gas emissions from its own operations and financial activities (portfolio). | **Potential positive impact/ Opportunity:** Developing a transformation plan to mitigate climate change effects | Own operations |
| **ESRS E4 Biodiversity and ecosystems** | 5. Impacts and dependencies on ecosystem and species | The potential negative impact results from the fact that part of mBank's portfolio is associated with industries that may have a negative impact on species or natural capital. Nevertheless, mBank increases its potential positive impact by financing activities indirectly related to the protection and restoration of ecosystems. | **Physical/transition risk:** Contributing to the development of industries that may harm ecosystems | Group's portfolio |
| | | | **Opportunity:** Supporting industries working to prevent ecosystem and biodiversity loss | Group's portfolio |
| | | | **Physical/transition risk:** Contributing to the development of industries that may harm species | Group's portfolio |
| **ESRS S1 Own workforce** | 6. Working conditions | mBank's actions to increase employment, establish clear remuneration policies, support employee dialogue, and measures supporting work-life balance contribute to the bank's real positive impact. | **Positive actual impact:** Safe employment | Own operations |
| | | | **Positive actual impact:** Transparent remuneration policies and components | Own operations |
| | | | **Positive actual impact:** Continuous dialogue with employees and their engagement | Own operations |
| | | | **Positive actual impact:** Work-life balance for employees | Own operations |
| | 7. Equal treatment and equal opportunities for all | Actions to equalize opportunities for all employees and support personal development have a real positive impact. mBank also has an extensive diversity policy and channels for reporting inappropriate behaviour. | **Positive actual impact:** Striving for gender equality in the workplace | Own operations |
| | | | **Positive actual impact:** ESG education for employees | Own operations |
| | | | **Positive actual impact/ Opportunity:** Investing in employee development | Own operations |
| | | | **Positive actual impact:** Preventing discrimination and other unacceptable behaviours in the workplace | Own operations |

[8] In the double materiality analysis, within the topic of "energy", significant risk related to contributing to greenhouse gas (GHG) emissions through the portfolio was identified, which was also included in the climate change mitigation section, in the section "Climate change in the context of mBank Group's portfolio"

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| ESRS S4 Consumers and end-users | 8. Impacts on consumers or end-users related to information | The ongoing digitization of banking leads to exposure to risks such as the loss or theft of confidential data (including customer data). However, data security is very high on the mBank Group's priority list. Therefore, rigorous security standards have been implemented, training for employees and customers has been conducted, and the "Self-defence in the network" campaign has been launched. | **Negative actual impact:** Incidents of loss and theft of personal data | Own operations |
| | | | **Positive actual impact:** Data security system and educational activities in the field of cybersecurity | Own operations |
| | | | **Negative potential impact / Risk:** Potential cyberattack incidents, including impersonation of bank employees to defraud bank customers (individual and institutional) | Own operations |
| | | | **Positive actual impact:** Transparent, effective, and accessible complaint process | Own operations |
| | | | **Positive potential impact/Opportunity/ Risk:** Preventing misselling and potential cases of it | Own operations |
| | | | **Opportunity:** Ensuring access to financing for consumers | Group's portfolio |
| | 9. Social inclusion of consumers or end-users | By signing the "Commitment to Financial Health and Inclusion" UNEP-FI, we have committed to ensuring broad and equal access to our services for various customer groups. We also help our customers efficiently manage their obligations and provide them with a sense of security regarding their financial future. These activities have also been included in the Group's strategic goals.<br>The mBank Group's strategy for 2021-2025 assumes a constant increase in remote service and sales. We test changed and new digital solutions in the application and transaction service for compliance with WCAG (Web Content Accessibility Guidelines). Thanks to this, new products and services are adapted to the needs of all users, building inclusive banking. The bank enables remote account opening, and most services are available through the mobile application. Customers, including people with disabilities or living far from branches, can open an account at any time using an e-ID or the "selfie account" method. Branches are constantly being adapted to the needs of people with disabilities to enable them to have direct contact with advisors. | **Opportunity/ Risk:** Ethical marketing and sales activities | Own operations / Group's portfolio |
| | | | **Positive actual impact / Opportunity:** Supporting financial health in Poland | Own operations / Group's portfolio |
| | | | **Positive actual impact:** Inclusive banking | Own operations / Group's portfolio |
| | 10. Customer experience<br>*(mBank Group-specific disclosure)* | mBank Group has been conducting cyclical customer satisfaction surveys (NPS) for years, both in the corporate and retail segments. The continuous, systematic process of verifying and researching customer satisfaction can result in greater marketing and sales effectiveness of the bank and a better offer that better addresses the needs of our customers and improves their financial situation. | **Positive actual impact: / Opportunity:** Simplifying banking procedures and services through continuous customer feedback review | Own operations |
| | 11. Products for individual | mBank Group strives to exert a positive impact by reducing financing for high- | **Positive actual impact:** | Own operations |

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|---|---|---|---|---|
| | customers supporting sustainable development *(mBank Group-specific disclosure)* | emission industries and redirecting investment capital to more environmentally friendly projects. This implies a business opportunity and allows for a positive impact of the bank's portfolio activities on the environment and attracting environmentally conscious consumers. This, in turn, can translate into increased sales and revenues, helping us build a sustainable business, resilient to environmental threats and providing value to various stakeholders. | ESG financing and products | |
| **ESRS G1 Business conduct** | 12. Corporate culture | mBank's positive impact on society and the environment results from its corporate culture being strongly oriented towards ESG, and ESG factors and criteria are significant elements of management and strategic processes. | **Positive actual impact/ Opportunity/ Risk:** Considering ESG factors and criteria in management and strategic processes | Own operations |
| | | | **Positive actual impact/ Opportunity/ Risk:** Ethics-based management system | Own operations |
| | | | **Positive actual impact:** ESG-oriented management | Own operations |
| | 13. Whistleblower protection | The Group has an effective and transparent reporting system for irregularities, which serves to report irregularities and ensures whistleblower protection. This system is available to all employees. | **Positive actual impact:** Effective and transparent whistleblowing system | Own operations |
| | 14. Corruption and bribery | Preventing corruption and bribery is an important aspect of our corporate governance, which affects our relationships with customers and contractors. By acting in accordance with the adopted principles, we also indirectly influence the building and maintaining of high standards in the business environment in which we operate. | **Positive actual impact:** Preventing corruption or bribery | Own operations |
| | | | **Negative potential impact:** Potential cases of corruption and bribery | Own operations |
| | 15. Preventing money laundering and detecting it *(mBank Group-specific disclosure)* | As a financial institution exposed to potential incidents related to money laundering and terrorist financing, mBank combats these phenomena by applying internal regulations and policies in force within the Commerzbank Group in this regard. | **Positive actual impact: / Opportunity:** Preventing money laundering and terrorist financing | Own operations |
| | | | **Negative actual impact/ Risk:** Cases of money laundering and terrorist financing | Own operations |
| | 16. Tax transparency *(mBank Group-specific disclosure)* | mBank strives for tax transparency and considers compliance with tax law an important element of its social responsibility and duty to the state. Therefore, it applies a policy that aims to prevent its employees, contractors, and customers from using mBank's services for tax crimes, particularly tax evasion. mBank applies a "zero tolerance" principle and rejects all forms of tax evasion. | **Positive actual impact:** Preventing tax crimes | Own operations |
| | | | **Negative potential impact:** Potential cases of tax crimes | Own operations |
| | 17. Risk management *(mBank Group-specific disclosure)* | Environmental, social, and corporate governance (ESG) factors can significantly impact the risks managed by the Group and amplify their scale. Negative impacts can also be caused by sales practices that are not sufficiently understandable to customers. | **Negative potential impact: / Risk:** Ineffective system for integrating ESG risks with business risks | Own operations |
| | | | **Negative potential impact:** | Own operations |

| | | | | |
|---|---|---|---|---|
| | | | Violation of consumer regulations in connection with the development of a dedicated "green offer" and the issuance of green bonds (Greenwashing) | |
| | | | **Negative actual impact: / Risk:** Use of disputed contract terms in CHF mortgage loans offered to customers | Own operations |

At the Group, we have analysed the resilience of the strategy and business model in terms of their ability to counteract significant impacts and risks and to seize significant opportunities. We focus on building resilience, which is a process spread over time and does not allow for a definitive statement about the resilience or lack thereof of the strategy and business model at this stage of advancement. We gradually incorporate significant impacts, risks, and opportunities into our strategic processes. We consider it important to implement appropriate mechanisms to monitor this aspect of our activities. The analysis of significant impacts, risks, and opportunities will allow us to expand the current processes we conduct in the Group to actively build resilience by analysing market trends and shaping the direction of our organization's development. Below, we present the key conclusions regarding the issues that build the resilience of our business model and strategy concerning significant impacts, risks, and opportunities. In each case, if a short-term horizon is mentioned, it is understood as a period of less than 1 year, the medium-term horizon is a period from 1 year to 5 years, also called strategic due to the fact that the Group's strategy is usually created for a period of 5 years, and the long-term period is above 5 years.

1. Climate change adaptation – an important challenge in the approach to adaptation is the issue of taking adequate actions against possible damages resulting from climate change. This adequacy should be supported by risk assessments based on data, the databases of which are currently being improved in the market. Creating products that meet the technical criteria of the EU Taxonomy in terms of climate change adaptation can be an opportunity for the Group to capture market demand for such solutions, which, with the increasingly intense materialization of the physical effects of climate change, such as extreme weather events, may enjoy growing interest. Adaptation to climate change can also be indirectly perceived as a parallel goal accompanying climate change mitigation. For example, financing the decarbonization of enterprises translates into climate change mitigation but also, in many cases, allows for cost reduction resulting from emission trading regulations, where the introduction of regulations providing incentives for responsible emission management indirectly poses an adaptation challenge for many market entities and entire countries. Similarly, although thermo-modernization activities primarily translate into energy savings and climate change prevention, through better insulation against extreme temperatures, including increasingly frequent heatwaves even in moderate latitudes, they constitute a form of climate change adaptation. The key tasks we identify for the Group in building the resilience of the business model and strategy to the aspect of climate change adaptation are the continuous improvement of physical risk and transition risk analyses for our current credit exposures and when reviewing credit applications.

2. Climate change mitigation – exerting a positive impact within climate change mitigation is an integral part of the mBank Group's strategy and business model. We foresee the continuation of these activities in the short, medium and long-term horizon, which we will detail in the next 5-year strategy. The projects we finance that contribute to climate change mitigation, including those related to the construction of new renewable energy capacities, providing low-emission energy, exert a positive impact also in the long term, according to their operational cycle.

We consider the opportunity to contribute to the reduction of greenhouse gas emissions in the context of the portfolio in a broader sense than just climate change mitigation as defined in the EU Taxonomy. We are working on developing an offer for clients that will support their transformation, thereby translating into a reduction of the Group's portfolio emissions. Having calculated the portfolio emissions, we are aware of the scale of this negative impact, which we indirectly enable through our financing for clients. Our aspiration, in line with the outlined strategy, remains to achieve net-zero emissions by 2050, which will gradually contribute to reducing the negative impact. In terms of our own operations, although the strategic goal is to achieve net-zero emissions in our own operations by 2040, we are already working on actions to achieve the SBTi goals, i.e., a 42% reduction by 2030 in scope 1 and 2 emissions combined compared to the base year 2022.

By presenting a credible emission reduction plan, along with the new strategy in 2025, we will strive to maintain the resilience of our business model by ensuring its stable financing, among others, from investors oriented towards investing capital in institutions pursuing ambitious climate goals. We perceive building resilience to transition risk in the long term and are planning to take related actions, noting partial

dependence on national-level decarbonization progress. In terms of our own operations, we will build the resilience of the business model to climate change mitigation mainly by choosing suppliers aligned with our decarbonisation objectives.

3. Energy - in the case of energy in our own operations, the resilience of the strategy and business model was considered jointly for negative and positive impacts. The horizons of these impacts are convergent – the nature of the Group's activities requires the use of electrical and thermal energy in the short, medium, and long-term horizon. Some of the actions taken by the Group, such as the electrification of the car fleet, even involve increased energy consumption compared to previous periods. According to the National Energy and Climate Plan, a significant reduction in the emission intensity of the Polish energy mix is planned in the medium term, which will significantly reduce the negative impact exerted by the mBank Group's operations.

Considering the high energy prices in Poland, measures to reduce the Group's energy consumption translate not only into emission reductions but also lower operating costs. The negative impact resulting from energy consumption, which is necessary for the Group's functioning, is simultaneously compensated by the purchase of green energy and origin certificates. These actions have an impact on the business model by striving to maximize the use of green energy, which in 2024 accounted for nearly 98% of consumption, as we write more about in the section "Climate change in the context of own operations and energy consumption in the mBank Group." Our headquarters in Warsaw, where most of the Group's subsidiaries are located, is in a modern and energy-efficient building, utilizing modern energy optimization technologies. The actions taken so far will not be significantly modified in the near future, so it is justified to state that the current resilience of the business model and strategy to these factors will be maintained.

In terms of the portfolio, the actions taken by the Group relate to the topic of energy indirectly through the aspect of portfolio emissions and are included in the Transition Plan section. With high energy prices in Poland, financing projects by the Group that lead to reduced energy consumption indirectly reduces credit risk, as it lowers the costs incurred by clients, thereby improving their financial condition.

4. Transition Plan – the Transition Plan, on which the Group started works in 2024 and will continue to work on in 2025, is an important contribution to the new Group strategy. Transition Plan will be a tool supporting the building of strategy resilience through the operationalization of actions leading to the achievement of long-term ambitions in scope of sustainability. To appropriately seize the opportunity identified in the area of preparing and implementing the Transition Plan, the Group initiated a project to prepare this Plan in 2024 with a dedicated team and an external advisor. In 2024, we created the framework of the mBank Group's Transition Plan, which we supported with an analysis of practices from foreign markets and numerous balance sheet and operations analyses of the Group based on recognized market methodologies. The foundation of our plan form emission reduction targets based on the science-based approach provided by SBTi. We are the first of the large Polish banks to present such targets for SBTi's validation. When setting the targets, we have been analysing our business development in short- and medium-term perspective, verifying feasibility of determined targets. In 2025, parallel to the process of obtaining validation for the submitted targets, we plan to further develop the Transition Plan.

5. Biodiversity and ecosystems - in the section "ESRS E4 Biodiversity and ecosystems", it is indicated that the current level of scientific knowledge, market methodologies, and tools used in the Group do not provide sufficient information on the resilience of the business model and strategy in the context of the threat of biodiversity loss and ecosystem degradation. Nevertheless, the analysis conducted identified sectors requiring special attention in this regard, and the inclusion of biodiversity as an element of the Transition Plan will support the proper attention to this area in the creation of the new Group strategy and the adaptation of the business model. The conclusions from the analysis indicated the existence of areas of the Group's financial involvement common to climate and biodiversity issues. For this reason, we interpret actions building the resilience of the Group's strategy and business model to climate change issues also as actions supporting the building of resilience to biodiversity-related issues. At the same time, we are aware of the existing need to take actions dedicated to managing impacts, risks, and opportunities and building the resilience of the strategy and business model through actions dedicated to biodiversity and ecosystems.

6. Working conditions – mBank achieves a positive impact on its employees in terms of maintaining safe employment by undertaking initiatives to increase employment, confirming this with clear communication of employment data. The indicated impact and opportunities are included in the mBank Group Strategy for 2021-2025 in the part titled "Outstanding people and organizational culture," within the goal of building a culture where cooperation is based on trust and good intentions. In this part of the Strategy, we set a goal to be among the best employers in both Europe and Poland and to achieve an engagement index in the highest quartile for the reference area in 2023-2025. One of the analysis tools the Group uses in resilience assessment is the Pulse Check survey. This analysis covers the short-term horizon, i.e., current feedback from employees on their experiences and perceptions of the employer, and the medium-term horizon, related to building employees' sense of security. In the currently implemented strategy, mBank Group undertakes actions related to equal remuneration. Transparent remuneration rules and their components described in policies strengthen trust, motivation, and employee engagement, which translates into higher

work efficiency and an improved image of a company that cares not only about work culture but also about employees' financial well-being. This has a positive impact on building the resilience of our business model in the context of current operations and the resilience of the strategy in the medium term. The Pulse Check survey is a tool that allows for the analysis of the business model's resilience in the context of the indicated positive impact. In terms of working conditions, an important topic for the Group is continuous dialogue with employees and their engagement. In this regard, we have identified a positive impact of increased trust, engagement, and employee satisfaction, as well as their better work efficiency and support for the company's image. This impact serves to ensure the resilience of our business model and strategy in the short and medium term. In the long term, the issue of employee engagement is an important opportunity to be utilized in the competitive environment of the Polish labour market, where various industries compete for digital and quantitative competencies, which are well represented among mBank Group employees. The Group sees this aspect as crucial for its further stable development. The analysis of this resilience in the context of the indicated positive impact is carried out using the Pulse Check tool, which we write more about in the section "ESRS S1 Own workforce of mBank Group". In addition to Pulse Check, the Group conducts other activities identified through market trend analyses and the needs of individual employee generations, which differ from each other. In terms of employee well-being, an important topic for the Group is work-life balance. The introduction of flexible work forms and the promotion of equality and support for parents significantly contribute to maintaining work-life balance, which translates into greater employee satisfaction and a positive image of the mBank brand. We identify this aspect as a positive impact serving to ensure the resilience of our business model in the context of current operations, i.e., the short-term horizon, but also the resilience of the strategy in the medium term. In the long term, the issue of maintaining work-life balance is an important opportunity to be utilized in the competitive environment of the Polish labour market, where companies offer work models preferred by candidates, healthcare initiatives, and support for parents, which are also present in mBank Group. The Group sees this aspect as crucial for its further stable development. The analysis of this resilience in the context of the indicated positive impact is carried out using the Pulse Check tool.

7. Equal treatment and equal opportunities for all - mBank Group considers equal treatment and equal opportunities for all to be important and includes them in its actions and strategy due to the identified positive impact of actions aimed at gender equality in recruitment and promotion processes. The indicated impact and opportunities are included in the mBank Group Strategy for 2021-2025 in the pillar of social responsibility. In our understanding, the positive impact in the area of promoting diversity contributes to building the resilience of the business model and strategy in terms of translating diverse teams in terms of competencies and skills into accurately reading and responding to the business needs of our clients, thereby strengthening our market position. In our opinion, a resilient business model and strategy cannot function without human talents, which is why by creating an inclusive work culture, we strive to employ the best specialists who will feel good in the Group. In the short and medium term, we identify the positive impact, among others, in strengthening the position of women in the organization and utilizing their full potential to support the further development of the bank. Women constitute the majority at lower and middle management levels, which is why the actions taken by the bank activate internal promotions, allowing relatively quick engagement in new tasks thanks to the knowledge of the organization and its culture. In the medium term, consistent with the five-year strategic perspective, we set a goal to increase the representation of women in the management bodies of mBank and its main subsidiaries (including mLeasing, mFaktoring, mBank Hipoteczny, mTFI, mFinanse) to 40% by the end of 2026. Additionally, one of the results included in the strategic OKRs for 2024 was to maintain gender neutrality in managerial positions (new hires) at a minimum level of 50% of women employed and promoted in the managerial staff. In the medium and long term, considering the new European Commission directive on the presence of women on boards and the identified risk of legal proceedings or financial penalties due to insufficient representation of women in higher management positions, mBank Group takes actions to strengthen the position of women in the organization. In the medium term, equal representation of women in higher management positions can improve the bank's reputation, positioning it as a leader in this field. This provides an opportunity to gain a competitive advantage by retaining or attracting the most talented employees to the organization.

Through various initiatives such as the "Sustainability Summit" and cyclical "Sustainability Talks", we develop awareness of sustainable development and ESG factors throughout the organization. Thanks to them, we create a space for exchanging best practices, which promotes building organizational culture coherence and strengthening the reputation as an institution supporting environmental and social goals. The indicated impact and opportunities are included in the mBank Group Strategy for 2021-2025 in the part titled "Outstanding people and organizational culture," within the goal of making our employees' skills a competitive advantage for the bank. The Pulse Check analysis used in this regard provides information for adjusting our actions in the short, medium, and long term as part of strategy adaptation. The Group takes a multi-faceted approach to strengthening the resilience of the business model and strategy in terms of ESG. The "Sustainability Summit" conferences and "Sustainability Talks" meetings are platforms for assessing current challenges and short-term analysis, enabling the identification of risks and potential

opportunities and quick response to market and regulatory changes. On the other hand, e-learning for all bank employees or individual training strengthens employees' ability to understand and adapt to ESG challenges. Thanks to training, it is possible to continuously monitor and analyse ESG knowledge, which serves as an indicator of strategic resilience and is in line with the bank's long-term sustainable development strategy.

Employee development is an important topic for the Group due to the identified positive impact of the set of development tools offered by the Group on employees' competencies and the recognized opportunity to improve the offer for clients through better-qualified, motivated, and loyal employees. The indicated impact and opportunities are included in the mBank Group Strategy for 2021-2025 in the part titled "Outstanding people and organizational culture," within the goal of making our employees' skills a competitive advantage for the bank. In this regard, we set a strategic goal to maintain the career development index (defined by a set of questions from the Pulse Check survey, which reflect employees' and managers' opinions) at a level of 70% positive ratings in 2023-2025. The indicated opportunity and positive impact simultaneously contribute to strategy adaptation in the long term, i.e., over 5 years. This is reflected in the fact that developing employees participate in shaping the next Group strategy, and the skills they acquire in future competencies allow the organization to identify the best strategic business development paths, such as AI and digitization.

Preventing unacceptable behaviour is one of the areas in which mBank Group takes actions to support a culture of trust and good intentions described in the mBank Group Strategy for 2021-2025 in the part titled "Outstanding people and organizational culture." In this regard, we have identified a positive impact in the short and medium term, consisting of building a sense of security among employees. This is served by the channels functioning in the Group that allow employees and other interested parties to report irregularities that may violate the law, internal regulations, or ethical principles in the organization. Other actions to prevent unacceptable behaviour in the workplace include the popularization of the Anti-Mobbing, Anti-Discrimination, and Other Unacceptable Behaviour Policy and training on anti-mobbing and diversity and inclusion. One of the analysis tools the Group uses in resilience assessment is the Pulse Check survey. The positive impact of the mentioned actions also translates into minimizing potential costs resulting from potential incidents.

8. Impacts on consumers or end-users related to information - At mBank, we ensure that personal data processing processes are guided by personal data protection principles. At the same time, all mBank employees participate in mandatory annual training on personal data protection. We have implemented internal regulations that describe how we identify and handle personal data breaches. We operate in accordance with the EU regulation of April 27, 2016, on the protection of individuals with regard to the processing of personal data and on the free movement of such data, as well as in accordance with the guidelines of the supervisor. Following a confirmed incident, we take corrective actions aimed at minimizing or eliminating the risks of personal data security breaches.

Negative impact of personal data loss and theft incidents manifests in different time horizons. The related consequences, especially financial ones, materialize in the short term. Customers affected by such incidents may face their consequences also in the medium and long term, depending on their severity. The significance of this impact in the long term also results from the fact that data is one of the most valuable resources of the modern economy. With the growing awareness of this fact in society and among employees, any incidents involving mBank Group in this area may have long-term consequences for our customers and reputational problems for the bank.

One of the pillars of the strategy for 2021-2025 is technology and security as a source of competitive advantage. We reduce the risk of threats materializing and improve response effectiveness by providing adequate cybersecurity solutions and preventing fraud and scams. Comprehensive tests verifying the level of security and resilience to emerging cyber threats are conducted at least twice a year. The positive impact of the development of the data security system and educational activities in the field of cybersecurity is identified in the short term within the ongoing work of dedicated teams that continuously develop their competencies in the face of frequently emerging new threats, in the medium term within the strategy implementation, and in the long term, where raising society's awareness of the dangers associated with online activity is one of the most effective methods of protection against incidents. An example of such activities is the production of the audio series "Jazgot," which was very popular among listeners, and its second season was produced in 2024. This production serves educational purposes by presenting various types of fraud that can affect bank customers.

To ensure compliance with regulations ("Act on the consideration of complaints by financial market entities, the Financial Ombudsman, and the Financial Education Fund" and the "Act on payment services"), the complaint handling process is monitored, including the timeliness of responses within key internal indicators and statutory deadlines. The regulations resulting from the aforementioned legal acts are included in the "Regulations for accepting and handling complaints at mBank," available on the customer website and for employees in the "Order of the President of the Management Board on handling complaints and grievances

at mBank S.A." We strive to continuously improve processes to reduce the number of incoming complaints. To this end, business owners of products and processes in the bank regularly receive performance reports and contract actions to effectively reduce the number of complaints. The positive impact of quick response in the complaint process is considered short-term due to the ongoing nature of these tasks, as well as medium- and long-term in terms of overall customer satisfaction with their interactions with the bank.

One of the guiding principles for the entire organization indicated directly in the strategy is the adequate calibration of products for customers to support them effectively. Misselling, which is a form of sales that does not meet the customer's needs, is treated as a critical error, as described in more detail in the subchapter "ESRS S4 Customers and end users". Clients are transparently informed about the available channels where they can report violations. Customer experience surveys and complaint reasons are verified, and in the case of product inadequacy reports, an investigation is conducted to minimize the materialization of this risk in the medium term, thereby building the resilience of the business model and strategy to this risk. By taking the described actions, we not only protect our business model and strategy from potential claims resulting from identified cases of misselling but also strive to seize the opportunity to support our customers in effectively managing their finances, which should translate into increased satisfaction and loyalty to the Group and continued use of our products.

One of the pillars of the strategy for 2021-2025 is to increase digital sales and service, enabling customers to easily meet all their banking needs through mobile banking, with call center support if necessary. Thus, we aim to seize the opportunity to provide broad access to financial services for customers. One of our strategic goals is to become a mobile-first bank. We enable, among other things, remote account opening for adults and financial management from anywhere. Seizing this opportunity supports the resilience of our business model and strategy by co-creating market trends and not lagging behind innovative competition. Additionally, we strive to expand access to banking services based on one of mBank Group's strongest points, which it has been associated with for years, namely mobile banking built on digital DNA. By seizing the opportunity to expand the customer base, we mobilize our resources for even greater innovation and process simplification.

9. Social inclusion of consumers or end users - At mBank Group, we strive for the highest standard of services provided at every step. Many of the Group's initiatives and adopted policies aim to create a clear and transparent offer. New products or changes to products must be consistent with mBank's strategy and values, including the principle of empathy and the philosophy of customer focus. The Group does not hide fees and applies the principle of transparency in communication. In information and materials directed to customers, we use simple and understandable language, in line with the banking practice of mKanon. mBank also adheres to the principle of providing an appropriate scope of information.

The indicated opportunities are included in the ESG Strategy pillar of mBank Group for 2021-2025 concerning social responsibility, where we have indicated that we want to have a positive social impact by supporting the financial health and education of our customers. mBank has a Responsible Banking Policy. These unique frameworks ensure that the strategy and practice of signatory banks are aligned with the vision of society defined for its future in the Sustainable Development Goals and the Paris Agreement. mBank, as the first bank in Poland, signed a declaration on supporting financial health and inclusive banking within UNEP FI. In 2024, we announced the first goal we will pursue under this initiative, which is to increase and maintain the financial resilience and financial well-being of Poles by supporting them in managing expenses and building a financial cushion. We monitor the achievement of this goal by examining how many of our customers believe they are providing themselves with a financial cushion - at the end of 2024, 54% of respondents made such declarations. The positive impact of supporting customers' financial health is noted in the short term through regular monitoring of customer activity in using the finance manager. In the medium term, we expect the positive impact of our actions to translate into achieving an indicator of at least 50% of customers who believe they are financially resilient. In the long term, we want to have a positive impact on customers' financial situations and seize the opportunity to offer them a wider range of tailored banking products.

The mBank Group's strategy for 2021-2025 assumes increase in remote service and sales. We test changed and new digital solutions in the application and transaction service for compliance with WCAG (Web Content Accessibility Guidelines). Thanks to this, new products and services are adapted to the needs of all users, building inclusive banking. The bank enables remote account opening, and most services are available through the mobile application. Customers, including people with disabilities or living far from branches, can open an account at any time using an e-ID card or the "selfie account" method. Branches are gradually being adapted to the needs of people with disabilities to enable them to have direct contact with advisors.

Actions to build inclusive banking allow for a positive impact in the short term, making it easier for customers to use our services, as well as in the medium term, where the experiences of rapid digitization during the COVID-19 pandemic served as an impetus for extensive innovations in offering products to customers. In the long term, we see the positive impact of inclusive banking as a necessary adaptation to the growing digital advancement and demographic changes (e.g., aging) occurring in society. Thus,

we prepare our business model and strategy for the anticipated needs of society, wanting the Group to remain a reliable but also attractive partner for customers, offering additional services beyond traditional banking, such as access to public programs (e.g., 800+) or the "mOkazje zakupy" platform.

10. Customer experience - Our efforts focus on thoroughly and precisely understanding customers' needs and their changing preferences and behaviours to accurately position mBank in relation to future trends. Such in-depth knowledge will enable us to deliver a holistic and well-calibrated value proposition, including not only banking products but also additional services, to increase the intensity of using mBank's services and strengthen customer relationships. In the short term, the positive impact and opportunity utilization in this area are reflected in achieving a leading NPS score, contributing to a more positive perception of mBank in the market. We also use communication intended for current customers, emphasizing our tailored offer and appreciation for the most loyal users to further increase their NPS. Customer satisfaction, measured by the NPS indicator, is crucial for the acquisition model and subsequent monetization in the medium and long term, thanks to understanding the behaviours and needs of customers from different demographic groups. We also conduct additional research aimed at deepening knowledge about customers and their requests. Dialogue with customers is conducted by both research companies acting on behalf of mBank and bank employees who meet with customers for interviews.

Effective utilization of positive impact and opportunity for business model and strategy resilience is achieved mainly through planning and conducting research on the attitudes, needs, and behaviours of retail banking customers, market analysis, and popularizing customer-involved design within the organization.

We also conduct other activities to maintain the resilience of the business model and strategy by managing the impacts and opportunities of simplifying and improving the offer and customer service, such as quality standards training for organizational units dealing with direct service channels, quality audits ("Mystery Shopper"), or interviews and workshops with customers conducted using the design thinking method in mBank Lab, our creative workspace.

11. Products for individual customers supporting sustainable development - We identify a positive impact in the short term, where we expand our offer with products supporting sustainable development and promote them among customers while adhering to responsible sales principles. According to the "New Product Introduction Policy," we evaluate new products for their impact on ESG factors. The analysis includes planning, implementation, and possible modifications. This approach reduces the risk of introducing products that negatively impact ESG aspects, do not meet customer needs, or harm mBank's reputation. We also note a positive impact in the medium term for investment products with a horizon of over a year and in the long term for financing real estate with documented low energy consumption. For each new loan, except for refinancing, we have introduced the requirement to provide an Energy Performance Certificate, which already in the short term improves the quality of the Group's database and allows for better management in the medium and long term. Achieving intermediate sales goals for loans secured on the most energy-efficient properties strengthens the resilience of the business model and strategy in this area, where we identify constant customer interest in mortgages and investments. Building the resilience of the business model in the context of the sustainable product offer is assessed within the framework of business and financial analysis processes such as strategy creation or financial planning.

12. Corporate culture - Considering ESG factors has a short-term impact on management processes and medium- and long-term impact on strategic processes. We adhere to the principles of internal governance, including the "Best Practices of WSE Listed Companies, 2021," which we describe in more detail in chapter 11. "mBank's Statement on the Application of Corporate Governance Principles in 2024." The bank meets all best practices for 2024, including elements of diversity and transparent presentation of its environmental strategic goals. Short-term resilience is supported by the fact that mBank operates in accordance with the applicable internal governance regulations, which include, in particular, the Bank's By-Laws, Internal Governance Policy, and the regulations specified in the By-Laws. The positive impact in the medium and long term is ensured by the growing role of ESG factors in management and strategic processes, visible, among others, in the organizational changes carried out in the Group in 2024, including the creation of the CSO team and the modification of the Sustainable Development Committee's work formula. The opportunities and risks associated with the management system are strongly interdependent with other impacts, risks, and opportunities significant for the Group, such as the risk of not meeting diversity parameters in management bodies, which is mitigated by the Group's active efforts to promote diversity and equal opportunities.

As part of creating a corporate culture, an important topic for the Group is an ethics-based management system. In this regard, we have identified the positive impact of maintaining ethical standards in mBank Group on the resilience of the business model. In the short term, actions such as ethics training, an ethics dialogue forum with employees "Dialogues on Ethics," and mKanon increase employee retention by building a culture based on trust and good intentions (as one of the goals of the mBank Group Strategy for 2021-2025). Ethical actions directed externally maintain a positive customer experience, which in the long term is an important opportunity to leverage in the competitive environment of the Polish labour market.

We see this aspect as crucial for further stable development and building business resilience. To minimize regulatory and reputational risk, we ensure compliance with internal governance policy. Our ethics-related actions are presented at Management Board meetings and supervised by the Vice President of the Management Board for Compliance and HR. We also monitor the number of reported cases of unacceptable behaviour by employees in the mSygnał application and other reporting channels.

The positive impact on sustainable development management in the organization in the short term is identified within the organizational changes made in 2024 and the clear assignment of responsibility for individual ESG areas. In the medium term, we aim to have a positive impact in this area by creating a new strategy. In the process, we take into account the conclusions from the double materiality analysis conducted in 2024, including stakeholder dialogue sessions, which allows us to consider the opinions and interests of interested parties. In the long term, we aim to have a positive impact by embedding responsibility for ESG aspects within the ongoing activities of various Group areas while maintaining central control over compliance with regulatory requirements and the application of good market practices in this regard.

13. Whistleblower protection - For the bank as a public trust institution, reputation and image among stakeholders are unique values, which is why we nurture the positive impact resulting from maintaining an effective and transparent system for reporting irregularities, which helps prevent abuses. In the short term, the resilience of the adopted business model is manifested in the effectiveness of the reporting system, which allows for effective response to reported cases. This is supported by the "zero tolerance" policy, regardless of the person who committed the abuse or financial crime. We expect honest and lawful conduct from all employees, customers, and contractors. In the medium and long term, we assume the further development of the reporting process by building a culture of trust, training, and communication, as well as analysing identified cases and regularly reviewing internal regulations.

14. Corruption and bribery - The bank operates in accordance with legal regulations, supervisory requirements, as well as its own standards of integrity and corporate values. We care about the image and trust of customers and business partners and do not tolerate any forms of corruption. Preventing corruption or bribery in the short term translates into a positive impact and resilience of the business model, as it protects the Group from penalties and legal consequences of improper behaviour and facilitates establishing business contacts with other entities that require equally high standards in this regard. The adopted business model of the bank shows resilience to the risk of corruption. In the short term, the resilience of the adopted model to risk results, in particular, from the implemented organizational solutions, principles of cooperation with business partners, verification and control of compliance with internal regulations, as well as the availability of a channel for reporting violations. In the medium and long term, we assume the further development of the anti-corruption process by building awareness of values in the organization, training, and communication, as well as regularly reviewing internal regulations and anti-corruption market standards, thereby maintaining the current resilience of the business model.

Regarding the potential negative impact of corruption incidents, the Group's business model shows resilience in our opinion in the short, medium, and long term. The anti-corruption system adopted by the bank effectively mitigates the risk in this area. Since January 2023, no confirmed cases of corruption have been identified in the bank. There have been no court cases related to corruption or bribery against the bank or its employees, nor have there been any convictions or penalties for violating anti-corruption regulations. In the medium and long term, we assume maintaining effective risk mitigation of corruption, which will, however, require maintaining or even intensifying current actions due to the fact that corruption remains present in the markets where the Group operates, as supported by the Transparency International publication, according to which the Corruption Perception Index in the European Union worsened in 2023 compared to 2022.

15. Anti-money laundering and detection - mBank, as a member of the Commerzbank Group, is engaged in the international fight against money laundering and terrorist financing, acting in the public interest as well as its own. We do not tolerate the use of our products and services by customers or business partners for illegal activities. Therefore, we have implemented an Anti-Money Laundering and Counter-Terrorist Financing Program, which is an essential part of protecting the institution as an entity within the financial system. The implemented AML/CTF Program is consistent with national and EU regulations on anti-money laundering and counter-terrorist financing. mBank's AML/CTF activities focus on developing processes and control requirements that allow for the identification of money laundering and terrorist financing risks. The bank also conducts periodic tests and controls covering all AML/CTF activities. We identify these as measures exerting a positive impact. As a financial services provider, the bank is exposed to potential incidents related to corruption, bribery, or other unethical behaviour. Therefore, we have identified potential reputational risk due to the indirect facilitation of money laundering and terrorist financing in case of non-compliance with AML/CTF regulations, including insufficient transaction analysis or inadequate employee training, as well as the risk of legal proceedings and imprisonment for bank employees, which could result in loss of trust and competitiveness among customers and business partners. Every bank employee is

required to complete AML training annually. Additionally, the implemented regulations and the adopted three lines of defense model effectively identify and mitigate potential AML/CTF risks. Advanced procedures and processes in the field of anti-money laundering and detection build the resilience of the Group's business model in the short term, and the Group's investments in this area aim to maintain the resilience of the strategy in this area in the medium and long term. Due to the presence of AML phenomena in global financial markets for many years, there are no indications that the negative impact of incidents affecting the Group can be completely eliminated. However, the effectiveness of current actions and their continuous development provide a credible basis for stating a high degree of the Group's resilience to this phenomenon in the long term.

16. Tax transparency - mBank's tax transparency policy and related actions have a key positive impact on obligations to the state, building stakeholder trust, compliance with regulations, and promoting responsible business practices. Preventing tax crimes is one of the pillars of this policy. mBank's strategy assumes zero tolerance for tax crimes. As one of the largest taxpayers in Poland, we are tax transparent. To ensure the short, medium, and long-term resilience of the business model in this area, we implement internal tax regulations in the bank. Employees are aware of the importance of transparency and anti-tax crime actions and know the channel where they can report them. In this regard, mBank aligns with the tax transparency policy represented by its main shareholder, Commerzbank. In the event of fraud or tax crimes, due to the scale of impact, they would potentially have a negative impact and lead to non-compliance with relevant regulations. To ensure resilience to such phenomena, we counteract tax risk and develop both the competencies of the Tax Department team and educate employees through training.

17. Risk management - In the Group, we consider the impact on the environment, society, and corporate governance in developing our activities, including sustainable financing for our clients. We gradually integrate environmental issues into risk management by incorporating them into relevant processes and policies. We manage ESG risks by executing mechanisms for their identification, measurement, assessment, mitigation, monitoring, and reporting into standard processes within credit, market, liquidity, and non-financial risk management. The Group's risk inventory process is conducted annually as part of the ICAAP/ILAAP review. ESG risks are included in the "mBank Group Risk Catalogue." The principles of risk identification and Catalogue updates are defined by the Bank's internal regulations concerning the ICAAP process. By building a risk management system that integrates ESG risks, we aim to create a permanently resilient business model. As part of actions to assess and minimize ESG risks, we have implemented a systematic process for reporting and monitoring risk concentrations related to environmental, social, and governance issues for the corporate K3 segment. The potential negative impact of consumer regulation violations related to the development of a dedicated "green offer" and the issuance of green bonds (Greenwashing) is recognized in the short term due to ongoing market proceedings related to greenwashing. In the medium and long term, the potential negative impact is associated with the relative immaturity of anti-greenwashing regulations while developing products described as environmentally or socially sustainable. Additionally, long-term risk arises from the fact that, similarly to the issue of CHF loans, which we refer to below, potential negative impacts may be raised several years after the occurrence of a given phenomenon.

In mBank Group, we are open to products supporting sustainable development. Through an offer that considers environmental aspects, we want to limit potential risks and support clients in seizing emerging business opportunities. We support corporate clients in the energy transition, and during the design or development of products, we consider the latest regulations related to environmental risk (including the technical standards of the EU Taxonomy). We take actions to manage greenwashing risk, which we intensified in 2024. More about these actions can be found in the section "(ESD) Risk Management (including Greenwashing Prevention)."

The negative actual impact of regulations and case law related to mortgage and housing loans granted to individual clients in CHF (more information can be found in note 34 of the mBank S.A. Group Consolidated Financial Statements for 2024) has been present in the Group's results for several years. Despite the high costs incurred by the Group related to the use of currently challenged provisions in client agreements, the Group has demonstrated resilience in continuing operations in the short and medium term, and in the long term, it sees prospects for improving its performance. More information on the prospects for profitability and loan development in the Group can be found in section 3.4. "Strategic Financial Goals of mBank Group for 2025." The financially and reputationally severe experiences related to the CHF issue have led the Group to adopt an even more cautious approach to the products offered to clients, but they do not allow for the complete elimination of the risk of future problems related to court rulings on agreements with clients or their regulation by politically dictated solutions.

## 10.2. Environmental information (ESRS E1 and EU Taxonomy, E4)

Environmental issues, particularly climate change, are increasingly becoming a priority for many political leaders, regulators, various associations and financial institutions. The awareness of the high importance of environmental issues for the future of societies worldwide, initially popularised primarily by non-governmental organizations and foundations, is now firmly rooted among decision-makers. At the same time, there is growing awareness of the costs necessary to build the resilience of society and the economy to climate change and the ongoing loss of biodiversity. The large scale of the necessary financial investments means that environmental transformation is progressing at an uneven pace in many regions. It depends on the available resources and the prioritization of their distribution to improve the overall social well-being. Numerous scientific studies[9] indicate, however, that climate change and biodiversity loss are facts, and only active, large-scale action can counteract their effects. Achieving and maintaining a broad scale of investment in this area is currently one of the greatest challenges for political and business decision-makers. In this context, at mBank Group we see the unique role that financial institutions play in striving to reduce environmental impact. As indicated in the IPCC (Intergovernmental Panel on Climate Change) report, "If climate goals are to be achieved, both adaptation and mitigation financing would need to increase many-fold. There is sufficient global capital to close the global investment gaps but there are barriers to redirect capital to climate action. Enhancing technology innovation systems is key to accelerate the widespread adoption of technologies and practices."

mBank Group operates in Poland, the Czech Republic, and Slovakia, EU countries that, in accordance with EU law, have developed National Energy and Climate Plans[10]. These plans outline the path of energy transformation in the areas of decarbonization, energy efficiency, security, the energy market, and research and innovation. Their goal is to set targets for individual member states in a way that ensures the achievement of the EU's greenhouse gas emission reduction goals. The first of these goals stems from the EU's Fit for 55 package and includes a commitment to reduce EU emissions by 55% by 2030 compared to the 1990 baseline. The second goal stems from EU climate law and assumes net-zero emissions in the European Union by 2050. Achieving these aspirations involves expenditures, which, according to the European Commission's calculations from February 2024, will amount to approximately EUR 1.5 trillion annually between 2031 and 2050. Of this pool, according to estimates by the French think-tank Institute Rousseau[11], more than two-thirds must come from private investments. The think-tank also developed calculations for Poland, according to which the cost of transformation in our country will amount to approximately EUR 2.4 trillion between 2024 and 2050, which translates to approximately EUR 90 billion annually, i.e., approximately 14% of annual GDP. Similar to the European Commission's analysis, only about one-third of these investments will be covered by public funds, and the rest will require private capital involvement. The required investments include the transport, construction, agriculture and the transformation of the energy sector.

The financial sector in Poland, including mBank Group, sees significant opportunities of climate transition for economic development and banking sector’s future. An example is investments in renewable energy installations. The increase in the share of renewable energy sources in the so-called energy mix observed in recent years in Poland, where the share of energy from renewable sources in energy production amounted to 29.6%[12] in 2024, is also thanks to banks financing such projects. mBank Group already has extensive experience in sustainable financing and supports clients in implementing low-emission and efficient projects, which we describe latter on. At the end of 2024, we allocated PLN 7.6 billion for sustainable financing projects and mobilized PLN 8.5 billion from the market. Already after the third quarter of 2024, we announced the achievement of the strategic goal of PLN 10 billion in sustainable financing. The project portfolio includes transactions for purposes compliant with the EU Taxonomy and other investments in renewable energy, energy storage, sustainable construction, low-emission transport, or the circular economy. We also support sustainable development on the retail segment side of our customers. We offer them financing for energy-efficient properties, the definition of which is presented in the section "Sustainable development support activities for retail segment customers (individuals and business customers)". We also offer products for business customers, such as a business loan for the purchase of renewable energy installations, energy storage, and heat pumps. Business customers can also take advantage of a secured loan on energy-efficient property for entrepreneurs. We also offer investment solutions promoting environmental or social characteristics subject to disclosure requirements in accordance with Article 8 of the SFDR.

It is worth noting that the Polish and European financial markets see sustainable financing as one of the most important trends in shaping the product offer. This trend is only starting to mature and, along with accompanying regulations, including CSRD reporting and the EU Taxonomy, is becoming an integral part of banking activities. All regulatory incentives and legislative stability can significantly help increase the

[9] Collection of studies is presented for instance on the UN website: https://www.un.org/en/climatechange/science/key-findings
[10] https://www.gov.pl/web/klimat/krajowy-plan-na-rzecz-energii-i-klimatu, https://mpo.gov.cz/en/energy/strategic-and-conceptual-documents/the-national-energy-and-climate-plan-of-the-czech-republic--285295/, https://energy.ec.europa.eu/system/files/2022-08/sk_final_necp_main_sk.pdf
[11] Rousseau Institute, Road to Net Zero, 2024, https://institut-rousseau.fr/road-2-net-zero-en/
[12] https://www.forum-energii.eu/2024_wrapped

scale of sustainable investments in Poland. At mBank Group, we actively promote knowledge and educate our clients about the benefits of sustainable transformation, what we describe in section "Activities supporting sustainable development for corporate clients". Awareness of how financially profitable in the long term, but also beneficial for people's health and well-being, sustainable development is, has been a key driver of sustainable investments in the private sector in recent years. The belief in the profitability of sustainable investments is supported by the World Bank Group's report from November 2024. It includes estimates that faster decarbonization, assuming net-zero emissions by 2050, would allow for Poland's GDP growth of at least 4% (cumulative over 25 years, until 2050) above the level achievable under current policies. This report also indicates how improving air quality, which in Poland is among the most polluted in European countries, would translate into GDP growth by 2050.

According to the cited studies, we see that the greatest costs of transformation are still ahead of us. Therefore based on our previous experiences, we are ready to further adapt our products to the needs of clients and actively distribute EU funds. The comprehensive challenges facing the Polish economy mean that the ambitious goals of individual enterprises or individual clients in achieving, for example, climate neutrality or energy independence require adequate legal and regulatory conditions as well as public-private cooperation on large-scale investments to replace decommissioned high-emission energy sources with alternative solutions. Due to the specifics of the energy sector in Poland and in the interest of the country's energy security, investments of this scale are managed at the state level. Their legitimacy is supported by the second reason justifying the presence of state investments in climate transformation – the need for a fair, accessible, and inclusive transformation. Even the best-prepared companies and individuals will not be able to prosper if the country lacks energy capacities to power existing transmission networks. Ensuring these capacities alongside the expansion of energy networks, adapted to handle dispersed renewable sources with lower unit power than traditional coal-fired power plants, is an example of synergistic cooperation between private and public investments. Additionally, a fair transformation should allow the inclusion of market participants who cannot afford independent change, even supported by bank financing.

In the environmental area, the Group's double materiality analysis has identified material topics under ESRS E1 "Climate change" and ESRS E4 "Biodiversity and ecosystems". We then present the disclosure in line with Article 8 of Regulation 2020/852 (EU Taxonomy). The following subsections cover the mBank Group's Transition Plan, climate change in the context of the Group's own operations and energy consumption, and then in the context of the Group's portfolio. The environmental area closes with the approach to biodiversity and ecosystems, which the analysis identified as material to the Group only from the perspective of its portfolio in the corporate segment.

## TAXONOMY DISCLOSURE

### About EU Taxonomy and its principles

In June 2020, the European Commission (hereinafter "EC") adopted a regulation on the establishment of a framework to facilitate sustainable investments, also known as the EU Taxonomy[13] (hereinafter "Taxonomy"). The main purpose of this regulation is to create a unified classification system for environmentally sustainable economic activities.

Taxonomy contains a list of activities that can have a positive impact on the environment. Each activity has been assigned specific eligibility criteria. Each activity that complies with the Taxonomy:

- meets the technical criteria of "significant contribution" to at least one environmental objective[14] listed in the Taxonomy,
- meets the technical criteria of "do no significant harm" (DNSH) to the other objectives,
- is carried out in a socially responsible manner by meeting minimum safeguards.

The analysis of the above criteria enables to assess whether a given project or investment will sustainably support the environment, contribute to the reduction of GHG emissions and the achievement of European Union's climate neutrality goal by 2050.

The European Commission based the criteria defined in the Taxonomy on research and scientific knowledge. This has significantly helped to determine the desired environmental direction for the development of various activities. Additionally, it can also limit situations where funds and energy are allocated to actions

[13] Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 together with a set of delegated regulations: Delegated Regulation 2021/2139 (a delegated act setting technical qualification criteria for two environmental objectives), Delegated Regulation 2021/2178 (a delegated act for Article 8 of the Taxonomy, the so-called DDA), Delegated Regulation 2022/1214 (a delegated act for nuclear and natural gas activities), and Delegated Regulations 2023/2485 and 2023/2486 (delegated acts implementing amendments to existing documents and setting technical qualification criteria for the remaining four environmental objectives).
[14] Environmental objectives listed in the Taxonomy: (1) climate change mitigation, (2) climate change adaptation, (3) sustainable use and protection of water and marine resources, (4) transition to a circular economy, (5) pollution prevention and control, (6) protection and restoration of biodiversity and ecosystems.

that only selectively support the environment, consequently exposing the project to accusations of so-called greenwashing[15].

The list of activities is not exhausted. More economic activities may be added to the Taxonomy for example with the development of more energy-efficient technologies or development of further technical criteria or political agreements. The absence of an activity on the Taxonomy list is not an obstacle for mBank Group to provide funding, it means that the bank and its subsidiaries will not be able to include the loan in the calculation of Taxonomy indicators. At the same time, it does not mean that an activity is not worth supporting for other, such as social or economic, reasons.

According to current regulations and interpretations, banks check the fulfilment of minimum guarantees by their clients for the purpose of assessing whether financing meets the requirements of the EU Taxonomy. At the same time, meeting the minimum guarantees by the bank is not required of financial institutions. This is a good practice. Read more about mBank Group's preparations to meet compliance with minimum guarantees. More about this topic can be found in the section (GOV-4) "Due Diligence Statement".

### mBank Group's Strategy and the way of financing Taxonomy activities[16,17]

mBank Group's operations also support a sustainable development, environmental protection and achievement of climate neutrality goal. In the mBank Group's ESG Strategy, we indicated that our role is to actively work with clients to support them in green financing and energy transition, while integrating sustainable practices into mBank's operations. We want to build a partnership with clients by offering products and services that can stimulate their sustainable and green actions. To achieve this goal, we have planned that in 2021-2025, among other things:

- we will provide clients with PLN 10 billion of green financing (for renewable energy, decarbonization, circular economy, electromobility etc.);
- we will increase the ratio of mortgages for energy-efficient buildings in the volume of annual total mortgage sales to 14% in 2024 and 18% in 2025;
- offer retail clients at least 50% of investment solutions (managed within mBank Group) that promote environmental or social aspects (light-green products in accordance with Article 8 of the SFDR[18]);
- we will issue green bonds worth PLN 5 billion.

So far, we have implemented this strategy successfully, as we write more about in the section ESG Strategy of mBank Group (SBM-1 items 40e – 41).

**We have based the terms of green financing for corporate clients directly or indirectly on technical screening criteria from the Taxonomy.** In 2024, in our bank's corporate and investment banking actions, we defined detailed rules for providing and monitoring environmentally sustainable loans based on Taxonomy criteria and evolving market standards. In this way, we determine whether targeted financing meets eligibility requirements and alignment with the Taxonomy. We support clients by sharing our knowledge regarding technical criteria or minimum safeguards, as we care about our clients' activities being aligned with the Taxonomy and bringing our economy closer to climate neutrality goal.

In the entire mBank portfolio, we have several dozen transactions that meet the technical criteria of the Taxonomy, amounting to over PLN 1 billion. We included all transactions in the calculation of voluntary GAR indicators. More about this topic can be found in the section "Reported indicators under voluntary disclosures". Two of them, concerning the financing of a battery manufacturer and a photovoltaic farm, were included in the calculation of mandatory GAR indicators. The remaining taxonomy-alignment investments not included in the GAR indicator calculation concerned the financing of wind and photovoltaic farms. From mLeasing's assets in GAR, one transaction related to photovoltaic financing was included. More about the limitations in the calculation of indicators can be read in the section "Exposures not included in the Taxonomy".

**We also incorporate Taxonomy into our credit processes for retail customers.** In the loan process, we collect data on the energy efficiency of the property from energy performance certificates. In Poland, all new buildings should meet the current energy efficiency standard - WT2021, which corresponds to the NZEB[19] (a building standard with almost zero energy requirements). In the Taxonomy, the criteria for buildings are more demanding than those of the regulations. It is required to achieve PED[20] indicator 10%

[15] More about these actions can be found in the section (ESD) Risk management (including counteracting greenwashing).
[16] Description of compliance with Regulation (EU) 2020/852 in the business strategy of the financial enterprise, product design processes and cooperation with clients and counterparties.
[17] Additional or supplementary information on the strategy of the financial enterprise and the importance of financing business activities in line with the systematic in the overall activities of enterprises.
[18] Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector
[19] More about this topic can be found in the section (E1-2 MDR-P) "Policies related to climate change mitigation and adaptation".
[20] Primary Energy Demand

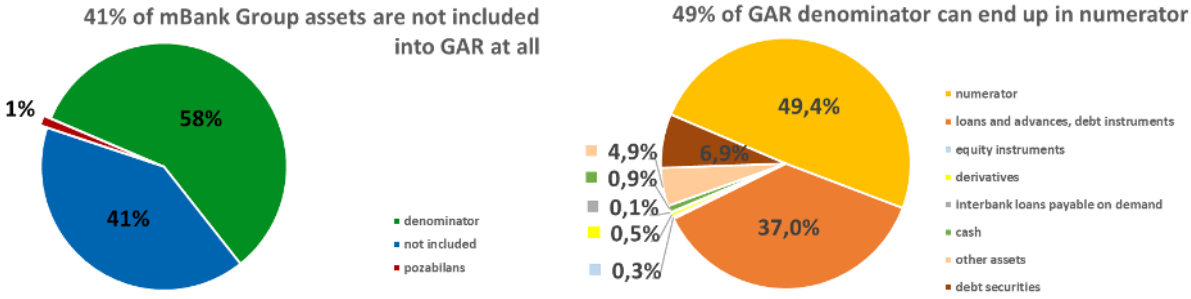
lower than the current NZEB. For loans that finance properties that meet such assumptions, we offer better pricing terms[21]. More about this topic can be found in the section "Sustainability support actions for clients in the retail segment (individuals and business clients). We do not currently offer products based on Taxonomy criteria for real estate renovation or car loans.

### Reporting obligations for mBank Group

mBank Group is obliged to publish[22] information on sustainability and activities that support the environment. As required, we report from the perspective of a credit institution, so a key indicator for our Group is the Green Asset Ratio (GAR), which we calculate in accordance with the scope of prudential consolidation. GAR represents the percentage of assets financing business activities that are in alignment with the Taxonomy.

$$\textbf{GAR indicator} = \frac{\begin{array}{c}Loans\ and\ advances, debt\ securities,\\ equities\ and\ repossessed\ collateral\ for\ financing\\ Taxonomy-Aligned\ business\ activities\end{array}}{\begin{array}{c}Assets\ qualifying\ for\ the\ denominator\ of\ the\ GAR\ as\\ listed\ in\ the\ Taxonomy\end{array}}$$

The way the GAR indicator is defined only allows us to show a maximum of about 49% of our exposures.




The GAR denominator includes all loans and advances, debt securities, equity securities and collateral taken as well as all other balance sheet assets that are covered. Exposures to central governments and supranational issuers, central banks, and the trading portfolio are excluded from the GAR denominator. Exposures to local governments are not excluded from the GAR denominator. Consequently, only about 60% of our assets can be included in the denominator as of 31.12.2024.

The GAR numerator only includes loans and advances, debt securities, equity securities and repossessed collateral for financing Taxonomy-aligned business activities. In the numerator, we can only include financing provided to the following groups of clients:

- financial and non-financial enterprises, including their subsidiaries subject to the obligation to publish non-financial information in accordance with the NFRD and CSRD directives;
- households;
- local government units (only for UoP financing).

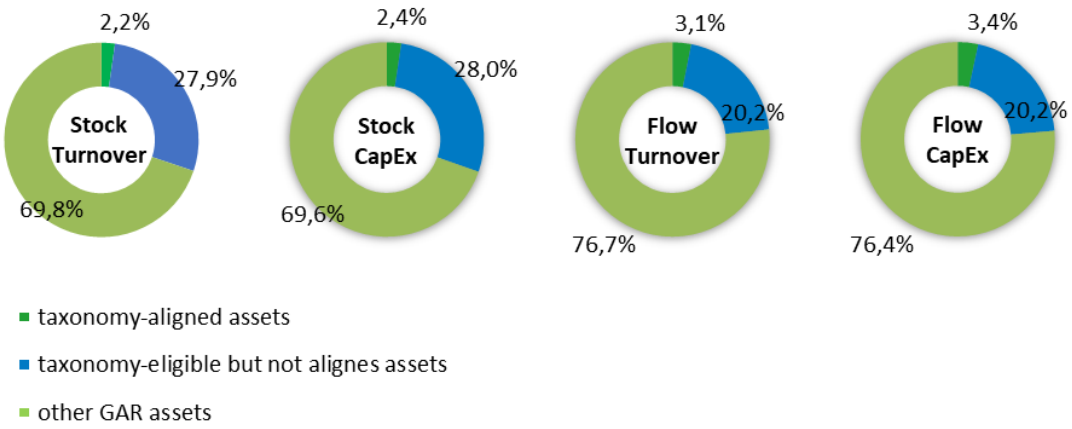
In consequence, only about 49% of the exposures included in the denominator will potentially appear in the numerator, provided that the type of financing is included in the Taxonomy and the criteria related to compliance with the Taxonomy for the indicated groups of clients are met. The mBank Group mainly finances clients who are not currently subject to the obligation to report non-financial data[23]. The limitations in the construction of the numerator mean that a significant part of green financing for SMEs cannot be included in the calculation of mandatory GAR indicators. With the current structure of the mBank Group's portfolio, only about 30% of our assets could end up in the GAR nominator. Due to those limitations result in we decided to also calculate additional, voluntary GAR indicators. More about this topic can be found in the section "Reported indicators under voluntary disclosures".

The taxonomy ratios represent the mBank Group's assets as of the balance sheet date of December 31, 2024 and the flow[24] of assets in the fiscal year ending December 31, 2024.

[21] For more information on energy-efficient real estate, see chapter 10.2. "Environmental Information (ESRS E1, E4)", in subchapter "ESRS E1 Climate Change", in the section (E1-3 MDR-A) "Actions and resources in relation to climate change policies in scope of Group's portfolio", and page: Kredyt hipoteczny | mBank.pl
[22] As required by the Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC
[23] The existing portfolio structure is a result of the Group's strategy, corporate banking segment profile, as well as the climate policy implemented at mBank.
[24] Flow understood as the sum of the gross balance sheet value of newly granted exposures.

## Bank's methodology for calculating the Green Asset Ratio[25]

Mandatory mBank Group Taxonomy indicators for 2024




We prepared the disclosed KPIs in accordance with the scope of prudential consolidation. In both the numerators and denominators of the KPIs, the value of the items is included as gross balance sheet exposures. In terms of condition, we reconcile to the value of the consolidated FINREP statement.

Exposures to financial and non-financial companies

**The numerator of the GAR indicator includes only exposures of clients who are required to report non-financial data in accordance with NFRD/CSRD**. We identified non-financial clients based on a comparison of our data from IT systems with the Instrat register or the list of enterprises provided by the Credit Information Bureau (hereinafter: 'BIK'). In accordance with the EC's recommendations, we also tried to identify clients who report indirectly within capital groups. We selected financial enterprises independently based on data in our systems.

**In terms of general financing** (without a known purpose), the eligibility and alignment of exposures to the Taxonomy were determined based on the turnover KPI and the CapEx investment expenditure KPI of clients from their annual reports or data provided by BIK. For the 2024 disclosures, we relied on our clients' data, which they reported for 2023. We adopted the same approach in mBank and mFaktoring. Unfortunately, not all obligated entities reported the required KPIs. Some data required correction.

**In terms of use of proceeds financing** at mBank, the eligibility and alignment of projects with the Taxonomy were assessed based on the financing purpose and client declarations. In justified cases, clients provide us with documents that confirm the investment meets the technical qualification criteria. In mLeasing, we assess the financed asset (mainly photovoltaic installations) for compliance with the Taxonomy.

The exposures to non-financial and financial enterprises related to eligible and Taxonomy-alignment activities were mainly assigned to two objectives: climate change mitigation or climate change adaptation. For general financing, we also have exposures to activities within the objective of transitioning to a circular economy and exposures to pollution prevention and control objective.

The assessment of our clients' compliance with **minimum safeguards** was based on their declarations, disclosures in annual reports, data from the BIK database, and media monitoring.

Exposures to local governments

In mBank Group, we do not offer local government specialized financing for housing or other purposes, therefore we have not identified any eligible or Taxonomy- alignment exposures.

Exposures to retail customers

**In mBank's retail segment in 2024, we have included loans granted to households for housing purposes** and car loans. For car loans, we only calculated the eligibility of loans granted after January 1, 2023. We no longer have this product in the bank's offer, so we cannot obtain data to assess the alignment with the Taxonomy. No other loans in the retail offering were included into the scope of Taxonomy activities.

**We determined the eligibility of retail financing for the Taxonomy according to the purpose of the financing**. All loans to households secured by residential real estate were classified only as exposures to activity 7.7. Acquisition and ownership of buildings under the climate change mitigation objective.

[25] Background information on quantitative indicators, including the range of assets and activities covered by key performance indicators, information on data sources and limitations.

**We assessed the alignment of these credits with the Taxonomy based on the primary energy demand of the building (PED) and exposure to physical climate risks.**

We obtained PED data from the Central Register of Energy Performance of Buildings maintained by the Ministry of Development and Technology and from energy performance certificates gathered from customers. Despite this, in mBank and mBank Hipoteczny, we currently have PED information for only 24%[26] of financed properties. In the assessment of real estate exposure to physical climate risks, particularly flood risks [27], we used information about the location of the properties. In future years, we will likely expand the process of analysing physical climate risks.

**For retail mortgages, we did not check the minimum guarantees**. This is because, according to our Group's interpretation, the purchase of real estate is not related to the production of goods or the provision of services mentioned in the EC FAQs from 8.11.2024. Additionally, this activity is carried out by consumers independently or with the help of construction companies based in the EU, so the risk of non-compliance with the minimum guarantees is limited. For these reasons, we believe that additional control of manufacturers or construction companies is not necessary[28].

In mBank Hipoteczny, there are only residential mortgages for individuals, mainly acquired through the pooling process from mBank to mBH. mBH has not conducted independent credit sales since July 2017. The assessment of the taxonomy of the credit portfolio is consistent with mBank's approach.

**In terms of asset management** carried out by the bank's internal unit and mTFI, we included data in the reports divided into debt securities and equity instruments in terms of eligibility and alignment for individual environmental objectives: climate change mitigation and climate change adaptation. In the analyses, we used data from sources such as MSCI ESG Manager and Bloomberg. In the analysis of asset flows under management, we used the approach adopted by the Commerzbank Group as the difference in the state of assets under management at the end of 2024 and 2023. For negative positions, we assumed zero.

[26] excluding undeveloped land
[27] We conducted the climate risk assessment in accordance with Annex A. Based on analyses and national adaptation plans for climate change, particularly the 'Strategic Adaptation Plan for sectors and areas sensitive to climate change until 2020 with a perspective until 2030' and the 'National Energy and Climate Plan until 2030', the risks particularly significant for construction in Poland were identified as those related to flooding. The analysis used 'Klimada 2.0' and forecasts based on the RCP8.5 IPCC scenario, which assumes an increase in the Earth's average temperature to 4.9°C by 2050 compared to the pre-industrial era.
[28] Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets (third Commission Notice) (C/2024/6691)

Table: Summary of key performance indicators to be disclosed by credit institutions in accordance with Article 8 of the Taxonomy Regulation.

| | | Total environmentally sustainable assets TURNOVER (mln PLN) | Total environmentally sustainable assets CAPEX (mln PLN) | KPI**** | KPI***** | % coverage (over total assets)*** | % of assets excluded from the numerator of the GAR[29] | % of assets excluded from the denominator of the GAR[30] |
|---|---|---|---|---|---|---|---|---|
| **Main KPI** | **Green asset ratio (GAR) stock** | **3 281** | **3 497** | **2.23%** | **2.38%** | **58.71%** | 29.73% | 41.29% |
| | | **Total environmentally sustainable activities TURNOVER (mln PLN)** | **Total environmentally sustainable activities CAPEX (mln PLN)** | **KPI** | **KPI** | **% coverage (over total assets)** | % of assets excluded from the numerator of the GAR | **% of assets excluded from the denominator of the GAR** |
| | **GAR (flow)** | **1 207** | **1 317** | **3.11%** | **3.39%** | **56.93%** | 29.76% | 43.07% |
| Additional KPIs | Trading book* | | | | | | | |
| | Financial guarantees | **35** | **35** | 10.33% | 0.75% | | | |
| | Assets under management[31] | **2 376** | **2 376** | 0.68% | 1.43% | | | |
| | Fees and commissions income** | | | | | | | |

** For credit institutions that do not meet the conditions of Article 94(1) of the CRR or the conditions set out in Article 325a(1) of the CRR*
*** Fees and commissions income from services other than lending and AuM*
*Instutitons shall dislcose forwardlooking information for this KPIs, including information in terms of targets, together with relevant explanations on the methodology applied.*
**** % of assets covered by the KPI over banks´ total assets*
***** based on the Turnover KPI of the counterparty*
****** based on the CapEx KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used*

The remaining tables with taxonomy disclosures have been placed at the end of this section.

## Changes in disclosures in comparison to the previous year[32]

Disclosures for 2023 for the first time included data on the financing of Taxonomy-aligned activities. As part of these disclosures, due to the lack of data and ongoing regulatory changes, we adopted a prudential approach. This approach significantly affected our reported values. After the first reporting period, we adjusted our processes to increase data availability and updated our reporting procedures and methodologies in accordance with emerging standards and guidelines. Compared to last year, GAR indicators have increased significantly.

[29] In this table, the percentage of assets excluded from the numerator when calculating the green asset ratio refers to Article 7(2) and (3) and Section 1.1.2 of Annex V
[30] In this table, the percentage of assets excluded from the denominator when calculating the green asset ratio refers to Article 7(1) and Section 1.2.4 of Annex V.
[31] The managed assets position, in addition to equity instruments and debt securities, includes investment funds and ETFs.
[32] Explanations of the nature and objectives of business activities aligned with the systematics and the development over time of business activities aligned with the systematics, starting from the second year after implementation, distinguishing between business-related elements and methodological and data-related elements.

Table: Comparison of obligatory GAR indicator in 2023 and 2024 reporting

| Indicator | 2024 (for 2023) | 2025 (for 2024) |
|---|---|---|
| GAR stock (turnover) | 0.028% | 2.23% |
| GAR stock (CapEx) | 0.058% | 2.38% |
| GAR flow (turnover) | 0.029% | 3.11% |
| GAR flow (CapEx) | 0.039% | 3.39% |

The differences between the results were significantly influenced by:

- changes in existing internal methodologies and credit processes based on the European Commission's guidelines and Taxonomy requirements, including the approach to meeting minimum guarantees for retail mortgages, which allowed us to include this portfolio in the GAR numerator for the first time.
- additional data obtained from available external sources and clients, such as energy performance certificates.
- preparation of the process for identifying purpose-specific transactions for corporate clients, including the inclusion of NFRD subsidiaries in the GAR numerator.
- new sales in retail and corporate banking and in subsidiaries.

Changes in methodologies were influenced by our active participation in the interpretation of regulations and guidelines, including within the activities of the Polish Bank Association, POLSIF, the Ministry of Development and Technology, the Ministry of Funds and Regional Policy, and other organizations.

### Planned changes in disclosures in the next reporting year

In accordance with regulatory requirements, disclosures for 2025 will address eligibility and alignment for all six environmental objectives. We currently report eligibility[33] for all targets and alignment for the first two: climate change mitigation and climate change adaptation.

In the 2025 reporting, we will for the first time also disclose tables[34] on:

- fee and commissions income from services other than lending and asset management (template 6);
- trading book portfolio (template 7)[35].

The Group's methodologies will be updated on an ongoing basis to reflect changes resulting from the implementation of new regulations and guidelines from EC, supervisory authorities, and the formation of market practice in taxonomic disclosures.

### Taxonomy indicators and business segments of mBank Group[36]

Additional KPIs within mBank Group

According to the European Commission's guidelines, a reporting parent that has financial and non-financial subsidiaries should:

- consolidate the operations of its financial subsidiaries and report the relevant KPIs on financial businesses,
- separately consolidate the operations of its non-financial subsidiaries and report the relevant KPIs for non-financial companies.

[33] Taxonomy-eligible activities means those activities described in the regulations delegated to the Taxonomy, but not verified against the technical screening criteria, the principles of not causing serious harm (DNSH), and minimum safeguards.
[34] In the case of credit institutions that are not required to disclose quantitative information regarding transaction exposures, qualitative information on the adjustment of trading portfolios to Regulation (EU) 2020/852, including the overall structure, observed trends, objectives, and policies.
[35] Due to the lack of a requirement to report the indicated quantitative data for 2024, we have assumed (similar to the previous year) that the qualitative information indicated in the Annex of Delegated Regulation 2021/2178 is not applicable here.
[36] Additional disclosures in accordance with the European Commission notice of November 8, 2024 (C/2024/6691)

Table: Key performance indicators of our main subsidiaries in terms of climate change mitigation (CCM), climate change adaptation (CCA), and all taxonomic objectives overall.

| Subsidiary | Stock turnover | | | Stock Capex | | | Flow turnover | | | Flow Capex | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | CCM | CCA | All | CCM | CCA | All | CCM | CCA | All | CCM | CCA | All |
| mBank Hipoteczny | 4.19% | 0.00% | **4.19%** | 4.19% | 0.00% | **4.19%** | 12.36% | 0.00% | **12.36%** | 12.36% | 0.00% | **12.36%** |
| mTFI | 0.81% | 0.13% | **0.94%** | 1.88% | 0.14% | **2.02%** | 0.51% | 0.52% | **1.03%** | 1.03% | 0.42% | **1.52%** |
| mLeasing | 0.00% | 0.00% | **0.00%** | 0.00% | 0.00% | **0.00%** | 0.00% | 0.00% | **0.00%** | 0.00% | 0.00% | **0.00%** |
| mFaktoring | 0.73% | 0.00% | **0.74%** | 0.69% | 0.01% | **0.70%** | 0.00% | 0.00% | **0.00%** | 0.00% | 0.01% | **0.01%** |

To determine the KPIs of our main subsidiaries, we made the following assumptions:

- in accordance with the GAR disclosure methodology, we disclose the KPIs of subsidiaries in relation to turnover and CapEx, as the stock and flow.
- in order to keep disclosures transparent, we show KPIs by only those environmental objectives for which we have identified exposures.
- we calculate the KPIs of individual units based on the GAR indicators reported by them. This means that the numerator consists of the appropriate assets compliant with the Taxonomy, and the denominator is the total green asset indicator of the company in relation to the state or flow. In the case of mTFI, we assumed the gross balance sheet value of managed assets as the denominator and the relevant managed assets as the numerator.
- the table includes only those entities that can, on the basis of the data, determine the alignment or eligibility of their activities with the Taxonomy. If a company has not identified such activity, we do not include it in this table.

KPI in the form of a weighted average value

Additionally, according to the guidelines of the European Commission, the parent units of mixed groups should disclose the KPIs of subsidiaries by business segments described in the Taxonomy. Accordingly, for the first time we have prepared a consolidated KPI at the group level in the form of a weighted average. In accordance with the principles of prudential consolidation, we consolidate the following entities using the full method: mBank S.A., mBank Hipoteczny SA, mLeasing Sp. z o.o. with Asekum Sp. z o.o. and LeaseLink Sp. z o.o., mFinanse SA, mFinanse CZ s.r.o. with mFinanse SK s.r.o., mFaktoring SA, mTFI SA, Future Tech Fundusz Inwestycyjny Zamknięty and mElements SA.

Only mBank, mBank Hipoteczny, mLeasing (in a subgroup with Asekum and LeaseLink), mFaktoring, and mTFI have significant activities from a Taxonomy perspective.

In the proposed approach, we have made the following assumptions:

- subsidiaries are included in one of the five categories of companies provided for in the EU Taxonomy: non-financial companies, asset managers, credit institutions, investment firms, and insurance and reinsurance companies;
- the KPI of individual subsidiary is calculated on the basis of the consolidated GAR. This means that we separate the part for which a particular company is responsible from mBank Group's consolidated GAR disclosures.
- banking operations also include off-balance sheet assets, including, among others, assets under management - but we do not include them in the main GAR KPI. Consequently, they are not part of the disclosures under discussion.
- mLeasing conducts operational and financial leasing activities, therefore (in relation to the Taxonomy) we have classified this company as non-financial.
- in order to keep our disclosures consistent with the European Commission's template, we have included all prudentially consolidated non-financial companies in line B: Non-financial activities.
- KPIs based on turnover and capital expenditures were determined based on the GAR indicator (banking and non-banking activities) and the KPI related to managed assets.

Table: Decomposition of GAR KPI by mBank Group entities (mixed group)

| Subsidiary | Revenue (mln PLN) | Share in Total Group Revenue (A) | Key Performance Indicator by Industry Segment | | | |
|---|---|---|---|---|---|---|
| | | | Key Performance Indicator Based on Turnover (B) | Key Performance Indicator Based on Capital Expenditures (C) | Weighted Key Performance Indicator Based on Turnover (A*B) | Weighted Key Performance Indicator Based on Capital Expenditures (A*C) |
| A. Financial Activities | 14,686.14 | **88.98%** | | | | |
| Banking Activities (mBank and mBank Hipoteczny) | 14,667.06 | **88.87%** | 2.23%** | 2.38%** | 1.98% | 2.12% |
| Asset Management (mTFI) | 19.07 | **0.12%** | 0.94%*** | 2.02%*** | 0.00% | 0.00% |
| | | | **Key Performance Indicator Based on Turnover (B)** | **Key Performance Indicator Based on Capital Expenditures (C)** | **Weighted Key Performance Indicator Based on Turnover (A*B)** | **Weighted Key Performance Indicator Based on Capital Expenditures (A*C)** |
| **B. Non-Financial Activities** (mLeasing, mFaktoring and other entities) | 1,818.41 | **11.02%** | 2.23%** | 2.38%** | 0.25% | 0.26% |
| **Total Group Revenue** | 16,504.55 | **100%** | | | | |
| | | | | | **Average Key Performance Indicator Based on Turnover** | **Average Key Performance Indicator Based on Capital Expenditures** |
| **Average Group Key Performance Indicator** | | | | | 2.23% | 2.38% |

** The table contains values based on FINREP data, including interest income, dividend income, fee and commission income, and other operating income.*
*** General GAR indicators reported by the mBank Group.*
**** KPI related to managed assets reported by mTFI as a subsidiary.*

Natural gas and nuclear power exposures

Based on data from client reports and those provided by BIK, we identified exposures to financial and non-financial clients within general financing at mBank related to natural gas and nuclear power[37]. At mBank's subsidiaries, we did not identify any nuclear or gas-related activities. In 2024, we also did not provide targeted financing for projects related to nuclear energy or natural gas.

Using available data, we prepared disclosures regarding the state, based on the turnover KPI and CapEx KPI reported by our clients. The disclosure does not include a table regarding flow and off-balance sheet exposures, due to the lack of significant impact on the basic GAR KPI flow and off-balance sheet KPIs, as well as low informational value.

[37] General financing is granted in accordance with mBank S.A.'s Credit Policy for industries relevant to EU climate policy.

