Disclosures regarding capital adequacy of mBank S.A. Group as at 31 March 2025

Warsaw, 6th May 2025

Contents

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. 31 March 2025.

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) 2024/3172 of 29 November 2024 laying down implementing technical standards for the application of Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to public disclosures by institutions of the information referred to in Part Eight, Titles II and III, of that Regulation, and repealing Commission Implementing Regulation (EU) 2021/637 (Regulation 2024/3172),
- 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.

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 accounting policies applied for the preparation of the prudentially consolidated financial data for the first quarter 2025 are the same as those, which have been applied to prepare the mBank S.A. Group Consolidated Financial Report for the first quarter of 2025, which included Condensed Consolidated Financial Statements of mBank S.A. Group for the first quarter of 2025, 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 31 March 2025 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 31 March 2025 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.
13. mZakupy Sp. z o.o.

Detailed information on consolidated entities included in consolidation is presented in mBank S.A. Group Consolidated Financial Report for the first quarter of 2025, in the Note 1 Information regarding the Group of mBank S.A.

The scope of entities included in prudential consolidation for the first quarter of 2025 was the same as the scope of entities included in accounting consolidation based on International Financial Reporting Standards (IFRS).

3. Own funds

The consolidated own funds of mBank Group consist of Common Equity Tier 1 capital, Additional Tier 1 capital and Tier 2 capital.

The increase in the amount of own funds observed over the first quarter of 2025 compared to the amount of own funds as of 31 December 2024 was mainly due to the inclusion of the profit for the fourth quarter of 2024 in connection with the decision of the General Meeting of Shareholders of mBank S.A. dated March 27, 2025, regarding the distribution of net profit for the year 2024 and decrease in other intangible assets and deferred tax assets deductions. These changes were partially offset by prudential amortisation of amounts of instruments eligible as Tier 2 capital.

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

		a	b	c	d	e
		31.03.2025	31.12.2024	30.09.2024	30.06.2024	31.03.2024
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	14 499 548	13 343 086	13 429 261	12 845 667	12 830 675
2	Tier 1 capital	15 999 548	14 843 086	13 429 261	12 845 667	12 830 675
3	Total capital	17 249 190	16 201 233	14 929 042	14 485 985	14 620 305
	Risk-weighted exposure amounts					
4	Total risk exposure amount	112 372 375	102 215 740	96 941 573	93 678 207	91 266 025
4a	Total risk exposure pre-floor	112 372 375				
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	12.90%	13.05%	13.85%	13.71%	14.06%
5b	Common Equity Tier 1 ratio considering unfloored TREA (%)	12.90%				
6	Tier 1 ratio (%)	14.24%	14.52%	13.85%	13.71%	14.06%
6b	Tier 1 ratio considering unfloored TREA (%)	14.24%				
7	Total capital ratio (%)	15.35%	15.85%	15.40%	15.46%	16.02%
7b	Total capital ratio considering unfloored TREA (%)	15.35%				
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
EU 7d	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	-	-	-	-	-
EU 7e	of which: to be made up of CET1 capital (percentage points)	-	-	-	-	-
EU 7f	of which: to be made up of Tier 1 capital (percentage points)	-	-	-	-	-
EU 7g	Total SREP own funds requirements (%)	8.00%	8.00%	8.00%	8.00%	8.00%
	Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)					
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 (%)	0.08%	0.09%	0.09%	0.11%	0.12%
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 (%)	3.08%	3.09%	3.09%	3.11%	3.12%
EU-11a	Overall capital requirements (%)	11.08%	11.09%	11.09%	11.11%	11.12%
12	CET1 available after meeting the total SREP own funds requirements (%)	7.35%	7.85%	7.40%	7.46%	8.02%
	Leverage ratio					
13	Total exposure measure	264 039 199	262 882 185	254 430 697	245 081 185	237 705 647
14	Leverage ratio (%)	6.06%	5.65%	5.28%	5.24%	5.40%
	Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
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%
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
EU-14d	Leverage ratio buffer requirement (%)	-	-	-	-	-
EU-14e	Overall leverage ratio requirement (%)	3.00%	3.00%	3.00%	3.00%	3.00%
	Liquidity Coverage Ratio					
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	89 097	86 562	84 444	82 050	78 934
EU-16a	Cash outflows - Total weighted value	42 231	41 403	40 639	39 457	38 304
EU-16b	Cash inflows - Total weighted value	2 569	2 397	2 559	2 776	2 948
16	Total net cash outflows (adjusted value)	39 662	39 006	38 080	36 681	35 357
17	Liquidity coverage ratio (%)	225%	222%	222%	224%	223%
	Net Stable Funding Ratio					
18	Total available stable funding	187 689	187 775	181 022	174 854	171 958
19	Total required stable funding	118 135	114 388	113 766	111 201	110 265
20	NSFR ratio (%)	159%	164%	159%	157%	156%

