

2024
**ANNUAL
REPORT**



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

DEAR ALL,

On behalf of the Council and the Management Board of the Bank Guarantee Fund (BFG), we are pleased to present the Fund's Annual Report for 2024.

In 2024, the Fund once again achieved a strong financial result, with a profit exceeding PLN 1.3 billion. This was made possible by the effective implementation of our investment strategy and prudent financial management. The profit will be allocated proportionally among the BFG's individual funds, supporting the achievement of target levels of financial safeguards and thereby allowing for lower contributions from institutions in the future.

In line with Article 294(1) of the BFG Act, the Council of the Fund adopted a resolution at the beginning of 2024 to waive contributions to the banks' guarantee fund for the year. At the same time, it determined the total contributions for 2024 to the banks' guarantee and resolution funds at nearly PLN 1.59 billion.

One of the most significant events of 2024 was the sale of 100% of VeloBank S.A. to Promontoria Holding 418 B.V., a company indirectly owned by Cerberus Capital Management, L.P., the European Bank for Reconstruction and Development (EBRD), and the International Finance Corporation (IFC), part of the World Bank Group. The sale price was PLN 375 million, and the purchaser also recapitalised the bank with an additional PLN 687 million. This capital injection was necessary to meet regulatory capital requirements agreed upon during negotiations, taking into account the bank's financial condition and balance sheet structure.

This transaction marked the conclusion of the most complex resolution process in the Fund's history – that of Getin Noble Bank S.A. (GNB) – which lasted almost two years. The successful resolution enabled the Fund to fully meet its obligations to the European Commission, which closely monitored the entire process. However, the Fund will continue to manage the legacy of GNB's resolution in the years to come. The BFG continues to oversee Asset Management Entity S.A. (PZA), to which the rights and obligations related to VeloBank S.A.'s contracts with leasing companies were transferred.

In the second half of 2024, the Fund initiated work on its first long-term operational strategy for 2025–2030 – a strategy centred around the depositor. Drawing on our experience to date and international best practices, and with the strong commitment of our staff, we aim to develop a modern and effective institution. This work culminated in the adoption and publication of **Strategy 2030** in early 2025.

A key element of the new strategy is a focus on sustainability. This Annual Report includes, for the first time, a dedicated section on ESG matters — a foundational step in incorporating sustainability into the BFG's broader mission.

In the area of deposit protection, we remained ready to act should a guarantee event occur. In the reporting period, the Fund continued to disburse covered deposits to depositors of 14 institutions for which the guarantee condition had been met between 2014 and 2019. The Fund disbursed a total of PLN 250.4 thousand to individuals who had not collected their funds during the original agent bank payout period. Due to the five-year limitation period, claims from some depositors of the Cooperative Bank in Grębów — totalling PLN 133.8 thousand — expired in 2024. Claims of other bank and credit union depositors also expired during the reporting period, based on individually calculated limitation periods.

The Fund also carried out a wide range of other statutory responsibilities, including reviewing and assessing the feasibility of resolution plans for individual banks, credit unions, and banking groups. It also issued opinions on how recovery plans could impact the potential for resolution. In addition, the Fund continued preparatory work to assume the role of resolution authority for insurance and reinsurance undertakings, should such responsibilities be assigned to it by the legislature.

As we close the chapter on 2024, it is worth noting that 2025 marks a very special milestone: the 30th anniversary of the Bank Guarantee Fund. The Sejm of the Republic of Poland established the Fund on 14 December 1994 by passing the BFG Act. The end of 2024 therefore marks the beginning of our anniversary celebrations.

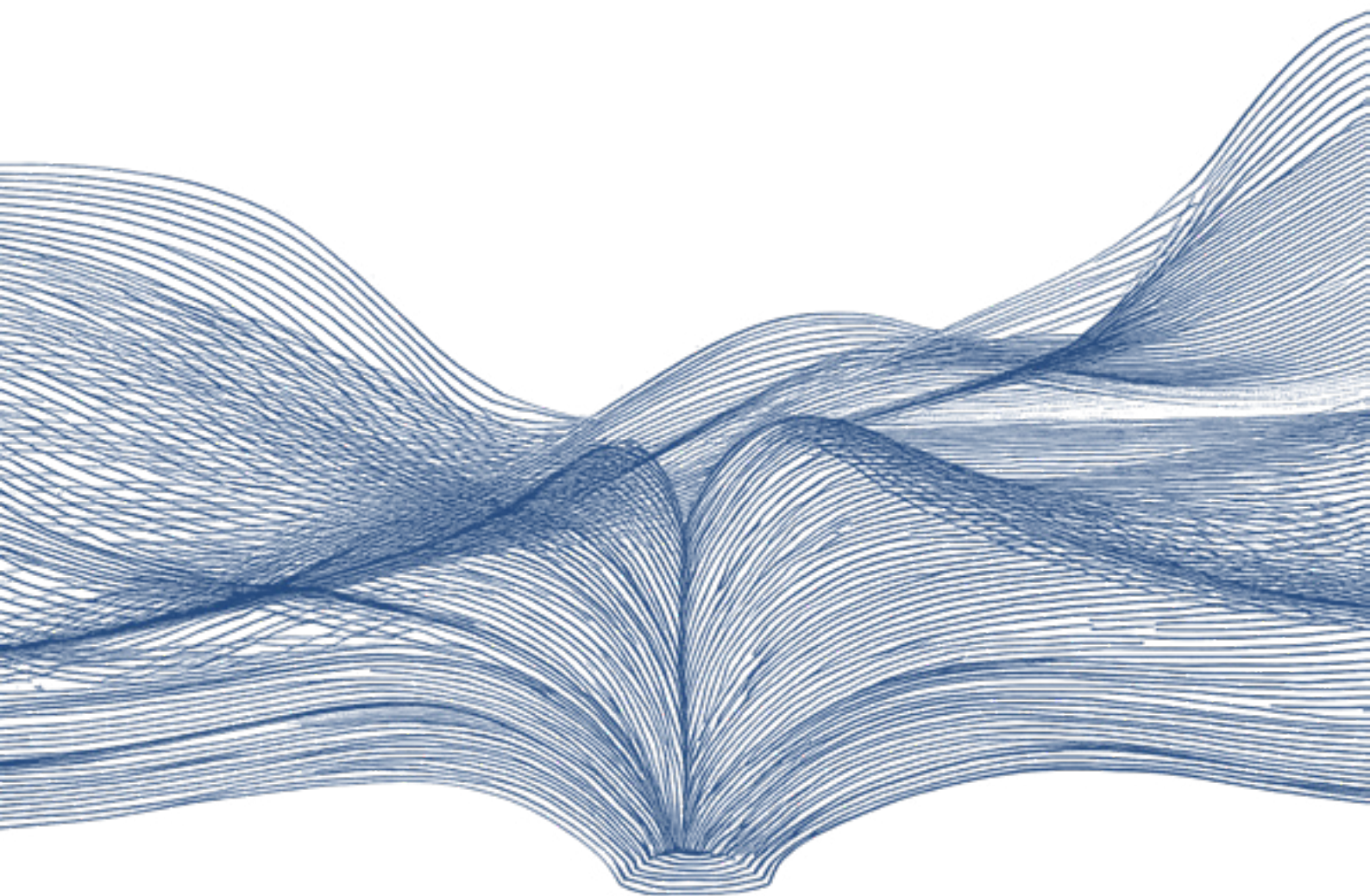
You will find further discussion of these topics — and much more — in the pages of this Annual Report. We warmly invite you to read it.



KATARZYNA PRZEWALSKA
CHAIRPERSON OF THE COUNCIL
OF THE BANK GUARANTEE FUND COUNCIL



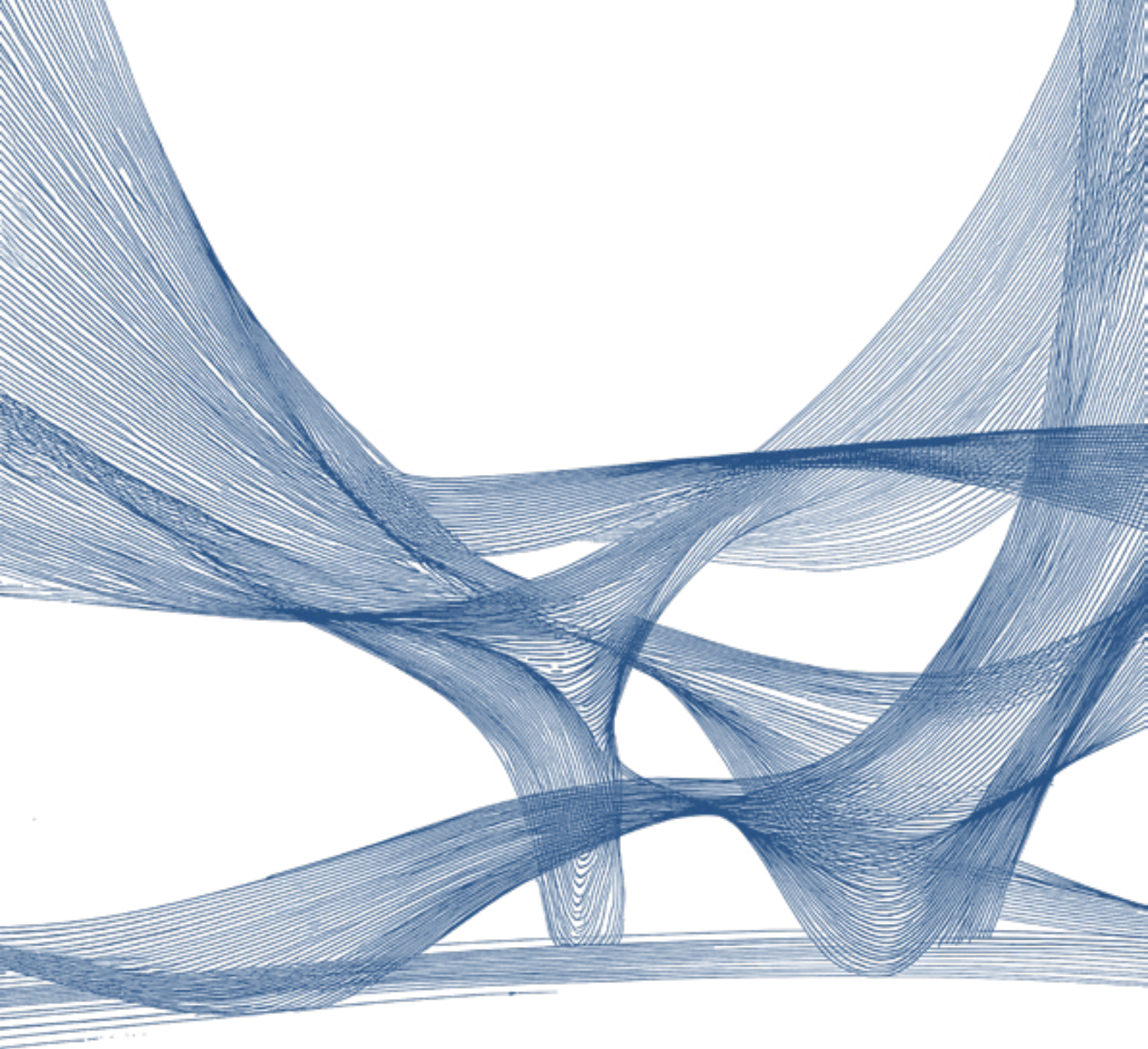
MACIEJ SZCZESNY
PRESIDENT OF THE MANAGEMENT BOARD
OF THE BANK GUARANTEE FUND



GLOSSARY OF KEY ABBREVIATIONS

BFG, Fund	Bank Guarantee Fund
BS	Co-operative Bank
BRR Directive, BRRD	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 of the European Parliament and of the Council, 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 EU L of 12 June 2014, as amended)
BRRD2	Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards loss absorption capacity and recapitalisation of credit institutions and investment firms and Directive 98/26/EC (OJ EU L of 7 June 2019)
CCP	central counterparty clearing house, a legal person that acts between counterparties to contracts traded on one or more financial markets, becoming the buyer to every seller and the seller to every buyer
Council, BFG Council, Fund Council	Council of the Bank Guarantee Fund
Covered Deposit Payout System (CDPS)	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
CRR Regulation	Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, amending Regulation (EU) No 648/2012 (Official Journal of the EU L of 27 June 2013, as amended)
CU	Credit Union
IRR Directive, IRRD	Directive of the European Parliament and of the Council establishing a framework for the recovery and resolution of insurance and reinsurance undertakings and amending Directives 2002/47/EC, 2004/25/EC, 2009/138/EC, (EU)2017/1132 and Regulations (EU) No 1094/2010 and (EU) No 648/2012
EBA	European Banking Authority
EIOPA	European Insurance and Occupational Pensions Authority (EIOPA)
FOSG	funds for the protection of covered deposits

GNB	Getin Noble Bank S.A. with its registered office in Warsaw
IPS	Institutional Protection Scheme (IPS)
KNF, UKNF	Financial Supervision Authority, Office of the Financial Supervision Authority
MF	Ministry of Finance
MREL	<i>minimum requirement for own funds and eligible liabilities</i>
NBP	National Bank of Poland
PBS, PBS in Sanok	Podkarpacki Bank Spółdzielczy, with its registered office in Sanok
PZA	Podmiot Zarządzający Aktywami S.A., an asset manager
SBRiR in Wołomin	Spółdzielczy Bank Rzemiosła i Rolnictwa in Wołomin
SKOK, Kasa	Credit Union
Statute	Articles of Association of the Bank Guarantee Fund, constituting an appendix to the Regulation of the Minister of Development and Finance of 25 January 2017 on granting Articles of Association to the Bank Guarantee Fund (Journal of Laws, item 203, as amended)
EU	European Union
EWS	Early Warning System
GPS agreement	Loss Guarantee Agreement
BFG Act	Act of 10 June 2016 on the Bank Guarantee Fund, deposit guarantee scheme and resolution (Journal of Laws 2025 item 643)
WSA in Warsaw	Voivodship Administrative Court in Warsaw
Management Board, BFG Management Board Fund	Management Board of the Bank Guarantee Fund



GENERAL **INFORMATION**



THE BANK GUARANTEE FUND

The Bank Guarantee Fund plays a key role in safeguarding the stability of Poland's financial system. It is responsible, in particular, for protection of deposit held in banks and credit unions, as well as for conducting resolution for financial institutions which are failing or likely to fail.

Together with the National Bank of Poland, the Ministry of Finance, and the Polish Financial Supervision Authority, the Bank Guarantee Fund forms an integral part of the financial safety net in Poland. The President of the Management Board of the BFG also serves as a permanent member of the Financial Stability Committee.

Figure 1.

THE FINANCIAL SECURITY NETWORK



1. LEGAL MANDATE

The Bank Guarantee Fund was established under the Act of 14 December 1994 on the Bank Guarantee Fund. Its current legal framework is set out in the Act of 10 June 2016 on the Bank Guarantee Fund, the Deposit Guarantee Scheme, and Resolution, which has been in force since 9 October 2016. This legislation grants the Fund extensive powers and instruments to intervene when the stability of the domestic financial system is at risk.

The Act incorporates into the national legal system the provisions of Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes, as well as 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.

2. AIMS AND OBJECTIVES OF THE BANK GUARANTEE FUND



THE OBJECTIVE OF THE FUND:

The primary objective of the Bank Guarantee Fund is to support the stability of the national financial system, in particular by operating the mandatory deposit guarantee scheme and conducting resolution procedures.



THE FUND'S KEY TASKS INCLUDE:

- Protection of deposits held in banks and credit unions up to the statutory limit – the PLN equivalent of EUR 100,000 – and disbursing covered deposits to eligible depositors within seven working days from the date the guarantee condition is met. In specific cases and for a limited time, depositors may be entitled to coverage exceeding the EUR 100,000 threshold.
- Verifying the accuracy of data within the calculation systems of institutions subject to the deposit guarantee scheme.
- Restructuring domestic institutions – and other entities subject to consolidated supervision by the Polish Financial Supervision Authority – through the write-down or conversion of capital instruments.
- Preparing, reviewing, and updating resolution plans for individual institutions and group resolution plans for financial groups.
- Carrying out resolution against institutions deemed as failing or likely to fail.
- Collecting and analysing information on entities covered by the guarantee scheme, in particular to support risk analysis and forecasting for the banking and credit union sectors to facilitate early risk identification.
- Undertaking other activities aimed at strengthening the stability of the national financial system.
- Acting as curator, as defined in Article 144(1) of the Banking Law Act or Article 72c(1) of the Act on Credit Unions, when appointed by the Polish Financial Supervision Authority.

3. ORGANISATION OF THE BANK GUARANTEE FUND

The statutory bodies of the Bank Guarantee Fund are the Fund Council and the Fund Management Board. The tasks of the BFG Management Board include managing the Fund's activities and representing it externally, while the tasks of the BFG Council include controlling and supervising the activities of the Fund Management Board.

The Fund Council is composed of six members appointed by the institutions that form the national financial safety net. The Chairperson of the Fund Council is designated by the minister responsible for financial institutions.

On 1 January 2024, the Fund Council comprised the following Council members: Jacek Jastrzębski (KNF), Krzysztof Budzich (MF), Olga Szczepańska (NBP) and Witold Grostal (NBP).

On 19 January 2024, the Minister of Finance appointed Maciej Szczęsny as Chairman of the Fund Council and Karol Czarnecki as Member of the Fund Council.

Accordingly, as at 19 January 2024, the Fund Council comprised the following persons: Chairman of the Fund Council Maciej Szczęsny, Council Members: Karol Czarnecki (MF), Krzysztof Budzich (MF), Jacek Jastrzębski (KNF), Olga Szczepańska (NBP) and Witold Grostal (NBP).

On 20 May 2024, the Minister of Finance dismissed Maciej Szczęsny and Krzysztof Budzich from the BFG Council and appointed in their place Katarzyna Przewalska entrusting her with the function of Chairman of the Fund Council and Jarosław Niezgoda as a Member of the Fund Council.

In view of the above, as at 20 May 2024, the Fund Council consisted of the following persons: Fund Council Chairperson Katarzyna Przewalska (MF), Council Members: Karol Czarnecki (MF), Jarosław Niezgoda (MF), Jacek Jastrzębski (KNF), Olga Szczepańska (NBP) and Witold Grostal (NBP).

On 4 July 2024, the existing term of office of the BFG Council expired. The following have been appointed for the new term of office of the Council: Katarzyna Przewalska (MF) – Chairperson of the BFG Council and as Council members: Karol Czarnecki, Jarosław Niezgoda (MF), Olga Szczepańska (NBP), Witold Grostal (NBP), Jacek Jastrzębski (KNF). As at 31 December 2024, the composition of the Fund's Council has not changed.

Table 1.

COMPOSITION OF THE BFG COUNCIL AT THE END OF 2024.

Katarzyna Przewalska	Chairperson of the Council – representative of the MF (from 20.05.2024)
Karol Czarnecki	Member of the Council – representative of the MF (from 19.01.2024)
Jarosław Niezgoda	Member of the Council – representative of the MF (from 20.05.2024)
Olga Szczepańska	Member of the Council – representative of the NBP
Witold Grostal	Member of the Council – representative of the NBP
Jacek Jastrzębski	Member of the Board – representative of the KNF

For the period from 1 January to 21 May 2024, the Management Board of the BFG¹ worked in the following composition: President of the Management Board Piotr Tomaszewski, Deputy President of the Management Board Sławomir Stawczyk, Member of the Management Board Tomasz Obal, Member of the Management Board Dagmara Wieczorek-Bartczak.

On 21 May 2024, the Council of the Bank Guarantee Fund appointed the Management Board of the BFG for a new five-year term of office, consisting of:

- Maciej Szczęsny (former Chairman of the BFG Council) – President of the Management Board of the Bank Guarantee Fund
- Tomasz Obal (hitherto Member of the BFG Management Board) – Deputy President of the Management Board of the Bank Guarantee Fund
- Krzysztof Budzich (hitherto Member of the BFG Council) – Member of the Management Board of the Bank Guarantee Fund.

The term of office of the Management Board began on 22 May 2024.

¹ On 6 April 2024, the five-year term of office of the Fund's Management Board expired; however, in connection with Article 9)10) of the Bank Guarantee Fund, Deposit Guarantee System and Compulsory Resolution Act, after the expiry of the term of office of the Fund's Management Board, the members of the Fund's Management Board performed their duties until the date of appointment of a new Management Board, i.e. 21 May 2024.

