



Bank Polski

Financial results 3Q21 and 9M21

Record profits, assets above PLN 400 bn

05.11.2021



Bank Polski

Key achievements



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Market leader, strong fundamentals, right direction



Strong fundamentals, very good results



- Record net profit
- PLN 3.7 bn
- High profitability
- ROE ~12%
- High efficiency
- C/I ~39%



Unquestionable market leader

- PLN >400 bn of assets
- ~ 50% bigger than the second competitor
- ~ 40% of sector 1H21 profits



Conservative risk and capital management

- CoR < 60 bps.
- Provisions/NPL 86%
- CET 1 17.8%



Advantage thanks to digitalization

PKO BANKING PLATFORM DIGITAL



Number one in mobile payments



Systematic expansion of IKO - the ecosystem of services also available to users who are not the bank's clients

PKO BANKING PLATFORM AUTONOMOUS



Road to Cloud



Lean processes E2E, automatisisation, robotization



AI for customers service



Key sector challenges addressed



PLN 7 bn provisions for FX risk created



12k applications for settlements from FX loans customers
~500 settlement agreements reached



Fair solution: FX customers treated equally with PLN customers



Ambitious ESG targets set, operationalization started



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Records in 3Q21

Net profit 9M
PLN 3.7 bn

Core income up by +5.0%
q/q thanks to rebuild of NII
and further F&C growth

ROE at the level of
12.1%

C/I=39.0%

Effective costs control
allowing for maintaining C/I
at very good level

Cost control

CoR= 59 bps.

Cost of risk in the quarter at
the level set in the strategy,
further growth of coverage
ratio to 86%

Normalization of
Cost of risk

**PLN >400 bn
assets**

**> 6 mn⁽¹⁾
IKO applications**

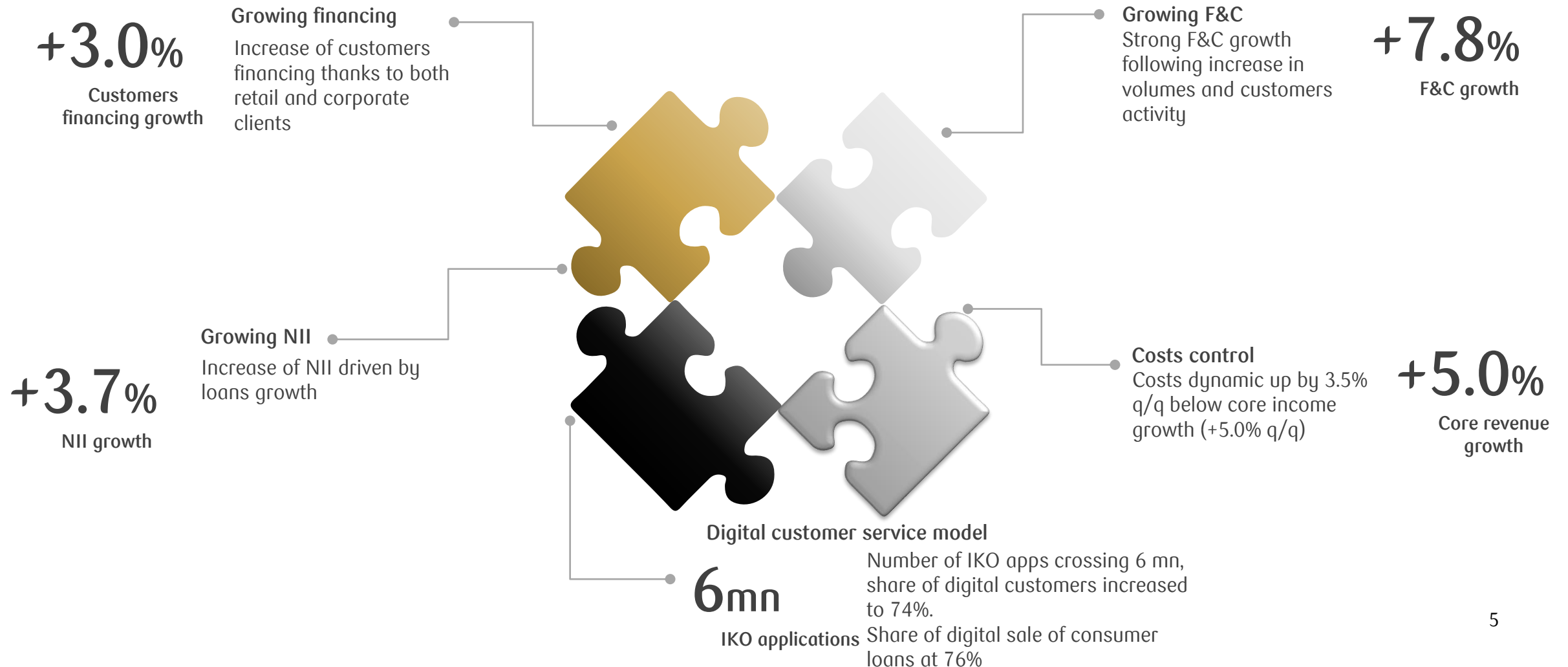
Growing scale of
operations

(1) On the day 4.11.2021.



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Revenues growth, costs control, development of the digital customer service model





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KEY ACHIEVEMENTS

Strategy execution

	2019	2020	3Q21	Strategic goals 2022	Level of realization
ROE	10.0%	-6.0% adjusted: 7.1% ⁽¹⁾	12.1%	12.0%	
C/I	41.3%	41.0%	39.0%	~41%	
COST OF CREDIT RISK	0.46%	0.78%	0.59%	0.60%-0.75%	
NET RESULT	PLN 4.0 bn	(PLN 2.6 bn) adjusted: PLN 3.2 bn ⁽¹⁾	PLN 3.7 bn (9M net profit)	> PLN 5 bn	Achievable
EQUITY	TCR: 19.9% TIER 1: 18.6%	TCR: 18.2% TIER 1: 17.0%	TCR: 19.0% TIER 1: 17.8%	Ability to pay dividends	Achievable

⁽¹⁾ Return on equity and net result adjusted for the costs of legal risk and other impacts of the EGM's decision to enter into voluntary settlements with the foreign currency mortgage loan consumers.

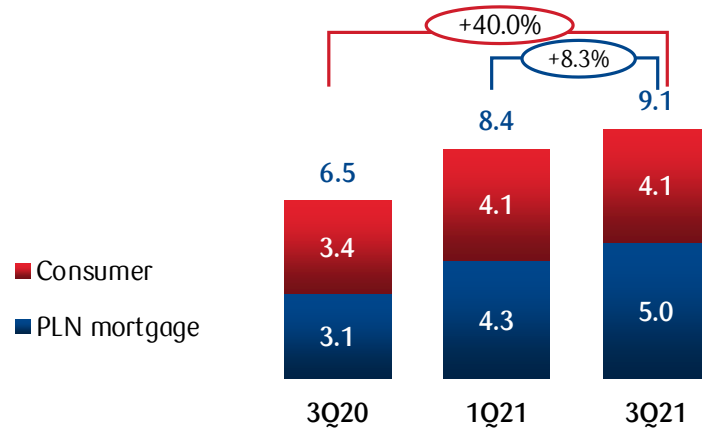


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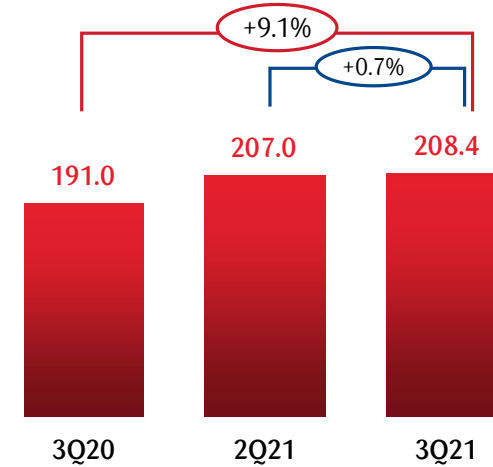
KEY ACHIEVEMENTS

Retail: Strong growth of loans sale, further increase of savings

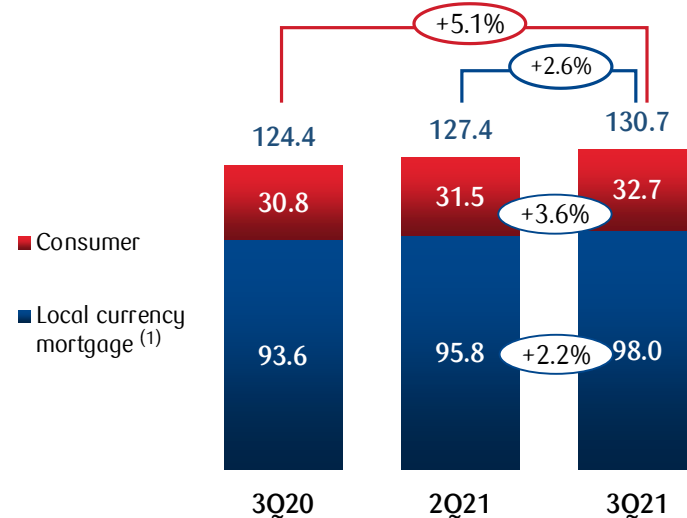
New sales, PLN bn



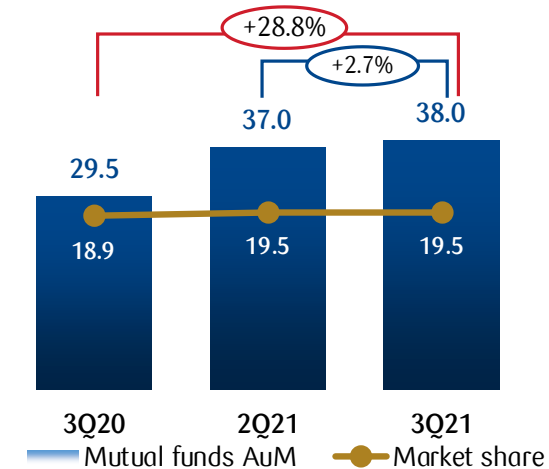
Deposits, PLN bn



Volume outstanding, PLN bn



Mutual funds' AuM, PLN bn (2)



(1) The position covers UAH loans.

(2) Non-dedicated funds.

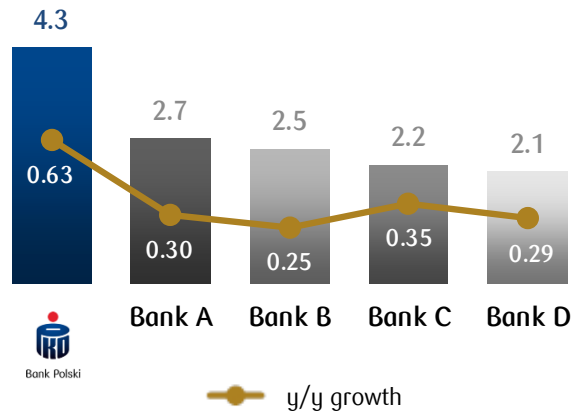


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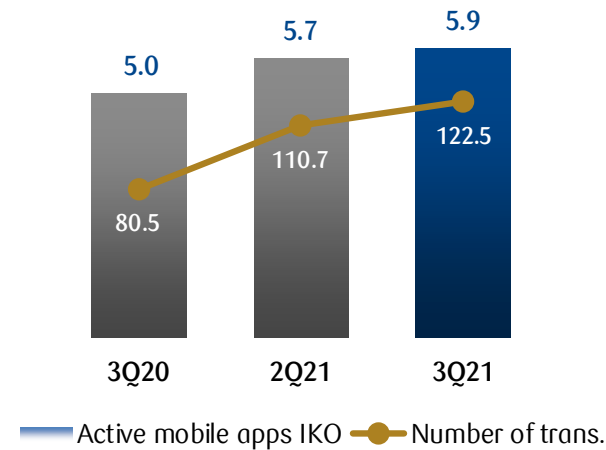
KEY ACHIEVEMENTS

Leader in mobile banking

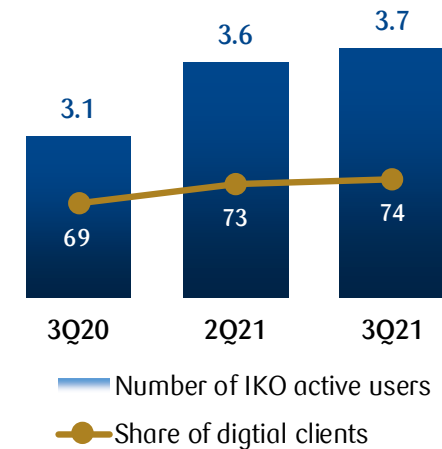
Number of active mobile banking users, mn ⁽¹⁾



Number of IKO applications and number of transactions quarterly, mn



Number of clients logging into IKO, mn ⁽²⁾
Share of digital clients in active clients' base, %



★★★★ 4.8/5 average customer rating in app stores (> 600k opinions)

⁽¹⁾ According to PRNews data for 2Q'21, users who have logged in at least once a month from a mobile device (mobile application, lite version or full transactional service).

⁽²⁾ According to PRNews definition: a client who logged into IKO application at least once a month in a given quarter.



