



Bank Polski

## FINANCIAL RESULTS FOR 3 QUARTERS 2022

Solid business result under the influence of extraordinary events



Warsaw, 10th of November, 2022



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## Key achievements

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## KEY ACHIEVEMENTS

### Financial highlights – 3 quarters 2022



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**Net profit**

**PLN 1 601 mln**

**ROE 7.9%**

**The biggest bank in Poland**

**PLN 439 bn of assets**

**11.6 mln of customers**

**Strong capital base**

**TCR 17.15%**

**Tier 1 16.01%**

**Growing core  
revenues**

**+9.2% y/y**

**High costs efficiency**

**C/I 48.7%**

**Cost of risk under control**

**COR 58 pbs**

**NPL 3.92%**

## KEY ACHIEVEMENTS

# Development of our business - key achievements



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### Financing our customers



- PLN 247 bn financing provided to customers, +1.8% y/y
- Strong growth of financing in corporate sector +18.3% y/y



### Savings



- Deposits growth by +14.0% y/y to PLN 340 bn



### Customers



- Customers number increased to 11.6 mln
- Growing number of digital customers:
  - Increase number of transactions in IKO by 41% y/y
  - 7.0 mln IKO app. +19% y/y



### Social responsibility



- Financing green products
- Support to Ukrainian refugees
  - Dedicated financial products
  - Humanitarian support



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## Financial results

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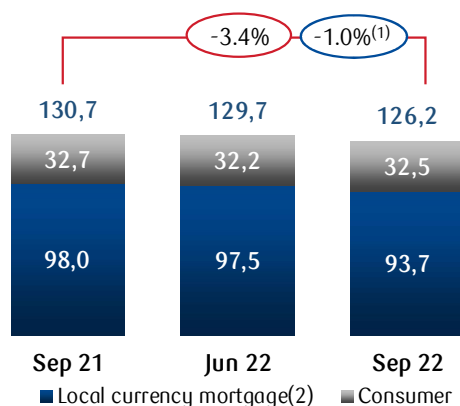
## FINANCIAL RESULTS

# Retail banking: solid growth of deposits, number of accounts and IKO

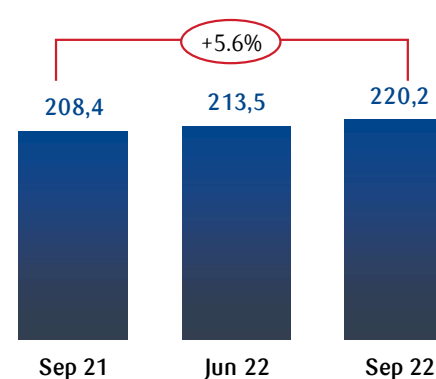


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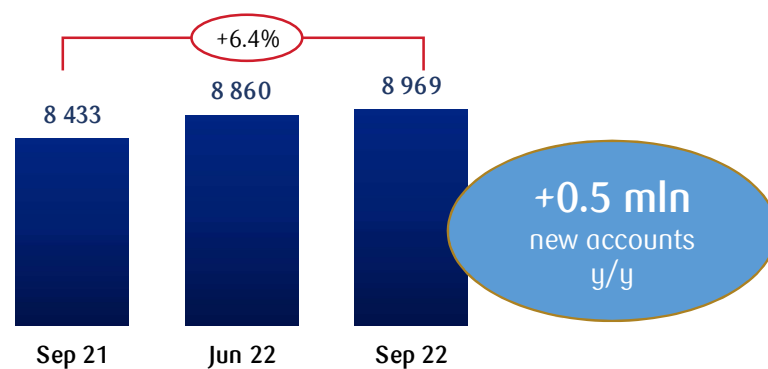
Loans volume outstanding [PLN bn]



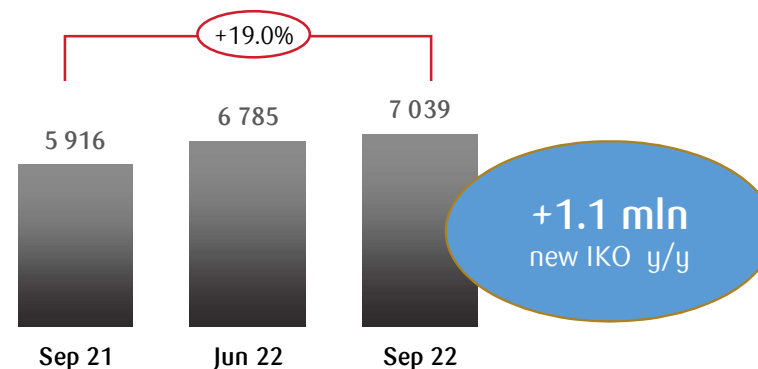
Deposits<sup>(3)</sup> [PLN bn]



Number of current accounts [ths]



Number of active IKO app [ths]



(1) - dynamics resulting from the adjustment of mortgage loans by PLN 3.1 billions, as a result of applying credit holidays, (2) - The position incl. UAH loans, (3) - Retail deposits.

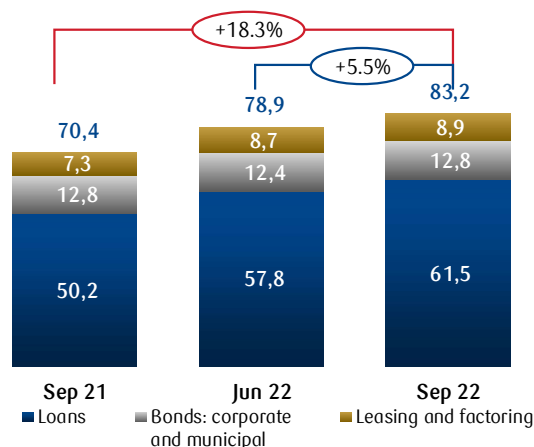


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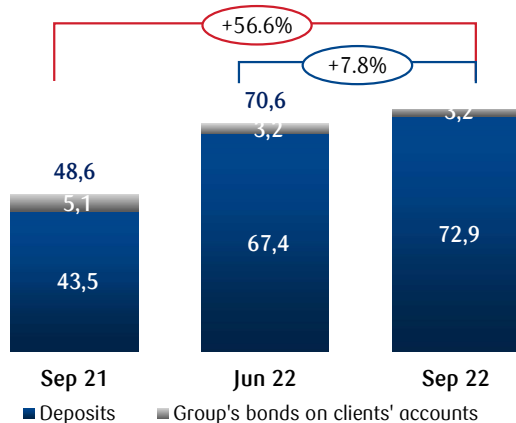
## FINANCIAL RESULTS

# Corporate and investment banking – double digit volume growth y/y

Corporate clients financing [PLN bn]



Corporate clients savings [PLN bn]



<strong>FINANCING ESG</strong> Syndicated loan with ESG component for financing the container terminal expansion Total amount EUR 863.5 mln Bank's share EUR 154 mln	<strong>FINANCING ESG</strong> Syndicated loan with ESG component for development of new projects in the area of renewable energy Total amount of PLN 262 mln Bank's share PLN 66 mln	<strong>FINANCING ESG</strong> Bilateral financing of a solar farm project amounting to PLN 434 mln	<strong>FINANCING ESG</strong> Financing acquisition of firms in the recycling sector . Total amount of financing EUR 131 mln Bank's share EUR 43.5 mln
Concluding seven syndicated loan agreements for a total of PLN 880 mln and EUR 1,934.5 mln, Bank's share PLN 189 mln and EUR 154.4 mln respectively	Concluding thirty municipal bond issue agreements total over PLN 798 mln	Concluding a guarantee in a syndicated form for a total of PLN 150 mln Bank's share PLN 75 mln	Concluding, for another period, agreements for providing banking services to the following voivodeships: Kujawsko-Pomorskie, Lubelskie, Pomorskie and the City of Zielona Góra together with their organizational units

## FINANCIAL RESULTS

### Significant events affecting the results in the third quarter 2022



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#### Regulatory burdens

#### Impact on financial results in 3Q 2022

<b>CREDIT HOLIDAYS</b>	<b>PLN 3 111 mln</b>	<ul style="list-style-type: none"> <li>- 63% - assumed participation</li> <li>- 265 ths. customers submitted an application as 30th of September – the level close to assumed</li> </ul>
<b>BORROWERS' SUPPORT FUND</b>	<b>PLN 300 mln</b>	<ul style="list-style-type: none"> <li>- 21% of total expected contribution from the banking sector in 2022</li> </ul>
<b>PROTECTION SYSTEM FUND (IPS)</b>	<b>PLN 84 mln</b>	<ul style="list-style-type: none"> <li>- 10% - additional payment agreed by banks participating in the fund</li> </ul>
<b>BRIDGING MARGIN</b>	<b>PLN 48 mln</b>	<ul style="list-style-type: none"> <li>- The effect of the amendment to the mortgage loan act effecting the resignation from increasing the loan margin until the mortgage is entered to the loan and mortgage register</li> </ul>



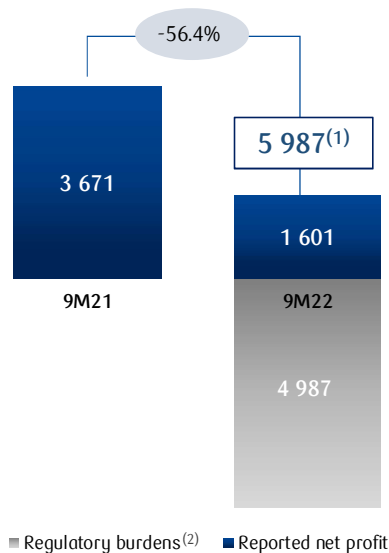


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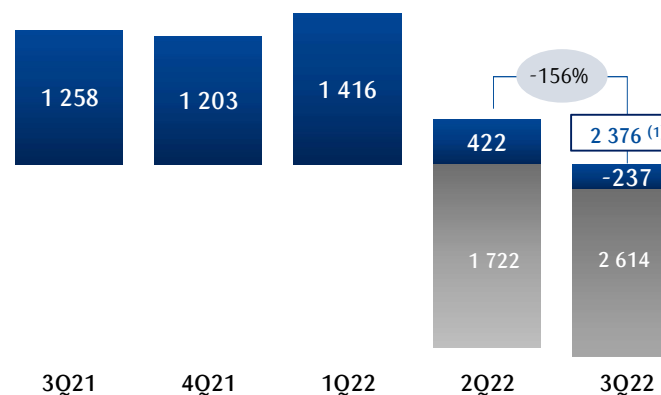
## FINANCIAL RESULTS

### Net profit

Net profit [PLN mln]



Quarterly net profit [PLN mln]



PLN 1 601 mln of reported net profit for 9 months 2022, +63.1% excluding extraordinary items<sup>(2)</sup>

Reported net profit in 3Q at PLN-237 mln, (PLN 2 376 mln + 88.9% y/y excluding extraordinary items)

Reported ROE at 7.9%, ROE adjusted for extraordinary items at 19.6%

(1) – Net profit excl. extraordinary items amounted to PLN 5 987 mln for 9 months 2022, which means an increase by 63.1% y/y, in the third quarter of 2022 - PLN 2 376 mln, which means an increase by 88.9% y/y

(2) – Extraordinary items including costs credit holidays (+3 111 mln), costs of legal risk related to CHF-denominated and indexed mortgage loans (+1 176 mln), IPS (+956 mln), Borrowers' Support Fund (+300 mln), provision for the return of the bridging margin (+48 mln), BGF (-232 mln), effective tax rate change (-972 mln).

