Bank Guarantee Fund

2025

ANNUAL REPORT

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FOREWORD BY THE CHAIR OF THE COUNCIL AND THE PRESIDENT OF THE MANAGEMENT BOARD OF THE BANK GUARANTEE FUND

DEAR ALL,

2025 was a special year for the Bank Guarantee Fund. We celebrated the 30th anniversary of an institution which, for three decades, has been safeguarding the security of deposits and the stability of the national financial system. This anniversary provided an opportunity not only to take stock of our achievements to date, but also to set out the direction for the Fund's future development.

Last year, we published a monograph on the history and activities of the BFG, refreshed our visual identity and launched a new website. These measures were aimed at better adapting the Fund to the challenges of the modern environment and communicating more effectively with financial market participants and the public. Above all, however, we have drawn up a strategy covering the period up to 2030. This strategy places the depositor at the heart of the BFG's activities. The first document of its kind in the Fund's history sets out our mission: ***We support the stability of the Polish financial system in order to effectively protect deposits***. The strategy also sets out our values. These are: **responsibility**, **cooperation**, **respect**, **transparency**, **self-improvement**.

The strategy aims to:

- strengthening our ability to respond to threats in the financial sector,
- the implementation of modern technologies, the advancement of digitalisation and readiness for migration to the cloud,
- increasing the Fund's operational efficiency,
- developing and making effective use of our staff's skills,
- a commitment to sustainable development.

This report enables readers to track the BFG's progress towards its objectives.

The cornerstone of the BFG's operations remains, as always, its readiness to act in situations requiring a swift and effective response. In 2025, we continued to develop tools and processes supporting the fulfilment of our statutory tasks relating to deposit guarantees, resolution and the protection of financial stability. A key element of these activities was the development of Podmiot Zarządzający Aktywami S.A., as well as the refinement of technological solutions supporting the Fund's processes.

We paid particular attention to the development of digital and IT skills. We created the Walidator application, which enables banks and credit unions to independently verify the accuracy of data contained in the calculation systems, and we also developed other tools to support data quality and the efficiency of the processes carried out. We also continued to invest in modern technologies, including solutions utilising artificial intelligence, recognising their growing importance for the efficient performance of the Fund's tasks and for building the organisation's resilience to future challenges.

In 2025, we consistently expanded our activities in the area of sustainable development, implementing solutions in line with ESG principles, thereby strengthening an organisational culture based on responsibility, transparency and respect for diversity. An important step was the signing of the Diversity Charter, confirming our commitment to building an open and inclusive working environment.

As we present to you the Bank Guarantee Fund's Annual Report for 2025, we would like to thank all the Fund's staff, our domestic and international partners, and the institutions that make up the financial safety net for their commitment and cooperation. We believe that the experience gained over the past thirty years provides a solid foundation for further strengthening the security and stability of the Polish financial sector.

We hope you find this report an interesting read.

KATARZYNA PRZEWALSKA
CHAIR OF THE COUNCIL
OF THE BANK GUARANTEE FUND

MACIEJ SZCZĘSNY
PRESIDENT OF THE MANAGEMENT BOARD
OF THE BANK GUARANTEE FUND

GLOSSARY OF KEY ABBREVIATIONS

Articles of Association	Statutes of the Banking Guarantee Fund, constituting an annex to the Regulation of the Minister of Development and Finance of 25 January 2017 on the adoption of the Statutes of the Banking Guarantee Fund (Journal of Laws of 2023, item 1865)
BFG, Fund	Bank Guarantee Fund
BION	Inspection and Supervisory Assessment *(Badanie i Ocena Nadzorcza)*
BS	Co-operative Bank *(Bank Spółdzielczy)*
BRRD, BRR Directive	Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012 of the European Parliament and of the Council (OJ L of 12 June 2014, as subsequently amended)
CCP	(central counterparty) – a legal person which acts between the counterparties to contracts traded on at least one financial market, becoming the buyer to every seller and the seller to every buyer – definition in accordance with Article 2(1) of Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories
CJEU	Court of Justice of the European Union
CMDI	Crisis Management and Deposit Insurance framework – a package of European Union legislative initiatives aimed at reforming the crisis management framework in the banking sector and the deposit guarantee scheme, in particular through amendments to the BRR and DGS Directives, the Directive on certain aspects of MREL (the so-called 'Daisy Chain') and the SRMR Regulation
CU	Credit union
Council, BFG Council, Fund Council	Bank Guarantee Fund Council
SRG - Covered Deposit Payout System (CDPS)	Guarantee Enforcement System – Application and network solution supporting the Fund's tasks in the area of data control, preparation and handling of disbursements of covered deposits and reporting on these tasks
DGS	Deposit Guarantee Scheme
DGSD, DGS Directive	Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes (OJ EU L 173, 2014, p. 149, as amended)
EIOPA	European Insurance and Occupational Pensions Authority
ESG	Environmental, Social and Governance

eSOW	Electronic Reimbursement System for Guaranteed Deposits
EBA	European Banking Authority
EC	European Commission
EU	European Union
fośg	Guaranteed Funds Protection Fund *(fundusze ochrony środków gwarantowanych)*
IADI	International Association of Deposit Insurers
IPS	Institutional Protection Scheme
IRRD	Insurance Restructuring and Resolution Directive
KDPW	National Depository for Securities S.A.
KNF, UKNF	Financial Supervision Authority, Office of the Financial Supervision Authority
Management Board, BFG Management Board, Fund Management Board	Management Board of the Bank Guarantee Fund
MF	Ministry of Finance
MREL	minimum requirement for own funds and eligible liabilities
NBP	National Bank of Poland
NCWO	No Creditor Worse Off
PBS, PBS in Sanok	Podkarpacki Cooperative Bank, with its registered office in Sanok
PZA S.A.	Asset Management Company S.A.
SBRiR in Wołomin	Co-operative Bank for Crafts and Agriculture in Wołomin
SKOK	Credit Union *(Spółdzielcza Kasa Oszczędnościowo Kredytowa)*
SRMR Regulation	Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms within the framework of a Single Resolution Mechanism and a Single Resolution Fund, and amending Regulation (EU) No 1093/2010 (OJ (EU) L 225, 2014, p. 1, as amended)
SWO	Early Warning System
the Act on the Bank Guarantee Fund	the Act of 10 June 2016 on the Bank Guarantee Fund, the deposit guarantee scheme and resolution (Journal of Laws of 2026, item 620)

DELIVERING ON STRATEGIC OBJECTIVES IN 2025

1. DELIVERING ON STRATEGIC OBJECTIVES IN 2025

Following the adoption of the business strategy for the period up to 2030, the Fund’s activities over the past year are summarised below in terms of the achievement of the five strategic objectives.

I. WE WILL STRENGTHEN OUR ABILITY TO RESPOND TO THRETS IN THE FINANCIAL SEKTOR

II. WE WILL STRENGTHEN OUR ABILITY TO RESPOND TO THREATS IN THE FINANCIAL SECTOR

III. WE WILL IMPROVE THE FUND’S OPERATIONAL EFFECIENCY

IV. WE WILL DEVELOP AND MAKE EFFECTIVE USE OF OUR STAFF’S SKILLS

V. WE WILL PROMOTE SUSTAINABLE DEVELOPMENT

2. KEY ACHIEVEMENTS IN 2025 – I. READINESS

Operationalisation of resolution	**Bail-in or conversion manuals (Stage 1):** • analysis and verification of the manuals prepared by the banks covered by the bail-in strategy; • individual workshops and question-and-answer (Q&A) sessions with the banks; • operationalisation tests for the implementation of the resolution strategy in the banks, with the Fund participating as an observer. **Manuals relating to the transfer instrument (Stage 1):** • workshops with banks covered by the transfer strategy, regarding the requirements for preparing manuals; • question-and-answer (Q&A) sessions with banks; Publication on the Fund's website of **information on how to carry out the write-down or conversion of eligible capital instruments or liabilities, and the application of the write-down or conversion of liabilities instrument** in accordance with EBA guidelines. Preparation of **the Multi-Annual Testing Programme** covering testing methods for specific areas of the feasibility of the resolution process. Defining the rules for the Fund's performance of its tasks as the resolution authority for CCPs.
Guarantee activities	**Continuation of guaranteed payments** to depositors of banks and credit unions: payments, updating the list of payments for BS in Grębów, limitation periods for claims. **Maintaining operational efficiency** for the fulfilment of guarantees: checks on data from banks' and credit unions' calculation systems, effectiveness tests with agent banks, cross-border disbursement test. **Development of new tools and enhancement of existing ones:** making the Validator application available to banks and credit unions (in 2025, the tool was downloaded by 129 entities), development of the Guarantee Execution System.
Risk identification	**Data quality assessment, elimination of duplication,** a new approach to the register of financial instruments, data validation, dialogue with the sector. **Cooperation** within international organisations. **SWO** - project assumptions, development and testing of the new model.

Public awareness	**Educational and information campaigns,** a new website, changes to the helpline. **Cooperation** with other members of the Financial Education Council. As part of the WSE Summer School 2025 (Go4Poland – Choose Poland!), representatives of the Fund organised a workshop entitled 'On the brink of bankruptcy – a game of survival, or resolution in theory and practice'.
Resolution in the inurance sector	**Completion of further stages of EIOPA's work;** alignment of internal methodologies with the outcomes of EIOPA's work; a comparative analysis of the IRRD, BRRD and the Act on the Bank Guarantee Fund. **Test resolution plans;** a platform for analysing publicly available data on insurance undertakings; educational and promotional activities regarding resolution in the insurance sector.

3. KEY ACHIEVEMENTS IN 2025 – II. TECHNOLOGIES

eSOW*	**Change in the project delivery approach** – transition to in-house delivery. Appointment of a project team and selection of a Project Manager.
Data-driven	Preparatory work relating to the selection, procurement and implementation of a new **financial and accounting system.**
Cloud readiness	**Participation in workshops with a consultant.** **Procurement of a SIEM** (Security Information and Event Management) tool for collecting and analysing events in systems (including cloud-based ones). **Conducting a SCUBA** (Secure Cloud Business Applications) security assessment – optimising the configuration of Azure and Microsoft 365 environments based on core CISA (Cybersecurity and Infrastructure Security Agency) and Microsoft best practices.
Building an innovation ecosystem	Participation in conferences on CBDC (Central Bank Digital Currency) and the Digital Euro. Roll-out of a new intranet. Testing the use of Asana software and the legal AI platform – Legora.

* eSOW – Electronic Reimbursement System for Guaranteed Deposits

4. KEY ACHIEVEMENTS IN 2025 – III. OPERATIONS & IV. COMPETENCIES

Process map	**A list of BFG processes has been drawn up, taking into account** the processes falling within the scope of the Act on the BFG and those supporting the implementation of statutory processes. These have been grouped into the BFG's areas of activity, and the owners of the individual processes have also been identified.
Bureaucracy reduction	**Simplifications to data structures.** **The Anti-Bureaucracy Project.**

Employee lifecycle	**Recruitment** (anonymisation of CVs, development of internal recruitment). **Employment** (new employee questionnaire). **Engagement** (participation in the 'Career Programme', new 'Career' page on www.bfg.pl).
Training Centre	**New policy, introduction of the role of training coordinators.** **English with Berlitz on the e-learning platform.** **Development of e-learning courses.**
Talent Programme	**Defining the target groups participating in the programme.**
Unique competencies	Training courses in **collaboration with CEDUR** for Fund employees. Participation of selected employees **in an audit carried out by DMW (Department of Monitoring and Claims Investigation).**

5. KEY ACHIEVEMENTS IN 2025 – V. ESG

CSRD	**Reporting** – initial disclosure of sustainability aspects included in the 2024 annual report.
Diversity Charter	**Signing of the Charter** – November 2025. A series of educational webinars for staff on topics including diversity in the workplace.
Wellbeing Academy	Launched in 2025; **a series of workshops was held for interested staff on building resilience to stress.** **Staff access to the Mindy app** (building resilience to stress independently).

GENERAL INFORMATION

THE BANK GUARANTEE FUND

The Bank Guarantee Fund is an institution working to ensure the stability of the national financial system; in particular, it guarantees deposits held in banks and credit unions, and is responsible for carrying out the resolution of financial institutions at risk of bankruptcy.

The Bank Guarantee Fund, together with the National Bank of Poland, the Ministry of Finance and the Financial Supervision Authority, forms **the financial safety net** in Poland. The Chairman of the BFG's Management Board is also a permanent member of the Financial Stability Committee.

Figure 1.

FINANCIAL SAFETY NET

Bankowy Fundusz Gwarancyjny	**Bank Guarantee Fund**
Narodowy Bank Polski	**National Bank of Poland**
Ministerstwo Finansów	**Ministry of Finance**
Komisja Nadzoru Finansowego	**Polish Financial Supervision Authority**

1. LEGAL MANDATE

The BFG was established under the Act of 14 December 1994 on the Banking Guarantee Fund. Currently, the legal basis for the Fund's activities is the Act of 10 June 2016 on the Bank Guarantee Fund, the deposit guarantee scheme and resolution, which came into force on 9 October 2016, granting the Fund extensive powers and tools to intervene in situations threatening the stability of the national financial system.

The Act on the BFG transposed into national law the provisions of Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes and Directive 2014/59/EU of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms.

2. AIMS AND OBJECTIVES OF THE BANK GUARANTEE FUND

THE OBJECTIVE OF THE FUND:

The Fund's objective is to take measures to promote the stability of the domestic financial system, in particular by ensuring the operation of the statutory deposit guarantee scheme and by carrying out resolution.

THE FUND'S MAIN TASKS ARE:

- guaranteeing deposits held with a bank or credit union up to the statutory limit (the zloty equivalent of 100,000 euros) and disbursement the covered deposits to depositors within 7 working days of the guarantee condition being met; in specific cases and for a limited period, a depositor is entitled to guarantee protection in an amount higher than the zloty equivalent of 100,000 euros;
- verifying the accuracy of data contained in the calculation systems of entities covered by the guarantee scheme;
- restructuring of domestic entities and other institutions, where they are subject to consolidated supervision by the Polish Financial Supervision Authority, through the write-off or conversion of equity instruments;
- preparing, reviewing and updating resolution plans and group resolution plans;
- conducting resolution;
- collecting and analysing information on entities covered by the deposit guarantee scheme, in particular for the purpose of preparing analyses and forecasts concerning the banking sector and the credit union sector, aimed at the early identification of risks;
- carrying out other activities to promote the stability of the national financial system;
- acting as a receiver as referred to in Article 144(1) of the Banking Law or Article 72c(1) of the Act on Credit Unions, in the event that the Financial Supervision Authority appoints the Fund as receiver.

3. ORGANISATION OF THE BANK GUARANTEE FUND

The statutory bodies of the Bank Guarantee Fund are the Fund's Council and the Fund's Management Board. The tasks of the Bank Guarantee Fund's Management Board include managing the Fund's activities and representing it externally, whilst the tasks of the Bank Guarantee Fund's Council include, amongst other things, the control and supervision of the Management Board's activities.

The Fund Council consists of six members appointed by the institutions forming the financial safety net. The Chair of the Fund Council is a representative of the minister responsible for financial institutions.

In 2025, the Fund's Board comprised the following individuals: Chair of the Fund's Board Katarzyna Przewalska (Ministry of Finance) and Board members: Karol Czarnecki (Ministry of Finance), Jarosław Niezgoda (Ministry of Finance), Jacek Jastrzębski (Polish Financial Supervision Authority), Olga Szczepańska (NBP) and Witold Grostal (NBP). As at 31 December 2025, the composition of the Fund's Board remained unchanged.

The BFG Management Board consisted of the following members: Maciej Szczęsny, Chairman of the Management Board; Tomasz Obal, Deputy Chairman of the Management Board; and Krzysztof Budzich, Member of the Management Board. As at 31 December 2025, the composition of the Fund's Management Board remained unchanged. The current term of office of the Management Board began on 22 May 2024.

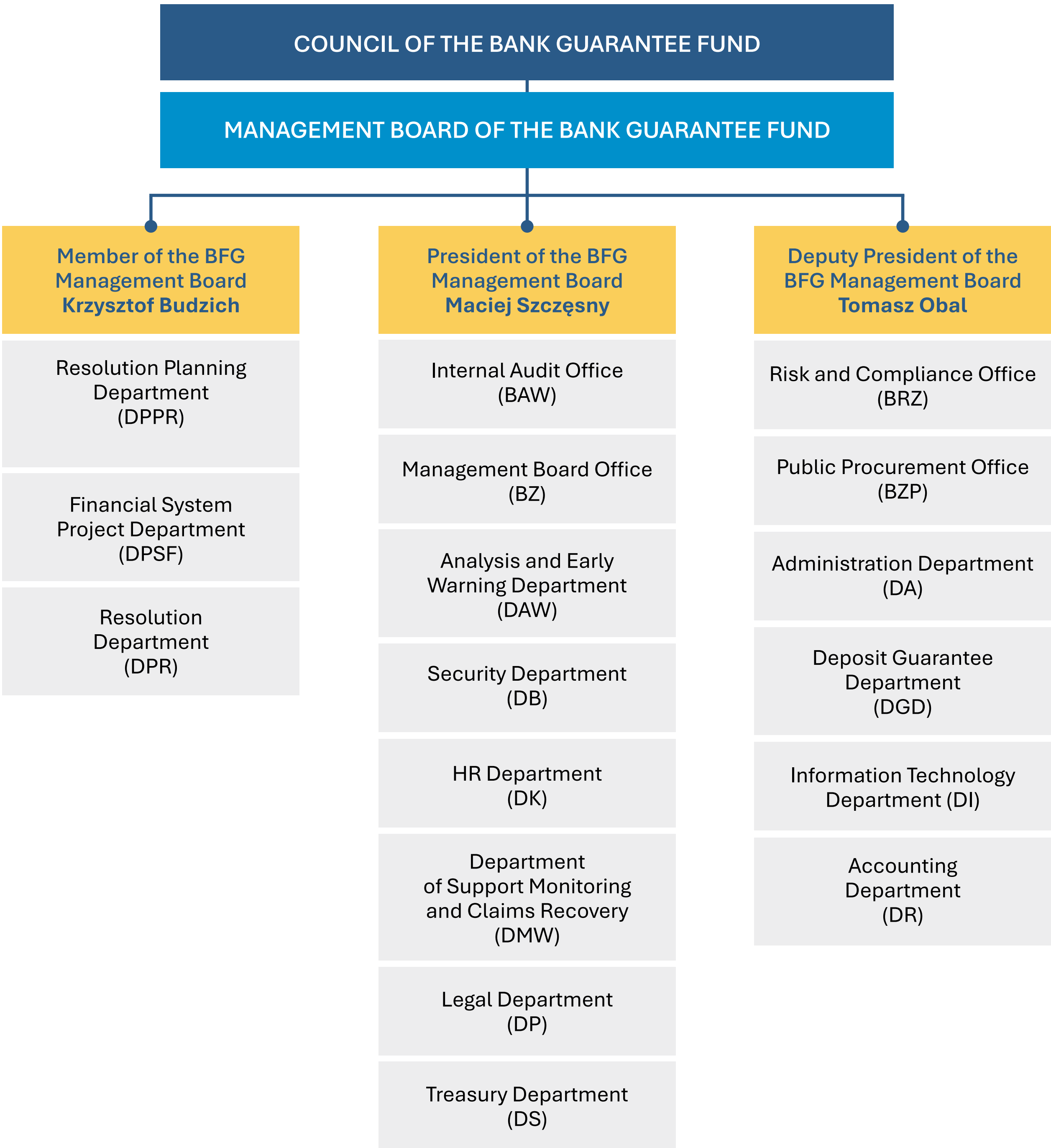
THE ORGANISATIONAL STRUCTURE OF THE BANK GUARANTEE FUND'S OFFICE COMPRISES ORGANISATIONAL UNITS RESPONSIBLE, AMONGST OTHER THINGS, FOR TASKS RELATING TO:

- **Internal Audit Office (BAW)** – auditing the Fund's activities to ensure compliance with established objectives, statutory provisions and internal regulations;
- **Management Board Office (BZ)** – providing support to the Fund's governing bodies and the Chairman of the Management Board, as well as facilitating domestic and international cooperation, and undertaking publishing, promotional and educational activities;
- **Administration Department (DA)**, known as the Administration and Procurement Department (DAZ) until 31 July 2025 – providing support and administrative services aimed at ensuring the smooth functioning of the Fund, appropriate operating conditions, and proper administrative, technical, clerical and archival support;
- **Department of Analysis and Early Warning (DAW)** – analysis of the banking sector and the credit union sector, early warning, analysis and assessment of the economic and financial situation of individual banks and credit unions, the Fund's performance of its role as administrator; the development and updating of risk-based methods for determining the contributions paid by entities to the guarantee and resolution funds; and the preparation of draft proposals regarding the total amounts of these contributions for a given year and proposals for their allocation amongst individual entities;
- **Security Department (DB)** – ensuring the protection and security of data, persons and property, ICT security, and maintaining the Fund's business continuity plan;

- **Deposit Guarantee Department (DGD)** – ensuring that the Fund makes guaranteed payments to depositors and verifying the accuracy of data contained in the calculation systems of entities covered by the mandatory deposit guarantee scheme;
- **IT Department (DI)** – responsible for collecting, processing and providing access to information necessary for the work of the Fund's Office, developing and maintaining the operational efficiency of ICT and communications systems, and ensuring the continuity of the Fund's operations in the ICT area;
- **Human Resources Department (DK)** – human resources matters, implementation of recruitment and remuneration policies, and training activities;
- **Department for Monitoring Support and Claims Enforcement (DMW)** – managing the Fund's receivables, enforcing claims and monitoring the implementation of agreements relating to financial assistance and support granted;
- **Resolution Planning Department (DPPR)** – drafting, reviewing and updating resolution plans and group resolution plans, as well as implementing projects relating to the financial safety net and financial stability;
- **Legal Department (DP)** – providing legal services to the Fund's governing bodies, the Chairman of the Management Board and the Fund's Office;
- **Financial System Projects Department (DPSF)** – preparing the BFG for its role as the resolution authority for insurance and reinsurance undertakings;
- **Department of Resolution (DPR)** – carrying out resolution, providing support and administering entities undergoing resolution, and implementing the resolution process for credit unions;
- **Accounting Department (DR)** – providing accounting services for the Fund and managing its finances;
- **Treasury Department (DS)** – the Fund's investment activities, liquidity management and analysis of the macroeconomic situation in Poland and globally;
- **Risk and Compliance Office (BRZ)** – coordination and support for the Fund's management control system, including the risk management process;
- **Public Procurement Office (BZP)**, from 1 August 2025 – the Fund's procurement policy, including tasks relating to the conduct of public procurement procedures carried out by the Fund.

Figure 2.

ORGANISATIONAL CHART OF THE BFG AS AT THE END OF 2025



IN ADDITION, THE FOLLOWING COMMITTEES OPERATED WITHIN THE BFG OFFICE:

- Asset Management Committee,
- Risk Committee,
- Early Warning System Committee.

DEPOSIT PROTECTION

1. DEPOSIT PROTECTION RULES

THE BANK GUARANTEE FUND

Since 17 February 1995, the Bank Guarantee Fund has guaranteed deposits held with banks, and since 29 November 2013, it has also guaranteed deposits held with credit unions.

