

# **Management Board Report on the Performance of mBank S.A. Group in H1 2025**



This document is a translation from the original Polish version. In case of any discrepancies between the Polish and English versions, the Polish version shall prevail.

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## **1. About mBank Group**

### **1.1. Executive summary**

The key highlights of H1 2025 include:

- **Excellent financial performance thanks to high profitability of core business:**
  - Net profit of mBank Group amounted to PLN 1,665.1 million
  - Net profit of Core business (mBank Group excluding FX Mortgage Loans segment) at the level of PLN 2,815.7 million
  - Net ROE of 17.8%, net ROTE of 22.0%
- **High loan growth and market share gains driven by growth in new retail and corporate loan sales**
  - Net loans and advances increased by 9.9% YoY
  - High growth of retail loans at the level of 9.9% YoY due to the highest sales of mortgage and non-mortgage loans in history, in the amount of respectively PLN 6.2 billion and PLN 6.9 billion
  - Corporate loan portfolio higher by 8.8% YoY, loan sales higher by 23% compared to H1 of 2024
- **Strengthening of the capital position in order to pave the way for growth**
  - Tier 1 capital ratio equal to 14.0% and total capital ratio equal to 15.0%
  - Material surplus over the PFSA capital requirements: 4.9 p.p. over the Tier 1 capital ratio and 3.9 p.p. over the Total Capital Ratio
  - We were the first bank in Poland to offer a public issuance of Tier 2 Eurobonds to investors. The order book amounted to EUR 3.6 billion for an issue of EUR 400 million, implying the 9 times oversubscription
  - MREL<sub>TREA</sub> ratio equal to 23.69% and MREL<sub>TEM</sub> ratio equal to 9.97%, above the requirements
- **Effective management of the CHF loan portfolio to further reduce the balance sheet risk**
  - Under the settlement program rolled out in Q4 2022, mBank has signed more than 28,700 settlement with clients
  - The number of active credit agreements decreased by 88% relative to the initial number of contracts
- **Increase in total revenues by 7.1%, thanks to higher net interest income, net fee and commission income and net trading income.**
- **Excellent efficiency despite increased operating costs**
  - Normalized cost-to-income ratio of 29.4%
  - Increase in overhead cost and depreciation by 15.4% due to higher contributions to the Bank Guarantee Fund, growth of volumes and scale of operations and investments in future growth
- **Prudent risk management reflected in portfolio quality - cost of risk at the level of 46 bps, NPL ratio at 3.5%**
- **Convenient and secure mBank solutions attract individual and corporate clients:**
  - The number of monthly active users (MAU) of mBank mobile application increased to 4 million
  - Share of non-mortgage loan sales via mobile app increased to 82% in H1 2025;
  - The number of unique users of the Finance Manager (PFM) has reached an average of 1.9 million in H1 of 2025;
  - In H1 2025, 91.4% clients used the digital process to open an account with mBank;
  - The percentage of credit applications submitted electronically by corporate clients reached 88.7%.

## 1.2. mBank's Authorities

### Supervisory Board of mBank

Since February 28, 2025, Carsten Schmitt has begun his tenure as a member of the Supervisory Board of mBank. He replaced Dr Bettina Orlopp, who announced her resignation from her position as a member of the Supervisory Board of mBank on October 14, 2024. On July 2, 2025, Mirosław Godlewski resigned from his position of member of the Bank's Supervisory Board with effect from 17 September 2025.

As of June 30, 2025, the Supervisory Board of mBank S.A. was composed as follows:

1. Prof. Agnieszka Słomka-Gołębiowska – Chairwoman of the Supervisory Board
2. Bernhard Spalt – Deputy Chairman of the Supervisory Board
3. Dr Hans-Georg Beyer – Member of the Supervisory Board
4. Tomasz Bieske – Member of the Supervisory Board
5. Mirosław Godlewski – Member of the Supervisory Board
6. Aleksandra Gren – Member of the Supervisory Board
7. Thomas Schaufler – Member of the Supervisory Board
8. Carsten Schmitt – Member of the Supervisory Board.

There are four independent members in the Supervisory Board:

1. Prof. Agnieszka Słomka-Gołębiowska
2. Aleksandra Gren
3. Mirosław Godlewski
4. Tomasz Bieske

Four committees operate within the Supervisory Board: the Risk Committee, the Audit Committee, the Remuneration and Nomination Committee, and the IT Committee.

The composition of committees is presented below (in the first place – the chairperson of the committee).

Risk Committee	Audit Committee	Remuneration and Nomination Committee	IT Committee
<u>Bernhard Spalt</u>	<u>Tomasz Bieske</u>	<u>Prof. Agnieszka Słomka-Gołębiowska</u>	<u>Aleksandra Gren</u>
Prof. Agnieszka Słomka-Gołębiowska	Aleksandra Gren	Carsten Schmitt	Mirosław Godlewski
Aleksandra Gren	Prof. Agnieszka Słomka-Gołębiowska	Tomasz Bieske	Thomas Schaufler
Mirosław Godlewski	Carsten Schmitt	Mirosław Godlewski	
Thomas Schaufler	Dr Hans-Georg Beyer	Bernhard Spalt	

### Management Board of mBank

There were no changes in the composition of the Management Board of mBank in H1 2025.

As of June 30, 2025, the composition of the Management Board was as follows:

1. Cezary Kocik – President of the Management Board
2. Krzysztof Bratos – Vice-president of the Management Board, Head of Retail Banking
3. Krzysztof Dąbrowski – Vice-president of the Management Board, Head of Operations and Information Technology
4. Marek Luszczyn – Vice-president of the Management Board, Chief Risk Officer
5. Julia Nusser – Vice-president of the Management Board, Chief People & Regulatory Officer
6. Adam Pers – Vice-president of the Management Board, Head of Corporate and Investment Banking
7. Pascal Ruhland – Vice-president of the Management Board, Chief Financial Officer.

More information on the competences and CVs of individual members of the Supervisory Board and the Management Board can be found on the website <https://www.mbank.pl/en/about-us/bank-authorities/>.

## 1.3. Composition of mBank Group and key areas of activity

The subsidiaries of mBank Group offer a complex service for the customers and allow for processes optimisation and achieving various business targets. The structure of mBank Group from the perspective of segments and business areas is presented below:

Segment	Retail Banking	Corporate and Investment Banking
Bank	<ul style="list-style-type: none"> <li>■ Retail customers and microenterprises</li> <li>■ Affluent retail customers (Private Banking and Wealth Management)</li> </ul>	<ul style="list-style-type: none"> <li>■ Corporations and non-banking financial institutions (K1)</li> <li>■ Large Companies (K2)</li> <li>■ Small and Medium Enterprises (K3)</li> <li>■ Cooperation with banks and financial markets activity</li> </ul>
Consolidated subsidiaries	<ul style="list-style-type: none"> <li>■ mLeasing Sp. z o.o. – Retail</li> <li>■ Asekum Sp. z o.o.<sup>1</sup> – Retail</li> <li>■ LeaseLink Sp. z o.o.<sup>1</sup></li> <li>■ mBank Hipoteczny S.A.</li> <li>■ mFinanse S.A.</li> <li>■ mFinanse CZ s.r.o.<sup>2</sup></li> <li>■ mFinanse SK s.r.o.<sup>2</sup></li> <li>■ mElements S.A. – Retail</li> <li>■ mTowarzystwo Funduszy Inwestycyjnych S.A.</li> <li>■ mZakupy S.A.</li> </ul>	<ul style="list-style-type: none"> <li>■ mLeasing Sp. z o.o. – Corporate</li> <li>■ Asekum Sp. z o.o.<sup>1</sup> – Corporate</li> <li>■ mFaktoring S.A.</li> <li>■ mElements S.A. – Corporate</li> </ul>

<sup>1</sup>mBank owns 100% shares in Asekum Sp. z o.o. and in LeaseLink Sp. z o.o. indirectly, through mLeasing Sp. z o.o.

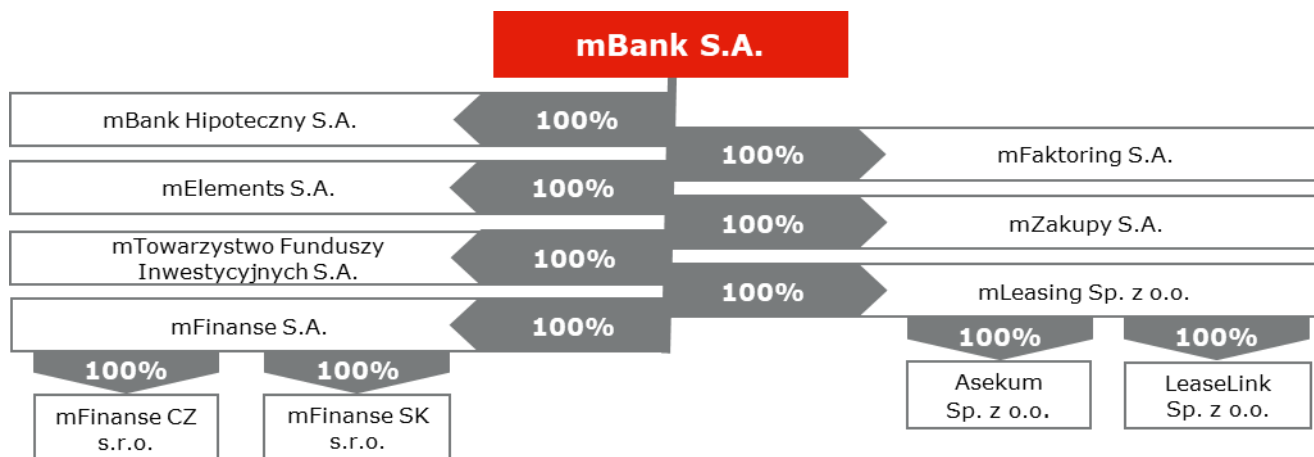
<sup>2</sup>mBank owns 100% shares in mFinanse CZ s.r.o. and in mFinanse SK s.r.o. indirectly, through mFinanse S.A.

At the beginning of 2021, we have separated FX Mortgage Loans segment from Retail Banking segment. This change aimed to present separately results related to the product, which has already been withdrawn from the offer for individual customers, and at the same time is significant from the point of view of the assigned assets and the impact on the Group's results. Thanks to that the authentic and undistorted image of mBank Group is presented. Additionally, part of the activity of the Group is the Treasury and Other segment.

Since February 2025, the Group started to consolidate the subsidiary mZakupy S.A. The subsidiary has been in the operating phase since December 2024, providing the mOkazje Zakupy service, which is described in more detail in Chapter 2.1. Key events in mBank Group in H1 2025.






As of June 2025, the company Future Tech FIZ is no longer consolidated by the mBank Group due to the preparations for the fund's closure.

mBank Group (including consolidated subsidiaries) as at the end of June 2025 was composed as presented on the diagram below.



## 1.4. Subsidiaries of mBank Group

### Key Subsidiaries of mBank Group from the perspective of client offer

 <b>Bank Hipoteczny</b>	<ul style="list-style-type: none"> <li>■ the longest track record of issuing covered bonds on the Polish capital market</li> <li>■ providing stable, long-term and secure funding of mBank Group with use of pooling model in cooperation with mBank</li> <li>■ rating of Moody's Investor Services of Aa1 for covered bonds – the best possible rating acquired by a Polish issuer for debt instruments in issue</li> </ul>
 <b>Leasing</b>	<ul style="list-style-type: none"> <li>■ the subsidiary offers leases and loans, as well as additional services in three main business lines: passenger cars, machinery and equipment, green assets, addressed to both corporate and retail clients</li> <li>■ various leasing products and services in the corporate segment, including passenger and commercial vehicle leasing, heavy equipment fleet management, machinery and equipment leasing, support in the decarbonization process, and energy transition transformation</li> <li>■ in the retail segment the subsidiary operates the "Leasing in Retail" programme addressed to micro-enterprises and SMEs, which can sign lease contracts using dedicated lease processes</li> <li>■ leasing as an online payment method in e-commerce offered by LeaseLink</li> <li>■ brokerage services in the area of motor and property insurance provided by Asekum</li> </ul>
 <b>Faktoring</b>	<ul style="list-style-type: none"> <li>■ sixth position on the Polish factoring market among the members of the Polish Factors Association</li> <li>■ financing of ongoing business operations; receivables management; credit protection; maintenance of debtors' settlement accounts and enforcement of receivables; the offer includes also domestic and export factoring with recourse, domestic and export factoring with credit protection; reverse factoring - financing of the client's liabilities</li> <li>■ mFaktoring's offer available in all mBank branches providing services to SMEs and corporations in Poland</li> <li>■ member of Polish Factors Association</li> <li>■ participant of Poland's first factoring consortium</li> </ul>
 <b>Finanse</b>	<ul style="list-style-type: none"> <li>■ intermediary operations as an open platform for selling financial products of various institutions, including mBank</li> <li>■ the offer includes loans and advances, accounts, insurances, leasing as well as factoring for both individuals and companies</li> <li>■ offer of 25 active external financial entities in more than 181 stationary outlets across Poland and 134 partner branches</li> </ul>
 <b>TFI</b>	<ul style="list-style-type: none"> <li>■ broad market offering including investment solutions targeting retail banking and private banking clients</li> <li>■ integrating environmental, social and governance (ESG) aspects into investment processes – most mTFI-managed funds promote environmental or social aspects</li> <li>■ supporting the idea of long-term investing thru a systematic savings programs, cycle of life funds and retirement programs</li> </ul>

## 1.5. Ratings of mBank and mBank Hipoteczny

### mBank's credit ratings assigned on request

On February 27, 2025, S&P Global Ratings upgraded mBank's long-term issuer rating from 'BBB' to 'BBB+', the bank's senior preferred debt rating from 'BBB' to 'BBB+' and the bank's senior non-preferred debt rating from 'BB+' to 'BBB-'. The agency also affirmed mBank's short-term rating at 'A-2'.

On April 10, 2025, Moody's Ratings upgraded mBank's long-term deposit rating from 'Baa1' to 'A3' and affirmed the short-term rating at 'P-2'. Following the improvement in mBank's deposit rating, Moody's upgraded the issuer credit rating of mBank Hipoteczny from 'Baa2' to 'Baa1'.

On April 22, 2025, Fitch Ratings upgraded mBank's long-term Issuer Default Rating from 'BBB-' to 'BBB', the bank's senior preferred debt rating from 'BBB-' to 'BBB+', the senior non-preferred debt rating from 'BB+' to 'BBB' and the AT1 instruments rating from 'B+' to 'BB-'. The short-term rating was upgraded from 'F3' to 'F2'.

The upgrade of mBank's rating was driven by the mitigation of legal risk related to foreign currency mortgage loans, high profitability allowing for organic capital generation and the strengthening of the capital position.

Ratings of mBank S.A.	S&P	Fitch	Moody's
<b>Long-term issuer credit rating (foreign currency)</b>	<b>BBB+</b>	<b>BBB</b>	<b>-</b>
Short-term issuer credit rating (foreign currency)	A-2	F2	-
<b>Long-term deposit rating (foreign currency)</b>	<b>-</b>	<b>-</b>	<b>A3</b>
Short-term deposit Rating (foreign currency)	-	-	P-2
Stand-alone rating (Stand-alone Credit Profile by S&P; Viability rating by Fitch; Baseline Credit Assessment by Moody's)	bbb	bbb	baa3
Long-term resolution counterparty ratings (long-term RCR)	A-	-	-
Short-term resolution counterparty rating (short-term RCR)	A-2	-	-
Long-term Counterparty Risk Rating (foreign currency)	-	-	A2
Short-term Counterparty Risk Rating (foreign currency)	-	-	P-1
Ratings for unsecured issuances under Euro Medium Term Note Programme (EMTN)			
1. Senior Preferred Debt			
- long-term rating	BBB+	BBB+	-
- short-term rating	A-2	F2	-
2. Senior Non-preferred Debt			
- long-term rating	BBB-	BBB	-
Rating of T2 subordinated bonds	BB+	BB+	-
Rating of AT1 instruments	-	BB-	-
<i>Outlook of Long-term rating</i>	<i>stable</i>	<i>stable</i>	<i>stable</i>

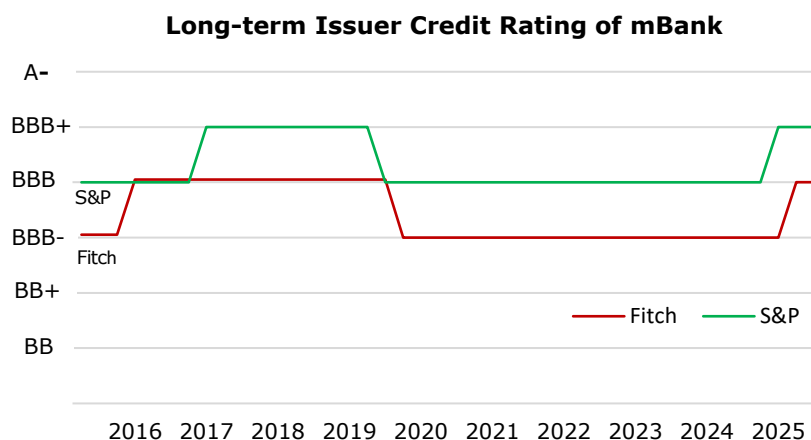
Ratings assigned by S&P and Fitch are solicited ratings. Moody's Ratings assesses mBank's creditworthiness based on publicly available information. mBank also has a rating assigned by Capital Intelligence Ratings on the basis of publicly available information: a long-term rating of 'BBB' (stable outlook) and a short-term rating of 'A2'.

mBank Hipoteczny is rated by Moody's (a solicited rating):

- long-term issuer rating 'Baa1' (stable outlook),
- short-term issuer rating 'P-2',
- long-term counterparty risk rating (LT CRR) 'A2',

- short-term counterparty risk rating (ST CRR) 'P-1',
- mortgage bond rating 'Aa1'.

The evolution of mBank's solicited long-term rating is shown in the diagram below.



## mBank's ESG ratings and indices

### Rating of mBank assigned by Morningstar Sustainability

On December 19, 2024, Morningstar Sustainability conducted the annual full review of the ESG risk assessment of mBank Group. After taking into account all documents, on January 9, 2025, the ESG Risk Rating of mBank Group was slightly increased to 13.4 from 12.8 (the result of the rating update after a methodology change in May 2024). According to the scale used by the agency, the Group is exposed to low risk of significant financial impacts related to ESG factors. Previous full ESG Risk Rating assessment for the Group was published on April 25, 2023.

In no case can the ESG Risk Rating Report be interpreted as investment advice or an expert opinion within the meaning of applicable law.

The Morningstar Sustainability ESG Risk Rating measures a company's exposure to significant industry specific ESG risks and how well the company manages those risks. This multidimensional way of measuring ESG risk combines management and exposure concepts to obtain an ESG risk rating. It is a quantitative measure of unmanaged ESG risk (ESG risk score or ESG Risk Rating), which is comparable across all industries. The ESG risk rating from Sustainability distinguishes five levels of risk: negligible, low, medium, high, and severe. More information about ESG risk ratings can be found on the website: [www.sustainalytics.com/corporate-solutions/esg-solutions/esg-risk-ratings](https://www.sustainalytics.com/corporate-solutions/esg-solutions/esg-risk-ratings).

The latest Sustainability ESG Risk Rating report along with the legal notice is published at: <https://www.mbank.pl/pdf/mkp-korporacje/relacje-inwestorskie/ratingi-instrumenty-dluzne/mbank-sa-risk-rating-summary-report.pdf>. It should be noted that the rating may change during the year due to the impact of various ESG factors on the assessment. The current rating can be obtained by investors from Sustainability. Legal notice: <https://www.sustainalytics.com/legal-disclaimers>.

### Rating of mBank assigned by MSCI

On November 8, 2024, MSCI ESG Ratings upgraded mBank's rating to AA (on a scale from AAA to CCC). The previous rating published on October 26, 2023, was at level A.

The report indicates that the upgrade was due to the expansion of mBank's consumer protection practices, which are now on par with comparable banks and include debt collection policies. In terms of corporate governance, mBank applies leading practices compared to its peer group.

The MSCI ESG Rating measures a company's resilience to long-term ESG risks. Companies are rated on a scale from AAA (leader) to CCC (laggard) based on their exposure to sector-specific risks and their ability to manage those risks compared to their peer group.

The MSCI ESG Rating for mBank along with the legal notice is available on our website: <https://www.mbank.pl/en/investor-relations/ratings-debt-instruments/>. It should be emphasized that the rating may change during the year due to the impact of various ESG factors. Investors can download the company's current rating from MSCI.



**CDP (formerly Carbon Disclosure Project)**

In February 2025, mBank received the results of its CDP rating. The bank maintained its previous year's score of "C" (on a scale from A to F). The highest-rated categories in our questionnaire related to disclosures concerning own operations and associated emissions, engagement in public policy and industry collaboration, as well as governance. The responses assessed in the questionnaire referred to the year 2023.

The CDP rating, based on a detailed questionnaire, evaluates how companies, cities, and regions manage their environmental impact, particularly in relation to climate change.

In 2024, CDP provided over 700 institutional investors with climate and environmental impact data from nearly 25,000 companies worldwide.

**FTSE4Good Index Series**

FTSE4Good Index Series FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that after performing the annual review, mBank S.A. remains a member of the FTSE4Good Index Series.

The FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong engagement in Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products. More information on the index can be found on the website: <https://www.ftserussell.com/products/indices/ftse4good/>.

More information about mBank's ESG activities is presented on our website: <https://www.mbank.pl/en/about-us/corporate-social-responsibility/>.

**1.6. mBank shareholders and performance of mBank shares on the WSE****Information on mBank shares and shareholders**

mBank shares have been listed on the Warsaw Stock Exchange (WSE) since 1992.

As at June 30, 2025, mBank's registered share capital amounted to PLN 170,103,364 and was divided into 42,525,841 shares, including 42,514,841 ordinary bearer shares and 11,000 ordinary registered shares with a nominal value of PLN 4 each. Each share carries one voting right at the General Meeting.

In H1 2025, the total number of shares increased by 28,868. The new shares were issued pursuant to Resolution No. 38 of the 31st Annual General Meeting of mBank S.A. dated May 9, 2018 on issuing subscription warrants, a conditional increase of the share capital with exclusion of the pre-emptive right of the existing shareholders to take up subscription warrants and shares, a change of the Company's by-laws and on applying for admission of shares to trading on the regulated market, and on dematerialisation of the shares.

Commerzbank AG is the majority shareholder of mBank. As at June 30, 2025, Commerzbank AG held 69.0% of shares and votes at the General Meeting of mBank. The remaining shares, which are in free float, are held by financial investors, in particular Polish pension funds and Polish and foreign investment funds.

Open pension funds held a total of 19.2% of mBank shares, according to the lists of shares of companies listed on the Warsaw Stock Exchange held in the funds' portfolios at the end of 2024, published by open pension funds. Nationale-Nederlanden Open Pension Fund exceeded the threshold of 5% of shares and votes at the General Meeting (5.1%).

mBank's shares are included in the following indices: WIG, WIG-Poland, WIG20, WIG20TR, WIG30, WIG30TR, WIG140, WIG-Banks, CEEplus, MSCI Poland and STOXX Europe 600 (from June 23, 2025).

**Performance of mBank shares on the WSE**

In H1 2025, optimism prevailed among investors on the Warsaw Stock Exchange. The favourable situation on the Warsaw Stock Exchange was supported by an improving macroeconomic environment, with falling inflation, rising wages and good financial results reported by companies from various sectors, particularly the banking sector.

The turbulence on the WSE during H1 2025 was driven by the US president's decision to raise tariffs on most countries, which raised concerns about a slowdown in global economic growth and, as a result, led to a sharp drop in stock prices. In early April, fears of deteriorating trade conditions and their possible impact on exporters, triggered a wave of sell-offs on European stock markets, including the WSE. However, investors' sentiment improved after a few days when the US administration announced a 90-day suspension of tariffs. As a result, the declines in stock prices were more than offset. Despite the surrounding

uncertainty, the Warsaw Stock Exchange showed great strength and resilience to market turmoil. On April 24, 2025, the broad market index exceeded the symbolic 100,000-point mark for the first time in history. The results of the presidential election in Poland and the outbreak of conflict between Israel and Iran in June had a slight negative impact on stock prices on the WSE. Bank stocks came under temporary pressure due to the resumption of discussions on the introduction of a windfall tax for the banking sector.

In H1 2025, the WIG and WIG20 indices increased by 31.6% and 29.8% respectively, compared to the levels at the end of 2024. The WIG-Banks index increased by 33.1% in H1 2025. On a year-on-year basis, WIG, WIG20 and WIG-Banks indices increased by 18.1%, 11.1% and 18.9%, respectively.

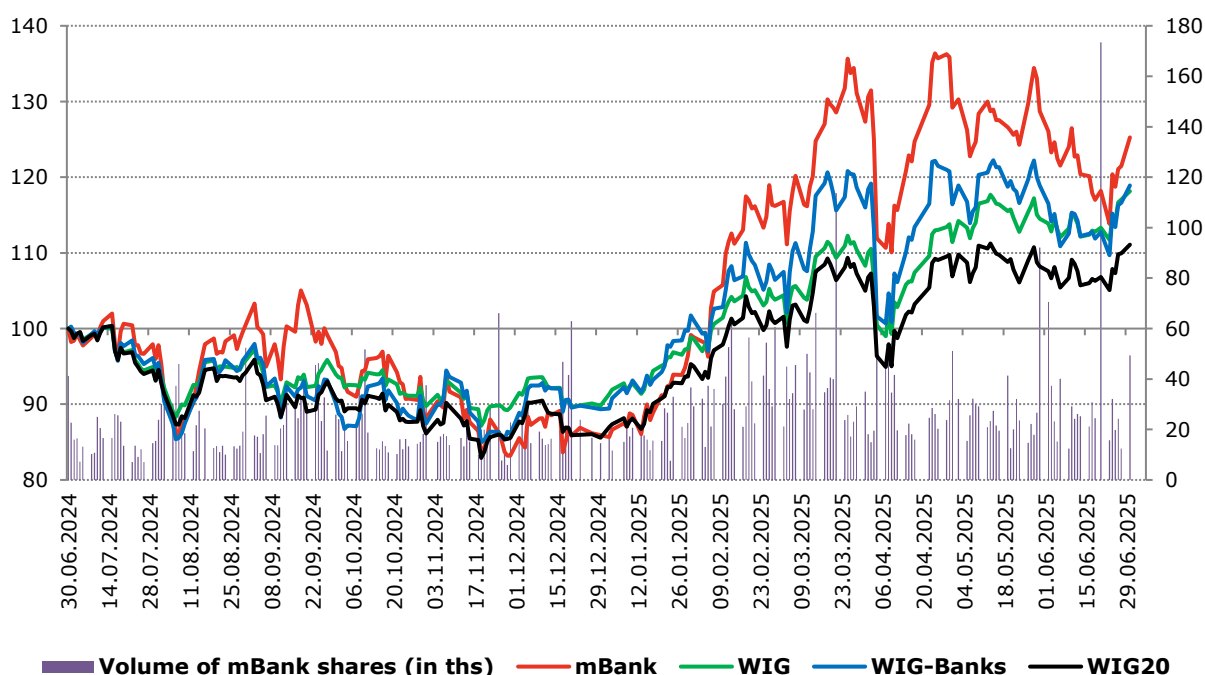
The banking sector attracts foreign capital thanks to its high liquidity and profitability. Investors' concerns about the legal risk costs related to foreign currency mortgage portfolios have decreased significantly. Furthermore, analysts and investors have concluded that despite the interest rates cut in May 2025 and expectations of further reductions, banks' results will remain high. This will be driven by growing volumes and measures taken by banks to offset the decline in margins and to increase non-interest income. Polish banks will benefit from high investment needs of the economy in the coming years and inflows of EU funds, which should translate into higher loan growth in the sector. Erste Group's decision announced in May to purchase a 49% stake in Santander Bank Polska and the decision of VeloBank, owned by the American fund Cerberus Capital Management, to purchase the retail segment of Citi Handlowy, confirmed that the Polish banking sector is perceived as attractive by foreign investors.

