



Bank Polski

PKO Bank Polski S.A. Group the regular MREL issuer out of Poland

Warsaw, September, 2024

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AGENDA

- 1. PKO BP highlights**
2. Poland - macroeconomic outlook
3. Overview of PKO BP financial results
4. Green bond framework
5. Summary of the proposed transaction
6. Supplementary information

No. 1 bank in Poland enjoying strong CET1, LCR and ROE



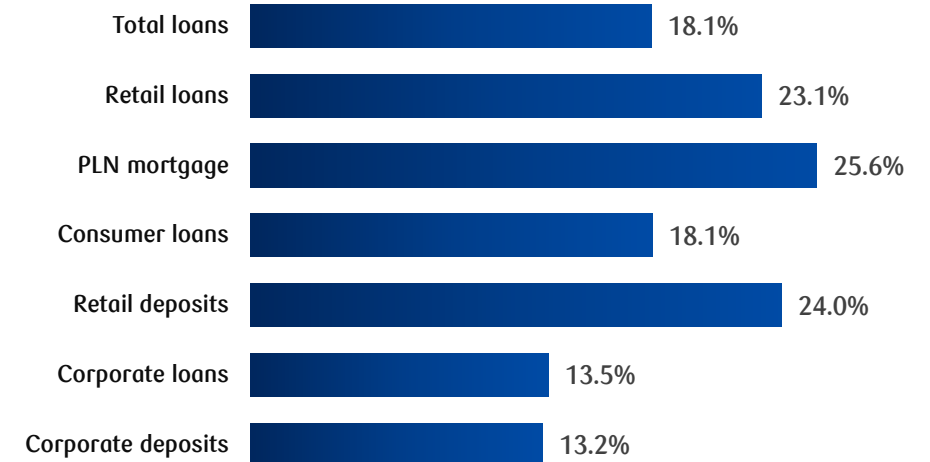
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NO. 1 IN POLAND	<ul style="list-style-type: none">• No. 1 bank in all key categories• PLN 507 bn balance sheet vs PLN ~316 bn for no. 2 bank• Largest distribution network, most recognizable brand in Polish banking sector
STRONG CAPITAL	<ul style="list-style-type: none">• CET 1 at 17.15%, 661 bps above regulatory requirement
SOUND LIQUIDITY	<ul style="list-style-type: none">• Strong liquidity position reflected in key ratios: LCR 246%, NSFR 156%, L/D 68%
STABLE CREDIT RISK COSTS	<ul style="list-style-type: none">• CoR at 39 bps, NPL ratio at 3.54%
HIGH ROE	<ul style="list-style-type: none">• Reported ROE at 19.0%, 28.6% excluding CHF legal risk provisions and credit holidays



		1H 2024 (PLN mln)	1H 2024 (EUR mln)	Rank.
Assets	PLN mln	507,258	117,611	1
Equity	PLN mln	46,944	10,882	1
Loans and advances to customers	PLN mln	253,270	58,722	1
Amounts due to customers	PLN mln	398,833	92,472	1
Investment funds (retail)	PLN mln	46,509	10,783	1
Net profit	PLN mln	4,395	1,020	1
M-kt capitalisation	PLN mln	78,650	18,236	1
Customers	ths.	12,027		1
Outlets	qty	945		1
Current accounts	ths.	9,361		1
No of mobile banking users	ths.	5,649		1
ATM's	qty	3,064		1

Market position in Poland⁽¹⁾



(1) - management accounting data of the bank

Note: Information in this presentation is derived from the Group's consolidated financial statements for the first half of 2024.

Note: Financial statement items have been translated into EUR at the following rates: the NBP exchange rates at the end of a month for income statement items = 4.3109, NBP mid exchange rates for statement of financial position items = 4.3130



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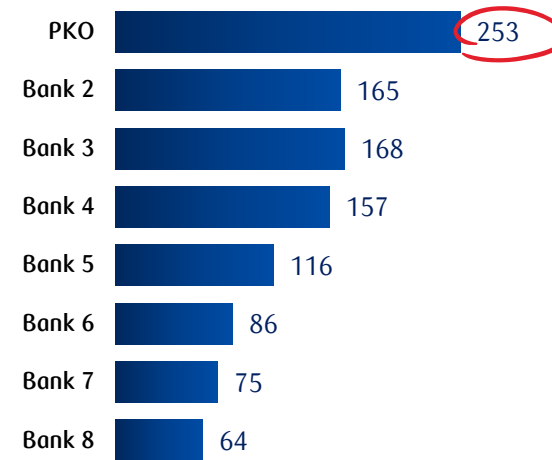
PKO BP HIGHLIGHTS

Market position; #1 on the Polish market

Total assets [PLN bn]



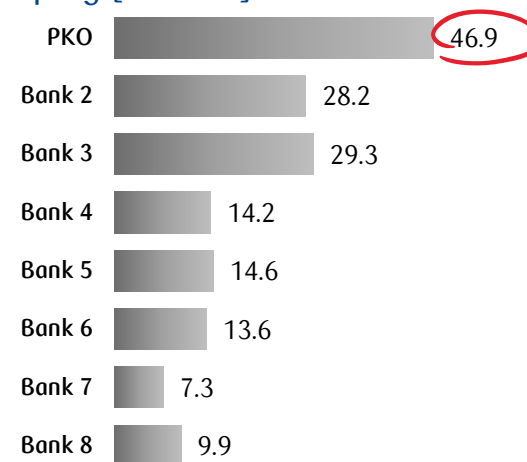
Loans and advances [PLN bn]



Amounts due to customers [PLN bn]



Equity [PLN bn]



Note: Information in this presentation is derived from the Group's consolidated financial statements for the first half of 2024. Data for banks from 2 to 8 come from financial statements published by these banks

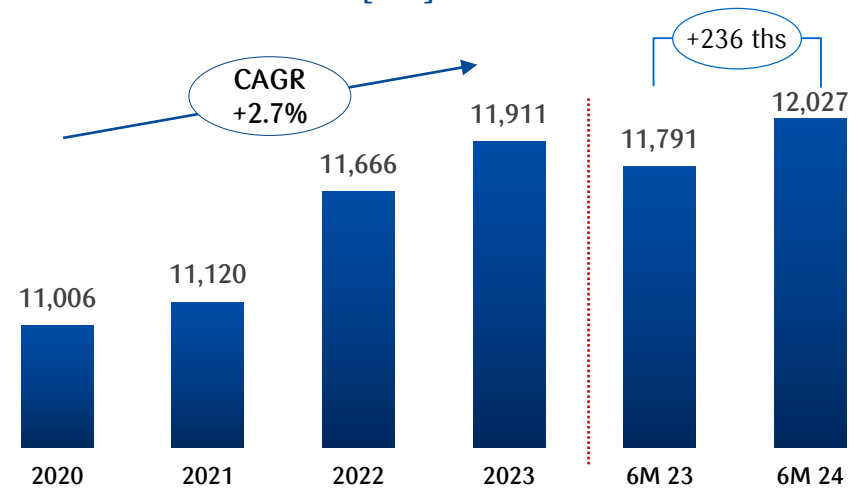
PKO BP HIGHLIGHTS

Largest bank in Poland

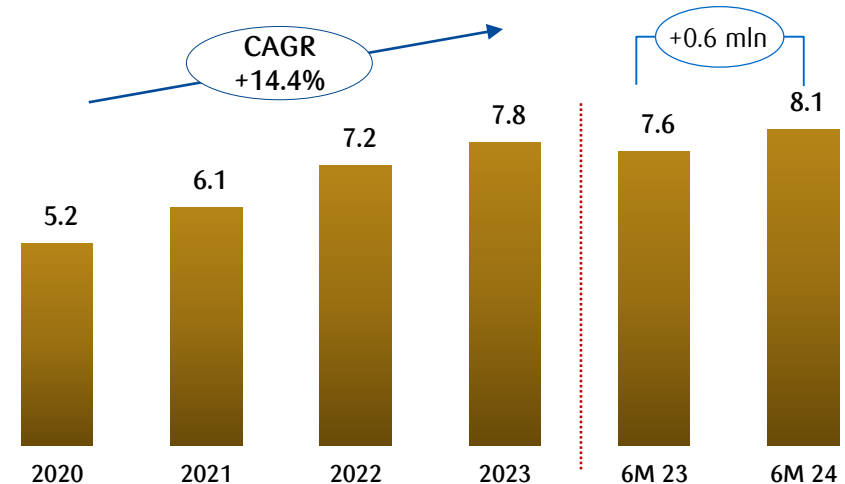


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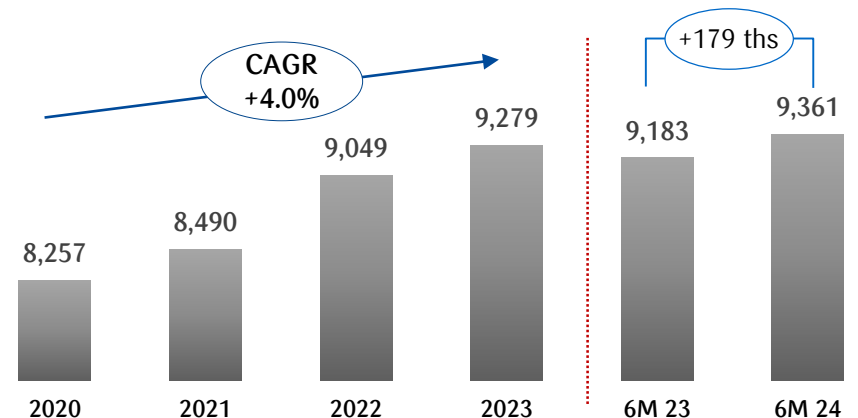
Number of customers [ths]



Number of IKO mobile application [mln]



Number of current accounts [ths]

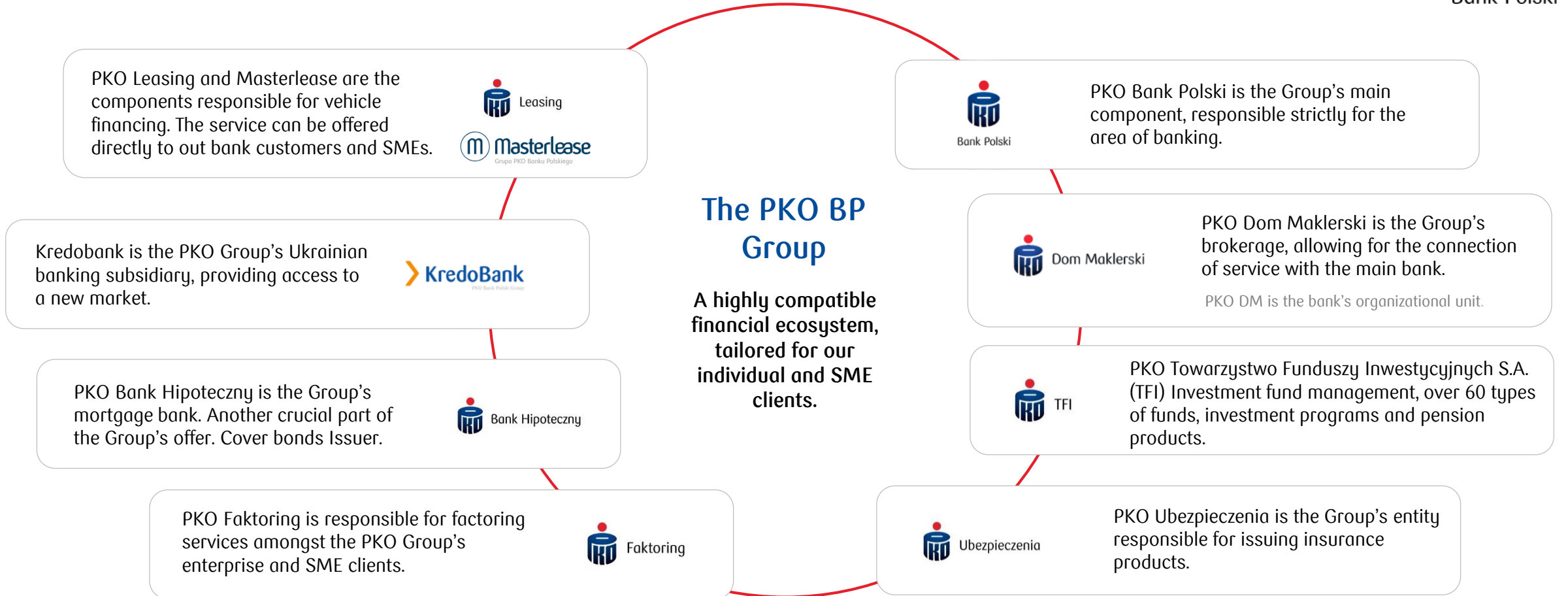




PKO BP HIGHLIGHTS

PKO BP Group composition

Thanks to its highly diversified group composition and 100% ownership of all material subsidiaries, PKO BP can easily mitigate related market risks, as well as develop and grow in various directions.



- For further improvement of the Group's diversified structure an API based tool is being developed allowing integration with our clients key systems.
- Ecosystem provides a mean of better reach to SMEs, as well as quicker credit processing, using integrated systems

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		2022	2023	2024F	2025F
GDP	% y/y	5.6	0.2	3.5	3.8
Consumption	% y/y	5.4	-1.0	4.7	3.6
Investments	% y/y	2.7	13.1	2.5	9.6
Fiscal balance ¹⁾	% GDP	-3.4	-5.1	-5.3	-4.9
Public debt ¹⁾	% GDP	49.2	49.6	52.3	54.6
Inflation CPI (av)	%	14.4	11.4	3.6	4.7
LFS unemployment rate (av)	%	2.9	2.8	2.9	2.8
NBP reference rate	% eop	6.75	5.75	5.75	5.00
WIBOR 3M	% eop	7.02	5.88	5.85	5.02
EUR/PLN	PLN eop	4.69	4.35	4.30	4.22
CHF/PLN	PLN eop	4.77	4.68	4.62	4.31

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

- The economy remains on the path of recovery. After a GDP growth of 2% y/y in 1Q 24, its dynamics accelerated again in 2Q 24, to 3.2% y/y.
- The first half of 2024 saw a decline in investments, but according to economic surveys, this is temporary. In the second half of the year, we expect a gradual recovery in investment demand, culminating in 2025.
- Poland has been placed under the excessive deficit procedure, but due to its low public debt (49.6% of GDP in 2023) compared to the EU average and lower than the European Commission's requirement, the scale of adjustments required of Poland will not be large and will not have a restrictive impact on the economy.
- From February to June 2024, CPI inflation was in line with the inflation target. Another phase of unfreezing energy carrier prices caused inflation to rise again above 3.5% y/y in July 2024, and it is expected to remain above this level at least until mid-2025.
- The Monetary Policy Council has kept the NBP interest rates unchanged since October 2023 (reference rate: 5.75%).

Banking sector forecasts



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		2022	2023	2024F	2025F
Loans total	% y/y	1.1	1.3	5.7	6.5
Mortgage loans PLN	% y/y	-1.6	2.2	8.0	8.1
Consumer loans	% y/y	-3.3	2.1	6.3	7.2
Loans of non-financial economic entities	% y/y	4.8	-1.5	2.6	6.3
Deposits total	% y/y	5.6	10.6	7.5	6.6
Deposits of private individuals	% y/y	4.1	12.3	11.1	7.8
Net assets of private individuals (TFI)	% y/y	-20.5	32.7	29.8	15.7
Deposits of non-financial economic entities	% y/y	8.0	10.5	2.6	4.8

- Continuation of solid, mid single digit growth:
 - Acceleration in total loans growth expected thanks to mainly corporate loans
 - Only slight deceleration in savings growth despite lower interest rates

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Key financial highlights for 1H 2024



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KEY FINANCIAL HIGHLIGHTS	TOTAL ASSETS	CUSTOMER FINANCING	NUMBER OF CUSTOMERS
<p>Increase of financing to customers by 9.3% y/y and savings by 14.4% y/y</p> <p>Number of customers increased to 12.0 mln</p> <p>CET1 17.15%</p> <p>NPL ratio at 3.54%</p>	<p>PLN 507 bn</p> <p>+10.1% y/y +2.1% q/q</p>	<p>PLN 279 bn⁽¹⁾</p> <p>+9.3% y/y +1.0% q/q</p>	<p>12.0 mln</p> <p>+236 ths y/y +51 ths q/q</p>
	CET1=T1	CUSTOMER SAVINGS	NPL
	<p>17.15%</p> <p>619 bp above the dividend criterion 661 bp above the regulatory min.</p>	<p>PLN 562 bn⁽²⁾</p> <p>+14.4% y/y +2.7% q/q</p>	<p>3.54%</p> <p>-10 bp y/y +20 bp q/q</p>

(1) - Gross customer financing excluding FX mortgage loans

(2) - including deposits, investment funds, State Treasury bonds and retail savings bonds of the bank and other entities of the Group accumulated on the clients' bank accounts

Key financial highlights for 1H 2024



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KEY FINANCIAL HIGHLIGHTS	NET PROFIT		ROE		CORE INCOME ⁽¹⁾
<p>PLN 4.4 bn of reported net profit, PLN 6.8 bn excluding extraordinary items</p> <p>Core revenues growth by 18.1% y/y</p> <p>Further improvement of comparable net interest margin</p> <p>High level of operating efficiency with C/I at 30.5%</p> <p>Decrease of CoR to 39 bp</p>	<p>PLN 4.4bn</p> <p>+115.3% y/y</p>	<p>PLN 6.8bn</p> <p>(excl. extraordinary items)</p>	<p>19.0%</p> <p>+8.3 p.p. y/y</p>	<p>28.6%</p> <p>(excl. extraordinary items)</p>	<p>18.1% y/y</p>
	NIM		COST/INCOME		COR
	<p>4.48%</p> <p>+0.17 p.p. y/y⁽²⁾</p>		<p>30.5%</p> <p>-2.4 p.p. y/y</p>		<p>39 bp</p> <p>-15 bp y/y</p>

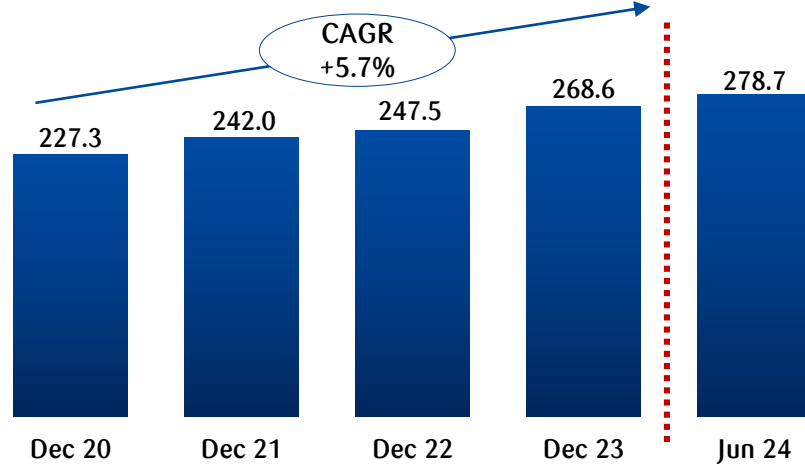
(1) – NII, F&C and insurance income (2) – dynamic of NIM excluding impact of credit holidays Note: ROE, C/I - management accounting data of the bank



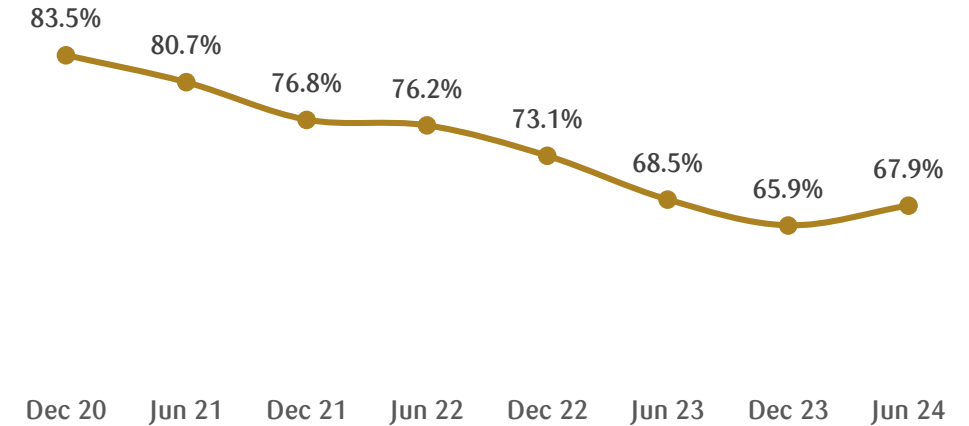
OVERVIEW OF PKO BP FINANCIAL RESULTS

The increase in customer financing and savings

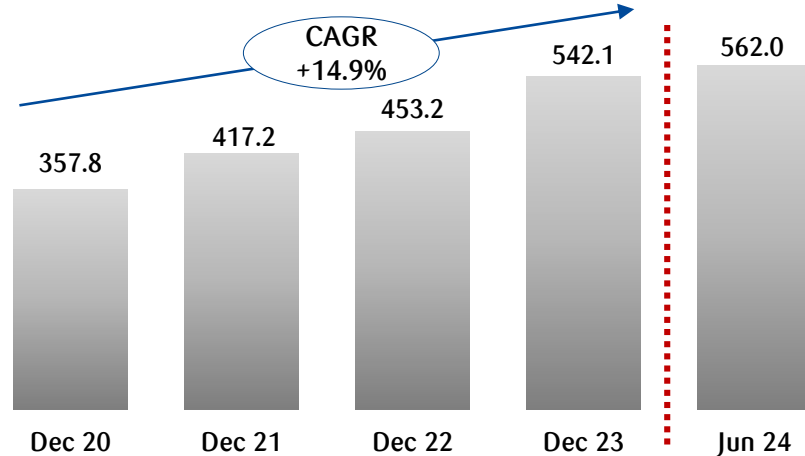
Gross customer financing [PLN bn]⁽¹⁾



Net customer financing/Net deposits [%]



Customer savings [PLN bn]⁽²⁾



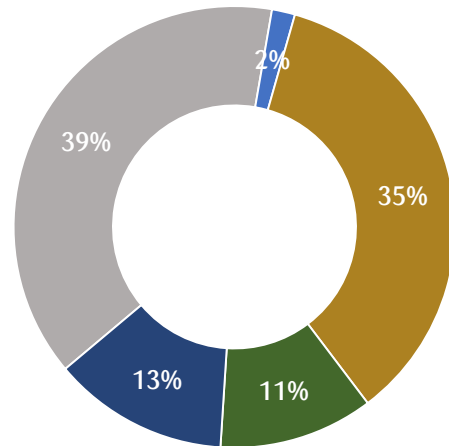
(1) - Includes loans (excluding FX mortgage loans), corporate and municipal bonds (excluding PFR, BGK, EIB corporate bonds), leasing and factoring (but excludes repo transactions).