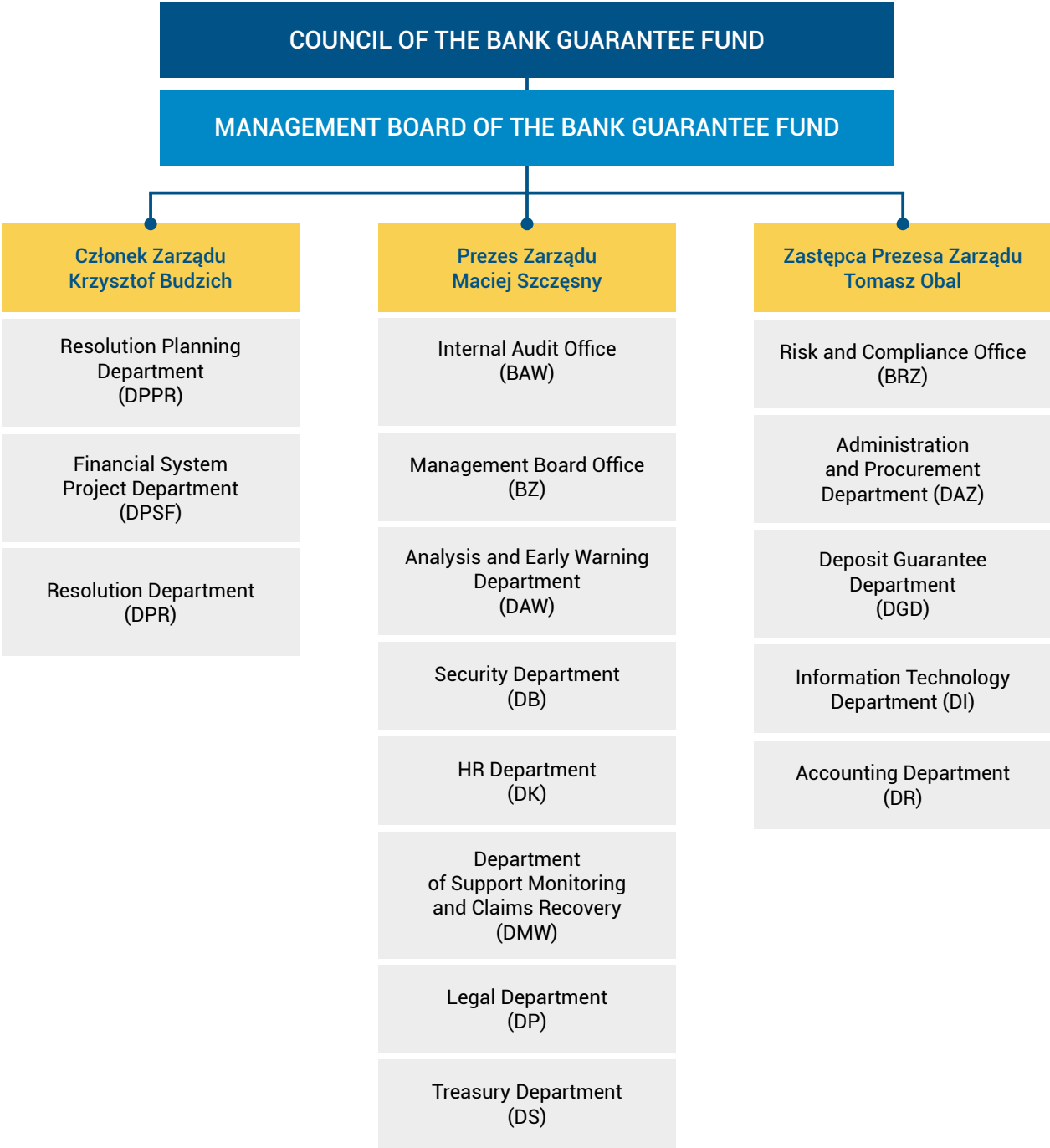
THE ORGANISATIONAL STRUCTURE OF THE OFFICE OF THE BANK GUARANTEE FUND, AS AT THE END OF 2024, COMPRISED SEVERAL ORGANISATIONAL UNITS RESPONSIBLE, AMONG OTHER THINGS, FOR TASKS IN THE FOLLOWING AREAS:



- **Bureau of Internal Audit (BAW)** – examining the Fund's activities in terms of compliance with established objectives, legal regulations, internal legal acts;
- **Management Office (BZ)** – providing services to the Fund's bodies, the President of the Management Board, domestic and foreign cooperation, publishing, promotional and educational activities;
- **Department of Administration and Procurement (DAZ)** – support and administration aimed at ensuring efficient functioning, appropriate operating conditions, proper administrative, technical and office and archival service of the Fund, as well as conducting proceedings on orders and purchases carried out in the Fund pursuant to the Public Procurement Law;
- **Department of Analyses and Early Warning (DAW)** – analyses of the banking and credit union sector, early warning, analyses and assessment of the economic and financial situation of individual banks and credit unions, performance of the Fund's curator function, development and updating of methods for determining risk-based contributions made by entities to guarantee and resolution funds, and preparation of draft proposals for the total amounts of these contributions for a given year and proposals for their distribution among individual entities;
- **Security Department (DB)** – to ensure the protection and security of data, persons and property, ICT security and to maintain the Fund's business continuity plan;
- **Deposit Guarantee Department (DGD)** – to ensure that the Fund disburses covered deposits to depositors and controls the accuracy of data contained in the calculation systems of entities covered by the mandatory guarantee scheme;
- **Department of Information Technology (DI)** – obtaining, processing and making available information necessary for the work of the Fund's Office, developing and maintaining ICT and communication systems in working order and ensuring the continuity of the Fund's operations in the ICT area;
- **Department of Human Resources (DK)** – human resources matters, implementation of employment and remuneration policy and training activities;
- **Department of Support Monitoring and Claims Investigation (DMW)** – management of the Fund's claims, claims investigation and monitoring of the implementation of agreements concerning the financial assistance and support provided;
- **Department of Planning for Resolution (DPPR)** – development, review and updating of resolution plans and group resolution plans, and implementation of financial safety net and financial stability projects;
- **Legal Department (DP)** – legal services to the Fund's bodies, the President of the Management Board and the Fund Office;
- **Department of Financial System Projects (DPSF)** – preparations of the BFG for the role of restructuring authority for insurance and reinsurance companies;
- **Department of Resolution (DPR)** – carrying out resolution, providing support and administration of the entity in resolution, implementation of the process of restructuring of credit unions;
- **Department of Accounting (DR)** – accounting service of the Fund and financial management;
- **Treasury Department (DS)** – investment activities of the Fund, liquidity management and analysis of the macroeconomic situation in Poland and worldwide;
- **Risk and Compliance Office (BRZ)** – to coordinate and support the Fund's management control system, including the risk management process.

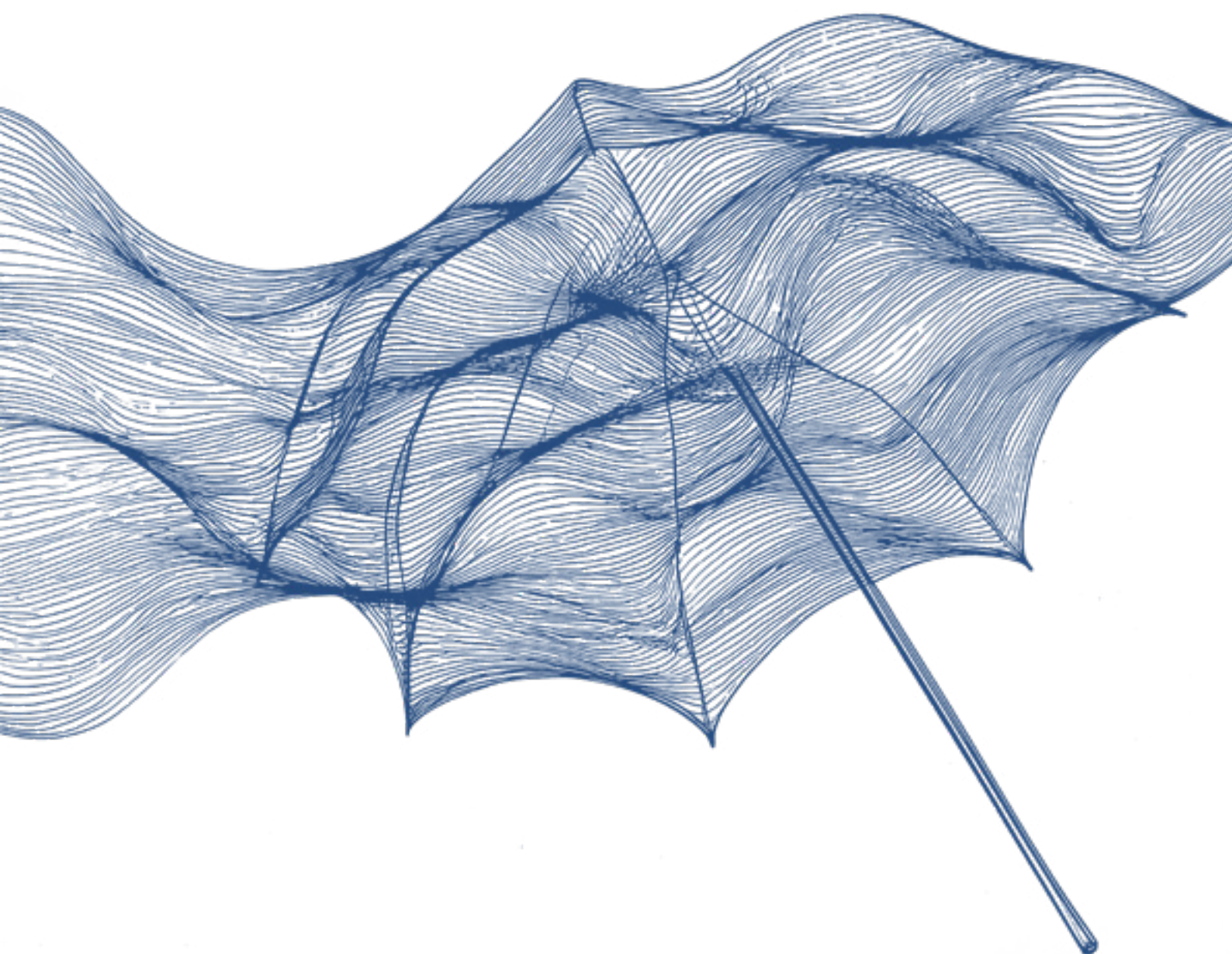
Figure 2.

ORGANISATIONAL CHART OF THE BFG AS AT THE END OF 2024.



IN ADDITION, THE BFG OFFICE HAD COMMITTEES:

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



DEPOSIT PROTECTION

1. DEPOSIT PROTECTION RULES



THE BANK GUARANTEE FUND

The Bank Guarantee Fund has protected deposits held in banks since 17 February 1995 and, since 29 November 2013, also deposits held in credit unions.

At the end of 2024, the guarantee protection covered deposits gathered in all domestic banks (excluding Bank Gospodarstwa Krajowego and mortgage banks) and in all savings and credit unions, viz:

- **23 commercial banks,**
- **489 cooperative banks,**
- **18 credit unions.**

The Fund guarantees deposits from the moment they are credited to the account, but no later than the day preceding the date on which the guarantee condition is deemed fulfilled. Coverage is provided up to the PLN equivalent of EUR 100,000, including accrued interest as of the start of the day the guarantee condition is met.

In certain cases specified in Article 24(3) and (4) of the Act on the Bank Guarantee Fund, the depositor's funds are protected above the EUR 100,000 threshold — provided the guarantee condition occurred after 8 October 2016. This enhanced protection applies for a period of three months from the date the funds were credited or the receivable arose, and includes, for example:

- Funds resulting from the sale of certain types of real estate used for residential purposes,
- Payouts of insurance claims,
- Indemnities or compensations.

In such cases, disbursement of the covered deposits exceeding the standard limit is made upon the individual request of the depositor, submitted directly to the Fund.



23

COMMERCIAL
BANKS

489

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 the **guarantee condition** is fulfilled – that is, the date on which the Polish Financial Supervision Authority suspends the operations of a bank or credit union and appoints a receiver (if one has not been appointed earlier), and submits an application to the competent court for a declaration of bankruptcy. Alternatively, the obligation may also arise on the date the Bank Guarantee Fund itself submits a bankruptcy petition in respect of a bank or credit union undergoing resolution proceedings.



COVERED DEPOSITS:

IN THE CASE OF A BANK

In the case of a bank, the funds accumulated by the depositor in bank accounts to which it is a party to the agreement, both in zlotys and in foreign currencies, as at the beginning of the day of fulfilment of the guarantee condition, plus interest accrued at the beginning of the same day, in accordance with the interest rate indicated in the agreement, and:

- other receivables of the depositor arising from the operation of bank accounts by the bank;
- depositor's receivables arising out of the bank's handling of monetary settlements;
- depositor's claims arising out of bank securities issued before 2 July 2014, insofar as they are evidenced by registered documents issued by the issuer or by registered deposit certificates;
- claims to the bank in respect of instructions in the event of death and in respect of the account holder's funeral expenses, insofar as those claims fell due before the date of fulfilment of the guarantee condition against the bank.

IN THE CASE OF A CREDIT UNION

In the case of a credit union, the funds accumulated by the depositor in accounts to which it is party, both in zloty and in foreign currencies, as of the beginning of the day on which the guarantee condition is fulfilled, plus accrued interest as of the beginning of the same day in accordance with the interest rate indicated in the contract; and:

- other depositor's receivables arising out of the operation of his accounts with the CU,
- amounts due to the depositor arising out of the CU's conduct of financial settlements,
- claims to the credit union in respect of instructions in the event of death and in respect of the account holder's funeral expenses, insofar as those claims have become due prior to the day on which the guarantee condition with respect to the credit union is satisfied.

2. PROCESS OF DISBURSEMENT OF COVERED DEPOSITS

The Fund is obliged by law to disburse covered deposits within seven working days of the date of fulfilment of the guarantee condition.

When the guarantee condition is fulfilled, the bank's receivership or the CU's receivership establishes the state of the accounts of the entity against which the guarantee condition has been fulfilled and prepares a list of depositors, which it submits to the Fund within 3 working days (counting from the day of fulfilment of the guarantee condition).

The Fund, using IT tools (CDPS), verifies the depositors' data and then prepares a list of disbursements and transmits it to the entity that will make these disbursements in the name and on behalf of the Fund.



COVERED DEPOSIT PAYOUT SYSTEM (CDPS)

An application and network solution supporting the tasks of the Bank Guarantee Fund in terms of data control, including on the list of depositors, preparation of the list of disbursements and handling of disbursements of covered deposits, as well as reporting on these tasks. In 2024, the Fund implemented a new SRG tool with enhanced functionalities compared to its previous version.



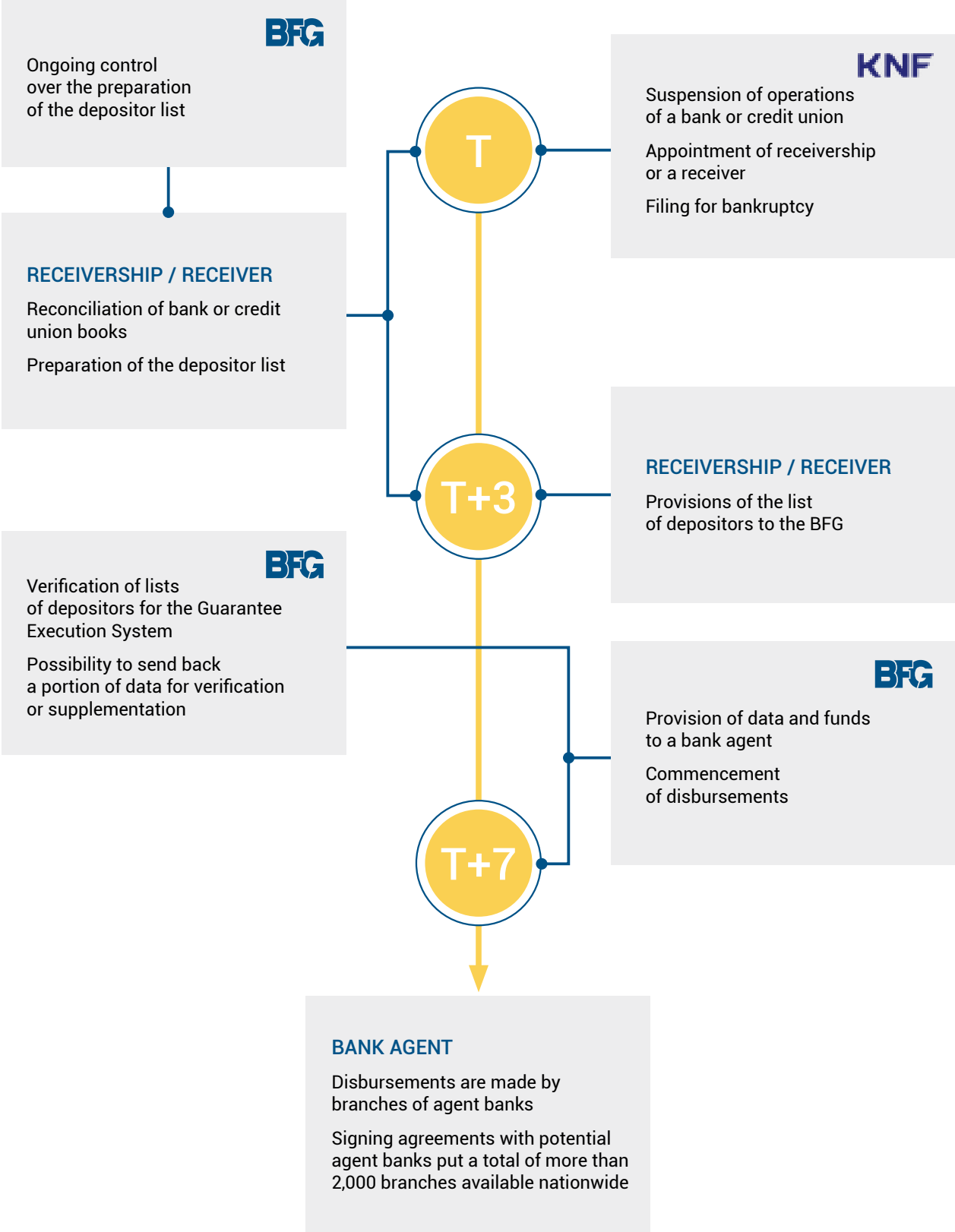
Depositors do not need to report their claims to the Fund before collecting covered deposits.

Pursuant to the BFG Act, depending on the Fund's decision, covered deposits may be disbursed to depositors by a receiver (in the case of a bank) or a receiver (in the case of a credit union), or through another entity (the so-called agent bank) with which the Fund will enter into an agreement for the disbursement of covered deposits.

For the purposes of the disbursement of covered deposits, the Fund cooperates with three agent banks with which it has entered into agreements to be ready to make such disbursements. These are retail banks with a large network of outlets, which allows the disbursements to be made throughout the country, allowing depositors easy access to the covered deposits. People who, for various reasons, do not collect their claims during the disbursements made by the entity indicated by the Fund, may apply directly to the BFG for their collection until the end of the calendar year in which five years from the date of fulfilment of the guarantee condition expires. 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 beginning of the Fund's operations, the guarantee condition has been met for 101 banks (including 7 commercial banks and 94 cooperative banks) and 11 credit unions.

Table 2.

FULFILMENT OF THE GUARANTEE CONDITION IN THE YEARS 1995–2024

Year	Commercial banks	Cooperative banks	credit unions
1995*	2	48	Guarantees for credit unions entered 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	-	-	-
TOTAL	7	94	11

* Since 17 February 1995, i.e. since the entry into force of the Bank Guarantee Fund Act of 14 December 1994.



In the years 1995–2024, an amount of PLN 3,021.7 million was earmarked for guarantee disbursements to 360.2 thousand eligible bank depositors.

Table 3.

FUNDS ALLOCATED FOR GUARANTEE DISBURSEMENTS TO BANK DEPOSITORS IN THE YEARS 1995–2024

Year	Funds for guarantee disbursements (PLN million)					Number of depositors
	Total	of which from:				
		FOSG*	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:			
		guarantee fund	FOSG***		
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	
2020–2024	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, the Funds for the Protection of Covered deposits were the primary source of funding for the disbursement of covered deposits to depositors. Under the rigour of the BFG Act, from 1 January 2017 to 31 December 2024, banks were obliged to create and maintain funds for the protection of covered deposits for the satisfaction of depositors' claims, but these funds could be used for the disbursement of covered deposits only after exhausting funds from the banks' guarantee fund, extraordinary contributions and funds from other own funds (excluding resolution funds).

** The values shown take into account liabilities included in the list of depositors that required confirmation of the correctness of the data.

*** Entities covered by the guarantee scheme were obliged to create and maintain funds for the protection of covered deposits for the satisfaction of depositors' claims until 31 December 2024.



Between 2014 and 2024, an amount of PLN 4,366.6 million was earmarked for disbursements to 246.5 thousand eligible credit unions' depositors.

Table 4.

