

BASE PROSPECTUS



Bank Polska Kasa Opieki S.A.

(incorporated as a joint-stock company in the Republic of Poland)

EUR 5,000,000,000

Euro Medium Term Note Programme

Under this EUR 5,000,000,000 Euro Medium Term Note Programme (the **Programme**), Bank Polska Kasa Opieki S.A. (the **Issuer** or the **Bank**) may from time to time issue notes (the **Notes**) denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below). This prospectus comprises a base prospectus in respect of Notes (the **Base Prospectus**) issued under the Programme for the purposes of Article 8(1) of Regulation (EU) 2017/1129, as amended (the **Prospectus Regulation**).

Notes may be issued in bearer or registered form (**Bearer Notes** and **Registered Notes**, respectively). The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed EUR 5,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under "*General Description of the Programme*" and any additional Dealer appointed under the Programme from time to time by the Issuer (each a **Dealer** and together the **Dealers**), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the **relevant Dealer** shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes.

An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks see "*Risk Factors*".

This Base Prospectus has been approved as a base prospectus by the *Commission de Surveillance du Secteur Financier* of the Grand Duchy of Luxembourg (the **CSSF**), as competent authority under the Prospectus Regulation. The CSSF only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the CSSF should not be considered as an endorsement of the Issuer or of the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes. By approving this Base Prospectus, the CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Base Prospectus or the quality or solvency of the Issuer. The Issuer has requested the CSSF to provide the competent authority of the Republic of Poland with a certificate of approval attesting that this Base Prospectus has been drawn up in accordance with the Prospectus Regulation.

Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and to be listed on the Official List of the Luxembourg Stock Exchange. Applications may also be made for such Notes to be admitted to trading on the regulated market of the Warsaw Stock Exchange (**WSE**).

References in this Base Prospectus to Notes being **listed** (and all related references) shall mean that such Notes have been admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and have been admitted to the Official List of the Luxembourg Stock Exchange or have been admitted to trading on the regulated market of the WSE. Each of the regulated market of the Luxembourg Stock Exchange and the WSE is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU, as amended, **MiFID II**).

This Base Prospectus (as supplemented as at the relevant time, if applicable) is valid for a period of 12 months after its approval in relation to Notes which are admitted to trading on a regulated market in the European Economic Area (the EEA) and, accordingly, ceases to be valid from 6 May 2026. The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche (as defined under “*Terms and Conditions of the Notes*”) of Notes will be set out in a final terms document (the **Final Terms**) which will be filed with the CSSF.

Copies of this Base Prospectus and the Final Terms in relation to Notes to be listed on the Luxembourg Stock Exchange will also be published on the website of the Luxembourg Stock Exchange (www.luxse.com). Copies of Final Terms in relation to Notes to be listed on the WSE will also be published on the website of the WSE (www.gpw.pl).

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**) or any U.S. State securities laws and may not be offered or sold in the United States (nor, if Regulation S Category 2 is specified in the applicable Final Terms, to, or for the account or the benefit of, U.S. persons as defined in Regulation S under the Securities Act (**Regulation S**)) unless an exemption from the registration requirements of the Securities Act is available and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction.

The Issuer’s current long-term rating by S&P Global Ratings Europe Limited (**S&P**) is A- (stable outlook) and by Fitch Ratings Ireland Limited (**Fitch**) is BBB (stable outlook). A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation. As at the date of this Base Prospectus, each of S&P and Fitch is established in the EEA and is registered under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). As such, each of S&P and Fitch is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation>) in accordance with the CRA Regulation. S&P and Fitch are not established in the United Kingdom and have not applied for registration under the CRA Regulation as it forms part of the domestic law of the United Kingdom by virtue of the European Union Withdrawal Act 2018 (the **EUWA**) (the **UK CRA Regulation**). Accordingly the Issuer’s ratings issued by each of S&P and Fitch have been endorsed by S&P Global Ratings UK Limited, and Fitch Ratings Ltd, respectively, in accordance with the UK CRA Regulation and have not been withdrawn. Each of S&P Global Ratings UK Limited and Fitch Ratings Ltd is established in the United Kingdom and registered under the UK CRA Regulation.

Notes issued under the Programme may be rated or unrated by the rating agencies referred to above. Where a Tranche of Notes is rated, such rating will be disclosed in the applicable Final Terms and will not necessarily be the same as the rating assigned to the Programme or the other Tranches of Notes by

the relevant rating agency. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Amounts payable on Floating Rate Notes will be calculated by reference to one of certain reference rates which may constitute benchmarks for the purposes of Regulation (EU) No. 2016/1011 (the **EU Benchmarks Regulation**), including the Euro Interbank Offered Rate (**EURIBOR**), which is provided by the European Money Markets Institute (**EMMI**), the Secured Overnight Financing Rate (**SOFR**), which is provided by the Federal Reserve Bank of New York, the Sterling Overnight Index Average (**SONIA**), which is provided by the Bank of England, or the Warsaw Interbank Offered Rate (**WIBOR**), which is provided by GPW Benchmark S.A. As at the date of this Base Prospectus, the administrators of EURIBOR and WIBOR are included in ESMA's register of administrators under Article 36 of the EU Benchmarks Regulation but not the register of administrators of the FCA under Article 36 of Regulation (EU) No 2016/1011 as it forms part of the United Kingdom (**UK**) domestic law by virtue of the EUWA (the **UK Benchmarks Regulation**) and, together with the EU Benchmarks Regulations (the **Benchmarks Regulations**). As at the date of this Base Prospectus, the administrators of SONIA and SOFR are not included in such registers. As far as the Issuer is aware, under Article 2 of the EU Benchmarks Regulation and the UK Benchmarks Regulation, the administrator of SONIA, the Bank of England and the administrator of SOFR, the Federal Reserve Bank of New York, are not required to obtain authorisation or registration as of the date of this Base Prospectus.

Notice to persons affiliated with the Issuer: Persons affiliated with the Issuer, within the meaning of Article 11a(1)(4) of the Corporate Income Tax Act dated 15 February 1992 (the **CIT Act**) and Article 23m(1)(4) of the Personal Income Tax Act dated 26 July 1991 (the **PIT Act**), that hold, jointly with other affiliated persons, more than 10 per cent. of the nominal value of the Notes do not benefit from the exemption from Polish corporate income tax provided by Article 17(1)(50c) of the CIT Act and personal income tax provided by Article 21(1)(130c) of the PIT Act, as described under "*Taxation*" below.

Joint Arrangers

Bank Polska Kasa Opieki S.A.

J.P. Morgan

Dealers

Bank Polska Kasa Opieki S.A.

BNP PARIBAS

BofA Securities

Citigroup

Commerzbank

Erste Group

J.P. Morgan

**Société Générale
Corporate & Investment Banking**

UniCredit

The date of this Base Prospectus is 6 May 2025.

IMPORTANT INFORMATION

This Base Prospectus comprises a base prospectus in respect of all Notes issued under the Programme for the purposes of Article 8(1) of the Prospectus Regulation. When used in this Base Prospectus, Prospectus Regulation means Regulation (EU) 2017/1129, as amended.

The Issuer accepts responsibility for the information contained in this Base Prospectus and the Final Terms for each Tranche of Notes issued under the Programme. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Issuer confirms that any information which has been extracted from an external source has been accurately reproduced and that, so far as it is aware, no facts have been omitted which would render the reproduced information inaccurate or misleading.

This Base Prospectus is to be read in conjunction with all information which is deemed to be incorporated in it by reference (see “*Documents Incorporated by Reference*”). This Base Prospectus shall be read and construed on the basis that those documents are incorporated and form part of this Base Prospectus.

Other than in relation to the information which is deemed to be incorporated by reference (see “*Documents Incorporated by Reference*”), the information on the websites to which this Base Prospectus refers does not form part of this Base Prospectus and has not been scrutinised or approved by the CSSF.

No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers as to the accuracy or completeness of the information contained or incorporated in this Base Prospectus or any other information provided by the Issuer in connection with the Programme. No Dealer accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer in connection with the Programme.

No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers.

No Dealer has independently verified the information contained or incorporated by reference herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Dealers as to the accuracy or completeness of the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer.

None of the Dealers makes any representation as to the suitability of any Notes issued as Sustainable Bonds (as defined herein) under the Programme to fulfil any environmental, social and/or sustainability criteria required by any prospective investors. The Dealers have not undertaken, nor are they responsible for, any assessment or verification of the Eligible Projects (as defined in “*Risk Factors—Risks related to all Notes—The application of the net proceeds of Sustainable Bonds (or an amount equal thereto) as described in the section of this Base Prospectus entitled “Use of Proceeds” might not meet investor expectations or be (or remain) suitable for an investor’s investment criteria*” below) and their impact, or monitoring of the use or allocation of

the net proceeds of any such Sustainable Bonds (or amounts equal thereto), nor do any of the Dealers undertake to ensure that there are at any time sufficient Eligible Projects to allow for allocation of a sum equal to the net proceeds of the issue of such Sustainable Bonds in full. In addition none of the Dealers is responsible for the assessment of the Issuer's Sustainable Finance Framework (as defined and further described in the section of the Base Prospectus entitled "*Use of Proceeds*") including the assessment of the applicable eligibility criteria in relation to Sustainable Bonds set out in therein. Prospective investors should refer to the Issuer's Sustainable Finance Framework and the Second Party Opinion, as referred to in the section of this Base Prospectus entitled "*Use of Proceeds*" below. The Second Party Opinion provides an opinion on certain environmental and related considerations and is not intended to address any credit, market or other aspects of an investment in any Notes, including without limitation market price, marketability, investor preference or suitability of any security. The Second Party Opinion is a statement of opinion, not a statement of fact. The Second Party Opinion is not, nor should be deemed to be, a recommendation by the Dealers or any other person to buy, sell or hold any Notes and is current only as of the date it is issued. No representation or assurance is given by the Dealers as to the suitability or reliability of the Second Party Opinion or any opinion or certification of any third party made available in connection with an issue of Notes issued as Sustainable Bonds, nor is any such opinion or certification a recommendation by any Dealer to buy, sell or hold any such Notes. The criteria and/or considerations that formed the basis of the Second Party Opinion or any such other opinion or certification may change at any time and the Second Party Opinion may be amended, updated, supplemented, replaced and/or withdrawn. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein. The Issuer's Sustainable Finance Framework may also be subject to review and change and may be amended, updated, supplemented, replaced and/or withdrawn from time to time and any subsequent version(s) may differ from any description given in this Base Prospectus. The Issuer's Sustainable Finance Framework, the Second Party Opinion and any other such opinion or certification does not form part of, nor is incorporated by reference in, this Base Prospectus.

In the event any such Notes are, or are intended to be, listed, or admitted to trading on a dedicated "green", "sustainable", "social" or other equivalently labelled segment of a stock exchange or securities market, no representation or assurance is given by the Dealers that such listing or admission will be obtained or maintained for the lifetime of the Notes.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained in it concerning the Issuer is correct at any time subsequent to its date or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme or to advise any investor in Notes issued under the Programme of any information coming to their attention.

STABILISATION – In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) acting as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

IMPORTANT – EEA RETAIL INVESTORS – If the Final Terms in respect of any Notes includes a legend entitled “Prohibition of Sales to EEA Retail Investors”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (EEA). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT – UK RETAIL INVESTORS – If the Final Terms in respect of any Notes includes a legend entitled “Prohibition of Sales to UK Retail Investors”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law of the UK by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the **FSMA**) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law of the UK by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law of the UK by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

MiFID II product governance/target market – The Final Terms in respect of any Notes will include a legend entitled “MiFID II product governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the Product Governance rules under EU Delegated Directive 2017/593 (the **MiFID Product Governance Rules**), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither

the Joint Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR product governance/target market – The Final Terms in respect of any Notes may include a legend entitled UK MiFIR Product Governance which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Joint Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

IMPORTANT INFORMATION RELATING TO THE USE OF THIS BASE PROSPECTUS AND OFFERS OF NOTES GENERALLY

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. None of the Issuer and the Dealers represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Dealers which is intended to permit a public offering of any Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States, the EEA (including Belgium and Poland), the United Kingdom, Japan, Canada and Singapore, see “*Subscription and Sale*”.

PRESENTATION OF INFORMATION IN THE BASE PROSPECTUS

Presentation of Financial Information

Unless otherwise indicated, the financial information in this Base Prospectus relating to the Issuer and its consolidated subsidiaries (the **Group**) has been derived from (i) the audited consolidated financial statements of the Group as at and for the financial year ended 31 December 2024 (the **2024 Consolidated Financial Statements**) and (ii) the audited consolidated financial statements of the Group as at and for the financial year ended 31 December 2023 (the **2023 Consolidated Financial Statements** and, together with the 2024 Consolidated Financial Statements, the **Annual Consolidated Financial Statements**).

The Group’s financial year ends on 31 December, and references in this Base Prospectus to any specific year are to the 12-month period ended on 31 December of such year. The Annual Consolidated Financial Statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the EU (**IFRS**).

Certain Defined Terms and Conventions

Capitalised terms which are used but not defined in any particular section of this Base Prospectus will have the meaning attributed to them in “*Terms and Conditions of the Notes*” or any other section of this Base Prospectus.

In this Base Prospectus, all references to:

- *U.S. dollars, U.S.\$* and *\$* refer to United States dollars;
- *CHF and Swiss franc* refer to Swiss franc;
- *zloty, PLN* and *zł* refer to Polish zloty; and
- *euro* and *€* refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

References to **a billion** are to a thousand million.

Certain figures and percentages included in this Base Prospectus have been subject to rounding adjustments; accordingly, figures shown in the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

In this Base Prospectus, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B OF THE SECURITIES AND FUTURES ACT (CHAPTER 289 OF SINGAPORE)

In connection with Section 309B of the Securities and Futures Act 2001 (Chapter 289) of Singapore (as amended, the **SFA**) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), unless otherwise stated in the applicable Final Terms, all Notes shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the Monetary Authority of Singapore (the **MAS**) Notice SFA 04-N12: Notice on the Sale of Investment Products and in the MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

SUITABILITY OF INVESTMENT

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of financial markets and of any financial variable that which might have a negative impact on the return on the Notes; and
- (v) is able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

A potential investor may not rely on the Issuer, any of the Arrangers or Dealers or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above.

CONTENTS

Important information.....	i
General Description of the Programme	8
Risk Factors	14
Forward-Looking Statements.....	50
Documents Incorporated by Reference.....	52
Supplements to the Base Prospectus	55
Form of the Notes	56
Terms and Conditions of the Notes.....	60
Form of Final Terms	127
Use of Proceeds.....	146
Selected Financial Information of the Group.....	160
Description of the Group	168
Transactions with Related Parties	191
Risk Management	196
Management and Supervisory Corporate Authorities.....	202
Market and Legal Environment	209
Taxation	214
Subscription and Sale.....	223
General Information.....	229

GENERAL DESCRIPTION OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. The Issuer and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions of the Notes, in which event and if appropriate, a new Base Prospectus will be published.

This Overview constitutes a general description of the Programme for the purposes of Article 25(1) of Commission Delegated Regulation (EU) No 2019/980.

Words and expressions defined in “*Form of the Notes*” and “*Terms and Conditions of the Notes*” shall have the same meanings in this Overview.

Issuer: Bank Polska Kasa Opieki S.A.

Issuer Legal Entity Identifier (LEI): 5493000LKS7B3UTF7H35

Risk Factors: There are certain factors that may affect the Issuer’s ability to fulfil its obligations under Notes issued under the Programme. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme and risks relating to the structure of a particular Series of Notes issued under the Programme. All of these are set out under “*Risk Factors*”.

Description: Euro Medium Term Note Programme

Joint Arrangers: Bank Polska Kasa Opieki S.A.
J.P. Morgan SE

Dealers: Bank Polska Kasa Opieki S.A.
BNP Paribas SA
BofA Securities Europe SA
Citigroup Global Markets Europe AG
Commerzbank AG
Erste Group Bank AG
J.P. Morgan SE
Société Générale
UniCredit Bank GmbH
and any other Dealers appointed in accordance with the Programme Agreement.

Certain Restrictions: Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines,

regulations, restrictions or reporting requirements from time to time (see “*Subscription and Sale*”).

Issuing and Principal Paying Agent:	The Bank of New York Mellon, London Branch
Programme Size:	Up to EUR 5,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
Distribution:	Notes may be distributed by way of private placement or more widely and in each case on a syndicated or non-syndicated basis.
Currencies:	Subject to any applicable legal or regulatory restrictions, notes may be denominated in euro, Sterling, U.S. dollars, yen and any other currency agreed between the Issuer and the relevant Dealer.
Maturities:	The Notes will have such maturities as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency. No Notes having a maturity of less than one year will be issued under this Base Prospectus.
Issue Price:	Notes may be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
Form of Notes:	The Notes will be issued in either bearer or registered form as described in “ <i>Form of the Notes</i> ”. Registered Notes will not be exchangeable for Bearer Notes and <i>vice versa</i> .
Fixed Rate Notes:	Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer.
Floating Rate Notes:	Floating Rate Notes will bear interest at a rate determined: (a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating either the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc. (ISDA), and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series), or the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (as published by ISDA as

at the Issue Date of the first Tranche of the Notes of the relevant Series) as specified in the applicable Final Terms, each as published by ISDA (or any successor) on its websites (www.isda.org), on the date of issue of the first Tranche of Notes of such Series; or

- (b) on the basis of the reference rate set out in the applicable Final Terms.

Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer.

The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes.

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

Zero Coupon Notes:

Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.

Benchmark Discontinuation:

In the event that a Benchmark Event or Benchmark Transition Event (as applicable) occurs, such that any rate of interest (or any component part thereof) cannot be determined by reference to the original benchmark or screen rate (as applicable) specified in the applicable Final Terms, then the Independent Adviser in consultation with the Issuer or failing that, the Issuer may (subject to certain conditions) be permitted to substitute such benchmark and/or screen rate (as applicable) with a successor, replacement or alternative benchmark and/or screen rate (with consequent amendment to the terms of such Series of Notes and the application of an adjustment spread (which could be positive, negative or zero)). See Condition 6.2 (*Interest on Floating Rate Notes*) for further information.

Redemption:

The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default (in respect of Ordinary Senior Notes) or (in respect of Tier 2 Subordinated Notes only) a Capital Disqualification Event or (where specified as applicable in the applicable Final Terms, in respect of Senior MREL Notes, Senior Non-Preferred MREL Notes or Senior Subordinated Notes, only) an MREL Disqualification Event) or that such Notes will be redeemable at the option of the Issuer (see Issuer Call and Clean-up Call Option) and/or, in the case of Ordinary Senior Notes only, the Noteholders upon giving notice to the Noteholders or the Issuer, as the case may be, on

a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer and as indicated in the applicable Final Terms.

Notes may be redeemed prior to their original maturity only in compliance with Applicable Banking Regulations (as defined in Condition 3.5 (*Definitions*)) then in force and, with the consent of the Competent Authority or the Relevant Resolution Authority, as applicable.

Substitution and Variation:

If Substitution and Variation is specified in the applicable Final Terms as being applicable (other than in respect of any Ordinary Senior Notes) if at any time (i) (where specified as applicable in the applicable Final Terms, in respect of Tier 2 Subordinated Notes) a Capital Disqualification Event occurs or (ii) (in respect of Senior MREL Notes, Senior Non-Preferred MREL Notes or Senior Subordinated Notes where MREL Disqualification Event is specified as applicable in the applicable Final Terms) an MREL Disqualification Event occurs, or (iii) a circumstance giving rise to the right of the Issuer to redeem the Notes for taxation reasons under Condition 8.2 (*Redemption for tax reasons*) occurs and is continuing, or to ensure the effectiveness of the enforceability of Condition 21 (*Acknowledgement of Bail-in and Loss Absorption Powers*)), the Issuer may either substitute all (but not some only) of the Notes for, or modify the terms of the Notes accordingly, provided that they remain or, as appropriate, so that they become, Qualifying Notes. See Condition 12 (*Substitution and variation*).

Denomination of Notes:

The Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, and save that the minimum denomination of each Note admitted to trading on a regulated market within the European Economic Area or offered to the public in a member state of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Regulation will be not less than €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

Taxation:

All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by any Tax Jurisdiction as provided in Condition 9 (*Taxation*). In the event that any such deduction is made, the Issuer will, save in certain limited circumstances provided in Condition 9 (*Taxation*) and save in respect of Zero Coupon Notes, be required to pay additional amounts to cover the amounts so

	deducted (in respect of interest only, in respect of Senior MREL Notes, Senior Non-Preferred MREL Notes, Senior Subordinated Notes and Tier 2 Subordinated Notes).
Negative Pledge:	The terms of the Ordinary Senior Notes will contain a negative pledge provision as further described in Condition 4 (<i>Negative Pledge</i>).
Cross Default:	The terms of the Ordinary Senior Notes only will contain a cross default provision as further described in Condition 11 (<i>Events of Default</i>).
Status of the Notes:	Notes may be either Ordinary Senior Notes, Senior MREL Notes, Senior Non-Preferred MREL Notes, Senior Subordinated Notes or Tier 2 Subordinated Notes, as more fully described in Condition 3 (<i>Status of the Notes</i>) and all as specified in the applicable Final Terms.
Rating:	The Issuer's current long term debt rating by S&P and Fitch is A- and BBB, respectively (outlook stable in each case). Series of Notes issued under the Programme may be rated or unrated. Where a Series of Notes is rated, such rating will be disclosed in the applicable Final Terms and will not necessarily be the same as the rating assigned to the Programme. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
Listing and admission to trading:	Application has been made to the CSSF to approve this document as a base prospectus. Application has also been made for Notes issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued. The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.
Governing Law:	The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and shall be construed in accordance with, English law, except for Conditions 3 (<i>Status of the Notes</i>), 21 (<i>Acknowledgement of Bail-in and Loss Absorption Powers</i>) and 22 (<i>Recognition of Stay Powers</i>) which will be governed by Polish law.

Selling Restrictions:	There are restrictions on the offer, sale and transfer of the Notes in the United States, the EEA (including Belgium and Poland), the United Kingdom, Japan and Singapore and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes, see “ <i>Subscription and Sale</i> ”.
United States Selling Restrictions:	Regulation S, Category 1 (or, if specified in the applicable Final Terms Category 2). TEFRA C or D/TEFRA not applicable, as specified in the applicable Final Terms.
Use of Proceeds:	The net proceeds (or an amount equivalent to such net proceeds) from each issue of Notes will be used for the general financing purposes of the Issuer or, in respect of any Notes which are issued as Sustainable Bonds in accordance with the Issuer’s Sustainable Finance Framework, to finance Eligible Projects. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

RISK FACTORS

In purchasing Notes, investors assume the risk that the Issuer may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer may not be aware of all the relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer's control. The Issuer has identified in this Base Prospectus a number of factors which could materially adversely affect its business and ability to make payments due under the Notes.

In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision. Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings as given to them in this section.

FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER NOTES ISSUED THROUGH THE PROGRAMME

Risks relating to the Bank's business activity and industry

Regulatory intervention in the mortgage lending market may have an adverse effect on the Group's financial condition

In response to rapidly increasing inflation, the Monetary Policy Council (in Polish: *Rada Polityki Pieniężnej*, the MPC), increased domestic reference interest rates several times in 2021 and 2022. According to the Polish Banking Association (in Polish: *Związek Banków Polskich*), the vast majority of mortgages are variable-rate loans, being the sum of WIBOR increased by a given bank's margin. Despite the fact that since October 2023 the MPC has been maintaining the reference interest rates and as of the date of this Base Prospectus the main reference rate is 5.75 per cent, the Polish Central Bank's monetary tightening policy via interest rate rises has had a direct impact on mortgage holders and their ability to repay their loans.

To alleviate the effect the increased interest rates may have on the financial condition of households, the Polish government submitted to the Polish parliament a draft Act on Crowdfunding and Supporting Borrowers (in Polish: *Ustawa o finansowaniu społecznościowym dla przedsięwzięć gospodarczych i pomocy kredytobiorcom*, the **Act on Supporting Borrowers**). The Act on Supporting Borrowers came into force on 29 July 2022.

The Act on Supporting Borrowers (i) gave mortgage holders the option to take a mortgage payment holiday; (ii) imposed an obligation on banks to pay an additional contribution to a Borrowers Support Fund (in Polish: *Fundusz Wsparcia Kredytobiorców*); and (iii) introduced a procedure for replacing WIBOR with a new benchmark. Under the Act on Supporting Borrowers, PLN denominated retail mortgage holders could suspend repayment of these loans for two months in the period from 1 August 2022 to 30 September 2022, another two months in the period from 1 October 2022 to 31 December 2022 and one month in each calendar quarter from 1 January 2023 to 31 December 2023. During a mortgage holiday the borrowers are released from making mortgage-related payments due to the lender under the loan agreement (including interest, principal and other fees), except for the payment of insurance premiums linked to the loan agreement. The mortgage holiday became effective automatically upon the delivery of an application to the lender. The term of the mortgage was extended

by the duration of the mortgage holiday. The right to request a mortgage holiday applied to mortgages concluded prior to 1 July 2022, provided that the maturity date of the mortgage fell after 1 January 2023.

On 5 March 2024 the Polish government proposed an amendment to the Act on Supporting Borrowers. The purpose of the amendment was to enable the borrowers under mortgage loans to request the suspension repayment of mortgage loans also in 2024. The suspension period was May and June 2024 and then one month in each calendar quarter from 1 July 2024 to 31 December 2024. The suspension was available only to borrowers for whom a loan instalment exceeded 30 per cent. of their household income or who supported at least three children and signed the loan agreement before 1 July 2022. The loan amount could not exceed PLN 1.2 million.

By 31 December 2024, 24.4 thousand of the Bank and the Bank's consolidated subsidiaries' (the **Group**) customers had submitted a mortgage holiday application, and the total number of suspended loan instalments exceeded 87 thousand. As at 31 December 2024, the actual level of utilization of the governmental programme of loan repayment holidays by the Group's customers was 13 per cent. For the year ended 31 December 2024, the cost of modifying PLN mortgage loan agreements granted to consumers due to their suspension of loan repayments, amounted to PLN 153.5 million gross. The extension of credit holidays or introduction of similar measures enabling borrowers to suspend or defer repayment of their loans may have a material adverse effect on the Group's business and its financial conditions and operations.

Deterioration in Poland's economic condition could affect the Group's business, financial condition and the results of operations

The Group conducts its operations in Poland. As a result, the macroeconomic situation in Poland has a material impact on the Group's business, its financial condition and the results of operations.

The economic situation in Poland depends on a number of factors, including government budgets, the money supply and interest rates, the labour market, the demographic situation in Poland, macroeconomic conditions in the world and in Europe, the inflow of funds from the European Union as well as the levels of taxation.

A potential prolonged economic slowdown in Poland would impact the Group's operations. Higher unemployment and lower consumption, as well as fluctuations in the financial markets (including the currency markets), may adversely affect the financial condition of the Group's customers, which could, in turn, impair the quality and volume of the Group's loan portfolios and other financial assets, and result in decreased demand for the Group's products. In addition, in unstable market conditions, the value of assets securing existing or future loans by the Group, including real estate, may decline significantly.

On 24 February 2022, Russia invaded and launched a full-scale military assault against Ukraine. Russian military forces entered Ukrainian territory and, as of the date of the Base Prospectus, occupy several regions, cities and infrastructure sites in Ukraine. The war has caused increased market volatility and impacted the Polish economy. In particular, the war has already caused an increase in prices of commodities and energy. This may put an additional financial strain on some of the Group's customers and affect their ability to perform their obligations towards the Group. The sanctions imposed on Russia may also affect the financial condition of some of the Group's customers who conducted business in Russia or with Russian counterparts. The war has also caused a number of Ukrainians to seek refuge in neighbouring countries. According to the United Nations Refugee Agency, almost 1 million Ukrainians had refugee status in Poland as of 31 December 2024.

The outbreak of the war, external pressures on the PLN, sharp increases in commodity prices and strong consumer demand have resulted in inflation rising to above 10 per cent (peaking at 18.4 per cent year-on-year in February 2023). Although the inflation has decreased to 4.9 per cent. year-on-year in February 2025, it is still higher than the inflation target set by the National Bank of Poland (the **NBP**), which is 2.5 per cent. (-/+ one percentage point) and there is considerable uncertainty as if and when the inflation will return to the target. Sustained high inflation may have a negative effect on the financial standing of the Group's customers, in particular, households. Some of the Group's customers may not be able to comply with their obligations towards the Group which, in turn, may negatively affect the Group's financial condition and its ability to perform its obligations under the Notes and could also cause an increase in the Group's expected credit losses. More challenging macroeconomic conditions may also lead to a decreased customer demand for the Group's products and services.

On 2 April 2025 the United States of America (the **USA**) imposed tariffs of at least 10 per cent. on goods imported to the USA. The purpose of these tariffs is to protect the domestic industry in the USA and reduce trade deficits between the USA and its trading partners. Although some of these tariffs have been suspended shortly after their announcement, the introduction of tariffs may have wide-ranging effects on the global economy. It may affect trade relations and disrupt supply chains as well as lead to increased volatility in the global financial markets. Given the interconnected nature of modern economy, any disturbances in the international markets may affect the condition of the Polish economy, including the financial situation of the Group, its customers and other stakeholders.

The Group's business, as well as the successful implementation of its strategy, is dependent on the financial circumstances of its customers and their ability to repay existing loans, make deposits and acquire new financial products offered by the Group. The financial situation of Polish households, including the Group's customers, is highly-correlated with the unemployment rate. An increase in the unemployment rate in Poland could cause an increase in the Group's expected credit losses or hinder the growth of the Group's loan and advances portfolio.

The level of risk that is acceptable to customers may also decrease with respect to investments in securities, investment funds or other investment products offered by the Group. Significant fluctuations or a decline in financial markets may discourage potential customers from buying investment products offered by the Group and force current holders to withdraw or reduce their exposure to such products, which may have an adverse effect, in particular, on the Group's fee and commission income.

Any deterioration in economic, business, political and social conditions in Poland may have a material adverse effect on the Group's business, financial condition and operations.

The Bank is subject to environmental, social and governance risks that could adversely affect its reputation, business, financial condition, results of operations and/or prospects.

Regulators, investors and other market participants have been increasingly focusing on environmental, social and governance (**ESG**) risks, in particular climate-related risks. The Bank is subject to such risks mainly through its credit portfolio. While the Bank is involved in a number of initiatives through which it supports its customers in transition to more sustainable ways of conducting business, the Bank still maintains a portfolio of loans to sectors with high emissions, such as real estate and energy generation. The business models of these customers may be disrupted by events such as changes in climate policy, regulation, technology or market sentiment. Such disruptions may affect these customers financial condition, including their ability to service their indebtedness towards the Bank.

In recognition of such risks, the Bank has implemented or is in the process of implementing a number of actions, including integrating ESG risks into its credit analysis and customer selection processes, and enhancing sustainability policies and governance. However, the Bank cannot guarantee that these actions will be effective in mitigating the relevant risks, nor can it make any assurances that its

regulators, investors or other market participants will find its efforts to be sufficient. Therefore, it may be subject to reputational damage. In addition, the increased focus on ESG matters may subject the Bank to increased regulatory scrutiny, new disclosure requirements or other additional costs, which could have a material adverse effect on the Bank's business, financial condition, results of operations and/or prospects.

The Bank is indirectly controlled by the Polish State Treasury, which may exert politically motivated influence on the Bank

The ultimate parent entity of the Bank is Powszechny Zakład Ubezpieczeń S.A. (**PZU**) holding 20.00 per cent. of shares in the Bank's share capital and 20.00 per cent. of votes at the Bank's general meeting. For PZU the controlling entity is the State Treasury of the Republic of Poland (the **State Treasury**). The State Treasury holds 34.1875 per cent. of PZU shares entitling it to 34.1875 per cent. of votes at the PZU's general meeting. Through PZU, the Bank is indirectly controlled by the State Treasury.

As a result of the Bank's shareholders structure, the State Treasury can indirectly control the Bank to the extent of authority reserved to competence of major shareholders of the Bank and with this regard certain decisions of the Bank may reflect the Polish government's policy.

Any politically motivated influence or instability in the scope of corporate governance relating to the Bank could have a material adverse effect on the business, financial results, financial condition and prospects of the Bank and, consequently, on the value of the Notes, and on the ability of the Bank to make payments under the Notes.

Risks relating to the Group's financial situation

Claims of borrowers under mortgages denominated in CHF or indexed to CHF may adversely affect the Group's financial performance

During first decade of the 21st century, Polish banks granted a large number of mortgages denominated in Swiss francs or indexed to Swiss francs (the **CHF Mortgage Loans**). CHF Mortgage Loans were an extremely popular product due to, among other things, interest rates being low when compared with PLN interest rates. With the rapid appreciation of the CHF, the outstanding PLN equivalent of principal amounts of CHF Mortgage Loans increased significantly. For this reason, many CHF Mortgage Loan borrowers decided to bring actions aimed at annulling their CHF Mortgage Loan agreements in whole or in part.

The Court of Justice of the European Union (the **CJEU**) issued several judgments concerning the CHF Mortgage Loans which were favourable to borrowers. The CJEU judgments and increased publicity from law firms representing such borrowers, have led to a significant increase in claims concerning the CHF Mortgage Loans brought against the Bank. The courts' verdicts already issued are generally favourable for the borrowers. Almost all of verdicts delivered in respect of such cases declare the loan agreements invalid. If a loan agreement is declared invalid, the lender should return to the borrower all amounts paid by the borrower, including interest and fees. The lender is entitled to demand from the borrower the return of the disbursed principal amount of the loan.

The Group has already created significant provisions to cover the risk associated with the CHF Mortgage Loans and it cannot exclude the possibility that additional provisions may be required in the future. The provisions have had a material negative effect on the Group's profitability and its capital and other regulatory ratios. Additional provisions may have a material negative effect on the Group's profitability and its capital and other regulatory ratios.

Claims of borrowers under loans with interest rates based on WIBOR may affect the Group's financial performance

An increase in the reference rates led to an increase of WIBOR, a benchmark which is the basis for determining the interest rate for the majority of floating rate loans denominated in PLN. This may cause the borrowers under such loans to try to challenge the loans in courts by requesting the courts to invalidate the loan agreements in whole or only in relation to the provisions concerning the calculation of interest.

The Bank believes that because of the marketing activities of law firms specialising in representing consumers in disputes with financial institutions, the number of these lawsuits will increase. The borrowers claim that WIBOR is an incomprehensible factor affecting the borrowers' financial liabilities which a borrower is not able to independently verify. The borrowers challenging the loan agreements also claim that WIBOR does not properly reflect the economic environment, that it is fixed on the basis of artificial data provided by banks and not on the basis of real transactions. They also assert that the Bank did not provide them with sufficient information on how a floating interest rate may affect the repayments under the loans. In May 2024, a court hearing a dispute concerning a loan agreement with interest rate based on WIBOR decided to ask the CJEU preliminary questions concerning the loan agreement. These preliminary questions refer, in particular, to whether the Council Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts is to be interpreted as permitting an examination of contractual provisions relating to floating interest rates based on WIBOR. In addition, the CJEU is to rule on the scope of the information a bank granting a loan with interest rate based on WIBOR should provide to the borrower and how the possible elimination of WIBOR from a loan agreement may affect its further existence.

As of the date of this Base Prospectus it is not certain how and when the CJEU will respond to the preliminary questions. The CJEU's responses will be an important guidance for all Polish courts hearing disputes concerning loan agreements with floating interest rate based on WIBOR. If Polish courts in the future determine that loan agreements referencing WIBOR have legal defects, a large number of borrowers under such loans may decide to challenge them in courts. If the results of the majority of the lawsuits are unfavourable for the Bank, the Group's financial condition and, as a consequence, its capital and other regulatory ratios, may materially deteriorate.

Claims of borrowers concerning the "free loan" sanction may affect the Group's financial performance

Under Polish consumer protection laws, a bank granting a loan to a consumer must include certain information in the relevant loan agreement. The information to be provided to the borrower includes the principal parameters of the loan, interest and fees associated with the loan or the terms on which the loan may be prepaid. If the Bank did not include the required information in the loan agreement, the borrower may repay the loan without any interest or fees, so called "free loan" sanction. Certain borrowers under consumer loans granted by the Bank claim that, when granting a loan, the Bank did not perform its information undertakings towards the borrower arising under Polish consumer protection laws. Certain borrowers under consumer loans or professional entities which acquired claims under the loans from the original borrowers attempt to challenge the loans in courts by claiming that they did not meet the criteria prescribed by Polish consumer protection laws. As at 31 December 2024, there were 648 court proceedings pending against the Group relating to the "free loan" sanction, with a total value of PLN 18.5 million. By 31 December 2024, 53 disputes were concluded and 47 judgments were in favour of the Bank.

If Polish courts in the future determine that the "free loan" sanction claims made by the plaintiffs are justified and the results of the lawsuits are unfavourable to the Bank, the Group's financial condition and, as a consequence, its capital and other regulatory ratios, may materially deteriorate.

The value of the Group's investment and trading portfolios may decrease

The Group's portfolio of securities comprises debt and equity securities. The quality of the Group's portfolio of securities may be affected by macroeconomic factors, the general business environment and developments in the financial markets, and by the creditworthiness and financial position of counterparties to the Group's transactions. The quality of debt securities held by the Group is dependent upon the ability of issuers of the securities to make payments on the securities when due, which in turn may be affected by changes in their financial standing.

As at 31 December 2024, debt instruments issued by the Polish State Treasury constituted 42.6 per cent of the Group's debt securities portfolio, and corporate bonds denominated in PLN and guaranteed by the State Treasury constituted 12.7 per cent of the Group's debt securities portfolio. A decrease in the price of such securities may occur as a result of several factors, in particular: (i) increases in domestic interest rates; or (ii) an increased supply of such securities by the Polish government due to an increased issue of those securities to finance the budget deficit, or an increased offer of securities by investors disposing of them; or (iii) a decrease in the credit ratings for Poland's sovereign debt; or (iv) increased political risk and a negative perception of Poland by investors. A decrease in the price of such securities could adversely affect the Group's financial condition, mainly its capital and liquidity position.

The Group's portfolio includes negotiable financial instruments whose daily valuations depend on certain market parameters (such as interest rates, foreign exchange rates, prices of bonds and stocks, futures prices, stock indices values, and implied volatilities of options). As these parameters vary continuously according to market forces, valuations of the financial instruments also change accordingly, which may adversely impact the unrealised results of these portfolios, even though certain components of the market risk of those portfolios are hedged and the trading is carried out within set market risk limits. In addition, market movements may also adversely affect realised results of the trading book. Any occurrence of any of these factors may have an adverse effect on the Group's business, financial condition and results of operations.

The Group has significant exposure to counterparty credit risk in connection with its banking operations

The Group is exposed to counterparty risk arising from the potential inability of the Group's counterparties, including corporate customers, banks and other financial institutions to fulfil their obligations under transactions and financial instruments entered into with the Group. Such inability may be caused by a wide range of factors, including, in particular, bankruptcies, economic downturns, a lack of market or individual customer liquidity, adverse financial and market movements (e.g. in interest rates or foreign currency exchange rates, commodity prices, the implied volatility of foreign exchange options, etc.), operational failures and increased economic and political uncertainty. A reduction in the ability of the Group's counterparties to fulfil such obligations, or a default by, or even concerns about the creditworthiness and financial standing of, one or more of the Group's counterparties could have a material adverse effect on the Group's business, financial condition and results of operations and/or prospects.

In connection with Russia's armed attack on Ukraine, which has been ongoing since 2022, the Group identifies the following threats in the area of credit risk: (i) credit loss risk for exposures to entities from Russia, Belarus and Ukraine, and (ii) the risk of deterioration of the economic and credit conditions for the rest of the portfolio (through the raw material price growth channel, disruption of economic relations, deterioration of consumer sentiment, etc.). As at 31 December 2024, the Group balance sheet net exposure to countries involved in the conflict amounted to PLN 91 million (which represented 0.05 per cent. of the Group's total exposure), and as at 31 December 2023 amounted to PLN 129 million (which represented 0.08 per cent. of the Group's total exposure). Depending on the further development of the situation, it may have a negative impact on the future financial results of the Group.

Furthermore, the Group has substantial assets, associated with foreign exchange derivatives, which include foreign exchange swaps, forwards and options conducted with other banking and non-banking clients. These foreign exchange derivatives require the customer to provide collateral if the instrument reaches a prescribed loss level. In case of significant changes in the PLN exchange rate against major foreign currencies, many customers who have purchased foreign exchange derivatives may be unable to provide the required collateral.

Although the Group actively monitors and manages its liquidity requirements and foreign exchange position and hedges its exposure to foreign exchange and interest rate risks, continued foreign exchange rate volatility of the PLN against foreign currencies could increase the pressure on the Group's counterparties and could lead to increased defaults by the Group's counterparties and further losses incurred by the Group on its foreign exchange derivatives. Such developments could have an adverse effect on the business, financial condition and results of operations of the Group.

Any reduction in the credit rating of the Bank and its subsidiaries could increase its cost of funding and adversely affect its interest margins and liquidity

Credit ratings affect the cost and other terms upon which the Group is able to obtain funding. A reduction in the Group companies' credit ratings could increase the costs associated with its interbank and capital market transactions and could adversely affect the Group's liquidity and competitive position, undermine confidence in the Group, increase its borrowing costs and adversely affect its interest margins. Furthermore, should the rating of the Bank be downgraded below investment grade, this could significantly impair the operating business of the Bank, the refinancing costs of the Group and the Bank's eligibility to act as a counterparty to derivative transactions for some market participants.

Rating agencies' assessments are driven by a number of factors, including profitability, applicable sovereign ratings, refinancing opportunities, franchise value, capitalization and liquidity as well as potential parental support. Pressure on the Bank's credit ratings may arise, for example, in the event of significantly weaker capital generation driven by poorer financial performance, a material deterioration of asset quality in a less favourable business environment or the downgrading of the rating applicable to Poland.

A downgrade in the rating of the Bank and its subsidiaries could increase the financing costs associated with transactions on the interbank market. In addition, there is a limited number of funding transactions acquired by entities of the Group where, according to existing provisions in the contracts, a downgrade may result in the necessity to provide additional collateral or early repayment. Such events could adversely affect the Group's business, financial condition and results of operations.

The Group may not be able to improve or sustain its current interest rate margins

The net interest income achieved by the Group depends to a large extent on the levels of the Group's interest-bearing assets and liabilities and the average interest rates on interest-earning assets and interest-bearing liabilities.

Various factors could affect the Group's ability to maintain credit and deposit margins as well as fees and commissions at current levels. These factors include the evolving regulatory environment, court judgments increasing competition in the market, changing demand for fixed and floating interest rate loans, possible changes in monetary policy conducted by the MPC, the level of inflation, and changes in interest rates on interbank markets.

The Group could suffer decreasing interest rate margins for various reasons, including:

- if market interest rates on floating interest rate loans decline and the Group is unable to offset such an effect by decreasing the rates payable on deposits;
- if interest rates payable on deposits increase as a result of additional competition among banks or other factors beyond the Group's control and the Group is unable to offset such an effect by increasing the rates on its loans; or
- if increased competition on the market and economic recovery push credit spreads down.

A high proportion of long-term mortgages in the Group's loan portfolio makes it difficult for the Group to adjust its loan margins to market terms, whilst any deterioration in residential real estate prices and decreases in the value of collateral provided to the Bank may negatively affect the Group's business, financial condition and/or results of operations

In accordance with Polish law, neither the Bank nor any member of the Group is able to unilaterally change the terms of granted loans and advances to individuals, including credit margins. As at 31 December 2024, gross housing and mortgage loans to individuals (retail mortgage loans) constituted a material part (82.5 per cent.) of the Group's total gross loans and advances to individuals. As a result, the Group is limited in its ability to change its average credit portfolio margins through the generation of new mortgage loans and advances reflecting current credit margins on the market compared to other financial institutions operating on the Polish market, which have credit portfolios with a larger proportion of short-term loans. This limited ability to re-price its loan portfolio may adversely affect the Group's business, financial condition and results of operations.

When granting mortgage loans and calculating the applicable interest rates, the Group assumes a certain level of prices of residential real property securing such loans. Such assumptions are vulnerable to changing market conditions. For example, if sale prices of residential real property in Poland substantially decline for any reason, the value of the Group's security may be adversely affected and, in cases of foreclosure, the Group may not be able to recover the entire amount of the loan if the borrowers are unable to repay them. In addition, investments in real estate are characterised by low liquidity as compared to other types of investments and such liquidity may further deteriorate in periods of economic downturn. The Group cannot guarantee that if the residential real estate market in Poland deteriorates significantly, the ability to enforce its security in a timely and effective manner would not deteriorate significantly.

The interest rates on non-mortgage loans advanced by the Group may decrease

Polish banks (including the Bank) are subject to restrictions on the maximum interest rates which may be charged under a loan agreement. Currently, the maximum interest rate is equal to the sum of the applicable reference rate of the National Bank of Poland (NBP) and 3.5 per cent. multiplied by two. Any changes to the applicable reference rates are reflected in the rate which the Bank is able to charge customers on non-mortgage loans. Deterioration in interest rates may therefore have an adverse effect on the Group's business, financial condition and results of operations.

The Group's risk management methods may prove ineffective at mitigating credit risk

Losses relating to credit risk may arise if the risk management policies, procedures and assessment methods implemented by the Group to mitigate credit risk and to protect against credit exposures prove less effective than expected. The Group employs qualitative tools and metrics for managing risk that are based on observed historical market behaviour. These tools and procedures may fail to predict future risk exposures, especially in a market characterized by increased volatility and falling prices. Given the Group's variety of lending activities, the risk management systems employed by the Group may prove insufficient in measuring and managing risks.

The occurrence of any of the factors mentioned above may have a material adverse effect on the business, financial condition, and/or results of operations of the Group.

The Group is exposed to operational risk related to its business activities

Operational risk accompanies all processes at banks and its consequences can be significant. The Group is subject to the risk of incurring losses or unforeseen costs relating to inadequate or failed internal processes, system failures, errors relating to the improper performance of certain services by external service providers, human error, and external events. Typical categories of operational loss include errors made during the execution of operations, record-keeping errors, business disruptions (caused by, for example, communication breakdowns or software and hardware failures), fraud (including related to credit cards), legal claims over transactions or operations and damage to assets. In addition, because some of the Group's business transactions are conducted via internet platforms, the Group is exposed to third party attacks on its IT systems which could result in financial or reputational loss. The Group utilises a significant number of IT systems to conduct its operations. Due to the high complexity of interactions and interdependencies among the Group's IT systems, there can be no assurance that these systems will always properly interact with one another or will always effectively ensure error-free and timely transfer of data within the IT structure of the Bank and the Group.

The Group also outsources the performance of specific activities on its behalf, including IT services (including public cloud service and products) as well as document archiving and storage, printing out correspondence, cash processing, cash support services, cards processing services, call centre services, and debt recovery to third parties. The Bank also outsources to external service providers the performance of certain services relating to the sale of retail and SME banking products offered by the Bank. Additionally, the Bank outsources recruitment services and services related to the bank's social media accounts. If any of the third parties on which the Bank relies fail to duly perform in accordance with the terms of their agreements with the Bank, then this could result in operational deficiencies or reputational risk for the Group. Furthermore, the Group may be exposed to the risk of liability to its customers and reputational loss if such external providers fail to duly perform their services or, specifically, if they perform their services in breach of applicable law or banking regulations or if they take improper actions which result in an infringement of third-party rights.

Additionally, failures of the Group's operational risk management system to detect in time or prevent operational problems caused by third parties could affect the Group's business, financial condition, results of operations and/or prospects.

The occurrence of the factors described above could have a material adverse effect on the business, financial condition and results of operations of the Group.

The Group faces liquidity risk

Liquidity risk is the risk that the Bank may be unable to meet current and future (including contingent) payment obligations as they become due. Liquidity risk may result from internal factors (for example, the impact of negative publicity and/or reputational damage, resulting, for instance, in excessive withdrawal of cash by the Bank's clients or the materialisation of credit risk) and external factors (turbulence and crises in the financial markets, country risk or disruption in the operation of clearing systems). The Bank becomes exposed to liquidity risk when the maturity of its assets and liabilities do not coincide. The Group becomes exposed to liquidity risk when the maturities of its assets and liabilities do not coincide. In particular, the Group may be exposed to increased liquidity risk as a result of its holdings of real estate mortgage loans, which are long-term assets. Although holdings of real estate mortgage loans are partially covered by long and mid-term funding, they are predominantly financed by short-term and on-demand deposits, economically treated as long-term liabilities based on an internal model.

Maturity mismatches between the Group's assets and liabilities may have a material adverse effect on the Group's business, financial condition and results of operations if the Group is unable to obtain new deposits or find alternative sources of funding for existing and future loan and advances portfolios.

In terms of current and short-term liquidity risk, if a substantial portion of the Bank's clients withdraw their demand deposits or do not roll over their term deposits upon maturity, the Bank's liquidity position may be adversely affected. Current liquidity may also be affected by unfavourable financial market conditions. If assets held by the Bank in order to provide liquidity become illiquid due to unforeseen financial market events or their value drops substantially, in such circumstances the Bank may not be able to meet its obligations as they become due and therefore may be forced to resort to interbank funding, which, in the event of an unstable market situation, may become excessively expensive and uncertain. In addition, the Bank's ability to use such external funding sources is directly connected with the level of credit lines available to the Bank, and this in turn is dependent on the Bank's financial and credit condition, as well as general market liquidity.

A loss of liquidity or an inability to raise sufficient funds to finance its operations, particularly its lending operations, may have an adverse effect on the Group's business, financial condition and results of operations.

The Group may not be able to hire, train or retain a sufficient number of qualified personnel

The success of the Group's business depends, among other things, on its ability to recruit and maintain qualified personnel. The Group is dependent upon high-level management to implement its strategy and day-to-day operations. The Group endeavours to reduce the risk of losing key employees through various measures, including in particular through management and career development measures. Despite these measures, the Group may not succeed in attracting or retaining highly-qualified employees in the future. In Poland, there is strong competition for qualified personnel specialised in banking and finance, especially at middle and upper management levels.

Competition of this kind may increase the Group's personnel-related costs and make it difficult to recruit and offer incentives to qualified personnel. This could have a material adverse effect on the Group's business, financial condition, the results of operations and/or prospects.

The Group's IT systems may fail or their security may be compromised

The Group relies heavily on numerous IT systems for a variety of functions, including processing applications, providing information to customers, maintaining financial records and providing crucial financial and market data to the Bank's management board. In addition, the Group uses distribution channels based on an IT platform comprising online banking, mobile banking and call centres.

The Group's activities involve the use and constant development of several IT platforms dedicated to the various segments of the Group. In particular, the business model of the Bank's retail segment, which involves offering banking services through an online transactional system and mobile applications, is significantly dependent on the availability, functionality and security of the Group's IT systems and, as a result of its high reliance on online platforms, it is also particularly exposed to third-party attacks via the internet, e.g. cyber-attacks. Malfunctions, in particular with respect to the use of and interactions between the Group's IT platforms, information leakages, service interruptions or similar events may affect the relationship between the Group and its customers. The Group constantly modifies and enhances the protective measures it takes to counteract these risks. Nevertheless, there is a risk that such measures may not be effective against all threats related to cyber-attacks, taking into account their varying nature and evolving sophistication. A successful attack could result in material losses of client or customer information, damage to computer systems and harm to the Group's reputation and lead to regulatory penalties or financial losses.

Moreover, programming errors and similar disruptions could impact the Group's ability to serve the needs of its customers on a timely basis, interrupt the Group's operations, damage the Group's reputation or require it to incur significant technical, legal and other expenses. In addition, the integrated IT system or upgraded information technology systems may fail to meet the needs of the Group's growing and changing business.

The Group is also subject to regulation in relation to the use of personal data. The General Data Protection Regulation imposes new obligations and guidelines on companies in the management and processing of personal data. Administrative fines of EUR 20 million or 4 per cent. of a company's annual turnover can be imposed for non-compliance with the General Data Protection Regulation.

The Group has procedures in place to ensure compliance with the relevant data protection regulations by its employees and any third party service providers, and has also implemented security measures to prevent cyber-theft. However, if the Group or any of the third-party service providers fail to store or transmit customer information in a secure manner, or if any loss or wrongful processing of personal customer data were otherwise to occur, the Group could be subject to investigative and enforcement action by relevant regulatory authorities and could be subject to claims or complaints from persons to whom the data relates, or could face liability under data protection laws. Should some or all of these risks materialise, this may have an adverse effect on the Group's business, financial condition and results of operations.

Litigation, administrative or other proceedings or actions may adversely affect the Group's business, financial condition and results of operations

Due to the nature of its business, the Group may be exposed to a risk of court, administrative or other proceedings being instituted against it by customers, employees, shareholders and other persons in connection with its business.

The outcome of litigation or similar proceedings or actions is difficult to assess or quantify. Plaintiffs in these types of actions against the Bank or the Group's companies may seek recovery in large or indeterminate amounts or other remedies that may affect the Bank's or the Group companies' ability to conduct their business, and the magnitude of the potential losses relating to such actions may remain unknown for substantial periods of time. The cost of defending future actions may be significant. There may also be adverse publicity associated with litigation against particular Group companies that could damage the reputation of the Group or the particular Group companies concerned, regardless of whether the allegations are valid or whether the Group is ultimately found liable.

As a result, litigation, administrative and other proceedings may adversely affect the Group's business, financial condition and results of operations. As at 31 December 2024, the Group estimated the total cumulative impact of the legal risk related to CHF Mortgage Loans to be PLN 2,501 million, including (i) an adjustment to the gross carrying amount at PLN 1,193 million and (ii) a provision at PLN 1,308 million. As at 31 March 2025, the Group estimated the total cumulative impact of the legal risk related to CHF Mortgage Loans to be PLN 2,434 million, including (i) an adjustment to the gross carrying amount at PLN 1,120 million and (ii) a provision at PLN 1,314 million.

