



# Corporate social responsibility report of mBank for 2014-2015

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# Letter of the President of the Management Board

Dear Sirs,

[\[G4-1, G4-2\]](#)

The operations of large financial institutions have a major impact on the economy. At mBank we are well aware of this fact. We also understand that in a changing world our responsibility goes far beyond the purely business aspects and that our decisions have not only financial but also social or environmental consequences. Therefore, we addressed them in a report on corporate sustainability and responsibility, being the first such report published under the mBank brand. The report presents the values guiding mBank, highlights of our progress in the CSR area and plans for the future as well as challenges to which mBank as an organisation will have to respond.

Underlying the structure of the report are five pillars defined in the "Strategy for corporate sustainability and responsibility of mBank S.A." adopted at the end of 2015. The strategy allowed us to put our CSR activities in order and set a clear direction of our CSR activity in 2016-2020.

The key areas of mBank's corporate responsibility include: fostering stable and long-lasting customer relations, pursuing a socially responsible lending policy, building a unique team, reducing the bank's environmental footprint and improving the mechanisms of responsible management in the organisation.

We want the relations with our customers to be based on dialogue. In order to learn the opinions of our customers, apart from analysis and research, we primarily use direct contact with customers. For instance, cyclical meetings with entrepreneurs allowed us to better understand their needs and streamlined the process of developing new products and services dedicated to companies served by mBank's retail banking.

It is our priority to ensure safe and convenient banking to all our customers. In an attempt to strengthen our position of the most convenient transactional bank on the market, in 2014 we refreshed our mobile application, enabling our customers to manage their personal finance in a remarkably flexible and user-friendly manner. In 2015, individual customers were offered a totally new type of agreements on accounts and loans: clear, written in plain language and containing no articles whatsoever. At the end of 2015, we launched a social campaign for on-line security, the first such campaign in our bank's history, which won the prestigious Golden Banker award and was named the Social Campaign of 2015.

Responsible governance at mBank is based on values. In 2014, we launched the "Model of values and behaviour of mBank Group" project. Starting from 2015, the attitudes arising from the model became a component of the annual employee assessment. The theme of values runs across the entire report, not only the part addressing the employees and corporate culture of mBank, but also the one dedicated to our customers.

The entire banking sector is facing numerous challenges. I believe we are well prepared to leverage our strengths and successfully face the market conditions in the years to come. When doing business, it is vital not to forget about the values and goals we set for ourselves in the corporate sustainability and responsibility area. One of our priorities was to join the Global Compact initiative, which we did in March 2016. In the coming years, our goal is to join the Respect Index, a prestigious index of socially responsible companies listed on the Warsaw Stock Exchange.

mBank's ambition is to continue delivering new value to our key stakeholders: customers whose dreams and aspirations guide us, employees, shareholders and communities in which we operate. We believe that our present and future CSR activities will allow mBank to strengthen its position of a modern and responsible organisation open to dialogue. All those interested in our approach to corporate responsibility are welcome to read the report.

Kind regards,



Cezary Stypułkowski  
President of the Management Board



## About mBank



## Operations

[G4-4, G4-6] mBank Group is one of the largest financial institutions in Poland, offering retail, corporate and investment banking as well as other financial services such as lease, factoring, brokerage services, wealth management, corporate finance and capital markets advisory. In 2000 the Bank launched operations in the retail banking segment by creating the first fully Internet bank in Poland. This pioneering project was based on the Internet, call center assistance (mLine) and later also on mobile banking. We managed to successfully apply our unique business model in Slovakia and the Czech Republic.

[G4-13] mBank S.A., which was established in 1986 as Bank Rozwoju Eksportu S.A. and was then renamed BRE Bank S.A., is the parent entity for mBank Group. Apart from mBank, the Group includes 12 subsidiaries in which the Bank holds majority interest and which are consolidated in financial statements, but are not included in the corporate social responsibility report. As at the end of 2015, the largest subsidiaries of mBank Group were: mLeasing sp. z o.o., mBank Hipoteczny S.A., Dom Maklerski mBanku S.A. and mFaktoring S.A. The capital group includes also: Aspiro S.A., mWealth Management S.A., mCentrum Operacji Sp. z o.o., BDH Development Sp. z o.o., mLocum S.A., Garbary S.A., mFinance France S.A. and Tele-Tech Investment Sp. z o.o.

In March 2015 Aspiro S.A. sold 100% of shares in BRE Ubezpieczenia TUiR S.A. to Avanssur S.A. owned by AXA Group. Moreover, in December 2015 shares of mBank Hipoteczny S.A., mFaktoring S.A., mLeasing Sp. z o.o. and mLocum S.A. were transferred directly to mBank S.A. from MLV 45 Sp. z o.o. sp.k., which was then liquidated. In Q3 2015 Tele-Tech Investment Sp. z o.o., which specialises in securities transactions, receivables trading, subsidiaries management and business and management advisory, was consolidated.

Vast and comprehensive range of modern services, combined with innovative business model, made it possible for the Group to grow organically. The Bank's client base had been rising systematically to reach 4,551 thousand retail clients and 18 thousand corporate clients at the end of 2014 and 4,947 thousand retail clients and 20 thousand corporate clients at the end of 2015.

At the end of 2015, mBank Group's operations were divided into the following segments and business areas:

Segment	Retail Banking	Corporates and Financial Markets	
		Corporate and Investment Banking	Financial Markets
Banks	<ul style="list-style-type: none"> <li>• service of retail clients and micro-enterprises</li> <li>• service of affluent clients</li> <li>• service of private banking clients</li> </ul>	<ul style="list-style-type: none"> <li>• service of corporations and non-banking financial institutions</li> <li>• service of large corporations</li> <li>• service of small and medium-sized enterprises</li> </ul>	<ul style="list-style-type: none"> <li>• service of banks</li> <li>• service of corporate clients within the scope of trading and sales</li> <li>• risk and liquidity management</li> </ul>
Consolidated companies <sup>1</sup>	<ul style="list-style-type: none"> <li>• retail arm of Dom Maklerski mBanku S.A.</li> <li>• retail arm</li> <li>• mLeasing Sp. z o.o.</li> <li>• retail arm of mBank Hipoteczny S.A.</li> <li>• Aspiro S.A.</li> <li>• mWealth Management S.A.</li> </ul>	<ul style="list-style-type: none"> <li>• corporate arm of Dom Maklerski mBanku S.A.</li> <li>• corporate arm of mLeasing Sp. z o.o.</li> <li>• corporate arm of mBank Hipoteczny S.A.</li> <li>• mFaktoring S.A.</li> <li>• Garbary Sp. z o.o.</li> <li>• Tele-Tech Investment Sp. z o.o.</li> </ul>	<ul style="list-style-type: none"> <li>• mFinance France S.A. (special purpose vehicle established to finance the Bank's operations)</li> <li>• mLeasing Sp. z o.o. – within the scope related to fund raising</li> <li>• mBank Hipoteczny S.A. – within the scope related to fund raising</li> </ul>
	Other subsidiaries: mLocum S.A. (developer), mCentrum Operacji Sp. z o.o. (outsourcing services provider), BDH Development Sp. z o.o. (real estate manager)		

<sup>1</sup> Under the IFRS, all subsidiaries are consolidated using the full consolidation method.

For more information about mBank's operations, its history and main strategic directions, read the chapter entitled "Short overview of mBank Group" of the Management Board Report on the Performance of mBank S.A. Group in 2014.







[G4-16] Membership in organisations:

- Lower Silesian Chamber of Commerce (Dolnośląska Izba Gospodarcza)
- French Chamber of Industry and Trade (Francuska Izba Przemysłowo-Handlowa)
- Institute of International Finance
- International Forfaiting Association
- International Swaps and Derivatives Association
- North Greater Poland's Chamber of Commerce (Izba Gospodarcza Północnej Wielkopolski)
- Silesia Chamber of Commerce (Izba Gospodarcza Śląsk)
- Cracow Chamber of Commerce and Industry (Izba Przemysłowo-Handlowa w Krakowie)
- Toruń Chamber of Commerce and Industry (Izba Przemysłowo-Handlowa w Toruniu)
- Radom Chamber of Commerce and Industry (Izba Przemysłowo-Handlowa Ziemi Radomskiej)
- Lublin Business Club (Lubelski Klub Biznesu)
- Lublin Scientific Association (Lubelskie Towarzystwo Naukowe)
- Lubuskie Region Employers' Organisation (Organizacja Pracodawców Ziemi Lubuskiej)
- Polish Chamber of Civil Engineers (Polska Izba Inżynierów Budownictwa)
- Polish Business Roundtable (Polska Rada Biznesu)
- Polish National Committee of the International Chamber of Commerce (Polski Komitet Narodowy Międzynarodowej Izby Handlowej)
- Polish Private Equity and Venture Capital Association (Polskie Stowarzyszenie Inwestorów Kapitałowych)
- Polish Association of Real Estate Valuers (Polskie Stowarzyszenie Rzeczników Wyceny Nieruchomości)
- Polish-German Chamber of Industry and Trade (Polsko-Niemiecka Izba Przemysłowo-Handlowa)
- Polish-Swiss Chamber of Commerce (Polsko-Szwajcarska Izba Gospodarcza)
- Northern Chamber of Commerce (Północna Izba Gospodarcza)
- Employers of Pomerania (Pracodawcy Pomorza)
- Racibórz Chamber of Commerce (Raciborska Izba Gospodarcza)
- Regional Chamber of Commerce of Pomerania (Regionalna Izba Gospodarcza Pomorza)
- Regional Chamber of Industry and Trade in Gliwice (Regionalna Izba Przemysłowo Handlowa w Gliwicach)
- Nowy Sącz Chamber of Commerce (Sądecka Izba Gospodarcza)
- Słupsk Chamber of Industry and Trade (Sądecka Izba Gospodarcza)
- Stargard Chamber of Commerce (Stargardzka Izba Gospodarcza)
- Starogard Business Club - Association of Employers (Starogardzki Klub Biznesu – Związek Pracodawców)
- Poland Compliance (Stowarzyszenie Compliance Polska)
- 500 Club Association (Stowarzyszenie Klub 500)
- Polish-German Business Centre Association (Stowarzyszenie Polsko-Niemieckie Koło Gospodarcze)
- ACI Poland Financial Markets Association (Stowarzyszenie Rynków Finansowych ACI Polska)
- Świętokrzyskie Association of Private Employers (Świętokrzyski Związek Pracodawców Prywatnych)
- Greater Poland's Chamber of Industry and Trade (Wielkopolska Izba Przemysłowo-Handlowa)
- Greater Poland's Association of Employers (Wielkopolski Związek Pracodawców)
- Western Chamber of Commerce (Zachodnia Izba Gospodarcza)
- Western Chamber of Industry and Trade (Zachodnia Izba Przemysłowo-Handlowa)
- Zagłębie Chamber of Commerce (Zagłębiowska Izba Gospodarcza)
- Polish Bank Association (Związek Banków Polskich)
- Internet Industry Employers' Association (Związek Pracodawców Branży Internetowej)
- Association of Polish Maritime Industries (Związek Pracodawców Forum Okrętowe)

[G4-15] Voluntarily endorsed external codes












- Best Practice of GPW Listed Companies
- Code of Banking Ethics (Principles of Good Banking Practice)<sup>2</sup>
- UN Global Compact<sup>3</sup>
- Corporate Governance Principles for Supervised Institutions

[G4-PR5] Awards and distinctions in 2014-2015

	Best Digital Bank Award (Global Finance) (2014, 2015)	In 2014, mBank was awarded for the best transaction services dedicated to retail and corporate clients and won the award for the Best Trade Finance Bank in Poland. In 2015 once again mBank was named the best bank in Poland and awarded in the "World's Best Corporate/ Institutional Digital Banks" contest. mBank FX platform (mPlatforma Walutowa) won the title of the best transactional FX platform addressed to corporate clients in the Central and Eastern Europe.
	Distribution & Marketing Innovation in Retail Financial Services" (organised by Efma and Accenture) (2014, 2015)	In 2014: 1st place in The Most Disruptive Innovation category 1st place in The Most Promising Idea category for the 30 seconds loan 1st place in the Everyday Banking category for mBargains (mOkazje) In 2015: 1st place in the Digital Marketing category for the Bank's marketing platform 3rd place in the Global Innovator category Moreover, the 2nd place in the Best New Product and Service category went to Orange Finanse.
	Golder Banker contest (organised by Bankier.pl and PayU) (2014, 2015)	We won for the fourth and fifth time and won the top award - the Golden Bank statuette. Moreover, in 2014 we were awarded for the best personal account, the best bank for companies and the best bank in social media; in 2015 we were awarded for the best mobile banking, the best personal account and account for entrepreneurs.
	ranking by JakośćObsługi.pl (2014, 2015)	In 2014 we won two Service Quality Stars for traditional banking and Internet banking; in 2015 we won the Service Quality Star in the Banks category in the Service Quality programme.
	"TNS Polska Quality You Can Bank On" ranking (organised by TNS Polska, Deloitte and Puls Biznesu) (2014, 2015)	In 2014 we won the ranking; in 2015 we came second in terms of the quality of services.
	Model Bank Award (organised by Celent Research) (2014, 2015)	Winner of the Digital Model Bank category in 2014 and winner of the Innovation and Emerging Technologies category.

<sup>2</sup> Moreover mBank's representative is a member of the Banking Ethics Committee of the Polish Bank Association: <https://zbp.pl/dla-bankow/zespoly-rady-i-komitetu/dzialania-w-obszarze-legislacyjno-prawnym/komisja-etykibankowej>

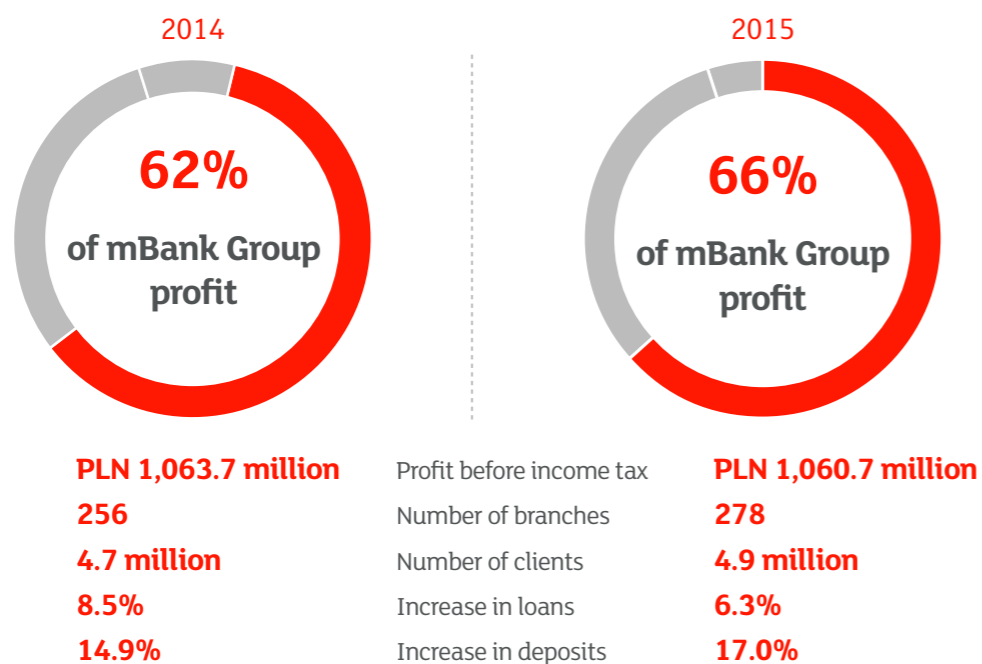
<sup>3</sup> In November 2015, mBank declared its readiness to observe the Ten Principles of the UN Global Compact and was officially approved as member of the initiative after the date of this report, i.e. in March 2016.