At the end of 2025, the guarantee scheme covered deposits held in all domestic banks (excluding Bank Gospodarstwa Krajowego and mortgage banks) and in all credit unions, i.e.:

- **24 commercial banks,**
- **488 cooperative banks,**
- **18 credit unions.**

Fund guarantees deposits from the date they are credited to the account, but no later than the day preceding the date on which the guarantee condition is met – **up to the equivalent in zlotys of 100,000 euros** (including interest accrued as at the start of the day on which the guarantee condition is met). In specific cases, as set out in Article 24(3) and (4) of the Act on the Bank Guarantee Fund, a depositor's funds, within three months of the date on which they are credited to the account or the claim arises, are covered by guarantees in an amount exceeding the zloty equivalent of 100,000 euros (for entities for which the guarantee condition was met after 8 October 2016). Higher guarantees apply, for example, to funds in an account arising from the sale of certain types of property, the payment of an insurance sum, or the payment of compensation or damages, and the disbursement of covered deposits in respect of these is made upon an individual application by the depositor, submitted directly to the Fund.

24
COMMERCIAL BANKS

488
COOPERATIVE BANKS

18
CREDIT UNIONS

THE BANK GUARANTEE FUND'S OBLIGATION

The Bank Guarantee Fund's obligation to a depositor under the deposit guarantee scheme arises on the date on which the guarantee condition is met – that is, on the date on which the Polish Financial Supervision Authority suspends the operations of a bank or credit union and appoints a receivership board (in the case of a bank) or a receiver (in the case of a credit union), provided that one has not been appointed earlier, and the Financial Supervision Authority (KNF) has filed a petition with the competent court for the declaration of bankruptcy, or on the date on which the Banking Guarantee Fund (BFG) files a petition with the competent court for the declaration of bankruptcy of the bank or credit union undergoing restructuring.

COVERED DEPOSITS:

IN THE CASE OF A BANK

Funds held by the depositor in bank accounts to which they are a party, both in zlotys and in foreign currencies, as at the start of the day on which the guarantee condition is met, plus interest accrued as at the start of the same day, in accordance with the interest rate specified in the agreement; and:

- other amounts due to the depositor arising from the bank's maintenance of bank accounts;
- the depositor's receivables arising from the bank's processing of monetary settlements;
- the depositor's claims arising from bank securities issued before 2 July 2014, provided they are confirmed by registered documents issued by the issuer or by registered deposit certificates;
- claims against the bank arising from instructions in the event of death and from the account holder's funeral expenses, provided that such claims became due and payable before the date on which the condition of the guarantee vis-à-vis the bank was fulfilled.

IN THE CASE OF A CREDIT UNION

Funds accumulated by the depositor in accounts to which they are a party, both in zlotys and in foreign currencies, as at the start of the day on which the guarantee condition is met, plus interest accrued as at the start of the same day, in accordance with the interest rate specified in the agreement, and

- other amounts due to the depositor arising from the credit union's management of their accounts;
- the depositor's claims arising from the credit union's processing of financial settlements;
- claims against the credit union arising from instructions in the event of death and from the account holder's funeral costs, provided that such claims became due and payable prior to the date on which the guarantee condition was met in relation to the credit union.

2. PROCESS OF DISBURSEMENT OF COVERED DEPOSITS

The Fund is statutorily obliged to settle claims under the guarantee within 7 working days of the date on which the guarantee condition is met.

Where the guarantee condition is met, the bank's receivership board or the credit union's liquidator determines the balance sheet of the entity in respect of which the guarantee condition has been met, and draws up a list of depositors, which it submits to the Fund within 3 working days (counting from the date on which the guarantee condition was met).

The Fund, using IT tools (CDPS), verifies the depositors' details and then prepares a list of payments to be forwarded to the entity that will make these payments on behalf of and for the benefit of the Fund.

COVERED DEPOSIT PAYOUT SYSTEM (CDPS)

Covered Deposit Payout System – an application and network solution supporting the tasks of the Bank Guarantee Fund in the areas of data verification, including the list of depositors, the preparation of the list of disbursements and handling of disbursements of covered deposits, as well as reporting on these tasks.

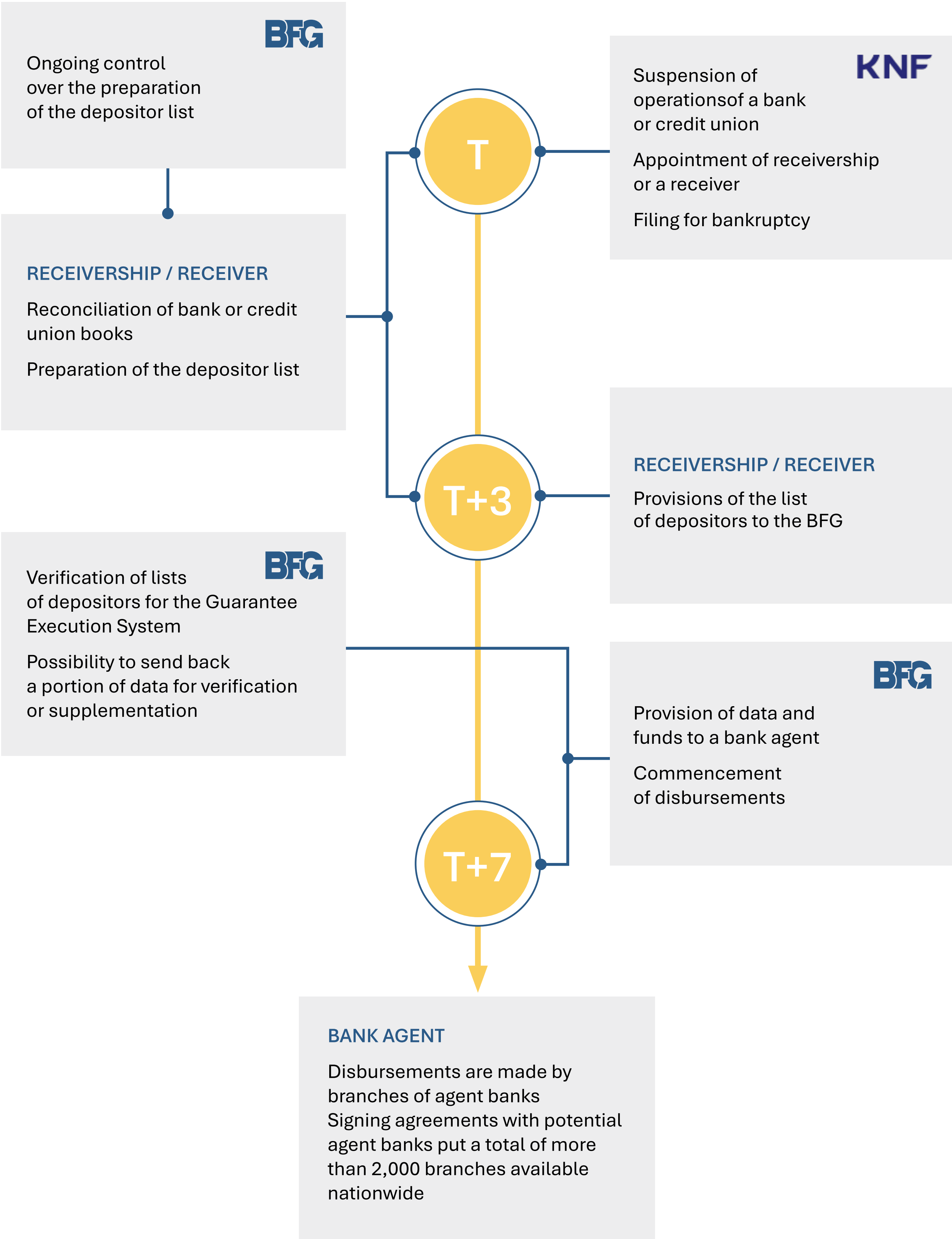
Depositors do not need to submit their claims to the Fund before receiving their covered deposits.

Under the Act on the Bank Guarantee Fund, depending on the Fund's decision, covered deposits may be paid out to depositors by the receivership board (in the case of a bank) or the liquidator (in the case of a credit union), or through another entity (a so-called agent bank), with which the Fund will enter into an agreement to make disbursement of covered deposits.

For the purposes of disbursement of covered deposits, the Fund cooperates with three agent banks with which it has concluded agreements regarding their readiness to make such payments. These are retail banks with an extensive branch network, which allows payments to be made throughout the country, giving depositors easy access to their covered deposits. Persons who, for various reasons, do not collect their entitlements during the disbursement process carried out by the entity designated by the Fund may apply directly to the BFG to collect them by the end of the calendar year in which five years have elapsed from the date on which the guarantee condition was met. After this period, depositors' claims under the guarantee become time-barred.

Figure 3.

THE PROCESS OF PREPARING THE DISBURSEMENT OF COVERED DEPOSITS



3. PERFORMANCE OF GUARANTEE DISBURSEMENTS

Since the Fund began operating, the guarantee condition has been met in respect of 101 banks (including 7 commercial banks and 94 cooperative banks) and 11 credit unions.

Table 1.

FULFILMENT OF GUARANTEE CONDITIONS IN THE YEARS 1995–2025

Year	Commercial banks	Co-operative banks	Credit unions
1995*	2	48	The guarantees for the credit unions came into force on 29 November 2013.
1996	1	30	
1997	-	6	
1998	-	4	
1999	1	-	
2000	1	-	
2001	-	1	
2002–2013	-	-	-
2014	-	-	2
2015	-	1	-
2016	-	1	5
2017	-	-	4
2018	-	-	-
2019	-	1	-
2020	-	2	-
2021	-	-	-
2022	1	-	-
2023	1		
2024	-	-	-
2025	**-**	**-**	**-**
TOTAL	**7**	**94**	**11**

* From 17 February 1995, i.e. from the date on which the Act of 14 December 1994 on the Bank Guarantee Fund came into force.

Between 1995 and 2025, a total of PLN 3,021.7 million was allocated for disbursements to 360,200 eligible bank depositors.

Table 2.

FUNDS ALLOCATED FOR GUARANTEE PAYMENTS TO BANK DEPOSITORS IN THE YEARS 1995–2025

Year	Funds for guarantee disbursements (in PLN million)					Number of depositors
	Total	of which from:				
		FOŚG*	liquid assets of bankruptcy estate	Insolvency Recoveries Fund	Guarantee Fund	
1995	105.0	85.9	19.1	0	-	89,939
1996	50.8	47.3	3.1	0.4	-	59,420
1997	6.4	4.7	0.6	1.1	-	10,418
1998	8.2	4.1	1.8	2.3	-	6,775
1999	4.7	0	2.0	2.7	-	1,572
2000	626.0	484.1	141.9	0	-	147,739
2001	12.5	0	4.5	8.0	-	2,658
2002	0.1	0	0.1	0	-	46
2003	0.1	0	0.1	0	-	27
2004	0.4	0	0.4	0	-	124
2005	0.1	0	0.1	0	-	99
2006	0.1	0	0.1	0	-	5
2007–2008	0	0	0	0	-	0
2009	0.004	0	0	0.004	-	1
2010–2014	0	0	0	0	-	0
2015	2,037.0**	2,036.9	-	-	-	33,147**
2016	145.7**	145.6	-	0.04	0.03	5,670**
TOTAL	**2,997.1**	**2,808.6**	**173.8**	**14.5**	**0.03**	**357,640**

Year	Covered deposits disbursed under the rigour of the BFG Act in force since 9 October 2016. (in PLN million)			Number of depositors**
	Total	of which from:		
		the guarantee fund	FOŚG*	
2017	0.2	0.2	0.0	184
2018	0.002	0.002	0.0	3
2019	24.4**	24.4	0.0	2,382
2020–2025	0.0	0.0	0.0	0
TOTAL ALL YEARS	**3,021.7**	**24.6**	**2,808.6**	**360,209**

* Until the end of 2016, deposit guarantee funds were the primary source of funding for the disbursement of covered deposits to depositors. Under the provisions of the Act on the Bank Guarantee Fund (BFG), from 1 January 2017 until 31 December 2024, banks were required to establish and maintain deposit guarantee funds to satisfy depositors' claims; however, these funds could only be used to make guaranteed payments once the resources of the banks' guarantee fund, extraordinary contributions and resources from other own funds (excluding resolution funds).

** The figures given take into account liabilities included on the list of depositors which required verification of the accuracy of the data.

Between 2014 and 2025, a total of PLN 4,366.6 million was allocated for disbursements to 246,500 eligible credit union depositors.

Table 3.

FUNDS ALLOCATED FOR GUARANTEE DISBURSEMENTS TO CREDIT UNION DEPOSITORS IN 2014–2025

Year	Covered deposits disbursed (in PLN million)				Number of depositors*
		of which from:			
	Total*	CU guarantee fund	payments National Bank	assistance fund	
2014	3,064.0**	20.7	32.8	3,010.5	119,509
2015	0.1	0.1	0.0	0.0	0
2016	617.2	44.5	0.007	572.7	55,226
TOTAL	**3,681.3**	**65.3**	**32.8**	**3,583.2**[1]	**174,735**
Covered deposits disbursed under the rigour of the BFG Act in force since 9 October 2016. (in PLN million)					
Year	Total*	of which from the guarantee fund:			Number of depositors*
		credit unions		banks	
2017	685.2	58.2		627.0	71,738
2018	(-)0.02	(-)0.02		0.0	0
2019	0.09	0.09		0.0	2
2020–2025	0.0	0.0		0.0	0
TOTAL ALL YEARS	**4,366.6**	**123.6**		**627.0**	**246,475**

* The figures given include liabilities listed in the depositors' register which required confirmation of the accuracy of the data.

** Including a liability of 73,000 PLN arising from the Fund's Management Board resolution of 9 February 2015 concerning disbursement of covered deposits to the depositors of CU in Wołomin following the updating of the list of depositors.

In 2025, the Fund's Office made guaranteed payments totalling PLN 206,800 to 9 depositors.

Following confirmation by the Insolvency Administrator of the estate of the Cooperative Bank in Grębów, pursuant to Article 44 of the Act on the Bank Guarantee Fund, of the accuracy of the details of 8 depositors, the BFG Management Board adopted resolutions on 13 and 26 March 2025 and on 8 April 2025 resolutions, on the basis of which the number of depositors and the value of covered deposits on the Bank's disbursement list increased to 2,381 depositors and PLN 23,836.6 thousand respectively (i.e. by PLN 204.3 thousand).

[1] Given that the amount of the Fund's liabilities in respect of covered deposits exceeded both the available cash reserves and the value of the stabilisation fund resources transferred by the National Credit Union – in accordance with the Fund Council's decision – the remaining amount was covered by funds transferred from the BFG assistance fund.

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The table presents information on all payments made to depositors of banks and credit unions (including payments made via agent banks) for whom the guarantee condition was met in the years 2014–2019.

Table 4.

DISBURSEMENT OF COVERED DEPOSITS IN 2014–2025

Realisation of the disbursements of covered deposits in 2014–2025							
No.	Name of entity	Date on which the guarantee condition was met	Number of depositors	Liabilities to depositors (million PLN)	Total disbursements by the end of 2025 (PLN million)	Amount of liabilities at the end of 2025 (PLN million)*	Percentage of disbursement made by the end of 2025 (%)
1.	BS in Grębów	15.07.2019	2,381	23.8	23.7	0.01	99.4%
2.	CU „Wybrzeże”	15.09.2017	7,696	120.8	119.9	0.09	99.3%
3.	CU „Nike”	02.06.2017	10,443	114.4	112.9	0.04	98.7%
4.	Twoja CU	12.05.2017	14,019	165.8	164.2	0.09	99.0%
5.	Wielkopolska CU	03.02.2017	39,574	284.2	280.7	0.07	98.8%
6.	BS in Nadarzyn	24.10.2016	5,860	145.9	145.2	0.000002	99.5%
7.	CU „Skarbiec”	22.07.2016	8,348	88.0	87.7	0.03	99.6%
8.	CU „Arka”	11.05.2016	13,947	93.1	92.4	0.00	99.2%
9.	CU „Jowisz”	25.04.2016	7,380	81.9	80.7	0.03	98.5%
10.	CU „Polska”	25.02.2016	8,343	170.2	169.1	0.000002	99.3%
11.	CU „Kujawiak”	08.01.2016	17,200	183.9	183.1	0.0001	99.6%
12.	SBRiR in Wołomin	23.11.2015	33,144	2,036.9	2,032.1	0.00	99.8%
13.	CU in Wołomin	12.12.2014	45,447	2,246.5	2,242.1	0.00	99.8%
14.	CU „Wspólnota”	18.07.2014	74,042	817.5	812.2	0.00	99.4%

* Including claims that became time-barred on 31 December 2025, and excluding claims that became time-barred in previous years.

4. LIMITATION OF DEPOSITORS' CLAIMS

In accordance with the Act on the Bank Guarantee Fund (BFG) and subject to the provisions of the Civil Code, the limitation period for depositors' claims against the Fund in respect of covered deposits expires at the end of the calendar year in which five years have elapsed from the date on which the guarantee condition was met; this means that, in the case of banks and credit unions for which the guarantee condition was met, the final limitation period for depositors' claims – as a general rule – expired at the end of 31 December 2024. However, this limitation period does not apply to those claims for which the limitation period was interrupted in accordance with the provisions of the Civil Code – such claims are subject to individual limitation periods.

Consequently, at the end of 2025, claims under the guarantee made by the following depositors of the Cooperative Bank in Nadarzyn, CU 'Jowisz', Wielkopolska CU and CU 'Wybrzeże', for which the individual limitation period expired at the end of 31 December 2025.[2] The limitation period expired in respect of claims relating to covered deposits of 6 depositors, totalling 100.01 thousand PLN.

5. CONTROL OF THE CORRECTNESS OF THE DATA CONTAINED IN THE CALCULATION SYSTEMS OF BANKS AND CREDIT UNIONS

Banks and credit unions are required to have calculation systems in place. By automating the process of determining the value of covered deposits for each depositor and enabling data to be transferred to the Fund, these calculation systems allow information on the value of these funds to be obtained quickly. These systems organise data in accordance with the Single Customer View standard, which allows all information relating to a specific customer to be assigned to that customer.

[2] For the majority of depositors at BS in Nadarzyn and CU 'Jowisz', claims became time-barred at the end of 2021, whilst for the majority of depositors at Wielkopolska CU and CU 'Wybrzeże', claims became time-barred on 2 January 2023.

ENUMERATION SYSTEM

Enumeration system – an IT system at a bank or credit union that enables the preparation of detailed data on the bank's or credit union's depositors for the BFG, together with the calculated amounts of covered deposits for each depositor (Single Customer View). Details regarding calculation systems are set out in the *Regulation of the Minister of Finance of 26 September 2016 on requirements for calculation systems maintained by entities covered by the guarantee scheme* (i.e. Journal of Laws of 2025, item 1117) ("Regulation of the Minister of Finance on requirements for calculation systems").

The BFG carries out checks on the accuracy of the data contained in the calculation systems of entities covered by the deposit guarantee scheme on the basis of the provisions of Article 32(1)(1) and (2) of the Act on the BFG, in accordance with the quarterly audit plans approved by the Management Board. Audits of high-risk entities are carried out sequentially.

Audits at the Fund's headquarters are carried out using automated control algorithms and on the basis of expert analyses of data sets. Audits conducted at the premises of banks and credit unions additionally include, amongst other things, the verification of data contained in the calculation systems against source documents.

The aim of the checks is to minimise the risk of compiling a list of depositors containing incorrect or incomplete data and to enable payments to be made swiftly should the conditions for the guarantee to an entity covered by the deposit guarantee scheme be met. As part of the audit, checks are carried out to ensure that the calculation systems comply with the applicable requirements regarding the scope of data, the manner of its presentation and the relevant data labelling, in accordance with the specific provisions of the Act on the Bank Guarantee Fund (BFG) concerning the definitions of a depositor and covered deposits. The entities' readiness to draw up a correct list of depositors as soon as possible after the guarantee condition is met, and to submit this list to the Fund, is also tested. Furthermore, the extent of improvement in data quality compared with the situation identified during previous audits by the Fund is assessed.

The table below presents information on the number of audits of the accuracy of data contained in the calculation systems of entities covered by the guarantee scheme, carried out in 2025.

Table 5.

NUMBER OF DATA AUDITS CARRIED OUT IN 2025

Type of audit	Co-operative banks	Commercial banks	Credit unions	Total
in the Fund*	188	9	3	200
at bank/CU**	4	0	2	6
TOTAL	**192**	**9**	**5**	**206**

* Checks carried out using automated control algorithms and expert analysis of data sets.
** In addition, the data contained in the calculation systems is verified against source documents.

The Fund carries out periodic analyses of the results of checks on data contained in the calculation systems of banks and credit unions. The results of the above analyses confirmed that:

- the entities are taking steps to improve the quality of the data contained in the calculation systems; however, some of them should continue their work on the correct configuration of IT systems, including to ensure that the calculation systems correctly identify customers and claims in terms of the definition of a depositor and funds covered by the guarantee scheme;
- the Fund's supervisory function enabled individual entities, amongst other things, to identify risk factors associated with inadequate data quality, thereby contributing to its improvement.

6. INVESTIGATION AND SETTLEMENT OF THE FUND'S CLAIMS FOR THE DISBURSEMENT OF COVERED DEPOSITS

As at 31 December 2025, the Fund was involved in 12 insolvency proceedings (including four cases where a decision to terminate the proceedings had been issued, but the entities have not yet been struck off the National Court Register) as a creditor in respect of guaranteed deposits, with a total recognised exposure of PLN 4,367,078.6 thousand, of which three proceedings concern banks and the remainder are being conducted against insolvent credit unions.

Table 6.

SUMMARY OF INSOLVENCY PROCEEDINGS AGAINST BANKS IN WHICH THE FUND IS A CREDITOR FOR THE DISBURSEMENT OF COVERED DEPOSITS

Bankrupt institution	Date of bankruptcy declaration	BFG claims – notified	BFG claims – recognised	BFG claims 31.12.2025 – recognised	Amount recovered by the Fund	Fund's satisfaction
		(PLN '000)				
SBRiR in Wołomin	30.12.2015	2,033,885.4	2,033,885.4	1,800,887.5	232,997.9	11.5%
BS in Nadarzyn	19.12.2016	146,289.4	146,291.3	119,027.3	27,264.0	18.6%
BS in Grębów	03.09.2019	24,060.6	23,467.4	10,973.7	12,493.8	53.2%
TOTAL		**2,204,235.4**	**2,203,644.1**	**1,930,888.5**	**272,755.7**	**12.4%**

Table 7.