Table: Activities Related to Nuclear Energy and Natural Gas

| Row | Fossil gas related activities | |
|---|---|---|
| 1 | The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle. | YES |
| 2 | The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies. | YES |
| 3 | The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades. | YES |
| **Row** | **Fossil gas related activities** | |
| 4 | The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels. | YES |
| 5 | The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels. | YES |
| 6 | The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels. | YES |

The remaining tables with disclosures on nuclear energy and natural gas are at the end of this section.

**Voluntary disclosures**

### Exposures not included in the Taxonomy

EU Taxonomy is still a relatively new regulation - banks are reporting alignment with the Taxonomy only for the second time. Changes within the regulatory environment, market practice that is still forming, and limited data availability mean that the GAR, which is the main indicator for financial institutions, does not cover at this point a significant range of activities of companies such as mBank Group. Thus, it also does not reflect the full scope of the Group's climate action. In the Taxonomy, among other things:

- SME clients are not included, which means that the type of financing provided to this group has no impact on the reported GAR indicator. The greater the proportion of the portfolio that is SME financing, the smaller the proportion that could potentially align with the Taxonomy;
- lack of a unified database that would indicate entities related within capital groups reporting indirectly under CSRD, which makes it difficult to include them in the GAR;
- not all activities are described in the Taxonomy and thus some targeted funding cannot be assessed for alignment with the Taxonomy. An example is the improvement of energy efficiency of machinery and equipment in industrial plants.
- currently, a lot of information and data is not collected or not available, and some of the criteria for activities in the Taxonomy leave wide room for interpretation, which does not allow some activities to be explicitly considered in line with the Taxonomy. Examples are the criteria for building renovation, construction of new buildings, while preventing and controlling pollution or purchasing properties that we could report on for climate change adaptation.
- interpretation of standards for meeting minimum guarantees is just emerging in the market, which means that confirmation of alignment with this criterion of the Taxonomy poses some difficulties. We see projects complying with the demanding technical criteria whose financing cannot be presented as Taxonomy-aligned, due to the difficulty of assessing the social aspects included in the minimum safeguards.

In response to some of these challenges, we have prepared voluntary disclosures for the year 2024, reflecting the entirety of financed economic activities compliant with the technical criteria of the Taxonomy in the Group's portfolio. For these calculations, we have made the following assumptions: we do not include the obligation to report under NFRD/CSRD, we accept the analysis of physical risks as provided by law. Additionally, we assume that the client declares the fulfilment of minimum safeguards for their entire activity, not just a single investment. This information does not constitute part of the mandatory disclosures under the Taxonomy. In the voluntary disclosures, we have also included green financing compliant with the Taxonomy, which we provided in 2024 and earlier for over one billion PLN to corporate entities. These

entities met the requirements related to technical criteria, declared compliance with minimum safeguards, and their renewable energy activities significantly contribute to the production of green energy in Poland.

### Reported indicators under voluntary disclosures

| Indicator | GAR mandatory for 2024 | Voluntary for 2024 *(increased by green non-CSRD/NFRD funding, aligned with Taxonomy criteria)* |
|---|---|---|
| GAR stock (turnover) | 2.23% | 2.94% |
| GAR stock (CapEx) | 2.38% | 3.08% |
| GAR flow (turnover) | 3.11% | 3.40% |
| GAR flow (CapEx) | 3.39% | 3.68% |

In our view, the implementation of the EU climate policies and goals should not be constrained by the current construction of GAR indicator for financial institutions. Therefore, in 2025 and in the following years, we intend to continue striving to increase green financing in line with the Taxonomy.

## Appendix I

[Quantitative disclosure tables 0-5 in accordance with Annex VI of Delegated Regulation 2021/2178, as well as comparative tables (T-1)]

### 1. A Assets for the calculation of GAR (stock) based on turnover

| Assets stock turnover Million PLN | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Total (gross) carrying amount | Cimate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and Ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which Use of Proceeds | Of which transitional | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which transitional | Of which enabling |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation | 72 600 | 44 321 | 3 247 | 3 123 | 64 | 54 | 46 | 34 | 0 | 8 | 0 | 0 | 0 | 0 | 7 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 44 375 | 3 281 | 3 123 | 64 | 62 |
| 2 | **Financial undertakings** | 880 | 239 | 26 | 0 | 1 | 5 | 5 | 5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 244 | 31 | 0 | 1 | 5 |
| 3 | Credit institutions | 662 | 239 | 26 | 0 | 1 | 5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 239 | 26 | 0 | 1 | 5 |
| 4 | Loans and advances | 596 | 220 | 15 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | | | | | | | | | | | | | | | | | 220 | 15 | 0 | 1 | 0 |
| 5 | Debt securities, including UoP | 65 | 19 | 11 | 0 | 0 | 5 | | | | | | | | | | | | | | | | | | | | | 19 | 11 | 0 | 0 | 5 |
| 6 | Equity instruments | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | 0 | 0 |
| 7 | Other financial corporations | 218 | 0 | 0 | | 0 | 0 | 5 | 5 | | 0 | | | | | | | | | | | | | | | | | 5 | 5 | 0 | 0 | 0 |
| 8 | of which investment firms | 18 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9 | Loans and advances | 18 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 10 | Debt securities, including UoP | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 11 | Equity instruments | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 12 | of which management companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13 | Loans and advances | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |

## 1. Assets for the calculation of GAR (stock) based on turnover

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Assets stock turnover Million PLN | | Total (gross) carrying amount | Cimate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and Ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which Use of Proceeds | Of which transitional | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which transitional | Of which enabling |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 14 | Debt securities, including UoP | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 15 | Equity instruments | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | 0 | 0 |
| 16 | of which insurance undertakings | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 17 | Loans and advances | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 18 | Debt securities, including UoP | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 19 | Equity instruments | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | 0 | 0 |
| 20 | **Non-financial undertakings** | 3 227 | 356 | 179 | 81 | 63 | 49 | 41 | 29 | 0 | 8 | 0 | 0 | 0 | 0 | 7 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 406 | 208 | 81 | 63 | 57 |
| 21 | Loans and advances | 2 910 | 294 | 137 | 81 | 21 | 49 | 40 | 29 | | 8 | 0 | 0 | | 0 | 7 | 0 | | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 | 342 | 166 | 81 | 21 | 57 |
| 22 | Debt securities, including UoP | 316 | 62 | 42 | | 42 | 0 | 1 | 0 | | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 | 1 | 0 | | 0 | 0 | 0 | | 0 | 64 | 42 | 0 | 42 | 0 |
| 23 | Equity instruments | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | 0 | 0 |
| 24 | **Households** | 68 493 | 43 726 | 3 042 | 3 042 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | 0 | 0 | 0 | 0 | | | | | | | | | 43 726 | 3 042 | 3 042 | 0 | 0 |
| 25 | of which loans collateralised by residential immovable property | 41 798 | 38 672 | 2 609 | 2 609 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | 0 | 0 | 0 | 0 | | | | | | | | | 38 672 | 2 609 | 2 609 | 0 | 0 |
| 26 | of which building renovation loans | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | 0 | 0 | 0 | 0 | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 27 | of which motor vehicle loans | 198 | 1 | 0 | 0 | 0 | 0 | | | | | | | | | | | | | | | | | | | | | 1 | 0 | 0 | 0 | 0 |

## 1. A Assets for the calculation of GAR (stock) based on turnover

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Assets stock turnover Million PLN | | Total (gross) carrying amount | Cimate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and Ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which Use of Proceeds | Of which transitional | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which transitional | Of which enabling |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 28 | **Local governments financing** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 29 | Housing financing | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 30 | Other local government financing | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 31 | **Collaterial obtained by taking possession: residential and commercial immovable properties** | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 32 | **Assets excluded from the numerator for GAR calculation (covered in the denominator)** | 74 460 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 33 | **Financial and Non-financial undertakings** | 65 016 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 34 | SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations | 64 834 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 35 | Loans and advances | 54 276 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 36 | of which loans collateralised by commercial immovable property | 15 663 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

## 1. Assets for the calculation of GAR (stock) based on turnover

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Cimate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and Ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | | | | |
| Assets stock turnover Million PLN | | Total (gross) carrying amount | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which Use of Proceeds | Of which transitional | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which transitional | Of which enabling |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 37 | of which building renovation loans | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 38 | Debt securities | 10 179 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 39 | Equity instruments | 378 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 40 | Non-EU country counterparties not subject to NFRD disclosure obligations | 182 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 41 | Loans and advances | 111 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 42 | Debt securities | 31 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 43 | Equity instruments | 40 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 44 | **Derivatives** | 781 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 45 | **On demand interbank loans** | 165 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 46 | **Cash and cash-related assets** | 1 284 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 47 | **Other categories of assets (e.g. goodwill, commodities etc.)** | 7 213 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **48** | **Total GAR assets** | 147 059 | 44 321 | 3 247 | 3 123 | 64 | 54 | 46 | 34 | 0 | 8 | 0 | 0 | 0 | 0 | 7 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 44 375 | 3 281 | 3 123 | 64 | 62 |

## 1. Assets for the calculation of GAR (stock) based on turnover

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Assets stock turnover Million PLN | | Total (gross) carrying amount | Cimate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and Ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which Use of Proceeds | Of which transitional | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which transitional | Of which enabling |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 49 | **Assets not covered for GAR calculation** | 103 416 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 50 | **Central governments and Supranational issuers** | 42 282 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 51 | **Central banks exposure** | 58 485 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 52 | **Trading book** | 2 649 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **53** | **Total assets** | 250 475 | 44 321 | 3 247 | 3 123 | 64 | 54 | 46 | 34 | 0 | 8 | 0 | 0 | 0 | 0 | 7 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 44 375 | 3 281 | 3 123 | 64 | 62 |
| **Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 54 | Financial guarantees | 35 | 8 | 4 | | 0 | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 | 8 | 4 | 0 | 0 | 0 |
| 55 | Assets under management | 2 376 | 24 | 14 | 0 | 0 | 7 | 5 | 2 | 0 | 1 | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 34 | 16 | 0 | 0 | 8 |
| 56 | Of which debt securities | 769 | 13 | 7 | 0 | 0 | 4 | 4 | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 21 | 7 | 0 | 0 | 5 |
| 57 | Of which equity instruments | 108 | 7 | 3 | 0 | 0 | 3 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 8 | 5 | 0 | 0 | 3 |

## 1. Assets for the calculation of GAR (stock) based on turnover T-1

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T-1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Assets stock turnover Million PLN | | Total (gross) carrying amount | Cimate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and Ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which Use of Proceeds | Of which transitional | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which transitional | Of which enabling |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 66,991 | 40,985 | 8 | 0 | 0 | 0 | 30 | 30 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 41,015 | 38 | 0 | 0 | 0 |
| 2 | **Financial undertakings** | 592 | 42 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 42 | 0 | 0 | 0 | 0 |
| 3 | Credit institutions | 572 | 42 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 42 | 0 | 0 | 0 | 0 |
| 4 | Loans and advances | 572 | 42 | 0 | | | | | | | | | | | | | | | | | | | | | | | | 42 | 0 | 0 | 0 | 0 |
| 5 | Debt securities, including UoP | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 6 | Equity instruments | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | 0 | 0 |
| 7 | Other financial corporations | 20 | 0 | 0 | | | | 0 | 0 | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 8 | of which investment firms | 15 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9 | Loans and advances | 5 | 0 | 0 | | | | 0 | 0 | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 10 | Debt securities, including UoP | 10 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 11 | Equity instruments | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 12 | of which management companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13 | Loans and advances | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |

## 1. Assets for the calculation of GAR (stock) based on turnover T-1

| | | a | b | c | d | e | f | g | h | | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T-1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Assets stock turnover Million PLN | | Total (gross) carrying amount | Cimate Change Mitigation (CCM) | | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and Ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which Use of Proceeds | Of which transitional | Of which enabling | | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which transitional | Of which enabling |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 14 | Debt securities, including UoP | | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 15 | Equity instruments | | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 16 | of which insurance undertakings | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 17 | Loans and advances | | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 18 | Debt securities, including UoP | | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 19 | Equity instruments | | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 20 | **Non-financial undertakings** | 1,195 | 42 | 8 | 0 | 0 | 0 | 30 | 30 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 72 | 38 | 0 | 0 | 0 |
| 21 | Loans and advances | 967 | 36 | 2 | | | | 30 | 30 | | | | | | | | | | | | | | | | | | | | 66 | 32 | 0 | 0 | 0 |
| 22 | Debt securities, including UoP | 229 | 6 | 6 | | | | 0 | 0 | | | | | | | | | | | | | | | | | | | | 6 | 6 | 0 | 0 | 0 |
| 23 | Equity instruments | | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 24 | **Households** | 65,204 | 40,901 | 0 | 0 | 0 | 0 | | | | | | | | | | | | | | | | | | | | | | 40,901 | 0 | 0 | 0 | 0 |
| 25 | of which loans collateralised by residential immovable property | 42,233 | 40,859 | 0 | 0 | 0 | 0 | | | | | | | | | | | | | | | | | | | | | | 40,859 | 0 | 0 | 0 | 0 |
| 26 | of which building renovation loans | | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 27 | of which motor vehicle loans | 341 | 41 | 0 | 0 | 0 | 0 | | | | | | | | | | | | | | | | | | | | | | 41 | 0 | 0 | 0 | 0 |

## 1. Assets for the calculation of GAR (stock) based on turnover T-1

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T-1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Assets stock turnover Million PLN | | Total (gross) carrying amount | Cimate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and Ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which Use of Proceeds | Of which transitiona | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which transitional | Of which enabling |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 28 | **Local governments financing** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 29 | Housing financing | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 30 | Other local government financing | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 31 | **Collaterial obtained by taking possession: residential and commercial immovable properties** | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 32 | **Assets excluded from the numerator for GAR calculation (covered in the denominator)** | 71,679 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 33 | **Financial and Non-financial undertakings** | 61,672 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 34 | SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations | 61,373 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 35 | Loans and advances | 51,763 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 36 | of which loans collateralised by commercial immovable property | 12,218 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

## 1. Assets for the calculation of GAR (stock) based on turnover T-1

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T-1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Cimate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and Ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | | | | |
| Assets stock turnover Million PLN | | Total (gross) carrying amount | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which Use of Proceeds | Of which transitiona | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which transitional | Of which enabling |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 37 | of which building renovation loans | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 38 | Debt securities | 9,389 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 39 | Equity instruments | 221 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 40 | Non-EU country counterparties not subject to NFRD disclosure obligations | 299 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 41 | Loans and advances | 249 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 42 | Debt securities | 50 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 43 | Equity instruments | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 44 | **Derivatives** | 983 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 45 | **On demand interbank loans** | 165 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 46 | **Cash and cash-related assets** | 1,545 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 47 | **Other categories of assets (e.g. goodwill, commodities etc.)** | 7,315 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **48** | **Total GAR assets** | **138,670** | **40,985** | **8** | **0** | **0** | **0** | **30** | **30** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **41,015** | **38** | **0** | **0** | **0** |

## 1. Assets for the calculation of GAR (stock) based on turnover T-1

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T-1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Assets stock turnover Million PLN | | Total (gross) carrying amount | Cimate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and Ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which Use of Proceeds | Of which transitiona | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which transitional | Of which enabling |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 49 | **Assets not covered for GAR calculation** | 94,015 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 50 | **Central governments and Supranational issuers** | 30,794 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 51 | **Central banks exposure** | 61,187 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 52 | **Trading book** | 2,033 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **53** | **Total assets** | **232,685** | **40,985** | **8** | **0** | **0** | **0** | **30** | **30** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **41,015** | **38** | **0** | **0** | **0** |
| **Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 54 | Financial guarantees | 8,202 | 6 | 6 | | | | 3 | 3 | | | | | | | | | | | | | | | | | | | 9 | 9 | 0 | 0 | 0 |
| 55 | Assets under management | 1,663 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 56 | Of which debt securities | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 57 | Of which equity instruments | | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |

## 1. Assets for the calculation of GAR (stock) based on CapEx

| | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Assets stock capex Million PLN | Total (gross) carrying amount | Cimate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and Ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | | | | |
| | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | |
| | | | | Of which Use of Proceeds | Of which transitional | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which transitional | Of which enabling | | |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 72 600 | 44 385 | 3 327 | 3 124 | 58 | 54 | 297 | 170 | 0 | 16 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 44 684 | 3 497 | 3 124 | 58 | 70 |
| 2 **Financial undertakings** | 880 | 67 | 3 | 1 | 1 | 1 | 8 | 8 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 75 | 11 | 1 | 1 | 1 |
| 3 Credit institutions | 662 | 65 | 2 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 66 | 2 | 1 | 0 | 0 |
| 4 Loans and advances | 596 | 65 | 2 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | | | | | | | | | | | | | 66 | 2 | 1 | 0 | 0 |
| 5 Debt securities, including UoP | 65 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 6 Equity instruments | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | 0 | 0 |
| 7 Other financial corporations | 218 | 2 | 1 | | 0 | 0 | 8 | 8 | | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 | 10 | 8 | 0 | 0 | 1 |
| 8 of which investment firms | 18 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 0 |
| 9 Loans and advances | 18 | 1 | 0 | | 0 | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 | 2 | 0 | 0 | 0 | 0 |
| 10 Debt securities, including UoP | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 11 Equity instruments | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 12 of which management companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13 Loans and advances | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |

## 1. Assets for the calculation of GAR (stock) based on CapEx

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Assets stock capex Million PLN | | Total (gross) carrying amount | Cimate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and Ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which Use of Proceeds | Of which transitional | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which transitional | Of which enabling |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 14 | Debt securities, including UoP | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 15 | Equity instruments | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 16 | of which insurance undertakings | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | #ARG! | 0 | 0 | 0 | #ARG! | 0 | 0 | 0 |
| 17 | Loans and advances | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 18 | Debt securities, including UoP | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 19 | Equity instruments | 0 | | | | | | | | | | | | | | | | | | | | | | | ` | | | 0 | #ARG! | 0 | 0 | 0 |
| 20 | **Non-financial undertakings** | 3 227 | 592 | 282 | 81 | 57 | 53 | 289 | 162 | 0 | 15 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 883 | 444 | 81 | 57 | 69 |
| 21 | Loans and advances | 2 910 | 480 | 199 | 81 | 23 | 53 | 240 | 162 | | 15 | 0 | 0 | | 0 | 2 | 0 | | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 | 722 | 361 | 81 | 23 | 69 |
| 22 | Debt securities, including UoP | 316 | 112 | 83 | | 35 | 0 | 49 | 0 | | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 | 161 | 83 | 0 | 35 | 0 |
| 23 | Equity instruments | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 24 | **Households** | 68 493 | 43 726 | 3 042 | 3 042 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | 0 | 0 | 0 | 0 | | | | | | | | | 43 726 | 3 042 | 3 042 | 0 | 0 |
| 25 | of which loans collateralised by residential immovable property | 41 798 | 38 672 | 2 609 | 2 609 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | 0 | 0 | 0 | 0 | | | | | | | | | 38 672 | 2 609 | 2 609 | 0 | 0 |
| 26 | of which building renovation loans | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | 0 | 0 | 0 | 0 | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 27 | of which motor vehicle loans | 198 | 1 | 0 | 0 | 0 | 0 | | | | | | | | | | | | | | | | | | | | | 1 | 0 | 0 | 0 | 0 |

## 1. Assets for the calculation of GAR (stock) based on CapEx

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Assets stock capex Million PLN | | Total (gross) carrying amount | Cimate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and Ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which Use of Proceeds | Of which transitional | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which transitional | Of which enabling |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 28 | **Local governments financing** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 29 | Housing financing | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 30 | Other local government financing | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 31 | **Collaterial obtained by taking possession: residential and commercial immovable properties** | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 32 | **Assets excluded from the numerator for GAR calculation (covered in the denominator)** | 74 460 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 33 | Financial and Non-financial undertakings | 65 016 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 34 | SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations | 64 834 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 35 | Loans and advances | 54 276 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 36 | of which loans collateralised by commercial immovable property | 15 663 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

## 1. Assets for the calculation of GAR (stock) based on CapEx

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Assets stock capex Million PLN | | Total (gross) carrying amount | Cimate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and Ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which Use of Proceeds | Of which transitional | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which transitional | Of which enabling |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 37 | of which building renovation loans | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 38 | Debt securities | 10 179 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 39 | Equity instruments | 378 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 40 | Non-EU country counterparties not subject to NFRD disclosure obligations | 182 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 41 | Loans and advances | 111 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 42 | Debt securities | 31 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 43 | Equity instruments | 40 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 44 | **Derivatives** | 781 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 45 | **On demand interbank loans** | 165 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 46 | **Cash and cash-related assets** | 1 284 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 47 | **Other categories of assets (e.g. goodwill, commodities etc.)** | 7 213 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **48** | **Total GAR assets** | 147 059 | 44 385 | 3 327 | 3 124 | 58 | 54 | 297 | 170 | 0 | 16 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 44 684 | 3 497 | 3 124 | 58 | 70 |

## 1. Assets for the calculation of GAR (stock) based on CapEx

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Assets stock capex Million PLN | | Total (gross) carrying amount | Cimate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and Ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which Use of Proceeds | Of which transitional | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which transitional | Of which enabling |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 49 | **Assets not covered for GAR calculation** | 103 416 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 50 | **Central governments and Supranational issuers** | 42 282 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 51 | **Central banks exposure** | 58 485 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 52 | **Trading book** | 2 649 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **53** | **Total assets** | 250 475 | 44 385 | 3 327 | 3 124 | 58 | 54 | 297 | 170 | 0 | 16 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 44 684 | 3 497 | 3 124 | 58 | 70 |
| **Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 54 | Financial guarantees | 35 | 0 | 0 | | 0 | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| 55 | Assets under management | 2 376 | 52 | 32 | 0 | 2 | 23 | 7 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 4 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 65 | 34 | 0 | 2 | 23 |
| 56 | Of which debt securities | 769 | 43 | 25 | 0 | 2 | 18 | 5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 53 | 25 | 0 | 2 | 18 |
| 57 | Of which equity instruments | 108 | 8 | 6 | 0 | 0 | 5 | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10 | 8 | 0 | 0 | 5 |

## 1. Assets for the calculation of GAR (stock) based on CapEx T-1

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T-1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Cimate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and Ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | | | | |
| Assets stock capex Million PLN | | Total (gross) carrying amount | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which Use of Proceeds | Of which transitional | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which transitional | Of which enabling |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 66,991 | 41,028 | 51 | 0 | 0 | 0 | 32 | 29 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 41,060 | 81 | 0 | 0 | 0 |
| 2 | **Financial undertakings** | 592 | 42 | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 45 | 0 | 0 | 0 | 0 |
| 3 | Credit institutions | 572 | 42 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 42 | 0 | 0 | 0 | 0 |
| 4 | Loans and advances | 572 | 42 | 0 | | | | | | | | | | | | | | | | | | | | | | | | 42 | 0 | 0 | 0 | 0 |
| 5 | Debt securities, including UoP | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 6 | Equity instruments | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | 0 | 0 |
| 7 | Other financial corporations | 20 | 0 | 0 | | | | 3 | 0 | | | | | | | | | | | | | | | | | | | 3 | 0 | 0 | 0 | 0 |
| 8 | of which investment firms | 15 | 0 | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 0 | 0 |
| 9 | Loans and advances | 5 | 0 | 0 | | | | 3 | 0 | | | | | | | | | | | | | | | | | | | 3 | 0 | 0 | 0 | 0 |
| 10 | Debt securities, including UoP | 10 | 0 | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 11 | Equity instruments | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 12 | of which management companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13 | Loans and advances | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |

## 1. Assets for the calculation of GAR (stock) based on CapEx T-1

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T-1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Assets stock capex Million PLN | | Total (gross) carrying amount | Cimate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and Ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which Use of Proceeds | Of which transitional | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which transitional | Of which enabling |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 14 | Debt securities, including UoP | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 15 | Equity instruments | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 16 | of which insurance undertakings | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 17 | Loans and advances | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 18 | Debt securities, including UoP | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 19 | Equity instruments | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 20 | **Non-financial undertakings** | 1,195 | 85 | 51 | 0 | 0 | 0 | 29 | 29 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 114 | 80 | 0 | 0 | 0 |
| 21 | Loans and advances | 967 | 81 | 47 | | | | 24 | 24 | | | | | | | | | | | | | | | | | | | 105 | 72 | 0 | 0 | 0 |
| 22 | Debt securities, including UoP | 229 | 4 | 4 | | | | 5 | 5 | | | | | | | | | | | | | | | | | | | 9 | 9 | 0 | 0 | 0 |
| 23 | Equity instruments | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 24 | **Households** | 65,204 | 40,901 | 0 | 0 | 0 | 0 | | | | | | | | | | | | | | | | | | | | | 40,901 | 0 | 0 | 0 | 0 |
| 25 | of which loans collateralised by residential immovable property | 42,233 | 40,859 | 0 | 0 | 0 | 0 | | | | | | | | | | | | | | | | | | | | | 40,859 | 0 | 0 | 0 | 0 |
| 26 | of which building renovation loans | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 27 | of which motor vehicle loans | 341 | 41 | 0 | 0 | 0 | 0 | | | | | | | | | | | | | | | | | | | | | 41 | 0 | 0 | 0 | 0 |

## 1. Assets for the calculation of GAR (stock) based on CapEx T-1

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T-1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Assets stock capex Million PLN | | Total (gross) carrying amount | Cimate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and Ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which Use of Proceeds | Of which transitional | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which transitional | Of which enabling |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 28 | **Local governments financing** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 29 | Housing financing | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 30 | Other local government financing | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 31 | **Collaterial obtained by taking possession: residential and commercial immovable properties** | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 32 | **Assets excluded from the numerator for GAR calculation (covered in the denominator)** | 71,679 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 33 | Financial and Non-financial undertakings | 61,672 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 34 | SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations | 61,373 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 35 | Loans and advances | 51,763 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 36 | of which loans collateralised by commercial immovable property | 12,218 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

## 1. Assets for the calculation of GAR (stock) based on CapEx T-1

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Disclosure reference date T-1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Assets stock capex Million PLN | | Total (gross) carrying amount | Cimate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and Ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which Use of Proceeds | Of which transitional | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which transitional | Of which enabling |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 37 | of which building renovation loans | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 38 | Debt securities | 9,389 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 39 | Equity instruments | 221 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 40 | Non-EU country counterparties not subject to NFRD disclosure obligations | 299 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 41 | Loans and advances | 249 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 42 | Debt securities | 50 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 43 | Equity instruments | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 44 | **Derivatives** | 983 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 45 | **On demand interbank loans** | 165 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 46 | **Cash and cash-related assets** | 1,545 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 47 | **Other categories of assets (e.g. goodwill, commodities etc.)** | 7,315 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **48** | **Total GAR assets** | **138,670** | **41,028** | **51** | **0** | **0** | **0** | **32** | **29** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **41,060** | **81** | **0** | **0** | **0** |

## 1. Assets for the calculation of GAR (stock) based on CapEx T-1

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T-1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Assets stock capex Million PLN | | Total (gross) carrying amount | Cimate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and Ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which Use of Proceeds | Of which transitional | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which enabling | | | Of which Use of Proceeds | Of which transitional | Of which enabling |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 49 | **Assets not covered for GAR calculation** | 94,015 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 50 | **Central governments and Supranational issuers** | 30,794 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 51 | **Central banks exposure** | 61,187 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 52 | **Trading book** | 2,033 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **53** | **Total assets** | **232,685** | **41,019** | **43** | **0** | **0** | **0** | **32** | **29** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **41,051** | **72** | **0** | **0** | **0** |
| **Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 54 | Financial guarantees | 8,202 | 0 | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 55 | Assets under management | 1,663 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 56 | Of which debt securities | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| 57 | Of which equity instruments | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | 0 | 0 | 0 |

## 2. GAR sector information (sector information turnover)

| Breakdown by sector – NACE 4 digits level (code and label) | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | y | z | aa | ab |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Climate Change Mitigation (CCM)Cimate | | | | Climate change adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | |
| | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | |
| | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | |
| | | Mn PLN | Of which environmentally sustainable (CCM) | Mn PLN | Of which environmentally sustainable (CCM) | Mn PLN | Of which environmentally sustainable (CCA) | Mn PLN | Of which environmentally sustainable (CCA) | Mn PLN | Of which environmentally sustainable(WMR) | Mn PLN | Of which environmentally sustainable(WMR) | Mn PLN | Of which environmentally sustainable (CE) | Mn PLN | Of which environmentally sustainable (CE) | Mn PLN | Of which environmentally sustainable (PPC) | Mn PLN | Of which environmentally sustainable (PPC) | Mn PLN | Of which environmentally sustainable (BIO) | Mn PLN | Of which environmentally sustainable (BIO) | Mn PLN | Of which environmentally sustainable (CCM + CCA + WMR + CE + PPC + BIO) | Mn PLN | Of which environmentally sustainable (CCM + CCA + WMR + CE + PPC + BIO) |
| 1 | **10.11** | 0 | 0 | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 2 | **10.13** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 3 | **10.82** | 1 | | | | | | | | | | | | | | | | | | | | | | | | 1 | 0 | | |
| 4 | **19.20** | 19 | 1 | | | | | | | | | | | 0 | | | | | | | | | | | | 20 | 1 | | |
| 5 | **20.15** | 1 | | | | | | | | | | | | | | | | | | | | | | | | 1 | 0 | | |
| 6 | **21.20** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 7 | **24.10** | 63 | 63 | | | | | | | | | | | | | | | | | | | | | | | 63 | 63 | | |
| 8 | **25.11** | 4 | 2 | | | | | | | | | | | | | | | | | | | | | | | 4 | 2 | | |
| 9 | **25.61** | 1 | | | | | | | | | | | | | | | | | | | | | | | | 1 | 0 | | |
| 10 | **27.12** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 11 | **27.51** | 20 | | | | 1 | 0 | | | | | | | | | | | 1 | | | | 0 | | | | 22 | 0 | | |
| 12 | **28.21** | 0 | 0 | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 13 | **28.22** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 14 | **28.92** | 10 | | | | | | | | | | | | | | | | | | | | | | | | 10 | 0 | | |
| 15 | **29.31** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 16 | **29.32** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 17 | **31.09** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 18 | **33.12** | 1 | 1 | | | | | | | | | | | 0 | | | | | | | | | | | | 1 | 1 | | |
| 19 | **33.13** | 5 | | | | | | | | | | | | | | | | | | | | | | | | 5 | 0 | | |
| 20 | **35.11** | 33 | 15 | | | | | | | | | | | 1 | | | | | | | | | | | | 34 | 15 | | |
| 21 | **38.22** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 22 | **41.10** | 3 | | | | 3 | | | | | | | | | | | | | | | | | | | | 6 | 0 | | |
| 23 | **41.20** | 17 | 0 | | | 8 | | | | | | | | | | | | | | | | | | | | 25 | 0 | | |
| 24 | **42.11** | 20 | 13 | | | | | | | | | | | 1 | | | | | | | | | | | | 21 | 13 | | |
| 25 | **42.12** | 24 | 0 | | | | | | | | | | | | | | | | | | | | | | | 24 | 0 | | |

## 2. GAR sector information (sector information turnover)

| Breakdown by sector – NACE 4 digits level (code and label) | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | y | z | aa | ab |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Climate Change Mitigation (CCM)Cimate | | | | Climate change adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | |
| | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | |
| | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | |
| | | Mn PLN | Of which environmentally sustainable (CCM) | Mn PLN | Of which environmentally sustainable (CCM) | Mn PLN | Of which environmentally sustainable (CCA) | Mn PLN | Of which environmentally sustainable (CCA) | Mn PLN | Of which environmentally sustainable(WMR) | Mn PLN | Of which environmentally sustainable(WMR) | Mn PLN | Of which environmentally sustainable (CE) | Mn PLN | Of which environmentally sustainable (CE) | Mn PLN | Of which environmentally sustainable (PPC) | Mn PLN | Of which environmentally sustainable (PPC) | Mn PLN | Of which environmentally sustainable (BIO) | Mn PLN | Of which environmentally sustainable (BIO) | Mn PLN | Of which environmentally sustainable (CCM + CCA + WMR + CE + PPC + BIO) | Mn PLN | Of which environmentally sustainable (CCM + CCA + WMR + CE + PPC + BIO) |
| 26 | **42.99** | 1 | 0 | | | | | | | | | | | | | | | | | | | | | | | 1 | 0 | | |
| 27 | **43.21** | 35 | 35 | | | | | | | | | | | | | | | | | | | | | | | 35 | 35 | | |
| 28 | **43.99** | 3 | | | | | | | | | | | | | | | | | | | | | | | | 3 | 0 | | |
| 29 | **45.19** | | | | | | | | | | | | | 0 | | | | | | | | | | | | 0 | 0 | | |
| 30 | **45.31** | | | | | | | | | | | | | 0 | | | | | | | | | | | | 0 | 0 | | |
| 31 | **46.32** | 1 | | | | | | | | | | | | | | | | | | | | | | | | 1 | 0 | | |
| 32 | **46.35** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 33 | **46.42** | 1 | 0 | | | | | | | | | | | | | | | 0 | | | | | | | | 1 | 0 | | |
| 34 | **46.43** | 0 | | | | 0 | 0 | | | | | | | | | | | 0 | | | | 0 | | | | 0 | 0 | | |
| 35 | **46.46** | 0 | 0 | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 36 | **46.71** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 37 | **46.72** | 1 | | | | | | | | | | | | | | | | | | | | | | | | 1 | 0 | | |
| 38 | **46.90** | 2 | | | | | | | | | | | | | | | | | | | | | | | | 2 | 0 | | |
| 39 | **47.11** | 9 | 0 | | | | | | | | | | | | | | | | | | | | | | | 9 | 0 | | |
| 40 | **47.41** | 0 | | | | 0 | | | | | | | | 5 | | | | | | | | | | | | 5 | 0 | | |
| 41 | **47.71** | | | | | | | | | | | | | 0 | 0 | | | | | | | | | | | 0 | 0 | | |
| 42 | **47.72** | 2 | 0 | | | | | | | | | | | | | | | 0 | | | | | | | | 2 | 0 | | |
| 43 | **47.91** | 1 | | | | | | | | | | | | | | | | | | | | | | | | 1 | 0 | | |
| 44 | **49.20** | 0 | 0 | | | | | | | | | | | 0 | | | | | | | | | | | | 0 | 0 | | |
| 45 | **49.41** | 21 | | | | | | | | | | | | | | | | | | | | | | | | 21 | 0 | | |
| 46 | **50.40** | | | | | 0 | 0 | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 47 | **52.10** | 2 | | | | | | | | | | | | | | | | | | | | | | | | 2 | 0 | | |
| 48 | **52.24** | | | | | 0 | 0 | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 49 | **52.29** | | | | | 0 | 0 | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 50 | **55.10** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |

## 2. GAR sector information (sector information turnover)

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | y | z | aa | ab |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Climate Change Mitigation (CCM)Cimate | | | | Climate change adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | |
| Breakdown by sector – NACE 4 digits level (code and label) | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | |
| | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | |
| | | Mn PLN | Of which environmentally sustainable (CCM) | Mn PLN | Of which environmentally sustainable (CCM) | Mn PLN | Of which environmentally sustainable (CCA) | Mn PLN | Of which environmentally sustainable (CCA) | Mn PLN | Of which environmentally sustainable(WMR) | Mn PLN | Of which environmentally sustainable(WMR) | Mn PLN | Of which environmentally sustainable (CE) | Mn PLN | Of which environmentally sustainable (CE) | Mn PLN | Of which environmentally sustainable (PPC) | Mn PLN | Of which environmentally sustainable (PPC) | Mn PLN | Of which environmentally sustainable (BIO) | Mn PLN | Of which environmentally sustainable (BIO) | Mn PLN | Of which environmentally sustainable (CCM + CCA + WMR + CE + PPC + BIO) | Mn PLN | Of which environmentally sustainable (CCM + CCA + WMR + CE + PPC + BIO) |
| 51 | **58.13** | 0 | 0 | | | 0 | 0 | | | | | | | 0 | | | | | | | | | | | | 0 | 0 | | |
| 52 | **59.13** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 53 | **60.20** | 1 | 1 | | | 3 | 3 | | | | | | | | | | | | | | | 0 | | | | 5 | 4 | | |
| 54 | **61.10** | 1 | 0 | | | | | | | | | | | | | | | | | | | | | | | 1 | 0 | | |
| 55 | **62.01** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 56 | **62.02** | 1 | 1 | | | 20 | 20 | | | | | | | 1 | | | | | | | | | | | | 23 | 21 | | |
| 57 | **63.12** | 0 | 0 | | | 4 | 4 | | | | | | | | | | | | | | | | | | | 4 | 4 | | |
| 58 | **68.10** | 0 | 0 | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 59 | **70.10** | 2 | 0 | | | | | | | | | | | | | | | | | | | | | | | 2 | 0 | | |
| 60 | **70.22** | 0 | 0 | | | 1 | 1 | | | | | | | | | | | | | | | | | | | 1 | 1 | | |
| 61 | **71.12** | 47 | 47 | | | | | | | | | | | | | | | | | | | | | | | 47 | 47 | | |
| 62 | **73.11** | 0 | 0 | | | 0 | 0 | | | | | | | 0 | | | | | | | | | | | | 0 | 0 | | |
| 63 | **82.91** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 64 | **82.99** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 65 | **85.59** | 0 | 0 | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 66 | **86.10** | 1 | | | | | | | | | | | | | | | | | | | | | | | | 1 | 0 | | |
| 67 | **96.09** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |

## 2. GAR sector information (sector information CapEx)

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | y | z | aa | ab |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cimate Change Mitigation (CCM) | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and Ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | |
| Breakdown by sector – NACE 4 digits level (code and label) | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | |
| | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | |
| | | Mn PLN | Of which environmentally sustainable (CCM) | Mn PLN | Of which environmentally sustainable (CCM) | Mn PLN | Of which environmentally sustainable (CCA) | Mn PLN | Of which environmentally sustainable (CCA) | Mn PLN | Of which environmentally sustainable (WMR) | Mn PLN | Of which environmentally sustainable (WMR) | Mn PLN | Of which environmentally sustainable (CE) | Mn PLN | Of which environmentally sustainable (CE) | Mn PLN | Of which environmentally sustainable (PPC) | Mn PLN | Of which environmentally sustainable (PPC) | Mn PLN | Of which environmentally sustainable (BIO) | Mn PLN | Of which environmentally sustainable (BIO) | Mn PLN | Of which environmentally sustainable (CCM + CCA + WMR + CE + PPC + BIO) | Mn PLN | Of which environmentally sustainable (CCM + CCA + WMR + CE + PPC + BIO) |
| 1 | **10.11** | 0 | 0 | | | 11 | 0 | | | | | | | | | | | | | | | | | | | 11 | 0 | | |
| 2 | **10.13** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 3 | **10.82** | 1 | | | | | | | | | | | | | | | | | | | | | | | | 1 | 0 | | |
| 4 | **19.20** | 118 | 10 | | | 0 | 0 | | | | | | | 0 | | | | 0 | | | | | | | | 118 | 10 | | |
| 5 | **20.15** | 1 | | | | | | | | | | | | | | | | | | | | | | | | 1 | 0 | | |
| 6 | **21.20** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 7 | **22.19** | 0 | 0 | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 8 | **24.10** | 54 | 52 | | | | | | | | | | | | | | | | | | | | | | | 54 | 52 | | |
| 9 | **25.11** | 3 | 0 | | | | | | | | | | | | | | | | | | | | | | | 3 | 0 | | |
| 10 | **25.61** | 1 | 0 | | | | | | | | | | | | | | | | | | | | | | | 1 | 0 | | |
| 11 | **27.12** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 12 | **27.51** | 28 | | | | 11 | | | | | | | | | | | | | | | | 0 | | | | 39 | 0 | | |
| 13 | **28.21** | 5 | 0 | | | | | | | | | | | | | | | | | | | | | | | 5 | 0 | | |
| 14 | **28.22** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 15 | **28.92** | 10 | | | | | | | | | | | | | | | | | | | | | | | | 10 | 0 | | |
| 16 | **29.31** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 17 | **29.32** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 18 | **31.09** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 19 | **33.12** | 3 | 2 | | | | | | | | | | | | | | | | | | | | | | | 3 | 2 | | |
| 20 | **33.13** | 5 | | | | | | | | | | | | | | | | | | | | | | | | 5 | 0 | | |
| 21 | **35.11** | 1 | 0 | | | | | | | | | | | 0 | | | | | | | | | | | | 1 | 0 | | |
| 22 | **38.22** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 23 | **41.10** | 7 | 2 | | | 3 | | | | | | | | | | | | | | | | | | | | 10 | 2 | | |
| 24 | **41.20** | 16 | 0 | | | 8 | | | | | | | | | | | | | | | | | | | | 24 | 0 | | |
| 25 | **42.11** | 3 | 1 | | | | | | | | | | | 0 | | | | | | | | | | | | 3 | 1 | | |

## 2. GAR sector information (sector information CapEx)

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | y | z | aa | ab |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | **Cimate Change Mitigation (CCM)** | | | | **Climate Change Adaptation (CCA)** | | | | **Water and marine resources (WMR)** | | | | **Circular economy (CE)** | | | | **Pollution (PPC)** | | | | **Biodiversity and Ecosystems (BIO)** | | | | **TOTAL (CCM + CCA + WMR + CE + PPC + BIO)** | | | |
| Breakdown by sector – NACE 4 digits level (code and label) | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | |
| | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | |
| | | Mn PLN | Of which environmentally sustainable (CCM) | Mn PLN | Of which environmentally sustainable (CCM) | Mn PLN | Of which environmentally sustainable (CCA) | Mn PLN | Of which environmentally sustainable (CCA) | Mn PLN | Of which environmentally sustainable (WMR) | Mn PLN | Of which environmentally sustainable (WMR) | Mn PLN | Of which environmentally sustainable (CE) | Mn PLN | Of which environmentally sustainable (CE) | Mn PLN | Of which environmentally sustainable (PPC) | Mn PLN | Of which environmentally sustainable (PPC) | Mn PLN | Of which environmentally sustainable (BIO) | Mn PLN | Of which environmentally sustainable (BIO) | Mn PLN | Of which environmentally sustainable (CCM + CCA + WMR + CE + PPC + BIO) | Mn PLN | Of which environmentally sustainable (CCM + CCA + WMR + CE + PPC + BIO) |
| 26 | **42.12** | 4 | 0 | | | 0 | | | | 0 | | | | | | | | | | | | | | | | 4 | 0 | | |
| 27 | **42.99** | 1 | 0 | | | | | | | | | | | | | | | | | | | | | | | 1 | 0 | | |
| 28 | **43.21** | 35 | 35 | | | | | | | | | | | | | | | | | | | | | | | 35 | 35 | | |
| 29 | **43.99** | 3 | | | | | | | | | | | | | | | | | | | | | | | | 3 | 0 | | |
| 30 | **45.19** | 0 | 0 | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 31 | **45.31** | 90 | 73 | | | | | | | | | | | | | | | | | | | | | | | 90 | 73 | | |
| 32 | **46.32** | 1 | | | | | | | | | | | | | | | | | | | | | | | | 1 | 0 | | |
| 33 | **46.35** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 34 | **46.42** | 16 | | | | 5 | 0 | | | | | | | | | | | | | | | | | | | 21 | 0 | | |
| 35 | **46.43** | 0 | | | | 0 | | | | | | | | | | | | | | | | 0 | | | | 0 | 0 | | |
| 36 | **46.46** | 0 | 0 | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 37 | **46.71** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 38 | **46.72** | 1 | 0 | | | | | | | | | | | | | | | | | | | | | | | 1 | 0 | | |
| 39 | **46.90** | 2 | | | | | | | | | | | | | | | | | | | | | | | | 2 | 0 | | |
| 40 | **47.11** | 9 | 0 | | | 69 | | | | | | | | | | | | | | | | | | | | 78 | 0 | | |
| 41 | **47.41** | 1 | 1 | | | | | | | | | | | | | | | | | | | | | | | 1 | 1 | | |
| 42 | **47.71** | 1 | 0 | | | 0 | | | | | | | | | | | | | | | | | | | | 1 | 0 | | |
| 43 | **47.72** | 27 | | | | 8 | 0 | | | | | | | | | | | | | | | | | | | 36 | 0 | | |
| 44 | **47.91** | 1 | | | | 0 | 0 | | | | | | | | | | | | | | | | | | | 1 | 0 | | |
| 45 | **49.20** | 0 | 0 | | | 0 | 0 | | | | | | | 0 | | | | 0 | | | | | | | | 0 | 0 | | |
| 46 | **49.41** | 21 | | | | | | | | | | | | | | | | | | | | | | | | 21 | 0 | | |
| 47 | **52.10** | 2 | | | | | | | | | | | | | | | | | | | | | | | | 2 | 0 | | |
| 48 | **52.24** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 49 | **55.10** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |

## 2. GAR sector information (sector information CapEx)

| Breakdown by sector – NACE 4 digits level (code and label) | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | y | z | aa | ab |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cimate Change Mitigation (CCM) | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and Ecosystems (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | |
| | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | |
| | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | |
| | | Mn PLN | Of which environmentally sustainable (CCM) | Mn PLN | Of which environmentally sustainable (CCM) | Mn PLN | Of which environmentally sustainable (CCA) | Mn PLN | Of which environmentally sustainable (CCA) | Mn PLN | Of which environmentally sustainable (WMR) | Mn PLN | Of which environmentally sustainable (WMR) | Mn PLN | Of which environmentally sustainable (CE) | Mn PLN | Of which environmentally sustainable (CE) | Mn PLN | Of which environmentally sustainable (PPC) | Mn PLN | Of which environmentally sustainable (PPC) | Mn PLN | Of which environmentally sustainable (BIO) | Mn PLN | Of which environmentally sustainable (BIO) | Mn PLN | Of which environmentally sustainable (CCM + CCA + WMR + CE + PPC + BIO) | Mn PLN | Of which environmentally sustainable (CCM + CCA + WMR + CE + PPC + BIO) |
| 50 | **58.13** | 0 | 0 | | | 0 | 0 | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 51 | **60.20** | 4 | 4 | | | 0 | 0 | | | | | | | | | | | | | | | 0 | | | | 4 | 4 | | |
| 52 | **61.10** | 1 | 0 | | | | | | | | | | | | | | | | | | | | | | | 1 | 0 | | |
| 53 | **62.01** | 0 | | | | 0 | 0 | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 54 | **62.02** | 1 | 0 | | | 40 | 40 | | | | | | | | | | | | | | | | | | | 41 | 40 | | |
| 55 | **63.12** | 1 | 1 | | | 116 | 105 | | | | | | | | | | | | | | | | | | | 116 | 106 | | |
| 56 | **68.10** | 0 | 0 | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 57 | **68.20** | 0 | 0 | | | | | | | | | | | 0 | | | | | | | | | | | | 0 | 0 | | |
| 58 | **70.10** | 50 | 48 | | | | | | | | | | | 0 | | | | | | | | | | | | 50 | 48 | | |
| 59 | **70.22** | 10 | 0 | | | 17 | 15 | | | | | | | | | | | | | | | | | | | 27 | 15 | | |
| 60 | **71.12** | 50 | 49 | | | | | | | | | | | | | | | | | | | | | | | 50 | 49 | | |
| 61 | **73.11** | 0 | 0 | | | 0 | 0 | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 62 | **82.91** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 63 | **82.99** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |
| 64 | **85.59** | 3 | 1 | | | | | | | | | | | 2 | | | | | | | | | | | | 5 | 1 | | |
| 65 | **86.10** | 1 | | | | | | | | | | | | | | | | | | | | | | | | 1 | 0 | | |
| 66 | **96.09** | 0 | | | | | | | | | | | | | | | | | | | | | | | | 0 | 0 | | |

## 3. GAR KPI stock (turnover)

| % (compared to total covered assets in the denominator) | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems(BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total assets covered |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | |
| | | | | Of which use of proceeds | Of which transitional | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which transitional | Of which enabling | |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 61.05% | 4.47% | 4.30% | 0.09% | 0.07% | 0.06% | 0.05% | 0.00% | 0.01% | 0.00% | 0.00% | 0.00% | 0.00% | 0.01% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 61.12% | 4.52% | 4.30% | 0.09% | 0.09% | 49.37% |
| 2 | **Financial undertakings** | 27.15% | 2.94% | 0.00% | 0.13% | 0.57% | 0.56% | 0.56% | 0.00% | 0.01% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 27.71% | 3.50% | 0.00% | 0.13% | 0.58% | 0.60% |
| 3 | Credit institutions | 36.04% | 3.91% | 0.00% | 0.17% | 0.75% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 36.05% | 3.91% | 0.00% | 0.17% | 0.75% | 0.45% |
| 4 | Loans and advances | 36.89% | 2.48% | 0.00% | 0.19% | 0.05% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 36.90% | 2.48% | 0.00% | 0.19% | 0.05% | 0.41% |
| 5 | Debt securities, including UoP | 28.32% | 16.99% | 0.00% | 0.00% | 7.21% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 28.32% | 16.99% | 0.00% | 0.00% | 7.21% | 0.04% |
| 6 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% |
| 7 | Other financial corporations | 0.15% | 0.00% | 0.00% | 0.00% | 0.00% | 2.25% | 2.25% | 0.00% | 0.05% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 2.40% | 2.25% | 0.00% | 0.00% | 0.05% | 0.15% |
| 8 | of which investment firms | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.01% |
| 9 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.01% |
| 10 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

## 3. GAR KPI stock (turnover)

| % (compared to total covered assets in the denominator) | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems(BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total assets covered |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | |
| | | | | Of which use of proceeds | Of which transitional | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which transitional | Of which enabling | | |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% |
| 12 | of which management companies | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 13 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 14 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 15 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% |
| 16 | of which insurance undertakings | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 17 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 18 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 19 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% |
| 20 | **Non-financial undertakings** | 11.04% | 5.56% | 2.50% | 1.95% | 1.50% | 1.27% | 0.89% | 0.00% | 0.25% | 0.00% | 0.00% | 0.00% | 0.00% | 0.23% | 0.00% | 0.00% | 0.00% | 0.02% | 0.00% | 0.00% | 0.00% | 0.01% | 0.00% | 0.00% | 0.00% | 12.57% | 6.44% | 2.50% | 1.95% | 1.76% | 2.19% |
| 21 | Loans and advances | 10.11% | 4.72% | 2.77% | 0.72% | 1.67% | 1.38% | 0.98% | 0.00% | 0.28% | 0.00% | 0.00% | 0.00% | 0.00% | 0.25% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 11.75% | 5.71% | 2.77% | 0.72% | 1.95% | 1.98% |
| 22 | Debt securities, including UoP | 19.64% | 13.23% | 0.00% | 13.21% | 0.00% | 0.26% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.20% | 0.00% | 0.00% | 0.00% | 0.04% | 0.00% | 0.00% | 0.00% | 20.13% | 13.23% | 0.00% | 13.21% | 0.00% | 0.22% |

## 3. GAR KPI stock (turnover)

| % (compared to total covered assets in the denominator) | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems(BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total assets covered |
| | | | | Of which use of proceeds | Of which transitional | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which transitional | Of which enabling | |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 23 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% |
| 24 | **Households** | 63.84% | 4.44% | 4.44% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | | | | 63.84% | 4.44% | 4.44% | 0.00% | 0.00% | 46.58% |
| 25 | of which loans collateralised by residential immovable property | 92.52% | 6.24% | 6.24% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | | | | 92.52% | 6.24% | 6.24% | 0.00% | 0.00% | 28.42% |
| 26 | of which building renovation loans | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | | | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 27 | of which motor vehicle loans | 0.58% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 28 | **Local governments financing** | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29 | Housing financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 30 | Inne Local governments financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 31 | **Collateral obtained by taking possession: residential and commercial immovable properties** | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| **32** | **Total GAR assets** | 30.14% | 2.21% | 2.12% | 0.04% | 0.04% | 0.03% | 0.02% | 0.00% | 0.01% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 30.18% | 2.23% | 2.12% | 0.04% | 0.04% | 100.00% |

## 3. GAR KPI stock (turnover) T-1

| % (compared to total covered assets in the denominator) | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Disclosure reference date T-1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems(BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | | Proportion of total assets covered |
| | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | |
| | | | Of which use of proceeds | Of which transitional | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which transitional | Of which enabling | | |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 61.18% | 0.01% | 0.00% | 0.00% | 0.00% | 0.05% | 0.05% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 61.22% | 0.06% | 0.00% | 0.00% | 0.00% | 28,79% |
| 2 **Financial corporations** | 7.12% | 0.00% | 0.00% | 0.00% | 0.00% | 0.02% | 0.02% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 7.14% | 0.02% | 0.00% | 0.00% | 0.00% | 0.25% |
| 3 Credit institutions | 7.36% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 7.36% | 0.00% | 0.00% | 0.00% | 0.00% | 0.25% |
| 4 Loans and advances | 7.36% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 7.36% | 0.00% | 0.00% | 0.00% | 0.00% | 0.25% |
| 5 Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 6 Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% |
| 7 Other financial corporations | 0.05% | 0.05% | 0.00% | 0.00% | 0.00% | 0.67% | 0.67% | 0.00% | 0.00% | 0.00% | 0.00% | 0,00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.72% | 0.72% | 0.00% | 0.00% | 0.00% | 0.01% |
| 8 of which investment firms | 0.07% | 0.07% | 0.00% | 0.00% | 0.00% | 0.90% | 0.90% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.97% | 0.97% | 0.00% | 0.00% | 0.00% | 0.01% |
| 9 Loans and advances | 0.23% | 0.23% | 0.00% | 0.00% | 0.00% | 2.85% | 2.85% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 3.08% | 3.08% | 0.00% | 0.00% | 0.00% | 0.00% |
| 10 Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.01% |

## 3. GAR KPI stock (turnover) T-1

| % (compared to total covered assets in the denominator) | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T-1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems(BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total assets covered |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | |
| | | | | Of which use of proceeds | Of which transitional | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which transitional | Of which enabling | | |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% |
| 12 | of which management companies | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 13 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 14 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 15 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% |
| 16 | of which insurance undertakings | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 17 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 18 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 19 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% |
| 20 | **Non-financial undertakings** | 3.51% | 0.69% | 0.00% | 0.00% | 0.00% | 2.52% | 2.52% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 6.02% | 3.21% | 0.00% | 0.00% | 0.00% | 0.51% |
| 21 | Loans and advances | 3.71% | 0.22% | 0.00% | 0.00% | 0.00% | 3.11% | 3.11% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 6.82% | 3.33% | 0.00% | 0.00% | 0.00% | 0.42% |
| 22 | Debt securities, including UoP | 2.66% | 2.66% | 0.00% | 0.00% | 0.00% | 0.01% | 0.01% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 2.67% | 2.67% | 0.00% | 0.00% | 0.00% | 0.10% |

## 3. GAR KPI stock (turnover) T-1

| % (compared to total covered assets in the denominator) | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T-1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems(BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total assets covered |
| | | | | Of which use of proceeds | Of which transitional | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which transitional | Of which enabling | |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 23 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% |
| 24 | **Households** | 62.73% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | | | | 62.67% | 0.00% | 0.00% | 0.00% | 0.00% | 28,02% |
| 25 | of which loans collateralised by residential immovable property | 96.75% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | | | | 96.75% | 0.00% | 0.00% | 0.00% | 0.00% | 18,15% |
| 26 | of which building renovation loans | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | | | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 27 | of which motor vehicle loans | 12.14% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 28 | **Local governments financing** | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.04% |
| 29 | Housing financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 30 | Other local government financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.04% |
| 31 | **Collateral obtained by taking possession: residential and commercial immovable properties** | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 32 | **Total GAR assets** | **29.56%** | **0.01%** | **0.00%** | **0.00%** | **0.00%** | **0.02%** | **0.02%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **29.58%** | **0.03%** | **0.00%** | **0.00%** | **0.00%** | **59,60%** |

## 3. GAR KPI stock (CapEx)

| % (compared to total covered assets in the denominator) | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems(BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total assets covered |
| | | | | Of which use of proceeds | Of which transitional | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which transitional | Of which enabling | |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 61.14% | 4.58% | 4.30% | 0.08% | 0.07% | 0.41% | 0.23% | 0.00% | 0.02% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 61.55% | 4.82% | 4.30% | 0.08% | 0.10% | 49.37% |
| 2 | **Financial undertakings** | 7.61% | 0.33% | 0.14% | 0.07% | 0.06% | 0.92% | 0.89% | 0.00% | 0.04% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 8.54% | 1.22% | 0.14% | 0.07% | 0.10% | 0.60% |
| 3 | Credit institutions | 9.89% | 0.36% | 0.19% | 0.05% | 0.06% | 0.01% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 9.90% | 0.36% | 0.19% | 0.05% | 0.06% | 0.45% |
| 4 | Loans and advances | 10.97% | 0.40% | 0.21% | 0.05% | 0.06% | 0.01% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 10.99% | 0.40% | 0.21% | 0.05% | 0.06% | 0.41% |
| 5 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.04% |
| 6 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% |
| 7 | Other financial corporations | 0.69% | 0.23% | 0.00% | 0.15% | 0.08% | 3.70% | 3.58% | 0.00% | 0.15% | 0.00% | 0.00% | 0.00% | 0.00% | 0.01% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 4.40% | 3.81% | 0.00% | 0.15% | 0.23% | 0.15% |
| 8 | of which investment firms | 8.42% | 2.79% | 0.00% | 1.81% | 0.97% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.16% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 8.58% | 2.79% | 0.00% | 1.81% | 0.97% | 0.01% |
| 9 | Loans and advances | 8.42% | 2.79% | 0.00% | 1.81% | 0.97% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.16% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 8.58% | 2.79% | 0.00% | 1.81% | 0.97% | 0.01% |
| 10 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

## 3. GAR KPI stock (CapEx)

| % (compared to total covered assets in the denominator) | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems(BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total assets covered |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | |
| | | | | Of which use of proceeds | Of which transitional | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which transitional | Of which enabling | | |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% |
| 12 | of which management companies | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 13 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 14 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 15 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% |
| 16 | of which insurance undertakings | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | #ARG! | 0.00% | 0.00% | 0.00% | #ARG! | 0.00% | 0.00% | 0.00% | 0.00% |
| 17 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 18 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 19 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | #ARG! | | 0.00% | 0.00% | #ARG! | | 0.00% | 0.00% | 0.00% |
| 20 | **Non-financial undertakings** | 18.35% | 8.74% | 2.50% | 1.78% | 1.65% | 8.95% | 5.03% | 0.00% | 0.48% | 0.00% | 0.00% | 0.00% | 0.00% | 0.06% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.01% | 0.00% | 0.00% | 0.00% | 27.37% | 13.77% | 2.50% | 1.78% | 2.13% | 2.19% |
| 21 | Loans and advances | 16.51% | 6.83% | 2.77% | 0.78% | 1.83% | 8.24% | 5.58% | 0.00% | 0.53% | 0.00% | 0.00% | 0.00% | 0.00% | 0.07% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 24.82% | 12.40% | 2.77% | 0.78% | 2.36% | 1.98% |
| 22 | Debt securities, including UoP | 35.27% | 26.31% | 0.00% | 11.03% | 0.00% | 15.51% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.03% | 0.00% | 0.00% | 0.00% | 50.81% | 26.31% | 0.00% | 11.03% | 0.00% | 0.22% |

## 3. GAR KPI stock (CapEx)

| % (compared to total covered assets in the denominator) | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems(BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total assets covered |
| | | | | Of which use of proceeds | Of which transitional | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which transitional | Of which enabling | |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 23 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% |
| 24 | **Households** | 63.84% | 4.44% | 4.44% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | | | | 63.84% | 4.44% | 4.44% | 0.00% | 0.00% | 46.58% |
| 25 | of which loans collateralised by residential immovable property | 92.52% | 6.24% | 6.24% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | | | | 92.52% | 6.24% | 6.24% | 0.00% | 0.00% | 28.42% |
| 26 | of which building renovation loans | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | | | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 27 | of which motor vehicle loans | 0.58% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 28 | **Local governments financing** | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29 | Housing financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 30 | Inne Local governments financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 31 | **Collateral obtained by taking possession: residential and commercial immovable properties** | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| **32** | **Total GAR assets** | 30.18% | 2.26% | 2.12% | 0.04% | 0.04% | 0.20% | 0.12% | 0.00% | 0.01% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 30.39% | 2.38% | 2.12% | 0.04% | 0.05% | 100.00% |

## 3. GAR KPI stock (CapEx) T-1

| % (compared to total covered assets in the denominator) | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T-1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems(BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total assets covered |
| | | | | Of which use of proceeds | Of which transitional | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which transitional | Of which enabling | |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 61.24% | 0.08% | 0.00% | 0.00% | 0.00% | 0.05% | 0.04% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 61.29% | 0.11% | 0.00% | 0.00% | 0.00% | 28,79% |
| 2 | **Financial corporations** | 7.17% | 0.05% | 0.00% | 0.00% | 0.00% | 0.50% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 7.66% | 0.05% | 0.00% | 0.00% | 0.00% | 0.25% |
| 3 | Credit institutions | 7.36% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 7.36% | 0.00% | 0.00% | 0.00% | 0.00% | 0.25% |
| 4 | Loans and advances | 7.36% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 7.36% | 0.00% | 0.00% | 0.00% | 0.00% | 0.25% |
| 5 | Debt securities, including UoP | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.00% |
| 6 | Equity instruments | - | - | | - | - | - | - | | - | - | - | | - | - | - | | - | - | - | | - | - | - | | - | - | - | | - | - | 0.00% |
| 7 | Other financial corporations | 1.49% | 1.49% | 0.00% | 0.00% | 0.00% | 14.79% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 16.28% | 1.49% | 0.00% | 0.00% | 0.00% | 0.01% |
| 8 | of which investment firms | 2.01% | 2.01% | 0.00% | 0.00% | 0.00% | 19.91% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 21.92% | 2.01% | 0.00% | 0.00% | 0.00% | 0.01% |
| 9 | Loans and advances | 6.10% | 6.10% | 0.00% | 0.00% | 0.00% | 63.25% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 69.35% | 6.10% | 0.00% | 0.00% | 0.00% | 0.00% |
| 10 | Debt securities, including UoP | 0.13% | 0.13% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.13% | 0.13% | 0.00% | 0.00% | 0.00% | 0.01% |

## 3. GAR KPI stock (CapEx) T-1

| % (compared to total covered assets in the denominator) | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T-1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems(BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible))) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total assets covered |
| | | | | Of which use of proceeds | Of which transitional | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which transitional | Of which enabling | |
| **GAR - Covered assets in both numerator, and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11 | Equity instruments | - | - | | - | - | - | - | | - | - | - | | - | - | - | | - | - | - | | - | - | - | | - | - | - | | - | - | 0.00% |
| 12 | of which management companies | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.00% |
| 13 | Loans and advances | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.00% |
| 14 | Debt securities, including UoP | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.00% |
| 15 | Equity instruments | - | - | | - | - | - | - | | - | - | - | | - | - | - | | - | - | - | | - | - | - | | - | - | - | | - | - | 0.00% |
| 16 | of which insurance undertakings | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.00% |
| 17 | Loans and advances | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.00% |
| 18 | Debt securities, including UoP | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.00% |
| 19 | Equity instruments | - | - | | - | - | - | - | | - | - | - | | - | - | - | | - | - | - | | - | - | - | | - | - | - | | - | - | 0.00% |
| 20 | **Non-financial undertakings** | 7,10% | 4,28% | 0.00% | 0.00% | 0.00% | 2.45% | 2.45% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 9,54% | 6.72% | 0.00% | 0.00% | 0.00% | 0.51% |
| 21 | Loans and advances | 8,37% | 4,88% | 0.00% | 0.00% | 0.00% | 2.53% | 2.53% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 10.90% | 7,41% | 0.00% | 0.00% | 0.00% | 0.42% |
| 22 | Debt securities, including UoP | 1.72% | 1.72% | 0.00% | 0.00% | 0.00% | 2.09% | 2.09% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 3.82% | 3.82% | 0.00% | 0.00% | 0.00% | 0.10% |

## 3. GAR KPI stock (CapEx) T-1

| % (compared to total covered assets in the denominator) | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
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| | | Dzień odniesienia dotyczący ujawnienia informacji T-1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Cimate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Bioróżnorodność i ekosystemy (BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total assets covered |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | |
| | | | | Of which use of proceeds | Of which transitional | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which transitional | Of which enabling | | |
| **GAR - Covered assets in both numerator, and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 23 | Equity instruments | - | - | | - | - | - | - | | - | - | - | | - | - | - | | - | - | - | | - | - | - | | - | - | - | | - | - | 0.00% |
| 24 | **Households** | 62.73% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | | | | 62.73% | 0.00% | 0.00% | 0.00% | 0.00% | 28,02% |
| 25 | of which loans collateralised by residential immovable property | 96.75% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | | | | 96.75% | 0.00% | 0.00% | 0.00% | 0.00% | 18,15% |
| 26 | of which building renovation loans | - | - | - | - | - | - | - | - | - | | | | | - | - | - | - | | | | | | | | | - | - | - | - | - | 0.00% |
| 27 | of which motor vehicle loans | 12.14% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 28 | **Local governments financing** | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.04% |
| 29 | Housing financing | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.00% |
| 30 | Other Local governments financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.04% |
| 31 | **Collateral obtained by taking possession: residential and commercial immovable properties** | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.00% |
| 32 | **Total GAR assets** | **29.59%** | **0.04%** | **0.00%** | **0.00%** | **0.00%** | **0.02%** | **0.02%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **29.61%** | **0.06%** | **0.00%** | **0.00%** | **0.00%** | **59,60%** |

## 4. GAR KPI flow (turnover)

| % (compared to flow of total eligible assets) | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems(BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total assets covered |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | |
| | | | | Of which use of proceeds | Of which transitional | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which transitional | Of which enabling | | |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 48.87% | 6.48% | 6.05% | 0.23% | 0.01% | 0.04% | 0.02% | 0.00% | 0.02% | 0.00% | 0.00% | 0.00% | 0.00% | 0.01% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 48.91% | 6.51% | 6.05% | 0.23% | 0.03% | 47.73% |
| 2 | **Financial undertakings** | 32.55% | 2.92% | 0.00% | 0.15% | 0.00% | 0.04% | 0.04% | 0.00% | 0.04% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 32.59% | 2.95% | 0.00% | 0.15% | 0.04% | 0.72% |
| 3 | Credit institutions | 37.77% | 3.39% | 0.00% | 0.17% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 37.77% | 3.39% | 0.00% | 0.17% | 0.00% | 0.62% |
| 4 | Loans and advances | 51.98% | 4.67% | 0.00% | 0.23% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 51.98% | 4.67% | 0.00% | 0.23% | 0.00% | 0.45% |
| 5 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.17% |
| 6 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% |
| 7 | Other financial corporations | 0.71% | 0.02% | 0.00% | 0.00% | 0.00% | 0.26% | 0.26% | 0.00% | 0.26% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.98% | 0.28% | 0.00% | 0.00% | 0.26% | 0.10% |
| 8 | of which investment firms | 0.78% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.78% | 0.00% | 0.00% | 0.00% | 0.00% | 0.09% |
| 9 | Loans and advances | 0.78% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.78% | 0.00% | 0.00% | 0.00% | 0.00% | 0.09% |
| 10 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

## 4. GAR KPI flow (turnover)

| % (compared to flow of total eligible assets) | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems(BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total assets covered |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | |
| | | | | Of which use of proceeds | Of which transitional | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which transitional | Of which enabling | | |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% |
| 12 | of which management companies | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 13 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 14 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 15 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% |
| 16 | of which insurance undertakings | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 17 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 18 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 19 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% |
| 20 | **Non-financial undertakings** | 10.66% | 5.53% | 0.02% | 3.24% | 0.07% | 0.61% | 0.35% | 0.00% | 0.35% | 0.00% | 0.00% | 0.00% | 0.00% | 0.09% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 11.36% | 5.88% | 0.02% | 3.24% | 0.42% | 3.33% |
| 21 | Loans and advances | 8.14% | 2.52% | 0.02% | 0.00% | 0.08% | 0.67% | 0.38% | 0.00% | 0.38% | 0.00% | 0.00% | 0.00% | 0.00% | 0.10% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 8.92% | 2.91% | 0.02% | 0.00% | 0.46% | 3.02% |

## 4. GAR KPI flow (turnover)

| % (compared to flow of total eligible assets) | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems(BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total assets covered |
| | | | | Of which use of proceeds | Of which transitional | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which transitional | Of which enabling | |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 22 | Debt securities, including UoP | 35.73% | 35.46% | 0.00% | 35.46% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.01% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 35.74% | 35.46% | 0.00% | 35.46% | 0.00% | 0.30% |
| 23 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% |
| 24 | **Households** | 52.04% | 6.61% | 6.61% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | | | | 52.04% | 6.61% | 6.61% | 0.00% | 0.00% | 43.69% |
| 25 | of which loans collateralised by residential immovable property | 97.94% | 14.41% | 14.41% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | | | | 97.94% | 14.41% | 14.41% | 0.00% | 0.00% | 13.41% |
| 26 | of which building renovation loans | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | | | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 27 | of which motor vehicle loans | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | | | | | | | | | | | | | | | | | | | | | 0 |
| 28 | **Local governments financing** | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29 | Housing financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 30 | Inne Local governments financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 31 | **Collateral obtained by taking possession: residential and commercial immovable properties** | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| **32** | **Total GAR assets** | 23.32% | 3.09% | 2.89% | 0.11% | 0.00% | 0.02% | 0.01% | 0.00% | 0.01% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 23.35% | 3.11% | 2.89% | 0.11% | 0.01% | 100.00% |

## 4. GAR KPI flow (CapEx)

| % (compared to flow of total eligible assets) | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems(BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total assets covered |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | |
| | | | | Of which use of proceeds | Of which transitional | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which transitional | Of which enabling | | |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 48.63% | 6.45% | 6.06% | 0.22% | 0.02% | 0.79% | 0.65% | 0.00% | 0.08% | 0.00% | 0.00% | 0.00% | 0.00% | 0.01% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 49.44% | 7.10% | 6.06% | 0.22% | 0.10% | 47.73% |
| 2 | **Financial undertakings** | 3.46% | 0.36% | 0.19% | 0.10% | 0.06% | 1.06% | 0.96% | 0.00% | 0.12% | 0.00% | 0.00% | 0.00% | 0.00% | 0.01% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 4.52% | 1.33% | 0.19% | 0.10% | 0.18% | 0.72% |
| 3 | Credit institutions | 3.47% | 0.24% | 0.23% | 0.00% | 0.01% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 3.47% | 0.24% | 0.23% | 0.00% | 0.01% | 0.62% |
| 4 | Loans and advances | 4.78% | 0.32% | 0.31% | 0.00% | 0.01% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 4.78% | 0.32% | 0.31% | 0.00% | 0.01% | 0.45% |
| 5 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.17% |
| 6 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% |
| 7 | Other financial corporations | 3.36% | 1.14% | 0.00% | 0.71% | 0.38% | 7.49% | 6.84% | 0.00% | 0.86% | 0.00% | 0.00% | 0.00% | 0.00% | 0.06% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 10.91% | 7.98% | 0.00% | 0.71% | 1.24% | 0.10% |
| 8 | of which investment firms | 3.73% | 1.24% | 0.00% | 0.80% | 0.43% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.07% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 3.80% | 1.24% | 0.00% | 0.80% | 0.43% | 0.09% |
| 9 | Loans and advances | 3.72% | 1.23% | 0.00% | 0.80% | 0.43% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.07% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 3.79% | 1.23% | 0.00% | 0.80% | 0.43% | 0.09% |
| 10 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

## 4. GAR KPI flow (CapEx)

| % (compared to flow of total eligible assets) | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems(BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total assets covered |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | |
| | | | | Of which use of proceeds | Of which transitional | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which transitional | Of which enabling | | |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% |
| 12 | of which management companies | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 13 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 14 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 15 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% |
| 16 | of which insurance undertakings | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 17 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 18 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 19 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% |
| 20 | **Non-financial undertakings** | 13.62% | 5.67% | 0.02% | 3.09% | 0.31% | 11.17% | 9.09% | 0.00% | 1.13% | 0.00% | 0.00% | 0.00% | 0.00% | 0.15% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 24.94% | 14.76% | 0.02% | 3.09% | 1.44% | 3.33% |
| 21 | Loans and advances | 9.73% | 1.04% | 0.02% | 0.43% | 0.34% | 12.29% | 10.00% | 0.00% | 1.24% | 0.00% | 0.00% | 0.00% | 0.00% | 0.16% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 22.18% | 11.05% | 0.02% | 0.43% | 1.58% | 3.02% |

## 4. GAR KPI flow (CapEx)

| % (compared to flow of total eligible assets) | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae | af |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems(BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total assets covered |
| | | | | Of which use of proceeds | Of which transitional | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which transitional | Of which enabling | | |
| **GAR - Covered assets in both numerator and denominator** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 22 | Debt securities, including UoP | 52.37% | 51.73% | 0.00% | 29.63% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 52.37% | 51.73% | 0.00% | 29.63% | 0.00% | 0.30% |
| 23 | Equity instruments | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% |
| 24 | **Households** | 52.04% | 6.61% | 6.61% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | | | | 52.04% | 6.61% | 6.61% | 0.00% | 0.00% | 43.69% |
| 25 | of which loans collateralised by residential immovable property | 97.94% | 14.41% | 14.41% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | | | | 97.94% | 14.41% | 14.41% | 0.00% | 0.00% | 13.41% |
| 26 | of which building renovation loans | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | | | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 27 | of which motor vehicle loans | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 28 | **Local governments financing** | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29 | Housing financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 30 | Inne Local governments financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 31 | **Collateral obtained by taking possession: residential and commercial immovable properties** | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| **32** | **Total GAR assets** | 23.21% | 3.08% | 2.89% | 0.10% | 0.01% | 0.38% | 0.31% | 0.00% | 0.04% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 23.60% | 3.39% | 2.89% | 0.10% | 0.05% | 100.00% |

## 5. KPI off-balance-sheet exposures (FinGar, AuM stock turnover)

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems(BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| % (compared to total eligible off-balance-sheet assets) | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | |
| | | | | Of which use of proceeds | Of which transitional | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which transitional | Of which enabling |
| 1 | Financial guarantees (FinGuar KPI) | 22.10% | 10.33% | 0.00% | 0.00% | 0.02% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.33% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 22.43% | 10.33% | 0.00% | 0.00% | 0.02% |
| 2 | Assets under management (AuM KPI) | 1.01% | 0.59% | 0.00% | 0.00% | 0.29% | 0.21% | 0.09% | 0.00% | 0.04% | 0.00% | 0.00% | 0.00% | 0.00% | 0.12% | 0.00% | 0.00% | 0.00% | 0.07% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 1.42% | 0.68% | 0.00% | 0.00% | 0.33% |

## 5. KPI off-balance-sheet exposures (FinGar, AuM CapEx)

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems(BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| % (compared to total eligible off-balance-sheet assets) | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | |
| | | | | Of which use of proceeds | Of which transitional | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which transitional | Of which enabling |
| 1 | Financial guarantees (FinGuar KPI) | 1.26% | 0.75% | 0.00% | 0.00% | 0.02% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.04% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 1.30% | 0.75% | 0.00% | 0.00% | 0.02% |
| 2 | Assets under management (AuM KPI) | 2.20% | 1.33% | 0.00% | 0.09% | 0.96% | 0.32% | 0.10% | 0.00% | 0.02% | 0.01% | 0.00% | 0.00% | 0.00% | 0.16% | 0.00% | 0.00% | 0.00% | 0.03% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 2.72% | 1.43% | 0.00% | 0.09% | 0.98% |

## 5. KPI off-balance-sheet exposures (FinGar, AuM flow turnover)

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems(BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| % (compared to total eligible off-balance-sheet assets) | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | |
| | | | | Of which use of proceeds | Of which transitional | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which transitional | Of which enabling |
| 1 | Financial guarantees (FinGuar KPI) | 0.99% | 0.99% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.99% | 0.99% | 0.00% | 0.00% | 0.00% |
| 2 | Assets under management (AuM KPI) | 3.13% | 0.75% | 0.00% | 0.00% | 0.96% | 1.14% | 0.41% | 0.00% | 0.21% | 0.00% | 0.00% | 0.00% | 0.00% | 0.66% | 0.00% | 0.00% | 0.00% | 0.42% | 0.00% | 0.00% | 0.00% | 0.01% | 0.00% | 0.00% | 0.00% | 5.36% | 1.16% | 0.00% | 0.00% | 1.17% |

## 5. KPI off-balance-sheet exposures (FinGar, AuM flow CapEx)

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q | r | s | t | u | v | w | x | z | aa | ab | ac | ad | ae |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Disclosure reference date T | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | Water and marine resources (WMR) | | | | Circular economy (CE) | | | | Pollution (PPC) | | | | Biodiversity and ecosystems(BIO) | | | | TOTAL (CCM + CCA + WMR + CE + PPC + BIO) | | | | |
| % (compared to total eligible off-balance-sheet assets) | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | |
| | | | | Of which use of proceeds | Of which transitional | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which enabling | | | Of which use of proceeds | Of which transitional | Of which enabling |
| 1 | Financial guarantees (FinGuar KPI) | 0.99% | 0.99% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.99% | 0.99% | 0.00% | 0.00% | 0.00% |
| 2 | Assets under management (AuM KPI) | 6.20% | 1.25% | 0.00% | 0.49% | 3.09% | 1.59% | 0.34% | 0.00% | 0.06% | 0.04% | 0.00% | 0.00% | 0.00% | 0.94% | 0.00% | 0.00% | 0.00% | 0.16% | 0.00% | 0.00% | 0.00% | 0.01% | 0.00% | 0.00% | 0.00% | 8.94% | 1.59% | 0.00% | 0.49% | 3.15% |

## Appendix II

Disclosure Tables on nuclear energy and natural gas.

