

# **Disclosures regarding capital adequacy of mBank S.A. Group as at 30 June 2024**



Warsaw, 7th August 2024

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## 1. Introduction

This document is issued under the disclosure requirements resulting from Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and amending Regulation (EU) No 648/2012 (the CRR Regulation), which formed the legal basis of the reporting date i.e. 30 June 2024.

This document contains information on the prudential consolidated basis of the mBank SA Capital Group (mBank Group) in accordance with the requirements set out in Article 13 of the CRR Regulation. The information shall be published in accordance with the following provisions:

- Commission Implementing Regulation (EU) 2021/637 of 15 March 2021 laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 of the European Parliament and of the Council and repealing Commission Implementing Regulation (EU) No 1423/2013, Commission Delegated Regulation (EU) 2015/1555, Commission Implementing Regulation (EU) 2016/200 and Commission Delegated Regulation (EU) 2017/2295 (Regulation 2021/637),
- Guidelines EBA/GL/2014/14 of 23 December 2014 on materiality, proprietary and confidentiality and on disclosure frequency under Articles 432(1), 432(2) and 433 of Regulation (EU) No 575/2013,
- Guidelines EBA/GL/2020/12 of 11 August 2020 amending disclosure guidelines EBA/GL/2018/01 on uniform disclosures under Article 473a of Regulation (EU) No 575/2013 as regards transitional arrangements for mitigating the impact of the introduction of IFRS 9 on own funds to ensure compliance with the CRR 'quick fix' in response to the COVID-19 pandemic,
- Disclosure Policy of mBank S.A. on capital adequacy available on website [www.mbank.pl](http://www.mbank.pl).

If not stated specifically further in the document, all amounts are presented in PLN thousand.

## 2. Scope of prudential consolidation

According to the CRR Regulation, mBank S.A. (mBank) as a large subsidiary of an EU parent institution discloses information about the capital adequacy on a sub-consolidated basis at the highest local level of prudential consolidation i.e. based on the data of mBank Group.

The mBank Group's prudentially consolidated financial data for the first half of the year 2024 prepared in accordance with the CRR Regulation (Prudentially Consolidated Financial Data for the first half of the year 2024) are presented in Note 32 to the Condensed interim consolidated financial statement of mBank S.A. for the first half of 2024 (Consolidated Financial Statements for the first half of the year 2024), approved on 31st July 2024.

The accounting policies applied for the preparation of the prudentially consolidated financial data for the first half of the year 2024 are the same as those, which have been applied to prepare the mBank S.A. Group Consolidated Financial Report for the first half of the year 2024, with exceptions of consolidation rules described below.

Entities included in prudential consolidation were taken into account in the process of calculation of consolidated own funds and consolidated own funds requirements as at 30 June 2024 in accordance with the CRR Regulation.

Entities included in prudential consolidation are defined in the CRR Regulation as institutions, financial institutions or ancillary services undertakings, which are subsidiaries or undertakings in which a participation is held, except for entities in which the total amount of assets and off-balance sheet items of the undertaking concerned is less than the smaller of the following two amounts:

- EUR 10 million;
- 1% of the total amount of assets and off-balance sheet items of the parent undertaking or the undertaking that holds the participation.

The prudentially consolidated financial data as at 30 June 2024 include the following entities:

1. mBank S.A.
2. mBank Hipoteczny S.A.
3. mFaktoring S.A.
4. mFinanse S.A.
5. mFinanse CZ s.r.o.
6. mFinanse SK s.r.o.
7. mLeasing Sp. z o.o.
8. Future Tech Fundusz Inwestycyjny Zamknięty
9. mElements S.A.
10. Asekum Sp. z o.o.
11. LeaseLink Sp. z o.o.
12. mTowarzystwo Funduszy Inwestycyjnych S.A.

Detailed information on consolidated entities included in consolidation is presented in mBank S.A. Group Consolidated Financial Report for the first half of the year 2024, in the Note 1 Information regarding the Group of mBank S.A.

The scope of entities included in prudential consolidation for the first half of the year 2024 was the same as the scope of entities included in accounting consolidation based on International Financial Reporting Standards (IFRS).

### 3. Capital adequacy

One of the Bank's main tasks is to ensure an adequate level of capital. As part of the capital management strategy of mBank Group, the Bank creates a framework and guidelines for the effective planning and use of capital base which:

- are compliant with external and internal regulations in force,
- guarantee a continuity of financial targets achievement, which render an appropriate rate of return for shareholders,
- ensure the maintenance of a strong capital basis being a fundamental support for business development.

The capital management strategy in mBank Group is based on two pillars:

- aiming at optimal level and structure of own funds, assuring capital adequacy above the capital strategic targets (established above minimum requirement taking into account the risk appetite at approved level) as well as ensuring coverage against all material risks identified in mBank Group's activity,
- effective use of the capital base, guaranteeing achievement of expected returns, including return on regulatory capital and IFRS equity and thus creating stable basis for strengthening capital in future periods.

Above pillars of the capital management allows to maintain business development while meeting the supervisory requirements in the long perspective.

#### 4. Own funds

The consolidated own funds consist of Common Equity Tier 1 capital, Additional Tier 1 capital and Tier 2 capital. Detailed information on particular elements of consolidated own funds of mBank Group as at 30 June 2024 is presented below on the basis of the templates EU CC1 and EU CC2 set out in Annex VII to Regulation 2021/637.

#### Template EU CC1 - Composition of regulatory own funds

		a)	b)
		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
<b>Common Equity Tier 1 (CET1) capital: instruments and reserves</b>			
1	Capital instruments and the related share premium accounts	3 625 547	Template EU CC2: Shareholders' Equity, row 1 and 2, column b)
2	Retained earnings	542 516	Template EU CC2: Shareholders' Equity, row 3, column b)
3	Accumulated other comprehensive income (and other reserves)	8 600 812	Template EU CC2: Shareholders' Equity, row 3 and 5, column b)
EU-3a	Funds for general banking risk	1 153 753	Template EU CC2: Shareholders' Equity, row 3, column b)
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	131 240	Template EU CC2: Shareholders' Equity, row 4, column b)
<b>6</b>	<b>Common Equity Tier 1 (CET1) capital before regulatory adjustments</b>	<b>14 053 868</b>	-
<b>Common Equity Tier 1 (CET1) capital: regulatory adjustments</b>			
7	Additional value adjustments (negative amount)	(43 783)	-
8	Intangible assets (net of related tax liability) (negative amount)	(1 113 604)	Template EU CC2: Assets, row 7, column b)
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	222 946	Template EU CC2: Shareholders' Equity, row 5, column b)
12	Negative amounts resulting from the calculation of expected loss amounts	-	-
EU-20a	Exposure amount of the following items which qualify for a RW of 1 250%, where the institution opts for the deduction alternative	(23 123)	-
EU-20c	of which: securitisation positions (negative amount)	(23 123)	-
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	-	Template EU CC2: Assets, row 11, column b)
EU-25a	Losses for the current financial year (negative amount)	-	Template EU CC2: Shareholders' Equity, row 4, column b)
27a	Other regulatory adjustments	(250 637)	Template EU CC2: Liabilities, row 1, column b)
<b>28</b>	<b>Total regulatory adjustments to Common Equity Tier 1 (CET1)</b>	<b>(1 208 201)</b>	-
<b>29</b>	<b>Common Equity Tier 1 (CET1) capital</b>	<b>12 845 667</b>	-
<b>Additional Tier 1 (AT1) capital: instruments</b>			
30	Capital instruments and the related share premium accounts	-	-
<b>Additional Tier 1 (AT1) capital: regulatory adjustments</b>			
<b>43</b>	<b>Total regulatory adjustments to Additional Tier 1 (AT1) capital</b>	-	-
<b>44</b>	<b>Additional Tier 1 (AT1) capital</b>	-	-
<b>45</b>	<b>Tier 1 capital (T1 = CET1 + AT1)</b>	<b>12 845 667</b>	-
<b>Tier 2 (T2) capital: instruments</b>			
46	Capital instruments and the related share premium accounts	1 589 910	Template EU CC2: Liabilities, row 2e, column b)
50	Credit risk adjustments	50 408	-
<b>51</b>	<b>Tier 2 (T2) capital before regulatory adjustments</b>	<b>1 640 318</b>	-
<b>Tier 2 (T2) capital: regulatory adjustments</b>			
<b>57</b>	<b>Total regulatory adjustments to Tier 2 (T2) capital</b>	-	-
<b>58</b>	<b>Tier 2 (T2) capital</b>	<b>1 640 318</b>	-
<b>59</b>	<b>Total capital (TC = T1 + T2)</b>	<b>14 485 985</b>	-
<b>60</b>	<b>Total Risk exposure amount</b>	<b>93 678 207</b>	-
<b>Capital ratios and requirements including buffers</b>			
61	Common Equity Tier 1 capital	13,71%	-
62	Tier 1 capital	13,71%	-
63	Total capital	15,46%	-
64	Institution CET1 overall capital requirements	7,61%	-
65	of which: capital conservation buffer requirement	2,50%	-
66	of which: countercyclical capital buffer requirement	0,11%	-
67	of which: systemic risk buffer requirement	-	-
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	0,50%	-
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	-	-
<b>68</b>	<b>Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements</b>	<b>7,46%</b>	-
<b>Amounts below the thresholds for deduction (before risk weighting)</b>			
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	29 211	Template EU CC2: Assets, row 3a, column b)
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	154 048	Template EU CC2: Assets, row 3a, column b)
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	1 258 535	Template EU CC2: Assets, row 11, column b)
<b>Applicable caps on the inclusion of provisions in Tier 2</b>			
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	50 408	-
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	302 317	-

**COMMON EQUITY TIER 1 CAPITAL**Capital instruments and the related share premium accounts

In the item Capital instruments and the related share premium accounts, the share capital and share premium capital from sales of shares over the nominal value of mBank Group prudentially consolidated were included as at 30 June 2024.

Capital instruments and the related share premium accounts	
Registered share capital	169 988
Capital instruments not eligible (negative value)	(254)
Share premium	3 455 813
<b>Total</b>	<b>3 625 547</b>

Detailed information on share capital is described in point 23 of the Consolidated Financial Statements for the first half of year 2024.

Retained earnings

Retained earnings item, amounting to PLN 542 516 thousand include the undistributed retained earnings of the prudentially consolidated mBank Group as of 30 June 2024.

Accumulated other comprehensive income (and other reserves)

Accumulated other comprehensive income as at 30 June 2024 amounted to PLN -349 946 thousand. The structure of the accumulated other comprehensive income of mBank Group prudentially consolidated as at 30 June 2024 is presented below.

Accumulated other comprehensive income	
Exchange differences on translation of foreign operations	(27 748),
Cash flow hedges	(225 028)
Cost of hedging	2 082
Valuation of debt instruments at fair value through other comprehensive income	(97 111)
Actuarial gains and losses related to post-employment benefits	(13 577)
Reclassification to investment properties	11 436
<b>Total</b>	<b>(349 946)</b>

Other reserves of mBank Group prudentially consolidated as at 30 June 2024 amounted to PLN 8 950 758 thousand. The structure of other reserves of mBank Group prudentially consolidated as at 30 June 2024 is presented below.

Other reserves	
Other supplementary capital	8 846 613
Other reserve capital	104 145
<b>Total</b>	<b>8 950 758</b>

Accumulated other comprehensive income and other reserves of mBank Group prudentially consolidated as at 30 June 2024 amounted to PLN 8 600 812 thousand.

Funds for general banking risk

mBank Group transfers some of its net profit to the funds for general banking risk to cover unexpected risk and future losses. The funds for general banking risk can be distributed only on consent of shareholders at the General Meeting. As at 30 June 2024 the funds for general banking risk of mBank Group prudentially consolidated amounted to PLN 1 153 753 thousand.

Independently reviewed interim profits net of any foreseeable charge or dividend

The net profit of mBank Group prudentially consolidated, net of any foreseeable charge or dividend, for the first quarter of the year 2024, amounting to PLN 131 240 thousand, net of any foreseeable charge or dividend, was included in calculation of consolidated Common Equity Tier 1 capital as at 30 June 2024.

## THE COMMON EQUITY TIER 1 CAPITAL: REGULATORY ADJUSTMENTS

### Additional value adjustments

In accordance with Article 34 of the CRR Regulation, additional value adjustments have been calculated to all assets measured at fair value in accordance with the requirements of Article 105 of the CRR Regulation and included in Common Equity Tier 1 capital of mBank Group prudentially consolidated as at 30 June 2024 in the amount of PLN -43 783 thousand.

### Intangible assets

Adjustments relating to intangible assets were calculated in accordance with Articles 36 and 37 of the CRR Regulation and in accordance with Article 13a of the Commission Delegated Regulation (EU) No 241/2014 of 7 January 2014 supplementing the CRR Regulation, as amended, and included in the amount of PLN -1 113 604 thousand.

### Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value

In accordance with Article 33 of the CRR Regulation, regulatory adjustments in the amount of PLN 222 946 thousand regarding accumulated other comprehensive income, constituting the fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value, correct the accumulated other comprehensive income item, mentioned above.

### Exposure amount of the following items qualifying for a risk weight of 1 250 % if the institution opts for the deduction option - of which: securitisation items (negative amount)

Included in the calculation of Common Equity Tier 1 capital as at 30 June 2024 is the amount of the adjustment for synthetic securitisation transactions executed on the corporate and retail loan portfolios, for a total amount of PLN -23 123 thousand.

### Other regulatory adjustments

Other regulatory adjustments include insufficient coverage for non-performing exposures, fair value gains and losses arising from the institution's own credit risk related to derivative liabilities calculated in accordance with Article 33(2) of the CRR Regulation and current specific credit risk adjustments.

Other regulatory adjustments	
Insufficient coverage for non-performing exposures	(74 933)
Fair value gains and losses arising from the institution's own credit risk related to derivative liabilities	(4 393)
CET1 capital elements or deductions - other (current specific credit risk adjustments)	(171 311)
<b>Total</b>	<b>(250 637)</b>

## ADDITIONAL TIER 1 CAPITAL

Items that could be treated as Additional Tier 1 capital are not identified in mBank Group as at 30 June 2024.



**TIER 2 CAPITAL**Capital instruments and the related share premium accounts

Pursuant to the PFSA decision dated 8 January 2015, mBank obtained a written permission to include in Tier 2 capital the amount of PLN 750 000 thousand constituting subordinated liabilities from the bonds issue dated 17 December 2014 on total nominal value of PLN 750 000 thousand with the redemption date on 17 January 2025. The issue meets all the requirements of the CRR Regulation. This instrument qualifies as an item in Tier 2 capital to the extent compliant with the depreciation principles referred to in Article 64 of the CRR Regulation.

Pursuant to the PFSA decision of 29 March 2018, mBank obtained a permission to classify cash in the amount of CHF 250 000 thousand as instruments in Tier 2 capital, in accordance with the terms of the loan agreement concluded between mBank S.A. and Commerzbank AG. This instrument qualifies as an item in Tier 2 capital to the extent compliant with the depreciation principles referred to in Article 64 of the CRR Regulation.