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

Structure and diversification of loan portfolio

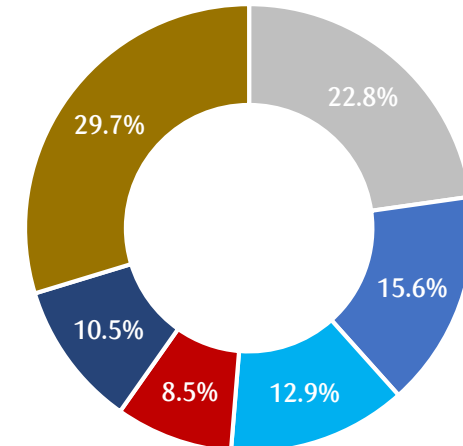


Structure in customer financing by products⁽¹⁾



- Mortgage PLN
- Corporate
- Retail and private banking
- Mortgage FX
- Companies

Concentration of credit portfolio by industry as of 31st December 2023



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



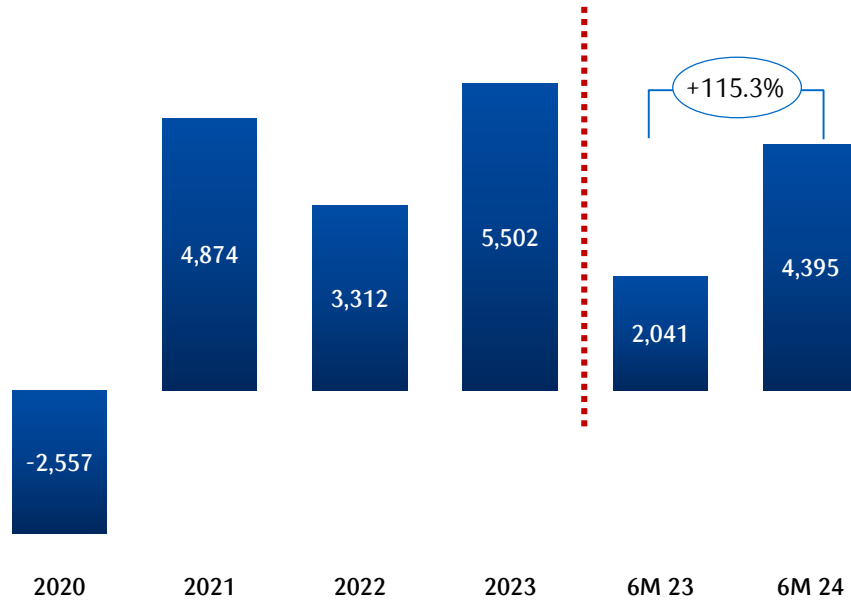
Well diversified loans portfolio with high share of PLN mortgages and corporate loans

(1) - as of 30th June 2024
 Companies - annual revenues up to PLN 15 mln ; Corporate (incl. enterprises)- annual revenues > PLN 60 mln

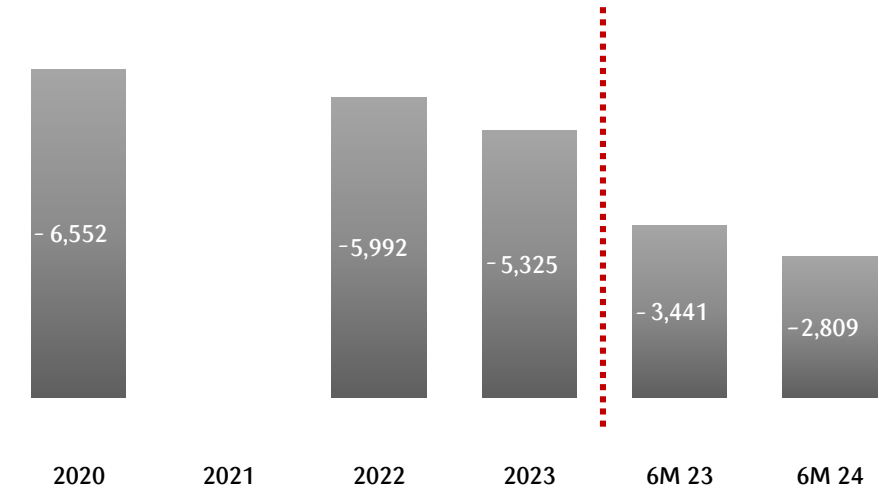


Net profit

Net profit [PLN mln]



Extraordinary items [PLN mln]



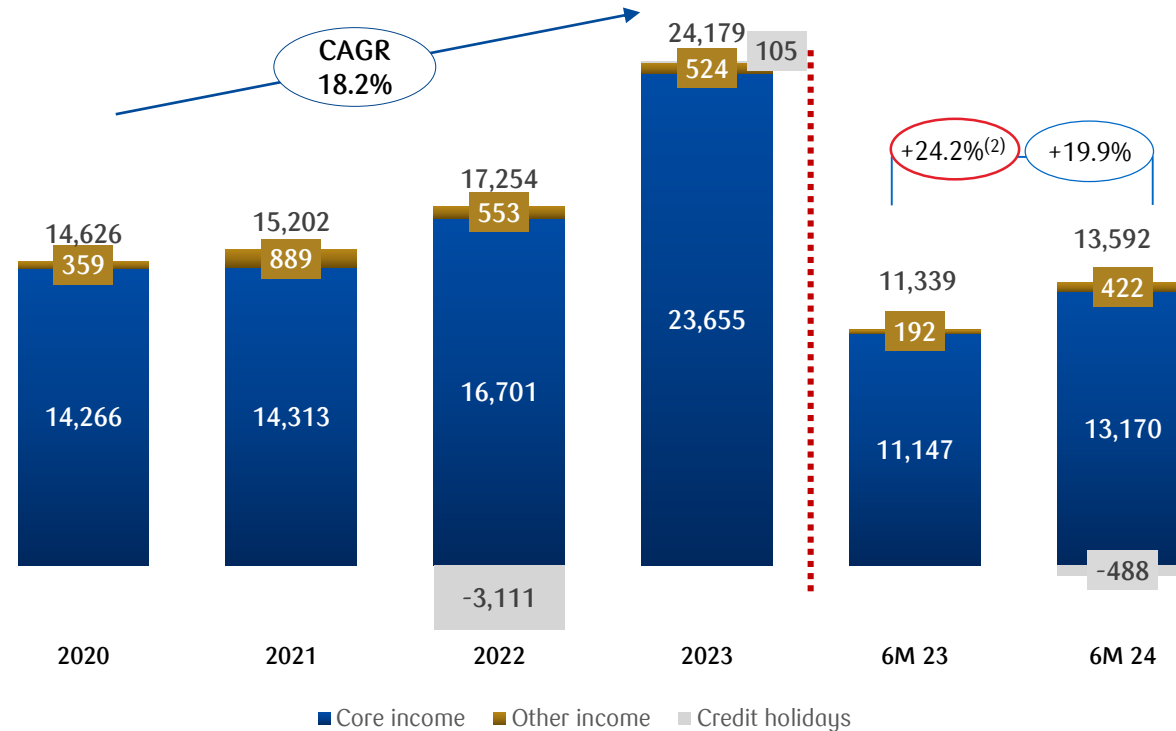
Extraordinary items (gross):

- 2020: costs of legal risk related to CHF-denominated and indexed mortgage loans (-6,552 mln)
- 2022: 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 (-46 mln), The Bank Guarantee Fund (+348 mln)
- 2023: costs of legal risk related to CHF denominated and indexed mortgage loans (-5,430 mln), credit holidays (+105 mln)
- 1H 2023: costs of legal risk related to CHF-denominated and indexed mortgage loans PLN -3,441 mln
- 1H 2024: costs of legal risk related to CHF-denominated and indexed mortgage loans (PLN -2,321 mln) and credit holidays (PLN -488 mln)

Income growth driven by core income dynamic



Result of business activity [PLN mln]



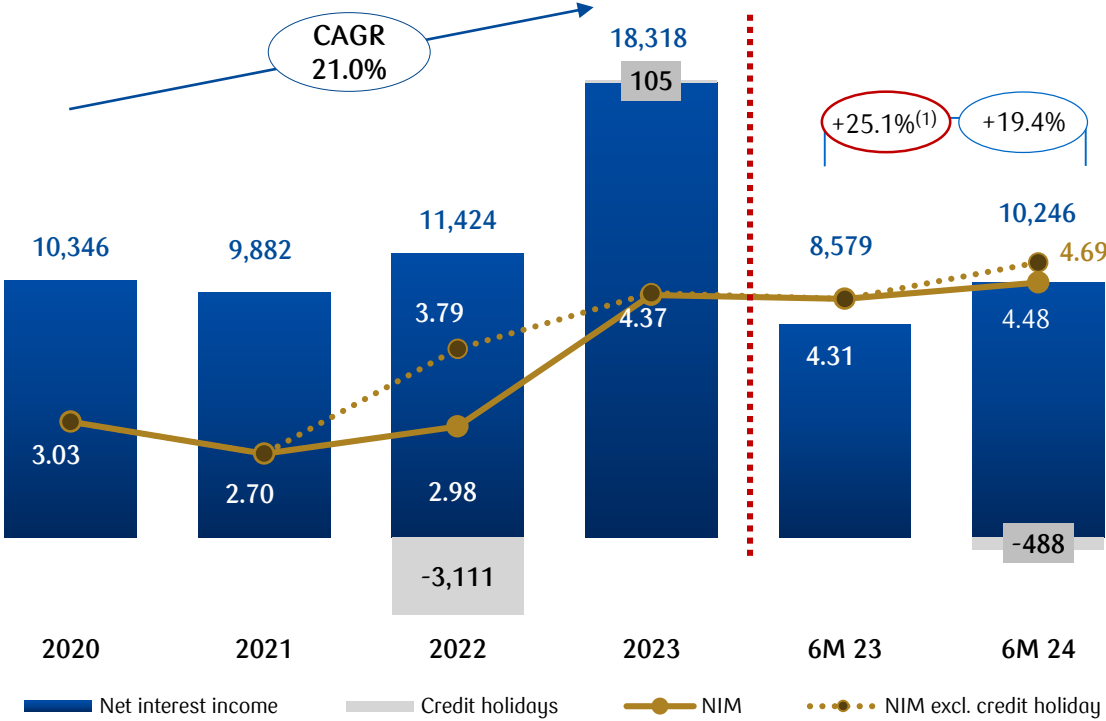
- Results of banking activities for 1H 2024 at the level of PLN 13.6 bn, +19.9% y/y
- Core income growth by 22.5% y/y on comparable basis

Note: Result of business activity for 2022 and 6M 24 includes respectively PLN - 3 111 million and PLN -488 million for the initial loss due to credit holidays and reversal of credit holidays in 2023 PLN +105 million
Core income - NII, commission income and insurance income (2) - on comparable basis excl. credit holidays

Net interest income



Net interest income [PLN mln]

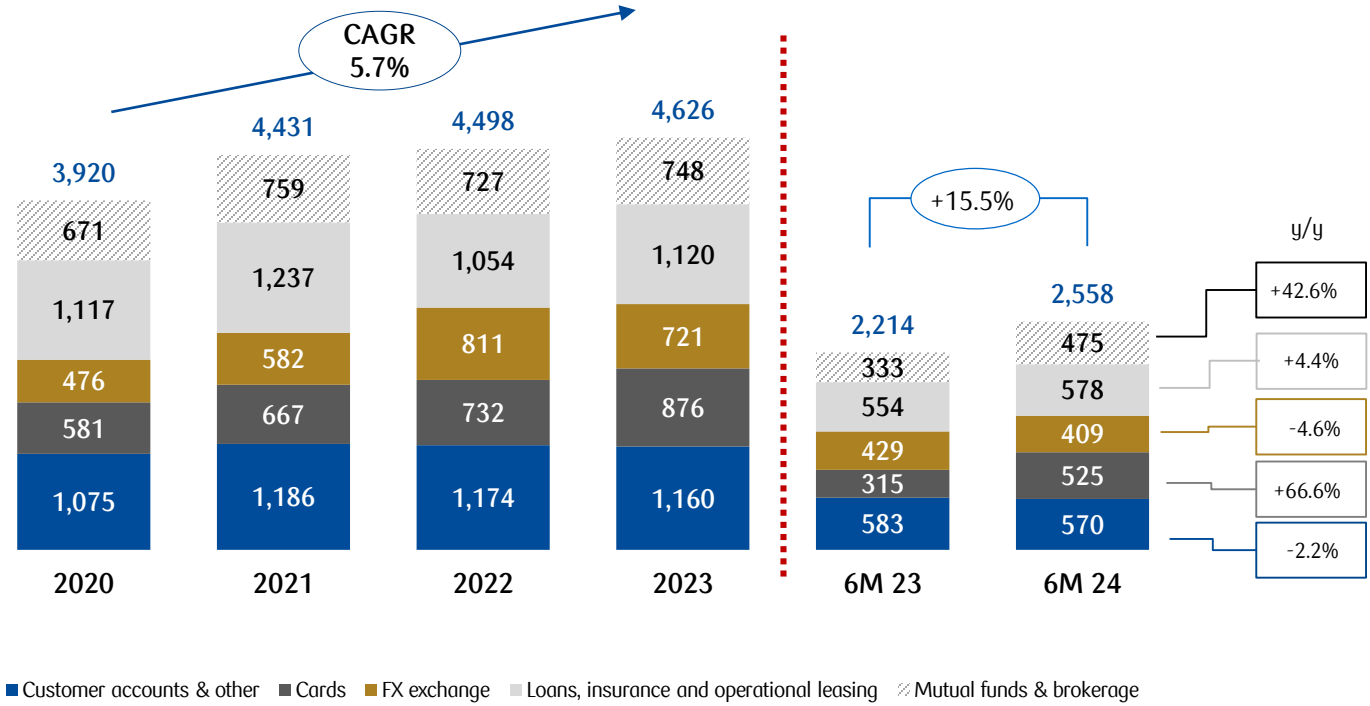


Continuation of net interest income growth in 1H (+25.1% y/y) on comparable basis, thanks to both volumes growth and further improvement of net interest margin

(1) - on comparable basis excl. credit holidays

Fee and commission income

Fee and commission income [PLN mln]



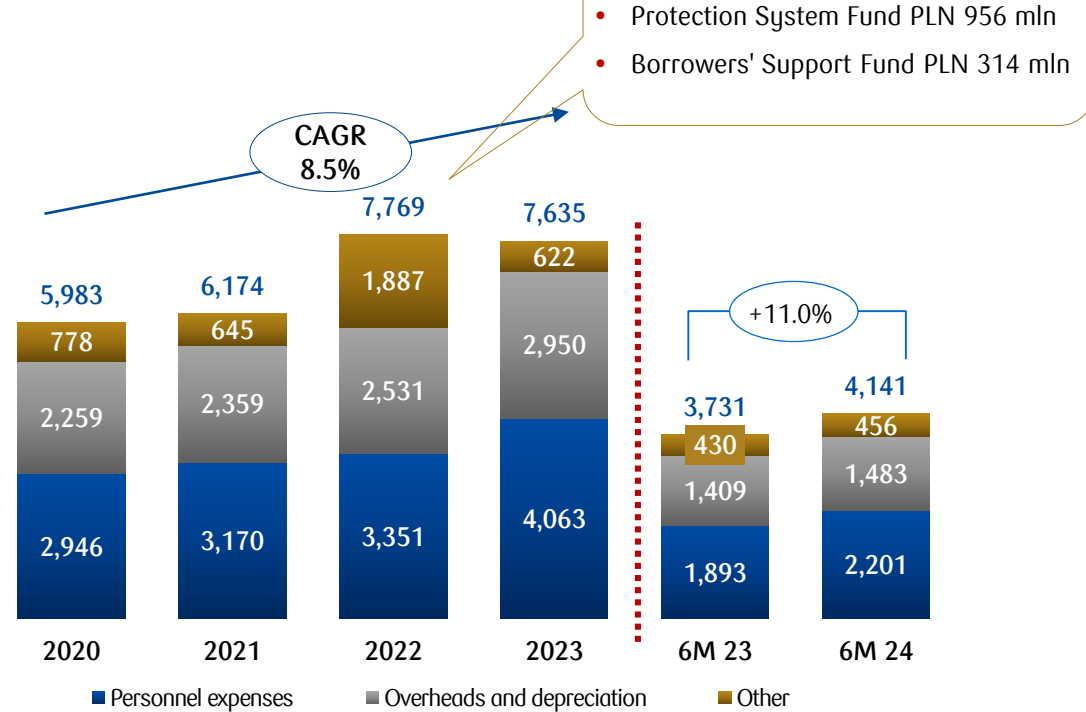
- Increase of half year result by 15.5% y/y thanks to improved results from cards, capital market, loans and leasing
- Third consecutive quarterly result with double-digit growth y/y



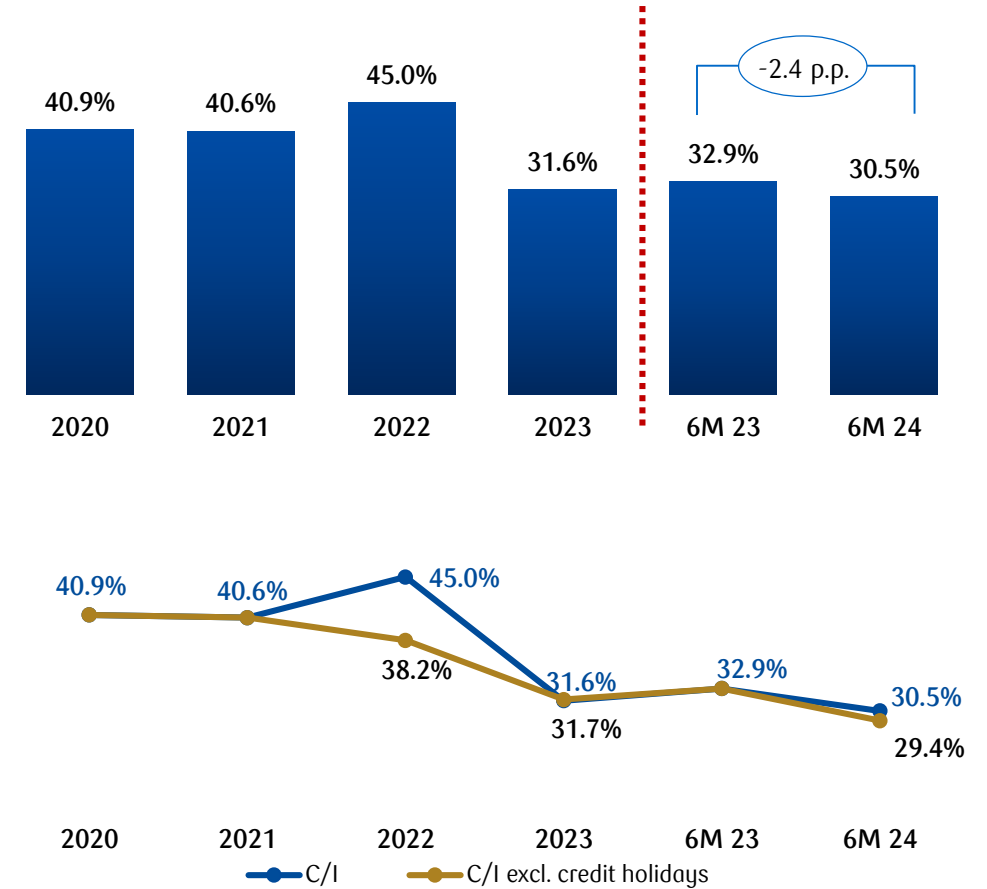
OVERVIEW OF PKO BP FINANCIAL RESULTS

High level of cost efficiency

Operating expenses [PLN mln]



