



*Enclosure to
Supervisory Board Resolution 87/21 dated 24 March 2021*

**RULES OF
the Supervisory Board of mBank S.A.**

§ 1

The Supervisory Board performs functions stipulated in the By-laws of the Bank, the Code of Commercial Partnerships and Companies and the Banking Law. The Supervisory Board acts according to the Rules which it adopts.

§ 2

In addition to the rights and obligations prescribed by law and the By-laws, the Supervisory Board is competent to regularly supervise the operations of the mBank S.A. ("Bank"), and in particular:

1. to exercise supervision over introduction and assurance of functioning of adequate and effective system of risk management and system of internal control,
2. to advise and supervise the Board of Management in defining the guidelines for the activity of the Bank, especially as activities subject to risks, such as the credit policy, the investment policy, the guarantee policy, and the compliance policy are concerned and to approve the proposals of the Management Board concerning: the essential organisational structure of the Bank which shall be construed as separated structurally and organizationally basic areas of the Bank's operation reporting to particular members of the Management Board and internal division of competences in the Management Board;
3. to supervise compliance of the Bank's regulations with a strategy and financial plan of the Bank, to the extent of risk undertaking;
4. to approve the principles of disclosure policy adopted by the Management Board regarding risk management and capital adequacy;
5. to approve strategies, policies and procedures prepared by the Management Board, in particular regarding internal control system, risk management system, remuneration policies, internal capital adequacy assessment process, capital management and capital planning;

6. to evaluate annually: adequacy and effectiveness of the risk management system and internal control system, including adequacy and effectiveness of the control function, Compliance Department and Internal Audit Department; efficiency of compliance risk management;
7. to review regular and exhaustive reports of the Management Board pertaining to all significant aspects of the activities of the Bank, risks related to its operations as well as risk management and effectiveness tools;
8. to draw up a report evaluating the position of the Bank to be tabled to the Ordinary General Meeting and appended to the annual report of the Bank for the previous financial year drafted pursuant to separate regulations;
9. approving the Bank's annual financial plans, multi-annual development plans, as well as strategy for the Bank's operations and principles of cautious and stable management of the Bank;
10. to review any motions and matters which are subject to resolutions of the General Meeting, including draft resolutions of the General Meeting. The Supervisory Board shall draw up grounds (opinions) for draft resolutions to be tabled for approval of the General Meeting. Such grounds (opinions) and draft resolutions shall be available to the shareholders in accordance with mandatory provisions of law;
11. issuance or approval of rules provided for in the By-laws;
12. to appoint and dismiss the President, First Deputy President and Deputy Presidents and other Members of the Bank's Management Board in keeping with the procedure and requirements stipulated in the Banking Law Act or other mandatory provisions of any applicable law;
13. defining management contracts and setting remuneration for Members of the Board of Management;
14. to authorise the Chairman of the Supervisory Board to represent the Bank in agreements with Members of the Management Board including execution of management contracts with Members of the Management Board;
15. receipt of information on formation, acquisition, closing and disposal of branches, permanent establishments and parts of a business as well as of initiation and termination of lines of business and fields of activity in advance;
16. approval of conclusion or amendment of each significant agreement or arrangement with the Members of the Management Board or the Supervisory Board;
17. approval of conclusion, amendment or termination of any significant affiliation agreements or cooperation treaties;
18. receipt of information on expected deviations from the annual budget;

19. analysis of a report of the Internal Audit Department's director, prepared at least once a year on the basis of audits and reports resulting from monitoring of internal control mechanism effectiveness, in which information on incorrectness, applications and actions undertaken in order to eliminate incorrectness is included;
20. issuing guidelines for the Management Board's Members regarding the level and structure of remuneration for the top management of the Bank;
21. approval of the remuneration policy for each category of persons, whose professional activity has material impact on the Bank's risk profile;
22. to approve operational risk management strategy of the Bank prepared by the Management Board, to assess implementation of the strategy and request revisions of the strategy if necessary;
23. expressing consent for the Bank's Management Board Members to sit on management boards or supervisory boards of companies outside the Bank's capital group;
24. expressing consent for appointment and dismissal of a person managing Internal Audit Department and Compliance Department;
25. approval of the rules of functioning of Internal Audit Department and Compliance Department;
26. to present, on an annual basis, a report on the assessment of the functioning of the Bank's remuneration policy to the Annual General Meeting to allow the Annual General Meeting to assess if this policy favours development and security of the Bank;
27. approval of entering by the Bank into material transaction with an associated entity, to the extent as required by commonly binding provisions of law, applicable to public companies;
28. preparation of annual report on remuneration of members of the Management Board and the Supervisory Board, to the extent as required by commonly binding provisions of law, applicable to public companies.

