

# Results of mBank Group Q1 2024

Strong start to the year: solid net result and rebound in lending.



Presentation for Investors and Analysts, 10.05.2024

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# Key highlights and business development in Q1 2024

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Overview of the financial performance after Q1 2024

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Update on Poland's macroeconomic situation and outlook



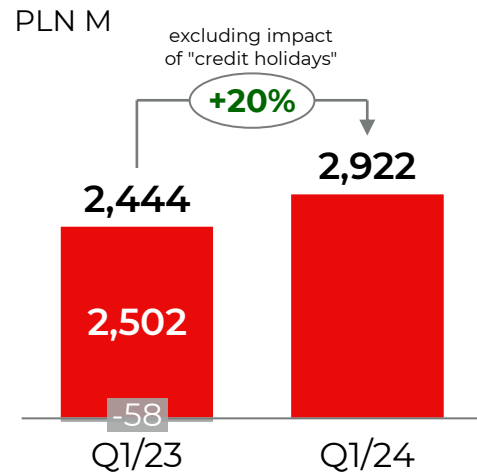
# Key highlights of Q1 2024 in mBank Group

- Revenues maintained at record high level as a result of stable net interest income and solid net fees
- Best-in-class efficiency continued amid lower staff and material costs and despite BFG resolution fund contribution
- Cost of risk significantly below the guidance; sound net result despite further costs of legal risk related to CHF mortgages
- Strengthened protection against legal risk of CHF portfolio and more settlements signed with borrowers
- Lending on the rise in both customer segments; deposit flows driven by constant pricing optimization efforts
- Substantial capital buffers and MREL ratios comfortably above the minimum required levels

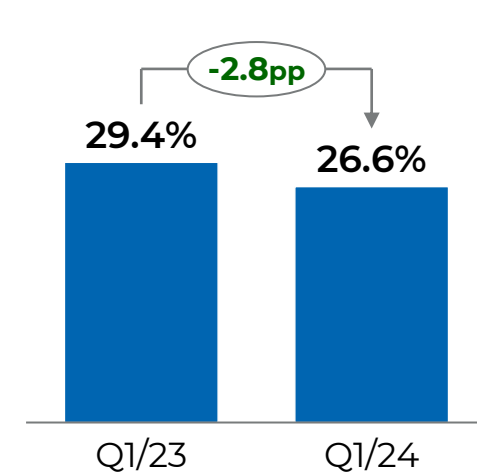
Net interest income <b>-0.6% QoQ</b>	Net fee income <b>+8.9% QoQ</b>
Total costs w/o BFG <b>-6.9% QoQ</b>	Cost/Income ratio <b>30.4%</b>
Cost of risk <b>17 bps</b>	Net profit <b>PLN 263 million</b>
CHF legal costs <b>PLN 1.37 billion</b>	CHF settlements <b>15,168</b>
Loans <b>+2.4% QoQ</b>	Deposits <b>-1.3% QoQ</b>
Tier 1 capital ratio <b>14.1%</b>	MREL surplus <b>+1.7 p.p.</b>

# Summary of key financial metrics for mBank Group

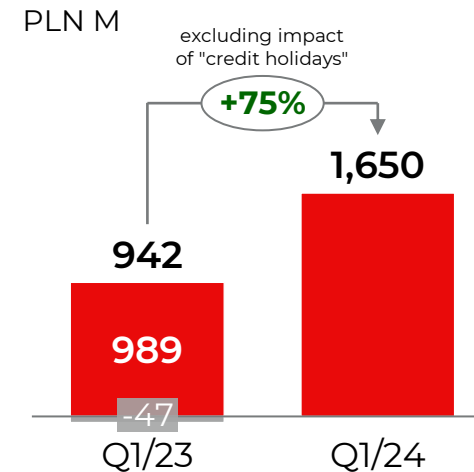
## Total income



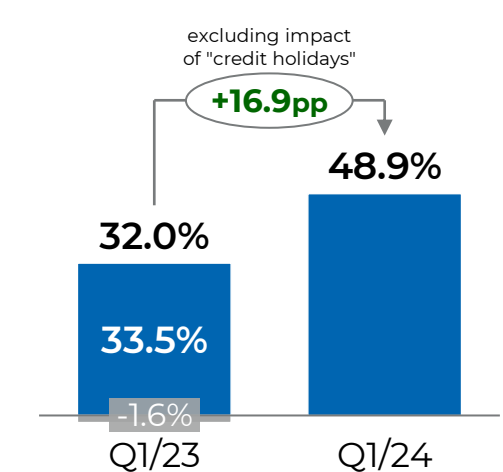
## Cost/Income ratio<sup>1</sup>



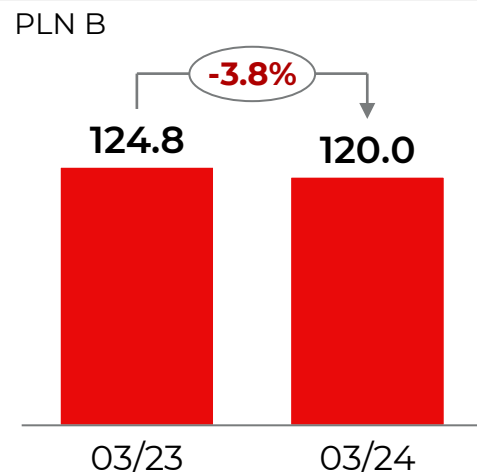
## Net profit of Core Business<sup>2</sup>



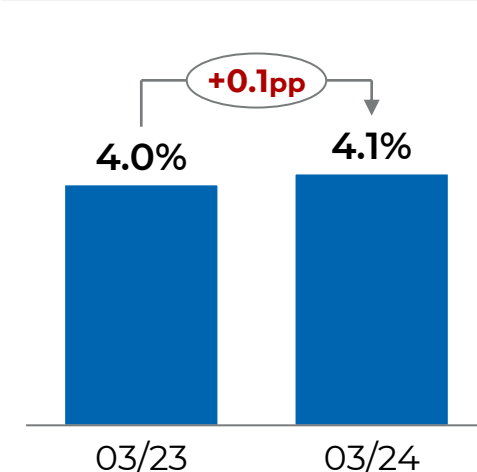
## ROE of Core Business<sup>2</sup>



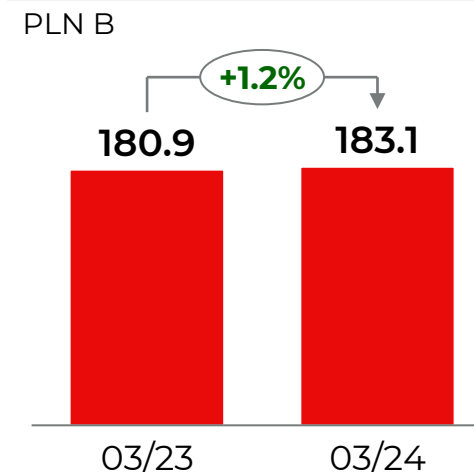
## Gross loans to customers



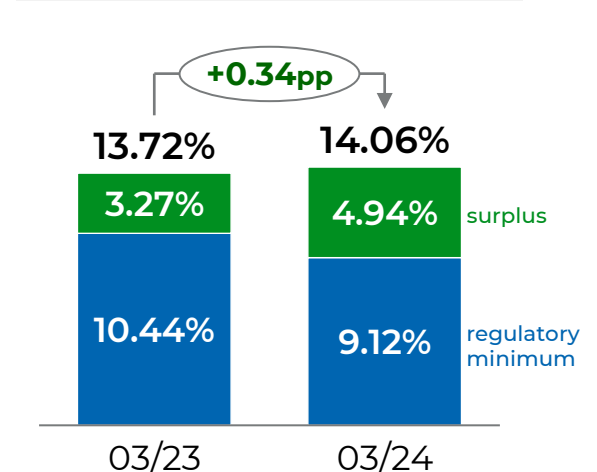
## NPL ratio



## Customer deposits



## Tier 1 capital ratio



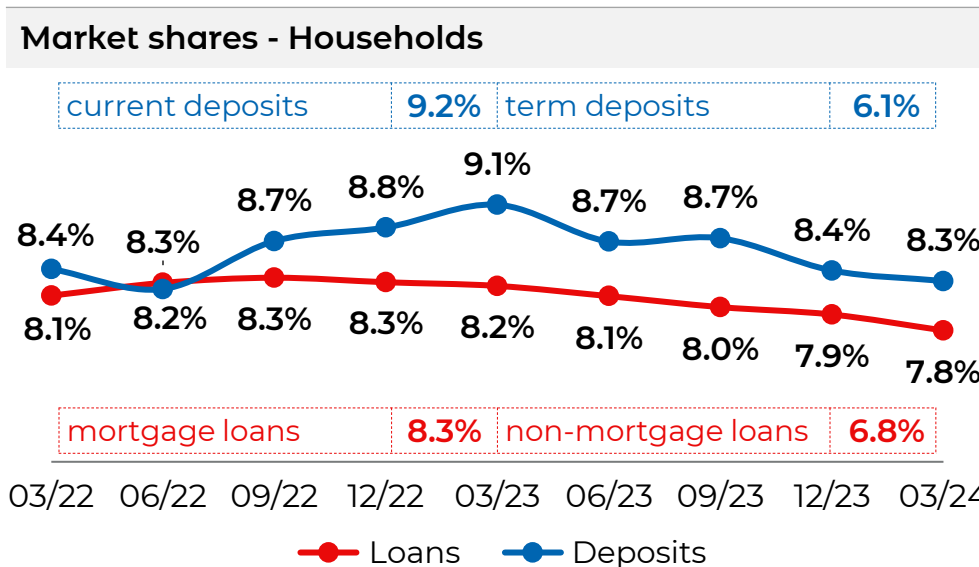
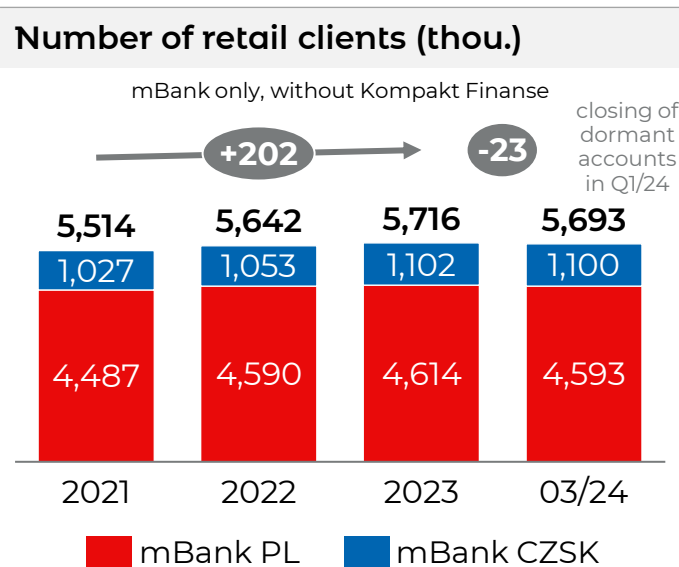
<sup>1</sup> Normalized indicator, including ¼ of contribution to the Resolution Fund booked in the first quarter of the year, and excluding the impact of "credit holidays" in Q1/23 (reversal of estimated cost at PLN 57.9 M)

<sup>2</sup> Defined as mBank Group excluding FX Mortgage Loans segment

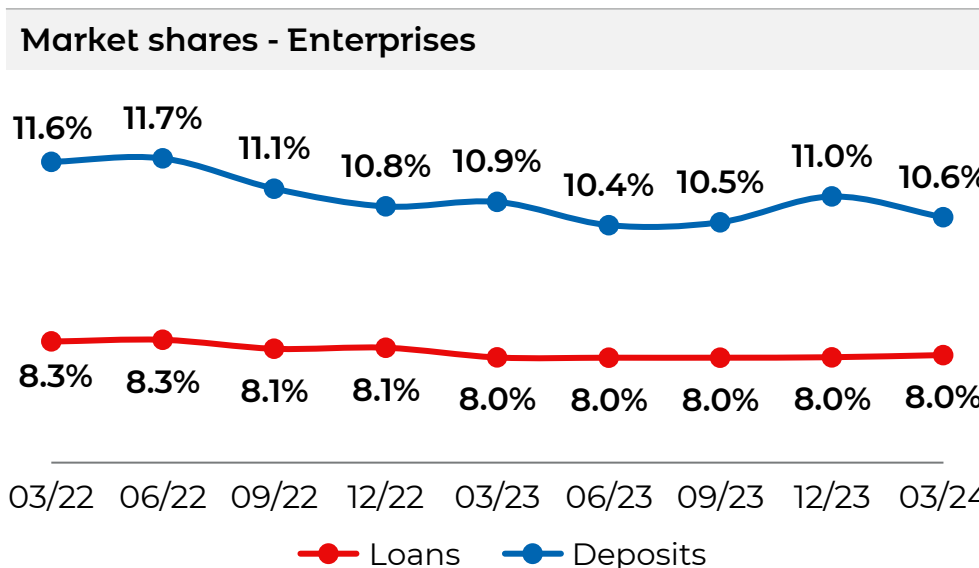
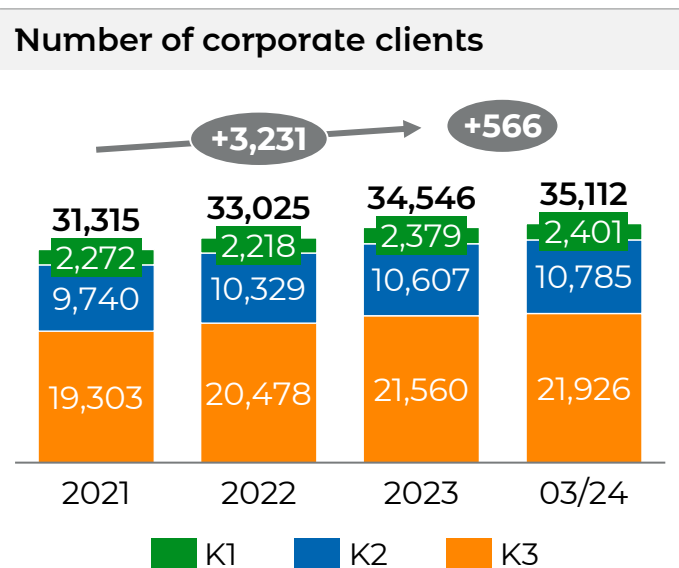
# Client base and market position of retail and corporate banking



## RETAIL BANKING



## CORPORATE BANKING



Note: Corporate clients split: K1 – annual sales over PLN 1 B and non-banking financial institutions; K2 – annual sales of PLN 50 M to PLN 1 B; K3 – annual sales below 50 M and full accounting.

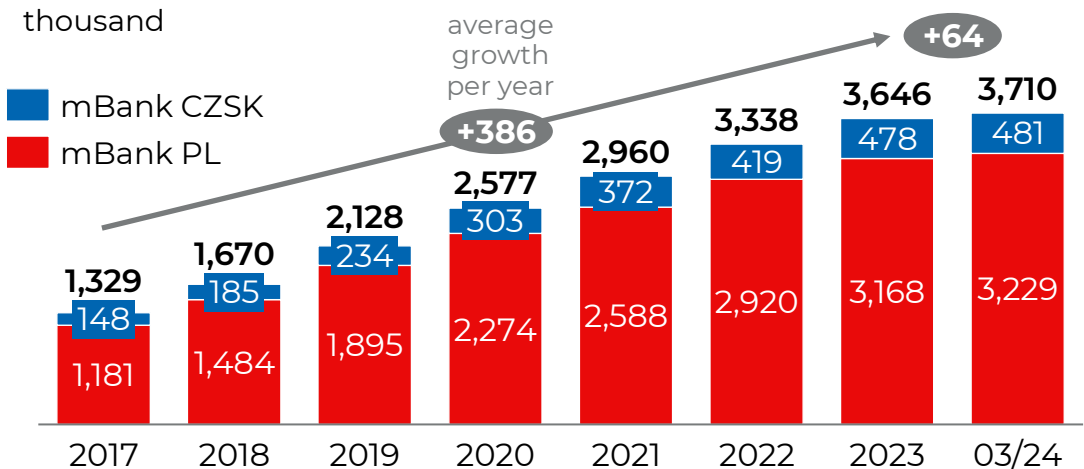
# mBank remains a front-runner in mobile banking adoption



**#1** by the share of mobile users in total retail customer base

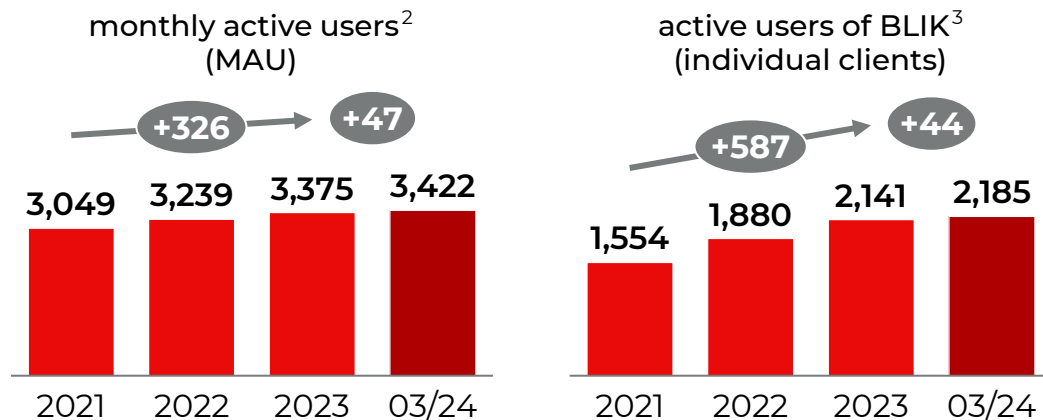
**#2** by the number of mobile app users among Polish banks

Number of active users of mBank's mobile application<sup>1</sup>



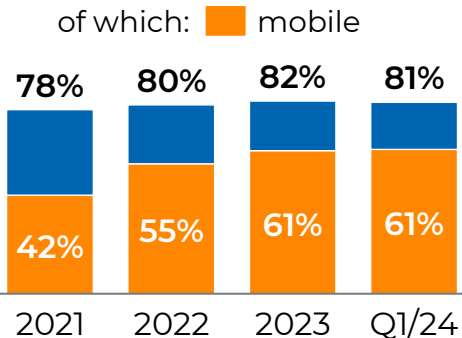
Number of active users of mBank's services in Poland

thousand

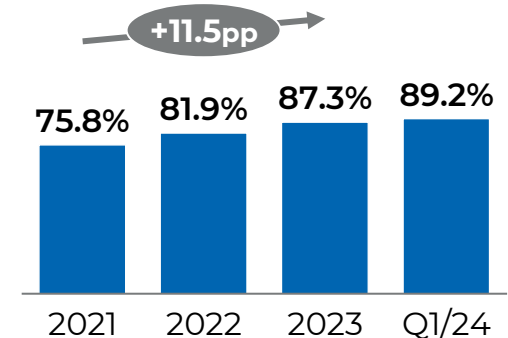


Growing importance of digital channel in daily banking

share of digital channel in the sale of non-mortgage loans (by number of pieces)



share of processes in retail banking area initiated by the clients in digital channels



<sup>1</sup> An "active user of mBank's mobile application" is a client who in a given month logged in at least once into the mobile application

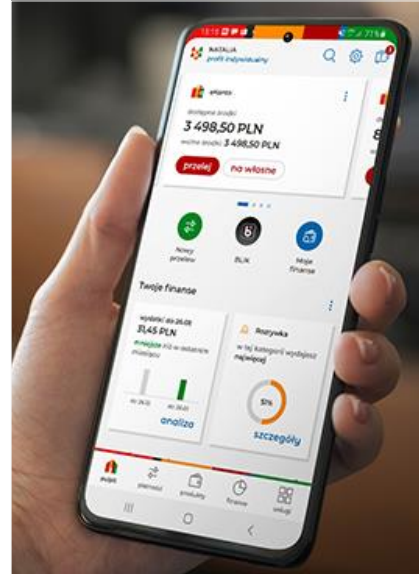
<sup>2</sup> An "active user of mBank's services in Poland" is a client who in a given month performed at least one of the following actions: (i) logged into the mobile application, internet banking or trusted profile (ePUAP), (ii) initiated a transfer or card transaction

<sup>3</sup> An "active user of BLIK" is a client who in a given month performed at least one of the following actions: (i) paid with BLIK in e-commerce or POS, (ii) withdrew money with BLIK, or (iii) made or received a transfer using BLIK

# Business development achievements of mBank Group in Q1 2024

## Enhanced functionalities of mBank's mobile application

- **extended section for managing investments** with more information about the fund composition in the portfolio, new screens, investment visualization and simplified navigation
- another alternative for **greater personalisation** with an **option of hiding the balance on the main screen**
- **increasing number of the engaged users** of recently introduced 'budgets' and refreshed 'wealth summary' functions available in the **personal financial management (PFM)** tab
- **possibility of changing BLIK limits** related to payments and transactions added in the mobile application



## New strategy of mLeasing

- adopted strategy is a response to the **dynamically evolving market environment** and the **increasing impact of climate change** on the challenges for the business
- **support for customers and partners in the upcoming transformation** of the automotive market, including owners of the fleets and individual car users
- **new GreenHub** as a comprehensive solution to **facilitate decarbonisation and emission reduction plans** of mLeasing's clients
- distribution strategy focused on **diversification and strengthening of own sales channels**, mainly mAuto platform and digital sales paths

## Cooperation with the Great Orchestra of Christmas Charity



- as the main partner and sponsor, **mBank played together with the Great Orchestra of Christmas Charity (WOŚP)** during the Grand Finale fundraiser **for the seventh time in a row**
- the **most convenient and popular way to support this charitable endeavour** was dedicated "heart" icon for quick payments in **mBank's application** – over 800,000 unique users clicked in it
- out of **PLN 20 M donated by mBank's clients**, **PLN 14 M** were transferred through mobile application



# Summary of financial results: Profit and Loss Account

PLN million	Q1 2023	Q4 2023	Q1 2024	Δ QoQ	Δ YoY
Net interest income	2,033.1	2,355.0	2,340.1	-0.6% ↓	+15.1% ↑
Net fee and commission income	501.1	444.5	484.1	+8.9% ↑	-3.4% ↓
Total income	2,501.7	2,897.5	2,922.1	+0.8% ↑	+16.8% ↑
Total costs (excl. compulsory contributions)	-672.0	-795.9	-741.1	-6.9% ↓	+10.3% ↑
Contributions to the BFG (Resolution Fund)	-182.9	0.0	-147.8	7779x ↑	-19.2% ↓
Loan loss provisions and fair value change <sup>1</sup>	-178.9	-476.5	-48.1	-89.9% ↓	-73.1% ↓
Costs of legal risk related to FX loans	-808.5	-1,476.0	-1,370.6	-7.1% ↓	+69.5% ↑
Operating result	659.5	149.1	614.6	+312.2% ↑	-6.8% ↓
Taxes on the Group balance sheet items	-190.0	-186.2	-181.9	-2.3% ↓	-4.3% ↓
Profit or loss before income tax	469.5	-37.1	432.7	-/+ ↑	-7.8% ↓
Net profit or loss	142.8	-20.3	262.5	-/+ ↑	+83.8% ↑
Net interest margin (w/o "credit holidays")	3.84%	4.31%	4.37%	+0.06pp	+0.53pp
Cost/Income ratio	34.2%	27.5%	30.4%	+2.9pp	-3.8pp
Cost of risk	0.59%	1.65%	0.17%	-1.48pp	-0.42pp
Return on equity (ROE)	4.3%	-0.6%	7.4%	+8.0pp	+3.1pp
Return on assets (ROA)	0.27%	-0.04%	0.47%	+0.51pp	+0.20pp

<sup>1</sup> Sum of 'Impairment on financial assets not measured at fair value through profit or loss' and 'Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss' related to loans



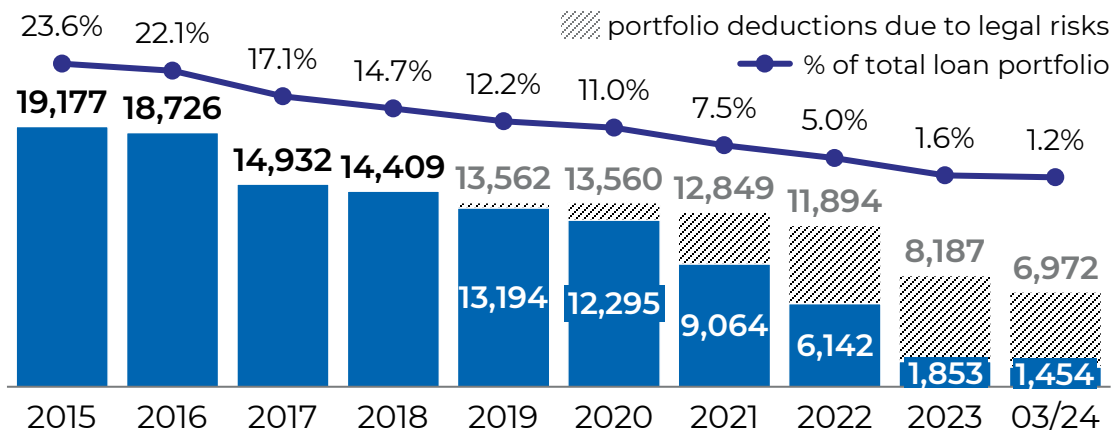
# Summary of financial results: Balance Sheet

PLN million	Q1 2023	Q4 2023	Q1 2024	Δ QoQ	Δ YoY
Total assets	217,529	226,981	224,157	-1.2% ↓	+3.0% ↑
Gross loans to customers	124,800	117,229	120,001	+2.4% ↑	-3.8% ↓
Individual client loans	70,224	66,260	66,634	+0.6% ↑	-5.1% ↓
Corporate client loans	54,476	50,836	53,199	+4.6% ↑	-2.3% ↓
Customer deposits	180,917	185,467	183,067	-1.3% ↓	+1.2% ↑
Individual client deposits	129,043	128,412	129,268	+0.7% ↑	+0.2% ↑
Corporate client deposits <sup>1</sup>	51,085	56,264	51,783	-8.0% ↓	+1.4% ↑
Total equity	13,265	13,737	14,069	+2.4% ↑	+6.1% ↑
Loan-to-deposit ratio	67.2%	61.2%	63.5%	+2.3pp	-3.7pp
NPL ratio	4.0%	4.2%	4.1%	-0.1pp	+0.1pp
Coverage ratio	52.3%	54.7%	55.3%	+0.6pp	+3.0pp
Tier 1 Capital Ratio	13.7%	14.7%	14.1%	-0.6pp	+0.4pp
Total Capital Ratio	16.1%	17.0%	16.0%	-1.0pp	-0.1pp

<sup>1</sup> Excluding repo / sell-buy-back transactions

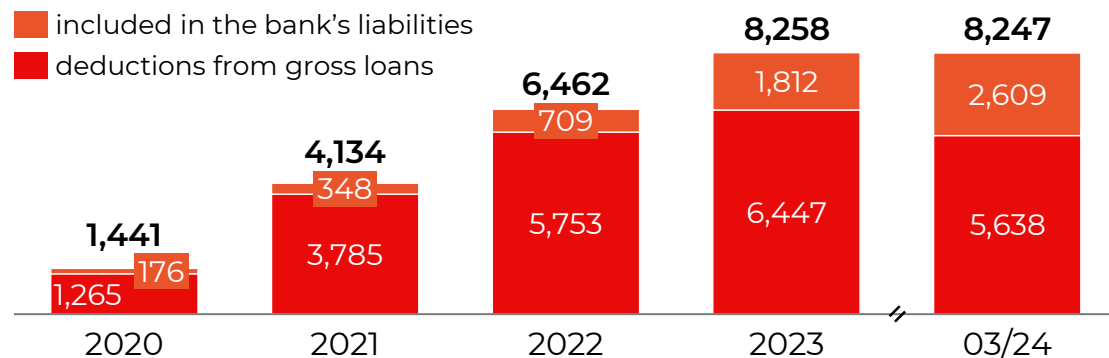
# Protection against legal risks of CHF portfolio further strengthened

Value of CHF mortgage loans to natural persons (PLN M, net)



Equivalent to **CHF 329 M** in terms of balance sheet value or **CHF 1,576 M** before deductions of legal provisions as of 31.03.2024

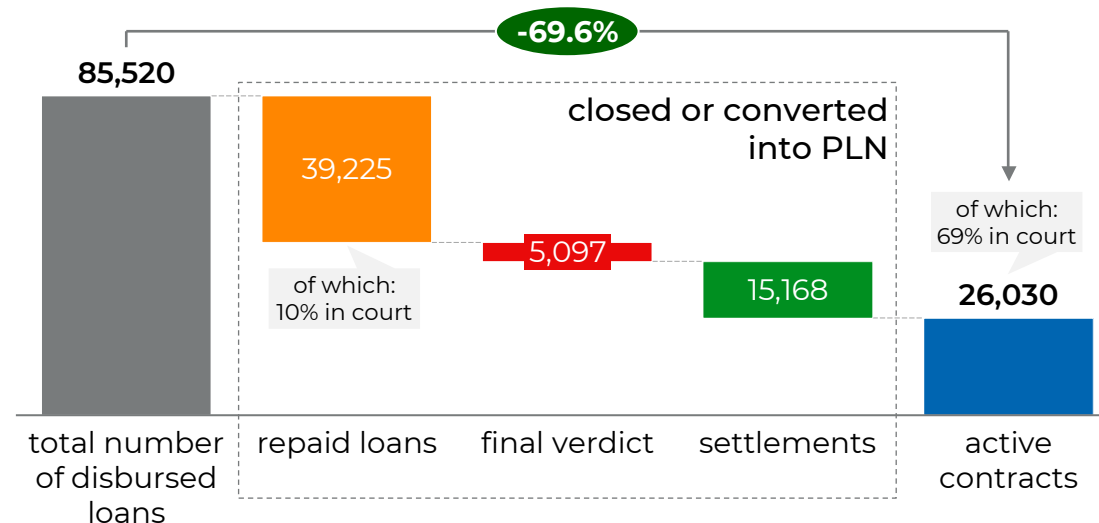
Total value of legal provisions created for FX loans (PLN M)



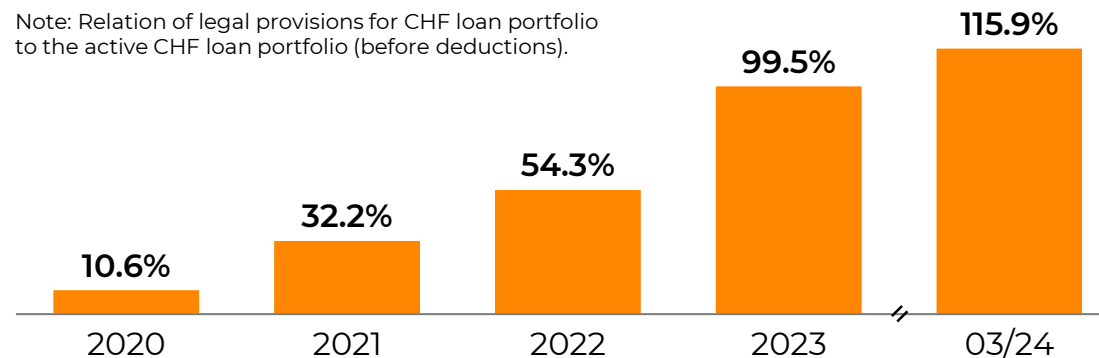
Note: Provision amount as of 03/24 includes PLN 8,078 M for CHF and PLN 170 M for other currencies.