Table: Taxonomy-aligned economic activities (denominator)

| Economic activities | | Amount and proportion (the information is to be presented in monetary amounts and as percentages) | | | | | |
|---|---|---|---|---|---|---|---|
| | | CCM + CCA | | CCM | | CCA | |
| Turnover | | Amount (mln PLN) | % | Amount (mln PLN) | % | Amount (mln PLN) | % |
| 1 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 2 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 3 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | 1 | 0.00% | 1 | 0.00% | 0 | 0.00% |
| 4 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 5 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 6 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 7 | Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI | 3 280 | 2.23% | 3 247 | 2.21% | 34 | 0.02% |
| 8 | **Total applicable KPI** | 3 281 | 2.23% | 3 247 | 2.21% | 34 | 0.02% |

| Economic activities | | Amount and proportion (the information is to be presented in monetary amounts and as percentages) | | | | | |
|---|---|---|---|---|---|---|---|
| | | CCM + CCA | | CCM | | CCA | |
| CapEx | | Amount (mln PLN) | % | Amount (mln PLN) | % | Amount (mln PLN) | % |
| 1 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 2 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | 1 | 0.00% | 1 | 0.00% | 0 | 0.00% |
| 3 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | 5 | 0.00% | 5 | 0.00% | 0 | 0.00% |
| 4 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 5 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 6 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 7 | Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI | 3 371 | 2.29% | 3 201 | 2.18% | 170 | 0.12% |
| 8 | **Total applicable KPI** | 3 497 | 2.38% | 3 327 | 2.26% | 170 | 0.12% |

Table: Taxonomy-aligned economic activities (numerator)

| Economic activities | | Amount and proportion (the information is to be presented in monetary amounts and as percentages) | | | | | |
|---|---|---|---|---|---|---|---|
| | | CCM + CCA | | CCM | | CCA | |
| Turnover | | Amount (mln PLN) | % | Amount (mln PLN) | % | Amount (mln PLN) | % |
| 1 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 2 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 3 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | 1 | 0.03% | 1 | 0.03% | 0 | 0.00% |
| 4 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 5 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 6 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 7 | Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI | 3 280 | 99.97% | 3 247 | 98.95% | 34 | 1.02% |
| 8 | **Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI** | 3 281 | 100.00% | 3 247 | 98.98% | 34 | 1.02% |

| Economic activities | | Amount and proportion (the information is to be presented in monetary amounts and as percentages) | | | | | |
|---|---|---|---|---|---|---|---|
| | | CCM + CCA | | CCM | | CCA | |
| CapEx | | Amount (mln PLN) | % | Amount (mln PLN) | % | Amount (mln PLN) | % |
| 1 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 2 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | 1 | 0.02% | 1 | 0.02% | 0 | 0.00% |
| 3 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | 5 | 0.15% | 5 | 0.15% | 0 | 0.00% |
| 4 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 5 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 6 | Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 7 | Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI | 3 363 | 96.16% | 3 193 | 91.31% | 170 | 4.86% |
| 8 | **Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI** | 3 497 | 100.00% | 3 327 | 95.14% | 170 | 4.86% |

Table: Taxonomy-eligible but not taxonomy-aligned economic activities

| Economic activities | | Amount and proportion (the information is to be presented in monetary amounts and as percentages) | | | | | |
|---|---|---|---|---|---|---|---|
| | | CCM + CCA | | CCM | | CCA | |
| Turnover | | Amount (mln PLN) | % | Amount (mln PLN) | % | Amount (mln PLN) | % |
| 1 | Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 2 | Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 3 | Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 1 | 0.00% | 1 | 0.00% | 0 | 0.00% |
| 4 | Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 5 | Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 1 | 0.00% | 1 | 0.00% | 0 | 0.00% |
| 6 | Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 7 | Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI. | 41 084 | 27.94% | 41 072 | 27.93% | 12 | 0.01% |
| 8 | **Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI.** | 41 086 | 27.94% | 41 074 | 27.93% | 12 | 0.01% |

| Economic activities | | Amount and proportion (the information is to be presented in monetary amounts and as percentages) | | | | | |
|---|---|---|---|---|---|---|---|
| | | CCM + CCA | | CCM | | CCA | |
| CapEx | | Amount (mln PLN) | % | Amount (mln PLN) | % | Amount (mln PLN) | % |
| 1 | Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 2 | Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 3 | Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 4 | Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 2 | 0.00% | 2 | 0.00% | 0 | 0.00% |
| 5 | Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 1 | 0.00% | 1 | 0.00% | 0 | 0.00% |
| 6 | Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 7 | Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI. | 41 182 | 28.00% | 41 055 | 27.92% | 127 | 0.09% |
| 8 | **Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI.** | 41 185 | 28.01% | 41 058 | 27.92% | 127 | 0.09% |

Table: Taxonomy non-eligible economic activities

| Economic activities Turnover | | Amount (mln PLN) | % |
|---|---|---|---|
| **1** | Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 0 | 0.00% |
| **2** | Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 0 | 0.00% |
| **3** | Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 0 | 0.00% |
| **4** | Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 0 | 0.00% |
| **5** | Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 0 | 0.00% |
| **6** | Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 0 | 0.00% |
| **7** | Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI. | 102 692 | 69.83% |
| **8** | **Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI.** | 102 692 | 69.83% |

| Economic activities CapEx | | Amount (mln PLN) | % |
|---|---|---|---|
| **1** | Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 0 | 0.00% |
| **2** | Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 0 | 0.00% |
| **3** | Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 0 | 0.00% |
| **4** | Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 0 | 0.00% |
| **5** | Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 0 | 0.00% |
| **6** | Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. | 0 | 0.00% |
| **7** | Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI. | 102 377 | 69.62% |
| **8** | **Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI.** | 102 377 | 69.62% |

## ESRS E1 CLIMATE CHANGE

The following material sub-topics have been identified under the Group's material topic "Climate change":

- climate change adaptation,
- climate change mitigation, and
- energy.

Due to the fact that the largest part of greenhouse gas emissions in the activities of a financial institution is generated by the financing of our clients, we have highlighted this fact by organising the content of the disclosure around separate sections "Climate change in the context of mBank Group's own operations and energy consumption" and "Climate change in the context of mBank Group's portfolio". In the section "Climate change in the context of mBank Group's own operations and energy consumption", we refer to the material sub-topic of climate change mitigation and in the section "Climate change in the context of mBank Group's portfolio" to the material sub-topics of climate change adaptation and mitigation.

For the clarity of this statement, we present the greenhouse gas emissions of mBank Group in accordance with the ESRS E1-6 requirement and the targets in accordance with the ESRS E1-4 requirement separately. The disclosed emissions concern the Group on a consolidated basis, the same to what is disclosed in the financial statement. Non-consolidated companies have not been included in the calculation and reporting of their carbon footprint due to their immaterial share in the Group's balance sheet and the nature of their activities.

### (E1-4) Targets related to climate change mitigation and adaptation

mBank Group has committed to acting towards prevention of climate change in its overarching document, the mBank Group Strategy 2021-2025. To manage our actions towards a low-carbon economy based on climate change science, we submitted our decarbonisation targets to the Science Based Targets Initiative (SBTi) in September 2024. At the moment of publication of this statement, mBank Group's targets are undergoing a validation process, which is a standard procedure by which SBTi perform, together with mBank, a due diligence check to verify that targets being set are fully aligned with the SBTi methodology and that underpinning calculations were comprehensive and robust. It's also a necessary step to be completed to allow both mBank and SBTi to publicly declare that target setting process has been finalised and its outcomes can be published, including on the SBTi's website. Our decarbonisation targets have been prepared with an aim of alignment with the Paris Agreement.

Long-term emission reduction targets are defined in the mBank Group's strategy for 2021-2025 and include:

- Transforming our loan portfolio to achieve net zero emissions by 2050, and
- Achieving net zero emissions in own operations by 2040.

Monitoring and review of the progress in completing these targets is performed annually through calculating emissions.

Detailed targets have been set in the Group's submission to SBTi and await validation.

mBank Group relies on established market practice in its GHG management, both in calculating own emissions (PCAF, GHG Protocol) and in setting targets (SBTi). The specific nature of financial institutions makes it difficult to set targets in absolute terms, i.e. in tCO2e or as a percentage of base year emissions, especially where we lack data availability and established methodologies in the market. For this reason, the Group has set targets in terms of intensity for its portfolio. Being strongly dependent on the progress of decarbonisation of our clients and the progress of transition of the countries in which we operate, we nevertheless make every effort to support our clients and partners in their emission reduction efforts, both in the form of financing and education, as described later on.

mBank Group's reduction targets are science-based and consistent with the 1.5°C scenario. They cover the Group's targets over a 5-year horizon, i.e. until 2029 and 2030 depending on the method adopted. From 2030 onwards, the Group will set targets after each successive five-year period. The Group is in the process of building tools to monitor emissions on an ongoing basis.

The Group's submission to SBTi includes:

- mBank S.A. and consolidated subsidiaries for Scope 1 and 2;
- In category 15 of Scope 3, the mBank Group's submission to SBTi covers 52.7% of eligible, according to methodology, credit portfolio assets as of the end of 2022, which is the base year of our submission:

- In the area of retail real estate financing: mBank S.A. (excluding the non-core portfolio covering FX mortgages and excluding portfolios in the Czech Republic and Slovakia) and mBank Hipoteczny;
- In the area of the corporate portfolio: mBank S.A. and mFaktoring S.A[38].

The Group's medium-term targets included in the submission and awaiting verification by SBTi are as follows:

- For Scope 1 and 2 combined, a 42% reduction in emissions by 2030 compared to the base year 2022. The Group's target was set according to the market-based method. The location-based method target was not set due to the highly limited ability to reduce the carbon footprint measured using location-based indicators for calculations. The market-based method target reflects the Group's real capabilities to shape its carbon footprint. This approach is accepted by SBTi.
- For category 15 of Scope 3, the reported targets are aligned with the 1.5°C pathway. They are presented in the tables below, respectively for the Sector Decarbonization Approach (SDA) and the Temperature Rating Score methodology, which assumes determining the degree of alignment of the entity's decarbonization targets with the Paris Agreement.

The mBank Group's portfolio targets cover 24% of the total investments and loans in the base year 2022. Total investments and loans were classified into three types of financed activities, according to the approach adopted by SBTi:

- Required activities accounted for 8% of total investments and loans,
- Optional activities accounted for 37% of total investments and loans,
- Out of scope (i.e., investment and loan items for which there is no methodology for setting carbon footprint reduction targets) accounted for 55% of total investments and loans.

The total share of assets reported and covered by targets is significantly influenced by the Group's balance sheet structure, including the high proportion of out-of-scope assets, as well as the significant level of SME sector financing and short-term financing in mBank's corporate portfolio. These are the asset groups where our influence on clients' activities is currently very limited due to the lack of applicable reporting requirements and the short-term business relationship.

**Table: Emissions reduction targets of mBank Group portfolio (Scope 3 category 15) submitted by the Group to SBTi, under validation: Sector Decarbonization Approach (SDA)**

| Asset class | Reduction ambition (%) | Emissions' intensity | | | | Activity coverage in its respective unit (as of 2022 base year data) |
|---|---|---|---|---|---|---|
| | | Year | | Unit | | |
| Mortgages (retail portfolio) | mBank commits to reduce its mortgage portfolio GHG emissions per square meter by **54%** by 2030 from a 2022 base year. | 2022 | *Base year actual data* | 62.71 | $kgCO2e/m^2$ | 61% of assets financed by mBank Group in scope of residential mortgages has been submitted for validation. The portfolio of disputed loans was not included in the submission due to the difficulty of cooperating with clients on decarbonization activities, as well as the portfolio of mortgage loans in the Czech Republic and Slovakia due to the market characteristic |
| | | 2030 | *target* | 29.09 | $kgCO2e/m^2$ | |
| Project finance (corporate clients)/ Energy production | mBank commits to reduce GHG emissions per MWh from the electricity generation within its corporate instruments and project finance portfolio by **66 %** by 2030 from a 2022 base year and only finance 1.5°C aligned electricity generation projects. | 2022 | *Base year actual data* | 7.50 | kgCO2e/MWh | Entire activity of electricity project finance and corporate loans dedicated to electricity generation (100% of mWH) is submitted for validation. This decision has been taken in line with SBTi's requirements. |
| | | 2030 | *target* | 2.53 | kgCO2e/MWh | |

[38] The base year in the SBTi submission is 2022. In May 2022, the Management Boards of mBank Hipoteczny S.A. and mBank S.A. agreed and signed a plan of demerger of mBH. The demerger of mBank Hipoteczny was completed in May 2023. Some of the assets and liabilities of mBank Hipoteczny were transferred to mBank as the acquiring company. As a result, mBank received loans worth PLN 2 billion (mainly financing commercial real estate). As a result of the process described above, mBank Hipoteczny was included in the corporate assets part of the SBTi submission. However, given the transfer of assets submitted to SBTi to mBank S.A., we do not include mBank Hipoteczny in the list of entities included in the corporate asset part of the mBank Group's submission.

| | | | | | | |
|---|---|---|---|---|---|---|
| Commercial Real Estate - CRE (corporate clients) | mBank commits to reduce its real estate portfolio GHG emissions per square meter within its corporate loans by **64%** by 2030 from a 2022 base year. | 2022 | *Base year actual data* | 145.01 | kgCO2e/$m^2$ | 93% of assets financed by mBank Group in scope of commercial real estate has been submitted for validation, taking into account business decision for development of this sector's funding. 15% excluded (per activity value, $m^2$) due to operational issues and data availability |
| | | 2030 | *target* | 51.67 | kgCO2e/$m^2$ | |

**Table: Emission reduction targets of mBank Group portfolio (scope 3 category 15) submitted by the Group to SBTi, under validation: Temperature Rating Score***

** Applies to corporate clients (excluding SME) and long-term funding, meaning of maturity over 1 year*

| Asset class | Scopes covered under the target | Emissions' intensity and reduction ambition | | | Activity coverage in terms of invested value in the particular asset class (as of 2022 base year data) |
|---|---|---|---|---|---|
| | | Year | | Metric | |
| Corporate Loans | scope 1 + 2 | 2022 | *Base year actual data* | 2.92 °C | **85%**<br>mBank commits to align 85% of its portfolio temperature score by invested value within the corporate loans.<br><br>Corporate loans include 95% of fossil fuel sector exposures (5% excluded due to insignificant size), other sectors (15% excluded due to operational issues and data availability) and short-term loas (under 1 year maturity), while no SMEs funding has been submitted, which is optional and due to lesser advancement in SMEs' decarbonisation, mBank Group has smaller transition impact towards this Client segment. |
| | | 2029 | *target* | 2.37 °C | |
| | scope 1 + 2 + 3 | 2022 | *Base year actual data* | 3.06°C | |
| | | 2029 | *target* | 2.45°C | |
| Corporate Instruments | scope 1 + 2 | 2022 | *Base year actual data* | 3.02°C | **100%**<br>mBank commits to align 100% of its portfolio temperature score by invested value within the corporate instruments.<br><br>Corporate instruments subject to mBank Group submission comprise Listed Equity and Corporate Bonds, no exclusions from the activities mandatory for submission were applied. |
| | | 2029 | *target* | 2.43°C | |
| | scope 1 + 2 + 3 | 2022 | *actual*<br>*Base year actual data* | 3.02°C | |
| | | 2029 | *target* | 2.43°C | |

The above targets were set against a base year of 2022. There have been no significant changes in the Group's structure and value chain since the base year. Changes in reported emissions year-on-year and compared to the base year are due to developments in the Group's portfolio and changes to its emissivity, as well as improvements in the quality of the data used for reporting. Where part of the emissions have been calculated for the first time for 2024, the justification is presented in the sections "Climate change in the context of mBank Group's own operations and energy consumption" and "Climate change in the context of mBank Group's portfolio", respectively.

## (E1-6) Gross Scopes 1, 2, 3 and Total GHG emissions

(E1-6) Table: mBank Group emissions

| | Information on greenhouse gas emissions | | | |
|---|---|---|---|---|
| | **Base year: 2022** | **Comparative year: 2023 (N-1)** | **Reporting year: 2024 (N)** | **Change: N / N-1 (%)** |
| | *Tonnes of carbon dioxide equivalent ($tCO_2eq$)* | | | |
| **Scope 1 GHG emissions** | | | | |
| Gross Scope 1 GHG emissions (tCO2eq) | 3,341.54 | 2,972.42 | 2,632.35 | -11% |
| Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%) | mBank Group as a financial institution is **not directly** covered by the EU Emissions Trading System (EU ETS). EU ETS applies mainly to manufacturing and Energy-production sectors, to which majority of greenhouse gas emissions is attributable. | | | |
| **Scope 2 GHG emissions** | | | | |
| Gross location-based Scope 2 GHG emissions (tCO2eq) | 20,219.44 | 19,109.44 | 17,833.58 | -7% |
| Gross market-based Scope 2 GHG emissions (tCO2eq) | 4,626.20 | 5,012.02 | 3,622.26 | -28% |
| **Scope 3 GHG emissions** | | | | |
| Total Gross indirect (Scope 3) GHG emissions (tCO2eq) | 13,979,677.26 | 12,464,659.16 | 16,780,203.40 | +35% |
| Total Gross indirect (Scope 3) GHG emissions (tCO2eq) in comparative approach, where emissions of 2024 have been presented in the same subjective and objective scope as in N-1 (2023) | 13,976,385.36 | 12,464,659.13 | 13,369,382.50 | +7% |
| 1. Purchased goods and services | 102.05 | 93.16 | 342.07 | 267% |
| 2. Capital goods | 1,886.20 | 913.16 | 682.56 | -25% |
| 3. Fuel- and energy-related activities (not included in Scope 1 or 2) | 5,860.46 | 5,276.28 | 4,786.33 | -9% |
| 4. Upstream transportation and distribution | At mBank Group we do not use transport services for distribution of our products. There are courier deliveries completed for the Group, emissions of which are covered in category 1. | | | |
| 5. Waste generated in operations | n/a | | 115.76 | - |
| 6. Business travel | In given years, mBank Group did not calculate emissions in categories 5 and 6. | | 873.85 | - |
| 7. Employee commuting | 3,189.85 | 4,009.20 | 5,402.35 | 35% |
| 8. Upstream leased assets | In scope of mBank Group, leasing services are delivered by mLeasing subsidiary, whose emissions are presented under category 13. | | | |
| 9. Downstream transportation | At mBank Group we do not use transport services attributable to distributing our products. Transportation that is being performed for the needs of the Group is mainly covered by the courier services, the emissions of which are included in category 1. | | | |
| 10. Processing of sold products | As a financial institution, serving financial services of not-material character, we have assessed categories 10, 11 and 12 as not material. At the same time we will monitor | | | |

| | | | | |
|---|---|---|---|---|
| 11. Use of sold products | the methodologies and evolving market practice in terms of calculating emissions attributable to financial products. | | | |
| 12. End-of-life treatment of sold products | | | | |
| 13. Downstream leased | 1,511,006.23 | 1,501,629.70 | 1,522,861.49 | +1% |
| 14. Franchises | mBank Group does not operate in a franchise model, therefore category 14 has not been calculated. | | | |
| 15. Investments | 12,457,632.47 | 10,952,737.65 | 15,245,139.00 | +39% |
| 15. Investments – comparative presentation y/y (due to change in the scope of entities covered by calculation y/y) | 12,457,632.47 | 10,952,737.65 | 11,836,451.61 | +8% |
| **Total GHG emissions** | | | | |
| Total GHG emissions (location- based) (tCO2eq) | 14,003,238.23 | 12,486,741.01 | 16,800,669.33 | +35% (in comparable approach +7% year on year) |
| Total GHG emissions (market- based) (tCO2eq) | 13,987,644.99 | 12,472,643.59 | 16,786,458.01 | +35% (in comparable approach +7% year on year) |

**Biogenic emissions**

In the case of mBank Group biogenic emissions arise from fuel consumption in the car fleet and result from the addition of biocomponents to fuels. They were calculated in accordance with the Greenhouse gas reporting: Conversion factors 2024: full set (for advanced users) indicators published by The Department for Environment, Food and Rural Affairs (DEFRA)[39] and in 2024 they amounted to 153.9 eCO2. According to the GHG Protocol, biogenic emissions were reported outside Scopes 1 and 2.

**Additional information on emissions**

The reported Scope 3 GHG emission categories were selected as material for mBank Group based on the availability of methodologies for their calculation, source data as well as scope and scale of Group entities' activities. According to the SBTi methodology, financial institutions must set targets covering Scope 1 and 2 emissions in own activities, followed by investment and lending activities for Scope 3 category 15. Categories 1-14 are considered optional in the calculation. In recent years, we have observed significant developments in the methodologies and market practices of science-based carbon footprint calculations. At the same time, it should be noted that the calculations are still largely based on estimates. We are investing in the development of competences and tools in order to assess the carbon footprint generated by the Group as accurately as possible. In the coming years, we plan to expand the availability and quality of data and potentially calculate additional categories in response to the expected emergence of new market practices for the calculations of categories by financial institutions.

For a description of the approach to calculating GHG emissions, including the methodologies adopted, see the sections "Climate change in the context of mBank Group's own operations and energy consumption" and "Climate change in the context of mBank Group's portfolio", respectively. In the section "Climate change in the context of mBank Group's own operations and energy consumption", we describe the approach to the Group's own emissions categories, i.e. Scope 1 and 2, and Scope 3 emissions in categories 1,2,3,5,6,7 i.e. to the extent that emissions in the Group's value chain result from the Group's own operations and are attributable to mBank Group, such as employee business travel or commuting. We describe the largest part of the Group's emissions, i.e. Scope 3 categories 13 and 15, in the section "Climate change in the context of mBank Group's portfolio". Category 13 is described in the section "Climate change in the context of mBank Group's portfolio" due to the fact that mBank Group includes the company mLeasing. It provides leasing services to external clients and other Group entities.

[39] Greenhouse gas reporting: conversion factors 2024, https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024

**Explanations for mBank Group's emissions generated in own operations**

In 2024, we took numerous steps to cover as much of our operations as possible with carbon footprint calculations. This is reflected in the disclosure of additional categories or the expansion of calculations in categories disclosed in previous periods. We are also making efforts to improve the quality of the data used. At the same time, in many cases, we still rely on assumptions and estimates that may change as organizational knowledge is built or market methodologies evolve, which may affect the calculation results. Carbon footprint calculations are based on standards published under the GHG Protocol[40]. Emission factors developed by The Department for Environment, Food and Rural Affairs (DEFRA), the National Centre for Emissions Management (KOBiZE), the Energy Regulatory Office (URE), the Association of Issuing Bodies (AIB), GEMIS, the Agency of the Ecological Transition (ADEME), the International Energy Agency (IEA), and Exiobase were used in the calculations. For Scope 2, we use the market-based method, i.e., the emission factor from purchased energy according to the energy supplier's data, and the location-based method, i.e., national factors. The organizational boundaries included in the activity report and applied in the calculation of the carbon footprint of our own operations include the following companies: mBank (with branches in the Czech Republic and Slovakia), mBank Hipoteczny, mLeasing, mFinanse, mFinanse Czechia, mFinanse Slovakia, mFaktoring, Asekum, mElements, LeaseLink, mTFI, and Future Tech. Greenhouse gas emissions, expressed in CO2 equivalent (CO2eq), also include greenhouse gases other than carbon dioxide: methane (CH4), nitrous oxide (N2O), sulfur hexafluoride (SF6), perfluorocarbons (PFC), hydrofluorocarbons (HFC), and nitrogen trifluoride (NF3). Greenhouse gas emissions have been converted to carbon dioxide equivalent emissions according to the Global Warming Potential (GWP) value, which defines the potential of individual gases in relation to carbon dioxide equivalent, according to the Intergovernmental Panel on Climate Change (IPCC) report, "Climate Change 2021: IPCC Sixth Assessment Report (AR6)."

Below we present an explanation of the key changes in the individual components of the carbon footprint along with their causes. The largest share of the carbon footprint in the own operations of mBank Group in 2024 - about 29.3% - is category 7 of Scope 3, which concerns emissions related to commuting to work by mBank Group employees and working in home-office mode, and category 3 of Scope 3 (about 25.9%), correlated with electricity consumption. Scope 2 and emissions resulting from the consumption of thermal energy and electricity also have a significant share in the mBank Group's own operations' carbon footprint. Despite the increase in electricity consumption, related emissions decreased because almost 98% of the energy comes from renewable sources.

Significant changes in emissions in 2024 compared to 2023 emissions are described below.

- Scope 1:
  - There was a significant decrease in natural gas consumption in 2024 due to the change of heat source in two locations responsible for about 40% of total consumption. The decrease in natural gas consumption was also influenced by milder weather conditions.
  - The consumption of gasoline and diesel fuel decreased as a result of the systematic replacement of the car fleet with less emissive vehicles, i.e., plug-in and electric cars. The share of electric cars in the total fleet increased from 5.1% in 2023 to 10.8% in 2024. The share of hybrid cars in the total fleet increased from 30.7% in 2023 to 68.5% in 2024.
- Scope 2:
  - The decrease in the consumption of thermal energy obtained from district heating was due to the reduction of rented space in two locations and milder weather conditions in the winter of 2024.
  - The increase in electricity consumption was due to the increase in the number of electric cars.
- Scope 3:
  - The increase in emissions in category 1 is due to the inclusion for the first time in the calculations of courier services provided to the Group, which account for about 53% of the emissions in this category. Additionally, in 2024, we recorded an increase in paper consumption.
  - In category 2, compared to 2023, we recorded a decrease of 25%, which is due to the fact that the purchase of equipment such as laptops, phones, printers, etc., is not constant and depends on the

[40] Emission calculations within individual scopes were carried out in accordance with the Greenhouse Gas Protocol (GHG): A Corporate Accounting and Reporting Standard. World Resources Institute and World Business Council for Sustainable Development. CO2 equivalent emission calculations in Scope 2 were carried out in accordance with the GHG Protocol. Scope 2 Calculation Guidance. An amendment to the GHG Protocol Corporate Standard, 2015. World Resources Institute, according to market-based and location-based methods. For Scope 3 emission calculations, we applied the GHG Protocol. Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Supplement to the GHG Protocol Corporate Accounting and Reporting Standard and Technical Guidance for Calculating Scope 3 Emissions (version 1.0). Supplement to the Corporate Value Chain (Scope 3) Accounting & Reporting Standard, 2013. World Resources Institute and World Business Council for Sustainable Development

amortization period. Fluctuations in the carbon footprint in this category may therefore occur on an annual basis.

- In 2024, for the first time, we calculated category 5, in which we included emissions from generated municipal waste, special waste (i.e., IT equipment, batteries), and sewage.
- In 2024, for the first time, we calculated category 6, in which we included business travel - rail, domestic and international flights, public transport, private cars, and taxis.
- The increase in emissions in category 7 is due to the improvement in the quality of data on the number of people working for the Group. In 2024, we calculated emissions separately for employees employed under an employment contract and separately for collaborators employed under other forms of employment than an employment contract (more about forms of cooperation is described in chapter 10.3, subchapter "ESRS S1 Own workforce of mBank Group", indicator S1-7). Additionally, for the first time, we calculated emissions resulting from energy consumption during remote work.

When comparing year-to-year data, it should be noted that in 2024 new categories (5 and 6) and new elements of categories calculated in 2024 (e.g., courier services or electricity consumption during remote work) appeared. Comparing the same data and related emissions from 2023 and 2024 indicates that the Group's emissions decreased by over 2%.

**Explanations for mBank Group's Portfolio Emissions**

Change in emissions within the Group's portfolio in 2024 compared to previous periods is due to several key factors:

- Loans and investments constitute the largest source of the Group's portfolio emissions (95% in 2024). In 2024, we included mFaktoring in the calculation, which was not considered in previous years (except for calculations related to the Group's SBTi submission, which only covered a small portion of the company's assets). The inclusion of mFaktoring resulted in a 40.9% year-on-year increase in emissions in this asset category. Excluding mFaktoring, the comparable annual growth rate was 8%, primarily due to the bank's increased credit exposure.
- Mortgage loans represent the second-largest asset category in terms of emissions in the Group's portfolio, excluding government bonds. Emissions calculated for the Group's mortgage loans decreased year-on-year due to the dynamic decline in the volume of non-core loans, which have high emissions compared to other mortgages in the Group.
- Emissions from listed shares and corporate loans increased due to higher exposure in this asset category.
- Emissions in the "Motor vehicle loans (retail clients)" category decrease year-on-year due to the expiration of this portfolio at mBank and the lack of active sales of this product to clients.
- The disclosure of portfolio emissions differs from the values reported in the mBank Group's 2023 ESG Report due to the inclusion of a broader range of emissions in the current calculation. This scope has been expanded to include mortgage emissions in the Czech Republic and Slovakia, and the coverage of Group companies has been extended from mBank S.A. and mBank Hipoteczny S.A. to other companies that identify assets for which the Group calculates emissions according to the explanation provided in this disclosure.

### Greenhouse gas intensity

| Greenhouse gas intensity | 2023 | 2024 | Change 2024 /2023 (%) | Comparable 2024 (with the same scope of calculation as in 2023) | Change Comparable 2024/2023 (%) |
|---|---|---|---|---|---|
| **Total greenhouse gas emissions in tCO2e** | | | | | |
| Total greenhouse gas emissions ($tCO_2e$) (location-based) | 14,003,238.23 | 16,800,669.33 | +35% | 13,389,848.4 | +7% |
| Total greenhouse gas emissions ($tCO_2e$) (market-based) | 13,987,644.99 | 16,786,458.01 | +35% | 13,375,637.1 | +7% |
| **Net revenue (PLN'000)*** | **18,259,130.0** | **18,463,552.0** | **+1%** | **-** | **-** |
| **Greenhouse gas emissions intensity per net revenue, in tCO2e / thousand PLN** | | | | | |
| Greenhouse gas intensity: total greenhouse gas emissions ($tCO_2e$) (location-based) to net revenue | 0.68 | 0.91 | 33.1% | 0.73 | 6.0% |
| Greenhouse gas intensity: total greenhouse gas emissions ($tCO_2e$) (location-based) to net revenue | 0.68 | 0.91 | 33.1% | 0.72 | 6.1% |

**Net revenue expressed in thousands of PLN in accordance with the method of presentation of data in the Consolidated Financial Statements of mBank Group S.A. under International Financial Reporting Standards for 2024. Net revenue represents the sum of the following items: interest income; commission income; income from shares, other securities and other financial instruments with variable yield; gains on financial operations where the sum of the items comprised is positive; and other operating income excluding gains from the sale and revaluation of investments in subsidiaries and associates.*

The Group's Scope 3 greenhouse gas emissions are calculated using a variety of data, including primary data. In order to determine the proportion of emissions calculated using primary data obtained from suppliers or other value chain partners, we have adopted the following approach:

- In the scope of categories 1, 2, 3, 5, 6, 7, which are used to calculate the carbon footprint of our own operations, we used actual data, and where it was not available at the time of calculations, estimates were made based on analogous data from a similar period in 2023 or based on actual data from previous months. In the market-based approach, for Scope 3 emissions of our own operations, 43.7% of emissions were calculated based on actual data. This share was determined for a common measure, which is emissions expressed in tons of CO2 equivalent. This is because the input data used to calculate emissions is expressed in different units, such as litres of fuel or MWh, which makes it impossible to bring them to a common denominator and determine the share of actual data in the input to the calculations.
- In the scope of categories 13 and 15, to determine the quality of data and its source, i.e., primary/estimated, we adopted an approach based on the PCAF methodology. Although this methodology is not intended for calculations in category 13, in the absence of other available approaches, we considered it adequate for the purpose of maintaining consistency within the Group in this disclosure. PCAF has 5 data quality classes, where class 1 represents the highest quality data, and class 5 - the lowest quality data, mainly based on estimates. Based on the definitions of data quality classes for each type of asset covered by the PCAF methodology, within the Group, we assume that for the purposes of CSRD disclosure, primary data are considered to be quality classes 1 and 2. We also apply them to types of assets not covered by the PCAF methodology, i.e., those subject to disclosure in category 13. For the calculation of the carbon footprint for 2024 and previous years, class 1 was assigned exclusively to government bond exposures in their scope 1. At the time of publication of this disclosure, we do not identify class 2 for any category of assets for which the carbon footprint is calculated within the Group. For other types of assets, we identified indicators at levels 3, 4, and 5. The average PCAF indicator weighted by the value of exposure was:

- in category 13: 4.27;
- in category 15: 2.95 (considering government bond emissions. In the case of excluding government bond emissions from the calculations, the indicator would be 3.98).

As a result, the average PCAF indicator in the scope of 3 categories 13 and 15 was 3.18 (excluding emissions resulting from government bonds, it would be 4.05). Since emissions resulting from the government bond portfolio held on the Group's balance sheet are calculated according to the PCAF methodology in two approaches, the share of the Group's emissions in the scope of 3 categories 13 and 15 calculated based on primary data was 13.9% in the LULUCF approach and 14.5% in the non-LULUCF approach. This share was calculated as the quotient of emissions calculated based on primary data to the sum of emissions in scope 3, expressed in tCO2e. As market practice in this area develops and as the internal database evolves, the Group will strive to cover a larger portion of categories with primary data.

### (E1-1) mBank Group's Transition Plan (E1-1)

As of December 31, 2024, mBank Group has not adopted a Transition Plan for climate change mitigation (hereinafter referred to as the Transition Plan), but has begun work on its preparation. Part of this work includes the reduction targets for the carbon footprint prepared by the Group, based on the Science Based Targets initiative methodology, which are currently awaiting acceptance by SBTi. The results of the work carried out in 2024 were presented at KZR meetings. In September 2024, at the initiative of the Supervisory Board, a workshop was organized in cooperation with CDP, among others, attended by representatives of the Supervisory Board and the bank's Management Board, regarding transition plans in the banking sector. In December 2024, a dedicated workshop was held with the bank's Management Board on the preparation of the Transition Plan. In 2025, we will continue our work on emission reduction targets and the integration of the Transition Plan with the mBank Group's business strategy for 2026-2030. We plan to adopt the Transition Plan in the second half of 2025.

### (ESRS 2 SBM-3) Climate-related risks and opportunities

A description of climate-related impacts, risks and opportunities is provided at the beginning of chapter 10.1 "General information (ESRS 2)". It covers each aspect: risks and opportunities, as well as the ongoing positive and negative impacts of the Group's own activities and those of our clients on climate. This multidimensional approach is reflected in the Group Strategy, published in 2021. The results of the double materiality analysis with regard to climate impacts, as described in chapter 10.1., confirm the consistently important role of the financial institution in the context of climate both in the reporting year and in the future. We describe the strategic objectives in this regard further in this subsection. Climate issues are also embedded in the Group's business model, including the policies and actions described below.

The Group identifies the greatest climate-related opportunities in developing its product offering and supporting the transition of its clients. This is due to the fact that the vast majority of the Group's greenhouse gas emissions are generated by its portfolio, i.e. category 13 and 15 of Scope 3, as well as its role as a facilitator of climate transition. The Group sees opportunities mainly in building engagement with sectors and projects contributing to the decarbonisation of the market, including both its own initiatives and participation in the distribution of public funds to projects with a positive impact on the climate, such as BGK's ecological loan and KUKE guarantees. These activities include, in particular, the actively developing area of client transition finance, based on mutual support for the achievement of decarbonisation targets by financing institutions and companies. The Group seeks to reach out to those market players whose current activities generate high greenhouse gas emissions and which require significant transition investments in the long term. However, such exposures negatively impact the carbon footprint of the financing institution in the short term. It is an opportunity, and at the same time a challenge for the Group, to maintain a balance between promoting climate change mitigation solutions, such as the financing of renewable energy sources or low-energy-demand real estate, while at the same time supporting the transition of entities and assets with a negative environmental impact, such as the energy-intensive sectors or the thermo-modernisation of buildings that require renovation. These opportunities are exploited as part of the Group's offering, with financing provided subject to our risk management policies. mBank Group, as a financial institution, manages risks in accordance with regulatory requirements and supervisory recommendations, and we provide a description of our approach to environmental risk management applied in 2024 below.

In mBank Group, from the risk classification and risk management practice viewpoint, we do not treat climate-related risk as a separate type of risk but rather as a horizontal one, which influences existing traditional financial and non-financial risks to varying degrees and through different transmission channels, according to the interpretation provided in the European Central Bank's "Guide on climate-related and environmental risks - supervisory expectations relating to risk management and disclosure" published in November 2020. The Group is also analysing the guidelines of the European Banking Authority (EBA) on

environmental and social risk management and governance[41], which will come into force on January 11, 2026. Given the application of a horizontal approach to environmental risk as a risk that can materialise in the existing risk categories identified as part of the risk inventory process, we assess its materiality within the primary risks.

Table: Physical and transition risks identified by mBank Group

| Identified significant climate-related physical risks that may materialise in the existing risk categories | Identified significant climate-related transition risks that may materialise in the existing risk categories |
|---|---|
| 1. Credit risk | 1. Credit risk |
| 2. Business risk | 2. Business risk |
| 3. Compliance risk | 3. Compliance risk |
| 4. Foreign currency loan portfolio risk | 4. Foreign currency loan portfolio risk |
| 5. Reputation risk | 5. Reputation risk |
| 6. Capital risk | 6. Capital risk |
| | 7. Securitisation risk |

Climate-related risks can affect the financial performance and liquidity position not only directly but above all indirectly through their impact on the financial standing of the Group's clients. In 2024, steps have been taken to establish a stress testing methodology in which such climate scenarios will be taken into account.

For the purposes of Pillar III reporting under Article 449a CRRIII, as part of consolidation in the Commerzbank Group, we conducted a preliminary analysis of physical risks from a loan portfolio perspective in mBank Group. As part of the analysis, we identify assets exposed to physical risks (acute and chronic) in both the corporate loan portfolio and the mortgage-secured loan portfolio. These risks were analysed within the horizon of 2050 according to the IPCC's RCP8.5 scenario (The Fifth Assessment Report, AR5[42]). The average temperature of the Earth according to the scenario will rise by 4.9° relative to the pre-industrial period. This scenario, with a 95% probability, means irreversible destabilisation of the Earth's climate. The risks in Poland have been identified on the basis of literature, market practice, guidelines and regulations. Poland lies in the middle-latitude zone. The characteristics of Poland's climate are determined by the influence of extensive land areas in the east and the Atlantic Ocean in the west. Poland's climate is therefore often described as transitional, containing both maritime and continental climate features. The transitional nature of the climate is characterised by a large variety and variability of observed weather conditions, which may favour the development of extreme weather events. According to the latest IPCC report, the occurrence of weather anomalies is expected to intensify. The following risks were identified during the work:

Table: Physical risks identified by the Group

| Chronic risks | Acute risks |
|---|---|
| 1. Drought | 1. Heat wave |
| 2. Sea level rise | 2. Cold wave |
| | 3. Flooding/river flooding |
| | 4. Storm/sea flooding |
| | 5. Torrential rain/rain flooding |
| | 6. Fire |
| | 7. Landslide |

Following the analysis of the physical risks, thresholds were set for each risk. The thresholds were set based on a scientific approach and an expert method, taking into account the projected ranges of variability of diverse phenomena in the 2040-2050 horizon and the assumption that this is a first, preliminary analysis, and that the targets will be set in subsequent reporting periods, after more detailed analyses have been carried out.

As a result of the above analysis, six material physical climate risks have been identified: (1) flooding, (2) storm/hurricane, (3) fire, (4) cold wave, (5) heat wave, (6) drought.

The approach to transition risk monitoring was also based on the preparation of Pillar III reporting. The Group conducted a detailed review of the sectors in which it provides financing to clients. This allowed us

[41] Final Guidelines on the management of ESG risks: https://www.eba.europa.eu/publications-and-media/press-releases/eba-publishes-its-final-guidelines-management-esg-risks
[42] The RCP8.5 scenario is the most pessimistic climate model, rated as unlikely. It assumes a continuation of the current rate of increase in greenhouse gas emissions (business as usual). RCP8.5 refers to a radiative forcing of 8.5 [W/m2], which is associated with reaching CO2 concentrations of around 940 ppm.

to define a method for identifying clients excluded from the Paris Agreement (clients whose activities are based on fossil fuels, and whose transition to a low-emission economy may be associated with high risks). The share of such clients in the Group's portfolio is continuously monitored and remains at a low level. This is related to the strategic decisions made within the Group regarding limited financing for sectors whose activities are linked to fossil fuels. In the second half of 2024, this approach was reviewed. As a result of this work, modified provisions have been prepared in the "Credit Policy of mBank S.A. concerning industries significant from the EU climate policy perspective" (described in more detail in section E1-2 MDR-P), which will be implemented along with its update in 2025.

**(ESRS 2 SBM-3) Resilience of the Group's business model and strategy to climate change**

In its current strategy and in the business model supporting its implementation, mBank Group is taking steps to build and continuously strengthen its resilience to climate change. The works on preparation of the Transition Plan and on the Group's new strategy, as well as the development of market knowledge on climate change and the availability of tools to analyse its impact on the banking sector's activities, have provided the incentive for reviewing the resilience and enabled the identification of tasks for the next periods to monitor the resilience on a regular basis. These tasks will be oriented around the analysis of the expected financial impacts arising from material physical and transition risks and potential climate-related opportunities. These will be included in the E1-9 disclosure, for which the Group has adopted a transitional period in this statement.

The claim on building resilience of the Group's strategy and business model to climate change is supported by the analyses of the physical risks described in section (ESRS 2 SBM-3) "Climate-related risks and opportunities", the lessons learnt from ESG risk management and the knowledge of Group representatives acquired in the course of activities aimed at strengthening the company's resilience to climate change. The main actions in this regard include strategic objectives and the promotion of renewable energy financing in the Group's policies while reducing, including through the introduction of limits, the financing of the mining and fuel sector, as discussed further in section (E1-3 MDR-A) "Actions and resources in relation to climate change policies".

We currently perceive the conducted analyses and actions as tools for building this resilience in the future. Nevertheless, we have not yet identified conclusions that would indicate clear signs of the Group's lack of resilience in the context of climate change. This conclusion is fraught with uncertainty resulting from ongoing analyses of possible approaches to resilience analysis, as well as partially from uncertainties regarding the development of regulations and the market sentiment towards supporting the transition to a low-carbon economy. In the Group, we identify the ability to correct and adapt strategies and business models according to emerging needs, where, as a universal bank, we finance a diversified asset portfolio and are able to modify its profile to varying degrees depending on the adopted short-, medium-, and long-term perspectives. In the Group, we also ensure the employment of new specialists and the enhancement of current employees' qualifications to provide access to the knowledge and skills necessary to offer clients financial solutions that support climate change mitigation and adaptation, as well as the ability to analyse risk and manage engagements at the portfolio level in the context of emissions exposure or their vulnerability to climate-related risks.

As a Group, we are a regular issuer of securities, carrying out issuances both in the format of green bonds and traditional financing forms. We have a stable shareholder structure and a safe level of liquidity. These parameters provide grounds for stating that we have consistent access to financing at reasonable capital costs, enabling us to pursue our strategy and business model in the chosen direction.

The drive for climate resilience in our strategy and business model is also evidenced by our actions to finance projects that support sustainable development evidenced by compliance with the EU Taxonomy criteria. We have described how we review our retail and corporate portfolio in terms of resilience to the climate risks identified in the Taxonomy in subchapter "Taxonomy disclosure". Information on the percentage of our portfolio that is compliant with the Taxonomy as measured by GAR and on financed transactions that are compliant with Taxonomy technical screening criteria, which we present voluntarily, is also available in this section.

**Climate change in the context of mBank Group's own operations and energy consumption**

Own operations, although generating a small proportion of the Group's emissions, are distinguished in this disclosure due to the fact that they are covered by separate regulations, specific actions, and independent strategic objectives. Furthermore, by our own actions and attitude, we want to set an example and mobilise our clients and other stakeholders to join efforts in transforming businesses towards a low-carbon economy. In doing so, we believe we can send a signal to our clients with whom we are actively working to decarbonise operations of their businesses.

*(E1-2 MDR-P) Policies related to climate change mitigation and adaptation and energy efficiency*

The overarching document relating to the environmental footprint of the Group's operations is the "mBank Group Strategy 2021-2025", which was adopted in 2021 by the Management Board of mBank S.A. This regulation sets the direction covering emissions, energy, and fleet-related activities for the entire Group, which, in addition to Poland, also operates in the Czech Republic and Slovakia. Monitoring of the Strategy takes place annually and the results are published in the Management Board Report. The Strategy and the Report describing the degree of its implementation are publicly available on the website. In the context of Group's own operational activities, the Strategy covers the areas of climate change mitigation by organizing the Group's activities around the goal of reducing own emissions and reaching net zero emissions from own operations by 2040, as well as the area of energy effectiveness in order to supply its activities with renewable energy.

The "Circular letter on the purchase of electricity from renewable energy sources (RES) for mBank S.A. and mBank S.A. Group companies" which has been in force in the Group since March 2024 concerns the contracting of green energy at own and leased locations. The regulation was adopted by the director of the unit responsible for real estate management and its scope covers all mBank Group companies. The goal is continuously monitored, and the current energy consumption status is the basis for purchasing guarantees of origin for renewable energy. The highest-level body responsible for implementing the policy is the director of the Procurement and Administration Department. This document refers to the area of energy effectiveness in the context of organising the Group to use renewable energy in its own operations.

In the area of company cars within the Group (excluding mElements, Asekum, and LeaseLink companies), the "Fleet Policy" has been in effect since 2024, promoting electric and hybrid vehicles. The highest-level body in the bank responsible for implementing the Policy is the director of the Procurement and Administration Department. Progress in policy implementation is reported to managing directors, heads of organizational units, and the management of subsidiary companies. The regulation is available to every employee in the internal network. This document refers to the climate change mitigation, taking into account the long-term tendency of bigger advantage of low-emission car fleet over the traditional fuel cars along with rising share of green energy in Polish energy mix.

*(E1-3 MDR-A) Actions and resources in relation to climate change and energy policies*

The climate-oriented activities carried out by the Group in its own operations primarily involve climate change mitigation and aim to reduce the Group's carbon footprint. The resources dedicated to their implementation are described collectively in section ESRS 2 (MDR-A, paragraph 69) "Expenditures on the implementation of sustainability actions". To achieve the net zero-carbon strategic objective, the Group is undertaking the following activities:

- In accordance with the circular letter described above, the Group has a preference for purchasing energy from renewable sources, with a share of 97.8% of consumption in 2024 (of which 63.2% is confirmed with guarantees of origin, while 34.6% originates from PPA agreements). Green energy is purchased directly by mBank and by the owners of the bank's main facilities (head offices and data centres). To the extent that the Group does not purchase green energy, we purchase guarantees of origin registered on the Polish Power Exchange (Towarowa Giełda Energii – TGE). In the case of new leases where green energy cannot be purchased directly by mBank S.A., the contractual provisions include a requirement to ensure the supply of RES electricity or its equivalent, although exceptions from the general rule are possible. There is a goal for the whole Group established in the circular letter on energy purchasing described above, that at least 80% of the energy source used in a given year must come from the renewable energy sources.

- Thanks to the implementation of the Group's Fleet Policy, the mBank Group's car fleet increased in 2024 by 61 electric cars and 406 plug-in hybrids – such low-emission cars at the end of 2024 represented 79% of the total fleet. There are 51 electric vehicle chargers installed at mBank's Warsaw head office, 6 at its Łódź head office, and 13 chargers at other locations, powered primarily by renewable energy sources.

- The mBank S.A. green grants is a program run at mBank mLeasing, mBank Hipoteczny and mFaktoring, that aims to motivate employees to choose more environmentally friendly means of transport, such as public transport, cycling or walking to the office. The program has been very popular, with more than 4035 people benefiting from it in 2024. The benefit is intended for employees who do not use a car or other combustion vehicle on their way to and from work, with the exception of public transport. The activity also contributes to reducing the environmental footprint of employees' commuting.

- Calculation of carbon footprint of own operations is performed at mBank since 2021. Since then, the process has been improved and scope of categories and emission sources is continuously enlarged.

We do not disclose information about planned activities and planned resources for the implementation of these tasks due to the fact that they will be determined in the Transition Plan, which is currently under development.

### (E1-5) Energy consumption and energy mix indicators and targets

Table: Total energy consumption in MWh related to own operations, broken down by:

| | Energy consumption and mix | 2024 | 2023 |
|---|---|---|---|
| 1. | Fuel consumption from coal and coal products (MWh) | 0 | 0 |
| 2. | Fuel consumption from crude oil and petroleum products (MWh) | 10,599.5 | 11,156.5 |
| 3. | Fuel consumption from natural gas (MWh) | 560.7 | 833.0 |
| 4. | Fuel consumption from other fossil sources (MWh) | 0 | 0 |
| 5. | Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh) | 9,781.9 | 12,046.7 |
| 6. | **Total fossil energy consumption (MWh)** (calculated as the sum of items 1-5) | **20,942.1** | **24,036.2** |
| | **Share of fossil fuel sources in total energy consumption (%)** | **46.8** | **53.4** |
| 7. | **Nuclear energy consumption (MWh)** | **0** | **0** |
| | **Share of energy consumption from nuclear sources in total energy consumption (%)** | **0** | **0** |
| 8. | Fuel consumption for renewable sources, including biomass (also covering industrial and municipal bio-waste, biogas, renewable hydrogen, etc.) (MWh) | 0 | 0 |
| 9. | Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)* | 23,773.5 | 20,946 |
| 10. | Self-generated non-fuel renewable energy consumption (MWh) | 0 | 0 |
| 11. | **Total renewable and low carbon energy consumption (MWh)** (calculated as the sum of items 8-10) | **23,773.5** | **20,946.2** |
| | **Share of renewable sources in total energy consumption (%)** | **53.2** | **46.6** |
| | **Total energy consumption (MWh)** (calculated as the sum of items 6 and 11) | **44,715.6** | **44,982.4** |

**covered by certificates of origin*

The data was prepared based on consumption information collected within the mBank Group. The data was converted to a common unit (MWh) using the DEFRA database - Conversions, Fuel properties, and calorific values from the report "Calorific values (CV) and CO2 emission factors (EF) for fuels used in the national economy in 2022," published by KOBIZE.

As a financial institution, mBank is not active in high climate impact sectors. Therefore, we do not disclose information on E1-5 items 38-43.

### Climate change in the context of mBank Group's portfolio

We assess the impact of the Group's portfolio on climate in mBank Group as material. This is due to the fact that mBank Group, as one of the largest financial institutions in Poland, also present in the Czech and Slovak markets, provides financing to a wide range of clients whose business activities and satisfaction of housing needs generate carbon footprint. We use available scientific methods and methodologies to calculate our clients' emissions and manage their climate impact. Our aim is to reduce the emissions of our client portfolio while growing business, which is possible by supporting clients in their transition and adequately developing new products and financing policies and limits. We have confirmed the material climate impact of our portfolio in the double materiality analysis, which we describe in chapter 10.1. "General information (ESRS 2)". Increasing regulatory and supervisory requirements for financial

institutions to examine their impact on and resilience to climate change reinforce the Group's understanding of this impact and support the promotion of sustainable product offerings for clients.

We recognise the important role of mBank Group in supporting sustainable transition. By offering appropriate financial instruments we meet emerging market demand in this respect. For many clients, we are an important partner in achieving individual decarbonisation goals, and considering mBank's significant market shares in economy financing, our activities contribute to the achievement of national transformation goals. By creating products oriented at goals such as emissions reduction, we not just meet the current financial needs of our clients, but also anticipate and respond to future needs for further decarbonisation and adaptation to climate change, which is already taking place and is irreversible in the short term.

*(E1-2 MDR-P) Policies related to climate change mitigation and adaptation*

mBank Group follows policies, understood as internal regulations, related to climate change mitigation and adaptation covering the Group's portfolio. The most important documents are described below.

mBank Group Strategy 2021-2025

With regards to the topic of "Climate change in the context of the portfolio", the mBank Group's Strategy for 2021-2025 focuses on promoting mBank Group's role in proactively working with our clients to keep strong market position in green finance and energy transition. It aims to reduce the greenhouse gas emissions of the loan portfolio, including through SBTi compliant targets. The Strategy's monitoring process is described in chapter 10.1. "General information (ESRS 2)".

The Strategy addresses the identified opportunity for the Group to contribute to the reduction of greenhouse gas (GHG) emissions. Regarding the mBank Group's portfolio, the Strategy encompasses broad scope of activities of the Group in terms of the actions and products developed by the Group, but also in relation to the downstream part of the value chain, i.e. clients. The Management Board of the bank is responsible for defining and implementing the Strategy. A summary of the Strategy is publicly available on the bank's website and progress in its implementation is published annually as part of the Management Board Report.

The Strategy addresses the following areas:

- Climate change mitigation by organising the Group's activities around the objective of transforming our loan portfolio to achieve net zero emissions by 2050.
- Energy efficiency through a target to provide mortgage loans secured with residential properties whose primary energy demand is at least 10% less than the threshold set in Nearly Zero Energy Building (NZEB) requirements ("NZEB - 10%"[43]).
- Energy transition and increased usage of renewable energy through provision and arrangement of financing for renewable energy projects, through which the Group contributes to the transition to a climate-neutral economy.
- Energy efficiency and renewable energy usage are also covered under the strategic objective of issuing green bonds. The Group issues green bonds in accordance with the mBank S.A. Group Green Bond Framework. In the completed issues, funds have been allocated to properties which meet the eligibility and RES criteria whose environmental impact is reported in the annual allocation and impact reports available on the bank's website.

mBank S.A.'s credit policy for industries relevant to EU climate policy

mBank S.A.'s credit policy for industries relevant to the EU's climate policy has been in place at the bank since 2019 and is updated once a year as part of its review. It defines the bank's risk appetite for business activities in industries such as high-carbon industrial production, electricity, mining, and transport. It also refers to the fact that climate risk for banks is also linked to reputational risk directly related to financing entities operating in sectors with a significant carbon footprint. It aims to put in place a mechanism to limit the bank's current and future exposure to risks associated with the energy transition and a large amount of locked-in greenhouse gas emissions. The implementation of the Policy is monitored by way of an annual review of the portfolio for any exclusions under the policy and exposures in the higher risk category.

The Policy addresses the identified impacts, risks and opportunities of contributing to better protection against natural disasters, financing for industries which may contribute to increase of the likelihood or intensity of natural disasters, or contribute to increase or reduction of greenhouse gas (GHG) emissions. This document applies to mBank's activities in the corporate segment and covers corporate clients of the K1 segment, the K2 segment with a general limit of more than PLN 8 million, and the K3 segment with

[43] The requirements for the primary energy demand of a building, which determines the energy performance of a building, are set out in Directive 2010/31/EU of the European Parliament and of the Council of 19 May 2010 on the energy performance of buildings. The EU Taxonomy defines technical qualification criteria according to which buildings can be classified as making a significant contribution to climate change mitigation. In order to meet them, the primary energy demand of a building must be at least 10 % lower than the threshold set for the requirements for nearly zero energy buildings, as defined in the transposition of the Directive in national legislation.

exposures of more than PLN 8 million. Under agreements concluded with mFaktoring and mLeasing, the main principles defined in the Policy are implemented in the subsidiaries.

The Policy aims to bring the corporate loan portfolio in line with the standards under the Paris Agreement and SBTi. The content of the Policy is proposed by the Credit Risk Processes Department following agreement with stakeholders: corporate client sales representatives and credit risk analysts and decision-makers. The highest level body in the bank responsible for implementing the Policy is the Corporate and Investment Banking Risk Committee. The Policy is part of the pre-screening process of credit clients in the corporate area. It is also available to analysts and all other interested employees on the intranet. With regard to external stakeholders, the bank provides information on its website referring to financing conditions and ESG.

The Policy lists carbon-intensive sectors contributing most to climate change and introduces qualitative and quantitative boundary conditions supporting or limiting financing opportunities for entities in these industries. The Policy limits financing opportunities for coal and/or lignite-based electricity generation. Thus, the Policy addresses the area of climate change mitigation and the area of energy efficiency.

The Policy is consistent and complementary to the "Policy for industries sensitive in terms of mBank's reputation risk", which provides also a list of industries and properties excluded from lending in the retail banking segment. "Policy for industries sensitive in terms of mBank's reputation risk" is primarily focused on minimising the risk of negative impact on the bank's image and reputation resulting from servicing entities whose activities are socially controversial.

mBank S.A. credit policy for financing of renewable energy installations (RES project finance)

mBank S.A.'s credit policy for financing of renewable energy installations (RES project finance) was introduced in 2018. The purpose of the Policy is to define the parameters of RES transactions necessary to finance such projects taking into account the associated risks (legal risk, technological risk, market risk, etc.). The Policy creates a transaction framework that facilitates the preparation of project analysis and decision-making at the bank. The RES Policy is updated once a year to take into account changes in the RES industry and to speed up the processing of new projects. The implementation of the Policy is monitored by means of an annual review of the portfolio for any exclusions and higher-risk exposures.

The highest level body responsible for implementing the Policy is the Corporate and Investment Banking Risk Committee.

The Policy relates to project finance for renewable energy sources (RES) installations as part of the bank's corporate client service in Poland. Pursuant to the agreement concluded with the Group companies, the key principles of the Policy are implemented by the subsidiaries. The content of the Policy is proposed by the Credit Risk Processes Department on the basis of its own analyses. Subsequently, the relevant decision-makers of the Risk and Business units are consulted.

The Policy supports the financing of RES projects whose development will contribute to a reduction of fossil fuel-based electricity generation and consequently contribute to climate change mitigation. RES installations are also a response to climate change in the form of climate change adaptation. For example, photovoltaic installations can be used more extensively with the observed increased insolation of the earth, while biogas plants support the circular economy by using biodegradable waste. For mBank, the development of the RES portfolio is also a form of risk mitigation in connection with the allocation of capital to activities which are strategic in the long term from the perspective of the economy.

Order of the President of the Management Board on the rules for qualifying the alignment of transactions with the EU Taxonomy or the mBank ESG Strategy in the Corporate and Investment Banking Segment

The Order of the President of the Management Board on the rules for qualifying the alignment of transactions with the EU Taxonomy or the mBank ESG Strategy in the Corporate and Investment Banking Segment has been developed to meet the regulatory requirement for transparency of financial institutions as set out in Regulation 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investments, and amending Regulation (EU) 2019/2088, to align the approach to the qualification of transactions for reporting purposes and to systematise the approach to the qualification of banking transactions as aligned with the EU Taxonomy and with Group's strategy.

The Regulation refers to an identified opportunity to contribute to the reduction of greenhouse gas (GHG) emissions. To monitor the implementation of the Regulation we have introduced a process of assigning a special marker, called a flag, in the system to transactions that adhere to the Regulation. Flagging transactions that meet conditions outlined in the ESG strategy of mBank Group or the EU Taxonomy takes place since the beginning of 2024. It is monitored on an ongoing basis in an internal report verifying the correct flagging in the banking systems and quarterly in a report supporting the reporting of the achievement of the target of sustainable finance provided under the ESG strategy. The Regulation applies

to corporate clients to the extent of their business in Poland. The Corporate Banking Sustainable Finance Department is responsible for the tasks set out in the Regulation. As the provisions of the Regulation are implemented by multiple employees of the bank, its content is posted on the internal website. An appendix is an instruction on transaction flagging. Numerous training courses have been conducted in this area, their recordings and educational materials are available in the Knowledge Repository.

The Regulation supports the process of financing sustainable investments according to the criteria of the EU Taxonomy. As such, it addresses the six environmental objectives listed in the EU Taxonomy, meaning climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems.

mBank Group Environmental Risk Management Strategy

The "mBank Group Environmental Risk Management Strategy" was prepared in 2024. This document has been accepted by KZR and Management Board in December 2024 and in February 2025 its acceptance by the Supervisory Board is expected. Its assumptions cover relevant issues in the area of environmental risks arising from internal and external documents. The Strategy sets out definitions, the principles for managing these risks and the risk appetite to limit their impact on mBank Group. These risks cover also climate risks, including the topics of climate change mitigation and climate change adaptation. Environmental risks, as horizontal risks, require building awareness throughout the organisation. An appropriate organisational risk culture allows adequate risk mitigation mechanisms to be created. Therefore, this Strategy refers to the business strategy of the Group and organisational culture.

The environmental risk management process is carried out at all levels of the bank, starting with the individual business units, through the specialised units responsible for identifying, measuring, monitoring, controlling and reducing risks, to the credit decision-making bodies, and the Bank's Management Board and Supervisory Board.

The process of managing environmental risk as a horizontal risk is included in the risk management process in the Group and is reflected in the ICCAP process. Environmental risks are included in the Risk Catalogue. We organize risk management roles and tasks in the Group in accordance with the three lines of defense scheme defined in the Control Functions Methodology. The process is subject to internal review and audit rules. The monitoring mechanism is included in the reporting process and individual internal processes that concern the area of environmental risks, i.e. limits for exposures with significant risk. The strategy is updated once a year to take into account changes occurring within the bank. This also allows the management process to be adapted to the latest knowledge on the impact of climate change on financial activities.

*(E1-3 MDR-A) Actions and resources in relation to climate change policies in scope of Group's portfolio*

With regards to the Group's portfolio, we take actions to offer our clients relevant products to mitigate or adapt to climate change and we also take internal actions, not visible to clients externally in our offering, which consist of a risk assessment approach and limiting exposures to industries and clients with a negative climate impact, as well as promoting exposures with a positive climate impact. In order to improve the effectiveness of the management and monitoring system, further actions have been planned to improve the data collection process and to test the organisation's resilience to the impact of environmental risks by developing a climate stress testing methodology. We do not disclose information about planned activities and planned resources for the implementation of these tasks due to the fact that they will be determined in the Transition Plan, which is currently under development.

### Sustainability support actions for clients in the retail segment (individuals and business clients)

Offering mortgage loan to finance an energy-efficient property[44] for individuals

In order to meet our strategic targets, we encourage clients to buy a property or build a house with documented low energy consumption. This is accompanied by educational activities for clients and advisors in branches. If the property meets the energy saving requirement, we reduce the margin by 0.20 p.p. compared to the promotional rates.

This action is one of the decarbonisation levers identified as part of the Transition Plan and is planned to be revised in the future in relation to changing market conditions. For this action, with data management processes in relation to decarbonisation still being under development, we are not in a position to disclose the achieved and expected greenhouse gas emission reductions in the current reporting year. Given the need for such monitoring for the purposes of the Transition Plan and the Group's experience in reporting the environmental impact of assets in which the bank invests green bond proceeds, including eligible mortgages, we plan to develop the capability to adequately report in the next reporting periods years. We expect the sales of NZEB-10 eligible loans to be an increasing part of the Group's wider mortgage sales activity going forward.

Offering investment solutions which promote environmental or social characteristics subject to disclosure requirements under Article 8 of the SFDR

The key action to achieve the strategic goal in scope of sustainable investments is to shape the offer and provide clients with investment solutions that take into account environmental or social aspects. Additionally, in 2024 we changed the methodology for assessing financial instruments. We implement its assumptions in accordance with the adopted schedule. As a first step, we adopted the adjustment of our portfolio strategies and the inclusion of individual sustainable development factors. Our portfolios under management (subject to the requirements of Article 8 of the SFDR) and investment strategies in investment advisory take into account investments in accordance with the Taxonomy, investments in accordance with the definition of sustainable investments introduced by the SFDR and the Principle Adverse Impacts (PAI). In the next stage, we will adapt the response algorithm to the sustainability preferences expressed by customers.

Offer for the business clients

In addition to the actions under the Strategy, we are also expanding the range of products at mBank which support sustainable development for business clients. Two products offered in this area in 2024 include business loans for the purchase of renewable energy installations, electricity storage and heat pumps, and business loans secured with energy-efficient properties[45].

[44] An energy efficient property must meet the following standards:
A single-family building with an annual rate of non-renewable primary energy demand as specified in the Energy Performance Certificate or the Design Energy Performance Certificate expressed in kWh/m2 per year (EP ratio) not exceeding:
- 70 kWh/m2 per year for buildings commissioned before 1 January 2022 and for buildings not commissioned for which an application for a construction permit or a construction notification was submitted before 31 December 2020.
- 63 kWh/m2 per year for buildings commissioned after 31 December 2021 and for buildings not commissioned for which an application for a construction permit or a construction notification was submitted after 30 December 2020.

a separate dwelling in a single-family building with an EP ratio not exceeding:
- 70 kWh/m2 per year for buildings commissioned before 1 January 2022 and for buildings not commissioned for which an application for a construction permit or a construction notification was submitted before 31 December 2020.
- 63 kWh/m2 per year for buildings commissioned after 31 December 2021 and for buildings not commissioned for which an application for a construction permit or a construction notification was submitted after 30 December 2020.

or
a separate dwelling in a multi-family building with an EP ratio not exceeding:
- 65 kWh/m2 per year for buildings commissioned before 1 January 2022 and for buildings not commissioned for which an application for a construction permit or a construction notification was submitted before 31 December 2020.
- 58 kWh/m2 per year for buildings commissioned after 31 December 2021 and for buildings not commissioned for which an application for a construction permit or a construction notification was submitted after 30 December 2020.

[45] An energy efficient property must meet the following standards:
A single-family building with an annual rate of non-renewable primary energy demand as specified in the Energy Performance Certificate or the Design Energy Performance Certificate expressed in kWh/m2 per year (EP ratio) not exceeding:
- 70 kWh/m2 per year for buildings commissioned before 1 January 2022 and for buildings not commissioned for which an application for a construction permit or a construction notification was submitted before 31 December 2020.
- 63 kWh/m2 per year for buildings commissioned after 31 December 2021 and for buildings not commissioned for which an application for a construction permit or a construction notification was submitted after 30 December 2020.

a separate dwelling in a single-family building with an EP ratio not exceeding:
- 70 kWh/m2 per year for buildings commissioned before 1 January 2022 and for buildings not commissioned for which an application for a construction permit or a construction notification was submitted before 31 December 2020.
- 63 kWh/m2 per year for buildings commissioned after 31 December 2021 and for buildings not commissioned for which an application for a construction permit or a construction notification was submitted after 30 December 2020.

or
a separate dwelling in a multi-family building with an EP ratio not exceeding:
- 65 kWh/m2 per year for buildings commissioned before 1 January 2022 and for buildings not commissioned for which an application for a construction permit or a construction notification was submitted before 31 December 2020.
- 58 kWh/m2 per year for buildings commissioned after 31 December 2021 and for buildings not commissioned for which an application for a construction permit or a construction notification was submitted after 30 December 2020.

Business loans for the purchase of renewable energy installations, electricity storage and heat pumps and for other purposes set out in the rules were offered under the promotion "Eco-loan for Companies"[46] which was open from January till November 2024. The preferential terms of reduced margins and no commission were applicable conditional to clients providing the bank with documents confirming the allocation of 100% of the loan amount for the purposes listed in the rules. In addition to the product offer, mBank published inspirations for building energy independence of companies on its Entrepreneur Zone blog.

Business loans secured with energy-efficient properties were also complemented by a blog post educating clients in the benefits of retrofitting buildings and building energy-efficient properties.

### Sustainability support actions for clients in the corporate segment

The following actions pursue the objectives arising from the Group's strategy and other described policies. The investments and resources allocated to their implementation are described together with the resources allocated to other sustainability tasks in chapter 10.1 "General information (ESRS 2)".

Offering sustainable financing to corporate clients

Using the terms "sustainable financing" and "capital mobilization," we apply the following definitions:

**Sustainable financing** is the sum of mBank's (balance sheet) engagement value at the end of the year for financing projects classified as compliant with mBank's Strategy, including projects compliant with the EU Taxonomy. It includes investments in renewable energy, infrastructure and energy storage, circular economy, electromobility and low-emission transport, as well as other activities serving decarbonization and transformation financing. The exposure amount also includes the value of financing granted based on international standards for Sustainability-Linked Loans (Loan Market Associations LMA) and the value of the bank's balance sheet exposure to green bonds (according to Green Bond Principles).

**Mobilised capital** is the sum of the value of:

- Consortia financing arranged by mBank within the aforementioned projects (excluding mBank's engagement);
- Green bonds placed according to the international Green Bond Principles standard created by The International Capital Market Association (ICMA) and organized by mBank and sold to investors;
- Capital transactions in the private and public market meeting the above criteria.

Table: Detailed information on particular types of sustainable finance and mobilised capital as of end of 2024:

| Category | Direct funding by mBank (in PLN billion) | Mobilised capital (in PLN billion) | Total (in PLN billion) |
|---|---|---|---|
| Renewable Energy Sources' project financing (RES) | 4.8 | 2.5 | 7.3 |
| Sustainability-Linked Loans (SLL) | 2.6 | 2.8 | 5.4 |
| Green Bonds & Sustainability-Linked Bonds | 0.1 | 2.1 | 2.2 |
| Other | 0.1 | 1.1 | 1.2 |
| **TOTAL** | **7.6** | **8.5** | **16.1** |

Financing projects for transformation and sustainable development

**Renewable energy** is a key investment area for us, although not the only one. Thanks to many years of experience and highly qualified staff, we are a leader in financing renewable energy in Poland. Observing the dynamic development of this sector, we can support our clients even more effectively. Our commitment is part of a broader strategy for sustainable development and energy transformation. The growing demand for renewable energy, driven by regulations and climate goals, opens up new opportunities for us. We mainly observe the development of traditional technologies such as wind farms and photovoltaics. At the same time, mBank's financing includes battery systems for e-mobility and energy storage, the purchase and construction of new buildings, and the circular economy.

[46] In 2024, the Group decided to avoid using the term "eco" in communications and product names. When existing promotions for products with such names expire, they will be changed in the future.

As of the end of December 2024, the renewable energy portfolio at mBank reached PLN 4.8 billion. In 2024, mBank financed 13 investments, including 9 photovoltaic farms (PV) and 4 wind farm (WF) investments. We allocated over PLN 1 billion for this purpose. Their installations, when fully operational, will allow the production of over 424,092 MWh, which is equivalent to a reduction in emissions by over 253,183 tCO2e (according to the KOBIZE index published in December 2024).

Additionally, as part of the so-called "small renewable energy" policy, which involves financing projects for the balance among smaller entities, 3 photovoltaic farms (PV) for the own use of enterprises were financed for over PLN 29 million. These projects have significantly contributed to reducing the emissions of our clients.

Sustainability-Linked Loans

One of the key actions enabling the achievement of the strategic goal is granting sustainability-linked loans (SLL) and mBank taking on the role of Sustainability Structuring Coordinator in such transactions, as well as arranger, credit agent, or collateral agent.

SLL financing is provided in accordance with the globally applicable market standard Sustainability-Linked Loan Principles (SLLP), which defines the conditions for structuring transactions. SLL financing is a general or investment-purpose loan, in which the margin depends on the fulfillment of selected, strategy-related sustainability goals and indicators. Key Performance Indicators (KPIs) should be relevant, verifiable, and comparable, and significant for the company's operations. For example, they may concern: reducing the carbon footprint, reducing energy, water, and resource consumption, closing the loop in the economy, workplace safety, equality and diversity, code of conduct and conducting audits among suppliers, or improving the score in an external ESG rating.

Ambitious, time-bound, and measurable Sustainability Performance Targets (SPTs) are set for the entire loan period. These goals should be set for each year to allow for annual verification and confirmation of the goal's achievement. The values of the indicators for the reporting period must be approved by a third party. Based on this confirmation, the margin is reduced according to a previously established scheme – the more goals are met, the lower is the margin that client benefits from.

As of the end of December 2024, mBank was involved in over 10 structured transactions as Sustainability-Linked Loans (SLL) for a total amount of PLN 2.6 billion, where the total consortia financing provided by all financing parties amounted to PLN 37 billion. For comparison, our involvement in such financing in 2023 amounted to PLN 1.1 billion. Among the new financings in 2024 were four projects. In the case of financing for the CCC Group and the KOM-EKO Group, we act as the Sustainability Structuring Coordinator, supporting the process of selecting sustainability goals and indicators (KPIs and SPTs), whose achievement affects the margin of the consortium loan.

Examples of companies that mBank finances in the form of Sustainability-Linked Loans include companies from the medical, transport, media conglomerates, energy sector, trade enterprises, retail, technology and IT, and waste disposal and cleaning services, including the circular economy. Thanks to such loans, companies gain additional benefits related to margin reduction, provided they meet the goals set out in the agreement, which contribute to the implementation of the decarbonization plan and climate goals or achieving the sustainability strategy.

Examples of new SLL financing in which mBank was involved in 2024 (information based on public data):

**Atman** concluded a loan agreement for PLN 1.35 billion, a significant part of which will be allocated to financing the expansion of data center facilities. The financing was provided in the form of a Sustainability-Linked Loan, allowing the interest rate to be adjusted if the company meets the agreed sustainability and energy efficiency goals.

The **CCC Group** finalized a consortium loan agreement in July 2024 for a total amount of PLN 1.8 billion. The loan agreement is linked to sustainable development and was concluded in the form of a Sustainability-Linked Loan. The agreed KPIs include:

- Reduction of greenhouse gas emissions from scope 1 and 2,
- Reduction of greenhouse gas emissions from scope 3,
- Reduction of the amount of leather used for the production of own brands and licensed products,
- Increase in the share of collected footwear and clothing in relation to sold goods.

**Fiberhost, INEA, and related companies** signed an annex changing the terms of previously received financing of PLN 2.8 billion, thus transforming it into financing based on the achievement of sustainability goals (Sustainability-Linked Loan, SLL). In the first stage of financing, two key performance indicators (KPIs) defined based on the Group's strategy will be monitored:

- Reduction of greenhouse gas emissions in scope 1 and 2, i.e., direct and indirect emissions, in line with the Net Zero strategy by 2040,
- Conducting stationary training in digital skills, based on the existing educational program run by Fiberhost as part of the Fiberhost Academy program.

In the future, the Group plans to introduce a third KPI focusing on scope 3 emissions.

The **KOM-EKO Group** received a Sustainability-Linked Loan of up to PLN 127 million. The goals set by the KOM-EKO Group include:

- Increasing the volume of waste subjected to recycling and recovery processes,
- Reducing CO2 emissions by using alternative fuel produced within the KOM-EKO Group,
- Modernizing the fleet of passenger and commercial vehicles,
- Increasing employee engagement,
- Introducing an ESG Code for suppliers.

Our actions are continuous, meaning there are no plans in the bank to cease them after achieving the goals set out in mBank's strategy. The Group's activities contribute to increasing the share of sustainable investments in the corporate portfolio. The main mechanism preventing negative impacts of the financed company, while motivating clients to achieve the set sustainability goals (KPIs), is the margin adjustment mechanism and transaction structuring in accordance with the SLLP standard.

Green Bonds and Sustainability-Linked Bonds

Another action supporting the achievement of the strategic goal is mBank taking on the role of co-organizer, dealer, and structuring agent for green bonds related to sustainable development financing.