SUMMARY OF INSOLVENCY PROCEEDINGS AGAINST CREDIT UNIONS IN WHICH THE FUND IS A CREDITOR FOR DISBURSEMENTS OF COVERED DEPOSITS

Bankrupt CU	Date of declaration of insolvency	BFG claims – notified	BFG claims – recognised	BFG claims 31.12.2025 – recognised	Amount recovered by the Fund	Fund's satisfaction
		(PLN '000)				
in Wołomin	05.02.2015	2,276,215.8	2,253,424.6	1,988,424.6	265,000.0	11.8%
„Kujawiak"	31.05.2016	188,775.6	188,499.5	126,004.8	62,494.7	33.2%
„Jupiter"**	02.06.2016	82,511.4	82,511.4	13,661.4	68,850.0	83.4%
„Arka"****	12.07.2016	94,235.4	94,235.4	28,378.8	65,856.6	69.9%
„Skarbiec"	29.09.2016	89,138.1	89,138.1	56,190.3	32,947.8	37.0%
„Wielkopolska"	28.02.2017	285,511.8	285,508.0	59,185.6	226,322.5	79.3%
„Twoja"*	19.06.2017	166,958.2	166,958.2	41,948.3	125,009.9	74.8%
„Nike"	03.07.2017	115,104.3	115,104.4	61,684.1	53,420.3	46.4%
„Wybrzeże" ***	21.11.2017	122,341.4	122,340.3	60,712.5	61,627.8	50.4%
TOTAL		**3,420,792.0**	**3,397,719.9**	**2,436,190.2**	**961,529.8**	**28.3%**

* An announcement was published in the Court and Economic Monitor (hereinafter: 'MSiG') on 27 December 2024 stating that the insolvency proceedings concerning Twoja credit union had been concluded on 17 December 2024; as at 31 December 2025, the claim remained on the Fund's books; the entity had not yet been struck off the National Court Register (KRS); once the decision on striking off becomes final, the claim will be written off the books.

** An announcement was published in the Ministry of Sport and Tourism Gazette (MSiG) of 22 May 2025 regarding the conclusion, with effect from 6 May 2025, of the insolvency proceedings concerning CU 'Jowisz'; as at 31 December 2025, the claim remained on the Fund's books; the entity had not yet been struck off the National Court Register (KRS); once the order for striking off becomes final, the claim will be written off the books.

*** An announcement was published in the Ministry of Sport and Tourism Gazette (MSiG) of 8 September 2025 regarding the conclusion, with effect from 1 September 2025, of the insolvency proceedings concerning CU Wybrzeże; as at 31 December 2025, the claim remained on the Fund's books; the entity had not been struck off the National Court Register (KRS); once the decision on striking off becomes final, the claim will be written off the books.

**** A notice was published in the Ministry of Sport and Tourism Gazette (MSiG) on 9 December 2025 announcing the conclusion, with effect from 5 November 2025, of the insolvency proceedings concerning CU "Arka"; as at 31 December 2025, the receivable remained in the Fund's accounts; the entity had not been struck off the National Court Register (KRS); once the decision on striking off becomes final, the receivable will be written off the books.

SATISFACTION OF THE FUND'S CLAIMS

In the course of the proceedings, in 2025 the Fund received PLN 97,253.8 thousand, which represented 1.5 per cent of the total recognised claims of the Fund in the pending proceedings.

In 2025, the distribution plans were implemented in the proceedings concerning:

- SBRiR in Wołomin – the fourth partial distribution plan;
- CU „Kujawiak" – the sixth partial distribution plan;
- CU „Arka" – the final distribution plan, with the Fund's total recovery amounting to 69.9% of the recognised claim;
- „Wielkopolska" CU – the sixteenth partial distribution plan.

7. OTHER ISSUES RELATING TO DEPOSIT GUARANTEES

THE VALIDATOR APPLICATION

In March 2025, the Fund made the Validator application available to banks and credit unions. This tool is used to verify the accuracy of data contained in calculation systems, including the compliance of file structures with the required schemas, and to identify selected errors and data gaps. The tool supports entities in the process of improving the data contained in their calculation systems. In 2025, 129 organisations downloaded the tool.

TESTS

In 2025, tests continued with three agent banks, primarily to verify the correct handling of the process for the disbursement of covered deposits using the SRG application, following its adaptation to the scope and structure of data contained in calculation systems, which were amended in 2024 as a result of the amendment to the Ministry of Finance's regulation on requirements for calculation systems. These tests, covering the processing of covered deposit disbursement in cooperation with all three agent banks, were successfully completed.

During the reporting period, the Fund took part in a test organised by Sparkassen-Haftungs GmbH (one of the Austrian deposit guarantee schemes), concerning the Fund's obtaining a loan from another deposit guarantee scheme, i.e. the loan referred to in Article 12 of the DGS Directive (in Poland, the implementation of this provision of the DGS Directive is set out in Article 309 of the Act on the Bank Guarantee Fund).

In the fourth quarter of 2025, the Fund, in cooperation with the Slovak deposit guarantee scheme [Fond ochrany vkladov (FOV)], conducted a cross-border test of covered deposits, in which the BFG participated as the home DGS and the FOV as the host DGS.

AMENDMENT TO INTERNAL REGULATIONS

From 1 January 2025 – following the expiry of the transitional provisions of the Act on the BFG concerning covered deposits (hereinafter: 'fośg') – the annual obligation on banks covered by the guarantee scheme to establish and maintain a fośg to satisfy depositors' claims should the guarantee conditions be met has ceased. In the first quarter of 2025, amendments were made to the Fund's internal regulations concerning provisions relating to the GGF.

In the second quarter of 2025, the Fund's Management Board adopted a resolution on the introduction of the 'Procedure for the preparation and execution of disbursement of covered deposits by the Bank Guarantee Fund'. The new regulation replaced the previous internal act governing the area of deposit guarantees, aligning the Fund's internal procedures concerning deposit guarantees and the templates for relevant documents with changes to generally applicable legislation. In the third quarter of 2025, the above-mentioned regulation was amended to bring it into line with the updated Organisational Regulations of the Bank Guarantee Fund Office.

In the fourth quarter of 2025, the BFG Management Board adopted the amended Rules for Verifying the Accuracy of Data Contained in Calculation Systems. The changes introduced primarily involved simplifying selected control procedures, adapting the process to the new functions of the SRG application, and removing obsolete procedures.

RESOLUTION

1. PRINCIPLES OF RESOLUTION

Resolution is the restructuring of a financial institution at risk, carried out where its failure could have a serious adverse impact on its customers, the functioning of financial markets or the economy.

The Act on the Bank Guarantee Fund (BFG) sets out the rules for carrying out resolution of banks, credit unions and certain investment firms, including, amongst other things, a set of instruments and powers necessary to undertake swift and effective intervention in respect of an entity at risk, in order to ensure the continuity of functions that are of critical importance to that entity's customers and the economy (so-called critical functions), safeguarding financial stability, protecting guaranteed deposits, and minimising the use of public funds.

THE FUND CARRIES OUT RESOLUTION WHERE ALL OF THE FOLLOWING CONDITIONS ARE MET:

- the entity is at risk of insolvency;
- there are no reasonable grounds to suggest that measures taken by a domestic entity or the institutional protection scheme, or supervisory measures, including early intervention measures, will enable the risk of insolvency to be removed in a timely manner;
- it is necessary to take action in the public interest.

The need for action in the public interest

The need to take action in the public interest arises where the insolvency of that entity could seriously and adversely affect the safety of its customers or the funds entrusted to it, the maintenance of financial stability (including the functioning of financial markets or the economy), the continued performance of that entity's critical functions, or result in the need to increase the use of public funds in the financial sector to achieve the objectives set out above, and the achievement of these objectives to the same extent would not be possible within the framework of insolvency proceedings.

AS PART OF RESOLUTION, THE FUND MAY APPLY ONE OR MORE OF THE INSTRUMENTS DESCRIBED IN DETAIL IN THE ACT ON THE BANK GUARANTEE FUND:

- takeover of the undertaking,
- a bridge institution,
- the write-off or conversion of the liabilities of the entity undergoing restructuring,
- the spin-off of property rights (only in conjunction with another resolution instrument).

Before applying any of the instruments of resolution referred to in Article 110(1) of the Act on the Bank Guarantee Fund, the Fund shall write off or convert the capital instruments of the entity subject to resolution. Furthermore, for the purposes of applying the resolution instruments, the Fund shall ensure that the valuation referred to in Article 137(1) of the Act on the Bank Guarantee Fund is carried out. Following the application of an instrument, the Fund shall also ensure that the valuation referred to in Article 241 of the Act on the Bank Guarantee Fund is carried out. Depending on the scope of the information contained therein, these valuations are referred to in the Report as Valuation 1, Valuation 2 or Valuation 3.

Losses incurred by an entity undergoing resolution are borne in the first instance by the owners of that entity. In order to provide additional funding for resolution, resolution funds have also been established (one for banks and investment firms, the other for credit unions), to which all entities falling within the scope of the Act on the Bank Guarantee Fund contribute. This has reduced the risk of having to use public funds, and thus of taxpayers having to bear the costs. The BFG may provide financial support for resolution, provided that such support complies with the rules on the granting of state aid by European Union Member States.

2. RESOLUTION PLANNING

In 2025, the Fund's Management Board adopted resolutions approving the reviews of compulsory restructuring plans for 224 cooperative banks, 14 credit unions, 6 investment firms (including one plan for a brokerage house forming part of the plan for a bank operating as a public limited company), 2 federation banks and 10 banks operating as public limited companies (including two mortgage banks included in the resolutions for their parent companies, which are domestic banks). In addition, the resolution plans for 36 cooperative banks and one bank operating as a public limited company were updated.

Furthermore, during the reporting period, the Fund drew up resolution plans for two banks operating as public limited companies. In one case, this concerned a bank which commenced operations as a commercial bank in 2024 following the sale by the BFG of shares in a bridge institution; in the other, it was a consequence of the BFG's failure to join a joint decision on the adoption of a group resolution plan for a group in which a domestic bank is a subsidiary.

The Fund's Management Board adopted resolutions on agreeing and signing a joint decision concerning a group resolution plan, assessing feasibility and determining the minimum level of own funds and eligible liabilities for 13 entities operating within cross-border groups.

During the reporting period, representatives of the Fund participated in meetings of the resolution colleges for 10 cross-border groups – one chaired by the German resolution authority BaFin, one chaired by the Norwegian resolution authority, Finanstilsynet, and eight chaired by the Single Resolution Board (hereinafter 'SRB').

In the 2025 planning cycle, banks operating as public limited companies and cooperative banks operating outside the institutional protection schemes, for which the use of a resolution tool or the write-down or conversion of eligible capital instruments or liabilities is provided for in their resolution plans or group resolution plans, have carried out a self-assessment of compliance with the EBA Guidelines on enhancing the ability to carry out effective resolution and for institutions and resolution authorities (EBA/GL/2022/01 of 13 January 2022, as amended by Guidelines EBA/GL/2023/05[3]). On the basis of the self-assessment forms submitted by the banks and the clarifications provided during individual workshops, the BFG, as part of its assessment of the feasibility of resolution plans, assessed the banks' level of preparedness for resolution and issued recommendations to them, identifying key areas for improvement.

As part of a project carried out under the Technical Support Instrument (TSI) funded by the European Commission, the Fund, in collaboration with an external adviser, has completed work on drawing up a Multi-Annual Testing Plan based on Guidelines EBA/GL/2023/05, and provided banks with detailed information on the timetable and testing methods for individual viability areas for the years 2026–2028. The Multi-Annual Testing Plan covers the following areas of viability: operational continuity (OCIR), financial market infrastructure (FMI), management and communication in resolution, funding and liquidity in resolution, management information system (MIS), write-down or conversion (bail-in), transfer strategy, and the Minimum Requirement for Own Funds and Eligible Liabilities (MREL).

During the reporting period, the Fund, having consulted the Polish Financial Supervision Authority (KNF), in accordance with Article 78a of the CRR, granted five authorisations for the early redemption of eligible liabilities instruments ('senior preferred') prior to their contractual maturity date.

[3] Guidelines amending Guidelines EBA/GL/2022/01 on enhancing the capacity for effective resolution for institutions and resolution authorities in accordance with Articles 15 and 16 of Directive 2014/59/EU (Guidelines on resolvability) to introduce a new section on resolvability testing.

3. RESOLUTION OF GETIN NOBLE BANK S.A.

Pursuant to the preliminary agreement for the sale of shares in VeloBank S.A. dated 29 March 2024 (hereinafter: “PSPA”), concluded with Promontoria Holding 418 B.V. (hereinafter: “the Buyer”), the Fund agreed with the Buyer on the final wording of the Draft Closing Statement (hereinafter: “the Draft Statement”). On 20 January 2025, the Fund’s Management Board approved the Draft Statement, which, in accordance with the PSPA, formed part of the price determination mechanism. The Fund’s approval of the Draft Statement marked the final determination of the sale price for the shares to be acquired and the amount of the capital injection into VeloBank S.A. (to which the Buyer was obliged). The price for 100% of the shares in VeloBank S.A. was set at PLN 375 million, and the amount of the capital injection at PLN 682 million. Thus, the sale of VeloBank S.A. was completed.

4. ASSET MANAGEMENT ENTITY S.A. – ADMINISTRATION OF THE LEASE RECEIVABLES PORTFOLIO

In 2025, Podmiot Zarządzający Aktywami Spółka Akcyjna undertook a series of operational and strategic measures aimed at maximising the value of the acquired portfolio. The company carried out debt recovery and awareness-raising activities targeting lessees, borrowers and leasing companies undergoing restructuring, which enabled the early redemption of bonds issued by the company and the optimisation of the interest cost on those bonds. In particular, several large-scale mailing campaigns were carried out targeting entities in arrears with their payments, and an educational and information campaign was launched on social media and on the PZA S.A. intranet site.

Furthermore, in order to safeguard the Company's legal and economic interests, its representatives attended meetings of the Creditors' Councils of VB Leasing S.A. (in restructuring) and VB Leasing S.A. Automotive S.K.A. (in restructuring), as well as court hearings.

On 1 September 2025, Mr Andrzej Kublik was appointed to the position of Member of the Management Board, and subsequently, on 13 September 2025, to the position of Chairman of the Management Board of PZA S.A.

DECISION

On 27 October 2023, the Fund issued an administrative decision to apply a resolution in the form of the separation of property rights from VeloBank S.A. and their transfer to PZA S.A. The effect of this decision was the transfer to PZA S.A. of all the property rights and liabilities of VeloBank S.A. relating to the agreements specified in the decision linking VeloBank S.A. with leasing companies.

PZA S.A. has the status of an asset management entity within the meaning of Article 2(46) of the Act on the Bank Guarantee Fund (BFG), of which the Fund remains the sole shareholder, and the purpose of its operations is to manage these rights, including their disposal or liquidation.

5. OTHER ACTIVITIES IN THE FIELS OF RESOLUTION

REDEMPTION OR CONVERSION MANUALS AND MANUALS CONCERNING THE TRANSFER INSTRUMENT

During the reporting period, the Fund analysed the content of the Redemption or Conversion Manuals submitted by 13 banks covered by the bail-in strategy, i.e. banks for which the preferred instrument of resolution is the redemption or conversion of capital instruments or liabilities. The documents were subject to a detailed assessment in terms of their compliance with the Fund's guidelines and the practical feasibility of implementing the procedures set out therein.

By the end of the third quarter of 2025, seven banks for which the preferred resolution tool is business transfer (excluding cooperative banks participating in institutional protection schemes) had submitted the first edition of the Manuals concerning the transfer tool, covering Stage 1 of the work, i.e. including, amongst other things, the write-down of equity instruments and liabilities (categories 5–10 of the Operational Guidelines) and exemptions from write-down.

As part of its ongoing cooperation, the Fund engaged in dialogue with banks required to draw up Manuals on write-down or conversion/Manuals on the transfer instrument.

In 2025, the Fund participated as an observer in operationalisation tests for the implementation of the resolution strategy, i.e. the write-down or conversion of equity instruments or liabilities, in accordance with the draft decision on the theoretical initiation of resolution. The tests formed part of the verification of the Redemption or Conversion Manuals drawn up by the banks. Their aim was to assess the practical feasibility of the procedures described and their effectiveness under operational conditions. The scope of the tests was agreed on a case-by-case basis with each bank. During the reporting period, the following banks took part in the tests: Bank Handlowy w Warszawie S.A., SGB-Bank S.A., BNP Paribas Bank Polska S.A. and Bank Pekao S.A. The tests provided valuable experience for both the banks and the Fund. They provided participants with important conclusions and insights, contributing to a greater understanding within the banking sector and raising awareness of the difficulties and constraints faced by banks within the Fund.

ASSISTANCE PROGRAMME

In the third quarter of 2025, the Fund participated in work relating to the extension of the aid programme aimed at supporting the liquidation processes of credit unions *(State Aid SA.119065 (2025/N) – Poland Prolongation of the Credit Unions Orderly Liquidation Scheme)*. As a result, the European Commission extended the scheme for a further 12 months.

Furthermore, in the fourth quarter of 2025, the Fund collaborated on work concerning the extension of the aid scheme for the resolution of cooperative banks and small commercial banks (State Aid SA.120624 (2025/N) – Poland: Prolongation of the resolution scheme for cooperative banks and small commercial banks). These efforts resulted in a decision by the European Commission to extend the programme for a further 12 months.

MONITORING OF THE IMPLEMENTATION OF AGREEMENTS UNDER WHICH SUPPORT WAS GRANTED FROM THE RESOLUTION FUND

As at the end of 2025, the monitoring process covered:

- commercial banks benefiting from support in the form of grants and guarantees to cover losses arising from the resolution of banks;
- a bond repayment guarantee agreement concluded as part of a bank's resolution.

On the basis of the financial statements and data contained in the SWO, the Fund monitored the economic and financial situation of these banks and the fulfilment of obligations arising from the support agreements concluded, particularly with regard to the settlement of loss coverage guarantee agreements.

RECOVERY OF CLAIMS FOR THE INCURRED COSTS OF RESOLUTION

- As at 31 December 2025, the Fund was involved in three insolvency proceedings as a creditor in respect of the costs incurred in connection with resolution.

Table 8.

INSOLVENCY PROCEEDINGS IN WHICH THE FUND PARTICIPATED AS A CREDITOR FOR THE INCURRED COSTS OF RESOLUTION

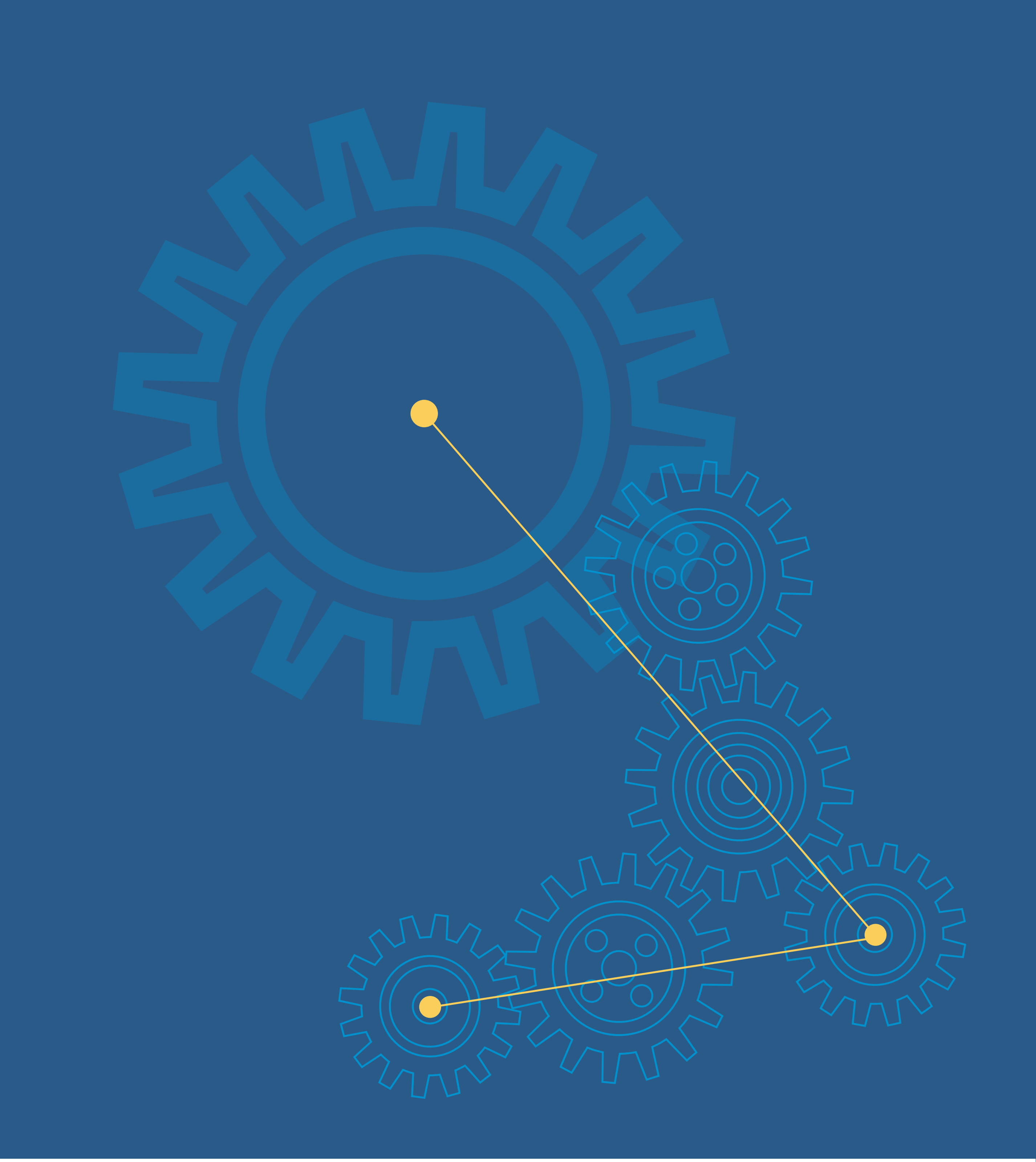
No.	Bankrupt entity	Date of declaration of insolvency	Costs of compulsory restructuring	Claim arising from compulsory restructuring costs – 31.12.2025	Amount recovered by the Fund	Satisfaction of the Fund's claim
			(PLN' 000)			
1.	PBS Sanok	06.08.2020	7,922.2	7,422.2	500.0	6.3%
2.	Idea Bank S.A.	26.07.2022	415,711.3*	846,802.3	0	0 %
3.	Getin Noble Bank S.A.	20.07.2023	6,903,769.0**	5,831,177.7	1,098,250.0	15.9%***
TOTAL			**7,327,402.5**	**6,685,402.2**	**1,098,750.0**	**15%**

* The amount of resolution costs incurred by the Fund that were not covered by resolution proceeds at the time of filing claims with the BFG following the declaration of bankruptcy of Idea Bank S.A.

** The amount of resolution costs incurred by the Fund and not covered by resolution proceeds at the time of the BFG's filing of its claim following the declaration of Getin Noble Bank S.A.'s insolvency.

*** The proportion of the amount relating to the partial repayment of costs for resolution out of the total amount constituting the costs of resolution at the time of the BFG's claim filing following the declaration of Getin Noble Bank S.A.'s bankruptcy.

As at 31 December 2025, the Fund acts as Receiver for Idea Bank S.A. in liquidation and for Getin Noble Bank S.A. in liquidation. In its capacity as Receiver, the Fund has on numerous occasions issued statements in response to orders from the Judge-Commissioner and the District Court for the Capital City of Warsaw in Warsaw, 18th Commercial Division.