Cumulative value of all FX-related legal risk provisions created by mBank between Q1/18-Q1/24 **PLN 13.6 B**

Decomposition of CHF loan contracts at mBank, as of 31.03.2024



Coverage of CHF portfolio with created provisions for legal risk



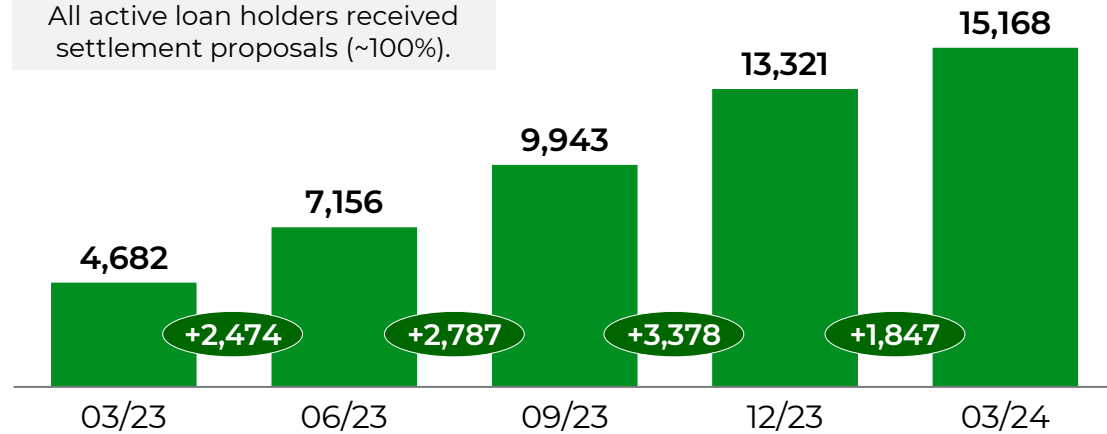
Note: Relation of legal provisions for CHF loan portfolio to the active CHF loan portfolio (before deductions).

The hypothetical cost of converting the remaining active CHF mortgage loans as if they were granted in Polish zloty from the beginning would amount to **PLN 2.7 B**, calculated as of 31.03.2024.

# Lower number of new court cases and signed settlements in Q1/24

## Number of settlements concluded by mBank (cumulative)

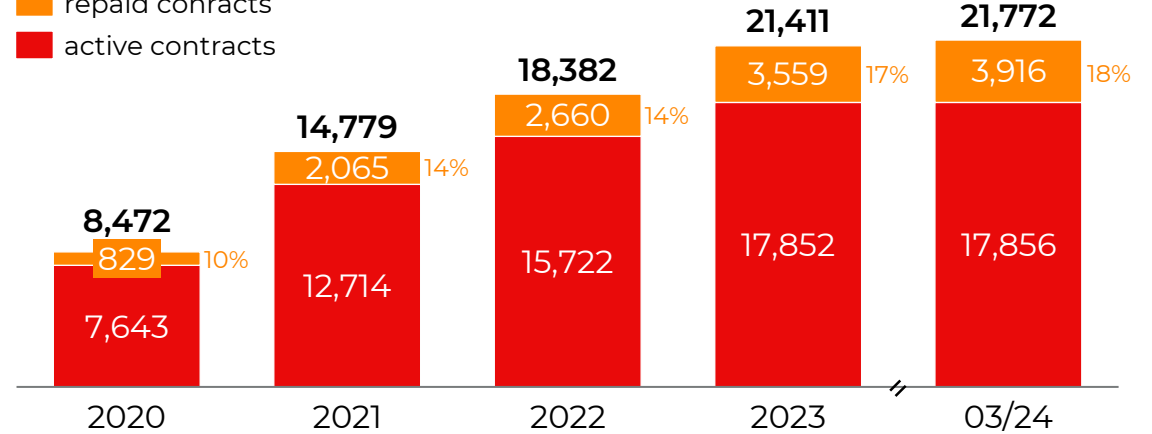
All active loan holders received settlement proposals (~100%).



Note: mBank decided to launch the settlement program for borrowers on 26.09.2022.

## Number of CHF loan contracts in court (pending cases)

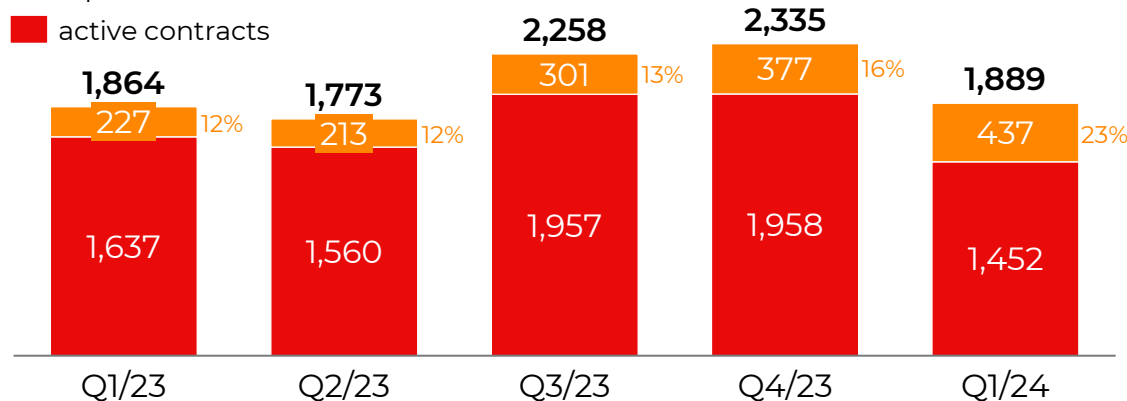
■ repaid contracts  
■ active contracts



Note: Classification to active or repaid status as of the reporting date.

## Number of CHF loan contracts entering the court proceedings

■ repaid contracts  
■ active contracts



Note: Inflow of newly sued CHF loan contracts by quarter.

## Key statistics and assumptions as of 31.03.2024

- **Coverage** of active CHF portfolio with created provisions for legal risk was at the level of **116% as of 31.03.2024**
- Number of active contracts at the level of 26.0 thousand (**69.6% lower vs. the original number of 85.5 thousand**)
- **15,168 settlements** were signed with CHF borrowers, with the lower number concluded in Q1/24 (1,847 settlements)
- **18% of the 21,772 CHF loan contracts** that were under court proceedings at the end of Q1/24, pertain to **repaid loans**
- **5,097 contracts** are already closed with **final court verdict**

# Excellent performance of the core business continued in Q1/24

## Summary of financial results for mBank's core activity and run-off portfolio in Q1/24

PLN million	Core Business	Non-core <sup>1</sup>	mBank Group
Net interest income	2,334.2	5.9	2,340.1
Net fee, trading and other income	591.7	-9.7	582.0
Total income	2,925.9	-3.8	2,922.1
Total costs	-874.6	-14.3	-888.9
Loan loss provisions and fair value change <sup>2</sup>	-53.0	4.9	-48.1
Costs of legal risk related to FX loans	0.0	-1,370.6	-1,370.6
Operating profit	1,998.3	-1,383.7	614.6
Taxes on the Group balance sheet items	-178.1	-3.8	-181.9
Profit or loss before income tax	1,820.2	-1,387.5	432.7
Net profit or loss	1,650.0	-1,387.5	262.5
Total assets	220,895	3,262	224,157
Net interest margin	4.43%		4.37%
Cost/Income ratio	29.9%		30.4%
Cost of risk	0.19%		0.17%
Return on equity (ROE)	48.9%		7.4%

<sup>1</sup> Equivalent of "FX Mortgage Loans segment" in the financial statement

<sup>2</sup> Sum of 'Impairment on financial assets not measured at fair value through profit or loss' and 'Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss' related to loans

## Separation of FX mortgage loan portfolio

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

The capital allocated to the non-core unit amounted to PLN 645 M as of 31.03.2024.

It is calculated primarily based on:

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

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

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**Overview of the  
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Update on Poland's  
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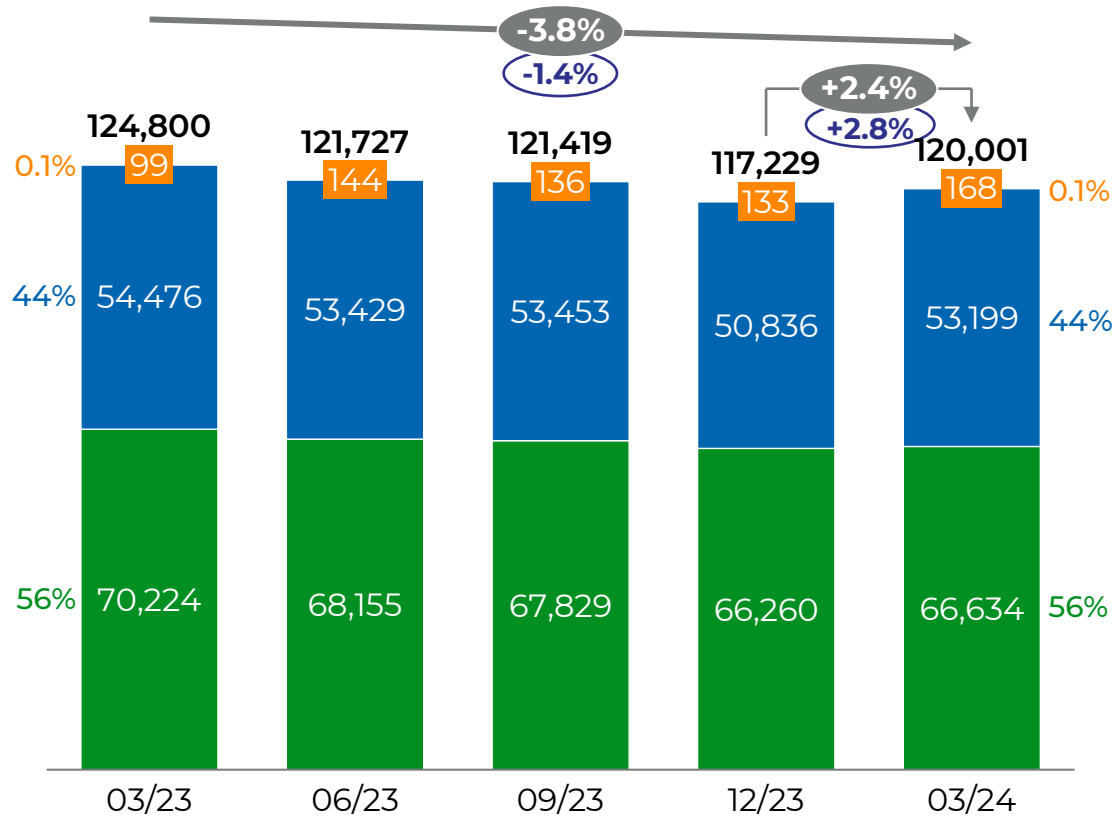


# Results of mBank Group: Loans to customers

Rebound of loan portfolio visible in both corporate and retail business segments

Development of gross loans and advances to customers

PLN M

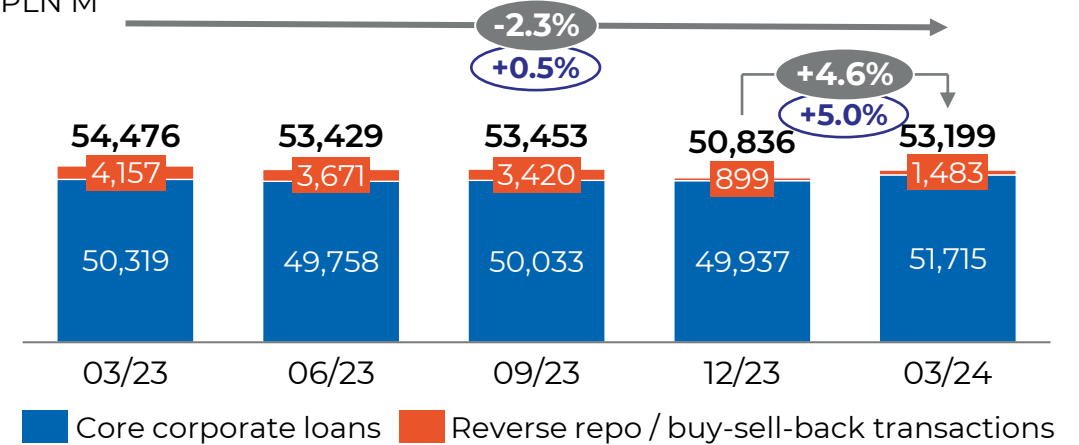


- Individual clients
- Corporate clients
- Public sector

+X.X% Excluding FX effect

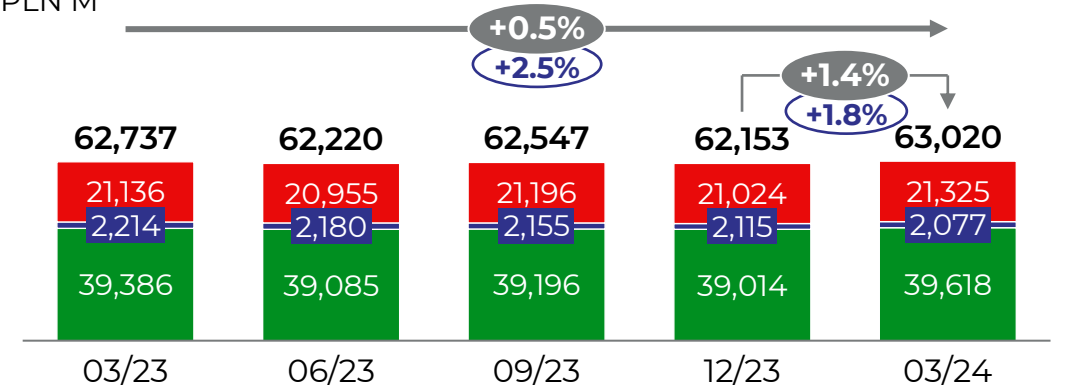
Gross loans to corporate customers

PLN M



Gross loans to retail customers, excluding non-core portfolio

PLN M



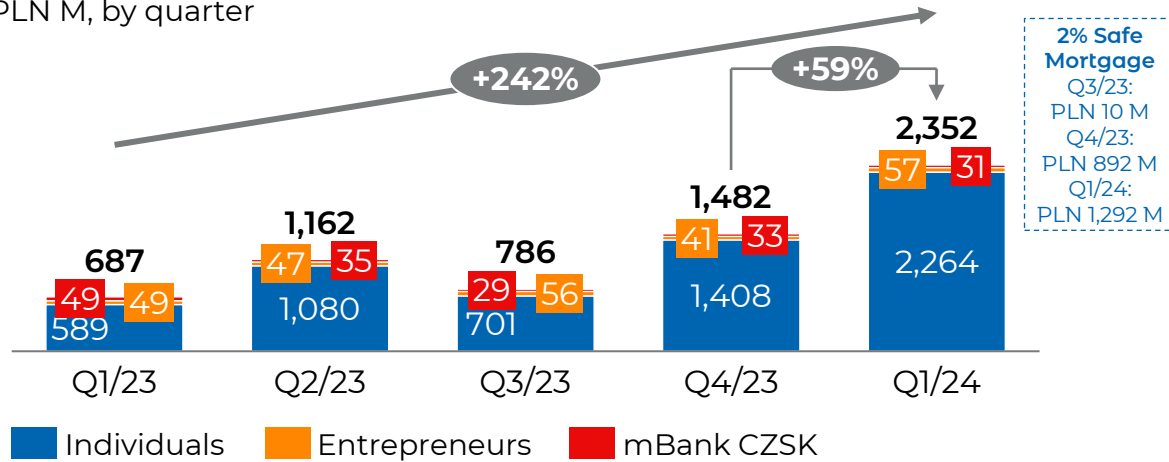
Mortgage loans: ■ to individuals ■ to microfirms ■ Non-mortgage loans

# Results of mBank Group: New lending business

High loan sales supported by “2% Safe Mortgage” program and uptrend in consumer credit

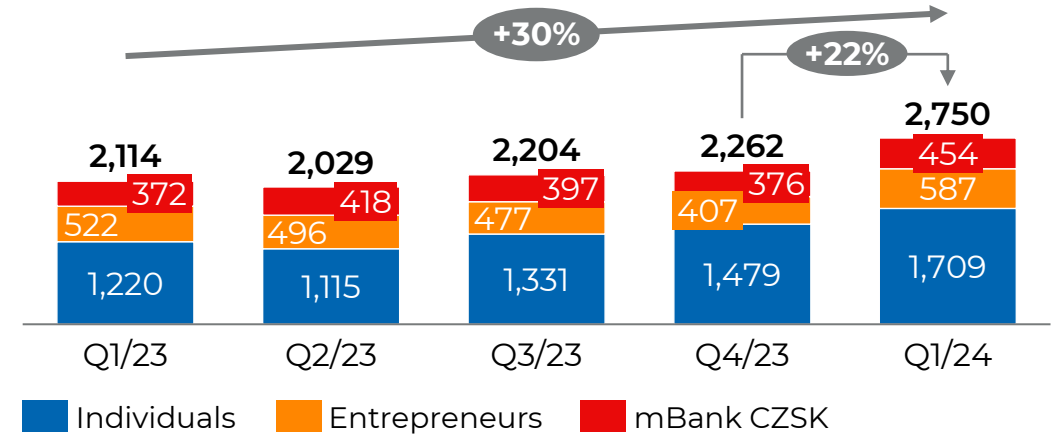
## Sales of mortgage loans

PLN M, by quarter



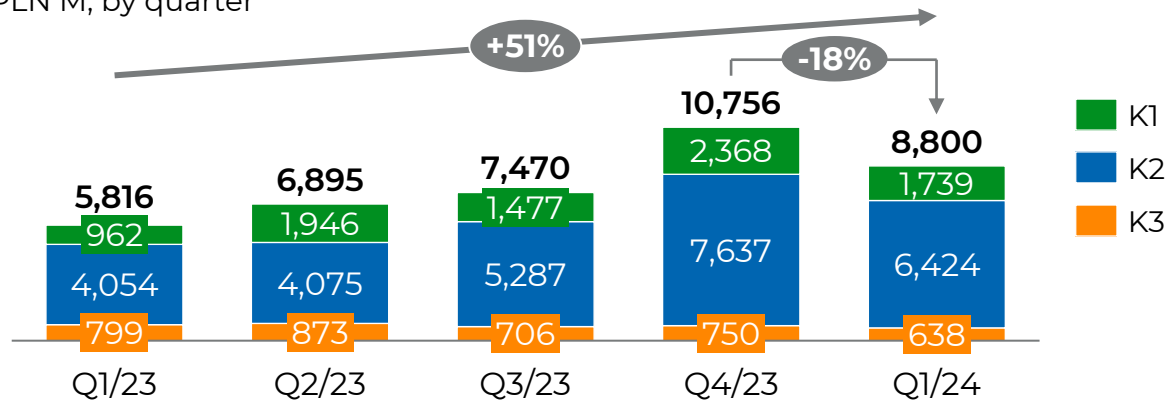
## Sales of non-mortgage loans

PLN M, by quarter



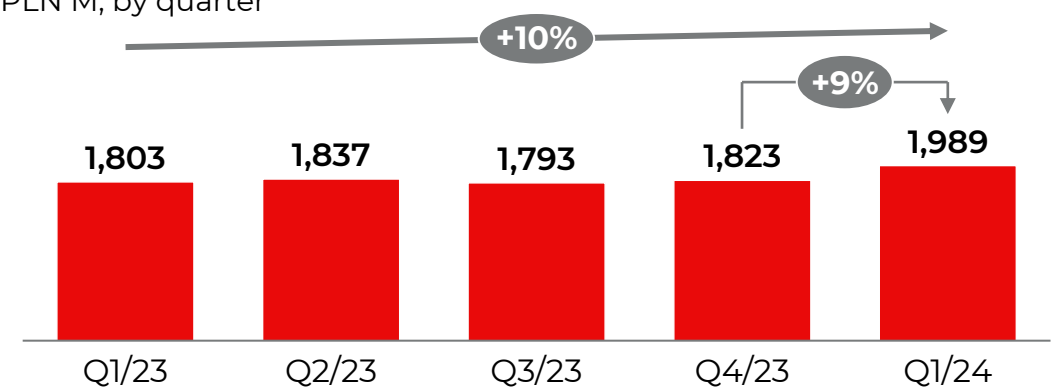
## Sales of corporate loans<sup>1</sup>

PLN M, by quarter



## New leasing contracts

PLN M, by quarter

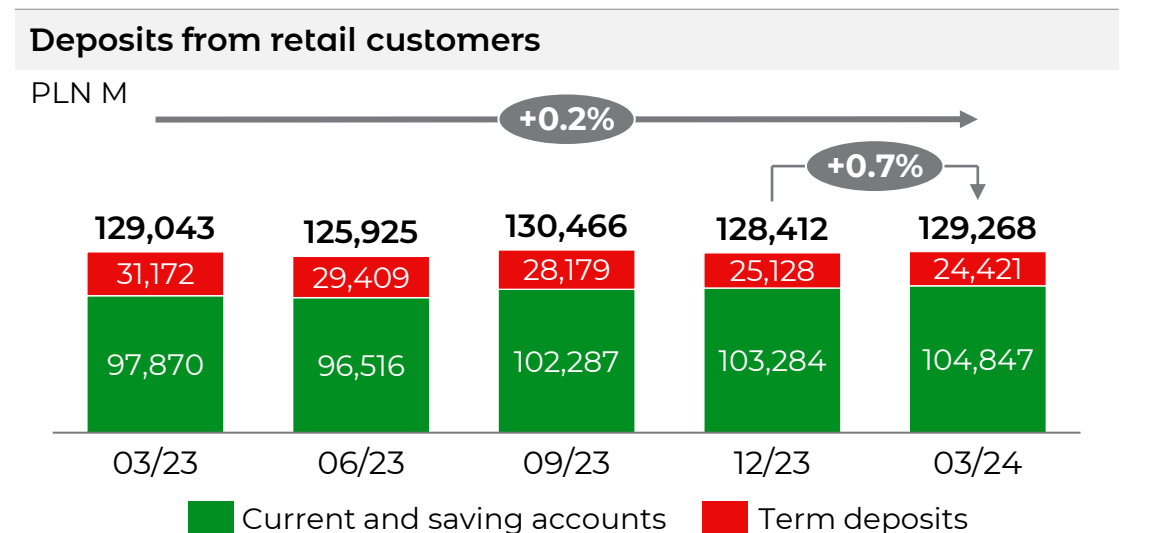
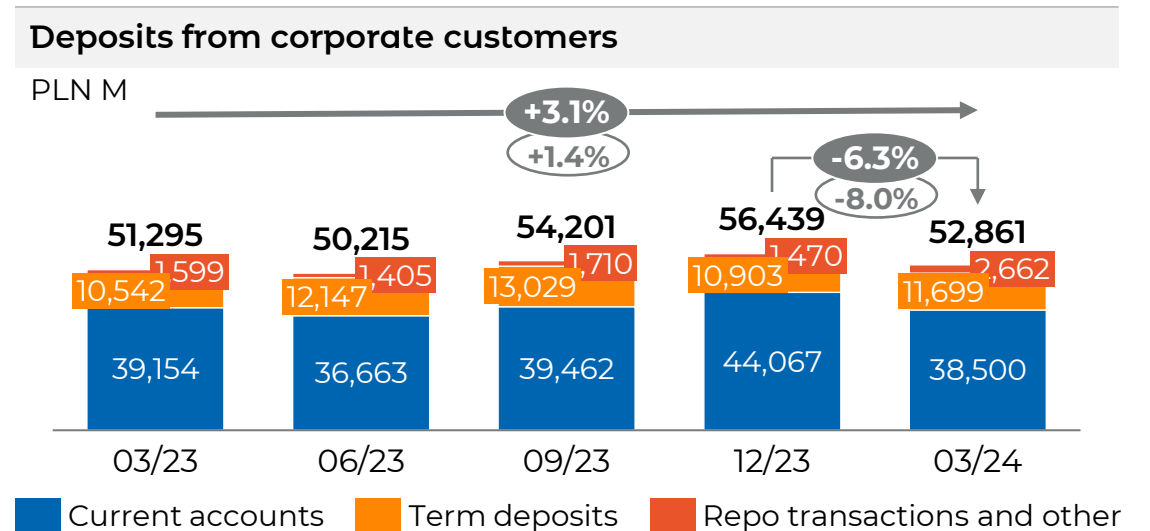
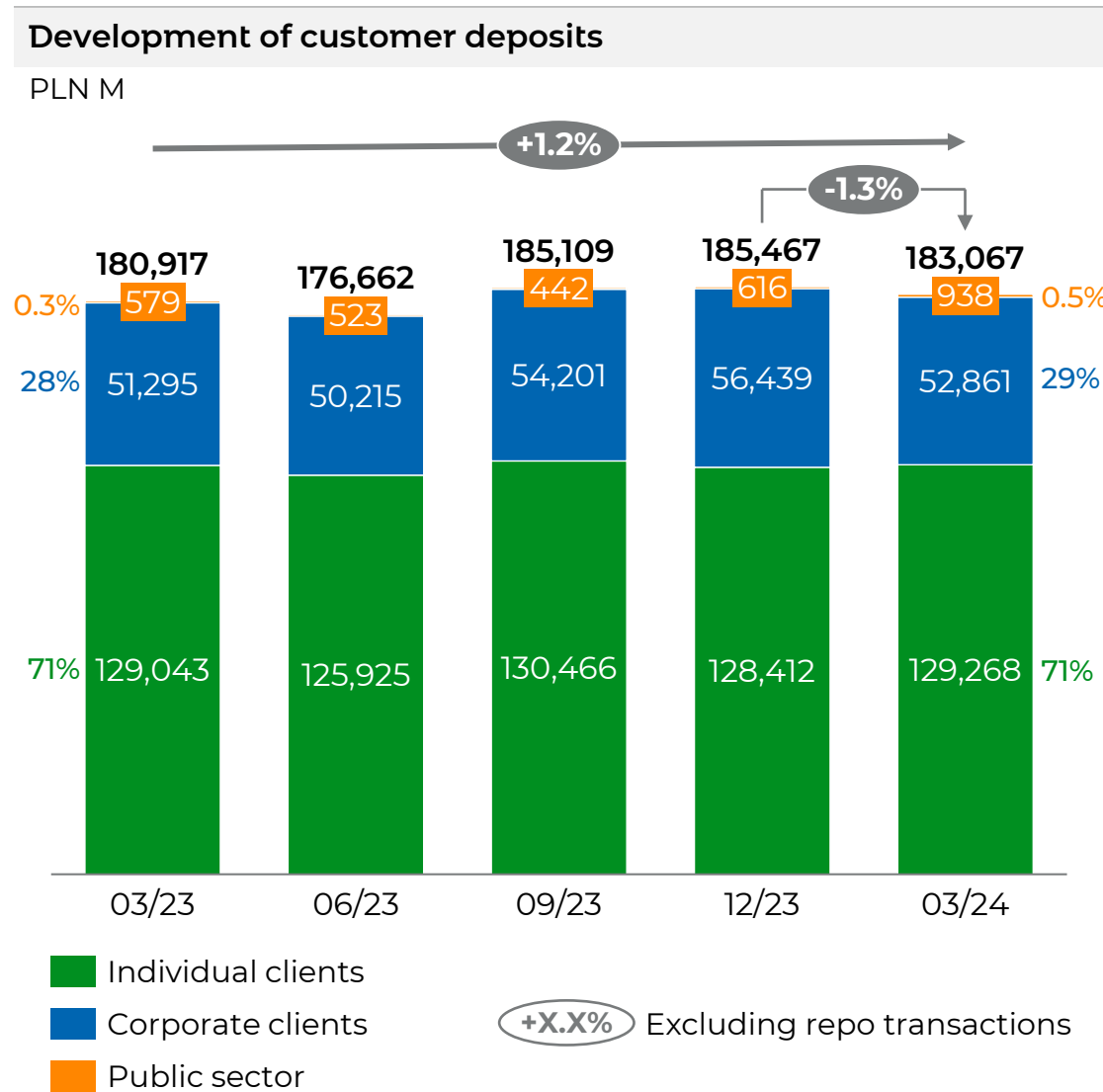


<sup>1</sup> Sales of corporate loans include: (i) new loans and (ii) increases in volume and renewal of existing loans

Note: Corporate clients split: K1 – annual sales over PLN 1 B and non-banking financial institutions; K2 – annual sales of PLN 50 M to PLN 1 B; K3 – annual sales below 50 M and full accounting.