In 2023, mBank, as a member of the issuance consortium, participated in offering green bonds for a total amount of PLN 520 million. In 2024, mBank was the Organizer of the green bond issuance for R.Power SA for a total amount of PLN 610.7 million and the Co-organizer of the Program in offering green bonds for Polenergia SA and Ghelamco Invest sp. z o.o. for a total amount of PLN 854 million. mBank acted as the structuring agent for green bonds for Polenergia.

The issuance of green bonds by Polenergia is part of the strategy to support the transformation of the Polish energy sector. The value of the series A green bonds reaches PLN 750 million. The demand from investors exceeded PLN 1 billion. The company will allocate the proceeds to finance or refinance the development, purchase, construction, and operation of green projects in the renewable energy category, including offshore wind farms, and energy efficiency. The debt securities issued in this form meet the criteria of the Green Bond Principles, developed by the International Capital Market Association (ICMA). The Ghelamco issuance, based on the same standard, concerns financing and refinancing projects that aim, among other things, to improve the energy performance of buildings in Poland. At mBank, we also support projects that serve the development of investments in renewable energy, such as R.Power. In 2024, the company issued green bonds (based on the ICMA standard) to refinance existing bonds and finance new photovoltaic projects and energy storage.

Supporting our clients at every stage of such transactions contributes to increasing the share of sustainable investments in the corporate portfolio. To ensure consistency and credibility, the bond issuance framework is in line with the standards that issuers should follow. Sustainable bonds, from which clients allocate funds to sustainable projects, comply with the guidelines of the International Capital Market Association (ICMA) - Green Bond Principles and Sustainability-Linked Bond Principles. Issuers commit to regular reporting on how they use the funds raised from the issuance and the impact of these investments on the environment. Investors have the opportunity to monitor the progress and effectiveness of the projects.

Assessment of transactions for qualification and compliance with the EU Taxonomy

We recognise the EU Taxonomy as an important tool setting the directions for sustainable transition, which is why at mBank we strive for the highest possible share of financed transactions which are Taxonomy-compliant in our corporate portfolio. Corporate banking experts, including Sustainable Finance Department of Corporate and Investment Banking, have the necessary expertise and share it within the organisation to support the verification of the compliance of transactions with the EU Taxonomy. mBank has also introduced systemic solutions that support the process of marking sustainable and transformation-supporting client transactions. This allows us to identify investments that qualify for and comply with the Taxonomy. More details about our Taxonomy-compliant financing are described in the subchapter "Taxonomy disclosure".

Among the projects classified as compliant with the technical criteria of the EU Taxonomy (including significant contribution and DNSH) are wind farms and photovoltaic panels, as well as battery systems for e-mobility and energy storage, and the purchase and construction of new buildings. This action fulfils both the strategic goal and the tasks specified in the Order of the President of the Management Board on the rules for qualifying the alignment of transactions with the EU Taxonomy or the mBank ESG Strategy in the Corporate and Investment Banking Segment.

Loans with subsidies for financing investments related to sustainable development

In January 2023, mBank signed a portfolio agreement with Bank Gospodarstwa Krajowego (BGK), becoming one of the Lending Banks – providing the Ecological Loan, which BGK repays with the so-called ecological premium. The ecological premium is an EU grant under action 3.01. European Funds for a Modern Economy (FENG), awarded by BGK to entrepreneurs in open calls for proposals. The Ecological Loan is aimed at the SME sector and small MID-CAPS and MIDCAPS entities (up to 3000 employees) and provides financial support for the transformation to increase the energy efficiency of these enterprises through infrastructure modernization: buildings, production lines, machinery and equipment, systems, as well as the purchase of renewable energy installations. As a result of the investment, primary energy consumption in the modernized facilities should decrease by at least 30%, which is verified based on an audit document. The first call for proposals for funding under action 3.01. FENG "Ecological Loan" was conducted by BGK in 2023. A mandatory attachment to the application submitted to BGK was a promissory note from the Lending Bank. In 2023, mBank issued 25 such promissory notes. The list of funded investments was published in 2023 – it included nine investments with mBank's promissory note. The ecological loan agreements were signed in January 2024. The total loans granted by mBank (ecological loan - bridge part and investment loan), including customer appeals against BGK's decisions, amounted to PLN 36.9 million. In the second recruitment period ended in July 2024, mBank issued 46 promises for a total amount of PLN 132.8 million. The results will be published in Q1 2025. At the same time, the third recruitment process lasted until January 31, 2025. Last 4th call for proposals under action 3.01. FENG will be carried out between June and July 2025.

Guarantees from KUKE for Green Transformation

In 2024, mBank signed an agreement with KUKE (Export Credit Insurance Corporation) to expand cooperation with a new insurance guarantee program, allowing for attractive financing for projects related to energy transformation. Thanks to this cooperation, mBank's clients can more quickly and easily realize their plans related to investments in renewable energy or improving energy efficiency. With the guarantees, companies can obtain loans for green investments that cover up to 80% of the required financing. The repayment period for such loans can exceed 20 years, with a minimum amount of 10 million PLN.

Financing limits for selected industries

A key activity carried out as part of the implementation of mBank S.A.'s credit policy for industries relevant to the EU's climate policy is the analysis of transactions regarding their eligibility for financing, further supported by the introduction of limits for financing of specific industries defined in the Limit Book: Structural Limits for Corporate Credit Risk in the mBank Group. These documents refer to corporate clients in Poland.

Financing of renewable energy sources

In accordance with mBank S.A.'s credit policy for financing of renewable energy installations (RES project finance), the bank has a limit for financing renewable energy sources of PLN 6.4 billion. The limit has been raised several times since it was first set. It applies to corporate clients in Poland.

Other activities of mBank

In the area of corporate banking at mBank, we assess clients for ESG risks in the credit process. This activity aims at supporting advisors and credit analysts in the process of preparing a credit application. The analysis looks at the company's impact on sustainability, so that as part of transaction assessment process we can receive a picture as complete as possible and assess the impact of the financing on the corporate portfolio. Specifically, the assessment looks at the progress of corporate clients towards their sustainability strategy, including carbon footprint and climate targets. This action contributes to enhancing sustainable investments in the portfolio by considering ESG issues, including clients' progress on decarbonisation, in credit decisions. At the same time, it helps to mitigate the risk of negative environmental impacts of our portfolio.

An important activity which does not derive directly from the policies mentioned above, but is at the heart of building and maintaining mBank's important role as a partner of clients in sustainable transition, is educational engagement. We hold educational meetings with clients to support them in gaining knowledge about sustainable transition, and we offer open educational initiatives for corporate clients, such as

conferences, podcasts and reports. In 2024, we have completed the project "Sustainable Transformation in Practice" in collaboration with Polityka Insight. This project included:

- 8 podcasts and accompanying materials on topics such as renewable energy sources, low-emission construction, green bonds, carbon footprint, and a special episode dedicated to small and medium-sized enterprises (SMEs).
- A report summarizing the financing of the transformation in Poland.
- A conference where we discussed the prospects of economic transformation for various sectors and trends in sustainable development financing, and where the report developed as part of the project was premiered.

All the developed content and the conference recording are available on the project website.

In 2024, we also conducted educational and training activities for corporate clients, organizing over 180 meetings, workshops, webinars, conferences, study visits, podcasts, reports, and training sessions focused on sustainable financing and transformation. Our activities translate into increased knowledge about sustainable development among our current and potential clients, often resulting in greater interest in obtaining sustainable financing and increasing its share in our portfolio.

Leasing to support transition

Since 2019, mLeasing offers financing of assets which support the energy transition. In 2024, we set up a dedicated team responsible for building the mLeasing Group's decarbonisation strategy and developing products and services to support the transition of our clients. We have launched a dedicated Green Transition platform through which we aim to address the key needs of our individual and business clients related to:

- calculation and reduction of the carbon footprint,
- improving energy, heating and cooling efficiency,
- use of RES,
- use of recycling technologies and circular economy solutions,
- advice on the optimal use of available technologies, products and services to support sustainable development,
- education on regulatory requirements and the most effective market practices

In 2024, mLeasing completed green asset transactions for more than PLN 250 million.

*(E1-3 MDR-T) Targets in relation to climate change policies in scope of Group's portfolio*

In the mBank Group Strategy 2021-2025, we have set a target to increase annual sales of mortgage loans for properties complying with the NZEB-10% (Nearly Zero Energy Building) standard to 14% of new sales in 2024 and 18% of new sales in 2025 in relation to total mortgage loans granted by mBank by volume. This goal has been set in the year of the Strategy publication and it is not an accumulative target, but refers to the particular year at the individually set value. The offer is valid in Poland for individual clients. The target relates to the strategy horizon, i.e. up to 2025, but we have also set intermediate targets: 10% of new sales for 2023, 14% in 2024, and 18% in 2025. These targets were set using the expert method because at the time of setting them and in the subsequent periods, no reliable studies were available on the market regarding the prospects for the development of construction complying with the NZEB-10% standard, i.e. subject to stricter requirements compared to the building standards for the years in question. The target was set without conducting consultations with clients. In 2023, the target was achieved at the expected level. In 2024, 13.2% of sales have been dedicated to eligible mortgages, which is close to the expected level of 14%. The reason is that the market of energy-efficient buildings is developing at a slower pace that could have been previously expected.

In the mBank Group's Strategy for 2021-2025 we have set also a target to offer at least 50% of investment solutions managed in mBank Group promoting environmental or social characteristics ("light green" products according to Article 8 of the SFDR) by 2025. Responsibility for the implementation of the target rests with the management of mBank's Retail Banking segment, with mBank's Management Board as the highest level body responsible for the implementation of the Group's Strategy. The target is related to investment products offered to individual clients in the retail segment in Poland. We measure the progress towards the target by checking the share of investment solutions offered which are subject to the disclosure requirements under Article 8 of the SFDR in a given year in relation to all investment solutions. As at 31 December 2023, the share of investment solutions managed in the mBank Group which promote

environmental or social characteristics ("light green" in the meaning of Article 8 of the SFDR) was 10%. On 1 October 2024, mTFI announced amendments to the articles of association of the Specialised Open-Ended Investment Fund "Gotowe Strategie". These amendments concern the promotion of environmental or social characteristics by the sub-funds. According to the announced amendments to the statute, from 1 January 2025, 50% of our investment solutions promote social or environmental characteristics. The target was set for the period 2021-2025 and at the time of the publication of the strategy in 2021 it was stated as: "50% of assets under management will be invested in ESG compliant products", but was later modified as part of the strategy review in 2023. The intermediate target was set at 30% of investment solutions managed within the mBank Group promoting environmental or social characteristics ("light green" products according to Article 8 of the SFDR) in the offering in 2024. It has been set voluntarily, i.e. it is not mandatory in the implementation of regulatory requirements. Clients or other stakeholders were not directly involved in setting the target, but as a result of the implementation they benefit from the Group's more diverse investment offering.

Another pillar of the mBank Group's Strategy for 2021-2025 is to provide financing for sustainable investments. The main strategic objective for corporate clients is to provide PLN 10 billion of sustainable financing (for renewable energy sources, decarbonisation, circular economy, electromobility, etc.) by the end of 2025, including PLN 5 billion from mBank and PLN 5 billion from other sources such as consortia and green bond issues for clients. This target has already been accomplished, which we describe later on in this section and in section (SBM-1 p. 40e-41) "ESG Strategy of mBank Group". It supports the second strategic objective, whereby we want to transform our loan portfolio to achieve net zero emissions by 2050. The target of providing funding to clients' is an absolute target expressed in billion PLN and the target group for its implementation are corporate clients in Poland. The target refers to the strategy horizon, i.e. the years 2021-2025. As the definition of "sustainable financing" was changed in 2023 as part of the review of the mBank Group Strategy for 2021-2025, we take the status as at the end of 2023 as the baseline, and the baselines for the measurement of progress are PLN 5,315 million of sustainable financing and PLN 4,382 million of mobilised capital. In setting the target, we mainly used the definition of sustainable financing based on the EU Taxonomy Regulation and on the Order of the President of the Management Board on the rules for qualifying the alignment of transactions with the EU Taxonomy or the mBank ESG Strategy in the Corporate and Investment Banking Segment. Strategic targets are monitored and reported based on data from the bank's systems, where sustainable financing is flagged as part of transaction processing. Sustainable and transformative financing by mBank and capital mobilization in the market amounted to a total of PLN 16.1 billion at the end of 2024, compared to PLN 9.7 billion at the end of 2023. Projects directly financed by mBank reached PLN 7.6 billion compared to PLN 5.3 billion at the end of 2023, while capital mobilization amounted to PLN 8.5 billion compared to PLN 4.4 billion at the end of 2023.

Monitoring of these targets is performed along with the rules for strategic targets monitoring, described in chapter 10.1. "General information (ESRS 2)". Strategic targets are monitored and reported quarterly.

### (E1-6) Greenhouse gas emissions scope 3 categories 13 and 15

(E1-6) Table: Presentation of the components of portfolio emissions in category 15 by asset class ad category 13

| Asset class / emissions in $tCO_2eq$* | Emissions: 2024 (reporting year) | Emissions: 2023 (comparative year) | Emissions: 2022 (base year) | % N / N-1 2024/2023 |
|---|---|---|---|---|
| **Business Loans and Unlisted Equity (corporate clients)**** | 14,482,302.6 | 10,275,190.7 | 11,691,269.4 | 40.9% |
| **Commercial Real Estate (corporate clients)** | 87,186.6 | 106,097.9 | 81,609.3 | -17.8% |
| **Listed Equity and Corporate Bonds** | 242,538.3 | 105,573.3 | 118,838.7 | 129.7% |
| **Mortgages (retail clients)** | 411,668.8 | 448,707.4 | 545,717.6 | -8.3% |
| **Motor vehicle loans (retail clients)** | 5,540.0 | 7,781.4 | 10,876.5 | -28.8% |
| **Project finance (corporate clients)** | 0.0 | 0.0 | 0.0 | n/d |
| **Other** | 15,902.6 | 9,387.0 | 9,321.1 | 69.4% |
| **Category 15 jointly** | 15,245,139.0 | 10,952,737.7 | 12,457,632.5 | 39.2% |

| | | | | |
|---|---|---|---|---|
| **On-balance sovereign bonds (with LULUCF)** | 2,697,518.8 | 2,090,507.5 | 1,704,330.6 | 29.0% |
| **On-balance sovereign bonds (without LULUCF)** | 2,843,277.6 | 2,202,730.2 | 1,795,424.8 | 29.1% |
| **Downstream leased assets emissions** | 1,522,861.5 | 1,501,629.7 | 1,511,006.2 | 1.4% |
| **Category 13 jointly** | 1,522,861.5 | 1,501,629.7 | 1,511,006.2 | 1.4% |
| | ** Emissions calculated for all available scopes: 1,2 and 3 if available.*<br>*** In 2024, in the category „ Business Loans and Unlisted Equity (corporate clients)", mFaktoring exposure has been included, which was not calculated for 2023.* | | | |

The carbon footprint of the mBank Group's portfolio, specifically category 15 "Investments," is calculated according to the methodology prepared by the Partnership for Carbon Accounting Financials (PCAF), of which mBank has been a member since 2022. Portfolio carbon footprint calculations have been conducted within the Group since 2022, with the first disclosure made in the mBank Group's ESG report for 2023. Year by year, we increase the scope of our calculations, and for 2024, emissions in category 15 included emissions from the financial activities of mBank S.A. and consolidated companies. The organizational boundaries for calculating the Group's portfolio carbon footprint included in the 2024 report cover the following companies: mBank (including branches in the Czech Republic and Slovakia), mBank Hipoteczny, mLeasing, mFaktoring, LeaseLink, and mTFI, with the carbon footprint disclosure of assets under the management of the mBank Brokerage Office and mTFI being conducted within the SFDR reporting framework. The mentioned companies are the consolidated entities of the Group for which we identify the presence of portfolios subject to the PCAF methodology. To measure greenhouse gas emissions in category 15 in Scope 3, mBank Group utilized all seven asset classes described by the PCAF standard, relevant to both retail and corporate clients, as well as exposure to government securities.

This section also refers to category 13 "Downstream leased assets," for which DEFRA and KOBIZE database indicators are used for calculations. For portfolio emissions calculations, we used both internal bank data, actual energy production data obtained directly from clients, and sectoral average emission indicators obtained from the PCAF and EXIOBASE databases. Our carbon footprint calculation methodologies in categories 13 and 15 are based on current market practices and may change as they are refined.

Greenhouse gas emissions, expressed in CO2 equivalent (CO2e), also include greenhouse gases other than carbon dioxide: methane (CH4), nitrous oxide (N2O), sulfur hexafluoride (SF6), perfluorocarbons (PFCs), hydrofluorocarbons (HFCs), and nitrogen trifluoride (NF3).

In 2024, the Group had the following methodologies in place which refer to the Group's portfolio:

- Methodology for calculating the carbon footprint in the area of corporate client financing at mBank S.A.;
- Methodology for calculating the carbon footprint in the area of client financing at mFaktoring;
- Methodology for calculating the carbon footprint in the area of retail client financing at mBank S.A., which is used by mBank S.A. and mBank Hipoteczny;
- Methodology for calculating mLeasing's CO2 emissions in accordance with mBank Group guidelines, which applies to the companies mLeasing, LeaseLink and Asekum;
- Methodology for calculating the carbon footprint of government bonds.

These methodologies are maintained and updated by the Group's units indicated therein.

Mortgage loans (retail clients)

mBank's emissions calculations include the purchase and refinancing of residential properties in both the primary and secondary markets. Properties not yet commissioned in 2024 were excluded from the calculations. The square footage data was taken from the bank's own system, whilst the emission factors, which depend on the size of the premises, were prepared according to PCAF. The floor area of the dwellings in multi-family buildings excludes the balconies and garages which are part of the common area.

In accordance with the PCAF methodology, real estate emissions were assigned to mBank using the attribution factor equal to the LTV ratio, which is the ratio of the outstanding amount to the initial value of the property, understood as the original value of the property at the time the loan was granted.

Formula to calculate the attribution factor (where b=building):

$$Attribution\ factor_b = \frac{Outstanding\ amount_b}{Property\ value\ at\ origination_b}$$

The outstanding amount, which is the numerator of the attribution factor, is defined by mBank as the amount of exposure to be repaid. Financed emissions were calculated by multiplying the attribution factor by the estimated annual energy consumption of the property and by the relevant emissions factor for the type of property at the given location.

Formula to calculate financed emissions (where b = building, e = energy source):

$$Financed\ emissions = \sum_{b,e} \frac{Outstanding\ amount_b}{Property\ value\ at\ origination_b} \times Energy\ consumption_b \times Emission\ factor_e$$

The calculation of the energy consumption of a property used the square footage data from the bank's internal database and emissions factors from the PCAF database by residential property type and emissions in kg CO2e/m2/year.

Motor vehicle loans (retail clients)

According to the PCAF standard, mBank determined the attribution factor by dividing the outstanding amount by the value of the vehicle at the time of financing. According to the PCAF, emissions should be calculated on the basis of mileage, fuel calorific value and the relevant emissions factor. As mBank does not have data on the actual mileage of the cars financed or data on the actual fuel usage of these vehicles, instead we used the average data derived from sources such as: nationwide data on the average annual mileage of passenger cars and mLeasing's data on the mileage, fuel consumption efficiency data derived from a calculation carried out on the mLeasing fleet, the most up-to-date vehicle emissions factors from the DEFRA database, average electricity consumption per distance travelled for electric vehicles, and the Polish electricity emissions index (KOBiZE). Data sources were differentiated between vehicles for individual and SME clients. Additional assumptions were made for SME clients' heavy vehicles where the vehicle weight exceeded 3.5 tonnes and the average mileage was greater than 40,000 - 95,000 kilometres (depending on type).

General purpose loans to companies (corporate clients)

mBank estimated the absolute greenhouse gas emissions in Scopes 1, 2 and 3 for all analysed clients (except commercial real estate) based on the scope-specific data and emissions factors. The attribution factor for general purpose loans was calculated as the ratio of the outstanding amount to the total financing of the company's operations, expressed as the sum of equity and debt. The denominator of the ratio is the sum of equity and the amount of debt. For listed companies, equity from their financial statements was used instead of EVIC due to data availability. This approach is applicable to all asset categories where justified.

Formula to calculate the attribution factor for loans to companies (where c = company):

$$Attribution\ factor_c = \frac{Outstanding\ amount_c}{Equity + Financial\ liabilities_c}$$

Emissions calculations were based on client financial data and emissions factors from PCAF and Exiobase, taking into account, among others, the breakdown by economic sector. In line with the PCAF methodology, the following formula was used. For selected clients for which mBank obtained emissions information, financed emissions were calculated by multiplying the attribution factor by the companies' emissions.

$$Financed\ emissions = \sum \frac{\text{Outstanding amount}}{Equity\ + Company\ debt} \times \text{Company revenues} \times \text{PKD code emission factor}$$

Commercial Real Estate (CRE, corporate clients)

With regards to commercial real estate, mBank used the emissions factors prepared by PCAF for Poland. In addition, due to lack of precise information on the purpose of commercial buildings, the average of all factors was determined for buildings of such type (shopping mall, shopping arcade, shopping centre, etc.). For buildings other than retail, office, warehouse and industrial, the PCAF emissions factor for hotels was used. General industrial buildings were measured using the CRE emissions factor (general PCAF factor). The bank took the first valuation after the property was put into use as the value of the property. For syndicated loans, the calculation used a proportion of the building square footage equal to the bank's percentage share in the syndication. The calculation of the energy consumption of buildings utilised the value of the building floor area in m2 and the emissions factors from the PCAF database.

Formula to calculate financed emissions (where b = building, e = energy source):

$$Financed\ emissions = \sum_{b,e} \frac{Outstanding\ amount_b}{Property\ value\ at\ origination_b} \times\ Emission\ factor_e$$

The result represents the sum of commercial property emissions in scopes 1 and 2. mBank did not report Scope 3 emissions for this asset class in 2024.

Project finance (corporate clients)

When calculating the emissions associated with project finance in 2024, mBank only considered projects involving renewable energy sources. Other special purpose financing was included in corporate loans. Emissions calculations were based on:

- financial data of clients,
- emission factors for solar, wind and biogas energy, taken from PCAF and Exiobase,
- energy produced in MWh.

Financed emissions were calculated by multiplying the attribution factor by the project emissions. Project emissions were estimated based on baseline data collected from the projects (project activity expressed in MWh of energy produced) and then attributed using the attribution factor.

Financed emissions were calculated by multiplying the attribution factor by project emissions:

$$Financed\ emissions = \sum \frac{Outstanding\ amount}{Equity + Project\ debt} \times Project\ emissions$$

In relation to the financed projects, mBank also estimated avoided emissions in 2024 based on the average emissivity of kWh of electricity of end-users for the Polish energy mix (KOBiZE data). The calculation was performed by multiplying the attribution factor by the sum of the project activity in MWh and the avoided emissions factor (energy mix factor for Poland).

Financial instruments - corporate bonds (corporate clients)

Emissions calculations are based on client financial data and emissions factors developed using data from PCAF and Exiobase. Emissions related to financial instruments are estimated according to a formula developed for general corporate loans - corporate portfolio.

$$Financed\ emissions = \sum \frac{Outstanding\ amount}{Equity + Company\ debt} \times Company\ revenues$$

The numerator of the attribution factor always refers to the investment, while the denominator refers to the entire investee. Emissions calculations were prepared using internationally recognised methodologies with due diligence applied. The greenhouse gas emissions factors presented in the report were calculated on the basis of available data and adopted estimates. We will refine and further develop the calculation methodologies in coming years.

Government bonds

In the calculation of the carbon footprint of government bonds, the Bank took into account exposures booked in the banking book (expressed in US dollars) and issued by central governments. The formula used emissions factors of the country to which the Bank has exposure, taken from the PCAF database.

$$Financed\ emissions\ = Exposure \times PCAF\ intensity\ factor$$

**Additional information on climate change**

**(E1-7)** mBank Group does not implement or participate in greenhouse gas removal and mitigation projects financed with carbon credits. We are in the process of expanding and refining the way we calculate our carbon footprint and such projects will be considered as the Group moves closer to a 90% reduction from the base year.

**(E1-8)** There is no internal carbon price set in the Group.

**(E1-9)** In 2025, the Group will work to analyse the potential financial impacts from material physical and transition risks and potential climate-related opportunities.

## ESRS E4 BIODIVERSITY AND ECOSYSTEMS

*(E4-1, ESRS 2 SBM-3) A strategic approach to biodiversity*

Biodiversity is the variability among living organisms from all sources including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species and of ecosystems[47]. Financial sector's activities and investments affect biodiversity and, in turn, are exposed to risks resulting from its loss. Equally, businesses that financial institutions provide the funding to, are dependent on the "service" provided by nature and, to varied degree, exploit the natural capital. As such, caring for biodiversity requires shifting global financial flows away from nature-negative outcomes and toward nature-positive outcomes.

The mBank Group has identified biodiversity as a material topic from the perspective of the Group's corporate portfolio within the double materiality assessment process, which is detailed in chapter 10.1. "General information (ESRS 2)". Therefore, all policies and actions described in this chapter pertain only to the downstream value chain. Based on the analysis results, we have taken steps to recognize the Group's role in managing biodiversity and to plan the necessary steps to strengthen this role in the future. In 2024, we conducted an analysis of our portfolio's impact on biodiversity based on ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) [48] tool, which is described in detail in the "E4-5 MDR-M Diversity impact indicators - portfolio exposure" section. It was accompanied by consultations and workshops with experts from the bank and a consultancy firm.

The analyses carried out so far do not provide a basis for a full analysis of the resilience of the business model, so we plan to take further actions. Ongoing analyses of the scale of the exposure and sensitivity to the risk of loss of biodiversity and ecosystem degradation and the Transition plan for climate change mitigation (more detailed in E1-1) will provide a natural basis to strengthen the resilience of the business model. The tasks which the Group will carry out in the following periods will include the analysis and assessment of the financial impact of the transition and physical risks associated with loss of biodiversity as well as potential opportunities for building the Group's competitive advantage in this area.

In mBank Group's strategy for 2021-2025 and the business model in place in relation to corporate clients, loss or preservation of biodiversity and ecosystem state are not covered as directly material elements of building resilience. Nevertheless, with the development of scientific knowledge, methodologies, and market best practices, the Group will have the opportunity to reliably measure, monitor, and manage risks, including credit risks, and financial impacts associated with the materialisation of negative effects of loss of biodiversity and ecosystem degradation in connection with business activities financed by the mBank Group. Nevertheless, the Group has started working on a new strategy which may cover the results of the double materiality analysis carried out for the first time. The mBank Group did not conduct biodiversity scenario analyses in 2024 or previous years to identify risk factors over different time horizons.

Our analyses to date show a relative immaturity in the treatment of biodiversity in the business models of financial institutions at the strategic and operational levels. We expect that in the course of developing appropriate metrics and targets for the biodiversity impacts, risks, and opportunities by our clients, we will have the opportunity to better address these topics in our business model. Firstly, we decided to monitor companies showing significant dependencies on resources and services provided by the natural environment. The analyses we carry out are therefore specifically aimed at building knowledge and competences, which we intend to turn into action in future periods.

*(E4-2 MDR-P) Policies related to biodiversity and ecosystem protection in the context of the mBank Group's portfolio*

As at the end of 2024, mBank Group is in the process of the approval of decarbonisation targets by the Science-Based Targets initiative (SBTi) for its own operations and for portfolio emissions, which are described in detail in chapter 10.2. "Environmental information (ESRS E1, E4)", in the subchapter "ESRS E1 Climate Change". Biodiversity plays critical role in climate change mitigation, in example due to absorption of carbon dioxide by forests and peatlands. The dependency is, however, bilateral, given greenhouse gas emissions are an important element affecting the status of biodiversity and the health of ecosystems. The results of the analysis and the targets set in the climate disclosures at the corporate client financing level should therefore be considered together with the biodiversity and ecosystem conclusions and ambitions. Additionally, when analyzing the Group's transactions for taxonomic disclosure, we examine whether there is any significant harm to biodiversity in financing projects aimed at climate change mitigation and adaptation.

[47] TNFD's working definition from the Convention on Biological Diversity (CBD)
[48] ENCORE is developed by Global Canopy, the United Nations Environment Program (UNEP), and the UNEP World Conservation Monitoring Centre (WCMC), which together form the ENCORE Partnership (formerly operating as The Natural Capital Finance Alliance NCFA).

The mBank Group has in place internal regulations governing the framework for undertaking cooperation with corporate clients which address, among others, environmental aspects that contribute to reducing the mBank Group's indirect negative impact on ecosystems and biodiversity. As the bank's corporate banking segment operates only in Poland, the applicability of the regulation is limited to this geographical area only.

The internal regulations referred to above mainly include:

- Credit policy for industries which are sensitive under the European Union climate policy (ESRS E1), for which the most senior level in the bank responsible for implementation is the Corporate and Investment Banking Risk Committee (more broadly described in ESRS E1),
- F&A policy (financing the agri-food sector), the implementation is the responsibility of the Director of the Department of Processes and Risk Measurement,
- Reputational Risk Management Strategy, for which implementation is the responsibility of the Director of the Department of Integrated Risk and Capital Management,
- Policy regarding sensitive industries in terms of mBank's reputation risk for which implementation is the responsibility of the Retail Banking Risk Committee.

The policies are made available to all employees on the intranet.

The aforementioned policies establish a clear framework, which defines the approach to financing high-carbon, highly environmentally damaging or animal welfare reducing activities and set out the conditions for identifying entities which benefit from operating in such industries. The objective of the aforementioned credit and reputation risk regulations is to redirect funding streams to economic areas that are transforming or supporting an environmentally neutral economy and environmentally sustainable activities.

The mBank Group has not adopted dedicated risk regulations for the preservation of biodiversity and ecosystems, sustainable agriculture, deforestation, or the protection of water and marine resources. Nonetheless, in the context of biodiversity and ecosystem conservation, the Credit policy for industries which are sensitive under the European Union climate policy and the F&A policy define, among others, the appetite for:

- financing the activities which have a negative impact on the environment (e.g. extensive mining of fossil fuels and ancillary activities) and which over-exploit animal production (e.g. no financing of clients whose business is about breeding animals for fur, requirements associated with maintaining an appropriate level of welfare in animal production processes);
- financing of projects with positive impact on biodiversity and ecosystems, when a corporate client proves during the credit process that their project has such an impact;
- promoting products linked to the ESG objectives of corporate clients.

The Policy regarding sensitive industries in terms of mBank's reputation risk defines bank approach to the exploitation of environmentally valuable and/or protected areas (e.g. nature reserves, strictly protected areas, Natura 2000 and similar areas), landscape parks, and reduces the likelihood of engaging with entities which grossly violate nature conservation regulations and legal standards.

The owners of the internal regulations referred to above are the respective departments responsible for operationalising them and for cyclical updates to align the existing provisions with best market practice and the objectives of the mBank Group.

*(E4-3) Actions taken*

The bank's activities focus primarily on the selection of entities to which it provides financing. Our corporate clients are required to submit a statement along with the credit application that in their operations they adhere to the 10 Principles of the Global Compact and legal regulations consistent with the OECD Guidelines. Sales analysts verify the type of clients' activities and follow the bank's climate policy regarding the risk to be assigned to the client. In the case of increased risk (e.g., entities from energy-intensive sectors and those related to the mining industry), an in-depth assessment is made to determine whether financing is possible.

The approach to financing high-emission industries and industries from the fossil fuel chain is identified in the mBank S.A. Group's climate policy. For economic activities covered by the policy, in the case of identifying increased risk, the policy owner issues recommendations.

The key action taken in 2024 related to the topic of biodiversity and ecosystems was the Group's analysis of the impacts and dependencies of our credit portfolio, based on the ENCORE database and tool. This analysis required a deeper understanding of ecosystem services and environmental pressures, which are still relatively new concepts in the banking and financial sector. This also involved the need to recognize

the ENCORE methodology for assigning ratings to individual types of business activities, which ensured a structured approach to impact, dependencies and risk assessment and allowed for strengthening the specialist knowledge among the Group's employees. The analysis conducted lays the foundations for the future development of policies and tools that will allow for a more detailed and individual (i.e. at the level of individual clients) assessment of issues related to biodiversity loss. As the degradation of ecosystems become more and more important topic, these matters will be included in the mBank Group's strategy, ensuring more mature approach to financing our clients in the near future.

*(E4-4 MDR-T) Targets related to biodiversity and ecosystems protection*

As at the end of 2024, the mBank Group did not set targets related to biodiversity and ecosystems other than decarbonisation targets. We are considering the possibility to set and responsibly deliver on ambitious and transparent environmental and biodiversity targets in the years to come. This will primarily depend on the progressive maturity of the financial industry in addressing biodiversity through metrics and targets over time. However, the Group's strategic objective, as set out in the mBank Group Strategy 2021-2025, according to which the Group aims to achieve climate neutrality of its loan portfolio by 2050, will significantly support biodiversity ambitions.

*(E4-5 MDR-M) Impact metrics related to biodiversity – portfolio exposure*

Due to the fact that the basic metrics indicated in ESRS E4 are primarily addressed to enterprises that directly exert pressure on the environment through their own activities, and the regulation itself does not contain examples of metrics addressed to the banking sector, we decided to use the ENCORE tool to measure the impact of our portfolio on biodiversity.

In the double materiality assessment process we identified both biodiversity risks and opportunities, however, it is the risks that we perceive as material, in particular due to:

- exposures to industries with a strong impact on the loss of environmental capital, such as impact of wholesale trade, except of motor vehicles and motorcycles (G.46 in PKD classification) on introduction of invasive species or impact of construction of buildings (F.41) on emissions of toxic pollutants to water and soil,
- portfolio exposures to industries showing high dependency on natural capital, such as dependency of construction of buildings (F.41) on rainfall pattern regulation services or dependency of manufacture of food products (C.10) on water purification services.

In each of the cases referred to above, we considered that the allocation of capital to such activities could lead to a deterioration of the quality of our loan portfolio, although we are not expecting short-term impacts.

An analysis of the prevalence of risk factors and the severity of their impact in mBank Group's corporate finance portfolio was carried out using ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) tool, which supports organisations in identifying their exposure to biodiversity and ecosystem risk factors, as well as understanding both dependencies and impacts on the natural environment. ENCORE reflects, in approximation, how industries and their production processes can be dependent on and impact the condition of the environment. Such knowledge is important for financial institutions as, due to their lending and investment activities, they may be exposed to industries with high biodiversity risks.

The analysed corporate finance portfolio of mBank Group includes the corporate portfolios of mBank S.A., mFaktoring S.A., mLeasing sp. z o.o. and LeaseLink Sp. z o.o. The total on-balance sheet and off-balance sheet exposure analysed using a tool built on the Encore methodology amounted to PLN 82.23 billion as of 31 December 2024 and did not include default exposures. mBank S.A. corporate financing accounted for 78.31% of this exposure, mFaktoring S.A. - 3.46%, mLeasing sp. z o.o. – 17.79% and LeaseLink Sp. z o.o. - 0.43%.

**Analysis of potential impact on biodiversity and ecosystems**

In terms of the impact assessment, ENCORE database and its scores served as a starting point. ENCORE defines the links between economic activities from ISIC (UN's International Standard Industrial Classification for All Economic Activities) and their pressures on nature. These pressures, as described by ENCORE, should be understood as "the use of a measurable quantity of a natural resource or release of measurable quantity of substances, physical and biological agents". Consequently, the mentioned pressures can be treated as "impact drivers"[49] . The list of pressures in the ENCORE database consists of 13 elements (all of them included in the mBank Group assessment) presented in the table below:

[49] https://encorenature.org/en/data-and-methodology/impact-drivers

Table: List of pressures in the ENCORE database

| | | | | |
|---|---|---|---|---|
| Area of freshwater use | Disturbances (e.g noise, light) | Emissions of nutrient pollutants to water and soil | Introduction of invasive species | Volume of water use |
| Area of land use | Emissions of GHG | Emissions of toxic pollutants to water and soil | Other abiotic resource extraction | |
| Area of seabed use | Emissions of non-GHG air pollutants | Generation and release of solid waste | Other biotic resource extraction (e.g. fish, timber) | |

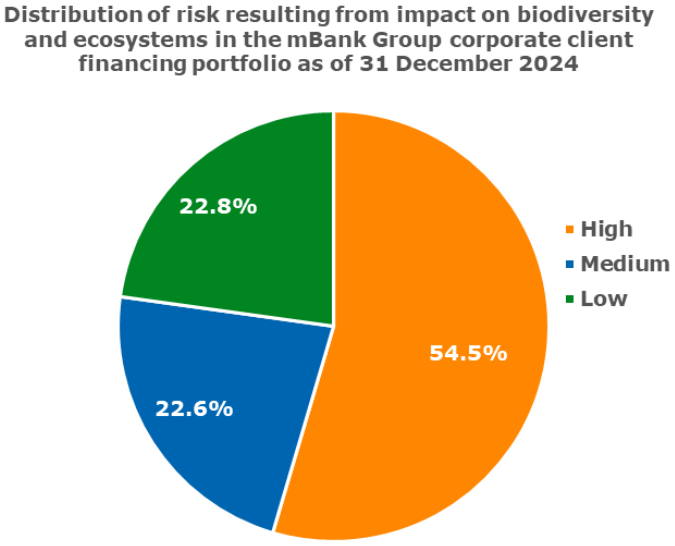
Example definitions of pressures are as follows:

- (i) introduction of invasive species – when activity directly introduces non-native invasive species into areas of operation,
- (ii) volume of water use – when water is used for the activity; example metrics include volume of groundwater consumed, volume of surface water consumed, etc.,
- (iii) emissions of toxic pollutants to water and soil – when activity emits toxic pollutants that can directly harm organisms and the environment.

To assess the impact force, ENCORE evaluates issues such as the size of the economic activity's total financial output per year (qualitatively or quantitively, based on indicators from EE-MRIO database[50] developed by ETH Zürich) and the typical magnitude of the pressure created by the given economic activity. The conducted expertise allows ENCORE to assign the scores for economic activities, which ranged from Very Low, through Low, Medium, High and Very high.

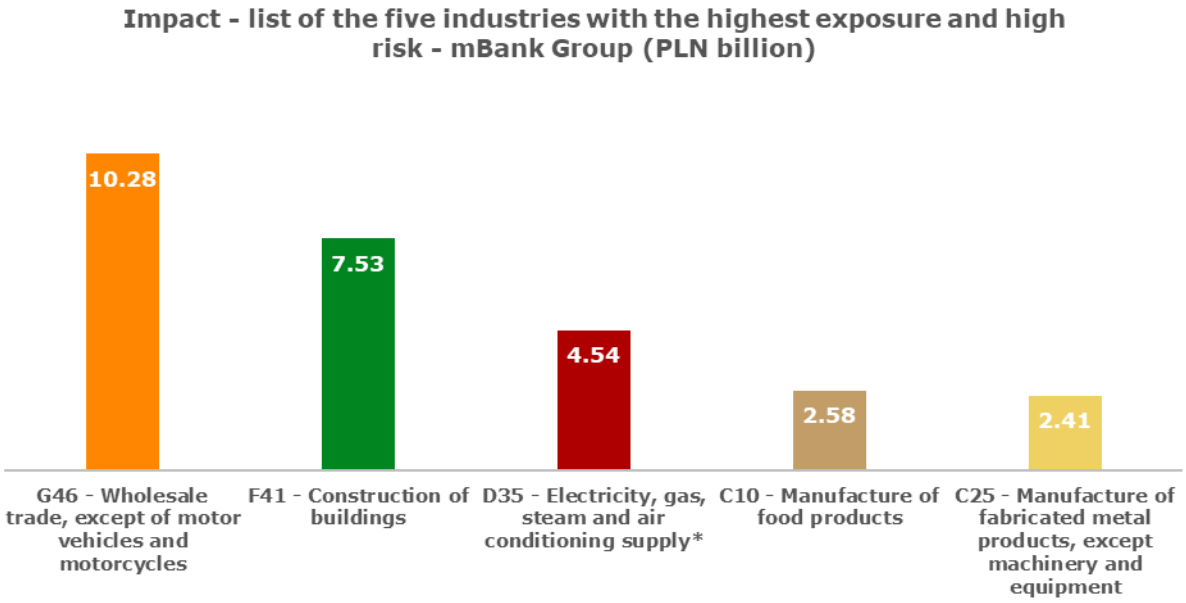
The next stage of the assessment, carried out on the basis of internal methodology prepared by the Group, is mapping the exposure within ISIC/NACE/PKD classification and assigning risk levels on a 3-point scale (low, medium, high) based on the scores of impacts indicated by ENCORE.

The analysis conducted on the Group's corporate loan portfolio shows that 54.6% of the exposure amount was rated as "high risk" and 22.6% of the portfolio was rated as "medium risk".




The largest exposure classified as "high risk" are activities related to the wholesale trade, except of motor vehicles and motorcycles (PLN 10.28 billion) and construction of buildings (PLN 7.53 billion). The list of 5 industries with the highest exposure and high risk is presented in the chart below:

[50] Environmentally-Extended Multi-Regional Input-Output database




** In the tool based on the ENCORE methodology, electricity generation is rated as a high risk. However, the mBank Group has almost exclusively exposures to electricity generation from renewable energy sources while the risk weights used relate to conventional power generation, which generates a much higher risk for biodiversity. Furthermore, measures are taken to specifically protect biodiversity. An environmental decision is required for each renewable energy financing project which meets the parameters set out in the regulations, and where environmental or social risks are identified at the project planning stage, measures to mitigate these risks are required to be presented and implemented. Under the current legal status, the impact of wind turbines on the environment as a whole is analysed at the stage of the environmental impact assessment procedure. This consists of an administrative procedure. One of the risk mitigation measures for wind farms is to shut down the turbines during periods of particular vulnerability of, for instance birds, to collisions, during the peak of bird migration period, breeding and nesting period, etc.*

**Analysis of dependency on ecosystem services**

The risk associated with the loss of biodiversity results not only from the impact of the bank's portfolio on ecosystems, but also from the dependence of the bank's customers on the ecosystem services provided to them. The transmission mechanism is that bank-financed enterprises dependent on natural resources or ecosystem services may face operational disruptions, increased costs or reduced productivity due to environmental degradation, which in turn may result in a deterioration of their financial situation and inability to repay their debt, generating risks for the bank. The analysis of exposure dependency on biodiversity and ecosystems is based on the ENCORE database as well. To assess the degree to which an economic activity depends on ecosystem services, ENCORE conducted a qualitative and quantitative assessment (if appropriate data were available), resulting in scores ranging from Very Low, through Low, Medium, High and Very high.

The ENCORE database distinguished 25 ecosystem services, each of which was included in the assessment conducted by the Group. The full list of ecosystem services is presented below.

The list of ecosystem services in the ENCORE database

| | | | | |
|---|---|---|---|---|
| Air filtration services | Animal-based energy | Biological control services | Biomass provisioning services | Noise attenuation services |
| Education, scientific and research services | Flood mitigation services | Genetic material services | Global climate regulation services | Local (micro and meso) climate regulation services |
| Mediation of sensory impacts (other than noise) | Dilution by atmosphere and ecosystems | Nursery population and habitat maintenance services | Pollination services | Rainfall pattern regulation services |

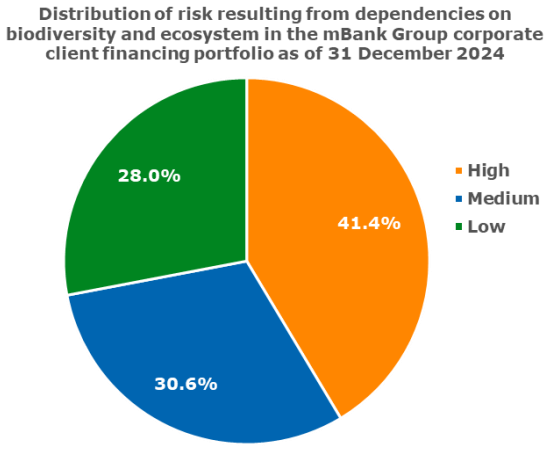
| | | | | |
|---|---|---|---|---|
| Recreation-related services | Soil and sediment retention services | Soil quality regulation services | Solid waste remediation | Spiritual, artistic and symbolic services |
| Storm mitigation service | Visual amenity services | Water flow regulation services | Water purification services | Water supply |

Example definitions of ecosystem services are as follows:

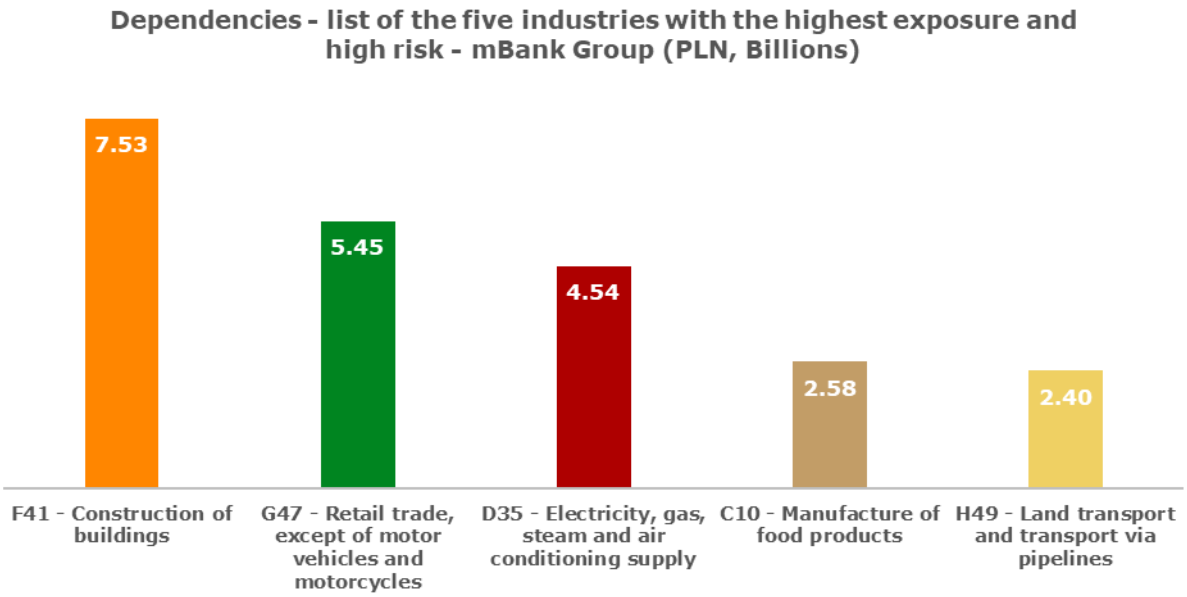
- (i) air filtration services - the ecosystem contributions to the filtering of air-borne pollutants through the deposition, uptake, fixing and storage of pollutants by ecosystem components, particularly plants, that mitigates the harmful effects of the pollutants,
- (ii) noise attenuation services - the ecosystem contributions to the reduction in the impact of noise on people that mitigates its harmful or stressful effects,
- (iii) water purification services - the ecosystem contributions to the restoration and maintenance of the chemical condition of surface water and groundwater bodies through the breakdown or removal of nutrients and other pollutants.

The next stage of the assessment is mapping the exposure and assigning risk levels on a 3-point scale (low, medium, high) based on the scores of dependencies indicated by ENCORE.

The analysis conducted on the Group's corporate loan portfolio shows that 41.4% of the exposure amount was rated as "high risk" and 30.6% of the portfolio was rated as "medium risk":




The highest exposures classified as "high risk" in terms of dependencies on ecosystem services are those related to construction of buildings (PLN 7.53 billion) and retail trade, except of motor vehicles and motorcycles (PLN 5.45 billion). The list of 5 industries with the largest exposure and high risk is presented in the chart:




**Conclusions of the analysis - exposure mix vs. risks of loss of biodiversity and ecosystem health**

The analysis provides a valuable basis for the Group to develop methodologies and tools for managing biodiversity in the operations of a financial institution. Being aware of the methodological limitations of ENCORE, we conclude that the results should be interpreted with caution. Firstly, they do not represent the magnitude of the actual negative impact of financed entities on the environment and its ecosystems (e.g. volume of groundwater or surface water consumed by the client or the level of generated and released solid waste) and only identify potentially material areas of industry-specific impacts. Secondly, the analysis does not identify risks related to loss of biodiversity and ecosystem health in the entities' value chain (e.g. the impact of the use of combustion-engine cars by the end user is not taken into account in the estimation of the risk of an entity engaged in the distribution and sale of vehicles; similarly, the impact of the vehicle production processes is not taken into account in relation to sales). However, the results of the analysis cited above identify, on the basis of specific features, the most important impacts on the environment at the level of the analysed economic activity. They thus provide a natural and necessary starting point for an in-depth study focused on selected aspects and entities. In addition, the identification of material risk factors related to impact or dependency on biodiversity and ecosystems provides basis for the introduction of further relevant regulations in mBank Group's policies.

The lender's ability to influence biodiversity and ecosystem risks is relatively limited due to lack of available quantitative and qualitative data and incomplete methodologies for measuring and managing these risks.

An analysis of sensitivity and exposure to risks related to dependency on biodiversity, natural assets and ecosystem services, and an assessment of the environmental pressures exerted by entities with the largest exposures in the group identified above, can support further understanding of the scale of risk in the corporate portfolio and identify the key areas requiring further internal regulations regarding credit policies for selected economic activities. Although, it should be noted that a high theoretical risk assessment should not be directly translated into a high credit risk, given that ENCORE analysis refers to dependencies and effects on businesses in particular sectors, rather than evaluates a direct or customer-specific failure probability.

*(E4-6) Anticipated financial effects from biodiversity and ecosystem-related impacts, risks and opportunities*

With regards to the indicator of the anticipated financial effects from significant biodiversity risks, mBank Group has decided to take advantage of the transition period and will make the first disclosure in the results of the 2025 analysis.

## 10.3. Social Issues Information (ESRS S1, S4)

### ESRS S1 OWN WORKFORCE OF MBANK GROUP

In mBank Group we understand that matters relating to human capital are one of the key elements in the implementation of our strategy. We know that the development of our organisation largely depends on the knowledge, skills and engagement of our employees and co-workers, which is why we take their interests and views into account in a dialogue across all levels of the organisation. Regular and transparent communication enables us to better understand the needs of our employees. Another important aspect is employee engagement, which we track twice a year in Pulse Check surveys. The survey results provide guidance for the development of further actions to enhance the satisfaction and well-being of employees.

Since it is our employees and organisational culture that make the difference, our focus remains on responsible management of human resources with our equity, inclusion, well-being and professional development agenda in mind. It is our ambition to create a diverse organisational culture where cooperation is built on trust and good intentions defined by the following five key values: authenticity, empathy, courage, responsibility and cooperation. Our strategic goal is to become one of the best employers in Poland and in Europe and to reach an employee engagement score within the highest quartile[51].

We are working towards creating safe and stable working conditions that support both the professional and personal development of our employees. In response to the needs of our workforce, we introduced a flexible and adaptable hybrid work model. We know that it helps to achieve work-life balance. In our everyday work we use cutting-edge solutions and advanced technologies. At the same time, however, we care about the well-being of employees by, among others, supporting their physical and mental health, granting them access to healthcare services and through a number of well-being initiatives in the workplace.

We want the skills of our employees to help us build a competitive advantage on the market. In line with our strategy, we want to achieve it based on the following three factors: strengths-based approach using individual talents and fostering innovations; a focus on future skills, which we consider a key success factor for our organisation; and the T-shaped philosophy, which combines high-level expertise with curiosity.

*(ESRS 2 SBM-3) Material impacts, risks and opportunities and their interaction with strategy and business model*

As a result of the double materiality assessment in the area of own workforce at mBank Group, we have identified two significant topics: working conditions and equal treatment and equal opportunities for all.

We have not identified any risks of forced or compulsory labour or child labour in our operations, including risks that could stem from conducting activities in countries of increased risk of such cases, so we do not address these topics in this disclosure.

**Definitions used in this chapter**

The content of the disclosure in this chapter covers all persons who are the entity's own workforce, on whom it can have a significant impact. Since this is the first report prepared by mBank Group in accordance with the ESRS, below we list definitions of terms used in the chapter dedicated to own workforce:

Employee – a person employed within Group under an employment contract.

Non-employees (contractors) – either people with civil-law contracts with mBank Group to supply labour (self-employed people) or people provided by undertakings primarily engaged in employment activities. Therefore, contractors include people working for the Group based on contracts of mandate and contracts for specific work, sole proprietors and temporary staff (employed by a temporary work agency based on a fixed-term employment contract or a civil-law contract for the sole purpose of performing temporary work for and under the direction of the employer) and personal outsourcing (a form of outsourcing, which involves "leasing" an employee of an external company contracted by the bank to perform certain activities, usually IT work).

Own workforce – both employees and non-employees.

The impacts, risks and opportunities identified in the double materiality assessment are incorporated in the policies referred to further in this chapter. If a description of a policy states that the policy applies to the Group, it means that it applies to all the subsidiaries subject to consolidation covered by this sustainability report. If a description of a policy reads that the policy applies to the subsidiaries listed therein, this means that it was adopted at and applies to selected subsidiaries. Similarly, the descriptions of ongoing actions should be understood to relate only to the subsidiaries mentioned or to the entire mBank Group, if indicated

[51] Employee engagement score is defined as percentage of employees who feel motivated by the organisation to demonstrate all three following behaviours, they: SAY (are willing to recoomend company as good place to work), STAY (expect their future to be with the company) and ACT (they feel motivated to give their best at work).

so. We have taken an approach to describe policies and actions relating to particular subsidiaries where they materially differ against the main Group company, mBank S.A.

## Working conditions

### (S1-6) Characteristics of the Group's employees and non-employees (contractors)

Employees

In 2024, the Group employed 8,601 people. Over 91% of the Group employees are employed with mBank S.A. - 7,860, of which 7,509 in Poland. The remaining 351 mBank employees work in the foreign branches in Czechia and Slovakia. The vast majority of employees are employed full-time under permanent contracts. 741 employees are employed with mBank Group subsidiaries.

W 2024, the Group hired 1,279 new employees, which represents 14.9%. In the reporting period the employee turnover ratio stood at 12.3%.

Women and men account for 58.8% and 41.2% of all Group employees respectively. Women hold 35% of highest managerial positions. mBank Group's staff are relatively young, with 18% aged 30 or less and 67% being 30-50 years old.

Table: Employee structure

| | Poland | | Total | Czechia | | Total | Slovakia | | Total | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| | W | M | | W | M | | W | M | | |
| Permanent employees (permanent contract) | 3,983 | 2,904 | 6,887 | 121 | 111 | 232 | 44 | 28 | 72 | 7,191 |
| Temporary employees (fixed-term contract) | 881 | 482 | 1,363 | 27 | 13 | 40 | 5 | 2 | 7 | 1,410 |
| Full-time employees | 4,137 | 3,016 | 7,153 | 130 | 120 | 250 | 42 | 30 | 72 | 7,475 |
| Part-time employees | 727 | 370 | 1,097 | 18 | 4 | 22 | 7 | 0 | 7 | 1,126 |
| **Total** | **4,864** | **3,386** | **8,250** | **148** | **124** | **272** | **49** | **30** | **79** | **8,601** |

Table: Total number of employees who left and turnover ratio by headcount

| | Poland | Czechia | Slovakia | Total |
|---|---|---|---|---|
| Total number of employees who left in the reporting period | 994 | 59 | 6 | 1,059 |
| Employee turnover ratio in the undertaking in the reporting period | 12.1% | 21.7% | 7.6% | 12.3% |

The figures above are presented for the entire mBank Group and cover the following subsidiaries: mBank (including the Czech and Slovak branches), mBank Hipoteczny, mLeasing, mFinanse (including the Czech and Slovak branches), mFaktoring, mElements, Asekum, LeaseLink and mTFI. The figures are presented as at the last day of the reporting period, i.e. 31 December 2024, by headcount. The term 'employees' is defined at the beginning of this section "Definitions used in this chapter".

### (S1-7) Non-employees (contractors)

In addition to permanent staff employed based on employment contracts, mBank Group also works with numerous people under other working arrangements. Non-employees (contractors) include people with civil-law contracts to supply labour to mBank Group (contracts of mandate, contracts for specific work) and B2B contracts (self-employed people) as well as temporary employees (employed by the temporary work agencies) and employees provided under a body leasing service. For a full definition, read the beginning of this section "Definitions used in this chapter".

In 2024, the number of contractors working in mBank Group stood at 3,991. The majority of them were employed based on civil-law contracts (mostly contracts of mandate and B2B contracts) followed by cooperation agreements (mostly the self-employed working in Czech and Slovak branches of mFinanse).

Non-employees accounted for 31.7% of the Group's own workforce in 2024.

The figures are presented for the entire mBank Group in a way consistent with the calculation coverage described above in S1-6 and are dated as at the last day of the reporting period, i.e. 31 December 2024, per person (headcount).

Table: Total number of non-employees

| | Total |
|---|---|
| Total number of non-employees in the undertaking's own workforce by head count or FTE | 3,991 |

### Human rights protection in the employee context

In mBank Group, we exercise due diligence as regards respect for and observance of human rights in all aspects of our activities. With regard to own workforce, we do this, among others, by ensuring decent working conditions and adequate pay and by fostering health and well-being. We do not tolerate breaches of human or labour rights, mobbing behaviours and other unacceptable attitudes.

We undertake to respect human rights as defined in the key regulations pertaining to this area, i.e. the Universal Declaration of Human Rights, the International Bill of Human Rights, the International Labour Organization's fundamental conventions, and the OECD Guidelines for Multinational Enterprises. As a signatory to the Ten Principles of the UN Global Compact[52] we are committed to promoting and implementing values in the areas of human rights, high labour standards and environmental practices.

*(S1-1 MDR-P) Policies adopted in the area of human rights protection*

mBank Group has in place a number of mechanisms and internal regulations aimed at guaranteeing respect for human rights. These include:

- Code of Conduct
- Model of Values and Behaviours of mBank
- Work rules of individual Group subsidiaries
- Diversity and Inclusion Policy of mBank
- mBank Policy on Preventing Mobbing, Discrimination and Other Unacceptable Behaviour
- Ethics Program
- GDPR Package for the implementation of which the Data Protection Officer is responsible

All internal regulations are subject to regular reviews (at least once a year) and are updated as necessary. The highest level in the organization responsible for implementing the policies described in this chapter is the Director of the Employee Relations and Organizational Culture Department, unless another unit is explicitly indicated.

Code of Conduct

The mBank Code of Conduct is a set of good practices containing guidelines applicable to all employees of mBank Group, including the management. Together with the Model of Values and Behaviours of mBank and the Ethics Program, the Code of Conduct underlies mBank's ethical culture. We believe that the observance of these guidelines lays the foundations for mutual trust. In the Code of Conduct, we defined the basic rules pertaining to business practices, financing of clients, and proper behaviour in the workplace, which is particularly important in the context of this chapter. The main guidelines set out in the document include:

- Being guided by mBank's values,
- Building sustainable company culture,
- Corporate responsibility,

[52] mBank S.A. | UN Global Compact

- Responsible credit policy,
- Responsible approach to relationships with clients,
- Honesty in business relationships,
- Compliance with the applicable standards in relationships with clients and internal relations,
- Avoiding conflicts of interests,
- Responsible use of social media.

Furthermore, the Code of Conduct obliges the employees to be familiar with the currently applicable laws governing the organisation's activities, guidelines of supervisory authorities, industry standards and internal regulations aimed at preventing criminal activity. The guidelines support simple, exhaustive and comprehensible communication.

Employees are obliged to comply with the principles and rules set out in the Code of Conduct both within the organisation and in their relationships with clients, suppliers and external partners.

The rules also specify behaviours and attitudes that are unacceptable and prohibited in the Group. They indicate the channels and rules for anonymous reporting of breaches or behaviours that are non-compliant with the law or the principles of morality. Any breaches of the rules are analysed and then actions are taken to avoid such situations in the future and mitigate the risk arising from them.

Model of Values and Behaviours of mBank

At mBank, our day-to-day operations are guided by our values: empathy, responsibility, courage, cooperation and authenticity. These values support us in building an organisation that is focused on learning, ethics, inclusion and well-being, where a culture of trust and good intentions is important. We believe that it is important for each of our employees to understand the aforesaid values, which is why we developed a model describing the preferred attitudes and behaviours that shape our daily life:

- Authenticity – we understand our strengths and talents, strive to be the best version of ourselves, learn how to respect differences and appreciate them,
- Empathy – we treat others with empathy, are sensitive to the needs, opinions and emotions of our colleagues, clients and the society,
- Courage – we excel at bold decision-making. We express our opinions freely and respectfully, we are straightforward. We are willing to admit our mistakes, draw conclusions from them and treat them as a natural way to discover new possibilities and to develop,
- Responsibility – we treat mBank with care and approach it holistically in our day-to-day work. We remember that both our work and we are part of a larger whole. We act ethically and responsibly. We make sure we keep our word and care for the environment we live in. We develop our social sensitivity,
- Cooperation – we value openness to cooperation and assume good intentions. We take into account different points of view and opinions. We look for the best ways to achieve common goals.

We want mBank to be a place where we act ethically, appreciate diversity, and ensure the inclusion and well-being of our employees. In a dynamically changing world, we want to remain an organisation that is able to learn, develop and leverage the potential of people who work with us.

Work rules

The work rules of individual Group subsidiaries define the obligations of the employer and the employees. They ensure equal treatment in the scope of establishing and terminating the employment relationship, working conditions, promotions and access to training. Furthermore, they guarantee equality regardless of gender, age, disability, race, religion, nationality, political opinion, trade union membership, ethnic origin, denomination, sexual orientation and form of employment. The rules are binding on all employees regardless of their job. Every employee and non-employee is obliged to familiarise themselves with the rules and to submit a statement confirming their observance no later than on the day of commencement of work.

Ethics Program

At mBank, ethical matters are governed by the Ethics Program adopted in 2022, which contains key guidelines underlying an ethical business culture and facilitate the performance of obligations assumed under the ESG Strategy. The key aspects of building an ethical culture include:

- Senior management supporting ethical business,
- Integrity, i.e. consistency between our declarations and actions,
- Compliance with the principles of ethics in the bank's relationship with its clients, in relationships between employees and when implementing new policies, products, services and procedures,
- Operation of the system for reporting breaches of the principles of ethics (mSygnał),
- Reacting to breaches of the principles of ethics,
- Appointing an employee responsible for managing ethical issues and determining their place in the organisation's hierarchy – Management Board's Proxy for Diversity and Inclusion,
- Ethics being one of the employee assessment criteria,
- Regularly educating our employees in ethics.

Since 2023, every employee and non-employee is obliged to undergo an annual training in ethics. New hires undergo the training within three months of the employment date. Ethical issues are also addressed in other onboarding training courses and in training on anti-money laundering, fraud and corruption prevention, anti-mobbing, sanctions, GDPR and information protection.

GDPR Package

We make sure that the data of our employees is not modified, deleted, added or destroyed in an unauthorised manner. We treat personal data security as an utmost priority, striving to ensure the highest level of organisational and technological protection. We aim to prevent situations where employee data can be used by unauthorised entities or processes. Detailed information about this issue are presented in the GDPR Package for mBank's employees, candidates and contractors. mBank Hipoteczny and mLeasing also have in place analogous documents.

**(S1-3) Processes to remediate negative impacts and channels for own workers to raise concerns**

Ethical, transparent, and responsible conduct is very important to us. We want to create a safe work environment where everyone has the opportunity to report their concerns without fear of repercussions. Therefore, we have implemented a system that allows employees and other interested parties to report irregularities that may violate laws, internal regulations, or ethical principles within the organization.

The main channel for reporting irregularities, including by employees, is mSygnał (described in more detail in Chapter G1 in the "Whistleblower Protection" section) – a system for reporting any abuses, which is available to all employees on the internal network (also available to other stakeholders on the public website). Regardless of this, employees can also report violations through other channels – in writing, as well as orally.

The procedures in place at the mBank Group prohibit potential forms of retaliation, discrimination, or unfair treatment of individuals who have reported suspected abuse. In October 2024 Order of the President of the Management Board on reporting violations, the procedure for analysing them, and taking follow-up actions at mBank S.A. was adopted, which aims to prevent irregularities and define the principles for whistleblowers to report violations of the law or ethical standards. Reported complaints and incidents related to suspected unacceptable behaviour concerning human rights violations, discrimination, including harassment, or violations of ethical principles among employees and associates of the mBank Group are described later in this chapter (indicator S1-17).

### Transparent remuneration

*(S1-1 MDR-P) Remuneration policies*

In mBank Group, we attach great importance to the issue of appropriate wages, treating them as one of the key elements of building employee commitment and the long-term success of the organization. Our approach is based on the principles of justice, transparency and adapting remuneration to market standards and individual employee achievements. The materiality of this topic is emphasized by the results of the double materiality analysis, as a result of which working conditions were recognized as one of the topics important for the Group.

Policies directly referring to the topic of adequate wages in the Group's parent company include the Remuneration Policy for Employees of mBank S.A. and the Remuneration Policy for Employees Having a Material Impact on the Risk Profile of mBank S.A.

The Remuneration Policy for Employees of mBank S.A. defines the remuneration rules, presents the company's approach to remuneration development, defines fixed and variable remuneration components

and ensures consistency with the Bank's risk management strategy, which also covers sustainability risks. The policy is based on the methodology for remuneration development factoring in the total remuneration level (which includes fixed and variable remuneration) as well as a dialogue between managers and employees that provides comprehensive information and justification for decisions.

The Remuneration Policy for Employees of mBank S.A. is designed to reinforce employee engagement by providing market-based remuneration packages adequate to employees' contribution, and thus, to retain the best employees by creating optimal working conditions and to attract talent to the organisation in traineeship and internship programs. The policy also provides for ensuring cost efficiency in terms of the remuneration budget. The regulation applies to all mBank employees, including those who work in the foreign branches in Czechia and Slovakia.

The Remuneration Policy for Employees Having a Material Impact on the Risk Profile of mBank specifies first and foremost the remuneration rules for persons identified as risk takers by defining fixed and variable remuneration components. mBank's risk taker selection criteria and process are regulated by a separate document – the Risk Takers Identification Policy. The policy also sets out transparent rules for determining and paying an adequate bonus as a variable remuneration component.

Moreover, the documents aim to support the implementation of the Bank's management strategy and the strategy for managing risks (including the ESG risk) as well as corporate values and organisation culture. The policies safeguard rights and interests as well as diligent treatment of all mBank clients by ensuring that employees receive financial and non-financial remuneration that does not induce them to prioritise their own or the Bank's interests to the detriment of clients.

Both policies are monitored by the Employee and Organisation Culture Development Department. The monitoring process covers, among others, annual reviews – especially in terms of legal compliance and the implementation remuneration rules and practices at mBank. The following units of the bank also participate in the process:

- Integrated Risk Management Department – in terms of compliance with the rules of due and effective risk management and fostering such management,
- Compliance Department – in terms of compliance with external regulations on remuneration that affect the operation of the bank (excluding the Brokerage Bureau),
- Brokerage Bureau Supervision Department – in terms of compliance with external regulations on remuneration that affect the operation of the Brokerage Bureau,
- Legal Department – in terms of formal and legal compliance.

Documents comparable with the mBank remuneration policy exist in other Group subsidiaries.

Notably, the remuneration area is regulated by the Diversity and Inclusion Policy, which affects the aforementioned remuneration policies through the principle of equal treatment of men and women. To this end, we ensure that all forms of discrimination are eliminated and remuneration is based solely on objective criteria: skills, experience and performance. We apply the principle of equal treatment and managing diversity in the following areas: recruitment, development, access to promotion opportunities, benefits, succession planning and remuneration.

*(S1-4 MDR-A) Taking action on the achievement of policy objectives*

We ensure that remuneration rules are clearly communicated to employees.

To ensure the competitiveness of wages, at least once a year we take part in a wage survey conducted by an external benchmarking consulting company, in which we refer to the level of the national minimum wage. In order to have positions comparable to market positions in terms of the value of their work, the Group operates a process of valuation and creation of position maps. We evaluate positions based on the scope of duties and required competencies. During this process, we use the methodology of an external consulting company, which enables an in-depth analysis of each position regardless of its location in the organization's structure. Both managerial and specialist positions are valued based on the same evaluation criteria, which ensures consistency of valuations within the Group. The remuneration of mBank employees is complemented by a wide package of non-wage benefits, which is available to employees regardless of the scope of cooperation (benefits may differ in Czech and Slovak foreign branches). In 2024, it included, among others:

- Life insurance,
- Healthcare plan,
- Co-financing of the Multisport card,

- Co-financing of employee development,
- Supporting employees' passions pursed in sports and interest clubs,
- Package of benefits under the Company Social Benefits Fund: Christmas bonus, green allowance, welfare assistance, emergency housing loan, aid for families of deceased employees, LUX MED healthcare plan for retirees and children of deceased employees, assistance for persons with disabilities,
- Two extra days off for parents of children up to 14 years of age,
- Reimbursement of costs of corrective glasses,
- Employee capital plans.

### (S1-10) Adequate wages

In 2024, all the employees of mBank Group were compensated adequately to the tasks performed and the scope of duties and responsibilities assigned to them in line with benchmarks set out in the ESRS.

### (S1-16) Remuneration metrics (pay gap and total remuneration)

Pay gap

At mBank Group, we calculate pay gap in two ways.

In the ESRS approach, the gender pay gap is defined as the difference of average pay levels between female and male employees. It is expressed as percentage of the average pay level of male employees. We calculated the gender pay gap based on total remuneration. Basic remuneration covers a fixed amount under a contract of employment, whereas total remuneration includes basic remuneration plus additional amounts paid to an employee (such as commissions, bonuses, benefits, long hours compensation and other extra payments). We converted these figures into FTEs and calculated them in annual terms. For the purposes of the calculation, we took into account employees working under a contract of employment as at 31 December 2024.

Table: Pay gap according to ESRS

| Indicator | 2024 |
|---|---|
| Pay gap | 29.50% |

Table: Constituents of calculation of pay gap according to ESRS.

| Indicator | 2024 |
|---|---|
| Average gross hourly pay for men | 98.11 PLN |
| Average gross hourly pay for women | 69.17 PLN |

Table: ratio of women's remuneration to men's remuneration in PLN by employee category

| Ratio of women's total remuneration to men's total remuneration in PLN | | |
|---|---|---|
| **Employee category** | **mBank** | **mBank Group*** |
| Senior management (without the Management Board) | 89% | 89% |
| Key managers | 86% | 86% |
| Other managers | 80% | 78% |
| Other employees | 76% | 76% |

** mBank Group (mBank S.A., mFaktoring S.A., mLeasing Sp. z o.o., LeaseLink Sp. z o.o., Asekum Sp. z o.o., mBank Hipoteczny S.A., mTFI S.A., mElements S.A.), excluding foreign branches and mFinanse subsidiary.*

In the context of our target expressed in the mBank Group strategy for 2021-2025, we calculate pay gap in accordance with the simplified Guidelines of the European Banking Authority (EBA) on benchmarking remuneration practices, gender pay gap, and approved higher ratios of variable to fixed remuneration components based on Directive 2013/36/EU. Calculation is based on pay quartiles, which are determined by dividing all employees into four groups according to their pay level (although regardless of their grade). In each quartile, the average pay for both men and women is calculated, and then the pay gap is identified. The overall pay gap is the average of all quartiles. At the end of 2024, the pay gap calculated at the level of mBank S.A under this approach was 3.2%.

Total remuneration ratio

When calculating the total remuneration ratio we used the paid-out remuneration of the highest-paid individual, i.e. the President of the Management Board of mBank, and the median total remuneration of mBank Group employees (excluding the highest-paid individual) who remained employed as at December 31, 2024, without persons being replaced. We converted the remuneration into full-time equivalents (FTE) and annualized it.

Table: The annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees.

| Indicator | 2024 |
|---|---|
| Annual total remuneration ratio of the highest paid individual | 3,860,009.00 PLN |
| Median annual total remuneration for all employees (excluding the highest-paid individual) | 136,072.62 PLN |
| **Total remuneration ratio** | **28.37** |

**Dialogue with workforce**

**(S1-2) Dialogue with own workforce**

In mBank Group we believe that the dialogue with employees and non-employees is one of the main building blocks of an open, inclusive and engaged work environment. We know that transparent communication allows us to better understand what employees need and boost their engagement; therefore, we are in a regular and open dialogue with them using various internal communication channels. We aim to involve our employees and non-employees in the decision-making process, especially where the decisions concern working conditions or career development. In order to ensure ongoing and smooth communication with employees, we use internal platforms, such as the intranet, themed newsletters, messaging apps, as well as tools dedicated to conducting surveys and submitting employee suggestions. In particular, we communicate information on changes in regulations, procedures and strategic actions that may impact on the level of employment and working conditions. However, we do not consult with employees the targets being set that are described in this chapter.

*(S1-1 MDR-P) Policies adopted in the area of dialogue with employees*

Our open dialogue with employees is built upon actions ingrained in mBank's cultural DNA, which are performed by the Group subsidiaries adequately for their size and business models. We see this form of dialogue with the mBank Group community as more flexible and effective than a dialogue based on policies and internal regulations, which is why the dialogue with own workforce has not been defined in policies and regulations.

*(S1-4 MDR-A) Taking action on the achievement of policy objectives*

Meetings with the Management Board

Every quarter the Management Board of mBank meets with employees of the entire Group to discuss the current performance, actions and plans for the future. During the meetings, the Management Board members also answer employees' questions. Employees and non-employees have the opportunity to ask questions both before and during the meetings. Answers to questions asked beforehand are published in advance of the meeting. The recordings of meetings and answers to questions are published on mBank's intranet available to every employee.

Other mBank Group subsidiaries (mLeasing, mFinanse and mFaktoring) also hold quarterly meetings with their management boards. The meetings are mostly held to discuss the current performance and present action plans for the future. At mTFI, meetings with the management board are held on a bi-weekly basis.

At mBank Hipoteczny, meetings are organised once a year to summarise the previous year, discuss the implementation of the strategy, and to present plans and actions scheduled for the current year. These meetings are also attended by a dedicated employee of the HR Department.

mBank foreign branches hold meetings with the Executive Committee.

Meetings with the HR Department

In 2024, in order to respond to the numerous questions about employee-related matters asked during meetings with the Management Board, the HR Department launched quarterly meetings with employees.

The meetings held so far were dedicated to discussing topics such as: remuneration, job maps, training and development, and benefits. Similarly to the meetings with the Management Board, employees can ask questions both before and during the meetings. The recordings of meetings and answers to questions are published on the intranet.

At mBank Hipoteczny, meetings with the HR Department representative are organised once a year as part of meetings with the management board of the subsidiary. Mostly, they are dedicated to discussing training and development. At mFinanse, meetings with HR Business Partners have been held since 2024. They are scheduled on an ad hoc basis where a need arises to discuss an important topic. In 2024, meetings were organized for all teams at the headquarters and with managers in all sales network regions. Questions for HRBP could be directed in an anonymous survey and during meetings with the Management Board, which are held once a quarter. In 2024, mElements adopted the formula of cyclical 1:1 meetings between employees and non-employees with the HR Business Partner. During the meetings, topics related to well-being, development expectations, and current needs are discussed. The Management Board of the Company is informed about the outcomes of the meetings.

Cyclical meetings with the representatives of the HR Department are not held in the Czech and Slovak branches of mBank and mFinanse.

Work Council and Employee Representatives

The Work Council at mBank is currently in its fifth term. It is operating based on the Act on informing employees and running consultations with them.

The Work Council at mBank plays a vital role as, based on an agreement with the bank, it takes part in the discussion on employee-related matters, well-being and work environment. At dedicated meetings with HR partners and the CEO, the Work Council discusses the status, structure and anticipated changes in the level of employment and measures that may significantly change the organisation or the basis of employment. The current Work Council has been very active and has come up with many ideas, among others, to celebrate mBank employees' work anniversaries. Other areas of the Council's interest include the remuneration methodology and the use of pay indicators, spending from the Company Social Benefits Fund (ZFŚS), private healthcare improvements and informing employees about aid offered by the organisation to the employees in need.

