

*This document is a free translation of the Polish original. Terminology current in Anglo-Saxon countries has been used where practicable for the purposes of this translation in order to aid understanding. The binding Polish original should be referred to in matters of interpretation.*

# Independent Auditor's Report

## To the General Shareholders' Meeting and Supervisory Board of Powszechna Kasa Oszczędności Bank Polski S.A.

### Report on the Audit of the Annual Separate Financial Statements

#### Opinion

We have audited the accompanying annual separate financial statements of Powszechna Kasa Oszczędności Bank Polski S.A. (the "Bank"), which comprise:

- the separate statement of financial position as at 31 December 2025; and, for the period from 1 January to 31 December 2025:

- the separate statement of profit or loss;
- the separate statement of comprehensive income;
- the separate statement of changes in equity;
- the separate statement of cash flows;

and

- explanatory notes to the financial statements comprising a summary of significant accounting policies and other explanatory information

(the "separate financial statements").

In our opinion, the accompanying separate financial statements of the Bank:

- give a true and fair view of the unconsolidated financial position of the Bank as at 31 December 2025 and of its unconsolidated financial performance and its unconsolidated cash flows for the financial year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union ("IFRS EU") and the adopted accounting policy;
- comply, in all material respects, with regard to form and content, with applicable laws and regulations and the provisions of the Bank's articles of association;
- have been prepared, in all material respects, on the basis of properly maintained accounting records in accordance with chapter 2 of the accounting act dated 29 September 1994 (the "Accounting Act").

Our audit opinion on the separate financial statements is consistent with our report to the Audit Committee dated 11 March 2026.

## Basis for Opinion

We conducted our audit in accordance with:

- International Standards on Auditing as adopted by the National Council of Statutory Auditors and the Council of Polish Agency for Audit Oversight as National Standards on Auditing (the “NSA”); and
- the act on statutory auditors, audit firms and public oversight dated 11 May 2017 (the “Act on statutory auditors”);
- regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC (the “EU Regulation”); and
- other applicable laws and regulations.

Our responsibilities under those standards and regulations are further described in the Auditor’s Responsibility for the Audit of the Separate Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence and Ethics

We are independent of the Bank in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (“IESBA Code”) as adopted by the resolution of the National Council of Statutory Auditors, together with the ethical requirements that are relevant to audits of financial statements of public interest entities in Poland. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. During our audit the key statutory auditor and the audit firm remained independent of the Bank in accordance with requirements of the Act on statutory auditors and the EU Regulation.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate financial statements of the current period. They are the most significant assessed risks of material misstatements, including those due to fraud. Key audit matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon we have summarised our response to those risks. We do not provide a separate opinion on these matters. We have determined the following key audit matters:

## 1. Legal risk related to mortgage loans granted to individual customers in convertible currencies

The gross carrying amount of mortgage loans granted to individual customers in convertible currencies as at 31 December 2025 amounted to PLN 1,539 million (as at 31 December 2024: PLN 3,788 million). The total amount of adjustments decreasing the gross carrying amount of these loans and provisions for legal risk related to them as at 31 December 2025 amounted to PLN 12,000 million (as at 31 December 2024: PLN 13,399 million).

The costs of legal risk related to loans in convertible currencies recognized in the profit and loss account for 2025 amounted to PLN 4,365 million (in 2024: PLN 4,899 million).

Reference to the separate financial statements: note 23 "Cost of legal risk of mortgage loans in convertible currencies"