§ 3

1. The Supervisory Board shall consist of at least 5 Members elected by the General Meeting of Shareholders for a common period of a three-year term of office. Members of the Supervisory Board shall possess knowledge, skills and experience adequate for fulfilling their function and duties entrusted to them and shall guarantee the proper fulfilment of these duties. At least half of the Members of the Supervisory Board, including the Chairman, shall hold Polish citizenship, permanently reside in Poland, speak Polish and have experience on the Polish market which can be used in supervision of the Bank.
2. The Supervisory Board Members' term of office shall expire, at the latest, on the date of the General Meeting which approves the financial statements of the Bank for the last full financial year of holding the function of Supervisory Board Member.

3. The mandate of a Supervisory Board Member shall also expire in the case of death, resignation or being recalled. Members of the Supervisory Board may be re-elected. The Supervisory Board shall elect the Chairman and Deputy Chairmen of the Supervisory Board from amongst its Members. Supervisory Board Members may only perform their duties in person.

4. Performing the function in management boards or supervisory boards of other entities by a Member of Supervisory Board is a subject to restrictions stipulated in the Banking Law Act or other mandatory provisions of any applicable law.

§ 4

1. At least two of the Supervisory Board Members shall be Independent Supervisory Board Members.

2. The criteria of independence of an Independent Supervisory Board Member are stipulated in mandatory provisions of law.

3. No resolution should be passed without the consent of the majority of the Independent Members of the Supervisory Board on the following matters:

- a) any benefits provided by the Bank or any entities associated with the Bank to the Members of the Management Board;
consent for the Bank to enter into a significant agreement with an entity
- b) associated with the Bank, a member of the Supervisory Board or the Management Board, or entities associated with them.

4. Adoption of resolution in contravention with requirements under section 3 shall not, however affect its validity, if adopted in accordance with the provisions of § 20 sections 1 - 4 of the By-laws of the Bank.

§ 5

1. A member of the Supervisory Board whose term expired in the course of the joint term of office of the Supervisory Board can be replaced with another person, subject to section 5, and an evaluation of compliance with the requirements stipulated in § 3 section 1.

2. The Supervisory Board may co-opt another person to replace a Supervisory Board Member whose mandate has expired during the common term of office of the Supervisory Board, subject to the provisions of point 5.

3. The mandate of a Supervisory Board Member appointed prior to the end of a given term of office of the Supervisory Board shall expire at the same time as the mandates of the other Members of the Supervisory Board.

4. Appointment of Supervisory Board Members in the course of the duration of the common term of office of the Supervisory Board shall be confirmed by the nearest General Meeting. In the event of refusal to confirm any of the Members of the Supervisory Board so appointed, the General Meeting shall elect a new Member of the Supervisory Board to replace the person whose appointment was not approved.

5. If owing to the expiry of the mandates of Supervisory Board Members during their common term of office on the Supervisory Board the number of Supervisory Board Members is less than 5, the Supervisory Board shall appoint new Members of the Supervisory Board to replace those whose mandates have expired.

6. If owing to the expiry of the mandates of Supervisory Board Members during their common term of office on the Supervisory Board the number of Independent Supervisory Board Members in the sense of § 4.2 is less than two Supervisory Board Members or less than the number of Independent Supervisory Board Members elected by the General Meeting, the Supervisory Board shall elect new Independent Members of the Supervisory Board to replace those whose mandates have expired taking the terms of § 17.5 of the By-laws into consideration. The Supervisory Board shall propose candidates for the new Supervisory Board Members.

§ 6

1. Candidates for new Supervisory Board Members may also be proposed by Supervisory Board Members of the current term of office.

2. Proposed candidates should have the adequate educational, professional and personal background, represent high moral standards, and be ready to devote enough time to properly perform their function on the Supervisory Board.