Cost/Income ratio [%]



Total cost dynamic +11.0% y/y, determined by personnel cost growth and price pressure in the economy

Excellent C/I ratio level in 1H 2024 at the level of 30.5%



OVERVIEW OF PKO BP FINANCIAL RESULTS

MREL requirements and combined capital buffers for PKO BP

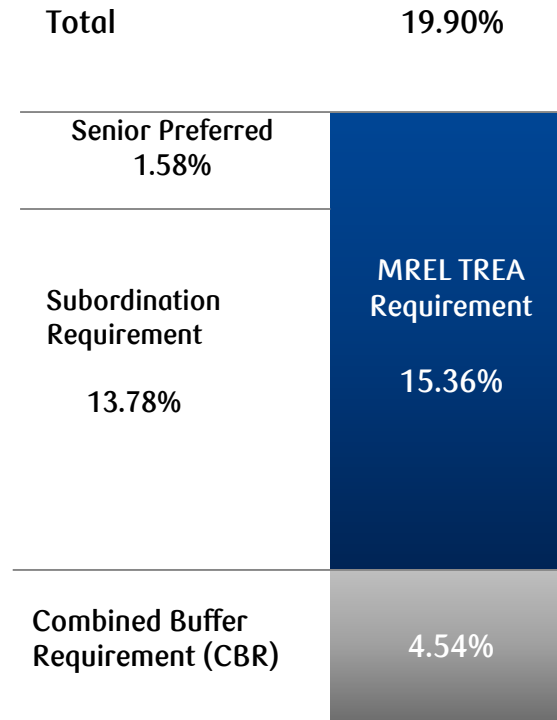
Key information

- PKO BP is not classified as a G-SIB, so it is not subject to TLAC
- PKO BP received **current MREL requirements** on 14 November 2023 from the Bank Guarantee Fund (“BFG”)
- PKO BP is currently not classified as Top Tier Bank, but its total assets at the end of 2023 exceeded EUR 100 bn. Based on this **BFG can classify PKO BP as Top Tier Bank**
- PKO Mortgage Bank and Kredobank is **exempt** by the BFG from the requirement to maintain MREL, thus it was excluded from PKO BP’s consolidation for the purpose of determining MREL – TREA
- The Polish Financial Stability Committee decided to **introduce a countercyclical buffer of 2%** in two 1% steps p.a. each with a 12-month grace period. However, the date of implementation (Resolution of the Ministry of Finance) is still not known

MREL Requirements as per the BGF as of 14/11/2023

MREL %TREA	15.36%
MREL %TREA (subordination)	13.78%
MREL %TEM	5.91%
MREL %TEM (subordination)	5.60%

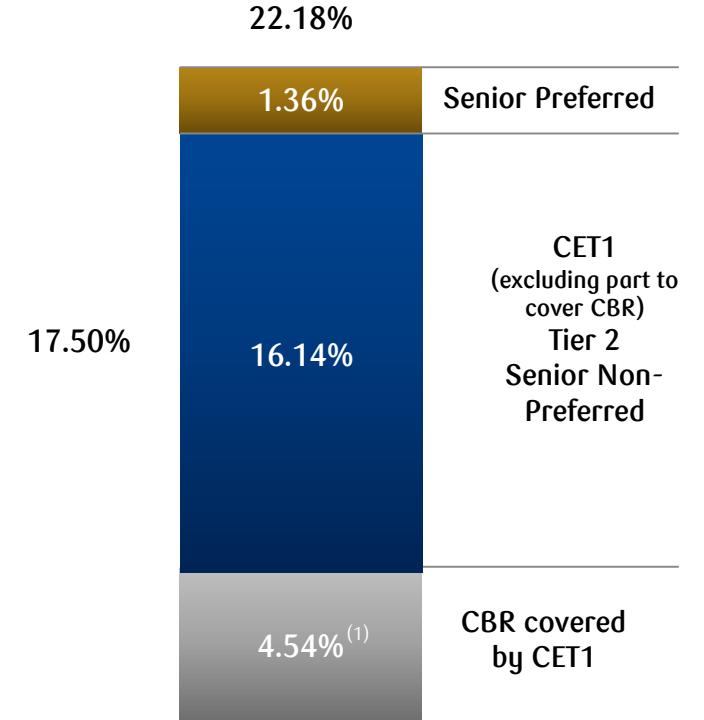
MREL TREA and CBR requirements



Combined Buffer Requirement	4.54%
Conservation Buffer	2.50%
OSII Buffer	2.00%
Countercyclical Buffer*	0.04%

* Current level of countercyclical buffer results from exposures outside Poland (in countries with countercyclical buffer)

MREL TREA and CBR actual (2Q 2024)



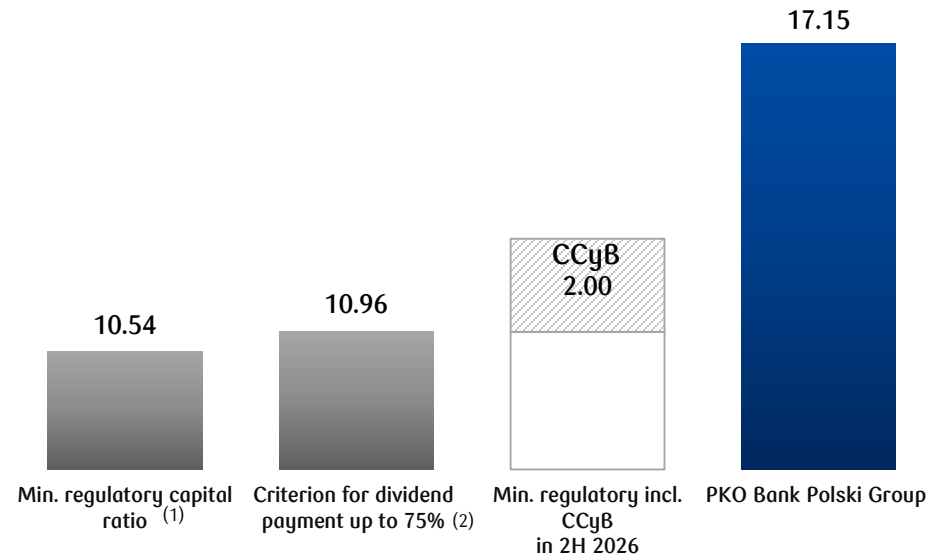
(1) - Combined buffer requirement for prudential consolidation

Solid capital position

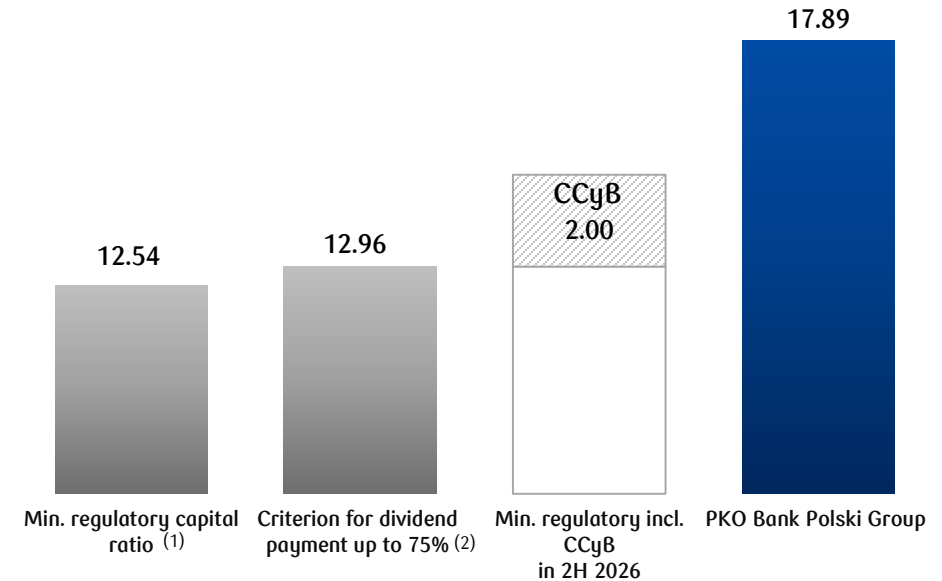


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CET1 = Tier1 capital ratio [%]



Total capital ratio (TCR) [%]



(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%

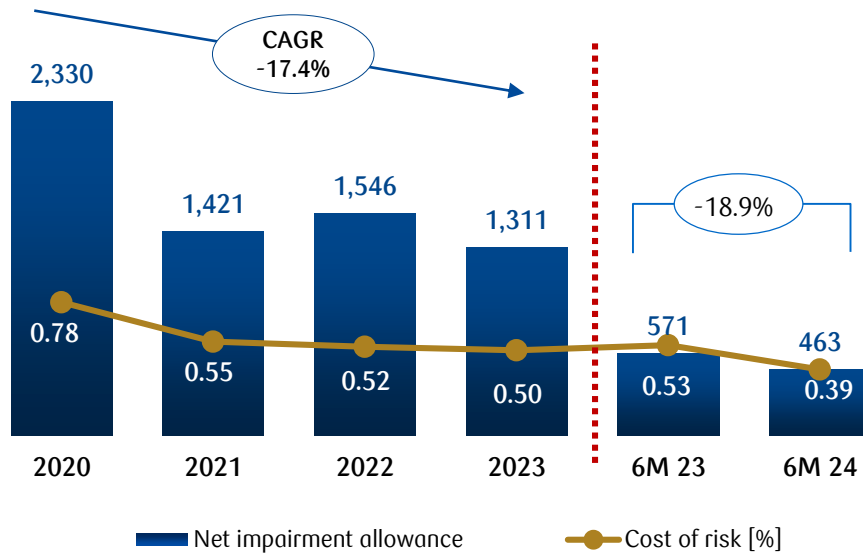
(2) – The minimum regulatory capital ratio + Polish FSA buffer for the Group's sensitivity to an adverse macroeconomic scenario recommended in Pillar II is 0.42% + additional requirement: good credit quality of the portfolio of receivables from the non-financial sector, both at Group and bank level (NPL share <5%)

Cost of risk

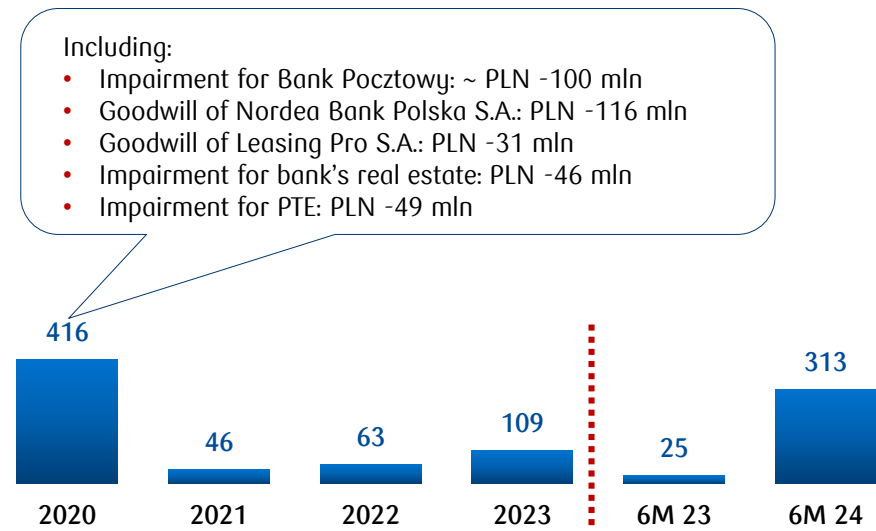


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Net impairment allowance [PLN mln]



Net impairment for non-financial assets [PLN mln]



Further reduction of cost of credit risk for 1H 2024 to 39 bps reflects lack of pressure on asset quality

Increase in net impairment for non-financial assets mainly due to delays in capital repayments following court invalidation of CHF loan agreements

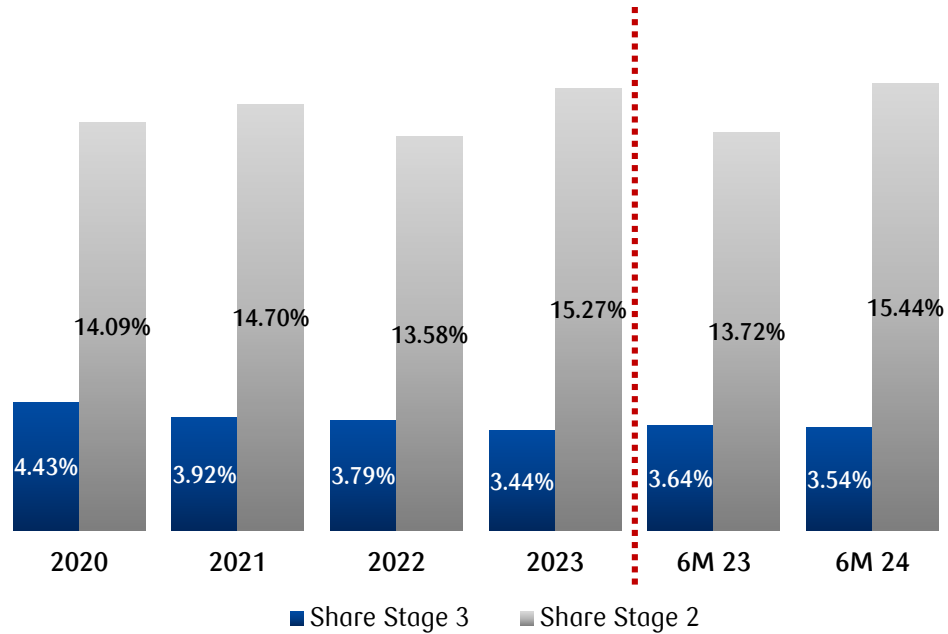
OVERVIEW OF PKO BP FINANCIAL RESULTS

Asset quality (1)

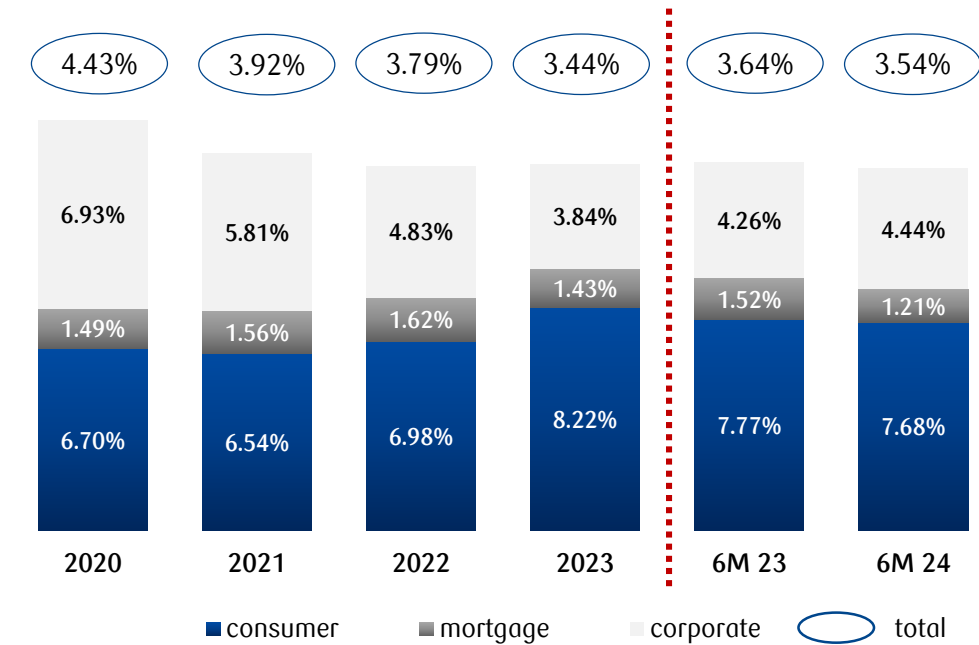


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Share of receivables in Stage 2 and 3 [%]



Share of receivables in Stage 3 [%]



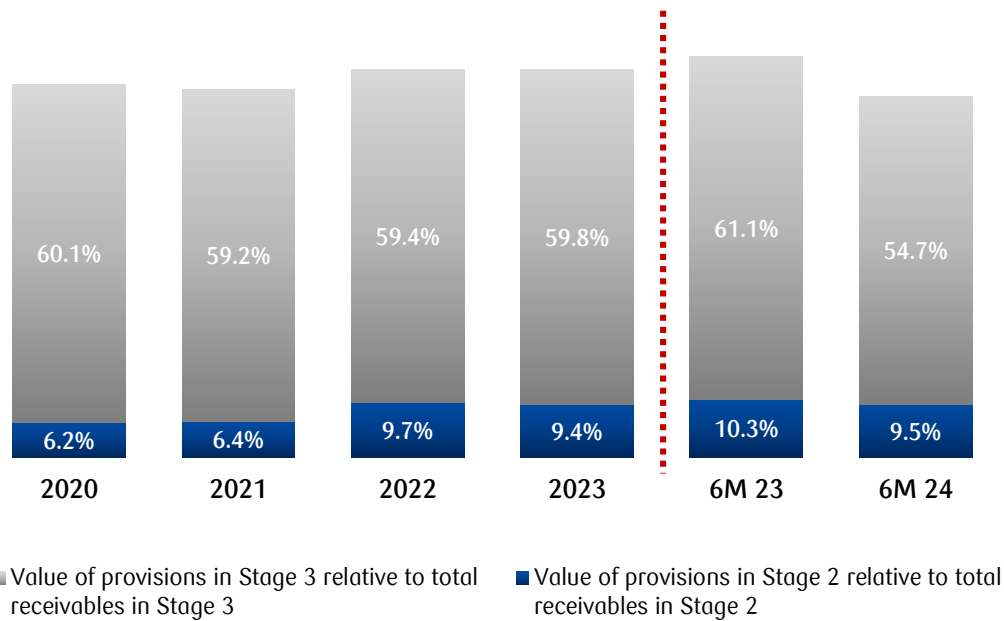
OVERVIEW OF PKO BP FINANCIAL RESULTS

Asset quality (2)

