

A photograph of a forest floor covered in vibrant green moss and small plants, with sunlight filtering through the trees in the background. At the top and bottom of the page are decorative horizontal bars with segments of red, orange, and green.

mBank S.A. Green Bond Allocation and Impact Report

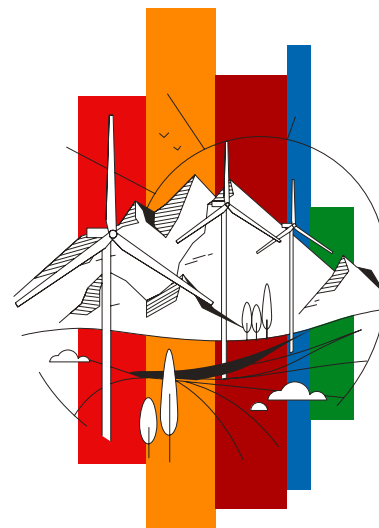
31 December 2024

The mBank logo, consisting of the word "mBank" in white lowercase letters on a background of four colored squares: red, orange, red, and green.

mBank

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Summary



The mBank S.A. Green Bond Report covers the allocation and environmental impact of projects financed with the proceeds from the mBank S.A. Green Bonds as of 31st December, 2024.

- **Green Bond Series:** The report includes all outstanding Green Bonds issued by mBank since 2021, that is Series 11, 12 and 13, with a total principal value of EUR 1,750 mn.
- **Eligible Assets Portfolio:** The Eligible Assets Portfolio with a total value of PLN 20,216 mn (eq. EUR 4,731 mn) includes green buildings and renewable energy projects (onshore wind farms and photovoltaic farms) identified in line with Climate Bonds Initiative Sector Criteria, as specifically described in the → [mBank S.A. Group Green Bond Framework](#).
- **Allocation Information:** The percentage of the Eligible Assets Portfolio that was allocated stood at 36.8%, and 99.7% of the net proceeds from the Green Bonds were allocated to the Eligible Assets Portfolio. For Green Bonds Series 11 and Series 12, the allocations reached 100%, as verified and confirmed by Sustainalytics in the Post-issuance verification letters. These Green Bonds also received the Post-issuance certificate from Climate Bonds Initiative. All relevant documents can be found on → [our website](#).
- **Impact reporting:** For the reporting year, the estimated avoided emissions of allocated portfolio amounted to 445,891 tCO₂e annually. The calculation includes all projects financed from Green Bond proceeds (in operation and in construction) and was based on reference benchmarks updated against previous reporting year.



3 Green Bonds Series

EUR 1,746 mn Total net proceeds

15,438 Financed projects

EUR¹ 1,741 mn Total allocation amount

445,891² Financed emissions avoided (tCO₂e/year)

¹ EUR equivalent amount (NBP Fixing rate as of 31 December 2024, EUR 1 = PLN 4.2730)

² The calculation includes all projects financed from Green Bond proceeds (in operation and in construction).

Allocated Assets Portfolio³



15,406
Green residential
buildings³



10
Wind farms



22
Photovoltaics

1 345.264 m²
Financed usable area

130.3 MW
Financed energy power

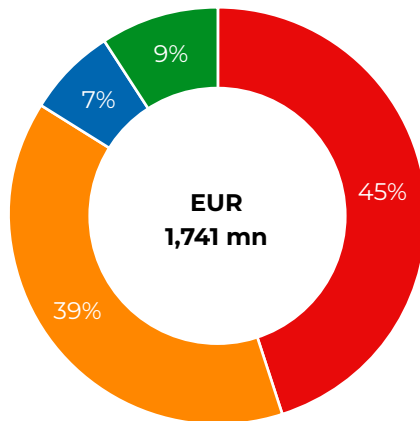
310.9 MW
Financed energy power

32
Annual emissions avoided
(tCO₂e/mn EUR)

1,707
Annual emissions avoided
(tCO₂e/mn EUR)

