



MBANK S.A.

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

**Issue of EUR 250,000,000 Fixed Rate Reset Perpetual Additional Tier 1 Temporary Write Down Notes
under its EUR 5,000,000,000 Euro Medium Term Note Programme**

The EUR 250,000,000 Fixed Rate Reset Perpetual Additional Tier 1 Temporary Write Down Notes (the "**Notes**") will be issued by mBank S.A. (the "**Bank**" or the "**Issuer**") on 29 September 2026 (the "**Issue Date**"). The Notes will bear interest on their Prevailing Principal Amount (as defined in Condition 1 (*Definitions*) under "*Terms and Conditions of the Notes*") from (and including) the Issue Date to (but excluding) 29 March 2032 (the "**First Reset Date**") and, together with each date falling on the fifth anniversary of the previous such date, each a "**Reset Date**") at a rate of 6.625 per cent. per annum. In respect of each period from (and including) a Reset Date to (but excluding) the next succeeding Reset Date (each a "**Reset Period**"), the Notes will bear interest at the applicable Reset Rate of Interest as determined in accordance with Condition 4 (*Interest*) under "*Terms and Conditions of the Notes*". Interest shall be payable in equal instalments semi-annually in arrear on 29 March and 29 September in each year (each an "**Interest Payment Date**"), starting on (and including) 29 March 2027.

Payments on the Notes will be made in Euro (as defined below) without deduction for or on account of taxes imposed or levied by the Republic of Poland to the extent described under Condition 9 (*Taxation*) under "*Terms and Conditions of the Notes*". The Issuer may elect to cancel any interest payment (in whole or in part) at any time at its sole and full discretion, and must cancel payments of interest (i) in the circumstances described in Condition 5(b) (*Cancellation of Interest – Mandatory cancellation of Interest – Insufficient Distributable Items*), 5(c) (*Cancellation of Interest – Mandatory cancellation of Interest – Maximum Distributable Amount*) and 5(d) (*Cancellation of Interest – Mandatory cancellation of Interest – Competent Authority Order*) and Condition 6 (*Write Down and Write Up*) and/or (ii) if and to the extent that such payment could not be made in compliance with the Solvency Condition (as defined in Condition 3 (*Status and Subordination*)). Any interest (or, as the case may be, part thereof) which is so cancelled will not accumulate or be payable at any time thereafter, no amount will become due from the Issuer in respect thereof and cancellation thereof shall not constitute a default for any purpose on the part of the Issuer.

The Notes and obligations in relation to any related Coupons and Talons resulting therefrom will constitute direct, unsecured and subordinated obligations of the Issuer which will at all times rank *pari passu* without any preference among themselves. In the event of insolvency of the Issuer as set out in the Polish Act of 28 February 2003 – the Bankruptcy Law (the "**Bankruptcy Law**"), the Issuer's liabilities under the Notes shall: (a) rank junior to (i) any liabilities of the Issuer falling into categories 1 to 8 (inclusive) referred to in Article 440(2)(1)-(8) of the Bankruptcy Law (ii) any other present or future liabilities of the Issuer which, in accordance with the Bankruptcy Law, rank senior to Additional Tier 1 Instruments and (iii) any other liabilities of the Issuer which, by law, rank senior to the Issuer's liabilities under Additional Tier 1 Instruments; (b) constitute category 9 liabilities as referred to in Article 440(2)(9) of the Bankruptcy Law and rank *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 liabilities under Additional Tier 1 Instruments; and (c) rank senior to (i) any liabilities of the Issuer falling into category 10 referred to in Article 440(2)(10) of the Bankruptcy Law, (ii) any other present or future liabilities of the Issuer which, in accordance with the Bankruptcy Law, rank lower than Additional Tier 1 Instruments and (iii) any other subordinated liabilities of the Issuer which by law rank junior to the liabilities of the Issuer under Additional Tier 1 Instruments. The Notes are intended, on the Issue Date, to constitute instruments of the Issuer qualifying as Additional Tier 1 Capital (as defined in the "*Terms and Conditions of the Notes*") of the Issuer and the Group (as defined below).

Upon the occurrence of a Trigger Event (as defined in the Conditions), the Prevailing Principal Amount of each Note will be immediately and mandatorily Written Down by the relevant Write Down Amount and any interest accrued to the relevant Write Down Date (each such term as defined in the Conditions) and unpaid shall be cancelled in accordance with Condition 6 (*Write Down and Write Up*). Holders of Notes (the "Noteholders") may lose some or all of their investment as a result of such a Write Down (as defined in the Conditions). Following such a Write Down, the Issuer may, in certain circumstances and at its sole and full discretion, Write Up the Prevailing Principal Amount of each Note in accordance with Condition 6 (*Write Down and Write Up*). The Notes are perpetual securities in respect of which there is no fixed redemption date or maturity date and the Issuer shall, without prejudice to its ability to effect a Write Down in accordance with Condition 6 (*Write Down and Write Up*), only have the right to redeem or purchase them in accordance with the provisions of Condition 7 (*Redemption and Purchase*). The Issuer may, in its sole and full discretion but subject to the approval of the Competent Authority (as defined in the Conditions), satisfaction of the other conditions to redemption or purchase set out in Condition 7 (*Redemption and Purchase*) and compliance with the Solvency Condition, elect to redeem in whole (but not in part) the Notes at their Prevailing Principal Amount, together with interest accrued and unpaid (excluding interest that has been cancelled in accordance with the Conditions) (i) on any date from (and including) 29 September 2031 to (and including) the First Reset Date, (ii) on any Interest Payment Date thereafter, (iii) at any time following the occurrence of a Tax Event or a Withholding Tax Event or a Capital Event or a MREL Disqualification Event (in each case, as defined in the Conditions) or (iv) at any time where the outstanding aggregate principal amount of the Notes is 25 per cent. or less of the Notes originally issued (and, for these purposes, any Further Notes (as defined in the Conditions) shall be deemed to have been originally issued and any Write Down and/or Write Up of the principal amount of the Notes shall be ignored). The Issuer may also, subject to the approval of the Competent Authority and the satisfaction of the other conditions to redemption or purchase set out in Condition

7(j) (*Redemption and Purchase – Conditions to Redemption, Substitution, Variation or Repurchase*), repurchase the Notes in accordance with the then prevailing Applicable Banking Regulations.

This document constitutes a prospectus (the "**Prospectus**") for the purposes of Article 6(1) of the Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). The *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), as competent authority under the Prospectus Regulation has approved this Prospectus as a prospectus. The CSSF has only approved this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval is not to be considered as an endorsement of the Issuer or of the quality of any Notes. Investors should make their own assessment as to the suitability of investing in such Notes. The CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Prospectus or the quality or solvency of the Issuer.

Applications have been made for the Notes to be admitted to listing on the official list of the Luxembourg Stock Exchange (the "**Official List**") and to trading on the regulated market of the Luxembourg Stock Exchange. The regulated market of the Luxembourg Stock Exchange is a regulated market for the purposes of Directive 2014/65/EU on markets in financial instruments (as amended, "**EU MiFID II**").

This Prospectus (as supplemented as at the relevant time, if applicable) is valid for a period of twelve months ending on 25 September 2027. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply once the Notes are admitted to trading on the regulated market of the Luxembourg Stock Exchange. For this purpose, "valid" means valid for making offers to the public or admissions to trading on a regulated market by or with the consent of the Issuer and the obligation to supplement this Prospectus is only required within its period of validity between the time when this Prospectus is approved and the closing of the offer period for the Notes or the time when trading on a regulated market begins, whichever occurs later.

The Notes are not intended to be offered, sold or otherwise made available and should not be offered, sold or otherwise made available to retail clients in the European Economic Area ("**EEA**") or in the United Kingdom ("**UK**"). Prospective investors are referred to the section headed "*Prohibition on Marketing and Sales to Retail Investors*" below for further information. Potential investors should read the whole of this document (including all documents and information incorporated by reference), in particular the section entitled "*Risk Factors*". Investors should make their own assessment as to the suitability of investing in the Notes.

The Notes will be in bearer form and in denominations of EUR 100,000 and integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000. The Notes will initially be in the form of a temporary global note (the "**Temporary Global Note**"), without interest coupons or talons, which will be deposited on or around the Issue Date with a common safekeeper for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**"). The Temporary Global Note will be exchangeable, in whole or in part, for interests in a permanent global note (the "**Permanent Global Note**"), without interest coupons or talons, not earlier than 40 days after the Issue Date upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership. The Permanent Global Note will be exchangeable in certain limited circumstances in whole, but not in part, for Notes in definitive form, each in denominations of EUR 100,000 and integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000 and with interest coupons and talons attached. See "*Summary of Provisions Relating to the Notes while in Global Form*".

The Notes are expected to be rated BB- by Fitch Ratings Ireland Limited ("**Fitch Ratings**"). Fitch Ratings is established in the EEA and registered under Regulation (EC) No 1060/2009 on credit rating agencies (the "**EU CRA Regulation**"). As such, Fitch Ratings is included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the EU CRA Regulation. Fitch Ratings is not established in the United Kingdom and has not applied for registration under Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") (the "**UK CRA Regulation**").

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

The Notes have not been, and will not be, registered under the United States Securities Act of 1933 (as amended, the "Securities Act"). The Notes are being offered outside the United States in accordance with Regulation S under the Securities Act ("Regulation S"), and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, US persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Investing in the Notes involves risks. The principal risk factors that may affect the ability of the Issuer to fulfil its obligations in respect of the Notes are set out under "Risk Factors" below.

Arranger

Commerzbank

Joint Bookrunners

Commerzbank

Erste Group

J.P. Morgan

Goldman Sachs

UBS Investment Bank

Prospectus dated 25 September 2026

CONTENTS

RISK FACTORS	4
IMPORTANT NOTICES	20
USE OF PROCEEDS	25
OVERVIEW	26
RECENT DEVELOPMENTS IN THE GROUP'S OPERATIONS	35
TERMS AND CONDITIONS OF THE NOTES	38
DOCUMENTS INCORPORATED BY REFERENCE	68
RECENT FINANCIAL PERFORMANCE	71
CAPITAL ADEQUACY AND DISTRIBUTABLE ITEMS	76
GENERAL INFORMATION.....	78
SUBSCRIPTION AND SALE	80

RISK FACTORS

An investment in the Notes involves certain risks. Prior to making an investment decision, prospective purchasers of the Notes should carefully read the entire Prospectus and the documents (or parts thereof) that are incorporated herein by reference, and in particular should consider all the risks inherent in making such an investment, including the information under the heading "Risk Factors" on pages 14 to 48 (inclusive) of the Base Prospectus (other than the information under the heading "Risks Related to Notes and Investment in Notes" for which investors should refer to the below) (the "Issuer Risk Factors"), before making a decision to invest. In addition to the other information in this Prospectus a number of factors that are material for the purpose of assessing the market risks associated with the Notes are also described in the Issuer Risk Factors. Prospective investors should also read the detailed information set out elsewhere in (or incorporated by reference into) this Prospectus and reach their own views prior to making any investment decision. If any of the risks set out in the Issuer Risk Factors or herein actually occur, the market value of the Notes may be adversely affected. The Bank believes that the factors described in the Issuer Risk Factors and below represent the principal risks inherent in investing in the Notes, but the Bank does not represent that such statements regarding the risks of holding any Notes are exhaustive.

The Issuer Risk Factors are incorporated by reference into this Prospectus. For the purpose of the Notes only, investors should read the following "*Risks Associated with the Notes*" (with references to Conditions in the following being references to the Conditions of the Notes as set forth in "*Terms and Conditions of the Notes*" herein) in addition to the Issuer Risk Factors:

RISKS ASSOCIATED WITH THE NOTES

1. Risks relating to the structure of the Notes

The Notes are subordinated to most of the Issuer's liabilities.

The Notes constitute unsecured and deeply subordinated obligations of the Issuer.

In the event of the insolvency of the Issuer, the claims of the holders of its senior debt and its obligations to most of its other creditors (including holders of Tier 2 Capital instruments and other unsecured and subordinated creditors but excluding any other obligations that by law rank, or by their terms are expressed to rank, *pari passu* with or junior to the claims of the holders of the Notes) will be satisfied (after covering the costs of and other payments relating to bankruptcy proceedings) before any payments on the Notes. In addition, payment of principal or interest in respect of the Notes cannot be made in respect of the Notes except to the extent that the Issuer could make such payment and still satisfy the Solvency Condition immediately thereafter. Furthermore, pursuant to the amendments introduced by BRRD II all claims resulting from the Group's own funds items (such as the Notes) shall have, in relevant insolvency proceedings, a lower priority ranking than any claim that does not result from an own funds item. For the purposes of the previous sentence, to the extent that an instrument is only partly recognised as an own funds item, the whole instrument shall be treated as a claim resulting from an own funds item and shall rank lower than any claim that does not result from an own funds item. This means that, regardless of their contractual ranking, liabilities that are no longer at least partially recognised as an own funds instrument for the purpose of the CRR shall rank senior to any liabilities fully or partially recognised as an own funds instrument. Accordingly, claims of the holders of the Notes will have, in any bankruptcy proceedings carried out in respect of the Issuer, a lower priority ranking than any claims that do not result from own funds items in accordance with the provisions of BRRD II, even if the Notes are only partly recognised as an own funds item of the Group. In any of the above situations, the Issuer may not have enough assets remaining after these payments to pay amounts due under the Notes. Furthermore, if the Issuer does have remaining assets thereafter, any claim in respect of the Notes will be for the Prevailing Principal Amount of the Notes held by a Noteholder, which, if the Notes have been Written Down and not subsequently Written Up to the Initial Principal Amount at the time of claim, will be less than par. As such, although the Notes may pay a higher rate of interest than Tier 2 Capital instruments and notes which are not subordinated, there is a substantial risk that investors in the Notes will lose all or some of the value of their investment should the Issuer become insolvent. See also "*The Group may be subject to statutory resolution*".

The Issuer may at any time elect, and in certain circumstances shall be required, not to make interest payments on the Notes

The Issuer may at any time (but subject to the requirement for mandatory cancellation of interest pursuant to Conditions 3(f) (*Solvency Condition*), 5(b) (*Cancellation of Interest – Mandatory cancellation of Interest – Insufficient Distributable Items*), 5(c) (*Cancellation of Interest – Mandatory cancellation of Interest – Maximum Distributable Amount*) and 5(d) (*Cancellation of Interest – Mandatory cancellation of Interest – Competent Authority Order*) and 6(a)(iii) (*Write Down and Write Up*)) elect, in its sole and absolute discretion, and in certain circumstances shall be required, to cancel any interest payment (in whole or in part) on the Notes otherwise scheduled to be paid on any date.

The Issuer may use such cancelled payment without restriction and the cancellation of such interest amounts will not impose any restrictions on the Issuer nor prevent or restrict the Issuer from declaring or making any distributions or interest payments on any of its shares or other instruments or obligations. Additionally, as reflected in the Terms and Conditions of the Notes (the "**Terms and Conditions of the Notes**"), the Competent Authority has the power (including under Article 104 of the CRD Directive) to restrict or prohibit payments by an issuer of interest to holders of Additional Tier 1 Instruments (such as the Notes).

It is the Issuer's intention that, whenever exercising its discretion to declare any distribution in respect of its ordinary shares, or its discretion to cancel interest on the Notes or any other Additional Tier 1 Instruments, it will take into account the relative ranking of these instruments in its capital structure. The Issuer reserves the right to depart from this intention at its sole discretion at any time and in any circumstance.

Furthermore, interest otherwise due to be paid on any date will not become due or payable (in whole or, as the case may be, in part), and the relevant payment will be deemed cancelled and will not be made if and to the extent that payment of such interest otherwise due (together with any additional amounts payable thereon pursuant to Condition 9 (*Taxation*), if applicable) would, (A) together with any interest payments or other distributions which have been paid or made or which are scheduled to be paid or made during the then current Financial Year on the Notes and all other own funds instruments of the Issuer (excluding any such interest payments or other distributions which (i) are not required to be made out of Distributable Items or (ii) have already been provided for, by way of deduction, in the calculation of Distributable Items) in aggregate would exceed the amount of Distributable Items of the Issuer as at such date, (B) result in the Solvency Condition not being satisfied with respect to payment of such interest amount (or part thereof), or (C) cause, when aggregated with other distributions of the kind referred to in Article 141(2) of the CRD Directive (or any provision of applicable law transposing or implementing Article 141(2) of the CRD Directive as amended or replaced, including Article 56 of the Macroprudential Supervision Act (as defined in the Conditions)), or referred to in any other applicable provisions of the Applicable Banking Regulations which require a maximum distributable amount to be calculated if the Issuer and/or the Group is failing to meet any relevant requirement or any buffers relating to such requirements, to the extent then applicable, the Maximum Distributable Amount then applicable to the Issuer and/or the Group to be exceeded.

Under Article 141(2) (*Restrictions on distributions*) of the CRD Directive, EU Member States must require that institutions that fail to meet the combined buffer (broadly, the combination of the capital conservation buffer, an institution-specific countercyclical capital buffer and either the higher of (depending on the institution), the systemic risk buffer, the G-SII buffer and the O-SII buffer or a combination thereof, in each case as applicable to the institution) will be subject to restricted discretionary payments (which are defined broadly by CRD as distributions in connection with CET1 Capital, payments on Additional Tier 1 Capital instruments (including interest amounts on the Notes) and payments of discretionary staff remuneration).

In the event of a breach of the combined buffer, the restrictions under Article 141(2) of the CRD Directive will be scaled according to the extent of the breach of the combined buffer and calculated as a percentage of the institution's profits. Such calculation will result in a Maximum Distributable Amount in each relevant period. As an example, the scaling is such that in the bottom quartile of the combined buffer, no discretionary distributions will be permitted to be paid. As a consequence, in the event of breach of the combined buffer, it may be necessary to reduce payments that would, but for the breach of the combined buffer, be discretionary, including potentially exercising the Issuer's discretion to cancel (in whole or in part) interest payments in respect of the Notes. In such circumstances, the aggregate amount of distributions which the Issuer can make on account of dividends, interest payments, write-up amounts and redemption amounts on its Tier 1 instruments (including the Notes) and certain bonuses will be limited.

Any interest payment (or, as the case may be, part thereof) not paid on any scheduled payment date in accordance with the Terms and Conditions shall be cancelled, shall not accumulate and will not become due or payable at any time thereafter. A cancellation of interest in accordance with the Terms and Conditions will not constitute a default of the Issuer under the Notes for any purpose, nor shall it impose any contractual restrictions (such as dividend stoppers) or any other obligation on the Issuer. Any actual or anticipated cancellation of interest on the Notes will likely have an adverse effect on the market price of the Notes. In addition, as a result of the interest cancellation provisions of the Notes, the market price (if any) of the Notes may be more volatile than the market prices of other debt securities on which interest accrues that are not subject to such cancellation and may be more sensitive generally to adverse changes in the Issuer's or the Group's financial condition. Any indication that the CET1 Ratio of the Issuer and/or the Group is trending towards the combined capital buffer requirement (the level at which the Maximum Distributable Amount restriction under the CRD Directive becomes relevant) may have an adverse effect on the market price of the Notes.

The level of the Issuer's Distributable Items is affected by a number of factors and insufficient Distributable Items will restrict the ability of the Issuer to make interest payments on the Notes

Interest otherwise due on an Interest Payment Date will not be due (in whole or, as the case may be, in part), and the relevant payment will be deemed cancelled and will not be made, if and to the extent that the amount of such interest payment otherwise due, when aggregated with other relevant stipulated payments or distributions, exceed the Distributable Items of the Issuer.

Distributable Items are defined under Article 4(1)(128) of the CRR as follows: "*the amount of the profits at the end of the last financial year plus any profits brought forward and reserves available for that purpose, before distributions to holders of own funds instruments, less any losses brought forward, any profits which are non-distributable pursuant to Union or national law or the institution's by-laws and any sums placed in non-distributable reserves in accordance with national law or the statutes of the institution, in each case with respect to the specific category of own funds instruments to which Union or national law, institutions' by-laws, or statutes relate; such profits, losses and reserves being determined on the basis of the individual accounts of the institution and not on the basis of the consolidated accounts*".

As at 31 December 2025, the Issuer had Distributable Items of PLN 15,070 million on a standalone basis. The level of the Issuer's Distributable Items and available funding, and therefore its ability to make interest payments under the Notes, are a function of the Issuer's existing Distributable Items, the future profitability of the Issuer and other members of the Group and the ability of the Issuer's operating subsidiaries to distribute or dividend profits up the Group structure to the Issuer. In addition, the Issuer's Distributable Items available for making payments to Noteholders may also be adversely affected by the servicing of other instruments issued by the Issuer or by Group subsidiaries.

The level of the Issuer's Distributable Items may be further affected by changes to regulation or the requirements and expectations of applicable regulatory authorities. Any such potential changes could adversely affect the Issuer's Distributable Items in the future.

