

Millennium
bank

Presentation
4Q22/2022
preliminary
results

31 January 2023



DISCLAIMER



This presentation has been prepared by Bank Millennium for its stakeholders for information purpose only. The information presented in this presentation should be read together with other information published by the Bank (on www.bankmillennium.pl), in particular financial and current reports.

Financial data presented hereby is on consolidated Bank Millennium Group level.

Data is based on partly preliminary and unaudited results with following pro-forma adjustments:

- The Bank altered its presentation of margin on derivatives that is not meeting formal hedge accounting principles and from Jan 1, 2021 all margin from derivatives is included in the reported NII.
- According to current understanding of IFRS9 standard, small part of credit portfolio is fair valued through P&L. As fair value adjustment of this portfolio has similar economic effect to impairment adjustment, in this presentation it was excluded from 'total operating income' and added to cost of risk line.
- Starting from 3Q22 a part of costs of amicable settlements with FX-mortgage borrowers is presented in 'results from modifications' and these costs are not included in the cost of risk in this presentation.
- Cost of credit holidays is presented in interest income/NII. For comparison purposes, in this presentation NII/NIM and other figures are presented also before such an impact.

This presentation should not be treated as a recommendation to purchase securities, an offer, invitation or a solicitation of an offer to purchase, invest or conclude any transaction on securities, in particular with respect to securities of Bank Millennium.

AGENDA

Financial
performance

01

Business
development

02

Appendices

03





PRESENTATION OF 4Q22/2022 PRELIMINARY RESULTS

Financial performance

KEY PROFIT & LOSS ITEMS

PLNm	2022	2021	Change Y/Y	4Q22	3Q22	Change Q/Q
Net interest income	3 337	2 713	23%	1 349	-152	-
Cost of credit holidays	-1 324	-		99	-1 423	-
<i>Net interest income without credit holidays</i>	4 661	2 713	72%	1 250	1 271	-2%
Net commission income	808	831	-3%	202	179	13%
Total operating income (without credit holidays)	5 333	3 558	50%	1 431	1 405	2%
Total costs	-2 093	-1 642	27%	-469	-462	2%
<i>Costs without BFG/IPS</i>	-1 696	-1 524	11%	-468	-437	7%
<i>Loan loss provisions</i>	-358	-299	20%	-91	-113	-20%
Other modifications	-102	-		-52	-50	
FX mortg. legal risk provisions	-2 017	-2 305	-12%	-505	-498	1%
Banking tax on assets	-169	-313	-46%	0	0	-
Net profit	-1 015	-1 332	-	249	-1 001	-
<i>Net profit without extraordinary items*</i>	2 241	1 124	99%	673	619	9%
NIM	4.43%	2.70%	1.73 pp	4.63%	4.79%	0.16 pp
Cost/income reported	39.3%	46.2%	-6.9 pp	32.7%	32.9%	-0.2 pp
Cost/income <i>adjusted</i> (*)	36.2%	42.5%	-6.2 pp	31.5%	31.9%	-0.4 pp
Cost of risk	44	37	7 bp	45	56	-11 bp
ROE	-17.5%	-16.3%	-			
ROE <i>adjusted</i> (*)	21.5%	11.0%	10.5 pp			

(*) Extraordinary items: FX-mortgage related costs, cost of credit holidays and with linear distribution of BFG resolution fund fee and hypothetical bank tax in 2H22; in 2021 also material revaluation of financial investments (VISA); ROE: Equity adjusted by FX related costs

KEY BALANCE SHEET AND BUSINESS ITEMS

PLNm	Dec. 22	Dec. 21	Change Y/Y	Sep. 22	Change Q/Q
Active customers (ths)	2 887	2 694	193	2 859	28
On-line and mobile customers	2 519	2 263	256	2 483	36
Customer funds	104 468	100 425	4%	104 169	0%
Deposits	98 039	91 448	7%	97 771	0%
Deposits of individuals	68 787	66 022	4%	66 867	3%
Loans	76 565	78 603	-3%	78 965	-3%
FX mortgage loans excl. EB	6 240	9 047	-31%	7 415	-16%
Loans without FX mortgages	69 725	68 806	1%	70 853	-2%
L/D	78.1%	86.0%	-7.9 pp	80.8%	-2.7 pp
Impaired loan ratio (*)	4.5%	4.4%	0.1 pp	4.5%	-0.1 pp
Coverage ratio	69.9%	68.6%	1.3 pp	68.6%	1.3 pp
CET1 = T1	11.3%	14.0%	-2.7 pp	9.5%	1.8 pp
TCR	14.4%	17.1%	-2.6 pp	12.4%	2.1 pp



(*) stage 3 and POCI loans share in gross total loans

FINANCIAL HIGHLIGHTS OF 4Q22 and FY 2022

Growing core profitability and efficiency. Stable cost of risk. Positive net profit in 4Q22 of PLN249mn.

Positive net profit in 4Q22

PLN249mn

Adjusted net profit*

+99% y/y

NII** and NIM strongly up

+72%; +173bp y/y

Adj. ROE

21.5%

Adj. cost/income

36.2%

Cost of risk

44bp



(*) Extraordinary items: cost of credit holidays, FX-mortgage related costs, and hypothetical bank tax in 2H22; in 2021 also material revaluation of financial investments (VISA); ROE: Equity adjusted by FX related costs; (**) w/o cost of credit holidays in 2022

STRATEGY 2022 - 2024 EXECUTION

- Bank is progressing with the execution of its **3-year business strategy adopted for the period 2022 to 2024**.
- Operationalisation of the strategy is based on an intense program of interlinked activities and projects in **17 key areas**, together contributing to reach the assumed strategic goals.
- Both, external factors (i.e. market and business environment) and execution activities and projects are covered by **constant monitoring** program that is a part of internal control and management system.
- After 1st year of the strategy execution, a **positive and in-line with the expectations trend is observed in most strategic KPIs**.

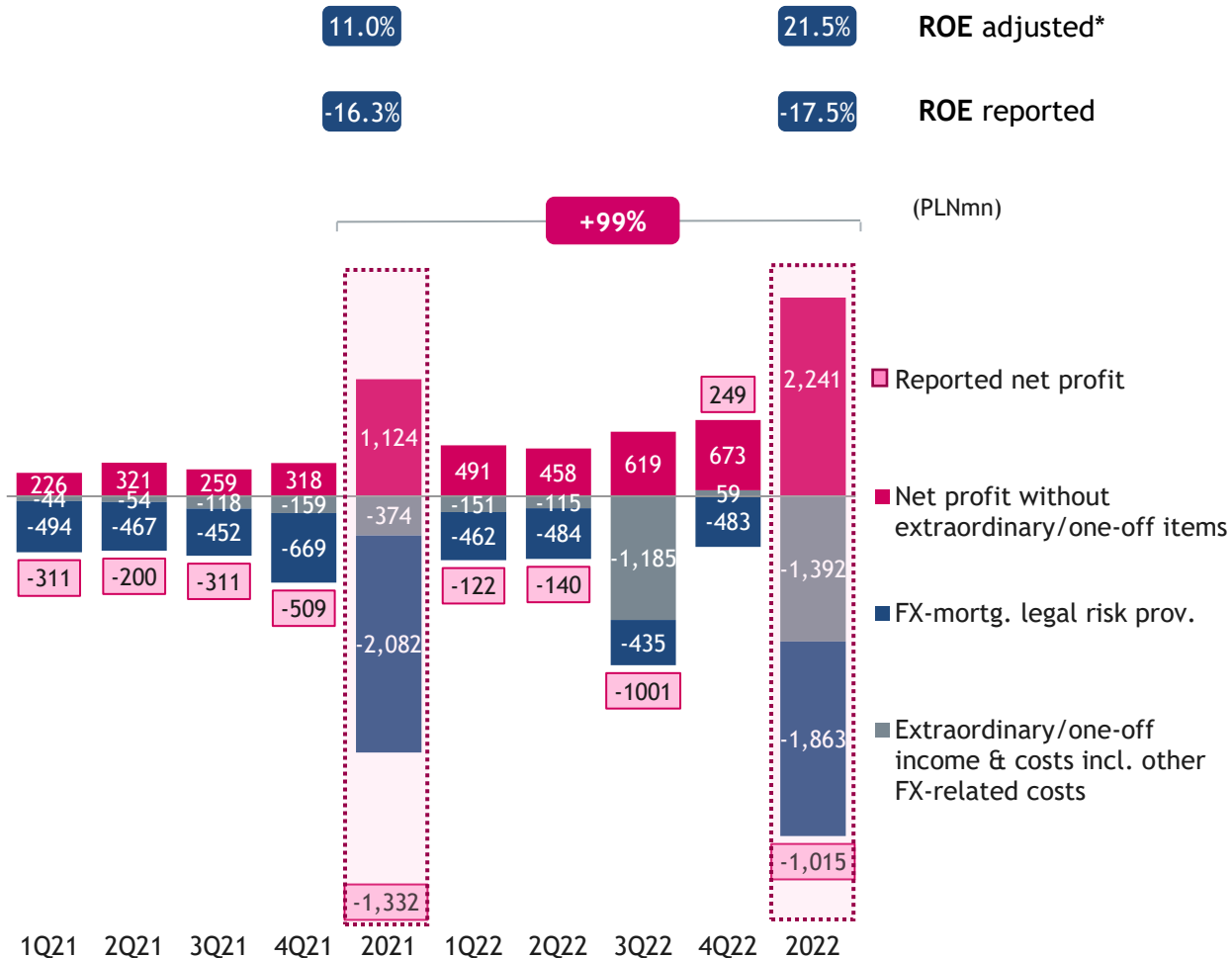


STRATEGIC GOALS:		2021	2022	2024
	Number of active retail clients (thsnd.)	2 694	2 887	>3 000
	Share of digital active clients	84.0%	87.3%	>90%
	Net profit* (PLNbn)	1.10	2.24	>2.00
	Cost-to-income*	42.8%	36.2%	<37%
	Return on Equity*	11.0%	21.5%	~14%
	NPL ratio Non-performing loans	4.4%	4.5%	<4.7%
	Share of FX-mortgage loans in gross portfolio	14.6%**	13.1%**	<10%

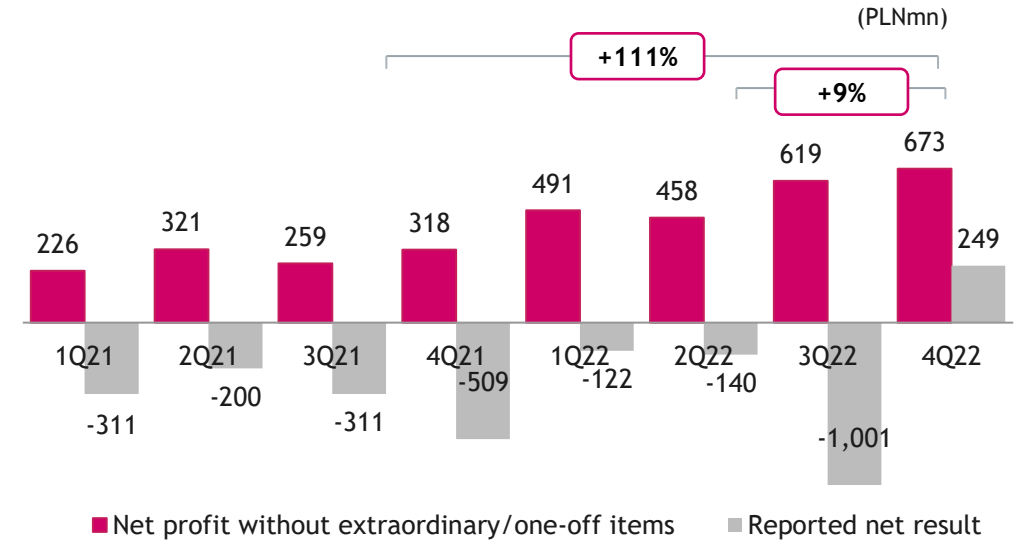
FINANCIAL HIGHLIGHTS OF 4Q22 / FY 2022

Quarterly net profit of PLN 249m in 4Q22. Adjusted profit for 2022 of PLN 2.24bn, up 99% y/y.

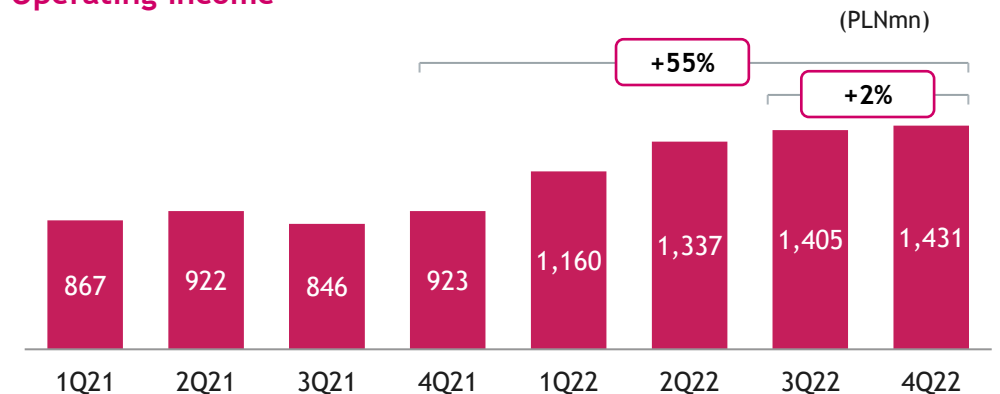
Net profit



Net profit w/o extraordinary* items



Operating income**

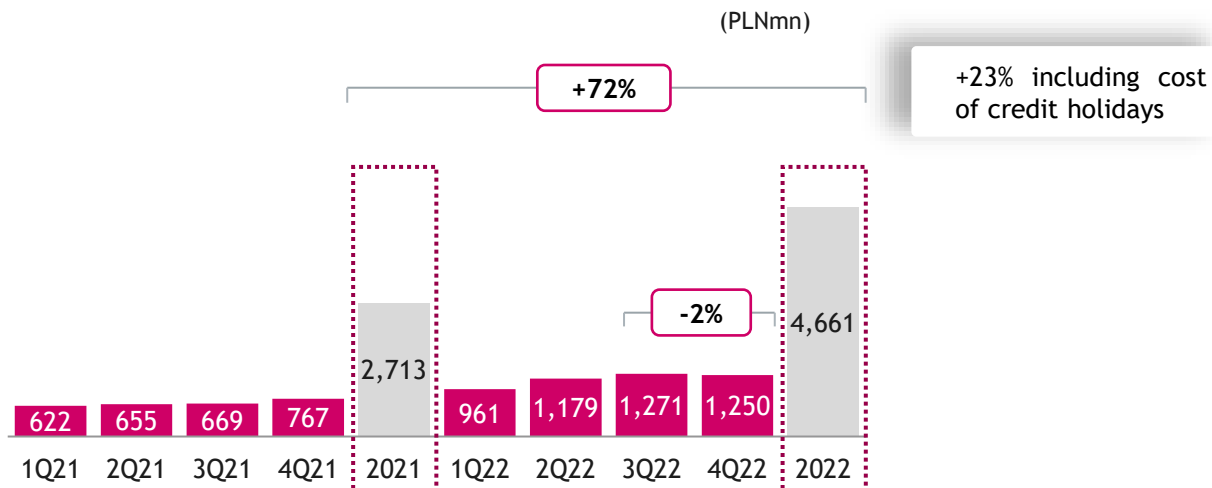


(*) (*) Extraordinary items: FX-mortgage related costs, credit holidays and with linear distribution of BFG resolution fund fee and hypothetical bank tax in 2H22; in 2021 also material revaluation of financial investments (VISA); ROE: Equity adjusted by FX related costs
(**) Without provisions for credit holidays

