Press release

Krakow Cooperative Bank to implement Hitachi's AI-powered credit scoring solution

Warsaw, Poland, November 23, 2026: Krakow Cooperative Bank ("KBS") has signed an agreement with the Polish branch of Hitachi Europe Ltd. to implement AT/PRC (AI Technology/Prediction of Rare Case), an artificial intelligence (AI) solution designed to predict rare events and support credit scoring. The technology is intended to help the bank assess loan applications, enabling KBS to expand its lending while keeping credit risk low. The initial phase of the project will focus on personal lending. This marks the first deployment of Hitachi's AT/PRC technology in Europe.

Krakow Cooperative Bank is Poland's largest unaffiliated cooperative bank and is actively introducing innovations in cooperative banking. The bank has selected Hitachi's AT/PRC, an advanced AI-powered credit scoring solution developed in Japan to identify and analyze unusual cases that traditional scoring models often miss. Its unique neural network architecture amplifies the signal and minimizes noise in the data, improving the accuracy of risk assessments, particularly for customers with nonstandard credit profiles. This enables the bank to make decisions more efficiently, assess loan applications faster, align offers more closely with risk levels, and tailor its approach to individual customers. Hitachi's technology reduces the risk of overfitting, helping the model remain stable even when analyzing unusual market behavior. The solution to be deployed at KBS also reduces credit risk by detecting anomalies and rare cases, allowing the bank to identify loan applications with a higher risk of default more effectively.

"Our goal is to establish Krakow Cooperative Bank as a digital leader among Poland's cooperative banks. Working with Hitachi to introduce AI-powered credit scoring will bring innovation to the banking sector as a whole and give us a clear competitive advantage," emphasized **Mariusz Kumorek, Vice President of the Management Board of Krakow Cooperative Bank.**

The Hitachi solution chosen by KBS has a proven track record and has been widely used in Japan's banking sector for many years. AT/PRC was developed in response to growing demand for the acquisition of new-to-bank (NTB) customers through partner channels using the Banking as a Service (BaaS) model. As this distribution model expanded, banks needed innovative technology to assess the risks associated with prospective customers they had not previously served.

"I am delighted that Krakow Cooperative Bank, Poland's largest cooperative bank, has once again placed its trust in Hitachi and chosen our AI-powered credit scoring solution. AT/PRC has revolutionized both the lending and BaaS markets in Japan. Our project with KBS marks the first step in our expansion into the European market," said **Tadeusz Woszczyński, General Manager, CEE, Hitachi Europe Ltd.**

AI-powered analysis of personal loans and mortgages enables more accurate estimates of the probability of default, helping banks reduce excessive provisions and the risk of unexpected defaults. These insights support more sophisticated portfolio management strategies based on predicted default probabilities, while maintaining a very low expected loss ratio. Japanese banks using AT/PRC have built high-quality mortgage portfolios with the lowest expected loss ratio in the market.

“Implementing AT/PRC at Krakow Cooperative Bank is a strategic step in the digital transformation of our lending processes. It will strengthen our competitiveness and support the safe growth of KBS’s lending business,” said **Adam Frej, Vice President of the Management Board of Krakow Cooperative Bank.**

AT/PRC meets current financial regulatory requirements, providing transparency and allowing decisions made with AI support to be audited. Before its introduction to the Polish market, the solution was adapted to local and European requirements, including the EU Artificial Intelligence Act (AI Act). Banks need to be able to understand and explain how their AI models work. AT/PRC enables the bank to verify the model’s outputs and explain how they were generated, reducing the “black box” problem associated with AI-based solutions. The bank will retain full control over the data used and its influence on assessment results. The model to be deployed at KBS will not use cloud computing; all data will be processed locally on the bank’s own infrastructure. The solution also includes a built-in anti-discrimination module. If a risk of discrimination is identified, the model may be retrained to help prevent unfair credit decisions.

“This project with Krakow Cooperative Bank is the result of almost two years of intensive work by our teams to adapt the technology to European requirements and address all the legal aspects of this unique deployment,” said **Leszek Modzelewski, Managing Director, Business Development and Projects, CEE, Hitachi Europe Ltd.**

By choosing Hitachi’s AI-powered credit scoring solution, KBS is taking a step toward more efficient lending processes and greater customer satisfaction as the banking sector continues to embrace digital technology.

About Hitachi, Ltd.

Through its Social Innovation Business (SIB), which combines IT, OT (Operational Technology) and products, Hitachi strives to be a global leader in the continuous transformation of social infrastructure through digital solutions, contributing to a harmonized society where the environment, well-being and economic growth are sustainable. Hitachi operates globally in four sectors – Digital Systems and Services, Energy, Mobility and Connected Industry – as well as in the SIB Strategic Business Unit, which is focused on new growth areas. With Lumada at the heart of its business, Hitachi creates value by combining data, technology, and domain expertise to solve customer and community challenges. Revenue for fiscal year 2025 (ended March 31, 2026) was 10,586.7 billion yen, with 606 consolidated subsidiaries and approximately 290,000 employees worldwide.

Visit us at www.hitachi.com

Hitachi Europe – Poland (HEU Polska) is the regional headquarters in Central and Eastern Europe, including Poland, Austria, the Czech Republic, Slovakia and the Baltic States. HEU is an important supplier to the Polish financial and energy sector, providing, among m.in, data storage systems, paperless systems, fixed asset management systems, ticketing systems, cash recycling devices, AI solutions, data analytics solutions, cybersecurity and software development services, and regulatory solutions (durable medium, MiFID2). Since 2007, Hitachi has been a member of the Banking Technology Forum (FTB) at the Polish Bank Association.

More information: www.hitachi.pl

About Krakow Cooperative Bank

Krakow Cooperative Bank is Poland's largest unaffiliated cooperative bank, with a history spanning more than 125 years. It has a network of 61 branches across the Małopolskie, Śląskie, Opolskie, Podkarpackie and Świętokrzyskie provinces. The bank is undergoing a comprehensive digital transformation, continually expanding its offering with new features and services. As a local bank, it also provides a full range of services through its branches. KBS aims to make modern solutions that simplify everyday banking widely available, not only in major urban areas but also in the smaller towns where it operates. In 2025, Krakow Cooperative Bank (KBS) recorded a gross profit of more than PLN 76 million. The bank is developing its digital services while ensuring that customers can still meet advisers in person at its branches. It continually adds new features to its online and mobile banking services, provides cash deposit machines across its branch network, and works to make its services accessible to people with specific needs. KBS's strengths lie in its local roots and its understanding of the communities it serves. The bank regularly supports both small-scale local events, celebrations and festivals and larger cultural and educational initiatives, including in Krakow. It aims to be seen as a bank that stays close to its customers and is actively involved in local community life, while offering modern digital services.

More information: www.kbsbank.com.pl

Media contacts:

Klaudia Pasternak
Marketing Specialist
Hitachi Europe (Poland)
+48 784 815 998
Klaudia.pasternak@hitachi-eu.com

Jakub Stawiarz
Marketing Team Manager
Krakow Cooperative Bank
+48 571 296 524
jstawiarz@kbsbank.com.pl