	"Bank Innovation Awards" (organised by Bank Innovation) (2014)	We were recognised for the new transactional service launched in 2013 (New mBank).
	"Newsweek's Friendly Bank" (2014, 2015)	<ul style="list-style-type: none"> <li>• Bank for Kowalski category: 3rd place (2015), 3rd place (2014)</li> <li>• On-line Banks category: 2nd place (2015), 2nd place (2014)</li> <li>• Mobile Banking category: 2nd place (2015), 2nd place (2014)</li> <li>• Mortgage Banking category: 4th place (2015), 9th place (2014)</li> </ul>
	Euromoney Private Banking Survey 2015 (2015)	Mbank's private banking of mBank was ranked the best in Poland by Euromoney Magazine, British financial magazine
	Financial Cool Business Award (2015)	The design of mBank's Internet marketing platform was recognised as the most innovative technology supporting business development. The mobile banking application was also ranked high and made it to the finals in its category.
	Loyalty Awards (2015)	mBank's loyalty programme mBargains (mOkazje) won in the Best Loyalty Activities in Services category
	mBank was awarded the Grand Prix in the 2013 Marketing Director contest	For the integration of MultiBank, mBank and BRE Bank brands.
	Employer Branding Stars (organised by HRstandard.pl)	1st place in both: best career website ( <a href="http://www.bankowetalentu.pl">www.bankowetalentu.pl</a> ) and best recruitment materials categories
	Rebrand 100 Global Awards 2014	The concept of mBank's rebranding was considered one of the 100 best in the world.
	Leaders of Banking & Insurance World competition (3rd and 4th edition)	We were named the Most Innovative Bank of 2013 and 2014. In the 3rd edition of the contest Cezary Stypulkowski, mBank's CEO, was named the Man of the Year.
	Golden Share ranking by Biznes.pl (2014)	1st place for the return rate of 327% on investment in mBank shares over the past 10 years.
	"The Best Annual Report" (organised by the Accounting and Tax Institute) (2014, 2015)	mBank's annual report was named the best annual report for 2013 and 2014 - The Best of the Best.

## Rok 2014, 2015 figures

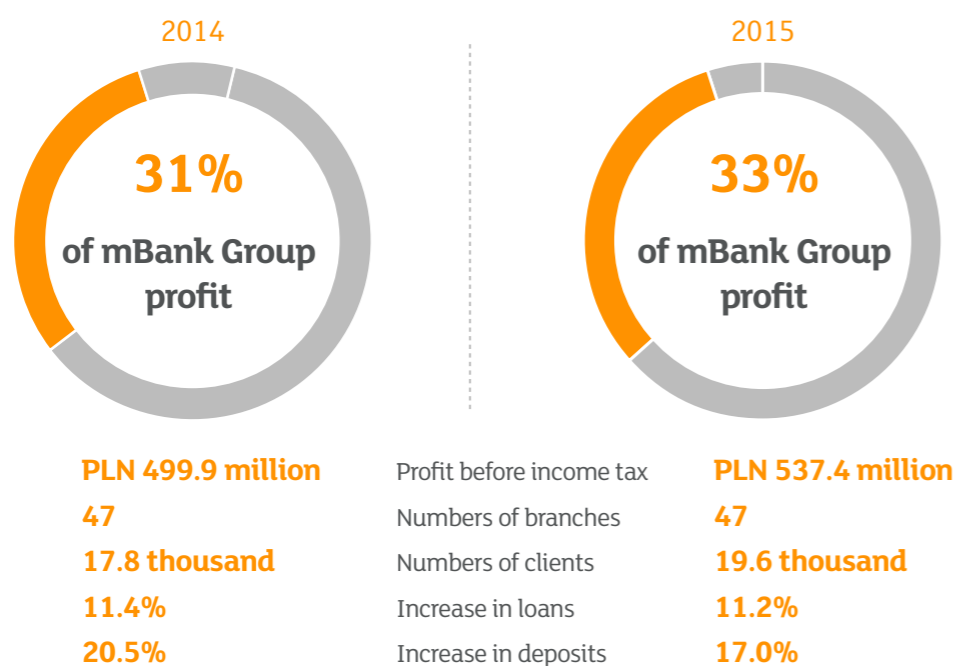
### Retail Banking

mBank runs its retail operations in Poland and Slovakia, providing service to individual clients as well as micro-enterprises. Many innovations are introduced each year in order to satisfy client's needs.



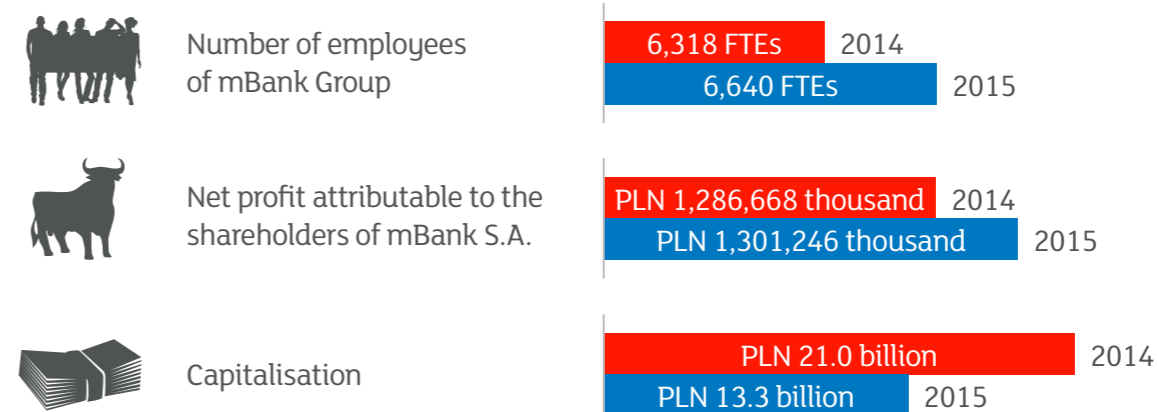
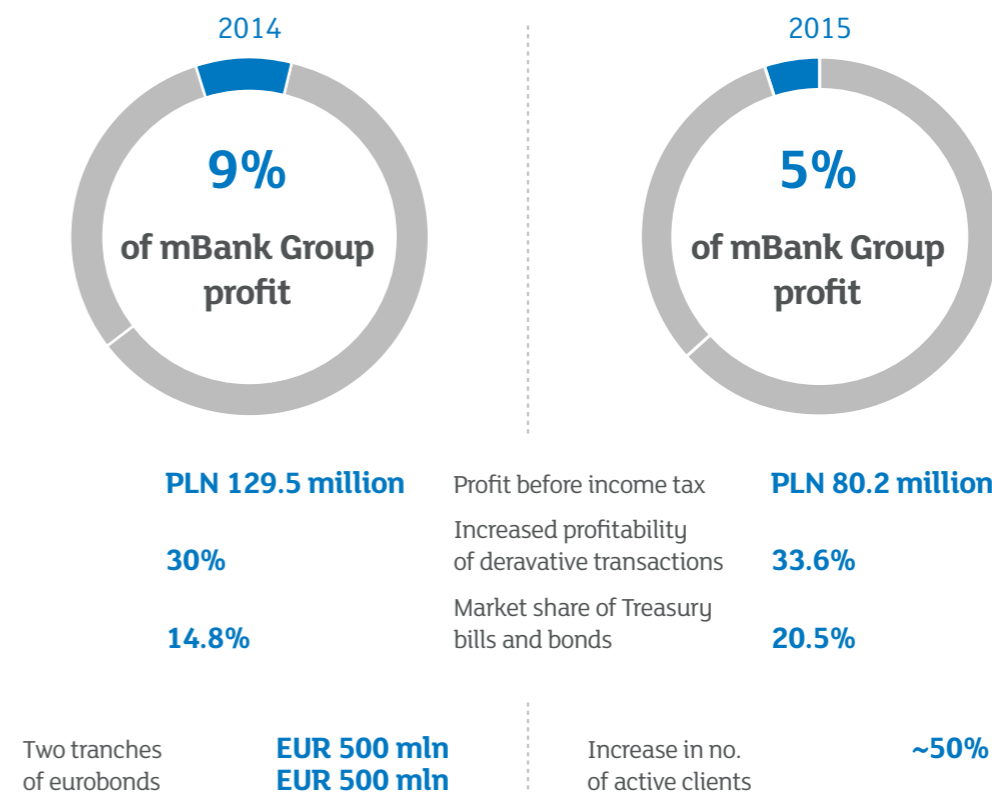
### Corporate and investment banking

The aim of commercial operations of the bank is supporting the development of companies from SME and corporate sector. Many years of bank's experience in providing services to this segment lead to a successful cooperation with the customers.



### Financial markets

Among the main tasks of this business line there are: direct sale of financial products, management of assets and liabilities of the Bank, interest rate risk management, depositary services and supervising the operations of mBank's Brokerage House (Dom Maklerski mBanku, mDM).



[G4-8, G4-9] Key information about mBank and mBank Group

	2013		2014		2015	
	mBank	mBank Group	mBank	mBank Group	mBank	mBank Group
Basic financial data (in PLN thousand)						
Total income	3 152 546	3 673 524	3 387 053	3 939 168	3 596 104	4 093 464
Profit before income tax	-1 397 085	-1 678 043	-1 465 970	-1 770 565	-1 747 533	-2 054 246
Profit after income tax	1 340 645	1 517 703	1 478 569	1 652 700	1 523 246	1 617 855
Net profit attributable to shareholders	1 070 306	1 206 375	1 174 096	1 286 668	1 271 449	1 301 246
Balance sheet (in PLN thousand)						
Total assets	100 232 132	104 282 761	113 603 463	117 985 822	118 795 306	123 523 021
Total liabilities	90 658 912	94 026 323	103 333 877	106 912 844	106 850 187	111 248 057
Equity	9 573 220	10 256 438	10 269 586	11 072 978	11 945 119	12 274 964
Other						
Headcount (FTE, end of period)	4 696	6 073	4 895	6 318	5 151	6 540
Share capital (in PLN thousand)	168 696		168 840		168 956	
Number of shares	42 174 013		42 210 057		42 238 924	
Price/book value	2,1		1,9		1,1	
Number of retail clients (in thousand), including	4 368		4 689		4 947	
Total capitalization (in PLN million) - retail banking	38 301	38 308	40 809	41 560	43 797	46 259
Total deposits (in PLN million) - retail banking	33 889	34 203	39 002	39 285	45 672	46 117
Number of corporate clients (in thousand)	16		18		20	
Total loans (in PLN million) - corporate banking	24 975	29 475	28 461	32 841	28 577	33 447
Total deposits (in PLN million) - corporate banking	29 402	26 753	39 410	32 237	39 653	34 424

## mBank's uniqueness

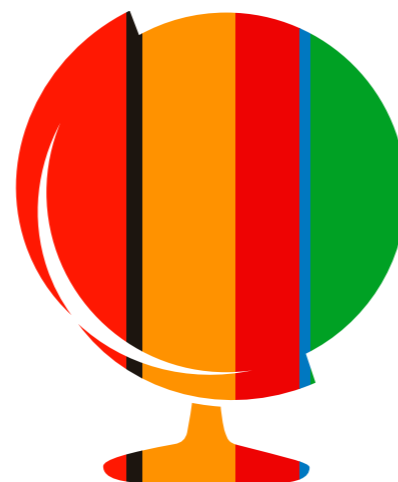
Our offer and uniqueness stem from several sources. Retail banking based on a highly innovative and attractive business model, allowing clients to freely use banking services at any time and in any place, attracted young people, aspiring and familiar with new technologies. Consequently, mBank's client base has a very favourable demographical profile compared with competitors. It gives the bank a unique position to offer a broad range of innovative products and services, which is helped by the extraordinary flexibility of mBank's transactional platform. What is more, since the business model is based on electronic platform, the bank has a natural ability to grow organically, and at the same time, maintain a very favourable cost structure.

For more information read the chapter "mBank Group's Strategic Advantages" of the mBank S.A. Management Board Report on the Activity of mBank S.A. Group in 2015.





## Approach to corporate social responsibility at mBank



## Corporate Social Responsibility management

[G4-34] The basic goals for 2016-2020 were defined in the “Strategy for corporate sustainability and responsibility of mBank S.A.” adopted at the end of 2015. The goals were established together with a group of managers and each one was assigned to a person responsible for its implementation and measures. It is our ambition to become one of the leaders of corporate social responsibility in the Polish banking sector.

“ It is our ambition to become one of the leaders of corporate social responsibility in the Polish banking sector.

The director of the Communication and Marketing Strategy Department, who reports directly to the president of the management board of the bank, is responsible for coordinating the works aimed at implementing the socially responsible approach in management. The director’s managerial objectives (MbO) include CSR-related objectives. On an ongoing basis CSR projects are coordinated by the CSR specialist reporting to the aforesaid director, responsible also for cooperation with managers of individual functional areas related to social responsibility.

The management board of the bank is responsible for ongoing operations of the company, also in the social responsibility area. Just like in every joint-stock company, the management board reports to the supervisory board, which, in turn, is accountable before the annual general meeting. A detailed description of the scope of responsibility<sup>1</sup> of the most senior authorities of the bank, their appointment procedure and current composition are publically reported; this information is available on our official website, under the following link: <https://www.mbank.pl/en/about-us/bank-authorities/>

[G4-12, G4-EN32, G4-LA14, G4-HR10] Modern, responsibly managed organisations cannot only take account of their direct impact on the environment. They should strive for cooperating with responsible business partners and promote socially responsible behaviours among them. In all renewed and new agreements we will successively include provisions obliging our counterparties to observe the principles of social responsibility. Such provisions will also authorise us to audit our suppliers if we become aware of any potential breaches, and in the case when gross misconduct is revealed, to take far-reaching steps, including termination of agreement with immediate effect.

“ In all renewed and new agreements we will successively include provisions obliging our counterparties to observe the principles of social responsibility.

As far as our counterparties in the supply chain are concerned, apart from typical services such as the provision of electricity, utilities and rental of real properties, one should also remember about the purchase of broadly understood IT services, which is related to the specificity of our business model. We also use the services of a number of external companies supporting sales activities and customer service. Furthermore, just like many other banks, we cooperate with operators of ATMs, credit and payment cards. In addition, external companies provide the Bank with services related to the maintenance and security of facilities.

## Public reporting on social responsibility

[G4-32, G4-17] The present report is the first one published under the mBank brand. Before rebranding, BRE Bank published social reports, including reports based on GRI guidelines. The last such report covered 2008. This report covers only mBank S.A. being the core of our capital group. For information about all consolidated subsidiaries which are not covered by this report, read the appendix to this report (“Tables containing non-financial data”).

<sup>4</sup> In practice, the implementation of these new provisions was scheduled for 2016.



[G4-32, G4-33] This report was compiled in accordance with the core option of GRI G4 guidelines. It refers also to the sector indicators described in a relevant sector supplement. The report was not verified by an independent auditor.

Its release coincides with the adoption by the bank of a 5-year corporate social responsibility strategy for 2016-2020. It is expected to be a baseline report and a starting point for a discussion about the expectations of the environment, by indicating the main directions in which we will be heading. That is why the authors of this report will very much appreciate any comments from the readers.

[G4-31] All those who would like to find out more about our activity or share their comments and observations about the report are encouraged to contact the coordinator of CSR activities:

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[G4-18, G4-19, G4-20, G4-21] The works on the strategy and this report were started by a workshop held in the first half of 2015 and attended by several dozen bank managers of key importance from the point of view of individual dimensions of social responsibility. During the workshop we identified the key areas of responsibility and the stakeholders, which translated into the structure of the strategy and this report. The approach based on the recognition of one's own responsibility in the key areas of the organisation and the identification and engagement of stakeholders is the approach proposed in the PN-ISO 26000 standard. That is why we started reorganising the management approach to social responsibility from taking these measures. At the same time, from the point of view of the GRI reporting guidelines, this allowed us to comply with the principles of materiality, completeness and stakeholder inclusiveness. Moreover, the reference to the PN-ISO 26000 standard makes it possible to comply also with the principle of sustainability context.

The major aspects we indicated include the building of two-way channels of communication with individual stakeholder groups, issues related to employment and working conditions, counteracting corruption, fair competition, respect for ownership rights. Among the most important aspects there are areas related directly to customer relationships: honest marketing, reliability and transparency of information, product safety, and consequently, client safety (including data safety), customer service (including complaint procedures). Aspects related to environmental protection, which are often equated with direct impact on the environment, ranked slightly below. However, it is noteworthy that environmental protection in the context of clients and sustainable development, i.e. actions aimed at inspiring awareness of the indirect impact on the environment, was seen as quite important.