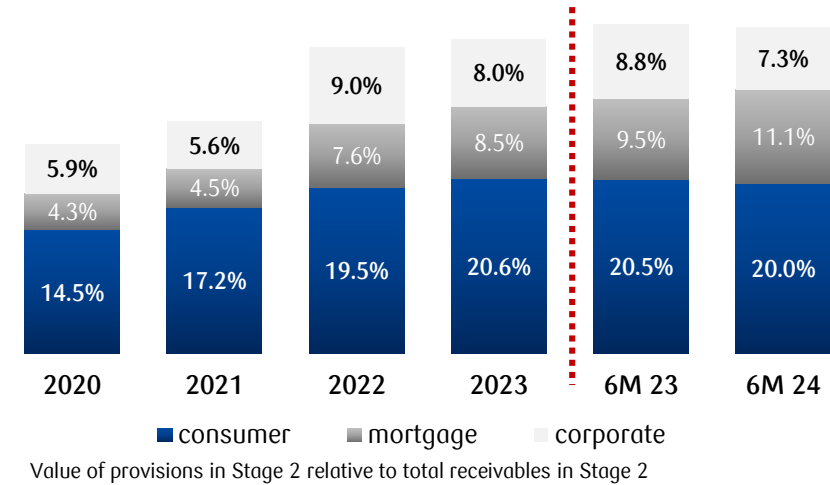


Bank Polski

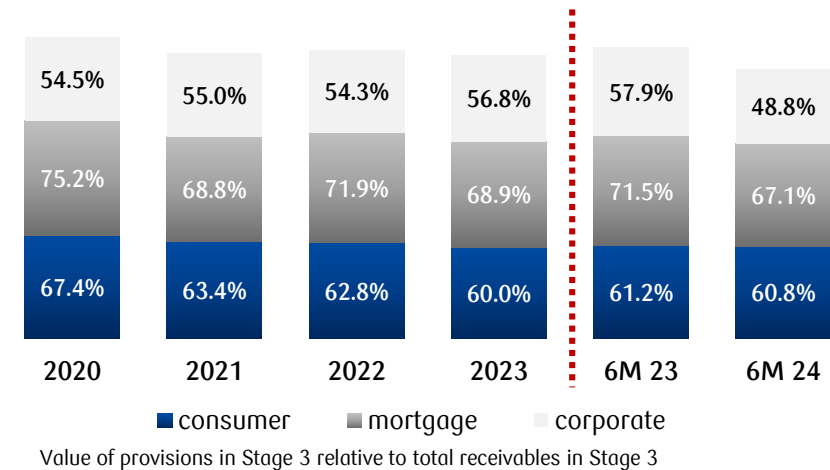
Provision coverage of receivables in Stage 2 and 3



Provision coverage of receivables in Stage 2



Provision coverage of receivables in Stage 3





OVERVIEW OF PKO BP FINANCIAL RESULTS

Large scale of AI/ML implementation in risk management

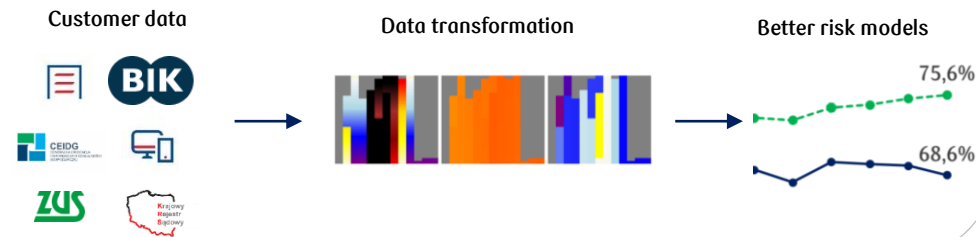
Good risk performance thanks to investments in analytics and cloud-based MLOps

Increase of customer ratings' precision thanks to ML models

- New ML models for retail loans use **20 times more information**
- Improvement of risk models' quality translates into **additional sales of PLN 380 million of cash loans per year**

Further development

- We test deep-learning methods. We encode data about customers and their behaviour into an image, so we can use AI techniques to create competitive models

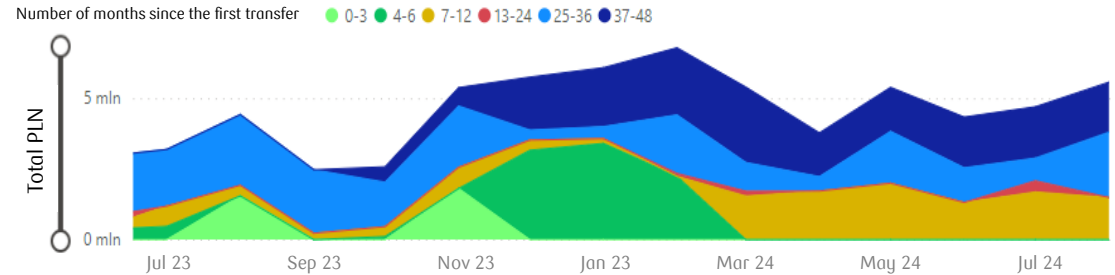


Precise analysis of corporate customers

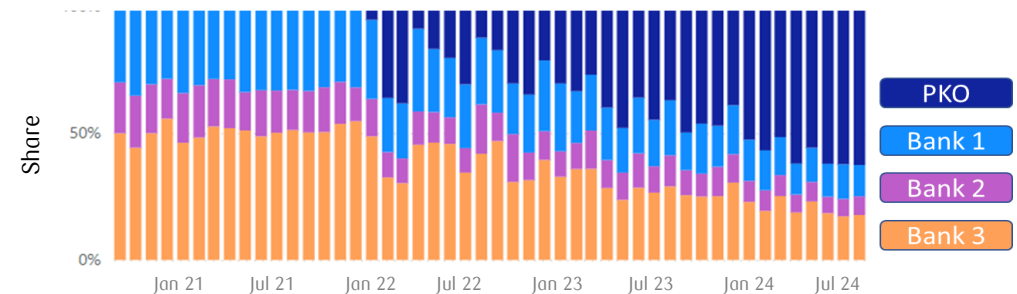
Decisions regarding ~PLN 60 bn corporate portfolio are made using transaction analysis based on the full scope of data available in the bank. Thanks to our large market share, we can see the picture of the client not only through the accounts maintained for them, but also through the transactions of their contractors

Our research is based, e.g. on: customer loyalty of the analysed entities, shares in banking services, tax payments, remuneration, etc.

Total number of transactions by the length of the relationship between a client and their contractors (example)



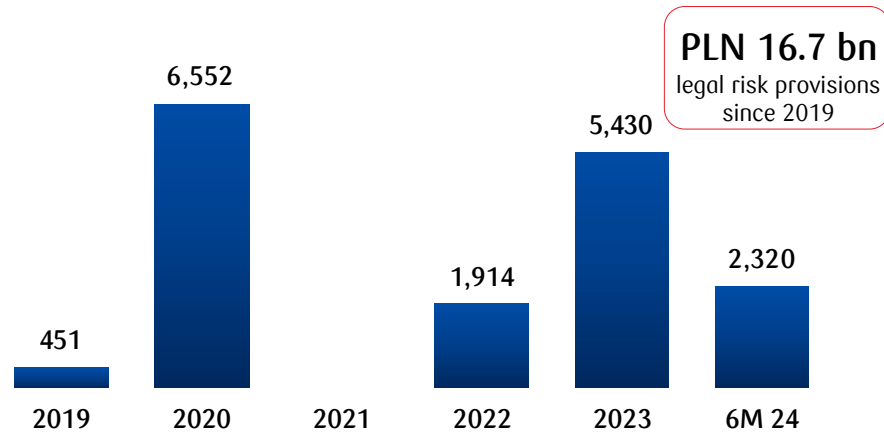
Estimated share of banks in the transaction volume of a customer (example)



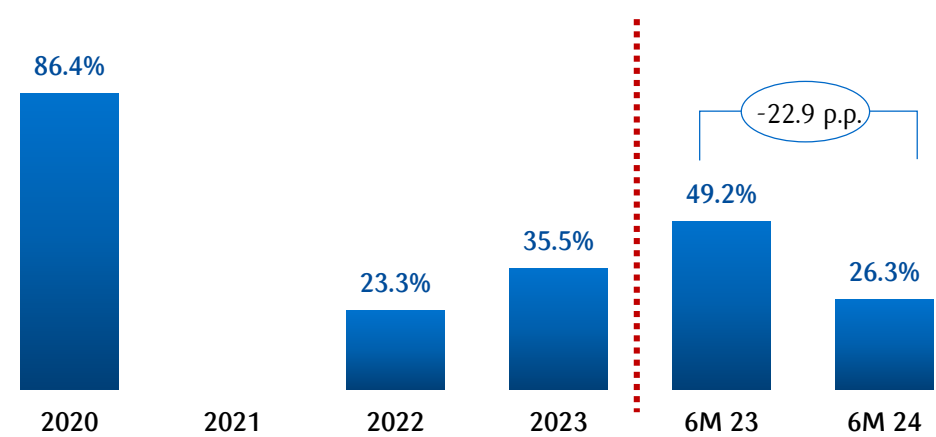


Legal risk provisions for CHF mortgage loans

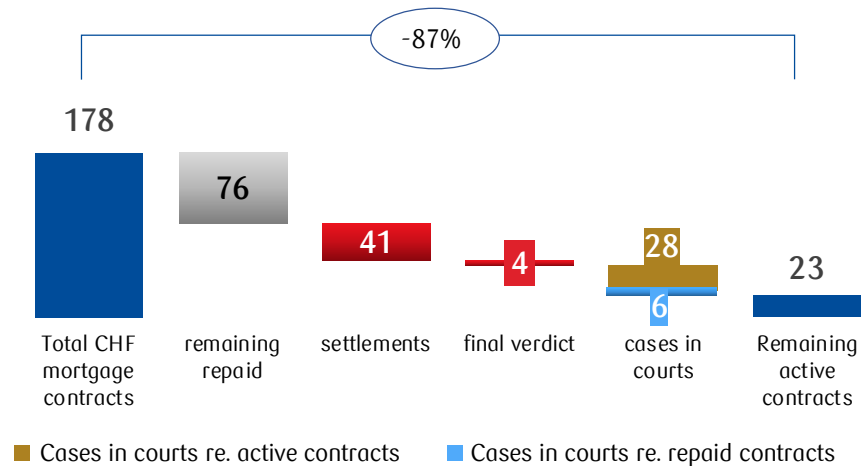
Legal risk provisions [mln PLN]



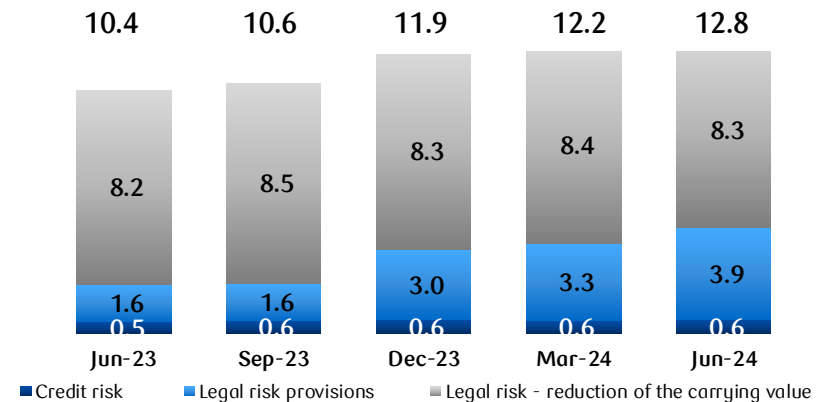
Legal risk provisions / Operating income⁽¹⁾



Status of CHF mortgages contracts [ths]



Provisions for CHF mortgage loans [PLN bn]



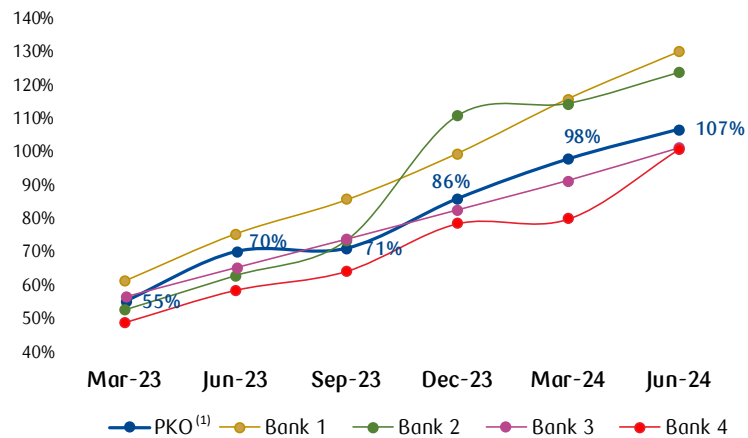
(1) - management accounting data of the bank

CHF mortgage settlement program

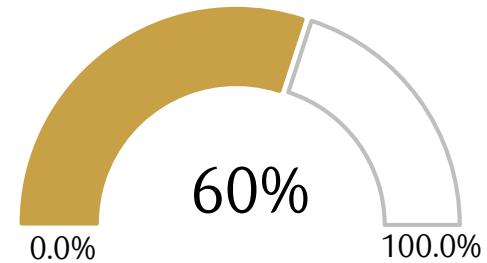


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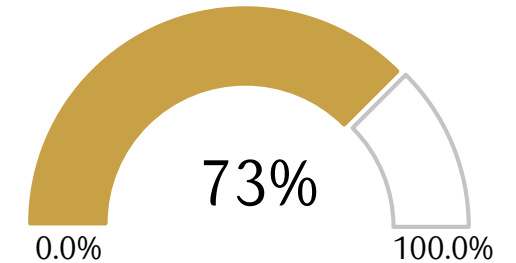
Coverage of outstanding CHF mortgage portfolio [%]



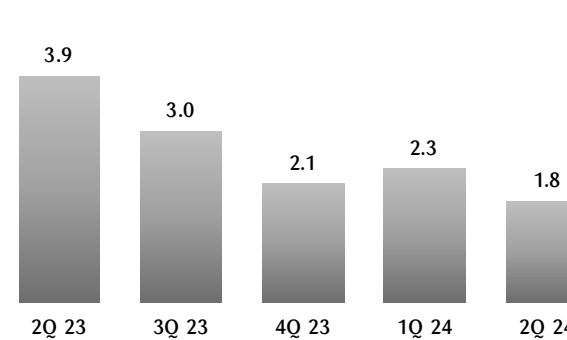
Share of motions submitted to the total number of entitled CHF customers



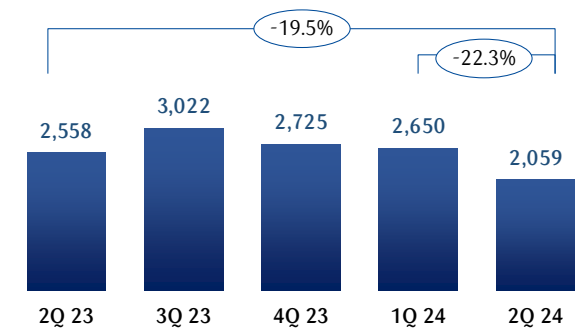
Share of successfully completed cases in total completed cases



New mediation motions submitted [ths]



Change in the number of court proceedings during the quarter



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

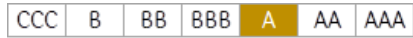
Credit ratings

Moody's Investors Service	Deposit rating	A2
	Senior Unsecured	A3
	Junior Senior Unsecured	Baa3
	Baseline Credit Assessment	baa2
	Adjusted Baseline Credit Assessment	baa2
	Outlook	Stable

MACRO PROFILE	FINANCIAL PROFILE	QUALITATIVE ADJUSTMENTS	BASELINE CREDIT ASSESSMENT (BCA)	AFFILIATE SUPPORT	ADJUSTED BCA	LOSS GIVEN FAILURE (LGF)	GOVERNMENT SUPPORT
Moderate+	baa1	0	baa2	0	baa2	CR Assessment +3 Deposits +2 Senior unsecured debt +1 Junior senior unsecured debt -1	Deposits +1 Senior unsecured debt +1

OVERVIEW OF PKO BP FINANCIAL RESULTS

ESG Ratings



A (5.1)

Rating for PKO BP maintained at A in the MSCI ESG Ratings assessment



23.9 Medium Risk

PKO BP assessment by Sustainalytics in the medium category was confirmed



3.3

Rating for PKO BP confirmed at 3.3 in the FTSE Russell assessment



46

Rating for PKO BP confirmed at 46 in the Moody's assessment



Bank Polski

AGENDA

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ESG achievements and goals for the future



Being the leader of ESG transformation in Poland is one of the bank's 7 strategic goals. We thrive to accomplish these by providing strong proposals of change in the areas of environment protection, social mobility and best governance for equal opportunity, amongst many others.

Environment

PKO Group is committed to lowering the usage of electric energy and the involved emissions, as well as reducing the generated waste. The bank has made a huge leap in that area in the period of the last few years.

<p>>60%</p> <p>Reduction in bank's scope 1 & 2 CO₂ emissions</p> <p>2019-23</p>	<p>-65%</p> <p>Decrease in office A4 paper usage</p> <p>Last 5 Y</p>	<p>0.5%</p> <p>Exposure to high-emission sectors</p>
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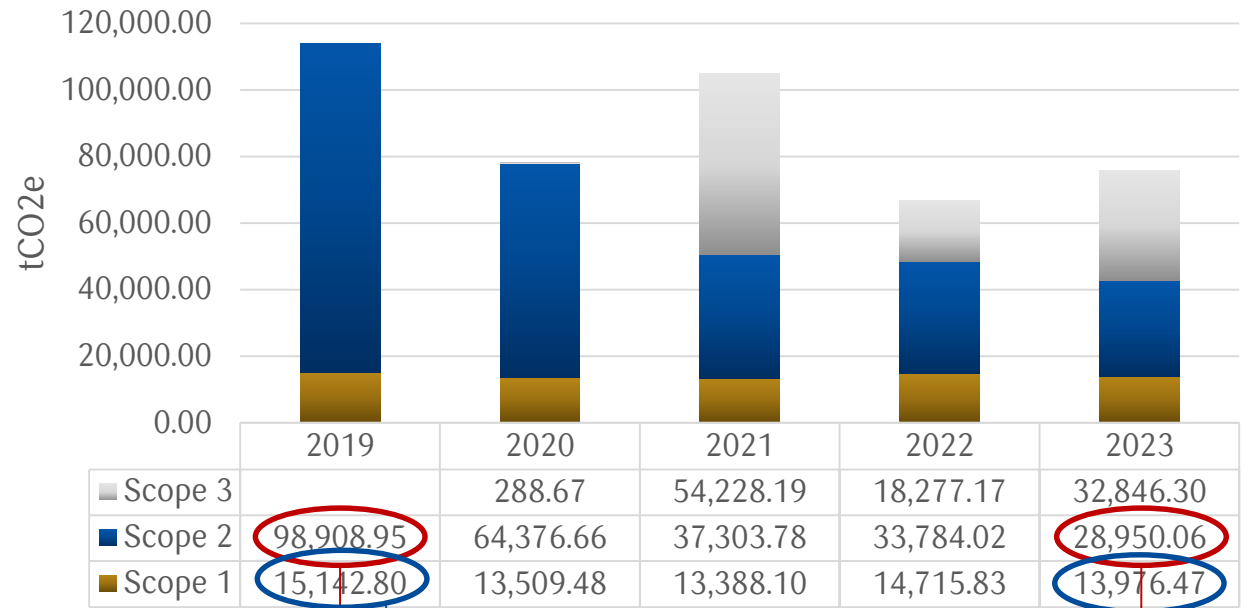
How did we accomplish that?

- Reduction of office space, enabling hybrid work.
- Creating open spaces in offices and reducing the number of assigned space.

Group's future goals

- Implementation of EU Taxonomy. The bank is working on integrating interactive taxonomy questionnaires, a tool to support the assessment of meeting the technical screening criteria of the EU Taxonomy, with the process of determining/classifying sustainable assets and implementing a systematic identification (flagging) method of such assets.
- Improvement of branch and HQ energy efficiency, eco-fleet
- Development of a CO₂ emission reduction pathway

Green House Gas Emissions per year for PKO Group



Source: Bank's internal data

Scope 3 not reported in 2019, all reporting starts from 2019. Does not include financed emissions.



- A steady decrease of direct emissions (Scope 1) and a massive 70% cut in the emissions from energy consumption, due to purchase of green energy Guarantees of Origin (Scope 2).
- As per Scope 3 – other indirect emissions tied to the bank's business activities evolved to be the biggest source of pollution yet the total composition is steadily dropping.



ESG achievements and goals for the future

Being the leader of ESG transformation in Poland is one of the bank's 7 strategic goals. We thrive to accomplish these by providing strong proposals of change in the areas of environment protection, social mobility and best governance for equal opportunity, amongst many others.

Social

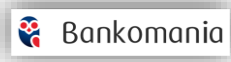
The bank has been part of many social mobility projects and activities. Some of the most important ones are:

- Tailoring of products to people in need – ex. student loans.
- Support for Ukraine with fast transfers and dedicated products.
- Pioneers in providing access to the public sector.
- Engaging with local communities by organizing charity and sports events with the *PKO BP Foundation*.

Governance

A set of goals for achieving equality, inclusiveness and best governance practices:

- Transparency, through frequent and thorough reporting, incl. our progress on sustainability goals.
- The publishing of 4 independent, second party ESG reports and ratings, along with trajectory of results.
- Actions securing equal non-discriminatory treatment and opportunities for both our customers, as well as our employees.



Encyclopedia of finance, containing definitions lessons, Q&As – for both the young and the old.



Bank account for students.



A state of the art iPKO Junior banking application for the youngest.

Providing financial education to kids, to build a better understanding of managing finance amongst younger generations.