# Results of mBank Group: Customer deposits

Development of deposit base driven by pricing optimisation across client segments



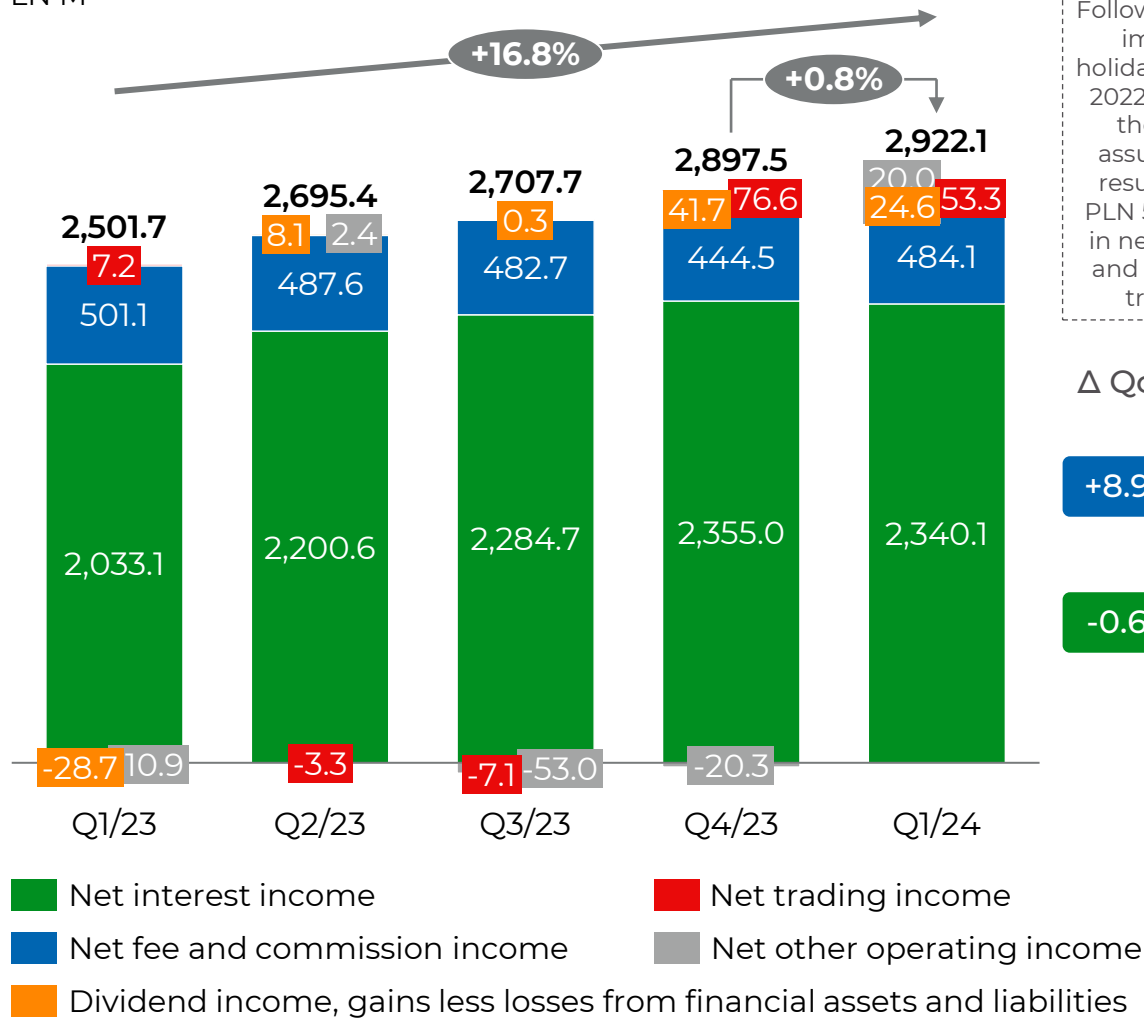


# Results of mBank Group: Total income

Record revenues thanks to stable net interest income and improving net fees

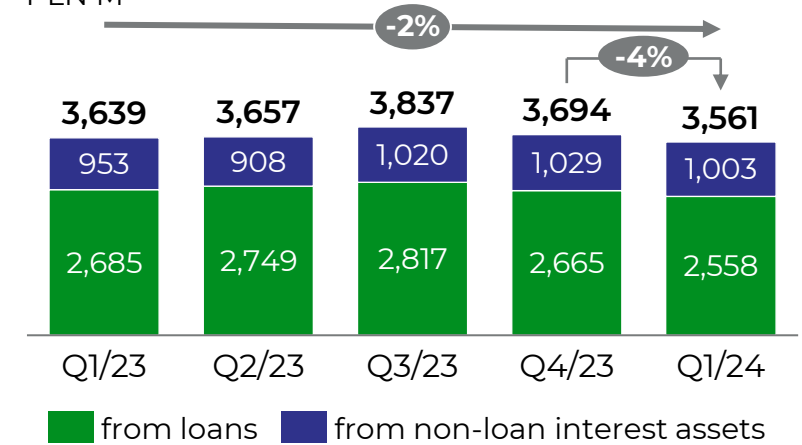
## Development of mBank Group's total income

PLN M



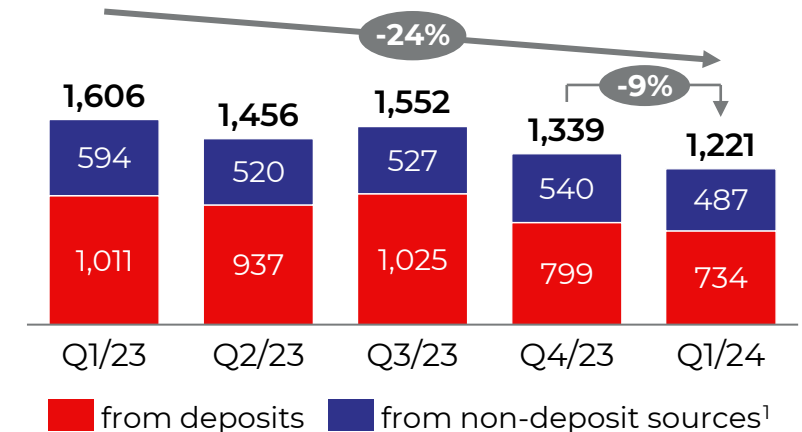
## Development of interest income

PLN M



## Development of interest expense

PLN M



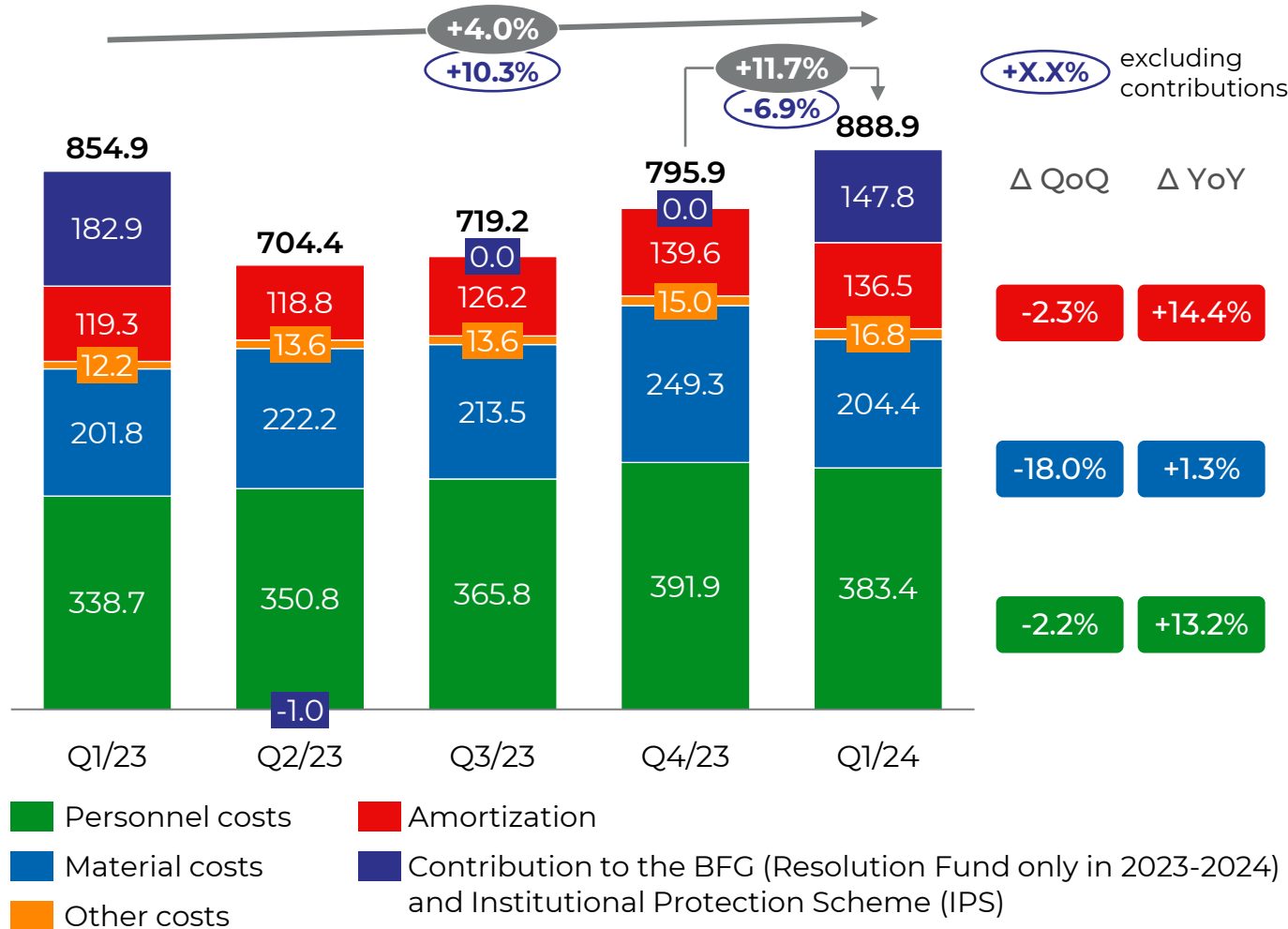
<sup>1</sup> non-deposit interest expense is primarily composed of hedging activities and wholesale funding costs, including subordinated liabilities

# Results of mBank Group: Total costs and efficiency

Excellent efficiency anchored in disciplined cost management despite BFG contribution

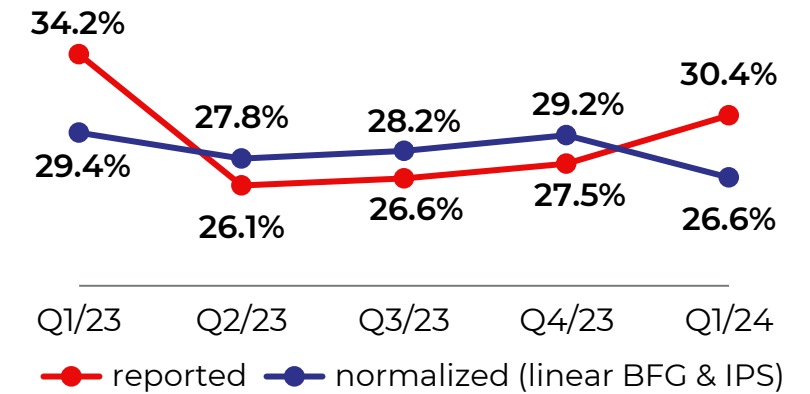
## Development of mBank Group's operating costs

PLN M



## Cost/Income ratio of mBank Group – quarterly

excluding impact of "credit holidays"



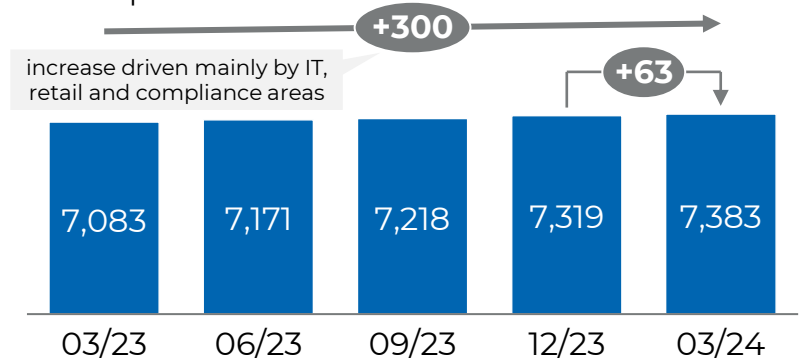
Normalized C/I ratio for 2023

28.6%

excluding impact of "credit holidays"

## Employment of mBank Group (in FTEs)

End of period

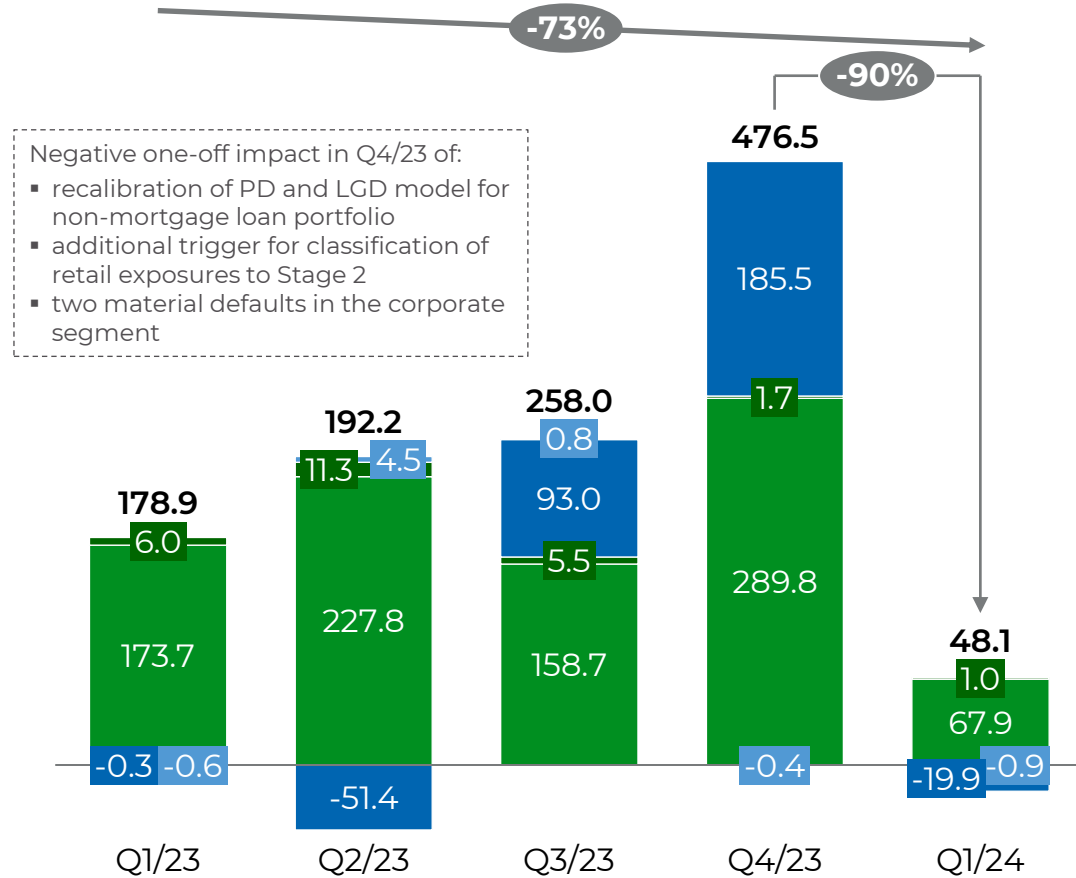


# Results of mBank Group: Loan loss provisions and cost of risk

Low provisioning thanks to improving payment discipline and financial standing of clients

Net impairment losses and fair value change on loans

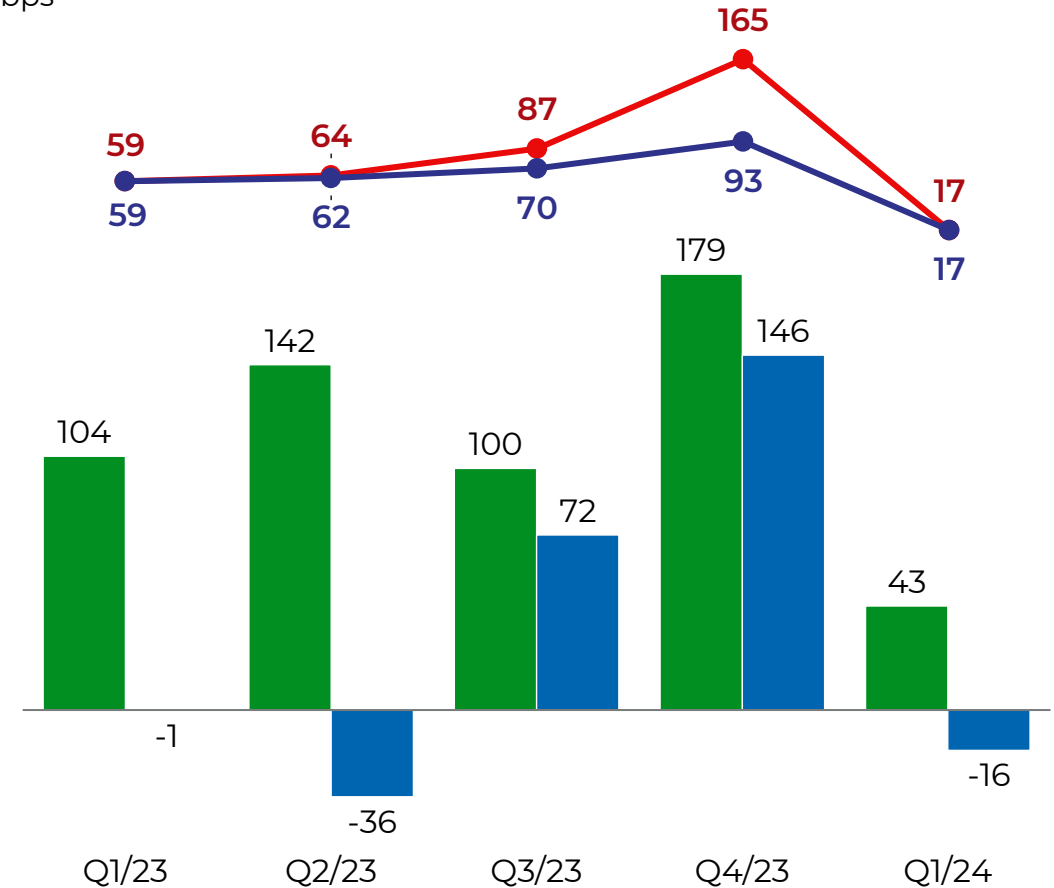
PLN M



Retail Banking: ■ at amortized cost ■ at fair value  
 Corporate & Investment Banking: ■ at amortized cost ■ at fair value

mBank Group's cost of risk, by segment

bps



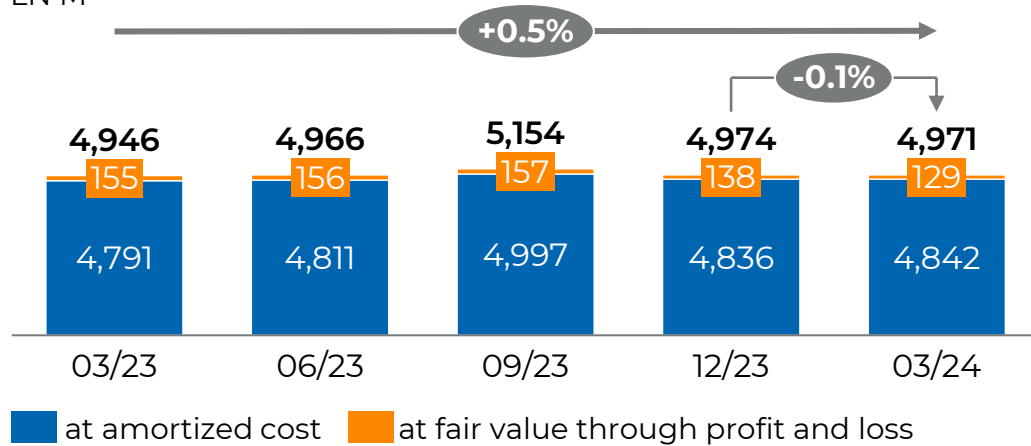
mBank Group's cost of risk: ● quarterly ● YtD  
■ Retail loan portfolio ■ Corporate loan portfolio

# Results of mBank Group: Loan portfolio quality

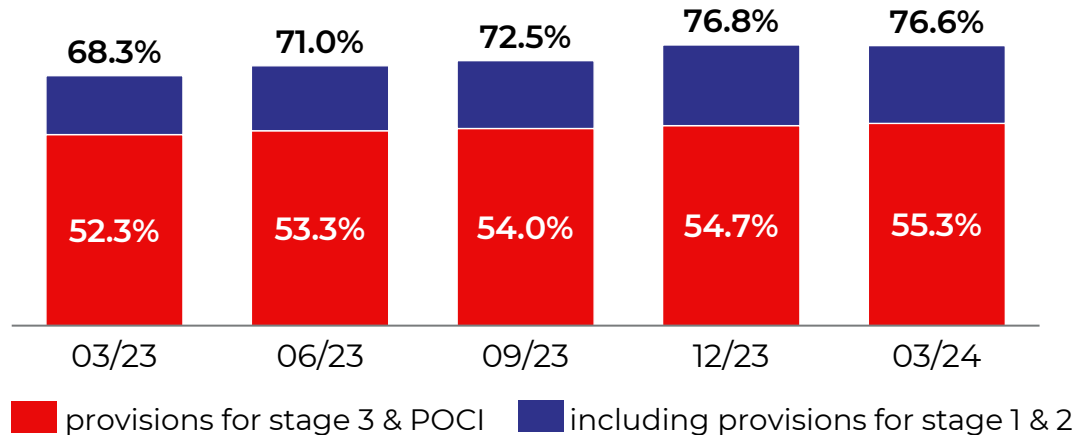
Good asset quality, NPL ratio supported by the sale of impaired retail portfolio