3. Detailed grounds for becoming a Supervisory Board Member of the Bank should be provided for each candidate.

§ 7

Candidates for Supervisory Board Members shall, two weeks before the General Meeting supposed to elect those Members, provide the Management Board with a short CV including in particular their personal, factual, and organisational links with the relevant shareholder of the Bank to be published pursuant to separate regulations, with exception that the Candidate for the Supervisory Board Member knows about his candidacy and agrees for the above transfer of his personal data. Candidates for Supervisory Board Members and Supervisory Board Members shall also notify the Management Board of any changes of their personal, factual, and organisational links with the relevant shareholder of the Bank and about functions performed in management boards or supervisory boards of other entities.

§ 8

1. Supervisory Board Members shall inform the Management Board of any purchase or sale of shares of the Bank in accordance with generally applicable law, including without limitation the Trading in Financial Instruments Law Act.

2. The obligation mentioned in point 1 includes all transactions made by:

a) the Supervisory Board Member;

b) the Supervisory Board Member's spouse and/or a person being with the Supervisory Board Member in factual cohabitation;

c) children being dependant from the Supervisory Board Member or persons bound with the Supervisory Board Member by adoption, custody and/or *ad hoc* guardianship;

d) other relatives and relatives by affinity, who have been keeping the household together with the Supervisory Board Member for at least one year;

e) entities:

i) in which the Supervisory Board Member and/or a person described in points b)-d) above participates in these entities' management and/or supervisory bodies; and/or in the organisational structure of which the Supervisory Board Member and/or a person described in points b)-d) above holds a managerial positions and has a constant access to confidential information relating to this entity as well as competences to the extent of making decisions influencing on this entity's development and business perspectives, and/or

ii) which are directly or indirectly controlled by the Supervisory Board Member and/or a person described in points b)-d) above; and/or

iii) which business brings profits to the Supervisory Board Member and/or a person described in points b)-d) above;

iv) which economic interests are equal to economic interests of the Supervisory Board Member or a person described in points b)-d) above.

3. A Supervisory Board Member is obliged to inform the Management Board of the Bank on:

a) a purchase or sale of shares of the Bank's subsidiaries or companies dominating the Bank; and

b) transactions made between Supervisory Board Members and the Bank's subsidiaries or companies dominating the Bank;

if the one-time value of the transaction exceeds the Polish Zloty denominated equivalent of Euro 500,000,

and

c) his or her relations of the economic, family or other nature with any shareholder holding a stake of minimum 5% of total amount of votes at the General Meeting which may affect the position of the Supervisory Board member on an issue being a subject of a resolution of the Supervisory Board.

§ 9

The first meeting of the Supervisory Board shall take place not later than 14 days after the Supervisory Board has been elected by the General Meeting; at this meeting, the Supervisory Board shall elect its Chairman and Deputy Chairmen from amongst its Members. The election shall take place by an ordinary majority of votes cast by Members present at the Supervisory Board meeting, when at least half of the Members are present at the meeting.

§ 10

1. Meetings of the Supervisory Board shall be convened by the Chairman of the Supervisory Board as need be, but at least three times a year. A meeting of the Supervisory Board shall be convened by the Chairman of the Supervisory Board by his own initiative or at the motion of the Bank's Management Board or at the motion a Supervisory Board Member.
2. The Chairman of the Supervisory Board shall preside over Supervisory Board meetings. In his absence, this function shall be performed by the Deputy Chairman of the Supervisory Board. In case both the Chairman and the Deputy Chairman are absent, the meeting shall be chaired by a Supervisory Board Member elected by those present at the meeting.
3. Notification of a convened meeting along with the proposed agenda for the meeting, drafted by the Chairman of the Supervisory Board or the Deputy Chairman, shall be sent to Supervisory Board Members by registered mail with confirmation of delivery, by fax or e-mail not less than 14 days in advance of the date of the meeting. Information materials pertaining to matters included in the agenda and draft resolutions shall be sent along with the notification that a Supervisory Board meeting is convened. In urgent cases and if no Member of the Supervisory Board disagrees, the period in question may be shortened and notification of the meeting may be made by telefax or e-mail. Documents may be sent gradually as they are produced.
4. All Members of the Management Board shall be invited to Supervisory Board meetings and notified of the draft agenda, subject to § 16.1.
5. Motions of Members of the Supervisory Board and the Management Board shall be included in the agenda provided that they had been received before the agenda was sent out.
6. The agenda of a Supervisory Board meeting shall not be modified or extended during the relevant meeting. This shall not apply in case all Supervisory Board Members are present and approve such a modification or extension of the agenda, or if the Supervisory Board has to take action to protect the Bank against a loss, and where the relevant draft resolution pertains to a potential conflict of interest between a Supervisory Board Member and the Bank.