Further, the Issuer's Distributable Items and its available funding, and therefore the Issuer's ability to make interest payments under the Notes, may be adversely affected by the performance of the business of the Group in general, factors affecting its financial position (including capital and leverage), the economic environment in which the Group operates and other factors outside of the Issuer's control. Adverse changes in the performance of the business of the Group could result in an impairment of the carrying value of the Issuer's investment in the Group, which could affect the level of the Issuer's Distributable Items. In addition, adjustments to earnings, as determined by the Management Board, may fluctuate significantly and may materially adversely affect Distributable Items.

In addition, the ability of the Issuer's subsidiaries to make distributions and the Issuer's ability to receive distributions and other payments from its investments in other entities is subject to applicable laws and other restrictions, including such subsidiaries' respective regulatory, capital and leverage requirements, statutory reserves, financial and operating performance and applicable tax laws.

Upon the occurrence of a Trigger Event, Noteholders may lose all or some of the value of their investment in the Notes

The Notes are issued for prudential regulatory purposes with the intention and purpose of being eligible as Additional Tier 1 Capital instruments of the Issuer and the Group. Such eligibility depends upon a number of conditions being satisfied, which are reflected in the Conditions. One of these relates to the ability of the Notes

and the proceeds of their issue to be available to absorb any losses of the Issuer and the Group. Accordingly, if, at any time, a Trigger Event occurs: (a) the Prevailing Principal Amount of each Note shall be immediately and mandatorily Written Down by the Write Down Amount; and (b) all accrued and unpaid interest up to (and including) the Write Down Date (whether or not such interest has become due for payment) shall be deemed cancelled.

A Trigger Event will occur if the CET1 Ratio of the Issuer or the Group falls below 5.125 per cent. The Issuer intends to calculate and publish the CET1 Ratio of the Issuer and the Group on at least a quarterly basis. Although Condition 6(d) (*Write Down and Write Up – Write Up*) permits the Issuer in its sole and full discretion to reinstate Written Down principal amounts if certain conditions (further described in the Conditions) are met, the Issuer is under no obligation to do so. Moreover the Issuer will only have the option to Write Up the principal amount of the Notes if, at a time when the Prevailing Principal Amount is lower than their Initial Principal Amount, it records positive net income and (to the extent permitted by the then prevailing Applicable Banking Regulations) positive consolidated net income, and if the Maximum Distributable Amount (if any) (after taking account of (x) any other relevant distributions of the kind referred to in Article 141(2) of the CRD Directive (or any provision of applicable law transposing or implementing Article 141(2) of the CRD Directive, as amended or replaced) or in any other applicable provisions of the Applicable Banking Regulations which require a maximum distributable amount to be calculated and which are required under prevailing Applicable Banking Regulations to be taken into account for this purpose and (y) the applicable requirements of Article 21.2(f) of the CRR Supplementing Regulation, as amended or replaced) would not be exceeded as a result of the Write Up. No assurance can be given that these conditions will ever be met, or that the Issuer will ever Write Up the principal amount of the Notes following a Write Down. Furthermore, any Write Up must be undertaken on a *pro rata* basis with any other securities of the Issuer and any member of the Group that have terms permitting a principal write up to occur on a basis similar to that set out in Condition 6(d) (*Write Down and Write Up – Write Up*) in the circumstances then existing. During the period of any Write Down pursuant to Condition 6(a) (*Write Down and Write Up – Write Down*), interest will accrue on the Prevailing Principal Amount of the Notes, which shall be lower than the Initial Principal Amount unless and until the Notes are subsequently Written Up in full. Furthermore, in the event that a Write Down occurs during an Interest Period, any interest accrued but not yet paid until the occurrence of such Write Down will be cancelled and, if not cancelled in accordance with Condition 5 (*Cancellation of Interest*), the interest amount payable on the Interest Payment Date immediately following such Interest Period shall be calculated on the Prevailing Principal Amount resulting from the Write Down.

Noteholders may lose all or some of their investment as a result of a Write Down. In the event of a decision of a competent court declaring the Issuer insolvent given prior to the Notes being written up in full pursuant to Condition 6(d) (*Write Down and Write Up – Write Up*), Noteholders' claims for principal and interest will be based on the reduced Prevailing Principal Amount of the Notes. Noteholders' claims for principal and interest will also be based on the reduced Prevailing Principal Amount of the Notes in the event that the Issuer exercises its option to redeem the Notes upon the occurrence of a Withholding Tax Event, Tax Event, a Capital Event, an MREL Disqualification Event or where the outstanding aggregate principal amount of the Notes is 25 per cent. or less of the Notes originally issued (and, for these purposes, any Further Notes shall be deemed to have been originally issued and any Write Down and/or Write Up of the principal amount of the Notes shall be ignored) in accordance with Conditions 7(b) (*Redemption and Purchase – Redemption for tax reasons*), 7(c) (*Redemption and Purchase – Redemption at the option of the Issuer*), 7(d) (*Redemption and Purchase – Issuer residual call*), 7(e) (*Redemption and Purchase – Early Redemption as a result of a Capital Event*) or 7(f) (*Redemption and Purchase – Early Redemption due to MREL Disqualification Event*) at a time when the Notes have been Written Down and not subsequently Written Up. In addition, in certain circumstances the Maximum Distributable Amount will impose a cap on the Issuer's ability to pay interest on the Notes, on the Issuer's ability to reinstate the Prevailing Principal Amount of the Notes following a Write Down and on its ability to redeem or repurchase Notes.

The market price of the Notes is expected to be affected by fluctuations in the CET1 Ratio of the Issuer and/or the Group. Any indication that the CET1 Ratio of the Issuer and/or the Group is approaching the level that would trigger a Trigger Event may have an adverse effect on the market price of the Notes. The occurrence of a Trigger Event is inherently unpredictable and depends on a number of factors, which may be outside the control of the Issuer or the Group. Accordingly, investors may be unable to accurately predict if and when a Trigger Event may occur. See also the risk factor entitled "*The circumstances surrounding or triggering a Write Down are unpredictable, and there are a number of factors that could affect the CET1 Ratio*" below.

The Notes may be traded with accrued interest, but under certain circumstances described above, such interest may be cancelled and not paid on the relevant Interest Payment Date

The Notes may trade, and/or the prices for the Notes may appear, on the Luxembourg Stock Exchange and in other trading systems with accrued interest. If this occurs, purchasers of Notes in the secondary market will pay a price that reflects such accrued interest upon purchase of the Notes. However, if a payment of interest on any Interest Payment Date is cancelled (in whole or in part) as described herein and thus is not due and payable, purchasers of such Notes will not be entitled to that interest payment (or, if the Issuer elects to make a payment of a portion, but not all, of such interest payment, the portion of such interest payment not paid) on the relevant Interest Payment Date.

The circumstances surrounding or triggering a Write Down are unpredictable, and there are a number of factors that could affect the CET1 Ratio

The occurrence of a Trigger Event is inherently unpredictable and depends on a number of factors, which may be outside the control of the Issuer. Moreover, because the Competent Authority may instruct the Issuer to calculate the CET1 Ratio of the Issuer and/or the Group as at any date, a Trigger Event could occur at any time, including if the Group is subject to recovery and resolution actions by the Relevant Resolution Authority, or the Issuer and/or the Group might otherwise determine to calculate such ratio(s) in its own discretion. Moreover, the Relevant Resolution Authority is likely to allow a Trigger Event to occur rather than to resort to the use of public funds to provide capital to the Issuer and/or the Group. Additionally the Relevant Resolution Authority may permanently write down the Notes at the point of non-viability of the Issuer and/or the Group or any relevant entity of the Group, and this may occur prior to a Trigger Event (see the risk factors entitled "*The Group may be subject to statutory resolution*" and "*The Notes may be subjected in the future to the bail-in and loss absorption resolution tool by the Relevant Resolution Authority and to the mandatory burden sharing measures for the provision of precautionary capital support which may result into their write-down in full*" for further information).

The CET1 Ratio of the Issuer and/or the Group may fluctuate. The calculation of such ratios could be affected by one or more factors, including, among other things, changes in the mix of the business of the Issuer and the Group, major events affecting their earnings, distributions by the Issuer or other entities of the Group, regulatory changes (including changes to definitions and calculations of the CET1 Ratio and its components, including Common Equity Tier 1 Capital and risk weighted assets (including as a result of the operation of any applicable output floors), in each case on either an individual or consolidated basis, and the unwinding of transitional provisions under CRD) and the ability of the Issuer and/or the Group to manage risk weighted assets in both its on-going businesses and those which it may seek to exit. In addition, each of the Issuer and the Group may have capital resources and risk weighted assets denominated in foreign currencies, and changes in foreign exchange rates will result in changes in the euro equivalent value of foreign currency denominated capital resources and risk weighted assets. As a result, the CET1 Ratio of the Issuer and/or the Group is exposed to foreign currency movements.

The calculation of the CET1 Ratio of the Issuer and/or the Group may also be affected by changes in applicable accounting rules, or by changes to regulatory adjustments which modify the regulatory capital impact of accounting rules. Moreover, even if changes in applicable accounting rules, or changes to regulatory adjustments which modify accounting rules, are not yet in force as at the relevant calculation date, the Competent Authority could require reflection of such changes in any particular calculation of the CET1 Ratio.

Accordingly, accounting changes or regulatory changes may have a material adverse impact on the Issuer and/or the Group's calculations of regulatory capital, including Common Equity Tier 1 Capital and risk weighted assets and the CET1 Ratio of the Issuer and/or the Group.

Further, the Issuer currently constitutes the highest entity of the prudential regulatory consolidation in the group of which the Issuer forms part, but there can be no assurance that that will be the case for so long as the Notes remain outstanding. For example, the Issuer could be acquired by another banking group or financial conglomerate which is regulated in accordance with CRR or a parent financial holding company could be interposed between the Issuer and its shareholders. This could, in turn, affect the calculation of the CET1 Ratio of the Issuer and/or the Group.

It will be difficult to predict when, if at all, a Trigger Event and subsequent Write Down may occur. Accordingly, the trading behaviour of the Notes is not necessarily expected to follow the trading behaviour of other types of securities. Any indication that a Trigger Event and subsequent Write Down may occur can be expected to have a material adverse effect on the market price (if any) of the Notes.

The CET1 Ratio will be affected by the Group's business decisions and, in making such decisions, the Group's interests may not be aligned with those of the Noteholders

As discussed in the risk factor entitled "*The circumstances surrounding or triggering a Write Down are unpredictable, and there are a number of factors that could affect the CET1 Ratio*" above, the CET1 Ratio of the Issuer and/or the Group could be affected by a number of factors. The CET1 Ratio will also depend on the decisions of the Issuer and the Group relating to their business and operations, as well as the management of their respective capital positions. Neither the Issuer nor the Group will have any obligation to consider the interests of the Noteholders in connection with its strategic decisions, including in respect of its capital management. Noteholders will not have any claim against the Issuer or any other member of the Group relating to decisions that affect the business and operations of the Issuer or the Group, including the Issuer or the Group's respective capital positions, regardless of whether they result in the occurrence of a Trigger Event. Such decisions could cause Noteholders to lose all or part of the value of their investment in the Notes.

The Notes have no scheduled maturity date and may only be redeemed at the option of the Issuer at their Prevailing Principal Amount (which may be less than par)

The Notes are undated (perpetual) securities in respect of which there is no fixed redemption or maturity date. The Issuer is under no obligation to redeem the Notes at any time and the Noteholders have no right to require the Issuer or any member of the Group to redeem or purchase any Notes at any time. Any redemption of the Notes and any purchase of any Notes by the Issuer or any of its subsidiaries will be subject always to the prior approval of the Competent Authority and to compliance with prevailing prudential requirements, and the Noteholders may not be able to sell their Notes in the secondary market (if at all) at a price equal to or higher than the price at which they purchased their Notes. Accordingly, investors in the Notes should be prepared to hold their Notes for a significant period of time.

In the event that the Issuer is, or will be, subject to additional taxes, duties or other governmental charges with respect to the Notes, or the Issuer is not, or will not, be entitled to claim a deduction in respect of payments in respect of the Notes as the case may be in computing its taxation liabilities (or the value of such deduction would be materially reduced), in either case as a result of any Change in Tax Law of the Taxing Jurisdiction which becomes effective or is announced on or after the Issue Date, the Issuer may redeem all outstanding Notes in accordance with the Conditions and, subject to compliance with certain regulatory conditions and approval by the Competent Authority, as may be applicable. Furthermore, in the event that the Issuer is, has or will become obliged to pay additional amounts as provided or referred to in Condition 9 (*Taxation*) as a result of any Change in Tax Law, which change or amendment becomes effective on or after the Issue Date, and such obligation cannot be avoided by the Issuer taking reasonable measures available to it, the Issuer may redeem all outstanding Notes in accordance with the Conditions and, subject to compliance with certain regulatory conditions and approval by the Competent Authority, as may be applicable.

The Issuer may also be entitled to redeem in whole (but not in part) the Notes if a Capital Event occurs and is continuing.

Any such redemption will be at the Prevailing Principal Amount of the Notes from time to time, which may be less than the Initial Principal Amount, provided that the Notes may only be redeemed pursuant to Condition 7(c) (*Redemption and Purchase – Redemption at the option of the Issuer*) if the Prevailing Principal Amount of each Note is equal to its Initial Principal Amount.

In respect of the Notes, the regulatory conditions include the requirement that, if the Notes are to be redeemed during the first five years after the Issue Date of the Notes (or if later, five years after the issue date of any further notes issued pursuant to Condition 15 (*Further Issues*)), the Issuer must demonstrate (in respect of early redemption relating to the tax treatment of the Notes or relating to a Capital Event) to the satisfaction of the Competent Authority that the event triggering such redemption was not reasonably foreseeable at the time of the issue of the Notes and, in the case of an early redemption relating to the tax treatment of the Notes, that the adverse treatment is material and, in the case of an early redemption relating to a Capital Event, that such change is sufficiently certain. These foreseeability and materiality conditions to redemption only apply to a redemption of the Notes occurring in the first five years after the Issue Date of the Notes (or if later, five years after the issue date of any further notes issued pursuant to Condition 15 (*Further Issues*)) and, therefore the Issuer could opt to redeem the Notes for tax or regulatory reasons after the fifth anniversary of issue, including based upon an event that occurred within the first five years after the Issue Date of the Notes (or if later, five years after the issue date of any further notes issued pursuant to Condition 15 (*Further Issues*)). There can therefore be no assurances that the Notes will not be called for tax or regulatory reasons prior to any specified optional call date.

In addition, the Issuer may redeem the Notes at its option in whole, but not in part, on any date from (and including) 29 September 2031 to (and including) the First Reset Date or on any Interest Payment Date thereafter. Furthermore, if, at any time, the outstanding aggregate principal amount of the Notes is 25 per cent. or less of the aggregate principal amount of the Notes originally issued, the Issuer may redeem all of the remaining outstanding Notes on any date. The Issuer may choose to redeem the Notes (subject to certain regulatory conditions and approvals) at times when prevailing interest rates may be relatively low. In such circumstances, a holder of the Notes may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes and may only be able to do so at a significantly lower rate. The exercise of any optional redemption feature is likely to limit the market value of the Notes. During any period when the Issuer may, or is perceived to be able to, elect to redeem the Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period or date.

Under certain circumstances, the Issuer's ability to redeem or repurchase the Notes may be limited

Pursuant to the CRR and the CRD, and as set out in Condition 7(j) (*Redemption and Purchase – Conditions to Redemption, Substitution, Variation or Repurchase*), the Issuer may redeem or repurchase the Notes only if such redemption or repurchase is in accordance with applicable provisions of the Applicable Banking Regulations, and, where necessary, has been granted the approval of or permission from the Competent Authority (to the extent such approval is then required under the Applicable Banking Regulations) and, in addition if:

- (i) on or before such redemption or repurchase of the Notes, the Issuer replaces the Notes with own funds instruments of an equal or higher quality on terms that are sustainable for its income capacity; or
- (ii) the Issuer has demonstrated to the satisfaction of the Competent Authority that its own funds and eligible liabilities would, following such redemption or repurchase, exceed the requirements under the Applicable Banking Regulations by a margin that the Competent Authority may consider necessary.

In addition, the Competent Authority may only permit the Issuer to redeem the Notes before five years after the Issue Date of the Notes (or if later, five years after the issue date of any further notes issued pursuant to Condition 15 (*Further Issues*)) if:

- (a) either of the conditions listed in paragraphs (i) and (ii) above is met; and
- (b) in the case of redemption due to the occurrence of a Capital 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 Capital Event was not reasonably foreseeable at the time of the issuance of the Notes; or
- (c) in the case of redemption for taxation reasons pursuant to Condition 7(b) (*Redemption and Purchase – Redemption for tax reasons*), 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 time of issuance of the Notes; or
- (d) before or at the same time of such redemption or repurchase, the Issuer replaces the Notes with own funds instruments of 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
- (e) the Notes are repurchased for market-making purposes.

The rules under the Applicable Banking Regulations may be modified from time to time after the Issue Date.

In addition, if the Issuer has elected to redeem the Notes, or if the Issuer (or any other person for the Issuer's account) has entered into an agreement to purchase any Notes and (A) the Solvency Condition is not satisfied in respect of the relevant payment on the date scheduled for redemption or purchase; or (B) prior to the redemption or purchase of the Notes, a Trigger Event occurs, the relevant redemption notice or, as the case may be, the relevant purchase agreement shall be automatically rescinded and shall be of no force and effect and the Issuer shall give notice thereof to the Noteholders.

Further, no notice of redemption shall be given in the period following the occurrence of a Trigger Event and prior to the relevant Write Down Date (and any purported such notice shall be ineffective).

Remedies in case of default on the Notes are very limited

The Terms and Conditions of the Notes contain very limited enforcement rights, allowing (i) the Notes to be declared due and payable on the grounds of a decision by a competent court declaring the Issuer insolvent, or (ii) Noteholders to be paid by the Issuer in accordance with the relevant provisions of Polish law in the event of the initiation of the liquidation of the Issuer in accordance with the Banking Law. The Terms and Conditions do not provide for events of default allowing acceleration of the Notes.

In either case therefore, Noteholders will not have any rights to petition for the bankruptcy or liquidation of the Issuer under Polish law, as only the KNF and, in limited circumstances, 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 (as the case may be).

2. General risks relating to the Notes

There is no active trading market for the Notes

There can be no assurance that a liquid market for the Notes will be maintained. The investors may find it difficult to sell their Notes or to sell them at prices producing a return comparable to returns on similar investments in the secondary market.

The Notes are new securities which may not be widely distributed and for which there is currently no active trading market. If a market does develop, it may not be very liquid. Therefore, no liquidity of any market in the Notes can be assured; nor the ability of the holders of the Notes to sell their Notes or the prices at which they would be able to sell their Notes.

If the Notes are traded after their initial issuance, they may be traded at a discount or at a premium to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. It is possible that the market for the Notes will be subject to disruptions or volatility. Any such disruption or volatility may have a negative effect on Noteholders, regardless of the Issuer's prospects and financial performance. As a result, there is no assurance that there will be an active trading market for the Notes. If no active trading market develops, Noteholders may not be able to resell their holding of the Notes at a fair value, if at all.

Although an application has been made for the Notes to be admitted to listing on the Official List of the Luxembourg Stock Exchange and trading on the regulated market of the Luxembourg Stock Exchange, there can be no assurance that such application will be accepted, that the Notes will be so admitted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Notes.

Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, holders of the Notes will have to rely on their procedures for transfer, payment and communication with the Issuer

The Notes will be represented by the Global Notes except in certain limited circumstances described in the Permanent Global Note. The Global Notes will be deposited with a common safekeeper for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the Permanent Global Note, holders of the Notes will not be entitled to receive Definitive Notes. Euroclear and Clearstream, Luxembourg, will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by the Global Notes, holders of the Notes will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg and their participants.

The Issuer will discharge its payment obligations under the Notes by making payments to the common safekeeper for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Notes will not

have a direct right under the Global Notes to take enforcement action against the Issuer in the event of a default under the Notes but will have to rely upon their rights under the Deed of Covenant.

Denominations of the Definitive Notes may be illiquid

As the Notes are in denominations of EUR 100,000 and integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000, it is possible that the Notes may be traded in amounts less than the minimum authorised denomination of EUR 100,000. In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than EUR 100,000 may not receive Definitive Notes in respect of such holding (should Definitive Notes be printed) and may need to purchase a principal amount of Notes such that its holding amounts to EUR 100,000.

If Definitive Notes are issued, Noteholders should be aware that Definitive Notes which have a denomination that is not an integral multiple of EUR 1,000 may be illiquid and difficult to trade.

Credit risk of the Issuer

An investment in the Notes is subject to credit risk, which means that the Issuer may fail to meet its obligations arising from the Notes at all or in a timely manner. The Issuer's ability to meet its obligations arising from the Notes and the ability of the holders of the Notes to receive payments arising from the Notes depend on the financial position and the results of operations of the Issuer and/or the Group, which are subject to other risks described in this Prospectus.

