Consolidated report of the Bank Millennium S.A. Capital Group for 1st half 2026

This document is a translation from the original Polish version. In case of any discrepancies between the Polish and English versions, the Polish version shall prevail.

Consolidated Financial Highlights

	Amount '000 PLN		Amount '000 EUR	
	1.01.2026 – 30.06.2026	1.01.2025 – 30.06.2025	1.01.2026 – 30.06.2026	1.01.2025 – 30.06.2025
Interest income and other of similar nature	4 305 824	4 568 353	1 012 611	1 082 343
Fee and commission income	584 567	517 505	137 474	122 608
Profit (loss) before income tax	1 170 781	780 727	275 335	184 971
Profit (loss) after taxes	708 352	510 746	166 585	121 007
Total comprehensive income of the period	667 348	633 846	156 942	150 172
Net cash flows from operating activities	7 118 144	6 189 369	1 673 991	1 466 397
Net cash flows from investing activities	(11 732 861)	(7 838 124)	(2 759 245)	(1 857 023)
Net cash flows from financing activities	3 652 502	548 159	858 968	129 871
Net cash flows, total	(962 215)	(1 100 597)	(226 286)	(260 755)
Earnings (losses) per ordinary share (in PLN/EUR)	0.58	0.42	0.14	0.10
Diluted earnings (losses) per ordinary share	0.58	0.42	0.14	0.10
	30.06.2026	31.12.2025	30.06.2026	31.12.2025
Total Assets	170 692 741	155 673 331	39 730 173	36 830 939
Liabilities to banks and other monetary institutions	285 125	103 113	66 365	24 396
Liabilities to customers	140 757 102	130 807 491	32 762 401	30 947 900
Equity	11 284 600	9 125 614	2 626 586	2 159 040
Share capital	1 213 117	1 213 117	282 363	287 013
Number of shares (pcs.)	1 213 116 777	1 213 116 777	1 213 116 777	1 213 116 777
Book value per share (in PLN/EUR)	9.30	7.52	2.17	1.78
Diluted book value per share (in PLN/EUR)	9.30	7.52	2.17	1.78
Total Capital Ratio (TCR)	17.10%	15.11%	17.10%	15.11%
Pledged or paid dividend per share (in PLN/EUR)	-	-	-	-

Exchange rates accepted to convert selected financial data into EUR				
for items as at the balance sheet date	-	-	4.2963	4.2267
for items for the period covered by the report (exchange rate calculated as the average of exchange rates at the end of individual months of the period)	-	-	4.2522	4.2208

CONSOLIDATED REPORT OF THE BANK MILLENNIUM S.A. CAPITAL GROUP FOR 1ST HALF 2026

CONTENTS

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF THE BANK MILLENNIUM S.A. CAPITAL GROUP FOR THE 6 MONTHS ENDED 30 JUNE 2026 3

CONDENSED INTERIM STANDALONE FINANCIAL STATEMENTS OF THE BANK MILLENNIUM S.A. FOR THE 6 MONTHS ENDED 30 JUNE 2026 82

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF THE BANK MILLENNIUM S.A. CAPITAL GROUP FOR THE 6 MONTHS ENDED 30 JUNE 2026

CONTENTS

1. CONSOLIDATED FINANCIAL DATA (GROUP) 5

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS 12

2. GENERAL INFORMATION ABOUT ISSUER 12

3. INTRODUCTION AND ACCOUNTING POLICY 14

4. NOTES TO CONSOLIDATED FINANCIAL DATA 17

1) Interest income and other of similar nature 17
2) Interest expenses and other of similar nature 17
3) Fee and commission income 18
4) Fee and commission expense 18
5) Result on derecognition of financial assets and liabilities not measured at fair value through profit or loss 18
6) Results on financial assets and liabilities held for trading 19
7) Results non-trading financial assets mandatorily at fair value through profit or loss 19
8) Administrative expenses 19
9) Impairment losses on financial assets 20
10) Legal risk costs related to foreign currency mortgage loans 20
11) Corporate income tax 22
12) Financial assets held for trading 22
13) Financial assets at fair value through other comprehensive income 23
14) Loans and advances to customers 23
15) Financial assets at amortised cost other than Loans and advances to customers 27
16) Derivatives – hedge accounting 29
17) Liabilities to banks and other monetary institutions 31
18) Liabilities to customers 31
19) Liabilities from securities sold with buy-back clause 32
20) Change of debt securities 32
21) Change of subordinated debt 32
22) Provisions 33

5. RISK MANAGEMENT 35

5.1. CREDIT RISK 35
5.2. MARKET RISK 36
5.3. INTEREST RATE RISK IN BANKING BOOK (IRRBB) 37
5.4. LIQUIDITY RISK 39
5.5. OPERATIONAL RISK 41
5.6. CAPITAL MANAGEMENT 41
5.6.1 Minimum requirements for own funds and liabilities subject to write down or conversion (MREL) 44

6. OPERATIONAL SEGMENTS 45

7. TRANSACTIONS WITH RELATED ENTITIES 51
7.1. TRANSACTIONS WITH THE PARENT GROUP 51
7.2. TRANSACTIONS WITH THE MANAGING AND SUPERVISING PERSONS 52
7.3. INFORMATION ON COMPENSATIONS AND BENEFITS OF THE MEMBERS OF THE MANAGEMENT AND SUPERVISORY BOARDS 52
7.4. BALANCE OF THE BANK'S SHARES HELD BY THE BANK'S SUPERVISORY AND MANAGEMENT BOARD MEMBERS 53
8. FAIR VALUE 55
8.1. FINANCIAL INSTRUMENTS NOT RECOGNIZED AT FAIR VALUE IN THE BALANCE SHEET 55
8.2. FINANCIAL INSTRUMENTS RECOGNIZED AT FAIR VALUE IN THE BALANCE SHEET 57
9. CONTINGENT LIABILITIES AND ASSETS 60
9.1. LAWSUITS AND RELEVANT PROCEEDINGS 60
9.2. OFF – BALANCE ITEMS 68
10. LEGAL RISK RELATED TO FOREIGN CURRENCY MORTGAGE LOANS 69
11. ADDITIONAL INFORMATION 75
11.1. DATA ABOUT ASSETS, WHICH SECURE LIABILITIES 75
11.2. SECURITIES COVERED BY TRANSACTIONS WITH A BUY-BACK CLAUSE 76
11.3. 2025 DIVIDEND 77
11.4. EARNINGS PER SHARE 77
11.5. SHAREHOLDERS HOLDING NO LESS THAN 5% OF THE TOTAL NUMBER OF VOTES AT THE GENERAL SHAREHOLDERS MEETING OF THE GROUP'S PARENT COMPANY – BANK MILLENNIUM S.A. 77
11.6. INFORMATION ABOUT LOAN SURETIES OR GUARANTEES EXTENDED BY THE GROUP 78
11.7. SEASONALITY AND BUSINESS CYCLES 78
11.8. OTHER ADDITIONAL INFORMATION 78

1. CONSOLIDATED FINANCIAL DATA (GROUP)

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Amount '000 PLN	Note	1.01.2026 - 30.06.2026	1.04.2026 - 30.06.2026	1.01.2025 - 30.06.2025	1.04.2025 - 30.06.2025
Net interest income		2 777 498	1 387 047	2 871 798	1 448 343
Interest income and other of similar nature	1	4 305 824	2 161 882	4 568 353	2 300 300
Income calculated using the effective interest method		4 281 455	2 153 086	4 509 108	2 265 206
Interest income from Financial assets at amortised cost, of which:		3 357 643	1 685 686	3 686 556	1 845 370
Interest income from Financial assets at fair value through other comprehensive income		923 812	467 400	822 552	419 836
Result of similar nature to interest from Financial assets at fair value through profit or loss		24 369	8 796	59 245	35 094
Interest expenses	2	(1 528 326)	(774 835)	(1 696 555)	(851 957)
Net fee and commission income		411 807	207 182	370 634	188 087
Fee and commission income	3	584 567	296 098	517 505	268 030
Fee and commission expenses	4	(172 760)	(88 916)	(146 871)	(79 943)
Dividend income		44 182	44 147	3 547	3 462
Result on derecognition of financial assets and liabilities not measured at fair value through profit or loss	5	(1 471)	(865)	(2 389)	(941)
Results on financial assets and liabilities held for trading	6	(5 334)	1 953	13 271	275
Result on non-trading financial assets mandatorily at fair value through profit or loss	7	(2 924)	(841)	54 681	52 179
Result on hedge accounting		453	(1 994)	(450)	233
Result on exchange differences		102 653	61 641	109 660	54 001
Other operating income		149 514	74 485	190 441	127 668
Other operating expenses		(168 523)	(131 164)	(194 924)	(124 415)
Administrative expenses	8	(1 257 559)	(573 004)	(1 158 373)	(547 116)
Impairment losses on financial assets	9	(134 800)	(49 371)	(76 428)	9 060
Impairment losses on non-financial assets		(3 943)	(999)	(1 750)	(790)
Legal risk expenses connected with FX mortgage loans, of which:	10	(405 561)	(179 893)	(1 085 387)	(588 851)
Provisions for legal risk		(405 561)	(179 893)	(1 018 600)	(573 810)
Result on modification		(2 165)	(588)	(2 232)	(2 163)
Depreciation		(128 151)	(66 943)	(111 554)	(54 859)
Share of the profit of investments in subsidiaries		0	0	0	0
Banking tax		(204 895)	(102 403)	(199 818)	(101 149)
Profit before income taxes		**1 170 781**	**668 390**	**780 727**	**463 024**
Corporate income tax	11	(462 429)	(260 830)	(269 981)	(131 547)
Profit after taxes		**708 352**	**407 560**	**510 746**	**331 477**
Attributable to:					
Owners of the parent		708 352	407 560	510 746	331 477
Non-controlling interests		0	0	0	0

Notes on pages 12-81 are integral part of these condensed interim consolidated financial statements.

CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME

Amount ‘000 PLN	1.01.2026 - 30.06.2026	1.04.2026 - 30.06.2026	1.01.2025 - 30.06.2025	1.04.2025 - 30.06.2025
Profit after taxes	708 352	407 560	510 746	331 477
Other comprehensive income items that may be (or were) reclassified to profit or loss	(55 882)	250 565	151 975	79 862
Result on debt securities	(57 578)	249 850	138 811	75 370
Hedge accounting	1 696	715	13 164	4 492
Other comprehensive income items that will not be reclassified to profit or loss	0	0	0	0
Actuarial gains (losses)	0	0	0	0
Result on equity instruments	0	0	0	0
Total comprehensive income items before taxes	(55 882)	250 565	151 975	79 862
Corporate income tax on other comprehensive income items that may be (or were) reclassified to profit or loss	14 878	(77 011)	(28 875)	(15 174)
Corporate income tax on other comprehensive income items that will not be reclassified to profit or loss	0	0	0	0
Total comprehensive income items after taxes	**(41 004)**	**173 554**	**123 100**	**64 688**
Total comprehensive income for the period	**667 348**	**581 114**	**633 846**	**396 165**
Attributable to:				
Owners of the parent	667 348	581 114	633 846	396 165
Non-controlling interests	0	0	0	0

Notes on pages 12-81 are integral part of these condensed interim consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

Amount '000 PLN	Note	30.06.2026	31.12.2025
Cash, cash balances at central banks		5 735 735	4 360 464
Financial assets held for trading	12	402 175	1 019 418
Derivatives		160 906	155 309
Equity instruments		120	252
Debt securities, of which:		225 641	824 911
Securities underlying the sale and repurchase agreements		0	0
Reverse sale and repurchase agreements		15 508	38 946
Non-trading financial assets mandatorily at fair value through profit or loss, other than Loans and advances to customers		173 293	176 307
Equity instruments		152 226	155 652
Debt securities		21 067	20 655
Financial assets at fair value through other comprehensive income	13	43 408 136	42 512 088
Equity instruments		43 370	40 942
Debt securities		43 364 766	42 471 146
Loans and advances to customers	14	81 197 689	76 415 921
Mandatorily at fair value through profit or loss		615	745
Valued at amortised cost		81 197 074	76 415 176
Financial assets at amortised cost other than Loans and advances to customers	15	35 946 777	27 316 092
Debt securities		35 300 018	26 905 373
Deposits, loans and advances to banks and other monetary institutions		401 701	350 741
Reverse sale and repurchase agreements		245 058	59 978
Derivatives – Hedge accounting	16	0	0
Investments in subsidiaries, joint ventures and associates		36 030	38 657
Tangible fixed assets		532 732	557 034
Intangible fixed assets		613 798	609 981
Income tax assets		348 263	568 559
Current income tax assets		18 234	19 093
Deferred income tax assets		330 029	549 466
Other assets		2 282 680	2 082 093
Non-current assets and disposal groups classified as held for sale		15 433	16 717
Total assets		**170 692 741**	**155 673 331**

Notes on pages 12-81 are integral part of these condensed interim consolidated financial statements.

LIABILITIES AND EQUITY

Amount '000 PLN	Note	30.06.2026	31.12.2025
LIABILITIES			
Financial liabilities held for trading	12	118 481	246 359
Derivatives		105 394	208 571
Liabilities from short sale of securities		13 087	37 788
Financial liabilities measured at amortised cost		152 818 238	140 109 103
Liabilities to banks and other monetary institutions	17	285 125	103 113
Liabilities to customers	18	140 757 102	130 807 491
Sale and repurchase agreements	19	0	0
Debt securities issued	20	8 073 466	7 640 812
Subordinated debt	21	3 702 545	1 557 687
Derivatives – Hedge accounting	16	17 949	24 735
Provisions	22	3 382 140	3 746 520
Legal issues		3 181 111	3 566 628
Commitments and guarantees given		123 093	105 358
Retirement benefits		77 936	74 534
Income tax liabilities		27 265	17 549
Current income tax liabilities		25 951	16 525
Deferred income tax liabilities		1 314	1 024
Other liabilities		3 044 068	2 403 451
Total Liabilities		**159 408 141**	**146 547 717**
EQUITY			
Share capital		1 213 117	1 213 117
Own shares		(21)	(21)
Share premium		1 147 502	1 147 502
Additional equity items		1 500 000	0
Accumulated other comprehensive income		140 696	181 700
Retained earnings		7 283 306	6 583 316
Total equity		**11 284 600**	**9 125 614**
Total equity and total liabilities		**170 692 741**	**155 673 331**

Notes on pages 12-81 are integral part of these condensed interim consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amount '000 PLN	Total consolidated equity	Share capital	Own shares	Share premium	Additional equity items	Accumulated other comprehensive income	Retained earnings: Unappropriated result	Retained earnings: Other reserves
01.01.2026 – 30.06.2026								
Equity at the beginning of the period	9 125 614	1 213 117	(21)	1 147 502	0	181 700	1 405 204	5 178 112
Total comprehensive income for period (net)	667 348	0	0	0	0	(41 004)	708 352	0
net profit/ (loss) of the period	708 352	0	0	0	0	0	708 352	0
other comprehensive income items after taxes	(41 004)	0	0	0	0	(41 004)	0	0
AT1 instruments issuance	1 500 000	0	0	0	1 500 000	0	0	0
Costs related to the issuance of AT1 instruments	(8 362)	0	0	0	0	0	(8 362)	0
Allocation of profit	0	0	0	0	0	0	(1 111 748)	1 111 748
Equity at the end of the period	**11 284 600**	**1 213 117**	**(21)**	**1 147 502**	**1 500 000**	**140 696**	**993 446**	**6 289 860**

Amount '000 PLN	Total consolidated equity	Share capital	Own shares	Share premium	Accumulated other comprehensive income	Retained earnings: Unappropriated result	Retained earnings: Other reserves
01.01.2025 – 31.12.2025							
Equity at the beginning of the period	7 682 141	1 213 117	(21)	1 147 502	(59 984)	864 404	4 517 123
Total comprehensive income for period (net)	1 443 473	0	0	0	241 684	1 201 789	0
net profit/ (loss) of the period	1 201 789	0	0	0	0	1 201 789	0
other comprehensive income items after taxes	241 684	0	0	0	241 684	0	0
Allocation of profit	0	0	0	0	0	(660 989)	660 989
Equity at the end of the period	**9 125 614**	**1 213 117**	**(21)**	**1 147 502**	**181 700**	**1 405 204**	**5 178 112**

Amount '000 PLN	Total consolidated equity	Share capital	Own shares	Share premium	Accumulated other comprehensive income	Retained earnings: Unappropriated result	Retained earnings: Other reserves
01.01.2025 – 30.06.2025							
Equity at the beginning of the period	7 682 141	1 213 117	(21)	1 147 502	(59 984)	864 404	4 517 123
Total comprehensive income for period (net)	633 846	0	0	0	123 100	510 746	0
net profit/ (loss) of the period	510 746	0	0	0	0	510 746	0
other comprehensive income items after taxes	123 100	0	0	0	123 100	0	0
Allocation of profit	0	0	0	0	0	(660 989)	660 989
Equity at the end of the period	**8 315 987**	**1 213 117**	**(21)**	**1 147 502**	**63 116**	**714 161**	**5 178 112**

Notes on pages 12-81 are integral part of these condensed interim consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOW

A. CASH FLOWS FROM OPERATING ACTIVITIES

Amount '000 PLN	1.01.2026 - 30.06.2026	1.01.2025 - 30.06.2025
Profit (loss) after taxes	708 352	510 746
Total adjustments:	6 409 792	5 678 623
Interest income/expense result (from the Profit and loss statement)	(2 777 498)	(2 871 798)
Interest received	3 948 828	4 241 096
Interest paid	(1 221 380)	(1 380 973)
Depreciation and amortization	128 151	111 554
Foreign exchange (gains)/ losses	79 590	(32 306)
Dividends	(44 182)	(85)
Changes in provisions	(364 380)	593 157
Result on sale and liquidation of investing activity assets	(7 273)	(34 857)
Change in financial assets held for trading	590 212	(173 433)
Change in loans and advances to banks	99 292	(163 139)
Change in loans and advances to customers	(4 799 475)	767 543
Change in receivables from securities bought with sell-back clause (loans and advances)	98 924	(213 124)
Change in financial liabilities valued at fair value through profit and loss (held for trading)	(134 664)	163 640
Change in deposits from banks	181 246	(69 802)
Change in deposits from customers	9 968 978	4 545 447
Change in liabilities from securities sold with buy-back clause	0	(193 723)
Change in debt securities issued	(32 806)	(298)
Income tax (from the Profit and loss statement)	462 429	269 981
Income tax paid	(217 539)	(318 163)
Change in other assets and liabilities	451 340	437 906
Net cash flows from operating activities	**7 118 144**	**6 189 369**

Notes on pages 12-81 are integral part of these condensed interim consolidated financial statements.

B. CASH FLOWS FROM INVESTING ACTIVITIES

Amount '000 PLN	1.01.2026 - 30.06.2026	1.01.2025 - 30.06.2025
Inflows:	272 259 327	290 700 221
Proceeds from sale of property, plant and equipment and intangible assets	12 290	46 440
Proceeds from sale of shares in related entities	0	0
Proceeds from sale of investment financial assets	272 202 855	290 653 696
Other - dividends	44 182	85
Outflows:	(283 992 188)	(298 538 345)
Acquisition of property, plant and equipment and intangible assets	(77 114)	(148 444)
Acquisition of shares in related entities	0	0
Acquisition of investment financial assets	(283 915 074)	(298 389 901)
Other	0	0
Net cash flows from investing activities	**(11 732 861)**	**(7 838 124)**

C. CASH FLOWS FROM FINANCING ACTIVITIES

Amount '000 PLN	1.01.2026 - 30.06.2026	1.01.2025 - 30.06.2025
Inflows from financing activities:	4 119 650	800 000
Long-term bank loans	0	0
Issue of debt securities	500 000	800 000
Increase in subordinated debt	2 119 650	0
Proceeds from the issuance of AT1 instruments	1 500 000	0
Other inflows from financing activities	0	0
Outflows from financing activities:	(467 148)	(251 841)
Repayment of long-term bank loans	0	0
Redemption of debt securities	(249 769)	(26 000)
Decrease in subordinated debt	0	0
Payments related to AT1 instruments	(8 363)	0
Redemption of shares	0	0
Dividends paid and other payments to owners	0	0
Payments of lease liabilities	(44 316)	(43 710)
Other outflows from financing activities – including interest paid	(164 700)	(182 131)
Net cash flows from financing activities	**3 652 502**	**548 159**

D. Net cash flows. Total (A + B + C)	**(962 215)**	**(1 100 597)**
- of which change resulting from FX differences	4 095	(10)
E. Cash and cash equivalents at the beginning of the reporting period	14 890 326	14 159 599
F. Cash and cash equivalents at the end of the reporting period (D + E)	13 928 111	13 059 002

Notes on pages 12-81 are integral part of these condensed interim consolidated financial statements.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

2. GENERAL INFORMATION ABOUT ISSUER

Bank Millennium S.A. (the Bank) is a nationwide universal bank, offering its services to all market segments via a network of branches, corporate centres, individual advisors and mobile and electronic banking.

The Bank, entered under the number KRS 0000010186 in the National Court Register kept by the Local Court for the Capital City of Warsaw, 13th Business Department of the National Court Register, is seated in Warsaw, Stanisława Żaryna 2A.

The Bank is listed on the Warsaw Stock Exchange since 1992, first Bank ever to float its shares on the WSE.

The Bank is a parent company of Bank Millennium Capital Group (the Group) with over 6,800 employees with core business comprising banking (including mortgage bank), leasing, factoring, brokerage, capital operations, investment fund management and web portals activity.

Supervisory Board and Management Board of Bank Millennium S.A. as at 30 June 2026

Composition of the Supervisory Board as at 30 June 2026 was as follows:

- Olga Grygier-Siddons - Chairman of the Supervisory Board,
- Nuno Manuel da Silva Amado – Deputy Chairman of the Supervisory Board,
- Katarzyna Sułkowska – Deputy Chairman and Secretary of the Supervisory Board,
- Małgorzata Bonikowska – Member of the Supervisory Board,
- Miguel de Campos Pereira de Bragança – Member of the Supervisory Board,
- Agnieszka Kłos-Siddiqui – Member of the Supervisory Board,
- Anna Mankiewicz-Rębkowska – Member of the Supervisory Board,
- Alojzy Nowak – Member of the Supervisory Board,
- Izabela Olszewska – Member of the Supervisory Board,
- Jose Miguel Bensliman Schorcht da Silva Pessanha – Member of the Supervisory Board,
- Miguel Maya Dias Pinheiro – Member of the Supervisory Board,
- Lingjiang Xu – Member of the Supervisory Board.

Composition of the Management Board at 30 June 2026 was as follows:

- Joao Nuno Lima Bras Jorge – Chairman of the Management Board,
- Fernando Maria Cardoso Rodrigues Bicho – Deputy Chairman of the Management Board,
- Marcin Dubno – Member of the Management Board,
- Jarosław Hermann – Member of the Management Board,
- Halina Karpińska – Member of the Management Board,
- Hugo Miguel Martins Resende – Member of the Management Board,
- Magdalena Zmitrowicz – Member of the Management Board.

Mr. Antonio Pinto Junior, a Member of the Bank's Management Board, submitted his resignation from the position of Member of the Bank's Management Board on 23 April 2026, effective as of 24 April 2026, in connection with his intention to continue his professional career within another entity of the Millennium BCP Group.

At its meeting held on 24 April 2026, the Bank's Supervisory Board, acting pursuant to Article 17(1) of the Bank's Articles of Association, appointed Mr. Hugo Miguel Martins Resende as a Member of the Bank's Management Board for the current term of office, effective as of 24 April 2026.

Furthermore, on 24 April 2026, the Bank's Supervisory Board conditionally appointed Mr. Marcin Dubno as a Member of the Management Board for the current term of office, effective as of 1 June 2026, responsible for overseeing the management of risks material to the Bank's operations. On 8 May 2026, the Polish Financial Supervision Authority (KNF) published on its website a notice confirming its approval for Mr. Marcin Dubno to serve as a member of the management board responsible for overseeing the management of risks material to the operations of Bank Millennium. The granting of this approval by the KNF constituted a condition for Mr. Marcin Dubno's appointment to the Bank's Management Board for the current term of office as of 1 June 2026.

Mr. Wojciech Haase, a Member of the Management Board serving as the Management Board Member responsible for overseeing the management of risks material to the Bank's operations, submitted his resignation from the position of Member of the Bank's Management Board on 29 May 2026, effective as of 1 June 2026.

Capital Group of Bank Millennium S.A.

The Group's parent entity is Bank Millennium S.A. while the ultimate parent entity of the Bank Millennium S.A. is the Banco Comercial Portugues - company listed on the stock exchange in Lisbon. The companies that belong to the Capital Group as at 30 June 2026, are presented by the table below:

Company	Activity domain	Head office	% of the Group's capital share	% of the Group's voting share	Recognition in financial statements
MILLENNIUM BANK HIPOTECZNY S.A.	mortgage bank	Warsaw	100	100	full consolidation
MILLENNIUM LEASING Sp. z o.o.	leasing services	Warsaw	100	100	full consolidation
MILLENNIUM CONSULTING S.A.	advisory services	Warsaw	100	100	full consolidation
MILLENNIUM TFI S.A.	investment funds management	Warsaw	100	100	full consolidation
MILLENNIUM SERVICE Sp. z o.o.	rental and management of real estate, insurance and brokers activity	Warsaw	100	100	full consolidation
MILLENNIUM GOODIE Sp. z o.o.	web portals activity	Warsaw	100	100	full consolidation
MILLENNIUM TELECOMMUNICATION SERVICES Sp. z o.o.	financial operations - equity markets, advisory services	Warsaw	100	100	full consolidation
EUROPA MILLENNIUM FINANCIAL SERVICES Sp. z o.o.	activities of insurance agents and brokers	Wrocław	20	20	equity method valuation
LUBUSKIE FABRYKI MEBLI S.A. in liquidation*	furniture manufacturer	Świebodzin	50 (+1 share)	50 (+1 share)	(*)

** The Group does not consolidate Lubuskie Fabryki Mebli S.A. due to the immateriality of this entity.*

3. INTRODUCTION AND ACCOUNTING POLICY

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard IAS 34 Interim Financial Reporting as adopted by European Union. The condensed consolidated interim financial statement do not include all of the information which is presented in full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2025. The accounting principles adopted in the preparation of this condensed interim consolidated financial statement are the same as those applied in the Group's most recent annual financial statements for the year 2025, except for the principles related to income tax recognition, which are described in Note 11 'Corporate Income Tax' in Chapter 4 'Notes to the Consolidated Financial Data'.

Condensed interim consolidated financial statements of the Group prepared for the three and six-month periods ended June 30, 2026:

- include financial data of the Bank and its subsidiaries forming the Group, and data of associates accounted under the equity method;
- are prepared on the basis of the assumption of business continuity by the Group, namely scale of business is not to be reduced substantially in a period of not less than one year from the balance sheet date;
- have been prepared in PLN, and all values, unless otherwise indicated, are given in PLN rounded to one thousand.

Taking into account identified risks and uncertainties, the Bank's Management Board based on the analysis of all aspects of the Bank's operations and its current and forecast financial position, concluded that the application of the going concern assumption in the preparation of these financial statements is appropriate.

The Management Board approved these condensed consolidated interim financial statements on 27th July 2026.

New standards, interpretations and amendments to published standards

In this interim condensed consolidated financial statement, the Group has applied the following amendments to standards and interpretations that were endorsed by the European Union with an effective date for annual periods beginning on or after January 1, 2026:

change	impact on the Group's financial statements
Contracts Referencing Nature-dependent Electricity: Amendments to IFRS 9 and IFRS 7	The Group estimates that the amendment will not have a material impact on the financial statements.
Amendments to the Classification and Measurement of Financial Instruments: Amendments to IFRS 9 and IFRS 7	The Group estimates that the amendment will not have a material impact on the financial statements.
Annual Improvements – Volume 11; technical amendments to IFRS 1, 7, 9, 10 and IAS 7	The Group estimates that the amendment will not have a material impact on the financial statements.

During the reporting period and up to the date of preparation of these financial statements, the following accounting standards/amendments to standards have been issued for application from January 1, 2027 and were endorsed by the European Union:

change	impact on the Group's financial statements
IFRS 18 – Presentation and Disclosure; a new structure of the statement of profit or loss	The Group estimates that the standard will have a significant impact on the presentation of information in the financial statements; however, it will not affect profit or loss or equity.

The following standards have been issued for application from January 1, 2027 but have not yet been endorsed by the European Union as at the date of preparation of the financial statements:

change	impact on the Group's financial statements
IFRS 19 – Subsidiaries without Public Accountability; simplified disclosures for subsidiaries	The Group estimates that the amendment will not have a material impact on the financial statements.
IAS 21 – The Effects of Changes in Foreign Exchange Rates; recalculation of financial statements into the presentation currency of a hyperinflationary economy	The Group estimates that the amendment will not have a material impact on the financial statements.
MSSF 19 – reduced disclosure requirements for selected standards and amendments issued between February 2021 and May 2024	The Group estimates that the amendment will not have a material impact on the financial statements.
MSSF 20 – The standard sets out requirements for recognising the effects of rate regulation by recognising regulatory assets and regulatory liabilities.	The Group estimates that the amendment will not have a material impact on the financial statements.

Change in the presentation of data implemented in 2025 and the restatement of comparative data

Change in the approach to effective interest rate calculation algorithm

In the financial year ended 31 December 2025, the Bank introduced a change in the approach to calculating the effective interest rate (EIR) applied to the valuation of mortgage loans with periodically fixed interest rates.

In 2021, the Bank started to offer mortgage loans with a periodically fixed interest rate (5 years). In accordance with the agreement, after this period the loan is converted into a variable-rate loan or in case of client decision can be prolonged at a new fixed rate for next period.

IFRS do not specify in detail the method of calculating EIR for variable rate loans. Before making the change, Bank when calculating interest income was using effective interest rate based on expected cash flows (CF) from the loan including CF during temporary fixed rate period and CF after this period - calculating interest based on current WIBOR plus margin.

In the fourth quarter of 2025, the Bank changed its approach to determining the EIR – after the change, the EIR is calculated solely on the basis of the currently applicable interest rate.

The purpose of the introduced change was to ensure a better reflection of the economic substance of the transactions and to enhance consistency between the accounting approach and the interest rate risk management framework, as well as the methodologies applied within the BCP Group.

Impact of the change the effective interest rate calculation algorithm

In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, any changes requiring retrospective application should be reflected through full retrospective restatement of comparative information, to the extent that such application is practicable.

Accordingly, the Bank (the Group) performed the recalculations of historical data and carried out a retrospective restatement of the comparative information, including an adjustment to the opening balance sheet as at 1 January 2024 (i.e., the opening balance sheet for 2024 determined as at 31 December 2023). Due to the immaterial impact of the change, no adjustment was made to the 2024 income statement.

As a result of the above, in the Statement of Changes in Equity for the first half of 2025, comparative data as at 1 January 2025 were adjusted as follows:

Data as at 01.01.2025 (Amount '000 PLN)	Total equity	Share capital	Own shares	Share premium	Accumulated other comprehensive income	Retained earnings	
						Unappropriated result	Other reserves
Equity as presented in the report for the first half of 2025	**7 771 634**	**1 213 117**	**(21)**	**1 147 502**	**(59 984)**	**953 897**	**4 517 123**
Adjustment resulting from a change in the EIR calculation algorithm	(89 493)	0	0	0	0	(89 493)	0
Equity as presented in the report for the first half of 2026	**7 682 141**	**1 213 117**	**(21)**	**1 147 502**	**(59 984)**	**864 404**	**4 517 123**

4. NOTES TO CONSOLIDATED FINANCIAL DATA

1) INTEREST INCOME AND OTHER OF SIMILAR NATURE

	1.01.2026 - 30.06.2026	1.04.2026 - 30.06.2026	1.01.2025 - 30.06.2025	1.04.2025 - 30.06.2025
Interest income from Financial assets at fair value through other comprehensive income	923 812	467 400	822 552	419 836
Debt securities	923 812	467 400	822 552	419 836
Interest income from Financial assets at amortised cost	3 357 643	1 685 686	3 686 556	1 845 370
Balances with the Central Bank	85 415	41 853	111 885	55 763
Loans and advances to customers	2 580 024	1 277 644	2 984 809	1 482 156
Debt securities	655 054	348 393	569 796	291 129
Deposits, loans and advances to banks	7 824	3 815	9 946	6 202
Transactions with repurchase agreements	21 466	11 710	0	0
Hedging derivatives	7 860	2 271	10 120	10 120
Result of similar nature to interest of which:	24 369	8 796	59 245	35 094
Loans and advances to customers mandatorily at fair value through profit or loss	166	87	820	510
Financial assets and liabilities held for trading - derivatives	7 277	1 750	19 178	13 827
Financial assets held for trading - debt securities	16 906	6 939	12 841	7 084
Financial assets held for trading - Transactions with repurchase agreements	20	20	26 406	13 673
Total	**4 305 824**	**2 161 882**	**4 568 353**	**2 300 300**

Interest income for the I half 2026 contains interest accrued on impaired loans in the amount of PLN 68,270 thous. (for corresponding data in the year 2025 the amount of such interest stood at PLN 81,590 thous.).