§ 11

Each Supervisory Board Member shall refrain from professional or other activities which might cause a conflict of interest or adversely affect their reputation as Supervisory Board Member and shall notify all other Supervisory Board Members of any conflict of interest as it arises or a potential conflict of interest and shall refrain from taking the floor in discussion and from voting on the resolution pertaining to the situation subject to the conflict of interest or the potential conflict of interest.

§ 12

1. In order to make the work of the Supervisory Board more efficient and to limit the duration of the meetings, the Supervisory Board may delegate specific supervisory tasks to particular Board Members. The delegated Board Members may appoint *ad*

hoc task forces responsible for analysing particular aspects of the work of the Supervisory Board.

2. The Supervisory Board may in a resolution appoint Standing Committees whose Members shall perform their functions as Members of the Supervisory Board delegated to carry out specific supervision activities at the Bank.

3. In particular, the Supervisory Board may appoint the following Standing Committees:

1) the Executive and Nomination Committee, whose authority includes, among others, the following:

a) to exercise regular supervision of the operations of the Bank between meetings of the Supervisory Board;

b) authorising the Board of Management to acquire, encumber, and sell real estate, a perpetual usufruct or part of real estate and stock and participatory shares in companies as well as other fixed assets, if the value of the said transactions exceeds 1% of the Bank's own funds, as defined in § 33 of the By-laws of the Bank, as per December 31 of the preceding year. Such authorisation is not required if such acquisition results from execution, bankruptcy, or negotiation procedures, or other settlements with the Bank's debtors, or in the case of sale of assets so acquired. In the case of such acquisitions, resulting from execution, bankruptcy, or negotiation procedures, or other settlements with the Bank's debtors, or in the case of sale of assets so acquired, the Board of Management is obliged to inform the Executive and Nomination Committee of any such activity;

c) recommending candidates to the Management Board and Supervisory Board based on the criteria for suitability of the Management Board and Supervisory Board as a whole and of individual Management Board and Supervisory Board members designated under the Suitability Policy of mBank, as well as on the diversity criteria for the composition of the Management Board and Supervisory Board;

d) defining the scope of duties for a candidate for the Management Board and Supervisory Board and requirements for knowledge and expertise, as well as assessing the expected time commitment necessary to perform the function;

e) effectuating periodic evaluation of a structure, size, composition and effectiveness of activities of the Management Board and recommending changes with this respect to the Supervisory Board;

f) effectuating periodic evaluation of knowledge, competence and experience of the Management Board as a whole and each of its members, as well as informing the Management Board about the results of this evaluation.

2) the Audit Committee, whose authority includes, among others, the following:

a) to formulate and present recommendations regarding election of entity entitled to audit the financial statements of the Bank by the General Meeting;

