

Warsaw, 26th February 2019

Report on the activities of the Executive and Nominations Committee of the Supervisory Board of mBank S.A. in 2018

Pursuant to the applicable By-laws of mBank S.A. (§ 22 point 3.1) and the Rules of the Supervisory Board (§ 12 point 3.1) the composition of the Executive and Nominations Committee was in 2018 as follows:

- Chairman	Maciej Leśny
- Member	Stephan Engels
- Member	Dr Andre Carls
- Member	Teresa Mokrysz

The activities undertaken by the Executive and Nominations Committee are aimed at streamlining the functions of the Supervisory Board. The main tasks of the Executive and Nominations Committee include:

- a) to exercise regular supervision of the operations of the Bank between meetings of the Supervisory Board;
- b) authorizing the Board of Management to acquire, encumber, and sell real estate, a perpetual usufruct or part of real estate and stock and participatory shares in companies as well as other fixed assets, if the value of the said transactions exceeds 1% of the Bank's own funds as defined in § 33 of the By-laws of mBank S.A., as per December 31 of the preceding year. Such authorization is not required if such acquisition results from execution, bankruptcy, or negotiation procedures, or other settlements with the Bank's debtors, or in the case of sale of assets so acquired. In the case of such acquisitions, resulting from execution, bankruptcy, or negotiation procedures, or other settlements with the Bank's debtors, or in the case of sale of assets so acquired, the Board of Management is obliged to inform the Executive and Nomination Committee of any such activity;
- c) performing the initial recruitment process of candidates for Members of the Management Board and the Supervisory Board of the Bank,

and since 6th December 2018 additionally:

- d) defining the scope of duties for a candidate for the Management Board and Supervisory Board and requirements for knowledge and expertise, as well as assessing the expected time commitment necessary to perform the function,
- e) setting diversity objectives for a gender largely underrepresented in the Management Board and Supervisory Board and developing a diversity policy for the composition of the Management Board and Supervisory Board aiming to achieve said diversity objectives,
- f) performing periodic re-assessment of the structure, size, composition and effectiveness of the Management Board and its activities at least annually, as well as recommending changes thereto to the Supervisory Board,

- g) performing periodic re-assessment of the criteria for suitability set out in the Suitability Policy of mBank, and reporting on results of the assessment to the Management Board,
- h) performing periodic reviews of the Suitability Policy and providing recommendations on the matter to the Management Board.

Pursuant to its powers, defined in § 22 point 3.1 of the By-laws of mBank S.A., the Executive and Nominations Committee exercised regular supervision over the operations of the Bank in the periods between the Supervisory Board meetings.

In the past reporting period, the Executive and Nomination Committee adopted the following decisions:

- Approval of the annual report of the Executive Committee for 2017
- Recommendation of the candidates for Members of the Management Board of mBank S.A.
- Recommendation of the candidate for Member of the Supervisory Board of mBank S.A
- Acceptance of the "Policy on the assessment of qualifications (suitability) of members of the supervisory body, management body and key functions holders in mBank S.A."
- Acceptance of the Rules of the Executive and Nomination Committee of the Supervisory Board of mBank S.A.

In the past reporting period, the Executive and Nominations Committee was in regular and continuous contact with the Management Board of the Bank and was kept informed about the situation at mBank S.A. on an ongoing basis.

This report is submitted pursuant to § 22 point 5 of the By-laws of mBank S.A., and the Code of Best Practices for WSE listed Companies 2016 - Rule II.Z.10.

Maciej Leśny
Chairman of the Executive and Nominations Committee
Chairman of the Supervisory Board