## mBank Group's impaired loans portfolio

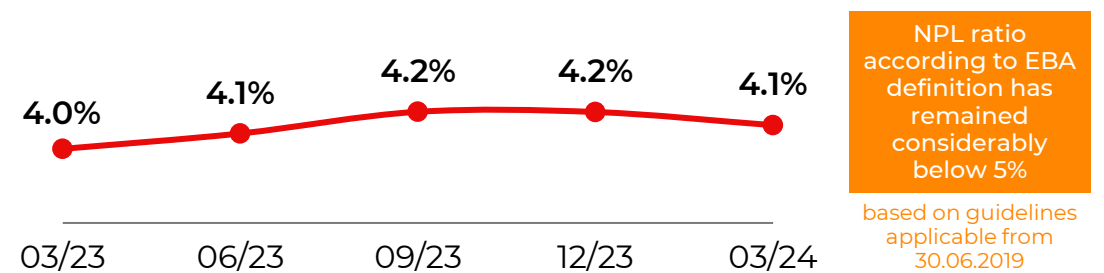
PLN M



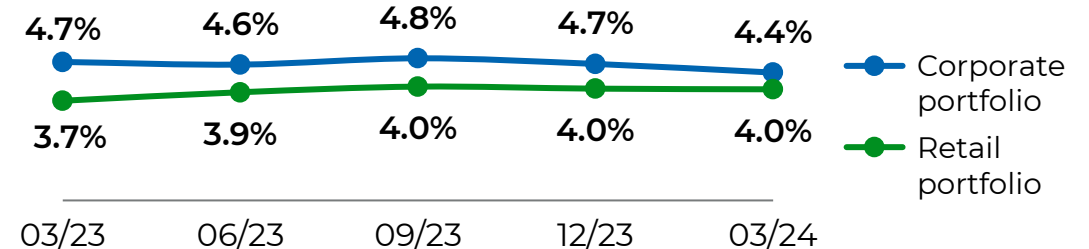
## mBank Group's coverage ratio



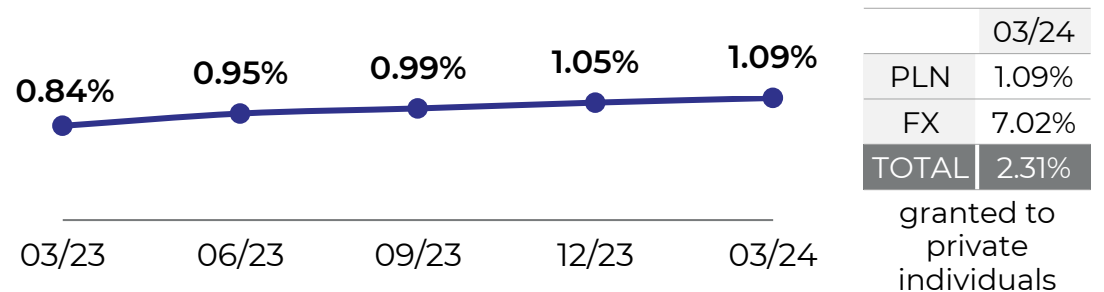
## mBank Group's NPL ratio



## mBank Group's NPL ratio, by segment



## NPL ratio of mortgage loan portfolio in PLN

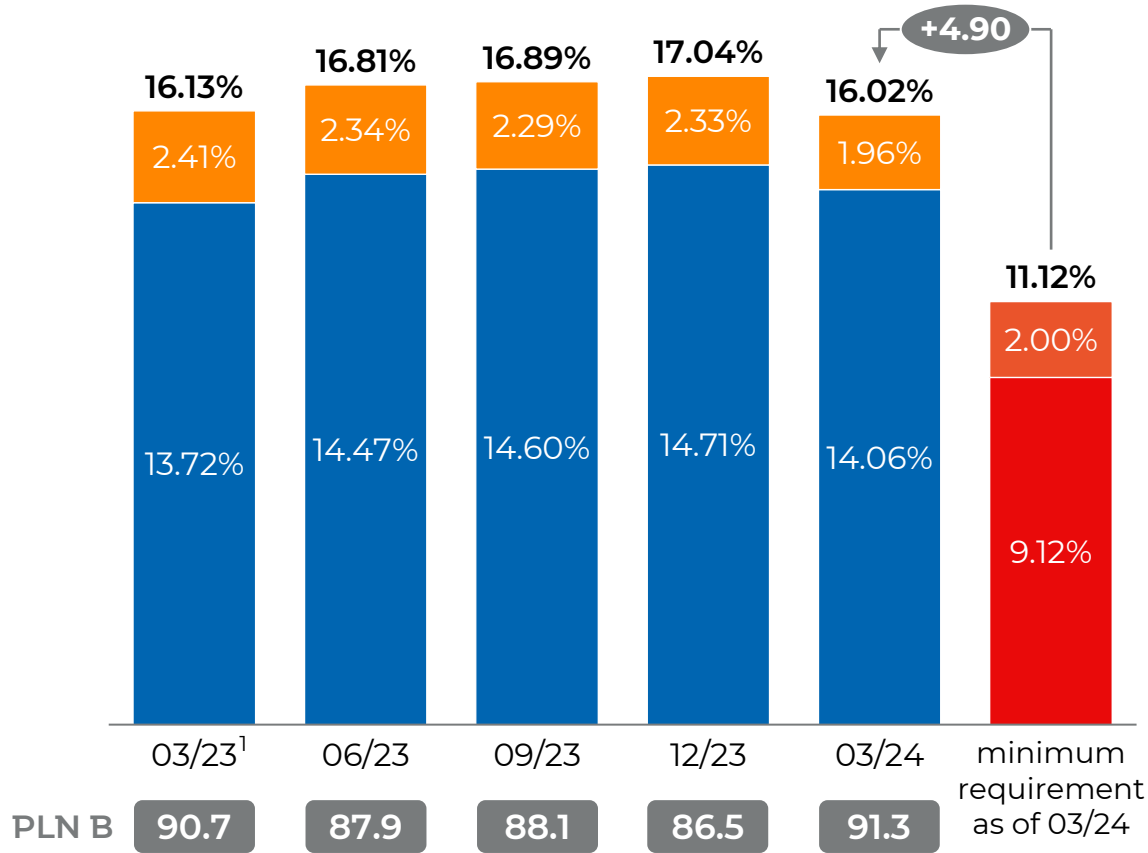


Note: Risk indicators presented for credit portfolio measured both at amortized cost and at fair value through profit or loss. The bank applies a client-oriented approach in its methodology of NPL recognition.

# Results of mBank Group: Capital ratio and liquidity position

Safe capital position with significant surplus over regulatory requirements

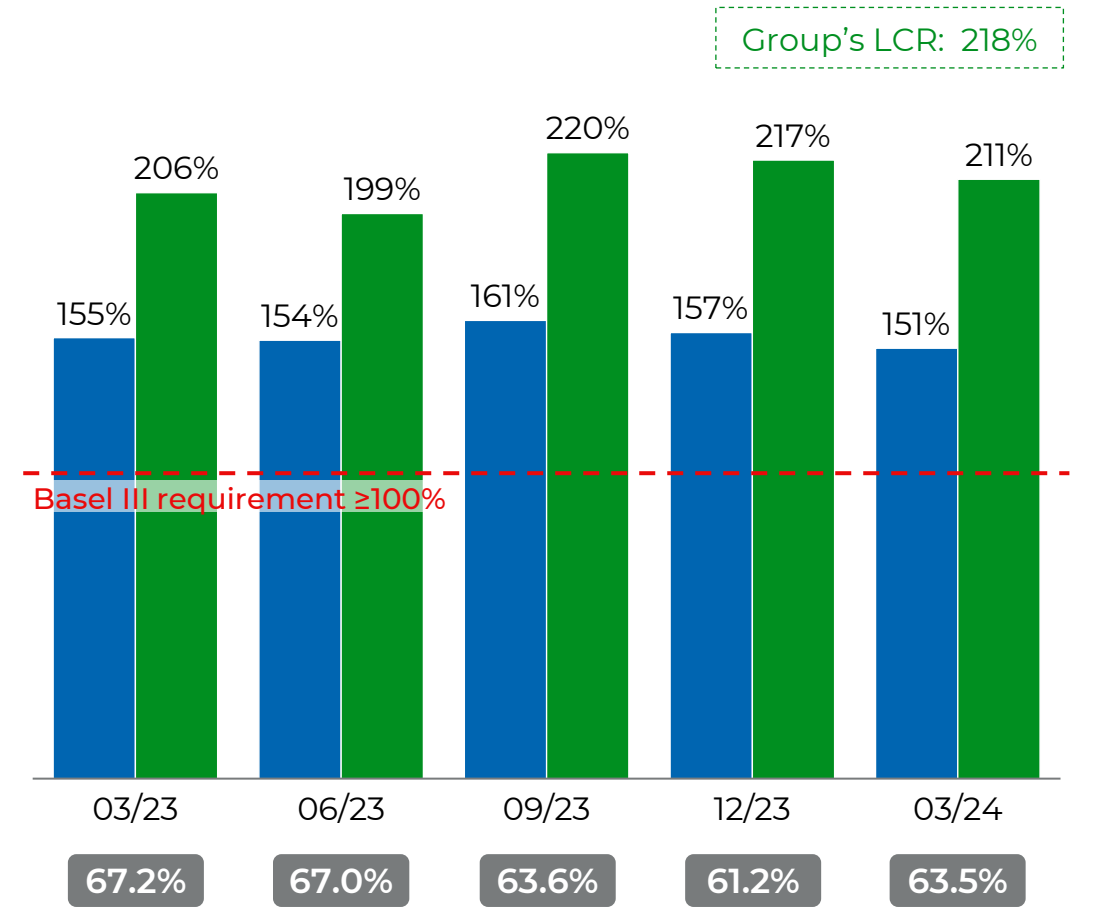
mBank Group's Total Capital Ratio



xx.x Total risk exposure amount (TREA)

■ Tier 1 capital ratio ■ Tier 2

mBank's NSFR and LCR



xx.x% Loan-to-deposit ratio of mBank Group

■ Net Stable Funding Ratio (NSFR) ■ Liquidity Coverage Ratio (LCR)

<sup>1</sup> Capital ratios recalculated taking into account the retrospective inclusion of net profit for Q1/23 in own funds (after PFSA approval)

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Key highlights and  
business development  
in Q1 2024

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Overview of the  
financial performance  
after Q1 2024

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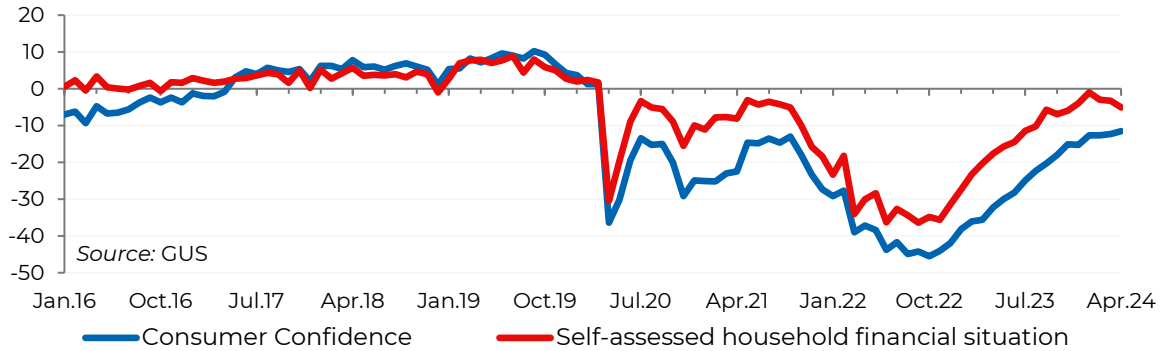
**Update on Poland's  
macroeconomic  
situation and outlook**



# Macroeconomic situation and outlook

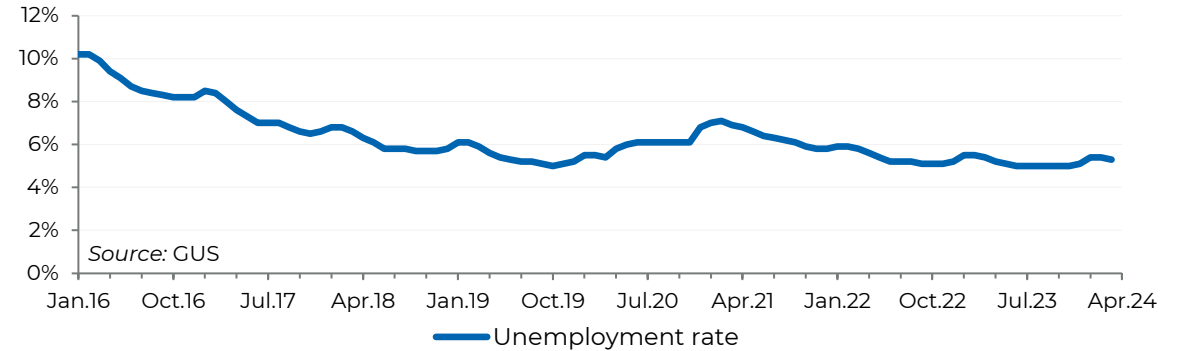
NBP unlikely to cut rates in 2024 as inflation and consumption are set to rebound.

## Consumption on the rise again



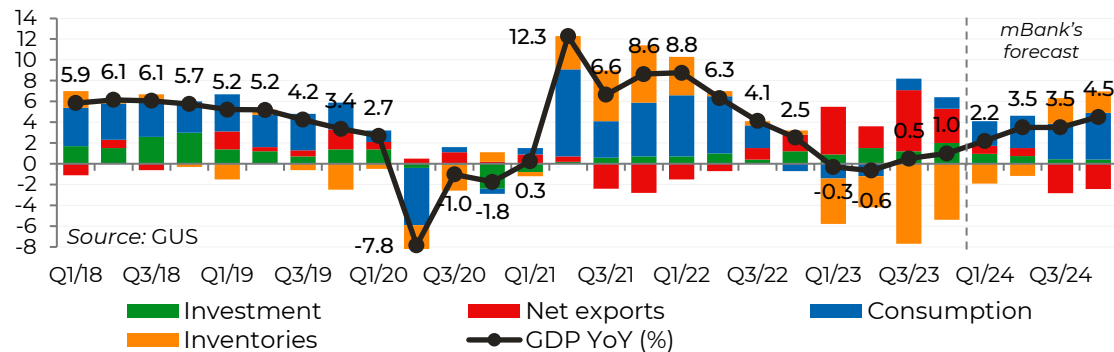
Soft indicators have improved of late. Upbeat sentiment, coupled with strong fiscal transfers, paints an encouraging outlook for consumption. A rising real wage bill is also likely to buttress consumer spending in 2024.

## Unemployment rate (still) very low



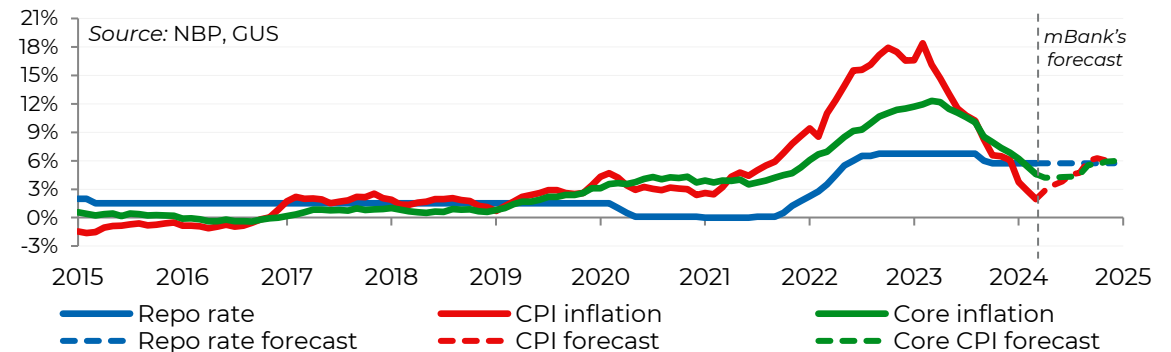
The labour market has proven to be resilient despite slowing GDP growth momentum. Given structural factors, the unemployment rate will remain low in the coming quarters buoyed by the expected economic recovery.

## GDP path and forecast for Poland (% YoY)



GDP growth is seen to bounce back. Its major driver will be private consumption. Investment is likely to be a drag in 2024 but it should pick up substantially thereafter. GDP dynamics in 2024 is expected to reach 3.5%.

## Inflation's trough reached, bumpy road ahead

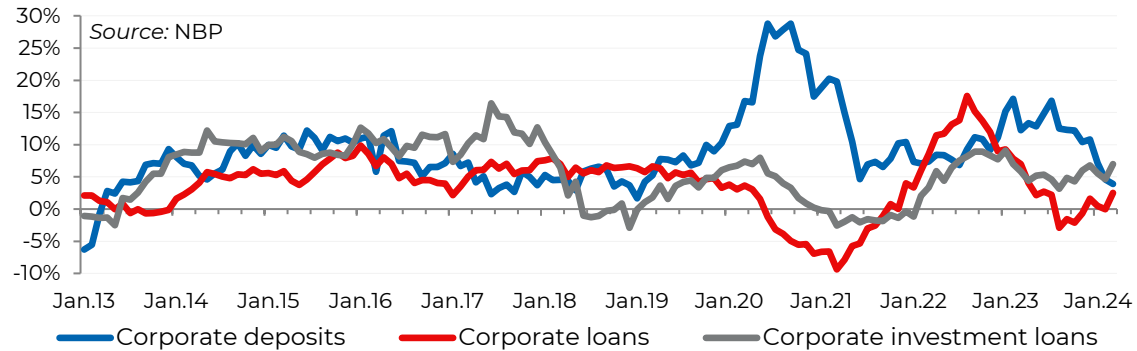


Inflation reached its trough in March 2024 and is expected to accelerate in the coming months. Core inflation should follow this trend. As a result, the MPC is unlikely to deliver any rate cuts this year.

# Macroeconomic situation and outlook

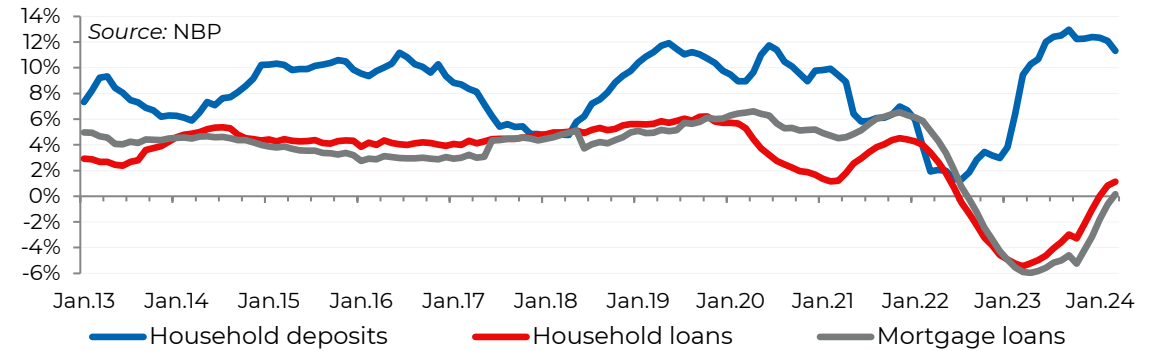
Credit growth is rebounding. Bond yields increased and PLN held its strength.

## Corporate loans and deposits (YoY, FX-adjusted)



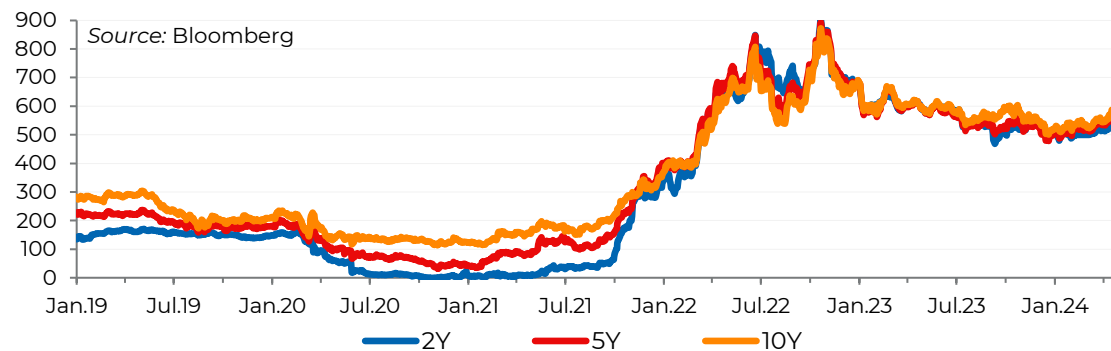
Deposit growth in the corporate sector has fallen. Credit growth may have already reached its bottom. An expected bounce in economic activity (driven by consumption) will boost loan expansion.

## Household loans and deposits (YoY, FX-adjusted)



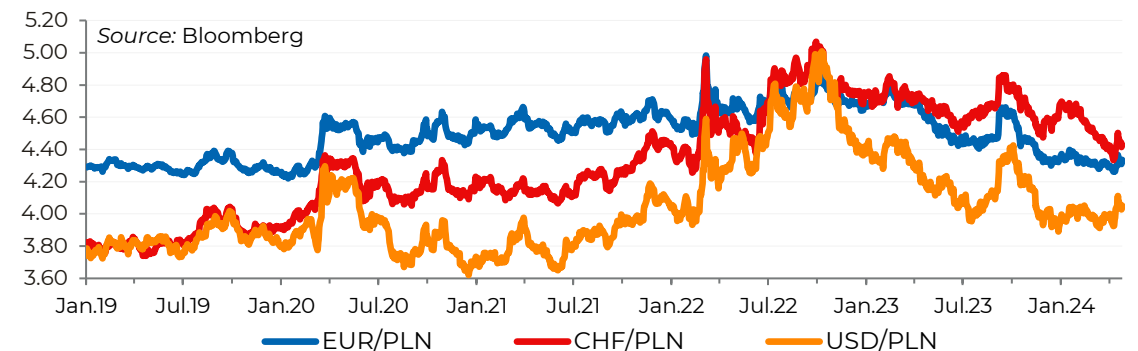
The strong labour market and expansionary fiscal policy support deposit accumulation. Credit growth is beginning to rebound and it is expected to continue this move amidst improving consumer confidence.

## Government bond yields have risen recently (bps)



Bond yields on domestic debt have slightly increased recently. This was mainly due to the behaviour of the core markets, a factor that should play an important role in the months ahead. Credit risk measures remain quite low.

## PLN remained strong despite USD's rebound



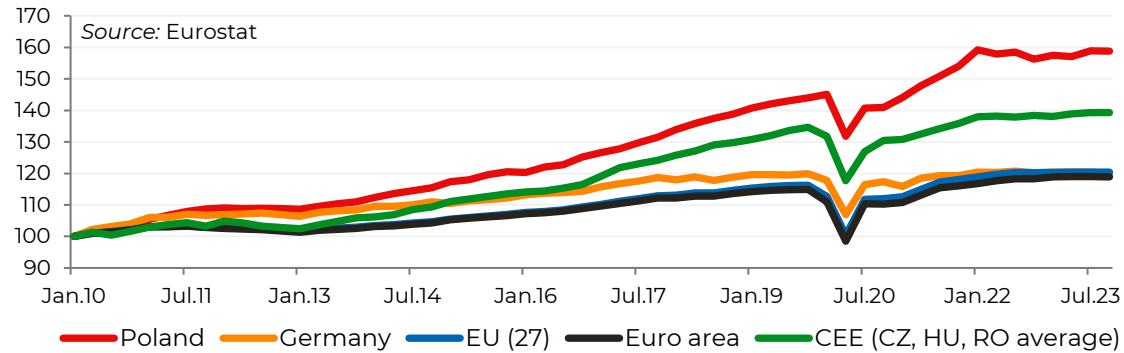
Polish currency has lost some momentum in recent months which has been partly driven by the stronger dollar. More restrictive monetary policy in Poland may help the zloty further amidst reviving GDP growth.



# Poland: economic fundamentals

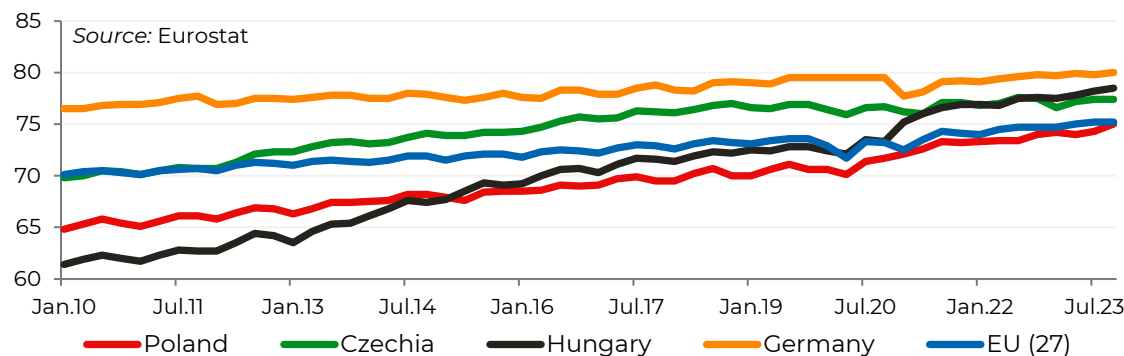
Growth story. High competitiveness compared to peers.

Real GDP (Q1 2010 = 100)



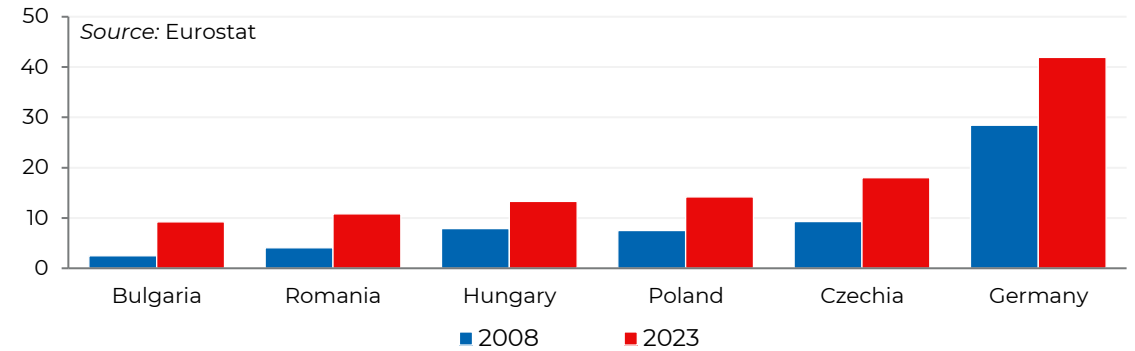
Over the past few years, Polish economy has recorded a consistently high economic growth rate. Moreover, the post-pandemic recovery has proved much faster compared to other economies in the region.

Labour activity rate (aged 15-64)



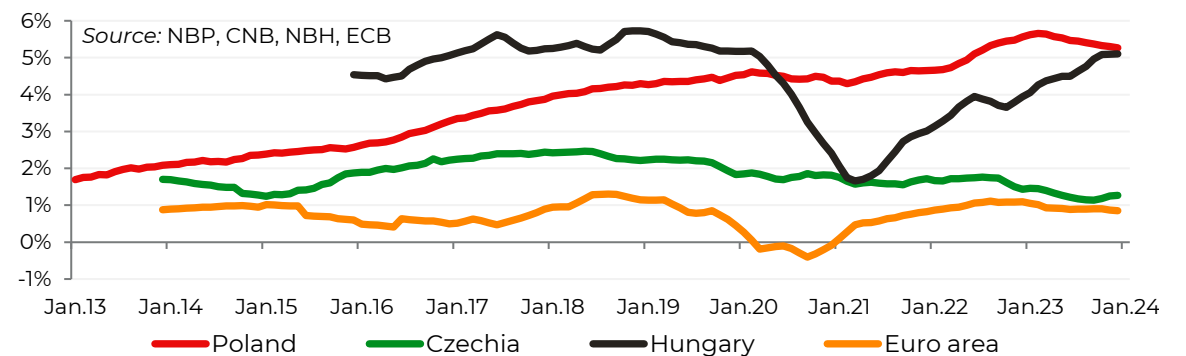
Labour force participation in Poland remains at a relatively low level compared to its peers in the region. This means that despite non-favourable demography, there is still some space to catch up and improve employment.

Hourly labour costs (in EUR)



Labour costs in Poland rose over the course of the past years, however they still remain at a competitive level compared to the CEE block. These costs are more than three times lower in relation to the German economy.

Services balance, international trade (% of GDP)



The competitiveness of the Polish economy is best portrayed in the services sector, where a steadily growing surplus in international trade has been recorded. Nearshoring may further reinforce this trend.

# Macroeconomic forecasts and outlook for mBank Group

Operating environment for banks has continued being challenging and volatile

## Key economic indicators for Poland

	2022	2023	2024F	2025F
GDP growth (YoY)	5.6%	0.2%	3.5%	4.5%
Domestic demand (YoY)	5.2%	-3.2%	4.0%	6.1%
Private consumption (YoY)	5.4%	-1.0%	4.6%	4.5%
Investment (YoY)	2.7%	13.1%	3.8%	10.3%
Inflation (eop)	16.6%	6.2%	7.0%	3.5%
MPC rate (eop)	6.75%	5.75%	5.75%	4.50%
CHF/PLN (eop)	4,73	4.68	4.28	4.24
EUR/PLN (eop)	4.69	4.34	4.20	4.20

## Polish banking sector – monetary aggregates YoY

	2022	2023	2024F	2025F
Corporate loans	9.6%	-0.7%	5.2%	7.2%
Household loans	-3.8%	-1.3%	3.1%	3.2%
Mortgage loans	-3.2%	-3.6%	1.7%	2.1%
Mortgage loans in PLN	-1.8%	1.8%	5.9%	5.2%
Non-mortgage loans	-5.1%	3.0%	5.7%	5.1%
Corporate deposits	11.6%	8.8%	3.8%	7.1%
Household deposits	3.3%	11.3%	5.6%	8.8%

Source: Statistics Poland, National Bank of Poland, mBank's estimates as of 08.05.2024.