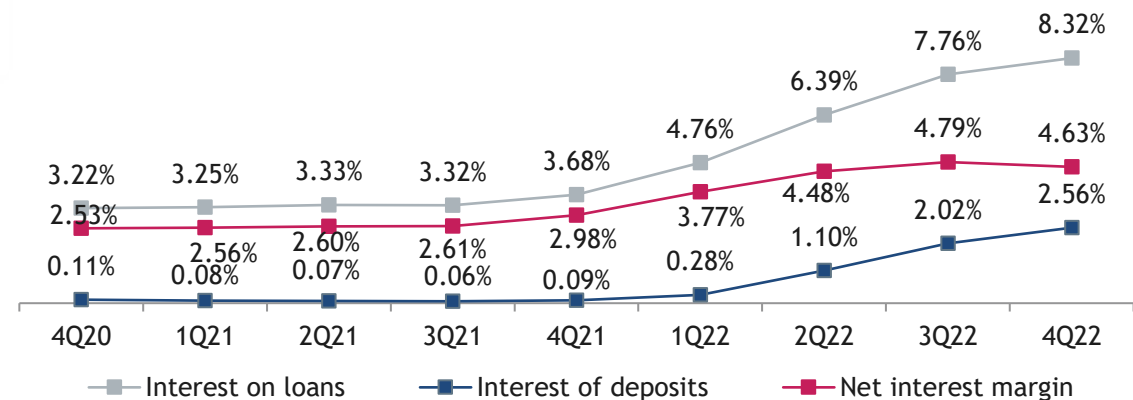
INTEREST AND COMMISSION INCOME

NII as a key profitability driver in 2022 with y/y growth of 72%. Quarterly NIM at 4.63% after its peak in 3Q22.

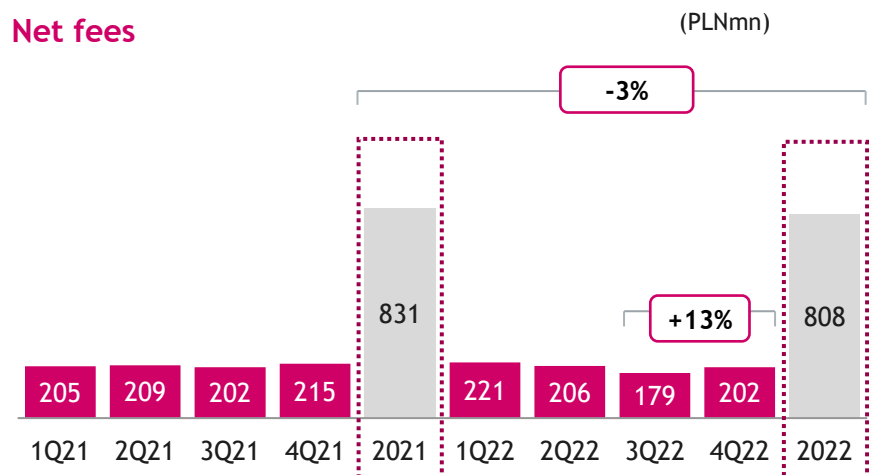
Net interest income*



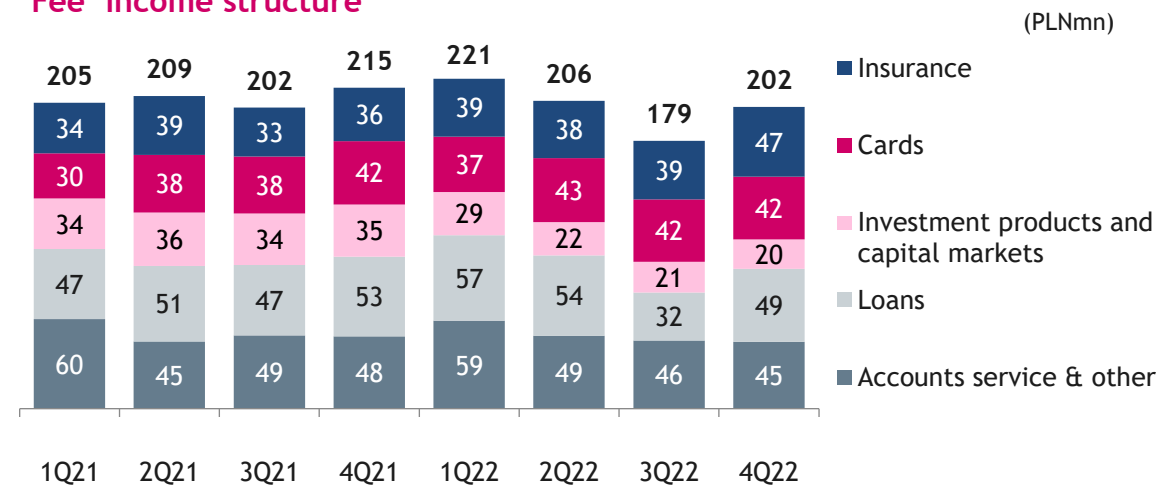
Interest on loans* and deposits (quarterly average)



Net fees



Fee income structure

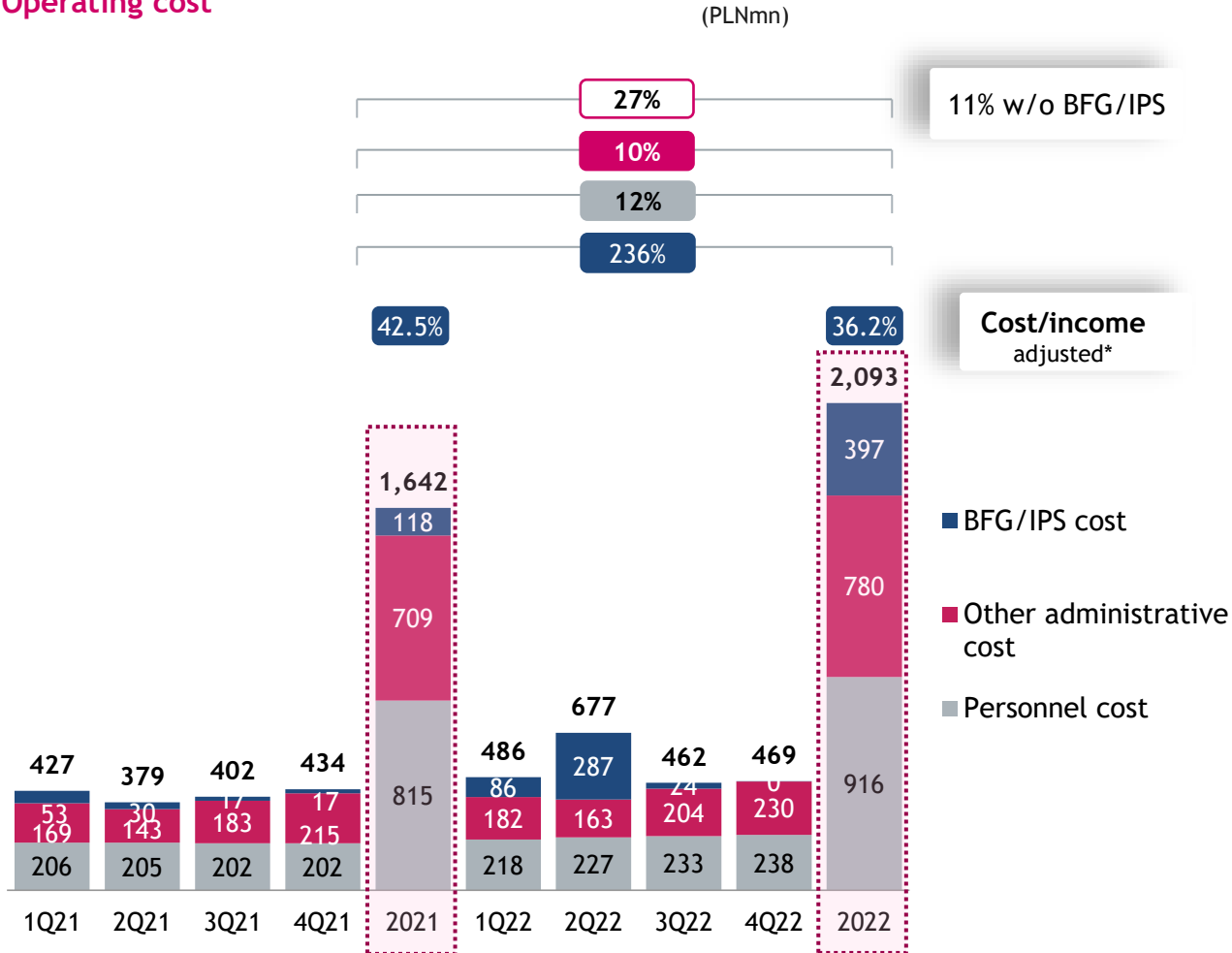


(*) without cost of credit holidays

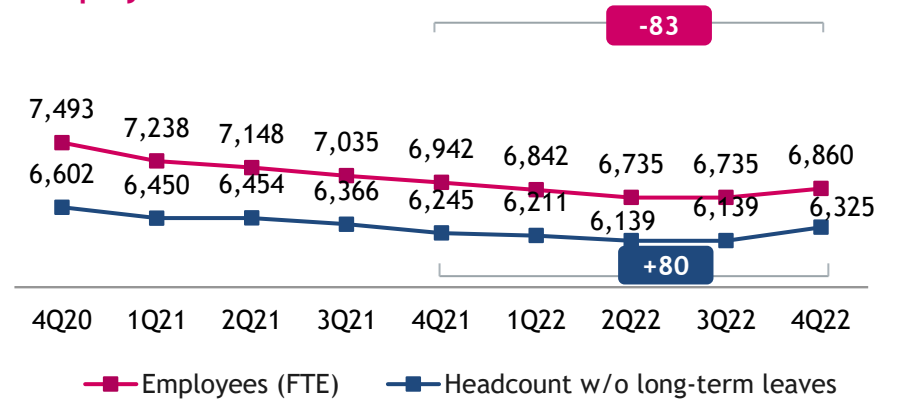
COST EFFICIENCY

Operating costs without BFG fees and contribution to IPS grew 11% y/y. C/I improved owing to strong core income.

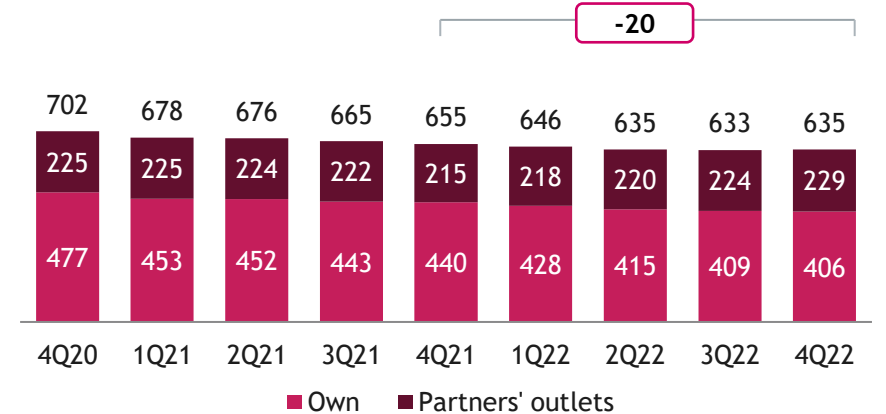
Operating cost



Employees



Branches

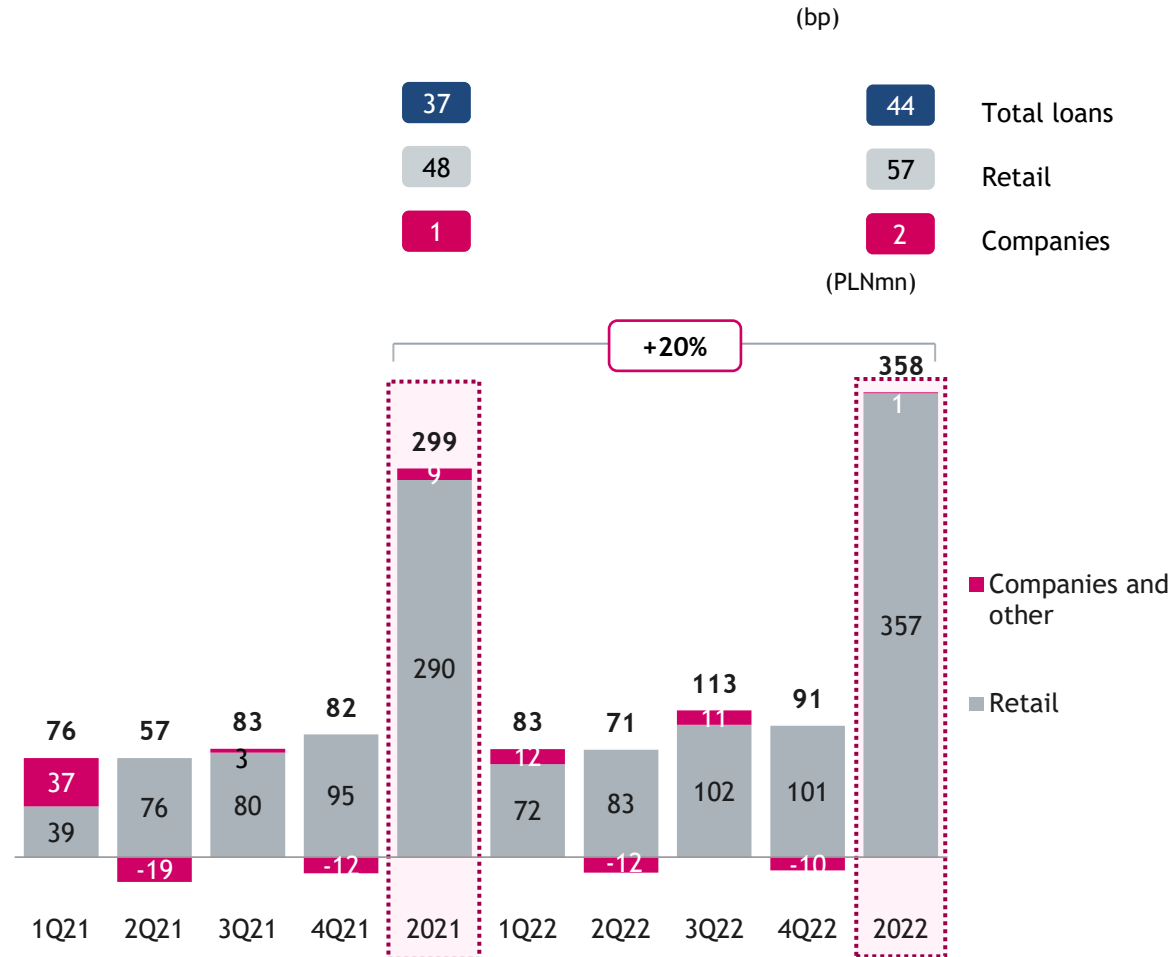


(*) without one-off income and integration costs as well as costs of litigation and amicable settlements with FX mortgage clients, with linear distribution of BFG resolution fund fee