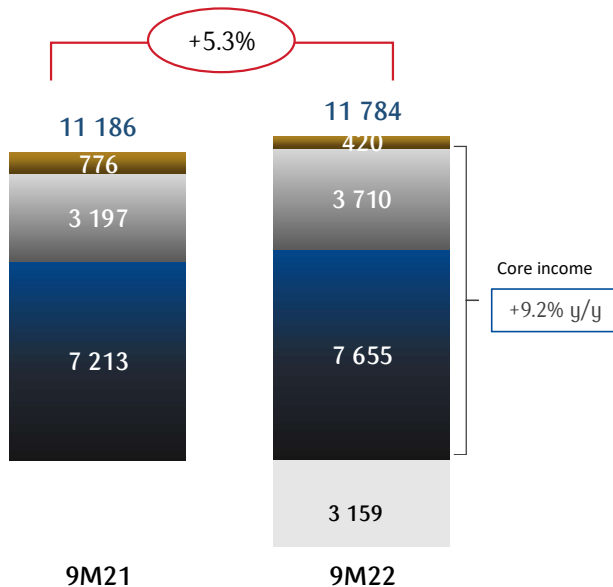


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## FINANCIAL RESULTS

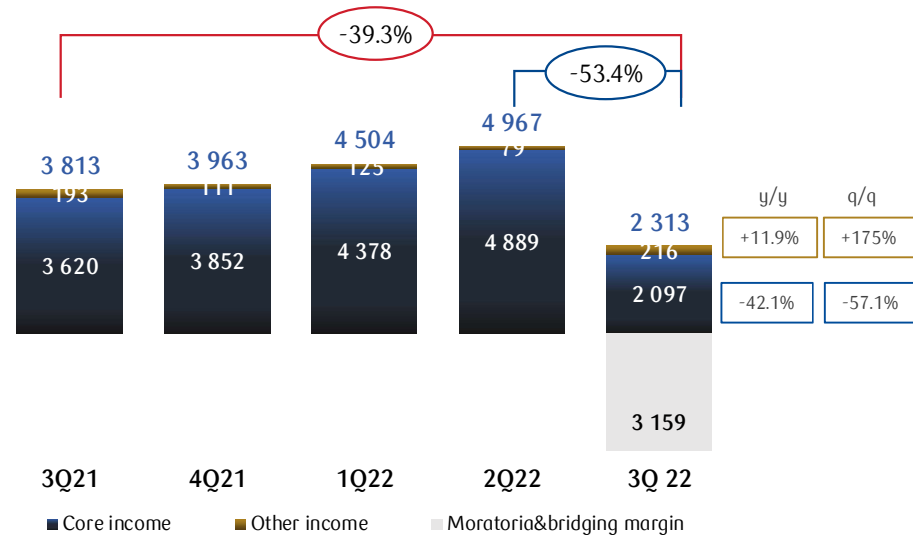
# Income growth thanks to high dynamics of core income despite credit holidays effect

Result on business activity [PLN mln]



■ Moratoria&bridging margin  
■ Other income  
■ Net F&C income  
■ Net interest income

Quarterly result on business activity [PLN mln]



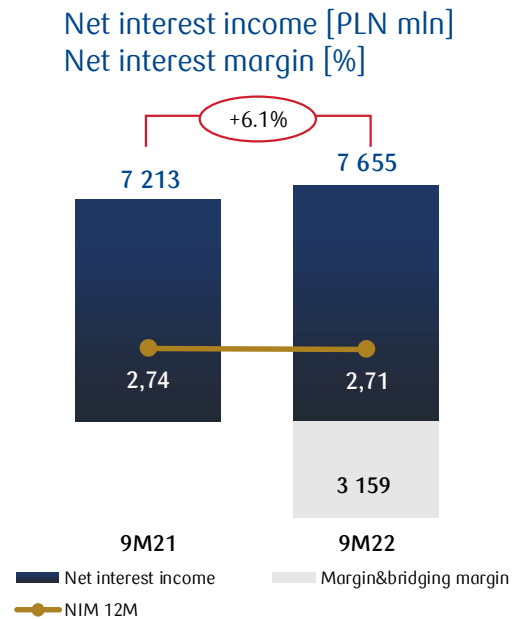
Results on banking activity after 9 months +5.3% y/y thanks to high growth both of NII and F&C and significantly impacted by credit holidays burdens (-3 111 mln) and provision for the reimbursement of the costs of increased margin until the entry into the loan and mortgage register (-48 mln)



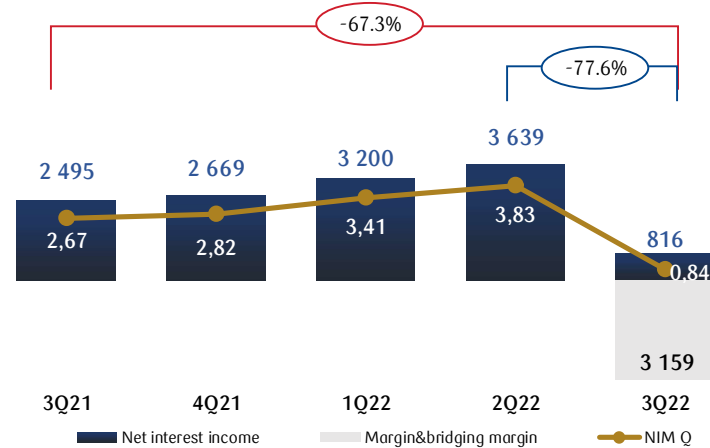
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## FINANCIAL RESULTS

### Net interest income



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



- Interest income strongly influenced by extraordinary events - credit holidays burdens (-3 111 mln) and provision for the reimbursement of the costs of increased margin (-48 mln)
- Quarterly interest margin including the effect of credit holidays - at the level of 84 pbs

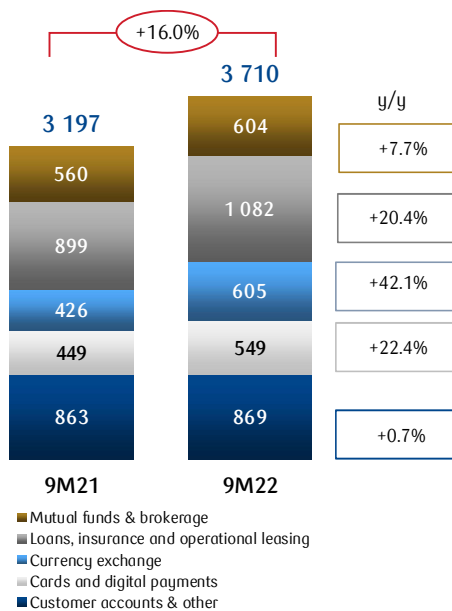
## FINANCIAL RESULTS

### Strong growth of fees and commissions

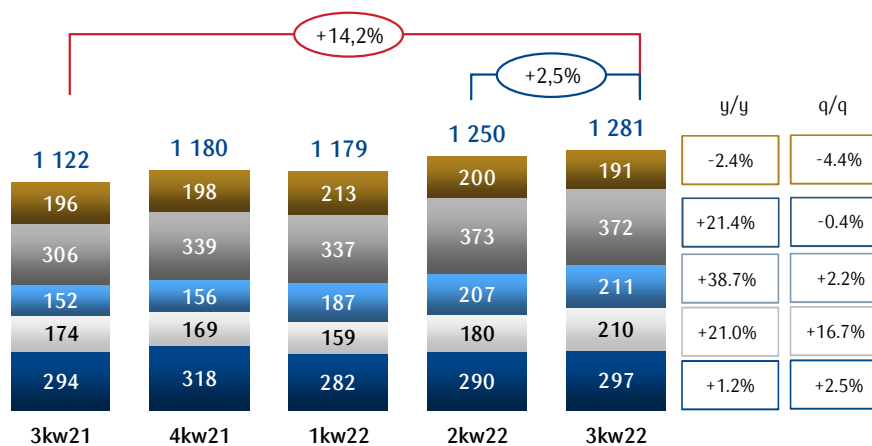


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Fees and commissions income [PLN mln]



Quarterly fees and commissions income [PLN mln]



- Increase of fees and commission for 9 months by 16.0% y/y, supported by improvements in all categories
- Very good result achieved in the third quarter, +2.5% q/q, +14.2% y/y thanks to income from banking activity

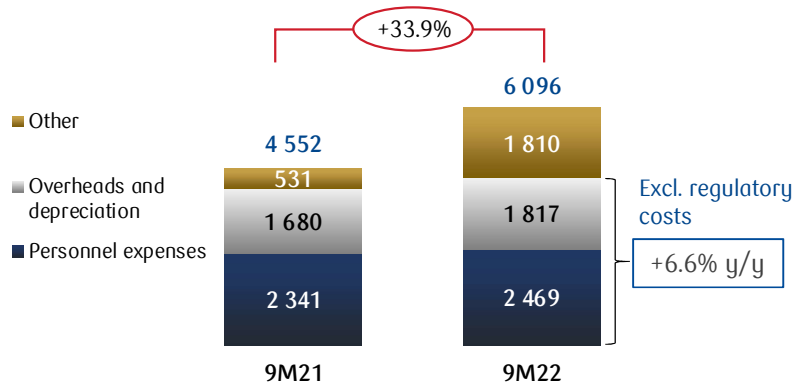


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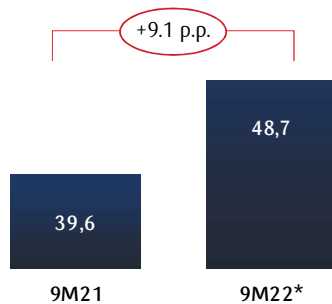
## FINANCIAL RESULTS

### Operating costs excluding regulatory ones under control

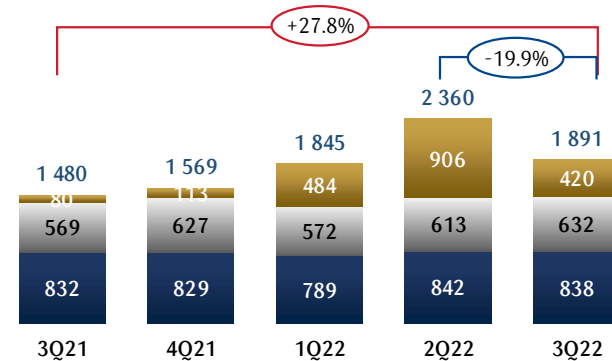
Operating expenses [PLN mln]



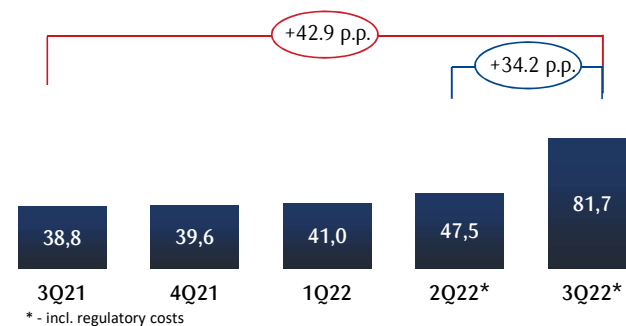
Quarterly Cost/Income ratio [%]



Quarterly operating expenses [PLN mln]



Quarterly Cost/Income ratio [%]



\* - incl. regulatory costs



- Increase of operating costs by 6.6% y/y excluding regulatory expenses after 9 months, definitely below inflation
- C/I adjusted by regulatory costs at the level of 34.5% for 9 months 2022

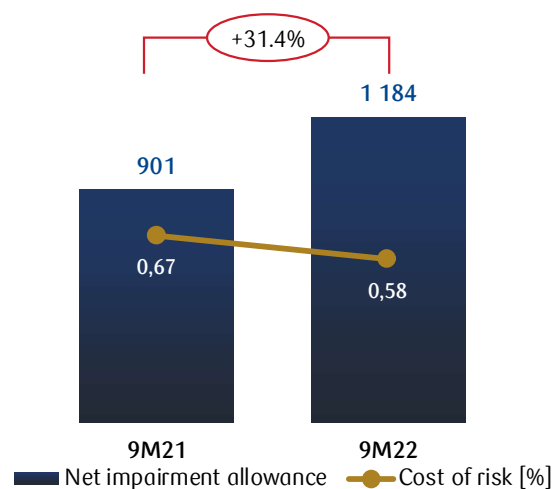


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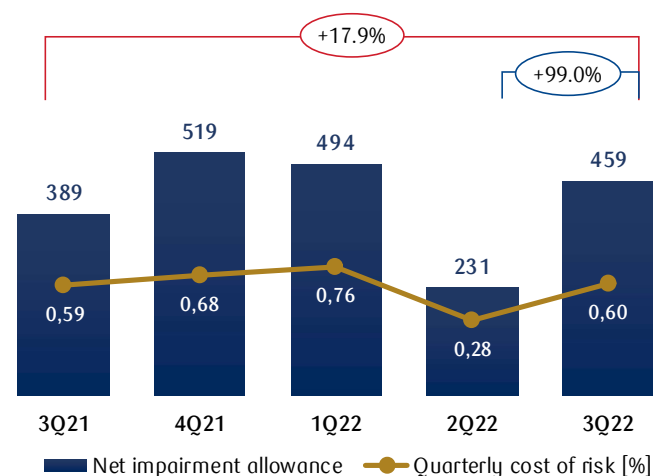
## FINANCIAL RESULTS