Pursuant to the PFSA decision of 28 November 2018, mBank obtained a permission to classify subordinated bonds with a nominal value of PLN 550 000 thousand, issued by the Bank on 9 October 2018 with the redemption date on 10 October 2028, as instruments in Tier 2 capital. This instrument qualifies as an item in Tier 2 capital to the extent compliant with the depreciation principles referred to in Article 64 of the CRR Regulation.

Pursuant to the PFSA decision of 28 November 2018, mBank obtained a permission to classify subordinated bonds with a nominal value of PLN 200 000 thousand, issued by the Bank on 9 October 2018 with the redemption date on 10 October 2030, as instruments in Tier 2 capital.

As at 30 June 2024 in the consolidated Tier 2 capital in the item Equity instruments and related share premium accounts the amount of PLN 1 589 910 thousand was included from the above-mentioned tranches of capital instruments.

Credit risk adjustments

When calculating risk-weighted exposure amounts using the AIRB method, in accordance with article 62 letter d), the mBank Group includes the excess of the provisions over the expected credit losses, calculated in line with article 158 and 159 of the CRR Regulation, in the prudentially consolidated Tier II capital. As of 30 June 2024 the value of this excess included in the prudentially consolidated Tier II capital of the mBank Group amounted to PLN 50 408 thousand.

## Template EU CC2 - reconciliation of regulatory own funds to balance sheet in the audited financial statements

		a	b	c
		Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
		30.06.2024	30.06.2024	
<b>Assets - Breakdown by asset classes according to the balance sheet in the published financial statements</b>				
1	Cash and cash equivalents	21 707 034	21 707 034	-
2	Financial assets held for trading and hedging derivatives	1 637 731	1 637 731	-
3	Non-trading financial assets mandatorily at fair value through profit or loss, including:	907 821	907 821	
3a	Equity securities	306 424	306 424	Template EU CC1: row 72 and 73, col. a)
3b	Debt securities	51 513	51 513	
3c	Loans and advances to customers	549 884	549 884	
4	Financial assets at fair value through other comprehensive income – Debt securities	37 452 641	37 452 641	-
5	Financial assets at amortised cost	161 138 327	161 138 327	-
6	Fair value changes of the hedged items in portfolio hedge of interest rate risk	16 334	16 334	-
7	Intangible assets	1 763 204	1 763 204	Template EU CC1: row 8, col. a)
8	Tangible assets	1 461 714	1 461 714	-
9	Investment properties	100 486	100 486	-
10	Current income tax assets	27 032	27 032	-
11	Deferred income tax assets	1 226 253	1 226 253	Template EU CC1: row 21 and 75, col. a)
12	Other assets	2 857 014	2 857 014	-
13	<b>Total assets</b>	<b>230 295 591</b>	<b>230 295 591</b>	-
<b>Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements</b>				
1	Financial liabilities held for trading and hedging derivatives	1 691 718	1 691 718	Template EU CC1: row 27a, col. a)
2	Financial liabilities measured at amortized cost, including:	204 720 136	204 720 136	
2a	Amounts owed to banks	3 231 573	3 231 573	
2b	Amounts due to clients	187 531 268	187 531 268	
2c	Lease liabilities	819 438	819 438	
2d	Liabilities due to debt securities issued	10 476 503	10 476 503	
2e	Subordinated liabilities	2 661 354	2 661 354	Template EU CC1: row 46, col. a)
3	Fair value changes of the hedged items in portfolio hedge of interest rate risk	(545 286)	(545 286)	
4	Provisions	3 384 924	3 384 924	-
5	Current income tax liabilities	203 177	203 177	-
7	Other liabilities	6 231 543	6 231 543	
8	<b>Total liabilities</b>	<b>215 686 212</b>	<b>215 686 212</b>	-
<b>Shareholders' Equity</b>				
1	Registered share capital	169 988	169 988	Template EU CC1: row 1, col. a)
2	Share premium	3 455 813	3 455 813	Template EU CC1: row 1, col. a)
3	Profit from the previous years	10 647 027	10 647 027	Template EU CC1: row 2, 3, EU-3a, col. a)
4	Profit (loss) for the current year	684 379	684 379	Template EU CC1: row EU 5a and EU-25a, col. a)
5	Other components of equity	(349 946)	(349 946)	Template EU CC1: row 3, 11, col. a)
6	Non-controlling interests	2 118	2 118	-
7	<b>Total shareholders' equity</b>	<b>14 609 379</b>	<b>14 609 379</b>	-

**OWN FUNDS AND ELIGIBLE LIABILITIES**

The information below fulfils the requirements arising from Article 99a(6) of the Act of June 10, 2016 on the Bank Guarantee Fund, Deposit Guarantee Scheme and Resolution ("BFG Act").

The scope of information is in line with the provisions of Commission Implementing Regulation (EU) 2021/763 of 23 April 2021 laying down implementing technical standards for the application of Regulation (EU) No 575/2013 of the European Parliament and of the Council and Directive 2014/59/EU of the European Parliament and of the Council with regard to the supervisory reporting and public disclosure of the minimum requirement for own funds and eligible liabilities.

mBank S.A. is a resolution entity within the resolution group consisting of the Bank and its subsidiaries.

The Bank is subject to the requirements for own funds and eligible liabilities ("MREL") referred to in Article 98(1) of the BFG Act, transposing the provisions of Article 45 of the Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms in this respect.

mBank S.A. is not a global systemically important institution, nor is it the part of a group identified as a global systemically important institution. Therefore, the Bank is not subject to the requirements specified in Article 92a of the CRR Regulation concerning the minimum level of own funds and liabilities subject to write-down or conversion.

Based on the decision of the resolution college of 9 April 2024, the MREL requirement for the Bank on consolidated level, excluding mBank Hipoteczny from consolidation in accordance with Article 97(4a) of the BFG Act, is 15.36% in relation to the total risk exposure amount ("TREA"), including 13.69% for own funds and eligible subordinated liabilities. In relation to total exposure measure ("TEM") the requirement is 5.91%, including 5.26% for own funds and eligible subordinated liabilities. The Bank shall fulfil these requirements from the day of decision reception.

Simultaneously, in accordance with Article 19(2)(3), Article 21(3)(3), Article 42(3) and Article 48(3) of the Act on macro-prudential supervision, which transposes Article 128 of the CRD, Common Equity Tier 1 instruments maintained by the entity in accordance with the combined buffer requirement are not eligible for the MREL requirement expressed as a percentage of the total risk exposure. This rule does not apply to the MREL requirement expressed as a percentage of the total exposure measure.

As a result, the Bank has to maintain the MREL at 18.52% in relation to TREA, including subordination requirement at 16.85%.

As at 30 June 2024, the Bank met the applicable minimum requirements. The MREL ratio as at 30 June 2024 in relation to TREA was 22.79% while the MREL ratio including own funds and eligible subordinated liabilities was 21.94%. The MREL ratio in relation to TEM as at 30 June 2024 was 8.67%, while the MREL ratio including own funds and eligible subordinated liabilities was 8.35%.

## EU KM2: Key metrics - MREL

		a	b	c	d	e	f
		Minimum requirement for own funds and eligible liabilities (MREL)	G-SII Requirement for own funds and eligible liabilities (TLAC)				
		30.06.2024	30.06.2024	31.03.2024	31.12.2023	30.09.2023	30.06.2023
Own funds and eligible liabilities, ratios and components							
1	Own funds and eligible liabilities	21 027 024	-	-	-	-	-
EU-1a	Of which own funds and subordinated liabilities	20 240 287					
2	Total risk exposure amount of the resolution group (TREA)	92 251 672	-	-	-	-	-
3	Own funds and eligible liabilities as a percentage of TREA (row1/row2)	22,79%	-	-	-	-	-
EU-3a	Of which own funds and subordinated liabilities	21,94%					
4	Total exposure measure of the resolution group	242 410 487	-	-	-	-	-
5	Own funds and eligible liabilities as percentage of the total exposure measure	8,67%	-	-	-	-	-
EU-5a	Of which own funds or subordinated liabilities	8,35%					
6a	Does the subordination exemption in Article 72b(4) of the CRR apply? (5% exemption)		-	-	-	-	-
6b	Pro-memo item - Aggregate amount of permitted non-subordinated eligible liabilities instruments If the subordination discretion as per Article 72b(3) CRR is applied (max 3.5% exemption)		-	-	-	-	-
6c	Pro-memo item: If a capped subordination exemption applies under Article 72b (3) CRR, the amount of funding issued that ranks pari passu with excluded liabilities and that is recognised under row 1, divided by funding issued that ranks pari passu with excluded Liabilities and that would be recognised under row 1 if no cap was applied (%)		-	-	-	-	-
Minimum requirement for own funds and eligible liabilities (MREL)*							
EU-7	MREL requirement expressed as percentage of the total risk exposure amount	15,36%					
EU-8	Of which to be met with own funds or subordinated liabilities	13,69%					
EU-9	MREL requirement expressed as percentage of the total exposure measure	5,91%					
EU-10	Of which to be met with own funds or subordinated liabilities	5,26%					

\* Without taking into account the combined buffer requirement

## 5. Capital requirement

### 5.1 Assessment of adequacy of internal capital – description of the approach

On 4 July 2012 PFSA and Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) granted consent to the application of the advanced internal rating based approach (AIRB approach) by mBank to the calculation of the capital requirement for credit risk for the corporate portfolio and the retail mortgage loan portfolio.

Additionally, on 27 August 2012 BaFin in cooperation with PFSA granted consent to the application of internal rating based approach concerning the risk weighting for specialized lending exposures (IRB slotting approach) by mBank Hipoteczny SA (mBH) to the calculation of the capital requirement for credit risk.

On 6 May 2015 mBank SA received conditional consent of PFSA to use AIRB approach for retail mortgage loan portfolio (micro companies) and for the portfolio of commercial banks.

On 25 July 2016 mLeasing S.A. (mLeasing) obtained approval from ECB and PFSA to the application of the AIRB approach to the calculation of capital requirement for credit risk.

On 22 September 2016 mBank SA obtained approval from ECB and PFSA to the application of AIRB approach to the calculation of the capital requirement for credit risk for the specialized lending exposures - income producing real estate.

On 31 January 2018 mBank SA obtained approval from European Central Bank and PSFA to the application of material change in PD model for subsidiary mLeasing.

On 31 March 2021 mBank obtained approval from PFSA for the use of a new LGD model for retail portfolio.

Starting from the process of the calculation of consolidated total capital ratio as at 30 June 2021 mBank Group implemented PFSA requirements (multipliers) related to the recommendations after the implementation of a new default definition.

On March 24, 2022, mBank settled a synthetic securitization transaction carried out on a portfolio of corporate loans with a total value of PLN 8 922 million. As part of this transaction, mBank transferred a significant part to the investor credit risk from the selected securitization portfolio. A selected portfolio of the securitized loans remain on the Bank's balance sheet. The risk of a securitized portfolio is transferred through a recognized credit protection instrument in the form of a credit linked note. The transaction meets the requirements set out in the CRR Regulation regarding the transfer of a significant part of the risk. It has been structured as STS-compliant (simple, transparent and standardized securitization) in line with Regulation 2021/557. The capital requirements for the retained securitization positions are calculated under the Securitization Internal Ratings Based Approach (SEC-IRBA).

On 23 December 2022, the Bank concluded a synthetic securitization transaction referencing a portfolio of corporate as well as small and medium enterprises loans with a total value of EUR 801 million of which 55.3% were credit exposures secured on commercial real estate (CRE). As part of the transaction, the Bank transferred a significant part of the credit risk of a selected securitised portfolio to an investor. The risk transfer of the securitised portfolio is performed through a recognised credit protection instrument, in the form of a credit linked notes. The transaction meets the requirements for significant risk transfer specified in the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending regulation (EU) No 648/2012 ("CRR Regulation"). Retained securitization positions are subject to the calculation of capital requirements in accordance with the securitization approach based on internal ratings (SEC-IRBA).

On 27 September 2023, the Bank concluded a synthetic securitization transaction referencing a portfolio of retail non-mortgages loans with a total value of PLN 9 962,8 million. As part of the transaction, the Bank transferred a significant part of the credit risk of a selected securitized portfolio to an investor. The risk transfer of the securitized portfolio is performed through a recognized credit protection instrument, in the form of a credit linked notes. The transaction meets the requirements for significant risk transfer specified in the CRR Regulation and has been structured as meeting the STS criteria (simple, transparent and standard) in accordance with Regulation 2021/557. Retained securitization positions are subject to the calculation of capital requirements in accordance with the securitization approach based on internal ratings (SEC-IRBA).

In the calculation of the total capital ratio of mBank Group as of 30 June 2024, when calculating the total capital charge, the mBank Group applies the AIRB approach pursuant to the provisions of the CRR Regulation to calculate a capital charge for credit and counterparty credit risk and pursuant to obtained AIRB approvals.

### 5.2 Results of the internal capital adequacy assessment

The below information addressees the scope of disclosure from table EU OVC – ICAAP Information set out in Annex I to Regulation 2021/637.

mBank Group adjusts the own funds (both in regulatory and in economic terms) to the level and type of risk, mBank Group is exposed to and to the nature, the scale and the complexity of its operations. For that

purpose Internal Capital Adequacy Assessment Process (ICAAP) is realized in mBank Group. The aim of this process is to maintain regulatory own funds (under Pillar I) and own funds under economic perspective (under Pillar II) at the level adequate to the profile and the level of risk in mBank Group's operations.

Capital adequacy is monitored:

- in regulatory terms, with reference to capital ratios, including the leverage ratio (which is described in more detail later in this document); and
- on an economic basis (internal), in relation to calculated internal capital.

Internal capital is the amount of capital estimated by mBank and required to cover all material risks identified in mBank Group's operations. Internal capital is the total sum of the economic capital to cover risks included in economic capital calculation and capital necessary to cover other risks (including hard to quantify risks).

In 2024 mBank calculated the economic capital at the 99.91% confidence level over a one-year time horizon for credit, market and business risk. The economic capital for operational risk was calculated using an algorithm based on the Standardised Measurement Approach (SMA) described in the updated Basel III standard: Finalising post-crisis reforms. As of June 2024, mBank has also included ESG risk in its internal capital calculation; considering each of its three components separately. Environmental risk was treated as a horizontal risk that can materialize within the financial and non-financial risk categories identified so far. The bank also designated capital for hard-to-measure risks, where mBank Group since June 2024 has included risk related to securitization transactions and social risk, as well as governance risk. In calculating total internal capital, the Bank did not take into account the effect of diversification between different types of risk.

The internal capital adequacy assessment process runs continuously in mBank Group and includes the following stages implemented by organizational units of mBank and mBank Group subsidiaries:

- risk inventory in mBank Group,
- calculation of internal capital under Pillar II and Pillar I capital requirements to provide for sufficient risk coverage,
- capital aggregation,
- stress tests,
- setting limits on the utilization of capital resources,
- planning and allocation of capital,
- monitoring consisting in a permanent identification of risk involved in the business of mBank Group and the analysis of the level of capital for risk coverage,
- annual process review and assessment.

