

Letter from the Chairwoman of the Supervisory Board of mBank S.A. to the Shareholders

Dear Shareholders,

In 2025, mounting geopolitical and structural tensions became more pronounced, shaping the outlook for the financial sector in the years ahead and serving as a key point of reference for the supervisory board's ongoing work. In a world marked by rising economic competition and the increasingly frequent use of economic instruments as means of influence, the stability of the financial system and the ability of economies to strengthen their resilience and economic sovereignty are becoming fundamentally important. As institutions responsible for allocating capital and managing systemic risk, banks play a pivotal role in this process. Therefore, the supervisory board's priority remains the ongoing assessment of how geopolitical, macroeconomic and technological trends affect the stability of the financial sector, the cost and availability of capital, and the long-term resilience of the bank's business model.

In 2025, the economy entered a period of moderate slowdown and sustained cost pressures. The increase in labour, energy and technology costs is compelling companies to strengthen operational discipline, safeguard margins and reshape supply chains in favour of more regionally anchored models. Europe, in particular, felt acutely the effects of the war in Ukraine, geopolitical tensions, elevated energy costs and the uncertainty surrounding efforts to streamline EU regulations. Despite these challenging conditions, Poland maintained a relatively high pace of economic growth, joining the group of the world's twenty largest economies and reaffirming its capacity to continue converging with the most advanced EU economies. This development was underpinned by a highly skilled workforce, efficient infrastructure and a modern services sector. Persisting geopolitical instability and the slowdown among Poland's key trading partners will pose a major challenge to sustaining further growth.

In this environment, deepening capital and investment ties with the European economy is gaining strategic importance. Financial and investment interdependence serves not only as a catalyst for economic expansion but also as a stabilising force, enhancing economic security in an increasingly fragmented global environment. Poland's growth had long been driven by a strong inflow of foreign direct investment; however, as the economy expanded and Europe slowed, the share of FDI fell in 2025 to around 2% of GDP. At the same time, Polish companies are becoming increasingly active in investing abroad, which signals the maturing of domestic capital and its rising importance in European value chains. Deepening investment and capital links in key sectors, i.e. energy, critical raw materials, digital infrastructure, defence technologies, supply chains underpinning the technological and climate transition, and food security, serves to strengthen the country's security. Building economic sovereignty also requires diversifying supply sources, strengthening production capacities in allied countries and fostering long-term investment and technological cooperation.

This will not be possible without a well-established banking sector, which remains the main source of financing for companies and investment. Its credibility and ability to commit capital over the long term depend on the quality of corporate governance, grounded in independent oversight, strong management capabilities, clearly defined decision-making principles, and robust systems for risk control and managerial accountability. Corporate governance understood in this way builds investor and market confidence, ensures the predictability of financial institutions' operations and enables swift and responsible responses to changing economic and regulatory conditions.

The supervisory board welcomes the further strengthening of the mBank Group's capital position and the effective mitigation of factors weighing on capital ratios through the maintenance of solid capital buffers. At the end of 2025, the Tier 1 Capital Ratio and the Total Capital Ratio stood at 14.4% and 16.3%, respectively. In both cases, the surplus over the regulatory minimums reached 4.3 percentage points. The EUR 400 million Tier 2 subordinated bond issuance (the first publicly offered euro-denominated Tier 2 issue by a Polish commercial bank, which attracted unprecedented investor interest with demand exceeding supply ninefold and an order book of EUR 3.6 billion), together with the securitisation transactions, enabled the bank to maintain comfortable capital buffers well above the minimum regulatory requirements.

Moreover, the bank carried out a securitisation transaction involving a PLN 3.8 billion portfolio of corporate Project Finance loans and executed the ramp-up option in the 2024 transaction, increasing the nominal value of the securitised portfolio from PLN 5.2 billion to PLN 7.0 billion. At the same time, the bank issued EUR 500 million in senior unsecured notes under the EMTN Programme, aligned with mBank Group's Green Bond Framework, which likewise attracted exceptional investor interest, with a reduction rate exceeding 88%. Retained earnings, the issuance of subordinated bonds, the securitisation transactions and the issuances under the EMTN Programme enabled further strengthening of capital buffers and diversification of financing sources.

mBank Group maintains a comfortable liquidity position, as demonstrated by high LCR and NSFR and a net loans-to-deposits ratio of 58.1% as at 31 December 2025. A stable financing structure and a growing deposit base allow the bank to remain highly resilient to market volatility and provide a solid foundation for continued business growth. A strong capital and liquidity position remains one of the key pillars of the bank's security and ability to finance the economy in an environment of elevated uncertainty.