## Prospects for mBank in 2024 (compared to 2023)

### Net interest income & NIM

neutral



- Interest rates in baseline scenario are expected to remain stable in Poland, while may be cut in the Eurozone and Czech Republic
- Rebounding loan volumes should support interest income
- Potential for margin improvement stemming from deposit pricing optimisation seems to be exhausted

### Net fee and commission income

slightly positive



- Uptrend in customer base and transactionality may be offset by lower volatility and elevated commission expenses
- Some adjustments to tariff of fees already implemented

### Total costs

slightly negative



- Visible wage and inflationary pressure weights on operating costs
- Rising amortisation driven by investments in future growth
- Lack of contributions to the Deposit Guarantee Scheme

### Loan loss provisions & FV change

slightly positive



- Financial standing of borrowers may be affected by geopolitical developments and complex macroeconomic environment
- The overall asset quality should not deteriorate materially thanks to prudent approach in loan origination unless more negative market scenarios materialise

# Appendix



# Appendix: Selected Financial Data

## Consolidated Profit and Loss Account – quarterly

Quarterly results (PLN thou.)	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Net interest income	2,033,110	2,200,635	2,284,687	2,355,039	2,340,082
Net fee and commission income	501,063	487,641	482,704	444,500	484,127
Dividend income	122	4,506	175	4,683	2,995
Net trading income	7,192	-3,338	-7,064	76,553	53,281
Gains less losses from financial assets <sup>1</sup>	-28,857	3,623	169	36,978	21,638
Net other operating income	-10,930	2,351	-52,959	-20,257	19,991
<b>Total income</b>	<b>2,501,700</b>	<b>2,695,418</b>	<b>2,707,712</b>	<b>2,897,496</b>	<b>2,922,114</b>
<b>Total operating costs</b>	<b>-854,887</b>	<b>-704,442</b>	<b>-719,175</b>	<b>-795,945</b>	<b>-888,879</b>
<i>Overhead costs</i>	<i>-735,603</i>	<i>-585,595</i>	<i>-592,938</i>	<i>-656,297</i>	<i>-752,429</i>
<i>Amortisation</i>	<i>-119,284</i>	<i>-118,847</i>	<i>-126,237</i>	<i>-139,648</i>	<i>-136,450</i>
Loan loss provisions and fair value change <sup>2</sup>	-178,872	-192,216	-257,983	-476,461	-48,055
Costs of legal risk related to FX loans	-808,488	-1,540,192	-1,083,537	-1,475,988	-1,370,563
<b>Operating result</b>	<b>659,453</b>	<b>258,568</b>	<b>647,017</b>	<b>149,102</b>	<b>614,617</b>
Taxes on the Group balance sheet items	-189,998	-182,722	-184,678	-186,154	-181,911
<b>Profit or loss before income tax</b>	<b>469,455</b>	<b>75,846</b>	<b>462,339</b>	<b>-37,052</b>	<b>432,706</b>
<b>Net result attributable to owners of mBank</b>	<b>142,815</b>	<b>-15,478</b>	<b>-83,016</b>	<b>-20,267</b>	<b>262,523</b>

<sup>1</sup> Including a part of 'Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss' related to equity instruments and debt securities (without related to loans and advances)

<sup>2</sup> Sum of 'Impairment on financial assets not measured at fair value through profit or loss' and 'Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss' related to loans

# Appendix: Selected Financial Data

## Consolidated Statement of Financial Position – quarterly

<b>Assets (PLN thou.)</b>	<b>Q1 2023</b>	<b>Q2 2023</b>	<b>Q3 2023</b>	<b>Q4 2023</b>	<b>Q1 2024</b>
Cash and balances with Central Bank	17,563,426	16,381,485	19,451,659	36,702,427	24,535,807
Loans and advances to banks	12,353,436	11,508,432	17,095,049	7,119,059	12,054,848
Trading securities	1,386,600	1,707,945	1,026,112	645,382	1,316,973
Derivative financial instruments	1,182,442	1,120,005	1,030,497	1,074,153	693,045
Loans and advances to customers	121,533,452	118,319,042	117,805,077	113,520,791	116,296,350
Investment securities	56,414,504	56,677,121	61,852,792	60,583,852	62,230,638
Intangible assets	1,431,547	1,579,977	1,613,303	1,701,939	1,712,600
Tangible fixed assets	1,516,678	1,454,981	1,438,295	1,481,401	1,493,096
Other assets	4,147,087	4,178,869	4,076,372	4,151,512	3,823,662
<b>Total assets</b>	<b>217,529,172</b>	<b>212,927,857</b>	<b>225,389,156</b>	<b>226,980,516</b>	<b>224,157,019</b>
<b>Liabilities (PLN thou.)</b>	<b>Q1 2023</b>	<b>Q2 2023</b>	<b>Q3 2023</b>	<b>Q4 2023</b>	<b>Q1 2024</b>
Amounts due to banks	3,683,656	3,204,420	3,520,323	3,315,302	3,273,468
Derivative financial instruments	2,193,333	1,918,138	1,547,722	1,495,754	1,288,793
Amounts due to customers	180,916,989	176,662,495	185,109,361	185,467,455	183,067,263
Debt securities in issue	8,387,166	8,157,055	11,958,340	11,105,165	10,663,265
Subordinated liabilities	2,719,069	2,685,432	2,746,774	2,714,928	2,645,731
Other liabilities	6,364,250	6,830,647	6,816,882	9,144,686	9,149,329
<b>Total liabilities</b>	<b>204,264,463</b>	<b>199,458,187</b>	<b>211,699,402</b>	<b>213,243,290</b>	<b>210,087,849</b>
<b>Total equity</b>	<b>13,264,709</b>	<b>13,469,670</b>	<b>13,689,754</b>	<b>13,737,226</b>	<b>14,069,170</b>
<b>Total liabilities and equity</b>	<b>217,529,172</b>	<b>212,927,857</b>	<b>225,389,156</b>	<b>226,980,516</b>	<b>224,157,019</b>

# Appendix: Selected Financial Data

## mBank Group's Ratios – quarterly and cumulatively

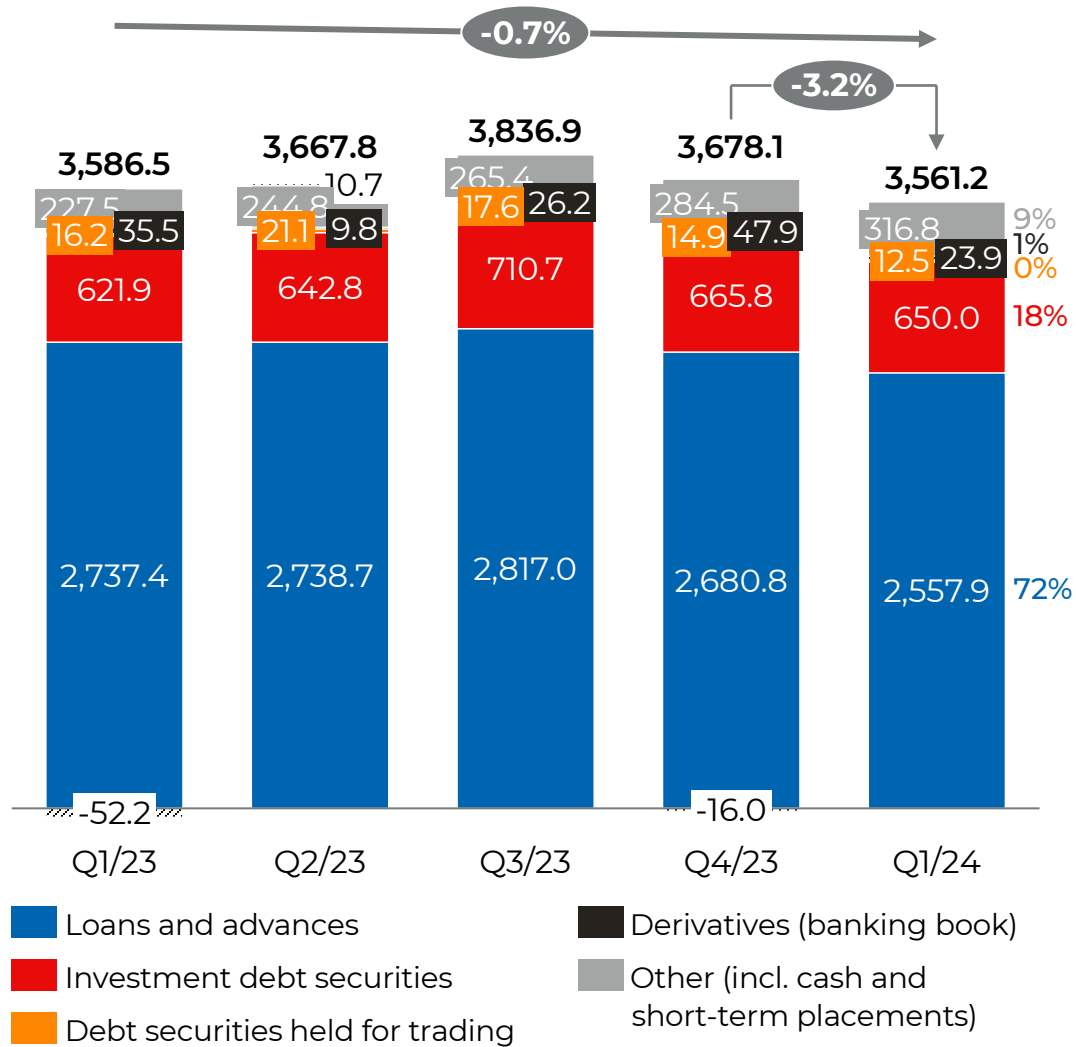
Financial Ratios	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Net Interest Margin, quarterly	3.84%	4.33%	4.26%	4.31%	4.37%
Net Interest Margin, YtD	3.84%	4.08%	4.14%	4.18%	4.37%
Net Interest Margin, excl. CHF portfolio, YtD	3.97%	4.22%	4.26%	4.30%	4.43%
Cost/Income Ratio, quarterly	34.2%	26.1%	26.6%	27.5%	30.4%
Cost/Income Ratio, YtD	34.2%	30.0%	28.8%	28.5%	30.4%
Cost of Risk, quarterly	0.59%	0.64%	0.87%	1.65%	0.17%
Cost of Risk, YtD	0.59%	0.62%	0.70%	0.93%	0.17%
Return on Equity, ROE net, quarterly	4.3%	-0.4%	-2.4%	-0.6%	7.4%
Return on Equity, ROE net, YtD	4.3%	1.9%	0.4%	0.2%	7.4%
Return on Assets, ROA net, quarterly	0.27%	-0.03%	-0.15%	-0.04%	0.47%
Return on Assets, ROA net, YtD	0.27%	0.12%	0.03%	0.01%	0.47%
Loan-to-Deposit Ratio	67.2%	67.0%	63.6%	61.2%	63.5%
Total Capital Ratio	16.13%	16.81%	16.89%	17.04%	16.02%
Tier 1 Capital Ratio	13.72%	14.47%	14.60%	14.71%	14.06%
Leverage ratio	5.3%	5.6%	5.3%	5.3%	5.4%
Equity / Assets	6.1%	6.3%	6.1%	6.1%	6.3%
TREA / Assets	41.7%	41.3%	39.1%	38.2%	40.7%
NPL ratio	4.0%	4.1%	4.2%	4.2%	4.1%
NPL coverage ratio	52.3%	53.3%	54.0%	54.7%	55.3%
NPL coverage ratio incl. stage 1&2 provisions	68.3%	71.0%	72.5%	76.8%	76.6%

# Appendix: Selected Financial Data – Net interest income

## Structure of mBank Group's interest income

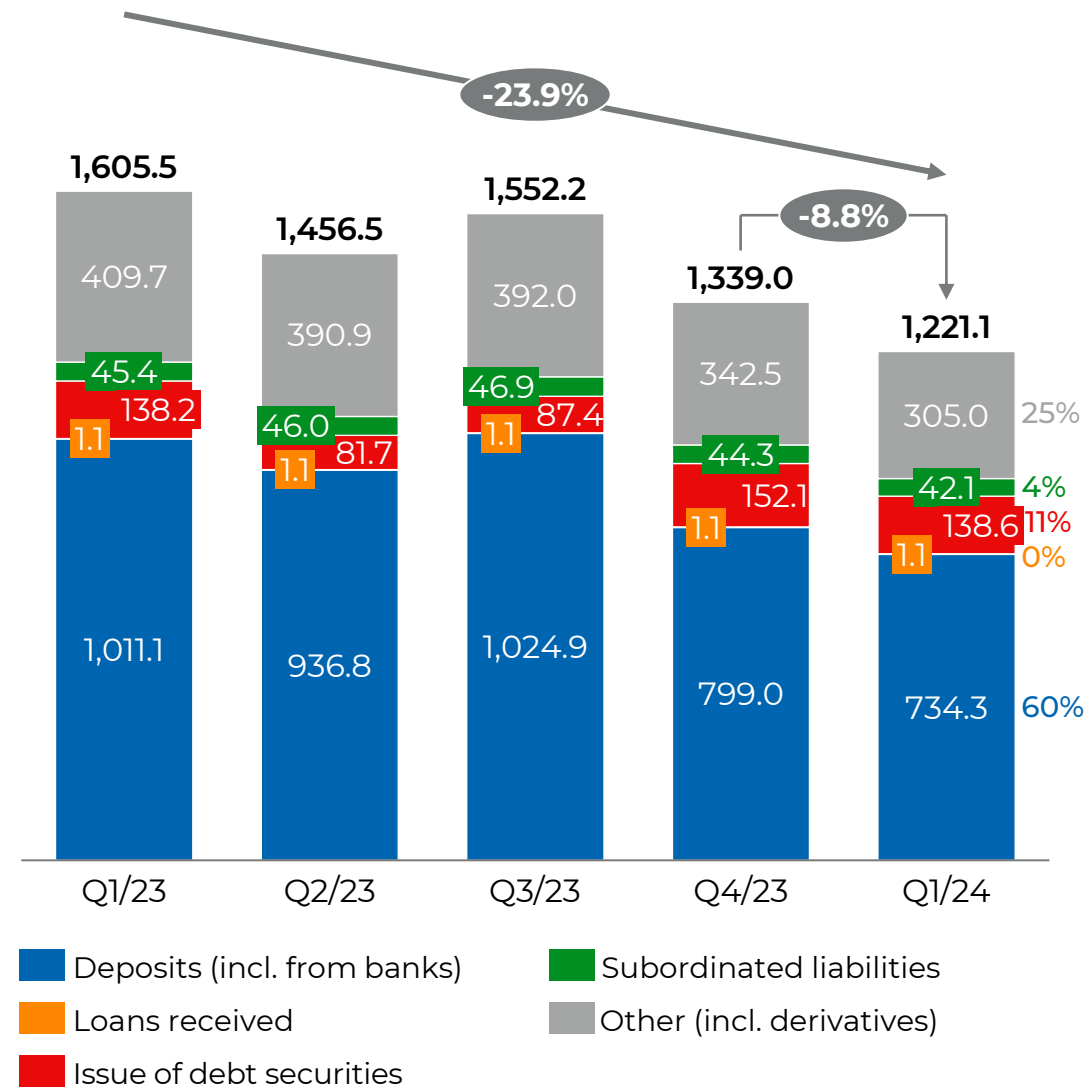
PLN M

*Presented development and dynamics are adjusted for the impact of "credit holidays"*



## Structure of mBank Group's interest expense

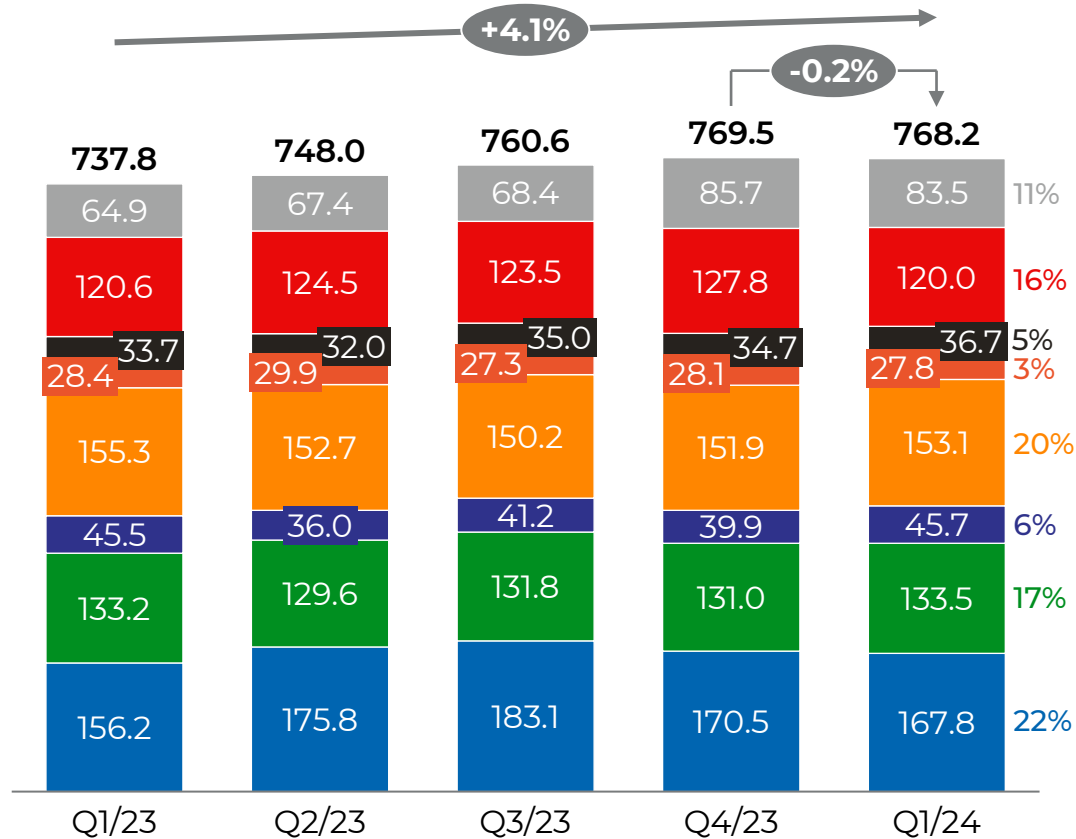
PLN M



# Appendix: Selected Financial Data – Net fees and commissions

Structure of mBank Group's fee and commission income

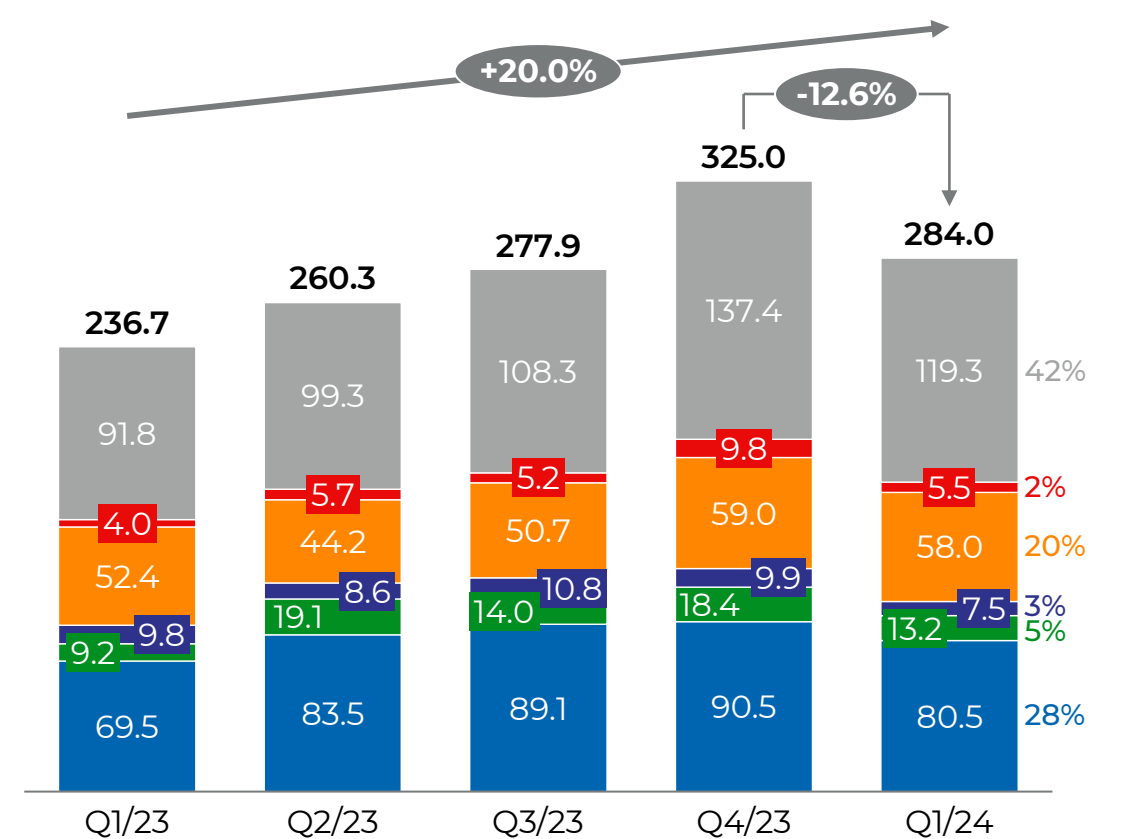
PLN M



- Payment card fees
- Accounts & money transfers
- Brokerage activity & securities issue
- Credit related fees
- Guarantees & trade finance
- Insurance activity
- Foreign currencies exchange
- Other (incl. custody)

Structure of mBank Group's fee and commission expense

PLN M



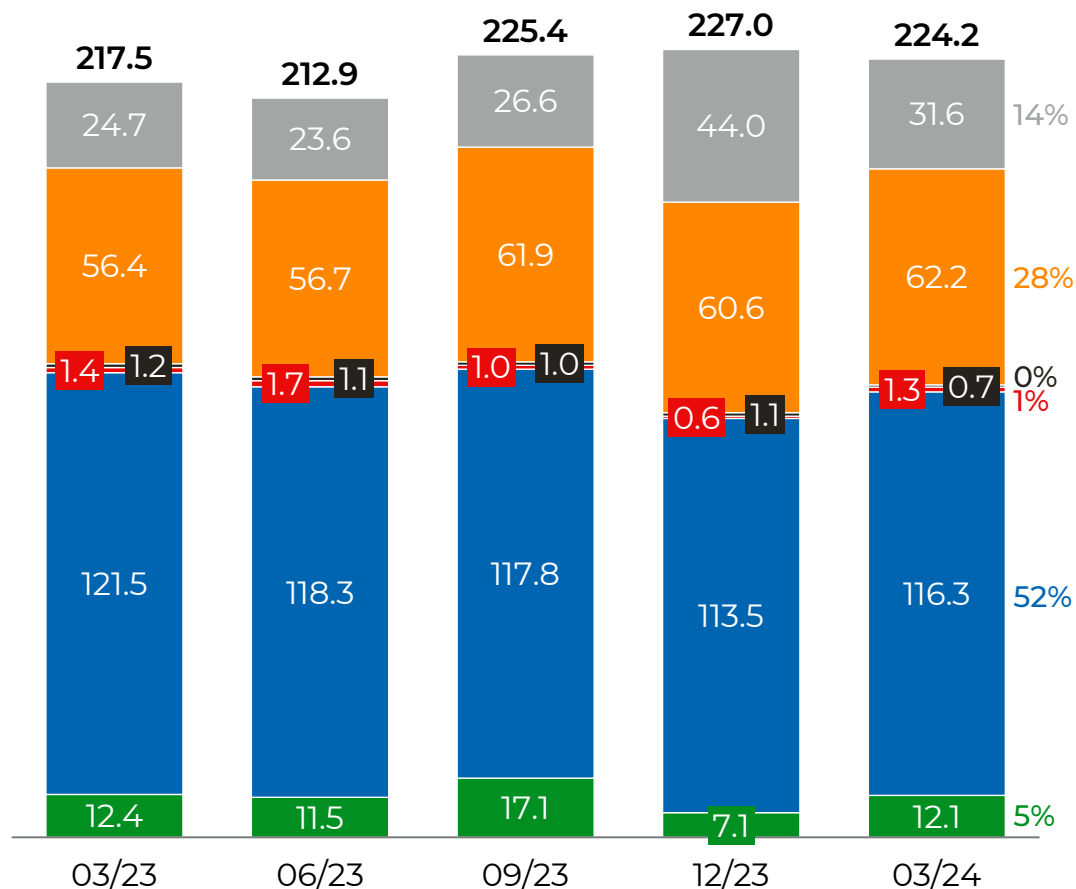
- Payment card fees
- Cash handling fees
- Discharged brokerage fees
- Commissions paid to external entities
- Fees paid to NBP and KIR
- Other (incl. insurance activity)



# Appendix: Selected Financial Data – Balance sheet analysis

Structure of mBank Group's total assets

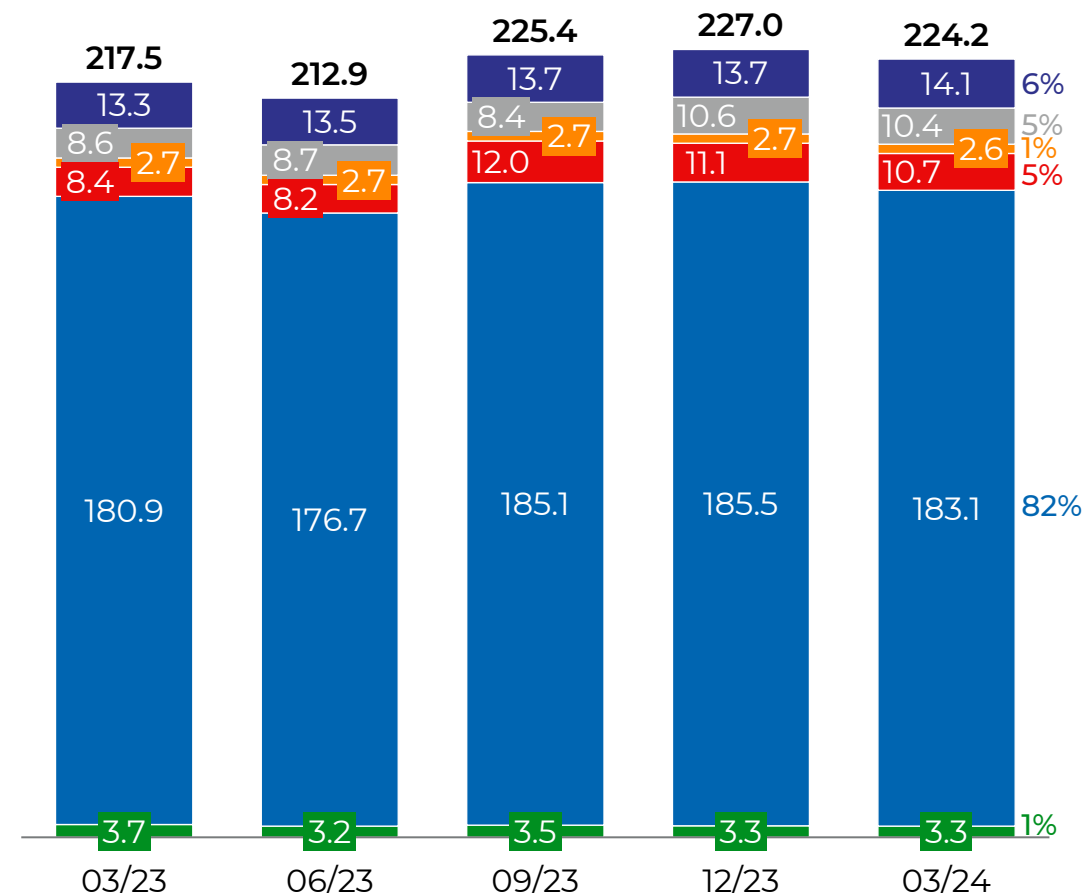
PLN B



- Amounts due from banks
- Loans and advances to customers
- Trading securities
- Derivative financial instruments
- Investment securities
- Other assets