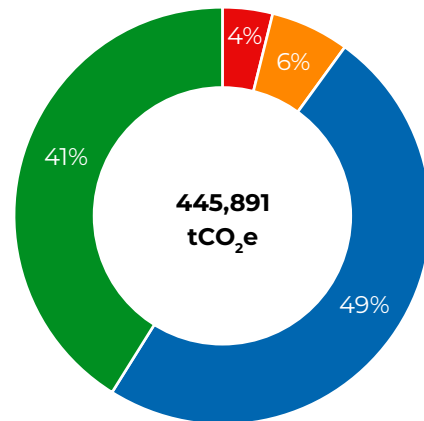
1,158
Annual emissions avoided
(tCO₂e/mn EUR)

**Allocation of proceeds
by Eligibility Criteria**



- Residential buildings (TC 2017)
- Residential buildings (TC 2021)
- Wind Farms
- Photovoltaic Farms

**Annual emissions avoided
by type of asset**



- Multi-Family Housing
- Single-Family Housing
- Wind Farms
- Photovoltaic Farms

³ All data were calculated for all projects financed from mBank S.A. Green Bond proceeds, regardless of project status (in operation and in construction).

Eligible Assets Portfolio

Type of assets	Number of contracts	Total amount ⁴	
		in mn PLN	in mn EUR ¹
Green residential buildings by technical conditions (total)⁵	41,049	17,596	4,118
▪ TC 2017	26,554	10,339	2,420
▪ TC 2021	14,495	7,257	1,698
Renewable energy projects (total)	85	2,620	613
▪ Wind Farms	25	1,122	262
▪ Photovoltaics	59	1,412	331
▪ Hybrid projects	1	86	20
Eligible Assets (total)	41,134	20,216	4,731

Outstanding Green Bonds

Series	ISIN	Issue date	Maturity date	Principal in mn EUR	Use of Proceeds in mn EUR
11	XS2388876232	20.09.2021	21.09.2027	500	498.625
12	XS2680046021	11.09.2023	11.09.2027	750	748.125
13	XS2907137736	27.09.2024	27.09.2030	500	498.750
				1,750	1,745.5














Portfolio Approach – Additional information

Percentage of Eligible Assets Portfolio Allocated (usage)	36.8%
Percentage of Net Proceeds from Green Bonds allocated to Eligible Assets Portfolio	99.7%
Unallocated Eligible Assets (in mn EUR), out of that:	2,990
▪ Green residential buildings	2,613
▪ Renewable energy projects	324
▪ Scheduled loan tranches from partly allocated contracts	53
Total amount of Net Proceeds allocated to Eligible Assets (in mn EUR)	1,741
Percentage of Net Proceeds used to refinancing of Eligible Assets	83.0%
Percentage of Net Proceeds used for new financings ⁶	17.0%

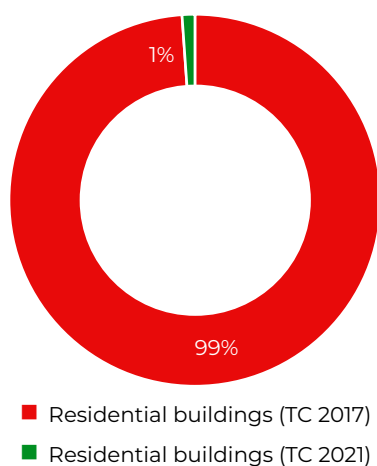
For the description of the approach (footnotes 1, 4, 5 & 6), please refer to the methodology section on page 8.

For Bond by Bond approach, please see the detailed information on pages 5-7.

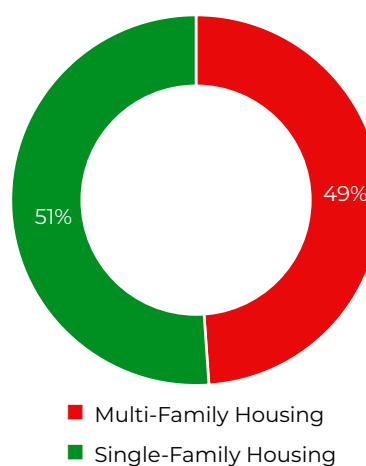
Overview of Allocated Assets for mBank's Green Bond Series 11 (ISIN: XS2388876232)