On April 24, 2025, mBank's share price reached a historic high of PLN 868.60 at the close of trading, while the highest intraday price (PLN 884.40) was recorded on April 29, 2025.

The closing price of mBank's shares at the last trading session on June 30, 2025 amounted to PLN 798.00 and was 45.8% higher compared with the price on the last trading day in 2024 and 25.3% higher than a year ago.

The chart below shows the relative changes in mBank share prices and stock exchange indices (left axis) and the volume of trading in mBank shares (right axis) in the period from June 30, 2024 to June 30, 2025.

**Relative changes of mBank's share prices and stock market indices and the volume of mBank's shares traded between June 30, 2024 and June 30, 2025**



mBank's capitalisation amounted to PLN 33.9 billion (EUR 8.0 billion) as at June 30, 2025 compared with PLN 27.1 billion (PLN 6.3 billion) a year ago. P/BV (price/book value) ratio of mBank Group as at June 30, 2025 was 1.9, the same as a year ago.

Among the bank analysts and brokers actively monitoring mBank's financial performance and issuing recommendations on mBank shares, at the end of June 2025 five analysts issued "hold" recommendations, two three analysts recommended to buy mBank's shares and two analysts recommended to sell the shares.

The current consensus regarding mBank Group's expected results is available on mBank's website: <https://www.mbank.pl/en/investor-relations/shares/consensus.html>.

## 2. Business activity and key achievements

### 2.1. Key events in mBank Group in H1 2025

#### **New features of mBank online banking and mobile app**

At mBank we continuously improve our online banking and mobile app to make them more intuitive and user-friendly. Bearing in mind the rapidly improving quality of online banking services, we spare no effort to enhance our mobile app which, at the end of June 2025, was used by 4.0 million clients in total. At the end of H1 2025, c. 2.2 million of our clients banked exclusively using their mobile devices (mobile only).

#### Shopping platform mOkazje is available to all mBank customers

mOkazje zakupy is an mBank and Morele.net project that makes it even easier for the clients to shop online, directly from their bank app. Both purchase and payment take place without leaving the app. Since the beginning of 2025, all mBank clients have access to the platform. They can choose from about 1.5 million offers across 2,000 diverse categories. The mOkazje zakupy functionality includes all relevant eCommerce tools such as search engine, filtering, multiple delivery methods or transaction history and instant payment. On the Morele platform, customers will also find personalized offers from many categories, promotions and bargains of the day.

In the first half of 2025, mBank expanded payment methods on „mOkazje zakupy” (“mDiscounts market place”) New deferred payment service offers interest-free credit for a period of 30 days. If the amount for purchases is not repaid within 30 days, mBank will automatically deduct it from the client's bank account. Clients showed great interest in mOkazje zakupy, with more than 11 million visits to the service in H1 2025. The NPS indicator is at a high level of 80 points in each month of the first half of 2025.

#### New mBank website designed with the needs of mobile users and people with disabilities in mind

In March 2025, as previously announced, clients gained access to mBank's new website. The portal is characterized by simplicity, intuitive operation and the use of cloud technologies. The implemented version meets the requirements of the WCAG 2.2 standard (Web Content Accessibility Guidelines), which regulates the principles of increasing the accessibility of digital content for people with various disabilities. The design of the website was prepared by mElements, a subsidiary of mBank, in cooperation with Univio, responsible for providing the necessary technological solutions.

#### Summary of the year in the mobile application

mBank has provided an annual financial summary for mBank mobile app users. Clients can check in the summary, among other things, what they spend the most money on, how many times they logged into the app during the year, the number of transactions they made, their preferred payment methods, the month with the highest spending, and whether they ended the year with a surplus or deficit. As part of its 2021-2025 strategy, the bank supports financial education and offers budget planning and analysis tools such as a finance manager and retirement calculator.

Since April, mBank clients can change transfer limits on mobile devices directly in the app. Previously, to change a limit, they had to log in to the online banking service or contact a representative. In the first two months, clients used this feature over 400,000 times.

#### BOT Marek will help mBank clients confirm unusual transactions

In May 2025, after enabling mobile authorization, trusted sender verification and card application activation, mBank broadened BOT Marek's capabilities to include confirming unusual transactions. This prove once again that this technologically advanced service is strengthening user security. Right now, the client is informed of the scheduled call via the mobile application. Previously, if an unusual operation was suspended, a bank employee would have to contact the client directly. The new solution works fully automatically, reducing contact time and allowing more clients to be served.

#### **mBank Group and UNIQA extend strategic partnership**

In May 2025, mBank and UNIQA signed a new 12-year-long strategic agreement which aims to more than double the bancassurance portfolio within this period. Achievement of this goal will be helped by the continued expansion of standalone insurance offerings and the enhancement of digital processes. The agreement covers both mBank's and mLeasing's retail clients, with the aim of developing an insurance offering that provides real support in the energy transition of clients. The current product portfolio includes a comprehensive range of insurance solutions: life insurance, motor insurance, leasing-related insurance, home and property insurance, and travel insurance.

Over recent years, UNIQA and mBank have created a unique cooperation model which became the fastest-growing bancassurance partnership in the Polish market. As part of this strategic alliance, UNIQA's insurance offer is available in all of mBank's sales channels, with the digital ones playing a leading role. For more information on cooperation with UNIQA, see chapter 2.3. "Retail Banking Area".

**mBank settlement programme for clients with CHF mortgages**

An attractive settlement program for customers with Swiss franc loans has been available to customers since the fourth quarter of 2022. By end of June 2025, mBank had reached more than 28,733 settlements with clients. mBank has made a settlement offer to all clients and regularly renews it. The offer consists of converting the loan into zlotys, as if it had been taken out and repaid in Polish currency from the beginning. As a result, the outstanding principal is reduced. Since the launch of this programme, more clients have opted for a settlement with the bank rather than litigation. Settlement is efficient and does not burden borrowers with many formalities. At the same time, the bank is open to negotiations with customers. The converted loan carries a variable or periodically fixed interest rate at an attractive level (as of the date of preparation of the report: 4.99%). The settlement will allow the client to definitively eliminate foreign exchange risk and interest rate risk for up to 5 years (in the future, the interest rate may change depending on market conditions). The bank has launched a [special website](#) detailing the ongoing settlement programme. For more information on the settlements, see 33. explanatory note of the Condensed Interim Consolidated Financial Statements of mBank Group S.A. for the first half of 2025.

**Progress in mBank's ratings**

Three key credit rating agencies upgraded assessment of mBank's creditworthiness across a two month span. The positive changes of the bank's ratings by all S&P Global Ratings, Moody's Ratings and Fitch Ratings in such a short period is a unique market development. The upgrades were driven by mBank's significant progress in reducing the risk related to CHF mortgage loans, increased profitability and strengthened capital base. For more information on the ratings, see chapter 1.5. Ratings of mBank and mBank Hipoteczny.

**Issuance of EUR-denominated subordinated Tier 2 bonds**

Once again, mBank is making history: six months after the AT1 issuance, as the first bank in Poland conducted a public issuance of Tier 2 bonds denominated in euro. On June 17, 2025, mBank successfully priced the first-ever public Tier 2 subordinated bonds in EUR under English law out of Poland. It was the largest EUR Tier 2 transaction from CEE region in the last 5 years. The order book amounted to EUR 3.6 billion for an issue of EUR 400 million, implying the 9 times oversubscription, with the participation of more than 200 investors. The subordinated bonds will be classified as Tier 2 instruments within the bank's own funds, subject to the approval of the Polish Financial Supervision Authority.

The settlement of the issue took place on June 25, 2025. On the same day, the bonds were admitted to listing on the Regulated Market of the Luxembourg Stock Exchange. The bonds will mature on September 25, 2035, subject to mBank's right to execute a call option in accordance with the terms and conditions of the issuance. The coupon structure provides for a fixed interest rate of 4.7784% per annum for the initial period of 5.25 years, with interest payable annually. Thereafter, the interest rate will be reset for a subsequent 5-year period based on the sum of the prevailing 5-year EUR swap rate and a fixed margin of 250 basis points, as defined during the book building process.

S&P Global Ratings and Fitch Ratings assigned a BB+ rating to the issued bonds.

**mBank Hipoteczny S.A. returns to the mortgage covered bond market**

mBank Hipoteczny returned to the capital market after a six-year-long break. On June 12, 2025, it successfully conducted a public issuance of covered bonds, targeting a broad group of institutional investors. The issued bonds, with a nominal value of PLN 750 million and a three-year maturity, carry a floating interest rate based on the WIBOR benchmark plus a margin of 75 basis points. The buyers of the issuance included: open pension funds (OFE) – 53%, investment fund companies (TFI) – 25%, and banks – 22%. The success of the issuance confirms the attractiveness of covered bonds as a wholesale funding instrument.

**mBank granted Solaris Bus & Coach sustainable financing at EUR 114 million**

mBank, as a coordinator of sustainable financing, has provided Solaris Bus & Coach with Sustainability Linked Loans (SLL) and guarantee limits. The total amount is EUR 700 million, including mBank's share at EUR 114 million. The transaction is based on key sustainability indicators, which include reducing the carbon footprint in all three scopes (emissions produced directly, indirectly and produced throughout the supply chain) and actions taken for the health and safety of employees, supporting Solaris Bus & Coach's further expansion in the spirit of responsible development.

Thanks to the partnership with mBank, Solaris Bus & Coach continues to grow its business rapidly, supporting the transformation of public transportation towards climate neutrality and improving the quality of life for city dwellers in Europe.

**Innovative payment methods in Poland: payment rings**

Starting from June 2025, mBank's clients in Poland can enjoy another form of payment: the ring, which combines convenience, security and modern style. The new payment ring works with NFC contactless technology, like card worn on a finger. It does not require charging or connection to a smartphone and is fully waterproof. Once paired with the banking application, the ring is ready to use. During payment, there is no need to keep a phone ready — it's simple as holding the ring to the terminal, and for amounts over PLN 100, confirming the transaction with a PIN.

mBank is consistently expanding its payment offering. It already provides payment accessories such as wristbands and stickers, and supports mobile payments including Garmin Pay, Xiaomi Pay, and Amazfit. Since last year, it has also enabled payments using new wearable forms — a ring or a strap equipped with Fidesmo Pay or Digiseq Pay technology. Now, the bank is taking it a step further — thanks to a partnership with Mastercard and Wearpay, it is introducing a comprehensive solution with full support for the purchase and configuration process. This marks another step in making modern, convenient, and stylish mobile payment methods more accessible to the clients.

**mBank plays together with the Great Orchestra of Christmas Charity**

On January 26, 2025, mBank as the main partner and sponsor played with the Great Orchestra of Christmas Charity (WOŚP) for the eighth time. The aim during the 33. Finale was to raise money to support and equip pediatric oncology and hematology departments. Once again, mBank participated in the event and supported its organization – in total, about 1,000 employees were involved in various activities. As a result of joint effort of mBank and its clients, PLN 23.5 million has been raised for WOŚP during the 33. Finale. This year, clients could also use a special „heart” icon in the mobile application to donate to the foundation. To every click on the icon, PLN 1 was added by mBank. In parallel, mBank offered traditional and digital payment cards with WOŚP motifs designed by Jurek Owsiak, the Charity's founder, and with a built-in notch for blind people. This year, the bank also prepared an WOŚP-related offer for the youngest. First 2,000 clients who opened an eKonto Junior and ordered payment band, received special pins with motifs associated with the Orchestra. For corporate clients, mBank prepared another edition of the "In the Rhythm of WOŚP" promotion - mBank transferred to the Foundation's account the equivalent of six month's fees for accounts established by companies from January to the end of February 2025.

**Operations of mBank Foundation**

This year's mBank Foundation's Maths Picnic, which took place on March 14, Pi Number Day, at the Copernicus Science Center, was dedicated to mathematics in sports. The mFoundation invited more than 300 schoolchildren from all over Poland to the event. Among the participants, children from elementary schools, small towns and rural areas predominated. The event was the culmination of the first edition of the mFactorial (mSilnia) grant programme for elementary schools.

March 14 also marked the start of the second edition of mFactorial (mSilnia). The main goal of the programme is to develop mathematical thinking. mFactorial also promotes practical approach to teaching mathematics and encourages cooperation between teachers of different subjects. The new programme consists of two categories: an educational project competition - for schools, and a lesson scenario competition - for educators. Public elementary schools, teacher training centers, universities, libraries and NGOs took part in the first competition. Methodologists, teachers, educators and popularizers of mathematics could take part and submit their scenario. In the second edition of mFactorial, mBank has awarded grants to 138 projects from all over Poland and 11 original scenarios for the total amount of PLN 1,300,000.

As every year on March 30, the birthday of the great Polish mathematician Stefan Banach, the mFoundation announced the results of its competition "A Step into the Future" ("Krok w przyszłość"). The jury of the competition, chaired by Professor Paweł Strzelecki, long-time dean of the Faculty of Mathematics, Informatics and Mechanics at the University of Warsaw, selected the best papers in mathematics written by students that promoted innovative, original ideas or set new research directions and methods. The jury awarded the grand prize of PLN 20,000 and three equivalent awards of PLN 10,000 each. On June 30, mBank announced the next, tenth edition of the competition.

In the first half of 2025 another edition of the "Champions of Mathematics" scholarship programme has ended. We awarded our scholarships to the winners of the Mathematics Olympiad and the Junior Mathematics Olympiad who have achieved the best results in these prestigious competitions. We implement the scholarship programme in cooperation with the Association for Mathematics Education, the organizer of the Mathematics Olympiads. In 2025, we have provided 28 scholarships for the winners of the Junior Mathematics Olympiad and 33 scholarships for the winners of the Mathematics Olympiad for a total of PLN 95,000.



**Support for promotion of culture – patronage of music festivals**

In August 2025, after a few years of absence, mBank will become the partner on the OFF Festival in Katowice for the ninth time. During the event, mBank will take patronage over the Forrest Scene and OFF Jazz Club scene. The alternative music festival in Katowice lasting for 3 days is yet another cultural occasion in which mBank engages. mBank is the partner of top Polish outdoor festivals, such as Pol'and'Rock Festival or Łódź Summer Festival, and small-scale events, such as Great September or OFF Festival Katowice.

**Third edition of cybersecurity educational campaign**

The „Self-Defense Online” campaign was launched on February, 3rd. The video spots are broadcasted on the TV, radio and internet. Each of the composed spots focuses on one crime method: fraudulent investment, bank employee impersonation, and scam online store. Towards the end of each video clip mBank showcases solutions, which assist the clients and protect them from cyber swindlers, such as: identity confirmation via mobile authorization, “Clamor” (“Jazgot”) crime audio series, or CyberRescue service. These are only some of the available solutions, as mBank’s mobile application offer a variety of diverse functions, which facilitate taking care of security of finance for its users. More information is available on a [special website](#) (in Polish), which mBank prepared as part of the campaign. The website also contains information on how to successfully protect oneself from cyber frauds.

mBank was the first bank to promote educational campaign on cybersecurity, already a decade ago. Since then, it has been engaging in diverse activities in this field, among others wide-ranging campaign or regular educational communication to own clients in the internal channels.

**2.2. Awards and distinctions**

In H1 2025, mBank Group has gained recognition, winning a number of awards and distinctions, with the most important as follows:

Two nominations in the Mobile Trends Awards for mBank

In the Mobile Trends Awards competition, mBank was nominated in the “Mobile Banking” category for innovations that make everyday finances easier and in the “Commerce” category for the mOkazje zakupy (mDiscounts market place). In 2024, mBank introduced balance hiding, quick changes of BLIK limit and summary of the year to the mobile app, among other features. It also launched a new service mOkazje zakupy, which allows customers to order and pay for products directly in mBank’s mobile app.

Second place in the Star of Banking ranking in the Technology and Innovation category

At the European Financial Congress, one of the most important events of the financial sector in Central and Eastern Europe, mBank won a unique award. At an event dedicated to, among other things, digitization, AI, data security and the future of banking services, mBank won second place in the Star of Banking ranking, in the Technology and Innovation category. Dziennik Gazeta Prawna, together with the Boston Consulting Group (BCG), awarded the prize for the mOkazje zakupy platform, the first of its kind in Europe, which allows online shopping directly from the bank's mobile application.

“Financing Bank of the Year”, the Polish Private Equity & Venture Capital Association

mBank has won another award from the Polish Private Equity & Venture Capital Association (PSIK) in the “Financing Bank of the Year” category. The competition promotes the highest standards in the private equity/venture capital industry and recognizes the contribution of PE/VC investors to the development of Polish companies and social activities. The award is given by a group of members of the Polish Venture Capital Association, which is additionally an expression of market recognition. mBank has won in seven out of the eight editions of the competition organized so far.

Six awards on the 30th anniversary of mBank's private banking

mBank's private banking services and products have been recognized by the independent industry bodies in five key categories, including two awarded for the CEE region. Euromoney Private Banking has awarded mBank as “Best Private Bank in Poland”, “Best for Family Office Services in Poland” and “Best for Sustainability in Poland and in CEE”. In addition, we received the awards “Outstanding Wealth Management Technology Implementation in Poland” from Global Private Banker Wealth Tech and “Best Private Bank for Digital Customer Experience in CEE” from PWM Wealth Tech.

The Best Treasury and Cash Management Bank in Poland

In 2025, mBank was named The Best Treasury and Cash Management Bank in Poland by Global Finance magazine as part of the 25th edition of the World’s Best Treasury and Cash Management Providers awards. The ranking is based on a multi-tiered assessment including profitability, market share, customer service, innovation, and the ability to stand out from competitors.

### Second Place in the Polish Association of Developers' Bank Ranking

mBank secured second place in the 18th edition of the Bank Ranking organized by the Polish Association of Developers (PZFD), moving up from fourth place in the previous edition. This prestigious recognition reflects the high evaluation of mBank by development companies in terms of credit conditions, processing times, flexibility, and quality of communication. The PZFD ranking is based on the opinions of banks' key clients: property developers.

### Highest share of turnover on client's account on ETFs in 2024

Warsaw Stock Exchange awarded Brokerage Bureau of mBank for above-average activity and special achievements in the capital market. As part of the WSE's Summary of the Stock Market Year 2024, mBank's Brokerage Bureau received an award in the category "Highest share of client account trading in ETFs in 2024". Additionally, mBank received the title of leader in market making on the Treasury BondSpot Poland market.

### Sustainable Financing Leader

At the prestigious Sustainable Economy Diamonds competition, mBank was honored with an award in the Sustainable Financing Leader category. The competition recognizes companies that are implementing pioneering ESG projects and working toward sustainable development, as well as promoting best practices and inspiring other organizations to take action for the planet. The award was given to mBank during the Sustainable Economy Summit, one of the most important events in Poland dedicated to ESG.

### Banks for Climate - Ranking of Banks Supporting the Transformation of the Polish Economy

In the first edition of the ranking developed by the financial magazine BANK, mBank took first place, achieving a synthetic index of nearly 83%. It was the only bank to win a place on the podium in all analyzed categories. In particular, the institution was distinguished with first place for the level of financing projects supporting the transformation chain and for arranging the issuance of green bonds. mBank was also awarded third place in the category of financing renewable energy sources and granting SLL loans. The aim of the ranking is to appreciate banks that not only declare pro-climate actions, but also take real initiatives towards the transformation of the economy.

### mBank's Investor Relations team ranked high by Parkiet

In 2025, mBank's Investor Relations team was ranked 4th among WIG30 companies in the Parkiet financial magazine's ranking, thanks to votes from institutional investors and analysts. On a scale of 1 to 6, mBank scored 4.85 points. This ranking confirms the commitment of Investor Relations team to transparent and effective communication with investors and analysts.

### mBank is one of the leaders of the 19th edition of the "ESG Ranking. Responsible Management" and "Diversity IN Check"

mBank won the highest possible score in the area of "Corporate Governance" during the anniversary conference of the Responsible Business Forum. This year, the number of organizations that took part in the ranking exceeded 60. Additionally, in the "Diversity IN Check" survey organized by the Responsible Business Forum, mBank was among the employers that are most advanced in diversity and inclusion management in Poland.

### ESG Silver Leaf by Polityka

In the 14th edition of ESG Letters organized by the editors of Polityka, the consulting firm EY and the Responsible Business Forum, mBank received two awards: Silver Leaf for overall ESG activities and the title of Corporate Governance Leader in the Corporate Governance category. The ESG Leaf rewards responsible and sustainable corporate actions in the areas of environmental protection, social responsibility and corporate governance (ESG). The competition questionnaire was aimed at large companies with more than 250 employees. Participants answered 60 closed-ended questions based on the requirements of the EU's Sustainability Reporting Standards (ESRS). The evaluation was determined after verification of the answers and attached materials documenting the company's activities.

### Title "ESG – Company of the Year 2025" from Gazeta Finansowa

The actions carried out by mBank as part of the ESG Strategy of the mBank Group for the years 2021-2025 were the basis for awarding the bank the title "ESG – Company of the Year 2025" by the financial magazine Gazeta Finansowa. This distinction is given to companies that combine their development with a real social and environmental impact. These organizations consciously shape a culture of transparency, care about relationships with their stakeholders, and make decisions with long-term consequences in mind. Their actions show that responsibility does not exclude efficiency – on the contrary, it builds its foundation.

**Ranking of Financial Institutions Caring for the Professional and Social Equality of LGBT+ People**

mBank ranked among the top institutions out of 38 financial sector entities evaluated in the fifth edition of the Ranking of Financial Institutions Caring for the Professional and Social Equality of LGBT+ People in Poland. The report presenting the best practices in this sector of the economy is published by the editorial team of cashless.pl and is part of the "Cashless for Equality" project. Points are awarded for each good practice, and an institution meeting all criteria can achieve a maximum of 100 points. The scoring includes only actions taken within local organizational structures. mBank scored 95 points for its practices supporting LGBT+ people, their partners, and the entire community in the country.

**Responsible and Friendly Employer**

mBank received an award in the tenth edition of the "Responsible and Friendly Employer" programme for its exceptional commitment to building a friendly work environment, retirement savings and enhancing financial security of employees. Since 2019, mBank has been cooperating with Uniqa TFI in implementing the Employee Capital Plans (PPK) programme.

More information on awards and distinctions can be found on the Bank's website in the "Press Centre" section: <https://en.media.mbank.pl/>.



### 2.3. Retail Banking Area

mBank's Retail Banking segment serves 5,812 thou. individuals and microenterprises in Poland, the Czech Republic and Slovakia online, directly through the call centre, via mobile banking and other state-of-the-art technological solutions, as well as in a network of 172 branches\*. The bank offers a broad range of products and services including current and savings accounts, accounts for microenterprises, credit products, deposit products, payment cards, investment products, insurance products, brokerage services, and leasing for microenterprises.



Key financial data (as at the end of H1 2025):

Share in total income	Profit before tax	Income
<b>63.0%</b>	<b>PLN 2,227.5 M</b>	<b>PLN 3,923.2 M</b>

#### Key highlights

- High profit before tax – an increase of 10.5% compared to the first half of 2024, mainly driven by higher net interest income.
- Revenues at a high level of PLN 3,923.2 million, up by 13.7% year on year.
- Record-high sale of non-mortgage loans at the level of PLN 6,882.3 million and very high sale of mortgage loans at the level of PLN 6,166.6 million.
- Increase of mBank's market share in the households loans excluding foreign currency loans to 7.9% (by 0.5 p.p. year on year) and in the PLN mortgage loans to 8.5% (by 0.8 p.p. year on year).
- Growth in deposits by 11.1% year on year, due to the inflows to current accounts.
- Growth of digital channel sales share in total non-mortgage sales to 82% in the first half of 2025, while the percentage of processes initiated by customers in digital channels increased to 89%.
- Increase of the number of clients by 2.3% to 5,811.7 million, along with the increase of number of mobile application users by 7.8% to 4,020.0 million on annual terms.
- Expansion of payment methods on the „mOkazje zakupy” purchasing platform available directly in mBank's mobile application, launched in cooperation with Morele. The deferred payment service offers interest-free loan for a period of 30 days. If the amount for purchases is not repaid within 30 days, mBank automatically takes it from the client's bank account. The interest of clients is high, the service had more than 11 million visits in H1 2025.
- Retirement package: a special life-cycle fund offer for clients opening IKE and IKZE accounts, encouraging retirement savings and promoting healthy personal finances.
- Expansion of the offering with innovative payment methods and unique payment cards: clients can now pay using payment rings and have access to new benefits linked to the Visa Świat Intensive card and the new Visa Podróże card.
- The third edition of the cybersecurity video campaign “Self-defense online” and a special interactive episode of the award-winning educational audio series “Jazgot” (Clammor), in which listeners can decide the fate of the characters.
- Extension of the strategic partnership with UNIQA under a new 12-year agreement, which entails more than doubling the bancassurance portfolio, further development of standalone insurance offerings and products supporting sustainable growth for corporate clients, as well as continued investments in digital processes.
- mBank's new website — simple, intuitive, and designed with smartphone users and people with disabilities in mind.

\* Including 123 in Poland and 42 in the Czech Republic and Slovakia; excluding mFinanse (40) and mKiosks (141).