ASSISTANCE AND RESTRUCTURING ACTIVITIES

1. PRINCIPLES OF ASSISTANCE AND RESTRUCTURING ACTIVITIES OF THE FUND

THE FUND'S TASKS

The Fund's tasks in relation to the restructuring of credit unions facing a risk of insolvency include:

- providing repayable financial assistance,
- acquiring the credit unions' receivables,
- providing support to entities taking over credit unions, acquiring selected property rights or selected liabilities of credit unions, or to purchasers of a credit union in liquidation, an organised part thereof or selected property rights.

FINANCIAL AID

Financial assistance in the form of loans, guarantees and sureties may be granted to a credit union that is implementing a recovery programme which has received a favourable opinion from the Polish Financial Supervision Authority (KNF). Financial assistance may only be used to eliminate the risk of insolvency.

A condition for the Fund to grant assistance is, in particular:

- the Fund's Management Board's acceptance of the results of the audit of the financial statements relating to the credit union's operations, as submitted by the credit union applying for assistance;
- the credit union presenting a positive opinion from the KNF on the recovery programme;
- demonstrating that the amount of aid requested by the credit union would not exceed the total maximum guarantee amount at that credit union, calculated as the sum of the covered deposits in the credit union's depositors' accounts;
- the use of the credit union's existing own funds to cover the losses of the credit union applying for aid;
- in the case of repayable financial assistance, securing the claims arising from the assistance granted to guarantee the repayment of the full amount of the assistance together with interest.

The Fund consults with the Polish Financial Supervision Authority (KNF) on restructuring measures and the obligations imposed on the credit union.

Financial assistance may be granted provided that it complies with the applicable aid scheme or that the applicant (credit union) has obtained a positive decision from the European Commission on the granting of aid as part of the individual aid notification process.

The Fund may also provide aid in the form of acquiring monetary claims from credit unions facing a risk of insolvency. However, in accordance with *the Regulation of the Minister of Development and Finance of 1 December 2016 on the trading by the Bank Guarantee Fund in claims acquired from credit unions facing a risk of insolvency* (Journal of Laws of 2016, item 1969), these may only be non-past-due claims arising from loans and credits granted, classified by the credit unions as 'regular', for which there are no delays in repayment, and where the debtor's economic and financial situation does not pose a threat to the continued timely repayment of the debt.

SUPPORT

Support may be granted to entities taking over the business or part of the business of a credit union, or to purchasers of the undertaking or assets of a credit union in liquidation, through:

- acquiring shares in the acquiring bank,
- granting a loan or guarantee,
- granting a guarantee to cover all or part of the losses,
- the provision of a grant.

CONDITIONS OF SUPPORT

A condition for the Fund to provide support is, in particular:

- the Fund's Management Board's acceptance of the results of the audit of the financial statements relating to the acquiring bank's or purchaser's operations, as presented by the acquiring bank or purchaser;
- the acquirer or purchaser presenting to the Fund's Management Board a positive opinion from the Polish Financial Supervision Authority (KNF) on the advisability of the takeover and the absence of any threat to the security of depositors' funds held at the credit union in respect of which the KNF has issued a decision on takeover or liquidation, and at the acquiring or purchasing bank or credit union;
- demonstration that the amount of funds committed by the Fund to support the acquiring or purchasing entity would not exceed the total amount of guarantees at the credit union in respect of which the Polish Financial Supervision Authority (KNF) has issued a decision on takeover or liquidation, calculated as the sum of the covered deposits in the acquired depositors' accounts at that credit union;
- the use of the existing own funds of the credit union being taken over or wound up to cover losses;
- securing claims to guarantee the repayment of the full amount of the support, together with interest, in the case of support in the form of a loan or guarantee.

As in the case of the granting of financial assistance, measures relating to the provision of support for the restructuring of credit unions may be undertaken and carried out by the Fund following a decision by the European Commission confirming compliance with the rules on the granting of state aid.

2. RESTRUCTURING OF CREDIT UNIONS

In 2025, the Fund did not conclude any new support agreements in connection with the restructuring of credit unions.

Table 9.

SUPPORT PROVIDED, IN CONNECTION WITH THE RESTRUCTURING OF THE CREDIT UNIONS, IN THE FORM OF GRANTS AND GUARANTEES TO COVER LOSSES IN THE YEARS 2014–2025

No.	Name of bank	Acquired credit union	Year of grant	Net value of acquired property rights as at the date of acquisition in the credit union's accounts (PLN '000)	Initial value of the support granted (grant) (PLN '000)
				PLN '000	
1.	Alior Bank S.A.	CU im. św. Jana z Kęt*	2014	25,873.95	15,895.75
		CU im. Stefana Kardynała Wyszyńskiego*	2016	110,002.86	52,533.74
		CU "Powszechna"*	2016	24,982.44	9,310.12
		CU "Jaworzno"	2019	143,217.94	110,000.00
2.	Bank Pekao S.A.	CU im. Mikołaja Kopernika *	2015	221,696.40	101,926.31
3.	PKO BP S.A.	CU "Wesoła" *	2015	219,465.09	278,858.41
4.	Śląski BS "SILESIA"	CU "Profit"*	2017	1,909.15	115.84
5.	ING Bank Śląski S.A.	CU "Bieszczadzka"	2018	27,810.24	11,824.76
6.	BS in Wschowa	CU "Lubuska"*	2018	6,527.00	1,877.63
7.	BGŻ BNP Paribas S.A.	CU "Rafineria"	2018	34,405.80	41,082.26
8.	Bank Millennium S.A.	CU "PIAST"	2019	127,251.62	67,492.28
TOTAL				**943,142.49**	**690,917.10**

* Contracts completed.

Between 2018 and 2025, the settlement of 7 contracts was completed.

3. MONITORING OF THE IMPLEMENTATION OF AGREEMENTS UNDER WHICH SUPPORT WAS PROVIDED FROM THE CREDIT UNIONS' FUND

AS AT 31 DECEMBER 2025, THE MONITORING PROCESS COVERED:

- commercial banks to which the Fund had provided support in the form of grants and loss coverage guarantees between 2015 and 31 December 2025 in connection with the credit union restructuring process.

On the basis of financial statements and data contained in the SWO, the Fund monitored the economic and financial situation of these banks and the fulfilment of obligations arising from the support agreements concluded, particularly with regard to the settlement of loss coverage guarantee agreements.

Table 10.

BANKS BENEFITING FROM SUPPORT FROM THE CREDIT UNIONS' GUARANTEE FUND

Bank name	Acquired bank	Period of support (coverage of losses, reversal of income)	Period of support (share of income, loss reversals	Total value of covered deposits as at the date of acquisition (maximum value of support)	Value of support granted as at 31.12.2024
				(PLN '000)	
Alior Bank S.A.	CU Jaworzno	31.03.2027	31.03.2027	319,796.2	111,261.8
ING Bank Śląski S.A.	Bieszczadzka CU	31.07.2025	31.07.2025	40,835.2	9,358.9
BNP Paribas S.A. Bank	CU Rafineria	30.04.2026	30.04.2026	77,666.4	36,314.8
Bank Millennium S.A.	CU Piast	30.09.2026	30.09.2026	198,816.8	52,180.5
TOTAL				**637,114.6**	**209,116.0**

4. SETTLEMENT OF LOSS-COVER GUARANTEE AGREEMENTS CONCLUDED IN CONNECTION WITH THE RESTRUCTURING OF CREDIT UNIONS

In 2025, following the settlement of loss coverage guarantee agreements entered into in connection with the restructuring of credit unions, the Fund's receivables amounted to PLN 5,133.6 thousand. In turn, on a cumulative basis from the start of the current loss coverage guarantee agreements until the end of 2025, the Fund's receivables amounted to PLN 21,283.4 thousand.

The Fund's maximum liability as at 31 December 2025, calculated on the basis of the value of the assets covered by the loss coverage guarantees as derived from the banks' settled financial statements, is presented in Table 11. This is a potential liability that would arise if it became necessary to cover losses in respect of all property rights acquired by the Banks. Based on current analyses, it can be concluded that no such risk exists.

Table 11.

MAXIMUM VALUE OF LIABILITIES (ASSETS AT RISK) ARISING FROM GPS AGREEMENTS IN FORCE AT THE END OF 2025

Bank	CU	Maximum liabilities of the Fund (PLN '000)
Alior Bank S.A.	SKOK Jaworzno	3,359.9
ING Bank Śląski S.A.	Bieszczadzka CU	3,514.5
BNP Paribas S.A.	CU Rafineria	139.5
Millennium Bank S.A.	CU Piast	5,661.5
TOTAL		**12,675.4**

RESTRUCTURING OF INSURANCE COMPANIES

RESTRUCTURING OF INSURANCE COMPANIES

Following the Financial Stability Committee's endorsement on 10 December 2021 of the Ministry of Finance's proposal to entrust the BFG with the role of restructuring authority for insurance and reinsurance undertakings, the Fund continued its preparatory work to fulfil this function.

In January 2025, the Directive on the recovery, resolution and orderly winding-up of insurance and reinsurance undertakings (hereinafter: 'IRRD', 'the IRR Directive') was published. EU Member States are required to adopt the necessary legislation to implement the IRRD by 29 January 2027.

Representatives of the Fund participated in the European Insurance and Occupational Pensions Authority's (hereinafter: 'EIOPA') preparation of draft guidelines and technical and implementing standards for the IRR Directive.

In July 2025, the public consultation process on the first part of the draft guidelines and technical standards covering the following areas was concluded:

- the content of preventive recovery plans;
- criteria and methods for determining the market share of undertakings covered by preventive recovery plans;
- the content of resolution plans;
- the identification of critical functions;
- assessment of the feasibility of effective resolution;
- powers to remove obstacles to the feasibility of effective resolution.

A representative of the Fund coordinated the work on preparing responses to the comments submitted during the public consultation on three legal acts, namely the regulatory technical standards specifying the content of resolution plans, as well as guidelines on assessing the feasibility of effective resolution and guidelines on the powers to remove obstacles to effective resolution.

With regard to the other legal acts, the Fund's staff participated in drafting responses to comments submitted during the public consultation. In addition, as part of EIOPA's working groups, BFG staff were involved in preparing the second and third parts of the drafts, covering acts relating to:

- cooperation within resolution colleges;
- reporting for resolution purposes (including deadlines, procedures and the scope of reporting);
- the independence of persons carrying out valuations for the purposes of resolution;
- the rules and scope of application of simplified obligations;
- the valuation of derivatives for the purposes of the write-down and conversion tool;
- methodology for assessing the value of an institution's assets and liabilities in the context of resolution;
- methodology for calculating the additional loss buffer to be included in provisional valuations;
- the separation of valuations for resolution purposes from NCWO valuations;
- methodologies for assessing the treatment of shareholders, policyholders, beneficiaries, creditors and other creditors should the institution undergoing restructuring enter into insolvency proceedings, and methodologies for estimating restoration costs.

The Fund participated in the work of the EIOPA IRRD Implementation Forum, during which discussions centred, amongst other things, on the location of the resolution authority in individual Member States and the approach to the principles of resolution funding. A representative of the BFG prepared and delivered a presentation on the ‘solvent run-off’ instrument and the withdrawal of authorisation.

In 2025, the first and second transposition workshops on the IRRD, organised by the European Commission, also took place. Staff at the Fund, in collaboration with the Ministry of Finance and Economy, prepared questions regarding the interpretation of specific provisions of the Directive and took part in the workshops.

In addition, the Fund completed work on an analysis of the IRRD in the light of the BRRD and the Act on the Bank Guarantee Fund, with a view to preparing the Fund to issue an opinion on the draft regulations implementing the IRRD.

Fund staff also reviewed and analysed other provisions requiring amendments in connection with the implementation of the IRRD. As a result of these analyses, work began on a proposal to introduce an additional ground for declaring an insurance undertaking insolvent, as well as a proposal regarding categories of claims for the insurance sector and the order of their satisfaction under insolvency law.

During 2025, work began on revising the first version of the methodology for identifying critical functions in order to bring it into line with EIOPA guidelines. In addition, work continued on developing a systematic approach to identifying entities subject to resolution planning, including the identification of potential indicators to be used during the selection of entities. Work was also carried out on a template for the resolution plan for insurance and reinsurance undertakings, as well as on guidelines for its preparation.

In 2025, analyses of the insurance market in Poland were carried out on the basis of publicly available data. Using the available data, a single database was also created, aggregating the most important information on insurance and reinsurance undertakings.

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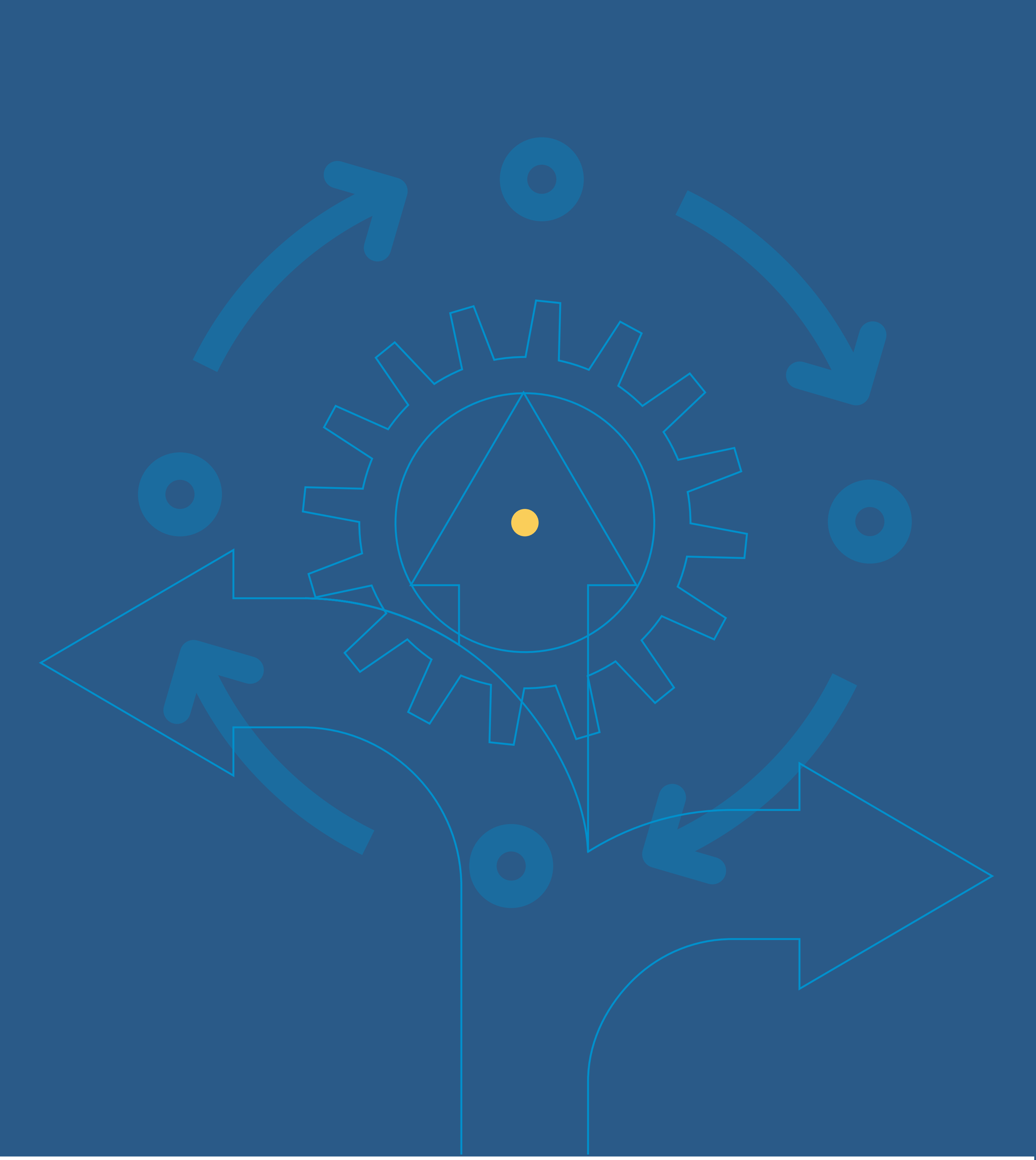


RESOLUTION OF CCP

RESOLUTION OF CCP

The Bank Guarantee Fund was designated as the authority responsible for the resolution and orderly winding-up of CCPs by *the Act of 14 April 2023 amending the Act on Investment Funds and the Management of Alternative Investment Funds, the Act on Bonds, the Act on the Bank Guarantee Fund, the deposit guarantee scheme and resolution, and certain other Acts (Journal of Laws of 2023, item 825), which, in this respect, came into force on 13 May 2023. The Fund's tasks as the CCP resolution authority are set out in Regulation (EU) (EU) 2021/23 of 16 December 2020 on a framework for the recovery and resolution of central counterparties and amending Regulations (EU) No 1095/2010, (EU) No 648/2012, (EU) No 600/2014, (EU) No 806/2014 and (EU) 2015/2365, and Directives 2002/47/EC, 2004/25/EC, 2007/36/EC, 2014/59/EU and (EU) 2017/1132* (OJ EU L 22 of 22 January 2021, p. 1; 'Regulation 2021/23').

In 2025, the Fund, acting as chair, organised a meeting of the Resolution College for KDPW_CCP S.A. at the BFG's headquarters to facilitate a discussion amongst the College members on the updated Resolution Plan for KDPW_CCP S.A. (Resolution plan for KDPW_CCP S.A.).

The Fund has updated the Restructuring and Orderly Winding-up Plan for KDPW_CCP S.A. – The Fund's Management Board adopted a resolution on agreeing and signing a joint decision concerning the Resolution Plan for KDPW_CCP S.A. and assessing the feasibility of carrying out an effective resolution, and to submit it for written approval by the members of the Restructuring and Orderly Winding-up Committee for KDPW_CCP S.A. The joint decision on the adoption of the Plan was taken unanimously by all members of the Committee entitled to vote.

During the reporting period, the Fund commenced discussions with KDPW_CCP S.A. aimed at defining the scope of the CCP's financial and operational data required by the Fund to prepare a valuation of the CCP's assets, liabilities, rights and obligations should it become necessary to subject it to resolution.

ANALYTICAL ACTIVITIES

OBJECTIVE OF THE ANALYTICAL ACTIVITIES

The primary objective of the Fund's analytical activities is to assess the financial situation of the banking sector and individual banks, as well as the credit union sector and individual credit unions, enabling the early identification of entities whose economic and financial situation is deteriorating, and to prepare in advance for potential restructuring measures or the disbursement of covered deposits to depositors. The Fund carries out wide-ranging analytical work using information and data obtained from the National Bank of Poland (NBP), the Polish Financial Supervision Authority (KNF), banks and the Credit Unions' Association (KSKOK).

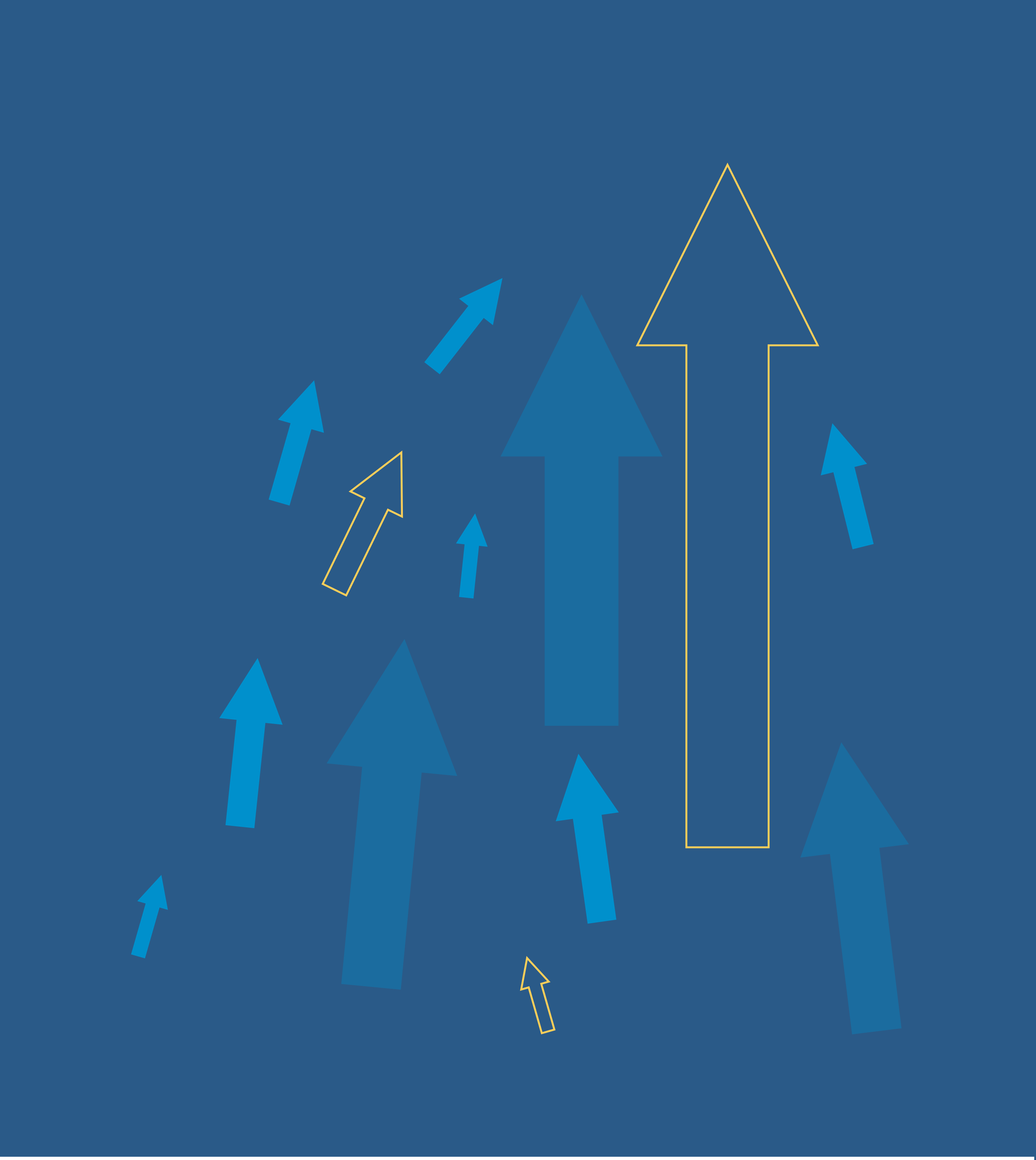
AT THE MONTHLY MEETINGS OF THE EARLY WARNING SYSTEM COMMITTEE, THE FOLLOWING WERE DISCUSSED, AMONGST OTHER THINGS:

- current watchlists of banks and credit unions, as well as a list of high-risk banks, taking into account available on- and off-balance-sheet information;
- the results of a review of the economic and financial situation of selected commercial banks, cooperative banks and credit unions, with particular emphasis on those with a poor or deteriorating economic and financial situation;
- up-to-date information on selected entities, in cases such as: a downgrade in the BION rating, unfavourable findings from UKNF inspections or IPS audits, or the occurrence of events significant from the perspective of these entities' operations – based on publicly available reports and statements, as well as information provided by the UKNF;
- changes in the balance sheet structure and results of commercial banks, including the 10 largest banks in terms of total assets, based on data from the National Bank of Poland's SIS and the financial statements of commercial banks;
- the economic and financial situation of selected commercial banks whose controlling shareholder is a domestic entity;
- the current situation in the banking sector;
- the current situation in the CU sector, detailing the situation of the largest credit union and providing general information on the balance sheet and profit and loss account of the National Credit Union;
- information on the liquidity safeguards of commercial and cooperative banks;
- the impact of CRR III changes on banks' capital adequacy; information on loans to large enterprises;
- information on the banking sector in relation to GDP;
- information on customer loans and their share of the balance sheet total;
- an overview of information on investment firms;
- the results of the review of the statutory auditors' reports on the 2024 financial statements.