In the line „Hedging derivatives" the Group presents net interest income from derivatives set as and being effective cash flow and fair value hedges. A detailed description of the hedging relations used by the Group is presented in **note (16)**.

2) INTEREST EXPENSES AND OTHER OF SIMILAR NATURE

	1.01.2026 - 30.06.2026	1.04.2026 - 30.06.2026	1.01.2025 - 30.06.2025	1.04.2025 - 30.06.2025
Financial liabilities measured at amortised cost	(1 528 326)	(774 835)	(1 696 555)	(851 957)
Liabilities to banks and other monetary institutions	(5 076)	(3 258)	(7 516)	(3 873)
Liabilities to customers	(1 182 209)	(599 409)	(1 324 507)	(664 221)
Transactions with repurchase agreement	(8 471)	(4 087)	(17 601)	(5 486)
Debt securities issued	(268 136)	(131 266)	(279 020)	(145 863)
Subordinated debt	(57 411)	(33 343)	(61 124)	(30 539)
Liabilities due to leasing agreements	(7 023)	(3 472)	(6 787)	(3 101)
Hedging derivatives	0	0	0	1 126
Other	0	0	0	0
Total	**(1 528 326)**	**(774 835)**	**(1 696 555)**	**(851 957)**

3) Fee and commission income

	1.01.2026 - 30.06.2026	1.04.2026 - 30.06.2026	1.01.2025 - 30.06.2025	1.04.2025 - 30.06.2025
Resulting from accounts service	58 158	29 335	56 365	28 384
Resulting from money transfers, cash payments and withdrawals and other payment transactions	54 850	28 353	53 411	27 586
Resulting from loans granted	104 896	52 976	99 181	49 394
Resulting from guarantees and sureties granted	7 921	4 112	6 890	3 489
Resulting from payment and credit cards	182 084	93 701	164 036	85 032
Resulting from sale of insurance products	54 102	27 259	30 477	19 334
Resulting from distribution of investment funds units and other savings products	15 877	7 642	15 698	7 539
Resulting from brokerage and custody service	8 411	3 595	8 103	3 855
Resulting from investment funds managed by the Group	74 834	37 650	56 003	29 292
Other	23 434	11 475	27 341	14 125
Total	584 567	296 098	517 505	268 030

In the above note, the Group presents commission income not subject to recognition under the effective interest rate method, recognized in accordance with IFRS 9 in the amount of PLN 112,817 thous. for I half 2026 (and PLN 106,071 thous. for I half 2025, respectively), related to financial instruments not measured at fair value through profit or loss, as well as income recognized in accordance with IFRS 15 in the amount of PLN 471,750 thous. for I half 2026 (and PLN 411,434 thous. for I half 2025, respectively) arising from the provision of services to customers.

4) Fee and commission expense

	1.01.2026 - 30.06.2026	1.04.2026 - 30.06.2026	1.01.2025 - 30.06.2025	1.04.2025 - 30.06.2025
Resulting from accounts service	(37 677)	(19 061)	(26 908)	(14 427)
Resulting from money transfers. cash payments and withdrawals and other payment transactions	(2 514)	(1 344)	(2 293)	(1 147)
Resulting from loans granted	(22 802)	(12 174)	(26 972)	(18 027)
Resulting from payment and credit cards	(65 465)	(32 768)	(48 266)	(24 925)
Resulting from brokerage and custody service	(1 671)	(794)	(1 821)	(864)
Resulting from investment funds managed by the Group	(9 263)	(4 482)	(8 218)	(4 001)
Resulting from insurance activity	(4 457)	(2 581)	(4 885)	(2 376)
Other	(28 911)	(15 712)	(27 507)	(14 175)
Total	(172 760)	(88 916)	(146 871)	(79 943)

5) Result on derecognition of financial assets and liabilities not measured at fair value through profit or loss

	1.01.2026 - 30.06.2026	1.04.2026 - 30.06.2026	1.01.2025 - 30.06.2025	1.04.2025 - 30.06.2025
Operations on debt instruments	64	64	(1 328)	(258)
Costs of financial operations	(1 535)	(929)	(1 061)	(683)
Total	(1 471)	(865)	(2 389)	(941)

6) RESULTS ON FINANCIAL ASSETS AND LIABILITIES HELD FOR TRADING

	1.01.2026 - 30.06.2026	1.04.2026 - 30.06.2026	1.01.2025 - 30.06.2025	1.04.2025 - 30.06.2025
Result on debt instruments	(7 397)	(320)	3 525	454
Result on derivatives	2 049	2 267	9 731	(185)
Result on other financial operations	14	6	15	6
Total	(5 334)	1 953	13 271	275

7) RESULTS NON-TRADING FINANCIAL ASSETS MANDATORILY AT FAIR VALUE THROUGH PROFIT OR LOSS

	1.01.2026 - 30.06.2026	1.04.2026 - 30.06.2026	1.01.2025 - 30.06.2025	1.04.2025 - 30.06.2025
Loans and advances to customers	90	6	196	17
Result on equity instruments	(3 426)	(3 426)	54 971	54 971
Result on debt instruments	412	2 579	(486)	(2 809)
Total	(2 924)	(841)	54 681	52 179

8) ADMINISTRATIVE EXPENSES

	1.01.2026 - 30.06.2026	1.04.2026 - 30.06.2026	1.01.2025 - 30.06.2025	1.04.2025 - 30.06.2025
Staff costs:	(717 105)	(360 391)	(668 628)	(346 706)
Salaries	(573 444)	(287 465)	(533 706)	(271 133)
Surcharges on pay	(102 255)	(51 190)	(95 071)	(47 887)
Employee benefits, of which:	(41 406)	(21 736)	(39 851)	(27 686)
- provisions for retirement benefits	(4 252)	(2 126)	(3 043)	(1 521)
- provisions for unused employee holiday	(13 956)	(7 870)	(15 483)	(14 766)
- other	(23 198)	(11 740)	(21 325)	(11 399)
Other administrative expenses:	(540 454)	(212 613)	(489 745)	(200 410)
Costs of advertising, promotion and representation	(45 579)	(25 957)	(46 009)	(26 561)
IT and communications costs	(139 265)	(71 764)	(94 840)	(49 412)
Costs of renting	(28 360)	(13 589)	(27 402)	(12 925)
Costs of buildings maintenance, equipment and materials	(26 532)	(12 967)	(27 948)	(14 600)
ATM and cash maintenance costs	(14 949)	(7 218)	(18 112)	(8 944)
Costs of consultancy, audit and legal advisory and translation	(57 311)	(34 184)	(79 190)	(45 597)
Taxes and fees	(23 797)	(11 789)	(26 607)	(13 773)
KIR - clearing charges	(8 076)	(4 142)	(7 997)	(3 909)
PFRON costs	(5 488)	(2 711)	(5 005)	(2 517)
Banking Guarantee Fund costs	(116 810)	0	(112 621)	(18 262)
Financial Supervision costs	(10 025)	(4 090)	(10 236)	(4 302)
Other	(64 262)	(24 202)	(33 778)	392
Total	**(1 257 559)**	**(573 004)**	**(1 158 373)**	**(547 116)**

9) IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	1.01.2026 - 30.06.2026	1.04.2026 - 30.06.2026	1.01.2025 - 30.06.2025	1.04.2025 - 30.06.2025
Impairment losses on loans and advances to customers	(117 407)	(41 813)	(76 598)	10 512
Impairment charges on loans and advances to customers	(774 802)	(342 824)	(782 428)	(359 331)
Reversal of impairment charges on loans and advances to customers	573 052	223 246	609 236	274 886
Amounts recovered from loans written off	15 259	8 727	18 942	10 450
Sale of receivables	70 416	70 416	86 430	86 430
Other directly recognised in profit and loss	(1 332)	(1 378)	(8 778)	(1 923)
Impairment losses on securities	0	0	(8)	(8)
Impairment charges on securities	0	0	(8)	(8)
Reversal of impairment charges on securities	0	0	0	0
Impairment losses on off-balance sheet liabilities	(17 393)	(7 558)	178	(1 444)
Impairment charges on off-balance sheet liabilities	(89 236)	(37 799)	(37 876)	(16 102)
Reversal of impairment charges on off-balance sheet liabilities	71 843	30 241	38 054	14 658
Total	**(134 800)**	**(49 371)**	**(76 428)**	**9 060**

10) LEGAL RISK COSTS RELATED TO FOREIGN CURRENCY MORTGAGE LOANS

In the case of the portfolio of foreign currency mortgage loans, claims filed by customers, primarily concerning the declaration of invalidity of the agreement and the return of paid principal and interest installments, as well as settlements offered to borrowers by the Bank, have a significant impact on the amount and repayment dates of the expected cash flows resulting from the loan agreement estimated by the Bank. Taking the above into account, the Bank believes that the appropriate way to reflect the legal risk related to the portfolio of active foreign currency mortgage loans is to apply the provisions of IFRS 9 paragraph B5.4.6, which in practice means reducing the gross carrying amount of these loans in order to reflect the current estimates of cash flows from these agreements.

As regards following:

(i) repaid foreign currency mortgage loans;
(ii) active loans, for which the loss due to legal risk exceeds the current carrying amount (for that excess);
(iii) for the expected outflow of cash that does not represent a return of contractual cash flows,

the provisions of IAS 37 are applied, according to which the Bank creates a provision for court cases, recognizing it in the balance sheet as a component of provisions for claims.

Legal risk costs related to foreign currency mortgage loans

	1.01.2026 - 30.06.2026	1.04.2026 - 30.06.2026	1.01.2025 - 30.06.2025	1.04.2025 - 30.06.2025
Costs of provisions for legal risk related with FX mortgage loans	(405 561)	(179 893)	(1 018 600)	(573 810)
Other costs	0	0	(66 787)	(15 041)
Total	(405 561)	(179 893)	(1 085 387)	(588 851)

Costs of provisions for legal risk related with FX mortgage loans

01.01.2026 – 30.06.2026	TOTAL	Decreasing gross value of credit portfolio	Provisions for legal issues
Balance at the beginning of the period	7 113 474	3 670 583	3 442 891
Utilization of provisions during the period	(1 973 030)	(1 059 973)	(913 057)
Costs of provisions for legal risk connected wlth FX mortgage loans	405 561	(33 514)	439 075
Change of provisions due to FX rates differences	142 145	142 145	0
Balance at the end of the period	5 688 150	2 719 241	2 968 909

01.04.2026 – 30.06.2026	TOTAL	Decreasing gross value of credit portfolio	Provisions for legal issues
Balance at the beginning of the period	6 482 886	3 261 960	3 220 926
Utilization of provisions during the period	(950 764)	(503 455)	(447 309)
Costs of provisions for legal risk connected wlth FX mortgage loans	179 893	(15 399)	195 292
Change of provisions due to FX rates differences	(23 865)	(23 865)	0
Balance at the end of the period	5 688 150	2 719 241	2 968 909

01.01.2025 – 30.06.2025	TOTAL	Decreasing gross value of credit portfolio	Provisions for legal issues
Balance at the beginning of the period	8 463 696	5 665 224	2 798 472
Utilization of provisions during the period	(1 310 461)	(797 602)	(512 859)
Costs of provisions for legal risk connected wlth FX mortgage loans	1 018 600	(45 254)	1 063 854
Change of provisions due to FX rates differences	(2 841)	(2 841)	0
Balance at the end of the period	8 168 994	4 819 527	3 349 467

01.04.2025 – 30.06.2025	TOTAL	Decreasing gross value of credit portfolio	Provisions for legal issues
Balance at the beginning of the period	8 091 629	4 979 462	3 112 167
Utilization of provisions during the period	(705 361)	(417 554)	(287 807)
Costs of provisions for legal risk connected wlth FX mortgage loans	573 810	48 703	525 107
Change of provisions due to FX rates differences	208 916	208 916	0
Balance at the end of the period	8 168 994	4 819 527	3 349 467

11) CORPORATE INCOME TAX

In accordance with IAS 34, the income tax burden for the first half of 2026 was calculated based on the weighted average annual income tax rate (effective tax rate - ETR) expected by the Bank in the full financial year. If the estimated ETR changes, the amounts of the income tax burden will be adjusted in the next interim period of the financial year.

The projected annual ETR used to calculate the income tax burden in the first half of 2026 was 39,50% (in the first half of 2026: 34,58%). The biggest impact on the ETR in relation to the statutory 30% income tax rate was the costs of legal risk related to the foreign currency mortgage loans (CHF loans), bank tax and contributions to the Bank Guarantee Fund.

12) FINANCIAL ASSETS HELD FOR TRADING

12A. FINANCIAL ASSETS HELD FOR TRADING

	30.06.2026	31.12.2025
Debt securities	225 641	824 911
Issued by State Treasury	225 641	824 911
a) bills	30 105	0
b) bonds	195 536	824 911
Equity instruments	120	252
Quoted on the active market	120	252
a) financial institutions	35	86
b) non-financial institutions	85	166
Positive valuation of derivatives	160 906	155 309
Repurchase agreement transactions	15 508	38 946
Total	**402 175**	**1 019 418**

12B. FINANCIAL ASSETS AND LIABILITIES HELD FOR TRADING - VALUATION OF DERIVATIVES, ADJUSTMENT FROM FAIR VALUE HEDGE AND SHORT POSITIONS AS AT:

	Fair Values 30.06.2026		Fair Values 31.12.2025	
	Assets	Liabilities	Assets	Liabilities
1. Interest rate derivatives	14 784	2 447	9 229	3 370
Forward Rate Agreements (FRA)	0	608	0	0
Interest rate swaps (IRS)	13 668	723	7 927	2 068
Other interest rate contracts: options	1 116	1 116	1 302	1 302
2. FX derivatives	82 450	37 758	49 965	108 218
FX contracts	11 267	7 591	6 661	9 081
FX swaps	67 077	26 887	37 651	94 419
Other FX contracts (CIRS)	4 106	3 280	5 653	4 718
3. Embedded instruments	0	63 873	0	95 143
Options embedded in deposits	0	63 873	0	95 143
4. Indexes options	63 672	1 316	96 115	1 840
Total	**160 906**	**105 394**	**155 309**	**208 571**
Liabilities from short sale of debt securities	-	13 087	-	37 788

13) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	30.06.2026	31.12.2025
Debt securities	43 364 766	42 471 146
Issued by State Treasury	35 513 102	31 871 072
a) bills	722 854	3 198 663
b) bonds	34 790 248	28 672 409
Issued by Central Bank	7 565 413	10 315 417
a) bills	7 565 413	10 315 417
Other securities	286 251	284 657
a) listed	286 251	284 657
Shares and interests in other entities	43 370	40 942
Total financial assets at fair value through other comprehensive income	**43 408 136**	**42 512 088**

14) LOANS AND ADVANCES TO CUSTOMERS

14A. LOANS AND ADVANCES TO CUSTOMERS MANDATORILY AT FAIR VALUE THROUGH PROFIT OR LOSS

Balance sheet value:	30.06.2026	31.12.2025
Mandatorily at fair value through profit or loss	615	745
Companies	70	87
Individuals	545	658

14B. LOANS AND ADVANCES TO CUSTOMERS VALUED AT AMORTISED COST

30.06.2026	Companies	Individuals	Public sector	TOTAL
Gross balance sheet value - Stage 1	22 393 900	51 644 233	80 889	**74 119 022**
Gross balance sheet value - Stage 2	2 293 415	4 264 432	0	**6 557 847**
Gross balance sheet value - Stage 3	820 437	1 984 768	0	**2 805 206**
Gross balance sheet value - POCI	23 624	39 872	0	**63 496**
Gross balance sheet value - TOTAL	25 531 376	57 933 306	80 889	**83 545 571**
Impairment allowances - Stage 1	(190 070)	(181 238)	(381)	**(371 689)**
Impairment allowances - Stage 2	(97 538)	(294 941)	0	**(392 479)**
Impairment allowances - Stage 3	(301 101)	(1 261 718)	0	**(1 562 819)**
Impairment allowances - POCI	10 412	(31 922)	0	**(21 510)**
Impairment allowances - TOTAL	(578 297)	(1 769 819)	(381)	**(2 348 497)**
Net balance sheet value	**24 953 079**	**56 163 487**	**80 508**	**81 197 074**

31.12.2025	Companies	Individuals	Public sector	TOTAL
Gross balance sheet value - Stage 1	19 033 273	50 190 380	62 917	**69 286 570**
Gross balance sheet value - Stage 2	2 243 454	4 247 457	0	**6 490 911**
Gross balance sheet value - Stage 3	867 216	2 061 341	0	**2 928 557**
Gross balance sheet value - POCI	23 564	44 160	0	**67 724**
Gross balance sheet value - TOTAL	22 167 507	56 543 338	62 917	**78 773 762**
Impairment allowances - Stage 1	(160 806)	(180 848)	(231)	**(341 885)**
Impairment allowances - Stage 2	(85 872)	(296 376)	0	**(382 248)**
Impairment allowances - Stage 3	(318 330)	(1 292 922)	0	**(1 611 252)**
Impairment allowances - POCI	6 042	(29 242)	0	**(23 201)**
Impairment allowances - TOTAL	(558 966)	(1 799 389)	(231)	**(2 358 586)**
Net balance sheet value	**21 608 541**	**54 743 949**	**62 686**	**76 415 176**

14C. LOANS AND ADVANCES TO CUSTOMERS

	30.06.2026		31.12.2025	
	Valued at amortised cost	Mandatorily at fair value through profit or loss	Valued at amortised cost	Mandatorily at fair value through profit or loss
Loans and advances	73 064 966	0	69 054 756	0
▪ to companies	17 231 781	0	14 617 441	0
▪ to private individuals	55 758 713	0	54 381 909	0
▪ to public sector	74 472	0	55 406	0
Receivables on account of payment cards	1 414 449	615	1 370 009	745
▪ due from companies	11 956	70	12 193	87
▪ due from private individuals	1 402 493	545	1 357 816	658
Purchased receivables	386 691		117 032	
▪ from companies	386 691		117 032	
Guarantees and sureties realised	1 257		0	
Financial leasing receivables	7 826 251		7 359 405	
Other	181 763		183 374	
Interest	670 194		689 186	
Total:	**83 545 571**	**615**	**78 773 762**	**745**
Impairment allowances	(2 348 497)	-	(2 358 586)	-
Total balance sheet value:	**81 197 074**	**615**	**76 415 176**	**745**

14D. QUALITY OF LOANS AND ADVANCES TO CUSTOMERS PORTFOLIO VALUED AT AMORTISED COST

	30.06.2026	31.12.2025
Loans and advances to customers (gross)	83 545 571	78 773 762
impaired	2 858 450	2 989 065
not impaired	80 687 121	75 784 697
Impairment write-offs	(2 348 497)	(2 358 586)
for impaired exposures	(1 615 091)	(1 658 273)
for not impaired exposures	(733 406)	(700 313)
Loans and advances to customers (net)	**81 197 074**	**76 415 176**

14E. Loans and advances to customers portfolio valued at amortised cost by methodology of impairment assessment

	30.06.2026	31.12.2025
Loans and advances to customers (gross)	83 545 571	78 773 762
case by case analysis	461 433	557 199
collective analysis	83 084 138	78 216 563
Impairment allowances	(2 348 497)	(2 358 586)
on the basis of case by case analysis	(164 089)	(196 453)
on the basis of collective analysis	(2 184 408)	(2 162 133)
Loans and advances to customers (net)	**81 197 074**	**76 415 176**

14F. Loans and advances to customers portfolio valued at amortised cost by kind of customers

	30.06.2026	31.12.2025
Loans and advances to customers (gross)	83 545 571	78 773 762
corporate customers	25 612 265	22 230 424
individuals	57 933 306	56 543 338
Impairment allowances	(2 348 497)	(2 358 586)
for receivables from corporate customers	(578 678)	(559 197)
for receivables from private individuals	(1 769 819)	(1 799 389)
Loans and advances to customers (net)	**81 197 074**	**76 415 176**

14G. Movements in impairment allowances for loans and advances to customers carried at amortised cost

	01.01.2026 – 30.06.2026	01.01.2025 – 31.12.2025
Balance at the beginning of the period	2 358 586	2 503 446
Change in value of allowances:	-10 089	(144 860)
Impairment allowances created in the period	774 781	1 372 574
Amounts written off	(83 014)	(174 150)
Impairment allowances released in the period	(572 973)	(1 002 511)
Sale of receivables	(154 782)	(361 593)
KOIM created in the period*	24 274	63 416
Allocation for coverage of FX mortgage loan risk	0	(24 678)
Changes resulting from FX rates differences	3 443	(2 027)
Other	(1 818)	(15 891)
Balance at the end of the period	**2 348 497**	**2 358 586**

** In accordance with IFRS 9, the Group calculates interest on the loan portfolio with a recognized impairment based on the net exposure value. For this purpose, the so-called impaired interest adjustment ("KOIM") is calculated and recorded as a reduction of interest income. Aforementioned KOIM adjustment in the balance sheet is presented as an impairment allowances, and as a consequence the reconciliation of the change in impairment allowances requires consideration of the KOIM recognized in the interest income.*

The Group records POCI assets in the balance sheet mainly as a result of recognition of impaired loans after the merger with Euro Bank and takeover of SKOK Piast. At the time of the merger, the aforementioned assets included in the Bank's books at fair value.

The value of POCI assets is as follows:

	Gross balance sheet value	Accumulated impairment	Net balance sheet value
30.06.2026			
- Companies	23 624	10 412	34 035
- Individuals	39 872	(31 922)	7 951
31.12.2025			
- Companies	23 564	6 042	29 606
- Individuals	44 160	(29 242)	14 917

14H. LOANS AND ADVANCES TO CUSTOMERS PORTFOLIO VALUED AT AMORTISED COST BY CURRENCY

	30.06.2026	31.12.2025
in Polish currency	76 778 661	72 832 464
in foreign currencies (after conversion to PLN)	6 766 910	5 941 298
currency: USD	220 818	74 625
currency: EUR	5 914 206	5 099 134
currency: CHF	603 473	736 230
other currencies	28 413	31 309
Total gross	**83 545 571**	**78 773 762**

15) FINANCIAL ASSETS AT AMORTISED COST OTHER THAN LOANS AND ADVANCES TO CUSTOMERS

15A. FINANCIAL ASSETS AT AMORTISED COST OTHER THAN LOANS AND ADVANCES TO CUSTOMERS

30.06.2025	Balance sheet value, gross			Accumulated impairment allowances			Balance sheet value, net
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	
Debt securities	35 300 066	0	0	(48)	0	0	35 300 018
Deposits, loans and advances to banks and other monetary institutions	401 721	0	0	(20)	0	0	401 701
Repurchase agreements	245 058	0	0	0	0	0	245 058

31.12.2025	Balance sheet value, gross			Accumulated impairment allowances			Balance sheet value, net
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	
Debt securities	26 905 421	0	0	(48)	0	0	26 905 373
Deposits, loans and advances to banks and other monetary institutions	350 820	0	0	(79)	0	0	350 741
Repurchase agreements	59 978	0	0	0	0	0	59 978

15B. DEBT SECURITIES

	30.06.2026	31.12.2025
Banks and other financial institutions	1 267 402	1 915 598
European Union	1 641 953	1 594 833
Public sector - securities issued by governments of:	32 360 576	23 363 827
Poland	23 270 463	16 658 081
Other EU countries	9 090 113	6 705 746
Public sector – local governments	30 087	31 114
Total	**35 300 018**	**26 905 373**

15C. DEPOSITS, LOANS AND ADVANCES TO BANKS AND OTHER MONETARY INSTITUTIONS

	30.06.2026	31.12.2025
Current accounts	178 024	215 131
Deposits	219 037	133 110
Other	3 781	0
Interest	879	2 579
Total (gross) deposits, loans and advances	401 721	350 820
Impairment allowances	(20)	(79)
Total (net) deposits, loans and advances	**401 701**	**350 741**

15D. REPURCHASE AGREEMENTS

	30.06.2026	31.12.2025
credit institutions	0	0
other customers	245 033	59 964
interest	25	14
Total	245 058	59 978

16) DERIVATIVES – HEDGE ACCOUNTING

16A. HEDGE RELATIONS

Detailed information on cash flow hedge relations applied by the Group, items designated as hedged and hedging and presentation of the result (active as at 30.06.2026) is shown in a tables below:

	Hedge of volatility of the cash flows generated by PLN denominated financial assets	Fair value hedge of a fixed interest rate debt instrument	Cash flow volatility hedge due to future income and interest costs denominated in foreign currencies
Description of hedge transactions	The Group hedges the risk of the volatility of cash flows generated by PLN denominated financial assets. The volatility of cash flows results from interest rate risk.	The Group hedges part of the interest rate risk associated with the change in the fair value of a fixed-rate debt instrument recorded in other comprehensive income, resulting from fluctuations in market interest rate.	The Group hedges the risk of the volatility of cash flows generated by income and interest costs denominated in foreign currencies. The volatility of cash flows results from the currency risk.
Hedged items	Cash flows resulting from PLN denominated financial assets.	A portfolio of fixed coupon debt securities classified as financial assets measured at fair value through other comprehensive income denominated in PLN.	Cash flows resulting from income and interest costs denominated in foreign currencies.
Hedging instruments	IRS transactions	IRS transactions	FX position resulting from recognized future leasing liabilities.
Presentation of the result on the hedged and hedging transactions	Effective part of the valuation of hedging instruments is recognised in other comprehensive income; interest on both: the hedged and the hedging instruments are recognised in net interest income. Ineffective part of the valuation of hedging instruments is recognized in the income statement as a result on hedge accounting.	The result on the change in the fair value measurement of hedged items in the hedged risk is referred to the result on hedge accounting. The remaining part of the change in fair value measurement is recognized in other comprehensive income. Interest on debt securities is recognized in net interest income. The change in fair value measurement of derivative instruments being a hedge is presented in the result on hedge accounting, and interest on these instruments is recognized in the interest result.	The effective part of the spot revaluation of hedging instruments is recognized in other comprehensive income. The ineffective part of the valuation of the hedging item is recognized in the income statement as a result on hedge accounting

	Hedging the fair value of cash flows from issued fixed-rate liabilities denominated in foreign currencies	Hedging the fair value of the risk profile assigned to a portfolio of homogeneous, non-interest-bearing current accounts in PLN (portfolio hedging)	Hedging the fair value of the risk profile assigned to portfolios of homogeneous, non-interest-bearing current accounts in foreign currencies (portfolio hedge) and fixed-rate debt instruments denominated in foreign currencies)
Description of hedge transactions	The Group hedges part of the interest rate risk related to changes in the fair value of cash flows from issued fixed-rate liabilities denominated in foreign currencies, resulting from the volatility of market interest rates.	The Group hedges part of the interest rate risk related to the change in the fair value of the risk profile assigned to the portfolios of homogeneous, non-interest-bearing current accounts in PLN resulting from the volatility of market interest rates.	The Group hedges part of the interest rate risk related to the change in the fair value of the risk profile assigned to the portfolios of homogeneous, non-interest-bearing current accounts in foreign currencies, and risk related to the change in the fair value of a fixed-rate debt instrument denominated in foreign currencies measured through other comprehensive income, resulting from the volatility of market interest rates.
Hedged items	Cash flows from issued fixed-rate liabilities denominated in foreign currencies	Risk profile assigned to a portfolios of homogeneous, non-interest-bearing current accounts in PLN.	Risk profile assigned to portfolios of homogeneous, non-interest-bearing current accounts in foreign currencies and a portfolio of fixed-coupon debt securities classified as financial assets valued at fair value through other comprehensive income denominated in foreign currencies.
Hedging instruments	IRS transactions	IRS transactions	CIRS/IRS transactions
Presentation of the result on the hedged and hedging transactions	The result from the change in the fair value measurement of flows from hedged items in terms of the hedged risk is recognized in the result from hedge accounting. Interest on debt securities is recognized in interest income. The change in the fair value measurement of derivative instruments constituting hedging is presented in the result from hedge accounting, and interest on these instruments is recognized in net interest income.	The result from the change in fair value measurement determined for hedged items in terms of the hedged risk is recognized in the result from hedge accounting. The change in the fair value measurement of derivative instruments constituting security is presented in the result from hedge accounting, and interest on these instruments is recognized in net interest income.	The result of the change in fair value measurement designated for hedged items to the extent of the hedged risk is recorded in the result on hedge accounting. The remaining part of the change in fair value measurement of the debt instrument is recorded in other comprehensive income. The change in fair value measurement of derivative instruments constituting the hedge is presented in the result on hedge accounting, and interest on these instruments is recorded in the interest result.

16B. HEDGE ACCOUNTING - BALANCE SHEET VALUATION

	Fair values 30.06.2026		Fair values 31.12.2025	
	Assets	Liabilities	Assets	Liabilities
1. Derivative instruments designated as cash flow hedges related to interest rate risk				
IRS contracts	0	0	0	0
2. Derivative instruments designated as fair value hedges related to interest rate risk				
CIRS contracts	0	17 949	0	23 015
IRS contracts	0	0	0	1 720
3. Total hedging derivatives	0	17 949	0	24 735

17) LIABILITIES TO BANKS AND OTHER MONETARY INSTITUTIONS

	30.06.2026	31.12.2025
In current account	39 382	28 196
Term deposits	244 818	74 758
Interest	925	159
Total	285 125	103 113

18) LIABILITIES TO CUSTOMERS

	30.06.2026	31.12.2025
Amounts due to private individuals	107 096 237	98 378 743
Balances on current accounts	76 220 073	68 364 747
Term deposits	30 310 856	29 476 767
Other	376 164	323 321
Accrued interest	189 144	213 908
Amounts due to companies	25 526 880	25 791 769
Balances on current accounts	15 038 239	16 063 240
Term deposits	10 070 210	9 363 004
Other	385 418	335 907
Accrued interest	33 013	29 618
Amounts due to public sector	8 133 985	6 636 979
Balances on current accounts	6 384 428	6 020 058
Term deposits	1 739 650	609 933
Other	2 556	1 640
Accrued interest	7 351	5 348
Total	**140 757 102**	**130 807 491**

19) Liabilities from securities sold with buy-back clause

	30.06.2026	31.12.2025
to banks and other credit institutions	0	0
to customers	0	0
interest	0	0
Total	0	0

20) Change of debt securities

	01.01.2026 – 30.06.2026	01.01.2025 – 31.12.2025
Balance at the beginning of the period	7 640 812	6 124 775
Increases, on account of:	828 183	2 366 597
issue of bonds by the Bank	0	0
issue of covered bonds by Millennium Bank Hipoteczny	500 000	1 800 000
issue of Millennium Leasing bonds	0	0
other changes in carrying amount - (including exchange rate differences)	60 047	0
interest accrual	268 136	566 597
Reductions, on account of:	(395 529)	(850 560)
change in the valuation of the Bank's bonds designated to fair value hedged relationship	(32 806)	(33 455)
redemption of the Bank's bonds	(196 269)	(144 000)
redemption of the Millennium Leasings bonds	(53 500)	(61 000)
other changes in carrying amount - (including exchange rate differences)	0	(47 868)
interest payment	(112 954)	(564 237)
Balance at the end of the period	**8 073 466**	**7 640 812**

21) Change of subordinated debt

	01.01.2026 – 30.06.2026	01.01.2025 – 31.12.2025
Balance at the beginning of the period	1 557 687	1 562 330
Increases, on account of:	2 196 604	116 744
issue of subordinated bonds	2 119 650	0
other changes in carrying amount - (including exchange rate differences)	19 543	0
interest accrual	57 411	116 744
Reductions, on account of:	(51 746)	(121 387)
interest payment	(51 746)	(121 387)
Balance at the end of the period	**3 702 545**	**1 557 687**

During 2026 and 2025 the Group did not have any delays in the payment of principal and interest instalments, nor did it infringe any contractual provisions resulting from its subordinated liabilities.