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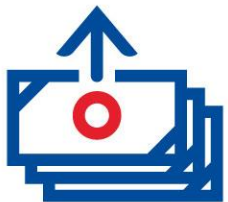
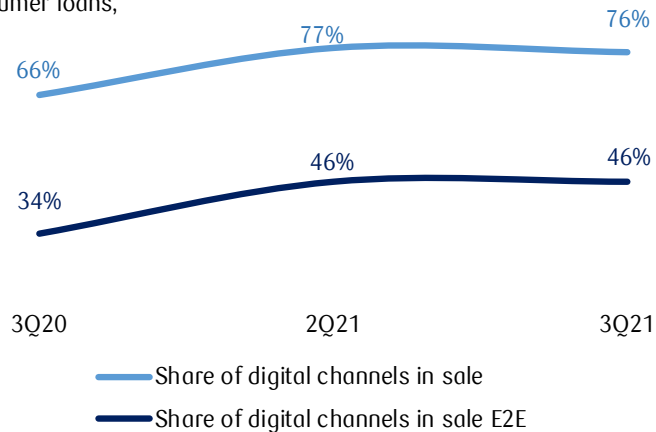
KEY ACHIEVEMENTS

We build long-term relations with customers based on omnichannel model



Customers are keen to buy on-line both basic products and investment funds

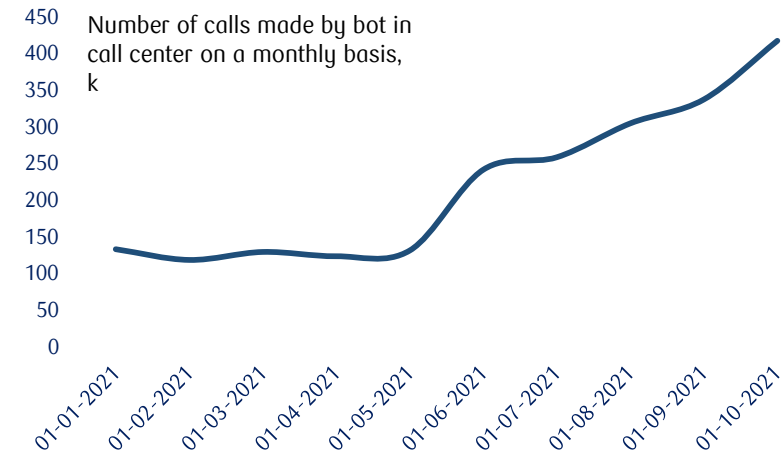
Share of digital channel in sale of consumer loans, %



Half of investment funds sale is conducted thorough PKO Inwestomat



We digitize front-office processes and utilize robots for simple activities



Share of bots in the first contact with client



Number of FTEs released thanks to utilization of bots in the call center



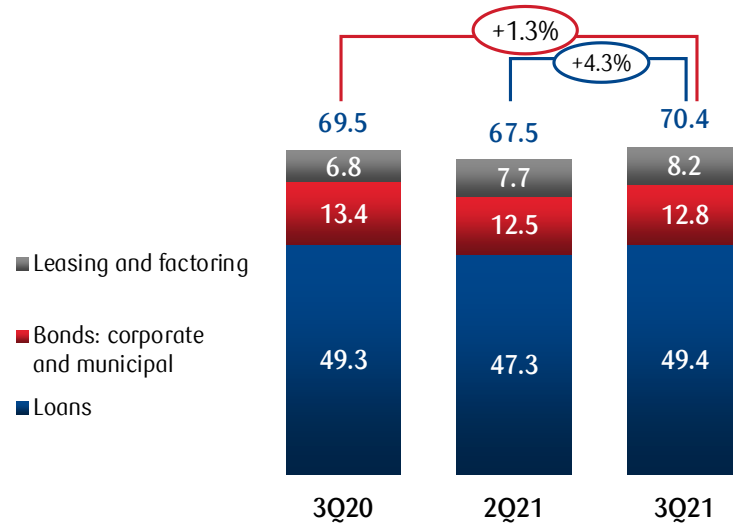


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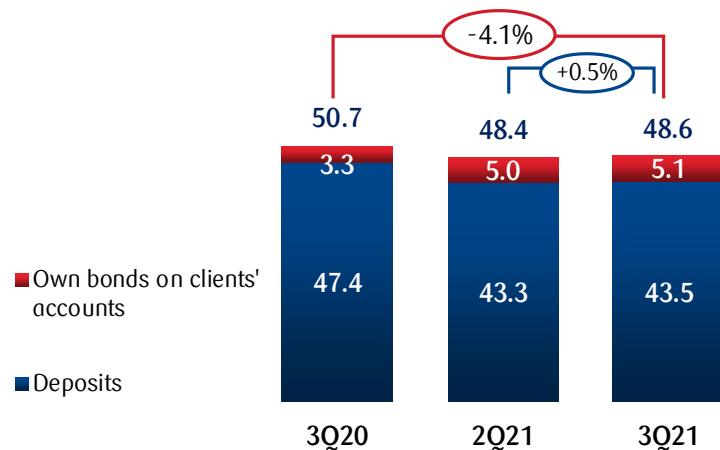
KEY ACHIEVEMENTS

Corporate and Investment Banking: loans growth

Corporate clients financing, PLN bn



Corporate clients savings, PLN bn



PEPCO Group

IPO

PLN 3 697 864 080

Joint Bookrunner, Offering Agent

BNP PARIBAS

ABB

PLN 470 785 518

Global Coordinator, Bookrunner

Shoper

IPO

PLN 363 386 516

Global Coordinator, Joint Bookrunner

Raben

Syndicated loan (ESG-linked loan)

EUR 225 000 000

Lender

Światłowod Inwestycje

orange **apg**

Syndicated loan

PLN 3 150 000 000
Mandated Lead Arranger, Lender

Sigma Roc

Syndicated loan

GBP 305 000 000

Lead Arranger, Lender

GoodMills Polska
We drive the power of grains

Investments & working capital financing – total amount:

PLN 157 000 000

Lender

EFL
GRUPA CRÉDIT AGRICOLE

Corporate bonds issue

PLN 150 000 000

Joint Lead Manager, Dealer

PGNiG

Bank guarantee for the benefit of IRGiT

PLN 600 000 000

Bank as guarantees issuer

PGE

Bank guarantees for the benefit of IRGiT – total amount:

PLN 500 000 000

Bank as guarantees issuer

NEXERA

Syndicated loan

over PLN 1 000 000 000

Original Lender

GAE system

Overdraft facility

EUR 150 000 000

Lender

Łowicz 1906

Short-term credit & factoring facilities – total amount:

PLN 115 000 000

Lender

PANATTONI

Construction & investment loan for the construction of a warehouse complex in Zgorzelec

EUR 31 000 000

PLN 17 500 000

Arranger, Sole Lender

PANATTONI

Construction & investment loan for the construction of a warehouse complex in Poznań

EUR 37 525 981

PLN 40 000 000

Arranger, Sole Lender



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KEY ACHIEVEMENTS

Corporate and Investment Banking: focus on profitability

Continuous widening of the offer

- Implementation of a new mass payout module for corporate clients and local governments
- Implementation of the Cash Pooling service offered to global banks as part of Loro account
- Strengthening the leading position in banking services for municipalities - PKO Bank Polski provides services to a total of 650 municipalities



Strong results of brokerage

Commissions for brokerage increased by nearly 10% q/q, and the number of brokerage accounts increased by 5.9% y/y. In October PKO Bank Polski became the most active broker on the WSE stock market, obtaining 15.9% of the market share



Access to brokerage services in IKO app



In Q3, customers of PKO Bank Polski received access to the brokerage account in the IKO app. The available functions include information on the current balance, list of purchased securities, the ability to check quotations and execute orders

Increased green financing

PKO Bank Polski increased the value of green financing (loans for wind farms) for approx. PLN 400 million and acquired green bonds for PLN 35 million



KEY ACHIEVEMENTS

Ambitious ESG targets, execution started

Procurement policy, tax strategy

- In 3Q21, the Purchasing Policy was developed and adopted at the beginning of October
- The document contains a commitment to develop the Supplier's Code of Ethics
- PKO Bank Polski will successively obtain information from suppliers on the application of ESG conditions
- In October this year the Management Board and Supervisory Board of the Bank adopted a resolution on the implementation of the tax strategy

ESG in operational activity

- The Bank's Energy Audit was completed.
- Tasks to improve energy efficiency have been defined (replacement of heating stoves, windows, lighting)



ESG ratings improved

- In 3Q21 the rating of the Sustainalytics agency was improved from 25.7 to 21.1;
- PKO Bank Polski ranks 191 out of all 1,024 analyzed banks
- In the first half of the year, PKO Bank Polski improved its ratings from the Vigeo Eiris agency

ESG risk included in credit process

- ESG risk assessment is an integral credit assessment process for corporate and SME customers
- Each client is assigned an ESG class (positive, neutral, potentially negative and negative)
- An additional dive-in analysis is performed for the last two classes
- The bank is also working to comply with the taxonomy requirements



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Financial results

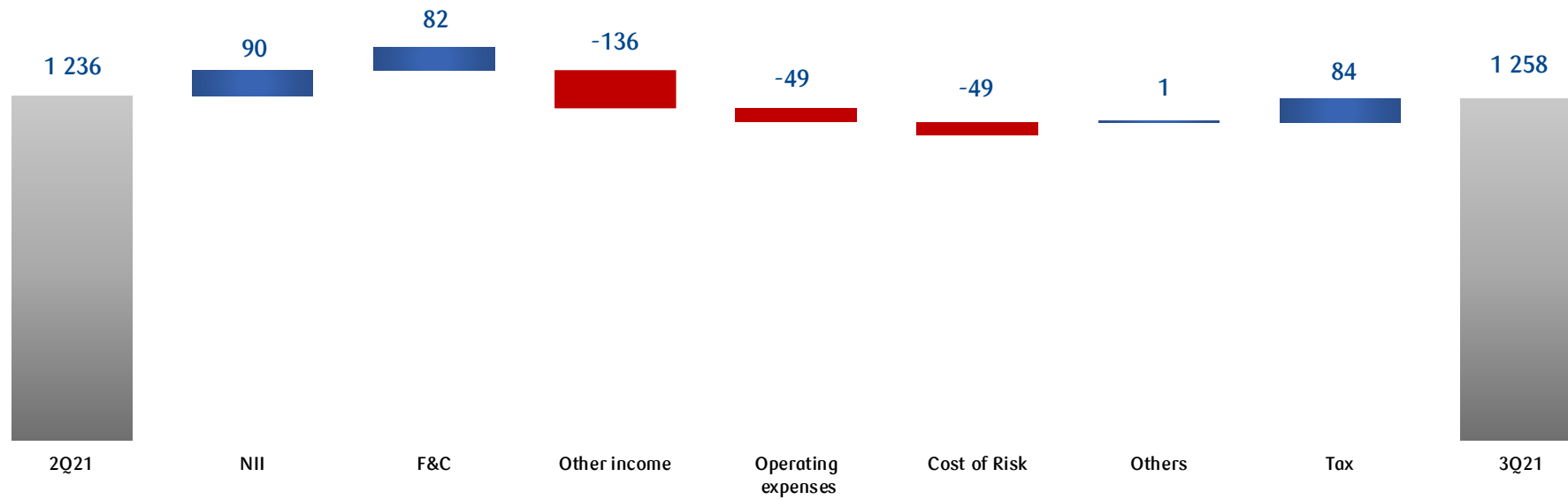


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FINANCIAL RESULTS

Drivers of net profit

Quarterly change of net profit
[PLN mn]



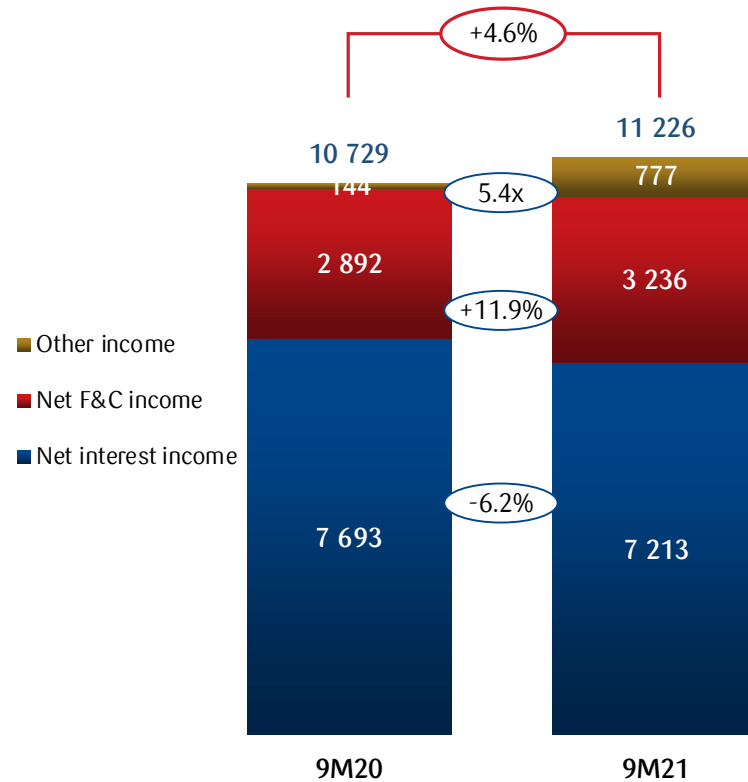


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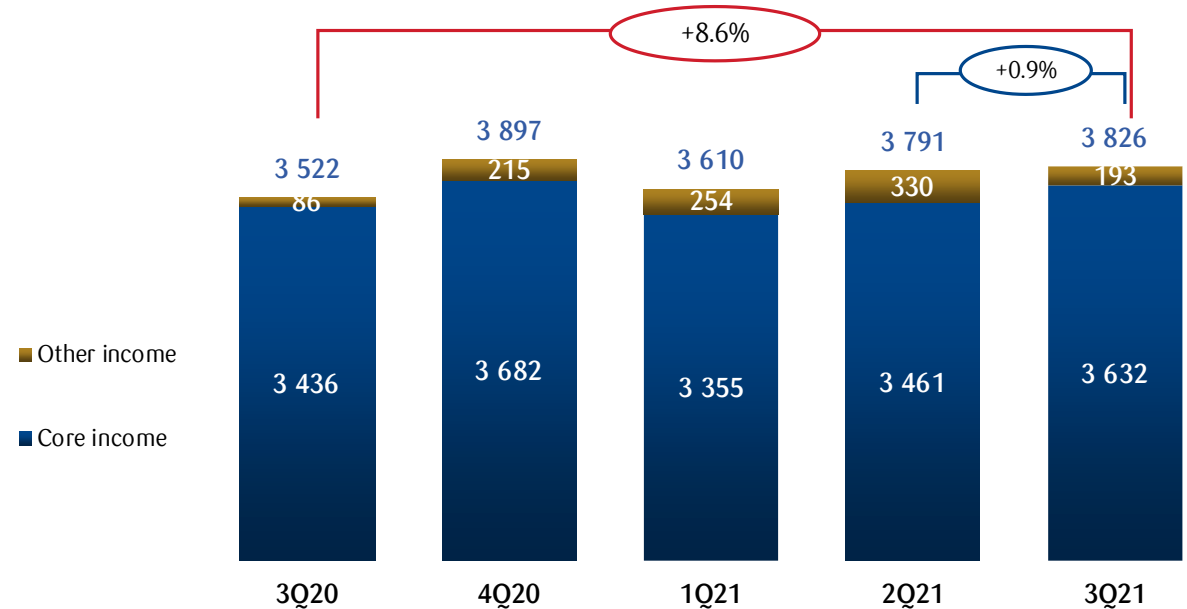
FINANCIAL RESULTS