The financial results achieved in 2025 were an important factor in strengthening the bank's capital position and its capacity for further growth. Income reached a record high of PLN 12.47 billion and net profit, also the highest in mBank's history, totalled PLN 3.54 billion, representing an increase of 58.0% on 2024. Moreover, the return on equity (ROE) and the return on tangible equity (ROTE) reached 17.9% and 20.8%, respectively, confirming mBank's ability to generate attractive returns while maintaining a prudent approach to risk and capital allocation. Consistent cost discipline resulted in a cost-to-income (C/I) ratio of 31.0%, one of the lowest among large banks in Europe and globally, reinforcing the resilience of the business model and enabling continued implementation of strategic and technological investments.

The supervisory board gladly welcomed the significant progress in resolving the issue of foreign currency loans, which had weighted on mBank's financial results for years, and the management board's forecast that in 2026 the CHF portfolio will cease to be a material burden on the group's results. The legal risk costs related to foreign currency mortgages decreased by more than half from PLN 4.31 billion in 2024 to PLN 2.04 billion in 2025.

The number of active CHF loan agreements fell to 5,952, representing a 93.0% reduction compared with the initial number. The number of pending court proceedings decreased by 63% to below 5,900. The settlement programme consistently implemented by the bank resulted in 10,500 settlements concluded during the year and the total number of settlements signed with Swiss franc borrowers since September 2022 reached almost 32,400. The quality of the loan portfolio remained solid – the NPL ratio decreased by 0.6 percentage points over the year to 3.5%, and the cost of risk amounted to 58 basis points, remaining clearly below the strategic assumptions.

In 2025, the bank's profitability was based on stable and recurring sources of income and the bank maintained a conservative approach to risk. Effective management of net interest income in an environment of falling interest rates was a key factor, which enabled the bank to achieve a record level of interest income. Over the year, inflation fell from 4.9% at the beginning of the year to 2.4% in December, which allowed the Monetary Policy Council to gradually ease its monetary policy and lower the NBP reference rate by a total of 175 basis points to 4.00% at year-end. This environment supported a gradual revival of lending activity and confirmed the bank's ability to maintain stable profitability across different phases of the economic cycle, with a gradual increase in the share of recurring fee and commission income, supported by a growing base of active clients and the development of the investment product offering.

In September 2025, the supervisory board approved the mBank Group Strategy for 2026–2030 "Full Speed Ahead!". The strategy sets ambitious development directions, assuming a dynamic increase in market shares, the implementation of technological innovations and the resumption of dividend payments. The key element of the strategy is the financing of the energy and technology transition of the bank's clients. As the first bank in Poland, mBank has obtained a positive verification of its climate targets and the decarbonization pathway of its assets by the SBTi, and has also adopted and published its Transformation Plan. The plan includes, among other things, doubling the volume of mortgage sales for energy-efficient buildings compared to 2024, as well as increasing credit exposure to sustainable, transitional, and measurably socially and environmentally impactful financing to 15% of the corporate portfolio by 2030.

The supervisory board views these actions as part of the long-term strengthening of the loan portfolio quality. High energy prices have a direct impact on inflation, the competitiveness of corporate clients and the entire economy. mBank understands that the energy transition is a response to growing environmental and geopolitical risks, but when carried out appropriately, it can become a source of competitive advantage. That is why mBank consistently supports its clients in this process, using its financial capital, expertise and modern technologies. The total value of sustainable and transitional financing amounted to 22 billion PLN at the end of 2025, including 10.7 billion PLN of the bank's own financing and 11.3 billion PLN of capital mobilized on the market. The supervisory board sees this as evidence that mBank actively supports its clients on the path towards a low-emission economy, combining environmental responsibility with the achievement of business objectives.