### Cost of risk

Net impairment allowance [PLN mln]



Quarterly net impairment allowance [PLN mln]



Cost of risk after 9 months 2022 at 58 pbs

Cost of risk in 3quarter at 60 pbs

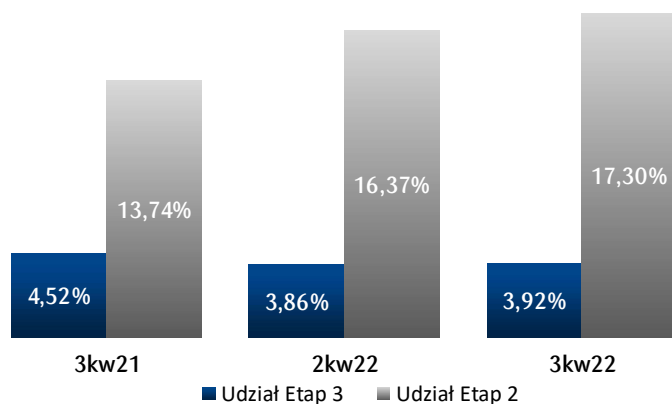


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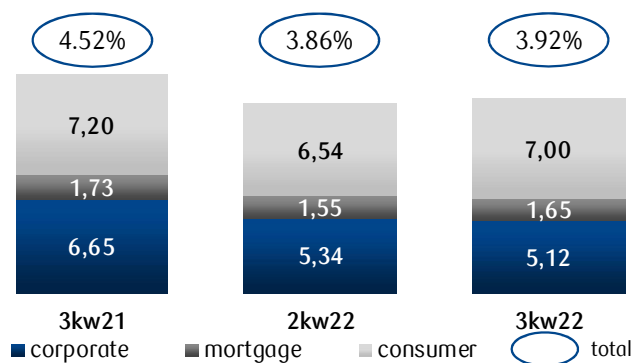
## FINANCIAL RESULTS

### High quality of customer financing

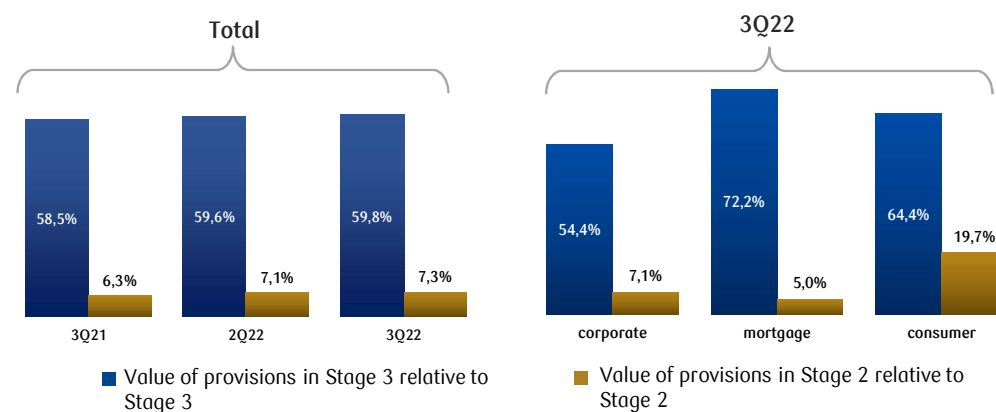
Share of receivables in stage 2 and 3 [%]



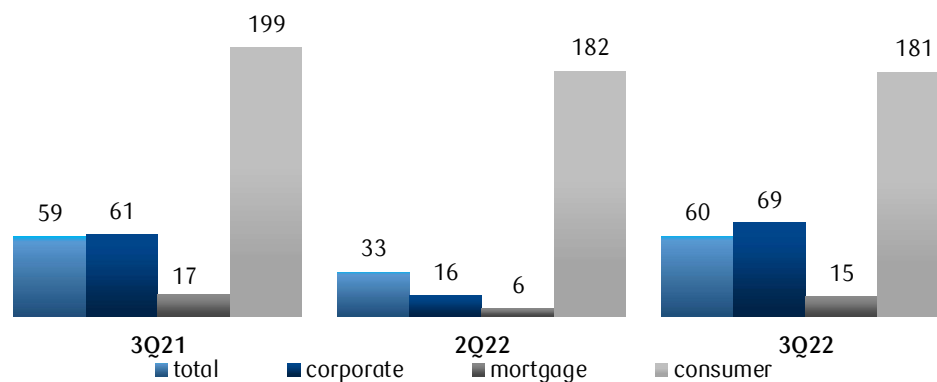
Share of receivables in stage 3 [%]



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



Quarterly cost of credit risk [bps.]



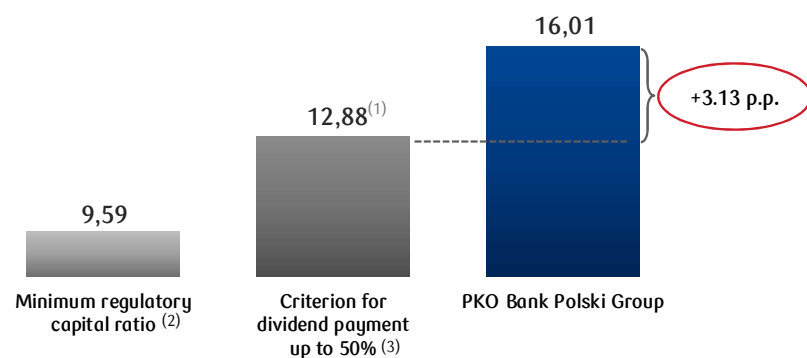


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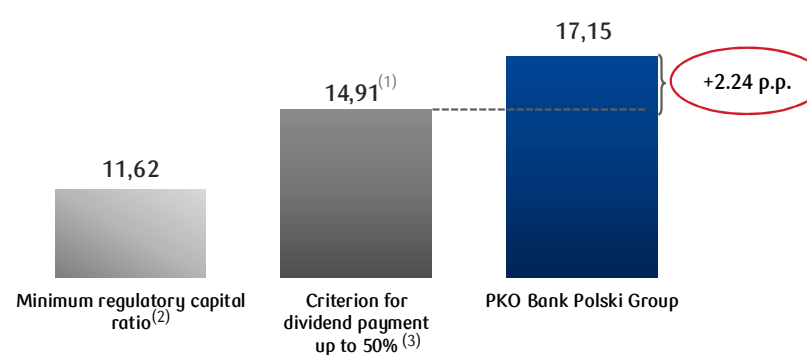
## FINANCIAL RESULTS

### Solid capital position

Tier 1 capital ratio [%]



Total capital ratio (TCR) [%]



(1) - PFSA's buffer for bank's sensitivity to an adverse macroeconomic scenario recommended in Pillar II is 0.29% (basic buffer 0.17% and additional buffer 0.12%)

(2) - Tier 1: CRR 6% + conservation buffer 2.5% + OSII buffer 1% + countercyclical buffer 0.01% + FX buffer for the Group 0.08%,

TCR: CRR 8% + conservation buffer 2.5% + OSII buffer 1% + countercyclical buffer 0.01% + FX buffer for the Group 0.11%.

(3) - Dividend payment minimums after adjusting the dividend payout ratio by the following criteria:

K1 - share of the foreign currency mortgages for households in total receivables of PKO from the non-financial sector (3Q'22: Bank: 6,8%; Group: 5,7%); adjustment by - 20 p.p., when 5%<K1<10%.

K2 - share of the foreign currency mortgages granted in 2007/08 in PKO's total portfolio of foreign currency mortgages (3Q'22: Bank: 35,9%; Group 35,0%); adjustment by -30 p.p., when 20%<K2<50%.





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## FINANCIAL RESULTS

### Settlement program

Almost 31 ths motions submitted for mediation  
Almost 18 ths mediations concluded successfully

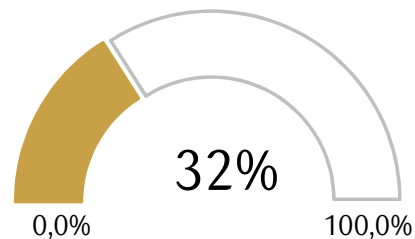
Process mostly performed in remote channels (80%)

Avg. 59 days since the submission of the motion to annex signing

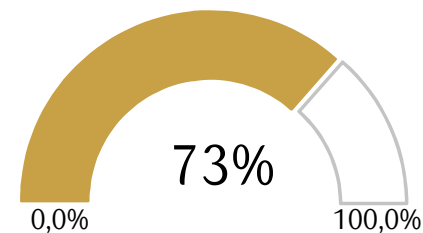
In June, the scope of products for which settlements were available was extended to include MIX mortgage loans granted in CHF for housing needs (purchase of real estate or repayment of other liabilities)

30th of September, 2022.

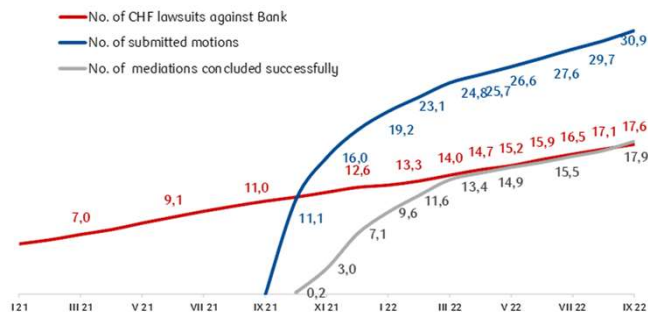
Share of motions submitted



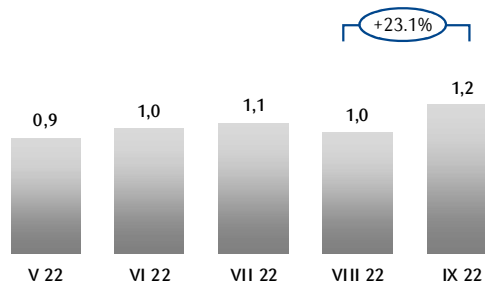
Share of successfully completed cases in total completed cases



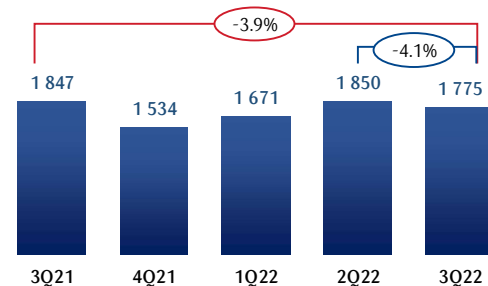
Number of cases regarding settlements of CHF borrowers



New mediation motions submitted [ths. Items]



The number of new court proceedings in a quarter [Items]



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



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## Conclusion

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## CONCLUSION

# Results driven by extraordinary events and continued strong revenues growth



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Net profit at the level of PLN 1.6 bn with ROE 7.9% after 9 months, significantly burdened with extraordinary events in the amount of PLN 5.0 bn



Core business income up by 9.2% y/y after 3 quarters, thanks to continued strong growth both of net interest income and fee and commission income, despite significant extraordinary events