The Issuer is not prohibited from issuing further debt, which may rank *pari passu* with or senior to the Notes

There is no restriction on the amount of debt that the Issuer may issue that ranks senior to the Notes or on the amount of securities that it may issue that rank *pari passu* with the Notes. The issue of any such debt or securities may reduce the amount recoverable by Noteholders in the event of voluntary or involuntary liquidation or bankruptcy of the Issuer.

No ownership rights

An investment into the Notes is an investment into debt instruments, which does not confer any legal or beneficial interest in the equity of the Issuer or any of the subsidiaries thereof or any voting rights or rights to receive dividends or other rights which may arise from equity instruments. The Notes represent an unsecured and subordinated debt obligation of the Issuer, granting the Noteholders only such rights as set forth in the "*Terms and Conditions of the Notes*". The value of the Notes might be affected by the actions of the shareholders of the Issuer over which the investors do not have control.

Exchange rates and exchange controls

The Issuer will pay principal and interest on the Notes in EUR (the "**Specified Currency**"). This presents certain risks relating to currency conversions if a Noteholder'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 (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency equivalent value of the principal payable on the Notes and (iii) 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. As a result, holders of the Notes may receive less interest or principal than expected, or no interest or principal.

Interest rate risks

An investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes. Particularly long-term fixed-rate reset Notes involve a high risk of a material decline in value if the market rate exceeds the rate paid in accordance with the fixed-rate reset Notes. On the other hand, if the Notes are subject to redemption at the option of the Issuer, Noteholders should not expect, in the case of falling market rates, that the price would substantially exceed the optional redemption price.

The interest rate on the Notes will be reset on each Reset Date, which may affect the market value of the Notes

The Notes will initially bear interest on the Prevailing Principal Amount from (and including) the Issue Date to (but excluding) the First Reset Date at the rate per annum equal to the Initial Rate of Interest.

The interest rate will be reset in respect of each Reset Period commencing on or after the First Reset Date at the rate per annum equal to the relevant Reset Rate of Interest (as described in Condition 4(d)(ii) (*Interest*)). A Reset Rate of Interest could be less than the Initial Rate of Interest or (where applicable) the previous Reset Rate of Interest, which could affect the amount of any interest payments under the Notes and so the market value of an investment in the Notes. As the Notes bear interest at a fixed rate (reset with effect from each Reset Date), an investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes.

Certain benchmark rates, including EURIBOR, may be discontinued or reformed in the future

From and including the First Reset Date, amounts payable under the Notes will be calculated by reference to the applicable annualised mid-swap rate for swap transactions in EUR (with a maturity equal to 5 years) as displayed on Bloomberg screen "EUSA5 ICPL Curncy" at 11:00 a.m. (Central European Time) on the relevant Reset Determination Date and by reference to EURIBOR. EURIBOR and other interest rates or other types of rates and indices which are deemed to be benchmarks have been subject to significant regulatory scrutiny and legislative intervention in recent years. This relates not only to the creation and administration of benchmarks, but also to their use. 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 the Notes.

On 21 September 2017, the European Central Bank announced that it would be part of a new working group tasked with the identification and adoption of a "risk-free overnight rate" which can serve as a basis for an alternative to current benchmarks used in a variety of financial instruments and contracts in the Eurozone. On 13 September 2018, the working group on Euro risk-free rates recommended the new Euro short-term rate ("€STR") as the new risk-free rate for the Eurozone. The €STR was published for the first time on 2 October 2019. Although EURIBOR has subsequently been reformed in order to comply with the terms of the EU Benchmarks Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with €STR or an alternative benchmark.

The Terms and Conditions of the Notes set out herein provide for certain fallback arrangements in the event that the Original Reference Rate becomes unavailable, including the possibility that the rate of interest could be determined by an independent adviser or the Issuer or set by reference to a successor rate or an alternative reference rate and that such successor rate or alternative reference rate may be adjusted (if required) in accordance with the recommendation of a relevant government body, or in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark. However, any such adjustment may not be successful in eliminating economic prejudice or benefit, and the Notes may still perform differently than they would if the original rate had remained in place. In certain circumstances, the ultimate fallback of interest for the relevant Reset Period may result in the rate of interest for the last preceding Interest Period being used. Therefore, in respect of the first Reset Period, this may result in the application of the Initial Rate of Interest. In addition, due to the uncertainty concerning the availability of successor rates and alternative reference rates and the involvement of an independent adviser or the Issuer, the relevant fallback provisions may not operate as intended at the relevant time.

Notwithstanding any provision of Condition 4(e) (*Interest*), no Successor Rate, Alternative Rate or Adjustment Spread will be adopted, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the Notes as Additional Tier 1 Capital instruments of the Issuer.

Any such consequences could have a material adverse effect on the value of and return on any of the Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant reference rate could affect the ability of the Issuer to meet its obligations under the Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under the Notes. Investors should consider these matters when making their investment decision with respect to the Notes and consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation, any of the international or national reforms and the possible application of the benchmarks replacement provisions on the Notes in making any investment decision with respect to the Notes.

The value of the Notes may be adversely affected by a negative change to an applicable credit rating

Any adverse change in an applicable credit rating could adversely affect the trading price for the Notes.

A credit rating may not reflect all risks

The Notes are expected to be rated "BB-" by Fitch Ratings. The rating may not reflect the potential impact of all risks related to structure, market, additional factors discussed in this section, 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 subject to suspension, reduction or withdrawal at any time by the assigning rating agency. In addition, other rating agencies may assign unsolicited ratings to the Notes. In such circumstances there can be no assurance that the unsolicited rating(s) will not be lower than the comparable solicited ratings assigned to the Notes, which could adversely affect the market value and liquidity of the Notes.

In general, European regulated investors are restricted under the EU 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 EU CRA Regulation (and such registration has not been withdrawn or suspended) subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. 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 EU CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by ESMA on its website in accordance with the EU 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 EU 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.

The Group may be subject to statutory resolution

The Issuer is a credit institution which falls under the scope of Directive 2014/59/EU of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended by Directive (EU) 2019/879 of the European Parliament and of the Council ("**BRRD II**") and Directive (EU) 2024/1174 of the European Parliament and of the Council, the "**Bank Recovery and Resolution Directive**" or "**BRRD**"). The BRRD sets out the necessary steps and powers to ensure that bank and banking group failures across the EU are managed in a way which mitigates the risk of financial instability and minimises costs for taxpayers. The BRRD is designed to provide authorities with a harmonised set of tools and powers to intervene sufficiently early and quickly in an unsound or failing institution so as to ensure the continuity of the institution's critical financial and economic functions, while minimising the impact of an institution's failure on the economy and financial system.

For this purpose, the BRRD grants supervisory authorities various rights including, but not limited to, a statutory "**write-down and conversion power**" (exercisable in relation to Tier 1 Capital instruments (such as the Notes) and Tier 2 Capital instruments) and a 'bail-in and loss absorption' power (exercisable in relation to other securities that are not Tier 1 Capital instruments or Tier 2 Capital instruments), which gives the recovery and resolution authority under the BRRD and Regulation (EU) No. 806/2014 (the "**Relevant Resolution Authority**"), the power to cancel all or a portion of the principal amount of, or interest on, certain unsecured liabilities (which could include the Notes) of a failing financial institution and/or to convert certain debt claims (which could include the Notes) into another security, including equity instruments of the surviving issuer entity, if any. The relevant

regulations of the BRRD were implemented in Poland under the Act on the Bank Guarantee Fund. The Act on the Bank Guarantee Fund modified the legal framework of the deposit guarantee scheme in Poland operated by the BGF and developed a framework allowing for the orderly resolution of financial institutions. The Act on the Bank Guarantee Fund also repealed the existing restructuring and support measures under Polish law to bring the relevant provisions in line with the BRRD framework. In this respect, the Act on the Bank Guarantee Fund amended several other related legal acts, including legislation on financial instruments, insolvency, financial market supervision and recapitalisation of financial institutions. The Bank must comply with the Act on the Bank Guarantee Fund and has adjusted its operations to comply with the new requirements.

As well as a "write-down and conversion power" and a "bail-in and loss absorption" power described above, the powers granted to the Relevant Resolution Authority under the BRRD include the power to (i) 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 complying with the procedural requirements that would otherwise apply (known as the 'sale of business tool'), (ii) transfer all or part of the business of the relevant financial institution to a "bridge bank" which is wholly or partially owned by a publicly controlled entity (known as the 'bridge institution tool') and (iii) transfer assets of the relevant financial institution to an asset management vehicle which is wholly or partially owned by public authorities to allow them to be managed over time (known as the 'asset separation tool'). In addition, among the broader powers granted to the Relevant Resolution Authority under the BRRD, the BRRD provides powers to the Relevant Resolution Authority to amend the maturity date and/or any interest payment date of debt instruments or other eligible liabilities of the relevant financial institution and/or impose a temporary suspension of payments.

The write-down and conversion power can be used to ensure that Tier 1 Capital instruments (such as the Notes) and Tier 2 Capital instruments fully absorb losses at the point of non-viability of an institution (or, if applicable, its group) and before any other resolution action is taken. The BRRD specifies the order in which the bail-in tool should be applied, reflecting the hierarchy of capital instruments under CRD and otherwise respecting the hierarchy of claims in an ordinary insolvency (see *"The Notes may be subjected in the future to the bail-in and loss absorption resolution tool by the Relevant Resolution Authority and to the mandatory burden sharing measures for the provision of precautionary capital support which may result into their write-down in full"* below).

While the BRRD (and the Act on the Bank Guarantee Fund implementing the BRRD) lists certain general principles applicable to resolution, including the principle that no creditor of the institution subject to resolution shall incur greater losses than would have been incurred thereby if the institution had been wound up under hypothetical insolvency proceedings (so-called "**NCWO safeguard**"), the operation of this principle in various circumstances is not clear on the basis of the manner of transposition of this principle into the Act on the Bank Guarantee Fund. While the EBA has explained that the NCWO safeguard serves as a fundamental right of creditors, and several amendments were introduced by the BRRD II to clarify the application of the said principle, it is not entirely clear from the Act on the Bank Guarantee Fund whether this principle will be strictly applied in all circumstances, particularly, in case write-down and conversion powers are used independently without the application of any other resolution tools and outside of resolution proceedings. Further, it is not entirely clear if this principle is equally applied in the case of financial holding companies, in particular, in the case such financial holding company itself does not constitute the resolution entity of the group (such as the Issuer). Provided the provisions of the Act on the Bank Guarantee Fund are applied and interpreted in conformity with the objectives of the BRRD, the NCWO safeguard should also apply equally in the aforesaid scenario, but no assurances can be given in this respect.

Pursuant to Condition 20 (*Acknowledgement of Bail-in and Loss Absorption Powers*), each Noteholder acknowledges and accepts that any liability of the Issuer arising under the Notes may be subject to the exercise of Bail-in and Loss Absorption Powers by the Relevant Resolution Authority, and moreover this may occur regardless of whether a Trigger Event or a Write Down takes place pursuant to the Conditions. The exercise of any such power or any suggestion of such exercise could materially adversely affect the value of any Notes subject to the BRRD and could lead to the Noteholders losing some or all of their investment in the Notes. Prospective investors in the Notes should consult their own advisers regarding the consequences of implementing the BRRD.

In 2023, the European Commission made a legislative proposal to adjust and further strengthen the existing European Union bank crisis management and deposit insurance framework ("**CMDI**") which is envisaged to encompass amendments to, *inter alia*, the BRRD. The purpose of the developments is to give resolution authorities even more effective tools to ensure that the depositors of the relevant financial institution (e.g. depositors) can continue to have access to their accounts and, more broadly, to facilitate the use of industry-funded safeguards to enable authorities to shield the depositors in a bank crisis.

The exercise of any resolution powers or early intervention measures or any powers pursuant to BRRD with respect to the Issuer or the Group, or any suggestion of such exercise, will likely materially adversely affect the price or value of an investment in the Notes and/or the ability of the Issuer to satisfy its obligations under the Notes and could lead to the holders of the Notes losing some or all of their investment in the Notes.

The Notes may be subject in the future to the bail-in and loss absorption resolution tool by the Relevant Resolution Authority and to the mandatory burden sharing measures for the provision of precautionary capital support which may result in their write-down in full

Under the BGF Act, powers have been granted to the Relevant Resolution Authority which include the bail-in and loss absorption tool through which a credit institution or banking group subjected to resolution may be recapitalised either by way of write-down or conversion of liabilities into ordinary shares. The bail-in and loss absorption tool may be imposed either as a sole resolution measure or in combination with the rest of the resolution tools that may be imposed by the Relevant Resolution Authority in the case of the resolution of a failing credit institution or group.

The Notes may be subjected to the said bail-in and loss absorption tool. So, if the Issuer or the Group is subjected to resolution measures in the future, then the value of the Notes may be written down (up to zero) as a result of the imposition of the bail-in and loss absorption tool. Furthermore, the Notes may be subject to modifications or the disapplication of provisions in the Conditions of the Notes, including alteration of the principal amount or any interest payable on the Notes, the dates on which payments may be due, as well as the suspension of payments for a certain period.

The BRRD contemplates a statutory sequence for the application of the bail-in tool towards the liabilities of the failing credit institution or group. According to this sequence, first, the CET1 Capital items are reduced in proportion and in accordance with the terms outlined under the BRRD. If the reduction pursuant to these rules is less than the aggregate necessary amount of write-down, next, the amounts of Additional Tier 1 Capital instruments and Tier 2 Capital instruments are reduced to the extent required. If the total reduction of the own funds items is not sufficient to cover the aggregate necessary amount of write-down, the principal amount of other subordinated liabilities that do not constitute Additional Tier 1 Capital instruments or Tier 2 Capital instruments of the institution is reduced to the extent required in accordance with the ranking of claims in bankruptcy proceedings. Further, if (and only if) the total reduction of the foregoing liabilities of the institution is less than the aggregate necessary amount of write-down, the Relevant Resolution Authority will apply the bail-in tool (to the extent required) to the rest of the liabilities of the institution, reducing the principal amount of or outstanding amount of the respective liabilities in the order of ranking of claims in bankruptcy proceedings.

The BRRD further contemplates the statutory preference in the insolvency proceedings of credit institutions, ascribing deposits that are covered under deposit guarantee schemes set-up and implemented in accordance with Directive 2014/49/EU on deposit guarantee schemes ("**covered deposits**") and certain other deposits of individuals, micro, small and medium-sized enterprises priority ranking over other unsecured senior creditors of the institution in insolvency proceedings. Furthermore, unlike the liabilities arising from the Notes, covered deposits are excluded from the scope of application of the bail-in tool. As a result, the Notes issued by the Issuer will be more likely to be bailed in than certain other unsubordinated liabilities of the Issuer (such as covered deposits and other deposits of individuals and micro, small and medium-sized enterprises).

Pursuant to Condition 20 (*Acknowledgement of Bail-in and Loss Absorption Powers*), each Noteholder acknowledges and accepts that any liability of the Issuer arising under the Notes may be subject to the exercise of Bail-in and Loss Absorption Powers by the Relevant Resolution Authority.

In any case, a Noteholder may claim payment in respect of the Notes only in the event of the liquidation or bankruptcy of the Issuer. Further, the Issuer will not be obliged to pay any sum or sums sooner than the same would otherwise have been due and payable by it, except with the prior approval of the Competent Authority (if such approval is then required under the Applicable Banking Regulations).

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

The powers provided to the Relevant Resolution Authority under the BRRD include, among others, a statutory write-down and conversion powers 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. 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 other than to remedy a serious disturbance in the economy of an EEA member state and to preserve financial stability; or (iv) infringes or, in the near future, will infringe its consolidated prudential requirements in a way that would justify action by the resolution authority.

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 complying 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. The application of any non-viable loss-absorption measure may result in Noteholders losing some or all of their investment. The exercise of any such power may be inherently unpredictable and may depend on a number of factors which may be outside the Issuer's control. Any such exercise, or any suggestion that the Notes could become subject to such exercise, could, therefore, materially adversely affect the value of the Notes.

Changes in laws or administrative practices could entail risks

In accordance with Condition 19 (*Governing Law*), the Notes are expressed to be governed by English law, with the exception of Conditions 3(b) to 3(e) (both inclusive), 3(g) (*Status and Subordination*), Condition 20 (*Acknowledgement of Bail-in and Loss Absorption Powers*) and Condition 21 (*Recognition of Stay Powers*) which are governed by Polish law, in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law, Polish law or any relevant administrative practice after the date of this Prospectus, and any such change could materially adversely impact the value of any Notes affected by it.

The Issuer could, in certain circumstances, substitute or vary the terms of the Notes

In certain circumstances (such as if a Capital Event, MREL Disqualification Event, Withholding Tax Event or Tax Event has occurred and is continuing, or in order to ensure the effectiveness of Condition 20 (*Acknowledgement of Bail-in and Loss Absorption Powers*)), the Issuer may, in accordance with Applicable Banking Regulations and without the consent or approval of the Noteholders, substitute or vary the terms of the Notes (including changing the governing law of Condition 20 (*Acknowledgement of Bail-in and Loss Absorption Powers*)) to ensure that, if applicable, they continue to qualify as Qualifying Securities, or as the case may be count towards the eligible liabilities and/or loss absorbing capacity of the Issuer and/or the Group, or in order to ensure the effectiveness or enforceability of Condition 20 (*Acknowledgement of Bail-in and Loss Absorption Powers*).

While the Issuer cannot make changes to the terms of the Notes that are materially less favourable to Noteholders (unless any such prejudice is solely attributable to the effectiveness and enforceability of Condition 20 (*Acknowledgement of Bail-in and Loss Absorption Powers*)), the governing law of Condition 20 (*Acknowledgement of Bail-in and Loss Absorption Powers*) may be changed in order to ensure the effectiveness and enforceability of Condition 20 (*Acknowledgement of Bail-in and Loss Absorption Powers*).

There can be no assurance as to whether any of these changes will negatively affect any particular Noteholder. In addition, the tax and stamp duty consequences of holding such 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. See also the risk factor entitled "*Modification and waivers*".

Modification and waivers

The Conditions of the Notes contain provisions for calling meetings of Noteholders to consider and vote upon matters affecting their interests generally, or to pass resolutions in writing. 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, including those Noteholders who voted in a manner contrary to the majority.

Furthermore, the Conditions of the Notes provide that the Notes, the Conditions of the Notes and the Deed of Covenant may be amended without the consent of the Noteholders or the Couponholders to correct a manifest error or to comply with any amendments, updates and/or modifications to applicable legislation passed after the date hereof by or on behalf of the Republic of Poland or any political subdivision thereof or any authority therein or thereof having power to make such amendment, update and/or modification, which impacts the Issuer's obligations in relation to the Notes. The Issuer cannot foresee, as at the date of this Prospectus, what such changes may entail; however, any changes made will be binding on Noteholders.

There may be no rights of set-off, netting or counterclaim

Noteholders shall not be entitled to exercise any right of set-off, netting or counterclaim against moneys owed by the Issuer in respect of the Notes. Therefore, the Noteholders will not be entitled (subject to applicable law) to set off the Issuer's obligations under the Notes against obligations owed by them to the Issuer. This could have an adverse impact on the counterparty risk for such Noteholders in the event that the Issuer were to become insolvent.

The Issuer's gross-up obligation under the Notes is limited

The Issuer's obligation to pay additional amounts in respect of any withholding or deduction in respect of taxes under the terms of the Notes (which is also subject to the Solvency Condition and the availability of Distributable Items) applies only to payments of interest due and payable under the Notes and not to payments of principal (which term, for these purposes, includes any premium, final redemption amount, early redemption amount, optional redemption amount and any other amount (other than interest) which may from time to time be payable in respect of the Notes).

As such, the Issuer would not be required to pay any additional amounts under the terms of the 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 the Notes, such Noteholders would, upon repayment or redemption of the Notes, be entitled to receive only the net amount of such redemption or repayment proceeds after deduction of the amount required to be withheld. Therefore, Noteholders may receive less than the full amount due under the Notes, and the market value of the Notes may be adversely affected as a result.

Conflicts may arise between the interests of the Calculation Agent and the interests of the Noteholders

Potential conflicts of interest may exist between the Calculation Agent and Noteholders, including with respect to certain determinations and judgments that such Calculation Agent makes pursuant to the Terms and Conditions that may influence amounts receivable by the Noteholders during the term of the Notes and upon their redemption.

The Issuer has appointed Deutsche Bank Aktiengesellschaft as the Calculation Agent in respect of the Notes. Deutsche Bank Aktiengesellschaft is a member of an international financial group that is involved, in the ordinary course of its business, in a wide range of banking activities out of which conflicting interests may arise. Whilst the Calculation Agent will, where relevant, have information barriers and procedures in place to manage conflicts of interest, it may in its other banking activities from time to time be engaged in transactions involving an index

or related derivatives which may affect amounts receivable by Noteholders or the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders.