Key audit matter	Our response
<p>Historically, the Bank granted mortgage loans in convertible currencies, mainly indexed or denominated in Swiss francs ("currency mortgage loans") to individual customers. The indexation and denomination clauses contained in them are currently being challenged by borrowers who consider them abusive and are seeking invalidation of the loan agreements. The number of such cases has increased following the judgment of the Court of Justice of the European Union ("CJEU") of 3 October 2019 in case C-260/18. At the same time, the jurisprudence of common courts in Poland in the field of currency mortgage loans has significantly developed in recent years, leading to decisions that are predominantly favourable to consumers. In order to manage the risk of losses in this respect, starting from 2021, the Bank has been entering into settlement agreements with borrowers, both in the course of mediation and court proceedings and those resulting from a request for a call for an amicable settlement.</p> <p>The Bank assessed that the increase in the number of lawsuits may continue for some time in the future, which, given the predominantly unfavorable jurisprudence in this regard, may result in cash flows lower than those originally agreed in the loan contracts.</p> <p>Invalidation of foreign currency mortgage loan agreements results in the obligation to return the funds paid by the borrower and incur other costs related to settling the judgment.</p> <p>In order to estimate the losses in this respect, the Bank has developed a forecasting model which, based on, among other things, previous observations of trends in the number of lawsuits, settlements, types of court decisions and costs incurred in connection with them, enables the prediction of losses that will be incurred in connection with the settlement of judgments and</p>	<p>Our audit procedures included among others:</p> <ul style="list-style-type: none"> <li>• assessment of the Bank's methodology for estimating the legal risk of foreign currency mortgage loans, as well as accounting policy in this area;</li> <li>• evaluating the design and implementation of key internal controls over identification, monitoring and assessing the legal risk of foreign currency mortgage loans;</li> <li>• assessing the accuracy of significant inputs used to estimate the amount of legal risk of foreign currency mortgage loans by reconciling them with the relevant data from the Bank's IT systems and source documentation;</li> <li>• obtaining confirmations from external legal counsels on currency mortgage loans claims in order to assess their completeness;</li> <li>• reconciliation of the population of foreign currency mortgage loans to which legal risk applies;</li> <li>• assessment of the appropriateness of significant assumptions adopted by the Bank, such as the forecast of the number of future lawsuits and settlements, the probability of invalidation of loan agreements, the cost of settling court judgments and settlements - by checking them with historical data for 2025, as well as analysis of the assessment;</li> <li>• analysis of the monitoring of the predictive model conducted by the Bank;</li> <li>• verification of the arithmetic accuracy of the predictive model;</li> </ul>

<p>settlements ("legal risk of foreign currency mortgage loans").</p> <p>Due to the need to forecast future events that are beyond the Bank's control, the estimates of these losses are subject to significant uncertainty and a relatively small change in significant assumptions and/or model parameters may have a significant impact on the level of the Bank's losses recognized in the audited separate financial statements.</p> <p>For the above reasons, we considered the assessment of the Bank's estimate of the amount of legal risk and related disclosures in the separate financial statements to be a key audit matter.</p>	<ul style="list-style-type: none"> <li>• analysis of the sensitivity of the estimated impact of the legal risk of foreign currency mortgage loans on changes in key assumptions and assessment of whether the adopted level of these assumptions indicates the bias of the Management Board;</li> <li>• analysis of the completeness and accuracy of the settlement of court judgments concerning foreign currency mortgage loans;</li> <li>• assessment of the completeness and accuracy of the disclosures required by the relevant financial reporting standards concerning the estimation of the impact of the legal risk of foreign currency mortgage loans.</li> </ul>
--	--

## 2. Expected credit losses on loans and advances to customers and securities, and provisions for financial liabilities and guarantees granted

The net carrying amount of loans and advances to customers measured at amortized cost or fair value through other comprehensive income was PLN 271,058 million as of 31 December 2025 (PLN 243,742 million as of 31 December 2024), while the net carrying amount of securities measured at amortized cost or fair value through other comprehensive income was PLN 235,697 million as of 31 December 2025 (PLN 203,789 million as of 31 December 2024).

Cumulative expected credit losses related to the above balances amounted to PLN 8,228 million as of 31 December 2025 (PLN 7,901 million as of 31 December 2024), while the related net impairment allowance amounted to PLN 786 million in 2025 (PLN 938 million in 2024).

The balance of provisions for financial liabilities and guarantees granted amounted to PLN 620 million as of 31 December 2025 (PLN 621 million as of 31 December 2024). Provision recognised amounted to PLN 1 million in 2025 (provision release of PLN 126 million in 2024).

Reference to the separate financial statements: note 21 "Net allowances for expected credit losses", note 30 "Securities", note 31 "Loans and advances to customers", note 40 "Provisions" and note 48 "Credit risk – financial information".