CONCEPTUAL AND DESIGN WORK ON THE NEW SWO MODEL, DEVELOPED ON THE BASIS OF CURRENT TRENDS AND BEST MARKET PRACTICES IN THE FIELD OF RISK MEASUREMENT AND MANAGEMENT IN THE BANKING SECTOR, HAS BEEN COMPLETED. AS PART OF THE PROJECT'S IMPLEMENTATION IN 2025:

- comparative tests of various model variants were carried out and the final model specification was approved;
- an IT environment was prepared to enable the solution to be used in the pre-production phase;
- final testing of the solution was carried out and comprehensive documentation for the model was drawn up.

The new SWO model will replace the existing model and the scoring system used to assess cooperative banks in the process of identifying banks at risk of insolvency. Work on implementing the new SWO model within the Integrated Analytical Platform will continue in the coming months.



OTHER ACTIVITIES OF THE FUND

1. LEGISLATIVE WORK

LEGISLATIVE WORK ON AMENDMENTS TO THE ACT ON THE BANK GUARANTEE FUND

On 5 February 2025, amendments to the Act on the Bank Guarantee Fund (BFG), introduced by the Act of 20 December 2024 on entities servicing loans and loan purchasers (Journal of Laws of 2025, item 146), came into force. Under this Act (Article 67), two sets of amendments were introduced to the Act on the Bank Guarantee Fund, concerning:

- minor amendments to the provisions concerning MREL for entities forming part of global systemically important credit institutions (Article 97(19), Article 98(2d), (2e) and (2f), and Article 99(1), second sentence, of the Act on the Bank Guarantee Fund), changes resulting from amendments to the BRRD introduced by Regulation (EU) 2022/2036 of the European Parliament and of the Council of 19 October 2022 amending Regulation (EU) No 575/2013 and Directive 2014/59/EU as regards the prudential treatment of global systemically important institutions implementing a multi-point-of-entry resolution strategy and as regards the methods for the indirect subscription of instruments eligible to meet the minimum requirement for own funds and eligible liabilities (OJ EU L. of 2022, No. 275, p. 1) (implementation);
- exemption from the application of the provisions of the Act of 11 April 2003 on the organisation of the agricultural system to actions undertaken by the Fund in connection with the preparation and implementation of a resolution (Article 121a of the Act on the Bank Guarantee Fund), the disposal of shareholdings in a bridge institution by a shareholder or partner other than the Fund (Article 193(4) of the Act on the BFG) and the disposal of shareholdings in an asset management entity (Article 228a of the Act on the BFG).

On 16 May 2025, the consolidated text of the Act on the Bank Guarantee Fund was published.

On 7 August 2025, amendments to the Act on the Bank Guarantee Fund came into force, which were introduced pursuant to Article 14 of the Act of 25 June 2025 amending certain acts in connection with ensuring the operational digital resilience of the financial sector and the issuance of European green bonds. The Act transposed into Polish law Regulation (EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022 on the digital operational resilience of the financial sector and amending Regulations (EC) No 1060/2009, (EU) No 648/2012, (EU) No 600/2014, (EU) No 909/2014 and (EU) 2016/1011 (the so-called DORA Regulation). Meanwhile, amendments have been made to the Act on the Bank Guarantee Fund (BFG), in particular with regard to the provisions concerning the assessment of the feasibility of resolution plans, and the delegation of power to issue a regulation setting out "detailed criteria for the Fund's assessment of the feasibility of resolution plans and group resolution plans referred to in Article 80(2a), taking into account the need to ensure the achievement of the objectives of resolution". Following the amendment to the terms of the authorisation to issue a regulation pursuant to Article 87 of the Act on the Bank Guarantee Fund, and after prior working consultations with the Fund, the Ministry of Finance, by letter dated 30 September 2025, submitted for comment a draft Regulation of the Minister of Finance and Economy on the information necessary for the preparation, review and updating of resolution plans and group resolution plans, as well as the criteria for assessing the feasibility of those plans (No. 934 in the Minister of Finance and Economy's legislative work programme).

On 23 December 2025, the Act of 4 December 2025 amending the Act amending the Act – the Criminal Code and certain other Acts, and amending certain other Acts, was published in the Journal of Laws (Journal of

Laws, item 1844). This Act introduces amendments to the Public Finance Act concerning the regulations on the establishment and operation of the Central Register of Contracts of Public Finance Sector Entities (hereinafter: the 'Contract Register'), including postponing the date of entry into force of these provisions from 1 January 2026 to 1 July 2026. The Act also introduces an amendment to the Act on the Bank Guarantee Fund (BFG), specifying that the provisions concerning the disclosure of information on contracts in the Register of Contracts do not apply to contracts:

- intended to enable the Fund to carry out its statutory tasks relating to:
  a) the process of disbursement of covered deposits,
  b) the planning and conduct of resolution or resolution and orderly winding-up of a CCP,
  c) the write-down or conversion of equity instruments or eligible liabilities,
  d) the application of government financial stabilisation instruments referred to in Chapter 3a of the Act of 12 February 2010 on the recapitalisation of certain institutions and on government financial stabilisation instruments;
- transactions entered into by the Fund on the financial market relating to trading in financial instruments and the placement of funds with the National Bank of Poland or with banks.

The amendments to the Act on the Bank Guarantee Fund will come into force on 1 July 2026 (in parallel with the main provisions concerning the Register of Agreements).

In 2025, work was underway on a draft Act amending certain Acts relating to the functioning of the financial market and the protection of market participants (previous title: draft Act amending the Act on the Bank Guarantee Fund, the deposit guarantee scheme and resolution, and certain other Acts; hereinafter: 'draft UC65'). On 12 December 2025, the UC65 draft was submitted to the Sejm (as Document No. 2101).

With regard to matters falling within the scope of the BFG's activities, the UC65 Bill aims to:

- the implementation of the provisions of Directive (EU) 2024/1174 of the European Parliament and of the Council of 11 April 2024 amending Directive 2014/59/EU and Regulation (EU) No 806/2014 as regards certain aspects of the minimum requirement for own funds and eligible liabilities (OJ (EU) L 2024/1174 of 22 April 2024), (the so-called 'Daisy Chains 2 Directive');
- supplementing and amending the implementation of certain provisions of Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU of 15 May 2014 with regard to the loss-absorbing and recapitalisation capacity of credit institutions and investment firms, and Directive 98/26/EC (OJ EU L 150, 7 June 2019, p. 296, as amended), (the so-called ' BRR2 Directive'). In this regard, attention should be drawn to the amendments proposed to Article 144b(3), Article 156, Article 204, Article 206 and Article 222 of the Act on the Bank Guarantee Fund.

The Daisy Chains 2 Directive, and the proposed implementing regulations following on from it, mainly introduce technical changes to the mechanism for determining and deducting MREL in the context of subsidiaries and banking groups, and, as a general rule, remove the requirement to determine MREL for entities not subject to resolution. The implementation of the provisions relating to MREL is intended, amongst other things, to ensure that the mechanism for deductions in the relationships between subsidiaries and banking groups (chain structures) is proportionate and does not create problems from the perspective of a level playing field for different banking group structures.

It should be noted that the UC65 draft has been significantly narrowed in scope compared with the version of that draft dated 30 October 2024, due to the need for the urgent implementation of the aforementioned EU legislation. The proposed provisions removed from draft UC65, as well as numerous proposals put forward by the Fund during the first round of consultations on draft UC65, have, however, been incorporated into draft Act amending certain Acts with a view to developing the financial market and enhancing financial stability within that market (UC132). In December 2025, the UC132 draft bill was at the stage of internal consultation within the Ministry of Finance. It is to be assumed that public consultation and parliamentary work on this draft bill will take place in 2026. With regard to matters falling within the scope of the BFG's activities, the draft bill aims, amongst other things, to:

- incorporating into the provisions of the Act on the BFG the guidelines of the European Banking Authority dated 13 June 2023, No. EBA/GL/2023/05, entitled 'Guidelines amending Guidelines EBA/GL/2022/01 on enhancing the ability to carry out effective resolution for institutions and resolution authorities in accordance with Articles 15 and 16 of Directive 2014/59/EU (Guidelines on resolvability) to introduce a new section on resolvability testing". As part of the implementation of these guidelines, the draft Act proposes the introduction of an on-site inspection, the purpose of which would be – in accordance with the guidelines – "an investigation and assessment [regarding the feasibility of resolution] carried out by the authorities, which have a predetermined scope and timeframe and are conducted at the institution's premises";
- supplementing and clarifying certain provisions of the Act on the Bank Guarantee Fund (BFG) and other Acts, based on the Fund's experience to date in the area of resolution and the disbursement of covered deposits, with a view to streamlining these processes in order to enable the Fund to carry out its statutory tasks more effectively in the interests of the stability of the national financial system. These include, amongst others, provisions concerning: the imposition of sanctions for breaches of disclosure obligations in relation to MREL (Article 99b); the securing of the Fund's claims arising from support granted (Article 112); the waiver of the requirement to acquire shares in the acquiring bank as part of the restructuring of banks and credit unions (Articles 264 and 268a); the introduction of amendments concerning the information (provided by entities) necessary for the performance of the Fund's tasks (in particular for the preparation of estimates) (amendments to, amongst others, Article 330); increasing the involvement of institutional protection schemes (IPS) in resolution (participation in the search for an acquiring entity, support in preparing valuations) – amendments in this regard will also be introduced into the Act on the Operation of Cooperative Banks, their Association and Associating Banks; clarifying the distribution of funds received from the insolvency estate (Article 285); setting out the basis for determining extraordinary contributions, and the timeframe for replenishing funds following their partial utilisation, as well as amendments concerning professional secrecy, including in the context of the use of cloud technologies (Articles 320 and 320a); as well as provisions clarifying the rules on deposit guarantees and disbursements to depositors (including issues relating to the suspension and interruption of limitation periods, and the identification of depositors);
- an extension of the exemptions from the obligation to apply transfer pricing rules in transactions between the Fund, a bridge institution and an asset management entity;
- amendments to the tax laws (PDOF and PDOP) concerning the rules for recognising losses arising from the conversion of eligible liabilities into equity interests. These are intended to exempt persons subscribing for new shares issued pursuant to a decision of the Bank Guarantee Fund (BFG) made under Article 70a(1) (redemption or conversion of equity instruments or eligible liabilities) and Article 212a(1) (redemption or conversion of liabilities) of the Act on the Bank Guarantee Fund from the obligation to pay corporation tax (CIT) and personal income tax (PIT);
- clarifying amendments to the Insolvency Act.

Minor amendments of an adaptive nature to the Act on the Bank Guarantee Fund are also proposed in the draft Act amending the Act on the Functioning of Cooperative Banks, their Association and Associating Banks, and Certain Other Acts (Sejm Document No. 1937) and consist of the deletion of references to the 'integrated association agreement' referred to in the Act on Cooperative Banks, in connection with the repeal of this form of bank association proposed in the draft.

Furthermore, a draft Act amending certain Acts in connection with the provision of information to the European Single Access Point (UC 73), which introduces, amongst other things, amendments to the Act on the Bank Guarantee Fund (BFG) in order to make the necessary changes following the entry into force of European Union legislation concerning the establishment of *the European Single Access Point*.

PARTICIPATION IN WORK RELATING TO NATIONAL LEGISLATION

19 December 2025 the Regulation of the Minister of Finance and Economy of 28 November 2025 on the information necessary for the preparation, review and updating of compulsory resolution plans and group compulsory resolution plans, and the criteria for assessing the feasibility of such plans (Journal of Laws, item 1702) came into force. The Regulation was issued in connection with an amendment to the statutory authorisation for its adoption (Article 87 of the Act on the Bank Resolution Fund), which was extended to include the requirement to specify "detailed criteria for the Fund's assessment of the feasibility of resolution plans and group resolution plans (...)". At the same time, following the repeal, with effect from 30 December 2025, of Commission Implementing Regulation (EU) 2018/1624 of 23 October 2018 laying down implementing technical standards with regard to the procedures and standard forms and templates to be used for the submission of information for the purposes of drawing up resolution plans for credit institutions and investment firms in accordance with Directive 2014/59/EU and repealing Commission Implementing Regulation (EU) 2016/1066, and the entry into force of the new Commission Implementing Regulation (EU) 2025/2303 of 14 November 2025 laying down implementing technical standards with regard to the procedures and standard forms and templates to be used for the provision of information for the purposes of drawing up resolution plans for credit institutions and investment firms in accordance with Directive 2014/59/EU and repealing Commission Implementing Regulation (EU) 2018/1624 (OJ (EU) L of 2025, item 2303) (published on 10 December 2025), a letter was sent to the Ministry of Finance regarding the necessary amendments to the aforementioned Regulation of the Minister of Finance and Economy of 28 November 2025.

During the reporting period, the Fund submitted its views to the Ministry of Finance on, amongst other things, the following draft legislative acts:

- the Act on special measures concerning the examination of cases relating to credit agreements concluded with consumers that are denominated in or indexed to the Swiss franc;
- the Act amending certain Acts in connection with ensuring the digital operational resilience of the financial sector and the issuance of European green bonds;
- the Act amending the Act on the Prevention of Money Laundering and Terrorist Financing;
- the Act amending the Banking Law and the Act on the Population Register;
- the Act amending the Banking Law and the Restructuring Law (deregulation package);
- the Act amending the Act on the handling of complaints by financial market entities, on the Financial Ombudsman and on the Financial Education Fund;
- the Act amending the Banking Law, the Act on Insurance and Reinsurance Activities and certain other Acts;
- the Act on the operation of cooperative banks, their association and umbrella banks, and certain other Acts;
- the Act amending the Act on the exchange of tax information with other countries and certain other Acts;
- the Act amending the Personal Income Tax Act;

- the Act amending the Accounting Act, the Act on Statutory Auditors, Audit Firms and Public Oversight, and certain other Acts;
- the Act on Personal Investment Accounts;
- Regulation of the Minister of Finance and Economy on requirements for calculation systems maintained by entities covered by the deposit guarantee scheme;
- the Regulation of the Minister of Finance on the risk management system in an entity providing credit services;
- the Regulation of the Minister of Finance amending the Regulation on detailed rules for the preparation of consolidated financial statements of capital groups by entities other than banks, insurance undertakings and reinsurance undertakings;
- the Regulation of the Minister of Finance amending the Regulation on the detailed conditions to be met by a regulated market and an auction platform;
- Regulation of the Minister of Finance amending the Regulation on the conditions to be met by an alternative trading system or an organised trading platform;
- a regulation amending the Regulation of the Minister of Finance on the reports of cooperative credit unions and the National Cooperative Savings and Credit Union;
- the Regulation of the Minister of Finance on the provision of information concerning the transfer to the purchaser of loans of the lender's rights or claims arising from non-performing loan agreements, reports on loan servicing activities and financial statements;
- the Regulation of the Minister of Finance amending the Regulation on the scope of information disclosed in financial statements;
- Regulation of the Minister of Finance on the countercyclical buffer ratio;
- Regulation of the Minister of Finance and Economy amending the Regulation on the exemption from the obligation to collect flat-rate personal income tax;
- Regulation of the Minister of Finance and Economy amending the Regulation on the exemption from the obligation to collect flat-rate corporate income tax;
- Regulation of the Minister of Finance on specific accounting rules for insurance and reinsurance undertakings;
- the Regulation of the Minister of Finance on the rules for creating provisions for risks associated with the activities of banks.

In 2025, the Fund also submitted to the Ministry of Finance a position on:

- a deregulation proposal concerning the reduction of administrative burdens in connection with the provision of information, inter alia, to the Bank Guarantee Fund (BFG) pursuant to the Regulation of the Minister of Development and Finance of 9 August 2017; the detailed scope, procedure and deadline for providing the Bank Guarantee Fund with the information necessary for it to carry out its tasks, and the method for verifying the accuracy of the information provided;
- preliminary rulings referred to the CJEU by the District Court in Przemyśl concerning the application of the WIBOR rate (application of Council Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer

contracts [hereinafter: 'Council Directive 93/13/EEC'], the legal and factual situation prior to the entry into force of Regulation 2016/1011[4];

- referral questions to the CJEU from the District Court in Koszalin concerning the provisions of Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market;
- the use of cloud computing services by public administration bodies, including an analysis of the Fund's needs in relation to the possibility of using cloud services;
- legislative proposals from the Polish Bankers' Association aimed at expanding the list of entities to which information covered by banking secrecy may be disclosed by adding points 4 and 5 to Article 106d(1) of the Banking Law, and enabling banks to exchange information with one another regarding individuals or companies in breach of sanctions regulations relating to the situation in Ukraine;
- the proposals of the Task Force for the Coordination of the Legislative Process Implementing Deregulation, concerning the discontinuation of the practice whereby public administration bodies obtain information contained in public registers directly from businesses or citizens.

In response to a request from the Ministry of Finance, during the reporting period the Fund prepared a position, inter alia, regarding the preliminary questions formulated by the Regional Court for Warsaw – Praga in Warsaw, in its decision of 30 June 2025, ref. no. II C 1440/24, preliminary questions concerning the interpretation of Article 840 § 1(1) and (2) of the Code of Civil Procedure, and the interpretation of Article 3(1), Article 4(2) and Article 6(1) in conjunction with Article 7(1) of Council Directive 93/13/EEC.

On 30 July 2025, the Fund submitted to the Ministry of Digitalisation a position paper on the draft Act amending the Act on the computerisation of the activities of entities performing public tasks and certain other matters, according to which the Fund is not obliged to maintain, and does not maintain, the public registers referred to in the proposed amendment to the aforementioned Act, and the Fund's ICT systems, which are used exclusively for the performance of statutory tasks, are not used for the exchange of data with public bodies; consequently, they fall outside the scope of the Act in question.

On 11 August 2025, the Fund submitted to the President of the Office of Competition and Consumer Protection its position on the draft Consumer Credit Act, which transposes into Polish law:

- Directive (EU) 2023/2225 of the European Parliament and of the Council of 18 October 2023 on consumer credit agreements and repealing Directive 2008/48/EC;
- Directive (EU) 2023/2673 of the European Parliament and of the Council of 22 November 2023 amending Directive 2011/83/EU as regards distance contracts for financial services and repealing Directive 2002/65/EC.

[4] Regulation (EU) 2016/1011 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.

PARTICIPATION IN WORK RELATING TO EUROPEAN LEGISLATION

During the reporting period, work continued on the CMDI package, comprising the following legislative proposals:

- a draft directive of the European Parliament and of the Council amending Directive 2014/59/EU as regards early intervention measures, the conditions for triggering resolution proceedings and the financing of resolution actions;
- a draft directive of the European Parliament and of the Council amending Directive 2014/49/EU as regards the scope of deposit protection, the use of funds from deposit guarantee schemes, cross-border cooperation and transparency;
- a draft Regulation of the European Parliament and of the Council amending Regulation (EU) No 806/2014 as regards early intervention measures, the conditions for triggering resolution proceedings and the financing of resolution actions.

The Fund continued to support the Ministry of Finance during negotiations on the above-mentioned draft legislation in the ongoing discussions within the European Union in the form of so-called trialogues (i.e. involving representatives of the European Parliament, the Council and the European Commission).

At the end of June 2025, during the Polish Presidency of the Council of the EU, a political compromise was reached on the CMDI package. Later in the year, editorial work continued on the texts of the legal acts falling within its scope (including translations).

Furthermore, during the reporting period, the Fund submitted to the Ministry of Finance its position on, amongst other things:

- the working document of the European Commission's Expert Group on Banking, Payments and Insurance, 'Non-Paper on macroprudential policies for Non-Bank Financial Intermediaries (NBFIs)';
- the report 'A strong, competitive Europe: unlocking the potential of securitisation', presented at the meeting of the Eurogroup Working Group on 28 November 2024: 'Follow-up on the CMU statement: securitisation and further processes';
- draft delegated act: COMMISSION DELEGATED REGULATION (EU) …/… of 23 April 2025 supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards specifying the general conditions for the functioning of supervisory colleges, and repealing Commission Delegated Regulation (EU) 2016/98;
- draft delegated act: COMMISSION DELEGATED REGULATION (EU) …/…of 23 April 2025 supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to regulatory technical standards specifying the conditions and indicators that the EBA is to use to determine whether extraordinary circumstances within the meaning of Article 325az(5) and Article 325bf(6) of that Regulation have occurred;
- working documents of the Financial Services and the Banking Union (Securitisation) Working Group;
- as part of the linguistic and legal review of the Polish language version of:

  a) the Regulation on reporting requirements in the fields of financial services and investment support,

  b) the Regulation amending the CRR (Regulation 575/2013) with regard to the NSFR.

In connection with the hearing before the CJEU scheduled for 11 June 2025 in the case of C-471/24 PKO BP (contractual provisions concerning variable interest rates based on the WIBOR reference rate), at the request of the Ministry of Finance, in a letter dated 24 April 2025, the Fund presented proposed answers to the CJEU's questions concerning the application of Article 1(2) of Council Directive 93/13/EEC, for possible use by the representative of the Republic of Poland at the hearing before the CJEU.

In response to the letter from the Ministry of Finance, the Fund analysed the CJEU judgment in Case C-687/23 and the order terminating proceedings in Case C-447/23 with regard to their potential impact on the Fund's activities and in order to prepare a position in the context of any potential need to amend the currently applicable regulations.

2. NATIONAL AND INTERNATIONAL COOPERATION

NATIONAL COOPERATION

During the reporting period, representatives of the Fund actively participated in a variety of initiatives aimed at developing the banking and insurance sectors, as well as strengthening the stability of the national financial system. These activities were carried out both as part of the Fund's statutory tasks and through active participation in expert debates, legislative work and industry initiatives.

During the year, the Chairman of the Management Board, members of the Management Board and the Fund's experts attended meetings of the Polish Financial Supervision Authority and the Financial Stability Committee – both in its macro-prudential capacity (KSF-M) and in relation to crisis management (KSF-K). Participation in these activities enabled an ongoing assessment of systemic risks and the development of common positions in the face of changing market and regulatory conditions. The Fund also continued its close cooperation with the Ministry of Finance, the National Bank of Poland and the Polish Financial Supervision Authority, ensuring consistency of action in the area of financial stability.