High level of cost effectiveness with dynamics of non-regulatory costs up by 6.6% y/y



Cost of risk at 58 pbs, high level of coverage ratio and solid capital base with Tier 1 at 16.01%, confirm Bank's strength and ability to financing Polish families and enterprises



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## Supplementary information

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## MACROECONOMIC BACKDROP

# Macroeconomic and banking sector forecasts



		2019	2020	2021	2022F	2023F
GDP	% y/y	4.5	-2	6.8	4.3	0.9
Consumption	% /y	3.5	-3.6	6.3	4.0	1.9
Investments	% y/y	6.2	-2.3	2.1	3.7	1.7
Fiscal balance <sup>1)</sup>	% PKB	-0.7	-6.9	-1.8	-2.1	-5.1
Public debt <sup>1)</sup>	% PKB	45.6	57.1	53.8	50.7	52.1
Inflation CPI	%	2.3	3.4	5.1	14.3	13.3
LFS unemployment rate	%	3.3	3.2	3.4	2.7	2.4
NBP reference rate	% eop	1.50	0.10	1.75	6.75	6.25
WIBOR 3M	% eop	1.71	0.21	2.54	7.15	6.45
EUR/PLN	PLN eop	4.26	4.61	4.60	4.80	4.60
CHF/PLN	PLN eop	3.92	4.25	4.45	5.00	4.34

		2019	2020	2021	2022F	2023F
Loans total	% y/y	4.7	-0.8	4.7	2.6	2.1
Mortgage loans PLN	% y/y	12.2	10.1	12.5	-1.2	0.0
Consumer loans	% y/y	8.2	-2.2	1.6	-4.0	-0.7
Nonfinancial economic entities loans	% y/y	2.2	-6.0	3.2	8.4	4.1
Deposits total	% y/y	8.2	13.1	10.8	0.1	3.6
Deposits for private individuals	% y/y	9.3	7.6	6.0	1.1	4.0
Net assets of private individuals (TFI)	% y/y	5.7	2.5	5.7	-23.7	13.7
Nonfinancial economic entities deposits	% y/y	10.1	20.6	10.5	6.7	3.7

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

1) In ESA2010 terms.

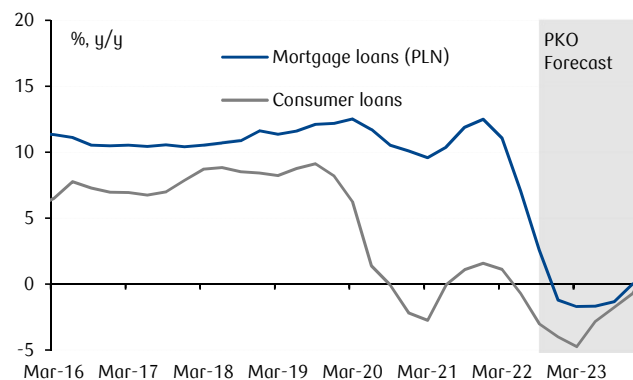
## MACROECONOMIC BACKDROP

# Development of loan and deposit market (FX adjusted)

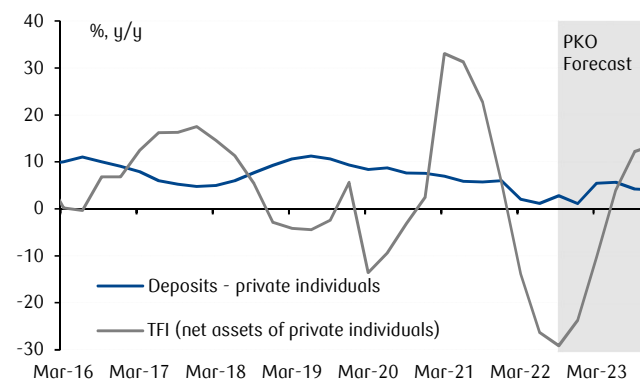


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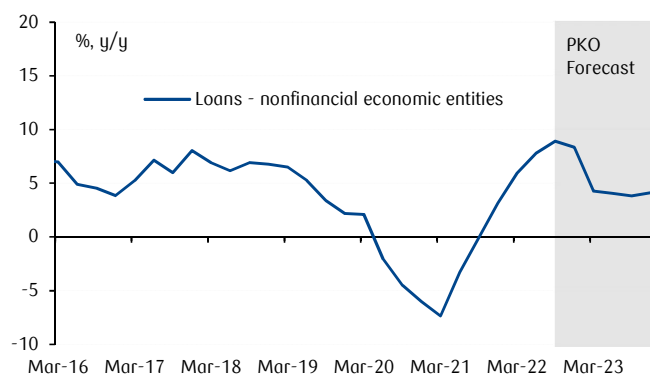
### Mortgage and consumer loans



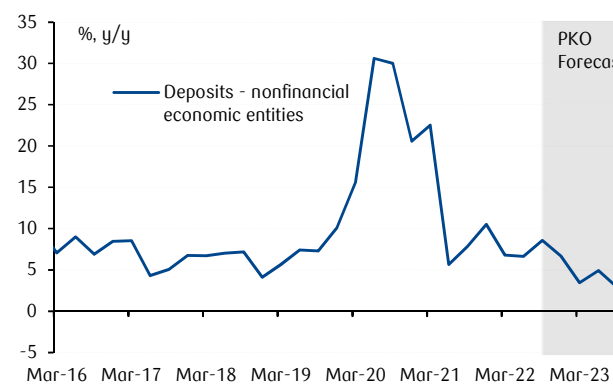
### Private individuals deposits and net assets (TFI)



### Loans for nonfinancial economic entities



### Deposits of nonfinancial economic entities



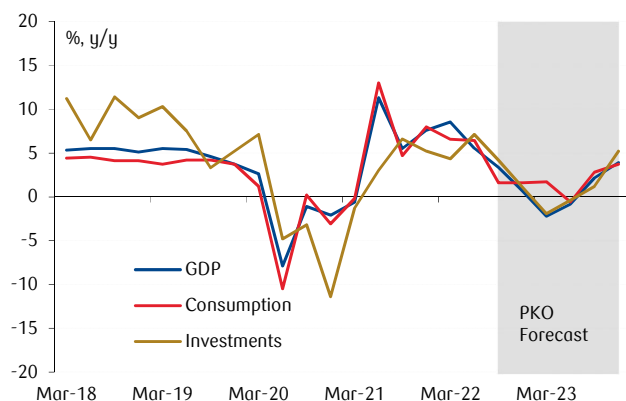
## MACROECONOMIC BACKDROP

# GDP slowdown in unfavourable external environment



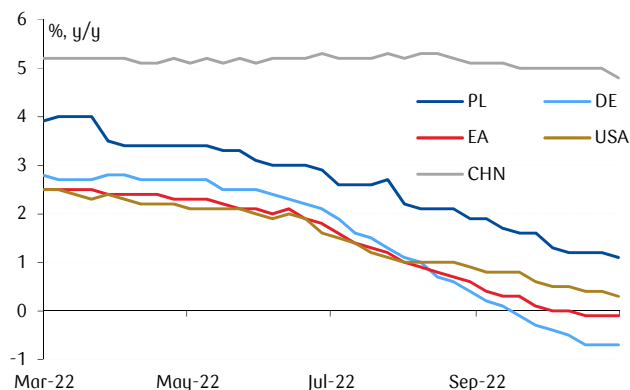
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### Economic growth is losing steam



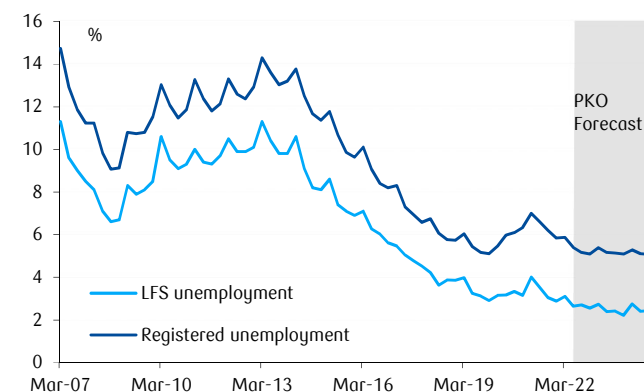
Source: GUS, PKO Bank Polski

### Forecasts for 2023\* show recession in the external environment



Source: Bloomberg, PKO Bank Polski, \* Bloomberg consensus

### Will the slowdown spare the labour market?



Source: GUS, PKO Bank Polski

- In 3q22, GDP continued to grow in y/y terms, although the pace of growth was slowing down. Monthly data (from construction and industry as well as retail sales) suggest that activity levels improved during the quarter, but it cannot be ruled out that the economy has entered a technical recession, triggered by the inventory cycle reversal. The decline in real income leads to slowdown in consumer demand - this effect is however mitigated by the influx of refugees from Ukraine.
- The outlook for 2023 has deteriorated globally (the IMF estimates that recession will affect 1/3 of the world economy). Poland, and the manufacturing sector in particular, is again outperforming its main trade partners.
- Due to the demographic situation and labour force shortages, economic slowdown will most likely spare the labour market this time, that will most likely face (real) wage adjustments, but we do not expect a significant increase in unemployment.

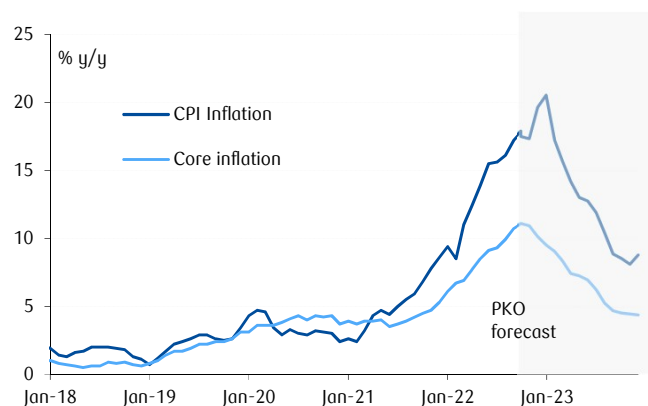
## MACROECONOMIC BACKDROP

# A pause in the monetary tightening cycle



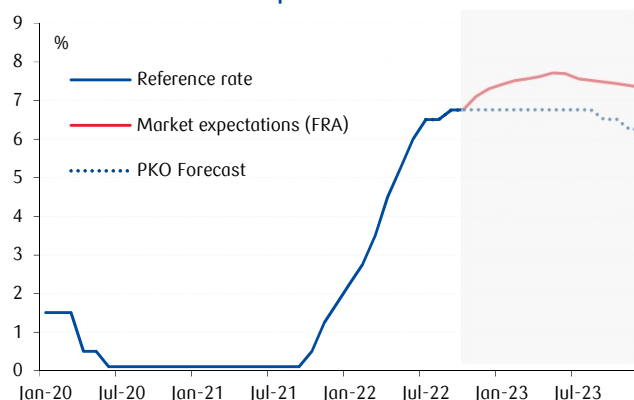
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Inflation processes close to turning point



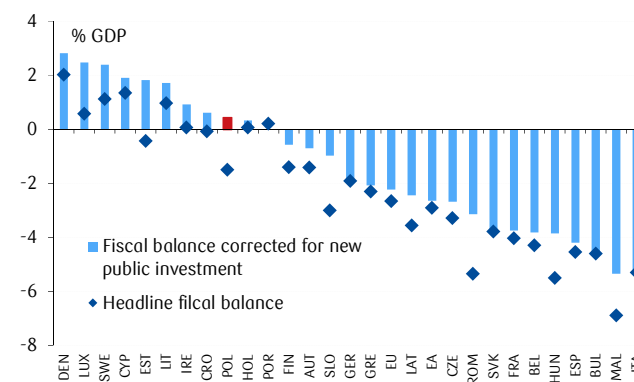
Source: GUS, PKO Bank Polski

The MPC announced a pause while the markets see scope for further rate hikes



Source: Macrobond, Eikon, NBP, PKO Bank Polski

Good starting point for fiscal challenges



Source: Eurostat, PKO Bank Polski

- CPI inflation continued to rise in 3q22, reflecting growing food and energy prices and the "second round" effects of the energy shock that pushed up core inflation. The expected economic slowdown, together with the effects of the strongest ever tightening of the monetary policy, will contribute to a decline in inflation in the medium term. Its short-term prospects strongly depend on the shape and time horizon of administrative solutions limiting price increases.
- The MPC announced a pause in the cycle of interest rate hikes and implied its end. However, financial markets started to re-price further hikes.
- The fiscal position of Poland after 2q22 was very strong - both the general government deficit (1.5% of GDP) and debt (51.6% of GDP) were lower than in 2021, indicating a good starting point for the upcoming fiscal challenges - protecting consumers against soaring energy prices and necessary military outlays.