FUNDS EARMARKED FOR GUARANTEE DISBURSEMENTS TO CREDIT UNIONS' DEPOSITORS IN 2014–2024

Year	Covered deposits disbursed (in PLN million)				Number of depositors*
	Total*	of which from:			
		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
RAZEM	3 681.3	65.3	32.8	3 583.2 ²	174 735
Funds for guarantee disbursements 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	
2020–2024	0.0	0.0	0.0	0	
RAZEM wszystkie lata	4 366.6	123.6	627.0	246 475	

* Values shown include liabilities included in the list of depositors that required confirmation of the correctness of the data.

** Including the liability in the amount of PLN 73 thousand resulting from the resolution of the Fund's Management Board of 9 February 2015 on the disbursement of covered deposits to the depositors of SKOK wołominie following the completion of the list of depositors.

² Due to the fact that the amount of the Fund's liabilities on account of covered deposits exceeded the resources of the credit unions' fund to be used and the value of the stabilisation fund transferred by the National Bank – in accordance with the decision of the Fund's Board – the remaining amount was covered from the resources transferred from the assistance fund of the BFG.



In 2024, the Office of the Fund made disbursements of covered deposits for a total amount of PLN 250.4 thousand to 9 depositors who did not collect the funds due to them during disbursements made through agent banks or in the case of whom investigations were in progress.

The table presents information on all realised disbursements to depositors of banks and credit unions (including disbursements made through agent banks) for which the guarantee condition has been fulfilled in the period 2014–2019.

Table 5.

REALISATION OF DISBURSEMENTS OF COVERED DEPOSITS IN THE PERIOD 2014–2024

Realisation of the disbursements of covered deposits in 2014–2024*/**/**							
No.	Name of entity	Date of fulfilment of the guarantee condition	Number of depositors	Liabilities to depositors (PLN million)	Total disbursements by end 2024 (PLN million)	Amount of liabilities at the end of 2024 (PLN million)	Disbursement rate at the end of 2024 (%)
1.	BS in Grębów****	15.07.2019 r.	2 373	23.6	23.5	0.2	99.4%
2.	SKOK "Wybrzeże"	15.09.2017 r.	7 696	120.8	119.9	0.09	99.3%
3.	SKOK "Nike"	02.06.2017 r.	10 443	114.4	112.9	0.04	98.7%
4.	Your SKOK	12.05.2017 r.	14 019	165.8	164.2	0.09	99.0%
5.	Wielkopolska SKOK	03.02.2017 r.	39 574	284.2	280.7	0.07	98.8%
6.	BS in Nadarzyn	24.10.2016 r.	5 860	145.9	145.2	0.000002	99.5%
7.	SKOK "Skarbiec"	22.07.2016 r.	8 348	88.0	87.7	0.03	99.6%
8.	SKOK "Arka"	11.05.2016 r.	13 947	93.1	92.4	0.0003	99.2%
9.	SKOK "Jowisz"	25.04.2016 r.	7 380	81.9	80.7	0.03	98.5%
10.	SKOK "Polska"	25.02.2016 r.	8 343	170.2	169.1	0.000002	99.3%
11.	SKOK Kujawiak	08.01.2016 r.	17 200	183.9	183.1	0.0001	99.6%
12.	SBRiR in Wołomin	23.11.2015 r.	33 144	2 036.9	2 032.1	0.01	99.8%
13.	SKOK in Wołomin	12.12.2014 r.	45 447	2 246.5	2 242.1	0.02	99.8%
14.	SKOK Wspólnota	18.07.2014 r.	74 042	817.5	812.2	0.000009	99.4%

* Amounts do not take into account the Fund's liabilities included in the list of depositors, which require confirmation of the correctness of the data.

** The lack of equality between the values shown in the Liabilities to depositors column and the sum of the values shown in the Total disbursements until the end of 2024 and Amount of liabilities at the end of 2024 columns, for some entities, is due to the rounding applied to the values included in these columns.

*** Including claims that are time-barred at 31 December 2024.

**** In 2024, in connection with the confirmation by the Receiver of the bankruptcy estate of Bank Spółdzielczy w Grębowie, pursuant to Article 44 of the Act on the BFG, of the correctness of the data of 2 depositors, the Management Board of the BFG adopted, on 17 and 29 October 2024, resolutions on the basis of which the number of depositors and the value of covered deposits on the disbursement list increased respectively to 2,373 depositors and to PLN 23,632.3 thousand (i.e. by PLN 164.8 thousand).

4. LIMITATION OF DEPOSITORS' CLAIMS

Claims under the guarantee become time-barred at the end of the calendar year in which five years from the date of fulfilment of the guarantee condition expires. In view of the expiry in 2024, 5 years from the date of fulfilment of the guarantee condition, at the end of 2024 the claims of 777 depositors of BS in Grębów for the total amount of PLN 133.8 thousand³ have become time-barred.

In addition, in 2024 the claims of those depositors of banks and credit unions for whom the limitation period of their claims was calculated individually and expired on 2 January 2024 (i.e. on the first day after 31 December 2023. – Sunday, which is not a public holiday or Saturday) or the end of 2024. The statute of limitations with an individual deadline concerned the claims of certain depositors of SKOK Wspólnota, SKOK w Wołominie, SBRIr w Wołominie, SKOK "Jowisz", SKOK "Arka", SKOK "Skarbiec", Wielkopolska SKOK, Twoja SKOK, SKOK "Nike" and SKOK "Wybrzeże"⁴.

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

Banks and credit unions are obliged to have enumeration systems. Enumeration systems, thanks to the automation of the process of determining the value of covered deposits for each depositor and the possibility of transmitting data to the Fund, make it possible to quickly obtain information on the value of these funds. These systems organise the data according to the Single Customer View standard, which allows all the information concerning a particular customer to be assigned to that customer.

³ In the first quarter of 2024. The Fund sent a BFG Communiqué informing the depositors of BS Grębów – whose claim under the guarantee was equal to or exceeding PLN 1.0 thousand – of the limitation of their claims as of 31 December 2024. In addition, in December 2024. The Fund took measures to prevent the statute of limitations for potential claims of those depositors of BS Grębów for whom the process of confirmation of the correctness of their data by the Receiver of the bankruptcy estate of that Bank was pending.

⁴ With regard to the majority of the depositors of SKOK Wspólnota and SKOK Wołomin, the claims became time-barred in 2019, for the majority of the depositors of SBRIr in Wołomin – in 2020, for the majority of the depositors of SKOK "Jowisz", SKOK "Arka", SKOK "Skarbiec" – at the end of 2021, while for the majority of depositors of Wielkopolska SKOK, Twoja SKOK, SKOK "Nike" and SKOK "Wybrzeże" – at the end of 2 January 2023.



ENUMERATION SYSTEM

Enumeration system – an IT system in a bank or a credit union allowing the preparation for the BFG of detailed data of the bank's or credit union's depositors together with the amounts of covered deposits calculated for them (Single Customer View). Details of the enumeration systems are set out in the *Ordinance of the Minister of Finance of 26 September 2016 on requirements for enumeration systems maintained at entities covered by the mandatory guarantee scheme* (Journal of Laws of 2016, item 1642, as amended).

The BFG performs checks of the correctness of the data contained in the enumeration systems of entities covered by the guarantee scheme based on the provisions of Article 32(1)(1) and (2) of the BFG Act, in accordance with the quarterly control plans approved by the Management Board. Inspections of higher-risk entities are carried out in a sequential manner.

Controls at the Fund's premises are carried out in particular using automated control algorithms and based on expert analyses of data sets. Controls carried out at the premises of banks and credit unions additionally include, inter alia, verification of data contained in the calculation systems with source documents.

The purpose of the control is to minimise the risk of preparing a list of depositors containing incorrect or incomplete data and to enable the prompt realisation of potential disbursements in the event that the guarantee condition is fulfilled with respect to an entity covered by the guarantee scheme. To this end, verification is carried out of the adjustment of the enumeration systems to the applicable requirements in terms of the scope of data, the manner of their presentation and the relevant data designations, related to the definitions of depositor and covered deposits set out in the provisions of the BFG Act. The ability of the entities to execute a correct list of depositors as soon as possible from the date of fulfilment of the guarantee condition and to submit the list of depositors to the Fund is also checked. In addition, the extent of the change in the quality of the data is assessed in relation to the state found as a result of the Fund's previous inspections.

The table below presents information on the number of data quality checks included in the enumeration systems of entities covered by the guarantee scheme carried out in 2024.

Table 6.

NUMBER OF DATA CHECKS CARRIED OUT IN 2024.

Type of control	Cooperative banks	Commercial banks	Credit unions	Total
in the Fund*	106	9	13	128
in bank/CU**	3	0	2	5
TOTAL	109	9	15	133

* Control implemented on the basis of automated control algorithms and expert analysis of data sets.

** Additionally verification of data contained in enumeration systems with source documents.



The Fund periodically analyses the results of control of data contained in the enumeration systems of banks and credit unions. The results of the above analyses confirmed that:

- the entities are taking measures to improve the quality of the data contained in the enumeration systems, nevertheless, some of them should continue to work on the correct parameterisation of the IT systems, including to show in the enumeration systems the correct designation of customers and claims, in terms of the definition of the depositor and the funds covered by the guarantee protection;
- the audit function of the Fund enabled in the various entities, inter alia, the identification of risk factors related to inadequate data quality and influenced its improvement.

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

As at 31 December 2024. The Fund participated in 12 insolvency proceedings as a creditor on account of disbursement of covered deposits with a total commitment of PLN 4,464,332.5 thousand, of which three proceedings relate to banks and the others are conducted against insolvent credit unions.

In 2024. The Fund monitored the course of bankruptcy proceedings analysing their efficiency and further prospects, cooperated with the receivers of bankruptcy masses on an ongoing basis and made comments in case of objections to the actions of the receivers.

Table 7.

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

Bankrupt	Date of bankruptcy declaration	BFG claims – notified	BFG claims – recognised	BFG claims 31.12.2024. – 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	1 890 887.5	142 997.9	7.0%
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	23 854.3	23 467.4	10 973.7	12 493.8	53.2%
TOTAL		2 204 029.1	2 203 644.1	2 020 888.5	182 755.7	8.3%

Table 8.

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

Insolvent SKOK	Date of bankruptcy declaration	BFG claims – notified	BFG claims – recognised	BFG claims 31.12.2024. – recognised	Amount recovered by the Fund	Fund's satisfaction
		(PLN '000)				
in Wołomin	05.02.2015 r.	2 276 215.8	2 253 424.6	1 988 424.6	265 000.0	11.8%
Kujawiak	31.05.2016 r.	188 775.6	188 499.5	127 504.6	60 994.9	32.4%
"Jupiter"	02.06.2016 r.	82 511.4	82 511.4	16 661.4	68 850.0	83.4%
"Ark"	12.07.2016 r.	94 235.4	94 235.4	32 619.5	61 615.9	65.4%
"Treasury"	29.09.2016 r.	89 138.1	89 138.1	56 190.3	32 947.8	37.0%
Greater Poland	28.02.2017 r.	285 511.8	285 508.0	60 698.8	224 809.30	78.7%
Your	19.06.2017 r.	166 958.2	166 958.2	41 948.3	125 009.9	74.8%
"Nike"	03.07.2017 r.	115 104.3	115 104.4	61 684.1	53 420.3	46.4%
"Coast"	21.11.2017 r.	122 341.4	122 340.3	60 712.5	61 627.8	50.4%
TOTAL		3 420 792.0	3 397 719.9	2 443 444.0	954 275.9	28.1%

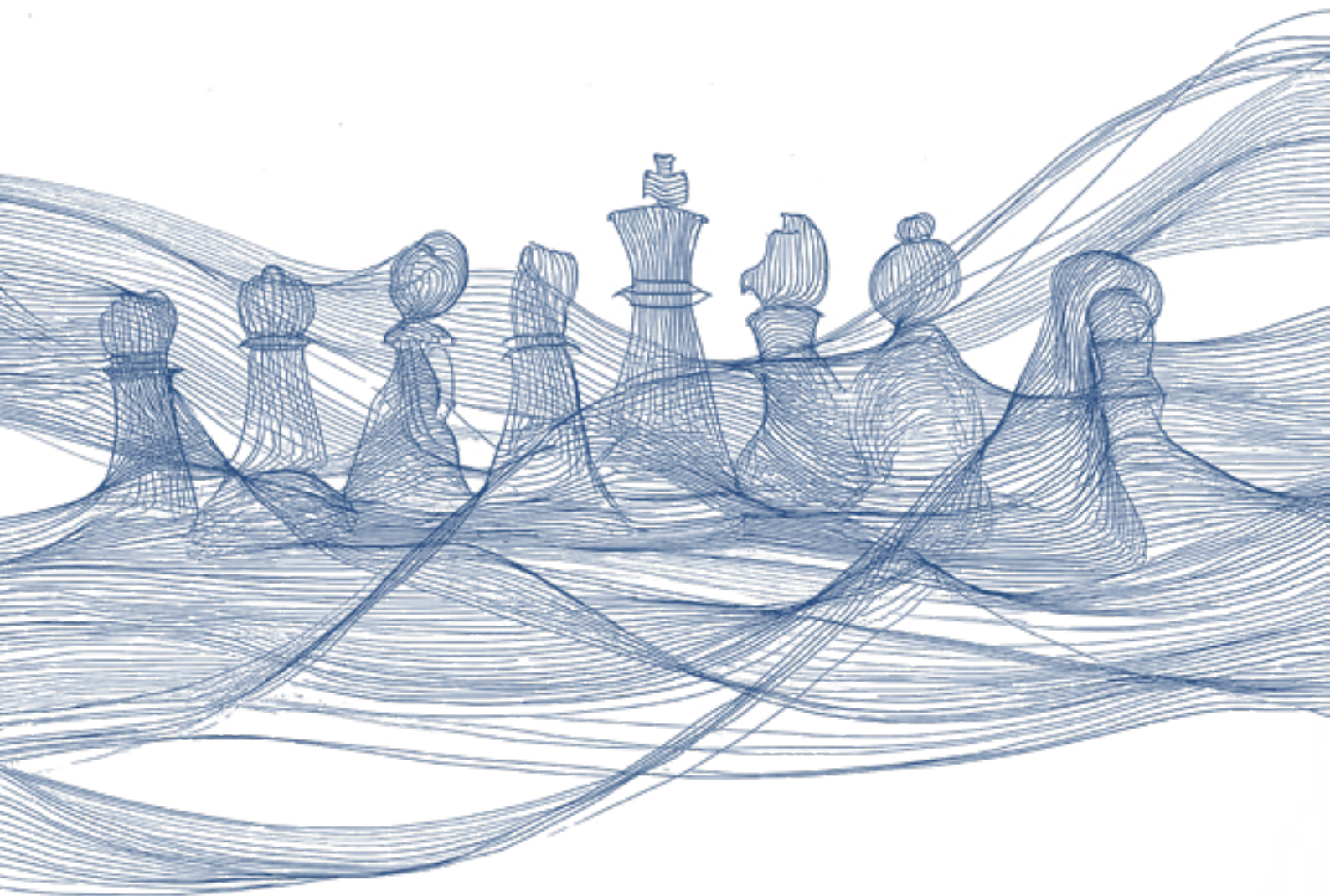


SATISFACTION OF FUND CLAIMS

In the course of pending proceedings, from the partial and final plans for the distribution of the funds of the insolvency masses in 2024. The Fund received an amount of PLN 67 124.3 thousand, which accounted for 1.01% of the total recognised claims of the Fund in the pending proceedings.

In 2024, final distribution plans were implemented in proceedings conducted against:

- Twoja SKOK – bankruptcy proceedings concluded by decision of 17 December 2024; the total satisfaction of the Fund amounted to 74.8 per cent of the recognised claim;
- SKOK "Polska" – bankruptcy proceedings were validly concluded on 2 July 2024; the Fund was deleted from the Register and the total satisfaction of the Fund amounted to 44.2 per cent of the recognised claim;
- SKOK "Jowisz" – the total satisfaction of the Fund amounted to 83.4% of the recognised claim;
- SKOK "Wybrzeże" – the Fund's total satisfaction amounted to 50.4% of the recognised claim.



RESOLUTION

1. PRINCIPLES OF RESOLUTION

Resolution is ordered liquidation of a distressed financial institution carried out when its failure could have a serious negative impact on its customers, the functioning of financial markets or the economy.

The Act on the BFG sets out the principles for carrying out resolution against banks, credit unions and certain investment firms, including, inter alia, a set of instruments and powers necessary to intervene quickly and effectively against an entity at risk in order to ensure the continued performance of functions that are of key importance for the customers of that entity and the economy (so-called critical functions), to protect financial stability, to protect covered deposits, to limit the use of public funds.



THE FUND SHALL CARRY OUT A RESOLUTION WHEN ALL OF THE FOLLOWING CONDITIONS ARE MET:

- the entity is failing or likely to fail;
- there are no reasonable indications that actions by the national entity or the institutional protection scheme or supervisory actions, including early intervention measures, will remove the threat of insolvency in a timely manner;
- action is necessary in the public interest.



The need for action in the public interest

The need for action in the public interest exists when the failure of that entity could seriously, adversely affect the security of the customers of such an entity or the funds entrusted by them, the maintenance of financial stability (including the functioning of financial markets or the economy), the continuation of the entity's critical functions or result in the need to increase the commitment of public funds to the financial sector in order to achieve the objectives indicated above, and the achievement of these objectives to the same extent would not be possible under insolvency proceedings.



AS PART OF A RESOLUTION, THE FUND MAY APPLY ONE OR MORE OF THE INSTRUMENTS DESCRIBED IN DETAIL IN THE BFG ACT:

- acquisition of a business,
- bridging institution,
- write-off or conversion of the liabilities of the entity under restructuring,
- separation of property rights (only together with another instrument of resolution).

Prior to the application of any of the instruments of resolution, referred to in Article 110(1) of the BFG Act, the Fund shall write off or convert the capital instruments of the entity subject to resolution. In addition, for the purpose of applying the instruments of resolution, the Fund shall ensure that the assessment referred to in Article 137(1) of the Act on the BFG is carried out. Following the application of the instrument, the Fund shall additionally ensure that an assessment is carried out, referred to in Article 241 of the BFG Act. These estimates are, depending on the extent of the information they contain, referred to in the Report as Estimate 1, Estimate 2 or Estimate 3.

The losses of an entity under restructuring primarily burden the owners of that entity. In order to provide additional funding for the resolution, resolution funds have also been created (one for banks and investment firms, the other for credit unions), consisting of all entities covered by the BFG Act. As a result, the risk of having to commit public funds, and therefore incurring costs for taxpayers, has been reduced. The BFG can financially support resolution provided that this support is in line with the rules on state aid provided by the European Union Member States.

2. RESOLUTION PLANNING

In 2024, the Management Board of the Fund adopted resolutions on the adoption of reviews of resolution plans for 127 cooperative banks, 13 credit unions and 4 commercial banks.

In the reporting period, after consulting the FSC on the amount of the specified MREL and the proposal to update the resolution plans, the Fund's Management Board adopted resolutions on the adoption of reviews and updates of the resolution plans for 117 cooperative banks, 3 credit unions, 2 association banks, 5 commercial banks (additionally including 2 mortgage banks) and 2 investment firms.

In 2024, the Board of Directors of the Fund adopted resolutions on agreeing and signing a joint decision on a group plan for resolution, feasibility assessment and determination of the minimum level of own funds and eligible liabilities for 9 commercial banks operating within cross-border groups (additionally including 3 mortgage banks). In addition, the Board of Directors of the Fund adopted a resolution on agreeing and signing joint decisions on a group plan for resolution and feasibility assessment for 1 investment company and its subsidiaries.

In the 2024 planning cycle, banks operating in the form of a public limited liability company for which the application of the resolution tool or the bail-in of eligible capital instruments or liabilities was envisaged in the compulsory restructuring plans or group resolution plans carried out for the first time a self-assessment of compliance with the EBA Guidelines on Enhancing Resolution Capacity for Institutions and Resolution Authorities (EBA/GL/2022/01). On the basis of the self-assessment forms submitted by the banks and the explanations provided during the individual workshops (the Fund held 11 meetings), the BFG, as part of its assessment of the feasibility of the resolution plans, assessed the degree of preparedness of the banks for resolution and made recommendations to them indicating key areas for improvement.

The Fund monitored MREL levels on an ongoing basis and continued to develop an approach to testing the feasibility of resolution based on the EBA Guidelines⁵.

2024. The Fund, after consultation with the KNF, in accordance with Article 78a of the CRR Regulation, granted three authorisations for the early redemption by a bank of its eligible liability instruments (senior preferred) before their contractual maturity date.

