

Warsaw 26 February 2019

**Report on the activities
of the Remuneration Committee of the Supervisory Board of mBank S.A.
in 2018**

Legal basis

The Remuneration Committee of the Supervisory Board of mBank S.A. acts as a Standing Committee in line with:

- the By-laws of mBank S.A. (Article 22 (3).4)
- the Rules of the Supervisory Board of mBank S.A. (Article 12 (3).4).
- Rules of the Remuneration Committee of the Supervisory Board of mBank S.A.

Composition

In 2018 the composition of the Remuneration Committee was as follows:

- Dr. Andre Carls (Chairman)
- Maciej Leśny (Member)
- Tomasz Bieske (Member)
- Stephan Engels (Member)

Meetings/activities/decisions

In 2018 the Remuneration Committee of the Supervisory Board held 4 meetings, on the 26th February, 6th June, 26th October and 6th December.

During the meeting held on the 26th February 2018, the Remuneration Committee analysed and extensively discussed among others:

- Approval of MbO results and individual MbO appraisals for the members of the Management Board of mBank S.A. for the financial year 2018
- Approval of mBank S.A. Risk Takers Scorecards for the Management Board for 2017
- Setting annual bonus for 2017 for the Members of the Management Board of mBank S.A. (cash bonus)
- Setting annual bonus for 2017 for the Members of the Management Board of mBank S.A. (bonus in shares)

- Setting periods in 2018, during which Risk Takers, may within the Incentive Programme, purchase bonds and or shares of mBank S.A.
- Final verification of the bonus pool 2017 for mBank employees
- Opinion on Risk Takers remuneration policy
- Annual Report of Activities of the Remuneration Committee in 2017
- Approval of new Remuneration Policy for Risk Takers
- Initial approval of the new Incentive Programme for Risk Takers
- Information on the draft OGM resolutions
- Approval of the new Rules for Remuneration Committee

During the meeting held on the 6th June 2018, the Remuneration Committee analysed and extensively discussed among others:

- Discussion on adjusted bonus approach in 2018 and 2019+
- Information on the payment of the compensation of the annual leave in 2017 for Management Board Members
- Verification of the remuneration paid to Risk Takers below the mBank Management Board level and employees for risk management, audit and compliance in mBank
- Presentation of mBanks approach to retain key employees
- Approval of the new Incentive Programme for Risk Takers

During the meeting held on the 26th October 2018, the Remuneration Committee analysed and extensively discussed among others:

- Discussion on adjusted bonus approach allocation
- Market Comparison of Remuneration for employees
- Detailed information on rotation level In mBank S.A.
- Talent management approach of mBank S.A.
- Annex to the Management Contract of Dr Cezary Styputkowski

During the meeting held on the 6th December 2018, the Remuneration Committee analysed and extensively discussed among others:

- Approval of the Risk Takers Identification and Remuneration Policy
- Approval of the Assumptions to the Remuneration Policy of mBank S.A. and adjusted bonus approach - personal cost structure overview
- Preliminary verification of bonus pool for mBank employees in 2018
- Approval of MbO Goals 2019 for mBank Management Board Members
- Overview of Mandates of the Management Board Members of mBank S.A.

Furthermore Remuneration Committee took on 12th April 2018 two additional

decision in circular procedure, which concern the following topics:

- Annual bonus for 2017 for the President of the Management Board of mBank S.A.
- Acceptance of the management contracts for Management Board of mBank S.A. and Benefit Plan

The Remuneration Committee comprehensively fulfilled all the duties imposed on it in the current legal environment.

Dr Andre Carls
Chairman of the Remuneration Committee