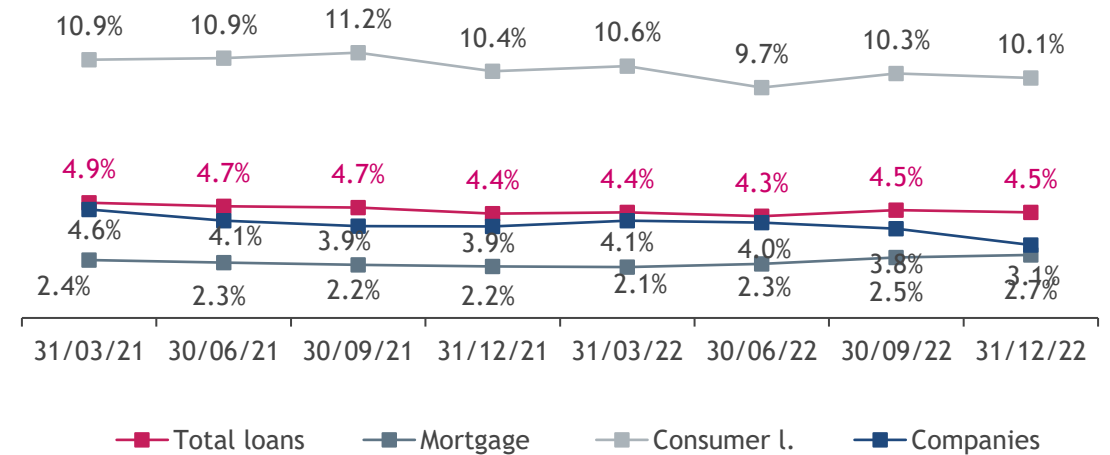
ASSET QUALITY

Strong credit quality and low cost of risk

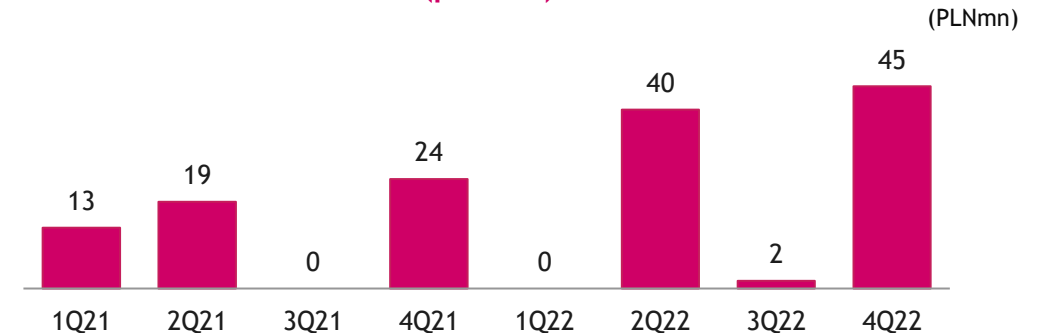
Cost of risk



Impaired loans (IFRS9 stage 3 & POCI)



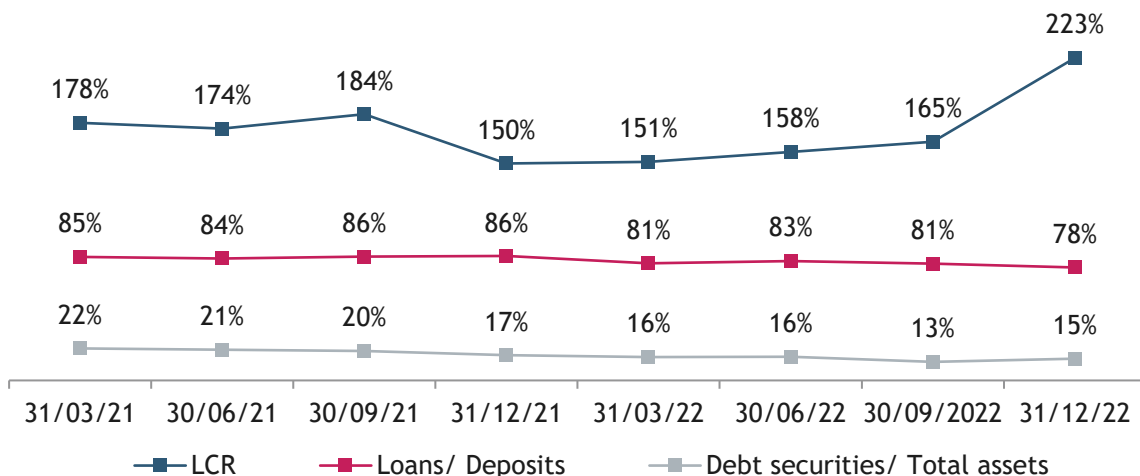
Result from sale of NPLs (pre-tax)



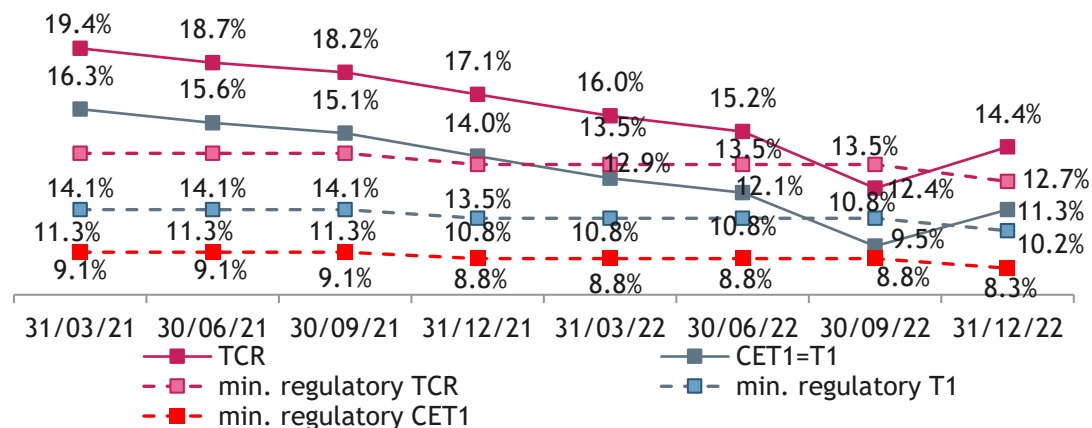
LIQUIDITY AND CAPITAL

Capital adequacy ratios recovered and are clearly above the regulatory thresholds. Strong liquidity position.

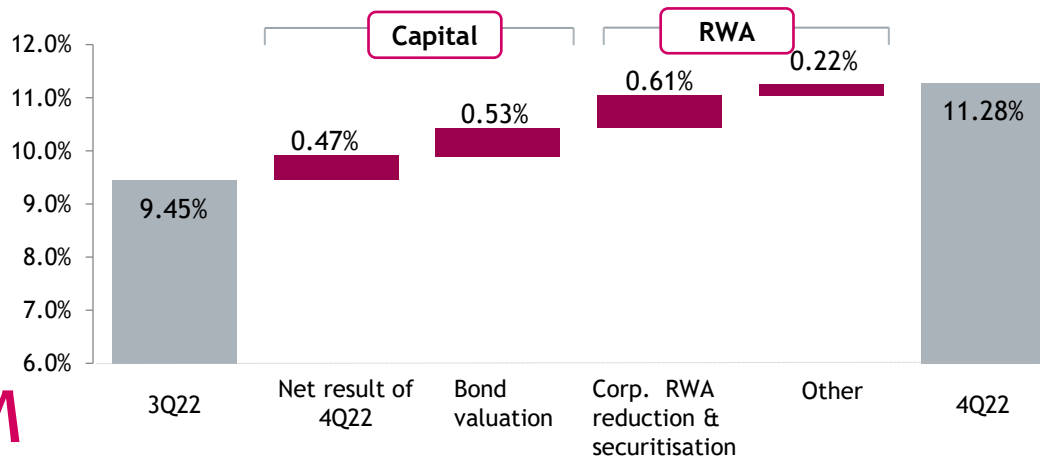
Liquidity indicators



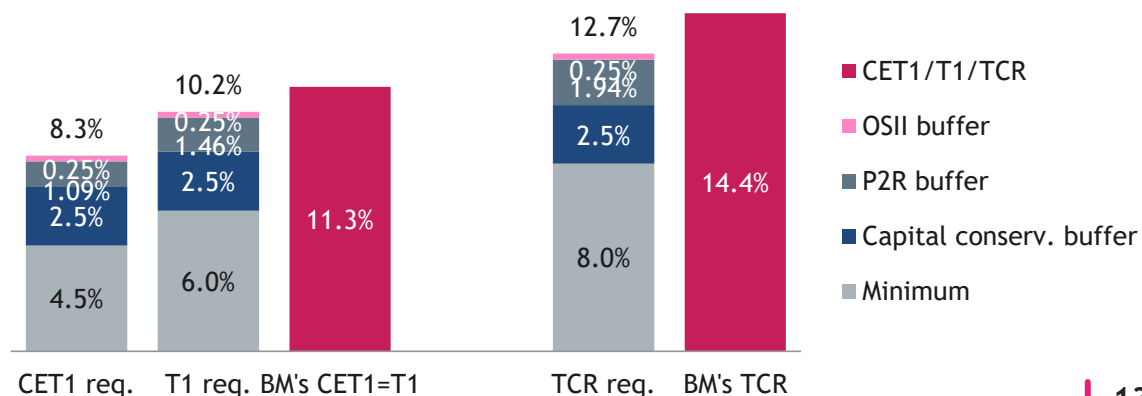
Group capital ratios



T1 Group - main determinants of change in 4Q22



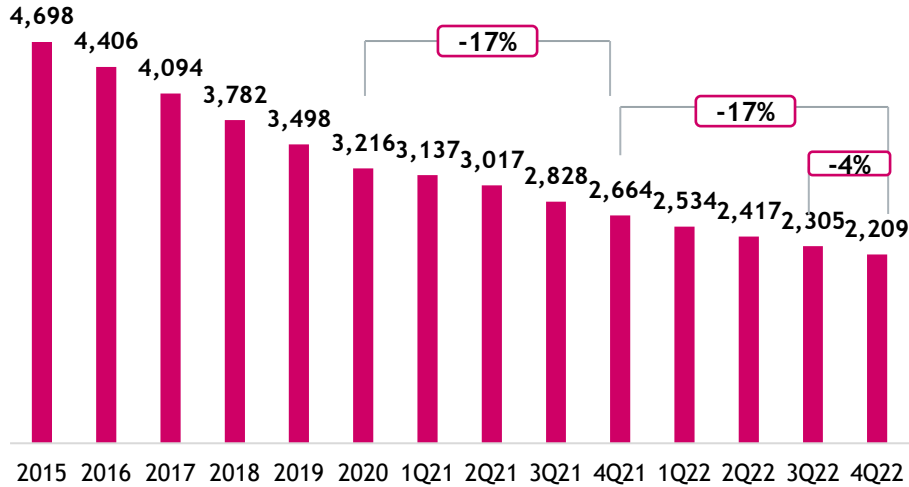
Capital requirement vs. actual ratios as on 31 Dec.22 (Group)



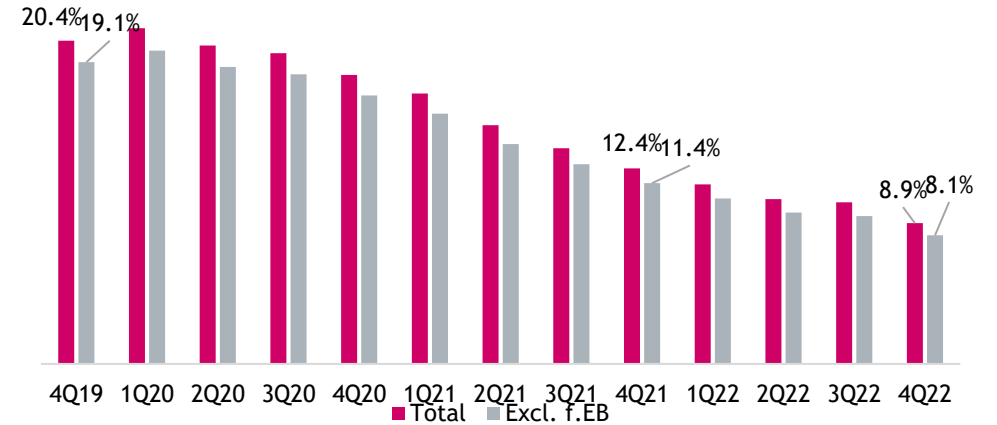
FX-MORTGAGE PORTFOLIO (1/2)