Women in the core of our business – our goal:

>40%

of women in managerial positions

>30%

of women in risk taker positions

~0%

gender pay gap

>2% of people with disabilities in job applications, recruitment processes and among employees.

Our plan for continuing the change

- Inclusiveness for Ukrainian employees.
- International mobility for women aiming for managerial positions.
- Ensuring equal treatment of all employees, regardless of gender, ethnicity or religion.

Bank's approach to achieving 2050 net-zero goal

PKO Group since 2019 monitors and reports its greenhouse gas emissions to understand its impact and take action on climate change. The Group is looking forward to take its actions to the next level by adopting a transition plan in the upcoming months.



Bank Polski

PKO Group reported financed emissions in 2024

- PKO Group started monitoring and reported its financed emissions (Scope 3, cat. 15) for the first time in 2024
- The bank established first short-term emissions reduction targets in some of the most emissions-intensive sectors
- The bank is developing a transition plan encompassing a pathway to bank's climate neutrality until 2050

PKO Group financed emissions level (as of June 2024)



Scope 3 financed emission represents over 99% of PKO Group's overall GHG emissions

PKO Group cooperates with PCAF on Scope 3 emissions calculations



In 2023 the bank joined the Partnership for Carbon Accounting Financials which provided methodology for calculating emissions and basis for setting science-based targets

Short-term scope 3 reduction targets

SECTOR	METRIC	YEAR OF REFERENCE	TARGET (YEAR OF REFERENCE + 3 YEARS)	REDUCTION (%)
Power	366,98 gCO ₂ /kWh	2023	323,06 gCO ₂ /kWh	11,97%
Fossil fuel combustion	74,74 tCO ₂ /TJ	2022	72,11 tCO ₂ /TJ	3,52%
Automotive	Cars - 0,1727 kgCO ₂ / pkm	2022	Cars - 0,1536 kgCO ₂ /pkm	Cars - 11,06%
	Trucks - 0,0623 kgCO ₂ / tkm	2022	Trucks - 0,0559 kgCO ₂ /tkm	Trucks - 10,27%
Iron, Steel, coke, metal ore	0,5492 tCO ₂ /t	2022	0,5492 tCO ₂ /t	0%
Chemicals	1,43 tCO ₂ /t	2022	1,43 tCO ₂ /t	%

Financing and solutions supporting transformation



Green residential housing and commercial properties

We strive to provide best financing and investment for the construction, renovation or modernization of housing to make it most environment friendly as possible.

Green mortgages



The construction or modernization of already existing green infrastructure. For better optimization of energy efficiency and reduced waste production.

Thermo-modernization loan for multi-family buildings



The thermal installations of buildings must be most ecological and will replace older fossil fuel run systems. We actively provide financing for the purpose of thermo-modernization.

Household photovoltaic installations eco-loans.



As energy prices in Poland keep rising, owners of private as well as commercial buildings often decide to install on-site solar panels, to provide cheap energy and create savings.

Investments into a sustainable future

We allow our clients to invest their savings into a variety of sustainability linked products.

PKO Global Ecology and Social Responsibility Fund



A sustainability-linked fund focusing fully on ecologic and socially responsible financing or investments.

Sustainability-linked financing



Financing supporting the transformation of enterprises towards sustainability

Financing aligned with Taxonomy criteria



Projects in line with technical qualification criteria and minimum safeguards

Financing of electric vehicles and photovoltaic charging stations

A fully integrated solution for enterprises for eco fleet and on-site EV charging stations to cut down fuel costs.



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GREEN BOND FRAMEWORK

The bank's Green Bond Framework

As per the ICMA Green Bond Principles, the bank has defined a detailed framework specifying the methodology behind the use of proceeds, their management, the process of project evaluation and reporting. The approach to seeking the relevant external pre and post issuance reviews from an independent third party has also been defined.

Use of Proceeds

PKO Group intends to allocate the net proceeds from green issuances to finance and/or refinance loans and investments that intend to align, with the recommendations of the EU Taxonomy Technical Screening Criteria where practically feasible.



Financing of Buildings

Applies to financing or renovating of new or existing energy efficient residential or commercial buildings in Poland⁽¹⁾.

Including loans for:

- Thermal systems modernization
- Installation of on-site solar panels for increased energy efficiency



Clean transportation

Means of ecological transportation:

- EVs (cars, coaches, buses)
- Low emission hybrid vehicles⁽²⁾
- Investments into rail infrastructure (excl. fossil fuel powered)
- Low-carbon infrastructure like EV charging stations



Renewable energy

The financing of renewable energy sources (solar and wind only).

These can be investments into the acquisition, development, manufacturing, construction, distribution and maintenance of renewable energy generation sources from wind and solar.



Sustainable water management

Supply:

- Construction of drinking water treatment and supply systems
- Efficient water supply for domestic and industrial use

Waste:

- Modernization and centralization of sewage systems to reduce gas emissions, increase energy efficiency and use of anaerobic digestion of sewage sludge



Sustainable waste management

The financing of waste management involves many areas:

- Means of collection and transportation of non-hazardous waste segregated at source
- Construction/operation of bio-waste treatment facilities (aerobic digestion)
- Support for material reutilization
- Landfill gas capture for biogas conversion

The Group reserves the right not to use the proceeds to finance any activity deemed as carbon intensive, involving violations of human rights or any other activity determined as ineligible or harmful. It does not tolerate any form of corruption or nepotism within its structures, as it goes against its values of credibility and trust. The group takes an active approach in the prevention of human rights violations, ensuring workplace safety and employee equality.

(1) - See further details on page 39; (2) - Only eligible until 2025



Bank Polski

GREEN BOND FRAMEWORK

The bank's Green Bond Framework

Evaluation and Selection Process

The PKO Group has established a dedicated Sustainable Development Committee ("the Committee") with the purpose of monitoring the fulfillment of the Green Bond Framework requirements. Amongst its responsibilities are:

- *Managing the future framework updates and overseeing its implementation.*
- *Overseeing the process of evaluation and selection of eligible loans, according to adopted methodology.*
- *Overseeing the record keeping of new and existing assets that meet the eligibility criteria.*
- *Conducting an additional review of the select assets to ensure their compliance with the framework and their alignment with the EU Taxonomy environmental objectives.*
- *Monitoring of potential environmental and social risks associated with the eligible green loans.*

The Committee convenes at least once every two months and is comprised of many key divisions within the Group's structure, incl. board members, heads of divisions and heads of departments.

A separate Green Covered Bond Committee has been established for PKO Mortgage Bank for regulatory and organizational purposes.

Management of Proceeds

Proceeds from the green issues will be managed using a portfolio approach, if an asset is found to meet the above eligibility criteria. The PKO Group intends to maintain sufficient eligible loans in the eligible green loan portfolio, which matches or exceeds the total net proceeds raised from its outstanding balance of all green bonds. The Group Committee will review and approve allocations of bond proceeds to the eligible green loan portfolio on, at least, an annual basis. The Group aims to match the level of allocation of the loan portfolio to the net proceeds from issued green bonds within 24 months after the issuance.

If a loan is repaid or otherwise ceases to fulfil the eligibility criteria during the life of the green bonds, it will be removed from the eligible green loan portfolio and replaced by other as soon as reasonably practicable. Pending the full allocation of the proceeds, or in case of an insufficient eligible green loan portfolio, the Group will hold and/or invest, at its own discretion, the balance of net proceeds not yet allocated to the eligible green loan portfolio in its treasury liquidity portfolio, in cash or other short term and liquid instruments with a sustainable character (such as green and social bonds).

Reporting

As required by Green Bond Principles, the Issuer will provide periodic information on the allocation of proceeds and the anticipated ecological impact. An allocation report will be published within a year from bond issue and then on a yearly basis, until the bond's maturity. *The reporting will consist of two main parts:*

- **Allocation Report** – consisting of data about the allocation of proceeds to eligible green assets.
- **Impact Report** – focusing on the impact the green loans have made towards reducing the environmental impact of issuances.

Second party opinion

The Group published a second party opinion from *Sustainalytics* to assess its alignment with the ICMA Green Bond Principles.





Green building eligibility requirements

The loan has to meet strict standards in order to be classified as green and to be financed using the Green Bond proceeds.

Single and multi-family houses built after 2017.

- Compliant with TC 2017 or later by year.
- With an *Energy Performance Certificate (EPC)* available.
- With *year of construction after 2017*.

Green residential and commercial buildings built prior to 31 December 2020.

- Only *top 15% of the low carbon* emitting buildings, built prior to that date will be considered.

Green residential or commercial buildings built after 1 January 2021 that meet the following minimum eligibility criteria.

- *10% reduction in Primary Energy Demand (PED)* of Nearly-Zero-Energy-building standard in Poland.

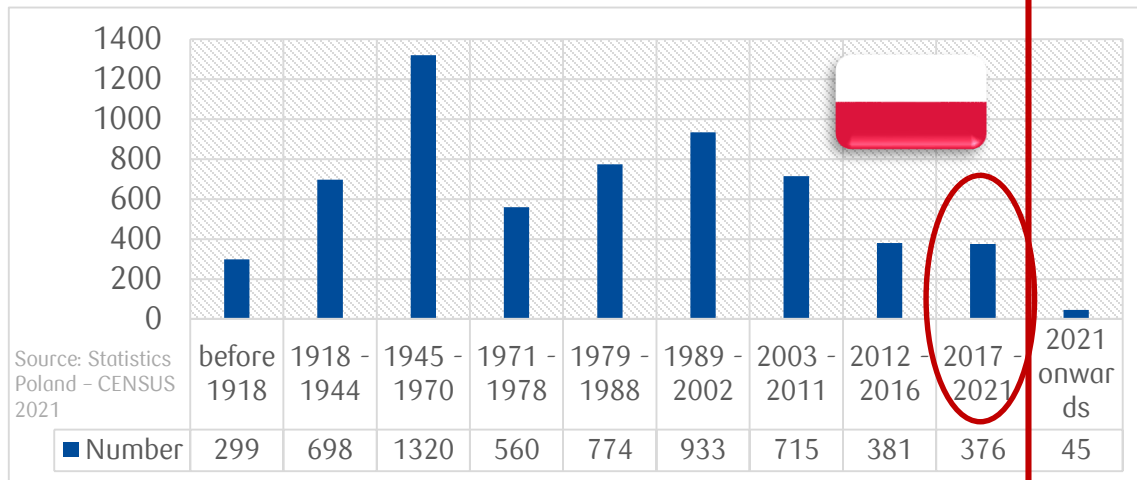
Green refurbished buildings.

- Must *achieve at least a 30% improvement in energy efficiency*.
- Based on major renovations.

Green commercial buildings with internationally recognized certification.

- A minimum of:
 - BREEAM – „Excellent”
 - LEED – „Gold”
 - HQE – „Excellent”
 - DGNB – „Gold”

The number of residential buildings by year of construction (in thousands)



On-site equipment modernization financing



- Installation of renewable energy sources on-site in residential buildings in Poland (Involves: PV systems, solar hot water panels, heat pumps)



- Financing of energy efficient equipment (Involves: Energy efficient windows, doors, light sources, heating, ventilation, air-conditioning and water heating systems)

AGENDA



Bank Polski

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SUMMARY OF THE PROPOSED TRANSACTION

Issue characteristics



Bank Polski

ISSUER	PKO Bank Polski S.A.
ISSUE TYPE	Senior Non preferred [MREL eligible], GREEN
EXPECTED ISSUE RATING	Baa3
ISSUE AMOUNT	Benchmark size
ISSUE TENOR	3NC2
INTEREST	<i>[●]% Fixed Rate, payable annually until the Optional Redemption Date (Fixed Rate Period). If not redeemed on the Optional Redemption Date, 3m€+[●]% Floating Rate, payable quarterly until the Maturity Date (Floating Rate Period)</i>
ISSUE CURRENCY	EUR
ISSUE MIN. DENOMINATION	100,000
DOCUMENTATION	Under the Issuer's: - EUR 4,000,000,000 Euro Medium Term Note Programme dated 15 March 2024 (and supplemented) - Green Bond Framework dated August 2024
LISTING	Luxembourg Stock Exchange's regulated market and Warsaw Stock Exchange's regulated market
JOINT LEAD MANAGERS	Erste Group, HSBC, LBBW, PKO BP, Santander

AGENDA



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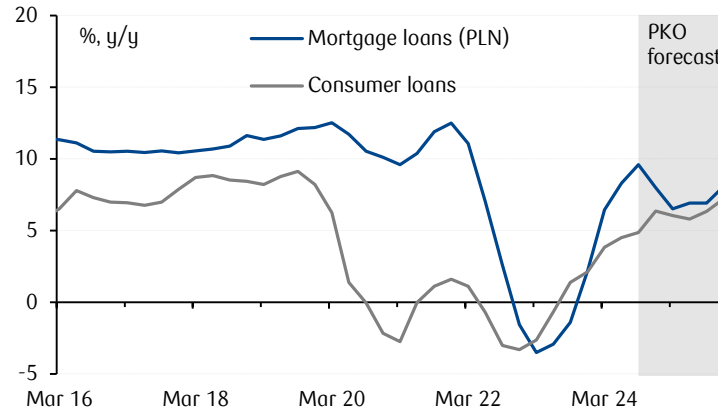
1. PKO BP highlights
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Loan and deposit market (FX adjusted)

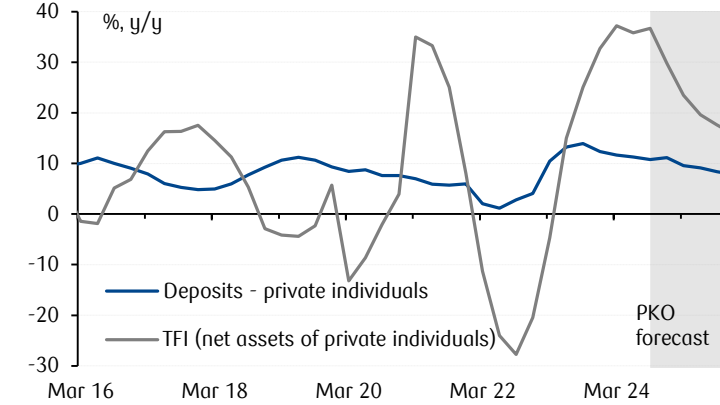


Bank Polski

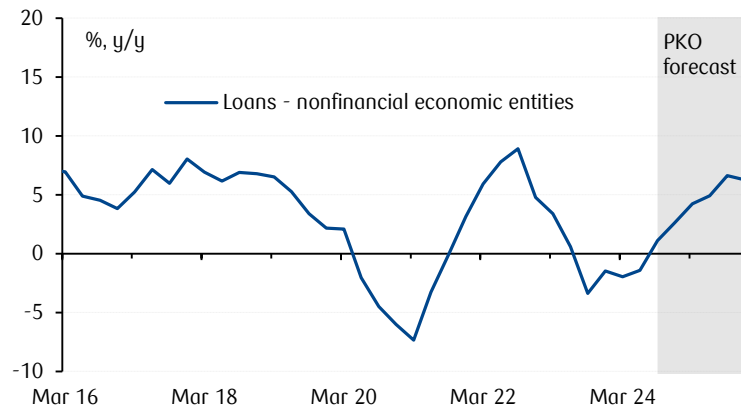
Mortgage and consumer loans



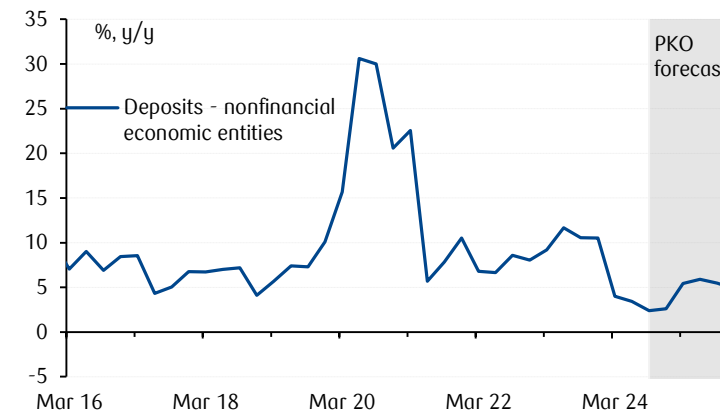
Private individuals' deposits and net assets (TFI)



Loans for nonfinancial economic entities



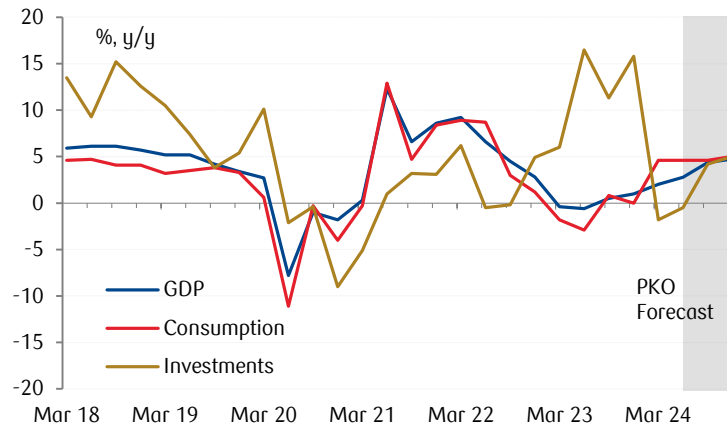
Deposits of nonfinancial economic entities



The economy remains on a growth path

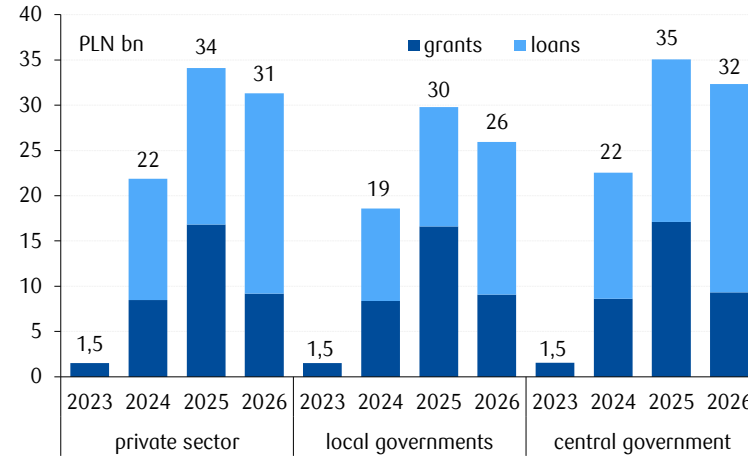


GDP and its main components



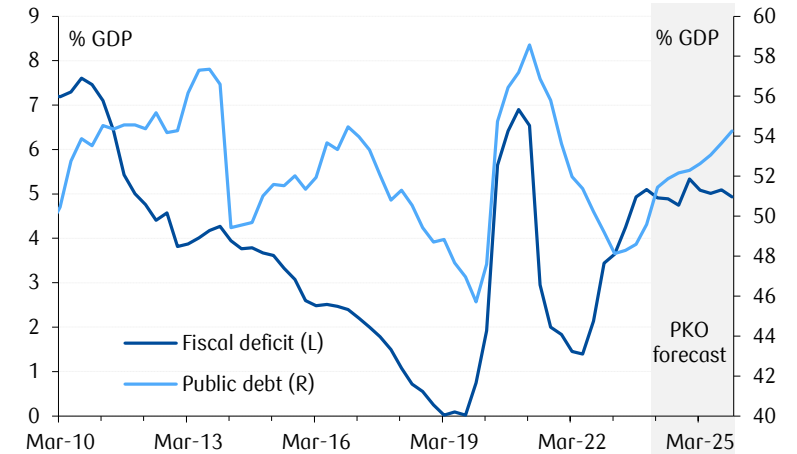
Source: Statistics Poland, PKO Bank Polski