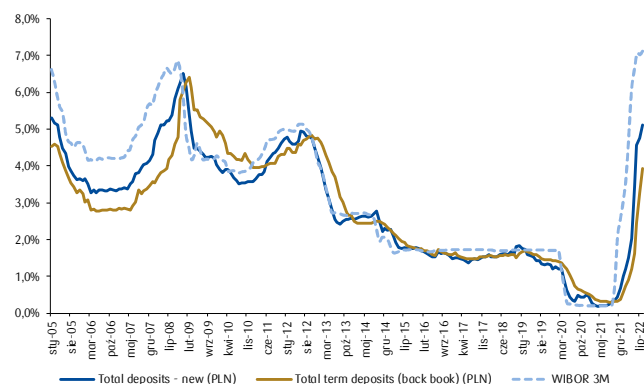


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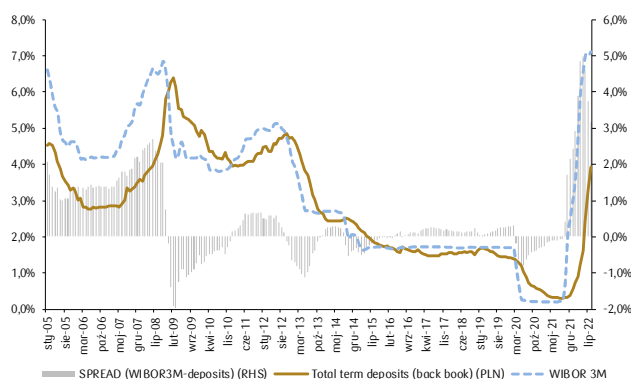
## BANKING SECTOR

# Interest rate on deposits in the banking sector

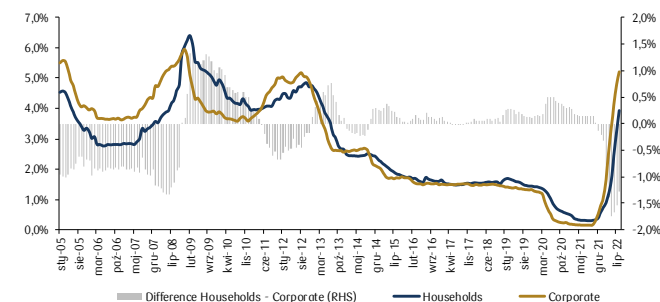
Household deposits (new, back book)



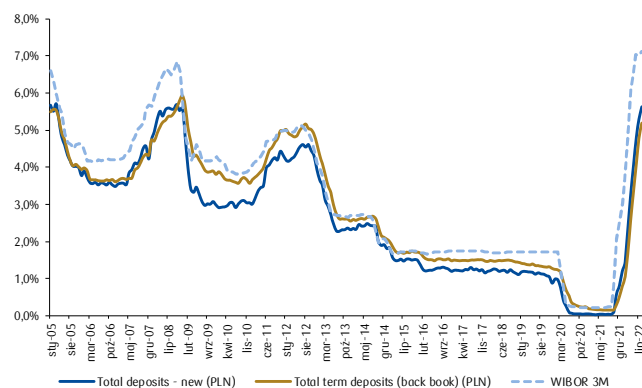
Household deposits (back book, SPRED, WIBOR3M)



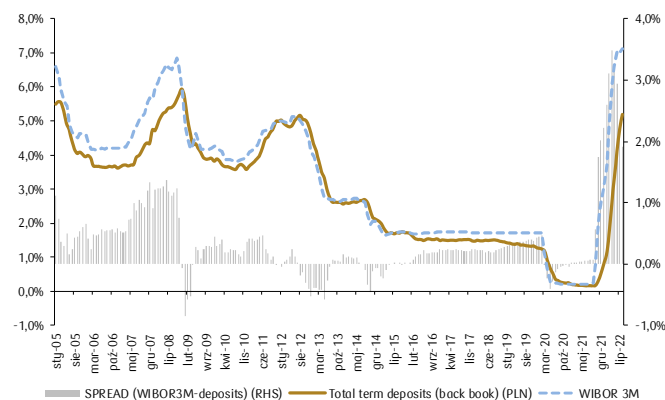
Total term deposits – back book (PLN)



Corporate deposits (new, back book)



Corporate deposits (back book, SPREAD, WIBOR3M)



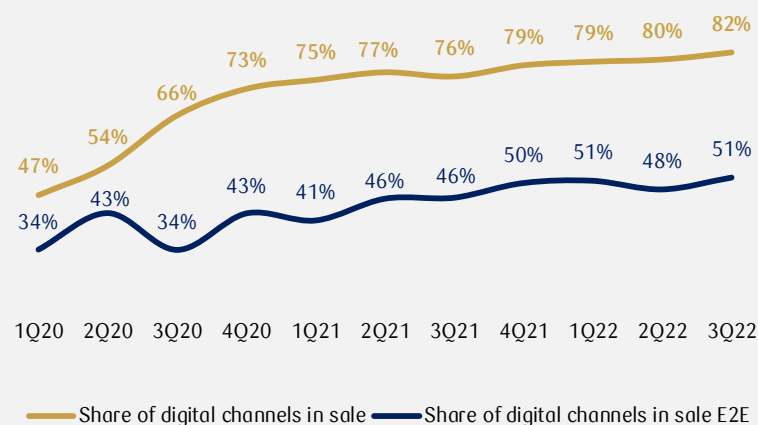
Source: NBP

## SUPPLEMENTARY INFORMATION

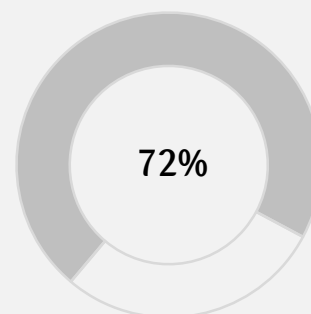
We increase the share of remote channels in customers service and sales



Digital sales share of consumer loans



Digital sales share of term deposits



**>17.4 mln transactions**  
**+87% q/q**

conducted using contactless BLIK solution in the IKO application

**2x more** transfers to the phone via BLIK over the year

**7 mln**  
active IKO applications

**>1.5 bn**  
transactions in total  
in IKO

**PLN 417 bn**  
total value of  
transactions in IKO

**172 mln**  
transaction in IKO  
in 3Q + 41% y/y

## SUPPLEMENTARY INFORMATION

# We increase the share of AI in customers service and sales



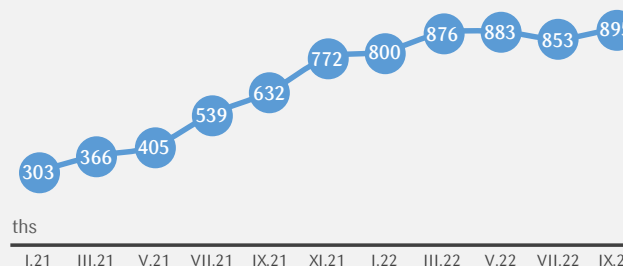
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✓ **Launch of 13th bot** responsible for confirming card transactions

✓ **Growing number of tasks carried out by AI**

- Contact centre >8 mln calls
- Reminder of late payments >2 mln calls
- Voice assistant in IKO >2 mln calls
- Handling of cash loan applications >1 mln calls
- NPS related to the assessment of Bank's services >1 mln questionnaires

✓ **Calls with customers completed by bots**



**~15 mln number of calls** made via all voicebots

**~115 of FTEs** released thanks to utilization of AI

✓ **Robotic Process Automation**  
**>157 mln tasks** completed by robots

**215** processes run by bots

## SUPPLEMENTARY INFORMATION

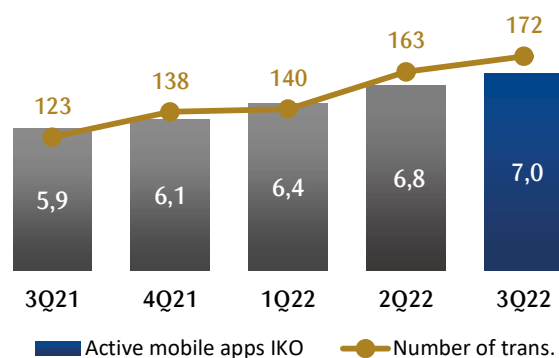
# Leader in mobile banking



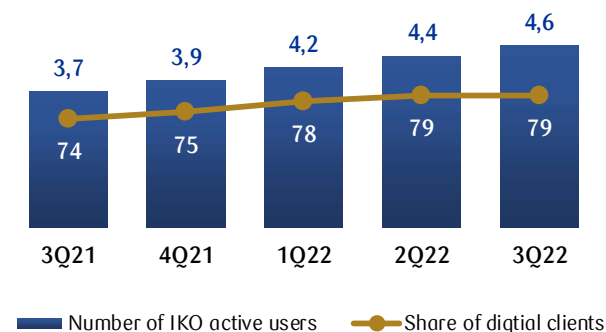
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Number of IKO applications and number of transactions quarterly [mln]



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



## IKO mobile application functions development

- ✓ Enabling the opening of the PKO Konto Dziecka (Kid) with the PKO Junior debit card
- ✓ Enabling users who do not have an account with PKO Bank Polski S.A. to obtain a cash loan
- ✓ Introducing an early repayment instruction for consumer loans
- ✓ Managing the PKO Dom insurance policy
- ✓ Allowing changes to identity document, mailing address and switching to electronic correspondence for credit and investment products
- ✓ Information on the amount of transaction fees or commissions before a customer orders an ordinary money transfer, a transfer to own account or a tax payment
- ✓ Access to the motor insurance instalment timetable
- ✓ The possibility to analyse card payments made to a specific seller using the Voice Assistant
- ✓ Providing deposit account applications to business customers

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

## SUPPLEMENTARY INFORMATION

# Development of services and offer for our Clients



Bank Polski



### Launching a free Google Pay service for retail and SME customers

Google Pay is a solution that allows paying with Android devices in all places in Poland and around the world using PKO credit and debit cards



### Remote opening of PKO Konto Dziecka (Kid)

Completely remote option to open an account for children both on the iPKO website and the IKO mobile application with the option of ordering a PKO Junior card



### New deposit offer

New deposit offer addressed to the existing and new customers of the Bank. Proposition of new products and increase of existing deposits' interest rates



### Agreement with BGK as part of the "Apartment without own contribution" program

In cooperation with Bank Gospodarstwa Krajowego, as part of the "Apartment without own contribution" program, a mortgage loan offer without own contribution - part of the loan amount will be covered by the BGK guarantee



### LikePOS mobile application – a smartphone payment terminal for corporate customers

Acceptance of contactless payments on devices with the Android operating system and NFC communication



