

Warsaw 28 February 2019

**Report on the activities  
of the Remuneration Committee of the Supervisory Board of mBank S.A.  
in 2019**

**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 2019 the composition of the Remuneration Committee was as follows:

From 01.01.2019 to 30.09.2019

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

From 01.10.2019 to 24.10.2019

- Maciej Leśny (Member)
- Tomasz Bieske (Member)
- Stephan Engels (Member)

From 24.10.2019 to 31.12.2019

- Stephan Engels (Chairman)
- Maciej Leśny (Member)
- Tomasz Bieske (Member)

## Meetings/activities/decisions

In 2019 the Remuneration Committee of the Supervisory Board held 4 meetings, on the 26th February, 6th June, 24th October and 12th December.

During the meeting held on the 26th February 2019, 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 2018
- Setting annual bonus for 2018 for the Members of the Management Board of mBank S.A. (cash bonus)
- Setting annual bonus for 2018 for the Members of the Management Board of mBank S.A. (bonus in shares)
- Setting periods in 2019-2020, during which Risk Takers, may within the Incentive Programme, purchase bonds, warrants and or shares of mBank S.A.
- Final verification of the bonus pool 2018 for mBank employees
- Opinion on Risk Takers remuneration policy
- Annual Report of Activities of the Remuneration Committee in 2018
- Acceptance of mBank Remuneration Policy for employees

During the meeting held on the 6th June 2019, the Remuneration Committee analysed and extensively discussed among others:

- New limits for delegation and cars costs for the Management Board
- New OKR approach overview
- Remuneration structure including plan on salary increases in 2019 and shifts in bonus allocation within the business lines
- Verification of the remuneration paid to Risk Takers below the mBank Management Board level and employees for risk management, audit and compliance in mBank

During the meeting held on the 24th October 2019, the Remuneration Committee analysed and extensively discussed among others:

- Market Comparison of Remuneration for employees incl. IT area

During the meeting held on the 12th December 2019, the Remuneration Committee analysed and extensively discussed among others:

- Approval of the Risk Takers Identification and Remuneration Policy and of the Remuneration Policy of mBank S.A.
- Update of Compensation Policy, Compensation Strategy and Benefit Policy of the Commerzbank Group
- Overview of Mandates of the Management Board Members of mBank S.A.
- Preliminary verification of bonus pool for mBank employees in 2019
- Approval of MbO Goals 2020 for mBank Management Board Members

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

Michael Mandel  
Chairman of the Remuneration Committee