22) Provisions

24a. Provisions

	30.06.2026	31.12.2025
Provision for commitments and guarantees given	123 093	105 358
Provisions for retirement benefits	77 936	74 534
Provision for pending legal issues, including:	3 181 111	3 566 628
- Provision for legal risk connected with fx mortgage loans	2 968 909	3 442 891
Total	**3 382 140**	**3 746 520**

24b. Change of provision for commitments and guarantees given

01.01.2026 – 30.06.2026	Total	Stage 1	Stage 2	Stage 3
Balance at the beginning of the period	105 358	59 119	38 682	7 556
Charge of provision	89 238	43 284	41 909	4 045
Release of provision	(71 843)	(46 384)	(17 566)	(7 893)
Movement between stages	0	21 491	(25 297)	3 806
FX rates differences	341	321	20	0
Balance at the end of the period	123 093	77 831	37 748	7 514

01.01.2025 – 31.12.2025	Total	Stage 1	Stage 2	Stage 3
Balance at the beginning of the period	53 583	30 305	16 613	6 665
Charge of provision	112 268	52 758	52 836	6 674
Release of provision	(60 307)	(46 562)	(8 589)	(5 156)
Movement between stages	0	22 730	(22 164)	(566)
FX rates differences	(187)	(112)	(14)	(61)
Balance at the end of the period	105 358	59 119	38 682	7 556

24c. Change of provision for legal issues

	01.01.2026 – 30.06.2026	01.01.2025 – 31.12.2025
Balance at the beginning of the period	3 566 628	2 847 003
Creation of provisions for legal risk connected with FX mortgage loans *	439 075	2 056 368
Charge of provision for other legal issues	93 006	93 133
Release of provision	(5 490)	(8 283)
Utilisation of provision	(913 057)	(1 424 189)
Reclassification	949	2 596
Balance at the end of the period	3 181 111	3 566 628

* Creation of provisions for legal risk related to foreign currency mortgage loans is described in more detail in **Chapter 10 Legal risk related to foreign currency mortgage loans.**

24D. Change of provision for retirement benefits

	01.01.2026 – 30.06.2026	01.01.2025 – 31.12.2025
Balance at the beginning of the period	74 534	51 166
Charge/Release of provision	4 252	6 631
Utilization of provisions	(850)	(1 658)
Actuarial gains/losses	0	18 395
Inne	0	0
Balance at the end of the period	77 936	74 534

5. RISK MANAGEMENT

Risk management performs a key role in the strategy of balanced and sustainable development of the Group, supporting optimization of relationships between risk and returns within various business lines and maintenance of adequate risk profile relative to capital and liquidity.

To ensure effective risk management and coherent policy the Group has implemented risk management model under which credit, market, liquidity, operational risks, and capital requirements are managed in an integrated manner.

5.1. CREDIT RISK

In the first half of 2026 the Bank Millennium Group, both in the corporate and retail segments, focused on introducing changes to the lending policy aimed at ensuring the appropriate quality of the portfolio in always dynamic economic environment.

In the area of credit risk, the Group has focused on adapting regulations, credit processes and monitoring to changed conditions.

In the retail segment, in line with its current strategy, the Group focused on developing Small Businesses segment. The concept of identifying a Small Business segment and adapting lending processes to its specific needs was further developed. In the area of personal loans and mortgages, development efforts continued to optimize and digitalize the process, while simultaneously adapting it to the evolving market situation and regulatory environment.

In the corporate segment, the Group continued to be focused on optimal use of capital while maintaining the current profitability and maintaining a safe risk profile. The Group also carried out activities aimed at streamlining and accelerating credit processes, including decision-making processes. As in previous periods, work continued on improving IT tools supporting the credit process. A comprehensive project is being developed in order to enable a stronger presence of the Bank in the corporate segment. The Group also continued close monitoring of the loan portfolio, as well as individual monitoring of the largest exposures.

The Group assesses credit risk regardless of the method of classifying the portfolio of receivables from customers in the financial statements as a portfolio measured at amortized cost or a portfolio measured at fair value through profit or loss.

The table below contains data on the entire portfolio of receivables from customers broken down into regular and past due exposures.

	30.06.2026		31.12.2025	
	Loans and advances to customers	Loans and advances to banks	Loans and advances to customers	Loans and advances to banks
Not overdue and without impairment	79 015 420	401 721	74 327 643	350 820
Overdue*, but without impairment	1 672 372	0	1 457 799	0
Total without impairment	80 687 792	401 721	75 785 442	350 820
With impairment	2 861 759	0	2 993 740	0
Total	**83 549 551**	**401 721**	**78 779 182**	**350 820**
Impairment write-offs	(2 348 497)	(20)	(2 358 587)	(79)
Fair value adjustment**	(3 364)	0	(4 673)	0
Total, net	**81 197 689**	**401 701**	**76 415 922**	**350 741**
Loans with impairment / total loans	3.43%	0.00%	3.80%	0.00%

(*) Loans overdue not more than 4 days are treated as technical and are not shown in this category.
(**) Fair value adjustment is defined as the difference between the nominal value and the fair value of the portfolio measured at fair value through profit or loss. The fair value adjustment is influenced by considering the credit risk of the portfolio.

5.2. MARKET RISK

The main measure used by the Group to evaluate market risks is the parametric VaR (Value at Risk) model – an expected loss that may arise on the portfolio over a specified period (10-days holding period) and with specified probability (99% confidence level) from an adverse market movement. The market risk measurement, monitoring and reporting is conducted daily.

The market risk limits are revised at least once a year and to consider, inter alia, the change of the consolidated Own Funds, current and projected balance sheet structure as well as the market environment. The market risk limits valid in 1H 2026 reflected the assumptions and risk appetite defined under Risk Strategy 2026 - 2029.

Open positions mostly included interest rate and FX risk instruments. According to the Risk Strategy approved in the Group, the FX open position is allowed, however should be kept at low levels. For this purpose, the Group has introduced a system of limits for FX open positions (both Intraday and Overnight limits) and allows keeping FX open positions only in Trading Book. In the 1H 2026, the FX Total open position (Intraday as well as Overnight) remained below internal limits in place.

In 1H 2026, the VaR remained on average at the level of approx. PLN 380.3 million for the total Group, which is jointly Trading Book and Banking Book (66% of the limit) and at approx. PLN 1.9 million for Trading Book (9% of the limit). The exposure to market risk at the end of June 2026 was approx. PLN 315.8 million for Global Bank (55% of the limit) and approx. PLN 1.4 million for Trading Book (7% of the limit). It should be noted that the value at risk in Banking Book is only complementary risk measurement tool as positions are expected to be held to maturity and are in large majority not a subject to marked to market (see next section - Interest rate risk in Banking Book, IRRBB).

The market risk exposure in 1H 2026 in terms of value at risk for Trading Book, together with risk type division, is presented in the table below (PLN thousands).

VaR measures for market risk in Trading Book ('000 PLN)

	31.12.2025		VaR (1H 2026)			30.06.2026	
	Exposure	Limit usage	Average	Maximum	Minimum	Exposure	Limit usage
Total risk	1 556	7%	1 932	7 369	662	1 378	7%
Generic risk	1 552	n.a.	1 928	7 365	658	1 373	n.a.
Interest Rate VaR	1 556	9%	1 910	6 769	684	1 369	8%
FX Risk	41	1%	115	1 132	16	28	1%
Equity Risk	19	20%	1	3	0	2	2%
Diversification Effect		4.1%					1.9%
Specific risk	4	0%	5	20	3	5	0%

In addition to above mention market risk limits, the stop loss limits are introduced for the financial markets' portfolios. The aim is to limit the maximum losses of the trading activity of the Group. In case of the limit is reached, a review of the management strategy and assumptions for the positions in question must be undertaken.

Due to the daily monitoring of risk measures, in accordance with the principles set out in the "Market Risk Management Principles and Rules for the Banking Book in Bank Millennium SA", each limit exceedance requires ratification in line with the level of competence.

5.3. INTEREST RATE RISK IN BANKING BOOK (IRRBB)

The interest rate risk arising from Banking Book activities (IRRBB) encompasses current or prospective impact to both the earnings and the economic value of the Group's balance sheet, arising from adverse movements in interest rates that affect interest rate sensitive positions. The risk includes repricing gap risk, basis risk, Client's option risk and credit spread risk (CSRBB).

The framework of market risk and interest rate risk management and its controls are defined on a centralized basis with the use of the same concepts and metrics which are used in all the entities of the BCP Group.

The variations in market interest rates have an influence on the Group's net interest income, both under a short and medium-term perspective, at the same time affecting economic value of net equity in the long term. The measurement of both is complementary in understanding the complete scope of interest rate risk in Banking Book. For this reason, apart from daily market risk measurement in terms of value at risk, the scope of the additional measurement of interest rate risk covers both earnings-based and economic value measures and their forecasts considering expected balance-sheet development, investment, and hedging strategy. Results of measurement are reported monthly:

- The impact on net interest income (NII) over a time horizon of next 12 months resulting from one-off, parallel interest rate shock of 100 basis points and the supervisory outlier test (SOT NII) with a set of two interest rate risk stress scenarios.
- The impact on the economic value of equity (EVE) resulting from 100 bps parallel upward/downward yield curve movements as well as from supervisory outlier test (SOT EVE) with set of six interest rate risk stress scenarios.
- The interest rate sensitivity in terms of BPVx100, that is the change of the portfolio's value caused by a parallel shift of the yield curve by 1 basis point multiplied by 100.

The interest rate risk measurement is carried out across all the risk management areas in the Bank, with the particular attention on Banking Book.

The results of the above-mentioned analysis for net interest income (NII), BPVx100 and economic value measures are regularly monitored and reported to the Capital, Assets and Liabilities Committee, to Risk Committee, the Management Board and Supervisory Board.

The exposure to interest rate risk in the Banking Book is primarily generated by the differences in frequency and repricing dates of the assets and liabilities, as well as contractually used reference indexes or sensitivity of client rate to market rates. It is specifically affected by the imbalance between assets and liabilities that have fixed rate and specificity products with floating rate, in particular by:

- The liabilities – for those, whose sensitivity (i.e. pass-through rate) is reduced, as the interest rate offered to Client cannot be lower than zero, therefore rate cuts result in smaller scope for reduction of the respective cost.
- The assets - for variable-rate loans the transfer of market rate movements is proportional and automatic at next repricing. On top of that due to specificity of the polish legal system, the interest rate of credits is capped (it cannot exceed two times Reference Rate of the National Bank of Poland increased by 7 percentage points). In case of some consumer- or fixed-rate loans and decreasing interest rates, the impact on Net Interest Income can be negative and can exceed the nominal rate cuts due to the multiplier effects.

Consequently, sensitivity of the NII to interest rate changes is influenced by the absolute level of interest rates taken as a reference, in particular it increases when market rates are low due to margin compression. Therefore, assumptions regarding the timing and magnitude of deposits repricing and automatic activation of loan rate caps in response to market rate movements are especially important when assessing the interest rate sensitivity and risk.

Regarding the interest rate risk in Banking Book, the following principles are in place:

- The market risk that results from the commercial banking activity transferred on the monthly basis to areas that actively manage market risk and that are measured in terms of risk and profit and loss,
- The Bank uses natural hedging between loans and deposits, complemented by fixed and floating rate bonds and derivatives to manage interest rate risk with the main purpose of protecting the net interest income, while reducing the variability of market value of the portfolios recognised through Profit and Loss or Other Comprehensive Income (OCI).

In 1H 2026, a simultaneous maintenance of supervisory limit for the SOT NII and SOT EVE metrics remains a key challenge for the Group, as well as for the entire banking sector. Nevertheless the results of the Supervisory Outlier Test (SOT) as of June 2026 show that even under the most severe outlier stress test scenario, the decline in both EVE and NII for the banking book remains below the supervisory thresholds, i.e. below 15% of Tier 1 and 5% of Tier 1, respectively.

In 1H 2026, the Group's priority remained the stabilization of net interest income in the medium- and long-term perspective. In this context, the Group continued its strategy of optimizing both the volume and the share of fixed rate loans and fixed-coupon bond portfolio, aiming to achieve an optimal balance between the risk resulting from extending duration, reflected in the SOT EVE measure, and the risk of volatility in the current net interest income captured in the SOT NII measure

As of the reporting date, the main internal metrics for net interest income's sensitivity - calculated under a scenario of parallel shift of interest rates by 100 basis points over a 12-month horizon following 30 June 2026 - stood at 2.10% of last 12 months NII (major currencies). The results remained within internal limits in place. The corresponding values for the worst-case scenario are presented in the table below.

Sensitivity of NII for position in major currencies (the worst scenario):

+/- 100 bps change of interest rates	30.06.2026	31.12.2025
PLN million	-119	-125
% of last 12 months	-2.10%	-2.18%

The above results of internal metrics for sensitivity of NII for the next 12 months after 30th June 2026 in Polish Zloty in Banking Book are conducted under the following assumptions:

- static balance sheet structure as of that reference date (no change during the following 12 months),
- reference level of net interest income if all assets and liabilities with variable interest rate already reflect market interest rates levels as of 30th June 2026 (for example, the NBP Reference rate was set to 3.75%, i.e. includes no rate cuts in 2Q 2026),
- application of a parallel move of 100bps in the yield curve up and down is an additional shock to all market interest rates levels as of 30th June 2026 and is set at the repricing date of the assets and liabilities that happens during the 12 following months.

Apart from reference date for the analysis, which is set in the context of a significantly lower interest rate environment in Poland - following cumulative monetary easing of 25 bps in 2026 and 175 basis points in 2025 as decided by the Monetary Policy Council - in 1H 2026, there was further adjustment to methodology for non-maturity products. As part of this process, the sensitivity of all non-maturing deposits (NMD) to interest rate cuts specifically was reassessed resulting in a more limited scope of adjustment in case of interest rate cut shocks. It means that smaller part of the decrease in interest rate shock is expected to be reflected in lowering the cost of funding. This adjustment for NMD was applied only for internal NII measures (+/- 100 bps shock) and aims to provide a more conservative representation of interest rate risk in the banking book, in line with Bank's pricing policy as well as prevailing market practices. At the same time, the Bank continued to undertake a number of measures aimed at protecting its net interest income. These include, in particular, the investment in fixed-rate Sovereign and Supranational debt securities, hedging through derivative instruments and limiting the volume of NBP money bills, held in the Banking Book.

5.4. LIQUIDITY RISK

Liquidity risk reflects the possibility of incurring significant losses because of deteriorated financing conditions (financing risk) and/or of the sale of assets for less than their market value (market liquidity risk) to meet the funding needs arising from the Group's obligations.

The process of the Group's planning and budgeting covers the preparation of a Liquidity Plan to make sure that the growth of business will be supported by an appropriate liquidity financing structure and supervisory requirements in terms of quantitative liquidity measures will be met.

In 1H 2026, all the supervisory and internal liquidity indicators of the Group remained above minimum limits in place.

In 1H 2026, the Group maintained Loan-to-Deposit ratio well below 100%. This ratio was equalled 58% at the end of June 2026 (58% at the end of December 2025). The liquid assets portfolio is treated by the Group's as liquidity reserve, which will overcome crisis situations. This portfolio consists of liquid debt securities issued or guaranteed by Polish government, other EU's sovereigns, European Union, and multilateral development banks', supplemented by the cash and exposures to the National Bank of Poland. At the end of June 2026, the share of liquid debt securities (including NBP Bills) in total securities portfolio amounted to 99.9% and allowed to reach the level of approx. PLN78.8 billion (46% of total assets), whereas at the end of December 2025 was at the level of approx. PLN70.1 billion (45% of total assets).

Main liquidity ratios	30.06.2026	31.12.2025
Loans/Deposits ratio (%)	58%	58%
Liquid assets portfolio (PLN million)*	79 032	70 354
Liquidity Coverage requirement, LCR (%)	463%	402%

(*) Liquid Assets Portfolio: The sum of cash, nostro balance (reduced by the required obligatory reserve), unencumbered liquid securities portfolio, NBP-Bills and short-term, due from banks (up to 1 month).

Total Clients' deposits of the Group reached the level of PLN140.8 billion (PLN130.8 billion at the end of December 2025). The share of funds from individuals in total Client's deposits equalled to approx. 76.1%% at the end of June 2026 (75.2% at the end of December 2025). The maintenance of high share of funds from individuals had a positive impact on the Group's liquidity and supported the safe compliance of the supervisory measures.

The main source of financing of the Group remains its deposits base, with a large, diversified, and stable funding from retail, corporate and public sectors. The source of medium-term funding included mainly subordinated debt, own EUR bonds issue and covered bonds issued by Millennium Mortgage Bank.

In January 2026 Bank issued Additional Tier 1 (AT1) capital instruments in nominal amount of PLN 1.5 billion of bonds, in May 2026 issued EUR 500 million of subordinated debt and in June 2026 Millennium Mortgage Bank issued PLN 500 million of mortgage covered bonds.

The level of deposit concentration is regularly monitored and did not have any negative impact on the stability of the deposit base in 1H 2026. However, in case of significant increase of the share of the largest depositors, the additional funds from the depositors are not treated as stable. Despite of that, to prevent deposit base fluctuations, the Group maintains the reserves of liquid assets in the form of securities portfolio as described above.

The Group carried out ongoing monitoring and reporting of key supervisory liquidity indicators, including daily calculation of Liquidity Coverage Requirement (LCR) and monthly of Net Stable Funding Requirement (NSFR). In 1H 2026, the regulatory minimum of 100% for both LCR and NSFR was fulfilled by the Group. The LCR stayed at 463% at the end of June 2026 (402% at the end of December 2025). The liquidity position was kept due to increase of the retail Clients' deposits that guaranteed safe level of liquid assets portfolio. The NSFR was kept above supervisory minimum of 100% in each of the reporting month and reached 210% at the end of June 2026 (203% at the end of December 2025).

In accordance with the Recommendation of the Polish Financial Supervision Authority (KNF) on the Long-Term Funding Ratio (LTFR or WFD), the Group monitors and reports this indicator on a regular basis as part of its internal liquidity risk management framework. The Group acknowledges the supervisory expectation to reach a minimum for LTFR of 40% by December 2026. Although supervisory threshold is not yet binding, the Group actively monitors long-term market funding opportunities and takes proactive measures to align its funding structure with the expected requirement. The LTFR has been gradually increasing and reached 48% in June 2026 (33% at the end of December 2025).

On 24th July 2026, it was announced that on 22 July 2026, the Polish Financial Supervision Authority ("KNF") unanimously adopted an amendment to the Recommendation on the Long-Term Financing Ratio ("WFD Recommendation"). As a result of the analyses carried out by the Polish Financial Supervision Authority ("UKNF"), proposals were formulated to modify the WFD formula, specify the categories of financial instruments and financing methods included in the WFD calculation process. The changes introduced by the amendment are aimed at improving the effectiveness of achieving the objectives formulated in the WFD Recommendation and strengthening its impact on banks' activities aimed at increasing the degree of financing mortgage loans with long-term debt instruments. Among others, there were changes in the method of including instruments classified as own funds – instead of a surplus of own funds above the OCR requirement, only AT1 and Tier 2 instruments will be shown in the WFD counter and determination (as a result of recalibration) of the expected WFD at the level of 20%, with the effective date from 31 December 2026. The Bank fulfils WFD both according to the previous formula as well as with the one now approved.

Additionally, the Group employs an internal structural liquidity analysis based on cumulative liquidity gaps calculated on an actuarial basis (i.e., assuming a certain probability of cash flow occurrence). In 1H 2026 the internally defined limit of 12% total assets was not breached.

Stress tests as regards structural liquidity are conducted at least quarterly to understand the Group's liquidity risk profile, to make sure that the Group can meet its commitments in the event of a liquidity crisis and to contribute to preparing a contingency plan regarding liquidity and management decisions.

The Group has also an excess of liquidity in foreign currencies (in particular in EUR and USD) which has increased in recent years due to the significant decrease of the CHF loan portfolio, the conversion of part of provisions for legal risk to CHF and the issue of two senior non-preferred bonds in a total amount of EUR 1 billion, as well as last EUR 500 million of subordinated debt (May 2026). Consequently, the management of FX liquidity is focused on efficient investment of the surplus and diversification of the risk, which has led to the creation of an investment portfolio in EUR, mostly concentrated in several western European countries sovereign debt in EUR.

The Group has also emergency procedures for situations of increased liquidity risk – the Liquidity Contingency Plan. The Liquidity Contingency Plan establishes the concepts, priorities, responsibilities, and specific measures to be taken in the event of a liquidity crisis. The Liquidity Contingency Plan is tested and revised at least once a year.

5.5. OPERATIONAL RISK

In the first half of 2026 there could be observed a continuous use of standards implemented for the purpose of management of operational risk, which are in line with legal provisions in force and the best practice of national and international financial institutions.

The operational risk management model, implemented by the Group is reviewed and accepted on a regular basis by the Management Board.

In keeping with the adopted solution, risk management is a process of continuous improvement as regards identification, assessment, monitoring, control/mitigating, and reporting by complementary activities, which effectively translates into a real reduction in the level of operational risk in the business tasks.

In the first half of 2026 the registered level of operational risk losses was within the limit.

5.6. CAPITAL MANAGEMENT

Capital management relates to two areas: capital adequacy management and capital allocation. For both areas, management goals were set.

The goal of capital adequacy management is: (a) meeting the requirements specified in external regulations (regulatory capital adequacy) and (b) ensuring the solvency in normal and stressed conditions (economic capital adequacy/internal capital). Completing that goal, the Group/Bank strives to achieve internal long-term capital limits (targets), defined in Risk Strategy.

Capital allocation purpose is to create value for shareholders by maximizing the return on risk in business activity, considering established risk tolerance.

In a scope of capital management process, there is also a capital planning process. The goal of capital planning is to designate the own funds (capital base that is risk-taking capacity) and capital usage (regulatory capital requirements and economic capital) in a way to ensure that capital targets/limits shall be met, given forecasted business strategy and risk profile – in normal and stressed macroeconomic conditions.

The Bank and the Group are obliged by law to meet minimum own funds and leverage ratio requirements, set in art. 92 of the Regulation (EU) 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions as amended and amending Regulation (EU) No 648/2012 (CRR II). At the same time, the following levels, recommendations, and buffers were included in capital limits/targets setting:

- Pillar II FX mortgage loans buffer (P2R buffer) - in accordance with the joint decision which, among other, covers capital and liquidity at local level for the European entities of the BCP (Banco Comercial Portugues) Group, there was no additional capital or liquidity requirements imposed on the Bank;
- Combined buffer – defined in Act on macro prudential supervision over the financial system and crisis management – that consists of:
  - Capital conservation buffer at the level of 2.5%,
  - Other systemically important institution buffer (OSII) – at the level of 0.25% and the value is set by KNF each year,
  - Systemic risk buffer at the level of 0%, reduced from 3% in March 2020,
  - Countercyclical buffer at 1% from the 25th of September 2025, and it will be elevated to 2% from the 25th of September 2026.

In November 2025, the Bank has received a recommendation according to which the PFSA is imposing an additional capital surcharge to absorb potential losses resulting from extreme conditions (P2G).

In particular, on the basis of the 2025 supervisory stress tests carried out by the PFSA, the PFSA set the P2G capital add-ons, before the offsetting of the capital conservation buffer, at 2.63pp at the stand-alone level and 2.53pp at the consolidated level. The total capital charges recommended under Pillar II offset by the capital buffer requirement are 0.13pp at the stand-alone level and 0.03pp at the consolidated level.

In May 2026, the Bank completed a subscription for Tier 2 subordinated bonds with a total nominal value of EUR 500 million. Upon obtaining the KNF's approval, the funds obtained from the subscription would enable an increase in the Total Capital Ratio (TCR) by approximately 3.9 and 3.5 percentage points to 21,9% and 20,6% (at the individual and consolidated levels).

Capital adequacy of the Group was as follows (PLN mn, %, pp):

Capital adequacy	30.06.2026	31.12.2025
Risk-weighted assets	60 812.5	54 878.7
Own Funds requirements, including:	4 865.0	4 390.3
- Credit risk and counterparty credit risk	3 795.7	3 373.2
- Market risk	26.4	23.2
- Operational risk	1 025.4	979.4
- Credit Valuation Adjustment CVA	17.5	14.5
Own Funds, including:	10 396.6	8 290.1
Common Equity Tier 1 Capital	8 266.0	7 508.0
Tier 1 Capital	9 766.0	7 508.0
Tier 2 Capital	630.6	782.2
Total Capital Ratio (TCR)	**17.10%**	**15.11%**
Tier 1 Capital ratio (T1)	**16.06%**	**13.68%**
Common Equity Tier 1 Capital ratio (CET1)	**13.59%**	**13.68%**
Leverage ratio	**5.50%**	**4.64%**

Capital adequacy showed as surpluses/deficits on required or recommended levels is presented in the below table.

Capital adequacy	30.06.2026	31.12.2025
Total Capital ratio (TCR)	**17.10%**	**15.11%**
Minimum required level (OCR)	11.75%	11.75%
Surplus(+) / Deficit(-) of TCR capital adequacy (p.p.)	5.35	3.36
Minimum recommended level TCR (OCR+P2G)	11.78%	11.78%
Surplus(+) / Deficit(-) on recommended level (p.p.)	5.32	3.33
Tier 1 Capital Ratio (T1)	**16.06%**	**13.68%**
Minimum required level (OCR)	9.75%	9.75%
Surplus(+) / Deficit(-) of T1 capital adequacy (p.p.)	6.31	3.93
Minimum recommended level (OCR+P2G)	9.78%	9.78%
Surplus(+) / Deficit(-) on recommended level (p.p.)	6.28	3.90
Common Equity Tier 1 Capital Ratio (CET1)	**13.59%**	**13.68%**
Minimum required level (OCR)	8.25%	8.25%
Surplus(+) / Deficit(-) of CET1 capital adequacy (p.p.)	5.34	5.43
Minimum recommended level (OCR+P2G)	8.28%	8.28%
Surplus(+) / Deficit(-) on recommended level (p.p.)	5.31	5.40
Leverage ratio	**5.50%**	**4.64%**
Minimum required level	3.00%	3.00%
Surplus(+) / deficit (-) on leverage ratio (p.p.)	2.50	1.64

In Q2 2026, capital ratios decreased slightly – the Common Equity Tier 1 (CET1) ratio by 20 basis points, the Tier 1 (T1) ratio by 30 basis points, and the Total Capital Ratio (TCR) by 47 basis points. The TCR as of end of June still does not include the above-mentioned issue of EUR500 million. CET1 capital increased slightly by PLN 214 million (2.7%), while Tier 1 capital remained unchanged. Own funds increased slightly by PLN 138 million (1.3%).

The Bank plans to return to paying dividends in 2027 from 2026 financial results. If a dividend payment of 35% and inclusion of 65% of the net profit for the first half of 2026 in own funds would be assumed, the T1 capital ratio would increase by approximately 0.8 p.p. (solo and consolidated).

The leverage ratio decreased slightly in Q2 (from 5.67% to 5.50%), but it increased in H1 2026 (5.50% vs. 4.64%). The excess over the regulatory minimum of 3% is 250 basis points.

The minimum capital ratios required by the KNF in terms of the overall buffer requirement (OCR) including the additional P2G capital charge are achieved with a surplus at the end of the second quarter of 2026.

5.6.1 MINIMUM REQUIREMENTS FOR OWN FUNDS AND LIABILITIES SUBJECT TO WRITE DOWN OR CONVERSION (MREL)

The Bank manages MREL indicators in a manner analogous to capital adequacy management.

In terms of the MRELtrea and MRELtem requirements, the Group presents a surplus compared to the minimum required levels as of June 30, 2026, and also meets the MRELtrea Requirement after the inclusion of the Combined Buffer Requirement.

MREL	30.06.2026	31.12.2025
MRELtrea ratio	**25.87%**	**24.53%**
Minimum required level MRELtrea	15.36%	15.36%
Surplus(+) / Deficit(-) of MRELtrea (p.p.)	10.51	9.17
Minimum required level including Combined Buffer Requirement (CBR)	19.11%	19.11%
Surplus(+) / Deficit(-) of MRELtrea+CBR (p.p.)	6.76	5.42
MRELtem ratio	**8.87%**	**8.27%**
Minimum required level of MRELtem	5.91%	5.91%
Surplus(+) / Deficit(-) of MRELtem (p.p.)	2.96	2.36

In May 2026, the Bank received a letter from the Bank Guarantee Fund regarding the joint decision of the Single Resolution Board (SRB) and the BFG requiring the Bank to meet the communicated consolidated MRELtrea requirements of 15.36% (previously 15.36% in the decision received in May 2025) and 14.14% taking into account the subordination criterion (previously 14.15% in the decision received in May 2025) and MRELtem requirements of 5.91% (the same as in the decision received in May 2025) and 5.54% taking into account the subordination criterion (previously 5.87% in the decision received in June 2024).

Additionally, the MRELtrea requirement calculated for the Bank, increased by the combined buffer requirement expressed as an amount, is lower than 8% of the Bank's total liabilities, including its own funds (Total Liabilities and Own Funds - TLOF). Therefore, pursuant to paragraph 4 of Article 45c(3) of the BRRD, the BFG has set the MRELtem requirement at a level no lower than 8% of TLOF. As of 1 January 2027, the MRELtrea requirement has been set at 15.36% and the MRELtem requirement at 7.7% at the consolidated level.

Taking into account the subordination criteria, as of 1 January 2027, the Bank will be required to meet a minimum MRELtrea subordination requirement of 14.14% and MRELtem of 7.7%.

The Bank also meets the requirements applicable from 1 January 2027.

6. OPERATIONAL SEGMENTS

Information about operating segments has been prepared based on the reporting structure which is used by the Management Board of the Bank for evaluating the results and managing resources of operating segments. Group does not apply additional breakdown of activity by geographical areas because of the insignificant scale of operations performed outside the Poland, in result such complementary division is not presented.

The Group's activity is pursued on the basis of diverse business lines, which offer specific products and services targeted at the market segments listed below:

Retail Customer Segment

The Retail Customers Segment covers activity targeted at mass-market Customers, affluent Customers and individual entrepreneurs.

The activity of the above business lines is developed with use of the full offer of banking products and services as well as sales of specialised products offered by subsidiaries in the group. In the credit products area the key products are mortgage loans, retail credit products, credit card revolving credit as well leasing products for small companies. Meanwhile key Customers funds include: current and saving accounts, term deposits, mutual funds and structured products. Additionally the offer comprises insurance products, mainly linked with loans and credit cards, as well as specialised savings products. The product offer for affluent customers was enriched to include selected mutual funds of other financial intermediaries and foreign funds.

Corporate Customer Segment

The Corporate Customers Segment is based on activity targeted at Small and Medium sized Companies as well as Large Corporations. The offer is also addressed to Customers from the Public Sector. As part of the Bank's new strategy for 2025-2028, this segment also includes companies other than sole proprietorships, previously serviced in the Retail Segment as small entrepreneurs.

Business in the Corporate Customers segment is pursued with use of an offer of typical banking products (loans for day-to-day activity, investment loans, current accounts, term deposits) supplemented by a range of cash management products as well as treasury products (including derivatives) and leasing and factoring services.

Treasury, ALM (assets and liabilities management) and Other

This segment covers the Group's activity as regards investments by the Treasury Department, brokerage, inter-bank market transactions and taking positions in debt securities, which are not assigned to other segments.

This segment includes other assets and other liabilities, assets and liabilities connected with hedging derivatives, liabilities connected with external funding of the Group and deferred income tax assets not assigned to any of the segments.

For each segment the pre-tax profit is determined, comprising:

- Net interest income calculated on the basis of interest on external working assets and liabilities of the segment as well as allocated assets and liabilities generating internal interest income or cost. Internal income and costs are calculated based on market interest rates with internal valuation model applied;
- Net commission income;
- Other income from financial transactions and FX gains, such as: dividend income, result on investment and trading activity, FX gains/losses and result on other financial instruments;
- Other operating income and expenses;
- Costs on account of impairment of financial and non-financial assets;
- Segment share in operating costs, including personnel and administration costs;
- Segment share in depreciation costs;
- Operating profit calculated as a measure of segment profit differs from the IFRS financial result before tax due to: share in net profits of associates and charge of bank tax. These items and the income tax burden were presented only at the Group level.

The assets and liabilities of commercial segments are the operating assets and liabilities used by the segment in its operations, allocated on business grounds. The difference between operating assets and liabilities is covered by money market assets/liabilities and debt securities. The assets and liabilities of the Treasury, ALM & Other segment are money market assets/liabilities and debt securities not allocated to commercial segments.

Bank Millennium financial performance is significantly influenced by the costs related to managing legacy FX mortgage portfolio of loans. To isolate these costs and other financial results related to this portfolio Bank decided to isolate, commencing from 2021, a new segment from Retail and present it in financial statements as “FX mortgage”. Such change impacts only results presentation and is not triggering any organizational changes in the Bank. New segment includes loans separated based on active FX mortgage contracts for a given period and is applying to portfolios of retail mortgages originated in Bank Millennium and Eurobank in foreign currencies. This portfolio is expected to run-off in line with repayments of FX loans, conversions to PLN loans, realization of court verdicts and write-offs. Following P&L categories are presented as part of financial performance of this segment:

1. Net Interest Income: Margin on FX loans (interest results less Fund Transfer Pricing).
2. FX results .
3. Cost of FX mortgage portfolio legal risk including provisions for legal risk and other costs, partially offset by valuation of SG Indemnity in other operating income line regarding ex-EB portfolio.
4. Cost of Credit Risk related to current FX portfolio.
5. Other Costs that are directly related to FX mortgages including, but not limited to:
   i. Amicable negotiation costs,
   ii. Legal chancellery costs (administrative costs),
   iii. Court costs related to FX mortgage cases (other operating costs).