In order to assess the capital adequacy under economic perspective mBank calculates risk coverage potential (RCP), i.e. economic own funds, in addition to regulatory own funds. Having estimated internal capital as well as RCP both under normal and under stressed conditions Bank determines risk absorbance capacity. On this basis and taking into account the forecast values limits for economic capital for particular risks are determined.

Both the value of the regulatory own funds as well as the value of the risk coverage potential in mBank Group is well above the value of the internal capital.

The main principles of the internal capital adequacy assessment process (ICAAP) are accepted by the Supervisory Board of mBank. The whole internal capital adequacy assessment process is reviewed annually. The Bank's Management Board is responsible for the review of the ICAAP process in mBank Group.

### **5.3 Supervisory requirements regarding capital ratios**

According to provisions of the CRR Regulation the Bank and the mBank Group are required to meet minimum regulatory level of capital ratios, i.e. to maintain a minimum total capital ratio above 8%, Tier 1 capital ratio above 6% and common equity Tier 1 capital ratio above 4.5%.

Provisions of CRD IV, in particular provisions regarding capital buffers, were transposed into a national legislation, which took place in 2015 with the endorsement of the Act on Macro-prudential Supervision over the Financial System and Crisis Management in the Financial System (Act) and with an update of the Banking Law. The act stipulates capital buffers banks in Poland should meet once buffers are implemented by competent authorities indicated in the Act.

As of 30 June 2024 mBank Group was obliged to ensure adequate own funds to meet conservation capital buffer of 2.5% of total risk exposure amount, as defined in the Act.

As of 30 June 2024 the countercyclical capital buffer rate set for relevant exposures in Poland according with the article 83 of the Act amounted to 0%. The ratio shall be effective until it is changed by way of an ordinance of the Minister of Finance.

Countercyclical capital buffer in accordance with the provisions of the Act as the weighted average of the countercyclical buffer rates that apply in the countries where the relevant credit exposures of the mBank Group are located. As at the end of June 2024 this ratio amounted to 0.11%.

Exposures of foreign branches in Czech Republic and in Slovakia, where countercyclical buffer rates as of 30 June 2024 amounted to 1.75%, and 1.5% respectively, had an impact on the mBank Group specific countercyclical capital buffer.

#### EU CCyB2 - Amount of institution-specific countercyclical capital buffer

		30.06.2024
1	Total risk exposure amount	93 678 207
2	Institution specific countercyclical capital buffer rate	0.1129%
3	Institution specific countercyclical capital buffer requirement	105 763

## Template EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

		a	b	c	d	e	f	g	h	i	j	k	l	m
		General credit exposures		Relevant credit exposures - Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Own fund requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
		Exposures value under the standardized approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
10	Breakdown by country:													
20	Poland	23 636 372	97 690 519	2 237 877	-	16 578 334	140 143 102	5 238 659	46 937	248 714	5 534 310	69 178 875	92.4809%	-
30	Czech Republic	6 038 479	7 687	-			6 046 166	234 881	-	-	234 881	2 936 013	3.9250%	0.0687%
40	Slovakia	2 932 326	3 426	-			2 935 752	117 542	-	-	117 542	1 469 275	1.9642%	0.0295%
50	Luxemburg	94 217	441 019	-			535 236	53 186	-	-	53 186	664 825	0.8888%	0.0044%
60	Netherlands	148 624	174 728	-			323 352	23 967	-	-	23 967	299 588	0.4005%	0.0080%
70	United States Of America	53 245	22 299	-			75 544	5 042	-	-	5 042	63 025	0.0842%	
80	Denmark	50 207	929	-			51 136	3 673	-	-	3 673	45 913	0.0614%	0.0015%
90	Germany	30 332	59 998	-			90 330	3 656	-	-	3 656	45 700	0.0611%	0.0005%
100	Russian Federation	43 154	22	-			43 176	3 452	-	-	3 452	43 150	0.0577%	-
110	Austria	24	12 440	-			12 464	899	-	-	899	11 238	0.0150%	-
120	UAE	21	3 872	-			3 893	810	-	-	810	10 125	0.0135%	-
130	Ireland	15	13 726	-			13 741	677	-	-	677	8 463	0.0113%	0.0002%
140	Belgium	4 482	984	-			5 466	422	-	-	422	5 275	0.0070%	-
150	Great Britain	770	5 160	-			5 930	406	-	-	406	5 075	0.0068%	0.0001%
160	Switzerland	1 608	7 177	-			8 785	390	-	-	390	4 875	0.0065%	-
170	Malta	111	9 473	-			9 584	154	-	-	154	1 925	0.0026%	-
180	Sweden	636	2 082	-			2 718	135	-	-	135	1 688	0.0023%	-
190	Cyprus	345	3 073	-			3 418	133	-	-	133	1 663	0.0022%	-
200	France	788	1 481	-			2 269	118	-	-	118	1 475	0.0020%	-
210	Norway	324	1 380	-			1 704	86	-	-	86	1 075	0.0014%	



**EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer (c.d.):**

	a	b	c	d	e	f	g	h	i	j	k	l	m
	General credit exposures		Relevant credit exposures - Market risk		Securitisatio n exposures Exposure value for non-trading book	Total exposure value	Own fund requirements				Risk weighted exposure amounts	Own fund requirement s weights (%)	Countercyclic al buffer rate (%)
	Exposures value under the standardized approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit exposures – Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisatio n positions in the non- trading book	Total			
220	Spain	199	3 323	-		3 522	86	-	-	86	1 075	0.0014%	-
230	New Zealand	379	248	-		627	48	-	-	48	600	0.0008%	-
240	Portugal	235	1 196	-		1 431	39	-	-	39	488	0.0007%	-
250	Lithuania	30	124	-		154	31	-	-	31	388	0.0005%	-
260	Italy	20	482	-		502	23	-	-	23	288	0.0004%	-
270	Israel	363	11	-		374	22	-	-	22	275	0.0004%	-
280	Canada	-	446	-		446	17	-	-	17	213	0.0003%	-
290	Iceland	-	205	-		205	15	-	-	15	188	0.0002%	-
300	Finland	-	313	-		313	9	-	-	9	113	0.0002%	-
310	Singapore	5	161	-		166	6	-	-	6	75	0.0001%	-
320	Australia	-	529	-		529	6	-	-	6	75	0.0001%	-
330	Argentina	50	-	-		50	6	-	-	6	75	0.0001%	-
340	Andora	-	110	-		110	4	-	-	4	50	0.0001%	-
350	Latvia	52	4	-		56	4	-	-	4	50	0.0001%	-
360	China	50	12	-		62	4	-	-	4	50	0.0001%	-
370	Brit. Virgin Islands	45	-	-		45	4	-	-	4	50	0.0001%	-
380	Other	48	1 717	-	-	1 765	14	-	-	14	175	-	-
390	<b>Total</b>	<b>33 037 556</b>	<b>98 470 356</b>	<b>2 237 877</b>	<b>-</b>	<b>16 578 334</b>	<b>150 324 123</b>	<b>5 688 626</b>	<b>46 937</b>	<b>248 714</b>	<b>5 984 277</b>	<b>74 803 463</b>	<b>0.1129%</b>

In 2016 Bank received an administrative decision of the PFSA (KNF), in which mBank has been identified as other systemically important institution (O-SII). mBank was subject to a capital buffer which on the basis of KNF administrative decision of October 29th, 2020 amounted to 0.50% of the total risk exposure amount, calculated in accordance with article 92(3) of CRR Regulation. The amount of the buffer is verified by the KNF on an annual basis. Buffer should be maintained on individual and consolidated levels. The buffer value specified in this decision was in force as at 30 June 2024.

Starting from 1st January 2018 the Regulation of the Minister of Development and Finance with regard to systemic risk buffer entered into force. The Regulation introduced systemic risk buffer of 3% of the total risk exposure amount applied to all exposures located in Poland. Due to the exceptional socio-economic situation that arose after the outbreak of the global COVID-19 pandemic, this requirement was lifted by repealing the Regulation of the Minister of Finance, which was in force since 19 March 2020 and was applied as at 30 June 2024.

Consequently, the combined buffer requirement set for the mBank Group as of the 30 June 2024 amounted to 3.11% of the total risk exposure amount.

In December 2023 expired PFSA recommendation (amended in June 2023), which required additional own funds buffer to cover additional capital requirement on the consolidated level in the amount of:

- 1.18% on total capital ratio level,
- 0.89% on the Tier I ratio level.

Capital ratios both on consolidated and individual basis as at the end of June 2024 were above the required values.

With a surplus mBank Group meets the additional own funds requirement and the combined buffer requirement.

mBank Group	30.06.2024		31.03.2024*	
Capital ratio	Required level	Reported level	Required level	Reported level
<b>Total capital ratio (TCR)</b>	11.11%	15.46%	11.12%	16.22%
Of which: combined buffer requirement	3.11%		3.12%	
<b>Tier 1 ratio</b>	9.11%	13.71%	9.12%	14.26%
Of which: combined buffer requirement	3.11%		3.12%	

\*key metrics template recalculated taking into account the retrospective including of profit for the first quarter of 2024

#### 5.4 Quantitative data regarding capital adequacy

Capital ratios are calculated on the basis of total risk exposure amount that corresponds to the sum of risk exposure amounts for particular risk types that are calculated according to provisions of the CRR Regulation.

Total risk exposure amount of mBank Group consists of:

- risk weighted exposure amount for credit risk, counterparty credit risk, securitization transactions, dilution risk and free deliveries calculated under AIRB approach as regards the large part of the credit exposures portfolio,
- risk exposure amount for market risk, including position risk, foreign exchange risk and commodities risk calculated under standardised approaches,
- risk exposure amounts for operational risk calculated under standardised approach,
- risk exposure amount for credit valuation adjustments, calculated under standardised approach,
- other risk exposure.

**EU KM1 – Key metrics template**, addressing disclosure requirements of Article 447 (a) to (g) and Article 438 (b)

		a	b	c	d	e
		30.06.2024	31.03.2024	31.12.2023	30.09.2023	30.06.2023
	<b>Available own funds (amounts)</b>					
1	Common Equity Tier 1 (CET1) capital	12 845 667	12 830 675	12 719 997	12 854 870	12 719 795
2	Tier 1 capital	12 845 667	12 830 675	12 719 997	12 854 870	12 719 795
3	Total capital	14 485 985	14 620 305	14 730 102	14 875 159	14 780 086
	<b>Risk-weighted exposure amounts</b>					
4	Total risk exposure amount	93 678 207	91 266 025	86 460 843	88 067 576	87 933 345
	<b>Capital ratios (as a percentage of risk-weighted exposure amount)</b>					
5	Common Equity Tier 1 ratio (%)	13.71%	14.06%	14.71%	14.60%	14.47%
6	Tier 1 ratio (%)	13.71%	14.06%	14.71%	14.60%	14.47%
7	Total capital ratio (%)	15.46%	16.02%	17.04%	16.89%	16.81%
	<b>Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)</b>					
EU-7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	-	-	-	1.18%	1.18%
EU-7b	of which: to be made up of CET1 capital (percentage points)	-	-	-	0.66%	0.66%
EU-7c	of which: to be made up of Tier 1 capital (percentage points)	-	-	-	0.89%	0.89%
EU-7d	Total SREP own funds requirements (%)	8.00%	8.00%	8.00%	9.18%	9.18%
	<b>Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)</b>					
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
EU-8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-	-	-	-	-
9	Institution specific countercyclical capital buffer (%)	0.11%	0.12%	0.13%	0.15%	0.15%
EU-9a	Systemic risk buffer (%)	-	-	-	-	-
10	Global Systemically Important Institution buffer (%)	-	-	-	-	-
EU-10a	Other Systemically Important Institution buffer (%)	0.50%	0.50%	0.50%	0.50%	0.50%
11	Combined buffer requirement (%)	3.11%	3.12%	3.13%	3.15%	3.15%
EU-11a	Overall capital requirements (%)	11.11%	11.12%	11.13%	12.33%	12.33%
12	CET1 available after meeting the total SREP own funds requirements (%)	7.46%	8.02%	8.71%	7.71%	7.58%
	<b>Leverage ratio</b>					
13	Total exposure measure	245 081 185	237 705 647	241 368 998	240 781 479	226 158 478
14	Leverage ratio (%)	5.24%	5.40%	5.27%	5.34%	5.62%
	<b>Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)</b>					
EU-14a	Additional own funds requirements to address the risk of excessive leverage (%)	-	-	-	-	-
EU-14b	of which: to be made up of CET1 capital (percentage points)	-	-	-	-	-
EU-14c	Total SREP leverage ratio requirements (%)	3.00%	3.00%	3.00%	3.00%	3.00%
	<b>Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)</b>					
EU-14d	Leverage ratio buffer requirement (%)	-	-	-	-	-
EU-14e	Overall leverage ratio requirement (%)	3.00%	3.00%	3.00%	3.00%	3.00%
	<b>Liquidity Coverage Ratio</b>					
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	82 050	78 934	76 155	69 752	62 950
EU-16a	Cash outflows - Total weighted value	39 457	38 304	37 278	36 042	35 132
EU-16b	Cash inflows - Total weighted value	2 776	2 948	3 233	3 849	4 712
16	Total net cash outflows (adjusted value)	36 681	35 357	34 045	32 193	30 420
17	Liquidity coverage ratio (%)	224%	223%	224%	217%	207%
	<b>Net Stable Funding Ratio</b>					
18	Total available stable funding	177 341	174 666	177 370	183 109	170 344
19	Total required stable funding	114 473	113 602	112 307	114 080	109 768
20	NSFR ratio (%)	155%	154%	158%	161%	155%

**EU KM1 – Key metrics template recalculated taking into account the retrospective including of profit for the first quarter of 2024 (after PFSA approval), in line with the EBA's position expressed in Q&A 2018\_3822 and Q&A 2018\_4085.**

		a	b	c	d	e
		30.06.2024	31.03.2024	31.12.2023	30.09.2023	30.06.2023
	<b>Available own funds (amounts)</b>					
1	Common Equity Tier 1 (CET1) capital	12 845 667	13 009 970	12 719 997	12 854 870	12 719 795
2	Tier 1 capital	12 845 667	13 009 970	12 719 997	12 854 870	12 719 795
3	Total capital	14 485 985	14 799 600	14 730 102	14 875 159	14 780 086
	<b>Risk-weighted exposure amounts</b>					
4	Total risk exposure amount	93 678 207	91 266 025	86 460 843	88 067 576	87 933 345
	<b>Capital ratios (as a percentage of risk-weighted exposure amount)</b>					
5	Common Equity Tier 1 ratio (%)	13.71%	14.26%	14.71%	14.60%	14.47%
6	Tier 1 ratio (%)	13.71%	14.26%	14.71%	14.60%	14.47%
7	Total capital ratio (%)	15.46%	16.22%	17.04%	16.89%	16.81%
	<b>Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)</b>					
EU-7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	-	-	-	1.18%	1.18%
EU-7b	of which: to be made up of CET1 capital (percentage points)	-	-	-	0.66%	0.66%
EU-7c	of which: to be made up of Tier 1 capital (percentage points)	-	-	-	0.89%	0.89%
EU-7d	Total SREP own funds requirements (%)	8.00%	8.00%	8.00%	9.18%	9.18%
	<b>Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)</b>					
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
EU-8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-	-	-	-	-
9	Institution specific countercyclical capital buffer (%)	0.11%	0.12%	0.13%	0.15%	0.15%
EU-9a	Systemic risk buffer (%)	-	-	-	-	-
10	Global Systemically Important Institution buffer (%)	-	-	-	-	-
EU-10a	Other Systemically Important Institution buffer (%)	0.50%	0.50%	0.50%	0.50%	0.50%
11	Combined buffer requirement (%)	3.11%	3.12%	3.13%	3.15%	3.15%
EU-11a	Overall capital requirements (%)	11.11%	11.12%	11.13%	12.33%	12.33%
12	CET1 available after meeting the total SREP own funds requirements (%)	7.46%	8.02%	8.71%	7.71%	7.58%
	<b>Leverage ratio</b>					
13	Total exposure measure	245 081 185	237 705 647	241 368 998	240 781 479	226 158 478
14	Leverage ratio (%)	5.24%	5.47%	5.27%	5.34%	5.62%
	<b>Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)</b>					
EU-14a	Additional own funds requirements to address the risk of excessive leverage (%)	-	-	-	-	-
EU-14b	of which: to be made up of CET1 capital (percentage points)	-	-	-	-	-
EU-14c	Total SREP leverage ratio requirements (%)	3.00%	3.00%	3.00%	3.00%	3.00%
	<b>Leverage ratio buffer and total leverage ratio requirement (as a percentage of total exposure measure)</b>					
EU-14d	Leverage ratio buffer requirement (%)	-	-	-	-	-
EU-14e	Overall leverage ratio requirement (%)	3.00%	3.00%	3.00%	3.00%	3.00%

The template presents all components of the total risk exposure amount of mBank Group, a denominator for capital ratios calculated according with art. 92 of CRR Regulation regard to template EU OV1 in Annex I to Regulation 2021/637 addressing disclosure requirements of Article 438 (d) of the CRR Regulation.