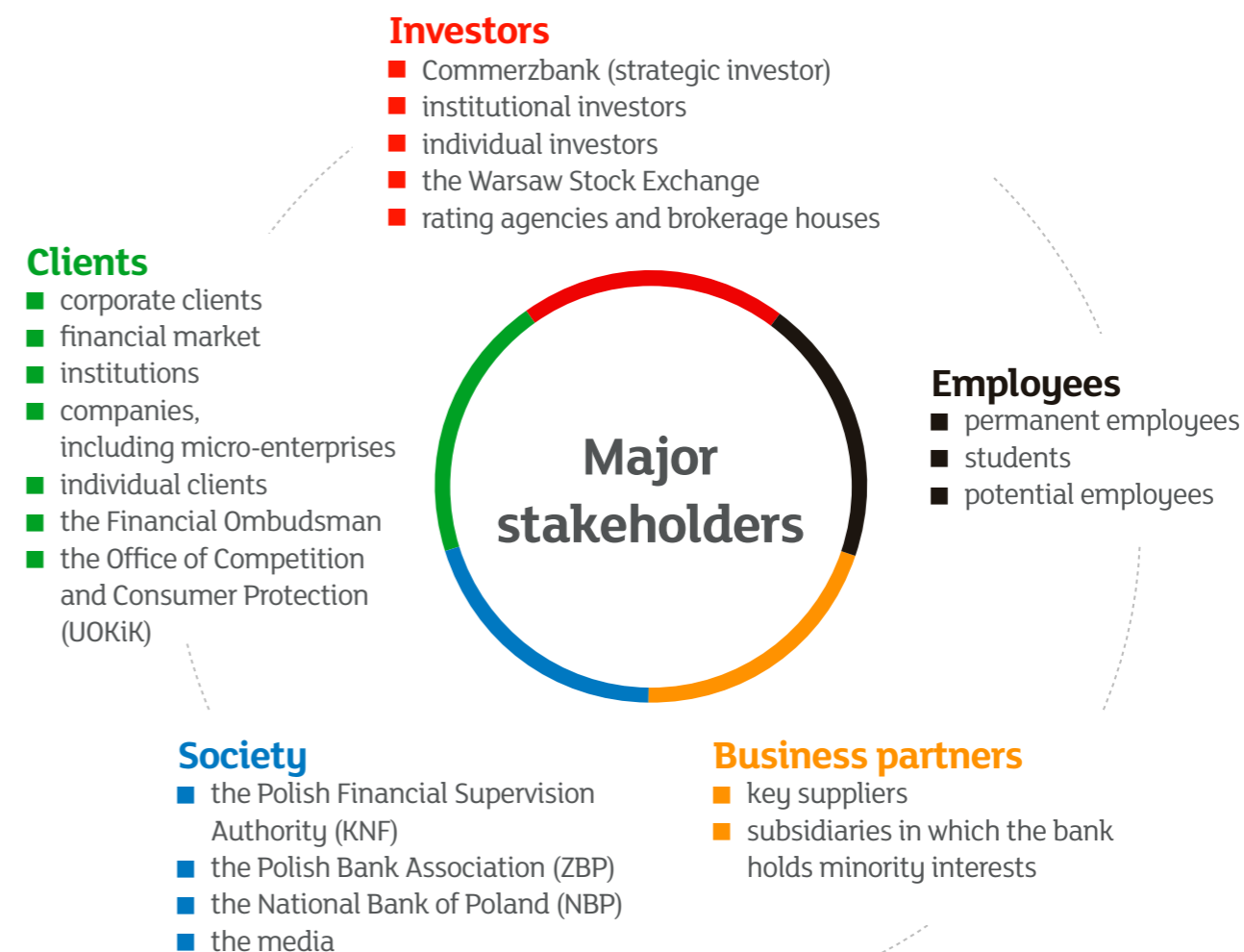
Following the workshop, we interviewed the managers individually, which allowed us to expand our knowledge about the measures being taken and set new goals for the future.

Consequently, the following areas were indicated by the managers as relevant:

Social or environmental aspect	Influence aspects and GRI indicators	Relevance
Platforms of dialogue with clients	G4-26	high
Reliable, clear and transparent communication of products*	G4-PR1, G4-PR2, G4-PR4, G4-PR5, f. FS16,	high
Complaints*	G4-PR5	high
Protection of client data*	G4-PR8	high
Availability of financial services	FS13, FS14	high
Involvement in education	G4-SO1, f. FS16	medium
Being a responsible investor in the context of indirect economic, environmental and social influence	f. FS1, f. FS2, FS3, f. FS4	high
Corporate culture and focus on development	G4-EC5	high
Prevention of unethical behaviours	G4-SO3, G4-SO4, G4-SO5, G4-SO6, G4-SO7, G4-SO8	high
Own environmental footprint (electricity, fuels, office supplies, waste management)*	G4-EN1, G4-EN3, G4-EN5, G4-EN15, G4-EN16, G4-EN18, G4-EN23	medium
Responsibility management in supply chain*	G4-EN32, G4-LA14, G4-HR10, G4-SO11	high

\*aspects important also outside the company, i.e. in business partners cooperating with the company

[G4-24, G4-25, G4-26, G4-27] The identification and assessment of stakeholders revealed the major stakeholders in the largest categories. These include:



In our case, the emphasis on dialogue, especially with clients, goes far beyond not only the legal requirements, but also the solutions adopted on the market. This involves not only strong focus on analysing market research or complaints, but also unique solutions such as mCouncil (mRada) composed of mCouncillors (mRadni) or cyclical meetings with small and medium-sized entrepreneurs. We make all these efforts to understand them better and understand what is important to them. We simply want to think like they do. It is also the foundation of mBank's values inextricably linked with our business philosophy.

We also put great emphasis on dialogue, also in non-standard forms, in relations with our employees. The results of cyclical employee engagement studies are analysed thoroughly and we invest time and resources in the employee assessment process, which covers, among others, soft factors (attitudes). All this in turn makes the existence of the culture of dialogue possible. We promote openness, including e.g. feedback information for co-workers. Managers, on the other hand, have the chance to get a fuller picture of the organisation. Also the internal knowledge-sharing programme contributes to the dialogue in the organisation.

The forms and frequency of the dialogue in relations with other stakeholder groups depend on the nature of a given group and the relation itself. There is a complete array of forms: from informal to highly formalized ones, from indirect forms to quantitative studies. Thanks to applying a comprehensive range of tools, we are able to thoroughly understand their expectations or potential concerns. Currently, the dialogue is decentralised, which means that the responsibility for relations with individual stakeholder groups lies with competent organisational units and their managers. In the process of compiling this report we relied on the knowledge and experience of managers regarding the expectations of stakeholders.

## Strategy for corporate sustainability and responsibility of mBank S.A. for 2016-2020

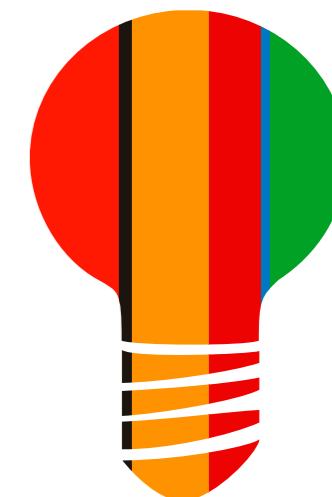
It is mBank's ambition to become one of the leaders of corporate social responsibility among the financial institutions operating in Poland and to include mBank in the stock market index of socially responsible companies. The Strategy for corporate sustainability and responsibility of mBank S.A. for 2016-2020 provides for focusing on five areas which cover the responsibility aspects found to be of key importance and are the best reflection of our ambitions. These include:

- building stable and long-term customer relationships  
(Goal: "We want to understand, respect and share our clients' values. We want to be open. We want to think and feel like they do.")
- pursuing socially responsible credit policy  
(Goal: "We want to be a responsible lender.")
- we want to build an exceptional team  
(Goal: "We want to build an exceptional team, competence and skills. We want to share what's best about us with others. We want to be unique.")
- limiting the Bank's environmental footprint  
(Goal: "We want to limit our impact on the environment.")
- enhancing the mechanisms of responsible corporate management in the organisation, including supply chain management  
(Goal: "We want to improve our management approach. We want to improve.")

These ambitions determined the shape of this report, which, being the baseline report, presents the current state of the bank's operations in each of these areas. For every area we set measurable goals and more detailed actions designed to help us attain these goals. Moreover, we set measurable goals for individual actions that show the measure values expected to be reached in the years covered by the strategy. Each one was assigned to a specific organisational unit.



**We want to understand, respect and share our clients' values. We want to be open. We want to think and feel like they do.**



## Key success measures for 2016-2020

measure (KPI)	milestone (MS) / measure (M)	2016	2017	2018	2019	2020
NPS for a business client (for particular major events)	M	>100% from the previous period	>100% from the previous period	>100% from the previous period	>100% from the previous period	>100% from the previous period
NPS for a retail client (for particular major events)	M	>100% from the previous period	>100% from the previous period	>100% from the previous period	>100% from the previous period	>100% from the previous period

## Dialogue platform

[G4-26] Values form the foundation of dialogue and openness to clients. The five basic values - client-centricity, looking ahead, simplifying, commitment and professionalism - form the culture of our organisation.

### [G4-56] mBank Group's model of behaviour and values

The model of behaviour allows us to answer the questions about the real meaning of values for an organisation such as mBank. What actions and behaviours does the management board expect from its subordinates and what do employees expect from one another? We aspire to make decisions in compliance with the values and answer the question of not only what mBank does, but also how it goes about doing it. In our daily work the values are a compass indicating each and every employee the direction in which he/she should be heading.

Not by accident the chapter of the report dedicated to customer relationships starts from an excerpt about employees, values and attitudes accompanying them. mBank are people. Our success and long-term growth depends on their attitudes. Professionalism is the sum of our units' professionalism. Responsibility is the sum of our units' responsibility. In the end, it is a single employee, not the so-called "organisation", that meets the client, anticipates his/her expectations and concerns. The very employee makes the client feel like a partner, not a petitioner.



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The belief that the clients and their needs should be in the centre of the actions taken by the organisation and every single employee helped to initiate the “Focus on Client” programme, which covers several dozen of projects from all sorts of areas of operational activity. We started from a review of agreements in terms of clauses that could be found incomprehensible, through credit refusal policy to social activities. A tangible manifestation of the client-centric approach is the apprenticeship in the bank’s branches obligatory for the top managers.

## Practices related to customer satisfaction measurement process

[G4-PR5] We listen to our clients actively. Every month our representatives contact clients to ask for their opinions. As a result, we receive feedback about the quality of service, the functioning of processes and products. We also monitor comments made and opinions expressed by the clients on the Internet – mainly in social networks and on Internet forums and websites related to the quality of service. The information is provided to the persons responsible for particular areas and the frontline employees where upon an analysis it is translated into specific remedial actions.

Furthermore, in regular surveys we ask respondents, among others, about their willingness to recommend the services of mBank to their friends or colleagues (NPS). Apart from closed-ended questions we also ask open questions which show the reasons behind clients’ scoring decisions. We also conduct cyclical surveys among the clients who sign documents delivered by courier and send them back by courier.

We also analyse opinions of the clients who lodged complaints. The clients are asked if they would recommend using the bank’s services to their friends and colleagues bearing in mind the manner in which we solved their problem. The questionnaire also measures the level of customer satisfaction with the time of handling a complaint, impact of responses on further cooperation with mBank and the quality of feedback (whether it was complete and exhaustive).

We also engage in mystery shopping on a regular basis. Quality audits are also cyclically conducted in outlets, mLine and the Online Expert Service. Auditors assess outlets in terms of face-to-face conversations, telephone and e-mail contact.

We conduct such an audit in different scenarios. The auditors visit outlets, call CC, write e-mails, use the Online Expert Service to obtain information, among others, about the offer of individual accounts, accounts for companies, loans, deposits or to ask different questions related to the bank’s services.

After every audit a scoring of the quality of meeting the applicable standards is performed.

Our employees monitor the opinions, registered on the website, about the quality of mBank’s services on an ongoing basis. Every opinion is analysed and forwarded to a relevant unit which, based on provided suggestions, introduces relevant remedial measures (contact with a given outlet or person responsible for a given area where the clients see room for improvement).

## mBank community

[G4-26] For a large group of persons mBank’s forum is a treasure trove of information about banking. It is they, the clients, who also form the community of mBank, asking thousands of questions and proposing numerous non-standard solutions. The forum cannot exist without the employees who respond to the questions that arise.

mRada (mCouncil) is a group of mBank’s ambassadors. mRadni (mConuncillors) are not the employees of mBank nor do they receive remuneration from us for their activity. They are recruited, among others, from clients who showed great interest in the bank’s operations and were very active on Internet forums, blogs or in social networks.

## New platform of dialogue with companies and SMEs

[G4-26] At the end of 2014 we launched the platform of dialogue with micro-entrepreneurs. The first meetings with entrepreneurs were initiated in February 2015. Open conversation with the client allows us to address the challenges that are or may be faced by the client in a comprehensive manner. That helps to understand the reasons behind clients’ decisions, what is important for them and consequently what their needs might be, even if they are not aware of them yet. This is client-centricity. The meetings have an open formula. Interviews are conducted at the client’s home or office, in a café, in mBank’s headquarters or outlet.

Such meetings make it possible to make a more in-depth analysis of the conclusions drawn from quantitative surveys, explore new ideas and test the concepts of future services. They also encourage the employees to get up from behind their desks, which is of vital importance in the case of employees who do not have direct contact with the clients on a day-to-day basis.

We also try to initiate non-standard activities which, not being strictly related to banking, enable the clients to see business from a different perspective and rediscover the potential of their enterprise. An example of such activities is a series of seminars entitled „Tomorrow Belongs to Women.”

### Tomorrow Belongs to Women

Since 2008 mBank has been organising a series of seminars entitled “Tomorrow Belongs to Women” addressed to the female corporate clients of mBank who manage finances, sit on management boards or own enterprises. So far, 19 meetings have been organised, with very high attendance. The goal of the seminars is to support and unite enterprising women who are eager to use the knowledge that is shared with them during the meetings and are involved in sharing their experiences with others.

The seminars are subject-oriented and include an interview with a special guest — a famous woman of success. Experts of mBank and representatives of leading companies participate in panels addressing particular topics. So far the seminars’ special guests were, among others, dr Irena Eris, Teresa Rosati, Jolanta Kwaśniewska, Beata Tyszkiewicz, Katarzyna Grochola, Krystyna Janda, Beata Pawlikowska, Urszula Dudziak, Maria Czubaszek, Ewa Kasprzyk. Work-life balance panels are a frequent element of such meetings, with workshops such as “Managing Energy while under Stress”.

An evaluation questionnaire is a tool measuring the effectiveness of the presented practice. The opinions collected are used to evaluate the meeting and develop an agenda for the next seminar. While filling in a questionnaire, the participants propose topics which they would like to discuss during the next meetings and make their suggestions as to the woman of success they would like to see as a special guest.

## “mBank StartUP Challenge” competition

Together with the University Entrepreneurship Incubators Foundation we invited young entrepreneurs to take part in the competition the purpose of which was to propose activities that would help to increase the number of the mobile application users. The proposed activities would also encourage mBank’s clients to save or invest money or enable the bank to carry out more effective credit risk assessment. Out of the proposals the best five were selected and presented during the competition gala, in December 2015. After the presentation the jury announced the final result.

The winner of the competition will take part in the acceleration programme in Tel Aviv where he/she will participate in workshops, coaching and mentoring sessions aimed at developing and improving his/her business model, as well as meetings with potential investors.

## Corporate clients satisfaction survey

[G4-PR5] Retail clients satisfaction surveys (individual customers, micro-enterprises), including NPS survey, are widely used on the market by companies from different sectors; however, using them in the case of large corporate clients on the banking market is still a solution that is not often used in Poland. At mBank we conduct an extensive qualitative survey of corporate clients once a year. We pay special attention to client’s satisfaction if any of the dozen or so major events occurs (e.g. opening an account, granting a loan, refusal to grant a loan, complaint). In the survey respondents may assess, among others, the quality of channels of filing complaints, availability of our employees and clarity of the responses provided by them. More importantly, we try to reach those employees of the client who are directly involved in cooperation with the bank and the matter in question. On the one hand, it may be the chief financial officer, and on the other hand, it may be an employee of the accounting department in charge of transfers. Knowledge of client’s satisfaction is also useful in planning actions taken to establish a long-term relationship between the client and the bank. It also allows for conducting analyses and taking remedial actions both in terms of product portfolio and advisors.