### Support for innovative solutions in the area of green technologies - Poland ClimAccelerator

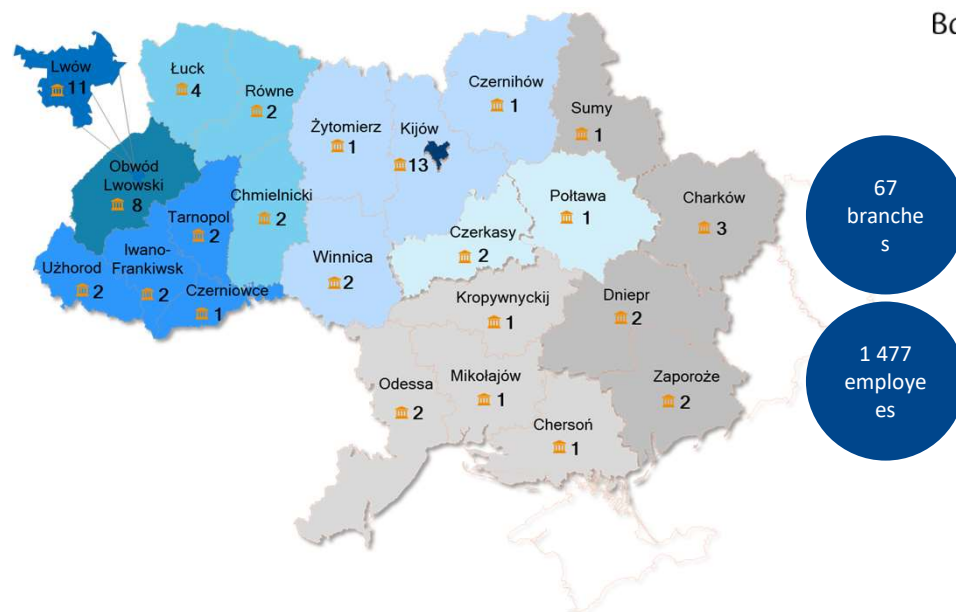
Launching the Poland ClimTech Accelerator project aimed at searching for start-ups, scale-ups and innovative companies operating in the area of green technologies which could be implemented in Group companies

## SUPPLEMENTARY INFORMATION

### KREDOBANK S.A.

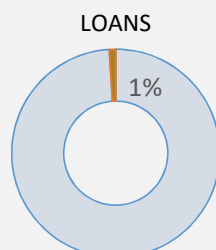
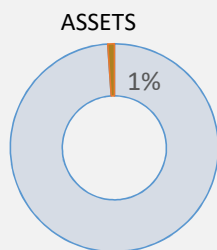
KREDOBANK S.A. is an universal bank servicing both retail and SME clients, operating mainly in western part of Ukraine and Kiev region

- Continuation of activities in regions not affected by active hostilities. 13 branches were located in the regions most affected by the war
- ~20% of the company's loan portfolio is located directly in or close to the war zones, of which less than 4% is located in areas under temporary occupation or active military action
- The company's management board estimates potential losses at a level which has no impact on KREDOBANK S.A.'s ability to continue its operations



Bank Polski

KREDOBANK'S SHARE OF THE GROUP'S RESULTS  
September 30, 2022:



KREDOBANK S.A. (PLN mln)	Sep 30, 2022	Sep 30, 2021	Δ
Gross loans	2 047	2 761	-26%
Gross deposits	3 715	3 061	21%
Total assets	4 387	4 398	0%
Equity	485	558	-13%
	9M 2022	9M 2021	Δ
Net income	8	91	-91%

## SUPPLEMENTARY INFORMATION

# Companies and entrepreneurs banking : growth of loans and deposits y/y



Bank Polski

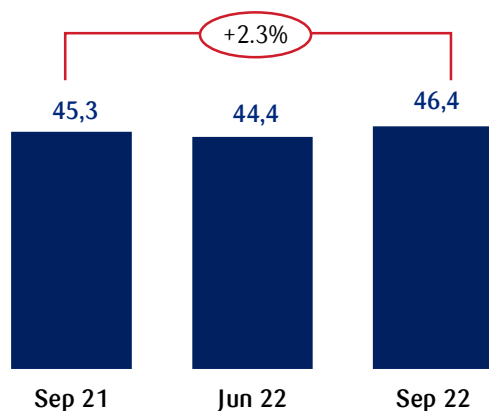
Loans volume outstanding [PLN bn]



### New products and support

- Re-introduction of standard and negotiated deposits offer
- Introduction of a progressive deposit for a period of 12 months
- Enabling customers in the SMEs segment to apply for a credit/loan with collateral in the form of a BGK de minimis guarantee to repay a credit/loan from another bank.
- Implementing a new credit risk assessment mechanism for the SME segment customers. Thanks to the new tool, the functionality and ergonomics of credit processes have been significantly improved
- Launching a free Google Pay service for retail and SME customers
- Providing the LikePOS mobile application – a smartphone payment terminal for corporate customers to accept contactless payments on devices with the Android operating system and NFC communication.

Deposits [PLN bn]



## SUPPLEMENTARY INFORMATION

# #PomocdlaUkrainy



Bank Polski



### Package of facilities for Ukrainian citizens

- 323 thousand current accounts opened in special offer
- 728 million UAH exchange into PLN carried out in 100 branches free of charge and with no spread
- Free debit card for the current account issued "on the spot"
- Fast money transfer to KREDOBANK and to any bank in Ukraine. free of charge
- Call centre and iKO app in Ukrainian language
- Business account for 12 months with waived selected fees
- Non-profit institutions with waived selected fees
- Payment of benefits indicated in the Act on assistance to Ukrainian citizens performed through PKO BP ATM as part of the PKO Awizo service
- PKO present with its offer at PGE Narodowy, the main refugee service point, where they can also receive PESEL, apply for social benefits



### #PomocdlaUkrainy

- PLN 12 million collected by the PKO BP Foundation for refugees' help
- PLN 8 million donated to organizations involved in humanitarian aid
- Purchase of an ambulance and specialized medical devices (transport cars, necessary medicines, hundreds of tons of food and everyday necessities)
- Arrangement of transportation of refugees and supplies
- Support employees of the Group in Ukraine and their families
- Thousands of volunteers from PKO Bank Polski involved in providing support



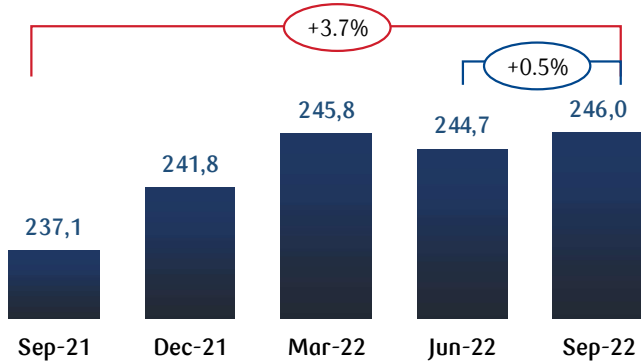


Bank Polski

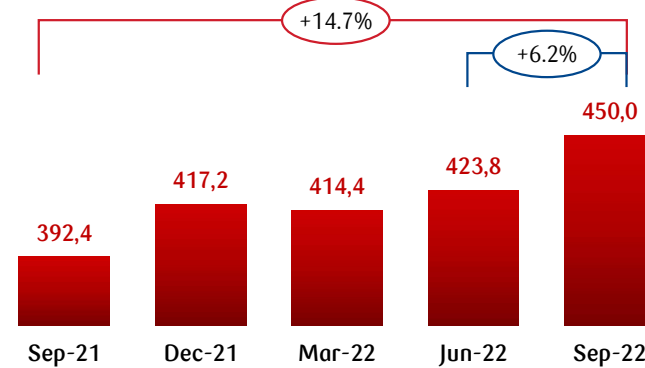
## SUPPLEMENTARY INFORMATION

# The increase in customers' financing and savings

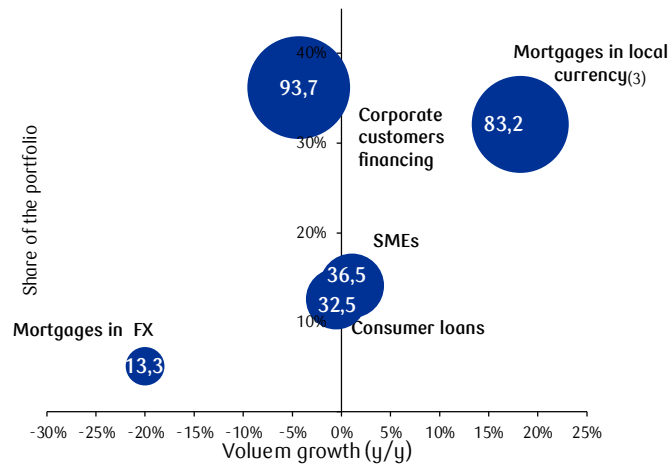
Gross customer financing [PLN bn] <sup>(1)</sup>



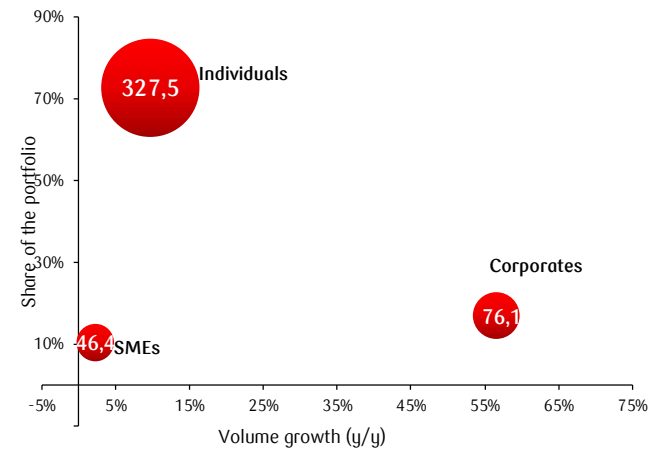
Customer savings [PLN bn] <sup>(2)</sup>



Gross customer financing [PLN bn] <sup>(1)</sup>



Customer savings [PLN bn] <sup>(2)</sup>



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

<sup>(2)</sup> 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.

<sup>(3)</sup> The position covers UAH loans.

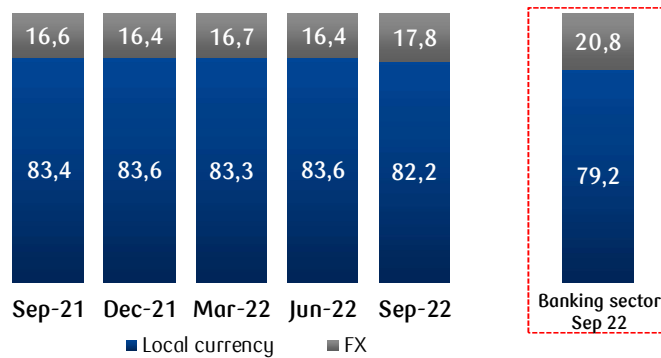


Bank Polski

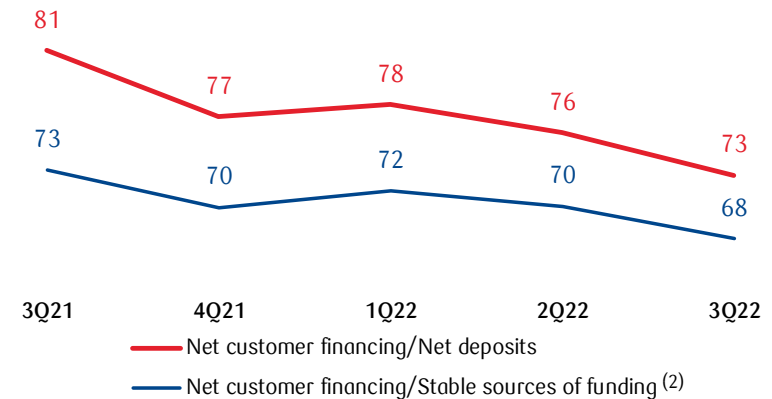
## SUPPLEMENTARY INFORMATION

### Structure of loans and deposits and liquidity

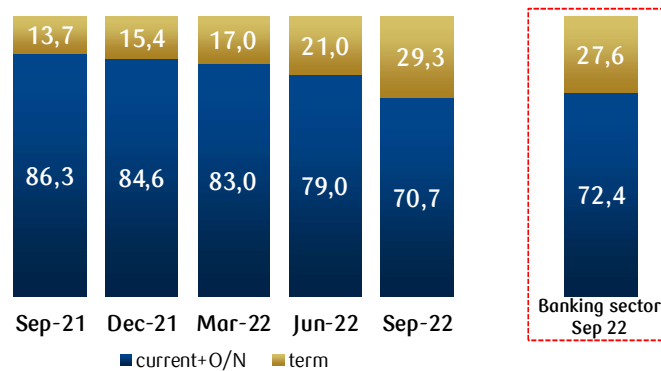
Currency structure of gross loans portfolio [%]



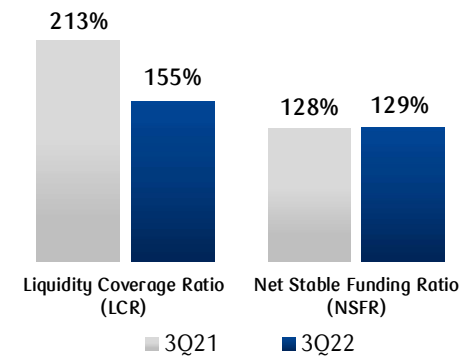
Structure of funding [%]



Term structure of total deposits <sup>(1)</sup> [%]



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..