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EU KM1 – Key metrics template recalculated taking into account the retrospective including of the profit for the year 2024, in line with the EBA's position expressed in Q&A 2018_3822 and Q&A 2018_4085.

		a	b	c	d	e
		31.03.2025	31.12.2024	30.09.2024	30.06.2024	31.03.2024
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	14 499 548	14 589 931	14 193 250	13 570 117	13 009 970
2	Tier 1 capital	15 999 548	16 089 931	14 193 250	13 570 117	13 009 970
3	Total capital	17 249 190	17 448 078	15 693 031	15 210 435	14 799 600
	Risk-weighted exposure amounts					
4	Total risk exposure amount	112 372 375	102 430 304	96 941 573	93 678 207	91 266 025
4a	Total risk exposure pre-floor	112 372 375				
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	12.90%	14.24%	14.64%	14.49%	14.26%
5b	Common Equity Tier 1 ratio considering unfloored TREA (%)	12.90%				
6	Tier 1 ratio (%)	14.24%	15.71%	14.64%	14.49%	14.26%
6b	Tier 1 ratio considering unfloored TREA (%)	14.24%				
7	Total capital ratio (%)	15.35%	17.03%	16.19%	16.24%	16.22%
7b	Total capital ratio considering unfloored TREA (%)	15.35%				
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
EU 7d	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	-	-	-	-	-
EU 7e	of which: to be made up of CET1 capital (percentage points)	-	-	-	-	-
EU 7f	of which: to be made up of Tier 1 capital (percentage points)	-	-	-	-	-
EU 7g	Total SREP own funds requirements (%)	8.00%	8.00%	8.00%	8.00%	8.00%
	Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)					
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 (%)	0.08%	0.09%	0.09%	0.11%	0.12%
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 (%)	3.08%	3.09%	3.09%	3.11%	3.12%
EU-11a	Overall capital requirements (%)	11.08%	11.09%	11.09%	11.11%	11.12%
12	CET1 available after meeting the total SREP own funds requirements (%)	7.35%	9.03%	8.19%	8.24%	8.22%
	Leverage ratio					
13	Total exposure measure	264 039 199	262 968 011	254 430 697	245 081 185	237 705 647
14	Leverage ratio (%)	6.06%	6.12%	5.58%	5.54%	5.47%
	Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
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%
	Leverage ratio buffer and total leverage ratio requirement (as a percentage of total exposure measure)					
EU-14d	Leverage ratio buffer requirement (%)	-	-	-	-	-
EU-14e	Overall leverage ratio requirement (%)	3.00%	3.00%	3.00%	3.00%	3.00%

4. Capital requirement

4.1 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 European Central Bank (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 ECB 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).

On 6 November 2024 mBank concluded a a synthetic securitization transaction executed on a portfolio of corporate non-mortgage loans with a total value of PLN 5 237 million as at 30 August 2024. 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).

On 30 September 2024 mBank obtained approval from PFSA for the use of the new generation of PD, LGD and CCF models for the retail portfolio and the corporate portfolio and the new generation of PD and LGD models for the subsidiary mLeasing.

In the calculation of the total capital ratio of mBank Group as of 31 March 2025, 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.

4.2 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 2024/3172.

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; 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 the first quarter of 2025 mBank calculated the economic capital at the 99.90% 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. Starting from June 2024, mBank included environmental, social and governance risks (ESG risks) in its internal capital calculation, whereby environmental risk is treated as a horizontal risk that can materialize within the risk categories identified so far. The bank designated capital for other, including hard-to-measure risks. 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 bearing 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 are well above the value of the internal capital.

The Bank's Management Board is responsible for the ICAAP process in mBank Group. The main principles of the internal capital adequacy assessment process (ICAAP) are approved by the Supervisory Board of mBank. The whole internal capital adequacy assessment process is reviewed annually. The results of the annual review are reported in a dedicated report which is approved by the Supervisory Board of mBank.