Opinions of those persons are an invaluable source of information about the expected changes for our employees. Answers related to quality are of special importance. It is worth stressing that due care taken to analyse clients’ opinions and problem-oriented attitude is perceived positively by them – as a result, more and more clients decide to take part in the survey. Moreover, such an attitude is a pleasant surprise to them and they declare that they will recommend mBank’s services to other entrepreneurs. Every piece of information, including negative information, allows us to diagnose problems, identify the reasons behind them and eliminate them. The clients who are willing to share their observations with the bank decided to devote their time to help mBank become better.

” The clients who are willing to share their observations with the bank decided to devote their time to help mBank become better.

## Reliable, clear and transparent communication of products

[PR DMA, G4-PR1] A safe banking product is a product not containing hidden clauses, developed in a manner that is clear and understandable to the clients, allowing them to make informed decisions. From the perspective of the bank, it is a prerequisite for building lasting relationship with clients, based on trust. It is

our role, and other entities from the financial sector, to take actions aimed at providing financial education that helps to better understand banking products. It is a long-term process, which is best exemplified by the actions taken by us and our mFoundation, which often begins as early as in primary school. In parallel to the necessary yet long-term process of raising awareness of the market, actions aimed at simplifying banking documents, for example agreements, may be taken to make them understandable to all clients. That was the line of thought of the authors of the Action Renovation programme.

## Action Renovation

[PR DMA, G4-PR1] Action Renovation is a revolutionary change in the way of thinking about agreements. It provides for redefining agreements with individual clients and proposing a completely new format of these documents. The revolutionary nature of the idea consists in removing articles, typical of any agreements, and, at the same time, disliked by clients. It turns out that drafting an agreement without any articles but with clear and understandable questions, was possible, however, required a lot of work of our employees. Furthermore, qualitative surveys confirmed that the new, innovative form of agreement is positively perceived. The agreement implemented as first in June 2015 was an agreement on bank account for natural persons. Another agreements, implemented also in 2015, were agreements on cash loan and revolving loan for natural persons and agreement enclosed with credit card. The next agreements will be introduced in the new form in 2016.

” The revolutionary nature of the idea consists in removing articles, typical of any agreements, and, at the same time, disliked by clients.

## Responsible approach to sales

[PR DMA, G4-PR1] Another risk which is directly related to the issues raised earlier is the so-called risk of misselling, that is a situation where the clients under the influence of a seller and sometimes incomplete information or information misunderstood by them, select products they do not need or do not understand. Most often it is a measurable risk for the clients who might not be aware of it (e.g. clients investing in investment funds, enticed with the prospect of a high return on invested capital, may be unaware of the fact that they may lose their savings). For the bank selling products that are not needed and understood by the clients is only an apparent benefit. Although it improves sales statistics on a short-term basis, on the one hand, it means specific and quantifiable risk (e.g. clients’ failure to fulfil their obligations), and on the other hand, it leads to the erosion of trust in the bank. This in turn is detrimental to client relationship and in the long run may result in customer attrition, and hence may have an adverse impact on financial results. All the new products, before they are launched on the market, are assessed, among others, in terms of reputational risk, including the risk of misseling.

We developed a user-friendly transactional service, which is very useful for planning household expenditures. Analysis of the category and nature of expenditures allows for managing future payments. We provide the clients with information about their potential expenditures in the nearest future. We warn them that funds accumulated in the accounts will not cover the planned payments. That enables the clients to react and take actions early enough to avoid the loss of financial liquidity. We are the clients’ partner in managing their money, we provide advice on and assistance in effective funds management. If the clients are temporarily in a difficult financial situation, we offer them optimal solutions adequate to a given situation.

## Complaints

[PR DMA] Procedures governing the processes of handling and analysing complaints, including the key document “Rules of Handling Complaints and Claims at mBank” were developed based on client-focused values. Treating clients with respect means that every complaint or claim is accepted and handled, which also involves an obligation to provide a written response to it.

” Treating clients with respect means that every complaint or claim is accepted and handled, which also involves an obligation to provide a written response to it.

We are trying to monitor the type of complaints on an ongoing basis. If we notice an increase in a given area, relevant information is forwarded to a competent organisational unit in order to eliminate irregularities. In the case of a failure, information is provided to mLine employees, who can thus inform the clients of temporary problems.

Ex post analyses, which are useful in identification and elimination of the reasons behind complaints, are of key importance. They may result e.g. from problems in processes, products, regulations of special offers or IT systems. Apart from eliminating the reasons behind complaints, it is equally important to identify and eliminate downtime, which needlessly lengthen processes.

The clients lodging complaints are clients who wanted to devote their time to share their comments with the bank, as a result of which the bank may become better. In accordance with the underlying principle of this approach, a complaint results from a real problem of the client who expects assistance. It is a problem waiting to be solved. Furthermore, the approach to solving the problem may be useful in building client relationship. If the clients are treated seriously and as an equal, then - despite the occurrence of a problem - they will perceive the bank better and be more willing to recommend it to their friends and colleagues as a trust-worthy institution. Therefore, such a great importance is attached to the ratios of customers' satisfaction with the complaint process. Complaints may be a chance of solving the already existing problems and improving and building trust when it may be at risk.

” Complaints may be a chance of solving the already existing problems and improving and building trust when it may be at risk.

## Protection of client data

[PR DMA, G4-PR8] Security of financial transactions depends on the bank and clients. On the one hand, security measures applied by the bank are of great importance, on the other hand, prudent behaviour of clients is significant. We regularly update and comprehensively improve the used technological solutions that allow us to protect transaction services, mobile applications, as well as other IT resources against hostile attacks and any unauthorised actions of third parties. We are trying to anticipate the actions of cyber-criminals and inform clients of any threats related to attempts made to intercept data. Therefore we conduct information campaigns aimed at making clients aware of how important it is to follow several fundamental principles regarding online security.

## mBank's social campaign “You don't do it in real life? Don't do it online!”

In mid-December 2015, that is in the hustle and bustle of Christmas shopping, the first social campaign promoting online security in the bank's history, and the first such campaign in the banking industry, was launched. Its purpose is to draw attention to risky online behaviours and their consequences. Although more and more devices are connected to the Internet, their users are not always aware of the possible threats lurking online.

The campaign covers TV ads based on the concept of moving risky online situations to real life. They are designed to provoke reflection on the way users reveal their data on the Internet and on how and to whom they give access to their devices.

mBank launched a dedicated service ([mbank.pl/uwazniwsieci](http://mbank.pl/uwazniwsieci)), explaining in a concise way what may pose a threat to Internet users and why, and how to protect oneself from it.

For more information go to [mBank.pl/uwazniwsieci](http://mbank.pl/uwazniwsieci)



In 2014 -2015 we did not report any justified claims concerning a leak of personal data.





For years we have been running a special service about online security available on our website. Go to <https://mbank.pl/bezpieczenstwo> to find guidelines for clients and warnings against cyber-attacks.

## Golden security rules

Security in electronic banking, including mobile banking, depends not only on the bank, but also on you. To avoid threats, one should act carefully and apply the principle of limited trust.

Golden security rules are presented below. Read, print and memorize them!

-  **Carefully read the information and notifications displayed during logging in and executing transactions.** Keep in mind that criminals can make fake websites, including fake bank websites. If you have noticed something surprising in the layout of mBank's website or spotted an odd activity, contact us immediately.
-  **Carefully read text messages, including transaction confirmations.** The operations, bank account number and amount provided in the message must be consistent with those ordered by you in the transaction service. Pay attention to the content of text messages received from the bank even if you execute transactions very often.
-  If any message or element of the transaction or mobile service has raised your doubts – **stop the operation and contact mLine consultant or online expert immediately.** We are at your disposal 24 hours a day.
-  **Do not open any suspicious e-mails or attachments.** Beware of links in e-mails! They may infect your device with malware. That applies to your every e-mail address and all the received e-mails.
-  **Do not open the website of the bank's transaction service via a link from e-mail or Internet search engine.** Cyber-criminals can fake addresses. Use the log in button on the website of mBank.pl or log in directly at: <https://online.mbank.pl/pl/Login>. Always check whether the connection is encrypted (whether the lock is displayed before the address).
-  **Do not install additional software on a computer, tablet or mobile phone on request** – bear in mind that the bank never asks for it (especially via e-mails, text messages or messages on the bank's website!). Software or application may be used by cyber-criminals to take control over your device.
-  **Bank only using tested devices,** avoid logging in on someone else's computers, tablets or mobile phones. Follow the principle of limited trust.

-  **Download applications for mobile devices only from official stores:** AppStore (for iOS system), Google Play (for Android system), Windows Phone Store or Windows Store (for Windows systems). Software available there is verified, so it guarantees security.
-  **Up-do-date and legal software must be installed on your device:** an operating system, an anti-virus software and a recommended browser. Cyber-criminals use software vulnerabilities. Updates of legal software often eliminate such "vulnerabilities," thus hampering criminal activities.
-  **Carefully read mBank's warnings against new threats.** It will help you avoid problems. We keep you posted on the identified threats.
-  **Protect your online security and read the following sections:** safe online banking from computer, mobile phone and tablet, safe use of credit cards available at <https://www.mbank.pl/bezpieczenstwo/>

## Compliance with regulations

[G4-S07, G4-S08, G4-PR2, G4-PR4, G4-PR9] In 2014-2015, by 28 December 2015, the Office of Competition and Consumer Protection (UOKiK) did not make any decisions which would result in imposing penalties on our bank. On 28 December 2015, President of the Office of Competition and Consumer Protection imposed a penalty of PLN 6,585,493 on our bank for not applying negative LIBOR in calculating interest on loans denominated in CHF. We appealed against this decision by stressing that when the sum of the negative LIBOR and the margin was lower than zero, the loan interest was 0 per cent. At the same time, in order to temporarily mitigate the negative impact of CHF fluctuations, we decided to fulfil the performance in money for the benefit of the clients by reducing their loan principal. However, we stick to the opinion that in accordance with law a loan agreement is concluded for pecuniary interest.

It also should be noted that in May 2015 the Supreme Court granted the cassation appeal concerning "the stiffed by mBank" case. The Supreme Court also reversed the earlier decision of the Court of Appeals in Łódź and remanded the case to that court for retrial. Regardless of the court proceedings, mBank participates in negotiations with the representatives of the clients who joined the class action. For a few years now mBank has been offering to change the way of setting the loan interest rate (interest rate based on a fixed margin and LIBOR). mBank is the only Polish bank that sat at the negotiating table with the representatives of the clients and jointly worked out a compromise solution at the turn of 2009 and 2010. Some of the borrowers used it, others decided to present their arguments in court.

<sup>5</sup> Already in January 2016 – for a detailed justification of mBank's stance go to <http://media.mbank.pl/pr/308005/stanowisko-mbanku-dotyczace-decyzji-uokik>

## Availability of financial services

### Mobility

[FS13, FS14] IT and mobile technology change our life and the world around us - also the banking industry. In 2000, mBank revolutionized retail banking in Poland. Thanks to technology the working hours of the bank and the distance to bank's outlet ceased to matter as the bank is available 24/7. Everyone who had access to the Internet, the coverage of which was getting broader and broader year after year, was able to use the modern banking services. Banking services became more available to people with disabilities who could use the Internet but had trouble visiting the bank's branch.

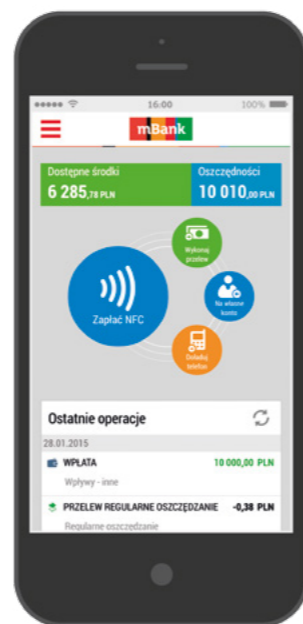
As technology develops, access to banking services becomes faster and easier thanks to using mobile devices. At present, it is very convenient for persons having trouble visiting the bank's outlet to use the Online expert service. The clients may choose one out of three forms of contact: video and audio chat, online chat.

Following the current trends, in 2014, mBank focused on the development of mobile banking, at the same time offering an innovative approach to the application introduction process. The mobile application was built from scratch by an mBank expert team, with actual needs of clients in mind. From the very moment of its implementation in February 2014, the mobile tool has been available for three major operating systems covering 99% of the Polish mobile market (Android, iOS and Windows Phone).

The new application has got many new, mobile scenarios, and the newest ones were designed from scratch, which is why they are much simpler and faster (e.g. checking the account balance without logging in). mOkazje (mDeals) and PUSH notifications informing clients about interesting promotions nearby or about new operations in the account were very well received. Clients quickly took to the "one click" loan and P2P transfers. Thanks to the implemented financial management, clients started to better organise their expenses by categorising, tagging or commenting them.

The most important elements of the new mobile banking of mBank:

- available for the most popular mobile systems: Android, iOS and Windows Phone
- fully transactional
- offering security thanks to processes of "pairing" the device and the unique PIN code
- providing access to the most important information and offers without the need to log in
- mobile mOkazje and geo-location of discounts, branches and ATMs
- possibility to initiate "push" notifications – new operations, account alerts mOkazje nearby
- P2P payments via text messages – based on the recipient book and address book in your phone
- the fastest mobile loan in Poland granted in 30 seconds – ideal for the time spent in a queue at the checkout
- elements of Personal Finance Management (PFM) - possibility to categorise expenses
- possibility to modify the transaction limits in the mobile channel
- functionalities for Windows Phone: "tiles" with the account balance and recipients on the desktop, cooperation with maps and navigation applications



Over the last two years, mBank's mobile application won a large group of new users, and based on a survey of actual needs of the clients, was enriched with a number of new functionalities, which include:

- new section "Deposits", which makes the deposit offer available via mBank's mobile application more attractive by offering products on special terms in the mobile tariff dedicated solely to those who downloaded the application. Now, the application users can use offers which so far had only been available via the Internet Banking, such as Offer for You or 3-day Deposit
- Mobile mTransfer, which allows clients to pay for their purchases on PayU/Allegro platform in only one click in mBank's application
- Currency mPlatform, which allows clients to exchange currencies online in the application
- Multi-person Authorisation of Transactions, which allows for a „double-check” authorisation in the application. This functionality makes it possible to authorise transfers set up on another device
- BLIK service, which allows clients to quickly pay for their purchases, make ATM withdrawals and pay online via smartphones
- Payment of invoices using the QR codes scanning functionality
- NFC payments for Android system available to Orange subscribers
- Additional facilities, such as an option to repeat a transfer or answer to a transfer or quick supply of account number
- Change of authorisation limits on payment cards - option to change the amount or number of monthly/daily limits
- mLine in a click, which allows clients to connect to mLine consultants directly from the application, without the need to dial the number manually or log in using one's client number and telecode

mBank mobile application was received positively by clients. During the first month, a record-high number of downloads was reported – over 200 thousand. In addition to that, the existing clients' activity in the mobile channel doubled.

The positive reception by clients translated directly into the number of mBank mobile users, turning the Bank into Poland's leading bank in terms of the number of mobile banking clients. mBank mobile application is positively assessed not only by experts, but also by its users. At the AppAward 2014 gala the bank won four main awards, out of which three were granted based on the votes of Internet users, and one by the jury. In 2014, Forrester, a research and advisory firm, placed mBank mobile banking among the best three applications in Europe. Moreover, mBank was nominated for Mobile Trends Awards 2014 which are granted annually to the best mobile solutions.

Over 200 thousand application downloads within a month from the launch of its new version and a doubled mobile activity of existing clients – these examples prove that mBank is a mobile banking icon.

