



Bank Polski

FINANCIAL RESULTS 2023

Warsaw, 7th of March 2024



Bank Polski

Key achievements

1/4



- Net profit PLN 5.5 billion, +66% y/y thanks to core income increase by 18.6% y/y while credit risk costs remain stable
- Growth of both loans by 8.5% y/y and savings by 19.6%, significantly above market dynamics
- Significant strengthening of legal risk provisions by PLN 5.4 billion and a further increase in the credit provisions coverage ratio to 113%
- Strong capital base with CET1 at 17.8%, recommendation of the Polish Financial Supervision Authority allowing to distribute part of 2023 net profit (<75%, no more than net profit decreased by PLN 1.6 billion which are already included to bank's own funds)

Key financial highlights 2023



Bank Polski

KEY FINANCIAL HIGHLIGHTS	NET PROFIT	ROE	CORE REVENUES ⁽¹⁾
<p>PLN 5,5 bn of net profit thanks to increase of operating results</p> <p>Core revenues growth by 18,6% y/y on comparable basis</p> <p>Further improvement of net interest margin to 4.37%</p> <p>High level of operating efficiency with C/I at 31.6%</p> <p>CoR stabilization at 50 bp</p>	<p>PLN 5.5 bn +66.1% y/y</p>	<p>13.3% +3.7 p.p. y/y</p>	<p>18.6% y/y⁽²⁾</p>
	NIM	COST/INCOME	COR
	<p>4.37% +139 bp y/y</p>	<p>31.6% -13,4 p.p. y/y</p>	<p>50 bp -2 bp y/y</p>

(1) - including insurance results (2) on comparable basis, excluding costs of credit holidays

Key financial highlights 2023



Bank Polski



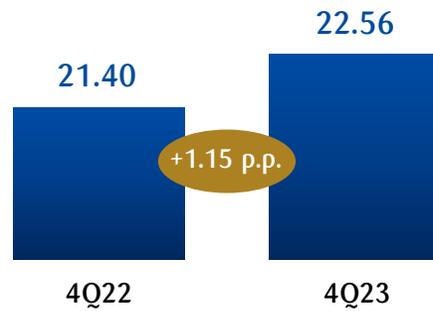
(1) - excluding FX mortgage loans (2) - figures for 2022 are restated and recognise the retroactive crediting to the funds of the result for 2022 following the profit distribution by the AGM (3) - including deposits, TFI (mutual funds) assets and treasury savings bonds of the bank and other entities of the bank's Group accumulated on the clients' bank accounts

Market share

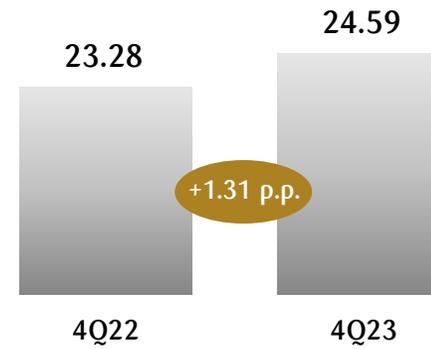


Bank Polski

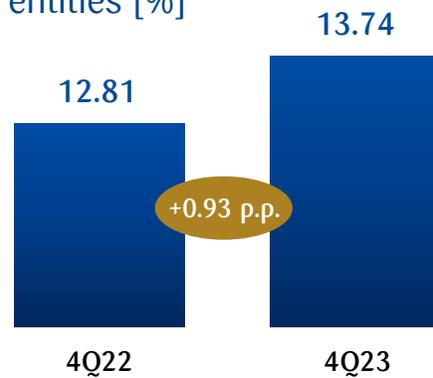
Retail loans [%]



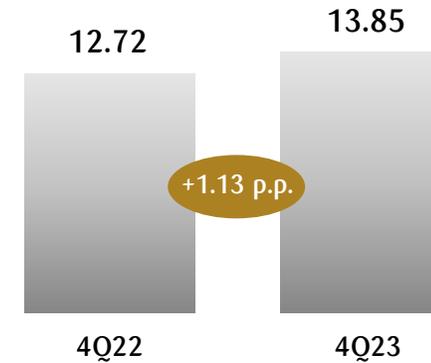
Retail deposits [%]



Loans of non-financial corporate entities [%]



Deposits of non-financial corporate entities [%]





Bank Polski

Financial results

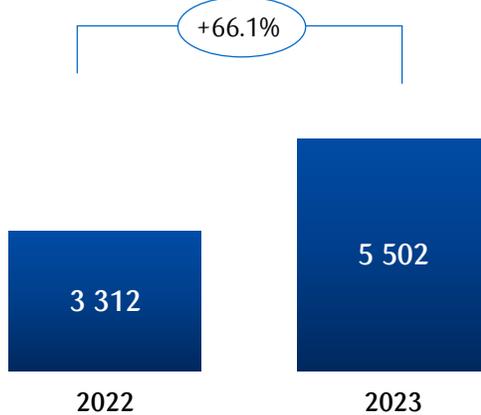
2/4

Note: Any differences in specific items, totals, shares and growth rates result from rounding off amounts to millions of PLN and rounding off percentages in the presented structures to one and/or two “decimal” places

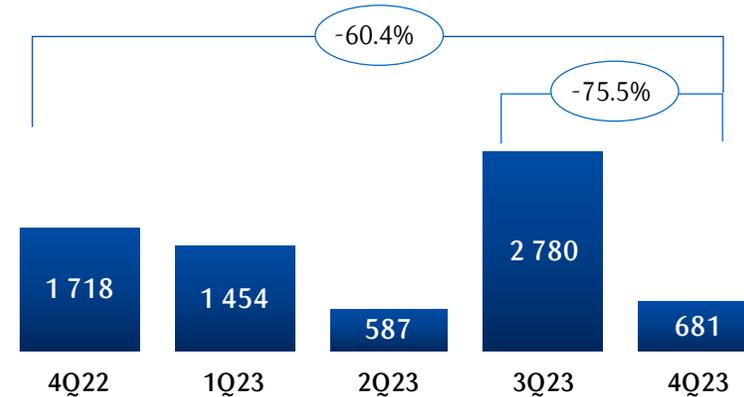
Net profit



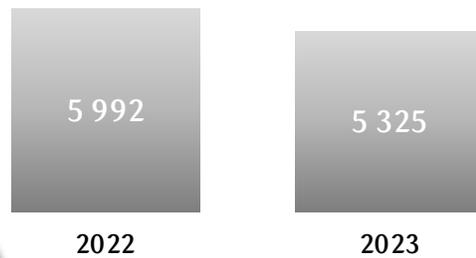
Net profit⁽¹⁾ [PLN mln]



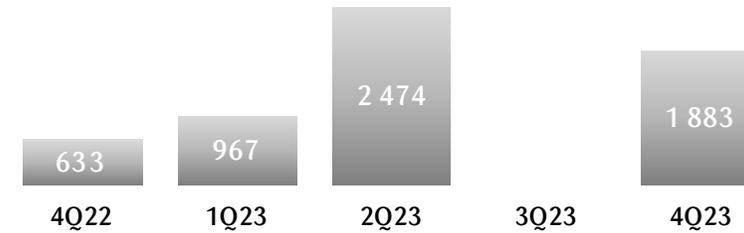
Quarterly net profit⁽¹⁾ [PLN mln]



Extraordinary items⁽²⁾ [PLN mln]



Quarterly extraordinary items⁽²⁾ [PLN mln]



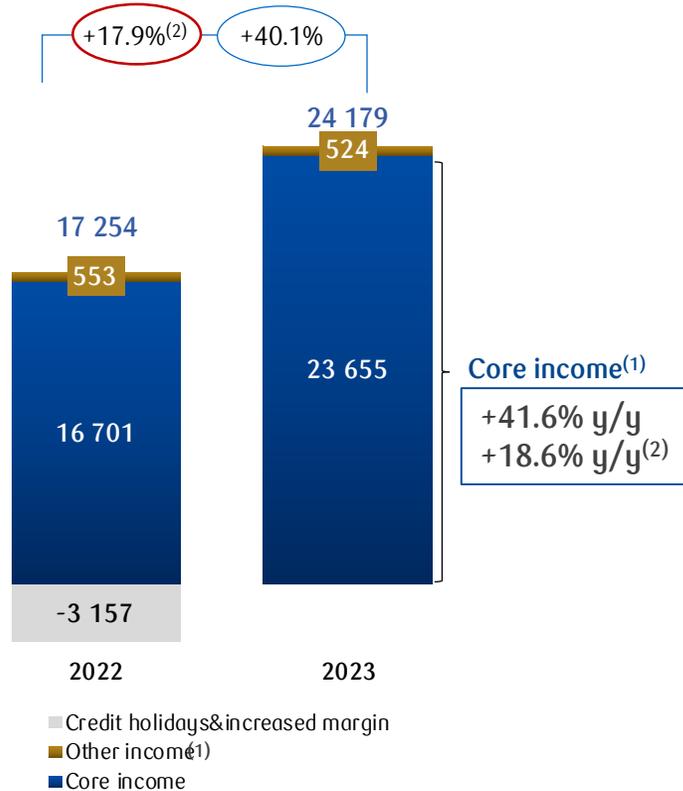
- PLN 5 502 mln of net profit in 2023 thanks to solid increase of core income
- Reported ROE for 2023 at 13.3%

(1) - Net profit and extraordinary items include impact of IFRS 17 (2) - Extraordinary items in 2022(gross) including costs credit holidays (+3 111 mln), costs of legal risk related to CHF-denominated and indexed mortgage loans (+1 914 mln), Protection System Fund (+956 mln), Borrowers' Support Fund (+314 mln), provision recognized for the reimbursement of increased margin until the mortgage is established (+48 mln), BGF (-348 mln). Extraordinary items in 2023: costs of legal risk related to CHF-denominated and indexed mortgage loans (+5 430 mln), credit holidays (-105 mln)

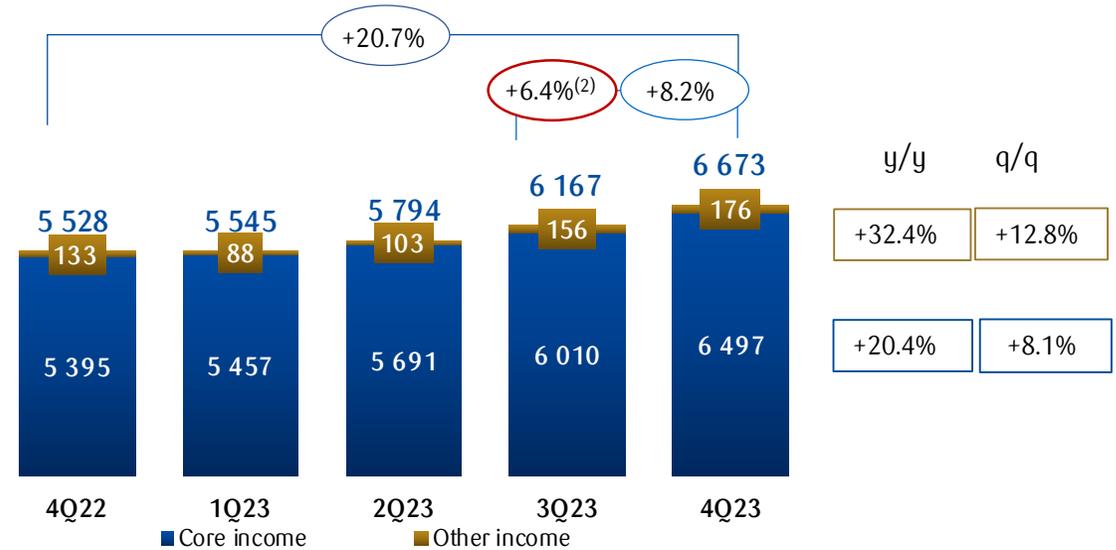
Income growth driven by core income dynamic



Result on business activity [PLN mln]



Quarterly result on business activity [PLN mln]



- Results on banking activities for 2023 at the level of PLN 24.2 bn, +17.9% y/y after excluding one-offs impact
- Core income growth by 18.6% y/y on comparable basis

Note: Result on business activity in the fourth quarter of 2023 and FY 2023 includes reduction of PLN 105 million the initial loss on credit holidays

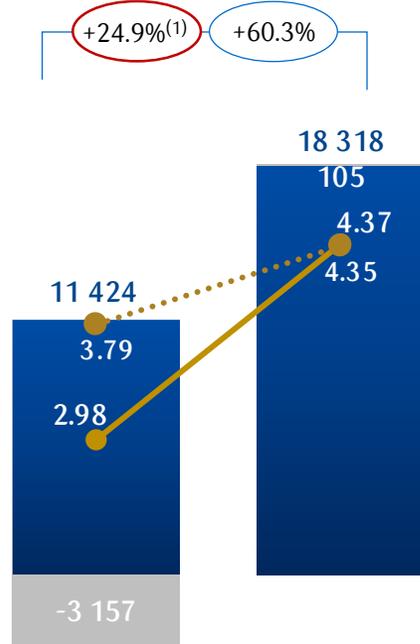
(1) - including insurance results (2) - on comparable basis

Net interest income



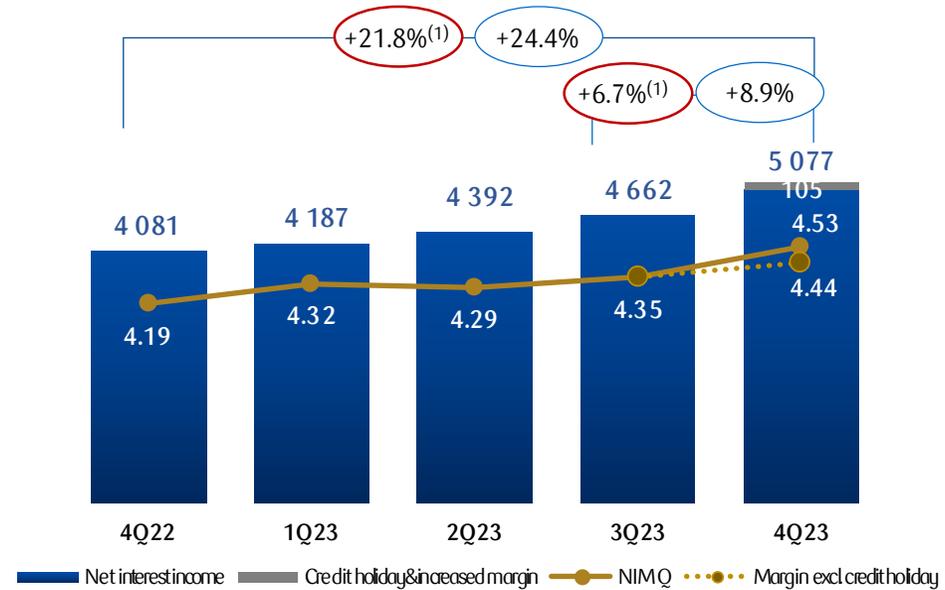
Bank Polski

Net interest income [PLN mln]
Net interest margin [%]



2022 2023
 ■ Credit holiday & increased margin
 ■ Net interest income
 —●— NIM
 Margin excl. credit holiday

Quarterly Net interest income [PLN mln]
Quarterly Net interest margin [%]



Continuation of net interest income growth by 8.9% q/q thanks to both volumes growth and improvement of net interest margin