- b) to recommend approval or rejection of financial statements by the Supervisory Board;
 - c) to monitor: the financial reporting process, effectiveness of internal control and risk management systems, as well as internal audit and financial audit activities;
 - d) to recommend to the Supervisory Board acceptance or refusal of acceptance for appointment and dismissal of a person managing the Internal Audit Department and the Compliance Department;
 - e) to prepare policies and procedures regarding election of entity entitled to audit financial statements of the Bank, as well as providing by this entity of permitted non-audit services;
 - f) providing the Supervisory Board with an opinion regarding annual evaluation of adequacy and effectiveness of the control function, Compliance Department and Internal Audit Department;
 - g) to recommend approval or disapproval to the Supervisory Board of principles of disclosure policy of the Bank regarding capital adequacy;
 - h) to recommend approval or disapproval to the Supervisory Board of compliance policy of the Bank and the annual report on compliance risk management at the Bank.
- 3) The Risk Committee, whose authority includes, among others, the following:
- a) exercising regular supervision of credit risks, market risks, liquidity risks and non-financial risks, including operational risk, as well as recommending to approve individual counterparty risk according to parameters defined by the Supervisory Board from time to time;
 - b) to recommend approval or disapproval to the Supervisory Board for transactions between the Bank and the Members of the Bank's bodies, as provided by the Banking law;
 - c) to recommend approval or disapproval to the Supervisory Board for principles of disclosure policy of the Bank regarding risk management;
 - d) to recommend approval or disapproval to the Supervisory Board for strategies and policies prepared by the Management Board, in particular outlined in the internal capital adequacy assessment process, and as defined by resolutions of the Supervisory Board;
 - e) to issue opinions about the Bank's overall current and future risk appetite and strategy;
 - f) to issue opinions about the Bank's risk management strategy developed by the Management Board and information regarding execution of this strategy presented by the Management Board and to support the Supervisory Board in supervising implementation of the Bank's risk management strategy by the senior management.

- 4) The Remuneration Committee, whose authority includes, among others, the following:
 - a) to review principles and amounts of remuneration of Members of the Management Board, including the setting of relevant amounts;
 - b) to table opinions concerning approval for Members of the Management Board of the Bank to engage in competitive activity;
 - c) to issue recommendations to the Supervisory Board regarding: general guidelines for the Management Board on the level and structure of remuneration for the senior management of the Bank and the policy of variable items of remuneration of the persons holding managerial positions at the Bank;
 - d) to monitor the level and structure of remuneration of the senior management.
 - e) to issue opinions and monitor the remuneration policy adopted by the Bank and assist the Bank's bodies in matters regarding development and implementation of this policy.
- 5) The IT Committee, whose authority includes, among others, the following:
 - a) to exercise regular supervision of the IT and IT security of the Bank between meetings of the Supervisory Board;
 - b) to analyse the periodic reports for the Supervisory Board regarding IT and IT security;
 - c) to present to the Supervisory Board conclusions from the analysis of the periodic reports on IT and IT security.
4. The Audit Committee shall include at least three members, however at least one member of the Audit Committee shall have knowledge and skills in accounting or audits of financial statements. Majority of members of the Audit Committee, including its Chairman, shall be Independent Supervisory Board Members.
5. The Supervisory Board is entitled to define afore mentioned parameters, further rights and authorities of the Risk Committee.
6. The Supervisory Board shall in a resolution define the authority of the Committees mentioned in point 2.
7. The Risk Committee acts according to the following regulations:
 - a) Meetings of the Risk Committee shall be convened by the Chairman of the Risk Committee at his discretion, but at least four times a year. They shall also be convened by the Chairman of the Risk Committee at the motion of a Member of the Risk Committee or of the Member of the Supervisory Board. All Members of the Risk Committee shall be invited and notified of the draft agenda.
 - b) Individual counterparty risk according to parameters defined by Supervisory Board will be presented by the Chief Risk Officer to the Risk Committee for

recommendation, after decision by the Credit Committee of the Bank's Management Board. The Risk Committee also recommends approval or disapproval to the Supervisory Board for transactions between the Bank and the Members of the Bank's bodies, as provided by the Banking Law. Risk Committee exercises regular supervision of credit risks, market risks, operational risks and liquidity risks.

8. In the case, that other Standing Committees are appointed pursuant to § 12.2, each Committee shall elect the Chairman of the Committee from amongst the Members of the Committee.

9. Meetings of Committees described in § 12.3 point 1, 2 and 4 shall be convened by the Chairman of the Committee by his own initiative, at the motion of a Member of the Committee or the Chairman of the Supervisory Board.

10. The Standing Committees of the Supervisory Board shall report to the Supervisory Board with annual reports. The Bank shall make the report available to the shareholders before the General Meeting.

§ 13

1. The Supervisory Board shall adopt resolutions at its meetings provided that at least half of the Supervisory Board Members are present at the meeting, and that notification concerning the meeting has been sent to all Members pursuant to § 10.3. In the case of an equal number of opposing votes, the vote of the Chairman of the Supervisory Board shall prevail, subject to § 4.3.

