Bank Hipoteczny

This document is a translation of a document originally issued in Polish.
The only binding version is the original Polish version.

Directors' Commentary on the results of PKO Bank Hipoteczny SA for the nine-month period ended 30 September 2026

TABLE OF CONTENTS

1. SUMMARY OF THE THIRD QUARTER OF 2026 3
1.1. KEY EVENTS IN THE THIRD QUARTER OF 2026 3
2. EXTERNAL OPERATING CONDITIONS 4
2.1. MACROECONOMIC ENVIRONMENT 4
2.2. RESIDENTIAL REAL ESTATE MARKET 4
2.3. RESIDENTIAL LOAN MARKET 5
2.4. MORTGAGE COVERED BONDS MARKET 5
2.5. REGULATORY AND LEGAL ENVIRONMENT 6
2.6. FACTORS WHICH WILL AFFECT THE BANK'S FUTURE FINANCIAL PERFORMANCE 6
3. THE BANK'S FINANCIAL PERFORMANCE 7
3.1. KEY FINANCIAL INDICATORS OF PKO BANK HIPOTECZNY SA 7
3.2. STATEMENT OF FINANCIAL POSITION OF PKO BANK HIPOTECZNY SA 7
3.3. INCOME STATEMENT OF PKO BANK HIPOTECZNY SA 8
4. BUSINESS OPERATIONS OF PKO BANK HIPOTECZNY SA 9
4.1. SALES OF RESIDENTIAL MORTGAGE LOANS UNDER THE AGENCY MODEL 9
4.2. PURCHASE OF RECEIVABLES IN RESPECT OF RESIDENTIAL MORTGAGE LOANS 10
4.3. MORTGAGE COVERED BONDS 10
5. OTHER INFORMATION 13

1. SUMMARY OF THE THIRD QUARTER OF 2026

1.1. KEY EVENTS IN THE THIRD QUARTER OF 2026

PKO Bank Hipoteczny SA (the "Bank") specializes in granting residential mortgage loans to individual customers and purchasing receivables in respect of such loans. The Bank obtains loans for its portfolio based on strategic cooperation with PKO Bank Polski SA.

PKO Bank Hipoteczny SA is the leader of the Polish mortgage bank market in terms of both total assets and the balance of residential mortgage loans. The Bank is also the largest issuer of mortgage covered bonds in Poland.

STRATEGY OF PKO BANK HIPOTECZNY SA FOR 2026 – 2028

In the third quarter, the Bank continued to pursuit the new Strategy of PKO Bank Hipoteczny. This included introducing mortgage loans based on the POLSTR 1M Compound Rate reference ratio in the Bank's product mix as from 3 September 2026.

In the first quarter of 2026, the updated Strategy of PKO Bank Hipoteczny SA for 2026 – 2028 was adopted by the Bank's Management Board and approved by the Supervisory Board.

The Strategy defines:

- the Bank's pillars and strategic goals;
- the Bank's market position;
- the Bank's operating model, including the financial model for 2026 - 2028.

The Bank's strategic goals under the strategy include:



LOAN PORTFOLIO

The Bank's operations consist of both granting new residential mortgage loans and purchasing such loans from PKO Bank Polski SA. As at the end of the third quarter of 2026, the Bank's total assets amounted to PLN 19.4 billion, including PLN 18.6 billion representing a high quality portfolio of residential loans.

MORTGAGE COVERED BONDS

In the first three quarters of 2026, the Bank carried out three issues of mortgage covered bonds. Two issues totalling PLN 1,525 million were intended for individual investors, and one issue of EUR 500 million was intended for institutional investors. As at 30.09.2026, the value of outstanding mortgage covered bonds issued by PKO Bank Hipoteczny SA amounted to PLN 11.2 billion, which allowed the Bank to maintain its lead position on the Polish mortgage covered bonds market with a market share of approx. 44%.

2. EXTERNAL OPERATING CONDITIONS

Macroeconomic environment
Residential real estate market
Residential loan market
Mortgage covered bonds market
Regulatory and legal environment
Factors which will affect the Bank's future financial performance

2.1. MACROECONOMIC ENVIRONMENT

The monthly data suggest that economic growth in the third quarter of 2026 has most probably slowed down compared with the 4.1% y/y growth recorded in the second quarter of 2026, which was partly due to the effect of the high reference base at the end of 2025. Industrial production, construction output and retail sales grew at a solid pace, although the recovery is selective in nature and concentrates in sectors which benefit from growing investment in AI, electronics, energy and defence. Despite the negative external shocks, the national economy is on the rise. Consumption remains the main driving force, although investments backed by the increasing absorption of EU funds play an increasingly important role in GDP growth.

Data from the enterprise sector confirm the stable situation on the labour market. In the third quarter, employment in the enterprise sector declined at a rate of 0.8-0.9% y/y, however, the registered unemployment rate remained at 5.8% throughout the period, which was, on average, 0.3 p.p. higher than in the previous year. The suppressed demand for labour helped to stabilize the growth in wages and salaries in the enterprise sector at approx. 6.0% y/y. Increased inflation curbed real income growth; nevertheless, real wages and salaries continued to rise.