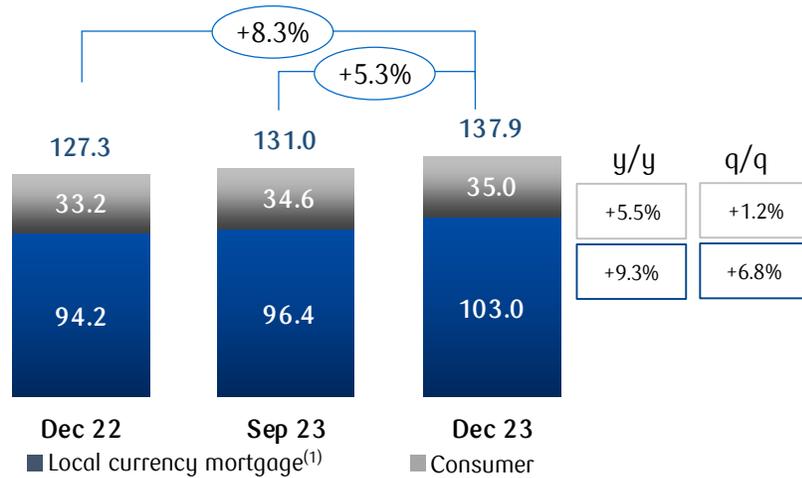
(1) - on comparable basis

Retail banking: growth of loans, farther dynamic growth of deposits

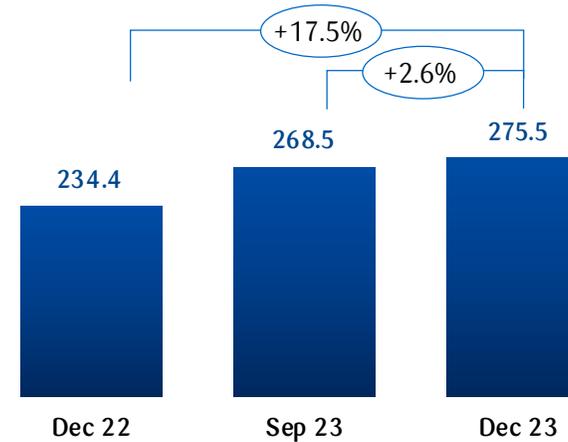


Bank Polski

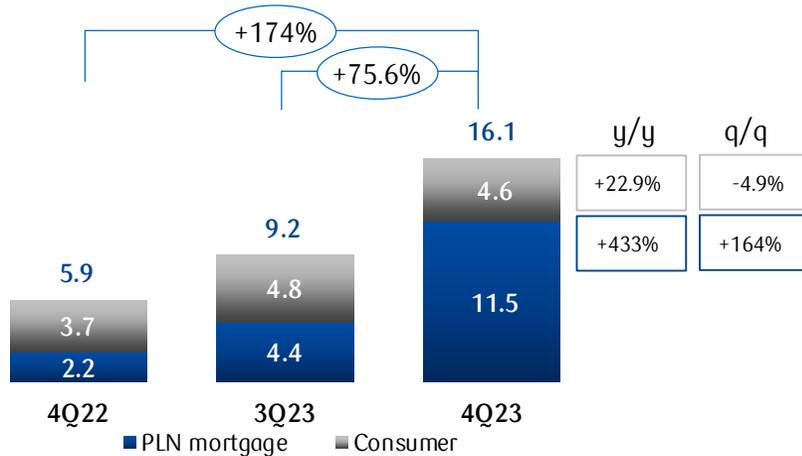
Loans volume outstanding [PLN bn]



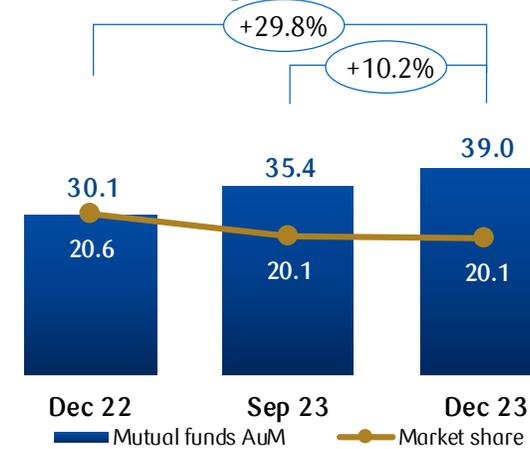
Deposits⁽²⁾ [PLN bn]



New loan sales [PLN bn]



Mutual funds' AuM [PLN bn]⁽³⁾
Market share [%]



(1) - The position incl. UAH loans., (2) - Retail deposits, (3) - Retail funds

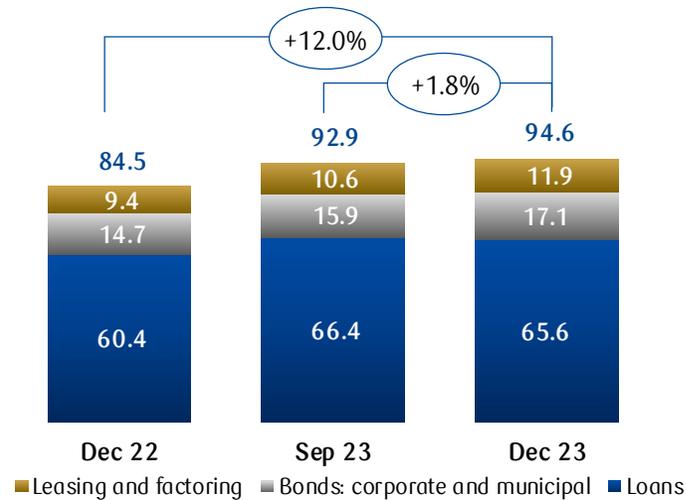


Bank Polski

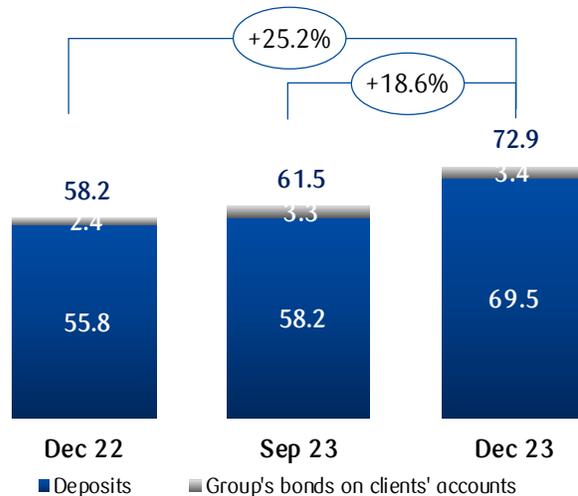
FINANCIAL RESULTS

Corporate and investment banking – double digit growth y/y of customers financing

Corporate customers financing [PLN bn]



Corporate customers savings [PLN bn]



<p>Syndicated loan to finance the construction of the Człuchów wind farm</p> <p>PLN 800 000 000</p> <p>Original Lender, Agent, Security Agent, Hedging Bank</p>	<p>Loan for the purchase of the Czech brand Becherovka and a production plant</p> <p>EUR 100 000 000</p> <p>Original Lender, Organizer</p>	<p>Syndicated loan</p> <p>EUR 800 000 000</p> <p>Original Lender</p>	<p>Syndicated loan</p> <p>PLN 103 700 000 including the share of PKO BP SA: PLN 51 900 000</p>	<p>Issuance of corporate bonds</p> <p>PLN 70 000 000</p> <p>Organizer, Dealer, Animator</p>	<p>120 municipal bond issues for a total amount of over</p> <p>PLN 1 272 000 000</p> <p>Organizer, Issue Agent</p>
<p>Revolving loan</p> <p>PLN 250 000 000</p> <p>Lender</p>	<p>New Transaction:</p> <p>~EUR 50 720 000, including the share of PKO BP SA: ~EUR 25 360 000</p>	<p>Increase of amount of the loan</p> <p>EUR 575 000 000 including the share of PKO BP SA: EUR 105 000 000</p>	<p>CF - Syndicated</p> <p>New Transaction:</p> <p>PLN 120 000 000, including the share of PKO BP SA: PLN 70 000 000</p>	<p>CF/M&A - Syndicated</p> <p>New Transaction:</p> <p>PLN 1 570 600 000 including the share of PKO BP SA: PLN 250 000 000</p>	<p>CF/M&A - Syndicated</p> <p>New Transaction:</p> <p>PLN 2 770 000 000, including the share of PKO BP SA: PLN 600 000 000</p>

MARKET SHARE

Growth in the market share of loans of non-financial business entities by **0.93 p.p. y/y**

NEW FINANCING FOR SUSTAINABLE AND TRANSFORMATION PROJECTS IN 2023

⇒ **PLN 2.2 bn** ⇒

GROWTH OF VOLUMES OF SUSTAINABLE FINANCING Y/Y

+31%

GROWTH IN NUMBER OF CUSTOMERS USING LOANS FOR SUSTAINABLE PROJECTS

220

Dec 22

⇒

285

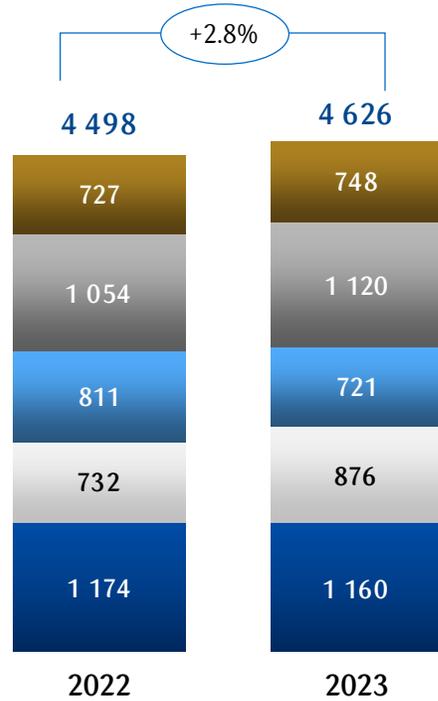
Dec 23

+30%

Growth of fees and commissions income q/q

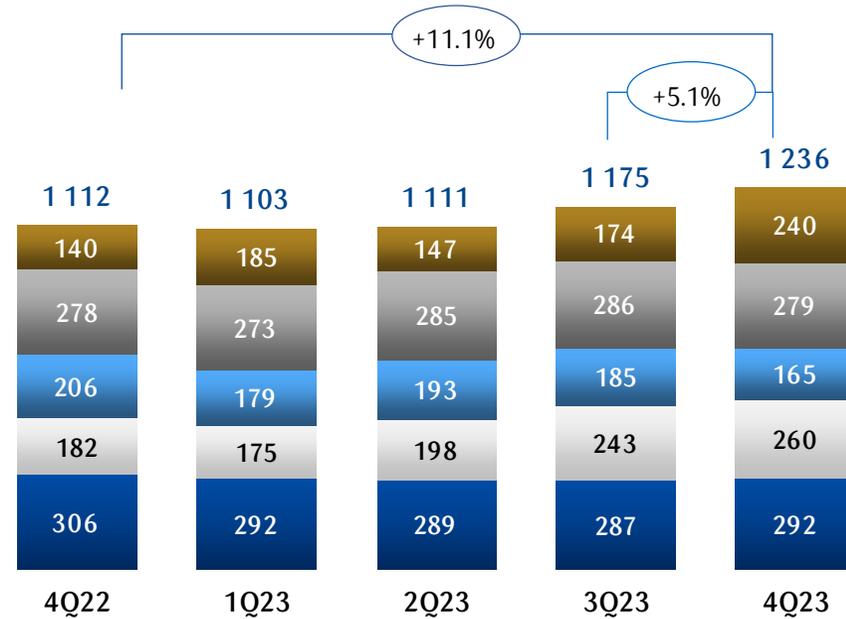


Fees and commissions income [PLN mln]



- Mutual funds & brokerage
- Loans, insurance and operational leasing
- Currency exchange
- Cards and digital payments
- Customer accounts & other

Quarterly fees and commissions income [PLN mln]



- Customer accounts & other
- FX exchange
- Mutual funds & brokerage
- Cards and digital payments
- Loans, insurance and operational leasing

	y/y	q/q
Mutual funds & brokerage	+71.9%	+38.1%
Loans, insurance and operational leasing	+0.4%	-2.6%
Currency exchange	-20.0%	-10.9%
Cards and digital payments	+42.6%	+7.0%
Customer accounts & other	-4.7%	+1.7%

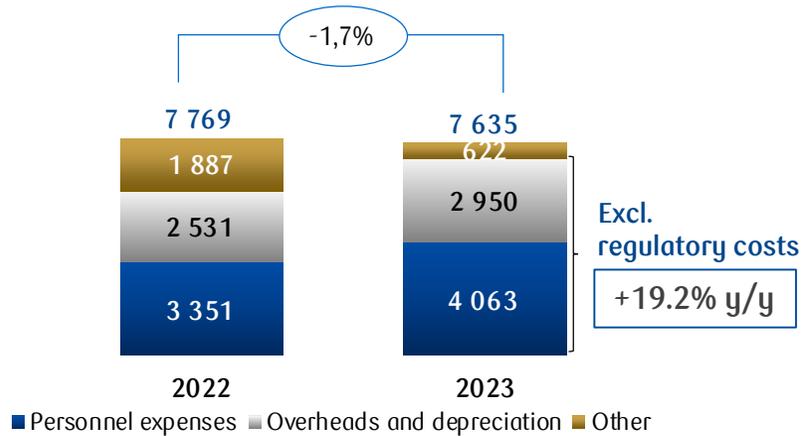


- Strong increase of quarterly result by 5.1% q/q thanks to improved results from cards and the capital market
- Growth of net fee and commission income in 2023 by 2.8% y/y to PLN 4,626 million

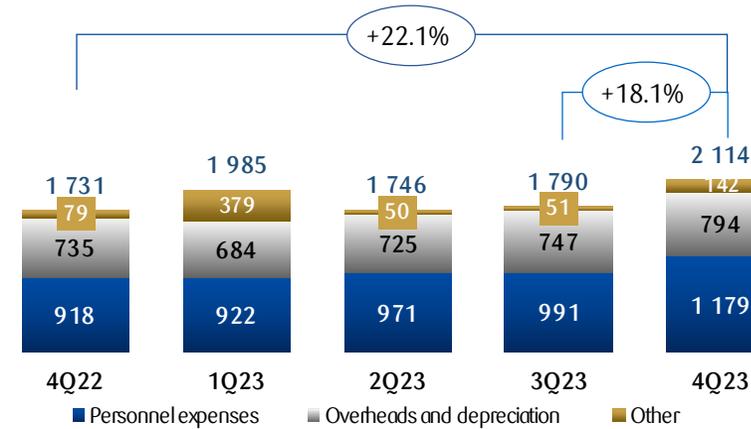
High level of cost efficiency –C/I in 2023 at 31.6%



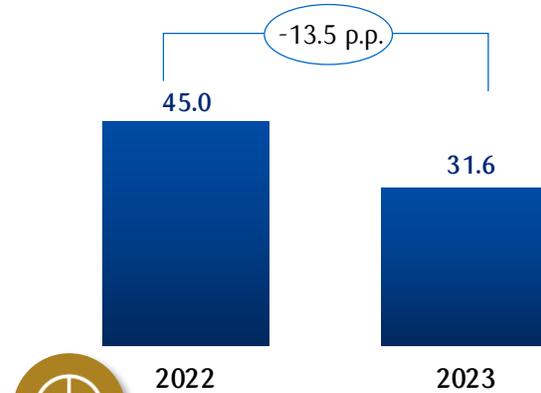
Operating expenses [PLN mln]