Income statement 1.01.2026 – 30.06.2026

In '000 PLN	Retail Banking	Corporate Banking	Treasury. ALM & Other	FX mortgage	TOTAL
Net interest income	1 862 014	377 727	537 962	(205)	2 777 498
Fee and commission result.	298 372	112 748	(387)	1 074	411 807
Fee and commission income, incl.:	*452 458*	*122 282*	*8 753*	*1 074*	*584 567*
Commissions for account maintenance and Commissions for processing transfers, cash deposits and withdrawals, and other payment transactions	*67 117*	*46 841*	*(950)*	*0*	*113 008*
Fees and commissions on granted loans and advances	*55 708*	*48 433*	*(319)*	*1 074*	*104 896*
Payment and credit card servicing fees	*169 717*	*12 554*	*(187)*	*0*	*182 084*
Commissions from the sale of insurance products	*48 952*	*5 149*	*1*	*0*	*54 102*
Commissions from investment funds managed by the Group, and Commissions from the distribution of fund units and other savings products	*90 706*	*3*	*2*	*0*	*90 711*
Other fees and commissions	*20 258*	*9 302*	*10 206*	*0*	*39 766*
Fee and commission cost	*(154 086)*	*(9 534)*	*(9 140)*	*0*	*(172 760)*
Dividends, other income from financial operations and foreign exchange profit	54 054	52 146	32 088	2 195	140 483
Result on non-trading financial assets mandatorily at fair value through P&L	90	0	(3 014)	0	(2 924)
Other operating income and cost	(10 428)	3 164	(44 962)	33 217	(19 009)
Operating income	2 204 102	545 785	521 687	36 281	3 307 855
Staff costs	(546 255)	(152 604)	(18 245)	0	(717 104)
Administrative costs, including:	(305 084)	(60 050)	(137 477)	(37 844)	(540 455)
- BGF costs	*0*	*0*	*(116 811)*	*0*	*(116 811)*
Depreciation and amortization	(106 528)	(18 815)	(2 808)	0	(128 151)
Operating expenses	(957 867)	(231 469)	(158 530)	(37 844)	(1 385 710)
Impairment losses on assets	(87 774)	(47 841)	(3 943)	815	(138 743)
Results on modification	(31)	(2 134)	0	0	(2 165)
Costs of legal risk connected with FX mortgage loans	0	0	0	(405 561)	(405 561)
Total operating result	**1 158 430**	**264 341**	**359 214**	**(406 309)**	**1 375 676**
Share in net profit of associated companies					0
Banking tax					(204 895)
Profit / (loss) before income tax					**1 170 781**
Income taxes					(462 429)
Profit / (loss) after taxes					**708 352**

Income statement 1.04.2026 – 30.06.2026

In '000 PLN	Retail Banking	Corporate Banking	Treasury. ALM & Other	FX mortgage	TOTAL
Net interest income	923 755	191 017	273 480	(1 205)	1 387 047
Fee and commission result.	150 970	56 312	(612)	512	207 182
Fee and commission income, incl.:	*229 712*	*61 305*	*4 569*	*512*	*296 098*
Commissions for account maintenance and Commissions for processing transfers, cash deposits and withdrawals, and other payment transactions	*34 376*	*23 371*	*(59)*	*0*	*57 688*
Fees and commissions on granted loans and advances	*27 999*	*24 347*	*118*	*512*	*52 976*
Payment and credit card servicing fees	*87 222*	*6 475*	*4*	*0*	*93 701*
Commissions from the sale of insurance products	*24 758*	*2 500*	*1*	*0*	*27 259*
Commissions from investment funds managed by the Group, and Commissions from the distribution of fund units and other savings products	*45 289*	*2*	*1*	*0*	*45 292*
Other fees and commissions	*10 068*	*4 610*	*4 504*	*0*	*19 182*
Fee and commission cost	*(78 742)*	*(4 993)*	*(5 181)*	*0*	*(88 916)*
Dividends, other income from financial operations and foreign exchange profit	28 577	28 670	46 094	1 541	104 882
Result on non-trading financial assets mandatorily at fair value through P&L	6	0	(847)	0	(841)
Other operating income and cost	(4 595)	1 440	(56 159)	2 635	(56 679)
Operating income	1 098 713	277 439	261 956	3 483	1 641 591
Staff costs	(275 294)	(76 021)	(9 077)	0	(360 392)
Administrative costs, including:	(148 128)	(32 309)	(11 021)	(21 154)	(212 612)
- BGF costs	*0*	*0*	*0*	*0*	*0*
Depreciation and amortization	(55 454)	(9 846)	(1 643)	0	(66 943)
Operating expenses	(478 876)	(118 176)	(21 741)	(21 154)	(639 947)
Impairment losses on assets	(17 686)	(31 793)	(1 117)	226	(50 370)
Results on modification	(17)	(571)	0	0	(588)
Costs of legal risk connected with FX mortgage loans	0	0	0	(179 893)	(179 893)
Total operating result	**602 134**	**126 899**	**239 098**	**(197 338)**	**770 793**
Share in net profit of associated companies					0
Banking tax					(102 403)
Profit / (loss) before income tax					**668 390**
Income taxes					(260 830)
Profit / (loss) after taxes					**407 560**

Balance sheet items as at 30.06.2026

In '000 PLN	Retail Banking	Corporate Banking	Treasury. ALM & Other	FX mortgage	TOTAL
Loans and advances to customers	59 735 770	20 878 030	0	583 890	**81 197 689**
Debt securities (AC and HTCFS portfolios)	0	0	78 664 784	0	**78 664 784**
Liabilities to customers	111 055 595	29 701 507	0	0	**140 757 102**

Income statement 1.01.2025 – 30.06.2025

In '000 PLN	Retail Banking	Corporate Banking	Treasury. ALM & Other	FX mortgage	TOTAL
Net interest income	2 407 438	413 975	53 339	(2 954)	2 871 798
Fee and commission result.	264 932	101 246	2 496	1 960	370 634
Fee and commission income, incl.:	*394 176*	*110 391*	*10 978*	*1 960*	*517 505*
Commissions for account maintenance and Commissions for processing transfers, cash deposits and withdrawals, and other payment transactions	*65 521*	*43 558*	*697*	*0*	*109 776*
Fees and commissions on granted loans and advances	*53 952*	*42 937*	*332*	*1 960*	*99 181*
Payment and credit card servicing fees	*153 148*	*10 896*	*(8)*	*0*	*164 036*
Commissions from the sale of insurance products	*25 510*	*4 964*	*3*	*0*	*30 477*
Commissions from investment funds managed by the Group, and Commissions from the distribution of fund units and other savings products	*71 698*	*1*	*2*	*0*	*71 701*
Other fees and commissions	*24 347*	*8 035*	*9 952*	*0*	*42 334*
Fee and commission cost	*(129 244)*	*(9 145)*	*(8 482)*	*0*	*(146 871)*
Dividends, other income from financial operations and foreign exchange profit	49 407	55 646	15 964	2 622	123 639
Result on non-trading financial assets mandatorily at fair value through P&L	196	0	54 485	0	54 681
Other operating income and cost	(13 583)	3 041	(8 385)	14 444	(4 483)
Operating income	2 708 390	573 908	117 899	16 072	3 416 269
Staff costs	(523 844)	(127 759)	(17 024)	0	(668 627)
Administrative costs, including:	(286 370)	(52 865)	(94 017)	(56 494)	(489 746)
- BGF costs	*(35 728)*	*(886)*	*(76 007)*	*0*	*(112 621)*
Depreciation and amortization	(94 756)	(14 718)	(2 080)	0	(111 554)
Operating expenses	(904 970)	(195 342)	(113 121)	(56 494)	(1 269 927)
Impairment losses on assets	(22 576)	(56 976)	(1 750)	3 124	(78 178)
Results on modification	(16)	(2 216)	0	0	(2 232)
Costs of legal risk connected with FX mortgage loans	0	0	0	(1 085 387)	(1 085 387)
Total operating result	**1 780 828**	**319 374**	**3 028**	**(1 122 685)**	**980 545**
Share in net profit of associated companies					0
Banking tax					(199 818)
Profit / (loss) before income tax					**780 727**
Income taxes					(269 981)
Profit / (loss) after taxes					**510 746**

Income statement 1.04.2025 – 30.06.2025

In '000 PLN	Retail Banking	Corporate Banking	Treasury. ALM & Other	FX mortgage	TOTAL
Net interest income	1 186 935	202 440	54 650	4 318	1 448 343
Fee and commission result.	135 167	50 937	1 041	942	188 087
Fee and commission income, incl.:	*205 874*	*55 791*	*5 423*	*942*	*268 030*
Commissions for account maintenance and Commissions for processing transfers, cash deposits and withdrawals, and other payment transactions	*33 298*	*22 241*	*431*	*0*	*55 970*
Fees and commissions on granted loans and advances	*26 664*	*21 659*	*129*	*942*	*49 394*
Payment and credit card servicing fees	*79 431*	*5 606*	*(5)*	*0*	*85 032*
Commissions from the sale of insurance products	*16 860*	*2 472*	*2*	*0*	*19 334*
Commissions from investment funds managed by the Group, and Commissions from the distribution of fund units and other savings products	*36 829*	*1*	*1*	*0*	*36 831*
Other fees and commissions	*12 792*	*3 812*	*4 865*	*0*	*21 469*
Fee and commission cost	*(70 707)*	*(4 854)*	*(4 382)*	*0*	*(79 943)*
Dividends, other income from financial operations and foreign exchange profit	23 784	24 623	7 630	993	57 030
Result on non-trading financial assets mandatorily at fair value through P&L	18	0	52 161	0	52 179
Other operating income and cost	(5 954)	1 516	(2 258)	9 949	3 253
Operating income	1 339 950	279 516	113 224	16 202	1 748 892
Staff costs	(272 481)	(65 493)	(8 732)	0	(346 706)
Administrative costs, including:	(132 621)	(29 359)	(9 414)	(29 016)	(200 410)
- BGF costs	*(17 817)*	*(445)*	*0*	*0*	*(18 262)*
Depreciation and amortization	(46 522)	(7 297)	(1 040)	0	(54 859)
Operating expenses	(451 624)	(102 149)	(19 186)	(29 016)	(601 975)
Impairment losses on assets	43 714	(37 740)	(790)	3 086	8 270
Results on modification	(26)	(2 137)	0	0	(2 163)
Costs of legal risk connected with FX mortgage loans	0	0	0	(588 851)	(588 851)
Total operating result	**932 014**	**137 490**	**93 248**	**(598 579)**	**564 173**
Share in net profit of associated companies					0
Banking tax					(101 149)
Profit / (loss) before income tax					**463 024**
Income taxes					(131 547)
Profit / (loss) after taxes					**331 477**

Balance sheet items as at 31.12.2025

In '000 PLN	Retail Banking	Corporate Banking	Treasury. ALM & Other	FX mortgage	TOTAL
Loans and advances to customers	57 744 252	17 958 170	0	713 499	**76 415 921**
Debt securities (AC and HTCFS portfolios)	0	0	69 376 518	0	**69 376 518**
Liabilities to customers	102 341 660	28 465 831	0	0	**130 807 491**

7. TRANSACTIONS WITH RELATED ENTITIES

All and any transactions between entities of the Group in 1st half 2026 resulted from the current operations.

Apart from transactions described herein, in the indicated period neither Bank Millennium S.A., nor subsidiaries of Bank Millennium S.A. made any other transactions with related entities, which individually or jointly may have been significant and concluded under terms and conditions other than market-based.

7.1. TRANSACTIONS WITH THE PARENT GROUP

The following are the amounts of transactions with the Capital Group of Bank's parent company - Banco Comercial Portugues (ultimate parent company), these transactions are mainly of banking nature (in '000 PLN):

	With parent company		With other entities from parent group	
	30.06.2026	31.12.2025	30.06.2026	31.12.2025
ASSETS				
Loans and advances to banks – accounts and deposits	103 963	2 593	0	0
Financial assets held for trading	0	0	0	0
Hedging derivatives	0	0	0	0
Other assets	0	0	0	0
LIABILITIES				
Loans and deposits from banks	324	129	0	0
Debt securities	0	0	0	0
Financial liabilities held for trading	0	0	0	0
Hedging derivatives	0	0	0	0
Other liabilities	420	420	4	0

	With parent company		With other entities from parent group	
	1.01.2026 - 30.06.2026	1.01.2025 - 30.06.2025	1.01.2026 - 30.06.2026	1.01.2025 - 30.06.2025
Income from:				
Interest	613	767	0	0
Commissions	196	118	0	0
Financial assets and liabilities held for trading	0	0	0	0
Expense from:				
Interest	0	0	0	0
Commissions	0	0	0	0
Financial assets and liabilities held for trading	0	0	0	0
Other net operating	0	0	0	0
Administrative expenses	0	93	34	35

	With parent company		With other entities from parent group	
	30.06.2026	31.12.2025	30.06.2026	31.12.2025
Conditional commitments	54 355	34 816	0	0
granted	0	0	0	0
obtained	54 355	34 816	0	0
Derivatives (par value)	0	0	0	0

7.2. TRANSACTIONS WITH THE MANAGING AND SUPERVISING PERSONS

Managing persons	30.06.2026	31.12.2025
Total debt limit (in '000 PLN)	149	180
- including an unutilized limit (in '000 PLN)	106	163
Mortgage loans and credits	-	-
Active guarantees	-	-
Supervising persons	**30.06.2026**	**31.12.2025**
Total debt limit (in '000 PLN)	-	20
- including an unutilized limit (in '000 PLN)	-	18
Mortgage loans and credits	-	-
Active guarantees	-	-

The Group provides standard banking services to Members of the Management Board, Members of the Supervisory Board, persons related to Members of the Management Board and Members of the Supervisory Board, which services comprise i.a.: keeping bank accounts, accepting deposits or sale of financial instruments. Accordingly to the Bank these transactions are concluded on market terms and conditions. In accordance with the credit lending policy adopted in the Bank, term credits described in this section have appropriate collateral to mitigate its credit risk exposure.

7.3. INFORMATION ON COMPENSATIONS AND BENEFITS OF THE MEMBERS OF THE MANAGEMENT AND SUPERVISORY BOARDS

Remuneration costs (including provisions charged for annual bonus) and benefits incurred by the Bank in favour of the Members of the Management Board (data in thousand PLN):

Period	Fixed and variable remuneration	Benefits	TOTAL
1.01-30.06.2026	12 268	308	12 576
1.01-30.06.2025	12 078	1 246	13 323

The benefits mainly include the costs of medical care, PPK contributions and accommodation of the foreign Members of the Management Board.

Remuneration costs of the Members of the Supervisory Board of the Bank (data in thousand PLN):

Period	Fixed and variable remuneration and benefits
1.01-30.06.2026	1 446
1.01-30.06.2025	1 308

7.4. BALANCE OF THE BANK'S SHARES HELD BY THE BANK'S SUPERVISORY AND MANAGEMENT BOARD MEMBERS

Name and surname	Position/Function	Number of shares as of delivery date of IH 2026 report	
		TOTAL	*including those received under the incentive program, blocked in investment accounts until:16.04.2027 r.:*
Joao Nuno Lima Bras Jorge	Chairman of the Management Board	552 816	*88 197*
Fernando Maria Cardoso Rodrigues Bicho	Deputy Chairman of the Management Board	295 052	*60 763*
Marcin Dubno	Member of the Management Board	0	*0*
Jarosław Hermann	Member of the Management Board	96 945	*49 583*
Halina Karpińska	Member of the Management Board	24 937	*12 942*
Hugo Miguel Martins Resende	Member of the Management Board	0	*0*
Magdalena Zmitrowicz	Member of the Management Board	16 757	*16 757*

Name and surname	Position/Function	Number of shares as of delivery date of annual 2025 report		
		TOTAL	*including those received under the incentive program, blocked in investment accounts until:*	
			05.05.2026 r.	*05.06.2026 r.*
Joao Nuno Lima Bras Jorge	Chairman of the Management Board	464 619	*41 459*	*42 901*
Fernando Maria Cardoso Rodrigues Bicho	Deputy Chairman of the Management Board	234 289	*27 555*	*30 482*
Wojciech Haase	Member of the Management Board	198 469	*22 525*	*24 837*
Jarosław Hermann	Member of the Management Board	47 362	*22525*	*24837*
Halina Karpińska	Member of the Management Board	11 995	*/-/*	*/-/*
Antonio Ferreira Pinto Junior	Member of the Management Board	60 975	*22 525*	*24 837*
Magdalena Zmitrowicz	Member of the Management Board	0	*/-/*	*/-/*

Name and surname	Position/Function	Number of shares as of delivery date of IQ 2026 report	Number of shares as of delivery date of annual report for year 2025
Olga Grygier-Siddons	Chairman of the Supervisory Board	0	0
Nuno Manuel da Silva Amado	Deputy Chairman of the Supervisory Board	0	0
Katarzyna Sułkowska	Secretary of the Supervisory Board	0	0
Małgorzata Bonikowska	Member of the Supervisory Board	0	0
Miguel de Campos Pereira de Bragança	Member of the Supervisory Board	0	0
Agnieszka Kłos-Siddiqui	Member of the Supervisory Board	0	0
Anna Mankiewicz-Rębkowska	Member of the Supervisory Board	0	0
Alojzy Nowak	Member of the Supervisory Board	0	0
Izabela Olszewska	Member of the Supervisory Board	0	0
José Miguel Bensliman Schorcht da Silva Pessanha	Member of the Supervisory Board	0	0
Miguel Maya Dias Pinheiro	Member of the Supervisory Board	0	0
Lingjiang Xu	Member of the Supervisory Board	0	0

8. FAIR VALUE

The best reflection of fair value of financial instruments is the price which can be obtained for the sale of assets or paid for the transfer of liability in case of market transactions (an exit price). For many products and transactions for which market value to be taken directly from the quotations in an active market (marking-to-market) is not available, the fair value must be estimated using internal models based on discounted cash flows (marking-to-model). Financial cash flows for the various instruments are determined according to their individual characteristics, and discounting factors include changes in time both in market interest rates and margins.

According to IFRS 13 "Fair value measurement" in order to determinate fair value the Group applies models that are appropriate under existing circumstances and for which sufficient input data is available, based to the maximum extent on observable input whereas minimizing use of unobservable input, namely:

Level 1 - valuation based on the data fully observable (active market quotations);
Level 2 - valuation models using the information not constituting the data from level 1, but observable, either directly or indirectly;
Level 3 - valuation models using unobservable data (not derived from an active market).

Valuation techniques used to determine fair value are applied consistently. Change in valuation techniques resulting in a transfer between these methods occurs when:

- transfer from Level 1 to 2 takes place when for the financial instruments measured according to Level 1 quoted market prices from an active market are not available at the balance sheet day (previously used to be);
- transfer from Level 2 to 3 takes place when for the financial instruments measured according to the Level 2 value of parameters not derived from the market has become significant at the balance sheet day (and previously used to be irrelevant).

The Group recognizes transfers between valuation levels at the end of the reporting period.

8.1. FINANCIAL INSTRUMENTS NOT RECOGNIZED AT FAIR VALUE IN THE BALANCE SHEET

All estimation models are arbitrary to some extent and this is why they reflect only the value of those instruments for which they were built. Fair value of these instruments is determined solely in order to meet the disclosure requirements of IFRS 13 and IFRS 7.

The main assumptions and methods applied in estimating fair value of assets and liabilities of the Group are as follows:

Receivables and liabilities with respect to banks

The fair value of these instruments was determined by discounting the future principal and interest flows with current rates, assuming that the flows arise on contractual dates.

Loans and advances granted to customers valued at amortised cost

The fair value of such instruments without specified repayment schedule, given their short-term nature and the time-stable policy of the Group with respect to this portfolio, is close to balance-sheet value.

With respect to floating rate leasing products fair value was assessed by adjusting balance-sheet value with discounted cash flows resulting from difference of spreads.

The fair value of instruments with defined maturity is estimated by discounting related cash flows on contractual dates and under contractual conditions with the use of current zero-coupon rates and credit risk margins.

In case of mortgage loans due to their long-term nature estimation of the future cash flows also includes the effect of early repayment.

Debt securities valued at amortised cost

The fair value of debt securities at amortised cost (mainly Treasury bonds in the Held to Collect portfolio) was calculated on market quotations basis.

Liabilities to customers

The fair value of such instruments without maturity or with maturity under 30 days is considered by the Group to be close to balance-sheet value.

Fair value of instruments due and payable in 30 days or more is determined by discounting future cash flows from principal and interest (including the current average margins by major currencies and time periods) using current interest (including the original average margins by major currencies and time periods) in contractual terms.

Subordinated liabilities, debt securities issued and medium-term loans

The fair value of these financial instruments is estimated on the basis of a model used for determining the market value of floating-rate bonds with the current level of market rates and historical margin for credit risk and in the case of fixed-rate coupon bonds, by discounting cash flows at the current level of market rates and the original credit risk margin. Similar as in loan portfolio the Bank includes the level of the original margin as a part of mid-term cost of financing obtained in the past in relation to the current margin level for the comparable instruments, as long as reliable assessment is possible.

The table below presents results of the above-described analyses as at 30.06.2026 (data in PLN thousand):

	Note	Balance sheet value	Fair value
ASSETS MEASURED AT AMORTISED COST			
Debt securities	15	35 300 018	35 703 853
Deposits, loans and advances to banks and other monetary institutions	15	401 701	401 699
Loans and advances to customers	14	81 197 074	81 424 670
LIABILITIES MEASURED AT AMORTISED COST			
Liabilities to banks and other monetary institutions	17	285 125	285 125
Liabilities to customers	18	140 757 102	140 757 005
Debt securities issued	20	8 073 466	8 088 963
Subordinated debt	21	3 702 545	3 701 434

The fair value of debt securities measured at amortized cost, for which market quotations are available, is determined on their basis and, consequently, these assets are included in the first valuation category (with a carrying amount of PLN 35,269,931 thous. as at 30.06.2026 and PLN 26,874,258 thous. as at 31.12.2025). Models used for determination of the fair value of other financial instruments presented in the above table and not recognized at fair value in Group's balance sheet, use techniques based on parameters not derived from the market. Therefore, they are considered as the third level of valuation.

The Group also has assets measured at amortized cost, the carrying amount of which corresponds to fair value, in particular these are components of "Other assets" classified as other financial assets.

The table below presents data as at 31.12.2025 (data in PLN thousand):

	Note	Balance sheet value	Fair value
ASSETS MEASURED AT AMORTISED COST			
Debt securities	15	26 905 373	27 403 322
Deposits, loans and advances to banks and other monetary institutions	15	350 741	350 869
Loans and advances to customers	14	76 415 176	75 888 080
LIABILITIES MEASURED AT AMORTISED COST			
Liabilities to banks and other monetary institutions	17	103 113	103 113
Liabilities to customers	18	130 807 491	130 832 782
Debt securities issued	20	7 640 812	7 641 674
Subordinated debt	21	1 557 687	1 557 086

8.2. FINANCIAL INSTRUMENTS RECOGNIZED AT FAIR VALUE IN THE BALANCE SHEET

The table below presents balance-sheet values of instruments measured at fair value, by applied fair value measurement technique:

Data in PLN‘000, as at 30.06.2026

	Note	Quoted market prices	Valuation techniques - observable inputs	Valuation techniques - significant unobservable inputs
		Level 1	Level 2	Level 3
ASSETS				
Financial assets held for trading	12			
Valuation of derivatives		0	97 234	63 672
Equity instruments		120	0	0
Debt securities		225 641	0	0
Transactions with repurchase agreement		15 508	0	0
Non-trading financial assets mandatorily at fair value through profit or loss	14			
Equity instruments		0	0	152 226
Debt securities		0	0	21 067
Loans and advances		0	0	615
Financial assets at fair value through other comprehensive income	13			
Equity instruments		3 106	0	40 264
Debt securities		35 799 353	7 565 413	0
Derivatives – Hedge accounting	16	0	0	0
LIABILITIES				
Financial liabilities held for trading	12			
Valuation of derivatives		0	40 205	65 189
Short positions		13 087	0	0
Derivatives – Hedge accounting	16	0	17 949	0

Data in PLN‘000, as at 31.12.2025

	Note	Quoted market prices	Valuation techniques - observable inputs	Valuation techniques - significant unobservable inputs
		Level 1	Level 2	Level 3
ASSETS				
Financial assets held for trading	12			
Valuation of derivatives		0	59 194	96 115
Equity instruments		252	0	0
Debt securities		824 911	0	0
Transactions with repurchase agreement		38 946	0	0
Non-trading financial assets mandatorily at fair value through profit or loss	14			
Equity instruments		0	0	155 652
Debt securities		0	0	20 655
Loans and advances		0	0	745
Financial assets at fair value through other comprehensive income	13			
Equity instruments		684	0	40 258
Debt securities		32 155 729	10 315 417	0
Derivatives – Hedge accounting	16	0	0	0
LIABILITIES				
Financial liabilities held for trading	12			
Valuation of derivatives		0	111 588	96 983
Short positions		37 788	0	0
Derivatives – Hedge accounting	16	0	24 735	0

Using the criterion of valuation techniques as at 30.06.2026 Group classified into the third category following financial instruments:

- credit exposures with a leverage / multiplier feature inbuilt in the definition of interest rate (these are credit card exposures and overdraft limits for which the interest rate is based on a multiplier: 4 times the lombard rate).
- index options, option transactions are measured at fair value with use of option measurement models, the model measurement is supplemented with impact on fair value of the estimated credit risk parameter;
- VISA Inc. engagement shares; the method of fair value calculation of this instrument considers the time value of money and the time line for conversion of preferred stock in common stock of VISA.
- other equity instruments measured at fair value (unquoted on an active market). In particular, the Bank holds a block of shares in an entity classified in the category “measured at fair value through profit or loss” for which in 2025 the Bank changed the valuation technique and applied the valuation based on a combination of several fair value measurement techniques. Given that these shares are not traded on an active market and do not provide the ability to exercise control over the entity, the valuation model incorporates an appropriate discount reflecting the limited capacity to influence the entity and the lower liquidity. This discount is characterized by significant sensitivity to the parameters and assumptions applied. Due to the use of significant unobservable inputs and the nature of the applied techniques, the valuation has been classified within Level 3 of the fair value hierarchy.

In the reporting period, the Group did not make transfers of financial instruments between the techniques of fair value measurement.

Changes of fair values of instruments measured on the basis of valuation techniques with use of significant parameters not derived from the market are presented in the table below (in ’000 PLN):

	Valuation of derivatives - Indexes options	Valuation of derivatives - Options embedded in securities issued and deposits	Equity instruments	Debt securities	Loans and advances
Balance on 01.01.2026	**94 275**	**(95 144)**	**195 910**	**20 655**	**745**
Settlement/sell/purchase	(18 526)	17 878	0	0	(386)
Change of valuation recognized in equity	0	0	0	0	0
Interest income and other of similar nature	0	0	0	0	166
Results on financial assets and liabilities held for trading	(13 393)	13 393	0	0	0
Result on non-trading financial assets mandatorily at fair value through profit or loss	0	0	(3 426)	412	90
Result on exchange differences	0	0	6	0	0
Balance on 30.06.2026	**62 356**	**(63 873)**	**192 490**	**21 067**	**615**

For options on indexes concluded on an inactive market the Group concludes back-to-back transactions on the interbank market, in result estimated credit risk component has no impact on the financial result.

Accordingly Group’s estimation impact of adjustments for counterparty credit risk was not significant from the point of view of individual derivative transactions concluded by the Bank. Consequently, the Bank does not consider the impact of unobservable inputs used in the valuation of derivative transactions for significant and in accordance with the provisions of IFRS 13.73 does not classify such transactions for level 3 fair value measurements.

	Valuation of derivatives - Indexes options	Valuation of derivatives - Options embedded in securities issued and deposits	Equity instruments	Debt securities	Loans and advances
Balance on 01.01.2025	**178 195**	**(181 662)**	**102 836**	**51 790**	**1 825**
Settlement/sell/purchase	(86 701)	83 705	(34 004)	0	(2 725)
Change of valuation recognized in equity	0	0	4 033	0	0
Interest income and other of similar nature	0	0	0	0	1 064
Results on financial assets and liabilities held for trading	2 781	2 813	0	0	0
Result on non-trading financial assets mandatorily at fair value through profit or loss	0	0	123 045	(31 135)	581
Result on exchange differences	0	0	0	0	0
Balance on 31.12.2025	**94 275**	**(95 144)**	**195 910**	**20 655**	**745**

9. CONTINGENT LIABILITIES AND ASSETS

9.1. LAWSUITS AND RELEVANT PROCEEDINGS

Below please find the data on the court cases pending, brought up by and against entities of the Group.

Court cases brought up by the Group

Value of the court litigations, as at 30.06.2026, in which entities of the Group were a plaintiff, totaled PLN 2,803.1 million (PLN 3,540.6 million as at 31.12.2025).

Proceedings on infringement of collective consumer interests

On January 3 2018, the Bank received a decision of the Chairman of the Office for Protection of Competition and Consumers (OPCC Chairman), in which the OPCC Chairman found infringement by the Bank of the rights of consumers. In the opinion of the OPCC Chairman the essence of the violation is that the Bank informed consumers (it regards 78 agreements) in responses to their complaints, that the court verdict stating the abusiveness of the provisions of the loan agreement regarding exchange rates does not apply to them. According to the position of the OPCC Chairman the abusiveness of contract's clauses determined by the court in the course of abstract control is constitutive and effective for every contract from the beginning. As a result of the decision, the Bank was obliged to:
1) send information on the UOKiK's decision to the said 78 clients,
2) place the information on decision and the decision itself on the website and on Twitter,
3) to pay a fine amounting to PLN 20.7 mln.

The Bank lodged an appeal within the statutory time limit.

On January 7, 2020, the first instance court dismissed the Bank's appeal in its entirety. The Bank appealed against the judgment within the statutory deadline. The court presented the view that the judgment issued in the course of the control of a contractual template (in the course of an abstract control), recognizing the provisions of the template as abusive, determines the abusiveness of similar provisions in previously concluded contracts. Therefore, the information provided to consumers was incorrect and misleading. As regards the penalty imposed by OPCC, the court pointed out that the policy of imposing penalties by the Office had changed in the direction of tightening penalties and that the court agrees with this direction.

In the Bank's assessment, the Court should not assess the Bank's behaviour in 2015 from the perspective of today's case-law views on the importance of abstract control (it was not until January 2016 that the Supreme Court's resolution supporting the view of the OPCC Chairman was published), the more penalties for these behaviours should not be imposed using current policy. The above constitutes a significant argument against the validity of the judgment and supports the appeal which the Bank submitted to the Court of second instance.

The second instance court, in its judgment of February 24, 2022, completely revoked the decision of the OPCC Chairman. On August 31, 2022, the OPCC Chairman lodged a cassation appeal to the Supreme Court. On July 3, 2024, the Supreme Court issued a decision accepting the cassation appeal for consideration.

The Bank believes that the prognosis regarding the litigation chances of winning the case before the Supreme Court is positive and therefore no provision has been recognized.

Proceedings on competition-restricting practice

The Bank (along with other banks) is also a party to the dispute with OPCC, in which the OPCC Chairman recognized the practice of participating banks, including Bank Millennium, in an agreement aimed at jointly setting interchange fee rates charged on transactions made with Visa and Mastercard cards as restrictive of competition, and by decision of 29 December 2006 imposed a fine on the Bank in the amount of PLN 12.2 million. The Bank, along with other banks, appealed the decision.

In connection with the judgment of the Supreme Court and the judgment of the Court of Appeal in Warsaw of November 23, 2020, the case is currently pending before the court of first instance - the Court of Competition and Consumer Protection.

The Bank has created a provision in the amount equal to the imposed penalty.

Court cases against the Group

As at 30.06.2026, the most important proceedings, in the group of the court cases in which entities of the Group were defendant, were following:

- The Bank is a defendant in two court proceedings, in which the subject of the dispute is the amount of the interchange fee. The total value of claims reported in these cases is PLN 729.2 million. The procedure with the highest value of the reported claim is the case is brought by PKN Orlen SA, the plaintiff demands payment of PLN 635.7 million. The plaintiff in this proceeding alleges that the banks acted under an agreement restricting competition on the acquiring services market by jointly setting the level of the national interchange fee in the years 2006-2014. In this case, the Bank was sued jointly with another bank and card organizations. On 19 December 2025, the District Court in Warsaw dismissed in full the claims of PKN Orlen S.A. The judgment is not final. In the case brought by LPP S.A. the allegations are similar to those raised in the case brought by PKN Orlen SA, while the period of the alleged agreement is indicated as 2008-2014. In this case, the Bank is sued jointly and severally with another bank. The case was resolved positively for the Bank by the courts of both instances, and is currently at the stage of a cassation appeal filed by LPP S.A. The Supreme Court, on 3 April 2026, issued a decision in regarding the acceptance of the cassation appeal for consideration. In line with the current assessments of the risk of losing the dispute and in view of final and binding favorable judgments in other cases, the Bank has not recognized a provision. In addition the Bank participates as a side intervener in two other proceedings regarding the interchange fee. Other banks are the defendant. Plaintiffs in these cases also accuse banks of acting as part of an agreement restricting competition on the acquiring services market by jointly setting the level of the national interchange fee in the years 2008-2014.

The Bank believes that the prognosis regarding the litigation chances of winning the case is positive and therefore no provision has been recognized.