2. Supervisory Board Members may participate in the adoption of resolutions of the Supervisory Board by casting their vote in writing with the intermediation of another Supervisory Board Member. Such casting of votes cannot concern issues introduced to the agenda at the meeting of the Supervisory Board.

3. Members of the Supervisory Board may also attend a meeting and adopt resolutions using means of direct remote communication, ensuring communication in real time between all the participants as well as the possibility to identify all participants of the meeting, while maintaining safety rules adopted in the Bank. Such a fact should be recorded in the minutes of the respective Supervisory Board meeting. Detailed information regarding attending a Supervisory Board meeting using means of direct remote communication shall be provided with the proposed agenda for the meeting. 4. In exceptional cases, including current affairs of the Bank, at the motion of, *inter alia*, the President of the Management Board, a Supervisory Board resolution may be adopted in writing, if more than half of Supervisory Board Members opt in its favour by placing their signature upon the received text of the resolution in question, provided that all the Members have been notified of the content of the draft resolution concerned.

5. Resolutions of the Supervisory Board passed during a particular term of office shall be assigned subsequent numbers followed by the year and the date; they shall be signed by the chairman of the meeting, according to § 10.2, and by the Secretary to the Supervisory Board who is keeping the minutes.

6. In all cases where a signature of a Supervisory Board Member or the Secretary to the Supervisory Board is required, a qualified electronic signature is equal to a handwritten signature.

7. Resolutions of the Supervisory Board and materials presented to Members of the Supervisory Board shall remain confidential until published pursuant to, depending on circumstances:

a) binding provisions of law relating to reporting obligations; and/or

b) a decision of the Supervisory Board or the Management Board;

and they shall not be disclosed to third parties.

§ 14

In addition to those matters which the meeting has been convened to decide or discuss, the agenda of a meeting shall also include information concerning the adoption of resolutions by the Supervisory Board pursuant to § 13.4, and a report on all important aspects of the Bank's operations and risks related to its operations as well as risk management tools for the period since the previous meeting of the Supervisory Board.

§ 15

1. Supervisory Board meetings shall be recorded by drafting their minutes. The minutes shall include at least the agenda, the full names of Supervisory Board Members present, subject to the provisions of § 13.3, the number of votes cast for particular resolutions and indication of dissenting opinions. The minutes shall be signed by the Supervisory Board Members present and by the Secretary to the Supervisory Board responsible for keeping the minutes.

2. Minutes of Supervisory Board meetings that took place during its term in office shall be filed by the Bank.

§ 16

1. Supervisory Board meetings may be attended by Members of the Management Board, except in cases directly concerning the Management Board or its Members, in particular with regard to recalling, accountability, and remuneration of Management Board Members.

2. The Chairman of the Supervisory Board may invite any persons, in particular if so requested by the President of the Management Board, for an entire Supervisory Board meeting or its part.

3. The Chairman of the Supervisory Board shall be informed about the agenda and date of every Management Board Meeting and shall be authorized to participate in Management Board meetings.

§ 17

1. In their contacts with the media concerning matters of relevance for the Bank, the Supervisory Board Members shall release generally available information. Disclosure of other information or data shall be reserved for the Chairman of the Supervisory Board pursuant to the Bank's procedures for media communications and the communications policy and the relevant provisions of law relating to reporting obligations of the Bank.

2. Interviews given by Supervisory Board Members to the media on behalf of the Bank shall be consulted in advance with the Chairman of the Supervisory Board or with the President of the Management Board.

§ 18

1. The Chairman of the Supervisory Board shall appoint a Secretary to the Supervisory Board from amongst the Bank's employees.

2. The Secretary shall be responsible for organisational matters as well as for keeping the minutes of Supervisory Board meetings, including the drafting of resolutions and agendas for meetings, the drafting of the minutes, and supplying Supervisory Board Members with materials for Supervisory Board meetings.

§ 19

Members of the Supervisory Board shall abide by the relevant provisions of law, regulations of the Polish Financial Supervisory Authority and the Bank in respect of the trading in financial instruments.

§ 20

The audit firm's report on the annual financial statement shall be distributed to the Members of the Supervisory Board not less than two weeks before the meeting of the Supervisory Board having the allocation of profit or the coverage of loss on the agenda.

§ 21

The Rules of the Supervisory Board dated 22 October 2020 are hereby withdrawn and replaced.