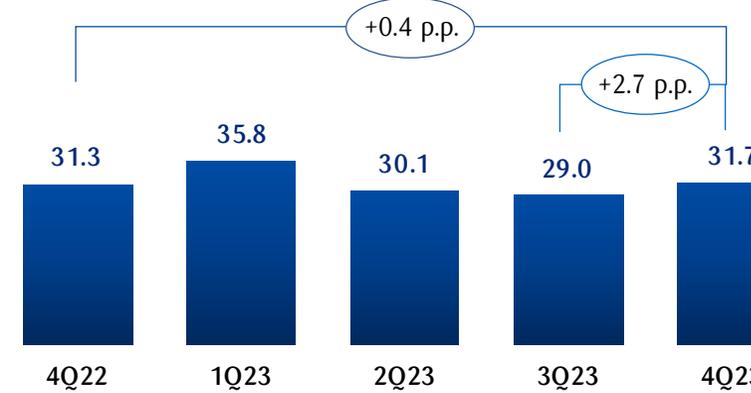
Quarterly operating expenses [PLN mln]



Cost/Income ratio [%]



Quarterly Cost/Income ratio [%]

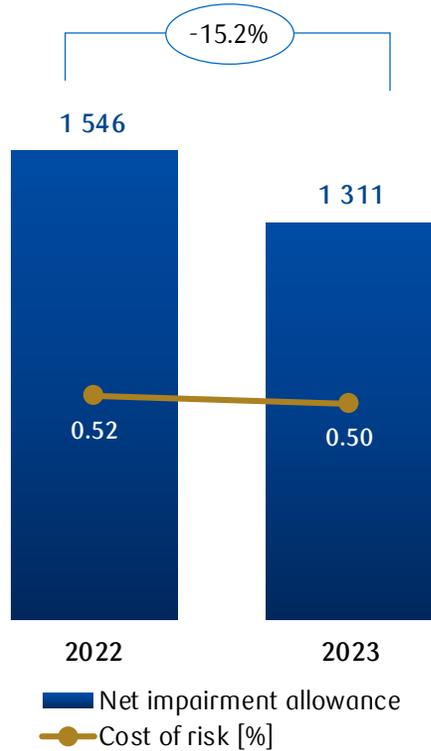


- Decrease of costs in 2023 by 1.7% y/y due to lower regulatory costs. Increase in other costs by 19.2% y/y effected by high price pressure in the economy
- C/I ratio in 2023 at the level of 31.6%

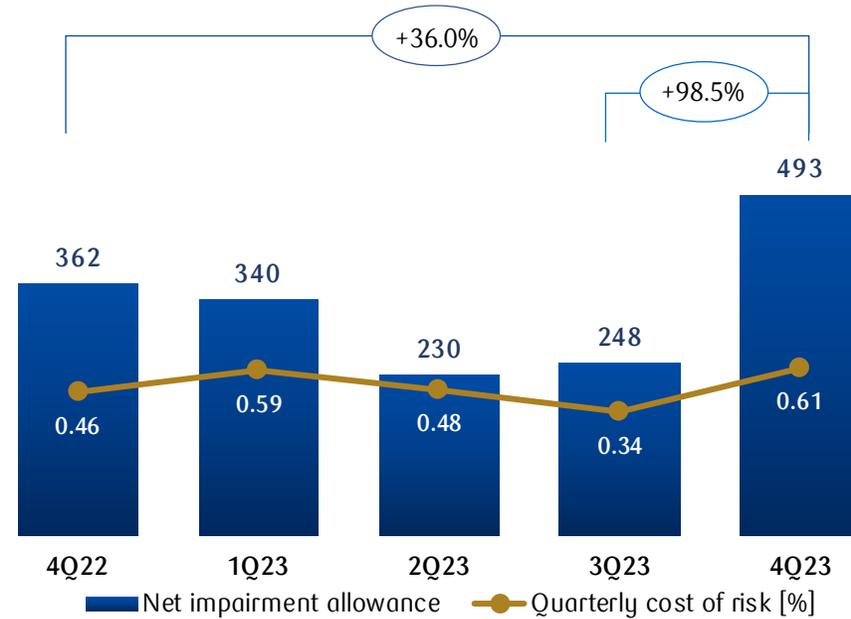
Cost of risk



Net impairment allowance [PLN mln]



Quarterly net impairment allowance [PLN mln]



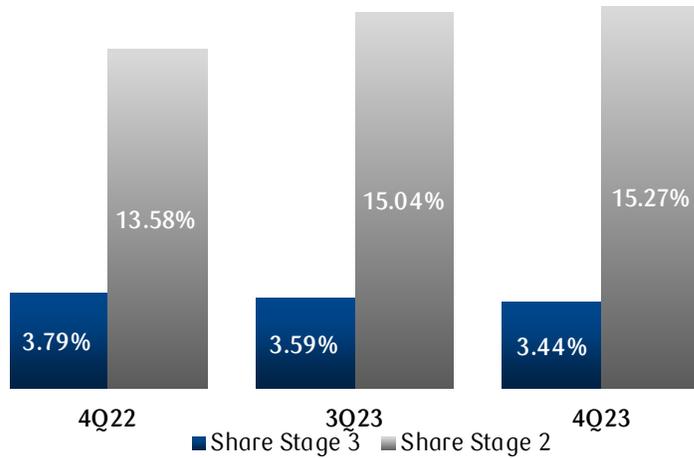
Cost of credit risk for 2023 at 50 bp reflecting further improvement in asset quality and high level of provision coverage



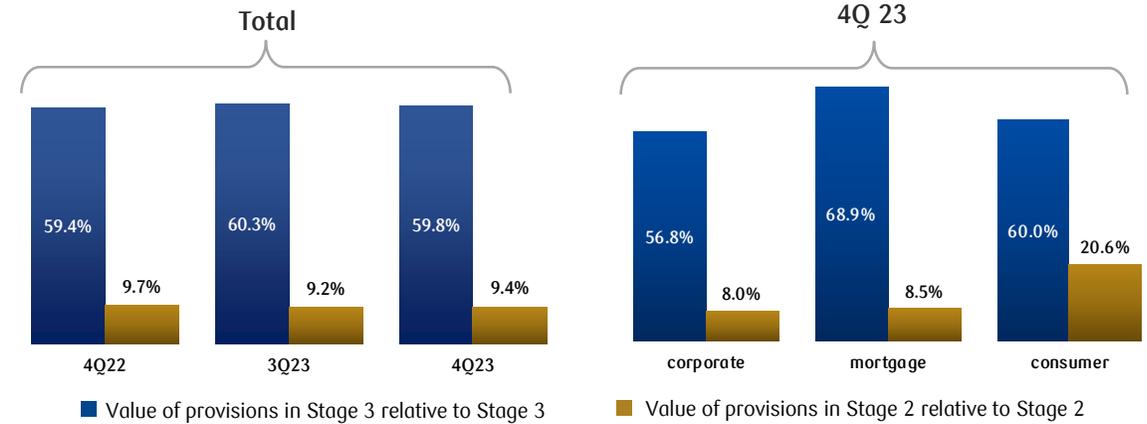
FINANCIAL RESULTS

High quality of customer financing

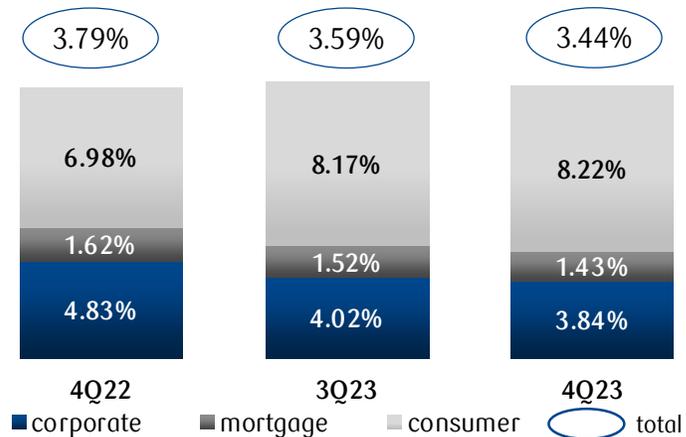
Share of receivables in stage 2 and 3 [%]



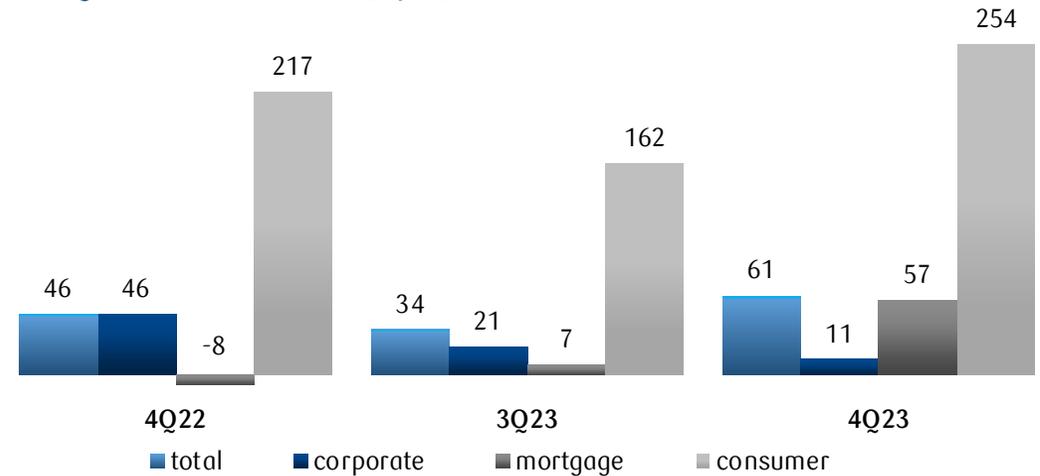
Provision coverage of receivables in stage 2 and 3 [%]



Share of receivables in stage 3 [%]



Quarterly cost of credit risk [bps.]





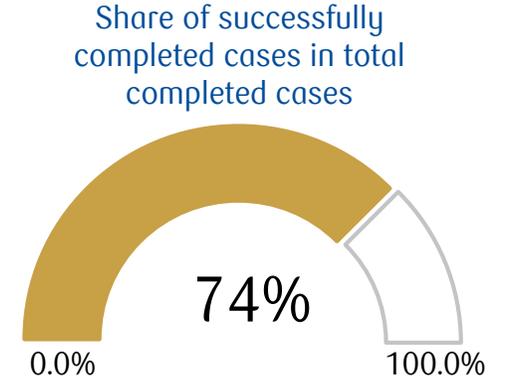
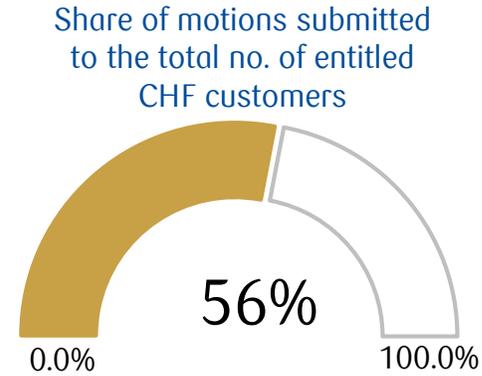
Bank Polski

FINANCIAL RESULTS

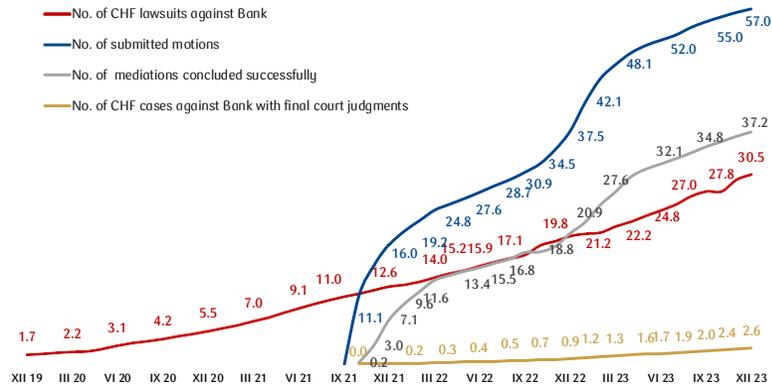
CHF mortgage settlement program

57 ths motions submitted for mediation
 37 ths mediations concluded successfully
 37 ths settlements concluded

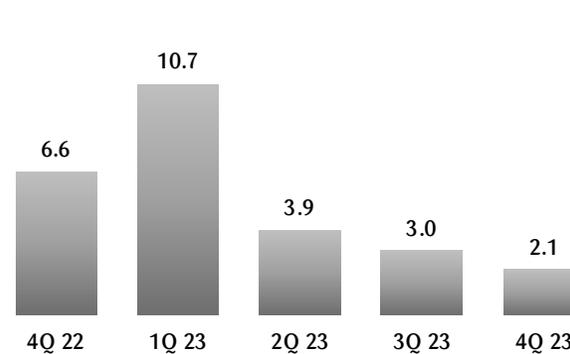
31st of December, 2023



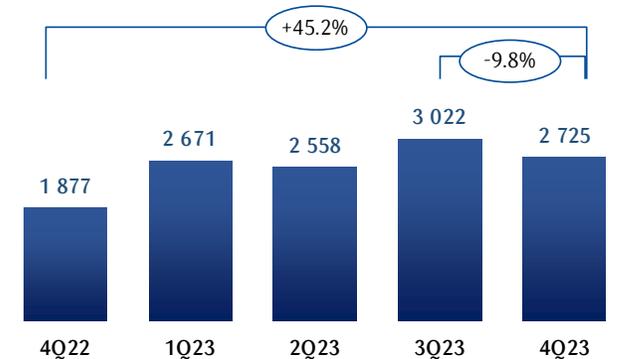
Number of cases regarding settlements of CHF borrowers



New mediation motions submitted [ths Items]



Change in the number of court proceedings during the quarter [Items]



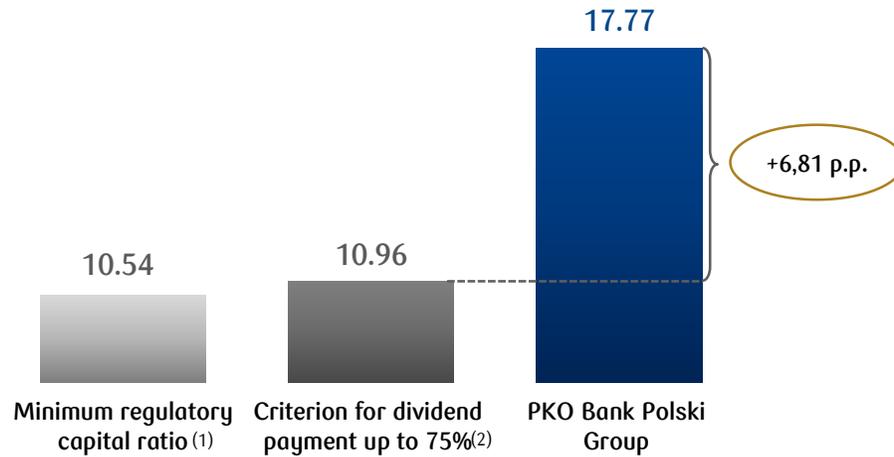
Data starting from the moment when program of settlements for Swiss franc borrowers was launched