The listing of the Notes may be suspended, interrupted or terminated

The listing of the Notes on the Official List of the Luxembourg Stock Exchange may, depending on the rules applicable to the Luxembourg Stock Exchange, be suspended or interrupted by the Luxembourg Stock Exchange or a competent regulatory authority for a number of reasons, including a violation of price limits, a breach of statutory provisions, the occurrence of operational problems involving the stock exchange or generally if deemed required in order to secure a functioning market or to safeguard the interests of investors. Furthermore, trading in the Notes may be terminated either upon the decision of the Luxembourg Stock Exchange or a regulatory authority or upon application by the Issuer. Any such suspension, interruption or termination of trading could have a material adverse effect on the liquidity of the Notes and/or the ability of holders of the Notes to sell their Notes at a fair price.

Clearing system risk of discontinuance

Secondary market sales of book-entry interests in the Global Notes will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg. Euroclear and Clearstream, Luxembourg are under no obligation to perform or to continue to perform such procedures, and such procedures may be discontinued at any time. Any such discontinuance could have a material adverse effect on an investor's holding of Notes or the ability of a holder to resell the Notes in the secondary market.

The Notes may be delisted

The Notes which are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange may be delisted. If the Notes are delisted, the Issuer will endeavour promptly to obtain an alternative listing for the Notes. Although no assurance is made as to the liquidity of the Notes as a result of listing on the Luxembourg Stock Exchange, delisting the Notes may have a material adverse effect on a Noteholder's ability to resell the Notes in the secondary market.

IMPORTANT NOTICES

The Issuer accepts responsibility for the information contained in this Prospectus and declares that, to the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and makes no omission likely to affect its import.

The Issuer has confirmed to Commerzbank Aktiengesellschaft, Erste Group Bank AG, Goldman Sachs Bank Europe SE, J.P. Morgan SE and UBS Europe SE (together, the "**Joint Bookrunners**") that this Prospectus contains all information which is (in the context of the issue, offering and sale of the Notes) material; such information is true and accurate in all material respects and is not misleading in any material respect; any opinions, predictions or intentions expressed in this Prospectus are honestly held or made and are not misleading in any material respect; this Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in the context of the issue, offering and sale of the Notes) not misleading in any material respect; and all proper enquiries have been made to ascertain or verify the foregoing.

The Issuer confirms that any information from third party sources has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by such third party source, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The Issuer has not authorised the making or provision of any representation or information regarding the Issuer or the Notes other than as contained in this Prospectus or as approved for such purpose by the Issuer. Any such representation or information should not be relied upon as having been authorised by the Issuer or the Joint Bookrunners.

Neither the Joint Bookrunners nor any of their respective affiliates have authorised the whole or any part of this Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Prospectus or any responsibility for the acts or omissions of the Issuer or any other person (other than the relevant Joint Bookrunner) in connection with the issue and offering of the Notes. Neither the delivery of this Prospectus nor the offering, sale or delivery of any Note shall in any circumstances create any implication that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer since the date of this Prospectus.

This Prospectus does not constitute an offer of, or an invitation to subscribe for or purchase, any Notes and should not be considered as a recommendation by the Issuer or the Joint Bookrunners that any recipient of this Prospectus should subscribe for or purchase any Notes. Each recipient of this Prospectus shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer. The Joint Bookrunners have not provided any financial or taxation advice in connection with the Notes.

The distribution of this Prospectus and the offering, sale and delivery of Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Joint Bookrunners to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on distribution of this Prospectus and other offering material relating to the Notes, see "*Subscription and Sale*".

In particular, the Notes have not been and will not be registered under the Securities Act and are subject to United States tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons.

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

- (i) have 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 in, or incorporated by reference in, this Prospectus or any applicable supplement;
- (ii) have 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) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including (a) where the currency for principal or interest payments is different from the potential investor's currency, (b) the possibility that any and all interest payments on the Notes may be cancelled and/or (c) that the entire principal amount of the Notes could be lost, including following the exercise of the Bail-in and Loss Absorption Powers by the Relevant Resolution Authority or a Write Down of the Notes (as each term is defined in this Prospectus);
- (iv) understand thoroughly the terms of the Notes, such as the provisions governing Write Down (including, in particular, the CET1 Ratio of the Issuer and the Group, as well as under what circumstances a Trigger Event might occur), and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial, legal or tax 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 legal 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) the Notes are legal investments for it, (2) the Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of the Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

An investment in the Notes is not equivalent to an investment in a bank deposit. An investment in the Notes may give rise to higher yields than a bank deposit placed with the Issuer or any of its subsidiaries acting as a deposit-taking bank. However, an investment in the Notes carries risks which are very different from the risk profile of such a bank deposit. The Notes may provide greater liquidity than a bank deposit since bank deposits are generally not transferable. Conversely, unlike certain bank deposits, (i) Noteholders have no ability to require repayment of their investment unless a default occurs and then only in limited circumstances (see "*Terms and Conditions of the Notes*") and (ii) Noteholders will not have the benefit of any insurance or deposit guarantee from any government agency in Poland or elsewhere.

Certain definitions

In this Prospectus, unless otherwise specified, references to a "**Member State**" are references to a Member State of the EEA and references to "**PLN**" and "**złoty**" are to the lawful currency for the time being of the Republic of Poland and "**euro**", "**EUR**" and "**€**" are to the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

On 24 September 2026, the National Bank of Poland (the "**NBP**") exchange rate between the euro and złoty was EUR 1 – PLN 4.3900.

References to the "**Group**" are to the Issuer and its consolidated subsidiaries.

In this 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.

The language of this Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Prohibition on Marketing and Sales to Retail Investors

1. The Notes are complex financial instruments. They are not a suitable or appropriate investment for all investors, especially retail investors. In some jurisdictions, regulatory authorities have adopted or published laws, regulations or guidance with respect to the offer or sale of securities such as the Notes. Potential investors in the Notes should inform themselves of, and comply with, any applicable laws, regulations or regulatory guidance with respect to any resale of the Notes (or any beneficial interests therein).

2.

- (a) In the UK, the Financial Conduct Authority ("FCA") Conduct of Business Sourcebook ("COBS") requires, in summary, that the Notes should not be offered or sold to retail clients (as defined in COBS 3.4 and each a "retail client") in the UK.
- (b) By purchasing, or making or accepting an offer to purchase, any Notes (or a beneficial interest in such Notes) from the Issuer and/or the Joint Bookrunners, each prospective investor represents, warrants, agrees with and undertakes to the Issuer and the Joint Bookrunners that:
 - (i) it is not a retail client in the UK; and
 - (ii) it will not sell or offer the Notes (or any beneficial interest therein) to retail clients in the UK or communicate (including the distribution of the Prospectus) or approve an invitation or inducement to participate in, acquire or underwrite the Notes (or any beneficial interests therein) where that invitation or inducement is addressed to or disseminated in such a way that it is likely to be received by a retail client in the UK.
- (c) In selling or offering the Notes or making or approving communications relating to the Notes, you may not rely on the limited exemptions set out in COBS.

3. By purchasing, or making or accepting an offer to purchase, any Notes (or a beneficial interest in such Notes) from the Issuer and/or the Joint Bookrunners, each prospective investor represents, warrants, agrees with and undertakes to the Issuer and each of the Joint Bookrunners that:

- (a) it is not a retail client (as defined in EU MiFID II); and
- (b) it will not, (i) sell or offer the Notes (or any beneficial interest therein) to retail clients (as defined in EU MiFID II) in the EEA or communicate (including the distribution of the Prospectus) or approve an invitation or inducement to participate in, acquire or underwrite the Notes (or any beneficial interests therein) where that invitation or inducement is addressed to or disseminated in such a way that it is likely to be received by a retail client (within the meaning of EU MiFID II).

4. By purchasing, or making or accepting an offer to purchase, any Notes (or a beneficial interest in such Notes) from the Issuer and/or the Joint Bookrunners, each prospective investor represents, warrants, agrees with and undertakes to the Issuer and each of the Joint Bookrunners that if it is a purchaser in Singapore, it is an accredited investor or 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") and it will not sell or offer the Notes (or any beneficial interest therein) to persons in Singapore other than such accredited investors or institutional investors.

5. The obligations in paragraphs 2, 3 and 4 above are in addition to the need to comply at all times with all other applicable laws, regulations and regulatory guidance (whether inside or outside the EEA or the UK) relating to the promotion, offering, distribution and/or sale of the Notes (or any beneficial interests therein), whether or not specifically mentioned in this Prospectus, including (without limitation) any requirements under EU MiFID II, the UK FCA Handbook or any other applicable laws, regulations and regulatory guidance as to determining the appropriateness and/or suitability of an investment in the Notes (or any beneficial interests therein) for investors in any relevant jurisdiction.

Where acting as agent on behalf of a disclosed or undisclosed client when purchasing, or making or accepting an offer to purchase, any Notes (or any beneficial interests therein) from the Issuer and/or the Joint Bookrunners, the foregoing representations, warranties, agreements and undertakings will be given by and be binding upon both the agent and its underlying client.

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 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 EU MiFID II; (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 EU MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). 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.

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, distributed or otherwise made available to any retail investor in the United Kingdom. For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not 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 by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

PROHIBITION OF SALES TO CERTAIN INVESTORS IN POLAND - Each Joint Bookrunner has represented and agreed that it has not made and will not make an offer of Notes, which are the subject of the offering contemplated by this Prospectus, to any investor being a resident or located on the territory of Poland that is not an entity listed in Article 3(39b)(a)-(m) of the Act of 29 July 2005 on Trading in Financial Instruments (*Ustawa z dnia 29 lipca 2005 r. o obrocie instrumentami finansowymi*).

EU MIFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of 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 (but excluding the persons that may be treated as professionals on request), each as defined in EU MiFID 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 manufacturers' target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' 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 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, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any distributor should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time – In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 (the "**CMP Regulations 2018**"), the Issuer has determined the classification of the Notes as prescribed capital markets products (as defined in the CMP Regulations 2018) and 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).

In the UK, the Prospectus is being distributed only to, and is directed only at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), and persons falling within Article 49 of the Order, and (ii) to whom it may otherwise lawfully be communicated (all such persons together being referred to as "**relevant persons**"). The Prospectus must not be acted on or relied on in the UK by persons who are not relevant persons. Any investment or investment activity to which the Prospectus relates is available only to relevant persons in the UK and will be engaged in only with such persons.

In connection with the issue of the Notes, Commerzbank Aktiengesellschaft (the "**Stabilisation Manager**") (or persons acting on behalf of the Stabilisation Manager) 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 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 Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the Stabilisation Manager (or person(s) acting on behalf of the Stabilisation Manager) in accordance with all applicable laws and rules.

USE OF PROCEEDS

The net proceeds of the issue of the Notes, expected to amount to EUR 248,875,000 will be used for the general corporate purposes of the Issuer.

OVERVIEW

This overview must be read as an introduction to this Prospectus and any decision to invest in the Notes should be based on a consideration of the Prospectus as a whole, including the documents incorporated by reference.

Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Prospectus have the same meanings in this overview.

Issuer:	mBank S.A.
Joint Bookrunners:	Commerzbank Aktiengesellschaft, Erste Group Bank AG, Goldman Sachs Bank Europe SE, J.P. Morgan SE, UBS Europe SE
Fiscal Agent and Paying Agent:	Deutsche Bank Aktiengesellschaft
Calculation Agent:	Deutsche Bank Aktiengesellschaft
The Notes:	EUR 250,000,000 Fixed Rate Reset Perpetual Additional Tier 1 Temporary Write Down Notes
Issue Price:	100 per cent. of the principal amount of the Notes.
Issue Date:	29 September 2026 (the " Issue Date ").
Use of Proceeds:	The net proceeds of the issue of the Notes will be applied by the Issuer for the general corporate purposes of the Issuer, which include making a profit. See " <i>Use of Proceeds</i> ".
Interest:	Subject to Conditions 3(f), 5 and 6, the Notes will bear interest on their Prevailing Principal Amount from (and including) the Issue Date to (but excluding) 29 March 2032 (the "First Reset Date") at the rate of 6.625 per cent. per annum. From and including the First Reset Date (as defined below), subject to Condition 3(f), 5 and 6 in respect of each Reset Period, the Notes will bear interest on their Prevailing Principal Amount at the rate per annum equal to the relevant Reset Rate of Interest as determined in accordance with Condition 4 (<i>Interest</i>). Interest shall be payable in equal instalments semi-annually in arrear on 29 March and 29 September in each year (each an "Interest Payment Date"), starting on (and including) 29 March 2027.
Optional Cancellation of Interest:	The Issuer may elect at its sole and absolute discretion to cancel (in whole or in part) the interest otherwise scheduled to be paid on any date. See Condition 5(a) (<i>Cancellation of Interest – Optional cancellation of Interest</i>) for further information.
Mandatory Cancellation of Interest:	Interest otherwise due to be paid on any date will not become due or payable (in whole or, as the case may be, in part), and the relevant payment will be deemed cancelled and will not be made if and to the extent that: (a) the amount of such interest payment otherwise due (together with any additional amounts payable thereon pursuant to Condition 9 (<i>Taxation</i>), if applicable), together with any interest payments or other distributions which have been paid or made or which are scheduled to be paid or made during the then current Financial Year on the Notes and all other own funds instruments of the Issuer (excluding any such interest payments or other distributions which (i) are not required to be made out of Distributable Items or (ii) have already been

provided for, by way of deduction, in calculating the amount of Distributable Items), in aggregate would exceed the amount of Distributable Items of the Issuer as at such date;

- (b) the amount of such interest payment otherwise due (together with any additional amounts payable thereon pursuant to Condition 9 (*Taxation*), if applicable) together with other distributions of the kind referred to in Article 141(2) of the CRD Directive (or any provision of applicable law transposing or implementing Article 141(2) of the CRD Directive as amended or replaced), or referred to in any other applicable provisions of the Applicable Banking Regulations which require a maximum distributable amount to be calculated and which are required under prevailing Applicable Banking Regulations to be taken into account for this purpose, in aggregate would cause the Maximum Distributable Amount (as defined in the Conditions) (if any) then applicable to the Issuer and/or the Group to be exceeded; or
- (c) to the extent the Competent Authority orders the Issuer or the Group to cancel such payment.

See Conditions 5(b) (*Cancellation of Interest – Mandatory cancellation of Interest – Insufficient Distributable Items*), 5(c) (*Cancellation of Interest – Mandatory cancellation of Interest – Maximum Distributable Amount*) and 5(d) (*Cancellation of Interest – Mandatory cancellation of Interest – Competent Authority Order*) for further information.

Payments of interest are also subject to the Solvency Condition (see "*Solvency Condition*" below). Following the occurrence of a Trigger Event, the Issuer will also cancel all interest accrued and unpaid up to (but excluding) the Write Down Date (see "*Write Down following a Trigger Event*" below).

Solvency Condition:

Except in the event of a voluntary or involuntary liquidation or bankruptcy of the Issuer, all payments in respect of, or arising from (including any damages awarded for breach of any obligations under), the Notes are, in addition to the right or obligation of the Issuer to cancel payments of interest under Condition 5 or Condition 6(a), conditional upon the Issuer being solvent at the time of payment by the Issuer and no principal, interest or any other amount shall be due and payable in respect of, or arising from, the Notes except to the extent that the Issuer could make such payment and still be solvent immediately thereafter (the "**Solvency Condition**"). See Condition 3(f) (*Solvency Condition*).

Status and Ranking:

The Notes and obligations in relation to any related Coupons and Talons resulting therefrom constitute direct, unsecured and subordinated obligations of the Issuer ranking *pari passu* without any preference among themselves.

For regulatory capital purposes, the Issuer intends, on the Issue Date, that the Notes will constitute instruments of the Issuer qualifying, subject to the Competent Authority's approval, as Additional Tier 1 Capital of the Issuer.

In the event of insolvency of the Issuer as set out in the Bankruptcy Law, the Issuer's liabilities under the Notes shall:

- (a) rank junior to (i) any liabilities of the Issuer falling into categories 1 to 8 (inclusive) referred to in Article 440(2)(1)-(8) of the Bankruptcy Law, (ii) any other present or future liabilities of the Issuer which, in accordance with the Bankruptcy Law, rank senior to Additional Tier 1 Instruments and (iii) any other liabilities of the Issuer which, by law, rank senior to the Issuer's liabilities under Additional Tier 1 Instruments;
- (b) constitute category 9 liabilities as referred to in Article 440(2)(9) of the Bankruptcy Law and rank *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 liabilities under Additional Tier 1 Instruments; and
- (c) rank senior to (i) any liabilities of the Issuer falling into category 10 referred to in Article 440(2)(10) of the Bankruptcy Law, (ii) any other present or future liabilities of the Issuer which, in accordance with the Bankruptcy Law, rank lower than Additional Tier 1 Instruments and (iii) any other subordinated liabilities of the Issuer which by law rank junior to the liabilities of the Issuer under Additional Tier 1 Instruments.

See further Condition 3 (*Status and Subordination*).

Non-cumulative Interest:

Any interest payment (or, as the case may be, part thereof) not paid on any scheduled payment date in accordance with the Conditions as described above shall be cancelled, shall not accumulate and will not become due and payable at any time thereafter, whether in the event of the liquidation or bankruptcy of the Issuer or otherwise. Accordingly, non-payment of any interest (in whole or, as the case may be, in part) in accordance with the Conditions as described above will not constitute a default by the Issuer for any purpose (whether under the Notes or otherwise) and the Noteholders shall have no right thereto whether in the liquidation or bankruptcy of the Issuer or otherwise.

See Condition 5(f) (*Cancellation of Interest – Interest non-cumulative; no default or restrictions*) for further information.

Write Down following a Trigger Event:

If, at any time, it is determined that a Trigger Event has occurred:

- (a) the Issuer shall (unless the determination was made by the Competent Authority), immediately, inform the Competent Authority (or procure that the Competent Authority is informed) of the occurrence of the relevant Trigger Event;
- (b) the Issuer shall, without delay, give the relevant Trigger Event Notice to Noteholders which notice shall be irrevocable;
- (c) any interest which is accrued to the relevant Write Down Date and unpaid shall be automatically and irrevocably cancelled (whether or not the same has become due for payment); and
- (d) the then Prevailing Principal Amount of each Note shall be automatically and irrevocably reduced by the relevant Write Down Amount.

See Condition 6(a) (*Write Down and Write Up – Write Down*) for further information.

Write Up of the Notes at the Discretion of the Issuer:

To the extent permitted in compliance with the Applicable Banking Regulations and subject to any Maximum Distributable Amount (after taking account of (x) any other relevant distributions of the kind referred to in Article 141(2) of the CRD Directive (or any provision of applicable law transposing or implementing Article 141(2) of the CRD Directive, as amended or replaced) or in any other applicable provisions of the Applicable Banking Regulations which require a maximum distributable amount to be calculated and which are required under prevailing Applicable Banking Regulations to be taken into account for this purpose and (y) the applicable requirements of Article 21.2(f) of the CRR Supplementing Regulation, as amended or replaced)) not being exceeded thereby, the Issuer, to the extent permitted in compliance with the Applicable Banking Regulations, shall have full discretion to reinstate any portion of the principal amount of each Note which has been Written Down and which has not previously been Written Up (such portion, the "**Write Up Amount**"), up to a maximum of its Initial Principal Amount, on a *pro rata* basis and without any preference among themselves and on a *pro rata* basis with the write up of all Written Down Additional Tier 1 Instruments (if any).

Any Write Up of the Prevailing Principal Amount of the Notes may not be made to the extent that the sum of:

- (a) the aggregate amount of the relevant Write Up on all the Notes on the Write Up Date;
- (b) the aggregate amount of any other Write Up on the Notes since the Specified Date and prior to the Write Up Date;
- (c) the aggregate amount of any interest payments paid on the Notes since the Specified Date and which accrued on the basis of a Prevailing Principal Amount which is less than the Initial Principal Amount;
- (d) the aggregate amount of the increase in principal amount of each Written Down Additional Tier 1 Instrument at the time of the relevant Write Up;
- (e) the aggregate amount of any other increase in principal amount of each Written Down Additional Tier 1 Instrument since the Specified Date and prior to the time of the relevant Write Up; and
- (f) the aggregate amount of any interest payments paid on all Loss Absorbing Instruments since the Specified Date and which accrued on the basis of a prevailing principal amount which is less than its initial principal amount,

would exceed the Maximum Write Up Amount. See Condition 6(d) (*Write Down and Write Up – Write Up*) for further information.

Tenor:

The Notes are perpetual securities with no fixed redemption date or maturity date. The Notes may only be redeemed or repurchased by the Issuer in the circumstances below (as more fully described in Condition 7 (*Redemption and Purchase*)).

Waiver of Set-Off:

No holder of the Notes shall be entitled to exercise any right of set-off, netting, counterclaim, abatement or other similar remedy against moneys owed by the Issuer in respect of the Notes, Coupons or Talons.