NBP interest rates as at the end of the second quarter of 2026

- reference 3.75%
- bill of exchange discount 3.85%
- bill of exchange rediscount 3.80%
- Lombard 4.25%
- deposit 3.25%

The increase in prices of energy resources brought about by the war in the Middle East pushed up domestic inflation. CPI inflation amounted to 4.1% y/y in September and, for the first time in 15 months, it exceeded the upper limit of the inflation target. Base inflation also increased, however, its acceleration was concentrated in several categories; the data do not indicate the presence of the "effects of the second round" of the fuel shock. The risk of a further increase in inflation in 2026 is mitigated by the reintroduction of the CPN ("Lower Fuel Prices") Scheme. Forecasts indicate that inflation will probably return to its target level at the end of 2027, however, the uncertainty over future energy prices and regulatory solutions remains high. In the third quarter, the Monetary Policy Council kept interest rates unchanged, with a reference rate of 3.75%. The Council's further decisions dependend on the inflation outlook, whereas the MPC assures that it is determined to restore the target inflation level and that it is prepared to raise interest rates, should it be necessary. However, NBP President A. Glapiński noted that, for the time being, he does not see the need for that.

2.2. RESIDENTIAL REAL ESTATE MARKET

SITUATION ON THE RESIDENTIAL REAL ESTATE MARKET IN POLAND

For as long as two years (i.e. since mid-2024), the transaction prices of residential real estate have been stable, fluctuating slightly around an almost horizontal trend line. During that period, the increase in nominal wages and salaries contributed to a gradual improvement in housing affordability indices reflecting the ratio of the average household income to average apartment prices. During the first three quarters of 2026, the residential property market was characterized by a gradual recovery in demand for residential real estate, driven mainly by factors

such as: (1) a series of cuts in interest rates in 2025 and the first quarter of 2026, leading to lower costs of funding and an increase in homebuyers' borrowing capacity (of 2 percentage points in total); (2) stabilization of prices of residential real estate; (3) growth in wages and salaries; (4) a stable labour market.

The recovery in demand has met with a record high supply of new apartments on the primary market, which effectively curbed the rise in apartment prices.

PRIMARY MARKET

The year 2026 on the domestic primary market began with a record high volume of new apartments on offer in the developers' portfolios. The increase in sales of apartments observed during the first three quarters of 2026 put a stop to a further increase in supply (the number of apartments on offer). According to JLL data, in the first half of 2026, in the segment of seven large cities, nearly 25 thousand apartments were sold, which was nearly 30% more than in the corresponding period of the previous year. On the other hand, the data published by otodom.pl show very good sales results in the third quarter of the current year, the highest in the current year, and a 25% increase compared with the corresponding quarter of the previous year.

Furthermore, the data from Statistics Poland (GUS) for the first three quarters of 2026 shows that developers maintained a high level of investment activity. During that period, they were issued 19% more building permits for apartments than in the corresponding period of the previous year. On the other hand, the number of apartments whose construction has begun increased by 3% on an annual basis in the period under discussion, whereas the number of apartments commissioned for use increased by 1%.

The high supply of residential real estate had a stabilizing effect on prices. The data published by the NBP show that in the third quarter of 2026 the average transaction price on the primary market in the segment of seven large cities was merely 0.6% higher than a year before. The average price in the segment of 10 medium-sized cities increased a little more, i.e. by 3%. A preliminary data analysis suggests the continuation of the stabilization of prices during the third quarter 2026.

SECONDARY MARKET

On the secondary market, trends in pricing and sales volumes were largely in line with those observed on the primary market. According to the NBP data, in the third quarter of 2026 in the segment of seven large cities average prices were almost identical as in the previous year (+0.74%), whereas in the segment of 10 medium-sized cities they were only slightly higher (+2.6%). Just as in the case of the primary market, preliminary analyses show the continuation of the stabilization of prices during the third quarter 2026.

2.3. RESIDENTIAL LOAN MARKET

Based on the NBP data, as at 30 September 2026 the banks' receivables in respect of residential loans in Poland were PLN 545.7 billion and increased by 7.2% y/y. As at 30 September 2026, the balance of loans in PLN was PLN 514.3 billion (94% of the total amounts due to banks in respect of residential loans in Poland) and increased by 10.9% y/y.
The total outstanding balance of residential loans as a percentage of GDP (as estimated by PKO BP and expressed in market prices) amounted to approx. 13.4% as at the end of September 2026. This figure is significantly below the European Union average. This shows the large development potential of the residential loan market in Poland.

2.4. MORTGAGE COVERED BONDS MARKET

As at 30 September 2026, five mortgage banks were operating in Poland:

- PKO Bank Hipoteczny SA;
- mBank Hipoteczny SA;
- Pekao Bank Hipoteczny SA;
- ING Bank Hipoteczny SA;
- Millennium Bank Hipoteczny SA.

