



Bank Polski

**Supplement dated 1 September 2017
to the Base Prospectus dated 11 July 2017**

€3,000,000,000

Programme for the Issuance of Euro Medium Term Notes
to be issued by

Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna
(incorporated as a joint stock company in the Republic of Poland)

This supplement (the “**Second Supplement**”) constitutes the second supplement to, and must be read in conjunction with, the base prospectus dated 11 July 2017 as supplemented by means of the first supplement dated 13 July 2017 (the “**First Supplement**”) (jointly, the “**Base Prospectus**”) prepared by Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna (the “**Issuer**” or the “**Bank**”) with respect to the programme for the issuance of Euro Medium Term Notes (the “**Notes**”) referred to above (the “**Programme**”).

The terms defined in the Base Prospectus have the same meanings when used in this Second Supplement. To the extent that there is any inconsistency between any statement in this Second Supplement and any other statement in or incorporated into the Base Prospectus, the statements in this Second Supplement will prevail.

An application has been made with the Luxembourg *Commission de Surveillance du Secteur Financier* (the “**CSSF**”), which is the competent Luxembourgish authority for the purpose of Directive 2003/71/EC, as amended (the “**Prospectus Directive**”), and the relevant implementing measures in Luxembourg, to approve this document as a supplement. This Second Supplement has been drawn up in accordance with Article 16(1) of the Prospectus Directive.

The Issuer accepts responsibility for the information contained in the Second Supplement. To the best of its knowledge (having taken all reasonable care to ensure that such is the case), the information contained in the Second Supplement is in accordance with the facts and contains no omission likely to affect its import.

Events that took place after the date of the Base Prospectus

Publication of the Semi-Annual Report of the Group

This Second Supplement has been prepared in connection with the release by the Issuer on 28 August 2017 of the condensed interim consolidated financial statements of the PKO Bank Polski SA Group for the six-month period ended 30 June 2017 (the “**Semi-Annual Report of the Group**”) and for the purposes of incorporating by reference the Semi-Annual Report of the Group into the Base Prospectus as set out below. A copy of the Semi-Annual Report of the Group has been filed with the CSSF and is incorporated by reference into, and forms part of, this Second Supplement and, by virtue of this Second Supplement, is incorporated by reference into, and forms part of, the Base Prospectus.

The following information is included in the Semi-Annual Report of the Group on the pages indicated:

Consolidated Income Statement 4

Consolidated Statement of Comprehensive Income	5
Consolidated Statement of Financial Position	6
Consolidated Statement of Changes in Equity	7
Consolidated Statement of Cash Flows	8
Notes to the Condensed Interim Consolidated Financial Statements	11-94.

The information incorporated by reference that is not included in the cross-reference list is considered additional information and is not required by the relevant schedules of Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses, as well as the format, incorporation by reference and publication of such prospectuses and the dissemination of advertisements. The Issuer accepts responsibility as to the accuracy and completeness of any translations into English set out in any documents incorporated by reference in this Base Prospectus.

Appointment of the members of the committees of the Supervisory Board of the Issuer

As a result of the appointment of the members of the committees of the Supervisory Board, the following amendments are deemed to be introduced into the Base Prospectus:

- 1) The last paragraph of the section titled “*Supervisory Board*”, in the subsection titled “*Audit Committee*”, on pages 157 of the Base Prospectus, shall be deemed to be replaced with the following wording:

The Audit Committee consists of seven members, i.e.: Zbigniew Hajłasz, Grażyna Ciurzyńska, Mariusz Andrzejewski, Andrzej Kisielewicz, Janusz Ostaszewski, Jerzy Paluchniak and Piotr Sadownik.

Zbigniew Hajłasz, Mariusz Andrzejewski, Andrzej Kisielewicz, Janusz Ostaszewski and Piotr Sadownik meet the independence criteria set out in the Polish Act on auditors, audit firms and public oversight dated 11 May 2017.
- 2) The last paragraph of the section titled “*Supervisory Board*”, in the subsection titled “*Remuneration Committee*”, on pages 157 of the Base Prospectus, shall be deemed to be replaced with the following wording:

The Remuneration Committee consists of five members, i.e.: Piotr Sadownik, Grażyna Ciurzyńska, Wojciech Jasiński, Elżbieta Mączyńska-Ziemacka and Janusz Ostaszewski.
- 3) The last paragraph of the section titled “*Supervisory Board*”, in the subsection titled “*Risk Committee*”, on pages 158 of the Base Prospectus, shall be deemed to be replaced with the following wording:

The Risk Committee consists of six members, i.e.: Andrzej Kisielewicz, Mariusz Andrzejewski, Adam Budnikowski, Grażyna Ciurzyńska, Elżbieta Mączyńska-Ziemacka and Jerzy Paluchniak.
- 4) The last paragraph of the section titled “*Supervisory Board*”, in the subsection titled “*Strategy Committee*”, on pages 158 of the Base Prospectus, shall be deemed to be replaced with the following wording:

The Strategy Committee consists of seven members, i.e.: Grażyna Ciurzyńska, Mirosław Barszcz, Adam Budnikowski, Zbigniew Hajłasz, Elżbieta Mączyńska-Ziemacka, Janusz Ostaszewski and Piotr Sadownik.