Form and Denomination:

The Notes will be in bearer form and in denominations of EUR 100,000 and integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000. The Notes will initially be in the form of a temporary global note (the "**Temporary Global Note**"), without interest coupons or talons, which will be deposited on or around the Issue Date with a common safekeeper for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**"). The Temporary Global Note will be exchangeable, in whole or in part, for interests in a permanent global note (the "**Permanent Global Note**", and with the Temporary Global Note, each a "**Global Note**"), without interest coupons or talons, not earlier than 40 days after the Issue Date upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership. The Permanent Global Note will be exchangeable in certain limited circumstances in whole, but not in part, for Notes in definitive form each in denominations of EUR 100,000 and integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000 with interest coupons and talons attached. See "*Summary of Provisions Relating to the Notes while in Global Form*".

Optional Redemption:

Subject to Condition 7(j) (*Redemption and Purchase – Conditions to Redemption, Substitution, Variation or Repurchase*) on giving not less than 15 nor more than 30 days' notice to the Noteholders (which notice shall be irrevocable) in accordance with Condition 16 (*Notices*), the Issuer may elect to redeem the Notes in whole, but not in part, (i) on any date from (and including) 29 September 2031 to (and including) the First Reset Date or (ii) on any Interest Payment Date thereafter, at a redemption amount equal to 100 per cent. of their Prevailing Principal Amount, together with interest accrued and unpaid to (but excluding) the date fixed for redemption (excluding interest that has been cancelled in accordance with the Conditions). See Condition 7(c) (*Redemption and Purchase – Redemption at the option of the Issuer*).

Redemption as a result of a Capital Event:

Upon the occurrence of a Capital Event in respect of the Notes (but subject to Condition 7(j) (*Redemption and Purchase – Conditions to Redemption, Substitution, Variation or Repurchase*)), the Issuer may, at its option, having given not less than 15 days' nor more than 30 days' notice to the Noteholders redeem all (but not some only) of the Notes at any time at a redemption amount equal to 100 per cent. of their Prevailing Principal Amount together with any interest accrued (excluding interest that has been cancelled in accordance with these Conditions) to but excluding the date of redemption as described in Condition 7(e) (*Redemption and Purchase – Early Redemption as a result of a Capital Event*).

Redemption as a result of an MREL Disqualification Event:

If an MREL Disqualification Event occurs and is continuing (but subject to Condition 7(j) (*Redemption and Purchase – Conditions to Redemption, Substitution, Variation or Repurchase*)), the Issuer may, at its option, having given not less than 15 days' nor more than 30 days' notice to the Noteholders redeem all (but not some only) of the Notes at any time at a redemption amount equal to 100 per cent. of their Prevailing Principal Amount together with any interest accrued (excluding interest that has been cancelled in accordance with these Conditions) to but excluding the date of redemption as described in

Condition 7(f) (*Early Redemption due to MREL Disqualification Event*).

Tax Redemption:

In the event of certain tax changes, subject to Condition 7(j) (*Redemption and Purchase – Conditions to Redemption, Substitution, Variation or Repurchase*), the Issuer may redeem the Notes in whole, but not in part, at any time at a redemption amount equal to 100 per cent. of their Prevailing Principal Amount, together with any interest accrued (excluding interest that has been cancelled in accordance with these Conditions) to but excluding the date of redemption as described in Condition 7(b) (*Redemption and Purchase – Redemption for tax reasons*).

Residual Call:

Subject to Condition 7(j) (*Redemption and Purchase – Conditions to Redemption, Substitution, Variation or Repurchase*), if, at any time the outstanding aggregate principal amount of the Notes is 25 per cent. or less of the aggregate principal amount of the Notes originally issued, the Issuer may redeem all (but not some only) of the remaining outstanding Notes on any date upon giving not less than 15 days' nor more than 30 days' notice to the Noteholders, at a redemption amount equal to 100 per cent. of their Prevailing Principal Amount together with any accrued and unpaid interest (excluding interest that has been cancelled in accordance with these Conditions) up to (but excluding) the date of redemption as described in Condition 7(d) (*Redemption and Purchase – Issuer residual call*).

Conditions to Redemption, Substitution, Repurchase or Variation

The Issuer may redeem or repurchase the Notes (and give notice thereof to the Noteholders) only if such redemption or repurchase is in accordance with the Applicable Banking Regulations (if applicable) and it has been granted the permission of the Competent Authority and certain other conditions have been complied with, as described in Condition 7(j) (*Redemption and Purchase – Conditions to Redemption, Substitution, Variation or Repurchase*).

In addition, if the Issuer has elected to redeem the Notes, or if the Issuer (or any other person for the Issuer's account) has entered into an agreement to purchase any Notes and (i) the Solvency Condition is not satisfied in respect of the relevant payment on the date scheduled for redemption or purchase, or (ii) prior to the redemption or purchase of the Notes, a Trigger Event occurs, then the relevant redemption notice, or, as the case may be, the relevant purchase agreement shall be automatically rescinded and shall be of no force and effect.

The Notes may only be redeemed pursuant to Condition 7(c) (*Redemption and Purchase – Redemption at the option of the Issuer*) if the Prevailing Principal Amount of each Note is equal to its Initial Principal Amount.

Enforcement:

In the event of a decision of the competent court declaring the Issuer insolvent, the liabilities under the Notes shall become immediately due and payable under the Bankruptcy Law.

In the event the liquidation of the Issuer is initiated in accordance with the Banking Law, any Noteholder should be paid by the Issuer in accordance with the relevant provisions of Polish law (in particular, subject to the notification of the claim within the time limit specified in the Code of Commercial Companies, if applicable) or liquidation procedures set out or approved by the Competent Authority. If claims are not filed within the time limit specified in the Code of Commercial Companies, the liabilities under the Notes will be subject to

satisfaction from the Issuer's assets not yet distributed among the Issuer's shareholders.

For the avoidance of doubt, write-down or conversion of liabilities or any other instrument of compulsory restructuring applied to the Issuer under the BGF Act (as defined in Condition 1) shall not give rise to the Notes becoming due and payable or to any other claim of the Noteholder against the Issuer.

For the avoidance of doubt, no amounts shall be due in respect of the Notes if payment of the same shall have been cancelled in accordance with Condition 3(f) (*Solvency Condition*), Condition 5 (*Cancellation of Interest*), Condition 6(a)(iii) (*Write Down and Write Up*), Condition 6(a)(iv) (*Write Down and Write Up*) and/or Condition 7(j) (*Redemption and Purchase – Conditions to Redemption, Substitution, Variation or Repurchase*), and accordingly non-payment of such amounts shall not constitute a default.

Substitution and Variation:

Subject to Condition 7(j) (*Redemption and Purchase – Conditions to Redemption, Substitution, Variation or Repurchase*) and the Applicable Banking Regulations, the Issuer may substitute all (but not some only) of the Notes or vary the terms of the Notes as provided in Condition 18 (*Substitution and Variation of the Notes*) (including changing the governing law of Condition 20 (*Acknowledgement of Bail-in and Loss Absorption Powers*)), without any requirement for the consent or approval of Noteholders.

If the Issuer has elected to substitute or vary the terms of the Notes and prior to the substitution or variation of the Notes, a Trigger Event occurs, the relevant substitution or variation notice shall be automatically rescinded and shall be of no force and effect.

Rating:

BB- by Fitch Ratings.

Fitch Ratings is established in the EEA and is registered under the EU CRA Regulation.

Fitch Ratings is not established in the United Kingdom and has not applied for registration under the UK CRA Regulation.

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation unless (1) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (2) the rating is provided by a credit rating agency not established in the EEA which is certified under the EU CRA Regulation.

Similarly, in general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the UK and registered under the UK CRA Regulation unless (1) the rating is provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or (2) the rating is provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation.

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 agency.

Taxation:

All payments of principal, interest and other amounts in respect of the Notes, Coupons and Talons by or on behalf of the Issuer shall (subject always to Conditions 3(f), 5, 6, and 7(i)) be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Republic of Poland or any political subdivision therein or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, in respect of interest (but not principal or any other amount), the Issuer shall (subject as aforesaid) pay such additional amounts as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note, Coupon or Talon in certain circumstances. See further Condition 9 (*Taxation*).

Acknowledgement of Bail-in Powers:

Pursuant to Condition 20 (*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 (which, for these purposes, includes each holder of a beneficial interest in the Notes), by its acquisition of the Notes, each Noteholder acknowledges and accepts that any liability arising under the Notes may be subject to the exercise of such Bail-in and Loss Absorption Powers as may be exercised by the Relevant Resolution Authority, as further set out in such Condition.

See Condition 20 (*Acknowledgement of Bail-in and Loss Absorption Powers*) for further information.

For the avoidance of doubt, any potential write-down or cancellation of all, or a portion, of the Amounts Due on the Notes or the conversion of the Notes into shares, other securities or other obligations in connection with the exercise of any Statutory Loss Absorption Power by the Relevant Resolution Authority is separate and distinct from a Write Down following a Trigger Event, although these events may occur consecutively.

Acknowledgement of Stay Powers:

Pursuant to Condition 21 (*Recognition of Stay Powers*), each Noteholder, where a resolution measure is taken in relation to the Issuer or any member of the Group which is an EU BRRD undertaking, acknowledges and accepts that the Notes may be subject to the exercise of Stay Powers, acknowledges and accepts that it is bound by the application or exercise of any such Stay Powers, to the extent that the Stay Powers apply to the Notes.

Each Noteholder further acknowledges that application or exercise of the Stay Powers shall not be deemed to be an enforcement event.

See Condition 21 (*Recognition of Stay Powers*) for further information.

Governing Law:

The Notes, the Agency Agreement and the Deed of Covenant, and any non-contractual obligations arising out of or in connection with them, will be governed by English law, except for Conditions 3(b) to 3(e) (both inclusive) and 3(g) (*Status and Subordination*), Condition 20 (*Acknowledgement of Bail-in and Loss Absorption Powers*) and Condition 21 (*Recognition of Stay Powers*) which shall be governed by Polish law.

Listing and Trading:	Application has been made to the CSSF to approve this document as a prospectus, and 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.
Clearing Systems:	Euroclear and Clearstream, Luxembourg
Selling Restrictions:	See " <i>Subscription and Sale</i> ".
Risk Factors:	Investing in the Notes involves risks. See " <i>Risk Factors</i> ".

RECENT DEVELOPMENTS IN THE GROUP'S OPERATIONS

The Group's market position and selected operating data as of 30 June 2026

As of 30 June 2026, based on published financial statements of Polish banks and the Group's estimates, the Group ranked as the fifth-largest banking group in Poland by total assets and customer loans, and the fourth-largest by customer deposits. The Group's market share was 8.6 per cent. in total assets (KNF data), 8.4 per cent. in loans to the non-financial sector and 9.2 per cent. in deposits of the non-financial sector (NBP data).

In retail banking, the Group's market share was 8.3 per cent. in loans (including 9.1 per cent. in mortgage loans and 6.9 per cent. in non-mortgage loans) and 8.8 per cent. in deposits. In corporate banking, the Group's market share was 8.7 per cent. in loans and 10.7 per cent. in deposits (NBP data).

The Group's selected operating data as of 30 June 2026 are set out below:

- Retail customers: 6,021,000, including 4,782,000 in Poland and 1,239,000 in the Czech Republic and Slovakia;
- Corporate customers: 38,818 including 2,554 K1 clients, 11,683 K2 clients and 24,581 K3 clients;
- Digital channels: 4,250,000 active users of the Bank's mobile application, including 3,622,000 in Poland. In the first half of 2026, 88 per cent. of retail banking processes were initiated through digital channels and 85 per cent. of non-mortgage loans were sold through the mobile application;
- Employees (FTE): 7,898 in the Group, including 7,190 in the Bank;
- Retail branch network: 345 locations, including 302 in Poland (122 mBank-branded outlets, 140 mKiosks and 40 mFinanse Financial Centres and agency service points) and 43 locations in the Czech Republic and Slovakia; and
- Corporate branch network: 43 locations in Poland, including 29 corporate branches and 14 corporate offices.

UniCredit tender offer for Commerzbank

On 5 May 2026, UniCredit S.p.A. (**UniCredit**) launched a voluntary public takeover offer (exchange offer) (the **Tender Offer**) for all outstanding ordinary shares of Commerzbank Aktiengesellschaft (**Commerzbank**), the majority shareholder of the Issuer. The acceptance period for the Tender Offer closed on 3 July 2026. On 8 July 2026, UniCredit announced that 17.60 per cent. of Commerzbank shares had been tendered in the Tender Offer. The transfer of tendered shares and the associated voting rights to UniCredit remains subject to required regulatory approvals.

Following closing of the Tender Offer, UniCredit will hold a significant shareholding in Commerzbank which could confer a de facto control over Commerzbank and, consequently, indirect control over the Issuer. This could lead to changes in the Issuer's strategic direction, governance, funding arrangements, prudential consolidation, group recovery and resolution planning, intra-group arrangements, capital management, and minimum requirement for own funds and eligible liabilities (MREL) targets.

In addition, UniCredit could seek to acquire additional shares in Commerzbank in order to increase its stake in, and gain full control over Commerzbank. If UniCredit were to exceed the threshold of 50 per cent. of total voting rights in Commerzbank, this could trigger an obligation to launch a mandatory tender offer for the Issuer's shares under Polish law.

Regulatory Notification Regarding Credit Risk Models

In the second quarter of 2026, the Issuer and Commerzbank submitted notifications to the European Central Bank and the KNF regarding a planned reversion to less sophisticated credit risk modelling approaches for regulatory own funds purposes. Subject to regulatory approval or non-objection, the change could materially reduce the Issuer's risk-weighted assets (RWA).

Legal, Administrative and Arbitration Proceedings

Introduction

As of 30 June 2026, the total value of claims in court proceedings pending in which the Group was the defendant amounted to PLN 4,761 million, of which PLN 3,520 million related to court cases concerning loans indexed to foreign currencies (31 December 2025: PLN 5,563 million and 4,227 million, respectively). The total value of the subject of disputes in ongoing court proceedings initiated by the Group as of 30 June 2026, amounted to PLN 6,045 million, of which PLN 5,510 million related to court proceedings concerning mortgage loans indexed to foreign currencies (as of 31 December 2025 respectively: PLN 8,157 million and PLN 7,684 million).

FX Mortgage Loans

As of 30 June 2026, the Issuer was a party to individual lawsuits in connection with 4,291 loan agreements indexed to CHF, of which 3,045 related to active loan agreements and 1,246 related to repaid loan agreements (as of 31 December 2025: 5,856 loan agreements, of which 4,400 related to active loan agreements and 1,456 related to repaid loan agreements).

Additionally, as of 30 June 2026, the Issuer was a party to individual lawsuits in connection with 502 loan agreements indexed to other foreign currencies, of which 402 concerned active loan agreements and 100 concerned repaid loan agreements (as of 31 December 2025: 496 loan agreements, of which 396 concerned active loan agreements and 100 concerned repaid loan agreements). As of 30 June 2026, the Issuer had received final rulings in individual lawsuits concerning 15,284 loan agreements indexed to CHF (31 December 2025: 14,203 loan agreements). 98.9 per cent. of rulings received were unfavourable to the Issuer. Additionally, as of 30 June 2026, the Issuer received final rulings in individual lawsuits concerning 276 loan agreements indexed to other foreign currencies, of which 98.2 per cent. were unfavourable to the Issuer.

In October 2022, following completion of a pilot phase, the Issuer launched a settlement programme for borrowers who have active CHF indexed loans, including borrowers currently in court dispute with the Issuer. Over time, the programme was expanded to cover all loans indexed to foreign currencies. As of 30 June 2026, the Issuer concluded 35,672 settlements (as of 31 December 2025: 33,376 settlements).

Proceedings concerning the "free loan" sanction

As of 30 June 2026, there were 1,399 lawsuits concerning free loan sanctions pending against the Issuer, with a total disputed amount of PLN 44 million. The Issuer contests the validity of the claims raised in these cases. As of 30 June 2026, the Issuer has received final judgments in 239 of these cases, of which 197 were favourable to the Issuer and 24 were unfavourable. In addition, 18 other cases ended favourably for the Issuer for other reasons, including the withdrawal of a lawsuit by a customer.

Proceedings concerning WIBOR-based loan agreements

As of 30 June 2026, the Group was involved in 345 pending lawsuits initiated by customers, with a total disputed amount of PLN 100 million. The Group disputes the legitimacy of these claims. To date, court rulings have been favourable to the Group. As of 30 June 2026, the Group had received 13 final judgments in cases involving WIBOR-based clauses, all of which were in its favour.

Dispute with the tax authorities regarding CIT refunds for statute-barred tax periods

Following court judgments invalidating foreign currency-indexed mortgage loan agreements and settlement agreements concluded with customers, the Issuer adjusted previously recognised revenues and sought corresponding CIT refunds. The Issuer's right to make such revenue adjustments was confirmed by judgments of the Supreme Administrative Court dated 6 December 2023 and 4 December 2024.

The Issuer is in dispute with the tax authorities regarding whether such refunds may also be claimed for tax periods considered statute-barred by the tax authorities. The Issuer filed amended tax returns and refund claims for 2019-2024 amounting to approximately PLN 435 million. In July 2026, the Provincial Administrative Court in Warsaw issued judgments in favour of the Issuer; however, the judgments are not final and may be appealed to the Supreme Administrative Court. If the Issuer's position is ultimately upheld, the aggregate amount recoverable could exceed PLN 1 billion. The timing and outcome of the proceedings remain uncertain.

Changes in the composition of the Issuer's Supervisory Board

On 19 June 2026, Karolina Mitraszewska was appointed to the Issuer's Supervisory Board as its independent member. She is a senior executive with over 25 years of experience in the financial sector, spanning banking, strategic advisory, investments, innovation, and the transformation of large organisations operating in regulated environments. She served as President of the Management Board of PFR Ventures and as Vice-President and Member of the Management Board of Nest Bank. She also held senior management positions at, among others, Nest Bank, Santander Bank Polska and EY.

Karolina Mitraszewska holds a PhD in Economics from the SGH Warsaw School of Economics and a Global Executive MBA from INSEAD. She graduated from the SGH Warsaw School of Economics with degrees in International Economic and Political Relations and in Marketing and Management. She also completed the Oxford Private Equity Programme at Saïd Business School, University of Oxford, and the International Business Programme at DIS Copenhagen.

She is a member of the Association of Independent Non-Executive Directors and the LiderSHE Association. She also collaborates with organisations including Vital Voices, Strong Women in IT and CIONET. Her business address is: mBank S.A., ul. Prosta 18, 00-850 Warsaw, Poland. There are no actual or potential conflicts of interest between her duties to the Bank and her private interests and other duties.

On 31 August 2026, Agnieszka Słomka-Gołębiowska, Chairwoman of the Issuer's Supervisory Board, submitted her resignation from her position as a member of the Supervisory Board with effect from 31 October 2026. The resignation was motivated by the loss of her independence status resulting from the completion of twelve years of service on the Issuer's Supervisory Board. On 3 September 2026, the Supervisory Board appointed Ms Aleksandra Gren as Chairwoman of the Issuer's Supervisory Board for the remainder of the current term of office, with effect from 1 November 2026. Ms Gren has been an independent member of the Supervisory Board of the Issuer since 2020.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the Terms and Conditions of the Notes which (subject to completion and amendment) will be endorsed on each Note in definitive form:

The EUR 250,000,000 Fixed Rate Reset Perpetual Additional Tier 1 Temporary Write Down Notes (the "**Notes**", which expression includes any further notes issued pursuant to Condition 15 (*Further Issues*) and forming a single series therewith) of mBank S.A. are the subject of an agency agreement dated 7 November 2025, as supplemented by the supplemental agency agreement dated 29 September 2026 (as amended or supplemented from time to time, the "**Agency Agreement**") between the Issuer, Deutsche Bank Aktiengesellschaft as fiscal agent (the "**Fiscal Agent**", which expression includes any successor fiscal agent appointed from time to time in connection with the Notes) and the paying agents named therein (together with the Fiscal Agent, the "**Paying Agents**", which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes) and a deed of covenant dated 7 November 2025 (as amended or supplemented from time to time, the "**Deed of Covenant**") made by the Issuer in favour of the Accountholders (as defined therein). Certain provisions of these Conditions are summaries of the Agency Agreement and the Deed of Covenant and are subject to their detailed provisions. The holders of the Notes (the "**Noteholders**") and the holders of the related interest coupons (the "**Couponholders**" and the "**Coupons**", respectively) are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement and the Deed of Covenant applicable to them. Copies of the Agency Agreement and the Deed of Covenant are available for inspection or collection by Noteholders upon provision of proof of holding and identification satisfactory to the relevant Agent during normal business hours at the Specified Offices (as defined in the Agency Agreement) of each of the Paying Agents, the initial Specified Offices of which are set out below.