The Polish mortgage covered bonds market is relatively small and moderately liquid. As at the end of September 2026, the value of mortgage covered bonds issued by Polish mortgage banks totalled PLN 25.5 billion, an increase of approx. PLN 7.8 billion compared with 30 September 2025. As at the end of September 2026, the mortgage covered bonds issued by Polish banks corresponded to 4.6% of the amount of the residential loans granted by banks.

PKO Bank Hipoteczny SA is the largest issuer of mortgage covered bonds in Poland. As at 30 September 2026, the outstanding mortgage covered bonds issued by PKO Bank Hipoteczny SA amounted to PLN 11.2 billion. In the third quarter of 2026, PKO Bank Hipoteczny SA issued Series 3N retail mortgage covered bonds of PLN 525.1 million.

2.5. REGULATORY AND LEGAL ENVIRONMENT

In the third quarter of 2026, the following legal, regulatory and supervisory solutions significantly affecting the operations of PKO Bank Hipoteczny SA came into force:

BANKING LAW	The Act of 31 July 2026 amending the Banking Law and certain other acts came into force on 29 September 2026, incorporating the EU banking package CRD VI/ CRR III into the Polish legal system. The amendment changes, among other things, the rules of oversight over bank management, strengthens the PFSA's powers and introduces requirements for ESG risk.
PERSONAL INVESTMENT ACCOUNTS	By way of the Act of 3 July 2026 on Personal Investment Accounts, which will come into force on 1 January 2027, a preferential form of building up savings and capital was introduced. The Act defines mortgage covered bonds as official investment assets, which will enable individual investors to exempt gains on those instruments from tax.
LTFR RECOMMENDATION concerning the Long-Term Funding Ratio	On 22 July 2026, the Polish Financial Supervision Authority adopted an amendment to the Recommendation concerning the Long-Term Funding Ratio (WFD) which primarily provides that its target value will be reduced from 40% to 20%. Banks should comply with the expected WFD at 20% starting from 31 December 2026.

2.6. FACTORS WHICH WILL AFFECT THE BANK'S FUTURE FINANCIAL PERFORMANCE

The significant factors and risks which may affect the Bank's performance over at least the following quarter of 2026 include:

In the global economy:

- the conflicts in Ukraine and the Middle East escalating or dragging on and their impact on the prices and availability of commodities, inflation, trade, investments, supply chains and risk appetite;
- continued increased inflation and high interest rates of the main central banks, related to, among other things, the high prices of energy resources;
- significant volatility in the financial markets, the increase in bond yields and public debt;
- continued relatively low economic growth rates around the world, including in Europe;
- energy transition, changes in environmental requirements and the physical effects of climate change;
- the impact of the development of artificial intelligence and automation on investments, productivity, the labour market and the structure of the economy.

In the Polish economy:

- political instability hindering the implementation of economic policies and structural reforms;
- tax changes, including the risk of an increase in CIT rates, among other things, for banks;
- changes in NBP interest rates, the level and interest rate of the mandatory reserve, and the sustained demand for loans;
- tensions in public finance, inflationary pressure and an increase in yields on Polish bonds;
- the implementation of the POLSTR® benchmark, changes relating to WIBOR rates and the WFD (Long-Term Funding Ratio) and their impact on the financial market;
- the consequences of a possible end to the war in Ukraine for the labour market, demand and the valuation of assets.

3. THE BANK'S FINANCIAL PERFORMANCE

Key financial indicators of PKO Bank Hipoteczny SA
Statement of financial position of PKO Bank Hipoteczny SA
Income statement of PKO Bank Hipoteczny SA

3.1. KEY FINANCIAL INDICATORS OF PKO BANK HIPOTECZNY SA

	30.09.2026	31.12.2025	Change
Total assets (in PLN million)	19,408.8	17,938.3	+1,470.5
ROA[1]	0.2	0.5	-0.3 p.p.
ROE[2]	2.1	5.4	-3.3 p.p.
Total capital ratio (TCR)	25.1%	28.7%	-3.6 p.p.
Leverage ratio (LR)	8.5%	9.2%	-0.7 p.p.
Cost/income ratio (C/I)[3]	35.1%	27.7%	+7.4 p.p.

3.2. STATEMENT OF FINANCIAL POSITION OF PKO BANK HIPOTECZNY SA

in PLN million	30.09.2026	31.12.2025
Cash and balances with the Central Bank	0.0	0.0
Amounts due from banks	3.0	2.9
Derivative hedging instruments	10.2	0.2
Securities	772.2	786.2
Loans and advances to customers	18,568.3	17,130.4
Other assets[4]	55.1	18.6
TOTAL ASSETS	**19,408.8**	**17,938.3**

in PLN million	30.09.2026	31.12.2025
Amounts due to banks	4,531.9	4,679.6
Derivative hedging instruments	25.8	21.7

[1] Ratio calculated as the quotient of the net profit/(loss) for a given period and the average balance of assets as at the beginning and the end of the reporting period, and interim monthly periods.
[2] Ratio calculated by dividing the net profit/(loss) for a given period by the average balance of total equity as at the beginning and the end of the reporting period, and interim monthly periods.
[3] The ratio does not take into account the tax on certain financial institutions.
[4] It covers the following items of the statement of financial position: intangible assets; property, plant and equipment; deferred income tax assets; and other assets.