Maintained fast pace of FX-mortgage portfolio's downsizing

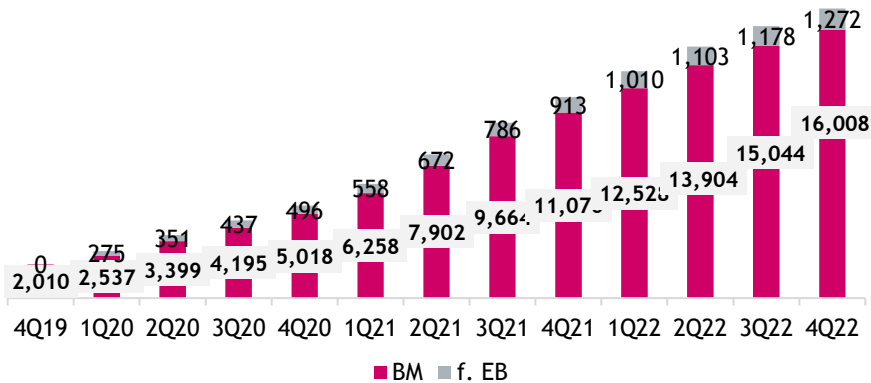
FX-mortgages* (gross w/o legal risk provisions) (CHFmn)



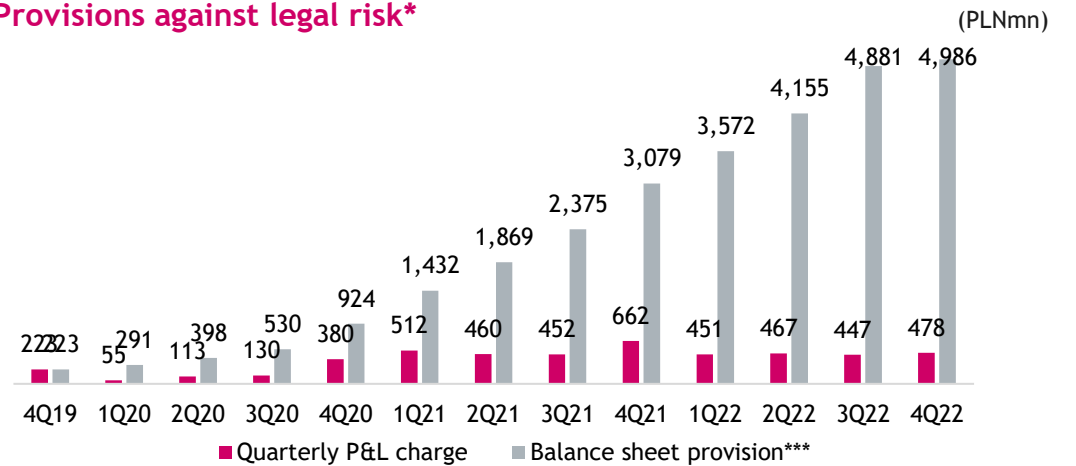
FX-mortgages as % of total gross book (gross after legal risk provisions)**



Individual indexation lawsuit cases (outstanding)



Provisions against legal risk*

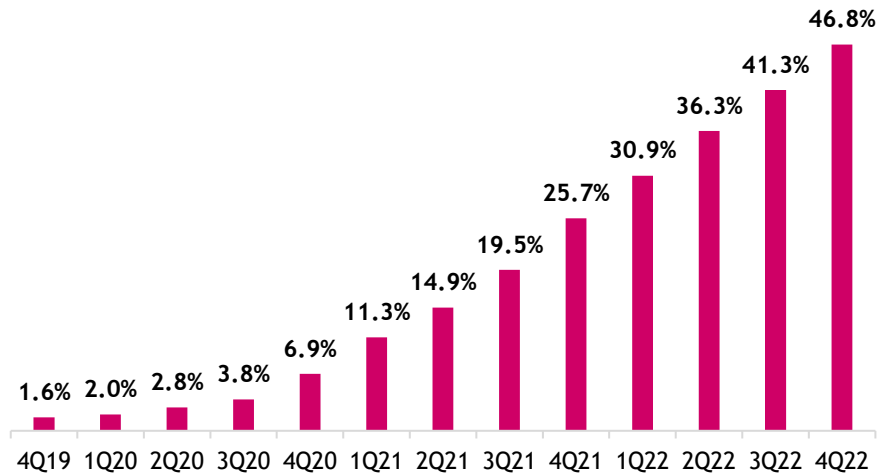


(* Excluding f.EB, (**) values presented differ from PFSA's (KNF) methodology which, among others, disregards provisions created for legal risk, (***) actual outstanding B/S provisions differ from the sum of P&L charges due to FX movements and utilisations among others

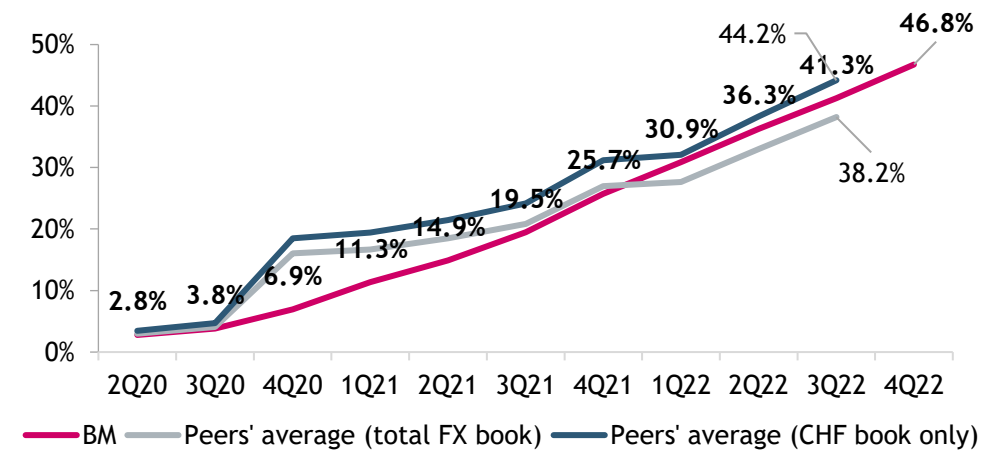
FX-MORTGAGE PORTFOLIO (2/2)

Number of amicable settlements dropped but remained above the number of new legal cases.

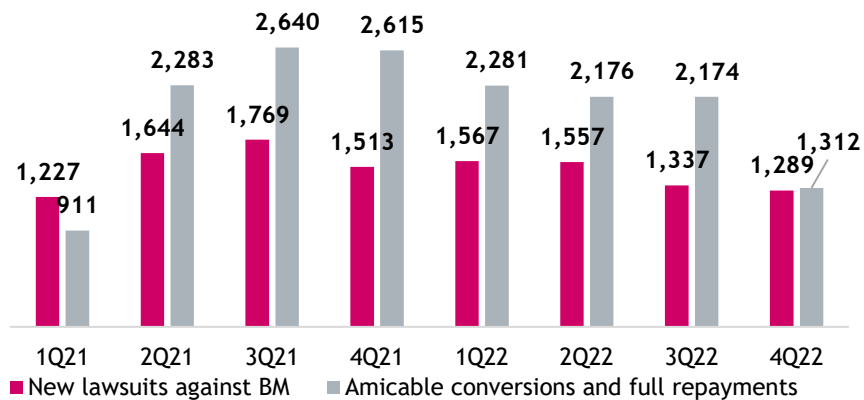
Provisions against legal risk as % of FX-mortgage book*



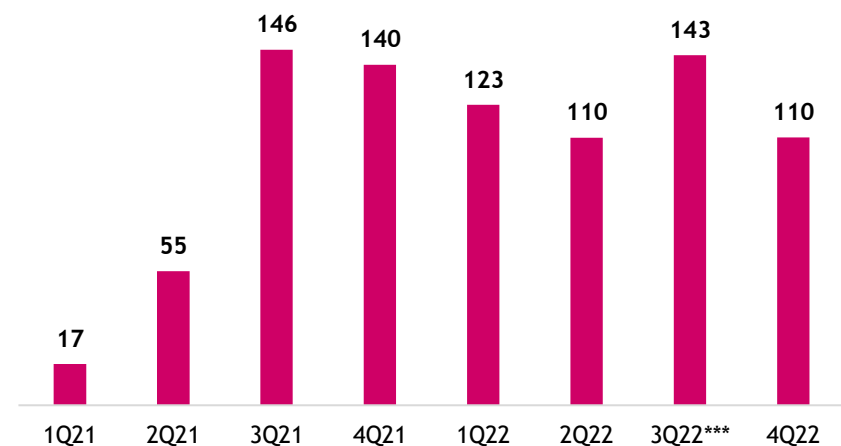
Legal risk provisions/outstanding FX-mortgage book** (% of gross loans)



New lawsuits vs. amicable settlements (#)



Costs of amicable settlements (PLNmn, pre-tax)



(*) Excluding f.EB, (**) peers average with provisions for settlements, (***) change compared to previously reported value



PRESENTATION OF 4Q22/2022 PRELIMINARY RESULTS

Business development

BUSINESS HIGHLIGHTS OF 2022

Good dynamics of deposits and customer acquisition despite deceleration in lending. RWA management in focus.

Customer deposits

+7% y/y

PLN loans

+1% y/y

PLN mortgage loans

+4% y/y

Debit cards

+206k y/y

Active retail customers

2.9mn; +193k y/y

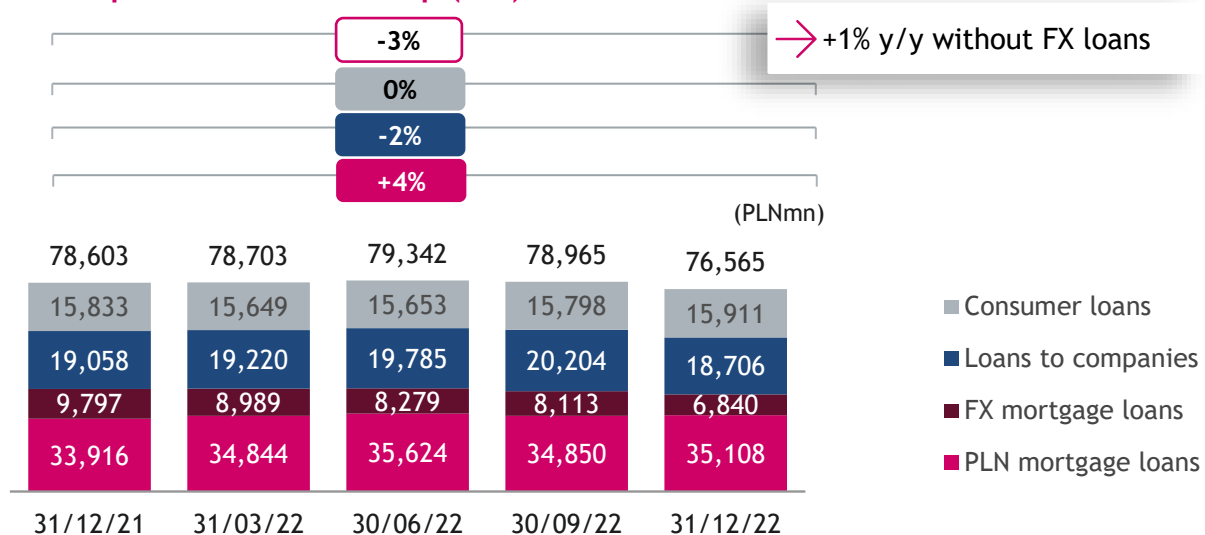
Active digital customers

2.5mn

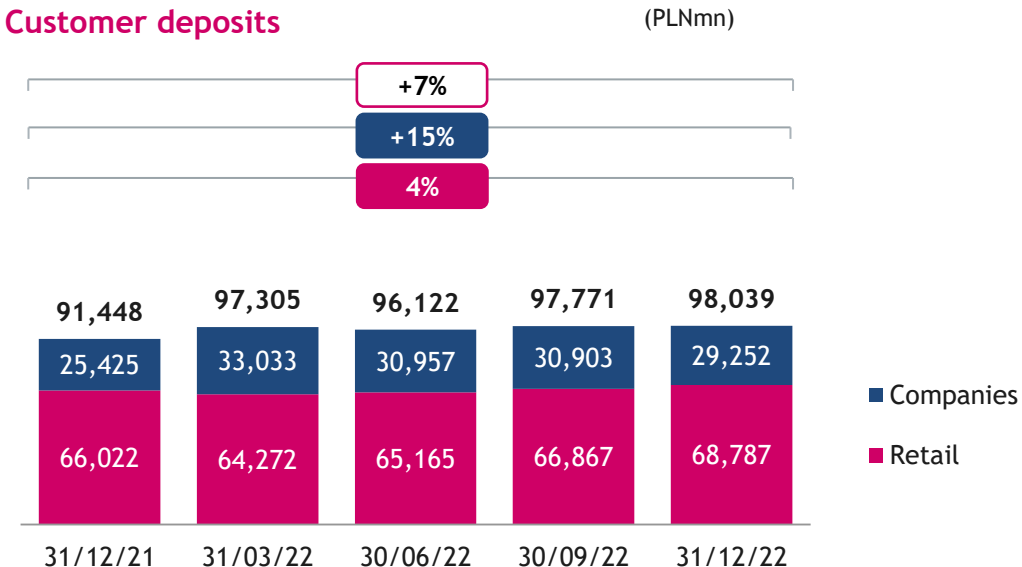
LOANS AND CUSTOMER FUNDS

Deceleration in loans. Good growth in deposits.