Income growth continued

Result on business activity
[PLN mn]



Quarterly result on business activity
[PLN mn]



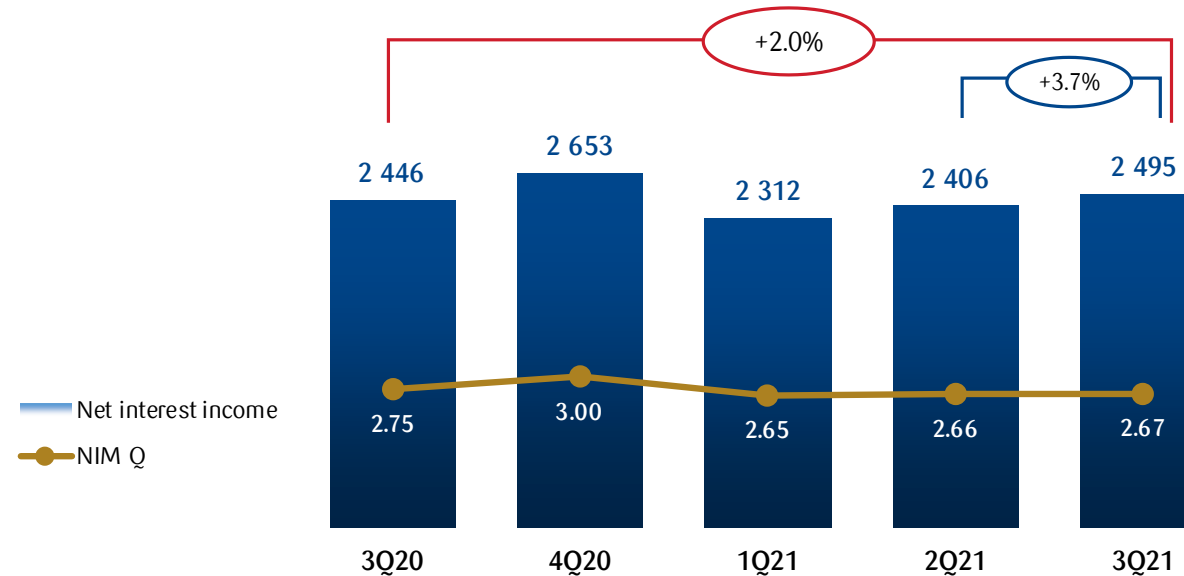


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FINANCIAL RESULTS

NII rebuild continued

Quarterly NII
[PLN mn]
Quarterly NIM
[%]



- Strong improvement of NII by 3.7% q/q driven by loans growth, supported also by the effect of higher number of days during the quarter
- Estimated impact of The Monetary Policy Council decisions on reference rate increase by total 115 bps on NII equals PLN 1.0-1.2 bn in 2022, assuming active management of balance sheet

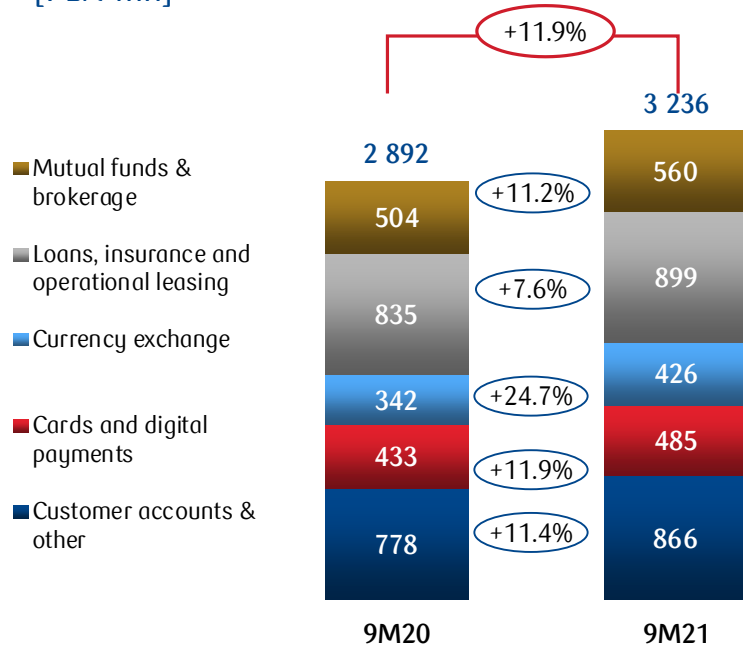


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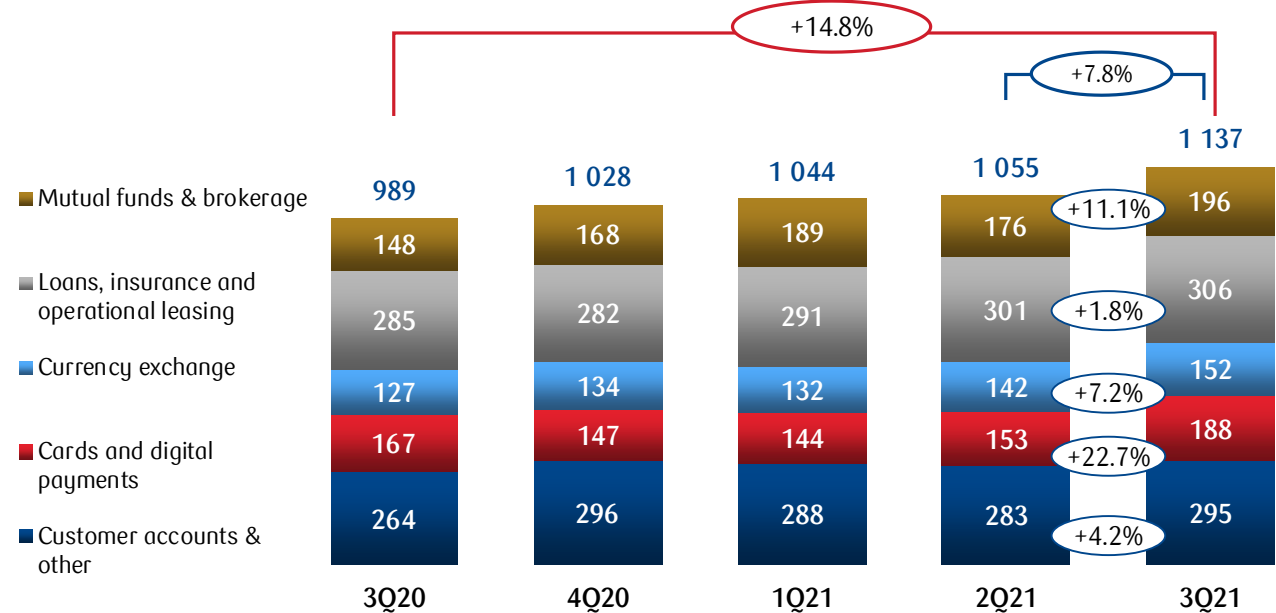
FINANCIAL RESULTS

Acceleration of F&C income growth

Net F&C
[PLN mn]



Quarterly net F&C
[PLN mn]

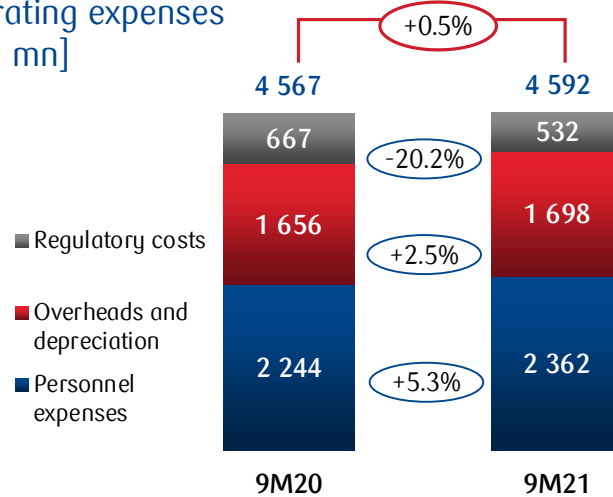


- F&C income growth by 7.8% q/q thanks to improvement in all key positions
- Significant contribution to the growth from investment funds and brokerage activity (+11.1% q/q), seasonally strong cards (+22.7% q/q) and FX (+7.2% q/q)

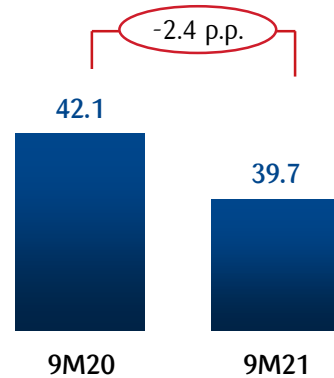
FINANCIAL RESULTS

Costs under control amid growing inflationary pressure

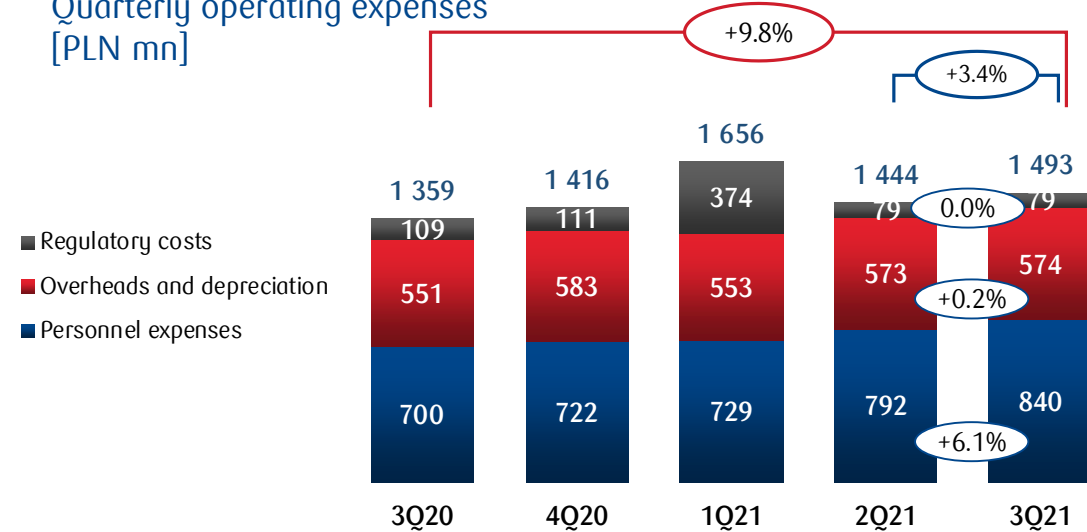
Operating expenses
[PLN mn]



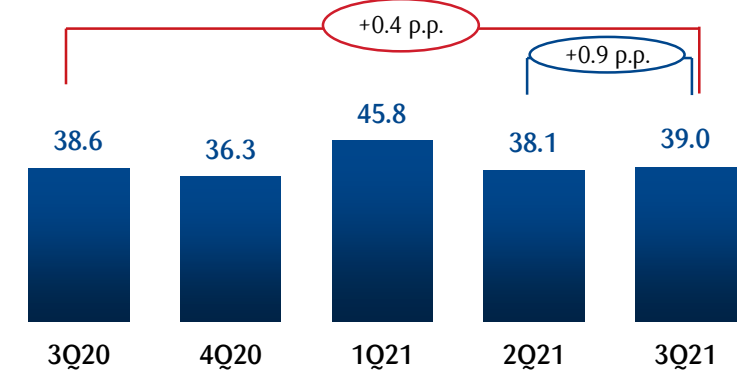
Cost/Income 12M
[%]



Quarterly operating expenses
[PLN mn]



Quarterly C/I ratio
[%]