Liabilities in respect of mortgage covered bonds issued	11,226.7	8,431.6
Liabilities in respect of bonds issued	1,928.9	2,925.8
Other liabilities and provisions[5]	98.5	138.7
Equity	1,597.0	1,740.9
TOTAL LIABILITIES AND EQUITY	**19,408.8**	**17,938.3**

As at 30 September 2026, the total assets of PKO Bank Hipoteczny SA amounted to PLN 19,408.8 million, which represents an 8.2% increase compared with the end of 2025. The key item of the Bank's assets was residential loans. Their carrying amount, net of allowances for expected credit losses, amounted to PLN 18,568.3 million as at 30 September 2026, including PLN 8,662.1 million worth of loans granted as part of new sales, whereas PLN 9,906.2 million represented loans purchased from PKO Bank Polski SA.

On the liabilities side, the share of mortgage covered bonds increased as a result of new issues. As at 30.09.2026, it represented 57.8% of total liabilities and equity.

As at the end of September 2026, the carrying amount of mortgage covered bonds was PLN 11,226.7 million, which represents a 33.2% increase compared with the end of 2025.

As at 30 September 2026, amounts due to PKO Bank Polski SA constituted a significant item of the Bank's liabilities and equity. They were liabilities in respect of loans and overdraft facilities under the available limit, liabilities in respect of purchased receivables, liabilities in respect of mortgage covered bonds and other bonds acquired by PKO Bank Polski SA, and other amounts due to PKO Bank Polski SA. They totalled PLN 5,411.2 million. Short-term bonds issued by the Bank were also a significant source of funding for the Bank's operations. As at 30 September 2026, their balance amounted to PLN 1,928.9 million, which represents a 34.1% decrease compared with the end of 2025.

3.3. INCOME STATEMENT OF PKO BANK HIPOTECZNY SA

in PLN million	01.01.2026 – 30.09.2026	01.01.2025 – 30.09.2025	Change y/y (in PLN million)
Net interest income/(expense)	171.3	210.3	(39.0)
Net fee and commission income/(expense)	(4.5)	(4.7)	0.2
Net gain/(loss) on financial instruments measured at fair value through profit or loss	0	0	0
Net foreign exchange gains/(losses)	(0.2)	(0.1)	(0.1)
Net allowances for credit losses	(1.9)	4.6	(6.5)
Net other operating income and expense	0.3	0.5	(0.2)
Administrative expenses	(42.1)	(39.6)	(2.5)
Regulatory charges	(19.7)	(17.2)	(2.5)
Tax on certain financial institutions	(42.1)	(36.5)	(5.6)
Operating profit/(loss)	**61.1**	**117.3**	**(56.2)**
Profit before tax	**61.1**	**117.3**	**(56.2)**
Corporate income tax	(34.3)	(31.6)	(2.7)
Net profit	**26.8**	**85.7**	**(58.9)**

In the first three quarters of 2026, PKO Bank Hipoteczny SA earned a net profit of PLN 26.8 million, which represents a decrease of PLN 58.9 million compared with the corresponding period of 2025. The lower net y/y profit was primarily the result of significant cuts in market interest rates, an increase in regulatory charges, allowances for credit losses (which was mainly due to an increase in the volume of the loan portfolio and the quarterly updating of the portfolio parameters and changes in the model) and an increase in CIT.

[5] It covers the following items of the statement of financial position: amounts due to customers; other liabilities; current income tax liabilities; a deferred income tax provision; and other provisions.

In the analysed period, the Bank generated interest income of PLN 768.0 million, mainly on residential loans of PLN 736.2 million, and on debt securities and hedge instruments. During that period, the Bank incurred interest expense of PLN 596.7 million, resulting primarily from the mortgage covered bonds issued and the costs of hedging transactions. The respective interest expense totalled PLN 336.0 million. The Bank also incurred interest expense of PLN 169.6 million on loans received and the utilization of the overdraft limit, and PLN 80.8 million on bonds issued.

The Bank's turnover in the period from January to September 2026 (understood as the total of interest income and fee and commission income) amounted to PLN 771.6 million. The entire turnover achieved was generated from the Bank's operations in Poland.

Over the first three quarters of 2026, the Bank incurred administrative expenses of PLN 42.1 million. Material costs of PLN 21.6 million and employee benefit costs of PLN 19.2 million in the reporting period represented significant items of administrative expenses.

Over the first three quarters of 2026, costs relating to regulatory charges amounted to PLN 19.7 million. The main component of these costs was a contribution to the resolution fund of the Bank Guarantee Fund, which amounted to PLN 17.0 million and increased by PLN 3.0 million y/y (nearly 22%).