Planned payments under the RRF



Source: MFiPR, PKO Bank Polski

Public finances



Source: Statistics Poland, Eurostat, PKO Bank Polski

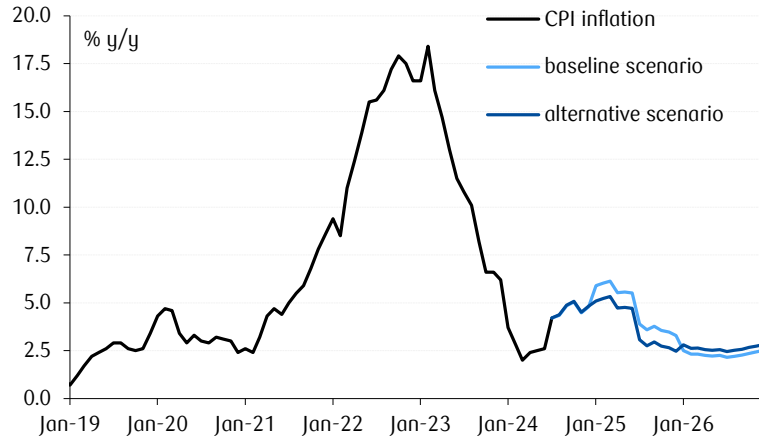
- **The economy remains on the path of recovery. After a GDP growth of 2% y/y in 1q24, its dynamics accelerated again in 2q24, to 3.2% y/y.** The recovery continues to be concentrated on the side of private consumption, while the propensity of consumers to save remains elevated. Consumer sentiment has been gradually improving. Real incomes are rising at the record pace. Demand for consumer credit is increasing.
- **The first half of 2024 saw a decline in investments, but according to economic surveys, this is temporary.** In the second half of the year, we expect a gradual recovery in investment demand, culminating in 2025. A significant factor supporting investment (and economic) activity will be the intensification of disbursements from the Recovery and Resilience Facility. The two main areas of investment are energy transformation and automation.
- **Poland has been placed under the excessive deficit procedure, but due to its low public debt compared to the EU average and lower than the European Commission's requirement, the scale of adjustments required of Poland will not be large and will not have a restrictive impact on the economy.**

Stable rates despite the global shift towards monetary policy easing



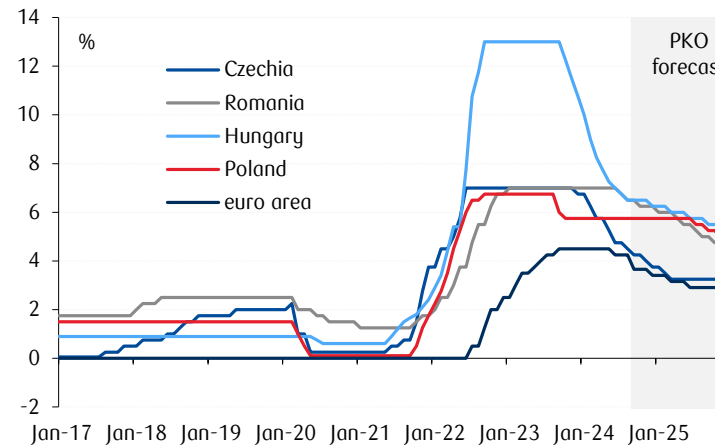
Bank Polski

CPI inflation



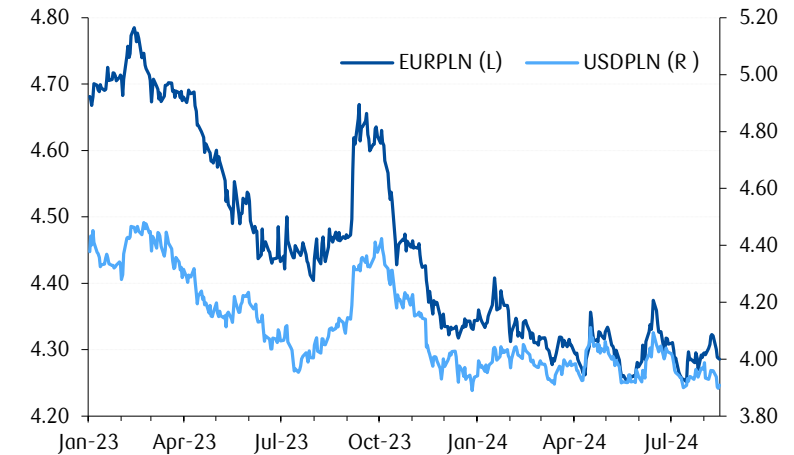
Source: Statistics Poland, PKO Bank Polski; alternative scenario assumes full unfreezing of Energy prices in Jan 2026 instead of 2025

Central Bank rates



Source: Macrobond, PKO Bank Polski

PLN exchange rate



Source: Macrobond, PKO Bank Polski

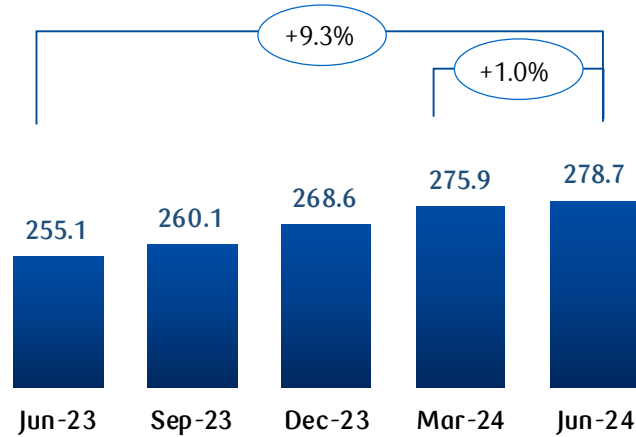
- **From February to June 2024, CPI inflation was in line with the inflation target.** Another phase of unfreezing energy carrier prices caused inflation to rise again above 3.5% y/y in July 2024, and it is expected to remain above this level at least until mid-2025 (depending on the timing of the full liberalization of electricity prices, a decision on which has not yet been made). Aside from regulatory changes, the inflation outlook is improving, and **the risk of inflation and inflation expectations permanently detaching from the target has drastically decreased.**
- **The Monetary Policy Council has kept the NBP interest rates unchanged since October 2023 (reference rate: 5.75%).** Several MPC members see room to consider rate cuts in the second quarter of 2025, but the NBP Governor has suggested they might remain unchanged until 2026. According to the MPC, the condition for initiating rate cuts is a sustained return of inflation to the target. **The currently observed global trend of rate cuts will occur in Poland with a significant delay, likely not before the third quarter of 2025.** Therefore, **the banking sector will benefit from higher credit volumes, stimulated by the economic recovery, in an environment of still-high nominal rates, which will support interest margins.**



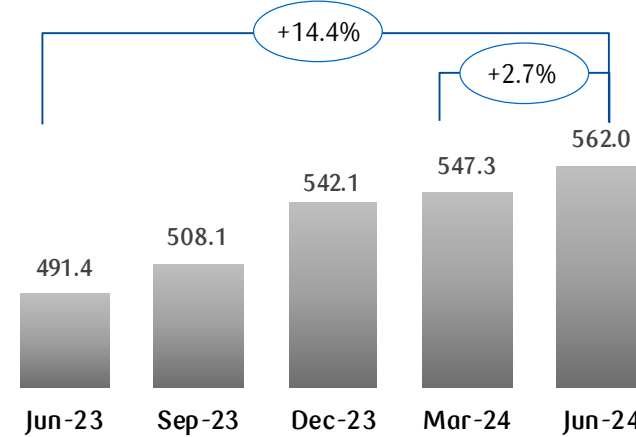
SUPPLEMENTARY INFORMATION

The increase in customers' financing and savings

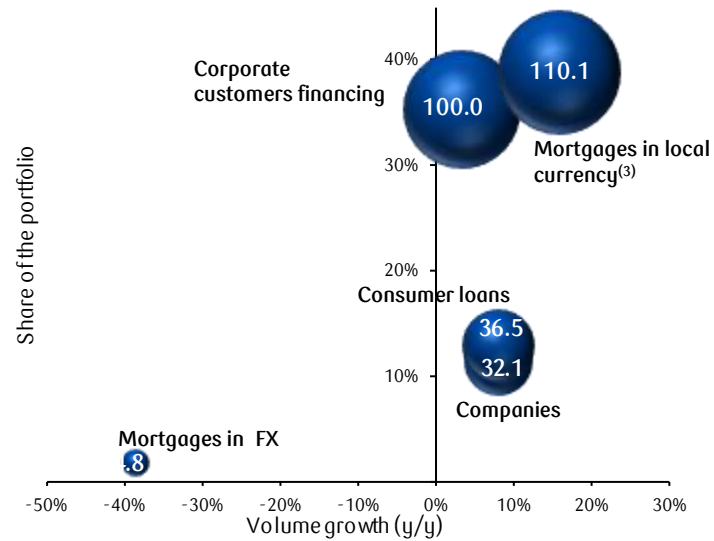
Gross customer financing [PLN bn]⁽¹⁾



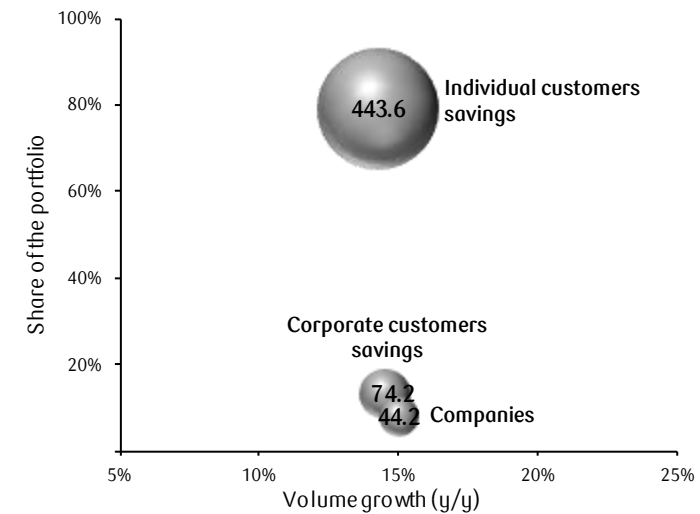
Customer savings [PLN bn]⁽²⁾



Gross customer financing [PLN bn]⁽¹⁾



Customer savings [PLN bn]⁽²⁾



(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 Group accumulated on the clients' bank accounts.

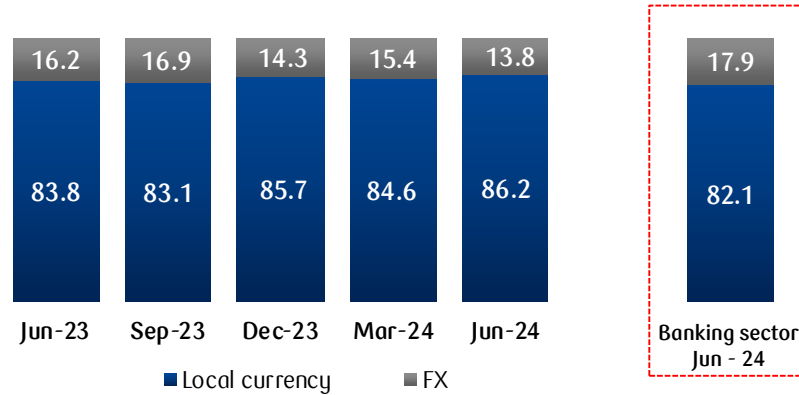
(3) - The position covers UAH loans.



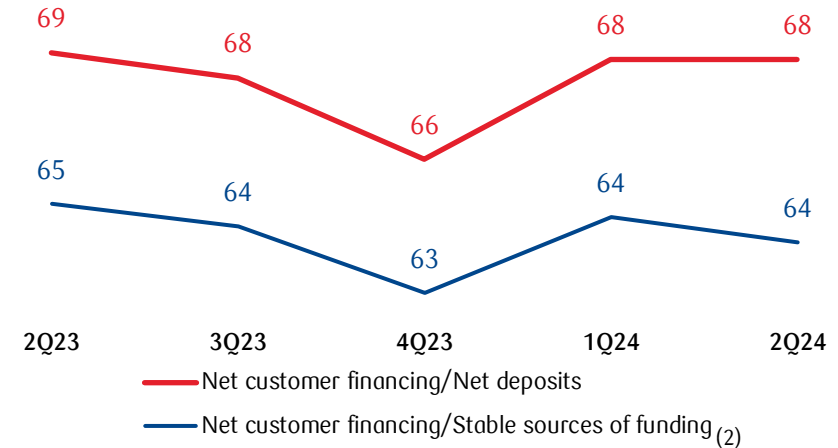
SUPPLEMENTARY INFORMATION

Structure of loans and deposits and liquidity

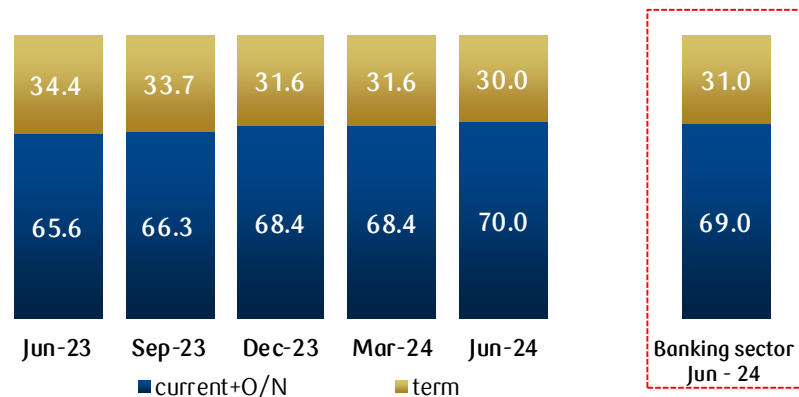
Currency structure of gross loans portfolio [%]



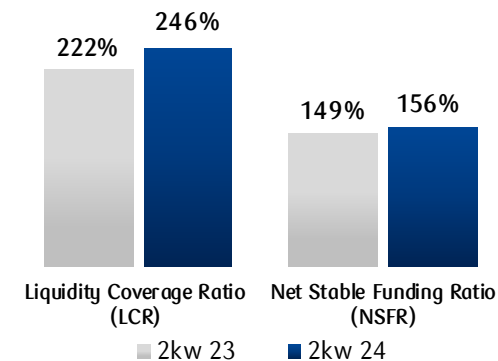
Structure of funding [%]



Term structure of total deposits⁽¹⁾ [%]



LCR and NSFR ratio [%]



(1) Amounts due to customers.

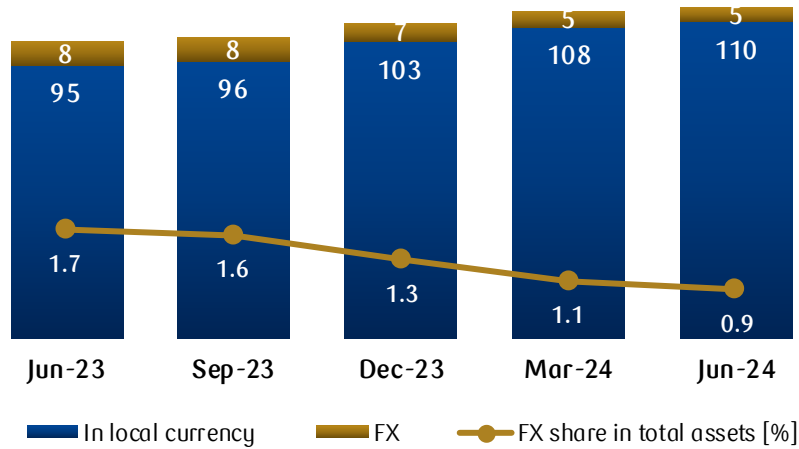
(2) Amounts due to customers and long-term sources of external funding: issuance of covered bonds, securitization, unsecured obligations, subordinated liabilities, loans from financial institutions



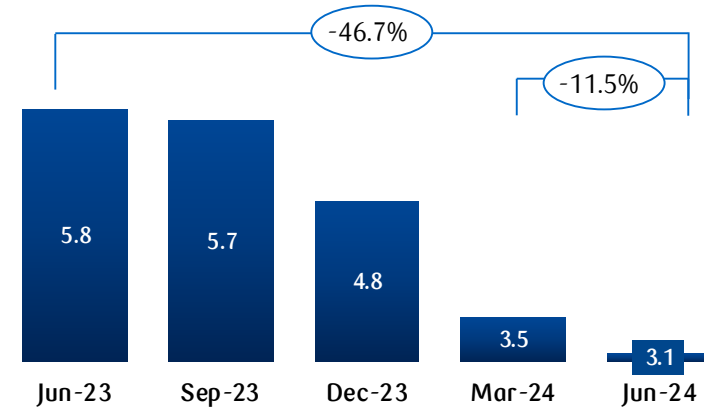
SUPPLEMENTARY INFORMATION

Gross mortgage loans

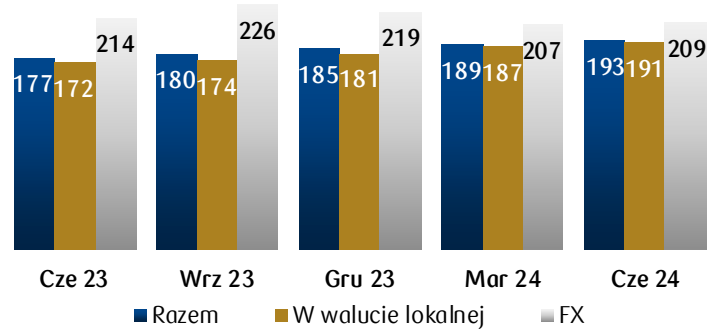
Volume of mortgage loans [PLN bn] ⁽¹⁾



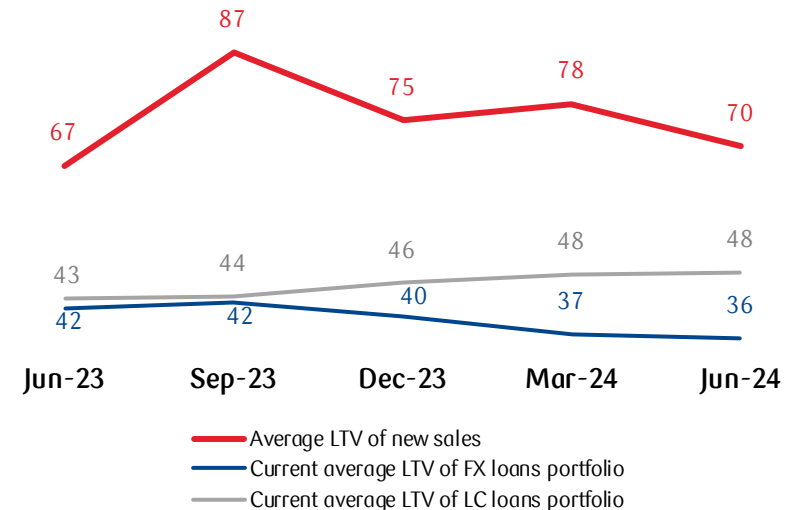
Volume of CHF mortgage loans, net [PLN bn]⁽²⁾



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



SUPPLEMENTARY INFORMATION

Retail customers - new products on offer

11.4 mln

Retail customers
+ 201 ths y/y

NEW FACILITIES FOR CUSTOMERS:

- We have launched a digital mortgage pilot process
- Implementation of the new PKO Życie life insurance as a standalone policy and as a policy accompanying the Cash Loan process
- We increased the maximum limit amount from PLN 1 ths to PLN 2 ths in PKO Pay Later. ~238 thousand customers were active users of the service, and the total amount of limits granted reached PLN 205 mln
- Implementation of a solution enabling individual customers to have immediate access to a digital credit card
- We are working on introduction the PKO Bonus discount programme discount program. In June 2024, bank made the first partner's promotional offer available in the IKO app
- We are developing a value-added services. Customers can use the offer through IKO and iPKO that goes beyond the world of banking. They buy an average of 4 mln services per month in all electronic banking channels

8.1 mln

Number of IKO applications
+ 557 ths y/y

SELECTED NEW IKO MOBILE BANKING SERVICES



- Purchase and preview of the new PKO Życie insurance policies
- Hiding product balances on the home screen and when purchasing public transport tickets
- Making available an instruction to withdraw from a cash loan
- Payment of parking fees in Android Auto
- Complaint filing
- Application for a corporate credit card
- Verification of a withheld PESEL number
- redirection of caller from the voice assistant to the chat consultant directly in the IKO app

We are constantly improving existing functions to make them more convenient to use and to meet customer expectations.