Furthermore, representatives of the BFG took part in parliamentary proceedings, including meetings of the Sejm's Public Finance Committee, the Senate's Budget and Public Finance Committee, and the Standing Sub-Committee on Financial Institutions. These activities focused on issues relating to the state of the banking sector, regulatory challenges and the prospects for its further development. The Fund was also represented on the Permanent Working Group on Payment Security at the National Bank of Poland (NBP) and on the Financial Education Council, operating under the minister responsible for financial institutions, emphasising the importance of education as a component of the system's long-term stability.

The reporting year was also a period of intense engagement by the Fund in public and sector-specific debate. Of particular significance was the participation of BFG representatives in the 15th European Financial Congress in Sopot, which is one of the key forums for discussion on the future of the financial system in Europe. The Fund's participation in the Congress was further linked to the celebrations marking the 30th anniversary of its operations.

The Chairman of the Management Board, Maciej Szczęsny, took part in a panel entitled ‘How to get a bank back on track?’, which focused on restructuring issues, as well as in accompanying events, emphasising the role of customer relations and financial education in building the sector’s resilience. Representatives of the Management Board also took part in debates on model loan agreements, consumer protection and the development of the covered bond market. During the Congress, Ewa Kawecka-Włodarczak, the first Chair of the BFG Management Board, and Ewa Śleszyńska-Charewicz, the first head of the General Inspectorate of Banking Supervision (GINB), were honoured with the title “Distinguished for the sustainable and stable development of the Polish financial system”.

The Fund was also active at events dedicated to the insurance sector, including industry congresses and forums, where market competitiveness, regulatory challenges and the need to adapt business models to the changing technological and macroeconomic environment were discussed. Participation in conferences on insolvency and restructuring law facilitated an exchange of experiences between representatives of academia, the judiciary and the business community, as well as reflection on the direction of future legislative changes.

Meetings and conferences within the cooperative banking sector were an important area of activity. Representatives of the BFG took part, amongst other events, in the Cooperative Banks’ Leaders’ Forum and in events organised by the Polish Bankers’ Association and the National Association of Cooperative Banks. Speeches emphasised the importance of institutional protection schemes (IPS) as a key pillar of the sector’s security and the need for further cooperation between the Fund and cooperative banks. The celebrations marking the anniversaries of the protection schemes of the BPS and SGB associations provided an opportunity to take stock of a decade of these schemes’ operation and to highlight the challenges associated with digitalisation, competition from fintech firms, the development of stablecoins, AML requirements and the growing importance of cybersecurity. During the 10th-anniversary conference marking the BPS Association Protection System, Maciej Szczęsny, Chairman of the Management Board, emphasised how the establishment of the protection systems had been a crucial step in strengthening the sector’s security.

Representatives of the Fund also took part in conferences on retail, corporate and investment banking, as well as in forums bringing together the financial sector and new technologies (FinTech and InsurTech). The debates highlighted the need to balance the interests of borrowers and depositors, mitigate legal risks and enhance the transparency of financial products. Speeches by representatives of the Management Board highlighted the need for a broad perspective on the sector’s stability – covering both capital issues (including MREL) and customer confidence, as well as the level of their financial literacy.

Maciej Szczęsny, Chairman of the Management Board, took part in a panel discussion at the Retail Banking Congress entitled ‘A model mortgage agreement – predictability as the foundation for the sector’s development’, during which he emphasised the need for a broad perspective on banking issues, encompassing consumers on both sides of the banks’ balance sheets: both assets (borrowers) and liabilities (depositors).

Furthermore, the Chairman of the Management Board took part in the Warsaw Global Investors Summit – Finance – Technology – Defence, dedicated to building lasting relationships and economic alliances, as well as international economic cooperation, during a period of dynamic geopolitical change. In addition, he served as a jury member in the final of the ESGthon for Impact competition organised by CFA Society Poland and the Warsaw Stock Exchange Foundation.

Krzysztof Budzich, a member of the Management Board, took part in the Convention for Cooperation and Development of Polish Cooperative Banking, where, during one of the sessions, he presented an assessment of the current situation in the cooperative banking sector. In his speech, he highlighted, amongst other things, the dynamic growth in the balance sheet total of local banking in recent years and the improvement in performance indicators. At the same time, he emphasised that the sector's very good results should be used to drive further consolidation, which would enable to reduce the costs of growing regulatory burdens. A larger scale of operations yields economies of scale, facilitates the implementation of new technologies, makes the sector more stable, and relatively reduces the burden of reporting obligations.

The culmination of the anniversary celebrations was a panel discussion entitled 'Banking crisis management and customer protection – between system stability and the temptation to abuse', organised by the BFG during the 11th Congress of Polish Economists in Poznań. Guests discussed the stability of the financial system, financial crisis management and the risk of the temptation to abuse. During the discussion, issues such as resolution, MREL, customer trust and education, as well as the evolution of the deposit guarantee scheme, were raised. The panel marked the culmination of a series of events organised by the BFG to mark the Fund's 30th anniversary.

INTERNATIONAL COOPERATION

INTERNATIONAL ASSOCIATION OF DEPOSIT INSURERS (IADI)

In 2025, the Bank Guarantee Fund actively participated in the work of the International Association of Deposit Insurers. Representatives of the Fund took part in three regular meetings of the Executive Council (EXCO), an ad hoc meeting, and the work of standing, regional and technical committees and working groups, helping to develop solutions relating to deposit guarantee schemes and resolutions for the restructuring of banks.

In November 2025, during the IADI's 24th Annual General Meeting (AGM) in Lisbon, the Chairman of the BFG's Management Board was elected to the IADI Executive Council for a three-year term. During the meeting, the updated Core Principles for Effective Deposit Insurance Systems were also presented, and further work on the Assessment Handbook – which forms the basis for assessing the compliance of national deposit guarantee schemes with international standards – was discussed.

Another significant achievement for the Fund was the appointment, in May 2025, of the Director of the Resolution Department as Chair of the Resolution Technical Committee (RTC) for a three-year term. Under the leadership of the BFG representative, the Committee carries out work on cooperation between institutions within the financial safety net, the use of deposit guarantee scheme funds in resolution processes, and the selection of resolution tools for small and medium-sized banks. In 2025, the Committee's work plan, covering the development of knowledge sharing and best practices among IADI members, was also approved.

Representatives of the Fund actively shared the BFG's experience at international conferences organised by the IADI. In June 2025, at the conference 'Enhanced bank resolution frameworks and the vital role of deposit insurance systems in bank failure', organised by the African Regional Committee (ARC), representatives of the BFG presented the Fund's experience in the application of resolution instruments, the development of loss-absorption capacity and the use of a bridge institution.

One of the most significant events of the year was the BFG's hosting of the IADI European Regional Committee conference, which took place in Warsaw on 25–26 September 2025 under the theme 'The Landscape is changing: Resolution, reform, and innovation'. The event was attended by representatives of deposit guarantee schemes , supervisory authorities, EU institutions and the academic community. Discussions focused on the reform of the CMDI package, the financing of restructuring measures, experiences with resolution processes, and the impact of innovation – including central bank digital currencies (CBDCs) – on the functioning of deposit guarantee schemes. The organisation of the conference in the year marking the BFG's 30th anniversary confirmed the Fund's strong position within the European and international financial safety net.

In the third quarter of 2025, the Fund began expert cooperation with institutions from Kenya and Zambia to exchange experiences regarding the use of the bail-in instrument and the bridge institution. Representatives of the BFG also participated in the work of the European Regional Committee (ERC), the Financial Cooperatives Technical Committee (FCTC) and the Reimbursement Technical Committee (RTC), as well as in the preparation of analyses and studies carried out by the IADI.

The Fund's activity within the IADI strengthened the BFG's position as an institution helping to shape international standards in the areas of deposit guarantee and resolution, and enabled the exchange of experiences with partners from around the world.

EUROPEAN FORUM OF DEPOSIT INSURERS (EFDI)

W The Fund actively participated in the work of the European Forum of Deposit Insurers, contributing to the activities of committees and working groups concerning, amongst other things, cross-border cooperation, communication, the banking union and regulatory changes in the area of deposit guarantee schemes.

On 4–6 June 2025, the EFDI Annual General Meeting and International Conference took place in Madrid, alongside meetings of committees and working groups, including the Deposit Guarantee Schemes Directive Working Group (D3WG), the PR & Communication Working Group, the H2C Working Group, the Banking Union Working Group and the EU Committee. The accompanying conference, entitled "Embracing the Future on Solid Grounds: Reinforcing Financial Stability", focused on the challenges facing the European financial sector. The Chairman of the BFG's Management Board took part in the 'Banking Beyond Borders' panel, which addressed the impact of monetary policy, sector concentration and regulation on the European banking sector, particularly in the context of cross-border cooperation.

During the EFDI General Assembly, a decision was taken to increase the annual membership fee from €8,000 to €9,600. The change was due to an increase in the organisation's operating costs, including inflation and the relocation of the EFDI headquarters from Budapest to Brussels. A new Board of the Forum was also elected.

On 4 June 2025, the EFDI EU Committee approved the new version (2.0) of the EFDI Multilateral Cooperation Agreement (H2C Multilateral Cooperation Agreement). The document replaced version 1.0, which had been in force since 2016, and sets out the rules for cooperation between deposit guarantee schemes regarding cross-border disbursements of covered deposits, in particular in the case of branches of credit institutions operating in other Member States.

Work on updating the agreement was carried out over a period of approximately one and a half years within the framework of the EU EFDI Committee and the Working Group on Cross-Border Cooperation. The BFG acceded to the H2C Multilateral Cooperation Agreement on 1 September 2025. In December 2025, the Fund submitted to the EFDI the required documents pursuant to Article 14(5) of the DGS Directive, including:

- the EFDI H2C Data Retrieval Reporting Template – containing information on the cross-border activities of entities covered by the deposit guarantee scheme;
- EFDI H2C Cost Matrix – setting out the estimated costs incurred by the Fund in the event of acting as the host deposit guarantee scheme.

During the reporting period, a representative of the BFG also attended meetings of the EFDI PR & Communication Committee, during which issues relating to cross-border communication were discussed. The Fund was also represented in the regular work of the EU Committee, the Banking Union Working Group (BUWG), the D3I Working Group, the Cross-Border Working Group (CBWG) and the Risk Management Working Group.

In December 2025, the research paper 'EFDI Research Paper on the Assessment of DGS' Contingent Liabilities' was published, concerning methods for assessing contingent liabilities by European deposit guarantee schemes and the interpretation of the DGS Directive's requirements regarding the adequacy of financial resources. One of the co-authors of the publication was a member of staff from the BFG's Analysis and Early Warning Department, who contributed to the development of the research framework and the preparation of the analytical section of the document.

Furthermore, in 2025, the Fund responded to numerous enquiries and surveys from the EFDI and its members, supporting the exchange of experiences between European deposit guarantee schemes.

POLAND'S PRESIDENCY OF THE COUNCIL OF THE EU – THE CMDI PACKAGE

During Poland's Presidency of the Council of the European Union (1 January – 30 June 2025), representatives of the Fund actively participated in legislative work on the CMDI package, comprising amendments to the BRRD and DGS Directives. The key areas of work included:

- Public Interest Assessment (PIA);
- minimum requirements for own funds and eligible liabilities (MREL);
- the use of the guarantee fund to meet the condition of writing down or converting 8 per cent of the total liabilities of an entity under resolution (Bridge the Gap);
- the hierarchy and comparison of claims in insolvency proceedings (Creditor Hierarchy);
- the hierarchy and comparison of the costs of engaging the guarantee fund in the event of resolution or liquidation of an entity (Least Cost Test – LCT);

- the expected objectives of resolution;
- the rules governing the use by deposit guarantors of so-called 'preventive measures' and 'alternative measures';
- the rules governing the use of extraordinary public financial support (EPFS).

As part of carrying out the above tasks, the Fund's seconded representative, together with staff from the relevant departments of the BFG, prepared: talking points for the Minister's statements during political trilogues; a discussion paper on the Public Interest Assessment (PIA); documents for discussion in the EU Council's working groups. In addition, an analysis was carried out of all comments submitted by Member States, and proposals for new regulations were prepared. The following were prepared: working opinions on the application of safeguards for the mechanism utilising the guarantee fund to meet the conditions for the write-off or conversion of 'Bridge the Gap' outside the banking union; working opinions on the mandatory transposition of preventive or alternative measures using the guarantee fund – alternative and preventive measures; analytical materials concerning the transfer of contributions between DGSs in the event of a bank changing its registered office or being converted into a branch, and analytical materials concerning the impact of DGS super-preferences on DGS recovery rates.

In the second quarter of 2025, the Polish Presidency successfully concluded its work on this project and, following six months of negotiations, a political agreement was reached with the European Parliament setting out the final form of the CMDI.

Furthermore, as part of the ongoing work on the CMDI package, in the second half of 2025 the Fund participated in providing feedback on the final versions of the legal texts comprising the CMDI package as part of the technical work of the Danish Presidency.

EUROPEAN BANKING AUTHORITY (EBA)

In 2025, the Fund was represented at four meetings of the EBA's Standing Committee on Resolution (Resolution Committee – ResCo). The meetings discussed, amongst other things:

- amendments to the regulatory technical standards on resolution plans (RTS on resolution plans);
- simplifications and improvements to the efficiency of the regulatory framework for resolution;
- the Crisis Simulation (SimEx) Handbook;
- the report on MREL decisions (ITS on MREL decisions – final draft report);
- issues relating to the review of CMDI regulations and the simplification of the Single Rulebook.

As part of the Subgroup on Resolution Planning Preparedness (SGRPP), which deals with issues relating to resolution planning, a representative of the Fund took part in seven meetings concerning, amongst other things, regulatory changes regarding resolution plans, MREL reporting and the MREL Impact Assessment. Amendments to Commission Delegated

Regulation (EU) 2016/1075[5] concerning recovery plans, resolution plans and cooperation within resolution colleges were also discussed. In addition, consultations were held on amendments to Commission Implementing Regulation (EU) 2021/622.

On 5 June 2025, a meeting was held in Paris at which, in addition to the amendments to the aforementioned RTS, the following were discussed, amongst other things: amendments to the ITS on the reporting of MREL decisions. At a remote meeting on 7 October 2025, the following were discussed: MREL impact assessment – preliminary quantitative findings and Potential NCWO risk from legacy instruments. At the subsequent meeting on 21 November 2025, in addition to amendments to the aforementioned RTS 2016/1075, the following documents were discussed: amending RTS on the estimation of CBR and P2R. A representative of the Fund presented the Multi-annual Testing Programme prepared by the BFG. Meanwhile, at the meeting on 12 December (an ad hoc call), the following documents were discussed: 'Bank-level impact assessment' and the 'Preliminary draft report on the capital stack holistic review'.

Representatives of the Fund also participated in five meetings of the EBA's SGAT subgroup (Subgroup on Analytical Tools in its Resolution Composition). On 19 February 2025, a meeting was held to discuss, amongst other things, the AnaCredit for the Insolvency Framework Benchmarking exercise. On 26 March 2025, a meeting was held in Malta, during which the following documents in particular were discussed: the EBA staff presentation on the update to the Instant Payment Regulation and the update on DORA, and the SAS Visualisation Tool on Fraud with updated figures – Live Demo was also presented. At the meeting on 11 April 2025, the EBA MREL Dashboard, amongst other topics, was discussed. Meanwhile, on 25 September 2025, an ad hoc meeting was held concerning CVE and EDAP. The final SGAT meeting of 2025 took place in Paris on 17 October and continued the discussion of topics from previous meetings.

In addition, a representative of the Fund participated in seven meetings of the Subgroup on Resolution Execution (SGRE), which deals primarily with issues relating to the implementation of resolution. In 2025, work was completed on:

- on the Handbook for conducting tests and simulations for resolution processes (SimEx Handbook); following the incorporation of the BFG's comments, the document was adopted by ResCo;
- regarding legislative amendments – also proposed by the Fund – concerning the use of confidential information in relation to resolution measures and the liquidation process (the Listing Act regulatory package amending the Market Abuse Regulation (MAR)).

Conclusions and a report were prepared, based on surveys, on the implementation of the objectives of the European Resolution Examination Programme (EREP) set for 2025, which was published on the EBA's website, and priorities for 2026 were identified.

[5] Commission Delegated Regulation (EU) 2016/1075 of 23 March 2016 supplementing Directive 2014/59/EU as regards regulatory technical standards specifying the content of recovery plans, resolution plans and group resolution plans, the minimum criteria to be assessed by the competent authority in relation to recovery plans and group recovery plans, the conditions for the provision of financial support within a group, the requirements for independent experts, the contractual recognition of write-down and conversion powers, the procedures and content of the requirements concerning notification and public announcement of suspension, and the functioning of resolution colleges.

As part of the SGRE's work, work commenced on 'Simplification and efficiency in the resolution regulatory framework', including a preliminary analysis of the proposals submitted by all Member States (including the Fund).

Following the publication of the EBA Guidelines on the disclosure of the write-down and conversion mechanism and the exchange mechanism under the bail-in tool, a working group – the EBA SGRE bail-in mechanics drafting team (DT) – was established. As part of the sub-group's work, the Fund's representative, in parallel with the SRB, presented the BFG's experience in this area and began work on reviewing existing national publications on bail-in, which were based on the nine elements set out in Article 11 of the EBA Guidelines.

In 2025, two elements of the aforementioned guidelines (the main participants in the bail-in process and the timetable for actions) were analysed; on this basis, a report and recommendations were prepared for the EBA SGRE and ResCo.

In October 2025, Fund staff took part in a meeting of the EBA Task Force on Deposit Guarantee Schemes (TFDGS), during which the timetable and scope of the EBA's work on the following documents were discussed:

- implementing technical standards on the provision of information by credit institutions to deposit guarantee schemes, and by deposit guarantee schemes and credit institutions to the EBA in accordance with Article 16a of the draft amended DGS Directive (ITS on providing information by credit institutions to their DGS, and by DGSs and designated authorities to the EBA under Article 16a of the draft DGSD3);
- Implementing Technical Standards on informing depositors in the form of an information sheet pursuant to Article 16 of the draft amended DGS Directive (ITS on depositor information in the form of an information sheet under Article 16 of the draft DGSD3);
- regulatory technical standards on the disbursement of client funds pursuant to Article 8b of the draft amended DGS Directive (RTS on DGS disbursements of client funds under Article 8b of the draft DGSD3);
- guidelines on the investment of available financial means by deposit guarantee schemes pursuant to Article 10(13) of the draft amended DGS Directive (Guidelines on investments of Available Financial Means under Article 10(13) of the draft DGSD3).

Work on the above-mentioned documents began, in particular, in connection with the finalisation of work on the amendment to the DGS Directive (known as DGSD3), the publication of which in the Official Journal of the EU is scheduled for mid-2026.

Furthermore, in November and December 2025, the Fund's staff took part in two online meetings of the TFDGS task force, at which the objectives and scope of further work on the aforementioned technical standards ITS on information exchange and RTS on client funds (...) were discussed. The Fund's written comments and observations on the draft RTS on client funds were prepared and submitted to the TFDGS task force.

THE EUROPEAN COMMISSION

During the reporting period, as part of the dialogue with the European Commission within the 'Simplification and Competitiveness' project concerning banking regulations, a number of proposals relating to the area of resolution were submitted and presented. It was proposed that the scope of an entity's instruments and liabilities subject to write-down or conversion be limited to its capital instruments and liabilities included in its MREL. The effect of the proposed change would be to exclude deposits from write-down or conversion, as well as other liabilities (relating to derivatives, taxes and social security contributions). It was suggested that the resolution authority's access to the resolution fund and the scope for its use should be made more flexible, i.e. by moving away from the 8 per cent threshold for its use and the 5 per cent limit on the extent to which it may be utilised. It was also proposed to extend the scope of the Public Procurement Directive. It was proposed that the two-year deadline for the sale or liquidation of a bridge institution, as set out in the BRRD, be abolished. Carrying out the sale or liquidation of a bridge institution within this timeframe is extremely difficult, and the specified deadline has a negative impact on the price that can be obtained for the bridge institution. Discussions with the European Commission also highlighted possible simplifications regarding the operation of the so-called 'prior permission regime' and regulations concerning resolution planning (e.g. deadlines for adopting joint decisions). Furthermore, the Fund has drawn up proposed regulatory guidelines on liquidity in resolution.

As part of the Commission's Expert Group on Banking, Payments and Insurance, representatives of the Fund attended meetings on 19 June and 4 November 2025 concerning planned amendments to Commission Delegated Regulation (EU) 2015/63 laying down rules for the determination of contributions to resolution funds.

EUROPEAN SECURITIES AND MARKETS AUTHORITY (ESMA)

In 2025, the Fund participated in the work of the ESMA Committee on the Resolution of Central Counterparties (ESMA CCP Resolution Committee – CCP ResCo).

During two meetings of the Committee, documents were discussed and adopted concerning:

- one of the CCP resolution tools provided for in Regulation (EU) 2021/23 of the European Parliament and of the Council, namely the operationalisation of the resolution cash call;
- the process of identifying and designating critical functions of CCPs.

A representative of the Fund also took part in the CCP ResCo working workshops organised by ESMA in Paris. Discussions covered, amongst other things, issues relating to the valuation of CCPs, the role of the independent valuer, the proportionality of requirements for individual CCPs, and the costs of conducting resolution processes.

EUROPEAN SYSTEMIC RISK BOARD (ESRB)

In 2025, the Fund continued to participate in the work of the ESRB Expert Group on Clearing, which deals with issues relating to strengthening the stability of central counterparties (CCPs).

During the group's meetings, the following topics were discussed, amongst others:

- central bank stabilisation tools available to CCPs;
- the development of the government bond clearing market;
- the scope of data reported to the ESRB and its further analysis;
- risk factors affecting the stability of the CCP sector.

OTHER MATTERS

In April 2025, representatives of the Fund took part in the Warsaw Eurofi 2025 seminar, organised in cooperation with the Polish Presidency of the Council of the EU. Discussions focused on the future of financial regulation in the European Union, macroeconomic challenges, digitalisation and sustainable finance.

In May 2025, a delegation from the Fund undertook a study visit to the headquarters of the German Banking Association (Bankverband) in Berlin, during which experiences were exchanged regarding the deposit guarantee scheme operated by the Bundesverband deutscher Banken e.V. Einlagensicherungsfonds. The meeting covered issues relating to national deposit guarantee schemes, European reforms, including the CMDI package, and the further development of cooperation between institutions.

In 2025, representatives of the Fund also took part in the SRB's 'Legal Conference 2025', which focused, amongst other things, on the bank inspection process, its scope, methodology and cooperation between public authorities.

At the end of June and beginning of July 2025, a representative of the Fund took part in events organised in Malta, including the 'Advanced Studies on Insurance Law and Regulation' programme and the Finance Malta conference. During her presentation, she discussed the key provisions of the IRRD Regulation, as well as the practical aspects of its implementation, with particular emphasis on the application of resolution tools.

In addition, as part of the preparation of a UNIDROIT study on orderly winding-up, an analysis was carried out of issues relating to the administrative insolvency of banks. This document is addressed to policymakers and legislators in jurisdictions seeking to reform or amend their bank resolution systems. It contains guidelines on the design and implementation of effective resolution frameworks for banks whose failure does not have a systemic impact. As such, the guidelines complement the "Key Attributes of Effective Resolution Regimes" developed by the Financial Stability Board (FSB). The publication of the guidelines sparked a discussion on the implementation within the Polish legal system of measures enabling the conduct of administrative resolution.