Tax on certain financial institutions, which amounted to PLN 42.1 million in the reporting period, was also a significant item of the Bank's operating expenses.

During the first three quarters of 2026, the Bank's net allowances for expected credit losses amounted to PLN (1.9) million (recognition of additional allowances, net). The cost of risk is very low, which is the consequence of maintaining strict control over credit risk that translates into the very good quality of the loan portfolio. The cumulative 12-month credit risk cost ratio amounted to 0.00%.

4. BUSINESS OPERATIONS OF PKO BANK HIPOTECZNY SA

Sale of residential mortgage loans under the agency model
Purchase of receivables in respect of residential mortgage loans
Mortgage covered bonds

4.1. SALES OF RESIDENTIAL MORTGAGE LOANS UNDER THE AGENCY MODEL

PKO Bank Hipoteczny SA has been granting residential loans in Polish zlotys since 1 April 2015. Residential loans are sold under the agency model, through the largest network of branches, agents and intermediaries of PKO Bank Polski SA in Poland. The Bank accepts apartments and single-family houses as collateral.

During the first three quarters of 2026, the Bank granted mortgage loans of PLN 794 million.

In accordance with the provisions of Recommendation S of the Polish Financial Supervision Authority, the Bank grants loans for which the ratio of the loan amount to the market value of the real estate does not exceed 80%. Moreover, in accordance with the Polish Act on Mortgage Covered Bonds and Mortgage Banks, the Bank only grants loans for which the ratio of the loan amount to the mortgage lending value of the real estate does not exceed 100%.

The main criteria applied by PKO Bank Hipoteczny SA in granting mortgage loans are presented in the table below.

Criteria	Agency model
Loan amount / market value of real estate	Max. 80%[6]
Loan amount / mortgage lending value of real estate	Max. 100%
Legal title to real estate	Ownership or perpetual usufruct

[6] If the credited required own down payment is insured, the Bank allows granting a loan where the ratio does not exceed 90%.

Loan collateral	First mortgage entered in Section IV of the Land and Mortgage Register
Currency	PLN
Purpose	Residential purposes

The Bank offers newly granted loans with interest rates based on a five-year fixed base interest rate. It also offers the option of changing the interest rates during the term of the loan (by signing an annex to the agreement) for the entire loan portfolio. Since 3 September 2026, the Bank has been offering newly granted loans based on the POLSTR 1M Compound Rate reference ratio.

4.2. PURCHASE OF RECEIVABLES IN RESPECT OF RESIDENTIAL MORTGAGE LOANS

As part of its business activities, PKO Bank Hipoteczny SA purchases receivables in respect of residential mortgage loans from PKO Bank Polski SA based on a framework agreement signed in 2015.

Over the first three quarters of 2026, PKO Bank Hipoteczny SA purchased a portfolio of receivables in respect of residential mortgage loans totalling PLN 2,937 million from PKO Bank Polski SA.

The main criteria applied by PKO Bank Hipoteczny SA in purchasing mortgage loans are presented in the table below.

CRITERIA	POOLING MODEL
Loan amount / mortgage lending value of real estate	Max. 100%
Legal title to real estate	Ownership or perpetual usufruct
Loan collateral	First mortgage entered in Section IV of the Land and Mortgage Register
Currency	PLN
Days past due or indications of impairment	None
Purpose	Residential purposes
Assessment of borrowers' creditworthiness	Positive

4.3. MORTGAGE COVERED BONDS

The key objective of PKO Bank Hipoteczny SA is the issuance of mortgage covered bonds which are the main source of funding for loans secured with real estate.

ISSUES OF MORTGAGE COVERED BONDS UNDER THE DOMESTIC PROGRAMME OF ISSUANCE OF MORTGAGE COVERED BONDS

Since the beginning of its operations, PKO Bank Hipoteczny SA has issued 13 series of domestic mortgage covered bonds for institutional investors, including two issues of Green Covered Bonds. These issues were conducted under the Domestic Programme of Issuance of Mortgage Covered Bonds of PKO Bank Hipoteczny SA established in November 2015.

Outstanding mortgage covered bonds of PKO Bank Hipoteczny SA in PLN, issued for institutional investors under the Domestic Programme of Issuance of Mortgage Covered Bonds, carried out by 30 September 2026:

Series	Mortgage covered bond number (ISIN)	Issue date	Redemption date	Value of series (in PLN million)	Interest rate	Currency	Issue rating	Place of listing
10	PLPKOHP00108	24.08.2018	24.08.2028	60	3.4875%	PLN	Aa2	Bondspot, parallel regulated market of the WSE

In the period from October 2025 to 30 September 2026 the Bank issued three series of mortgage covered bonds for individual investors under the Domestic Programme of Issuance of Mortgage Covered Bonds amended in 2025:

Series	Mortgage covered bond number (ISIN)	Issue date	Redemption date	Value of series (in PLN million)	Interest rate	Currency	Issue rating	Place of listing
1N	PLPKOHP00215	24.10.2025	27.11.2028	1,155.2	5% p.a. in the first six-month period, NBP reference rate plus a margin of 0.25% in the following periods	PLN	issuer did not apply for a rating	Catalyst, parallel regulated market of the WSE
2N	PLPKOHP00223	24.04.2026	30.04.2030	1,000	4% p.a. in the first three-month period, NBP reference rate plus a margin of 0.25% in the following periods	PLN	issuer did not apply for a rating	Catalyst, parallel regulated market of the WSE
3N	PLPKOHP00231	25.09.2026	25.09.2030	525.1	4% p.a. in the first three-month period, NBP reference rate plus a margin of 0.25% in the following periods	PLN	issuer did not apply for a rating	Catalyst, parallel regulated market of the WSE*

*first listed on 01.10.2026

The total value of outstanding mortgage covered bonds issued by PKO Bank Hipoteczny SA for the domestic market (at nominal value) amounted to PLN 2.7 trillion. They are accepted in repo transactions by the National Bank of Poland.

ISSUES OF MORTGAGE COVERED BONDS UNDER THE INTERNATIONAL PROGRAMME OF ISSUANCE OF MORTGAGE COVERED BONDS

Since the beginning of its operations, PKO Bank Hipoteczny SA has issued 17 series of mortgage covered bonds under the International Programme of Issuance of Mortgage Covered Bonds, including 10 issues denominated in EUR and seven issues denominated in PLN.

The total value of outstanding mortgage covered bonds issued under the International Programme of Issuance of Mortgage Covered Bonds of PKO Bank Hipoteczny SA (at nominal value) denominated in EUR and PLN as at the end of September 2026 amounted to EUR 1 trillion and PLN 4.050 trillion, respectively, which, using the average exchange rate of the euro published by the National Bank of Poland as at 30 September 2026 (EUR 1 = 4.3672), totals PLN 8.4 trillion. Moreover, mortgage covered bonds denominated in EUR are accepted in repo transactions by the National Bank of Poland and the European Central Bank.

Outstanding mortgage covered bonds of PKO Bank Hipoteczny SA issued under the International Programme of Issuance of Mortgage Covered Bonds carried out by 30 September 2026:

Series	Mortgage covered bond number (ISIN)	Issue date	Redemption date	Value of series (in millions)	Currency	Coupon	Issue rating	Place of listing
11	XS2711876370	02.11.2023	02.11.2026	750	PLN	WIBOR 3M + 0.78%	Aa2	LuxSE, parallel regulated market of the WSE
12	XS2787873541	22.03.2024	22.03.2028	1,000	PLN	WIBOR 3M + 0.55%	Aa2	LuxSE, parallel regulated market of the WSE
13	XS2854926701	05.07.2024	04.07.2028	500	PLN	WIBOR 3M + 0.55%	Aa2	LuxSE, parallel regulated market of the WSE
14	PLL219200028	24.10.2024	24.10.2028	1,000	PLN	WIBOR 3M + 0.70%	Aa2	parallel regulated market of the WSE
15	PLL219200036	27.02.2025	27.02.2029	800	PLN	WIBOR 3M + 0.80%	Aa2	parallel regulated market of the WSE
16	XS3097942141	25.06.2025	12.06.2029	500	EUR	2.50%	Aa2	LuxSE
17	XS3346849113	22.04.2026	22.04.2031	500	EUR	3.125%	Aa2	LuxSE

The funds raised from the issues of mortgage covered bonds have been used by PKO Bank Hipoteczny SA to grant residential loans and to purchase receivables in respect of such loans from PKO Bank Polski SA.

Premium Label

Pursuant to Article 7d of the Polish Act on Mortgage Covered Bonds and Mortgage Banks of 29 August 1997, mortgage covered bonds may be labelled as European Covered Bonds or European Covered Bonds (premium). The mortgage covered bonds of PKO Bank Hipoteczny SA are labelled as European Covered Bonds (premium). The "premium" label makes it possible to identify, in a simple and clear manner, whether mortgage covered bonds meet the requirements of Article 129 of the CRR, the purpose of which is to make it easier for investors to assess the quality of these bonds and, consequently, make them more attractive as an investment instrument both in the European Union and outside it.

The list of issues of mortgage covered bonds as part of which mortgage covered bonds labelled as European Covered Bonds or European Covered Bonds (premium) were issued is available on the PFSA website:

https://www.knf.gov.pl/podmioty/Podmioty_sektora_bankowego/Banki_hipoteczne

The Covered Bond Label

On 6 February 2018, PKO Bank Hipoteczny SA, as the first issuer of mortgage covered bonds from Poland, joined the Covered Bond Label. The Covered Bond Label is a quality certificate whose purpose is to build awareness of the safety and high quality of assets such as mortgage covered bonds among investors.

The Bank's details on the website of the Covered Bond Label are available at:

https://coveredbondlabel.com/issuer/132-pko-bank-hipoteczny-spolka-akcyjna

Energy Efficient Mortgage Label

The Energy Efficient Mortgage Label was created by the European Mortgage Federation – European Covered Bond Council (EMF-ECBC) as a clear and transparent quality label for consumers, lenders and investors, aimed at identifying energy-efficient residential mortgage loans.