## Financial results

In H1 2025, the Retail Banking segment generated a profit before tax of PLN 2,227.5 million, which represents an increase by PLN 210.9 million, i.e. 10.5% compared with H1 2024.

PLN M	H1 2024	H1 2025	Change in PLN M	Change in %
Net interest income	2,871.2	3,318.9	447.7	15.6%
Net fee and commission income	503.0	575.7	72.7	14.5%
Net trading income	55.0	55.4	0.4	0.8%
Other income	9.8	19.7	9.9	100.9%
Net other operating income	12.5	-46.5	-59.1	+/-
<b>Total income</b>	<b>3,451.5</b>	<b>3,923.2</b>	<b>471.7</b>	<b>13.7%</b>
Net impairment losses and fair value change on loans and advances	-161.7	-242.1	-80.4	49.7%
Overhead costs and depreciation	-1,044.1	-1,211.0	-166.8	16.0%
Taxes on the Group balance sheet items	-229.1	-242.7	-13.6	5.9%
<b>Profit before tax of Retail Banking</b>	<b>2,016.7</b>	<b>2,227.5</b>	<b>210.9</b>	<b>10.5%</b>

**Other income** – calculated as gains or losses from derecognition of financial assets and liabilities not measured at fair value through profit or loss and gains or losses from non-trading equity and debt securities mandatorily measured at fair value through profit or loss.

**Total income** – calculated as the sum of net interest income, net fee and commission income, dividend income, net trading income, other income, other operating income and other operating expenses.

**Net impairment losses and fair value change on loans and advances** – the sum of impairment or reversal of impairment on financial assets not measured at fair value through profit or loss and gains or losses from non-trading loans and advances mandatorily measured at fair value through profit or loss.

**Overhead costs and depreciation** – calculated as the sum of total overhead costs and depreciation.

**Key business data (mBank and mBank Hipoteczny only)**

thou.	30.06.2024	31.12.2024	30.06.2025	Semi-annual change	Annual change
<b>Number of retail clients, including<sup>1</sup>:</b>	<b>5,679.1</b>	<b>5,714.5</b>	<b>5,811.7</b>	<b>1.7%</b>	<b>2.3%</b>
Poland	4,576.5	4,598.9	4,657.9	1.3%	1.8%
Foreign branches	1,102.6	1,115.6	1,153.8	3.4%	4.6%
The Czech Republic	779.3	791.8	810.5	2.4%	4.0%
Slovakia	323.3	323.8	343.2	6.0%	6.2%
<b>Mobile application users</b>	<b>3,729.7</b>	<b>3,841.7</b>	<b>4,020.0</b>	<b>4.6%</b>	<b>7.8%</b>
Poland	3,242.1	3,330.2	3,469.4	4.2%	7.0%
Foreign branches	487.6	511.5	550.6	7.7%	12.9%
<b>PLN M</b>					
<b>Loans to retail clients, including:</b>	<b>67,696.4</b>	<b>70,925.1</b>	<b>74,530.1</b>	<b>5.1%</b>	<b>10.1%</b>
<b>Poland</b>	<b>58,796.8</b>	<b>61,858.9</b>	<b>64,860.3</b>	<b>4.9%</b>	<b>10.3%</b>
mortgage loans	39,588.3	42,327.8	44,181.9	4.4%	11.6%
non-mortgage loans	19,208.5	19,531.1	20,678.3	5.9%	7.7%
<b>Foreign branches</b>	<b>8,899.6</b>	<b>9,066.3</b>	<b>9,669.8</b>	<b>6.7%</b>	<b>8.7%</b>
The Czech Republic	5,945.3	6,019.9	6,504.0	8.0%	9.4%
Slovakia	2,954.3	3,046.4	3,165.8	3.9%	7.2%
<b>Deposits of retail clients, including:</b>	<b>133,442.8</b>	<b>142,107.4</b>	<b>148,276.6</b>	<b>4.3%</b>	<b>11.1%</b>
<b>Poland</b>	<b>116,812.0</b>	<b>125,074.3</b>	<b>130,470.1</b>	<b>4.3%</b>	<b>11.7%</b>
<b>Foreign branches</b>	<b>16,630.8</b>	<b>17,033.0</b>	<b>17,806.4</b>	<b>4.5%</b>	<b>7.1%</b>
The Czech Republic	12,254.3	12,708.5	13,334.7	4.9%	8.8%
Slovakia	4,376.5	4,324.5	4,471.7	3.4%	2.2%
<b>Investment assets of mBank individual clients (Poland)</b>	<b>25,985.5</b>	<b>27,478.2</b>	<b>31,113.0</b>	<b>13.2%</b>	<b>19.7%</b>
<b>thou.</b>					
<b>Credit cards, including</b>	<b>363.9</b>	<b>362.0</b>	<b>363.2</b>	<b>0.3%</b>	<b>-0.2%</b>
Poland	328.4	326.7	327.6	0.3%	-0.3%
Foreign branches	35.4	35.3	35.6	0.9%	0.6%
<b>Debit cards, including:</b>	<b>5,331.8</b>	<b>5,421.8</b>	<b>5,530.9</b>	<b>2.0%</b>	<b>3.7%</b>
Poland	4,457.1	4,515.6	4,588.2	1.6%	2.9%
Foreign branches	874.7	906.2	942.7	4.0%	7.8%

<sup>1</sup> Includes the number of Kompakt Finanse clients.

## **Retail Banking in Poland**

In the first half of 2025, we introduced many new services and features in our application and website for our customers. Important implementations are described in Chapter 2.1, "Key events in mBank Group in H1 2025." Among the new features are the new Visa Travel payment card, the expansion of payments in the mOkazje Shopping program, the "Retirement Package" ("Pakiet Emerytalny"), and the ability to independently change payment limits.

Currently, 4,020.0 thousand customers use the mBank mobile application, including 3,469.4 thousand in Poland. The number of monthly active users of the application (MAU) increased to 3,503.6 thousand in Poland. The importance of digital channels in everyday banking continues to grow. The share of the mobile application in the sale of non-mortgage loans increased to 67% in the first half of 2025, compared to 63% in the first half of 2024 (in terms of units). More information about new mobile solutions can be found in Chapter 2.1, "Key Events in mBank Group in H1 2025 .

In the first half of 2025, we continued activities in the segment of the youngest customers, related, among others, to eKonto Junior and focusing on important moments in the lives of young people. We directed these activities to parents of children and teenagers aged 7-17, promoting our two offers – eKonto możliwości and eKonto Junior.

We continued our cooperation with the Warsaw Institute of Banking as part of the "Kidnapped by Economics" („Porwani przez ekonomię”) project. In the 2024/2025 school year, over 150,000 students were trained by nearly 1,500 teachers. Lessons based on scenarios prepared by mBank were conducted in nearly 1,400 classes.

We also continued activities encouraging Poles to invest regularly and think about retirement, promoting the idea of "Don't procrastinate" ("Nie jutraj") meaning take care of it today. For years, mBank has been promoting the idea of taking care of your finances in a safe, long-term manner. We teach customers that they can start investing from as little as 100 PLN per month, and the sooner they do it, the easier it will be to accumulate larger amounts. Already 100,000 customers regularly invest with mBank.

In the retail client segment, we introduced payment rings – an innovative payment method that set us apart in the market. We also launched the Visa Podróże card – a multi-currency card with no currency conversion fees, available in a promotional offer of 12 months free of charge for both new and existing clients.

In H1 2025, we continued to fulfil our commitment as signatories of the UNEP-FI declaration on financial health and inclusive banking. Our goal by the end of 2025 is to increase the percentage of customers declaring financial resilience to at least 50%. After six months of 2025, 56% of our customers consider themselves financially resilient. A key element in achieving this goal was communication activities based on six principles of healthy finances.

In the first half of 2025, in the area of individual clients, we also developed a simplified credit process for people buying properties with increased energy efficiency (the NZEB-10%). This process, currently in the pilot phase, shortens service time and reduces documentation requirements for customers choosing properties in designated locations. At the same time, we are developing cooperation with market partners. Both activities aim to increase the sale of loans financing sustainable housing investments and achieve the assumed sales level of 15%.

### Retail banking offer for individuals

#### *Non-mortgage loans*

In the first half of 2025, we achieved a record-high PLN 4.7 billion sales in non-mortgage loan segment, up by 36.2% compared to the first half of the 2024. It translated into an increase in our market share in non-mortgage loans to 6.9%. The increase was influenced by good sales of consolidation loans and mBank's attractive offer supported by regular promotional activities. At the same time, mBank focused on maintaining its profitability target.

We are developing our products by introducing modern e-commerce solutions and ensuring a positive experience for our customers. In January 2025, we provided clients with a simple and convenient deferred payment method "mBank płacę później" ("mBank pay later"). The new solution is available for 1.5 million active clients. With "mBank pay later" clients with activated limit can purchase and defer payment for up to 30 days in "mOkazje zakupy" (mDiscounts e-commerce market place).

In the first half of 2025, we introduced changes to the calculation of interest on selected credit products offered to individuals. In newly concluded and annexed credit card agreements, the interest rate will be determined based on the current NBP reference rate plus a fixed margin.

### *Mortgage loans*

Mortgage loans sales also recorded very good results in the first half of 2025. We granted PLN 5.4 billion in total of financing, which translated into growth of mBank's market share in the mortgage loans to 8.4%.

In the first half of 2025, the share of loans for the purchase or construction of energy-efficient real estate in the value of overall mortgages sales increased to 14.2% from 8.7% in the first half of 2024. In total, in the first half of 2025 we sold PLN 772.0 million of loans financing energy-efficient real estate, which is 103% more than in the first half of 2024. Buildings financed under an energy-efficient real-estate loan must not exceed the threshold set by the bank for the value of the annual non-renewable primary energy demand indicator, as specified in the Energy Performance Certificate (EPC) or the Design Energy Performance Certificate, depending on the type of property. Additionally, as a pilot project on one development by a nationwide developer, we have started assessing energy efficiency based on the parameters of the entire investment rather than individual units.

Excluding the portfolio in foreign currency, the NPL ratio of the retail mortgage loan portfolio stood at 1.11% as at June 30, 2025 compared to 1.12% a year before.

### *Deposits*

At the end of June 2025, the value of mBank's retail deposits in Poland amounted to PLN 129.1 billion. This constitutes an increase of PLN 5.4 billion, i.e. 4.3% compared to the result at the end of 2024. Thus, at the end of June 2025, mBank's share in the retail deposit market increased to 8.5%.

These results were supported by sales campaigns to mBank's customer base, including:

- price promotions on savings accounts and 3-month term deposits in PLN, thanks to which customers could benefit from attractive interest rates on new funds deposited in the bank
- special and retention offers with favorable prices, thanks to which we maintain the deposit retention rate at over 90%.

### *Cards and accounts*

At the end of May, Visa Travel card was added to mBank's debit card range, complementing the offer for travellers in the young and mature client segments. Visa Podróże card can be used for payments in Poland and abroad. Transactions made in foreign currencies are converted to zlotys without any additional commissions. The card supports transactions in more than 180 currencies worldwide. ATM withdrawals abroad are free of charge. To celebrate the sales launch, the first 10,000 clients received cards with a unique design: LED backlighting.

Another new feature for mBank clients is the payment ring. We introduced it in June 2025. This is no ordinary ring, it's a Mastercard card from mBank on the finger! This minimalist gadget allows to pay contactless wherever this method of payment is accepted. As part of a special promotion, we provided a limited pool of rings for PLN 0 for our clients. The promotion was available to new and existing clients (provided they met outlined conditions). For all remaining clients, the payment ring is available at a 50% discount.

In the first half of 2025, we finished working on the reclassification of the Visa World Intensive card from a Classic card to a Platinum card. This gave the Visa World Intensive card new capabilities. Our clients gained access to platinum benefits in the Visa Benefit programme: free Fast Track service at the 5 largest airports in Poland, discounts on virtual travel sim card packages eSim Airlo, Air Refund service (compensation for delayed or cancelled flights), and other attractive discounts and offers under the Visa Benefit loyalty programme.

In the first half of 2025, we implemented numerous acquisition activities targeting various segments. Clients from all segments now have access to many travel-related benefits.

Young and mature clients gained:

- a promotional offer for the new Visa Travel multi-currency card as part of an acquisition promotion and a limited promotion for the bank's existing clients.
- a preferential currency conversion rate for card payments abroad with multi-currency service as a part of the holiday benefits package.

Affluent clients gained:

- a promotional offer for the Visa World Intensive multi-currency card as part of an acquisition promotion, a promotion for the bank's existing clients and as a part of a travel package.

We have also prepared promotions to encourage parents to open their children's first account in mBank. We launched the first edition of the "Zappkowanie z eKontem Junior" (cooperation with a convenience store chain) promotion. Clients who opened an account for a child, and met the conditions specified in the terms

and conditions, received a voucher worth up to PLN 150, which can be redeemed at the Żabka store chain. In April, we launched another edition of the „eKonto Junior z kieszonkowym” (“eKonto Junior with pocket money”) promotion. As a part of the two ongoing promotions, we also encouraged to actively use the Junior application and to pay with the card and payment band issued for the child.

As a part of the special campaign, conducted from June to September 2025, young, mature and affluent clients could use a package of holiday benefits. In this package, clients received: multi-currency service at preferential terms, free ATM withdrawals abroad, a discount on travel insurance and additional discounts in “mOkazje” (mDiscounts market place). In addition, a maximum of PLN 200 as a percentage of debit card payments made abroad could be returned to the account of young and mature clients. Affluent clients could use a free Visa World Intensive card.

The value of payments made by mBank retail banking clients with cards and BLIK in Poland in H1 2025 stood at PLN 67.3 billion, representing an increase of 11.9% year on year. The number of transactions of mBank clients increased by 4.9% year on year. The market share of the value of mBank cards’ transactions remains at stable level and amounted to 12.7% at the end of 2024 (latest data available).

#### Additional services

We introduced changes to the interface of additional services, making them more transparent and accessible. These updates also improve usability for persons with special needs.

Additionally, in the Parking service, which allows users to purchase parking tickets, we simplified the layout of the parking time section. This resulted in a more intuitive and user-friendly ticket purchasing process.

We also implemented improvements in mKantor, the online currency exchange service, enhancing the overall user experience. Clients now have access to more up-to-date exchange rates and can place offers directly within the app.

#### Investment funds for individuals

In the first half of 2025, the balance of purchases and redemptions of investment funds for retail clients was positive, despite market uncertainty caused by the actions of the US government administration in the area of tariff policy.

For several years, we have consistently implemented a strategy promoting responsible, regular investing within Investment Goals and Retirement Goals. In the first half of the year, we continuously supported fund sales with promotional activities, such as successive editions of promotions combining fund investments with bank deposits or the “Investing regularly” promotion involving the payment of cash bonuses to clients making regular contributions to a selected investment fund. As a result, 100,000 retail clients make regular investments.

Since the end of 2024, retail clients who open an Individual Retirement Account (IKE) or an Individual Retirement Protection Account (IKZE) can benefit from the Retirement Package. Within this package, they can invest in a selected life-cycle fund, designed for retirement savings. Such form is intuitive and tailored to the needs of the mass client. We support clients' interest in saving for retirement through educational activities. We help clients build their own retirement savings plan, taking into account their current income, accumulated funds, and the lifestyle they want to lead in retirement. Our tool (retirement calculator) has already been used by 20,000 clients.

#### Brokerage and asset management

The Brokerage Bureau of mBank provides a full range of brokerage services to individuals, institutional clients and private banking clients. We are a leader in the retail client category. In the affluent client segment, we combine state-of-the-art technology with experience and professionalism. We also serve the largest Polish institutional investors, including pension funds, investment funds, and asset management companies. Our clients also include foreign funds. The Brokerage Bureau (BM) enables clients to trade in regulated markets in Poland and abroad as well as in the OTC (CFD) market. As part of wealth management services, clients can use investment advisory and asset portfolio management services. BM is an active player in the equity market, preparing and conducting public and private offerings (IPO/SPO/ABB).

The first half of 2025 brought many challenges for investors. Financial markets were very volatile, mainly due to uncertainty related to the actions of the new administration in the United States. Political and economic decisions made across the ocean had a direct impact on global investment sentiment.

In this demanding environment, stock markets surprised positively – stock indices rose, and investors showed great resilience to volatility. On the other hand, the bond market was calmer – no clear trends emerged, and volatility was limited.



In such conditions, all strategies managed by the Brokerage Bureau of mBank achieved positive results. Most of them were in line with benchmarks, and where there were slight deviations – they were marginal. This shows that our approach to portfolio management works even in difficult times.

In H1 2025, we observed further increases in trading volumes on the Warsaw Stock Exchange (GPW) compared to H2 2024. The trading volume in shares of Brokerage Bureau of mBank on the main market of GPW amounted to PLN 20 billion, placing mBank in the tenth position in terms of total turnover (with a 4.1% share) and in the ninth position from the perspective of turnover on clients' account (with a 4.4% share). Five most active Warsaw Stock Exchange brokers are remote members serving foreign clients.

After the first half of the year, mBank's Brokerage Bureau ranked second in the market in terms of the number of new investment accounts opened during the reporting period (according to data of the Central Securities Depository of Poland (KDPW)). We opened approx. 15,100 investment accounts, being the clear leader among bank brokerage houses. The number of brokerage accounts of mBank's Brokerage Bureau clients amounted to approx. 486,000 at the end of H1 2025.

The interest in foreign markets of our clients, especially new ones, continues. At the end of the first half of 2025, foreign assets were present in the portfolios of over 65,000 clients and accounted for approx. 14% of all retail clients' assets.

In the first half of 2025, Brokerage Bureau of mBank continued its numerous educational and informational activities related to investing. Among other things, we organized a publicly available video series "Views from the Tower" ("Widoki z Wieży") and the campaign "Investing Doesn't Have to Be Complicated" ("Inwestowanie nie musi być skomplikowane"). mBank's Brokerage Bureau also co-organized the Warsaw Passive Investment Conference together with GPW S.A. and Beta ETF. We were partners in subsequent editions of the "Wall Street" conference for individual investors in Karpacz and the "Invest Cuffs" conference in Kraków. We created an educational series with Dr. Anna Smolińska, the author of the blog "Woman invests" ("Kobieta Inwestuje"), who is involved in educating women in the area of investments and retirement planning. To meet the expectations of our clients, we also implemented a new version of the mBank Giełda application.

We organized for them a series of thematic meetings, and during the biggest market turmoil, we conducted a live webinar where we commented on the situation in real-time and answered participants' questions. We also regularly published posts on the blog [kompasinwestycyjny.pl](https://kompasinwestycyjny.pl), and our video podcast "Widoki z wieży" gained many new viewers.

At the end of June 2025, the value of assets under our management amounted to PLN 2,111 million, which was PLN 135 million lower compared to the end of 2024. The main reasons were withdrawals by institutional clients and the transfer of assets to other services within the mBank offer. However, the majority of funds (as much as 63%) are still in individual strategies, which confirms clients' trust in our approach and flexibility in building portfolios.

The stock market in the first half of 2025 was characterized by significant increases in the valuations of companies listed on the Warsaw Stock Exchange (GPW), which, combined with the payment of record dividends, created very favorable conditions for stock placements. During this period, 13 ABB/SPO transactions and 2 IPO transactions were carried out on the stock exchange.

During the reporting period, mBank's Brokerage Bureau, acting as a co-bookrunner, conducted an SPO for CCC S.A. (valued at PLN 1,550 billion), executed share buybacks for Neuca S.A. (PLN 51 million), Legimi S.A. (PLN 9.7 million), Seco/Warwick S.A. (PLN 22 million), and a compulsory buyout of shares for Internet Union S.A.

#### Offer for SMEs

In H1 2025, we observed a decrease in the number of new enterprises in the market (-2% year on year). The decline in interest in starting a business was primarily due to regulatory and political uncertainty, as well as the increase in the minimum wage, which translated into higher ZUS contributions for new companies. Although the market is generally experiencing declines, we are seeing growth in selected sectors such as professionals, education, and healthcare.

In response to the needs of entrepreneurs, in the period under review, we promoted a business account with the offer "0 PLN forever" along with accounting services. Thanks to this, customers received full accounting services from a dedicated accountant in addition to the most important functionalities of the account, as well as access to the mOrganizer finance tool, which allows, among other things, issuing invoices and paying taxes calculated by the accountant using integration with the business account.

For entrepreneurs starting a business with mBank, we offered a start-up bonus and practical knowledge from accountants in the form of free consultations and substantive materials.

In the first half of the year, we supported promotional activities with wide-reaching communication under the slogan "Success in business is enjoyable, but in your own business, it is the most enjoyable," which was created to appreciate entrepreneurs. A brand tracking study conducted in April 2025 confirmed that mBank is perceived as the best bank for business entities starting their operations, helping them enjoy their successes (research agency PBS Sp. z o.o., April 2025).

Our actions resulted in an increase in mBank's market share in accounts opened by newly established companies by 1 percentage point compared to the first half of 2024.

In addition to activities focused on acquiring business clients, we also concentrated on cultivating our relationships with them. "Entrepreneur's Day" was a great opportunity to thank our clients for their trust and cooperation. On this occasion, we prepared dedicated internal communication, gifts for the most engaged clients, a substantive free webinar on changes for entrepreneurs, and a dedicated website supporting the development of companies with time-limited promotions.

Apart from Entrepreneur's Day, during the first half of the year, we systematically provided entrepreneurs with knowledge - both through internal communication and via our websites. We published articles in collaboration with market experts and reminded them of important deadlines resulting from applicable regulations.

In H1 2025, in the retail segment, Paynow payment gateway achieved a 39% increase in transaction value compared to H1 2024. We implemented a new payment method, Clic2Pay, which enables quick and secure payments without the need to enter card details each time. We launched integration with Shopify, one of the most popular e-commerce platforms in the world. We also introduced a promotion supporting the use of modern payment methods such as PayPo and Apple Pay.

Additionally, in the first half of 2025, we focused on promoting financing offers for mature clients. After increasing product limits for a selected segment of clients, we introduced changes to the pricing offer and conducted wide-reaching information campaigns through direct customer contact channels. We recorded sales increases to these clients at the level of 85% year on year. At the same time, we launched a new automated financial monitoring process aimed at ensuring the ability to quickly respond to potential financial problems of our clients. We continued to scale solutions for working capital financing for limited liability companies, where we achieved an increase of 83% in sales volumes year on year.

#### Relations with UNIQA

In the first half of 2025, mBank continued to cooperate with its strategic insurance partner UNIQA in the area of bancassurance. The cooperation covers the sale of insurance to mBank's clients and focuses on the segment of standalone products, i.e.:

- motor insurance,
- travel insurance,
- real property insurance,
- life and health insurance.

We are developing our offering to best meet the needs of our clients and remain competitive in the market. Our clients intensively use remote channels to contact the bank and fulfill their needs. All mBank insurance products which are not linked to banking products are available in every sales channel, including mBank's mobile application. In the first half of 2025, clients purchased 48% of standalone insurance policies via the mobile application (+5 percentage points year on year). Travel insurance policies also enjoyed strong interest in the mobile channel. During the reporting period, mBank clients purchased 8% more travel policies compared to the first half of 2024. 67% of these policies were concluded via the mobile application.

In addition, in the first half of 2025, we achieved very strong results in life and health insurance sales. The number of policies concluded increased by 14% year on year. Nearly half of them were purchased via mBank's mobile application.

We observe a systematic increase in the number of clients who have active insurance unrelated to a banking product. In the first half of 2025, the increase amounted to 7% on annual basis.

In the first half of 2025, mBank Group selected an insurance company for further cooperation in the area of bancassurance through a tender process. We signed an exclusive contract until 2037 with our existing partner, UNIQA.

#### **Retail Banking in the Czech Republic and Slovakia**

In the first half of 2025, the Czech economy continued its moderate yet steady recovery. GDP growth on annual basis ranged between 2.0% and 2.2%, driven primarily by household consumption. Consumer confidence was bolstered by positive development of real wages and decline in inflation, which stabilized



in the range of 2.3% to 2.8% in the second quarter. In response to the easing of inflationary pressures, the Czech National Bank gradually loosened its monetary policy. In the first half of 2025, it reduced the 2W repo rate from 4.00% to 3.75% in February, followed by a further cut to 3.50% in May. The banking sector remained stable, characterized by high capital adequacy and solid profitability. Despite the decline in interest rates, banks maintained competitive margins and preserved the quality of their credit portfolios.

In contrast, the Slovak economy experienced slower growth during the same period, with GDP increasing by only 0.9% year on year in the first quarter. Inflation remained above the euro area average, reaching 4.1% in May, driven mainly by rising prices in services and energy. Despite ongoing inflationary pressures, a gradual decline is expected in the second half of the year. As a member of the euro area, Slovakia's monetary policy is determined by the European Central Bank (ECB), which shifted its policy stance in the second quarter of 2025. In June, the ECB implemented its first rate cut in several years, lowering the main refinancing rate (2W repo rate) from 4.00% to 3.75%.

The Slovak banking sector remained well-capitalized and stable, with a low share of non-performing loans. A significant market development occurred in May, when Belgian banking group KBC announced the acquisition of 365.bank, signaling a trend toward market consolidation. Additionally, the Slovak market was notably impacted by the introduction of a new transaction tax targeting the SME segment. This legislative change prompted tens of thousands of clients in this segment to open new business accounts.

In this environment, mBank outperformed initial expectations and achieved record results in both countries in the first half of 2025, particularly in new client acquisition, personal loan sales, and the resumed sale of mortgage loans, which remained on target despite the impact of the Polish banking tax.

One of mBank's key strategic priorities in the first half of 2025 was the acquisition of new clients. The bank strengthened its market position by establishing itself as a leader in payments and by continuously supporting the SME proposition introduced at the end of 2023, aimed at sole proprietors and supported by an acquisition-focused promotional offer. mBank reinforced its leadership in payments through the introduction of payment rings, including the launch of the first metal payment rings on the Czech and Slovak markets.

These acquisition successes were further supported by the development of new processes. In the first half of 2025, mBank simplified the onboarding process for new clients through biometric identification. In the Czech Republic, the bank also launched a unique process for account opening via Bank Identity for clients aged 15 and above. Additionally, mBank introduced an enhanced feature allowing clients to adjust security limits for payments directly within the mBank mobile application, without the need for additional systems.

The first half of 2025 also marked a record in the volume of loans sold. Thanks to the ongoing improvements in credit processes and higher client assessment, mBank achieved a year on year increase in personal loan sales of 42% in the Czech Republic and 41% in Slovakia compared to the first half of 2024. This success was further underscored by recognition in the Responsible Lending Index by the non-profit organization Člověk v tísni, where mBank ranked second among all lenders on the Czech market, and in the Finparáda competition, where its credit protection insurance offering also secured second place.