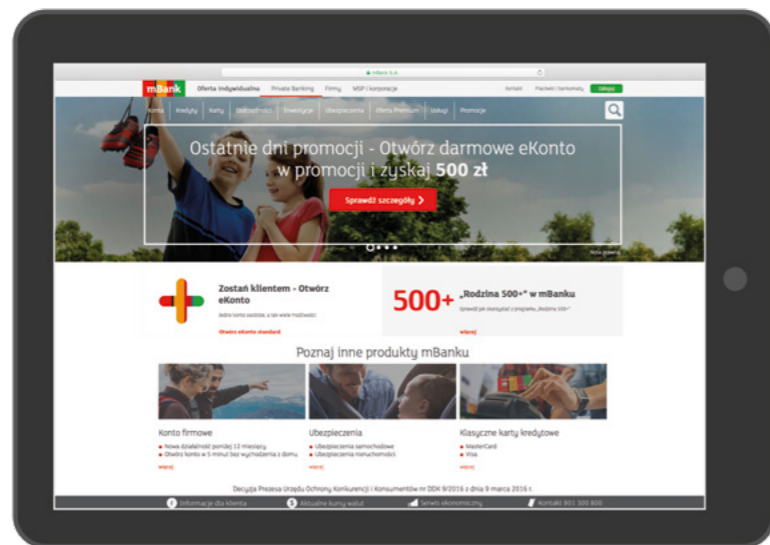
#### BLIK service



In February 2015, in its mobile application mBank activated a functionality allowing clients to use BLIK service to pay at traditional and online shops and withdraw cash from ATMs. Thanks to this functionality, it is possible to make a payment just using a smartphone with the bank's mobile application. BLIK service was activated at the same time by 6 member banks - shareholders of Polski Standard Płatności, which operates the BLIK system.



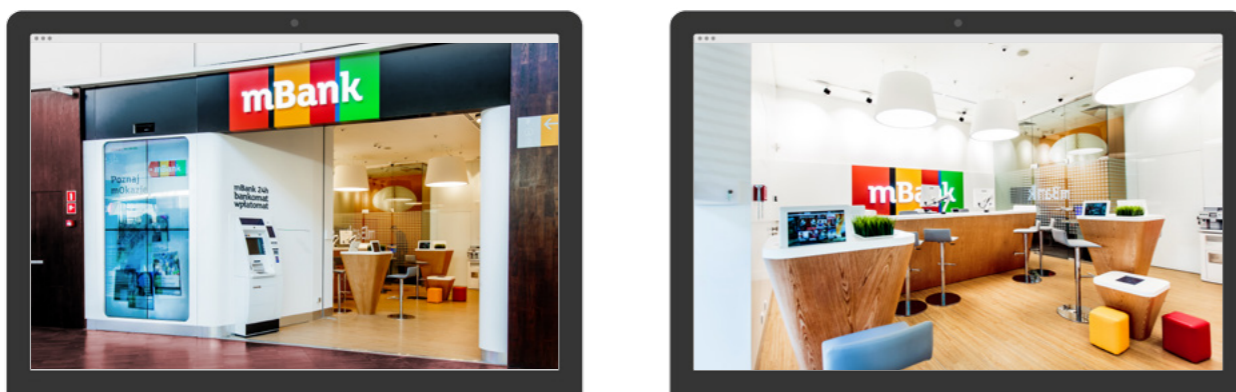
## New website



[FS13, FS14] Since November 2015 mBank's clients have been using a new information portal. Not only the website layout has changed, but also its content, graphics and functionalities. The new website was designed in line with the RWD (Responsive Web Design) technology, which provides an optimal viewing and interaction experience across a wide range of devices used to browse it. The website features a new common login site for clients from all segments, which is particularly important after the merger of mBank and Multibank and symbolically marks the end of the process.

The website designers also kept in mind the needs of blind users or those with poor eyesight. New websites were adjusted to the needs of this group of clients and designed in line with the Web Content Accessibility Guidelines.

## One Network Project of mBank



[FS13, FS14] Although it was mobility and new technologies that allowed us to develop a unique business model, which has been mBank's distinctive feature until the present day, mBank has also traditional branches. We have been actively developing our network so as to better meet the needs of our clients. We try to locate our branches in places frequently visited by clients e.g. shopping malls. Under the strategy approved in 2012, mBank is implementing the One Network Project. Separate retail and corporate branches will be replaced by advisory competence centres while the so called "light" branches will open in shopping malls. The advisory centres will be available in all cities where mBank currently operates its branches. They are usually located in modern buildings that could be easily accessed by the disabled.

The newly opened mBank branches stand out from competitors thanks to modern technological solutions – interactive store front reacting to motion, innovative touch screens which present mBank's offer in an intuitive way or interesting applications in the children zone. Our branches offer amenities for parents with young children.

The first advisory centre opened in June 2014 in Szczecin. In 2015, other advisory centres were opened in Gdynia, Białystok, Kielce, Piła, Tczew, Starogard Gdański. Two "light" branches opened at the Manufaktura shopping mall in Łódź and the Kaskada shopping mall in Szczecin in 2014. In 2015, a new branch opened in Gdynia. In addition, mBank's network is supported by around 60 mKiosks operated by Aspiro.

At present, nearly 70 per cent of mBank's outlets are free from architectural barriers (wide doors, no stairs), which would make access to the services difficult for people in wheelchairs. Until the end of 2016 such outlets will account for 75 per cent. The typical cash desk furniture in branches is adapted to serving clients standing at the counter, which is a barrier to the people using wheelchairs. Therefore the applicable internal instruction unequivocally stipulates that bank tellers serve the disabled clients in wheelchairs not at the counter, but at a table low enough to allow the clients to talk comfortably with our employees.

## Strategic alliances and service availability

[FS13, FS14] It is our ambition to reach with our offer of financial services to the widest possible group of clients. Remote access, mobility, a network of own branches is supplemented with cooperation with partners with complementary competence.



Aspiro, a subsidiary of mBank, being a shareholder of BRE Ubezpieczenia Towarzystwo Ubezpieczeń i Reasekuracji S.A. (BRE Ubezpieczenia TUiR), sold its shares in 2015 to AXA Group. At the same time mBank Group and AXA Group initiated cooperation on distributing insurance products for life and property insurance. As a result, our clients may use an extended offer, gaining access to the most innovative insurance products, offered through the electronic and mobile platforms as well as through traditional branches. This was yet another step to full exploitation of the potential of the Internet and mobile mBank platforms.



In 2014 we also initiated a strategic alliance with Orange Polska. The bank's offer available in Orange network was addressed mainly to present and potential Orange clients, both individuals and SMEs. The main objective was to deliver a comprehensive spectrum of financial products which would be available with the use of mobile devices and an Internet platform. The bank provides banking solutions (such as a banking licence, a modern mobile and Internet banking platform and banking know-how), whereas Orange is in charge of marketing and sales.

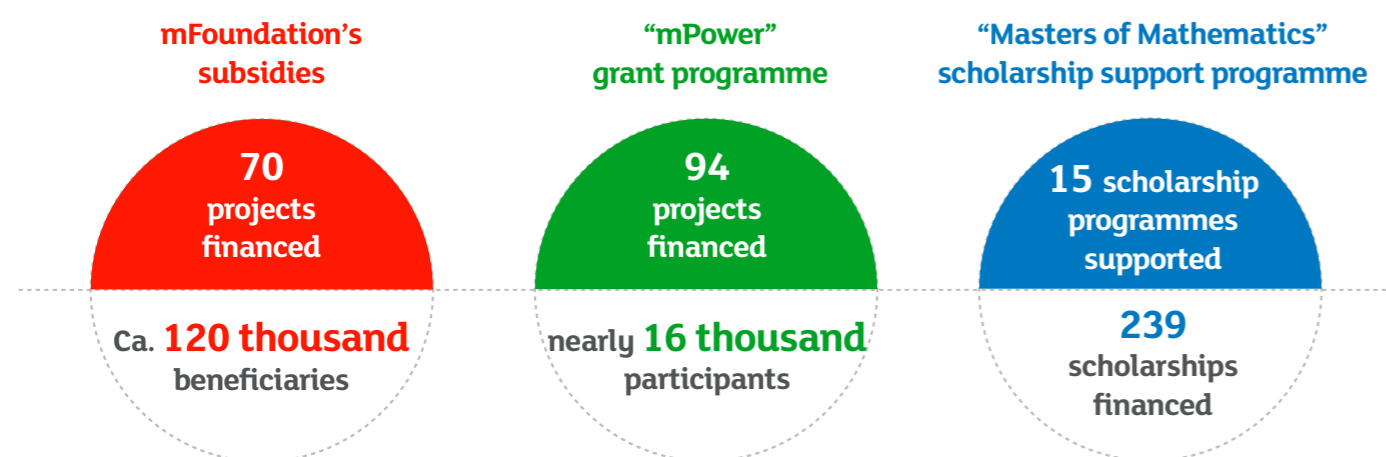
Thanks to cooperation with the Polish Post our clients, this time SMEs, may deposit takings in accounts at our bank in around nine thousand postal offices in Poland.

## Mathematical education

[SO DMA, G4-S01, FS16] Different types of financial education programmes, executed by different institutions on the financial market are valuable and necessary. They give hope that within a few or a dozen or so years social awareness and knowledge about financial services will change for the better. This in turn will translate into better understanding of banking and insurance products, and as a consequence to more conscious and rational decisions made by clients.

**The mBank Foundation**  
Key area of activity: supporting mathematical education

**“m for mathematics” Strategy for the years 2014-2016**  
3 key programmes



**We want to develop and encourage mathematical reasoning, to show young Poles that mathematics is not only interesting but also necessary in everyday life.**

When you look at the unsatisfactory level of financial knowledge from a wider perspective it turns out that one of the key problems is the growing gap in teaching science. Lack of basic knowledge and skills connected with basic math limit the effectiveness of operations from the area of financial education, executed by other institutions. The gap hinders not only the development of knowledge necessary to make conscious financial decisions, but is also an obstacle to gain science education, including technical education, the lack of which is visible on the labour market in Poland. Looking at the issue comprehensively, beyond the banking area, we decided to focus on mathematical education.

“ When you look at the unsatisfactory level of financial knowledge from a wider perspective it turns out that one of the key problems is the growing gap in teaching science.

Actions connected with social engagement are executed by the mBank Foundation (mFoundation). The mBank Foundation, established as BRE Bank Foundation in 1994, was one of the first corporate foundations in the banking sector. The mission of mFoundation is to support programmes aimed at enhancing education and quality of life through actions coherent with the image and policy of mBank. In November 2013, a new direction was set for the development of the foundation for 2014-2016. In line with the “m for mathematics” (“m jak matematyka”) strategy, mFoundation focuses its efforts on supporting mathematical education. The new strategy was pursued through three flagship activities: subsidies, “mPower” (“mPotęga”) grant programme and “Masters of Mathematics” (“Mistrzowie matematyki”) scholarship programme.

We believe that mathematics is the foundation of logical thinking. We want to develop and stimulate mathematical reasoning, and prove that the ability to calculate effectively is interesting and necessary in everyday life.

Children, young people, teachers and parents are the beneficiaries of the actions supported by our foundation.

Elementary schools, secondary schools, NGOs, universities and public libraries may apply for subsidizing as part of the foundation’s programmes. All projects supported by the foundation are used to increase the level of efficiency of mathematical education in Poland.

mFoundation contributed PLN 1.93 m in 2014, PLN 1.95 m in 2015 to mathematical education.

mFoundation provides one-time financial support to the development of projects in the scope of mathematics and mathematics-related education. Applications for subsidies may be submitted throughout the whole year and are processed once a month. mFoundation supported 22 different mathematical projects in 2014 and 48 projects in 2015, which reached over 60,000 students, teachers and parents both in 2014 and in 2015.

The subsidies of mFoundation allowed to develop local and countrywide projects. Among others we can mention the 10th and 11th edition of the Mathematical Olympiad of Secondary School Pupils, international photo competition “Mathematics in focus” organised by Institute of Mathematics of Szczecin University, or the Internet Competition for Secondary School Students - Mathematics organised by the Faculty of Mathematics and Information Science of Warsaw University of Technology.



Another initiative of mFoundation is a grant programme “mPower” executed in cooperation with the Good Network Foundation (Fundacja Dobra Sieć). The purpose of “mPower” is to develop mathematical skills in the younger generation by inspiring teachers, parents and enthusiasts of mathematics to seek creative and attractive ways of learning the world of numbers by children and young people. Schools, social organisations, colleges, libraries and non-formal groups (student research clubs, parent councils) represented by a partner organisation may apply for grants worth PLN 2 to 8 thousand.



The pilot edition of the programme was launched in March 2014 in Masovian and Łódź provinces. Grants worth a total of PLN 200 thousand were given out to 33 schools and NGOs, and mathematical projects reached 5.5 thousand persons. The second edition covered additional 7 provinces: Greater Poland, Kuyavian-Pomeranian, Pomeranian, West Pomeranian, Warmian-Masurian, Lubusz and Lower Silesian. They were selected based on the results of lower secondary and secondary school final exams in provinces with the lowest scores chosen to join the programme. In 2015, grants worth a total of nearly PLN 355 thousand were given out to 61 schools and NGOs.

The Foundation is also running a “Masters of Mathematics” programme, addressed to non-governmental organisations which offer scholarship programmes as part of their statutory activity. These organisations may apply for subsidizing scholarships for pupils or students outstandingly talented in the field of mathematics. In total, in the first and second edition of the programme the foundation assigned nearly PLN 750 thousand for scholarships for over 220 outstandingly talented, young mathematicians.

For more information on the foundation’s activities go to [mFundacja.pl](http://mFundacja.pl)



**We want to be a responsible lender**



## Key success measures for 2016-2020

measure (KPI)	milestone (MS) / measure (M)	2016	2017	2018	2019	2020
Number of major social or environmental conflicts in which mBank, being a financial institution, participates indirectly	M	0	0	0	0	0

## Liability in financing

[d. FS1, d. FS2, d. FS3] As a commercial institution we are obliged to generate shareholder value. Our company is managed in the spirit of social responsibility, so that the profit is developed taking into account the social, economic, environmental and ethical aspects. Therefore, we try to limit the support for companies which are controversial from the social perspective. Apart from the standard mechanisms of business risk assessment for the banking sector, which as part of the reputation risk assessment take into account some social and environmental threats, we decided not to finance companies which conduct a business activity that violates any of the 10 principles of the UN Global Compact. At the end of 2015 we have formally adopted a “Policy on providing services and financing to entities operating in areas that are particularly sensitive in terms of mBank’s reputation risk”, which assumes limiting the provision of services to companies, which run business:

- on the basis of child labour, forced labour, bonded labour connected with forced resettlement or blatantly infringing human rights in any other way;
- focused on economic exploitation of valuable natural areas under protection (including the Arctic), and resort to gross violation of environmental regulations;
- that threatens world heritage sites.

Limitations applied in the credit process and when opening accounts. They concern new clients and new financing of present clients, including also rollovers, as of 1 January 2016.

“ We decided not to finance companies which conduct a business activity that violates any of the 10 principles of the UN Global Compact to which we are a signatory<sup>6</sup>.

Regardless of the solutions described above, resulting from the policy of servicing and financing entities conducting business activity in the areas that are particularly sensitive in terms of mBank’s reputation risk, also other procedures indirectly take into account the impact of the client’s business activity on the social and natural environment. In the case of financing e.g. industrial investments, formal requirements are above all verified, i.e. whether a given investment has the legally binding decisions and consents issued by the right administration authorities. We employ a technical advisor or demand that one is employed, ensuring the investment process, monitoring the process on an ongoing basis. Therefore, this presents a chance of fast identification of irregularities, also when they concern social and environmental aspects. This translates into the possibility of intervening. At the stage of drawing up the credit report, before concluding an agreement with the client, as part of the assessment of the market environment, our representative may indicate the threats including the social and environmental risks. The analyst assessing the risk may in justified cases increase the decision making level, and the case may reach as high as the Management Board through the Credit Committee.

<sup>6</sup>In November 2015 mBank declared its readiness to observe the Ten Principles of the UN Global Compact and was officially approved as member of the initiative after the date of this report, i.e. in March 2016.

## Responsible approach to restructuring and debt collection activities in business

Sometimes clients have financial problems. The role of the bank is to search for solutions which allow to regain the lost potential by a company, while protecting capital entrusted by the deponents. If only the client shows the will of cooperation, we always try to find a constructive solution. We develop mitigation plans and strictly monitor operations of entrepreneurs but at the same time we maintain a flexible approach. Partnership and trust are of key importance here. While supporting the client in restructuring actions, we do not interfere in the merit side of the business, but we provide support in the management and financial area.