In August 2025, the Chairman of the BFG's Management Board participated as a speaker at the symposium 'Precaution over Reaction: Harvesting Readiness in an Uncertain World', on the panel 'Resolution Planning in the Era of Deregulation', which focused on the importance of effective resolution planning in a changing regulatory environment.

In October 2025, during a conference marking the 10th anniversary of the Single Resolution Mechanism, organised by the SRB, Krzysztof Budzich, a Member of the BFG Management Board, took part in the panel 'Towards 2028: the shift to crisis readiness'. During the discussion, he outlined the Fund's experience in planning and carrying out resolution processes in Poland, and highlighted the growing significance of the risk of cyber-attacks targeting financial institutions, as well as the need to take such threats into account when preparing the financial sector for crisis situations.

In the fourth quarter of 2025, representatives of the Fund took part in the IAIS's annual conference, 'Navigating uncertainty: Enhancing societal resilience amidst growing complexity', held in Tirana, which focused on global challenges facing the insurance sector, including digital transformation, climate change and the use of artificial intelligence.

In December 2025, a delegation from the Fund attended the 20th International Financial Cooperation Forum organised by the Korean Council for International Financial Cooperation (CIFC) in Busan under the theme ‘Frontier Finance: Reshaping Digital Transactions and Intelligence’. The visit also included a bilateral meeting with the Korea Deposit Insurance Corporation (KDIC), during which topics discussed included planned changes to the deposit guarantee limit in Korea and the potential use of artificial intelligence tools in monitoring banks’ communications.

In the second half of 2025, the Fund also engaged in a bilateral exchange of experiences with institutions from eight European jurisdictions regarding the implementation of Article 3(3) of the BRRD, concerning the combination of the functions of the resolution authority and the deposit guarantee scheme. Meetings were held with representatives from, amongst others, the Netherlands, Croatia, Spain, Denmark and Austria, and cooperation continued with France, Finland and Bulgaria.

Representatives of the Fund also took part in numerous international events, including:

- the Recovery and Resolution Summit 2025 in Brussels;
- the ERA Annual Conference on EU Law in the Insurance Sector 2025 in Trier;
- the European Capital Markets Forum;
- the ‘12th Joint ESAs Consumer Protection Day’ conference;
- the EIOPA Sustainable Finance Conference 2025;
- meetings of the Resolution Planning Cycle Crisis Management Group.

In addition, the Fund exchanged experiences with foreign deposit guarantee schemes, including those from Germany, Norway, Latvia and Austria, regarding the implementation and use of electronic systems for the disbursement of covered deposits.

In 2025, the Fund also provided information and positions to the Ministry of Finance, including in response to an enquiry from DG FISMA concerning financial penalties imposed for breaches of EU financial market regulations and potential obstacles to the cross-border enforcement of such sanctions.

In August 2025, a two-day symposium entitled ‘Precaution over Reaction: Harvesting Readiness in an Uncertain World’, whose programme included a series of plenary sessions, expert panels and closed-door industry discussions. The Chairman of the BFG’s Management Board was a speaker at the second session entitled ‘Resolution Planning in the Era of Deregulation’. During the session, the importance of effective planning for the compulsory resolution of financial institutions in the context of ongoing deregulation was discussed.

3. INFORMATION POLICY

The aim of the Fund's communication activities is to raise public awareness of how the deposit guarantee scheme in Poland operates, the principles governing resolution, and the role of the BFG within the financial safety net.

COOPERATION WITH THE MEDIA AND OTHER APPEARANCES

During the reporting period, the Fund communicated, amongst other things, on issues relating to the setting of contributions to the BFG funds, including the resumption, after a two-year hiatus, of the collection of contributions to the bank guarantee fund. It referred to the judgement of the Provincial Administrative Court in Warsaw of 29 January 2025 concerning an appeal against the decision to initiate the resolution of Getin Noble Bank S.A., and also warned depositors against fraudsters posing as Fund staff. The BFG also issued a statement regarding the ruling of the Supreme Administrative Court, which quashed the ruling of the Provincial Administrative Court in Warsaw concerning complaints about the resolution of Idea Bank S.A. and referred the case back for reconsideration. The Fund also responded to false information and insinuations damaging to the BFG's reputation published in the article "The Getin Bank Receiver's Closed Deal" in Gazeta Wyborcza, and set out its position regarding the National Audit Office's (NIK) findings on the Fund's activities as described in the post-audit report, emphasising that the BFG was not an audited entity.

Maciej Szczęsny, Chairman of the Management Board, gave interviews to Puls Biznesu, Cashless magazine and Magazyn Bank, and commented in multimedia materials prepared by the editorial team of Dziennik Gazeta Prawna.

In addition, during the period in question, Board Member Krzysztof Budzich gave an interview to the xyz.pl website, in which the IRRD Directive was discussed in detail.

The Fund's staff prepared an article in "Miesięcznik Ubezpieczeniowy" on resolution in insurance companies, a publication in "Wiadomości Ubezpieczeniowe" on critical functions in insurance companies, and an article in "Prawo Asekuracyjne" on assessing the existence of public interest grounds in the context of initiating the restructuring and orderly winding-up of insurance companies.

Throughout the reporting period, the Fund responded to enquiries from the media.

BFG HELPLINE

During the reporting period, BFG staff manning the helpline answered approximately 1,800 enquiries. Customers' enquiries primarily concerned the rules governing the guarantee of funds for depositors at banks and credit unions, the information sheets[6] received by customers from banks and credit unions, as well as issues relating to deposit guarantees provided by home-country systems for credit institutions conducting banking activities in Poland.

In June 2025, the Fund implemented a new, optimised model for its helpline (using an IVR system), which handles, amongst other things, enquiries regarding covered deposits and the disbursement of covered deposit. The new model also automated the handling of calls made to the Fund in error.

During the reporting period, responses were also provided to written enquiries addressed to the BFG concerning, amongst other things, guarantees for depositors of banks or credit unions.

WEBSITE

Information on the BFG's activities was published on the Fund's website. During the reporting period, the highest daily number of visits to the Fund's website was 0.6 thousand, whilst a total of approximately 90.1 thousand visits were recorded over the whole year.

In the second quarter of 2025, a new version of the Fund's website was launched. The new website design primarily highlights information for customers of banks and credit unions.

In May 2025, information was published on the BFG website regarding the procedure for the write-down or conversion of eligible capital instruments or liabilities, and the application of the write-down or conversion instrument. This document fulfils the Fund's obligation to apply the EBA guidelines (EBA/GL/2023/01[7]).

In addition, up-to-date information on the BFG's activities was published on the Fund's website.

THE FUND'S PUBLICATIONS

In 2025, four bilingual issues of the magazine "Bezpieczny Bank" were published. Their topics covered financial security in the broadest sense, issues of stability and crises in banking systems, as well as current challenges facing financial market participants and their regulators.

In addition, in the second quarter of 2025, to mark the Fund's 30th anniversary, a publication entitled 'Bank Guarantee Fund – 30 years safeguarding the financial security of Poles. 1995–2025' was released.

[6] Information sheets on the deposit guarantee scheme are provided to customers by banks and credit unions in accordance with Article 318(3) of the Act on the Bank Guarantee Fund and the Regulation of the Minister of Finance of 18 July 2016 on the template for the information sheet for depositors.

[7] Guidelines on the general loss-absorption capacity (GLAA) in the context of resolution.

SOCIAL MEDIA

During the reporting period, the Fund ran an online educational campaign under the slogan "Your money. Our guarantee", utilising paid promotion on social media – on Facebook and X (formerly Twitter) – with the aim of increasing awareness of the BFG and raising public understanding of how the deposit guarantee scheme works. The campaign achieved the following results: 7,816,206 impressions (Facebook, X) and 4,227 new followers (Facebook). Furthermore, as part of the campaign using Google Ads, 716,000 impressions were achieved, along with 5,760 user clicks on promoted content from the Fund's website.

WSE SUMMER SCHOOL

In August 2025, the Fund hosted participants in the Go4Poland – Choose Poland! Summer School 2025, an intensive development programme for young, ambitious students considering a return to Poland after studying abroad, for whom the GPW Foundation organises a series of meetings and workshops with leaders from Polish business and the public sector. As part of a workshop led by the Resolution Department entitled 'On the Brink of Bankruptcy – A Game of Survival, or Resolution in Theory and Practice', the topic of resolution was presented, including, amongst other things, a discussion of the legal framework at European and national level and the experience to date of the BFG in conducting resolutions in Poland, with particular emphasis on the case of Getin Noble Bank S.A.

OTHER ACTIVITIES

In 2025, the Fund ran a nationwide information campaign lasting over 10 weeks on the screens of a total of 6,277 ATMs in the Euronet network, aimed at raising awareness of the deposit guarantee scheme. During the campaign, 29.9 million transactions were carried out, and the BFG information screen itself was visible even without a transaction taking place, appearing approximately 1.3 billion times (an average of twice per minute on each ATM).

During the reporting period, the Fund's visual identity system was updated; this included, amongst other things, the introduction of a new lighthouse from the western breakwater in Gdańsk's New Port, the expansion of the permitted colour palette, and changes to the BFG's letterhead.

In addition, the Fund once again welcomed primary school pupils as part of the 'Lesson on Finance' programme, who took part in a talk on the basics of how banks and credit unions operate, starting to save, and banking for young children.

In the second quarter of 2025, the results of the competition for the best bachelor's, master's and doctoral theses on the subject of financial system stability, defended in 2024, were announced. A total of 26 theses were submitted to the competition. First and second prizes were awarded in the doctoral thesis category, whilst second prizes were awarded in the master's and bachelor's thesis categories. The next edition of the competition was also announced.

During the period in question, the Fund sent information materials on the deposit guarantee scheme (leaflets and signs) to banks.

4. SUSTAINABLE DEVELOPMENT (ESG)

Sustainable development is one of the key elements of the Bank Guarantee Fund's operations, as set out in the 2030 Strategy. The BFG aims to be recognised as a public body in Poland that is committed to sustainable development. In fulfilling its mission – "to support the stability of the financial sector in order to effectively protect deposits" – the Fund undertakes actions in line with the principles of sustainable development and responsible management. In 2025, initiatives in the areas of environmental, social and corporate governance (ESG) were continued, supporting the Fund's effective, transparent and accessible operation.

As an organisation, the Fund – and above all its staff – has an impact on the environment and climate change. For this reason, the BFG focuses on key issues, including, amongst others, energy and water consumption at the Fund's headquarters, the use of company vehicles, procurement policy regarding products and services, and waste management.

The table below shows the BFG's utility consumption over the last three years.

Table 12.

UTILITY CONSUMPTION AT BFG

Utility consumption	2023	2024	Growth rate	2025	Growth
Electricity [MWh]	572	599	5%	521	-13%
Water [m^3]	2020	1,754	-13%	1,624	-7%

Table 13.

UTILITY CONSUMPTION AT BFG PER EMPLOYEE

Utility consumption per employee	2023	2024	2025
Electricity [MWh]	2	2	2
Water [m^3]	8	7	6

Utility consumption in 2025 fell compared with 2024, driven by greater staff awareness and remote working.

In 2025, the replacement of the lighting in the Fund's building continued, focusing on light fittings with a view to reducing energy consumption. By the end of 2025, 71% of the lighting was already energy-efficient. These changes will result in a reduction in the Fund's electricity consumption (for lighting) of approximately 50 MWh per year, i.e. savings of around 50%. The Fund operates an automatic lighting control system in its kitchenettes.

In 2025, the number of reams of paper per employee fell significantly, by almost 40 per cent, from 3.2 to 2.

Table 14.

PRINTING PAPER CONSUMPTION

	2023	2024	Growth rate	2025	Growth rate
Number of reams of printing paper [500 sheets]	850	800	-6%	500	-38%

At the Fund, some cases are handled using the traditional model, i.e. documentation is in paper form. With the introduction of electronic document management in 2021, the number of classes handled using the traditional model has been steadily decreasing. Currently, paper-based documentation accounts for approximately 25% of all cases.

The Fund minimises the environmental impact of its IT operations. In the area of server infrastructure, it combines the optimisation of existing resources with a modern approach to digital transformation. The local IT infrastructure is fully virtualised using VMware technology, which enables multiple independent virtual machines (VMs) to run on a single physical server. This allows for maximum utilisation of the computing power of physical servers and reduces their number to a minimum. Work is currently underway at the Fund on a technological transformation that also takes environmental objectives into account. The Fund's strategy envisages the gradual migration of existing systems to the cloud and the development of new solutions based directly on cloud infrastructure. Furthermore, the BFG is planning a colocation process, i.e. the relocation of servers to a professional, external data centre.

IT equipment is also replaced on an ongoing basis. Devices with a high energy efficiency rating are selected, and all laptops and monitors are Energy Star and TCO certified. Depreciated equipment (laptops and mobile phones) is resold to staff or donated to charitable organisations, in line with the principles of the circular economy. Equipment that is no longer fit for use is handed over to certified organisations specialising in the recovery of raw materials and the safe disposal of e-waste. For IT procurement procedures, the Fund has defined environmental criteria and has included energy consumption criteria in tender procedures (CE declarations of conformity and TCO certification – a global sustainability certification for IT products, are required). The Fund also requires compliance with the RoHS Directive[8] for IT purchases.

The Fund ensures accessibility for people with special needs. Both people with disabilities and older people have facilitated access to the BFG's premises and its digitally accessible website. The Fund regularly analyses all channels of access to its website in accordance with the WCAG (Web Content Accessibility Guidelines).

BFG also carries out projects as part of its corporate social responsibility programme. In 2025, BFG staff organised fundraising campaigns for:

- the 33rd Grand Finale of the Great Orchestra of Christmas Charity, which raised funds for paediatric oncology and haematology;

8 Directive 2011/65/EU of the European Parliament and of the Council of 8 June 2011 on the restriction of the use of certain hazardous substances in electrical and electronic equipment (RoHS 2).

- the ‘Radość Dzieciom’ Association of Friends of the Special Educational Centre in Jurki, which supports children with disabilities at the Special Centre in Jurki;
- the Jokot Foundation, which helps homeless and feral cats;
- The Chartoterapia Association, which helps homeless greyhounds.

In 2025, the Fund signed the Diversity Charter, thereby committing itself to implementing diversity management principles and an equal treatment policy, as well as to combating discrimination and workplace bullying. The signing ceremony for the Diversity Charter was preceded by an educational campaign. In September, October and November 2025, three online seminars were held to prepare the Fund for signing the Diversity Charter. The following topics were discussed at the meetings: ‘From diversity to a sense of belonging’, ‘Unconscious bias in the workplace’ and ‘Micro-inequalities: small behaviours with great significance and their impact on teams’.

Representatives of the Fund took part in numerous events related to sustainable development, including, amongst others, the Polish Climate Congress, the European Financial Congress and the Greenpact Congress, where the challenges facing the economy in relation to ESG initiatives were discussed, in particular the combination of the green transition with building a competitive economy and reducing social inequalities.

5. HUMAN RESOURCES

THE BFG TEAM

The number of employees at the Fund as at 31 December 2025 – excluding members of the BFG Management Board – stood at 247 (244.525 full-time equivalents). The average annual headcount was 249.67, and the average annual number of full-time equivalent positions was 246.65. The primary form of employment is a permanent employment contract for full-time positions.

Our approach to employment is based on the principle that every employee is valued regardless of age, gender, health, sexual orientation, religion or marital status. We regard diversity as an asset that fosters creativity and encourages innovative approaches.

Table 15.

EMPLOYMENT STRUCTURE AS AT 31 DECEMBER 2025

Gender	Management	%	Experts and legal advisers	%	Specialists	%	Administrative staff	%	Total	%
Women	29	49	68	53	42	71	1	100	140	57
Men	30	51	60	47	17	29	0	0	107	43
Total	**59**	**100**	**128**	**100**	**59**	**100**	**1**	**100**	**247**	**100**

Figure 4.

EMPLOYMENT STRUCTURE AS AT 31 DECEMBER 2025

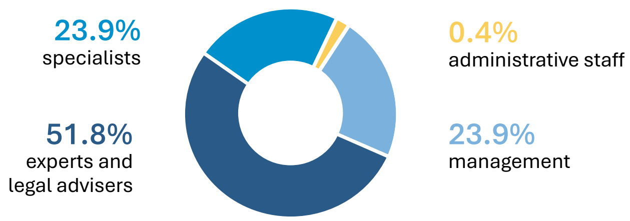


Table 16.

EMPLOYMENT STRUCTURE BY AGE GROUP AS AT 31 DECEMBER 2025

Position	Under 30 years of age	%	Aged 30–50	%	Over 50 years old	%	Total
Management	-	-	36	26	23	26	59
Experts and legal advisers	4	18	70	51	54	62	128
Specialists	18	82	31	23	10	11	59
Administrative staff	-	-	-	-	1	1	1
Total	**22**	**100**	**137**	**100**	**88**	**100**	**247**

Figure 5.

EMPLOYMENT STRUCTURE BY AGE GROUP AS AT 31 DECEMBER 2025

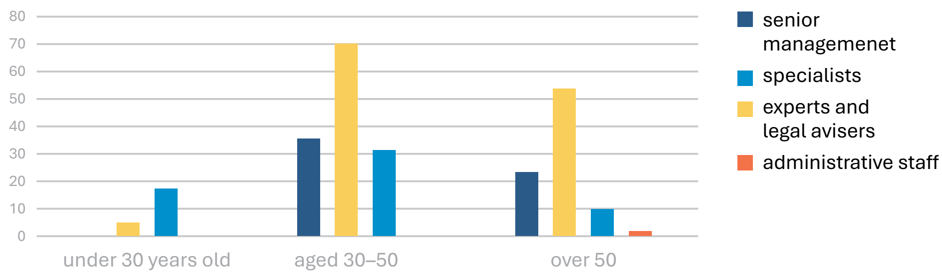


Table 17.

EMPLOYMENT STRUCTURE BY LENGTH OF SERVICE AT BFG AS AT 31 DECEMBER 2025

Gender	less than 5 years	5–10 years	11–15 years	16–20 years	21–25 years	over 26 years	Total
Female	59	57	6	9	3	6	140
Man	30	52	18	1	2	4	107
Total	**89**	**109**	**24**	**10**	**5**	**10**	**247**
%	**36**	**44**	**10**	**4**	**2**	**4**	**100**

TRAINING AND DEVELOPMENT ACTIVITIES

In 2025, 235 employees took part in various forms of professional development, representing 94 per cent of the total workforce. Of these: 7 employees (3 per cent) took part in one training course, 7 employees (3 per cent) in two training courses, and 221 employees (94 per cent) took part in more than two training courses.

The Fund organised and sent staff to a total of 174 training courses, including 150 open courses and 24 in-house courses (dedicated to the BFG). In 2025, the Fund's staff took part in training courses, workshops and conferences covering areas such as: capital adequacy, restructuring and insolvency law, communication and team-building, the interest-free loan sanction, ESG reporting, and personal data protection. Competencies were also enhanced in the areas of CRR3 implementation, the complementarity of collateral selection for financial transactions, the management of bank accounts, and the construction of yield curves.

Furthermore, in July 2025, a six-month pilot programme for learning English using the Berlitz on Demand+ platform was launched. Sixty employees from various departments took part in the pilot.

Staff took part in the Wellbeing Academy's 'Stress Resilience Training' programme, which aimed to support participants in developing their ability to cope with stress in the workplace and to improve their capacity for mental and physical recovery.

REMUNERATION

In 2025, work was completed on the remuneration regulations and the job grading system in connection with preparations for the implementation of Directive (EU) 2023/970 of the European Parliament and of the Council of 10 May 2023 on strengthening the application of the principle of equal pay for men and women for equal work or work of equal value. The regulations introduced increase the transparency of the remuneration system and support the management of pay policy in accordance with legal requirements.

As part of the amendments to the Remuneration Regulations, the special bonus fund has been increased to 8 per cent of the planned basic salary fund for employees. Furthermore, a new job classification table has been drawn up, brought into line with current legislation, which allows for the use of feminine job titles.

Furthermore, individual half-yearly statements have been prepared for each employee detailing the total value of their remuneration and other benefits received. The 'employee benefits package' has provided a clear overview of the full value of the benefits received, increasing employees' awareness of the total benefits arising from their employment

PAID WORK EXPERIENCE PROGRAMME

The Banking Guarantee Fund was one of the first organisations in the public finance sector to join the ranks of employers participating in the country's largest work experience programme – the Career Programme organised by the Polish Business Council. The Career Programme has been attracting the most gifted and talented individuals from Poland and abroad, and supporting employers in building their brand, for 22 years.

Between March and May 2025, students and graduates aged up to 30 applied for internships that would enable them to gain professional experience through collaboration with the Deposit Guarantee Department, the Support Monitoring and Claims Investigation Department, and the Resolution Planning Department. A total of 292 candidates applied to the Fund under the programme. Ultimately, four candidates were selected, who began their three-month paid work placements on 1 July.

During the internship, an evaluation survey was conducted in which the interns answered questions regarding recruitment, onboarding, the course of the internship and their collaboration with their internship supervisor. All of the areas mentioned received positive feedback, and among the most important things they learnt at the Fund, they cited, amongst other things, broadening their knowledge of insolvency law and the opportunity to apply it in practice, gaining a deeper understanding of the banking sector and the tools used to carry out resolution, and gaining practical insight into how the financial safety net operates. One person was offered the opportunity to continue working with the Fund.

Based on the responses from trainees who took part in the post-programme survey, the Fund was recognised as one of the best employers amongst 35 companies.

We also took 3rd place in the ranking by specialisation (Finance/Accounting) and stood out as one of the companies that provided feedback most promptly during the recruitment process.

DIGITISATION OF HR PROCESSES

As part of our efforts to streamline HR processes, we have introduced an electronic application form for reimbursement of the cost of purchasing glasses or contact lenses to correct vision for work involving the use of computer screens. This solution significantly simplifies the process of submitting applications for employees and speeds up their processing, ensuring greater transparency and efficiency.

In addition, a new feature has been introduced in the system allowing employees to cancel their holiday requests themselves before the holiday begins, which streamlines the day-to-day processing of requests and holiday management.

As part of measures to streamline HR processes, employees can now also submit electronic applications for leave to care for a child under the age of 14. The system provides quick and convenient access to forms and facilitates the processing of applications by the HR Department.

An 'Employee Zone' has been created on the new intranet, where staff can easily find information on regulations, benefits, training and other matters relating to their day-to-day work. The zone has been designed to provide quick access to the necessary materials and to facilitate the use of internal resources, thereby supporting work efficiency and understanding of the applicable procedures.

A SUPPORTIVE WORKPLACE

In 2025, the Fund undertook numerous initiatives focused on raising awareness and developing knowledge in the field of well-being in the broadest sense, promoting healthy habits and work-life balance.

As part of these efforts, the Fund once again took part in the ‘Two Hours for the Family’ campaign, organised by employers worldwide. The aim of this initiative is to promote a balance between work and family life, strengthen family ties and build social relationships. Consequently, every employee was able to shorten their working day by two hours to spend that time with their loved ones.