Solid capital position

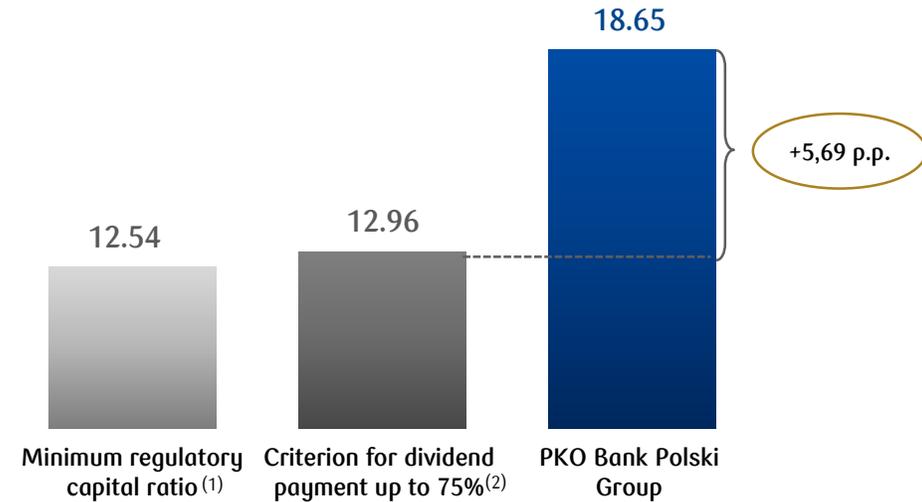


Bank Polski

CET1 = Tier 1 capital ratio [%]



Total capital ratio (TCR) [%]



Recommendation of the PFSA allowing to distribute part of 2023 net profit (<75%, no more than net profit decreased by PLN 1.6 bn which are already included to bank's own funds)

(1) – Tier 1: CRR 6% + conservation buffer 2.5% + OSII buffer 2% + countercyclical buffer 0.04%

TCR: CRR 8% + conservation buffer 2.5% + OSII buffer 2% + countercyclical buffer 0.04%

2) – Minimum regulatory capital ratio + PFSA's buffer for Group's sensitivity to an adverse macroeconomic scenario recommended in Pillar II is 0.42% (Bank: 0.48%)

+additional requirement: good credit quality of the portfolio of receivables from the non-financial sector, both in the Group and the Bank level (NPL share <5%)

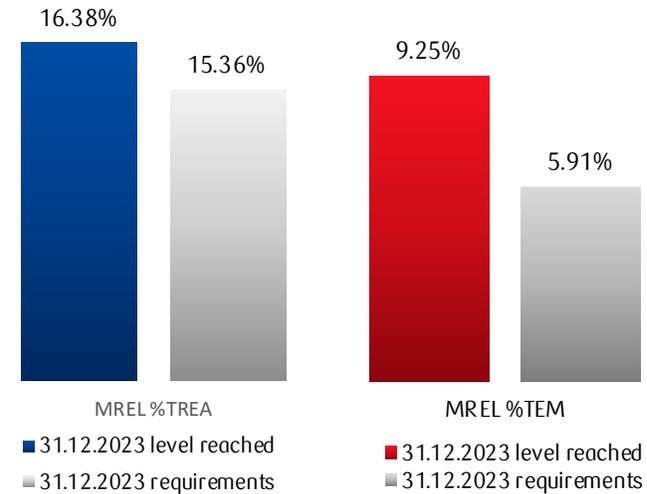
Issuance of senior non preferred bonds MREL eligible



In the 1st quarter of 2024, bank issued senior non preferred bonds MREL eligible

TYPE OF BONDS	TYPE OF BONDS
Senior non preferred	PLN 1 bn
COUPON	MATURITY
WIBOR 6M + 159bps margin	5 years tenor with an option for a call after 4 and 4.5 years since issuance

MREL levels



MREL TREA - total risk exposure amount
MREL TEM - total exposure measure



Bank Polski

Conclusions

3/4

CONCLUSIONS

PLN 5.5 billion of net profit, further income growth, increase of market shares, stable credit risk costs



Bank Polski

- PLN 5.5 billion of net profit
- Continuation of dynamic core income growth
- CoR stabilization at 50 bps and NPL at a record low level of 3.44%
- Significant increase of CHF legal risk provisions (PLN 5.4 billion)
- Solid capital base with Tier 1 at the level of 17.77%, possibility of dividend payment from the profit of 2023



Bank Polski

Suplementarny information

4/4

Macroeconomic and banking sector forecasts



Bank Polski

		2021	2022	2023E	2024F
GDP	% y/y	6.9	5.3	0.2	3.7
Consumption	% y/y	6.2	5.2	-1.0	3.6
Investments	% y/y	1.2	4.9	8.4	6.2
Fiscal balance ¹⁾	% GDP	-1.8	-3.7	-5.9	-5.6
Public debt ¹⁾	% GDP	53.6	49.3	50.3	53.3
Inflation CPI (av)	%	5.1	14.4	11.5	3.7
LFS unemployment rate (av)	%	3.4	2.9	2.8	2.7
NBP reference rate	% eop	1.75	6.75	5.75	5.25
WIBOR 3M	% eop	2.54	7.02	5.88	5.31
EUR/PLN	PLN eop	4.60	4.69	4.35	4.32
CHF/PLN	PLN eop	4.45	4.77	4.68	4.41

		2021	2022	2023	2024F
Loans total	% y/y	4.7	1.1	1.3	6.7
Mortgage loans PLN	% y/y	12.5	-1.6	2.2	12.6
Consumer loans	% y/y	1.6	-3.3	2.1	7.5
Nonfinancial economic entities loans	% y/y	3.2	4.8	-1.5	4.3
Deposits total	% y/y	10.8	5.6	10.6	6.4
Deposits for private individuals	% y/y	6.0	4.1	12.3	7.1
Net assets of private individuals (TFI)	% y/y	8.0	-20.5	32.6	17.3
Nonfinancial economic entities deposits	% y/y	10.5	8.0	10.5	6.7

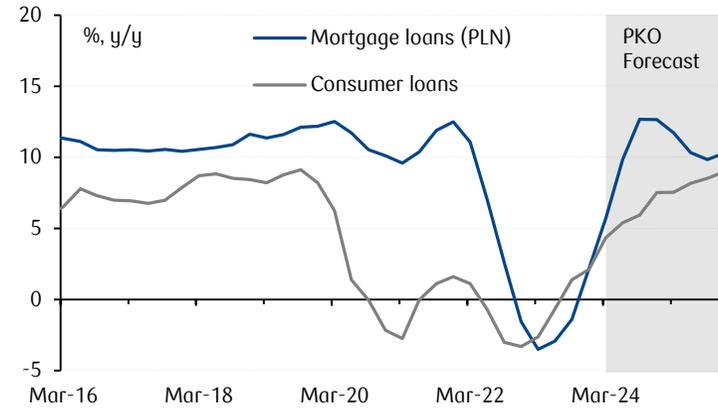
Source: Statistics Poland, Ministry of Finance, National Bank of Poland, PKO Bank Polski forecasts

1) General government In ESA2010 terms

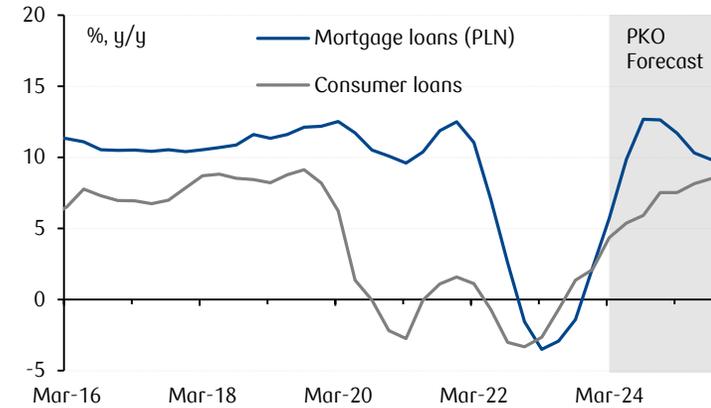
Loan and deposit market (FX adjusted)



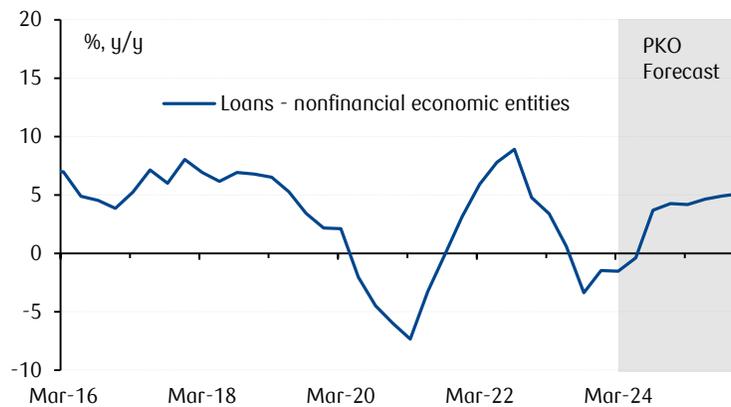
Mortgage and consumer loans



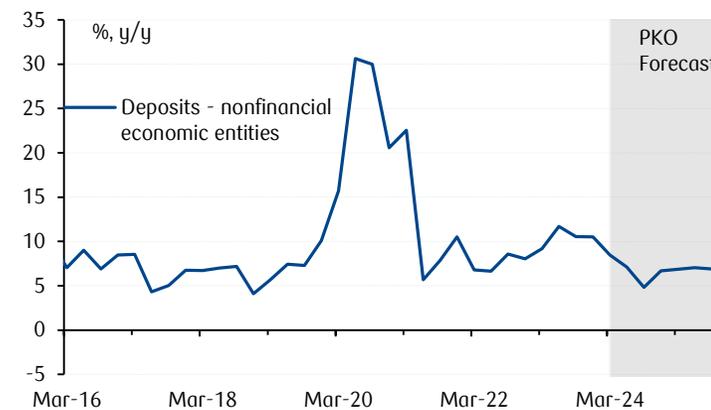
Private individuals' deposits and net assets (TFI)



Loans for nonfinancial economic entities



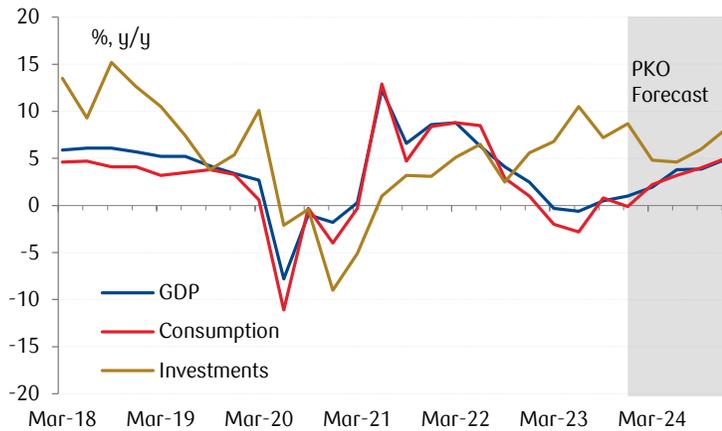
Deposits of nonfinancial economic entities



The economy is heading back to growth path

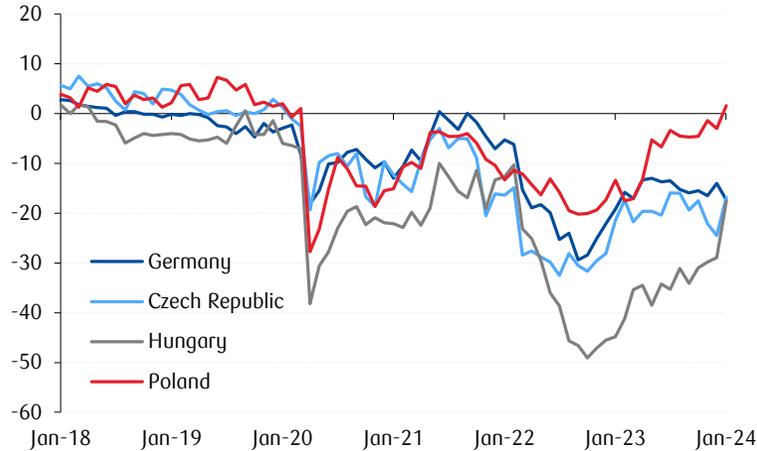


GDP and its main components



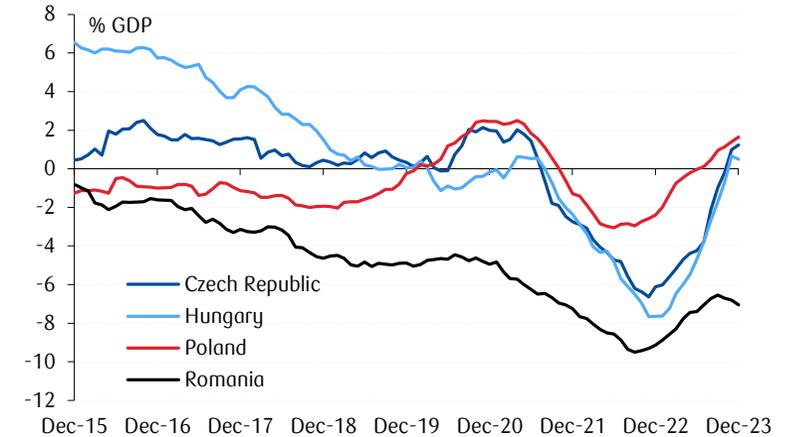
Source: Statistics Poland, PKO Bank Polski

Consumer sentiment (ESI)



Source: European Commission, PKO Bank Polski

Current account

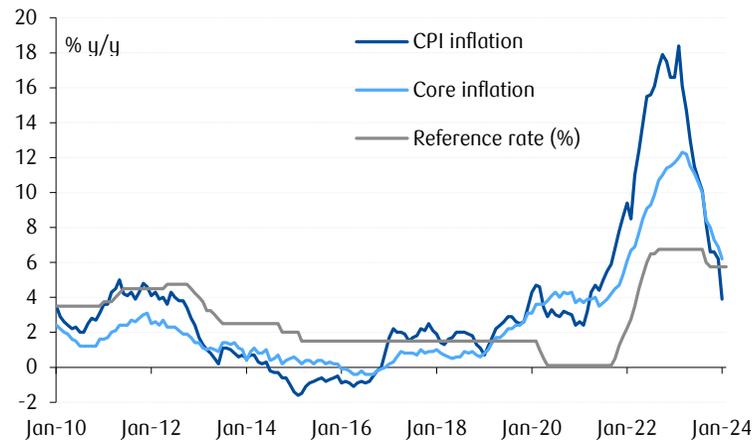


Source: Statistics Poland, PKO Bank Polski

- **In 2023, economic growth was marginal, reaching only 0.2% compared to 5.3% in 2022.** Behind this result there are year-on-year declines in GDP in 1h23 and a gradual improvement in economic conditions in 2h23, with economic growth in 4q23 at 1.0% year-on-year. Both in the entire 2023 and in 4q23, investments stood out positively, growing at a rate of approximately 8%. The high investment activity reflected expenditures related to energy transition and automation, with a positive impact from the finalization of projects co-financed by the EU budget for the years 2014-2020.
- **The decline in inflation, combined with a robust labor market, brought real household incomes back to growth and led to a significant, the strongest in the region, improvement in consumer sentiment.** As a result, in 2h23, private consumption has stabilized, and during 2024, it will most likely become the main engine of economic growth. On Bank's expectations, GDP dynamics in 2024 will reach 3.7% and, alongside the recovery of consumption, it will be supported by investment growth (with the initial inflows from the RRF, Recovery and Resilience Facility) and positive net exports.
- **Poland's external balance is gradually improving.** Thanks to the resilience of exports to the global economic downturn and due to the swift reversal of the negative cost shock that inflated imports, the current account balance (12-month moving sum) became positive during 2023, reaching +1.6% of GDP at the end of the year.