Similarly, a comprehensive approach to the problem is present in the case of individual clients, facing financial problems. We often adopt a non-standard approach, being aware of the fact that every account number represents a person we should understand. This means openness to dialogue. A great part of cases of credit instalment default is a result of forgetting. Therefore, in the case of lack of timely payment we first remind the borrower about the fact. If the problem is more serious and due to his/her personal situation the client is not able to make a payment (e.g. job loss or loss of an important contract in the case of a sole trader), we are trying to offer solutions which are convenient for the client, e.g. grace period, lowering the instalment and simultaneously extending the lending period. Early diagnosis and flexibility often allows to avoid hasty decisions, which may result in entering a loan trap (e.g. incurring expensive express cash loans, to repay the instalment at the bank).

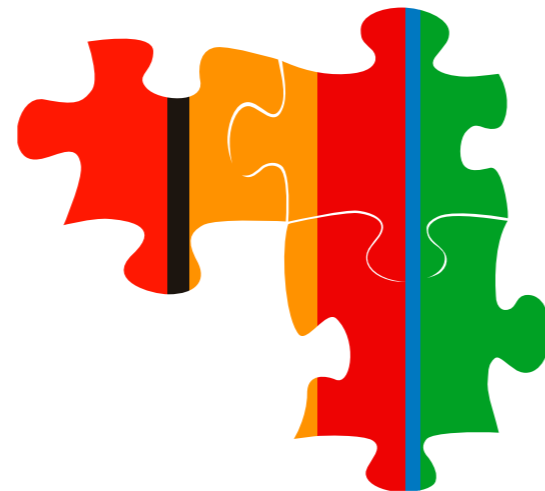
“ We often adopt a non-standard approach, being aware of the fact that every account number represents a person we should understand.

Many clients with whom the bank develops corrective and restructuring actions are persons who reported the potential problem by themselves. In their case they did not have any problems with loan repayment. We consider the practice of contacting the bank in the case of problems to be the best solution. It does not leave any traces in credit history and allows to identify the problem at an early stage. Such clients may always count on our support and cooperation. There are also clients who do everything the other way around, i.e. not only they do not react to the bank’s attempts to contact them, but they are trying to hide out from the bank. Unfortunately, cases which cannot be resolved amicably are finally directed to the court and then to a bailiff. We put great emphasis on selecting reliable law offices and bailiffs for cooperation.

Such an approach to client problems is a value in itself. Understanding the clients and their problems results in a well structured loan, not only it does not ruin the partner relation, but in fact it strengthens it. Clients, who was treated right, regain not only financial liquidity, but also faith in the financial institution with which they signed an agreement.



**We want to build an exceptional team, competence and skills. We want to share what's best about us with others. We want to be unique.**



## Key success measures for 2016-2020

measure (KPI)	milestone (MS) / measure (M)	2016	2017	2018	2019	2020
results of the Employee Engagement Survey (assessment of workplace satisfaction)	M	>100% from the previous period	>100% from the previous period	>100% from the previous period	>100% from the previous period	>100% from the previous period

## Workplace

[LA DMA] Most important issues connected with management are set in the “Work Rules at mBank”, “Remuneration Rules at mBank S.A.” and “Rules on awarding bonuses to mBank S.A. employees”. They are supplemented by procedures connected with recruitment, development actions, or the employee evaluation process.

[G4-LA2] At mBank we are trying to provide employees with fair employment terms, in every aspect. We guarantee the payment of all type of commissions, rewards and bonuses resulting from employee evaluation levels. We ensure friendly work environment (it was not by accident that the provision condemning any form of discrimination was placed as first in the “Work Rules at mBank”). We also offer our employees a wide range of fringe benefits. Most of them are happy to use private medical care and Multisport card, which are in part funded by the bank. Employees are also using the possibility to purchase medical care or Multisport card for their closest ones. They also have the possibility of joining a group life insurance, partly funded by the bank.

The Employee Benefits Fund allows to support current employees and those who have retired and for whom mBank was the last employer. Such support is available to employees or their closest ones who are in a difficult personal situation (e.g. sickness). In justified cases we finance e.g. periodic medical care (medical pre-paid package) to our retired employees. The same fund is used to finance repair loans, partly fund employee holidays, finance sporting and recreation as well as cultural and educational activities.

We do not differentiate employees due to the type of employment contract - all employees (employed for a trial period, for a fixed term, for a fixed term of substitution as well as trainees and interns) have access to the aforementioned fringe benefits.

### The Young Talents Programme

The Young Talents Programme is mBank’s response to current and future needs of the organisation and expectations of candidates - students and graduates. On the one hand trainees and interns provide valuable assistance in everyday work, on the other hand, working at the bank allows them to gain professional experience. The assumptions of the programme are a result of well thought-out actions, meeting the current and forecast recruitment needs of the bank (i.e. one of the strategic initiatives of the bank for 2012-2017, concerning inflow of young people into the organisation). We pay remuneration for internships and traineeships and their participants are employed under an employment contract.

Internships have a revolving nature, allowing interns to get familiar with a few areas of the bank. During the internship which lasts from 10 to 12 months participants have a chance to get familiar with at least three organisational units. Interns are employed full time and work at the head office in Łódź and Warsaw.

For the entire year a few dozen organisational units and branches offer cooperation to students, these include i.e. retail, corporate and investment banking departments, marketing, audit, HR, controlling, logistics and many other departments. A traineeship may last from 3 to 12 months. A flexible traineeship plan allows to combine experience at the bank with studies.

As part of the Young Talents Programme we employed 15 interns and 89 trainees in 2014 and 18 trainees and 80 trainees in 2015. In the third edition over 70 per cent of interns of the rotary internship programme were presented with a cooperation offer (participation in internal recruitment process at mBank Group). On average every second person who completed an internship in 2015 was employed.

## Culture of openness and focus on development

[G4-LA10] mBank is made up of people. They take actions, make decisions, develop plans and strategies, introduce innovations, create networks and business solutions. Every day thousands of people implement and fulfil the vision of a bank like no other. Our people are exceptional also as individuals with passions and interesting hobbies pursued in leisure time. The managers want the employees to develop and to be satisfied with their work at mBank. Therefore, they provide them with the opportunities and support in developing their skills, ensuring a suited package of training sessions and numerous managerial, sales and communication skills development programmes. At the same time we put a lot of effort into creating a special corporate culture based on mBank values which constitute the foundations of philosophy of running our business in its every dimension.

” Every day thousands of people implement and fulfil the vision of a bank like no other.

### mBank Clubs and work-life balance

We acknowledge the role of good relations of employees in effective cooperation and company development, but we also have a sense of how important it is to keep the right work-life balance. Being fully aware of the fact that focusing merely on work is effective only in the short-term, but in the long-term it leads to professional burnout, and understanding the importance of our private life, for years we have been encouraging employees to keep the right balance.

An example of effective and proactive response to the need to get away from daily work-related problems was launching mBank Clubs. Activity in mBank Clubs allows to maintain detachment from work and to concentrate on ones passion after work. It is also a form of coping with stress.



It has all started 20 years ago when a group of mBank employees identified co-workers with whom they could develop their hobbies. That was how mBank Club was established, with its first section - the skiing section. Currently the Club consists of over 30 sections with 1200 members who throughout the year improve their skills together in a given field. We encourage such activeness by annually subsidising activities, promoting activities in sections and publicizing numerous successes achieved by its members.

Apart from a skiing, tennis, triathlon or volleyball sections, employees also share their passions such as: cooking, board games, fishing and similar activities. In addition, some sections go a step further and get involved in charity works. In 2014 the running section started the “Let’s run together for others” initiative. mFoundation contributed PLN 2 for every kilometre run by mBank employees. The amount is then forwarded to non-government organisations indicated by the runners. Employees report the runs in which they participated either under the aegis of mBank or individually on an ongoing basis - street runs, mountain runs, starting from 5km, through half marathons, ending with marathons.

For us development is much more than just training activities. It is a comprehensive approach in which the following aspects are complementary: learning through gaining experience, sharing knowledge and obtaining it from co-workers as well as the trainings mentioned - following a formula 70-20-10. The range of development tools is very wide, starting with traditional forms, ending with non-standard actions. Typical forms of development actions are internal and external trainings, Insight Discovery workshops (allowing to optimise the work of teams and cooperation of their members), or off-site workshops (improving communication, developing organisational culture). At the same time, apart from development group activities, employees are individually directed to specialist training, courses and certified exams (e.g. ACCA, CFA, CIA, brokerage exams), postgraduate studies, MBA studies, trainings for legal advisers or coaching.

Voluntary activities also play an important role in educating our employees. Helping others is a chance to gain valuable skills. It involves cooperation, project management, but also developing such important traits as humbleness. These types of actions are launched during every team building event.

Focus on a particular problem and selection of a right, often nonstandard tool is key from the perspective of development activities and it should contribute to solving the problem.

### “Our people make the difference” programme

“Our people make the difference” programme supports a “One Team” initiative, inspired directly by our strategy. The aim of the programme is to promote employees who stand out because of professionalism of their actions, collaborative attitude and open communication manner. It serves to build the awareness of a single coherent organisation which appreciates an attitude consistent with mBank’s values as well as the quality of performed work.

The programme allows us to recognise and promote employees who:

- cherish mBank’s values with their actions and attitude
- inspire others to take action with their attitude
- are ahead of our time with their thinking and ideas
- continually learn and expand their horizons

- demonstrate exceptional commitment which goes beyond their standard responsibilities
- contribute to implementing innovative solutions



Employee nominations for the programme are announced once a year for each edition of the programme. Employees are recognised in both individual and team categories. Successful employees are provided with special development opportunities, designed separately for each edition. These may include:

- uparticipation in Executive Education programmes abroad
- participation in prestigious training programmes, conferences in Poland and abroad
- participation in off-site development and training events combined with on-site visits to world leaders from the banking and finance sectors, etc.

Development actions support employees at every step of their career. New employees who have just joined the bank have an assigned guide who introduces them to the company. Even interns undergo an introductory training, during which they gain information on procedures, products, on how the bank operates, including the history of our bank. On the other hand, at the end of each year managers take part in conversations about their goals for the next year and plans focused on development actions.

## Onboarding, that is introduction of a new employee

First days at work are an extremely important period – it is a time when you get to know the organisation, the team, and you get accustomed to new tasks. This might sometimes be challenging and we try to do our best in supporting newcomers in the adaptation process.

Introduction of an employee includes actions aimed at providing him/her not only with information on the organisation, but also with the necessary tools and support. The immediate supervisor and the guide appointed for the new employee play the key role in this process, as they offer support in all cases connected with the adaptation in the new team. It is them who take care of preparing and equipping the workplace, present the new employee to the team and direct co-workers, familiarise him/her with processes, procedures and service of systems allowing for effective performance of tasks, set the scope of obligations and then monitor the work on an ongoing basis. As part of the adaptation process, new employees are invited to a few hour introductory workshop, during which they get to know, among others, the values of the organisation as well as the development policy, remuneration policy and the principles of communication inside

the organisation. We place great emphasis on mBank's values. New employees also get familiar with the intranet, where they can find information most useful during their first days at work. They are presented with a development policy, the rule of sharing knowledge within the organisation. During an introductory workshop participants are divided into groups and jointly solve the tasks assigned. In addition, winners of recent editions of development programmes who as part of the award for their achievements took part in a training and development programme abroad, e.g. USA, Japan, are presented to the participants of onboarding.

Annual employee engagement survey is of key importance for planning activities in the area of human resources management. Its results tell most about satisfaction at work and the work atmosphere. An interesting element of the survey is delivering ideas which will improve work or other anonymous feedback by employees to organisational units with which they cooperate. We try to encourage employees to share their views, ideas and knowledge. A great example of this is the "Knowledge Sharing Programme".

## Knowledge Sharing Programme in the organisation

Since 2013 we have been initiating activities in the area of knowledge sharing. We organised campaigns to encourage knowledge exchange, promote departments and projects which have been launched at the bank. Year 2015 is a moment of handing over the initiative to employees. We created a tool for communicating and organising knowledge sharing meetings. At the same time as part of internal communication we promote this type of attitude, presenting specific engaged persons. The tool provides information about knowledge-sharing employees and those using the solutions offered, who become the beneficiaries of those ideas.



### Dzielenie się wiedzą

An integrated knowledge management system assumes the use of intranet solutions (browser, employee profile, map of knowledge flow in the organisation). LYNC communicator is also helpful. The strategy for managing knowledge at mBank is based on global practices and the experience of Polish corporates which introduced similar solutions and shared knowledge about this issue.

In 2015 during knowledge sharing meetings, employees managed to train as many as 2600 of their colleagues (in 2014 - about 1000). The same year, 7500 employees underwent training sessions organised by internal trainers.

## A joint field of study developed with Accenture and the University of Łódź



The field of study called “Digital Banking and Finance” was established as a reply to the need reported by mBank and Accenture for specialists from the area of finance with highly developed digital skills. As a result of combining these qualifications the graduates of this field of study having in-depth knowledge, skills and social competence from the area of finance, will be able to understand digital technology.

Following the example of the largest world companies, such as Microsoft, Audi or Intel, mBank also wants to cooperate closely with the academic community. This field of study was launched in October 2015 and is conducted in the form of 3-year Bachelor Degree studies. After a year and a half the students will be able to choose from two specialities: Banking 3.0 and IT in Finance. A key role in co-development of the field of study is played by the employees of mBank Group and Accenture, who run part of the practical exercises and lectures. Teaching this course is a chance for the employees to develop, share knowledge and confront skills with the academic community.

Focus on development, promoting an open culture, but also, or perhaps above all, focus on the client and his need - all of these aspects are part of the planning and employee appraisal system. It allows to concentrate efforts of thousands of employees on strategic goals of the organisation. In practice this means providing managers with tools supporting team management (delegating and monitoring the performance of tasks, feedback on attitudes and behaviour). Employees in turn receive a clear set of the assessment criteria of their work and clear information on the priority tasks and the manner of their performance. The appraisal is also a starting point for the discussion of the manager and the employee about the perspectives and development in the organisation.

[G4-56] The planning and employee appraisal system allows to gradually transfer strategic goals to successive levels of the organisational structure (Management by Objectives). The objectives of the management board are translated into objectives of directors, directors delegate these tasks to managers and managers assign them to employees in particular teams. Every objective, regardless of its quantitative or qualitative nature, has clearly defined measurement, constituting criteria for its proper performance. Moreover, the area of the employees attitudes and behaviour, where mBank values and clearly defined expectations as to the work culture and manners of conduct (Model of Values and Behaviour of mBank Group) are the reference point. Five values have been broken down into 15 categories of behaviour expected from employees (10) and managers (additional 5). Introduction of the assessment of aspects connected with attitudes and behaviour is a result of constant system improvement. The “Model of Values and Behaviour of mBank Group” project was initiated in 2014, and the evaluation of attitudes and behaviour was first made during the appraisal for 2015, executed in the first quarter.

Once a year objectives are evaluated, and employees receive feedback from their managers about the effects of his/her work and the manner of performing tasks. This is the moment when the manager appreciates the strengths and indicates the areas on which the employee should focus and develop. In this task the feedback from the co-workers of the employee is of great help.

## Employee Volunteer Projects at mBank

The program was developed in 2009 as a result of our employees expectations. The Employee Volunteer Projects Programme „Let’s do something good together” is to facilitate taking on actions by the employees for local communities. It allows to encourage successive persons to selflessly take on activities for the benefit of others. We provide the volunteers with merit-based, organisational and financial support.

The programme is addressed to all employees and is conducted in the form of a grant-awarding competition. Employees may propose and engage in actions resulting from the interest in social problems in their communities. They can submit their projects three time a year. The projects may include children’s homes, nursing homes, social care centres, community centres, public schools, hospitals, kindergartens, animal shelters, foundations and associations. The decision on awarding the grant is made by a chapter composed of representatives of the bank and mFoundation. In every competition a maximum of 10 project are selected, out of which every project can be granted PLN 2500. So far 100 initiatives have been funded. In 2014 their number reached 21, and in 2015 5. 163 and 25 volunteers respectively participated in the execution of those initiatives - employees along with their families and friends. In 2014 volunteers, among other things, supported an association for the disabled, made repairs in four orphanages, rebuilt the pen and a room for the care of animals in animal shelters, and organised educational activities in the field of economics and mathematics in primary schools. One of the volunteer projects proposed and executed by managers consisted of preparing meals for the homeless. The project at the same time became a non-standard development tool for this group of employees. In 2015, volunteers helped to organise a competition popularising mathematics among children living in a children’s home, and workshops on saving money, banking and planning for scouts. They also renovated a playground in a small children’s home, and organised educational activities in economics and maths in primary schools.