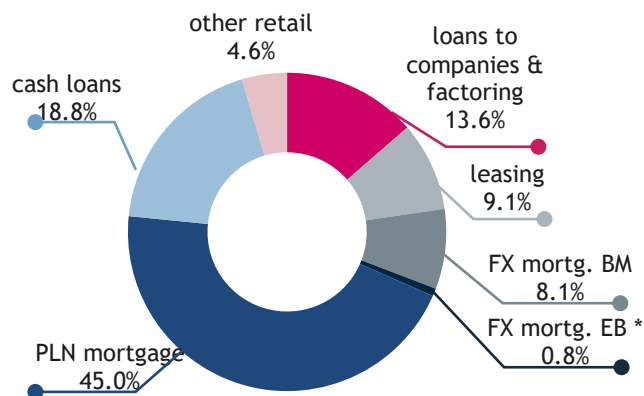
Loan portfolio of the Group (net)



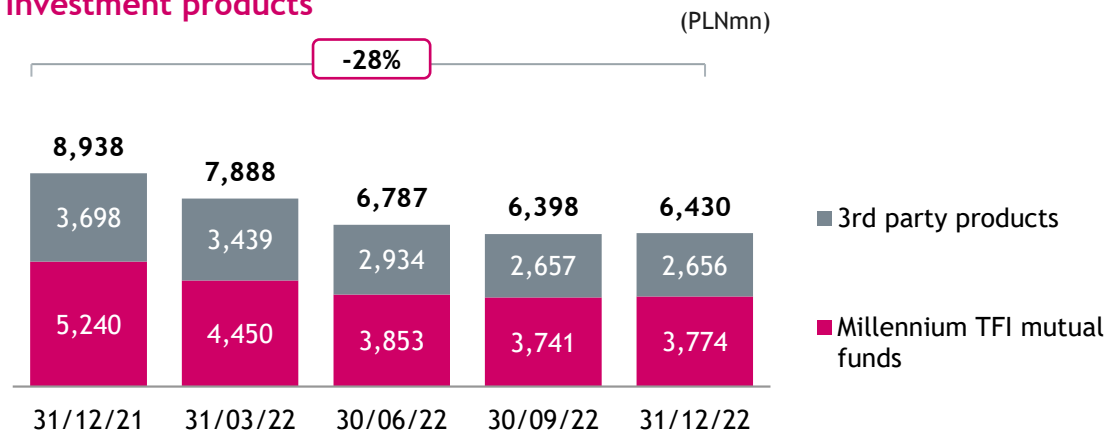
Customer deposits



Structure of loan portfolio (gross)**



Investment products



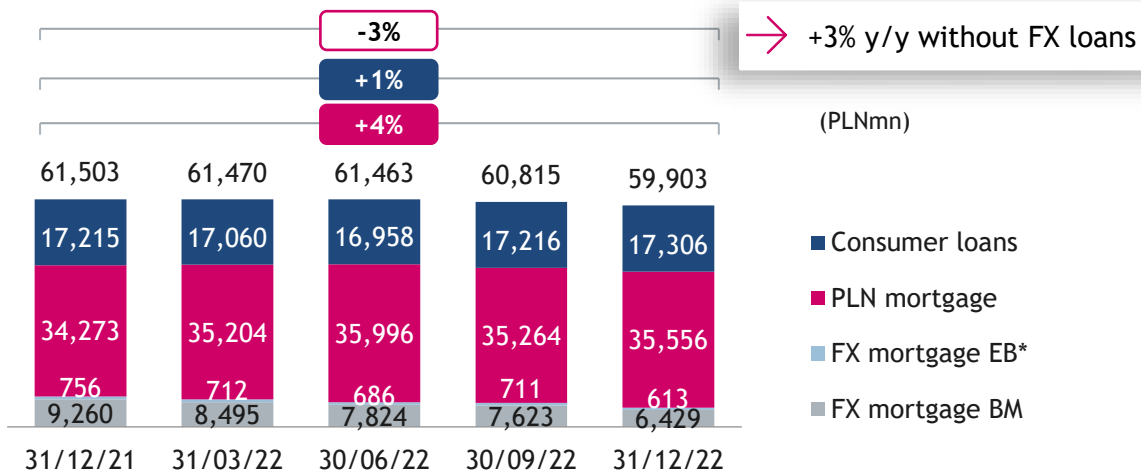
(*) Covered by SocGen guarantee and indemnity

(**) Net of legal risk provisions

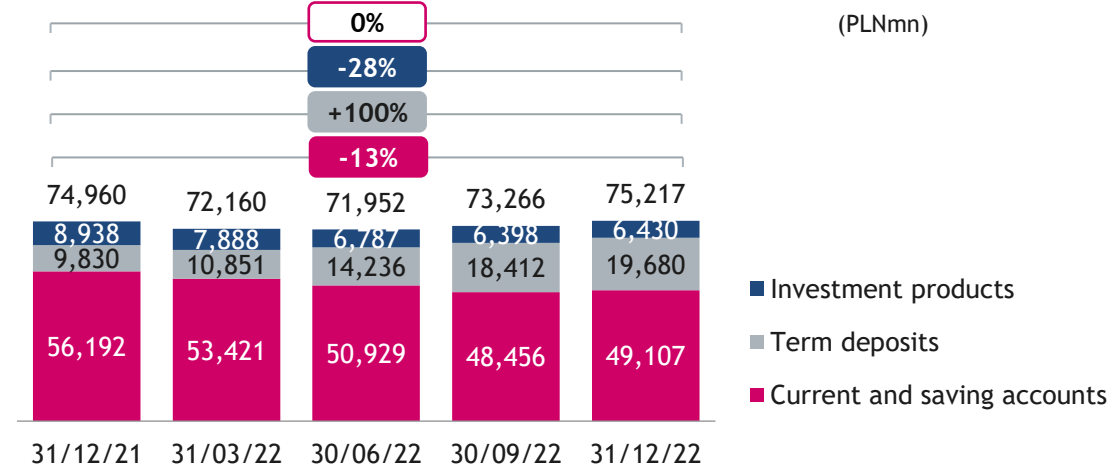
RETAIL BUSINESS - LOANS AND CUSTOMER FUNDS

Slowdown in loans. Deposits grew 4% y/y.

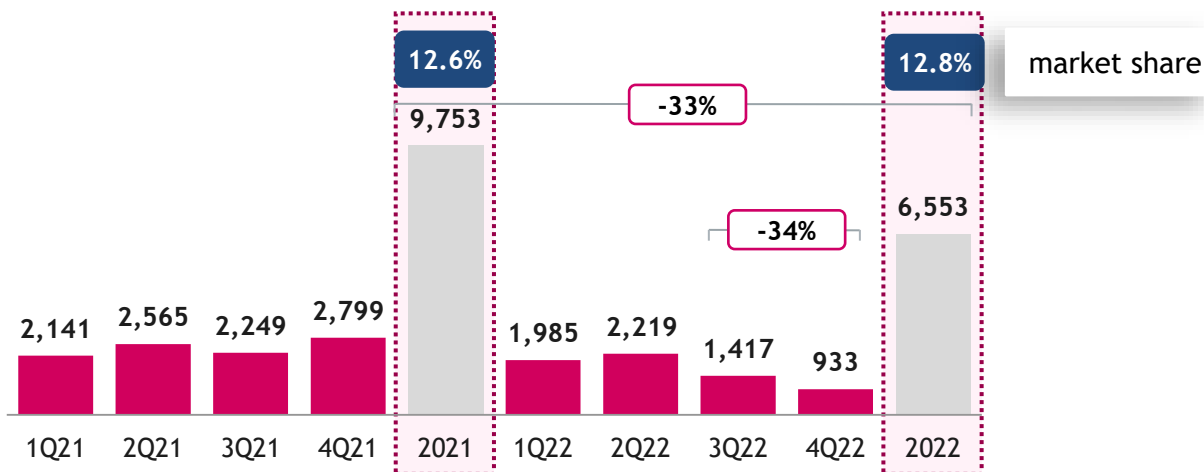
Retail loans (gross)



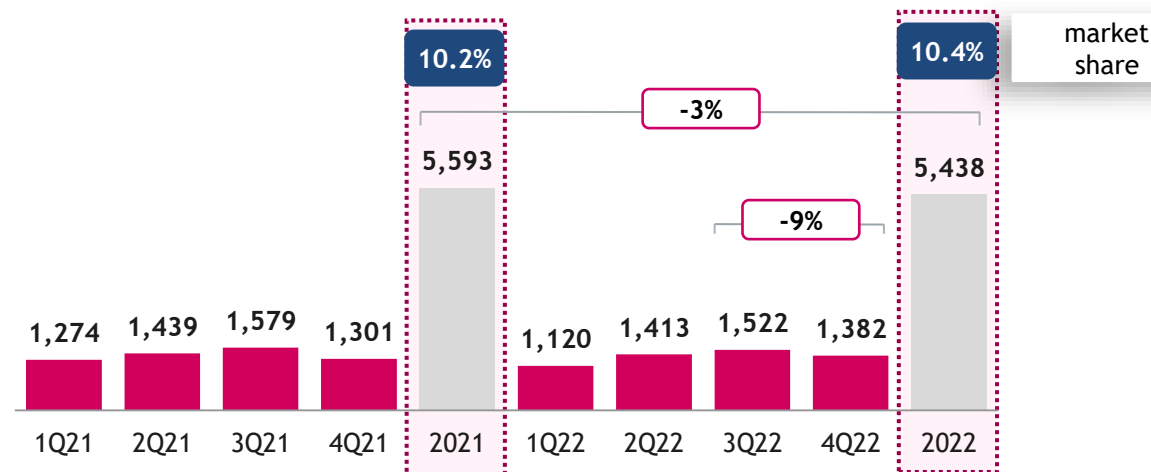
Retail customer funds



Mortgage loans new sales (**)



Cash loans new sales

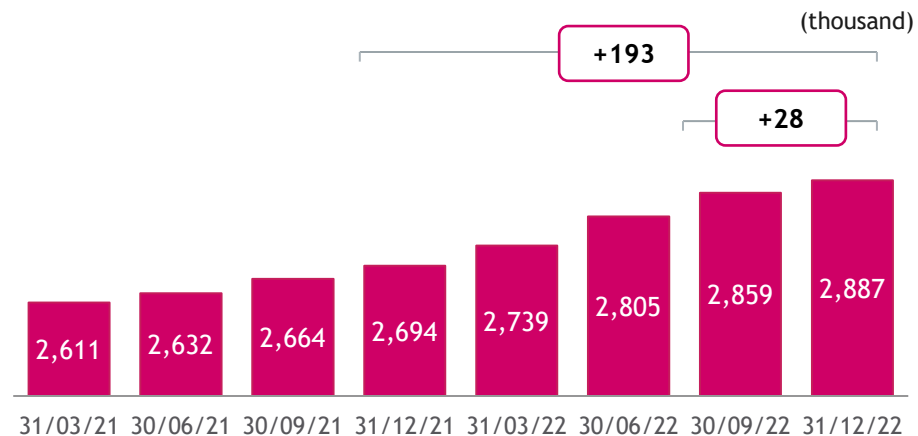


M (*) Loans originated by f. Euro Bank - covered by 100% indemnity and 80% guarantee agreement of SocGen
(**) Disbursements; market share as % in value of new agreements

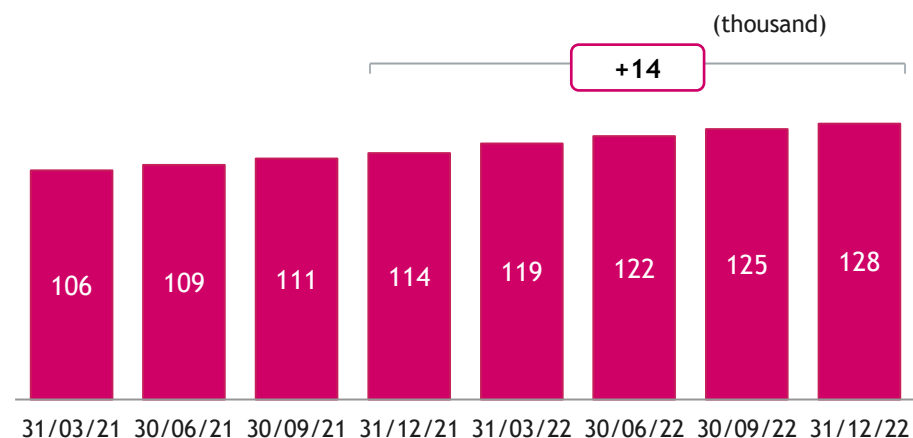
RETAIL BANKING - NUMBER OF CUSTOMERS AND ACCOUNTS

Steady growth of customers and cards

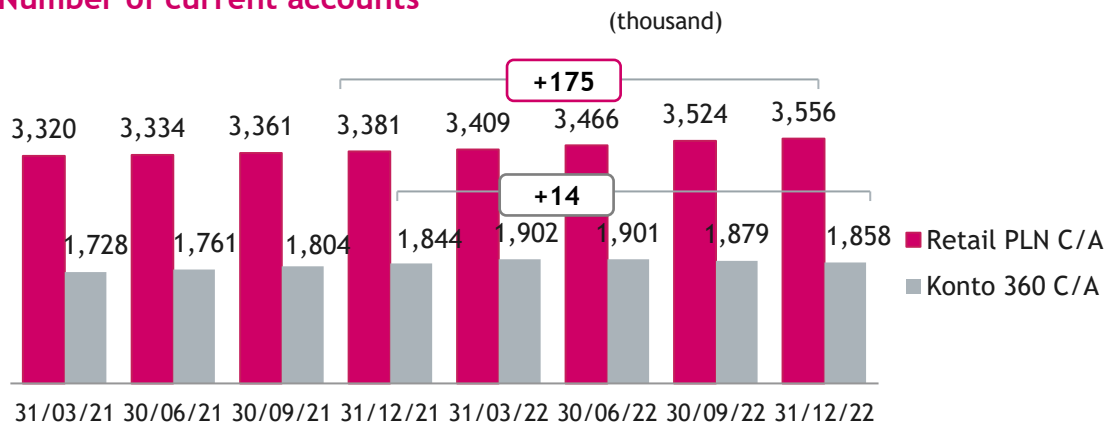
Active retail clients



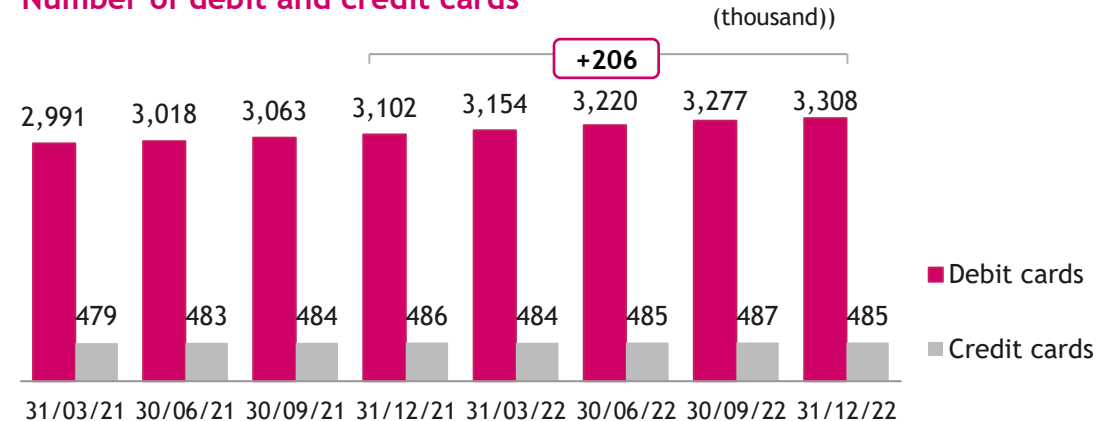
Active micro-business clients



Number of current accounts



Number of debit and credit cards



MOBILITY AND CONVENIENCE WITH THE APP

Growing number of customers for whom the mobile app is the first channel of access to the bank

DIGITAL CHANNELS USERS



732.3 million

times customers logged in to the mobile app throughout 2022, which is more than 60 million logins per month. In 2022, we achieved 2 million active users of the mobile app. That's how many customers log in and use the app on a daily basis. Just 3 years ago we celebrated our first million.