- Costs dynamic +3.4% q/q, below the growth of core revenues (+5.0% q/q)
- HR costs growth driven by wage increase and provisions for bonuses
- Further network and employment optimization

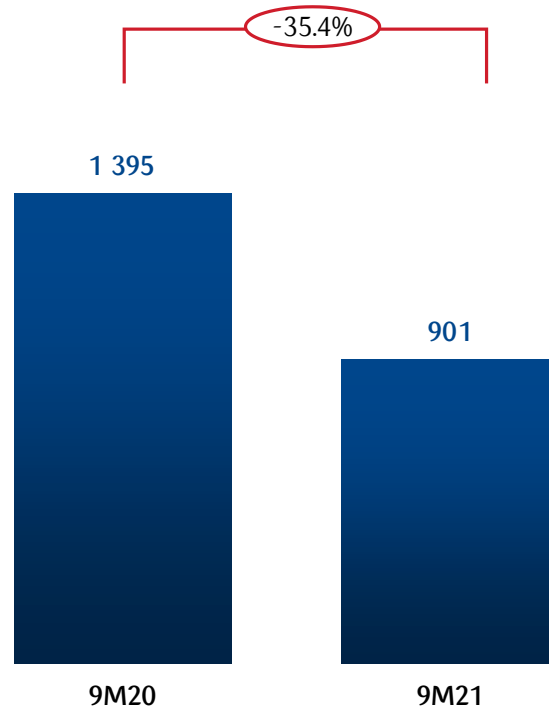


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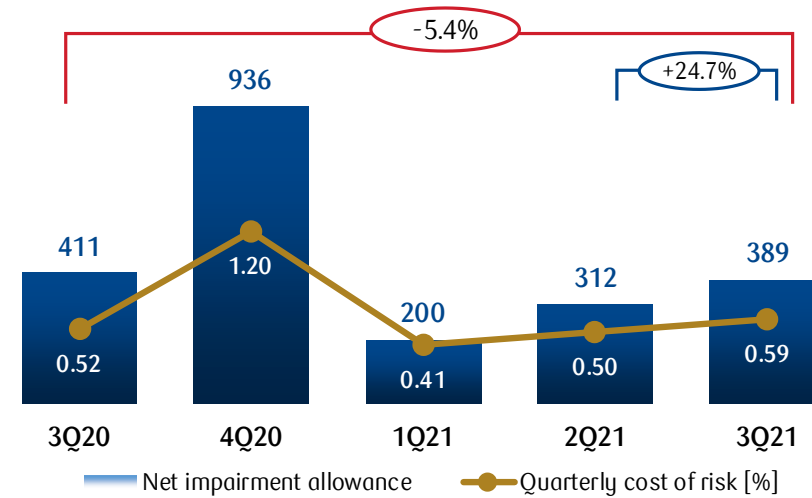
FINANCIAL RESULTS

Cost of risk normalization

Net impairment allowance
[PLN mn]



Quarterly net impairment allowance
[PLN mn]



- Cost of risk normalized at 59 bps., in line with level set in Bank's strategy

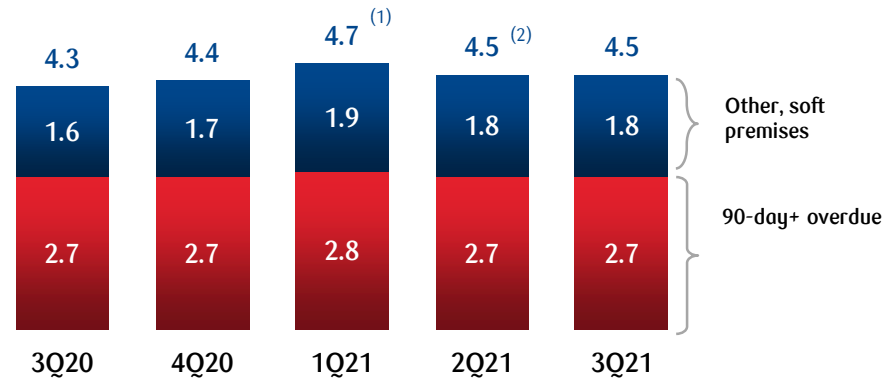


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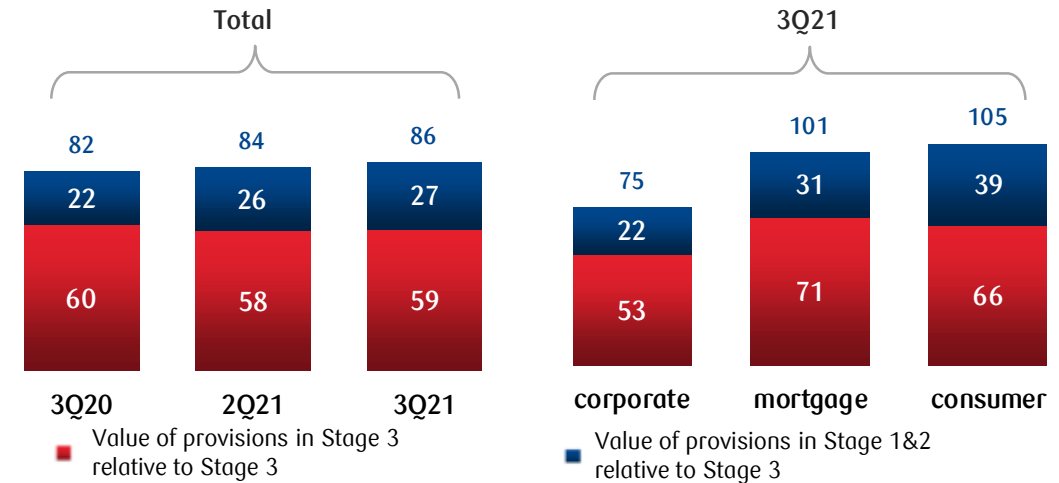
FINANCIAL RESULTS

High quality of customer financing

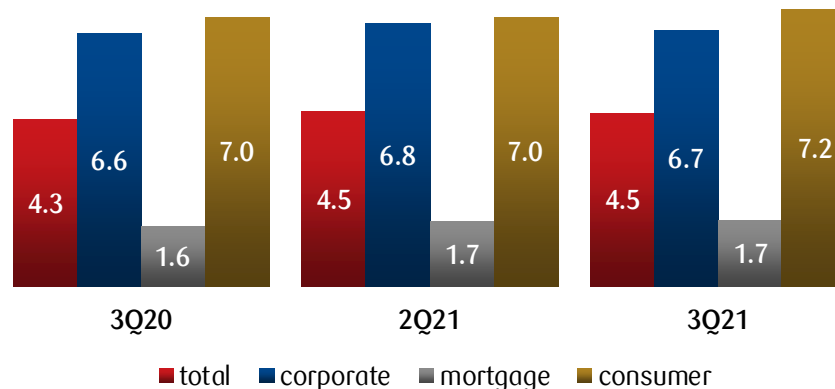
Share of receivables with recognized impairment, %



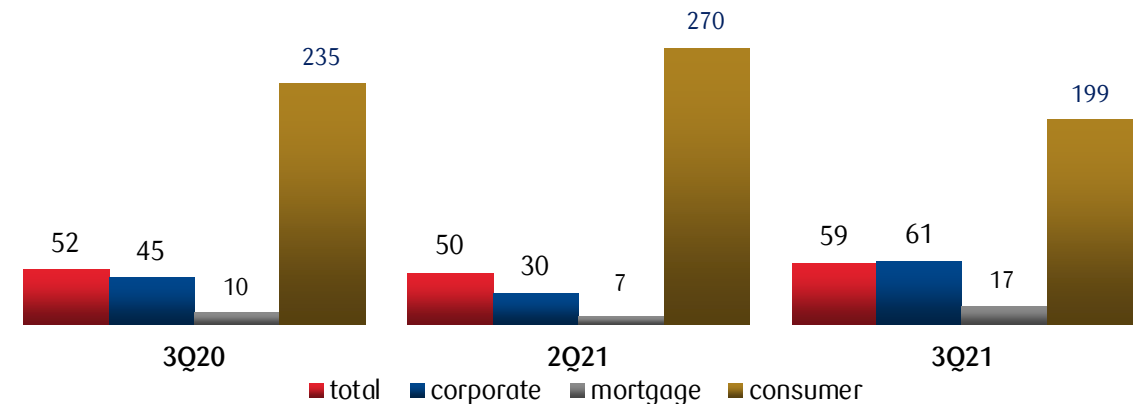
Provision coverage of receivables with recognized impairment, %



Share of receivables with recognized impairment, %



Quarterly cost of credit risk, bps.



(1) Increase in the share of impaired receivables resulted from the change in the definition of default effective from January 1, 2021 in accordance with the Art. 178 CRR.

(2) Decrease in NPL resulted from sale of receivables amounting to PLN 458 mn; in its absence the NPL would be 4.76%.



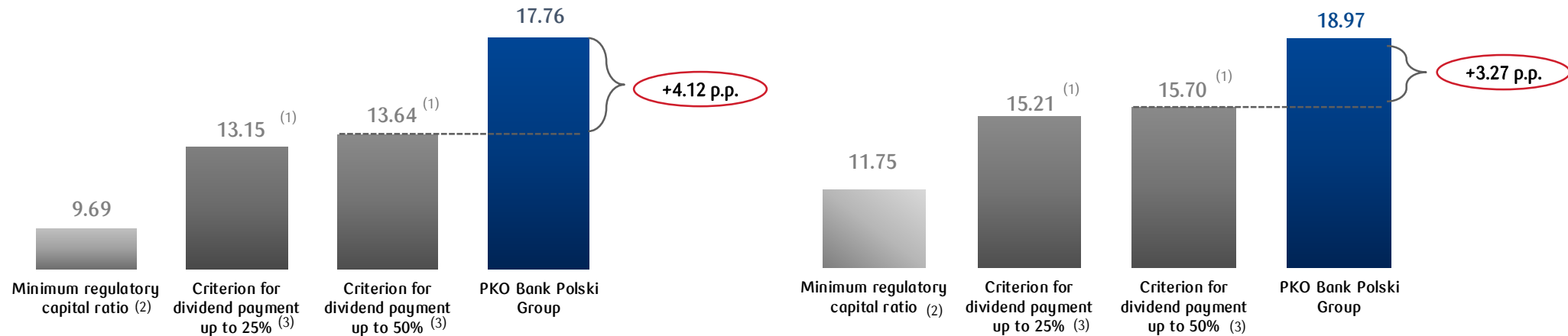
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FINANCIAL RESULTS

Solid capital position – over PLN 16 billion above the regulatory minimum

Tier 1 capital ratio, %

Total capital ratio (TCR), %



High levels of capital surplus and ROE as well as started process of FX settlements create conditions to expect dividend payment in 2022

- (1) PFSA's additional buffer for bank's sensitivity to an adverse macroeconomic scenario, including the issuance of equity instruments, is 0.46%. PFSA's buffer excluding those instruments would be 0.95%.
 Tier 1: CRR 6% + conservation buffer 2.5% + OSII buffer 1% + countercyclical buffer 0.01% + FX buffer for the Group 0.18%,
 (2) TCR: CRR 8% + conservation buffer 2.5% + OSII buffer 1% + countercyclical buffer 0.01% + FX buffer for the Group 0.24%.
 Dividend payment minimums after adjusting the dividend payout ratio by the following criteria:
 (3) K1 - share of the foreign currency mortgages for households in total receivables of PKO from the non-financial sector (3Q'21: Bank: 9.0%; Group: 7.3%); adjustment by -0.20 p.p. when 10%>K1>5%.
 K2 - share of the foreign currency mortgages granted in 2007/08 in PKO's total portfolio of foreign currency mortgages (3Q'21: Bank: 39.6%; Group: 38.6%; adjustment by -30 p.p. (when >20% and K1>5%).