Other Group subsidiaries and mBank's foreign branches do not have work councils. The majority of the Group subsidiaries (mBank Hipoteczny, mLeasing, mFinanse, mFaktoring and mTFI) instead have their Employee Representatives, who take care of social matters (such as employee meetings, changes in the workplace, oversight of fulfilment of employee rights and obligations.

Employee opinion survey – Pulse Check

Since at mBank we highly value feedback from employees, twice a year we conduct a voluntary engagement survey Pulse Check, in which we ask employees to anonymously share their views on working at mBank Group. Participation in the survey is voluntary.

A Pulse Check survey comprises two categories of questions. The core, standard set of questions concerns employee engagement and work environment. The remaining questions are about specific matters of importance to the organisation and its employees. In conducting the survey we are supported by Kincentric.

The answers provided by our employees are thoroughly analysed and the results are then discussed at team meetings. The results also form the basis for launching initiatives to improve working conditions and to respond even more accurately to employees' needs.

The importance of Pulse Checks is definitely reflected in the extraordinarily high response rate. In 2024, we conducted two Pulse Check surveys – the first one in April and the second one in October. The participation rate at both surveys was 89%.

| | Topics raised in the survey | Engagement level |
|---|---|---|
| Pulse check Spring 2024 | ▪ Diversity and inclusion<br>▪ Development<br>▪ Remuneration and appreciation | 65% |
| Pulse check Autumn 2024 | ▪ mBank values<br>▪ Hybrid work | 67% |

Analogous Pulse Checks are also conducted in mBank foreign branches and in other Group subsidiaries: mTFI, mBank Hipoteczny, mLeasing, Asekum, LeaseLink, mFaktoring and mFinanse. In 2024 in Asekum and Lease Link two checks were conducted, whilst in mBank foreign branches and in mFinanse one check was conducted.

The foreign subsidiaries of mFinanse are not covered by the regular survey based on Kincentric's methodology; however, every year they carry out a voluntary survey to track employee satisfaction. At mElements employees are encouraged to complete surveys in the Officevibe app, which probe their levels of engagement, job satisfaction and mood. The survey results are analysed by the HR Business Partner and presented to the Management Board of the subsidiary. Based on the conducted analyses, there are additional meetings organised with the areas functioning at the subsidiary. Results of OfficeVibe surveys are also regularly presented at the quarterly organizational meetings "All In".

### (S1-8) Collective bargaining coverage and social dialogue

*(S1-1 MDR_P) Policies related to collective bargaining coverage and social dialogue*

The mBank Group provides employees with full freedom to associate. So far, no collective agreement has been adopted in the Group. Such a legal possibility exists only in mBank, where all employee matters are already regulated by many policies and internal regulations, which are agreed upon or consulted with the Trade Union. Therefore, there has been no need to implement a collective agreement so far, and consequently, no policies directly dedicated to this topic have been adopted.

*(S1-4 MDR-A) Taking action on collective bargaining coverage and social dialogue*

Despite there being no formal collective agreements, we strive to ensure high standards of work and relationships with the Group employees through transparent and responsible human resources management practices. More details on these actions are described in the section dedicated to Dialogue with employees.

Independent Trade Union of mBank Employees

The Independent Trade Union of mBank Employees has been operating at mBank since September 2021. Its members account for 0.5% of all employees. The employer cooperates with the trade union, not only in the scope of statutory consultations, but also through dedicated meetings and discussions, which have an impact on the employees' working conditions and work environment.

As part of the cooperation, we hold several meetings annually with the Union Board, during which we discuss both employee-related issues and inform about any organizational changes that may affect employees. In 2024, the main topics of collaboration, similar to those with the Works Council, included new subsidies under the company social benefits fund, increased scope of medical care packages, increased subsidies for glasses, a program for recognizing work anniversaries at mBank, and current issues reported to the Union by employees. We also jointly discussed the results of the engagement survey, the approach to employee remuneration and recognition, and informed about the topics we want to discuss at HR meetings with Bank employees.

We strive to maintain direct dialogue, not only in matters regulated by law.

There are no trade unions in the remaining subsidiaries and in the foreign branches of mBank. Selected Employee Representatives described in detail in section (S1-4 MDR-A) "Taking action on the achievement of policy objectives" act as intermediaries between the employer and employees.

Table: Share of employees covered by social dialogue and collective bargaining agreements.

| | 2024 |
|---|---|
| Share of employees covered by collective bargaining agreements | 0% |
| Share of employees covered by social dialogue | 95.3% |

## (S1-15) Work-life balance

We are well aware of the importance of a healthy work-life balance.

For employees, it may be the key to achieving well-being and job satisfaction, while at the same time delivering high performance. We strive to create a secure and employee-friendly work environment with employees' well-being at its core.

*(S1-1 MDR-P) Work-life balance policies*

Due to the specifics of the area, mBank Group does not have, or plan to have, a uniform policy dedicated to work-life balance.

We support our employees in achieving a good work-life balance through a number of activities and programs.

*(S1-4 MDR-A) Taking action on the achievement of policy objectives*

With energy for health

With energy for health, a well-being initiative launched several years ago, supports employees in taking care of their physical and mental health. It is based on four key pillars which include: physical health, mental health, healthy eating and healthy lifestyle. As part of the project, we organise a range of educational and preventive health initiatives. Each month, we invite employees to join events co-hosted by specialists during which we promote a healthy lifestyle and share information on how to take care of one's health and well-being. We enhance the knowledge of well-being by organising meet-ups with experts such as doctors, physiotherapists, nutritionists, psychologists and personal coaches.

With energy for health program is free of charge and open to all employees, regardless of the form of employment and whether they work full or part time. Some events can also be accessed by employees' families.

The initiative enjoys great popularity – in 2024, events attracted on average 2,000 participants. Employees could benefit from free psychological consultations, which were also available in the evening and on weekends or bank holidays. We dedicated the three-month autumn edition of the program to oncological health.

We ask employees about their general mood, well-being and stress level on a cyclical basis in the Pulse Check survey. The questions also concern employees' needs – based on their answers, we adjust and develop the With energy for health program on an ongoing basis.

In 2024, we ran six two-day events called "Health Days" in our offices which included consultations and tests related to physical and mental health associated with fatigue and stress prevention, healthy skin, heart or nutrition.

In addition, we organised muscle tension release consultations and first aid training in the Bank's headquarters. We conducted 11 first aid training sessions, with a total of 174 participants.

Well-being and fitness translate into our effectiveness at work and overall satisfaction with life. We encourage our employees to use a wide range of solutions offered by mBank:

- MultiSport – with the MultiSport card, employees have access to more than 4,000 sports and leisure facilities throughout the country. They can also exercise at our headquarters in Warsaw at the Sports Club. The Employee Card is subsidized by the bank.
- mBank Passions – an initiative encouraging employees to pursue their passions and interests together in sports and interest clubs subsidised by the Bank.
- Bicycle parking facilities encourage employees to be active – they can travel to Warsaw and Łódź offices by bike. The Wieża and Przystanek buildings offer bicycle parking facilities specially for bike lovers.
- Health prevention is our priority – as part of the company subscription healthcare plan, our employees have access to consultations with doctors from across the country, diagnostic tests and vaccinations, as well as discounts on services not covered by the plan. Their close ones can also benefit from dedicated plans for life partners, families and parents/in-laws.

In mBank's foreign branches, a similar initiative has been in place since 2017, helping to take care of employees' health and mental well-being – the "GetFit Program". In the autumn of 2024, a series of workshops promoting health and supporting prevention took place.

Hybrid working model

The entire mBank Group continues working in the hybrid model, which is the preferred working system of our employees reflecting their needs. In mBank's headquarters, the hybrid model is based on the 40/60 proportion, with 40% being the minimum office attendance and 60% – the remote working time. In the sales network, Contact Centre, Operations and IT, the hybrid working model is adjusted to the specific requirements of these areas.

The hybrid working model is deemed effective as it allows employees to strike a work-life balance. This conclusion is supported by cyclical results of the Pulse Check survey. The hybrid working model also makes it possible to combine the advantages of working from the office and working remotely and to select the best place to perform one's tasks. The flexibility of how and where employees work has a positive impact on their well-being, efficiency at work as well as their comfort, relationships with close ones and household chores. At the same time, it still gives them the chance to foster relations with co-workers. Working from home, without daily commute, ensures better work-life balance, saves time and costs (including environmental costs) connected with commuting to the office. It also encourages healthy eating habits and physical activity. Employees state that the hybrid working model significantly improves their well-being.

However, we are well aware of how important face-to-face contact is and thus continue the Good to Be Back in the Office program. The initiative encourages employees to come to the office, and supports team building, relationship building and direct contact experience. As part of the program, we organise onsite events in the Warsaw and Łódź headquarters aimed at:

- Team building – Family and Friends Days (workshops, relax zones, health zones, education zones). Employees had a chance to invite their families and friends (children, parents, partners, friends) and have fun together. The four events were attended by nearly 2,000 people.
- Health prevention (cyclical Days for Health) – including mobile diagnostic test rooms in the offices, imaging tests, blood tests, consultations with doctors. Over 1,100 people took part in eye tests, blood tests, consultations with nutritionists and physiotherapists.
- Promotion of physical activity – including morning exercise and yoga on the office terraces, breathwork exercises, bicycle repairs.
- At mBank, we are dedicated to supporting Blood Donation Centres and organise blood donation events on our premises in Warsaw and Łódź. After donating blood, our employees can take some days off work to regenerate.

Hello Mum, Hello Dad

Since 2022, we have been running the Hello Mum, Hello Dad program. This initiative supports employees returning from parental leave, planning parenthood and already raising children. The program builds positive experience, strengthens relationships, and supports effective energy management. Participation in the program is voluntary, free of charge and open to employees regardless of whether they work full or part time. The program is based on the following pillars: partnership in parenthood, development of new competences, reinforcing parents' and children's strengths. Currently, ca. 250 employees are signed up for the extended version of the program.

As part of the program, we help our employees understand their current and previous role in the company, and remind them about our values, organisational culture, responsibilities and objectives. By guiding them through all the formalities, we boost their sense of security. We also care about the comfort of our employees by providing them with psychological and organisational support. In addition, we support managers and contractors.

In 2024, we prepared the Parents and Caregivers Academy, a series of educational events comprising webinars, individual and group consultations as well as knowledge pills. The program is free of charge and gives access to expert knowledge in many different fields. It revolves around six main pillars:

- Partnership in parenthood
- Development of new competences
- Reinforcing parents' and children's strengths
- Neurodivergence
- Psychological needs of children and the need to belong among different age groups
- Physical health prevention

Table: Employees entitled to family leaves and who used family leaves

| | Employees entitled to family leaves | Employees who used family leaves |
|---|---|---|
| Women | 5,061 | 1,957 |
| Men | 3,540 | 1,113 |
| **Total** | **8,601** | **3,070** |

Stress prevention

As part of the With energy for health program, we prepared a year-round initiative "Stress prevention: Relaxation – Energy – Regeneration". It concentrates on mental health and fatigue prevention. Its four main pillars include:

- Talk – free, individual psychological consultations during which employees can talk about their emotions and learn how to deal with difficult situations. There are no limits on the number of consultations, which are also available after working hours and on weekends or bank holidays,
- Change your habits – individual consultations with nutritionists aimed at improving one's well-being, free diagnostic tests package aimed at fatigue prevention, stress prevention package, healthy heart package,
- Relax – anti-stress training and online meet-ups with healthy lifestyle enthusiasts, relaxation sessions with bowls and gongs in headquarters, yoga sessions (onsite and online),
- Find out more – psychological webinars with external experts.

As part of the initiative, employees can benefit from individual consultations with psychologists, during which they can discuss their experience, difficulties and deep dive into topics raised earlier during workshops and webinars.

Autumn of Oncological Prevention and Support

As part of oncological support, in autumn 2024, we organised events focused on cancer prevention, raising awareness of cancer diseases and encouraging employees to go for regular checkups. This is a three-months long initiative, during which:

- In Autumn 2024, we ran four cancer prevention campaigns in our Warsaw and Łódź headquarters where employees could undergo oncological scans,
- Birthmark diagnosis – employees could have birthmarks checked with a teledermoscope in our offices,
- We took an active part in campaigns promoting cancer prevention as part of the World Cancer Awareness Days – Pink October and Movember.
- We also organised a series of webinars raising cancer prevention awareness and providing support for cancer patients,
- For Branches - during the year, we provided over 3700 free vouchers for cancer marker tests, whilst in our headquarters we performed about 1000 stationary tests and consultations in the field of oncology prevention. On the intranet, we expanded the knowledge base containing educational materials on cancer prevention and information on packages available to employees enabling them to undergo the necessary tests.

mBank Passions

mBank Group encourages employees to connect around shared passions by setting up interest groups and co-funding their activities. The mBank Passions initiative was established 20 years ago. Employees are encouraged to share their passions as a way to support their physical and mental well-being. Currently there are around 30 interest groups with a total of nearly 2,000 participants.

Motivational budget

A separate budget for employee integration at mBank is one of the tools for managers that support the formation of units (teams, divisions, departments). mBank uses up nearly 100% of this budget.

Anniversary celebrations

At mBank, we notice and celebrate work anniversaries. We believe that this helps to foster employee branding and to strengthen positive work experience. In 2023, we held a banquet for employees celebrating

their 30-year work anniversary at mBank, which was attended by 88 people. In 2024, 101 people attended the event, celebrating their 25-year and 30-year work anniversaries at the whole mBank Group. In the coming years we are planning to continue organising such anniversary events.

Peace Patrol

mBank Group employees (excluding Czech and Slovak foreign branches and subsidiaries) had an opportunity to go on an 8-day trip to the Pol'and'Rock Festival as Peace Patrol volunteers. The initiative stems from broader cooperation between the Group and the Great Orchestra of Christmas Charity (WOŚP). Volunteers' tasks included preparing the festival area, organising office space, supporting the technical crew, supervising restricted areas during the festival (parking lots, dressing rooms, back rooms), logistical support for invited guests. Before going to the Festival, our volunteers have also been trained on firs aid.

## Equal treatment and opportunities for all

Our organisation aims to create a work environment where employees feel valued and respected. We build and strengthen the awareness of these issues among employees.

*(S1-1 MDR-P) Policies related to equal treatment of employees*

Diversity and Inclusion Policy

In 2022, mBank adopted the Diversity and Inclusion Policy which defines the main concepts dedicated to this area, indicates our objectives arising from the Strategy, as well as our diversity management objectives. The policy outlines the issue of diversity of managers, the Management Board and the Supervisory Board of our organisation. The regulation focuses on four key areas:

- Raising employees' awareness of diversity,
- Preventing discrimination, including analysing problems encountered by employees,
- Gender neutrality in processes implemented at mBank,
- Increasing the employment rate of people with disabilities,

As part of mBank's policy, we monitor gender neutrality of our processes, the employment rate of people with disabilities, and as part of the Pulse Check survey we monitor employees' awareness of diversity, procedures for whistleblowing and the sense of discrimination (being a witness to it and experiencing it). Monitoring takes place in the responsible department (keeping statistics and preparing analyses for internal purposes). Policy statements relate to recruitment, development, access to promotion, benefits, succession planning and remuneration. The policy contents are monitored in example via Pulse Check survey results. The stakeholders can vary at the level of individual subsidiaries due to structural differences.

The policy also defines the procedures applied in the event of suspected discrimination. The document applies to all employees of mBank hired under the contract of employment, including employees of the foreign branches. In addition, Czech and Slovak foreign branches of mBank and planning to introduce similar documents in 2025.

Diversity matters are important when appointing members of the bank's Management Board and Supervisory Board. This is regulated in the special policy providing guidance on the suitability assessment. The Executive and Nomination Committee of mBank's Supervisory Board and the General Meeting verify on an annual basis whether members of the Supervisory Board and the Management Board meet the diversity criteria.

mBank Hipoteczny and mFinanse also have in place analogous documents. The policy of mFinanse does not assume any measurable objectives. The document applies to all employees and contractors in Poland, yet it does not cover the Czech and Slovak branches of the subsidiary. mFaktoring intends to implement a regulation pertaining to the issue in 2025. In other subsidiaries of the Group, no policies dedicated to diversity have been implemented.

The Diversity and Inclusion Policy of mBank S.A. is available in the Browser of Internal Regulations. It is also published on dedicated intranet websites (e.g. a website dedicated to ethics and diversity). The information on the policy is provided to employees via mandatory training, including the training in diversity or ethics and additional training, e.g. the training in savoir vivre for interacting with people with disabilities. The policy subject matter is a part of introductory training for the management staff (Leader in a New Reality). There are also internal communication campaigns, conferences, and there is a group of diversity ambassadors who lead a number of initiatives that reinforce the policy objectives. The policy is implemented by project teams and working groups. Communication takes place through internal channels.

In mFinanse, the policy is available in the Knowledge Base – all contractors have online access to internal materials. In mBank Hipoteczny, the policy is available in the repository of internal regulations (LEGO). It

is marked as a mandatory regulation to be read by new hires. The issue is also raised during mandatory training and presented to new managers in the Leader in a New Reality module.

*(S1-4 MDR-A) Taking action on the achievement of policy objectives*

Procedures supporting diversity at mBank are supervised by the Management Board Representative for Ethics, Diversity and Inclusion who is responsible for creating a diverse work environment and supervising initiatives that comply with the policy. Since September 2024, the Vice-President of the Management Board, Chief People and Regulatory Officer has been performing this function. The Representative implements and supervises the observance of ethical standards in the organisation and is responsible for the dissemination of information on diversity and inclusion. In 2023, we also established a Business Ethics and Inclusion Team, which was transformed into a Team for Projects and Reporting on Ethics and Inclusion in October 2024.

The program of succession to supervisory boards

As part of the actions aimed at increasing the level of gender representation in management and supervisory boards of mBank's main subsidiaries up to 40% by the end of 2026, we have launched the prograe of succession to supervisory boards. We have determined and verified the list of potential internal successors. The program covers leadership and management training for the identified group.

mOna

In December 2023, the mOna program was launched to select female leaders and experts who would create a structure supporting women and gender equality. Its main objective is to strengthen women's professional development and increase their visibility in mBank Group by means of mentoring and networking initiatives. We want women working in our organisation to be able to use their full potential in an environment of equal opportunities. The program is addressed to each employee regardless of their gender and form of employment (except for employees of mBank's foreign branches and mFinanse, who plan to join it in 2025). The women's development and support program focuses on four main pillars: mentoring, exploration, networking and activity. As part of the program, 14 meetings with inspiring women and 3 networking meetings took place. There is also a mentoring pathway, in which women from entire mBank Group participate.

Diversity Ambassadors

In 2023, mBank Group appointed Diversity Ambassadors – the group's main objective is to promote diversity and inclusion among the Group's employees and non-employees, also during internal events. At present, there are 141 Diversity Ambassadors divided into nine thematic groups responsible for such issues as: women's networking, generations, people with disabilities, multiculturalism, LGBTQ+ and allies, inclusive communication, mental health, neurodiversity, diversity in branches and at frontline. Participation in the group is voluntary and open to every mBank Group employee or contractor (except for employees of mBank's and mFinanse's foreign branches).

A flagship project of Diversity Ambassadors is Let's Talk About Diversity. Its main idea is to promote issues connected with DEI (Diversity, Equity, Inclusion), including intergenerational cooperation, support for women's development, the LGBTQ+ community, fatphobia and work-life balance through online conversations taking place also as part of Development Fridays. The first Let's Talk About Diversity meeting took place in May 2024. Employees may sing up for the event via the main e-learning platform used at the Group. Employees of most mBank Group subsidiaries may participate in Let's Talk About Diversity meetings (except for employees of foreign branches and mFinanse). In 2024, 12 such meetings took place, attracting around 130 participants.

Training and education activities

In the Group, we carry out mandatory cyclical training in ethics, anti-mobbing, diversity and inclusion. Some training sessions are carried out as part of the "Development Fridays" initiative. Employees undergo training in diversity and inclusion every two years. The course on counteracting mobbing and discrimination at the workplace and on ethics is conducted annually. New hires undergo the training within three months of the employment date. The training is available to most of the Group's employees, except for employees of mFinanse (the subsidiary intends to implement dedicated training in 2025). The module dedicated to the aforesaid issues also includes a specialist training, i.e. the Leader in a New Reality. Apart from that, managers receive additional educational materials in the form of manuals. Thematic meetings in the form of webinars are also organised. In 2024, 42 such events took place, while in 2023 their number reached nearly 100.

Initiatives for persons with disabilities

We take actions to promote the employment of people with disabilities:

- We have introduced a one-off allowance for people with a disability certificate up to PLN 1,200 gross, depending on their remuneration;
- As part of the Incluvision partnership, we participated in organizing a virtual job fair for people with disabilities and businesses: "Incluvision: Let's Connect! The First Virtual Job Fair for People with Disabilities and Businesses," aimed at creating an inclusive job market where everyone has equal opportunities;
- We have established a partnership with Ernst & Young and the Takpełnosprawni Foundation with respect to the employment of people with disabilities;
- In cooperation with the Integralia Foundation, each year we run the Able Internship program during which we recruit people with disabilities as interns – the internship is addressed to students or recent graduates (up to two years from graduation);
- We summarised the audit of the bank branches in terms of their accessibility for people with disabilities;
- We participate in industry conferences and student events, during which we promote mBank as a workplace open to everyone.

*(S1-5 MDR-T) Targets related to the implementation of policies and actions*

The Diversity and Inclusion Policy outlines the following objectives:

- We build employees' awareness of diversity – as regards the diversity and inclusion index, we aim to be ranked among the best employers by our employees[53].
- We study and analyse employees' problems - our goals include:
  - Lack of experiencing unequal treatment of employees due to physical disability, sexual orientation, religion, beliefs, gender, age (based on a question from the Pulse Check survey),
  - A minimum of 90% positive answers to the question about the knowledge of procedures for reporting unfair treatment in the workplace - in the Pulse Check survey (at present, we are ranked among the best employers with the result of 93.5%).
- We will guarantee gender neutrality of the bank's processes[54] – our goals include:
  - Representation of women in managerial bodies of mBank's main subsidiaries (including mLeasing, mFaktoring, mBank Hipoteczny, mTFI, and mFinanse) of at least 40% (by the end of 2026);
  - Gender balance in the succession program (at least a 45% representation of both men and women);
  - Reduction in the pay gap in peer groups (grade/family of job positions) to max. 5%;
- We will increase the employment rate of people with disabilities at mBank – we would like to reach 150 individuals[55]

There are currently no ESRS targets set within the Group.

[53] The indicator is one of the elements of the cyclically conducted Pulse Check survey.
[54] Targets mentioned in this paragraph result from the Strategy of mBank Group, not from the policy being described
[55] Target has been identified as being at risk. We have taken measures aimed at increasing the level of employment of people with disabilities. The risk results also from the challenges present in the polish market in that regard. Based on our experience we perceive a target of 150 employees with disabilities as ambitious one. We remain focues on delivering on this objective, noting the associated risks.

### (S1-9) Diversity indicators

Table: Diversity indicators at managerial levels

| Diversity indicators at managerial positions | 2024 |
|---|---|
| Number of male Level 1[56] managers | 13 |
| Number of male Level 2 managers | 89 |
| **Total number of male managers** | **102** |
| Number of female Level 1 managers | 3 |
| Number of female Level 2 managers | 52 |
| **Total number of female managers** | **55** |
| **Total number of managers at top level positions** | **157** |

Table: Ratio of employees by age

| | Number | % |
|---|---|---|
| Share of employees below 30 | 1,547 | 18% |
| Share of employees aged 30–50 | 5,776 | 67% |
| Share of employees over 50 | 1,278 | 15% |
| **Total number of employees** | **8,601** | **100%** |

### (S1 – 12) Employees with disabilities

| | Poland | Czechia | Slovakia | Total for Group |
|---|---|---|---|---|
| Number of men with disabilities | 38 | 1 | 2 | 41 |
| Number of women with disabilities | 50 | 4 | 1 | 55 |
| **Total number of employees with disabilities** | 88 | 5 | 3 | **96** |

## Training and skills development

At mBank Group, we pay particular attention to our employees' development. We carry out development activities by providing appropriate tools and enabling access to specialised knowledge. For years we have focused on the "learning organisation" approach, where we give our employees the opportunity to independently choose the direction of their development within the organisation and take part in selected development initiatives.

*(S1-1 MDR-P) Training policies*

mBank S.A. has in place the Policy of Training and Development Activities, which supports employee development in a manner consistent with the organisation's strategic goals of innovation, operational efficiency and customer satisfaction. The policy governs the key aspects of professional development, including developing managerial and employee competences, using modern technologies to support development processes, promoting flexibility and agile approaches to work, and adaptation to change.

The policy covers all activities related to the development of employee competences, including training, mentoring, coaching, workshops and development programs. Its scope encompasses all business units and their employees, from senior management to executive staff, supporting their development in the context of achieving the bank's strategic goals, at the same time creating a work environment that fosters continuous professional development.

[56] Level 1 – managing directors, Level 2 - directors

Similar policies governing the development and training area have also been adopted at mTFI, mFinanse (excluding the Czech and Slovak branches) and mFaktoring. Details of the subsidiaries' existing development and training regulations and activities are described below.

*(S1-4 MDR-A) Taking action on the achievement of policy objectives*

Mandatory Trainings

Mandatory Trainings at mBank comprise a set of trainings required by law, standards of Commerzbank Group, of which mBank is a member, and the Bank's internal regulations. The program includes, among others, training in appliable laws, compliance, risk management, information security, anti-money laundering (AML), as well as product-specific training. Its purpose is to ensure that all mBank employees have the necessary knowledge and skills to perform their duties in line with law, which is crucial for the protection of clients, employees and for the Bank's integrity. The program helps the Bank minimise the risk of non-compliance with legal requirements and ensures that employees are well aware of their duties and responsibility. Regular training makes it possible to maintain a high level of competences across the organisation, which translates into higher quality of work, security and operational compliance and supports the professional development of employees, thereby contributing to their long-term engagement.

The Mandatory Training program is carried out on an ongoing basis, at annual or other regular intervals, in accordance with law and the Bank's internal regulations pertaining to individual training areas. In order to minimise the potential negative consequences resulting from the need to absorb a lot of knowledge in a short period of time, an annual training schedule for employees was prepared and published on the intranet. Every training course must be mandatorily completed within a specified time limit by every employee, except for the employees of mFinanse's foreign subsidiaries.

Development Fridays

Development Fridays is the name of a development initiative launched at mBank in 2018 with the aim to regularly improve employees' skills through voluntary participation in various educational events organised every Friday. This program serves to fulfil the Training and Development Policy and has become a permanent fixture of mBank's development package. It was designed to address the need to ensure regular and systematic development opportunities to employees, and consequently, to prevent job burnout and career stagnation.

The program includes presentations, lectures, workshops, webinars and consultations delivered by in-house and external experts. The topics of "Fridays with Development" are broad and include, among others, diversity and inclusiveness, finance and investments, artificial intelligence and new technologies, personal development and psychology, communication, public speaking and storytelling, sustainable development (including ESG), office and digital tools, well-being, and psychological support. mBank has been actively promoting the program through a dedicated intranet site featuring information on upcoming events, available training sessions and development resources. The site enables employees to select and plan their development activities.

Moreover, as part of the Share Your Knowledge initiative we encourage mBank employees to co-host Development Fridays. It is a platform where employees can share their skills and experience with colleagues in the form of workshops and training sessions. This form of engagement helps us build an organisational culture based on cooperation and mutual support.

As part of the program called Let Development In, dedicated mobile teams organise Development Fridays in the Bank's branches located all over Poland. These off-site training events enable the branch employees working outside the Bank's head office to participate in the program, which fosters the creation of a coherent development culture across the organisation.

Over the years the program has become an inherent part of mBank's development culture, boosting employees' engagement in self-development and improving their competences in key areas. Development Fridays inspire employees to work on self-development and promote the lifelong learning concept across the organisation. Regular training and workshops enabling employees to enhance their skills can translate into greater engagement, satisfaction from work and better performance; they also support integration through joint learning and knowledge sharing.

Gallup Strengths

The Gallup Strengths program launched in 2020 has become an integral part of the development culture in our organisation and is now operating as a long-term initiative. Its main purpose is to better leverage the natural talents of employees.

Underlying the program is an approach based on developing strengths and using individual talents identified through the Gallup's CliftonStrengths test. Based on the test results, employees have the opportunity to create personalised development plans that take into account their strengths.

The key initiatives connected with the program include:

- Strengths-based onboarding – from their early days at the bank new employees have access to the Gallup's Clifton Strengths test, which enables them to understand their strengths and use them early on in their career.
- Strengths-based team management – managers are trained to manage teams with the use of individual strengths of team members, which translates into more informed and personalised team management, and consequently, prevents potential conflicts of interest, stress and inefficient allocation of tasks.
- Strengths sessions with in-house coaches – regular sessions where employees can deep dive into their strengths and receive support in developing their individual talents. The Gallup-certified strengths coaches help employees discover how to make the most of their talents at work.
- Summer Full of Talents – program designed to help employees develop their strengths in a more relaxed atmosphere that encourages creativity and reflection. The program includes workshops and meetings dedicated to identifying and enhancing strengths.

We track the effectiveness of this program through regular employee satisfaction surveys. The survey results form the basis for annual reviews of the program and for adjusting it to address the current needs and strategic objectives.

Future Skills

The Future Skills program is aimed at development of key skills of the future among mBank employees. It offers training sessions in the area of new technologies – artificial intelligence (AI), machine learning (ML), cybersecurity, critical thinking and innovative approach. The goal of these sessions is to prepare employees for challenges they may face in the dynamically changing job market, thus minimising the risk of losing competitiveness both at the individual and company level.

As part of the program, employees can use two educational platforms: Data Academy and Security Academy, to access advanced knowledge and tools in data management and cybersecurity. This allows them to improve their skills and adapt to changing technological requirements.

Reskilling and upskilling program: Initiatives such as Akademia.NET enable employees to change their career path or develop new technical competences. This gives them the opportunity for development in new areas, thus increasing their flexibility and chances for promotion within the company's structure. Participants of 2023/2024 edition currently participate in the internal IT transfers (1 person already employed in IT area).

Mission Innovation is a project aimed at encouraging employees to create and implement innovative solutions. It fosters creativity and builds engagement and job satisfaction, as employees see the real impact of their actions on the development of the company. Since 2022, we have run two editions of the project. In 2024, we launched the next stage of Mission Innovation – the main competition where employees can present themselves and their ideas in front of the entire company. A series of events started on 21 November 2024 with an opening conference, during which the details of the competition were presented. The grand award for the winners will be a trip abroad.

The Future Skills program has been designed in a way that factors in different levels of employees' expertise. Training sessions are adjusted to individual needs and competences. mBank regularly collects feedback from participating employees in order to identify and eliminate potential sources of stress or other negative impacts on an ongoing basis.

Manager's Development

The Manager's Development program is mBank's ongoing initiative supporting managers at different management levels. Each training and development program is carried out regularly and updated in line with the company's needs and changes in the business environment. The training sessions cover, among others, the questions of how to motivate a team and build engagement, manage conflicts and solve problems. The program is planned with a long-term management development in mind.

It comprises the following initiatives:

- Diagnostic and development programs for Top100 and Top600:
  - Top100 – top-level managers taking part in individual diagnostic and development programs run by external experts. These programs include an in-depth analysis of management style, identification of potential risks and support in improving leadership competences.

- Top600 – mid-level managers also have access to similar management diagnostic programs run internally by HR experts. These programs have the same stages as Top100, providing comprehensive assessment and support for management skills development.

- Development workshops – the Leader in a New Reality program, which is dedicated to newly promoted managers providing them with knowledge and tools necessary for efficient team management, especially in remote working conditions. The workshops also encompass modules on the team working ethics, thus helping managers promote healthy work culture and minimise conflicts within teams.
- Workshops for employees in psychological crisis.
- Coaching and mentoring options:
  - Mentoring programs under which seasoned managers can act as mentors for younger or less experienced managers.
  - Managers can also benefit from coaching sessions run by internal and external coaches. These sessions are adjusted to managers' individual needs, and help them develop leadership skills and deal with challenges connected with team management.
- Cooperation with HRBPs – managers can always count on the support of HR Business Partners, who cooperate with them on an ongoing basis by providing advice and help in the implementation of team management strategy.

We've initiated works on new manager model, engaging top management (Top 100). This new model will be included in the development activities for managers' development in 2025.

Remote tools

Our employees have access to e-learning platforms and digital libraries, which allow them to gain knowledge and develop their skills independently at any time and from any location. The program is part of mBank's permanent development plan for employees.

The remote tools include the following platforms:

- LinkedIn Learning – a platform offering a number of online courses, videos and lectures on different topics ranging from soft skills to advanced technical issues,
- Strefa Kursów (Courses Zone) – a database comprising thousands of video materials in the areas of IT, business and soft skills, available to mBank employees,
- Legimi – digital library supporting personal and professional development by providing access to e-books and audiobooks from different fields,
- SEDUO – external e-learning platform available to the employees of the foreign branches.

Since granting access to the Remote Tools, we have recorded a significant increase in employees' interest in these platforms. mBank employees actively use the courses and resources available to them, which fosters their professional and personal development. Platforms such as LinkedIn Learning and Training Zone have become important skill development tools that facilitate flexible learning. Legimi, a digital library that supports the reading culture in the organisation, has also received a warm welcome. The accesses are monitored and updated on a regular basis to ensure that they are used efficiently and are adequate to the employees' needs.

Language Training

"Develop English" language training is mBank's initiative aimed at helping employees develop language skills, which are essential for effective communication in an international work environment. The program encompasses language courses at three proficiency levels (B2, C1, C2), both in the form of group classes and one-to-one lessons. The training offered concentrates on practical language skills, such as business communication, negotiations and presenting in English. The program makes use of remote education platforms, which allows our employees to flexibly align learning with their work schedule.

The "Develop English" language training program is implemented on a continuous basis and mBank employees can participate in it all year round. The program is part of the long-term employee skills development strategy. The language courses on offer are regularly updated to address changing needs of the organisation.

The program has been received well by employees, who appreciate its flexible formula that enables remote learning. Our training courses are regularly evaluated in terms of quality and effectiveness, and the program is adjusted to the needs of employees and the market requirements on an ongoing basis.

Feedback Culture

Feedback Culture is a permanent initiative of mBank, which constitutes a key element supporting employee development and material risk management. We promote active feedback as one of the pivotal components of internal communication. Regular training sessions in feedback and feedforward help employees and managers give and receive feedback effectively. This, in turn, allows them to quickly identify and eliminate negative impacts at the workplace and leverage the positive aspects of teamwork.

As part of developing the feedback culture, Model of Values and Behaviours workshops are organised to help managers and teams understand and implement the corporate values. The workshops serve not only to improve communication, but also to minimise the risk of misunderstanding expectations and standards, which can lead to conflicts or hamper efficiency.

The initiative boosted employees' involvement in the process of giving and receiving feedback. This translates into a more open and transparent organisational culture, which in turn fosters the development of both individual employees and entire teams. The program is regularly monitored based on participant feedback. It is planned to be continued and developed in the coming years, and its contents are to be adjusted to the changing organisational needs and expectations voiced by employees.

Sustainability training

Since 2023, mBank S.A. has implemented a regulation requiring all employees to undergo sustainability training. Employees are required to renew their training every 2 years, and new hires must complete the training within 3 months of starting their job. Additionally, for those interested, we have initiated regular online meetings called "Sustainability talks – conversations about a sustainable world" as part of "Fridays with development." These meetings take the form of webinars with individuals who share their knowledge and experience in the field of ESG.

mBank Academies

They include training, conferences, workshops, and other development initiatives. They support strictly substantive areas in various areas of the bank. They are enriched with expert knowledge that relates to the latest market trends. In 2024, these included: Data Academy, Agile Academy, Risk Academy, Security Academy, ESG and Sustainable Finance Academy, OBD University, Credit Academy, Operations Academy. The academies operating in mBank are intended for all employees regardless of the employment dimension and type of contract. In 2024, 892 employees participated in them.

Individual Development

mBank Group's Individual Development program supports employees in developing their competences by gaining valuable knowledge and skills that are vital for their professional development as well as for the achievement of the bank's strategic goals. The program encompasses, among others, the following initiatives:

- Postgraduate studies – mBank finances its employees' postgraduate studies which are strategically linked to the key areas of the bank's operations. In the academic year 2023/2024 we financed postgraduate studies for 29 employees. The range of faculties linked to areas of strategic to bank's continuity, especially ESG.
- Conferences and external training sessions – employees can participate in national and international conferences as well as external training sessions, which gives them access to the newest trends, knowledge and best industry practice. This enables them to continually boost their skills and establish valuable professional contacts, which can advance their career development.
- Individual programs for managers – mBank offers diagnostics and development programs for managers run by renowned international universities, such as Harvard, Cambridge and Stanford. The programs are adjusted to the managers' individual needs and support them in developing leadership and strategic competences. In 2024 program participants included 26 managers from TOP600 group and 12 participants from TOP100.
- Mentoring and coaching – mBank supports employee development through mentoring and coaching programs. As part of these initiatives, employees can work with experienced mentors and coaches who, thanks to an individualised approach to skills development, help them manage their career more effectively and prepare for professional challenges. In 2024 as part of mOna we conducted mentoring for 22 individuals (22 mentors and mentees). There were further 20 mentoring processes in the organisation, mostly managerial.

*(S1-5 MDR-T) Targets related to the implementation of policies and actions*

Targets related to mBank's Training and Development Policy relate to the period from 2021 to 2025 and are closely linked to the business objectives of individual business units and the bank's overall strategy. They include both long-term strategic priorities and annual interim targets, which are adjusted according to the Bank's changing business needs and strategic priorities.

Implementation of the provisions of the policy is continuously monitored through regular evaluation of the effectiveness of training and development activities based on the Donald Kirkpatrick model[57] and collecting feedback from training participants and analysing their results (based on surveys, knowledge tests and attendance rates). The data is compared with the original assumptions to assess whether the targets set are being met as planned. Reporting and review of activities, including quarterly budget reports and assessments of the impact of training on the level of achievement of business objectives is carried out by the Employee and Organisation Culture Development Department.

The approach described above also works in other mBank Group subsidiaries - mBank Hipoteczny and mLeasing have access to training courses conducted and provided by mBank

mBank's training and development policy is also extended to mFaktoring employees. The subsidiary has its own Training and Development Policy.

There is an internal Training Policy in place at mFinanse, which defines, in particular, the rules applicable in the organisation for raising and consolidating employees' knowledge. However, the policy does not apply to the subsidiary's Czech and Slovak branches. To monitor progress, periodic reports are prepared summarising the completion rate of training in the scope of sales and products, professional licenses and compliance areas.

mTFI also has in place similar documents to those in place at mBank: Policy for Maintaining and Improving Knowledge and Competences of Employees and Policy for Maintaining and Improving Knowledge and Competences of Body Members. The purpose of these regulations is to ensure the proper performance of the tasks within the organisation by hiring employees with the appropriate skills and knowledge, as well as to create appropriate rules of conduct with respect to maintaining and improving the knowledge and competences of employees, including their professional development. The subsidiary created the position for mTFI management board support, which is responsible for coordinating the work related to the identification of training needs, including by upholding constant contact with the dedicated employee of mBank's Employee and Organisation Culture Development Department.

In 2024, mElements funded training for employee thanks to cooperation with the HR Business Partner, its management board and people responsible for the financial area who grant consent to a given employee's or contractor's participation in training. However, these actions were not based on the internal regulations applicable at the subsidiary. In October 2024 the subsidiary has adopted the Training-Development Policy, which has organized the rules for selection, approval and co-financing trainings, courses, studies for employees and non-employees of the Company.

There are currently no ESRS targets set within the Group.

**(S1-13) Training offered to employees – metrics**

mBank Group carries out performance and career development reviews. In 2025 we plan to introduce a new system to manage metrics related to trainings and employee development. In line with the opportunity provided in ESRS 1 appendix C we decided to omit the information outlined in ESRS S1-13 in the first year of preparing the statement on sustainable development.

Table: Average number of training hours per employee, broken down by gender[58]

| | |
|---|---|
| Average number of training hours completed by men | 27 |
| Average number of training hours completed by women | 30 |
| **Average number of training hours per employee** | **29** |

**Counteracting mobbing, discrimination and other unacceptable behaviours**

In mBank Group, we are opposed to any forms of mobbing, harassment, discrimination, harassment and unethical behaviour. In our organisation, such actions are referred to as "unacceptable behaviour" and

[57] Kirkpatrick Model is widely used in human resources management and trainings to assess their effectiveness and value for the organisation. It consists of four elements: reaction (assesses the way participants perceive the training, in example their behaviours and engagement); learning (measures the degree of knowledge and skill building or change of attitude following the training); behaviour (analyses if participants implemented new knowledge and skills at their workplace); results (examines the impact of the training on achieving business objectives such as productivity increase, cost reduction or improvement of financial results).
[58] The data includes the mBank Group excluding foreign branches.

constitutes a serious breach of duty. We strive for high levels of employee trust and morale of our workforce, so we do our best to decrease the number of workplace incidents by implementing proactive initiatives (described in detail in section (S1-4 MDR-A) "Taking action on the achievement of policy objectives").

*(S1-1 MDR-P) Policies related to preventing mobbing and discrimination*

In the parent company of the Group, these issues are governed in detail by the Policy on Preventing Mobbing, Discrimination and Other Unacceptable Behaviour, which contains the definitions of mobbing, discrimination, harassment, sexual harassment and other unacceptable behaviour. It covers, most importantly, the following grounds for discrimination: sex, age, disability, race, religion, nationality, political beliefs, trade union membership, ethnic origin, denomination, sexual orientation, as well as form of employment (definite or indefinite term, full-time or part-time basis). The policy:

- describes the procedure adopted in the organisation for anonymous and non-anonymous complaints.
- governs the scope of work of the Unacceptable Behaviour Committee, its composition and course of action, which is based on confidentiality.
- describes the manner of registering a complaint and indicates what it should contain.
- determines the procedure applicable where a complaint concerns a Management Board member.
- describes the follow-up actions to be taken with regard to persons whose unacceptable behaviour has been confirmed.

Appendices to the policy include a template complaint and the confidentiality statement. Pursuant to the policy, the number of complaints about mobbing, discrimination and other unacceptable behaviour and their legitimacy is monitored. Once a year, the Committee prepares a report presenting the number of cases reviewed by the Committee, types of breaches, decisions taken, recommendations issued and remedies taken. As part of the employee engagement survey, a ratio measuring the experienced or witnessed cases of discrimination and the employees' awareness of the option to report unacceptable behaviour via the anonymous mSygnał channel is monitored. The contents of the policy are subject to consultations and approved in the formal approval path for internal documents: with the Legal Department, the Compliance Department, the Employee Relations and Organisation Culture Department, the Representative of the Management Board for Ethics, Diversity and Inclusion, the Personal Data Protection Officer and the director of the Communication and Marketing Strategy Department. The stakeholders can vary between subsidiaries.

The policy is adopted by way of a resolution of the Management Board and applies to the employees of mBank, including the Management Board members, with the exception of the employees of the foreign branches, to whom separate regulations in line with the local provisions apply. Every employee is obliged to familiarise themselves with the policy.

Similar policies are applied as well in other subsidiaries of the Group - mBank Hipoteczny, mLeasing, Asekum, Lease Link, mFinanse (excluding the subsidiary's foreign branches) and mElements. mBank's foreign branches also have in place a separate policy governing this area.

mTFI does not have a dedicated policy, but its Work Rules contain provisions on counteracting mobbing. mFaktoring applies the Policy for Managing Incidents of Employee Misconduct. The subsidiary intends to introduce a policy analogous to mBank's Policy on Preventing Mobbing, Discrimination and Other Unacceptable Behaviour.

mBank's Policy on Preventing Mobbing, Discrimination and Other Unacceptable Behaviour is available in the Browser of Internal Regulations. It is also published on dedicated intranet websites (e.g. a website dedicated to ethics and diversity). The information on the policy is provided to employees via mandatory training, e.g. the anti-mobbing training or the training in ethics. The policy is implemented by project teams and working groups. Communication takes place through internal channels. Dedicated internal communication campaigns, training and discussion forums (e.g. Dialogues about Ethics) are also organised. The policy subject matter is a part of introductory training for the management staff (Leader in a New Reality).

In mFinanse, the policy is available in the Knowledge Base. Training in the anti-mobbing policy is also carried out. In mBank Hipoteczny, the policy is available in an internal repository.

*(S1-4 MDR-A) Taking action on the achievement of policy objectives*

Violation of the ban on unacceptable behaviours is deemed a serious breach of professional responsibilities. Disciplinary measures are taken in line with the Labour Code and Work rules of particular subsidiaries of

the Group. Engaging in unacceptable behaviour or creating a situation that encourages such behaviour results in an exposure to disciplinary and even criminal liability.

Unacceptable Behaviour Committee

In order to prevent potential incidents, mBank set up the Unacceptable Behaviour Committee whose role is to help to prevent and counteract discrimination in the workplace. The Commission, in the course of its work, determines whether the case under consideration (which could have been reported, among others, through the mSygnał system, which we discuss in more detail in the chapters on reporting irregularities and whistleblower protection) involved unacceptable behaviour. We investigate cases confidentially and impartially. If the behaviour is deemed unacceptable and its nature is determined, the Commission proposes a solution to the situation and recommends actions to avoid similar incidents in the future. Once a year, the Commission prepares a report containing the number of cases handled, types of violations, decisions made, and recommendations and preventive actions.

In the company mFinanse, there is a Commission whose role is described in an internal regulation (mFinanse S.A. Policy on Counteracting Mobbing, Discrimination, and Other Unacceptable Behaviours). After considering the reported complaints, explanatory proceedings are conducted. The Management Board and the Supervisory Board of the company are informed about these processes. Employee complaints are investigated by the Unacceptable Behaviour Committee also in mBank Hipoteczny. Once a year the Committee compiles a report summarising its work, presenting the number of cases handled, types of violations, decisions and conclusions reached, recommendations issued and remedies taken. The Pulse Check survey verifies whether employees know the procedures for reporting irregularities in this area. The progress in implementation of these objectives is measured by a dedicated HRBP supporting a given subsidiary.

Register of cases

We maintain the register of cases and report them to the Sustainable Development Committee and the Management Board. Information on identified cases of unacceptable behaviour is presented in our annual reports. The Employee and Organisation Culture Development Department measures the progress in implementation of these objectives. The figures are presented in absolute terms.

Information on the intranet

mBank's intranet hosts a dedicated website with the information on unacceptable behaviours, including, among others, applicable definitions of these behaviours and the procedures for reporting them, as well as answers and questions related to the process. An intranet user can also find there links to training materials and manuals on how to handle unacceptable behaviours (including how to file complaints) and on prevention. Furthermore, the website provides information on how to obtain support in difficult situations. It also features a link to the Policy on Preventing Mobbing, Discrimination and Other Unacceptable Behaviour.

The similar information can be accessed online by mFinanse's employees via the Knowledge Base and by mBank Hipoteczny's employees via the internal regulations tracking system.

The foreign branches of mFinanse do not maintain a website presenting such information.

Mandatory training

We conduct mandatory cyclical training in ethics, anti-mobbing, diversity and inclusion. At mBank, prevention training is also organised as part of "Development Fridays". On the other hand, meetings organised as part of Dialogues on Ethics create a forum for discussions about difficult situations, including mobbing. Managers are offered consultations and provided with relevant materials. The Leader in a New Reality training contains a module on ethics, diversity and unacceptable behaviours.

Training in these topics is also carried out in other subsidiaries of the Group – mFinanse (the training covers the scope of the policy – the identification and handling of unacceptable behaviours), mBank Hipoteczny and mTFI.

Supportive activities and remedies

To prevent unacceptable behaviours, we conduct a range of supportive and developmental activities for our teams in order to restore/improve communication, cooperation and healthy relationships, such as: feedback meetings, individual development plans, managerial diagnostics, development of managerial skills, strengthening of skills in communication, feedback, empathy and enhancing of self-awareness.

We take active and systematic measures aimed at increasing or maintaining employee engagement based on Pulse Check results (for more information on the survey, go to section (S1-4 MDR-A) "Taking action on the achievement of policy objectives") by proposing in-depth workshops and corrective measures. We implement solutions ensuring confidentiality of answers given in the Pulse Check survey by employees

working in small teams, i.e. voluntary participation in the survey and a special format for presenting answers (answers to open-ended questions are presented for groups of eight or more employees, whereas answers to closed-ended questions are presented for groups of five or more employees).

Towards an individual to whom a complaint referred we take relevant corrective or disciplinary measures under the Labour Code (we react accordingly). The aforesaid include: disciplinary meetings, corrective plans, mandatory re-reading of internal regulations (including the Code of Conduct, the Diversity and Inclusion Policy and the Policy on Preventing Mobbing, Discrimination and Other Unacceptable Behaviour) and training (including training in anti-mobbing, diversity, ethics, ESG, savoir vivre for interacting with people with disabilities, mechanisms underlying discrimination, communication traps). As a last resort in extreme situations, we do not renew, or we terminate the employment contract concluded with an employee behaving in an unacceptable manner.

*(S1-5 MDR-T) Targets related to the implementation of policies and actions*

The aim of mBank's Policy on Preventing Mobbing, Discrimination and Other Unacceptable Behaviour is primarily to prevent unacceptable behaviours, support the development of good relationships among employees and create a friendly work environment. The policy outlines a clear stance towards those who create circumstances encouraging unacceptable behaviours or those who take unacceptable actions on their own, treating them as violations of basic employee duties. As an employer, mBank may take disciplinary measures in accordance with the labour law and the bank's Work Rules. The policy describes how violations are dealt with, as well as the consequences of such behaviour. The policy clearly defines the behaviour that mBank does not accept as an employer. Objectives outlined in the policies may differ depending on particular subsidiaries. No targets meeting ESRS conditions were set in the Group.

*(S1-17) Incidents and complaints*

In the reporting period, we identified 50 cases of suspected unacceptable behaviour related to human rights violations, discrimination, including harassment or ethical breaches among employees and associates of mBank Group. Of these, 36 cases concerned mBank, 13 mFinanse, and 1 mBank Hipoteczny. After conducting appropriate investigations, 1 of these cases was considered confirmed.

The fines, penalties and compensation for damages imposed on our organisation as a result of the aforesaid incidents and complaints amounted to PLN 0 in 2024.

| | 2024 |
|---|---|
| Total number of incidents of discrimination, including harassment, reported in the reporting period | 19 |
| Total number of complaints filed through channels for people in the undertaking's own workforce to raise concerns (including grievance mechanisms) | 50 |
| Total number of complaints filed with the National Contact Points for OECD Multinational Enterprises | 0 |
| Total amount of fines, penalties, and compensation for damages as a result of the incidents and complaints | 0 |
| Total number of severe human rights incidents connected to the undertaking's workforce in the reporting period | 0 |
| Total number of severe human rights incidents connected to the undertaking's workforce in the reporting period, including an indication of how many of these are cases of non-respect of the UN Guiding Principles on Business and Human Rights, International Labour Organisation Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises | 0 |
| Total amount of fines, penalties and compensation for damages for human rights incidents connected to the undertaking's workforce | 0 |
| Total number of severe human rights incidents where the enterprise played a role in providing remedies to those affected during the reporting period | 0 |

## ESRS S4 CONSUMERS AND END-USERS

### Clients of mBank Group

Our Group follows a universal banking model and specializes in serving all client groups. mBank Group offers its services to:

- Enterprises, including micro-enterprises,
- Corporate clients,
- Financial institutions,
- Individual clients.

We serve clients through remote channels (including online and mobile banking) and a network of branches. Retail banking services are provided by mBank Group in Poland, the Czech Republic, and Slovakia.

ESRS define consumers and end-users in the following way:

- Consumers - individuals who acquire, consume or use goods and services for personal use, either for themselves or for others, and not for resale, commercial or trade, business, craft or profession purposes.
- End-users - individuals who ultimately use or are intended to ultimately use a particular product or service.

The terms "consumers" and "end users" do not apply to our business, corporate, and institutional clients. After we finance their activities, they use the financial resources to deliver goods and services to other stakeholders within their value chains, including individuals who can be considered consumers or end users of products and services of our customers. As a financial institution, we believe that our impact is primarily direct - on our individual or corporate clients. In the case of financial services, the concept of the end-user is difficult to define, but any actions aimed at protecting against potential negative effects related to the acquisition of personal data or cybercrime are not limited only to our clients but concern all those potentially under our influence. Ethics in our activities, the use of responsible marketing practices, and the simplification of banking procedures also positively affect individuals who use our products and services.

We support customers in using banking services safely and conveniently and in making conscious financial decisions. We are aware of our responsibility and impact on their financial condition. This responsibility is reflected in the following:

- we assess how the products and services we add to our portfolio contribute to ESG factors,
- we simplify the offer so that clients can easily understand and consciously use it,
- we are guided by a ‘zero tolerance’ for inappropriate product sales (misselling),
- we transparently inform about the costs and risks associated with using our products and services,
- we apply mKanon – our own standard of simple and understandable communication with clients and other stakeholders,
- we support clients' financial health, so they can effectively and easily manage their finances and take care of them in the short and long term,
- we care about the privacy of our customers,
- we ensure an adequate level of cyber security and help clients avoid online threats,
- we carefully analyse the complaints we receive.

Within mBank Group, mBank, mBank Hipoteczny and mFinanse provide services to individual consumers, the impacts of which we describe in this chapter. mBank S.A. was the first fully internet-based bank in Poland, offering not only typical financial products but also investment advisory and insurance. Since then, the operating model has evolved and now includes also provision of service to customers via a network of branches.

mBank Hipoteczny is a company where the customer service process is forwarded to mBank based on an outsourcing agreement. Therefore, some important topics, such as accessibility for people with disabilities described for mBank, also apply to mBank Hipoteczny clients.

mFinanse supports individual and corporate clients of mBank and external financial partners in selecting appropriate financial products available on the Polish market.

*(ESRS 2 SBM-3) Significant impacts, risks, and opportunities related to individual clients*

In this chapter, we describe the impacts primarily on individual customers, although other individuals, including representatives of our corporate clients, may also be affected. The products and services we offer are not inherently harmful to people. However, consumers who are impacted should have accurate information about our products and services to use them consciously and without risk of harm.

As a financial institution, we identify our potential negative impact related to the storage and processing of personal data, as well as cyberattacks that may target our clients. These negative impacts are not systemic and occur incidentally.

We have not identified any consumers or end users who are particularly vulnerable to the Group's influence. All positive impacts, apart from inclusive banking (primarily concerning people with disabilities and cognitive impairments), are exerted equally on all consumers.

Through the double materiality analysis process conducted within the Group, four significant topics have been identified: consumer and end-user rights and safety, customer experience, inclusive banking and financial health, and products for individual customers supporting sustainable development. The description of identified impacts, risks, and opportunities, resources allocated to management of material impacts as well as their influence on strategy and business model, can be found in chapter 10.1 "General information (ESRS 2)". In this chapter, we have described all relevant actions taken in the Group to prevent or mitigate the identified negative impacts on consumers and end-users.

*(S4-1 MDR-P) Key policies related to individual clients*

Since 2016, we have been a signatory of the 10 principles of the UN Global Compact. In our daily operations, we respect the provisions of the most important international regulations concerning human rights, labour standards, environmental protection, and anti-corruption. We ensure the security of our clients' personal data and their equal treatment by the Group's employees. In 2024, we did not record any instances of non-compliance with the UN Guiding Principles on Business and Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises in relations to consumers.

The general principles of conduct between all stakeholders are described in the document "Code of Conduct at mBank S.A." One of the chapters is dedicated to client relations, where the main principles of cooperation are indicated, i.e., responsible service offering, honesty, professionalism, and clear and empathetic communication. This document was adopted by the Supervisory Board of mBank and applies to all employees, who familiarize themselves with its concepts as part of a mandatory training. At mBank, as part of the Ethical Program, the "Policy for Managing Cases of Misconduct by mBank S.A. Employees" is in force. The policy aims to provide guidelines for dealing with identified cases of employee misconduct. The policy also applies to incorrect or insufficient risk management and duties related to due diligence by mBank employees. The implementation of policies is the responsibility of the directors of the Employee Development and Organizational Culture Department and the Corporate Governance Department.

Another important regulation shaping client relations is the "Conflict of Interest Management Policy at mBank S.A.," which describes how to resolve conflict situations that may arise during the provision of services to consumers. All employees are obliged to follow the principles contained therein, and they can familiarize themselves with it in the internal network. It is described in more detail in the section dedicated to misselling. The highest level in the organization responsible for policy implementation is the Director of the Compliance Department.

Additionally, mBank has the "Regulations for Customer Service in Retail Banking at mBank S.A.," which is available to everyone on the website. This regulation defines the principles applied in customer service, as well as information on how to access products and services.

*(S4-2) Processes for engaging with consumers and end-users about impacts*

Dialogue with clients to understand their needs is a constant element of the Group's operations. To consider clients' opinions, the Group (in both retail and corporate segments) conducts cyclical NPS (Net Promoter Score) surveys, described in more detail in the customer experience subchapter. The results are analysed and passed on to teams responsible for product and process development, which are ultimately used in building the strategy and business model. Clients can also provide their suggestions about any area of their experience through various communication channels, such as phone contact, direct contact at a branch, through the mobile application, or via social media.

We also maintain a dialogue with customers at the launch stage of new solutions in digital channels. Service and functionality proposals are tested with mBank users. Each time, we recruit representatives of different

client groups for such tests to understand the opinions of all potential users. The Customer Satisfaction Survey at mBank is managed by the Quality Management Department, which reports to the Managing Director of Marketing. The role of this unit is to select the appropriate customer touchpoints with the bank (channels, products, processes, and others) for the survey to obtain the best possible understanding of customer needs and expectations, as well as to assess their loyalty. The department's employees collaborate in this regard with product and process owners, service channels, scrum teams, communication teams, social media, and marketing.

At the bank, we also use design personas[59] and customer journey maps[60]. We regularly update our knowledge about clients and pass this knowledge on to teams responsible for products and processes. This way, our actions are driven by clients' needs.

Thanks to all these solutions, effective cooperation between clients and the Group is possible.

Consumers and end-users were not directly involved in creating strategy and setting the objectives described in this chapter.

**Client rights and safety**

The Group guarantees the security of information sources of mBank and other Group companies - both in Poland and in foreign branches. The Group ensures the protection of confidentiality, integrity, availability, and authenticity of information. It also commits to maintaining the continuity of services provided to clients and responding to any events in this regard.

In mBank Group, we undertake actions aimed at establishing a trust-based relationship with our clients. We want to be an accessible institution that communicates its offer transparently. We are committed to the financial education of our clients and supporting their transformation to reduce their negative impact on the environment.

**(S4-3) Channels for Reporting Customer Issues**

The Group strives to establish lasting relationships with customers by ensuring the clarity and transparency of the messages conveyed to them. mBank offers customers products tailored to their needs and capabilities, analyses satisfaction survey results, and handles complaints and grievances. In addition to the mentioned methods, the Group has a system for anonymous reporting of irregularities (mSygnał - described in more detail in chapters 10.3. and 10.4.), which is also available to customers. Information about the tool and how to report a violation is available on the bank's website.

*(S4-1 MDR-P) Policies related to channels for reporting customer issues*

At mBank, the "Regulations for Receiving and Handling Complaints at mBank S.A. Retail Banking" and the "Order of the President of the Management Board on Handling Complaints and Grievances at mBank S.A." are in force. The regulations reflect the provisions regarding the receipt and handling of complaints arising from the Act on Handling Complaints by Financial Market Entities, the Financial Ombudsman, and the Financial Education Fund, as well as the Act on Payment Service. The order specifies in detail the procedure for receiving complaints, the time for their resolution, the procedure for extending the resolution time, and the guidelines on what information the response to the complaint should contain. The most senior level in the organisation responsible for implementing the regulations is the director of the Department of Quality and Operational Excellence.

At mFinanse, the "Regulation for Handling Complaints at mFinanse S.A." is in force. The regulation refers to the management of customer complaints and grievances at mFinanse. The regulation is an internal document applied by all employees and co-workers. The document is also made available to customers and posted on the website. The implementation of the regulation is reported semi-annually to the Management Board, annually to the Supervisory Board, and to the Financial Ombudsman.

mBank Hipoteczny has adopted regulations in the area of complaints: the "Policy for Handling Complaints and Grievances at mBank Hipoteczny S.A.", the "Regulations for Receiving and Handling Complaints from Customers Served through mBank S.A.", and the "Instructions for Receiving, Registering, and Handling Customer Complaints and Grievances". These documents describe the principles of handling customer complaints and grievances, i.e., how the bank receives, registers, and handles complaints and grievances. The documents are reviewed and updated to ensure compliance with legal regulations and the adequacy of the process.

*(S4-4 MDR-A) Actions taken to implement policy assumptions*

In case of complaints, the bank has a dedicated team, whose goal is to aggregate customer complaints of a similar nature and eliminate the causes if they result from errors or inaccuracies on the bank's part. The

[59] The tool used in the design process, takes the form of a fictional description of one person representing the target group.
[60] A tool that helps to understand and analyse the step-by-step path a customer takes when interacting with a bank. It is a visual representation of every experience and interaction the consumer has with the brand in the digital environment.

number and causes of complaints are communicated to business owners to contract actions to avoid them in the future.

Every quarter, key data on complaints is reported to the Management Board. The complaint data overview is updated continuously in the form of a dashboard, and a summary of the results is provided monthly to the unit director.

Customers can file a complaint through any contact channel provided by the bank: by letter, email, contact with mLine, in the mobile application, and in the transactional service, as well as during visits to mBank or mFinanse branches.

mBank customers are informed about the complaint reporting procedures both at the time of concluding product agreements and during the term of the agreement through the bank's website.

Moreover, as part of preventive actions, every modification of a product or service or the introduction of a new product is reviewed, which allows for the early elimination of irregularities that could be the basis for complaints.

In case of customer reports concerning internet fraud, card fund theft, or unauthorized transactions, educational material - the Internet Security Code - is attached to the complaint response.

All customer complaints and grievances, regardless of their source, are registered in the Central Complaint Register, an application aimed at comprehensive handling and storing information about customer complaints, the way they are handled, and the responses provided.

mBank handled a total of 320,3 thousand complaints submitted by consumers in 2024. Complaints are analysed on an ongoing basis, and based on this analysis, initiatives to reduce their number are undertaken in cooperation with business owners. 30% of complaints were resolved within 1 business day (compared to 47% in 2023), while 71.1% of complaints were resolved in favour of the customer. The decrease in the share of complaints resolved in one working day is due to a change in the approach to time limits in the case of conditional recognitions by customers, to the time taken for merchants to process card transaction complaints (with the chargeback process). Apart from verifying the time and manner of handling complaints within the Group, we do not conduct dedicated measurements of the effectiveness of available channels.

*(S4-5 MDR-T) Goals related to policy implementation and actions*

Our goal is to create a clear, simple channel through which customers dissatisfied with the services provided can file a complaint. Additionally, to ensure monitoring that allows for the elimination of errors and continuous improvement of services. There are currently no ESRS targets set within the Group.

**Personal data protection**

*(S4-1 MDR-P) Policies related to personal data protection*

The Group considers the protection of personal data and the rights and freedoms of individuals whose data is processed as a fundamental condition for maintaining credibility. Control over information about clients is considered an important value and is subject to special protection. The Group also operates in accordance with the EU General Data Protection Regulation (GDPR), the Personal Data Protection Act and ISO 27001 standard.

mBank has regulated personal data protection issues in the "Personal Data Security Policy" and the "Personal Data Management Policy in Time (Retention)". Internal regulations in the bank define the rights of data subjects and the obligations of mBank as their administrator. They also regulate the way the bank fulfils its obligations under the GDPR, in particular:

- data processing principles, i.e. lawfulness, data minimization and adequacy, data integrity and confidentiality, data accuracy, defining the purpose of processing and data retention period,
- realization of data subject rights,
- fulfilment of information obligations,
- security of personal data processing, including procedures for handling data protection breaches.

Policies are constantly monitored for their relevance and are subject to internal and external audits.

mFinanse has adopted the "Data Protection Policy at mFinanse S.A." This regulation defines the way personal data is managed and is applied by all employees. This regulation and its changes are reviewed by the Legal Department and the Compliance Department, ensuring its compliance with legal regulations and other internal documents. The policy has been distributed among those obliged to follow it via email and is also available in the internal network.

At mBank Hipoteczny, the "Personal Data Security Policy at mBank Hipoteczny S.A." is in force. The principles and roles of participants in the process of forgetting personal data in the bank are defined in the "Personal Data Management Instruction in Time at mBank Hipoteczny S.A." ('Retention Policy'). These documents are available to employees who are obliged to follow them.

*(S4-3) Processes to remediate negative impacts and channels for consumers and end-users to raise concerns*

The Personal Data Security Policy at mBank S.A. (hereinafter "Policy") aims to ensure the continuity and protection of personal data processing in business activities. It also aims to ensure that personal data is processed securely and in compliance with legal requirements. The Management Board and the Supervisory Board of mBank receive quarterly synthetic information on the number of GDPR breaches and complaints reported to the Data Protection Authority. An annual report on statistics, data protection activities, and risks is submitted to the President and Vice President (Chief People and Regulatory Officer) of the Management Board and the Supervisory Board.

The provisions on the protection of personal data give each data subject the right to lodge a complaint with the President of the Office for Personal Data Protection (PUODO) (Article 77 of the GDPR), if they believe that a violation has occurred. During the proceedings, the Bank submits appropriate explanations to demonstrate that it processes personal data in accordance with the requirements. In 2024, there were 29 new complaints about the processing of personal data by the bank. The bank also continued its correspondence regarding complaints from previous years and received 27 decisions of the President of the Personal Data Protection Office. Most of these complaints concerned the processing of personal data of current and potential customers. In the event of a personal data breach, the bank notifies the President of the Personal Data Protection Office of the personal data breach (Article 33 of the GDPR), unless the personal data breach is unlikely to result in a risk to the rights and freedoms of natural persons. The bank has implemented internal regulations and an IT system in which every employee can report a suspected violation of the GDPR. An analysis of such cases carried out by the Data Protection Officer team at mBank confirms the possible need to inform the PDPA. In 2024, mBank's Data Protection Officer team confirmed 185 cases of GDPR violations. After analysing and assessing the risk of violations of rights and freedoms, information on 82 cases of infringements was submitted to the President of the Personal Data Protection Office.

In August 2024, the President of the Personal Data Protection Office imposed a fine of PLN 4.05m on mBank for violating GDPR by not notifying the persons concerned about a breach of confidentiality of their personal data that occurred in June 2022. mBank appealed against the decision to an administrative court. The proceeding is not completed.

At mFinanse, our objective is to avoid personal data breaches, and when such breaches occur, mitigate the associated risks. This is achieved through the use of new technologies to secure consumers' personal data. In 2024, no critical or significant irregularities were recorded in mFinanse. 9 cases of personal data breaches were confirmed. After analysing and assessing the risk of rights and freedom violations, information about 4 cases of breaches was provided to the President of the Personal Data Protection Office.

Regulations implemented at mBank Hipoteczny aim to ensure the continuity and protection of personal data processing in business activities. They also ensure that personal data is processed securely and in compliance with legal requirements. Two cases of personal data breaches were confirmed at mBank Hipoteczny. After analysing them and assessing the risk of infringement of rights and freedoms, information about one of them was provided to the President of the Personal Data Protection Office.

*(S4-4 MDR-A) Actions taken to implement policy assumptions*

Each entity respects all the rights of clients, contractors, employees, and other individuals whose data is processed, and their privacy is protected. Each person has access to information clauses that provide full information on how data is processed and how to contact the Data Protection Officer. All affected individuals are informed about personal data breach incidents.

All mBank employees undergo mandatory personal data training once a year, with a pass rate of 99.7% for 2024.

mFinanse also conducts cyclical training aimed at raising awareness among individuals who handle personal data daily. This education is provided through an e-learning platform, webinars, and email. Additionally, the company has implemented a Data Loss Prevention system, which is continuously updated with new rules, allowing for effective incident management. After each identified breach, corrective measures are implemented to prevent similar incidents in the future. The management, after analysing the incident, decides whether it is necessary to implement a corrective plan.

At mBank Hipoteczny, technical and organizational measures are applied, particularly regarding the secure processing of data in the bank's IT systems and managing access to these systems. The Director of the IT

and Security Department plans and conducts periodic (at least every 5 years) checks of IT systems processing personal data, particularly to ensure compliance with GDPR requirements. In the event of a data protection breach, the bank immediately (within 72 hours) takes all necessary actions, including conducting a breach analysis, assessing the risk of negative impact on the rights and freedoms of affected individuals, notifying the supervisory authority of the data protection breach (in case of breaches with a risk higher than "low"), and informing data subjects about the breach (in case of high-risk breaches). Additionally, as with other companies, employees are educated on personal data protection.

*(S4-5 MDR-T) Goals related to policy implementation and actions*

Our main goal is to ensure a high level of personal data protection and to continuously raise its standards. Currently, we have not set any targets in this area as defined by ESRS.

**Cybersecurity**

*(S4-1 MDR-P) Cybersecurity Policies*

In terms of cybersecurity, mBank has a "Cybersecurity Policy" that outlines actions aimed at achieving a high level of resilience to cyber threats, including a high level of cybersecurity for services provided to clients and in relation with other financial institutions. The policy applies to all employees, processes, and IT systems used to provide services to clients and process their data. The implementation of the policy is the responsibility of the mBank S.A. Security Committee, which includes representatives from the bank's organizational units. This regulation is reviewed annually and updated if necessary to maintain the highest standards. In addition to the policy setting the direction of action in mBank S.A. in terms of cybersecurity, there are additional lower-level regulations that specify the requirements and how to ensure the required level of security. These include, among others, the Orders of President of the Management Board on:

- the principles of IT resource security at mBank S.A.,
- the functioning of the mBank S.A. Information Security Management System, the functioning of requirements for key services, and the management of cybersecurity risk,
- the management of cybersecurity incidents at mBank S.A..

At mFinanse, there are two internal regulations: the "Information Security Policy in mFinanse S.A." and the "Information Security Regulations at mFinanse S.A." They concern information security and the principles in place in the organization to secure data. The regulations are internal documents that all employees and collaborators are obliged to follow. The documents are periodically reviewed and updated if necessary.

At mBank Hipoteczny, three regulations dedicated to data security have been implemented. These are the "Security Policy at mBank Hipoteczny S.A.", the "Principles of organizing the IT security system at mBank Hipoteczny S.A.", and the "IT Management Service Model Policy at mBank Hipoteczny". Regulating the area of cybersecurity aims to provide clients with an optimal level of service and secure, stable, and efficient functioning by reducing threats and minimizing risks. The documents also define the organization and structure as well as the responsibility for individual tasks within the IT security system. The policy applies to all employees, processes, and IT systems used to provide services to clients and process their data. The policies are subject to periodic reviews (at least once a year) for currency and compliance with the law. The documents can also be changed on an ongoing basis if necessary.

*(S4-3, S4-4 MDR-A) Processes to remediate negative impacts and channels for consumers and end-users to raise concerns and actions taken to implement policy assumptions*

mBank has implemented an Information Security Management System compliant with the ISO 27001 standard, and the actual level of cybersecurity is verified through security audits and advanced tests. The requirements and principles defined in the Security Standards must be followed when creating and implementing new IT solutions in the bank, as well as in maintaining existing systems and performing administrative work on them. The requirements are also the basis for conducting security tests and audits, during which the compliance level of existing systems with these standards is verified.

The bank has been recognized as a Key Service Operator in accordance with the requirements of the National Cybersecurity System Act. This obliges the bank to meet detailed requirements related to ensuring the security of provided services, monitoring security, appropriately responding to cybersecurity incidents, and reporting within the national system. The bank has a dedicated Security Operations Center (SOC) team, working continuously 24/7/365. Its main task is to monitor the security of both systems and services provided to clients, as well as the security of internal systems and employee activities, and efficiently handle detected cybersecurity incidents. Another key team performing cybersecurity tasks is mBank's CERT. It is a formal member of the Trusted Introducer organization, which brings together CERT teams in Europe. Thanks to this membership, we have the opportunity to exchange information about the latest threats and cyberattacks with the best teams dealing with these topics, and based on this, build appropriate defense mechanisms and proactively detect new threats.

As part of our activities, we provide solutions that allow our clients to easily identify fraud on the Internet (impersonating the bank) and distinguish them from the correct actions of our employees. These include, for example, emails sent by mBank being marked as coming from a verified sender, and all phone calls from our consultants or advisors from branches requiring identity confirmation of our employee in the application.

Additionally, the Security Department conducts a series of cyclical training sessions to raise employees' awareness of cybersecurity, particularly within:

- activities within the Security Academy (which included 10 training courses for all staff on cybersecurity, a specialised workshop dedicated to IT developers and administrators, and a conference on 24-25 October),
- cyclical (annual) and mandatory e-learning training confirmed by a final test,
- practical phishing tests to which employees are subjected.

The training is directed at all bank employees, including top management.

Additionally, educational activities are conducted in the form of media campaigns (TV, radio, Internet) and dedicated threat communications directed at bank clients. In October 2024, during the European Cybersecurity Month, the second season of the crime audio series "Jazgot" premiered. The project's goal is to raise awareness and educate about the most common cybercrimes. The series exposes "fake investment" scams that promise "guaranteed high returns without risk." Anyone who saves and invests is exposed to them. This initiative was recognized and received the jury award in the 'Podcast of the Year 2024' competition in the 'Brand Sponsoring a Podcast' category, as well as an Audioteka distinction for a well-told story.

At mFinanse, IT systems have been unified to ensure a high level of protection. Central security measures are being implemented to eliminate many potential attack vectors. As in the case of mBank S.A., the company places great emphasis on employee training, who are educated through an e-learning platform.

At mBank Hipoteczny, the security team conducts a series of cyclical training sessions to raise employees' awareness of cybersecurity. As in the case of mBank, new IT solutions and systems, as well as each of their updates, should comply with the Security Standards. Security tests and audits are also carried out in the company.

*(S4-5 MDR-T) Goals related to policy and action implementation*

Our main goal is to ensure high quality, availability, and security of mBank's services and solutions for clients. We want to ensure the continuous development of a multi-layered cybersecurity defense model, and ensuring data confidentiality will remain our constant priority. Currently, we have not set targets in this area as understood by ESRS.

**Ethics and preventing misselling (responsible marketing)**

*(S4-1 MDR-P) Policies related to ethics and misselling*

The source of ethical principles that apply to all mBank employees is the "Code of Ethics of the Polish Bank Association". It outlines the principles to be followed in relations with clients and the principles for handling client complaints.

The "Policy for Introducing New Products" defines how the compliance of mBank's financial products with clients' needs and rights is ensured. This document sets out the rules according to which new products are introduced to the offer and how existing ones are modified. The regulation ensures that they are:

- compliant with mBank's strategy and values, including empathy and client-centricity,
- safe for clients and the company, as they take into account our security standards,
- compliant with regulations and internal policies.

The most senior level responsible for implementation of the policy is director of Non-Financial Risk Management Department.

Misselling, defined in the bank as offering services that do not meet clients' needs, has been identified as one of the potential conflicts in the "Policy on Managing Conflicts of Interest at mBank S.A.". The implementation of the policy is the responsibility of the Director of the Compliance Department.

mBank has implemented the "Information Policy on Communication with Investors, Media, and Clients." It introduces principles that ensure the offer presented to clients is transparent and understandable.

Moreover, to minimize the risk of unethical sales, the bank has implemented the "Principles for Calculating Indicators for Employees of the Client Engagement Building Department through Remote Channels" and the "Principles for Verifying Employees' Knowledge and Competence and Working Under Supervision in the Scope of MIFID Services in the Retail Banking Branch." The first regulation indicates that misselling is treated as a critical error and affects the amount of variable remuneration. The second one introduces an element of evaluating the employee's investment contact as part of the knowledge and competence audit.

Additionally, in 2024, mBank adopted the "Order of the President of the Management Board on Introducing the Principles of Communication Regarding mBank's Impact on Environmental Factors of Sustainable Development," which is more broadly described in chapter 10.4. "Information about business activities (ESRS G1)", and its goal is to avoid the risk of greenwashing.

