

**Disclosure Policy  
of mBank Hipoteczny S.A.**

**Warsaw, September 2015**

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## Chapter 1 General Provisions

### § 1

#### 1. mBank Hipoteczny S.A.

- 1) following the principle of transparency,
- 2) executing the guidelines specified in § 31 Chapter 6 of the Corporate Governance Principles for supervised institutions of the Polish Financial Supervision Authority adopted by mBank Hipoteczny S.A. by Resolution No 247/2014 of Management Board of mBank Hipoteczny S.A. dated December 16, 2014,
- 3) executing the recommendation relating to disclosing additional information on operational risk indicated in the M Recommendation of the Polish Financial Supervision Authority concerning operational risk management at banks, hereinafter referred to as the 'M Recommendation'

has decided to disclose information resulting from Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 as amended (Capital Requirements Regulation), hereinafter referred to as the "CRR Regulation", as well as to delegated regulations supplementing the CRR Regulation on an individual principle, starting with disclosing information for 2015, despite the lack of such an obligation does not apply according to the CRR Regulation.

2. The disclosure of information resulting from the CRR Regulation, until 2014 took place on the consolidated level of the mBank Group.
3. Due to the fact that the Bank is a subsidiary of mBank S.A., the information relating to capital adequacy of the Bank is also provided in the document of disclosures of the mBank Group available on the website of mBank S.A.: [www.mbank.pl/o-nas/o-mbanku/adekwatnosc-kapitalowa](http://www.mbank.pl/o-nas/o-mbanku/adekwatnosc-kapitalowa).

### § 2

This Disclosure Policy hereinafter referred to as the ('Policy') contains the following areas, described in particular parts of this document:

- 1) the scope of disclosures made,
- 2) the limitations of disclosures,
- 3) principles for verifying and approving the information,
- 4) frequency and deadlines of publishing the information,
- 5) place and form of publishing disclosures,
- 6) principles for approving the disclosure policy.

## **Chapter 2 The scope of public disclosures**

### **§ 3**

The bank discloses information on an individual principle pursuant to the provisions of the CRR Regulation and the M Recommendation, in particular relating to:

- 1) own funds,
- 2) compliance with capital requirements,
- 3) credit risk mitigations techniques used,
- 4) capital buffers,
- 5) leverage ratio,
- 6) credit risk adjustments,
- 7) remuneration of risk takers,
- 8) operational risk.

## **Chapter 3 The limitations of disclosures**

### **§ 4**

1. The Bank does not disclose any information for which the Banking Law Act (Article 111a) allows limitation of the scope of disclosure, namely:
  - 1) proprietary information, the disclosure of which could have an adverse effect on the competitive position of the Bank in the relevant market under the provisions on competition and consumer protection;
  - 2) information constituting a legally protected secret (containing information which the Bank is not allowed to disclose pursuant to the Personal Data Protection Act, as well as data protected by banking secrecy);
  - 3) insignificant information (namely information which would not have any influence on the economic-relevant decisions of its recipients).
2. In case the information requested for disclosure is proprietary or confidential according to the provisions of the CRR Regulation or the particular provisions of the M Recommendation, the Bank shall present reasons for withdrawing from the publication of information and shall communicate more general information, unless this is also proprietary or confidential.

## **Chapter 4 Principles for verifying and approving the information**

### **§ 5**

1. The disclosed information relating to the Bank is subject to the independent verification by an entity authorised to conduct audits of financial statements. The disclosed information which on the basis of separate regulations ought to be disclosed in the financial statements, is subject to the verification principles applicable for these statements.
2. The disclosed information shall be approved by the Bank's Management Board prior to their public release.

## **Chapter 5 Frequency and deadlines of publishing information**

### **§ 6**

Taking into account the specific activity of the Bank, the Bank's Management Board has determined that the disclosed information specified in Chapter 2 hereof is published once a year together with the publication of the annual financial statements, and is true as of the date of preparing the annual financial statements.

## **Chapter 6 Place and form of publishing disclosures**

### **§ 7**

The disclosed information specified in Chapter 2 hereof is disclosed in Polish and English on the website of mBank Hipoteczny S.A.: [www.mhipoteczny.pl](http://www.mhipoteczny.pl).

## **Chapter 7 Principles for verifying the disclosure policy**

### **§ 8**

1. The principles of the Policy shall be subject to verification by the Bank's Management Board at least once a year, by 31 October of each year, and then if it is necessary to introduce changes to the current principles, they shall be subject to the approval by the Supervisory Board of the Bank by 31 December.
2. In case of any changes in the external regulations announced after 31 October which have an effect on the requirement of changing the principles of the Policy, the changes shall be introduced immediately so that they can be published before the end of the year and so that they can be included in the information disclosed as at the end of a given year.