



Enclosure
to Supervisory Board Resolution 107/16 dated 25 February 2016

The Supervisory Board assessment of the application of the Corporate Governance Principles for Supervised Institutions of Polish Financial Supervision Authority (KNF) at mBank S.A. in 2015

The Corporate Governance Principles for Supervised Institutions (Principles), introduced by the KNF on 22 July 2014 were accepted for implementation in mBank S.A. by the Supervisory Board Resolution 31/14 dated 11 December 2014. On 30 March 2015 the Ordinary General Meeting adopted Resolution 31 regarding the stance of shareholders concerning the application of these Principles.

The Supervisory Board confirms that in 2015, the Bank duly applied the KNF Corporate Governance Principles adequately to the scale and character of its activities. The Principles determine internal and external relations of the bank, its organization, relations with shareholders and clients, cooperation among the statutory bodies, as well as functioning of internal supervision and the key internal systems and functions.

The Supervisory Board gives its positive opinion on the application in mBank of the Corporate Governance Principles for Supervised Institutions and confirms in particular, that:

1. The organizational structure of the Bank is adequate to the scale and nature of business of the Bank. The Supervisory Board approves the changes in the organizational structure on regular basis. The current changes in the organization and division of competences among Members of the Management Board were approved by the Supervisory Board Resolution 84/15 dated 10 December 2015.
2. The relation with shareholders of the Bank is duly and carefully applied, ensuring the interests of all shareholders. The Supervisory Board confirms the departure by the Bank from adopting the provisions of Article 8(4) of the principles, which aims at facilitating electronic active participation of shareholders in the General Meeting. For many years mBank has been broadcasting General Meetings in real time, however, without the possibility to engage in two-way on-line communication. The Supervisory Board confirms the absence of a developed market practice in this respect and states that the application of such a rule generates unnecessary legal risks.

3. The Management Board is composed of 7 persons. The division of competences among Management Board Members adopted by the Supervisory Board assures the proper control of the realization of Bank's strategic goals. There is 1 woman in the Management Board. All Members of the Management Board - individually and as a collective body, have required collegial knowledge, competences and professional experience. In the Management Board 5 of 7 members, including the President, have Polish citizenship and speak Polish. The Supervisory Board confirms the Bank's departure from adopting Article 16(1), which states that the meetings of the managing body shall be held in Polish and if necessary an interpreter shall assist. The Supervisory Board confirms that the Bank's practice of holding Management Board meetings in English, without the participation of the interpreter is more efficient and allows to discuss and reach agreements without the participation of third parties (interpreters).
4. The Supervisory Board, composed of 12 persons, duly meets the requirement of proper supervision of all business areas of the Bank. Members of the Management Board have required knowledge, experience and qualifications - their individual competences complement each other and ensure proper collegial supervision of all business areas of the company. The supervisory functions of the whole Supervisory Board are effectively supported by the activities of 4 committees (Executive Committee, Audit Committee, Remuneration Committee and Risk Committee) performing their particular duties in various areas of Bank's activities. There are 2 women among the Supervisory Board members. In the composition of the Supervisory Board, half of its members, including the Chairman, have Polish citizenship and speak Polish.
5. In the opinion of the Supervisory Board, the Bank performs transparent remuneration policy for Members of the Management Board and persons in key positions in the Bank (Risk Takers). On 30 March 2015 the Supervisory Board adopted Resolution 57/15 regarding the approval of the Remuneration Policy for Risk Takers in mBank S.A. The remuneration policy is discussed in details at the meetings of the Remuneration Committee of the Supervisory Board.
6. The Supervisory Board confirms that the Bank performs proper information policy, promotion activities and fully in a transparent way communicates with the clients.
7. The key internal systems and functions in the Bank, in particular the internal control system is conducted appropriately, in accordance to the legal requirements and internal regulations.
8. The Supervisory Board confirms that the Bank manages the assets at customers' risk effectively and ensures the necessary protection of customers' interests. The Bank's policy in this respect fulfills the requirements of the Corporate Governance Principles for Supervised Institutions.

This opinion is drafted as per the requirement of the Article 27 of the Corporate Governance Principles for Supervised Institutions and is available on the website pages of mBank.

Maciej Leśny
Chairman of the Supervisory Board