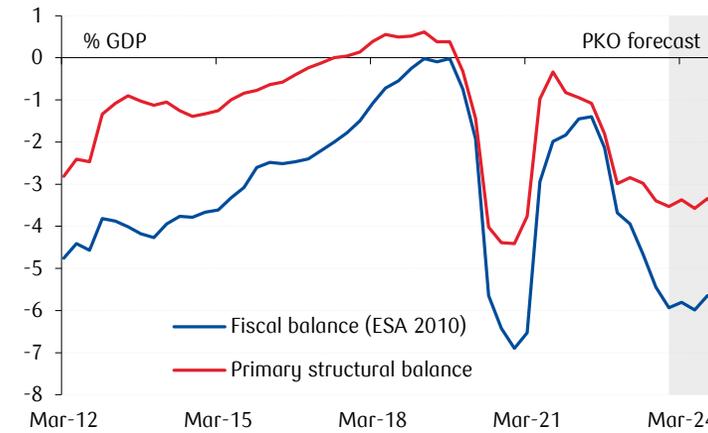


CPI and core inflation vs. reference rate



Source: Statistics Poland, NBP, PKO Bank Polski

General government sector



Source: Eurostat, PKO Bank Polski

PLN exchange rate



Source: Macrobond, PKO Bank Polski

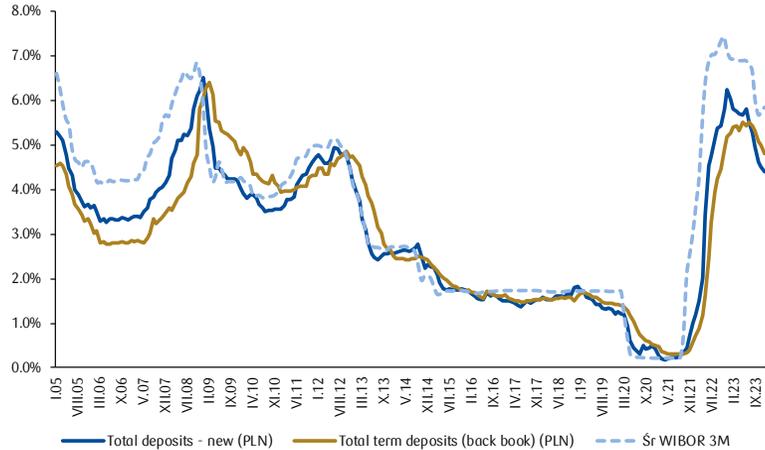
- **In 2023, CPI inflation significantly decreased from 18.4% y/y at its peak in February to 6.2% by the end of the year.** Preliminary data indicate that a clear disinflationary trend persisted at the beginning of 2024, and by the end of 1q24, inflation will likely be close to the NBP target. The rapid disinflation process reflects the fading of initial shocks, weaker domestic demand, and the strengthening of the zloty. The prolonged anti-inflationary measures are also playing a significant role. The timing and extent of their withdrawal will determine the scale of inflation rebound in 2h24. The sustainable return to the NBP target is expected at the turn of 2025/26.
- **The costs of anti-inflationary shields, along with increased defence spending, have left their mark on public finances in 2023.** With the improved economic conditions and still relatively high inflation, the revenue side of the budget should improve. In the mid term the government has announced a gradual fiscal consolidation.
- **In response to strong disinflation, in September and October 2023, the MPC lowered NBP interest rates by a total of 100 bps.** Currently, the Council does not rule out interest rate adjustments in either direction and indicates that the most likely scenario for 2024 is their stabilization. Factors favoring a slight adjustment of interest rates in Poland would include i.a. the extension of anti-inflation shields, the beginning of interest rate cuts by the Fed and ECB, continued interest rate cuts by banks in the region, and the zloty appreciation.
- **In 4q23 the zloty strengthened significantly** reacting, among other factors, to the cessation of NBP interest rate cuts, higher likelihood of inflow of funds from the RRF, and favorable global conditions.



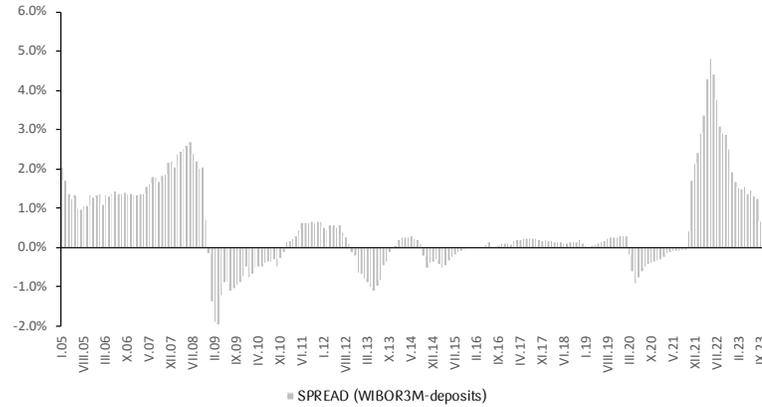
BANKING SECTOR

Interest rate on deposits in the banking sector

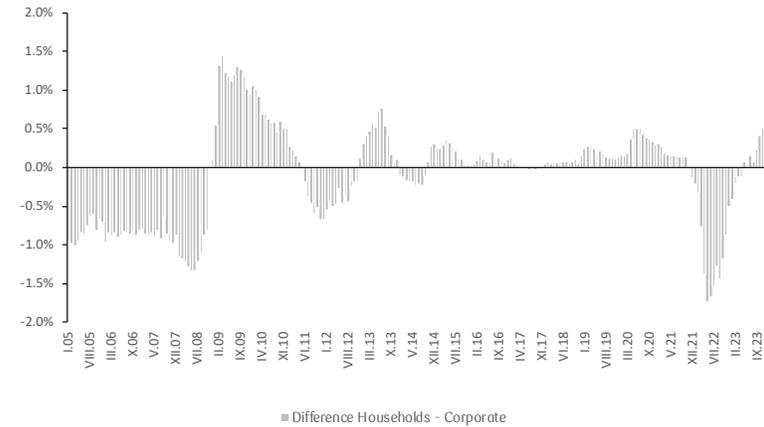
Household deposits interest (new, back book)



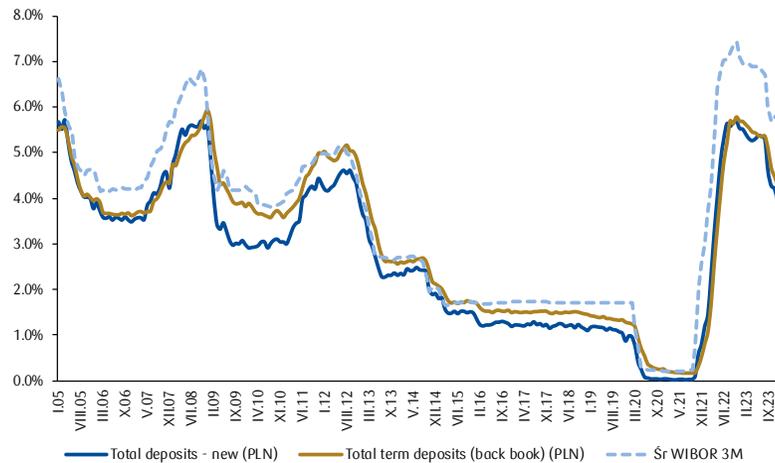
Household term deposits: 3M WIBOR – average interest



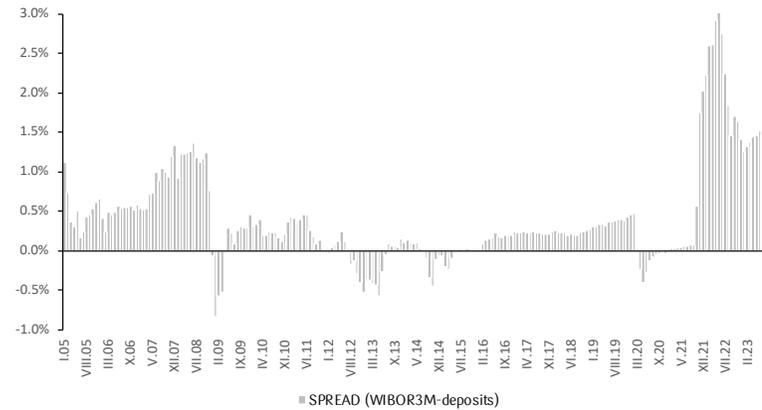
Difference in interest rates of household and corporate term deposits



Corporate deposits interest (new, back book)



Corporate term deposits: 3M WIBOR – average interest





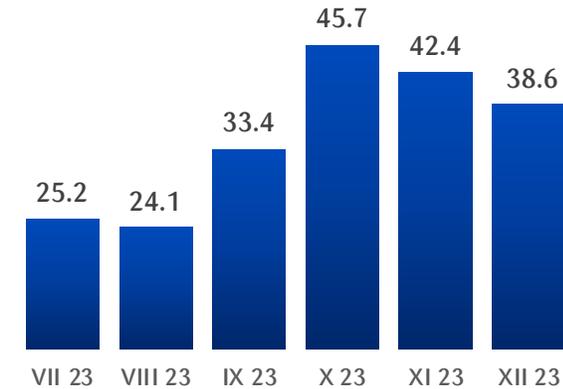
New mortgage „Safe 2% Credit” offer

SAFE 2% CREDIT IN PKO BP

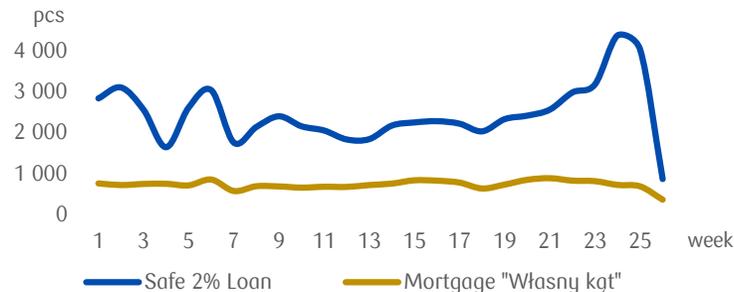
- At the end of December **64 ths** submitted applications
- **PLN 377 ths** - average amount of the loan requested
- **77%** of all received mortgage applications
- Over **29 ths contracts** concluded by the end of December



MARKET SHARE IN HOUSING LOAN SALES [%] (IN THE PERIOD)



MORTGAGE APPLICATIONS



CONDITIONS⁽¹⁾

- Min repayment period 15 years
- Max PLN 200,000 own contribution
- Decreasing loan instalments
- 1% commission fee
- No price limit for 1m²

BENEFITS

- Subsidies to the loan instalments
- Mortgage available even without own contribution
- Fixed interest rate
- Up to PLN 600,000

MORTGAGE WŁASNY KĄT

1st place in the Złoty Bankier 2023 ranking - mortgage loan



(1) - More about loan [here](#)

SUPPLEMENTARY INFORMATION

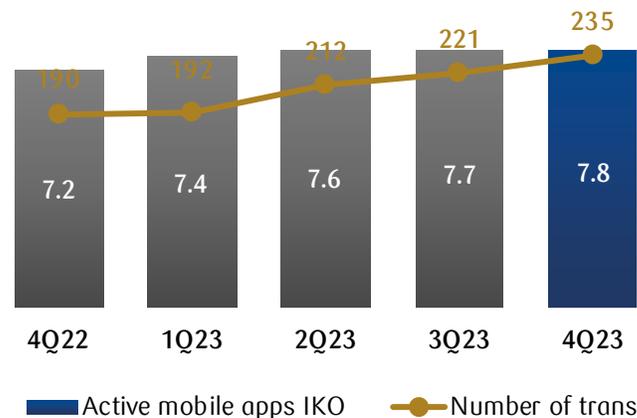
Leader in mobile banking



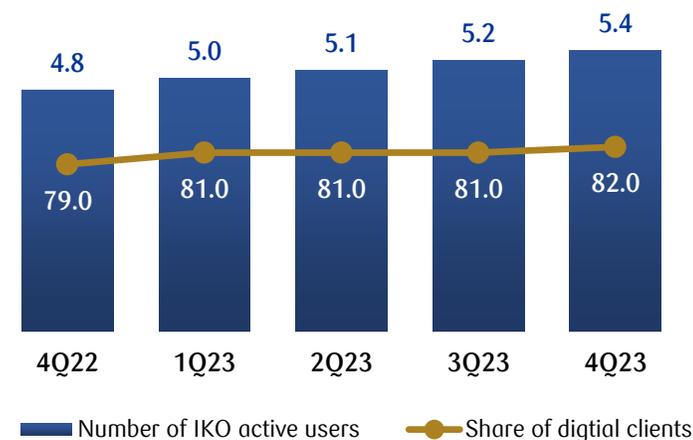
Bank Polski



Number of IKO applications and number of transactions quarterly [mln]



Number of clients logging into IKO [mln]⁽¹⁾
Share of digital clients in active clients' base [%]



IKO mobile application functions development

Addition of the "Daily" panel, which allows personalised shortcuts to the most frequently used options to be set up on the main screen

Contact with the Bank in the app - addition of the option to send messages to the Bank directly from the app

Ordering foreign currency transfers from and to an account maintained in a currency other than PLN

Information about the costs associated with investing in investment funds

Presentation of information on travel insurance to a credit card

Reminders about the upcoming expiry date of the identity document and the need to update it

„PKO Pay later” a new deferred payment service

Introduction of a message during the IVR call to warn the customer of possible scams

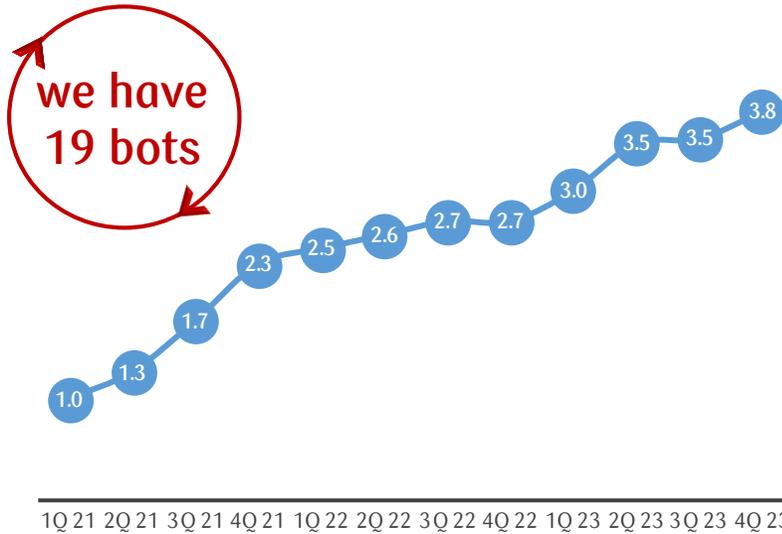
Purchase of gold at the Mint of Poland

(1) - According to PRNews definition: a client who logged into IKO application at least once a month in a given quarter



Increased use of AI in customers service and sales

✓ Calls with customers completed by bots [mln]



✓ Growing number of tasks carried out by AI

- Contact centre >15.2 mln calls
- Reminder of late payments >4.7 mln calls
- Voice assistant in IKO 5.1 mln calls
- NPS related >2.9 mln questionnaires
- Sales lead management 2.4 mln calls

✓ We are constantly improving our solutions

We care about safety

- We have launched a new security bot that confirms BLIK withdrawal transactions at ATMs,
- We have implemented the process of assigning a PIN to the banking card and blocking access to IKO application and iPKO website by bot at contact centre