Key audit matter	Our response
<p>The process of estimation of expected credit losses comprises two major phases – identification of significant increase in credit risk ("SICR") and impairment triggers and measurement of expected credit losses.</p> <p>Significant increase in credit risk and impairment triggers are identified mainly based on the timeliness of debt service, the economic and financial situation of borrowers and the current probability of default compared to the value of this parameter at the time of initial recognition of the exposure, while allowances for expected credit losses are estimated individually and – for homogeneous portfolios – using statistical</p>	<p>Our audit procedures, conducted with the support of our internal financial risk management and IT specialists included:</p> <ul style="list-style-type: none"> <li>• assessment of the Bank's methodology used for estimating expected credit loss provisions in terms of compliance with the requirements of IFRS 9 'Financial Instruments';</li> <li>• assessment of the design and implementation and testing of relevant internal controls, including general IT system controls, applied in the process of impairment triggers or significant</li> </ul>

<p>methods based on risk parameters. Risk parameters such as probability of default (PD), loss at default (LGD), exposure at default (EAD) value, as well as the allocation criteria and thresholds (SICR) to risk categories (stages) are determined for homogeneous groups of credit receivables based on historical data, taking into account the expected macroeconomic conditions.</p> <p>The allowance for expected credit losses is an estimate of the credit losses expected for credit receivables at the balance sheet date over a 12-month horizon or over the lifetime of the exposure. In accordance with the requirements of IFRS 9 'Financial Instruments', the measurement of expected credit losses takes into account forecasts about future economic conditions.</p> <p>The main risk area is the failure to identify existing impairment triggers and a significant increase in credit risk, and the selection of inappropriate data to determine the expected level of loss for Impairment Stage 3. In relation to individually assessed loans, there is a risk of adopting inappropriate assumptions regarding the application of recovery scenarios, collateral valuation or the dates of planned cash flows adopted by the Bank.</p> <p>In relation to portfolio assessed loans in Stage 3, the risk is the adoption of inappropriate recovery parameters based on observable historical data or failure to adjust these parameters to future expected economic conditions.</p> <p>A relatively small change in significant model assumptions and parameters, such as data and methods, can have a significant impact on the estimate of expected credit losses.</p> <p>We considered this area to be a key audit matter because the estimation of the allowance for expected credit losses is subject to significant inherent errors and uncertainties, requires the application of significant judgment and, given the size of the balance of financial assets exposed to credit risk, has a material impact on the separate financial statements.</p>	<p>increase in credit risk and estimation of expected credit losses;</p> <ul style="list-style-type: none"> <li>• analytical procedures on the structure and dynamics of changes in the balance of credit receivables and parameters reflecting the quality of the credit portfolio and the level of provisions (e.g. share of overdue loans, coverage ratio), aimed at identifying groups of credit receivables with underestimated provisions for expected credit losses;</li> <li>• analysis of the appropriateness of the Bank's identification of impairment triggers, significant increase in credit risk and allocation of financial assets to stages according to the level of credit risk, taking into account quantitative and qualitative criteria;</li> <li>• critical assessment of assumptions and input data used for key credit risk parameters, such as SICR, PD, LGD, EAD, CCF;</li> <li>• independent recalculation of selected credit-risk parameters for selected credit sub-portfolios;</li> <li>• assessment of adequacy of allowances for expected credit losses through comparison with losses incurred historically on a given homogenous portfolio;</li> <li>• for significant receivables analyzed individually based on a selected sample – an assessment of the correctness of the identification of a significant increase in credit risk and evidence of impairment, and for impaired assets a critical assessment of key assumptions adopted by the Bank and an independent recalculation of the value of these provisions;</li> <li>• assessment of completeness and appropriateness of disclosures required by the relevant financial reporting standards in the separate financial statements regarding significant judgments and estimates of expected credit losses, including uncertainty related to expected macroeconomic scenarios, as well as sensitivity analysis of the level of expected credit losses relative to key assumptions applied in the model.</li> </ul>
--	---