Among other accolades received by mBank in the first half of 2025 were the prestigious Mastercard Awards, recognizing the launch of payment rings and a notable achievement in the area of ESG. Specifically, mBank introduced the so-called notched cards, which feature distinctive cut-outs enabling individuals with visual impairments to quickly identify and orient themselves with the type of payment card they are using. In the VISA Awards competition, mBank was further honored for the uniqueness of its business proposition, highlighting its innovative approach to serving entrepreneurial clients.

#### Loans and deposits

The value of mBank's loan portfolio in the Czech Republic and Slovakia amounted to PLN 9,669.8 million at the end of June 2025, representing an increase of 8.7% compared with the first half of 2024. The increase was driven by the growth of mBank's loan portfolio in the Czech Republic (+9.4% year on year to PLN 6,504.0 million) and in Slovakia (+7.2% year on year to PLN 3,165.8 million). The increase in the value of loans in mBank branch in the Czech Republic and Slovakia was mainly driven by the significantly higher volume of new sales during the reporting period.

mBank successfully shifted resources from the area of mortgage loan sales to cash loan sales, in line with the business decision to focus on the active non-mortgage loans sales, which are characterized by higher profitability. New sales of non-mortgage loans amounted to PLN 1,404.9 million, which represents an increase of 35.0% year on year in mBank's foreign branches (35.5% in the Czech Republic and 34.0% in Slovakia). Growth of demand was affected by interest rates cuts by the Czech Central Bank and by the European Central Bank, which translated into lower borrowing costs.

The value of the non-mortgage loan portfolio in foreign branches of mBank increased on annual basis by 29.7% to PLN 3,816.9 million at the end of June 2025. Stronger growth was recorded in the Czech Republic (by 30.8% to PLN 2,462.3 million). Portfolio in Slovakia also increased (by 27.7% to PLN 1,354.6 million).

Sales of mortgage loans in mBank foreign branches increased sixfold on annual basis to PLN 563.3 million, driven by higher volume of sale in the Czech Republic (almost 10-fold growth), while the sale of mortgage loans in Slovakia increased almost threefold.

The value of the mortgage loan portfolio of foreign branches amounted to PLN 5,852.9 million as of June 30, 2025 and was 1.7% lower than at the end of June of the previous year. Mortgage loans fell in the Czech Republic to PLN 4,041.7 million, or 0.5% year on year. In Slovakia, mortgage loans fell to PLN 1,811.2 million, or 4.4% year on year.

The volume of deposits in mBank's foreign branches increased by 7.1% year on year to PLN 17,806.4 million. Thanks to an attractive interest rate on deposits, volumes in the Czech Republic increased by 8.8% year on year to PLN 13,334.7 million. Deposits in Slovakia increased by 2.2% to PLN 4,471.7 million compared to end of June 2024.

## 2.4. Corporate and Investment Banking Area

The Corporate and Investment Banking segment serves 36,961 corporate clients including large enterprises (K1 - annual sales exceeding PLN 1 billion and non-banking financial institutions), mid-sized enterprises (K2 - annual sales of PLN 50 million – 1 billion) and small enterprises (K3 - annual sales below PLN 50 million and full accounting), through a network of dedicated 43 branches. mBank Group's offer of products and services for corporate clients focuses on traditional banking products and services (including corporate accounts, domestic and international money transfers, payment cards, cash services, and liquidity management products), corporate finance products, hedging instruments, equity capital market (ECM) services, debt capital market (DCM) instruments, mergers and acquisitions (M&A), leasing and factoring.



Key financial data (at the end of H1 2025):

<b>Share in total income</b> <b>34.6%</b>	<b>Pre-tax profit</b> <b>PLN 1,276.7 M</b>	<b>Total income</b> <b>PLN 2,157.4 M</b>
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### Key highlights

- Profit before tax at the level of PLN 1,277 million in the first half of 2025 remains at record levels from 2024. After taking into account the one-off income recorded in the first half of 2024 (income from recovered receivables amounting to PLN 164.0 million), profit before tax increased by 0.46% year on year.
- Total income remained at a high level of PLN 2,157 million (-2.0% year-on-year), slightly increasing after taking into account one-off factors from 2024.
- The volume of corporate loan sales at PLN 23.8 billion in the first half of 2025 marks another period of very dynamic growth (up 22.9% year on year), mainly due to higher sales of structured finance loans (up 48.7% year on year) and term loans (up 43.7% year on year).
- Further strong growth in loan volumes (+10.0% year on year) and deposits (+6.0% year on year) at the Group level against the market. As a result, mBank's market share in corporate loans increased by 0.4 pp year on year to 8.6%.
- Thanks to the dynamically developing offer, we recorded very good results in the transactional banking: the number of active users of mobile application increased by 16.1%, the number of transactions increased by 43.3%, and the number of FX mobile transactions increased by 22.8%.
- 91.4% of customers used the digital process to open an account with mBank in the first half of 2025, and 94.4% customers have at least one user using the mCompany Mobile app. The percentage of loan applications submitted electronically reached 91.4% at the end of June 2025.
- In the first half of 2025, consultants at the Corporate Customer Center served 14,000 customer interactions via chats and remote assistance as part of the Online Assistant service, an increase of 40% year on year.
- In the first half of 2025, Paynow recorded a transaction volume increase of 25.5% year on year, which indicates growing customer trust and the effectiveness of the strategy. The company focused on acquiring new customers in the B2B e-commerce segment, introducing new functionalities such as Click to Pay and Customer ID, and organizing the "B2B E-commerce Digital Transformation" conference.
- According to data at the end of June 2025, mBank allocated over PLN 9.5 billion to finance sustainable investments and mobilized over PLN 8.6 billion through the organization of bond issues and consortia, totaling over PLN 18.1 billion. The value of the renewable energy projects portfolio amounted to PLN 5.4 billion at the end of June 2025.
- As part of efforts aimed at digitizing and optimizing the credit process, we are preparing to implement a "fast credit path" for low-value revolving loans, mainly overdraft loans. Since the first quarter, automatic credit decisions have been incorporated to the process.

## Financial results

In H1 2025, the Corporate and Investment Banking segment generated a profit before tax of PLN 1,276.7 million. This result marked a decrease by PLN 158.2 million or 11.0% year on year. The annual dynamic of profit before tax was influenced by income from recovered receivables amounting to PLN 164.0 million, recorded in the first half of 2024.

PLN M	H1 2024	H1 2025	Change in PLN M	Change in %
Net interest income	1,385.9	1,447.4	61.5	4.4%
Net fee and commission income	512.2	553.3	41.1	8.0%
Net trading income	106.7	124.2	17.5	16.4%
Other income	4.4	6.3	2.0	44.7%
Net other operating income	191.3	26.2	-165.1	-86.3%
<b>Total income</b>	<b>2,200.5</b>	<b>2,157.4</b>	<b>-43.1</b>	<b>-2.0%</b>
Net impairment losses and fair value change on loans and advances	-63.4	-100.2	-36.8	58.0%
Overhead costs and depreciation	-579.6	-658.2	-78.7	13.6%
Taxes on the Group balance sheet items	-122.5	-122.2	0.3	-0.2%
<b>Profit before tax of Corporate and Investment Banking</b>	<b>1,434.9</b>	<b>1,276.7</b>	<b>-158.2</b>	<b>-11.0%</b>

**Other income** – calculated as gains or losses from derecognition of financial assets and liabilities not measured at fair value through profit or loss and gains or losses from non-trading equity and debt securities mandatorily measured at fair value through profit or loss.

**Total income** – calculated as the sum of net interest income, net fee and commission income, dividend income, net trading income, other income, other operating income and other operating expenses.

**Net impairment losses and fair value change on loans and advances** – the sum of impairment or reversal of impairment on financial assets not measured at fair value through profit or loss and gains or losses from non-trading loans and advances mandatorily measured at fair value through profit or loss.

**Overhead costs and depreciation** – calculated as the sum of total overhead costs and depreciation.

Business results (mBank only)

	30.06.2024	31.12.2024	30.06.2025	YtD change	YoY change
<b>Number of corporate clients</b>	<b>35,729</b>	<b>36,123</b>	<b>36,961</b>	<b>2.3%</b>	<b>3.4%</b>
K1	2,465	2,436	2,456	0.8%	-0.4%
K2	10,933	11,029	11,293	2.4%	3.3%
K3	22,331	22,658	23,212	2.4%	3.9%
<b>PLN M</b>					
<b>Loans to corporate clients, including</b>	<b>38,681.0</b>	<b>35,482.3</b>	<b>42,803.2</b>	<b>20.6%</b>	<b>10.7%</b>
K1	7,430.9	7,396.7	8,155.3	10.3%	9.7%
K2	23,702.5	24,340.1	26,874.1	10.4%	13.4%
K3	2,819.7	2,859.5	3,271.0	14.4%	16.0%
Reverse repo/buy sell back transactions	4,728.0	886.0	4,502.8	408.2%	-4.8%
<b>Deposits of corporate clients, including</b>	<b>52,476.0</b>	<b>57,494.3</b>	<b>56,487.3</b>	<b>-1.8%</b>	<b>7.6%</b>
K1	14,378.7	14,421.2	13,944.8	-3.3%	-3.0%
K2	23,938.9	27,317.4	26,939.1	-1.4%	12.5%
K3	12,906.6	14,825.4	14,136.8	-4.6%	9.5%
Repo transactions	1,251.8	930.3	1,466.5	57.6%	17.1%

Products and services

The market of loans to enterprises increased by 5.6% year on year, whereas the market of enterprises' deposits rose by 11.1% compared to June 2024. mBank's loan volumes grew faster than the market (+10.8% year on year), while dynamics in the deposit volumes were lower than in the market and amounted to 6.9% year on year (in aggregates comparable to NBP methodology). At the end of June 2025, mBank's shares in the market of loans and deposits of enterprises reached 8.6% and 10.0%, respectively.

Corporate loans

The value of corporate loans at mBank (excluding repo transactions) stood at PLN 38,300.4 million at the end of June 2025, up by 12.8% compared with the end of June 2024.

PLN M	30.06.2024	31.12.2024	30.06.2025	YoY change
Loans to corporate clients <sup>1</sup>	33,953	34,596	38,300	12.8%
Loans to enterprises <sup>2</sup>	34,584	34,850	38,309	10.8%
Loans granted to local governments	31	27	38	22.8%
Market of loans to enterprises	422,240	429,740	445,862	5.6%
mBank's share in the market of lending to enterprises	8.2%	8.1%	8.6%	

<sup>1</sup> Bank, excluding reverse repo transactions.

<sup>2</sup> NBP category which ensures comparability of results of the banking sector.

### Corporate deposits

The value of corporate deposits at mBank (excluding repo transactions) stood at PLN 55,020.8 million at the end of June 2025, up by 7.4% compared with the end of June 2024.

PLN M	30.06.2024	31.12.2024	30.06.2025	YoY change
Corporate deposits <sup>1</sup>	51,224	56,564	55,021	7.4%
Deposits of enterprises <sup>2</sup>	52,201	58,724	55,812	6.9%
Deposits of local governments	261	278	308	17.8%
Market of deposits of enterprises	501,328	546,244	556,965	11.1%
mBank's share in the total deposits of enterprises	10.4%	10.8%	10.0%	

<sup>1</sup> Bank, excluding repo transactions.

<sup>2</sup> NBP category which ensures comparability of results of the banking sector.

### De minimis guarantees

In H1 2025, mBank continued the implementation of the Portfolio De Minimis Guarantee Line (PLD) Agreement as part of the government program "Supporting Entrepreneurship through BGK Sureties and Guarantees". The value of the utilized limit amounted to PLN 2,493.1 million. New guarantees under the PLD line were granted until June 30, 2018.

At the same time, mBank utilized the de minimis guarantee limit under the agreement dated June 25, 2018. Under the Portfolio Guarantee Line De Minimis Agreement (PLD-KFG), the limit granted to mBank amounts to PLN 5,200 million. As of June 30, 2025, the value of the utilized limit amounted to PLN 4,226 million, accounting for over 80% of the available limit.

### Agricultural guarantees (FGR)

We also implemented a portfolio agreement for the agricultural guarantee line (FGR). The guarantee limit granted to mBank, under the agreement with Bank Gospodarstwa Krajowego (BGK), amounts to PLN 85 million. As of June 30, 2025, the value of the utilized limit amounted to PLN 69.4 million, accounting for over 30% of available limit.

### FENG guarantees

We implemented a portfolio agreement for the FENG guarantee line - European Funds for a Modern Economy 2021-2027. The guarantee limit granted to mBank, under the agreement with BGK, amounts to PLN 420 million. As of June 30, 2025, the value of the utilized limit amounted to PLN 132.5 million.

### Investmax Guarantee

On July 1, 2024, we signed a portfolio guarantee line agreement with the re-guarantee provided by the European Investment Fund under the InvestEU program. The guarantee limit granted to mBank, under the agreement with BGK, amounts to PLN 220 million. As of June 30, 2025, the value of the utilized limit amounted to PLN 64 million.

### Liquidity guarantee, crisis guarantee, Biznesmax (POIR), COSME – only service of granted guarantees under line agreements

In 2025, we continued the implementation of the guarantee line agreement under the Liquidity Guarantee Fund (FGP) until its conclusion on June 30, 2023. Under the FGP program, the value of the utilized limit amounted to PLN 2,932.9 million. As of June 30, 2025, the amount of active guarantees was PLN 173.2 million.

The successor to the FGP program is the guarantee under the Crisis Guarantee Fund. The limit granted to mBank amounts to PLN 1,700 million. The issuance of guarantees under the program ended on December 31, 2023. The value of the utilized limit amounted to PLN 1,526.9 million, and the amount of active guarantees as of June 30, 2025, was PLN 868.1 million.

We continued the portfolio guarantee line agreement BiznesMax (FG POIR), where the guarantee limit granted to mBank, under the agreement with BGK, amounts to PLN 750 million. The issuance of guarantees under the program ended on December 31, 2023. The value of the utilized limit amounted to PLN 734.1 million, and as of June 30, 2025, the value of active guarantees was PLN 286.3 million.

We continued to service the portfolio guarantee line with the re-guarantee of the European Investment Bank under the COSME program (EU program for the competitiveness of enterprises 2014–2020). Under the COSME program, the value of the utilized limit amounted to PLN 1,761.7 million, and as of June 30, 2025, the amount of active guarantees was PLN 8.8 million.

#### *Corporate debt securities issues*

In the first half of 2025, mBank carried out a series of new issuances (either independently or as a part of a consortium), including: RCI Leasing (PLN 400 million), Kruk SA (PLN 400 million), Robyg SA (PLN 400 million), Develia SA (PLN 160 million), Dom Development SA (PLN 135 million), Archicom SA (PLN 120 million). An issuance of EUR 30 million was also carried out for RPower SA.

In the bank securities segment, covered bonds issued by mBank Hipoteczny SA with a value of PLN 750 million were placed.

#### *Green bond issues*

mBank supports its clients in obtaining financing also through the issuance of green bonds. These are bonds that have additional features in line with ICMA (International Capital Market Association) standards, including: the purpose of fund utilization - only specific pro-environmental projects can be financed from the issuance, the process of project evaluation and selection, including eligibility criteria and identification and management of potential risks, proceeds management - their segregation in a dedicated issuer account, and periodic reporting - at least annual reports on proceeds allocation and the environmental impact resulting from the use of proceeds.

#### *Financing of renewable energy sources (RES)*

The Strategy of mBank Group for 2021–2025 allocates PLN 10 billion to the financing of green investments. One of the key activities in this area is financing investments in renewable energy sources. mBank consistently increases its share in financing RES projects. By introducing a credit policy for financing renewable energy installations in December 2018, it allocated PLN 500 million for this purpose. mBank also actively supports clients in obtaining sustainable financing, such as Sustainability Linked Loans (SLL) and Green Bonds (GB, Sustainability Linked Bonds - SLB).

According to data as of the end of June 2025, mBank allocated over PLN 9.5 billion for financing sustainable investments and mobilized over PLN 8.6 billion through issuance organizations and consortia, totaling over PLN 18.1 billion.

Limit for RES amounts to PLN 8.4 billion. Additionally, since December 2024, mBank has modified the financing criteria for "small RES" (i.e., up to 10 MW), thus opening up to smaller transactions with more complex structures.

As of the end of June 2025, the RES portfolio at mBank reached PLN 5.4 billion. In the first half of 2025, mBank financed 14 investments, including 8 photovoltaic (PV) farms, 5 wind farm (WF) projects, and 1 biogas plant. In total, mBank allocated over PLN 800 million PLN for this purpose. Additionally, under the "small RES" policy, 3 photovoltaic (PV) farms were financed for over PLN 20 million. mBank was also involved in financing 14 clients through Sustainability Linked Loans, including 3 loans linked to achieving sustainable development goals. SLLs are diverse financial tools that motivate borrowers to achieve advanced and clearly defined environmental and social goals. These loans are characterized by their linkage to the company's ESG goals, the establishment of demanding KPIs that are regularly monitored and assessed by independent institutions, and annual reporting of progress towards the goals to the lenders.

#### Development of Corporate Banking products and services

##### *Transactional banking*

Cash Management is the key area of mBank's Corporate Banking. It is a platform providing cutting-edge solutions that support strategic planning, monitoring and effective management of highly liquid assets. The platform offers innovative cash processing and electronic banking tools, which make daily banking easier to businesses.

The purpose of the Cash Management solutions offered by mBank is not only to increase the effectiveness of cash flow management, but also to optimise costs and generate interest income. Our dynamically growing range of products and services, including new and extended solutions, reflects our ability to adapt to the changing needs of our clients and to support them in achieving their business goals.

mBank's extensive and continuously developing cash management offering, which supports long-term customer relationships, is reflected in the year-on-year growth rate shown below:



Number of mobile transactions	+43.3%
Number of active users of mobile application	+16.1%
Number of mobile FX transactions	+22.8%
Number of active users of FX module	+17.5%

#### *Digital onboarding of corporate customers*

In H1 2025, we digitally established 91.4% new relationships with corporate clients through the digital onboarding process. We consistently monitor the achievement of our goal for this year, which is over 90% of agreements executed digitally. Digitally establishing new relationships with corporate clients from every segment ensures greater transparency, automation, and efficiency of processes, for the benefit of all parties.

#### *Mobile deposit*

In the second quarter of 2025, we launched the Mobile deposit service, which enables cash deposits via a mobile application at publicly accessible deposit machines. The solution provides intuitive operation, allows administrators to manage users and monitor transactions in real-time. Users can quickly locate the nearest deposit machine and make a deposit directly from the application. The service supports the strategy of digitizing and automating cash processes. We estimate that in H1 2025, deposits amounting to approximately PLN 0.5 million were placed this way.

#### *ISO 20022 Project*

Over the next two years, the formats of all types of payments will change – ultimately, a unified international standard ISO 20022 will be implemented. This will make data exchange between different systems easier, enabling precise transaction identification and automatic posting.

We are preparing to implement the ISO 20022 standard in Sorbnet settlements with the NBP. The migration of the Sorbnet system is part of a broader change adapting banking systems to new payment schemes.

By decision of the National Bank of Poland (NBP), the deadline for transitioning to Sorbnet3 settlements has been postponed by 3 months. The current deadline is September 6, 2025.

In autumn, we plan to hold a second edition of meetings with clients to introduce them to the changes related to ISO 20022. Last year's meetings in 6 locations in Poland were very popular. We trained over 400 clients at that time.

#### *Electronic banking - Corporate Client Center*

The digitalization of ongoing support for corporate clients is one of the priorities in the Corporate Client Center area. In the first half of 2025, consultants from the Corporate Client Center handled 14,000 interactions with clients in the form of chats and remote assistance through the Online Assistant service. This represents a 40.0% year on year increase. The number of clients using this form of contact with the bank is also noticeably growing, reaching 5,200 in H1 2025. Clients are increasingly opting for this method of contacting the bank, which significantly speeds up obtaining answers to daily inquiries and is a convenient way of communication between the client and the bank.

In the first half of 2025, consultants from the Corporate Client Center handled also 46,000 incoming calls from nearly 12,000 corporate clients, thus meeting the key performance indicator of answering 90% of calls within 20 seconds.

#### *Digitalization and optimization of the Credit Process*

In 2025, mBank continued its efforts focused on the digitalization and optimization of the credit process. Work is underway to implement a so-called "fast credit track" for low-value working capital loans, particularly overdraft facilities. In the first quarter, an automatic credit decision mechanism was launched, significantly accelerating the application handling process.

During the same period, a new tool — the Financial Statement Converter — was made available, enabling the conversion of financial reports in XML format received from clients via email or directly from the National Court Register (KRS). Enhancements were also made to the functionalities of the electronic credit application (EWK) and the de minimis guarantee application (eBGK).

As part of the development of the Document Generator, the option to automatically generate subsequent credit agreements and collateral agreements was introduced. The process of preparing pricing offers for clients in the area of credit products was also automated.



Additionally, for most credit agreements, the option to sign documents remotely via the mBank CompanyNet platform was made available — marking another step toward full digitalization of credit servicing.

#### *mBank CompanyMobile*

In H1 2025, we continued the intensive development of the mBank CompanyMobile application, focusing on expanding functionalities in the area of currency transfers and further improving the user experience.

#### *New types of currency transfers and ISO 20022 compliance*

Responding to the needs of corporate clients, we introduced two new types of currency transfers – international transfer (SWIFT) and EuroExpress. At the same time, we redesigned the currency transfer form in accordance with the international ISO 20022 standard, adding, among other things, a structured address of the counterparty. These changes increase the compliance of operations with global standards and facilitate their automatic processing.

#### *Greater flexibility and control over orders*

Mobile application users have gained the ability to edit domestic and international orders, delete them, and direct them for authorization directly from the application. This is another step towards full mobility and independence in managing corporate finances.

#### *New User-Supporting Features*

The mobile application also includes features that enhance daily user comfort, such as the ability to rate the app and provide feedback, display the identifier for the CompanyNet system, as well as numerous improvements in the activation process, transfer forms, and mobile authorization.

With these changes, the mBank CompanyMobile application becomes an even more comprehensive and flexible tool for corporate clients, supporting them in effectively managing their finances in a dynamically changing business environment.

#### *eCommerce and Paynow payment gateway*

The first half of 2025 has been a period of continued dynamic growth for Paynow. We recorded a 25.5% increase in transaction volume compared to the same period last year, which is a testament to the growing trust of our customers in our service and the effectiveness of our adopted strategy.

In 2025, we continue to focus on acquiring new clients, with particular emphasis on the B2B e-commerce segment, which has enormous growth potential. In June, we organized the "Digital Transformation of B2B e-commerce" conference, where we demonstrated how to effectively build a modern B2B sales system – from strategy, through technology, to financing. The event attracted great interest and confirmed that business clients today expect the same convenience and flexibility they experience as consumers.

In response to the needs of e-commerce clients, we introduced new functionalities in Paynow:

- Click to Pay – a modern payment method that allows purchases to be finalized with one click, without the need to enter card details. This solution increases conversion and improves the shopping experience,
- Customer ID – a feature that enhances transaction security and gives stores greater control over card payments. It allows, among other things, blocking transactions from selected countries and limiting the types of cards (e.g., business cards) according to the individual needs of the online store.

Our strategy continues to be based on five key values: professionalism, technology, the strength of the mBank brand, payment conversion, and the e-commerce ecosystem. This way, we consistently build Paynow's position as a comprehensive and reliable partner for online stores – both in the B2C and B2B segments.

#### Activity of the Financial Markets Department

mBank's market shares in selected financial instrument markets as at June 30, 2025 are presented below:

	Treasury bills & bonds	IRS/FRA
mBank	10.7%	11.8%

#### Financial Institutions

The Strategic Clients Department provides services to financial institutions which are banks. The activity of the Department focuses, among others, on acquiring and providing financing. It also deposits excess funds

with them, and offers mBank's services with the scope of processing the PLN currency. The Department's service is used by 90 foreign banks located in 35 countries around the world.

As at the end of June 2025, mBank had 4 active loans received (including one subordinated loan from Commerzbank) in the amount of PLN 3,069 million. The level of debt arising from loans was higher by PLN 35 million compared to first half of 2024. It was a result of depreciation of Polish zloty against Swiss franc as at the end of first half of 2025.

At the end of June 2025, mBank's exposure resulting from loans granted to other banks totaled an equivalent of PLN 230 million. At the end of June 2024 it amounted to PLN 88 million. Increase of the exposure resulted mainly from mBank's greater involvement in syndicated and bilateral loans granted to domestic and foreign financial institutions.

In H1 2025 the Strategic Clients Department actively supported trade transactions concluded by Polish exporters by offering short-term financing to financial institutions and setting limits for trade transactions.

#### mBank's custody services

mBank provides services including:

- settlement of transactions in securities registered in domestic and foreign markets;
- safe-keeping of clients' assets;
- maintenance of securities accounts and registers of securities in non-public trading;
- maintenance of asset registers of pension funds and investment funds, monitoring the valuation of their assets;
- performing operations related to benefits arising from securities.

mBank's custody clients are mainly domestic and foreign financial institutions, including in particular investment and pension funds, other banks which offer custodian and investment services, insurance companies, asset management institutions, and non-financial institutions.

As at June 30, 2025, the number of investment funds served by mBank dropped by 16.3% year on year.

## 2.5. Subsidiaries of mBank Group

### Summary of financial results of mBank Group subsidiaries

The overall H1 2025 result of mBank Group subsidiaries amounted to PLN 190.0 million, which translates into an increase of 47.8% compared to H1 2024. The increase of profit before tax of subsidiaries in annual terms was driven mainly by income generated by mBank Hipoteczny in H1 2025 against loss it incurred in the corresponding period in 2024. The result of mBank Hipoteczny in H1 2024 was negatively impacted by the government "credit holidays" programme.

The table below presents the profit before tax posted by individual subsidiaries in H1 2025 against H1 2024.

PLN M	H1 2024	H1 2025	Change in PLN M	Change in %
mFinanse <sup>1</sup>	17.8	23.8	6.1	34.1%
mLeasing <sup>2</sup>	129.3	124.7	-4.6	-3.6%
mBank Hipoteczny	-45.1	13.8	58.9	+/-
mFaktoring	15.5	17.5	2.0	12.8%
mTowarzystwo Funduszy Inwestycyjnych	3.1	5.2	2.1	69.2%
Other <sup>3</sup>	8.1	5.0	-3.1	-38.3%
<b>Total gross profit/loss of mBank's subsidiaries</b>	<b>128.6</b>	<b>190.0</b>	<b>61.4</b>	<b>47.8%</b>

<sup>1</sup> Including mFinanse CZ s.r.o. and mFinanse SK s.r.o.