1. DEFINITIONS

In these Conditions the following expressions have the following meanings:

"5 Year Swap Rate" means, in respect of a Reset Period, the mid-swap rate for EUR swap transactions with a maturity of 5 years as displayed on Bloomberg screen EUSA5 ICPL Curncy or, if such rate is not displayed on such screen as at the relevant time, such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices for EUR swap transactions (in each case, the "**Reset Screen Page**") as at 11:00 a.m. (Central European time) on the relevant Reset Determination Date, all as determined by the Calculation Agent. Subject to the operation of Condition 4(e) in the event that the 5 Year Swap Rate does not appear on the Reset Screen Page at such time on the relevant Reset Determination Date, the 5 Year Swap Rate for the relevant Reset Period will be the Reset Reference Bank Rate on the relevant Reset Determination Date;

"5 Year Swap Rate Quotations" means, in relation to a Reset Period, the mean of the bid and offered rates for the annual fixed leg (calculated on a 30/360 day count basis) of a fixed-for-floating EUR interest rate swap which (i) has a term of 5 years commencing on the relevant Reset Date, (ii) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, and (iii) has a floating leg based on 6-month EURIBOR (calculated on the basis of the actual number of days elapsed and a year of 360 days);

"Additional Tier 1 Capital" means additional tier 1 capital (or any successor term) for the purposes of the Applicable Banking Regulations;

"Additional Tier 1 Instrument" means any instrument, including any capital instrument, issued by the Issuer, qualifying as an Additional Tier 1 instrument by the approval of the Competent Authority granted pursuant to Article 127 of the Banking Law, which meets the conditions for qualification as an Additional Tier 1 instrument as referred to in Article 52 of the CRR;

"Applicable Banking Regulations" means at any time the laws, regulations, delegated or implementing acts, regulatory or implementing technical standards, rules, requirements, guidelines and policies relating to capital adequacy and/or minimum requirement for own funds and eligible liabilities and/or loss absorbing capacity then in effect in the Republic of Poland including, without limitation to the generality of the foregoing, CRD, the SRM Regulation, BRRD, the Creditor Hierarchy Directive, the Banking Law, the BGF Act, the Bankruptcy Law, the Macroprudential Supervision Act, and those regulations, requirements, guidelines and policies relating to capital adequacy and/or minimum requirement for own funds and eligible liabilities and/or loss absorbing capacity and/or

the implementation of the Creditor Hierarchy Directive adopted by the Competent Authority, the Relevant Resolution Authority or any other national or European 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 and/or the Group);

"Applicable MREL Regulations" means, at any time, the laws, regulations, requirements, guidelines and policies then in effect in 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);

"Assets" means the unconsolidated gross assets of the Issuer, as shown in the latest published statement of financial position of the Issuer;

"Banking Law" means the Polish Act of 29 August 1997 - the Banking Law (as amended from time to time);

"Bankruptcy Law" means the Polish Act of 28 February 2003 - the Bankruptcy Law (as amended from time to time);

"BGF Act" means the 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 the European Parliament and of the Council of 15 May 2014 establishing the framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council, as the same may be amended or replaced from time to time, including, without limitation, as amended by the Creditor Hierarchy Directive and by Directive (EU) 2019/879 of 20 May 2019 of the European Parliament and of the Council amending Directive 2014/59/EU as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC;

"Business Day" means (i) a day, other than a Saturday, Sunday or public holiday, on which banks are open for general business in Warsaw; and (ii) a day on which T2 is open;

"Calculation Agent" means Deutsche Bank Aktiengesellschaft, or any successor thereto;

"Capital Event" means the determination by the Issuer, after consultation with the Competent Authority, that a change in Polish law or Applicable Banking Regulations or any change in the official application or interpretation thereof becoming effective on or after the Issue Date, which change was not reasonably foreseeable by the Issuer as at Issue Date, has resulted or would be likely to result in the outstanding Prevailing Principal Amount of the Notes being fully, or partially, excluded from inclusion in the Additional Tier 1 Capital of the Issuer and/or the Group (other than as a result of a Write Down pursuant to Condition 6 or as a result of any applicable limitation on the amount of such capital as applicable to the Issuer and/or the Group);

"CET1 Capital" means, at any time, the sum, expressed in PLN, of all amounts that constitute Common Equity Tier 1 Capital at such time of the Issuer or the Group (as applicable) less any deductions therefrom required to be made at such time, as calculated on a standalone or consolidated basis (as applicable) in accordance with the Applicable Banking Regulations at such time, but without applying any transitional provisions set out in the Applicable Banking Regulations which are applicable at such time unless such transitional provisions are permitted under such Applicable Banking Regulations to be applied for the purposes of determining whether a Trigger Event has occurred;

"CET1 Ratio" means, at any time, the ratio of the aggregate amount of the CET1 Capital of the Issuer or the Group (as applicable) at such time to the Risk Weighted Assets of the Issuer or the Group (as applicable) at such time and expressed as a percentage;

"Code of Commercial Companies" means the Polish Act of 15 September 2000 - the Code of Commercial Companies;

"Common Equity Tier 1 Capital" means common equity tier 1 capital as contemplated by the Applicable Banking Regulations then applicable, or an equivalent or successor term;

"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 the Group and/or the Relevant Resolution Authority;

"CRD" means the legislative package consisting of the CRD Directive, the CRR 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, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC, as the same may be amended or replaced from time to time;

"CRD Implementing Measures" means any regulatory capital rules or regulations, or other requirements, which are applicable to the Issuer and/or the Group and which prescribe (alone or in conjunction with any other rules or regulations) the requirements to be fulfilled by financial instruments for their inclusion in the regulatory capital of the Issuer and/or the Group (on a solo or consolidated basis, as the case may be) to the extent required by the CRD Directive or the CRR, including for the avoidance of doubt any regulatory technical standards developed by the European Banking Authority (or any successor or replacement thereof);

"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" 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 amending Regulation (EU) No 648/2012;

"CRR Supplementing Regulation" means the Commission Delegated Regulation (EU No. 241/2014) of 7 January 2014 supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to regulatory technical standards for own funds and eligible liabilities requirements for institutions;

"Distributable Items" means, subject as otherwise defined from time to time in the Applicable Banking Regulations, in relation to interest otherwise scheduled to be paid on a date, the amount of the profits of the Issuer at the end of the last Financial Year immediately preceding such date plus any profits brought forward and reserves available for that purpose before distributions to holders of own funds instruments of the Issuer less any losses brought forward, any profits which are non-distributable pursuant to applicable European Union or national law or the Issuer's articles of association and any sums placed in non-distributable reserves in accordance with applicable national law or the articles of association of the Issuer, in each case with respect to the specific category of own funds instruments to which European Union or national law or the Issuer's articles of association relate; such profits, losses and reserves being determined on the basis of the individual accounts of the Issuer and not on the basis of the consolidated accounts of the Group;

"EUR" 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;

"EURIBOR" means the Euro Interbank Offered Rate, a benchmark administered by the European Money Markets Institute as the benchmark administrator (or any official successor thereof);

"Extraordinary Resolution" has the meaning given in the Agency Agreement;

"Financial Year" means the financial year of the Issuer (being the one-year period in respect of which it prepares annual audited financial statements) from time to time;

"First Reset Date" means 29 March 2032;

"Full Loss Absorbing Instruments" has the meaning given to it in Condition 6(b)(ii);

"Group" means the Issuer and its consolidated Subsidiaries, taken as a whole;

"Initial Principal Amount" means, in relation to each Note, the principal amount of that Note on the Issue Date;

"Initial Rate of Interest" means 6.625 per cent. per annum;

"Interest Amount" means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

"Interest Period" means each period beginning on (and including) the Issue Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

"Issue Date" means 29 September 2026;

"Issuer" means mBank S.A.;

"Liabilities" means the unconsolidated gross liabilities of the Issuer, as shown in the latest published audited statement of financial position of the Issuer, but adjusted for contingent and prospective liabilities, for subsequent events and otherwise to reflect the criteria that would be applied by a Polish court in determining whether the Issuer is solvent or insolvent pursuant to and in accordance with the Bankruptcy Law and the Applicable Banking Regulations or any amendment or re-enactment thereof in such manner as the directors of the Issuer may determine;

"Loss Absorbing Instruments" means capital instruments or other obligations issued directly by any member of the Group (other than the Notes) which constitute Additional Tier 1 Capital, and which include a principal loss absorption mechanism that is capable of generating Common Equity Tier 1 Capital and that is activated by a trigger event set by reference to the CET1 Ratio of the Issuer and/or the Group;

"Macroprudential Supervision Act" means the Polish Act of 5 August 2015 on macroprudential supervision of the financial system and crisis management in the financial system;

"Mandatory Provision of Law" means any amendments, updates and/or modifications to any applicable legislation passed after the date hereof by or on behalf of the Republic of Poland or any political subdivision thereof or any authority therein or thereof having power to make such amendment, update and/or modification, which impacts the Issuer's obligations in relation to the Notes;

"Margin" means 3.308 per cent.;

"Maximum Distributable Amount" means any applicable maximum distributable amount relating to the Issuer or the Group required to be calculated in accordance with Article 141 of the CRD Directive (or any provision of applicable law or other regulation transposing or implementing Article 141 of the CRD Directive, as amended or replaced) or in accordance with any other applicable provisions of the Applicable Banking Regulations, including in particular Articles 96a, 96c and 96d of the BGF Act and Articles 56-58 of the Macroprudential Supervision Act, which require, among others, a maximum distributable amount to be calculated if the Issuer or the Group is failing to meet any applicable requirement and the positions of the Competent Authority;

"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 the Republic of 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 the Republic of Poland or any other relevant jurisdiction;

"MREL Disqualification Event" means in respect of the Notes, the determination by the Issuer that, as a result of any amendment to, or change in, or replacement of, the relevant Applicable Banking Regulations or any change in the application or official interpretation of any Applicable MREL Regulations, in any such case becoming effective on or after the Issue Date of the Notes, the whole or any part of the outstanding Prevailing Principal Amount of the Notes at any time is not included in, ceases or (in the opinion of the Issuer or the Competent Authority) will cease to count towards, the Issuer's or the Group's eligible liabilities and/or loss-absorbing capacity (in each case for the purposes of, and in accordance with, the relevant Applicable Banking Regulations and provided that such change was not reasonably foreseeable by the Issuer as at the Issue Date); provided that an MREL Disqualification Event shall not occur if such whole or part of the outstanding Prevailing Principal Amount of the Notes is not included in, ceases or (in the opinion of the Issuer) will cease to count towards, such eligible liabilities and/or loss-absorbing capacity 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 Requirements" means the minimum requirement for own funds and eligible liabilities applicable to the Issuer and/or the Group under the Applicable MREL Regulations.

"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;

"PLN" means the lawful currency for the time being of the Republic of Poland;

"Prevailing Principal Amount" means, in relation to each Note at any time, the principal amount of such Note at that time, being its Initial Principal Amount, as adjusted from time to time for any Write Down and/or Write Up, in accordance with Condition 6 and/or as otherwise required by the then-current legislation and/or regulations applicable to the Issuer;

"Rate of Interest" means, for the period from (and including) the Issue Date to (but excluding) the First Reset Date, the Initial Rate of Interest and, for each subsequent Reset Period, the relevant Reset Rate of Interest;

"Regulatory Permission" means, in relation to any action, such notice, regulatory permission (and/or, as appropriate, consent, approval or waiver) as is required therefor under prevailing Applicable Banking Regulations;

"Relevant Date" means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received by the Fiscal Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

"Relevant Resolution Authority" has the meaning given in Condition 20 (*Acknowledgement of Bail-in and Loss Absorption Powers*).

"Reserved Matter" means any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, to change the currency of any payment under the Notes or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution;

"Reset Date" means the First Reset Date and each date falling on the fifth anniversary of the previous Reset Date;

"Reset Determination Date" means, in respect of a Reset Period, the second Business Day prior to the first day of such Reset Period;

"Reset Period" means the period from (and including) the First Reset Date to (but excluding) the next succeeding Reset Date, and each successive period from (and including) a Reset Date to (but excluding) the next succeeding Reset Date;

"Reset Rate of Interest" means, in respect of a Reset Period, the rate of interest determined by the Calculation Agent as the sum of the relevant 5 Year Swap Rate and the Margin.

"Reset Reference Bank Rate" means, in respect of a Reset Period, the percentage rate calculated by the Calculation Agent on the basis of the 5 Year Swap Rate Quotations provided by four major banks selected and requested by the Issuer in the market (the **"Reset Reference Banks"**) to the Issuer at approximately 11:00 a.m. (Central European time) on the relevant Reset Determination Date and the Issuer or an agent appointed by it shall notify the Calculation Agent of all quotations received by it. If two or more of the Reset Reference Banks provide the Issuer or an agent appointed by it with 5 Year Swap Rate Quotations, the Reset Reference Bank Rate for the relevant Reset Period shall be the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant 5 Year Swap Rate Quotations, as determined by the Calculation Agent. If only one 5 Year Swap Rate Quotation is provided, the relevant Reset Reference Bank Rate will be the quotation provided. If no quotations are provided the relevant Reset Reference Bank Rate will be the 5 Year Swap Rate or Reset Reference Bank Rate (as applicable) determined in respect of the immediately preceding Reset Period or, in respect of the initial Reset Period, 3.427 per cent. per annum;

"Risk Weighted Assets" means, at any time, the aggregate amount, expressed in PLN, of the total risk exposure amount of the Issuer or the Group (as applicable), as calculated in accordance with the Applicable Banking Regulations at such time, but without applying any transitional provisions set out in the Applicable Banking Regulations which are applicable at such time unless such transitional provisions are permitted under such Applicable Banking Regulations to be applied for the purposes of determining whether a Trigger Event has occurred;

"Solvency Condition" has the meaning given to it in Condition 3(f);

"SRM Regulation" means Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010;

"Subsidiary" means, in relation to any Person (the **"first Person"**) at any particular time, any other Person (the **"second Person"**):

- (a) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or
- (b) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person;

"T2" means the Trans-European Automated Real-time Gross Settlement Express Transfer System or any successor or replacement for that system;

"Tier 1 Capital" means the sum, expressed in PLN, of all amounts that constitute tier 1 capital (or any successor term) of the Issuer or the Group (as applicable) for the purposes of Applicable Banking Regulations;

"Trigger Event" means that the CET1 Ratio of the Issuer and/or the Group has fallen below 5.125 per cent.;

"Trigger Event Notice" means the notice referred to as such in Condition 6(a) which shall be given by the Issuer to the Noteholders, in accordance with Condition 16, the Fiscal Agent and the Competent Authority, and which shall state with reasonable detail the nature of the relevant Trigger Event, the relevant Write Down being implemented, any Write Down Amount (if then known) and the basis of its calculation and the relevant Write Down Date;

"Write Down" and **"Written Down"** shall be construed as provided in Condition 6(a);

"Write Down Amount" has the meaning given to it in Condition 6(b);

"write down and/or conversion" means, in respect of any Loss Absorbing Instruments, the reduction and/or, as the case may be, conversion into Common Equity Tier 1 Capital of the prevailing principal amount of such instruments as contemplated in Condition 6(b);

"Write Down Date" has the meaning given to it in Condition 6(a);

"Write Up" and **"Written Up"** shall be construed as provided in Condition 6(d);

"Write Up Amount" has the meaning given to it in Condition 6(d);

"Write Up Date" has the meaning given to it in Condition 6(d);

"Write Up Notice" has the meaning given to it in Condition 6(d); and

"Written Down Additional Tier 1 Instrument" means an instrument (other than the Notes) issued by the Issuer or any member of the Group and qualifying as Additional Tier 1 Capital of the Issuer and/or the Group that, immediately prior to any Write Up of the Notes, has a prevailing principal amount which is less than its initial principal amount due to a write down and that has terms permitting a principal write up to occur on a basis similar to that set out in Condition 6(d) in the circumstances existing on the relevant Write Up Date.

Any reference in these Conditions to any legislation (whether primary legislation or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended, superseded or re-enacted. References herein to "**Terms and Conditions**" or "**Conditions**" are to these Conditions, or a correspondingly numbered provision hereof.

2. FORM, DENOMINATION AND TITLE

The Notes are serially numbered and in bearer form in denominations of EUR 100,000 and integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000 with Coupons and talons (each, a "**Talon**") for further Coupons attached at the time of issue. Notes of one denomination will not be exchangeable for Notes of another denomination. Title to the Notes, the Coupons and Talons will pass by delivery. The holder of any Note, Coupon or Talon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no person shall be liable for so treating such holder. No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

3. STATUS AND SUBORDINATION

- (a) For regulatory capital purposes, the Issuer intends, on the Issue Date, that the Notes will constitute instruments of the Issuer qualifying, subject to the Competent Authority's approval, as Additional Tier 1 Instruments of the Issuer.
- (b) The Notes and obligations in relation to any related Coupons and Talons resulting therefrom constitute direct, unsecured and subordinated obligations of the Issuer which will at all times rank *pari passu* without any preference among themselves.
- (c) In the event of insolvency of the Issuer as set out in the Bankruptcy Law, the Issuer's liabilities under the Notes shall:
 - (i) rank junior to (i) any liabilities of the Issuer falling into categories 1 to 8 (inclusive) referred to in Article 440(2)(1)-(8) of the Bankruptcy Law, (ii) any other present or future liabilities of the Issuer which, in accordance with the Bankruptcy Law, rank senior to Additional Tier 1 Instruments and (iii) any other liabilities of the Issuer which, by law, rank senior to the Issuer's liabilities under Additional Tier 1 Instruments;
 - (ii) constitute category 9 liabilities as referred to in Article 440(2)(9) of the Bankruptcy Law and rank *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 liabilities under Additional Tier 1 Instruments; and
 - (iii) rank senior to (i) any liabilities of the Issuer falling into category 10 referred to in Article 440(2)(10) of the Bankruptcy Law, (ii) any other present or future liabilities of the Issuer which, in accordance with the Bankruptcy Law, rank lower than Additional Tier 1 Instruments and (iii) any other subordinated liabilities of the Issuer which by law rank junior to the liabilities of the Issuer under Additional Tier 1 Instruments.
- (d) The rights of holders of the Notes shall be subject to any present or future laws or regulations applicable in the Republic of Poland relating to the insolvency, recovery and resolution of credit institutions, entities belonging to the same group as a credit institution and investment firms in the Republic of Poland which are or will be applicable to the Notes only as a result of the operation of such laws or regulations.
- (e) No holder of the Notes or related Coupons shall be entitled to exercise any right of Set-off against moneys owed by the Issuer in respect of such Notes or Coupons. Notwithstanding the provision of the foregoing sentence, if any amounts owed by the Issuer to any holder in connection with the Notes is discharged by Set-off, such holder shall, where permitted by applicable law, immediately pay an amount equal to the amount discharged to the Issuer (or, in the event of its voluntary or involuntary liquidation and/or bankruptcy, to the liquidator, bankruptcy trustee or other relevant insolvency official (as the case may be and to the extent applicable)) and, until such time as payment is made, shall hold an amount equal to such amount

discharged on behalf and for the benefit of the Issuer (or the liquidator, bankruptcy trustee or other relevant insolvency official of the Issuer) and accordingly not deem any such discharge to have taken place.

"Set-off" means set-off, netting, counterclaim, abatement or other similar remedy and, if **"Set off"** is used as a verb in these Conditions, it shall be construed accordingly.

- (f) Except in the event of the voluntary or involuntary liquidation or bankruptcy of the Issuer, all payments in respect of, or arising from (including any damages awarded for breach of any obligations under), the Notes are, in addition to the right or obligation of the Issuer to cancel payments of interest under Condition 5 or Condition 6(a), conditional upon the Issuer being solvent at the time of payment by the Issuer and no principal, interest or any other amount shall be due and payable in respect of, or arising from, the Notes except to the extent that the Issuer could make such payment and still be solvent immediately thereafter (the **"Solvency Condition"**).

For these purposes, the Issuer shall be considered to be solvent if (i) it is able to pay its debts owed to its creditors whose claims rank senior to claims arising from the Notes as they fall due and (ii) its Assets are at least equal to its Liabilities.

A certificate as to the solvency of the Issuer signed by one or more authorised signatories (or if there is a liquidation or bankruptcy of the Issuer, one or more authorised signatories of the liquidator, administrator, bankruptcy trustee or, as the case may be, other relevant insolvency official of the Issuer) shall (in the absence of manifest error) be treated and accepted by the Issuer, the Noteholders and all other interested parties as correct and sufficient evidence thereof.

Any payment of interest not due by reason of this Condition 3(f) shall not be or become payable at any time and shall be cancelled as provided in Condition 5(e).

- (g) In the event of the liquidation or bankruptcy of the Issuer, the amount of a claim against the Issuer in respect of each Note will be equal to the Prevailing Principal Amount of the relevant Note together with any accrued but unpaid interest thereon (to the extent such interest has not been cancelled in accordance with these Conditions) and any damages awarded for breach by the Issuer of any obligations in respect of such Note, whether or not the Solvency Condition is satisfied on the date upon which the same would otherwise be due and payable.