During the reporting period, the Fund participated in meetings of the resolution colleges established under the chairmanship of the Single Resolution Board for the following banking groups: Banco Santander (comprising, inter alia, Santander Bank Polska S.A. and Santander Consumer Bank S.A.), Commerzbank AG (comprising, inter alia, mBank S.A. and mBank Hipoteczny S.A.), ING NV (comprising, inter alia, ING Bank Śląski S.A. and ING Bank Hipoteczny S.A.), BNP Paribas (including BNP Paribas Bank Polska S.A.), Deutsche Bank AG (including Deutsche Bank Polska S.A.), Credit Agricole (including Credit Agricole Bank Polska S.A.), Bank Millennium S.A. (including, inter alia, Millennium Bank Hipoteczny S.A.) and Citibank (including Bank Handlowy w Warszawie S.A.). The Fund also participated in the College of the DNB Bank ASA group (comprising DNB Bank Polska S.A.), established under the chairmanship of the Norwegian resolution authority Finanstilsynet, and in the College of the Toyota Kreditbank GmbH group (comprising Toyota Bank Polska S.A.), established under the chairmanship of the German resolution authority BaFin.

The Fund is the chairing body in the resolution college for the XTB S.A. group and the resolution college for KDPW_CCP S.A. In 2024. The Fund organised two meetings each of the aforementioned Colleges, including one meeting of the Resolution College for KDPW_CCP S.A. at the headquarters of the BFG.

⁵ Guidelines EBA/GL/2022/01 of 13 January 2022, EBA/GL/2022/11 of 9 January 2023 and EBA/GL/2023/05 of 13 June 2023.

3. RESOLUTION OF GETIN NOBLE BANK S.A. AND SALE OF VELOBANK S.A.

In 2024, the Fund finalised the open, transparent, non-discriminatory and competitive process for the sale of the bridge institution VeloBank S.A., which began in 2023.

In 2024, the Fund received binding purchase offers in accordance with the timetable and commitments to the European Commission. After analysing them, the Fund decided to continue negotiations with the US private equity fund Cerberus Capital Management L.P. (hereinafter: "Cerberus"), whose offer was assessed as the most favourable among those received. The interest of two international financial institutions to participate in the process was confirmed: The European Bank for Reconstruction and Development (EBRD) and the International Finance Corporation (IFC), part of the World Bank Group.

The Fund, on 29 March 2024, on behalf of itself and the Asset Manager S.A., entered into a preliminary agreement with Promontoria Holding 418 B.V. (a special purpose vehicle of the Cerberus Fund) (hereinafter: "Buyer") a preliminary agreement for the sale of 100% of the shares in VeloBank).

On 1 August 2024, in connection with the fulfilment of all conditions stipulated in the preliminary share purchase agreement, a final sale agreement (Dispositive Agreement) was concluded, pursuant to which 100% of the shares in VeloBank were transferred to the Buyer. The share purchase price indicated in the agreement was PLN 375 million, while the recapitalisation of the Bank by the Purchaser amounted to PLN 687 million. This was the recapitalisation amount necessary to achieve the capital ratios required, safe and agreed in the negotiation process, taking into account VeloBank's financial position and balance sheet structure.

The final report, prepared in August 2024 by Mazars acting as the Superintendent monitoring the correctness of the fulfilment of obligations in the implementation of the resolution of Getin Noble Bank (the so-called Monitoring Trustee), indicated that **all obligations imposed by the European Commission on Poland were fulfilled without reservations**. Thus, the obligations incumbent on the Fund in connection with the resolution process were assessed positively. Following the acceptance of the report by the European Commission, Mazars was relieved of its further obligation to act as Superintendent.

4. ASSET MANAGEMENT ENTITY S.A.

During the reporting period, the Fund worked closely with the Asset Management Entity S.A. (hereinafter: PZA S.A.), to which, based on an administrative decision of the Fund, a portfolio of leasing receivables was transferred from the bridge institution VeloBank.

In May 2024, PZA S.A. obtained, by way of court proceedings, security in the form of the leasing companies being obliged by the court to transfer the VAT funds received to a court deposit account with a prohibition on their use in day-to-day operations. In June 2024, the Court of Appeal in Wrocław shared PZA S.A.'s argumentation and dismissed in a final judgment the possibility for the leasing companies to designate their current accounts for the transfer of VAT receivables.



DECISION

On 27 October 2023. The Fund issued an administrative decision to apply the instrument of compulsory resolution in the form of separation of property rights from VeloBank S.A. and their transfer to PZA S.A. The effect of the above decision was the transfer to PZA of all property rights and liabilities of VeloBank S.A. related to the agreements connecting VeloBank S.A. with leasing companies indicated in the decision.

PZA S.A. has the status of an asset manager within the meaning of Article 2(46) of the BFG Act, whose sole shareholder remains the Fund, and whose purpose is to manage these rights, including their disposal or liquidation.

5. OTHER ACTIVITIES IN THE FIELD OF RESOLUTION

During the reporting period, the Fund cooperated with the banking sector on the preparation of Redemption or Conversion Manuals (so-called “Playbooks”). The Fund developed detailed guidelines on the approach to bail-in and loss coverage within equity for the *Playbooks* being developed by the banks. These guidelines were communicated to the banks and discussed at a workshop organised by the Fund with their representatives.

In 2024, the Fund, together with two banks, conducted the first two tests of the operationalisation of the implementation of the resolution strategy, i.e. the bail-in of capital instruments and liabilities, in accordance with the draft decision on the theoretical initiation of resolution. The tests were aimed at verifying the feasibility by the above banks of the procedures described in the *Playbooks*.

By the deadline set by the Fund, i.e. 31 December 2024, the banks submitted the next edition of the Playbooks, taking into account the comments received from the BFG, which included an update of the scope provided for Stage 1 (bail-in of capital instruments or liabilities within categories 5–10 of receivables subject to satisfaction in accordance with the order of satisfaction indicated in the Insolvency Law and exclusions from bail-in).



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

As at the end of 2024, the monitoring process covered:

- commercial banks benefiting from the support provided in the form of grants and guarantees to cover losses in connection with the banks' resolution process;
- bond repayment guarantee agreement concluded in the process of bank resolution.

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



RECOVERY OF CLAIMS FOR THE INCURRED COSTS OF RESOLUTION

- As at 31 December 2024. The Fund participated in 3 bankruptcy proceedings as a creditor for the incurred costs of resolution.

Table 9.

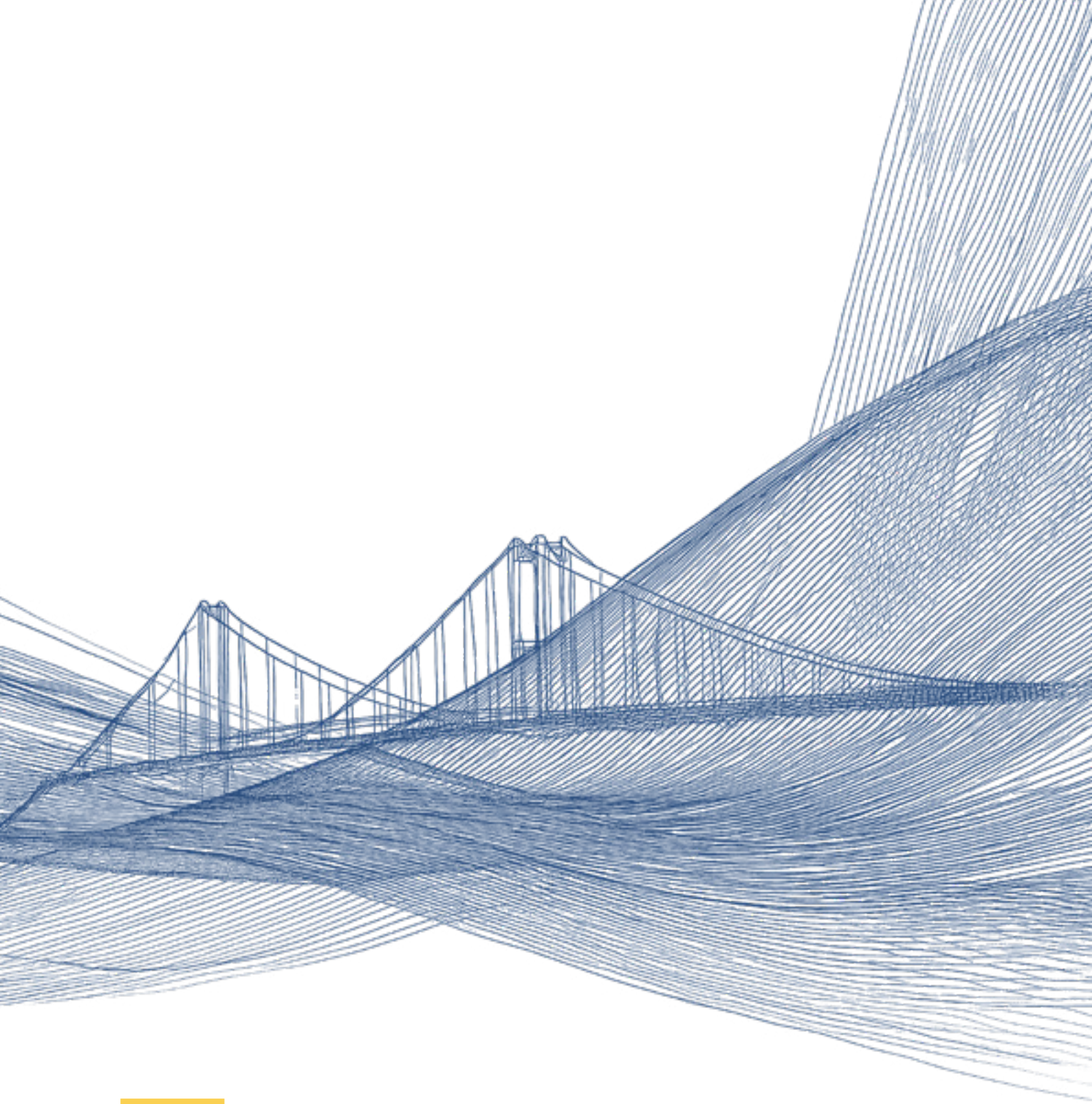
INSOLVENCY PROCEEDINGS IN WHICH THE FUND PARTICIPATED AS A CREDITOR FOR THE INCURRED COSTS OF RESOLUTION

No.	Bankrupt	Date of bankruptcy declaration	Costs of resolution	Claim for costs of resolution – 31.12.2024	Amount recovered by the Fund	Satisfaction of the Fund
			(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	890 356.2	890 356.2	0.0	0%
3.	Getin Noble Bank S.A.	20.07.2023	6 929 232.0	5 830 981.9	1 098 250.0	15.9%
TOTAL			7 827 510.4	6 728 760.2	1 098 750.0	14.1%

In 2024, the Receiver of Idea Bank S.A. submitted the first partial list of claims to the proceedings (the BFG's claim for contributions to the fund for the compulsory resolution of the credit unions and the fund for the compulsory resolution of banks was recognised in full in the reported amount – PLN 7,654.5 thousand).

Within the framework of the bankruptcy proceedings conducted against Getin Noble Bank S.A., the Receiver transferred the amount of PLN 395,000.0 thousand to the Fund in 2024 as partial repayment of the costs of resolution not covered by the proceeds of resolution. The costs were also reduced by the amount of PLN 191,250.0 thousand from the sale of VeloBank S.A. shares.

In Q1 2024, the first partial distribution plan in the bankruptcy proceedings of PBS Sanok in bankruptcy was executed. The Fund received the amount of PLN 500.0 thousand.



ASSISTANCE AND RESTRUCTURING **ACTIVITIES**

1. PRINCIPLES OF ASSISTANCE AND RESTRUCTURING ACTIVITIES OF THE FUND



THE FUND'S TASKS

The Fund's tasks with regard to the restructuring of banks in which the danger of insolvency has arisen include:

- granting repayable financial assistance,
- purchasing debts of credit unions,
- granting support to entities taking over the credit unions, taking over selected property rights or selected liabilities of the credit unions or to purchasers of a credit union enterprise in liquidation, its organised part or selected property rights.



FINANCIAL AID

Financial assistance in the form of loans, guarantees and warranties may be granted to a credit union which implements a recovery proceedings programme positively approved by the PKNF. Financial assistance may only be earmarked for removing the danger of insolvency.

The Fund's assistance is conditional in particular on:

- acceptance by the Fund's Management Board of the results of the audit of the financial statements relating to its activities presented by the fund applying for assistance;
- presentation by the fund of a positive opinion of the PKNF on the recovery proceedings programme;
- a demonstration that the amount of aid requested by the fund would not be higher than the total maximum amount under the guarantee in that fund, calculated as the sum of funds guaranteed on the fund's depositors' accounts;
- the use of the existing own funds of the credit union to cover the losses of the credit union applying for aid;
- in the case of repayable financial assistance, collateralisation of claims on account of the assistance granted, guaranteeing repayment of the full amount of assistance plus interest.

The Fund consults with the PKNF on the restructuring activities and obligations imposed on the fund.

Financial assistance may be granted under the condition of compliance with the applicable aid scheme or that the applicant (the fund) obtains a positive decision from the EC on the granting of aid under the individual aid notification process.

The Fund may also provide assistance in the form of the acquisition of monetary claims of credit unions where a risk of insolvency has arisen. At the same time, pursuant to the Regulation of *the Minister of Development and Finance of 1 December 2016 on trading by the Bank Guarantee Fund in receivables purchased from credit unions in which the danger of insolvency has arisen* (Journal of Laws 2016, item. 1969), these can only be unmatured receivables from loans and credits granted, classified by the credit unions in the 'regular' category, for which there are no delays in repayment and the economic and financial situation of the debtor does not pose a threat of further 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 acquirers of a business or assets of a credit union in liquidation by:

- taking up shares in the acquiring bank,
- the granting of a loan or guarantee,
- the provision of guarantees to fully or partially cover losses,
- granting a grant.



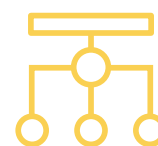
CONDITIONS OF SUPPORT

The Fund's support is conditional in particular on:

- acceptance by the Fund's Management Board of the results of the audit of the financial statements relating to its activities presented by the acquirer or purchaser;
- presentation to the Fund's Management Board by the acquirer or purchaser of a positive opinion of the KNF on the advisability of the acquisition and the absence of a threat to the security of depositors' funds collected at the fund against which the KNF has issued a decision on the acquisition or liquidation, and at the acquiring or acquiring bank or fund;
- demonstration that the amount of resources committed by the Fund in support of the acquiring or acquiring bank or fund would not be higher than the total amount under the guarantee in the fund in respect of which the FSC issued a decision on the acquisition or liquidation, calculated as the sum of the covered deposits in the acquired accounts of the depositors of that fund;
- the use of the existing own funds of the acquired or liquidated fund to cover losses;
- collateral securing the repayment of the full amount of support plus interest in the case of support in the form of a loan or guarantee.

As in the case of the granting of financial assistance, actions related to the granting of support for the restructuring of credit unions may be undertaken and carried out by the Fund after obtaining a decision of the EC on compliance with the rules for granting state aid.

2. RESTRUCTURING OF CREDIT UNIONS



In 2024, the Fund did not conclude any new support agreement in relation to the connection with the restructuring of the credit unions.

Table 10.

SUPPORT PROVIDED, IN CONNECTION WITH THE RESTRUCTURING OF THE CREDIT UNIONS, IN THE FORM OF GRANTS AND GUARANTEES TO COVER LOSSES BETWEEN 2014 AND 2024

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

* Completed contracts.

In the period 2018–2024, the settlement of 7 agreements has been completed.

3. MONITORING OF THE IMPLEMENTATION OF AGREEMENTS UNDER WHICH SUPPORT WAS PROVIDED FROM THE CU FUND AND THE RESOLUTION FUND



AS AT THE END OF 2024, THE MONITORING PROCESS COVERED:

- commercial banks benefiting from the support provided in the form of grants and guarantees to cover losses in connection with the CUs and bank resolution process;
- the agreement to provide bond repayment guarantees in the bank resolution process.

On the basis of the financial statements and data contained in the EWS, the Fund monitored the economic and financial situation of these banks and the implementation of the obligations under the support agreements concluded, in particular with regard to the settlement of loss coverage guarantee agreements.

Table 11.

BANKS BENEFITING FROM SUPPORT FROM THE CU GUARANTEE FUND

Name of bank	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 thousand)	
Alior Bank S.A.	SKOK Jaworzno	31.03.2027	31.03.2027	319 796.2	113 819.8
ING Bank Śląski S.A.	Bieszczadzka SKOK	31.07.2025	31.07.2025	40 835.2	9 785.1
Bank BNP Paribas S.A.	SKOK Refinery	30.04.2026	30.04.2026	77 666.4	36 521.0
Bank Millennium S.A.	SKOK Piast	30.09.2026	30.09.2026	198 816.8	54 123.6
TOTAL				637 114.6	214 249.5



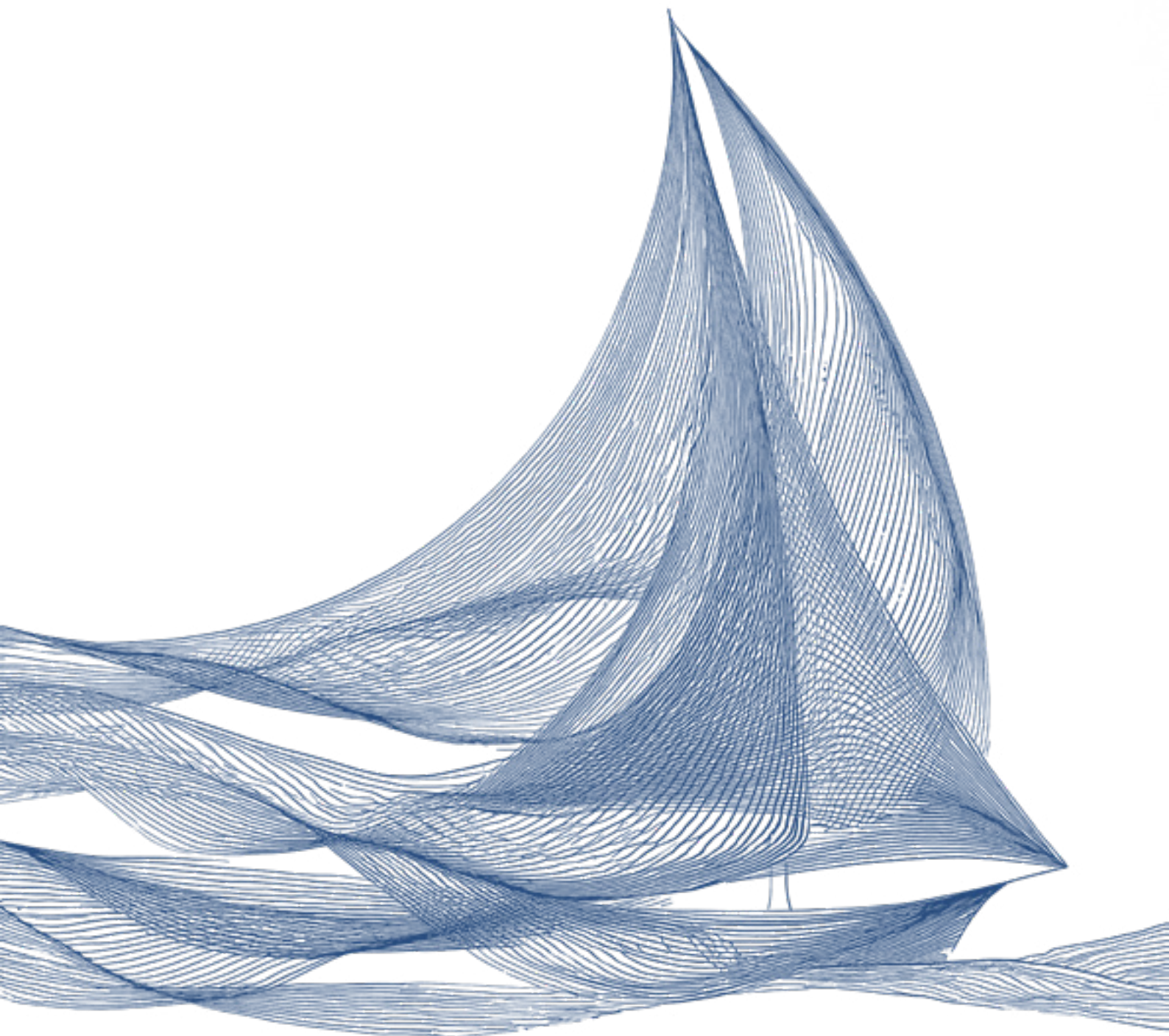
SETTLEMENT OF LOSS GUARANTEE CONTRACTS ENTERED INTO IN CONNECTION WITH THE RESTRUCTURING OF THE BANKS

- In 2024, as a result of the settlements of the loss coverage guarantee agreements concluded in connection with the restructuring of the credit unions, receivables of the Fund amounted to PLN 4 601.9 thousand. In turn, cumulatively from the beginning of the current loss coverage guarantee agreements until the end of 2024, the Fund's receivables amounted to PLN 16,149.8 thousand.
- The maximum liability of the Fund as at 31 December 2024, calculated on the basis of the value of the assets covered by the loss coverage guarantees resulting from the settled statements of the Banks, is presented in Table No. 11. This is the potential liability that would occur if there was a need to cover the loss in respect of all property rights taken over by the Banks. On the basis of current analyses, it can be concluded that no such risk exists.