Structure of mBank Group's liabilities and equity

PLN B

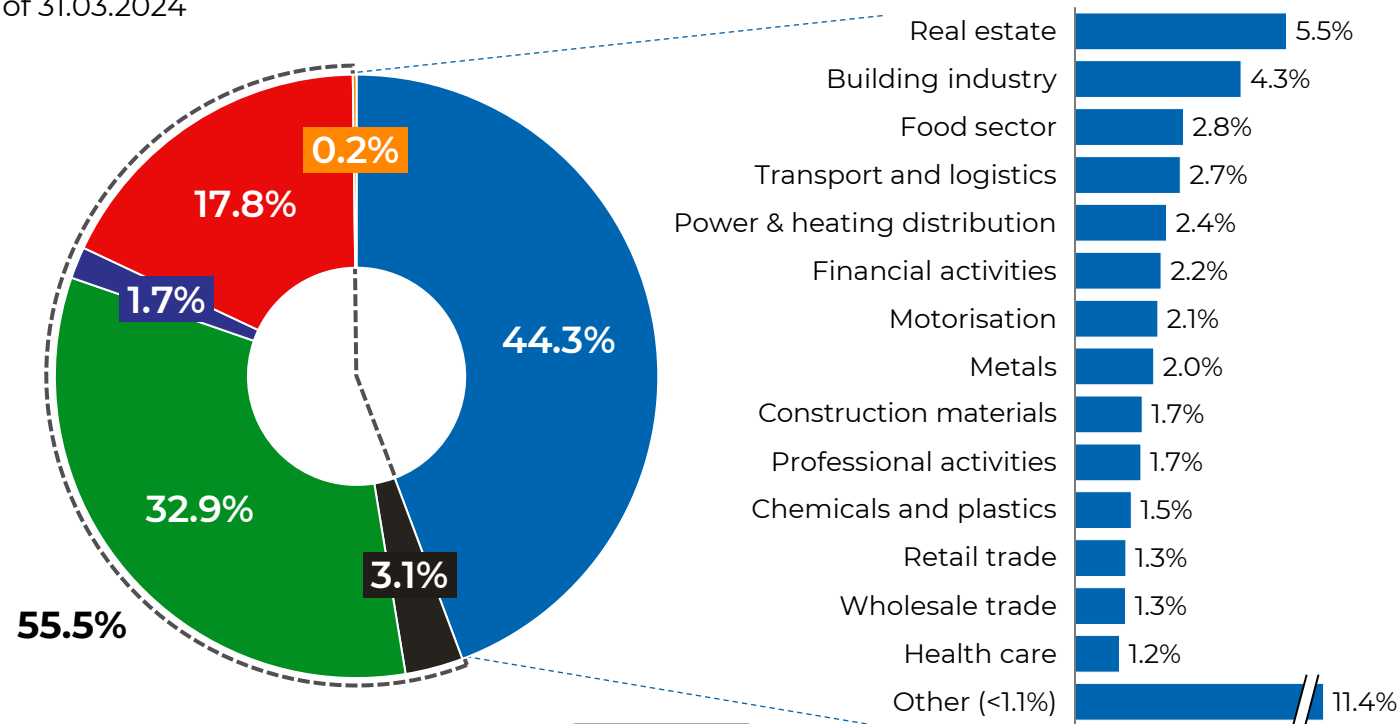


- Amounts due to other banks
- Amounts due to customers
- Debt securities in issue
- Subordinated liabilities
- Other liabilities
- Equity (total)

# Appendix: Selected Financial Data – Structure of loans and deposits

## Structure of mBank Group's gross loans, by client segment and industry

as of 31.03.2024

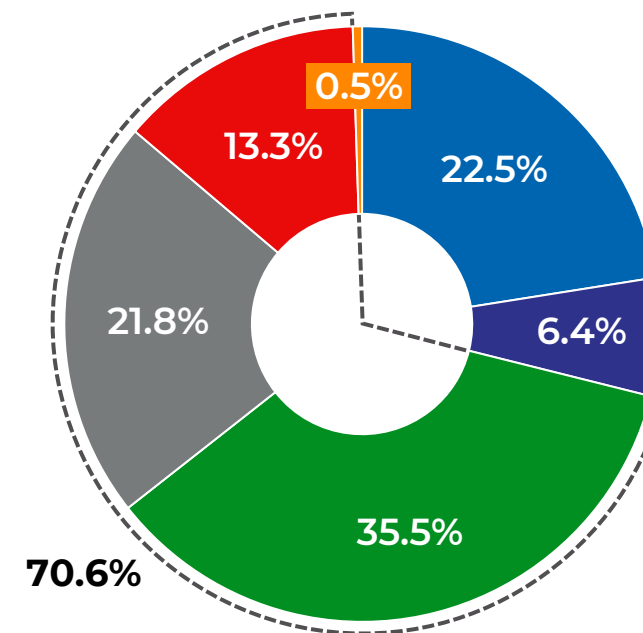


	PLN billion
Corporate loans	53.2
Mortgage loans in FX to individuals	3.7
Mortgage loans in LC to individuals <sup>1</sup>	39.5
Mortgage loans to microfirms	2.1
Non-mortgage retail loans	21.3
Public sector loans	0.2
<b>TOTAL</b>	<b>120.0</b>

**A well diversified loan portfolio with granular structure of exposures**

## Structure of mBank Group's deposits

as of 31.03.2024



	PLN billion
Corporate clients: current accounts <sup>2</sup>	41.2
Corporate clients: term deposits	11.7
Individual clients: current accounts	65.0
Individual clients: saving accounts	39.9
Individual clients: term deposits	24.4
Public sector clients	0.9
<b>TOTAL</b>	<b>183.1</b>

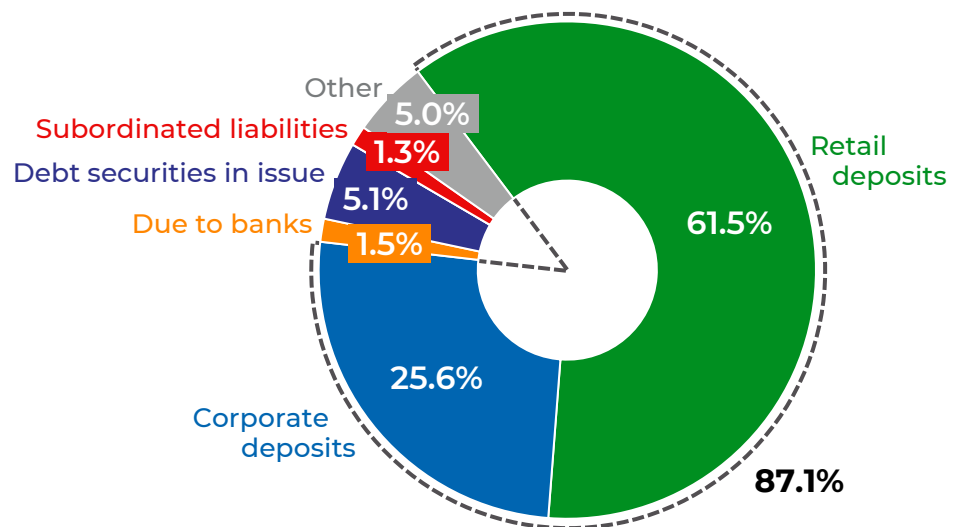
<sup>1</sup> Including local currency mortgage loans granted in Poland, the Czech Republic and Slovakia

<sup>2</sup> Including repo transactions

# Appendix: Selected Financial Data – Funding profile

## Structure of mBank Group's funding

as of 31.03.2024



## Summary of mBank's long-term funding instruments

as of 31.03.2024

Nominal value	Currency	Issue date	Maturity date	Tenor	Coupon
Issues under Euro Medium Term Note (EMTN) Programme					
125 M	CHF	05.04.2019	04.10.2024	5.5 Y	1.0183%
500 M <sup>1</sup>	EUR	20.09.2021	21.09.2027	6.0 Y	0.966%
750 M <sup>1</sup>	EUR	11.09.2023	11.09.2027	4.0 Y	8.375%
Subordinated loan and bonds					
250 M	CHF	21.03.2018	21.03.2028	10.0 Y	LIBOR3M +2.75%
750 M	PLN	17.12.2014	17.01.2025	10.1 Y	WIBOR6M +2.10%
550 M	PLN	09.10.2018	10.10.2028	10.0 Y	WIBOR6M +1.80%
200 M	PLN	09.10.2018	10.10.2030	12.0 Y	WIBOR6M +1.95%
Loans and advances received					
176 M	CHF	30.07.2018	30.07.2025	7.0 Y	-
138 M	CHF	02.08.2019	02.08.2027	8.0 Y	-

<sup>1</sup> bonds issued in non-preferred senior (NPS) format

Note: The table does not include covered bonds issued by mBank Hipoteczny.

## Summary of mBank's ratings

as of 31.03.2024

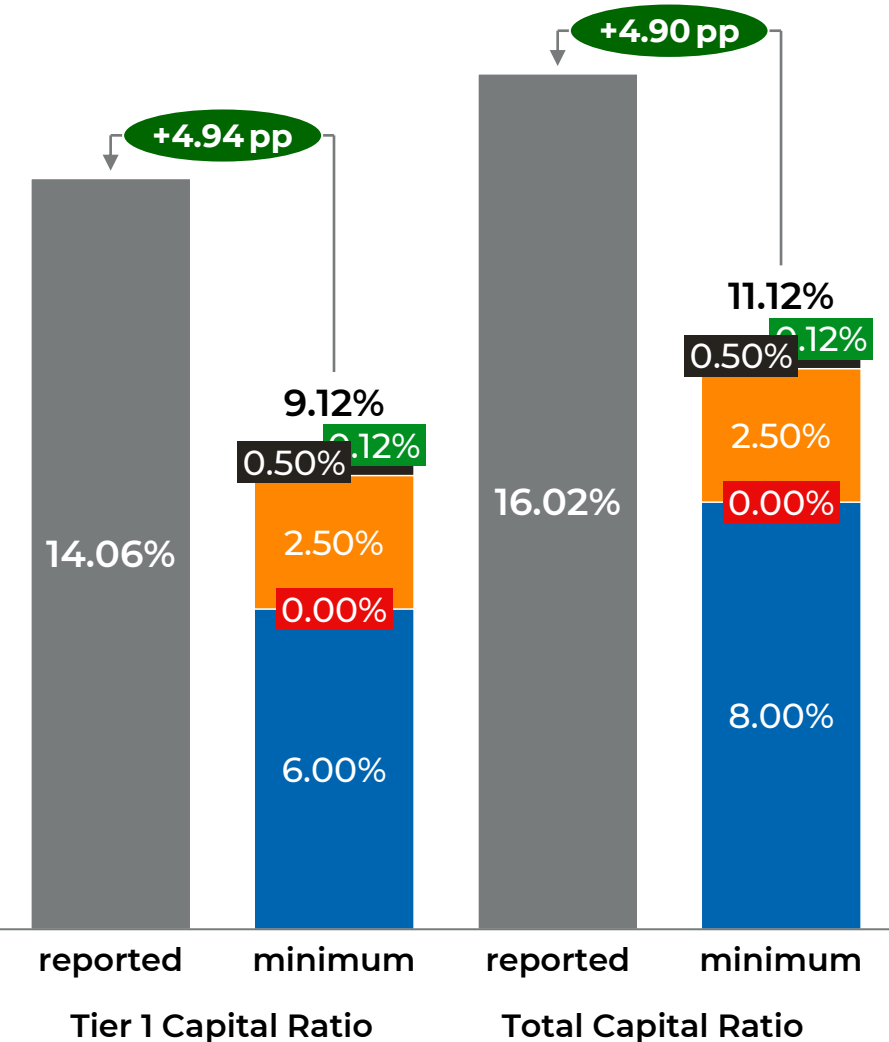
	Fitch Ratings	S&P Global Ratings
Long-term rating	BBB-	BBB
Outlook	stable	stable
Short-term rating	F3	A-2
Viability rating / SACP	bbb-	bbb-

On 26.04.2024, Moody's affirmed mBank's long-term and short-term deposit ratings at Baa1 / P-2 and changed the outlook on the long-term deposit rating to positive from negative.

# Appendix: Selected Financial Data – Capital requirements

## Regulatory capital requirements for mBank Group

as of 31.03.2024

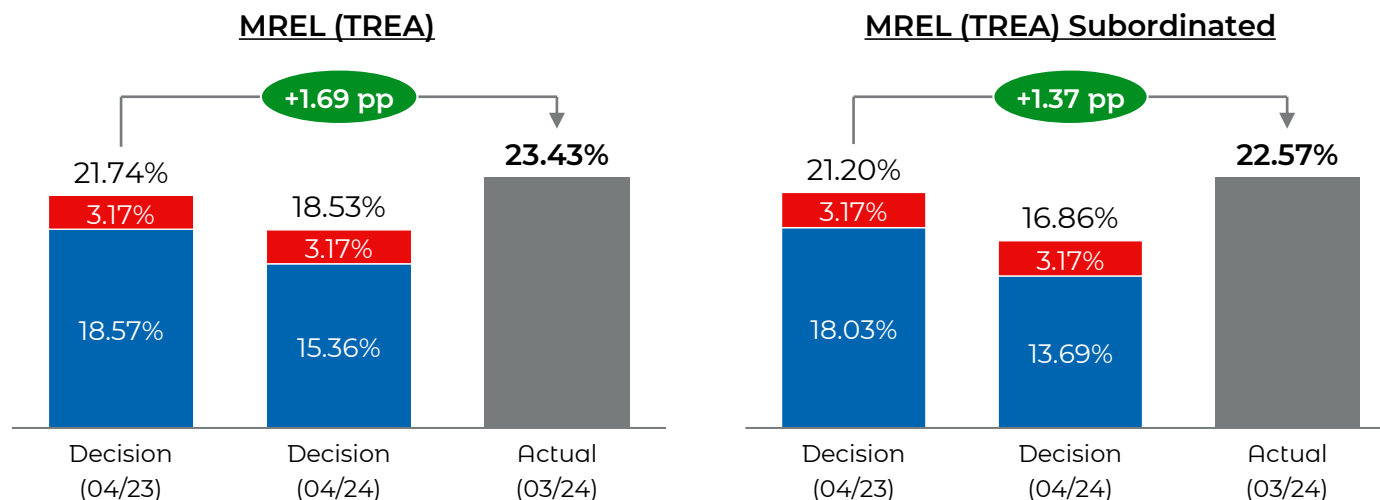


- Countercyclical Capital Buffer (CCyB)**, calculated as the weighted average of the CCyB rates that apply in the countries where the relevant credit exposures are located.
- Systemic Risk Buffer (SRB)**, originally set at 3.0% in Poland, reduced to 0% starting from 19.03.2020; for mBank it applies only to domestic exposures.
- Other Systemically Important Institution (O-SII) Buffer**, imposed by an administrative decision of the PFSA; its level is reviewed annually.
- Conservation Capital Buffer (CCB)**, equal for all banks in Poland as introduced by the Act on Macroprudential Supervision Over the Financial System and Crisis Management in the Financial System.
- Individual additional Pillar 2 capital requirement for risk related to FX retail mortgage loans (FXP2)** imposed as a result of risk assessment carried out by the PFSA.
- CRR Regulation minimum level (CRR)** based on the applicable EU Regulation.

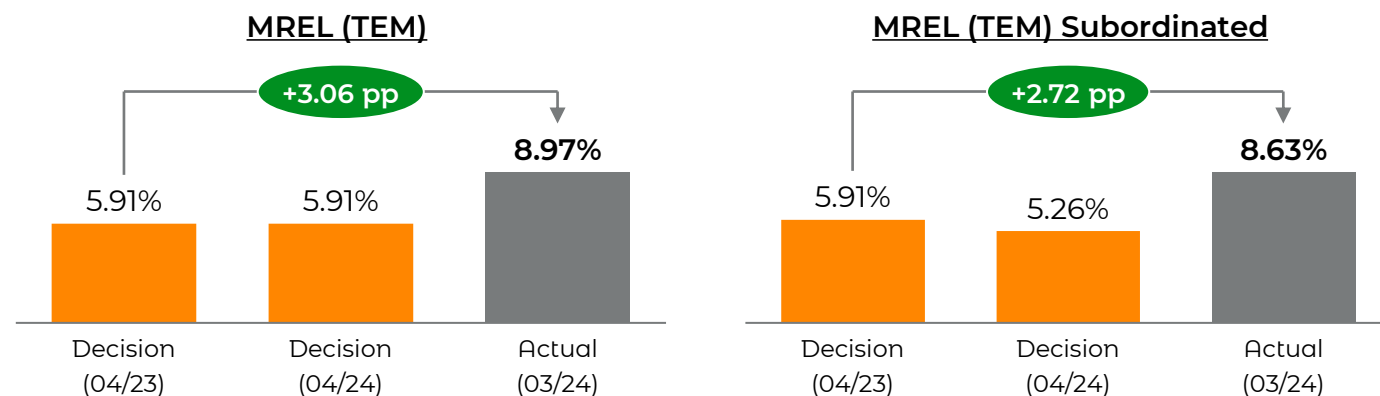
In December 2023, mBank received the decision of the Polish Financial Supervision Authority regarding the expiry of the additional capital requirement related to risk of foreign currency mortgage loans for households on both individual and consolidated basis. Latest level of the buffer imposed on mBank Group based on the decision dated 14.06.2023 amounted to 1.18 p.p. for Total Capital Ratio and by 0.89 p.p. for the Tier 1 capital ratio.

# Appendix: Selected Financial Data – MREL requirements

## Fulfilment of MREL requirements by mBank Group



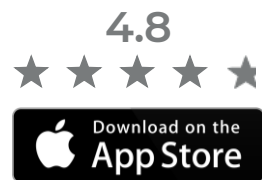
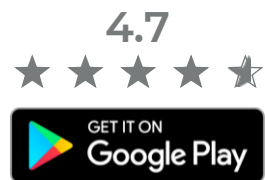
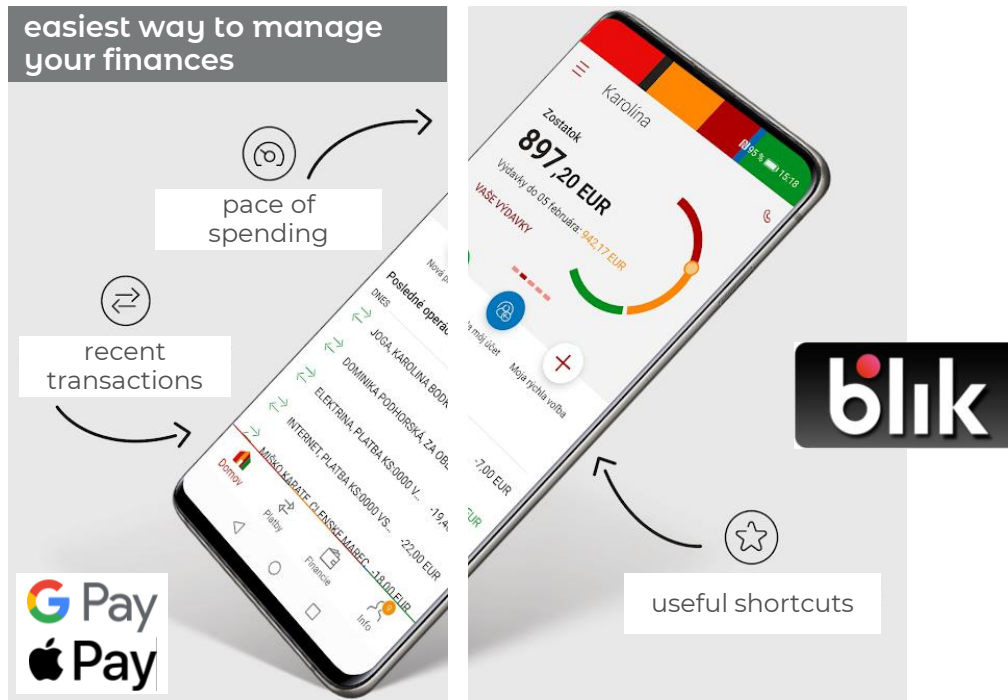
■ MREL requirement ■ CBR calculated on TREA (w/o mBH) as of 31.03.2024



■ MREL requirement

- Based on MREL decision communicated to mBank on 12.04.2023, the fully-fledged MREL requirements set for mBank at the consolidated level, excluding mBank Hipoteczny, amount to **18.57% of the total risk exposure amount (TREA)** and **5.91% of the total exposure measure (TEM)**.
- mBank also needs to keep the Combined Buffer Requirement (CBR) on top of the MREL<sub>TREA</sub> requirement.
- Based on data as of 31.03.2024, mBank fulfils its requirements with MREL<sub>TREA</sub> ratio of **23.43%** and the MREL<sub>TEM</sub> ratio of **8.97%**.
- On 09.04.2024, mBank received a letter from the BFG concerning the joint decision of BFG and SRB regarding the minimum MREL requirement, about which the company informed in the current report (no. 18/2024).
- MREL<sub>TREA</sub> requirement was determined at the level of **15.36%** of TREA and should be met by own funds and subordinated eligible liabilities at the level of 13.69% of TREA. MREL<sub>TEM</sub> requirement in respect to TEM was determined at the level of **5.91%** and should be met by own funds and subordinated eligible liabilities at the level of 5.26% of TEM.

# Appendix: A leading mobile banking offer for individual clients



## Mobile application to Junior Account

designed for children below 13 years old and suited to their needs



On average, **84%** of new mBank's clients activate mobile application in the first week from opening the account (in Q1/24)

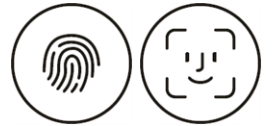
### Well-designed functionalities for client convenience



fully remote account opening with e-ID or a selfie and agreement approved via a text message



logging in and confirmation of transactions with a PIN code, fingerprint or Face ID



contactless payments with Google Pay and Apple Pay, express transfers using telephone numbers and BLIK



functionalities of personal financial management (PFM) and value added services



reminders from Payment Assistant and scanning of data to the transfer form from the invoices



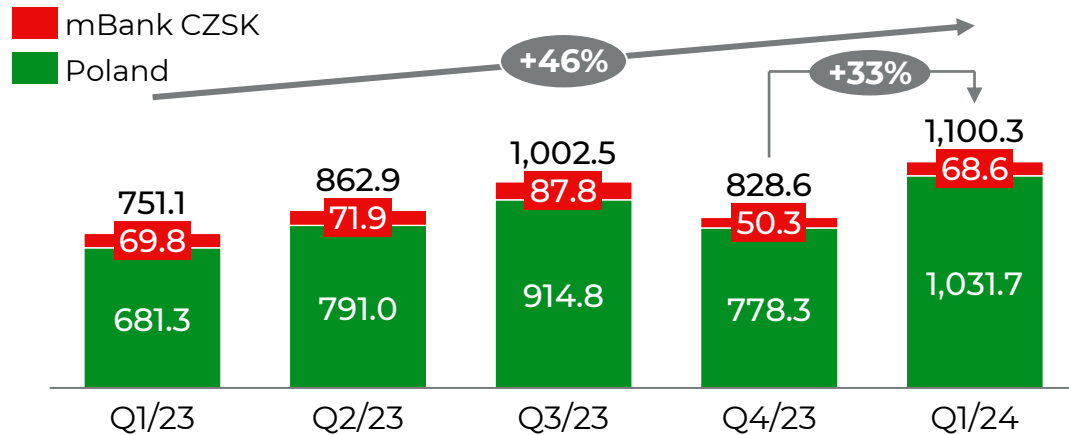
benefits (mDiscounts) for retail buyers and seamless shopping experience with one-click financing options (quick cash loan up to pre-approved limit)

# Appendix: Retail Banking – profit and network

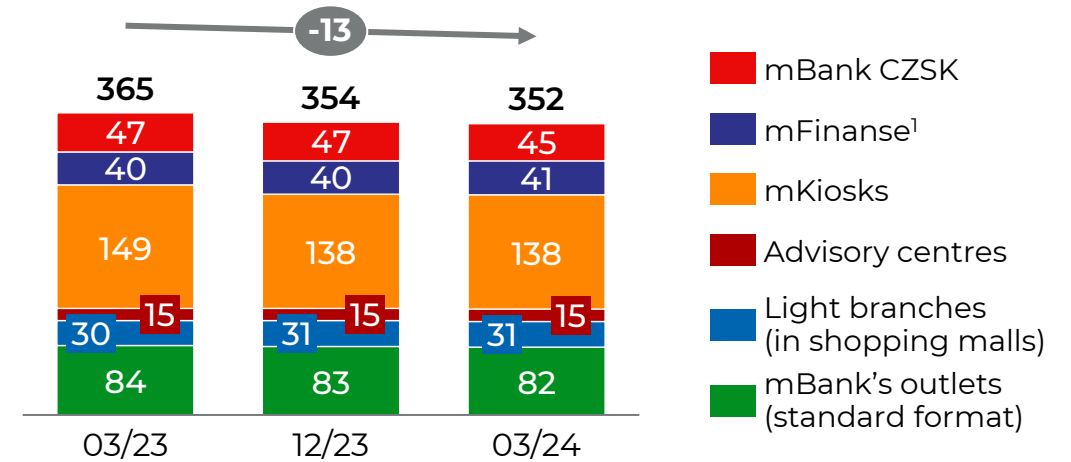
## Profit before income tax of the segment

PLN M, by quarter

excluding impact of "credit holidays"

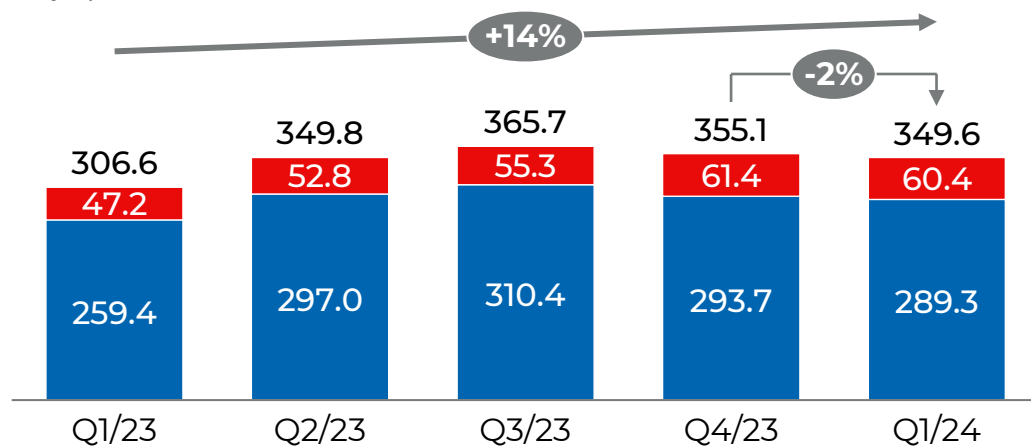


## Number of Retail Service Locations



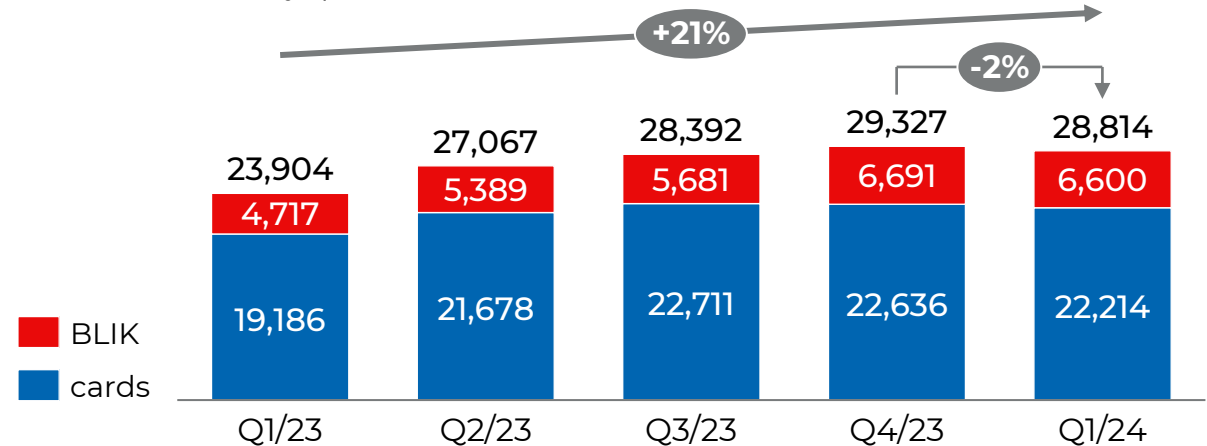
## Number of non-cash payments with cards and BLIK