If the liquidation or bankruptcy of the Issuer occurs on or after the occurrence of a Trigger Event, the Write Down Date shall be the earlier of (i) the date of making of any order by any competent court or passing resolution for such liquidation or declaration of bankruptcy of the Issuer and (ii) the date specified as such by the Issuer pursuant to Condition 6.

4. INTEREST

- (a) The Notes bear interest from (and including) the Issue Date at the Rate of Interest payable in equal instalments semi-annually in arrear on 29 March and 29 September in each year (each, an **"Interest Payment Date"**), from and including 29 March 2027 subject as provided in Condition 8 (*Payments*).
- (b) Subject to Conditions 3(f), 5 and 6, each Note will cease to bear interest from the due date for redemption thereof pursuant to Conditions 7(b), 7(c), 7(d), 7(e) or 7(f) or the date of substitution thereof pursuant to Condition 18, as the case may be, unless, upon due presentation, payment of all amounts due in respect of such Note is not properly and duly made, in which case it will continue to bear interest at such rate on the Prevailing Principal Amount of such Note (both before and after judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (b) the day which is five days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such fifth day (except to the extent that there is any subsequent default in payment).
- (c) The Interest Amount shall be calculated for any period (an **"Accrual Period"**, being the period from (and including) the date on which interest starts to accrue to (but excluding) the date on

which it falls due) by applying the Rate of Interest to the Calculation Amount, multiplying the product by the Day Count Fraction and rounding the resulting figure to the nearest cent (half a cent being rounded upwards) and multiplying such rounded figure by a fraction equal to the Prevailing Principal Amount of such Note divided by the Calculation Amount, where:

"Calculation Amount" means EUR 1,000; and

"Day Count Fraction" means, in respect of the calculation of an amount of interest in accordance with Condition 4(c), the actual number of days in the Accrual Period divided by the product of (1) the actual number of days from (and including) the first day of the Accrual Period to (but excluding) the next following Interest Payment Date and (2) two.

If, pursuant to Condition 6, the Prevailing Principal Amount of the Notes is Written Down or Written Up during an Interest Period, the Calculation Amount will be adjusted to reflect such Prevailing Principal Amount from time to time so that the relevant amount of interest is determined by reference to such Calculation Amount as adjusted from time to time and as if such Interest Period were comprised of two or (as applicable) more consecutive interest periods, with interest calculations based on the number of days for which each Prevailing Principal Amount and Calculation Amount was applicable.

- (d) The Notes shall (subject to Conditions 3(f), 5 and 6) bear interest on their Prevailing Principal Amount:
 - (i) from (and including) the Issue Date to (but excluding) the First Reset Date at the rate per annum equal to the Initial Rate of Interest; and
 - (ii) in respect of each Reset Period, at the rate per annum equal to the relevant Reset Rate of Interest,

payable, in each case, in arrear on each Interest Payment Date (subject to adjustment as described in this Condition 4). The Rate of Interest and the Interest Amount payable shall be determined by the Calculation Agent, (A) in the case of the Rate of Interest, at or as soon as practicable after each time at which the Rate of Interest is to be determined, and (B) in the case of the Interest Amount in accordance with the provisions for calculating amounts of interest in this Condition 4.

The Calculation Agent shall cause notice of the relevant Reset Rate of Interest determined by it in accordance with this Condition 4 in respect of each Reset Period to be given to the Issuer, the Fiscal Agent, and any stock exchange on which the Notes are for the time being listed or admitted to trading and, in accordance with Condition 16, the Noteholders, in each case as soon as practicable after its determination but in any event not later than the fourth Business Day thereafter.

If the Notes become due and payable pursuant to Condition 10(a), the accrued interest per Calculation Amount and the relevant Reset Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously by the Calculation Agent in accordance with this Condition 4 but no publication of the Reset Rate of Interest or the amount of interest payable per Calculation Amount so calculated need be made.

- (e) Notwithstanding the provisions above in this Condition 4, if the Issuer (in consultation with the Calculation Agent) determines that a Benchmark Event has occurred in relation to an Original Reference Rate when any Reset Rate of Interest (or any component part(s) thereof) remains to be determined by reference to such Original Reference Rate the following provisions of this Condition 4(e) shall apply.
 - (i) The Issuer shall use its 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 and, in either case, an Adjustment Spread (if applicable) and any Benchmark Amendments no later than three business days in the specified office of the Calculation Agent prior to the relevant Reset Determination Date relating to the next succeeding Reset Period for purposes of

determining the Reset Rate of Interest (or the relevant component part(s) thereof) applicable to the Notes (subject to the subsequent operation of this Condition 4(e)).

- (ii) An Independent Adviser appointed pursuant to this Condition 4(e) shall act in good faith and in a commercially reasonable manner, and (in the absence of fraud) shall have no liability whatsoever to the Issuer, the Calculation Agent, the Paying Agent or the Noteholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition 4(e).
- (iii) If the Issuer, following consultation with the Independent Adviser, or (if the Issuer is unable to appoint an Independent Adviser) the Issuer, in each case acting in good faith and in a commercially reasonable manner, determines that:
 - (A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in this Condition 4(e)) subsequently be used in place of the Original Reference Rate to determine the Reset Rate of Interest (or the relevant component part(s) thereof) for all future payments of interest on the Notes (subject to the subsequent operation of this Condition 4(e) in the event of a further Benchmark Event affecting the Successor Rate); or
 - (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in this Condition 4(e)) subsequently be used in place of the Original Reference Rate to determine the Reset Rate of Interest (or the relevant component part(s) thereof) for all future payments of interest on the Notes (subject to the subsequent operation of this Condition 4(e) in the event of a further Benchmark Event affecting the Alternative Rate),

provided, however, that if the Issuer fails to determine a Successor Rate or an Alternative Rate in accordance with this Condition 4(e) prior to the Reset Determination Date, the Reference Rate applicable to the Reset Period shall be the Reference Rate applicable as at the last preceding Reset Determination Date (other than in the case of the Reset Period commencing on the First Reset Date). In the case of the Reset Period commencing on the First Reset Date, the Reset Rate of Interest shall be equal to the Initial Rate of Interest. For the avoidance of doubt, any adjustment pursuant to this Condition 4(e) shall apply only to the relevant Reset Period. Any subsequent Reset Period may be subject to the subsequent operation of this Condition 4(e). For the avoidance of doubt, the proviso in this Condition 4(e)(iii) shall apply to the immediately following Reset Period only.

- (iv) If the Issuer, following consultation with the Independent Adviser, or (if the Issuer is unable to appoint an Independent Adviser) the Issuer, in each case acting in good faith and in a commercially reasonable manner, determines (A) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (B) the quantum of, or a formula or methodology for determining such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Reset Rate of Interest (or a component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable). If the Issuer, following consultation with the Independent Adviser, or (if the Issuer is unable to appoint an Independent Adviser) the Issuer, 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.
- (v) If any Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread is determined in accordance with this Condition 4(e) and the Issuer, following consultation with the Independent Adviser, or (if the Issuer is unable to appoint an Independent Adviser) the Issuer, in each case acting in good faith and in a commercially reasonable manner, determines (i) that amendments to these Conditions and/or the Agency Agreement are necessary to ensure the proper operation of such

Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread (such amendments, the "**Benchmark Amendments**") and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof, without any requirement for the consent or approval of Noteholders, vary these Conditions and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

- (vi) Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(e) will be notified promptly by the Issuer to the Calculation Agent, the Paying Agents and the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.
- (vii) The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such notice will, in the absence of manifest error in the determination of the Successor Rate or Alternative Rate and Adjustment Spread (if any) and the Benchmark Amendments (if any) be binding on the Issuer, the Calculation Agent, the Paying Agents and the Noteholders.
- (viii) Without prejudice to the obligations of the Issuer under Conditions 4(e)(i), 4(e)(ii), 4(e)(iii) and 4(e)(iv), the Reference Rate and the fallback provisions provided for in the Conditions above, as the case may be, will continue to apply unless and until (1) a Benchmark Event occurs and an Independent Adviser is appointed and (2) either a Successor Rate or Alternative Rate is determined, and any Adjustment Spread and Benchmark Amendments are determined, in each case pursuant to this Condition 4(e).
- (ix) As used in these Conditions:

"**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) and is the spread, formula or methodology which:

- (A) 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; or
- (B) (if no such recommendation has been made, or in the case of an Alternative Rate), the Issuer, following consultation with the Independent Adviser, and acting in good faith and in a commercially reasonable manner, determines is customarily applied to the Successor Rate or Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or
- (C) (where neither (A) above nor (B) above applies), the Issuer, following consultation with the Independent Adviser, and acting in good faith and in a commercially reasonable manner, determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be);

"**Alternative Rate**" means an alternative benchmark or screen rate which the Issuer determines in accordance with these Conditions has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part(s) thereof) for the same interest period and in EUR or, if the Issuer determines that there is no such rate, such other rate as the Issuer determines in accordance with these Conditions is most comparable to the Original Reference Rate;

"**Benchmark Event**" means:

- (A) the Original Reference Rate has ceased to be published on the Reset Screen Page as a result of such benchmark ceasing to be calculated or administered; or
- (B) 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 publishing the Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (C) 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, by a specified future date, be permanently or indefinitely discontinued; or
- (D) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes, in each case by a specified future date; or
- (E) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that, in the view of such supervisor, such Original Reference Rate is or will, by a specified future date, be no longer representative of its relevant underlying market; or
- (F) it has or will, by a specified future date within the following six months, become unlawful for the Calculation Agent, the Issuer or any other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate (including without limitation, under the EU Benchmarks Regulation or the UK Benchmarks Regulation, if applicable and including because of the withdrawal of the authorisation or registration of the relevant benchmark administrator).

Notwithstanding the sub-paragraphs above, where the relevant Benchmark Event is a public statement within sub-paragraphs (B), (C), (D), or (E) above and the specified future date in the public statement is more than six months after the date of that public statement, the Benchmark Event shall not be deemed to occur until the date falling six months prior to such specified future date;

"EU Benchmarks Regulation" means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, as amended;

"Independent Adviser" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer;

"Original Reference Rate" means the 5 Year Swap Rate used to determine the Reset Rate of Interest (or any component part(s) thereof) on the Notes provided that if, following one or more Benchmark Events, the 5 Year Swap 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 include any such Successor Rate or Alternative Rate;

"Reference Rate" means the 5 Year Swap Rate used to determine the Reset Rate of Interest (or any component part(s) thereof) on the Notes *provided that* if, following one or more Benchmark Events, the 5 Year Swap 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 "**Reference Rate**" shall include any such Successor Rate or Alternative Rate;

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

- (A) the central bank, reserve bank, monetary authority or any such similar institution for the currency to which the benchmark or screen rate (as applicable) relates, or any other central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (B) any working group or committee sponsored by, chaired or co-chaired by, or constituted at the request of (a) the central bank, reserve bank, monetary authority or any such similar institution for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities, (d) the Financial Stability Board or any part thereof, or (e) the European Commission or any part thereof;

"**Successor Rate**" means a successor to or replacement of the Reference Rate (and related alternative screen page or source if available) which is formally recommended by any Relevant Nominating Body; and

"**UK Benchmarks Regulation**" means the EU Benchmarks Regulation as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018.

- (x) Notwithstanding any other provision of this Condition 4(e):
 - (A) no Successor Rate, Alternative Rate or Adjustment Spread will be adopted, nor will any other amendments to these Conditions be made to effect any Benchmark Amendments, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the Notes as Additional Tier 1 Capital of the Issuer and/or the Group; and
 - (B) in connection with any variation or amendment in accordance with this Condition 4(e), 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.

5. CANCELLATION OF INTEREST

- (a) *Optional cancellation of Interest*: The Issuer may in its sole and absolute discretion (but subject to the requirement for mandatory cancellation of interest pursuant to Conditions 3(f), 5(b), 5(c), 5(d) and 6(a)(iii)) at any time elect to cancel any interest payment, in whole or in part, which is scheduled to be paid on any date.
- (b) *Mandatory Cancellation of Interest - Insufficient Distributable Items*: Interest otherwise due to be paid on any date will not become due or payable (in whole or, as the case may be, in part), and the relevant payment will be deemed cancelled and will not be made, if and to the extent that the amount of such interest payment otherwise due (together with any additional amounts payable thereon pursuant to Condition 9 (*Taxation*), if applicable), together with any interest payments or other distributions which have been paid or made or which are scheduled to be paid or made during the then current Financial Year on the Notes and all other own funds instruments of the Issuer (excluding any such interest payments or other distributions which (i) are not required to be made out of Distributable Items or (ii) have already been provided for, by way of

deduction, in the calculation of Distributable Items) in aggregate would exceed the amount of Distributable Items of the Issuer as at such date.

- (c) *Mandatory Cancellation of Interest - Maximum Distributable Amount:* Interest otherwise due to be paid on any date will not become due or payable (in whole or, as the case may be, in part), and the relevant payment will be deemed cancelled and will not be made, to the extent that the amount of such interest payment otherwise due (together with any additional amounts payable thereon pursuant to Condition 9 (*Taxation*), if applicable), together with other distributions of the kind referred to in Article 141(2) of the CRD Directive (or any provision of applicable law transposing or implementing Article 141(2) of the CRD Directive, as amended or replaced) or referred to in any other applicable provisions of the Applicable Banking Regulations which require a maximum distributable amount to be calculated and which are required under prevailing Applicable Banking Regulations to be taken into account for this purpose, in aggregate would cause the Maximum Distributable Amount (if any) then applicable to the Issuer and/or the Group to be exceeded.
- (d) *Mandatory Cancellation of Interest - Competent Authority Order:* Interest otherwise due on an Interest Payment Date will not be due (in whole or, as the case may be, in part), and the relevant payment will be deemed cancelled and will not be made, to the extent the Competent Authority orders the Issuer or the Group to cancel such payment (including pursuant to Article 138(2)(3) of the Banking Law).

The Issuer will also cancel interest payments (in whole or in part) on the Notes in any other circumstances in which the Applicable Banking Regulations (or where the Competent Authority or an applicable resolution authority acting pursuant to such Applicable Banking Regulations or other applicable laws or regulations) require interest payments on the Notes to be so cancelled (including, but not limited to, if the Issuer or the Group becomes subject to any applicable MREL or leverage-based maximum distributable amount restrictions). See further the risk factor entitled "The Issuer may at any time elect, and in certain circumstances shall be required, not to make interest payments on the Notes."

- (e) *Notice of Cancellation of Interest:* Upon the Issuer electing to cancel any interest payment (or part thereof) pursuant to Condition 5(a), or being prohibited from making any interest payment (or part thereof) pursuant to Conditions 3(f), 5(b), 5(c) or 5(d), the Issuer shall, as soon as reasonably practicable on or prior to the scheduled payment date, give notice of such non-payment and the reason therefor to the Noteholders in accordance with Condition 16, **provided that** any delay in giving or failure to give such notice shall not affect the deemed cancellation of any interest payment (in whole or, as the case may be, in part) by the Issuer and shall not constitute a default under the Notes or for any purpose. Such notice shall specify the amount of the relevant cancellation and, accordingly, the amount (if any) of the relevant interest payment that will be paid on the Relevant Date.
- (f) *Interest non-cumulative; no default or restrictions:* Any interest payment (or, as the case may be, part thereof) not paid on any relevant scheduled payment date by reason of Condition 3(f), 5(a), 5(b), 5(c), 5(d) or 6 shall be cancelled, shall not accumulate, and will not become due or payable at any time thereafter, whether in the event of the liquidation or bankruptcy of the Issuer or otherwise. The Issuer may use such cancelled payment without restriction to meet its obligations as they fall due. The cancellation of such interest amounts will not impose any restrictions on the Issuer nor prevent or restrict the Issuer from declaring or making any distributions or interest payments on any of its shares or other instruments or obligations.

If the Issuer does not pay any interest payment (in whole or, as the case may be, in part) on the relevant scheduled payment date, such non-payment (whether the notice referred to in Condition 5(e) or, as appropriate, Condition 6(a), has been given or not) shall evidence either the non-payment and cancellation of such interest payment (in whole or, as the case may be, in part) by reason of it not being due in accordance with Condition 3(f), the cancellation of such interest payment (in whole or, as the case may be, in part) in accordance with Conditions 5(b), 5(c), 5(d) or 6(a) or, as appropriate, the Issuer's exercise of its discretion to cancel such interest payment (in whole or, as the case may be, in part) in accordance with Condition 5(a). Accordingly, non-payment of any interest (in whole or, as the case may be, in part) in accordance with any of Condition 3(f), 5(a), 5(b), 5(c), 5(d) or 6(a), will not constitute a default by the Issuer for any

purpose (whether under the Notes or otherwise) and the Noteholders shall have no right thereto, whether in the event of the liquidation or bankruptcy of the Issuer or otherwise.

6. WRITE DOWN AND WRITE UP

- (a) *Write Down:* If, at any time, it is determined (as provided below) that a Trigger Event has occurred:
- (i) the Issuer shall (unless the determination was made by the Competent Authority), immediately, inform the Competent Authority (or procure that the Competent Authority is informed) of the occurrence of the relevant Trigger Event;
 - (ii) the Issuer shall, without delay, give the relevant Trigger Event Notice, which notice shall be irrevocable;
 - (iii) any interest which is accrued to the relevant Write Down Date and unpaid shall be automatically and irrevocably cancelled (whether or not the same has become due for payment); and
 - (iv) the then Prevailing Principal Amount of each Note shall be automatically and irrevocably reduced by the relevant Write Down Amount (such reduction being referred to herein as a "**Write Down**", and "**Written Down**" shall be construed accordingly) as provided below.

Such cancellation and reduction shall take place without the need for the consent of Noteholders and without delay on such date as is selected by the Issuer (the "**Write Down Date**") but which shall be no later than one month following the occurrence of the relevant Trigger Event. The Competent Authority may require that the period of one month referred to above is reduced in cases where the Competent Authority assesses that sufficient certainty on the required Write Down Amount is established or in cases where it assesses that an immediate Write Down is needed.

For the purposes of determining whether a Trigger Event has occurred, the CET1 Ratio of the Issuer and the Group may be calculated at any time based on information (whether or not published) available to the management board of the Issuer and/or to the Competent Authority, including information internally reported within the Issuer pursuant to its procedures for monitoring the CET1 Ratio.

The Issuer intends to publish the CET1 Ratio of each of the Issuer and the Group on at least a quarterly basis.

The determination as to whether a Trigger Event has occurred shall be made by the Issuer or the Competent Authority or any entity appointed for such purpose by the Competent Authority. Any such determination shall be binding on the Issuer and the Noteholders.

Any Trigger Event Notice delivered to the Fiscal Agent shall be accompanied by a certificate signed by one or more authorised signatories certifying the accuracy of the contents of the Trigger Event Notice upon which the Fiscal Agent shall rely (without liability to any person).

Any delay in giving or any failure by the Issuer to give a Trigger Event Notice and/or the certification referred to in the immediately foregoing paragraph will not, however, affect the effectiveness of, or otherwise invalidate, any Write Down, or give Noteholders, the Fiscal Agent or any other person any rights as a result of such failure.

A Trigger Event may occur on more than one occasion (and each Note may be Written Down on more than one occasion).

Any reduction of the Prevailing Principal Amount of a Note pursuant to this Condition 6(a) shall not constitute a default by the Issuer for any purpose, and the Noteholders shall have no right to claim for amounts Written Down.

(b) *Write Down Amount*: The aggregate reduction of the Prevailing Principal Amounts of the Notes outstanding on the Write Down Date will, subject as provided below, be equal to the lower of:

- (i) the amount necessary to generate sufficient Common Equity Tier 1 Capital that would result in the CET1 Ratio of the Issuer and the Group being at least 5.125 per cent. at the point of such reduction, after taking into account (subject as provided below and in Condition 6(c)), the *pro rata* write down and/or conversion of the prevailing principal amount of all Loss Absorbing Instruments (if any) to be written down and/or converted concurrently (or substantially concurrently) with the Notes, **provided that**, with respect to each Loss Absorbing Instrument (if any), such *pro rata* write down and/or conversion shall only be taken into account to the extent required to achieve the CET1 Ratio contemplated above to the lower of (a) such Loss Absorbing Instrument's trigger level (or, if it has more than one such trigger level, the higher or highest effective trigger level) and (b) the trigger level in respect of which the relevant Trigger Event under the Notes has occurred and, in each case, in accordance with the terms of the relevant Loss Absorbing Instruments and the Applicable Banking Regulations; and
- (ii) the amount that would result in the Prevailing Principal Amount of a Note being reduced to one cent.

The aggregate reduction determined in accordance with the immediately preceding paragraph shall be applied to all of the Notes *pro rata* on the basis of their Prevailing Principal Amount immediately prior to the Write Down and references herein to "**Write Down Amount**" shall mean, in respect of each Note, the amount by which the Prevailing Principal Amount of such Note is to be Written Down accordingly.