Risks related to legal and regulatory environment

The Bank and the Group may be unable to satisfy its or their required minimum capital adequacy ratios

The Bank and the Group are subject to the capital requirements regulations of the European Union and Poland, which impose minimum capital ratios and other prudential standards on credit institutions and investment firms. These regulations are intended to ensure the financial soundness and stability of the

Banks and the banking sector as a whole, and to protect depositors and investors. The Bank is required to maintain adequate capital resources to cover its risks and to comply with various quantitative and qualitative criteria, such as the Common Equity Tier 1 ratio, the Tier 1 ratio, the total capital ratio, the leverage ratio, the liquidity coverage ratio, the net stable funding ratio, the large exposures limit, the countercyclical capital buffer, the systemic risk buffer, the capital conservation buffer and the additional capital requirements for systemically important institutions. The Bank's compliance with these regulations is monitored and supervised by the Polish Financial Supervision Authority (in Polish: *Komisja Nadzoru Finansowego*, the **KNF**), which has the power to impose administrative sanctions, remedial measures or restrictions on the Bank's activities or distributions in case of non-compliance or breach of the regulations. For a description of the capital requirements applicable to the Group, see "*Description of the Group – Capital management*".

The capital requirements regulations are subject to change and may be amended or supplemented from time to time, either at the European Union (**EU**) level or at the national level, in response to market developments, regulatory initiatives, international standards or other factors. Such changes may affect the Bank's ability to meet the applicable capital ratios and standards, or may require the Bank to raise additional capital, reduce its risk-weighted assets, modify its business model, strategy or operations, or incur additional costs or charges. The Bank cannot predict the timing, scope or impact of any future changes in the capital requirements regulations or the interpretation or enforcement thereof by the relevant authorities.

Any failure by the Bank to comply with the capital requirements regulations, or any adverse changes in the capital requirements regulations or their application, could have a material adverse effect on the Bank's financial condition, results of operations, reputation and prospects, and could impair its ability to fulfil its obligations under the Notes. In addition, any non-compliance or breach of the capital requirements regulations could trigger cross-default provisions or acceleration clauses in the Bank's other debt instruments or contractual arrangements, or affect the Bank's credit ratings, access to funding, liquidity or profitability. Furthermore, any non-compliance or breach of the capital requirements regulations could expose the Bank to regulatory actions, investigations, penalties, fines, sanctions, injunctions, reputational damage or litigation, which could have a material adverse effect on the Bank and the Notes.

The introduction of the new regulations and the resulting changes in the regulatory requirements may have an adverse effect on the Group's business, financial condition and results of its operations

Changes to or an increase in the regulation of the financial services and banking industry in Poland and internationally could have an adverse effect on the Group's business.

Regulations governing the banking and financial services in Poland and internationally are likely to increase, particularly in the current market environment in which regulators have recently taken steps to tighten regulations governing financial institutions. As a result of these and other ongoing and possible future changes in the financial services regulatory landscape (including requirements imposed on the Group as a result of governmental or regulatory initiatives, such as the recommendations of the European Banking Authority, the European Central Bank (the **ECB**) or other bodies of the European Union, the recommendations of the KNF and new or updated regulations from the Basel Committee on Banking Supervision), the Group may face tighter regulation. Compliance with such changes may increase its capital requirements and costs, tighten disclosure requirements, hinder its ability to enter into or carry out certain types of transactions, affect the Group's strategy and limit or require modification of the rates or fees that it charges on certain loan and other products, any of which could lower the return ratio on its investments, assets and equity. Therefore, the Group may be exposed to increased compliance costs and limitations on its ability to pursue certain business opportunities.

As a result of new recommendations from the KNF, as well as other possible changes in existing recommendations and the issuance of new recommendations affecting supervision, the Bank may become subject to more onerous and strict supervision, increased capital adequacy requirements, changes in its risk model and risk management or be required to incur additional costs, and could be subject to restrictions on certain types of transactions.

The occurrence of any of the above-mentioned factors may affect the Group's strategy, its growth potential, its fees and commissions and profit margins and, consequently, could have a material adverse effect on its business, financial condition and results of operations.

The Bank may be required to make substantial mandatory contributions, including contributions to the Bank Guarantee Fund, the Borrowers Support Fund and the Commercial Bank Protection System

Since 2017, the amount of contributions to the bank guarantee fund and the resolution fund is calculated by the Bank Guarantee Fund (the **BGF**) individually for each bank. Contributions to the deposit guarantee fund are paid quarterly. The basis for calculating contributions for a given quarter is the value of the covered deposits in a bank at the end of the quarter immediately preceding the quarter to which the contribution relates. Contributions to the banks' resolution funds are paid once a year. The basis for calculating contributions is bank's total liabilities (net of own funds and covered deposits) as of the last approved annual financial statements before 31 December of the year preceding the year of contribution and the institution's risk profile, taking into account the risk assessment in the areas of risk exposure, the importance of the institution to the stability of the financial system or the economy, the stability and diversity of funding sources and additional indicators defined at the national level.

Due to the scale of the Bank's operations, if a member of the mandatory guarantee scheme were to declare bankruptcy, the Bank may be obliged to make larger payments to the BGF than other members of the deposit guarantee system.

Apart from the above, in June 2022, the Bank along with seven other Polish commercial banks, established voluntary institutional protection in the form of a joint stock company called the Polish Commercial Banks' Protection System (in Polish: *System Ochrony Banków Komercyjnych S.A.*, the **CBPS**). As part of the protection system, an assistance fund was established, to which the participating banks provided cash contributions. The purpose of the assistance fund is to ensure the liquidity and solvency of the participants of the scheme (up to the level of available contributions), to support the resolution of a bank conducted by the BGF and the takeover of a bank being a joint-stock company pursuant to Article 146b paragraph 1 of the Act dated 29 August 1997 Banking Law (the **Banking Law**). Further contributions to the assistance fund will require a unanimous resolution of the general meeting of shareholders of the CBPS.

For the year ended 31 December 2024, the value of the Group's BGF contribution for both funds amounted to PLN 239 million, compared to PLN 190 million in 2023. After making an initial contribution to the CBPS in 2022, the Bank did not make any additional contribution to this scheme in 2023 and 2024. In 2025, the Bank's contribution to the resolution fund will be PLN 279 million

The Group may fail to comply with, or be subject to changes in, certain regulatory requirements applicable to banking and other regulated business, or with the guidelines set forth by financial supervisory authorities on the markets where the Group is present

In addition to its banking operations, the Group also provides other regulated financial services and offers transactional banking products, products relating to the market for financial instruments and insurance products that are subject to the supervision of the KNF, the authority supervising financial markets, including the banking sector in Poland and other relevant authorities in the jurisdictions where

it operates. The scope of supervision and regulation of these products and services is also dependent on directives and regulations issued by European regulatory authorities.

The increasing number and ambiguity of certain regulatory requirements, and their application to the Group on the markets where the Group is present, together with changes to the regulatory requirements and guidelines, have resulted in an increased burden on the Bank and other Group entities to amend their internal policies and procedures in order to meet the requirements of the competent supervisory authorities and EU directives and regulations, which in some cases may have led to instances of non-compliance of the Bank and other Group entities. Moreover, the requirements and obligations stemming from different jurisdictions and the application thereof may be unclear and contradictory and in some cases may have led to instances of non-compliance by the Bank and other Group entities.

Uncertainty with regard to the new rules and guidelines during the period in which they are implemented in the jurisdictions relevant to the Group, as well as potential further changes to European or Polish banking regulations, may impact the Group's ability to access capital or carry out certain business activities.

A failure to satisfy these requirements may expose the Bank or other Group entities to sanctions, fines and other penalties, which may have a material adverse effect on the Group's business, financial condition and results of operations.

The KNF may identify issues during inspections of the Bank in the future which, if not adequately resolved by the Bank, may result in sanctions, fines or other penalties

In the course of its activities, the Group is subject to numerous inspections, reviews, audits and explanatory proceedings conducted by various supervisors who oversee the financial services sector and other areas in which the Group operates, including the KNF, which conducts inspections at least once a year.

If any irregularities are found by these supervisory authorities and the Bank fails to remedy them (provided that such possibility is given) the Bank may be exposed to sanctions, fines and other penalties as prescribed by the Banking Law or other legal acts binding the Bank. This could affect the Group's business, financial condition and results of operations.

Interpretation of Polish tax law regulations may be unclear and Polish tax laws and regulations may change

The Polish tax system is subject to frequent changes. Some provisions of Polish tax law are ambiguous and often there is no unanimous or uniform interpretation of law or uniform practice by the tax authorities. Because of different interpretations of Polish tax law, the risk connected with Polish tax law may be greater than that under other tax jurisdictions in more developed markets. The Bank cannot guarantee that the Polish tax authorities will not take a different, unfavourable interpretation of tax provisions implemented by the Bank or any Group member, which may have an adverse effect on the Group's business, financial condition and results of operations.

The impact of competition and consumer protection legislation

The Group's business must comply with regulations regarding competition, consumer protection and state aid. Under the Polish Act on Protection of Competition and Consumers dated 16 February 2007, the President of the Office for Competition and Consumer Protection (in Polish: *Urząd Ochrony Konkurencji i Konsumentów*, the OCCP) has the right to issue a decision stating that a business entity is participating in an arrangement which aims at or results in the limitation of competition. Moreover, the President of the OCCP may accuse business entities having a dominant position in the Polish market of an abuse of such position. Upon finding that such practice has taken place, the President of the OCCP

may order its cessation and impose a fine. Under the Act on Protection of Competition and Consumers the President of the OCCP is also authorised to determine that certain practices violate the collective interests of consumers, and, consequently may order the discontinuation of such practices and impose a monetary penalty on the entrepreneur.

In case of a suspected violation that may affect trade between Member States, the Treaty Establishing the European Community and other community legislation apply directly, while the authority competent to enforce them is the European Commission or the President of the OCCP. Within the scope of their competencies, the European Commission or the President of the OCCP may come to the conclusion that a specific action of a business entity constitutes a prohibited action that restricts competition and is an abuse of market position or breach of common consumer interests, and they may prohibit any such practices or apply other sanctions provided for in the community law regulations or the Act on Protection of Competition and Consumers, which may adversely affect the business, financial condition and results of operations of the Group.

The Act amending the Act on Protection of Competition and Consumers, which entered into force on 17 April 2016, gives the President of the OCCP certain additional powers. In particular, the President of the OCCP has the right to issue administrative decisions concerning unfair contractual terms and contractual patterns and to prohibit their further use. The amended Act on Protection of Competition and Consumers introduced also, *inter alia*, a new prohibition on breaching the collective interest of consumers by the mis-selling of financial services.

The Financial Ombudsman (Polish: *Rzecznik Finansowy*, **Financial Ombudsman**) and the OCCP are conducting several proceedings concerning alleged breaches by various Group entities of regulations concerning their duties to customers, including consumers. As at 31 December 2024, the Group recognised provisions of PLN 0.6 million in relation to proceedings initiated by the Financial Ombudsman and provisions of PLN 64.1 million in relation to proceedings initiated by the President of the OCCP.

Current developments in the area of the strengthening consumer rights and protection might lead to further obligations being imposed on the Group, which, in the case of a failure to comply with such rules, could adversely affect the business, financial condition and results of operations of the Group.

The Bank may be required to implement a recovery plan under Polish banking law

In the event of a breach, or a threat of a breach, by the Bank of capital adequacy requirements, significant deterioration in the financial situation of the Bank, including the occurrence of a balance sheet loss or a threat thereof, a threat of insolvency or liquidity loss, increasing levels of financial leverage, increases in the Bank's leverage ratio or in the value of its non-performing loans, or the concentration of exposure, the Bank's management board shall forthwith notify the KNF and the BGF and shall ensure implementation of a recovery plan.

The KNF may by way of a decision:

- address the management board of the Bank with a request to implement a recovery plan, including taking the measures specified in the recovery plan or an update thereof if the premises for its implementation differ from the premises adopted during development of the recovery plan or to take, within a specified period of time, actions provided for in the updated recovery plan in order to fulfil the capital adequacy requirements as they apply to the Bank or to improve the Bank's financial situation;
- prohibit or restrict the granting of credit and loans to shareholders (members) and members of the management board, the supervisory board and employees of the Bank;

- order the reduction or withholding of payment of certain variable components of remuneration of persons holding managerial positions in the Bank;
- ask the management board of the Bank to convene an extraordinary general meeting of shareholders in order to assess the situation of the Bank, adopt a decision to cover a balance sheet loss or to adopt other resolutions, including resolutions on an increase in own funds;
- request the dismissal of one or more members of the management board or of persons holding managerial positions if these persons fail to guarantee prudent and sound management of the Bank;
- order, when considering a recovery plan, the preparation and implementation of a restructuring plan for liabilities towards some or all of the creditors;
- request the Bank to amend its business strategy;
- order the statutes of the Bank, or its organisational structure, to be amended; or
- request the Bank's board of directors, within the timeframe specified by the KNF, to submit:
 - an analysis of the causes of the deteriorating financial situation of the Bank and a forecast of the development of that situation over a period of time to be indicated by the KNF;
 - in the absence of a recovery plan approved by the KNF or the need to amend it, a declaration on the measures taken to minimise the effects of the breaches of, in particular, capital requirements specified by the 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 and amending Regulation (EU) No 648/2012 (*Capital Requirements Regulation*), as the same may be amended or replaced from time to time (the **CRR Regulation**) and other applicable laws, regulations and supervisory activities (such as Pillar 2 Guidance) or the risk of their occurrence and the circumstances including, among others, the emergence or threat thereof of a balance sheet loss or liquidity risk, deteriorating liquidity and solvency, increasing leverage as referred to in the CRR Regulation, an increasing number of non-performing loans or credits or concentration of exposures, together with a timetable of actions aimed at restoring the way in which the bank conducts its business to a state of compliance with the applicable provisions of law; or
 - a timetable, additional to the recovery plan, for actions to improve the financial situation of the Bank.

The KNF may also appoint a trustee to oversee the execution of the recovery plan. The trustee may participate in the meetings of a bank's governing bodies and have access to all information necessary to perform its duties. The trustee may also file with the relevant court an objection against the decisions of the management board and the supervisory board. In addition, with the consent of the KNF, the trustee may convene an extraordinary general meeting of the Bank.

On 28 March 2024 a Bank's subsidiary, Pekao Bank Hipoteczny S.A. (**Pekao BH**) commenced the implementation of a recovery plan, which was approved by the KNF on 27 March 2024. The reason for implementing the recovery plan was the deterioration of Pekao BH's financial ratios caused by the negative net financial results in the years 2019-2023. Pekao BH achieved negative net financial results in these years because it had to create provisions for legal risk relating to the Pekao BH's portfolio of

mortgage loans denominated in CHF. Although the implementation of the recovery plan by Pekao BH has material influence on its operations, it does not affect the financial condition or performance of the Bank.

If the measures ordered by the KNF are insufficient or in order to ensure the effectiveness of the recovery plan being implemented or if the implementation of the recovery plan is insufficient to remedy the situation of the bank, the KNF may decide to establish a receivership in respect of the Bank. Upon the establishment of a receivership, the supervisory board shall be suspended, whereas the management board members of the Bank shall be removed by operation of law and previously established proxy and powers of attorney shall expire.

There can be no assurance that the Bank, especially in the event of a deterioration in the results of its operations or high regulatory burdens, would not be required to implement a recovery plan. Any failure of the Bank to correctly implement the recovery plan may have an adverse effect on the Group's business, financial condition and results of operations and on the Group's ability to implement its strategies as set forth in this Base Prospectus.

FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH NOTES ISSUED UNDER THE PROGRAMME

Risks related to the Notes generally

Set out below is a description of material risks relating to the Notes generally:

Notes may be required to absorb losses as a result of statutory powers conferred on the Relevant Resolution Authority

The Noteholders are subject to the risk that the Notes may be required to absorb losses as a result of statutory powers conferred on the Relevant Resolution Authority.

The Directive 2014/59/EU of 15 May 2014 establishing the framework for the recovery and resolution of credit institutions and investment firms, as the same may be amended, supplemented or replaced from time to time, including as amended from time to time (the **BRRD**) contains various resolution tools and powers which may be used alone or in combination where the Relevant Resolution Authority (the BGF in Poland) considers that (a) a relevant entity is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such relevant entity within a reasonable timeframe, and (c) a resolution action is in the necessary public interest. The powers provided to the Relevant Resolution Authority under the BRRD include, among others, a statutory write-down and conversion power that can be used to ensure that Tier 1 and Tier 2 subordinated capital instruments (which could include Tier 2 Subordinated Notes) fully absorb losses at the point of non-viability of an institution or its group and before any resolution action is taken. There is also a separate resolution tool, the “bail-in tool”, which gives the Relevant Resolution Authority the power to cancel all or a portion of the principal amount of, or interest on, certain unsecured liabilities and to convert certain unsecured debt claims (including Notes) to equity, which equity could also be subject to any future write-down. The bail-in tool can be used to recapitalise an institution that is failing or likely to fail, allowing authorities to restructure it through the resolution process and restore its viability after reorganisation and restructuring. Under the BRRD the point of non-viability of a resolution entity is the point at which the relevant resolution authority determines that the resolution entity or its group: (i) meets conditions for resolution; or (ii) will no longer be viable unless the relevant instruments (such as Notes issued under the Programme) are written down or converted into equity; (iii) requires extraordinary public financial support in any case other than to remedy a serious disturbance in the economy of an EEA member state and to preserve financial stability. The entity or a group shall be deemed no longer viable for the purposes of point (ii) above if both of the following conditions are met: (i): it infringes or, in the near future, will infringe its consolidated prudential

requirements in a way that would justify action by the resolution authority; or (ii) it is considered failing or likely to fail, as defined for the purposes of the conditions for resolutions specified in points (a)-(c) above.

In addition, the powers granted to the Relevant Resolution Authority under the BRRD include the following resolution tools: (i) to direct the sale of the relevant financial institution or the whole or part of its business on commercial terms without requiring the consent of the shareholders or compliance with the procedural requirements that would otherwise apply, (ii) to transfer all or part of the business of the relevant financial institution to a “bridge bank” (a publicly controlled entity), and (iii) to transfer the assets of the relevant financial institution to an asset management vehicle to allow them to be managed over time. The BRRD also grants powers to enable the Relevant Resolution Authority to implement the resolution tools, including the power to replace or substitute the relevant financial institution as obligor in respect of debt instruments, the power to modify the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), and/or the power to discontinue the listing and admission to trading of financial instruments. Any application of the “bail-in” power shall be in accordance with the hierarchy of claims in normal insolvency proceedings. Accordingly, the impact of such application on Noteholders will depend on their ranking in accordance with such hierarchy, including any priority given to other creditors such as depositors.

As a result, the BRRD contemplates that resolution authorities may require the permanent write-down of such capital instruments (which write-down may be in full) or the conversion of them into Common Equity Tier 1 instruments at the point of non-viability (which common equity Tier 1 instruments may also be subject to any application of the general bail-in tool described above) and before any other bail-in or resolution tool can be used.

It is likely that a decision on the write-down or conversion of claims from the Notes (as one of possible crisis resolution measures) will be unforeseeable, and it may depend on a number of factors that may be outside of the Issuer’s control. If the power of write-down or conversion is applied to the Issuer, the principal amount of the Notes may be fully or partially written down or converted into instruments of ownership, although claims of other creditors of the Issuer might not be affected.

While the BRRD provides for compensation to be paid to certain creditors (which may in certain cases be given in the form of equity shares) who receive less in a resolution of a relevant entity than they would have received had that entity been allowed to enter into normal insolvency proceedings (known as the ‘no creditor worse off’ or ‘NCWO’ protection), there can be no guarantee that any Noteholder will be eligible to receive compensation for any losses in respect of their Notes, or that any compensation received will cover their losses on their Notes in full.

The adoption of any write-down or conversion powers or any proposal to exercise such powers in respect of any Notes, even if the likelihood of the exercise is low, or perception that the measure may be adopted even if such perception is not based on facts, or even adoption of any write-down or conversion powers or any proposal to exercise such powers in respect of any comparable notes issued by other credit institutions or other financial institutions may materially adversely affect the value of the Notes, and lead to the Noteholders losing some or all of their investment in the Notes.

Under the terms of the Notes, investors will agree to be bound by and consent to the exercise of any bail-in power

The Notes may be subject to the exercise, in the future, of a bail-in power by the Relevant Resolution Authority and the Notes include a contractual consent to the application of the bail-in power and, consequently, investors may lose part or all of their investment in the Notes (see Condition 21 (*Acknowledgement of Bail-in and Loss Absorption Powers*)).

By acquiring Notes, each Noteholder acknowledges, accepts, consents and agrees to be bound by (a) the effect of the exercise of any bail-in power by the Relevant Resolution Authority that may include and result in any of the following, or some combination thereof: (i) the reduction of all, or a portion, of the principal amount of, or any interest on, the Notes or any other outstanding amounts due under, or in respect of, the Notes; (ii) the conversion of all, or a portion, of the principal amount of, or any interest on, the Notes or any other outstanding amounts due under, or in respect of, the Notes into shares, other securities or other obligations of the Issuer or another person (and the issue to or conferral on the Noteholder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Notes; (iii) the cancellation of the Notes; and (iv) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and (b) the variation of the terms of the Notes, if necessary, to give effect to the exercise of any bail-in power by the Relevant Resolution Authority. The exercise of any such powers or any suggestion of, or perception of there being an increased likelihood of, such exercise could materially adversely affect the rights of Noteholders, the price or value of the Notes or the ability of the Issuer to satisfy its obligations under the Notes.

There are no events of default applicable in relation to the Senior Subordinated Notes, the Tier 2 Subordinated Notes and the MREL Notes, their Noteholders do not have the right to accelerate payments or to request early redemption upon a breach of the Terms and Conditions of the Notes, in particular not even upon a default in payments

The Issuer issues the Senior Subordinated Notes, the Tier 2 Subordinated Notes and the MREL Notes (as defined below) for regulatory purposes, in particular to fulfil its obligations relating to the minimum requirement for own funds and eligible liabilities (**MREL**) applicable to the Issuer. Accordingly, the Tier 2 Subordinated Notes are intended to qualify as Tier 2 Capital, and therefore also into the amount to be complied with for purposes of fulfilling the minimum capital requirements applicable to the Issuer. The Senior MREL Notes and the Senior Non-Preferred MREL Notes (together, the **MREL Notes**) are intended to qualify as eligible liabilities instruments included in the amount to be complied with for purposes of fulfilling MREL requirements of the Issuer.

In relation to these Notes, the CRR Regulation and the BRRD (in the wording of applicable regulations as amended by the proposal for an EU banking reform (first published by the European Commission on 23 November 2016) of 20 May 2019 (the **EU Banking Reforms**)) do not allow the Terms and Conditions of the Notes to permit the Noteholders to accelerate payments under the Notes or to decide on early redemption of the Notes in other cases than in the event of the Issuer's insolvency or liquidation.

As a result of the regulatory restrictions applicable to these Notes, there are no events of default applicable in relation to the Notes and the Noteholders do not have the right to accelerate payments of interest or principal under the Notes otherwise than in case of insolvency of the Issuer, and the Noteholders do not have the right to or request early redemption of the Notes upon a breach of the Terms and Conditions of the Notes, in particular not even when the Issuer fails to pay duly and in time the interest on, and repay the principal of, the Notes or if the Issuer fails to satisfy any other obligations associated with the Notes.

The rights of holders of the Senior Subordinated Notes, the Tier 2 Subordinated Notes and the MREL Notes to accelerate payments or request early redemption are more limited than is usual with notes generally, and the holders of the Notes are thus exposed to a higher risk in the enforcement of their claims associated with the Notes.

Remedies in case of default in respect of Senior MREL Notes, Senior Non-Preferred MREL Notes, Senior Subordinated Notes or in the case of Tier 2 Subordinated Notes are severely limited

The Senior MREL Notes, Senior Non-Preferred MREL Notes, Senior Subordinated Notes and Tier 2 Subordinated Notes will contain limited enforcement events relating to the bankruptcy or the winding-up or liquidation of the Issuer, whether in Poland or any other relevant jurisdiction. In such circumstances, as described in more detail in Condition 11.3 (*Events of Default relating to Senior MREL Notes, Senior Non-Preferred MREL Notes or Senior Subordinated Notes and Tier 2 Subordinated Notes*), a Noteholder may declare its Notes to be due and payable at their principal amount (or such other redemption amount as may be specified in the applicable Final Terms), and prove or claim in the bankruptcy or liquidation of the Issuer.

However, the Noteholder, may claim payment in respect of such Note only in the winding up or liquidation or, as the case may be, bankruptcy of the Issuer.

Noteholders will not have any rights to petition for the bankruptcy or liquidation of the Issuer under Polish law, as only the KNF and the BGF are authorised to file an insolvency application concerning a Polish bank. Noteholders are therefore dependent upon action being taken by a third party before they have any right to declare their Notes due and payable or have any ability to prove or claim in the bankruptcy or liquidation of the Issuer.

The Senior Subordinated Notes, the Tier 2 Subordinated Notes and MREL Notes may not be redeemed at the option of the Noteholders

Holders of the Senior Subordinated Notes, the Tier 2 Subordinated Notes and the MREL Notes will have no rights at their option to call for the early redemption of their Tier 2 Subordinated Notes and their MREL Notes (no investor put).

Therefore, potential investors should not invest in the Senior Subordinated Notes, the Tier 2 Subordinated Notes and the MREL Notes in the expectation that they have an early redemption right. Furthermore, Noteholders of the Senior Subordinated Notes, the Tier 2 Subordinated Notes and the MREL Notes should be aware that they may be required to bear the financial risks of an investment in the Senior Subordinated Notes, the Tier 2 Subordinated Notes and the MREL Notes until their final maturity.

For details and considerations relating to the absence of early redemption rights of Noteholders upon an event of default of the Issuer, see also “*There are no events of default applicable in relation to the Senior Subordinated Notes, the Tier 2 Subordinated Notes and the MREL Notes, their Noteholders do not have the right to accelerate payments or to request early redemption upon a breach of the Terms and Conditions of the Notes, in particular not even upon a default in payments*” above.

Some Notes may be subordinated to most of the Issuer’s liabilities

If Notes are subordinated or senior non-preferred obligations of the Issuer, and the Issuer is declared insolvent and/or a winding up is initiated, claims in respect of such Notes will rank as described in the Conditions and the Issuer will be required to pay certain of its other creditors in full before it can make any payments on such Notes. If this occurs, the Issuer may not have enough assets remaining after these payments to pay amounts due under its Senior Subordinated Notes, T2 Subordinated Notes or Senior Non-Preferred MREL Notes. Investors in such Notes could therefore lose some or all of their investment should the Issuer become insolvent or should the Notes become subject to the exercise of bail-in and loss absorption powers by the Relevant Resolution Authority.

Investors who hold less than the minimum Specified Denomination may be unable to sell their Notes and may be adversely affected if definitive Notes are subsequently required to be issued

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in their account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in their account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed or issued) and would need to purchase a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination.

If such Notes in definitive form are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

The terms of Notes (other than Ordinary Senior Notes) contain a no set-off clause

The Terms and Conditions of the Notes other than Ordinary Senior Notes provide that there is no deduction, set-off, netting, compensation or counterclaim arising directly or indirectly under or in connection with any Note against any right, claim, or liability the Issuer has or may have or acquire against any Noteholder, directly or indirectly, howsoever arising. As a result Noteholders would not at any time be entitled to set off the Issuer's obligations under the Notes against obligations owed by them to the Issuer.

Substitution or variation of certain Notes

If Substitution and Variation is specified in the relevant Final Terms as being applicable to the Notes and certain regulatory or taxation events occur, or to ensure the effectiveness or enforceability of the recognition of statutory bail-in and loss absorption powers, the Issuer may (subject to compliance with conditions stipulated by the Terms and Conditions of the Notes) without the need for any consent of the Noteholders substitute all (but not some only) of the Notes for, or vary the terms of all (but not some only) of the Notes so that the Notes remain or become Qualifying Notes.

No assurance can be given as to whether any of these changes will negatively affect any particular Noteholder. There can also be no assurance that the terms of any Qualifying Notes will be viewed by the market as equally favourable to Noteholders, that such Qualifying Notes will trade at prices that are equal to the prices at which the Notes would have traded on the basis of their original terms, or that the prices of the Notes subject to the substitution or variation will not be negatively affected by a notified or planned substitution or variation. In addition, the tax and stamp duty consequences of holding such substituted or varied Notes could be different for some categories of Noteholders from the tax and stamp duty consequences for them of holding the Notes prior to such substitution or variation.

The application of the net proceeds of Sustainable Bonds (or an amount equal thereto) as described in "Use of Proceeds" might not meet investor expectations or be (or remain) suitable for an investor's investment criteria

Notes may be issued as Sustainable Bonds (as defined below). The applicable Final Terms relating to any specific Tranche of Notes may provide that it will be the Issuer's intention to apply an amount equal

to the net proceeds from an offer of those Notes (such Notes being **Sustainable Bonds**) specifically for eligible projects and activities that are in line with the Sustainable Finance Framework (as further described in the section of this Base Prospectus entitled “*Use of Proceeds*” (**Eligible Projects**)). The Issuer may request, on an annual basis, starting one year after the issuance of any such Notes and until full allocation, a limited assurance report of the allocation of an amount equivalent to the net proceeds to the Eligible Projects, provided by a qualified external party. Prospective investors should consider the information set out in the section “*Use of Proceeds*” and determine for themselves the relevance of such information for the purpose of any investment in such Notes together with any other investigation such investor deems necessary (including a review of the then-applicable Sustainable Finance Framework). In particular, no assurance is given by the Issuer, the Group or any of the Dealers that the use of such proceeds for any Eligible Projects will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Eligible Projects. In addition, the Sustainable Finance Framework can be amended by the Issuer from time to time.

No assurance can be given that Eligible Projects will meet investor expectations or requirements regarding such “green”, “sustainable”, “social” or similar labels. Accordingly, no assurance is or can be given (whether by the Issuer, the Dealers or any other person) to any investor in such Notes that: (a) any financing and/or refinancing of the loans in the Eligible Loan Portfolio will meet all or any of such investor’s expectations regarding any “green”, “social”, “sustainability” or similarly labelled performance objectives or investment criteria, (b) any adverse environmental, social and/or other impacts will not occur during the implementation of any such financing and/or refinancing or (c) the Sustainable Finance Framework will be aligned with any sustainability framework. Each prospective investor should take into account the factors described in the Issuer’s Sustainable Finance Framework and the relevant information contained in this Base Prospectus and seek advice from their independent financial adviser or other professional adviser regarding its purchase of Notes issued as Sustainable Bonds before deciding to invest. The Issuer’s Sustainable Finance Framework may be subject to review and change and may be amended, updated, supplemented, replaced and/or withdrawn from time to time and any subsequent version(s) may differ from any description given in this Base Prospectus. The Issuer’s Sustainable Finance Framework does not form part of, nor is incorporated by reference, in this Base Prospectus.

While it is the intention of the Issuer to allocate an amount equal to the net proceeds of any Notes issued as Sustainable Bonds for Eligible Projects, there is no contractual obligation to do so. There can be no assurance that any such Eligible Projects will be available or capable of being implemented in the manner and timeframe anticipated. In addition, there can be no assurance that Eligible Projects will be completed as expected or achieve the impacts or outcomes (environmental, social or otherwise) originally expected or anticipated. None of (i) a failure by the Issuer to allocate the proceeds of any Notes issued as Sustainable Bonds or (ii) a failure of a third party to issue (or to withdraw) an opinion or certification in connection with an issue of Sustainable Bonds or (iii) the failure of the Notes issued as Sustainable Bonds to meet investors’ expectations requirements regarding any “green”, “sustainable”, “social” or similar labels will constitute an Event of Default with respect to any of the Notes issued as Sustainable Bonds.

The net proceeds (or an amount equivalent to such net proceeds) of the issue of any Sustainable Bonds which, from time to time, are not allocated as funding for Eligible Projects are intended to be held by the Issuer and pending allocation, any such unallocated amounts will be invested in accordance with Issuer’s liquidity guidelines, for the repayment of indebtedness, other capital management purposes or for the financing of green activities.

Sustainable Bonds, when issued, will not meet the EU Green Bond Standard, as defined in the Regulation (EU) 2023/2631 of the European Parliament and of the Council of 22 November 2023 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds.

No assurance of suitability or reliability of any Second Party Opinion or any other opinion or certification of any third party relating to any Sustainable Bonds

The Second Party Opinion which provides an opinion on certain environmental and related considerations is a statement of opinion, not a statement of fact. No representation or assurance is given as to the suitability or reliability of the Second Party Opinion or any opinion or certification of any third party made available in connection with an issue of Notes issued as Sustainable Bonds. The Second Party Opinion and any other such opinion or certification is not intended to address any credit, market or other aspects of any investment in any Note, including without limitation market price, marketability, investor preference or suitability of any security or any other factors that may affect the value of such Notes. Any such opinion or certification is not a recommendation to buy, sell or hold any such Notes and is current only as of the date it was issued.

The criteria and/or considerations that formed the basis of the Second Party Opinion and any other such opinion or certification may change at any time and the Second Party Opinion may be amended, updated, supplemented, replaced and/or withdrawn. As at the date of this Base Prospectus, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein. The Second Party Opinion and any other such opinion or certification does not form part of, nor is incorporated by reference in, this Base Prospectus.

In light of the continuing development of legal, regulatory and market conventions, no assurance is or can be given by the Issuer, the Group or the Dealers to investors that any projects or uses the subject of, or related to, any Eligible Projects will meet any or all investor expectations regarding such “green”, “sustainable”, “social” or other equivalently-labelled performance objectives or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any Eligible Projects. In addition, no assurance can be given by the Issuer, the Group, the Dealers or any other person to investors that any Sustainable Bonds will comply with any present or future standards or requirements regarding any “green”, “social”, “sustainable” or other equivalently-labelled performance objectives and, accordingly, the status of any Sustainable Bonds as being “green”, “social” or “sustainable” (or equivalent) could be withdrawn at any time.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any report, assessment, opinion (including the Second Party Opinion (as discussed in “Use of Proceeds” below), which for the avoidance of doubt, is not incorporated in, and does not form part of this Base Prospectus) or certification of any third party (including the Second Party Opinion provider, whether or not solicited by the Issuer) which may be made available in connection with the issue of any Sustainable Bonds and in particular with any Eligible Projects to fulfil any environmental, social and governance (ESG) and/or other criteria. For the avoidance of doubt, any such report, assessment, opinion or certification is not, nor shall be deemed to be, incorporated in and/or form part of this Base Prospectus. Any such report, assessment, opinion or certification is not, nor should be deemed to be, a recommendation by the Issuer, the Group, any of the Dealers or any other person to buy, sell or hold any such Sustainable Bonds or that any Eligible Projects fulfil any ESG and/or other criteria. Any such report, assessment, opinion or certification is only current as of the date that report, assessment, opinion or certification was initially issued. Prospective investors must determine for themselves the relevance of any such report, assessment, opinion or certification and/or the information contained therein and/or the provider of such report, assessment, opinion or certification for the purpose of any investment in such Sustainable Bonds. Currently, the providers of such reports, assessments, opinions and certifications are not subject to any specific oversight or regulatory or other regime.

No assurance that Sustainable Bonds will be admitted to trading on any dedicated “green”, “sustainable”, “social” (or similar) segment of any stock exchange or market, or that any admission obtained will be maintained

Application has been made for Notes (which may include Sustainable Bonds) issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange’s regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. Notes (which may include Sustainable Bonds) may be listed or admitted to trading on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer in relation to the Series. However, in the event that any Sustainable Bonds are listed or admitted to trading on any dedicated ESG or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated) or included in an ESG bond index, no representation or assurance is given by the Issuer, the Group, any of the Dealers or any other person that such listing, admission, or inclusion satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or assets or uses, the subject of or related to, any Eligible Projects. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. No representation or assurance is given or made by the Issuer, the Group any of the Dealers or any other person that any such listing or admission to trading will be obtained in respect of any such Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Notes.

If any of the risks outlined in this risk factor materialise this have a material adverse effect on the value of such Notes and potentially the value of any other Notes which are intended to finance or re-finance Eligible Projects and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for or towards a particular purpose.

None of the Dealers or the Agents will verify or monitor the proposed use of proceeds of Notes issued under the Programme.

Sustainable Bonds are not linked to the performance of the Eligible Projects, do not benefit from any arrangements to enhance the performance of the Notes or any contractual rights derived solely from the intended use of proceeds of such Notes

The performance of Sustainable Bonds is not linked to the performance of the relevant Eligible Projects or the performance of the Issuer in respect of any environmental or similar targets. There will be no segregation of assets and liabilities in respect of the Sustainable Bonds and the relevant Eligible Projects. Consequently, neither payments of principal and/or interest on Sustainable Bonds nor any rights of Noteholders will depend on the performance of the relevant Eligible Projects or the performance of the Issuer in respect of any such environmental or similar targets. Holders of any Sustainable Bonds will have no preferential rights or priority against the assets of any Eligible Project nor benefit from any arrangements to enhance the performance of the Notes.

Risks relating to the Tier 2 Subordinated Notes

Holders of the Tier 2 Subordinated Notes are exposed to the risk that the Issuer may issue further debt instruments or incur further liabilities

There are no restrictions (contractual or otherwise) on the amount of ordinary secured or unsecured liabilities that the Issuer may (or may have to) issue, borrow and/or incur, ranking *pari passu* with, or senior to, the Tier 2 Subordinated Notes.

Any issue of such instruments and/or any incurring of such liabilities generally increases the risk that the Issuer will not be able to pay its debts under the Tier 2 Subordinated Notes and may reduce the amount (including to zero) recoverable by Noteholders of the Tier 2 Subordinated Notes upon the Issuer's insolvency.

In the event of exercise of the crisis resolution measure of write-down and conversion of liabilities, all lower-ranking claims against the Issuer will have to be written-down or converted before the write-down and conversion of the higher-ranking claims. As a result, the issuance of debts ranking higher than the Tier 2 Subordinated Notes may increase the losses of holders of the Tier 2 Subordinated Notes if such measures are exercised. In the same way, issuance of *pari passu* debts to the Tier 2 Subordinated Notes may increase the losses of the holders of the Tier 2 Subordinated Notes proportionally.

Given the subordinated status of the Tier 2 Subordinated Notes, this risk is significantly higher than in the case of other Notes or any other unsubordinated debt issued by the Issuer.

The Tier 2 Subordinated Notes may be redeemed at any time for reasons of taxation or regulatory reasons

The Issuer may at its sole discretion, early redeem the Tier 2 Subordinated Notes before their stated maturity (also before five years after the date of their issuance), at any time (if such right is foreseen in the applicable Final Terms) either for reasons of taxation or for regulatory reasons, if certain conditions are fulfilled.

The Tier 2 Subordinated Notes are intended to qualify as Tier 2 Capital. If due to a change in law the obligations under the Tier 2 Subordinated Notes are not, or in the future will not be, eligible for inclusion in the Tier 2 Capital, and if other conditions stipulated in the Terms and Conditions of the Notes are met, the Issuer may redeem the Tier 2 Subordinated Notes early.

The Issuer also may, if due to a change in law the applicable tax regime worsens for the Issuer (as specifically described in Condition 8.2 (*Redemption for tax reasons*) of the Terms and Conditions of the Notes) and if other conditions stipulated in the Terms and Conditions of the Notes are met, redeem the relevant Tier 2 Subordinated Notes early.

The classification of the debts associated with the Tier 2 Subordinated Notes for regulatory purposes for the entire duration of these debts up to their final maturity is uncertain due to changes to the applicable banking regulations or in the applicable tax regime. Therefore, it is impossible to foresee whether and when these events triggering the early redemption right of the Issuer occur, and if they do, whether the Issuer will exercise the right to redeem the Tier 2 Subordinated Notes early (although generally, the Issuer can be expected to exercise its optional call right if the yield on comparable Notes in the capital market has fallen, and the Issuer can be expected not to exercise its optional call right if the yield on comparable Notes in the capital market has increased).

If the Issuer redeems the Tier 2 Subordinated Notes early, it may adversely affect the Noteholders with respect to their investment strategies and intentions, planning of use of available funds, because after the early redemption of the Tier 2 Subordinated Notes interest will no longer accrue on the Tier 2 Subordinated Notes or because the Noteholder will not be able to reinvest the redemption proceeds with comparable yield. Furthermore, the early redemption right of the Issuer or its exercise may also adversely affect the value of the Tier 2 Subordinated Notes, in particular if such an event can be expected, the market value of the Tier 2 Subordinated Notes would generally not significantly rise above the value for which the Tier 2 Subordinated Notes may be redeemed early.

Additionally, no holder of the Tier 2 Subordinated Notes that is put at a disadvantage by the early redemption of the Tier 2 Subordinated Notes will have the right to request compensation for any

consequences of the exercise of such rights by the Issuer on its tax liability, in particular to request damages from the Issuer, the Issuing and Principal Paying Agent, or any other person. The risk of exercise of these rights by the Issuer may affect the value of the Notes or the return on investment of the holders of the Tier 2 Subordinated Notes.

Any rights of the Issuer to early redeem or repurchase the Tier 2 Subordinated Notes are subject to the prior permission of the Competent Authority

Potential investors should not invest in the Tier 2 Subordinated Notes in the expectation that any early redemption right will be exercised by the Issuer.

The Issuer may, at its sole discretion, early redeem the Tier 2 Subordinated Notes at any time (if such right is foreseen in the applicable Final Terms) either for reasons of taxation or regulatory reasons, if certain conditions are fulfilled. In addition, if such right is foreseen in the *Terms and Conditions of the Notes*, the Issuer may at its sole discretion redeem the Tier 2 Subordinated Notes before their stated maturity, but not before five years after the date of their issuance, on specified call redemption dates.

However, any early redemption and any repurchase of the Tier 2 Subordinated Notes is subject to the prior permission of the Competent Authority, all if and as applicable from time to time to the Issuer. Under the CRR Regulation, the Competent Authority may only permit institutions to early redeem or repurchase instruments eligible for inclusion in the Tier 2 Capital (such as the Tier 2 Subordinated Notes) if certain conditions prescribed by the CRR Regulation are complied with. These conditions, as well as a number of other technical rules and standards relating to regulatory capital requirements applicable to the Issuer, should be taken into account by the Competent Authority in its assessment of whether or not to permit any early redemption or repurchase. It is uncertain how the Competent Authority will apply these criteria in practice and such rules and standards may change during the maturity of the Tier 2 Subordinated Notes. It is therefore difficult to predict whether, and if so, on what terms, the Competent Authority will grant its prior permission for any early redemption or repurchase of the Tier 2 Subordinated Notes.

Furthermore, even if the Issuer would be granted the prior permission of the Competent Authority, any decision by the Issuer as to whether it will early redeem the Tier 2 Subordinated Notes will be made at the sole discretion of the Issuer with regard to external factors (such as the economic and market impact of exercising an early redemption right, regulatory capital requirements and prevailing market conditions). The Issuer disclaims, and investors should therefore not expect (and not invest in the expectation), that the Issuer will exercise any early redemption right in relation to the Tier 2 Subordinated Notes.

Market making by the Issuer for the Tier 2 Subordinated Notes is subject to the prior permission of the Competent Authority and certain conditions and thresholds

The Tier 2 Subordinated Notes may be repurchased by the Issuer (also for market making purposes) only subject to certain conditions, such as the prior permission of the Competent Authority, and within certain thresholds.

These conditions and thresholds restrict the Issuer's possibility for market making for the Tier 2 Subordinated Notes. Such restrictions may have a negative impact on the liquidity of the Tier 2 Subordinated Notes and may lead to inadequate or delayed market prices for the Tier 2 Subordinated Notes.

Risks relating to the MREL Notes

Noteholders of the MREL Notes are exposed to the risk that the Issuer may issue further debt instruments or incur further liabilities

There are no restrictions (contractual or otherwise) on the amount of ordinary unsecured (preferred or non-preferred), subordinated debt or other liabilities that the Issuer may (or may have to) issue, borrow and/or incur, ranking pari passu with, or senior to, the MREL Notes.

Any issue of such instruments and/or any incurrence of such liabilities may reduce the amount (including to zero) recoverable by Noteholders of the MREL Notes upon the Issuer's insolvency.

In the event any resolution or crisis prevention measures are exercised against the Issuer, namely upon a write-off and conversion of liabilities or the write-off and conversion of capital instruments that may be written-off, all lower-ranking claims against the Issuer will have to be written-off or converted before the write-off and conversion of the higher-ranking claims. As a result, the issuance of debts ranking higher than the MREL Notes may unexpectedly increase the losses of holders of the MREL Notes if such measures are exercised. In the same way, issuance of pari passu debts to the MREL Notes may increase the losses of the holders of the MREL Notes proportionally as well.

Given the status of the Senior Non-Preferred MREL Notes and Senior Subordinated Notes, the risk is significantly higher than in the case of the Senior MREL Notes or other unsubordinated debt that does not constitute non-preferred senior instruments.

The MREL Notes may be redeemed at any time for reasons of taxation or regulatory reasons

The Issuer may, at its sole discretion, early redeem the MREL Notes before their stated maturity, at any time (if such right is foreseen in the Final Terms) for reasons of taxation or (if such right is foreseen in the Final Terms) for regulatory reasons, if certain conditions, including a prior permission of the resolution authority, are fulfilled.

The MREL Notes are intended to qualify as eligible for inclusion in MREL. If due to a change in law the obligations for the repayment of the principal of the MREL Notes are not, or in the future will not be, eligible for inclusion in MREL, and if other conditions stipulated in the Terms and Conditions of the Notes are met, the Issuer may at any time redeem the MREL Notes early.

The Issuer further may, if due to a change in law the applicable tax regime worsens for the Issuer (as specifically described in Condition 8 (*Redemption and Purchase*)) and if other conditions stipulated in the Terms and Conditions of the Notes are met, also at any time redeem the relevant MREL Notes early.

The classification of the debts associated with the MREL Notes as eligible for inclusion in MREL for the entire duration of these debts up to their final maturity is uncertain due to the time-varying applicable banking regulations. Similarly, the tax regime applicable to the Issuer related to the Notes changes over time. Therefore, it is impossible to foresee whether and when these events triggering the early redemption right of the Issuer occur, and if they do, whether the Issuer will exercise the right to redeem the MREL Notes early (although generally, the Issuer can be expected to exercise its optional call right if the yield on comparable Notes in the capital market has fallen, and the Issuer can be expected not to exercise its optional call right if the yield on comparable Notes in the capital market has increased).

If the Issuer redeems the relevant MREL Notes early, it may adversely affect the Noteholders with respect to their investment strategies and intentions, planning of use of available funds, because after the early redemption of the MREL Notes interest will no longer accrue on the MREL Notes or because the Noteholder will not be able to reinvest the redemption proceeds with comparable yield. Furthermore,

the early redemption right of the Issuer or its exercise may also adversely affect the value of the MREL Notes, in particular if such an event can be expected, the market value of the MREL Notes would generally not significantly rise above the value for which the MREL Notes may be redeemed early.

Additionally, no holder of the MREL Notes that is put at a disadvantage by the early redemption of the MREL Notes will have the right to request compensation for any consequences of the exercise of such rights by the Issuer on its tax liability, in particular to request damages from the Issuer, the Issuing and Principal Paying Agent, or any other person. The risk of exercise of these rights by the Issuer may affect the value of the MREL Notes or the return on investment of the holders of the MREL Notes.

Any rights of the Issuer to early redeem or repurchase the MREL Notes are subject to the prior permission of the resolution authority

Potential investors should not invest in the MREL Notes in the expectation that any early redemption right will be exercised by the Issuer.

The Issuer may, at its sole discretion, early redeem the MREL Notes at any time (if such right is foreseen in the applicable Final Terms) either for reasons of taxation or for regulatory reasons, if certain conditions are fulfilled. In addition, if such right is foreseen in the Final Terms, the Issuer may at its sole discretion redeem the relevant MREL Notes before their stated maturity on a specified call redemption date.

However, any early redemption and any repurchase of the MREL Notes is subject to the prior permission of the resolution authority, all if and as applicable from time to time to the Issuer. Under the CRR Regulation, the resolution authority may only permit institutions to early redeem or repurchase instruments eligible for inclusion in MREL (such as the MREL Notes) if certain conditions prescribed by the CRR Regulation are complied with. These conditions, as well as a number of other technical rules and standards relating to regulatory capital requirements applicable to the Issuer, should be taken into account by the resolution authority in its assessment of whether or not to permit any early redemption or repurchase. It is uncertain how the resolution authority will apply these criteria in practice and such rules and standards may change during the maturity of the MREL Notes. It is therefore difficult to predict whether, and if so, on what terms, the resolution authority will grant its prior permission for any early redemption or repurchase of the relevant MREL Notes.

Furthermore, even if the Issuer would be granted the prior permission of the resolution authority, any decision by the Issuer as to whether it will early redeem the relevant MREL Notes will be made at the sole discretion of the Issuer with regard to external factors (such as the economic and market impact of exercising an early redemption right, regulatory capital requirements and prevailing market conditions). The Issuer disclaims, and investors should therefore not expect (and not invest in the expectation), that the Issuer will exercise any early redemption right in relation to the relevant MREL Notes.

The MREL Notes are a recent type of notes that has only a limited trading history

The MREL Notes, and especially the Senior Non-Preferred MREL Notes are a relatively new type of notes, explicitly foreseen by legislation only lately in Directive (EU) 2017/2399 of the European Parliament and of the Council of 12 December 2017. Trading of the MREL Notes has a limited history. Market participants, including credit rating agencies, may not have sufficient experience in assessing the risks associated with the type of claims, which are associated with the MREL Notes. Therefore, the possible rating of these Notes may change with a change of approach of credit rating agencies to this type of Notes, and their value may vary significantly according to increasing amounts of experience with this type of Notes. It cannot be ruled out that the value of the MREL Notes compared to the value expected at their issue will be lower over time for the above reasons, and thus that the holders of these Notes will suffer losses on their investments.

Market making by the Issuer for the MREL Notes is subject to the prior permission of the resolution authority and certain conditions and thresholds.

The MREL Notes may be repurchased by the Issuer (also for market making purposes) only subject to certain conditions, such as the prior permission of the resolution authority, and within certain thresholds.

These conditions and thresholds restrict the Issuer's possibility for market making for the MREL Notes. Such restrictions may have a negative impact on the liquidity of the MREL Notes and may lead to inadequate or delayed market prices for the MREL Notes.

Risks related to the specific Terms and Conditions of the Notes

Fixed Rate Notes

A Noteholder with a fixed rate of interest (the **Fixed Rate Notes**) is exposed to the risk that the price of such Note fluctuates as a result of changes in the current market interest rate on the capital market for issues of the same maturity (the **Market Interest Rate**). While the nominal interest rate of a Fixed Rate Note as specified in the applicable Final Terms is fixed during the life of such Note, the Market Interest Rate typically changes on a daily basis. As the Market Interest Rate changes, the price of a Fixed Rate Note also changes, but in the opposite direction. If the Market Interest Rate increases, the price of a Fixed Rate Note typically falls, until the yield of such Note is approximately equal to the Market Interest Rate. If the Market Interest Rate falls, the price of a Fixed Rate Note typically increases, until the yield of such Note is approximately equal to the Market Interest Rate. If Noteholders of Fixed Rate Notes hold such Notes until maturity, changes in the Market Interest Rate are without relevance to such Noteholders as the Notes will be redeemed at a specified redemption amount, usually the principal amount of such Notes.

Fixed to Floating Rate Notes

Fixed to Floating Rate Notes bear interest at a rate that converts from a fixed rate to a floating rate. Such conversion may affect the secondary market and the market value of the Notes. The spread on the Fixed to Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes relating to the same reference rate. In addition, the new floating rate at any time may be lower than the interest rates payable on other Notes.

Floating to Fixed Rate Notes

Floating to Fixed Rate Notes bear interest at a rate that converts from a floating rate to a fixed rate. Such conversion may affect the secondary market and the market value of the Notes. A Noteholder of Floating to Fixed Rate Notes is exposed to the risk that the fixed interest rate may be lower than the then prevailing interest rates payable on the Notes.

Zero Coupon Notes

Zero Coupon Notes do not pay interest periodically. Instead, the difference between the redemption price and the issue price constitutes interest income until maturity. A holder of Zero Coupon Notes is exposed to the risk that the price of such Notes fluctuates as a result of changes in the Market Interest Rate. Prices of Zero Coupon Notes are more volatile than prices of Fixed Rate Notes and are likely to respond to a greater degree to Market Interest Rate changes than interest bearing Notes with a similar maturity.

In addition, there is no gross-up obligation of the Issuer on payments in respect of Zero Coupon Notes, as stipulated in Condition 9 (*Taxation*).

Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates

The market values of securities issued at a substantial discount (such as Zero Coupon Notes) or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for more conventional interest-bearing securities. Generally, the longer the remaining term of such securities, the greater the price volatility as compared to more conventional interest-bearing securities with comparable maturities.

If the Notes include a feature to convert the interest basis from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned

Fixed to Floating Rate Notes are Notes which bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest basis, and any conversion of the interest basis, may affect the secondary market in, and the market value of, such Notes as the change of interest basis may result in a lower interest return for Noteholders. Where the Notes convert from a fixed rate to a floating rate, the spread on the Fixed to Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. Where the Notes convert from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on those Notes and could affect the market value of an investment in the relevant Notes.

The regulation and reform of “benchmarks” may adversely affect the value of Notes linked to or referencing such “benchmarks”

Interest rates and indices which are deemed to be “benchmarks”, (including the euro interbank offered rate (**EURIBOR**) and Warsaw interbank offered rate (**WIBOR**)) are the subject of national and international regulatory guidance and reform aimed at supporting the transition to robust benchmarks. Most reforms have now reached their planned conclusion (including the transition away from LIBOR) and “benchmarks” remain subject to ongoing monitoring. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes referencing such a benchmark.

Regulation (EU) 2016/1011 (the **EU Benchmarks Regulation**) applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities (such as the Issuer) of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the EUWA (the **UK Benchmarks Regulation**) among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the Financial Conduct Authority (the **FCA**) or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to or referencing a benchmark in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain “benchmarks”, trigger changes in the rules or methodologies used in certain “benchmarks” or lead to the discontinuance or unavailability of quotes of certain “benchmarks”.