Resignation of a member of the Management Board

On 9 August 2017, Janusz Derda resigned from his position as a member of the Bank’s Management Board effective as of 9 August 2017.

Accordingly, the following changes are deemed to be introduced into the Base Prospectus:

- 1) The current wording of the section titled “*Members of the Management Board*” on pages 149 to 150 of the Base Prospectus shall be deemed to be deleted and replaced with the following wording:

As of the date of the Base Prospectus, the Management Board consists of eight members.

The current term of office of the members of the Management Board commenced on 2 July 2017 and will expire on the date of the General Meeting approving the financial statements for the financial year ended 31 December 2019.

The table below presents a list of the members of the Management Board, their age, position, the date their current term began and the expiration date of their current term of office.

Name	Age	Position	Date of commencement of position	Expiration of term of office
Zbigniew Jagiełło	53	President of the Management Board	2 July 2017	On the date of the general meeting of the shareholders in 2020
Rafał Antczak	47	Vice-President of the Management Board in charge of Commercial Banking, Strategy and Analyses	2 July 2017	On the date of the general meeting of the shareholders in 2020
Bartosz Drabikowski	47	Vice-President of the Management Board in charge of Finance and Accounting	2 July 2017	On the date of the general meeting of the shareholders in 2020
Maks Kraczkowski	38	Vice-President of the Management Board Supervising the area of International and Transaction Banking and Cooperation with local Governments and Government Agencies	2 July 2017	On the date of the general meeting of the shareholders in 2020
Mieczysław Król	58	Vice-President of the Management Board, Acting Head of Bancassurance Area	2 July 2017	On the date of the general meeting of the shareholders in 2020
Piotr Mazur	51	Vice-President of the Management Board in charge of Risk Management	2 July 2017	On the date of the general meeting of the shareholders in 2020
Jakub Papierski	45	Vice-President of the Management Board in charge of Corporate and Investment Banking	2 July 2017	On the date of the general meeting of the shareholders in 2020
Jan Emeryk Rościszewski	52	Vice-President of the Management Board, Acting Head of Retail Banking Area	2 July 2017	On the date of the general meeting of the shareholders in 2020

- 2) The brief description of the qualifications and professional experience of Janusz Derda set out in the section titled “*Members of the Management Board*” on page 151 shall be deemed to be deleted.

Minor amendments resulting from a request of the Euroclear System

As a result of a request of the Euroclear System, the following amendments are deemed to be introduced to the Base Prospectus:

- 1) Point 7. “*Operational Information*” in the chapter “*Form of Final Terms*”, in the section “*Part B – Other Information*”, on pages 186 to 187 of the Base Prospectus, shall be deemed to be replaced with the following wording:

7. OPERATIONAL INFORMATION

ISIN Code: [●]

Common Code: [●]

Any clearing system(s) other than Euroclear Bank [Not Applicable/give name(s) and number(s)]
S.A./NV and Clearstream Banking, société
anonyme and the relevant identification number(s):

Delivery: Delivery [against/free of] payment

Names and addresses of initial Paying Agent(s): [●]

Names and addresses of additional Paying Agent(s) [●]/[Not Applicable]
(if any):

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] and does not necessarily mean that the Notes will be recognised as eligible collateral for the 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 the Eurosystem eligibility criteria have been met.]

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[No. Whilst the designation is specified as “no” on 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 the 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 the Eurosystem eligibility criteria have been met.]]

- 2) The section "*General Provisions Applicable to the Notes*" on pages 184 to 185 of the Base Prospectus shall be deemed to be replaced with the following wording:

GENERAL PROVISIONS APPLICABLE TO THE NOTES

21. Form of Notes:

[Bearer Notes:]

[Temporary Global Note exchangeable for a Permanent Global Note, which is exchangeable for Definitive Notes upon 7 days' notice]

[Temporary Global Note exchangeable for Definitive Notes upon 30 days' notice]

[Permanent Global Note exchangeable for Definitive Notes upon 30 days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]

[The exchange at any time options should not be expressed to be applicable if the Specified Denomination of the Notes includes language substantially to the following effect: “€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000”. Furthermore, such Specified Denomination construction is not permitted in relation to any issuance of Notes which is to be represented upon issue by a Permanent Global Note exchangeable for Definitive Notes.]