- A lawsuit brought up by shareholder of PCZ S.A. in bankruptcy (PHM, then the European Foundation for Polish-Belgian Cooperation - EFWP-B, currently called The European Foundation for Polish-Kenyan Cooperation) against Bank Millennium S.A., worth of the dispute 521.9 million PLN with statutory interest from 05.04.2016 until the day of payment. The plaintiff filed the suit dated 23.10.2015 to the Regional Court in Warsaw; the suit was served to the Bank on 04.04.2016. According to the plaintiff, the basis for the claim is damage to their assets, due to the actions taken by the Bank and consisting in the wrong interpretation of the Agreement for working capital loan concluded between the Bank and PCZ S.A., which resulted in placing the loan on demand. The Bank is requesting complete dismissal of the suit, stating disagreement with the charges raised in the claim. Supporting the position of the Bank, the Bank's attorney submitted a binding copy of final verdict of Appeal Court in Wrocław favourable to the Bank, issued in the same legal state in the action brought by PCZ SA against the Bank. On May 10, 2023, the Court of First Instance announced a judgment dismissing the claim in its entirety. The plaintiff filed an appeal.

On May 6, 2024, the Bank's representative submitted a response to the appeal, requesting that it be dismissed in its entirety as unfounded. On December 17, 2024, the Court of Appeal in Warsaw issued a judgment favorable to the Bank, dismissing the Plaintiff's appeal. The judgment is final. The Bank has been served with the Plaintiff's cassation complaint and has submitted a formal response. On 19 December 2025, the cassation appeal was admitted for consideration.

The Bank believes that the prognosis regarding the litigation chances of winning the case is positive and therefore no provision has been recognized.

- A lawsuit based on the provisions on unjust enrichment, on 16 April 2026, the Bank received a claim for payment based on the provisions on unjust enrichment in the amount of PLN 299.4 million as principal and PLN 139.7 million as capitalised interest.

According to the claimants, the Bank became unjustly enriched in connection with the acquisition in 1992 of Łódzki Bank Rozwoju S.A. by Bank Inicjatyw Gospodarczych BIG S.A. (i.e. Bank Millennium S.A., which operated under that name 34 years ago). The claim was filed by spouses who were shareholders of Łódzki Bank Rozwoju S.A.('ŁBR S.A.'), Since 1991 Bank Inicjatyw Gospodarczych BIG S.A. had participated in the comprehensive restructuring of ŁBR S.A., in cooperation with and under the supervision of the National Bank of Poland. One of the restructuring measures was the decision of the Receiver's Management Board of ŁBR S.A. (Zarzad Komisaryczny ŁBR S.A.) dated 13 November 1992 to reduce the share capital of ŁBR S.A. by reducing the nominal value of its shares, and subsequently to increase the share capital through the issue of new registered shares, subscribed for by Bank Inicjatyw Gospodarczych BIG S.A. As a result of this decision, the claimants' shareholding in the share capital of ŁBR S.A. was significantly reduced.

At the same time, Bank Inicjatyw Gospodarczych BIG S.A. became the dominant shareholder of ŁBR S.A., which – following a change of name – operated as BIG Bank S.A. On 5 January 2001, BIG Bank S.A. was merged with BIG Bank Gdański S.A. (the name under which Bank Inicjatyw Gospodarczych BIG S.A. had operated since 1997). Since 2003, the Bank has operated under the name Bank Millennium S.A.

In the years 1992–2008, in connection with the events described above, the claimants in the present case initiated a number of court proceedings in which they attempted to obtain a legal basis for receiving an amount corresponding to the value of the principal claim asserted in the present proceedings. All those proceedings were dismissed. In the Bank's opinion, the claim is unfounded. The Bank assesses that the prospects of prevailing in the litigation are favorable and, accordingly, no provision has been recognized in respect of this matter.

The class action related to the LTV insurance

On the 3 of December 2015 a class action was served on the Bank. A group of the Bank's debtors (initially covering 454 borrowers party to 275 loan agreements) is represented by the Municipal Consumer Ombudsman in Olsztyn. The plaintiffs demanded payment of the amount of PLN 3.5 million, claiming that the clauses of the agreements, pertaining to the low down payment insurance, are unfair and thus not binding. Plaintiff extended the group in the court letter filed on the 4th of April 2018, therefore the claims increased from PLN 3.5 million to over PLN 5 million.

On the 1 of October 2018, the group's representative corrected the total amount of claims pursued in the proceedings and submitted a revised list of all group members, covering the total of 697 borrowers – 432 loan agreements. The value of the subject of the dispute, as updated by the claimant, is PLN 7,371,107.94.

By the resolution of 1 April 2020 the court established the composition of the group as per request of the plaintiff and decided to take witness evidence in writing. On 18.10.2024, the court decided to disregard the evidence from the hearing of the parties and obliged the parties to submit documents - agreements concluded between the group members and the Bank and final judgments regarding the agreements in question. The Bank has fulfilled the obligation in question. The Court has scheduled the next hearing for 16 October 2026.

The Bank has recognized a provision for this case in the amount resulting from the expected cash outflow - PLN 4.4 million.

As at 30 June 2026, there were also 37 individual court cases regarding LTV insurance (cases in which only a claim for the reimbursement of the commission or LTV insurance fee is presented).

For cases in which, in the Bank's assessment, the probability of losing the dispute is higher than that of winning it, provisions are created in an amount resulting from the expected cash outflows.

Lawsuits filed by Financial Ombudsman for discontinuation of unfair market practices

On 13 August 2020 the Bank received lawsuit from the Financial Ombudsman. The Financial Ombudsman, in the lawsuit, demands that the Bank and the Insurer Towarzystwo Ubezpieczeń Europa S.A. be ordered to discontinue performing unfair market practices involving, as follows:

- presenting the offered loan repayment insurance as protecting interests of the insured in case when insurance structure indicates that it protects the Bank's interests;
- use of clauses linking the value of insurance benefit with the amount of borrower's debt;
- use of clauses determining the amount of insurance premium without prior risk assessment (underwriting);
- use of clauses excluding insurer's liability for insurance accidents resulting from earlier causes.

Furthermore, the Ombudsman requires the Bank to be ordered to publish, on its web site, information on use of unfair market practices.

The lawsuit does not include any demand for payment, by the Bank, of any specified amounts. Nonetheless, if the practice is deemed to be abusive it may constitute grounds for future claims to be filed by individual clients.

The case is being examined by the court of first instance. Due to the absence of any claims in this matter, no provision has been recognized.

Selected court disputes related to the application of the Consumer Credit Act

By June 30, 2026, the Bank had received 3,043 lawsuits from plaintiffs (both clients or companies purchasing claims), of these, 2,530 cases remain pending, with a total amount in dispute of PLN 67.6 million (as at 31 December 2025: 1,982 lawsuits with a total amount in dispute of PLN 48.7 million, respectively), alleging violation of the information obligations, namely irregularities in the conclusion of consumer credit agreements, in particular the incorrect disclosure of the Real Annual Interest Rate resulting from the inclusion of interest charged on non-interest credit costs. Consequently, they seek reimbursement of interest and other costs incurred by clients in connection with the consumer credit granted.

As of June 30, 2026, 513 cases have been legally concluded, in 437 cases the Bank won the dispute and lost in 76 cases. Disputes in the above respect are subject to constant observation and analysis. In the cases in question, the Bank makes an individual assessment of the litigation chances in each of the court cases, which is justified by the lack of a uniform line of jurisprudence. For individual cases in which, in the Bank's assessment, the probability of losing the dispute is higher than that of winning it, specific provisions are created in an amount resulting from the expected cash outflow (PLN 4 mln as of 30th June 2026). On the other hand, taking into consideration the current uncertain situation, the Bank has charged the gross profit for the second quarter of 2026 with an amount of PLN 61 million.

The case-law of the Court of Justice of the European Union, which interprets the provisions relating to the objections raised in national judicial proceedings, plays an important role in shaping the line of jurisprudence.

The jurisprudence of the Court of Justice of the European Union

On 13 February 2025, the Court of Justice of the European Union issued a judgment in a case registered under the reference number C472/23 as a result of an application filed by the District Court for the Capital City of Warsaw. In its judgment, the CJEU, interpreting the provisions of Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on consumer credit agreements, found that:

(i) the fact that a credit agreement indicates an annual percentage rate which turns out to be inflated because certain terms of that agreement were subsequently found to be unfair within the meaning of Article 6(1) of Council Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts and therefore not binding on the consumer, does not in itself constitute an infringement of the obligation to provide information laid down in that provision of Directive 2008/48.

(ii) the fact that a credit agreement lists a number of circumstances justifying an increase in the fees related to the performance of the agreement, without a properly informed and sufficiently observant and reasonable consumer being able to verify their occurrence or their impact on those fees, constitutes an infringement of the information obligation laid down in that provision, provided that this indication may undermine the consumer's ability to assess the extent of his obligation.

(iii) Directive 2008/48 does not preclude national legislation which provides, in the event of a breach of the obligation to provide for information imposed on the creditor in accordance with Article 10(2) of that directive, a uniform penalty consisting in depriving the creditor of the right to interest and fees, irrespective of the individual degree of gravity of such a breach, provided that such breach may undermine the consumer's ability to assess the extent of his obligation.

On 9 October 2025, the Court of Justice of the European Union, in case registered under reference C-80/24, following a request submitted by the District Court for Warsaw – Śródmieście in Warsaw, while interpreting the provisions of Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC, as well as Council Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts, held that:

(i) Article 22(2) of Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC must be interpreted as meaning that it does not preclude national legislation allowing a consumer to assign to a third party, who is not a consumer, a claim based on the infringement of a right granted to him under national provisions implementing that Directive.

(ii) Articles 6(1) and 7(1) of Council Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts must be interpreted as meaning that a national court is not required to examine of its own motion the unfair nature of a term in an assignment agreement concluded by a consumer, where the dispute pending before that court between the assignee company and the trader does not concern that assignment agreement but rather the consumer’s claim against that trader.

On 23 April 2026, the Court of Justice of the European Union delivered a judgment in the case registered under reference number C 744/24, following a request submitted by the District Court in Włodawa. In its judgment, the Court, interpreting the provisions of Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers, held that Article 3(g) and (j) of Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC, as amended by Directive (EU) 2021/2167 of the European Parliament and of the Council of 24 November 2021, read in conjunction with Article 10(2) of that directive, must be interpreted as precluding the inclusion in consumer credit agreements of terms providing for the application of an interest rate not only to the total amount of the credit, but also to amounts intended to cover costs related to that credit, which therefore form part of the total cost of the credit borne by the consumer.

In its judgment, the CJEU challenged the possibility of charging interest on financed costs of consumer credit. The CJEU did not rule on the consequences that the existence of the contested interest-rate structure entails for a specific agreement. These consequences will be the subject of decisions by national courts.

In these circumstances, it is necessary to monitor national case law, as well as any potential further judgments of the Court of Justice of the European Union.

The Bank will stop accruing and charging interest on credited costs. Direct consequence of the change is decrease in future interest to be received from clients. The estimated negative impact of this change was reflected in the second quarter of 2026 in the net interest income line as a deduction from interest income amounting to PLN 35 million.

Court cases regarding mortgage loans in PLN

By June 30, 2026, the Bank recorded the receipt of 318 lawsuits by borrowers of mortgage loans in PLN for reimbursement of benefits provided under the loan agreement. 11 final and favourable rulings for the Bank were issued. The borrowers' allegations focus on the WIBOR ratio as an incomprehensible, unverifiable element affecting the consumer's liability, as well as the issue of insufficient information on the effects of variable interest rates provided to the consumer by the bank before the conclusion of the contract.

The jurisprudence of the Court of Justice of the European Union concerning the interpretation of legal provisions relevant to the claims and arguments raised in national court proceedings may significantly influence the development of the prevailing line of case law.

On 12 February 2026, the Court of Justice of the European Union issued a judgment in case C-471/24.

The Court stated that:

1. Article 1(2) of Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts *(that is that: contract terms reflecting mandatory statutory or regulatory provisions and the provisions or principles of international conventions to which the Member States or the Community are parties, in particular in the field of transport, shall not be subject to the provisions of this Directive),* must be interpreted as meaning that: the exception provided therein does not cover a term of a mortgage loan agreement providing for a variable interest rate based on a reference index within the meaning of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014, and on a fixed margin, if the statutory or regulatory provisions applicable to such a term establish only a general framework for determining the interest rate of such agreements while simultaneously leaving the trader the possibility of determining the contractual reference index or the fixed margin which may be added to the value of that index.
2. Article 4(2) of Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts must be interpreted as meaning that where a mortgage loan agreement relating to residential property contains a term providing for a variable interest rate based on a reference index within the meaning of Regulation 2016/1011, the transparency requirement resulting from that provision does not impose on the lender specific information obligations relating to the methodology of that index. The circumstance that the lender fulfilled all information obligations imposed on it by Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014 on credit agreements for consumers relating to residential immovable property and amending Directives 2008/48/EC and 2013/36/EU and Regulation (EU) No 1093/2010, as amended by Regulation 2016/1011, in relation to such a term, and, in the case of providing additional information, did not present indications that would give a distorted picture of the said index, may indicate that the lender fulfilled this transparency requirement with regard to that term.
3. Article 3(1) of Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts must be interpreted as meaning that where a term of a mortgage loan agreement specifies a variable interest rate based on a reference index within the meaning of Regulation 2016/1011, the following cannot render that term unfair: first, the lack of informing the consumer of certain specific features of the contractual reference index, in particular that the methodology of that index provides for the use of input data not necessarily corresponding to actual transactions, and that the lender is one of the banks providing data used to determine that index, and second, those specific features themselves, provided that the said index could be regarded as compliant with that Regulation at the time of conclusion of that agreement..

The Polish Financial Supervision Authority (KNF) has addressed issues relating to the WIBOR benchmark rate. On June 29, 2023, The Polish Financial Supervision Authority (KNF) announced that it had assessed the ability of the WIBOR interest rate reference index to measure the market and economic realities. The KNF stated that the WIBOR interest rate reference index is capable of measuring the market and economic realities for which it was established. According to the Commission's assessment, the WIBOR ratio responds appropriately to changes in liquidity conditions, changes in central bank rates and economic realities.

On July 26, 2023, the Office of the Polish Financial Supervision Authority (UKNF) presented its position on legal and economic issues related to mortgage loan agreements in Polish currency in which the WIBOR interest rate reference index is used. UKNF explicitly and publicly authorized interested parties to rely on this position in court proceedings and to submit it as an amicus curiae opinion. UKNF stated that the WIBOR reference index meets all legal requirements. In the opinion of UKNF, there are no grounds to question the credibility and legality of WIBOR, in particular in the context of the use of this indicator in mortgage loan agreements in the Polish currency.

For cases in which, in the Bank's assessment, the probability of losing the dispute is higher than that of winning it, provisions are created in an amount resulting from the expected cash outflows.

Financial Stability Committee Statement on Current Risks

On March 21, 2025, the Financial Stability Committee issued a resolution (No. 79/2025) on the position regarding the risk associated with the sanction of free credit (SKD). The Committee noted that 'while the violations listed in the Consumer Credit Act are of a varied nature and severity, the sanction itself is not subject to gradation. The inability to moderate sanctions creates a system of incentives to instrumentally use the benefits of the SKD and to undermine credit agreements, regardless of whether the violation has economic consequences for the borrower or not'.

On 19 September 2025, the Financial Stability Committee convened. In the communiqué issued following the meeting, the Committee stated:

'in the context of SKD-related risk, the Committee concluded that the draft Consumer Credit Act presented for public consultation did not adequately reflect the FSC's position on the risks associated with the application of the free credit sanction. The Committee notes that no regulatory measures have been introduced that sufficiently restrict the scope and possibility of applying this sanction. The Committee continues to identify areas that may facilitate the misuse of legal provisions intended to protect consumers'.

On 19 June 2026, the Financial Stability Committee held a meeting. In the communiqué issued following the meeting, the Committee stated: 'As a result of a lower assessment of the legal risks associated with foreign currency residential mortgage loans and challenges to the WIBOR benchmark, the synthetic systemic risk indicator decreased compared with the previous quarter. At the same time, in the Committee's assessment, the risk associated with the free credit sanction (FCS) increased (...) The Committee discussed the potential implications of the CJEU judgment in Case C-744/24 for the Polish financial system. Expansive interpretations of the judgment appearing in the public domain do not always reflect concern for borrowers' interests and, in some cases, are aimed solely at maximising the profits of entities operating in the claims management market. In the Committee's view, as part of the work on implementing the CCD II Directive, efforts should be made to rationalise the civil law sanctions provided for under consumer credit regulations, while ensuring a minimum-harmonisation approach to the implementation of European Union law. In this context, the Committee draws attention to the assessments presented in its position of 21 March 2025, which highlighted, among other things, the abuse of rights arising from the free credit sanction and its instrumental use by specialised entities, often without due regard to consumers' best interests. Such practices are detrimental to consumers' actual welfare, undermine confidence in the banking sector and, in the long term, disrupt the legal and economic conditions for conducting business in the financial market.'

Handling of unauthorised transactions

Currently, in connection with the activities of Bank Millennium - as it is the case with the activities of other banks in Poland - the President of the Office of Competition and Consumer Protection is conducting proceedings on the use of practices infringing the collective interests of consumers as regards the so-called "unauthorized transactions". In the opinion of the President of the Office of Competition and Consumer Protection, in the case of Bank Millennium, such actions include the following: (i) failure – no later than by the end of the business day after the date of receipt of an appropriate notification from the consumer regarding the occurrence of an unauthorised payment transaction – to refund the amount of the unauthorised payment transaction or to restore the debited payment account to the state that would have existed if the unauthorised payment transaction had not taken place, despite the lack of justified and duly documented grounds to suspect fraud on the part of the consumer and informing the authorities appointed to prosecute crimes about this suspicion in writing, as well as (ii) providing consumers – in the replies to their reports regarding the occurrence of unauthorized payment transactions – with information about the verification by the payment service provider of the correct use of the payment instrument by using individual authentication data in a way suggesting that the Bank's demonstration only that the disputed payment transactions have been correctly authenticated constitutes at the same time demonstration of the authorization of such a transaction and excludes its obligation to return the amount of the unauthorized transaction and (iii) providing consumers – in the replies to their reports regarding the occurrence of unauthorized payment transactions – with false information about authorization of the transactions questioned by consumers, while presenting information indicating that the transactions took place as a result of an intentional or grossly negligent violation by consumers of at least one of the obligations referred to in Article 42 of the Payment Services Act and in the agreement between the consumer and the bank, as a result of which they are liable for the questioned payment transactions.

In the course of the proceedings, the Bank provided appropriate explanations and also substantively referred to the allegations formulated by the President of the Office of Competition and Consumer Protection.

On 18.04.2025, the Bank filed an application for a binding decision pursuant to Article 28 section 1 of the Act on Competition and Consumer Protection. The application (proposal) includes all allegations presented by the UOKiK, i.e. changes in the procedure for handling reports regarding unauthorized payment transactions, changes in the classification of a given transaction as authorized and changes in complaint response templates. The application also includes a proposal for "compensation" for customers whose complaints were rejected. Currently, discussions with the President of the UOKiK regarding the issuance of a commitment decision are still ongoing.

The proceedings have been extended until 30 September 2026.

In connection with the proceedings, the Bank recognized a provision in the amount of PLN 106 million based on estimated outflow of funds (as at 31 December 2025: PLN 82 million respectively).

As of 30 June 2026, the Bank recorded the receipt of 369 court proceedings in which customers challenged the authorization of the transaction in question. In the cases in question, the Bank makes an individual assessment of the litigation chances in each of the court cases. In cases where, in the Bank's opinion, there is a greater probability of losing the dispute than winning it, provisions in the amount resulting from the potential loss of the Bank are created.

Proceedings regarding modification clauses

The Bank is a party to proceedings initiated by the President of UOKiK regarding the recognition of certain provisions of a contract template as abusive. The proceedings concern modification clauses indicating the circumstances in which the Bank is entitled to amend the terms and conditions and the fees and commissions price lists. According to UOKiK, these clauses grant the Bank unlimited discretion in shaping the content of the contract, which may violate good practice and grossly infringe the interests of consumers. The Bank challenged the validity of these allegations, indicating that the provisions are precise and clearly define the conditions for their application. The President of UOKiK extended the proceedings until 25 November 2026.

The Bank is also a party to proceedings initiated by the President of UOKiK regarding the modification clauses used by Euro Bank S.A., for which Bank Millennium S.A. is the legal successor. The President of UOKiK extended these proceedings until 31 August 2026.

As at 30.06.2026, the total value of the subjects of the other litigations in which the Group's companies appeared as defendant, stood at PLN 3,999.3 million (PLN 5,060.6 million as at 31.12.2025) excluding the class actions described in the **Chapter 10)**. In this group the most important category are cases related with FX loans mortgage portfolio.

FX mortgage loans legal risk

FX mortgage loans legal risk is described in the **Chapter 10.** "Legal risk related to foreign currency mortgage loans".

9.2. OFF – BALANCE ITEMS

Amount '000 PLN	30.06.2026	31.12.2025
Commitments granted:	19 417 956	16 749 818
loan commitments	16 927 734	14 673 488
guarantee	2 490 222	2 076 330
Commitments received:	3 064 462	2 819 055
financial	1 027	1
guarantee	3 063 435	2 819 054

10. LEGAL RISK RELATED TO FOREIGN CURRENCY MORTGAGE LOANS

On June 30, 2026, the Bank had 12,546 loan agreements and additionally 1,997 loan agreements from former Euro Bank under individual ongoing litigations (excluding claims submitted by the Bank against clients i.e. debt collection cases) concerning indexation clauses of FX mortgage loans submitted to the courts (43% loans agreements before the courts of first instance and 57% loans agreements before the courts of second instance) with the total value of claims filed by the plaintiffs amounting to PLN 2,737.5 million and CHF 225.6 million (Bank Millennium portfolio: PLN 2,303.1 million and CHF 214.9 million and former Euro Bank portfolio: PLN 434.4 million and CHF 10.7 million). The original value of the portfolio of CHF agreements granted (the sum of tranches paid to customers), taking into account the exchange rate as at the date of disbursement of loan tranches, amounted to PLN 19.4 billion for 109.0 thousand loan agreements (Bank Millennium portfolio: PLN 18.3 billion for 103.8 thousand loan agreements and former Euro Bank portfolio: PLN 1.1 billion for 5.2 thousand loan agreements). Out of 12,546 BM loan agreements in ongoing individual cases 314 are also part of class action. From the total number of individual litigations against the Bank approximately 3,890 or 31% were submitted by borrowers that did not have any active loans with a CHF balance at the moment of submission. Approximately another 760 cases correspond to loans that were fully repaid during the proceedings (as court proceedings are lengthy).

The claims formulated by the clients in individual proceedings primarily concern the declaration of invalidity of the contract and payment for reimbursement of paid principal and interest instalments as undue performance, due to the abusive nature of indexation clauses, or maintenance of the agreement in PLN with interest rate indexed to CHF Libor (currently CHF Saron).

In addition, the Bank is a party to the group proceedings (class action) subject matter of which is to determine the Bank's liability towards the group members based on unjust enrichment (undue benefit) ground in connection with the foreign currency mortgage loans concluded. It is not a payment dispute. The number of credit agreements currently covered by these proceedings is 1,354. Out of 1,354 loan agreements in class action 314 are also part of ongoing individual cases, 101 concluded settlements and 119 received final verdicts (invalidation of loan agreement). On 24 May 2022 the court issued a judgment on the merits, dismissing the claim in full. On 13 December 2022 the claimant filed an appeal against the judgment. On 25 June 2024 an appeal hearing was held, at which the Bank filed a motion to amend the composition of the group and exclude those group members who had entered into an amicable settlement or whose claims had already been adjudicated in separate proceedings brought by the customer. The court required the plaintiffs' attorneys to take a written position on the current composition of the group. Since January 31, 2025 the court has issued a number of orders setting aside the judgment and discontinuing the proceedings from the persons who entered into amicable settlements or whose claims had already been adjudicated in separate court proceedings. As a consequence of these orders the number of credit agreements covered by the class action dropped from 3,273 to 1,354.

Until the end of 2019, 1,979 individual claims were filed against the Bank (in addition, 235 against former Euro Bank), in 2020 3,002 (265), in 2021 6,152 (421), in 2022 5,756 (407), in 2023 6,865 (644), in 2024 5,834 (655) in 2025 3,710 (427), while in the first half of 2026 the number increased by 1,586 (137).

As far as Bank Millennium (incl. former Euro Bank portfolio) is concerned, from 2015 until the end of the first half of 2026, 23,825 cases were finally resolved (23,668 in claims submitted by clients against the Bank and 157 in claims submitted by the Bank against clients i.e. debt collection cases) out of which 6,565 were settlements, 152 were remissions, 99 rulings were favourable for the Bank and 17,009 were unfavourable including both invalidation of loan agreements as well as conversions into PLN+LIBOR (currently Saron). The Bank undertakes proper legal actions in order to secure repayment of initially disbursed capital of the loan.

The methodology developed by the Bank of calculating provisions for legal risk involved with indexed loans is based on the following main parameters:

(i) the number of ongoing cases (including class action agreements),
(ii) the number of potential future court cases: the Bank monitors customer behaviors, analyzes their willingness to sue the Bank, including due to economic factors and applies the following assumptions:
   a. regarding active loans (i.e., loans with an outstanding balance), the Bank estimates that approximately 21% of them will neither sign an out-of-court settlement nor decide to file a lawsuit;.
   b. regarding loans already fully repaid or converted to polish zloty, the Bank anticipates that approximately 5.3 thousand repaid loans — those which were not previously subject to a settlement — may result in future litigation initiated by the borrowers.

   The impact on the level of provisions of a change by 100 clients (assuming recent inflow structure) would be around PLN 12.5 million;

(iii) the amount of the Bank's potential loss in the event of a specific court judgment (including statutory interest estimation significantly dependent on the period for which they are awarded);
(iv) estimates involved with amicable settlements with clients.

As a result of negotiations, the number of active FX mortgage loans originated by Bank Millennium decreased by 31,554. As of the end of the first half of 2026, the Bank had 10,827 active FX mortgage loans.

The costs of provisions created for legal risk related to foreign-currency mortgage loans are presented in ***Note 10 in the Chapter 4 'Notes to consolidated financial data'***, while the legal risk of the former Euro Bank portfolio is fully covered by Indemnity Agreement with Société Générale S.A.

Over the past years, the Court of Justice of the European Union (CJEU) has interpreted a number of legal issues concerning disputes in the area of foreign currency housing loan agreements. As a result of these actions, the legal assessments of national courts regarding claims submitted by borrowers have been significantly unified. The established line of case law is generally favorable to consumers, and the legal arguments put forward by banks, including those referring to principles of fairness, are taken into account only to a limited extent.

It can reasonably be assumed that the legal issues relating to foreign currency mortgage loans will be further examined by the domestic courts and the European Court of Justice which could potentially result in the further interpretations, that are relevant for the assessing of the risks associated with proceedings.

The issues related to the statute of limitations for the Bank's and the customer's restitutionary claims following the invalidation of a loan agreement remain an area that may be subject to further analysis in the jurisprudence of Polish courts. In particular, the manner in which national courts implement the CJEU's interpretations favourable to the Bank with regard to the interruption of the running of the limitation period for the Bank's claims, as well as the possibility of applying the principle of equity in the case of time barred restitution claims of the Bank, will be of key importance. Below, in the section describing selected theses and rulings of the CJEU, the relevant interpretations of the CJEU in this respect are referred to.

Legal interpretations in this subject may have an impact for the amount of provisions in the future.

There is a need for constant analysis of these matters. The Bank will have to regularly review and may need to continue to create additional provisions for FX mortgage legal risk, taking into consideration not only the above mentioned developments, but also the negative verdicts in the courts regarding FX mortgage loans and important parameters, such as the number of new customer claims, including those relating to repaid loan agreements.

On 25 June 2026, the Polish Parliament adopted the Act on special solutions for the examination of cases concerning loan agreements denominated or indexed to the Swiss franc. On 17 July 2026, the Act was signed by the President of Poland and will enter into force 14 days after its publication in the Journal of Laws.

The bill aims to create new regulations enabling courts to consider Swiss franc cases faster and more effectively. Its primary task is to relieve the judiciary, by accelerating the examination of Swiss franc cases.

The entry into force of the new Act does not alter the Bank's strategic approach, which remains focused on the amicable resolution of disputes with clients through the conclusion of settlement agreements.

Selected theses and decisions of the CJEU and the Supreme Court that have shaped the line of jurisprudence.

Case law of the Court of Justice of the European Union

On 3 October 2019, in case C 260/18, the CJEU ruled that a national court may annul a credit agreement if the removal of unfair terms identified in that agreement would alter the nature of the main subject matter of the contract, and that it is excluded to fill the gaps in the agreement caused by the removal of unfair terms solely on the basis of national legislation of a general nature or on the basis of accepted customs. The Court also found that the consumer, if he or she so wishes, may maintain the agreement in force.

On 10 June 2021, the CJEU found that the protection provided for in Directive 93/13/EEC applies to every consumer, and not only to one who may be regarded as a "reasonably well informed, observant and circumspect average consumer".

With regard to the definition of a consumer, on 8 June 2023, in case C 570/21, the CJEU ruled that the notion of "consumer" within the meaning of Directive 93/13 also includes a person who concluded a credit agreement for use partly related to his or her business or professional activity.

On 15 June 2023, in case C 520/21, the CJEU, referring to the issue of settlements between the bank and the consumer as a consequence of the annulment of a credit agreement, explained that the provisions of Directive 93/13 preclude a judicial interpretation of national law under which a credit institution has the right to demand from the consumer compensation exceeding the return of the capital disbursed under the performance of that agreement, as well as exceeding statutory default interest from the date of the demand for payment.

On 21 September 2023, in case C 139/22, the Court ruled that it is possible to consider a contractual term unfair solely because its content is equivalent to the content of a clause included in the national register of unfair terms. Moreover, the CJEU held that a contractual term found to be unfair cannot lose that character because of another provision of the same agreement that provides the consumer with the possibility of performing obligations under different conditions. Furthermore, the trader is obliged to inform the concerned consumer about the essential features of the agreement concluded with him or her, as well as about the risks connected with that agreement, even if that consumer is the trader's employee and has relevant knowledge in the field of that agreement.

On 7 December 2023, in case C 140/22, the Court ruled that the exercise of a consumer's rights cannot be made conditional upon the consumer submitting to the court, in particular, a statement declaring that he or she agrees to the recognition of the agreement as null and void.

On 14 December 2023, in case C 28/22, the Court ruled that the limitation period for the trader's claims arising from the invalidity of the agreement cannot begin later than the limitation period for the consumer's claims arising from the invalidity of that agreement. The Court also indicated, among other things, that the trader cannot rely on the right of retention that would allow him to make the return of the benefits received from the consumer conditional upon the consumer offering to return the benefits he or she received, if the exercise of this right of retention would cause the consumer to lose the right to obtain default interest.

The Court of Justice of the European Union on 19 June 2025 issued a judgment in case C 396/24. The Court stated in particular that a trader, in the case of the invalidity of the agreement, may not demand from the consumer the return of the entire nominal amount of the credit granted, regardless of the amount of repayments made by the consumer under that agreement and regardless of the amount remaining to be repaid.

In its judgment of 27 November 2025, in case C 746/24, the CJEU addressed the possibility of charging the consumer with the costs of legal proceedings lost by the consumer concerning the repayment of the capital disbursed by the bank. The Court found that it is not permissible to charge the consumer with costs that significantly exceed the costs that the consumer would have had to bear had he or she lost the case in proceedings initiated to challenge the unfairness of the credit agreement terms.

On 11 December 2025, in case C 767/24, the CJEU held that in the event of the invalidity of a credit agreement, the submission by the consumer of a statement on the set off of his or her claim with the bank's claim does not entail an implied waiver of the statute of limitations defense.

On 22 January 2026 in case C 902/24, the CJEU stated that the provisions of Directive 93/13 do not preclude a judicial interpretation of national law that, within proceedings initiated by a consumer for the purpose of establishing the invalidity of a mortgage loan agreement, allows the trader, while maintaining as the main argument that the agreement is valid, to raise alternatively a set off defense based on a claim corresponding to the amount of that mortgage loan, provided that, first, that latter claim is not considered due before the competent court establishes the invalidity of the agreement itself, and second, that the acceptance of such a defense does not lead to a decision on costs that could discourage the consumer from exercising the rights granted to him or her under that Directive.

On 16 April 2026, the CJEU issued three judgments concerning the limitation of banks' restitution claims:

(i) In judgment C-753/24, the CJEU held that the provisions of Directive 93/13 do not, in principle, preclude a provision of national law which allows a national court, in exceptional circumstances and where considerations of equity so require, to uphold an action brought by a trader seeking repayment from a consumer of payments made to that consumer under a credit agreement invalid due to the presence of unfair terms, even if the limitation period for the trader's claim for repayment has expired.

(ii) In judgment C-752/24, the CJEU held that the provisions of Directive 93/13 do not, in principle, preclude a judicial interpretation of a provision of national law according to which the bringing, by a trader, of an action for repayment of performances rendered under a credit agreement that is the subject of separate proceedings initiated by the consumer seeking a declaration that the agreement is invalid due to the unfair nature of its terms, interrupts the running of the limitation period for the trader's claim until the final conclusion of the proceedings initiated by the consumer.