2.5mn

Digital channels users
(+11% y/y)



2.2mn

Mobile banking users*
(+17% y/y)

MOBILE PAYMENTS



1.56mn

BLIK users in 2H 2022
(+26% y/y)

+80%

In number of BLIK P2P transfers
in 2H22 v. 2H21

More than one million customers registered for services that enable contactless payments by phone (BLIK contactless, Apple Pay, HCE virtual card). This is an increase of as much as 31% compared to 2021.



ONLINE SALES

81%

Digital channels share
in sales of cash loan in
2H22

95%

Digital channels
share in sales of term
deposits in 2H22

34%

Digital channels share
in current accounts
acquisition in 2H22



(*) Active retail users of Bank Millennium mobile app and mobile version of Millenet

INNOVATIONS FOR RETAIL CUSTOMERS

In 4Q22 we enriched electronic channels with more solutions that are useful in everyday life



CASH LOAN FOR NEW-TO-BANK CLIENTS

We have made available on the website an application for a cash loan for people who have not yet been customers of Bank Millennium. The loan is granted based on verification of identity and income in an account at another bank where the customer's salary is deposited. This is another user-friendly process in which we use open banking solution.



MILLENNIUM ID

Our customers can easily and securely confirm identity online with both commercial service providers and government services. The solution is accessible from Millenet and the mobile app. It is based on mojID service provided by the National Clearing House. In addition, Millennium ID provides access to login and transfer history.



CYBER-SECURITY EDUCATION - QUIZZES AND VIDEOS

We started "Spr@wdzam" campaign project, offering our customers knowledge in an interactive form. We have prepared thematic quizzes and video materials, where we have used a quiz show format. We describe the methods of cybercriminals and give simple tips on how to defend against them.



NEW WAYS OF SAVING

We support active customers in saving money. The bank has prepared a special interest rate on a savings account for customers who bank actively, and a special term deposit offer for selected customer groups, available only through electronic channels. We also help with smart shopping. Customers who shop online after logging into their account can see how much they would have gained, if they made shopping with our cashback program.



E-TICKET FOR MOTORWAYS

As part of our Motorways service, we have provided customers with the option to purchase motorway tickets on the A2 Konin-Stryków and A4 Wrocław-Sośnica state motorway sections. E-ticket (e-Toll) is available directly in the banking app.

INNOVATIONS FOR BUSINESS

In a difficult time for the economy, we support future and current entrepreneurs.

BUSINESS OPENING IN ONLINE AND MOBILE BANKING

Bank Millennium supports entrepreneurial customers. Now, they can register their own business without visiting the public office and open a business account with a debit card, by filling out one online form.

The application is simple and transparent. It was based on the in-depth analysis and research with users. More difficult terms have been adequately explained, and in addition, customers can receive expert support via chat, with screen sharing. Customers can also get useful information on the bank's website.



BUSINESS LOAN ONLINE APPLICATION

Customers who run a sole proprietorship can get a cash loan completely online. They can use a one-paged application, and some data is completed automatically from CEIDG. Funds can be disbursed even in a few minutes after signing the agreement online.

Customers can also apply online for a loan with a de minimis guarantee. The customer fills out an online application and receives a credit decision in a few minutes.

Finalising the agreement at the bank's branch is just a formality

BANK MILLENNIUM IS THE BEST DIGITAL BANK IN POLAND ACCORDING TO NEWSWEEK

1st in the “Remote Banking” category and 2nd in the “Bank for Mr. Kowalski” main category



In this year's edition of edition of Newsweek's Friendly Bank ranking, we won the main prize in the "Remote Banking" category, winning in all five subcategories, which - as the organizers comment - is a rarity in the history of the ranking.

INTERNATIONAL PRIZES AND AWARDS FOR DIGITAL CHANNELS IN 2022

GLOBAL FINANCE: The Best Consumer Digital Bank in Poland
Awards in three subcategories:

- The Best Integrated Consumer Bank Site in Central and Eastern Europe
- The Best Integrated Corporate Bank Site in Central and Eastern Europe
- The Best Information Security and Fraud Management in Central and Eastern Europe



INFORMA BANKING TECH AWARDS - 3 projects in finals:

- Best Use of IT in Corporate Banking for project „From Standard and Paper-Full to Innovative and Paperless - Digitalisation of Banking Processes in Corporate Clients Segment”
- Best Use of IT for Consumer Lending: Bank Millennium S.A. for Bank Millennium Online Instalment Loan in E-commerce
- Best Mobile Initiative - Payments for Top-up codes in Bank Millennium Mobile App

GOODIE - SMARTSHOPING PLATFORM OF BANK MILLENNIUM

Development and promotions for cashback users



Since 2018: 3.1mn
app downloads

PLN1.7bn
generated cashback turnover

PLN37mn
amount of cashback

13mn
cashback transaction number

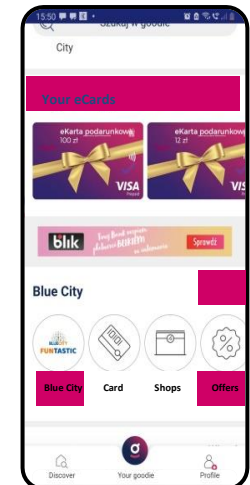
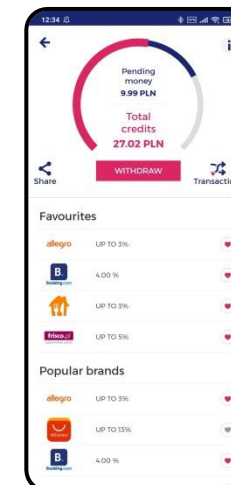
2022: 420,000
app downloads

PLN750mn
generated cashback turnover

PLN14mn
amount of cashback

5.2mn
cashback transactions

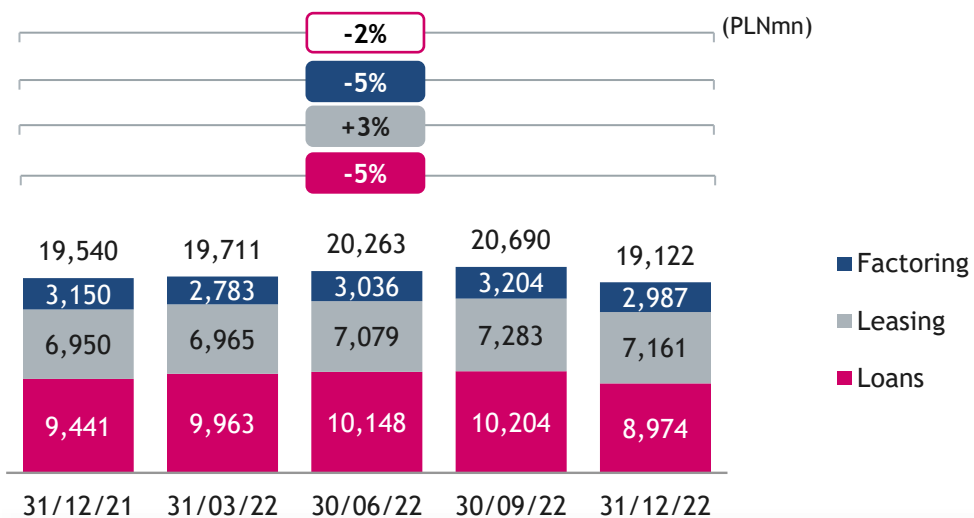
15% increase
in the number of gift cards sold y/y



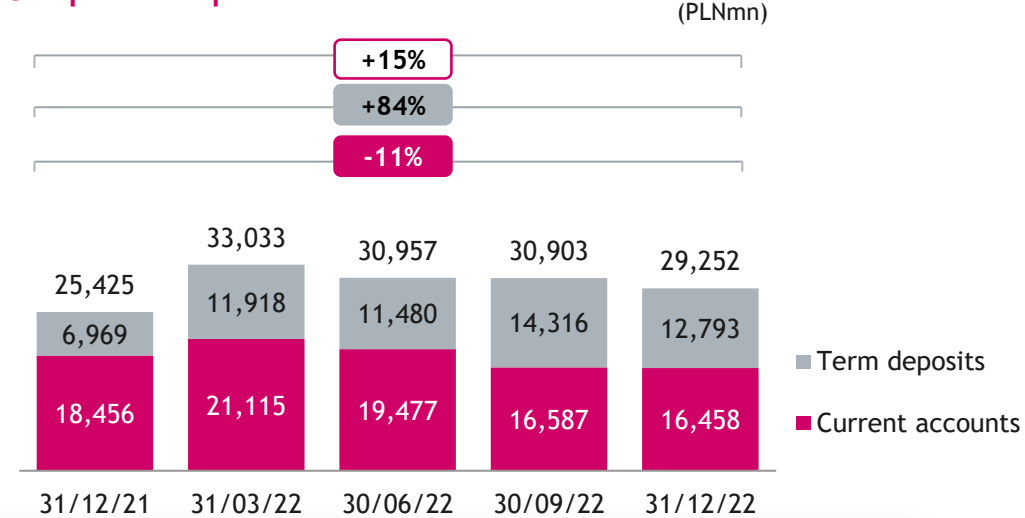
COMPANIES BUSINESS - DEPOSITS AND LOANS

Slight decrease of corporate portfolio in line with RWA focus. Considerable y/y growth of deposits.

Loans to companies (gross)



Companies deposits

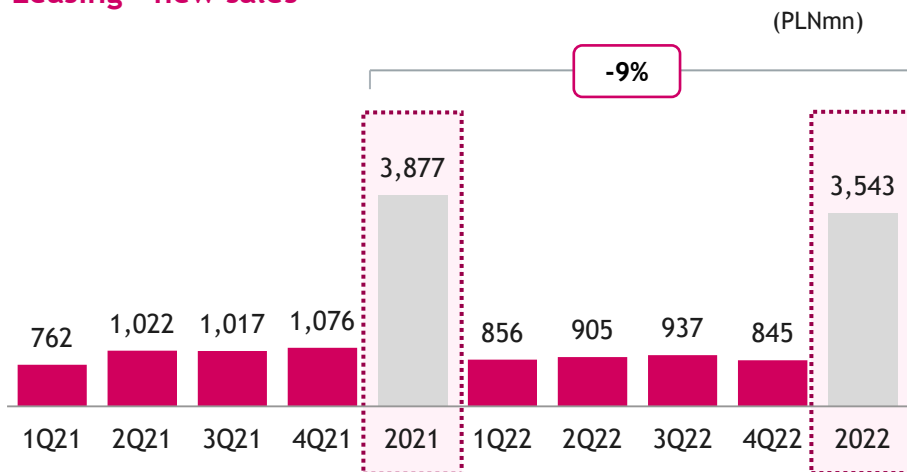


- Loan portfolio fell -2% y/y due to the focus on RWA optimisation
- Considerable y/y growth of companies' deposits (+15% y/y)
- Gradual improvement in transaction activity. The increase in 2022 of domestic transfers +3% and FX transactions +21% vs. 2021
- 70% of FX transactions processed on Millennium Forex Trade platform (integrated with Millenet) in 2022
- 62% of credit agreements (incl. factoring, treasury) signed digitally using qualified signature and delivered via Millenet with automatic certification on Bank side
- BGK guarantees programs were extended till end of 2023 (programs of crisis guaranties and biznesmax) and till mid 2023 (de minimis).

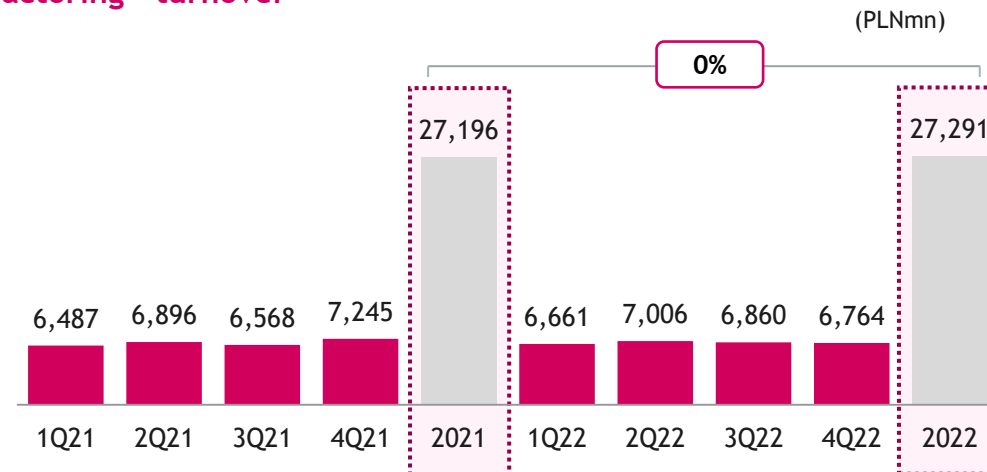
COMPANIES BUSINESS - LOANS AND TRANSACTIONS

Deceleration of growth in leasing and factoring. Steady growth of transactions.