## Responsibility of the Management Board and Supervisory Board of the Bank for the Separate Financial Statements

The Management Board of the Bank is responsible for the preparation, on the basis of properly maintained accounting records, of the separate financial statements that give a true and fair view in accordance with IFRS EU, the adopted accounting policy, the applicable laws and regulations and the provisions of the Bank's articles of association and for such internal control as the Management Board of the Bank determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, the Management Board of the Bank is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management Board of the Bank either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

According to the Accounting Act, the Management Board and members of the Supervisory Board of the Bank are required to ensure that the separate financial statements are in compliance with the requirements set forth in the Accounting Act. Members of the Supervisory Board of the Bank are responsible for overseeing the Bank's financial reporting process.

## Auditor's Responsibility for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

The scope of audit does not include assurance on the future viability of the Bank or on the efficiency or effectiveness with which the Management Board of the Bank has conducted or will conduct the affairs of the Bank.

As part of an audit in accordance with NSAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Board of the Bank;
- conclude on the appropriateness of the Management Board of the Bank's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report on the audit of the separate financial statements to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report on the audit of the separate financial statements. However, future events or conditions may cause the Bank to cease to continue as a going concern;



- evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit Committee of the Bank regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide the Audit Committee of the Bank with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee of the Bank, we determine those matters that were of most significance in the audit of the separate financial statements of the current reporting period and are therefore the key audit matters. We describe these matters in our auditors' report on the audit of the separate financial statements unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Other Information

Other information includes:

- The Letter from the President of the Management Board of PKO Bank Polski S.A. regarding the Bank's activities in 2025,
- The Management Board report on the activities of the PKO Bank Polski S.A. Capital Group for 2025 prepared together with the Management Board report on the activities of PKO Bank Polski S.A. ("report on activities") together with a statement on the application of corporate governance and sustainability statement, which are separate parts of this report on activities,
- The Management Board information on the audit firm conducting the audit of the consolidated financial statements of the PKO Bank Polski S.A. Capital Group for the year ended 31 December 2025 and the financial statements of PKO Bank Polski S.A. for the year ended 31 December 2025 and attestation of the sustainability statement of the PKO Bank Polski S.A. Capital Group for the year ended 31 December 2025,
- The Statement of the Supervisory Board of PKO Bank Polski S.A. regarding the Audit Committee of the Supervisory Board of PKO Bank Polski S.A.,
- The Assessment of the Supervisory Board together with justification regarding the consolidated financial statements of the PKO Bank Polski S.A. Capital Group for the year ended 31 December 2025, the financial statements of PKO Bank Polski S.A. for the year ended 31 December 2025 and the Management Board's report on the activities of the PKO Bank Polski S.A. Capital Group for 2025 in terms of compliance with the books, documents and the actual state of affairs,
- The assurance report on the sustainability statement

(together "other information").

All elements of other information except for the Management Board information on the audit firm conducting the audit of the consolidated financial statements of the PKO Bank Polski S.A. Capital Group for the year ended 31 December 2025 and the financial statements of PKO Bank Polski S.A. for the year ended 31 December 2025 and attestation of the sustainability statement of the PKO Bank Polski S.A. Capital Group for the year ended 31 December 2025, the Statement of the Supervisory Board of PKO Bank Polski S.A. regarding the Audit Committee of the Supervisory Board of PKO Bank Polski S.A. and the Assessment of the Supervisory Board together with justification regarding the consolidated financial statements of the PKO Bank Polski S.A. Capital Group for the year ended 31 December 2025, the financial statements of PKO Bank Polski S.A. for the year ended 31 December 2025 and the Management Board's report on the activities of the PKO Bank Polski S.A. Capital Group

for 2025 in terms of compliance with the books, documents and the actual state of affairs were made available to us before the date of this auditor's report and the mentioned elements of other information – according to the information provided to us – will be made available to us after that date, after the required meetings of the bodies have been held and the relevant resolutions and declarations have been adopted.

The Management Board of the Bank is responsible for the other information. The Management Board and members of the Supervisory Board of the Bank are required to ensure that the report on activities, including its separate parts, is in compliance with the requirements set forth in the Accounting Act.