Table 12.

MAXIMUM VALUE OF LIABILITIES (ASSETS AT RISK) ARISING FROM GPS CONTRACTS ACTIVE AT THE END OF 2024

Bank	SKOK	Maximum liabilities of the Fund (PLN thousand)
Alior Bank S.A.	SKOK Jaworzno	7 055.5
ING Bank Śląski S.A.	Bieszczadzka SKOK	3 829.2
Bank BNP Paribas S.A.	SKOK Refinery	986.3
Bank Millennium S.A.	SKOK Piast	10 275.0
RAZEM		22 146.0



RESTRUCTURING **OF INSURANCE COMPANIES**

RESTRUCTURING OF INSURANCE COMPANIES

Following the endorsement by the Financial Stability Committee 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 companies, the Fund continued its preparatory activities for this function.

Representatives of the Fund participated in the work of the informal groups of the European Insurance and Occupational Pensions Authority (EIOPA) related to the development of subordinate acts to the Directive on Recovery, Resolution and Resolution in relation to insurance and reinsurance undertakings. Within EIOPA, the BFG representative led the work related to resolution planning and the assessment of the feasibility of *resolution* in the insurance sector. The group led by the BFG representative worked on three files concerning: the content of resolution plans, the criteria for the so-called *resolvability* assessment, and the circumstances of using the powers of the *resolution* authority to remove obstacles to *resolution*. Other BFG experts worked in groups dealing with: the calculation of the market coverage ratio of recovery and resolution plans, the functioning of resolution colleges, reporting requirements for resolution and the identification of critical functions.

Since Q4 2024, the BFG representative has been a member of the EIOPA IRRD Implementation Forum. This platform serves to exchange views, practices and real cases on substantive or operational issues related to IRRD and aims to enhance coordination and harmonisation of IRRD implementation work across the EU.

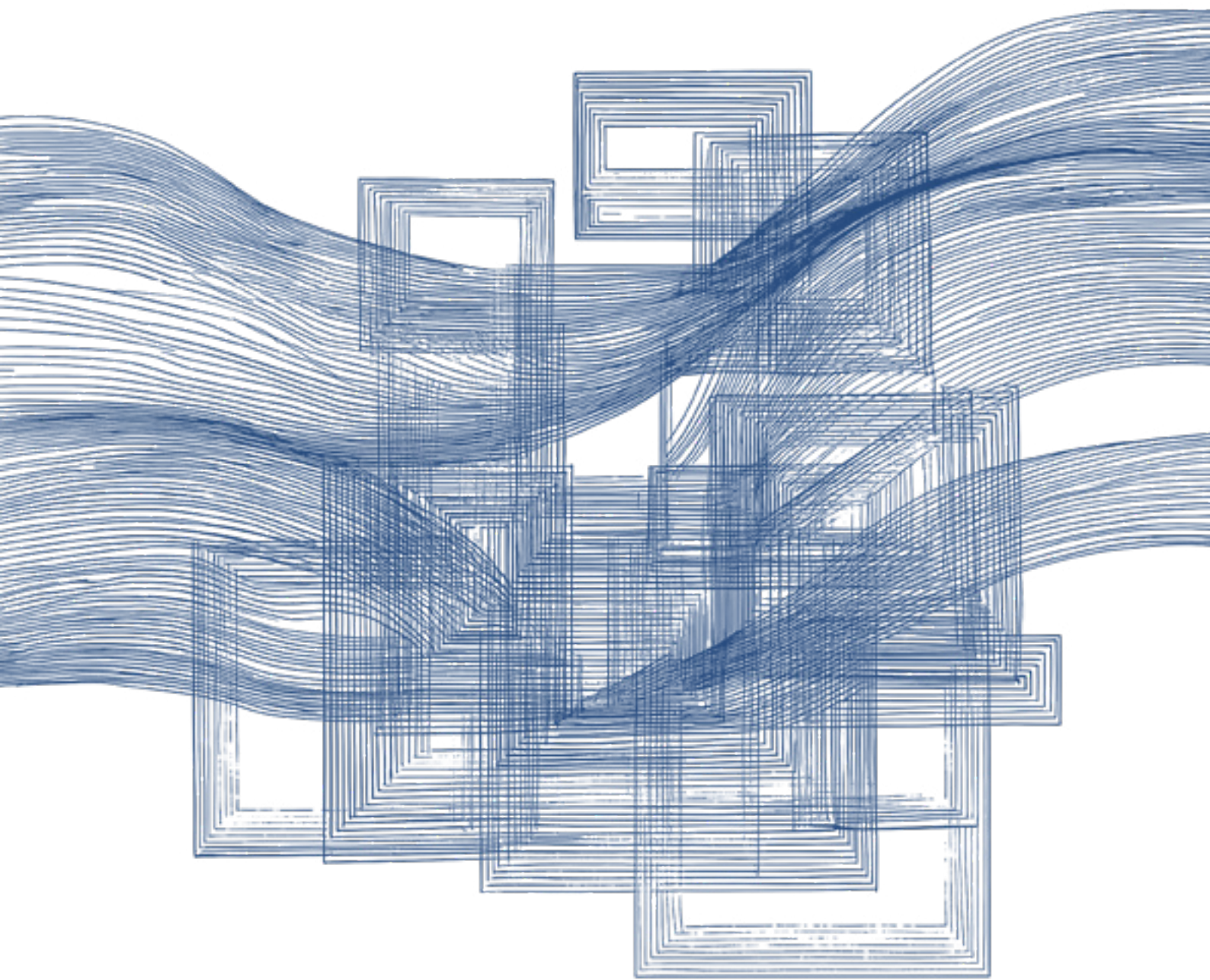
During the reporting period, the Fund actively cooperated with the Ministry of Finance in the work on the IRRD project. Trilog analyses were carried out and, in the next stage of the work, positions containing technical and legislative comments were presented to the English version of the draft directive revised from a linguistic perspective, as well as to the Polish versions of the draft.

The Fund also continued consultations with the Mutual Insurance Committee of the Polish Insurance Association concerning possible future solutions to support the restructuring of mutual insurance companies, due to the lack of specific guidelines in the IRRD.

The Fund, identifying significant issues in the area of resolution in the insurance sector, sent a letter to the Minister of Justice and the Minister of Finance regarding issues raising significant doubts on the basis of the statutory provisions on insolvency proceedings against insurance and reinsurance companies. The Ministry of Finance was provided with the Ministry of Justice's response on the problematic issues identified by the Fund relating to, inter alia, the separation of components forming a separate bankruptcy estate of an insurance company, the determination of technical and insurance reserves for solvency purposes and corresponding assets, problems with the definition of the concept of 'insurance contract claims'.

Throughout 2024, the BFG continuously monitored the work on the draft IRRD in view of the expected publication of the directive in early 2025.⁶ The Fund initiated analytical and legal work, which involved, inter alia, analysing the draft IRRD in the light of the BRRD, the BFG Act and covered the scope of application, simplified obligations for certain entities, resolution planning, the possibility of its effective implementation, as well as the objectives and conditions for triggering this procedure. In particular, they served to prepare for cooperation in the development of national legislation related to the IRR Directive.

⁶ The IRRD was published on 8 January 2025. By 29 January 2027, EU countries should have adopted the legislation necessary to implement the IRRD.



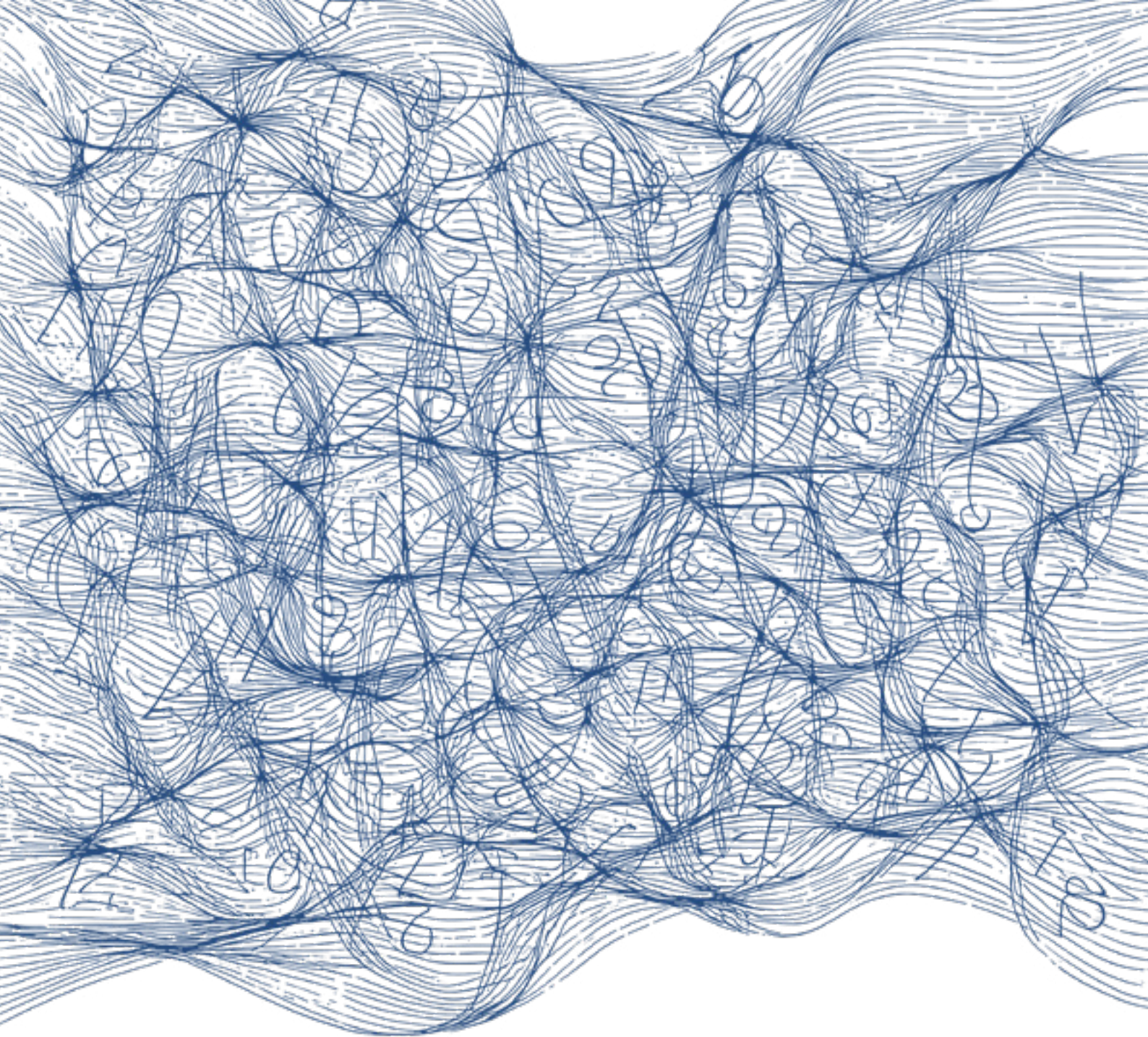
RESOLUTION OF CCPS

RESOLUTION OF CCPS

The Bank Guarantee Fund was designated as the CCP resolution authority by the Act of 14 April 2023 amending the Act on investment funds and 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 to the extent in question entered into force on 13 May 2023. The tasks of the Fund as the resolution authority for CCPs are set out in Regulation (EU) 2021/23 of the European Parliament and of the Council 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 L 22, 22.01.2021, p. 1; "Regulation 2021/23").

In Q4 2024, the Fund's Management Board adopted a resolution on agreeing and signing a joint decision on the first resolution plan developed by the BFG for KDPW_CCP S.A., the only authorised CCP in Poland for which the Fund acts as the resolution authority. The resolution strategy for KDPW_CCP adopted by the Fund was discussed in detail by the members of the Resolution College for KDPW_CCP S.A.⁷ during the College meeting organised by the Fund. Subsequently, pursuant to Article 14(2) of Regulation 2021/23, the joint decision ("joint decision") to adopt the Plan was unanimously adopted by all voting members of the College (in accordance with the provisions of Regulation 2021/23, ESMA and EBA do not have a vote in the College). The resolution plan for KDPW_CCP S.A. was one of the first resolution plans for CCPs adopted in the European Union.

⁷ The College is composed of 11 Polish and EU institutions, i.e. the BFG as chairman, the KNF, the NBP, the MF, the Autorité des Marchés Financiers (AMF), L'Autorité de contrôle prudentiel et de résolution (ACPR), De Nederlandsche Bank (DNB), the European Central Bank (ECB), the SRB, the ESMA and the EBA.



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 of individual banks and the CUs sector and individual credit unions, enabling the early identification of entities with deteriorating economic and financial situations and preparing in advance for potential restructuring measures or the disbursement of covered deposits to depositors. Analytical work of a wide scope is carried out by the Fund using information and data obtained from the NBP, the KNF, banks and the NCCB.

On the basis of the available information on banks and credit unions, the Fund regularly prepared analyses of the economic and financial situation of the banking sector and individual banks and the credit union sector and individual credit unions, indicating areas where risks arise.

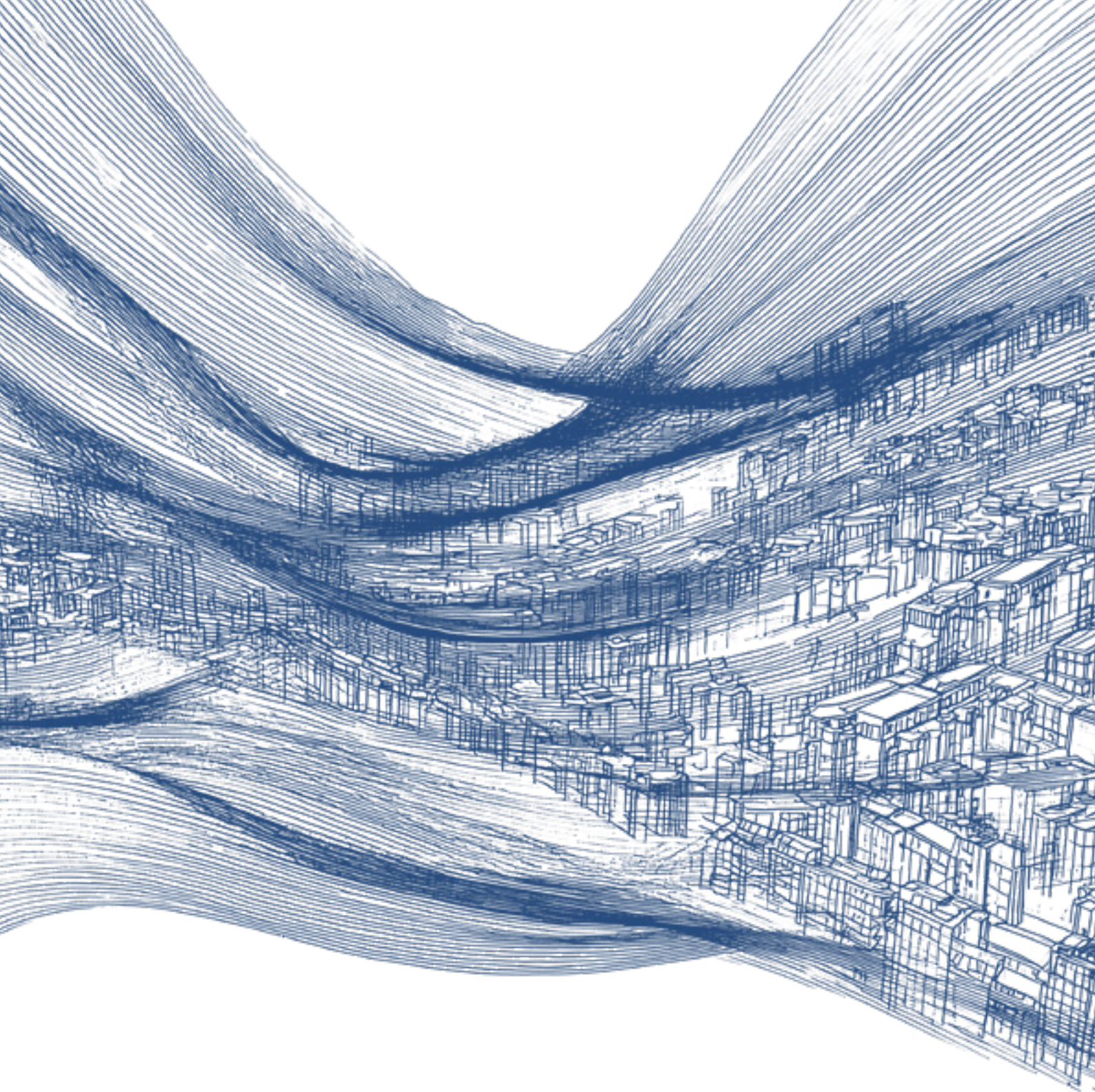


THE MONTHLY MEETINGS OF THE EARLY WARNING SYSTEM COMMITTEE DISCUSSED, AMONG OTHER THINGS:

- the watch lists of banks and credit unions and the list of high-risk banks, taking into account current non-reporting information;
- the results of the review of the economic and financial situation of selected commercial banks, cooperative banks and credit unions with a particular focus on banks and credit unions with a bad and deteriorating economic and financial situation, including entities placed on watch lists;
- up-to-date information on selected entities, including but not limited to: BION assessments, results of UKNF inspections and IPS audits, status of implementation of corrective actions and other information, including: information provided by UKNF and publicly available reports and statements;
- changes in the structure of balance sheets and results of commercial banks, including the 10 largest banks in terms of total assets, on the basis of NBP SIS data and commercial banks' financial statements;
- economic and financial situation of selected commercial banks;
- current situation in the banking sector;
- the current situation in the SKOK sector, detailing the situation of the largest SKOK and general information on the balance sheet and profit and loss account of the National Bank.

The EWS Committee meetings also presented thematic analyses on current relevant issues in the banking and CUs sectors.

Other analytical work included, inter alia, the monthly calculation and monitoring of the ratio of collateralisation of covered deposits in banks and credit unions with the available financial resources of the BFG funds and the degree of achievement of minimum and target levels of funds for the financing of the deposit guarantee scheme and resolution.



OTHER ACTIVITIES **OF THE FUND**

1. LEGISLATIVE WORK



On 2 April 2024, the consolidated text of the BFG Act was published in the Journal of Laws under item 487.

Legislative work on the bill on loan servicers and loan buyers was ongoing in 2024. Two groups of amendments to the BFG Act were introduced as part of this bill, which concern:

- minor amendments to the MREL provisions for entities that are part of global systemically important credit institutions (Articles 97(19), 98(2d), (2e), (2f) and 99(1) sentence 2 of the BFG Act), resulting from the amendments to the BRRD introduced by Regulation (EU) 2022/2036 of the European Parliament and of the Council of 19 October 2022. on amending Regulation (EU) No 575/2013 and Directive 2014/59/EU as regards the prudential treatment of global systemically important institutions that implement a multi-point resolution strategy and as regards methods for indirectly subscribing to instruments eligible to meet the minimum own funds requirement and eligible liabilities (OJ EU L. 2022 No 275, p. 1) (implementation), and
- the exclusion of the application of the Act of 11 April 2003 on the shaping of the agricultural system to actions taken by the Fund in connection with the preparation and implementation of a resolution (Art. 121a of the Act on the BFG), the disposal of shareholding rights in a bridge institution by a shareholder or partner other than the Fund (Art. 193(4) of the Act on the BFG) and the disposal of shareholding rights in an asset management entity (Art. 228a of the Act on the BFG).

The Loan Servicing Entities and Loan Purchasers Act was enacted on 20 December 2024, with respect to the amendments concerning the BFG Act entering into force on 5 February 2025.

On 31 October 2024, a draft act on amendments to the Bank Guarantee Fund Act, the deposit guarantee scheme and resolution and certain other acts (UC65) was submitted for intra-ministerial arrangements and public consultations. The draft in relation to matters remaining in the area of the Fund's activity aims to:

- implement 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 own funds requirement and eligible liabilities (OJ L 2024/1174, 22.04.2024), (the so-called Daisy Chains 2 Directive);
- completing and correcting 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 as regards loss-absorbing capacity and recapitalisation of credit institutions and investment firms and Directive 98/26/EC (OJ EU L 150, 07.06.2019, p. 296, as amended), (so-called "Directive BRR2"). In this respect, reference should be made to the amendments proposed in Articles 144b(3), 204, 206, 222 of the BFG Act;
- incorporate in the provisions of the Law on the BFG the European Banking Authority (European Banking Authority – hereafter, "EBA") guidelines of 13 June 2023 No. EBA/GL/2023/05 entitled "Guidelines amending EBA/GL/2022/01 on improving the resolvability of institutions and resolution authorities", resolution pursuant to Articles 15 and 16 of Directive 2014/59/EU (guidelines on resolvability) to introduce a new section on testing resolvability", hereinafter "EBA Guidelines";
- additions and clarification of certain provisions of the BFG Act and other Acts against the background of the Fund's past experience and practice related to the preparation and conduct of a resolution in order to enable more effective implementation of the statutory tasks for the stability of the national financial system.