### EU OV1 -Overview of RWAs

		Total risk exposure amounts (TREA)		Total own funds requirements
		a	b	c
		30.06.2024	31.03.2024	30.06.2024
<b>1</b>	<b>Credit risk (excluding CCR)</b>	<b>74 156 313</b>	<b>71 356 173</b>	<b>5 932 505</b>
2	Of which the standardised approach	24 876 827	25 220 407	1 990 146
3	Of which the Foundation IRB (F-IRB) approach	-	-	-
4	Of which slotting approach	5 004 128	4 456 823	400 330
EU 4a	Of which equities under the simple riskweighted approach	-	-	-
5	Of which the Advanced IRB (A-IRB) approach	44 275 358	41 678 943	3 542 029
<b>6</b>	<b>Counterparty credit risk - CCR</b>	<b>1 851 713</b>	<b>1 818 606</b>	<b>148 137</b>
7	Of which the standardised approach	1 310 021	1 254 093	104 802
8	Of which internal model method (IMM)	-	-	-
EU 8a	Of which exposures to a CCP	6 048	7 740	484
EU 8b	Of which credit valuation adjustment - CVA	141 536	242 245	11 323
9	Of which other CCR	394 108	314 528	31 528
<b>15</b>	<b>Settlement risk</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>16</b>	<b>Securitisation exposures in the non-trading book (after the cap)</b>	<b>3 108 919</b>	<b>3 067 507</b>	<b>248 714</b>
17	Of which SEC-IRBA approach	3 108 919	3 067 507	248 714
18	Of which SEC-ERBA (including IAA)	-	-	-
19	Of which SEC-SA approach	-	-	-
EU 19a	Of which 1250% / deduction	-	-	-
<b>20</b>	<b>Position, foreign exchange and commodities risks (Market risk)</b>	<b>1 012 979</b>	<b>1 475 456</b>	<b>81 038</b>
21	Of which the standardised approach	1 012 979	1 475 456	81 038
22	Of which IMA	-	-	-
<b>EU 22a</b>	<b>Large exposures</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>23</b>	<b>Operational risk</b>	<b>13 548 283</b>	<b>13 548 283</b>	<b>1 083 863</b>
EU 23a	Of which basic indicator approach	-	-	-
EU 23b	Of which standardised approach	13 548 283	13 548 283	1 083 863
EU 23c	Of which advanced measurement approach	-	-	-
24	Amounts below the thresholds for deduction (subject to 250% risk weight)	3 531 458	3 349 882	282 517
<b>29</b>	<b>Total</b>	<b>93 678 207</b>	<b>91 266 025</b>	<b>7 494 257</b>

**EU CR10 – Specialized lending and equities**, addressing disclosure requirements of Art. 438(e) of CRR Regulation.

mBank Group does not apply AIRB approach to calculate risk weighted assets for equity exposures.

**EU CR10.2**

Specialised lending : Income-producing real estate and high volatility commercial real estate (Slotting approach)							
Regulatory categories	Remaining maturity	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
		a	b	c	d	e	f
Category 1	Less than 2.5 years	18 776	8 090	50%	21 189	8 808	-
	Equal to or more than 2.5 years	270 927	-	70%	270 927	158 965	1 084
Category 2	Less than 2.5 years	1 833 077	1 215 983	70%	2 265 868	1 402 212	9 063
	Equal to or more than 2.5 years	3 265 989	88 443	90%	3 313 780	2 600 053	26 511
Category 3	Less than 2.5 years	519 542	38 571	115%	530 416	517 725	14 852
	Equal to or more than 2.5 years	331 402	-	115%	331 402	316 366	9 279
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	-	-	250%	-	-	-
Category 5	Less than 2.5 years	402 085	-	-	402 085	-	201 043
	Equal to or more than 2.5 years	141 613	37	-	141 651	-	70 825
<b>Total</b>	<b>Less than 2.5 years</b>	<b>2 773 480</b>	<b>1 262 644</b>	<b>-</b>	<b>3 219 558</b>	<b>1 928 745</b>	<b>224 958</b>
	<b>Equal to or more than 2.5 years</b>	<b>4 009 931</b>	<b>88 480</b>	<b>-</b>	<b>4 057 760</b>	<b>3 075 384</b>	<b>107 699</b>

Templates: EU CR10.1, EU CR 10.3, EU CR10.4, EU CR10.5 are not disclosed due to the lack of relevant exposures in mBank Group portfolio of AIRB models.

**EU CR8 – RWA flow statements of credit risk exposures, including IRB approach**, addressing disclosure requirements of Art. 438 letter h) of CRR Regulation.

		Risk weighted exposure amount
		30.06.2024
<b>1</b>	<b>Risk weighted exposure amount as at the end of the previous reporting period</b>	<b>41 808 581</b>
2	Asset size (+/-)	(2 511 852)
3	Asset quality (+/-)	(61 528)
4	Model updates (+/-)	-
5	Methodology and policy (+/-)	-
6	Acquisitions and disposals (+/-)	-
7	Foreign exchange movements (+/-)	32 346
8	Other - launch of the transaction of syntethic securitisation (+/-)	5 580 614
<b>9</b>	<b>Risk weighted exposure amount as at the end of the reporting period</b>	<b>44 848 161</b>

## 5.5 Information about the structure of risk-weighted assets

Templates below provide more information on risk weighted assets, applied approaches to calculate RWA and the scope of credit risk and counterparty credit risk mitigation techniques in place.

**EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques**, addressing disclosure requirements of art. 453 letter f) of CRR Regulation, presenting the carrying amount of exposures net of allowances /impairments divided into unsecured and secured exposures, including collateral categories:

		Unsecured carrying amount	Secured carrying amount			
				Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
		a	b	c	d	e
1	Loans and advances	85 140 303	68 731 297	64 733 596	3 997 701	-
2	Debt securities	66 481 451	-	-	-	-
3	<b>Total</b>	<b>151 621 754</b>	<b>68 731 297</b>	<b>64 733 596</b>	<b>3 997 701</b>	<b>-</b>
4	<i>Of which non-performing exposures</i>	<i>965 060</i>	<i>1 418 009</i>	<i>1 292 203</i>	<i>125 806</i>	<i>-</i>
EU-5	<i>Of which defaulted</i>	<i>959 982</i>	<i>1 415 159</i>			

The template above presents all the credit risk mitigation techniques used in compliance with the accounting standards, whether or not they are recognized on the basis of CRR, including all the types of collateral and financial guarantees regarding all the collateralized exposures, whether for the calculation of risk weighted assets standardized approach or AIRB are used.

In the first half of the 2024 there was no significant change in the use of credit risk mitigation techniques.

**EU CR4 – Standardised approach – Credit risk exposure and counterparty credit risk with CRM effects**, addressing disclosure requirements of art. 453 letters g) to i) and art. 444 letter e) of CRR Regulation.

Exposure classes	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
	On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)
	a	b	c	d	e	f
Central governments or central banks	84 469 126	24 330	84 506 597	18 458	3 420 550	4%
Regional government or local authorities	27 474	29 992	27 474	14 984	8 492	20%
Public sector entities	5 482	7 619	5 482	2 319	4 606	59%
Multilateral development banks	4 943 439	-	4 943 439	-	-	0%
International organisations	2 092 890	-	2 092 890	-	-	-
Institutions	370 404	45 695	407 223	9 710	110 096	26%
Corporates	10 079 347	7 201 591	9 899 909	2 171 073	11 010 438	91%
Retail	4 351 260	685 056	4 351 260	137 887	3 364 003	75%
Secured by mortgages on immovable property	14 845 067	14 191	14 845 067	7 095	5 599 210	38%
Exposures in default	496 174	36 502	496 174	21 282	533 225	103%
Exposures associated with particularly high risk	89 827	50	89 827	50	134 815	150%
Covered bonds	-	-	-	-	-	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
Collective investment undertakings	10 942	-	10 942	-	136 775	1250%
Equity	270 123	-	270 123	-	501 195	186%
Other items	45 262	8 160	45 262	8 160	53 422	100%
<b>TOTAL</b>	<b>122 096 817</b>	<b>8 053 186</b>	<b>121 991 669</b>	<b>2 391 018</b>	<b>24 876 827</b>	<b>20%</b>

**EU CR5 - Standardised approach**, addressing disclosure requirements of art. 444 letter e) of CRR Regulation and presents regulatory exposure values post conversion factor and post risk mitigation techniques for a part of credit and credit counterparty portfolio where mBank Group applies standardized approach, broken town by assets classes and risk weights.

	Exposure classes	Risk weight							
		0%	2%	4%	10%	20%	35%	50%	70%
		a	b	c	d	e	f	g	h
1	Central governments or central banks	80 816 603	-	-	2 158 334	291 504	-	-	-
2	Regional government or local authorities	-	-	-	-	42 458	-	-	-
3	Public sector entities	-	-	-	-	-	-	6 391	-
4	Multilateral development banks	4 943 439	-	-	-	-	-	-	-
5	International organisations	2 092 890	-	-	-	-	-	-	-
6	Institutions	24 559	134 064	-	-	72 481	-	185 822	-
7	Corporates	-	-	-	-	-	-	342	-
8	Retail exposures	-	-	-	-	-	-	-	-
9	Exposures secured by mortgages on immovable property	-	-	-	-	-	14 125 299	152 351	-
10	Exposures in default	-	-	-	-	-	-	-	-
11	Exposures associated with particularly high risk	-	-	-	-	-	-	-	-
12	Covered bonds	-	-	-	-	-	-	-	-
13	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-
14	Units or shares in collective investment undertakings	-	-	-	-	-	-	-	-
15	Equity exposures	-	-	-	-	-	-	-	-
16	Other items	-	-	-	-	-	-	-	-
17	<b>TOTAL</b>	<b>87 877 491</b>	<b>134 064</b>	<b>-</b>	<b>2 158 334</b>	<b>406 443</b>	<b>14 125 299</b>	<b>344 906</b>	<b>-</b>



**EU CR5 - Standardised approach (contd):**

	Exposure classes	Risk weight							Total	Of which unrated
		75%	100%	150%	250%	370%	1250%	Inne		
		i	j	k	l	m	n	o	p	q
1	Central governments or central banks	-	78	-	1 258 535	-	-	-	84 525 054	1 346 915
2	Regional government or local authorities	-	-	-	-	-	-	-	42 458	898
3	Public sector entities	-	1 410	-	-	-	-	-	7 801	1 410
4	Multilateral development banks	-	-	-	-	-	-	-	4 943 439	-
5	International organisations	-	-	-	-	-	-	-	2 092 890	2 092 890
6	Institutions	-	8	-	-	-	-	-	416 934	305 089
7	Corporates	-	12 070 640	-	-	-	-	-	12 070 982	12 070 631
8	Retail exposures	4 489 148	-	-	-	-	-	-	4 489 148	4 489 142
9	Exposures secured by mortgages on immovable property	-	564 044	10 468	-	-	-	-	14 852 162	14 852 160
10	Exposures in default	-	485 915	31 540	-	-	-	-	517 455	517 455
11	Exposures associated with particularly high risk	-	-	89 877	-	-	-	-	89 877	89 877
12	Covered bonds	-	-	-	-	-	-	-	-	-
13	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-
14	Units or shares in collective investment undertakings	-	-	-	-	-	10 942	-	10 942	10 942
15	Equity exposures	-	116 075	-	154 048	-	-	-	270 123	270 123
16	Other items	-	53 422	-	-	-	-	-	53 422	53 422
<b>17</b>	<b>TOTAL</b>	<b>4 489 148</b>	<b>13 291 592</b>	<b>131 885</b>	<b>1 412 583</b>	<b>-</b>	<b>10 942</b>	<b>-</b>	<b>124 382 687</b>	<b>36 100 954</b>

**EU CR6 – IRB approach – Credit risk and counterparty credit exposures by exposure class and PD range**, addressing disclosure requirements of art. 452 letter g) and i) to v) of CRR Regulation.

The table below presents exposure values, the amount of undrawn commitments, the average CCF, PD and LGD in percentage, risk-weighted exposure values for particular exposure classes for a part of credit and counterparty credit portfolio where mBank Group applies AIRB approach.

