



**Statement of mBank on application  
of corporate governance principles  
in 2024**

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## **1. Statement of mBank on application of corporate governance principles in 2024**

### **1.1. 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](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](http://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](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 Programme, 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](http://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 programmes;
  - 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 Programme (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 programme 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 Programme

The programme 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.

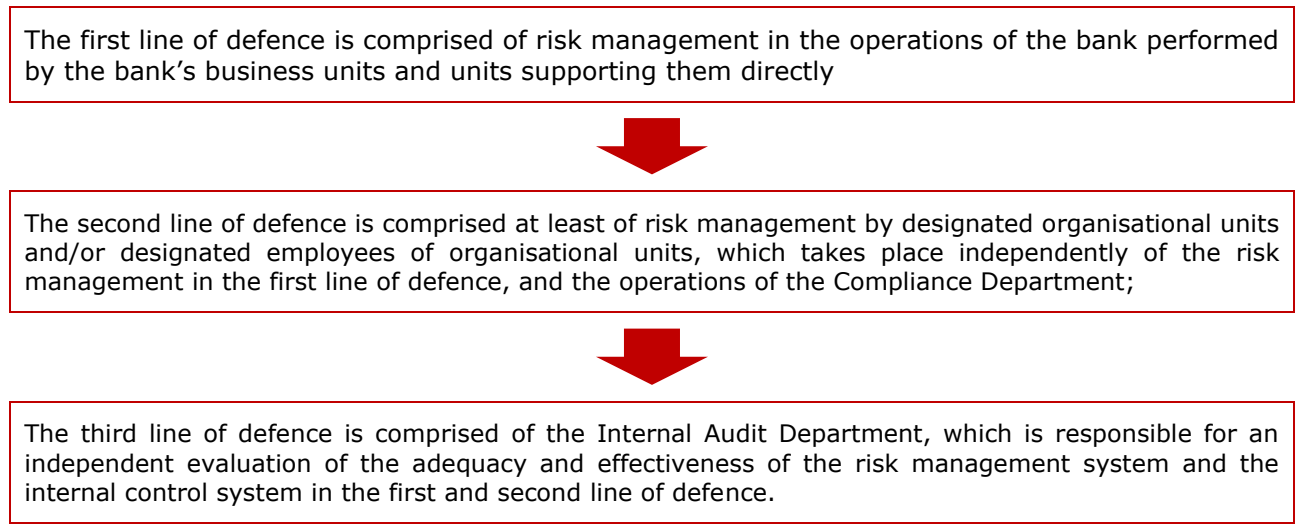
### Anti-Corruption Policy - Issues related to lobbying activities

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.

## **1.2. 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 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 Audyty 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 Audyty Polska spółka z ograniczoną odpowiedzialnością spółka komandytowa.

### **Remuneration of the auditor**

The total value of remuneration paid to KPMG Audyty 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 Audyty Spółka z ograniczoną odpowiedzialnością sp.k. in 2024 for providing other services to mBank S.A. amounted to PLN 2,333,000 gross.

### **1.3. 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 programmes, 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 <sup>1)</sup>	13,144,076	30.93%	13,112,270	30.88%
<b>Total</b>	<b>42,496,973</b>	<b>100.00%</b>	<b>42,465,167</b>	<b>100.00%</b>

<sup>1)</sup> 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.

#### **1.4. 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.

### **1.5. 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 programmes 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.

### **1.6. 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".

## **1.7. 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 programme 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 programme 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 programme organised by the Warsaw School of Economics (SGH).

Adam Pers graduated from the Faculty of Economics of the Academy of Economics in Poznań. In 2008, he completed an MBA programme 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 programme 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 Luszczyn)
- Retail Banking Risk Committee (chairperson: Marek Luszczyn)
- Corporate and Investment Banking Risk Committee (chairperson: Marek Luszczyn)
- Financial Markets Risk Committee (chairperson: Marek Luszczyn)
- Investment Banking Committee (chairperson: Marek Luszczyn)
- Model Risk Committee (chairperson: Marek Luszczyn)
- 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 programme 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 programme for the Management Board based on shares is presented in Note 44 to the consolidated financial statements of mBank Group for 2024.

The incentive programme 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 Programme 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	-
<b>Total</b>	<b>12,287,419</b>	<b>3,709,940</b>	<b>1,418,666</b>	<b>662,400</b>

\* 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
<b>Total</b>	<b>1,708,953</b>	<b>1,291,105</b>	<b>622,203</b>	<b>788,400</b>

\* 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	-	-
<b>Total</b>		<b>12,472,913</b>	<b>3,376,357</b>	<b>1,292,000</b>	<b>654,000</b>

\*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
<b>Total</b>		<b>560,000</b>	<b>139,358</b>	<b>224,000</b>	<b>342,000</b>

\*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 conducive 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 Programme 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 programme 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 Programme in 2019 and the three-month Venture Capital Programme 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 Opczno 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
<u>Bernhard Spalt</u>	<u>Tomasz Bieske</u>	<u>Professor Agnieszka Słomka-Gołębiowska</u>	<u>Aleksandra Gren</u>
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 programme. 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 <sup>1)</sup>
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

<sup>1)</sup> 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 Programme 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 programme 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.

<b>Risk Committee</b>				
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 37<sup>th</sup> 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 <sup>1)</sup>			01.01.2023-31.12.2023
2. Arno Walter <sup>2)</sup>		48,000	01.01.2023-30.03.2023
<b>Total</b>	<b>1,763,649</b>	<b>1,671,354</b>	

<sup>1)</sup> Marcus Chromik resigned from his position as of December 31, 2023.

<sup>2)</sup> Arno Walter resigned from his position as of March 30, 2023.

### 1.8. 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%
<b>In total</b>	<b>8</b>	<b>100%</b>	<b>8</b>	<b>100%</b>	<b>8</b>	<b>100%</b>	<b>8</b>	<b>100%</b>	<b>8</b>	<b>100%</b>

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%
<b>In total</b>	<b>7</b>	<b>100%</b>	<b>6</b>	<b>100%</b>	<b>6</b>	<b>100%</b>	<b>7</b>	<b>100%</b>	<b>7</b>	<b>100%</b>

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.