Settlement program



Bank Polski



Growing number of applications for settlements

As of 4th of November number of applications for settlements reached above 12k and about 500 settlement agreements in the Arbitration Court have been reached



Applications in iPKO system

A client who is interested in submitting the application for settlement may do this remotely in iPKO system. Visit in the branch needed just for settlement signing



Fair solution

The settlement offered to customers by the bank is based on the equalization of the terms of the FX loan with a PLN loan, as proposed by the Chairman of PFSA



KNF participation in the process

To ensure transparency and security of the settlement process, the Arbitration Court at the PFSA participates



Bank Polski



Record profits,
assets above PLN
400 bn

Net profit of PLN 3.7 bn in 9M21, ROE 12.1%



Acceleration of core revenues growth to 5.0% q/q



Strong cost efficiency, C/I 39.0%



Cost of risk at 59 bps., sound asset quality with NPL ratio at 4.5% and coverage ratio 86%



Strong capita base with Core Tier I 17.8%, including high level of provisions for legal risk



Settlement program started



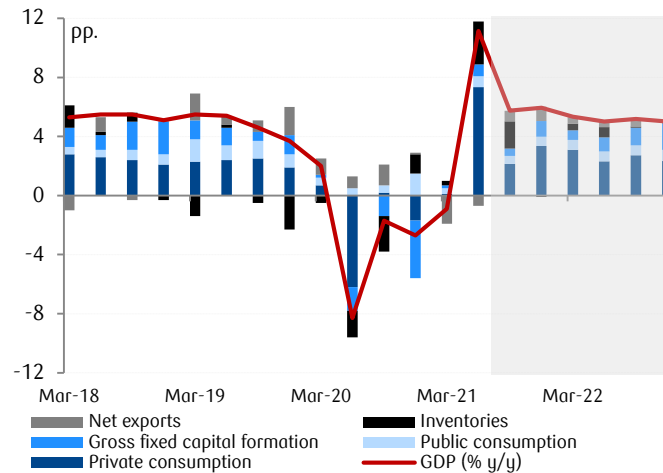
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Supplementary
information,
including
macroeconomic
backdrop

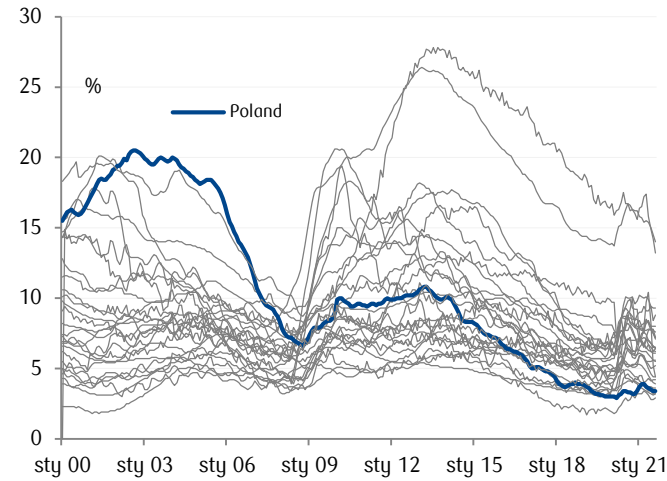
MACROECONOMIC BACKDROP

GDP growth normalization

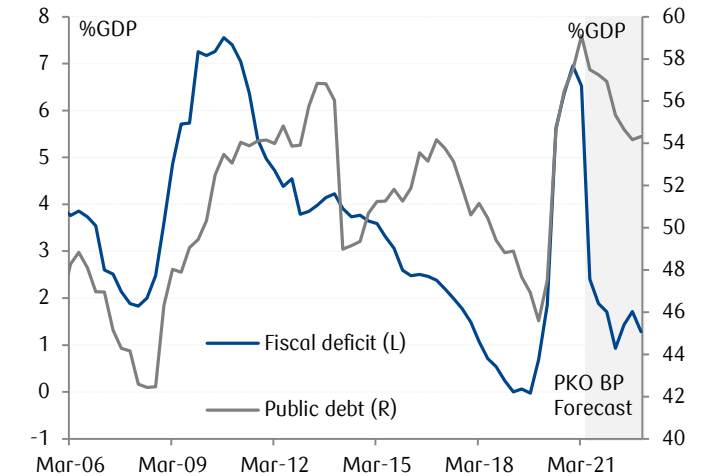
GDP forecast



Harmonised unemployment rate in the EU



Public deficit and debt

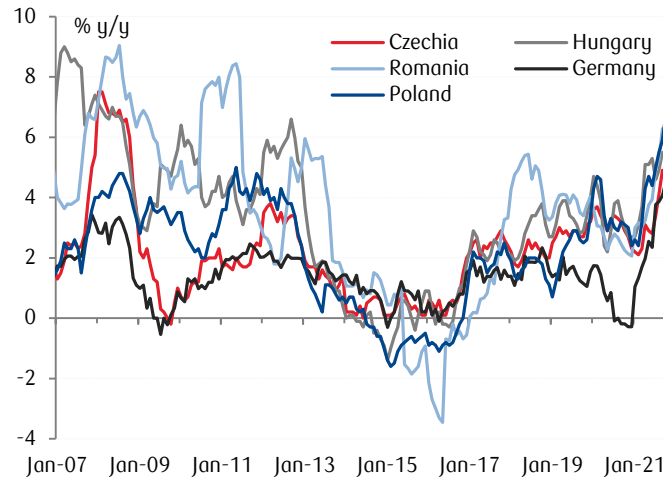


- **Economic trends have continued to normalise in 3q21, with households demand returning to the service sector.** The post-recession rebound transformed into a full-fledged expansion with GDP growth stabilising at around 5% y/y. The structure of the local economy implies that the more and more visible global supply bottlenecks and growing prices of commodities will have a lesser impact on the economic activity than in the Western Europe. Solid GDP growth in the upcoming quarters (5.4% in 2021 and 5.1% in 2022) will be supported by fiscal and monetary impulses, strong external demand, as well as continued reduction of households 'forced savings'.
- **Labour market conditions have improved.** Unemployment is on decline while strong wage growth protects households' finances from elevated inflation.
- **Public finances are in better shape than expected.** Strong nominal GDP growth boosts tax revenues. Conservative plans for 2022 imply swift narrowing of fiscal deficit. Public debt to GDP ratio will decline from 59.1% in 1q21 to 56.9% at the end of 2021 and 54.3% at the end of 2022.
- **Domestic demand recovery, as well as surging prices of commodities and production components boost imports and reduce trade surplus despite solid expansion of exports.** We expect that cyclical factors may visibly limit current account surplus at the turn of 2021/2022.

MACROECONOMIC BACKDROP

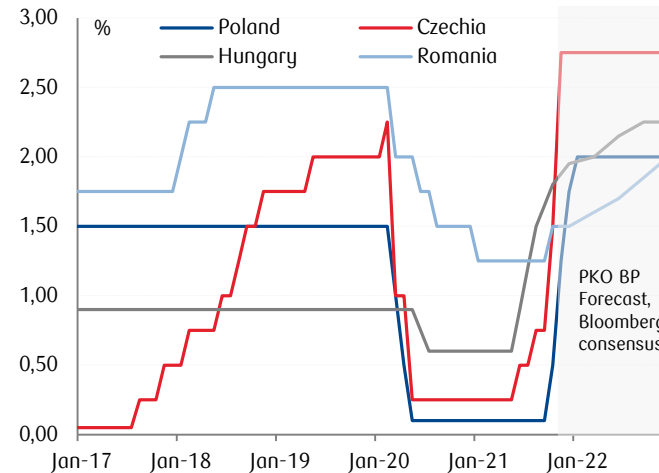
Start of monetary policy normalisation

CPI inflation in CEE economies



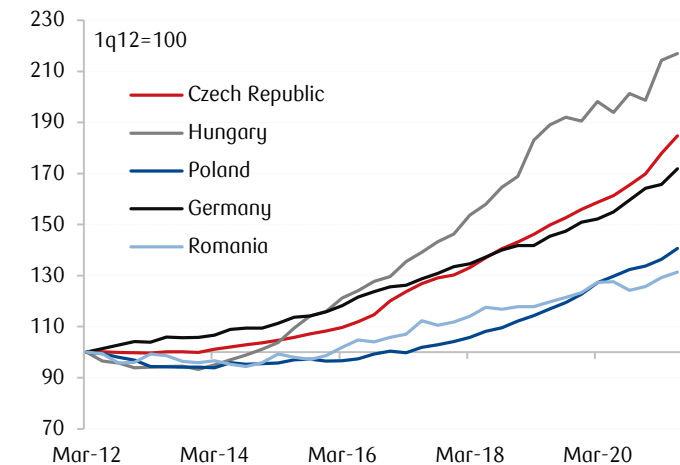
Source: Macrobond, NBP, PKO Bank Polski

Key monetary policy rates in the CEE region



Source: Macrobond, Bloomberg, PKO Bank Polski.

Housing prices in the CEE region



Source: Eurostat, PKO Bank Polski, .

- **CPI inflation speeds up, driven by a strong recovery of demand, as well as mounting supply constraints.** We predict further rise in CPI inflation until 1q22, when it may reach 8% y/y. Despite subsequent declines, the average inflation in 2022 will be higher than in 2021 (6.2% vs 4.9%), due to rising prices of energy, food, as well as stubbornly high core inflation (due to a combination of rising wages, strong demand, and regulatory factors). The balance of risks for this forecast is clearly shifted to the upside.
- **The MPC hiked the NBP reference rate by 40bps to 0.50% in October and by 75 bps. to 1.25% in November,** and joined other central banks in the region that are tightening monetary policy. The imbalances in the Polish economy are less sizable than in the rest of the CEE, as indicated - among others - by a much smaller cumulative rise in housing prices. However, the increase in inflation is so large that it carries a high risk of de-anchoring inflation expectations. Further increase in inflation expected in the coming months will probably induce the MPC to continue interest rate hikes.

MACROECONOMIC BACKDROP

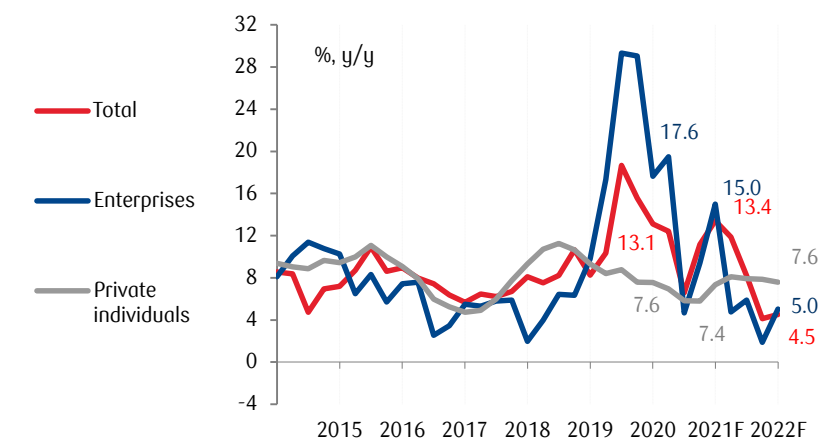
Macroeconomic and banking sector forecasts



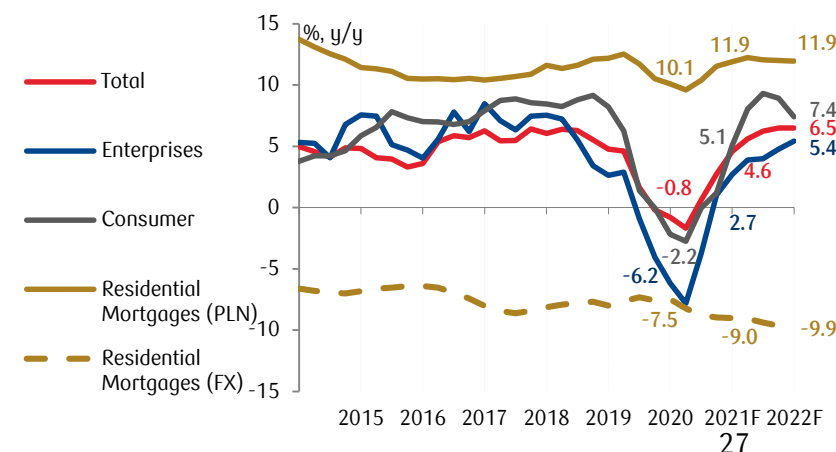
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		2015	2016	2017	2018	2019	2020	2021 F	2022 F
GDP	% y/y	3.8	3.1	4.8	5.4	4.7	-2.5	5.4	5.1
Consumption	% y/y	3.0	3.9	4.8	4.3	4.0	-3.0	5.7	4.7
Investments	% y/y	6.1	-8.2	4.0	9.4	6.1	-9.6	3.8	7.2
Fiscal balance ¹⁾	% GDP	-2.6	-2.4	-1.5	-0.2	-0.7	-7.1	-1.7	-1.3
Public debt ¹⁾	% GDP	51.3	54.2	50.6	48.8	45.6	57.4	56.9	54.3
CPI inflation	%	-0.9	-0.6	2.0	1.7	2.3	3.4	4.9	6.2
LFS unemployment rate	%	7.5	6.2	4.9	3.8	3.3	3.2	3.6	3.2
NBP reference rate	% eop	1.50	1.50	1.50	1.50	1.50	0.10	1.75	2.00
WIBOR 3M	% eop	1.73	1.73	1.72	1.72	1.71	0.21	1.90	2.15
EUR/PLN	PLN eop	4.26	4.42	4.17	4.30	4.26	4.61	4.56	4.44
USD/PLN	PLN eop	3.90	4.18	3.48	3.76	3.80	3.75	3.97	3.86

Deposits growth (FX adjusted)



Loans growth (FX adjusted)



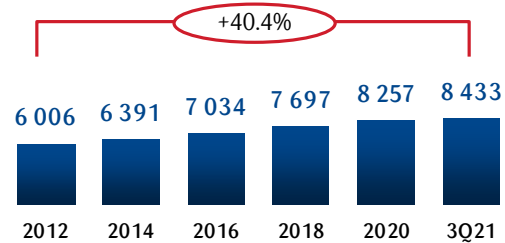


Bank Polski

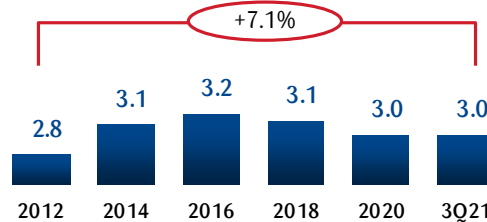
SUPPLEMENTARY INFORMATION

PKO Bank Polski – the undisputed leader of Polish banking sector

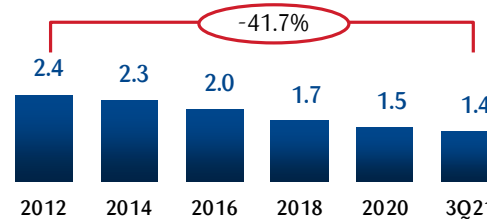
Number of current accounts of individuals, k