We have implemented dozens of changes that improved the quality of bot conversations with customers

✓ We analyze the possibilities of Generative Artificial Intelligence

We have created the first prototypes of search engines using Generative AI. The solutions are in the testing phase

>31 mln number of calls made via all voicebots

~115 of FTEs released thanks to utilization of AI

✓ Robotic Process Automation

256 mln tasks completed by robots

295

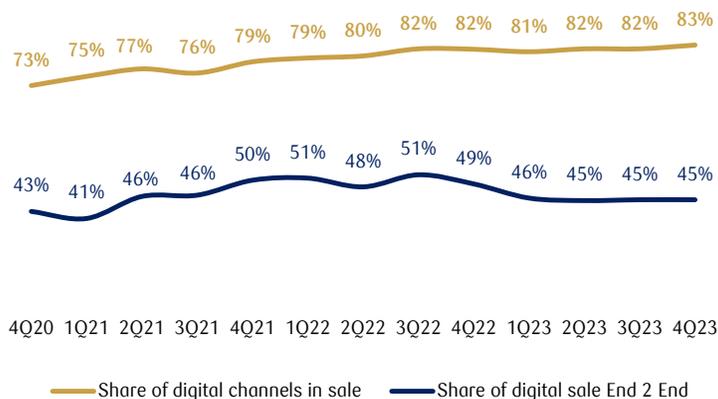
processes run by robots

We increase the share of remote channels in customers service and sales

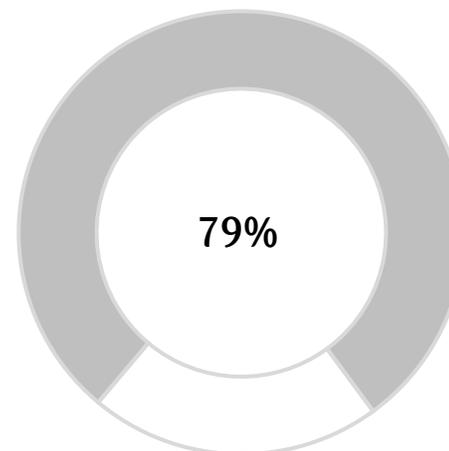


Bank Polski

Share of consumer loans digital sales



Share of term deposits digital sales



72.7 mln transactions
+21% q/q
 via contactless BLIK in IKO app

31% more payments using
 BLIK or BLIK contactless code y/y
60% more transfers to the
 phone via BLIK y/y

>7.8 mln
 active IKO applications

2.6 bn
 transactions in total
 in IKO

PLN 709 bn
 total value of
 transactions in IKO

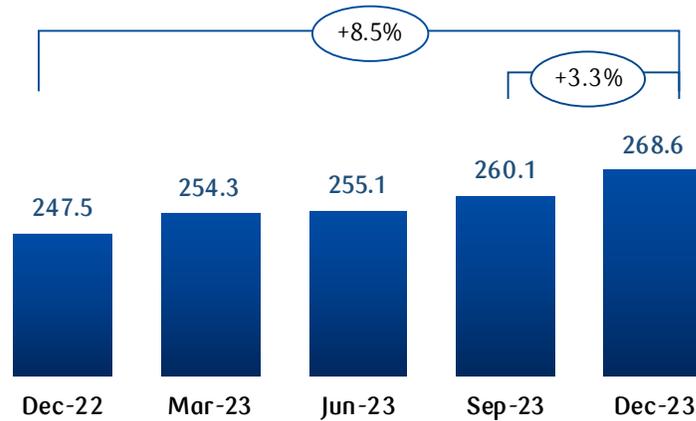
235 mln
 transactions in IKO
 in Q4 +24% y/y



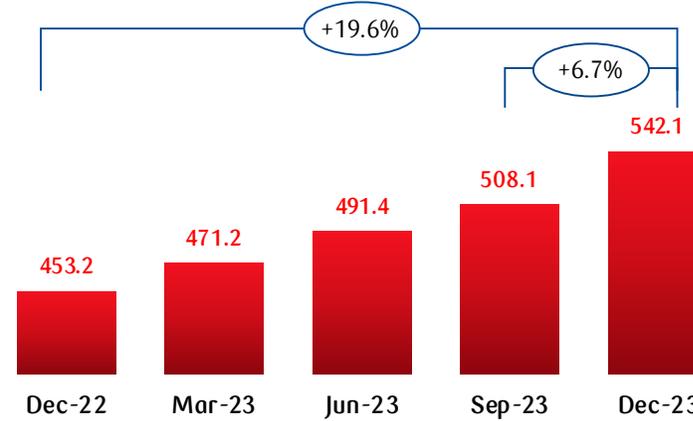
SUPPLEMENTARY INFORMATION

The increase in customers' financing and savings

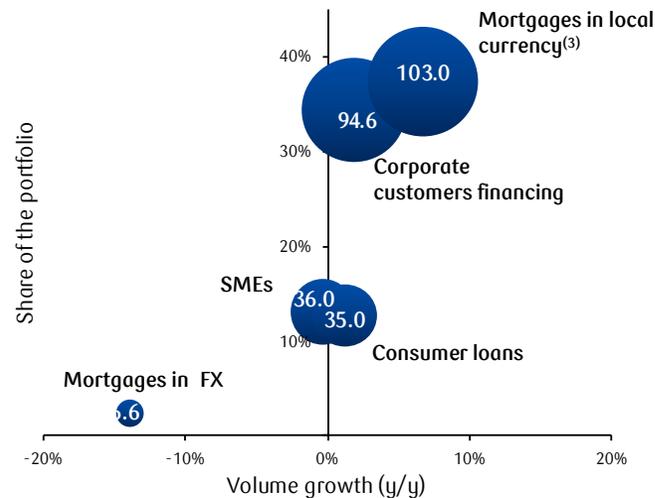
Gross customer financing [PLN bn]⁽¹⁾



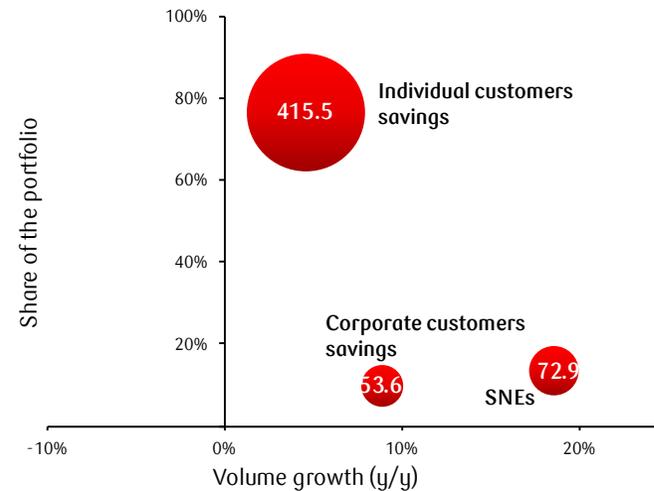
Customer savings [PLN bn]⁽²⁾



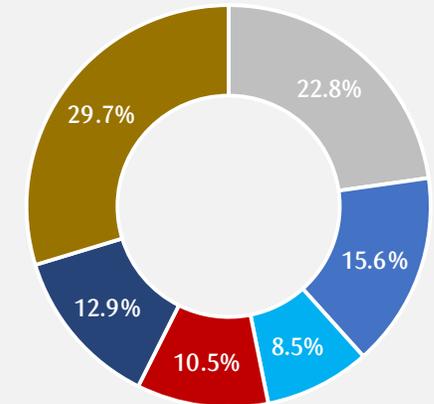
Gross customer financing [PLN bn]⁽¹⁾



Customer savings [PLN bn]⁽²⁾



Concentration by industry [%]



- Financial and insurance
- Industrial processing
- Public administration
- Real estate
- Wholesale and retail trade
- Other

As a 31st of December, 2023

(1) - Includes loans (excluding FX mortgage loans), corporate and municipal bonds (excluding PFR, BGK, EIB corporate bonds), leasing and factoring (but excludes repo transactions).

(2) - Includes deposits, TFI (mutual funds) assets and treasury savings bonds of the bank and other entities of the bank's Group accumulated on the clients' bank accounts.

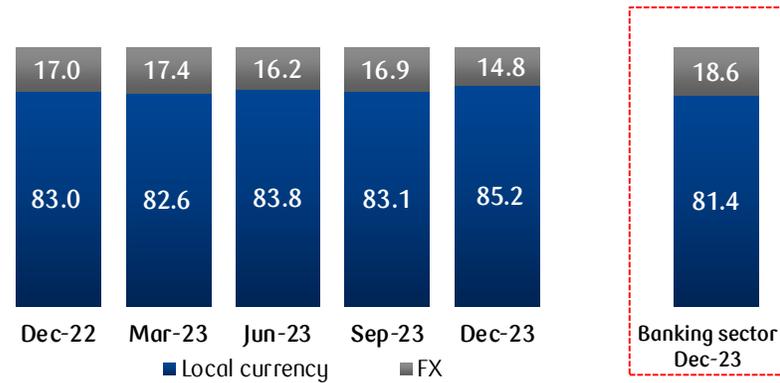
(3) - The position covers UAH loans.



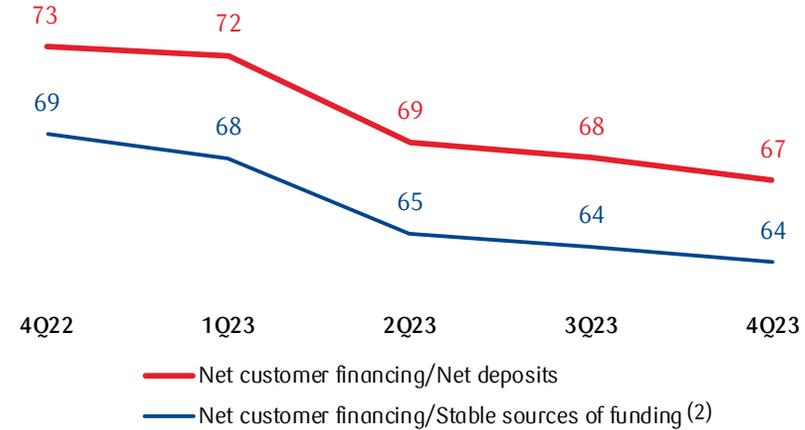
SUPPLEMENTARY INFORMATION

Structure of loans and deposits and liquidity

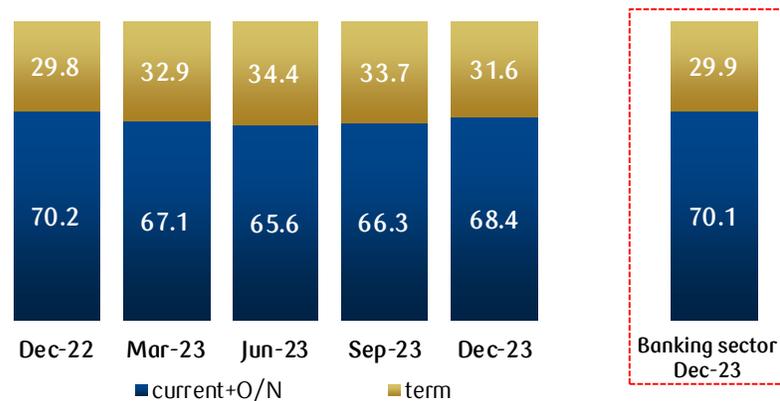
Currency structure of gross loans portfolio [%]



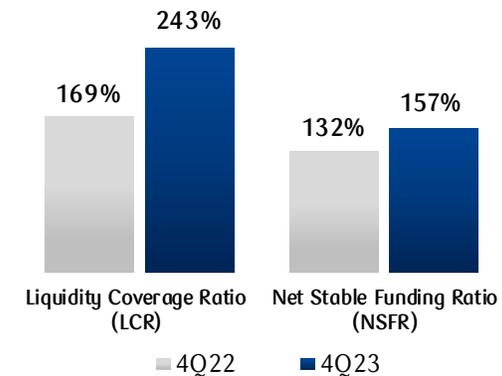
Structure of funding [%]



Term structure of total deposits⁽¹⁾ [%]



LCR and NSFR ratio [%]



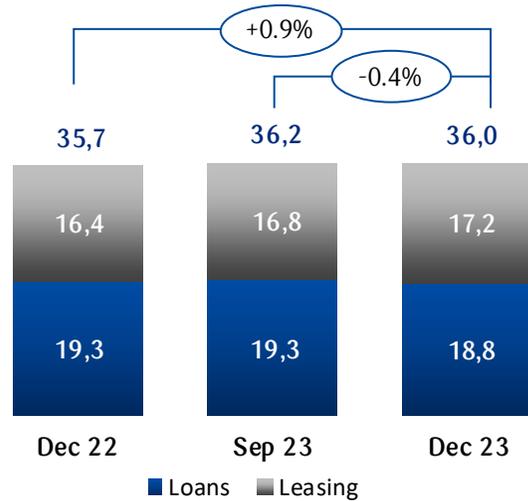
(1) Amounts due to customers.

(2) Amounts due to customers and long-term sources of external funding: issuance of covered bonds, securitization, unsecured obligations, subordinated liabilities, loans from financial institutions

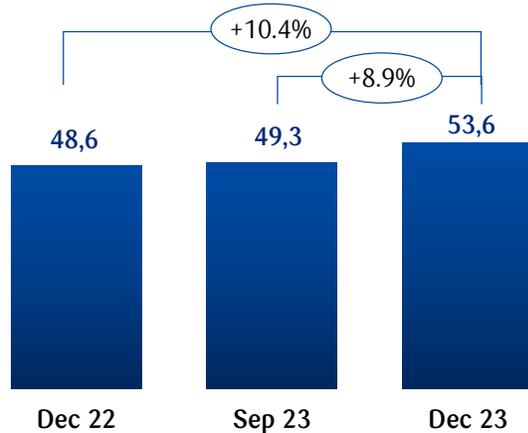


Companies and entrepreneurs banking

Loans volume outstanding [PLN bn]



Deposits [PLN bn]



NEW PRODUCTS AND SUPPORT FOR CUSTOMERS

- Implementation of purchase loan for corporate market clients
- Introduction of loan to maintain financial liquidity by agricultural producers, for farmers who are clients of the corporate market
- Extension of multi-purpose credit limit with the de minimis BGK guarantee
- Implementation of changes in processes for advisors for housing communities, increasing the loan amount depending on the decision at the branch, changes in the BGK de minimis guarantee
- Start of a promotion for companies at PKO Bank Polski - refuel, charge and get VISA
- Introduction of the Leasing offer in iPKO with the possibility of financing used cars

DEVELOPMENT OF DIGITAL CHANNELS

- Implementation of a comprehensive process for increasing credit limits for both overdraft and credit card loans as part of a simple assessment path

603 ths
customers



87 ths
open accounts in 2023



519 ths
customers with access
to iPKO



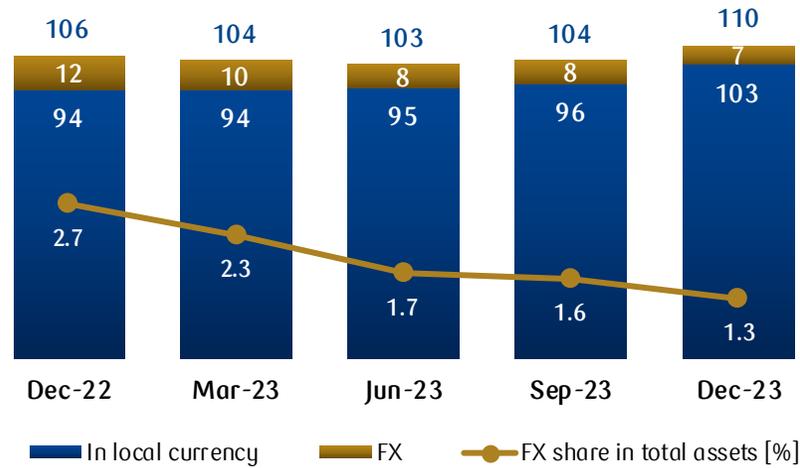
77 ths
customers with access to
iPKO biznes