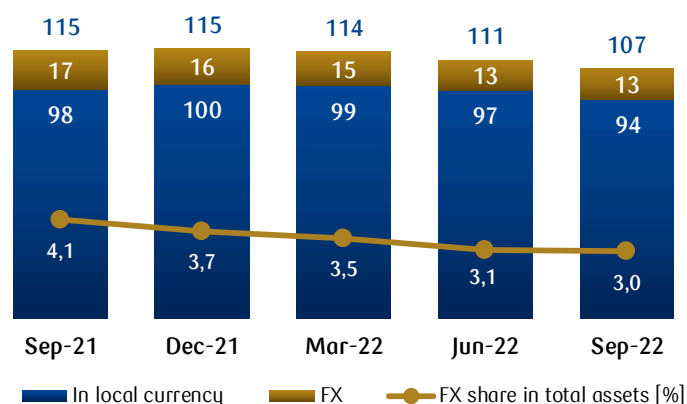


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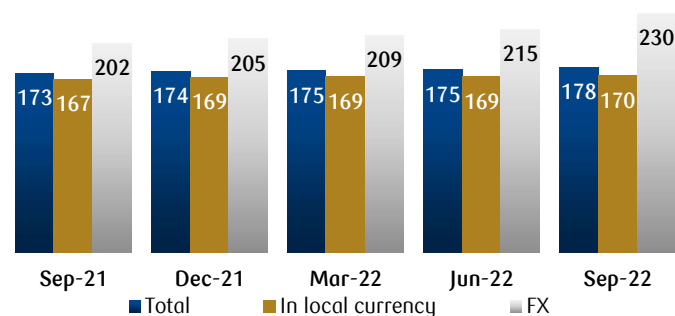
## SUPPLEMENTARY INFORMATION

### Gross mortgage loans

Volume of mortgage loans [PLN bn] <sup>(1)</sup>

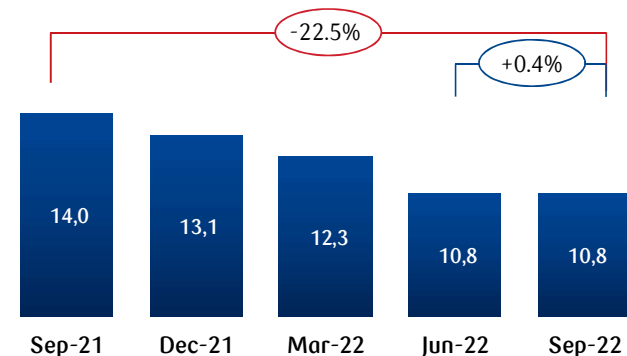


Average carrying value of mortgage loan to be repaid [PLN ths]

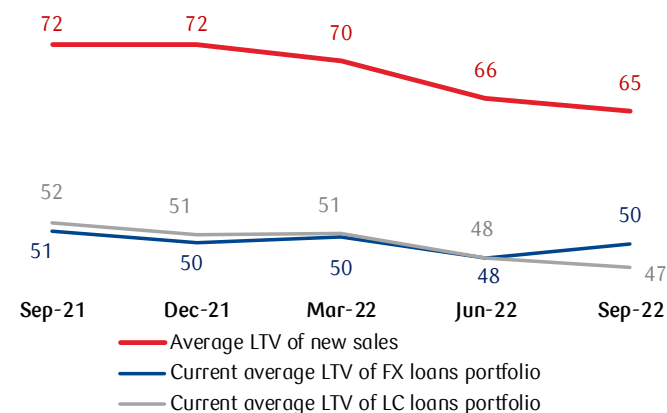


(1) - Includes data for PKO Bank Polski, PKO Bank Hipoteczny and Kredobank.

Volume of CHF mortgage loans [PLN bn]



Average LTV [%]



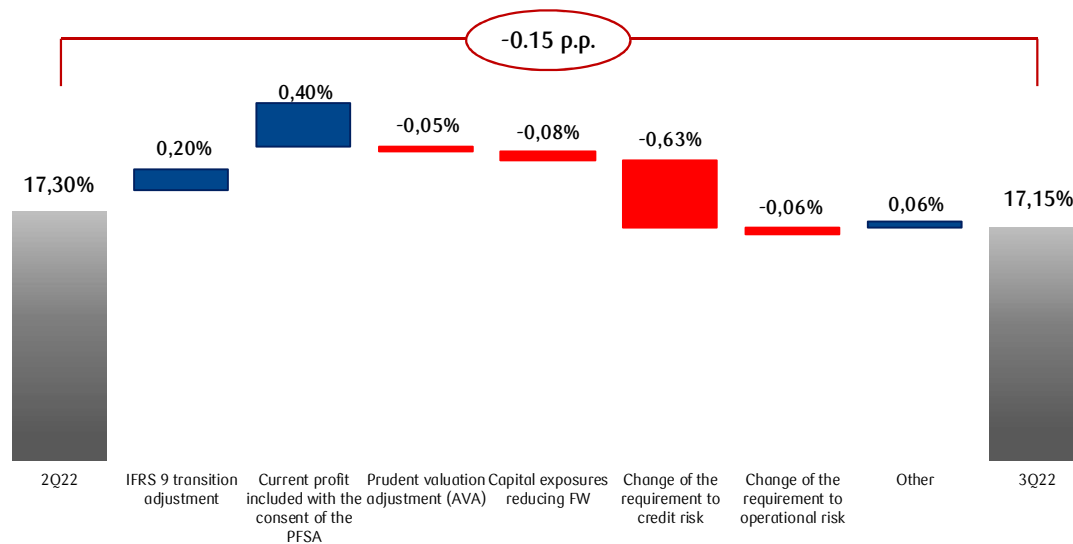
## SUPPLEMENTARY INFORMATION

### Capital adequacy

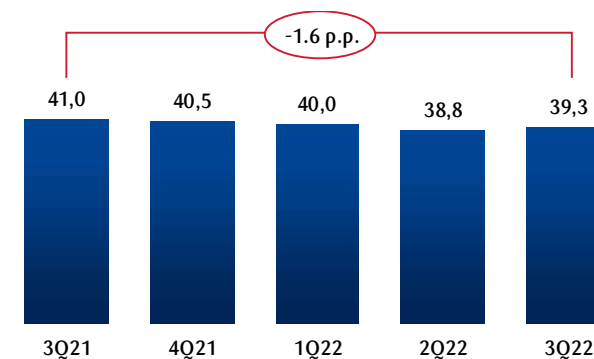


Bank Polski

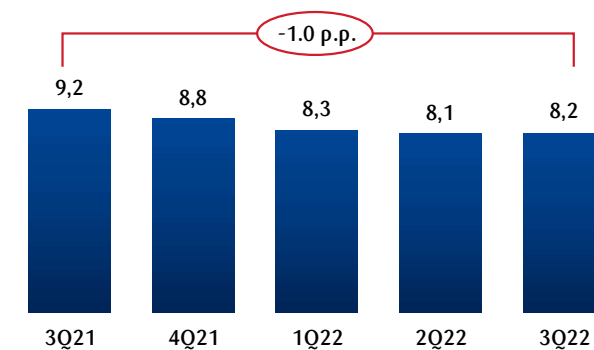
Quarterly change of the consolidated total capital ratio (TCR) [p.p.]



Effective risk weight [%] <sup>(1)</sup>



Leverage ratio[%]



(1) - Share of risk-weighted assets related to credit risk and counterparty risk in relations to their respective net exposure values

## SUPPLEMENTARY INFORMATION

# The balance sheet of PKO Bank Polski Group



Bank Polski

### Assets (PLN billion)

	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	y/y	q/q
Cash and balances with the Central Bank	4,0	11,6	6,2	10,6	13,7	>100%	+29,3%
Amounts due from other banks	4,7	9,0	12,2	16,4	22,0	>100%	+33,8%
Reverse repo transactions	-	-	0,0	0,0	0,0	-	-41,9%
<b>Net customer financing</b>	<b>243,0</b>	<b>247,3</b>	<b>249,8</b>	<b>246,8</b>	<b>247,3</b>	<b>+1,8%</b>	<b>+0,2%</b>
Securities	125,8	122,4	120,4	117,4	117,0	-7,0%	-0,4%
Other assets	26,0	27,7	32,9	37,6	38,5	+48,0%	+2,4%
<b>TOTAL ASSETS</b>	<b>403,5</b>	<b>418,1</b>	<b>421,6</b>	<b>428,8</b>	<b>438,5</b>	<b>+8,7%</b>	<b>+2,3%</b>

### Liabilities and equity (PLN billion)

	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	y/y	q/q
<b>Total equity</b>	<b>41,5</b>	<b>37,7</b>	<b>35,7</b>	<b>30,9</b>	<b>31,7</b>	<b>-23,7%</b>	<b>+2,4%</b>
Amounts due to the central bank and due to banks	9,2	6,3	6,1	7,5	7,3	-21,5%	-2,7%
Repo transactions	0,8	-	-	-	-	-100,0%	-
Subordinated liabilities and debt securities in issue	31,7	26,6	25,0	21,3	19,8	-37,5%	-6,8%
<b>Amounts due to customers</b>	<b>298,7</b>	<b>322,3</b>	<b>321,9</b>	<b>326,3</b>	<b>340,4</b>	<b>+14,0%</b>	<b>+4,3%</b>
Loans and advances received	2,2	2,5	2,3	2,5	2,4	+9,1%	-2,8%
Liabilities of insurance activities	2,0	2,0	1,9	1,8	1,8	-9,8%	-1,9%
Other liabilities	19,6	23,2	31,0	41,0	37,5	+91,7%	-8,5%
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>403,5</b>	<b>418,1</b>	<b>421,6</b>	<b>428,8</b>	<b>438,5</b>	<b>+8,7%</b>	<b>+2,3%</b>