The Daisy Chains 2 Directive, followed by the proposed implementing legislation, mainly introduces technical changes to the mechanism for determining and deducting MREL in the relations of subsidiaries and banking groups and removes

in principle the need to determine MREL for entities not subject to resolution. The implementation of the provisions in terms of MREL is intended, inter alia, to ensure that the deduction mechanism in relations of subsidiaries and banking groups (chain structures) is proportionate and does not create problems from the point of view of a level playing field for different banking group structures.

As part of the implementation of the above-mentioned EBA guidelines, the draft law proposes to introduce the institution of a verification visit, which will allow for a so-called "on-site inspection" to be carried out. The draft law proposes the introduction of the institution of a fact-finding visit, which will enable the carrying out of a so-called 'on-site inspection', which, according to the guidelines, is an 'investigation and testing [of the viability of a resolution] by the authorities, which has a predefined scope and timing and is carried out on the premises of the institution'.

Some of the proposed amendments are also provisions resulting from the Fund's experience to date in the area of resolution and disbursement of covered deposits, aimed at improving these processes. These include provisions establishing a sanction for the breach of MREL information obligations (Article 99b); clarifying the distribution of funds received from the bankruptcy estate (Article 285), setting out the basis for the determination of extraordinary contributions and the timeframe for the reconstruction of funds after their partial use, and amendments concerning professional secrecy (Articles 320 and 320a).

As part of the public consultations, the Fund made further proposals for amendments concerning, inter alia, the securing of the Fund's claims for support (Article 112), the abandonment of the acquisition of shares in the acquiring bank as a bank and CU restructuring measure (Articles 264 and 268a), the transfer to the competence of the Fund's Council of the determination of the scope of information necessary for the performance of the Fund's tasks (in particular for the preparation of estimates) (Am. in Articles 9 and 330), increasing the involvement of Institutional Protection Systems (IPS) in resolution (participation in the search for an acquirer, support in drawing up estimates), and improving the provisions on deposit protection and disbursements to depositors.

OTHER LEGISLATIVE WORK

In 2024. The Fund submitted positions to the Ministry of Finance on, inter alia, the following draft legislation:

- an Act to amend the Act on support for borrowers who have taken out a housing loan and are in financial difficulty and the Act on crowdfunding for economic projects and assistance to borrowers;
- an Act on crypto-assets;
- an Act on loan servicers and loan purchasers;
- an act to amend certain laws in connection with ensuring the operational digital resilience of the financial sector and issuing European green bonds;
- an act on mortgage credit and the supervision of mortgage credit intermediaries and agents;
- an Ordinance of the Minister of Finance amending the Ordinance on requirements for calculation systems maintained at entities covered by the guarantee scheme;
- an Ordinance of the Minister of Finance on the information necessary for the development, review and updating of compulsory restructuring plans and group compulsory restructuring plans and the minimum scope of analyses carried out by the Bank Guarantee Fund to assess the possibility of compulsory restructuring;

- an Ordinance of the Minister of Finance on the distribution of burdens by shareholders, shareholders and subordinated creditors on account of the conclusion by the institution of a prudential guarantee agreement or an agreement to cover capital shortfalls;
- the Ordinance of the Minister of Finance on identifiers and settlement numbers assigned to certain payment service providers and unique identifiers assigned to payment accounts held by such providers;
- an Ordinance of the Minister of Finance on the provision of information and documents by providers of crowdfunding services to the Financial Supervision Commission;
- the Regulation of the Minister of Finance on the conditions to be met by an alternative trading system or an organised trading platform;
- Regulation of the Minister of Finance on specific rules related to the investment of assets from insurance contracts by the insurance company, where the investment risk is borne by the policyholder;
- the Regulation of the Minister of Finance on the recognition and methods of valuation, disclosure and presentation of financial instruments;
- the Regulation of the Minister of Finance on the provision of information to the Financial Supervision Authority on the conduct of brokerage activities;
- Ordinance of the Minister of Finance on the principles for establishing provisions for risk related to banking activity;
- Ordinance of the Minister of Finance amending the Ordinance on the risk management system and internal control system and remuneration policy in banks;
- an Ordinance of the Minister of Finance amending the Ordinance on the exclusion of obligations to collect lump-sum personal income tax;
- an Ordinance of the Minister of Finance amending the Ordinance on the exclusion of obligations to collect flat-rate corporate income tax;
- Ordinance of the Minister of Finance amending the Ordinance on types of banks' exposures excluded from the limits of large exposures;
- Regulation of the Minister of Finance amending the Regulation on the risk management system and internal control system and remuneration policy in banks.

PARTICIPATION IN WORK RELATED TO EUROPEAN LEGISLATION

During the reporting period, the Fund carried out work on the CMDI (Crisis Management and Deposit Insurance framework), i.e. the Crisis Management and Deposit Insurance package, which includes amendments primarily to the BRR and DGS Directives, as well as to the Directive on certain aspects of MREL (the so-called Daisy Chain) and amendments to the SRM Regulation, i.e. the following legislative proposals:

- Draft Directive of the European Parliament and of the Council amending Directive 2014/59/EU as regards early intervention measures, conditions for resolution and financing of resolution actions (BRRD amendments);
- 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 (amendments to DGSD);
- Draft Regulation of the European Parliament and of the Council amending Regulation (EU) No 806/2014 as regards early intervention measures, conditions for resolution and financing of resolution actions (amendments to SRM).

The Daisy Chain Directive, part of the CMDI, was adopted on an accelerated basis and published in the Official Journal of the EU on 22 April 2024 as 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 own funds requirement and eligible liabilities, with an implementation deadline of 14 November 2024.

The Fund, as part of its continuing work on the CMDI package, worked with the Ministry of Finance on amendments to the legislation setting out the EU legal framework for crisis management, in particular the BRRD, DGSD and SRMR. As part of its substantive support, the BFG provided comments and positions on the amendments under discussion concerning, inter alia, the objectives of resolution, the assessment of the public interest rationale, the *least cost test*, the *bridge the gap* amendment (increasing the possibility of using DGS measures under resolution) and the calibration of MREL for entities for which the resolution plan provides for the use of the corporate takeover instrument. In addition, representatives of the Fund participated in remote and onsite meetings to support representatives of the Ministry of Finance in presenting comments made by the Fund.

IN 2024. THE FUND PRESENTED A POSITION PAPER TO THE MINISTRY OF FINANCE ON, INTER ALIA:

- the draft Directive of the European Parliament and of the Council establishing a framework for the recovery and resolution of insurance and reinsurance undertakings (...) (IRRd);
- a proposal for a regulation of the European Parliament and of the Council amending Regulations (EU) No 1092/2010, (EU) No 1093/2010, (EU) No 1094/2010, (EU) No 1095/2010 and (EU) 2021/523 as regards certain reporting requirements in the areas of financial services and investment support;
- the draft delegated regulation regarding the harmonisation of certain aspects of the fees charged by the European Securities and Markets Authority to certain benchmark administrators;
- an assessment by the European Commission of the correct implementation of CRD IV and CRD V;
- the draft amendment of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (CRR Regulation);
- material concerning Regulation (EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022 on operational digital resilience in 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 (DORA Regulation);
- Draft Regulation of the European Parliament and of the Council on a framework for access to financial data and amending Regulations (EU) No 1093/2010, (EU) No 1094/2010, (EU) 1095/2010 and (EU) 2022/2554 (FIDA Regulation);
- materials relating to the establishment of the Single Integrated Reporting System.

2. NATIONAL AND INTERNATIONAL COOPERATION



DOMESTIC COOPERATION

During the past year, representatives of the BFG actively participated in various events that reflect the commitment to the development of the banking and insurance sector in the country. Domestic cooperation was geared towards gaining knowledge as well as sharing experiences.

Acting to support the stability of the domestic financial system, the Fund actively cooperated with the institutions forming the financial safety net, i.e. the MF, the NBP and the KNF.

During the reporting period, the President of the Management Board, together with BFG staff, participated in meetings of the Financial Stability Committee, as well as in meetings of the FSC.

IN 2024, REPRESENTATIVES OF THE BFG TOOK PART IN, AMONG OTHERS:

- Banking Forum, held under the motto “Challenges facing the Polish banking sector in conditions of a gradually improving economic situation and expected changes in the country’s economic policy”;
- Banking&Insurance Forum;
- Nuclear Insurance Day;
- Insurance CFO Panel;
- Co-operative Banking Leaders Forum 2024;
- European Financial Congress in Sopot;
- KZBS Conference “Leader in the local environment – the role of cooperative banks”;
- FinTech & InsurTech Digital Congress;
- Congress of the Polish Insurance Association.

The President of the Management Board, Members of the Management Board and representatives of the BFG took part in meetings of the Parliamentary Committee on Public Finance on the government draft bill on credit servicing entities and credit buyers (parliamentary print no. 765) and the Standing Subcommittee on Financial Institutions devoted to the consideration of the government draft bill on credit servicing entities and credit buyers (print no. 765). They also participated in a meeting of the Association of Polish Banks in the Large Banks Section.

The President of the Management Board and Members of the Management Board of the Fund participated in meetings with banks, the BPS Association Co-operative Protection System, the SGB Co-operative Protection System and the Commercial Banks Protection System.



INTERNATIONAL COOPERATION

INTERNATIONAL ASSOCIATION OF DEPOSIT INSURERS (IADI)

Last year, a number of events took place within the framework of the International Association of Deposit Insurers (IADI).

Three regular (78th – 80th) meetings of the Executive Council (EXCO) and accompanying meetings of the Standing Committees, Technical Committees, Working Groups, as well as Regional Committees (including the European Regional Committee, hereinafter: 'ERC') took place in 2024, together with the preceding meetings. The events were attended by representatives of the BFG.

In November 2024, the President of the Management Board, together with a member of the BFG Management Board, attended the IADI Annual General Meeting (23rd Annual General Meeting, AGM), during which the 80th meeting of the IADI Executive Council took place. The events included numerous meetings of the Standing, Technical and Regional Committees including the ERC. At the meetings, the Fund was represented by the President and a BFG Board Member. At the General Assembly of Members, the EXCO President presented the report on the Association's activities in 2024, and the Annual Report for 2023/24 and financial statements for 2023/24 were also approved, as well as the budget for the financial year FY 2024/25. At the meeting, amendments to the IADI statutes were adopted, and new EXCO members were elected. The events were accompanied by a conference entitled: *"Future proofing the Core Principles: raising the bar for deposit insurance systems"*. Topics presented at the meeting included: the design of deposit insurance schemes, the choice of restructuring strategies and the use of funds, and the coordination of the financial safety net.

In addition, during the reporting period, the President of the BFG Management Board, a Member of the Management Board and the Director of the Management Office participated in the meeting of the IADI Governance Working Group, where the proposal for the new structure of the Association was discussed, as well as the proposed wording of the Terms of Reference (TORs) of the newly formed committees in order to prepare a position paper for the Executive Council on the matter.

During the reporting period, the ERC-Eurasia IADI meeting was held in Georgia, which was attended by the President of the Board and the Deputy President of the BFG Board. The event included a meeting of the European Regional Committee, accompanied by a conference entitled: *"Deposit Insurers and Bank Resolution: State of Art and Future Challenges"*, during which the President of the Management Board gave a presentation entitled: *"A Recipe for Successful Resolution (Experience of the Polish Resolution Authority – BFG)"*, sharing the BFG's knowledge and experience of the resolution process.

In October 2024, the President of the Management Board of the BFG and the Director of the Resolution Department participated in a conference co-organised by the IADI, the Financial Stability Institute (FSI) and the Financial Stability Board entitled "Testing the policy framework: reflections following the 2023 banking turmoil". The CEO of the BFG spoke on a panel discussion entitled "More than a bail-in – options in the application of resolution strategies". The BFG's experience of resolution is of great interest to representatives of RA authorities, central banks and supervisors of other countries, which translated into the participation of the BFG delegation in numerous bilateral meetings. The delegation held bilateral meetings with, among others, representatives of DGSs and RAs from Europe, Asia, Africa. In addition, details of the BFG's participation in the project to develop a tutorial on the establishment of a bridging institution were discussed.

The Fund developed a tutorial on the use of the bridging institution instrument in a resolution based on the resolution of GNB and submitted it to the FSI-IADI as part of the FSI training programme.

In terms of cooperation within the framework of the IADI – FCTC (Financial Cooperatives Technical Committee) group, the Fund presented its experience in the resolution of cooperative banks and the risks associated with the process on the basis of lessons learned from the resolution process of PBS in Sanok and BS in Przemków.

In addition, in 2024. The Fund systematically completed IADI surveys, as well as providing opinions on documents and responding to survey requests from IADI and its members.



EUROPEAN FORUM OF DEPOSIT INSURERS (EFDI)

In February of the reporting year, the Fund hosted representatives of the EFDI PR and Communications Committee. Among other things, they discussed good practices in building awareness of deposit guarantee schemes, including the use of social media and podcasts, and also the functionality of websites as communication tools. The BFG representative discussed communication activities related to the resolution of Getin Noble Bank S.A., including building the VeloBank S.A. brand.

In May 2024, the EFDI European Members' General Assembly took place in Nice, attended by a Board Member and the Director of the Board Office. The meetings were accompanied by a conference entitled. "Financial stability for the many? Deposit insurers at work".

Within the framework of its cooperation with the European Deposit Guarantee Forum, the Fund was also represented at:

- the cyclical meetings: Banking Union Working Group (BUWG), D3I Working Group (D3I WG) and Cross-Border Working Group (CBWG);
- EFDI EU Committee periodic meetings;
- a conference on the role of deposit guarantee schemes in banking crisis management;
- a debate and panel discussion on "The Role of Deposit Guarantee Schemes in Managing a Banking Crisis" co-organised by the EFDI and BVR Institutssicherung GmbH;
- the EFDI Joint Meeting in Vlora organised by the EFDI and the Albanian Deposit Guarantee Scheme – Agjencia e sigurimit të depozitave (ASD). The meeting included a meeting of the 3 working groups established within the EFDI, i.e. Stress Test Working Group (STWG), Public Relations &

Communication (PRC) and H2C Communication Subgroup; it was particularly dedicated to the exchange of experiences in the area of stress testing, communication methods used by DGSs, as well as raising awareness and general knowledge about deposit insurance. During the STWG meeting, institutions shared experiences on stress testing and cyber security. The last part of the meeting was dedicated to the H2C Crossborder Communication Subgroup, where the revision of the cost matrix in cross-border disbursements and the testing of communication tools between DGSs were addressed.

In addition, during the reporting period, the Fund systematically completed EFDI surveys, as well as providing opinions on documents and responding to survey requests from the EFDI and its members



EBA

In 2024, representatives of the Fund attended three meetings of the EBA Standing Committee on Resolution (ResCo). At the meeting in March 2024, they discussed, among other things, the conclusions of the processes of writing resolution plans to date and areas for change. During the meeting, the Fund made significant comments on the draft Handbook on independent valuers. On the other hand, on 4–5 July 2024, a member of the Board of Directors of the Fund attended the ResCo meeting organised by the EBA in cooperation with the National Bank of Romania in Bucharest, which would discuss issues related to agreeing the wording of the Handbook on valuers, as well as developing a new approach to resolution planning, including the development of resolution plans. Subsequently, on 4 December 2024, a representative of the Fund attended the ResCo meeting organised by the EBA at its headquarters in Paris, where discussions related to the development of a new approach to resolution planning, including the development of resolution plans, as well as the functioning of resolution colleges continued.

In addition, during the reporting period, representatives of the Fund participated in three meetings of the EBA working group on resolution planning issues – the SGRPP (Subgroup on Resolution Planning Preparedness). In January 2024, a representative of the Fund participated in a (remote) meeting where issues relating to the experience of resolution planning and how resolution plans could be made more efficient and feasible were discussed, as well as proposals to amend the European Commission's regulation on obtaining information for planning purposes. On the other hand, on 30–31 May 2024, a representative of the Fund participated in an offsite meeting of the GSCPP, organised by the National Bank of Hungary, where topics such as a new approach to the development of resolution plans and changes to banks' reporting obligations would be discussed.



ESMA

In 2024, representatives of the Fund attended two meetings of ESMA's Standing Committee on CCP Resolution (ESMA CCP Resolution Committee; CCP ResCo), of which the Fund has been a member since the beginning of 2023. The CCP ResCo meetings, including one held at ESMA's headquarters in Paris, adopted the Committee's work plan for 2025–2026 and discussed, inter alia, the documents developed within the Committee on the definition, designation and assessment of CCP critical functions and the practical application of one of the CCP resolution tools provided for in Regulation 2021/23, i.e. the resolution cash call. The referred documents, developed and adopted by the CCP

ResCo members and subsequently approved by the ESMA Board of Supervisors, are important for the practical application of the provisions of Regulation 2021/23 both by the resolution authorities in, inter alia, the CCP resolution planning process, as well as for European CCPs.



ECB

In 2024, The Fund continued its work in the ESRB Expert Group on Clearing (expert group at the European Systemic Risk Board), which addresses the issue of strengthening the stability of CCPs. At the 2024 meetings of the group, at which the Fund was represented, discussions included the direction of further changes to margin collection rules aimed at reducing the negative impact of market shocks on sudden and abrupt liquidity needs of clearing participants or issues related to the scope of data submitted to the ESRB and its further analysis. In addition, issues related to the implementation of EMIR 3 were discussed as well as the process of implementation of the CCP RRR package by Member States.



EUROPEAN COMMISSION (EC)

As part of the continuation of the work on the CMDI (Crisis Management and Deposit Insurance) package, which includes the reform of the regulations on the crisis management framework for banks and deposit insurance, in 2024:

- The Fund provided an opinion to the Minister of Finance on the compromise text proposals submitted by the Belgian Presidency for the revision: BRRD, DGSD and SRMR, in particular on "bridge the gap" (increasing the possibility to use DGS measures in resolution) and "least cost test";
- The Fund participated in a meeting with the Hungarian Presidency on the further proceedings of the work on this package and in a bilateral meeting with the German delegation. In the course of the work on the CMDI, the Fund provided comments and feedback on the dialogue tables on the draft amendments to the DGSD, BRRD and SRMR adopted by the EC and the revisions adopted by the European Parliament;
- A working team was established to support the MF during the Presidency of the Republic of Poland in the Council of the EU (01.01.2025 – 30.06.2025). In November 2024, representatives of the Fund participated in a meeting organised at the Ministry of Finance with a German delegation.

Following a request from the MF, the Fund prepared a position paper on the proposed BRRD regulations proposed in the process of assessing the correctness of the EC's transposition of Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss absorption and recapitalisation capacity of credit institutions and investment firms.

In addition, Fund staff participated in a videoconference of the Commission Expert Group on Banking, Payments and Insurance on 18 December 2024 on planned amendments to Commission Delegated Regulation (EU) 2015/63, which sets out the rules for the determination of banks' and investment firms' contributions to resolution funds.



OTHER

In January 2024, the President of the Management Board and the Deputy Director of the ResolutionDepartment shared their experience of the resolution of Getin Noble Bank S.A. at a workshop organised by the International Monetary Fund and the Financial Stability Board (FSB) in Washington DC. Particular emphasis was placed on the determinants and practice of resolution using a bridge bank. During the workshop, representatives from the Federal Deposit Insurance Corporation (FDIC) discussed the cases of Silicon Valley Bank, Signature Bank and First Republic Bank, while representatives from the Portuguese Resolution Fund discussed the case of Novo Banco.

In February this year, Fund was represented at the SRB's annual conference on 'The road ahead: risk, readiness and resilience'.

In April 2024, as part of the cooperation with the Swedish Resolution Authority, staff from the ResolutionDepartment shared their experience of resolution in Poland. The seminar entitled 'Bridge bank as resolution tool – experience of BFG Polish Resolution Authority' discussed, among other things, valuation and processing for restructuring, the establishment and control of a bridge bank, third-party support and the process of selling a bridge institution.

In June 2024, a seminar entitled 'Crisis Management Network Workshop entitled The bridge institution: supervisory perspective and challenges' was held by the Austrian National Central Bank, during which the Deputy Director of the ResolutionDepartment presented the BFG's experience with the resolution of Getin Noble Bank S.A.