A-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
<b>Retail mortgage portfolio (microfirms)</b>													
	0.00 to <0.15	9 461	1 264	81%	10 481	0.11%	18	31.98%	-	678	6%	3	(17)
	0.00 to <0.10	5 588	-	-	5 588	0.07%	3	34.98%	-	308	6%	1	(9)
	0.10 to <0.15	3 873	1 264	81%	4 893	0.14%	15	28.56%	-	370	8%	2	(8)
	0.15 to <0.25	109 705	11 115	81%	118 763	0.21%	387	25.62%	-	10 559	9%	63	(332)
	0.25 to <0.50	488 320	45 972	98%	533 509	0.37%	1 363	28.06%	-	80 181	15%	560	(2 029)
	0.50 to <0.75	433 047	47 470	115%	487 723	0.61%	1 282	28.24%	-	105 190	22%	849	(1 896)
	0.75 to <2.50	544 602	80 867	121%	642 624	1.24%	1 691	28.91%	-	225 107	35%	2 328	(7 447)
	0.75 to <1.75	461 808	71 054	113%	541 977	1.09%	1 435	28.62%	-	173 644	32%	1 701	(5 329)
	1.75 to <2.5	82 794	9 813	182%	100 647	2.05%	256	30.47%	-	51 463	51%	628	(2 118)
	2.50 to <10.00	133 615	8 574	195%	150 294	4.15%	358	32.11%	-	118 848	79%	2 006	(3 523)
	2.5 to <5	100 985	7 966	188%	115 940	3.32%	279	32.01%	-	82 884	71%	1 243	(2 364)
	5 to <10	32 630	608	283%	34 354	6.94%	79	32.46%	-	35 964	105%	762	(1 159)
	10.00 to <100.00	50 427	2 436	92%	52 679	23.69%	120	32.89%	-	77 205	147%	3 926	(5 004)
	10 to <20	27 028	1 841	95%	28 771	13.74%	65	33.06%	-	40 526	141%	1 291	(2 483)
	20 to <30	10 910	219	85%	11 096	24.83%	29	36.57%	-	19 906	179%	1 010	(1 268)
	30.00 to <100.00	12 489	376	86%	12 812	45.06%	26	29.33%	-	16 773	131%	1 625	(1 253)
	100.00 (Default)	180 067	557	-	180 067	100.00%	357	56.42%	-	473 708	263%	65 673	(65 735)
<b>Subtotal</b>		<b>1 949 244</b>	<b>198 255</b>	<b>114%</b>	<b>2 176 140</b>	<b>9.74%</b>	<b>5 576</b>	<b>30.98%</b>	<b>-</b>	<b>1 091 476</b>	<b>50%</b>	<b>75 408</b>	<b>(85 983)</b>

**EU CR6 – IRB approach – Credit risk and counterparty credit exposures by exposure class and PD range (contd):**

A-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
<b>Retail mortgage portfolio (natural persons)</b>													
	0.00 to <0.15	16 569 270	816 065	67%	17 115 983	0.08%	119 027	31.38%	-	1 109 670	6%	3 982	(7 236)
	0.00 to <0.10	12 786 292	682 250	67%	13 243 344	0.06%	87 962	32.31%	-	775 003	6%	2 655	(4 937)
	0.10 to <0.15	3 782 978	133 815	67%	3 872 638	0.12%	31 065	28.17%	-	334 667	9%	1 328	(2 299)
	0.15 to <0.25	4 420 422	97 702	66%	4 485 376	0.19%	34 234	27.68%	-	539 666	12%	2 402	(5 466)
	0.25 to <0.50	3 819 656	92 146	67%	3 881 803	0.35%	25 679	28.39%	-	730 524	19%	3 802	(9 441)
	0.50 to <0.75	1 296 607	24 678	73%	1 314 708	0.60%	8 313	29.36%	-	381 791	29%	2 334	(4 865)
	0.75 to <2.50	1 036 848	19 853	90%	1 054 696	1.23%	6 970	29.64%	-	490 920	47%	3 842	(8 522)
	0.75 to <1.75	882 789	17 563	84%	897 502	1.09%	5 793	29.83%	-	391 672	44%	2 917	(6 504)
	1.75 to <2.5	154 059	2 290	137%	157 195	2.07%	1 177	28.54%	-	99 248	63%	925	(2 018)
	2.50 to <10.00	435 560	3 163	70%	437 778	5.14%	3 291	28.67%	-	450 244	103%	6 411	(9 032)
	2.5 to <5	247 246	1 228	59%	247 965	3.55%	1 833	28.81%	-	215 417	87%	2 520	(3 894)
	5 to <10	188 314	1 934	78%	189 813	7.21%	1 458	28.48%	-	234 827	124%	3 890	(5 138)
	10.00 to <100.00	307 326	1 553	60%	308 260	24.52%	2 264	29.16%	-	517 517	168%	21 373	(18 775)
	10 to <20	176 120	667	70%	176 588	13.60%	1 262	29.83%	-	295 328	167%	7 164	(8 925)
	20 to <30	49 951	687	54%	50 324	24.08%	403	30.73%	-	99 293	197%	3 744	(2 949)
	30.00 to <100.00	81 256	199	46%	81 348	48.28%	599	26.74%	-	122 896	151%	10 465	(6 902)
	100.00 (Default)	663 822	1 149	-	663 822	100.00%	2 983	62.59%	-	1 059 006	160%	338 419	(338 927)
<b>Subtotal</b>		<b>28 549 511</b>	<b>1 056 309</b>	<b>67%</b>	<b>29 262 426</b>	<b>2.80%</b>	<b>202 761</b>	<b>30.90%</b>	<b>-</b>	<b>5 279 338</b>	<b>18%</b>	<b>382 565</b>	<b>(402 264)</b>

**EU CR6 – IRB approach – Credit risk and counterparty credit exposures by exposure class and PD range (contd):**

A-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
<b>Retail non-mortgage portfolio (microfirms)</b>													
	0.00 to <0.15	30 182	7 343	77%	35 821	0.12%	1 128	60.20%	-	1 885	5%	8	(26)
	0.00 to <0.10	10 304	892	72%	10 943	0.08%	291	64.25%	-	316	3%	1	(3)
	0.10 to <0.15	19 878	6 451	77%	24 878	0.13%	837	59.53%	-	1 569	6%	7	(22)
	0.15 to <0.25	66 056	191 101	69%	198 851	0.21%	21 885	66.65%	-	41 372	21%	243	(663)
	0.25 to <0.50	1 275 059	553 775	63%	1 621 859	0.38%	70 638	69.33%	-	292 410	18%	1 906	(3 931)
	0.50 to <0.75	1 481 892	252 299	76%	1 673 401	0.63%	54 270	69.89%	-	389 685	23%	3 074	(5 756)
	0.75 to <2.50	3 339 168	507 412	87%	3 778 761	1.41%	134 134	72.29%	-	1 502 632	40%	19 838	(39 888)
	0.75 to <1.75	2 604 370	409 722	85%	2 953 937	1.16%	102 180	72.01%	-	1 081 421	37%	12 454	(25 291)
	1.75 to <2.5	734 797	97 690	92%	824 824	2.10%	31 954	73.06%	-	421 211	51%	7 384	(14 598)
	2.50 to <10.00	2 455 764	174 939	100%	2 630 187	5.09%	73 274	73.69%	-	1 569 348	60%	58 207	(96 737)
	2.5 to <5	1 381 925	127 527	97%	1 505 909	3.56%	49 379	73.57%	-	880 379	58%	24 119	(45 678)
	5 to <10	1 073 839	47 411	106%	1 124 278	7.14%	23 895	73.88%	-	688 969	61%	34 088	(51 060)
	10.00 to <100.00	1 280 978	28 263	106%	1 310 945	21.85%	20 907	73.52%	-	957 618	73%	100 785	(105 517)
	10 to <20	693 560	18 240	109%	713 504	14.14%	12 329	73.68%	-	484 216	68%	37 451	(46 339)
	20 to <30	386 315	4 679	103%	391 141	24.71%	5 553	73.50%	-	279 911	72%	27 802	(29 411)
	30.00 to <100.00	201 104	5 344	97%	206 300	46.15%	3 025	73.01%	-	193 491	94%	35 531	(29 767)
	100.00 (Default)	997 675	11 335	-	997 675	100.00%	19 096	73.21%	-	1 211 881	121%	674 138	(676 912)
<b>Subtotal</b>		<b>10 926 774</b>	<b>1 726 467</b>	<b>76%</b>	<b>12 247 500</b>	<b>17.51%</b>	<b>395 332</b>	<b>72.14%</b>	<b>-</b>	<b>5 966 831</b>	<b>49%</b>	<b>858 199</b>	<b>(929 430)</b>

**EU CR6 – IRB approach – Credit risk and counterparty credit exposures by exposure class and PD range (contd):**

A-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
<b>Retail non-mortgage portfolio (natural persons)</b>													
	0.00 to <0.15	157 643	503	45%	157 870	0.11%	24 390	67.50%	-	30 483	19%	113	(374)
	0.00 to <0.10	69 444	1	93%	69 445	0.08%	13 929	64.49%	-	10 204	15%	35	(108)
	0.10 to <0.15	88 199	503	45%	88 425	0.13%	10 461	69.86%	-	20 279	23%	79	(266)
	0.15 to <0.25	256 485	3 695	44%	258 111	0.20%	34 233	71.31%	-	83 271	32%	372	(1 151)
	0.25 to <0.50	561 847	3 413	49%	563 506	0.36%	96 015	72.00%	-	267 038	47%	1 472	(3 574)
	0.50 to <0.75	343 749	1 100	44%	344 233	0.60%	111 406	71.84%	-	218 801	64%	1 492	(2 732)
	0.75 to <2.50	804 670	2 505	45%	805 785	1.45%	547 478	69.46%	-	710 090	88%	8 090	(13 461)
	0.75 to <1.75	571 653	1 994	44%	572 533	1.19%	406 113	69.98%	-	480 170	84%	4 770	(7 567)
	1.75 to <2.5	233 017	511	46%	233 253	2.09%	141 365	68.18%	-	229 920	99%	3 320	(5 894)
	2.50 to <10.00	788 765	522	44%	788 996	4.84%	240 816	64.52%	-	832 127	105%	24 838	(38 623)
	2.5 to <5	498 276	517	44%	498 503	3.76%	177 445	62.99%	-	498 881	100%	11 717	(18 146)
	5 to <10	290 489	6	60%	290 492	6.70%	63 371	67.16%	-	333 246	115%	13 122	(20 477)
	10.00 to <100.00	193 580	-	-	193 580	19.60%	44 811	67.60%	-	306 468	158%	25 682	(31 994)
	10 to <20	121 749	-	-	121 749	13.74%	31 454	67.68%	-	173 521	143%	11 323	(16 023)
	20 to <30	46 441	-	-	46 441	24.37%	9 053	66.42%	-	82 140	177%	7 522	(9 636)
	30.00 to <100.00	25 391	-	-	25 391	38.92%	4 304	69.32%	-	50 807	200%	6 838	(6 335)
	100.00 (Default)	451 549	-	-	451 549	100.00%	39 917	69.76%	-	736 228	163%	266 538	(266 539)
<b>Subtotal</b>		<b>3 558 288</b>	<b>11 738</b>	<b>46%</b>	<b>3 563 630</b>	<b>15.27%</b>	<b>1 139 066</b>	<b>68.98%</b>	<b>-</b>	<b>3 184 506</b>	<b>89%</b>	<b>328 597</b>	<b>(358 448)</b>

**EU CR6 – IRB approach – Credit risk and counterparty credit exposures by exposure class and PD range (contd):**

A-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
<b>Corporations - medium and small enterprises</b>													
	0.00 to <0.15	404 103	592 493	56%	735 805	0.08%	357	47.18%	2	92 545	13%	225	(84)
	0.00 to <0.10	256 210	354 744	59%	468 679	0.06%	242	48.43%	2	44 057	9%	93	(31)
	0.10 to <0.15	147 893	237 749	50%	267 126	0.13%	115	45.34%	2	48 487	18%	131	(53)
	0.15 to <0.25	184 872	386 079	50%	383 818	0.20%	215	36.27%	2	77 580	20%	247	(107)
	0.25 to <0.50	503 837	643 297	51%	837 073	0.38%	477	38.56%	2	256 255	31%	1 011	(493)
	0.50 to <0.75	510 678	440 439	53%	746 347	0.61%	432	36.98%	2	293 076	39%	1 484	(758)
	0.75 to <2.50	3 344 551	1 976 996	49%	4 327 275	1.48%	2 149	30.75%	2	1 922 073	44%	17 374	(8 561)
	0.75 to <1.75	2 264 415	1 531 098	50%	3 032 392	1.21%	1 561	31.16%	2	1 272 184	42%	10 067	(4 582)
	1.75 to <2.5	1 080 136	445 898	47%	1 294 883	2.11%	588	29.60%	2	649 888	50%	7 308	(3 979)
	2.50 to <10.00	2 412 106	756 192	49%	2 792 414	4.18%	1 211	30.58%	2	1 714 485	61%	31 186	(18 787)
	2.5 to <5	1 844 062	648 765	50%	2 175 114	3.40%	956	31.27%	2	1 267 711	58%	20 114	(11 799)
	5 to <10	568 044	107 427	45%	617 300	7.09%	255	27.87%	2	446 774	72%	11 072	(6 988)
	10.00 to <100.00	269 361	74 297	54%	310 213	15.30%	211	19.26%	2	218 323	70%	9 467	(4 648)
	10 to <20	221 472	65 183	57%	258 435	13.55%	152	18.79%	2	169 755	66%	6 713	(3 172)
	20 to <30	45 120	5 073	32%	46 724	22.75%	36	24.62%	2	42 360	91%	2 258	(1 113)
	30.00 to <100.00	2 769	4 041	39%	5 054	42.74%	23	29.43%	3	6 209	123%	497	(362)
	100.00 (Default)	448 664	16 652	32%	454 009	100.00%	170	63.79%	-	607 768	134%	230 489	(230 562)
<b>Subtotal</b>		<b>8 078 172</b>	<b>4 886 445</b>	<b>51%</b>	<b>10 586 954</b>	<b>6.65%</b>	<b>5 222</b>	<b>34.27%</b>	<b>2</b>	<b>5 182 105</b>	<b>49%</b>	<b>291 483</b>	<b>(264 000)</b>

**EU CR6 – IRB approach – Credit risk and counterparty credit exposures by exposure class and PD range (contd):**

A-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
<b>Corporations - other</b>													
	0.00 to <0.15	422 065	1 664 839	54%	1 381 579	0.09%	248	49.27%	2	312 866	23%	593	(268)
	0.00 to <0.10	230 012	762 632	52%	666 107	0.06%	159	52.63%	1	118 013	18%	204	(127)
	0.10 to <0.15	192 053	902 207	56%	715 472	0.12%	89	46.27%	2	194 852	27%	389	(141)
	0.15 to <0.25	807 334	1 747 101	42%	1 561 386	0.20%	185	49.95%	2	628 769	40%	1 473	(568)
	0.25 to <0.50	2 047 753	3 181 934	36%	3 214 904	0.41%	342	48.74%	2	2 028 687	63%	5 852	(2 052)
	0.50 to <0.75	1 381 192	2 054 399	40%	2 258 561	0.63%	272	45.19%	2	1 490 188	66%	6 019	(2 576)
	0.75 to <2.50	5 518 329	4 115 698	52%	7 906 001	1.49%	952	42.72%	2	7 060 656	89%	46 804	(21 619)
	0.75 to <1.75	3 967 004	3 193 117	52%	5 802 433	1.30%	668	43.00%	2	5 010 994	86%	29 964	(14 560)
	1.75 to <2.5	1 551 325	922 581	49%	2 103 568	2.04%	284	41.95%	2	2 049 662	97%	16 840	(7 059)
	2.50 to <10.00	2 801 519	1 449 228	53%	3 625 806	4.09%	627	37.29%	2	3 707 111	102%	49 980	(22 727)
	2.5 to <5	2 184 567	1 118 969	54%	2 836 481	3.33%	475	37.56%	2	2 719 038	96%	30 840	(16 491)
	5 to <10	616 952	330 258	50%	789 325	6.79%	152	36.39%	2	988 073	125%	19 140	(6 236)
	10.00 to <100.00	224 597	45 403	59%	252 224	19.73%	583	29.43%	2	305 108	121%	13 056	(7 961)
	10 to <20	177 396	11 500	53%	183 521	13.93%	93	26.00%	2	188 078	102%	5 483	(2 798)
	20 to <30	30 911	6 747	77%	36 094	23.80%	49	42.79%	2	70 283	195%	3 353	(2 653)
	30.00 to <100.00	16 290	27 156	56%	32 609	41.38%	441	28.89%	-	46 747	143%	4 220	(2 510)
	100.00 (Default)	568 180	88 654	33%	597 196	100.00%	379	66.83%	-	638 519	107%	425 208	(425 209)
<b>Subtotal</b>		<b>13 770 969</b>	<b>14 347 256</b>	<b>46%</b>	<b>20 797 657</b>	<b>4.53%</b>	<b>3 588</b>	<b>44.57%</b>	<b>2</b>	<b>16 171 904</b>	<b>78%</b>	<b>548 985</b>	<b>(482 980)</b>