## SUPPLEMENTARY INFORMATION

# The Profit and loss account of PKO Bank Polski Group



Bank Polski

Profit and loss account (PLN million)	3Q 21	4Q 21	1Q22	2Q22	3Q22	y/y	q/q	9M 2021	9M 2022	y/y
<b>Net interest income</b>	<b>2 495</b>	<b>2 669</b>	<b>3 200</b>	<b>3 639</b>	<b>816</b>	<b>-67,3%</b>	<b>-77,6%</b>	<b>7 213</b>	<b>7 655</b>	<b>+6,1%</b>
<b>Net fee and commission income</b>	<b>1 122</b>	<b>1 180</b>	<b>1 179</b>	<b>1 250</b>	<b>1 281</b>	<b>+14,2%</b>	<b>+2,5%</b>	<b>3 197</b>	<b>3 710</b>	<b>+16,0%</b>
<b>Other income</b>	<b>193</b>	<b>111</b>	<b>125</b>	<b>79</b>	<b>216</b>	<b>+11,6%</b>	<b>&gt;100%</b>	<b>777</b>	<b>420</b>	<b>-46,0%</b>
Dividend income	1	0	0	11	1	-25,9%	-94,1%	12	12	+0,5%
Trading income	14	94	68	107	194	>100%	+81,7%	82	368	>100%
Net foreign exchange gains	55	12	1	(67)	(22)	-	-67,3%	424	(88)	-
Gains/(losses) on derecognition on financial assets and liabilities	82	31	7	(25)	(11)	-	-55,2%	176	(30)	-
Net other operating income and expense	41	(26)	49	53	55	+32,9%	+2,6%	83	157	+90,0%
<b>Total income items</b>	<b>3 811</b>	<b>3 961</b>	<b>4 504</b>	<b>4 967</b>	<b>2 313</b>	<b>-39,3%</b>	<b>-53,4%</b>	<b>11 187</b>	<b>11 784</b>	<b>+5,3%</b>
Total operating expenses	(1 480)	(1 569)	(1 845)	(2 360)	(1 891)	27,8%	-19,9%	(4 555)	(6 096)	+33,8%
result on regulatory charges	(79)	(113)	(484)	(906)	(420)	>100%	-53,6%	(531)	(1 810)	>100%
Allowances for expected credit losses	(389)	(519)	(494)	(231)	(459)	17,9%	99,0%	(901)	(1 184)	+31,4%
Net impairment allowances on non-financial assets	7	(10)	(5)	(8)	(11)	-	27,4%	(36)	(24)	-32,6%
Cost of risk on FX mortgages	-	(0)	-	(1 176)	0	-	-	-	(1 176)	-
Tax on certain financial institutions	(267)	(294)	(307)	(319)	(328)	22,9%	3,0%	(785)	(954)	+21,5%
Share in net profit (losses) of associates and jointly controlled entities	13	10	14	14	33	>100%	>100%	21	61	>100%
<b>Profit before income tax</b>	<b>1 697</b>	<b>1 580</b>	<b>1 866</b>	<b>888</b>	<b>(343)</b>	<b>-</b>	<b>-</b>	<b>4 934</b>	<b>2 411</b>	<b>-51,1%</b>
Income tax expense	(438)	(377)	(451)	(466)	105	-	-	(1 263)	(812)	-35,7%
Net profit attributable to non-controlling shareholders	0	(0)	(1)	0	(1)	-	-	(0)	(2)	>100%
<b>Net result attributable to the parent company</b>	<b>1 258</b>	<b>1 203</b>	<b>1 416</b>	<b>422</b>	<b>(237)</b>	<b>-</b>	<b>-</b>	<b>3 671</b>	<b>1 601</b>	<b>-56,4%</b>

## SUPPLEMENTARY INFORMATION

### Key ratios



Bank Polski

Key ratios (%)	3Q21	4Q21	1Q22	2Q22	3Q22	y/y	q/q
ROE net	-2,2	12,1	13,0	11,5	7,9	+10,1 p.p.	-3,6 p.p.
ROTE net	-2,4	13,2	14,2	12,6	8,7	+11,1 p.p.	-3,9 p.p.
ROA net	-0,2	1,2	1,3	1,0	0,7	+0,9 p.p.	-0,4 p.p.
C/I	39,6	40,4	39,4	42,1	48,7	+9,1 p.p.	+6,6 p.p.
NIM <sup>(1)</sup>	2,7	2,70	2,89	3,19	3,53	+0,79 p.p.	+0,34 p.p.
NPL ratio	4,5	3,98	3,93	3,86	3,92	-0,60 p.p.	+0,06 p.p.
Coverage ratio	85,6	91,0	95,4	98,5	101,3	+15,7 p.p.	+2,8 p.p.
Cost of risk	0,7	0,55	0,63	0,58	0,58	-0,09 bps	0,00 bps
TCR	18,97	18,23	17,53	17,30	17,15	-1,82 p.p.	-0,15 p.p.
Tier 1 capital ratio	17,76	17,03	16,32	16,11	16,01	-1,75 p.p.	-0,10 p.p.

(1) Margin in comparable conditions



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## SUPPLEMENTARY INFORMATION

### Key operational data

#### PKO Bank Polski operating data (eop)

	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	y/y	q/q
Current accounts ('000)	8 433	8 490	8 694	8 860	8 969	+6,4%	+1,2%
Banking cards ('000)	9 737	9 815	10 026	10 235	10 349	+6,3%	+1,1%
of which: credit cards	971	972	964	955	960	-1,0%	+0,5%
Active mobile banking applications IKO ('000)	5 916	6 124	6 420	6 785	7 039	+19,0%	+3,8%
Active mobile banking users ('000) <sup>(1)</sup>	4 490	4 663	4 873	5 102	5 253	+17,0%	+3,0%
Number of corporate customers with access to e-banking (000)	14	14	14	15	15	+4,4%	+0,8%
Number of SME customers with access to e-banking (000)	66	67	69	70	71	+7,8%	+1,7%
<b>Branches:</b>	<b>984</b>	<b>975</b>	<b>972</b>	<b>970</b>	<b>970</b>	<b>-1,4%</b>	<b>0,0%</b>
- retail	951	942	939	937	937	-1,5%	0,0%
- corporate	33	33	33	33	33	0,0%	0,0%
<b>Agencies</b>	<b>453</b>	<b>447</b>	<b>420</b>	<b>400</b>	<b>378</b>	<b>-16,6%</b>	<b>-5,5%</b>
<b>ATMs</b>	<b>2 973</b>	<b>2 976</b>	<b>2 961</b>	<b>2 995</b>	<b>2 998</b>	<b>+0,8%</b>	<b>+0,1%</b>
<b>Number of customers ('000)</b>	<b>11 072</b>	<b>11 120</b>	<b>11 313</b>	<b>11 488</b>	<b>11 565</b>	<b>+4,3%</b>	<b>+1,6%</b>
- retail	10 509	10 541	10 726	10 897	10 978	+4,2%	+1,6%
- corporate	17	17	17	17	17	+3,5%	+1,0%
- SME	547	563	570	575	570	+6,4%	+0,9%
<b>Employment eop (FTEs '000) Group</b>	<b>25,7</b>	<b>25,7</b>	<b>25,6</b>	<b>25,5</b>	<b>25,2</b>	<b>-2,1%</b>	<b>-1,3%</b>
<b>Number of operations performed by robots (in '000)</b>	<b>15 019</b>	<b>18 613</b>	<b>20 102</b>	<b>18 572</b>	<b>19 753</b>	<b>+31,5%</b>	<b>+6,4%</b>

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



## SUPPLEMENTARY INFORMATION

### Customer financing



Bank Polski

PLN billion	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	y/y	q/q
<b>Financing</b>	<b>240,9</b>	<b>244,4</b>	<b>247,4</b>	<b>245,5</b>	<b>246,4</b>	<b>+2,3%</b>	<b>+0,4%</b>
<b>mortgages</b>	<b>114,6</b>	<b>115,5</b>	<b>114,1</b>	<b>110,7</b>	<b>107,0</b>	<b>-6,6%</b>	<b>-3,3%</b>
mortgages in local currency	98,0	99,9	99,3	97,5	93,7	-4,3%	-3,9%
FX mortgages	16,6	15,6	14,7	13,2	13,3	-20,1%	+0,6%
consumer loans	32,7	32,4	32,2	32,2	32,5	-0,6%	+0,8%
SME	36,1	35,3	35,9	36,1	36,5	+1,1%	+1,0%
corporate	57,6	61,1	65,2	66,5	70,4	+22,3%	+6,0%
<b>Debt securities</b>	<b>12,8</b>	<b>13,1</b>	<b>13,2</b>	<b>12,4</b>	<b>12,8</b>	<b>+0,1%</b>	<b>+3,3%</b>
municipal bonds <sup>(1)</sup>	9,5	9,2	9,2	9,1	9,3	-1,6%	+1,9%
corporate bonds	3,3	3,9	4,0	3,3	3,5	+4,9%	+7,3%
<b>Gross customer financing</b>	<b>253,7</b>	<b>257,5</b>	<b>260,5</b>	<b>257,9</b>	<b>259,3</b>	<b>+2,2%</b>	<b>+0,5%</b>
<b>Net customer financing</b>	<b>243,0</b>	<b>247,3</b>	<b>249,8</b>	<b>246,8</b>	<b>247,3</b>	<b>+1,8%</b>	<b>+0,2%</b>

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

## SUPPLEMENTARY INFORMATION

### Customer savings



Bank Polski

PLN billion	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	y/y	q/q
<b>Retail and private banking<sup>(1)</sup></b>	<b>298,5</b>	<b>306,1</b>	<b>302,0</b>	<b>308,8</b>	<b>327,5</b>	<b>+9,7%</b>	<b>+6,0%</b>
deposits	208,4	215,0	211,9	213,5	220,2	+5,6%	+3,1%
retail mutual funds	38,0	36,7	33,4	29,5	28,2	-25,8%	-4,4%
saving treasury bonds	52,0	54,4	56,7	65,8	79,1	+52,1%	+20,2%
<b>Own bonds on clients' accounts</b>	<b>5,1</b>	<b>5,0</b>	<b>3,6</b>	<b>3,2</b>	<b>3,2</b>	<b>-37,9%</b>	<b>-0,6%</b>
<b>Corporate</b>	<b>43,5</b>	<b>58,4</b>	<b>65,2</b>	<b>67,4</b>	<b>72,9</b>	<b>+67,6%</b>	<b>+8,1%</b>
<b>SME</b>	<b>45,3</b>	<b>47,7</b>	<b>43,7</b>	<b>44,4</b>	<b>46,4</b>	<b>+2,3%</b>	<b>+4,6%</b>
<b>Customer savings</b>	<b>392,4</b>	<b>417,2</b>	<b>414,4</b>	<b>423,8</b>	<b>450,0</b>	<b>+14,7%</b>	<b>+6,2%</b>

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

## SUPPLEMENTARY INFORMATION

# Shares and ratings



Bank Polski

## Credit Rating

Moody's  
Investors  
Service

### Long-term rating

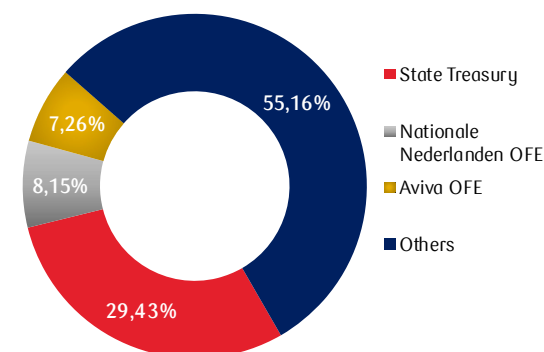
Deposits	A2
Liabilities	A3
Counterparty risk	A2
Outlook	Stable

### Short-term rating

Deposits	P-1
Liabilities	(P)P-2
Counterparty risk	P-1

## 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 company on the WSE in terms of capitalization PLN 27 billion (as at September 30, 2022)
- Bank PKO BP is included in the following indices: WIG, WIG20, WIG30, WIG Banki, WIG-ESG, FTSE Russell, Stoxx 600
- PLN 2.3bn dividend for 2021
- ISIN: PLPKO0000016; Bloomberg: PKO PW; Reuters: PKOB WA

## ESG Rating



A ↑

(BBB in 2020)

CCC	B	BB	BBB	A	AA	AAA
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21 Medium Risk ↑

(25.7 in 2020)

Severe	High	Medium	Low	Negligible
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3.7 ↑

(3.1 in 2020)

0	3.7	5
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46 ↑

(29 in 2020)

0	46	100
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## Investor Relations Office. Contact and Calendar



Bank Polski

### Contact

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### Calendar

24th of February, 2022 Annual report for FY2021

19th of May, 2022 Quarterly report for Q1 2022

18th of August, 2022 Semi-annual report for 1H 2022

10th of November, 2022 Quarterly report for Q3 2022



Bank Polski

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