We base the debt collection process on legal regulations, KNF recommendations, European Parliament regulations, and an independent internal policy outlined in the Strategy for Managing Non-Performing and Restructured Exposures (NPE) for the bank's retail client portfolios for the years 2024-2028. The document is updated annually, approved by the Retail Banking Risk Committee, and its implementation is the responsibility of the Director of the Retail Banking Restructuring and Debt Collection Department.

Due to the fact that debt collection requires special caution and care for the client, an ethical code was introduced by a Circular Letter from the Director of the Retail Banking Restructuring and Debt Collection Department, aimed at shaping attitudes among employees involved in debt collection.

mFinanse, as a member of the Association of Financial Companies in Poland, has committed to following the "Good Practices of the Association of Financial Companies" which refer to the basic ethical values that should be applied by financial institutions. Besides, as in the case of mBank, mFinanse has a "Conflict of Interest Management Policy," which defines the principles of conduct in the event of a conflict of interest between the company or its representatives and clients.

*(S4-4 MDR-A) Actions taken to implement policy assumptions*

In mBank Group, we care about the highest standard of services provided at every step. Group's initiatives and adopted policies aim to create a clear and transparent offer, as well as ensure the adequacy of products to the needs identified by the client to avoid misselling.

When preparing new banking products or changing existing ones, we follow the "Policy for Introducing New Products." The provisions of the Policy oblige us to check whether the novelties or changes are consistent with mBank's strategy and values, including the principle of empathy and the philosophy of client-centricity. Each product must be safe for the client and the bank and comply with applicable external and internal regulations. Each new product is reviewed, and the scale of changes and the level of associated risk determine who issues the opinions. This allows us to effectively limit the risk of offering products that do not meet clients' needs and negatively impact ESG credentials of mBank and its reputation. The Policy for Introducing New Products also safeguards clients' rights. We do not tolerate improper product sales, i.e., those that mislead clients, are careless, or unprofessional.

One of the basic actions is to present the offer of financial services in a simple and accessible way. We strive to ensure that product descriptions are clear, concise and have all the essential features that contributes to their usefulness and attractiveness. Clients are warned about risks, and changes in price lists are communicated in advance. The Group does not hide fees and follows the principle of information transparency. Within communication and materials provided to clients we use simple and understandable language that is consistent with the bank's mKanon practice. mBank also adheres to the principle of providing an appropriate scope of information.

During onboarding training, employees who deal with clients daily are informed about the need to prepare an offer that is consistent with the client's needs and adequate to their financial capabilities. In 2024, the Compliance Department also prepared a webinar dedicated to the issue of misselling.

Moreover, client experience research and the reasons for complaints are verified, and in case of a product inadequacy, the Compliance Team conducts an investigation.

Furthermore, the Group maintains constant supervision over the sales process through random checks of employee-client conversations to verify that clients' interests have not been violated.

Currently, the Group is also working on preparing training dedicated exclusively to product adequacy and preventing misselling.

Every client and business partner of mFinanse, would they believe that ethical principles have been violated, can turn to the Ethics Committee of the Association of Financial Companies. A request to initiate proceedings can be submitted in writing or via email. Using this route does not eliminate the usual complaint procedure and reporting violations in the manner more broadly described in the subchapter on reporting channels and the corporate governance chapter. It is worth mentioning that the Association of Financial

Companies performed an ethical audit at mFinanse in 2024, providing a positive assessment of practices from within 2023. In the first quarter of 2025, the assessment will be repeated to certify 2024 practices.

Due to the business model of mBank Hipoteczny, i.e., the company outsourcing client service to mBank, the risk associated with potential client interest violations, including product inadequacy, rests with the parent company.

One of the most critical and challenging moments in the relationship with clients of financial institutions is when debt collection becomes necessary. A key value for us in this process is respecting the dignity of our clients.

We base the debt collection process on two pillars – collection and restructuring. It may include pre-collection, payment monitoring, amicable collection, judicial and enforcement collection, and the sale of credit receivables.

We carry out the process independently and with the support of debt collection companies and law firms. Each of these entities meets our high standards for customer service quality. We continuously monitor the communication conducted by external entities with clients (we agree on the content of message templates and listen to samples of conversations).

At every stage of the debt collection process, we give the client the opportunity to restructure – to change or re-establish the terms of repayment of the credit obligation. Thanks to individualized service, we can offer clients solutions that are most tailored to their current and projected financial situation while maintaining applicable credit requirements. If the client cannot declare repayment of the entire arrears, we agree on a repayment schedule with them – partial repayment or repayment at a later date, but allowing them to avoid serious consequences (e.g., contract termination). We also suggest that clients use the assistance tools and statutory solutions available in the bank's offer, which, depending on their needs, can reduce their financial burdens in the short or long term.

Clients of mBank involved in the debt collection process have individually assigned advisors, which facilitates communication and allows for building good relationships while ensuring the desired financial outcome. We present important information to clients in a clear and understandable way, including the consequences of non-payment and the next steps we can take.

Since 2022, our clients have been able to use the informational service on debt collection and restructuring: Problem with the repayment (Problem ze spłatą). We prepared it to support clients in difficult situations and to make our actions transparent for them. Clients will find information on:

- solutions they can use if they anticipate financial problems (content to prevent falling into debt),
- actions they can take if they have arrears in their obligations to the bank (content to help get out of debt),
- available forms of assistance in debt repayment (including no additional costs associated with the activation of assistance tools and the terms of debt repayment after the client has used the support).

In emergency situations that may affect the financial situation of our clients, i.e. pandemic, war in Ukraine, natural disasters, we adapt assistance solutions to their needs. When we are dealing with clients who are already in debt - we extend special debt collection services to them.

*(S4-5 MDR-T) Goals related to policy and action implementation*

The goal of actions and policies is to maintain high ethical standards in the Group, which translates into building lasting relationships with existing clients and also provides the opportunity to expand the client base with new individuals. In the area of ethics and misselling prevention, there are currently no defined targets in the sense of the ESRS.

## (ESD) Customer Experience

*(S4-1 MDR-P) Policies Related to Products and Services for Customers*

Caring for the customer experience is the foundation of building a lasting relationship with them. We aim to provide the highest quality services, listen to customers' opinions, and strive to communicate with them clearly and transparently.

Since 2021, the "Order of the President of the Management Board on the Communication Standard at mBank (mKanon)" has been in force at mBank. This regulation establishes consistent communication standards at mBank in internal and external relations. The Director of the Department of Communication and Marketing Strategy is responsible for the implementation of regulations, they are monitored on an ongoing basis.

In terms of regularly conducted customer satisfaction surveys, no internal regulations have been adopted within the Group. Customer experience analysis is an integral part of the Group's operations. It is a dynamic and continuously developing process. At this stage we have no plans to adopt policies related to conducting customer satisfaction surveys.

*(S4-4 MDR-A) Actions Taken to Implement Policy Assumptions*

In their daily work, all employees are required to apply mKanon. It defines the principles of simple and understandable communication with customers and other stakeholders. It should be clear, comprehensive, concise, linguistically correct, honest, empathetic, and "we" type. In mKanon, we emphasize importance of listening customers carefully. Before offering them specific products or services, we must skillfully define what they need. Our customers have different experiences and expectations. Our task is to prepare and tailor communication to meet their needs. We apply mKanon in all forms of our communication, both in customer service, promotional activities, and internal communication. Each communication should achieve 70% compliance with the mKanon algorithm. Each employee is provided with a tool to verify whether the content of their communication complies with the standard.

mBank is based on a modern user interface for internet banking, next-generation mobile applications, and video banking, as well as real-time customer relationship management (CRM) and behaviour pattern analysis.

Customer satisfaction in mBank Group is measured by the NPS indicator. The research sample includes all customers over 15 years of age. The granularity of the result allows filtering data by demographic, business, and segment data. The surveys provide very extensive feedback from customers, enabling the analysis of strengths and weaknesses and comparison with competitors. Loyalty surveys are conducted quarterly. In 2024, four measurements were carried out four measurements. After each quarter, the research company publishes and discusses a full report on the survey. Based on these results, corrective actions are planned and taken. Loyalty surveys are also conducted as a continuous process in 24 transactional points[61]. The results are also available on an ongoing basis for each employee in a dashboard format. Bank employees also conduct dialogues with customers, meeting them for interviews to assess and discuss the quality of services provided. Gaps reported by customers are analysed, prioritized, and based on this, appropriate process, service, or functional adjustments are made.

Moreover, dialogues with customers are also conducted before product implementation to gather customer needs and expectations already at the prototype testing stage.

*(S4-5 MDR-T) Goals Related to Policy and Action Implementation*

Our goal is for communication to be clear, credible, justified, precise, comprehensive, and not misleading. The goal for mBank is to maintain customer satisfaction at the highest, leading level. The customer loyalty score should remain in the TOP3 for retail banks in Poland.

### (ESD) Inclusive Banking and Financial Health

Along with a basic account, customers gain access to a wide range of financial services at the click of a button. This way, we achieve the strategic goal of being the most convenient bank, accessible to the customer. We provide customers with a modern, easily accessible, and user-friendly online platform. We systematically develop the mobile application to ensure the ability to manage finances from anywhere.

We care about equal access to banking services for everyone. Our offer is available to adults, youth, and children. It includes free products: eKonto Junior with a card and mobile application for children up to 13 years old and a basic payment account, i.e., an account that provides basic banking operations (cash withdrawals and deposits, contactless and mobile payments). By offering products dedicated to children, we contribute to their financial education but also lay the basis for developing a long-term relationship with this group of customers.

**Ensuring Access to Financing for Individuals and Financial Health**

*(S4-1 MDR-P) Policies Related to Financing for Individuals and Financial Health*

The mBank Group's strategy for 2021-2025 relates to customers' financial health by setting goals related to developing a personal finance management tool. By providing structured information about income, expenses, and assets, we support customers in consciously managing their current and future finances. The Management Board of mBank is responsible for the implementation of the strategy. Apart from the document indicated above, no internal financial health regulations have been adopted in the Group.

[61] Key moments where the consumer interacts with the company, its products or services (e.g. branch, contact centre, mobile app, complaints process, etc.).

*(S4-4 MDR-A) Actions Taken to Implement Policy Assumptions*

We are members of the United Nations Environment Program Finance Initiative (UNEP-FI) and signatories of its Principles for Responsible Banking, according to which we analyse our impact on society and the environment. mBank Group was the first financial institution in Poland to sign the Declaration of Commitment to Financial Health and Inclusive Banking, developed by UNEP-FI. We know that as a financial institution, we bear a special responsibility and have an important role to play in the financial education of customers.

The topic of financial health is brought closer to customers also through educational activities. Since the end of 2022, we have been running an educational website – www.twojaspokojnaglowa.pl. Readers can define their priorities in terms of financial health, use guide texts, and find links to our product and service offerings. The content on the site is organised according to six principles. They assume that a person with healthy finances:

- takes care of the security of their finances online,
- spends their money consciously,
- has a financial cushion,
- borrows wisely for things they really need,
- secures themselves and their loved ones against unforeseen events,
- invests for the future.

Since 2023, we have been running an educational project aimed particularly at young customers and related to building a positive credit history. On our websites, we explained concepts related to the credit application process and suggested steps to properly prepare for it. We encourage customers to deepen their credit knowledge and "borrow wisely". Our communication is based on building awareness of rational and thoughtful credit decisions. We draw customers' attention to the need to match the monthly loan instalment to their needs and financial capabilities. We emphasize that customers should borrow only the amounts of credit they really need.

We want mBank customers be able to effectively manage their finances. Therefore, we are developing the Finance Manager - we want customers to know how much and what they are spending on. The PFM tool allows tracking expenses, setting budget limits, and monitoring the financial situation on an ongoing basis. This is important for financial health as it helps make conscious decisions and avoid problems related to excessive spending or debt. By transforming raw data into valuable knowledge in the form of convenient tips and summaries, we support the management of the current and future financial situation, which strengthens our bond with customers. mBank's Finance Manager provides customers with full control over their budget, cash flows, savings, and investments, and helps them prepare for events such as buying a home or retirement.

In 2024, the PFM went through a series of improvements that impacted user experience and the bank's position in personal finance management. Key implementations included, among others, the first version of the annual summary, which received high customer feedback at the level of 4.29 (on a 5-point scale).

The first quarter of the year ended with the refresh of the "My Assets" section with an intuitive user interface, presenting the structure of assets and liabilities clearly. New data browsing options were made available along with simplified access to product details. In the "History Analysis" section, the ability to go to history details directly from the category level was introduced, significantly simplifying user paths, which was positively received by customers. Users appreciated, among other things, the interesting way the data was presented. In Q3, an important improvement in retirement planning was also implemented, which immediately attracted significant customer interest. Thanks to these innovations, mBank was among the top 5% of banks in the world in terms of personal finance management - being named Global Digital Champion by Deloitte, which is awarded by ‘mystery shoppers’ from 44 countries. At the end of 2024, 1.92 million users were using the PFM tool.

Additionally, in 2024, mBank engaged in the topic of financial security for retirement, especially for women. The goal of the "Women Live Longer... also in Retirement" campaign is to get women interested in investments and encourage them to secure their financial future. A study commissioned by mBank shows that only one in three Polish women takes any actions that could lead to an increase their pension, but 35% of women have such actions in their plans. In addition to dedicated spots, the issues of women's future pensions were discussed in formats such as podcasts, interviews, and reports in media mainly targeted at women.

In 2024, we also continued our cooperation with the Warsaw Institute of Banking, economist Prof. Witold Orłowski, and PwC as part of the "Amused by Economics" project, of which we are the general partner. We prepared new lesson scenarios dedicated to the topics of first job, reasonable crediting, and prudent investment. Over 1200 teachers and 200,000 students are registered in the project. Based on mBank's scenarios, over 5500 lessons have already been conducted in schools across Poland. We enrich our materials with interactive educational aids such as a CV creator, quizzes, and short videos. The project also organizes competitions for registered students and teachers. Nationwide online lessons are also conducted by experts from various fields. Teachers implementing the project can participate in online training workshops delivered by scenario authors or expert educators that prepare them to conduct lessons independently. In the 2023/2024 school year, 8 such workshops were organized, attended by 906 teachers.

In November, we published a report titled "Let's Talk About Money", which was created as part of the initiative established by the Senate of the Republic of Poland - 2024 - Year of Economic Education. To prepare the report, the research agency Interactive Research Center conducted qualitative and quantitative research in June and July 2024. We asked teenagers and parents about their attitudes towards finances, sources, and assessment of knowledge in this area. We conducted a financial knowledge test among the respondents, covering topics from across the fields of labour law, basic economics, state functioning, banking and investing. The report was created to help to understand the challenges related to the education of young people and also to support parents and teachers in further discussions about finances.

*(S4-5 MDR-T) Goals Related to Policy and Action Implementation*

The strategic goals in the area of financial health are included in the mBank Group's Strategy for 2021-2025, primarily 50% of customers regularly and actively using personal finance management (PFM) and a rating of this service from active users at the level of 4 (on a 5-point scale) by the end of 2025. Additionally, by the end of 2024, the goal was to achieve 1.7 million users actively using the tool, a goal that was achieved already in Q3 2024.

In June 2024, mBank announced its goal of increasing and maintaining the financial resilience and well-being of Poles by supporting them in managing expenses and building a financial cushion. We achieve this by encouraging customers to actively use the Finance Manager, a personal finance management tool (PFM). mBank's goal, set together with UNEP-FI, is to increase the percentage of customers who consider themselves financially resilient to at least 50% by the end of 2025. To measure progress towards this goal, we conduct regular surveys in which we ask customers about their financial situation. We ask, among other things, whether customers have a financial cushion. Affirmative answers to this question constitute the result towards the goal set together with UNEP-FI. In 2024, as many as 54% of our customers considered themselves financially resilient.

**Inclusive Banking and Availability of Products for People with Cognitive Impairments and Disabilities**

*(S4-1 MDR-P) Policies Related to Products and Services for People with Cognitive Impairments*

Since the beginning of 2024, mBank has implemented the "Accessibility Standard in mBank's Digital Channels as an annex to the Order of the President of the Management Board on marketing communication standards at mBank S.A." This regulation specifies the level of compliance with WCAG (Web Content Accessibility Guidelines) for new digital solutions. All employees are required to adhere to it, and it applies to Polish digital channels. The standard is based on international guidelines. Due to the specific nature of mBank Hipoteczny's business and the fact that customer service is provided by mBank, the descriptions regarding mBank are also relevant for this subsidiary. At mFinanse, regulations related to this topic are not adopted and the activities undertaken in this regard are not structured.

*(S4-4 MDR-A) Actions Taken to Implement Policy Assumptions*

mBank promotes independent usage of banking services by customers. Therefore, products and processes are accessible and intuitive, and customers can always rely on the support of advisors at branches and the Contact Center. The bank enables remote account opening, and most services are available through the mobile app. Customers, including those with disabilities or living far from branches, can open an account at any time using an e-ID or the "selfie account" method.

In 2024, 88.84% of retail processes were initiated by customers through digital channels, and 3.33 million users used the mobile application.

In the area of digital accessibility, we have trained nearly 200 employees on WCAG. We tested modified and new digital solutions in the application and transactional service for compliance with WCAG guidelines. As a result, new products and services are tailored to the needs of variety of users.

At mBank, we are maintaining the model for serving customers with disabilities introduced in 2018. We enable them to consent to the processing of disability data. Additionally, customers have the option of

video service in Polish Sign Language (PJM). This allows them to connect with bank employees who communicate in PJM without the need for an external interpreter.

In the area of architectural accessibility, we conducted an inventory of branch accessibility for people with physical disabilities. In 2024 we renovated about 9 branches and, where possible, adapt them to the needs of customers with physical disabilities. We have a renovation schedule for individual branches for the years 2024-2027, which we implement according to the available budget and plan.

In the mFinanse company, despite the lack of a dedicated policy, efforts are made to locate branches in places accessible to people with disabilities. Each new location is also assessed in this regard.

In addition to all the actions described above, cyclical training on serving customers with disabilities is conducted as part of the onboarding training program.

*(S4-5 MDR-T) Goals Related to Policy and Action Implementation*

Our goal is to continuously increase the digital accessibility of mBank's channels. By the end of the year, compliance with WCAG was established at a minimum of 86% without priority and important errors, the timeframe for this task is June 2025.

We want as many branches as possible to be adapted to the needs of people with physical disabilities. In 2024, we set a target that by 2027, 100% of mBank branches should be adapted to the needs of people with physical barriers. All operational units responsible for accessibility for people with physical disabilities were involved in setting this goal.

No ESRS targets have been set for this topic.

### (ESD) Offer supporting Sustainable Development

One of the pillars of the mBank Group Strategy for 2021-2025 is the environment. In addition to reducing our direct environmental impact, we believe that we should equally engage in the sustainable transformation of our clients, including individuals. We continuously develop a product offering that considers ESG factors, including for consumers (see chapter 10.2. "Environmental information (ESRS E1, E4)").

*(S4-1 MDR-P) Policies Related to the Sustainable Development Supporting Offer*

The mBank Group Strategy for 2021-2025 sets strategic goals related to the development of a product offering that considers sustainable development factors. In terms of products available to individual clients, the strategy promotes mortgages for properties meeting the Nearly Zero Energy Building standard and investment products under Article 8 of the SFDR, the so-called "light green". Apart from strategy, no policies have been established within the Group to support product offerings that promote sustainability.

*(S4-4 MDR-A) Actions Taken to Implement Policy Assumptions*

We provide loans for the purchase of properties or the construction of houses with documented low energy consumption. The conditions for these mortgages are based on the annual non-renewable primary energy demand indicator specified in the Energy Performance Certificate expressed in kWh/m2*year. Once the condition is fulfilled and appropriate documentation is presented, the client can benefit from a promotion – a margin lower by 0.2% and 0% commission for granting the loan and partially for its early repayment. For each new loan, except for refinancing, we have introduced the requirement to provide an Energy Performance Certificate.

An additional action in the area of investment products is the expansion of the offering with products promoting environmental aspects. From March 13, 2024, Brokerage Office clients can fill out a survey in which they specify their investment preferences regarding sustainable development (ESG).

According to the "New Product Introduction Policy," we evaluate each new product for its impact on ESG factors, specifically on achieving social and environmental goals. We conduct the analysis at all stages – from planning and implementation to possible modifications. Products (and changes to them) are assessed for their impact on five environmental aspects. The ESG impact assessment is carried out in a special application, which is also used to assess other aspects of each product added to the bank's offering. Products are reviewed according to specified acceptance procedures. This approach helps us minimize the risk of introducing products that negatively impact ESG aspects, do not meet customer needs, or harm mBank's reputation.

*(S4-5 MDR-T) Goals Related to Policy and Action Implementation*

Our goal is to actively cooperate with our clients to lead in sustainable finance and energy transformation. The established goal for the end of 2025 in the area of investment products is to have half of the products from Article 8 SFDR in our portfolio (10 out of 20 in total). Increase the annual sales of mortgages for properties compliant with the NZEB-10% (Nearly Zero Energy Building) standard to 14% in 2024 and 18%

in 2025 of the total mortgages granted by mBank. Actions and policies are to support the Group's strategic goal of achieving net zero emissions in our portfolio by 2050. More information concerning targets set on products relating to sustainable offer is presented in section (E1-3 MDR-T) "Targets in relation to climate change policies in scope of Group's portfolio".

## 10.4. Information about business activities (ESRS G1)

### ESRS G1 BUSINESS CONDUCT

In the Governance area we identified 6 material topics in the Group's double materiality analysis: corporate culture, whistleblower protection, corruption and bribery, anti-money laundering, tax transparency and risk management. Three last topics are entity-specific disclosures (ESD) for the Group. We perceive having robust corporate governance and business conduct practices as fundamental to building a secure and trustworthy institution.

The regulations cited in this section largely pertain to the entire value chain of the Group. Although the rights and obligations arising from individual regulations primarily bind the Group's employees, we also apply our business conduct principles to our business partners and customers, as well as investors. Our business conduct regulations cover areas where we impact various stakeholders. In each case, they apply to the Group's employees – all or those holding positions relevant to the regulations, e.g., in the field of taxes, these are mainly employees of the tax department. Our suppliers are affected by, among other things, the outsourcing principles applied in the Group, as well as anti-corruption and anti-bribery measures. Customers are also directly subject to our anti-corruption principles, as well as, for example, anti-money laundering measures in the context of analyses conducted on individual transactions. Some regulations directly concern investors and shareholders, e.g., in the context of dividend policy or information policy. The Group's business conduct principles apply to all geographic areas where we operate, i.e., Poland, the Czech Republic, and Slovakia.

In some cases, the described policies indicate that they do not apply to all Group companies. As a rule, we strive to ensure consistent business practices within the Group, taking into account the appropriateness of adopting each regulation by all companies separately. We follow the principle of proportionality in this regard – the nature and scale of the activities of individual companies, their structures, size, and risk profile. Thus, if a specific regulation does not mention a particular company as an entity that applies the same or similar internal regulations, it results from the lack of applicability of the given topic to the selected company in the context of its scope of activities, legal status (e.g., listed company), or the size and nature of the entities it cooperates with.

### Corporate culture

*(G1-1 MDR-P) Corporate culture policies*

mBank has an internal governance system that complies with applicable legal regulations, which includes, in particular, the Bank's Statute, the Internal Governance Policy, and the internal regulations specified in the Statute. The adopted system forms the foundation for stable operations, effective management, and building long-term value for our stakeholders.

**Internal Governance Policy**

The Internal Governance Policy of mBank defines the fundamental principles and best practices for various areas of internal governance within the organization. One of its main objectives is to ensure compliance with external regulations, guidelines, and market standards. The content of the regulations covers the following aspects:

- Management and organizational system of the bank,
- Operating principles of the bank's internal bodies (Supervisory Board, Management Board) and individuals holding key positions in the bank,
- Standards of conduct and conflict of interest management,
- Principles related to outsourcing, remuneration, and dividend policy,
- Risk management system,
- Internal control system,
- Information policy.

The principles contained in the Policy apply to all organizational units of the bank, including foreign branches, to the extent that they are not in conflict with local laws.

The Policy is adopted by the Management Board of the bank as a highest-level body responsible, and approved by the Supervisory Board in the form of a resolution. Any changes to the content of the regulations require the same procedure. The current version of the policy is available to employees on the bank's internal website.

The corporate governance system of our organization also includes, among others:

- Code of Conduct - rules in force within our organization, containing a set of guidelines for all Group employees, including management. It forms one of the foundations for building our ethical culture,
- mBank's Values and Behaviours Model - which supports us in creating a learning, ethical, inclusive organization that cares about wellbeing issues,
- Ethics Program - which contains the main guidelines that help us build and maintain a culture of ethical business conduct and facilitate the fulfillment of commitments made under the ESG Strategy,
- Anti-mobbing, anti-discrimination, and other unacceptable behaviours pol
- Diversity and Inclusion Policy.

The catalogue of these key regulations is described in more detail in chapter 10.3. "Social Issues Information (ESRS S1, S4), subchapter "ESRS S1 Own workforce of mBank Group".

mBank, as the parent entity, has recommended that its subsidiaries implement the provisions of the Internal Governance Policy, taking into account the principle of proportionality – the character and scale of activities of individual companies, their structures, size, and risk profile. Within the Group, mBank also promotes an organizational culture based on principles of ethical conduct, respecting diversity and inclusion.

Most of the Group's companies, including mBank Hipoteczny, mFaktoring, mFinanse, mLeasing, mElements, and mTFI, have implemented internal governance policies similar to those of mBank within their organizations, thereby adopting a consistent standard of organizational culture. mBank is also promoting corporate culture based on ethical behavior, diversity and inclusion within the Group.

The areas regulated by the Policies adopted in the aforementioned companies are consistent with those adopted by the parent company. The companies' policies, in particular, define the fundamental principles and guidelines for various areas of internal governance, ensure compliance with internal regulations, and aim to eliminate any improper practices. The organizational culture systems in all Group companies are complemented by their Statutes, as well as regulations containing the standard adopted at the Group level – the Code of Conduct and the Values and Behaviors Model.

*(G1-1 MDR-A) Actions taken to implement the policy assumptions*

The Management Board is responsible for ensuring the bank's compliance with the principles of the policy and for eliminating improper practices that, if occurred, would increase the risk of the bank facing legal and financial consequences or any negative effects on the bank's activities or reputation. At least once a year, the Management Board conducts an assessment and verification of the internal governance and reports its results to the Supervisory Board, including any significant events that may impact the internal governance of the bank. Additionally, at least once a year, the Supervisory Board evaluates the adequacy and effectiveness of the organization's internal governance.

*(G1-1 MDR-T) Objectives related to the implementation of policies and activities*

We have not set measurable quantitative goals in relation to corporate culture according to ESRS. The overall corporate culture consists of actions and objectives related to specific areas of activity, described across this chapter and wider sustainability statement.

### Whistleblower protection

*(G1-1 MDR-P) – Whistleblower protection policies*

The order of the President of the Management Board on Reporting Violations, the Procedure for Analyzing Them, and Taking Follow-up Actions

In connection with the entry into force of the Whistleblower Protection Act, mBank is obliged to have a process for reporting violations of the law that complies with the requirements of Directive (EU) 2019/1937 of the European Parliament and of the Council on the protection of persons who report breaches of Union law. Since October 2024, the organization has been operating under a The order of the President of the Management Board on reporting violations, the procedure for analyzing them, and taking follow-up actions,

which replaced the previously existing regulation and adapted the organization to current legal requirements. The President's Order aims to prevent irregularities and define the principles for whistleblowers to report violations of the law, ethical standards, and internal company regulations. The regulation describes in detail the procedure for reporting violations in the organization, specifying:

- Channels for reporting violations,
- The procedure for reviewing reports and taking corrective actions,
- Principles of communication with the whistleblower,
- Principles of protecting the whistleblower's identity and protection against retaliation.

The internal regulations in force at mBank comply with EU and national whistleblower protection laws and meet the minimum requirements of the Commerzbank AG Group's Global Whistleblowing Policy standards. The regulations are subject to regular annual reviews conducted by the Compliance Department and modifications if necessary. The highest body in the Group responsible for implementing the Order is the Director of the Compliance Department, but all employees are obliged to comply with it.

**mBank Hipoteczny**: the company has implemented the Instruction on Reporting Violations in mBank Hipoteczny, which includes a description of tasks and requirements arising from legal regulations. This regulation is consistent with the standard adopted at mBank.

**mFinanse**: the company has a Procedure for reporting violations of law, procedures, and ethical standards, whose main goal is to prevent irregularities and define the principles for whistleblowers to report violations of law, ethical standards and internal regulations of mFinanse. The regulation describes the procedure for reporting violations within the company, in particular specifying:

- Channels for reporting violations,
- The procedure for reviewing reports and taking corrective actions,
- Communication principles with the whistleblower,
- Rules to protect the identity of the whistleblower and protect them against retaliation.

The procedure indicates the allowed channels for reporting violations and specifies the tasks of individual organizational units involved in the process of receiving and investigating reported violations. Any person who reports information about a violation obtained in relation to work or service provision can make a report. Reports can be submitted via email or in writing to the specified correspondence address. Employees can also request to make a report orally, in which case it must be recorded. The regulation defines the principles of protection for whistleblowers, persons associated with them, and persons assisting in the report. The unit responsible for receiving and verifying reports, communicating with the whistleblower is the Compliance Office.

The supervision of handling reports of violations is carried out by a member of the company's Management Board appointed by the Supervisory Board, responsible for the ongoing functioning of the anonymous reporting procedures within the supervision of the Compliance Office, which is the unit authorized to receive and verify internal reports, take follow-up actions, and communicate with the whistleblower. mFinanse regulates the issue of training on whistleblower protection in an internal document concerning compliance training. Additionally, trainings or webinars dedicated to specific areas or units are conducted, where whistleblowing issues are included in the training agenda.

**mFaktoring**: the area of reporting irregularities in the company is regulated by the Whistleblowing Regulations. Their aim is to prevent irregularities and define the principles for whistleblowers to report violations of law, ethical standards, and internal regulations. The policy specifically defines:

- Channels for reporting violations,
- The procedure for reviewing reports and taking corrective actions,
- Communication principles with the whistleblower,
- Rules to protect the identity of the whistleblower and protect against retaliation.

The company also conducts an annual, mandatory e-learning training for all employees on fraud prevention, which includes guidelines on the procedure for reporting violations. Information about the implemented principles of reporting violations in the company is available to all contractors on the organization's dedicated website subpage. The company also provides this information to job candidates during the recruitment process, at the application stage.

**mElements**: in 2024, the company implemented the Procedure for reporting violations of law and protecting whistleblowers. The main objectives of the procedure include issues related to:

- Regulation of procedures in the case of internal reports of law violations in accordance with the law,
- Taking follow-up actions in case a violation is diagnosed,
- Preventing irregularities that may occur in the workplace as specified in the Whistleblower Protection Act.

The regulation introduces a catalogue of persons authorized to receive and investigate reports. Authorized persons are required to thoroughly verify the report and identify whether it falls under the Procedure or other internal regulation and then to take appropriate action. They are entitled to conduct further communication with the whistleblower, request additional information, provide feedback to the whistleblower, and take follow-up actions. mElements has internal channels for reporting irregularities: written – in paper form (to the correspondence address) or electronic (email), oral (by phone or during a direct meeting with persons authorized to receive reports), or anonymously in writing – by placing the report in a dedicated box located in the company's office space. The company prohibits retaliatory actions (and attempts and threats of such actions), such as refusal to establish an employment relationship, termination of employment, reduction of salary, or withholding of promotion. A whistleblower who has been subjected to retaliatory action has the right to compensation and to take appropriate actions based on the provisions of the Anti-Mobbing, Anti-Discrimination, and Other Unacceptable Behaviors Policy. In the area of training dedicated to whistleblower protection, the company uses resources provided by mBank. Before the new regulation on reporting violations came into force, a thematic webinar was conducted for all employees and collaborators of mElements.

**mTFI**: in 2024, the company implemented the Procedure for reporting violations of law and protecting whistleblowers. The regulation addresses the following issues:

- Promoting the reporting of irregularities to disclose and eliminate them,
- Ensuring a confidential procedure for whistleblowers reporting reasonably justified suspicions of irregularities, including provision of assurance that the matters they report will be treated and investigated with due seriousness, impartiality, fairness, objectivity, and full discretion,
- Providing to whistleblowers acting in good faith, in accordance with the Procedure and applicable laws, the confidentiality and protection against retaliatory actions,
- Protecting the interests of the company, funds and their participants (including potential participants) as well as clients (including potential clients).

mTFI examines the effectiveness and adequacy of the Procedure at least once a year and updates its provisions if necessary. mTFI ensures the possibility of anonymous reporting of irregularities, which does not limit the whistleblower's right to provide their identifying information. Reports are made using a dedicated electronic link created on the website www.mtfi.pl. So far, no reports have been recorded. According to the procedure, the whistleblower is protected and no retaliatory actions or attempts or threats of such actions may be taken against them. mTFI does not have its own training on whistleblower protection. The issue of training on irregularities is regulated by an internal document concerning compliance training. This topic is included in the mandatory training on the platform provided by mBank called fraud and corruption prevention. The training is conducted annually and is mandatory for all company employees.

**mLeasing**: the company has a Whistleblowing Instruction, whose aim is to prevent irregularities and define the principles for whistleblowers to report violations of law, ethical standards, and internal regulations. The instruction is in line with the thematic standard adopted by the parent company and specifically defines:

- The principles for receiving and handling internal reports and conducting follow-up actions in accordance with the Whistleblower Protection Act,
- The relationships with other internal regulations adopted by the company,
- The procedures to be followed when:
  - the content of a given report indicates the subject matter jurisdiction for the application of another internal regulation, or
  - there is a conflict of jurisdiction for the application of more than one of these regulations or a conflict with the Instruction.

The Compliance and Operational Risk Department (DCR) is responsible for this area and conducts reviews at least once every 12 months, updating the Instruction as necessary. The full version of the regulation is

available in the mLeasing internal regulations search engine, while a shortened version has been made available on the company's website. The DCR also provides training materials on the department's website.

**Asekum** and **LeaseLink**: the companies have adopted Whistleblowing Instructions, whose aim is to prevent irregularities and define the principles for whistleblowers to report violations of law, ethical standards, and internal regulations. The instructions adopted by the companies are in line with the thematic standard adopted by mLeasing.

*(G1-1 MDR-A) Whistleblower protection actions*

The main channel for reporting irregularities in our organization is mSygnał – a system for reporting any abuse, which is available to everyone on the website W tok. It allows you to report abuses by employees, colleagues, customers, contractors and third parties. The information may be provided by name or anonymously. mSygnał enables full anonymity of whistleblowers with anonymous feedback, and we treat each report confidentially. The reported procedure in place, implemented by the Anti-Fraud and Corruption Team, ensures that the case is investigated by an independent body and that the reporting person is protected. The process is managed by the Compliance Department, and reports may m.in concern other issues such as: cases or suspicions of corruption, fraud, market and employee abuse, or ethical violations. If the report concerns a specific area, e.g. money laundering, credit fraud, it is submitted for analysis by the relevant substantive unit of the bank. Reports related to ethical issues, mobbing and discrimination are considered by employees of the Employee Development and Organizational Culture Department. The deadline for considering the received information is 60 calendar days. Direct access to mSygnał is also available to a dedicated Member of the Management Board of mBank.

The Management Board and the Supervisory Board also inform about reported irregularities in periodic reports. In 2024, the Fraud Prevention Team received a total of 81 reports (of which 75 were reported via the mSygnał system and 6 through other channels). In each case, an investigation was carried out, which resulted in 27 of them being confirmed. Further steps are taken in accordance with laws and internal regulations, and law enforcement authorities are notified if necessary. We conduct the investigation within 3 months from the date of receipt of the report at the latest. After the procedure, recommendations are issued for the implementation of corrective actions. It is also possible to report a breach via channels other than mSygnał: in writing to mBank's correspondence address or orally, provided that the report is not anonymous. An oral report may be made during a face-to-face meeting with an employee of the Anti-Fraud and Corruption Team from each meeting report is drawn.

In mFaktoring and mLeasing, all applications can be processed electronically (using a dedicated e-mail box), by post, by phone at dedicated numbers or in person. At mFinanse, in accordance with the Procedure for reporting breaches of the law, procedures and ethical standards of mFinanse S.A., all reports may be handled by both employees and associates in electronic form, by mail, by phone or in person.

The procedures resulting from the Order of the President of the Management Board on reporting breaches, the procedure for their analysis and follow-up prohibit any form of repression, discrimination or unfair treatment of employees who have reported suspected abuse. mBank allows breaches to be reported in a way that ensures protection against retaliation. The protection covers the whistleblower, people who help them make a report, as well as people associated with the whistleblower. The Group is prohibited from retaliation and has remedies for legal or other business units assisting the whistleblower or a person associated with him. A whistleblower is protected from the moment the report is made, provided that he or she had reasonable grounds to believe that the information contained in the report is true at the time of reporting. The prohibition of retaliation also applies if, as a result of the investigation, it turns out that the violation reported in good faith has not been definitively confirmed. The whistleblower in relation to whom retaliation measures have been taken should notify a dedicated bank employee of the situation. In accordance with the provisions of the regulation, in such a situation he is entitled to compensation in an amount not lower than the average monthly salary in the national economy in the previous year. Making a report may not give rise to disciplinary liability or liability for damage to the rights of others or obligations set out in the law, as long as the whistleblower had reasonable grounds for reporting.

Trainings

mBank regulates the issue of whistleblower protection training in an internal document on Compliance training. The topic of whistleblowing is included in the mandatory e-learning training on counteracting fraud and corruption. Employees undergo training on an annual basis and is mandatory. New employees are required to complete the training within 1 month of starting work. In addition, training is also carried out dedicated to individual areas, where whistleblowing issues are also discussed.

*(G1-1 MDR-T) – Whistleblower protection targets*

Due to the nature of the whistleblowing process, we do not set measurable, quantitative targets. The main objectives pursued in this area are: meeting regulatory requirements and preventing any irregularities in the bank. We want whistleblowers to be able to report breaches of the law, ethical standards and internal

regulations adopted at mBank. The Group does not have objectives for the protection of whistleblowers within the meaning of the ESRS.

## Anti-corruption, bribery and anti-money laundering

Topics "corruption and bribery" and "anti-money laundering" are described in one section jointly due to the fact that mBank Group applies similar approach to their management.

*(G1-3 MDR-P) Policies to prevent corruption, bribery and money laundering*

mBank's Anticorruption Policy

The principles of counteracting any corrupt practices in mBank are defined by the Anti-Corruption Policy, which contains detailed guidelines regarding the identification and mitigation of corruption risks, and specifies the main principles of conduct and the scope of responsibility. According to its provisions, no member of the Management Board, manager, employee, or person associated with them may justify the use of corrupt practices or bribery by citing the interests of mBank or the companies forming mBank Group. The main objective of the Policy is to establish standards for counteracting corruption in the bank, particularly concerning:

- Principles for identifying corruption and the scope of responsibility of organizational units,
- Principles for accepting and giving gifts,
- Areas where there is a risk of corruption,
- Principles for participating in events as speakers,
- Principles for handling and reporting cases of Policy violations.

mBank Group applies a "zero tolerance" principle towards all forms of corruption, including accepting, offering or demanding benefits, as well as agreeing to such behaviors taking place. The Management Boards of companies and employees are obliged to avoid conflicts between their private interests and official duties. Offering any unauthorized benefits – including to state officials, local government officials, civil service officials, and politicians – is prohibited.

In accordance with the provisions of the Policy, we consider the following areas to be particularly vulnerable to the risk of corruption and bribery: management and supervision and training, human resources, gifts and invitations, sponsorship activities, lobbying and contacts with public officials and politicians, purchasing, business partners, accounting and payments. This identification is subject to an annual compliance risk assessment conducted in cooperation with and according to the methodology of the Commerzbank Group.

The Anti-Corruption Policy specifies the rules for giving and accepting gifts by Group employees. Among other things, it prohibits:

- Accepting and giving gifts in the form of money or its equivalents,
- Giving or accepting gifts from other employees if such action could be considered as influencing the integrity of the entrusted processes,
- Accepting gifts from mBank contractors,
- Giving gifts to state and local government officials in connection with their function,
- Suggesting that a gift or invitation is expected.

The provisions of the Anti-Corruption Policy comply with international and national laws, including, among others, the UN Convention against Corruption and the 10 principles of the UN Global Compact.

The unit responsible for the Anti-Corruption Policy at mBank is the Compliance Department. The provisions of the Policy are regularly reviewed, at least once a year, for their relevance and compliance with the law. The Policy is published on the intranet, on the DC page. Periodically, and each time there is an update, internal communication is sent to employees informing them of such changes in the content. An excerpt from the policy is also published on the mBank website.

**mBank Hipoteczny**: the company has an Anti-Corruption Policy that is consistent with the Policy of the parent company. The unit responsible for implementing and updating the Policy in the company is the Compliance Department. The regulation is published in the internal regulatory database.

**mFaktoring, mFinanse, mLeasing, LeaseLink**: the companies have implemented Anti-Corruption Policies, whose main goal is to prevent corruption. The regulations have introduced standards in the

companies for a consistent system that protects the company against corrupt activities. Due to the specific and sensitive nature of the area, no measurable, quantitative goals are set. The companies focus on preventive and proactive actions. The policies define standards for counteracting corruption in organizations, particularly:

- Principles for identifying corruption phenomena and the scope of responsibility of organizational units,
- Principles for accepting and giving gift,
- Areas where there is a risk of corruption,
- Principles for participating in events as speakers,
- Principles for handling and reporting cases of Policy violations.

The anti-corruption system adopted by the companies is based on elements that mainly include: implemented internal regulations (Anti-Corruption Policy, Fraud Prevention Policy), controls of organizational units, defining principles for verifying accepted and given gifts, training, verification and assessment of contractor risk. The companies also provide dedicated channels for reporting violations of law (including corruption) and have a defined procedure for handling such reports. Cases of policy violations are reported to the Management Board and the Supervisory Board of the company. The units responsible for approving and reviewing and updating policies are, respectively: Compliance Team of mFaktoring, Compliance Office of mFinance, Compliance and Operational Risk Department of mLeasing and Compliance and Operational Risk Team of LeaseLink. The content of each regulation is available to employees on the companies' network resources. The companies annually conduct mandatory e-learning training on fraud and corruption prevention for all employees and the Management Board. It covers topics such as corruption, gifts, fraud, banking secrecy, business partners, conflict of interest, reporting fraud, corruption, and conflict of interest.

**mElements**: the company has an Anti-Corruption Policy that is consistent with the Policy of the parent company. The unit responsible for approving and reviewing the Policy is the company's Compliance Officer. The content of the regulation is available to employees on the company's network access.

**mTFI**: the company has an Anti-Corruption Policy that defines and indicates standards for counteracting bribery and corruption and describes how its symptoms are detected at all levels of the organizational structure. It also specifies the scope of responsibility and the main principles of conduct in case of suspected corruption. mTFI has adopted a "zero tolerance" principle for all forms of corruption and bribery. According to the Policy:

- We act transparently and create clear procedures that we apply in practice.
- We do not give bribes and strictly prohibit giving them. We support a culture of compliance and integrity. No one can break or circumvent anti-corruption procedures.

The monitoring and control of the implementation of the principles defined in the Policy by organizational units are carried out by the company's Supervisory Department.

mTFI has implemented (in accordance with the Whistleblower Protection Act) procedures for reporting violations of law, including those related to corruption, and the procedure for their analysis.

mTFI has also implemented a Fraud Prevention Policy, which defines who and how is responsible for combating fraud. It specifically outlines how to prevent, detect, and respond to identified fraud. The company does not tolerate any behavior that violates the provisions of the Policy. Any attempt to commit fraud, especially a crime, is considered a serious violation of the rules of fair business conduct adopted by the company.

The Supervisory Department presents a report on fraud prevention to the Management Board and the Supervisory Board of the company, including reports resulting from the Anonymous Reporting Procedure in mTFI, which is an integral part of the report on the functioning of the compliance supervision system. The "Fraud and Corruption Prevention" training conducted in the company is mandatory for all employees.

**Asekum**: the company has implemented two main regulations in the area of preventing corruption and fraud: the Anti-Corruption Policy and the Fraud Prevention Policy. The Anti-Corruption Policy aims to establish standards in the company for counteracting corruption. The policy specifically defines:

- Principles for identifying corruption phenomena, including warning signs,
- The scope of responsibility of individuals in various positions, including the Management Board,
- Principles for accepting and giving gifts,

- Areas where there may be a risk of corruption,
- Procedures for handling and reporting cases of policy violations.

The person responsible for the area of corruption in the company is the Compliance Officer. They systematically review the content of the Anti-Corruption Policy at least once a year to ensure its relevance and compliance with the law. The policy can be updated as needed to adapt to events affecting the processes described in it (e.g. organizational changes in the company). The Fraud Prevention Policy in Asekum establishes a "zero tolerance" principle for any type of fraud (including corruption) or attempts to commit it by employees, clients, contractors, and third parties. Any fraud or attempt to commit it is considered a serious violation of the company's principles of fair business conduct. The policy also defines the consequences of committing or attempting to commit fraud. The main goal of the policy is to define who and how is responsible for combating fraud in the company, as well as to indicate the appropriate procedures for preventing, detecting, and responding to identified fraud, and for acting in case of suspicions of illegal activities.

Anti-Money Laundering and Countering the Financing of Terrorism Policy at mBank Group

The policy outlines the general principles for fulfilling obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act, particularly specifying the principles for exchanging and protecting information transmitted for the purpose of fulfilling obligations in this area, as well as applying financial security measures. The policy aims to introduce uniform standards for implementing these principles and ensure a consistent level of financial security at the mBank Group level.

The policy covers mBank along with its branches in the Czech Republic and Slovakia, to the extent permitted by local laws, and sets directions for action and information exchange between mBank Group subsidiaries to ensure compliance with the Act and the content of the Policy.

mBank oversees the implementation of common standards in Group companies. The Director of the Financial Crime Prevention Department (DPP), who serves as the AML/CFT compliance officer at the mBank Group level, sets the standard for AML/CFT and sanctions, ensures that procedures comply with laws and regulations, and coordinates AML/CFT risk assessments and organizes the aggregation of their results. The policy is adopted by a resolution of the Bank's Management Board. The highest level in the organization responsible for implementing the policy is the AML/CFT Compliance Officer. At the mBank S.A. Group level, this role is performed by the Director of the Financial Crime Prevention Department, who, among other things: defines the standard for AML/CFT and sanctions and ensures that the local strategies and procedures of the mBank S.A. Group companies are in compliance with statutory and regulatory AML/CFT requirements, supervises the implementation of common AML/CFT and sanctions standards in the mBank S.A. Group companies, and fully cooperates with AML/CFT compliance officers designated in the mBank S.A. Group companies.

Global sanctions policy

Global Sanctions Policy sets the minimum compliance standards regarding sanctions that apply to all entities and units of mBank Group related to sanctions. Its purpose is to manage sanctions risk within mBank Group and ensure that all units in the Group adhere to standards and management frameworks to ensure compliance with international and national laws and regulations imposed by supervisory bodies that restrict or prohibit trade and business relations with certain third parties. The standards outlined in the Global Sanctions Policy apply to all mBank units, including those in countries with less stringent legal requirements. The implementation of the policy's provisions in subsidiaries that are part of mBank Group is carried out under the terms described in the "Supplementary Agreement on Information Provision Principles." This agreement is entered into by the bank with each subsidiary within the Group. When verifying clients and checking whether the parties to the transaction are entities listed on the sanction lists of the European Union, the United States, and the United Nations, we comply with the legal provisions regarding specific restrictive measures. To this end, we identify clients and beneficial owners as well as transactions. If a violation of the mentioned sanctions is found, we refuse to execute them. We closely monitor business relationships in countries subject to sanctions. Each time, we implement appropriate measures, which may also include terminating such relationships. The highest level in the organization responsible for implementing the policy is the Bank's Management Board, which bears responsibility and accountability for the Compliance program, including the Global Sanctions Policy, and commits to its full support. Every person employed at the bank is required to familiarize themselves with the provisions of this regulation and strictly adhere to them.

mBank's anti-money laundering program

mBank operates an Anti-Money Laundering and Counter-Terrorism Financing Program (PPP), whose main goal is to prevent the bank from being used for money laundering and terrorist financing. The program outlines the principles and procedures for mBank employees in this area. Specifically, it defines: actions

and measures taken to mitigate the risk of money laundering and terrorist financing (AML/CFT) and to properly manage identified AML/CFT risks, principles for recognizing and assessing AML/CFT risks associated with business relationships, including principles for verifying and updating previously conducted AML/CFT risk assessments, measures used to properly manage identified risks, principles for applying financial security measures, monitoring and detecting suspicious transactions related to money laundering or terrorist financing, and disseminating knowledge among employees about anti-money laundering and counter-terrorism financing regulations. In executing the Program, mBank applies financial security measures to clients, taking into account the assessment of identified money laundering and terrorist financing risks associated with business relationships.

The implemented safeguards include:

- Identification and verification of our clients' identities.
- Identification and verification of the beneficial owners of our clients.
- Identification of the risk of money laundering and terrorist financing.
- Application of financial security measures appropriate to the identified risk of money laundering and terrorist financing.
- Identification and verification of our clients and their beneficial owners for holding politically exposed positions (PEP, RCA).
- Identification of links between economic relations or transactions with high-risk third countries.
- Refusal to establish cooperation and termination of relationships with clients in case of identified risk of money laundering or terrorist financing or inability to apply financial security measures.
- Monitoring of our clients' transactions to protect mBank from money laundering and terrorist financing.
- Regular training of our employees.

The bank performs regular clients’ verification to ensure that data and information that it has about the clients are up-to-date and in order to amend them if needed.

According to the adopted principles, mBank refuses to cooperate with clients where the risk of money laundering or terrorist financing is high. The program's regulations are consistent with national and EU regulations on anti-money laundering and counter-terrorist financing, as well as the policies in force within the Commerzbank Group. The implementation of the obligations arising from the Program at mBank is the responsibility of the Director of DPP and the Vice President of the Bank's Management Board for Compliance and HR. The Director of DPP continuously informs the Vice President of the Bank's Management Board for Compliance and HR, as the Management Board member responsible for AML/CFT, about all decisions potentially affecting the risk related to this topic, as well as areas where control mechanisms need to be implemented or improved, and the progress of significant remediation programs. The Director of DPP or the Vice President of the Bank's Management Board for Compliance and HR inform the other members of the Management Board about any serious violations and the corrective actions taken. The implementation of the PPP Program in mBank's foreign branches is based on separate internal regulations.

**mBank Hipoteczny**: the company has implemented the Anti-Money Laundering and Counter-Terrorist Financing Regulations, which, together with other regulations, form the Anti-Money Laundering Program. This regulation is consistent with the program of the parent company.

**mFaktoring**: in mFaktoring, the Anti-Money Laundering and Counter-Terrorist Financing Regulations define the principles and procedures for employees to prevent the company from being used for money laundering and terrorist financing. These regulations are thematically consistent with the Parent Company's Program.

**mFinanse S.A.** is not an obligated institution according to the Anti-Money Laundering and Counter-Terrorist Financing Act. Therefore, it has not implemented regulations in this area.

**mElements**: the company adheres to the anti-money laundering and counter-terrorist financing standards adopted by mBank. Nevertheless, the organization implements the procedures in force at mBank that relate to all activities aimed at mitigating and managing the identified risk in this area.

**mTFI**: the company has implemented the Anti-Money Laundering and Counter-Terrorist Financing Regulations, which specifically regulate the principles of identifying and verifying the identities of clients and their beneficial owners, as well as identifying the risk of money laundering and terrorist financing. It also defines financial security measures appropriate to the identified risk of money laundering and terrorist financing, the identification and verification of clients and their beneficial owners for holding politically

exposed positions (PEP, RCA), and the identification of links between economic relations or transactions with high-risk third countries.

**mLeasing**: the company has implemented the Anti-Money Laundering Program, which specifically defines the principles and procedures for mLeasing employees to prevent the company from being used for money laundering and terrorist financing. This regulation is consistent with the program adopted by mBank. Considering the nature, type and size of the company's operations, the principles include activities or actions taken to mitigate the risk of money laundering and terrorist financing (AML/CFT) and properly manage the identified AML/CFT risk. It also outlines the principles for recognizing and assessing AML/CFT risk related to specific business relationships, including the principles for verifying and updating previously conducted AML/CFT risk assessments, measures used to properly manage identified risk, principles for applying financial security measures, monitoring and detecting suspicious transactions related to money laundering or terrorist financing, and disseminating knowledge about anti-money laundering and counter-terrorist financing regulations among employees. The department responsible for fulfilling these obligations is the Compliance and Operational Risk Department.

**Asekum**: the company is not subject to AML regulations and the obligations directly arising from them. The Compliance Officer, as the function responsible for this area, continuously verifies the accuracy of this statement by analyzing the relevant legal provisions.

**LeaseLink**: the company has implemented the following regulations related to the described topic:

- The Anti-Money Laundering and Counter-Terrorist Financing Instruction
- The Beneficial Owner Identification Instruction

The Anti-Money Laundering and Counter-Terrorist Financing Instruction specifically outlines principles regarding activities or actions taken to mitigate the risk of money laundering and terrorist financing (AML/CFT), proper management of identified AML/CFT risk, principles for recognizing and assessing AML/CFT risk related to specific business relationships, including principles for verifying and updating previously conducted AML/CFT risk assessments, and measures used to properly manage identified risk. It also specifies principles for applying financial security measures, monitoring and detecting suspicious transactions related to money laundering or terrorist financing, and disseminating knowledge about anti-money laundering and counter-terrorist financing regulations among employees. The Beneficial Owner Identification Instruction aims to ensure that the organization complies with legal requirements and maintains transparency in matters related to identifying the true owners and controllers of legal entities, foundations, associations, trusts, and other business entities. The main goal of the Instruction is to ensure compliance with anti-money laundering and counter-terrorist financing (AML/CFT) regulations. The instruction allows for the effective implementation of processes that help identify beneficial owners and ensure the financial security of the organization. The function responsible for this area in the company is the Compliance and Operational Risk Team.

*(G1-3 MDR-A) Actions taken to implement the policy assumptions*

**Anti-corruption measures** at mBank are based on three lines of defense. The first line consists of the bank's organizational units. The second line is formed by the Compliance Department, which sets anti-corruption standards regarding compliance with laws and regulations and monitors their adherence. The third line of defense is the Internal Audit Department, which assesses the adequacy and effectiveness of the implemented anti-corruption system. According to internal regulations, the Management Board and employees are obliged to report cases of corruption or indications of its occurrence to their immediate supervisor or the Compliance Department. Reports can also be submitted anonymously through the mSygnał online system, available 24/7 to all stakeholders. All reports are handled with the utmost care and confidentiality. The circumstances of the incident are clarified, and evidence is secured as part of the process. Should suspicion of crime exist, the director of the involved unit forwards the materials to the Security Department, which, if confirmed, notifies law enforcement authorities.

According to the bank's regulations, the investigation of a reported violation cannot be conducted at any stage by the person to whom the report relates or by someone with justified reasons for lack of impartiality or independence. Persons proven to have committed or attempted corruption are subject to procedures specified in labor law and the "mBank S.A. Work Regulations." The Compliance Department Director promptly informs the relevant member of the Management Board responsible for the area of the bank's operations about the disclosed case of corruption. In situations involving high reputational risk or when the incident concerns a member of the Management Board, the Chairperson of the Supervisory Board is also informed.

The Compliance Department presents periodic reports on the implementation of the anti-corruption policy to the Management Board and the Supervisory Board, which are part of the compliance risk management report. It can also independently, regardless of reports from organizational units, take steps to detect

corrupt activities. The Compliance Department conducts planned and unplanned audits in areas particularly exposed to corruption risk, especially concerning cooperation with business partners.

**Anti-Money Laundering and Counter-Terrorist Financing** - to effectively manage the risk of money laundering and terrorist financing and prevent mBank from being used for such activities, we employ the three lines of defense model. The first line consists of business units that identify and manage the risk of money laundering and terrorist financing in their business areas effectively and promptly. They also ensure that tasks are performed in accordance with the risk management standards specified in the PPP Program. The Financial Crime Prevention Department (DPP) forms the second line of defense. DPP's activities include developing principles and setting standards and actions for the bank in the PPP Program to ensure compliance with anti-money laundering and counter-terrorist financing regulations. DPP also oversees AML/CFT tasks performed by the bank's units within the first line of defense. DPP is responsible for vertical monitoring, ongoing verification, and control of compliance with anti-money laundering and counter-terrorist financing control mechanisms by the first line of defense. The third line of defense is the Internal Audit Department (DAW), which controls AML/CFT risk management, verifies, and assesses the effectiveness and adequacy of actions and processes of the first and second lines of defense. Across all three lines of defense, within the risk management system and internal control system, bank employees, while performing their duties, appropriately apply control mechanisms or independently monitor their compliance.

The Anti-Money Laundering and Counter-Terrorist Financing Policy of mBank S.A. Group introduces uniform standards for fulfilling AML/CFT/SAN obligations within mBank Group, ensuring the same level of financial security in the bank and its subsidiaries. The Financial Crime Prevention Department at mBank oversees AML/CFT and sanctions tasks in the Group's companies through, among other things: obtaining information from the companies about implemented or planned system solutions, particularly internal regulations, defining the scope and timing of the implementation of the group standard in AML/CFT and sanctions in the companies' internal regulations, managing AML/CFT and sanctions risk in the companies, receiving the results of internal and external controls and audits conducted in the company in the area of AML/CFT and sanctions. Additionally, the Financial Crime Prevention Department conducts supervisory visits to the Companies, involving risk management control in the area of AML/CFT and sanctions, and assessing the Company's compliance with the mBank S.A. Group standards in AML/CFT and sanctions. The activities described for mBank are therefore consistently carried out in the subsidiaries, appropriate to their scale and nature of business.

*(G1-3 p. 21) Trainings in scope of counteracting corruption and bribery and AML*

In the mBank Group, we recognize that 100% of employees meet the definition of individuals holding positions exposed to risk. „Functions at risk" means that individuals in all positions are considered at risk of corruption and bribery due to the tasks and responsibilities of their roles.

The annual anti-fraud and anti-corruption training is a mandatory e-learning course for all bank employees (except those on long-term leave). The training covers topics such as corruption, gifts, fraud, banking secrecy, business partners, conflict of interest, reporting fraud, corruption, and conflict of interest. Members of the Management Board are also required to undergo anti-fraud and anti-corruption training once a year.

The bank also conducts regular AML/CFT training to raise employee awareness of anti-money laundering and counter-terrorist financing, as well as training on the Global Sanctions Policy.

*(G1-3 MDR-T) Targets on counteracting corruption and bribery and Anti-Money Laundering and Counter-Terrorist Financing*

Anti-Corruption and Bribery Prevention - due to the nature of the process, we do not set measurable, quantitative targets. Corruption and bribery is an area that requires a holistic approach, based on prevention, identification of risks, and education of employees. The main goal is to prevent corruption, the bank is focused on preventive and preventive measures. The bank is focused on the effective functioning of corruption prevention mechanisms building an environment resistant to potential risks arising from this area. The effectiveness of activities is measured qualitatively - through regular reviews of internal regulations carried out by the Compliance Department. The reviews are carried out in particular in terms of timeliness and compliance with the law. In scope of corruption and bribery, there are no targets set in the ESRS understanding.

*(G1-4) Corruption and bribery cases*

In mBank Group, we deal with the identification of risks of corrupt behavior. In mBank S.A., the unit responsible for this area is the Compliance Department. In subsidiaries, depending on their organizational structure, there are Compliance Departments, Compliance Teams and Compliance Officers, who cooperate with mBank as the parent company in the described scope.

At mBank Group, in the reporting year we have identified no incidents of corruption and bribery. Accordingly, we have also noted no convictions nor fines resulting from violation of anti-corruption law. This information has been collected from all subsidiaries when the reporting year has concluded.

**Anti-Money Laundering and Counter-Terrorist Financing** - the objective of the implemented PPP Program is to prevent the bank from being used for money laundering and terrorist financing, and to define the principles and procedures for employees in this regard. The PPP Program outlines the bank's obligations under the Anti-Money Laundering and Counter-Terrorist Financing Act and EU regulations on AML/CFT, and specifies how these obligations are to be fulfilled by the bank as an obligated institution.

In mBank Group, we did not identify any incidents of corruption or bribery in the reporting year. Accordingly, we also recorded no convictions or fines resulting from violations of anti-corruption laws. In scope of anti-money laundering and counter-terrorist financing, there are no targets set in the ESRS understanding. The method of monitoring the effectiveness of anti-money laundering policies is described within the presentation of these policies. The effectiveness of the implementation of regulations on anti-money laundering and counter-terrorist financing is monitored by the Financial Crime Prevention Department. Once a quarter, the department director prepares and presents a report to the management board, and once a year to the supervisory board. This report includes, among other things, the number of alerts from the transaction monitoring system for anti-money laundering and counter-terrorist financing purposes, the number of notifications to the General Inspector for Financial Information, as well as information relevant to the Group's subsidiaries in this area. mBank Group is monitoring its key control mechanisms on an ongoing basis.

## (ESD) Tax transparency

*(G1 ESD MDR-P) Tax policies, tax strategy*

mBank has not adopted a formal document entitled "Tax Strategy," but it implements its strategy in this area, aimed at properly fulfilling all obligations provided by tax law. mBank's tax strategy is consistent with the Bank's sustainability standards and socially acceptable ethical values. The strategy's objective is achieved based on the organization's internal regulations, particularly through:

- Tax Risk Management Policy,
- Policy on Preventing Tax Crimes and Fraud.

The Tax Risk Management Policy is the primary internal regulation, which includes principles for preparing information on the implemented tax strategy. In areas not regulated by this policy, specific principles are defined by the relevant order of the President of the Management Board regarding tax risk management at mBank.

Formal reviews of information on the implemented tax strategy are regularly conducted and approved once a year by the Director of the Tax Department. This is the highest-level position responsible for tax policies' implementation.

Tax Risk Management Policy

The Tax Risk Management Policy at mBank aims to ensure the effective and safe fulfillment of all obligations provided by tax law. The implementation of the Policy depends on ensuring compliance in key areas, including:

- The integrity of tax law with accounting law and financial reporting.
- Ensuring the proper tax process.
- Cooperation between the Tax Department and organizational units preparing and offering products to the Bank's clients.
- Monitoring and managing tax risk.
- Principles regarding transactions with clients.
- Influencing the shape of generally applicable laws.

The detailed actions carried out in these areas are described in the section on Tax Risk Management in the latter part of this chapter. At mBank we establish organizational structures in all countries of our operations, and secure financial and personnel' resources to fulfill this Policy. The highest-level entity responsible for its implementation is the director of Tax Department.

Policy on Preventing Tax Crimes and Fraud

The provisions of the Policy confirm the application of the "zero tolerance" principle for any form of tax evasion, as well as the reinforcement of the values upheld at mBank – honesty, empathy, and customer orientation. We do not accept any actions that may be considered tax crimes. The Policy specifically applies to employees of business units who interact with clients and employees entrusted with internal functions (payroll, procurement, finance, and other duties related to tax obligations), as well as business partners who:

- Contact clients in any way,
- Enter into transactions and agreements with or on behalf of mBank,
- Offer products and services on behalf of mBank,
- Participate in financial processes, apply tax law, and fulfill tax obligations.

The Policy also applies to mBank's foreign branches. According to the Policy, to prevent potential tax crimes, we have created a three lines of defense model in the tax area, assigning appropriate protective roles and responsibilities to individual organizational units. More details about the model are provided in the section on the actions taken. The owner of this Policy is Financial Crime Prevention Department, and the highest-level entity responsible for its implementation is the director of this department.

**mBank Hipoteczny**: mBank Hipoteczny, as a CIT taxpayer, is a member of the mBank Tax Capital Group. As a subsidiary, the company has adopted regulations dedicated to tax matters similar to those of mBank. mBank Hipoteczny has implemented the Tax Risk Management Policy, which forms the basis for the implementation of the tax strategy, as well as the Instruction on Fraud Prevention and Cooperation with Law Enforcement and Courts. An anonymous channel for reporting crimes and fraud, including those related to tax matters, exists in mBank Hipoteczny and is called BKMS. The use of this channel is regulated by the aforementioned Instruction. The bank annually prepares a report containing information on reported fraud and tax crimes. The Compliance Department of the company is responsible for preparing this report.

**mFinanse**: the company, like mBank, has not adopted a document titled "Tax Strategy," but it implements this strategy, which aims to properly fulfill all obligations provided by tax law. This goal is achieved based on internal regulations, particularly the Tax Risk Management Policy. The tax strategy is presented in so-called tax reports, which the company publishes on its website.

**mFaktoring**: according to the Corporate Income Tax Act, the company is not required to have a tax strategy. The department responsible for tax activities in the organization is the Accounting and Settlements Department.

**mElements**: the company does not have an adopted tax strategy. In 2024, the Financial Planning Procedure was implemented, which partially regulates tax issues. The company is also a member of the mBank Tax Capital Group.

**mTFI**: the company, like mBank, has not adopted a document titled "Tax Strategy," but it implements this strategy, which aims to properly fulfill all obligations provided by tax law. The company has adopted the Procedure for Preventing Non-Compliance with the Obligation to Provide Information on Tax Schemes. The position responsible for tax matters in the company is the Finance and Accounting Position located in the Supervision Department.

**mLeasing**: the company, like mBank, has not adopted a document titled "Tax Strategy," but it implements this strategy, which aims to properly fulfill all obligations provided by tax law. This goal is achieved particularly based on the Tax Risk Management Policy. The tax strategy is also presented in the tax reports prepared by the company, which are part of the tax report published within the mBank Tax Capital Group.

**Asekum**: the company, like mBank, has not adopted a document titled "Tax Strategy," but it implements this strategy, which aims to properly fulfill all obligations provided by tax law. These actions are based on internal regulations, particularly the Tax Criminal Liability Regulations. To ensure the correctness of public-law settlements and to guarantee the reliable and proper fulfillment of all obligations arising from tax law, the Management Board of Asekum has introduced internal organizational acts specifying the responsibilities of individual employees and organizational units of the company:

- The Procedure for the circulation, acceptance of financial and accounting documents, and authorization of transfers,
- The Procedure for the settlement of contributions, commission remuneration, and the circulation and control of financial and accounting documentation,

- The Procedure for making payments to bank accounts listed on the so-called White List of VAT taxpayers,
- The Procedure for preventing non-compliance with the obligation to provide information on tax schemes.

**LeaseLink**: the company is not required to have a tax strategy and is not part of the mBank Tax Capital Group. The document regulating tax matters in the company is the Agreement defining the principles of information exchange on tax matters within mBank Group. The department responsible for tax activities in the organization is the Accounting Department.

*(G1 ESD MDR-A) Actions taken to implement the policy assumptions*

We implement the Group's actions in the field of tax transparency in all geographical areas where we operate, i.e., in Poland, the Czech Republic, and Slovakia. These activities impact the Group's own operations, as they are carried out by its employees, but also affect both lower and upper levels of the value chain, as our tax transparency principles influence contractors, suppliers, customers, and tax regulators. Our activities are carried out on an ongoing basis and do not have a defined completion horizon, as they encompass the Group's continuous efforts to maintain tax transparency.

**Tax Reports**: the implementation of mBank's tax strategy is also presented in the so-called tax reports (information on the implemented tax strategy, in accordance with Article 27c of the Act of February 15, 1992, on corporate income tax). The bank publishes them annually on its website.

**Three Lines of Defense Model**: the roles and tasks at mBank in the area of tax risk management are organized according to the three lines of defense model. The first line of defense consists of business lines, whose task is to consider tax obligations and tax risk when making decisions in relations with clients and partners. The second line of defense is primarily the compliance function and the tax function. The task of the second line of defense is to create frameworks and guidelines for risk management, support business lines, and carry out tax settlements. The third line of defense is the Internal Audit Department. Its tasks include an independent assessment of the activities related to tax risk management carried out by the first and second lines of defense.

**Tax Risk Management**: mBank manages tax risk in the following areas:

- Integrity of tax law with accounting law and financial reporting in the bank's internal regulations: We maintain accounting books and other legally required records. Proper recording of economic events translates into the calculation and payment of taxes and the fulfillment of other obligations required by tax law. It also affects the presentation of tax liabilities in the financial statement. All items reported in tax returns and other legally required information are supported by appropriate documentation.
- Proper tax processes in accordance with applicable tax law: We use appropriate resources to pay or remit taxes and submit required information in accordance with tax law. We have been diligent and professional in interpreting relevant regulations. mBank employees improve their knowledge, monitor changes in tax law and use external opinions to avoid non-compliance risks. They maintain professional relations with tax authorities and other state bodies. To the extent provided by law, mBank supports clients in clarifying doubts related to tax settlements associated with mBank products. At the same time, mBank does not provide tax advisory services and refrains from actions that could be considered such advice.
- Cooperation of organizational units preparing, reviewing, and offering products to mBank clients: We rely on the cooperation of employees from various organizational units, from the planning phase to the implementation phase of mBank products. This is to avoid unintended tax risk, legal risk, or reputational risk. We do not use solutions that are contrary to the law.
- Proper identification and monitoring of tax risks: We do not offer products or transactions aimed at tax avoidance. We strive to avoid tax disputes through proper interpretation of tax law and thorough explanation of tax matters. We apply for individual tax interpretations or opinions from reputable advisory firms to better understand the tax implications of planned transactions. We actively participate in tax control activities, accurately assess their results, and communicate with tax authorities to minimize the risk of challenging tax liability amounts and harming mBank's reputation. We use specialized training, monitor legal changes, and observe the positions of tax authorities and administrative courts.
- Principles regarding transactions with clients: We maintain a "zero tolerance" policy for transactions aimed at tax avoidance. Therefore, if there are no business purposes, the tax effects of the transaction are not consistent with the content or purpose of tax law, or the product design allows for unjustified

tax benefits in whole or in significant part, then the agreement bears the hallmarks of tax avoidance and we do not enter into it.

- Monitoring changes in tax law and jurisprudence: We participate in various forums professionally dealing with taxes (including the Polish Bank Association). We pay attention to changes in the practice of applying tax law that could affect compliance with tax law at mBank.

**Reporting Tax Abuses and Crimes**: At mBank, there is a channel for reporting suspected tax abuses and crimes – a dedicated registration system available on the intranet site. This is the official channel mentioned in the Policy on Preventing Tax Abuses. Annually, mBank prepares a report that discloses tax abuses and crimes reported in the aforementioned system. The Financial Crime Prevention Department is responsible for preparing the report.

*(G1 ESD MDR-T) Objectives related to the implementation of policies and activities*

The goal of duly fulfilling all obligations under tax law is pursued by mBank at every level of the value chain of its own operations and throughout the geographic area in which mBank does business. We are also committed to ensuring that our suppliers and partners conduct business in an ethical manner, which is why we require them to sign a statement of social responsibility and sustainability, which includes, among other things, ensuring that they operate in a manner that complies with regulations, including tax regulations. mBank fulfills its tax obligations in the territory of the Republic of Poland in accordance with tax regulations. It acts as a taxpayer of value-added tax (VAT), tax on certain financial institutions (so-called bank tax), civil law transactions tax (PCC), and property tax. It also performs the function of a payer of corporate income tax (CIT) and personal income tax (PIT). Additionally, it fulfills other obligations required by tax law, particularly informational, record-keeping, and documentation obligations. The Tax Department (DTP) monitors the fulfillment of tax obligations, including quantitatively (e.g., monitoring payments for bank tax, VAT, and CIT for a given tax year) and makes such data publicly available. The highest-level unit in the organization responsible for the tax area is the Bank's Management Board.

mBank applies processes and procedures for managing the fulfillment of obligations directly arising from tax regulations, which allows for proper fulfillment of obligations. mBank views the issue of paying taxes not only as an obligation but also as an important element of its social responsibility. The bank's strategic approach to tax issues is consistent with the principles of social justice and ethical values that we follow in accordance with the Group's Strategy. The bank treats the payment of taxes as a due return of part of the profit to society. In this way, it exerts (direct or indirect) influence on the entire society, including clients, partners, and tax authorities. We apply the principle of "zero tolerance" and reject all forms of tax evasion, both in our own case and that of our clients. We monitor compliance with regulations on preventing tax crimes, and once a year we prepare an annual risk analysis of non-compliance. Although our "zero tolerance" goal does not meet all the parameters of the goal as understood by ESRS, the bank has established procedures for the ongoing and effective management of tax transparency and taking action in case of identified non-compliance risks.

**(ESD) Risk management (including greenwashing counteracting)**

mBank Group places great importance on risk management, including environmental, social, and governance (ESG) risks. One of the subcategories of this type of risk is greenwashing, which is the practice where companies, either intentionally or unintentionally, mislead consumers by presenting their products, services, or actions as more environmentally friendly than they actually are. This risk can arise from actions taken by the bank as the entity responsible for the product or service, as well as from actions taken by involved third parties.

This risk can result in:

- Loss of reputation due to negative sentiments around the bank,
- Negative impact on the bank's ESG references, including sustainability ratings,
- Financial loss or penalties related to accusations of greenwashing practices, legal flaws in internal regulations, or non-compliance with regulatory requirements,
- Improper or faulty distribution of products and services,
- Misleading consumers, investors, or other market participants in their decision-making.

To prevent this, mBank Group has implemented initiatives aimed at identifying areas susceptible to this type of risk and ensuring transparent and reliable communication. In our operations, we adhere to the principles and standards published by the Advertising Ethics Council regarding ethical communication and advertising in the context of sustainability responsibility. We also take into account the assumptions of the "Green Claims" directive and the EBA Report on monitoring and managing greenwashing.

*(G1 ESD MDR-P) Policies relating to anti-greenwashing practices*

Methodology for Assessing Greenwashing Risk for Products and Processes Related to Sustainability Factors

In 2024, mBank adopted Greenwashing Risk Assessment Methodology for Products and Processes Related to Sustainability Factors within mBank S.A. Group. The main goal of this methodology is to identify areas susceptible to greenwashing risk, assess the level of threat, and, if applicable, implement appropriate mitigating actions to address identified risks. The methodology evaluates the greenwashing risk in relation to the following:

- The process of offering sustainability-related products available in the Group's companies,
- Internal processes related to sustainability, aspects of which are communicated to our external stakeholders.

The methodology introduced uniform definitions of greenwashing and greenwashing risk for the Group. It also specifies the timing, course, and subject of risk assessment for products and processes related to sustainability factors. The assessment within the five-stage process is primarily based on analyses conducted by the Non-Financial Risk Department and responses provided in surveys completed by units responsible for the respective products or processes under analysis. The outcome of the assessment is subject to Sustainable Development Committee's acceptance and remedy actions are monitored by the Non-Financial Risk Management Department. The methodology is subject to annual review and updates when necessary. Highest-level body responsible for Strategy's implementation is the director of the Non-Financial Risk Management Department.

Principles of Communication Regarding mBank's Impact on Environmental Sustainability Factors

In 2024, we introduced the Principles of Communication Regarding mBank's Impact on Environmental Sustainability Factors. These principles define the rules for official communication and the formulation of messages related to these factors, as well as the method for verifying the compliance of messages and rules.

The principles cover the following areas of communication: marketing communication (including the use of television, radio, internet channels, leaflets, brochures, catalogs, trade fair stands, conference materials, mailings, and others), corporate communication (public relations, investor relations, internal communication), and communication using the bank's own channels directed at clients or other stakeholders (internet banking, mobile application, website, social media, mailings, newsletters). The principles apply to all forms of communication and are binding on all organizational units of mBank.

Introduction of these rules allows for monitoring of the whole communication. Principles' owner is the Marketing Communication Department, and highest-level body responsible for its implementation is its' director.

Environmental Risk Management Strategy

In 2024, mBank Group developed an Environmental Risk Management Strategy, which comprehensively describes the understanding of environmental risks and the process of managing them. The strategy defines the risk of greenwashing and describes the methods used in the Group to identify, monitor, and mitigate this risk in products and processes. The strategy also addresses the risk of greenwashing in the context of the rights and behaviors of the bank's customers and the impact of new technologies. More details about the regulation can be found in chapter 10.2 "Environmental information (ESRS E1, E4)". Highest-level body responsible for Strategy's implementation is mBank's Management Board.