In July 2022, the national working group for the reform of benchmarks (the **Working Group**) was established to determine the benchmark that will replace WIBOR. The Working Group is composed of the representatives of the Ministry of Finance, the National Bank of Poland (the **NBP**), the KNF and the largest Polish financial institutions. On 28 September 2022 the Working Group announced a roadmap for phasing out WIBOR and replacing it with a new benchmark, Warsaw Interest Rate Overnight (**WIRON**). Under the roadmap, which was updated in October 2023, financial products based on WIRON were to be introduced in 2023 and WIBOR will be withdrawn in 2027. On 10 December 2024 the Working Group announced that WIRON will no longer be the benchmark replacing WIBOR. Instead, WIBOR will be replaced with another benchmark, Polish Short Term Rate (**POLSTR**). As at the date of this Base Prospectus it is not yet certain what will be the timeline for introducing POLSTR and when WIBOR will be finally withdrawn.

Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to, referencing, or otherwise dependent (in whole or in part) upon, a benchmark.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, or any of the international or national reforms and the possible application of the benchmark replacement provisions of Notes in making any investment decision with respect to any Notes referencing a benchmark.

Benchmark discontinuation under the Conditions

The Terms and Conditions of the Notes provide for certain fallback arrangements in the event that a Benchmark Event or a Benchmark Transition Event (as applicable) occurs in respect of the Original Reference Rate for the relevant series of Notes, including (without limitation) if an inter-bank offered rate (such as EURIBOR or WIBOR) or other relevant reference rate (which could include, without limitation, any mid-swap rate), and/or any page on which such benchmark may be published (or any other successor service) becomes unavailable or a Benchmark Event or a Benchmark Transition Event (each as defined in the *Terms and Conditions of the Notes*), as applicable, otherwise occurs.

Such fallback arrangements include the possibility that the rate of interest could be set by reference to a successor, alternative or a Benchmark Replacement (as defined in the *Terms and Conditions of the Notes*) together with the application of an adjustment spread or Benchmark Replacement Adjustment (as defined in the *Terms and Conditions of the Notes*) (which could be positive, negative or zero), and may include amendments to the Terms and Conditions of the Notes to ensure the proper operation of the new benchmark, all as determined by the Issuer (acting in good faith and in consultation with an Independent Adviser) and as more fully described at Condition 6.2 (*Interest on Floating Rate Notes*). However, the Issuer will not be required to implement a successor, alternative or Benchmark Replacement or any adjustment spread or Benchmark Replacement Adjustment or make any amendments to the Conditions of any Notes if and to the extent that, in its determination, the same could

reasonably be expected to impact adversely the treatment of the Notes under the prudential or loss-absorption regulations in certain respects, and in such case the Issuer may, subject to certain conditions, be able to apply the provisions of Condition 6.2 (*Interest on Floating Rate Notes*) on an adjusted basis to avoid that outcome, all as more fully described under Condition 6.2(c)(i)(D). It is possible that the adoption of a successor or alternative rate or Benchmark Replacement, including any adjustment spread or Benchmark Replacement Adjustment, may result in a rate of interest less favourable to holders than the Original Reference Rate.

There is also a risk that the relevant fallback provisions may not operate as expected or as intended at the relevant time.

The market continues to develop in relation to SONIA and SOFR as a reference rate

Where the applicable Final Terms for a Series of Floating Rate Notes identifies that the Rate of Interest for such Notes will be determined by reference to SONIA or SOFR, the Rate of Interest will be determined on the basis of the relevant reference rate (as further described in the *Terms and Conditions of the Notes*). All such rates are based on ‘overnight rates’. Overnight rates differ from interbank offered rates, such as EURIBOR, in a number of material respects, including (without limitation) that such rates are backwards-looking, risk-free overnight rates, whereas EURIBOR is expressed on the basis of a forward-looking term and includes a risk-element based on inter-bank lending. As such, investors should be aware that overnight rates may behave materially differently as interest reference rates for Notes issued under the Programme compared to interbank offered rates. The use of overnight rates as reference rates for Eurobonds is subject to continued change and development, both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of bonds referencing such overnight rates.

Accordingly, prospective investors in any Notes referencing any overnight rates should be aware that the market continues to develop in relation to such rates in the capital markets and their adoption as an alternative to interbank offered rates such as LIBOR. Market participants, industry groups and/or central bank-led working groups have explored compounded and weighted average rates and observation methodologies for such rates (including so-called ‘shift’, ‘lag’, and ‘lock-out’ methodologies) and forward-looking ‘term’ reference rates derived from these overnight rates have also been, or are being, developed. The adoption of overnight rates may also see component inputs into swap rates or other composite rates transferring from LIBOR or another reference rate to an overnight rate.

The market or a significant part thereof may adopt overnight rates in a way that differs significantly from those set out in the *Terms and Conditions of the Notes*. In addition, the methodology for determining any overnight rate index by reference to which the Rate of Interest in respect of certain Notes may be calculated could change during the life of any Notes. Furthermore, the Issuer may in the future issue Notes referencing SONIA or SOFR that differ materially in terms of interest determination when compared with any previous SONIA-, or SOFR- referenced Notes issued by it under the Programme. The continued development of overnight rates as interest reference rates for the Eurobond markets and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise adversely affect the market price of any such Notes issued under the Programme from time to time.

Furthermore, the Rate of Interest on Notes which reference overnight rates is only capable of being determined immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes which reference overnight rates to estimate reliably the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, and both of such factors could adversely impact the liquidity of such Notes. Further, in contrast to LIBOR-based Notes, if Notes referencing an overnight rate become due and payable as a result of an Event of Default under Condition 11 (*Events of Default*), or are otherwise redeemed early

on a date which is not an Interest Payment Date, the final Rate of Interest payable in respect of such Notes shall only be determined immediately prior to the date on which the Notes become due and payable.

In addition, the manner of adoption or application of overnight rates in the Eurobond markets may differ materially when compared with the application and adoption of the same overnight rates for the same currencies in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of overnight rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing overnight rates.

Investors should carefully consider these matters when making their investment decision with respect to any such Notes.

Risk of early redemption

The applicable Final Terms will indicate whether the Issuer will have the right to call a certain series of Notes prior to maturity (optional call right) on one or several dates determined beforehand whether the Issuer does not have the right to call such Notes at all or whether such Notes will be subject to early redemption upon the occurrence of an event indicated in the applicable Final Terms (early redemption event).

If the Issuer redeems Notes prior to their maturity or Notes are subject to early redemption due to an early redemption event, a holder of such Notes is exposed to the risk that due to such early redemption its investment will have a lower than expected yield. The Issuer can be expected to exercise its optional call right if the yield on comparable Notes in the capital market has fallen which means that the investor may only be able to reinvest the redemption proceeds in comparable Notes with a lower yield. On the other hand, the Issuer can be expected not to exercise its optional call right if the yield on comparable Notes in the capital market has increased. In this event an investor will not be able to reinvest the redemption proceeds in comparable Notes with a higher yield. It should be noted, however, that the Issuer may exercise any optional call right irrespective of Market Interest Rates on a call date.

Noteholders may be subject to the risk that interest and/or redemption proceeds received from an investment in the Notes may not in the event of early redemption of any Notes be able to be reinvested in such a way that they earn the same rate of return as the redeemed Notes.

For further specific risk aspects in connection with an early redemption of the Notes see also “- *Particular risks relating to the Tier 2 Subordinated Notes - The Tier 2 Subordinated Notes may be redeemed at any time for reasons of taxation or regulatory reasons*” and “- *Particular risks relating to the MREL Notes - The MREL Notes may be redeemed at any time for reasons of taxation or regulatory reasons*”.

The Terms and Conditions of the Notes contain provisions which may permit their modification without the consent of all investors.

The Terms and Conditions of the Notes contain provisions for calling meetings (including by way of conference call or by use of a videoconference platform) of Noteholders to consider and vote upon matters affecting their interests generally, or to pass resolutions in writing or through the use of electronic consents. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting or, as the case may be, did not sign the written resolution or give their consent electronically, and including those Noteholders who voted in a manner contrary to the majority.

Limitation on gross-up obligation under the Notes

The Issuer's obligation to pay additional amounts in respect of any withholding or deduction in respect of taxes under the terms of Notes that are Senior MREL Notes, Senior Non-Preferred MREL Notes, Senior Subordinated Notes or Tier 2 Subordinated Notes applies only to payments of interest due and paid under such Notes and not to payments of principal. As such, the Issuer would not be required to pay any additional amounts under the terms of any such Notes to the extent any withholding or deduction applied to payments of principal. Accordingly, if any such withholding or deduction were to apply to any payments of principal under any such Notes, their holders may receive less than the full amount due under the Notes, and the market value of the Notes may be adversely affected. Holders of Notes should note that principal for these purposes may include any payments of premium.

Risks relating to the market generally

Liquidity risk

Application for the Programme has been made in order for any Notes issued under the Programme to be listed on the official list of the Luxembourg Stock Exchange, to be traded on the Regulated Market of the Luxembourg Stock Exchange and application may be made to admit the Notes on any other stock exchange. In addition, the Programme provides that Notes may not be listed at all. Regardless of whether the Notes are listed or not, there can be no assurance that any liquid secondary market for the Notes will develop and the Notes could trade at prices that may be higher or lower than the initial offering price depending on many factors, including prevailing interest rates, the Issuer's operating results, the market for similar securities and other factors, including general economic conditions, performance and prospects, as well as recommendations of securities analysts. The liquidity of, and the trading market for, the Notes may also be adversely affected by declines in the market for debt securities generally. Such a decline may affect any liquidity and trading of the Notes regardless of the Issuer's financial performance and prospects.

The fact that the Notes may be listed does not necessarily lead to greater liquidity as compared to unlisted Notes. If the Notes are not listed on any stock exchange, pricing information for such Notes may, however, be more difficult to obtain, which may affect the liquidity of the Notes adversely. In an illiquid market, an investor might not be able to sell its Notes at any time at fair market prices. The possibility to sell the Notes might additionally be restricted by country specific reasons.

Investors should note that difficult global credit market conditions may adversely affect the liquidity not only in the primary market but also in the secondary market for debt securities issued by the Issuer and may affect the liquidity of any primary or secondary market in which Notes to be issued by the Issuer may be traded. The Issuer cannot predict when these circumstances will change.

Market price risk – the market price of the Notes may be volatile

The development of market prices of the Notes depends on various factors, such as changes of levels of the Market Interest Rate, development of an underlying, the policy of central banks, overall economic developments, inflation rates or the lack of or excess demand for the relevant type of Note. The Noteholder is therefore exposed to the risk of an unfavourable development of market prices of its Notes which materialises if it sells the Notes prior to the final maturity of such Notes. If the Noteholder decides to hold the Notes until final maturity the Notes shall be redeemed at the amount set out in the relevant Final Terms.

Noteholders of Fixed Rate Notes are particularly exposed to the risk that if the market interest rates subsequently increase above the rate paid on such Notes, this will adversely affect the value of the Fixed Rate Notes. See "*Risks relating to the specific Terms and Conditions of Notes - Fixed Rate Notes*" for further details.

Noteholders of Floating Rate Notes are particularly exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the profitability of Floating Rate Notes in advance. Neither the current nor the historical value of the relevant floating rate should be taken as an indication of the future development of such floating rate during the term of any Notes.

Noteholders of Zero Coupon Notes are exposed to the risk that the price of the Notes falls as a result of changes in the Market Interest Rate. Prices of Zero Coupon Notes are more volatile than prices of Fixed Rate Notes and are likely to respond to a greater degree to Market Interest Rate changes than interest bearing Notes with a similar credit risk and a similar maturity.

If an investor holds Notes which are not denominated in the investor's home currency, they will be exposed to movements in exchange rates adversely affecting the value of their holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Credit ratings assigned to the Notes may not reflect all the risks associated with an investment in those Notes.

One or more independent credit rating agencies may assign credit ratings to the Issuer or the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time. Any suspension, reduction or withdrawal of the credit rating assigned to the Notes could adversely affect the value and trading of such Notes.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes in the EEA, unless such ratings are issued by a credit rating agency established in the EEA and registered under the CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency or the relevant third country rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). The list of registered and certified rating agencies published by the European Securities and Markets Authority (**ESMA**) on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating

agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances.

If the status of the rating agency rating the Notes changes for the purposes of the CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, as applicable, and the Notes may have a different regulatory treatment, which may impact the value of the Notes and their liquidity in the secondary market. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

The Notes are not covered by any (statutory or voluntary) deposit guarantee scheme

Claims of the Noteholders under the Notes are not covered by the statutory deposit protection. Such Noteholders' claims may only be satisfied in the ranking described in the *Terms and Conditions of the Notes*. Therefore, in such case and upon the insolvency of the Issuer, Noteholders could be subject to the risk of a significant loss of their investment in the Notes.

The value of the Notes could be adversely affected by a change in English law or administrative practice

The Terms and Conditions of the Notes are based on English law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Base Prospectus and any such change could materially adversely impact the value of any Notes affected by it.

FORWARD-LOOKING STATEMENTS

This Base Prospectus includes “forward-looking statements”. All statements other than statements of historical fact included in this Base Prospectus, including, without limitation, those regarding the Issuer’s financial position, business strategy, plans and objectives of management for future operations, are forward-looking statements. These forward-looking statements are identified by their use of terms and phrases such as “anticipate”, “believe”, “could”, “estimate”, “expect”, “intend”, “may”, “plan”, “predict”, “project”, “will” and similar terms and phrases, including references to assumptions.

Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements, or industry results to be materially different from those expressed or implied by these forward-looking statements. These factors include, but are not limited to, the following:

- economic and financial market conditions, in particular, the Polish and European economies;
- performance of financial markets;
- negative occurrences in the markets in which the Issuer’s loan portfolio is concentrated;
- volatility in interest rates;
- a downgrade in the Republic of Poland’s or the Issuer’s credit ratings;
- operational risk;
- credit and counterparty risk;
- liquidity risk and adverse capital and credit market conditions;
- general competitive conditions locally, regionally, nationally and/or internationally;
- the Issuer’s inability to manage risks through derivatives;
- the occurrence of catastrophic events, terrorist attacks and similar events;
- significant adverse regulatory developments;
- an interruption, failure or breach of the Issuer’s operational system including the Issuer’s IT systems and other systems on which it depends;
- changes in laws or regulations;
- the ineffectiveness of the Issuer’s risk management policies and procedures; and
- failure to deliver by third parties to which the Issuer has outsourced certain functions.

The Issuer’s risks are more specifically described under “*Risk Factors*”. If one or more of these risks or uncertainties materialize, or if the underlying assumptions prove incorrect, the Issuer’s actual results, performance or achievements or industry results may be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Issuer’s present and future business strategies and the environment in which the Issuer will operate in the future. These forward-

looking statements speak only as of the date of this Base Prospectus (or any supplement hereto) or as of such earlier date at which such statements are expressed to have been given. The Issuer expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein (or in any supplement) to reflect any change in the Issuer's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

DOCUMENTS INCORPORATED BY REFERENCE

The following information which has previously been published by the Issuer shall be incorporated by reference, and form part of, this Base Prospectus:

- (a) the information set out on the following pages of the English translation of the 2024 Consolidated Financial Statements published on the Issuer's website https://www.pekao.com.pl/dam/jcr:d2f64dc2-63f9-485f-8e9a-8bcc78cc527c/Consolidated_FS_Bank_Pekao_Group_31.12.2024.pdf:

Consolidated income statement	page 4
Consolidated statement of comprehensive income	page 5
Consolidated statement of financial position	page 6
Consolidated statement of changes in equity	pages 7-8
Consolidated cash flow statement	pages 9-10
Notes to the consolidated financial statements	pages 11-169

- (b) the information set out in the English translation of the independent statutory auditors' report on the 2024 Consolidated Financial Statements published on the Issuer's website https://www.pekao.com.pl/dam/jcr:a1ebd0af-4b1a-473a-9959-6223e61b594a/Pekao_S.A._Independent_Auditors_Report_CFS_31.12.2024.xhtml;

- (c) the information set out on the following pages of the English translation of the 2023 Consolidated Financial Statements published on the Issuer's website https://www.pekao.com.pl/dam/jcr:6319664d-822a-4aa6-9b98-cf5bcaafb3f7/Consolidated_FS_Bank_Pekao_Group_31.12.2023.pdf:

Consolidated income statement	page 4
Consolidated statement of comprehensive income	page 5
Consolidated statement of financial position	page 6
Consolidated statement of changes in equity	pages 7-8
Consolidated cash flow statement	pages 9-10
Notes to the consolidated financial statements	pages 11-170

- (d) the information set out in the English translation of the independent statutory auditors' report on the 2023 Consolidated Financial Statements published on the Issuer's website https://www.pekao.com.pl/dam/jcr:fcf1498d-8dce-44e1-8e66-5c2e9318d6e6/Pekao_B013BA_Independent_Auditor's_Report_CFS_31122023_ENG.xhtml;

- (e) the information set out on the following pages of the English translation of the unaudited interim condensed consolidated financial statements of the Issuer for the period of three months ended on 31 March 2025, included in the "Report of Bank Pekao S.A. Group for the first quarter of

2025" published on the Issuer's website
https://www.pekao.com.pl/dam/jcr:54160d36-a615-4fa9-95ee-0e8cb6a0eebb/Report_of_Bank_Pekao_S.A._Group_for_the_first_quarter_of_2025.pdf

Unaudited consolidated income statement	page 40*
Unaudited consolidated statement of comprehensive income	page 41*
Unaudited consolidated statement of financial position	page 42*
Unaudited consolidated statement of changes in equity	page 43*
Unaudited consolidated cash flow statement	pages 44-45*
Notes to the unaudited interim consolidated financial statements	pages 52-89*

**The page numbers above refer to the pages of the pdf document "Report of Bank Pekao S.A. Group for the first quarter of 2025" in which the unaudited interim condensed consolidated financial statements of the Issuer for the period of three months ended on 31 March 2025 are included.*

- (f) the "Terms and Conditions of the Notes" set out on pages 40-85 of the Issuer's base prospectus dated 13 November 2023 relating to the Programme published on the Issuer's website
<https://www.pekao.com.pl/dam/jcr:4453f5a2-60e5-4a01-9489-e4541d30394d/EMTN%20Prospectus%202023.pdf>

In addition to the above, following information shall be incorporated in, and form part of, this Base Prospectus as and when it is published on <https://www.pekao.com.pl/en/investors-relations/reports/reports.html>

- (a) the information set out in the following sections of any annual report published by the Issuer after the date of this Base Prospectus, including the independent auditors' report and audited consolidated financial statements of the Group:

Consolidated income statement

Consolidated statement of comprehensive income

Consolidated statement of financial position

Consolidated statement of changes in equity

Consolidated cash flow statement

Notes to the consolidated financial statements

Independent statutory auditor's report

- (b) the information set out in the following sections of any interim report published by the Issuer after the date of this Base Prospectus, including the unaudited condensed interim consolidated financial statements of the Group:

Unaudited consolidated income statement

Unaudited consolidated statement of comprehensive income

Unaudited consolidated statement of financial position

Unaudited consolidated statement of changes in equity

Unaudited consolidated cash flow statement

Notes to the unaudited interim consolidated financial statements

Independent statutory auditor's report on the review of the condensed interim consolidated financial statements (if applicable)

Information incorporated by reference pursuant to (a) and (b) above shall, to the extent applicable, be deemed to modify or supersede statements contained in this Base Prospectus. Information incorporated by reference pursuant to (a) and (b) above will constitute the Group's statutory financial statements prepared in accordance with the relevant financial reporting regulations applicable to the Issuer and the Group from time to time, and will not be prepared specifically for purposes of this Base Prospectus.

The information indicated above that is incorporated by reference in this Base Prospectus is a direct translations into English from the original language of the information. To the extent that there are any inconsistencies between the original language version and the translations, the original language versions shall prevail.

Following the publication of this Base Prospectus a supplement may be prepared by the Issuer and approved by the CSSF in accordance with Article 23 of the Prospectus Regulation. Statements contained in any such supplement (or contained in any information incorporated by reference therein) shall, to the extent applicable, be deemed to modify or supersede statements contained in this Base Prospectus or in information which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

Any information and/or documents themselves incorporated by reference in information incorporated by reference in this Base Prospectus, either expressly or implicitly, shall not form part of this Base Prospectus. In particular, the independent statutory auditor's reports on 2024 Consolidated Financial Statements and 2023 Consolidated Financial Statements contain references to "Other Information". Such "Other Information" does not form a part of this Base Prospectus.

Any non-incorporated parts of a document referred to herein (which, for the avoidance of doubt, means any parts not listed in the cross-reference list above) are either deemed not relevant for an investor or are otherwise covered elsewhere in this Base Prospectus.

The Issuer will, in the event of any significant new factor, material mistake or material inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes.

SUPPLEMENTS TO THE BASE PROSPECTUS

The Issuer will, in the event of any significant new factor, material mistake or material inaccuracy relating to information included in this Base Prospectus, which is capable of affecting the assessment of any Notes and which arises during the validity period specified below, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of the Notes.

If the terms of the Programme are modified or amended in a manner that would make this Base Prospectus, as supplemented, inaccurate or misleading, a new Base Prospectus or supplement will be prepared.

If, at any time following the publication of this Base Prospectus, the Issuer shall be required to prepare a supplement to this Base Prospectus pursuant to Article 23 of the Prospectus Regulation, the Issuer shall prepare and make available an appropriate supplement to this Base Prospectus as required by Article 23 of the Prospectus Regulation. The statements contained in any such supplement (or contained in any information incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify the statements contained in this Base Prospectus or in information which is incorporated by reference in this Base Prospectus. Any statement so modified shall not, except as so modified, constitute a part of this Base Prospectus.

The obligation to supplement this Base Prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when this Base Prospectus is no longer valid. For this purpose, “valid” means valid for making admissions to trading on a regulated market by or with the consent of the Issuer and the obligation to supplement this Base Prospectus is only required within its period of validity between the time when this Base Prospectus is approved and the time when trading on a regulated market begins, whichever occurs later.

FORM OF THE NOTES

The Notes of each Series will be in either bearer form, with or without interest coupons attached, or registered form, without interest coupons attached. Bearer Notes and Registered Notes will be issued outside the United States in reliance on the exemption from registration provided by Regulation S under the Securities Act (**Regulation S**).

Bearer Notes

Each Tranche of Bearer Notes will be in bearer form and will initially be issued in the form of a temporary global note (a **Temporary Bearer Global Note**) or, if so specified in the applicable Final Terms, a permanent global note (a **Permanent Bearer Global Note**) and, together with a Temporary Bearer Global Note, each a **Bearer Global Note** which, in either case, will:

- (a) if the Bearer Global Notes are intended to be issued in new global note (**NGN**) form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the **Common Safekeeper**) for Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking S.A. (**Clearstream, Luxembourg**); and
- (b) if the Bearer Global Notes are not intended to be issued in NGN Form, be delivered on or prior to the original issue date of the Tranche to a common depository (the **Common Depository**) for Euroclear and Clearstream, Luxembourg.

Where the Bearer Global Notes issued in respect of any Tranche are in NGN form, the applicable Final Terms will also indicate whether such Bearer Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Bearer Global Notes are to be so held does not necessarily mean that the Bearer Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The Common Safekeeper for NGNs will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg.

Whilst any Bearer Note is represented by a Temporary Bearer Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Bearer Global Note if the Temporary Bearer Global Note is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in the Temporary Bearer Global Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Issuing and Principal Paying Agent.

On and after the date (the **Exchange Date**) which is 40 days after a Temporary Bearer Global Note is issued, interests in such Temporary Bearer Global Note will be exchangeable (free of charge) upon a request as described therein either for (i) interests in a Permanent Bearer Global Note of the same Series or (ii) for definitive Bearer Notes of the same Series with, where applicable, interest coupons and talons attached (as indicated in the applicable Final Terms), in each case against certification of beneficial ownership as described above unless such certification has already been given, provided that purchasers in the United States and certain U.S. persons will not be able to receive definitive Bearer Notes. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note or for definitive Bearer Notes is improperly withheld or refused.

The option for an issue of Bearer Notes to be represented on issue by a Temporary Bearer Global Note exchangeable for definitive Bearer Notes should not be expressed to be applicable in the applicable Final Terms if the Bearer Notes are issued with a minimum Specified Denomination such as €100,000 (or its equivalent in another currency) plus one or more higher integral multiples of another smaller amount such as €1,000 (or its equivalent in another currency).

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the Permanent Bearer Global Note if the Permanent Bearer Global Note is not intended to be issued in NGN form) without any requirement for certification.

The applicable Final Terms will specify that a Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Bearer Notes with, where applicable, interest coupons and talons attached upon the occurrence of an Exchange Event. For these purposes, **Exchange Event** means that (i) an Event of Default (as defined in Condition 11 (*Events of Default*)) has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Bearer Global Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 16 (*Notices*) if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) may give notice to the Issuing and Principal Paying Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Issuing and Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Issuing and Principal Paying Agent.

The following legend will appear on all Bearer Notes (other than Temporary Bearer Global Notes) and interest coupons relating to such Notes where TEFRA D is specified in the applicable Final Terms:

“ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE”.

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes or interest coupons and will not be entitled to capital gains treatment in respect of any gain on any sale, disposition, redemption or payment of principal in respect of Bearer Notes or interest coupons.

Notes which are represented by a Bearer Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Registered Notes

The Registered Notes of each Tranche will initially be represented by a global note in registered form (a **Registered Global Note**).

Registered Global Notes will be deposited with a common depositary or, if the Registered Global Notes are to be held under the new safe-keeping structure (the **NSS**), a common safekeeper, as the case may

be for Euroclear and Clearstream, Luxembourg, and registered in the name of the nominee for the Common Depositary of, Euroclear and Clearstream, Luxembourg or in the name of a nominee of the common safekeeper, as specified in the applicable Final Terms. Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

Where the Registered Global Notes issued in respect of any Tranche is intended to be held under the NSS, the applicable Final Terms will indicate whether or not such Registered Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Registered Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any time during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The common safekeeper for a Registered Global Note held under the NSS will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg.

Payments of principal, interest and any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 7.4 (*Payments in respect of Registered Notes*)) as the registered holder of the Registered Global Notes. None of the Issuer, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 7.4 (*Payments in respect of Registered Notes*)) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, **Exchange Event** means that (i) an Event of Default has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Registered Global Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 16 (*Notices*) if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg or any person acting on their behalf (acting on the instructions of any holder of an interest in such Registered Global Note) may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

No beneficial owner of an interest in a Registered Global Note will be able to transfer such interest, except in accordance with the applicable procedures of Euroclear and Clearstream, Luxembourg, in each case to the extent applicable.

General

Pursuant to the Agency Agreement (as defined under “*Terms and Conditions of the Notes*”), the Issuing and Principal Paying Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes at a point after the Issue Date of the further Tranche, the Notes of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until such time as the Tranches are consolidated and form a single Series, which shall not be prior to the expiry of any distribution compliance period (as defined in Regulation S under the Securities Act) that may be applicable to the Notes of such Tranche.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 11 (*Events of Default*). In such circumstances, where any Note is still represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the Terms and Conditions of the Notes and payment in full of the amount due has not been made in accordance with the provisions of the Global Note then from 8.00 p.m. (London time) on such day holders of interests in such Global Note credited to their accounts with Euroclear and/or Clearstream, Luxembourg as the case may be, will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear and/or Clearstream, Luxembourg on and subject to the terms of a deed of covenant (the **Deed of Covenant**) dated 6 May 2025 and executed by the Issuer.

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions of the Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to “Applicable Final Terms” for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Notes.

This Note is one of a Series (as defined below) of Notes issued by Bank Polska Kasa Opieki Spółka Akcyjna (the **Issuer**) pursuant to the Agency Agreement (as defined below).

References herein to the **Notes** shall be references to the Notes of this Series and shall mean:

- (a) in relation to any Notes represented by a global Note (a **Global Note**), units of each Specified Denomination in the Specified Currency;
- (b) any Global Note;
- (c) any definitive Notes in bearer form (**Bearer Notes**) issued in exchange for a Global Note in bearer form; and
- (d) any definitive Notes in registered form (**Registered Notes**) (whether or not issued in exchange for a Global Note in registered form).

The Notes and the Coupons (as defined below) have the benefit of an amended and restated Agency Agreement (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) dated 6 May 2025 and made between the Issuer, The Bank of New York Mellon, London Branch as issuing and principal paying agent (the **Issuing and Principal Paying Agent**, which expression shall include any successor issuing and principal paying agent) and (unless otherwise specified in the applicable Final Terms) as calculation agent (the **Calculation Agent**), and the other paying agents named therein (together with the Issuing and Principal Paying Agent, the **Paying Agents**, which expression shall include any additional or successor paying agents), The Bank of New York Mellon SA/NV, Dublin Branch as registrar (the **Registrar**, which expression shall include any successor registrar) and as a transfer agent (together with the other transfer agents named therein, the **Transfer Agents**, which expression shall include any additional or successor transfer agents). The Issuing and Principal Paying Agent, the Calculation Agent, the Registrar, the Paying Agents and the Transfer Agents are together referred to as the **Agents**.

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note which complete these Terms and Conditions of the Notes (the **Conditions**). References to the applicable **Final Terms** are, unless otherwise stated, to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note. The expression **Prospectus Regulation** means Regulation (EU) 2017/1129.

Interest bearing definitive Bearer Notes have interest coupons (**Coupons**) and, in the case of Bearer Notes which, when issued in definitive form, have more than 27 interest payments remaining, talons for further Coupons (**Talons**) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Registered Notes and Global Notes do not have Coupons or Talons attached on issue.

Any reference to **Noteholders** or **holders** in relation to any Notes shall mean (in the case of Bearer Notes) the holders of the Notes and (in the case of Registered Notes) the persons in whose name the Notes are registered and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to **Couponholders** shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

As used herein, **Tranche** means Notes which are identical in all respects (including as to listing and admission to trading) and **Series** means a Tranche of Notes together with any further Tranche or Tranches of Notes which (a) are expressed to be consolidated and form a single series and (b) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

The Noteholders and the Couponholders are entitled to and the Notes are subject to, and have the benefit of a deed of covenant executed by the Issuer dated 6 May 2025 (as modified and/or supplemented and/or restated from time to time, the **Deed of Covenant**). The original of the Deed of Covenant is held by the common depositary for Euroclear (as defined below) and Clearstream, Luxembourg (as defined below).

Copies of the Agency Agreement and the Deed of Covenant (i) are available for inspection upon request during normal business hours at the specified office of each of the Paying Agents or (ii) may be provided by email to a Noteholder following their prior written request to any Paying Agents and provision of proof of holding and identity (in a form satisfactory to the relevant Paying Agent). If the Notes are to be admitted to trading on the regulated market of the Luxembourg Stock Exchange the applicable Final Terms will be published on the website of the Luxembourg Stock Exchange (www.luxse.com). The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Deed of Covenant and the applicable Final Terms which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

In the Conditions, **euro** means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

1. FORM, DENOMINATION AND TITLE

The Notes are in bearer form or in registered form as specified in the applicable Final Terms and, in the case of definitive Notes, serially numbered, in the currency (the **Specified Currency**) and the denominations (the **Specified Denomination(s)**) specified in the applicable Final Terms. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and *vice versa*.

This Note may be a Fixed Rate Note, a Floating Rate Note or a Zero Coupon Note, or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

This Note may also be an Ordinary Senior Note, a Senior MREL Note, a Senior Non-Preferred MREL Note, a Senior Subordinated Note or a Tier 2 Subordinated Note, as indicated in the applicable Final Terms.

Definitive Bearer Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in the Conditions are not applicable.

Subject as set out below, title to the Bearer Notes and Coupons will pass by delivery and title to the Registered Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The Issuer and any Agent will (except as otherwise required by law) deem and treat the bearer of any Bearer Note or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank SA/NV (**Euroclear**) and/or Clearstream Banking S.A. (**Clearstream, Luxembourg**), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the Issuer and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions **Noteholder** and **holder of Notes** and related expressions shall be construed accordingly.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be. References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in Part B of the applicable Final Terms.

2. TRANSFERS OF REGISTERED NOTES

2.1 Transfers of interests in Registered Global Notes

Transfers of beneficial interests in Registered Global Notes will be effected by Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form or for a beneficial interest in another Registered Global Note of the same series only in the authorised denominations set out in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Agency Agreement.

2.2 Transfers of Registered Notes in definitive form

Subject as provided in paragraph 2.3 (*Registration of transfer upon partial redemption*), upon the terms and subject to the conditions set forth in the Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in the authorised denominations set out in the applicable Final Terms). In order to effect any such transfer (a) the holder or holders must (i) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or their attorney or attorneys duly authorised in writing and (ii) complete and deposit such other certifications as may be required by the relevant Transfer Agent and (b) the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 8 to the Agency Agreement). Subject as provided above, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

2.3 Registration of transfer upon partial redemption

In the event of a partial redemption of Notes under Condition 8 (*Redemption and Purchase*), the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

2.4 Costs of registration

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

3. STATUS OF THE NOTES

The applicable Final Terms will indicate whether the Notes are Ordinary Senior Notes (the **Ordinary Senior Notes**), the Senior MREL Notes (the **Senior MREL Notes** and together with the Ordinary Senior Notes, the **Senior Notes**), Senior Non-Preferred MREL Notes (the **Senior Non-Preferred MREL Notes**), Senior Subordinated Notes (the **Senior Subordinated Notes**) or Tier 2 Subordinated Notes (the **Tier 2 Subordinated Notes**).

3.1 Status of the Senior Notes

This Condition 3.1 is applicable in relation to Notes specified in the applicable Final Terms as being Ordinary Senior Notes or Senior MREL Notes, and references to “Notes” in this

Condition 3.1 shall be construed accordingly. In such case, the Notes constitute direct, unconditional, unsubordinated and (subject to Condition 4 (*Negative Pledge*)) unsecured obligations of the Issuer. If the Notes are specified in the applicable Final Terms as being Senior MREL Notes, they are intended to qualify as MREL Eligible Liabilities. Subject to any other ranking that may apply as a result of any mandatory provisions of law, upon the insolvency of the Issuer as set out in the Polish Act dated 28 February 2003 Insolvency Law, as may be amended from time to time (**Insolvency Law**), the rights of the holders of the Notes to payments on or in respect of the Notes shall rank:

- (a) in respect of principal:
 - (i) junior to: (A) any liabilities of the Issuer falling into categories 1, 2 and 3a) to 3c) (inclusive) of the Issuer's liabilities in accordance with art. 440 section 2 of the Insolvency Law; and (B) any present and future obligations of the Issuer which are senior to principal of the Senior Notes in accordance with the Insolvency Law;
 - (ii) *pari passu* among themselves and with any other Senior Higher Priority Liabilities; and
 - (iii) senior to: (A) accrued but unpaid interest on Senior Higher Priority Liabilities (including the Notes) as of the commencement of any insolvency procedure; (B) any liabilities of the Issuer falling into categories 4 to 10 (inclusive) of the Issuer's liabilities in accordance with art. 440 section 2 of the Insolvency Law (including but not limited to Senior Non-Preferred Liabilities); and (C) any other present and future obligations of the Issuer which rank junior to principal of the Senior Notes in accordance with the Insolvency Law;
- (b) in respect of interest:
 - (i) junior to: (A) obligations in respect of principal on Senior Higher Priority Liabilities (including the Notes); and (B) any liabilities of the Issuer falling into categories 1 to 3 (inclusive) of the Issuer's liabilities in accordance with art. 440 section 2 of the Insolvency Law; and (C) any present and future obligations of the Issuer which rank senior to interest of the Senior Notes in accordance with the Insolvency Law;
 - (ii) *pari passu* among themselves and with any other interest on Senior Higher Priority Liabilities; and
 - (iii) senior to: (A) any liabilities of the Issuer falling into categories 4b) to 10 (inclusive) of the Issuer's liabilities in accordance with art. 440 section 2 of the Insolvency Law (including but not limited to Senior Non-Preferred Liabilities); and (B) any other present and future obligations of the Issuer which rank junior to interest of the Senior Notes in accordance with the Insolvency Law.

For the avoidance of doubt, claims under the Notes will be satisfied in the ranking described in this Condition 3.1 regardless of whether the Notes qualify as MREL Eligible Liabilities.

3.2 Status of the Senior Non-Preferred MREL Notes

This Condition 3.2 is applicable in relation to Notes specified in the applicable Final Terms as being Senior Non-Preferred MREL Notes and references to "Notes" in this Condition 3.2 shall

be construed accordingly. In such case, the Notes constitute direct, unconditional and unsecured obligations of the Issuer. The Senior Non-Preferred MREL Notes are intended to qualify as MREL Eligible Liabilities. Subject to any other ranking that may apply as a result of any mandatory provision of law, the rights of the holders of the Notes to payments on or in respect of the Notes shall rank:

- (a) junior to: (A) any liabilities of the Issuer falling into categories 1 to 5 (inclusive) of the Issuer's liabilities in accordance with art. 440 section 2 of the Insolvency Law; and (B) any other present and future obligations of the Issuer which rank senior to the Senior Non-Preferred MREL Notes in accordance with the Insolvency Law;
- (b) *pari passu* among themselves and with any other Senior Non-Preferred Liabilities; and
- (c) senior to: (A) any liabilities of the Issuer falling into categories 7 to 10 (inclusive) of the Issuer's liabilities in accordance with art. 440 section 2 of the Insolvency Law; and (B) any other present and future obligations of the Issuer which rank junior to Senior Non-Preferred Liabilities in accordance with the Insolvency Law.

For the avoidance of doubt, claims under the Notes will be satisfied in the ranking described in this Condition 3.2 regardless of whether the Notes qualify as MREL Eligible Liabilities.

3.3 Status of the Subordinated Notes

This Condition 3.3 is applicable in relation to Notes specified in the applicable Final Terms as being Senior Subordinated Notes or Tier 2 Subordinated Notes and references to "Notes" in this Condition 3.3 shall be construed accordingly. In such case, the Notes constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and subject to any other ranking that may apply as a result of any mandatory provision of law, upon the insolvency of the Issuer as set out in the Insolvency Law, the rights of the holders of the Notes to payments on or in respect of the Notes shall rank:

- (a) for so long as the obligations of the Issuer in respect of the relevant Senior Subordinated Notes constitute Senior Subordinated Liabilities of the Issuer:
 - (i) junior to (i) liabilities of the Issuer falling into categories 1 to 6 (inclusive) of the Issuer's liabilities in accordance with art. 440 section 2 of the Insolvency Law (including any Senior Higher Priority Liabilities and Senior Non-Preferred Liabilities), and (ii) any other obligations which by law rank senior to the Issuer's obligations under the relevant Senior Subordinated Notes;
 - (ii) *pari passu* among themselves and with (i) all other claims in respect of Senior Subordinated Liabilities, and (ii) any other subordinated obligations which by law, rank *pari passu* with the Issuer's obligations under the relevant Senior Subordinated Notes; and
 - (iii) senior to (i) any liabilities of the Issuer falling into categories 8 to 10 (inclusive) of the Issuer's liabilities in accordance with art. 440 section 2 of the Insolvency Law, and (ii) any other obligations of the Issuer which, by law, rank junior to the obligations of the Issuer under the relevant Senior Subordinated Notes; and
- (b) for so long as the obligations of the Issuer constitute Tier 2 Subordinated Notes of the Issuer:

- (i) junior to (i) any liabilities of the Issuer falling into categories 1 to 7 (inclusive) of the Issuer's liabilities in accordance with art. 440 section 2 of the Insolvency Law and (ii) any other obligations which, by law, rank senior to the Issuer's obligations under the Tier 2 Subordinated Notes;
- (ii) *pari passu* among themselves and with any other subordinated obligations which, by law and/or by their terms, to the extent permitted by Polish law, rank *pari passu* with the Issuer's obligations under the Tier 2 Subordinated Notes; and
- (iii) senior to (i) any liabilities of the Issuer falling into categories 9 and 10 of the Issuer's liabilities in accordance with art. 440 section 2 of the Insolvency Law and (ii) any other subordinated obligations of the Issuer which by law rank junior to the obligations of the Issuer under the Tier 2 Subordinated Notes.

For the avoidance of doubt, claims under the Subordinated Notes will be satisfied in the ranking described in this Condition 3.3 regardless of whether the Subordinated Notes qualify as MREL Eligible Liabilities and/or Tier 2 Instruments.

3.4 MREL Eligible Liabilities

- (a) To the extent allowed by the Applicable Banking Regulations, the Senior MREL Notes, Senior Non-Preferred MREL Notes, Senior Subordinated Notes and Tier 2 Subordinated Notes may be issued by the Issuer to satisfy the **MREL Eligible Liabilities** (as defined below).
- (b) The rights of holders of the Senior MREL Notes, the Senior Non-Preferred MREL Notes, Senior Subordinated Notes and Tier 2 Subordinated Notes shall be subject to any present or future Polish laws or regulations relating to the recovery and resolution of credit institutions and investment firms in the Republic of Poland which are or will be applicable to such Notes as a result of the operation of such laws or regulations, including, without limitation, any laws, regulations, rules or requirements in effect in the Republic of Poland, relating to (i) the transposition of the BRRD and (ii) the instruments, rules and standards created under the BRRD. In particular, in the event of the resolution of the Issuer, the Relevant Resolution Authority may write-down or convert any MREL Notes ahead of Notes which do not constitute MREL Notes.

3.5 Definitions

In these Conditions:

Applicable Banking Regulations means, at any time, the laws, regulations, requirements, guidelines and policies relating to capital adequacy, solvency or resolution then applicable to the Issuer and/or the Group including, without limitation to the generality of the foregoing, the CRD, the CRR Regulation, BRRD, the Creditor Hierarchy Directive, the BGF Act, the Insolvency Law and those laws, regulations, requirements, guidelines and policies relating to capital adequacy, solvency and/or resolution adopted by the Competent Authority and/or the Relevant Resolution Authority from time to time and then in effect (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer);

BGF means Bankowy Fundusz Gwarancyjny;

BGF Act means a Polish Act of 10 June 2016 on bank guarantee fund, the deposit guarantee scheme and resolution (as amended from time to time);

BRRD means Directive 2014/59/EU of 15 May 2014 establishing the framework for the recovery and resolution of credit institutions and investment firms, as the same may be amended, supplemented or replaced from time to time;

Competent Authority means the Polish Financial Supervision Authority (*Komisja Nadzoru Finansowego*) or any successor or replacement thereto having primary responsibility for the prudential oversight and supervision of the Issuer and/or the Relevant Resolution Authority (if applicable), in any case as determined by the Issuer;

CRD means any of, or any combination of, the CRD Directive, the CRR Regulation, and any CRD Implementing Measures;

CRD Directive means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as the same may be amended or replaced from time to time, including, without limitation, as amended by Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019;

CRD Implementing Measures means any rules implementing the CRD Directive or the CRR Regulation which may from time to time be introduced, including, but not limited to, delegated or implementing acts (regulatory technical standards) adopted by the European Commission, national laws and regulations, and regulations and guidelines issued by the Competent Authority or any other relevant authority, which are applicable to the Issuer (on a stand-alone basis) or the Group (on a consolidated basis) and which prescribe the requirements to be fulfilled by financial instruments for inclusion in the regulatory capital or the minimum requirement for own funds and eligible liabilities, as the case may be, of the Issuer (on a stand-alone basis) or the Group (on a consolidated basis);

Creditor Hierarchy Directive means Directive (EU) 2017/2399 of the European Parliament and of the Council of 12 December 2017 amending Directive 2014/59/EU as regards the ranking of unsecured debt instruments in insolvency hierarchy, or any equivalent legislation that supersedes or replaces it;

CRR Regulation means 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 and amending Regulation (EU) No 648/2012 (*Capital Requirements Regulation*), as the same may be amended or replaced from time to time, and any references in these Conditions to relevant Articles of the CRR Regulation include references to any applicable provisions of law amending or replacing such Articles from time to time;

Group means the Issuer and its consolidated subsidiaries;

MREL Eligible Liabilities means, at any time, the liabilities of the Issuer that qualify as eligible liabilities pursuant to Article 72b of the CRR Regulation or the BGF Act, as the case may be, which are included in the amount to be complied with for the purposes of fulfilling the minimum requirements for own funds and eligible liabilities or loss-absorbing capacity of the Issuer or the Group pursuant to the Applicable Banking Regulations, including any debt instruments that qualify as eligible liabilities items pursuant to transitional provisions under the CRR Regulation or the BGF Act, as the case may be;

MREL Notes means the Senior MREL Notes, Senior Non-Preferred MREL Notes, Senior Subordinated Notes and Tier 2 Subordinated Notes which constitute the Issuer's MREL Eligible Liabilities;

Relevant Resolution Authority means the BGF or any successor to or replacement for the BGF and/or any other authority with the ability to exercise any Bail-in and Loss Absorption Powers (as defined in Condition 21 (*Acknowledgement of Bail-in and Loss Absorption Powers*)) in relation to the Issuer and/or the Group;

Senior Higher Priority Liabilities means any obligations in respect of principal of the Issuer under any Ordinary Senior Notes, any other unsecured and unsubordinated obligations of the Issuer referred to in Article 440.2.3d) of the Insolvency Law and any other unsecured and unsubordinated obligations of the Issuer having the same ranking in respect of principal as the obligations of the Issuer under the Senior Notes;

Senior MREL Notes means the Ordinary Senior Notes which are, as at the relevant Issue Date, intended to constitute the Issuer's own funds and eligible liabilities under the BGF Act, as specified in the applicable Final Terms;

Senior Non-Preferred Liabilities means any subordinated and unsecured senior non-preferred obligations of the Issuer referred to in Article 440.2.6 of the Insolvency Law (including any Senior Non-Preferred MREL Notes) and any other obligations which, by law, rank *pari passu* with Senior Non-Preferred Liabilities;

Senior Subordinated Liabilities means any subordinated obligation of the Issuer, referred to in Article 440.2.7 of the Insolvency Law and any other obligations which, by law, rank *pari passu* with Senior Subordinated Liabilities;

Tier 2 Instruments means any (directly or indirectly issued) capital instruments of the Issuer that qualify as Tier 2 instruments pursuant to Article 63 CRR Regulation, including any capital (or other) instruments that qualify as Tier 2 items pursuant to transitional provisions under the CRR Regulation; and

Tier 2 Subordinated Notes means any subordinated obligations of the Issuer referred to in Article 440.2.8 of the Insolvency Law and any other obligations which, by law, rank *pari passu* with the Tier 2 Subordinated Notes.

4. NEGATIVE PLEDGE

4.1 Negative Pledge

This Condition 4 is applicable only in relation to Ordinary Senior Notes. So long as any Ordinary Senior Note remains outstanding, the Issuer shall not create or permit to subsist any Security Interest other than a Permitted Security Interest upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Relevant External Indebtedness without (a) at the same time or prior thereto securing the Notes equally and rateably therewith or (b) providing such other security for the Notes as may be approved by an Extraordinary Resolution of Noteholders (as defined in the Agency Agreement).

4.2 Definitions

In these Conditions:

Permitted Security Interest means:

- (a) a Security Interest on the undertaking or assets of any Person existing at the time such Person is acquired by, and becomes a Subsidiary of, the Issuer, provided that such Security Interest was not created in contemplation of such acquisition and the principal amount secured has not been increased in contemplation of or since such acquisition; or
- (b) a Security Interest on or with respect to the assets, receivables, remittances or other payment rights of the Issuer which is created pursuant to any securitisation or like arrangement in accordance with normal market practice and whereby the principal amount of the Relevant Indebtedness secured by such Security Interest is limited to an amount equal to the proceeds received by the Issuer in exchange for the sale, assignment, pledge or other transfer of such assets, receivables, remittances or other payment rights.

Person means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

Relevant External Indebtedness means any Relevant Indebtedness which is payable in or by reference to a currency which is not the lawful currency for the time being of Poland;

Relevant Indebtedness means: (A) any present or future indebtedness of the Issuer for borrowed money which is in the form of, represented or evidenced by a note, bond, debenture or other security or a similar instrument, which is, or is capable of, being quoted, listed, dealt in or traded on a stock exchange, other recognised securities market or over the counter; or (B) any present or future guarantee or indemnity provided by the Issuer in respect of any of the foregoing; and

Security Interest means any mortgage, pledge, lien, charge, assignment, hypothecation, security interest, title retention, preferential right or trust arrangement and any other security agreement or arrangement including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction, other than in respect of any covered bonds or similar instruments issued or to be issued by the Issuer.

5. WAIVER OF SET OFF

In the case of any Senior MREL Notes, Senior Non-Preferred MREL Notes, Senior Subordinated Notes and Tier 2 Subordinated Notes, no Noteholder may, at any time, exercise or claim any Waived Set-Off Rights against any right, claim or liability of the Issuer or that the Issuer may have or acquire against such holder, directly or indirectly and howsoever arising (and including all such rights, claims and liabilities arising under or in relation to any and all agreements or other instruments of any kind or any non-contractual obligation whether or not relating to such Note) and each holder of any such Note shall be deemed to have waived all Waived Set-Off Rights to the fullest extent permitted by applicable law in relation to all such actual and potential rights, claims and liabilities. If, notwithstanding the preceding sentence, any Noteholder receives or recovers any sum or the benefit of any sum in respect of any Note or related Coupon by virtue of any such set-off or counterclaim, it shall, subject to applicable law, immediately pay an amount equal to such sum or benefit to the Issuer or, in the event of the winding up of the Issuer, to the liquidator of the Issuer and, until such time as payment is made, shall hold the same on trust for the Issuer (or, as the case may be, the liquidator) and, accordingly, any such discharge of the amount due shall be deemed not to have taken place.

For the avoidance of doubt, nothing in this Condition 5 is intended to provide, or shall be construed as acknowledging, any right of deduction, set-off, netting, compensation, retention or counterclaim or that any such right is or would be available to any Noteholder of any Note but for this Condition.

For the purposes of this Condition 5, **Waived Set-Off Rights** means any and all rights or claims of any holder of a Note against the Issuer for deduction, set-off, netting, compensation or counterclaim arising directly or indirectly under or in connection with any Note.

6. INTEREST

The applicable Final Terms will indicate whether the Notes are Fixed Rate Notes, Floating Rate Notes or Zero Coupon Notes.

6.1 Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

If the Notes are Bearer Notes in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in the Conditions, **Fixed Interest Period** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Bearer Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (a) in the case of Fixed Rate Notes which are (i) represented by a Global Note or (ii) Registered Notes in definitive form, the aggregate outstanding nominal amount of (A) the Fixed Rate Notes represented by such Global Note or (B) such Registered Notes; or
- (b) in the case of Fixed Rate Notes which are Bearer Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction.

The resultant figure (including after application of any Fixed Coupon Amount or Broken Amount, as applicable, to the Calculation Amount in the case of Fixed Rate Notes which are Bearer Notes in definitive form) shall be rounded to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Fixed Rate Note which is a Bearer Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

Day Count Fraction means, in respect of the calculation of an amount of interest, in accordance with this Condition 6.1:

- (i) if “Actual/Actual (ICMA)” is specified in the applicable Final Terms:
 - (A) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **Accrual Period**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
 - (B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
 - (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (ii) if “30/360” is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In these Conditions:

Determination Period means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

sub-unit means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

6.2 Interest on Floating Rate Notes

(a) Interest Payment Dates

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or

- (ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an **Interest Payment Date**) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. In these Conditions, **Interest Period** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date or the relevant payment date if the Notes become payable on a date other than an Interest Payment Date.

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (A) in any case where Specified Periods are specified in accordance with this Condition 6.2 (Interest on Floating Rate Notes – Interest Payment Dates – (ii)) above, the Floating Rate Convention, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply mutatis mutandis or (b) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (C) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Conditions, **Business Day** means:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Additional Business Centre (other than the real time gross settlement system operated by the Eurosystem (or any successor thereto) (the **T2 System**)) specified in the applicable Final Terms;
- (b) if T2 System is specified as an Additional Business Centre in the applicable Final Terms, a day on which the T2 System is open; and
- (c) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are

open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the T2 System is open.

(b) Rate of Interest

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms.

(i) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this subparagraph (i), **ISDA Rate** for an Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent was acting as Calculation Agent (as defined in the ISDA Definitions (as defined below)) for that swap transaction under the terms of an agreement incorporating (i) if “2006 ISDA Definitions” is specified in the applicable Final Terms, the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. (**ISDA**) and as amended and updated as at the Issue Date of the first Tranche of the Notes; or (ii) if “2021 ISDA Definitions” is specified in the applicable Final Terms, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions as published by ISDA as at the Issue Date of the first Tranche of the Notes; (together, the **ISDA Definitions**) and under which:

- (A) the Floating Rate Option is as specified in the applicable Final Terms;
- (B) the Designated Maturity, if applicable, is a period specified in the applicable Final Terms;
- (C) the relevant Reset Date is the day specified in the applicable Final Terms;
- (D) if the Floating Rate Option is an Overnight Floating Rate Option, the Overnight Rate Compounding Method is one of the following as specified in the applicable Final Terms:
 - (a) Compounding with Lookback;
 - (b) Compounding with Observation Period Shift; or
 - (c) Compounding with Lockout; and
- (E) if the Floating Rate Option is a Compounded Index Floating Rate Option, the Index Method is Compounded Index Method with Observation Period Shift as specified in the applicable Final Terms.

In connection with the Overnight Rate Compounding Method, references in the ISDA Definitions to numbers or other items specified in the relevant confirmation shall be

deemed to be references to the numbers or other items specified for such purpose in the applicable Final Terms.

For the purposes of this subparagraph (i), **Floating Rate, Floating Rate Option, Designated Maturity, Reset Date, Overnight Floating Rate Option, Overnight Rate Compounding Method, Compounding with Lookback, Compounding with Observation Period Shift, Compounding with Lockout, Averaging with Lookback, Averaging with Observation Period Shift, Averaging with Lockout, Compounded Index Floating Rate Option, Index Method and Compounded Index Method with Observation Period Shift** have the meanings given to those terms in the ISDA Definitions.

Unless otherwise stated in the applicable Final Terms the Minimum Rate of Interest shall be deemed to be zero.