(iii) In judgment C-901/24, the CJEU held that the provisions of Directive 93/13 do not preclude a judicial interpretation of national provisions according to which the running of the limitation period for a trader's claim is interrupted by a statement made by the consumer in the context of preliminary proceedings seeking a declaration of invalidity of a credit agreement containing unfair terms, in which the consumer declares that he or she is aware that, as a consequence of that declaration of invalidity, he or she will be required to repay the performance received from the trader.

On 30 April 2026, in case C-246/25, the Court of Justice of the European Union held that where a CHF annex is invalid due to unfair contractual terms, the original PLN loan agreement may be reinstated instead of declaring the entire agreement invalid, provided that the national court takes into account any negative consequences for the consumer resulting from the restoration of the original terms (e.g. a higher interest rate or a shorter loan term).

On 11 June 2026, the CJEU delivered its judgment in case C 903/24. The Court held that statutory interest accrues from the moment the consumer specifically identifies the amount claimed (for example, in a statement of claim or a demand for payment).

On 2 July 2026, in the joined cases C 261/25 and C 262/25, the CJEU ruled that the limitation period for the Bank’s claim begins to run on the date when the consumer first challenges being bound by the contractual terms (for example, in a complaint or a demand payment addressed to the Bank).

Jurisprudence of the Polish Supreme Court

The case law of the Supreme Court remains consistent with the guidance of the Court of Justice of the European Union.

On 7 May 2021, the Supreme Court composed of 7 judges of the Supreme Court, issued a resolution for which the meaning of legal principle has been granted, stating that:

(i) an abusive contractual clause (art. 385(1) § 1 of the Civil Code), by force of the law itself, is ineffective to the benefit of the consumer who may consequently give conscious and free consent to this clause and thus restore its effectiveness retroactively;

(ii) if without the ineffective clause the loan agreement cannot bind, the consumer and the lender shall be eligible for separate claims for return of monetary performances made in exercising this agreement (art. 410 § 1 in relation to art. 405 of the Civil Code). The lender may demand return of the performance from the moment the loan agreement becomes permanently ineffective.

On April 28, 2022 the Supreme Court issued a resolution (III CZP 40/22) in which it indicated that in disputes with consumers, the provision of Article 358(1) of the Civil Code is a special provision to Article 353(1) of the Civil Code, which means that if the prerequisites for the application of both provisions exist, the court should apply the special provision and declare the contractual provision permanently ineffective, rather than invalid.

The effect of the Supreme Court's resolution of 7 May 2021 is that the bank is entitled to a refund of the cash benefit provided by the bank in performance of a permanently ineffective contract. Taking into account the uncertainty as to the starting point of the limitation period for the bank's claims, the Bank, in order to protect its interests, files lawsuits for payment against borrowers in a court dispute with the Bank and in other circumstances where such risk may exist. The Bank's demand consists of a claim for return of the capital made available to the borrower under the contract. By 30 June 2026 the Bank filed 18,190 lawsuits against the borrowers. From those lawsuits, 9,392 cases are currently pending.

On 25 April 2024, a session of the Civil Chamber of the Supreme Court was held to answer questions formulated by the First President of the Supreme Court, published on 29 January 2021, on key issues related to FX mortgage loan agreements. The Supreme Court, composed of the entire Civil Chamber, adopted a resolution having the force of a legal principle, in which it stated that:

(i) When finding that a provision of an indexed or denominated credit agreement relating to the manner of determining the foreign currency exchange rate constitutes an unfair contractual provision and is not binding, then in currently existing legal situation it cannot be stated that such a provision could be replaced by another formula of defining the foreign currency exchange rate resulting from law or custom.

(ii) In case of impossibility to determine the foreign currency exchange rate binding the parties in the indexed or denominated loan agreement, the agreement is not binding also in the remaining scope.

(iii) If, in the performance of a credit agreement which is not binding due to the unfair nature of its provisions, the bank has disbursed to the borrower all or part of the amount of the credit and the borrower has made repayments of the credit, independent claims for repayment of the undue performance shall arise in favor of each party.

(iv) If a credit agreement is not binding due to the unfair nature of its provisions, the statute of limitations of the bank's claim for repayment of amounts disbursed under the credit shall, as a rule, start to run from the day following the day on which the borrower challenges being bound by the provisions of agreement.

(v) If a credit agreement is not binding due to the unfair nature of its provisions, there shall be no legal basis for any party to claim interest or other remuneration because of using party's pecuniary means during the period from the provision of undue benefit until the delay in the return of this benefit.

On 19 June 2024, the Supreme Court issued a resolution by a panel of 7 Supreme Court judges (III CZP 31/23) stating that:
The right of retention (Article 496 of the Civil Code) does not apply to the party that can set off its claim against the claim of the other party.

On 28 February 2025, the Supreme Court issued a resolution of 7 judges of the Supreme Court (III CZP 126/22), in which it stated that:

(i) A bank loan agreement (Article 69(1) of the Banking Law Act of 29 August 1997) is a mutual agreement within the meaning of Article 487 § 2 of the Civil Code.

On 5 March 2025 the Supreme Court issued a resolution by a panel of 7 Supreme Court judges (III CZP 37/24), in which it stated that:

(i) In the event of a claim for repayment from a bank of a consideration fulfilled on the basis of a credit agreement which has proved to be invalid, the bank is not entitled to the right of retention under Article 496 in connection with Article 497 of the Civil Code.

On May 15, 2025, the Supreme Court issued a resolution by a panel of 7 Supreme Court judges (III CZP 22/24), in which it indicated that:

(i) Under the legal state in force until June 30, 2022, a request for a settlement attempt interrupted the limitation period of the claim, unless the circumstances of making this action indicate that it was not undertaken directly for the purpose of pursuing or determining, or satisfying or securing the claim (Article 123 § 1 point 1 of the Civil Code).

Due to the CJEU jurisprudence interpreting the causes and effects of invalidity of foreign currency mortgage loan agreements as well as above indicated resolution of the Civil Chamber of the Supreme Court, the area of interpretation of regulations by Polish courts in this respect appears to be limited. However, further jurisprudential practice of the Polish courts will play certain role in practical realisation of the CJEU's and the Supreme Court’s guidance.

11. ADDITIONAL INFORMATION

11.1. DATA ABOUT ASSETS, WHICH SECURE LIABILITIES

As at 30.06.2026 (PLN'000):

No.	Type of assets	Portfolio	Secured liability	Par value of assets	Balance sheet value of assets
1.	Treasury Bonds PS0527	Held to maturity	Security of payment obligation to BFG contribution - guarantee fund	155 000	153 047
2.	Treasury Bonds PS0729	Held to maturity	Security of payment obligation to BFG contribution compulsory resolution fund	210 500	218 817
3.	Treasury Bonds PS0527	Held to maturity	financial and registered pledge on the Bank's account in the brokerage house	188 850	186 470
4.	Treasury Bonds PS0527	Held to maturity	financial pledge on the Bank's account in the brokerage house	583 659	576 304
5.	Treasury Bonds DS0727	Held to Collect and for Sale	pledge on the Bank's account related to a securitization transaction	300 000	302 838
6.	Cash	receivables	initial settlement deposit in KDPW CCP (MAGB)	75 000	75 000
7.	Cash	receivables	ASO guarantee fund (PAGB)	8 959	8 959
8.	Cash	receivables	appropriate security deposit at KDPW CCP (MATS)	382	382
9.	Cash	receivables	Settlement on transactions concluded	117 385	117 554
10.	Deposits placed	Deposits in banks	Settlement on transactions concluded	3 781	4 184
11.	Treasury Bonds WZ1131	Held to Collect and for Sale	mortgage bonds Millennium Bank Hipoteczny	70 000	68 067
12.	Treasury Bonds WZ0330	Held to Collect and for Sale	mortgage bonds Millennium Bank Hipoteczny	30 000	29 675
13.	Treasury Bonds WZ1127	Held to Collect and for Sale	mortgage bonds Millennium Bank Hipoteczny	15 000	15 025
14.	Treasury Bonds WZ0533	Held to Collect and for Sale	mortgage bonds Millennium Bank Hipoteczny	60 000	58 379
15.	Treasury Bonds WZ0528	Held to Collect and for Sale	mortgage bonds Millennium Bank Hipoteczny	10 000	9 986
16.	Treasury Bonds WZ1129	Held to Collect and for Sale	mortgage bonds Millennium Bank Hipoteczny	15 000	14 794
17.	Treasury Bonds WZ1128	Held to Collect and for Sale	mortgage bonds Millennium Bank Hipoteczny	10 000	9 946
18.	Mortgage loans*	Held to maturity	mortgage bonds Millennium Bank Hipoteczny	4 249 505	4 331 347
			TOTAL	**6 103 020**	**6 180 774**

* The carrying amount of the hedged liabilities (issued covered bonds) as at the reporting date amounted to PLN 3,109,607 thousand.

Additionally, as at 30 June 2026, the Group had not concluded short-term (usually settled within 7 days) sales transactions of Treasury securities with a repurchase agreement.

As at 31.12.2025 r. (PLN'000):

No.	Type of assets	Portfolio	Secured liability	Par value of assets	Balance sheet value of assets
1.	Treasury Bonds PS0527	Held to maturity	Security of payment obligation to BFG contribution - guarantee fund	155 000	154 611
2.	Treasury Bonds DS0726	Held to maturity	Security of payment obligation to BFG contribution compulsory resolution fund	172 000	170 942
3.	Treasury Bonds DS0727	Held to Collect and for Sale	pledge on the Bank's account related to a securitization transaction	425 000	422 051
4.	Treasury Bonds WZ1129	Held to maturity	pledge on the Bank's account related to a securitization transaction	102 000	100 894
5.	Treasury Bonds PS0527	Held to maturity	financial and registered pledge on the Bank's account in the brokerage house	188 850	188 376
6.	Treasury Bonds PS0527	Held to maturity	financial pledge on the Bank's account in the brokerage house	583 659	582 193
7.	Cash	receivables	initial settlement deposit in KDPW CCP (MAGB)	15 000	15 000
8.	Cash	receivables	ASO guarantee fund (PAGB)	4 245	4 245
9.	Cash	receivables	appropriate security deposit at KDPW CCP (MATS)	328	328
10.	Cash	receivables	Settlement on transactions concluded	164 464	164 689
11.	Deposits placed	Deposits in banks	Settlement on transactions concluded	78 109	78 290
12.	Treasury Bonds WZ0126	Held to maturity	pledge on the account of Millennium Leasing related to the securitization transaction	240 900	245 908
13.	Treasury Bonds WZ0126	Held to Collect and for Sale	mortgage bonds Millennium Bank Hipoteczny	5 000	5 111
14.	Treasury Bonds WZ0330	Held to Collect and for Sale	mortgage bonds Millennium Bank Hipoteczny	30 000	29 636
15.	Treasury Bonds WZ0528	Held to Collect and for Sale	mortgage bonds Millennium Bank Hipoteczny	10 000	9 970
16.	Treasury Bonds WZ1128	Held to Collect and for Sale	mortgage bonds Millennium Bank Hipoteczny	10 000	9 921
17.	Treasury Bonds WZ1127	Held to Collect and for Sale	mortgage bonds Millennium Bank Hipoteczny	15 000	14 995
18.	Treasury Bonds WZ1129	Held to Collect and for Sale	mortgage bonds Millennium Bank Hipoteczny	15 000	14 740
19.	Treasury Bonds WZ0533	Held to Collect and for Sale	mortgage bonds Millennium Bank Hipoteczny	60 000	57 729
20.	Treasury Bonds WZ1131	Held to Collect and for Sale	mortgage bonds Millennium Bank Hipoteczny	35 000	33 731
21.	Mortgage loans	Held to maturity	mortgage bonds Millennium Bank Hipoteczny *	3 803 463	3 879 439
			TOTAL	**6 113 018**	**6 182 797**

* the carrying amount of secured liabilities (issued mortgage bonds) amounted to PLN 2,611,630 thousand as at the reporting date.

Additionally, as at 31 December 2025, the Group had not concluded short-term (usually settled within 7 days) sales transactions of Treasury securities with a repurchase agreement.

11.2. SECURITIES COVERED BY TRANSACTIONS WITH A BUY-BACK CLAUSE

Following securities (presented in the Group's balance-sheet) were underlying Sell-buy-back transactions (PLN'000):

As at 30.06.2026

Type of security	Par value	Balance sheet value
Treasury bonds	0	0
TOTAL	0	0

As at 31.12.2025

Type of security	Par value	Balance sheet value
Treasury bonds	0	0
TOTAL	0	0

In result of conclusion of Sell-Buy-Back transactions with the underlying securities presented in the table above, the Group is exposed to risks, which are the same as in case of holding securities with the same characteristics in its treasury portfolio.

11.3. 2025 DIVIDEND

Bank Millennium has a dividend policy of distribution between 35% and 50% of net profit, taking into account supervisory recommendations. The Annual General Meeting of the Bank, held on 30 March 2026, decided to allocate the entire profit generated in 2025 in the amount of PLN 1,117,313,420.86 to reserve capital.

11.4. EARNINGS PER SHARE

Profit per share calculated for I half 2026 (and diluted profit per share) on the basis of the consolidated data amounts to PLN 0.58.

11.5. SHAREHOLDERS HOLDING NO LESS THAN 5% OF THE TOTAL NUMBER OF VOTES AT THE GENERAL SHAREHOLDERS MEETING OF THE GROUP'S PARENT COMPANY – BANK MILLENNIUM S.A.

According to the information available to the Bank, with regard to shareholders holding over 5% of votes at the General Meeting, the Bank's shareholders are the following entities

Shareholder as at 30.06.2026	Number of shares	% share in share capital	Number of votes	% share in votes at Shareholders' Meeting
Banco Comercial Portugues S.A.	607 771 505	50.10	607 771 505	50.10
Nationale-Nederlanden Otwarty Fundusz Emerytalny	116 053 000	9.57	116 053 000	9.57
Allianz Polska Otwarty Fundusz Emerytalny	93 582 510	7.71	93 582 510	7.71

The data included in the table were collected in connection with the registration of shareholders entitled to participate in the Ordinary General Meeting of the Bank convened on March 30, 2026.

Shareholder 31.12.2025	Number of shares	% share in share capital	Number of votes	% share in votes at Shareholders' Meeting
Banco Comercial Portugues S.A.	607 771 505	50.10	607 771 505	50.10
Nationale-Nederlanden Otwarty Fundusz Emerytalny	117 925 289	9,72	117 925 289	9,72
Allianz Polska Otwarty Fundusz Emerytalny	98 182 510	8,09	98 182 510	8,09

11.6. INFORMATION ABOUT LOAN SURETIES OR GUARANTEES EXTENDED BY THE GROUP

In the first half of 2026, the Group did not grant any sureties or guarantees for a loan or bank loan which would cause the Group's exposure on this account as at 30 June 2025 to be significant.

11.7. SEASONALITY AND BUSINESS CYCLES

In the Group's activity, there are no significant phenomena, which are cyclical or subject to seasonal variations.

11.8. OTHER ADDITIONAL INFORMATION

REFORM OF BENCHMARKS

WIBOR

In May 2022, the Polish government announced a reform of reference rates in Poland, including the replacement of WIBOR with another rate. For this purpose, in July 2022, the National Working Group for reference rate reform (NWG) was established. The objective of the NWG's work includes introducing a new interest rate benchmark and replacing the currently used WIBOR benchmark in a safe manner compliant with the BMR, in particular by ensuring the credibility, transparency and reliability of the development and use of the new benchmark.

The National Working Group comprises representatives of the Ministry of Finance, the National Bank of Poland, the Polish Financial Supervision Authority, the Bank Guarantee Fund, the Polish Development Fund, the Warsaw Stock Exchange, the National Depository for Securities, Bank Gospodarstwa Krajowego, GPW Benchmark, as well as representatives of banks, investment fund companies, insurance companies, factoring and leasing companies, entities issuing bonds, including corporate and municipal bonds, and clearing houses.

The work of the National Working Group is coordinated and supervised by the Steering Committee, composed of representatives of key institutions: the Polish Financial Supervision Authority, the National Bank of Poland, the Ministry of Finance, the Bank Guarantee Fund, GPW Benchmark – the administrator of reference rates, BondSpot S.A. and the Polish Bank Association.

The NWG activities are conducted in a project-based formula, with dedicated project streams established, in which representatives of Bank Millennium actively participate.

On 28 March 2025, the Steering Committee of the National Working Group approved the updated Roadmap for the replacement of WIBOR and WIBID reference rates and set the conversion date for the end of 2027. On 2 June 2025, the official determination of the new POLSTR Interest Rate Index (Polish Short Term Rate) and the indices from the POLSTR Compounded Indices Family commenced. GPW Benchmark S.A. is the administrator of POLSTR.

On 1 September 2025, the POLSTR interest rate index was used for the first time on the domestic financial market, thereby gaining the status of a benchmark within the meaning of the BMR Regulation.

GPW Benchmark S.A., the administrator of interest rate benchmarks, announced on 30 September 2025 its decision to cease the development of WIBID and WIBOR Reference Rates for the following Fixing Tenors on the dates indicated below:

Overnight (O/N) – from 1 October 2026,
Tomorrow/Next (T/N) – from 22 December 2025,
2 weeks (2W) – from 22 December 2025,
1 year (1Y):

- from 22 December 2025 based on the existing methodology,
- from 22 December 2026 in connection with the obligation imposed on the administrator by the supervisory authority to continue publishing the benchmark pursuant to Article 21 of the BMR Regulation, following a change in the methodology for developing the WIBOR benchmark for the 1Y Fixing Tenor.

The decision to cease the development of certain Fixing Tenors forms part of the measures set out in the Roadmap of the National Working Group for reference rate reform adopted by its Steering Committee and, at the same time, aligns the shape of the money market curve in Poland with the structure of certain foreign, current and historical money market curves. The decision therefore supports the implementation of the Roadmap for the replacement of WIBOR® and WIBID® reference rates with respect to those Fixing Tenors whose Transactionality Levels are relatively the lowest, such as T/N and 1Y, and whose scope of application is limited, while their discontinuation supports the process of introducing the new interest rate benchmark.

In September 2025, the NWG Steering Committee published updated NWG recommendations regarding standards for the use of the new target RFR (risk-free rate) benchmark in new banking, leasing and factoring products as well as financial instruments.

On 22 December 2025, Bloomberg determined and published the official adjustment spread values to be used in ISDA contracts in the case of a transition from WIBOR to POLSTR for the O/N, T/N and 1Y tenors.

In subsequent stages of the reform, the National Working Group published recommendations on the use of POLSTR in individual market segments, including legacy portfolios of banking products for business clients (December 2025), legacy portfolios comprising debt securities (April 2026), and discount products, both in relation to new agreements and existing portfolios (May 2026).

To date, the Ministry of Finance has conducted three issuances of Treasury bonds based on POLSTR, maturing in 2028, 2031 and 2036. The total amount of bonds issued and purchased by banks and other financial institutions exceeded PLN 44.1 billion. Since 26 November 2025, the bonds have been listed on the Treasury BondSpot Poland (TBSP) market and on the regulated markets of BondSpot and the Warsaw Stock Exchange. The interest rate on the bonds is based on a compounded rate, calculated separately for each business day of the six-month interest period, in accordance with the recommendation on standards for the use of the benchmark.

On 18 May 2026, the benchmark administrator announced a regulatory event and, consequently, the original model of a one-off benchmark conversion was replaced by a scenario assuming approximately ten years of coexistence of WIBOR and POLSTR. As a next step, the Bank secured the possibility of continuing to use WIBOR in 2026 by signing the required annexes with GPW Benchmark. The changes in the shape of the Reform were reflected in another update of the reform Roadmap published by the NWG on 30 June 2026.

For financial institutions, the key activities will include adapting IT systems, operational procedures and legal solutions related to the application of the target POLSTR benchmark and the ten-year period of simultaneous functioning of WIBOR.

At Bank Millennium S.A., an internal project subordinate to the Management Board, established by a resolution of the Bank's Management Board of 24 August 2022, is in place to properly manage the transition process from WIBOR to the new index and to carry out the work in accordance with the Roadmap. Representatives of many organisational units of the Bank participate in this work, in particular those responsible for product areas and issues related to risk management, including interest rate risk and operational risk. The project structure reflects a division into streams covering products and processes in which the WIBOR benchmark is used, project management by a dedicated project manager, and periodic status reporting for individual streams.

At the current stage of the project, the Bank monitors the work of the National Working Group on an ongoing basis and actively participates in the activities of the individual working streams. At the same time, appropriate project decisions are being made, and all recommendations developed are systematically reflected in the initiatives implemented by the Bank.

The Group uses the WIBOR benchmark in the following products (in PLN million, as at 30 June 2026):

- mortgage loans: **18 199.08** (19 867.29 as of 31 December 2025); WIBOR-based loans excluding mortgage loans with a value of **17 600.81** (14 785.93 as of 31 December 2025), currently bearing periodically fixed interest rates, where customers may switch to a variable interest rate indexed to WIBOR after the expiry of the periodically fixed interest rate period;
- credit products, factoring products and discount products for enterprises: **14 803.77** (13 122.24 as of 31 December 2025);

The following data for the portfolio of debt and derivative instruments cover the Bank's data:

- debt instruments: **16 412.46** (14 954.23 as of 31 December 2025)
  - Assets: **14 619.96** (12 965.46 as of 31 December 2025)
  - Liabilities: **1 792.50** (1 988.77 as of 31 December 2025)
- derivative instruments: **21 191.86**, including **5 800.00** hedging instruments (17 687.32 and 5 065.00 as of 31 December 2025)

The Bank also uses instruments based on WIBOR benchmarks in hedge accounting. Detailed information on the hedging relationships applied by the Group, the items designated as hedged items and hedging instruments, and the presentation of the result on these transactions is presented in Note 16 "Derivative instruments – hedge accounting" in Chapter 4 "Notes to the Consolidated Financial Statements".

Taking into account the amendments introduced to IFRS by the IASB, the Bank does not assume that it will be unable to continue active hedging relationships in connection with the implementation of the WIBOR reform, and any ineffectiveness that may arise should not affect the fulfilment of the effectiveness tests for these relationships.

The nominal value of derivative instruments related to fair value hedging relationships for fixed-rate assets denominated in PLN and the fair value of the risk profile assigned to homogeneous portfolios of non-interest-bearing current accounts denominated in PLN, in which the WIBOR benchmark subject to interest rate reform is used, amounted to PLN 5 800.0 million as of 30 June 2026 (PLN 3 425.0 million as of 31 December 2025). The nominal amounts of derivative instruments related to hedging relationships represent a close approximation of the risk of exposure managed under these relationships.

The Bank applies fair value hedge accounting to mitigate the interest rate risk associated with hedged fixed-rate assets denominated in PLN, as well as the risk profile attributed to portfolios of homogeneous, non-interest-bearing current accounts denominated in PLN. Interest Rate Swaps (IRSs) are used as hedging instruments in these hedging relationships. During the reporting period, the Bank continued its activities related to the interest rate benchmark reform, including assessing its impact on existing hedging relationships. The Bank has not identified a need to modify its hedging relationships as a result of the benchmark reform, since it does not have a significant effect on the effectiveness of the fair value hedges in place. Any hedge ineffectiveness arising during the period was recognized in profit or loss in accordance with hedge accounting principles. As at 30 June 2026, the Bank had not identified any significant additional risks arising from the benchmark reform that could affect its ability to continue applying fair value hedge accounting to portfolios of fixed-rate assets and liabilities. The notional amount of the hedging derivatives amounted to PLN 5,800 million, with the longest maturity date falling in June 2031.

Date	Name and surname	Position/Function	Signature
27.07.2026	Joao Bras Jorge	Chairman of the Management Board	Signed by a qualified electronic signature
27.07.2026	Fernando Bicho	Deputy Chairman of the Management Board	Signed by a qualified electronic signature
27.07.2026	Marcin Dubno	Member of the Management Board	Signed by a qualified electronic signature
27.07.2026	Jarosław Hermann	Member of the Management Board	Signed by a qualified electronic signature
27.07.2026	Halina Karpińska	Member of the Management Board	Signed by a qualified electronic signature
27.07.2026	Hugo Resende	Member of the Management Board	Signed by a qualified electronic signature
27.07.2026	Magdalena Zmitrowicz	Member of the Management Board	Signed by a qualified electronic signature

Condensed Interim Standalone Financial Statements of the Bank Millennium S.A. for the 6 months ended 30 June 2026

Contents

1. STANDALONE FINANCIAL DATA (BANK) 83
NOTES TO THE CONDENSED INTERIM STANDALONE FINANCIAL STATEMENTS.......... 90
2. INTRODUCTION AND ACCOUNTING POLICY 90
3. SUPPLEMENTARY INFORMATION FOR STANDALONE FINANCIAL DATA 93
4. TRANSACTIONS WITH RELATED ENTITIES 96
5. FAIR VALUE 99
5.1. Financial instruments not recognized at fair value in the balance sheet 99
5.2. Financial instruments recognized at fair value in the balance sheet 100
6. LEGAL RISK RELATED TO FOREIGN CURRENCY MORTGAGE LOANS 102
7. ADDITIONAL INFORMATION 108
7.1. Issue, redemption or repayment of debt or equity instruments 108
7.2. Capital management 108
7.3. Off balance sheet items 112
7.4. Reform of benchmarks 112

1. STANDALONE FINANCIAL DATA (BANK)

PROFIT AND LOSS ACCOUNT

Amount '000 PLN	1.01.2026 - 30.06.2026	1.04.2026 - 30.06.2026	1.01.2025 - 30.06.2025	1.04.2025 - 30.06.2025
Net interest income	2 704 538	1 348 633	2 807 095	1 413 773
Interest income and other of similar nature	4 162 247	2 088 953	4 444 743	2 231 241
Income calculated using the effective interest method	4 137 664	2 080 043	4 385 598	2 196 164
Interest income from Financial assets at amortised cost, of which:	2 955 581	1 494 263	3 191 513	1 613 783
Interest income from Financial assets at fair value through other comprehensive income	1 182 083	585 780	1 194 085	582 381
Result of similar nature to interest from Financial assets at fair value through profit or loss	24 583	8 910	59 145	35 077
Interest expenses	(1 457 709)	(740 320)	(1 637 648)	(817 468)
Net fee and commission income	334 197	168 319	315 251	159 459
Fee and commission income	484 971	246 161	441 416	228 738
Fee and commission expenses	(150 774)	(77 842)	(126 165)	(69 279)
Dividend income	64 312	64 277	35 042	3 462
Result on derecognition of financial assets and liabilities not measured at fair value through profit or loss	2 392	2 998	404	1 852
Results on financial assets and liabilities held for trading	(5 447)	2 001	13 209	388
Result on non-trading financial assets mandatorily at fair value through profit or loss	(5 551)	(3 468)	54 681	52 179
Result on hedge accounting	453	(1 994)	(450)	233
Result on exchange differences	102 210	61 322	109 338	53 847
Other operating income	125 381	63 647	169 083	118 636
Other operating expenses	(149 458)	(122 929)	(175 593)	(116 799)
Administrative expenses	(1 206 736)	(546 843)	(1 120 332)	(527 759)
Impairment losses on financial assets	(108 779)	(38 701)	(60 183)	14 637
Impairment losses on non-financial assets	(3 943)	(999)	(1 750)	(790)
Legal risk expenses connected with FX mortgage loans, of which:	(405 561)	(179 893)	(1 085 387)	(588 851)
Provisions for legal risk	(405 561)	(179 893)	(1 018 600)	(573 810)
Result on modification	(1 975)	(443)	(2 232)	(2 163)
Depreciation	(126 289)	(65 999)	(110 085)	(54 129)
Banking tax	(204 206)	(101 858)	(199 818)	(101 149)
Profit before income taxes	**1 115 538**	**648 070**	**748 273**	**426 826**
Corporate income tax	(445 211)	(251 726)	(257 549)	(124 539)
Profit after taxes	**670 327**	**396 344**	**490 724**	**302 287**

Notes on pages 90 - 115 are integral part of these condensed interim standalone financial statements.

STATEMENT OF TOTAL COMPREHENSIVE INCOME

Amount ‘000 PLN	1.01.2026 - 30.06.2026	1.04.2026 - 30.06.2026	1.01.2025 - 30.06.2025	1.04.2025 - 30.06.2025
Profit after taxes	670 327	396 344	490 724	302 287
Other comprehensive income items that may be (or were) reclassified to profit or loss	(47 274)	314 487	332 432	47 211
Result on debt securities	(58 363)	248 424	139 448	76 007
Result on credit portfolio designated for pooling to Mortgage Bank	9 393	65 348	179 820	(33 246)
Hedge accounting	1 696	715	13 164	4 450
Other comprehensive income items that will not be reclassified to profit or loss	0	0	0	0
Actuarial gains (losses)	0	0	0	0
Result on equity instruments	0	0	0	0
Total comprehensive income items before taxes	(47 274)	314 487	332 432	47 211
Corporate income tax on other comprehensive income items that may be (or were) reclassified to profit or loss	12 677	(95 851)	(63 162)	(8 970)
Corporate income tax on other comprehensive income items that will not be reclassified to profit or loss	0	0	0	0
Total comprehensive income items after taxes	**(34 597)**	**218 636**	**269 270**	**38 241**
Total comprehensive income for the period	**635 730**	**614 980**	**759 994**	**340 528**

Notes on pages 90 - 115 are integral part of these condensed interim standalone financial statements.

STATEMENT OF FINANCIAL POSITION

ASSETS

Amount '000 PLN	30.06.2026	31.12.2025
Cash, cash balances at central banks	5 735 735	4 360 464
Financial assets held for trading	403 489	1 020 936
Derivatives	162 219	156 827
Equity instruments	121	252
Debt securities, of which:	225 641	824 911
Securities underlying the sale and repurchase agreements	0	0
Reverse sale and repurchase agreements	15 508	38 946
Non-trading financial assets mandatorily at fair value through profit or loss, other than Loans and advances to customers	173 293	176 307
Equity instruments	152 226	155 652
Debt securities	21 067	20 655
Financial assets at fair value through other comprehensive income, other than Loans and advances to customers	42 946 386	42 267 387
Equity instruments	41 021	40 939
Debt securities	42 905 365	42 226 448
Loans and advances to customers	76 555 176	71 902 435
Mandatorily at fair value through profit or loss	615	745
Valued at fair value through other comprehensive income	10 902 849	9 438 459
Valued at amortised cost	65 651 712	62 463 231
Financial assets at amortised cost other than Loans and advances to customers	37 328 684	28 800 580
Debt securities	35 110 468	26 659 465
Deposits, loans and advances to banks and other monetary institutions	1 973 158	2 081 137
Reverse sale and repurchase agreements	245 058	59 978
Derivatives – Hedge accounting	0	0
Investments in subsidiaries, joint ventures and associates	723 369	626 996
Tangible fixed assets	521 478	548 561
Intangible fixed assets	615 122	610 643
Income tax assets	123 246	377 145
Current income tax assets	18 179	18 953
Deferred income tax assets	105 067	358 192
Other assets	1 992 880	1 852 706
Non-current assets and disposal groups classified as held for sale	0	0
Total assets	**167 118 858**	**152 544 160**

Notes on pages 90 - 115 are integral part of these condensed interim standalone financial statements.

LIABILITIES AND EQUITY

Amount '000 PLN	30.06.2026	31.12.2025
LIABILITIES		
Financial liabilities held for trading	118 538	246 428
Derivatives	105 452	208 640
Liabilities from short sale of securities	13 086	37 788
Financial liabilities measured at amortised cost	149 995 220	137 665 763
Liabilities to banks and other monetary institutions	314 082	105 702
Liabilities to customers	141 185 395	131 199 422
Sale and repurchase agreements	0	0
Debt securities issued	4 793 198	4 802 952
Subordinated debt	3 702 545	1 557 687
Derivatives – Hedge accounting	17 949	24 735
Provisions	3 378 703	3 742 558
Legal issues	3 180 846	3 566 379
Commitments and guarantees given	123 811	105 528
Retirement benefits	74 046	70 651
Income tax liabilities	0	0
Current income tax liabilities	0	0
Deferred income tax liabilities	0	0
Other liabilities	2 717 734	2 101 329
Total Liabilities	**156 228 144**	**143 780 813**
EQUITY		
Share capital	1 213 117	1 213 117
Own shares	(21)	(21)
Share premium	1 147 241	1 147 241
Additional equity items	1 500 000	0
Accumulated other comprehensive income	304 222	338 819
Retained earnings	6 726 155	6 064 191
Total equity	**10 890 714**	**8 763 347**
Total equity and total liabilities	**167 118 858**	**152 544 160**

Notes on pages 90 - 115 are integral part of these condensed interim standalone financial statements.