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4.3 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 31 March 2025 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 31 March 2025 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 March 2025 this ratio amounted to 0.08%. Exposures of foreign branches in Czech Republic and in Slovakia, where countercyclical buffer rates as of 31 March 2025 amounted to 1.25%, and 1.5% respectively, had an impact on the mBank Group specific countercyclical capital buffer.

EU CCyB2 - Amount of institution-specific countercyclical capital buffer

		31.03.2025
1	Total risk exposure amount	112 372 375
2	Institution specific countercyclical capital buffer rate	0.0813%
3	Institution specific countercyclical capital buffer requirement	91 359

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 31 March 2025.

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 31 March 2025.

Consequently, the combined buffer requirement set for the mBank Group as of the 31 March 2025 amounted to 3.08% of the total risk exposure amount.

Capital ratios both on consolidated and individual basis as at the end of March 2025 were above the required values.

With a surplus mBank Group meets the combined buffer requirement.

4.4 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,

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- risk exposure amount for credit valuation adjustments, calculated under standardised approach,
- other risk exposure.

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 2024/3172 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
		31.03.2025	31.12.2024	31.03.2025
1	**Credit risk (excluding CCR)**	**86 852 036**	**80 831 368**	**6 948 163**
2	Of which the standardised approach	29 947 249	26 281 111	2 395 780
3	Of which the Foundation IRB (F-IRB) approach	1 792 581	-	143 406
4	Of which slotting approach	6 968 754	5 587 489	557 500
EU 4a	Of which equities under the simple riskweighted approach	-	-	-
5	Of which the Advanced IRB (A-IRB) approach	48 143 452	48 962 768	3 851 477
6	**Counterparty credit risk - CCR**	**1 762 864**	**1 507 500**	**141 029**
7	Of which the standardised approach	1 643 022	1 393 857	131 441
8	Of which internal model method (IMM)	-	-	-
EU 8a	Of which exposures to a CCP	9 107	8 919	729
9	Of which other CCR	110 735	104 724	8 859
10	**Credit valuation adjustments risk - CVA risk**	**206 577**	**166 538**	**16 526**
EU 10a	Of which the standardised approach (SA)	-	-	-
EU 10b	Of which the basic approach (F-BA and R-BA)	206 577	-	16 526
EU 10c	Of which the simplified approach	-	-	-
15	**Settlement risk**	-	-	-
16	**Securitisation exposures in the non-trading book (after the cap)**	**4 398 433**	**5 023 261**	**351 875**
17	Of which SEC-IRBA approach	4 398 433	5 023 261	351 875
18	Of which SEC-ERBA (including IAA)	-	-	-
19	Of which SEC-SA approach	-	-	-
EU 19a	Of which 1250% / deduction	-	-	-
20	**Position, foreign exchange and commodities risks (Market risk)**	**1 435 167**	**1 138 790**	**114 813**
21	Of which the Alternative standardised approach (A-SA)	-	-	-
EU 21a	Of which the Simplified standardised approach (S-SA)	1 435 167	1 138 790	114 813
22	Of which Alternative Internal Model Approach (A-IMA)	-	-	-
EU 22a	**Large exposures**	-	-	-
23	**Reclassifications between the trading and non-trading books**	-	-	-
24	**Operational risk**	**17 717 298**	**13 548 283**	**1 417 384**
EU 24a	Exposures to crypto-assets	-	-	-
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	3 812 115	3 830 086	304 969
26	Output floor applied (%)	-	-	
27	Floor adjustment (before application of transitional cap)	-	-	
28	Floor adjustment (after application of transitional cap)	-	-	
29	**Total**	**112 372 375**	**102 215 740**	**8 989 790**

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The templates present comparison of modelled and standardised risk weighted exposure amounts of mBank Group regard to templates EU CMS1 and EU CMS2 in Annex I to Regulation 2024/3172 addressing disclosure requirements of Article 438 (da) of the CRR Regulation.