<sup>2</sup> Including LeaseLink and Asekum.

<sup>3</sup> „Other” subsidiaries included in H1 2025: mElements, mZakupy and Future Tech (consolidated result for 5 months 2025 until it was ceased to be consolidated), and in H1 2024: mElements and Future Tech.

### Business activity of selected subsidiaries



In the first half of 2025, mFinanse maintained high sales of mortgage products at the level of PLN 2.8 billion. This result was 5.5% lower compared to the first half of 2024, when a significant portion of mortgage product sales (PLN 0.9 billion) was still the result of agreements signed under the government programme "Safe 2% Loan" in 2023.

Current sales results indicate favourable prospects for the credit intermediation industry in the mortgage loans segment. The sustained demand for real estate is supported by favourable market conditions, such as the stabilization of prices per square meter and numerous price promotions. Additionally, the lack of implementation of the pre-announced government programme for preferential loans has incentivized the entry of clients to the market who had previously held back on their decisions to purchase real estate.

mFinanse experts processed 14.2 thousand clients' applications for mortgage products in the first half of 2025, which is 22.9% more compared to the first half of 2024. This significant increase in the sales activity was made possible by improving the efficiency of the sales network and further investments in the development of remote channels.

In the unsecured loan market, mFinanse achieved a sales increase of 43.9% in the first half of 2025 compared to the same period in 2024. Sales of products to individual clients amounted to PLN 830.9 million (+41.6%, or PLN 243.9 million more compared to the first half of 2024). Consolidation loans, which allow for the optimization of the amount of obligations incurred from previous loans through a single, lower instalment, were particularly popular amongst clients. In the first half of 2025, their sales reached PLN 304.5 million.

Sales of products for corporate clients at the level of PLN 355.0 million also indicates significant growth in this segment (+49.9% compared to the first half of 2024). The driving force behind the sales was the liberalization of banks' credit policies, which allowed for higher loan amounts, leading to increased interest from clients in this form of financing for their business development.

As a result, in the first half of 2025, mFinanse recorded a profit before income tax of PLN 23.8 million, which is PLN 6.1 million higher (+34.1% year on year) than in the previous year. The improvement in profit

before tax was primarily due to the high level of sales of unsecured loans and the maintenance of commission income from the sale of secured products.

## **mLeasing**

An important part of mLeasing's offer are green assets, which include, among others, devices for generating and storing electricity, producing heat and cooling, increasing energy efficiency, intended for recycling, and supporting electromobility. The value of financed devices in this market segment in H1 2025 reached PLN 77.0 million.

The number of leased electric vehicles (EV) is steadily increasing. In the first half of 2025, the subsidiary signed leasing agreements for 654 electric vehicles with a total value of PLN 77.4 million.

In the first half of 2025, the Green Assets Department of mLeasing conducted a series of "Green Leasing" meetings, where topics related to energy transition, sustainable investments, and financing opportunities for green assets were discussed. The meetings were organized in 8 cities in Poland for 260 clients of mLeasing and mBank.

The subsidiary's profit before tax in H1 2025 amounted to PLN 124.7 million, a decrease of PLN 4.6 million, i.e., -3.6% compared to the subsidiary's profit before tax in the first half of 2024. On the other hand, revenues in this period were 2.0% higher than the revenues from the corresponding period of the previous year and amounted to PLN 250.5 million. The value of new movable assets purchased by the subsidiary in the first half of 2025 amounted to PLN 3,628.8 million, a decrease of 8.1% compared to the first half of 2024. In the first half of 2025, the company financed new real estate worth PLN 66.4 million.

## **Bank Hipoteczny**

mBank Hipoteczny (mBH) is the oldest mortgage bank operating on the Polish capital market. Since 2000, it has been a regular issuer of Polish covered bonds based on both Polish and foreign issuance programmes. As at June 30, 2025, the total value of covered bonds issued by mBH amounted to PLN 6.5 billion, which represented 35.2% of the total value of outstanding covered bonds issued by Polish mortgage banks. In line with its strategy, mBank Hipoteczny will focus on building a portfolio of retail mortgage loans that can serve as collateral for green covered bonds issued in accordance with the "mBank S.A. Group Green Bond Framework."

In H1 2025, mBank Hipoteczny issued two series of covered bonds worth PLN 500 million and PLN 750 million without prospectus. The series of covered bonds with a nominal value of PLN 750 million is the subject of mBH's application for introduction to the alternative trading system (ATS).

In H1 2025, mBank Hipoteczny did not issue any bonds. It was the bank's conscious policy resulting from excess liquidity of mBank Group and its strategy focusing on intragroup financing.

mBH's total assets stood at PLN 11.4 billion at the end of June 2025, where 90.3% of this amount was attributable to the retail loans portfolio. The gross loan portfolio at the end of the first half of 2025 increased by 13.8% year on year, mainly due to the execution of four pooling tranches. In total, the bank's balance sheet was supplemented by a pool of 3,493 loan agreements with a total value of PLN 1.5 billion.

In H1 2025, the subsidiary's profit before tax amounted to PLN 13.8 million compared to a loss before tax at PLN -45.1 million in H1 2024. The loss in H1 2024 resulted from the negative impact of credit holidays.

## **Faktoring**

In the first half of 2025, mFaktoring's turnover (the value of purchased invoices) reached PLN 19.8 billion, which translates to a 10.7% increase compared to the same period last year. The subsidiary ranks sixth on the factoring market in Poland, with an 8% market share (data based on the Polish Factors Association).

During the reported period, mFaktoring acquired 124 new clients with a total limit of PLN 445.4 million. In the first half of 2025, the number of new clients increased compared to the number of clients acquired in the same period last year. The total limits granted to the new clients were also higher than a year ago (an increase of 28.1%). In addition to the growth of new business, the subsidiary also observes higher demand for financing from existing clients.

Net interest and net commission income amounted to PLN 40.3 million in the first half of 2025, which was 15.4% higher compared to the same period last year. In the first half of 2025, mFaktoring's profit before tax amounted to PLN 17.5 million, compared to PLN 15.5 million in the first half of 2024.

In 2025, the subsidiary has continued its cooperation in the implementation of the ESG strategy within mBank Group. mFaktoring is adjusting its reporting process to the changing requirements and, together with mBank, is developing specific measures aimed at implementing mBank Group's ESG goals.



Throughout the first half of 2025, we continued to strengthen our market position, achieving above-average growth in the value of assets in the investment funds we manage. Net inflows during this period ultimately reached PLN 746 million, which means that once again mTFI recorded a growth rate exceeding the market average.

As of the end of the first half of the year, mTFI managed investment funds with total assets amounting to PLN 4.1 billion. Debt funds, particularly the mFundusz Konserwatywny, continued to be the most popular, with assets already exceeding PLN 2.3 billion. Additionally, we continued our cooperation with the mBank Brokerage Bureau in managing financial instrument portfolios worth nearly PLN 2.4 billion.

Despite market turmoil, particularly intense at the turn of the first and second quarters, all investment funds managed by mTFI achieved nominal positive returns in the entire first half of 2025.

Since the beginning of the year, all sub-funds separated under the Gotowe Strategie SFIO umbrella have been functioning as light green financial products, i.e., they comply with Article 8 of the SFDR Regulation. At the end of the first half of 2025, the value of assets accumulated in funds promoting environmental or social aspects amounted to PLN 832 million, placing mTFI at the forefront of the Polish investment fund market. As part of activities supporting sustainable development, mTFI plans to set goals aimed at reducing the intensity of greenhouse gas emissions within the corporate part of the investment portfolio in the near future.

### 3. Financial results and macroeconomic environment

#### 3.1. Economy and banking sector in H1 2025

The first half of 2025 was characterized by a clearly disinflationary path, with inflation risks largely subsiding for some time. At the same time, economic growth continued to accelerate, although the pace of recovery in certain sectors, like industrial output and construction, was somewhat disappointing. From a market perspective, we observed a mixed performance for the zloty, appreciating against the US dollar but remaining largely unchanged against the euro. Inflationary pressures are also cooling in the global economy, with the US economy holding up well and the Eurozone showing signs of a brighter outlook.

In the first quarter of 2025, GDP growth printed exactly at 3.2% year on year. The details for Q1 growth were promising, with a substantial upside surprise in investment, rising 6.3% in annual terms. Private consumption growth was somewhat muted at 2.5% year on year, though retail sales figures suggest a more dynamic start to Q2, indicating potential for upside surprises. The contribution from inventories was positive at 1.5 percentage points, while net exports contributed negatively by 1.1 percentage points. The acceleration of investment activity is a positive sign, with history suggesting that once it starts to grow visibly, a cycle follows, with over 10% growth rates anticipated in the second half of the year. The bank expects GDP growth at 3.8% this year.

The disinflationary trend continued throughout the first half of the year. Although headline CPI increased to 4.1% in June, we are observing clear signs of sustained disinflation. The momentum of core inflation, while showing a temporary acceleration to 0.4% month on month in May, is not signaling a change in trend. Declining wage growth is contributing to the stabilization of services prices, removing a key cyclical inflationary pressure. Short-term effects of lower fuel prices are expected to be temporary. Lower gas tariffs are set to arrive in July, and the government has promised to maintain current low electricity prices until the end of 2025. The bank's forecasts point to CPI inflation at 2.9% for the full year 2025.

In the first half of the year, the Monetary Policy Council (MPC) cut interest rates in May, paused in June, and then cut again by 25 basis points in July. The Polish central bank's communication remains somewhat mixed. While the short-term inflation outlook is seen as warranting further rate cuts, medium-term upside risks related to fiscal policy, the business cycle, the labor market, and energy prices have also been stressed in the latest statement. We anticipate further rate cuts of 25 basis points each in September and November this year. The terminal rate forecast at 4% remains intact. According to the National Bank of Poland's projections, inflation will continue to vanish, with CPI undershooting the 2.5% target by 0.5 percentage points by the end of 2027.

The first half of 2025 saw a mixed performance in the market. The zloty continued its winning streak against the US dollar, with the exchange rate declining below 3.60, primarily due to the EURUSD exchange rate grinding higher. However, the zloty remained largely unchanged against the euro. We anticipate the zloty to strengthen further against the greenback but weaken against the common currency, with our EURPLN forecast standing at 4.40 in H2 2026, incorporating lower PLN interest rates. The Ministry of Finance has managed to finance around 75% of the 2025 gross borrowing needs as of the end of June. The initiated rate cuts are providing a tailwind for mortgage originations, which have proven more resilient than expected, despite the absence of a government support programme.

In terms of loans growth, we have seen a continuation of the recovery since the beginning of the year. This recovery has so far mainly focused on the corporate sector. A similar trend has been observed in deposit volumes, with an acceleration also evident among companies. It is expected that loan and deposit growth in the corporate sector will accelerate in the coming quarters. In terms of household deposits, a quicker growth is also expected.

## Outlook for economic development in 2025

### Key macroeconomic ratios

	2023	2024	2025F
GDP (YoY)	0.2%	2.9%	3.8%
Domestic demand (YoY)	-3.0%	4.2%	4.5%
Private consumption (YoY)	-0.3%	3.1%	3.0%
Investment (YoY)	12.7%	-2.2%	9.8%
Inflation (end of period)	6.2%	4.7%	2.6%
MPC rate (end of period)	5.75%	5.75%	4.50%
CHF/PLN (end of period)	4.68	4.55	4.55
EUR/PLN (end of period)	4.34	4.28	4.28

### Banking sector – monetary aggregates (year to year)

	2023	2024	2025F
Corporate loans	-0.7%	4.9%	5.2%
Consumer loans	-1.3%	2.9%	3.9%
Corporate deposits	8.7%	3.9%	9.0%
Consumer deposits	11.3%	9.9%	7.9%

Source: Projections of the bank's Chief Economist as of July 28, 2025.



## Prospects for mBank Group in 2025



Total revenues to be above the level reported for 2024 and exceed PLN 12 billion, assuming interest rate scenario described on the previous page



Capital and MREL buffers to be sound thanks to strong profit generation, along with Tier 2 issuance and new securitization transaction



Both corporate loans and retail credit portfolio to rise at a faster pace than the market



Legal risk costs related to FX mortgages to materially burden the financial results for the last time in 2025

An important factor forming the activities in the coming periods is the economic and regulatory environment, whose developments in H1 2025 are described in Chapter 3.1. Economy and banking sector in H1 2025 and later in this chapter.

Important information regarding factors that may affect mBank Group in the future is additionally described in the following sections of the Condensed Interim Consolidated Financial Statements of mBank S.A. for the first half of 2025:

3. explanatory note – Major estimates and judgements made in connection with the application of accounting policy principles;

33. explanatory note – Legal risk related to mortgage and housing loans granted to individual customers indexed to CHF and other foreign currencies;

31. selected explanatory information – Factors affecting the results in the coming quarter;

32. selected explanatory information – Other information.

## Changes in selected regulations relevant to banks

### Deregulation of economic and administrative law and improvements in the principles of drafting economic legislation

The Act of 21 May 2025 Amending Certain Acts to Deregulate Economic and Administrative Law and to Improve the Principles of Drafting Economic Legislation introduces changes in civil, criminal, administrative, antitrust, and mergers and acquisitions law. Amendments relevant from the bank's perspective include:

- **Banking Law Act.** The amendment enables the operation of a joint account for multiple investment funds managed by a single investment fund company. Shares in these funds may be acquired under a single financial product offered by that company. The amendment simplifies, among other things, contributions to employee pension and savings programmes.
- **Civil Code.** The requirement for leasing agreements to be made in writing has been replaced by the documentary form. The same change applies to notices of a lessee's default and notifications setting an additional payment deadline. The Act allows for the retrospective application of its provisions, provided the parties agree to this in writing under pain of nullity.

### Act on Ensuring Accessibility Requirements for Certain Products and Services by Economic Operators

On June 28, 2025, the Act of April 26, 2024, on ensuring accessibility requirements for certain products and services by economic operators came into force. This legislation implements Directive (EU) 2019/882 of the European Parliament and of the Council of April 17, 2019, on the accessibility requirements for products and services (European Accessibility Act). The aim of the Act is to ensure equal access to services, including financial services, for persons with disabilities and those with special needs. In practice, implementation of this Act by banks entails, among other things: 1) Adapting websites and mobile applications to WCAG standards; 2) Taking action regarding the operation of ATMs and payment terminals; 3) Adjusting the content of contract templates and forms to meet clarity requirements, as well as other obligations such as ensuring these documents are available through at least two sensory channels; 4) Implementing a so-called "complaint procedure for lack of accessibility."

### Implementing regulations on the European Digital Identity Wallet

On May 27, 2025, regulations establishing detailed rules regarding: (i) identity authentication using the European Digital Identity Wallet and other electronic identification means, (ii) responses to security breaches of these wallets, wallet validation mechanisms, and the electronic identification system under which the wallets are provided, and (iii) registration of websites belonging to entities intending to use digital identity verification for service provision, entered into force.

These include:

- Commission Implementing Regulation (EU) 2025/846 of 6 May 2025 laying down rules for the application of Regulation (EU) No 910/2014 of the European Parliament and of the Council as regards cross-border identity matching of natural persons (the regulation applies from December 24, 2026),
- Commission Implementing Regulation (EU) 2025/847 of 6 May 2025 laying down rules for the application of Regulation (EU) No 910/2014 of the European Parliament and of the Council as regards reactions to security breaches of European Digital Identity Wallets,
- Commission Implementing Regulation (EU) 2025/848 of 6 May 2025 laying down rules for the application of Regulation (EU) No 910/2014 of the European Parliament and of the Council as regards the registration of wallet-relying parties (the regulation applies from December 24, 2026),

### Regulation on the technical requirements for back-testing and profit and loss attribution, the criteria for assessing the modellability of risk factors, and the treatment of foreign-exchange risk and commodity risk in the non-trading book

Commission Delegated Regulation (EU) 2025/878 of 3 February 2025 amending the regulatory technical standards laid down in Delegated Regulation (EU) 2022/2059, Delegated Regulation (EU) 2022/2060 and Delegated Regulation (EU) 2023/1577 entered into force on May 25, 2025. It introduces changes to CRR provisions defining technical requirements for banks when calculating capital requirements for market risk using the alternative internal models approach.

### Regulation on the formula for calculating the supervisory delta of call and put options mapped to the commodity risk category

Commission Delegated Regulation (EU) 2025/855 of 28 January 2025 amending the regulatory technical standards laid down in Delegated Regulation (EU) 2021/931 as regards the specification of the formula for calculating the supervisory delta of call and put options mapped to the commodity risk category entered into force on May 28, 2025. The regulation ensures alignment with international standards adopted by the Basel Committee on Banking Supervision.

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### Regulation on benchmark portfolios, reporting templates and reporting instructions to be applied for reporting

Commission Implementing Regulation (EU) 2025/379 of 26 February 2025 amending the implementing technical standards laid down in Implementing Regulation (EU) 2016/2070 as regards benchmark portfolios, reporting templates and reporting instructions to be applied in the Union for the reporting referred to in Article 78(2) of Directive 2013/36/EU of the European Parliament and of the Council entered into force on April 1, 2025. The regulation updates the annexes to Implementing Regulation (EU) 2016/2070, which defines reporting requirements for supervisory benchmarking, i.e. for assessing the quality of institutions' internal approaches to exposures or items included in benchmarking portfolios.

### Judgments of the Court of Justice of the European Union (CJEU) relevant to banks holding portfolios of foreign currency mortgage loans and loans indexed to the WIBOR reference rate

On March 13 and March 20, 2025, the CJEU issued interpretations of Articles 6 (1) and 7 (1) of Directive 93/13, as well as the principle of equivalence, in the context of case C-230/24. The judgment clarified that:

- These provisions do not preclude national legislation or case-law which, while providing that an action seeking a declaration of invalidity of an unfair term in a contract concluded between a seller or supplier and a consumer is not subject to a time limit, subjects the action seeking to enforce the restitutory effects of that finding to a limitation period, in so far as the national legal system provides, in areas other than those covered by Directive 93/13, for actions based on the effects of a declaration of invalidity which are similar, as regards their purpose, cause of action and essential characteristics, to actions seeking to enforce those restitutory effects and which are subject to a limitation period comparable to that which applies to the latter actions.
- The CJEU does not permit a national court, having found a contractual term in a contract between a seller or supplier and a consumer to be unfair under Article 3 (1) of the Directive, to reduce the amount owed by the consumer to the actual costs incurred by the service provider in performing the contract. The contract should remain in force without the unfair terms, provided this is legally possible under national law. However, the national court may not modify the content of the term itself, as this could incentivise sellers or suppliers to include unfair terms in the expectation that they might later be replaced by a national court.

The CJEU judgment of 12 December 2024 in case C-300/23, published on 10 February 2025, also concerned the interpretation of selected provisions of Directive 93/13. The CJEU ruled, among other things, that Directive 93/13 does not preclude consumer claims for the reimbursement of undue payments from being subject to a time limit. Consumer protection is not absolute — declaring a claim time-barred does not violate the principle of effectiveness or undermine the objectives of the Directive. It is the responsibility of the national court to assess whether limitation rules comply with the principle of equivalence. This requires comparing the limitation rules with other applicable provisions that are similar as regards their purpose, cause of action and essential characteristics. If the compared provisions are similar and national law or its interpretation proves more favourable than EU law, this may indicate a breach of the principle of equivalence.

### Act of 20 December 2024 on Credit Servicers and Credit Purchasers

On April 5, 2025, the law on information obligations prior to amending agreements entered into force. Under the new law, banks must provide clients with a description of the proposed amendments not later than 30 days prior to amending a consumer credit agreement or a mortgage agreement. The description of changes must include a change implementation schedule and information about the client's right to submit a complaint.

The remaining provisions of the act implement Directive (EU) of the European Parliament and of the Council of 24 November 2021 on credit servicers and credit purchasers, which governs the harmonisation of the transfer of non-performing loan portfolios by banks to entities outside the banking sector and sets out requirements for the participants of secondary markets for non-performing credit agreements. The effective date of the new law is February 19, 2025.

### Regulation on requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor

Regulation (EU) 2024/1623 of the Parliament and of the Council of 31 May 2024 amending Regulation (EU) No 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor entered into force on January 1, 2025. It marks the final stage of implementation of the international prudential standards for banks agreed in 2017–2020 by the Basel Committee on Banking Supervision in the European Union. The purpose of the regulation is, among others, to strengthen the risk-based capital framework without a significant increase in overall capital requirements, to put greater emphasis on ESG risks and to further harmonise supervisory powers and enforcement tools.

Regulation deferring the application of own funds requirements for market risk

Based on Commission Delegated Regulation (EU) 2024/2795 of 24 July 2024 amending Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to the date of application of the own funds requirements for market risk, the obligation to start applying the provisions of Regulation (EU) 2024/1623 concerning the calculation of own funds requirements for market risk was postponed by one year, i.e. until January 1, 2026.

Digital Operational Resilience Act (DORA)

Starting from January 17, 2025, financial entities and external ICT service providers are obliged to meet the requirements set out in Regulation (EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022 on digital operational resilience for the financial sector and amending Regulations (EC) No 1060/2009, (EU) No 648/2012, (EU) No 600/2014, (EU) No 909/2014 and (EU) 2016/1011. DORA establishes uniform requirements for the security of network and information systems supporting the business processes of financial entities subject to supervisory verification. However, in view of the failure to adopt a national legal framework for the application of DORA in a timely manner, under the current legal framework it is impossible to apply administrative penalties and remedial measures provided for in this regulation. Moreover, DORA obliges financial institutions to comply with new reporting obligations and to report major operational incidents and major security payment-related incidents.

The following legal acts regarding reporting of major ICT-related incidents (incidents related to information and communication technology) entered into force on March 12, 2025:

- Commission Delegated Regulation (EU) 2025/301 of 23 October 2024 supplementing Regulation (EU) 2022/2554 of the European Parliament and of the Council with regard to regulatory technical standards specifying the content and time limits for the initial notification of, and intermediate and final report on, major ICT-related incidents, and the content of the voluntary notification for significant cyber threats,
- Commission Implementing Regulation (EU) 2025/302 of 23 October 2024 laying down implementing technical standards for the application of Regulation (EU) 2022/2554 of the European Parliament and of the Council with regard to the standard forms, templates, and procedures for financial entities to report a major ICT-related incident and to notify a significant cyber threat.

The regulations specify the time limits for and content of the initial notification of, and intermediate and final report on, major ICT-related incidents, and templates and rules for the reporting of such incidents.

In turn, Directive (EU) 2022/2556 of the European Parliament and of the Council of 14 December 2022 amending Directives 2009/65/EC, 2009/138/EC, 2011/61/EU, 2013/36/EU, 2014/59/EU, 2014/65/EU, (EU) 2015/2366 and (EU) 2016/2341 as regards digital operational resilience for the financial sector ensures consistency of the applicable directives with Regulation (EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022 (DORA), by way of introducing, among others, the following adjustments:

- changing the requirements concerning contingency and business continuity plans set out in Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions (CRD) so as to include also business continuity plans as well as response and recovery plans with respect to ICT risk in accordance with DORA;
- setting out more restrictive rules for ICT risk applicable to investment firms and trading venues engaged in algorithmic trading in Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments (MiFID);
- changing the specific rules applicable to security control and risk mitigation measures for ICT risk for the purpose of obtaining authorisation to provide payment services, and unifying the mechanism for reporting operational and security payment-related incidents, regardless of whether they are ICT-related, in Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market (PSD2).

Regulation on the Risk Management System, Internal Control System and Remuneration Policy at Banks

On January 31, 2025, the Regulation of the Minister of Finance of January 16, 2025 Amending the Regulation of the Minister of Finance, Development Funds and Regional Policy of 8 June 2021 on the Risk Management System, Internal Control System and Remuneration Policy at Banks entered into force, following the entry into force of DORA. Under the regulation, banks are obliged to introduce and update operational risk management policies and procedures defining contingency strategies and plans as well as business continuity strategies and plans, including in the scope of ICT, and ICT response and recovery plans.

**Repeal of the Regulation on Higher Risk Weight for Exposures Secured by Mortgage on Real Property**

The Regulation of the Minister of Finance of November 12, 2024 Repealing the Regulation on Higher Risk Weight for Exposures Secured by Mortgage on Real Property is the response to the entry into force of amended Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions (CRR) on January 1, 2025, which significantly changed the risk weights applied to exposures secured by mortgage on real property and introduced a multiplication factor of 1.5 increasing the risk weights for exposures with currency mismatches. The amended CRR also governs the determination of risk weights for commercial real property, taking into account the specificity of exposures secured by income-producing real property.

**Regulation on Types of Banks' Exposures Excluded from Limits to Large Exposures**

On January 1, 2025, the Regulation of the Minister of Finance of December 20, 2024 Amending the Regulation on Types of Banks' Exposures Excluded from Limits to Large Exposures, reflecting amendments to Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions (CRR), entered into force. The catalogue of exposures excluded from the large exposures limit defined in Article 395 (1) of the CRR was extended to include the exposures referred to in Article 400 (2) (I) of the CRR, i.e. guarantees of official export credit agencies. Moreover, new rules for classifying off-balance sheet items of banks were introduced, among others, enabling the exemption of 50% off-balance sheet documentary credits from basket 4 and off-balance sheet undrawn credit facilities from basket 3 in accordance with the rules for classifying off-balance sheet items set out in Annex I to the amended CRR.

### 3.2. Financial results of mBank Group in H1 2025

All changes presented in the analysis of financial results are calculated on the basis of the Condensed Consolidated Financial Statements for the first half of 2025 (in PLN'000). Potential disparities in the tables might be a result of rounding the values.

#### Profit & Loss Account

mBank Group closed H1 2025 with a profit before tax of PLN 2,422.5 million, compared with PLN 1,152.0 million in H1 2024 (PLN +1,270.5 million, i.e. +110.3%). Net profit attributable to the owners of mBank reached PLN 1,665.1 million compared with PLN 684.4 million last year (PLN +980.7 million, i.e. +143.3%).