STATEMENT OF CHANGES IN EQUITY

Amount '000 PLN	Total equity	Share capital	Own shares	Share premium	Additional equity items	Accumulated other comprehensive income	Retained earnings	
							Unappropriated result	Other reserves
01.01.2026 – 30.06.2026								
Equity at the beginning of the period	8 763 347	1 213 117	(21)	1 147 241	0	338 819	1 027 820	5 036 371
Total comprehensive income for period (net)	635 730	0	0	0	0	(34 597)	670 327	0
net profit/ (loss) of the period	670 327	0	0	0	0	0	670 327	0
other comprehensive income items after taxes	(34 597)	0	0	0	0	(34 597)	0	0
AT1 instruments issuance	1 500 000	0	0	0	1 500 000	0	0	0
Costs related to the issuance of AT1 instruments	(8 363)	0	0	0	0	0	(8 363)	0
Allocation of profit	0	0	0	0	0	0	(1 027 820)	1 027 820
Equity at the end of the period	**10 890 714**	**1 213 117**	**(21)**	**1 147 241**	**1 500 000**	**304 222**	**661 964**	**6 064 191**

Amount '000 PLN	Total consolidated equity	Share capital	Own shares	Share premium	Accumulated other comprehensive income	Retained earnings	
						Unappropriated result	Other reserves
01.01.2025 – 31.12.2025							
Equity at the beginning of the period	7 195 920	1 213 117	(21)	1 147 241	(111 295)	553 610	4 393 268
Total comprehensive income for period (net)	1 567 427	0	0	0	450 114	1 117 313	0
net profit/ (loss) of the period	1 117 313	0	0	0	0	1 117 313	0
other comprehensive income items after taxes	450 114	0	0	0	450 114	0	0
Allocation of profit	0	0	0	0	0	(643 103)	643 103
Equity at the end of the period	**8 763 347**	**1 213 117**	**(21)**	**1 147 241**	**338 819**	**1 027 820**	**5 036 371**

Amount '000 PLN	Total consolidated equity	Share capital	Own shares	Share premium	Accumulated other comprehensive income	Retained earnings	
						Unappropriated result	Other reserves
01.01.2025 – 30.06.2025							
Equity at the beginning of the period	7 195 920	1 213 117	(21)	1 147 241	(111 295)	553 610	4 393 268
Total comprehensive income for period (net)	759 994	0	0	0	269 270	490 724	0
net profit/ (loss) of the period	490 724	0	0	0	0	490 724	0
other comprehensive income items after taxes	269 270	0	0	0	269 270	0	0
Allocation of profit	0	0	0	0	0	(643 103)	643 103
Equity at the end of the period	**7 955 914**	**1 213 117**	**(21)**	**1 147 241**	**157 975**	**401 231**	**5 036 371**

Notes on pages 90 - 115 are integral part of these condensed interim standalone financial statements.

CASH FLOW STATEMENT

A. CASH FLOWS FROM OPERATING ACTIVITIES

Amount '000 PLN	1.01.2026 - 30.06.2026	1.01.2025 - 30.06.2025
Profit (loss) after taxes	670 327	490 724
Total adjustments:	6 741 255	6 426 219
Interest income/expense result (from the Profit and loss statement)	(2 704 538)	(2 807 095)
Interest received	3 807 949	4 114 627
Interest paid	(1 227 127)	(1 387 715)
Depreciation and amortization	126 289	110 085
Foreign exchange (gains)/ losses	80 437	(30 699)
Dividends	(64 312)	(35 042)
Changes in provisions	(363 855)	594 131
Result on sale and liquidation of investing activity assets	1 465	(26 663)
Change in financial assets held for trading	591 258	(173 534)
Change in loans and advances to banks	258 432	160 596
Change in loans and advances to customers	(4 663 567)	1 278 460
Change in receivables from securities bought with sell-back clause (loans and advances)	98 924	(213 124)
Change in financial liabilities valued at fair value through profit and loss (held for trading)	(134 676)	163 906
Change in deposits from banks	207 612	(72 003)
Change in deposits from customers	10 004 714	4 493 458
Change in liabilities from securities sold with buy-back clause	0	(193 722)
Change in debt securities issued	(32 806)	(296)
Income tax (from the Profit and loss statement)	445 211	257 549
Income tax paid	(178 635)	(298 469)
Change in other assets and liabilities	488 480	491 769
Net cash flows from operating activities	**7 411 582**	**6 916 943**

Notes on pages 90 - 115 are integral part of these condensed interim standalone financial statements.

B. CASH FLOWS FROM INVESTING ACTIVITIES

Amount '000 PLN	1.01.2026 - 30.06.2026	1.01.2025 - 30.06.2025
Inflows:	268 798 283	288 019 457
Proceeds from sale of property, plant and equipment and intangible assets	3 545	37 871
Proceeds from sale of shares in related entities	0	0
Proceeds from sale of investment financial assets	268 730 426	287 946 544
Other - dividends	64 312	35 042
Outflows:	(280 607 547)	(295 891 995)
Acquisition of property, plant and equipment and intangible assets	(73 373)	(148 189)
Acquisition of shares in related entities	(99 000)	(99 000)
Acquisition of investment financial assets	(280 435 174)	(295 644 806)
Other	0	0
Net cash flows from investing activities	**(11 809 264)**	**(7 872 538)**

C. CASH FLOWS FROM FINANCING ACTIVITIES

Amount '000 PLN	1.01.2026 - 30.06.2026	1.01.2025 - 30.06.2025
Inflows from financing activities:	3 619 650	0
Long-term bank loans	0	0
Issue of debt securities	0	0
Increase in subordinated debt	2 119 650	0
Proceeds from the issuance of AT1 instruments	1 500 000	0
Other inflows from financing activities	0	0
Outflows from financing activities:	(334 103)	(187 911)
Repayment of long-term bank loans	0	0
Redemption of debt securities	(196 269)	(26 000)
Decrease in subordinated debt	0	0
Payments related to AT1 instruments	(8 363)	0
Redemption of shares	0	0
Dividends paid and other payments to owners	0	0
Payments of lease liabilities	(45 008)	(44 540)
Other outflows from financing activities – including Interest paid	(84 463)	(117 371)
Net cash flows from financing activities	**3 285 547**	**(187 911)**

D. Net cash flows. Total (A + B + C)	**(1 112 135)**	**(1 143 506)**
- of which change resulting from FX differences	4 095	(10)
E. Cash and cash equivalents at the beginning of the reporting period	14 870 335	14 064 629
F. Cash and cash equivalents at the end of the reporting period (D + E)	13 758 200	12 921 123

Notes on pages 90 - 115 are integral part of these condensed interim standalone financial statements.

NOTES TO THE CONDENSED INTERIM STANDALONE FINANCIAL STATEMENTS

2. INTRODUCTION AND ACCOUNTING POLICY

These condensed interim financial statements have been prepared in accordance with International Accounting Standard IAS 34 Interim Financial Reporting as adopted by European Union. The condensed consolidated interim financial statement do not include all of the information which is presented in full annual financial statements, and should be read in conjunction with the financial statements of the Bank as at and for the year ended 31 December 2025. The accounting principles adopted in the preparation of this condensed interim separate financial statement are the same as those applied in the Bank’s most recent annual financial statements for the year 2025 except for the principles related to income tax recognition, which are described in Note 11 ‘Corporate Income Tax' in Chapter 4 'Notes to the Consolidated Financial Data'.

Condensed interim financial statements of the Bank:

- are prepared on the basis of the assumption of business continuity by the Bank, namely scale of business is not to be reduced substantially in a period of not less than one year from the balance sheet date;
- have been prepared in PLN, and all values, unless otherwise indicated, are given in PLN rounded to one thousand.

In addition to financial data these condensed interim financial statements of the Bank also presents information and data that is important for appropriate assessment of the Bank’s economic and financial situation and its financial performance, and which was not included in the condensed interim consolidated statements of the Group for the three and six months periods ended 30 June 2026. Other information and explanations presented in the condensed interim consolidated financial statements of the Group for the three and six months periods ended 30 June 2026 contain all important information, which also serves as explanatory data to these standalone statements of the Bank.

Taking into account identified risks and uncertainties, the Bank's Management Board based on the analysis of all aspects of the Bank's operations and its current and forecast financial position, concluded that the application of the going concern assumption in the preparation of these financial statements is appropriate.

The Management Board approved these condensed consolidated interim financial statements on 27th July 2026.

New standards, interpretations and amendments to published standards

In this interim condensed standalone financial statement, the Bank has applied the following amendments to standards and interpretations that were endorsed by the European Union with an effective date for annual periods beginning on or after January 1, 2026:

change	impact on the Bank's financial statements
Contracts Referencing Nature-dependent Electricity: Amendments to IFRS 9 and IFRS 7	The Group estimates that the amendment will not have a material impact on the financial statements.
Amendments to the Classification and Measurement of Financial Instruments: Amendments to IFRS 9 and IFRS 7	The Group estimates that the amendment will not have a material impact on the financial statements.
Annual Improvements – Volume 11; technical amendments to IFRS 1, 7, 9, 10 and IAS 7	The Group estimates that the amendment will not have a material impact on the financial statements.

During the reporting period and up to the date of preparation of these financial statements, the following accounting standards/amendments to standards have been issued for application from 1 January 2027 and were endorsed by the European Union:

change	impact on the Bank's financial statements
IFRS 18 – Presentation and Disclosure; a new structure of the statement of profit or loss	The Bank estimates that the standard will have a significant impact on the presentation of information in the financial statements; however, it will not affect profit or loss or equity.

The following standards have been issued for application from 1 January 2027 but have not yet been endorsed by the European Union as at the date of preparation of the financial statements:

change	impact on the Bank's financial statements
IFRS 19 – Subsidiaries without Public Accountability; simplified disclosures for subsidiaries	The Bank estimates that the amendment will not have a material impact on the financial statements.
IAS 21 – The Effects of Changes in Foreign Exchange Rates; recalculation of financial statements into the presentation currency of a hyperinflationary economy	The Bank estimates that the amendment will not have a material impact on the financial statements.
MSSF 19 – reduced disclosure requirements for selected standards and amendments issued between February 2021 and May 2024	The Bank estimates that the amendment will not have a material impact on the financial statements.
MSSF 20 – The standard sets out requirements for recognising the effects of rate regulation by recognising regulatory assets and regulatory liabilities.	The Bank estimates that the amendment will not have a material impact on the financial statements.

Change in the presentation of data implemented in 2025 and the restatement of comparative data

Change in the approach to effective interest rate calculation algorithm

In the financial year ended 31 December 2025, the Bank introduced a change in the approach to calculating the effective interest rate (EIR) applied to the valuation of mortgage loans with periodically fixed interest rates.

In 2021, the Bank started to offer mortgage loans with a periodically fixed interest rate (5 years). In accordance with the agreement, after this period the loan is converted into a variable-rate loan or in case of client decision can be prolonged at a new fixed rate for next period.

IFRS do not specify in detail the method of calculating EIR for variable rate loans. Before making the change, Bank when calculating interest income was using effective interest rate based on expected cash flows (CF) from the loan including CF during temporary fixed rate period and CF after this period - calculating interest based on current WIBOR plus margin.

In the fourth quarter of 2025, the Bank changed its approach to determining the EIR – after the change, the EIR is calculated solely on the basis of the currently applicable interest rate.

The purpose of the introduced change was to ensure a better reflection of the economic substance of the transactions and to enhance consistency between the accounting approach and the interest rate risk management framework, as well as the methodologies applied within the BCP Group.

Impact of the change the effective interest rate calculation algorithm

In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, any changes requiring retrospective application should be reflected through full retrospective restatement of comparative information, to the extent that such application is practicable.

Accordingly, the Bank performed the recalculations of historical data and carried out a retrospective restatement of the comparative information, including an adjustment to the opening balance sheet as at 1 January 2024 (i.e., the opening balance sheet for 2024 determined as at 31 December 2023). Due to the immaterial impact of the change, no adjustment was made to the 2024 income statement.

As a result of the above, in the Statement of Changes in Equity for the first half of 2025, comparative data as at 1 January 2025 were adjusted as follows:

Data as at 01.01.2025 (Amount '000 PLN)	Total equity	Share capital	Own shares	Share premium	Accumulated other comprehensive income	Retained earnings	
						Unappropriated result	Other reserves
Equity as presented in the report for the first half of 2025	**7 285 413**	**1 213 117**	**(21)**	**1 147 241**	**(111 295)**	**643 103**	**4 393 268**
Adjustment resulting from a change in the EIR calculation algorithm	(89 493)	0	0	0	0	(89 493)	0
Equity as presented in the report for the first half of 2026	**7 195 920**	**1 213 117**	**(21)**	**1 147 241**	**(111 295)**	**553 610**	**4 393 268**

3. SUPPLEMENTARY INFORMATION FOR STANDALONE FINANCIAL DATA

Impairment losses on financial assets

	1.01.2026 - 30.06.2026	1.04.2026 - 30.06.2026	1.01.2025 - 30.06.2025	1.04.2025 - 30.06.2025
Impairment losses on loans and advances to customers	(90 838)	(31 131)	(60 122)	16 314
Impairment charges on loans and advances to customers	(627 856)	(271 865)	(633 351)	(278 746)
Reversal of impairment charges on loans and advances to customers	454 509	164 192	478 356	200 634
Amounts recovered from loans written off	13 483	7 562	17 221	9 920
Sale of receivables	70 416	70 416	86 430	86 430
Other directly recognised in profit and loss	(1 390)	(1 436)	(8 778)	(1 924)
Impairment losses on securities	0	0	(8)	(8)
Impairment charges on securities	0	0	(8)	(8)
Reversal of impairment charges on securities	0	0	0	0
Impairment losses on off-balance sheet liabilities	(17 941)	(7 570)	(53)	(1 669)
Impairment charges on off-balance sheet liabilities	(89 784)	(37 811)	(38 107)	(16 327)
Reversal of impairment charges on off-balance sheet liabilities	71 843	30 241	38 054	14 658
Total	**(108 779)**	**(38 701)**	**(60 183)**	**14 637**

Movements in impairment allowances for loans and advances to customers carried at amortised cost

	01.01.2026 – 30.06.2026	01.01.2025 – 31.12.2025
Balance at the beginning of the period	2 152 092	2 298 327
Change in value of provisions:	-36 132	(146 235)
Impairment allowances created in the period	581 437	1 017 358
Amounts written off	(71 519)	(142 399)
Impairment allowances released in the period	(418 083)	(687 988)
Sale of receivables	(152 940)	(354 332)
KOIM created in the period(*)	24 274	63 416
Allocation for coverage of FX mortgage loan risk	0	(24 678)
Changes resulting from FX rates differences	2 517	(1 721)
Other	(1 818)	(15 891)
Balance at the end of the period	**2 115 960**	**2 152 092**

** In accordance with IFRS 9, the Bank calculates interest on the loan portfolio with a recognized impairment based on the net exposure value. For this purpose, the so-called impaired interest adjustment ("KOIM") is calculated and recorded as a reduction of interest income. Aforementioned KOIM adjustment in the balance sheet is presented as an impairment allowances, and as a consequence the reconciliation of the change in impairment allowances requires consideration of the KOIM recognized in the interest income.*

Change of Provision for commitments and guarantees given

01.01.2026 – 30.06.2026	Total	Stage 1	Stage 2	Stage 3
Balance at the beginning of the period	105 528	59 290	38 682	7 556
Charge of provision	89 784	43 830	41 909	4 045
Release of provision	(71 843)	(46 384)	(17 566)	(7 893)
Movement between stages	0	21 491	(25 297)	3 806
FX rates differences	342	322	20	0
Balance at the end of the period	123 811	78 549	37 748	7 514

01.01.2025 – 31.12.2025	Total	Stage 1	Stage 2	Stage 3
Balance at the beginning of the period	53 605	30 327	16 613	6 665
Charge of provision	112 417	52 907	52 836	6 674
Release of provision	(60 307)	(46 562)	(8 589)	(5 156)
Movement between stages	0	22 730	(22 164)	(566)
FX rates differences	(187)	(112)	(14)	(61)
Balance at the end of the period	105 528	59 290	38 682	7 556

Change of Provision for legal issues

	01.01.2026 – 30.06.2026	01.01.2025 – 31.12.2025
Balance at the beginning of the period	3 566 379	2 846 010
Creation of provision for legal risk connected with FX mortgage loans	439 075	2 056 368
Charge of provision for other legal issues	92 990	93 051
Release of provision	(5 490)	(7 458)
Utilisation of provision	(913 057)	(1 424 188)
Reclassification	949	2 596
Balance at the end of the period	**3 180 846**	**3 566 379**

Change of Provision for Retirement benefits

	01.01.2026 – 30.06.2026	01.01.2025 – 31.12.2025
Balance at the beginning of the period	70 651	48 312
Charge/Release of provision	4 200	6 225
Utilization of provisions	(805)	(1 657)
Actuarial gains/losses	0	17 771
Balance at the end of the period	74 046	70 651

Legal risk costs related to foreign currency mortgage loans

	1.01.2026 - 30.06.2026	1.04.2026 - 30.06.2026	1.01.2025 - 30.06.2025	1.04.2025 - 30.06.2025
Costs of provisions for legal risk related with FX mortgage loans	(405 561)	(179 893)	(1 018 600)	(573 810)
Other costs	0	0	(66 787)	(15 041)
Total	(405 561)	(179 893)	(1 085 387)	(588 851)

Costs of provisions for legal risk related with FX mortgage loans

01.01.2026 – 30.06.2026	TOTAL	Decreasing gross value of credit portfolio	Provisions for legal issues
Balance at the beginning of the period	7 113 474	3 670 583	3 442 891
Utilization of provisions during the period	(1 973 030)	(1 059 973)	(913 057)
Costs of provisions for legal risk connected wlth FX mortgage loans	405 561	(33 514)	439 075
Change of provisions due to FX rates differences	142 145	142 145	0
Balance at the end of the period	5 688 150	2 719 241	2 968 909

01.04.2026 – 30.06.2026	TOTAL	Decreasing gross value of credit portfolio	Provisions for legal issues
Balance at the beginning of the period	6 482 886	3 261 960	3 220 926
Utilization of provisions during the period	(950 764)	(503 455)	(447 309)
Costs of provisions for legal risk connected wlth FX mortgage loans	179 893	(15 399)	195 292
Change of provisions due to FX rates differences	(23 865)	(23 865)	0
Balance at the end of the period	5 688 150	2 719 241	2 968 909

01.01.2025 – 30.06.2025	TOTAL	Decreasing gross value of credit portfolio	Provisions for legal issues
Balance at the beginning of the period	8 463 696	5 665 224	2 798 472
Utilization of provisions during the period	(1 310 461)	(797 602)	(512 859)
Costs of provisions for legal risk connected wlth FX mortgage loans	1 018 600	(45 254)	1 063 854
Change of provisions due to FX rates differences	(2 841)	(2 841)	0
Balance at the end of the period	8 168 994	4 819 527	3 349 467

01.04.2025 – 30.06.2025	TOTAL	Decreasing gross value of credit portfolio	Provisions for legal issues
Balance at the beginning of the period	8 091 629	4 979 462	3 112 167
Utilization of provisions during the period	(705 361)	(417 554)	(287 807)
Costs of provisions for legal risk connected wlth FX mortgage loans	573 810	48 703	525 107
Change of provisions due to FX rates differences	208 916	208 916	0
Balance at the end of the period	8 168 994	4 819 527	3 349 467

4. TRANSACTIONS WITH RELATED ENTITIES

All transactions among members of the Group made in 1st half 2026 and 2025 were driven by current activity. The below table presents major amounts of intergroup transactions, these were transactions with the following entities:

- MILLENNIUM BANK HIPOTECZNY,
- MILLENNIUM LEASING,
- MILLENNIUM CONSULTING
- MILLENNIUM TFI
- MILLENNIUM SERVICE,
- MILLENNIUM TELECOMMUNICATION SERVICES,
- MILLENNIUM GOODIE.

and with the Capital Group of Bank parent company - Banco Comercial Portugues (ultimate parent company), these transactions are mainly of banking nature.

Apart from transactions described herein, in the indicated period neither Bank Millennium S.A., nor subsidiaries of Bank Millennium S.A. made any other transactions with related entities, which individually or jointly may have been significant and concluded under terms and conditions other than market-based.

Assets and liabilities from transactions with related parties (data in ‘000 pln) as at 30.06.2026

	With subsidiaries	With parent company	With other entities from parent group
ASSETS			
Loans and advances to banks – accounts and deposits	1 571 457	103 963	0
Loans and advances to customers	7 622 615	0	0
Investments in associates	671 476	0	0
Financial assets valued at fair value through profit and loss (held for trading)	1 313	0	0
Hedging derivatives	0	0	0
Other assets	15 593	0	0
LIABILITIES			
Deposits from banks	28 957	324	0
Deposits from customers	428 293	0	0
Liabilities from securities sold with buy-back clause	0	0	0
Liabilities arising from debt securities	0	0	0
Financial liabilities valued at fair value through profit and loss (held for trading)	58	0	0
Subordinated debt	0	0	0
Other liabilities, including:	31 926	420	4
- financial leasing liabilities	18 754	0	0

Assets and liabilities from transactions with related parties (data in '000 pln) as at 31.12.2025

	With subsidiaries	With parent company	With other entities from parent group
ASSETS			
Loans and advances to banks – accounts and deposits	1 730 396	2 593	0
Loans and advances to customers	7 096 973	0	0
Investments in associates	572 476	0	0
Financial assets valued at fair value through profit and loss (held for trading)	1 518	0	0
Hedging derivatives	0	0	0
Other assets	18 439	0	0
LIABILITIES			
Deposits from banks	2 919	129	0
Deposits from customers	391 931	0	0
Liabilities from securities sold with buy-back clause	0	0	0
Liabilities arising from debt securities	0	0	0
Financial liabilities valued at fair value through profit and loss (held for trading)	67	0	0
Subordinated debt	0	0	0
Other liabilities, including:	32 811	420	0
- financial leasing liabilities	23 653	0	0

Profit and loss on transactions with related parties (data in '000 pln) for the period 1.01-30.06.2026

	With subsidiaries	With parent company	With other entities from parent group
Income from:			
Interest	204 167	613	0
Commissions	19 905	196	0
Financial instruments not valued at fair value through profit and loss	3 894	0	0
Financial instruments held for trading	0	0	0
Dividends	20 131	0	0
Other net operating	18 638	0	0
Expense from:			
Interest	6 419	0	0
Commissions	0	0	0
Financial instruments held for trading	(915)	0	0
Other net operating	0	0	0
General and administrative expenses	5 779	0	34

Profit and loss on transactions with related parties (data in ‘000 pln) for the period 1.01-30.06.2025

	With subsidiaries	With parent company	With other entities from parent group
Income from:			
Interest	236 856	767	0
Commissions	19 398	118	0
Financial instruments valued at fair value through profit and loss	41	0	0
Dividends	31 495	0	0
Other net operating	20 161	0	0
Expense from:			
Interest	7 902	0	0
Commissions	1	0	0
Financial instruments valued at fair value through profit and loss	0	0	0
Other net operating	0	0	0
General and administrative expenses	8 952	93	35

Off-balance transactions with related parties (data in ‘000 pln) as at na 30.06.2026

	With subsidiaries	With parent company	With other entities from parent group
Conditional commitments	4 359 999	54 355	0
granted	4 013 671	0	0
obtained	346 328	54 355	0
Derivatives (par value)	162 775	0	0

Off-balance transactions with related parties (data in ‘000 pln) as at 31.12.2025

	With subsidiaries	With parent company	With other entities from parent group
Conditional commitments	3 597 470	34 816	0
granted	3 278 446	0	0
obtained	319 024	34 816	0
Derivatives (par value)	209 002	0	0

5. FAIR VALUE

The methodology used by the Bank for valuation of assets and liabilities at fair value is described in detail in Chapter 8. Condensed interim consolidated financial statements of Bank Millennium S.A. for the 6 months ended 30 June 2026.

The following tables show the figures for Bank Millennium S.A.

5.1. FINANCIAL INSTRUMENTS NOT RECOGNIZED AT FAIR VALUE IN THE BALANCE SHEET

30.06.2026	Balance sheet value	Fair value
ASSETS MEASURED AT AMORTISED COST		
Debt securities	35 110 468	35 515 293
Deposits, loans and advances to banks and other monetary institutions	1 973 158	1 973 156
Loans and advances to customers	65 651 712	65 652 689
LIABILITIES MEASURED AT AMORTISED COST		
Liabilities to banks and other monetary institutions	314 082	314 082
Liabilities to customers	141 185 395	141 185 298
Debt securities issued	4 793 198	4 794 005
Subordinated debt	3 702 545	3 701 434

31.12.2025	Balance sheet value	Fair value
ASSETS MEASURED AT AMORTISED COST		
Debt securities	26 659 465	27 157 044
Deposits, loans and advances to banks and other monetary institutions	2 081 137	2 081 265
Loans and advances to customers	62 463 231	61 719 933
LIABILITIES MEASURED AT AMORTISED COST		
Liabilities to banks and other monetary institutions	105 702	105 702
Liabilities to customers	131 199 422	131 224 713
Debt securities issued	4 802 952	4 805 810
Subordinated debt	1 557 687	1 557 086

5.2. FINANCIAL INSTRUMENTS RECOGNIZED AT FAIR VALUE IN THE BALANCE SHEET

The table below presents balance-sheet values of instruments measured at fair value, by applied fair value measurement technique:

Data in PLN'000, as at 30.06.2026

	Quoted market prices	Valuation techniques - observable inputs	Valuation techniques - significant unobservable inputs
	Level 1	Level 2	Level 3
ASSETS			
Financial assets held for trading			
Valuation of derivatives	0	98 548	63 671
Shares	121	0	0
Debt securities	225 641	0	0
Transactions with repurchase agreement	15 508	0	0
Non-trading financial assets mandatorily at fair value through profit or loss			
Equity instruments	0	0	152 226
Debt securities	0	0	21 067
Loans and advances	0	0	615
Financial assets at fair value through other comprehensive income			
Equity instruments	761	0	40 260
Debt securities	35 509 863	7 395 502	0
Loans and advances	0	0	10 902 849
Derivatives – Hedge accounting	0	0	0
LIABILITIES			
Financial liabilities held for trading			
Valuation of derivatives	0	40 263	65 189
Short positions	13 086	0	0
Derivatives – Hedge accounting	0	17 949	0

Data in PLN'000, as at 31.12.2025

	Level 1	Level 2	Level 3
ASSETS			
Financial assets held for trading			
Valuation of derivatives	0	60 712	96 115
Shares	252	0	0
Debt securities	824 911	0	0
Transactions with repurchase agreement	38 946	0	0
Non-trading financial assets mandatorily at fair value through profit or loss			
Equity instruments	0	0	155 652
Debt securities	0	0	20 655
Loans and advances	0	0	745
Financial assets at fair value through other comprehensive income			
Equity instruments	684	0	40 255
Debt securities	31 931 022	10 295 426	0
Loans and advances	0	0	9 438 459
Derivatives – Hedge accounting	0	0	0
LIABILITIES			
Financial liabilities held for trading			
Valuation of derivatives	0	111 656	96 984
Short positions	37 788	0	0
Derivatives – Hedge accounting	0	24 735	0

Changes of fair values of instruments measured on the basis of valuation techniques with use of significant parameters not derived from the market are presented in the table below (in '000 PLN).

	Valuation of derivatives - Indexes options	Valuation of derivatives - Options embedded in securities issued and deposits	Equity instruments	Debt securities	Loans and advances at fair value through profit or loss	Loans and advances at fair value through other comprehensive income
Balance as at 01.01.2026	**94 275**	**(95 144)**	**195 907**	**20 655**	**745**	**9 438 459**
Settlement/sell/purchase/transfer to the portfolio	(18 526)	17 878	0	0	(386)	1 188 499
Change of valuation recognized in equity	0	0	0	0	0	9 394
Interest income and other of similar nature	0	0	0	0	166	266 497
Results on financial assets and liabilities held for trading	(13 393)	13 393	0	0	0	0
Result on non-trading financial assets mandatorily at fair value through profit or loss	0	0	(3 426)	412	90	0
Result on exchange differences	0	0	2	0	0	0
Balance as at 30.06.2026	**62 356**	**(63 873)**	**192 486**	**21 067**	**615**	**10 902 849**

	Valuation of derivatives - Indexes options	Valuation of derivatives - Options embedded in securities issued and deposits	Equity instruments	Debt securities	Loans and advances at fair value through profit or loss	Loans and advances at fair value through other comprehensive income
Balance as at 01.01.2025	**178 195**	**(181 662)**	**102 836**	**51 790**	**1 825**	**11 135 416**
Settlement/sell/purchase/transfer to the portfolio	(86 701)	83 705	(34 004)	0	(2 725)	(2 555 570)
Change of valuation recognized in equity	0	0	4 033	0	0	273 399
Interest income and other of similar nature	0	0	0	0	1 064	585 214
Results on financial assets and liabilities held for trading	2 781	2 813	0	0	0	0
Result on non-trading financial assets mandatorily at fair value through profit or loss	0	0	123 045	(31 135)	581	0
Result on exchange differences	0	0	(3)	0	0	0
Balance as at 31.12.2025	**94 275**	**(95 144)**	**195 907**	**20 655**	**745**	**9 438 459**

6. LEGAL RISK RELATED TO FOREIGN CURRENCY MORTGAGE LOANS

On June 30, 2026, the Bank had 12,546 loan agreements and additionally 1,997 loan agreements from former Euro Bank under individual ongoing litigations (excluding claims submitted by the Bank against clients i.e. debt collection cases) concerning indexation clauses of FX mortgage loans submitted to the courts (43% loans agreements before the courts of first instance and 57% loans agreements before the courts of second instance) with the total value of claims filed by the plaintiffs amounting to PLN 2,737.5 million and CHF 225.6 million (Bank Millennium portfolio: PLN 2,303.1 million and CHF 214.9 million and former Euro Bank portfolio: PLN 434.4 million and CHF 10.7 million). The original value of the portfolio of CHF agreements granted (the sum of tranches paid to customers), taking into account the exchange rate as at the date of disbursement of loan tranches, amounted to PLN 19.4 billion for 109.0 thousand loan agreements (Bank Millennium portfolio: PLN 18.3 billion for 103.8 thousand loan agreements and former Euro Bank portfolio: PLN 1.1 billion for 5.2 thousand loan agreements). Out of 12,546 BM loan agreements in ongoing individual cases 314 are also part of class action. From the total number of individual litigations against the Bank approximately 3,890 or 31% were submitted by borrowers that did not have any active loans with a CHF balance at the moment of submission. Approximately another 760 cases correspond to loans that were fully repaid during the proceedings (as court proceedings are lengthy).

The claims formulated by the clients in individual proceedings primarily concern the declaration of invalidity of the contract and payment for reimbursement of paid principal and interest instalments as undue performance, due to the abusive nature of indexation clauses, or maintenance of the agreement in PLN with interest rate indexed to CHF Libor (currently CHF Saron).

In addition, the Bank is a party to the group proceedings (class action) subject matter of which is to determine the Bank's liability towards the group members based on unjust enrichment (undue benefit) ground in connection with the foreign currency mortgage loans concluded. It is not a payment dispute. The number of credit agreements currently covered by these proceedings is 1,354. Out of 1,354 loan agreements in class action 314 are also part of ongoing individual cases, 101 concluded settlements and 119 received final verdicts (invalidation of loan agreement). On 24 May 2022 the court issued a judgment on the merits, dismissing the claim in full. On 13 December 2022 the claimant filed an appeal against the judgment. On 25 June 2024 an appeal hearing was held, at which the Bank filed a motion to amend the composition of the group and exclude those group members who had entered into an amicable settlement or whose claims had already been adjudicated in separate proceedings brought by the customer. The court required the plaintiffs' attorneys to take a written position on the current composition of the group. Since January 31, 2025 the court has issued a number of orders setting aside the judgment and discontinuing the proceedings from the persons who entered into amicable settlements or whose claims had already been adjudicated in separate court proceedings. As a consequence of these orders the number of credit agreements covered by the class action dropped from 3,273 to 1,354.

Until the end of 2019, 1,979 individual claims were filed against the Bank (in addition, 235 against former Euro Bank), in 2020 3,002 (265), in 2021 6,152 (421), in 2022 5,756 (407), in 2023 6,865 (644), in 2024 5,834 (655) in 2025 3,710 (427), while in the first half of 2026 the number increased by 1,586 (137).

As far as Bank Millennium (incl. former Euro Bank portfolio) is concerned, from 2015 until the end of the first half of 2026, 23,825 cases were finally resolved (23,668 in claims submitted by clients against the Bank and 157 in claims submitted by the Bank against clients i.e. debt collection cases) out of which 6,565 were settlements, 152 were remissions, 99 rulings were favourable for the Bank and 17,009 were unfavourable including both invalidation of loan agreements as well as conversions into PLN+LIBOR (currently Saron). The Bank undertakes proper legal actions in order to secure repayment of initially disbursed capital of the loan.

The methodology developed by the Bank of calculating provisions for legal risk involved with indexed loans is based on the following main parameters:

(i) the number of ongoing cases (including class action agreements),
(ii) the number of potential future court cases: the Bank monitors customer behaviors, analyzes their willingness to sue the Bank, including due to economic factors and applies the following assumptions:
    a. regarding active loans (i.e., loans with an outstanding balance), the Bank estimates that approximately 21% of them will neither sign an out-of-court settlement nor decide to file a lawsuit;.
    b. regarding loans already fully repaid or converted to polish zloty, the Bank anticipates that approximately 5.3 thousand repaid loans — those which were not previously subject to a settlement — may result in future litigation initiated by the borrowers.