EU CMS1 – Comparison of modelled and standardised risk weighted exposure amounts at risk level

		a	b	c	d	EU d
		RWEAs for modelled approaches that banks have supervisory approval to use	RWEAs for portfolios where standardised approaches are used	Total actual RWEAs (a + b)	RWEAs calculated using full standardised approach	RWEAs that is the base of the output floor
1	Credit risk (excluding counterparty credit risk)	56 904 787	29 947 249	86 852 036	96 799 998	96 799 993
2	Counterparty credit risk	1 231 730	531 134	1 762 864	1 429 070	1 429 070
3	Credit valuation adjustment		206 577	206 577	206 577	206 577
4	Securitisation exposures in the banking book	-	4 398 433	4 398 433	4 398 433	4 398 433
5	Market risk	-	1 435 167	1 435 167	1 435 167	1 435 167
6	Operational risk		17 717 298	17 717 298	17 717 298	17 717 298
7	Other risk weighted exposure amounts		-	-	-	-
8	**Total**	**58 136 517**	**54 235 858**	**112 372 375**	**121 986 543**	**121 986 538**

Disclosures regarding capital adequacy as at 31 March 2025 (PLN thousand)

EU CMS2 – Comparison of modelled and standardised risk weighted exposure amounts for credit risk at asset class level

		a	b	c	d	EU d
		Risk weighted exposure amounts (RWEAs)				
		RWEAs for modelled approaches that institutions have supervisory approval to use	RWEAs for column (a) if re-computed using the standardised approach	Total actual RWEAs	RWEAs calculated using full standardised approach	RWEAs that is the base of the output floor
1	Central governments and central banks	-	903	3 552 638	3 553 541	3 553 541
EU 1a	Regional governments or local authorities	-	-	7 266	7 266	7 266
EU 1b	Public sector entities	-	-	22 968	22 968	22 968
EU 1c	Categorised as Multilateral Development Banks in SA	-	-	-	-	-
EU 1d	Categorised as International organisations in SA	-	-	-	-	-
2	Institutions	752 112	757 078	934 301	939 267	939 267
3	Equity	-	-	804 453	804 453	804 453
5	Corporates	21 831 415	21 669 267	35 461 340	35 293 937	35 293 932
5.1	Of which: F-IRB is applied	1 014 961	1 359 920	1 014 961	1 359 920	1 359 920
5.2	Of which: A-IRB is applied	20 817 498	20 309 346	20 817 498	20 309 352	20 309 346
EU 5a	Of which: Corporates - General	21 663 245	21 449 424	30 835 801	30 636 808	30 636 801
EU 5b	Of which: Corporates - Specialised lending	168 168	219 842	4 605 455	4 657 129	4 657 129
EU 5c	Of which: Corporates - Purchased receivables	-	-	4 682 188	4 682 188	4 682 188
6	Retail	12 876 141	18 807 893	17 598 045	23 529 797	23 529 797
6.1	Of which: Retail - Qualifying revolving	2 124 781	3 545 758	2 125 900	3 546 878	3 546 878
EU 6.1a	Of which: Retail - Purchased receivables	-	-	-	-	-
EU 6.1b	Of which: Retail - Other	10 747 191	15 249 254	15 467 363	19 969 425	19 969 425
6,2	Of which: Retail - Secured by residential real estate	4 169	12 881	4 782	13 494	13 494
EU 7a	Categorised as secured by immovable properties and ADC exposures in SA	13 051 427	19 119 031	19 166 013	25 233 617	25 233 617
EU 7b	Collective investment undertakings (CIU)	-	-	139 625	139 625	139 625
EU 7c	Categorised as exposures in default in SA	3 685 162	1 973 454	4 156 020	2 444 312	2 444 312
EU 7d	Categorised as subordinated debt exposures in SA	-	-	-	-	-
EU 7e	Categorised as covered bonds in SA	-	-	-	-	-
EU 7f	Categorised as claims on institutions and corporates with a short-term credit assessment in SA	-	-	-	-	-
8	Other non-credit obligation assets	4 708 530	4 530 378	5 009 367	4 831 215	4 831 215
9	**Total**	**56 904 787**	**66 858 004**	**86 852 036**	**96 799 998**	**96 799 993**

Disclosures regarding capital adequacy as at 31 March 2025 (PLN thousand)

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
		31.03.2025
1	**Risk weighted exposure amount as at the end of the previous reporting period**	**50 486 125**
2	Asset size (+/-)	(3 093 992)
3	Asset quality (+/-)	(872 352)
4	Model updates (+/-)	-
5	Methodology and policy (+/-)	-
6	Acquisitions and disposals (+/-)	-
7	Foreign exchange movements (+/-)	(223 090)
8	Other (+/-)	5 884 535
9	**Risk weighted exposure amount as at the end of the reporting period**	**52 181 226**

5. Liquidity risk

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

As of March 31, 2025, the LCR ratio of mBank Group reached 230% and the LCR measure remained on a safe level, significantly exceeding 100%.