[Registered Notes:]

[Individual Note Certificates]

[A Global Note Certificate exchangeable for Individual Note Certificates upon 5 days' notice/at any time/in the limited circumstances described in the Global Registered Note]

22. New Global Note: [Yes] [No]
23. Additional Financial Centre(s) or other special provisions relating to payment dates: [Not Applicable/give details.
Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub paragraphs 15(ii), 16(vi) and 18(x) relate.]
24. Talons for future Coupons or Receipts to be attached to the Definitive Notes (and the dates on which such Talons mature): [Yes/No]
25. Redenomination, renominatisation and reconventioning provisions: [Not Applicable/The provisions [in Condition [●] apply]
26. [Consolidation provisions: Not Applicable/The provisions in Condition 14 (Further Issues) apply]

Execution of the right to redemption of subordinated bonds and usage of the proceeds obtained from subordinated bonds to increase the supplementary funds

On 30 August 2017 the Bank received the consent of the Polish Financial Supervision Authority (“**PFSA**”) for early redemption of subordinated bonds series OP0922 (call option); the following amendments are deemed to be introduced to the Base Prospectus:

- 1) The section “*Material Issues of Debt Securities*”, the subsection “*Issue of Subordinated Bonds by the Bank*”, on pages 78 to 79 of the Base Prospectus, shall be deemed to be replaced with the following wording:

“Issue of Subordinated Bonds by the Bank

On 14 September 2012, the Bank issued 16,007 subordinated bonds with a nominal value of PLN 100,000 each (the “**OP0922 Issue**”). The issue price of each bond equalled its nominal value. The bonds bear variable interest based on the six-month WIBOR rate plus 164 basis points. Interest on the bonds is payable semi-annually until the date of their redemption. The bonds are dematerialised bearer bonds deposited with the National Depository for Securities (*Krajowy Depozyt Papierów Wartościowych*, the “**NDS**”) and are listed on the Warsaw Stock Exchange (Catalyst). The bonds were issued under Polish Law and the proceeds from the issue, following the approval of the PFSA, were used to augment the Bank’s Tier 2 supplementary funds under the CRR.

On 16 May 2017 the Bank’s Management Board adopted a resolution on an intended early redemption of all subordinated bonds (the “call option”) for the OP0922 Issue (the “**OP0922 Issue Call Option**”). On 30 August 2017 the Bank received such consent from the Polish Financial Supervision Authority (“**PSFA**”). As a result of the consent, on 14 September 2017 the Bank will execute the call option of all subordinated bonds series OP0922, a total nominal value of PLN 1,600,700,000, issued by the Bank on 14 September 2012.

The terms and conditions of the subordinated bonds series OP0922 constitute the legal basis for the Bank to execute the right for early redemption of all subordinated bonds series OP0922 five years after their issue date.

On 16 May 2017, the Bank’s Management Board adopted a resolution approving an issue of subordinated bonds (the “**New Issue**”) in 10NC5 format, i.e., with a maturity of 10 years, whereby the Bank has the right to early redemption of all the bonds in the New Issue (the “call option”) within five years from the issue date, pending approval from the PFSA. The total nominal value of the bonds issued under the New Issue shall not exceed PLN 1,700,000,000. The bonds shall be issued under the terms of the Bonds Act, while the proceeds from the New Issue shall, pending

approval from the PFSA, be used to augment the Bank's supplementary funds under the terms of Article 127 par. 2 pt. 2 of the Banking Act of 29 August 1997, and Article 63 of Regulation (EU) no 575/2013 of the European Parliament and of the Council of 26 June 2013. The nominal value of one bond shall be not less than PLN 1,000. The benefits under the bonds shall be pecuniary only. The bonds shall earn interest under market conditions at six-monthly intervals. The interest shall be paid on the nominal value.

The Bank wants the proceeds from the New Issue to replace the proceeds earned by the Bank from the OP0922 Issue in connection with the intended call option regarding the OP0922. The call option regarding the OP0922 shall be exercised after the New Issue. During the period between the New Issue and the exercise of the OP0922 Issue Call Option, the Bank's total liabilities under the OP0922 and New Issue shall amount to PLN 3,300,700,000. On 30 August 2017 the PFSA gave its consent to use the proceeds obtained from the New Issue, which was carried out on 28 August 2017 with a total nominal value of PLN 1,700,000,000, in order to increase the supplementary funds of the Bank in accordance with Article 127 par. 2 pt. 2 of the Banking Law of 29 August 1997 and with reference to Art. 63 of Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013.

General

Save as disclosed in this Second Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to the information included in the Base Prospectus that is material in the context of the Programme since the date of the publication of the Base Prospectus. Additionally, references to page numbers in the Table of Contents of the Base Prospectus have been updated.

Copies of this Second Supplement can be obtained, free-of-charge, at specified offices of Citibank, N.A., London Branch and Banque Internationale à Luxembourg, unless such documents have been modified or superseded. This Second Supplement will also be available for viewing on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Investors who have already agreed to purchase or subscribe for securities before the publication of this Second Supplement have the right, exercisable within a time limit of two working days after the publication of this Second Supplement, i.e. 5 September 2017, to withdraw their subscription orders.

The amendments included in this Second Supplement shall only apply to final terms, the date of which falls on or after the approval of this Second Supplement.