M, by quarter



## Value of non-cash payments with cards and BLIK

PLN M, by quarter

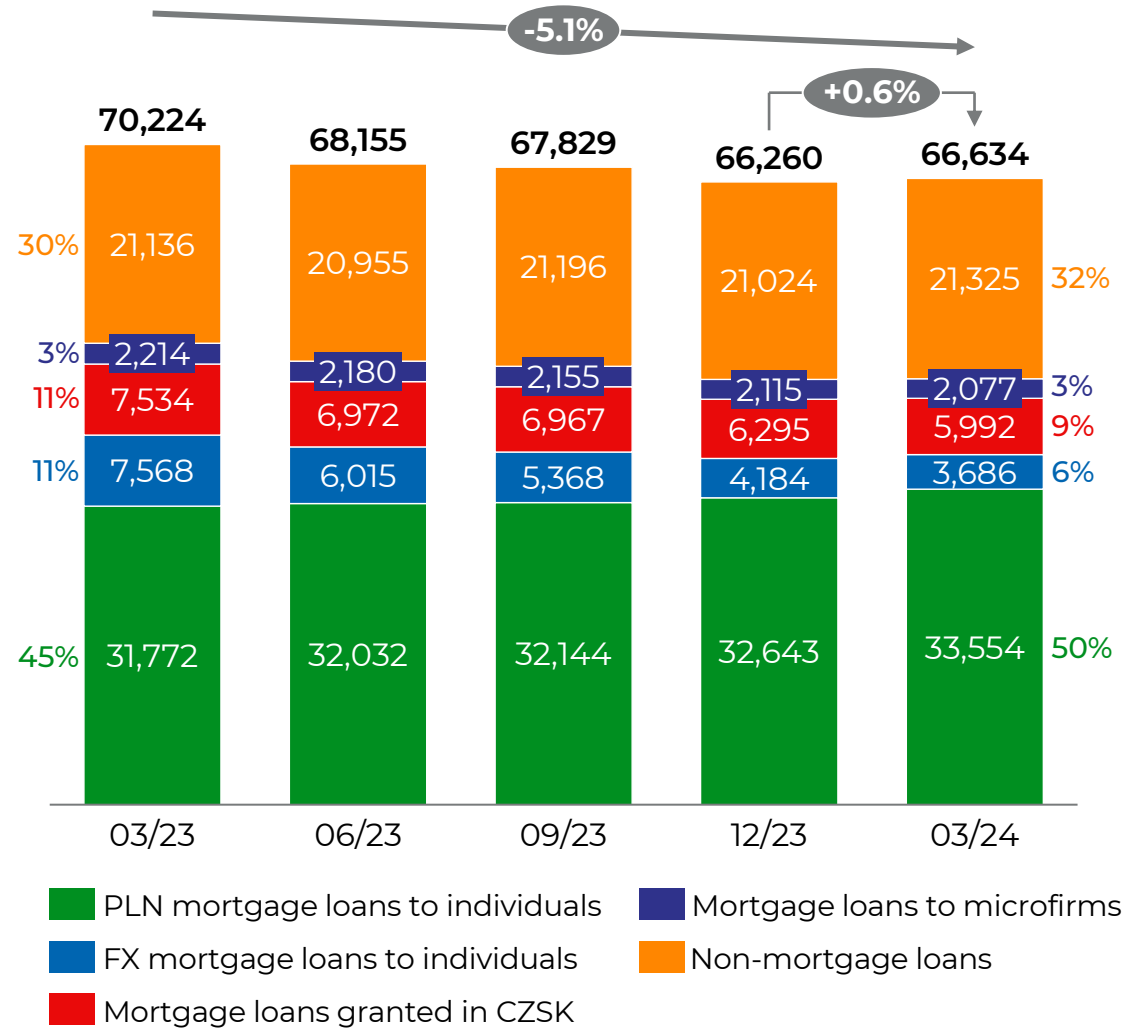


<sup>1</sup> Including financial centres and agency service points

# Appendix: Retail Banking – business volumes

## Development of gross loans to retail banking clients

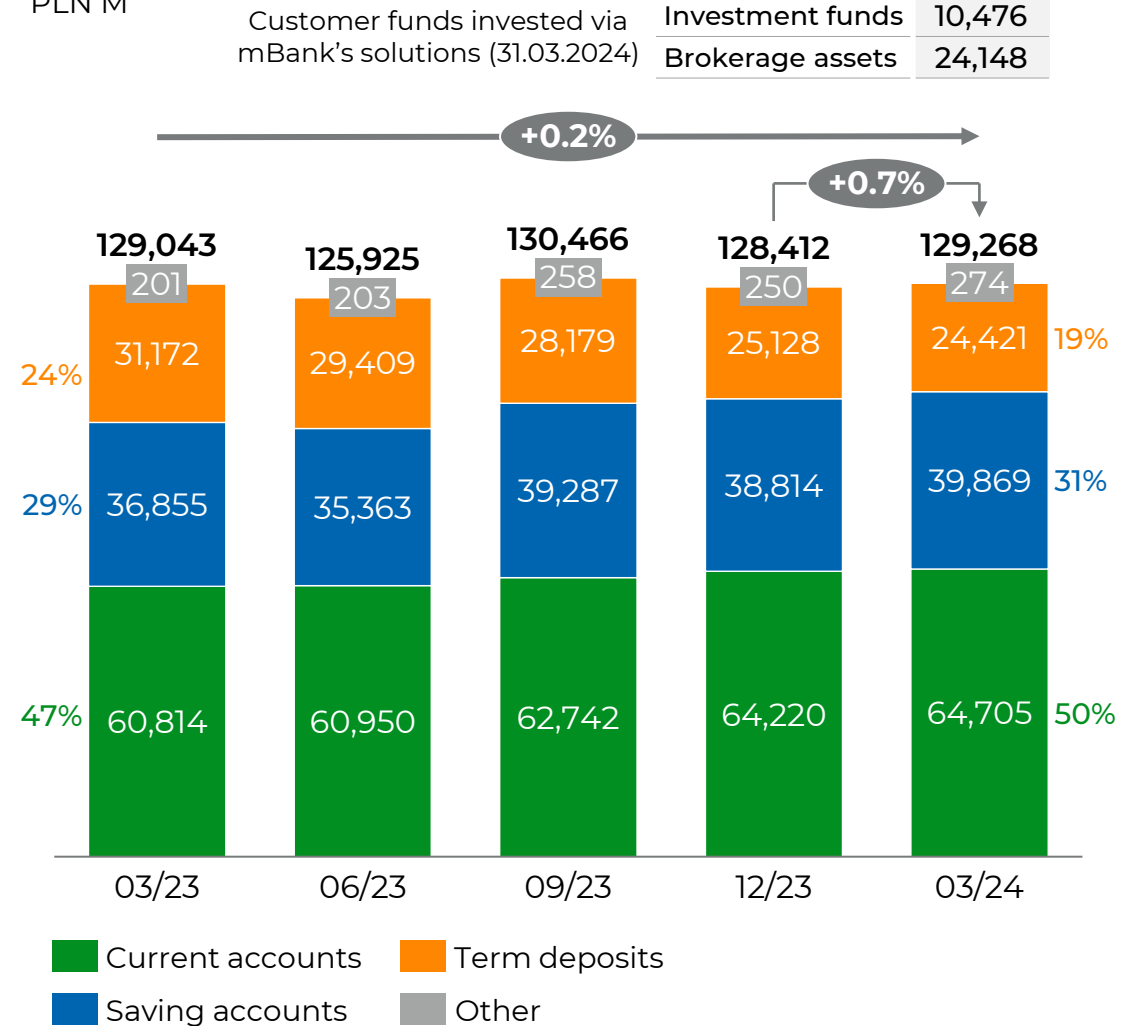
PLN M



Note: Currency and geographical breakdown based on management information.

## Development of deposits from retail banking clients

PLN M



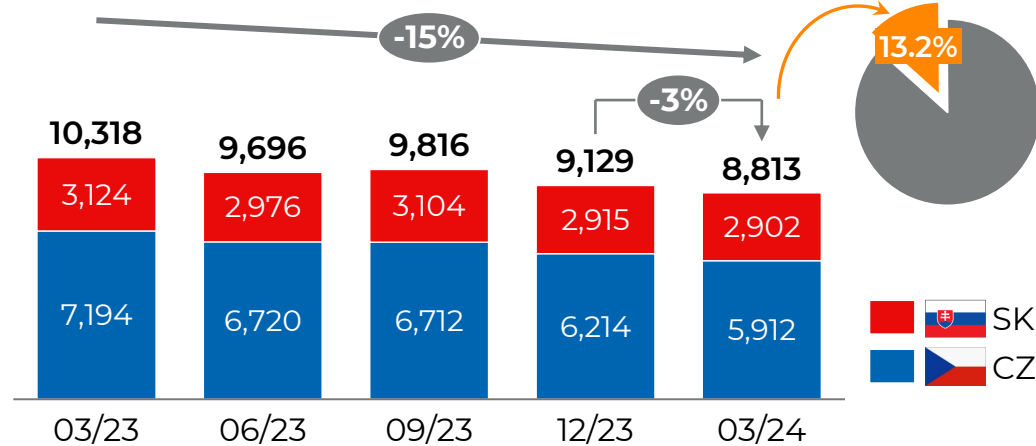
Note: Investment funds include mFunds (managed by mTFI), asset management strategies, mBank's Investment Funds Supermarket (in Poland and Slovakia) and external investment funds for private banking & wealth management.



# Appendix: mBank in the Czech Republic and Slovakia

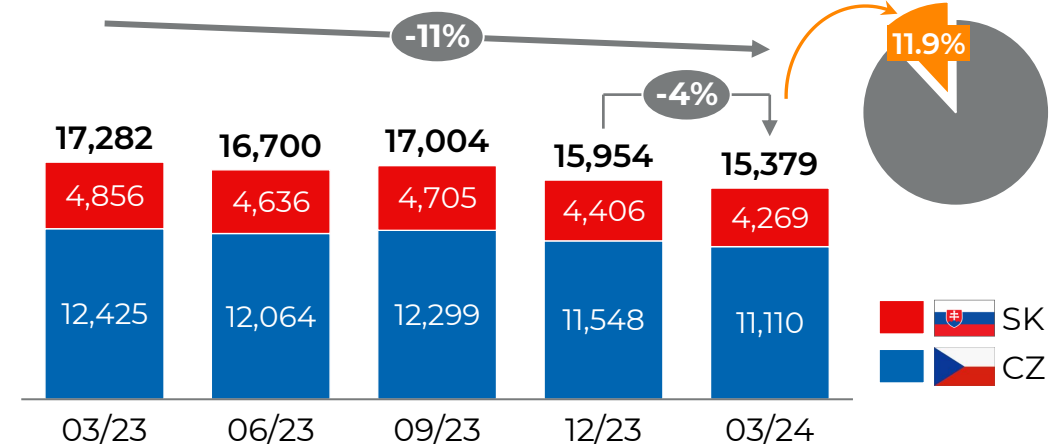
## Gross loans and share in total mBank's retail volume

PLN M



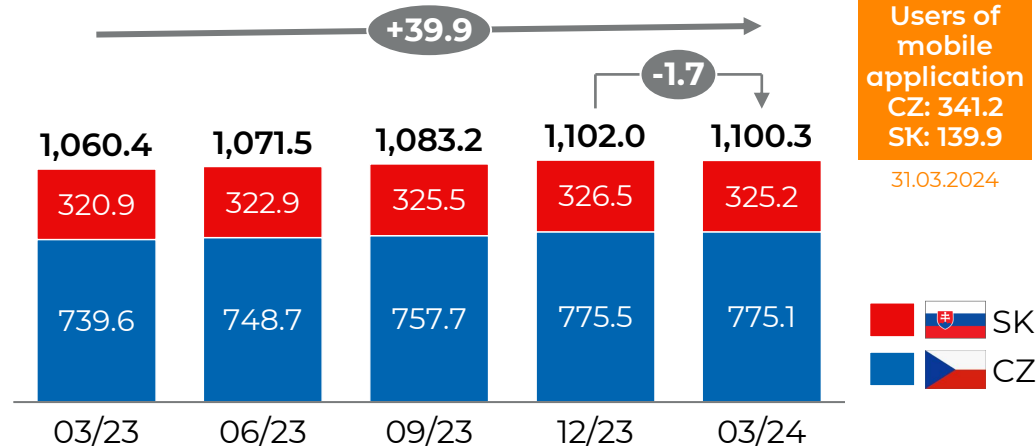
## Deposits and share in total mBank's retail volumes

PLN M



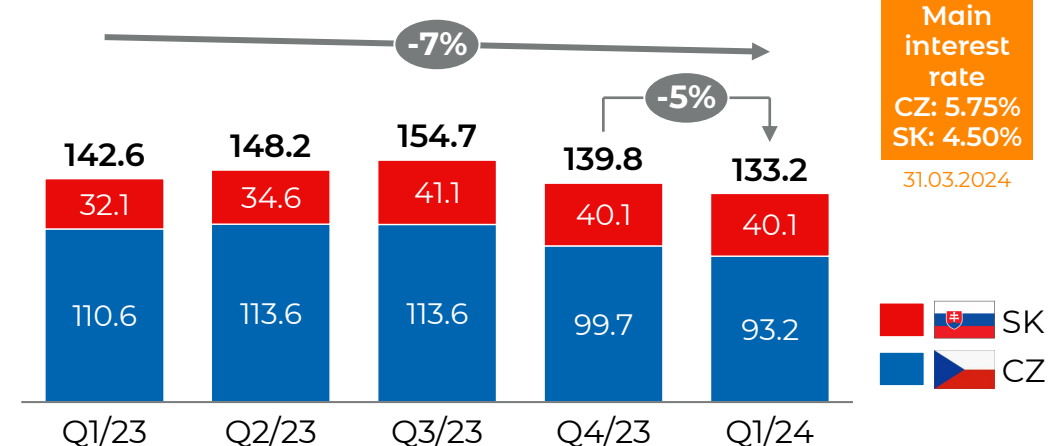
## Number of clients

thousand



## Development of total revenues

PLN M



Note: Volumes based on management information.

# Appendix: mBank in the Czech Republic and Slovakia

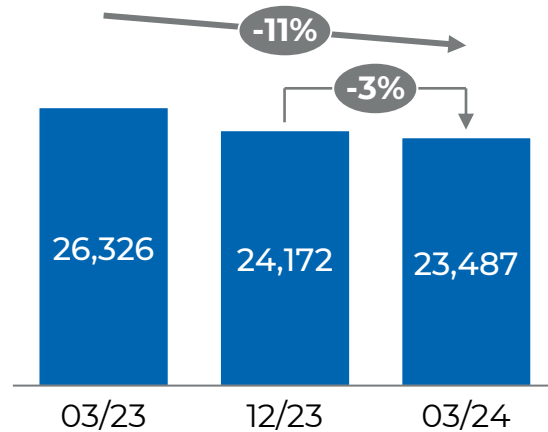


physical network:

6	light branches
7	financial centres
17	mKiosks

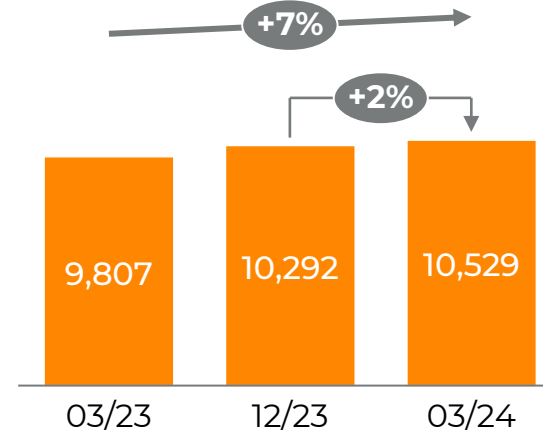
## Mortgage loans

CZK M



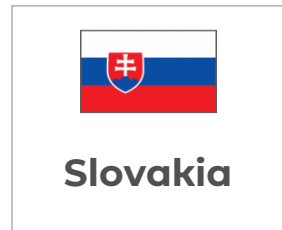
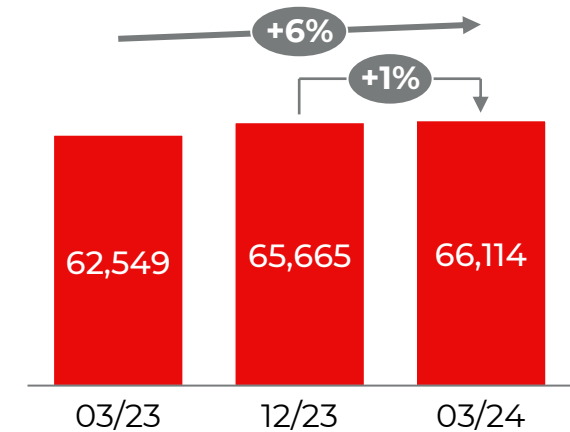
## Non-mortgage loans

CZK M



## Customer deposits

CZK M

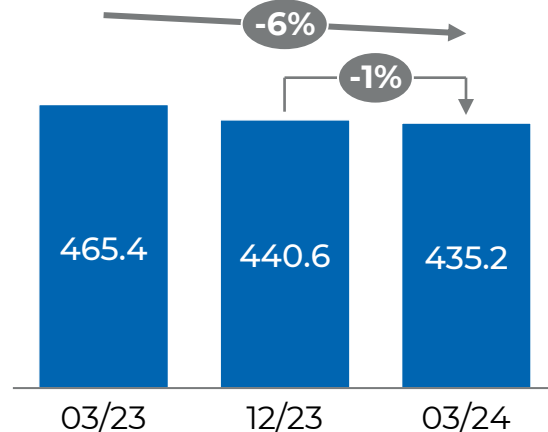


physical network:

2	light branches
4	financial centres
9	mKiosks

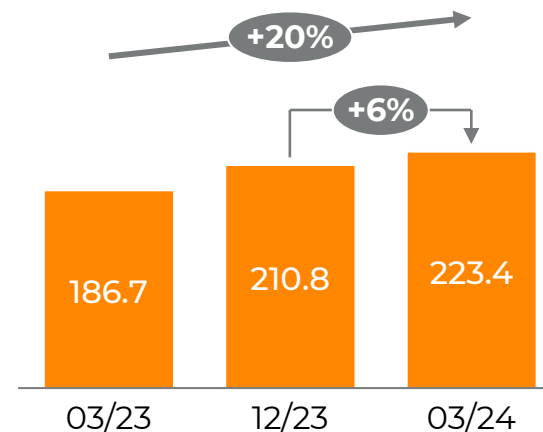
## Mortgage loans

EUR M



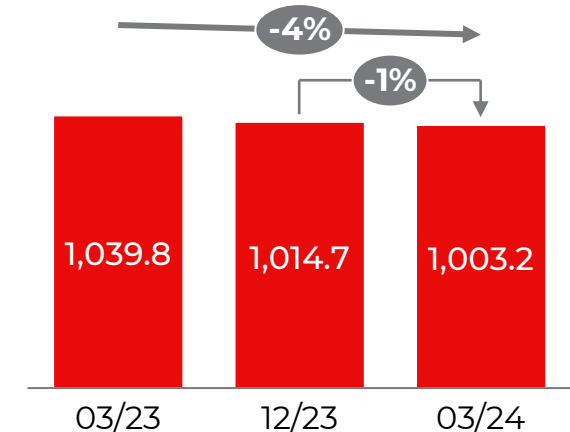
## Non-mortgage loans

EUR M



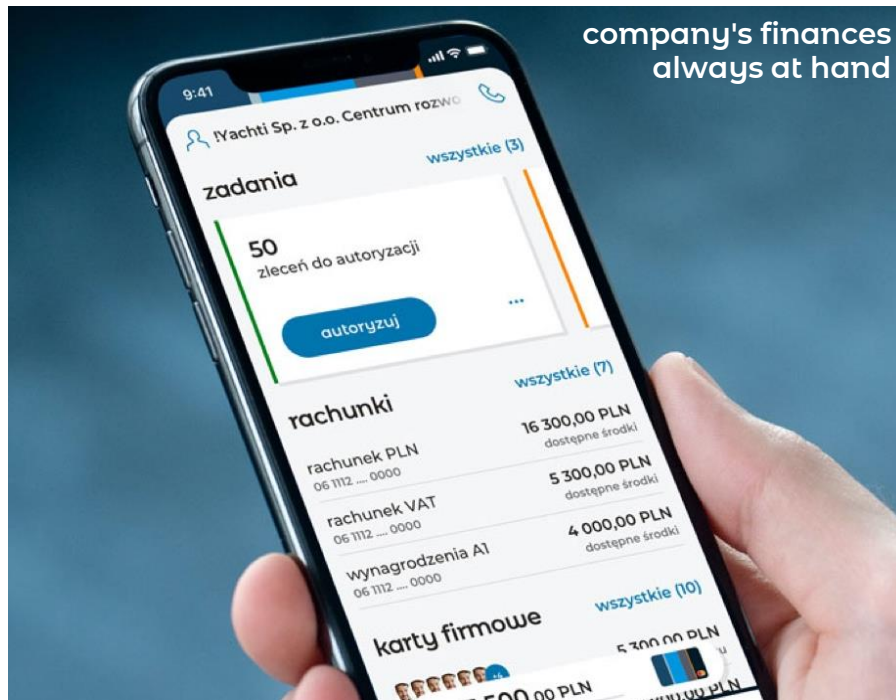
## Customer deposits

EUR M



Note: Volumes based on management information.

# Appendix: Best digital banking services for corporate clients



CompanyMobile  
CompanyNet



**91.6%** of corporate customers have at least one user logging in to mBank's mobile application every month (in Q1/24)

First-class digital banking offer for companies



entirely digital onboarding process, with no in-person contact and printouts required



advanced mBank CompanyNet transactional system, allowing for high level of personalization



remote access and constant control via enhanced mBank CompanyMobile application



Administrator Centre for self-managing user permissions and authorisation schemes



electronic sending of documents, applications, signing of agreements



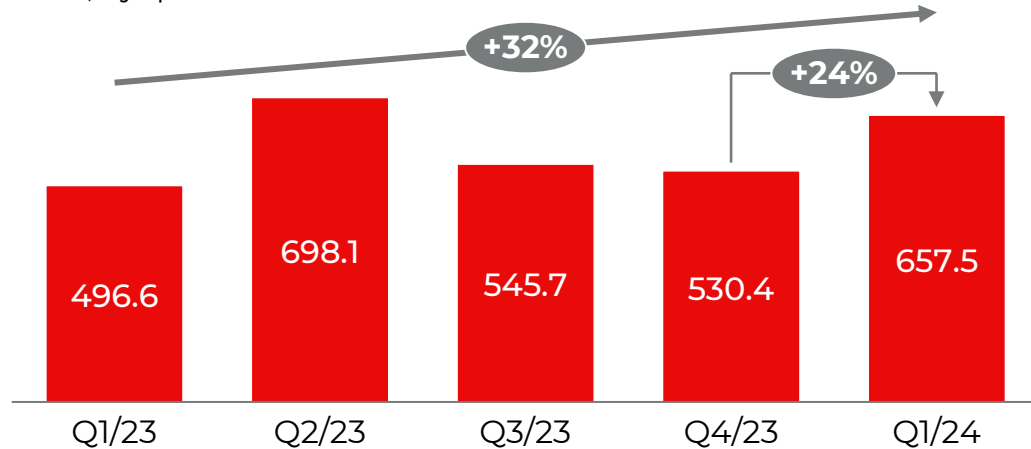
mAuto.pl online platform with an offer of new and used cars, financed by leasing or long-term rental



# Appendix: Corporate & Investment Banking – profit and network

## Profit before income tax of the segment

PLN M, by quarter

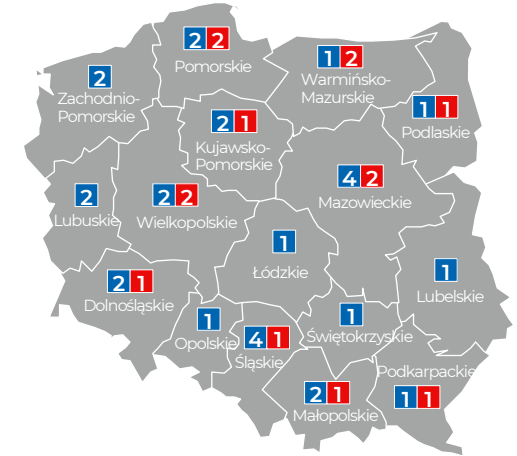


## Number of corporate service locations

as of 31.03.2024

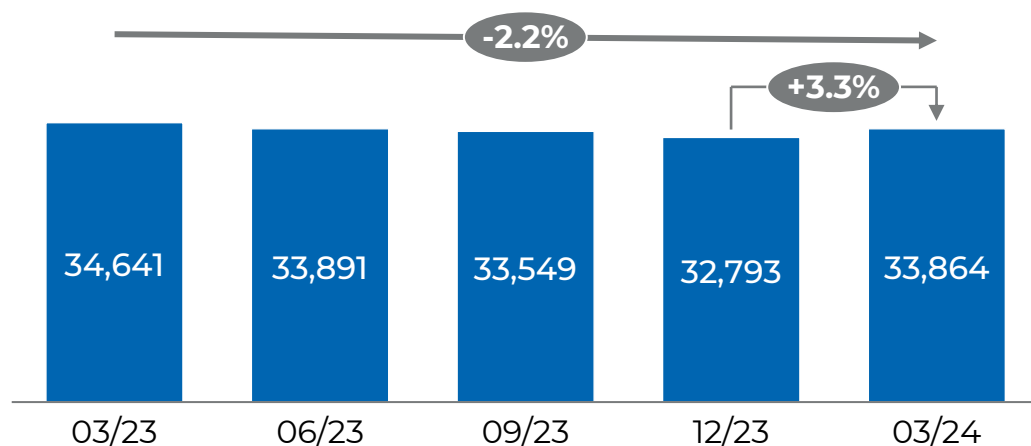
**29** mBank's branches,  
incl. 13 advisory centres