A-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
<b>Corporations - specialized lending exposures</b>													
<b>Subtotal</b>		<b>6 720 419</b>	<b>1 351 125</b>	<b>37%</b>	<b>7 277 318</b>	<b>-</b>	<b>499</b>	<b>40.45%</b>	<b>-</b>	<b>5 004 128</b>	<b>69%</b>	<b>332 656</b>	<b>(307 988)</b>

**CR6 – IRB approach – Credit risk and counterparty credit exposures by exposure class and PD range (contd):**

A-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
<b>Institutions</b>													
	0.00 to <0.15	888 402	4 179 901	27%	7 835 512	0.05%	87	26.43%	1	965 514	12%	1 112	(388)
	0.00 to <0.10	849 938	4 060 174	27%	7 588 648	0.05%	80	25.80%	1	869 718	11%	978	(355)
	0.10 to <0.15	38 464	119 727	44%	246 863	0.12%	7	45.83%	2	95 796	39%	135	(34)
	0.15 to <0.25	3 807	137 614	40%	70 397	0.21%	10	44.02%	1	24 230	34%	64	(7)
	0.25 to <0.50	620	61 316	41%	53 433	0.28%	9	52.23%	2	40 386	76%	77	(45)
	0.50 to <0.75	6 016	2 024	34%	27 747	0.56%	6	45.17%	2	23 508	85%	71	(25)
	0.75 to <2.50	18 346	31 445	37%	32 631	1.41%	10	45.82%	2	31 433	96%	212	(212)
	0.75 to <1.75	16 800	31 445	37%	31 075	1.38%	8	45.14%	2	29 357	94%	194	(193)
	1.75 to <2.5	1 546	-	-	1 556	1.96%	2	59.42%	1	2 076	133%	18	(19)
	2.50 to <10.00	52 545	60	50%	57 141	2.86%	10	38.38%	5	93 403	163%	636	(31)
	2.5 to <5	51 697	60	50%	56 294	2.76%	9	38.28%	5	91 580	163%	599	-
	5 to <10	847	-	-	847	9.48%	1	45.38%	1	1 823	215%	36	(31)
	10.00 to <100.00	8 600	-	-	8 600	47.34%	4	45.32%	1	21 547	251%	1 845	(2 497)
	10 to <20	-	-	-	-	-	-	-	-	-	-	-	-
	20 to <30	-	-	-	-	-	-	-	-	-	-	-	-
	30.00 to <100.00	8 600	-	-	8 600	47.34%	4	45.32%	1	21 547	251%	1 845	(2 497)
	100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>		<b>978 336</b>	<b>4 412 360</b>	<b>28%</b>	<b>8 085 461</b>	<b>0.13%</b>	<b>136</b>	<b>27.00%</b>	<b>1</b>	<b>1 200 021</b>	<b>15%</b>	<b>4 017</b>	<b>(3 205)</b>



**EU CR6 – IRB approach – Credit risk and counterparty credit exposures by exposure class and PD range (contd):**

A-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
<b>Retail revolving loans portfolio</b>													
	0.00 to <0.15	114 104	563 336	72%	521 728	0.10%	77 248	49.12%	-	17 702	3%	267	(429)
	0.00 to <0.10	57 449	248 783	68%	225 987	0.07%	35 378	44.49%	-	4 874	2%	67	(113)
	0.10 to <0.15	56 655	314 553	76%	295 741	0.13%	41 870	52.67%	-	12 828	4%	200	(316)
	0.15 to <0.25	204 344	1 354 159	68%	1 123 276	0.20%	163 561	56.96%	-	76 971	7%	1 302	(1 759)
	0.25 to <0.50	456 160	1 732 911	65%	1 579 967	0.35%	229 164	60.63%	-	178 391	11%	3 352	(5 498)
	0.50 to <0.75	292 817	421 401	72%	594 776	0.61%	84 575	63.71%	-	110 486	19%	2 327	(4 603)
	0.75 to <2.50	1 010 834	600 886	75%	1 460 217	1.46%	208 669	67.49%	-	551 650	38%	14 409	(27 500)
	0.75 to <1.75	671 593	465 993	75%	1 020 399	1.18%	144 872	67.14%	-	329 723	32%	8 118	(16 158)
	1.75 to <2.5	339 241	134 893	75%	439 818	2.09%	63 797	68.31%	-	221 928	50%	6 291	(11 342)
	2.50 to <10.00	894 257	176 859	78%	1 032 554	4.68%	131 702	69.93%	-	915 018	89%	33 865	(55 225)
	2.5 to <5	577 723	139 634	76%	684 181	3.54%	89 410	69.68%	-	509 340	74%	16 906	(28 715)
	5 to <10	316 534	37 225	86%	348 373	6.91%	42 292	70.42%	-	405 678	116%	16 959	(26 510)
	10.00 to <100.00	220 049	35 830	78%	248 007	20.65%	26 101	69.04%	-	462 652	187%	35 358	(33 038)
	10 to <20	138 915	23 808	77%	157 202	13.43%	18 233	69.26%	-	262 254	167%	14 626	(16 248)
	20 to <30	41 446	6 741	76%	46 582	24.70%	4 383	68.34%	-	99 697	214%	7 863	(7 494)
	30.00 to <100.00	39 689	5 280	86%	44 223	42.06%	3 485	69.01%	-	100 702	228%	12 870	(9 296)
	100.00 (Default)	235 696	14 666	-	235 696	100.00%	15 293	63.69%	-	328 442	139%	133 073	(136 269)
<b>Subtotal</b>		<b>3 428 261</b>	<b>4 900 048</b>	<b>69%</b>	<b>6 796 221</b>	<b>5.42%</b>	<b>936 313</b>	<b>62.71%</b>	<b>-</b>	<b>2 641 312</b>	<b>39%</b>	<b>223 953</b>	<b>(264 321)</b>
<b>Total</b>		<b>77 959 974</b>	<b>32 890 003</b>	<b>50%</b>	<b>100 793 307</b>	<b>5.02%</b>	<b>2 688 493</b>	<b>40.75%</b>	<b>1</b>	<b>45 721 621</b>	<b>45%</b>	<b>3 045 863</b>	<b>(3 098 619)</b>

**EU CR7 – IRB approach – Effect on the RWAs of credit derivatives used as CRM techniques**, addressing disclosure requirements of art. 453 letter j) of CRR Regulation.

mBank Group does not disclose this information as credit derivatives are not used as CRM techniques with an impact on RWA.

**EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques**, addressing disclosure requirements of art. 453 letter g) of CRR Regulation.

A-IRB		Total exposures	Credit risk Mitigation techniques				
			Funded credit Protection (FCP)				
			Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)
		a	b	c	d	e	f
1	Central governments and central banks	-	-	-	-	-	-
2	Institutions	2 219 078	-	-	-	-	-
3	Corporates	38 086 059	2.3%	212.3%	172.9%	5.0%	34.4%
3.1	<i>Of which Corporates – SMEs</i>	10 550 527	1.2%	113.5%	77.8%	8.7%	27.0%
3.2	<i>Of which Corporates – Specialised lending</i>	7 214 326	-	96.2%	95.8%	0.3%	-
3.3	<i>Of which Corporates – Other</i>	20 321 206	3.7%	304.8%	249.6%	4.7%	50.4%
4	Retail	53 989 290	-	120.8%	120.8%	-	-
4.1	<i>Of which Retail – Immovable property SMEs</i>	2 176 139	-	297.6%	297.6%	-	-
4.2	<i>Of which Retail – Immovable property non-SMEs</i>	29 205 799	-	200.9%	200.9%	-	-
4.3	<i>Of which Retail – Qualifying revolving</i>	6 796 220	-	-	-	-	-
4.4	<i>Of which Retail – Other SMEs</i>	12 247 501	-	0.6%	0.6%	-	-
4.5	<i>Of which Retail – Other non-SMEs</i>	3 563 631	-	-	-	-	-
5	<b>Total</b>	<b>94 294 427</b>	<b>0.9%</b>	<b>154.9%</b>	<b>139.0%</b>	<b>2.0%</b>	<b>13.9%</b>

**EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques**, addressing disclosure requirements of art. 453 letter g) of CRR Regulation.

A-IRB		Credit risk Mitigation techniques						Credit risk Mitigation methods in the calculation of RWEAs	
		Funded credit Protection (FCP)				Unfunded credit Protection (UFCP)		RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and substitution effects)
		Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)		
		g	h	i	j	k	l	m	n
1	Central governments and central banks	-	-	-	-	-	-	-	-
2	Institutions	-	-	-	-	-	-	-	662 630
3	Corporates	-	-	-	-	13.9%	-	-	25 788 823
3.1	Of which Corporates – SMEs	-	-	-	-	29.5%	-	-	5 150 500
3.2	Of which Corporates – Specialised lending	-	-	-	-	-	-	-	4 949 219
3.3	Of which Corporates – Other	-	-	-	-	10.7%	-	-	15 689 104
4	Retail	-	-	-	-	-	-	-	18 139 872
4.1	Of which Retail – Immovable property SMEs	-	-	-	-	-	-	-	1 091 476
4.2	Of which Retail – Immovable property non-SMEs	-	-	-	-	-	-	-	5 255 749
4.3	Of which Retail – Qualifying revolving	-	-	-	-	-	-	-	2 641 312
4.4	Of which Retail – Other SMEs	-	-	-	-	-	-	-	5 966 830
4.5	Of which Retail – Other non-SMEs	-	-	-	-	-	-	-	3 184 505
5	Total	-	-	-	-	5.6%	-	-	44 591 325

## 6. Leverage ratio

The table below provides synthetic information on the measure of total exposure that makes up the Tier 1 capital ratio and the leverage ratio.

### EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

		a
		Applicable amount
1	Total assets as per published financial statements	230 295 591
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	-
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
4	(Adjustment for temporary exemption of exposures to central banks (if applicable))	-
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustment for eligible cash pooling transactions	-
8	Adjustment for derivative financial instruments	2 279 809
9	Adjustment for securities financing transactions (SFTs)	81 310
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	14 433 265
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-
12	Other adjustments	(2 008 790)
13	<b>Total exposure measure</b>	<b>245 081 185</b>

The table below presents a breakdown of the total exposure measure applied to calculation of the leverage ratio, information on Tier 1 capital, leverage ratio and how the institution applies Article 499(2) of the CRR Regulation.

## EU LR2 - LRCOM: Leverage ratio common disclosure

		CRR leverage ratio exposures	
		a	b
		30.06.2024	31.12.2023
<b>On-balance sheet exposures (excluding derivatives and SFTs)</b>			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	213 586 008	217 831 421
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-	-
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(General credit risk adjustments to on-balance sheet items)	-	-
6	(Asset amounts deducted in determining Tier 1 capital)	(1 252 143)	(1 315 067)
7	<b>Total on-balance sheet exposures (excluding derivatives and SFTs)</b>	<b>212 333 865</b>	<b>216 516 354</b>
<b>Derivative exposures</b>			
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	1 173 720	1 805 520
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	1 725 350	1 729 483
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-	-
EU-9b	Exposure determined under Original Exposure Method	-	-
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	<b>Total derivatives exposures</b>	<b>2 899 070</b>	<b>3 535 003</b>
<b>Securities financing transaction (SFT) exposures</b>			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	15 333 675	7 175 002
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	Counterparty credit risk exposure for SFT assets	81 310	11 338
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	-	-
17	Agent transaction exposures	-	-
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	-	-
18	<b>Total securities financing transaction exposures</b>	<b>15 414 985</b>	<b>7 186 340</b>
<b>Other off-balance sheet exposures</b>			
19	Off-balance sheet exposures at gross notional amount	43 557 748	42 552 565
20	(Adjustments for conversion to credit equivalent amounts)	(28 961 539)	(28 224 325)
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	(162 944)	(196 939)
22	<b>Off-balance sheet exposures</b>	<b>14 433 265</b>	<b>14 131 301</b>
<b>Excluded exposures</b>			
EU-22a	(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-	-
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))	-	-
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	-	-
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)	-	-
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	-	-
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	-	-
EU-22g	(Excluded excess collateral deposited at triparty agents)	-	-
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	-	-
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	-	-
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
EU-22k	<b>(Total exempted exposures)</b>	-	-

**EU LR2 - LRCom: Leverage ratio common disclosure (contd)**

		CRR leverage ratio exposures	
		a	b
		30.06.2024	31.12.2023
<b>Capital and total exposure measure</b>			
23	<b>Tier 1 capital</b>	<b>12 845 667</b>	<b>12 719 997</b>
24	<b>Total exposure measure</b>	<b>245 081 185</b>	<b>241 368 998</b>
<b>Leverage ratio</b>			
25	Leverage ratio (%)	5.24%	5.27%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	5.24%	5.27%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	5.24%	5.27%
26	Regulatory minimum leverage ratio requirement (%)	3.00%	3.00%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	-	-
EU-26b	of which: to be made up of CET1 capital	-	-
27	Leverage ratio buffer requirement (%)	-	-
EU-27a	Overall leverage ratio requirement (%)	3.00%	3.00%
<b>Choice on transitional arrangements and relevant exposures</b>			
EU-27b	Choice on transitional arrangements for the definition of the capital measure	Fully phased in	Fully phased in

**EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)**

		30.06.2024
		CRR leverage ratio exposures
EU-1	<b>Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:</b>	<b>213 237 211</b>
EU-2	Trading book exposures	2 049 441
EU-3	Banking book exposures, of which:	211 187 770
EU-4	Covered bonds	-
EU-5	Exposures treated as sovereigns	86 071 007
EU-6	Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	32 956
EU-7	Institutions	1 467 090
EU-8	Secured by mortgages of immovable properties	44 360 927
EU-9	Retail exposures	20 138 172
EU-10	Corporates	36 870 928
EU-11	Exposures in default	2 257 844
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	19 988 846

**Description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers.**

The below information addresses the scope of disclosure from table EU LRA.