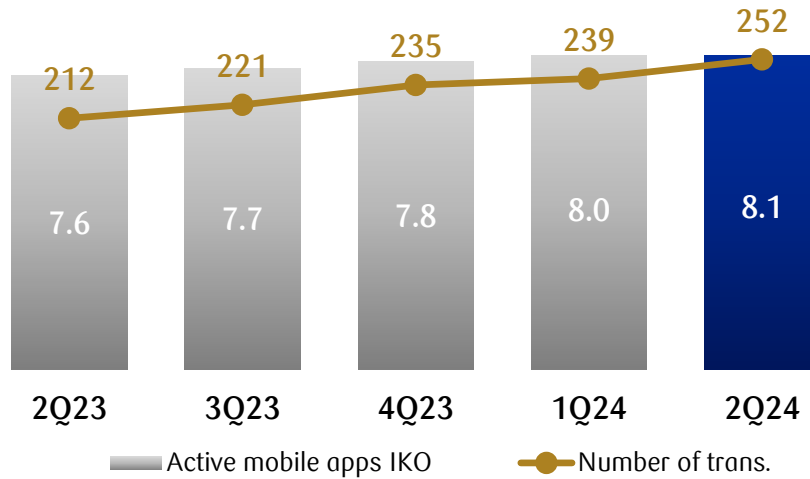
SUPPLEMENTARY INFORMATION

Leader in mobile banking

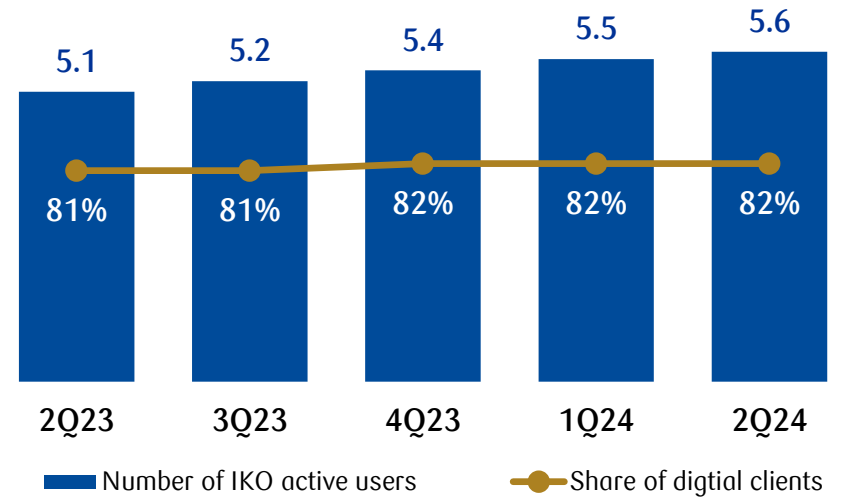


Bank Polski

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 [%]



(1) - According to PRNews definition: a client who logged into IKO application at least once a month in a given quarter (2) - Share of digital customers in total number of customers

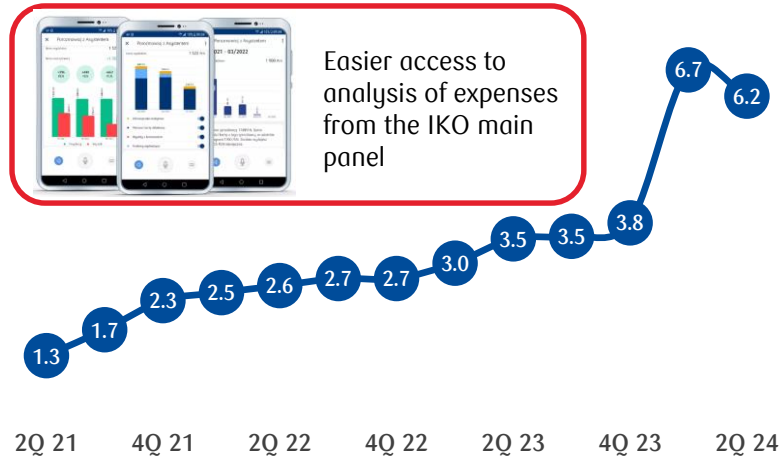


Increased use of AI in customers service and sales

17 bots
Supports our work

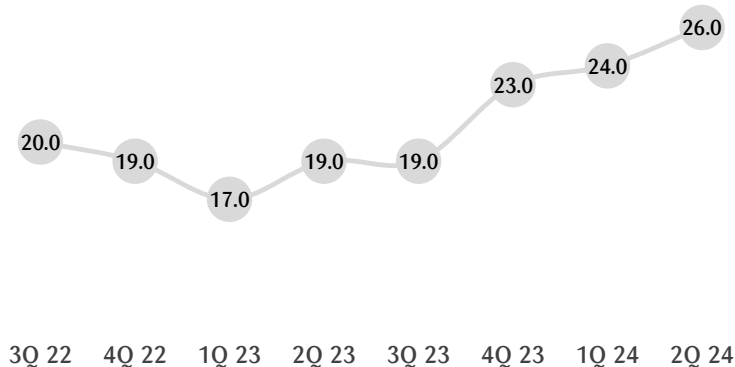
320 robotic processes

Calls with customers completed by bots [mln]



- In the first half of the year, all bots conducted nearly 13 mln conversations
- We are systematically improving the quality of bot conversations with customers, e.g. we have simplified the process of assigning a PIN number to a card. We ask customers for the last 6 digits of the card number instead of the full 16-digit number. Customers are informed about possible accesses that they can block when they reporting a suspicion of fraud
- We are working on using the potential of Generative Artificial Intelligence. The first AI-based search engine for HDIT has been made available to employees. At the same time, we are working on the development of search engines enriched with an AI component in other business areas of the bank.

Robotic Process Automation, tasks completed by robots [mln]



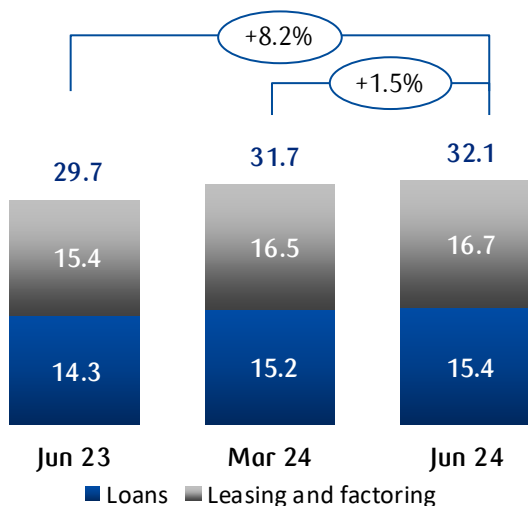
- Only in the area of bank's operations, 116 processes were robotized, 204 processes in other bank's units and the whole Group
- SELECTED, IMPLEMENTED TASKS;
- sending correspondence to contractors about timely repayment of receivables, shortening the time of execution of 1 case from 60 min. to ~3 sec.
 - robotization of the process of verifying parameters of the mortgage loan agreement, shortening the time for 1 case from 8 min. to ~6 sec.
 - adding comments to complaint notifications, e.g. information about sending an SMS to the customer about the need to pay the fee, shortening the time for 1 case from 2 min. to ~3 sec.

Companies and entrepreneurs banking

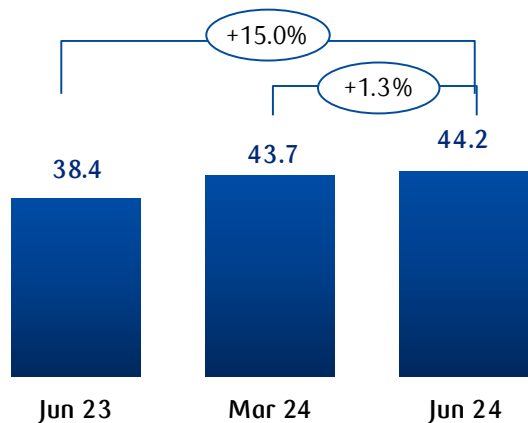


Bank Polski

Loans volume for companies outstanding [PLN bn]



Deposits of companies [PLN bn]



NEW PRODUCTS AND SUPPORT FOR CUSTOMERS

- Promotion for company and enterprise accounts with 20% refund for purchases at petrol stations with a VISA card
- Promotion on accounts with a VISA card and payment terminal
- New premium deposit
- Credit promotion for new and existing clients, with the possibility of reducing the commission
- Increase in the amount of the SME loan from PLN 500,000 to PLN 1 million for a period of up to 69 months for SME clients
- Preferential loans in cooperation with ARIMR - continued sale of liquidity loans for Farmers and purchase loans for corporate clients from the AGRO segment
- Implementation of a new free guarantee in cooperation with Bank Gospodarstwa Krajowego under the FG FENG program (Biznesmax Plus and Ekamax). The program is dedicated to SME clients interested in working capital and investment loans
- Provision of an account dedicated to Payment Services Offices
- New product for local government units: Loan for local government units
- Nasz Remont investor loan with the OZE Grant for Housing Communities and Housing Cooperatives and promotion with the OZE Grant

609 ths CUSTOMERS

20 ths OPEN ACCOUNTS IN Q2 2024

DEVELOPMENT OF DIGITAL CHANNELS

- Possibility of submitting a Short Bank Application for leasing for any purpose via iPKO electronic banking
- Increase in maximum limits for Expres Eliksir transfers in iPKO biznes

512 ths CUSTOMERS WITH ACCESS TO iPKO

72 ths CUSTOMERS WITH ACCESS TO iPKO BIZNES



32 ths

Corporate customers
(corporate and enterprises)
+ 7.1% y/y corporate customers

BUSINESS DEVELOPMENT

- We have provided to our clients a pilot of a carbon footprint calculator, enabling the calculation of CO2 emissions related to the company's operations
- We are increasing the awareness of our clients of ESG - we organize meetings for clients with bank experts
- We have started cooperation with the WeGrant startup, we provide to our clients an advanced tool supporting the process of applying for EU grants and subsidies

CHANGES IN THE SIMPLE CREDIT PATH

- We have increased the maximum limit for a client from PLN 8 mln to PLN 15 mln

23 ths

Active users iPKO business

NEW PRODUCTS IN DIGITAL BANKING

- Further financial and accounting systems have been integrated within iPKO biznes Integra: Comarch ERP XL, Comarch EEP XT, Simple.ERP
- Possibility to open and close a Payroll Account in electronic banking - customers can now apply for opening a Payroll Account in iPKO biznes on their own in the Applications tab. The process is easy, intuitive and takes a few minutes

DEVELOPMENT OF DIGITAL CHANNELS

New features of the iPKO biznes mobile application:

- Repeating and returning a transfer from the account history
- Generating immediate confirmation of the transfer execution

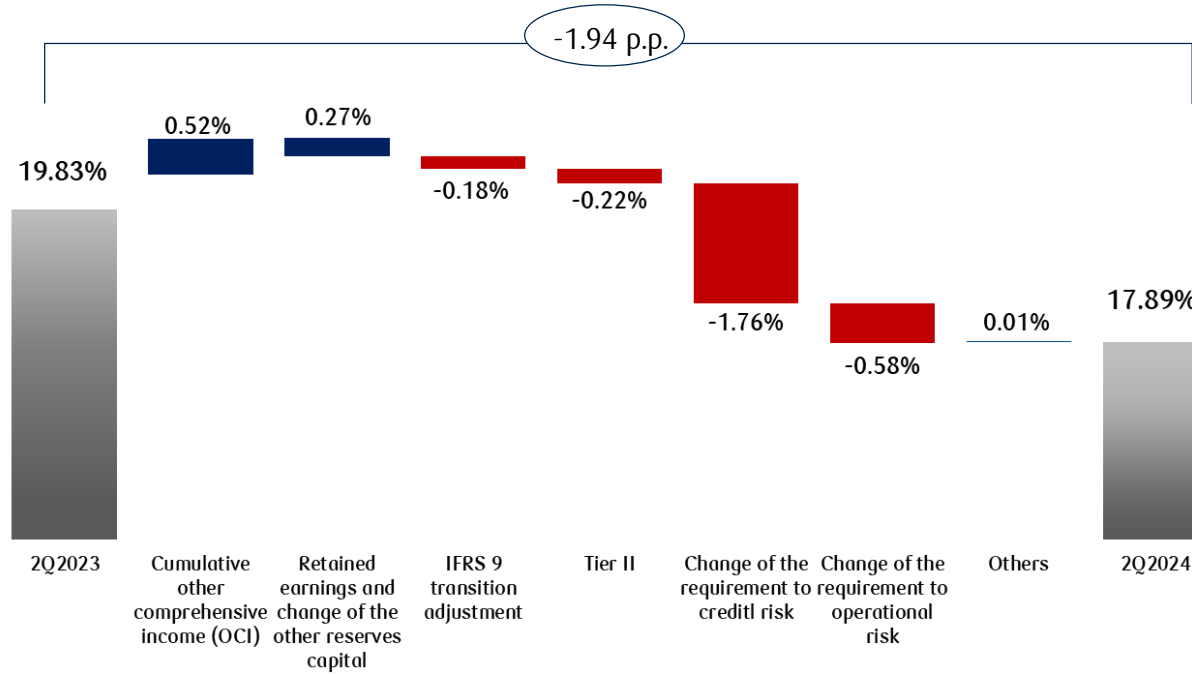
New features in iPKO biznes:

- In the account details, we have added a new option - a short printout, which presents basic information about the account, such as: IBAN number, account currency, account manager, BIC code.
- Ability to add a user to multiple contexts
- New way of searching for statements - we have added quick filters: 3, 30 or 90 days, from the current year and statements from a given date range
- New section "Closed accounts" enabling: viewing the history of closed accounts, downloading statements and standard reports for closed accounts
- Changes improving the use of iPKO biznes in the scope of contractors, i.e.: saving the contractor when creating a transfer and adding a field on the contractor's screen for the e-mail address to which confirmations of completed transfers will be automatically sent
- Additional authorization of orders

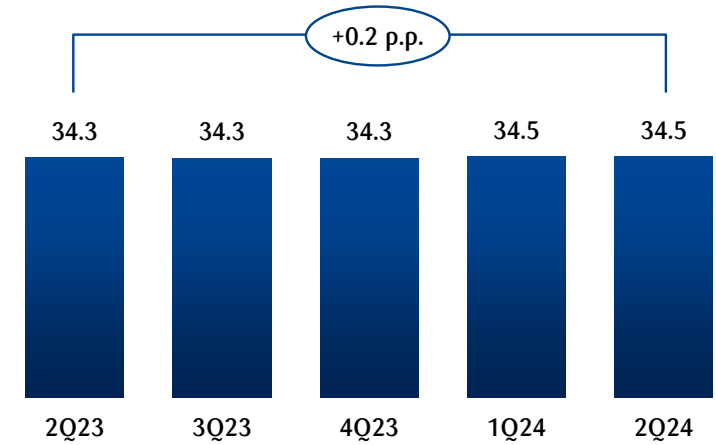
Capital adequacy



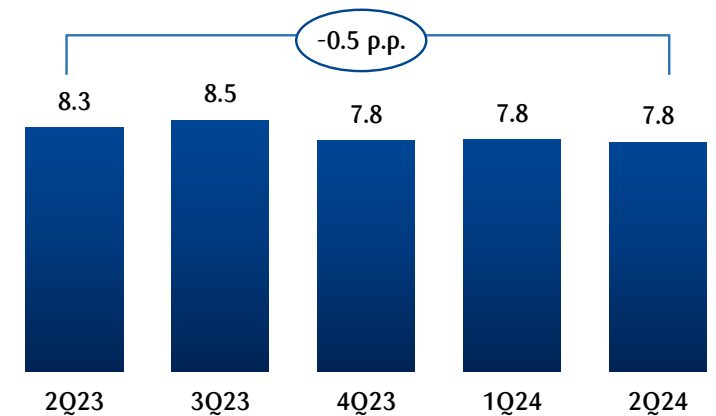
Change of the consolidated total capital ratio (TCR) [p.p.]



Effective risk weight [%]⁽¹⁾

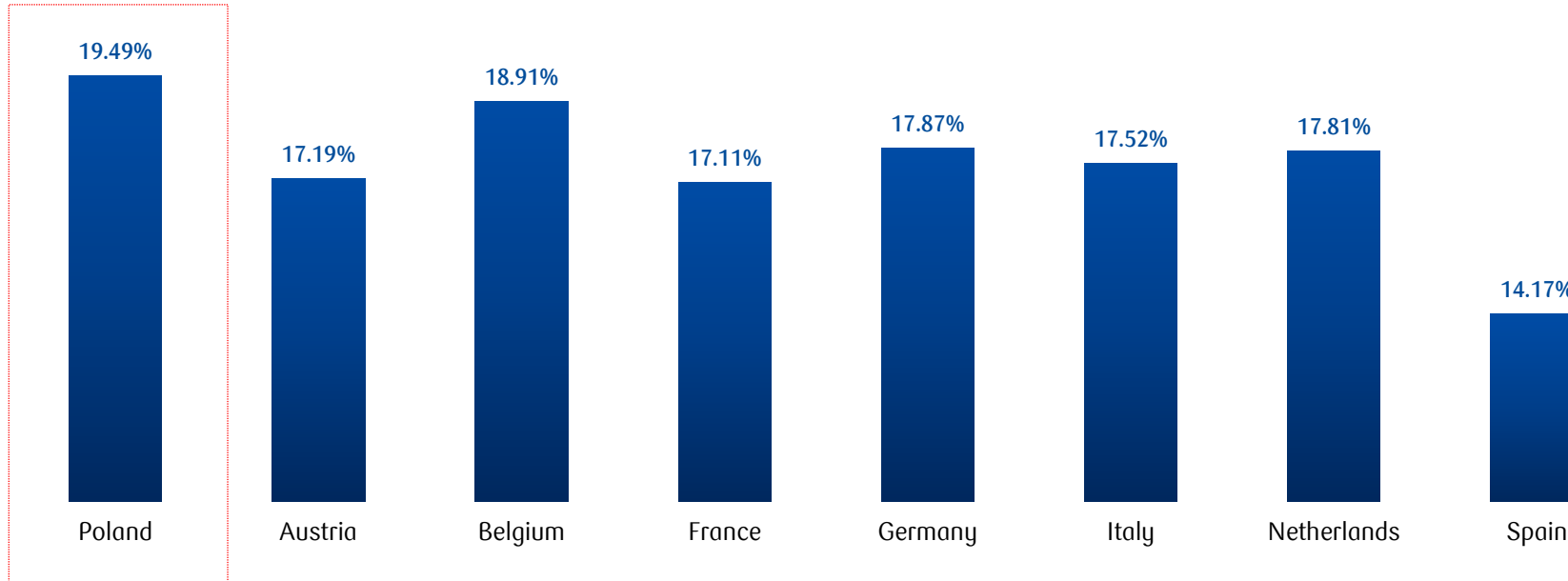


Leverage ratio [%]



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

Capital position, Tier 1 for Poland vs. Western Europe

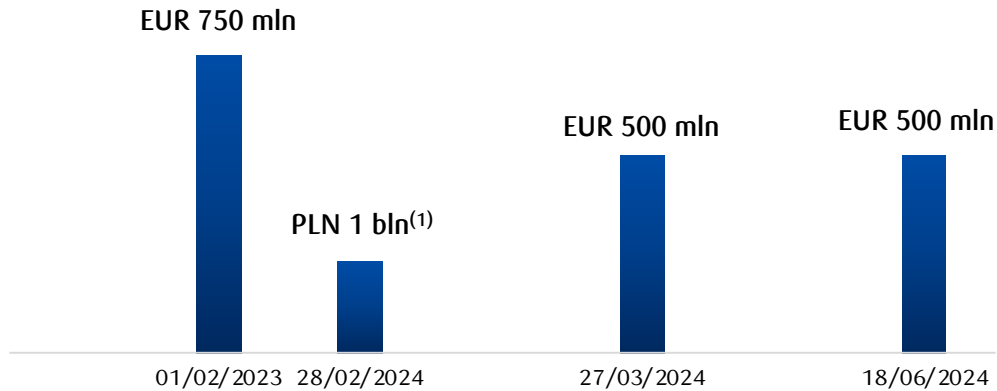


Current bond issues to meet MREL requirements



Bank Polski

Outstanding SNP and SP bond issues



Type of notes	Issue date	Maturity date	Call option date	Principal	Coupon
Senior non preferred	18.06.2024	18.06.2029	18.06.2028	EUR 500 mln	first 4 years - 4,50%
					floating, EURIBOR 3M + 1,55%
Senior non preferred	27.03.2024	27.03.2028	27.03.2027	EUR 500 mln	first 3 years - 4,50%
					floating, EURIBOR 3M + 1,60%
Senior non preferred	28.02.2024	28.02.2029	28.02.2028 28.08.2028	PLN 1 bln	floating, WIBOR 6M + 1,59%
Senior preferred	01.02.2023	01.02.2026	01.02.2025	EUR 750 mln	first 2 years - 5,625%
					EURIBOR 3M + 2,50%