**14** mBank's offices



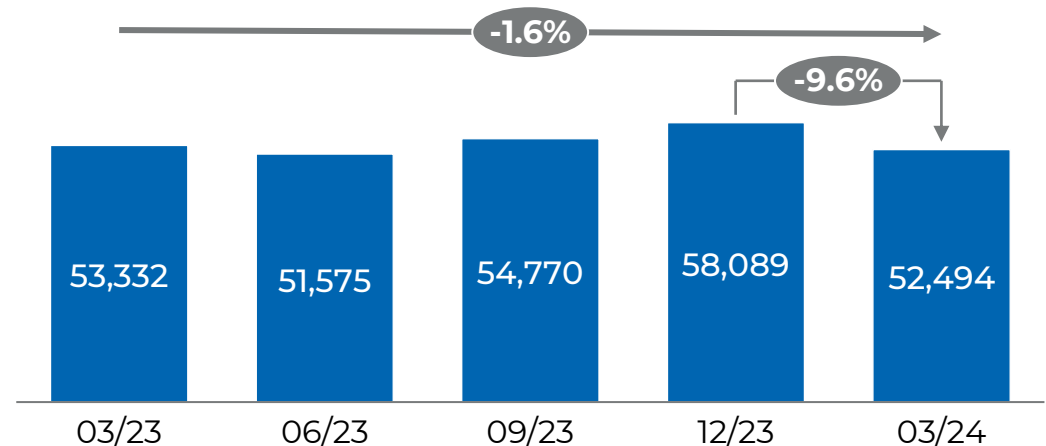
## Development of loans to enterprises<sup>1</sup>

PLN M



## Development of deposits from enterprises<sup>1</sup>

PLN M

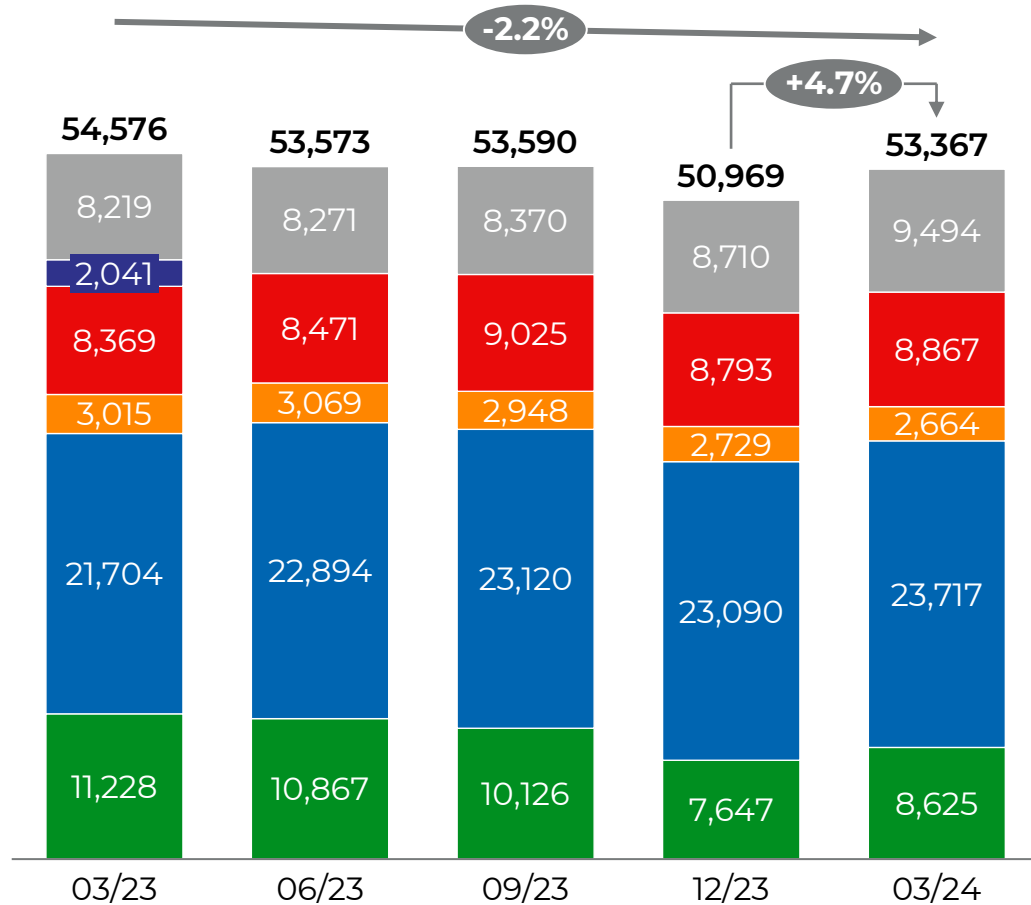


<sup>1</sup> Corporate loan and deposit volumes (for mBank and mBank Hipoteczny) according to NBP rules (monetary reporting system – MONREP)

# Appendix: Corporate & Investment Banking – business volumes

Development of gross loans to corporates and public sector

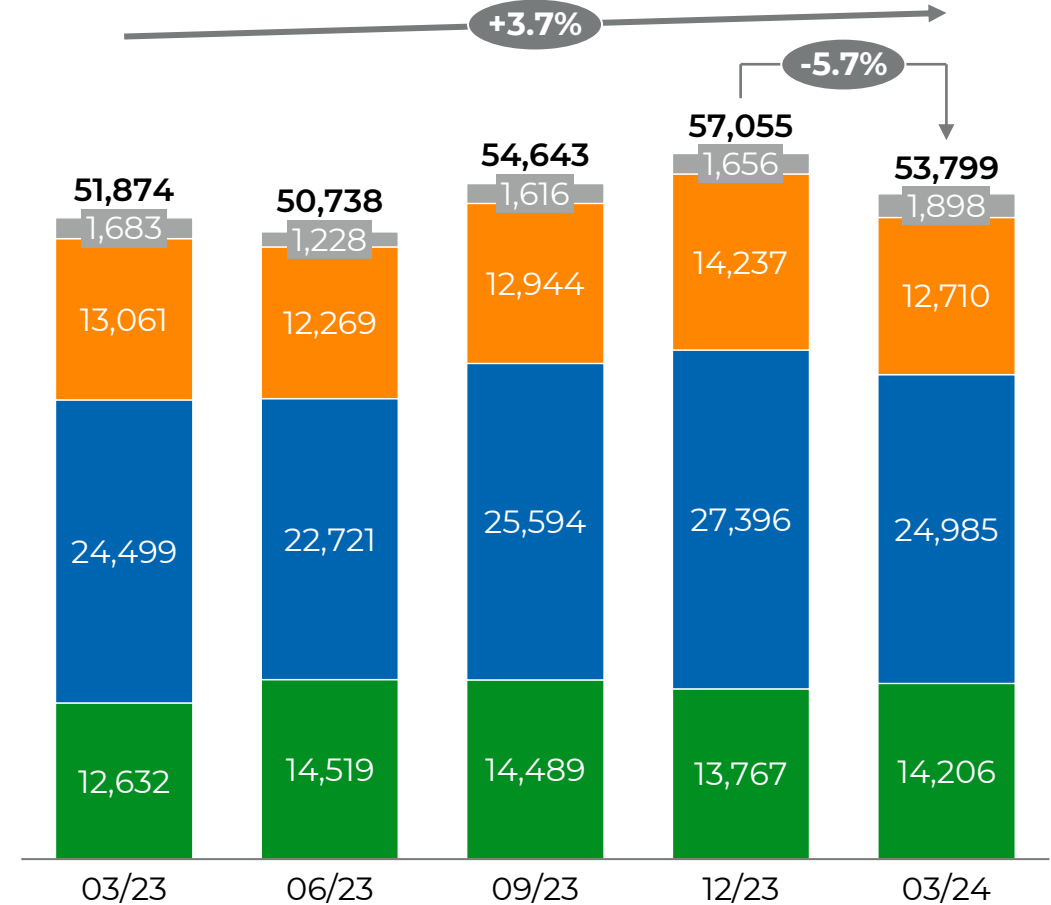
PLN M



■ K1 ■ K2 ■ K3 ■ mLeasing ■ Other  
■ mBank Hipoteczny (corporate exposures shifted to mBank in May 2023)

Development of deposits from corporates and public sector

PLN M



■ K1 ■ K2 ■ K3 ■ Other

Note: Corporate clients split: K1 – annual sales over PLN 1 B and non-banking financial institutions; K2 – annual sales of PLN 50 M to PLN 1 B; K3 – annual sales below 50 M and full accounting.

# Appendix: Complete solutions for e-commerce segment

mBank's unique payment gateway

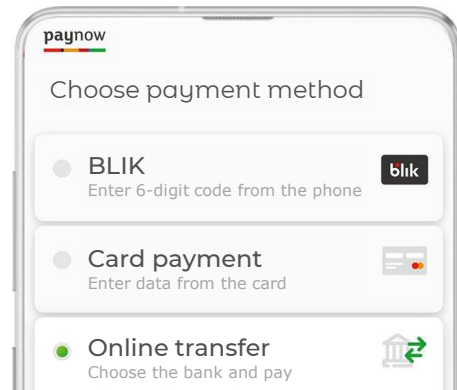
## paynow

Online payment processing solution (BLIK, pay-by-link, card) and a core of mBank's offering for e-commerce merchants (SME and corporate clients)



developed to provide a delightful digital shopping experience for the customer and the merchant

- quick and easy integration with merchant's online shop
- high processing capacity, especially for peaks in payment volumes (up to 200 transactions per second)
- convenient management through mBank's transactional service or panel adapted to mobile devices
- extended for new services, e.g. Mass Collect for corporates, payment links



Processed payments volume has been constantly growing: PLN 709 M in Q1/24, +74% YoY



Comprehensive value proposition for e-merchants



3 editions of special campaign and contest "Digital Revolutions" to support microfirms and SMEs in e-commerce expansion

- tools for opening and running an e-shop in cooperation with Sky-Shop (incl. an option to set up an online store for a 14-day free trial period)
- free-of-charge accounting helpline for e-commerce
- dedicated webinars, articles and blog for firms starting sales and already operating in Internet
- mOrganizer to handle invoices



professional accounting services for businesses

At the end of Q1/24, mBank serviced 564.4 thousand microfirms in Poland, +4.8 thousand YoY.



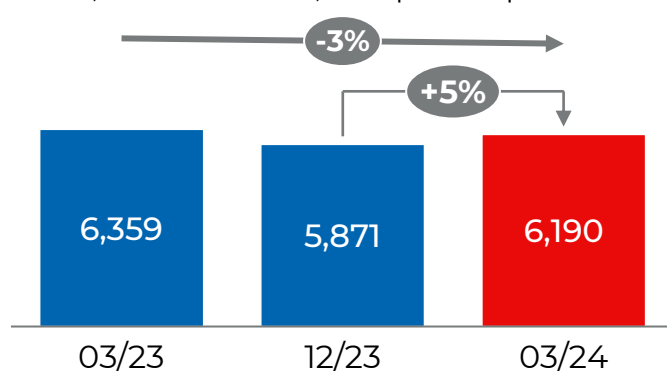
# Appendix: Performance of main subsidiaries of mBank

**m Bank Hipoteczny**  
 established in 1999

specialised mortgage bank and active issuer of covered bonds on both domestic and foreign markets

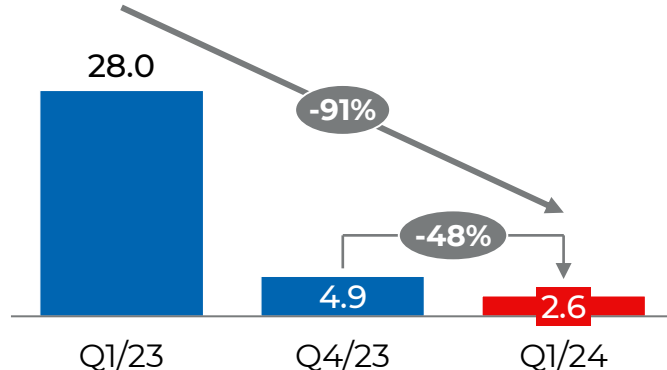
## Outstanding amount of covered bonds

PLN M, nominal value, incl. private placement



## Company's profit before income tax

PLN M



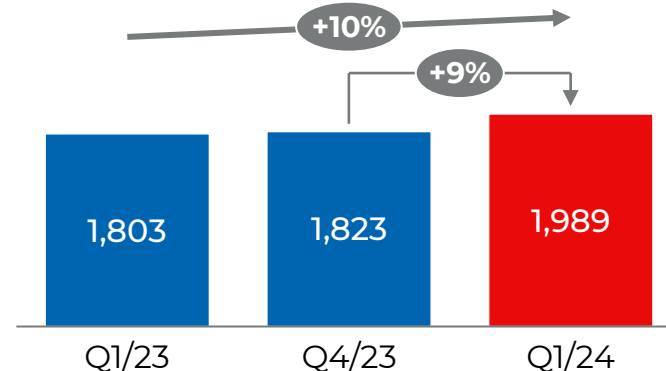
**m Leasing**  
 established in 1991

offered financing in the form of leasing of cars, trucks, machinery and real estate as well as car fleet management (CFM) services

## Leasing contracts

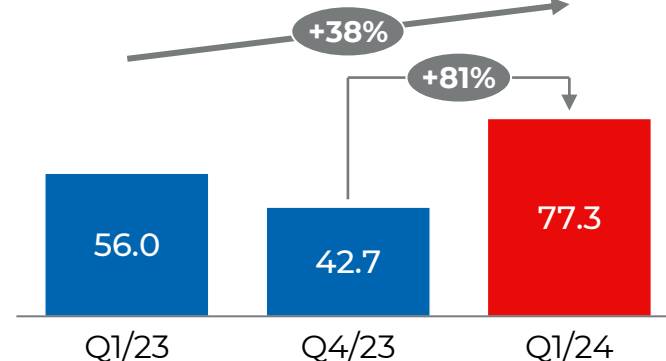
PLN M

Market share in 2023: 7.1%



## Company's profit before income tax

PLN M



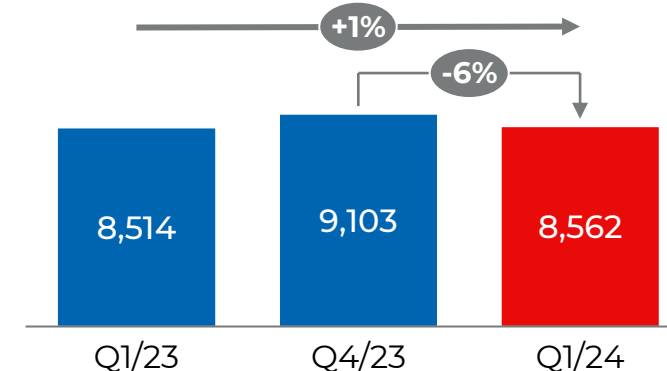
**m Faktoring**  
 established in 1995

offered services include domestic and export recourse and non-recourse factoring and import guarantees

## Factoring contracts

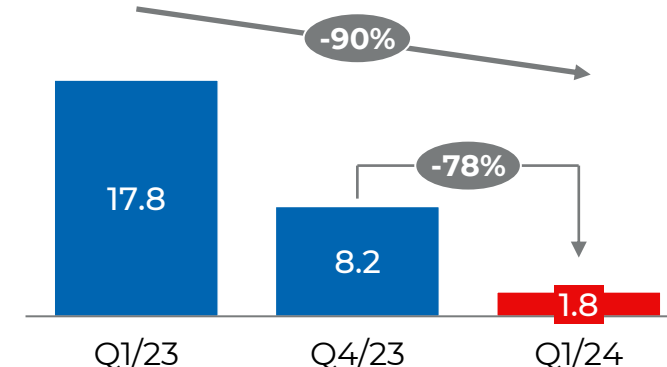
PLN M

Market share in 2023: 7.8%



## Company's profit before income tax

PLN M



Source: Calculation based on data published by Polish Leasing Association (PLA) and Polish Factors Association (PFA).

# Appendix: Historical financial results of mBank Group

PLN million	2019	2020	2021	2022	2023	Δ YoY
Net interest income	4,002.8	4,009.3	4,126.3	5,924.0	8,873.5	+49.8%
Net fee and commission income	1,270.6	1,508.3	1,867.8	2,120.1	1,915.9	-9.6%
Net trading and other income	251.0	349.2	117.1	-187.2	12.9	-/+
Total income	5,524.4	5,866.8	6,111.1	7,856.9	10,802.3	+37.5%
Total costs	-2,329.2	-2,411.1	-2,456.9	-3,319.2	-3,074.4	-7.4%
Loan loss provisions and fair value change	-793.8	-1,292.8	-878.6	-849.3	-1,105.5	+30.2%
Operating profit before legal provisions and taxes	2,401.5	2,162.8	2,775.7	3,688.4	6,622.3	+79.5%
Costs of legal risk related to FX loans	-387.8	-1,021.7	-2,758.1	-3,112.3	-4,908.2	+57.7%
Taxes on the Group balance sheet items	-458.7	-531.4	-608.6	-684.2	-743.6	+8.7%
Income tax	-544.8	-506.0	-587.8	-594.5	-946.5	+59.2%
Net profit or loss	1,010.4	103.8	-1,178.8	-702.7	24.1	-/+
Total assets	158,353	178,861	198,373	209,892	226,981	+8.1%
Gross loans to customers	108,170	111,912	120,856	123,437	117,229	-5.0%
Individual clients	59,993	65,655	72,871	71,122	66,260	-6.8%
Corporate clients	47,786	46,025	47,832	52,207	50,836	-2.6%
Customer deposits	113,184	133,672	157,072	174,131	185,467	+6.5%
Individual clients	77,664	97,976	112,446	122,890	128,412	+4.5%
Corporate clients	34,702	35,250	44,018	49,981	56,439	+12.9%
Total equity	16,153	16,675	13,718	12,715	13,737	+8.0%
Net interest margin	2.7%	2.3%	2.2%	3.7%	4.2%	+0.5pp
Cost/Income ratio	42.2%	41.1%	40.2%	42.2%	28.5%	-13.7pp
Cost of risk	0.79%	1.20%	0.76%	0.69%	0.93%	+0.24pp
Return on equity (ROE)	6.4%	0.6%	-7.2%	-5.3%	0.2%	+5.5pp
Tier 1 capital ratio	16.5%	17.0%	14.2%	13.8%	14.7%	+0.9pp
Total Capital Ratio	19.5%	19.9%	16.6%	16.4%	17.0%	+0.6pp



# Appendix: Strategic financial targets of mBank Group

Updated strategic financial targets of mBank Group for 2023-2025 compared to results for Q1/24

	measure	target level	execution in Q1/24		
<b>Efficiency</b> [in 2025]	Cost/Income ratio (C/I)	below 40%	30.4%	✓	supported by high interest rates offsetting inflationary pressure
<b>Stability</b> [in the mid-term]	Tier 1 capital ratio	year-end level min 2.5 p.p. above the PFSA requirement	+4.9 p.p.	✓	surplus supported by securitisations and cautious TREA increase
	Cost of risk (COR)	~0.80%	0.17%	✓	lower thanks to improving financial standing of clients and NPL sale
<b>Growth</b> [CAGR till 2025]	Dynamics of loans	average 2022-2025: ~3%	-3.8% YoY	✗	weakened by negative adjustments related to CHF exposure
	Dynamics of deposits	average 2022-2025: ~6%	+1.2% YoY	✗	slower growth due to overliquidity and further pricing optimisation
	Dynamics of total revenues	average 2022-2025: 4-5% <sup>1</sup>	+20% YoY	✓	driven by record-high net interest income despite weaker net fees
<b>Profitability</b> [in 2025]	Net interest margin (NIM)	above 3.0%	4.37%	✓	thanks to higher loan yields and active deposit management
	Return on equity (ROE)	~14%	7.4%	✗	depressed by legal costs related to CHF loans, while core ROE at 48.9%

<sup>1</sup>the growth pace calculated against the level of revenues adjusted for the negative impact of "credit holidays" at PLN 9,191 million

# Appendix: ESG well embedded in mBank Group's strategy (1/2)

## Environmental pillar

Reducing greenhouse gases (GHG) emissions of our loan portfolio, steered by SBTi as the most prominent driver to become net-zero

- ▶ transform our loan portfolio to reach net-zero by 2050

Partnering with our clients by offering products and services to stimulate their sustainable and green activities

- ▶ provide **PLN 10 billion** of green financing (for renewable energy sources, decarbonization, circular economy, e-mobility, etc.) by the end of 2025, including PLN 5 billion from mBank and PLN 5 billion from other sources such as consortia and green bonds issues arranged for clients
- ▶ increase the yearly sale of mortgage loans for real estates compliant with the NZEB-10% (Nearly Zero Energy Building) standard to **14%** in 2024 and **18%** in 2025 of total mBank's mortgage loan production (by volume)
- ▶ offer **at least 50%** of investment solutions managed within mBank Group promoting environmental or social characteristics ("light green" in line with Art. 8 of SFDR) by 2025
- ▶ issue green bonds in the amount of **PLN 5 billion** until the end of 2025

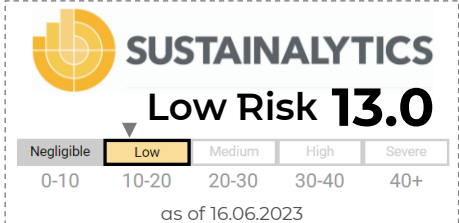
Limiting own GHG emissions by decarbonizing our operations

- ▶ become net zero in own operations by 2040

## SBTi commitment

mBank joined the **Science Based Targets initiative** (SBTi) in 2022. In line with our obligation, we plan to submit our decarbonization targets for validation till 30.09.2024.

## ESG ratings<sup>1</sup>



**Bloomberg GEI**  
Gender-Equality Index

**WIG-ESG index**  
on WSE in Poland

<sup>1</sup> please see [the webpage](#) for disclaimer statements

# Appendix: ESG well embedded in mBank Group's strategy (2/2)

## Social pillar

### Providing an attractive work environment that ensures diversity, equity and inclusion

- ▶ ensure **gender balance** in the succession program (at **minimum 45%** of a given gender) and reduce the **pay gap** (keeping it below 5%)



### Ensuring balanced gender representation at mBank Group

- ▶ increase the level of **gender representation** in managerial bodies of mBank's main subsidiaries (including mLeasing, mFaktoring, mBank Hipoteczny, mTFI, mFinanse) **to 40%** by the end of 2026



### Making social impact through fostering financial health and education of our clients

- ▶ continue **financial education** and promote **responsible management of personal finance** among clients by growing the number of users of dedicated functionalities in mBank's mobile and internet services

## Governance pillar

### Enhancing our corporate governance by ESG aspects

- ▶ have all TOP 100 managers (at mBank and main subsidiaries) with **goals related to ESG** at a **10% weight** in their Objective and Key Results



### Integrating environmental, social and governance risks with mBank's risk management

- ▶ incorporate ESG into **credit** and **Internal Capital Adequacy Assessment Process** documentation, and perform **materiality assessment** of ESG risk each year



### Promoting transparency and ESG standards among our business partners

- ▶ have **70%** of eligible **partners and suppliers** (under central purchasing process) to be **compliant with the 10 Principles of the UN Global Compact** by 2025



# Appendix: mBank's share price performance

Polish banking stocks surged in Q1/24, significantly outperforming the broad market

## mBank's index membership and weights

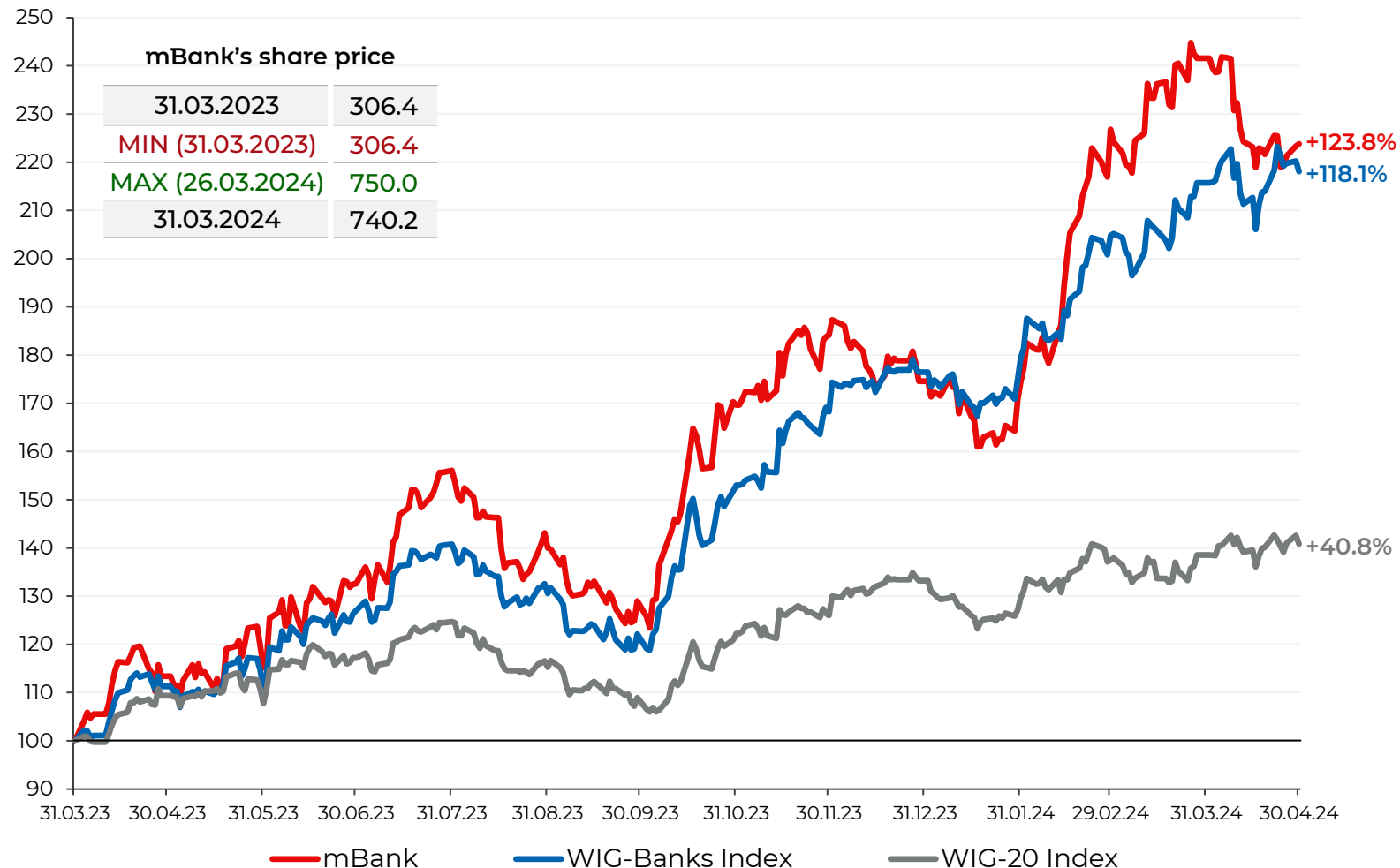
as of 31.03.2024

WIG20	<b>WIG20</b>	3.149%
WIG30	<b>WIG30</b>	3.077%
WIG	<b>WIG</b>	2.173%
WIG-Banks	<b>WIGbanki</b>	6.935%
WIG-ESG	<b>WIGESG</b>	3.793%
WIG-Poland	<b>WIGPoland</b>	2.181%

- mBank has been listed on the Warsaw Stock Exchange since October 1992
- A strategic shareholder, Germany's Commerzbank, owns 69.12% of shares

ISIN	PLBRE0000012
Bloomberg	MBK PW
Number of shares issued	42 465 167

## mBank's share performance v. main indices (rebased to 100)



Source: WSE, Bloomberg (data as of 30.04.2024).

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# Contact details

## Karol Prażmo

Managing Director for Treasury and Investor Relations

+48 607 424 464

[karol.prazmo@mbank.pl](mailto:karol.prazmo@mbank.pl)

## Joanna Filipkowska

Head of Investor Relations

+48 510 029 766

[joanna.filipkowska@mbank.pl](mailto:joanna.filipkowska@mbank.pl)

## Paweł Lipiński

+48 508 468 023

[pawel.lipinski@mbank.pl](mailto:pawel.lipinski@mbank.pl)

## Marta Polańska

+48 508 468 016

[marta.polanska@mbank.pl](mailto:marta.polanska@mbank.pl)



mBank's Investor Relations at your service:  
E-mail address: [investor.relations@mbank.pl](mailto:investor.relations@mbank.pl)

Investor Relations website: [www.mbank.pl/en/investor-relations/](http://www.mbank.pl/en/investor-relations/)