(ii) Screen Rate Determination for Floating Rate Notes –Term Rate

Where “Screen Rate Determination” and “Term Rate” are specified in the applicable Final Terms to be “Applicable”, and the Reference Rate is specified as being other than Compounded Daily SONIA, Compounded Daily SOFR or Weighted Average SOFR, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (A) the offered quotation; or
- (B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate (being either EURIBOR or WIBOR, as specified in the applicable Final Terms) which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at 11.00 a.m. (Brussels time, in the case of EURIBOR or Warsaw time on the case of WIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent, for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

Fallback

If the Relevant Screen Page is not available or if, in the case of subclause 6.2(b)(ii)(A), no offered quotation appears or, in the case of subclause 6.2(b)(ii)(B), fewer than three offered quotations appear, in each case as at the Specified Time, the Issuer shall request each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with offered quotations upon the Issuer’s request, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Calculation Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with an offered quotation upon the Issuer's request as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to the Calculation Agent upon the Issuer's request, by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) or the Warsaw inter-bank market (if the Reference Rate is WIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Calculation Agent with offered rates upon the Issuer's request, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for the purpose) informs the Calculation Agent it is quoting to leading banks in the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) or the Warsaw inter-bank market (if the Reference Rate is WIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

Unless otherwise stated in the applicable Final Terms the Minimum Rate of Interest shall be deemed to be zero.

(iii) Screen Rate Determination for Floating Rate Notes – Overnight Rate - Compounded Daily SONIA - Non-Index Determination

This Condition 6.2(b)(iii) applies where the applicable Final Terms specifies: (1) “*Screen Rate Determination*” and “*Overnight Rate*” to be “Applicable”; (2) “*Compounded Daily SONIA*” as the Reference Rate; and (3) “*Index Determination*” to be “Not Applicable”.

(A) The Rate of Interest for an Interest Accrual Period will, subject to Condition 6.2(c) and as provided below, be Compounded Daily SONIA with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Calculation Agent.

Compounded Daily SONIA means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) as calculated by the Calculation Agent as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SONIA_i \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

where:

- d*** is the number of calendar days in:
- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or
 - (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;
- D*** is the number specified as such in the applicable Final Terms (or, if no such number is specified, 365);
- d_o*** means:
- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days in the relevant Interest Accrual Period; or
 - (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days in the relevant Observation Period;
- i*** is a series of whole numbers from one to “*d_o*”, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in:
- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or
 - (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

London Banking Day means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

n_i for any London Banking Day “*i*”, means the number of calendar days from (and including) such London Banking Day “*i*” up to (but excluding) the following London Banking Day;

Observation Period means the period from (and including) the date falling “*p*” London Banking Days prior to the first day of the relevant Interest Accrual Period to (but excluding) the date falling “*p*” London Banking Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other Interest Accrual Period) the date on which the relevant payment of interest falls due;

p means:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days specified as the “Lag Period” in the applicable Final Terms (or, if no such number is so specified, five London Banking Days); or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days specified as the “Observation Shift Period” in the applicable Final Terms (or, if no such number is so specified, five London Banking Days);

the **SONIA reference rate**, in respect of any London Banking Day (**LBD_x**), is a reference rate equal to the daily Sterling Overnight Index Average (**SONIA**) rate for such **LBD_x** as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the London Banking Day immediately following **LBD_x**; and

SONIA_i means the SONIA reference rate for:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the London Banking Day falling “*p*” London Banking Days prior to the relevant London Banking Day “*i*”; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the relevant London Banking Day “*i*”.

(B) Subject to Condition 6.2(c), where any Rate of Interest is to be calculated pursuant to Condition 6.2(b)(iii)(A) above, in respect of any London Banking Day on which an applicable SONIA reference rate is required to be determined, such SONIA reference rate is not made available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, then the SONIA reference rate in respect of such London Banking Day shall be the rate determined by the Calculation Agent as:

- (1) the sum of (i) the Bank of England’s Bank Rate (the **Bank Rate**) prevailing at 5.00 p.m. (London time) (or, if earlier, close of business) on such London Banking Day; and (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five London Banking Days in respect of which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads); or
- (2) if the Bank Rate under (1)(i) above is not available at the relevant time, either (A) the SONIA reference rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day in respect of which the

SONIA reference rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) or (B) if this is more recent, the latest rate determined under (1) above,

and, in each case, references to “SONIA reference rate” in Condition 6.2(b)(iii)(A) above shall be construed accordingly.

(C) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 6.2(b)(iii), and without prejudice to Condition 6.2(c), the Rate of Interest shall be:

- (1) that determined as at the last preceding Interest Determination Date on which the Rate of Interest was so determined (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to the relevant Interest Accrual Period, in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as applicable) relating to that last preceding Interest Accrual Period); or
- (2) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first scheduled Interest Period had the Notes been in issue for a period equal in duration to the first scheduled Interest Period but ending on (and excluding) the Interest Commencement Date (applying the Margin and, if applicable, any Maximum Rate of Interest and/or Minimum Rate of Interest, applicable to the first scheduled Interest Period),

in each case as determined by the Calculation Agent.

(iv) Screen Rate Determination for Floating Rate Notes – Overnight Rate – Compounded Daily SONIA – Index Determination

This Condition 6.2(b)(iv) applies where the applicable Final Terms specifies: (1) “*Screen Rate Determination*” and “*Overnight Rate*” to be “Applicable”; (2) “*Compounded Daily SONIA*” as the Reference Rate; and (3) “*Index Determination*” to be “Applicable”.

(A) The Rate of Interest for an Interest Accrual Period will, subject to Condition 6.2(c) and as provided below, be the Compounded Daily SONIA Rate with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Calculation Agent.

Compounded Daily SONIA Rate means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) (expressed as a percentage and rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) determined by the Calculation Agent by reference to the screen rate or index for compounded

daily SONIA rates administered by the administrator of the SONIA reference rate that is published or displayed on the Relevant Screen Page specified in the applicable Final Terms or, if no such page is so specified or if such page is unavailable at the relevant time, as otherwise published or displayed on the Relevant Screen Page specified in the applicable Final Terms, or, if no such page is so specified or if such page is unavailable at the relevant time, as otherwise published or displayed by such administrator or other information service from time to time on the relevant Interest Determination Date (the **SONIA Compounded Index**) and in accordance with the following formula:

Compounded Daily SONIA Rate =

$$\left(\frac{SONIA\ Compounded\ Index_{End}}{SONIA\ Compounded\ Index_{Start}} - 1 \right) \times \frac{365}{d}$$

where:

d is the number of calendar days from (and including) the day in relation to which SONIA Compounded Index_{Start} is determined to (but excluding) the day in relation to which SONIA Compounded Index_{End} is determined;

London Banking Day means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

Relevant Number is the number specified as such in the applicable Final Terms (or, if no such number is so specified, five);

SONIA Compounded Index_{Start} means, with respect to an Interest Accrual Period, the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to the first day of such Interest Accrual Period; and

SONIA Compounded Index_{End} means, with respect to an Interest Accrual Period, the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to (A) the Interest Payment Date for such Interest Accrual Period, or (B) such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Accrual Period).

- (B) If the relevant SONIA Compounded Index is not published or displayed by the administrator of the SONIA reference rate or other information service by 5.00 p.m. (London time) (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the administrator of the SONIA reference rate or of such other information service, as the case may be) on the relevant Interest Determination Date, the Compounded Daily SONIA Rate for the applicable Interest Accrual Period for which the SONIA Compounded Index is not available shall be “Compounded Daily SONIA” determined in accordance with Condition 6.2(b)(iii) above as if “*Index Determination*” were specified in the applicable Final Terms as being “Not Applicable”, and for

these purposes: (i) the “*Observation Method*” shall be deemed to be “*Observation Shift*” and (ii) the “*Observation Shift Period*” shall be deemed to be equal to the Relevant Number of London Banking Days, as if those alternative elections had been made in the applicable Final Terms.

(v) Screen Rate Determination for Floating Rate Notes– Overnight Rate – SOFR – Non-Index Determination

This Condition 6.2(b)(v) applies where the applicable Final Terms specifies: (1) “*Screen Rate Determination*” and “*Overnight Rate*” to be ‘Applicable’; (2) either “*Compounded Daily SOFR*” or “*Weighted Average SOFR*” as the Reference Rate; and (3) “*Index Determination*” to be ‘Not Applicable’.

Where the applicable Final Terms specifies the Reference Rate to be “*Compounded Daily SOFR*”, the provisions of paragraph (A) below of this Condition 6.2(b)(v) apply.

Where the applicable Final Terms specifies the Reference Rate to be “*Weighted Average SOFR*”, the provisions of paragraph (B) below of this Condition 6.2(b)(v) apply.

(A) Compounded Daily SOFR

Where this paragraph (A) applies, the Rate of Interest for an Interest Accrual Period will, subject to Condition 6.2(c) and as provided below, be Compounded Daily SOFR with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Calculation Agent.

Compounded Daily SOFR means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily U.S. dollars secured overnight financing rate as reference rate for the calculation of interest) as calculated by the Calculation Agent as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SOFR_i \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

where:

d is the number of calendar days in:

- (i) where “Lag” or “Lock-out” is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

D is the number specified as such in the applicable Final Terms (or, if no such number is specified, 360);

d_o means:

- (i) where “Lag” or “Lock-out” is specified as the Observation Method in the applicable Final Terms, the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the number of U.S. Government Securities Business Days in the relevant Observation Period;

i is a series of whole numbers from one to “ d_o ”, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in:

- (i) where “Lag” or “Lock-out” is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

Lock-out Period means the period from (and including) the day following the Interest Determination Date to (but excluding) the corresponding Interest Payment Date;

New York Fed’s Website means the website of the Federal Reserve Bank of New York (or a successor administrator of SOFR) or any successor source;

n_i for any U.S. Government Securities Business Day “ i ”, means the number of calendar days from (and including) such U.S. Government Securities Business Day “ i ” up to (but excluding) the following U.S. Government Securities Business Day;

Observation Period means the period from (and including) the date falling “ p ” U.S. Government Securities Business Days prior to the first day of the relevant Interest Accrual Period to (but excluding) the date falling “ p ” U.S. Government Securities Business Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other Interest Accrual Period) the date on which the relevant payment of interest falls due;

“ p ” means:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the number of U.S. Government Securities Business Days specified as the “Lag Period” in the applicable Final Terms (or, if no such number is specified, five U.S. Government Securities Business Days);

- (ii) where “Lock-out” is specified as the Observation Method in the applicable Final Terms, zero U.S. Government Securities Business Days; or
- (iii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the number of U.S. Government Securities Business Days specified as the “Observation Shift Period” in the applicable Final Terms (or, if no such number is specified, five U.S. Government Securities Business Days);

Reference Day means each U.S. Government Securities Business Day in the relevant Interest Accrual Period, other than any U.S. Government Securities Business Day in the Lock-out Period;

SOFR in respect of any U.S. Government Securities Business Day (**USBD_x**), is a reference rate equal to the daily secured overnight financing rate as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) on the New York Fed’s Website, in each case at or around 3.00 p.m. (New York City time) on the U.S. Government Securities Business Day immediately following such USBD_x;

SOFR_i means the SOFR for:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the U.S. Government Securities Business Day falling “*p*” U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day “*i*”;
- (ii) where “Lock-out” is specified as the Observation Method in the applicable Final Terms:
 - (I) in respect of each U.S. Government Securities Business Day “*i*” that is a Reference Day, the SOFR in respect of the U.S. Government Securities Business Day immediately preceding such Reference Day; or
 - (II) in respect of each U.S. Government Securities Business Day “*i*” that is not a Reference Day (being a U.S. Government Securities Business Day in the Lock-out Period), the SOFR in respect of the U.S. Government Securities Business Day immediately preceding the last Reference Day of the relevant Interest Accrual Period (such last Reference Day coinciding with the Interest Determination Date); or
- (iii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the relevant U.S. Government Securities Business Day “*i*”; and

U.S. Government Securities Business Day means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its

members be closed for the entire day for purposes of trading in U.S. government securities.

(B) Weighted Average SOFR

Where this paragraph (B) applies, the Rate of Interest for an Interest Accrual Period will, subject to Condition 6.2(c) and as provided below, be the Weighted Average SOFR with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as calculated by the Calculation Agent as of the Interest Determination Date (and rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards), where:

Weighted Average SOFR means:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the arithmetic mean of the SOFR in effect for each calendar day during the relevant Observation Period, calculated by multiplying each relevant SOFR by the number of calendar days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Observation Period. For these purposes, the SOFR in effect for any calendar day which is not a U.S. Government Securities Business Day shall be deemed to be the SOFR in effect for the U.S. Government Securities Business Day immediately preceding such calendar day; and
- (ii) where “Lock-out” is specified as the Observation Method in the applicable Final Terms, the arithmetic mean of the SOFR in effect for each calendar day during the relevant Interest Accrual Period, calculated by multiplying each relevant SOFR by the number of days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Interest Accrual Period, *provided* however that for any calendar day of such Interest Accrual Period falling in the Lock-out Period, the relevant SOFR for each day during that Lock-out Period will be deemed to be the SOFR in effect for the Reference Day immediately preceding the first day of such Lock-out Period. For these purposes, the SOFR in effect for any calendar day which is not a U.S. Government Securities Business Day shall, subject to the proviso above, be deemed to be the SOFR in effect for the U.S. Government Securities Business Day immediately preceding such calendar day.

Defined terms used in this paragraph (B) and not otherwise defined herein have the meanings given to them in paragraph (A) above of this Condition 6.2(b)(v).

(C) SOFR Unavailable

Subject to Condition 6.2(c), if, where any Rate of Interest is to be calculated pursuant to this Condition 6.2(b)(v), in respect of any U.S. Government Securities Business Day in respect of which an applicable SOFR is required to be determined, such SOFR is not available, such SOFR shall be the SOFR for the first preceding U.S. Government Securities Business Day in respect of which the SOFR was published on the New York Fed’s Website.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 6.2(b)(v) but without prejudice to Condition 6.2(c), the Rate of Interest shall be calculated in accordance, *mutatis mutandis*, with the provisions of Condition 6.2(b)(iii)(C).

(vi) Screen Rate Determination – Overnight Rate - SOFR - Index Determination

This Condition 6.2(b)(vi) applies where the applicable Final Terms specifies: (1) “Screen Rate Determination” and “Overnight Rate” to be ‘Applicable’; (2) “Compounded Daily SOFR” as the Reference Rate; and (3) “Index Determination” to be ‘Applicable’.

- (A) The Rate of Interest for an Interest Accrual Period will, subject to Condition 6.2(c) and as provided below, be the Compounded SOFR with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Calculation Agent.

Compounded SOFR means, with respect to an Interest Accrual Period, the rate (expressed as a percentage and rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) determined by the Calculation Agent in accordance with the following formula:

where:
$$\left(\frac{SOFR Index_{End}}{SOFR Index_{Start}} - 1 \right) \times \frac{360}{d_c}$$

d_c is the number of calendar days from (and including) the day in relation to which SOFR Index_{Start} is determined to (but excluding) the day in relation to which SOFR Index_{End} is determined;

Relevant Number is the number specified as such in the applicable Final Terms (or, if no such number is specified, five);

SOFR means the daily secured overnight financing rate as provided by the SOFR Administrator on the SOFR Administrator’s Website;

SOFR Administrator means the Federal Reserve Bank of New York (or a successor administrator of SOFR);

SOFR Administrator’s Website means the website of the SOFR Administrator, or any successor source;

SOFR Index, with respect to any U.S. Government Securities Business Day, means the SOFR index value as published by the SOFR Administrator as such index appears on the SOFR Administrator’s Website at or around 3.00 p.m. (New York time) on such U.S. Government Securities Business Day (the **SOFR Determination Time**);

SOFR Index_{Start}, with respect to an Interest Accrual Period, is the SOFR Index value for the day which is the Relevant Number of U.S. Government Securities Business Days preceding the first day of such Interest Accrual Period;

SOFR Index_{End}, with respect to an Interest Accrual Period, is the SOFR Index value for the day which is the Relevant Number of U.S. Government Securities Business Days preceding (A) the Interest Payment Date for such Interest Accrual Period, or (B) such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Accrual Period); and

U.S. Government Securities Business Day means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

- (B) If, as at any relevant SOFR Determination Time, the relevant SOFR Index is not published or displayed on the SOFR Administrator's Website by the SOFR Administrator, the Compounded SOFR for the applicable Interest Accrual Period for which the relevant SOFR Index is not available shall be "Compounded Daily SOFR" determined in accordance with Condition 6.2(b)(v) above as if "*Index Determination*" were specified in the applicable Final Terms as being 'Not Applicable', and for these purposes: (i) the "*Observation Method*" shall be deemed to be "*Observation Shift*" and (ii) the "*Observation Shift Period*" shall be deemed to be equal to the Relevant Number of U.S. Government Securities Business Days, as if such alternative elections had been made in the applicable Final Terms.

(vii) Interest Accrual Period

As used herein, an **Interest Accrual Period** means (i) each Interest Period and (ii) any other period (if any) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, if the relevant Series of Notes becomes due and payable in accordance with Condition 11 (*Events of Default*) shall be the date on which such Notes become due and payable).

(c) **Benchmark Discontinuation**

(i) Benchmark Replacement

This Condition 6.2(c)(i) applies to Floating Rate Notes other than where the Reference Rate is specified in the applicable Final Terms as being Compounded Daily SOFR or Weighted Average SOFR.

If the Issuer determines (in consultation with the Calculation Agent) that a Benchmark Event occurs in relation to an Original Reference Rate at any time when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the following provisions shall apply.

(A) Independent Adviser

The Issuer shall use reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, with a view to the Issuer determining a Successor Rate, failing which an Alternative Rate (in accordance with Condition 6.2(c)(i)(B) and, in either case, the applicable

Adjustment Spread (in accordance with Condition 6.2(c)(i)(C)) and any Benchmark Amendments (in accordance with Condition 6.2(c)(i)(D)).

If, notwithstanding the Issuer's reasonable endeavours, the Issuer is unable to appoint and consult with an Independent Adviser in accordance with the foregoing paragraph, the Issuer shall nevertheless be entitled, acting in good faith and in a commercially reasonable manner, to make any and all determinations expressed to be made by the Issuer pursuant to this Condition 6.2(c)(i), notwithstanding that such determinations are not made following consultation with an Independent Adviser. If, however, the Issuer is unable to determine a Successor Rate or an Alternative Rate and (in either case) the applicable Adjustment Spread and any Benchmark Amendments in accordance with this Condition 6.2(c)(i), the provisions of Condition 6.2(c)(vii) below shall apply.

(B) Successor Rate or Alternative Rate

If the Issuer, following consultation with such Independent Adviser (if appointed), determines in good faith and in a commercially reasonable manner that:

- (1) there is a Successor Rate, then such Successor Rate shall (as adjusted by the applicable Adjustment Spread determined as provided in Condition 6.2(c)(i)(C)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 6.2(c)); or
- (2) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (as adjusted by the applicable Adjustment Spread determined as provided in Condition 6.2(c)(i)(C)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 6.2(c)).

(C) Adjustment Spread

If a Successor Rate or Alternative Rate is determined in accordance with the foregoing provisions, the Issuer, following consultation with the Independent Adviser (if appointed), will determine in good faith and in a commercially reasonable manner the Adjustment Spread to be applied to such Successor Rate or Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a relevant component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable). If the Issuer, following consultation with the Independent Adviser (if appointed), in each case acting in good faith and in a commercially reasonable manner, is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Rate (as applicable) will apply without an Adjustment Spread.

(D) Benchmark Amendments

If any Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread is determined in accordance with this Condition 6.2(c) and the Issuer, following consultation with the Independent Adviser (if appointed), determines in good faith and in a commercially reasonable manner (A) that amendments to the Terms and Conditions of the Notes and/or the Agency Agreement (including, without limitation, amendments to the definitions of Day Count Fraction, Business Days or Relevant Screen Page) are necessary to ensure the proper operation (having regard to prevailing market practice, if any) of such Successor Rate, Alternative Rate and (in either case) the applicable Adjustment Spread (such amendments, the Benchmark Amendments) and (B) the terms of the Benchmark Amendments, then (subject to Condition 6.2(c)(vi) below) the Issuer shall, subject to giving notice thereof in accordance with Condition 6.2(c)(iii), without any requirement for the consent or approval of Noteholders or Couponholders, vary the Terms and Conditions of the Notes and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice provided that the Agents shall not be obliged to agree to any modification which, in the sole opinion of the Agents (acting reasonably) would have the effect of (i) exposing the Agents to any liability against which they have not been indemnified and/or secured and/or pre-funded to their satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protection, of the Agents under the Agency Agreement and/or these Terms and Conditions of the Notes.

In connection with any such variation in accordance with this Condition 6.2(c), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(E) Definitions

As used in this Condition 6.2(c)(i):

Adjustment Spread means either a spread (which may be positive, negative or zero), or the formula or methodology for calculating a spread, in either case, which is to be applied to the Successor Rate or the Alternative Rate (as the case may be), being the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body;
- (ii) in the case of an Alternative Rate (or in the case of a Successor Rate where (A) above does not apply), the Independent Adviser or the Issuer, following consultation with the Independent Adviser (if appointed) and acting in good faith and in a commercially reasonable manner, determines is in customary market usage (or reflects an industry-accepted rate, formula or methodology) in the international debt capital market for transactions which reference the Original Reference Rate, where such rate has been replaced by the Alternative Rate (or, as the case may be, the Successor Rate); or

- (iii) if no such recommendation or option has been made (or made available) under (A) above and if the Issuer, following consultation with the Independent Adviser (if appointed), determines there is no such spread, formula or methodology in customary market usage or which is industry-accepted under (B) above, the Issuer, in its discretion, following consultation with the Independent Adviser (if appointed), and acting in good faith and in a commercially reasonable manner, determines to be appropriate having regard to the objective, so far as is reasonably practicable in the circumstances and solely for the purposes of this paragraph (C), of reducing or eliminating any economic prejudice or benefit (as the case may be) to the Noteholders;

Alternative Rate means an alternative benchmark or screen rate which the Independent Adviser or the Issuer, following consultation with the Independent Adviser (if appointed), determines in good faith and in a commercially reasonable manner in accordance with this Condition 6.2(c) has replaced the Original Reference Rate in customary market usage, or is an industry-accepted rate, in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for a commensurate interest period and in the same Specified Currency as the Notes;

Benchmark Event means, with respect to an Original Reference Rate, any one or more of the following:

- (i) the Original Reference Rate ceasing to exist or to be published or administered on a permanent or indefinite basis;
- (ii) the making of a public statement by the administrator of the Original Reference Rate that it has ceased or will by a specified future date, cease to publish the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate);
- (iii) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will be permanently or indefinitely discontinued;
- (iv) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will be prohibited from being used, is no longer (or will no longer be) representative of its underlying market or that its use will be subject to restrictions or adverse consequences, in each case in circumstances where the same shall be applicable to the Notes; or
- (v) it has or will prior to the next Interest Determination Date become unlawful for the Issuer, the Calculation Agent, or any Paying Agent to calculate any payments due to be made to any Noteholder using the Original Reference Rate (including, without limitation, under the Regulation (EU) 2016/1011 as that Regulation applies in the European Union and/or as it applies in the United Kingdom in the form retained as domestic law in the United Kingdom under the European Union (Withdrawal) Act 2018, as amended, if applicable),

provided that in the case of paragraphs (ii) to (iv) above, the Benchmark Event shall occur on:

- (i) in the case of (ii) above, the date of the cessation of the publication of the Original Reference Rate;
- (ii) in the case of (iii) above, the discontinuation of the Original Reference Rate; or
- (iii) in the case of (iv) above, the date on which the Original Reference Rate is prohibited from use, is deemed no longer to be representative or becomes subject to restrictions or adverse consequences (as applicable),

and not (in any such case) the date of the relevant public statement (unless the date of the relevant public statement coincides with the relevant date in (i), (ii) or (iii) above, as applicable);

Independent Adviser means an independent financial institution of international repute or an independent adviser of recognised standing with appropriate expertise appointed by the Issuer at its own expense;

Original Reference Rate means the benchmark or screen rate (as applicable) originally specified for the purpose of determining the relevant Rate of Interest (or any relevant component part(s) thereof) on the Notes (provided that if, following one or more Benchmark Events, such originally specified Reference Rate (or any Successor Rate or Alternative Rate which has replaced it) has been replaced by a (or a further) Successor Rate or Alternative Rate and a Benchmark Event subsequently occurs in respect of such Successor Rate or Alternative Rate, the term “Original Reference Rate” shall be deemed to include any such Successor Rate or Alternative Rate);

Relevant Nominating Body means, in respect of a benchmark or screen rate (as applicable):

- (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (ii) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (iii) a group of the aforementioned central banks or other supervisory authorities or (iv) the Financial Stability Board or any part thereof; and

Successor Rate means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

- (ii) Benchmark Transition

This Condition 6.2(c)(ii) applies to Floating Rate Notes where the Reference Rate is specified in the applicable Final Terms as being Compounded Daily SOFR or Weighted Average SOFR.

If the Issuer determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in relation to an Original Reference Rate at any time when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the following provisions shall apply.

(A) Independent Adviser

The Issuer shall use reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, with a view to the Issuer determining the Benchmark Replacement which will replace such Original Reference Rate for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates (subject to any subsequent application of this Condition 6.2(c)(ii) with respect to such Benchmark Replacement) and any Benchmark Replacement Conforming Changes.

Any Benchmark Replacement so determined by the Issuer shall have effect for any subsequent determination of any relevant Rate of Interest (subject to any further application of this Condition 6.2(c)(ii) with respect to such Benchmark Replacement), subject, if any associated Benchmark Replacement Conforming Changes are required in connection therewith, to such Benchmark Replacement Conforming Changes becoming effective in accordance with the following provisions.

If, notwithstanding the Issuer's reasonable endeavours, the Issuer is unable to appoint and consult with an Independent Adviser in accordance with the foregoing paragraph, the Issuer shall nevertheless be entitled, acting in good faith and in a commercially reasonable manner, to make any and all determinations expressed to be made by the Issuer pursuant to this Condition 6.2(c)(ii), notwithstanding that such determinations are not made following consultation with an Independent Adviser. If, however, the Issuer is unable to determine a Benchmark Replacement in accordance with this Condition 6.2(c)(ii), the provisions of Condition 6.2(c)(vii) below shall apply.

(B) Benchmark Replacement Conforming Changes

If the Issuer, following consultation with the Independent Adviser (if appointed), considers it is necessary to make Benchmark Replacement Conforming Changes, the Issuer shall, in consultation with the Independent Adviser (if appointed), determine in good faith and in a commercially reasonable manner the terms of such Benchmark Replacement Conforming Changes, and (subject to Condition 6.2(c)(vi) below) shall, subject to giving notice in accordance with Condition 6.2(c)(iii) below (but without any requirement for the consent or approval of Noteholders), vary these Conditions and/or the Agency Agreement to give effect to such Benchmark Replacement Conforming Changes with effect from the date specified in such notice provided that the Agents shall not be obliged to agree to any modification which, in the sole opinion of the Agents would have the effect of (i) exposing the Agents to any liability against which they have not been indemnified and/or

secured and/or pre-funded to their satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protection, of Agents in the Agreement and/or the Conditions.

In connection with any such variation in accordance with this Condition 6.2(c)(ii), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(C) Definitions

As used in this Condition 6.2(c)(ii):

Benchmark Replacement means the first alternative set forth in the order below that can be determined by the Issuer as of the Benchmark Replacement Date:

- (i) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the Original Reference Rate for the applicable Corresponding Tenor and (b) the Benchmark Replacement Adjustment;
- (ii) the sum of: (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; or
- (iii) the sum of: (a) the alternate rate of interest that has been selected by the Issuer as the replacement for the Original Reference Rate for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current benchmark for U.S. dollar-denominated floating rate notes at such time and (b) the Benchmark Replacement Adjustment;

Benchmark Replacement Adjustment means the first alternative set forth in the order below that can be determined by the Issuer as of the Benchmark Replacement Date:

- (i) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time;

Benchmark Replacement Conforming Changes means, with respect to any Benchmark Replacement, any technical, administrative or operational changes

(including changes to any Interest Period, Interest Accrual Period, the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the Issuer (in consultation with the Independent Adviser, if appointed) decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer (in consultation with the Independent Adviser, if appointed) determines is reasonably necessary);

Benchmark Replacement Date means the earliest to occur of the following events with respect to the Original Reference Rate (including the daily published component used in the calculation thereof):

- (i) in the case of clause (i) or (ii) of the definition of “Benchmark Transition Event”, the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Original Reference Rate permanently or indefinitely ceases to provide the Original Reference Rate (or such component); or
- (ii) in the case of clause (iii) of the definition of “Benchmark Transition Event”, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Benchmark Replacement Date occurs on the same day as, but earlier than (where the Rate of Interest is to be determined pursuant to Condition 6.2(b)(ii)) the Specified Time or (in any other case) the customary or scheduled time for publication of the relevant reference rate in accordance with the then-prevailing operational procedures of the administrator of such reference rate or, as the case may be, of the other relevant information service publishing such reference rate, on, the relevant Interest Determination Date, the Benchmark Replacement Date will be deemed to have occurred prior to such time for such determination;

Benchmark Transition Event means the occurrence of one or more of the following **events** with respect to the Original Reference Rate (including the daily published component used in the calculation thereof):

- (i) a public statement or publication of information by or on behalf of the administrator of the Original Reference Rate (or such component) announcing that such administrator has ceased or will cease to provide the Original Reference Rate (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Original Reference Rate (or such component); or
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Original Reference Rate (or such component), the central bank for the currency of the Original Reference Rate (or such component), an insolvency official with

jurisdiction over the administrator for the Original Reference Rate (or such component), a resolution authority with jurisdiction over the administrator for the Original Reference Rate (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Original Reference Rate, which states that the administrator of the Original Reference Rate (or such component) has ceased or will cease to provide the Original Reference Rate (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Original Reference Rate (or such component); or

- (iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Original Reference Rate announcing that the Original Reference Rate is no longer representative;

Corresponding Tenor means, with respect to a Benchmark Replacement, a tenor (**including** overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the Original Reference Rate;

Independent Adviser means an independent financial institution of international repute or an independent adviser of recognised standing with appropriate expertise appointed by the Issuer at its own expense;

ISDA Fallback Adjustment means the spread adjustment (which may be a positive or **negative** value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Original Reference Rate;

ISDA Fallback Rate means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index **cessation** date with respect to the Original Reference Rate for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

Original Reference Rate means the benchmark or screen rate (as applicable) originally specified for the purpose of determining the relevant Rate of Interest (or any relevant component part(s) thereof) on the Notes (provided that if, following one or more **Benchmark** Transition Events, such originally specified benchmark or screen rate (or any benchmark used in any Benchmark Replacement which has replaced it (the Replacement Benchmark)) has been replaced by a (or a further) Replacement Benchmark and a Benchmark Transition Event subsequently occurs in respect of such Replacement Benchmark, the term “Original Reference Rate” shall be deemed to include any such Replacement Benchmark);

Relevant Governmental Body means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

Unadjusted Benchmark Replacement means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(iii) Notices, etc.

The Issuer shall notify the Issuing and Principal Paying Agent, the Calculation Agent (if different from the Agent), the Paying Agents and, in accordance with Condition 16 (*Notices*), the Noteholders, promptly of any Successor Rate, Alternative Rate, Adjustment Spread and/or Benchmark Replacement, and the specific terms of any Benchmark Amendments or Benchmark Replacement Conforming Changes (as applicable), determined under this Condition 6.2(c). Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments or Benchmark Replacement Conforming Changes (as applicable), if any.

(iv) Survival of Original Reference Rate

Without prejudice to the Issuer's obligations under the provisions of this Condition 6.2(c), the Original Reference Rate and the fallback provisions provided for in Condition 6.2(b), will continue to apply unless and until the Calculation Agent has been notified, in accordance with Condition 6.2(c)(iii), of (as the case may be):

- (1) the Successor Rate or the Alternative Rate (as the case may be), and (in either case) the Adjustment Spread and Benchmark Amendments (if any) determined in accordance with Condition 6.2(c)(i); or
- (2) the Benchmark Replacement and Benchmark Replacement Conforming Changes (if any) determined in accordance with Condition 6.2(c)(ii).

(v) Restriction on Independent Adviser and Issuer liability

An Independent Adviser appointed pursuant to this Condition 6.2(c) shall act in good faith.

In the absence of bad faith or fraud, neither the Issuer nor any Independent Adviser shall have any liability whatsoever to the Paying Agents, the Calculation Agent or the Noteholders or Couponholders for any determination made by the Issuer or the Independent Adviser or (in the case of the Independent Adviser) for any advice given to the Issuer in connection with any determination made by the Issuer pursuant to this Condition 6.2(c).

(vi) MREL Eligible Liabilities / Tier 2 Subordinated Notes

Notwithstanding any other provision of this Condition 6.2(c), the Issuer shall not be required to adopt any Successor Rate, Alternative Rate, Adjustment Spread or Benchmark Replacement (as applicable), nor to effect any Benchmark Amendments or Benchmark Replacement Conforming Changes, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected either:

- (1) to prejudice the qualification of the relevant Series of Notes as MREL Eligible Liabilities and/or Tier 2 Subordinated Notes, as applicable for the purposes of any Applicable Banking Regulations; or

- (2) (if this Note is a Senior Non-Preferred MREL Note only) to result in the Relevant Resolution Authority treating the relevant Interest Payment Date, as the effective maturity date of the Notes, rather than the relevant Maturity Date specified in the applicable Final Terms.

In such event, the Issuer shall be entitled to apply the provisions of this Condition 6.2(c) with such further adjustments as it considers necessary to avoid the consequences described under (i) and/or (ii) above, provided that the Issuer, acting in good faith and in a commercial reasonable manner, has determined that so doing shall not be materially less favourable to Noteholders than failing to apply the provisions of this Condition 6.2(c) at all.

(vii) Fallbacks

If, following the occurrence of:

- (i) a Benchmark Event; or
- (ii) a Benchmark Transition Event (and its related Benchmark Replacement Date),

in respect of the Original Reference Rate, on the immediately following Interest Determination Date:

- (1) (in the case of (i) above) no Successor Rate or Alternative Rate (as applicable) is determined pursuant to Condition 6.2(c)(i) or (as the case may be) a Successor Rate or Alternative Rate (as applicable) is determined, but no Adjustment Spread is determined pursuant to Condition 6.2(c)(i); or
- (2) (in the case of (ii) above) no Benchmark Replacement is determined in accordance with Condition 6.2(c)(ii),

then the original benchmark or screen rate (as applicable) will continue to apply for the purposes of determining such Rate of Interest on such Interest Determination Date, with the effect that the fallback provisions provided in Condition 6.2(b) will continue to apply to such determination.

In such circumstances, the Issuer will be entitled (but not obliged), at any time thereafter, to elect to re-apply the provisions of this Condition 6.2(c), *mutatis mutandis*, on one or more occasions until:

- (1) (in the case of (i) above) a Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread and any Benchmark Amendments; or
- (2) (in the case of (ii) above) the Benchmark Replacement and any Benchmark Replacement Conforming Changes,

have been determined and notified in accordance with this Condition 6.2(c) (and, until such determination and notification (if any), the fallback provisions provided in Condition 6.2(b), will continue to apply).

The Issuer's intention is that, in circumstances where the Issuer has been unable to determine (as applicable) (i) a Successor Rate or Alternative Rate (as applicable) and (in either case) the Adjustment Spread or (ii) the Benchmark Replacement pursuant to this Condition 6.2(c), it will elect to re-apply such provisions if and when, in its sole

determination, there have been such subsequent developments (whether in applicable law, market practice or otherwise) as would enable the Issuer successfully to apply such provisions and determine (as applicable) (a) a Successor Rate or Alternative Rate (as applicable) and (in either case) the applicable Adjustment Spread and the applicable Benchmark Amendments (if any) or (b) the Benchmark Replacement and the applicable Benchmark Replacement Conforming Changes (if any).

(viii) **Preparation in anticipation of a Benchmark Event or a Benchmark Transition Event**

If the Issuer anticipates that a Benchmark Event or a Benchmark Transition Event, as applicable, will or may occur, nothing in these Conditions shall prevent the Issuer (in its sole discretion) from taking, prior to the occurrence of such Benchmark Event or a Benchmark Transition Event, such actions as it considers expedient in order to prepare for applying the provisions of this Condition 6.2(c) (including, without limitation, appointing and consulting with an Independent Adviser, and seeking to identify any Successor Rate, Alternative Rate, Adjustment Spread, Benchmark Amendments, Benchmark Replacement and/or Benchmark Replacement Conforming Changes, as applicable), provided that no Successor Rate, Alternative Rate, Adjustment Spread, Benchmark Amendments, Benchmark Replacement and/or Benchmark Replacement Conforming Changes will take effect until the relevant Benchmark Event, or the relevant Benchmark Transition Event and its related Benchmark Replacement Date, as applicable, has occurred.

(d) Minimum Rate of Interest and/or Maximum Rate of Interest

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph 6.2(b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph 6.2(b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(e) Determination of Rate of Interest and calculation of Interest Amounts

The Calculation Agent will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Calculation Agent will calculate the amount of interest (the Interest Amount) payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

- (i) in the case of Floating Rate Notes which are (i) represented by a Global Note or (ii) Registered Notes in definitive form, the aggregate outstanding nominal amount of (A) the Notes represented by such Global Note or (B) such Registered Notes; or
- (ii) in the case of Floating Rate Notes which are Bearer Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Floating Rate Note which is a Bearer Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

Day Count Fraction means, in respect of the calculation of an amount of interest in accordance with this Condition 6.2:

- (i) if “Actual/Actual (ISDA)” or “Actual/Actual” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if “Actual/365 (Fixed)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iii) if “Actual/365 (Sterling)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if “Actual/360” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) if “30/360”, “360/360” or “Bond Basis” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

Day Count Fraction =

$$\frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

- Y₁** is the year, expressed as a number, in which the first day of the Interest Period falls;
- Y₂** is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;
- M₁** is the calendar month, expressed as a number, in which the first day of the Interest Period falls;
- M₂** is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;
- D₁** is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D₁ will be 30; and

D₂ is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

- (vi) if “30E/360” or “Eurobond Basis” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

Day Count Fraction =

$$\frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y₁ is the year, expressed as a number, in which the first day of the Interest Period falls;

Y₂ is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

M₁ is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

M₂ is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

D₁ is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D1 will be 30; and

D₂ is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D2 will be 30;

- (vii) if “30E/360 (ISDA)” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

Day Count Fraction =

$$\frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y₁ is the year, expressed as a number, in which the first day of the Interest Period falls;

Y₂ is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

M₁ is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

M₂ is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

- D₁** is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and
- D₂** is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30.

(f) Linear Interpolation

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent, as applicable, by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Calculation Agent, as applicable, shall determine such rate at such time and by reference to such sources as the Issuer, in consultation with an Independent Adviser determines appropriate.

Designated Maturity means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

(g) Notification of Rate of Interest and Interest Amounts

This Condition 6.2(g) applies where the applicable Final Terms specifies both “*Screen Rate Determination*” and “*Term Rate*” to be “Applicable”.

Except where the applicable Final Terms specifies both “*Screen Rate Determination*” and “*Overnight Rate*” to be “Applicable”, the Calculation Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Issuing and Paying Agent and any stock exchange on which the relevant Floating Rate Notes are for the time being listed (by no later than the first day of each Interest Period) and notice thereof to be published in accordance with Condition 16 (*Notices*) as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will promptly be notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 16 (*Notices*). For the purposes of this paragraph, the expression **London Business Day** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

Where the applicable Final Terms specifies both “*Screen Rate Determination*” and “*Overnight Rate*” to be “Applicable”, the Calculation Agent will cause the Rate of Interest and each Interest Amount for each Interest Accrual Period and the relevant Interest Payment Date to be notified to the Issuer, the Issuing and Paying Agent and any stock exchange on which the relevant

Floating Rate Notes are for the time being listed (by no later than the first day of each Interest Accrual Period) and notice thereof to be published in accordance with Condition 16 (*Notices*) as soon as possible after their determination but in no event later than the second Business Day thereafter. Each Rate of Interest, Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the relevant Interest Accrual Period. Any such amendment or alternative arrangements will promptly be notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 16 (*Notices*).

(h) Certificates to be final

All certificates, communications, determinations, calculations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6.2(h) by the Issuing and Principal Paying Agent or the Calculation Agent, as applicable, shall be binding on the Issuer (in the absence of wilful default or manifest error), the Issuing and Principal Paying Agent, the other Agents and all Noteholders and Couponholders and no liability to the Issuer (in the absence of wilful default), the Noteholders or the Couponholders shall attach to the Issuing and Principal Paying Agent or the Calculation Agent, as applicable, in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

6.3 Accrual of interest

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (a) the date on which all amounts due in respect of such Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Issuing and Principal Paying Agent or the Registrar, as the case may be, and notice to that effect has been given to the Noteholders in accordance with Condition 16 (*Notices*).

7. PAYMENTS

7.1 Method of payment

Subject as provided below:

- (a) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively); and
- (b) payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment or other laws and regulations to which the Issuer or its Agents are subject, but without prejudice to the provisions of Condition 9 (*Taxation*) and (ii) any

withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 9 (*Taxation*)) any law implementing an intergovernmental approach thereto.

7.2 Presentation of definitive Bearer Notes and Coupons

Payments of principal in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in Condition 7.1 (*Method of payment*) only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

Fixed Rate Notes in definitive bearer form (other than Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 9 (*Taxation*)) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 10 (*Prescription*)) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note or Long Maturity Note in definitive bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A **Long Maturity Note** is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Bearer Note.

7.3 Payments in respect of Bearer Global Notes

Payments of principal and interest (if any) in respect of Notes represented by any Global Note in bearer form will (subject as provided below) be made in the manner specified above in relation to definitive Bearer Notes or otherwise in the manner specified in the relevant Global

Note, where applicable against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made either on such Global Note by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

7.4 Payments in respect of Registered Notes

Payments of principal in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar (the **Register**) (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date. For these purposes, **Designated Account** means the account (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by a holder with a Designated Bank and identified as such in the Register and **Designated Bank** means (in the case of payment in a Specified Currency other than euro) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively) and (in the case of a payment in euro) any bank which processes payments in euro.

Payments of interest in respect of each Registered Note (whether or not in global form) will be made by transfer on the due date to the Designated Account of the holder (or the first named of joint holders) of the Registered Note appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg, are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the relevant due date (the **Record Date**). Payment of the interest due in respect of each Registered Note on redemption will be made in the same manner as payment of the principal amount of such Registered Note.

No commissions or expenses shall be charged to the holders by the Registrar in respect of any payments of principal or interest in respect of Registered Notes.

None of the Issuer or the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

7.5 General provisions applicable to payments

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look

solely to Euroclear or Clearstream, Luxembourg, as the case may be, for their share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

- (a) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due;
- (b) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (c) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

7.6 Payment Day

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, **Payment Day** means any day which (subject to Condition 10 (*Prescription*)) is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits):
 - (i) in the case of Notes in definitive form only, in the relevant place of presentation; and
 - (ii) in each Additional Financial Centre (other than T2 System) specified in the applicable Final Terms;
- (b) if T2 System is specified as an Additional Financial Centre in the applicable Final Terms, a day on which the T2 System is open; and
- (c) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the T2 System is open.

7.7 Interpretation of principal and interest

Any reference in the Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (a) any additional amounts which may be payable with respect to principal under Condition 9 (*Taxation*);
- (b) the Final Redemption Amount of the Notes;
- (c) the Early Redemption Amount of the Notes;
- (d) the Optional Redemption Amount(s) (if any) of the Notes; and
- (e) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 9 (*Taxation*).

8. REDEMPTION AND PURCHASE

8.1 Redemption at maturity

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date specified in the applicable Final Terms.

8.2 Redemption for tax reasons

Subject to Condition 8.9 (*Early Redemption Amounts*), where specified as Applicable in the applicable Final Terms, the Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), on giving not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Issuing and Principal Paying Agent and, in accordance with Condition 16 (*Notices*), the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount, together with interest accrued (if any) to the date fixed for redemption, if:

- (a) in case of any Notes which are not Tier 2 Subordinated Notes, as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 9 (*Taxation*)), or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the last Tranche of the Series of the Notes:
 - (i) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 9 (*Taxation*); and
 - (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it; or

- (b) in the case of Senior Non-Preferred MREL Notes or Senior Subordinated Notes (as applicable), the Issuer would not be entitled to claim a deduction in computing its taxation liabilities in a Tax Jurisdiction in respect of any payment to be made on the Notes on the occasion of the next payment due under the Notes or the value of such deduction to the Issuer would be materially reduced or the applicable tax treatment of the Senior Non-Preferred MREL Notes or Senior Subordinated Notes (as applicable) materially changes; or
- (c) in the case of Tier 2 Subordinated Notes, there is a change in the applicable tax treatment of such instruments and the Issuer demonstrates to the satisfaction of the Competent Authority that such change is material and was not reasonably foreseeable at the Issue Date, and

provided, however, that no such notice of redemption shall be given earlier than:

- (i) where the Notes may be redeemed at any time, 90 days (or such other period as may be specified in the relevant Final Terms) prior to the earliest date on which (A) the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due, (B) the Issuer would not be entitled to claim such deduction or the amount of such deduction would be materially reduced or (C) such tax treatment on the Notes would be affected; or
- (ii) where the Notes may be redeemed only on an Interest Payment Date, 60 days (or such other period as may be specified in the relevant Final Terms) prior to the Interest Payment Date occurring immediately before the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Issuing and Principal Paying Agent to make available at its specified office to the Noteholders: (A) a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred; (B) an opinion of independent legal or tax advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts or, as the case may be, will not be entitled to claim such deduction or the amount of the deduction would be materially reduced or, as the case may be, the applicable tax treatment of the Notes has been or will be affected, in each case as a result of such change or amendment; and (C) in the case of the Senior MREL Notes, Senior Non-Preferred MREL Notes, Senior Subordinated Notes or the Tier 2 Subordinated Notes, if required under Applicable Banking Regulations, confirmation that the Competent Authority, and in case of the Senior MREL Notes and Senior Non-Preferred MREL Notes, the Relevant Resolution Authority has given its consent to the redemption.

Upon the expiry of any such notice as is referred to in this Condition 8.2, the Issuer shall be bound to redeem the Notes in accordance with this Condition 8.2.

Redemption of Senior MREL Notes, Senior Non-Preferred MREL Notes or Tier 2 Subordinated Notes pursuant to this Condition 8.2 (*Redemption for tax reasons*) will be subject to Condition 8.5 (*Restrictions on early redemption or purchase*).

8.3 Early Redemption due to Capital Disqualification Event

If, in respect of Tier 2 Subordinated Notes only, where a Capital Disqualification Event has been specified as applicable in the applicable Final Terms, a Capital Disqualification Event occurs as a result of a change (or any pending change which the Competent Authority considers sufficiently certain) in Polish law, the law of any other relevant jurisdiction or Applicable Banking Regulations becoming effective on or after the Issue Date, the Issuer may, at its option and having given not less than 30 nor more than 60 calendar days' notice to the Issuing and Principal Paying Agent and, in accordance with Condition 16 (*Notices*), the Noteholders of the Tier 2 Subordinated Notes (which notice shall be irrevocable and shall specify the date fixed for redemption), elect to redeem in accordance with these Conditions all, but not some only, of the Tier 2 Subordinated Notes at the Early Redemption Amount referred to in Condition 8.9 (*Early Redemption Amounts*), together with interest accrued to (but excluding) the date of redemption.

The appropriate notice referred to in this Condition 8.3 is a notice given by the Issuer to the Issuing and Principal Paying Agent and the Noteholders, which notice shall be signed by the Issuer and shall specify:

- (a) that a Capital Disqualification Event has occurred and is continuing;
- (b) that the Issuer has obtained the prior written consent of the Competent Authority, provided that at the relevant time such consent is required to be given under Applicable Banking Regulations; and
- (c) the due date for such redemption, which shall be not less than 30 nor more than 60 days after the date on which such notice is validly given under Applicable Banking Regulations.

Any such notice shall be irrevocable and the delivery thereof shall oblige the Issuer to make the redemption therein specified.

Redemption of Tier 2 Subordinated Notes for regulatory reasons pursuant to this Condition 8.3 is subject to the prior consent of the Competent Authority if and as required therefor under Applicable Banking Regulations and may only take place in accordance with Applicable Banking Regulations in force at the relevant time.

Redemption of Senior MREL Notes, Senior Non-Preferred MREL Notes or Tier 2 Subordinated Notes pursuant to this Condition 8.3 (*Early Redemption due to Capital Disqualification Event*) will be subject to Condition 8.5 (*Restrictions on early redemption or purchase*).

For the purposes of these Conditions:

Capital Disqualification Event means the determination by the Issuer, after consultation with the Competent Authority, that as a result of a change (or any pending change which the Competent Authority considers sufficiently certain) in the regulatory classification of the relevant Series of Tier 2 Subordinated Notes that becomes effective on or after the Issue Date of the last Tranche of the relevant Series of Tier 2 Subordinated Notes which change was not reasonably foreseeable by the Issuer as at the Issue Date of such Series, the aggregate outstanding nominal amount of the Tier 2 Subordinated Notes is fully excluded or partially excluded from inclusion in the Tier 2 Subordinated Capital of the Issuer or the Group;

Tier 2 Subordinated Capital means Tier 2 Subordinated Capital as provided under the Applicable Banking Regulations.

8.4 Early Redemption due to MREL Disqualification Event

If, in the case of Senior MREL Notes, Senior Non-Preferred MREL Notes and Senior Subordinated Notes where the MREL Disqualification Event has been specified as applicable in the applicable Final Terms only, following the MREL Requirement Date, a MREL Disqualification Event has occurred and is continuing, then the Issuer may, at its option and having given not less than 30 nor more than 60 days' notice to the Issuing and Principal Paying Agent and, in accordance with Condition 16 (*Notices*), the Noteholders of the relevant Notes (as applicable) (which notice shall be irrevocable and shall specify the date for redemption), elect to redeem in accordance with these Conditions all, but not some only, of the relevant Notes (as applicable) at the Early Redemption Amount referred to in Condition 8.9 (*Early Redemption Amounts*), together (if appropriate) with interest accrued to (but excluding) the date of redemption. Upon the expiry of such notice, the Issuer shall redeem the relevant Notes (as applicable).

The appropriate notice referred to in this Condition is a notice given by the Issuer to the Issuing and Principal Paying Agent and the Noteholders, which notice shall be signed by the Issuer and shall specify:

- (a) that a MREL Disqualification Event has occurred and is continuing;
- (b) that the Issuer has obtained the prior written consent of the Relevant Resolution Authority, provided that at the relevant time such consent is required to be given under Applicable Banking Regulations; and
- (c) the due date for such redemption, which shall be not less than 30 nor more than 60 days after the date on which such notice is validly given.

Any such notice shall be irrevocable and the delivery thereof shall oblige the Issuer to make the redemption therein specified.

Any refusal by the Relevant Resolution Authority to grant its approval as described above will not constitute an event of default under the relevant Notes.

Redemption of Notes pursuant to this Condition 8.4 (*Early Redemption due to MREL Disqualification Event*) will be subject to Condition 8.5 (*Restrictions on early redemption or purchase*).

For the purposes of these Conditions:

Applicable MREL Regulations means, at any time, the laws, regulations, requirements, guidelines and, policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments of the Republic of Poland, and/or of the European Parliament or of the Council of the European Union then in effect in the Republic of Poland or any other relevant jurisdiction giving effect to MREL or any successor principles then applicable to the Issuer and/or the Group, including, without limitation to the generality of the foregoing, CRD, the BRRD and those regulations, requirements, guidelines and policies giving effect to MREL or any successor principles then in effect (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer and/or the Group);

MREL means the “minimum requirement for own funds and eligible liabilities” for credit institutions under the BRRD, set in accordance with Article 45 of the BRRD (as transposed in Poland or any other relevant jurisdiction), Commission Delegated Regulation (EU) 2016/1450 of 23 May 2016, supplementing Directive 2014/59/EU of the European Parliament and of the Council with regard to regulatory technical standards specifying the criteria relating to the methodology for setting the minimum requirement for own funds and eligible liabilities, or any successor requirement under the EU legislation and relevant implementing legislation and regulation in Poland or any other relevant jurisdiction;

MREL Disqualification Event means in respect of the Senior Subordinated Notes, Senior Non-Preferred MREL Notes and Senior MREL Notes, the determination by the Issuer that, as a result of any implementation of, or change (or any pending amendment, change or replacement which the Relevant Resolution Authority considers sufficiently certain), in the relevant Applicable Banking Regulations or any change in the official application or interpretation thereof by the Resolution Authority, becoming effective on or after the Issue Date of the relevant Series of the Notes, the whole or any part of the outstanding aggregate principal amount of Notes of such Series at any time is not included in, ceases or (in the opinion of the Issuer or the Relevant Resolution Authority) will cease to count towards, the MREL Eligible Liabilities; *provided that* an MREL Disqualification Event shall not occur if such whole or part of the outstanding principal amount of the relevant Series of Notes is not included in, ceases or (in the opinion of the Issuer) will cease to count towards, MREL Eligible Liabilities due to: (a) the remaining maturity of such Notes being less than the minimum period prescribed by the relevant Applicable Banking Regulations; or (b) any applicable limits on the amount of “eligible liabilities” (or any equivalent or successor term) permitted or allowed to meet any MREL Requirements applicable to the Issuer and/or the Group being exceeded;

MREL Requirement Date means the time from which the Issuer and/or the Group is obliged to meet any MREL Requirements; and

MREL Requirements means the minimum requirement for own funds and eligible liabilities **applicable** to the Issuer and/or the Group under the Applicable MREL Regulations.