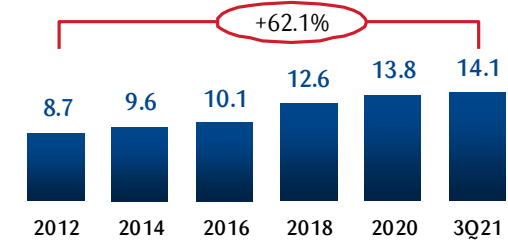
Number of ATMs, k



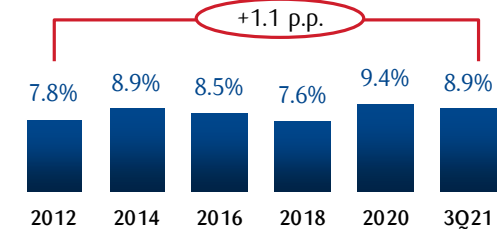
Number of retail agencies and branches, k



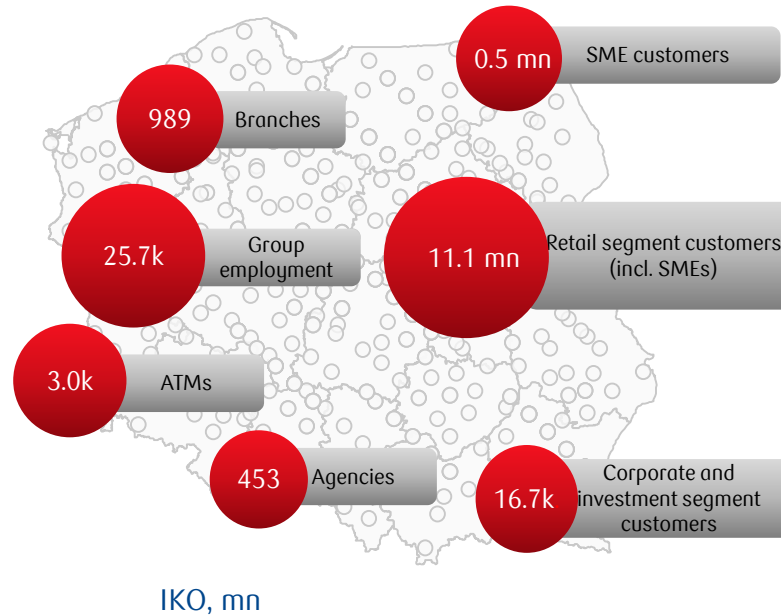
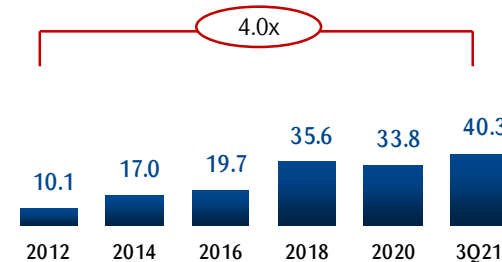
Number of corporate customers with access to e-banking, k



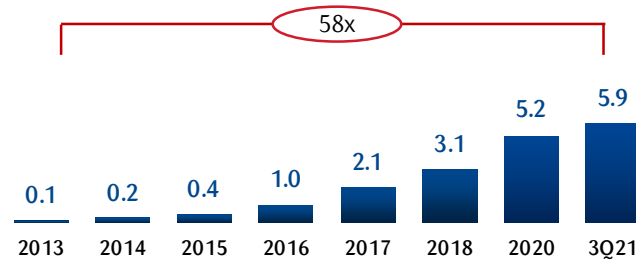
The share of PKO Securities in trading on the secondary stock market (without block off session transactions), %



Investment Funds – AuM, PLN bn



IKO, mn



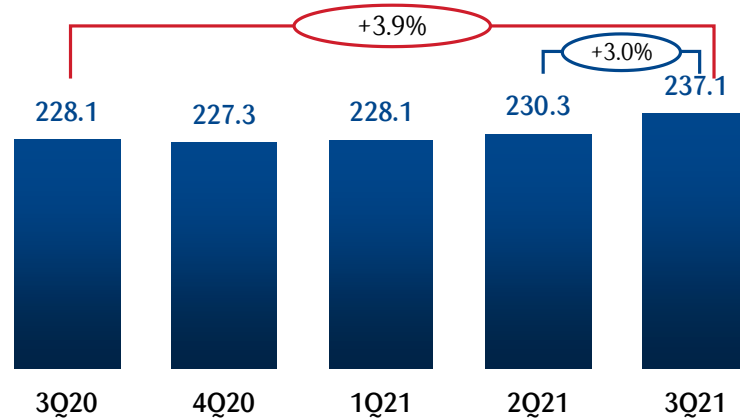


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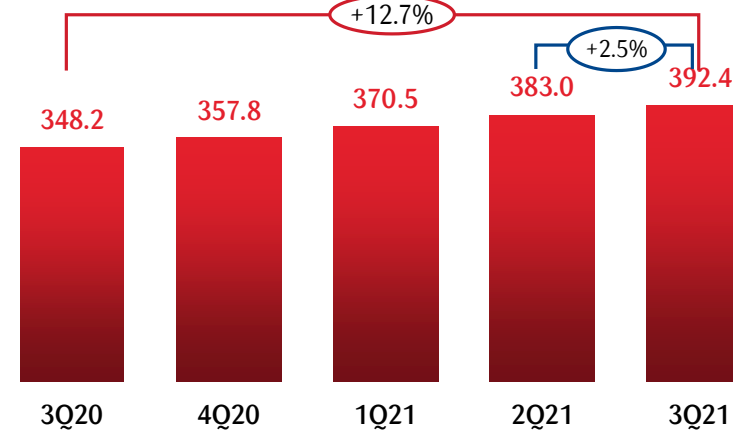
SUPPLEMENTARY INFORMATION

The increase in customer financing and savings

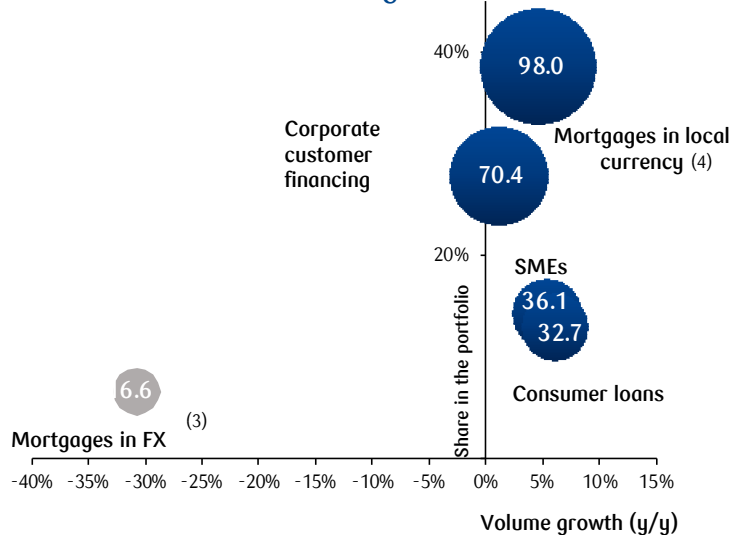
Gross customer financing, PLN bn ⁽¹⁾



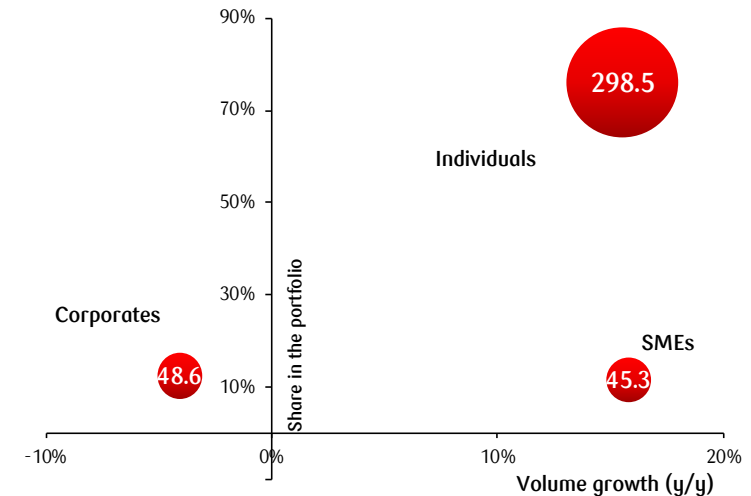
Customer savings, PLN bn ⁽²⁾



Gross customer financing, PLN bn ⁽¹⁾



Customer savings, PLN bn ⁽²⁾

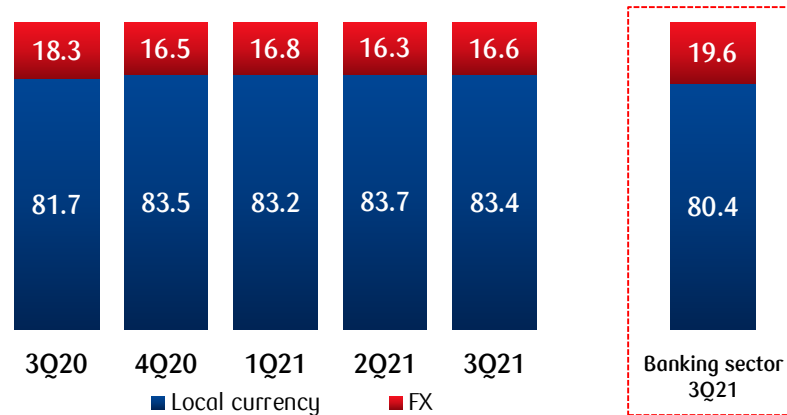


- (1) Includes loans (excluding FX mortgage loans), corporate and municipal bonds (excluding PFR, BGK, EIB corporate bonds), leasing and factoring (but excludes repo transactions).
(2) Includes deposits, TFI (mutual funds) assets and treasury savings bonds of the bank and other entities of the bank's Group accumulated on the clients' bank accounts.
(3) Due to the EGM's decision to enter into settlements with the foreign currency mortgage loan consumers, the volume of FX mortgages decreased by PLN 5.3 bn at the end of 2020.
(4) The position covers UAH loans.

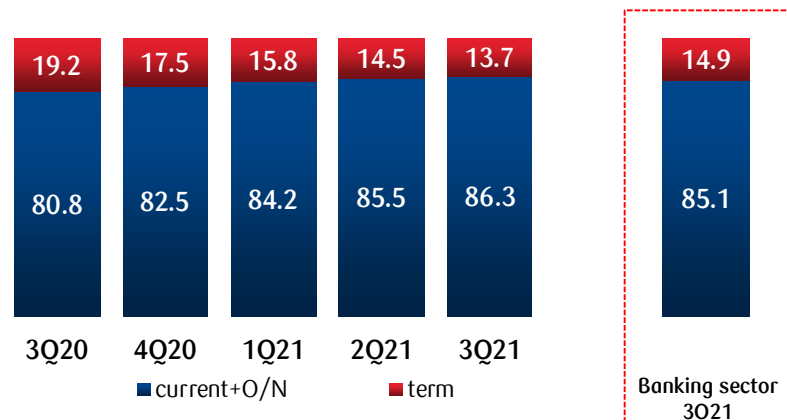
SUPPLEMENTARY INFORMATION

Improvement in the structure of loans and deposits while maintaining high liquidity

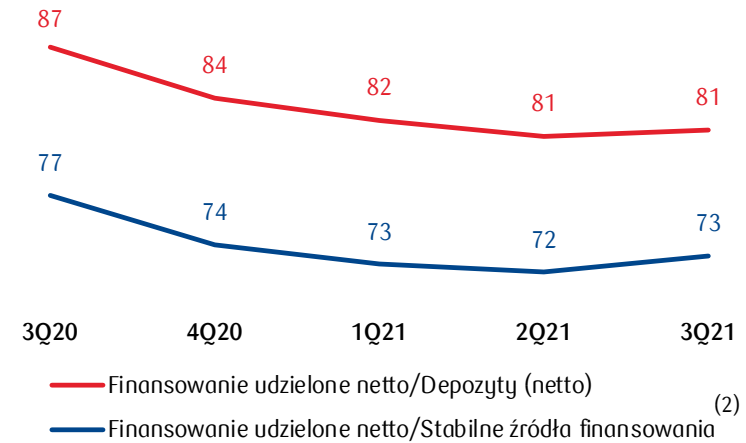
Currency structure of gross loans portfolio, %



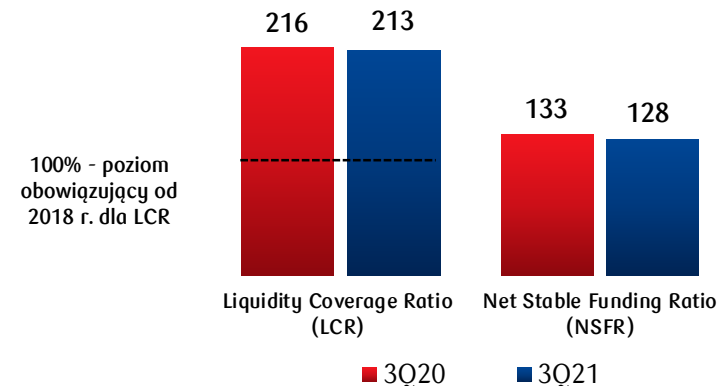
Term structure of total deposits ⁽¹⁾ %



Structure of funding, %



LCR and NSFR ratio, %



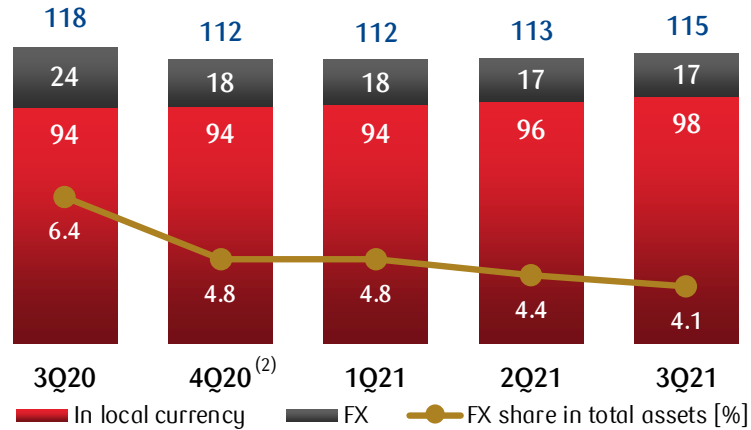
(1) Amounts due to customers.