	Net proceeds:	2,131 mn PLN ¹
	Total allocated amount:	2,188 mn PLN (100% refinancing)
	Unallocated amount:	0 mn PLN
	Type of projects:	100% of green residential buildings, out of that: (i) 63% (in terms of allocated amount) multi-family-housing and (ii) 37% single-family-housing
	Number of allocated contracts:	6,365
	Selection criteria and look-back period:	Residential buildings complying with Technical Conditions 2017 (TC 2017) or newer by year of construction. First disbursement of loan no more than 3 years before the issue date of the Green Bond.
	Year of allocation:	100% allocation achieved in 2021 and verified by Sustainalytics in the Post-issuance verification letter. The allocated portfolio received the Post-Issuance certificate from Climate Bonds Initiative.
	Changes in allocation:	During the course of 2024, repaid loans and loans in default were automatically excluded from portfolio allocated under Green Bond Series 11, and replaced with new loans fulfilling the Eligibility Criteria, taking into account the exchange rate at the allocation date.
	Location:	Poland
	Status of projects:	buildings in operation (99.98% of allocated amount) and buildings in construction (0.02%, 3 contracts)
	Financed usable area:	519,929 m ²
	Annual energy savings⁷:	61,550 MWh/year <ul style="list-style-type: none"> ■ excluding buildings in construction: 61,493 MWh/year
	Annual CO₂e emissions avoidance⁸:	16,458 tCO ₂ e/year <ul style="list-style-type: none"> ■ excluding buildings in construction: 16,441 tCO₂e/year
















Allocation of proceeds by Eligibility Criteria



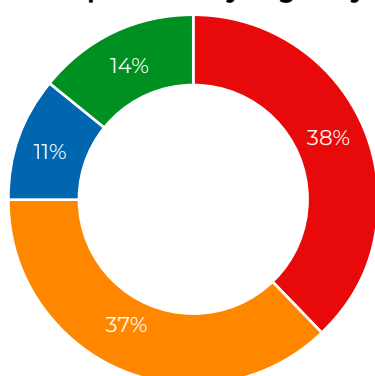
Annual emissions avoided by type of asset



Overview of Allocated Assets for mBank's Green Bond Series 12 (ISIN: XS2680046021)

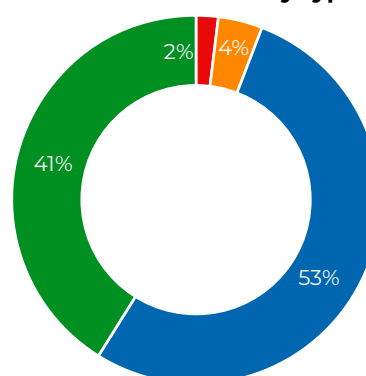
	Net proceeds:	3,197 mn PLN ¹
	Total allocation amount:	3,217 mn PLN, out of that: (i) 72% is refinancing, (ii) 28% was used for new financings ⁶
	Unallocated amount:	0 mn PLN
	Type of projects:	75% of allocation amount is used to finance green residential buildings, out of that: (i) 50% multi-family-housing and (ii) 50% single-family-housing; 25% of allocation amount finances renewable energy projects, out of that: (i) 43% wind farms and (ii) 57% photovoltaics
	Number of contracts:	5,295, out of that: (i) 5,274 contracts financing green residential buildings, (ii) 21 contracts financing renewable energy projects
	Selection criteria and look-back period:	Residential buildings complying with Technical Conditions 2017 (TC 2017) or newer by year of construction/energy standard or by Energy Performance Certificate. Renewable energy projects are automatically eligible under Climate Bonds Initiative Sector Criteria. First disbursement of loan no more than 3 years before the issue date of the Green Bond.
	Year of allocation:	100% allocation achieved in 2024 and verified by Sustainalytics in the Post-issuance verification letter.
	Changes in allocation:	During the course of 2024, repaid loans and loans in default were automatically excluded from portfolio allocated under Green Bond Series 12, and replaced with new loans fulfilling the Eligibility Criteria, taking into account the exchange rate at the allocation date.
	Location:	Poland
	Status of projects:	projects in operation (97% of allocated amount) and projects in construction (4%, 236 contracts financing residential buildings).
	Financed usable area:	512,476 m ² (residential buildings)
	Annual energy savings⁷:	65,602 MWh/year (residential buildings) ■ excluding buildings in construction: 60,902 MWh/year
	Financed energy power:	300.5 MW (renewable energy projects)
	Energy Production⁹:	469,376 MWh/year (renewable energy projects)
	Annual CO₂e emissions avoidance^{8,10}	298,370 tCO ₂ e/year (total from residential buildings and renewable energy projects) ■ excluding projects in construction: 297,027 tCO ₂ e/year