8.5 Restrictions on early redemption or purchase

- (a) The Issuer may redeem in accordance with the terms of these Conditions (and give notice thereof to the Noteholders) or purchase the Senior MREL Notes, Senior Non-Preferred MREL Notes, Senior Subordinated Notes and Tier 2 Subordinated Notes only if such redemption or purchase is in accordance with the Applicable Banking Regulations and, if required under the Applicable Banking Regulations, it has been granted the approval of or permission from (in the case of the Tier 2 Subordinated Notes) the Competent Authority or (in the case of the Senior MREL Notes, Senior Non-Preferred MREL Notes or Senior Subordinated Notes) the Relevant Resolution Authority, which requires that:
 - (i) before or at the same time as such redemption or repurchase of any Notes, the Issuer replaces such Notes with own funds instruments (or, in the case of the Senior MREL Notes, Senior Non-Preferred MREL Notes or Senior Subordinated Notes, eligible liabilities instruments) of an equal or higher quality at terms that are sustainable for its income capacity; or
 - (ii) the Issuer has demonstrated to the satisfaction of the Competent Authority (in the case of Tier 2 Subordinated Notes) or the Relevant Resolution Authority (in the case of the Senior MREL Notes, Senior Non-Preferred MREL Notes or

Senior Subordinated Notes) that its own funds and eligible liabilities would, following such redemption or repurchase, exceed the requirements (in the case of Senior MREL Notes, Senior Non-Preferred MREL Notes or Senior Subordinated Notes, for own funds and eligible liabilities) under CRD and BRRD by a margin that (in the case of Senior MREL Notes, Senior Non-Preferred MREL Notes or Senior Subordinated Notes) the Relevant Resolution Authority, in agreement with the Competent Authority, or (in the case of Tier 2 Subordinated Notes) the Competent Authority, considers necessary; or

- (iii) in the case of the Senior MREL Notes, Senior Non-Preferred MREL Notes or Senior Subordinated Notes only, the Issuer has demonstrated to the satisfaction of the Relevant Resolution Authority that the partial or full replacement of the eligible liabilities with own funds instruments is necessary to ensure compliance with the own funds requirements laid down in the CRD for continuing authorisation; and
- (iv) in the case of redemption of Tier 2 Subordinated Notes before five years after the Issue Date of the last Tranche of such Series of Notes if the conditions listed in sub-paragraph (i) or (ii) above and one of the following conditions are met:
 - (A) in the case of redemption due to the occurrence of a Capital Disqualification Event, (i) the Competent Authority considers such change to be sufficiently certain and (ii) the Issuer demonstrates to the satisfaction of the Competent Authority that the change in the regulatory classification of the Tier 2 Subordinated Notes was not reasonably foreseeable at the Issue Date of the last Tranche of the Tier 2 Subordinated Notes; or
 - (B) in the case of redemption due to the occurrence of a taxation reason, the Issuer demonstrates to the satisfaction of the Competent Authority that the change in tax treatment is material and was not reasonably foreseeable at the Issue Date of the most recent Tranche of the Notes of the relevant Series; or
 - (C) before or at the same time as such redemption or repurchase of the relevant Notes, the Issuer replaces the Notes with own funds instruments of an equal or higher quality at terms that are sustainable for its income capacity and the Competent Authority has permitted that action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances; or
 - (D) the Notes are repurchased for market-making purposes.
- (b) Any refusal by (in the case of the Tier 2 Subordinated Notes) the Competent Authority or (in the case of the Senior MREL Notes, Senior Non-Preferred MREL Notes or Senior Subordinated Notes) the Relevant Resolution Authority to grant its approval or permission as described above will not constitute an event of default under the relevant Notes.

8.6 Redemption at the option of the Issuer (Issuer Call)

If Issuer Call is specified as being applicable in the applicable Final Terms, the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in applicable Final Terms to the Noteholders in accordance with Condition 16 (*Notices*) (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all (but not some only) of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date.

In the case of the Senior MREL Notes, Senior Non-Preferred MREL Notes or Subordinated Notes, redemption at the option of the Issuer pursuant to this Condition 8.6 will be subject to Condition 8.5 (*Restrictions on early redemption or purchase*).

8.7 Clean-up Call Option

If (i) Clean-up Call Option is specified in the relevant Final Terms as being applicable and (ii) the Clean-up Call Minimum Percentage (or more) of the principal amount outstanding of the Notes originally issued has been redeemed or purchased and subsequently cancelled in accordance with this Condition 8, the Issuer may, from (and including) the Clean-up Call Effective Date (but subject, in the case of Senior MREL Notes, Senior Non-Preferred MREL Notes, Senior Subordinated Notes and Tier 2 Subordinated Notes, to Condition 8.5 (*Restrictions on early redemption or purchase*), having given not more than the maximum period nor less than minimum period of notice specified in the relevant Final Terms to the Fiscal Agent and, in accordance with Condition 16 (*Notices*), to the Noteholders, at any time redeem all (but not some only) of the Notes then outstanding at the Clean-up Call Option Amount specified in the relevant Final Terms together, if applicable, with unpaid interest accrued to (but excluding) such date fixed for redemption. Upon the expiry of such notice, the Issuer shall be bound to redeem the Notes accordingly.

For the purposes of this Condition 8.7, any further notes issued pursuant to Condition 18 (*Further Issues*) so as to be consolidated and form a single Series with the Notes outstanding at that time will be deemed to have been originally issued.

In these Conditions:

Clean-up Call Minimum Percentage means 75% or such other percentage specified in the relevant Final Terms; and

Clean-up Call Effective Date means (i) in the case of Senior MREL Notes and Senior Non-Preferred MREL Notes, the Issue Date of the first Tranche of the Notes and (ii) in the case of Senior Subordinated Notes and Tier 2 Subordinated Notes, the date specified in the relevant Final Terms or such earlier date as may be permitted under the requirements for MREL Eligible Liabilities and/or the Applicable Banking Regulations (as applicable) from time to time.

8.8 Redemption at the option of the Noteholders (Investor Put)

This Condition 8.8 applies to Ordinary Senior Notes.

If, in respect of the Ordinary Senior Notes, Investor Put is specified as being applicable in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 16 (*Notices*) not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms, the Issuer will, upon the expiry of such notice,

redeem such Ordinary Senior Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

To exercise the right to require redemption of this Note the holder of this Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a **Put Notice**) and in which the holder must specify a bank account to which payment is to be made under this Condition and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2.2 (*Transfers of Registered Notes in definitive form*). If this Note is in definitive bearer form, the Put Notice must be accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control.

If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Issuing and Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on their instruction by Euroclear, Clearstream, Luxembourg or any common depositary or common safekeeper, as the case may be for them to the Issuing and Principal Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time.

Any Put Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg by a holder of any Note pursuant to this Condition 8.8 shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and is continuing, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 8.8 and instead to declare such Note forthwith due and payable pursuant to Condition 11 (*Events of Default*).

8.9 Early Redemption Amounts

For the purpose of Conditions 8.2 (*Redemption for tax reasons*), 8.3 (*Early Redemption due to Capital Disqualification Event*), 8.4 (*Early Redemption due to MREL Disqualification Event*) and Condition 11 (*Events of Default*):

- (a) each Note (other than a Zero Coupon Note) will be redeemed at its Early Redemption Amount; and
- (b) each Zero Coupon Note will be redeemed at its Early Redemption Amount calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = \text{RP} \times (1 + \text{AY})^y$$

where:

RP means the Reference Price;

AY means the accrual yield expressed as a decimal; and

y is the Day Count Fraction specified in the applicable Final Terms which will be either (i) 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the -actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365).

8.10 Purchases

Subject to Condition 8.5 (*Restrictions on early redemption or purchase*), the Issuer or any Subsidiary of the Issuer may at any time purchase Notes (provided that, in the case of definitive Bearer Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent and/or the Registrar for cancellation.

Tier 2 Subordinated Notes may only be purchased by the Issuer or any of the Issuer's subsidiaries, if and to the extent permitted by the Applicable Banking Regulations at the relevant time the Notes to be purchased: (a) comply with any applicable threshold as may be requested or required by the Relevant Resolution Authority from time to time; and (b) are purchased in order to be surrendered to any Paying Agent for cancellation.

Any refusal by (in the case of the Tier 2 Subordinated Notes) the Competent Authority or (in the case of the Senior MREL Notes, the Senior Non-Preferred Notes or the Senior Subordinated Notes) the Relevant Resolution Authority to grant approval or permission as described above will not constitute an Event of Default under the relevant Notes.

8.11 Cancellation

All Notes which are redeemed, substituted or purchased and elected by the Issuer to be cancelled pursuant to Condition 8.10 (*Purchases*) will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes purchased and cancelled pursuant to Condition 8.10 above (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Issuing and Principal Paying Agent and cannot be reissued or resold.

8.12 Late Payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 8.1 (*Redemption at maturity*), 8.2 (*Redemption for tax reasons*), 8.3 (*Early Redemption due to Capital Disqualification Event*), 8.4 (*Early Redemption due to MREL Disqualification Event*), 8.5 (*Restrictions on early redemption or purchase*), 8.6 (*Redemption at the option of the Issuer (Issuer Call)*), 8.7 (*Clean-up Call Option*) or 8.8 (*Redemption at the option of the Noteholders (Investor Put)*) above or upon its becoming due

and repayable as provided in Condition 11 (*Events of Default*) is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 8.9(b) as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (a) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Issuing and Principal Paying Agent or the Registrar and notice to that effect has been given to the Noteholders in accordance with Condition 16 (*Notices*).

9. TAXATION

All amounts payable in respect of the Notes (whether in respect of interest or, in the case of Ordinary Senior Notes only, principal, redemption amount or otherwise) by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties or charges of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding or deduction in the case of Ordinary Senior Notes, or interest only, in the case of Senior MREL Notes, Senior Non-Preferred MREL Notes, Senior Subordinated Notes or Tier 2 Subordinated Notes, as would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction, except that no such additional amounts shall be payable in respect of any Note or Coupon:

- (a) the holder of which is liable for such taxes, duties or charges in respect of such Note or Coupon by reason of its having some connection with a Tax Jurisdiction other than the mere holding of the Note or Coupon; or
- (b) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 7 (*Payments*)).

Notwithstanding any other provision of these Conditions, in no event will the Issuer be required to pay any additional amounts in respect of the Notes and Coupons for, or on account of, any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, or any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

As used herein:

- (i) **Tax Jurisdiction** means the Republic of Poland, or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which payments made by the Issuer of principal and interest on the Notes become generally subject; and

- (ii) **the Relevant Date** means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Issuing and Principal Paying Agent or the Registrar, as the case may be, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 16 (*Notices*).

10. PRESCRIPTION

The Notes (whether in bearer or registered form) and Coupons will become void unless claims in respect of principal and/or interest are made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 9 (*Taxation*)) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 7.2 (*Presentation of definitive Bearer Notes and Coupons*) or any Talon which would be void pursuant to Condition 7.2 (*Presentation of definitive Bearer Notes and Coupons*).

11. EVENTS OF DEFAULT

11.1 Events of Default relating to Ordinary Senior Notes

This Condition 11.1 only applies to Ordinary Senior Notes.

If any one or more of the following events (each an **Event of Default**) shall occur and be continuing:

- (a) Non-payment

A default is made in the payment of any principal or interest due in respect of the Ordinary Senior Notes on the due date for payment thereof and such default continues for a period of seven days in the case of interest and/or principal; or

- (b) Breach of other obligations

The Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Ordinary Senior Notes or under the Agency Agreement and (except in any case where the default is incapable of remedy when no such continuation or notice as in hereinafter mentioned will be required) such default continues for more than 30 days following service by a holder of Ordinary Senior Notes on the Issuer requiring the same to be remedied; or

- (c) Cross-default of Issuer or Material Subsidiary

- (A) any Relevant Indebtedness of the Issuer or any of its Material Subsidiaries is not paid when due or (as the case may be) within any originally applicable grace period; or

- (B) any such Relevant Indebtedness becomes (or becomes capable of being declared) due and payable prior to its stated maturity otherwise than at the option of the Issuer, or (as the case may be) the relevant Material Subsidiary or (**provided that** no event of default, howsoever described, has occurred) any Person entitled to such Relevant Indebtedness;

provided that the amount of Relevant Indebtedness referred to in sub-paragraph (A) and/or sub-paragraph (B) above individually or in the aggregate exceeds EUR 50,000,000 (or its equivalent in any other currency or currencies); or

(d) Insolvency etc.

(A) the Issuer or any of its Material Subsidiaries becomes insolvent or is unable to pay its debts as they fall due, (B) an administrator or liquidator is appointed (or application for any such appointment is made) in respect of the Issuer or any of its Material Subsidiaries or the whole or a substantial part of the undertaking, assets and revenues of the Issuer, or any of its Material Subsidiaries, or (C) the Issuer, or any of its respective Material Subsidiaries takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its Relevant Indebtedness; or

(e) Winding up etc.

An order is made by any competent court or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer, or any of its Material Subsidiaries (otherwise than, in the case of a Material Subsidiary of the Issuer, for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent); or

(f) Analogous event

Any event occurs which under the laws of Republic of Poland has an analogous effect to any of the events referred to in paragraphs (d) and (e) above; or

(g) Cessation of business

The Issuer or any of its Material Subsidiaries (i) ceases or threatens to cease to carry on all or any substantial part of its business or operations (otherwise than, in the case of a Material Subsidiary of the Issuer, for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent) or, in the case of the Issuer, it substantially changes its business or (ii) stops or threatens to stop payment of, or admits inability to, pay its debts as they fall due or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law; or

(h) Withdrawal of banking licence

If the banking operations of the Issuer are suspended or the Issuer's banking licence is withdrawn pursuant to applicable Polish banking law; or

(i) Unlawfulness

It is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Ordinary Senior Notes.

11.2 Definitions

For the purposes of the Conditions:

Auditors means the auditors for the time being of the Issuer or, in the event of their being unable or unwilling promptly to carry out any action requested of them pursuant to the

provisions of these presents, such other firm of chartered accountants as the Issuer may appoint for the purposes of these presents;

Material Subsidiary means any Subsidiary of the Issuer: (a) whose gross revenues (consolidated in the case of a Subsidiary which itself has Subsidiaries) or whose total assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) represent not less than 15 per cent. of the consolidated gross revenues of the Issuer, or, as the case may be, consolidated total assets, of the Issuer and its Subsidiaries taken as a whole, all as calculated respectively by reference to the then latest audited accounts (consolidated, or, as the case may be, unconsolidated) of the Subsidiary and the then latest audited consolidated accounts of the Issuer and its Subsidiaries; or (b) to which is transferred the whole or substantially the whole of the undertaking and assets of a Subsidiary of the Issuer which immediately before the transfer is a Material Subsidiary of the Issuer, all as more particularly defined in the Agency Agreement. A certificate by the Management Board of the Issuer confirming that in their opinion a Subsidiary of the Issuer is or is not or was or was not at any particular time a Material Subsidiary of the Issuer accompanied by a report of the Auditors addressed to the Issuer (as to proper extraction of the figures used by the Management Board of the Issuer in determining the Material Subsidiaries of the Issuer and mathematical accuracy of the calculation) shall, in the absence of manifest error, be conclusive and binding on all parties.

Subsidiary means any company or corporation: (A) which is controlled, directly or indirectly, by the first-mentioned company or corporation; or (B) more than half the issued share capital of which is beneficially owned, directly or indirectly, by the first-mentioned company or corporation; or (C) which is a Subsidiary of another Subsidiary of the first-mentioned company or corporation, and, for these purposes, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body.

11.3 Events of Default relating to Senior MREL Notes, Senior Non-Preferred MREL Notes or Senior Subordinated Notes and Tier 2 Subordinated Notes

Save as provided below, there are no events of default under the Senior MREL Notes, Senior Non-Preferred MREL Notes or Senior Subordinated Notes or Tier 2 Subordinated Notes, which could lead to an acceleration of the relevant Senior MREL Notes, Senior Non-Preferred MREL Notes or Senior Subordinated Notes or Tier 2 Subordinated Notes.

However, if an order is made by any competent court commencing insolvency proceedings against the Issuer or if any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer and such order is continuing, then any Holder of a Note may, unless there has been a resolution to the contrary by the Noteholders, by written notice addressed by the Noteholder thereof to the Issuer and delivered to the Issuer and to the specified office of the Issuing and Principal Paying Agent (and addressed to the Issuer), that the Notes shall be declared immediately due and payable, whereupon the principal amount of such Notes together with any accrued and unpaid interest thereon to the date of payment shall become immediately due and payable without further action or formality.

11.4 Notices relating to Events of Default

Neither a reduction or cancellation, in part or in full, of the principal or any other redemption amount of, or any interest on, the Notes or any other outstanding amounts due under or in respect of the Notes, the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of any Polish bail-in power by the Competent Authority with respect to the Issuer, nor the exercise of any Polish bail-in power by the

Competent Authority with respect to the Notes pursuant to Condition 21 (*Acknowledgement of Bail-in and Loss Absorption Powers*), will be an Event of Default.

11.5 Occurrence of Event of Default

Subject to Condition 11.3 (*Events of Default relating to Senior MREL Notes, Senior Non-Preferred MREL Notes or Senior Subordinated Notes and Tier 2 Subordinated Notes*) if any Event of Default shall occur and be continuing in relation to any Series of Ordinary Senior Notes, any holder of a Note of the relevant Series may, by written notice to the Issuer, at the specified office of the Issuing and Principal Paying Agent effective upon the date of receipt thereof by the Issuing and Principal Paying Agent, declare any such Note held by the holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at its Early Redemption Amount, together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

12. SUBSTITUTION AND VARIATION

If Substitution and Variation is specified in the relevant Final Terms as being applicable to the Notes (other than Ordinary Senior Notes) and (i) a Capital Disqualification Event, (ii) an MREL Disqualification Event or (iii) a circumstance giving rise to the right of the Issuer to redeem the Notes for taxation reasons under Condition 8.2 (*Redemption for tax reasons*) occurs and is continuing, or to ensure the effectiveness or enforceability of Condition 21 (*Acknowledgement of Bail-in and Loss Absorption Powers*), the Issuer may substitute all (but not some only) of the Notes (as the case may be) or modify the terms of all (but not some only) of the Notes, without any requirement for the consent or approval of the Noteholders, so that they are substituted for, or varied to, become, or remain, Qualifying Notes, subject to having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 16 (*Notices*) and the Issuing and Principal Paying Agent (which notice shall be irrevocable and shall specify the date for substitution or, as applicable, variation), and subject to obtaining the prior consent of the Competent Authority if and as required therefor under Applicable Banking Regulations and in accordance with Applicable Banking Regulations in force at the relevant time, provided that such variation or substitution would not itself directly lead to a downgrade in any of the credit ratings solicited by the Issuer of the Notes as assigned to such Notes by any Rating Agency immediately prior to such variation or substitution (unless any such downgrade is solely attributable to the effectiveness and enforceability of Condition 21 (*Acknowledgement of Bail-in and Loss Absorption Powers*)).

Any refusal by (in the case of the Tier 2 Subordinated Notes) the Competent Authority or (in the case of Senior MREL Notes, Senior Non-Preferred MREL Notes or Senior Subordinated Notes) the Relevant Resolution Authority to grant its approval as described above will not constitute an event of default under the relevant Notes.

Any such notice shall specify the relevant details of the manner in which such substitution or variation shall take effect and where the Noteholders can inspect or obtain copies of the new Conditions of the Notes. Such substitution or variation will be effected without any cost or charge to the Noteholders.

Noteholders shall, by virtue of subscribing or purchasing and holding any Notes, be deemed to accept the substitution or variation of the terms of such Notes and to grant to the Issuer full power and authority to take any action and/or to execute and deliver any document in the name and/or on behalf of the Noteholders which is necessary or convenient to complete the substitution or variation of the terms of the Notes.

In these Conditions:

Qualifying Notes means, at any time, any securities denominated in the Specified Currency and issued directly by the Issuer that, other than in respect of the effectiveness and enforceability of Condition 21 (*Acknowledgement of Bail-in and Loss Absorption Powers*), have terms not otherwise materially less favourable to the Noteholders than the terms of the Notes, provided that the Issuer shall have delivered a certificate signed by two authorised signatories to that effect to the Noteholders not less than five Business Days prior to (x) in the case of a substitution of the Notes pursuant to this Condition 12, the issue date of the relevant securities or (y) in the case of a variation of the Notes pursuant to this Condition 12, the date such variation becomes effective, provided that such securities shall:

- (a) (i) in the case of Senior MREL Notes, Senior Non-Preferred MREL Notes or Senior Subordinated Notes, if the MREL Requirement Date has occurred, contain terms which comply with the then-current requirements for MREL Eligible Liabilities as embodied in the Applicable MREL Regulations, and (ii) in the case of Tier 2 Subordinated Notes, contain terms which comply with the then-current requirements for their inclusion in the Tier 2 Subordinated Capital of the Issuer; and
- (b) carry the same Rate of Interest as the Notes prior to the relevant substitution or variation pursuant to this Condition 12 (*Substitution and variation*); and
- (c) have the same redemption rights as the Notes; and
- (d) have the same denomination and aggregate outstanding principal amount as the Notes prior to the relevant substitution or variation pursuant to this Condition 12 (*Substitution and variation*); and
- (e) have the same date of maturity and the same dates for payment of interest as the Notes prior to the relevant substitution or variation pursuant to this Condition 12 (*Substitution and variation*); and
- (f) have a ranking at least equal to the Notes; and
- (g) not, immediately following such substitution or variation, be subject to a Capital Disqualification Event, an MREL Disqualification Event and/or an early redemption right for taxation reasons according to Condition 8.2 (*Redemption for tax reasons*), as applicable; and
- (h) be listed or admitted to trading on any stock exchange as selected by the Issuer, if the Notes were listed or admitted to trading on a stock exchange immediately prior to the relevant substitution or variation pursuant to this Condition 12 (*Substitution and variation*).

13. REPLACEMENT OF NOTES, COUPONS AND TALONS

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Issuing and Principal Paying Agent (in the case of Bearer Notes or Coupons) or the Registrar (in the case of Registered Notes) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

14. AGENTS

The initial Agents are set out above. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the applicable Final Terms.

The Issuer is entitled to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, provided that:

- (a) there will at all times be a Issuing and Principal Paying Agent and a Registrar;
- (b) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent (in the case of Bearer Notes) and a Transfer Agent (in the case of Registered Notes) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority; and
- (c) there will at all times be a Paying Agent in a jurisdiction within Europe, other than the jurisdiction in which the Issuer is incorporated.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 7.5 (*General provisions applicable to payments*). Notice of any variation, termination, appointment or change in Paying Agents will be given to the Noteholders promptly by the Issuer in accordance with Condition 16 (*Notices*).

In acting under the Agency Agreement, the Agents act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Noteholder or Couponholder. The Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

15. EXCHANGE OF TALONS

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 10 (*Prescription*).

16. NOTICES

All notices regarding the Bearer Notes will be deemed to be validly given if published (a) in a leading English language daily newspaper of general circulation in London and on the Issuer's website <https://www.pekao.com.pl/en/investors-relations.html> and (b) if and for so long as the Notes are admitted to trading on, and listed on the Official List of, the Luxembourg Stock Exchange, a daily newspaper of general circulation in Luxembourg or the Luxembourg Stock Exchange's website, www.luxse.com. It is expected that any such publication in a newspaper will be made in the *Financial Times* in London and the *Luxemburger Wort* in Luxembourg. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading including publication on the website

of the relevant stock exchange or relevant authority if required by those rules. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

All notices regarding the Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published on the website of the relevant stock exchange or relevant authority and/or in a daily newspaper of general circulation in the place or places required by those rules.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) or such websites or such mailing the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published on the website of the relevant stock exchange or relevant authority and/or in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on the second day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Issuing and Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Issuing and Principal Paying Agent or the Registrar through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Issuing and Principal Paying Agent, the Registrar and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

17. MEETINGS OF NOTEHOLDERS, MODIFICATION AND SUBSTITUTION

The Agency Agreement contains provisions for convening meetings (including by way of conference call or by use of a videoconference platform) of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Coupons or any of the provisions of the Agency Agreement. Such a meeting may be convened by the Issuer and shall be convened by the Issuer if required in writing by Noteholders holding not less than five per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50 per cent in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes or the Coupons (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes or the Coupons or amending the Deed of Covenant in certain respects), the quorum shall be one or more persons holding or representing not less than two-thirds in

nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in nominal amount of the Notes for the time being outstanding. The Agency Agreement provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Agency Agreement by a majority consisting of not less than three-fourths of the votes cast on such resolution, (ii) a resolution in writing signed by or on behalf of the holders of not less than three-fourths in nominal amount of the Notes for the time being outstanding or (iii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Issuing and Principal Paying Agent) by or on behalf of the holders of not less than three-fourths in nominal amount of the Notes for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Noteholders. An Extraordinary Resolution passed by the Noteholders will be binding on all the Noteholders, whether or not they are present at any meeting, and whether or not they voted on the resolution, and on all Couponholders.

The Issuing and Principal Paying Agent and the Issuer may agree, without the consent of the Noteholders or Couponholders, to:

- (a) any modification (except such modifications in respect of which an increased quorum is required as mentioned above) of the Notes, the Coupons, the Deed of Covenant or the Agency Agreement which is not prejudicial to the interests of the Noteholders; or
- (b) any modification of the Notes, the Coupons, the Deed of Covenant or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law.

Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 16 (*Notices*) as soon as practicable thereafter.

The Issuer, or any previously substituted company, may, at any time, without the consent of the Noteholders and Couponholders, (but subject to, other than in respect of Ordinary Senior Notes, compliance with the relevant Applicable Banking Regulations and/or MREL requirements) substitute for itself as principal debtor under the Notes and the Coupons any company (the **Substitute**) that is a Subsidiary of the Issuer, provided that no payment in respect of the Notes or the Coupons is at the relevant time overdue. The substitution shall be made by a deed poll (the **Deed Poll**), to be substantially in the form scheduled to the Agency Agreement as Schedule 7, and may take place only if (i) the Substitute shall, by means of the Deed Poll, agree to indemnify each Noteholder against any tax, duty, assessment or governmental charge that is imposed on it by, or by any authority in or of, the jurisdiction of the country of the Substitute's residence for tax purposes and, if different, of its incorporation with respect to any Note, Coupon or the Deed of Covenant and that would not have been so imposed had the substitution not been made, as well as against any tax, duty, assessment or governmental charge, and any cost or expense, relating to the substitution, (ii) the obligations of the Substitute under the Deed Poll, the Notes, Coupons and the Deed of Covenant shall be unconditionally guaranteed by the Issuer by means of the Deed Poll, (iii) all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Deed Poll, the Agency Agreement, the Notes, Coupons and Deed of Covenant represent valid, legally binding and enforceable obligations of the Substitute and in the case of the Deed Poll of the Issuer have been taken, fulfilled and done and are in full force and effect, (iv) the Substitute shall have become party to the Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it and shall assume the obligations of the Issuer under the Deed of Covenant relating to the Notes, (v) legal opinions addressed to the holders of Notes shall have been delivered to them (care of the Issuing and Principal Paying

Agent) from a lawyer or firm of lawyers with a leading securities practice in each jurisdiction referred to in limb (i) above and in England as to the fulfilment of the preceding conditions of limb (iii) above and the other matters specified in the Deed Poll; (vi) the Substitute shall have delivered to the Noteholders (care of the Issuing and Principal Paying Agent) a certificate signed by two authorised signatories of the Substitute that the Substitute is solvent at the time at which the substitution is proposed to be effected, (vii) the Substitute, if incorporated in a jurisdiction other than England, shall have appointed an agent to receive, for and on its behalf, service of process in any proceedings in England, (viii) each listing authority and stock exchange (if any) on which the Notes are then admitted to listing or trading shall have confirmed that, following the proposed substitution, the Notes will be admitted to listing or trading by such listing authority or stock exchange; (ix) such substitution shall not give rise to a right to redeem the Notes pursuant to Condition 8.3 (*Early Redemption due to Capital Disqualification Event*) or Condition 8.4 (*Early Redemption due to MREL Disqualification Event*); and (x) the Issuer shall have given at least 14 days' prior notice of such substitution to the holders of Notes, stating that copies or, pending execution, the agreed text of all documents in relation to the substitution that are referred to above, or that might otherwise reasonably be regarded as material to holders of Notes, shall be available for inspection at the specified office of each of the Paying Agents. References in Condition 11 (*Events of Default*) to obligations under the Notes shall be deemed to include obligations under the Deed Poll, and, the events listed in Condition 11 (*Events of Default*) shall be deemed to include that guarantee not being (or being claimed by the guarantor not to be) in full force and effect.

18. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue and so that the same shall be consolidated and form a single Series with the outstanding Notes.

19. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

20. GOVERNING LAW AND SUBMISSION TO JURISDICTION

20.1 Governing law

The Agency Agreement, the Deed of Covenant, the Notes and the Coupons and any non-contractual obligations arising out of or in connection with the Agency Agreement, the Deed of Covenant, the Notes and the Coupons are governed by, and construed in accordance with, English law except that the provisions of Condition 3 (*Status of the Notes*), Condition 21 (*Acknowledgement of Bail-in and Loss Absorption Powers*), and Condition 22 (*Recognition of Stay Powers*) which shall be governed by, and construed in accordance with, Polish law.

20.2 Submission to jurisdiction

- (a) Subject to Condition 20.2(c) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Notes and/or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising

out of or in connection with the Notes and/or the Coupons (a **Dispute**) and accordingly each of the Issuer and any Noteholders or Couponholders in relation to any Dispute submits to the exclusive jurisdiction of the English courts.

- (b) For the purposes of this Condition 20.2, the Issuer waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.
- (c) To the extent allowed by law, the Noteholders and the Couponholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court that would be competent to hear the Dispute pursuant to Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (recast) or the Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters signed on 30 October 2007; and (ii) concurrent proceedings in any number of those jurisdictions.

20.3 Appointment of Process Agent

The Issuer irrevocably appoints Elemental Process Agent Limited as its agent for service of process, in any proceedings before the English courts in relation to any Dispute, and agrees that, in the event of Elemental Process Agent Limited being unable or unwilling for any reason so to act, it will immediately appoint another person as its agent for service of process in England in respect of any Dispute. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing herein shall affect the right to serve process in any other manner permitted by law.

20.4 Other documents

The Issuer has in the Agency Agreement and the Deed of Covenant submitted to the jurisdiction of the English courts and appointed an agent for service of process in terms substantially similar to those set out above.

21. ACKNOWLEDGEMENT OF BAIL-IN AND LOSS ABSORPTION POWERS

Notwithstanding, and to the exclusion of, any other term of the Notes or any other agreements, arrangements or understanding between the Issuer and any Noteholder, by its subscription or purchase and holding of the Notes, each Noteholder (which, for the purposes of this Condition 21, includes each holder of a beneficial interest in the Notes), acknowledges and accepts that any liability arising under the Notes may be subject to the exercise of Bail-in and Loss Absorption Powers by the Competent Authority and/or the Relevant Resolution Authority and acknowledges, accepts, consents to and agrees to be bound by:

- (a) the effect of the exercise of any Bail-in and Loss Absorption Powers by the Competent Authority and/or the Relevant Resolution Authority, which may be imposed with or without any notice with respect to the Notes and which exercise (without limitation) may include and result in any of the following, or a combination thereof:
 - (i) the reduction or cancellation of all, or a portion, of the Relevant Amounts due in respect of the Notes and/or Coupons;
 - (ii) the conversion of all, or a portion, of the Relevant Amounts in respect of the Notes and/or Coupons into shares, other securities or other obligations of the Issuer or another person, and the issue to or conferral on the Noteholder, Couponholder of such shares, securities or obligations, including by means of

- an amendment, modification or variation of the terms of the Notes and/or Coupons (in which case the Noteholder or the Couponholder agrees to accept, in lieu of its rights under the Notes and/or Coupons, any such shares, securities or other obligations of the Issuer or another person);
- (iii) the cancellation of the Notes and/or the Coupons;
 - (iv) amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date(s) on which interest becomes payable, including by suspending payment for a temporary period; and
 - (v) the variation of the terms of the Notes, if necessary, to give effect to the exercise of any Polish bail-in power by the Competent Authority and/or the Relevant Resolution Authority.
- (b) By its subscription or purchase of the Notes, each Noteholder (including, for these purposes, each holder of a beneficial interest in the Notes): (i) acknowledges, accepts, consents and agrees to be bound by the exercise of any Bail-in and Loss Absorption Powers as may be exercised without any prior notice by the Competent Authority and/or the Relevant Resolution Authority of its decision to exercise such power with respect to such Notes; and (ii) shall be deemed to have authorised, directed and requested Euroclear and Clearstream, Luxembourg, any accountholder in Euroclear or Clearstream, Luxembourg or other intermediary through which it holds such Notes to take any and all necessary action, if required, to implement the exercise of any Bail-in and Loss Absorption Powers with respect to such Notes as it may be exercised, without any further action or direction on the part of such Noteholder or any Agent.
- (c) Upon the Issuer and/or any member of the Group being informed and notified by the Competent Authority and/or Relevant Resolution Authority of the exercise of any Bail-in and Loss Absorption Powers by the Competent Authority and/or the Relevant Resolution Authority with respect to the Notes, the Issuer will provide a written notice to the Noteholders in accordance with Condition 16 (*Notices*) as soon as practicable regarding such exercise of the Bail-in and Loss Absorption Powers. The Issuer will also deliver a copy of such notice to the Agents for information purposes. Each Noteholder acknowledges, accepts, consents and agrees that any delay or failure by the Issuer to notify the Noteholders under this paragraph shall not affect (or be deemed to operate to affect) the validity and enforceability of the exercise of Bail-in and Loss Absorption Powers by the Competent Authority and/or the Relevant Resolution Authority.
- (d) Neither a reduction or cancellation, in part or in full, of the principal or any other redemption amount of, or any interest on, the Notes or any other outstanding amounts due under or in respect of the Notes, the conversion thereof into another security or obligation of the Issuer or another person or the variation of the terms of the Notes, as a result of the exercise of any Bail-in and Loss Absorption Powers by the Competent Authority and/or the Relevant Resolution Authority with respect to the Issuer, nor the exercise of any Bail-in and Loss Absorption Powers by the Competent Authority and/or the Relevant Resolution Authority with respect to the Notes pursuant to this Condition 21, will be an Event of Default.

In these Conditions:

Bail-in and Loss Absorption Powers means any loss absorption, write-down, conversion, transfer, modification, suspension or similar or resolution-related power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in the Republic of Poland, relating to (i) the transposition of the BRRD and (ii) the instruments, rules and standards created under the BRRD pursuant to which any obligation of the Issuer (or any affiliate of the Issuer) can be reduced, cancelled, modified, or converted into shares, other securities or other obligations of the Issuer or any other person (or suspended for a temporary period); and

Relevant Amounts means the outstanding principal amount of the Notes, together with any accrued but unpaid interest and additional amounts due on the Notes. References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of any Bail-in and Loss Absorption Powers by the Competent Authority and/or the Relevant Resolution Authority.

22. RECOGNITION OF STAY POWERS

(a) By its subscription or purchase and holding of the Notes, each Noteholder (which for the purposes of this Condition 22, includes each holder of a beneficial interest in the Notes), where a resolution measure is taken in relation to the Issuer or any member of the same group as the Issuer which is an EU BRRD undertaking:

- (i) acknowledges and accepts that the Notes may be subject to the exercise of Stay Powers;
- (ii) acknowledges and accepts that it is bound by the application or exercise of any such Stay Powers; and
- (iii) confirms that this Condition 22 represents the entire agreement with the Issuer on the potential impact of Stay Powers in respect of the Notes, to the exclusion of any other agreement, arrangement or understanding between parties,

to the extent that such Stay Powers apply to the Notes.

(b) In accordance with Article 68 (Exclusion of certain contractual terms in early intervention and resolution) of the BRRD and any relevant implementing measures in any member state, by its subscription or purchase and holding of the Notes, each Noteholder further acknowledges and agrees that the application or exercise of any such Stay Powers shall not, per se, be deemed to be an enforcement event within the meaning of Directive 2002/47/EC of the European Parliament and of the Council of 6 June 2002 on financial collateral arrangements or as insolvency proceedings within the meaning of Directive 98/26/EC of the European Parliament and of the Council of 19 May 1998 on settlement finality in payment and securities settlement systems, and that Noteholders shall not be entitled to take any of the steps outlined under Article 68(3) of the BRRD and any relevant implementing measures in any member state against the Issuer.

(c) In these Conditions:

Stay Powers means the powers of a relevant resolution authority to suspend or restrict rights and obligations under:

- (i) Article 33a (Power to suspend payment or delivery obligations);

- (ii) Article 69 (Power to suspend payment or delivery obligations);
- (iii) Article 70 (Power to restrict the enforcement of any security interest); and
- (iv) Article 71 (Power to temporarily suspend any termination right),

of the BRRD and any relevant implementing measures in any member state including Articles 142 - 144 of the Act on Bank Guarantee Fund;

EU BRRD undertaking means an entity within the scope of Article 71a of the BRRD and any relevant implementing measures in any EEA member state; and

resolution measure means “resolution” or the application of a “resolution tool”, “crisis prevention measure” or “crisis management measure” within the meaning of the BRRD and any relevant implementing measures in any member state.

FORM OF FINAL TERMS

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (EEA). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended (**MiFID II**); or (ii) a customer within the meaning of Directive 2016/97/EU, (as amended, the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **EU PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.]¹

[PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to, be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (UK). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of the domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (the **EUWA**); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the **FSMA**) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of the domestic law of the UK by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of the domestic law of the United Kingdom by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]²

[NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE: In connection with Section 309B of the Securities and Futures Act 2001 (Chapter 289) of Singapore, as amended, and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), unless otherwise stated in the applicable Final Terms in respect of any Notes, all Notes shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in Monetary Authority of Singapore (the “**MAS**”) Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products))/[.].³

[MIFID II Product Governance/PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU, as amended (as amended, **MiFID II**)/MiFID

¹ Legend to be included on front of the Final Terms if the Notes potentially constitute “packaged” products and no key information document will be prepared in the EEA or the issuer wishes to prohibit offers to EEA retail investors for any other reason, in which case the selling restriction should be specified to be “Applicable”.

² Legend to be included on the front of the Final Terms if the Notes potentially constitute “packaged” products and no key information document will be prepared in the UK or the issuer wishes to prohibit offers to UK retail investors for any other reason, in which case the selling restriction should be specified to be “Applicable”.

³ For any Notes to be offered to Singapore investors, the Issuer to consider whether it needs to re-classify the Notes pursuant to Section 309B of the SFA prior to the launch of the relevant offer (i.e., if the Notes are not prescribed capital markets products pursuant to Section 309B of the SFA or Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products)).

II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[UK MiFIR Product Governance/PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (**COBS**), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law of the UK by virtue of the [European Union (Withdrawal) Act 2018/EUWA] (**UK MiFIR**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.].]

FINAL TERMS

Bank Polska Kasa Opieki S.A.

Legal entity identifier (LEI): 5493000LKS7B3UTF7H35

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

under the EUR 5,000,000,000 Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the **Conditions**) set forth in the base prospectus of the Issuer dated 6 May 2025 [, as supplemented by the supplement(s) to it dated [date]] (the **Base Prospectus**) issued in relation to the EUR 5,000,000,000 Euro Medium Term Note Programme of Bank Polska Kasa Opieki S.A. which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation.

[The following alternative language applies if the first tranche of an issue which is being increased was issued under Base Prospectus with an earlier date.]

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the **Conditions**) set forth in the Base Prospectus dated 13 November 2023 which are incorporated by reference in the Base Prospectus dated 6 May 2025 issued in relation to the EUR 5,000,000,000 Euro Medium Term Note Programme of Bank Polska Kasa Opieki S.A. This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Base Prospectus dated 6 May 2025 [and the supplement[s] to it dated [date] [and [date]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (the **Base Prospectus**), including the Conditions incorporated by reference in the Base Prospectus, in order to obtain all the relevant information.]

The expression **Prospectus Regulation** means Regulation (EU) 2017/1129 (as amended).

This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the Prospectus Regulation and must be read in conjunction with the Base Prospectus and any supplements thereto in order to obtain all the relevant information.

Full information on the Issuer and the offer of the Notes described herein is only available on the basis of a combination of these Final Terms and the Base Prospectus.

The Base Prospectus is available for viewing at the Issuer's website www.pekao.com.pl, and at the offices of the Paying Agents specified in the Base Prospectus. Copies may, upon oral or written request, also be obtained from the Paying Agents upon provision of proof of holding and identity (in a form satisfactory to the relevant Paying Agent).

These Final Terms do not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation; and no action is being taken to permit an offering of the Notes or the distribution of these Final Terms in any jurisdiction where such action is required.

[Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is specified for individual paragraphs or subparagraphs, save in respect of the items in Part B, which may be deleted in accordance with the relevant footnotes. Italics denote guidance for completing the Final Terms.]

[Date]

- | | | | |
|----|-----|--|--|
| 1. | (a) | Series Number: | [] |
| | (b) | Tranche Number: | [] |
| | (c) | Date on which the Notes will be consolidated and form a single Series: | The Notes will be consolidated and form a single Series with <i>[provide issue amount/ISIN/maturity date of earlier Tranches]</i> on <i>[[insert date]/the Issue Date/the date that is 40 days after the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph [] below, which is expected to occur on or about [date]]</i> [Not Applicable] |
| 2. | | Specified Currency or Currencies: | [] |
| 3. | | Aggregate Nominal Amount: | |
| | (a) | Series: | [] |
| | (b) | Tranche: | [] |

4. Issue Price: []% of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]
5. (a) Specified Denominations: []
- (N.B. Notes must have a minimum denomination of €100,000 (or equivalent)).*
- (Note – where Bearer multiple denominations above [€100,000] or equivalent are being used the following sample wording should be followed:*
- “[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000]”.)*
- (b) Calculation Amount (in relation to calculation of interest in respect of Notes in global form or registered definitive form see Conditions): []
- (If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
6. (a) Issue Date: []
- (b) Interest Commencement Date: [[]/Issue Date/Not Applicable]
- (N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*
7. Maturity Date: [Fixed rate – specify date/Floating rate – Interest Payment Date falling in or nearest to [specify month and year]]
- (Tier 2 Subordinated Notes will have a maturity of not less than five years or as otherwise permitted in accordance with Applicable Banking Regulations in force at the relevant time.)*
8. Interest Basis: [[]% Fixed Rate]

[[] month [EURIBOR/WIBOR/Compounded Daily SONIA/Compounded Daily SOFR/Weighted Average SOFR]

+/- []% Floating Rate]

[Zero Coupon]

(see paragraph [13]/[14]/[15] below)

9. Redemption Basis:

Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at []% of their nominal amount

(N.B. In respect of Notes for which a prospectus is required to be published under the Prospectus Regulation, the redemption amount will be 100 per cent. of the nominal amount of the Notes)

10. Change of Interest Basis:

[For the period from (and including) the Interest Commencement Date, up to (but excluding) [date] paragraph [13]/[14] applies and for the period from (and including) [date] to (but excluding) the Maturity Date, paragraph [13]/[14] applies][Not Applicable]

11. Put/Call Options:

Issuer Call pursuant to Condition 8.6 (*Redemption at the option of the Issuer (Issuer Call)*) is [Applicable/Not Applicable]
[See paragraph 16 below]

Issuer Call - Capital Disqualification Event pursuant to Condition 8.3 (*Early Redemption due to Capital Disqualification Event*) is [Applicable/Not Applicable]

(N.B. Only relevant in the case of Tier 2 Subordinated Notes)

Issuer Call - MREL Disqualification Event pursuant to Condition 8.4 (*Early Redemption due to MREL Disqualification Event*) is [Applicable/Not Applicable]

(N.B. Only relevant in the case of Senior MREL Notes, Tier 2 Subordinated Notes,

Senior Subordinated Notes and Senior Non-Preferred MREL Notes)

Clean-up Call pursuant to Condition 8.7 (*Clean-up Call Option*) is [Applicable/Not Applicable]

Investor Put pursuant to Condition 8.8 (*Redemption at the option of the Noteholders (Investor Put)*) is [Applicable/Not Applicable] [See paragraph 17 below]

(N.B. Only relevant in the case of Ordinary Senior Notes)

[(further particulars specified below)]

12. Status of the Notes:

- (a) Senior: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- Status: [Ordinary Senior Notes/Senior MREL Notes/Senior Non-Preferred MREL Notes]
 - Events of Default: [Condition 11.1 (*Events of Default relating to Ordinary Senior Notes*) applies] / [Condition 11.3 (*Events of Default relating to Senior MREL Notes, Senior Non-Preferred MREL Notes or Senior Subordinated Notes and Tier 2 Subordinated Notes*) applies]
- (b) Subordinated: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- Status: [Senior Subordinated Notes/Tier 2 Subordinated Notes]
 - Events of Default: [Condition 11.3 (*Events of Default relating to Senior MREL Notes, Senior Non-Preferred MREL Notes or Senior Subordinated Notes and Tier 2 Subordinated Notes*) applies]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13. Fixed Rate Note Provisions: [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (a) Rate(s) of Interest: ☐ [% per annum payable in arrear on each Interest Payment Date]
- (b) Interest Payment Date(s): ☐ in each year up to and including the Maturity Date]
- (c) Fixed Coupon Amount(s) (and in relation to Notes in global or registered definitive form see Conditions): ☐ per Calculation Amount
- (d) Broken Amount(s) (and in relation to Notes in global or registered definitive form see Conditions): ☐ per Calculation Amount, payable on the Interest Payment Date falling [in/on] ☐ [Not Applicable]
- (e) Day Count Fraction: [30/360] [Actual/Actual (ICMA)]
- (f) Determination Date(s): ☐ in each year] [Not Applicable]

(Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short, first or last, coupon)

- 14. Floating Rate Note Provisions: [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (a) Specified Period(s)/Specified Interest Payment Dates: ☐ [, subject to adjustment in accordance with the Business Day Convention set out in (b) below/, not subject to any adjustment, as the Business Day Convention in (b) below is specified to be Not Applicable]

(“Specified Period” and “Specified Interest Payment Dates” are alternatives. A “Specified Period”, rather than “Specified Interest Payment Dates”, will only be relevant if the Business Day Convention is the Floating Rate Convention. Otherwise, insert “Not Applicable”)

- (b) Business Day Convention: [Floating Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/Not Applicable]
- (c) Additional Business Centre(s): []/[Not Applicable]
- (d) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
- (e) Calculation Agent responsible for calculating the Rate of Interest and Interest Amount (if not the Issuing and Principal Paying Agent): []/[Not Applicable]
- (f) Screen Rate Determination: [Applicable/Not Applicable]

(If not applicable, delete the remaining items of this subparagraph)

- Reference Rate: [] month [EURIBOR]/[WIBOR]/[Compounded Daily SONIA]/[Compounded Daily SOFR]/[Weighted Average SOFR]
- Term Rate [Applicable/Not Applicable]
- Overnight Rate [Applicable/Not Applicable]
- Index Determination: [Applicable/Not Applicable]
- Relevant Number: [[5/[]] [[London Banking Days]/[U.S. Government Securities Business Days]/[Not Applicable]

(If “Index Determination” is “Not Applicable”, delete “Relevant Number” and complete the remaining bullets below)

(If “Index Determination” is “Applicable”, insert number of days (expected to be five or greater) as the Relevant Number, and the remaining bullets below will each be “Not Applicable”)

(NB: A minimum of 5 relevant business/banking days should be specified unless otherwise agreed with the Calculation Agent)

- D [360/365/[]] / [Not Applicable]
- Observation Method [Lag/Lock-out/Observation Shift/Not Applicable]
- Lag Period: [5 / [] [London Banking Days] [U.S. Government Securities Business Days] [Not Applicable]
- Observation Shift Period: [5 / [] [London Banking Days] [U.S. Government Securities Business Days] [Not Applicable]
(NB: A minimum of 5 relevant business/banking days should be specified for the Lag Period or Observation Shift Period, unless otherwise agreed with the Calculation Agent)
- Interest Determination Date(s): [] [TARGET/[]] Business Days [in [] prior to the [] day in each Interest Period/each Interest Payment Date][The [first/[]] [London Banking Day]/[TARGET Business Day] / [U.S. Government Securities Business Day] falling after the last day of the relevant Observation Period][The [first/[]] Banking Day falling after the last day of the relevant Observation Period (where **[City] Banking Day** means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in [City])][]
- Relevant Screen Page: [] [Not Applicable] *(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*
(Select not applicable only if the Conditions do not refer to Relevant Screen Page, such as for Compounded Daily SOFR)
- (g) ISDA Determination [Applicable/Not Applicable]
(If not applicable, delete the remaining items of this subparagraph (g))
(If applicable, and “2006” or “2021 ISDA Definitions” is selected below, note that “Administrator/Benchmark Event”, “Generic Fallbacks” and “Calculation Agent Alternative Rate Determination” are not

workable in a notes context. Amendments will therefore need to be made to the Conditions which will require a drawdown prospectus for the issue.)

- ISDA Definitions: [2006/2021] ISDA Definitions
- Floating Rate Option: []
(If “2006” or “2021 ISDA Definitions” is selected, ensure this is a Floating Rate Option included in the Floating Rate Matrix (as defined in the 2021 ISDA Definitions))
- Designated Maturity: []/[Not Applicable]
(A Designated Maturity period is not relevant where the relevant Floating Rate Option is a risk-free rate)
- Reset Date: []
(In the case of a EURIBOR based option, the first day of the interest period)
- Compounding: [Applicable/Not Applicable]
(If not applicable, delete the remaining items of this subparagraph)
- Compounding Method: [Compounding with Lookback:
Lookback: [[] Applicable Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]]
[Compounding with Observation Period Shift:
Observation Period Shift: [[] Observation Period Shift Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]]
Observation Period Shift Additional Business Days: []/[Not Applicable]]
[Compounding with Lockout:
Lockout: [[] Lockout Period Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]]
[Lockout Period Business Days: []/[Applicable Business Days]]

- Averaging: [Applicable/Not Applicable]
(If not applicable, delete the remaining items of this subparagraph)
- Averaging Method: [Averaging with Lookback
Lookback: [[] Applicable Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]
[Averaging with Observation Period Shift
Observation Period Shift: [[] Observation Period Shift Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]
Observation Period Shift Additional Business Days: []/[Not Applicable]]
[Averaging with Lockout
Lockout: [[] Lockout Period Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]
Lockout Period Business Days: []/[Applicable Business Days]]
- Index provisions: [Applicable / Not Applicable]
(If not applicable, delete the remaining items of this subparagraph)
- Index Method: Compounded Index Method with Observation Period Shift
Observation Period Shift: [[] Observation Period Shift Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]
Observation Period Shift Additional Business Days: []/[Not Applicable]]
- (h) Linear Interpolation: [Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation *(specify for each short or long interest period)*]
- (i) Margin(s): [+/-] []% per annum
- (j) Minimum Rate of Interest: []% per annum

- (k) Maximum Rate of Interest: []% per annum
- (l) Day Count Fraction: [Actual/Actual (ISDA)] [Actual/Actual]
Actual/365 (Fixed)
Actual/365 (Sterling)
Actual/360
[30/360] [360/360] [Bond Basis]
[30E/360] [Eurobond Basis]
30E/360 (ISDA)
15. Zero Coupon Note Provisions: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Accrual Yield: []% per annum
- (b) Reference Price: []
- (c) Day Count Fraction in relation to Early Redemption Amounts: [30/360]
[Actual/360] [Actual/365]

PROVISIONS RELATING TO REDEMPTION

16. Issuer Call: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Optional Redemption Date(s): [] [Any day falling in the period commencing on (and including) [] and ending on ([and including/but excluding]) []
- (For Tier 2 Notes, Optional Redemption Date shall be at least five years after the Issue Date)*
- (b) Optional Redemption Amount: [] per Calculation Amount
- (c) Notice period: []
- (N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of five clearing system business days' notice for a call) and*

custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Issuing and Principal Paying Agent)

17. Investor Put: [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (a) Optional Redemption Date(s) or Put Period(s): []
- (b) Optional Redemption Amount: [] per Calculation Amount
- (c) Notice period: []

(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Issuing and Principal Paying Agent)

18. Clean-up Call Option: [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (a) Clean-up Call Minimum Percentage: [As per the Conditions/specify]
- (b) Clean-up Call Option Amount: [] per Calculation Amount
- (c) Notice periods: Minimum period: [] days
Maximum period: [] days

(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent.)

- (d) Clean-up Call Effective Date: ☐
(Only applicable to Tier 2 Subordinated Notes)
19. MREL Disqualification Event: ☐ [Applicable/Not Applicable]
- (a) Optional Redemption Amount ☐ [] per Calculation Amount
(MREL Disqualification Event):
20. Capital Disqualification Event: ☐ [Applicable/Not Applicable]
- (a) Optional Redemption Amount ☐ [] per Calculation Amount
(Capital Disqualification Event):
21. Redemption for tax reasons: ☐ [Applicable/Not Applicable]
- (a) Early Redemption Amount ☐ [] per Calculation Amount
payable on redemption for tax
reasons:
22. Final Redemption Amount: ☐ [] per Calculation Amount
23. Early Redemption Amount payable on ☐ [] per Calculation Amount
Event of Default:

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes:
- (a) Form: ☐ [Bearer Notes: [Temporary Global Note
exchangeable for a Permanent Global Note
which is exchangeable for Definitive Notes
upon an Exchange Event]
- ☐ [Temporary Global Note exchangeable for
Definitive Notes on and after the Exchange
Date]
- ☐ [Permanent Global Note exchangeable for
Definitive Notes upon an Exchange Event]
- ☐ [Registered Notes:
- ☐ [Global Note registered in the name of a
nominee for a common depositary for
Euroclear and Clearstream, Luxembourg/a

common safekeeper for Euroclear and Clearstream, Luxembourg]

- (b) New Safekeeping Structure: [Yes][No]
- (c) New Global Note [Yes][No]
25. Additional Financial Centre(s): [Not Applicable/[]]
(Note that this paragraph relates to the date of payment and not the end dates of Interest Periods for the purpose of calculating the amount of interest to which sub-paragraph 15(a) relates)
26. Talons for future Coupons to be attached to Definitive Notes: [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made]/[No.]
27. Substitution and Variation: [Applicable]/[Not Applicable]

SIGNED on behalf of **Bank Polska Kasa Opieki S.A.:**

By:

Duly authorised

By:

Duly authorised

PART B – OTHER INFORMATION

1. **LISTING AND ADMISSION TO TRADING** [Application [has been made/is expected to be made] by the Issuer (or on its behalf) for the Notes to be listed on the [Official List of the Luxembourg Stock Exchange] and admitted to trading on the regulated market of the [Luxembourg Stock Exchange] with effect from [.]/[Not applicable.]