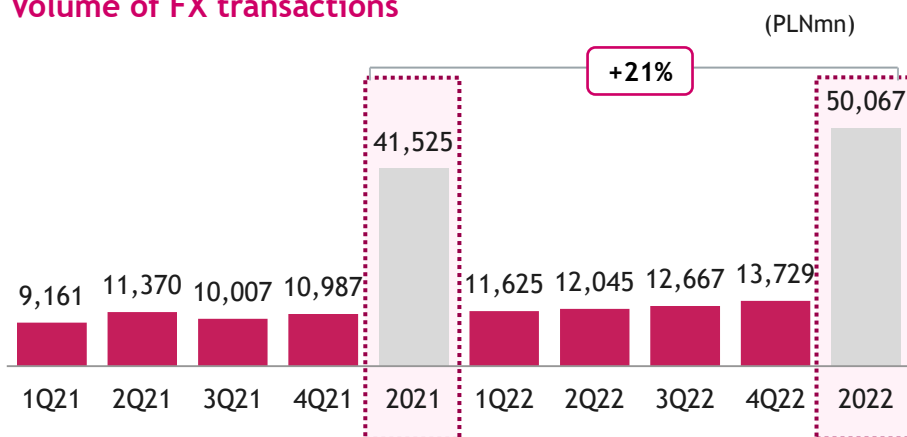
Leasing - new sales



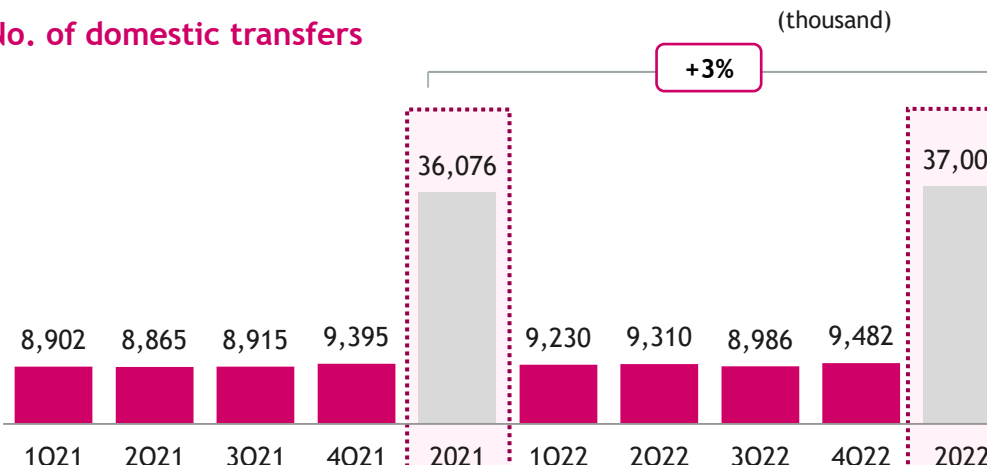
Factoring - turnover



Volume of FX transactions



No. of domestic transfers



PRODUCTS AND IMPROVEMENTS FOR CORPORATE BANKING CLIENTS

We deliver comprehensive solutions based on modern technologies and are focusing on digitisation and digitalisation of business processes

MILLENET FOR COMPANIES

We have expanded the module of exchange of digital documents as regards electronic signatures and seals as well as notification of documents. We have introduced a method of signing-in to the factoring system via the Millenet platform with use of one login and password. We are also developing Millennium Leasing's digital client service. We have improved digital service and have expanded functions, which allow payments cards to be managed in Millenet and also automate settlement processes on the client's side.

ESCROW ACCOUNTS

In connection with entry into force of the "New Developer Act" we have implemented the new release of Housing Escrow Accounts.

FINANCING PRODUCTS AND LEASING

We have shortened the waiting time for a credit decision and have limited the number of documents required in the process of granting investment loans. We have launched new project financing products with support of public funds as well as a loan for SMEs in cooperation with the EIB Group. We have supplemented the offering to include the service of financing of receivables, with non-recourse factoring with insurance having a new policy - KUKÉ S.A.

We continued access to financing with support of BGK guarantees and assistance mechanisms as well as under the PFR Financial Shield as the Anti-crisis Shield for companies.

The Millesun leasing programme has been supplemented with financing heat pumps and leasing has been provided with a subsidy from BOŚ for purchase of new electric vehicles (My Electric Programme).

MILLENNIUM FOREX TRADER

We have introduced the possibility of placing conditional orders with use of the Millennium Forex Trader foreign exchange platform.

85%

customers actively using eBOK website for leasing service

70%

share of FX transactions via the Millennium Forex Trader platform





PRESENTATION OF 4Q22/2022 PRELIMINARY RESULTS

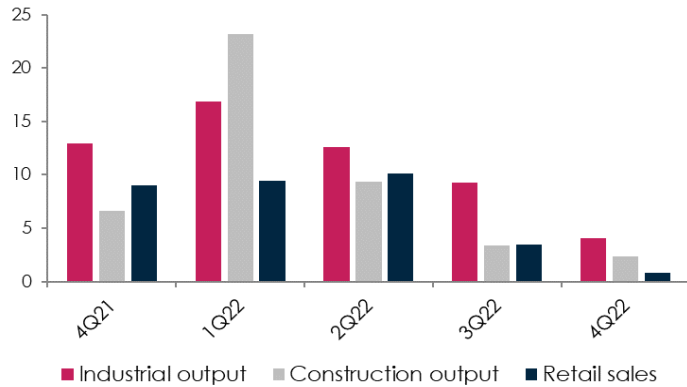
Appendices

MACROECONOMIC OVERVIEW

Economy

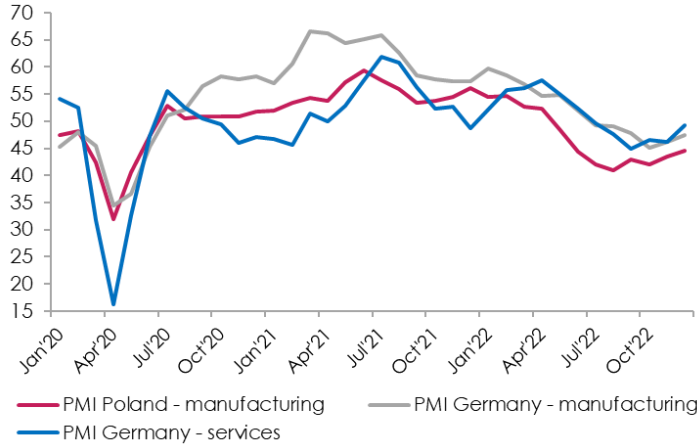
Data from real economy

(% y/y)



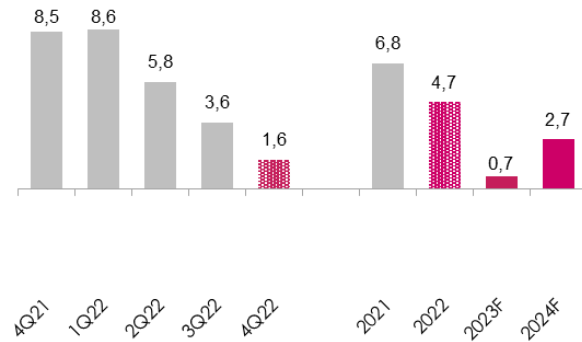
PMI indexes for Poland and Germany

(pts)



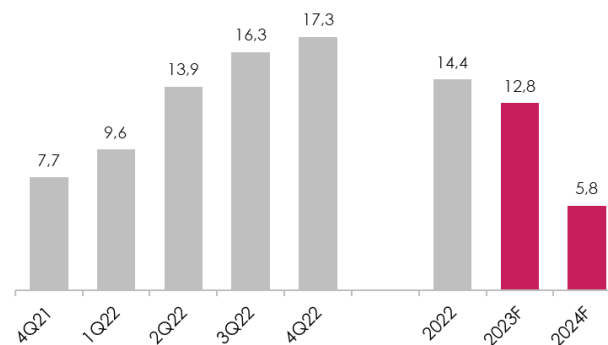
GDP growth rate

(% y/y)



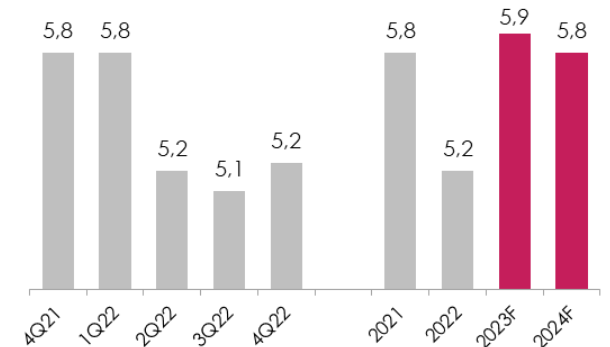
CPI inflation

(% y/y)



Registered unemployment rate

(%)

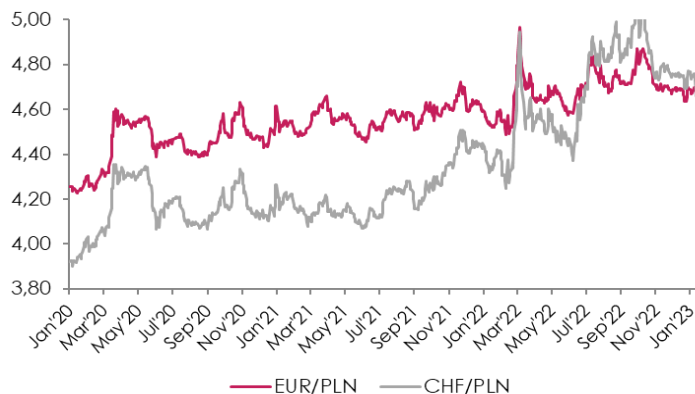


↘ Economic growth in Poland slowed to estimated 1.6% y/y in 4Q22 and in the whole year reached 4.7% compared to 6.8% in 2021. High inflation and high interest rates reduced real growth of consumption and investments. Unemployment rate remained at historically low levels despite of deteriorated economic activity. Inflation climbed to 17.3% y/y in 4Q22 and it is expected to reach its peak in 1Q23. Year 2023 will bring further slowdown in economic growth and inflation. Expectations for coming quarters are subject to high uncertainty regarding mainly geopolitical factors as well as prices and availability of energy resources.

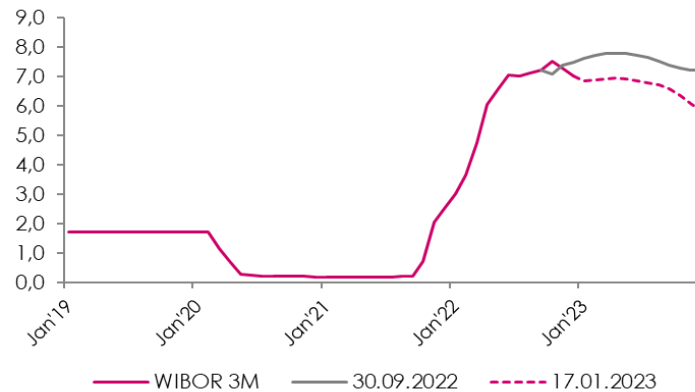
MACROECONOMIC OVERVIEW

Financial markets

Evolution of FX rates

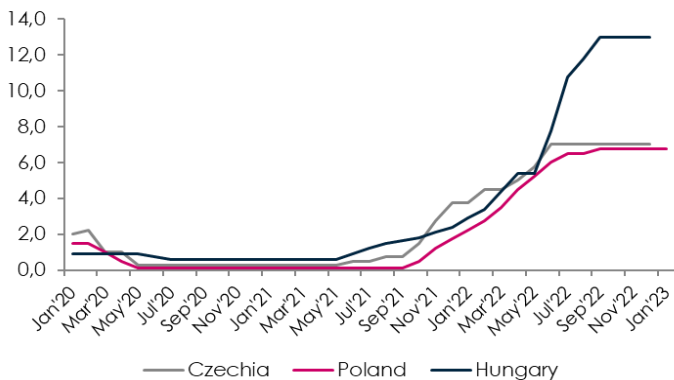


WIBOR 3M and market expectations (%)

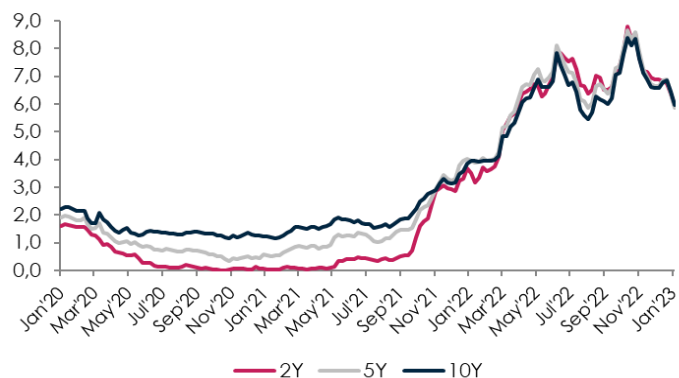


↙ The Monetary Policy Council hiked a reference rate to 6.75% in September 2022 and switched to wait-and-see approach that has been adopted due to the mounting risks for economic activity in coming quarters. Zloty remained stable against the euro hovering in a tight range around 4.68 even as the first signs of global disinflation supported the risk-on sentiment.

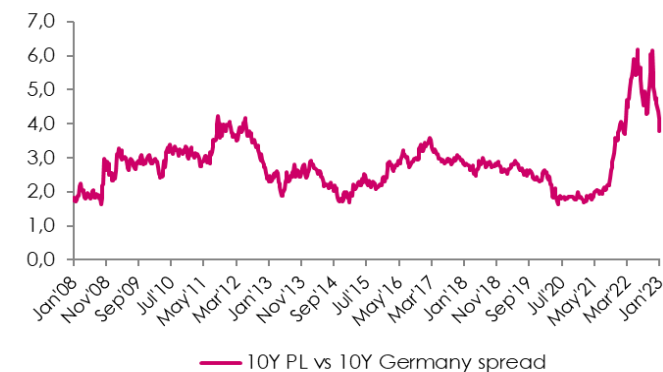
Official interest rates in CEE-3 countries (%)



Polish T-bonds yields (%)



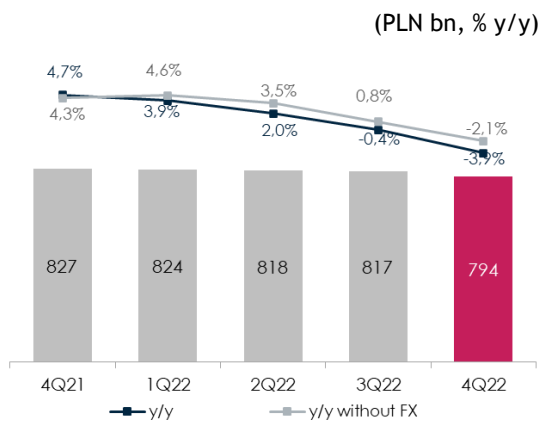
Spread of Polish 10Y bond to 10Y German benchmark (%)