		30.06.2024	31.03.2024*	31.03.2024
Total Leverage Ratio exposure measure		245 081 185	237 705 647	237 705 647
<b>Capital and regulatory adjustments</b>				
Tier 1 capital		12 845 667	13 009 970	12 830 675
Include Regulatory adjustments - Tier 1		(1 208 201)	(925 707)	(973 762)
<b>Leverage ratio</b>				
Leverage Ratio on mBank Group		5.24%	5.47%	5.40%

\* metric recalculated taking into account the retrospective including of profit for the first quarter of 2024 (after PFSA approval), in line with the EBA's position expressed in Q&A 2018\_3822 and Q&A 2018\_4085.

The leverage ratio of mBank Group in the second quarter of 2024 was mainly influenced by increase in total leverage ratio exposure measure and partially by decrease in Group Own Funds.

Description of the processes used to manage the risk of excessive leverage.

The leverage ratio is regularly monitored, forecast and compared to peer group. mBank Group has aspiration to keep leverage ratio at a level highly exceeding minimal requirements amounting to 3%, which are in force since 28 June 2021. The fixed strategic target is monitored and verified at least on a yearly basis. Capital Management Committee performs the essential role in management of risk of excessive leverage in mBank Group.

Bank counteracts risk of excessive leverage taking into account potential increase in mentioned risk caused by own funds drop associated with expected or incurred losses. Additionally, annual planning process includes forecast of year end leverage ratio as well as plan of the ratio in a four-year time horizon. The projection is updated depending on the macroeconomic environment. Moreover, mBank also examines capital adequacy in adverse macroeconomic scenarios, understood as risk scenario accepted by the Bank's Management Board.

## 7. Exposures to credit risk

**EU CR1-A: Maturity of exposures**, addressing disclosure requirements of art. 442 letter g) of CRR Regulation.

		a	b	c	d	e	f
		Net exposure value					
		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	34 902 895	41 237 738	39 394 446	61 658 872	-	177 193 951
2	Debt securities	-	32 912 426	29 696 024	4 787 124	51 513	67 447 087
3	<b>Total</b>	34 902 895	74 150 164	69 090 470	66 445 996	51 513	244 641 038

### Non-performing and forborne exposures

In accordance with the EBA/GL/2018/06 guidelines, banks are obliged to monitor and manage the NPL portfolio. Banks should strive to maintain the value of the NPL portfolio below the threshold set by the regulator at 5%. The NPL ratio for mBank Group calculated in accordance with the Guidelines EBA/GL/2018/06 remains at level below the threshold and as of June 30, 2024 was equal to 3.83%. In comparison to December 31, 2023, the ratio is lower by 0.08 p.p. The decrease of the indicator is related to efficient management of debt collection mainly in the Corporate line.



**EU CR1: Performing and non-performing exposures and related provisions**, addressing disclosure requirements of art. 442 letter c) and e) of CRR Regulation.

		a	b	c	d	e	f
		Gross carrying amount/nominal amount					
		Performing exposures			Non-Performing exposures		
			of which stage 1	of which stage 2		of which stage 2	of which stage 3
005	Cash balances at central banks and other demand deposits	20 244 255	20 235 234	9 021	-	-	-
010	Loans and advances	132 198 699	117 018 552	14 621 444	5 269 605	2 676	4 909 544
020	Central banks	5 434 447	5 434 447	-	-	-	-
030	General governments	32 172	31 087	1 038	-	-	-
040	Credit institutions	6 384 847	6 383 530	1 317	-	-	-
050	Other financial corporations	7 386 008	7 247 822	138 185	24 444	-	10 765
060	Non-financial corporations	49 862 479	43 998 926	5 773 621	2 773 856	31	2 629 749
070	Of which: SMEs	34 374 866	30 294 625	3 990 338	1 860 201	31	1 742 665
080	Households	63 098 746	53 922 740	8 707 283	2 471 305	2 645	2 269 030
090	Debt Securities	66 496 160	66 393 530	31 247	-	-	-
100	Central banks	14 744 941	14 744 941	-	-	-	-
110	General governments	40 951 100	40 951 100	-	-	-	-
120	Credit institutions	8 755 318	8 755 318	-	-	-	-
130	Other financial corporations	1 307 492	1 224 732	31 247	-	-	-
140	Non-financial corporations	737 309	717 439	-	-	-	-
150	Off-balance sheet exposures	43 367 250	40 748 730	2 617 735	194 880	-	185 792
160	Central banks	-	-	-	-	-	-
170	General governments	57 556	57 009	547	-	-	-
180	Credit institutions	4 458 938	4 448 638	10 300	-	-	-
190	Other financial corporations	2 234 648	2 228 037	6 611	-	-	-
200	Non-financial corporations	27 025 303	25 017 714	2 007 281	165 947	-	157 005
210	Households	9 590 805	8 997 332	592 996	28 933	-	28 787
220	Total	262 306 364	244 396 046	17 279 447	5 464 485	2 676	5 095 336

**EU CR1: Performing and non-performing exposures and related provisions (contd):**

		g	h	i	j	k	l	m	n	o
		Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collaterals and financial guarantees received	
		Performing exposures - Accumulated impairment and provisions			Non-performing exposures - Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
			of which: stage 1	of which: stage 2		of which: stage 2	of which: stage 3			
005	Cash balances at central banks and other demand deposits	(4 477)	(2 011)	(2 466)	-	-	-	-	-	-
010	Loans and advances	(949 949)	(347 033)	(589 698)	(2 886 536)	(169)	(2 839 330)	-	67 313 287	1 418 010
020	Central banks	-	-	-	-	-	-	-	-	-
030	General governments	(91)	(74)	(17)	-	-	-	-	2 900	-
040	Credit institutions	(421)	(420)	(1)	-	-	-	-	-	-
050	Other financial corporations	(19 485)	(9 615)	(9 870)	(23 496)	-	(9 816)	-	117 186	949
060	Non-financial corporations	(330 356)	(182 764)	(139 592)	(1 539 311)	(4)	(1 577 359)	-	26 903 679	867 660
070	Of which: SMEs	(280 814)	(148 686)	(124 129)	(1 057 793)	(4)	(1 082 024)	-	18 976 584	603 639
080	Households	(599 596)	(154 160)	(440 218)	(1 323 729)	(165)	(1 252 155)	-	40 289 522	549 401
090	Debt Securities	(14 707)	(14 197)	(510)	-	-	-	-	-	-
100	Central banks	(2 317)	(2 317)	-	-	-	-	-	-	-
110	General governments	(6 881)	(6 881)	-	-	-	-	-	-	-
120	Credit institutions	(1 730)	(1 730)	-	-	-	-	-	-	-
130	Other financial corporations	(1 553)	(1 043)	(510)	-	-	-	-	-	-
140	Non-financial corporations	(2 226)	(2 226)	-	-	-	-	-	-	-
150	Off-balance sheet exposures	(80 987)	(44 124)	(35 985)	(105 530)	(4)	(110 429)	-	7 421 756	31 878
160	Central banks	-	-	-	-	-	-	-	-	-
170	General governments	(106)	(52)	(54)	-	-	-	-	500	-
180	Credit institutions	(421)	(414)	(7)	-	-	-	-	88 457	-
190	Other financial corporations	(1 435)	(1 143)	(292)	-	-	-	-	98 593	-
200	Non-financial corporations	(42 633)	(28 423)	(14 211)	(98 607)	-	(103 890)	-	6 968 268	31 757
210	Households	(36 392)	(14 092)	(21 421)	(6 923)	(4)	(6 539)	-	265 938	121
220	Total	(1 050 120)	(407 365)	(628 659)	(2 992 066)	(173)	(2 949 759)	-	74 735 043	1 449 888

**EU CQ5: Credit quality of loans and advances to non-financial corporations by industry**, addressing disclosure requirements of art. 442 letter c) and e) of CRR Regulation.

		a	b	c	d	e	f
			Gross carrying amount		of which: loans and advances subject to	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			of which: non-performing	of which: defaulted			
010	Agriculture, forestry and fishing	323 200	5 491	5 491	322 904	(6 439)	(151)
020	Mining and quarrying	157 250	7 674	7 674	157 234	(6 041)	-
030	Manufacturing	11 021 809	753 769	753 769	11 013 748	(468 471)	(762)
040	Electricity, gas, steam and air conditioning supply	2 557 877	36 003	36 003	2 557 877	(44 848)	-
050	Water supply	577 418	6 549	6 549	576 675	(8 965)	(90)
060	Construction	5 524 920	278 935	278 935	5 516 528	(217 588)	(1 263)
070	Wholesale and retail trade	11 283 203	457 319	457 319	11 266 514	(326 945)	(2 900)
080	Transport and storage	3 300 846	236 496	236 496	3 296 122	(131 597)	(350)
090	Accommodation and food service activities	875 356	114 609	114 609	872 054	(82 836)	(615)
100	Information and communication	2 167 479	51 206	51 206	2 164 495	(61 041)	(206)
110	Real estate activities	6 450 970	487 544	487 544	6 382 187	(275 520)	(23 454)
120	Financial and insurance activities	68 871	1 853	1 853	67 811	(1 786)	(47)
130	Professional, scientific and technical activities	3 767 692	96 693	96 693	3 761 198	(87 503)	(612)
140	Administrative and support service activities	1 891 444	198 102	198 102	1 887 973	(62 226)	(266)
150	Public administration and defense, compulsory social security	3 724	130	130	3 603	(61)	(103)
160	Education	149 659	4 466	4 466	148 933	(4 151)	-
170	Human health services and social work activities	1 456 653	15 733	15 733	1 454 933	(25 770)	(187)
180	Arts, entertainment and recreation	504 075	4 468	4 468	503 798	(9 112)	(102)
190	Other services	553 888	16 817	16 817	553 450	(17 578)	(81)
200	Total	52 636 334	2 773 857	2 773 857	52 508 037	(1 838 478)	(31 189)

**EU CQ4: Quality of non-performing exposures by geography**, addressing disclosure requirements of art. 442 letter c) and e) of CRR Regulation.

		a	b	c	d	e	f	g
			Gross carrying/Nominal amount			Accumulated impairment	Provisions on off-balance sheet commitments and financial guarantee given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			of which: non-performing		of which: subject to impairment			
				of which: defaulted				
010	On balance sheet exposures	203 964 466	5 269 606	5 266 179	203 284 276	(3 772 398)		(78 792)
020	Poland	170 737 045	4 999 009	4 995 582	170 109 613	(3 607 187)		(78 724)
030	Czechia	11 430 085	113 681	113 681	11 430 085	(80 870)		-
040	Luxembourg	5 459 311	3	3	5 459 292	(3 358)		-
050	France	4 942 034	-	-	4 942 019	(1 130)		-
060	Germany	3 076 146	10 830	10 830	3 076 013	(413)		(8)
070	Slovakia	2 966 825	92 627	92 627	2 966 816	(60 277)		-
080	Belgium	2 152 053	-	-	2 152 053	(338)		-
090	United States	1 312 972	583	583	1 261 103	(233)		-
100	Austria	879 614	23	23	879 612	(136)		-
110	Netherlands	351 417	160	160	351 410	(10 826)		-
120	Switzerland	232 587	603	603	232 476	(145)		-
130	Spain	87 498	263	263	87 437	(237)		-
140	United Kingdom	82 861	1 291	1 291	82 678	(540)		(9)
150	Ireland	55 837	75	75	55 774	(89)		-
160	Cyprus	53 578	-	-	53 558	(30)		-
170	Denmark	51 652	125	125	51 647	(611)		-
180	Sweden	50 648	47 575	47 575	50 645	(47 471)		-
190	Turkey	12 967	-	-	12 967	(77)		-
200	Malta	9 095	-	-	9 073	(12)		-
210	United Arab Emirates	4 837	2 132	2 132	4 735	(1 090)		(34)
220	Jordan	4 061	-	-	4 061	(29)		-
230	Norway	3 076	92	92	3 052	(92)		-
240	Croatia	2 001	-	-	2 001	-		-
250	Portugal	931	-	-	900	(1)		-
260	Gibraltar	849	-	-	849	-		-
270	Malaysia	603	-	-	603	-		-
280	New Zealand	596	-	-	596	(1)		-
290	Canada	523	4	4	523	(9)		-
300	Saudi Arabia	522	-	-	522	-		-
310	Italy	504	219	219	504	(165)		-
320	Israel	369	-	-	369	-		-
330	Australia	331	-	-	331	(1)		-
340	Finland	272	-	-	244	(3)		-
350	Iceland	190	56	56	190	(24)		-
360	Russian Federation	153	150	150	153	43 004		-
370	Lithuania	127	48	48	127	3		-
380	Singapore	77	56	56	29	(7)		(17)
390	Ukraine	49	1	1	49	(1)		-
400	Greece	41	-	-	41	(1)		-
410	Dominican Republic	35	-	-	35	-		-
420	Andorra	18	-	-	18	(1)		-
430	Virgin Islands, British	14	-	-	14	-		-
440	Chile	12	-	-	12	-		-
450	Estonia	11	-	-	11	-		-
460	Bulgaria	8	-	-	8	-		-
470	Romania	5	-	-	5	-		-
480	Thailand	5	-	-	5	-		-
490	Cayman Islands	3	-	-	3	-		-
500	Hungary	3	-	-	3	-		-
510	Latvia	3	-	-	3	-		-
520	Japan	3	-	-	3	-		-
530	Monaco	3	-	-	3	-		-
540	Curaçao	3	-	-	-	-		-
550	China	1	-	-	1	-		-
560	Slovenia	1	-	-	1	-		-
570	Other Countries	1	-	-	1	-		-