2. **RATINGS**

[The Notes to be issued [have been]/[are expected to be] rated [] by [*insert the legal name of the relevant credit rating agency entity(ies)*]]

[Not Applicable]

[Each of][*defined terms*] is established in the [EEA] and is registered under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**)]

[Each of][*defined terms*] is established in the United Kingdom and is registered under Regulation (EC) No. 1060/2009 (as amended) as it forms part of UK domestic law by virtue of [the European Union (Withdrawal) Act 2018]/[the EUWA] (the **UK CRA Regulation**)]

[*Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.*]

3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

[Save for any fees payable to the [Managers/Dealer], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business./ []./Not Applicable.]]

4. **REASONS FOR THE OFFER AND TOTAL EXPENSES**

The net proceeds (or an amount equivalent to such net proceeds) from the issue of Notes will be applied by the Issuer for [*specify use of proceeds*]/[The Issuer intends to issue the Notes as [Sustainable/Green] Bonds (as defined in the Base Prospectus) and apply an amount equal to the net proceeds from this issue of Notes to eligible projects and activities that are in keeping with the Sustainable Finance Framework (as defined and further described in the section of the Base Prospectus entitled “*Use of Proceeds*”).]

- (i) Reasons for the offer:
- (ii) Estimated net proceeds: []
- (iii) Estimate of total expenses related to admission to trading: []

5. YIELD (Fixed Rate Notes only)

Indication of yield: []

6. OPERATIONAL INFORMATION

(i) ISIN Code: []

(ii) Common Code: []

(iii) CFI: [], as updated, as set out on the website of the Association of National Numbering Agencies (ANNA) [or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN]/Not Applicable/other].

(iv) FISN: [], as updated, as set out on the website of the Association of National Numbering Agencies (ANNA) [or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN]/Not Applicable/other].

(If the CFI and/or FISN is not required, requested or available, it/they should be specified to be “Not Applicable”).

(v) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): [Not Applicable/give name(s), address(es) and number(s)]

(vi) Delivery: Delivery [against/free of] payment

(vii) Names and addresses of additional Paying Agent(s) (if any): []

(viii) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper] *[include this text for Registered Notes which are to be held under the NSS]* and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

[No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the

future such that the Notes are capable of meeting them, the Notes may then be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper][*include this text for Registered Notes*]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra- day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

(ix) Trade Date []

7. DISTRIBUTION

(i) Method of distribution: [Syndicated/Non-syndicated]

(ii) If syndicated: [Not Applicable/*give names*]

(iii) Stabilisation Manager(s) (if any): [Not Applicable/[]]

(iv) If non-syndicated, name of relevant Dealer: [Not Applicable/[]]

(v) U.S. Selling Restrictions: [Reg. S Compliance [Category 1/Category 2];
[TEFRA D/TEFRA C/TEFRA not applicable]]

(vi) [Singapore Sales to Institutional Investors and Accredited Investors only:] [Applicable/Not Applicable]

(vii) Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]
(If the Notes clearly do not constitute “packaged” products or the Notes do constitute “packaged” products and a key information document will be prepared in the EEA, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)

(viii) Prohibition of Sales to UK Retail Investors: [Applicable/Not Applicable]
(If the Notes clearly do not constitute “packaged” products or the Notes do constitute “packaged” products and a key information document will be prepared in the UK, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)

- (ix) Prohibition of Sales to Belgian Consumers: [Applicable/Not Applicable]
(N.B. advice should be taken from Belgian counsel before disapplying this selling restriction)

8. THIRD PARTY INFORMATION

[*Relevant third party information*] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.]/[Not Applicable]

USE OF PROCEEDS

The net proceeds (or an amount equivalent to such net proceeds) from each issue of Notes will be applied by the Issuer for (i) its general corporate purposes, or (ii) any other purpose stated in the applicable Final Terms such as, without limitation, the refinancing or financing, in whole or in part, of eligible projects (as defined in the Sustainable Finance Framework). If, in respect of a particular issue, there is a particular identified use of proceeds, for example the funding of eligible projects in line with the Sustainable Finance Framework, this will be stated in the applicable Final Terms.

For the purposes of this section:

Eligible Green Financing means an allocation of an amount equal to the net proceeds from the issuance of Green, Social or Sustainable Instruments to exclusively finance and/or to refinance, in whole or in part, Eligible Green and/or Eligible Social loans that meet the eligibility criteria set out in the Sustainability Finance Framework of the Bank.

eligible projects means projects financed under the Sustainable Finance Framework, that meet the criteria set out in the Sustainable Finance Framework of the Bank (and below).

EU Taxonomy Delegated Act means Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives, as amended from time to time.

UN SDGs means United Nations Sustainable Development Goals.

The Bank's Sustainable Finance Framework is aligned with the June 2021 version (with June 2022 update) of the Green Bond Principles, the June 2023 version of the Social Bond Principles, and the June 2021 version of the Sustainability Bond Guidelines, each as published by the International Capital Market Association, as well as the February 2023 version of the Green Loan Principles and February 2023 version of the Social Loan Principles published by the Loan Markets Association. The Bank's Sustainable Finance Framework was prepared in accordance with the core components and key recommendations of the aforementioned guidelines in order to enable the Bank to raise green, social, and sustainable financing in both bond and loan format.

Below is an overview of the categories of Eligible Green Financing contemplated by the Bank under its Sustainable Finance Framework. Here, the Bank outlines the categories of potential financing and applicable eligibility criteria it has applied under its Sustainable Finance Framework, highlights how the financing of each category may advance specific UN Sustainable Development Goals, and also maps each category to key EU environmental objectives and example economic activities under the EU Taxonomy. Where possible, applicable eligibility criteria have been designed to comply with the technical screening criteria set out in the EU Taxonomy Delegated Act as at the time of its Sustainable Finance Framework publication. The categories outlined reflect specific UN SDGs and map to key EU environmental objectives, while eligibility criteria have been designed to comply with the technical screening criteria set out in the EU Taxonomy Delegated Act.

Allocation for sustainable purposes will be determined by the Sustainable Finance Commission functioning in the Bank. Its responsibility is to ensure that projects are aligned with the categories and eligibility criteria for the Eligible Green and the Eligible Social Financing.

Financing category	Eligibility criteria	Key EU Environmental Objectives	Examples of EU Taxonomy sustainable activities	SDG mapping
Renewable energy	Financing related to the construction, development, acquisition, maintenance, and operation of renewable energy projects which have been subject to an ESIA. Wind – both onshore and offshore eligible Solar – includes PV and CSP projects (provided that 85% or more of the electricity production comes from solar) Hydro – <i>provided that</i> any financed hydro project meets one of the following criteria: (i) life-cycle carbon emissions intensity is below 50gCO₂e/kWh; (ii) power density above 10W/m² (if operations commenced 2020 or later); and/or (iii) is run-of-river without an artificial reservoir. <i>Provided further</i> that the refurbishment of existing hydropower plants does not result in an increase in the size of the water reservoir. Hydrogen & Bioenergy – Green Hydrogen (using electrolysis technology), biogas, biofuel (with life-cycle emissions at least 65% lower than relevant fossil-fuel baseline), electricity	• Climate change mitigation	• 3.1 Manufacture of renewable energy technologies • 3.3 Manufacture of low carbon technologies • 3.4 Manufacture of batteries • 3.5 Manufacture of energy efficient equipment for buildings • 4.1. Electricity generation using solar photovoltaic technology • 4.2. Electricity generation using concentrated solar power (CSP) technology • 4.3 Electricity generation from wind power • 4.5 Electricity generation from hydropower • 4.8. Electricity generation from bioenergy • 4.15 District heating/cooling distribution • 4.16 Installation and operation of electric heat pumps	• Affordable and clean energy • Climate action

Financing category	Eligibility criteria	Key EU Environmental Objectives	Examples of EU Taxonomy sustainable activities	SDG mapping
	and combined Heat and Power (CHP) from biomass with a lifecycle emissions threshold of 100gCO₂/kWh or less. With respect to projects targeting renewable energy transmission, the Bank will count financing of renewable energy transmission infrastructure where the mix of renewable energy in the grid is not less than 90% or, if less than 90% but expected to increase, on discounted pro rata to the actual share of renewable energy in the grid at the time of the allocation report. These projects would pertain to the construction and repair of infrastructures for renewable energies, including (but not limited to) the development/operation/maintenance/enhancement of grids/transmission lines/converters, activities that improve existing electrical systems by increasing efficient use of electricity, connecting renewable sources, enabling demand-side response, decreasing losses or extending access including smart meters, IT systems, network control support, distributed generation dispatching and peak demand management		• 4.17 Cogeneration of heat/cool and power from solar energy • 7.6. Installation, maintenance and repair of renewable energy technologies	

Financing category	Eligibility criteria	Key EU Environmental Objectives	Examples of EU Taxonomy sustainable activities	SDG mapping
Green buildings	Financing related to the development, construction, acquisition, maintenance, refurbishment and operation of commercial & residential real estate achieving the following specified environmental/energy performance levels: • LEED Platinum or Gold, BREEAM Outstanding or Excellent, DGNB “Gold”, HQE “Excellent” or higher level of certification, EDGE or Passivhaus certification • Buildings with TC2014 + TC2017/2021 codes • The building is within the top 15% of the national or regional building stock, expressed as operational Primary Energy Demand • Primary Energy Demand is at least 10% lower than the threshold set for the nearly zero-energy building (NZEB) requirements according to the regulation in Poland implementing Directive 2010/31/EU of the European Parliament and of the Council	• Climate change mitigation • Natural resource conservation	• 7.1. Construction of new buildings • 7.2. Renovation of existing buildings • 7.3 Installation, maintenance and repair of energy efficiency equipment • 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) • 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings • 7.6 Installation, maintenance and repair of renewable energy technologies • 7.7 Acquisition and ownership of buildings	• Sustainable cities and communities

Financing category	Eligibility criteria	Key EU Environmental Objectives	Examples of EU Taxonomy sustainable activities	SDG mapping
	• Building refurbishment where a 30% improvement in Primary Energy Demand is achieved Financing earmarked solely for building energy improvements, including (but not limited to) installation, maintenance and repairs covering: PV solar modules and solar hot water panels and boilers; cavity wall insulation; transpired solar collectors; “smart” metering and home energy management systems, building automation and control systems, building energy management systems (BMS), lighting control systems and energy management systems (EMS). For the avoidance of doubt, no investments in technologies or processes which are directly powered by fossil fuels (e.g. fossil fuel-powered boilers) will be deemed eligible.			
Clean transportation	Financing related to the development, construction, acquisition, maintenance, operation and leasing of infrastructure and vehicles for: • Zero direct emissions transportation of passengers and freight (e.g., light rail transit, metro, trams, trolleybuses, buses, rail, electric	• Climate change mitigation • Pollution prevention & control	• 6.1 Passenger interurban rail transport • 6.3 Urban and suburban transport, road passenger transport • 6.4. Operation of personal mobility devices, cycle logistics	• Affordable and clean energy • Industry, innovation and infrastructure • Sustainable cities and communities

Financing category	Eligibility criteria	Key EU Environmental Objectives	Examples of EU Taxonomy sustainable activities	SDG mapping
	vehicle charging stations, electricity grid connection upgrades and hydrogen fuelling stations) • Low emission freight transport vehicles provided that they have an emission threshold below 25gCO₂/t-km • Use of personal mobility devices and active mobility (walking, cycling) Infrastructure dedicated to the transport of fossil fuels and its blends is not eligible. For manufacturing related financing where the infrastructure funded is mixed use (e.g., expansion capex for automotive plant building both zero emission and non-qualifying vehicles), the allocable financing will be discounted pro rata to the actual share of qualifying vehicles manufactured at the time of allocation report.		• 6.5 Transportation by motorbikes, passenger cars and light commercial vehicles • 6.13 Infrastructure for personal mobility, cycle logistics • 6.14 Infrastructure for rail transport • 6.15 Infrastructure enabling low-carbon road transport and public transport	• Climate action
Energy efficiency	Financing related to the development, manufacture and/or installation of: • Products, technologies and software which target energy consumption reduction through management of demand and where efficiencies are	• Climate change mitigation	• 8.1 Data processing, hosting and related activities • 8.2 Data-driven solutions for GHG emissions reductions	• Affordable and clean energy • Climate action

Financing category	Eligibility criteria	Key EU Environmental Objectives	Examples of EU Taxonomy sustainable activities	SDG mapping
	modelled or measured to result in at least 30% improvement in energy performance, or where household appliances belong to the highest two populated classes of the relevant EU energy label Automated or electrified systems that have received third-party environmental or energy performance certifications, such as ENERGY STAR or Electronic Product Environmental Assessment Tool (EPEAT) Gold or above Financing of the construction, renovation, extension and acquisition of data centres provided that they adhere to the European Code of Conduct for Data Centre Energy Efficiency and further provided that and Power usage effectiveness (PUE) is below 1.5. For the avoidance of doubt, no investments in products, technologies or software which are directly powered by fossil fuels will be deemed eligible. Additionally, the Bank will also exclude hard-to-abate sectors including steel, natural gas, international shipping, ports, aviation, airport infrastructure, cement and aluminium		9.1 Close to market research, development and innovation 9.3 Professional services related to energy performance of buildings	

Financing category	Eligibility criteria	Key EU Environmental Objectives	Examples of EU Taxonomy sustainable activities	SDG mapping
Sustainable water and wastewater management	Funding related to the preservation of water assets, improving the ecological status and quality of water, sanitation and wastewater treatment, comprised of: • Building supply, purification and sewage treatment infrastructure, excluding fossil fuel operations • Construction, operation, maintenance and upgrades of infrastructures for the management of water resources, increasing water recycling and wastewater treatment facilities • Desalination plants powered by low-carbon sources, or where the average carbon intensity of the plants is below 100g CO₂e/kWh; and with an appropriate waste management plan for brine disposal • End-to-end water supply systems with an average system energy consumption (including abstraction, treatment and distribution) equal or less than 0.5 kWh/m³ of water produced; • Systems that reduce average system energy consumption by at least 20%	• Sustainable use and protection of water and marine resources • Pollution prevention and control	• 5.1. Construction, extension and operation of water collection, treatment and supply systems • 5.2. Renewal of water collection, treatment and supply systems • 5.3. Construction, extension and operation of waste water collection and treatment • 5.4. Renewal of waste water collection and treatment • 5.5 Collection and transport of non-hazardous waste in source segregated fractions • 5.6. Anaerobic digestion of sewage sludge • 5.7. Anaerobic digestion of bio-waste • 5.8. Composting of bio-waste • 5.9. Material recovery from non-hazardous waste	• Good health and well-being • Clean water and sanitation

Financing category	Eligibility criteria	Key EU Environmental Objectives	Examples of EU Taxonomy sustainable activities	SDG mapping
	(including abstraction, treatment and distribution) measured in kWh per cubic metre of water produced and based on its own benchmark over three year period • Systems that reduce the gap between the actual leakage of the water supply network and a given target value of low leakage by at least 20% and where the unit of measurement is the Infrastructure Leakage Index (ILI) and the target value of low leakage is an ILI of 1.5 For the avoidance of doubt, no investments in technology, equipment or methods which are directly powered by fossil fuels will be deemed eligible. Additionally, the Bank will exclude hard-to-abate sectors including steel, natural gas, international shipping, ports, aviation, airport infrastructure, cement and aluminium			
Pollution prevention and control	Funding related to activities that significantly lower pollutants into land, water or air are considered eligible, including: • Municipal waste collection and source segregation	• Pollution prevention and control • Climate change mitigation	• 5.3 Construction, extension and operation of waste water collection and treatment • 5.4 Renewal of wastewater collection and treatment	• Good health and well-being • Sustainable cities and communities

Financing category	Eligibility criteria	Key EU Environmental Objectives	Examples of EU Taxonomy sustainable activities	SDG mapping
	• Material recycling for segregation and sortation of recyclable materials from municipal waste streams • Combined heat and power (CHP) generation from municipal solid waste where plastic, recyclable and/or hazardous materials are separated prior to incineration • Development of equipment required for monitoring and testing air emissions and pollution as well as projects aiming to reduce GHG and air emissions or to minimize or re-use waste heat. Pollution prevention and control related to burning, extraction or refining of fossil fuel is excluded. For the avoidance of doubt, no investments in technologies, equipment or methods which are directly powered by fossil fuels will be deemed eligible. Additionally, the Bank will exclude hard-to-abate sectors including steel, natural gas, international shipping, ports, aviation, airport infrastructure and aluminium.		• 5.5 Collection and transport of non-hazardous waste in source segregated fractions • 5.9 Material recovery from non-hazardous waste	• Responsible consumption and production

Below is an overview of the Eligible Social Financing contemplated by the Bank under its Sustainable Finance Framework. It outlines the categories of the expenditures and related eligibility criteria, together with the target population for each category. Furthermore, the categories have been mapped to the relevant UN SDGs.

Financing category	Sub-categories and eligible expenditures	Target populations	SDG mapping
Affordable basic infrastructure	Funding related to development of and access to basic infrastructure, including:	<u>Water & Sanitation</u>	• Clean water and sanitation • Affordable and clean energy • Industry, innovation and infrastructure • Sustainable cities and communities
	<u>Water & Sanitation</u>	• Underserved, owing to a lack of quality access to essential goods and services, notably in rural areas, areas with vulnerable populations (e.g., migrants and refugees) or as a result of natural disaster	
	• Construction, renovation and extension of infrastructure in relation to water collection, treatment and distribution of drinking water and related integral buildings and structures • Construction, renovation and extension of infrastructure related to sewerage, wastewater treatment and collection, including wastewater transport and related integral buildings and structures • Construction, renovation and extension of infrastructure related to collection, sorting disposal, treatment and recycling of hazardous and non-hazardous waste, including for the avoidance of doubt municipal solid waste stream processing in compliance with the “Pollution Prevention and Control” category above	<u>Energy</u>	
	<u>Energy</u>	• Underserved, owing to a lack of quality access to essential goods and services, notably in rural areas, areas with vulnerable populations (e.g., migrants and refugees) or as a result of natural disaster	
		<u>Transportation</u>	
		• Underserved, owing to a lack of quality access to essential goods and services, notably in rural areas, areas with vulnerable populations (e.g. migrants and refugees, persons with disabilities and the elderly) or as a result of natural disaster	
		<u>Information and Communication Technology</u>	
	• Construction, renovation and extension of infrastructure to ensure access to affordable, reliable, sustainable and modern energy for all – in particular the transmission or distribution of renewable energy or energy with an emissions	• Underserved, owing to a lack of quality access to essential goods and services, notably in rural areas and other areas at risk of digital exclusion	

<u>Financing category</u>	<u>Sub-categories and eligible expenditures</u>	<u>Target populations</u>	<u>SDG mapping</u>
	threshold of less than 100gCO₂/KWh, where such infrastructure will be located in areas where existing infrastructure is non-existent or substantially inadequate, and where infrastructure is not specifically dedicated to fossil fuel plants <u>Transportation</u> • Construction, renovation and extension of roads and road-related infrastructure aimed at increasing the connectivity in underdeveloped rural areas, where road access does not exist or is substantially inadequate (e.g., unpaved, ungraded, narrow, non-weatherproof) • Construction, renovation and extension of railways and subways to connect underdeveloped areas and populations with socio-economic development opportunities and to improve public transport • Construction, renovation and extension of transportation infrastructure to support movement of people with disabilities (e.g., accessibility improvements in public transit networks) <u>Information and Communications Technology</u> • Construction, renovation and extension of telecommunication infrastructure, in particular fibre optic networks, 5G networks and high capacity network deployment, distribution lines and related integral buildings and structures		

Financing category	Sub-categories and eligible expenditures	Target populations	SDG mapping
Access to essential services: Healthcare	Funding related to the development of and access to essential healthcare infrastructure and services, including: • Construction, renovation, extension, acquisition and provision of health services in public hospitals, healthcare centres and specialized medicine centres, including laboratories, physiotherapy centres, diagnostic centres, family planning centres, dental centres, speech therapy centres and field hospitals, residential care facilities and social work infrastructure • Manufacture of basic pharmaceutical products, essential medicines and vaccines, and tools for the delivery of medical care, during extraordinary public health emergencies including but not limited to the COVID-19 pandemic	• The population at large, but especially low-income households, people with disabilities, people suffering from addiction, elderly people, migrants and/or displaced persons, underserved owing to a lack of quality access to essential goods and services, unemployed, women and/or sexual and gender minorities, aging populations and vulnerable youth and other vulnerable groups, including migrants and refugees or as a result of natural disasters	• Good health and well-being • Reduced inequalities

Sustainalytics has provided a Second Party Opinion on the Bank's Sustainable Finance Framework to confirm the alignment of the Sustainable Finance Framework with the ICMA Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines, as well as with the LMA Green Loan Principles and Social Loan Principles. Copies of the Sustainable Finance Framework and the Second Party Opinion are available on the Issuer's website at <https://www.pekao.com.pl/en/investors-relations/bonds-and-ratings/sustainable-finance-framework.html> (as the same may be updated, amended and/or replaced from time to time). For the avoidance of doubt, this website link and its contents do not form part of, nor are incorporated by reference in, this Base Prospectus.

Post-issuance reporting

The Bank is committed to publishing annual allocation reports on sustainability. Information will be available on the Bank's website at www.pekao.com.pl (as the same may be updated, amended and/or replaced from time to time) and will include the following details:

- Total value of the Eligible Financing Portfolio;
- Total net proceeds (or an amount equivalent to such net proceeds) from any Sustainable Instrument which have been allocated to Eligible Financing and the total net proceeds (or an amount equivalent to such net proceeds) from any Sustainable Instrument issuance which remains to be allocated;
- Breakdown of the allocation of the net proceeds (or an amount equivalent to such net proceeds) of Sustainable Instrument issuances under the Sustainable Finance Framework by ICMA category and by UN SNGs promoted based on the Eligible Financing Portfolio at the time;
- Split of allocations between past expenditures receiving allocations in reliance on the refinancing lookback period under the Sustainable Finance Framework vs. new expenditures made post-issuance,

together with confirmation that (i) the Eligible Financing Portfolio is up to date and any changes to previously eligible clients or projects have been reflected with suitable replacement assets identified where required and (ii) the Bank has maintained cash in line with its normal cash management guidelines that cover at least the amount of unallocated net proceeds (or an amount equivalent to such unallocated net proceeds) from any Sustainable Instrument issuance.

The Bank will also use its best efforts to provide annual reporting on the expected impacts of the Green and Social Financing receiving allocations from Sustainable Instruments issued under the Sustainable Finance Framework. The Bank expects its annual impact reporting to be integrated with its allocation reporting described above, and will reflect the recommendations contained in ICMA's June 2022 Harmonised Frameworks for impact reporting for green and social bonds.

The impact reports published by the Bank will contain, where relevant and feasible, information addressing the positive environmental and social impacts of Eligible Green and Social Financing receiving allocations from Sustainable Instruments issued under the Sustainable Finance Framework, and may include case studies or summaries of eligible projects against which proceeds have been matched.

SELECTED FINANCIAL INFORMATION OF THE GROUP

Group Financial Information as at and for the financial years ended 31 December 2024 and 31 December 2023

This section should be read together with the Annual Consolidated Financial Statements incorporated by reference in this Base Prospectus.

Comparability of financial data

In the 2024 Consolidated Financial Statements the Group made certain changes to accounting principles, which are described below. The comparative data as at and for the financial year 31 December 2023 has been restated accordingly. Detailed restatements are presented in Note 4.1 of the 2024 Consolidated Financial Statements. The financial information presented in this Base Prospectus has been provided on a revised presentation basis, where applicable.

(1) A change in the accounting policies recognition of the provisions for legal risk associated with mortgage loans in CHF

Starting from 1 January 2024, the Group changed its accounting policy concerning the recognition of legal risk arising from the court proceedings concerning the CHF Mortgage Loans. This change is based on assumption that this risk is a risk separate from the credit risk.

Therefore, in relation to the CHF Mortgage Loans which were outstanding at the balance sheet date, the Group presents the impact of the legal risk associated with these loans in accordance with paragraph B.5.4.6 of IFRS 9 "Financial Instruments" as an adjustment to the gross carrying amount of the CHF Mortgage Loan portfolio. Additionally, the Group does not treat the legal risk associated with the CHF Mortgage Loan portfolio as an impairment trigger of loan exposure.

The update of the accounting policy for the CHF Mortgage Loans results primarily from the need to better reflect the dynamic changes taking place in the Group's legal environment resulting from the materialisation of the risk of the Group being unable to recover the full scheduled cash flows from the CHF Mortgage Loans because of the invalidation of the underlying loan agreements. The Group has observed a growing number of court proceedings and a significant share of unfavourable judgments concerning the CHF Mortgage Loans, which translates into the Group's inability to recover all contractual cash flows arising from the underlying loan agreements.

The change in the approach to legal risk in the Group's opinion better reflects the nature of this risk of this portfolio and results in the information presented in the 2024 Consolidated Financial Statements better and more adequately reflecting the economic nature of the risks associated with the CHF Mortgage Loan portfolio. Additionally, this change lead to greater comparability of the data presented by the Group concerning the legal risk of associated with the CHF Mortgage Loans with the market practice in this area.

Due to this change, the Group recalculated and restated its financial data for the comparative periods, which resulted in a positive impact on the Group's equity ('Retained earnings') of PLN 87 million, as well as a decrease in the value of the portfolio of non-performing loans ('NPL portfolio') by PLN 2.0 billion, which is primarily the result of a change in the assessment of the level of credit risk for the CHF Mortgage Loan portfolio, i.e. the Group does not treat this risk as a trigger for classifying loan exposure to Stage 3.

(2) Changes in the method of presenting selected components of loan exposures (without impact on the statement of financial position and financial result)

Starting from 1 January 2024, the Group changed its accounting policy in the following manner.

(2.1) Loan exposures taken over from Idea Bank S.A. (**IB**) and the guarantee received concerning this portfolio, taking into account the nature of the transaction of taking over this loan portfolio and the integral nature of the guarantee. In previous periods, the Group presented separately the expected credit losses of the portfolio taken over from IB (without including the guarantee received in their calculation) and at the same time separately recognised in the item of loans and advances to customers the receivable resulting from this guarantee. From 1 January 2024, the Group presents expected credit losses on loan exposures taken over from IB net with settlements resulting from the guarantee (the guarantee is included in the calculation of expected credit losses for the loan exposures). In the Group's opinion, this method of presenting the loan portfolio better reflects the economic nature of the loan portfolio taken over together with the integral guarantee received in the process of taking over IB.

(2.2) Interest accrued and recognised in the gross carrying amount of POCI exposures. Previously, the Group recognised contractual interest in the gross carrying amount, appropriately taking into account such accrued interest in the calculation of expected credit losses in the statement of financial position. From 1 January 2024, the Group recognises in the gross carrying amount interest accrued on the carrying amount, adjusted for the original credit risk assessment of the exposure at the time of initial recognition. The above change has no impact on the statement of financial position or the income statement.

The Group has restated comparative data accordingly, which resulted in a decrease in the gross carrying amount of loans and allowances for expected credit losses by PLN 1.5 billion as at 31 December 2023, in particular decreasing the NPL portfolio, without affecting the statement of financial position and the financial result.

(3) Changes in the method of presenting selected items in the income statement

(3.1) Change in the method of presenting interest income in the income statement

The Group changed the method of presenting interest income in the income statement, i.e. interest income is now presented broken down by method of its calculation, whereas before the change it was presented by the category of financial assets from which the income is realised. This change was introduced to better reflect the Group's activities and ensure comparability with the banking sector.

(3.2) Change in the method of presenting the result on fair value hedge accounting in the income statement

The Group changed the method of presenting the result on fair value hedge accounting in the income statement. In the previous periods, the result on fair value hedge accounting was recognized in a separate line of the income statement. Currently, this item is presented in the line 'Result on financial instruments measured at fair value through profit or loss and foreign exchange result'. As a result of this change, the Group recognizes in a single line of the income statement the recognized gains and losses on all financial instruments measured at fair value through profit or loss.

The changes in the method of presenting selected components of loan exposures (without impact on the statement of financial position and financial result) (changes 2.1 and 2.2) and the changes in the method of presenting selected items in the income statement (changes 3.1 and

3.2) do not affect the levels of the presented financial results, the statement of financial position and the cash flow statement.

The changes in accounting principles indicated above resulted in the restatement of comparative data.

Consolidated financial data of the Group as at and for the financial years ended 31 December 2024 and 31 December 2023

For the year ended 31 December 2024, the Group generated a net profit of PLN 6,379 million, which represented a decrease of 4.2 per cent. compared with a net profit of PLN 6,661 million for the year ended 31 December 2023. The decrease was mainly due to the higher costs of legal risk related to CHF mortgage loans and higher operating costs.

In the year ended 31 December 2024, the Group's interest income and similar to interest increased to PLN 18,810 million from PLN 18,055 million in the previous year, representing a 4.2 per cent. increase. Interest income and similar to interest includes interest and commission fees received or due from loans, interbank deposits and securities measured at amortised cost recognized in the calculation of effective interest rate of loans and financial assets measured at fair value through other comprehensive income or through profit or loss and hedging derivatives. The effective interest rate is the discount rate of estimated future cash inflows and payments made during the expected period until the expiry date of the financial instruments. The calculation of the effective interest rate includes all commissions paid and received by parties to the agreement, transaction costs and all other premiums and discounts, comprising an integral part of the effective interest rate. Increase in effective interest rate and the increase in the volume of the loans portfolio caused the increase in the interest income which effectively led to the increase in net interest income.

In the year ended 31 December 2024 the Group's net interest income was PLN 12,729 million compared with PLN 11,893 million in the previous year, representing an increase of 7.0 per cent. This increase was mainly due to higher volumes of sales of the Group's products and the Group being able to maintain a stable interest margin despite the Group's eligible customers exercising their right to suspend repayment of mortgage loans.

The Group's net fee and commission income increased to PLN 2,854 million in the year ended 31 December 2024 from PLN 2,786 million in the year ended 31 December 2023, representing an increase of 2.4 per cent. The main reason for the increase were higher commissions from investment funds because of increased sales of investment fund units and an increase in the value of assets under management.

The trading result (understood as result on financial assets and liabilities measured at fair value through profit or loss and foreign exchange result) in the year ended 31 December 2024 was PLN 429 million and was lower by PLN 63 million than the result achieved in the year ended 31 December 2023. The main reason for this decrease was the lower valuation of derivative instruments held by the Group.

The Group's operating costs (consisting of personnel expenses and general administrative expenses and depreciation including allocation of operating costs as presented in the operating segment note) in the year ended 31 December 2024 were PLN 5,244 million and increased by PLN 613 million, i.e. 13.2 per cent. compared to the year ended 31 December 2023. This increase was caused by the increase in salaries, including the variable part of salaries which is linked to performance as well as the costs the voluntary redundancy programme implemented by the Group.

In the year ended 31 December 2024 the net allowances for expected credit losses were PLN 883 million which represents a PLN 257 million and a 41.1 per cent. increase compared to the year ended 31 December 2023. The Group's cost of risk in 2024 increased by 0.12 percentage points to 0.48 per cent.

The Group's cost of risk was in line with the Group's strategic assumptions and the adopted risk appetite. In the year ended 31 December 2024 the costs of legal risk of foreign currency mortgage loans reached PLN 669 million, compared to PLN 315 million in the year ended 31 December 2023.

The Group's contribution to the Bank Guarantee Fund in 2024 was PLN 239 million, a PLN 49 million increase compared to 2023. The increase in this contribution was caused by the increase in the amount of deposits guaranteed by the fund.

The tax on certain financial institutions paid by the Group in 2024 was PLN 898 million and increased by PLN 19 million, i.e. 2.2 per cent. from PLN 879 million in 2023 because of the increase in the Group's assets being the basis for calculating this tax.

The following tables present consolidated financial data of the Group as of and for the years ended 31 December 2024 and 31 December 2023.

Consolidated Income Statement

	Year ended 31 December	
	2024	2023 (restated)
	<i>(PLN million)</i>	
Interest income and similar to interest	18,810	18,055
Interest income calculated using the effective interest method..	17,918	17,242
Income similar to interest.....	892	813
Interest expense.....	(6,081)	(6,162)
Net interest income	12,729	11,893
Fee and commission income	3,731	3,590
Fee and commission expense.....	(877)	(804)
Net fee and commission income	2,854	2,786
Dividend income	30	30
Result on financial assets and liabilities measured at fair value through profit or loss and foreign exchange result.....	429	492
Result on derecognition of financial assets and liabilities not measured at fair value through profit or loss	15	15
Net allowances for expected credit losses.....	(883)	(626)
Costs of legal risk of foreign currency mortgage loans	(669)	(315)
Other operating income.....	215	119
Other operating expenses	(223)	(135)

	Year ended 31 December	
	2024	2023 (restated)
General administrative expenses and depreciation	(6,381)	(5,700)
Share in gains on associates	7	6
PROFIT BEFORE INCOME TAX.....	8,123	8,565
Income tax expense.....	(1,744)	(1,904)
NET PROFIT	6,379	6,661
1. Attributable to equity holders of the Bank.....	6,376	6,659
2. Attributable to non-controlling interests	3	2
Earnings per share (in PLN per share)		
basic for the period	24.29	25.37
diluted for the period.....	24.29	25.37

Consolidated Statement of Comprehensive Income

	Year ended 31 December	
	2024	2023 (restated)
	<i>(PLN million)</i>	
Net profit.....	6,379	6,661
Other comprehensive income (net).....		
Item that are or may be reclassified subsequently to profit or loss:		
Impact of revaluation of debt financial instruments and loan measured at fair value through other comprehensive income (net):	132	753
Profit/loss on fair value measurement.....	157	769
Profit/loss reclassification to income statement after derecognition.....	(25)	(16)
Impact of revaluation of derivative instruments hedging cash flows (net)	68	1,617
profit/loss from the fair value measurement of financial instruments hedging cash flows in	(479)	815

	Year ended 31 December	
	2024	2023 (restated)
the part constituting effective hedging		
profit/loss on financial instruments hedging cash flows reclassified to profit or loss	547	802
Items that will never be reclassified to profit or loss:		
Impact of revaluation of investments in equity instruments designated at fair value through other comprehensive income (net)	(50)	64
Remeasurements of the defined benefit liabilities (net)	(1)	(24)
Other comprehensive income (net of tax)	149	2,410
Total comprehensive income.....	6,528	9,071
1. Attributable to equity holders of the Bank.....	6,525	9,069
2. Attributable to non-controlling interests	3	2

Consolidated Statement of Financial Position

	As of		
	31 December 2024	31 December 2023 (restated)	1 January 2023 (restated)
	(PLN million)		
ASSETS.....			
Cash and cash equivalents.....	14,269	14,715	17,693
Loans and advances to banks	172	173	422
Derivative financial instruments (held for trading).....	4,222	9,317	15,089
Hedging instruments	448	805	280
Loans and advances to customers (including receivables from finance leases)	175,025	161,494	158,753
Securities.....	130,245	109,662	80,317
Assets pledged as security for liabilities	1,345	1,648	930
Assets held for sale	24	32	12

	As of		
	31 December 2024	31 December 2023 (restated)	1 January 2023 (restated)
Investments in associates	59	53	48
Intangible assets	2,548	2,396	2,253
Property, plant and equipment	2,025	1,946	1,572
Income tax assets	1,343	1,103	1,837
1. Current tax assets	-	1	271
2. Deferred tax assets	1,343	1,102	1,566
Other assets	2,517	2,445	1,952
TOTAL ASSETS.....	334,242	305,789	281,158
EQUITY AND LIABILITIES.....			
Liabilities			
Amounts due to other banks.....	7,344	7,597	8,594
Financial liabilities held for trading.....	1,399	757	875
Derivative financial instruments (held for trading).....	4,266	9,295	15,522
Amounts due to customers	260,742	234,306	210,747
Hedging instruments	1,073	1,429	3,176
Debt securities issued.....	16,167	9,958	10,337
Subordinated liabilities	2,782	2,781	2,789
Income tax liabilities.....	1,374	1,513	27
1. Current tax liabilities	1,356	1,492	4
2. Deferred tax liabilities.....	18	21	23
Provisions.....	2,310	1,956	1,415
Other liabilities.....	4,871	5,769	4,895
TOTAL LIABILITIES.....	302,328	275,361	258,377

	As of		
	31 December 2024	31 December 2023 (restated)	1 January 2023 (restated)
Equity			
Share capital.....	262	262	262
Other capital and reserves	23,731	21,872	18,979
Retained earnings and net profit for the period.	7,908	8,282	3,528
Total equity attributable to equity holders of the Bank.....	31,901	30,416	22,769
Non-controlling interests.....	13	12	12
TOTAL EQUITY	31,914	30,428	22,781
TOTAL LIABILITIES AND EQUITY.....	334,242	305,789	281,158

Selected Items from Consolidated Cash Flow Statement

	Year ended 31 December	
	2024	2023 (restated)
Net cash flows from operating activities.....	24,660	29,191
Net cash flows from investing activities	(26,488)	(30,698)
Net cash flows from financing activities.....	1,382	(1,471)
Total net cash flows	(446)	(2,978)
including effect of exchange rate fluctuations on cash and cash equivalents held.....	(31)	(265)
Net change in cash and cash equivalents	(446)	(2,978)
Cash and cash equivalents at the beginning of the period	14,715	17,693
Cash and cash equivalents at the end of the period.....	14,269	14,715

DESCRIPTION OF THE GROUP

Overview

Bank Polska Kasa Opieki Spółka Akcyjna (short name: Bank Pekao S.A.), established in 1929, is one of the largest financial institutions in the CEE region and the second largest universal bank by total assets in Poland with over PLN 334 billion in assets. The Bank conducts operations both in Polish zlotys and foreign currencies and actively participates in trading on domestic and foreign financial markets. It offers a full range of banking services to retail and institutional customers. The Bank's leading position in private banking, asset management and brokerage activities has been confirmed by several awards, including "The Best Private Bank in Poland 2025" and "The Best Investment Bank in CEE for 2024" awards from "Global Finance" and "Bank of the Year in Poland" 2024 award from "The Banker". The diversified business profile of the Bank is supported by a strong capital and liquidity position, while maintaining the highest risk management standards. The Bank offers products and services that are highly-competitive on the Polish market. It also guarantees a high level of customer service and owns a well-developed distribution network. The Bank's broad product portfolio, innovative solutions and its individual approach to customers ensure comprehensive financial services, while its integrated service model provides top-quality services to customers and ensures optimal adaptation to changing needs. The Bank is steadily strengthening its market position in strategic business areas. Since 2017, the Bank is part of the PZU capital group, one of the largest financial institutions in the CEE region. Since 3 November 2023 the Bank holds a "single European passport" authorizing it to provide cross-border banking services within the European Economic Area without having to open a branch.

Based on the Management's Board assessment as at 31 December 2024 the Group had approximately 7 million retail customers in Poland, making the Group the third largest network of retail customers in Poland.

The Bank is a joint-stock company (in Polish: *spółka akcyjna*) whose shares are traded on the regulated market of the WSE. It is entered in the commercial register of the National Court Register under number 0000014843 and its registered office is at ul. Żubra 1, 01-066 Warsaw, Poland. Its telephone number is (22) 59 12 232. The principal acts of law governing the Bank's operations are the Banking Law and the Commercial Companies Code dated 15 September 2000 (the **Commercial Companies Code**).

The parent entity of the Bank is PZU, which has its registered office in Warsaw at Rondo Daszyńskiego 4 and 34.2 per cent. of which is owned by the Polish State Treasury.

History

The Bank was incorporated and registered in the Commercial Register of the District Court in Warsaw on 29 October 1929 and has been continuously operating since its incorporation.

In the 1990s the Bank opened its first brokerage firm in Poland. In 1996, Grupa Pekao S.A. was established. It included, in addition to the Bank, Bank Depozytowo-Kredytowy S.A., Powszechny Bank Gospodarczy S.A. and Pomorski Bank Kredytowy S.A. In 1998, these banks began a merger process which was successfully concluded in 1999. In 1998, the Bank debuted on the WSE and, in 1999, the Bank became a member of UniCredit group. In 2007, a merger took place between the Bank and part of BPH S.A. As a result, the Bank became the largest financial group in Poland and the largest bank in the CEE region at that time. Another consequence of this merger was taking over BPH S.A.'s entire portfolio of CHF Mortgage Loans. In 2017, the Bank was taken over by PZU and Polski Fundusz Rozwoju S.A. and became a part of the PZU Group. In 2017, the Bank also acquired a 51 per cent. stake in Pioneer Pekao Investment Management S.A. and 50 per cent. stake in Dom Inwestycyjny Xelion sp. z o.o. (**Xelion**).

In 2019-2020, the Bank merged the brokerage business of Pekao IB and Xelion.

In 2020, the Bank took over certain assets and liabilities of Idea Bank S.A., through the acquisition of the assets and rights in the form of enterprise and the simultaneous acquisition of liabilities, under the resolution tool of the BGF Act.

Since 2018, the Bank has been a member of the STOXX Europe 600 Index and the FTSE Developed Equity Index. It is also a member of several local and global indices, including WIG Banki, WIG 20, WIG 30, WIG ESG, MSCI Emerging Markets, FTSE4Good, and the Bloomberg Gender-Equality Index.

Strategy

On 14 April 2025, the Bank announced a new strategy for years 2025-2027 entitled "The only way is up" (the **Strategy**). According to the Strategy, the Bank's mission is to support its clients in their life journey, from opening the first account to making key decisions, from running a local business to achieving international success. The Bank's strategic vision is to be a universal, reference bank in Poland - a leader in intelligent financial technologies, supporting customers in their life and business journey. The Bank is a workplace where employee passion and development translate into exceptional customer experiences.

The Strategy is based on the following pillars:

- "Growth" – the Bank intends to focus on developing key segments and products which will enable the Bank to improve its financial results and market shares. The Bank intends to support the activity of its clients with attention to changes occurring in the human life cycle. The Bank will also leverage its partnership with the PZU group to become a growth leader in the bancassurance market. Additionally, the Bank plans to integrate in its offering products offered by other companies from the Group, such as leasing and factoring, and take over the responsibility for managing the customer relations, especially in small, medium and microenterprises. The Bank also intends to grow its corporate banking business by leveraging the economic momentum and the Bank's industry expertise.
- "Accessibility" – the Bank plans to make using and accessing banking services more modern, convenient and tailored to the customer's style. The Bank plans to develop an integrated customer service model with top-quality conversational banking and an optimised branch format. The Bank intends to focus its attention on the customer and the quality of the customer service to make the contact with the Bank a friendly experience; and
- "Efficiency" – the Bank plans to increase its operational efficiency through fast and modern processes and an aspirational organisational culture. The Bank aims to build an effective data ecosystem which will include integrated and effective management and financial reporting. The Bank intends to improve the ergonomics of key processes by continuously improving them. The Bank also plans to develop an aspirational organisational culture which will be supported by dynamism of attitudes, decisiveness and the willingness to reach for new solutions.

The Bank's strategic goals for the year ending 31 December 2027 set out in the Strategy are:

- return on equity above 18 per cent.;
- cost-to-income below 35 per cent.;
- cost of risk in the range from 65 to 75 basis points; and

- dividend payout of 50 to 75 per cent. of the Bank's profit.

Competitive strengths

The Group's main competitive strengths are as follows:

- one of the largest financial institutions in the CEE region and the second-largest Polish bank in terms of assets and customer base, with deep roots in the Polish economy;
- the third largest Polish bank by capitalization with one of the most liquid stocks listed on the WSE, market capitalization of approximately PLN 50 billion (as of 30 April 2025) and a free float of approximately 67 per cent.;
- a long term focus on sustainable growth in the most profitable areas as well as operational and digital transformation to create profitability and be one of cost efficiency leaders in the Polish banking market;
- one of the most resilient and capital generative banks in Europe with a defensive and diversified balance sheet and prudent risk management (as evidenced by the Bank being the most resilient bank in Europe, among the 70 banks examined in the 2023 EU-wide stress tests conducted by the European Banking Authority);
- high quality results, proven historically by a strong and stable level of dividend payment (almost PLN 20 billion dividend paid out over the last decade). Declaration of payment of 50-75 per cent. of profit in the form of dividends in the coming years in line with the Bank's strategy;
- the second largest retail customer base by number of clients in Poland and the leading Polish bank for large domestic corporate customers;
- one of the top three banks by mortgage loan portfolio in Poland; and
- one of the top three Polish banks in terms of strength of capital position and the market leader in risk management.

Shareholders

Overview

As at the date of this Base Prospectus, the Bank's share capital is divided into 262,470,034 shares with a nominal value of PLN 1 each. Each share gives its holder the right to one vote at the Bank's General Meeting. All the existing shares are ordinary bearer shares. There are no special preferences or limitations connected with the shares, or differences in the rights attached to them. The rights and obligations related to the shares are defined by the provisions of the Commercial Companies Code and other applicable laws.

The Bank is a public company and its shares are listed on the regulated market of the WSE. Therefore, the Bank does not have detailed information on all of its shareholders. The Bank only receives information on its significant shareholders if these shareholders comply with the notification requirements prescribed by Polish law.

The table below sets out information on the shareholding structure of the Bank as of 31 March 2025:

	Number of shares	per cent. of voting rights at the General Meeting
Powszechny Zakład Ubezpieczeń S.A.	52,494,007	20.00
Polski Fundusz Rozwoju S.A.	33,596,166	12.80
Nationale Nederlanden Otwarty Fundusz Emerytalny	16,834,767	6.41
Allianz Polska Otwarty Fundusz Emerytalny	14,140,661	5.39
Other shareholders	145,404,433	55.40
Total	262,470,034	100.00

State Treasury's control over the Bank

Nature of control

The parent entity of the Bank is PZU for which the controlling entity is the State Treasury. The State Treasury holds 34.1875 per cent. of PZU shares entitling it to 34.1875 per cent. of votes at the PZU's general meeting. Through PZU, the Bank is indirectly controlled by the Polish State Treasury. The Polish State Treasury may, indirectly through PZU, exercise a decisive influence on the resolutions adopted by this body, and in particular on the resolutions on key issues relating to the Bank's organisation and operations, including: (a) appointment and dismissal of members of the Supervisory Board; (b) establishing and winding-up special purpose funds from the Bank's net profit; (c) issue of warrants, convertible bonds and bonds participating in profits; (d) the determination of remuneration rules for Supervisory Board members; (e) distribution of profits and covering losses; (f) amendments to the Articles of Association; (g) increases and decreases in the share capital of the Bank; and (h) the Bank's liquidation, merger, demerger or transformation. Since Management Board members are appointed and dismissed by the Supervisory Board, the State Treasury, by having a decisive influence on the composition of the Supervisory Board, can also directly influence the composition of the Management Board.

Mechanisms preventing an abuse of control

There are a number of legal instruments aimed at preventing an abuse of control over the Bank by its major shareholder specified in the Commercial Companies Code and the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies dated 29 July 2005, as further amended.

Dividend

In 2024, the Bank allocated and paid a dividend of PLN 3,354 million, i.e. 50 per cent. of the Bank's profit for the financial year ended 31 December 2023 and additionally Bank allocated and paid a dividend of PLN 1,685 million of undistributed net profit for the year 2019.

On 18 March 2025 the Bank's Management Board announced that it will recommend to the Bank's General Meeting that the profit for the financial year ended 31 December 2024 is distributed in the following manner: PLN 3,307 million will be allocated to payment of dividend, PLN 1,512 million will be allocated to a reserve capital created for the purpose of paying dividends, including advances on

dividends and PLN 1,606 million will be allocated to reserve capital. On 13 March 2025, the Bank received a recommendation regarding its dividend policy from the KNF. Under the recommendation, the Bank may allocate up to 75 per cent. of the profit for the financial year ended 31 December 2024 to payment of dividend. The amount of dividend should not exceed the Bank's annual profit reduced by the part of that profit included in the Bank's own funds. On 24 April 2025 the Bank's General Meeting adopted a resolution on distribution of the Bank's profit for the financial year ended 31 December 2024 in the following manner: PLN 4,819 million is allocated to dividend and PLN 1,606 million is allocated to reserve capital.

Organisational structure of the Group

The Group consists of Bank as the parent company and the following subsidiaries:

Name of the entity	Registered office	Scope of activities	Percentage of the Bank in the share capital/votes
Pekao Bank Hipoteczny S.A.	Warsaw	Banking	100.00
Pekao Leasing Sp. z o.o.	Warsaw	Leasing services	100.00
<i>PeUF Sp. z o.o. (subsidiary of Pekao Leasing Sp. z o.o.)</i>	<i>Warsaw</i>	<i>Financial support</i>	<i>100.00</i>
Pekao Investment Banking S.A.	Warsaw	Brokerage	100.00
Pekao Faktoring Sp. z o.o.	Lublin	Factoring services	100.00
Centrum Kart S.A.	Warsaw	<i>Financial support</i>	100.00
Pekao Financial Services Sp. z o.o.	Warsaw	Transfer agent	66.50
Pekao Direct Sp. z o.o.	Kraków	Call- centre services	100.00
Pekao Property S.A. (in liquidation)	Warsaw	Property development	100.00
<i>FPB - Media Sp. z o.o. (in bankruptcy) (subsidiary of Pekao Property S.A.)</i>	<i>Warsaw</i>	<i>Property development</i>	<i>100.00</i>
Pekao Fundusz Kapitałowy Sp. z o.o. (in liquidation)	Warsaw	Economic advice	100.00
Pekao Investment Management S.A.	Warsaw	Holding activity	100.00
<i>Pekao TFI S.A. (subsidiary of Pekao Investment Management S.A.)</i>	<i>Warsaw</i>	<i>Asset management</i>	<i>100.00</i>

As at 31 December 2024, all subsidiaries were consolidated.

As at 31 December 2024, the Group had no interests in jointly controlled entities.

Ratings

The Bank cooperates with two credit rating agencies: Fitch and S&P.

As at the date of this Base Prospectus, the Bank has the following ratings assigned by Fitch:

Category	Rating	Outlook
Long-Term Default rating (IDR)	BBB	Stable
Short-Term Default Rating	F2	-
Viability Rating	bbb	-
Government Support Rating	No support	-
National Long-Term Rating	AA-(pol)	Stable
National Short-Term Rating	F1+(pol)	-

As at the date of this Base Prospectus, the Bank has the following ratings assigned by S&P:

Category	Rating	Outlook
Issuer Credit Rating (ICR)		
Long-term ICR in foreign currencies	A-	Stable
Long-term rating in domestic currency	A-	Stable
Short-term rating in foreign currencies	A-2	-
Short-term rating in domestic currency	A-2	-
Stand-alone credit profile	bbb+	-
Resolution Counterparty Rating (RCR)		
Long-term RCR in foreign currencies	A	-
Short-term RCR in foreign currencies	A-1	-
Long-term RCR in domestic currency	A	-

Category	Rating	Outlook
Short-term RCR in domestic currency	A-1	-

Business

The Group offers a broad range of banking and financial products as well as services to individuals, corporate clients and public sector entities. The Group's operations are divided into the following reporting segments:

- Retail Banking, which offers all banking activities related to retail customers (excluding private banking customers) and micro companies with an annual turnover not exceeding EUR 2 million, using simplified accounting, as well as results of the subsidiaries, and shares in net profit of associates accounted for using the equity method, that are assigned to the retail banking activity.
- Private Banking, which offers all banking activities related to the most affluent individual customers.
- Corporate and Investment Banking, which offers all banking activities related to large companies and results of the subsidiaries that are assigned to the Corporate and Investment banking activity.
- Enterprise Banking, which offers all banking activities concerning servicing small and medium-sized companies with annual turnover of up to PLN 500 million in the case of single enterprises and PLN 700 million in the case of capital groups and micro companies using full accounting.
- Assets and Liabilities Management and Other, which includes supervision and monitoring of fund transfers, interbank market, debt securities and other instruments, other activities centrally managed as well as the results of subsidiaries and share in net profit of associates accounted for using the equity method that are not assigned to other reported segments.

The tables below present certain segment information as of and for the financial year ended 31 December 2024 and 31 December 2023 derived from note 5 to the 2024 Consolidated Financial Statements.