In September of the reporting year, at the invitation of the Malta Financial Services Authority (MKNF), representatives of the Fund led a workshop entitled. "Preventive and Alternative Measures", sharing the BFG's experience of using this approach in ongoing processes. During the meeting with the MKNF management representing the Directorates of Financial Supervision, Resolution, Deposit Guarantee and Investor Compensation Scheme, the solutions applied by the Fund within the framework of the resolution processes of the SKOK sector and banks were discussed. During the working discussions, the Maltese side was very interested in the resolution processes of systemic banks and the role and tasks of the various members of the safety net in these processes.

In September 2024 in Budapest, the President of the Management Board and a member of the Management Board of the BFG participated in the Eurofi Financial Forum co-organised with the Hungarian Presidency of the Council of the European Union. The high-level discussions covered topics on key financial and economic issues facing Europe's financial sector. The trip was an opportunity to learn about the positions of the EC, EU and national regulators and a wide range of financial sector representatives in relation to key projects currently under negotiation within the EU.

In September 2024, a representative of the Fund participated in a Global Training Program workshop organised by the KDIC on the topic of 'Risk Analysis & Risk-Based Premium System' in Korea. As part of the workshop, the representative of the BFG presented the principles of premium determination applicable in Poland.

3. INFORMATION POLICY

The aim of the Fund's information activities is to disseminate knowledge to the public about the principles of operation of the deposit guarantee scheme in Poland, the principles of conducting compulsory resolution and the role of the BFG in the structure of the financial security network.



COOPERATION WITH THE MEDIA AND OTHER APPEARANCES

In the reporting period, the Fund informed the media, inter alia, about the sale of VeloBank S.A., the amount of total contributions to the BFG in 2024 and the non-collection of contributions to the bank guarantee fund for 2024, as well as about changes in the composition of the BFG Management Board. In addition, the BFG communicated issues related to the ruling announced by the Court of Justice on the WSA's preliminary questions in connection with the ongoing judicial review of the BFG's administrative decision on the initiation of resolution against Getin Noble Bank S.A. The Fund also referred to Leszek Czarnecki's public statements that harmed the good name of the BFG. The Fund also referred to announcements made by the company Cinkciarz.pl, which could have been misleading as to the coverage by the BFG guarantees of funds entrusted to this company. In addition, the Fund informed about the 30th anniversary of the law establishing the BFG. During the period under review, communication was also carried out on the activities of the BFG-owned Asset Management Entity S.A.



BFG HELPLINE

In 2024, the communication of the automated helpline (available after the Fund Office's working hours) was updated in connection with the amendment of the BFG Act resulting from the of the law of 7 July 2023 on the pan-European individual pension product.

Throughout the year, there continued to be significant customer interest in information obtained directly from the Fund (the highest number of daily telephone calls was 34). In total, during the reporting period, the BFG's helpline staff answered approximately 3,600 enquiries. The majority of customer enquiries concerned the scope of guarantees in banks and credit unions, the information sheets⁸ received by customers from banks and credit unions and the rules for the payment of covered deposits to bank and credit union depositors.

Answers were also provided to written enquiries addressed to the BFG concerning, inter alia, guarantees for bank or credit union depositors.

max 34
NUMBER OF DAILY CALLS

approx. 3,600
REPLIES WITHIN A YEAR

⁸ Deposit Guarantee Scheme information sheets are provided to customers by banks and credit unions in accordance with Article 318(3) of the BFG Act and the Ordinance of the Minister of Finance of 18 July 2016 on the model depositor information sheet.



WEBSITE

The Fund's website published up-to-date information on the activities of the BFG.

In addition, as part of spreading awareness of resolution processes in the insurance sector, the Fund prepared and published on the website materials on: identification of critical functions, public interest assessment, comparison of IRRD and BRRD.

In connection with the amendment of the Regulation of the Minister of Finance on requirements for calculation systems maintained in entities covered by the guarantee scheme, in 2024. The Fund published on its website – relating to the obligations of banks and credit unions – detailed information on the amendments to the scope of the aforementioned regulation. In addition to formal documents, information and training materials were made available to support entities in smoothly adapting their calculation systems to the new requirements.

During the reporting period, the highest daily number of hits on the Fund's website was 0.9 thousand, while a total of approximately 101.9 thousand hits were recorded throughout the year.

900

DAILY NUMBER OF ENTRIES TO WEBSITE

101,900

ENTRIES TO THE WEBSITE DURING THE YEAR



FUND PUBLICATIONS

Four issues of Safe Bank magazine were published in 2024. In total, more than 20 articles and studies were published in the yearbook. Their topics included financial security in a broad sense, issues of stability and crises in banking systems, current challenges facing financial market players and their regulators, risks in the European banking sector.

A meeting of the Programme and Scientific Council and the Editorial Committee of the Safe Bank journal was held in Q4, which was also attended by members of the BFG Management Board.



OTHER ACTIVITIES

The Fund participated in activities concerning the implementation of the national financial education strategy, within the framework of a working group coordinated by the MF. As part of its educational activities, the BFG welcomed pupils of primary classes as part of the "Lesson on Finance" programme.

In addition, during the reporting period, the Fund launched the BFG's social media profiles: Facebook and X (formerly Twitter), where it published mainly educational content on deposit guarantee rules and the Fund's activities, and launched paid promotional campaigns on these platforms.

In Q2 2024, the competition for the best bachelor's, master's and doctoral theses was adjudicated and doctoral theses on financial system stability issues defended in 2023. Twenty-seven theses were submitted for the competition. Two prizes were awarded for Master's and Bachelor's theses. No prizes were awarded for doctoral theses. The next edition of the Competition was also announced.

During the period under review, in response to current demand, information leaflets on the deposit guarantee scheme were distributed to banks and credit unions and signs informing them of their membership of the mandatory deposit guarantee scheme were successively distributed.

4. SUSTAINABILITY

In September 2024, the Board of Directors of the BFG appointed a Plenipotentiary for Sustainable Development.

The Fund assumes the integration of key sustainability issues into the BFG's strategy and the adaptation of internal regulations to the EU requirements indicated by Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU with regard to corporate sustainability reporting (OJ L 322, 16.12.2022, p. 15) (hereinafter: the "CSR Directive") and the Taxonomy.

The Fund has started to address its obligations under the CSR Directive with the fundamental things that the organisation and, above all, its employees have an impact on, namely the environment and climate change. Therefore, the BFG pays attention to issues including, among others: energy and water consumption at the Fund's headquarters, the use of company vehicles, purchasing policies for products and services and waste management. In addition, employees are encouraged to use bicycles, scooters or public transport on their way to work (2/3 of the Board Members just choose public transport every day, setting an example of reducing their carbon footprint).

The table below shows the media consumption at BFG over the last 3 years.

Table 13.

MEDIA CONSUMPTION AT BFG

Media	2022	2023	2024
Electricity [MWh]	608	572	599
Water [m³]	1 341	2 020	1 754
Heat [GJ]	2 403	2 041	1 959

Energy consumption per employee is approximately 2 MWh and increased slightly, i.e. by 4% y/y. In contrast, water consumption was 6.9 m³ per employee, a decrease of 14% y/y.

In order to reduce energy consumption, the replacement of the lighting in the Fund's building started at the end of 2024. The replacement includes incandescent bulbs and light fittings in rooms and corridors including kitchenettes, which will result in a reduction in the Fund's electricity demand (in terms of lighting) of approximately 50 MWh per year, i.e. a saving of approximately 50%.

The Fund has a contract for the collection of segregated waste for a specific number of bins per year until 2027 (specification in the table below).

Table 14.

CONTRACTED CONTAINERS FOR WASTE GENERATED AT THE BFG

Waste segregation – waste generation per year	Number of containers
paper – 1,100 litre SM container	48
plastic – SM container of 1 100 l	48
glass – SM 240 l container	24
bio – SM 120 l container	48
mixed – SM 1,100 l container	96

The number of reams of paper (500 sheets) per employee has decreased from 3.4 to 3.2 in 2024.

Table 15.

PRINTING PAPER CONSUMPTION

	2022	2023	2024
Number of reams of paper	850	850	800

In addition, in 2024, the Fund sold 4 company cars, reducing the fleet to 6 cars, which contributed to a reduction in fuel consumption and BFG's emissions.

Table 16.

BFG COMPANY CARS

Specification	2022	2023	2024
Number of cars [pcs.]	9	10	6
Petrol [l]	12 908	16 444	13 063
Diesel [l]	3 358	670	1 676

The Fund is working on a technological transformation that also takes into account environmental objectives. The Fund is considering moving part of its IT system to the cloud, which would reduce its carbon footprint due to savings in the amount of electricity used. IT equipment is being replaced on an ongoing basis, with equipment that uses less energy. Depreciated equipment (laptops and mobile phones) is resold to employees or donated to charities. For IT purchasing procedures, the Fund has defined environmental criteria and included energy intensity criteria in tender procedures (CE declarations of conformity and TCO certification – a global sustainability certificate for IT products – apply).

The Fund supports accessibility for people with special needs. Both people with disabilities and seniors are provided with access to the BFG's headquarters (e.g. through barrier-free circulation spaces, adapted evacuation procedures, one control gate is a swing gate – allowing a person in a wheelchair to pass through, visitor assistance during a visit to the building or a convenient parking space) and a digitally accessible website. The Fund regularly reviews all channels of access to the website, in accordance with the WCAG (Web Content Accessibility Guidelines). The WCAG guidelines explain how to create websites and applications to make them accessible to people with disabilities, e.g. vision, hearing, movement, but also intellectual or cognitive disabilities.⁹ The BFG complies with the requirements of the Accessibility for Persons with Special Needs Act.

⁹ <https://www.gov.pl/web/dostepnosc-cyfrowa/wcag-21-w-skrocie>

5. PERSONNEL MATTERS



EMPLOYMENT

On 31 December 2024, the Fund's headcount was 250 persons (245.76 FTEs). The average annual headcount in persons is 250.58 and in FTEs 246.99. The primary form of employment is a permanent contract for full-time positions.

Table 17.

EMPLOYMENT STRUCTURE AS AT 31 DECEMBER 2024

Gender	managerial staff	%	experts and legal advisers	%	specialists	%	Administrative staff	%	total	%
Women	30	52%	65	52%	41	65%	1	25%	137	55%
Men	28	48%	60	48%	22	35%	3	75%	113	45%
TOTAL	58	100%	125	100%	63	100%	4	100%	250	100%

Chart 1.

EMPLOYMENT STRUCTURE AS AT 31 DECEMBER 2024

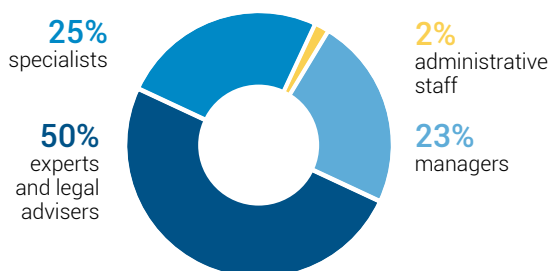


Chart 2.

EMPLOYMENT STRUCTURE BY AGE GROUP

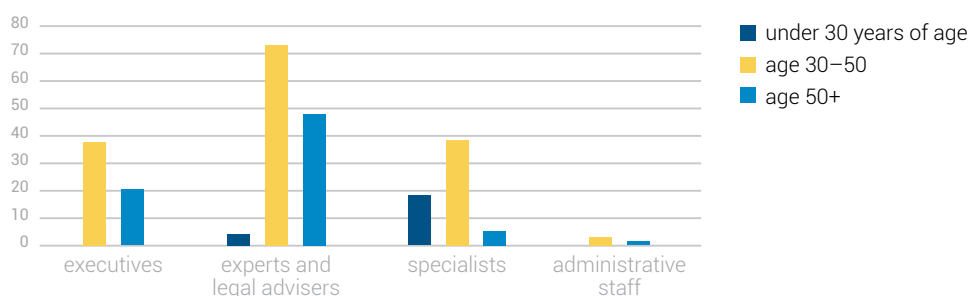


Table 18.

EMPLOYMENT STRUCTURE BY LENGTH OF SERVICE AT THE BFG

Employees	less than 5 years	5–10 years	11–15 years	16–20 years	21–25 years	over 26 years	Total
number of persons	110	88	32	3	8	9	250
%	44%	35%	13%	1%	3%	4%	100%
Female	67	45	13	2	4	6	137
Male	43	43	19	1	4	3	113
TOTAL	110	88	32	3	8	9	250



TRAINING AND DEVELOPMENT ACTIVITIES

In 2024, the Fund's employees participated in various forms of professional qualification improvement: 5.5 per cent participated in one training course, 11.8 per cent in two training courses and 80.7 per cent benefited from three or more training courses.

The Fund organised and referred employees to a total of 149 trainings, including 118 open trainings and 31 closed trainings (dedicated to the BFG). Employees of the 2024 Fund participated in training courses, workshops and conferences in areas such as capital adequacy, IFRS 9, risk management in an insurance company, securitisation, artificial intelligence in banking, restructuring and insolvency law, transfer pricing, cyber security, database competencies, communication and team relationship building, sanctioning of free credit, ESG reporting.



REMUNERATION

The Fund conducts regular remuneration analysis and monitoring of market trends in remuneration. It also undertook preparatory activities for the planned entry into force of the provisions of EU Directive 2023/970 on strengthening the application of the principle of equal pay for men and women for equal work or work of equal value through pay transparency and enforcement mechanisms. This resulted in changes to base salaries carried out in October 2024 in agreement with the BFG Board.

As part of the remuneration system, employees are offered fringe benefits that make the workplace more attractive: Employee Pension Scheme, high-standard medical care including a preventive health check, sports cards, cinema/theatre tickets, vouchers for the purchase of books, ebooks and audiobooks, school starter kits for children and other benefits under the company's social benefits fund.

FRIENDLY WORKPLACE



In 2024, Fund undertook a number of activities focused on building awareness and developing knowledge in the field of broadly understood well-being, promoting healthy habits and *work-life balance*.

One such activity was a meeting launching a series of training sessions on first aid principles, aimed at acquiring theoretical and practical knowledge on providing first aid to victims in the workplace and everyday life.

As part of activities to popularise physical activity and health-conscious care among employees, the Fund financed starting packages for one of the most popular running sports events, "Run Warsaw 2024".

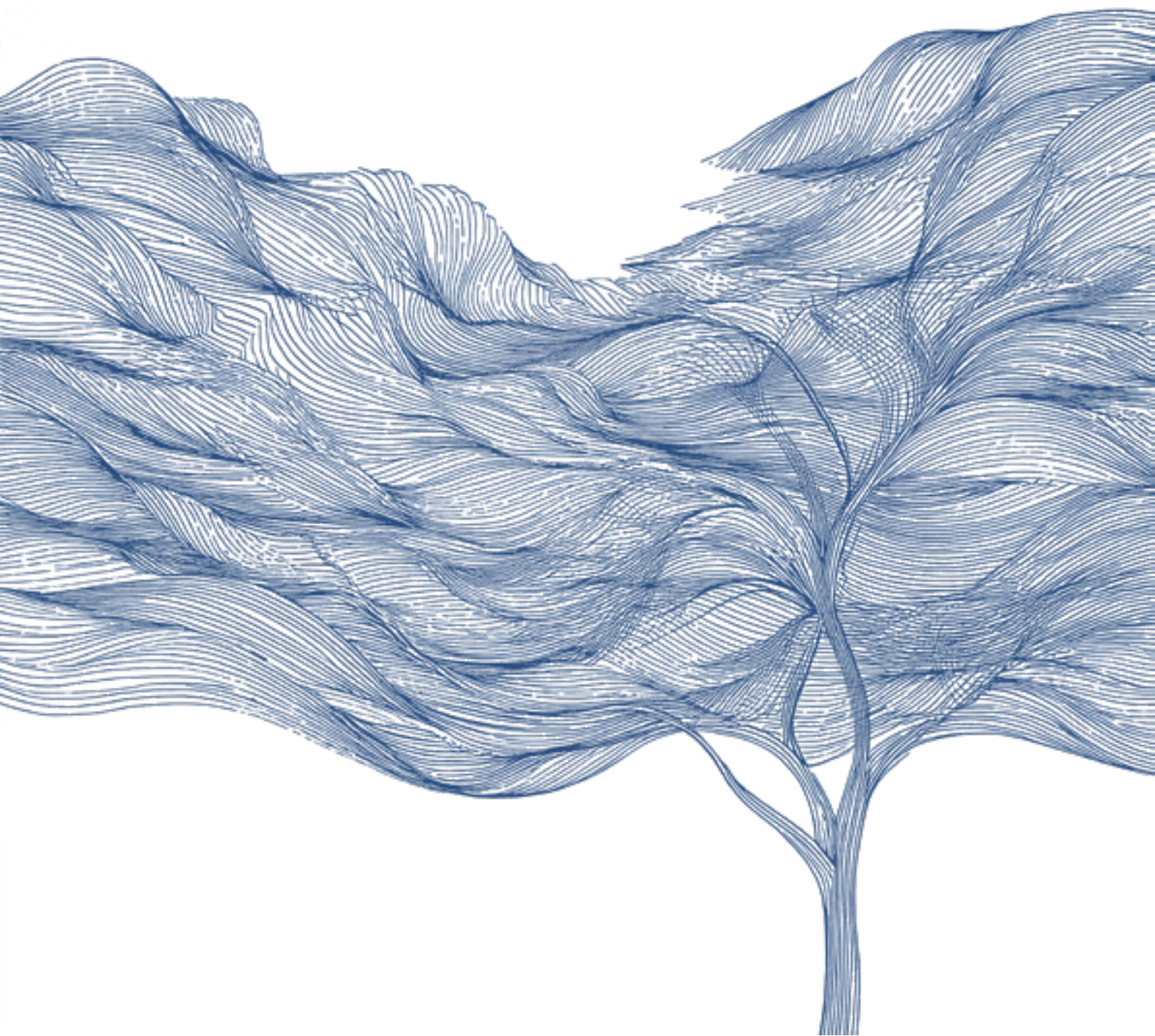
In December 2024, The Fund organised a Christmas meeting for employees. The event was an opportunity to integrate, build relationships and strengthen bonds among employees.

TWO INITIATIVES AIMED AT EMPLOYEES' CHILDREN WERE ORGANISED OVER THE CHRISTMAS PERIOD:

- the "BFG Christmas Card" competition. – 90 Christmas cards were received in various age categories; the works of three winners won special distinctions – they were printed as official greeting cards sent by the Fund;
- Christmas party – children participated in a variety of creative workshops that developed their imagination and manual skills. There were animations and Christmas surprises for the little ones.

The "Together" programme continued, with events organised to integrate employees and support the building of positive relations and communication based on the diversity of employees' interests: a series of guided walks – learning about the unknown history and monuments of downtown Warsaw, and a joint outing to watch the Poland-France match during the European Football Championship.

The Fund joined the action "Two hours for the family", an initiative carried out by employers all over the world connected with the International Family Day. The aim of the campaign is to promote work-life balance, build family ties and strengthen social relationships. As part of the campaign, each employee was able to shorten their working day by two hours and dedicate this time to their loved ones.



FUNDING THE FUND'S ACTIVITIES

1. FINANCIAL RESOURCES OF THE FUND

Financial resources are accumulated in the Fund to protect deposits made in banks and credit unions and to finance resolution.



UNDER THE BFG ACT, THE FUND'S FUNDING SOURCES ARE:

- contributions to the mandatory deposit guarantee scheme paid by banks, branches of foreign banks and credit unions;
- contributions to finance compulsory resolution paid by banks, branches of foreign banks, investment firms and loan associations;
- extraordinary contributions paid by banks, branches of foreign banks and credit unions to the compulsory guarantee scheme in the event that the funds of the deposit guarantee scheme are insufficient to pay out covered deposits;
- extraordinary contributions paid by banks, branches of foreign banks, investment firms and credit unions to finance the compulsory resolution scheme in the event that the resources of the compulsory resolution scheme are insufficient to finance it;
- proceeds from the Fund's financial assets, including loans and guarantees granted by the Fund;
- resources obtained under non-repayable foreign aid;
- resources from subsidies granted, at the request of the Fund, from the State budget under the principles defined in the regulations on public finances;
- resources from short-term loan granted by the National Bank of Poland;
- resources from loans granted from the state budget;
- resources obtained from loans, credits and bonds issue;
- funds obtained from loans granted by officially recognised deposit guarantee schemes and entities managing the funds of resolution from Member States other than the Republic of Poland on the basis of concluded agreements;
- benefits received from the bridge institution and asset management entity, including dividends and interest, as well as proceeds from the sale or liquidation of the bridge institution and asset management entity;
- resources obtained as a result of the settlement of claims of the Fund for the payment of guaranteed resources and support provided to the successor entity;
- other proceeds received by the Fund.

THE BANK GUARANTEE FUND'S OWN FUNDS COMPRISE:



- statutory fund,
- guarantee fund of banks¹⁰,
- guarantee fund of credit unions,
- bank resolution fund,
- the fund of compulsory resolution of credit unions,
- reduction of own funds in case of fulfilment of the guarantee condition or in case of use of restructuring tools (negative value),
- revaluation fund.