In an environment of accelerating digitisation and increasingly complex technological risks, the supervisory board views investment in technology and cyber security as a cornerstone of the bank's long-term competitiveness. In 2025, the bank finalised the comprehensive modernisation of its core systems, one of the first transformations of this kind in the European banking sector, thus strengthening its operational resilience and its capacity to scale innovations. The bank won the prestigious Forrester Technology Strategy Impact Award for EMEA 2025, granted for the most impactful technology strategies in Europe. The jury was impressed by mBank's exceptional results in terms of core system modernisation, cloud technology use, process automation and the implementation of advanced AI tools. The above activities were recognised as a model example of successfully combining innovation with the achievement of business objectives. The supervisory board sees this transformation as a strategic investment, providing a sustainable advantage in the areas of data management, process automation and the development of AI-based solutions, while maintaining the highest standards of security and regulatory compliance.

The bank has been consistently developing the application of AI in operational processes, customer support and risk management, focusing on solutions with a measurable impact on productivity and the quality of business decisions. Ensuring the security of data and systems and developing technology remain our key priorities. Capital expenditure incurred in these areas in 2025 amounted to PLN 786.8 million. In view of growing cyber threats, the supervisory board continuously oversees the bank's operational resilience, including the development of systems protecting critical infrastructure, the testing of crisis scenarios, cooperation with supervisory institutions and the strengthening of the security culture within the organisation. The ability to use technology, including AI, safely and responsibly remains one of the key conditions for maintaining long-term value and stakeholder trust.

mBank's supervisory board has consistently treated corporate governance not as a regulatory requirement, but as one of the fundamental pillars of a financial institution's stability, and shareholder and market confidence. In the banking sector, where equity is a relatively small part of the financing structure, and reputation and credibility remain key assets, the quality of corporate governance has a direct bearing on the cost of financing, operational stability and the ability to create sustainable value.

Effective governance requires an appropriate competence structure and a high level of independence. At the end of 2025, half of the board's members were independent, and all members had broad and complementary industry, technology and regulatory experience. The competences of the supervisory board also cover the bank's key areas of activity, including risk management, financial markets, digital technologies and cybersecurity, regulations and the financing of the energy transition. In 2025, the supervisory board held 10 plenary meetings and 24 committee meetings, and adopted 105 resolutions. The supervisory board's nomination and remuneration committee continued the succession process and further strengthened the competences of the supervisory board by expanding its composition with two additional mandates and appointing three new female members. These changes are part of the consistent efforts to enhance the quality of supervision, the transparency of decision-making and governance accountability at the highest organisational level. As a result, the bank now meets the requirements of the Women on Boards directive, achieving a 50% share of women on the supervisory board and strengthening the diversity of competences, experience and perspectives within the supervisory body, which supports balanced decision-making focused on long-term stability and value creation.

In 2025, the supervisory board of mBank carried out its supervisory duties in a consistent manner, regularly analysing the group's financial results and the bank's key areas of activity. At each meeting, it discussed the financial plans and progress towards achieving the strategic objectives.

The supervisory board monitored regulatory and risk-related issues, including reports on risk management, IT security, bancassurance, outsourcing, and compliance activities in the Brokerage Bureau and in the OTC services area. Particular attention was devoted to the portfolio of FX mortgage loans, including the progress of the settlement programme, as well as corrective actions and enhancements in the AML/SAN/CFT area; the update of the Recovery Plan was also approved. In accordance with regulatory requirements, the supervisory board carried out an annual assessment of the adequacy and effectiveness of the internal control system, the risk management system, and the functioning of internal governance at the bank. In 2025, correspondence from the Polish Financial Supervision Authority addressed to the supervisory board was also analysed, including the changing regulatory requirements and their potential impact on the bank's operations; in the course of cooperation with the management board the supervisory board received the full set of information, documents and explanations necessary for effective supervision. In the past year, a resolution on granting variable remuneration components and setting the number of warrants for 2024 for the members of the management board of mBank S.A. was also adopted.