	Retail Banking	Private Banking	Corporate and Investment Banking	Enterprise Banking	Assets & Liabilities Management and Other	Total
	<i>(in PLN million)</i>					
1 January to 31 December 2024.....						
External interest income	7,020	8	5,220	1,961	4,601	18,810
External interest expenses.....	(2,213)	(458)	(2,304)	(523)	(583)	(6,081)
Net external interest income.....	4,807	(450)	2,916	1,438	4,018	12,729
Internal interest income.....	7,357	750	3,586	1,895	(13,588)	-
Internal interest expenses.....	(5,272)	(7)	(4,368)	(1,536)	11,183	-
Net internal interest income.....	2,085	743	(782)	359	(2,405)	-
Total net interest income	6,892	293	2,134	1,797	1,613	12,729
Fee and commission income and expense	1,264	159	664	721	46	2,854
Other non-interest income	(26)	(1)	269	69	155	466
Operating income of reportable segments.....	8,130	451	3,067	2,587	1,814	16,049

	Retail Banking	Private Banking	Corporate and Investment Banking	Enterprise Banking	Assets & Liabilities Management and Other	Total
	<i>(in PLN million)</i>					
Personnel expenses	(1,342)	(128)	(374)	(344)	(1,118)	(3,306)
General administrative expenses and depreciation (including allocation of operating costs)	(2,089)	(96)	(353)	(478)	1,078	(1,938)
Operating costs.....	(3,431)	(224)	(727)	(822)	(40)	(5,244)
Gross operating profit	4,699	227	2,340	1,765	1,774	10,805
Net allowances for expected credit losses	(234)	1	(506)	(88)	(56)	(883)
Costs of legal risk of foreign currency mortgage loans	(669)	-	-	-	-	(669)
Net operating profit	3,796	228	1,834	1,677	1,718	9,253
Contributions to the Bank Guarantee Fund	(143)	-	(98)	(47)	49	(239)
Tax on certain financial institutions.....	(361)	(1)	(258)	(119)	(159)	(898)
Share in gains on associates					7	7
Profit before tax	3,292	227	1,478	1,511	1,615	8,123
Income tax expense.....						(1,744)

	Retail Banking	Private Banking	Corporate and Investment Banking	Enterprise Banking	Assets & Liabilities Management and Other	Total
	<i>(in PLN million)</i>					
Net profit.....						6,379
Attributable to equity holders of the Bank						6,376
Attributable to non-controlling interests						3
Allocated assets.....	90,095	807	90,526	29,242	120,885	331,555
Unallocated assets.....						2,687
Total assets.....						334,242
Allocated liabilities	154,107	15,088	72,701	42,693	16,418	301,007
Unallocated liabilities						1,321
Total liabilities						302,328

	Retail Banking	Private Banking	Corporate and Investment Banking	Enterprise Banking	Assets & Liabilities Management and Other	Total
	<i>(in PLN million)</i>					
1 January to 31 December 2023.....						
External interest income	7,459	10	5,233	1,930	3,423	18,055
External interest expenses.....	(2,153)	(475)	(2,699)	(366)	(469)	(6,162)
Net external interest income.....	5,306	(465)	2,534	1,564	2,954	11,893
Internal interest income.....	7,045	791	4,660	1,723	(14,219)	-
Internal interest expenses.....	(5,572)	(9)	(5,017)	(1,553)	12,151	-
Net internal interest income	1,473	782	(357)	170	(2,068)	-
Total net interest income	6,779	317	2,177	1,734	886	11,893
Fee and commission income and expense	1,165	150	704	696	71	2,786
Other non-interest income	(10)	(1)	228	47	257	521
Operating income of reportable segments.....	7,934	466	3,109	2,477	1,214	15,200
Personnel expenses	(1,133)	(106)	(319)	(281)	(913)	(2,752)
General administrative expenses and depreciation (including allocation of operating costs)	(1,916)	(76)	(303)	(390)	806	(1,879)

	Retail Banking	Private Banking	Corporate and Investment Banking	Enterprise Banking	Assets & Liabilities Management and Other	Total
	<i>(in PLN million)</i>					
Operating costs.....	(3,049)	(182)	(622)	(671)	(107)	(4,631)
Gross operating profit	4,885	284	2,487	1,806	1,107	10,569
Net allowances for expected credit losses	(336)	4	(307)	2	11	(626)
Costs of legal risk of foreign currency mortgage loans	(315)	-	-	-	-	(315)
Net operating profit	4,234	288	2,180	1,808	1,118	9,628
Contributions to the Bank Guarantee Fund	(133)	-	(96)	(44)	83	(190)
Tax on certain financial institutions....	(331)	-	(187)	(113)	(248)	(879)
Share in gains on associates	-	-	-	-	6	6
Profit before tax	3,770	288	1,897	1,651	959	8,565
Income tax expense.....						(1,904)
Net profit.....						6,661
Attributable to equity holders of the Bank						6,659

	Retail Banking	Private Banking	Corporate and Investment Banking	Enterprise Banking	Assets & Liabilities Management and Other	Total
	<i>(in PLN million)</i>					
Attributable to non-controlling interests						2
Allocated assets.....	82,855	804	91,186	26,076	102,520	303,441
Unallocated assets.....						2,348
Total assets.....						305,789
Allocated liabilities	133,941	15,371	72,369	37,360	14,858	273,899
Unallocated liabilities						1,462
Total liabilities						275,361

Retail Banking

The Group offers retail customers a wide range of credit, deposit and insurance products and electronic banking services. Lending products include cash loans, mortgage loans, revolving facilities and credit cards. Business owners served by the Retail Banking segment have access to investment loans, revolving credit facilities, leasing and factoring services. The deposit and investment offer covers regular savings products, saving accounts, term deposits, investment funds managed by Pekao Towarzystwo Funduszy Inwestycyjnych S.A., a 100% subsidiary of the Bank (**Pekao TFI**), and bonds issued by the Polish state. The Retail Banking segment also covers insurance products, both linked and not linked to banking products offered by the Group. Insurance products linked with banking products include insurance offered together with consumer loans, mortgage loans, bank accounts, credit cards and life insurance linked with loans. Insurance products not linked to banking products are real estate insurance, life insurance, travel insurance, motor insurance, an oncological insurance policy and insurance of leased assets.

As at 31 December 2024, the Group had 7.0 million customers in the Retail Banking segment, including 6.64 million individuals (including private banking customers) and over 0.3 million micro companies and enterprises. The number of customers in the Retail Banking segment increased by 6 per cent. compared to 31 December 2023.

As at 31 December 2024, the aggregate value of financing (understood as the sum of gross mortgage loans and gross other loans and advances) granted to individual clients in the Retail Banking segment was PLN 84.1 billion, a 6.8 per cent. increase compared to 31 December 2023. The value of amounts due to individuals was PLN 149.7 billion, a 13.5 per cent. increase compared to 31 December 2023. The Group also maintained 5.6 million active current deposit accounts in PLN as at 31 December 2024. In the twelve months ended 31 December 2024, the Bank distributed state treasury bonds to its clients with an aggregate principal value of PLN 14.4 billion.

The value of new, purchased and granted financial assets to individual clients in the Retail Banking segment in the twelve months ended 31 December 2024 was PLN 12.4 billion, corresponding to an approximately 8.7 per cent. share in the Polish mortgage loan market.

Private Banking

The Bank's Private Banking provides private banking services to high net worth individuals from up to 47 countries. This business leverages the Bank's knowledge and capabilities on Polish and neighbouring markets in terms of research and expertise. The Private Banking customer base predominantly comprises high net worth individuals with total financial assets exceeding PLN 1 million. As at 31 December 2024, the Group had over 10 thousand customers in the Private Banking segment.

The private clients service model is based on the provision of support by a dedicated banker who provides customers with product solutions tailored to their individual needs and the current market situation. The private bankers group comprises experienced employees who hold certificates from the European Financial Planning Association and are aided by assistants and teams of product experts with unique experience and knowledge of the local market, which enables a high level of service to be delivered and product offers to be developed for this highly demanding client segment. The clients of the private banking segment have access to a wide range of banking services and financial products as well as ancillary services. The clients of the private banking segment benefit from preferential terms and have access to dedicated distribution channels.

Enterprise Banking

The Enterprise Banking segment is divided into two segments, Small and Medium Enterprises and Medium Enterprises. It encompasses all banking activities related to companies with an annual turnover ranging from PLN 5 million to PLN 500 million and companies with a turnover below PLN 5 million which maintain full accounting.

The clients of this segment are offered a comprehensive range of financial products, including accounts, loans and other financial solutions. The Bank also cooperates with external partners, such as Bank Gospodarstwa Krajowego, the Polish state development bank, and Korporacja Ubezpieczeń Kredytów Eksportowych S.A., the Polish export credit agency, to offer its clients loans and guarantees benefitting from the credit support granted by these institutions.

Corporate and Investment Banking

Corporate Banking includes corporate segments, significant capital groups (so-called large corporations), public sector clients, such as municipalities, universities and other public sector entities, financial institutions, commercial real estate and specialized financing. The Bank believes, on the basis of the analysis of financial statements of Polish banks, that it is a leader in Poland in these segments. It has a competitive advantage resulting from experience, unique staff, specialized knowledge and processes, and the potential to co-finance large projects based on a very strong liquidity and capital position. The Bank provides both the comprehensive services of a universal bank and services in specialised areas such as leasing, factoring, investment advisory services, M&A advisory as well as highly-advanced treasury, capital market products and custody services.

The Bank cooperates with major companies and holds a leading position in servicing domestic financial institutions (including insurance companies, investment funds, brokerage houses, financial sector infrastructure entities, cooperative banks, as well as savings and credit unions). The Bank also extends financing and prepares comprehensive offers for the short and long-term financing of international transactions and provides risk hedging instruments for international transactions.

As at 31 December 2024, the Group had 6.8 thousand customers in the Corporate and Investment Banking Segment, including 3.8 thousand customers from the public sector.

As at 31 December 2024, the aggregate value of financing granted to customers from the Corporate and Investment Segment was PLN 58.2 billion. The value of savings of customers in the Corporate and Investment Segment as at 31 December 2024 was PLN 52.2 billion.

Bank's subsidiaries

The Bank's subsidiaries provide a wide range of banking and non-banking services to the Group's clients from both the Retail Segment and the Corporate and Investment Segment.

Pekao Bank Hipoteczny S.A.

Pekao BH is a specialized mortgage bank which grants mortgage loans for housing purposes, purchases receivables from the Bank that derive from mortgage loans granted for housing purposes and issues covered bonds.

In the year ended 31 December 2024, Pekao BH reported a net profit of PLN 5.4 million compared to a net loss of PLN 109.1 million in the year ended 31 December 2023. The main reason for the increase were the lower costs of legal risk of mortgage loans in foreign currencies than in 2023, related to the portfolio of mortgage loans denominated in CHF, and costs related to the modification of PLN mortgage loan agreements granted to consumers in connection with their suspension of loan repayments. On 21 March 2025 the Bank and Pekao BH agreed the division plan for Pekao BH. According to this plan

Pekao BH will transfer to the Bank certain assets and liabilities, including: (i) active and inactive (i.e., repaid, cancelled, or invalidated) loans, which, at any time after the execution of the loan agreement by Pekao BH, were recorded by Pekao BH as loans denominated in a currency other than PLN; (ii) non-performing loans; and (iii) commercial loans granted solely by Pekao BH in PLN.

This transfer of the loan portfolio will not affect the consolidated financial results of the Group.

Pekao Investment Management S.A. and Pekao TFI

Pekao Investment Management (**Pekao IM**), in which the Bank holds a 100 per cent. share, is the owner of Pekao TFI. Pekao TFI is the oldest investment fund manager in Poland providing customers with modern financial products and opportunities to invest on the Polish and the largest global capital markets. For many years, it has created savings programs, including programs offering additional savings options for retirement by way of the so-called third pillar, a voluntary pension scheme. Pekao TFI offer also includes a portfolio management service and employee pension plans (**PPK**).

As at 31 December 2024, the value of net assets of investment funds (including PPK) managed by Pekao TFI was PLN 32.2 billion and was higher by PLN 8.1 billion, i.e. 33 per cent. compared to the end of December 2023. The higher value of assets stemmed from the favourable situation on the capital markets.

Pekao Leasing sp. z o.o.

Pekao Leasing sp. z o.o. (**Pekao Leasing**) provides financial services supporting the sale and purchase of fixed assets, i.e. means of transport, machinery and equipment, as well as office real estate - both through operational and financial leasing.

In the year ended 31 December 2024, Pekao Leasing generated a net profit of PLN 107.9 million, compared to a net profit of PLN 96.1 million in the year ended 31 December 2023.

Pekao Faktoring sp. z o.o.

Pekao Faktoring sp. z o.o. (**Pekao Faktoring**) offers a full range of factoring services (including recourse and non-recourse factoring), as well as ancillary services, which include, among others, collecting information about the financial situation of debtors, collection, debt collection, accounting of settlements and ongoing monitoring of payments. Pekao Faktoring's offer is complemented by the settlement of mass transactions, financial advice and consulting with respect to the selection of methods of financing, as well as granting loans related to factoring agreements. The company cooperates with the Bank in the developing new sales channels.

In the year ended 31 December 2024, Pekao Faktoring reported a net loss of PLN 128.5 million compared to a profit of PLN 11.2 million in the year ended 31 December 2023. In 2024, Pekao Faktoring's market share in the Polish factoring market, according to the Polish Factoring Association (in Polish: *Polski Związek Faktorów*) was 16.9 per cent. giving Pekao Faktoring the second position in this market.

Pekao Investment Banking S.A.

Pekao Investment Banking S.A. (**Pekao IB**) focuses on highly specialised services for large and medium-sized enterprises and financial institutions. The scope of services provided by Pekao IB includes, in particular, accepting and transferring orders to buy or sell financial instruments, offering financial instruments, as well as consulting support for enterprises relating to capital structure, corporate strategy and other services in the field of corporate mergers, divisions and acquisitions.

In 2024, Pekao IB acted as a joint bookrunner for two initial public offerings on the Warsaw Stock Exchange, participated in issuances of notes of nine issuers, advised on structuring two debt financings and one project concerning obtaining an equity investor. Pekao IB is also developing its advisory capacity in ESG-related matters.

In 2024, Pekao IB achieved a net profit of PLN 2.7 million, compared to a profit of PLN 13.9 million in 2023.

Centrum Kart S.A.

Centrum Kart S.A. (**Centrum Kart**) provides comprehensive services related to, among other things, support for payment card management systems, transaction authorization and card personalization. The company's activity is mainly related to supporting the Bank. The company, in cooperation with the Bank, implements projects aimed at extending the Bank's product offer.

Krajowy Integrator Płatności S.A.

The Bank owns 38.33 per cent. of the shares of Krajowy Integrator Płatności S.A. (**KIP**), the owner of the Tpay fast internet payment system

KIP is a national payment institution and acts as an intermediary for transfer of payments. KIP is expanding the scope of its business activity in the area of online and mobile payments and is engaged in a strategic partnership with the Bank to provide the Bank's customers with modern and secure payment services.

Pekao Direct sp. z o.o.

Pekao Direct sp. z o.o. (**Pekao Direct**) provides financial intermediation services as well as comprehensive services through alternative communication channels for clients of the non-banking sector.

Pekao Direct supports the Bank as its main customer online banking, cards and product call centres. Pekao Direct provides alternative communication channels, such as telephone, e-mail and instant messaging.

Pekao Financial Services sp. z o.o.

Pekao Financial Services sp. z o.o. (**PFS**) provides transfer agent services and outsourcing services for financial institutions in the field of operational and technological solutions. It cooperates with investment funds, pension funds and entities offering insurance products.

Distribution Network

The Group distributes its products through a comprehensive distribution network comprising online and mobile banking services, a call centre, traditional branches (including own branches and partner branches) and ATMs. The call centre employs several hundred consultants and open for 24 hours a day. The consultants respond to telephone calls, emails and requests made through the internet banking and mobile apps. The branch network covers the whole territory of Poland and its purpose is to provide the Group's clients with convenient access to the Group's products and services. The corporate and enterprise network comprised of 32 regional corporate centres and 52 regional enterprise centres as at 31 December 2024.

The Group continues to develop its online and mobile banking solutions, by expanding the scope of services that are accessible through these channels and offering ancillary services. The Group promotes

its mobile application, PeoPay, as the main channel for the customers' interactions with the Group. As at 31 December 2024, the number of active mobile banking customers, i.e. customers who logged into the mobile banking system at least once in the last quarter of 2024 was 3.4 million, a 9 per cent. increase as compared to 31 December 2023 and in excess of the target set out in the Group's strategy for the period from 2021 to 2024. As at 31 December 2024, the number of active PeoPay users, i.e. customers who logged into the application at least once on the last quarter of 2024, was 3.2 million, an 11 per cent. increase as compared to 31 December 2023.

The table below shows information on the number of the Group's outlets, including the breakdown by own outlets and partner branches, and total number of own ATMs as of 31 December 2024 and 31 December 2023.

	31 December 2024	31 December 2023
Total number of outlets.....	573	574
Own outlets	478	493
Partner branches.....	95	81
Total number of own ATMs	1,314	1,306

Capital management

The capital management process applied by the Group has been adopted for the following purposes:

- to ensure safe and secure functioning of the Group by maintaining a balance between the capacity to undertake risk which is limited by own funds, and the risk levels generated;
- to maintain capital for covering risk above the minimum stated levels in order to assure further business operations, taking into consideration possible, future changes in capital requirements and to safeguard the interests of shareholders,
- to maintain an optimal capital structure in order to maintain the desired quality of risk coverage capital; and
- to create value to shareholders by the best possible utilization of the Group own funds.

The Group has put in place a formalized process of capital management and monitoring, established within the scope of the internal capital adequacy assessment process. The Finance Division under the Chief Financial Officer is responsible for functioning of the capital management process in the Bank. The ultimate responsibility for capital management is allocated to the Management Board of the Bank, supported by the Assets, Liabilities and Risk Committee, which approves the capital management process. The Supervisory Board supervises the capital management system, in particular approves the capital management strategy. The Capital Management Strategy defines the objectives and general rules of the management and monitoring of the Group's capital adequacy, such as the guidelines concerning risk coverage sources, preferred structure of capital for risk coverage, long-term capital targets, capital limits system and sources of additional capital under contingency situations.

The Group has also implemented the capital contingency plan which establishes rules and obligations in the event of a crisis or developments that would significantly reduce the capitalization level of the Bank or Group. The policy defines the principles of supervision including split of responsibilities for the purpose of early and consistent management in case of the emergence of a crisis situation.

The capital adequacy of the Group is controlled by the Assets, Liabilities and Risk Committee and Management Board of Bank. Periodic reports on the scale and direction of changes of the capital ratios together with an indication of potential threats are prepared for the Supervisory Board, Management Board and for the Assets, Liabilities and Risk Committee. The level of basic types of risks is monitored according to the external limits of the banking supervision and the internal limits of the Group. Analyses and evaluations of directions of business activities development are performed assessing compliance with capital requirements. Forecasting and monitoring of risk weighted assets, own funds and capital ratios constitutes an integral part of the planning and budgeting process, including stress tests.

The Group has also a capital allocation process in place, with the aim of guaranteeing shareholders a safe and effective return on invested capital. On the one hand, the process requires capital allocations to products, clients and business lines, which guarantee profits adequate to the risks taken, while on the other hand taking into consideration the cost of capital associated with the business decisions taken. Risk-related efficiency ratios are used in the analyses of income generated compared against the risk taken as well as for the optimization of capital usage for different types of operations.

The Group is required to comply with the following regulations when calculating, among others, its capital ratios, its own funds and its total capital requirement:

- the CRR Regulation;
- the Commission Implementing Regulation (EU) No 680/2014 of 16 April 2014 laying down implementing technical standards with regard to supervisory reporting of institutions according to Regulation (EU) No 575/2013 of the European Parliament and of the Council with further amendments (**ITS Regulation**);
- the Banking Law; and
- the Act on Macroprudential Supervision of the Financial System and Crisis Management of 5 August 2015.

The entities included in the scope of prudential consolidation according to the rules of the CRR Regulation are taken into account in the process of calculating the consolidated own funds and capital requirements.

The Group is required to maintain minimal values of capital ratios resulting from the Pillar 1 level, the Pillar 2 capital requirement and the combined buffer requirement.

Minimal value of capital ratios on Pillar 1 level are:

- Total capital ratio (TCR) of 8 per cent.;
- Tier 1 capital ratio (T1) of 6 per cent.;
- Common Equity Tier I capital ratio (CET 1) of 4.5 per cent.

On 11 December 2024, the KNF informed the Group that it will not impose additional Pillar II capital requirement on the Group.

Combined buffer requirement as at 31 December 2024 consisted of:

- capital conservation buffer of 2.50 per cent.;
- other systemically important institution buffer of 1.00 per cent.; and

- countercyclical capital buffer of 0.0335 per cent.;
- systemic risk buffer of 0.00 per cent.

In total, the Group is required to maintain:

- Total capital ratio (TCR) of 11.53 per cent.;
- Capital ratio Tier 1 (T1) of 9.53 per cent.; and
- Common Equity Tier (CET 1) of 8.03 per cent.

As at 31 December 2024 the total capital ratio of the Group was 16.1 per cent., compared to 17.5 per cent. as at 31 December 2023.

The table below presents selected data concerning Group's capital adequacy as at the dates indicated below:

	As at 31 December	
	2024	2023 (restated)
	<i>(PLN million)</i>	
Credit risk.....	11,166	10,336
Market risk.....	93	109
Counterparty risk including CVA*	150	154
Operational risk.....	2,049	1,678
Total capital requirement.....	13,458	12,277
Common Equity Tier I Capital.....	25,061	24,368
Tier II Capital.....	2,073	2,434
Own funds for total capital ratio	27,134	26,802
Common Equity Tier 1 capital ratio (%).....	14.9	15.9
Total capital ratio (%)	16.1	17.5

* "CVA" means an adjustment to the mid-market valuation of the portfolio of transactions with a counterparty. That adjustment reflects the current market value of the credit risk of the counterparty to the institution, but does not reflect the current market value of the credit risk of the institution to the counterparty.

The MREL requirement for the Group is 15.40 per cent. of the Group's total risk exposure amount (TREA) and 5.90 per cent. of the total exposure measure (TEM). The MREL TREA subordination requirement is 13.60 per cent. and the MREL TEM subordination requirement is 5.60 per cent. As at 31 December 2024 the Group met these requirements.

Debt securities issued

The table below shows the principal amount of the Group's debt securities issued by the Bank and its subsidiaries.

	31 December 2024	31 December 2023 (restated)
	<i>(in PLN million)</i>	
Liabilities from bonds	14,721	8,903
Mortgage bonds	1,446	1,055
Total	16,167	9,958

IT and operations

The Group has several IT systems, including systems supporting remote banking channels, product management, accounting, IT and HR support. The IT infrastructure meets market standards and is protected with a regularly tested business continuity solution (including a remote facility), data backup procedures, off-site data storage and sophisticated cyber-crime prevention software. Additionally, the Issuer is constantly monitoring the compliance of its IT systems with the relevant recommendations of the KNF.

Litigation

General

As at 31 December 2024, the value of provisions for legal claims was PLN 1,461 million, including provisions for legal risk associated with mortgage loans denominated in CHF, of PLN 1,308 million. As at 31 December 2024, the Group estimated the total cumulative impact of the legal risk related to CHF-denominated mortgage loans to be PLN 2,501 million, including (i) an adjustment to the gross carrying amount at PLN 1,193 million and (ii) a provision at PLN 1,308 million. As at 31 March 2025, the value of provisions for legal claims was PLN 1,466 million, including provisions for legal risk associated with mortgage loans denominated in CHF, of PLN 1,314 million. As at 31 March 2025, the Group estimated the total cumulative impact of the legal risk related to CHF-denominated mortgage loans to be PLN 2,434 million, including (i) an adjustment to the gross carrying amount at PLN 1,120 million and (ii) a provision at PLN 1,314 million.

Disputes relating to mortgage loans denominated in CHF

As at 31 December 2024, there were 8.8 thousand disputes pending against the Group over loans denominated in CHF, with the disputed amount totalling PLN 3,111 million. As at 31 December 2024, the Group estimated the total cumulative impact of the legal risk related to CHF-denominated mortgage contracts to be PLN 2,501 million. As at 31 December 2023 there 5.8 thousand disputes pending against the Group over loans denominated in CHF, with the disputed amount totalling PLN 1,938 million. As at 31 March 2025, there were 9.3 thousand disputes pending against the Group over loans denominated in CHF, with the disputed amount totalling PLN 3,311 million. As at 31 March 2025, the Group estimated the total cumulative impact of the legal risk related to CHF-denominated mortgage contracts to be PLN 2,434 million. As at 31 December 2024 there were 8.8 thousand disputes pending against the Group over loans denominated in CHF, with the disputed amount totalling PLN 3,111 million.

The claimants mostly demand their loan agreements to be declared invalid or request return of the sums paid to the Bank under the loan agreement. The claimants allege that the loan agreements contained abusive clauses which infringed their interests as consumers or clauses that were in breach of Polish law. The number of lawsuits filed by customers against the Bank is significantly influenced by the intensive advertising of law firms which specialise in representing borrowers in disputes against banks.

The Group regularly monitors the status of court rulings in cases indexed or denominated in foreign currencies with regard to the developments and changes in the courts' approach to these disputes.

In 2024, 2,419 unfavourable rulings have been issued by the courts in cases against the Bank, including 480 final judgments. 45 rulings, including four final rulings, were in favour of the Bank. In 2024 the Bank entered into more than 7 thousand out-of-court settlements with borrowers under loan agreements denominated in CHF. In the first quarter of 2025, 817 unfavourable rulings were issued by the courts in cases against the Group, including 117 final judgments. 16 rulings, none of which was final, were in favour of the Bank. By 31 March 2025, the Bank entered into approximately 7.5 thousand out of-court settlements with borrowers under loan agreements denominated in CHF.

Disputes relating to the "free loan" sanction

The Polish consumer protection laws set out a list of information that must be indicated in loan agreement under which a bank grants a loan to a consumer. This information includes the principal parameters of the loan, interest and fees associated with the loan or the terms on which the loan may be prepaid. If the bank did not include the required information in the loan agreement, the borrower may repay the loan without any interest or fees, so called "free loan" sanction. Certain borrowers under consumer loans or professional entities which acquired claims under the loans from the original borrowers attempt to challenge the loans in courts by claiming that they did not meet the criteria prescribed by Polish consumer protection laws. As at 31 December 2024, there were 648 court proceedings pending against the Group relating to the "free loan" sanction, with a total value of PLN 18.5 million. By 31 December 2024, 53 disputes were concluded and 47 judgments were in favour of the Bank. As at 31 March 2025, there were 782 court proceedings pending against the Group relating to the "free loan" sanction, with a total value of PLN 22.7 million. By 31 March 2025, 64 disputes were concluded and 57 judgments were in favour of the Bank.

Proceedings conducted by the President of the OCCP regarding irregularities in processing customers' complaints

On 10 November 2023 the President of the OCCP initiated proceedings against the Bank concerning alleged use of practices violating the collective interests of consumers. These practices consist of the Bank's failure to respond to consumers' complaints without undue delay and the Bank's failure to disclose in the information provided to the customer filing a complaint the reason for the delay that makes it impossible to consider the complaint and provide a response without undue delay, no later than within 30 days, and the circumstances that must be established in order to consider the case. The Bank applied to the President of the OCCP to issue a decision under which the Bank will commit to eliminating the practices that may have infringed consumers' interests and in turn the President of the OCCP will not impose a penalty on the Bank.

As at 31 December 2024, the Bank recognised a provision of PLN 64.1 million for the implementation of the arrangement proposed to the President of the OCCP.

Proceedings conducted by the President of the OCCP regarding unauthorised transactions

On 8 February 2024 the President of the OCCP initiated proceedings against the Bank concerning alleged use of practices violating the collective interests of consumers. These practices consist of the

Bank's failure to refund the amount of an unauthorized payment transaction to the customer within the T+1 deadline despite the lack of grounds for such refusal and misleading consumers as to the Bank's obligations and the burden of proof concerning the authorisation of a payment transaction. These proceedings are still pending and, as at 31 December 2024, the Bank did not create any provisions for them.

Proceedings conducted by the President of the OCCP regarding irregularities in the application of suspension of repayment of mortgage loans

On 21 January 2025, the President of the OCCP initiated proceedings against the Bank regarding the application by the Bank of practices violating the collective interests of consumers in terms of suspension of repayment of mortgage loans under the Act on Supporting Borrowers (so called "mortgage payment holiday"). The proceedings are still pending and the Bank did not create any provisions for them.

Explanatory proceedings of the President of the OCCP regarding antitrust issues

The President of the OCCP is currently conducting explanatory proceedings against Polish banks, including the Bank, to make an initial determination whether Polish banks could have violated the Polish consumer protection laws in the areas of: (i) assessment of customers' creditworthiness and granting loans; and (ii) determining the amount, settlement or collection of fees related to ATM transactions. After completing the explanatory proceedings, the President of the OCCP may decide to commence antitrust proceedings.

Intellectual property

The Group uses a number of trademarks in its activities. As of the date of the Base Prospectus, the Group has been granted rights of protection to 145 trademarks, including 138 trademarks of the Bank. The Group has registered 20 trademarks at the European Union Intellectual Property Office.

Employees

As at 31 December 2024, the Group had 15.2 thousand employees, in comparison with 14.9 thousand employees as at 31 December 2023. In addition to salaries, the Group's employees are entitled to a range of benefits, including life, health and medical insurance, and bonuses relating to the achievement of individual objectives.

TRANSACTIONS WITH RELATED PARTIES

The Bank entered into a number of related party transactions, including loans, deposits, foreign currency transactions and guarantees.

In 2024 and 2023, the Bank and its subsidiaries did not enter into any significant transactions with related entities other than those executed the arm's length basis.

Related party transactions

The tables below show related party transactions entered into by the Group as at 31 December 2024 and 31 December 2023:

Related party transactions as at 31 December 2024

Name of entity	Receivables from loans and placements	Securities	Receivables from revaluation of derivatives	Other receivables	Liabilities from loans and deposits	Liabilities from revaluation of derivatives	Other liabilities
<i>(in PLN million)</i>							
PZU S.A. – the Bank's parent entity	-	-	-	13	356	-	37
Entities of PZU S.A. Group excluding the Bank Group entities	18	-	1	9	555	3	-
Associates the Group entities.....		-					
Krajowy Integrator Płatności S.A.....	-	-	-	-	30	-	1
Key management personnel of the Bank	-	-	-	-	2	-	-
Total	18	-	1	22	943	3	38

Related party transactions as at 31 December 2023

<u>Name of entity</u>	<u>Receivables from loans and placements</u>	<u>Securities</u>	<u>Receivables from revaluation of derivatives</u>	<u>Other receivables</u>	<u>Liabilities from loans and deposits</u>	<u>Liabilities from revaluation of derivatives</u>	<u>Other liabilities</u>
<i>(in PLN million)</i>							
PZU S.A. – the Bank’s parent entity	-	-	-	3	289	-	25
Entities of PZU S.A. Group excluding the Group entities.....	12	-	-	12	399	7	1
Associates of the Group entities....							
Krajowy Integrator Płatności S.A.....	-	-	-	-	39	-	-
Key management personnel of the Bank	2	-	-	-	11	-	-
Total	14	-	-	15	738	7	26

Income and expenses from transactions with related parties

The tables below show income and expenses from transactions with related parties for years ended 31 December 2024 and 31 December 2023:

Income and expenses from transactions with related parties for the period from 1 January 2024 to 31 December 2024

<u>Name of entity</u>	<u>Interest income</u>	<u>Interest expense</u>	<u>Fee and commission income</u>	<u>Fee and commission expense</u>	<u>Positive valuation of derivatives and other income</u>	<u>Negative valuation of derivatives and other expenses</u>
<i>(in PLN million)</i>						
PZU S.A. – the Bank’s parent entity..	(1)	(19)	85	(1)	1	(11)

Name of entity	Interest income	Interest expense	Fee and commission income	Fee and commission expense	Positive valuation of derivatives and other income	Negative valuation of derivatives and other expenses
Entities of PZU S.A. Group excluding the Group entities.....	3	(21)	79	(1)	1	(59)
Associates of the Group entities						
Krajowy Integrator Płatności S.A.	-	-	1	-	-	-
Key management personnel of the Bank.....	-	-	-	-	-	-
Total.....	2	(40)	165	(2)	2	(70)

Income and expenses from transactions with related parties for the period from 1 January 2023 to 31 December 2023

Name of Entity	Interest Income	Interest Expense	Fee and Commission Income	Fee and Commission Expense	Positive Valuation of Derivatives and Other Income	Negative Valuation of Derivatives and Other Expenses
<i>(in PLN million)</i>						
PZU S.A. – the Bank’s parent entity.	(2)	(21)	53	-	2	(9)
Entities of PZU S.A. Group excluding the Group entities.....	1	(18)	61	-	1	(67)
Associates of the Group entities						
Krajowy Integrator Płatności S.A.	-	(1)	-	-	-	-

Name of Entity	Interest Income	Interest Expense	Fee and Commission Income	Fee and Commission Expense	Positive Valuation of Derivatives and Other Income	Negative Valuation of Derivatives and Other Expenses
Key management personnel of the Bank.....	-	-	-	-	-	-
Total.....	(1)	(40)	114	-	3	(76)

Off-balance sheet financial liabilities and guarantees

The tables below show off-balance sheet financial liabilities and guarantees as at 31 December 2024 and 31 December 2023:

Off-balance sheet financial liabilities and guarantees as at 31 December 2024

Name of entity	Granted		Received	
	Financial	Guarantees	Financial	Guarantee
	<i>(in PLN million)</i>			
PZU S.A. – the Bank’s parent entity	3	15	-	737
Entities of PZU S.A. Group excluding the Group entities	17	10	-	-
Associates of the Group entities				
Krajowy Integrator Płatności S.A.	-	2	-	-
Key management personnel of the Bank	-	-	-	-
Total.....	20	27	-	737

Off-balance sheet financial liabilities and guarantees as at 31 December 2023

Name of entity	Granted		Received	
	Financial	Guarantees	Financial	Guarantee
	<i>(in PLN million)</i>			
PZU S.A. – the Bank’s parent entity	3	15	-	-

	Granted		Received	
	Financial	Guarantees	Financial	Guarantee
Entities of PZU S.A. Group excluding the Group entities	13	10	-	-
Associates of the Group entities				
Krajowy Integrator Płatności S.A.	-	2	-	-
Key management personnel of the Bank.....	-	-	-	-
Total.....	16	27	-	-

RISK MANAGEMENT

Overview of Group risk management

Risk management is of vital importance for the financial performance of both the Group and the Bank. Consequently, the Group has developed a system of check and balances to ensure that any potential risks which may jeopardise the Group performance are addressed in advance. The Bank has an extensive control and risk management mechanism, with the most important bodies in this regard being the Supervisory Board, the Management Board and Management Board committees.

Risk management objectives

The risk management policy of the Bank seeks to optimize the structure of the statement of financial position and off-balance sheet items by taking into consideration the risk-income relationships assumed and the overall impact of various risks that the Bank is exposed to in conducting its business operations. Risks are monitored and controlled with reference to profitability and capital coverage and are subject to regular reporting in accordance with rules presented below.

Organizational structure of risk management

Supervisory Board

The Supervisory Board provides supervision over implementation of the risk management system, assessing its adequacy and effectiveness. The Supervisory Board is responsible for approving the risk management strategy, including the main principles of risk management, and the overall acceptable level of risk (the risk appetite), and for monitoring compliance with them. Moreover, the Supervisory Board supervises the compliance of the Group's policy with respect to risk taking with the Group's strategy and financial plan. In carrying out their tasks, the Supervisory Board is assisted by the Supervisory Board Risk Committee and the Audit Committee.

Management Board

The Management Board is responsible for the development, implementation and functioning of risk management processes by, among others, introduction of relevant, internal regulations, taking into consideration the results of internal audit inspections.

The Management Board develops the risk management strategy and determines the risk appetite. The Management Board is responsible for the effectiveness of the risk management system, internal control system and internal capital assessment process. Moreover, the Management Board introduces the essential adjustments or improvements to those processes and systems whenever necessary. This need may be a consequence of changes to risk levels of the Bank's operations, business environment factors or irregularities in the functioning of processes or systems.

Periodically, the Management Board submits to the Supervisory Board concise information on the types, scale and significance of risks the Group is exposed to, as well as on methods used in the management of such risks.

The Management Board is responsible for assessing, whether activities such as identification, measurement, monitoring, reporting and control or mitigation are carried out appropriately within the scope of the risk management process. Moreover, the Management Board examines whether the management at all levels is effectively managing the risks within the scope of their competence.

Committees

In performing the risk management tasks, the Management Board is supported by the following committees:

- Assets, Liabilities and Risk Management Committee - in market risk management, liquidity and capital adequacy;
- Liquidity and Market Risk Committee, acting as support for the Assets, Liabilities and Risk Management Committee – in liquidity and market risk management;
- Operational Risk Committee – in operational risk management;
- Credit Risk Committee – in analysing the Bank's credit risk profile, making important decisions within the area of credit risk management and issuing opinions on the credit risk strategy and policy;
- Credit Committee – in making credit decisions within the powers, and in the case of issuing recommendations on the largest transactions presented to the Management Board for decision;
- Safety Committee – in the field of security and business continuity management;
- Model Risk Committee – in model risk management; and
- Recovery Plan Committee – for supporting the process of creating, maintaining and updating the Recovery Plan prepared in accordance with applicable law.

Liquidity risk management

The objective of liquidity risk management is to:

- ensure and maintain the Group's solvency with respect to current and future payables taking into account the cost of acquiring liquidity and the return on Group equity;
- prevent the occurrence of crisis situations; and
- provide solutions necessary to survive a crisis situation, when such circumstances occur.

The Group has a centralized liquidity risk management system covering current liquidity management and the first level control performed by the responsible functions, the second level control carried out by a dedicated unit responsible for risk management and the third level control performed by an independent audit.

Managing Group liquidity is carried out on an intraday, a short-term and a long-term horizon basis. The intraday liquidity analysis concerns flows realized during the day, the short-term liquidity analysis is understood as a liquidity measurement system which refers to a time horizon shorter than one year, the long-term analysis covers periods above one year. Due to the specific tools and techniques used for liquidity risk management, the Group manages current and medium-term liquidity together with short-term liquidity.

Liquidity control is performed as a continuous process of determining and analysing the levels of various indicators and measures related to intraday, short-term and long-term liquidity. Monitoring frequency is matched to specific liquidity aspects – e.g. daily for short-term liquidity, monthly for long-

term liquidity. Liquidity ratios and measures are subject to a formal limiting process. The limit utilization is regularly monitored and presented to the management of the Bank. When risk limits are exceeded, an escalation process is set in motion in order to inform decision-makers and to ultimately restore liquidity risk exposures to acceptable levels.

Scenario-based stress analyses, conducted on a monthly basis, constitute an integral part of the Group liquidity monitoring process. These analyses entail assessing Group liquidity under crisis conditions triggered by financial market developments or by internal factors specific to the Group.

In managing liquidity, the Group pays special attention to foreign currency liquidity by monitoring, limiting and controlling liquidity individually for each currency as well as by monitoring demand for current and future currency liquidity. If a need arises, the Group uses currency swaps for hedging purposes. The potential impact on liquidity of posting collateral for derivative transactions is also analysed.

In order to define the principles of contingency liquidity management, the Bank prepared 'Contingency Liquidity Principles', which have been approved by the Management Board and define contingency procedures in the event of crisis situations. These principles involve the daily monitoring of the system and specific early-warning indicators for the Bank and the Group, as well as three levels of liquidity risk depending on the level of early-warning indicators, the Bank's and Group's situation as well as market situation. It also defines sources for covering anticipated outflows from the Group. This document describes the procedures for monitoring liquidity risk levels, emergency action procedures, the dedicated task forces responsible for restoring Group liquidity and management responsibilities with regard to adopting the decisions needed to restore the required level of liquidity.

Credit risk

Managing credit risk and maintaining it at a safe level is of vital importance to the financial performance of the Bank.

The percentage share of credits and loans in the Group financial statements makes the maintenance of risk at a safe level essential for Group performance. The process of credit risk management is centralized and managed mainly by Risk Management Division units operating at the Head Office of the Bank or at the local level.

The risk management process covers all credit functions: credit analysis, credit decision-making, monitoring and loan administration as well as restructuring and collection.

The credit functions are conducted in compliance with the Bank credit policy adopted by the Management Board and the Supervisory Board for a given reporting year. The effectiveness and efficiency of credit functions are ensured by using diverse credit methods and methodologies, supported by advanced IT tools that are integrated into the Bank's general IT system. Bank procedures facilitate credit risk mitigation, especially with regard to transaction risk evaluation, establishing collateral, setting authorization limits for the granting of loans and limiting exposure to some areas of business activity in line with the current client segmentation model operated by the Bank.

Credit decision-making powers, lending restrictions on particular business activities as well as internal and external prudential standards apply not only to credits, loans and guarantees but also to derivatives transactions and debt securities.

The Bank's lending activity is limited by the restrictions imposed by external regulations as well as by internal prudential standards in order to increase safety. These restrictions refer, in particular, to credit

exposure concentration, credit quality ratios and exposure limits for particular foreign countries, foreign banks and domestic financial institutions.

The Bank has established the following portfolio limits in its credit policy:

- exposure limits for sectors of economy;
- limits on the concentration of the largest exposures to entities / groups of related entities;
- limits for main business lines and currency receivables;
- product limits (mortgage loans to private individuals, exposures to business entities secured by mortgage, including financing commercial real estate).

The internal limit system operated at the Bank also includes a number of detailed limits that back up the key limits set out in the strategy and credit policy.

Moreover, the Bank limits higher risk credit transactions, characterised by excess risk, by restricting decision-making powers in such cases to higher level decision-making bodies.

The management of Bank credit portfolio quality is further supported by regular reviews as well as the continuous monitoring of timely loan repayments and the financial condition of borrowers.

Credit risk concentration limits

According to the applicable regulations, the exposure of the Bank to a client or a group of connected clients risks associated with a single borrower or a group of borrowers in which entities are related by capital or management may not exceed 25 per cent. of Tier 1 capital. In 2024 the large exposure limits were not exceeded.

Sector concentration

In order to mitigate credit risk associated with excessive sector concentration, the Bank operates a system for shaping the sectoral structure of credit exposure. Every year, the Bank defines limits for particular sectors of the economy in its credit risk policy. These limits are subject to ongoing monitoring. The system applies to credit exposure for particular types of business activity according to classifications based on the Polish Classification of Economic Activities (in Polish: *Polska Klasyfikacja Działalności – PKD*).

Concentration limits are set based on Bank current credit exposure and the risk assessment of each sector. Periodic monitoring of Bank exposure allows for the ongoing identification of those sectors in which exposure concentration may be excessive. In such cases, an analysis of the economic situation of the sector is performed, including both current and forecast trends, and the quality assessment of current exposure to that sector is undertaken. These measures enable the Bank to formulate the activities aimed at reducing sector concentration risk and bringing Bank credit policy into line with a changing environment.

The Group risk management process

The Bank supervises the risk related to its subsidiaries. In particular, the size and profile of risk related to their activities are assessed. Risk management processes are consistent throughout the Group and adapted to the complexity of the risk profile of individual entities in accordance with the principle of proportionality.

Compliance risk

Compliance risk is the risk resulting from breaching laws, internal regulations and market standards in the processes functioning within the Bank. Compliance risk can lead to criminal or administrative sanctions, material financial losses, diminished reputation, reduced brand value, reduced development potential and the inability to perform contracts, as well as reduction or loss of business opportunities.

The Compliance Department is the key element in ensuring compliance within the Bank. The Compliance Department is organisationally and operationally independent from other parts of the Bank and reports directly to the president of the Management Board.

The Bank ensures compliance through the application of suitable control mechanisms and a compliance risk management process coordinated by the Compliance Department. The Compliance Department is involved in the process of managing conflicts of interest and in the process of managing inside information within the meaning of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC. In exercising the control function, the Compliance Department designs and supervises the implementation of control mechanisms with the aim of ensuring compliance with the law, internal regulations and market standards. The Compliance Department autonomously applies some of these control mechanisms and performs independent monitoring of their compliance by other organizational units of the Bank as well as reports the results of such monitoring. The compliance risk management process includes the following stages: identification, assessment, control, monitoring and reporting of the compliance risk level.

Within the control function, the Compliance Department ensures compliance through the following in particular:

- current vertical verification on a continuous basis as part of a risk-based approach regarding selected processes operating at the Bank (ex-ante activities);
- vertical testing, including monitoring of adherence to selected risk-based approach control mechanisms, performed in the case of completed activities within selected processes functioning at the Bank (ex-post activities);

within the scope defined in the regulations governing functioning of the Compliance Department.

As part of compliance with laws, internal regulations and market standards, each employee of the Bank is obliged to apply appropriate control mechanisms and independently monitor adherence to control mechanisms within the scope of duties assigned to the employee.

The assumptions underlying the compliance risk management process are defined in the Compliance Policy, which was formulated by the Management Board and approved by the Supervisory Board, as well as in the Compliance Department Regulation. The compliance risk management process is supported by the following key elements:

- supervision of the Supervisory Board and responsibility of the Management Board for the effective management of compliance risk and the observance of the Compliance Policy;
- responsibility of Bank employees for ensuring compliance within the scope of their duties;
- a properly defined organizational structure, including the appropriate positioning of the Compliance Department;

- internal regulations on compliance matters;
- training;
- regular cooperation of the Compliance Department with the Internal Audit Department and other internal control system units.

Reports on the performance of tasks by the Compliance Department together with on the level of compliance risk assessed are presented to the Management Board and Supervisory Board. Compliance risks related to the activities of subsidiaries are overseen by the Bank. The implementation and application of compliance risk management standards are key factors in creating enterprise value, in reinforcing and protecting the reputation of the Bank and in winning public trust in the activities and standing of the Bank.

Non-performing loans

The tables below show the quality of the Group's credit portfolio as at 31 December 2024 and 31 December 2023. The Group actively manages its non-performing loans portfolio by, for example, selling loan portfolios to external non-performing loan managers.

Receivables and impairment losses*	31 December 2024	31 December 2023 (restated)	Change (%)
<i>(PLN thousand)</i>			
Gross receivables.....	188,138	177,494	6.0
Stage 1.....	160,546	151,877	5.7
Stage 2.....	19,179	17,636	8.8
Stage 3.....	8,413	7,981	5.4
Impairment allowances	(5,980)	(6,354)	(5.9)
Stage 1.....	(676)	(838)	(19.3)
Stage 2.....	(864)	(871)	(0.8)
Stage 3.....	(4,440)	(4,645)	(4.4)
Total net receivables	182,158	171,140	6.4

**Including receivables under leasing agreements, non-treasury securities, interest and receivables in transit and excluding reverse repo transactions*

MANAGEMENT AND SUPERVISORY CORPORATE AUTHORITIES

Management and Supervisory Bodies

In accordance with the Commercial Companies Code and the Banking Law, the Bank is managed by its Management Board and overseen by its Supervisory Board. The information provided below relating to the organization, competencies and activities of the Management Board and the Supervisory Board has been prepared based on the provisions of the Commercial Companies Code, the Banking Law and the Articles of Association.

Management Board

According to the Articles of Association, the Management Board is the Bank's governing body.

The Management Board consists of five to nine members appointed by the Supervisory Board for a joint term of office of three years. The Management Board is headed by the President of the Management Board. At least half of the members of the Management Board of the Bank, including the President of the Management Board of the Bank, should possess testimonials of good knowledge of the banking market in Poland due to the joint fulfilment of the following criteria:

- possession of professional experience on the Polish market suitable for the performed managerial function in the Bank,
- permanent place of domicile in Poland,
- knowledge of the Polish language.

The KNF's consent is required when appointing the President of the Management Board or a member of the Management Board supervising the management of significant risk in Bank operations and entrusting this function to the appointed member of the Management Board.

The Management Board shall conduct the matters of the Bank and represent the Bank. All issues not reserved by virtue of the provisions of the law or of the Articles of Association so that they fall within the scope of competence of other corporate bodies of the Bank shall fall within the scope of competence of the Management Board.

The members of the Management Board are set out below:

Name	Position
Cezary Stypułkowski	President of the Management Board
Marcin Gadomski	Chief Risk Officer, Vice-president of the Management Board supervising the Risk Management Division
Łukasz Januszewski*	Vice-president of the Management Board
Michał Panowicz**	Vice-president of the Management Board

Name	Position
Robert Sochacki	Vice-president of the Management Board, supervising the Corporate Banking, Markets and Investment Banking Division, the Business Banking Division, and Pekao Brokerage House
Błażej Szczecki	Vice-president of the Management Board, supervising the Retail Banking and Private Banking Division
Dagmara Wojnar	Chief Financial Officer, Vice-president of the Management Board, supervising the Finance Division
Marcin Zygmantowski	Vice-president of the Management Board, supervising the Technology and Operation Banking Division

** Łukasz Januszewski was appointed to the Bank's Management Board on 29 April 2025 and his appointment will become effective on 1 September 2025.*

***Michał Panowicz was appointed to the Bank's Management Board on 9 April 2025 and his appointment will become effective on 1 September 2025.*

Cezary Stypułkowski

Cezary Stypułkowski holds a PhD in law from the University of Warsaw. He was also a Fulbright scholar at the Columbia University Business School in New York.

He held a number of managerial positions in the financial sector. From 1991 to 2003 he was the President of the Management Board of Bank Handlowy w Warszawie S.A. From 2003 to 2006, he was the President of the Management Board of the PZU Group. From 2006 to 2010 he worked for J.P. Morgan where he was the managing director responsible for Central and Eastern Europe. From 2010 to 2024 he was the President of the Management Board of mBank S.A. He became the President of the Bank's Management Board in 2024.

He is also a vice-chairman of the Council of the Association of Polish Banks (in Polish: *Związek Banków Polskich*) and a member of the Board of Directors of the Institute of International Finance.

Marcin Gadomski

Marcin Gadomski graduated from the Warsaw School of Economics, majoring in Finance and Banking. He was also a scholarship holder studying at the University of Kiel (Germany) and completed doctoral studies at the Warsaw School of Economics. He passed a number of professional certification exams, including: Financial Risk Manager (FRM), Association of Chartered Certified Accountants (ACCA), and Project Management Professional (PMP). He participated in the Leadership Development Programme run by The John Maxwell Team and the Deloitte Leadership Program.

Marcin Gadomski began his professional career at the consulting company Ernst & Young (now EY) in 2002, where he conducted projects in the area of risk, finance and internal auditing in financial institutions and non-financial enterprises.

Following this, he continued his career with Deloitte Advisory, first in 2008-2012 as a Senior Manager, and, after a break, in 2016-2018 as a Director. As part of Deloitte Advisory, Marcin Gadomski provided solutions for the largest financial institutions in Poland and abroad (banks, insurers, leasing companies, brokerage houses).

In the years 2012-2016, he was the Director of the Retail Credit Risk Unit at Bank Millennium S.A. He was responsible for credit risk strategy, risk appetite, credit policy, credit assessment models, credit

decision engines, risk reporting, credit product profitability assessment and credit process support for such business lines as unsecured consumer loans, mortgage loans and small business.

From August 2018 to November 2019 Marcin Gadowski was a Member of the Management Board of Pekao BH. He joined the Bank's Management Board in 2019.

Lukasz Januszewski

Lukasz Januszewski holds a bachelor's degree in economics from the Warsaw School of Economics and a master's degree from the Faculty of Management of the University of Warsaw. He is an experienced manager with 27 years of experience in the banking sector.

From 2003 to 2007 he was the Head of the Capital Markets Department at Raiffeisen Bank Polska S.A. From 2007 to 2018 he was a member of the management board of Raiffeisen Bank Polska S.A. responsible for the areas of financial markets and monetary economy. From 2018 to 2025 he was a member of the management board of Raiffeisen Bank International AG responsible for the area of corporate and investment banking. He was also a chairman of supervisory boards of several companies from the Raiffeisen group.

Michał Panowicz

Michał Panowicz holds a degree in banking and finance from the Warsaw School of Economics and an MBA from the Harvard Business School. He is an experienced manager with a particular focus on digital transformation.

He began his professional career in 1998 in Boston Consulting Group. From 2006 to 2011 he worked for Microsoft. From 2011 to 2015 he worked for mBank where he was responsible for introducing the agile working methods. From 2015 to 2016 he worked for Nordea group where he was a Senior Managing Director and the Head of Digital Banking. From 2018 to 2024 he was a partner and a managing director at Boston Consulting Group.

Robert Sochacki

Robert Sochacki graduated from the Faculty of Electronics of the Warsaw University of Technology. He also completed the Canadian Executive MBA and IESE Business School – Advanced Management programmes. He is a Chartered Financial Analyst.

He has almost 30 years of experience in the financial sector. He held managerial positions at Treasury Departments of Credit Lyonnais Bank Polska and PKO Bank Polski. From 2007 to 2011 he was a Vice-President of the Management Board of Bank Gospodarstwa Krajowego. From 2011 to 2014 he was a member of the management board of Opera TFI, a fund manager, and Opera Dom Maklerski, a brokerage house. From 2015 to 2024 he was the President of the Management Board of Beta Securities Poland S.A., a company operating in the ETFs sector. He joined the Bank's Management Board in 2024.

Błażej Szczecki

Błażej Szczecki has a Ph.D. degree in economics from the European University Viadrina Frankfurt (Oder), and he graduated from the Faculty of Economics at the European University Viadrina Frankfurt (Oder). He participated in numerous courses and training sessions in Poland and abroad, including Unifuture in cooperation with the Institute for Management Development (IMD) in Lausanne (Switzerland).

He has worked for the Group since 2004. From 2018 to 2021 he served as the Chief Transformation Officer and subsequently as the Chief Strategy Officer of the Bank, responsible among other things for digital and operational transformation, as well as for the coordination of the work on the strategy of the Bank. From 2017 to 2018 he was responsible for the Transformation and Services Division, where among other things he managed IT and Operations of the Bank. From 2010 to 2017 he was a Member of the Management Board of Pekao Leasing, where he assumed responsibility for IT, operations, insurance business, and customer service.

Previously, from 2004 to 2010 he had held various leadership roles in the Corporate Banking Division of the Bank, including participation in the taskforce preparing the merger of the Bank with BPH Bank S.A. Before joining the Bank, he worked as a consultant for McKinsey and Co. in Frankfurt (am Main) in Germany. He also served as a research associate at the University in Frankfurt (Oder) and in Giessen (Germany), and he also has professional experience at Dresdner Bank. Since 2017 he has served as the Chairman of the Supervisory Board of Centrum Kart. In addition, from 2017 to 2020 he was also the Vice-chairman of the Supervisory Board of PFS.

From 2017, Błażej Szczecki was the Chairman of the Supervisory Board of Centrum Kart S.A. From 2017 to August 2020, he was on the Supervisory Board of PFS, where he was the Deputy Chairman and Secretary of the Supervisory Board. He was reappointed to the Supervisory Board of PFS in March 2021 and serves as the Chairman of the company's Supervisory Board.

Dagmara Wojnar

Dagmara Wojnar holds a degree in banking from the University of Economics in Cracow. She also completed Multinational MBA studies at ESADE in Spain and holds the FCCA and statutory auditor qualifications.

She has more than 20 years of experience in the financial sector. She started her professional career at KPMG. Then, from 2010 to 2022, she managed the Controlling/MIS area at Santander Bank Polska S.A. From 2022 to 2024 she was an associate partner at KPMG where she was responsible for advisory services to Chief Financial Officers.

Marcin Zygmanski

Marcin Zygmanski graduated from the Faculty of Electronics of the Warsaw University of Technology. He also completed postgraduate IT studies at the Swiss Federal Institute of Technology in Zurich and a number of training programmes in technology and risk management.

Before joining the Bank's Management Board in 2024, he spent almost 30 years at Accenture where he worked on various projects for financial institutions in Poland and abroad. In 2016 he became the global leader of Accenture's practice specialising in digital start-ups.

The business address of all Management Board members is ul. Żubra 1, 01-066 Warsaw, Poland. No Management Board member has any factual or potential conflict of interest between his/her duties to the Bank and his/her private interests and other duties.

Supervisory Board

The Supervisory Board exercises regular supervision over the Group's operations.