*(G1 ESD MDR-A) Actions taken to implement the policy assumptions*

Greenwashing Risk Assessment Survey: annually, to precisely identify the risk and plan mitigating actions, an analysis of greenwashing risk for products and processes related to sustainability factors in mBank Group's operations is conducted. The survey includes the identification of greenwashing risk, assessment of its significance level, issuance of appropriate recommendations, and monitoring of their implementation. The overall assessment is presented at the Sustainable Development Committee meeting. Within 12 months of the assessment, the progress of corrective actions is monitored. The progress status is reported at the SDC meeting during the assessment in the following year.

Internal and External Communication: the Department of Communication and Marketing Strategy (DKM) is responsible for both external and internal communication, including in the area of sustainability concerning greenwashing. DKM monitors the media in this area and manages communication in crisis situations, including those related to greenwashing, which may threaten the Group's reputation. The department also participates in reviewing products and transactions for reputational risk, which may be associated with greenwashing risk. DKM is also responsible for maintaining relationships with clients and assessing their behavior to protect the Group from greenwashing risk in the supply chain.

New Product Process: In accordance with mBank's Rules for Introducing New and Modifying Existing Products, every new product and every product modification is assessed for its impact on ESG factors. We conduct this assessment at all stages of the process – from planning to implementation and any subsequent modifications. The impact assessment on sustainability factors is carried out in the dedicated NPP application, which serves also for assessment of other aspects of any product added to bank's offer. This helps us reduce the risk of introducing products into our offer that negatively affect ESG aspects, are not aligned with customer needs, or could harm the bank's reputation.

Trainings: mBank provides training materials on avoiding greenwashing at the product design stage through a dedicated page on the Intranet. The materials include presentations, recordings, and summaries of Q&A sessions. All employees have access to the page.

*(G1 ESD MDR-T) Objectives related to the implementation of policies and activities*

Due to the nature of the area, we are currently treating it in qualitative terms. In adopting this approach, we do not set measurable quantitative goals, meaning targets in the ESRS understanding as well. The main goal of mBank Group related to the implementation of policies and actions is the identification, assessment, and mitigation of greenwashing risk. This goal applies to banking processes and products related to sustainable development, as well as the supervision of third parties engaged by mBank Group. An annual analysis of the materiality of greenwashing risk is conducted as part of the Internal Capital Adequacy Assessment Process (ICAAP). Information is also presented in internal reports, allowing it to be considered in the creation of other risk strategies and business strategies.

## 10.5. Additional information

### (IRO-2) Explanation on the topics below the materiality threshold

Based on the double materiality assessment process, the following topics have been claimed immaterial and in consequence omitted in this disclosure:

- ESRS E2 Pollution
- ESRS E3 Water and marine resources
- ESRS E5 Resource use and circular economy
- ESRS S2 Workers in the value chain
- ESRS S3 Affected communities

**Table: Index of reporting requirements and data points included in this sustainability statement together with references to adequate sections if this disclosure.**

| Reporting requirement | Page | Additional information |
|---|---|---|
| **ESRS 2 General requirements** | | |
| BP-1 – General basis for preparation of sustainability statements | 120 | |
| BP-2 – Disclosures in relation to specific circumstances | 120 | |
| GOV-1 – The role of the administrative, management and supervisory bodies | 129 | |
| GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies | 136 | |
| GOV-3 – Integration of sustainability-related performance in incentive schemes | 140 | |
| GOV-4 – Statement on due diligence | 140 | |
| GOV-5 – Risk management and internal controls over sustainability reporting | 141 | |
| SBM-1 – Strategy, business model and value chain | 120 | |
| SBM-2 – Interests and views of stakeholders | 146 | |
| SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model | 148 | |
| IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities | 143 | |
| IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement | 313 | |

| | | |
|---|---|---|
| **ESRS E1 Climate change** | | |
| E1-1 – Transition plan for climate change mitigation | 234 | |
| E1-2 – Policies related to climate change mitigation and adaptation | 237, 239 | Policies are presented separately in the context of own operations and energy use by mBank Group and in the context of mBank Group's portfolio. |
| E1-3 – Actions and resources in relation to climate change policies | 237, 241 | Actions are presented separately in the context of own operations and energy use by mBank Group and in the context of mBank Group's portfolio. |
| E1-4 – Targets related to climate change mitigation and adaptation | 226 | |
| E1-5 – Energy consumption and mix | 238 | |
| E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions | 229, 248 | |
| E1-7 – GHG removals and GHG mitigation projects financed through carbon credits | 251 | |
| E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities | 251 | |
| **ESRS E4 Biodiversity and ecosystems** | | |
| E4-2 – Policies related to biodiversity and ecosystems | 252 | |
| E4-3 – Actions and resources related to biodiversity and ecosystems | 253 | |
| E4-4 – Targets related to biodiversity and ecosystems | 254 | |
| E4-5 – Impact metrics related to biodiversity and ecosystems change | 254 | |
| E4-6 – Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities | 258 | |
| **ESRS S1 Own workforce** | | |
| S1-1 – Policies related to own workforce | 261, 263, 266, 268, 269, 272, 275, 281 | Policies in scope of own workforce have been presented separately for particular material IROs, therefore signature S1-1 can be found in this document several times. |
| S1-2 – Processes for engaging with own workers and workers' representatives about impacts | 266 | |
| S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns | 263 | |
| S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those action | 264, 266, 268, 269, 273, 276, 281 | Actions determined in scope of own workforce have been presented separately for particular material IROs, therefore signature S1-4 can be found in this document several times. |
| S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities | 274, 280, 283 | Targets set in scope of own workforce have been presented separately for particular material IROs, therefore signature S1-5 can be found in this document several times. |
| S1-6 – Characteristics of the undertaking's employees | 260 | |
| S1-7 – Characteristics of non-employee workers in the undertaking's own workforce | 260 | |
| S1-8 – Collective bargaining coverage and social dialogue | 268 | |
| S1-9 – Diversity metrics | 275 | |
| S1-10 – Adequate wages | 265 | |
| S1-13 – Training and skills development metrics | 280 | |
| S1-15 – Work-life balance metrics | 269 | |
| S1-16 - Remuneration metrics | 265 | |

| | | |
|---|---|---|
| S1-17 – Incidents, complaints and severe human rights impacts | 283 | |
| **ESRS S4 Consumers and end-users** | | |
| S4-1 – Policies related to consumers and end-users | 285, 286, 287, 289, 290, 292, 292, 293, 295, 296 | Policies in scope of consumers an end-users have been presented at the beginning of section ESRS S4 and separately for particular material IROs, therefore signature S4-1 can be found in this document several times. |
| S4-2 – Processes for engaging with consumers and end-users about impacts | 285 | |
| S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns | 286 | Processes to remediate negative impacts and channels for consumers and end-users to raise concerns have been presented separately for particular material IROs, therefore signature S4-3 can be found in this document several times. |
| S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end- users, and effectiveness of those actions | 286, 288, 289, 291, 293, 294, 295, 296 | Actions determined in scope of consumers an end-users have been presented separately for particular material IROs, therefore signature S4-4 can be found in this document several times. |
| S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities | 287, 289, 290, 292, 293, 295, 296 | Targets set in scope of consumers an end-users have been presented separately for particular material IROs, therefore signature S4-5 can be found in this document several times. |
| ESD - Inclusive Banking and Financial Health | 293 | |
| ESD – Customer experience | 292 | |
| ESD - Offer supporting Sustainable Development | 296 | |
| **ESRS G1 Business conduct** | | |
| G1-1 – Corporate culture and Business conduct policies and corporate culture | 297, 298 | Information on business conduct and corporate culture has been presented separately for particular material IROs, therefore signature G1-1 can be found in this document several times. |
| G1-3 – Prevention and detection of corruption and bribery | 302 | |
| G1-4 – Confirmed incidents of corruption or bribery | 307 | |
| ESD - AML | 302 | |
| ESD – Tax transparency | 308 | |
| ESD – Risk management (including greenwashing counteracting) | 311 | |

## Table: Index of all the datapoints that derive from other EU legislation used within the sustainability statement, based on ESRS 2 Appendix B, as follows:

| Disclosure Requirement and related datapoint | SFDR reference [62] | Pillar 3 reference[63] | Benchmark Regulation [64] reference | EU Climate Law[65] reference | Page |
|---|---|---|---|---|---|
| ESRS 2 GOV-1<br>Board's gender diversity paragraph 21 (d) | Indicator number 13 of Table #1 of Annex 1 | | Commission Delegated Regulation (EU) 2020/1816[66], Annex II | | 128 |
| ESRS 2 GOV-1<br>Percentage of board members who are independent paragraph 21 (e) | | | Delegated Regulation (EU) 2020/1816, Annex II | | 128 |
| ESRS 2 GOV-4<br>Statement on due diligence paragraph 30 | Indicator number 10 Table #3 of Annex 1 | | | | 140 |
| ESRS 2 SBM-1<br>Involvement in activities related to fossil fuel activities paragraph 40 (d) i | Indicators number 4 Table #1 of Annex 1 | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453[67] Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk | Delegated Regulation (EU) 2020/1816, Annex II | | Not applicable in line with Efrag Q&A |
| ESRS 2 SBM-1<br>Involvement in activities related to chemical production paragraph 40 (d) ii | Indicator number 9 Table #2 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II | | Not applicable in line with Efrag Q&A |
| ESRS 2 SBM-1<br>Involvement in activities related to controversial weapons paragraph 40 (d) iii | Indicator number 14 Table #1 of Annex 1 | | Delegated Regulation (EU) 2020/1818[68] , Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II | | Not applicable in line with Efrag Q&A |
| ESRS 2 SBM-1<br>Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv | | | Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II | | Not applicable in line with Efrag Q&A |
| ESRS E1-1<br>Transition plan to reach climate neutrality by 2050 paragraph 14 | | | | Regulation (EU) 2021/1119, Article 2(1) | 234 |
| ESRS E1-1<br>Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g) | | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity | Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2 | | 234 |
| ESRS E1-4<br>GHG emission reduction targets paragraph 34 | Indicator number 4 Table #2 of Annex 1 | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change | Delegated Regulation (EU) 2020/1818, Article 6 | | 226 |

[62] Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosures Regulation) (OJ L 317, 9.12.2019, p. 1).
[63] Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176, 27.6.2013, p. 1).
[64] Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).
[65] Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).
[66] Commission Delegated Regulation (EU) 2020/1816 of 17 July 2020supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published (OJ L 406, 3.12.2020, p. 1).
[67] Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social and governance risks (OJ L 324,19.12.2022, p.1.).
[68] Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (OJ L 406, 3.12.2020, p. 17).

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|---|---|---|---|---|---|
| | | transition risk: alignment metrics | | | |
| ESRS E1-5<br>Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38 | Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1 | | | | Not applicable to mBank Group |
| ESRS E1-5<br>Energy consumption and mix paragraph 37 | Indicator number 5 Table #1 of Annex 1 | | | | 238 |
| ESRS E1-5<br>Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43 | Indicator number 6 Table #1 of Annex 1 | | | | Not applicable to mBank Group |
| ESRS E1-6<br>Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44 | Indicators number 1 and 2 Table #1 of Annex 1 | Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity | Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1) | | 229, 248 |
| ESRS E1-6<br>Gross GHG emissions intensity paragraphs 53 to 55 | Indicators number 3 Table #1 of Annex 1 | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics | Delegated Regulation (EU) 2020/1818, Article 8(1) | | 233 |
| ESRS E1-7<br>GHG removals and carbon credits paragraph 56 | | | | Regulation (EU) 2021/1119, Article 2(1) | In scope of this data point, mBank Group applies transition period and does not disclose information for 2024 |
| ESRS E1-9<br>Exposure of the benchmark portfolio to climate-related physical risks paragraph 66 | | | Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II | | In scope of this data point, mBank Group applies transition period and does not disclose information for 2024 |
| ESRS E1-9<br>Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)<br>ESRS E1-9<br>Location of significant assets at material physical risk paragraph 66 (c). | | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk. | | | In scope of this data point, mBank Group applies transition period and does not disclose information for 2024 |
| ESRS E1-9<br>Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c). | | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral | | | In scope of this data point, mBank Group applies transition period and does not disclose information for 2024 |
| ESRS E1-9 | | | Delegated Regulation (EU) 2020/1818, Annex II | | In scope of this data point, mBank Group |

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| Degree of exposure of the portfolio to climate- related opportunities paragraph 69 | | | | | applies transition period and does not disclose information for 2024 |
| ESRS E2-4<br>Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28 | Indicator number 8 Table #1 of Annex 1<br>Indicator number 2 Table #2 of Annex 1<br>Indicator number 1 Table #2 of Annex 1<br>Indicator number 3 Table #2 of Annex 1 | | | | Topic determined not material for mBank Group |
| ESRS E3-1<br>Water and marine resources paragraph 9 | Indicator number 7 Table #2 of Annex 1 | | | | Topic determined not material for mBank Group |
| ESRS E3-1<br>Dedicated policy paragraph 13 | Indicator number 8 Table 2 of Annex 1 | | | | Topic determined not material for mBank Group |
| ESRS E3-1<br>Sustainable oceans and seas paragraph 14 | Indicator number 12 Table #2 of Annex 1 | | | | Topic determined not material for mBank Group |
| ESRS E3-4<br>Total water recycled and reused paragraph 28 (c) | Indicator number 6.2 Table #2 of Annex 1 | | | | Topic determined not material for mBank Group |
| ESRS E3-4<br>Total water consumption in $m^3$ per net revenue on own operations paragraph 29 | Indicator number 6.1 Table #2 of Annex 1 | | | | Topic determined not material for mBank Group |
| ESRS 2- IRO 1 - E4 paragraph 16 (a) i | Indicator number 7 Table #1 of Annex 1 | | | | Topic determined not material for mBank Group |
| ESRS 2- IRO 1 - E4 paragraph 16 (b) | Indicator number 10 Table #2 of Annex 1 | | | | Topic determined not material for mBank Group |
| ESRS 2- IRO 1 - E4 paragraph 16 (c) | Indicator number 14 Table #2 of Annex 1 | | | | Topic determined not material for mBank Group |
| ESRS E4-2<br>Sustainable land / agriculture practices or policies paragraph 24 (b) | Indicator number 11 Table #2 of Annex 1 | | | | 253 |
| ESRS E4-2<br>Sustainable oceans / seas practices or policies paragraph 24 (c) | Indicator number 12 Table #2 of Annex 1 | | | | 253 |
| ESRS E4-2<br>Policies to address deforestation paragraph 24 (d) | Indicator number 15 Table #2 of Annex 1 | | | | 253 |
| ESRS E5-5<br>Non-recycled waste paragraph 37 (d) | Indicator number 13 Table #2 of Annex 1 | | | | Topic determined not material for mBank Group |
| ESRS E5-5<br>Hazardous waste and radioactive waste paragraph 39 | Indicator number 9 Table #1 of Annex 1 | | | | Topic determined not material for mBank Group |
| ESRS 2- SBM3 - S1<br>Risk of incidents of forced labour paragraph 14 (f) | Indicator number 13 Table #3 of Annex I | | | | 259 |
| ESRS 2- SBM3 - S1<br>Risk of incidents of child labour paragraph 14 (g) | Indicator number 12 Table #3 of Annex I | | | | 259 |
| ESRS S1-1<br>Human rights policy commitments paragraph 20 | Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I | | | | 261 |
| ESRS S1-1<br>Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21 | | | Delegated Regulation (EU) 2020/1816, Annex II | | 261 |
| ESRS S1-1<br>processes and measures for preventing trafficking in human beings paragraph 22 | Indicator number 11 Table #3 of Annex I | | | | 261 |
| ESRS S1-1<br>workplace accident prevention policy or management system paragraph 23 | Indicator number 1 Table #3 of Annex I | | | | Topic determined not material for mBank Group |
| ESRS S1-3<br>grievance/complaints handling mechanisms paragraph 32 (c) | Indicator number 5 Table #3 of Annex I | | | | 263 |
| ESRS S1-14<br>Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c) | Indicator number 2 Table #3 of Annex I | | Delegated Regulation (EU) 2020/1816, Annex II | | Topic determined not material for mBank Group |

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| ESRS S1-14<br>Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e) | Indicator number 3 Table #3 of Annex I | | | | Topic determined not material for mBank Group |
| ESRS S1-16<br>Unadjusted gender pay gap paragraph 97 (a) | Indicator number 12 Table #1 of Annex I | | Delegated Regulation (EU) 2020/1816, Annex II | | 265 |
| ESRS S1-16<br>Excessive CEO pay ratio paragraph 97 (b) | Indicator number 8 Table #3 of Annex I | | | | 266 |
| ESRS S1-17<br>Incidents of discrimination paragraph 103 (a) | Indicator number 7 Table #3 of Annex I | | | | 283 |
| ESRS S1-17<br>Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a) | Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I | | Delegated Regulation (EU) 2020/1816, Annex II<br>Delegated Regulation (EU) 2020/1818 Art 12 (1) | | 283 |
| ESRS 2- SBM3 – S2<br>Significant risk of child labour or forced labour in the value chain paragraph 11 (b) | Indicators number 12 and n. 13 Table #3 of Annex I | | | | Topic determined not material for mBank Group |
| ESRS S2-1<br>Human rights policy commitments paragraph 17 | Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1 | | | | Topic determined not material for mBank Group |
| ESRS S2-1<br>Policies related to value chain workers paragraph 18 | Indicator number 11 and n. 4 Table #3 of Annex 1 | | | | Topic determined not material for mBank Group |
| ESRS S2-1<br>Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19 | Indicator number 10 Table #1 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II<br>Delegated Regulation (EU) 2020/1818, Art 12 (1) | | Topic determined not material for mBank Group |
| ESRS S2-1<br>Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19 | | | Delegated Regulation (EU) 2020/1816, Annex II | | Topic determined not material for mBank Group |
| ESRS S2-4<br>Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36 | Indicator number 14 Table #3 of Annex 1 | | | | Topic determined not material for mBank Group |
| ESRS S3-1<br>Human rights policy commitments paragraph 16 | Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1 | | | | Topic determined not material for mBank Group |
| ESRS S3-1<br>non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17 | Indicator number 10 Table #1 Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II<br>Delegated Regulation (EU) 2020/1818, Art 12 (1) | | Topic determined not material for mBank Group |
| ESRS S3-4<br>Human rights issues and incidents paragraph 36 | Indicator number 14 Table #3 of Annex 1 | | | | Topic determined not material for mBank Group |
| ESRS S4-1<br>Policies related to consumers and end-users paragraph 16 | Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1 | | | | 283, 284, 286, 288, 290, 291, 292, 293 |
| ESRS S4-1<br>Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17 | Indicator number 10 Table #1 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II<br>Delegated Regulation (EU) 2020/1818, Art 12 (1) | | 285 |
| ESRS S4-4<br>Human rights issues and incidents paragraph 35 | Indicator number 14 Table #3 of Annex 1 | | | | 285 |
| ESRS G1-1<br>United Nations Convention against Corruption paragraph 10 (b) | Indicator number 15 Table #3 of Annex 1 | | | | 302 |
| ESRS G1-1<br>Protection of whistleblowers paragraph 10 (d) | Indicator number 6 Table #3 of Annex 1 | | | | 298 |
| ESRS G1-4<br>Fines for violation of anticorruption and anti-bribery laws paragraph 24 (a) | Indicator number 17 Table #3 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II) | | 307 |
| ESRS G1-4<br>Standards of anti- corruption and anti-bribery paragraph 24 (b) | Indicator number 16 Table #3 of Annex 1 | | | | 302 |

# 11. Statement of mBank on application of corporate governance principles in 2024

## 11.1. Application of corporate governance principles at mBank

The general principles of corporate governance applicable at mBank, i.e. regulations and procedures determining guidelines regarding the bank authorities' actions, in particular towards stakeholders, arise from statutory regulations, in particular from the Code of Commercial Partnerships and Companies and the Banking Law Act, provisions regulating the operation of the capital market, and rules laid down in the Best Practice for GPW Listed Companies 2021 and the Principles of Corporate Governance for Supervised Institutions.

In addition, Recommendation Z issued by the Polish Financial Supervision Authority (KNF) has been in effect since 2022. Recommendation Z outlines best practice with regard to the principles of corporate governance. Corporate governance covers, in particular, the bank management system, the bank's organisation, principles of operation, powers, duties and responsibility, and mutual relations among the Supervisory Board, the Management Board and key function holders at the bank. mBank implemented the Corporate Governance Policy, which sets out basic principles and best practice for individual areas of corporate governance.

The text of the Best Practice for GPW Listed Companies 2021 is available on the website of the Warsaw Stock Exchange, in the section dedicated to corporate governance of listed companies at https://www.gpw.pl/pub/GPW/files/DPSN2021_EN.pdf.

The Principles of Corporate Governance for Supervised Institutions are available on the website of the Polish Financial Supervision Authority (KNF) at www.knf.gov.pl/en/MARKET/Regulations_and_practice/Practice.

Recommendation Z is available on the KNF's website at https://www.knf.gov.pl/knf/pl/komponenty/img/Rekomendacja_Z_70998.pdf.

Additionally, the bank adopted internal regulations specifying a number of corporate governance principles, e.g. the mBank Ethics Program, mKanon (standard of simple communication), the Model of Values and Behaviours of mBank, the Reputational Risk Management Strategy of mBank Group, the Diversity and Inclusion Policy, the Conflict of Interest Management Policy, the Anti-Corruption Policy, the Policy on Providing Services to Reputation-Sensitive Industries at mBank, the Fraud Prevention Policy and the Employee Misconduct Policy.

### Best Practice for GPW Listed Companies

The Best Practice for GPW Listed Companies 2021 ("DPSN 2021"), which was adopted by way of Resolution of the Exchange Supervisory Board No. 13/1834/2021 dated March 29, 2021, is a collection of corporate governance principles and rules of conduct which affect listed companies' relationships with their market environment. The "comply or explain" approach applies to the rules set out in the Best Practice. Listed companies are obliged to publish valid information about the application of individual rules. Moreover, in the case of an incidental violation of the rules, companies must immediately report it.

The Management Board of mBank exercises due diligence to comply with the Best Practice 2021.

The information on the status of the company's compliance with the principles included in the Best Practice for GPW Listed Companies 2021 is available on the bank's website https://www.mbank.pl/en/about-us/corporate-governance-and-best-practices/.

**As at December 31, 2024, mBank complied with the rules laid down in DPSN 2021, except for rules no. 2.1 and 2.2 on a diversity policy applicable to the bank's bodies.**

### Rule 2.1 of DPSN 2021

Pursuant to rule 2.1 companies should have in place a diversity policy applicable to the management board and the supervisory board, approved by the supervisory board and the general meeting, respectively. The diversity policy defines diversity goals and criteria, among others including gender, education, expertise, age, professional experience, and specifies the target dates and the monitoring systems for such goals. With regard to gender diversity of corporate bodies, the participation of the minority group in each body should be at least 30%.

mBank has in place the Policy for the Assessment of Qualifications (Suitability), Appointment and Dismissal of Members of the Bank's Bodies at mBank S.A. The diversity policy applicable to the company's bodies forms its integral part.

The principle of diversity applied when selecting members of mBank's bodies is based on objective, merit-based criteria in the scope of education, skills and professional experience. Additional criteria supporting diversity of the composition of the bank's bodies are gender and age. The objectives concerning the

diversification of the bank's bodies are taken into account during the candidate selection process only to the extent to which doing so does not impair the operations and suitability of the bank's bodies. When selecting members of the Supervisory Board and the Management Board, the AGM and the Supervisory Board take into account the results of the suitability assessment. They strive to reach gender balance in the composition of the Supervisory Board and the Management Board, or at least a minimum 33% share of gender minority or a level required by the law both in the Management Board and the Supervisory Board by June 30, 2026 at the latest.

Therefore, we meet the first part of the DPSN rule described above. However, the minimum share of gender minority at the level of 30% referred to in rule 2.1 has not been reached yet. As at December 31, 2024, women accounted for 37.5% of the Supervisory Board members and 14.3% of the Management Board members.

In line with the Guidelines of the Corporate Governance Committee on the application of the Best Practice for GPW Listed Companies 2021 of 29 July 2021, "the time horizon for reaching the 30% share of gender minority in a given body should be correlated with the end of the current term of office of the management board or supervisory board".

As we have not met the aforementioned criterion, we have concluded that we do not meet the said DPSN rule.

**Rule 2.2 of DPSN 2021**

Rule 2.2 states that persons making decisions to elect members of the management board or the supervisory board of companies should ensure that the composition of those bodies is diverse by appointing persons ensuring diversity, among others in order to achieve the target minimum participation of the minority group of at least 30%.

The process of determining the composition of mBank's bodies is carried out in a way that allows these bodies of the bank to perform their duties in a professional and correct manner. In line with the Policy for the Assessment of Qualifications (Suitability), Appointment and Dismissal of Members of the Bank's Bodies at mBank S.A., the members of the Supervisory Board and Management Board should have the knowledge, skills and professional experience essential for adequate performance of the tasks. They should guarantee correct performance of their tasks and duties. This applies, in particular, to their reputation, integrity, reliability and independence of judgment as well as ability to perform their tasks and duties in a prudent and stable manner. When nominating candidates, one factors in the criterion of versatility and diversity, including diversity of gender, age or professional experience, under the observance of the principle of equal opportunities.

When selecting members of the Supervisory Board and the Management Board, the AGM and the Supervisory Board take into account the results of the suitability assessment. These bodies will strive to reach, by June 30, 2026, the minimum share of gender minority at the level of 33% or at the level required by the law.

Nevertheless, in line with the interpretation of rule 2.2 presented in the Guidelines of the Corporate Governance Committee of 29 July 2021, it should be assumed that the deadline for the full implementation of the rule may not fall later than the date of selection of members of each body for another term of office. Potential changes in the bodies during the current term of office should also factor in the diversity policy. The bank's Management Board selected for the term of office which began on 28 March 2024 failed to meet the diversity criterion as regards gender minority share. The change in the Management Board that took place in July 2024 did not affect the gender minority share.

Therefore, we take a conservative assumption that we do not comply with rule 2.2.

The Supervisory Board's assessment of the bank's observance of the disclosure obligations defined in the Warsaw Stock Exchange Rules and in regulations on current and periodic reports published by issuers of securities is included in the Supervisory Board's annual reports, which are available on mBank's website.

In accordance with the Commission Recommendation of April 9, 2014 on the quality of corporate governance reporting (2014/208/EU), below we publish a commentary on the application of the principles laid down in the Best Practice for GPW Listed Companies 2021 on the topics of most importance for shareholders.

**Information policy and communication with investors (chapter 1)**

- We pursue a transparent, open, and reliable information policy, which builds mutual trust and loyalty of investors. The information policy regarding communication with investors, media and clients is available on our website at https://www.mbank.pl/pdf/relacje-inwestorskie/pozostale/communication-policy-investors-media-clients.pdf.

- When implementing the information policy, we comply with requirements arising from information confidentiality and security laws, which we must abide by as a public company and a supervised institution.

- On the bank's website (www.mbank.pl), information and documents arising from the guidelines to the Best Practice in relation to rule 1.1 of DPSN 2021 are published, including the following:

  - basic corporate documents, including, in particular, the company's by-laws and the rules of the General Meeting, Supervisory Board, Management Board, and the adopted policies;
  - composition of the Management Board, Supervisory Board and Supervisory Board committees, curricula vitae of the members of these bodies, information on the Supervisory Board members' compliance with the independence criterion (presented in the Report of the Supervisory Board of mBank S.A. on Its Activities for a given year and in the Statement of mBank on application of corporate governance principles);
  - information about incentive programs;
  - the company's selected financial and business data in a format enabling their recipients to process them (data starting from 2006 are available);
  - presentations discussing the results of the Group and the market environment;
  - basic information on the structure of the Group;
  - data on the number of shares issued, shareholding structure, share capital and dividends;
  - recommendations of analysts together with the target share price and the consensus regarding the Group's forecast results for the current and next year;
  - other presentations and information about issues concerning the strategy, the Group's operations and its financial results (Introduction to mBank Group and Factsheet);
  - recordings of quarterly meetings of analysts and investors with the members of mBank's Management Board;
  - calendar with the dates of publication of financial reports, meetings with investors and press conferences and other events that are important from the point of view of investors;
  - questions asked by the company's shareholders together with the company's answers;
  - current and periodic information;
  - information on the application of the principles of corporate governance and information on communication with the company.

  We publish video recordings of General Meetings and information on ratings and the Euro Medium Term Note Program (including prospectuses and presentations for investors in debt instruments).

- Aside from the information published on the company's website, the main means we apply in our information policy with regard to investor relations include:

  - current and periodic reports; the timeline of publication of periodic reports enables investors to familiarise themselves with the financial results of the company as soon as possible after the end of a reporting period;
  - quarterly presentations of financial results for investors and analysts, during which members of the Management Board of the bank comment on financial and business results of the Group, events having an impact on the group's operations and prospects for the future, and answer questions;
  - individual and group meetings, teleconferences and videoconferences of representatives of the Management Board and the Investor Relations team with investors and analysts;
  - contact by phone, email and via Microsoft Teams with analysts and investors, including the Newsletter distributed monthly and other information materials sent when necessary;
  - participation of our representatives in domestic and foreign investor conferences, and cycles of meetings with investors in Poland and abroad (roadshows), especially before debt securities issues.

- On the company's website, we present the Group's strategy assumptions, objectives and actions taken as part of the strategy. The Management Board Reports on Performance of mBank Group provide information on the achievement of the strategy objectives. Our ESG agenda is part of the mBank Group Strategy for 2021–2025. When taking decisions, we factor in climate change issues, including the risks arising from them. The group's actions regarding ESG are described, among others, in the Management Board Report on the Performance of mBank Group and at https://www.mbank.pl/en/about-us/corporate-social-responsibility/what-we-do/.

- We pursue a policy of full transparency regarding sponsorship. We disclose our donations to charity in the Management Board Report on the Performance of mBank Group and the Report of the Supervisory Board on Its Activities.

**Management Board, Supervisory Board (chapter 2)**

- All members of the Management Board and the Supervisory Board have the knowledge, experience and skills required for their functions. Detailed information on their qualifications is presented in the following sections of this statement.
- The position in the managing body constitutes the main area of professional activity of the members of the Management Board. Some members of the Management Board also sit on the supervisory boards of subsidiaries, which contributes to effective operation of the group. The Supervisory Board grants the members of the Management Board consent to sitting on management or supervisory boards of companies from outside mBank Group.
- The members of the Supervisory Board devote the necessary amount of time to performing their duties. In the event of the resignation of a member of the Supervisory Board, its composition is supplemented so that the Board can work in its full composition
- The diversity policy applicable to the Management Board and the Supervisory Board of the bank aims to diversify the compositions of the Management Board and the Supervisory Board in terms of their members' traits and qualifications. We reported the non-compliance with rules 2.1 and 2.2.
- We comply with the DPSN 2021 rules pertaining to the manner in which the Management Board and the Supervisory Board vote. Each year, the Supervisory Board prepares a report on its operations containing information included in rule 2.11 of DPSN and submits it to the General Meeting.

  More information on the qualifications of the members of the Management Board and the Supervisory Board can be found in the following sections of this statement.

**Internal systems and functions (chapter 3)**

- We maintain effective internal control, risk management, and compliance systems. Tasks within the individual systems are performed by designated organisational units. The Management Board is responsible for the implementation, maintenance, and effectiveness of internal control, risk management, and compliance systems. The Supervisory Board monitors the effectiveness of these systems.
- The internal audit operates independently, in line with the generally applicable international standards for the professional practice of internal auditing. The Internal Audit Department is organisationally and functionally supervised by the President of the Management Board and the Audit Committee of the Supervisory Board, respectively.
- The risk area is managed by a Vice-President of the Management Board, while the director of the Compliance Department reports to the Vice-President of the Management Board, Chief People & Regulatory Officer.
- The remuneration of persons responsible for risk management and compliance and of the internal audit head depends on the performance of the tasks assigned to them. It does not depend on the Group's financial results.
- The Audit Committee of the Supervisory Board reviews and monitors the financial reporting process and operational effectiveness of the internal control system, including the operation of internal audit and compliance.
- Key group subsidiaries comply with the DPSN 2021 rules regarding remuneration and reporting lines of persons responsible for risk management, compliance and internal audit.

**General Meetings, shareholder relations (chapter 4)**

- When setting the date of the Annual General Meeting, we take account of the statutory time limits and try to convene the meeting as soon as possible after the release of the annual report. In 2024,

it took place 27 days after the release of the 2023 annual report. We enable the shareholders to participate in General Meetings by means of electronic communication and we broadcast them.

- Draft resolutions of the General Meeting pertaining to matters and decisions other than organisational ones contain a justification and an opinion of the Supervisory Board. The bank strives to ensure that draft resolutions are submitted at three days before a General Meeting at the latest.
- The members of the Management Board and the Supervisory Board take part in the General Meetings. The Management Board presents matters included in rule 4.11 of DPSN to the meeting participants and answers shareholders' questions.
- If the General Meeting is to discuss the appointment of new Supervisory Board members or the appointment of the Supervisory Board for a new term of office, candidates are nominated, at the latest, three days before the General Meeting, and the complete documentation is published on the company's website.
- In accordance with mBank Group's strategy, our objective, as reflected in the multi-year plan, is to pay dividend at the level of 50% of net profit. At the same time, the dividend policy ensures the maintenance of the bank's and group's capital ratios at safe levels. The bank paid the last dividend from profit for 2017. For the years 2018 - 2023, the dividend was not paid out as recommended by the Polish Financial Supervision Authority. The recommendation of the Management Board and the Supervisory Board not to pay the dividend from profit for 2024 results from the company's intention to strengthen its capital base in order to ensure the further development, especially with respect to increase in lending. In the long term, this will bring tangible benefits to the shareholders.

**Conflicts of interest, related party transactions (chapter 5)**

- mBank has in place transparent procedures for preventing conflicts of interest and identifying cases which may constitute conflicts of interest and governing the company's conduct in the case where such a conflict occurs. The Conflict of Interest Management Policy governs, in particular, combating and managing conflicts of interests: 1) between the bank and a client or clients, 2) between a client or clients and a member of the Supervisory Board, the Management Board, an employee and an associate, 3) a member of the Supervisory Board, the Management Board, an employee and an associate and the bank.
- Members of the company's bodies undertake to abstain from professional and non-professional activities which may result in a conflict of interest. The Rules of the Management Board include provisions on avoiding conflicts of interest and specify under which circumstances the members of the Management Board should be excluded from the decision-making process in the case of a conflict of interest.
- In accordance with the Rules of the Supervisory Board, its members do not engage in activities which could give rise to a conflict of interest or negatively affect their reputation as Supervisory Board members.
- The bank applies the principle of equal treatment of clients and suppliers of the group. No shareholder of the bank is privileged in related party transactions. Related party transactions are executed on the basis of the applicable internal regulations and in line with market standards.
- The Supervisory Board issues opinions concerning related party transactions if the planned total value of a single transaction exceeds 20% of the bank's own funds.

**Remuneration (chapter 6)**

- mBank Group has in place transparent, consistent, and fair remuneration rules. They encourage correct and effective risk management and discourage taking excessive risk.
- Remuneration of the members of the Management Board includes a fixed and a variable part. The Group has an incentive program compliant with DPSN 2021.
- The Supervisory Board of mBank has appointed a Remuneration and Nomination Committee.

- Remuneration is adequate to the tasks and duties of a given person and the related scope of responsibility.
- In the case of the Supervisory Board, the remuneration level makes it possible to select persons with competences needed to supervise the company. Remuneration of members of the Supervisory Board does not depend on options, derivative instruments, or other variable components and is not tied to the company's performance and the number of meetings held.

More information on the rules of remunerating the members of the Management Board and the Supervisory Board and on the competences of the Remuneration and Nomination Committee can be found in the following sections of this statement.

**Principles of Corporate Governance for Supervised Institutions**

The Principles of Corporate Governance for Supervised Institutions cover relations with shareholders and clients, organisational structure, issues pertaining to ensuring an effective and efficient internal control system, as well as the risks existing in the operations of supervised institutions.

**The bank departed from the application of the principles of corporate governance set out in the provisions of Article 16 (1) and Article 24 (1) of the Principles of Corporate Governance for Supervised Institutions.**

A declaration on the scope of application of the Principles of Corporate Governance for Supervised Institutions at mBank S.A. approved by the Management Board and adopted by way of Resolution no. 162/21 of the Supervisory Board of mBank S.A. of December 3, 2021 is available on the bank's website at https://www.mbank.pl/en/about-us/corporate-governance-and-best-practices/. The declaration confirms the above-mentioned departures from the application of the principles of corporate governance.

Pursuant to Article 16 (1), it is proper that meetings of a management body shall be held in Polish. If necessary, an interpreter shall assist.

In this case, the company believes that a departure is justified. All members of the Management Board speak fluent English. Communication without an interpreter is more efficient. In some circumstances, the participation of an interpreter could make discussions at Management Board meetings more difficult or prolonged due to the complex nature of issues under discussion as well as the use of specialised language. Furthermore, given that during their meetings the members of the Management Board discuss information that constitutes business secret, it is important to limit to the bare minimum the participation of non-members of the Management Board in its meetings. At the same time, most of the members of the Management Board speak Polish, which means that the bank can be represented whenever participation of the members of the Management Board is required, including communication in Polish without an interpreter. Minutes of Management Board meetings, as well as resolutions of mBank's Management Board, are prepared in two language versions, which ensures compliance with provisions of Article 16 (2) of the Principles of Corporate Governance for Supervised Institutions.

Pursuant to Article 24 (1), it is proper that meetings of a supervisory body shall be held in Polish. If necessary, an interpreter shall assist.

The justification of the departure from this principle is similar to that applicable to the rule stipulated in Article 16 (1). The members of the Supervisory Board of mBank speak fluent English. Holding discussions and taking decisions without an interpreter is more efficient and more secure when discussing issues being business secrets. Minutes of the meetings and all resolutions adopted by the Supervisory Board are prepared in two language versions, Polish and English. This means that we comply with the principle laid down in Article 24 (2) of the Principles of Corporate Governance for Supervised Institutions.

The stance of shareholders as regards the Principles of Corporate Governance for Supervised Institutions was presented in resolution no. 31 of the 28th Annual General Meeting of mBank S.A. of March 30, 2015. In the above resolution, the shareholders undertook:

- to participate in the performance of the statutory objectives of mBank, ensuring security of its operations and with its interest in mind;
- not to violate the competences of other statutory bodies of mBank;
- to immediately solve any potential conflicts between shareholders to prevent infringing the interest of mBank and its clients;

- not to make decisions resulting in transferring assets from mBank to other entities, and in acquisition or alienation of or in conclusion of other transactions leading to mBank disposing of its assets under conditions other than market conditions or posing a threat to the security or interest of mBank; personal rights will be granted to the given shareholder or shareholders when justified on the grounds of achieving significant objectives of mBank and not causing hindrance to proper functioning of the bodies of mBank or discrimination against other shareholders and reflected in the By-laws of mBank;
- to provide, if needed, additional capital or grant financial support to the bank to the extent to which it is possible and compliant with their authorisations, whereas it will only take place after an analysis of the entirety of reasons which led to such a necessity; the shareholders will consider the possibility of providing support from the point of view of their financial situation, provisions of law and supervisory regulations which the shareholders being regulated entities are bound to respect and considering the best interest of mBank and its clients;
- to make decisions with regard to dividend payment conditional upon the need to maintain an appropriate level of equity and the achievement of strategic objectives of mBank and to take into consideration general and individual recommendations issued by the supervisory authorities; and
- to follow the recommendations of the KNF regarding the election of the members of the Supervisory Board.

Below we present the key aspects of applying the Principles of Corporate Governance for Supervised Institutions.

**Organisation and organisational structure (chapter 1)**

- The organisation enables the achievement of long-term objectives of the conducted business. Strategic objectives are set forth in the strategy adopted by the Management Board and approved by the Supervisory Board.
- The bank's organisational structure is transparent and adequate to the scale of its business. The Supervisory Board regularly approves changes to the organisational structure and the division of competences between the members of the Management Board and the Managing Directors. The bank's organisational structure and division of competences between members of the Management Board are available on mBank's website at https://www.mbank.pl/en/about-us/bank-authorities/.
- The bank complies with legal regulations and follows guidelines and recommendations of supervisory authorities and regulators. It has specialised units supporting legal compliance and monitoring the observance of these obligations and guidelines.
- The bank has in place a whistleblowing system (mSygnał) ensuring anonymity, protection of the whistleblower and confidentiality.
- The bank has in place business continuity plans. The Business Continuity Management Policy of mBank S.A. is approved by the Supervisory Board.

**Relations with shareholders of the supervised institution (chapter 2)**

- The bank takes into account the interests of all shareholders, ensures that they have access to information and the ability to actively participate in the General Meetings with the use of electronic means of communication.
- Shareholders are allowed to influence the operation of the bank only through the decisions of the General Meeting, without infringing on the competences of other bodies.
- The shareholders of the bank do not have personal rights or any other special rights. Each share of mBank carries one voting right at the General Meeting.
- In accordance with the law, related party transactions are concluded under internal regulations guaranteeing transparency and compliance with market standards.

- Decisions on dividend payouts depend on the need to maintain an appropriate level of equity and the achievement of strategic objectives, taking into account general and individual recommendations issued by the KNF.

**Managing body (chapter 3)**

- The Management Board of mBank is a collegial body. Its members have the required expert knowledge, competences, professional experience and reputation adequate to perform the functions vested in them.
- Five members of the seven-member Management Board, including the President, hold Polish citizenship and speak Polish. Management Board meetings are held in English (departure from the rule described in Article 16 (1)).
- The members of the Management Board are jointly responsible for the decisions that fall within the Management Board's area of competence, regardless of the internal division of responsibility for individual areas. The division of powers is adopted by the Management Board and approved the Supervisory Board of the bank.
- The bank has in place a succession plan for members of the Management Board approved by the Supervisory Board.

**Supervisory body (chapter 4)**

- The members of the Supervisory Board complement one another's knowledge, experience and skills in a way ensuring due supervision over all areas of the bank's operation.
- The members of the Supervisory Board do not carry out any professional or non-professional activity that could lead to conflicts of interest.
- The eight-member composition of the Supervisory Board is adequate for the nature and scale of the bank's operations. The independence criteria are met by 50% of the composition of the Supervisory Board, including the Chairwoman of the Supervisory Board and the Chairman of the Audit Committee.
- The Supervisory Board has an adequate number of members who speak Polish (four out of eight members) and have experience in and knowledge of the Polish financial market. Meetings are held in English (departure from the rule described in Article 24 (1)).
- The Supervisory Board members show the required level of commitment, which is reflected in, among others, high attendance at the Supervisory Board meetings.
- The Supervisory Board makes an annual assessment of the application of the Principles of Corporate Governance for Supervised Institutions, which is included in the Report of the Supervisory Board of mBank S.A. on Its Activities.

**Remuneration Policy (chapter 5)**

- We have in place a transparent policy on remunerating the members of the Management Board, the Supervisory Board and the persons holding key functions at the bank.
- The Remuneration Policy is adopted by the General Meeting at least once every four years. At least once a year, the Supervisory Board carries out an in-depth review of the Remuneration Policy and assesses its implementation.
- The Supervisory Board supervises the Remuneration Policy, which includes a verification of compliance with its criteria and conditions justifying the award of variable remuneration components to the Management Board.
- Remuneration of the Management Board members and the Supervisory Board members is determined, respectively, by the Supervisory Board and the General Meeting.

- The members of the Management Board of mBank do not receive remuneration for performing the functions of members of the supervisory boards of other companies to which they were appointed by the bank.

**Information policy (chapter 6)**

- We meet all the criteria for transparent and reliable information policy that factors in the needs of shareholders, the media and clients.
- We ensure that current and periodic reports are published within the deadlines required by the applicable laws, and that their content enables investors to assess the bank's operations.

**Promotion and client relations (chapter 7)**

- In the process of offering financial products and services we strive to ensure reliability of the information provided to clients.
- The financial products and services offered by the bank are adequate to the needs of clients to whom they are addressed.
- We have in place publicly available, transparent rules for handling claims and complaints, guaranteeing fairness, thoroughness, impartiality and compliance with the law and the principles of fair trade and good conduct. The Supervisory Board monitors these processes on an ongoing basis.

**Key internal systems and functions (chapter 8)**

- The Internal Control System was developed and implemented by the Management Board and is subject to assessment by the Supervisory Board. The independence of the internal audit function and the compliance unit is guaranteed.
- We have in place an adequate and effective risk management system, which comprises, among others, identification, measurement, estimation and monitoring of risk and application of mechanisms controlling and mitigating the risk level.

**Exercising rights arising from assets purchased at clients' risk (chapter 9)**

- By purchasing assets at a client's risk, the bank (the Brokerage Bureau of mBank) acts in the client's interest, executes their order in line with the regulations and the general terms of service in force. The decision-making process is duly documented.

**Recommendation Z**

In accordance with Recommendation Z, the Management Board of the bank is responsible for introducing internal governance at the bank and ensuring that it is complied with, and for conducting periodic assessments and verifications aimed at adapting the bank's internal governance to changes occurring inside the bank and in its environment.

In the opinion of the Management Board of mBank, the bank's internal regulations comply with external requirements, while the bank's corporate governance is organised properly. The assessment of the adequacy of internal regulations governing the operation of the Management Board and the self-assessment of the effectiveness of the Management Board are provided later on in the Statement.

The Supervisory Board assesses corporate governance. The result of this assessment is presented in the Report of the Supervisory Board on Its Activities for a given year.

**Ethical principles applicable at mBank**

Code of Banking Ethics

Apart from the corporate governance principles, we comply with the best banking industry practices developed by the Polish Bank Association (ZBP). The Code of Banking Ethics is a set of principles referring to banks, their employees, and persons acting as intermediaries in banking activities. The Code of Banking Ethics is available on the website of the Polish Bank Association: https://zbp.pl/dla-bankow/prawo-i-legislacja/Komisja-Etyki-Bankowej.

Code of Conduct

The bank's employees apply the "Code of Conduct" defining standards of conduct between the bank's employees and business partners in order to build mutual trust. The guidelines related to behaviour include, among others, being guided by mBank's values, creating a sustainable corporate culture, corporate social responsibility, pursuing a responsible credit policy, treating relationships with clients in a responsible way, honesty in business relationships, applying established standards in relationships with clients and in internal relationships, avoiding conflicts of interest, responsible use of social media and simplifying communication.

mBank Ethics Program

The program lays down the basic guidelines that help us build an ethical business culture and meet the obligations and aspirations outlined in the ESG strategy. All policies, products, services and procedures must incorporate ethical aspects. This also applies to how we offer products to clients and to our relationships with clients.

Anti-Corruption Policy - Issues related to lobbying activities

mBank's approach to the issue of lobbying and political influence is included in the Anti-Corruption Policy. We carry out our activities, including relations with state bodies and government institutions, in accordance with applicable laws and ethical values adopted in our organization. We maintain political neutrality and do not make donations to political parties. We avoid any activities that exert an improper influence on political activists or may create a conflict of interest. We do not conduct lobbying activities.

## 11.2. Internal control and risk management systems in the process of preparing financial statements of mBank

mBank's internal control system supports bank management by ensuring efficiency and effectiveness of the bank's operations, reliability of financial reporting, compliance with risk management rules of the bank, as well as compliance of the bank's operation with law, internal regulations and market standards.

The risk management system and the internal control system in place at the bank are based on three independent lines of defence:

The first line of defence is comprised of risk management in the operations of the bank performed by the bank's business units and units supporting them directly



The second line of defence is comprised at least of risk management by designated organisational units and/or designated employees of organisational units, which takes place independently of the risk management in the first line of defence, and the operations of the Compliance Department;



The third line of defence is comprised of the Internal Audit Department, which is responsible for an independent evaluation of the adequacy and effectiveness of the risk management system and the internal control system in the first and second line of defence.

The Management Board of the bank designs, implements and ensures in all organisational units of the bank an adequate and effective internal control system as part of the three lines of defence. It approves the criteria for determining material processes and the list of material processes. It establishes the rules for designing, approving and implementing control mechanisms in all processes operating at the bank, rules for independent monitoring of compliance with control mechanisms, and ensures the operation of the control function matrix.

The Supervisory Board exercises supervision of the implementation and operation of an adequate and effective internal control system, approves the rules of evaluation of the adequacy and effectiveness of the internal control system, and evaluates its effectiveness on an annual basis. The Supervisory Board approves the mBank S.A. Compliance Policy, the Compliance Department Rules and the Audit Charter submitted by the Management Board. The Audit Committee of the Supervisory Board plays a special role in that it monitors the adequacy and effectiveness of the internal control system and issues opinions in this regard based on information and reports provided by the statutory auditor, Integrated Risk Management Department, Compliance Department and Internal Audit Department.

The control function, designed to ensure the observance of control mechanisms, is performed on an ongoing and systematic basis by employees of all organisational levels and all lines of defence, according to their respective authorisations, as part of the operating activity. In all three lines of defence, mBank's employees apply control mechanisms or independently monitor the observance of control mechanisms.

The process of preparing financial data for reporting is automated and based on the accounting data of the bank. Preparation of data in source systems is subject to formalised operational and acceptance procedures. Creating a collection of accounting balances on the basis of the system of general ledgers of the bank takes place within a process covering respective internal mechanisms and controls. The mechanisms consist, among others, in verification and reconciliation of reporting data with books of accounts, sub-ledger accounts, and other documents on the basis of which financial statements are drawn up, as well as with the applicable legal provisions pertaining to accounting principles and the preparation of financial statements.

The processing of data for financial reporting purposes is strictly governed by control mechanisms which test the correctness and reliability of data. Manual adjustments, including those arising from management decisions, are subject to special controls.

We continuously monitor changes in the law and external regulations related to the preparation of financial statements, update internal regulations on an ongoing basis and adjust our IT systems where necessary.

We have implemented mechanisms which effectively ensure the security of IT systems in the process of monitoring the operational risk which occurs in the preparation of financial statements at the bank. The IT systems used in the process are cyclically analysed and tested in terms of compliance with the IT architecture requirements and cybersecurity, and thoroughly controlled in terms of integrity and data security. We have in place a business continuity plan which covers also the IT systems used in the process of preparing financial statements. Financial statements of mBank and the group are prepared by the Financial Reporting Department. The basis for drawing up the consolidated financial statement of the group are the financial statements of the bank and the subsidiaries subject to consolidation, as well as additional information prepared by these subsidiaries that is necessary in the consolidation process. With respect to descriptive information concerning risk management at the bank and in the group contained in financial statements, the Financial Reporting Department cooperates with organisational units from the Risk Management Area.

The Financial Reporting Department monitors the reporting packages prepared by the subsidiaries in terms of their correctness, completeness and coherence of data. The Accounting Department controls the coherence and completeness of the bank's books of accounts and manages the model chart of accounts. Both departments report to the Vice-President of the Management Board, Chief Financial Officer. To ensure the completeness of the disclosures required under IFRS in the annual and semi-annual financial statements, the Financial Reporting Department draws up a disclosure checklist based on the applicable standards.

Upon their verification, financial statements are submitted for approval to the Management Board of mBank by the Financial Reporting Department. The statements are approved by all members of the Management Board of the bank with the use of qualified electronic signatures.

The Audit Committee of the Supervisory Board receives quarterly financial statements before they are published. After consultations with the bank's external auditor and the members of the Management Board of the bank, the Audit Committee forwards a recommendation on whether the Supervisory Board should approve or reject the annual financial statements.

The standalone and consolidated annual and semi-annual financial statements of mBank are subject to an independent audit and review by a statutory auditor, respectively. The selection of the statutory auditor of the bank and the group requires a resolution of the General Meeting. The Audit Committee of the Supervisory Board issues an opinion on the selection of the statutory auditor.

The procedures of cooperation of mBank and the external auditor ensure that all the important issues related to the recognition of economic events in the books and in the financial statements are consulted on an ongoing basis.

The aspiration to ensure the highest standards of financial statements is reflected in the high quality of mBank's reporting. In the "Best Annual Report 2023" contest organised by the Institute of Accountancy and Taxes (IRiP), the results of which were announced in October 2024, for the twelfth time in a row we won the title "Best of the Best" for the best annual report in the category of financial institutions for the twelfth time in a row.

**Information on the entity authorised to audit financial statements**

We abide by the principle regarding the rotation of statutory auditors.

In accordance with Resolution No. 33 of the 37th Annual General Meeting of mBank held on March 27, 2024, KPMG Audyt Spółka z ograniczoną odpowiedzialnością spółka komandytowa is authorised to audit the financial statements of the bank and the consolidated financial statements of mBank Group for the years 2024–2025. KPMG also conducted audits of standalone and consolidated financial statements of mBank for the years 2022–2023. The bank's and mBank Group's financial statements for the years 2018-2021 were audited by Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością spółka komandytowa.

**Remuneration of the auditor**

The total value of remuneration paid to KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k. in 2024 for auditing and reviewing the financial statements and the consolidated financial statements of mBank S.A. amounted to PLN 4,257,000 gross.

The total value of other remuneration paid to KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k. in 2024 for providing other services to mBank S.A. amounted to PLN 2,333,000 gross.

## 11.3. Significant blocks of shares

As at December 31, 2024, mBank's share capital amounted to PLN 169,987,892 divided into 42,496,973 shares, including 42,485,973 ordinary bearer shares and 11,000 ordinary registered shares with a nominal value of PLN 4 each. Commerzbank AG is our majority shareholder.

As at the end of 2024, Commerzbank directly held 29,352,897 mBank shares. In 2024, the number of shares held by Commerzbank did not change; however, following the admission to trading of shares issued in connection with the implementation of the incentive programs, Commerzbank's stake was slightly reduced. At the end of 2024, Commerzbank held 69.07% of mBank's share capital and votes at the General Meeting (compared with 69.12% at the end of 2022).

30.93% of mBank shares were in free float. These shares are held by institutional investors, in particular Polish pension funds and Polish and foreign investment funds, as well as individual investors. As at December 31, 2024, aside from Commerzbank AG, only Nationale-Nederlanden Otwarty Fundusz Emerytalny ("NN OFE") exceeded the 5% threshold of shares and votes at the General Meeting.

On March 21, 2024, Nationale-Nederlanden PTE S.A. notified mBank that Nationale-Nederlanden Otwarty Fundusz Emerytalny's share in share capital and the total number of votes at the General Meeting of mBank S.A. increased to 5.0154%. The accounts of the funds managed by Nationale-Nederlanden PTE S.A. held shares constituting 5.1829% of shares and votes at the General Meeting of mBank.

In accordance with the lists of shares of WSE-listed companies held in funds' portfolios as at December 31, 2024 published by open-end pension funds, open-end pension funds jointly held 19.2% of mBank shares (compared with 18.4% at the end of 2023).

The biggest shareholders of mBank among open-end pension funds as at December 31, 2024 were:

- Nationale-Nederlanden OFE – 5.06% (vs 4.72% at the end of 2023),
- OFE Allianz Polska OFE – 4.82% (vs 4.82% at the end of 2023),
- PZU OFE "Złota Jesień" – 3.51% (vs 3.51% the year before),
- Generali OFE – 1.80% (vs 1.80% the year before),
- Vienna OFE – 1.50% (vs 1.50% the year before),
- OFE Uniqa – 1.12% (vs 1.12% the year before).
- PKO BP Bankowy OFE – 1.09% (vs.0.66% the year ago).

The remaining shareholders held less than 1.00% of the number of shares and share capital of mBank.

| mBank shareholders | Status as at December 31, 2024 | | As at 31.12.2023 | |
|---|---|---|---|---|
| | Number of shares | % share in the total number of shares and votes | Number of shares | % share in the total number of shares and votes |
| Commerzbank AG | 29,352,897 | 69.07% | 29,352,897 | 69.12% |
| Other shareholders [1)] | 13,144,076 | 30.93% | 13,112,270 | 30.88% |
| **Total** | **42,496,973** | **100.00%** | **42,465,167** | **100.00%** |

[1)] including NN OFE: 5.06% as at December 31, 2024 and 4.72% as at December 31, 2023

mBank shares are included in the following indices: WIG, WIG-Poland, WIG20, WIG20TR, WIG30, WIG30TR, mWIG40, mWIG40TR, WIG-Banki, CEEplus and MSCI Poland.

Rights and limitations with respect to the issuer's securities

Each share carries one voting right at the General Meeting. There are no preferred shares. The rights and obligations related to mBank's shares arise from generally applicable laws, in particular the provisions of the Code of Commercial Partnerships and Companies. The control rights of Commerzbank AG as the parent entity of mBank arise from the number of shares held, their percentage share in the share capital and in the number of votes at the General Meeting of mBank.

The By-laws of mBank do not impose any limitations on the exercise of the voting right. There are no provisions separating the equity rights attached to securities from the holding of securities. Furthermore, there are no limitations on transferring the ownership right to securities issued by the bank.

**Information on the majority shareholder**

Our majority shareholder, Commerzbank AG founded in 1870, is a leading German bank for medium-sized enterprises and a strong partner for approx. 24,000 corporate client groups. With more than EUR 400 billion assets under management, Commerzbank is also one of the leading banks for private and small-business customers in Germany. Two business segments: the Private and Small Business Customers Segment and the Corporate Clients Segment offer a comprehensive range of financial services. Commerzbank transacts approx. 30% of German foreign trade and is present internationally in more than 40 countries in the corporate clients' business. The bank focuses on German medium-sized enterprises (Mittelstand), large corporations and institutional clients.

As part of its international activity, Commerzbank serves clients having business relationship to Germany, Austria or Switzerland and companies operating in selected future-oriented industries. In the Private and Small Business Customers Segment, the bank provides online and mobile banking services under two brands (Commerzbank and comdirect), via an advisory centre and directly in branches.

## 11.4. Principles of appointing and dismissing Management Board members

In accordance with the By-laws of mBank, the Management Board is appointed for a five-year term of office. The term of office is calculated in financial years. The mandate of a member of the Management Board expires at the latest on the day of the General Meeting that approves the financial statements for the last full financial year of the term of that Management Board member. The mandate of a member of the Management Board also expires if the member dies, resigns from his or her position, or is dismissed.

Members of the Management Board should possess adequate knowledge, skills and experience to carry out their functions and perform their duties and should guarantee proper performance of these duties. At least half of the members of the Management Board, including the President of the Management Board, must hold Polish citizenship, be habitually resident in Poland, speak Polish, and have experience on the Polish market which can be used while managing the bank.

The President of the Management Board and other members of the Management Board are appointed and dismissed by the Supervisory Board, which acts pursuant to the Banking Law and considers whether they are adequately qualified to carry out their functions. The appointment as the President of the Management Board and the member of the Management Board acting in the capacity of Chief Risk Officer requires consent of the KNF. The candidates for Management Board members are nominated by the Remuneration and Nomination Committee. When inviting nominations, the Committee takes into account the criteria set out in the Suitability Policy of mBank, including the diversity criterion.

The bank has in place a succession process in the event of vacancies in the Management Board member positions.

In accordance with the Code of Commercial Partnerships and Companies, a member of the Management Board may also be dismissed or suspended by the General Meeting.

## 11.5. Rules for amending the company's By-laws

Amendments to the By-laws of mBank require adoption of a resolution by the General Meeting of mBank and registration of the adopted amendment in the National Court Register. Before the General Meeting of mBank is presented with a draft resolution concerning amendment to the By-laws, the Management Board of mBank adopts a resolution on the proposed amendment by approving the draft resolution of the General Meeting. The draft is then presented to the Supervisory Board for approval.

Under Article 34 (2) of the Banking Law Act of August 29, 1997, amendments to the bank's By-laws require consent of the KNF.

**Amendments to mBank's By-laws in 2024**

The 37th Annual General Meeting of mBank held on March 27, 2024 passed Resolutions No. 24 and 34 on Amendments to the By-laws of mBank. The amendments concerned, in particular:

- authorisation of the Management Board of mBank to increase the share capital within the limits of the authorised share capital without the option for the Management Board to exclude the pre-emptive right of the existing shareholders of mBank S.A. in whole or in part;
- update of the list of banking activities;
- addition of the bank's right to issue contingent convertible bonds within the meaning of Article 27a of the Act of 15 January 2015 on Bonds;
- removal from the By-laws of the list of Supervisory Board committees and the tasks of these committees;
- modification of the scope of responsibilities of the President of the Management Board;
- increase in the bank's share capital resulting from the implementation of incentive programs for the Management Board members and employees of mBank.

On April 9, 2024, the District Court for the Capital City of Warsaw, 13th Commercial Division of the National Court Register, registered the amendments to the By-laws of mBank arising from Resolution No. 24, and on June 19, 2024 the amendments arising from Resolution No. 34 adopted by the 37th Annual General Meeting of mBank.

## 11.6. Procedures and powers of the General Meeting

The General Meeting is convened pursuant to the provisions of the Code of Commercial Partnerships and Companies, mBank's By-laws, and the Standing Rules of the General Meeting. Both the By-laws and the Standing Rules of the General Meeting are available on mBank's website: (https://www.mbank.pl/en/about-us/corporate-governance-and-best-practices/).

The General Meeting convened by the Management Board under the ordinary procedure is held once a year, not later than in June. The Supervisory Board may convene an Annual General Meeting if the Management Board does not convene it within the time limit set out in the By-laws and an Extraordinary General Meeting if the Supervisory Board considers it necessary. In addition, under specific circumstances, the shareholders have the right to convene a General Meeting or to request for a General Meeting to be convened.

Shareholders may participate in the General Meeting and exercise their voting rights either in person or by proxies. One proxy may represent more than one shareholder.

Subject to the cases specified in the Code of Commercial Partnerships and Companies, the General Meeting is valid regardless of the number of shares represented at it.

All matters submitted to the General Meeting are previously submitted to the Supervisory Board for consideration.

Subject to specific exceptions, resolutions of the General Meeting are passed in an open ballot by a simple majority of votes, unless the Code of Commercial Partnerships and Companies or mBank's By-laws impose a stricter requirement for the passing of resolutions on specific issues. A secret ballot is required in the case of elections and motions to dismiss members of the bank's authorities or liquidators, motions to call members of the bank's authorities or liquidators to account, and motions concerning personal issues. In addition, a secret ballot is required if requested by at least one shareholder present or represented at the General Meeting and in other cases defined in the applicable laws.

Voting takes place with the use of a computer system, which also counts the votes. Shareholders have the option to participate in the General Meeting with the use of electronic means of communication. A shareholder or their proxy participating in the General Meeting with the use of the means of electronic communication has the same rights to voice their opinion, propose motions, submit draft resolutions, vote and raise objections to adopted resolutions as a shareholder or their proxy physically present in the room where the General Meeting is held.

The following matters require a resolution of the General Meeting (in addition to other matters set out in the Code of Commercial Partnerships and Companies):

- examination and approval of the Management Board Report on Performance of mBank Group and financial statements for the past financial year;
- adoption of resolutions on the distribution of profits or coverage of losses;
- vote of discharge of duties for members of the bank's authorities;
- appointment and dismissal of members of the Supervisory Board;
- amendment of the By-laws;
- increase or reduction of the bank's share capital;
- adoption of resolutions on the cancellation of shares and, in particular, on the adoption of share cancellation rules which are not set out in the By-laws;
- creation and winding up of special purpose funds;
- issue of convertible bonds or bonds with pre-emptive rights;
- establishment of the remuneration rules applicable to members of the Supervisory Board;
- liquidation of the bank or its merger with another bank;
- appointment of liquidators;
- matters submitted by the Supervisory Board;
- matters submitted by the shareholders in accordance with the By-laws;
- selection of an entity authorised to audit financial statements as a statutory auditor of the bank.

The General Meetings take place in the bank's headquarters in Warsaw and are broadcast online. The General Meetings may be attended by media representatives.

**Shareholders' rights**

Shareholders have the right to participate in the profit reported in the audited financial statements and allocated by the General Meeting to be paid to the shareholders.

The shareholders representing at least half of the share capital or at least half of the total number of votes in the company may convene an Extraordinary General Meeting and appoint the chairperson of the meeting. A shareholder / shareholders representing at least one-twentieth of the share capital may request that the Management Board convene an Extraordinary General Meeting and that specific items be put on the agenda for the meeting. A request for convening an Extraordinary General Meeting submitted in writing or electronically should contain proposals of:

a) the General Meeting agenda,

b) draft resolutions along with the justification for those resolutions.

Only the persons who have been shareholders of the bank for sixteen days before the date of the General Meeting (GM registration date) have the right to participate in the General Meeting. A shareholder / shareholders of the bank representing at least one-twentieth of the share capital may request that specific

items be put on the agenda for the Annual General Meeting. The request should be submitted to the Management Board of the bank not later than twenty-one days prior to the date of the Annual General Meeting.

Shareholders may participate in the General Meeting and exercise their voting rights either in person or by proxies.

A shareholder has the right to:

- vote, file motions and raise objections;
- justify their position briefly;
- stand as a candidate for the Chairperson of the General Meeting, as well as propose a candidate for the Chairperson of the General Meeting and have the proposal recorded in the minutes;
- take the floor during the General Meeting and make replies;
- submit draft resolutions concerning items on the agenda;
- propose amendments and additions to draft resolutions on the agenda for the General Meeting before the discussion on the item covering the relevant draft resolution is closed;
- propose formal motions relating to the proceedings and the voting procedure;
- propose candidates for the bank's Supervisory Board in writing or orally;
- review the book of minutes and request copies of resolutions authenticated by the Management Board;
- take legal action to repeal a resolution of the General Meeting where the shareholder voted against the resolution of the General Meeting and after its adoption requested that their objection be recorded in the minutes or the shareholder was prevented from participating in the General Meeting without a sound reason, or the shareholder was absent from the General Meeting in the event of defective convening of the General Meeting or the adopted resolution was not on the agenda;
- take legal action against the company for declaring a resolution of the General Meeting that is incompatible with the law invalid.

The Management Board is obliged to provide a shareholder, at the shareholder's request, with information concerning the company if this is justified by the assessment of an item on the agenda. The Management Board should refuse to provide the information if:

- this could damage the company or its affiliated company or subsidiary, in particular due to disclosure of business secrets;
- this could expose a member of the Management Board to criminal, civil-law or administrative liability.

In justified cases, the Management Board may provide information in writing not later than two weeks after the General Meeting.

**Annual General Meeting in 2024**

On March 27, 2024, the Annual General Meeting of the bank took place with the participation (direct or by proxies) of shareholders holding 37,112,566 shares accounting for 87.395% of the share capital. The AGM took place in the bank's headquarters in Warsaw at 18 Prosta Street. During the General Meeting, the President of the Management Board of mBank presented the Management Board Report on Performance of mBank Group for 2023 and the consolidated financial statements of mBank Group for 2023. The Chairwoman of the Supervisory Board presented the Report of the Supervisory Board of mBank S.A. on Its Activities for 2023 and the current situation at the bank.

The General Meeting approved the financial statements of mBank for 2023, the consolidated financial statements of mBank Group for 2023 and the Management Board Report on Performance of mBank Group for 2023, as submitted by the Management Board and the Supervisory Board, passed resolutions on contributing the 2023 net profit to the share capital and on not distributing the undivided profit from previous years, and granted discharge to Management Board and Supervisory Board members.

Moreover, the General Meeting passed the following resolutions:

- on the stance of the shareholders of mBank on the assessment of the functioning of the remuneration policy for the Management Board members and key function holders,
- on approval of the Policy for the Assessment of Qualifications (Suitability), Appointment and Dismissal of Members of the Bank's Bodies at mBank S.A.,
- on the assessment of suitability of members of the Supervisory Board and on the assessment of adequacy of internal regulations of mBank S.A. governing the operation of the Supervisory Board and the effectiveness of the Supervisory Board's operations,
- on adoption of the Remuneration Policy for the Members of the Management Board and Supervisory Board of mBank,
- on approval for the appointment of Bernhard Spalt as member of the Supervisory Board of mBank as of January 1, 2024 in connection with Markus Chromik's resignation as of December 31, 2023,
- on election of members of the Supervisory Board of mBank S.A. for a new term of office,
- on the remuneration rules for the members of the Supervisory Board of mBank S.A.,
- on appointment of the audit firm to conduct the audit of the financial statements of mBank S.A. and the consolidated financial statements of mBank Group for 2024–2025,
- on amendment to the Standing Rules of the General Meeting of mBank S.A.

Furthermore, the General Meeting approved amendments to the By-laws of mBank S.A., as described in the section "Rules for amending the company's By-laws".

## 11.7. Composition, competences and procedures of the Management Board and the Supervisory Board

### Composition of the Management Board

The Management Board is composed of at least three members. Members of the Management Board manage selected areas of the bank's operation within the scope determined by the President of the Management Board.

In 2024, the composition of the Management Board of the bank changed as described below:

On July 4, 2024 Cezary Stypułkowski, President of the Management Board of mBank, handed in his resignation with immediate effect. On June 5, 2024 Cezary Kocik was conditionally appointed as President of the Management Board. On October 11, 2024, the Polish Financial Supervision Authority granted consent to the appointment of Cezary Kocik as President of the Management Board.

On July 25, 2024, the Supervisory Board of mBank appointed Krzysztof Bratos as Vice-President of the Management Board, Head of Retail Banking, effective as of July 26, 2024. This position was previously held by Cezary Kocik.

As at December 31, 2024, the composition of the Management Board was as follows:

1. Cezary Kocik – President of the Management Board
2. Krzysztof Bratos – Vice-President of the Management Board, Head of Retail Banking
3. Krzysztof Dąbrowski – Vice-President of the Management Board, Head of Operations and Information Technology
4. Marek Lusztyn – Vice-President of the Management Board, Chief Risk Officer
5. Julia Nusser – Vice-President of the Management Board, Chief People and Regulatory Officer
6. Adam Pers – Vice-President of the Management Board, Head of Corporate and Investment Banking
7. Pascal Ruhland – Vice-President of the Management Board, Chief Financial Officer.

Detailed information on the members of mBank's Management Board is presented below.

**Cezary Kocik – President of the Management Board**



Cezary Kocik has 30-year professional experience in the banking sector, including over 12 years of service on the Management Board of mBank as Vice-President, Head of Retail Banking.

In 2007–2024, together with mBank's retail banking team, he shaped a comprehensive range of products and services for individual clients, entrepreneurs and small businesses in Poland, Czechia and Slovakia. Additionally, he supervised the Private Banking and Wealth Management client segment, the Brokerage Bureau and the TFI. He also has hands-on experience in credit risk management: in 2004–2007 he was responsible for managing mBank's retail credit process, covering the entire credit cycle from creditworthiness assessment to debt collection.

Before joining mBank, Cezary Kocik gained experience in the fields of internal audit, investment banking, restructuring and debt collection (in PBG Bank and its legal successor, Bank Pekao S.A.) and in the retail area as a branch manager in Łódź (the 5th largest branch of Bank Pekao S.A.).

Cezary Kocik graduated from the University of Łódź with a degree in Banking and Finance. He completed the Advanced Management Program (AMP 189) at Harvard Business School in 2015 and the Strategic Management in Banking course at INSEAD in March 2018. He holds a securities broker licence.

Cezary Kocik has sat on the Management Board of mBank S.A. since April 1, 2012. On June 5, 2024 he was conditionally appointed as President of the Management Board. The Polish Financial Supervision Authority (KNF) approved his appointment on October 11, 2024.

**Krzysztof Bratos – Vice-President of the Management Board, Head of Retail Banking**



Krzysztof Bratos has over 18 years of banking experience gathered through various global institutions. He has been working at mBank Group since 2015, where, together with his teams, he developed leading private banking services, the largest brokerage bureau in terms of the number of retail clients on the Polish market, and one of the fastest-growing retail investment distribution platforms in Poland. In 2021–2024, he served as Managing Director responsible for Private Banking, Wealth Management and Brokerage Services.

Before joining mBank, he gained experience implementing complex projects at leading banks and investment institutions in London and New York (JP Morgan, Royal Bank of Scotland, Kleinwort Benson) for nearly a decade. His portfolio includes many international strategic programs, digital transformation projects, as well as complex mergers and acquisitions.

Krzysztof Bratos holds a Master's degree in Economy from the Poznan University of Economics and is also a Harvard Business School alumnus.

He has served as Vice-President of the Management Board of mBank S.A., Head of Retail Banking since July 26, 2024.

**Krzysztof Dąbrowski – Vice-President of the Management Board, Head of Operations and Information Technology**



In 2014–2017 Krzysztof Dąbrowski was Managing Director for IT and Technology at mBank.

Prior to that, as the CTO of Allegro Group, the Polish e-commerce leader, he had supervised one of the biggest Agile transformations in the region. In 2004–2011, as the head of the Software Development Department, he co-created the Polish shared services centre of F. Hoffman-La Roche, which is among the largest pharmaceutical companies worldwide. In 1995–2003, he worked in the Internet and telecommunications industry for Polska Online and TDC Internet, where he was responsible for the development of hosting systems and services.

Krzysztof Dąbrowski graduated from the Warsaw University of Technology, Faculty of Electronics and Information Technology. In 2011, he completed the Executive MBA program at the University of Warsaw and the University of Illinois.

Krzysztof Dąbrowski has been Vice-President of the Management Board of mBank S.A., Head of Operations and Information Technology since April 1, 2017.

**Marek Lusztyn Vice-President of the Management Board, Chief Risk Officer**



Marek Lusztyn has over 25 years of experience in the banking sector. He worked for Bank Pekao S.A. (which in 1999–2017 was a subsidiary of UniCredit Group) for 20 years. From 2000 to 2008, he held the position of the director of the Market Risk Management Division and then the director of the Financial Risk Management Department. For nearly 10 years he was responsible for global risk management in international structures of UniCredit Group in London, Munich and Milan.

From July 2017 to June 2020, he sat on the Management Board of Pekao S.A., where he held the positions of Chief Risk Officer and Chief Executive Officer.

Marek Lusztyn embarked on his professional career at Bank Handlowy w Warszawie S.A., where he worked in the Treasury and Foreign Exchange Department from 1996 to 2000.

Since September 2019, he has also been professionally associated with the Warsaw School of Economics (SGH). He was first appointed a member of the School's Board by the SGH Senate after being recommended by the SGH Corporate Partners Club, a group of leading Polish and international companies working closely with SGH. Currently, he works there as an assistant professor at the Banking Institute.

Since June 2022, Marek Lusztyn has served as the president of the supervisory board of the Commercial Banks Protection Scheme established by the eight biggest banks in Poland in order to foster stability in the banking sector.

In 2014 he was awarded the title of Future Leader in Global Finance by the Institute of International Finance in Washington. He holds a PhD in economics from the Warsaw School of Economics (SGH) and completed the Executive MBA program at the University of Illinois and the University of Warsaw. He also graduated from INSEAD and holds a bachelor degree in computer science engineering. He completed a number of training courses in the area of banking and management organised, among others, by Singularity University, IMD and Stanford Graduate School of Business.

Marek Lusztyn has been Vice-President of the Management Board of mBank S.A. since October 22, 2020. On March 3, 2021 the KNF approved the appointment of Marek Lusztyn as Chief Risk Officer of mBank.

**Julia Nusser – Vice-President of the Management Board, Chief People and Regulatory Officer**



Julia Nusser has more than 25 years of professional experience in the banking sector. She has been managing large and diverse teams for over 20 years. She joined mBank from Commerzbank AG, where she held the position of the Managing Director responsible for KYC (Know Your Customer) processes and systems. This included the creation, development, implementation and operation of the systems and processes for KYC first line of defence for Commerzbank AG worldwide as well as for all client groups. Until 2020, she had been the Managing Director and Global Head of Trade Finance Operations at Commerzbank AG. In the past, she held various internal audit functions at Dresdner Bank (later acquired by Commerzbank AG). She is also a member of the supervisory board of CERI International in Poland.

Julia Nusser received a Master's degree in Banking at Frankfurt School of Finance & Management (Hochschule für Bankwirtschaft) in 2002, preceded by a Bank Apprenticeship Program and Certification.

Julia Nusser has been Vice-President of the Management Board of mBank S.A., Chief People and Regulatory Officer since May 1, 2023.

**Adam Pers – Vice-President of the Management Board, Head of Corporate and Investment Banking**



He has been working for mBank since 2012. He successfully conducted a reorganisation process in the financial markets sales area, which resulted in a substantial increase in revenue. Then, as a managing director, he also supervised the integration of the area of cooperation with financial institutions and finally, the integration with the trading area.