PKO Bank Hipoteczny SA was the first Polish bank to join the Energy Efficient Mortgage Label initiative in 2021. The aim of this initiative is to support the EU Green Deal and climate neutrality by 2050 and to tailor the product portfolio to regulatory changes such as the new EU taxonomy.

The Bank's details on the website of the Energy Efficient Mortgage Label are available at:

https://www.energy-efficient-mortgage-label.org/issuers/directory

GREEN COVERED BONDS

In 2019, PKO Bank Hipoteczny SA published the Green Covered Bond Framework (GCBF) for the first time. In June 2022, an updated version of the GCBF was published by the Bank in connection with the planned issue of Green Covered Bonds. The GCBF specifies, among other things, the rules for selecting assets to secure green issues. The green issues of PKO Bank Hipoteczny SA are secured with mortgages which meet the highest standards in energy efficiency and CO_2 emissions.

On 27 August 2024, in order to standardize the framework for the issuance of green debt instruments for the companies in the PKO Bank Polski S.A. Group, PKO Bank Hipoteczny adopted the Green Bond Framework of the PKO Bank Polski S.A. Group. The Green Bond Framework is a framework document containing the principles of green and sustainable funding in the PKO Bank Polski S.A. Group. It was developed on the basis of the Green Bond Principles (International Capital Market Association's (ICMA)) of 2021. The document defines the objectives of green funding and the types of investments for which funds obtained from green issues can be used, and it indicates the distribution of the tasks related to this topic.

The proceeds from Green Covered Bonds are used solely to fund or refund new and/or existing projects which have been classified as green assets. The Green Covered Bonds of PKO Bank Hipoteczny SA meet the criteria set by the International Capital Market Association (ICMA) which are known as the Green Bond Principles (GBP). These principles are a set of guidelines for defining the purpose of funding, assessing and selecting assets, managing the proceeds from issues and reporting on the allocation of funds.

In June 2019 and in June 2022, PKO Bank Hipoteczny SA obtained a Second Party Opinion for its Green Covered Bond Framework from Sustainalytics, a specialized certified international institution. The Green Covered Bonds of PKO Bank Hipoteczny SA are certified by the Climate Bond Initiative (CBI) – the latest post-issue certification took place in May 2023. The CBI certificate is awarded to bonds and mortgage covered bonds which meet the highest standards in terms of positive environmental impact.

At least once a year, the Bank publishes a report on the allocation and impact of the issues of Green Covered Bonds on the natural environment.

Detailed information relating to the Green Covered Bonds issued by the Bank can be found at:

https://www.pkobh.pl/listy-zastawne/zielone-listy-zastawne/

5. OTHER INFORMATION

CHANGES IN THE MANAGEMENT BOARD OF THE BANK

On 6 August 2026, the Supervisory Board of the Bank appointed Ms. Katarzyna Kurkowska-Szczechowicz President of the Management Board of the Bank. The Supervisory Board of the Bank entrusted Ms. Katarzyna Kurkowska-Szczechowicz, Vice-President of the Management Board, with managing the Management Board's work in the period from 7 August 2026 to the date on which the Polish Financial Supervision Authority will give its consent.

IDENTIFICATION OF SHAREHOLDERS WHICH HOLD SUBSTANTIAL BLOCKS OF SHARES DIRECTLY OR INDIRECTLY, WITH AN INDICATION OF THE NUMBER OF SHARES HELD BY THOSE ENTITIES AND THE NUMBER OF VOTES ATTACHED TO THEM

On 30 September 2026, the share capital of PKO Bank Hipoteczny SA amounted to PLN 1,611,300,000 and consisted of 1,611,300,000 shares with a nominal value of PLN 1 each. The shares are fully paid up. Compared with the end of June 2026, the share capital has not changed. The issued shares of PKO Bank Hipoteczny SA are non-preferred shares. No special control rights arise for the holders of shares in PKO Bank Hipoteczny SA from these securities. The shareholder holding 100% of the shares in PKO Bank Hipoteczny SA is Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna.

The structure of the share capital of PKO Bank Hipoteczny SA as at 30 September 2026:

Series	Type of shares	Number of shares	Nominal value of one share	Number of votes at the GSM	Amount paid in for the shares
A	Ordinary registered shares	300,000,000	PLN 1	300,000,000	PLN 300,000,000.00
B	Ordinary registered shares	200,000,000	PLN 1	200,000,000	PLN 200,000,000.00
C	Ordinary registered shares	200,000,000	PLN 1	200,000,000	PLN 200,000,000.00
D	Ordinary registered shares	100,000,000	PLN 1	100,000,000	PLN 100,000,000.00
E	Ordinary registered shares	150,000,000	PLN 1	150,000,000	PLN 150,000,000.00
F	Ordinary registered shares	150,000,000	PLN 1	150,000,000	PLN 150,000,000.00
G	Ordinary registered shares	100,000,000	PLN 1	100,000,000	PLN 100,000,000.00
H	Ordinary registered shares	95,000,000	PLN 1	95,000,000	PLN 95,000,000.00
I	Ordinary registered shares	100,000,000	PLN 1	100,000,000	PLN 100,000,000.00
J	Ordinary registered shares	131,500,000	PLN 1	131,500,000	PLN 131,500,000.00
K	Ordinary registered shares	84,800,000	PLN 1	84,800,000	PLN 84,800,000.00
	TOTAL	1,611,300,000		1,611,300,000	PLN 1,611,300,000.00