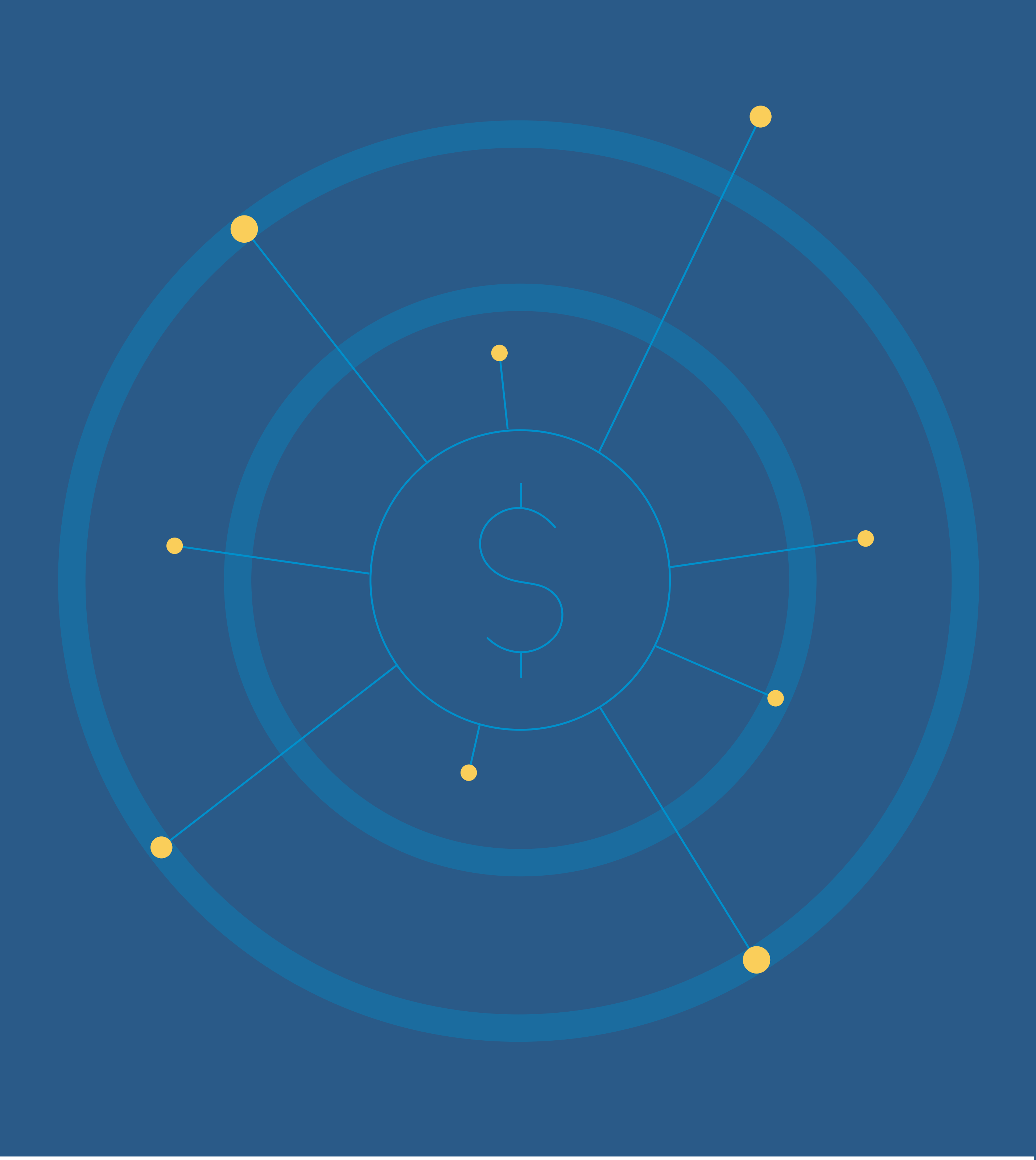
As part of efforts to promote physical activity, staff received funding for a starter pack for one of the most popular running events, ‘Run Warsaw 2025’, and took part in inter-company football tournaments organised as part of the ‘Legia Biznes Cup’.

In December 2025, the HR Department organised a Christmas party for staff. The event provided an opportunity for staff to socialise, build relationships and strengthen bonds amongst themselves. Furthermore, during the festive season, two initiatives were organised for employees’ children:

- a St Nicholas’ Day event – the children took part in a variety of creative workshops designed to develop their imagination and manual skills. The youngest children were treated to entertainment, festive surprises and the chance to explore their parents’ workplace;
- a competition to make a Christmas tree decoration using natural materials. The initiative aimed to foster the children’s creativity and promote environmentally friendly attitudes.

SUBSIDISED VOUCHERS FOR THE PURCHASE OF BOOKS, E-BOOKS AND AUDIOBOOKS

Employees were offered vouchers for the purchase of books, e-books and audiobooks, subsidised by the Company Social Benefits Fund (ZFŚS). This initiative provides easier access to educational materials and literature, thereby supporting personal development and enabling employees to pursue their individual interests.



FUNDING OF THE FUNDS'S ACTIVITIES

1. FINANCIAL RESOURCES OF THE FUND

The Fund accumulates financial resources intended for the protection of deposits held with banks and credit unions, and for the financing of resolution.

UNDER THE ACT ON THE BANK GUARANTEE FUND (BFG), THE FUND'S SOURCES OF FUNDING ARE:

- contributions to the compulsory deposit guarantee scheme paid by banks, branches of foreign banks and credit unions;
- contributions towards the financing of resolution paid by banks, branches of foreign banks, investment firms and credit unions;
- extraordinary contributions paid by banks, branches of foreign banks and credit unions to the mandatory deposit guarantee scheme in the event that the funds of the deposit guarantee scheme are insufficient to make disbursements of covered deposit;
- extraordinary contributions paid by banks, branches of foreign banks, investment firms and credit unions to finance compulsory resolution where the funds available for financing compulsory resolution are insufficient to cover the costs thereof;
- proceeds from the Fund's financial assets, including loans and guarantees granted by the Fund;
- funds obtained as part of non-repayable foreign aid;
- funds from grants awarded at the Fund's request from the state budget in accordance with the rules laid down in public finance legislation;
- funds from a short-term loan granted by the National Bank of Poland;
- funds from loans granted from the state budget;
- funds obtained from loans, credits and bond issues;
- funds obtained from loans granted by officially recognised deposit guarantee schemes and entities managing resolution funds from Member States other than the Republic of Poland on the basis of concluded agreements;
- proceeds from the bridge institution and the asset management entity, including dividends and interest, as well as proceeds from the disposal or liquidation of the bridge institution and the asset management entity;
- funds obtained as a result of the settlement of the Fund's claims in respect of the disbursement of covered deposits and support provided to the acquiring entity;
- other receipts received by the Fund.

THE OWN FUNDS OF THE BANK GUARANTEE FUND CONSIST OF:

- the statutory fund,
- the guarantee fund for banks[9],
- the credit unions' guarantee fund,
- the resolution fund for banks,
- the credit unions' resolution fund,
- a reduction in own funds where a guarantee condition is met or where restructuring tools are used (negative value),
- revaluation reserve.

2. DETERMINATION OF CONTRIBUTIONS

IN THE FIRST QUARTER OF 2025, THE FUND'S BOARD DETERMINED THE TOTAL AMOUNTS OF CONTRIBUTIONS TO THE GUARANTEE FUNDS FOR BANKS AND CREDIT UNIONS AND TO THE RESOLUTION FUNDS FOR BANKS AND CREDIT UNIONS FOR 2025:

- banks' guarantee fund: PLN 893.0 million,
- credit union guarantee fund: PLN 1.0 million,
- resolution fund for banks: PLN 1,813.0 million,
- Credit unions' resolution fund: PLN 10,000.

The collection of contributions to the bank guarantee fund has resumed after a two-year hiatus.

BASED ON THESE AMOUNTS, THE CONTRIBUTIONS PAYABLE BY INDIVIDUAL ENTITIES TO:

- the guarantee funds for banks and credit unions for each quarter of 2025,
- resolution funds for banks and credit unions for 2025.

The Council adopted resolutions setting out the amounts of contributions payable by individual entities.

[9] In accordance with § 32 of the BFG's Articles of Association, with effect from 1 January 2022, the unused resources of the cooperative banks' restructuring fund were transferred to the banks' guarantee fund.

3. INVESTMENT ACTIVITIES

The BFG's investment activities in 2025 were carried out in accordance with the Investment Policy of the Bank Guarantee Fund, the main objective of which was to secure funds to cover expenditure arising from potential interventions and to protect the Fund's securities portfolio against the risk of adverse changes in market yields, whilst achieving optimal returns. In accordance with the Act on the BFG, the Fund may acquire securities issued, guaranteed or underwritten by the State Treasury, the National Bank of Poland (NBP), and the governments or central banks of EU Member States or the Organisation for Economic Co-operation and Development (OECD). Furthermore, the Fund may acquire units in money market funds and place deposits with the National Bank of Poland and the Minister of Finance.

In 2025, as part of the process of extending the duration of the Fund's securities portfolio, which was initiated in the fourth quarter of 2022, process of extending the duration of the Fund's securities portfolio – initiated in the fourth quarter of 2022 – due to the stable situation of entities in the banking and credit union sector against a backdrop of falling interest rates in Poland, as forecast, the allocation of funds to fixed-coupon bonds was systematically increased. Consequently, the proportion of fixed-coupon securities in the Fund's portfolio rose in 2025 from 51.0% to 66.0%, whilst at the start of this strategy, i.e. in early October 2022, this proportion stood at just 17.0%. It is worth noting that the aforementioned strategy of extending duration was implemented whilst taking into account the need to set aside funds with short maturities (as part of a liquidity buffer) to potentially cover the costs of intervention in the banking and credit union sectors.

At the end of 2025, the yield on the Fund's entire securities portfolio stood at 4.77%, whilst the duration stood at 3.69 years, compared with a yield of 5.40% and a duration of 2.48 years at the end of 2024. At the same time, the total gain on securities at the end of 2025 stood at PLN 1,486,899.5 thousand.

Table 18.

THE FUND'S DEBT SECURITIES PORTFOLIO AS AT 31 DECEMBER 2024 AND 31 DECEMBER 2025

Type	31.12.2024				31.12.2025			
	Nominal value (thousand PLN)	Duration	YTM*	Share	Nominal value (thousand PLN)	Duration	YTM*	Share
NBP Treasury Bills	6,771,850	0.01	5.83%	23.8%	3,259,250	0.01	4.05%	10.1%
Bonds	21,665,527	3.26	5.27%	76.2%	28,913,767	4.10	4.85%	89.9%
TOTAL	**28,437,377**	**2.48**	**5.40%**	**100.0%**	**32,173,017**	**3.69**	**4.77%**	**100.0%**

* YTM – yield to maturity based on the actual number of days in the year.

SUMMARY FINANCIAL STATEMENTS

1. FUND BALANCE SHEET

Table 19.

BALANCE SHEET AS AT 31 DECEMBER 2025 AND 31 DECEMBER 2024 (IN PLN)

ASSETS	31.12.2025	31.12.2024
Cash and cash equivalents	**3,084,777.36**	**2,800,575.86**
Cash at hand	6,020.76	6,828.40
Cash in current accounts	0.00	202.70
Cash in fixed-term deposit accounts	2,796,773.02	2,551,789.01
Cash of the Company Social Benefits Fund	281,983.58	241,755.75
Amounts due from financial institutions	**4,315,940,401.08**	**3,632,415,762.99**
Receivables from banks due to:	4,315,940,401.08	3,632,415,762.99
- amounts payable	4,315,784,116.66	3,632,415,762.99
- guarantees and sureties called upon	156,284.42	0.00
Other receivables and claims	**344,459.44**	**496,494.23**
Securities and other financial assets	**31,588,977,384.70**	**28,099,479,853.81**
Debt securities:	31,588,977,384.70	28,096,778,070.58
- of banks	4,510,883,889.05	8,524,834,318.49
- State Treasury	27,078,093,495.65	19,571,943,752.09
Shares	0.00	0.00
- in financial institutions	0.00	0.00
Other securities and other financial assets	0.00	2,701,783.23
Property, plant and equipment	**44,738,295.88**	**48,450,298.53**
Intangible assets	**11,660,668.36**	**10,854,214.39**
Prepayments and accruals	**4,188,054.20**	**2,702,221.17**
TOTAL ASSETS	**35,968,934,041.02**	**31,797,199,420.98**

Table 19. cont.

BALANCE SHEET AS AT 31 DECEMBER 2025 AND 31 DECEMBER 2024 (IN PLN)

LIABILITIES	31.12.2025	31.12.2024
Liabilities	**8,218,099.33**	**75,759,921.41**
Amounts owed to depositors	323,825.40	1,083,567.20
Other liabilities	7,894,273.93	74,676,354.21
Special funds	**281,983.58**	**241,755.75**
Accruals and deferred income	**4,635,414.05**	**4,647,716.98**
Provisions	**1,096,140,485.99**	**1,245,059,895.74**
Statutory fund	**1,637,025,547.68**	**1,637,025,547.68**
Bank Guarantee Fund	**20,540,716,506.78**	**18,638,127,807.20**
Banks' guarantee fund to be used	20,540,716,506.78	18,638,127,807.20
Banks' Resolution Fund	**11,198,398,622.86**	**8,764,951,812.06**
Banks' Resolution Fund to be used	11,198,398,622.86	8,764,951,812.06
Guarantee fund for credit unions	**87,847,733.70**	**81,577,399.91**
Credit unions guarantee fund to be used	87,847,733.70	81,577,399.91
Fund for the resolution of the credit unions	**10,709,971.39**	**10,202,867.24**
Fund for the compulsory resolution of the credit unions to be used	10,709,971.39	10,202,867.24
Financial result	**1,384,959,675.66**	**1,339,604,697.01**
TOTAL LIABILITIES	**35,968,934,041.02**	**31,797,199,420.98**

2. PROFIT AND LOSS ACCOUNT

Table 20.

PROFIT AND LOSS ACCOUNT FOR THE YEARS ENDING 31 DECEMBER 2025 AND 31 DECEMBER 2024 RESPECTIVELY (IN PLN)

	2025	2024
Income from statutory activities	**43,722.09**	**3,661.54**
Interest income	43,722.09	3,661.54
Result on statutory activities	**43,722.09**	**3,661.54**
Result on financial operations	**1,486,963,518.04**	**1,434,524,921.01**
Securities	1,486,899,547.23	1,434,447,320.91
Other	63,970.81	77,600.10
Foreign exchange gain/losses	**(9,958.06)**	**(8,986.60)**
Operating expenses	**(93,934,016.85)**	**(87,715,194.32)**
External services	(13,814,595.45)	(12,351,968.39)
Salaries	(58,748,873.52)	(55,965,167.25)
Insurance and other benefits	(9,703,074.17)	(8,944,122.66)
Other	(11,667,473.71)	(10,453,936.02)
Depreciation of fixed and intangible assets	**(8,052,012.52)**	**(7,612,623.53)**
Other operating income	**440,479.67**	**457,761.84**
Other operating expenses	**(492,056.71)**	**(44,842.93)**
Financial result	**1,384,959,675.66**	**1,339,604,697.01**

2. PRINCIPLES FOR THE PREPARATION OF THE SUMMARY FINANCIAL STATEMENTS

The condensed financial statements, comprising the balance sheet as at 31 December 2025 and the profit and loss account for 2025, have been prepared on the basis of the audited Annual Financial Statements of the Bank Guarantee Fund for the financial year from 1 January to 31 December 2025. It also includes comparative figures for the previous financial year ending 31 December 2024.

The annual financial statements of the Banking Guarantee Fund for the financial year from 1 January to 31 December 2025 have been prepared in accordance with the requirements of the Regulation of the Minister of Development and Finance of 9 December 2016 on specific accounting rules for the Banking Guarantee Fund (Journal of Laws 2021, item 924, as amended), the Accounting Act of 29 September 1994 (Journal of Laws of 2026, item 522, as amended), the implementing regulations issued pursuant thereto, and other applicable legal provisions.

The condensed financial statements have been prepared in accordance with criteria developed on the basis of the Fund's established practice in preparing condensed financial statements. These criteria primarily cover:

- consistency of data between the Fund's annual financial statements and the condensed financial statements,
- an assessment of whether the condensed financial statements contain the necessary information and whether this information is presented at an appropriate level of aggregation that does not mislead the reader of the condensed financial statements.

3. ACCOUNTING POLICIES

In accordance with the accounting policies in force at the Bank Guarantee Fund, the following methods were applied for the valuation of assets and liabilities and the determination of income and expenses:

- Debt securities, i.e. government bonds, debt securities guaranteed by the State Treasury, treasury bills and money market bills of the National Bank of Poland ('NBP'), as well as financial assets and liabilities arising from buy-sell-back and sell-buy-back transactions, are measured at amortised cost, taking into account the effective interest rate, and the effects of this measurement are recognised in income or expenses from financial operations as appropriate. Debt securities are recognised and derecognised in the accounts on the settlement date of the transaction. Disposals of securities are measured on a first-in, first-out basis at the prices of the earliest acquired assets.
- Shares not listed on a regulated market are valued at cost, taking into account any impairment.
- Receivables arising from payment obligations referred to in Article 303 of the Act on the Bank Guarantee Fund (BFG) form part of the contributions made by entities. These receivables are secured by securities. The maturity of the above receivables is governed by the provisions of Articles 304 and 305 of the Act on the Bank Guarantee Fund. Receivables arising from payment obligations are recognised at the amount due, taking

into account the principle of prudence. The equivalent value of receivables arising from payment obligations increases the value of the Fund's own funds.

- Receivables arising from the disbursement by the Bank Guarantee Fund of covered deposits from entities in respect of which the guarantee condition referred to in Article 2(57) of the Act on the Bank Guarantee Fund has been met are subject to 100 per cent impairment losses.
- Receivables arising from the costs of resolution are recognised at the amount due, taking into account any impairment losses.
- Other receivables are stated at the amount due, taking into account any impairment losses.
- Fixed assets and intangible assets are stated at acquisition price or production cost, less depreciation and impairment losses, where applicable.
- Depreciation of fixed assets and intangible assets is calculated using the straight-line method to allocate their initial value over their useful lives. The depreciation rates are determined taking into account the period of economic useful life.
- Prepayments are written off in full as an expense up to an amount of PLN 10,000.00; in all other cases, they are recognised in the amount of costs attributable to future reporting periods.
- Provisions are recognised for liabilities arising from support provided to entities acquiring credit unions or banks, for employee benefits, and for legal disputes. The balance of provisions for employee benefits, namely for: long-service awards, retirement severance pay, disability severance pay and death benefits, is determined on the basis of an actuarial valuation. Provisions for support to entities acquiring credit unions or banks are determined using the financial data of the acquired entities available as at the balance sheet date.
- Accrued liabilities comprise accrued liabilities for benefits relating to untaken annual leave and annual bonuses, as well as other accrued expenses. Accrued liabilities for bonuses and annual awards are recognised in the amount of the bonuses and annual awards attributable to the financial year. Other accrued liabilities are determined as the amount of costs attributable to the relevant reporting period which do not constitute a liability due as at the balance sheet date.
- Other liabilities are measured at the amount payable.
- The result on financial operations comprises the result on: government bonds, treasury bills, NBP money market bills, debt securities guaranteed by the State Treasury, and the result on buy-sell back and sell-buy back transactions, the result on the disposal of shares, as well as other interest income on funds held in bank accounts and on term deposits.
- Time-barred claims relating to liabilities arising from covered deposits are recognised in the profit and loss account as other operating income.

In 2025, no significant changes were made to the Bank Guarantee Fund's accounting policies or to the method of preparing the annual financial statements that would affect the Bank Guarantee Fund's annual financial statements for the financial year from 1 January to 31 December 2025.

In order to simplify the recording of transactions in the accounts, two changes were introduced with effect from 1 January 2025, which did not have a material impact on the annual financial statements: the threshold for classifying assets as tangible fixed assets has been raised from PLN 500 to PLN 10,000 of acquisition price or production cost, and the value of prepaid expenses written off as a one-off expense has been raised from PLN 500 to PLN 10,000.

OPINION OF THE INDEPENDENT AUDITOR

PKF Poland

Independent auditor's report on the summary financial statement

The Bank Guarantee Fund

Based in Warsaw

For the financial year from January 1st 2025 to December 31st 2025

This document is a free translation of the independent Auditors' Report issued in Polish in electronic format. Terminology current in Anglo-Saxon countries has been used where practicable for the purposes of this translation to enhance understanding. The binding Polish original should be referred to in matters of interpretation

INDEPENDENT AUDITOR'S REPORT

ON THE SUMMARY FINANCIAL STATEMENT

FOR THE COUNCIL OF MINISTERS, THE MINISTER COMPETENT FOR FINANCIAL INSTITUTIONS AND THE BOARD OF THE BANK GUARANTEE FUND

Opinion

The attached summary financial statement of the Bank Guarantee Fund in Warsaw at ul. Fr. Ignacego Skorupki 4, hereinafter referred to as the "Fund", which consists of the balance sheet prepared as at 31st December 2025, the profit and loss account for the financial year ending on that date and the information on the basis for the preparation of the summary financial statements was prepared on the basis of the audited annual financial statement of the Fund for the financial year which ended December 31st, 2025.

In our opinion, the accompanying summarized financial statements of the Fund are consistent, in all material respects, with its audited annual financial statements for 2025, in line with the principles set out in "Principles for the preparation of summarized financial statements" and “Accounting principles”.

The summary financial statement

The summary financial statement does not contain all the disclosures required by the Accounting Act of September 29, 1994 (consolidated text: Journal of Laws of 2023, item 120, as amended), and the implementing regulations issued on its basis, in particular the Ministerial Ordinance Of Development and Finance of December 9, 2016 on the specific accounting principles of the Bank Guarantee Fund (Journal of Laws of 2021, item 924, as amended).

Reading the summary financial statements and the auditor's report thereon is not a substitute for reading the audited annual financial statement and the auditor's report thereon. The summary financial statement and the audited financial statement do not reflect the effects of events that occurred after the date of our report on the audited financial statements

Audited annual financial statement and our report on it

We expressed an unmodified opinion on the Fund's audited annual financial statement for 2025 in our audit report dated March 13, 2026.

The Fund’s Management Board responsibility for the summary financial statement

The Management Board of the Fund is responsible for the preparation of the summary financial statements in accordance with the basis for preparation described in the section "Principles of compiling the summary financial statements" and “Accounting principles”.

TRANSLATION

Statutory auditor's responsibility

Our responsibility is to express an opinion on whether the Fund's summary financial statement is consistent, in all material respects, with the Fund's audited annual financial statements, based on our procedures performed in accordance with Singapore Standard on Auditing (ISA) 810 (Revised) "Engagements to report on summary financial statements."

Digitally signed on the Polish original

Mariusz Kuciński
Statutory Auditor no 9802

key statutory auditor conducting the audit
on behalf of PKF Consult Spółka z ograniczoną odpowiedzialnością Sp. k.
audit firm No. 477
Orzycka 6 Street apt. 1B
02-695 Warsawa

Warsaw, 23rd of July, 2026

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Bank Guarantee Fund

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