## EU CQ4: Quality of non-performing exposures by geography (contd):

		a	b	c	d	e	f	g
		Gross carrying/Nominal amount			of which: subject to impairment	Accumulated impairment	Provisions on off-balance sheet commitments and financial guarantee given	Accumulated negative changes in fair value due to credit risk on non- performing exposures
			of which: non-performing	of which: defaulted				
580	Off balance sheet exposures	43 562 130	194 879	194 879	-	-	186 517	-
590	Poland	37 384 450	194 552	194 552			184 752	
600	Germany	2 532 226	2	2			156	
610	United Kingdom	1 031 479	-	-			94	
620	Czechia	527 976	201	201			785	
630	Cyprus	501 712	-	-			29	
640	France	390 656	-	-			4	
650	Slovakia	206 917	107	107			201	
660	Austria	190 638	-	-			56	
670	United States	156 981	2	2			13	
680	Spain	128 670	2	2			3	
690	Luxembourg	118 132	-	-			181	
700	Denmark	114 143	-	-			14	
710	Ireland	100 504	-	-			12	
720	Belgium	45 399	-	-			2	
730	Japan	32 251	10	10			1	
740	Netherlands	27 527	-	-			6	
750	Switzerland	13 317	-	-			51	
760	Algeria	12 304	-	-			36	
770	Israel	10 084	-	-			-	
780	Jordan	9 500	-	-			64	
790	Canada	8 325	-	-			2	
800	Italy	3 583	-	-			1	
810	India	2 985	-	-			-	
820	Korea, Republic of	2 200	-	-			-	
830	Singapore	1 360	2	2			1	
840	Malta	1 118	-	-			26	
850	South Africa	1 013	-	-			4	
860	Hungary	893	-	-			1	
870	Portugal	871	-	-			1	
880	Sweden	668	1	1			4	
890	Croatia	665	-	-			-	
900	Norway	555	-	-			5	
910	United Arab Emirates	544	-	-			2	
920	Morocco	425	-	-			1	
930	Australia	313	-	-			-	
940	Hong Kong	200	-	-			-	
950	Sri Lanka	182	-	-			6	
960	Finland	160	-	-			1	
970	Virgin Islands, British	153	-	-			1	
980	Andorra	150	-	-			-	
990	New Zealand	99	-	-			-	
1000	Curaçao	98	-	-			-	
1010	Gibraltar	97	-	-			-	
1020	China	74	-	-			-	
1030	Greece	67	-	-			-	
1040	Latvia	54	-	-			-	
1050	Thailand	51	-	-			-	
1060	Argentina	50	-	-			-	
1070	Russian Federation	42	-	-			-	
1080	Bulgaria	39	-	-			-	
1090	Cayman Islands	35	-	-			-	
1100	Chile	26	-	-			1	
1110	Mexico	25	-	-			-	
1120	Lithuania	22	-	-			-	
1130	Malaysia	21	-	-			-	
1140	Philippines	20	-	-			-	
1150	Iceland	19	-	-			-	
1160	Guernsey	18	-	-			-	
1170	Monaco	18	-	-			-	
1180	Dominican Republic	11	-	-			-	
1190	Tanzania, United Republic of	7	-	-			-	
1200	Estonia	4	-	-			-	
1210	Ukraine	4	-	-			-	
1220	Total	247 526 596	5 464 485	5 461 058	203 284 276	(3 772 398)	186 517	(78 792)

**EU CQ1: Credit quality of forborne exposures**, addressing disclosure requirements of art. 442 letter c) of CRR Regulation.

		a	b	c	d	e	f	g	h
		Gross carrying amount/ Nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collaterals received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne		Of which defaulted	Of which impaired	On performing forborne exposures	On non-performing forborne exposures	Of which: Collateral and financial guarantees received on non-performing exposures with forbearance measures
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010	Loans and advances	1 534 825	1 199 424	1 199 214	1 198 695	(32 356)	(518 732)	1 579 895	472 545
020	Central banks	-	-	-	-	-	-	-	-
030	General governments	-	-	-	-	-	-	-	-
040	Credit institutions	-	-	-	-	-	-	-	-
050	Other financial corporations	204	-	-	-	(1)	-	203	-
060	Non-financial corporations	785 535	631 202	631 202	631 187	(20 826)	(325 918)	703 194	210 516
070	Households	749 086	568 222	568 012	567 508	(11 529)	(192 814)	876 498	262 029
080	Debt Securities	-	-	-	-	-	-	-	-
090	Loan commitments given	190 171	13 606	13 606	13 131	(868)	(7 393)	77 358	8 119
100	Total	1 724 996	1 213 030	1 212 820	1 211 826	(33 224)	(526 125)	1 657 253	480 664

**Changes in the stock of non-performing exposures**

**EU CR2: Changes in the stock of non-performing loans and advances**, addressing disclosure requirements of art. 442 letter f) of CRR Regulation.

		a
		Gross carrying amount
<b>010</b>	<b>Initial stock of non-performing loans and advances</b>	<b>4 899 526</b>
020	Inflows to non-performing portfolios	1 847 025
030	Outflows from non-performing portfolios	(1 476 945)
040	Outflows due to write-offs	(216 205)
050	Outflow due to other situations	(1 260 740)
<b>060</b>	<b>Final stock of non-performing loans and advances</b>	<b>5 269 606</b>

**Information on collateral obtained by taking possession and execution processes**

Information on collateral obtained by taking possession and execution processes as at 30 June 2024 is presented below.

**EU CQ7: Collateral obtained by taking possession and execution processes**, addressing disclosure requirements of art. 442 letter c) of CRR Regulation.

		a	b
		Collateral obtained by taking possession accumulated	
		Value at initial recognition	Accumulated negative changes
<b>010</b>	<b>Property Plant and Equipment (PP&amp;E)</b>	-	-
<b>020</b>	<b>Other than Property Plant and Equipment</b>	<b>138 962</b>	<b>(34 036)</b>
030	Residential immovable property	-	-
040	Commercial immovable property	54 796	(16 293)
050	Movable property (auto, shipping, etc.)	84 166	(17 743)
060	Equity and debt instruments	-	-
070	Other	-	-
<b>080</b>	<b>Total</b>	<b>138 962</b>	<b>(34 036)</b>

## 8. Liquidity risk

The below table addresses the scope of disclosures from EU LIQB table.

As of June 30, 2024, the LCR ratio of mBank Group reached 221% and the LCR measure remained on a safe level, significantly exceeding 100%.

In second quarter of 2024, the slight increase in the liquidity coverage ratio was mainly driven by:

- increase in the deposit base included in the calculation of the LCR indicator by PLN 3.6 billion compared to the end of first quarter of 2024 (increase by PLN 3.7 billion excluding the effect of changes in foreign exchange rates),
- higher lending activity by PLN 1.8bn compared to the end of first quarter of 2024 (increase by PLN 1.55 billion excluding the effect of changes in foreign exchange rates),
- decrease in the amount (net) of collateral deposits placed by the Bank by around PLN 440 million.

As a result of these changes, the level of the liquidity buffer remains high in relation to the expected net outflows over a 30-day horizon as at 30 June 2024.

The high-quality liquid assets of mBank in the liquidity buffer (HQLA) used to calculate the LCR ratio consist of only Level 1 assets, including:

- Polish treasury bonds in PLN, EUR and USD
- bills issued by the National Bank of Poland,
- treasury bonds issued by the central governments of the EU Member States in EUR and by the US Treasury in USD,
- treasury bills issued by the EU Member States and by the EU in EUR and American treasury bills in USD,
- bonds issued by the European Investment Bank in PLN and USD and guaranteed by the central governments of the EU Member States: bonds of the Polish Development Fund, Bank Gospodarstwa Krajowego and German state development bank KfW – in PLN and EUR,
- excess of the required reserve in the National Bank of Poland, the National Bank of Czech and the National Bank of Slovakia,
- funds held at central banks in the form of deposits and reverse repo operations with central banks.

Also mBank Hipoteczny maintains liquidity buffer within the mBank Group. The liquidity buffer of mBank Hipoteczny consisted of Polish treasury bonds in PLN, NBP bills, and the excess of the required reserve at the National Bank of Poland.

The main source of financing are deposits, which as of June 30, 2024 accounted for 92.75% of all external sources of financing. The deposit base is diversified, and the deposits of the 10 largest customers as of June 30, 2024 accounted for 2.4% of the deposit base. The other sources of financing are:

- own issues,
- subordinated liabilities,
- operations on the interbank market,
- loans.

The mBank Group identifies three significant currencies in accordance with Art. 4(5) of the EU Commission Delegated Regulation 2015/61 and with Art. 415(2) of the CRR Regulation: PLN, CZK and EUR, for which the LCR ratio was above 100%. CZK and EUR currencies are related to running two foreign branches in the Czech Republic and Slovakia. The currency mismatch is limited at the level of the real liquidity gap in individual currencies.

As of June 30, 2024, the impact of the adverse market scenario on derivatives accounted for 0.5% of the total unweighted outflow value included in the LCR.



**EU LIQ1 – Quantitative information of LCR**, addressing disclosure requirements of art. 451a point 2) of CRR Regulation (in PLN million).

		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on	30.06.2024	31.03.2024	31.12.2023	30.09.2023	30.06.2024	31.03.2024	31.12.2023	30.09.2023
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
<b>HIGH-QUALITY LIQUID ASSETS</b>									
1	Total high-quality liquid assets (HQLA)					82 050	78 934	76 155	69 752
<b>CASH - OUTFLOWS</b>									
2	Retail deposits and deposits from small business customers, of which:	130 211	130 771	132 780	132 165	10 078	10 238	10 622	10 670
3	Stable deposits	90 713	90 195	89 713	88 765	4 536	4 510	4 486	4 438
4	Less stable deposits	39 498	40 576	43 067	43 400	5 543	5 728	6 136	6 232
5	Unsecured wholesale funding	52 552	50 265	48 115	45 466	22 578	21 338	20 235	18 976
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	8 378	8 463	8 596	8 388	2 010	2 025	2 052	1 996
7	Non-operational deposits (all counterparties)	43 987	41 625	39 319	36 876	20 382	19 136	17 983	16 778
8	Unsecured debt	186	177	200	203	186	177	200	203
9	Secured wholesale funding					-	-	-	-
10	Additional requirements	22 958	22 716	22 564	22 294	4 693	4 873	4 888	4 842
11	Outflows related to derivative exposures and other collateral requirements	2 479	2 689	2 708	2 662	2 479	2 689	2 708	2 662
12	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
13	Credit and liquidity facilities	20 479	20 026	19 856	19 632	2 214	2 184	2 180	2 180
14	Other contractual funding obligations	1 534	1 310	1 020	1 016	1 278	1 084	815	836
15	Other contingent funding obligations	17 706	17 020	16 363	16 054	831	771	718	717
16	TOTAL CASH OUTFLOWS					39 457	38 304	37 278	36 042
<b>CASH - INFLOWS</b>									
17	Secured lending (e.g. reverse repos)	13 615	13 100	12 170	8 729	-	-	-	-
18	Inflows from fully performing exposures	3 096	3 310	3 685	4 390	2 037	2 210	2 570	3 266
19	Other cash inflows	740	737	663	583	739	737	663	583
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					-	-	-	-
EU-19b	(Excess inflows from a related specialised credit institution)					-	-	-	-
20	TOTAL CASH INFLOWS	17 451	17 147	16 518	13 702	2 776	2 947	3 233	3 849
EU-20a	Fully exempt inflows	-	-	-	-	-	-	-	-
EU-20b	Inflows subject to 90% cap	-	-	-	-	-	-	-	-
EU-20c	Inflows subject to 75% cap	17 451	17 147	16 518	13 702	2 776	2 947	3 233	3 849
<b>TOTAL ADJUSTED VALUE</b>									
EU-21	LIQUIDITY BUFFER					82 050	78 934	76 155	69 752
22	TOTAL NET CASH OUTFLOWS					36 681	35 357	34 045	32 193
23	LIQUIDITY COVERAGE RATIO					224%	223%	224%	217%

**Information regarding NSFR**

The table below presents quantitative NSFR data as of 30 June 2024 (data in PLN million).

**EU LIQ2: Net Stable Funding Ratio**, addressing disclosure requirements of art. 451a point 3) of CRR Regulation.

		a	b	c	d	e	
		Unweighted value by residual maturity				Weighted value	
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr		
Available stable funding (ASF) Items							
1	Capital items and instruments	14 054	-	-	2 620	16 674	
2	Own funds	14 054	-	-	1 590	15 644	
3	Other capital instruments		-	-	1 030	1 030	
4	Retail deposits		115 533	-	14 886	122 941	
5	Stable deposits		81 508	-	10 934	88 366	
6	Less stable deposits		34 025	-	3 952	34 575	
7	Wholesale funding:		57 120	1 746	12 790	37 599	
8	Operational deposits		7 913	-	-	3 956	
9	Other wholesale funding		49 207	1 746	12 790	33 643	
10	Interdependent liabilities		-	-	-	-	
11	Other liabilities:		220	25 538	90	81	127
12	NSFR derivative liabilities		220				
13	All other liabilities and capital instruments not included in the above categories		25 538	90	81	127	
14	Total available stable funding (ASF)					177 341	
Required stable funding (RSF) Items							
15	Total high-quality liquid assets (HQLA)					6 801	
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		2	-	8 050	6 844	
16	Deposits held at other financial institutions for operational purposes		228	-	-	114	
17	Performing loans and securities:		17 608	9 536	67 959	66 668	
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		-	-	-	-	
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		894	54	1 157	1 275	
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		14 810	8 014	30 094	36 987	
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		125	133	19	142	
22	Performing residential mortgages, of which:		1 703	1 428	35 081	26 852	
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		352	366	22 661	15 089	
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products	201	40	1 627	1 554		
25	Interdependent assets		-	-	-	-	
26	Other assets:	-	35 649	2 799	19 374	32 076	
27	Physical traded commodities				-	-	
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		-	-	1 457	1 239	
29	NSFR derivative assets		-	-	-	-	
30	NSFR derivative liabilities before deduction of variation margin posted		-	-	-	-	
31	All other assets not included in the above categories		35 648	2 799	17 917	30 837	
32	Off-balance sheet items		37 070	2 350	-	1 970	
33	Total required stable funding (RSF)					114 473	
34	Net Stable Funding Ratio (%)					155%	

As of June 30, 2024, the Net Stable Funding Ratio (NSFR) of mBank Group reached the level of 155% and in 2024 the NSFR measure remained at a safe level, significantly exceeding 100%.

**9. Transitional arrangements regarding IFRS 9**

The Bank decided, for the purpose of capital adequacy calculation, including calculation of own funds, based on Article 1 paragraph 9 of Regulation (EU) 2017/2395 of the European Parliament and of the Council of 12 December 2017 amending the CRR Regulation, not to apply the transitional arrangements, which allows to mitigate the impact on capital related to the introduction of IFRS 9.

The capital ratios reported in this document, including the leverage ratio and Tier 1 capital, fully reflect the impact of IFRS 9.

**Representation of the Management Board of mBank S.A.**

The Management Board of m Polska S.A. declares that, to the best of its knowledge, the information presented in this "Disclosures regarding capital adequacy of mBank S.A. Group as at 30 June 2024" were prepared in accordance with the formal policies and internal processes, as well as, systems and controls agreed upon at the Management Board level, and give a true view of the facts. Furthermore, the risk management arrangements are adequate and give assurance that the risk management systems in use are appropriate in terms of the risk profile and strategy of the mBank Group.

The Management Board of mBank S.A. approves this "Disclosures regarding capital adequacy of mBank S.A. Group as at 30 June 2024".

First and last name	Position	Signature
Cezary Kocik	Vice-President of the Management Board, Managing the work of the Management Board	(signed electronically)
Krzysztof Bratos	Vice-President of the Management Board, Head of Retail Banking	(signed electronically)
Krzysztof Dąbrowski	Vice-President of the Management Board, Head of Operations and IT	(signed electronically)
Marek Lusztyn	Vice-President of the Management Board, Chief Risk Officer	(signed electronically)
Julia Nusser	Vice-President of the Management Board, Chief People & Regulatory Officer	(signed electronically)
Adam Pers	Vice-President of the Management Board, Head of Corporate & Investment Banking	(signed electronically)
Pascal Ruhland	Vice-President of the Management Board, Chief Financial Officer	(signed electronically)