Shareholder	30.09.2026		30.09.2025	
	Number of shares	Share of votes at the GSM	Number of shares	Share of votes at the GSM
Powszechna Kasa Oszczędności Bank Polski SA	1,611,300,000	100%	1,611,300,000	100%

CHANGES IN THE HOLDING OF SHARES AND RIGHTS TO SHARES IN PKO BANK HIPOTECZNY SA BY INDIVIDUALS IN MANAGEMENT AND SUPERVISORY ROLES

In the nine-month period ended 30 September 2026, there were no changes in the holding of shares and rights to shares in PKO Bank Hipoteczny SA by individuals in management and supervisory roles. 100% of the shares are held by PKO Bank Polski SA.

IDENTIFICATION OF PROCEEDINGS PENDING BEFORE COURTS, ARBITRATION BODIES OR PUBLIC ADMINISTRATION AUTHORITIES

As at 30 September 2026, there were no material proceedings pending before courts, arbitration bodies or public administration authorities concerning the liabilities or receivables of PKO Bank Hipoteczny SA.

INFORMATION ON ONE OR MORE TRANSACTIONS WITH RELATED ENTITIES, CONCLUDED BY THE ISSUER OR ITS SUBSIDIARY, IF MATERIAL AND NOT CONCLUDED ON AN ARM'S LENGTH BASIS

PKO Bank Polski SA and the entities in the PKO Bank Polski SA Group are the Bank's entities related in terms of equity.

In the nine-month period ended 30 September 2026, PKO Bank Hipoteczny SA did not enter into any material transactions with its related entities otherwise than on an arm's length basis.

Information on loan guarantees or other guarantees issued by the Bank or its subsidiary – in aggregate to a single entity or its subsidiary, if the total amount of the existing sureties or guarantees is equivalent to at least 10% of the issuer's equity

In the nine-month period ended 30 September 2026, just as in 2025, PKO Bank Hipoteczny SA did not grant any loan guarantees or other guarantees with a total value equivalent to at least 10% of the Bank's equity to a single entity or a subsidiary of such an entity.

Assessment of the financial credibility of PKO Bank Hipoteczny SA – Rating

The financial credibility of PKO Bank Hipoteczny SA and the mortgage covered bonds issued by the Bank is assessed by the international rating agency Moody's Investors Service Ltd („Moody's").

As at 30 September 2026, PKO Bank Hipoteczny SA had the following ratings assigned by Moody's:

	Rating	Outlook	Date of initial rating/rating confirmation date
Long-term issuer rating	Baa1	Stable	23.09.2026
Short-term issuer rating	P-2	n/a	
Opinion on long-term counterparty risk	A2(cr)	n/a	
Opinion on short-term counterparty risk	P-1(cr)	n/a	
Long-term counterparty risk rating	A1	n/a	
Short-term counterparty risk rating	P-1	n/a	

The ratings given reflect Moody's assessment of the Bank's mutual relations with its Parent – PKO Bank Polski SA – and reflect the low probability of the Parent assigning a low priority to the Bank's obligations compared with its own obligations in the event of financial tensions within the PKO Bank Polski Group.

As at 30 September 2026, the mortgage covered bonds of PKO Bank Hipoteczny SA had the following ratings assigned by Moody's:

	Rating	Rating confirmation date
Mortgage covered bonds denominated in PLN	Aa2	23.09.2026
Mortgage covered bonds denominated in EUR	Aa2	23.09.2026

Position of the Management Board of PKO Bank Hipoteczny SA on the possibility of meeting previously published performance forecasts for a given year

PKO Bank Hipoteczny SA did not publish any forecasts about financial performance for the three quarters of 2026. The Bank provides information about significant events which affect the Bank's performance in current reports.

Events after the end of the reporting period

- On 9 October 2026, based on the Framework Agreement for the Sale of Receivables signed on 17 November 2015 with PKO Bank Polski SA, the Bank purchased a portfolio of receivables in respect of residential loans secured with mortgages of PLN 1,056,733 thousand.

Signatures of all Members of the Bank's Management Board

29.10.2026	Katarzyna Kurkowska-Szczechowicz	Vice-President of the Management Board, managing the work of the Management Board	*signed on Polish original* ..... (signature)
29.10.2026	Piotr Kochanek	Vice-President of the Management Board	*signed on Polish original* ..... (signature)
29.10.2026	Michał Stępniewski	Vice-President of the Management Board	*signed on Polish original* ..... (signature)