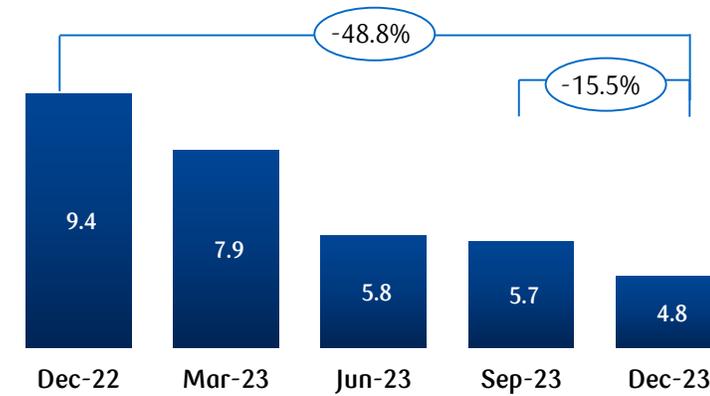
SUPPLEMENTARY INFORMATION

Gross mortgage loans

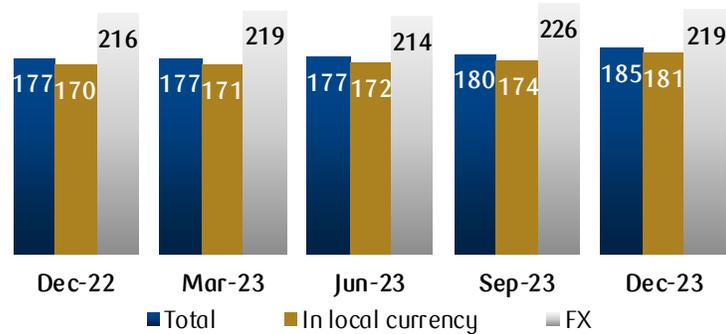
Volume of mortgage loans [PLN bn] ⁽¹⁾



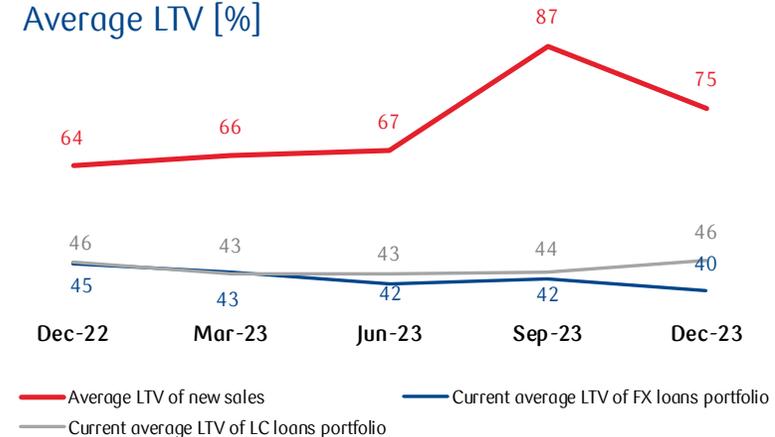
Volume of CHF mortgage loans, net [PLN bn]⁽²⁾



Average carrying value of mortgage loan to be repaid [PLN ths]



Average LTV [%]

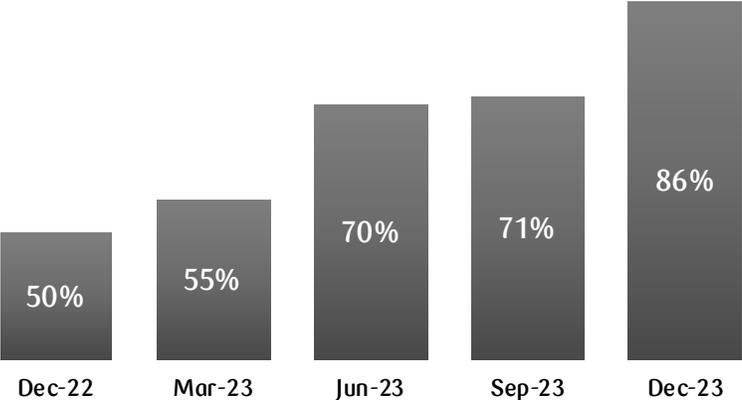


(1) - Includes data for PKO Bank Polski, PKO Bank Hipoteczny and Kredobank, (2) - gross carrying amount - excl. cost of legal risk

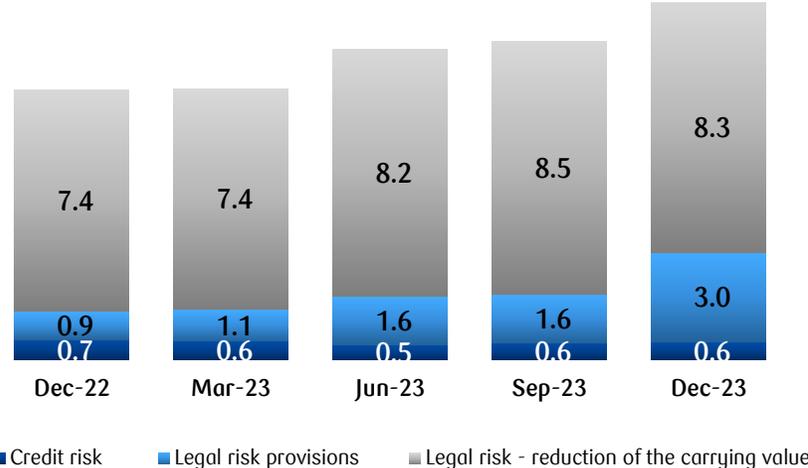
CHF mortgage loans



Coverage of mortgage loans in CHF [%]⁽¹⁾



Provisions for mortgage loans in CHF [PLN bn]

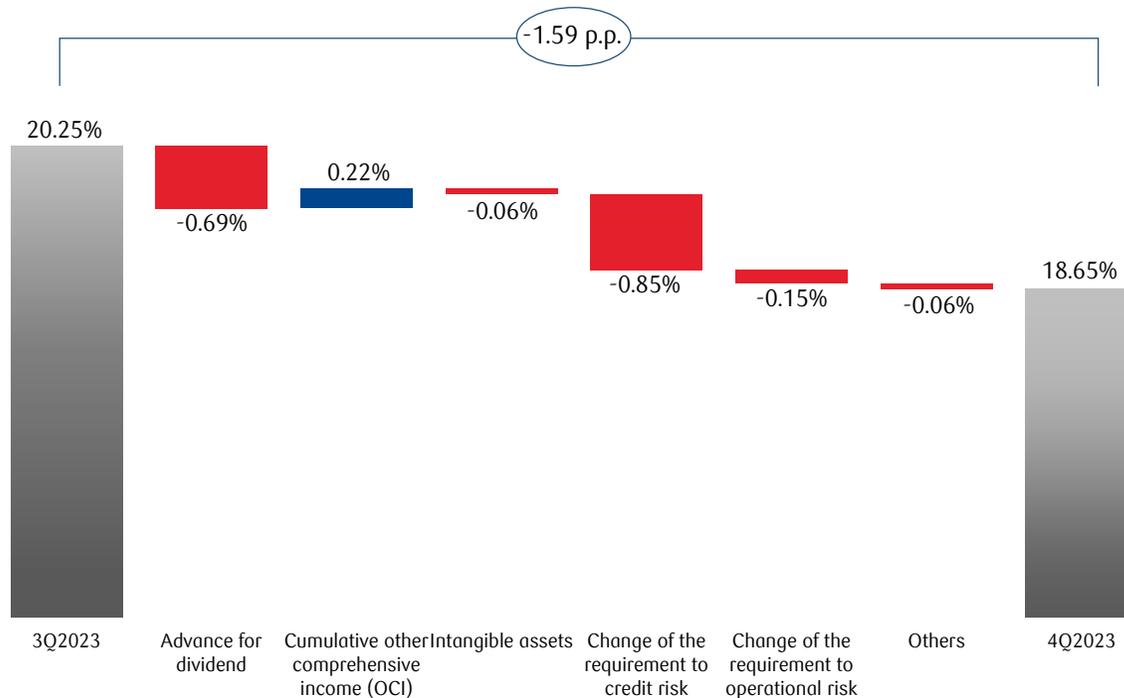


(1) - Mortgage loan provision coverage - Legal risk provisions and legal risk - reduction of the carrying value to the gross carrying value of FX mortgage loans incl. cost of legal risk

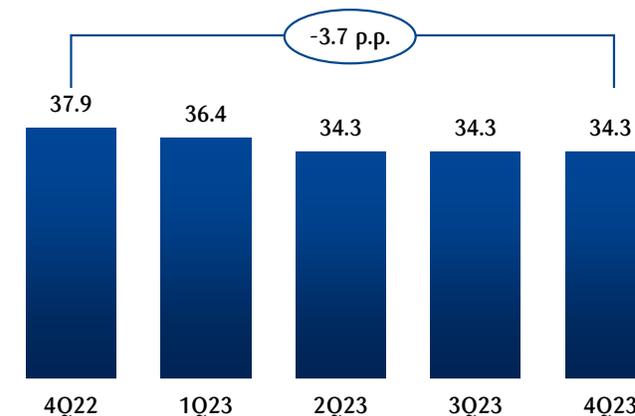
Capital adequacy



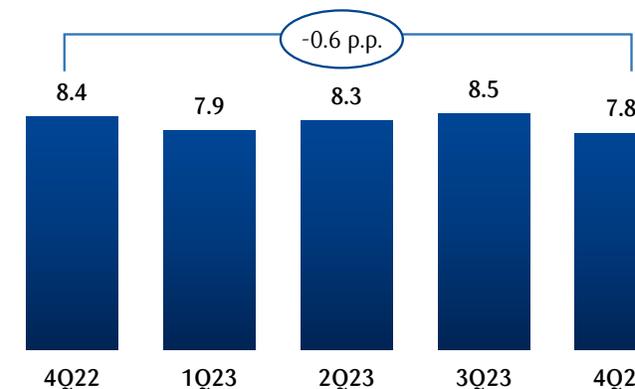
Quarterly change of the consolidated total capital ratio (TCR) [p.p.]



Effective risk weight [%]⁽¹⁾



Leverage ratio [%]



(1) - Share of risk-weighted assets related to credit risk and counterparty risk in relations to their respective net exposure values. 2022 items do not include the impact of IFRS 17 and recognise the retroactive crediting to the funds of the result for 2022 following the profit distribution by the AGM



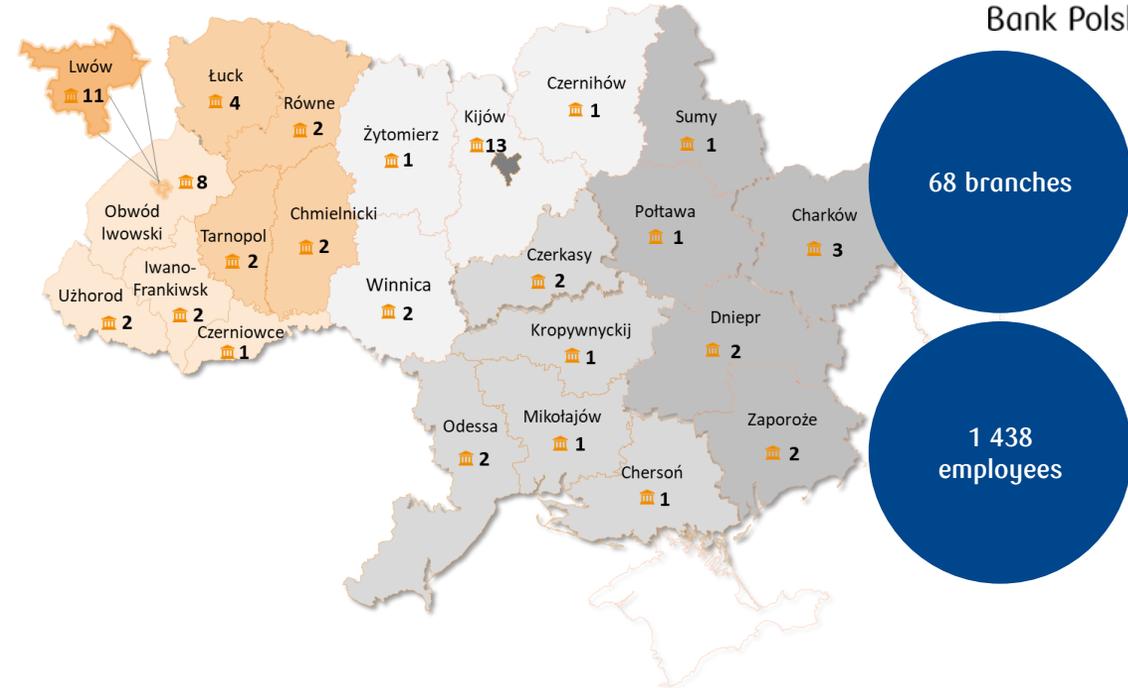
Bank Polski

SUPPLEMENTARY INFORMATION

KREDOBANK S.A.