PLN M	H1 2024	H1 2025	Change in PLN M	Change in %
Interest income	6,907.4	7,296.8	389.5	5.6%
Interest expense	-2,402.7	-2,360.9	41.8	-1.7%
<b>Net interest income</b>	<b>4,504.7</b>	<b>4,936.0</b>	<b>431.2</b>	<b>9.6%</b>
Fee and commission income	1,556.3	1,732.6	176.4	11.3%
Fee and commission expense	-580.9	-647.4	-66.5	11.4%
<b>Net fee and commission income</b>	<b>975.4</b>	<b>1,085.2</b>	<b>109.9</b>	<b>11.3%</b>
<b>Core income</b>	<b>5,480.1</b>	<b>6,021.2</b>	<b>541.1</b>	<b>9.9%</b>
Dividend income	9.2	8.0	-1.2	-12.6%
Net trading income	87.0	140.7	53.7	61.7%
Other income	17.7	32.6	15.0	+/-
Other operating income	339.4	214.1	-125.3	-36.9%
Other operating expenses	-120.8	-189.4	-68.7	56.9%
<b>Total income</b>	<b>5,812.6</b>	<b>6,227.2</b>	<b>414.7</b>	<b>7.1%</b>
Net impairment losses and fair value change on loans and advances	-219.4	-294.8	-75.4	34.4%
Costs of legal risk related to foreign currency loans	-2,404.0	-1,205.5	1,198.6	-49.9%
Overhead costs and depreciation	-1,670.0	-1,926.5	-256.5	15.4%
<b>Operating profit or loss</b>	<b>1,519.1</b>	<b>2,800.5</b>	<b>1,281.4</b>	<b>84.3%</b>
Taxes on the Group balance sheet items	-367.1	-378.0	-10.8	3.0%
<b>Profit/Loss before income tax</b>	<b>1,152.0</b>	<b>2,422.5</b>	<b>1,270.5</b>	<b>110.3%</b>
Income tax expense	-467.5	-757.5	-289.9	62.0%
<b>Net profit/loss attributable to:</b>	<b>684.5</b>	<b>1,665.1</b>	<b>980.6</b>	<b>143.3%</b>
<b>- Owners of mBank S.A.</b>	<b>684.4</b>	<b>1,665.1</b>	<b>980.7</b>	<b>143.3%</b>
- Non-controlling interests	0.1	0.0	-0.1	-100.0%
ROA net	0.6%	1.4%		
ROE net	9.6%	17.8%		
ROTE net	10.9%	22.0%		
Cost / Income ratio	28.7%	30.9%		

Net interest margin	4.4%	4.2%
Common Equity Tier 1 ratio	13.7%	12.8%
Tier 1 capital ratio	13.7%	14.0%
Total capital ratio	15.5%	15.0%

**Core income** – the sum of net interest income and net fee and commission income.

**Other income** – calculated as gains or losses from derecognition of financial assets and liabilities not measured at fair value through profit or loss and gains or losses from non-trading equity and debt securities mandatorily measured at fair value through profit or loss.

**Total income** – net interest income, net fee and commission income, dividend income, net trading income, other income, other operating income and other operating expenses.

**General administrative expenses including depreciation and amortisation** – general administrative expenses plus depreciation and amortisation.

**Impairment and change of fair value of loans and advances** – sum of impairment or reversed impairment of financial assets not measured at fair value through profit or loss and gains or losses from non-trading loans and advances mandatorily measured at fair value through profit or loss.

**ROA net** – calculated by dividing net profit attributable to Owners of the bank by the average total assets. The average total assets are calculated on the basis of the balances as at the end of each month. Net profit attributable to Owners of the Bank is annualized based on the number of days in the analysed period (an annualization factor is calculated by dividing a number of days in the year by a number of days in the analysed period).

**ROE net** – Calculated by dividing net profit/loss attributable to Owners of the bank by the average equity attributable to Owners of the bank. The average equity is calculated on the basis of the balances as at the end of each month. Net profit/loss attributable to Owners of the Bank is annualized based on the number of days in the analysed period (an annualization factor is calculated by dividing a number of days in the year by a number of days in the analysed period).

**Net ROTE** – calculated by dividing net profit/loss attributable to Owners of the Bank deducted by the coupon on AT1 bonds by the average tangible equity. The tangible equity is total equity deducted by planned dividend for the current year, intangible assets (including goodwill) and by AT1 instruments. The average tangible equity is calculated on the basis of the balances as at the end of each month. Net profit/loss attributable to the Owners of the Bank deducted by the AT1 coupon is annualized based on the number of days in the analysed period (the annualisation ratio is calculated as the quotient of the number of days in a year and the number of days in the analysed period).

**Cost/Income ratio** – general administrative expenses including depreciation and amortisation to total income (excluding tax on the Group balance sheet items).

**Net interest margin** – net interest income to average interest-earning assets. To calculate the margin, net interest income was calculated without factoring in the result from the non-substantial modification. Interest-earning assets include: cash in hand and transactions with the central bank, amounts due from banks, securities (including all valuation methods), loans and advances to clients (net, including all valuation methods). Average interest-earning assets are based on balances at the end of each month. Net interest income is annualized based on the number of days in the analysed period (an annualization factor is calculated by dividing a number of days in the year by a number of days in the analysed period).

The main drivers of the financial results of mBank Group in H1 2025 included:

- **Increase in income** by 7.1% compared to H1 2024, driven by higher net interest income, net fee and commission income and net trading income;
- **Increase in operating expenses** (including depreciation) by 15.4% compared with H1 2024, caused chiefly by higher staff-related costs and higher contribution to the Bank Guarantee Fund;
- **Increase in risk costs** by 34.4%, to 46 basis points, compared to 37 basis points in H1 2024;
- **Significantly lower costs of legal risk related to foreign currency loans** at the level of PLN 1,205.5 million;
- **Continued organic growth and business expansion as demonstrated by:**
  - increase in the number of retail clients to 5,811.7 thousands (+132,6 thousands compared to the end of June 2024);
  - increase in the number of corporate clients to the level of 36,961 (+1,232 compared with the end of June 2024).

The Total Capital Ratio stood at 15.0% compared with 15.5% at the end of June 2024, mainly driven by increase of the total risk exposure amount. Tier 1 Capital Ratio stood at 14.0% compared with 13.7% at the end of June 2024, driven mainly by issuance of AT1 capital in November 2024. At the same time, the surplus over the KNF minimum capital requirements reached a safe level of 4.9 p.p for the Tier 1 capital ratio and 3.9 p.p. for the Total Capital Ratio.



## Summary of results of mBank Group core business in H1 2025

**Profit before tax on core business** (mBank Group excluding the Foreign Currency Mortgage Loans segment) totalled PLN 3,655.5 million in H1 2025, compared to PLN 3,587.6 million in H1 2024, constitutes an increase by 1.9%. Net profit attributable to owners of mBank went up by 2.5% to PLN 2,815.7 million in the analysed period.

This was reflected by **net ROE**, which stood at 31.8% in H1 2025 against 40.3% in H1 2024.

PLN M	Core business	Non-core	mBank Group
Net interest income	4,954.2	-18.3	4,936.0
Net fee, trading and other income	1,319.7	-28.4	1,291.3
<b>Total income</b>	<b>6,273.9</b>	<b>-46.7</b>	<b>6,227.2</b>
<b>Total costs</b>	<b>-1,898.1</b>	<b>-28.4</b>	<b>-1,926.5</b>
Net impairment losses and fair value change on loans and advances	-347.1	52.3	-294.8
Cost of legal risk related to FX loans	0.0	-1,205.5	-1,205.5
<b>Operating profit</b>	<b>4,028.7</b>	<b>-1,228.2</b>	<b>2,800.5</b>
Taxes on the Group balance sheet items	-373.2	-4.8	-378.0
<b>Profit before income tax</b>	<b>3,655.5</b>	<b>-1,233.0</b>	<b>2,422.5</b>
<b>Net profit</b>	<b>2,815.7</b>	<b>-1,150.6</b>	<b>1,665.1</b>
<b>Total assets</b>	<b>254,156.9</b>	<b>2,019.0</b>	<b>256,175.9</b>
Net interest margin	4.22%		4.18%
Cost/Income ratio	30.3%		30.9%
ROE net	31.8%		17.8%
ROA net	2.3%		1.4%

**Core business** – results of mBank Group excluding the FX Mortgage Loans segment.

**Total income** – calculated as the sum of net interest income, net fee and commission income, dividend income, net trading income, other income, other operating income and other operating expenses.

**Net impairment losses and fair value change on loans and advances** - the sum of impairment or reversal of impairment on financial assets not measured at fair value through profit or loss and gains or losses from non-trading loans and advances mandatorily measured at fair value through profit or loss.

**Net interest margin** – calculated by dividing net interest income by average interest earning assets. Net interest income calculated for the purpose of net interest margin excludes gains or losses on modification. Interest earning assets are a sum of cash and balances with the Central Bank, loans and advances to banks, debt securities (in all valuation methods) and loans and advances to customers (net; in all valuation methods). The average interest earning assets are calculated on the basis of the balances as at the end of each month. Net interest income is annualized based on the number of days in the analysed period (an annualization factor is calculated by dividing a number of days in the year by a number of days in the analysed period).

**Cost/Income ratio** – calculated by dividing overhead costs and depreciation by total income (excluding tax on Group's balance sheet items).

**ROE net** – calculated by dividing net profit/loss attributable to Owners of the Bank by the average equity attributable to Owners of the Bank, net of the year's results. The average equity is calculated on the basis of the balances as at the end of each month. Net profit/loss attributable to Owners of the Bank is annualized based on the number of days in the analysed period (an annualization factor is calculated by dividing a number of days in the year by a number of days in the analysed period).

**ROA net** - calculated by dividing net profit/loss attributable to Owners of the Bank by the average total assets. The average total assets are calculated on the basis of the balances as at the end of each month. Net profit/loss attributable to Owners of the Bank is annualized based on the number of days in the analysed period (an annualization factor is calculated by dividing a number of days in the year by a number of days in the analysed period).

### Contribution of business segments and business lines to the financial results

The table below presents the contribution of individual business lines to the Group's profit before tax:

PLN M	H1 2024	H1 2025	Change in PLN M	Change in %
Retail Banking	2,016.7	2,227.5	210.9	10.5%
Corporate and Investment Banking	1,434.9	1,276.7	-158.2	-11.0%
Treasury and Others	136.0	151.3	15.3	11.3%
<b>Profit before tax of Core business</b>	<b>3587.6</b>	<b>3,655.5</b>	<b>68.0</b>	<b>1.9%</b>
FX Mortgage Loans	-2,435.6	-1,233.0	1,202.6	-49.4%
<b>Profit before tax of mBank Group</b>	<b>1,152.0</b>	<b>2,422.5</b>	<b>1,270.5</b>	<b>110.3%</b>

### Income of mBank Group

mBank Group generated a total income at the level of PLN 6,227.2 million against PLN 5,812.6 million in H1 2025, which represents an increase of PLN 414.7 million or 7.1% year on year.

**Net interest income** remained the main source of income of mBank Group in H1 2025 (79.3% of total income). It stood at PLN 4,936.0 million against PLN 4,504.7 million in H1 2024, representing an increase by PLN 431.2 million or 9.6%. The negative impact of "credit holidays" on net interest income in H1 2024 amounted to PLN 256.8 million. The increase in net interest income occurred despite the Monetary Policy Council lowering the interest rate by 50 basis points to 5.25% in May 2025.

**Interest income** in H1 2025 went up by PLN 389.5 million or 5.6% compared to H1 2024 and stood at PLN 7,296.8 million. Excluding the negative impact of "credit holidays" in H1 2024, interest income rose by 1.9%. Income on loans and advances to clients, constituting the main source of interest income, went up by PLN 66.7 million or 1.3% in comparison to H1 2024. In the period under review, income from investment securities rose significantly by PLN 311.9 million or 23.5% compared with H1 2024. The increase was related to the higher average volume of these securities in 2025 and the optimization of their structure, in which fixed-rate securities constitute the majority. Income from cash and short-term funds declined by PLN 202.3 million, i.e. -36.4% year on year, due to the lower average volume of these assets and the interest rates cut.

PLN M	H1 2024	H1 2025	Change in PLN M	Change in %
Loans and advances	5,169.6	5,236.3	66.7	1.3%
Investment securities	1,329.0	1,641.0	311.9	23.5%
Cash and short term funds	556.0	353.8	-202.3	-36.4%
Debt securities held for trading	28.7	55.7	26.9	93.8%
Interest income on derivatives classified into banking book	41.7	0.0	-41.7	-100.0%
Other	-217.7	10.2	227.9	+/-
<b>Total interest income</b>	<b>6,907.4</b>	<b>7,296.8</b>	<b>389.5</b>	<b>5.6%</b>

**Interest income from loans and advances** includes interest income from loans and advances on the following items: assets held for trading, non-trading financial assets measured mandatorily at fair value through profit or loss and financial assets measured at amortised cost.

**Interest income from investment securities** includes interest income on the following items: non-trading financial assets measured mandatorily at fair value through profit or loss, including debt securities, financial assets measured at fair value through other comprehensive income and financial assets measured at amortised cost, including debt securities.

**Interest expense** decreased by PLN 41.8 million or 1.7% year on year in H1 2025. Deposit cost increased by PLN 91.5 million, or 6.2%, reaching PLN 1,556.6 million, due to the rise in deposit volume. Cost of debt securities in issue, which constitute the Group's second-largest source of funding, increased by PLN 65.0 million or 25.4% due to the issuance of bonds under the EMTN programme in September 2024 and the issuance of CLN bonds in connection with a securitisation transaction. In addition, interest expenses on

derivatives under fair value hedge accounting and cash flow accounting dropped by a total of PLN 178.9 million or -31.2% in comparison to the previous period.

**Net interest margin** in the first half of 2025 decreased to 4.18% compared to 4.41% a year earlier.

**Net fee and commission** income amounted to PLN 1,085.2 million in H1 2025, up by PLN 109.9 million, or 11.3% compared to H1 2024. The increase was recorded thanks to a higher commission income.

PLN M	H1 2024	H1 2025	Change in PLN M	Change in %
Payment cards-related fees	353.6	411.9	58.3	16.5%
Credit-related fees and commissions	306.3	319.7	13.4	4.4%
Commissions for foreign currencies exchange	241.3	243.3	2.0	0.8%
Commissions for agency service regarding sale of insurance products of external financial entities	72.4	126.6	54.3	74.9%
Fees from brokerage activity and debt securities issue	88.3	100.5	12.2	13.9%
Commissions from bank accounts	148.3	165.2	16.9	11.4%
Commissions from money transfers	123.0	123.6	0.5	0.4%
Commissions due to guarantees granted and trade finance commissions	56.2	60.7	4.5	8.0%
Commissions for agency service regarding sale of other products of external financial entities	59.7	63.3	3.5	5.9%
Commissions on trust and fiduciary activities	15.8	16.7	0.9	5.9%
Fees from portfolio management services and other management-related fees	15.6	22.7	7.2	46.1%
Fees from cash services	32.8	33.9	1.2	3.6%
Other	43.0	44.5	1.5	3.4%
<b>Fee and commission income</b>	<b>1,556.3</b>	<b>1,732.6</b>	<b>176.4</b>	<b>11.3%</b>

Commission income increased by PLN 176.4 million or 11.3% year on year. Payment card-related commissions, which are the largest contributor to the fee and commission income, rose by PLN 58.3 million or 16.5% compared with H1 2024 as a result of greater client activity. The number and value of cashless transactions grew by 4.9% and 11.9% on the previous year, respectively. At the same time, commissions for agency service regarding sale of products of external financial entities rose by PLN 54.3 million or 74.9% mainly due to the recognition of a one-off income of PLN 43.0 million resulting from the settlement of the existing cooperation with UNIQA, which took place as part of the extension of the strategic partnership with this company.

Fee and commission expense increased by PLN 66.5 million or 11.4% year on year. The increase was mainly driven by commissions paid to external entities for sale of the Group's products and other discharged fees.

In H1 2025, **dividend income** amounted to PLN 8.0 million compared with PLN 9.2 million in H1 2024. Similarly to the previous year, income posted in the period under review included dividends received i.a. from Biuro Informacji Kredytowej (BIK) and Krajowa Izba Rozliczeniowa (KIR), in which mBank holds minority stakes.

**Net trading income** amounted to PLN 140.7 million in H1 2025, up by PLN 53.7 million compared with the previous year. The surge was mainly attributable to foreign exchange result.

**Other income** (an item including gains or losses from derecognition of financial assets and liabilities and gains or losses from non-trading financial assets mandatorily measured at fair value through profit or loss connected with equity instruments and debt securities) totalled PLN 32.6 million compared with PLN 17.7 million in H1 2024.

**Net other operating income** (other operating income net of other operating expenses) stood at PLN 24.7 million, compared with PLN 218.6 million in H1 2024. In H1 2024, an income from the recovery of receivables in connection with a final court judgement favourable to the bank in the amount of PLN 164.0 million was posted.

#### Net impairment losses and fair value change on loans and advances

In H1 2025, net impairment losses and fair value change on loans and advances of mBank Group (calculated as the sum of two items: impairment or reversal of impairment on financial assets not measured at fair value through profit or loss and gains or losses from non-trading loans and advances mandatorily measured at fair value through profit or loss) stood at PLN -294.8 million, up by PLN -75.4 million or 34.4%, from the level of PLN -219.4 million in H1 2024. In H1 2025, impairment or reversal of impairment on financial assets not measured at fair value through profit or loss amounted to PLN -286.6 million, while gains or losses from non-trading loans and advances mandatorily measured at fair value through profit or loss amounted to PLN -8.2 million. Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss is related to the part of the portfolio of loans and advances measured at amortized cost. The item "gains or losses from non-trading loans and advances mandatorily measured at fair value through profit or loss" is mainly related to the credit risk of the portfolio of loans and advances measured with the use of this method.

PLN M	H1 2024	H1 2025	Change in PLN M	Change in %
Retail Banking	-161.7	-242.1	-80.4	49.7%
Corporate and Investment Banking	-63.4	-100.2	-36.8	58.0%
Treasury Area and Other	-3.7	-4.8	-1.1	30.4%
FX Mortgage Loans	9.5	52.3	42.8	452.8%
<b>Total net impairment losses and fair value change on loans and advances</b>	<b>-219.4</b>	<b>-294.8</b>	<b>-75.4</b>	<b>34.4%</b>

Net impairment losses and fair value change on loans and advances in Retail Banking rose by PLN 80.4 million year on year and stood at PLN 242.1 million in H1 2025. The higher risk cost stems mainly from growing retail loan portfolio.

Net impairment losses and fair value change on loans and advances in Corporate and Investment Banking stood at PLN 100.2 million in H1 2025, up by PLN 36.8 million year on year. In 2025, the economic situation of corporate clients remained stable.

#### Cost of legal risk related to foreign currency loans

Costs of legal risk related to foreign currency loans stood at PLN 1,205.5 million in H1 2025, and were significantly lower than in H1 2024, when they amounted to PLN 2,404.0 million. The costs are mainly due to updates to the projected number of lawsuits, and the cost of the settlement program as well as updates to the remaining model parameters. More information about the method of calculating legal risk costs is provided in 33. explanatory note to Condensed Interim Consolidated Financial Statements of mBank S.A. Group for H1 2025.

#### Costs of mBank Group

In the period under review, mBank Group pursued further investments in growth in the strategic areas, which will help to boost income in the coming years. At the same time, high operational efficiency, measured by the normalised cost-to-income ratio, remained stable.

Total overhead costs of mBank Group (including depreciation) stood at PLN 1,926.5 million in H1 2025, up by PLN 256.5 million or 15.4% compared to the H1 2024.

PLN M	H1 2024	H1 2025	Change in PLN	Change in %
Staff-related expenses	-775.5	-867.5	-92.0	11.9%
Material costs, including	-441.7	-474.0	-32.3	7.3%
- <i>administration and real estate services costs</i>	-180.0	-176.7	3.2	-1.8%
- <i>IT costs</i>	-135.4	-151.3	-15.9	11.8%
- <i>marketing costs</i>	-81.3	-91.3	-10.0	12.3%
- <i>consulting costs</i>	-36.0	-41.5	-5.6	15.5%
- <i>other material costs</i>	-9.1	-13.1	-4.0	43.7%
Taxes and fees	-23.6	-25.8	-2.3	9.6%
Contributions and transfer to the Bank Guarantee Fund	-146.8	-238.3	-91.5	62.3%
Contributions to the Social Benefits Fund	-7.1	-8.3	-1.2	16.9%
Depreciation	-275.3	-312.6	-37.3	13.5%
<b>Total overhead costs and depreciation</b>	<b>-1,670.0</b>	<b>-1,926.5</b>	<b>-256.5</b>	<b>15.4%</b>
Cost / Income ratio	28.7%	30.9%	-	-
Employment (FTE)	7,495	7,696	201	2.7%

Staff-related costs increased by PLN 92.0 million or 11.9% year on year due to higher remuneration costs. At the same time, the number of FTEs rose by 201 (mainly in the areas of IT and security and operations as well as in Retail Banking); in certain areas of the bank, the employees were also given pay rises.

Material costs went up by PLN 32.3 million or 7.3% in the period under review. In the period under review, IT costs, marketing costs and consulting costs increased.

The contribution to the Bank Guarantee Fund (BFG) in H1 2025 stood at PLN 238.3 million, up by PLN 91.5 million against H1 2024. Both H1 2025 and H1 2024 costs comprise the annual contribution to the resolution fund.

Depreciation went up in H1 2025 by PLN 37.3 million or 13.5% compared to the previous period.

As a result of changes in the income and costs of mBank Group, the cost-to-income ratio of mBank Group amounted to 30.9% compared with 28.7% in the same period last year. The normalized cost-to-income ratio (with adjusted contribution to the resolution fund) improved to 29.4%.

## Changes in the consolidated statement of financial position

### Changes in assets of mBank Group

In H1 2025, assets of mBank Group rose by PLN 10,218.6 million or 4.2%. As at June 30, 2025, they stood at PLN 256,175.9 million. This dynamics on the asset side was positively affected by the increase in net loans and advances to customers and loans and advances to banks, negative influence was caused by a drop in cash and cash equivalents. On the total liabilities and equity side, the key driver was higher amounts due to customers. Year on year, the balance sheet total of mBank Group rose by 11.2%.

The table below presents changes in particular items of mBank Group assets.

PLN M	30.06.2024	31.12.2024	30.06.2025	YtD change	YoY change
Cash and cash equivalents	21,707.0	36,680.9	20,796.6	-43.3%	-4.2%
Loans and advances to banks	11,577.9	9,738.5	19,281.0	98.0%	66.5%
Securities held for trading and derivatives held for hedges	1,595.8	1,797.7	3,617.6	101.2%	126.7%
Net loans and advances to customers	121,202.2	121,418.6	133,168.5	9.7%	9.9%
Investment securities	66,760.5	68,993.4	71,808.5	4.1%	7.6%
Intangible assets	1,763.2	1,956.7	2,026.0	3.5%	14.9%
Tangible assets	1,461.7	1,461.8	1,394.6	-4.6%	-4.6%
Other assets	4,227.1	3,909.7	4,083.3	4.4%	-3.4%
<b>Total assets</b>	<b>230,295.6</b>	<b>245,957.4</b>	<b>256,175.9</b>	<b>4.2%</b>	<b>11.2%</b>

**Net loans and advances to clients** – sum of loans and advances at amortised cost, non-trading loans and advances to customers mandatorily at fair value through profit or loss and loans and advances classified as assets held for trading.

**Investment securities** – sum of financial assets at fair value through other comprehensive income, debt securities at amortised cost and non-trading debt securities and equity instruments mandatorily at fair value through profit or loss.

**Other assets** – the sum of fair value changes of the hedged items in portfolio hedge of interest rate risk, non-current assets and disposal groups classified as held for sale, investment property, current income tax assets, deferred income tax assets and other assets.

Loans and advances to customers retained the largest share in the asset structure of mBank Group at the end of H1 2025. At the end of June 2025, net loans and advances to customers (the sum of loans and advances measured at amortised cost, loans and advances mandatorily measured at fair value through profit or loss, and loans and advances classified as assets held for trading) amounted to PLN 133,168.5 million, which represents an increase by PLN 11,794.9 million or 9.7% compared with the end of 2024. Year on year, they went up by PLN 11,966.3 million or 9.9%. As at June 30, 2025, they accounted for 52.0% of the balance sheet total against 49.4% at the end of 2024 and 52.6% at the end of H1 2024. The growth on a semi-annual basis was mainly driven by a higher volume of loans to corporate clients, and on an annual basis was driven by a higher volume of loans to retail clients. In H1 2025, the volume of gross loans increased across all three client segments.

PLN M	30.06.2024	31.12.2024	30.06.2025	YtD change	YoY change
Loans and advances to individuals	67,417.0	70,589.1	74,120.1	5.0%	9.9%
Loans and advances to corporate entities	57,382.7	54,251.1	62,406.8	15.0%	8.8%
Loans and advances to public sector	159.8	144.8	149.6	3.3%	-6.4%
<b>Total (gross) loans and advances to customers</b>	<b>124,959.5</b>	<b>124,985.0</b>	<b>136,676.5</b>	<b>9.4%</b>	<b>9.4%</b>
Provisions for loans and advances to customers	-3,757.3	-3,566.4	-3,508.0	-1.6%	-6.6%
<b>Total (net) loans and advances to customers</b>	<b>121,202.2</b>	<b>121,418.6</b>	<b>133,168.5</b>	<b>9.7%</b>	<b>9.9%</b>

Gross loans and advances to corporate clients grew by PLN 8,155.7 million or 15.0% in H1 2025 against the end of 2024. The increase in gross loans to corporate clients in H1 2025 was caused by the seasonal loan repayment at the end of 2024 and financing granted at the beginning of 2025 under agreements signed in Q4 2024. Year on year, corporate loans rose by PLN 5,024.1 million or 8.8%. Excluding reverse repo/buy sell back transactions and the FX effect, the value of loans to corporate clients increased by 9.2% against the end of 2024 and 10.7% against H1 2024.

In H1 2025, the sales of loans to corporate clients (including new sales, increases of limits and renewals) increased by 22.9% year on year and stood at PLN 23,817.9 million. In H1 2025, new sales dominated total sales, accounting for 52.3%. Year on year, the highest surge in sales volume was generated by the increase of limits (up by 44.0%). The volume of loan sales remained the highest in the K2 client segment (medium enterprises). In all three customer segments (K1, K2, and K3 – large, medium, and small enterprises, respectively), sales increased, with the fastest growth observed in the K1 client segment (by 54.0% year to year). The greatest demand was recorded for long-term financing (structured finance loans), with the volume rising by 28.4% year on year, which was due to mBank providing financing for projects related to the renewable energy sources and mid-term financing, which rose by 37.8% annually.

In H1 2025, gross loans and advances to individuals went up by PLN 3,531.1 million or 5.0%. Year on year, the value of loans to individuals was higher by PLN 6,703.1 million or 9.9%. The value of gross mortgage and housing loans to individuals stood at PLN 47,975.7 million, which marked an increase by 4.3% against December 31, 2024, and an increase by 10.5% year on year. A positive impact on loans to individuals came from the revival of lending activity, while the negative effect was caused by the update of cash flow estimates related to CHF mortgage loans and the reduction of their gross carrying amount in accordance with IFRS 9 and the sale of a portion of the portfolio of non-performing receivables.