(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.

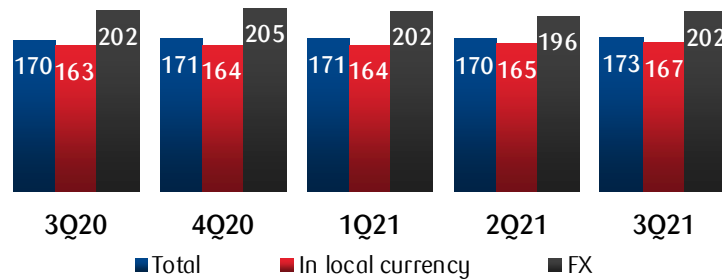
SUPPLEMENTARY INFORMATION

Gross mortgage loans

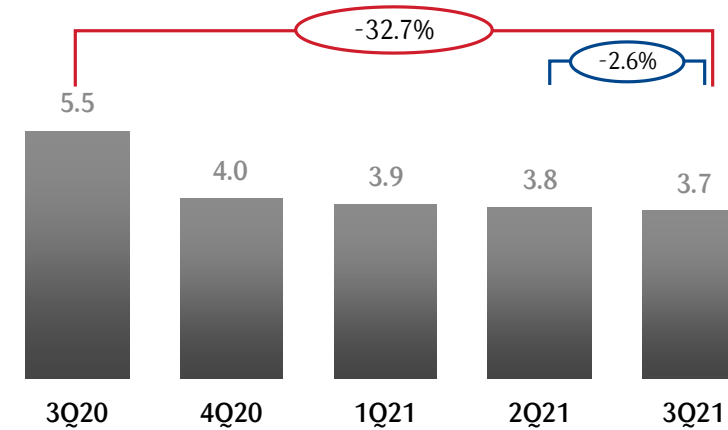
Volume of FX mortgage loans, PLN bn ⁽¹⁾



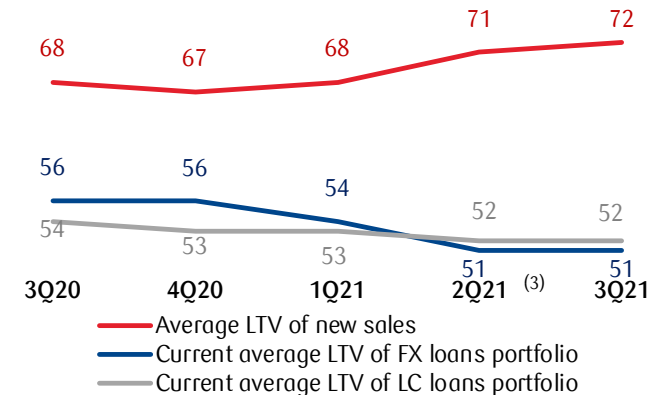
Average carrying value of mortgage loan to be repaid, PLN k ⁽¹⁾



Volume of CHF mortgage loans, CHF bn



Average LTV, %



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

(2) Due to the EGM's decision to enter into settlements with the foreign currency mortgage loan consumers, the value of FX loans decreased by PLN 5.3 bn.

(3) Decrease in LTV ratio of the FX loan portfolio results from the declines in CHF/PLN, EUR/PLN and USD/PLN exchange rates between the end of 1Q21 and the end of 2Q21.

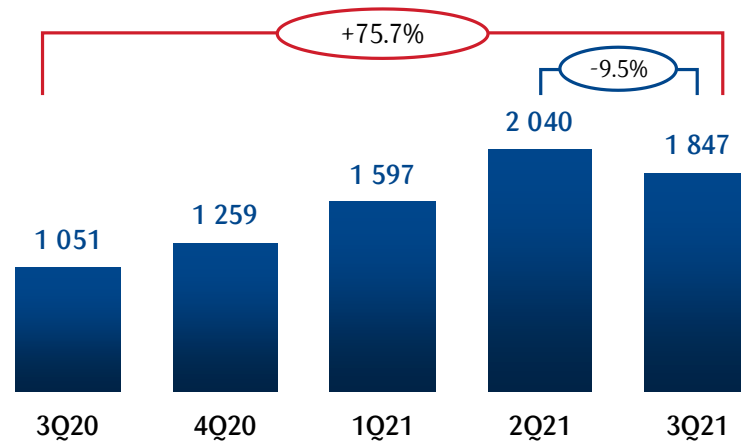


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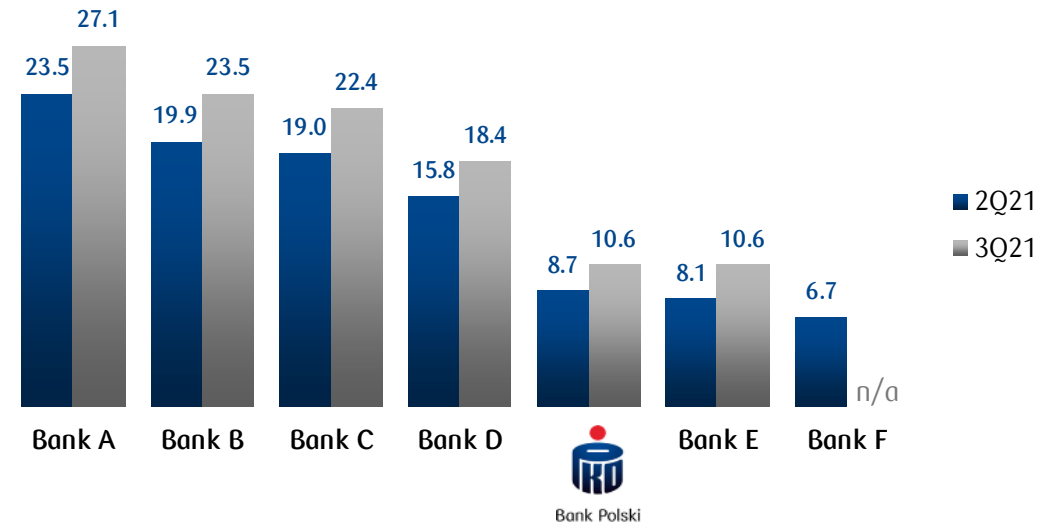
SUPPLEMENTARY INFORMATION

Legal risk of FX-mortgage loans

The number of new court proceedings in a quarter, Items



„PKO's 'Susceptibility to litigation' across sector: the number of disputed loan agreements relative to the total number of CHF contracts, %



At the end of 3Q21 there were 10 815 courts proceedings against PKO, +1 847 q/q, at a total disputed amount of PLN 3.26 bn.

On 23 April 2021, the EGM made a decision to enter into settlements with the foreign currency loan borrowers

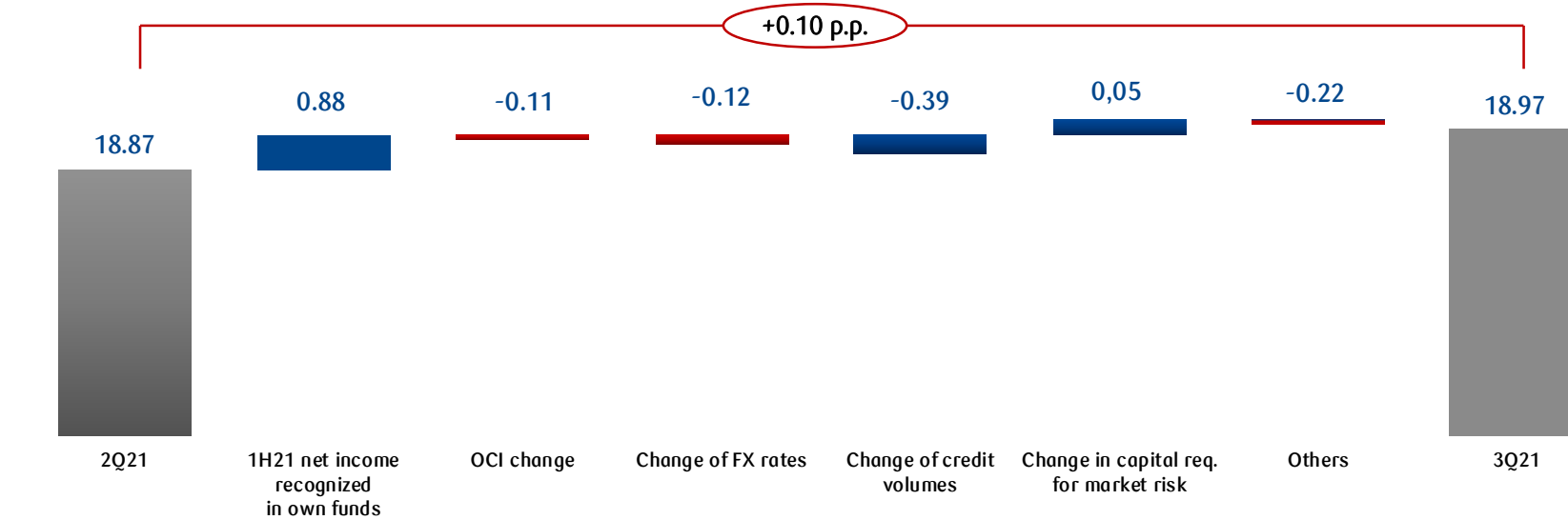


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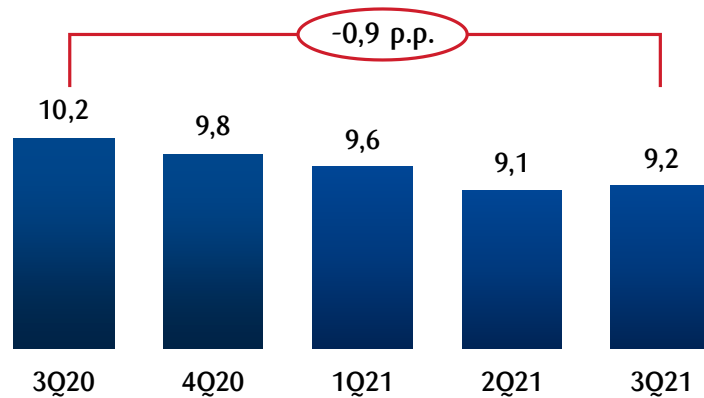
SUPPLEMENTARY INFORMATION

Capital adequacy

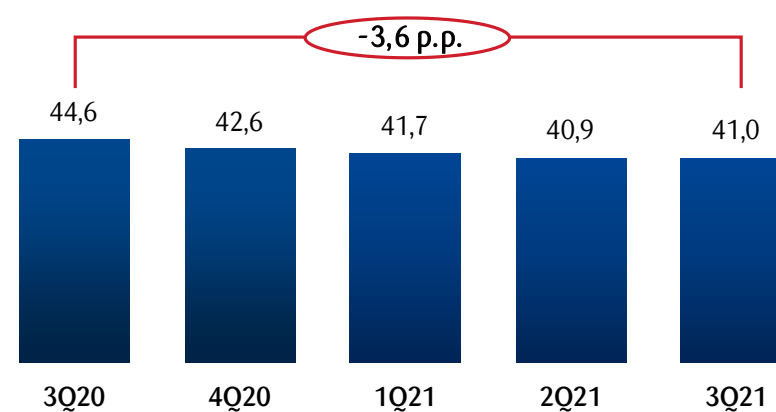
Quarterly change of the consolidated total capital ratio (TCR), p.p.