The Supervisory Board consists of seven to nine members elected by the General Meeting for a joint term of office of three years. The Supervisory Board elects its Chairman, two Deputy Chairmen and the

Secretary from among its members. The Deputy Chairman may simultaneously perform the function of Secretary. The Management Board must notify the KNF of the composition of the Supervisory Board.

Independent members must constitute at least half of the composition of the Supervisory Board. The independent members of the Supervisory Board must be free of any associations that might bear a material impact upon their capacity to take impartial decisions. The independence criteria are defined in the Articles of Association.

Meetings of the Supervisory Board are held as necessary, but not less frequently than every two months. Passing a Supervisory Board resolution requires a majority of votes.

The Supervisory Board appoints the Audit Committee, the Nomination and Remuneration Committee and the Risk Committee. The members of the committees carry out particular supervisory activities. The exact scope of responsibilities of a committee is set out in the regulations of the given committee adopted by the Supervisory Board.

The table below sets out information on the members of the Supervisory Board.

Name	Position
Andrzej Klesyk	Chairman of the Supervisory Board
Bartosz Grześkowiak	Deputy Chairman of the Supervisory Board
Artur Nowak-Far	Deputy Chairman of the Supervisory Board
Magdalena Joanna Dziewguć	Member of the Supervisory Board
Krzysztof Czeszejko-Sochacki	Member of the Supervisory Board
Mariusz Jaszczyk	Member of the Supervisory Board
Radosław Niedzielski	Member of the Supervisory Board
Jacek Nieścior	Member of the Supervisory Board
Witold Walkowiak	Member of the Supervisory Board

Andrzej Klesyk

Andrzej Klesyk has a degree in economics from the Catholic University of Lublin and an MBA from Harvard Business School.

He is an experienced manager and held various managerial positions in entities from the financial insurance sector. In particular, he was the president of the management board of PZU S.A. from 2007 to 2015. He held non-executive positions at BEST S.A., NKBM Maribor, Play Communications and Ethniki. From 2020 to 2025 he was a managing partner at a private equity firm, Cornerstone Partners.

Bartosz Grześkowiak

Bartosz Grześkowiak graduated from the Poznań University of Life Sciences and completed various trainings in insurance, management, finance and sales. He also passed the Polish brokerage exam.

From the beginning of his professional career he worked for the insurance sector. He worked for Uniqa and Warta insurance companies and for MAK insurance brokers. In 2024 he became a member of the Management Board of PZU S.A.

Artur Nowak-Far

Artur Nowak-Far is a professor of law and a doctor of economics. The main focus of his scientific career is financial law, including EU financial law. He is an author of numerous publications in these fields.

He is an independent member of the Supervisory Board.

Magdalena Joanna Dziewguć

Magdalena Joanna Dziewguć holds a master's degree in law and completed a number of post-graduate studies and courses, including Executive MBA at the Warsaw School of Economics and courses held by Harvard Business School.

She has vast experience in the technology sector and held key positions at Google, Exatel, Polkomtel and Orange. She was also a member of supervisory boards of various companies, including companies controlled by the State Treasury and companies listed on European stock exchanges. She is also devoted to promoting women participation in the Polish economy and Polish public life.

She is an independent member of the Supervisory Board.

Krzysztof Czeszejko-Sochacki

Krzysztof Czeszejko-Sochacki is an advocate running his own legal practice in Warsaw. He is also an arbiter and a mediator at various arbitration venues in Poland. He is also a member of various industry bodies and throughout his career held a number of managerial and supervisory positions at entities from the private and public sectors.

He is an independent member of the Supervisory Board.

Mariusz Jaszczyk

Mariusz Jaszczyk holds a degree in Finance and Banking from the Warsaw School of Economics and a PhD from the College of Management and Finance of the Warsaw School of Economics. He is also a certified statutory auditor.

He worked for consultancies, such as KPMG and EY and for the entities from the financial sector, such as PKO Bank Polski and Polski Fundusz Rozwoju, the Polish state development fund. He is currently a vice-president of the Management Board of Polski Fundusz Rozwoju, responsible for finance and development.

Radosław Niedzielski

Radosław Niedzielski graduated from the Jagiellonian University and the National School of Public Administration.

He has vast experience in the public sector and he worked for the Ministry of Treasury, the Chancellery of the Prime Minister, the Polish Industrial Development Agency and Bank Gospodarstwa Krajowego, the Polish state development bank. He was responsible for exercising the Polish State Treasury rights as a shareholder in more than 150 companies. He is also an expert in restructuring and granting state aid.

He is an independent member of the Supervisory Board.

Jacek Nieścior

Jacek Nieścior graduated from the Faculty of Law of the University of Gdańsk. He is an attorney-at-law whose practice concentrates on the financial sector, in particular, the cooperative banks. He also held a number of managerial positions in local government unites and the Supreme Audit Office. He was also a member of supervisory boards of several companies.

He is an independent member of the Supervisory Board.

Witold Walkowiak

Witold Walkowiak graduated from the Warsaw School of Economics and holds a PhD in economics. He was a British Council Scholar the Cambridge University and a Fulbright Scholar at the Brookings Institution.

He spent his career in the financial sector and held management positions at Polish banks and at Polish and European insurance companies. Throughout his career he focused on accounting and financial reporting, financial planning and controlling, risk management and asset management.

He was a board member of the Association of Polish Banks and the Polish Insurance Chamber. He is also a lecturer at the Vistula Academy of Finance and Business.

He is an independent member of the Supervisory Board.

The business address of all Supervisory Board members is ul. Żubra 1, 01-066 Warsaw, Poland. No Supervisory Board member has any actual or potential conflict of interest between his/her duties to the Bank and his/her private interests and other duties.

MARKET AND LEGAL ENVIRONMENT

Market

The information presented in this section has been extracted from publicly available sources and documents. The source of external information is always given if such information is used in this section. While reviewing, searching for and processing macroeconomic, market, industry or other data from external sources such as the KNF or government publications, none of it has been independently verified by the Group, the Arranger or the Dealers or any of their affiliates or the Group's advisers in connection with the Programme.

The Bank does not intend to and does not warrant to update the data concerning the market or the industry as presented in this section, subject to the duties resulting from generally binding regulations.

The Polish Economy

Poland is the largest economy in the CEE, with a track record of steady growth despite prolonged turmoil on international financial markets. Poland, with around 38 million residents, remains the largest accession member of the EU and the fifth largest EU country by population.

Since joining the EU in 2004, Poland has benefited significantly from EU structural funds, allowing the government to invest in infrastructural and social development. Adjustments to EU standards have supported the country's modernisation.

However, in recent years, the Polish economy has experienced serious turbulence, which was the result of a combination of factors such as the COVID-19 pandemic, the war in Ukraine, the energy crisis, interest rate hikes and supply chain disruption. In 2024 the economy entered the road to recovery with year-on-year GDP growth of 2.9 per cent. Real household income increased by 7 per cent. year-on-year, but the pace of growth of private consumption (3 per cent. year-on-year) was relatively slow. Investments grew by 1 per cent. year-on-year. This slow pace of growth was mainly caused by the end of the EU funding cycle.

The Bank expects the Polish economy to continue the path of recovery in 2025 and estimates that Polish GDP will grow by approximately 4.0 per cent. The main factor contributing to the growth of GDP will be an increase in investments driven by higher public sector spending.

In 2024 inflation decreased significantly from its peak in 2022. This was caused by the decreasing influence of extraordinary external shocks, such as increase in energy prices or disruptions to supply chains. As at 31 December 2024 the consumer inflation was 5.0 per cent. year-on-year. The Bank estimates that inflation will increase slightly in the first half of 2025, but in the second half of 2025 it will fall below 4 per cent. year-on-year.

As at 31 December 2024, the fiscal deficit was PLN 211 billion and general government deficit was 5.7 per cent. of GDP. In 2025, the net borrowing requirements of the Polish state budget are PLN 366.7 billion and approximately less than 25 per cent. of the Polish state external borrowing will be denominated in foreign currencies.

As at 31 December 2024, the EUR to PLN exchange rate was 4.27, USD to PLN exchange rate was 4.10 and CHF to PLN exchange rate was 4.53 compared to, respectively, 4.35, 3.93 and 4.68 as at 31 December 2023.

Polish banks remain predominantly deposit funded. Their high digitalization and sound operating efficiency have helped incumbent entities to defend their current market shares against new entrants or

sector disruptors (for example, online platforms) and defend efficiency metrics. But in the longer term, banks may not be able to fully buffer the trend of falling profitability, given low interest rates, potentially subdued demand for credit, or specific government-imposed charges. Some risks in relation to governance standards stem from the high and proactive state ownership in the sector, which already imbues management structures with high volatility.

According to the KNF data, the aggregated net profit of the banking sector in 2024 increased by 50.9 per cent. compared to 2023 and was PLN 42.2 billion. The main factor contributing to this increase were high reference rates which led to increased interest revenue. The interest revenue in 2024 was PLN 173.7 billion and interest expenses were PLN 66.6 billion. The assets of the banking sector increased by 10.8 per cent. year-on-year, to PLN 3,335 billion. The structure of deposits remained stable with private household deposits constituting 87.9 per cent. of deposit. The quality of the loan portfolio in 2024 was at a historically low level of 3.7 per cent.

Development of the Polish Banking Sector

Between 1989 and 1991, a two-tiered banking sector was established, separating the central bank from the rest of the banking sector. Nine regional commercial banks were created out of the NBP's commercial and retail banking operations. The NBP branch network and the respective commercial loan portfolios of those branches were divided among the newly-established banks to give each new bank a regional base. All of these regional banks were transformed into joint stock companies in October 1991 and were subsequently privatized between 1993 and 2001. Since 1991, Polish banking law has allowed the licensing of new private banks in Poland and opened the Polish banking market to foreign investors. As a result, there has been a rapid expansion in the number of banks owing to foreign banking groups entering the market.

According to the KNF, as at 31 December 2024, there were 29 commercial banks in Poland, 33 branches of credit institutions and 489 relatively small co-operative banks. The level of competition in the Polish banking sector is relatively high due to its low level of concentration. According to KNF data as at 31 December 2024, the share of the top five banks in total banking assets stood at 59.4 per cent. (compared with 58.5 per cent. as at the end of December 2023). As at the date of this Base Prospectus, the top eight banks (in terms of the total assets) are: (i) Powszechna Kasa Oszczędności Bank Polski S.A., (ii) the Bank, (iii) Santander Bank Polska S.A., (iv) ING Bank Śląski S.A., (v) mBank S.A., (vi) BNP Paribas Bank Polska S.A., (vii) Bank Millennium S.A. and (viii) Alior Bank S.A.

Among other factors having an impact on competition is the consolidation of the Polish banking sector. For example, in 2013, there was the merger of Santander Bank Polska S.A. and Kredyt Bank S.A., the acquisition of Dexia Kommunalkredit Bank Polska S.A. by Getin Noble Bank S.A., and the acquisition of the retail operations of DnB Nord Polska S.A. by Getin Noble Bank S.A.; in 2014, the merger of Nordea Bank Polska S.A. with the Bank, the takeover of control of Santander Consumer Bank S.A. by Santander Bank Polska S.A.; in 2015, the merger of Bank BGŻ S.A. with BNP Paribas S.A. and the acquisition of Meritum Bank ICB S.A. by Alior Bank S.A.; in 2016, the merger of Bank BGŻ BNP Paribas S.A. with Sygma Bank Polska S.A. and the merger of Alior Bank S.A. with the core business of BPH. In December 2017, Deutsche Bank sold its Polish retail operations to Santander Bank Polska S.A. On 10 April 2018, Raiffeisen Bank International AG agreed to sell the core banking operations of Raiffeisen Bank Polska S.A. by way of demerger to Bank BGŻ BNP Paribas S.A. In 2019, Bank Millennium S.A. acquired Euro Bank S.A. On 3 January 2021, Idea Bank was taken over by the Bank following the application of a resolution tool by the BGF. In April 2021, Citigroup announced its intention to sell its retail banking operations in Poland. In September 2022, the BGF applied a resolution tool to Getin Noble Bank S.A., whose business was transferred to a bridge institution owned by the BGF and IPS. This bridge institution was named VeloBank S.A. In 2024 a consortium formed by Cerberus, a private equity fund, the European Bank for Reconstruction and Development and the International Finance Corporation acquired VeloBank S.A. from the BGF and CBPS. In May 2025,

Banco Santander and Erste Group announced that Banco Santander agreed to sell 49 per cent. of shares in Santander Bank Polska S.A. to Erste Group.

The Polish banking sector is expected to continue to experience consolidation in the medium term. A number of smaller market players generate relatively low revenues, which will be subject to rising pressure. This may force further consolidation if profitability is eroded. Given pressures on the revenue side, including low interest rates and regulatory measures, and additional burdens, including Polish banking tax and higher capital requirements, some banks will strive to increase their scale of operations to achieve a satisfactory return on equity.

As a result of changes in the shareholding structure of Polish commercial banks, including the takeover of the Bank by PZU and PFR, in 2017 the share of foreign ownership in banking assets in the country declined markedly. According to the KNF, as at 31 December 2024, 42.2 per cent. of the total assets of the Polish banking sector were owned by foreign banking groups.

The importance of alternative distribution channels, in particular internet banking and mobile banking, have been increasing in Poland. New products, such as markets for financial advisory services, wealth management, insurance products and various investment funds in Poland, have seen significant growth and are likely to be a significant driver for profitability in the future.

Legal environment

Specific Requirement for the Banks

Banking activities require compliance with multiple regulatory obligations, most of which follow from the provisions of the Banking Law and resolutions, ordinances and recommendations of the KNF. The most important obligations concern the Bank's own funds, the capital adequacy ratio, the solvency ratio, exposure concentration, risk management systems and financial management conducted by the Bank.

Banks have a duty to protect banking secrecy. Regulations on personal data protection are particularly important for the functioning of banks in order to protect individual customers. Personal data may be processed exclusively in compliance with detailed regulations, using technical and organizational resources which ensure the protection of personal data against unauthorized processing, including the making of personal data available to third parties.

The Bank must also comply with regulations aimed at preventing the financial system from being used for money laundering and terrorist financing.

Certain restrictions also apply if banks retain any third parties for the performance of banking activities for and on behalf of the bank, or for the performance of any banking-related operations.

Banking Supervision Exercised by the KNF

In Poland, banking supervision is currently exercised by the KNF and covers in particular:

- assessing the financial position of banks, including analysing liquidity, the quality of assets, solvency and the financial results of banks;
- estimating, maintaining and reviewing internal capital;
- auditing the quality of risk management systems, and in particular of the risk management system and internal control system;
- auditing the compliance of banks' activities with the appropriate regulations; and

- monitoring and controlling banks' compliance with exposure concentration limits and standards for risk acceptable in their operations as determined by the KNF.

The KNF has wide powers and legal instruments which enable it to supervise banks (including the ability to carry out inspections and impose administrative penalties).

Other Supervisory Authorities

Some areas of banking operations are subject to the supervision of other public administration authorities, the most important of which are:

- the OCCP, which supervises market competition and consumers' collective rights;
- the Head of the Data Protection Office, which supervises collection, processing, management and protection of personal data; and
- the minister responsible for financial institutions and the General Inspector for Financial Information who ensure the prevention of money laundering and the financing of terrorism.

Bank Guarantee Fund

The BGF covers the monetary assets deposited in bank accounts or receivables regarding claims confirmed by documents issued by banks with a guarantee system. Participation in the guarantee system is mandatory for all Polish banks and in certain instances for branches of foreign banks operating in Poland. Banks covered by the guarantee system make mandatory quarterly payments to the BGF and are obliged to set up a guaranteed funds protection fund. The mandatory guarantee system ensures that if a bank becomes insolvent, the funds deposited in bank accounts, up to an amount specified in the regulations, are returned. As at the date of this Base Prospectus, funds up to an amount equivalent to EUR 100,000 per person regarding deposits in all accounts in a given bank are fully covered by the guarantee system. Funds deposited, in particular, by government administration authorities, other banks, credit institutions, insurance companies and investment and pension funds are not covered by the guarantee system.

Additionally, the BGF is the Polish resolution authority. Under the BRRD and the BGF Act, the BGF is authorised to commence resolution proceedings with respect to banks operating in Poland. The BGF has at its disposal a wide range of legal instruments during resolution proceedings, including the power to write down debt instruments issued by a bank or to convert them into shares of the bank.

CBPS

On 9 June 2022, the KNF approved an agreement and recognized a voluntary institutional protection scheme created in accordance with Article 130c of the Banking Law by eight Polish commercial banks (the Bank, Alior Bank S.A., BNP Paribas Bank Polska S.A., ING Bank Śląski S.A., mBank S.A., Bank Millennium S.A., Powszechna Kasa Oszczędności Bank Polski S.A. and Santander Bank Polska S.A.). The above-mentioned banks signed the protection scheme agreement and established the managing entity operating in the form of a joint stock company, System Ochrony Banków Komercyjnych S.A. – the CBPS. The CBPS can be joined by other local banks provided they satisfy the terms and conditions set out in applicable legislation and the protection scheme agreement.

As part of the CBPS, an assistance fund has been established to which the participating banks provided cash contributions. Further contributions to the aid fund will require a unanimous resolution of the general meeting of shareholders of the CBPS. The assistance fund may be used to ensure liquidity and solvency the participants of the scheme, support resolution of a bank conducted by the BGF and the

takeover of a bank being a joint-stock company pursuant to Article 146b paragraph 1 of the Banking Law. On 30 September 2022, the BGF initiated a resolution of Getin Noble Bank S.A. The activities and main assets and liabilities of Getin Noble Bank S.A. were transferred to a bridge bank created by the BGF, in which CBPS acquired 49 per cent. of share capital. In 2024 a consortium formed by Cerberus, a private equity fund, the European Bank for Reconstruction and Development and the International Finance Corporation acquired VeloBank S.A. from the BGF and CBPS.

Consumer Protection

The Consumer Credit Act dated 12 May 2011, the Mortgage Credit and Supervision of Mortgage Credit Intermediaries and Agents Act dated 23 March 2017, the Polish Civil Code regulations and other consumer protection laws impose on banks several obligations relating to agreements signed with natural persons who perform actions which are not directly related to their business or professional activities (consumers). The most important of these are the requirements to inform consumers about the cost of extended credit and loans and to include specified terms in consumer loan agreements as well as a prohibition on including specific clauses which are unfavourable to consumers in agreements. The borrower (consumer) is authorized under the law to prepay the loan or mortgage with interest accrued until the prepayment date. If a customer loan agreement does not meet certain requirements of the Consumer Credit Act the borrower may be authorized to repay only the principal amount, without interest, fees or any other amounts due to the bank under the loan agreement.

There is a cap on the maximum interest rates which a bank may charge under a loan agreement. The maximum interest rate is capped at two times the sum of the applicable reference rate of the NBP and 3.5 per cent.

Personal Data Protection

In light of the large number of individuals serviced by banks, all regulations concerning personal data protection are of particular importance to banking operations. Personal data may be processed exclusively in compliance with specific regulations, while applying technical and organizational means that ensure the protection of personal data, particularly from disclosure to any unauthorized parties. Additionally, the persons to whom such data relates should have the right to access all of their personal data and to correct it.

The GDPR entered into force on 25 May 2018. It imposes new obligations and guidelines on companies managing and processing personal data. This means a significant change for companies in their approach to the security of data storage and the issue of making personal data available to the relevant employees.

The key consequences resulting from the GDPR's implementation include:

- the extension of the personal data definition, including persons to whom the data relates;
- automated processing of personal data subject to certain conditions;
- a considerable increase of the legal rights of individuals;
- new obligations of personal data processors, controllers and data protection officers relating to the technical and organizational protection of personal data; and

administrative fines for non-compliance with the Regulation of up to EUR 20 million or 4 per cent. of an organization's annual worldwide turnover and judicial redress of individuals allowing to claim compensation in excess of the statutory fines.

TAXATION

FATCA

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a **foreign financial institution** (as defined by FATCA) may be required to withhold on certain payments it makes (**foreign passthru payments**) to persons that fail to meet certain certification, reporting or related requirements. The issuer is a foreign financial institution for these purposes. A number of jurisdictions (including Poland) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**IGAs**), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are published generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date. However, if additional Notes (as described under "Terms and Conditions of the Notes —Further Issues") that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

POLAND

General information

The following is a discussion of certain Polish tax considerations relevant to an investor resident in Poland or which is otherwise subject to Polish taxation. This statement should not be deemed to be tax advice. It is based on Polish tax laws and, as its interpretation refers to the position as at the date of this Base Prospectus, it may thus be subject to change, including a change with retroactive effect. Any change may negatively affect the tax treatment, as described below. This description does not purport to be complete with respect to all tax information that may be relevant to investors due to their individual circumstances. Prospective purchasers of Notes are advised to consult their professional tax adviser regarding the tax consequences of the purchase, ownership, disposal, redemption or transfer without consideration of Notes.

The reference to "interest" as well as to any other terms in the paragraphs below means "interest" or any other term as understood in Polish tax law.

For the purpose of this Section:

Act on Trading in Financial Instruments means the Act dated 29 July 2005 on Trading in Financial Instruments (in Polish: *Ustawa z dnia 29 lipca 2005 r. o obrocie instrumentami finansowymi*), as amended.

Affiliated Entities means:

- (a) entities where one entity Exercises a Significant Influence on at least one other entity; or
- (b) entities on which a Significant Influence is Exercised by:
 - (i) the same other entity; or
 - (ii) the spouse or a relative by consanguinity or affinity up to the second degree of a natural person exercising a significant influence on at least one entity; or
- (c) a partnership that is not a legal person within the meaning of the CIT Act (in principle, a tax-transparent partnership) and its partners (partner); or
- (d) limited partnerships and limited joint-stock partnerships with their registered offices or management in the territory of the Republic of Poland and their general partner; or
- (e) specific general partnerships with their registered offices or management in the territory of the Republic of Poland and their partner; or
- (f) a taxable person and their foreign establishment, and, in the case of a tax capital group, a company being its part and its foreign establishment.

(each of these being a manifestation of the existence of an **Affiliation**).

Exercising a Significant Influence means:

- (a) holding directly or indirectly at least 25 per cent. of:
 - (i) shares in the capital; or
 - (ii) voting rights in the supervisory, decision-making or managing bodies; or
 - (iii) shares in or rights to participate in the profits, losses or property or their expectative including participation units and investment certificates; or
- (b) the actual ability of a natural person to influence key economic decisions taken by a legal person or an organisational unit without legal personality; or
- (c) being the spouse or a relative by consanguinity or by affinity up to the second degree.

Omnibus Account means an omnibus account within the meaning of the provisions of the Act on Trading in Financial Instruments.

PCC Act means the Act dated 9 September 2000 on the Civil Law Activities Tax (in Polish: *Ustawa z dnia 9 września 2000 r. o podatku od czynności cywilnoprawnych*), as amended.

Redemption means redemption, by the issuer, of notes generating periodical proceeds (in Polish: *wykup przez emitenta obligacji, od których są należne świadczenia okresowe*), as provided by Art. 17.1.3a of the PIT Act.

Special Tax Exemption means, with respect to CIT payers, the exemption from CIT introduced under Art. 17.1.50c of the CIT Act and, with respect to individuals, the exemption from PIT under Art. 21.1.130c of the PIT Act.

Tax Ordinance means the Act dated 29 August 1997 Tax Ordinance (in Polish: *Ustawa z dnia 29 sierpnia 1997 r. Ordynacja podatkowa*), as amended.

Tax Remitter's Relief means the regulations releasing tax remitters from the obligation to withhold income tax, as provided for CIT purposes in Art. 26.1aa – 26.ag of the CIT Act and as provided for PIT purposes under Art. 41.24 – 41.27 of the PIT Act.

Technical Tax Remitters means:

- (a) entities operating securities accounts on which the Notes are registered; and
- (b) entities operating Omnibus Accounts on which the Notes are registered,

acting as tax remitters if interest (discount) or income from Redemption earned by the Noteholder is paid through those entities and, with respect to entities indicated in point (i), for PIT purposes only, if income (revenue) earned by the individual is originated from Poland; however, foreign tax resident entities that do not operate through a Polish facility office (e.g. a branch) do not act as tax remitters (as provided for PIT in Art. 41.4d and 41.10 of the PIT Act and for CIT in Art. 26.2c of the CIT Act).

General Polish income tax comments

Income (revenue) from the Notes as a Polish source of income

Polish tax regulations do not precisely address the issue of classifying income as sourced in Poland or not. The respective CIT and PIT regulations include catalogues of Polish sources of revenue (Art. 3.3 of the CIT Act and Art. 3.2b of the PIT Act) that do not address all the possibilities that may apply with respect to the Notes but are not exhaustive (i.e. those are open-ended catalogues). The points most relevant for the Notes are:

- (a) securities and derivatives other than securities admitted to public trading in Poland as part of the regulated stock exchange market, including those obtained from the disposal of these securities or derivatives, or the exercise of rights resulting from them (Art. 3.3.(3) of the CIT Act and Art. 3.2b.(5) of the PIT Act); and
- (b) the receivables settled, including receivables put at disposal, paid out or deducted, by natural persons, legal persons, or organisational units without legal personality, having their place of residence, registered office, or management board in Poland, irrespective of the place where the agreement was concluded or performed (Art. 3.3.(5) of the CIT Act).

Given the above, each situation should be analysed separately to determine whether income (revenue) earned from the Notes is considered to be income sourced in Poland. However, in principle, since the Issuer is a Polish entity, income (revenue) from the Notes should be considered as sourced in Poland.

Special Tax Exemption conditions

Under Art. 17.1.50c of the CIT Act, tax-free income is income earned by a CIT taxpayer subject to limited tax liability in Poland (i.e. a foreign tax resident) in respect of interest (discount) on notes:

- (a) having a maturity of at least one year;

- (b) admitted to trading on a regulated market or introduced into an alternative trading system within the meaning of the Act on Trading in Financial Instruments, in the territory of Poland or in the territory of a state that is a party to a double tax convention concluded with Poland which regulates the taxation of income from dividends, interest and royalties,

unless the taxpayer (i.e. the Noteholder) is an Affiliated Entity of the issuer of such notes, and holds, directly or indirectly, together with other Affiliated Entities, more than 10 per cent. of the nominal value of those notes.

Analogous provisions apply under the PIT regulations (Art. 21.1.130c of the PIT Act) in respect of interest and discount earned by foreign tax-resident individuals.

Final terms for the Notes are publicly available on the Issuer's website.

Tax Remitter's Relief conditions

Under Art. 26.1aa and 26.1ae of the CIT Act, remitters are not obliged to withhold tax on interest or discount in respect of the notes eligible for the Special Tax Exemption, provided that the issuer submits to the tax authority a declaration that it has acted with due diligence in informing Affiliated Entities (excluding entities whose Affiliations result solely from connections with the State Treasury or local government units or their associations) about the exemption conditions applying to those Affiliated Entities.

Analogous provisions apply for PIT purposes in relation to payments of interest and discount under Art. 41.24-27 of the PIT Act; however, exclusion from the obligation to withhold the tax does not apply to Technical Tax Remitters making payments to Polish tax-resident individuals.

Notes registered on Omnibus Accounts if the Noteholder's identity is not revealed

If Notes are registered on an Omnibus Account and the identity of Noteholder(s) is not revealed (pursuant to the provisions of the Act on Trading in Financial Instruments) to the Technical Tax Remitter operating the Omnibus Account, the Technical Tax Remitter is obliged to withhold the tax at the maximum rate (20 or 19 per cent. for CIT and PIT, respectively) from the aggregate income (revenue) released for the benefit of all such Noteholder(s) through intermediation of the holder of the Omnibus Account (Art. 26.2a of the CIT Act and Art. 30a.2a of the PIT Act).

Polish tax resident Noteholders subject to PIT are obliged to disclose the amount of incomes (revenues) from interest (discount) and Redemption on securities (including the Notes referred to herein) in their annual tax returns if the Notes were registered in the Omnibus Account and the taxpayer's identity was not revealed to the tax remitter (Art. 45.3c of the PIT Act).

The Noteholders subject to CIT are obliged to report the income (revenue) in the same way as other income from the given source of revenues (see "*Notes held by a Polish tax-resident corporate income taxpayer*").

Tax Treaty Reliefs

Taxation, as provided by Polish domestic regulations may be modified by a tax treaty.

The majority of tax treaties concluded by Poland provide for an exemption from income tax on capital gains, including income from the sale of notes obtained in Poland by a tax resident of a country that concluded the tax treaty with Poland. The treatment of interest (discount) and amounts received under Redemption differs under particular tax treaties, some of them providing for a general exemption,

limiting the exemption to certain categories of recipients (e.g. banks) or providing for a reduced rate of tax (which may also vary depending on the recipient).

To benefit from a tax treaty relief, the taxpayer should be able to produce a valid tax residency certificate (a tax remitter cannot apply any withholding tax relief without obtaining such a certificate). Tax remitters may require additional documentation to be able to apply tax treaty reliefs, in particular a statement on the recipient being a beneficial owner (tax treaty reliefs apply to beneficial owners only, regardless of whether this is explicitly required under the given tax treaty or not).

Under Art. 4a.29 of the CIT Act and, respectively, Art. 5a.33d of the PIT Act, beneficial owner means an entity meeting all the following conditions:

- (a) it receives the amount due for its own benefit, which includes deciding independently about its purpose, and bears the economic risk associated with the loss of that receivable or part of it;
- (b) it is not an intermediary, representative, trustee or another entity legally or actually obliged to transfer the receivable in whole or in part to another entity; and
- (c) it conducts actual business activity in the country of its registration (country of domiciliation in case of the PIT Act), if the receivables are obtained in connection with the conducted business activity, whereas when assessing whether the entity conducts actual business activity, the nature and scale of such activity in the scope of received receivables are taken into account.

Pay & Refund Regime

A special regime, assuming the obligatory payment of withholding tax, regardless any domestic or tax treaty reliefs, applies to payments exceeding certain thresholds and made between affiliated entities (within the understanding of Polish transfer pricing regulations). This Section does not comment on the provisions of the Pay & Refund regime. Noteholders affiliated with the Issuer are recommended to seek tax advice on this issue.

Remitter's liability

Under Art. 30 of the Tax Ordinance, a tax remitter failing to fulfil its duty to calculate, withhold or pay tax to a relevant tax authority is liable for the tax that has not been withheld or that has been withheld but not paid, up to the value of all its assets.

The tax remitter is not liable if the specific provisions provide otherwise or if tax has not been withheld due to the taxpayer's fault (Art. 30.5 of the Tax Ordinance). In such a case, the relevant tax authority can issue a decision concerning the taxpayer's (i.e. the Noteholder's) liability. However, Art. 30.5a of the Tax Ordinance lists specific provisions, in which the remitter's liability cannot be excluded, in particular when the remitter and the taxpayer are Affiliated Entities.

Income tax applicable to particular types of taxpayer

Notes held by a Polish tax-resident individual

Under Art. 3.1 of the PIT Act, natural persons, if residing in Poland, are liable for tax on their total income (revenue) irrespective of the location of the sources of revenue (unlimited obligation to pay tax).

Under Art. 3.1a of the PIT Act, an individual residing in Poland is defined as a natural person who (i) has their centre of personal or business interests located in Poland or (ii) stays in Poland for longer than 183 days in a year. Provisions of a relevant tax treaty may override this regulation.

In principle, for PIT purposes, the Notes may generate incomes (revenues) that shall be classified as a money capital (in Polish: *kapitały pieniężne*) source of income, in the form of:

- (a) interest (discount) from securities (Art. 17.1.3 of the PIT Act);
- (b) the redemption of notes generating periodical proceeds by the issuer, i.e. Redemption (Art. 17.1.3a of the PIT Act); or
- (c) the disposal of securities for remuneration (Art. 17.1.6.a of the PIT Act).

Under Art. 24.24 of the PIT Act, the income from Redemption is calculated as the difference between the amount obtained from the redemption of notes together with proceeds for the last period before the repurchase of the notes and the expenditures incurred for the acquisition of the notes on the primary or secondary market by the taxpayer or its testator. Amounts of interest paid by the taxpayer or the testator upon acquisition of the notes in the part in which such interest is free of tax do not constitute expenses for the acquisition of the notes for the purposes of the calculation of income from Redemption.

Withholding Tax on Interest (Discount) and Redemption

Income (revenue) earned from Notes as interest (discount) or Redemption does not cumulate with general income subject to the progressive tax rate (Art. 30a.1.2 of the PIT Act) but is subject to a 19 per cent. flat-rate tax (Art. 30a.1.2 and 30a.1.2a of the PIT Act).

The Issuer or a Technical Tax Remitter should withhold the Polish 19 per cent. tax upon any payment of interest or Redemption proceeds (Art. 41.4, 41.4d and 41.10 of the PIT Act). However, the tax should not be withheld if the Tax Remitter's Relief apply.

If the tax is not withheld (regardless of the reason), the individual is obliged to settle the tax themselves (Art. 45.3b of the PIT Act) by 30 April of the following year (Art. 45.1 of the PIT Act).

If the Notes are held on an Omnibus Account – please the section under the heading "*Notes registered on Omnibus Accounts if the Noteholder's identity is not revealed*".

If an individual earns abroad of Poland income from the Notes and incurs a foreign (i.e. non-Polish) withholding tax on that income, such tax could be deducted from the Polish tax liability on this income (revenue), up to the amount of the Polish tax liability, calculated at a 19 per cent. tax rate (Art. 30a.9 of the PIT Act). Double tax treaties can provide other methods of withholding tax settlements.

Taxation of income from disposal of the Notes for remuneration

Income earned from the disposal of Notes for remuneration does not cumulate with general income subject to the progressive tax rate (Art. 30b.5 of the PIT Act) but is taxed at a 19% flat-rate of tax (Art. 30b.1.1 of the PIT Act).

If an individual holds the Notes as a business asset, the above regulations do not apply (Art. 30b.4 of the PIT Act), and, in principle, the income should be taxed in the same way as other business income. The tax, at the 19 per cent. flat rate or the 12 per cent. to 32 per cent. progressive tax rate, depending on the choosing and satisfaction of certain conditions, should be settled by the individual themselves.

In principle, this income should be settled by the taxpayer by 30 April of the year following the year in which the income was earned (Art. 45.1 of the PIT Act). No tax or tax advances are withheld by the person making the payments.

Furthermore, income from the disposal of securities (including Notes) for remuneration and business income is subject to a 4 per cent. solidarity levy, calculated on the surplus of various incomes above PLN 1 million in total. The levy must be calculated and settled by the individuals themselves (Art. 30h of the PIT Act).

Notes held by a Polish tax-resident corporate income taxpayer

Under Art. 3.1 of the CIT Act the entire income of taxpayers who have their registered offices or management in Poland is subject to a tax obligation in Poland, irrespective of where the income is earned.

According to Art. 3.1a of the CIT Act, a taxpayer has a place of management in the territory of Poland, inter alia, when the current affairs of the taxpayer are conducted in an organised and continuous manner in the territory of Poland, based in particular on:

- (a) an agreement, decision, court ruling or other act regulating the establishment or functioning of the taxpayer; or
- (b) powers of attorney; or
- (c) Affiliations.

The appropriate tax rate for corporate income taxpayers is, as a rule, 19 per cent., or 9 per cent. for small and new taxpayers, i.e. taxpayers with revenues in the tax year not exceeding EUR 2 million (with certain exceptions listed in Art. 19.1a-1e of the CIT Act), taking into account the appropriate source of revenue (the lower rate does not apply to income classified as capital income – Art. 7b of the CIT Act).

A Polish tax-resident corporate income taxpayer is subject to income tax in respect of the securities (including any capital gains and on interest (discount) earned from the Notes) following the same principles as those which apply to any other income (revenue) of this type earned from business activity within the same source of income. In principle, the relevant source of income will be capital profits (in Polish: *zyski kapitałowe*). In the case of insurers, banks and some other entities (financial institutions), this income (revenue) is included in revenues other than revenues from capital profits. As a rule, for Polish income tax purposes interest is recognised as revenue on a cash basis, i.e. when it is received and not when it has accrued.

Interest (discount) payments to Polish tax-resident CIT payers are not subject to Polish withholding tax. However it may happen that the tax is withheld anyway in the circumstances as described in section "*Notes registered on Omnibus Accounts if the Noteholder's identity is not revealed*". The taxpayer itself (without the involvement of a tax remitter) settles tax on interest (discount) or capital gains on securities, which is aggregated with other income in the given source of income.

Any withholding tax incurred outside Poland on income from the Notes earned abroad of Poland, up to an amount equal to the tax paid abroad, but not higher than the tax calculated in accordance with the applicable domestic tax rate, can be deducted from the Polish tax liability. Double tax treaties can provide other methods of withholding tax settlements.

With respect to Notes held on Omnibus Accounts, see "*Notes registered on Omnibus Accounts if the Noteholder's identity is not revealed*".

Notes held by foreign (non-Polish) tax-resident individuals

Under Art. 3.2a of the PIT Act, natural persons, if they do not reside in Poland, are liable to pay tax only on income (revenue) earned in Poland (limited obligation to pay tax).

As a rule, a foreign tax-resident individual would be subject to the same Polish tax consequences as are applicable to a Polish tax-resident individual, i.e. in principle a 19 per cent. withholding tax on interest (discount) and Redemption and a 19 per cent. tax on capital gains (see "*Notes held by a Polish tax-resident individual*"). However, a foreign tax-resident individual could benefit from:

- (a) a Special Tax Exemption with respect to interest (discount) income; or
- (b) a tax treaty relief, i.e. a reduced withholding tax rate or full withholding tax exemption on interest (discount) and capital gains tax exemption, depending on the particular tax treaty, if any (see "*Tax Treaty Reliefs*").

With respect to Notes held in Omnibus Accounts, see "*Notes registered on Omnibus Accounts if the Noteholder's identity is not revealed*".

Notes held by foreign (non-Polish) tax-resident corporate income taxpayers

Under Art. 3.2 of the CIT Act, in the case of taxpayers who do not have their registered office or management in Poland, only the income they earn in Poland is subject to a tax obligation in Poland.

As a rule, a foreign tax-resident corporate income taxpayers would be subject to a 20 per cent withholding tax on interest (discount) (Art. 21.1.1. of the CIT Act) and a 19 per cent. or 9 per cent. (for small taxpayers see "*Notes held by a Polish tax-resident corporate income taxpayer*") general income tax on capital gains, unless a tax relief applies under:

- (a) a Special Tax Exemption with respect to interest (discount) income; or
- (b) a tax treaty relief, i.e. a reduced withholding tax rate or full withholding tax exemption on interest (discount) and capital gains tax exemption, depending on the particular tax treaty, if any (see "*Tax Treaty Reliefs*").

If a foreign tax-resident corporate income tax-payer acts through a permanent establishment in Poland, tax remitters should not withhold the income tax on payments to such recipient, provided that it delivers to the tax remitter its certificate of tax residency along with a statement that the payments it receives are associated with its permanent establishment in Poland (Art. 26.1d of the CIT Act).

It should be noted that based on Art. 26.1m of the CIT Act, if an entity or an individual acting within their capacity as entrepreneur, makes a payment of certain capital profits (e.g. revenues from financial instruments such as Notes, including capital gains) for the benefit of an entity having its registered office or effective place of management in a territory or state listed in a decree issued pursuant to Art. 11j.2 of the CIT Act (i.e. list of states and territories that apply harmful tax competition), such tax remitter is obliged to withhold tax at 19 per cent. rate calculated from the amount being paid out.

With respect to Notes held in Omnibus Accounts, see "*Notes registered on Omnibus Accounts if the Noteholder's identity is not revealed*".

Tax on civil law transactions

Neither an issuance of the Notes, nor a redemption of the Notes, is subject to tax on civil law transactions.

Under Art. 1.1.1.a of PCC Act, agreements for the sale or exchange of assets or proprietary rights are subject to tax on civil law transactions. The Notes should be considered as representing proprietary rights. Transactions are taxable if their subjects are:

- (a) assets located in Poland or proprietary rights exercisable in Poland; or
- (b) assets located abroad or proprietary rights exercisable abroad if the acquirer's place of residence or registered office is located in Poland and the civil law transaction was carried out in Poland.

Although this is not clearly addressed in the law, in principle the Notes should be considered as rights exercisable in Poland.

If the sale or exchange of the Notes is subject to the PCC, then the tax at 1 per cent. of the market value of the Notes should be payable within 14 days after the sale or exchange agreement has been entered into. However, if such an agreement has been entered into in notarial form, the tax due should be withheld and paid by the notary public. Tax on the sale of Notes is payable by the entity acquiring the Notes. In the case of exchange agreements, tax on civil law transactions should be payable by both parties jointly and severally.

However, under Art. 9.9 of the PCC Act, an exemption applies to the sale of property rights constituting financial instruments (such as the Notes):

- (a) to investment companies and foreign investment companies;
- (b) via investment companies or foreign investment companies;
- (c) as part of organised trading;
- (d) outside organised trading by investment companies and foreign investment companies, if those rights were acquired by those companies under organised trading;
- (e) to state-owned banks conducting brokerage activities;
- (f) made through state-owned banks conducting brokerage activities; or
- (g) made outside organised trading by state-owned banks conducting brokerage activities, if these rights were acquired by these banks as part of organised trading,

within the meaning of the Act on Trading in Financial Instruments.

Moreover, in accordance with Art. 1a.5 and 1a.7 in connection with Art. 2.4 of the PCC Act, the PCC exemption applies to sale or exchange agreements concerning the Notes:

- (a) to the extent that they are subject to VAT in Poland or in another EU Member State or the EEA; or
- (b) when at least one of the parties to the transaction is exempt from VAT in Poland or in another EU Member State or the EEA on account of that particular transaction.

SUBSCRIPTION AND SALE

The Dealers have, in a Programme Agreement (such Programme Agreement as modified and/or supplemented and/or restated from time to time, the **Programme Agreement**) dated 6 May 2025, agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “*Form of the Notes*” and “*Terms and Conditions of the Notes*”. In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

Selling restrictions

United States

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States (nor, if Regulation S Category 2 is specified in the applicable Final Terms, to, or for the account or benefit of, U.S. persons) except in certain transactions exempt from or not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury regulations promulgated thereunder. The applicable Final Terms will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, (a) that it will not offer, sell or deliver Notes within the United States as part of their distribution at any time and (b) if Regulation S Category 2 is specified in the applicable Final Terms, that (i) it also will not offer, sell or deliver Notes until 40 days after the completion of the distribution of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S of the Securities Act; and (ii) it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Prohibition of sales to EEA Retail Investors

Unless the Final Terms in respect of any Notes specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to

any retail investor in the European Economic Area. For the purposes of this provision, the expression **retail investor** means a person who is one (or more) of the following:

- (a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or
- (b) a customer within the meaning of Directive (EU) 2016/97 (the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

If the Final Terms in respect of any Notes specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, in relation to each Member State of the European Economic Area, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in Article 2(e) of the Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision:

- the expression **an offer of Notes to the public** in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes; and
- the expression **Prospectus Regulation** means Regulation (EU) 2017/1129.

United Kingdom

Prohibition of sales to UK Retail Investors

Unless the Final Terms in respect of any Notes specifies “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression **retail investor** means a person who is one (or more) of the following:

- (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law of the UK by virtue of the EUWA; or
 - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law of the UK by virtue of the EUWA.; or
 - (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- (b) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Final Terms in respect of any Notes specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

- (A) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (B) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (C) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Notes referred to in (A) to (C) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision:

- the expression **an offer of Notes to the public** in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes; and
- the expression **UK Prospectus Regulation** means Regulation (EU) 2017/1129 as it forms part of domestic law of the UK by virtue of the EUWA.

Other regulatory restrictions

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of

any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Poland

Unless the Base Prospectus has been approved by either the Polish competent authority for the approval of prospectuses for the public offering of securities in Poland or the admission of securities to trading on a regulated market in Poland or the relevant competent authority in the Member State, and Poland has received a certificate of such approval with a copy of the Base Prospectus as required under the EU Prospectus Regulation and the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of 29 July 2005, as further amended (the **Act on Public Offering**), the Notes will not be offered in Poland in a manner which will require publication of a prospectus or an information memorandum drawn up in accordance with EU Prospectus Regulation and the Act on Public Offering.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the **FIEA**). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan including any corporation or other entity organised under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and all other applicable laws and regulations of Japan.

Belgium

Other than in respect of Notes for which “Prohibition of Sales to Belgian Consumers” is specified as “Not Applicable” in the applicable Final Terms, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that an offering of Notes may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article I.1 of the Belgian Code of Economic Law, as amended from time to time (a **Belgian Consumer**) and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Notes, and that it has not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Notes, directly or indirectly, to any Belgian Consumer.

Singapore

If the Final Terms in respect of any Notes specifies "Singapore Sales to Institutional Investors and Accredited Investors only" as "Applicable", each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold the Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not

circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore (as modified or amended from time to time) (the SFA)) pursuant to Section 274 of the SFA or (b) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

If the Final Terms in respect of any Notes specifies "Singapore Sales to Institutional Investors and Accredited Investors only" as "Not Applicable", each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale or invitation for subscription or purchase of any Notes, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

Canada

The Base Prospectus is not, and under no circumstances is to be construed as, a "prospectus" under Canadian securities law or an advertisement or a public offering of the securities offered thereunder in Canada. No securities commission or similar regulatory authority in Canada has reviewed the Base Prospectus nor has it in any way passed upon the merits of the securities offered thereunder and any representation to the contrary is an offence.

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal who are "accredited investors", as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), as applicable, and are "permitted clients", as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations.

The Notes have not been and will not be qualified for sale under the securities laws of Canada or any province or territory thereof. Any offer or sale of the Notes in any province or territory of Canada will only be made on a private placement basis, under an exemption from the requirement that the Issuer prepare and file a prospectus with the relevant Canadian securities regulatory authorities. The offer and sale will only be made by placement agents appointed by the Issuer or by their respective affiliates, as applicable, in either case, who are properly registered under applicable securities laws, or pursuant to an exemption from the requirement that such placement agent or affiliate be registered in the jurisdiction in which such offer or sale is made. Each Dealer has represented and agreed:

- (a) that it has not offered, sold, distributed, or delivered, and that it will not offer, sell, distribute or deliver, any Notes, directly or indirectly, in Canada or to, or for the benefit of, any resident thereof; and
- (b) not to distribute or deliver the Base Prospectus, or any other offering materials relating to the Notes, in Canada;

in either case, in contravention of the securities laws of Canada or any province or territory thereof and also without the consent of the Issuer. If the Notes may be offered, sold or distributed in Canada, the issue of the Notes will be subject to such additional selling restrictions as the Issuer and the relevant Dealer(s) may agree, as specified in the applicable final terms and Canadian offering memorandum relating to such Notes. Each Dealer will be required to agree that it will offer, sell and distribute such Notes only in compliance with such additional Canadian selling restrictions.

The Issuer currently has no intention of filing a prospectus with any securities regulatory authority in Canada to qualify the resale of the Notes to the public in Canada. Accordingly, any resale of the Notes must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with prospectus requirements and dealer registration requirements or exemptions from dealer registration requirements and prospectus requirements. Canadian purchasers are advised to seek legal advice prior to any resale of the Notes.

Information contained in the Base Prospectus has not been prepared with regard to matters that may be of particular concern to Canadian purchasers and accordingly, should be read with this in mind. All monetary amounts used in the Base Prospectus are not stated in Canadian dollars. The Notes are not denominated in Canadian dollars. The value of the Notes to a Canadian purchaser, therefore, will fluctuate with changes in the exchange rate between the Canadian dollar and the currency of the Notes. Investing in the Notes involves certain risks. Canadian purchasers should refer in particular to the disclosure under the headings "*Forward-Looking Statements*" and "*Risk Factors*" of the Base Prospectus for additional information.

Statutory rights of action for damages or rescission. Securities legislation in certain of the provinces or territories of Canada may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defences contained in applicable securities legislation. Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective province or territory for the particulars of these rights, or consult with a legal adviser.

Enforcement of legal rights. The Issuer, as well as its directors and officers, may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Issuer or its directors or officers. All or a substantial portion of the assets of the Issuer and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Issuer or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Issuer or such persons outside Canada.

General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any of the other Dealers shall have any responsibility therefor.

None of the Issuer and the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

GENERAL INFORMATION

Authorization

The establishment of the Programme and the issuance of Notes have been duly authorized by a resolution of the Management Board of the Issuer dated 31 October 2023 and the incurring of liabilities by the Bank in relation to particular Noteholders under the Programme has been duly authorized by a resolution of the Supervisory Board of the Issuer dated 7 November 2023.

Approval, listing and admission to trading

Application has been made to the CSSF to approve this document as a base prospectus. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and to be listed on the Official List of the Luxembourg Stock Exchange. The Regulated Market of the Luxembourg Stock Exchange is a regulated market for the purposes of MiFID II. Applications may also be made for Notes issued under the Programme to be listed on the WSE.

Notes may be issued pursuant to the Programme which will not be listed on the Luxembourg Stock Exchange or any other stock exchange or which will be listed on such stock exchange as the Issuer and the relevant Dealer(s) may agree.

Documents Available

For a period of 12 months following the date of this Base Prospectus, copies of the following documents will, when published, be available for inspection (or from the date of subsequent publication (as the case may be)) on the Issuer's website <https://www.pekao.com.pl/en/investors-relations.html>:

- (a) the Articles of Association (with an English translation thereof) of the Issuer;
- (b) the Agency Agreement;
- (c) any future base prospectuses, prospectuses, information memoranda, supplements and Final Terms to this Base Prospectus and any other documents incorporated herein or therein by reference.

For at least ten years from the date of this Base Prospectus, this Base Prospectus, the applicable Final Terms and a copy of any document containing the information incorporated by reference in this Base Prospectus can be obtained from the Issuer's website <https://www.pekao.com.pl/en/investors-relations.html>. For the avoidance of doubt, unless specifically incorporated by reference into this Base Prospectus, information contained on the Issuer's website does not form part of this Base Prospectus.

Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code, ISIN, FISN and CFI code for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. If the Notes are to be cleared through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels. The address of Clearstream, Luxembourg is Clearstream Banking S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg.

Conditions for determining price

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

Yield

In relation to any Tranche of Fixed Rate Notes, an indication of the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.

Significant or Material Change

Save as disclosed in this Base Prospectus (which includes information incorporated by reference in this Base Prospectus), there has been no significant change in the financial performance or financial position of the Group since the end of the last financial period for which audited or interim consolidated financial information has been published and, save as disclosed in this Base Prospectus (which includes information incorporated by reference in this Base Prospectus there has been no material adverse change in the financial position or prospects of the Group since the date of its last published audited consolidated financial statements.

Litigation

Neither the Issuer nor any other member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this Base Prospectus which may have or have in such period had a significant effect on the financial position or profitability of the Issuer or the Group, save for the litigation against the Group described in the "*Description of the Group – Litigation*" section of this Base Prospectus.

Independent Statutory Auditors

KPMG Audyt spółka z ograniczoną odpowiedzialnością sp.k., entered on the list of audit firms held by the Polish Agency for Audit Oversight (in Polish: *Polska Agencja Nadzoru Audytowego*) under number 3546, has audited the 2023 Consolidated Financial Statements and issued unmodified auditor's report from the audit thereof. On behalf of KPMG Audyt spółka z ograniczoną odpowiedzialnością sp.k., the 2023 Consolidated Financial Statements were audited by Łukasz Lachowski (certified auditor, license no. 13305).

PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp. k., entered on the list of audit firms held by the Polish Agency for Audit Oversight (in Polish: *Polska Agencja Nadzoru Audytowego*) under number 144, has audited the 2024 Consolidated Financial Statements and issued an unqualified audit opinion from the audit thereof. On behalf of PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp. k., the 2024 Consolidated Financial Statements were audited by Agnieszka Accordi (certified auditor, licence No. 11665).

In accordance with the Group's auditor rotation policy, on 7 November 2023 the Bank's Supervisory Board appointed PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp. k. as the Bank's and the Group's auditor for the years 2024 – 2028, with an option to extend this appointment for the years 2029 and 2030. The change of auditors did not result from resignation, removal or any disagreement between the Group and KPMG Audyt spółka z ograniczoną

odpowiedzialnością sp. k. on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure.

Dealers transacting with the Issuer

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for the Issuer and its affiliates in the ordinary course of business. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. The Dealers and/or their affiliates may receive allocations of the Notes (subject to customary closing conditions), which could affect future trading of the Notes. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including, potentially, the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of the Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

ISSUER

Bank Polska Kasa Opieki S.A.
ul. Żubra 1
01-066 Warsaw
Poland

JOINT ARRANGERS

Bank Polska Kasa Opieki S.A.
ul. Żubra 1
01-066 Warsaw
Poland

J.P. Morgan SE
Taunustor 1 (TaunusTurm)
60310 Frankfurt am Main
Germany

DEALERS

Bank Polska Kasa Opieki S.A.
ul. Żubra 1
01-066 Warsaw
Poland
Citigroup Global Markets Europe AG
Börsenplatz 9
60313 Frankfurt am Main
Germany
J.P. Morgan SE
Taunustor 1 (TaunusTurm)
60310 Frankfurt am Main
Germany

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75009 Paris
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Kaiserstraße 16
60311 Frankfurt am Main
Germany
Société Générale
29, boulevard Haussmann
75009 Paris
France

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75008 Paris
France
Erste Group Bank AG
Am Belvedere 1
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Austria
UniCredit Bank GmbH
Arabellastraße 12
81925 Munich
Germany

ISSUING AND PRINCIPAL PAYING AGENT

The Bank of New York Mellon, London Branch
160 Queen Victoria Street
London EC4V 4LA
United Kingdom

REGISTRAR AND TRANSFER AGENT

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Riverside Two
Sir John Rogerson's Quay
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Ireland

LEGAL ADVISERS

To the Issuer as to English law
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To the Issuer as to Polish law
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To the Joint Arrangers as to English law
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AUDITOR TO THE ISSUER

For the financial year ended 31 December 2023
KPMG Audyt
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00-189 Warsaw
Poland

For the financial year ended 31 December 2024
PricewaterhouseCoopers Polska
spółka z ograniczoną odpowiedzialnością Audyt sp.k.
ul. Polna 11
00-633 Warsaw
Poland

LISTING AGENT

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L-2953 Luxembourg
Grand Duchy of Luxembourg