Allocation of proceeds by Eligibility Criteria

















■ Residential buildings (TC 2017) ■ Wind Farms
■ Residential buildings (TC 2021) ■ Photovoltaic Farms

Annual emissions avoided by type of asset

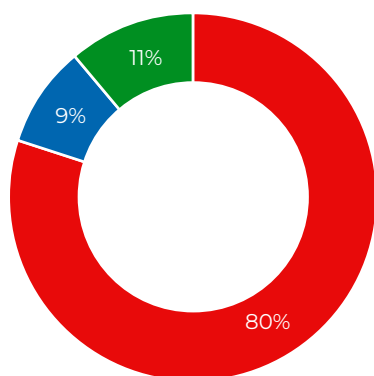


■ Multi-Family Housing ■ Wind Farms
■ Single-Family Housing ■ Photovoltaic Farms

Overview of Allocated Assets for mBank's Green Bond Series 13 (ISIN: XS2907137736)

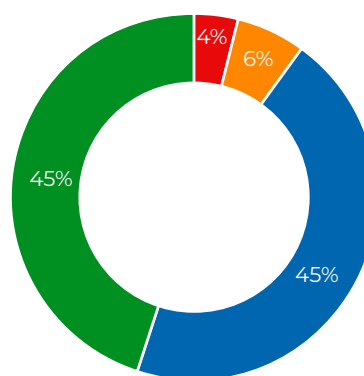
	Net proceeds:	2,131 mn PLN ¹
	Total allocation amount:	2,033 mn PLN, out of that: (i) 81% is refinancing, (ii) 19% was used for new financings ⁶ . All unallocated funds, as well as proceeds from repaid loans will be systematically allocated only to new financings until the level of 25% of allocation amount is reached.
	Unallocated amount:	98 mn PLN (5% of net proceeds)
	Type of projects:	80% of allocation amount is used to finance green residential buildings, out of that: (i) 53% multi-family-housing and (ii) 47% single-family-housing; 20% of allocation amount finances renewable energy projects, out of that: (i) 47% wind farms and (ii) 53% photovoltaics
	Number of contracts:	3,778, out of that: (i) 3,767 contracts financing green residential buildings, (ii) 11 contracts financing renewable energy projects
	Selection criteria and look-back period:	Residential buildings complying with Technical Conditions 2021 by year of construction or by Energy Performance Certificate. Renewable energy projects are automatically eligible under Climate Bonds Initiative Sector Criteria. First disbursement of loan no more than 3 years before the issue date of the Green Bond.
	Year of allocation:	2024 (in progress)
	Location:	Poland
	Status of projects:	projects in operation (78% of allocated amount) and projects in construction (22%, 983 contracts financing residential buildings and 1 contract financing photovoltaic farm).
	Financed usable area:	312,859 m ² (green buildings)
	Annual energy savings⁷:	43,939 MWh/year (green buildings) <ul style="list-style-type: none"> ■ excluding buildings in construction: 30,117 MWh/year
	Financed energy power:	140.7 MW (renewable energy projects) <ul style="list-style-type: none"> ■ excluding projects in construction: 95.5 MW
	Energy Production⁹:	198,424 MWh/year (renewable energy projects) <ul style="list-style-type: none"> ■ excluding projects in construction: 156,795 MWh/year
	Annual CO₂e emissions avoidance^{8,10}	131,063 tCO ₂ e/year (total from green buildings and renewable energy projects) <ul style="list-style-type: none"> ■ excluding projects in construction: 102,254 tCO₂e/year

Allocation of proceeds by Eligibility Criteria



■ Residential buildings (TC 2021)
 ■ Photovoltaic Farms
 ■ Wind Farms

Annual emissions avoided by type of asset



■ Multi-Family Housing
 ■ Wind Farms
 ■ Single-Family Housing
 ■ Photovoltaic Farms