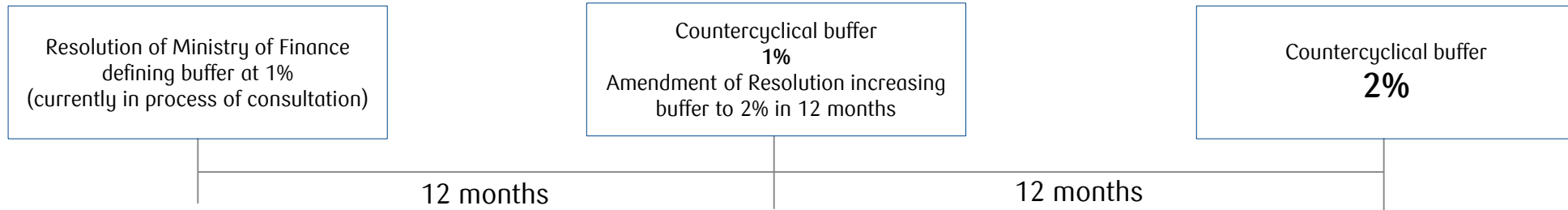
(1) - EUR/PLN = 4.3116 as at issue day



Countercyclical buffer – consequences of implementation for capital requirements and MREL

1

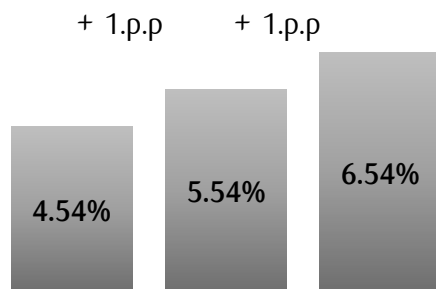
The Polish Financial Stability Committee decided to introduce a countercyclical buffer with a two step approach – first step 1% and then 2% each with 12 months grace period. However the date of implementation (Resolution of the Ministry of Finance) is still not known



2

Implementation of countercyclical buffer will have an impact on capital requirements (increase of Combined Buffer Requirement) and MREL (additional issuance to replace CET1 capital covering countercyclical buffer)

Increase of CBR due to implementation of countercyclical buffer



Increased CBR should be covered with CET 1 capital which means that part of CET1 covering MREL should be allocated to cover countercyclical buffer

Change of MREL instruments volume as a result of CBR increase

MREL Instruments



Allocated to cover increased CBR



MREL Instruments



The volume of MREL instruments is lower (due to allocation of part of CET to CBR and its increase)

The CET1 capital can be replaced by other instruments (i.e. SNP, SP) but taking into account subordination requirement



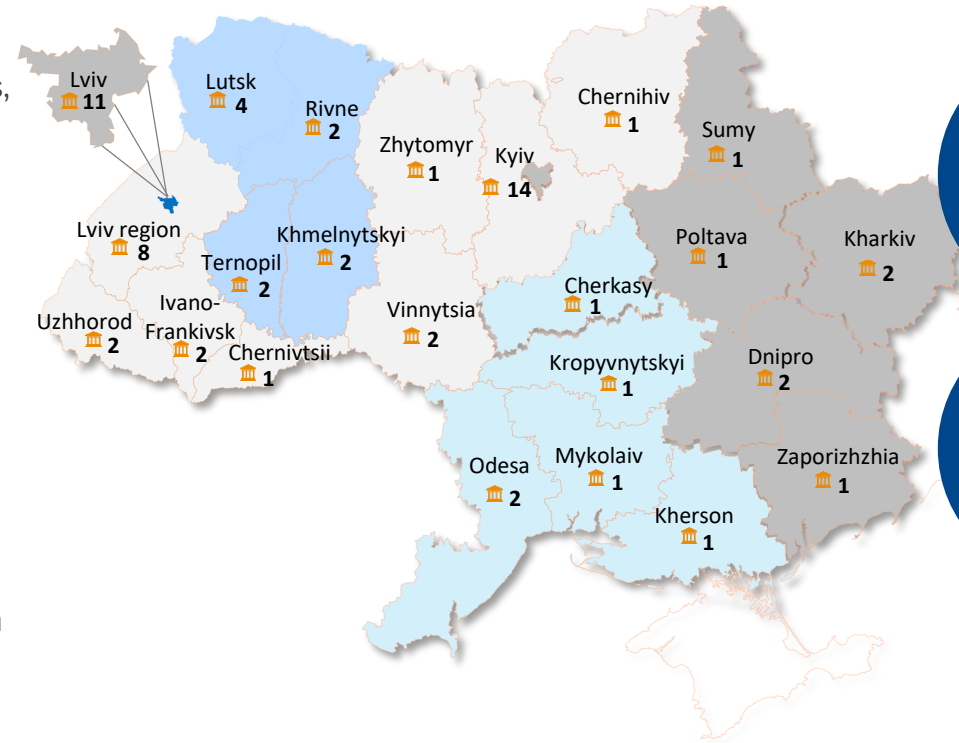
Bank Polski

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

- A crucial development of the first half of 2024 was, once again, the inclusion of KREDOBANK S.A. in the list of systemically important banks, which covers the 15 largest Ukrainian banks. Systemically important banks are characterized by the need to demonstrate greater stability than the rest of the banking sector
- KREDOBANK S.A. maintains normal, stable and profitable operations and has adequate asset quality
- In the first half of 2024, KREDOBANK S.A. and BGK signed an annex to an agreement with the European Commission concerning cooperation in support of business lending
- In the second quarter of 2024, an agreement was also signed with the European Fund for Southeast Europe “EFSE” concerning a grant for KREDOBANK S.A. for the implementation of a remote onboarding and service project for SME and corporate customers



65 branches (Group)

1 458 Group employees

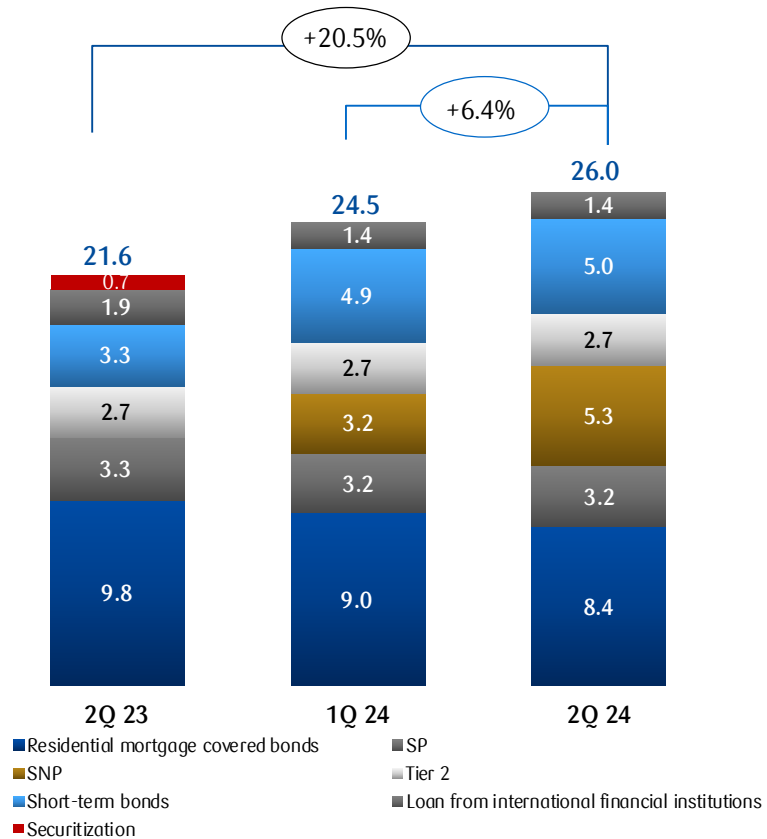
KREDOBANK S.A. GROUP (mln PLN)	Jun 30, 2024	Jun 30, 2023	Δ
Gross loans	1,403	1,573	-11%
Gross deposits	4,750	4,369	9%
Total assets	5,595	5,064	10%
Equity	688	557	23%
	6M 2024	6M 2023	Δ
Net income	97	110	-11%

Wholesale financing

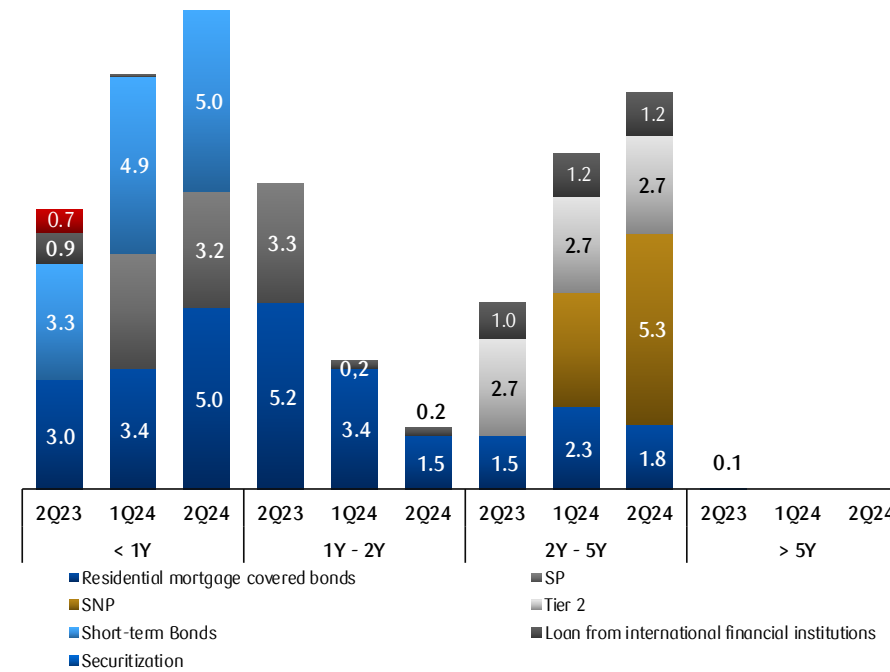


Bank Polski

PKO BP financing structure by instrument type [bn PLN]



Maturity profile by instrument type [bn PLN]



SP - Senior Preferred (MREL)
SNP - Senior Non Preferred (MREL)

The balance sheet of PKO Bank Polski Group



Bank Polski

Assets (PLN billion)	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	y/y	q/q
Cash and balances with the Central Bank	13.9	16.5	17.8	15.9	17.5	+25.7%	+9.5%
Amounts due from other banks	14.1	15.2	14.4	11.2	11.3	-19.8%	+1.5%
Reverse repo transactions	5.14	0.1	0.4	0.5	0.5	-90.4%	-6.5%
Net customer financing	250.9	255.7	262.9	268.5	270.9	+8.0%	+0.9%
Securities ¹⁾	148.6	159.7	180.3	177.0	183.4	+23.4%	+3.6%
Other assets	28.2	25.9	25.6	23.9	23.7	-15.8%	-0.6%
TOTAL ASSETS	460.8	472.9	501.5	497.0	507.3	+10.1%	+2.1%

Liabilities and equity (PLN billion)	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	y/y	q/q
Total equity	41.1	45.4	45.2	47.6	46.9	+14.1%	-1.5%
Amounts due to the central bank and due to banks	4.9	5.4	4.9	4.3	4.8	-1.5%	+12.1%
Loans and advances received	2.0	1.8	1.5	1.4	1.4	-28.1%	-1.6%
Subordinated liabilities and debt securities in issue	19.5	20.2	20.0	22.7	24.4	+24.8%	+7.4%
Amounts due to customers	366.1	376.5	399.2	392.6	398.8	+9.0%	+1.6%
Liabilities of insurance activities	2.9	2.9	2.9	2.9	3.0	+3.2%	+1.0%
Other liabilities	26.4	22.6	29.3	26.8	29.3	+11.2%	+9.4%
TOTAL EQUITY AND LIABILITIES	460.8	472.9	501.5	497.0	507.3	+10.1%	+2.1%

¹⁾ - excl. municipal and corporate securities

The profit and loss account of PKO Bank Polski Group



Bank Polski

Profit and loss account (PLN million)	2Q 23	3Q 23	4Q 23	1Q 24	2Q 24	y/y	q/q	6M 23	6M 24	y/y
Net interest income	4,392	4,662	5,077	5,192	5,054	+15.1%	-2.7%	8,579	10,246	19.4%
Net fee and commission income	1,111	1,175	1,236	1,278	1,280	+15.1%	+0.1%	2,215	2,558	15.5%
Other income	290	329	360	373	414	+42.7%	+10.9%	545	788	44.5%
Insurance income	187	173	184	176	189	+1.2%	+7.3%	353.3	365.6	3.5%
Dividend income	11.7	1.7	0.2	0	22	+89.4%	>100%	12.3	22.4	83.0%
Trading income	9	68	90	76	36	>100%	-52.4%	55.8	112.7	>100%
Net foreign exchange gains	7	26	61	66	80	>100%	+20.9%	11.5	146.6	>100%
Gains/(losses) on derecognition on financial assets and liabilities	10	13	18	20	20	+97.1%	+2.4%	26.8	39.9	49.1%
Net other operating income and expense	65	48	6	34	66	+1.9%	+92.2%	85.2	100.4	17.8%
Total income items	5,794	6,167	6,673	6,844	6,748	+16.5%	-1.4%	11,339	13,592	19.9%
Total operating expenses	(1,746)	(1,790)	(2,114)	(2,179)	(1,962)	12.3%	-10.0%	(3,731)	(4,141)	11.0%
result on regulatory charges	(50)	(51)	(142)	(394)	(63)	24.4%	-84.1%	(430)	(456)	6.3%
Allowances for expected credit losses	(230)	(248)	(493)	(216)	(246)	6.9%	13.8%	(571)	(463)	-18.9%
Net impairment allowances on non-financial assets	(11)	(37)	(49)	(112)	(201)	>100%	78.3%	(22)	(313)	>100%
Cost of risk on FX mortgages	(2,474)	(0)	(1,989)	(1,338)	(982)	-60.3%	-26.6%	(3,441)	(2,320)	-32.6%
Tax on certain financial institutions	(312)	(302)	(319)	(303)	(323)	3.5%	6.4%	(610)	(626)	2.6%
Share in net profit (losses) of associates and jointly controlled entities	13	46	17	41	20	58.2%	-50.7%	36	61	69.2%
Profit before income tax	1,034	3,836	1,726	2,736	3,054	>100%	+11.6%	2,999	5,790	93.0%
Income tax expense	(444)	(1,057)	(1,043)	(693)	(703)	+58.1%	+1.4%	(957)	(1,395)	45.8%
Net profit attributable to non-controlling shareholders	2	(1)	3	(1)	0	-90.0%	-	1	(1)	-
Net result attributable to the parent company	587	2,780	681	2,044	2,351	>100%	+15.0%	2,041	4,395	>100%

Key ratios



Key ratios (%)	2Q 23	3Q 23	4Q 23	1Q 24	2Q 24	y/y	q/q	6M 23	6M 24	y/y
ROE net	5.9	25.5	6.0	17.7	20.0	+14.1 p.p.	+2.3 p.p.	10.6	19.0	+8.3 p.p.
ROTE net	6.4	27.9	6.5	19.3	21.8	+15.4 p.p.	+2.5 p.p.	11.7	20.7	+9.0 p.p.
ROA net	0.52	2.4	0.6	1.65	1.88	+1.36 p.p.	+0.23 p.p.	0.92	1.76	+0.84 p.p.
C/I	30.1	29.0	31.7	31.8	29.1	-1.1 p.p.	-2.8 p.p.	32.9	30.5	-2.4 p.p.
NIM	4.29	4.35	4.44	4.56	4.83	+0.54 p.p.	+0.27 p.p.	4.31	4.69	+0.38 p.p.
NPL ratio	3.64	3.59	3.44	3.34	3.54	-0.10 p.p.	+0.20 p.p.	3.64	3.54	-0.10 p.p.
Coverage ratio	111.5	111.1	113.5	117.0	107.8	-3.7 p.p.	-9.1 p.p.	111.5	107.8	-3.7 p.p.
Cost of risk ⁽¹⁾	0.48	0.34	0.61	0.47	0.13	-0.35 p.p.	-0.35 p.p.	0.53	0.39	-0.14 p.p.
TCR	19.83	20.25	18.65	18.22	17.89	-1.94 p.p.	-0.34 p.p.	19.83	17.89	-1.94 p.p.
Tier 1 capital ratio	18.75	19.25	17.77	17.41	17.15	-1.59 p.p.	-0.26 p.p.	18.75	17.15	-1.59 p.p.

Ratios presented in the period

(1) - 6M 23 and 6M 24 - 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

Key operational data



Bank Polski

PKO Bank Polski operating data (eop)	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	y/y	q/q
Current accounts ('000)	9,183	9,236	9,279	9,316	9,361	+1.9%	+0.5%
Banking cards ('000)	10,420	10,532	10,680	10,875	10,852	+4.1%	-0.2%
of which: credit cards	942	939	927	926	930	-1.3%	+0.4%
Active mobile banking applications IKO ('000)	7,580	7,700	7,797	7,992	8,137	+7.3%	+1.8%
Active mobile banking users ('000) ⁽¹⁾	5,602	5,720	5,858	5,994	6,070	+8.3%	+1.3%
Number of corporate customers with access to e-banking (000)	22.9	23.3	23.8	22.9	23.3	+1.8%	+1.9%
Number of companies customers with access to e-banking (000)	67.2	68.2	69.0	71.2	71.8	+6.9%	+0.9%
Branches:	959	958	945	945	945	-1.5%	0.0%
- retail	914	913	900	900	900	-1.5%	0.0%
- corporate	45	45	45	45	45	0.0%	0.0%
Agencies	298	297	286	280	277	-7.0%	-1.1%
ATMs	3,034	3,042	3,056	3,044	3,064	+1.0%	+0.7%
Number of customers ('000)	11,791	11,852	11,911	11,975	12,027	+2.0%	+0.4%
- retail	11,185	11,239	11,290	11,343	11,386	+1.8%	+0.4%
- corporate	34	34	35	31.8	32.3	-5.3%	+1.4%
- companies	571	579	587	601	609	+6.5%	+1.3%
Employment eop (FTEs '000) Group	25.3	25.4	25.6	25.7	25.7	+1.8%	+0.3%
Number of operations performed by robots (in '000)	18,174	18,762	22,357	25,221	25,707	+41.5%	+1.9%

(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	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	y/y	q/q
Financing	248.1	251.9	258.1	263.8	266.0	+7.2%	+0.8%
mortgages	102.7	104.1	109.6	113.4	114.9	+11.8%	+1.3%
mortgages in local currency	94.9	96.4	103.0	108.2	110.1	+16.0%	+1.7%
FX mortgages	7.8	7.7	6.6	5.3	4.8	-38.6%	-8.6%
consumer loans	33.8	34.6	35.0	35.5	36.5	+8.1%	+2.9%
companies	29.7	29.8	30.0	31.7	32.1	+8.2%	+1.5%
corporate	81.9	83.4	83.5	83.2	82.4	+0.7%	-0.9%
Debt securities	14.8	15.9	17.1	17.4	17.6	+18.5%	+1.1%
municipal bonds ⁽¹⁾	11.5	12.4	13.8	14.0	13.8	+19.4%	-1.5%
corporate bonds	3.3	3.6	3.4	3.4	3.8	+15.1%	+11.5%
Gross customer financing	263.0	267.8	275.2	281.2	283.6	+7.8%	+0.8%
Net customer financing	250.9	255.7	262.9	268.5	270.9	+8.0%	+0.9%

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

Customer savings



PLN billion	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	y/y	q/q
Retail and private banking⁽¹⁾	388.1	397.3	415.5	431.1	443.6	+14.3%	+2.9%
deposits	265.3	268.5	275.5	280.5	284.7	+7.3%	+1.5%
retail mutual funds	33.6	35.4	39.0	42.8	46.5	+38.6%	+8.6%
saving treasury bonds	89.2	93.4	101.0	107.8	112.4	+26.0%	+4.3%
Own bonds on clients' accounts	2.9	3.3	3.4	4.5	4.6	+60.1%	+2.5%
Corporate	61.9	65.8	78.4	68.0	69.6	+12.4%	+2.2%
Companies	38.4	41.7	44.7	43.7	44.2	+15.0%	+1.3%
Customer savings	491.4	508.1	542.1	547.3	562.0	+14.4%	+2.7%

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

Moody's banking system outlooks (BSO): Poland well positioned

● IMPROVING ● STABLE ● DETERIORATING

Country	Rating	Banking sector outlook	Operating environment	Asset risk	Capital	Profitability & efficiency	Funding & liquidity	Government support
Austria	Aa1	Negative	●	●	●	●	●	●
Belgium	Aa3	Negative	●	●	●	●	●	●
France	Aa2	Negative	●	●	●	●	●	●
Germany	Aaa	Negative	●	●	●	●	●	●
Italy	Baa3	Stable	●	●	●	●	●	●
Netherlands	Aaa	Negative	●	●	●	●	●	●
Poland	A2	Stable	●	●	●	●	●	●
Spain	Baa1	Stable	●	●	●	●	●	●



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