In H1 2025, mBank Group granted new mortgage loans worth a total of PLN 6,166.6 million, which represented an increase by 33.5% against H1 2024. Foreign branches recorded a significant acceleration in mortgage loan sales. On a year-over-year basis, sales increased more than sixfold. At the turn of Q2 and Q3 2024, the European Central Bank initiated a cycle of interest rate cuts following a period of the highest interest rates in over two decades, which had been in effect since the second half of 2022. The decline in interest rates by both the European Central Bank and the Czech National Bank translated into more attractive loan pricing offered by mBank in the Czech Republic and Slovakia. During the reporting period, the mBank Group's mortgage loan sales in Poland increased by 23.8% year to year. The higher sales were achieved despite a strong comparative base, which was partly due to mBank's participation in the "Safe 2% Loan" program, a government initiative providing subsidies for loan repayments. As a result, clients were eager to take out loans with attractive interest rates and the bank maintained profitable margins. Compared to the second half of 2024, the volume of new mortgage loan sales remained at a similar level (up by 3.4%). Mortgage loan sales in the first half of 2025 were the highest since mid-2021.

In H1 2025, the sales of non-mortgage loans stood at PLN 6,882.3 million, which represented an increase by 22.8% against H1 2024 and by 19.9% against H2 2024. The growth was recorded both in Poland and foreign branches. As a result of a business decision made in this regard, mBank's foreign branches remain focused on active sales of non-mortgage loans, which are more profitable.

Net of the FX effect, loans and advances to individuals grew by 5.0% compared with the end of 2024 and went up by 10.1% year on year. Excluding the segment of FX mortgages, loans granted to individuals were up by 6.3% compared with the end of 2024 and by 12.9% year on year.

At the end of H1 2025, gross loans and advances to the public sector increased by PLN 4.7 million or 3.3% on semi-annual basis and stood at PLN 149.6 million. Compared to the end of June 2024, gross loans and advances to the public sector declined by PLN 10.2 million or 6.4% year on year.

Investment securities were the Group's second largest asset category worth PLN 71,808.5 million as at June 30, 2025, which accounted for 28.0% of total assets against 28.1% at the end of 2024 and 29.0% at the end of June 2024. The value increased by PLN 2,815.0 million or 4.1% against end of 2024 and by PLN 5,047.9 million or 7.6% year on year. The growth was driven by investment of client deposits in securities, especially in Treasury bonds.

Cash and cash equivalents stood at PLN 20,796.6 million. The value was lower by PLN 15,884.4 million or -43.3% against end of 2024 due to decrease in the volume of short-term deposits and funds held in current accounts at central banks. On an annual basis, cash and cash equivalents lowered by PLN 910.5 million or 4.2%.

Loans and advances to banks stood at PLN 19,281.0 million, which marked an increase by PLN 9,542.5 million or 98.0% against end of 2024, mainly driven by higher value of reverse repo / buy-sell back transactions. Year on year, the figure increased by PLN 7,703.0 million or 66.5%.



Securities held for trading and hedging derivatives amounted to PLN 3,617.6 million, up by PLN 1,819.8 million or 101.2% compared with the end of 2024 and by PLN 2,021.7 million or 126.7% year on year. The growth was driven by an increase in the value of debt securities of general governments.

#### Changes in liabilities and equity of mBank Group

The table below presents changes in the liabilities and equity of mBank Group in H1 2025:

PLN M	30.06.2024	31.12.2024	30.06.2025	YtD change	YoY change
Amounts due to other banks	3,231.6	3,059.4	4,692.8	53.4%	45.2%
Amounts due to customers	187,531.3	200,809.0	205,724.0	2.4%	9.7%
Debt securities in issue	10,476.5	12,130.3	11,578.2	-4.6%	10.5%
Subordinated liabilities	2,661.4	2,675.5	3,586.9	34.1%	34.8%
Other liabilities	11,785.5	9,516.1	11,081.2	16.4%	-6.0%
<b>Total Liabilities</b>	<b>215,686.2</b>	<b>228,190.4</b>	<b>236,663.2</b>	<b>3.7%</b>	<b>9.7%</b>
<b>Total Equity</b>	<b>14,609.4</b>	<b>17,767.0</b>	<b>19,512.8</b>	<b>9.8%</b>	<b>33.6%</b>
<b>Total Liabilities and Equity</b>	<b>230,295.6</b>	<b>245,957.4</b>	<b>256,175.9</b>	<b>4.2%</b>	<b>11.2%</b>

**Other liabilities** – the sum of financial liabilities held for trading and derivatives held for hedges, fair value changes of the hedged items in portfolio hedge of interest rate risk, liabilities held for sale, provisions, current income tax liabilities, deferred income tax liabilities and other liabilities.

Amounts due to customers are the principal source of funding of mBank Group. Their share in the structure of liabilities and equity of mBank Group saw a drop both on a semi-annual basis and annual basis, but is still on a high and safe level. As at the end of June 2025, amounts due to customers accounted for 80.3% of the group's total liabilities and equity as compared with 81.6% at the end of 2024 and 81.4% at the end of June 2024.

PLN M	30.06.2024	31.12.2024	30.06.2025	YtD change	YoY change
Individual customers	133,582.5	142,247.6	148,457.6	4.4%	11.1%
Corporate customers	53,020.3	57,719.9	56,329.2	-2.4%	6.2%
Public sector customers	928.4	841.4	937.2	11.4%	1.0%
<b>Total amounts due to customers</b>	<b>187,531.3</b>	<b>200,809.0</b>	<b>205,724.0</b>	<b>2.4%</b>	<b>9.7%</b>

At the end of H1 2025, amounts due to customers stood at PLN 205,724.0 million, up by PLN 4,915.0 million or 2.4% against the end of 2024 and by PLN 18,192.8 million or 9.7% year on year. The growth was mostly driven by an increase in amounts due to individual customers, both on an semi-annual basis and annual basis.

At the end of the first half of 2025, amounts due to individual clients stood at PLN 148,457.6 million, up by PLN 6,210.0 million or 4.4% against end of 2024. The key driver of the increase were inflows of funds in current accounts (up by PLN 6,568.4 million or 5.6%), while term deposits lowered by PLN 439.5 million or 1.8%. In the first half of 2025, the bank undertook proactive management of its client deposit base. On the one hand, it focused on maintaining an attractive offering in a competitive banking environment, while on the other, it optimized the cost of deposits. On an annual basis, amounts due to individual customers rose by PLN 14,875.1 million or 11.1%.

Amounts due to corporate clients stood at PLN 56,329.2 million, down by PLN 1,390.8 million or 2.4% against the end of 2024, but up by PLN 3,308.9 million or 6.2% year on year. First half of 2025 saw an outflow of funds in current accounts (down by PLN 2,708.4 million or 6.1%), which was partly offset by a larger volume of repo transactions (up by PLN 536.2 million or 57.6%) and term deposits (up by PLN 836.2 million or 7.4%). Year on year, an increase in funds in current accounts was noted (up by PLN 3,263.2 million or 8.4%) and on term deposits (up by PLN 279.4 million or 2.4%), as well as an increase in the volume of repo transactions (PLN 214.7 million or 17.1%).

Amounts due to the public sector stood at PLN 937.2 million. In H1 2025, they rose by PLN 95.8 million or 11.4%, and, compared with June 2024, by PLN 8.8 million or 1.0%.

Amounts due to other banks stood at PLN 4,692.8 million, up by PLN 1,633.4 million or 53.4% against the end of 2024. The growth was mostly generated by the increase in repo transactions with banks, while a substantial uptick in funds in term deposits maintained by other banks with mBank was also recorded (up by PLN 123.8 million or 120.0%).

Another important liabilities and equity category (4.5%) constituted liabilities from debt securities in issue. The item decreased by PLN 552.1 million or 4.6% against the end of 2024 due to the amortisation of CLN (credit linked notes) bonds issued as part of the securitisation transaction and redemption of covered bonds issued by mBank Hipoteczny. Year on year, the value of debt securities in issue rose by PLN 1,101.7 million.

Compared with the end of 2024, subordinated liabilities rose by PLN 911.3 million or 34.1% to the level of PLN 3,586.9 million. Their value was negatively affected by the repayment of subordinated bonds at maturity (PLN 750 million), and positively by the issuance of Tier 2 subordinated bonds denominated in euro in the amount of EUR 400 million.

Total equity at the end of H1 2025 increased to PLN 19,512.8 million, up by PLN 1,745.8 million or 9.8% compared with the end of 2024, driven by the increase of profit for the current year in the retained earnings. At the end of H1 2025, the share of equity in total liabilities and equity of mBank Group accounted for 7.6% against 7.2% as at the end of 2024 and 6.3% on June 30, 2024.

### **Other information**

Information on off-balance sheet items of mBank Group can be found in 27. selected explanatory information of the Condensed Interim Consolidated Financial Statements of mBank S.A. Group for the first half of 2025.

Information on transactions with related entities of mBank Group can be found in 28. selected explanatory information of the Condensed Interim Consolidated Financial Statements of mBank S.A. Group for the first half of 2025.

Information on agreements regarding credit and loan guarantees or guarantees granted of a significant amount can be found in 29. selected explanatory information of the Condensed Interim Consolidated Financial Statements of mBank S.A. Group for the first half of 2025.

As at June 30, 2025 mBank S.A. did not have any agreements referred to in Article 141t.1 of the Banking Law Act.

Information on proceedings before a court, arbitration body or public administration authority can be found in 26. selected explanatory information of the Condensed Interim Consolidated Financial Statements of mBank S.A. Group for the first half of 2025.

**Financial results of mBank Group in Q2 2025**

In Q2 2025, mBank Group generated a profit before tax of PLN 1,433.1 million, compared to PLN 989.5 million in Q1 2025. Net profit attributable to owners of mBank amounted to PLN 959.4 million compared to PLN 705.7 million in Q1 2025.

PLN M	Q1 2025	Q2 2025	Change in PLN M	Change in %
Interest income	3,626.4	3,670.4	44.0	1.2%
Interest expense	-1,187.7	-1,173.2	14.5	-1.2%
<b>Net interest income</b>	<b>2,438.7</b>	<b>2,497.2</b>	<b>58.5</b>	<b>2.4%</b>
Fee and commission income	823.4	909.2	85.7	10.4%
Fee and commission expense	-320.4	-327.0	-6.7	2.1%
<b>Net fee and commission income</b>	<b>503.1</b>	<b>582.1</b>	<b>79.1</b>	<b>15.7%</b>
<b>Core income</b>	<b>2,941.8</b>	<b>3,079.4</b>	<b>137.6</b>	<b>4.7%</b>
Dividend income	0.5	7.6	7.1	1515.6%
Net trading income	71.9	68.9	-3.0	-4.2%
Other income	20.3	12.3	-8.0	-39.5%
Other operating income	106.2	107.9	1.7	1.6%
Other operating expenses	-110.7	-78.7	32.1	-29.0%
<b>Total income</b>	<b>3,029.9</b>	<b>3,197.3</b>	<b>167.4</b>	<b>5.5%</b>
Net impairment losses and fair value change on loans and advances	-165.2	-129.6	35.6	-21.5%
Costs of legal risk related to foreign currency loans	-661.8	-543.7	118.1	-17.8%
Overhead costs and depreciation	-1,026.4	-900.1	126.3	-12.3%
Taxes on the Group balance sheet items	-187.1	-190.8	-3.7	2.0%
<b>Profit/Loss before income tax</b>	<b>989.5</b>	<b>1,433.1</b>	<b>443.6</b>	<b>44.8%</b>
Income tax expense	-283.8	-473.7	-189.9	66.9%
<b>Net profit/loss attributable to:</b>	<b>705.7</b>	<b>959.4</b>	<b>253.7</b>	<b>36.0%</b>
<b>- Owners of mBank S.A.</b>	<b>705.7</b>	<b>959.4</b>	<b>253.7</b>	<b>36.0%</b>
- Non-controlling interests	0.0	0.0	0.0	-
ROA net	1.6%	1.5%		
ROE net	15.6%	19.9%		
ROTE net	19.2%	22.3%		
Cost / Income ratio	33.9%	28.2%		
Net interest margin	4.2%	4.1%		
Common Equity Tier 1 ratio	12.9%	12.8%		
Tier 1 capital ratio	14.2%	14.0%		

Total capital ratio	15.4%	15.0%
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<sup>1</sup> Ratios recalculated taking into account the retrospective inclusion of part of net profit for the first quarter of 2025 in own funds (after PFSA approval).

The following factors affected the mBank Group's financial result in Q2 2025 compared to Q1 2025:

- **Increase in net interest income** by 2.4%, driven by higher revenues and lower interest expenses;
- **Increase in net fee and commission income** due to higher revenues from payment cards-related fees and commissions for foreign currencies exchange; in Q2, a one-off income in the amount of PLN 43.0 million was also recorded, resulting from the settlement of the existing cooperation with UNIQA, which took place as part of the extension of the strategic partnership with this company;
- **Slightly lower net trading income;**
- **Higher net other operating income and expenses** due to income from the sale of the bank's property located at Królewska Street in Warsaw, and lower provisions for future commitments;
- **Lower impairment losses and change in fair value of loans and advances** amounting to PLN 129.6 million, i.e. cost of risk at 40 basis points compared to 53 basis points in the previous quarter;
- **Lower costs of legal risks related to foreign currency loans** amounted to PLN 543.7 million compared to PLN 661.8 million in Q1;
- **Decrease in overhead costs (including depreciation)** by PLN 126.3 million, mainly due to the recognition of the annual contribution to the Resolution Fund in the amount of PLN 191.5 million in Q1 2025. Total costs excluding contributions to the BGF increased by 8.0% quarter to quarter.

In Q2 2025, capital ratios of mBank Group decreased against the end of March 2025. The Total Capital Ratio stood at 15.0% compared with 15.4% at the end of March 2025. Tier 1 Capital Ratio reached 14.0% against 14.2% at the end of March 2025. The decrease in the capital ratios was driven by an increase of the total risk exposure amount.

## 4. Risk management

### 4.1. Risk management foundations

mBank Group manages risk on the basis of regulatory requirements and best market practice by developing risk management strategies, policies and guidelines.

The risk management process is conducted at all levels of the organisational structure, starting at the levels of the Supervisory Board (including Risk Committee of the Supervisory Board) and the bank's Management Board, through specialised committees and organisational units responsible for risk identification, measurement, monitoring, control and reduction, down to each business unit.

Risk management roles and responsibilities in mBank Group are organised around **the three lines of defence scheme**:

- The first line of defence is **Business** (business units), whose task is to take risk and capital aspects into consideration when making all business decisions, within the risk appetite set for the Group;
- The second line of defence, mainly the **organisational units of the risk management area, Security, Data Protection Inspector and Compliance function**, creates framework and guidelines concerning managing individual risks, supports and supervises Business in their implementation and independently analyses and assesses the risk. The second line of defence acts independently of the Business;
- The third line of defence is **Internal Audit**, which independently assesses risk management activities performed by the first and the second line of defence.

In the communication between organisational units in the risk management area and business lines in mBank, as well as between the bank and the Group subsidiaries, an important role is played by the **Business and Risk Forum of mBank Group** which is constituted by the Retail Banking Risk Committee, Corporate and Investment Banking Risk Committee, and Financial Markets Risk Committee. The main function of these committees is to develop the principles of risk management and risk appetite in a given business line, by making decisions and issuing recommendations concerning in particular: risk policies, risk assessment processes and tools, risk limit system, assessment of the quality and profitability of the portfolio of exposures to clients, approval of introducing new products to the offer.

The management function at the strategic level and the function of control of credit, market, liquidity and operational risks and risk of models used to quantify the aforesaid risk types are performed in the risk management area supervised by the Deputy Chairman of the Management Board, Chief Risk Officer.

The Risk management strategy of mBank Group is based on three pillars:

- **We support sustainable growth** i.a. through dialogue with the Business, we indicate directions for acquisitions and expansion. Our goal is to build a diversified loan portfolio with a significant share of prospective and responsible sectors and segments. In our credit decisions, policies, expansion, and portfolio structure, we take into account the impact on the natural environment and the community in which we operate. We finance clients' needs responsibly, educate them, raising awareness of sustainable development and transparently communicate the decisions. More information regarding client financing, taking into account their transformational needs, can be found in Chapter 12. We develop solutions in dialogue with the client and with care for the good quality of loan portfolio. We actively support growth by developing tools and processes designed from the client's perspective.
- **We pursue prudent and stable risk management**, i.a. by shaping a safe and profitable balance sheet and managing risk in an integrated manner. We combine business needs, risk management principles and regulatory requirements. We maintain a stable and diversified financing structure, reducing misalignments and maintaining liquidity buffers. Thus, we ensure regulatory compliance, the safety of deposited funds and optimize the use of available capital. We monitor newly emerging risks and build the competencies of our employees in this area. We develop the ability to manage ESG and cyber risks, i.e. by continuously improving the process of our clients' assessment in terms of environmental, social, governance, and cyber risk. We respond to changes in the macroeconomic environment and assess the impact of various events on the Group's risk profile.
- **We are developing the risk management area in response to the challenges of a changing world.** Thanks to automation, digitization and efficient processes, we are ready for the growth of business scale. We are adapting liquidity risk management tools to adequately monitor and manage risks arising from the increased activity of clients using mobile applications and the growing importance of instant payments. We are developing a system of early warning indicators, including monitoring changes in the perception of the Bank and the mBank Group in mass media, including social media. We are shaping our readiness to take action if a rapid response is needed when a scenario of a dynamic

outflow of customer deposits materializes. We are also conservatively adjusting the internal liquidity risk measures in response to the most current market experience.

## **4.2. Main risks of mBank Group's business**

The Management Board of mBank takes measures to ensure that the Group manages all material risks arising from the implementation of the adopted strategy of mBank Group, in particular, through approving strategies and processes for managing material risks in the Group.

As of June 30, 2025, the following risks were recognized as material in the Group's operations: credit risk, risk of foreign currency loan portfolio (related to actual or potentials threat to the bank's results and capital, arising from foreign currency mortgage loans granted to borrowers until 2012), operational risk, market risk, business risk (including strategic risk), liquidity risk, compliance risk, reputational risk, model risk, capital risk (including the risk of excessive leverage), securitization risk and environmental risk (E, according to the horizontal materiality assessment), social risk (S) and corporate governance risk (G).

The following sections present the rules of managing credit, market, liquidity and operational risk in mBank Group.

### **Credit risk**

The bank organises credit risk management processes in line with the principles and requirements set out in the resolutions and recommendations of the Polish Financial Supervision Authority (PFSA) (in particular Recommendation S, T and C), EBA's Guidelines on loan origination and monitoring and CRR/CRDIV, which address issues related to credit risk management.

#### Tools and measures

Credit risk inherent in financing of mBank Group clients is assessed based on shared statistical models developed for the AIRB (Advanced Internal Rating-Based) approach and uniform tools, and is based on common definitions of terms and parameters used in the credit risk management and rating process. The bank ensures their cohesion at the Group level.

The Group uses different models for particular client segments. The rules governing clear assignment of clients to a system are defined in the bank and the Group subsidiaries internal regulations.

In their credit risk management process, the bank and the Group subsidiaries use the core risk measures defined under the AIRB approach:

- PD – Probability of Default (%);
- LGD (Loss Given Default) – estimated relative loss in case of default (%);
- EAD (Exposure at Default) – estimated exposure at the time of default (amount);
- EL – Expected Loss taking into account the probability of default (amount);

and related measures including:

- RD (Risk Density) – relative expected loss defined as EL to EAD (%);
- LAD (Loss at Default) – estimated loss (amount) in case of default (the product of EAD and LGD).

In the decision-making process, for reporting and communication with business units, PD and EL are expressed in the language of rating classes whose definitions (Masterscale) are uniform across Commerzbank Group.

In its credit risk management process, the bank also attaches great importance to the assessment of unexpected loss. For this purpose, the bank uses the RWA (Risk Weighted Assets) measure, which is applied, under the AIRB approach, to calculate regulatory capital required to cover credit risk (unexpected loss).

In managing mortgage-secured credit exposures the Group uses the LtV ratio (Loan to Value), i.e. the value of the loan to the market value of the real estate which secures the loan.

Stress testing is an additional tool of credit risk assessment. Stress testing of the regulatory capital and economic capital required to cover credit risk is carried out quarterly.

In addition to the tools listed above, which are applied both in the corporate and in the retail credit risk measurement, the Group uses tools specific to these areas.

**For corporate credit risk** the Group defines maximum exposure to a client/group of related clients using the following credit risk mitigating measures:

- MBPZO (Maximum Safe Level of Overall Exposure) defining the level of financial indebtedness of an entity with financial institutions within 1 year, calculated on the basis of the methodology used by bank, approved by the competent decision-making authority of bank;
- BC (Borrowing Capacity), which defines the level of financial exposure per client acceptable from bank's point of view in bank or Group and in other banks and financing entities, calculated on the basis of the methodology used by bank;
- LG (General Limit), defining the acceptable level of financial exposure bearing credit risk per client/group of affiliates. LG is accepted by the competent decision-making authority of bank.

In order to minimise credit risk, the Group uses a broad range of collateral for credit products, which also enable active management of the capital requirement. In the assessment of the quality of collaterals for risk products, mBank and mLeasing use the MRV ratio (Most Realistic Value) reflecting the pessimistic variant of debt recovery from the collateral through forced sale.

The level of profitability from relations with clients is taken into account in credit decision process, so that the planned level of profitability covers at least the estimated amounts of the expected loss on bank customer involvement.

**Retail credit risk** measures are constructed to reflect the characteristics of this customer segment and, in the case of portfolio measures, the high granularity of the loan portfolio:

- DtI (Debt-to-Income) - i.e. monthly credit payments to the net income of a household (used for non-mortgage loans, individual customers);
- DStI (Debt-Service-to-Income) – the ratio of actual yearly credit charges and other financial burdens to the applicant's yearly net income (ratio used only for mortgage loans, individual customers);
- DPD (Days-Past-Due) - a family of portfolio risk measures based on the number of days past due date (e.g. share of contracts which are from 31 to 90 days past due date in the total portfolio by number or by value);
- Vintage ratios, which present the quality of cohorts of loans grouped by disbursement time at a different phase of their lifetime;
- CoR (Cost of risk) - cost of risk for a loan portfolio (segment), i.e. ratio of credit provisions result (or changes in valuation of contracts based on fair value approach) to the exposure;
- Roll-rates, which measure the migration of contracts between days-past-due brackets (1-30, 31-60, 61-90 DPD, etc.).

### Strategy

#### *Corporate and Investment Banking*

In accordance with the Corporate Credit Risk Management Strategy in mBank Group, the main goal in this area is defining a safe level of risk appetite in sales of risk-bearing products to the Group clients and use synergies by integrating the offer of the bank and Group subsidiaries. The Corporate Credit Risk Management Strategy takes into account the statements of the mBank Group Strategy for 2021-25, which determines the most important areas of development in the coming years, including:

- The first-choice bank for e-commerce market participants,
- Best digital corporate banking for high-potential companies,
- Technology, security and data as a source of competitive advantage,
- Distinctive employees and organizational culture, where cooperation is based on trust and positive intentions.

The Corporate Risk Management Strategy is realised by credit risk policies, limits reducing the risk and the principles of risk assessment of business entities applying for financing. The bank manages credit risk both at the single entity level and the consolidated level.

The Group actively manages credit risk aiming to optimise profitability taking into account the cost of risk. mBank focuses on increasing exposure to clients with low or medium PD-rating (stable financial condition)



and low or medium level of risk concentration. In its current credit risk management, including concentration risk, the bank performs quarterly portfolio analyses using a Steering Matrix which incorporates PD rating and LAD. The Group strives to avoid concentration in industries and sectors where credit risk is considered excessively high. The bank uses internally defined industry limits for day-to-day management of the sector concentration risk.

The bank monitors credit portfolio on a quarterly basis including an analysis of the dynamics of change in size and (sector) segmentation of the credit portfolio, client risk (analysis of PD rating), quality of collateral against credit exposures, the scale of change in EL, Risk Density, and default exposures.

Developing its lending activities, the Group considers environmental, social and corporate governance impacts and incorporates ESG considerations into its credit risk processes and policies. Given the increasing importance of environmental change, bank places particular emphasis on the assessment of climate risks, including in particular the level of greenhouse gas emissions and their reduction potential. As a part of its strategic commitment to sustainability, the bank has joined the Science-Based Targets initiative (SBTi), through which it has established targets for decarbonizing its loan portfolio and reducing its carbon footprint. The Group places equal importance on social issues and corporate governance. At the same time, bank intensifies the optimization, automation and digitization of credit processes.

In compliance with the Recommendation S of the Polish Financial Supervision Authority (PFSA), the bank has identified a mortgage-secured credit exposure portfolio in retail and corporate banking and applies the Mortgage-Secured Credit Exposure Risk Management Policy. The bank manages the mortgage-secured credit exposure portfolio risk with a focus on defining an optimised portfolio structure in terms of quality (rating), currencies, country regions, tenors, and types of properties.

mBank offers innovative investment products as part of a new integrated platform that ensures appropriate product selection and efficient use of capital.

#### *Retail Banking*

Lending in retail banking is a key segment of the Group's business model, both in terms of the share in total assets and the contribution to its profits.

As credit exposures are highly granular (c.a. 2 million active loans), the retail banking credit risk management process is based on a portfolio approach. This is reflected in the statistical profile of risk rating models including the models which fulfil the regulatory requirements of the Advanced Internal Ratings-Based approach (AIRB). The AIRB parameters (PD, LGD and EL) are used widely in order to estimate credit requirements, to determine acceptance criteria and terms of transactions, and to report risks.

Furthermore, the Retail Banking credit risk management has the following characteristics:

- high standardisation and automation of the credit process, including decision-making, both in acquisition, post-sale services, and debt collection;
- little (as compared to Corporate Banking) discretionary competences in the decision-making process (e.g. no discretionary adjustment of clients' ratings);
- extensive risk reporting system based on portfolio analysis of credit exposure quality, including vintage analysis and roll-rates analysis.

The main point of reference in the retail banking credit risk management process is risk appetite defined in correlation with the strategy of mBank Group. The general principle underlying the lending strategy of the Group in terms of sales of retail loans is to address the offer to clients who have an established relationship with the bank or to address it to new clients for whom the loan is a product initiating a long-term relationship of highly transactional nature. Thereby, the bank continues to focus its non-mortgage loans policies on lending to existing clients with a high creditworthiness. To reduce risks associated with new clients, the bank develops its credit policy using, among others, credit testing and is actively developing its fraud prevention system.