In the first quarter of 2025, a decrease in the liquidity coverage ratio was mainly driven by:

- decrease in the deposit base included in the calculation of the LCR indicator by PLN 0.8 billion compared to the previous quarter (increase by PLN 0.4 billion excluding the effect of changes in foreign exchange rates),
- higher lending activity by PLN 2.9 billion compared to the end of fourth quarter of 2024 (increase by PLN 3.4 billion excluding the effect of changes in foreign exchange rates).

Additionally, in January 2025, there was a repayment of the T2 subordinated bonds of ca. PLN 0.75bn.

The level of the liquidity buffer remains high in relation to the expected net outflows over a 30-day horizon as at 31 March 2025.

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 and treasury bills in PLN, EUR and USD,
- bills issued by the National Bank of Poland,
- treasury bonds and treasury bills issued by the central governments of the EU Member States in EUR and by the US Treasury in USD,
- bonds issued by the European Investment Bank in PLN and USD,
- European Union bills in EUR,
- 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 March 31, 2025 accounted for 92.96% of all external sources of financing. The deposit base is diversified, and the deposits of the 10 largest customers as of March 31, 2025 accounted for 1.9% of the deposit base. The other sources of financing are:

- own issuances,
- 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 March 31, 2025, the impact of the adverse market scenario on derivatives accounted for 0.34% 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	31.03.2025	31.12.2024	30.09.2024	30.06.2024	31.03.2025	31.12.2024	30.09.2024	30.06.2024
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
HIGH-QUALITY LIQUID ASSETS									
1	Total high-quality liquid assets (HQLA)					89 097	86 562	84 444	82 050
CASH – OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	134 775	130 968	129 599	130 211	10 095	9 948	9 901	10 078
3	Stable deposits	96 990	92 850	91 413	90 713	4 849	4 701	4 571	4 536
4	Less stable deposits	37 785	38 118	38 186	39 498	5 246	5 247	5 330	5 543
5	Unsecured wholesale funding	56 688	55 886	54 854	52 552	25 009	24 416	23 647	22 578
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	8 058	8 013	8 265	8 378	1 932	1 904	1 985	2 010
7	Non-operational deposits (all counterparties)	48 376	47 728	46 507	43 987	22 823	22 366	21 580	20 382
8	Unsecured debt	254	146	82	186	254	146	82	186
9	Secured wholesale funding					-	-	-	-
10	Additional requirements	25 532	23 712	23 362	22 958	4 269	4 362	4 540	4 693
11	Outflows related to derivative exposures and other collateral requirements	1 842	2 067	2 306	2 479	1 842	2 067	2 306	2 479
12	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
13	Credit and liquidity facilities	23 690	21 645	21 056	20 479	2 427	2 295	2 234	2 214
14	Other contractual funding obligations	2 259	2 007	1 932	1 534	1 919	1 692	1 639	1 278
15	Other contingent funding obligations	18 579	19 632	18 879	17 706	939	985	912	831
16	TOTAL CASH OUTFLOWS					42 231	41 403	40 639	39 457
CASH – INFLOWS									
17	Secured lending (e.g. reverse repos)	15 571	14 432	13 978	13 615	-	-	-	-
18	Inflows from fully performing exposures	2 843	2 645	2 845	3 096	1 848	1 643	1 797	2 037
19	Other cash inflows	721	754	762	740	721	754	762	739
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	19 135	17 831	17 585	17 451	2 569	2 397	2 559	2 776
EU-20a	Fully exempt inflows	-	-	-	-	-	-	-	-
EU-20b	Inflows subject to 90% cap	-	-	-	-	-	-	-	-
EU-20c	Inflows subject to 75% cap	19 135	17 831	17 585	17 451	2 569	2 397	2 559	2 776
TOTAL ADJUSTED VALUE									
EU-21	LIQUIDITY BUFFER					89 097	86 562	84 444	82 050
22	TOTAL NET CASH OUTFLOWS					39 662	39 006	38 080	36 681
23	LIQUIDITY COVERAGE RATIO					225%	222%	222%	224%

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 31 March 2025" 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 31 March 2025".

First and last name	Position	Signature
Cezary Kocik	President 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)