Our employees selected the three best editions of the volunteer projects. Winners received a financial reward from PLN 1000 to PLN 3000 for any purchase for the benefit of the project awarded.

Engagement in the volunteer programme allows employees to develop team work skills, to face individual weaknesses and step out of their comfort zone. Above all it is very satisfying to employees. Volunteers meet specific needs of the beneficiaries. They devote their time, skills, knowledge and experience. It is our ambition to encourage employees to take on long-term actions, to use their expert knowledge (also non-professional) in the actions taken and to undertake educational initiatives in the area of mathematics and economy. This way help becomes more effective, and its social value becomes greater. This translates into strategic management which assumes developing economic value through concentrating on key skills.

## Ergonomics and security

[LA DMA] We want to provide our employees with the right work conditions. A workplace should be safe and friendly. The occupational health and safety regulations set forth such requirements. Our innovative approach to the issue of safety is related to work and life balance. This is why, we focus so much on non-standard activities, such as voluntary work or innovative development activities.

[G4-LA5] The Committee for Health and Safety at Work is responsible for guaranteeing all the employed (100%) safe and healthy work conditions. The Committee is an advisory and consultative body to the Management Board. The tasks of the Committee include the review of the work conditions in all the organisational units of the bank, periodical assessment of occupational health and safety and the issue of conclusions on the improvement of work conditions.



## Prevention of unethical behaviour

[G4-56, SO DMA] Our management approach to prevention of unethical behaviour is regulated by a few policies, including mainly:

- Anti-Corruption Policy at mBank S.A.
- Gift Policy at mBank S.A.
- Anti-Fraud Policy at mBank S.A.
- Policy of Managing Conflicts of Interest at mBank S.A.

These regulations reflect the rules included in the codes of ethics. However, due to the detailed nature of the provisions, a few separate documents were adopted to regulate these issues, which gives them appropriately high priority. The Compliance Department is responsible for management of areas covered by the said policies.

Fraud is a deliberate use of an official position or status of mBank's client or counterparty in order to receive unauthorised benefits to the detriment of mBank or its clients. The category includes frauds related to payments or securities, fraudulent banking transactions, electronic banking frauds, credit frauds, theft, embezzlement of assets or abuse of trust, money laundering, unauthorised access, manipulation or destruction of IT systems, industrial espionage or unauthorised transactions, business and trade practices. The applicable solutions are based on a „zero tolerance” rule towards frauds or attempts to commit them by both the bank employees as well as its clients and counterparties.

” The applicable solutions are based on a „zero tolerance” rule towards frauds committed or fraud attempts made by both the bank employees as well as its clients and counterparties.

We maintain a central data base on frauds, organise training in fraud-prevention and early recognition of fraud symptoms for selected employees. Each employee is obliged to inform his/her supervisor about harboured suspicions or use an electronic system that guarantees anonymity. At the same time, it is forbidden to provoke any acts of retaliation against an employee reporting in good faith suspected fraud or breach of internal regulations. Employees terminating their employment with mBank can share their opinion on their work at the exit interview, also with regard to the observed frauds (their participation in the exit interview is voluntary).

The fight against corruption is an integral part of the system designed to combat any fraudulent actions that could jeopardise the assets and reputation of the bank. In addition, thanks to its measures against money laundering and terrorism financing, the bank mitigates the risk of being misused for the purpose of processing payments involving ill-gotten funds.

Internal regulations specify in detail the rules for giving and accepting gifts. Accepting gifts from the bank's counterparties is forbidden except for holiday gifts considered standard in business relationships. The value of gifts should not exceed PLN 200. Similar rules refer to giving gifts by our employees. Accepting or giving a gift of higher value requires relevant consent and is documented in the gift register.

[G4-S06] Particular attention is given to offering any kind of benefits to government officials, representatives of public institutions, civil servants, public sector or local government workers, as well as politicians. Any activities of this type are forbidden and stigmatised. We are also completely apolitical.

[G4-S03, G4-S04, G4-S05] Within the relevant systems of internal control, all (100%) organisational units, areas of the bank's operation and job positions are subject to periodical controls covering business processes that are vulnerable to corruption to the greatest extent. In practice, it translates into several dozen planned or ad hoc inspections annually. We also guarantee all the employees, including managerial staff or cooperating

entities support in counteracting corruption behaviour, also training. We maintain the register of proceedings instigated against corruption. All identified corruption incidents or corruption attempts will be punished in accordance with the “zero tolerance” rule. Within 2014-2015, the Compliance Department did not identify any incidents bearing the hallmarks of corruption.

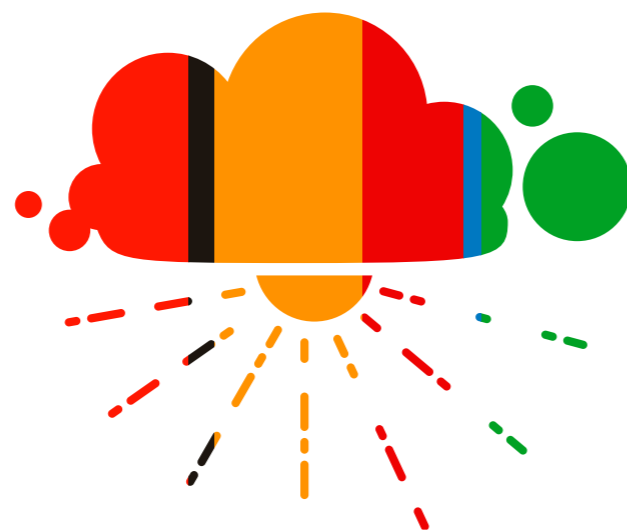
The adopted solutions for counteracting conflicts of interest guarantee equal treatment of clients, and assure that neither mBank nor its employees or other persons linked to mBank benefit or avoid losses at the expense of the interests of mBank's clients. In the case when the conflict of interest takes place or may take place, the interests of the bank and its clients have priority over the employee's interests, and the interests of its clients have priority over the bank's interests.

The bank sets up information barriers in order to restrict the flow of inside information, and information about the bank's clients and their transactions. The Compliance Department is informed in writing or via encrypted e-mail of any identified or potential conflicts of interests related with the activities of a given organizational unit or its employees. DC conducts analyses of reported conflicts of interest and issues recommendations on the procedure to be applied in a given case. Reports on the occurrence or the possibility of occurrence of conflicts of interests are archived. We want to reduce our environmental footprint





## We want to reduce our environmental footprint



## Key success measures for 2016-2020

measure (KPI)	milestone (MS) / measure (M)	2016	2017	2018	2019	2020
Reducing bank's environmental footprint with respect to: - CO <sub>2</sub> emission / revenue - water consumption / revenue - paper consumption / revenue	M	✓	✓	✓	✓	✓

**[EN-DMA]** Our operation and its environmental footprint refers mainly to work performed in offices and branches, supported by developed IT infrastructure, which in practice translates into high demand for energy and stationery, mainly paper. As far as energy consumption is concerned, the consumption of electric energy is crucial, mainly by the bank's IT infrastructure and its cooling systems, thanks to which the online bank operates. Office operation, except for the consumption of electric energy, is related to demand for heat, which in some cases is acquired from natural gas, and sometimes from district heating networks. Branches use water, discharge sewage and waste, but not in volumes that should be considered significant. Apart from this, our work means the need to relocate. Locating our key facilities in Warsaw and Łódź in practice translates into relatively frequent business trips between these two cities. The duties of some employees include visiting clients, which involves the use of company cars and consequently, fuel consumption.

Although our direct footprint is relatively low compared with that of selected bank's clients, if we expect our borrowers to be eco-friendly and reduce their environmental footprint wherever possible, we oblige ourselves to undertake actions which reduce our environmental footprint.

In order to optimise the use of fuels by the company fleet and, in consequence, reduce related CO<sub>2</sub> emission, we decided to impose restrictions on the users of company cars. Among other things, we have introduced refuelling limits, limiting both litres of fuel per employee in a given month and the amount an employee is reimbursed in this respect; we have blocked the possibility of refuelling in weekends, bank holidays, and holidays as well as we have limited the possibility of refuelling to selected petrol stations. Furthermore, GPS devices monitoring the use of cars and fuel are gradually being installed in the company vehicles. In the case of pool cars, i.e. cars used by more than one employee, a dedicated smartphone applications has been introduced for driver authorisation, which facilitates the settlement of fuel costs and makes it more transparent.

As regards a reduction in the use of stationery, which in practice translates into the reduction of the printout volume, the most important activities include, among others, introduction of electronic receipt of fixed assets in Moja Strefa (My Zone) application (elimination of the need to printout and sign paper forms) and electronic stocktaking (replacing paper forms with the possibility to confirm the fact of being in possession of a given fixed asset via the system). We have replaced paper forms for settling business trips and arduous collection of signatures with an online approval in an IT system. The Correspondence Circulation System is based at present on electronic confirmations and lists registered in the application, instead of storing and archiving printouts at a given branch. The huge reduction in the volume of printouts in 2015 was also due to introduction of printout monitoring and duplex printing by default. We have also optimised printing devices used in mCO in Łódź, introducing at the same time printout monitoring; i.e. at the end of 2014 we have withdrawn desktop printers, scanners and fax machines from use. As a result, approx. 150 devices of various types were replaced with 38 devices that are multi-functional to a large extent.



**We want to improve our management approach. We want to develop**



## Key success measures for 2016-2020

measure (KPI)	milestone (MS) / measure (M)	2016	2017	2018	2019	2020
position in the Ranking of Responsible Companies (guaranteeing a high position among institutions from the financial sector)	M	minimum 8th (among financial institutions)	minimum 5th (among financial institutions)	minimum 5th (among financial institutions)	minimum 4th (among financial institutions)	minimum 3th (among financial institutions)
listed in the RESPECT Index	M		✓	✓	✓	✓

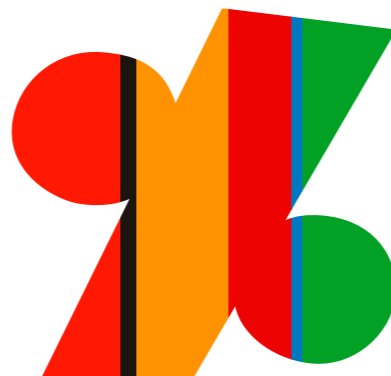
“ Ongoing development is not only our ambition, but also a business necessity. This is why we want our bank to become one of the social responsibility leaders of the Polish banking sector and join the circle of RESPECT Index listed companies.

Our aim is to tighten the procedures for social responsibility management in the supply chain. We have initiated the process that will gradually increase participation of business partners cooperating with us under the rules of responsible management. The issues related to various aspects of responsibility are provided for both at the level of a provider, as well as contractual provisions guaranteeing the right to audit with the possibility of terminating an agreement in the case of gross irresponsibility of the provider.

We are going to cyclically publish non-financial reports which in the following years will include a greater number of mBank Group subsidiaries.



## Tables with non-financial data



[G4-17] Subsidiaries and fellow subsidiaries consolidated in the financial statements of mBank Group

Subsidiaries and fellow subsidiaries consolidated in the financial statements of Budimex Group	Entities included in the financial statements for 2014	Entities included in the financial statements for 2015	Entities included in the report on social responsibility
mBank S.A.	✓	✓	✓
mLeasing Sp. z o.o.	✓	✓	
mBank Hipoteczny S.A.	✓	✓	
Dom Maklerski mBanku S.A.	✓	✓	
mFactoring S.A.	✓	✓	
Aspiro S.A.	✓	✓	
mWealth Management S.A.	✓	✓	
mCentrum Operacji Sp. z o.o.	✓	✓	
BDH Development Sp. z o.o.	✓	✓	
mLocum S.A.	✓	✓	
Garbary S.A.	✓	✓	
mFinance France S.A.	✓	✓	
Tele-Tech Investment Sp. z o.o.		✓	
MLV 45 Sp. z o.o. Sp. k.	✓		
BRE Ubezpieczenia TUIR S.A.	✓		
BRE Ubezpieczenia Sp. z o.o.	✓		
BRE Agent Ubezpieczeniowy Sp. z o.o.	✓		
AWL I Sp. z o.o.	✓		

[G4-10] Employment at the end of the year<sup>7</sup>.

	2013			2014			2015		
	Women	Men	in total	Women	Men	in total	Women	Men	in total
for a definite period	1020	619	1639	1144	698	1842	1165	716	1881
for an indefinite period	2272	1618	3890	2307	1630	3937	2496	1793	4289
working full-time	2591	1912	4503	2699	1995	4694	2861	2092	4953
working part-time	794	384	1178	886	435	1321	900	483	1383
under the age of 30	941	587	1528	988	600	1588	1066	647	1713
30-50 years old	2184	1566	3750	2311	1665	3976	2433	1772	4205
above the age of 50	260	143	403	286	165	451	262	156	418
In total	3385	2296	5681	3585	2430	6015	3761	2575	6336

<sup>7</sup> the data refer to mBank S.A. employees only. They do not include information on the employees of subsidiaries and employees of subcontractors working under the supervision of mBank S.A. employees.

[G4-LA1] Employees hired at or leaving the company

	2013			2014			2015		
	Women	Men	in total	Women	Men	in total	Women	Men	in total
Employees hired									
under the age of 30	241	155	396	396	294	690	325	244	569
30-50 years old	141	104	245	190	183	373	250	226	476
above the age of 50	5	8	13	5	8	13	22	8	30
Employees leaving the company									
under the age of 30	203	157	360	286	198	484	268	232	500
30-50 years old	221	165	386	226	187	413	395	300	695
above the age of 50	17	22	39	28	12	40	24	10	34
fluctuation ratio	6,81%	4,70%	11,51%	8,98%	6,60%	15,58%	9,71%	7,21%	16,92%

[G4-11] Percentage of employees covered by collective bargaining agreements

	2013	2014	2015
mBank S.A.	0%	0%	0%

[G4-LA13] Relation of remuneration of women to remuneration of men (in the same remuneration brackets)

	2013	2014	2015
directors	75%	76,77%	76,73%
managers	62%	62,26%	62,26%
specialists	47%	47,07%	47,07%

[G4-EC5] Relation of remuneration received at the lowest level to the minimum wage

	2013		2014		2015	
	Women	Men	Women	Men	Women	Men
mBank S.A.	147%	154%	148%	158%	144, %	158,16%

[G4-LA3] The number of employees on maternity/parental leave as at 31 December

	2013			2014			2015		
	Women	Men	in total	Women	Men	in total	Women	Men	in total
mBank S.A.	212	2	214	253	2	255	236	3	239

[G4-LA3] The number of employees who came back from maternity/parental leave in a given year

	2013			2014			2015		
	Women	Men	in total	Women	Men	in total	Women	Men	in total
mBank S.A.	159	133	292	213	125	338	25	166	401

[G4-LA3] The number of employees who within 12 months following coming back to work after parental leave left the company

	2013			2014			2015		
	Women	Men	in total	Women	Men	in total	Women	Men	in total
mBank S.A.	27	20	47	29	16	45	47	19	66

[G4-EC6, G4-LA12] Men vs. women in management and supervisory boards

	2013			2014			2015		
	Women	Men	in total	Women	Men	in total	Women	Men	in total
management board									
under the age of 30	0	0	0	0	0	0	0	0	0
30-50 years old	0	5	5	0	5	5	0	5	5
above the age of 50	1	1	2	1	1	2	1	1	2
including foreigners	0	2	2	0	2	2	0	2	2
rada nadzorcza									
under the age of 30w	0	0	0	0	0	0	0	0	0
30-50 years old	0	2	2	1	0	1	1	0	1
above the age of 50	1	9	10	1	10	11	1	9	10
including foreigners	0	6	6	0	6	6	0	5	5

[G4-LA9] Training participants by gender<sup>8</sup>

	2014			2015		
	Women	Men	in total	Women	Men	in total
The average number of training days (excluding initial training)	2,8	3,5	3,1	2,7	3,6	3,1
The average number of training hours (excluding initial training)	22,3	28,1	24,7	21,9	29,0	24,8
The number of training days for mBank employees - initial training	1872	1298	3170	2523	1494	4017

<sup>8</sup> Exams, courses with certificates, off-site events, language courses, Basel training, coaching.