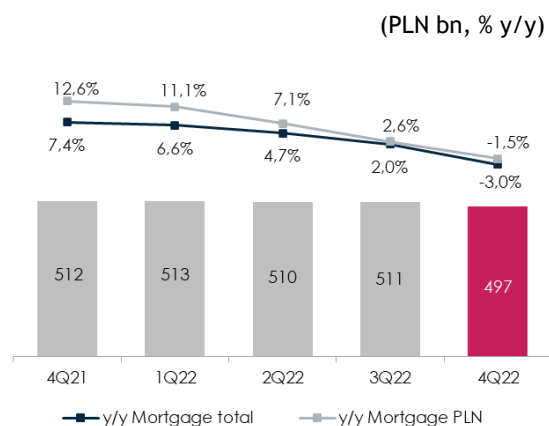
MACROECONOMIC OVERVIEW

Monetary aggregates

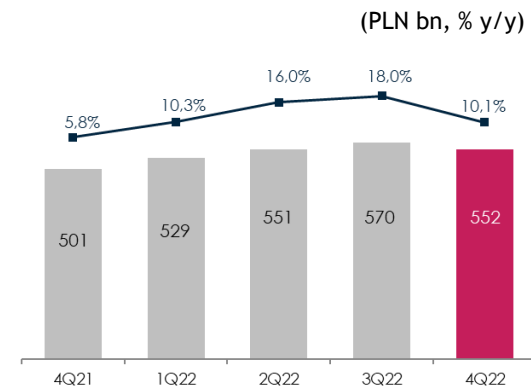
Loans to households



Mortgage loans

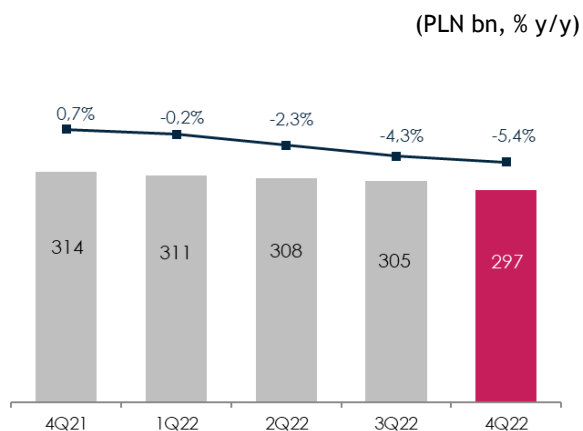


Loans to companies

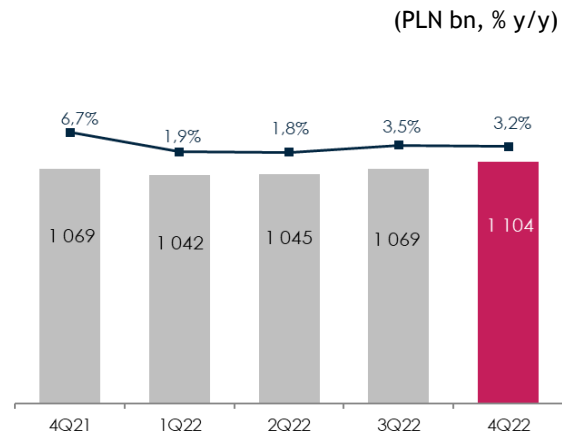


↘ Demand for loans is declining both in households' and corporates' sector amid high interest rates and lower economic activity. Consumer and mortgage loans are suffering the most with a contraction in Dec'22 by 5.4% y/y and 1.5% y/y respectively.

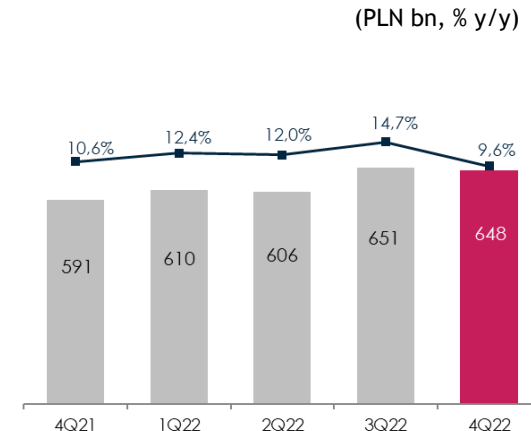
Households: non-mortgage loans



Deposits from households



Deposits from companies

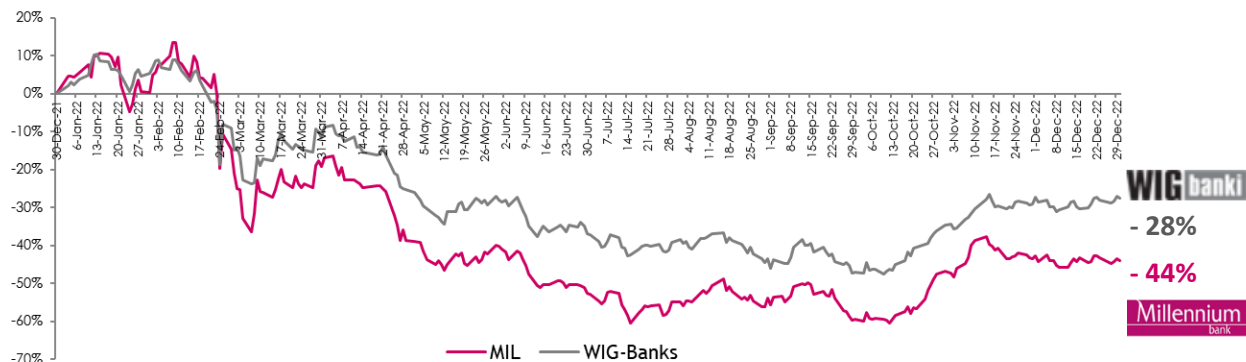


↘ Growth of deposits in the banking sector slowed to 5.5% y/y in Dec'22, mostly because of corporate sector, especially local governments. Stable dynamics of households' deposits reflect increased propensity to save in the environment of high interest rates and elevated uncertainty over financial situation.

RATINGS AND MARKET RATIOS

4Q22 brought mixed performance of Polish equities with recovery of indices in November and December

Annual change of Bank Millennium share performance vs. WIG Banks index



Bank Millennium shares



No of shares: 1 213 116 777 (listed 1 213 008 137)

Listed: on Warsaw Stock Exchange since August 1992

Index: WIG, WIG 30, mWIG40, WIG Banks, WIG-ESG

Tickers: ISIN PLBIG0000016, Bloomberg MIL PW, Reuters MILP.WA

Ratings of Bank Millennium



On July 20, 2022 Moody's rating agency downgraded Bank's long-term and short-term ratings.

On August 5, 2022 Fitch rating agency downgraded Bank's long-term and short-term ratings (stable outlook).

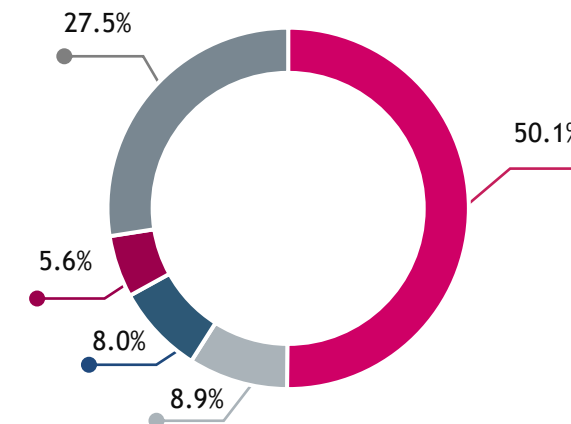
The Bank's corporate ratings, as at 31 December 2022, were as follows:

Moody's Baa3 / P3/ ba2 / under review for downgrade

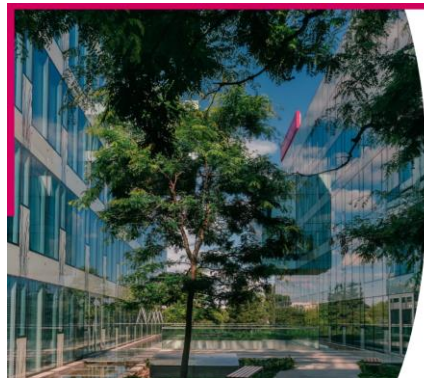
Fitch BB / B/ bb/ stable outlook

Bank Millennium shareholders' structure (31.12.2022)

- BCP
- Nationale-Nederlanden OFE (Pension Fund)
- Allianz OFE (Pension Fund)*
- PZU „Złota Jesień" OFE (Pension Fund)
- Remaining free float



ESG ACTIVITIES



Strategia ESG Grupy Banku Millennium na lata 2022-2024

Strategia ESG stanowi rozwinięcie i uszczegółowienie celów środowiskowych, społecznych oraz z zakresu ładu korporacyjnego zaprezentowanych w Strategii na lata 2022 - 2024 „Millennium 2024: Inspiruj nas ludzie”.

- Approved by Bank Millennium's Management Board
- ESG strategy develops and specifies environmental, social and corporate governance issues presented in **Strategy for years 2022 - 2024 „Millennium 2024: Inspired by people”**.

Bank Millennium earns the title of „Climate Conscious Company 2022”

- as part of the **Companies' Climate Awareness Survey** conducted on the basis of reports for 2021
- The Bank received 8.17 points and thus ranked **7th out of 152 companies listed on the Warsaw Stock Exchange**.



Substantive Partners:

- Patent Office of the Republic of Poland
- University of Science and Technology in Cracow
- Warsaw School of Economics

- 10.2022 premiere of the Report **“Eco-index Millennium - eco-innovation potential of regions”**
- Objective: analysis of the involvement of Polish regions in green transformations in the situation when ecology, care for the environment and the development of innovation take up more and more space in the development strategies of voivodeships; analysis of the strengths and weaknesses of Polish regions in the field of eco-innovation; creating a platform for discussion on the importance and development of green innovations in our country, as well as encouraging cooperation in this area.

Millennium earns a title of „European Diversity Leader 2023”

- **Ranking of Financial Times and Statista**
- based on the results of an independent survey of over 100,000 employees of institutions and companies from 16 European countries
- among the awarded entities there are employers from Europe **supporting and promoting diversity**
- entities distinguished in the ranking selected based on the recommendations of their employees.

Two New Head Offices of Bank Millennium in Gdańsk in the spirit of sustainable development



- In December 2022 Bank Millennium opened modernized interiors of its buildings in Gdańsk - **Targ Drzewny 1** and **Grunwaldzka 19/23**
- adapted to work in a hybrid model, designed in accordance with the latest office space standards and in line with current market trends.
- **rationalization of the resources held and optimization of the available real estate portfolio** resulted in the consolidation of four locations into two own buildings - a decrease in the amount of occupied space by 55%, from 9,931 to 4,518 m².
- **HQ Grunwaldzka underwent a thorough thermal modernization with the installation of the first PV installation at the Head Office**, which at its peak could cover over 20% of the energy demand.

THE MOST IMPORTANT AWARDS AND ACHIEVEMENTS OF BANK MILLENNIUM in 4Q22

Fantastic people, great digital banking and remote service quality confirmed by independent rankings and competitions



Bank Millennium is the best digital bank in Newsweek's Friendly Bank ranking!

In this year's edition of Newsweek's Friendly Bank ranking, Bank Millennium was:

- 1st in the "Remote Banking" category
- 2nd in the "Bank for Mr. Kowalski" main category

The Bank proved to be unrivalled in remote banking, winning in all five subcategories, which, as the organisers comment, is a rarity in the history of the ranking.



Bank Millennium with the title of Reliable Employer 2022

The Reliable Employer of the Year award is granted to companies that care for working conditions and employee development. This year, the awards were granted for the twentieth time - for us it is the 9th title in a row. The nationwide Reliable Employer programme is a research project in the field of HR, which distinguishes the best employers in terms of personnel policy and employee solutions. Bank was also awarded the title of "Europe's Diversity Leader 2023" in a ranking by the Financial Times and Statista.



Beata Krupińska - Marketing Director of the year 2021/2022 and Jarek Hermann - market visionary of Bank Financial Monthly

Beata Krupińska, Director of the Marketing Communication Department received an award in the special category - Long Time Marketing Excellence - from the publisher of the Mediarun.com while Jarek Hermann, Member of the Management Board received a prestigious award for actively supporting and building initiatives for the Polish banking sector. The jury also appreciated his actions for equality between women and men in business.

SYNTHETIC P&L ACCOUNT

Reported results

	2021	2022	Change Y/Y	3Q22	4Q22	Change Q/Q
Net interest income	2 713	3 337	23%	-152	1 349	-
<i>Including cost of credit holidays</i>	0	-1 324	-	-1 423	99	-
<i>Net interest income without credit holidays</i>	2 713	4 661	72%	1 271	1 250	-2%
Net commission income	831	808	-3%	179	202	13%
Other non-interest income	14	-137	-	-46	-21	-54%
Operating Income	3 558	4 009	13%	-18	1 530	-
General and administrative costs	-1 441	-1 884	31%	-409	-416	2%
Depreciation	-202	-209	4%	-52	-52	0%
Total operating costs	-1 642	-2 093	27%	-462	-469	2%
Net cost of risk *	-299	-358	20%	-113	-91	-20%
Other modification	0	-102	-	-50	-52	-
FX legal risk provision	-2 305	-2 017	-12%	-498	-505	1%
Operating profit	-688	-562	-	-1 140	413	-
Banking tax	-313	-169	-46%	0	0	-
Pre-tax profit	-1 001	-731	-	-1 141	413	-
Income tax	-331	-284	-14%	140	-165	-
Net profit	-1 332	-1 015	-	-1 001	249	-

(*) cost of risk includes impairment provisions (on all stages), FV adjustment on loans and result on modification (except for a part related to amicable settlements with FX mortgage borrowers).

BALANCE SHEET

	31.12.2021	30.09.2022	31.12.2022	Change y/y
ASSETS				
Cash and balances with the Central Bank	3 180	10 132	9 536	200%
Loans and advances to banks	771	1 186	733	-5%
Loans and advances to customers	78 603	78 965	76 565	-3%
Amounts due from reverse repo trans.	269	5	5	-98%
Debt securities	18 220	16 331	20 471	12%
Derivatives (for hedging and trading)	100	321	475	374%
Shares and other financial instruments	167	216	153	-8%
Tangible and intangible fixed assets	942	946	1 009	7%
Other assets	1 662	2 092	1 994	20%
TOTAL ASSETS	103 914	110 194	110 942	7%
LIABILITIES AND EQUITY				
Deposits and loans from banks	539	604	728	35%
Deposits from customers	91 448	97 771	98 039	7%
Liabilities from repo transactions	18	764	0	-100%
Financial liabilities at fair value through P&L and hedging derivatives	758	1 296	940	24%
Liabilities from securities issued	40	0	244	516%
Provisions	596	926	1 016	71%
Subordinated liabilities	1 541	1 564	1 568	2%
Other liabilities	2 278	2 405	2 914	28%
TOTAL LIABILITIES	97 217	105 328	105 448	8%
TOTAL EQUITY	6 697	4 866	5 494	-18%
TOTAL LIABILITIES AND EQUITY	103 914	110 194	110 942	7%

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www.bankmillennium.pl



[Kanał na YouTube](#)



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Next events:



28.04.2023 – 1Q23 results

26.07.2023 – 1H23 results

27.10.2023 – 3Q22 results