Earlier, he had worked in Raiffeisen Bank Polska S.A. Group for many years, at first in the back office, then in Corporate Banking, and finally in Financial Markets. He was responsible for two strategic projects for the reorganisation of the dealing room and for one of the pillars of the bank's strategy. During the financial crisis, as a member of the operating committee, he assumed responsibility for the bank's liquidity. He began his professional career as a trainee in Wielkopolski Bank Kredytowy S.A. In RBI Group, he was awarded the TOP Performer and Leader of the Year title.

Adam Pers graduated from the Faculty of Economics of the Academy of Economics in Poznań. In 2008, he completed an MBA program organised by the Warsaw School of Economics (SGH).

Adam Pers has been Vice-President of the Management Board of mBank S.A., Head of Corporate and Investment Banking since October 26, 2017.

**Pascal Ruhland – Vice-President of the Management Board, Chief Financial Officer**



Pascal Ruhland has over 15 years of professional experience in the banking sector. He held the function of the Divisional CFO for the Corporate Clients Segment at Commerzbank AG, and prior to that he had held the position of the Head of Divisional Controlling for Corporate Clients at Commerzbank AG. In the past, he worked in Germany, Poland, Hong Kong as well as in the UK, where gained experience, in particular in Finance, Corporate and Retail Banking.

Pascal Ruhland completed his Master's program in Accounting and Finance at the University of Applied Sciences in Frankfurt am Main. He also completed the Strategic Financial Leadership Program for CFOs at Stanford University, the Executive Program for Prospective CFOs at Chicago Booth and the Leading Digital Transformation Program at the Indian Institute of Management (IMM) Bangalore.

Pascal Ruhland has been Vice-President of the Management Board of mBank S.A., Chief Financial Officer since May 1, 2023.

Below information on the professional experience and education of dr Cezary Stypułkowski, who served as President of the Management Board of mBank until July 4, 2024 is presented.

**Cezary Stypułkowski – President of the Management Board until July 4, 2024**



Cezary Stypułkowski served as President of the Management Board of mBank from August 2, 2010 to July 4, 2024. Between 2006 and 2010, Cezary Stypułkowski was employed with the investment bank J.P. Morgan in London, where in 2007 he was appointed as managing director of J.P. Morgan responsible for Central and Eastern Europe. In 2003-2006, he served as president of the management board of PZU Group, and in 1991–2003 he chaired the management board of Bank Handlowy S.A. in Warsaw. Cezary Stypułkowski has been President of the Management Board of Pekao S.A. since October 5, 2024.

Cezary Stypułkowski holds a PhD in law from the University of Warsaw. In late 1980s, he studied at Columbia University Business School in New York as a grantee of the Fulbright Program.

He is the vice-chairman of the Council of the Polish Bank Association (ZBP), where he also chairs the Section of Large Banks. Since 2022, he has sat on Mastercard's Advisory Board. Since 2012, he has been the co-chairman of the Emerging Markets Advisory Council of the IFF.

**Powers and procedures of the Management Board**

Members of the Management Board are jointly liable for the overall operation of the bank. They work collegially and inform each other about the most important matters concerning the bank for which particular members of the Management Board are responsible. The Management Board may appoint standing committees or teams to perform specific functions or to coordinate the work of organisational units of the bank or to perform specific tasks.

The following committees led by members of the Management Board operate at mBank:

- Investment and Resources Committee (chairperson: Pascal Ruhland)
- Capital, Assets and Liabilities Committee (chairperson: Pascal Ruhland)
- Data Quality and Information Systems Development Committee (chairperson: Pascal Ruhland)
- Foreign Branch Supervision Committee of mBank S.A. (chairperson: Krzysztof Bratos)
- Credit Committee of mBank Group (chairperson: Marek Lusztyn)
- Retail Banking Risk Committee (chairperson: Marek Lusztyn)
- Corporate and Investment Banking Risk Committee (chairperson: Marek Lusztyn)
- Financial Markets Risk Committee (chairperson: Marek Lusztyn)
- Investment Banking Committee (chairperson: Marek Lusztyn)
- Model Risk Committee (chairperson: Marek Lusztyn)
- Sustainability Committee of mBank Group (chairperson: Julia Nusser)
- IT Architecture Committee of mBank Group (chairperson: Krzysztof Dąbrowski)

The Management Board manages the bank's business, represents the bank and defines the guidelines for the bank's operations, especially for the areas subject to risks, including the credit policy, the investment policy, the bank's assets and liabilities management policy, and the guarantee policy. The Management Board presents the Supervisory Board with comprehensive information on all significant aspects of the bank's operation, on operational risk and on the operational risk management methods on a regular basis.

The Management Board operates pursuant to its Rules approved by the Supervisory Board. The Rules determine among others the issues which require consideration of the Management Board as a collegial body and adoption of a resolution by the Management Board.

All resolutions are adopted by a majority of votes of the Management Board members present at the meeting, and in the case of an equal number of opposing votes, the President of the Management Board has the casting vote.

Rules and levels of remuneration of members of the Management Board are determined by the Remuneration and Nomination Committee of the Supervisory Board. The rules of the incentive program for the Management Board as well as the principles of allocating bonuses to Management Board members are defined in resolutions of the Supervisory Board.

The remuneration rules applicable to members of the Management Board are laid down in the Risk Takers Remuneration Policy of mBank S.A.

Remuneration of Members of the Management Board includes a fixed and a variable part. For members of the Management Board, the relation between variable remuneration and fixed remuneration should not exceed 100% of the annual basic remuneration, with the proviso that variable remuneration exceeding 100% (not more than 200%) of the annual basic remuneration is subject to approval by the AGM of mBank.

The basic remuneration of members of the Management Board is determined by the Supervisory Board of the bank, taking into account the following information:

- resolution of the Management Board of mBank on the division of competences between members of the Management Board of the bank (with a particular focus on changes in competences),
- long-term results achieved as at the assessment date,
- available internal market data (e.g. internal comparison of mBank Group),
- available external market data (e.g. information on remuneration of management board members of other WSE-listed companies, additional market benchmarks).

A detailed description of the rules of the incentive program for the Management Board based on shares is presented in Note 44 to the consolidated financial statements of mBank Group for 2024.

The incentive program based on mBank shares has been in effect since January 1, 2018. It will apply until the end of the day on which the earlier of the following events occurs: (i) expiry of the period of 10 years from the date of recording the last of the warrants taken up by the Program participants in the securities account, (ii) taking up all shares.

The Supervisory Board determines the bonus amount for a given calendar year for each Management Board member individually, based on the assessment of MbO achievement with respect to a period of at least three years, with the proviso that the individual bonus amount depends on the bonus pool amount.

The bonus pool for a given calendar year is the total of amounts calculated on the basis of indicators called KPIs. The determination of the bonus pool is preceded by the Supervisory Board's approval of the definition of KPIs, the number of KPIs in a given year, and the percentage share of each KPI in the bonus pool. The Supervisory Board approves the result corresponding to 100% implementation of a given KPI and the actual result for a given KPI. The result corresponding to 100% implementation of a given KPI is the "starting point". Reaching the starting point for each KPI corresponds to a bonus pool of eight times the basic monthly salary of all Management Board members. If a KPI result is above or below the starting point for the KPI, the starting point of 100% is proportionally increased or decreased. The percentage result for a given KPI is calculated as a weighted average of the results from the calendar year for which the bonus is granted and the previous two years, in accordance with the principles set out in the Risk Takers Remuneration Policy of mBank S.A.

MbO takes into account team financial objectives (at mBank Group level), individual financial objectives and individual qualitative objectives.

The bonus consists of:

- a non-deferred part totalling 40% of the bonus, and
- a deferred part totalling 60% of the bonus.

Both the non-deferred part and the deferred part are divided into equal portions: 50% paid in cash and 50% paid in subscription warrants.

The non-deferred part in cash is paid following approval by the bank's AGM of the consolidated financial statements for the year for which the bonus was awarded. The other half of the non-deferred part (50%) is paid in the form of subscription warrants, not earlier than after 12 months after the date on which the consolidated financial statements of mBank Group for the year for which the bonus was awarded are

approved by the AGM; the value of one subscription warrant equals the average market price minus PLN 4.00.

The deferred part of the bonus (the part paid in cash and the part paid in subscription warrants) is paid in five equal tranches in the subsequent calendar years. In each tranche, the cash part is paid once the consolidated financial statements of mBank Group for the previous calendar year are approved, and the subscription warrant part is paid not earlier than 12 months after the date on which the consolidated financial statements for the previous calendar year are approved by the AGM. The value of one subscription warrant equals the average market price per share in the reference period set in line with the Remuneration Policy minus PLN 4.00. In particularly justified cases, it is allowed to pay a part or all of cash tranches (non-deferred and deferred) in the form of subscription warrants based on a resolution of the Supervisory Board.

The remuneration of the members of the Management Board in 2023–2024 is presented in the following tables.

**2024**

| Remuneration paid in 2024 to members of the Management Board performing their functions as at the end of 2024 | | | | | |
|---|---|---|---|---|---|
| | | Remuneration paid in 2024 (in PLN) | | | |
| | | Basic remuneration | Other benefits | Bonus for 2023 | Deferred bonus* |
| 1. | Cezary Kocik | 2,651,935 | 730,874 | 266,000 | 211,200 |
| 2. | Krzysztof Bratos | 779,032 | 74,463 | - | - |
| 3. | Krzysztof Dąbrowski | 1,771,290 | 453,570 | 266,000 | 193,200 |
| 4. | Marek Lusztyn | 1,771,290 | 481,266 | 266,000 | 58,800 |
| 5. | Julia Nusser | 1,771,290 | 790,353 | 177,333 | - |
| 6. | Adam Pers | 1,771,290 | 421,369 | 266,000 | 199,200 |
| 7. | Pascal Ruhland | 1,771,290 | 758,044 | 177,333 | - |
| | **Total** | **12,287,419** | **3,709,940** | **1,418,666** | **662,400** |

** In 2024, the following tranches were paid: the 5th deferred tranche as part of the settlement of the cash part of the bonus for 2018, the 4th deferred tranche as part of the settlement of the cash part of the bonus for 2019 and the 1st deferred tranche as part of the settlement of the cash part of the bonus for 2022.*

*The remuneration of Krzysztof Bratos relates to the period of his service on the Management Board, i.e. from 26.07.2024.*

| Remuneration paid in 2024 to former members of the Management Board | | | | | |
|---|---|---|---|---|---|
| | | Remuneration paid in 2024 (in PLN) | | | |
| | | Basic remuneration | Other benefits | Bonus for 2023 | Deferred bonus * |
| Remuneration of former members of the Management Board who ceased to perform their functions in 2024 | | | | | |
| 1. | Cezary Stypułkowski | 1,708,953 | 1,289,395 | 533,536 | 379,200 |
| Remuneration of former members of the Management Board who ceased to perform their functions in 2023 | | | | | |
| 1. | Andreas Böger | - | - | 88,667 | 193,200 |
| Remuneration of former members of the Management Board who ceased to perform their functions in 2020 | | | | | |
| 1. | Lidia Jabłonowska-Luba | - | 1,710 | - | 114,000 |
| 2. | Frank Bock | - | - | - | 102,000 |
| | **Total** | **1,708,953** | **1,291,105** | **622,203** | **788,400** |

** In 2024, the members of the Management Board who ceased to perform their functions in 2024 and 2023 received the 5th deferred tranche as part of the settlement of the cash part of the bonus for 2018, the 4th deferred tranche as part of the settlement of the cash part of the bonus for 2019 and the 1st deferred tranche as part of the settlement of the cash part of the bonus for 2022. The members of the Management Board who ceased to perform their functions in 2020 received the 5th deferred tranche as part of the settlement of the cash part of the bonus for 2018 and the 4th deferred tranche as part of the settlement of the cash part of the bonus for 2019.*

**2023**

| Remuneration paid in 2023 to members of the Management Board performing their functions as at the end of 2023 | | | | | |
|---|---|---|---|---|---|
| | | Remuneration paid in 2023 (in PLN) | | | |
| | | Basic remuneration | Other benefits | Bonus for 2022 | Deferred bonus* |
| 1. | Cezary Stypułkowski | 3,512,913 | 714,162 | 424,000 | 252,000 |
| 2. | Krzysztof Dąbrowski | 1,680,000 | 372,482 | 224,000 | 126,000 |
| 3. | Cezary Kocik | 1,680,000 | 455,148 | 224,000 | 144,000 |
| 4. | Marek Lusztyn | 1,680,000 | 400,239 | 196,000 | - |
| 5. | Julia Nusser | 1,120,000 | 547,615 | - | - |
| 6. | Adam Pers | 1,680,000 | 340,414 | 224,000 | 132,000 |
| 7. | Pascal Ruhland | 1,120,000 | 546,298 | - | - |
| | **Total** | **12,472,913** | **3,376,357** | **1,292,000** | **654,000** |

**In 2023, the following tranches were paid: the fourth deferred tranche as part of the settlement of the cash part of the bonus for 2018 and the third deferred tranche as part of the settlement of the cash part of the bonus for 2019.*

| Remuneration paid in 2023 to former members of the Management Board | | | | |
|---|---|---|---|---|
| | Remuneration paid in 2023 (in PLN) | | | |
| | Basic remuneration | Other benefits | Bonus for 2022 | Deferred bonus* |
| Remuneration of former members of the Management Board who ceased to perform their functions in 2023 | | | | |
| 1. Andreas Böger | 560,000 | 137,648 | 224,000 | 126,000 |
| Remuneration of former members of the Management Board who ceased to perform their functions in 2020 | | | | |
| 1. Lidia Jabłonowska-Luba | - | 1,710 | - | 114,000 |
| 2. Frank Bock | - | - | - | 102,000 |
| **Total** | **560,000** | **139,358** | **224,000** | **342,000** |

**In 2023, the members of the Management Board who ceased to perform their functions in 2023 and in 2020 received the fourth deferred tranche as part of the settlement of the cash part of the bonus for 2018 and the third deferred tranche as part of the settlement of the cash part of the bonus for 2019.*

The bank's shares held by members of the Management Board:

As at December 31, 2024, the following members of the Management Board held mBank shares: Marek Lusztyn - 2,267 shares, Krzysztof Dąbrowski - 1,609 shares and Krzysztof Bratos - 1,069 shares.

As at December 31, 2023, the following two members of the Management Board held mBank shares: Cezary Stypułkowski - 30,902 shares and Marek Lusztyn - 1,283 shares.

### Assessment of the adequacy of internal regulations governing the operation of the Management Board and the self-assessment of the effectiveness of the Management Board

In accordance with principle 8.9 of Recommendation Z on the principles of internal governance at banks issued by the Polish Financial Supervision Authority, the Management Board of mBank carries out the self-assessment of the adequacy of internal regulations concerning the operation of the Management Board and the effectiveness of the Management Board.

Corporate governance at mBank complies with the applicable laws and is transparent and effective. The regulations governing the operation of the Management Board are updated in line with amended laws, changes in the regulatory environment, group standards or whenever the situation so requires.

In the opinion of the Management Board, the By-laws of mBank S.A., the Rules of the Management Board and other internal regulations, including regulations on meeting the suitability conditions, managing conflicts of interest and division of competence between Management Board members, ensure proper operation of the Management Board and adequate performance of its tasks. They enable appropriate

reaction to changing external conditions and unexpected events. Moreover, they enable efficient and effective management of the bank.

In 2024, the Management Board performed its management duties with due diligence and dedication. It consistently pursued the mBank Group Strategy for 2021–2025 "From the Icon of Mobility to the Icon of Possibilities".

The Management Board's assessment of its effectiveness is positive, as reflected, in particular, by record-high revenues reported by mBank Group in 2024, the highest net profit in the group's history, efficient cost management, low risk cost, strong profitability of the group's core business, successful actions taken to enhance the capital position and comfortable liquidity situation.

In 2024, mBank Group generated total income in the amount of PLN 12.0 billion, 11.2% higher than in 2023. Net interest income, which represented the main growth driver, increased by 8.1% year on year, despite the negative impact of credit holidays. A high interest rate environment was conductive to an increase of the net interest income, but to a large extent it was the result of effective management of interest rates on deposits and loans. In 2024, the net interest margin rose to 4.35% from 4.18% in 2023.

mBank Group effectively managed costs amidst inflationary pressure and investment outlays focused on development, improving the functionality of digital platforms and processes, and adapting to regulatory requirements. The cost-to-income ratio for 2024 was 28.2%, ensuring a leading position among competitors. The cost of risk in 2024 decreased to 49 bps from 93 bps in 2023. The Group maintained high asset quality, measured by the non-performing loan ratio. And at the end of 2024, this ratio amounted to 4.1%, clearly below the average for the Polish banking sector.

The Group's financial results were significantly affected by the high costs of legal risk related to the portfolio of foreign currency mortgage loans. In 2024, the bank allocated PLN 4.3 billion for this purpose. As a result, the ratio of coverage of the portfolio of active CHF loans with legal risk provisions at the end of 2024 reached 147%. The bank continued its settlement program with borrowers with great intensity. As of December 31, 2024, the number of concluded settlements exceeded 22,900. The high level of provisions, the number of settlements signed and the observed downward trend in the inflow of new lawsuits regarding credit agreements indicate good protection against legal risk related to foreign currency mortgage loans.

mBank Group's net profit for 2024 exceeded PLN 2.2 billion. This result translated into ROE of 14.8%. The Group's net profit from core business, i.e. excluding the FX Mortgage Loans segment, amounted to PLN 5.6 billion and the ROE reached 39.7%. In the opinion of the Management Board, this proves the real strength of the business model and the effectiveness of the Group's business activities.

The Group has a safe and adequate capital adequacy surplus at the level of the total capital ratio (TCR) and Tier I capital ratio, in relation to the risk incurred and minimum capital requirements. The issuance of AT1 bonds in the amount of PLN 1.5 billion and a synthetic securitization transaction on a corporate loan portfolio worth PLN 5.2 billion (with a ramp-up option enabling an increase in the nominal value of the transaction to PLN 7.0 billion) contributed to maintaining a strong capital position. Liquidity was at a safe and high level, which was reflected in a high amount of surplus liquid funds and maintaining supervisory liquidity measures significantly above regulatory standards. The Bank successfully carried out the issuance of green senior preferred bonds with a nominal value of EUR 500 million, classified as MREL-eligible liabilities.

The positive self-assessment of the effectiveness of the Management Board's operations in 2024 is also influenced by the following facts:

- an increase in the number of accounts of individual customers, microenterprises and corporate customers and the number of active users of the mBank mobile application, BLIK users and customers using the mBank CompanyNet system;
- volume growth: gross loans of the Group:+6.6% YoY, deposits +8.3% YoY.
- development of digital solutions and mobile services, including the personal finance management (PFM) functionality;
- growing share of digital channels, in particular the mobile application in the sale of non-mortgage loans and initiating retail and corporate processes;
- strengthening the bank's presence in e-commerce, in particular the launch of the "mOkazje zakupy" service in cooperation with Morele.net and the dynamic development of the Paynow payment gateway, including the implementation of deferred payments (BNPL);

- further progress in the automation, robotization, optimization and improvement of operational processes and the credit process, ensuring the failure-free and cybersecurity of mBank Group's systems and ensuring readiness to meet the requirements arising from the Regulation (EU) DORA of the European Parliament and of the Council;
- activities for sustainable development, including development of financial products and services supporting climate or environmental protection, financing of transactions related to the transformation towards sustainable development and work on reducing and reporting the carbon footprint; and
- numerous awards and distinctions received by mBank and its subsidiaries.

**Composition of the Supervisory Board**

The Supervisory Board acts on the basis of the adopted Rules and performs the functions provided for in the By-laws of mBank, the Code of Commercial Partnerships and Companies, and the Banking Law.

The By-laws of mBank stipulate that the Supervisory Board consists of at least five Members elected by the General Meeting. At least half of all Supervisory Board members, including the chairperson, must hold Polish citizenship, be habitually resident in Poland, speak Polish, and have experience on the Polish market, which they can use while supervising the bank's operations.

Members of the Supervisory Board are appointed for a joint term of office of three years. The term of office is calculated in financial years (the first financial year of a term of office is always the financial year in which a given member of the Supervisory Board commenced their term of office, even if the commencement date of the term of office does not coincide with the start date of the financial year). The term of a Supervisory Board member expires at the latest on the day of the General Meeting approving the financial statements for the last full financial year of the term of office of the Supervisory Board member.

A member of the Supervisory Board whose mandate expired in the course of a joint term of office of the Supervisory Board may be replaced with another person appointed by the Supervisory Board. The term of office of a member of the Supervisory Board so appointed expires on the expiration date of the terms of office of the other members of the Supervisory Board. The appointment of Supervisory Board members in the course of a joint term of office of the Supervisory Board must be approved by the next General Meeting.

Pursuant to the statutory requirement, at least two Supervisory Board members are independent members.

From the beginning of 2024, the Supervisory Board was composed of the following members: Professor Agnieszka Słomka-Gołębiowska, chairwoman of the Supervisory Board; Dr Bettina Orlopp, vice-chairwoman of the Supervisory Board; and Dr Hans-Georg Beyer, Tomasz Bieske, Mirosław Godlewski, Aleksandra Gren, Thomas Schaufler and Bernhard Spalt, members of the Supervisory Board.

The 37th Annual General Meeting of mBank S.A. held on March 27, 2024 appointed the persons named above to a three-year joint term of office of the Supervisory Board. By the end of 2024, the composition of the Supervisory Board remained unchanged.

On December 12, 2024, dr Bettina Orlopp handed in her resignation as member of the Supervisory Board. Bettina Orlopp will remain on the Supervisory Board of mBank until February 27, 2025. The Remuneration and Nomination Committee of the Supervisory Board recommended Carsten Schmitt for the position on the Supervisory Board vacated by dr Bettina Orlopp. Carsten Schmitt was appointed to the position of CFO on the Management Board of Commerzbank AG on November 21, 2024, subject to regulatory approval.

Due to the resignation of dr Bettina Orlopp from her position of a member of the Supervisory Board of mBank (with effect from 27 February 2025), the Supervisory Board appointed Bernhard Spalt as Deputy Chairman of the Supervisory Board of mBank as of 13 December 2024.

Detailed information on the Supervisory Board members in 2024 is presented in the table below.

**Agnieszka Słomka-Gołębiowska, Chairwoman of the Supervisory Board**



Agnieszka Słomka-Gołębiowska is an independent member of supervisory boards and advisor to companies on corporate governance and sustainability agenda. She has nearly 20 years of valuable experience as member of authorities of public and private companies as well as international organisations, such as the UN WFP and UNAIDS. Currently, she serves as Chairwoman of the Supervisory Board of mBank S.A. and Chairwoman of the Remuneration and Nomination Committee. Additionally, she is a member of the Risk Committee and the Audit Committee. She is also a member of the Supervisory Board and the Audit Committee of the Pracuj.pl Group - a leading HR technology platform in Europe, and sits on the Supervisory Board of PTE PZU S.A. and CD Projekt S.A.

Previously she served as member of the supervisory boards of companies from the tech industry, the aerospace and defence (A&D) industry, and in the infrastructure and construction industry. She is member of the EU Platform on

Sustainable Finance, which advises the European Commission on the implementation of the sustainability agenda, and member of the Program Board of Sustainable Investment Forum Poland (POLSIF).

Agnieszka Słomka-Gołębiowska is a professor at the Warsaw School of Economics (SGH), focusing her research interests on corporate governance and sustainability. She holds a PhD in Economics and a master's degree in Finance and Banking from the SGH Warsaw School of Economics. She also completed a master's program in International Business in Copenhagen Business School.

She is the winner of prestigious awards, including the Alexander von Humboldt Fellowship at Muenster University and the Polish-American Fulbright Fellowship at the University of California, Berkeley, where she collaborated with Professor Oliver Williamson, Nobel laureate in Economics. She is the author of numerous articles in JCR journals and books and a frequent speaker at business and economic conferences. In 2019, she won the Corporate Governance Personality Award. She is a mentor in Hertie School of Governance in Berlin and a global ambassador of the Vital Voices Program supporting women's entrepreneurship and empowerment.

**Bernhard Spalt, Deputy Chairman of the Supervisory Board**



Bernhard Spalt graduated from the University of Vienna with a master's degree in law with a specialization in European law. Bernhard Spalt has more than thirty years of professional experience in the financial sector, and he has held management and board positions since 1999.

He has many years of experience in all areas of risk management, working for international financial institutions, including in Austria, Romania, Slovakia, Hungary and the Czech Republic. Currently he is member of the Board of Managing Directors of Commerzbank AG in charge of risk (CRO).

From January 2020 to June 2022, he served as Chief Executive Officer (CEO) of Erste Group Bank AG. Previously he worked as Management Board member responsible for risk management in Erste Bank der Oesterreichischen Sparkassen AG, Banca Comerciala Romana SA, Slovenska Sporitelna SA and Erste Bank Hungary ZRT.

**Hans-Georg Beyer, Member of the Supervisory Board**



Hans-Georg Beyer studied at the Witten/Herdecke University (Business Economics & General Management) and SKEMA Business School (International Finance). In 2020, he received a PhD at the University of St. Gallen (HSG) based on a doctoral thesis on risk governance at board level of European banks.

Dr Hans-Georg Beyer has many years of experience in Commerzbank Group, among others in positions related to managing the compliance area and the internal audit area. He holds the function of Chief Compliance Officer and Divisional Board Member Group Compliance at Commerzbank AG. He is responsible for all compliance units of Commerzbank Group, including the compliance units in its foreign branches and subsidiaries.

**Tomasz Bieske, Member of the Supervisory Board**



Tomasz Bieske holds a master's degree in Economics from the University of Cologne, Germany. For six years after graduation he worked in the head office of Dresdner Bank AG in Frankfurt, where his main responsibilities included lending to international corporate clients and trading in sovereign debt on the secondary market. From 1988, he worked for Arthur Andersen in Frankfurt as manager in charge of business consulting for financial institutions. Two years later he co-founded Arthur Andersen in Poland, where he served as Partner and Director of Financial Markets Group. He was responsible for working with clients from the financial sector, which included auditing the financial statements of leading banks in Poland, sale of banks' non-performing loan portfolios and valuation of private banks' shares. He participated in a number of due diligence processes commissioned by foreign investors and in consulting projects in the financial markets sector.

Following the merger of Arthur Andersen and Ernst & Young in 2002, he continued as Partner and Director of Financial Markets Group. He led the majority of key projects in the financial services sector, including the preparation of public offerings of PKO BP S.A. and Kredyt Bank S.A. and auditing of the financial statements of the National Bank of Poland (NBP), PKO BP S.A., Pekao S.A., Getin Holding and other banks, and the Social Insurance Institution (ZUS). He also led a number of advisory projects in the banking sector (including the development of the concept of the GPW privatisation, preparation of the operational change plan for the Ministry of Finance and the merger of four state-owned banks into Pekao S.A. prior to its privatisation). In 2011, he participated in the work of the committee for regulatory and business changes in the cooperative banking sector.

He works closely with the Polish Bank Association (ZBP) and the National Association of Cooperative Banks (KZBS). He holds a licence of a Polish statutory auditor. In 2011, he was awarded the gold medal of the ZBP for his contribution to the development of Polish banking in 1991–2011. Since June 2013, he has been on the supervisory boards of several GPW-listed companies (including Masterlease S.A., Kruk S.A. and mBank S.A.).

He completed the three-month Oxford Fintech Program in 2019 and the three-month Venture Capital Program at the University of Oxford in 2020. Since 2019, he has been a member of the Association of Independent Non-Executive

Directors. In the academic year 2023/2024, he served as a coach for students taking the post-graduate course "Professional Supervisory Board" at Kozminski University in Warsaw.

**Mirosław Godlewski, Member of the Supervisory Board**



Mirosław Godlewski holds a Master of Science degree awarded by the Faculty of Industry Management of the Warsaw University of Technology. He also holds an MBA degree from Ashridge Management College and AMP Harvard Business School.

Currently he is Senior Advisor at BCG, member of the Management Board of Eubioco Sp. z o.o., member of the Supervisory Board of ONDE S.A., and Partner at Hedgehog Fund.

He sat on the Supervisory Board of Netia S.A., Celon Pharma S.A., Absolvent.pl, ABC Data S.A., and was member of the Remuneration and Nomination Committee.

In 2007–2014, he served as President of the Management Board and CEO of Netia S.A. He also held executive positions with Opoczno S.A., DEC Sp. z o.o., Pepsi-Cola Polska, and MEMRB Polska.

**Aleksandra Gren, Member of the Supervisory Board**



Aleksandra Gren graduated from Harvard Business School (Negotiations), London School of Economics (European Policy and Politics) and University of British Columbia (International Relations). She has over 25 years of professional experience in the sector of finance, banking technologies and fintech. Her professional career started in Royal Bank of Canada (Vancouver) in 1995. After a one-year break from work to complete her master's degree in the London School of Economics, she started working for ING Bank in Italy, where she took part in preparing the launch of ING Bank Direct. Then she worked for American fintech companies operating in EMEA as an analyst and advisor. She also gained long-term experience as a manager and a management board member.

She has a proven track record of successful partnerships and transformational initiatives in the banking sector. She was recognised by the London-based jury of the Banking Technology Awards and PayTech Leadership Awards as one of top 10 women in tech in 2016 and 2018.

She was named Global Ambassador and Mentor by Bank of America GAP Global Leadership Development and Mentoring Program for Entrepreneurs in the US in March 2019.

**Bettina Orlopp, Member of the Supervisory Board (until 12 Dec. 2024 Deputy Chairwoman)**



Bettina Orlopp holds an MBA degree awarded by the University of Regensburg (Finance and Production), where she also received her PhD degree.

She embarked on her professional career as management consultant at McKinsey in 1995 (from 2002 as Partner). In 2014, she became Divisional Board Member Group Development & Strategy at Commerzbank AG.

From 2017, dr Bettina Orlopp was member of the Board of Managing Directors of Commerzbank AG in charge of legal, compliance and HR area. Bettina Orlopp has been CFO of Commerzbank AG since March 2020 and she has served as a CEO since September 2024.

She is a Member of the following committees of Commerzbank AG: Asset and Liability Committee (ALCO), Group Sustainability Board, Executive Pension Committee and the Group Market Risk Committee.

**Thomas Schaufler, Member of the Supervisory Board**



Thomas Schaufler graduated in 2002 from the University of Applied Sciences (FHW-Fachhochschule) in Vienna with a master's degree in management and entrepreneurship. He completed numerous professional courses and holds several certificates, including the Certificated European Financial Analyst (CEFA) diploma.

He has more than twenty years of professional experience in the banking sector, including fifteen years in managerial positions. Currently he is member of the Board of Managing Directors of Commerzbank AG responsible for Private and Small-Business Customers Business Segment. Previously, he sat on the Board of Managing Directors of Erste Group Bank AG, acting as Head of the Group Retail Board.

He has managerial experience in retail banking sales, Treasury sales, product management in European countries and in asset management.

Four members of the Supervisory Board of mBank meet the independence criteria: Agnieszka Słomka-Gołębiowska, Tomasz Bieske, Aleksandra Gren and Mirosław Godlewski. The remaining members are not independent members due to their relationship with the main shareholder of mBank.

**Competences and principles of operation of the Supervisory Board**

The competences of the Supervisory Board include, in particular, the following:

- Exercising supervision over the implementation and operation of an adequate and effective risk management system and internal control system at the bank;
- Approving proposals of the Management Board concerning the bank's essential organisational structure and the internal division of competence within the Management Board;
- Approving the bank's annual financial plans and multi-annual development plans;
- Considering motions and issues subject to resolutions of the General Meeting;
- Issuing or approving the rules provided for in the By-Laws;
- Defining the terms and conditions of management contracts and setting remuneration for members of the Management Board;
- Receiving, in advance, information on creating, acquiring, closing and managing branches, permanent representations and parts of the enterprise, and initiating and terminating undertakings and fields of operations;
- Approving the conclusion of or amendments to significant contracts or agreements with members of the Management Board or the Supervisory Board;
- Approving the conclusion of, amendments to or termination of any significant affiliation or co-operation agreements;
- Receiving information on the expected deviations from the annual budget;
- Issuing general guidelines for the Management Board regarding the level and structure of remuneration for the bank's senior management;
- Approving the remuneration policy for the bank's risk-takers;
- Issuing opinions on transactions with related parties, where the planned total value of a single transaction exceeds 20% of the bank's own funds;
- Approving changes in the position of the head of the Internal Audit Department and the head of the Compliance Department;
- Granting consent to the conclusion of material transactions with related parties;
- Drawing up the annual report on remuneration of the Management Board and Supervisory Board members in accordance with the generally applicable laws;
- Authorising the Management Board to acquire, encumber or dispose of real estate, perpetual usufruct rights or interests in real estate, shares in companies and partnerships, and other fixed assets, where the value of a transaction exceeds 1% of the bank's own funds; such authorisation is not required if the acquisition has been made in the context of enforcement or bankruptcy proceedings or other arrangements with the bank's debtor or in the case of the disposal of assets so acquired.

Meetings of the Supervisory Board are held as required, at least four times in a financial year, once every quarter. All Management Board members participate in Supervisory Board meetings, except for those agenda items which directly concern the Management Board or its members. The Chairperson of the Supervisory Board presides over Supervisory Board meetings. In the absence of the Chairperson, this function is performed by the Deputy Chairperson of the Supervisory Board. In the absence of the Chairperson and the Deputy Chairperson, the meeting is chaired by a Supervisory Board member elected by those present at the meeting.

The Supervisory Board may pass resolutions provided that at least half of its members are present at the meeting and all the members have been invited. Resolutions of the Supervisory Board are adopted by a simple majority of votes. In the case of an equal number of votes, the chairperson of the Supervisory Board has the casting vote.

There are four Supervisory Board committees: the Risk Committee, the Audit Committee, the Remuneration and Nomination Committee, and the IT Committee.

By resolution of March 30, 2023, the Supervisory Board decided that the competences of the Executive Committee in the scope of, among others, selecting candidates for positions in mBank's Management Board and Supervisory Board and defining their scope of duties, assessing the suitability of members of the Bank's Management Board and Supervisory Board and periodically reviewing the Suitability Policy, were transferred to the newly established Remuneration and Nomination Committee. The Executive Committee, composed of prof. Agnieszka Słomka-Gołębiowska and dr Bettina Orlopp, held one meeting in 2024 on March 27, 2024. At this meeting, it adopted a resolution to liquidate the Executive Committee (with effect from the date of adoption of the resolution).

In 2024, the Supervisory Board committees were composed as follows (chairpersons of committees are listed first).

| Risk Committee | Audit Committee | Remuneration and Nomination Committee | IT Committee |
|---|---|---|---|
| Bernhard Spalt | Tomasz Bieske | Professor Agnieszka Słomka-Gołębiowska | Aleksandra Gren |
| Mirosław Godlewski | Dr Hans-Georg Beyer | Tomasz Bieske | Mirosław Godlewski |
| Aleksandra Gren | Aleksandra Gren | Mirosław Godlewski | Thomas Schaufler |
| Thomas Schaufler | Dr Bettina Orlopp | Bernhard Spalt | |
| Professor Agnieszka Słomka-Gołębiowska | Professor Agnieszka Słomka-Gołębiowska | Dr Bettina Orlopp | |

**Activity of the Supervisory Board in 2024**

In 2024, the Supervisory Board held 11 meetings and adopted 105 resolutions. The resolutions covered all areas of the bank’s operation and were consistent with the scope of supervisory functions specified in generally applicable laws, the Banking Law, recommendations of the Polish Financial Supervision Authority, corporate governance principles, mBank’s By-laws, and the Rules of the Supervisory Board. The members of the Supervisory Board were in ongoing contact with the Management Board and monitored the situation at the bank in the context of changes in the economic situation and regulatory environment.

At its meetings in 2024, the Supervisory Board discussed and assessed the current results of mBank Group and individual business lines in the context of the financial plan. The Supervisory Board also discussed and accepted other detailed reports covering different areas of the bank’s activity, including regular risk, compliance, audit, bancassurance, IT and IT security reports.

The status of the foreign currency mortgage loan portfolio, in particular in CHF, was discussed periodically at the meetings of the Supervisory Board, taking into account the progress of the settlement program. The Supervisory Board also discussed issues related to the bank's activities in the ESG area and non-financial reporting in the light of applicable and new regulatory requirements. The Supervisory Board also received reports on the capital position, MREL and RWA development. In addition, the Supervisory Board was provided with information on remedial measures to strengthen the capital base, both implemented and analysed, taking into account the current and predicted capital position, potential risks and stress scenarios.

The Supervisory Board also reviewed the annual status of the implementation of mBank Group’s strategy for 2021-2025.

In 2024, the Supervisory Board, in accordance with the recommendation of the Remuneration and Nomination Committee, appointed Cezary Kocik for the position of President of the Management Board of mBank. In place of Cezary Kocik, the Supervisory Board appointed Krzysztof Bratos as Vice-President of the Management Board, Head of Retail Banking.

The attendance of Supervisory Board members at meetings in 2024 is presented in the table below.

| | Attendance[1)] |
|---|---|
| Agnieszka Słomka-Gołębiowska | 11/11 |
| Bernhard Spalt | 7/11 |
| Hans-Georg Beyer | 10/11 |
| Tomasz Bieske | 11/11 |
| Mirosław Godlewski | 11/11 |
| Aleksandra Gren | 11/11 |
| Bettina Orlopp | 10/11 |
| Thomas Schaufler | 10/11 |

1) *Attendance at meetings / number of meetings during the term of office*

During their regular meetings in 2024, the Supervisory Board committees discussed in detail the key issues concerning individual areas of the bank's activity, which, pursuant to the applicable regulations, must be approved by the Supervisory Board.

**Audit Committee**

The key tasks of the Audit Committee arise from the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Oversight; Recommendation H concerning banks' internal control systems; Recommendation L concerning the role of statutory auditors in the process of supervising banks; and Recommendation R concerning the rules for managing credit risk and recognising expected credit losses, issued by the Polish Financial Supervision Authority (KNF); rules laid down in Good Practices of Companies Listed on the Warsaw Stock Exchange (GPW) and Good Practices of Operation of the Audit Committee adopted by the Office of the Polish Financial Supervision Authority (UKNF).

The Audit Committee presents its recommendations to the Supervisory Board concerning the selection of a statutory auditor by the General Meeting and approval or rejection of financial statements; develops the policy and procedures for the selection of an external auditor and provision of other permitted services by the auditor; monitors the financial and sustainability reporting process and the effectiveness of internal control, risk management and internal audit systems; and presents its recommendations to the Supervisory Board on whether to grant consent to the appointment or dismissal of the head of the Internal Audit Department and the head of the Compliance Department.

Moreover, the Audit Committee presents its recommendations to the Supervisory Board on the adoption of mBank's disclosure policy on capital adequacy, compliance policy, conflict of interest management policy, policy on material transactions with affiliates, annual action plan of the Compliance Department, strategic and annual audit plan and proposed amendments thereto, strategy of the Internal Audit Department and various annual reports, among others, on the effectiveness of the control function, compliance assurance, assessment of the risk management and internal control system, annual reports on the implementation of the action plan of the Compliance Department and on the operations of the Internal Audit Department.

Pursuant to the Rules of the Supervisory Board, the Audit Committee is composed of at least three members of whom at least one member has to possess knowledge and skills in the scope of accounting or financial auditing. The Rules of the Supervisory Board stipulate that the majority of the Audit Committee members, including the Chairperson, are independent.

In 2024, the Audit Committee was composed of five members.

Tomasz Bieske, Aleksandra Gren and Professor Agnieszka Słomka-Gołębiowska meet the independence criteria. The independence criteria are specified in Article 129 of the Act of May 11, 2017 on Statutory Auditors, Audit Firms and Public Oversight.

All Audit Committee members have extensive knowledge and skills in banking. The chairman of the Audit Committee, Tomasz Bieske, possesses comprehensive knowledge and skills in accounting and financial auditing.

- Tomasz Bieske is a certified auditor of financial statements and co-founder of Artur Andersen in Poland; he worked as Partner and Director of Financial Markets Group and then continued as Partner in Ernst & Young. He implemented many significant projects in the banking sector.

- Aleksandra Gren was employed at Royal Bank of Canada; she has many years of experience in banking technologies and fintech in EMEA (Europe, Middle East and Africa).
- Dr Hans-Georg Beyer serves as Divisional Board Member and Chief Compliance Officer of Commerzbank and holds the Chartered Financial Analyst (CFA) charter; he has comprehensive knowledge and skills in finance, banking and accounting.
- Professor Agnieszka Słomka-Gołębiowska is Professor at the Warsaw School of Economics. She holds a Ph.D. in economics, a master's degree in Finance and Banking from the Warsaw School of Economics and a master's degree in International Business from Copenhagen Business School. She has extensive experience in the boards of public and private companies, as well as international organizations.
- Dr Bettina Orlopp in March 2020 was appointed CFO and has been the CEO of Commerzbank AG since 30 September 2024. She graduated with an MBA from the University of Regensburg, where she also obtained her Ph.D.

Activity of the Audit Committee in 2024

In 2024, the Audit Commission issued a recommendation regarding the selection of an audit firm to audit the financial statements of mBank and the Group for 2024-2025, in accordance with applicable regulations.

The Audit Committee was regularly informed about the bank's results and financial situation. These issues were discussed during the Committee's meetings with the external auditor. During regular meetings, the impact of key changes in the regulatory and market environment on the bank's financial results was also discussed, including the status of issues FX mortgage loans, other legal risks in the field of consumer protection and the Polish benchmark reform. Every quarter, the Committee recommended to the Supervisory Board approval of the Disclosures regarding capital adequacy of mBank S.A. Group.

The Committee also issued opinions on cooperation with the external auditor in the scope of services unrelated to the audit of financial statements. The Audit Committee was regularly informed about the progress of work on preparing the bank to adapt to the regulatory requirements for non-financial reporting in the ESG area. The Committee agreed to extend the scope of the financial statement audit service by the external auditor to include procedures regarding the mBank Group's readiness to report in accordance with the CSRD and EU Taxonomy regulations for 2024. After reviewing the information from the Management Board of mBank, the Audit Committee recommended that the Supervisory Board recognize material transactions concluded in 2023 between the bank and related entities as concluded on market terms as part of the bank's ordinary business.

Attendance of members of the Audit Committee at meetings in 2024 is presented in the table below.

| **Audit Committee** | | | | |
|---|---|---|---|---|
| Tomasz Bieske | Dr Hans-Georg Beyer | Aleksandra Gren | Dr Bettina Orlopp | Prof. Agnieszka Słomka-Gołębiowska |
| 7/7 | 7/7 | 7/7 | 5/7 | 7/7 |

*x/x: Attendance at meetings / number of meetings during the term of office on the committee*

**Selection of an external auditor**

The external auditor is selected by the General Meeting based on a recommendation of the Supervisory Board. The recommendation is prepared in accordance with a selection procedure that meets the requirements set out in the applicable laws.

The procedure for selecting an audit firm to audit mBank’s financial statements meets the requirements set out in Article 16 (2) of Regulation (EU) No 537/2014 of the European Parliament and of the Council of April 16, 2014 on specific requirements regarding statutory audit of financial statements of public-interest entities (Regulation No. 537/2014).

The policy for selecting an audit firm at mBank S.A. approved by the Audit Committee meets the requirements set out in the Act of May 11, 2017 on Statutory Auditors, Audit Firms and Public Oversight and Regulation No. 537/2014. The policy incorporates the principle regarding the rotation of statutory auditors.

In accordance with Article 17 of Regulation No. 537/2014, an engagement of a particular auditor or audit firm may not exceed ten years (Article 17 (1)). Until March 31, 2020, the Act of May 11, 2017 on Statutory Auditors, Audit Firms and Public Oversight contained Article 134 (1) which stipulated that the maximum

duration of uninterrupted statutory audit engagements carried out by one audit firm or an audit firm related to this audit firm, or any member of the network may not exceed five years. On March 31, 2020, the Act of March 31, 2020 on Amendments to the Act on Specific Solutions Related to Prevention, Counteracting and Combating COVID-19, Other Infectious Diseases and Crisis Situations Caused by Them introduced an amendment to the Act on Statutory Auditors which removed the five-year rotation period for statutory auditors of public interest entities. At the same time, Articles 134 (2) and (3) of the Act on Statutory Auditors remained in force, stipulating that a key statutory auditor may not conduct statutory audits at the same public interest entity for more than five consecutive years. The statutory cooling-off period is at least three years from the end of the last audit.

The bank abides by the applicable provisions on the rotation of statutory auditors.

Pursuant to the policy on the provision of permitted non-audit services to mBank by the audit firm carrying out the audit, by entities related to the audit firm and by a member of the audit firm's network, a statutory auditor or an audit firm carrying out the statutory audit, or any member of the network to which the statutory auditor or the audit firm belongs, do not directly or indirectly provide to the audited entity, to its parent undertaking or to its controlled undertakings within the Union:

- any prohibited non-audit services in the period between the beginning of the audited period and the issue of the audit report;
- any services that consist in the development and implementation of internal control or risk management procedures relating to the preparation or control of financial information or the development and implementation of technological systems for financial information.

Under Article 136 of the Act on Statutory Auditors, prohibited services do not include:

1. services that consist in:
    a. conducting due diligence procedures with regard to economic and financial situation,
    b. issuing comfort letters in connection with the prospectuses issued by the audited entity, in accordance with the national standard of related services and by means of agreed procedures;
2. assurance engagements with regard to pro forma financial information, forecasts of results or estimated results, published in the prospectus issued by the audited entity;
3. auditing historical financial information to be included in a prospectus;
4. verification of consolidation packages;
5. confirmation of fulfilment of conditions of the concluded loan contracts on the basis of analysis of financial information coming from financial statements audited by a given audit firm;
6. assurance engagements in reporting concerning corporate governance, risk management and corporate social responsibility;
7. services consisting in the assessment of compliance of information disclosed by financial institutions and investment companies with the requirements for disclosing information concerning capital adequacy and variable remuneration components;
8. certification concerning financial statements or other financial information for supervision bodies, the supervisory board or another supervisory authority of the company, or owners, exceeding the scope of the statutory audit, to help these authorities to perform their statutory duties.

Provision of the said services is possible only in the scope not related to the tax policy of the bank, after the Audit Committee evaluates hazards and safeguards for an audit firm's independence.

The audit firm selection procedure has been developed by the Audit Committee of the Supervisory Board of mBank. For the purposes of organising and conducting tender proceedings to select an audit firm, at the request of the Vice-President of the Management Board, Chief Financial Officer the Audit Committee appoints the Evaluation Committee which conducts tender proceedings to select an audit firm.

The selection criteria applied when assessing bids submitted by bidders are clear and do not discriminate against any bidder. The Audit Committee presents the Supervisory Board with a recommendation regarding the appointment of an audit firm containing a justification and at least two recommended audit firms, one of them indicated as the preferred choice with reasons for the preference. The Supervisory Board

recommends one of the audit firms indicated in the Audit Committee's recommendation to the Annual General Meeting of mBank S.A.

The audit firm auditing the financial statements of mBank and mBank Group provided permitted non-audit services to mBank. Therefore, the Audit Committee each time assessed the independence of the audit firm and granted its consent to the provision of the services.

**Statutory auditor's services other than the audit of annual financial statements**

A list of services other than the audit of yearly financial statements rendered to mBank S.A. Group by KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k in the year 2024 is presented below.

1. Review of the standalone interim financial statements of mBank S.A. and the consolidated interim financial statements of mBank S.A. Group as at and for the 6-month period ended June 30, 2024.
2. Review of the consolidated special purpose financial information of mBank S.A. Group for Q1 2024, including the condensed consolidated interim financial statements of mBank S.A. Group and the condensed standalone interim financial statements of mBank S.A. as at and for the 3-month period ended March 31, 2024.
3. Review of the consolidated special purpose financial information of mBank S.A. Group for Q3 2024, including the condensed consolidated interim financial statements of mBank S.A. Group and the condensed standalone interim financial statements of mBank S.A. as at and for the 9-month period ended September 30, 2024.
4. Review of the consolidation package of mBank S.A. for Commerzbank AG as at and for the 3-month period ended March 31, 2024, as at and for the 6-month period ended June 30, 2024, and as at and for the 9-month period ended September 30, 2024.
5. Audit of the consolidation package of mBank S.A. for Commerzbank AG as at and for the year ended December 31, 2024.
6. Verification of the disclosure document regarding the capital adequacy of mBank S.A. Group as at June 30, 2024 and December 31, 2024.
7. Assessment of compliance with the requirements for storing assets of mBank S.A. clients for 2024.
8. Audit of the report on remuneration compiled by the Supervisory Board for the year ended on December 31, 2024.
9. Execution of agreed procedures related to the preparation of a prospectus update by the bank under the EMTN Program and the issuance of comfort letters.
10. Audit of special purpose financial information containing the calculation of Distributable Items within the meaning of Article 4(1)(128) of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 ("CRR Regulation") as at 31.03.2024.
11. Assurance service regarding the compliance of the mBank S.A. Group's sustainability reporting for 2024.
12. Review of interim financial statements of two subsidiaries as at and for the 6-month period ended June 30, 2024.
13. Audit of selected balances in the consolidation package of three subsidiaries and performance of specific audit procedures on the consolidation packages of four subsidiaries for mBank S.A. as at and for the year ended December 31, 2024.
14. Review of selected balances in the consolidation package of three subsidiaries as at and for the 3-month period ended March 31, 2024, and as at and for the 9-month period ended September 30, 2024.
15. Review of selected balances in the consolidation package of three subsidiaries and performance of specific audit procedures on the consolidation packages of four subsidiaries for mBank S.A. as at and for the 6-month period ended June 30, 2024.

16. Audit of selected balances in the consolidation package of three subsidiaries for Commerzbank AG as at and for the year ended December 31, 2024.

## Risk Committee

The Risk Committee is responsible for, among others, issuing opinions on the bank's risk appetite, i.e. its current and future overall readiness to take on risk, and issuing opinions on the risk management strategy prepared by the Management Board and information on its implementation status submitted by the Management Board. The Risk Committee is tasked with supporting the Supervisory Board in supervising the implementation of the risk management strategy by senior management, issuing recommendations for the Supervisory Board concerning the approval of strategies and policies developed by the Management Board with respect to, in particular, internal capital assessment process, and ongoing monitoring of the risk management system, in particular monitoring of credit risk, market risk (including interest rate risk and FX risk), liquidity risk, capital risks and non-financial risks, including operational risk.

Moreover, the Risk Committee supervises the activity of the Management Board in the scope of the management of negative impact of environmental factors on clients, counterparties or on the bank's balance sheet, verifies whether the prices of assets and liabilities offered to clients match the bank's business model and issues recommendations for the Credit Committee of mBank Group concerning exposures bearing the risk of a single entity / group of related entities.

Activity of the Risk Committee in 2024

In 2024, the Risk Committee analysed in detail the situation of the CHF mortgage loan portfolio, including progress in the implementation of the settlement program with borrowers and the dynamics of court cases. Due to the high costs of legal risk, the Committee supervised the Management Board's activities strengthening the Group's capital position, including the securitization of loan portfolios and the issuance of bonds classified as additional Tier 1 instruments.

The Committee issued a number of recommendations and monitored the progress of work on loan portfolio decarbonization plans, as well as the identification and mitigation of environmental risks.

In terms of credit risk, the Committee's attention focused on threats to the retail portfolio and selected segments of the corporate portfolio resulting from inflation, interest rates and other factors related to the macroeconomic environment. The Committee issued 13 recommendations for mBank Group Credit Committee regarding exposures to a single entity.

Taking into account the introduction of further regulations regarding the sensitivity of interest income, the Bank's exposure in this area was analyzed at the Committee meetings and risk limits were set. In the second half of 2024, the balance sheet structure was analyzed at the Committee meetings in the context of stabilizing the interest income.

With respect to liquidity risk, the Risk Committee issued, among others, a recommendation to increase the management buffer for the LCR regulatory measure and a recommendation to update the Contingency Plan in the event of a threat of loss of financial liquidity of mBank Group.

Attendance of members of the Risk Committee at meetings in 2024 is presented in the table below.

| Risk Committee | | | | |
|---|---|---|---|---|
| Bernhard Spalt | Mirosław Godlewski | Aleksandra Gren | Thomas Schaufler | Prof. Agnieszka Słomka-Gołębiowska |
| 5/5 | 5/5 | 5/5 | 5/5 | 5/5 |

*x/x: Attendance at meetings / number of meetings during the term of office on the committee*

## Remuneration and Nomination Committee

In terms of remuneration, the Remuneration and Nomination Committee is tasked with, among others, issuing opinions, monitoring and assessing the remuneration policies adopted by the bank, proposing amendments and issuing opinions for the Supervisory Board in this respect, verifying the Risk Takers Identification Policy and remuneration policies on an annual basis, verifying the indicators used to calculate the bonus pool in a given calendar year and verifying the final bonus pool.

The Committee monitors the level and structure of remuneration, in particular risk takers' remuneration and issues recommendations on general guidelines for the Management Board on the level and structure of risk takers' remuneration, issues recommendations for the Supervisory Board concerning the approval

of a report on remuneration awarded to members of the Management Board and the Supervisory Board, considers matters related to the remuneration principles applicable to members of the Management Board and the level of their remuneration, sets and evaluates the objectives and performance of members of the Management Board.

In terms of nomination, the Remuneration and Nomination Committee is tasked with, among others, identifying and selecting candidates for vacant positions in the Management Board and the Supervisory Board as part of the succession process, recommending candidates to the Management Board and the Supervisory Board, taking into account the individual and collective suitability criteria and the diversity criterion, setting targets for the representation of the underrepresented gender in the Management Board and the Supervisory Board of the bank, periodically assessing (at least once a year) the structure, size, composition and effectiveness of operation of the Management Board and recommending changes in this respect to the Supervisory Board.

The Committee conducts a periodical, at least once a year, individual suitability assessment of members of the Supervisory Board and of the Management Board and collective assessment of these bodies and recommends its approval to the appointing authorities. The Committee reviews the Suitability Policy and the policy applied by the Management Board to the selection and appointment of managers at the bank and issues recommendations for the Management Board in this respect. Furthermore, the Committee presents opinions on granting permission to the Management Board members to engage in competitive activity or to sit on management or supervisory boards of companies outside mBank Group.

Activity of the Remuneration and Nomination Committee in 2024

One of the most important tasks of the Remuneration and Nomination Committee in 2024 was to identify and select candidates for the position of President of the Management Board. As a result of the recruitment process, the Committee recommended Cezary Kocik - the previous Vice-President of the Management Board, Head of Retail Banking - to the Supervisory Board as a candidate for President of the Management Board. As a candidate for the position of Vice-President of the Management Board, Head of Retail Banking, in place of Cezary Kocik, the Remuneration and Nominations Committee recommended to the Supervisory Board Krzysztof Bratos, who until then held the position of Managing Director responsible for private banking, wealth management and the Brokerage Bureau at mBank.

The Committee also considered matters concerning, among others: the principles of remuneration of members of the Management Board, persons having a significant impact on the bank's risk profile and employees of mBank, setting and settling the implementation of MbO goals and determining the amount of bonuses for members of the Management Board and the bonus pool for bank employees. The Committee's analysis also included initiatives aimed at eliminating the pay gap in the remuneration of women and men and actions aimed at improving gender balance. The Committee also familiarized itself with a comparison of mBank employees' remuneration with the market. Issues related to diversity, equality and inclusiveness were repeatedly raised in the discussions.

The Remuneration and Nomination Committee also periodically reviewed the Policy on the assessment of the suitability of members of the bank's bodies, minimum requirements for members of the Supervisory Board and the Management Board. The Committee also accepted a package of policies: the Policy for the Identification of Key Functions in mBank S.A., the Policy for the Identification and Remuneration of Persons Having a Significant Impact on the Bank's Risk Profile and the Remuneration Policy for Bank Employees.

Attendance of members of the Remuneration and Nomination Committee at meetings in 2024 is presented in the table below.

| **Remuneration and Nomination Committee** | | | | |
|---|---|---|---|---|
| Prof. Agnieszka Słomka-Gołębiowska | Tomasz Bieske | Mirosław Godlewski | Bernhard Spalt | Dr Bettina Orlopp |
| 11/11 | 11/11 | 11/11 | 8/11 | 10/11 |

*x/x: Attendance at meetings / number of meetings during the term of office on the committee*

## IT Committee

The IT Committee is tasked mainly with supporting ongoing supervision over the bank’s IT and IT security operations, analysing periodic IT and IT security reports of mBank presented to the Supervisory Board, presenting the Supervisory Board with conclusions from reviews of the bank’s periodic reports on IT and IT security, recommending the Supervisory Board to approve or reject IT and cybersecurity strategies. Furthermore, the IT Committee monitors the implementation of the Strategic IT Road Map and introduction of Strategic IT Initiatives, and the effectiveness of the IT, IT security and internal IT governance operational risk management system.

Activity of the IT Committee in 2024

At its meetings in 2024, the IT Committee discussed in detail the Management Board's periodic reports on IT and IT security, including HR reports in this area. At its meeting in September 2024, the Committee reviewed the status of DORA implementation and recommended that the Supervisory Board approve the Digital Resilience Strategy in mBank Group.

Attendance of members of the IT Committee at meetings in 2024 is presented in the table below.

| IT Committee | | |
|---|---|---|
| Aleksandra Gren | Mirosław Godlewski | Thomas Schaufler |
| 3/3 | 3/3 | 3/3 |

*x/x: Attendance at meetings / number of meetings during the term of office on the committee*

The Report of the Supervisory Board on Its Activities covering, among other things, reports on the activities of the Committees of the Supervisory Board in a given reporting year, is appended to the set of materials for the Annual General Meeting and can be found on mBank's website https://www.mbank.pl/en/investor-relations/general-meeting/.

Remuneration of the Supervisory Board:

In accordance with the Remuneration Policy for Members of the Management Board and Members of the Supervisory Board of mBank S.A., Members of the Supervisory Board perform their functions on the basis of appointment and are entitled to remuneration only on this account. Remuneration of a Supervisory Board Member is not linked to the company's performance and is not awarded in financial instruments or other in-kind benefits. The company does not grant members of the Supervisory Board any exceptional variable remuneration components.

The amount of monthly remuneration awarded to members of the Supervisory Board was set in Resolution No. 32 on the Remuneration Rules for Members of the Supervisory Board of mBank S.A. adopted by the 37th Annual General Meeting of mBank S.A. held on March 27, 2024. The chairperson of the Supervisory Board earns PLN 25,000 monthly, the deputy chairperson – PLN 16,000 monthly, while members of the Supervisory Board earn PLN 13,500 monthly each.

Additional monthly remuneration is granted for the participation in standing committees of the Supervisory Board: 50% of monthly remuneration of a Supervisory Board member for the first standing committee and 25% for participating in a second committee. No additional remuneration is paid to a member of the Supervisory Board who sits on three or more standing committees of the Supervisory Board. However, a Supervisory Board member performing the function of the chairperson of the Audit Committee of the Supervisory Board of mBank is entitled to additional remuneration equal to 60% of their remuneration.

The remuneration of the Supervisory Board for 2023-2024 is presented in the table below.

| | | Remuneration paid in 2024 (in PLN) | Remuneration paid in 2023 (in PLN) | Period in office |
|---|---|---|---|---|
| 1. | Agnieszka Słomka-Gołębiowska | 531,671 | 465,020 | 01.01.2024-31.12.2024 |
| 2. | Bettina Orlopp | - | - | 01.01.2024-31.12.2024 |
| 3. | Hans Georg Beyer | 236,250 | 216,000 | 01.01.2024-31.12.2024 |
| 4. | Tomasz Bieske | 435,500 | 430,774 | 01.01.2024-31.12.2024 |
| 5. | Mirosław Godlewski | 280,114 | 255,780 | 01.01.2024-31.12.2024 |
| 6. | Aleksandra Gren | 280,114 | 255,780 | 01.01.2024-31.12.2024 |
| 7. | Thomas Schaufler | - | - | 01.01.2024-31.12.2024 |
| 8. | Bernhard Spalt | | | 01.01.2024-31.12.2024 |
| 1. | Marcus Chromik [1)] | | | 01.01.2023-31.12.2023 |
| 2. | Arno Walter [2)] | | 48,000 | 01.01.2023-30.03.2023 |
| | **Total** | **1,763,649** | **1,671,354** | |

1) *Marcus Chromik resigned from his position as of December 31, 2023.*

2) *Arno Walter resigned from his position as of March 30, 2023.*

## 11.8. Application of the Diversity Policy of mBank S.A. to the Management Board and Supervisory Board

With regard to the Management Board and the Supervisory Board, we apply the Policy for the Assessment of Qualifications (Suitability) of Members of the Supervisory Body, Management Body and Key Function Holders at mBank S.A. The Policy sets out principles which must be fulfilled so that key functions at the bank are held by individuals who have relevant qualifications, knowledge, skills, professional experience, abilities and reputation. The Diversity Policy Applicable to Company Bodies forms an integral part of this Policy.

The principle of diversity applied when selecting members of the bank's bodies is based on objective, merit-based criteria in the scope of education, skills and professional experience. Additional criteria supporting diversity of the composition of the bank's bodies are gender and age. The objectives concerning the diversification of the bank's bodies are taken into account during the candidate selection process only to the extent to which doing so does not impair the operations and suitability of the bank's bodies.

When selecting the composition of the Supervisory Board and the Management Board, the AGM and the Supervisory Board take into account the results of the suitability assessment and strive to reach gender balance in the composition of the Supervisory Board and the Management Board, or at least a minimum 33% share of gender minority or a level required by the law both in the Management Board and the Supervisory Board by June 30, 2026 at the latest.

The Supervisory Board is composed of representatives of mBank's main shareholder, representatives of science and business, and people with in-depth economic knowledge and experience in banking. The number of female members is taken into account as well.

At the end of 2024, there were three women among the eight Supervisory Board members, making up 37.5% of the total number of members.

| Supervisory Board of mBank | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Dec 31, 2020 | | Dec 31, 2021 | | Dec 31, 2022 | | Dec 31, 2023 | | Dec 31, 2024 | |
| | number of members | % | number of members | % | number of members | % | number of members | % | number of members | % |
| Women | 4 | 50.0% | 3 | 37.5% | 3 | 37.5% | 3 | 37.5% | 3 | 37.5% |
| Men | 4 | 50.0% | 5 | 62.5% | 5 | 62.5% | 5 | 62.5% | 5 | 62.5% |
| **In total** | **8** | **100%** | **8** | **100%** | **8** | **100%** | **8** | **100%** | **8** | **100%** |

As at December 31, 2024, there was one woman among the seven Management Board members.

| Management Board of mBank | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Dec 31, 2020 | | Dec 31, 2021 | | Dec 31, 2022 | | Dec 31, 2023 | | Dec 31, 2024 | |
| | number of members | % | number of members | % | number of members | % | number of members | % | number of members | % |
| Women | 0 | 0% | 0 | 0% | 0 | 0% | 1 | 14.3% | 1 | 14.3% |
| Men | 7 | 100% | 6 | 100% | 6 | 100% | 6 | 85.7% | 6 | 85.7% |
| **In total** | **7** | **100%** | **6** | **100%** | **6** | **100%** | **7** | **100%** | **7** | **100%** |

The composition of the Management Board and the Supervisory Board by age is presented in the table below (as at December 31, 2024).

| 31.12.2024 | Management Board of mBank | | Supervisory Board of mBank | |
|---|---|---|---|---|
| | number of members | % | number of members | % |
| aged 30–39 | 1 | 14.3% | - | 0.0% |
| aged 40–49 | 5 | 71.4% | 2 | 25.0% |
| aged 50+ | 1 | 14.3% | 6 | 75.0% |

mBank's managers graduated in different fields of study in Poland and abroad, including economics, technology, IT, law, philology and other. The management consists of people with diverse experience in Polish, European and American financial and non-financial institutions. The management team is aware of the importance of diversity to the work environment. By implementing our diversity policy, we increase the participation of women in recruitment for managerial positions and we reduce the wage gap in peer groups.

In 2018 mBank signed the Diversity Charter, an international initiative for social cohesion and equality launched in Poland by the Responsible Business Forum. As participants in this initiative, we are committed to supporting diversity and anti-discrimination in the workplace.

## Responsible Banking Progress Statement: Summary

Principle 1:

**Alignment**

In 2024, we continued to implement the mBank Group Strategy for 2021-2025 entitled "From an icon of mobility to an icon of opportunity", adopted by the Management Board and approved by the Supervisory Board in autumn 2021. In the middle of the strategy, in 2023, we reviewed our goals and redefined them for further integration into our priorities, activities, risk issues and management processes. The ESG agenda is an integral part of this document and our business. The implementation of strategic objectives is monitored during the year, and the effects of its implementation are published together with non-financial reporting. In the fourth quarter of 2024, work began on the Group's next strategy for the coming years.

**Links & references**

***Strategy of mBank Group (pages 50-57)***

***(SBM-1 points 40e–41) ESG Strategy of mBank Group (pages 120-123)***

Principle 2:

**Impact & Target Setting**

In 2024, for the first time, we conducted a double materiality assessment process to map and gain an in-depth understanding of the most material impacts, risks and opportunities (IROs) arising from sustainability topics related to our business model. mBank Group's approach has been defined in accordance with the European Sustainability Reporting Standards (ESRS), guidelines published by the European Financial Reporting Advisory Group (EFRAG) and with the support of experts. One of the elements of the entire process was the analysis of the impact of the portfolio based on the methodology developed under the Financial Initiative of the United Nations Environment Program (UNEP FI). We used the consumer banking and institutional banking identification modules. We conducted the assessment using audited data for the last completed year. The analysis identified 17 material topics, the related policies, activities and objectives are described in Chapter 10 of the Report on the Activities of the Management Board of mBank S.A. Group in 2024.

**Links & references**

***Double Materiality Analysis Process (pages 143-146)***

***(SBM-3) List of material topics (pages 148-161)***

Principle 3:

**Clients & Customers**

We work responsibly with our individual and business customers to encourage sustainable practices and business activities. In the corporate segment, we are doing this by providing financing for sustainable investments (PLN 7.6 billion in 2024) and mobilising capital through the organisation of consortia and the issue of green bonds (PLN 8.5 billion in 2024). We also have a dedicated offer supporting sustainable development for retail banking clients – mortgage loans secured on residential real estate whose primary energy demand is at least 10% lower than the threshold set for Nearly Zero Energy Building (NZEB) requirements, reduced by 10%, the so-called "NZEB – 10%".

In addition, mBank aims to promote healthy finances among clients and help counteract financial exclusion. We want mBank's clients to want, be able and be able to manage their finances effectively. That is why we are developing the functionality of the Finance Manager (the so-called PFM) in our mobile application. This tool allows you to track your spending, set budget limits, and stay on top of your financial situation. In June 2024, mBank announced its goal to increase and maintain the financial resilience and well-being of Poles by supporting expenditure management and building a financial cushion. mBank's goal set together with UNEP-FI by the end of 2025 is to increase the percentage of

clients to min. 50% who believe they are financially resilient. In 2024, as many as 54% of our customers considered themselves financially resilient.

**Links & references**

***Activities supporting sustainable development for corporate segment customers (pages 243-247)***

***Offer for individual customers supporting sustainable development (pages 296-297)***

***Financial health (pages 293-295)***

Principle 4:

**Stakeholders**

One of the elements of the double materiality analysis carried out in 2024 was a dialogue with stakeholders. In June 2024, we conducted a dialogue session with representatives of the main stakeholder groups, as well as surveys among employees involved in the subject of sustainable development and investors. At the same time, taking into account the voice of the Group's employees and customers is a permanent element of our business. Employees regularly participate in PulseCheck surveys, the results of which are discussed at various levels of the organization, including the Management Board, and in response to them, management processes are improved. The Group (in the retail and corporate parts) conducts cyclical customer opinion surveys - NPS (Net Promoter Score). The results are analyzed and communicated to product and process development teams, which is ultimately used to build the strategy and business model. Customers also have the opportunity to provide their suggestions for any area of their experience through multiple communication channels, such as phone, face-to-face, mobile app, or social media. With respect to corporate clients, cooperation is also organized on the basis of bilateral contacts and as part of the Group's activity at conferences and market events.

**Links & references**

***(SBM-2) Interests and views of stakeholders (pages 146-148)***

***Dialogue with employees (266-268)***

***Processes of cooperation in the field of interaction with consumers and end users (page 285)***

Principle 5:

**Governance & Culture**

mBank Group implements the corporate governance principles required by law and inspired by best market practices. We see sustainability as an integral part of our business. Hence, sustainable development management is carried out in accordance with the division of competences among the Management Board Members (adopted by a resolution of the Management Board and approved by the Supervisory Board) and in accordance with the duties and roles assigned to individual positions and teams in the regulations of individual organizational units. The Sustainable Development Committee of mBank Group supervises the implementation of the ESG Strategy in the Group, as well as makes decisions and issues recommendations, and provides a platform for dialogue on sustainable development between the bank's organisational units and between the bank and the Group's subsidiaries. In addition, in 2024, the position of Chief Sustainability Officer was appointed, who comprehensively manages the area of sustainable development in the Group. A number of other new positions related to sustainability issues were also created, including the roles of Director of Sustainability Reporting, Director of the Non-Financial Risk Management Department (who also serves as the Chief Environmental Risk Officer), Director of the Sustainable Finance Department for Corporate and Investment Banking, ESG Director in the Private Banking Division and Director of the Green Assets Department at mLeasing. In 2024, the incentive system focused on variable remuneration, which is awarded, among other things, on the basis of an assessment of the achievement of the MbO's objectives, including ESG-related goals.

**Links & references**

***Processes for managing material sustainability issues (pages 127-143)***

***ESRS G1 Business Conduct (pages 297-298)***

Principle 6:

**Transparency & Accountability**

**Content**

This statement is referring to our first Sustainability Disclosure under ESRS, which has been subject to independent auditor's limited assurance.

**Links & references**

***Independent assurance report***

***Strategy of mBank Group***

***mBank Group ESG Report for 2023***

## Glossary

**ABB** – Accelerated book building

**AIRB** – Advanced Internal Rating-Based

**AROR** – metric presenting adjusted revenues on risk weighted assets, calculated as revenues minus banking tax and cost of risk/risk weighted assets (RWA)

**BFG** – Bank Guarantee Fund

**BGK** – Bank Gospodarstwa Krajowego; it is a Poland's only state-owned bank which primary business covers providing banking services for the public finance sector

**BRRD** – Banking Recovery and Resolution Directive, Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council

**BPV** – Basis Point Value, a measure that represents how much money the portfolio will gain or lose for a 0.01% (one basis point) parallel up movement in the yield curve. IR BPV is an interest rate basis point value and CS BPV is a credit spread basis point value. BPV of PLN – 100,000 shows that the 0.01% increase in interest rates will cause a PLN 100,000 fall of the value of the portfolio.

**CDP –** global non-profit company running environmental disclosure system for companies, capital markets, cities, states and regions

**CEE** - Central and Eastern Europe

**CET 1 ratio** – Core Tier 1 ratio, core equity capital ratio, calculated as: Tier 1 capital (calculated with accordance with CRR resolution)/total risk exposure amount

**CNB** – Czech National Bank

**CRD IV** – Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (Capital Requirements Directive IV).

**Cross-selling** – a trade technique of selling a product or service combined with purchase of another product to an existing customer

**CRR -** Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation).

**CSRD** – Corporate Sustainability Reporting Directive, implemented to Polish legislation through Act from 6th December 2024 on changes to the Accounting Act, Act on Chartered Accountants and public supervision and selected other acts.

**ECB** – European Central Bank

**Economic Profit (EP)** – measure of shareholders' value added, defined as the difference between gross profit and nominal cost of equity (understood as equity multiplied by required annual rate of return fulfilling minimum expectations of investors, set internally in the bank).

**EIB** – European Investment Bank

**ESG** - Environmental, Social and Governance criteria and aspects

**ESRS –** European Sustainability Reporting Standards introduced through delegated regulation of European Commission 2023/2772 from 31 July 2023

**EU Taxonomy -** Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 together with a set of delegated regulations: Delegated Regulation 2021/2139 (a delegated act setting technical qualification criteria for two environmental objectives), Delegated Regulation 2021/2178 (a delegated act for Article 8 of the Taxonomy, the so-called DDA), Delegated Regulation 2022/1214 (a delegated act for nuclear and natural gas activities), and Delegated Regulations 2023/2485 and 2023/2486 (delegated acts implementing amendments to existing documents and setting technical qualification criteria for the remaining four environmental objectives)

**Fed** – US Federal Reserve

**FTE** – Full Time Equivalent

**GDP** – Gross Domestic Product – a monetary measure of the value of all final goods and services produced in a country or region over a given period

**Guarantee de minimis** – A form of security of a loan, which dedicates funds to guaranteeing the repayment of loans in case of non-timely repayment

**GUS** – Polish Central Statistical Office

**ICAAP** – Internal Capital Adequacy Assessment Process

**IPO –** Initial Public Offering, shares of stock in a company are sold to the general public on stock exchange market for the first time

**K1** – Large enterprises (annual sales exceeding PLN 1 billion)

**K2** – Mid-sized enterprises (annual sales of PLN 50 million – PLN 1 billion)

**K3** – Small enterprises (annual sales below PLN 50 million, full accounting)

**KSF** – Financial Stability Committee

**KUKE** – Export Credit Insurance Corporation

**LIBOR** – London Interbank Offered Rate – the reference rate of interest on deposits and loans in the interbank market in London. Libor rates are set for the following currencies: USD, EUR, CHF, GBP, JPY, for 1 day, 1 week, 1 month, 2 months, 3 months, 6 months and 1 year loans

**LtV ratio** – Loan to Value ratio, expressing a relation between an amount of a loan and a value of its collateral (usually mortgage)

**M&A** – Mergers and Acquisitions

**MBA studies** – Executive Master of Business Administration postgraduate studies offered in Polish and addressed to working professionals with higher education who have several years of experience in business, mainly occupying middle and higher management positions

**MbO** – Management by Objectives

**MPC** – Monetary Policy Council (in Polish: RPP)

**MREL** – Minimum requirement for own funds and eligible liabilities, determined in BRRD

**MS** – Mid-swap, the reference rate used as benchmark to calculate total interest rate cost for variable rate bond

**NPL** – Non-Performing Loans – impaired loans

**NPS** – Net Promoter Score – indicates loyalty of clients

**NSFR** – Net Stable Funding Ratio

**OKR** – Objectives and Key Results

**P/BV ratio** – Share Price/Book value per share

**P/E ratio –** Share Price/Earnings per share

**PD** – Probability of Default

**PFM** – Personal Financial Manager

**PFR** – Polish Development Fund Group

**PFSA** – Polish Financial Supervision Authority (pol. KNF)

**PPS –** Purchasing Power Standard

**RWA** – Risk Weighted Assets

**SME** – Small and Medium Enterprises; entities employing up to 250 employees

**ST** – Stress Test – a potential loss on the portfolio which would occur as a result of rapid adverse changes in market parameters. ST is a sum of ST Base and ST CS. If ST equals PLN 1m and stress scenario conditions occur, probable loss will be PLN 1m (ST value).

**Tier 1** – Tier 1 capital, calculated according to article 25 of CRR Regulation (CET1 capital + the instrument eligible for AT1

**Tier 2** – Tier 2 capital, calculated according to part II, title 1, chapter 4 of CRR Regulation

**Total capital ratio** – calculated as own funds (Tier 1 + Tier 2)/total risk exposure amount

**TREA** – Total Risk Exposure Amount

**VaR** - Value at Risk

**WIBOR** – Warsaw Interbank Offered Rate; Polish equivalent of LIBOR determined for Polish Zloty in Warsaw

**WIG** – Warsaw Stock Exchange Index, covering shares of entities listed on the primary market

**WSE** – Warsaw Stock Exchange (in Polish: GPW)

**ZBP** – The Polish Bank Association

## Statements of the Management Board

### True and fair picture in the presented reports

The Management Board of mBank S.A. declares that according to their best knowledge:

- The annual consolidated financial statements, the annual financial statements and the comparative figures were prepared in compliance with the binding accounting principles and present a true, fair and clear picture of the financial position and the condition of the assets of mBank S.A. Group and mBank S.A. as well as their financial performance.
- The Management Board Report on Performance of mBank S.A. Group in 2024 (including the Management Board Report on Performance of mBank S.A.) presents a true picture of the developments, achievements, and situation of the mBank S.A. Group and mBank S.A., including a description of the main risks and threats.