KREDOBANK S.A. is an universal bank servicing both retail and SME clients, operating mainly in western part of Ukraine and Kiev region

- Continuation of activities in regions not affected by active hostilities. 13 branches were located in the regions most affected by the war
- KREDOBANK S.A. is included in the list of banks of systemic importance, which includes the top 15 Ukrainian banks
- KREDOBANK S.A. grants loans to corporate and SME customers under government programmes and in cooperation with foreign banks

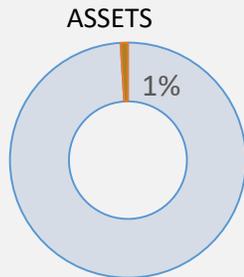


68 branches

1 438 employees

KREDOBANK'S SHARE OF THE GROUP'S RESULTS

December 31, 2023:



KREDOBANK S.A. GROUP (mIn PLN)	Dec 31, 2023	Dec 31, 2022	Δ
Gross loans	1 465	1 836	-20%
Gross deposits	4 806	4 130	16%
Total assets	5 788	4 862	19%
Equity	602	496	21%
	2023	2022	Δ
Net income	143	18	>100%

Consolidated data according to IFRS

The balance sheet of PKO Bank Polski Group



Assets (PLN billion)	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	y/y	q/q
Cash and balances with the Central Bank	15.9	14.6	13.9	16.5	17.8	+11.9%	+8.2%
Amounts due from other banks	16.1	13.5	14.1	15.2	14.4	-10.3%	-4.7%
Reverse repo transactions	0.01	4.78	5.14	0.1	0.4	>100%	>100%
Net customer financing	247.6	252.5	250.9	255.7	262.9	+6.2%	+2.8%
Securities	121.0	131.0	148.6	159.7	180.3	+49.1%	+12.9%
Other assets	30.8	27.7	28.2	25.9	25.6	-16.9%	-0.8%
TOTAL ASSETS	431.4	444.0	460.8	472.9	501.5	+16.2%	+6.0%

Liabilities and equity (PLN billion)	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	y/y	q/q
Total equity	35.7	39.2	41.1	45.4	45.2	+26.7%	-0.4%
Amounts due to the central bank and due to banks	5.3	6.0	4.9	5.4	4.9	-7.4%	-8.5%
Subordinated liabilities and debt securities in issue	18.3	20.0	19.5	20.2	20.0	+9.2%	-0.9%
Amounts due to customers	338.9	349.7	366.1	376.5	399.2	+17.8%	+6.0%
Loans and advances received	2.3	2.2	1.9	1.8	1.5	-35.1%	-15.7%
Liabilities of insurance activities	2.9	2.8	2.9	2.9	2.9	+1.3%	+1.3%
Other liabilities	30.4	26.2	26.4	22.6	29.3	-3.6%	+29.4%
TOTAL EQUITY AND LIABILITIES	431.4	444.0	460.8	472.9	501.5	+16.2%	+6.0%

The Profit and loss account of PKO Bank Polski Group



Profit and loss account (PLN million)	4Q 22	1Q 23	2Q 23	3Q 23	4Q 23	y/y	q/q	12M 22	12M 23	y/y
Net interest income	4 081	4 187	4 392	4 662	5 077	+24.4%	+8.9%	11 424	18 318	60.3%
Net fee and commission income	1 112	1 103	1 111	1 175	1 236	+11.1%	+5.1%	4 498	4 626	2.8%
Other income	335	255	290	329	360	+7.6%	+9.4%	1 332	1 235	-7.3%
Insurance income	202	166	187	173	184	-8.7%	+6.4%	778.9	710.7	-8.8%
Dividend income	39	0.5	11.7	1.7	0.2	-99.5%	-88.6%	51.2	14.2	-72.3%
Trading income	34	47	9	68	90	>100%	+33.8%	402.6	214.0	-46.9%
Net foreign exchange gains	15	4	7	26	61	>100%	>100%	(73.1)	99.1	-
Gains/(losses) on derecognition on financial assets and liabilities	4	17	10	13	18	>100%	+45.2%	(25.9)	57.4	-
Net other operating income and expense	41	20	65	48	6	-85.3%	-87.5%	198.0	139.3	-29.6%
Total income items	5 528	5 545	5 794	6 167	6 673	+20.7%	+8.2%	17 254	24 179	40.1%
Total operating expenses	(1 731)	(1 985)	(1 746)	(1 790)	(2 114)	22.1%	18.1%	(7 769)	(7 635)	-1.7%
result on regulatory charges	(79)	(379)	(50)	(51)	(142)	80.2%	>100%	(1 887)	(622)	-67.0%
Allowances for expected credit losses	(362)	(340)	(230)	(248)	(493)	36.0%	98.5%	(1 546)	(1 311)	-15.2%
Net impairment allowances on non-financial assets	(39)	(11)	(11)	(37)	(49)	26.3%	31.3%	(63)	(109)	72.6%
Cost of risk on FX mortgages	(738)	(967)	(2 474)	(0)	(1 989)	>100%	>100%	(1 914)	(5 430)	>100%
Tax on certain financial institutions	(312)	(299)	(312)	(302)	(319)	2.3%	5.8%	(1 266)	(1 231)	-2.8%
Share in net profit (losses) of associates and jointly controlled entities	10	23	13	46	17	69.1%	-63.6%	71	99	40.6%
Profit before income tax	2 356	1 966	1 034	3 836	1 726	-26.7%	-55.0%	4 766	8 562	79.6%
Income tax expense	(637)	(513)	(444)	(1 057)	(1 043)	+63.7%	-1.3%	(1 455)	(3 057)	>100%
Net profit attributable to non-controlling shareholders	1	(1)	2	(1)	3	>100%	-	(0)	3	-
Net result attributable to the parent company	1 718	1 454	587	2 780	681	-60.4%	-75.5%	3 312	5 502	66.1%

Key ratios



Key ratios (%)	4Q 22	1Q 23	2Q 23	3Q 23	4Q 23	y/y	q/q	12M 22	12M 23	y/y
ROE net	20.1	15.7	5.9	25.5	6.0	-14.2 p.p.	-19.5 p.p.	9.6	13.3	+3.7 p.p.
ROTE net	22.4	17.3	6.4	27.9	6.5	-15.9 p.p.	-21.4 p.p.	10.4	14.6	+4.2 p.p.
ROA net	1.57	1.35	0.52	2.4	0.6	-1.02 p.p.	-1.81 p.p.	0.77	1.19	+0.42 p.p.
C/I	31.3	35.8	30.1	29.0	31.7	+0.4 p.p.	+2.7 p.p.	45.0	31.6	-13.4 p.p.
NIM	4.19	4.32	4.29	4.4	4.5	+0.34 p.p.	+0.18 p.p.	2.98	4.37	+1.40 p.p.
NPL ratio	3.79	3.74	3.64	3.6	3.4	-0.35 p.p.	-0.15 p.p.	3.79	3.44	-0.35 p.p.
Coverage ratio	104.7	107.6	111.5	111.1	113.5	+8.7 p.p.	+2.3 p.p.	104.7	113.5	+8.8 p.p.
Cost of risk ⁽¹⁾	0.46	0.59	0.48	0.3	0.6	+0.15 p.p.	+0.27 p.p.	0.52	0.50	-0.02 p.p.
TCR ⁽²⁾	19.07	18.58	19.83	20.2	18.7	-0.42 p.p.	-1.59 p.p.	19.07	18.65	-0.42 p.p.
Tier 1 capital ratio ⁽²⁾	17.94	17.42	18.75	19.3	17.8	-0.17 p.p.	-1.48 p.p.	17.94	17.77	-0.17 p.p.

Ratios presented in the period

(1) - 12M 22 and 12M 23 – net impairment allowances on loans and advances to customers for the last 12 months to the average gross amounts due to customers at the beginning and end of the reporting period and interim quarterly periods

(2) - The figures for 2022 are restated and recognise the retroactive crediting to the funds of the result for 2022 following the profit distribution by the AGM

Key operational data



PKO Bank Polski operating data (eop)	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	y/y	q/q
Current accounts ('000)	9 049	9 130	9 183	9 236	9 279	+2.5%	+0.5%
Banking cards ('000)	10 404	10 438	10 420	10 532	10 680	+2.7%	+1.4%
of which: credit cards	953	943	942	939	927	-2.8%	-1.3%
Active mobile banking applications IKO ('000)	7 211	7 411	7 580	7 700	7 797	+8.1%	+1.3%
Active mobile banking users ('000) ⁽¹⁾	5 359	5 528	5 602	5 720	5 858	+9.3%	+2.4%
Number of corporate customers with access to e-banking (000)	15.0	15.0	15.3	15.5	15.9	+5.9%	+2.2%
Number of SME customers with access to e-banking (000)	72.5	73.8	74.8	75.9	76.9	+6.1%	+1.3%
Branches:	967	963	959	958	945	-2.3%	-1.4%
- retail	934	930	925	924	911	-2.5%	-1.4%
- corporate	33	33	34	34	34	+3.0%	0.0%
Agencies	349	329	298	297	286	-18.1%	-3.7%
ATMs	3 011	3 020	3 034	3 042	3 056	+1.5%	+0.5%
Number of customers ('000)	11 666	11 734	11 791	11 852	11 911	+2.1%	+0.5%
- retail	11 071	11 131	11 185	11 239	11 290	+2.0%	+0.5%
- corporate	18	18	18	18	18	+4.7%	+1.3%
- SME	578	586	588	595	603	+4.3%	+1.3%
Employment eop (FTEs '000) Group	25.1	25.1	25.3	25.4	25.6	+2.1%	+0.8%
Number of operations performed by robots (in '000)	18 675	17 584	18 174	18 762	22 357	+19.7%	+19.2%

(1) - The number of mobile banking users who log into the bank from their mobile device at least once a month

Customer financing



PLN billion	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	y/y	q/q
Financing	244.5	249.4	248.1	251.9	258.1	+5.6%	+2.5%
mortgages	105.8	104.2	102.7	104.1	109.6	+3.6%	+5.2%
mortgages in local currency	94.2	94.0	94.9	96.4	103.0	+9.3%	+6.8%
FX mortgages	11.6	10.1	7.8	7.7	6.6	-42.9%	-14.0%
consumer loans	33.2	33.1	33.8	34.6	35.0	+5.5%	+1.2%
SME	35.7	35.8	36.1	36.2	36.0	+0.9%	-0.4%
corporate	69.8	76.4	75.5	77.0	77.5	+11.0%	+0.7%
Debt securities	14.7	15.0	14.8	15.9	17.1	+16.9%	+7.5%
municipal bonds ⁽¹⁾	11.2	11.5	11.5	12.4	13.8	+22.5%	+11.2%
corporate bonds	3.4	3.5	3.3	3.6	3.4	-1.3%	-5.4%
Gross customer financing	259.1	264.4	263.0	267.8	275.2	+6.2%	+2.8%
Net customer financing	247.6	252.5	250.9	255.7	262.9	+6.2%	+2.8%

(1) - Bonds issued by PFR, BGK and EIB were excluded from the volume of corporate bonds.

Customer savings



PLN billion	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	y/y	q/q
Retail and private banking⁽¹⁾	346.4	367.8	388.1	397.3	415.5	+20.0%	+4.6%
deposits	234.4	248.8	265.3	268.5	275.5	+17.5%	+2.6%
retail mutual funds	30.1	31.6	33.6	35.4	39.0	+29.8%	+10.2%
saving treasury bonds	81.9	87.4	89.2	93.4	101.0	+23.3%	+8.2%
Own bonds on clients' accounts	2.4	2.7	2.9	3.3	3.4	+41.0%	+4.6%
Corporate	55.8	56.0	54.9	58.2	69.5	+24.5%	+19.3%
SME	48.6	44.6	45.5	49.3	53.6	+10.4%	+8.9%
Customer savings	453.2	471.2	491.4	508.1	542.1	+19.6%	+6.7%

(1) - Volume of bonds accumulated by retail customers has been included in the Retail and private banking savings presented in the first line.

Credit / ESG ratings and ownership

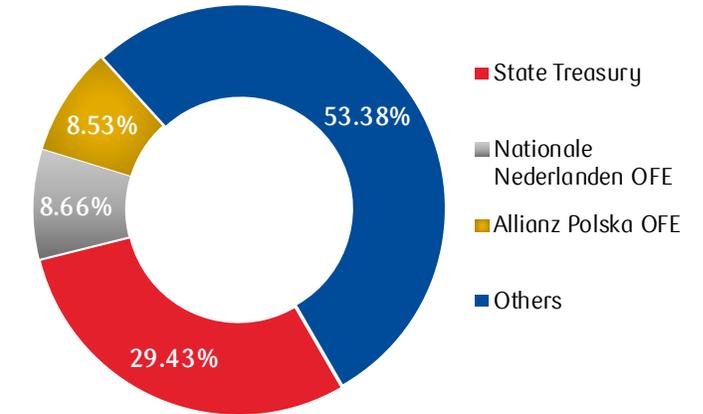


Bank Polski

Credit Ratings

Moody's Investors Service	Long-term rating	
	Deposits	A2
	Liabilities	A3
	Counterparty risk	A2
	Outlook	Stable
	Short-term rating	
	Deposits	P-1
	Liabilities	(P)P-2
	Counterparty risk	P-1
	Baseline Credit Assessment	baa2

Shareholder structure (number of shares: 1 250 mln)



- The Bank's shares have been listed on the Warsaw Stock Exchange since November 10, 2004.
- Largest domestic bank on the WSE in terms of capitalization PLN 63 billion (as at 31/12/2023)
- Bank PKO BP is included in the following indices: WIG, WIG20, WIG30, WIG Banki, WIG-ESG, FTSE Russell, Stoxx 600
- ISIN: PLPKO0000016; Bloomberg: PKO PW; Reuters: PKOB WA

ESG Ratings



A ↔

(A in 2022)



24 Medium Risk ↓

(23,5 in 2023)



3.3 ↔

(3.3 in 2022)



46 ↔

(46 in 2022)





Investor Relations Office. Contact and Calendar



Bank Polski

Contact

Investor Relation Office

Dariusz Choryło
15 Puławska Str.
02-515 Warsaw

Tel: +48 604 050 796
e-mail: dariusz.chorylo@pkobp.pl
e-mail: ir@pkobp.pl

www.pkobp.pl/investor-relations

Calendar

7th of March, 2024	Annual report for FY2023
9th of May, 2024	Quarterly report for Q1 2024
22nd of August, 2024	Semi-annual report for 1H 2024
7th of November, 2024	Quarterly report for Q3 2024



Disclaimer

This presentation (the "Presentation") has been prepared by Powszechna Kasa Oszczędności Bank Polski S.A. ("PKO Bank Polski S.A.", "Bank") solely for use by its clients and shareholders or analysts and should not be treated as a part of any invitation or offer to sell any securities, invest or deal in or a solicitation of an offer to purchase any securities or recommendation to conclude any transaction, in particular with respect to securities of PKO Bank Polski S.A. The information contained in this Presentation is derived from publicly available sources which Bank believes are reliable, but PKO Bank Polski SA does not make any representation as to its accuracy or completeness. PKO Bank Polski SA shall not be liable for the consequences of any decision made based on information included in this Presentation.

The information contained in this Presentation has not been independently verified and is, in any case, subject to changes and modifications. PKO Bank Polski SA's disclosure of the data included in this Presentation is not a breach of law for listed companies, in particular for companies listed on the Warsaw Stock Exchange. The information provided herein was included in current or periodic reports published by PKO Bank Polski SA or is additional information that is not required to be reported by Bank as a public company.

In no event may the content of this Presentation be construed as any type of explicit or implicit representation or warranty made by PKO Bank Polski SA or, its representatives. Likewise, neither PKO Bank Polski SA nor any of its representatives shall be liable in any respect whatsoever (whether in negligence or otherwise) for any loss or damage that may arise from the use of this Presentation or of any information contained herein or otherwise arising in connection with this Presentation.

PKO Bank Polski SA does not undertake to publish any updates, modifications or revisions of the information, data or statements contained herein should there be any change in the strategy or intentions of PKO Bank Polski SA, or should facts or events occur that affect PKO BP SA's strategy or intentions, unless such reporting obligations arises under the applicable laws and regulations.

This Presentation contains certain market information relating to the banking sector in Poland, including information on the market share of certain banks and PKO Bank Polski SA. Unless attributed exclusively to another source, such market information has been calculated based on data provided by third party sources identified herein and includes estimates, assessments, adjustments and judgments that are based on PKO Bank Polski SA's experience and familiarity with the sector in which PKO Bank Polski SA operates. Because such market information has been prepared in part based upon estimates, assessments, adjustments and judgments and not verified by an independent third party, such market information is, unless otherwise attributed to a third party source, to a certain degree subjective. While it is believed that such estimates, assessments, adjustments and judgments are reasonable and that the market information prepared is appropriately reflective of the sector and the markets in which PKO Bank Polski SA operates, there is no assurance that such estimates, assessments and judgments are the most appropriate for making determinations relating to market information or that market information prepared by other sources will not differ materially from the market information included herein.

PKO Bank Polski SA hereby informs persons viewing this Presentation that the only source of reliable data describing PKO Bank Polski SA's financial results, forecasts, events or indexes are current or periodic reports submitted by PKO Bank Polski SA in satisfaction of its disclosure obligation under Polish law.

Any differences in total balances, percentages and growth rates result from rounding the amounts to PLN million and rounding percentages to one decimal place.