Our opinion on the separate financial statements does not cover the other information. With regard to the sustainability reporting, which constitutes a separate part of the report on activities, we performed an assurance engagement, the results of which were presented in a separate assurance report with an unmodified opinion, which is included as part of the other information.

In connection with our audit of the separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we have obtained prior to the date of this auditors' report, we conclude that there is a material misstatement in the other information, we are required to report that fact. We have nothing to report in this regard.

#### *Additional Matters to be Reported under the Act on Statutory Auditors*

In accordance with the Act on statutory auditors our responsibility is to opine on whether the report on activities, excluding the sustainability reporting, was prepared in accordance with applicable laws and regulations and the information given in the report on activities is consistent with the separate financial statements.

Moreover, in accordance with the requirements of the Act on statutory auditors our responsibility is to opine on whether the Bank included in the statement on corporate governance the information required by the applicable laws and regulations, and in relation to specific information indicated in those laws or regulations, to determine whether it complies with the applicable laws and regulations and is consistent with the separate financial statements.

#### *Opinion on the Report on Activities*

Based on the work undertaken in the course of our audit of the separate financial statements, in our opinion, the accompanying report on activities, excluding the sustainability reporting, in all material respects:

- has been prepared in accordance with applicable laws and regulations, and
- is consistent with the separate financial statements.

#### *Opinion on the Statement on Corporate Governance*

In our opinion, the corporate governance statement, which is a separate part of the report on activities, includes the information required by paragraph 72 subparagraph 7 point 5 of the Decree of the Ministry of Finance dated 6 June 2025 on current and periodic information provided by issuers of securities and the conditions for recognition as equivalent of information required by the laws and regulations of a non-member state (the "decree").

Furthermore, in our opinion, the information identified in paragraph 72 subparagraph 7 point 5 letter c-f, h and letter i of the decree, included in the corporate governance statement, in all material respects:

- has been prepared in accordance with applicable laws and regulations; and
- is consistent with the separate financial statements.



### *Statement on Report on Activities*

Furthermore, based on our knowledge about the Bank and its environment obtained in the audit of the separate financial statements, we have not identified material misstatements in the report on activities. This statement does not cover the sustainability reporting.

## **Report on Other Legal and Regulatory Requirements**

### **Information on Compliance with Prudential Regulations**

The Management Board of the Bank is responsible for the Bank's compliance with the applicable prudential regulations defined in separate laws, in particular for the appropriate determination of the capital ratios.

Our responsibility was to inform in our auditor's report whether the Bank complies with the applicable prudential regulations defined in separate laws, in particular whether the Bank appropriately determined the capital ratios presented in note 58 "Capital Adequacy".

The audit objective was not to express an opinion on the Bank's compliance with the applicable prudential regulations and therefore we do not express such an opinion.

Based on our audit of the separate financial statements of the Bank, we inform that we have not identified any instances of non-compliance, in the period from 1 January to 31 December 2025, of the Bank with the applicable prudential regulations, defined in separate laws, in particular with respect to the determination of the capital ratios as at 31 December 2025, that could have a material impact on the separate financial statements.

### **Statement on Services Other than Audit of the Financial Statements**

To the best of our knowledge and belief, we did not provide prohibited non-audit services referred to in Art. 5 paragraph 1 second subparagraph of the EU Regulation and Art. 136 of the act on statutory auditors.

Services other than audit of the financial statements, which were provided to the Bank in the audited period are listed in point 11.2.2 of the report on activities.

### **Appointment of the Audit Firm**

We have been appointed for the first time to audit the annual separate financial statements of the Bank by resolution of the Supervisory Board dated 15 December 2022. Our period of total uninterrupted engagement is 2 years, covering the periods ended 31 December 2024 to 31 December 2025.

On behalf of audit firm

**KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.**

Registration No. 3546

*Signed on the Polish original*

Katarzyna Łacka-Dziekan

Key Statutory Auditor  
Registration No. 13131

Warsaw, 11 March 2026

*Signed on the Polish original*

Tadeusz de Ville

Proxy