Leverage ratio, %



Effective risk weight ⁽¹⁾ %



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



Bank Polski

SUPPLEMENTARY INFORMATION

Key financial data

Profit and loss [PLN mn]

	9M21	9M20	y/y	3Q21	1Q21	q/q
Net interest income	7 213	7 693	-6.2%	2 495	2 406	+3.7%
Net F&C income	3 236	2 892	+11.9%	1 137	1 055	+7.8%
Result on business activity	11 226	10 729	+4.6%	3 826	3 791	+0.9%
Administrative expenses	(4 592)	(4 567)	+0.6%	(1 493)	(1 444)	+3.4%
Allowances for expected credit losses	(901)	(1 395)	-35.4%	(389)	(312)	+24.7%
Allowances on non-financial assets	(35)	(351)	-90.0%	8	(22)	-
Cost of credit risk of FX mortgages	-	(535)	-	-	-	-
Bank tax	(785)	(794)	-1.1%	(267)	(261)	+2.1%
Profit before income tax	4 934	3 101	+59.1%	1 697	1 759	-3.6%
Income tax	(1 263)	(1 086)	+16.3%	(438)	(523)	-16.1%
Net profit	3 671	2 018	+81.9%	1 258	1 236	+1.8%

Balance sheet [PLN bn]

Assets	403.5	376.6	+7.1%	403.5	393	+2.8%
Customer financing	243.0	242.6	+0.1%	243.0	237	+2.5%
Amounts due to customers	298.7	279.1	+7.0%	298.7	294	+1.7%
Stable financial resources	332.6	314.8	+5.7%	332.6	330	+0.8%
Total equity	41.5	44.8	-7.2%	41.5	41	+1.2%

Key ratios



Bank Polski

Key financial
ratios
[%]

	3Q21	3Q20	y/y	2Q21	q/q
ROE net Q	12.1	6.4	+5.7 p.p.	12.1	0.0 p.p.
ROE net 12M	-2.2	6.4	-8.6 p.p.	-3.4	+1.2 p.p.
ROTE net Q	13.1	6.8	+6.3 p.p.	13.2	-0.1 p.p.
ROTE net 12M	-2.4	6.9	-9.3 p.p.	-3.7	+1.3 p.p.
ROA net Q	1.3	0.8	+0.5 p.p.	1.3	0.0 p.p.
ROA net 12M	-0.2	0.8	-1.0 p.p.	-0.4	+0.2 p.p.
C/I Q	39.0	38.6	+0.4 p.p.	38.1	+0.9 p.p.
C/I 12M	39.7	42.1	-2.4 p.p.	39.6	+0.1 p.p.
NIM Q	2.67	2.75	-0.08 p.p.	2.66	+0.01 p.p.
NIM 12M	2.74	3.10	-0.36 p.p.	2.75	-0.01 p.p.

Loan portfolio
quality
[%]

NPL ratio	4.5	4.3	+0.2 p.p.	4.5	0.0 p.p.
Coverage ratio	85.6	81.9	+3.7 p.p.	83.7	+1.9 p.p.
Cost of risk Q	0.59	0.52	+7 bps	0.50	+9 bps
Cost of risk 12M	0.67	0.57	+10 bps	0.66	+1 bps

Capital position
[%]

TCR	19.0	19.6	-0.6 p.p.	18.9	+0.1 p.p.
Tier 1 capital ratio	17.8	18.3	-0.5 p.p.	17.6	+0.2 p.p.

SUPPLEMENTARY INFORMATION

Key operational data

PKO Bank Polski operating data (eop)

	3Q20	4Q20	1Q21	2Q21	3Q21	y/y	q/q
Current accounts ('000)	8 204	8 257	8 307	8 353	8 433	+2.8%	+1.0%
Banking cards ('000)	9 549	9 510	9 531	9 627	9 737	+2.0%	+1.1%
of which: credit cards	969	967	964	966	971	+0.2%	+0.5%
Active mobile banking applications IKO ('000)	5 003	5 210	5 421	5 658	5 916	+18.3%	+4.6%
Branches:	1 040	1 004	998	989	984	-5.4%	-0.5%
- retail	1 008	972	965	956	951	-5.7%	-0.5%
- corporate	32	32	33	33	33	+3.1%	0.0%
Agencies	498	492	485	471	453	-9.0%	-3.8%
ATMs	3 038	3 022	3 002	2 984	2 973	-2.1%	-0.4%
Employment eop (FTEs '000) Group	26.4	25.9	25.8	25.8	25.7	-2.7%	-0.4%
Number of operations performed by robots (in '000)	10 343	11 960	14 891	16 666	15 019	+45.2%	-9.9%

- The number of active IKO applications increased by nearly 913k y/y



Bank Polski

SUPPLEMENTARY INFORMATION

The Profit and loss account of PKO Bank Polski Group

Profit and loss account (PLN million)	3Q20	4Q20	1Q21	2Q21	3Q21	y/y	q/q
Net interest income	2 446	2 653	2 312	2 406	2 495	+2.0%	+3.7%
Net fee and commission income	989	1 028	1 044	1 055	1 137	+14.9%	+7.8%
Other income	86	215	254	330	193	2.2x	-41.3%
Dividend income	1	0	0	11	1	+52.7%	-91.9%
Trading income	28	66	42	26	14	-50.2%	-45.3%
Net foreign exchange gains	38	101	160	209	55	+44.3%	-73.9%
Gains/(losses) on derecognition on financial assets and liabilities	69	29	34	59	82	+19.9%	+38.9%
Net other operating income and expense	(49)	19	17	25	42	-	+68.4%
Total income items	3 522	3 897	3 610	3 791	3 826	+8.6%	+0.9%
Total operating expenses	(1 359)	(1 416)	(1 655)	(1 444)	(1 493)	9.9%	3.4%
result on regulatory charges	(109)	(111)	(374)	(79)	(79)	-27.4%	0.0%
Allowances for expected credit losses	(411)	(936)	(200)	(312)	(389)	-5.3%	24.7%
Net impairment allowances on non-financial assets	(74)	(65)	(21)	(22)	8	-	-
Cost of risk on FX mortgages	(345)	(6 017)	-	-	-	-	-
Tax on certain financial institutions	(261)	(261)	(256)	(261)	(267)	2.4%	2.1%
Share in net profit (losses) of associates and jointly controlled entities	11	1	1	8	13	15.4%	72.7%
Profit before income tax	1 083	(4 797)	1 477	1 759	1 697	+56.6%	-3.6%
Income tax expense	(372)	221	(302)	(523)	(438)	+17.9%	-16.1%
Net profit attributable to non-controlling shareholders	-	(1)	(2)	1	0	-	-84.6%
Net result attributable to the parent company	712	(4 575)	1 177	1 236	1 258	+76.8%	+1.8%
Adjusted net result attributable to the parent company ⁽¹⁾	1 057	612	1 098	1 124	1 285	+21.6%	+14.3%

(1) Adjusted for the costs of legal risk and other impacts of the EGM's decision to enter into settlements with the foreign currency mortgage loan consumers.



Bank Polski

SUPPLEMENTARY INFORMATION

The balance sheet of PKO Bank Polski Group

Assets (PLN billion)	3Q20	4Q20	1Q21	2Q21	3Q21	y/y	q/q
Cash and balances with the Central Bank	3.7	7.5	4.3	3.9	4.0	+6.1%	+0.5%
Amounts due from other banks	2.6	2.6	2.7	3.5	4.7	+77.6%	+34.6%
Reverse repo transactions	0.0	-	0.0	0.1	-	-	-
Net customer financing	242.6	235.8	235.9	237.1	243.0	+0.1%	+2.5%
Securities	108.6	110.5	120.6	126.5	125.9	+15.9%	-0.5%
Other assets	19.0	20.7	20.8	21.5	26.0	+37.1%	+20.9%
TOTAL ASSETS	376.6	377.0	384.3	392.6	403.5	+7.1%	+2.8%
Liabilities and equity (PLN billion)	3Q20	4Q20	1Q21	2Q21	3Q21	y/y	q/q
Total equity	44.8	39.9	40.6	41.0	41.5	-7.2%	+1.2%
Amounts due to the central bank and due to banks	2.6	2.6	2.3	4.4	7.0	2.6x	+58.4%
Repo transactions	-	-	-	0.1	0.8	-	13.4x
Subordinated liabilities and debt securities in issue	33.3	34.8	35.6	34.0	31.7	-4.6%	-6.5%
Amounts due to customers	279.1	282.4	287.8	293.8	298.7	+7.0%	+1.7%
Loans and advances received	2.5	2.3	2.4	2.1	2.2	-8.5%	+6.9%
Liabilities of insurance activities	1.8	1.7	1.8	1.8	2.0	+12.2%	+6.6%
Other liabilities	12.7	13.3	13.9	15.4	19.6	+54.7%	+27.1%
TOTAL EQUITY AND LIABILITIES	376.6	377.0	384.3	392.6	403.5	+7.1%	+2.8%

SUPPLEMENTARY INFORMATION

Customer financing



Bank Polski

PLN billion	3Q20	4Q20	1Q21	2Q21	3Q21	y/y	q/q
Financing	238.7	232.6	233.0	234.8	240.9	+0.9%	+2.6%
mortgages	117.6	112.3	112.0	112.8	114.6	-2.6%	+1.6%
mortgages in local currency	93.6	94.1	94.4	95.8	98.0	+4.7%	+2.2%
FX mortgages	24.0	18.2	17.7	17.0	16.6	-30.7%	-2.0%
consumer loans	30.8	30.5	30.6	31.5	32.7	+6.1%	+3.6%
SME	34.2	33.9	34.3	35.4	36.1	+5.4%	+2.0%
corporate	56.1	55.9	56.1	55.1	57.6	+2.6%	+4.6%
Debt securities	13.4	12.9	12.8	12.5	12.8	-4.6%	+2.8%
municipal bonds	9.6	9.7	9.5	9.1	9.5	-1.5%	+4.2%
corporate bonds ⁽¹⁾	3.8	3.2	3.3	3.4	3.3	-12.3%	-1.0%
Gross customer financing	252.1	245.5	245.8	247.2	253.7	+0.6%	+2.6%
Net customer financing	242.6	235.8	235.9	237.1	243.0	+0.1%	+2.5%

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

SUPPLEMENTARY INFORMATION

Customer savings



Bank Polski

PLN billion	3Q20	4Q20	1Q21	2Q21	3Q21	y/y	q/q
Retail and private banking ⁽¹⁾	258.4	269.5	284.4	292.7	298.5	+15.5%	+2.0%
deposits	191.0	197.0	204.9	207.0	208.4	+9.1%	+0.7%
retail mutual funds	29.5	32.3	35.1	37.0	38.0	+28.9%	+2.8%
saving treasury bonds	37.7	40.0	44.2	48.6	52.0	+37.8%	+7.0%
Own bonds on clients' accounts	3.3	4.5	4.7	5.0	5.1	+53.4%	+0.6%
Corporate	47.4	41.1	39.7	43.3	43.5	-8.1%	+0.5%
SME	39.1	42.7	41.7	42.0	45.3	+15.8%	+8.0%
Customer savings	348.2	357.8	370.5	383.0	392.4	+12.7%	+2.5%

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



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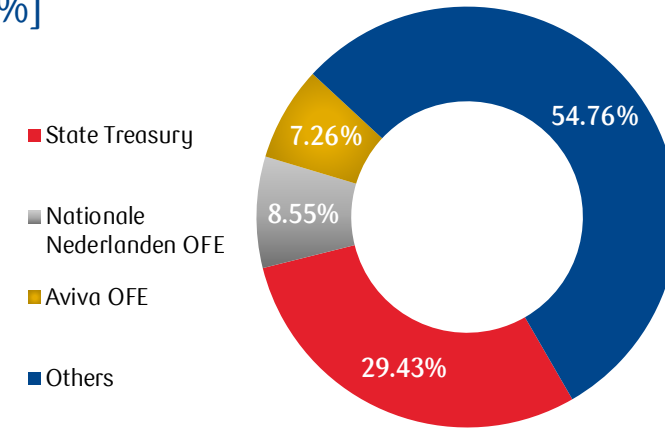
SUPPLEMENTARY INFORMATION

Shares and ratings

Basic information about shares

Listed:	Warsaw Stock Exchange since 10.11.2004.
Indices:	WIG, WIG20, WIG30, WIG Banki, WIG-ESG, FTSE Russell, Stoxx 600
ISIN:	PLPKO0000016
Bloomberg:	PKO PW
Reuters:	PKOB WA

Shareholder structure (number of shares: 1 250 mn) [%]



Credit Rating

Agency:	Rating:	Long-term		
		Deposits	Liabilities	Counterparty risk
Moody's		A2 with stable outlook	A3 with stable outlook	A2
	Short-term			
		Deposits	Liabilities	Counterparty risk
		P-1	(P)P-2	P-1

ESG Ratings

Agency:	Rating:	ESG Rating (environmental, social, governance)
FTSE Russell		2.7
Sustainalytics		Medium risk
MSCI		BBB



Bank Polski

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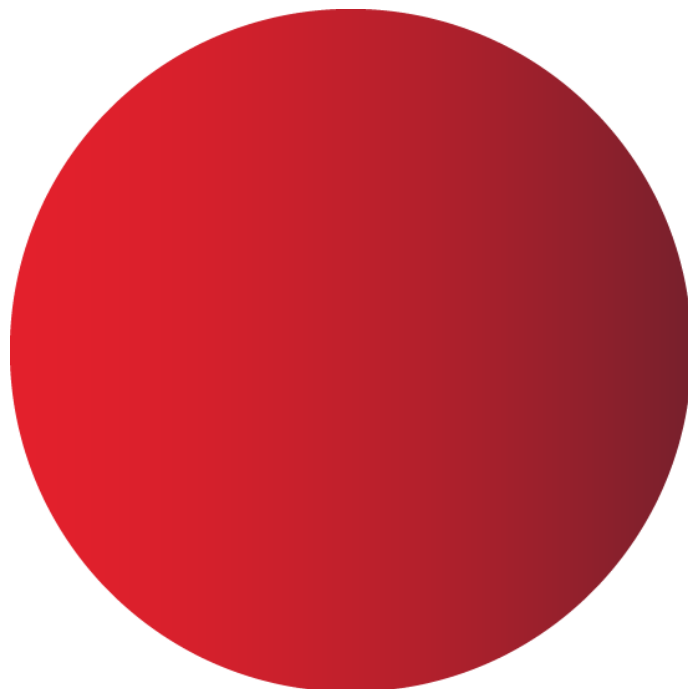
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Any differences in total balances, percentages and growth rates result from rounding the amounts to PLN million and rounding percentages to one decimal place.



Bank Polski



Contact details

Investor Relations

Migdałowa 4
02-796 Warsaw

e-mail: ir@pkobp.pl

PKO Bank Polski IR website:
www.pkobp.pl/investor-relations