[G4-EN1] Paper consumption

	unit of measure	2013	2014	2015
paper consumption	A4 paper sheets	31 441 250	31 087 500	24 746 500

[G4-EN3, G4-EN5] Consumption of fuels and energy

Source of energy and raw materials for energy production	unit of measure	2013	2014	2015
Electric energy	GWh	16,3 (58 680 GJ)*	16 (57 600 GJ)*	15,9 (57 240)*
Gas	cubic metres	564 437 (20 320 GJ)*	597 985 (21 527 GJ)*	604 364 (21 757)*
Petrol	l	912 907 (30 261 GJ)*	961 524 (31 873 GJ)*	964 647 (31 976)*
Fuel oil	l	337 741 (10 853 GJ)*	308 012 (9 897 GJ)*	270 396 (9 899)*
Energy consumption in total	GJ	120 114	120 898	120 872

\*calculations and estimations carried out on the basis of „Zasady metodyczne sprawozdawczości statystycznej z zakresu gospodarki paliwami i energią oraz definicje stosowanych pojęć” (The Methodological Principles for Statistical Reporting on Fuels and Energy Management and Definitions of Used Terms) by G. Kacperczyk, published by the Central Statistical Office in Warsaw in 2006.

	unit of measure	2013	2014	2015
Net profit	in PLN thousand	1 070 306	1 174 096	1 271 449
energy consumption	MJ / PLN thousand	112,2	103,0	95,1

[G4-EN15, G4-EN16, G4-EN18] Estimated CO<sub>2</sub> emission

Source	unit of measure	2013	2014	2015
Electric energy	Mg	10 736,00	10 538,40	10 472,54
Gas	Mg	1 139,94	1 207,69	1 220,57
Petrol	Mg	2 242,35	2 361,77	2369,42
Fuel oil	Mg	804,19	733,40	733,52
in total	Mg	14 922,47	14 841,26	14 796,04

	unit of measure	2013	2014	2015
Net profit	in PLN thousand	1 070 306	1 174 096	1 271 449
Efficiency	MJ / PLN thousand	0,014	0,013	0,012

[G4-LA6] Accidents at work

	2013	2014	2015
Total number of accidents	17	10	8
Accident frequency ratio	2,83	1,66	1,26
Total number of absence from work due to accidents	252	189	157
Accident severity ratio	14,82	18,90	19,63

GRI index

Indicator	Zakres ■ entire ▴ partial □ not reported / not applicable	page	GRI guidelines	Area according to ISO 26000	UN Global Compact principle	Comment / Description
<b>Strategy and analysis</b>						
G4-1	■	3	The statement of the top management (e.g. executive officer, president of the management board or other persons holding an equivalent position) about the relevance of sustainability to the organisation and the organization's strategy for addressing sustainability	4.7 6.2 7.4.2 6.2		[Letter of the President of the Management Board]
G4-2	■	3	Description of key impacts, opportunities and risks			[Letter of the President of the Management Board]
<b>Organisational Profile</b>						
G4-3	■		Name of the organisation			mBank S.A.
G4-4	■	6	The primary brands, products and/or services			[Type of operations]
G4-5	■		Location of the organisation's head office			ul. Senatorska 18, 00-950 Warszawa
G4-6	■	6	The list and number of countries where an organisation operates, where its main operation is located or of those which are particularly important in the context of the report			Poland, the Czech Republic, Slovakia
G4-7	■		The form of ownership and the legal structure of an organisation	6.3.10		Joint-stock company, listed on the WSE
G4-8	■	12	The markets served, including the geographical scope of sectors served, characteristic of clients/ consumers and beneficiaries	6.4.1 6.4.2 6.4.3 6.4.4 6.4.5 6.8.5 7.8		[Type of operations]
G4-9	■	10	Business Scale			[Business profile]
G4-10	■	55	The number of own employees and those under the supervision of a subsidiary and the type of contract			[Tables with non-financial data]
G4-11	■	56	Percentage of employees covered by collective bargaining agreements			[Tables with non-financial data]
G4-12	■	15	Supply chain description			[Corporate social responsibility management]
G4-13	■	6	Significant changes in the reported period concerning the scale, structure, ownership form or supply chain			[Type of operations] More information in the Management Board reports on operation available at mBank.pl

G4-14	■		Explanation whether and in what way an organisation applies the precautionary principle		7	Taking into account a small direct environmental footprint the bank, the precautionary principle is applied at the bank to a limited extent. However, in the case of loans, mainly large syndicated loans, maybe the principle should be applied by advisors that support the bank(s).
G4-15	■	8-9	List of externally developed economic, environmental and social charters, principles and other initiatives, adopted or approved by an organisation		1-10	[Type of operations]
G4-16	■	7	Membership of associations (such as industry associations) and/or in domestic/international organisations		1-10	[Type of operations]
Identification of material aspects and boundaries						
G4-17	■	15-55	Economic entities recognised in the consolidated financial statements			[Tables with non-financial data]
G4-18	■	16	Process of defining the report content			[Public reporting on social responsibility]
G4-19	■	16	Identified material aspects of social and environmental impact			[Public reporting on social responsibility]
G4-20	■	16	Significance of identified aspects of social and environmental impact to particular business entities			[Public reporting on social responsibility]
G4-21	■	16	Aspects boundaries outside the organisation Limiting the report to material aspects of social and environmental impact, including entities outside an organisation	5.2 7.3.2 7.3.3 7.3.4		[Public reporting on social responsibility]
G4-22	■		Explanations concerning the effect of any restatements of information provided in previous reports, and the reasons for such restatements (e.g. mergers and acquisitions, change of the year/ base period, business profile, measurement methods)			Not applicable
G4-23	■		Significant changes concerning the scope, the scale or the measurement methods applied in the report compared with the previous report			Not applicable
Stakeholder engagement						
G4-24	■	17	The list of stakeholder groups engaged by the organisation	5.3		[Public reporting on social responsibility]
G4-25	■	17	The basis for identification and selection of stakeholders with whom to engage			[Public reporting on social responsibility]

G4-26	■	17 20 23	An approach to stakeholder engagement, including the frequency of engagement by type and stakeholder group			[Public reporting on social responsibility]
G4-27	■	17	Key topics and concerns addressed by stakeholders and how the organization has responded to those key topics and concerns, including through its reporting			[Public reporting on social responsibility]
Report profile						
G4-28	■		The reporting period (e.g. financial/calendar year)			Financial/calendar year: 01.01.2015-31.12.2015
G4-29	■		The publication date of the previous report (if published)			2009 (the last such report covered 2008)
G4-30	■		Reporting cycle (annual, every two years)			annual
G4-31	■	16	Contact person	5.3 7.5.3 7.6.2		Monika Czajkowska CSR Advisor Communication and Marketing Strategy Department mBank S.A. ul. Senatorska 18 00-950 Warszawa phone no. +48 22 438 23 18 e-mail: csr@mbank.pl
G4-32	■	16	GRI Content Index			[GRI index]
G4-33	■	16	Policy and current practices regarding external verification of the report. If no such data were included in an independent certifying report, explanation of the scope and grounds for external verification and relation between an organisation and external certifying entity			[Public reporting on social responsibility]
Governance						
G4-34	■	15	The supervisory structure of an organisation including committees that report to the highest supervisory body and are responsible for particular tasks, such as for example creating strategies or supervision over the organisation	6.2 7.4.3 7.7.5	1-10	[Supervision structure at mBank] [Corporate social responsibility management]
Ethics and integrity						
G4-56	■	20 46 48	Organisation values, rules, codes, standards of conduct and ethics	4.4 6.6.3	1-10	[Type of operations] [Culture of openness and focus on development] [Prevention of unethical behaviour]

Economic performance						
Market presence						
G4-EC5	■	17 56	Remuneration of the lowest level staff in the significant locations of an organisation compared with the minimum wage on a given market	6.3.7 6.3.10 6.4.3 6.4.4 6.8.1 6.8.2	1	[Tables with non-financial data]
G4-EC6	■	57	Odsetek wyższych menedżerów zatrudnionych z rynku lokalnego	6.8 6.8.5 6.8.7	6	[Tables with non-financial data]
Environment						
Materials and raw materials						
EN DMA	■	51	Management approach	6 7.3.1 7.4.3 7.7.3 7.7.5	7, 8, 9	[We want to reduce our environmental footprint]
G4-EN1	■	17 57	Used materials/raw materials by weight and volume	6.5.4	8	[Tabele z danymi pozafinansowymi]
Energy						
EN DMA	■	51	Management approach	6 7.3.1 7.4.3 7.7.3 7.7.5	7, 8, 9	[We want to reduce our environmental footprint]
G4-EN3	■	17 58	Direct and indirect consumption of energy by primary energy sources	6.5.4	8	[Tables with non-financial data]
G4-EN5	■	17 58	Efficiency			[Tables with non-financial data]
Emissions						
EN DMA	■	51	Management approach	6 7.3.1 7.4.3 7.7.3 7.7.5	7, 8, 9	[Chcemy ograniczyć nasz wpływ na środowisko]
G4-EN15	■	17 58	Total direct greenhouse gas emissions by weight (Scope 1)	6.5.5	8	[Tables with non-financial data]
G4-EN16	■	17 58	Total indirect greenhouse gas emissions by weight (Scope 2)	6.5.5	8	[Tables with non-financial data]
G4-EN18	■	17 58	Effectiveness related to greenhouse gas emissions	6.5.5		[Tables with non-financial data]
Environmental assessment of suppliers						
EN DMA	■	51	Management approach	6 7.3.1 7.4.3 7.7.3 7.7.5	7, 8, 9	[We want to reduce our environmental footprint]
G4-EN32	■	15 17	Percentage of suppliers subject to environmental criteria assessment	6.3.5 6.6.6 7.3.1		Corporate social responsibility management]

Social						
Workplace: employment						
G4-LA1	■	56	Total number of employees who left the organisation and employee fluctuation by age groups, gender and region	6.4.3	6	[Tables with non-financial data]
G4-LA2	■	41	Additional benefits granted to full-time employees, which are not provided to part-time employees or employees employed for a specified period of time by the main organisational units	6.4.4 6.8.7	-	[Workplace]
G4-LA3	▲	56	The percentage of employees who returned to work after maternity/parental leave and the retention ratio by gender	6.4.4		[Tables with non-financial data]
Workplace: occupational health and safety						
LA DMA		41 47	Management approach (to occupational health and safety)	6 7.3.1 7.4.3 7.7.3 7.7.5	1, 3, 6	[Workplace] [Ergonomics and safety]
G4-LA5		47	Odsetek łącznej liczby pracowników reprezentowanych w formalnych komisjach		Odsetek łącznej liczby pracowników reprezentowanych w formalnych komisjach	[Ergonomics and safety]
G4-LA6	▲	58	Ratio of injuries, occupational diseases, days lost and days off from work, including the number of work-related fatalities by regions	6.4.6 6.8.8	1	[Tables with non-financial data]
Workplace: training						
G4-LA9	▲	57	Average number of training hours per employee			[Tables with non-financial data]
G4-LA10	■	42	Development programmes	6.3.7 6.3.10 6.4. 6.4.3	1, 6	[Culture of openness and focus on development]
Workplace: diversity and equal opportunity						
G4-LA12	■	57	Composition of governance bodies and breakdown of employee category according to gender, age group, minority group membership, and other indicators of diversity	6.2.3 6.3.7 6.3.10 6.4.3	1, 6	[Supervision structure at mBank] [Tables with non-financial data]
G4-LA13	▲	56	Relation of basic remuneration of women to men by the position held	6.3.7 6.3.10 6.4.3 6.4.4	1, 6	[Tables with non-financial data]



Assessment of suppliers					
G4-LA14	■	15 17	Percentage of suppliers subject to employee-criteria assessment	6.3.5 6.4.3 6.6.6 7.3.1	[Corporate social responsibility management]
Human rights: procedures concerning orders and investments					
HR DMA			Management approach	6 7.3.1 7.4.3 7.7.3 7.7.5	1-6
Assessment of suppliers					
HR DMA			Management approach	6 7.3.1 7.4.3 7.7.3 7.7.5	1-6 [Corporate social responsibility management]
G4-HR10	■	15 17	Percentage of suppliers subject to human rights-criteria assessment	6.3.3 6.3.4 6.3.5	[Corporate social responsibility management]
Local communities					
SO DMA		34	Management approach	6 7.3.1 7.4.3 7.7.3 7.7.5	10 [Mathematical education]
G4-SO1	▲	17 34	The nature, scale and effectiveness of programmes and practices in the scope of assessment and management of the organisation impact on local communities, including impact related to entering, operating and ceasing operation on a given market	6.3.9 6.5.1 6.5.2 6.5.3 6.8	- [Mathematical education]
Anti-corruption measures					
SO DMA		48	Management approach	6 7.3.1 7.4.3 7.7.3 7.7.5	10 [Prevention of unethical behaviour]
G4-SO3	■	17 48	Percentage and total number of business units assessed in terms of risk related to corruption	6.6.1 6.6.2 6.6.3	10 [Prevention of unethical behaviour]
G4-SO4	■	17 48	Number of employees trained in anti-corruption policies and procedures applied at the organisation	6.6.1 6.6.2 6.6.3 6.6.6	10 [Prevention of unethical behaviour]
G4-SO5	■	17 48	Actions taken as a response to corruption incidents	6.6.1 6.6.2 6.6.3	10 [Prevention of unethical behaviour]
Participation in public life					
G4-SO6	■	17 48	Total value of financial and in-kind donations to political parties, politicians and institutions of similar type by countries	6.6.1 6.6.2 6.6.4	10 PLN 0 (in line with the applicable law, mBank made no donations to political parties) [Prevention of unethical behaviour]

Compliance with regulations					
G4-SO7	■	17 29	Total number of legal actions for anti-competitive behaviour and monopoly practices and their outcomes	6.6.1 6.6.2 6.6.5 6.6.7	[Compliance with regulations]
G4-SO8	■	17 29	The amount of penalties and the total number of non-financial sanctions for non-compliance with laws and regulations	4.6	- [Compliance with regulations]
Responsibility for the product: client's health and safety					
PR DMA		24-26	Management approach	6 7.3.1 7.4.3 7.7.3 7.7.5	1, 8 [Reliable, clear and transparent communication of products] [Complaints] [Customer data protection]
G4-PR1	■	17 24 25	Product life cycle stages at which the impact of products and services on health and safety is assessed in order to improve ratios, and the percentage of important categories of products and services covered by such procedures	6.7.1 6.7.2 6.7.4 6.7.5 6.8.8	1 [Reliable, clear and transparent communication of products]
G4-PR2	■	17 29	The total number of incidents of non-compliance with regulations and voluntary codes regarding the impact of products and services on health and safety at each life cycle stage, including types of outcomes	4.6 6.7.1 6.7.2 6.7.4 6.7.5 6.8.8	1 [Compliance with regulations]
G4-PR4	■	17 29	Incidents of non-compliance with regulations with regard to the information about products and services		[Compliance with regulations]
G4-PR5	▲		Practices related to customer satisfaction measurement process, including the outcome of the customer satisfaction measurement	6.7.1 6.7.2 6.7.6	- [Practices related to customer satisfaction measurement process]
Responsibility for the product: compliance with regulations					
G4-PR8	■	17 26	Liczba odnotowanych przypadków wycieków danych klientów	6.7 6.7.7	1 [Ochrona danych klientów]
Odpowiedzialność za produkt: zgodność z regulacjami					
G4-PR9	■	29	Monetary value of significant penalties due to non-compliance with laws and regulations concerning the provision and use of products and services	4.6 6.7.1 6.7.2 6.7.6	- [Compliance with regulations]
Sector specific indicators					
d. FS1	■	38	Social and environmental policies		[Liability in financing]
d. FS2	■	38	Procedures for screening social and environmental risks		[Liability in financing]

d. FS3	■	38	Process of monitoring the implementation of social and environmental recommendations by clients			[Liability in financing]
FS6	■	10-11	Portfolio structure by region and the type of client			[Type of operations]
FS13	■	17 30-33	Availability of financial services in scarcely populated or economically disadvantaged areas			[Availability of financial services]
FS14	■	17 30-33	Availability of banking services to the disadvantaged people			[Availability of financial services]
FS16	■	17 34	Działania związane z edukacją finansową, według rodzaju beneficjenta			[Edukacja matematyczna]



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