The new acquisition in mortgage loans segment focuses on products which may be financed with issue of mortgage bonds. Those exposures will then be transferred to mBank Hipoteczny in the pooling process to enable the issue of mortgage bonds. In the mortgage segment, mBank focuses on meeting the credit needs of the existing population of active internal customers. The mortgage loan consolidates the relationship with the existing customer and is not used to attract external customers. mBank mainly sells products may be the basis for the issue of covered bonds. The conservative policy of assessing borrowers' reliability and creditworthiness is applied taking into account, i.a. long-term interest rate estimates (considering buffers resulting from supervisory regulations).

In order to mitigate the risk associated with a decrease in the value of mortgage collateral in relation to the value of credit exposure, the Group's credit offer is (and will be) directed mainly to clients who buy standard properties within large urban areas.

#### Quality of mBank Group loan portfolio

As of June 30, 2025, the share of impaired exposures in the total (gross) amount of loans and advances granted to clients (NPL) decreased to 3.5% from 4.1% at the end of December 2024. The change of the indicator applies to both retail and corporate business lines and results from effective management of debt collection processes.

In accordance with the EBA guidelines on management of non-performing and forborne exposures, which came into force from June 30, 2019, 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%. As of June 30, 2025, the NPLREG ratio (ratio calculated according to EBA guidelines) was at 3.0%.

Provisions (defined as credit risk costs for loans and advances to customers, i.e. provisions for loans and advances at amortised cost and fair value change of loans and advances mandatorily at fair value through profit or loss) decreased from PLN 3,636.6 million at the end of December 2024 to PLN 3,574.0 million at the end of June 2025.

Coverage ratios of non-performing loans and advances (coverage ratio and coverage ratio including provisions for performing loans) increased in the analysed period respectively from 51.1% and 71.4% in December 2024 to 52.3% and 74.4% in June 2025.

The manner of identifying evidence of default is based on all available credit data of a given client and encompasses all of the client's liabilities towards the bank.

The table below presents the quality of mBank Group loan portfolio as at the end of December 2024 and as at the end of June 2025.

Loans and advances to clients 30.06.2025 (PLN ('000))	At amortised cost	At fair value	Loans and advances, total
Gross carrying amount	136,192,073	560,897	136,752,970
Non-performing loans and advances	4,721,761	79,642	4,801,403
Non-performing loans ratio (NPL)	3.5%	14.2%	3.5%
Provisions for non-performing loans	-2,467,056	-46,212	-2,513,268
Provisions for performing loans	-1,040,964	-19,749	-1,060,713
Coverage ratio	52.2%	58.0%	52.3%
Coverage ratio, including provisions for performing loans	74.3%	82.8%	74.4%

Loans and advances to clients 31.12.2024 (PLN ('000))	At amortised cost	At fair value	Loans and advances, total
Gross carrying amount	124,455,194	601,175	125,056,369
Non-performing loans and advances	5,003,849	89,172	5,093,021
Non-performing loans ratio (NPL)	4.0%	14.8%	4.1%
Provisions for non-performing loans	-2,550,402	-51,544	-2,601,946
Provisions for performing loans	-1,016,016	-18,687	-1,034,703
Coverage ratio	51.0%	57.8%	51.1%
Coverage ratio, including provisions for performing loans	71.3%	78.8%	71.4%

**Non-performing loans and advances** - loans and advances at amortised cost with impairment (stage 3 and POCI) and loans and advances mandatorily at fair value through profit or loss in default

**NPL ratio** - loans and advances at amortised cost with impairment (stage 3 and POCI) and loans and advances mandatorily at fair value through profit or loss in default in the whole portfolio

**Provisions for non-performing loans** - provisions for loans and advances at amortised cost with impairment (stage 3 and POCI) and fair value change of loans and advances mandatorily at fair value through profit or loss in default

**Provisions for performing loans** - provisions for loans and advances at amortised cost without impairment (stages 1 and 2) and fair value change of non-default loans and advances mandatorily at fair value through profit or loss

**Coverage ratio** - coverage ratio of loans and advances related to the portfolio in default.

## Market risk

In the process of organisation of the market risk management, the bank follows requirements resulting from the law and supervisory recommendations, in particular the PFSA Recommendations (among others A, C, G and I) and the EBA guidelines, concerning market risk management.

### Tools and measures

In its operations, the bank is exposed to market risk, which is defined as a risk resulting from unfavorable change of the current valuation of financial instruments in the Group's portfolios due to changes of the market risk factors, in particular:

- interest rates (IR);
- foreign exchange rates (FX);
- stock share prices and indices;
- implied volatilities of relevant options;
- credit spreads (CS) to the extent reflecting market fluctuations of debt instruments prices.

In terms of the banking book, the bank distinguishes the interest rate risk, which defines as the risk of an adverse change in both the current valuation of the banking book position and the net interest income as a result of changes in interest rates.

For the purpose of internal management, the bank quantifies exposure to market risk, both for banking and trading book, by measuring:

- the Value at Risk (VaR);
- expected loss under condition that this loss exceeds Value at Risk (ES - Expected Shortfall);
- the Value at Risk in stressed conditions (Stressed VaR);
- economic capital to cover market risk;
- stress tests scenario values;
- portfolio sensitivities to changes of market prices or market parameters (IR BPV - Interest Rate Basis Point Value, CS BPV - Credit Spread Basis Point Value).

For the banking book, the bank also uses the following measures:

- sensitivity of the economic value of capital (delta EVE);
- sensitivity of net interest income (delta NII);
- sensitivity of net interest income (delta NII) including change in fair value (delta FV) (EaR - Earnings at risk);
- sensitivity of Economic Value of Equity to credit spread (CS EVE);
- sensitivity of Net Interest Income to credit spread (CS delta NII - Credit Spread delta NII);
- sensitivity of net interest income sensitive to credit spread (delta CS NII) including change in fair value of instruments sensitive to credit spread (CS EaR - Credit Spread Earnings at Risk);
- repricing gap.

### Strategy

The implementation of market risk management strategy involves managing the bank's positions in a way enabling to maintain market risk profile within the risk appetite defined by the bank.

The bank is focused on meeting customers' business needs, while reducing trade in derivatives, as well as applying the principle of lack of commodity open positions.

The bank stabilises interest income using long-term fixed-rate assets and derivatives and assuming - for equity capital and current accounts - the maximum modelled maturity of 10 years.

The main principle stipulates separation between the market risk monitoring and control functions and the functions related to opening and maintaining open market risk positions. In addition, the bank applies the rule of organisational separation between managing banking book and trading book positions.

## Market risk measurement

The mBank's positions constitute the main source of market risk for the mBank Group.

### Value at risk

In H1 2025, the market risk exposure, as measured by the Value at Risk (VaR for a 1-day holding period, at 97.5% confidence level), remained at a moderate level in relation to the established VaR limits.

The table below presents VaR and Stressed VaR for the Group's and mBank's portfolios (including modelling of equity capital and current accounts):

PLN ('000)	H1 2025				2024			
	mBank Group		mBank		mBank Group		mBank	
	30.06.2025	Mean	30.06.2025	Mean	31.12.2024	Mean	31.12.2024	Mean
VaR IR	29,136	27,090	27,500	26,079	30,871	19,761	30,129	19,081
VaR FX	431	1,477	409	1,487	2,053	1,259	2,150	1,260
VaR CS	74,805	62,662	73,779	61,841	56,292	49,526	55,456	48,838
<b>VaR</b>	<b>55,301</b>	<b>50,448</b>	<b>55,800</b>	<b>50,153</b>	<b>44,254</b>	<b>40,446</b>	<b>42,215</b>	<b>40,124</b>
<b>Stressed VaR</b>	<b>208,663</b>	<b>182,266</b>	<b>203,909</b>	<b>179,151</b>	<b>171,484</b>	<b>121,812</b>	<b>167,993</b>	<b>119,120</b>

*VaR IR – interest rate risk (without separate credit spread)*

*VaR FX – FX risk*

*VaR CS – credit spread risk*

The Value at Risk in normal (VaR) and stressed conditions (Stressed VaR) were largely influenced by the portfolios of instruments sensitive to the separate credit spread - mainly the portfolios of the Treasury bonds (in the banking and trading books). The decrease in VaR and Stressed VaR resulted from the increased volume of the debt securities portfolio.

### Sensitivities measures

The table presents the values of IR BPV and CS BPV (+1 b.p.) for the Group's and mBank's portfolios, broken down into the banking and trading books (including modelling of equity capital and current accounts):

PLN ('000)	IR BPV				CS BPV			
	mBank Group		mBank		mBank Group		mBank	
	30.06.2025	31.12.2024	30.06.2025	31.12.2024	30.06.2025	31.12.2024	30.06.2025	31.12.2024
Banking book	-3,110	-3,206	-2,947	-3,110	-13,866	-10,730	-13,702	-10,596
Trading book	-175	-296	-175	-296	-690	-536	-690	-536
<b>Total</b>	<b>-3,285</b>	<b>-3,502</b>	<b>-3,122</b>	<b>-3,406</b>	<b>-14,556</b>	<b>-11,266</b>	<b>-14,392</b>	<b>-11,132</b>

The credit spread sensitivity (CS BPV) for the mBank's banking book increased in H1 2025 due to the growth of the bond portfolio and results mainly from the positions in debt securities valued at amortised cost. Changes in market price have no impact on the revaluation reserve or the income statement for these positions. Change of the interest rate sensitivity (IR BPV) resulted mainly from increased investments in long-term fixed rate bonds and derivatives hedging economic value of equity and interest income.

### Interest rate risk of the banking book

The sensitivity of net interest income is calculated and monitored in the bank's base scenario assuming a normal situation and in more than 22 defined stress-test scenarios.

The table below presents the sensitivity of the net interest income within 12 months horizon, assuming a 100 bps change of market interest rates (parallel shift of the curves for all currencies with floor on product level in decreasing interest rates scenario) and based on a stable portfolio over the period.

PLN ('000)	Δ NII*	
	30.06.2025	31.12.2024
Sudden parallel up by 100 bp	570,795	452,024
Sudden parallel down by 100 bp	-663,085	-577,735

\* The measure calculated at mBank level. More information on delta NII is included in the Condensed Consolidated Financial Statements for 2023.

Increase in delta NII in H1 2025 results from increasing volume of assets sensitive to interest rates. Besides that, the bank resumed the strategy of interest income stabilization in the response to executed and anticipated cuts in interest rate levels in the long term perspective, including extending the duration of the bond portfolio. Additionally, the bank continued to hold a significant amount of short-term floating-rate assets, which are sensitive to changes in interest rates and thus contribute to delta NII, funded with liabilities that are insensitive, e.g. current accounts bearing no interest (statutory floor level at 0%). The remaining changes are due to an increase in total assets.

Moreover, the bank calculates and monitors the regulatory measures on sensitivity of net interest income and economic value of equity for supervisory outlier test. For the period under review, the bank's sensitivity remained below the supervisory thresholds.

### Liquidity risk

mBank organises liquidity risk management processes in line with the requirements resulting from the law and supervisory recommendations in particular the PFSA Recommendations (among others P, C, H and S) as well as EBA guidelines concerning liquidity risk management.

### mBank Group liquidity position

The liquidity position of mBank Group in the first half of 2025 was at a safe and high level, which was reflected in the high value of available liquidity buffers, reflected in high levels of liquidity measures, well above the minimum regulatory levels. mBank continued to operate in an environment of high interest rates. In May 2025, the Monetary Policy Council lowered the NBP reference rate by 50 basis points to 5.25%. The lower reference rate translated into the prices offered to clients for their deposits. In the first half of 2025, despite the increase of loan dynamic, the dynamic growth of the retail deposit base had a direct impact on maintaining a stable liquidity position.

### Tools and measures

In its operations, mBank is exposed to liquidity risk, i.e. the risk of losing its ability to honor its payment obligations, arising from the bank's balance-sheet and off-balance-sheet positions, on terms favorable to the bank and at a reasonable price.

The bank has defined a set of liquidity risk measures and a system of limits, buffers and warning thresholds which protect the bank's liquidity in the event of unfavorable internal or external conditions. Independent measurement, monitoring and controlling of liquidity risk is performed daily by the Balance Risk Management Department.

The main measures used in liquidity risk management of the bank include internal measures based on liquidity gap calculation in various scenarios in LAB methodology as well as the regulatory measures i.e. LCR and NSFR.

LAB liquidity scenarios reflect the projected future cash flow gap of assets, liabilities and off-balance-sheet commitments of the bank, which represent potential risk of being unable to meet liabilities within a specific time horizon and under a certain scenario.

The methodology for measuring the liquidity gap (LAB) includes normal conditions scenario (LAB Base Case) and stress scenarios (short-term, long-term and combined). Stress scenarios are limited. Moreover, the bank has a process of reporting and monitoring of intraday liquidity position including crisis scenario for intraday liquidity. The reverse stress scenario is the complement of the liquidity stress testing system.

In order to support the process of liquidity risk management, the bank has a system of early warning indicators (EWI) and recovery indicators. Breach of thresholds by defined indicators may be a trigger for the launch of the Contingency Plan or the Recovery Plan for mBank Group.

LCR calculation and reporting is carried out in accordance with the Delegated Commission Regulation (EU) 2015/61 of October 10, 2014 with further changes. With the respect of NSFR, the bank reports to the NBP according to 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.

### Strategy

The liquidity strategy is pursued by active management of the balance sheet structure and future cash flows as well as maintenance of liquidity reserves adequate to liquidity needs depending on the activity of the bank and the current market situation as well as funding needs of the Group subsidiaries. The bank manages liquidity risk at two levels: strategic (the bank's Management Board, committees of the bank) and operational (the Treasury and Investor Relations Area, Financial Markets Settlement and Services Department, subsidiaries of the bank).

Liquidity risk limiting covers supervisory (LCR and NSFR) and internal measures. The liquidity risk internal limit system is based mainly on defining acceptable level of gaps in stress conditions in specific time horizons and for different liquidity risk profiles. The bank limits also the volume of foreign currency funding of mBank with FX swaps and CIRS and monitors concentration in FX transactions maturing within 12 months. The structure of these limits reflects the bank's preferences for funding structure in those currencies.

The bank has a centralised approach to the Group's funding management. The subsidiaries are financed by mBank through the Treasury Department. Additionally, mBank Hipoteczny raises funding in the market by issuance of covered bonds and short-term debt securities and mLeasing raises funding by issuance of short-term debt securities.

The Financing Strategy is based on the following assumptions:

- Diversifying sources and timing of financing,
- Maintaining safe regulatory levels and internal liquidity measures,
- Stable increase in transaction deposits,
- Incurring liabilities eligible for the MREL indicator or ensuring the implementation of the ESG strategy e.g. by issuing green bonds,
- Maintaining the issuing capacity of mBank Hipoteczny, but with the bank's greater involvement in financing the subsidiary by purchasing its covered bonds,
- Increasing financial independence from the majority shareholder.

The bank has the Contingency Plan in case of a threat of losing financial liquidity, which sets the strategy, division of roles and procedures to be implemented in the event of a situation connected with the risk of losing liquidity by mBank Group and aimed at neutralising this threat. The Contingency Plan is tested annually.

### Measuring liquidity risk at the consolidated and individual level

The liquidity of mBank remained at a safe, high level in 2025, as reflected in the high surplus of liquid assets over short-term liabilities in the LAB liquidity gap and in the levels of regulatory measures.

The Group's liquidity risk measurement includes in addition mBank Hipoteczny and mLeasing. mBank monitors liquidity risk of the subsidiaries to protect liquidity also at the Group level in the event of adverse events (crises).

Liquidity measures, both internal and regulatory, throughout the entire reporting period were definitely above the current structure of limits.



The table below presents the LAB gaps for tenors up to 1M and 1Y and the regulatory measures LCR and NSFR at the end of June 2025 at mBank and mBank Group level:

	30.06.2025	30.06.2025
Measure <sup>1</sup>	mBank	mBank Group
<b>LAB Base Case 1M</b>	49,409	51,773
<b>LAB Base Case 1Y</b>	38,703	41,445
<b>LCR</b>	222%	231%
<b>NSFR</b>	154%	161%

<sup>1</sup> LAB measures are shown in PLN million; LCR and NSFR are relative measures presented as a decimal.

## Operational risk

mBank organises the operational risk management process taking into account the rules and requirements set out in external regulations, in particular in the Recommendations M, H and D of the Polish Financial Supervision Authority (PFSA), CRR Regulation and Regulation of the Minister of Development and Finance (on the risk management system and internal control system and the remuneration policy at banks), which constitute the starting point for the framework of the control system and operational risk management in mBank Group.

### Tools and processes

Due to the dynamics of changes in factors affecting operational risk, the key elements of the risk management process are: identification, assessment, control and monitoring, counteracting the materialisation of operational risk and risk reporting.

In order to effectively manage operational risk, the bank uses quantitative and qualitative methods and tools that aim at reason-oriented management of this risk. The bank performs them in conjunction with the control function, which is an element of the internal control system.

In accordance with the requirements of Recommendation M, the bank has a process of identifying threats related to operational risk for all significant areas of the bank's operations and risk analysis in the process of creating new and modifying existing products, changing of processes and systems, as well as for changing the organizational structure.

The operational risk management process is carried out on the basis of a group of tools, including:

- Self-Assessment of Operational Risk, which is performed by organizational units of the bank and the Group companies. The purpose of this process is to ensure the risk identification and assessment and taking adequate risk mitigation measures. In addition, the Self-assessment supports the process of introducing changes and improving control processes. The end result of the Self-Assessment is the assessment of processes, sub-processes and key operational risks as well as the creation of the corrective action plans.
- The Register of Operating Losses is a database of losses resulting from operational events that arise, which are recorded with the focus on the cause of their occurrence. The analysis of recorded data takes place in the Non-Financial Risk Management Department and in organizational units. This approach enables organizational units to analyse their risk profile on an ongoing basis. mBank also uses access to external databases on operational losses and uses them to analyse operational risk and potential threats to which institutions operating in the financial sector are exposed.
- The key risk indicators (KRI) support the ongoing monitoring of risk. The process makes it possible to predict in advance the occurrence of an increased level of operational risk and to react appropriately by organizational units in order to avoid the occurrence of operational events and losses. KRI thanks to the system of warning and alarm thresholds, allow to determine the level of risk tolerance.
- Operational risk scenarios that analyse the risks associated with the occurrence of rare but potentially very severe operational risk events.
- Assessment of operational risk of products before the implementation of a new or modified product offer and analysis of the impact of the outsourcing agreement on the operational risk profile.



Strategy

The organisation of the operational risk control and management system is aimed at enabling effective control and management of this risk at every level of the bank’s organisational hierarchy. The structure of operational risk control and management covers in particular the role of the Supervisory Board and its Committees, Management Board of the bank, the Business and Risk Forum, the Chief Risk Officer, the Non-Financial Risk Management Department and the tasks assigned to persons managing operational risk in particular organisational units and business areas of the bank across all lines of defence. The central operational risk control function focuses on:

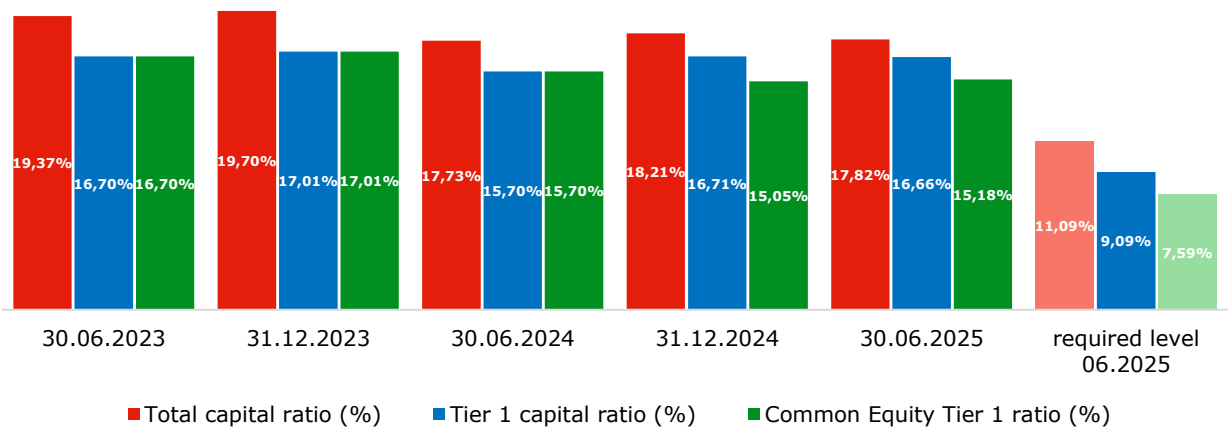
- preparation and coordination of the operational risk control and management process in the bank,
- development of tools,
- raising awareness in the bank about operational risk and the control function,
- reporting the operational risk profile.

Whereas operational risk management takes place in every organisational unit of the bank and in every subsidiary of mBank Group. It consists in identifying, evaluation and monitoring operational risk and taking actions aimed to avoid, mitigate or transfer operational risk. The operational risk management process is supervised by the Supervisory Board of the bank through its Risk Committee.

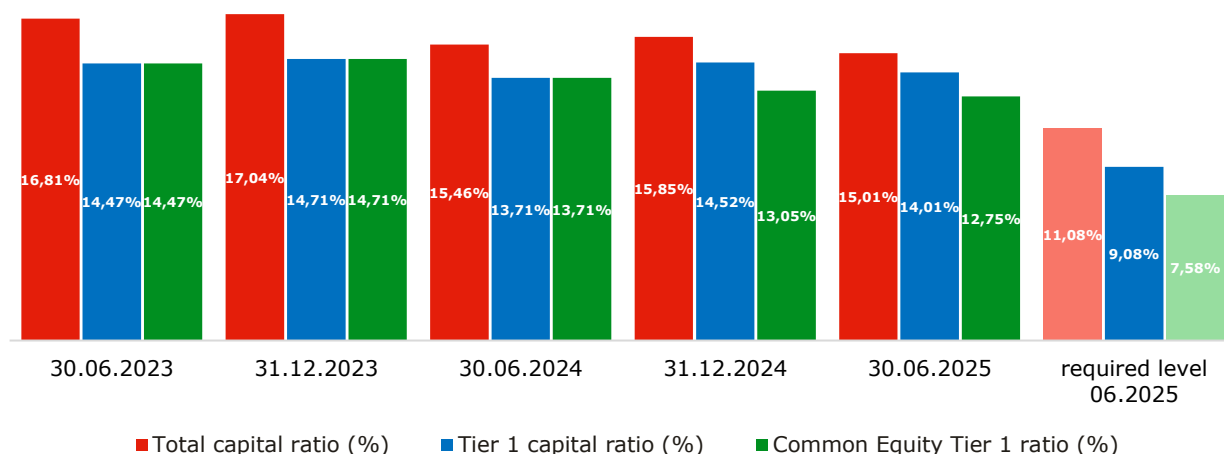
**4.3. Capital adequacy**

One of the bank's main tasks is to ensure an adequate level of capital. As part of the capital management policy, the bank creates a framework and guidelines for the most effective planning and use of the capital base. The strategic goals of mBank and mBank Group are aimed at maintaining the total capital ratio as well as the Common Equity Tier 1 capital ratio above the levels required by the supervision authority. This allows to maintain business development while meeting the supervisory requirements in the long perspective.

**Capital adequacy of mBank**



### Capital adequacy of mBank Group



In the first half of 2025, risk-weighted assets increased by PLN 16.8 billion (approximately 5.9%). The majority of the impact was related to credit risk and resulted from the business development. The implementation of CRR3 regulations also had a significant effect on the increase in RWA, particularly in the area of operational risk.

Additionally, the Bank remains in the decision-making process with supervisory authorities regarding significant changes in credit risk assessment and the resulting impact on risk-weighted assets. The implementation timeline and the scale of the impact largely depend on the decisions of the supervisory institutions.

The Group's capital ratios in the first half of 2025 were mainly influenced by taking into account the net result in the calculation of own funds for the fourth quarter of 2024 (after approval of the 2024 financial statements by the General Meeting of Shareholders) and the first quarter of 2025 (after obtaining the consent of the Polish Financial Supervision Authority).

mBank Group is obligated to maintain own funds on the level exceeding regulatory and supervisory requirements. Consequently the level of the required capital ratios encompasses:

- the basic requirement resulting from CRR provisions to maintain the total capital ratio of 8% and the Tier 1 ratio of 6%;
- the combined buffer requirement of additional 3.08% (on consolidated basis), which consists of:
  - the capital conservation buffer (2.5%);
  - the other systemically important institution's buffer (0.5%) - according to the PFSA decision, in 2016 mBank had been identified as other systemically important institution (O-SII) subject to a capital buffer;
  - systemic risk buffer (0.00%) - in accordance with the Regulation of the Minister of Finance, which has been in force since 19 March 2020;
  - countercyclical capital buffer (0.08%) - resulting mainly from the involvement in the Czech Republic and Slovakia.

On individual basis the value of the combined buffer requirement is 3.09%.

Capital ratios, both on consolidated and individual basis, were above the values. With a considerable surplus of own funds mBank Group comfortably meets the additional own funds requirement and the combined buffer requirement.

The consolidated leverage ratio calculated in accordance with the provisions of the CRR Regulation and the Commission Delegated Regulation (EU) 2015/62 of October 10, 2014, amending Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to the leverage ratio, amounted to 6.0%. The stand-alone leverage ratio amounted to 6.8%.

More details on capital adequacy of mBank Group in the first half of 2025 can be found in the Disclosures regarding capital adequacy of mBank S.A. Group as at June 30, 2025.

## **5. Statements of the Management Board**

### **True and fair picture in the presented reports**

The Management Board of mBank S.A. declares that according to their best knowledge:

Condensed Consolidated Financial Statements for the first half of 2025 and the comparative figures were prepared in compliance with the binding accounting principles and present a true, fair and clear picture of the financial position and the condition of the assets of mBank S.A. Group as well as its financial performance;

Management Board Report on the Performance of mBank S.A. Group in H1 2025 presents a true picture of the developments, achievements, and situation of the mBank S.A. Group, including a description of the main risks and threats.

### **Appointment of the auditor**

The Auditor authorised to audit financial statements and performing the review of the Condensed Consolidated Financial Statements of mBank S.A. Group for the first half of 2025 and Condensed Stand-alone Financial Statements of mBank S.A. for the first half of 2025 – KPMG Audyt spółka z ograniczoną odpowiedzialnością spółka komandytowa - was appointed in compliance with legal regulations. The audit company and its auditors fulfilled the conditions necessary for issue of a review report of these financial statements, in compliance with respective provisions of Polish law and professional standards.