Until 31 December 2024, banks covered by the guarantee scheme were obliged to create funds for the protection of covered deposits for the satisfaction of depositors' claims every year¹¹. The funds for the protection of covered deposits established by all banks as at 1 July 2024 (i.e. after their revaluation, based on the basis for calculating the amount of the mandatory reserve for April 2024) amounted to PLN 3,959,513.5 thousand.

The value of the FES created by the banks as at 31 December 2024 did not change with respect to the value of the FES updated by the banks as at 1 July 2024.

¹⁰ Pursuant to § 32 of the BFG statute, as of 1 January 2022, the unused funds of the cooperative banks restructuring fund increased the banks' guarantee fund.

¹¹ Disbursements of guaranteed funds from the FPG could be made after exhaustion of the BFG's own funds referred to in Article 56 of the BFG Act.

2. DETERMINATION OF CONTRIBUTIONS



In the first quarter of 2024, the Council of the Fund adopted a resolution on the non-collection of contributions to the banks' guarantee fund for 2024 in connection with the fulfilment of the premise set out in Article 294(1) of the BFG Act and determined the total amounts of contributions to the banks' guarantee fund and the banks' and the banks' resolution funds for 2024.

The total amount of contributions to the banks' resolution fund in 2024 was PLN 1.563 billion compared to PLN 1.455 billion in 2023. When calculating the contributions to the banks' resolution fund for 2024, adjustments to contributions for 2019–2023 were taken into account.

For the SKOK sector, the total contributions to the guarantee fund of credit unions in 2024 amounted to PLN 23.00 million against PLN 21.80 million in 2023, and contributions to the resolution fund will amount to PLN 10.00 thousand against PLN 1.17 million a year earlier. Total charges to the credit unions amounted to PLN 23.01m against PLN 22.97m in 2023.

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

- the guarantee fund of the credit unions for each quarter of 2024,
- bank and CU resolution funds for 2024.

Decisions on the determination of contributions due from individual entities were taken by the Council in the form of resolutions. The Fund sent letters to all entities obliged to pay contributions informing them of the amount of contributions due, the deadline for their payment and the maximum share of contributions in the form of payment obligations.

3. INVESTMENT ACTIVITIES

The investment activity of the BFG in 2024 was carried out in accordance with the Fund's Investment Policy, the main objective of which was to provide financial resources to cover expenses for possible interventions and to safeguard the Fund's securities portfolio against the risk of unfavourable changes in market yields, while achieving optimal profitability. Under the BFG Act, the Fund may purchase 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). In addition, the Fund may purchase units of money market funds and establish deposits with the NBP and the Minister of Finance.

In 2024, activities were continued within the framework, initiated in Q4 2022, of the strategy of extending the durations of the Fund's securities portfolio due to the increasing probability of a further decline in inflationary indicators in the Polish economy and its environment and the related forecast commencement of the cycle of lowering the cost of money by central banks. It is worth noting that this strategy, which assumes a systematic increase in the involvement of the Fund's financial resources in fixed coupon securities, with a decreasing share of bonds with variable coupons (bonds from the series WZ) in the Fund's portfolio, was implemented with particular regard to the need to secure funds with short maturities (within the liquidity buffer).

At, as a result of the investment measures implemented, the share of fixed coupon securities in the Fund's portfolio increased to 51.0% at the end of 2024, while at the beginning of October 2022, i.e. at the time of the initiation of the durational extension strategy, it stood at only 17.0%.

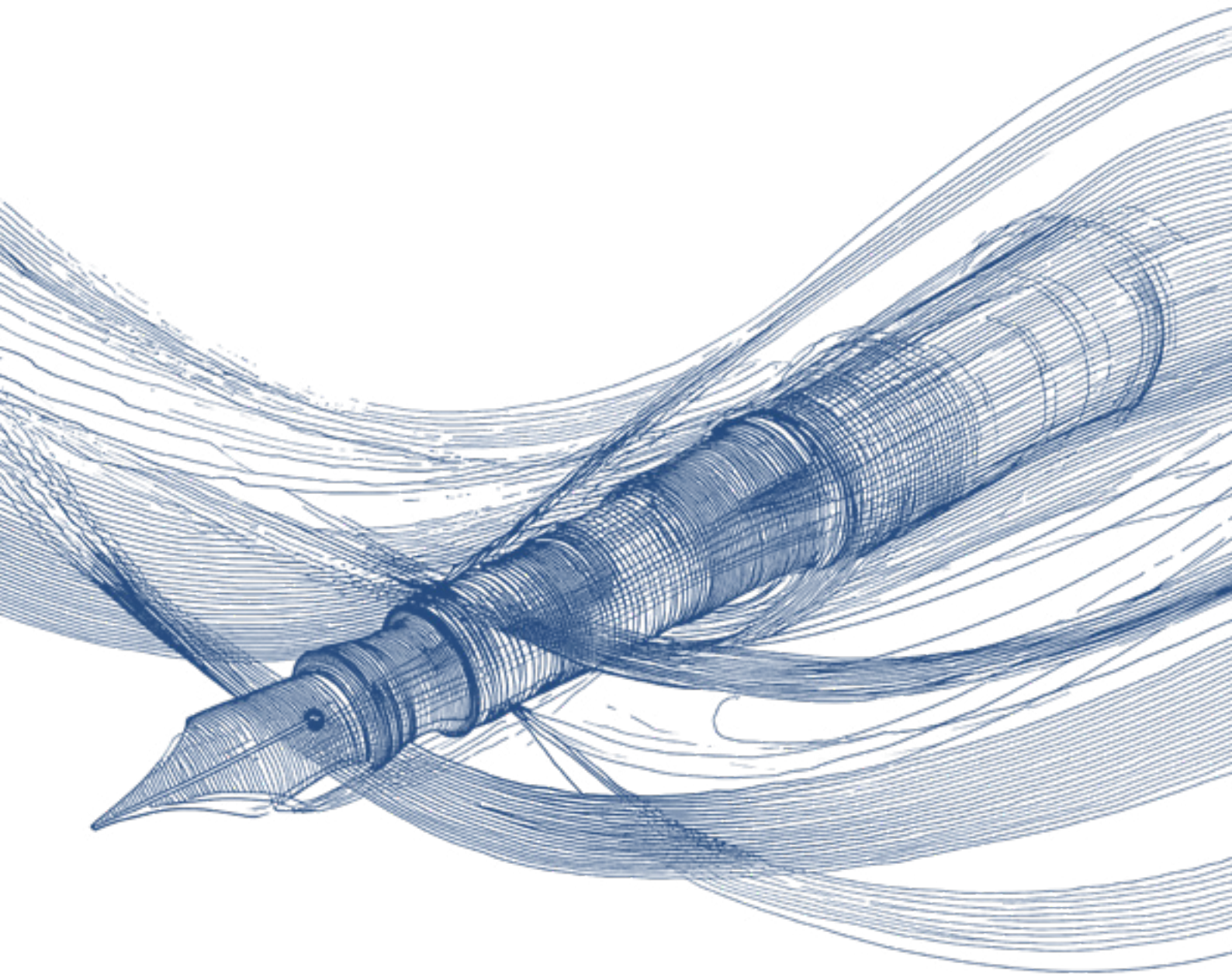
At the end of 2024, the yield on the Fund's entire portfolio of securities was 5.40%, while the durations stood at 2.48 years (against a yield of 5.53% and a durations of 2.32 years at the end of 2023), increasing slightly in 2024, despite the purchase of a significant amount of fixed coupon securities with maturities falling between 2030 and 2037. At the same time, the total result on securities at the end of 2024 stood at PLN 1,434,447.3 thousand.

Table 19.

THE FUND'S PORTFOLIO OF DEBT SECURITIES AS AT 31 DECEMBER 2023 AND 31 DECEMBER 2024.

Type	31.12.2023				31.12.2024			
	Denomination (PLN thousand)	Duration	YTM*	Share	Nominal (PLN '000)	Duration	YTM*	Share
NBP bills	1 330 220	0.01	5.83%	5.3%	6 771 850	0.01	5.83%	23.8%
Bonds	23 658 822	2.45	5.51%	94.7%	21 665 527	3.26	5.27%	76.2%
TOTAL	24 989 042	2.32	5.53%	100.0%	28 437 377	2.48	5.40%	100.0%

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



SUMMARY FINANCIAL STATEMENTS

1. FUND BALANCE SHEET

Table 20.

BALANCE SHEET AS AT 31 DECEMBER 2024 AND AS AT 31 DECEMBER 2023 (IN PLN)

ASSETS	31.12.2024	31.12.2023
Cash and cash equivalents	2 800 575.86	3 699 477.00
Cash at hand	6 828.40	12 857.31
Cash in current accounts	202.70	63 409.32
Deposits	2 551 789.01	3 188 000.00
Cash of the Company Social Benefits Fund	241 755.75	435 210.37
Amounts due from financial institutions	3 632 415 762.99	3 238 356 949.21
Receivables from banks due to:	3 632 415 762.99	3 238 356 949.21
- amounts payable	3 632 415 762.99	3 238 356 949.21
Other receivables and claims	496 494.23	213 329.24
Securities and other financial assets	28 099 479 853.81	25 064 188 391.37
Debt securities:	28 096 778 070.58	24 872 938 391.37
- of banks	8 524 834 318.49	3 017 484 859.16
- State Treasury	19 571 943 752.09	21 855 453 532.21
Shares	0.00	191 250 000.00
- in financial institutions	0.00	191 250 000.00
Other securities and other financial assets	2 701 783.23	0.00
Property, plant and equipment	48 450 298.53	50 605 862.51
Intangible assets	10 854 214.39	11 873 268.01
Prepayments and accruals	2 702 221.17	2 293 173.70
TOTAL ASSETS	31 797 199 420.98	28 371 230 451.04

Table 20 cont.

BALANCE SHEET AS AT 31 DECEMBER 2024 AND AS AT 31 DECEMBER 2023 (IN PLN)

LIABILITIES	31.12.2024	31.12.2023
Liabilities	75 759 921.41	9 554 795.78
Amounts owed to depositors	1 083 567.20	1 519 717.38
Other liabilities	74 676 354.21	8 035 078.40
Special funds	241 755.75	435 210.37
Accruals and deferred income	4 647 716.98	5 090 217.63
Provisions	1 245 059 895.74	571 710 863.23
Statutory fund	1 637 025 547.68	1 637 025 547.68
Bank Guarantee Fund	18 638 127 807.20	17 598 180 307.73
Banks' guarantee fund to be used	18 638 127 807.20	17 598 180 307.73
Banks' Resolution Fund	8 764 951 812.06	7 120 624 203.44
Banks' Resolution Fund to be used	8 764 951 812.06	6 929 374 203.44
Banks' Resolution Fund utilised	0.00	191 250 000.00
Guarantee fund for credit unions	81 577 399.91	56 711 476.96
Credit unions guarantee fund to be used	81 577 399.91	56 711 476.96
Fund for the resolution of the credit unions	10 202 867.24	8 442 867.24
Fund for the compulsory resolution of the credit unions to be used	10 202 867.24	8 442 867.24
Financial result	1 339 604 697.01	1 363 454 960.98
TOTAL LIABILITIES	31 797 199 420.98	28 371 230 451.04

2. PROFIT AND LOSS ACCOUNT

Table 21.

PROFIT AND LOSS ACCOUNT FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2023 RESPECTIVELY (IN PLN)

	2024	2023
Income from statutory activities	3 661.54	93 563.96
Interest income	3 661.54	93 563.96
Result on statutory activities	3 661.54	93 563.96
Result on financial operations	1 434 524 921.01	1 437 655 010.21
Securities	1 434 447 320.91	1 437 539 939.09
Other	77 600.10	115 071.12
Foreign exchange gains/losses	(8 986.60)	(16 707.77)
Operating expenses	(87 715 194.32)	(78 115 136.78)
External services	(12 351 968.39)	(10 608 699.83)
Salaries	(55 965 167.25)	(47 265 839.51)
Insurance and other benefits	(8 944 122.66)	(7 543 026.00)
Other	(10 453 936.02)	(12 697 571.44)
Depreciation of fixed and intangible assets	(7 612 623.53)	(3 999 297.74)
Other operating income	457 761.84	7 837 529.10
Other operating expenses	(44 842.93)	0.00
FINANCIAL RESULT	1 339 604 697.01	1 363 454 960.98

2. PRINCIPLES FOR THE PREPARATION OF THE SUMMARY FINANCIAL STATEMENTS

The summary financial statements, which comprise the balance sheet as at 31 December 2024 and the income statement for 2024, have been prepared on the basis of the audited *Annual Accounts of the Bank Guarantee Fund drawn up for the financial year 1 January to 31 December 2024*. In addition, it includes comparative data for the previous financial year ending 31 December 2023.

The annual financial statements of the Bank Guarantee Fund for the financial year from 1 January to 31 December 2024 have been prepared in accordance with the requirements of the Ordinance of the Minister of Development and Finance of 9 December 2016 on the specific accounting principles of the Bank Guarantee Fund (Journal of Laws 2021, item 924), the Accounting Act of 29 September 1994 (Journal of Laws 2021, item 217 as amended), the implementing regulations issued on its basis and other applicable laws.

The summarised financial statements have been prepared on the basis of criteria developed from the Fund's past practice in preparing the summarised financial statements. These criteria primarily include:

- consistency of data between the Fund's annual financial statements and the summary financial statements,
- an assessment of whether the summarised financial statements contain the necessary information and whether they are at an appropriate level of aggregation that does not mislead the recipient of the summarised financial statements.

3. ACCOUNTING POLICIES

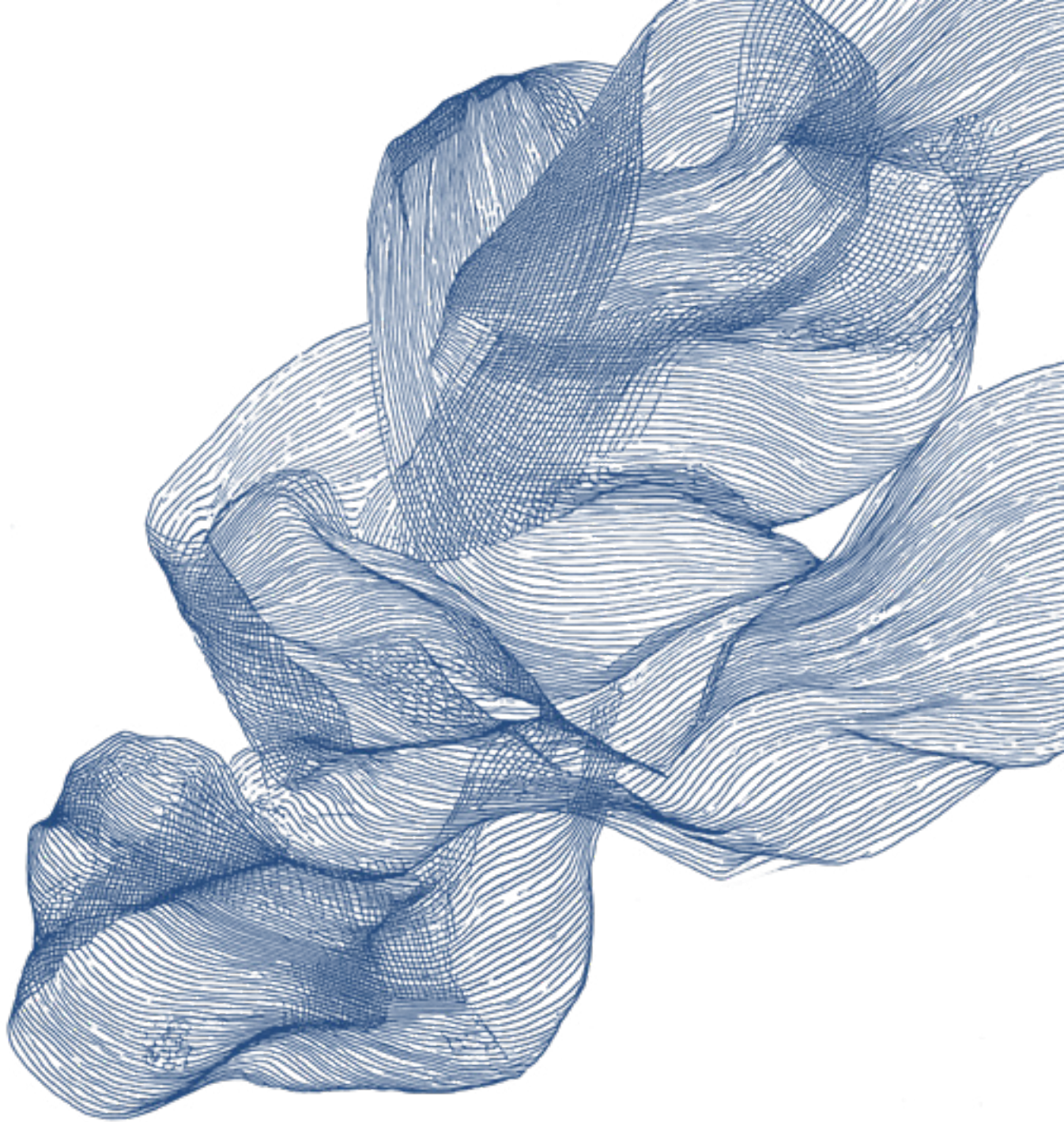
In accordance with the applicable accounting rules of the Bank Guarantee Fund, the following methods were used for the valuation of assets and liabilities and the determination of income and expenses:

- Debt securities, i.e. treasury bonds, debt securities guaranteed by the State Treasury, treasury bills and 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 valued at the adjusted purchase price, taking into account the effective interest rate, and the effects of this valuation are referred to income or expenses from financial operations, respectively. Debt securities are recognised and derecognised on the settlement date of the transaction. Disposals of securities are valued sequentially at the prices of the earliest acquired assets.
- Non-listed shares are valued at cost, taking into account permanent impairment.
- Accounts receivable in respect of the payable obligations referred to in Article 303 of the BFG Act form part of the contributions made by the entities. These receivables are secured by securities. The maturity of the aforementioned receivables is governed by the provisions of the BFG Act in Articles 304 and 305. Receivables from liabilities to be paid

are recognised at the amount required to be paid, taking into account the prudence principle. The equivalent amount of receivables from liabilities payable increases the value of the Fund's own funds.

- Receivables on account of the Bank Guarantee Fund's disbursement of covered deposits from entities with respect to which the guarantee condition referred to in Article 2(57) of the BFG Act has been met are included in write-downs in the amount of 100%.
- Receivables on account of the costs of resolution are shown at the amount required to be paid, including write-downs.
- Other receivables are shown at the amount required to be paid, taking into account write-downs.
- Tangible and intangible assets are shown at cost, less depreciation and impairment losses, if any.
- Depreciation of tangible and intangible assets is calculated using the straight-line method to spread their initial value over their useful lives. Depreciation rates are determined taking into account the economic useful life.
- Prepayments and accrued income are written off as a one-off expense up to PLN 500, and are otherwise recognised at the amount of the expense falling in future reporting periods.
- Provisions are made for liabilities arising from support provided to acquirers of credit unions or banks, for employee benefits and for litigation. The determination of provisions for employee benefits, i.e. for: jubilee awards, retirement, disability and death benefits, is based on actuarial valuation. Determination of provisions for support for the acquiring credit unions is made using the financial data of the acquired entities available as at the balance sheet date.
- Accruals include accruals for benefits for unused holidays, for annual bonuses and awards and other accruals. Accruals for annual bonuses and awards are recognised at the amount of annual bonuses and awards attributable to the financial year. Other accrued expenses are recognised at the amount of the expenses attributable to the reporting period that do not represent a liability at the balance sheet date.
- Other liabilities are measured at the amount payable.
- The result on financial operations includes the result on: treasury bonds, treasury bills, NBP bills, debt securities guaranteed by the State Treasury, as well as the result on buy-sell back operations, sell-buy back operations, the result on the sale of shares, and other income on interest on funds accumulated on a bank account and on time deposits.
- Time-barred claims on liabilities for covered deposits are recognised in the income statement as other operating income.

There were no changes to the accounting policies of the Bank Guarantee Fund and the preparation of the annual financial statements in 2024, affecting *the Annual Financial Statements of the Bank Guarantee Fund for the financial year from 1 January to 31 December 2024*.



OPINION OF THE **INDEPENDENT** AUDITOR



Independent auditor's report on the summary financial statement

The Bank Guarantee Fund

Based in Warsaw

For the financial year from January 1st 2024 to December 31st 2024



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 2024, 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, 2024.

In our opinion, the accompanying summarized financial statements of the Fund are consistent, in all material respects, with its audited annual financial statements for 2024, 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).

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 2024 in our

audit report dated March 13, 2025

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 Warszawa

Warsaw, 25th of July, 2025

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