    The impact on the level of provisions of a change by 100 clients (assuming recent inflow structure) would be around PLN 12.5 million;

(iii) the amount of the Bank's potential loss in the event of a specific court judgment (including statutory interest estimation significantly dependent on the period for which they are awarded);
(iv) estimates involved with amicable settlements with clients.

As a result of negotiations, the number of active FX mortgage loans originated by Bank Millennium decreased by 31,554. As of the end of the first half of 2026, the Bank had 10,827 active FX mortgage loans.

The costs of provisions created for legal risk related to foreign-currency mortgage loans are presented in ***Note 10 in the Chapter 4 'Notes to consolidated financial data'***, while the legal risk of the former Euro Bank portfolio is fully covered by Indemnity Agreement with Société Générale S.A.

Over the past years, the Court of Justice of the European Union (CJEU) has interpreted a number of legal issues concerning disputes in the area of foreign currency housing loan agreements. As a result of these actions, the legal assessments of national courts regarding claims submitted by borrowers have been significantly unified. The established line of case law is generally favorable to consumers, and the legal arguments put forward by banks, including those referring to principles of fairness, are taken into account only to a limited extent.

It can reasonably be assumed that the legal issues relating to foreign currency mortgage loans will be further examined by the domestic courts and the European Court of Justice which could potentially result in the further interpretations, that are relevant for the assessing of the risks associated with proceedings.

The issues related to the statute of limitations for the Bank's and the customer's restitutionary claims following the invalidation of a loan agreement remain an area that may be subject to further analysis in the jurisprudence of Polish courts. In particular, the manner in which national courts implement the CJEU's interpretations favourable to the Bank with regard to the interruption of the running of the limitation period for the Bank's claims, as well as the possibility of applying the principle of equity in the case of time barred restitution claims of the Bank, will be of key importance. Below, in the section describing selected theses and rulings of the CJEU, the relevant interpretations of the CJEU in this respect are referred to.

Legal interpretations in this subject may have an impact for the amount of provisions in the future.

There is a need for constant analysis of these matters. The Bank will have to regularly review and may need to continue to create additional provisions for FX mortgage legal risk, taking into consideration not only the above mentioned developments, but also the negative verdicts in the courts regarding FX mortgage loans and important parameters, such as the number of new customer claims, including those relating to repaid loan agreements.

On 25 June 2026, the Polish Parliament adopted the Act on special solutions for the examination of cases concerning loan agreements denominated or indexed to the Swiss franc. On 17 July 2026, the Act was signed by the President of Poland and will enter into force 14 days after its publication in the Journal of Laws.

The bill aims to create new regulations enabling courts to consider Swiss franc cases faster and more effectively. Its primary task is to relieve the judiciary, by accelerating the examination of Swiss franc cases.

The entry into force of the new Act does not alter the Bank's strategic approach, which remains focused on the amicable resolution of disputes with clients through the conclusion of settlement agreements.

Selected theses and decisions of the CJEU and the Supreme Court that have shaped the line of jurisprudence.

Case law of the Court of Justice of the European Union

On 3 October 2019, in case C 260/18, the CJEU ruled that a national court may annul a credit agreement if the removal of unfair terms identified in that agreement would alter the nature of the main subject matter of the contract, and that it is excluded to fill the gaps in the agreement caused by the removal of unfair terms solely on the basis of national legislation of a general nature or on the basis of accepted customs. The Court also found that the consumer, if he or she so wishes, may maintain the agreement in force.

On 10 June 2021, the CJEU found that the protection provided for in Directive 93/13/EEC applies to every consumer, and not only to one who may be regarded as a "reasonably well informed, observant and circumspect average consumer".

With regard to the definition of a consumer, on 8 June 2023, in case C 570/21, the CJEU ruled that the notion of "consumer" within the meaning of Directive 93/13 also includes a person who concluded a credit agreement for use partly related to his or her business or professional activity.

On 15 June 2023, in case C 520/21, the CJEU, referring to the issue of settlements between the bank and the consumer as a consequence of the annulment of a credit agreement, explained that the provisions of Directive 93/13 preclude a judicial interpretation of national law under which a credit institution has the right to demand from the consumer compensation exceeding the return of the capital disbursed under the performance of that agreement, as well as exceeding statutory default interest from the date of the demand for payment.

On 21 September 2023, in case C 139/22, the Court ruled that it is possible to consider a contractual term unfair solely because its content is equivalent to the content of a clause included in the national register of unfair terms. Moreover, the CJEU held that a contractual term found to be unfair cannot lose that character because of another provision of the same agreement that provides the consumer with the possibility of performing obligations under different conditions. Furthermore, the trader is obliged to inform the concerned consumer about the essential features of the agreement concluded with him or her, as well as about the risks connected with that agreement, even if that consumer is the trader's employee and has relevant knowledge in the field of that agreement.

On 7 December 2023, in case C 140/22, the Court ruled that the exercise of a consumer's rights cannot be made conditional upon the consumer submitting to the court, in particular, a statement declaring that he or she agrees to the recognition of the agreement as null and void.

On 14 December 2023, in case C 28/22, the Court ruled that the limitation period for the trader's claims arising from the invalidity of the agreement cannot begin later than the limitation period for the consumer's claims arising from the invalidity of that agreement. The Court also indicated, among other things, that the trader cannot rely on the right of retention that would allow him to make the return of the benefits received from the consumer conditional upon the consumer offering to return the benefits he or she received, if the exercise of this right of retention would cause the consumer to lose the right to obtain default interest.

The Court of Justice of the European Union on 19 June 2025 issued a judgment in case C 396/24. The Court stated in particular that a trader, in the case of the invalidity of the agreement, may not demand from the consumer the return of the entire nominal amount of the credit granted, regardless of the amount of repayments made by the consumer under that agreement and regardless of the amount remaining to be repaid.

In its judgment of 27 November 2025, in case C 746/24, the CJEU addressed the possibility of charging the consumer with the costs of legal proceedings lost by the consumer concerning the repayment of the capital disbursed by the bank. The Court found that it is not permissible to charge the consumer with costs that significantly exceed the costs that the consumer would have had to bear had he or she lost the case in proceedings initiated to challenge the unfairness of the credit agreement terms.

On 11 December 2025, in case C 767/24, the CJEU held that in the event of the invalidity of a credit agreement, the submission by the consumer of a statement on the set off of his or her claim with the bank's claim does not entail an implied waiver of the statute of limitations defense.

On 22 January 2026 in case C 902/24, the CJEU stated that the provisions of Directive 93/13 do not preclude a judicial interpretation of national law that, within proceedings initiated by a consumer for the purpose of establishing the invalidity of a mortgage loan agreement, allows the trader, while maintaining as the main argument that the agreement is valid, to raise alternatively a set off defense based on a claim corresponding to the amount of that mortgage loan, provided that, first, that latter claim is not considered due before the competent court establishes the invalidity of the agreement itself, and second, that the acceptance of such a defense does not lead to a decision on costs that could discourage the consumer from exercising the rights granted to him or her under that Directive.

On 16 April 2026, the CJEU issued three judgments concerning the limitation of banks' restitution claims:

(i) In judgment C-753/24, the CJEU held that the provisions of Directive 93/13 do not, in principle, preclude a provision of national law which allows a national court, in exceptional circumstances and where considerations of equity so require, to uphold an action brought by a trader seeking repayment from a consumer of payments made to that consumer under a credit agreement invalid due to the presence of unfair terms, even if the limitation period for the trader's claim for repayment has expired.
(ii) In judgment C-752/24, the CJEU held that the provisions of Directive 93/13 do not, in principle, preclude a judicial interpretation of a provision of national law according to which the bringing, by a trader, of an action for repayment of performances rendered under a credit agreement that is the subject of separate proceedings initiated by the consumer seeking a declaration that the agreement is invalid due to the unfair nature of its terms, interrupts the running of the limitation period for the trader's claim until the final conclusion of the proceedings initiated by the consumer.

(iii) In judgment C-901/24, the CJEU held that the provisions of Directive 93/13 do not preclude a judicial interpretation of national provisions according to which the running of the limitation period for a trader's claim is interrupted by a statement made by the consumer in the context of preliminary proceedings seeking a declaration of invalidity of a credit agreement containing unfair terms, in which the consumer declares that he or she is aware that, as a consequence of that declaration of invalidity, he or she will be required to repay the performance received from the trader.

On 30 April 2026, in case C-246/25, the Court of Justice of the European Union held that where a CHF annex is invalid due to unfair contractual terms, the original PLN loan agreement may be reinstated instead of declaring the entire agreement invalid, provided that the national court takes into account any negative consequences for the consumer resulting from the restoration of the original terms (e.g. a higher interest rate or a shorter loan term).

On 11 June 2026, the CJEU delivered its judgment in case C 903/24. The Court held that statutory interest accrues from the moment the consumer specifically identifies the amount claimed (for example, in a statement of claim or a demand for payment).

On 2 July 2026, in the joined cases C 261/25 and C 262/25, the CJEU ruled that the limitation period for the Bank's claim begins to run on the date when the consumer first challenges being bound by the contractual terms (for example, in a complaint or a demand payment addressed to the Bank).

Jurisprudence of the Polish Supreme Court

The case law of the Supreme Court remains consistent with the guidance of the Court of Justice of the European Union.

On 7 May 2021, the Supreme Court composed of 7 judges of the Supreme Court, issued a resolution for which the meaning of legal principle has been granted, stating that:

(i) an abusive contractual clause (art. 385(1) § 1 of the Civil Code), by force of the law itself, is ineffective to the benefit of the consumer who may consequently give conscious and free consent to this clause and thus restore its effectiveness retroactively;
(ii) if without the ineffective clause the loan agreement cannot bind, the consumer and the lender shall be eligible for separate claims for return of monetary performances made in exercising this agreement (art. 410 § 1 in relation to art. 405 of the Civil Code). The lender may demand return of the performance from the moment the loan agreement becomes permanently ineffective.

On April 28, 2022 the Supreme Court issued a resolution (III CZP 40/22) in which it indicated that in disputes with consumers, the provision of Article 358(1) of the Civil Code is a special provision to Article 353(1) of the Civil Code, which means that if the prerequisites for the application of both provisions exist, the court should apply the special provision and declare the contractual provision permanently ineffective, rather than invalid.

The effect of the Supreme Court's resolution of 7 May 2021 is that the bank is entitled to a refund of the cash benefit provided by the bank in performance of a permanently ineffective contract. Taking into account the uncertainty as to the starting point of the limitation period for the bank's claims, the Bank, in order to protect its interests, files lawsuits for payment against borrowers in a court dispute with the Bank and in other circumstances where such risk may exist. The Bank's demand consists of a claim for return of the capital made available to the borrower under the contract. By 30 June 2026 the Bank filed 18,190 lawsuits against the borrowers. From those lawsuits, 9,392 cases are currently pending.

On 25 April 2024, a session of the Civil Chamber of the Supreme Court was held to answer questions formulated by the First President of the Supreme Court, published on 29 January 2021, on key issues related to FX mortgage loan agreements. The Supreme Court, composed of the entire Civil Chamber, adopted a resolution having the force of a legal principle, in which it stated that:

(i) When finding that a provision of an indexed or denominated credit agreement relating to the manner of determining the foreign currency exchange rate constitutes an unfair contractual provision and is not binding, then in currently existing legal situation it cannot be stated that such a provision could be replaced by another formula of defining the foreign currency exchange rate resulting from law or custom.

(ii) In case of impossibility to determine the foreign currency exchange rate binding the parties in the indexed or denominated loan agreement, the agreement is not binding also in the remaining scope.

(iii) If, in the performance of a credit agreement which is not binding due to the unfair nature of its provisions, the bank has disbursed to the borrower all or part of the amount of the credit and the borrower has made repayments of the credit, independent claims for repayment of the undue performance shall arise in favor of each party.

(iv) If a credit agreement is not binding due to the unfair nature of its provisions, the statute of limitations of the bank's claim for repayment of amounts disbursed under the credit shall, as a rule, start to run from the day following the day on which the borrower challenges being bound by the provisions of agreement.

(v) If a credit agreement is not binding due to the unfair nature of its provisions, there shall be no legal basis for any party to claim interest or other remuneration because of using party's pecuniary means during the period from the provision of undue benefit until the delay in the return of this benefit.

On 19 June 2024, the Supreme Court issued a resolution by a panel of 7 Supreme Court judges (III CZP 31/23) stating that:
The right of retention (Article 496 of the Civil Code) does not apply to the party that can set off its claim against the claim of the other party.

On 28 February 2025, the Supreme Court issued a resolution of 7 judges of the Supreme Court (III CZP 126/22), in which it stated that:

(i) A bank loan agreement (Article 69(1) of the Banking Law Act of 29 August 1997) is a mutual agreement within the meaning of Article 487 § 2 of the Civil Code.

On 5 March 2025 the Supreme Court issued a resolution by a panel of 7 Supreme Court judges (III CZP 37/24), in which it stated that:

(i) In the event of a claim for repayment from a bank of a consideration fulfilled on the basis of a credit agreement which has proved to be invalid, the bank is not entitled to the right of retention under Article 496 in connection with Article 497 of the Civil Code.

On May 15, 2025, the Supreme Court issued a resolution by a panel of 7 Supreme Court judges (III CZP 22/24), in which it indicated that:

(i) Under the legal state in force until June 30, 2022, a request for a settlement attempt interrupted the limitation period of the claim, unless the circumstances of making this action indicate that it was not undertaken directly for the purpose of pursuing or determining, or satisfying or securing the claim (Article 123 § 1 point 1 of the Civil Code).

Due to the CJEU jurisprudence interpreting the causes and effects of invalidity of foreign currency mortgage loan agreements as well as above indicated resolution of the Civil Chamber of the Supreme Court, the area of interpretation of regulations by Polish courts in this respect appears to be limited. However, further jurisprudential practice of the Polish courts will play certain role in practical realisation of the CJEU's and the Supreme Court’s guidance.

7. ADDITIONAL INFORMATION

7.1. ISSUE, REDEMPTION OR REPAYMENT OF DEBT OR EQUITY INSTRUMENTS

Issued debt securities movements

	01.01.2026 – 30.06.2026	01.01.2025 - 31.12.2025
Balance at the beginning of the period	4 802 952	5 030 166
Increases, on account of:	252 039	424 797
issue of bonds by the Bank	0	0
other changes in carrying amount - (including exchange rate differences)	60 894	0
interest accrual	191 145	424 797
Reductions, on account of:	(261 793)	(652 011)
redemption of the Bank's bonds	(196 269)	(144 000)
other changes in carrying amount - (including exchange rate differences)	0	(44 680)
valuation of the Bank's bonds designated to fair value hedged relationship	(32 806)	(33 455)
interest payment	(32 718)	(429 876)
Balance at the end of the period	**4 793 198**	**4 802 952**

7.2. CAPITAL MANAGEMENT

Capital management relates to two areas: capital adequacy management and capital allocation. For both areas, management goals were set.

The goal of capital adequacy management is: (a) meeting the requirements specified in external regulations (regulatory capital adequacy) and (b) ensuring the solvency in normal and stressed conditions (economic capital adequacy/internal capital). Completing that goal, the Group/Bank strives to achieve internal long-term capital limits (targets), defined in Risk Strategy.

Capital allocation purpose is to create value for shareholders by maximizing the return on risk in business activity, considering established risk tolerance.

In a scope of capital management process, there is also a capital planning process. The goal of capital planning is to designate the own funds (capital base that is risk-taking capacity) and capital usage (regulatory capital requirements and economic capital) in a way to ensure that capital targets/limits shall be met, given forecasted business strategy and risk profile – in normal and stressed macroeconomic conditions.

The Bank and the Group are obliged by law to meet minimum own funds and leverage ratio requirements, set in art. 92 of the Regulation (EU) 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions as amended and amending Regulation (EU) No 648/2012 (CRR II). At the same time, the following levels, recommendations, and buffers were included in capital limits/targets setting:

- Pillar II FX mortgage loans buffer (P2R buffer) - in accordance with the joint decision which, among other, covers capital and liquidity at local level for the European entities of the BCP (Banco Comercial Portugues) Group, there was no additional capital or liquidity requirements imposed on the Bank;
- Combined buffer – defined in Act on macro prudential supervision over the financial system and crisis management – that consists of:
  - Capital conservation buffer at the level of 2.5%,
  - Other systemically important institution buffer (OSII) – at the level of 0.25% and the value is set by KNF each year,
  - Systemic risk buffer at the level of 0%, reduced from 3% in March 2020,
  - Countercyclical buffer at 1% from the 25th of September 2025, and it will be elevated to 2% from the 25th of September 2026.

In November 2025, the Bank has received a recommendation according to which the PFSA is imposing an additional capital surcharge to absorb potential losses resulting from extreme conditions (P2G).

In particular, on the basis of the 2025 supervisory stress tests carried out by the PFSA, the PFSA set the P2G capital add-ons, before the offsetting of the capital conservation buffer, at 2.63pp at the stand-alone level and 2.53pp at the consolidated level. The total capital charges recommended under Pillar II offset by the capital buffer requirement are 0.13pp at the stand-alone level and 0.03pp at the consolidated level.

In May 2026, the Bank completed a subscription for Tier 2 subordinated bonds with a total nominal value of EUR 500 million. Upon obtaining the KNF's approval, the funds obtained from the subscription would enable an increase in the Total Capital Ratio (TCR) by approximately 3.9 and 3.5 percentage points to 21,9% and 20,6% (at the individual and consolidated levels).

Capital adequacy of the Bank was as follows (PLN mn, %, pp):

Capital adequacy	30.06.2026	31.12.2025
Risk-weighted assets	55 551,1	49 783,1
Own Funds requirements, including:	4 444,1	3 982,6
- Credit risk and counterparty credit risk	3 363,2	2 977,4
- Market risk	26,4	23,2
- Operational risk	1 035,9	966,6
- Credit Valuation Adjustment CVA	18,5	15,4
Own Funds, including:	10 034,5	7 983,8
Common Equity Tier 1 Capital	7 903,9	7 201,6
Tier 1 Capital	9 403,9	7 201,6
Tier 2 Capital	630,6	782,2
Total Capital Ratio (TCR)	**18,06%**	**16,04%**
Tier 1 Capital ratio (T1)	**16,93%**	**14,47%**
Common Equity Tier 1 Capital ratio (CET1)	**14,23%**	**14,47%**
Leverage ratio	**5,71%**	**4,81%**

Capital adequacy showed as surpluses/deficits on required or recommended levels is presented in the below table.

Capital adequacy	30.06.2026	31.12.2025
Total Capital ratio (TCR)	**18,06%**	**16,04%**
Minimum required level (OCR)	11,75%	11,75%
Surplus(+) / Deficit(-) of TCR capital adequacy (p.p.)	6,31	3,36
Minimum recommended level TCR (OCR+P2G)	11,88%	11,88%
Surplus(+) / Deficit(-) on recommended level (p.p.)	6,18	3,33
Tier 1 Capital Ratio (T1)	**16,93%**	**14,47%**
Minimum required level (OCR)	9,75%	9,75%
Surplus(+) / Deficit(-) of T1 capital adequacy (p.p.)	7,18	4,72
Minimum recommended level (OCR+P2G)	9,88%	9,88%
Surplus(+) / Deficit(-) on recommended level (p.p.)	7,05	4,59
Common Equity Tier 1 Capital Ratio (CET1)	**14,23%**	**14,47%**
Minimum required level (OCR)	8,25%	8,25%
Surplus(+) / Deficit(-) of CET1 capital adequacy (p.p.)	5,98	6,22
Minimum recommended level (OCR+P2G)	8,38%	8,38%
Surplus(+) / Deficit(-) on recommended level (p.p.)	5,85	6,09
Leverage ratio	**5,71%**	**4,81%**
Minimum required level	3,00%	3,00%
Surplus(+) / deficit (-) on leverage ratio (p.p.)	2,71	1,81

In Q2 2026, capital ratios decreased slightly – the Common Equity Tier 1 (CET1) ratio by 5 basis points, the Tier 1 (T1) ratio by 15 basis points, and the Total Capital Ratio (TCR) by 33 basis points. The TCR as of end of June 2026 still does not include the above-mentioned issue of EUR500 million subordinated bonds. CET1 capital increased by PLN 264 million (3.5%), while Tier 1 capital remained unchanged. Own funds increased slightly by PLN 188 million (1.9%).

The Bank plans to return to paying dividends in 2027 from 2026 financial results. If a dividend payment of 35% and inclusion of 65% of the net profit for the first half of 2026 in own funds would be assumed, the T1 capital ratio would increase by approximately 0.8 p.p. (solo and consolidated).

The leverage ratio decreased slightly in Q2 (from 5.85% to 5.71%), but it increased in H1 2026 (5.71% vs. 4.81%). The excess over the regulatory minimum of 3% is 271 basis points.

The minimum capital ratios required by the KNF in terms of the overall buffer requirement (OCR) including the additional P2G capital charge are achieved with a surplus at the end of the second quarter of 2026.

MREL requirements

The Bank manages MREL indicators in a manner analogous to capital adequacy management.

In terms of the MRELtrea and MRELtem requirements, the Group presents a surplus compared to the minimum required levels as of June 30, 2026, and also meets the MRELtrea Requirement after the inclusion of the Combined Buffer Requirement.

MREL (consolidated)	30.06.2026	31.12.2025
MRELtrea ratio	**25,87%**	**24.53%**
Minimum required level MRELtrea	15,36%	15.36%
Surplus(+) / Deficit(-) of MRELtrea (p.p.)	10,51	9.17
Minimum required level including Combined Buffer Requirement (CBR)	19,11%	19.11%
Surplus(+) / Deficit(-) of MRELtrea+CBR (p.p.)	6,76	5.42
MRELtem ratio	**8,87%**	**8.27%**
Minimum required level of MRELtem	5,91%	5.91%
Surplus(+) / Deficit(-) of MRELtem (p.p.)	2,96	2.36

In May 2026, the Bank received a letter from the Bank Guarantee Fund regarding the joint decision of the Single Resolution Board (SRB) and the BFG requiring the Bank to meet the communicated consolidated MRELtrea requirements of 15.36% (previously 15.36% in the decision received in May 2025) and 14.14% taking into account the subordination criterion (previously 14.15% in the decision received in May 2025) and MRELtem requirements of 5.91% (the same as in the decision received in May 2025) and 5.54% taking into account the subordination criterion (previously 5.87% in the decision received in June 2024).

Additionally, the MRELtrea requirement calculated for the Bank, increased by the combined buffer requirement expressed as an amount, is lower than 8% of the Bank's total liabilities, including its own funds (Total Liabilities and Own Funds - TLOF). Therefore, pursuant to paragraph 4 of Article 45c(3) of the BRRD, the BFG has set the MRELtem requirement at a level no lower than 8% of TLOF. As of 1 January 2027, the MRELtrea requirement has been set at 15.36% and the MRELtem requirement at 7.7% at the consolidated level.

Taking into account the subordination criteria, as of 1 January 2027, the Bank will be required to meet a minimum MRELtrea subordination requirement of 14.14% and MRELtem of 7.7%.

The Bank also meets the requirements applicable from 1 January 2027.

7.3. OFF BALANCE SHEET ITEMS

Structure of off-balance sheet liabilities was as follows:

Amount '000 PLN	30.06.2026	31.12.2025
Commitments granted:	23 431 627	20 028 264
- financial	20 917 776	17 928 105
- guarantee	2 513 851	2 100 159
Commitments received:	3 410 790	3 138 078
- financial	1 027	1
- guarantee	3 409 763	3 138 078

7.4. REFORM OF BENCHMARKS

WIBOR

In May 2022, the Polish government announced a reform of reference rates in Poland, including the replacement of WIBOR with another rate. For this purpose, in July 2022, the National Working Group for reference rate reform (NWG) was established. The objective of the NWG's work includes introducing a new interest rate benchmark and replacing the currently used WIBOR benchmark in a safe manner compliant with the BMR, in particular by ensuring the credibility, transparency and reliability of the development and use of the new benchmark.

The National Working Group comprises representatives of the Ministry of Finance, the National Bank of Poland, the Polish Financial Supervision Authority, the Bank Guarantee Fund, the Polish Development Fund, the Warsaw Stock Exchange, the National Depository for Securities, Bank Gospodarstwa Krajowego, GPW Benchmark, as well as representatives of banks, investment fund companies, insurance companies, factoring and leasing companies, entities issuing bonds, including corporate and municipal bonds, and clearing houses.

The work of the National Working Group is coordinated and supervised by the Steering Committee, composed of representatives of key institutions: the Polish Financial Supervision Authority, the National Bank of Poland, the Ministry of Finance, the Bank Guarantee Fund, GPW Benchmark – the administrator of reference rates, BondSpot S.A. – and the Polish Bank Association.

The NWG activities are conducted in a project-based formula, with dedicated project streams established, in which representatives of Bank Millennium actively participate.

On 28 March 2025, the Steering Committee of the National Working Group approved the updated Roadmap for the replacement of WIBOR and WIBID reference rates and set the conversion date for the end of 2027. On 2 June 2025, the official determination of the new POLSTR Interest Rate Index (Polish Short Term Rate) and the indices from the POLSTR Compounded Indices Family commenced. GPW Benchmark S.A. is the administrator of POLSTR.

On 1 September 2025, the POLSTR interest rate index was used for the first time on the domestic financial market, thereby gaining the status of a benchmark within the meaning of the BMR Regulation.

GPW Benchmark S.A., the administrator of interest rate benchmarks, announced on 30 September 2025 its decision to cease the development of WIBID and WIBOR Reference Rates for the following Fixing Tenors on the dates indicated below:

Overnight (O/N) – from 1 October 2026,
Tomorrow/Next (T/N) – from 22 December 2025,
2 weeks (2W) – from 22 December 2025,
1 year (1Y):

- from 22 December 2025 based on the existing methodology,
- from 22 December 2026 in connection with the obligation imposed on the administrator by the supervisory authority to continue publishing the benchmark pursuant to Article 21 of the BMR Regulation, following a change in the methodology for developing the WIBOR benchmark for the 1Y Fixing Tenor.

The decision to cease the development of certain Fixing Tenors forms part of the measures set out in the Roadmap of the National Working Group for reference rate reform adopted by its Steering Committee and, at the same time, aligns the shape of the money market curve in Poland with the structure of certain foreign, current and historical money market curves. The decision therefore supports the implementation of the Roadmap for the replacement of WIBOR® and WIBID® reference rates with respect to those Fixing Tenors whose Transactionality Levels are relatively the lowest, such as T/N and 1Y, and whose scope of application is limited, while their discontinuation supports the process of introducing the new interest rate benchmark.

In September 2025, the NWG Steering Committee published updated NWG recommendations regarding standards for the use of the new target RFR (risk-free rate) benchmark in new banking, leasing and factoring products as well as financial instruments.

On 22 December 2025, Bloomberg determined and published the official adjustment spread values to be used in ISDA contracts in the case of a transition from WIBOR to POLSTR for the O/N, T/N and 1Y tenors.

In subsequent stages of the reform, the National Working Group published recommendations on the use of POLSTR in individual market segments, including legacy portfolios of banking products for business clients (December 2025), legacy portfolios comprising debt securities (April 2026), and discount products, both in relation to new agreements and existing portfolios (May 2026).

To date, the Ministry of Finance has conducted three issuances of Treasury bonds based on POLSTR, maturing in 2028, 2031 and 2036. The total amount of bonds issued and purchased by banks and other financial institutions exceeded PLN 44.1 billion. Since 26 November 2025, the bonds have been listed on the Treasury BondSpot Poland (TBSP) market and on the regulated markets of BondSpot and the Warsaw Stock Exchange. The interest rate on the bonds is based on a compounded rate, calculated separately for each business day of the six-month interest period, in accordance with the recommendation on standards for the use of the benchmark.

On 18 May 2026, the benchmark administrator announced a regulatory event and, consequently, the original model of a one-off benchmark conversion was replaced by a scenario assuming approximately ten years of coexistence of WIBOR and POLSTR. As a next step, the Bank secured the possibility of continuing to use WIBOR in 2026 by signing the required annexes with GPW Benchmark. The changes in the shape of the Reform were reflected in another update of the reform Roadmap published by the NWG on 30 June 2026.

For financial institutions, the key activities will include adapting IT systems, operational procedures and legal solutions related to the application of the target POLSTR benchmark and the ten-year period of simultaneous functioning of WIBOR.

At Bank Millennium S.A., an internal project subordinate to the Management Board, established by a resolution of the Bank's Management Board of 24 August 2022, is in place to properly manage the transition process from WIBOR to the new index and to carry out the work in accordance with the Roadmap. Representatives of many organisational units of the Bank participate in this work, in particular those responsible for product areas and issues related to risk management, including interest rate risk and operational risk. The project structure reflects a division into streams covering products and processes in which the WIBOR benchmark is used, project management by a dedicated project manager, and periodic status reporting for individual streams.

At the current stage of the project, the Bank monitors the work of the National Working Group on an ongoing basis and actively participates in the activities of the individual working streams. At the same time, appropriate project decisions are being made, and all recommendations developed are systematically reflected in the initiatives implemented by the Bank.

The Group uses the WIBOR benchmark in the following products (in PLN million, as at 30 June 2026):

- mortgage loans: **18 199.08** (19 867.29 as of 31 December 2025); WIBOR-based loans excluding mortgage loans with a value of **17 600.81** (14 785.93 as of 31 December 2025), currently bearing periodically fixed interest rates, where customers may switch to a variable interest rate indexed to WIBOR after the expiry of the periodically fixed interest rate period;
- credit products, factoring products and discount products for enterprises: **14 803.77** (13 122.24 as of 31 December 2025);

The following data for the portfolio of debt and derivative instruments cover the Bank's data:

- debt instruments: **16 412.46** (14 954.23 as of 31 December 2025)
  - Assets: **14 619.96** (12 965.46 as of 31 December 2025)
  - Liabilities: **1 792.50** (1 988.77 as of 31 December 2025)
- derivative instruments: **21 191.86**, including **5 800.00** hedging instruments (17 687.32 and 5 065.00 as of 31 December 2025)

The Bank also uses instruments based on WIBOR benchmarks in hedge accounting. Detailed information on the hedging relationships applied by the Group, the items designated as hedged items and hedging instruments, and the presentation of the result on these transactions is presented in Note 16 "Derivative instruments – hedge accounting" in Chapter 4 "Notes to the Consolidated Financial Statements".

Taking into account the amendments introduced to IFRS by the IASB, the Bank does not assume that it will be unable to continue active hedging relationships in connection with the implementation of the WIBOR reform, and any ineffectiveness that may arise should not affect the fulfilment of the effectiveness tests for these relationships.

The nominal value of derivative instruments related to fair value hedging relationships for fixed-rate assets denominated in PLN and the fair value of the risk profile assigned to homogeneous portfolios of non-interest-bearing current accounts denominated in PLN, in which the WIBOR benchmark subject to interest rate reform is used, amounted to PLN 5 800.0 million as of 30 June 2026 (PLN 3 425.0 million as of 31 December 2025). The nominal amounts of derivative instruments related to hedging relationships represent a close approximation of the risk of exposure managed under these relationships.

The Bank applies fair value hedge accounting to mitigate the interest rate risk associated with hedged fixed-rate assets denominated in PLN, as well as the risk profile attributed to portfolios of homogeneous, non-interest-bearing current accounts denominated in PLN. Interest Rate Swaps (IRSs) are used as hedging instruments in these hedging relationships. During the reporting period, the Bank continued its activities related to the interest rate benchmark reform, including assessing its impact on existing hedging relationships. The Bank has not identified a need to modify its hedging relationships as a result of the benchmark reform, since it does not have a significant effect on the effectiveness of the fair value hedges in place. Any hedge ineffectiveness arising during the period was recognized in profit or loss in accordance with hedge accounting principles. As at 30 June 2026, the Bank had not identified any significant additional risks arising from the benchmark reform that could affect its ability to continue applying fair value hedge accounting to portfolios of fixed-rate assets and liabilities. The notional amount of the hedging derivatives amounted to PLN 5,800 million, with the longest maturity date falling in June 2031.

Date	Name and surname	Position/Function	Signature
27.07.2026	Joao Bras Jorge	Chairman of the Management Board	Signed by a qualified electronic signature
27.07.2026	Fernando Bicho	Deputy Chairman of the Management Board	Signed by a qualified electronic signature
27.07.2026	Marcin Dubno	Member of the Management Board	Signed by a qualified electronic signature
27.07.2026	Jarosław Hermann	Member of the Management Board	Signed by a qualified electronic signature
27.07.2026	Halina Karpińska	Member of the Management Board	Signed by a qualified electronic signature
27.07.2026	Hugo Resende	Member of the Management Board	Signed by a qualified electronic signature
27.07.2026	Magdalena Zmitrowicz	Member of the Management Board	Signed by a qualified electronic signature