The bank operates in one of the most demanding regulatory environments. The supervisory board maintains a consistent and constructive dialogue with supervisory institutions, striving to ensure full regulatory compliance while preserving operational efficiency and competitiveness. In 2025, the bank successfully underwent key supervisory reviews, and achieved its highest SREP rating in the past five years. The new regulatory requirements were implemented in a timely and orderly manner. The supervisory board views the high standard of regulatory compliance and operational transparency as a factor strengthening the bank's resilience and its position as a trustworthy partner for clients, investors and public institutions.

In 2025, mBank Group continued its efforts to build a diverse and inclusive working environment, strengthening an organisational culture based on equal opportunities and transparency. The pay gap decreased to 3.1%, confirming progress in eliminating unjustified remuneration differences. At the same time, a succession programme for the management and supervisory board was further developed, including the identification of potential successors and dedicated development programmes. The share of the under-represented gender in the succession programme amounted to 46.8%, and the growing share of women in promotions and managerial recruitment confirms the effectiveness of the measures taken. These initiatives have also been recognised externally – mBank received a distinction in the “Responsible and Friendly Employer” programme for consistently building a supportive working environment, promoting employees' financial security, and pursuing long-term activities in the area of human capital management.

The supervisory board exercises ongoing oversight of the bank's information policy and the quality and transparency of its financial and non-financial reporting, treating it as a key element of responsible management and building market trust. In 2025, mBank was dubbed the Best of the Best for the 13th time in a row in the Best Annual Report competition in the financial institutions category, was granted a distinction for the best corporate governance statement, and received the 20th Anniversary Award for organisations most frequently awarded in the history of the competition. mBank Group's 2024 Sustainability Report was also recognised in the “Financial Sector” category in the competition organised by the Responsible Business Forum, confirming the high level of transparency and the maturity of the bank's approach to ESG reporting.

A further sign of the market's growing trust in mBank was the notable upgrade of its ratings by all three global agencies – S&P Global Ratings, Moody's and Fitch Ratings – within less than two months. The positive rating revisions confirm the effectiveness of the measures aimed at reducing the risk related to FX mortgage loans, improving profitability and strengthening the bank's foundations.

In 2025, the bank's share price reached an all-time high of PLN 1,061.5, clearly outperforming sector indices. The supervisory board views this sustained market advantage as confirmation of the improvement in financial fundamentals, the consistent implementation of the strategy and investors' growing confidence in mBank's long-term potential. The strong market valuation and stable interest of institutional investors reflect the perception of the bank as an institution with high-quality corporate governance, predictability, and ability to generate lasting value.



For me personally, this is a moment of particular significance. Taking over as chairwoman of the supervisory board in March 2020, I took on this responsibility amid unprecedented uncertainty: the pandemic, record-low interest rates, and significant regulatory and legal burdens. The following years brought the war in Ukraine, the energy crisis, high inflation, and increasing geopolitical fragmentation – factors that significantly raised the demands on the resilience of financial institutions in Europe. During this period, mBank significantly increased its shareholder value: the share price exceeded PLN 1,000, and market capitalisation grew more than eightfold, while maintaining one of the highest cost efficiencies in the EU. In this demanding environment, mBank rebuilt and strengthened its market, operational and capital position through groundbreaking transactions on the Polish and European markets, substantially increasing the scale of its operations and the value delivered to shareholders. This confirms that consistent strengthening of the foundations, the ability to innovate, and a long-term strategic orientation constitute the most durable basis for building value in the banking sector. At the same time, we remain aware that market trust is built gradually and requires transparency and high governance standards. Maintaining the bank's financial stability and credibility towards shareholders, clients and the market remains our paramount commitment, and their trust is our most valuable asset.

On behalf of the entire supervisory board, I would like to express my sincere thanks to the management board and all mBank employees for their professionalism, commitment and consistency in achieving strategic goals in a challenging market environment. I would also like to thank our shareholders for their trust and long-term support, which remains the foundation of the bank's continued development. I am confident that maintaining high supervisory and management standards, financial stability and responsible capital allocation will allow the bank to further strengthen its value and grow steadily for the benefit of all shareholders and stakeholders.

Professor Agnieszka Słomka-Gołębiowska

Chairwoman of the Supervisory Board