Additional information on unallocated Eligible Assets Portfolio

Type of assets	Number of contracts	Total exposure in mn PLN	Total exposure in mn EUR ¹	% of Unallocated portfolio
Green residential buildings (total)⁵	25,643	11,163	2,613	
▪ TC 2017	17,778	6,993	1,637	56%
▪ TC 2021	7,865	4,170	976	33%
Renewable energy projects (total)	53	1,385	324	
▪ Wind Farms	15	580	136	4%
▪ Photovoltaics	37	719	168	6%
▪ Hybrid projects	1	86	20	1%
Eligible Assets (total)	25,696	12,548	2,937	100%

Methodology of reporting

- 1) EUR equivalent amount (NBP Fixing rate as of 31 December 2024; EUR 1 = PLN 4.2730)
- 2) The calculation includes all projects financed from Green Bond proceeds (in operation and in construction).
- 3) All data were calculated for all projects financed from Green Bond proceeds, regardless of project status (in operation and in construction).
- 4) Total outstanding amount of loans that have been identified in accordance with Eligibility Criteria defined in the mBank S.A. Group → [Green Bond Framework](#), as set for the earliest issued Green Bond (Series 11). This regards look-back period and the required technical conditions for green buildings, that are subject to change for each bond issuance, dependent on the year of bond issuance, bond duration and are mandatory to comply with established 2050 zero-carbon linear trajectories for single-family or multi-family houses in compliance with Climate Bonds Initiative (CBI's) → [Buildings Criteria](#).
- 5) Residential buildings are automatically qualified as Eligible Assets if comply with Technical Conditions 2017 (TC 2017) or newer by year of construction/energy standard or by Energy Performance Certificate, based on → [CBI's Buildings Criteria](#) and in compliance with CBI's established → [residential market proxy for Poland](#). The determination of the energy standard for a financed building requires the date of the application for building permit. Due to the fact, that mBank does not collect this information and it is not publicly available, the technical conditions for a financed estate were determined based on the year of construction estimated as the year of the occupancy permit minus the average construction period, that is 2 years for flats and 3 years for developed land.
- 6) New financing means disbursement of funds under loan agreement was performed after the issue date of the green bond.
- 7) Annual (primary) energy savings for green residential buildings were calculated using usable area and primary energy demand based on determined energy standard of the financed building against weighted reference benchmark for Poland's national residential building stock at 208.61 kWh/m²/year for primary energy demand, where conversion factor from final energy to primary energy for typical energy sources in Poland was at 1.075.
- 8) Annual CO₂e emissions avoidance for green residential buildings are determined by multiplying:
 - Annual final energy savings, estimated as final energy consumption against weighted reference benchmark for Poland's national residential building stock at 194.08 kWh/m²/year for final energy consumption
 - weighted average emission factor for the household energy mix in Poland at 0.345 kgCO₂/kWh. The calculation of the emission intensity factor was based on following data sources: Eurostat, GUS, KOBIZE and URE. Detailed methodology of calculation is available upon request.
- 9) The energy production of renewable energy projects is calculated using the P90 model based on the specific parameters of each project. The model takes into account all necessary energy production parameters such as location, number of sunny days, energy losses, etc. The average renewable energy production per 1 MW currently financed by mBank is 2,703 MWh per 1 MW for wind farms and 992 MWh per 1 MW for photovoltaics. In the case of consortium financing, mBank's share in the financing of each project is taken into account and only the relevant share of energy production is allocated.
- 10) For renewable energy projects, calculation of annual CO₂e emissions avoidance is based on the emission factor for electricity produced from fuel combustion plants (including electricity supplied to the grid from renewable energy sources and including losses and balancing differences, i.e. at the end users) at 597 kg/MWh, as published by KOBIZE for 2023.

For projects allocated under Green Bonds Series 11 and 12, the impact metrics (annual energy savings and annual CO₂ emissions avoidance described in footnotes 7, 8, 9 and 10 above) reported as of 2023 were recalculated with reference benchmarks updated versus previous year.



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