

**FIRST SUPPLEMENT DATED 20 JANUARY 2023
TO THE BASE PROSPECTUS DATED 20 DECEMBER 2022**

Powszechna Kasa Oszczędności Bank Polski S.A.

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

**EUR 4,000,000,000
Euro Medium Term Note Programme**

This Supplement (the **Supplement**) to the Base Prospectus (the **Base Prospectus**) dated 20 December 2022 which comprises a base prospectus for the purposes of the Prospectus Regulation constitutes a supplement to the prospectus for the purposes of Article 23(1) of the Prospectus Regulation and is prepared in connection with the EUR 4,000,000,000 Euro Medium Term Note Programme (the **Programme**) established by Powszechna Kasa Oszczędności Bank Polski S.A. (the **Bank**).

Terms defined in the Base Prospectus have the same meaning when used in this Supplement. When used in this Supplement, **Prospectus Regulation** means Regulation (EU) 2017/1129.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus.

The Bank accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Bank (which has taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Purpose of the Supplement

The purpose of this Supplement is to:

- (a) update the risk factor "Claims of borrowers under mortgage loans denominated in CHF or indexed to CHF may adversely affect the Group's financial performance";
- (b) include information on new minimum capital ratios applicable to the Bank and the Group; and
- (c) update the information on ratings assigned to the Bank and the Programme by Moody's.

AMENDMENTS TO THE BASE PROSPECTUS

With effect from the date of this Supplement, the information appearing in the Base Prospectus shall be amended and/or supplemented in the manner described below.

Risks relating to the Group's financial situation

The following shall be added to the risk factor "Claims of borrowers under mortgage loans denominated in CHF or indexed to CHF may adversely affect the Group's financial performance" on page 11 of the Base Prospectus, after the third paragraph:

"As at 31 December 2022, the costs of legal risk associated with the CHF Mortgage Loans for the quarter ending 31 December 2022 amounted to PLN 738 million. As at 31 December 2022 the Bank also recognized a deferred tax asset in the amount of PLN 301 million, which results from the settlement program addressed to borrowers with indexed and denominated CHF Mortgage Loans."

Capital management

The following shall be added on page 136 of the Base Prospectus, under the table presenting the minimum capital ratios, taking into account the regulatory requirements and Pillar 2 requirements and capital buffers, as at 30 September 2022:

As at 20 January 2023, the minimum capital ratios, taking into account the regulatory requirements and capital buffers, were:

	<u>Bank</u>	<u>Group</u>
	<i>(per cent.)</i>	
Total capital ratio	12.51	12.51
Tier 1 capital ratio	10.51	10.51
Tier 1 core capital ratio	9.01	9.01

Ratings

1. The seventh paragraph on page (ii) of the cover of the Base Prospectus shall be deemed deleted and replaced with the following paragraph:

"The senior unsecured rating for the Programme from Moody's Investors Service Cyprus Ltd. (**Moody's**) is (P)A3. The senior non-preferred rating for the Programme from Moody's is (P)Baa3."

2. The table on page 127 of the Base Prospectus shall be deemed deleted and replaced with the following table:

<u>Category</u>	<u>Rating</u>	<u>Outlook</u>
Long-term deposit rating	A2	Stable
Short-term deposit rating	P-1	-
Senior unsecured MTN programme rating	(P)A3	-
Senior non-preferred MTN programme rating	(P)Baa3	-
Other short-term debt programme rating	(P)P-2	-
Long-term counterparty risk rating	A2	-
Short-term counterparty risk rating	P-1	-
Long-term counterparty risk assessment	A2(cr)	-
Short-term counterparty risk assessment	P-1(cr)	-