In calculating any amount in accordance with Condition 6(b)(i) the Common Equity Tier 1 Capital (if any) generated as a result of the cancellation of interest pursuant to Condition 6(a)(iii) shall not be taken into account.

If, in connection with the Write Down or the calculation of the Write Down Amount, there are outstanding any Loss Absorbing Instruments the terms of which provide that they shall be written down and/or converted in full and not in part only ("**Full Loss Absorbing Instruments**"), then:

- (A) the provision that a Write Down of the Notes should be effected *pro rata* with the write down and/or conversion, as the case may be, of any Loss Absorbing Instruments shall not be construed as requiring the Notes to be Written Down in full solely by virtue of the fact that such Full Loss Absorbing Instruments may be written down and/or converted in full; and
- (B) for the purposes of calculating the Write Down Amount, the Full Loss Absorbing Instruments will be treated (for the purposes only of determining the write down of principal and/or conversion, as the case may be, among the Notes and any Loss Absorbing Instruments on a *pro rata* basis) as if their terms permitted partial write down and/or conversion, such that the write down and/or conversion of such Full Loss Absorbing Instruments shall be deemed to occur in two concurrent stages: (I) first, the principal amount of such Full Loss Absorbing Instruments shall be written down and/or converted *pro rata* (in the manner contemplated above) with the Notes and all other Loss Absorbing Instruments to the extent necessary to achieve the CET1 Ratio(s) referred to in Condition 6(b)(i); and (II) secondly, the balance (if any) of the principal amount of such Full Loss Absorbing Instruments remaining following (I) shall be written off and/or converted, as the case may be, with the effect of increasing the CET1 Ratio of the Issuer and/or the Group, as applicable, above the minimum required under Condition 6(b)(i).

To the extent the write down and/or conversion of any Loss Absorbing Instruments for the purpose of Condition 6(b)(i) is not possible for any reason, this shall not in any way prevent any Write Down of the Notes. Instead, in such circumstances, the Notes will be Written Down and the Write Down Amount determined as provided above but

without including for the purpose of Condition 6(b)(i) any Common Equity Tier 1 Capital in respect of the write down or conversion of such Loss Absorbing Instruments, to the extent it is not possible for them to be written down and/or converted.

The Issuer shall set out its determination of the Write Down Amount per Calculation Amount in the relevant Trigger Event Notice together with the then Prevailing Principal Amount per Calculation Amount following the relevant Write Down. However, if the Write Down Amount has not been determined when the Trigger Event Notice is given, the Issuer shall, as soon as reasonably practicable following such determination, notify the Write Down Amount to the Noteholders in accordance with Condition 16, the Fiscal Agent and the Competent Authority and, at the same time, shall deliver a certificate signed by one or more authorised signatories certifying the accuracy of the contents of such notice, upon which the Fiscal Agent and the Calculation Agent shall rely (without liability to any person). The Issuer's determination of the relevant Write Down Amount shall be irrevocable and binding on all parties.

- (c) *Consequences of a Write Down:* Following a reduction of the Prevailing Principal Amount of the Notes as described in accordance with Condition 6(a), interest will continue to accrue on the Prevailing Principal Amount of each Note following such reduction, and will be subject to Conditions 3(f), 5(a), 5(b), 5(c), 5(d) and 6(a).

Following any Write Down of a Note, references herein to "**Prevailing Principal Amount**" shall be construed accordingly. Once the Prevailing Principal Amount of a Note has been Written Down, the relevant Write Down Amount(s) may only be restored, at the discretion of the Issuer, in accordance with Condition 6(d).

Following the giving of a Trigger Event Notice which specifies a Write Down of the Notes, the Issuer shall procure that (i) a similar notice is given in respect of Loss Absorbing Instruments in accordance with their terms and (ii) the then prevailing principal amount of each series of Loss Absorbing Instruments outstanding (if any) is written down and/or converted in accordance with their terms following the giving of such Trigger Event Notice; **provided, however, that** any failure by the Issuer either to give such a notice or to procure such a write down and/or conversion will not affect the effectiveness of, or otherwise invalidate, any Write Down of the Notes pursuant to Condition 6(a) or give Noteholders any rights as a result of either such failure (and, for the avoidance of doubt, the Write Down Amount may increase as a result thereof).

- (d) *Write Up:* The Issuer shall have, save as provided below, full discretion to reinstate, to the extent permitted in compliance with the Applicable Banking Regulations, any portion of the principal amount of the Notes which has been Written Down and which has not previously been Written Up (such portion, the "**Write Up Amount**"). The reinstatement of the Prevailing Principal Amount (such reinstatement being referred to herein as a "**Write Up**", and "**Written Up**" shall be construed accordingly) may occur on more than one occasion (and each Note may be Written Up on more than one occasion) provided **that** the principal amount of each Note shall never be Written Up to an amount greater than its Initial Principal Amount.

To the extent that the Prevailing Principal Amount of the Notes has been Written Up as described above, interest shall begin to accrue from (and including) the date of the relevant Write Up on the increased Prevailing Principal Amount of the Notes.

Any such Write Up of the Notes shall be made on a *pro rata* basis and without any preference among the Notes and on a *pro rata* basis with the write up of all Written Down Additional Tier 1 Instruments (if any). Any failure by the Issuer to Write Up the Notes on a *pro rata* basis with the write up of all Written Down Additional Tier 1 Instruments (if any), however, will not affect the effectiveness, or otherwise invalidate, any Write Up of the Notes and/or write up of the Written Down Additional Tier 1 Instruments or give Noteholders any rights as a result of such failure.

Any Write Up of the Prevailing Principal Amount of the Notes and any reinstatement of any Written Down Additional Tier 1 Instruments may not exceed any Maximum Distributable

Amount (after taking account of (x) any other relevant distributions of the kind referred to in Article 141(2) of the CRD Directive (or any provision of applicable law transposing or implementing Article 141(2) of the CRD Directive, as amended or replaced), or in any other applicable provisions of the Applicable Banking Regulations which require a maximum distributable amount to be calculated and which are required under prevailing Applicable Banking Regulations to be taken into account for this purpose and (y) the requirements of Article 21.2(f) of the CRR Supplementing Regulation, as amended or replaced).

Further, any Write Up of the Prevailing Principal Amount of the Notes may not be made to the extent that the sum of:

- (i) the aggregate amount of the relevant Write Up on all the Notes on the Write Up Date;
- (ii) the aggregate amount of any other Write Up on the Notes since the Specified Date and prior to the Write Up Date;
- (iii) the aggregate amount of any interest payments paid on the Notes since the Specified Date and which accrued on the basis of a Prevailing Principal Amount which is less than the Initial Principal Amount;
- (iv) the aggregate amount of the increase in principal amount of each Written Down Additional Tier 1 Instrument at the time of the relevant Write Up;
- (v) the aggregate amount of any other increase in principal amount of each Written Down Additional Tier 1 Instrument since the Specified Date and prior to the time of the relevant Write Up; and
- (vi) the aggregate amount of any interest payments paid on all Loss Absorbing Instruments since the Specified Date and which accrued on the basis of a prevailing principal amount which is less than its initial principal amount, would exceed the Maximum Write Up Amount.

As used above:

"Maximum Write Up Amount" means, as at any Write Up Date, the lower of (a) the consolidated profits after tax of the Group, as calculated and set out in the then most recently published audited annual consolidated accounts of the Group, multiplied by the sum of the aggregate Initial Principal Amount of the outstanding Notes and the aggregate initial principal amount of all outstanding Written Down Additional Tier 1 Instruments of the Group, and divided by the total Tier 1 Capital of the Group as at the relevant Write Up Date and (b) the solo profits after tax of the Issuer, as calculated and set out in the most recently published audited separate financial statements of the Issuer, multiplied by the sum of the aggregate Initial Principal Amount of the outstanding Notes and the aggregate initial principal amount of all outstanding Written Down Additional Tier 1 Instruments of the Issuer, and divided by the total Tier 1 Capital of the Issuer on a solo basis as at the relevant Write Up Date.

"Specified Date" means, in respect of a Write Up, the date falling at the end of the Financial Year immediately preceding the relevant Write Up Date.

Any Write Up will be subject to (a) it not causing a Trigger Event, (b) the Issuer having taken a formal decision confirming such final profits after tax and (c) the Issuer obtaining any Regulatory Permission required therefor (provided at the relevant time such Regulatory Permission is required to be given) and such Regulatory Permission not having been revoked by the date of such Write Up.

If the Issuer elects to Write Up the Notes pursuant to this Condition 6(d), notice of such Write Up (a **"Write Up Notice"**) shall be given to Noteholders in accordance with Condition 16, the Fiscal Agent, the Calculation Agent and the Competent Authority specifying the amount of any Write Up and the date on which such Write Up shall take effect (the **"Write Up Date"**). Such Write Up Notice shall be given at least ten Business Days prior to the date on which the relevant Write Up is to become effective.

- (e) *Currency*: For the purpose of any calculation in connection with a Write Down or Write Up of the Notes which necessarily requires the determination of a figure in EUR (or in an otherwise consistent manner across obligations denominated in different currencies), including (without limitation) any determination of a Write Down Amount and/or a Maximum Write Up Amount, any relevant obligations which are not denominated in EUR shall, (for the purposes of such calculation only) be deemed notionally to be converted into EUR at the foreign exchange rates applicable to the Issuer based on its regulatory reporting requirements under the Applicable Banking Regulations.

7. REDEMPTION AND PURCHASE

- (a) *No fixed redemption date*: The Notes are perpetual securities in respect of which there is no fixed redemption date and the Issuer shall, without prejudice to its ability to effect a Write Down in accordance with Condition 6(a), only have the right to redeem or purchase them in accordance with the following provisions of this Condition 7.
- (b) *Redemption for tax reasons*: The Notes may be redeemed at the option of the Issuer (subject to Condition 7(j) (*Conditions to Redemption, Substitution, Variation or Repurchase*)) in whole, but not in part, at any time, on giving not less than 15 nor more than 30 days' notice to the Noteholders (which notice shall be irrevocable) at a redemption amount equal to 100 per cent. of their Prevailing Principal Amount, together with any accrued and unpaid interest (excluding interest that has been cancelled in accordance with these Conditions) to the date fixed for redemption, if:
- (i)
- (A) a Withholding Tax Event occurs; or
- (B) a Tax Event occurs; and
- (ii) both a Tax Certificate and a Tax Opinion have been delivered to the Fiscal Agent by the Issuer.

However, where the Issuer would be obliged to pay additional amounts, no such notice of redemption shall be given earlier than 90 days prior to 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.

Upon the expiry of any such notice as is referred to in this Condition 7(b), the Issuer shall be bound to redeem the Notes in accordance with this Condition 7(b).

For the purpose of this Condition 7(b):

"Change in Tax Law" means any:

- (i) amendment to, clarification of, or change in, the laws or regulations of any Taxing Jurisdiction; or
- (ii) governmental action in the Taxing Jurisdiction; or
- (iii) amendment to, clarification of, or change in, the official position or the interpretation of such law, treaty (or regulations thereunder) or governmental action or any interpretation, decision or pronouncement that provides for a position with respect to such law, treaty (or regulations thereunder) or governmental action that differs from the theretofore generally accepted position, in each case, by any legislative body, court, governmental authority or regulatory body in the Taxing Jurisdiction, irrespective of the manner in which such amendment, change, action, pronouncement, interpretation or decision is made known;

"Relevant Jurisdiction" means the jurisdiction in which the Issuer is incorporated at the relevant time;

"Tax Certificate" means a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect the redemption of the Notes pursuant to this Condition 7(b) and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred;

"Tax Event" shall occur if, as a result of any Change in Tax Law of the Taxing Jurisdiction, which becomes effective or is announced on or after the Issue Date:

- (i) the Issuer is, or will be, subject to additional taxes, duties or other governmental charges with respect to the Notes as the case may be;
- (ii) the Issuer is not, or will not, be entitled to claim a deduction in respect of payments in respect of the Notes as the case may be in computing its taxation liabilities (or the value of such deduction would be materially reduced); or
- (iii) the Issuer will or would, in the future, have to bring into account a taxable credit, taxable profit or the receipt of taxable income if the principal amount of the Notes were Written Down;

"Taxing Jurisdiction" means the Relevant Jurisdiction or any political subdivision thereof or any authority or agency therein or thereof having power to tax or any other jurisdiction or any political subdivision thereof or any authority or agency therein or thereof, having power to tax in which the Issuer is treated as having a permanent establishment, under the income tax laws of such jurisdiction;

"Tax Opinion" means an opinion of independent legal advisers of recognised standing in the relevant Taxing Jurisdiction stating that the circumstances constituting the Tax Event or Withholding Tax Event (as the case may be) are prevailing; and

"Withholding Tax Event" shall occur if the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 9(*Taxation*) as a result of any Change in Tax Law, which change or amendment becomes effective on or after the Issue Date, and such obligation cannot be avoided by the Issuer taking reasonable measures available to it.

- (c) *Redemption at the option of the Issuer:* The Notes may be redeemed at the option of the Issuer (but subject to Condition 7(j) (*Redemption and Purchase - Conditions to Redemption, Substitution, Variation or Repurchase*)) in whole, but not in part, on:

- (i) any date from (and including) 29 September 2031 to (and including) the First Reset Date; or
- (ii) any Interest Payment Date thereafter,

(each, an **"Optional Redemption Date"**),

at a redemption amount equal to 100 per cent. of their Prevailing Principal Amount on the Issuer's giving not less than 15 nor more than 30 days' notice to the Noteholders (which notice shall be irrevocable and shall specify the Optional Redemption Date and shall oblige the Issuer to redeem the Notes on such Optional Redemption Date at such price plus any accrued and unpaid interest (excluding interest that has been cancelled in accordance with these Conditions) to such date).

- (d) *Issuer residual call:* Subject to Condition 7(j) (*Redemption and Purchase - Conditions to Redemption, Substitution, Variation or Repurchase*), if, at any time the outstanding aggregate principal amount of the Notes is 25 per cent. or less of the aggregate principal amount of the Notes originally issued (and, for these purposes, any further Notes issued pursuant to Condition 15 (*Further Issues*) and consolidated with the Notes shall be deemed to have been originally issued and any Write Down and/or Write Up of the principal amount of the Notes shall be ignored), the Issuer may redeem all (but not some only) of the remaining outstanding Notes on any date upon giving not less than 15 nor more than 30 days' notice to the Noteholders (which notice shall specify the date for redemption and shall be irrevocable), at a redemption amount equal to 100 per cent. of their Prevailing Principal Amount together with any accrued and unpaid

interest (excluding interest that has been cancelled in accordance with these Conditions) up to (but excluding) the date of redemption.

- (e) *Early Redemption as a result of a Capital Event:* Upon the occurrence of a Capital Event in respect of the Notes (but subject to Condition 7(j) (*Redemption and Purchase - Conditions to Redemption, Substitution, Variation or Repurchase*)), the Issuer may, at its option, having given not less than 15 days' nor more than 30 days' notice to the Noteholders in accordance with Condition 16 (*Notices*) (which notice shall be irrevocable and delivery thereof shall oblige the Issuer to make the redemption therein specified) redeem all (but not some only) of the Notes at any time at a redemption amount equal to 100 per cent. of their Prevailing Principal Amount together with any accrued and unpaid interest (excluding interest that has been cancelled in accordance with these Conditions) up to (but excluding) the date of redemption, subject to these Conditions.
- (f) *Early Redemption due to MREL Disqualification Event:* Subject to Condition 7(j) (*Redemption and Purchase - Conditions to Redemption, Substitution, Variation or Repurchase*), if an MREL Disqualification Event has occurred and is continuing, then the Issuer may, at its option and having given not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 16 (*Notices*), (which notice shall be irrevocable and shall specify the date for redemption), redeem all, but not some only, of these Notes at a redemption amount equal to 100 per cent. of their Prevailing Principal Amount together with any accrued and unpaid interest (excluding interest that has been cancelled in accordance with these Conditions) up to (but excluding) the date of redemption, subject to these Conditions. Upon the expiry of such notice, the Issuer shall redeem the relevant Notes.

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

- (i) that an MREL Disqualification Event has occurred and is continuing;
- (ii) 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; and
- (iii) the due date for such redemption, which shall be not less than 15 nor more than 30 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 Competent Authority to grant its approval as described in (ii) above will not constitute an event of default under the Notes.

- (g) *No other redemption:* The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 7(b) to 7(f) above.
- (h) *Purchase:* The Issuer or any of its Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price, **provided that** all unmatured Coupons and unexchanged Talons are purchased therewith, and **provided that** any such purchases will be subject to Condition 7(j) (*Redemption and Purchase - Conditions to Redemption, Substitution, Variation or Repurchase*) and made in accordance with the Applicable Banking Regulations. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation.

Any refusal by the Competent Authority (if required) to grant its approval or permission as described above will not constitute a default for any purpose in respect of the Notes.
- (i) *Cancellation:* All Notes that are redeemed and surrendered for cancellation by the Issuer or any of its Subsidiaries (along with any unmatured Coupons or unexchanged Talons attached to or surrendered with them) shall be cancelled and may not be reissued or resold.
- (j) *Conditions to Redemption, Substitution, Variation or Repurchase:* The Issuer may redeem or repurchase the Notes (and give notice thereof to the Noteholders) in accordance with this

Condition 7, only if such redemption or repurchase is in accordance with the Applicable Banking Regulations (if applicable) and it has been granted the permission of the Competent Authority and such permission has not been revoked by the relevant date of such redemption, substitution, variation or repurchase, and in addition if:

- (i) on or before such redemption or repurchase of the Notes, the Issuer replaces the Notes with own funds instruments of an equal or higher quality on terms that are sustainable for its income capacity; or
- (ii) on or before such redemption or repurchase of the Notes, the Issuer has demonstrated to the satisfaction of the Competent Authority that its own funds and eligible liabilities would, following such redemption or repurchase, exceed the requirements under the Applicable Banking Regulations by a margin that the Competent Authority may consider necessary; or
- (iii) in the case of redemption or repurchase before five years after the Issue Date of the Notes (or if later, five years after the issue date of any further notes issued pursuant to Condition 15 (*Further Issues*)), either of the conditions listed in paragraphs (i) and (ii) above is met, and either:
 - (A) in the case of redemption due to the occurrence of a Capital 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 Capital Event was not reasonably foreseeable at the time of the issuance of the Notes; or
 - (B) in the case of redemption due to the occurrence of a taxation reason pursuant to Condition 7(b) (*Redemption for tax reasons*), the Issuer demonstrates to the satisfaction of the Competent Authority that such change in tax treatment is material and was not reasonably foreseeable at the time of issuance of the Notes; or
 - (C) before or at the same time of such redemption or repurchase, the Issuer replaces the Notes with own funds instruments of 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; and
- (iv) in the case of a redemption of the Notes pursuant to Condition 7(c), the Prevailing Principal Amount of each Note is equal to its Initial Principal Amount.

Any refusal by the Competent Authority (if required) to grant its approval or permission as described above will not constitute a default for any purpose in respect of the Notes.

In addition, if the Issuer has elected to redeem the Notes, or if the Issuer (or any other person for the Issuer's account) has entered into an agreement to purchase any Notes and:

- (v) the Solvency Condition is not satisfied in respect of the relevant payment on the date scheduled for redemption or purchase; or
- (vi) prior to the redemption or repurchase of the Notes, a Trigger Event occurs,

the relevant redemption notice or purchase agreement, as the case may be, shall be automatically rescinded and shall be of no force and effect and the Issuer shall give notice thereof to the Noteholders in accordance with Condition 16, and the Fiscal Agent, as soon as practicable.

Further, no notice of redemption shall be given in the period following the occurrence of a Trigger Event and prior to the relevant Write Down Date (and any purported such notice shall be ineffective).

8. PAYMENTS

- (a) *Principal*: Payments of principal shall be made in EUR only against presentation and (**provided that** payment is made in full) surrender of Notes at the Specified Office of any Paying Agent outside the United States by transfer to a EUR account (or other account to which EUR may be credited or transferred).
- (b) *Interest*: Payments of interest shall, subject to Condition 8(f) (*Payments other than in respect of matured Coupons*) below, be made only against presentation and (**provided that** payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in Condition 8(a) (*Principal*) above.
- (c) *Payments subject to fiscal laws*: All payments in respect of the Notes are subject in all cases to
 - (i) any applicable fiscal or other laws and regulations in the place of payment, 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. No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (d) *Unmatured Coupons*: Upon the presentation of any Note, all unmatured Coupons and unexchanged Talons (if any) relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them. Upon any Note becoming due and repayable, all unmatured Coupons and unexchanged Talons (if any) appertaining thereto will become void and no further Coupons or Talons will be issued in respect thereof.
- (e) *Payments on business days*: If the due date for payment of any amount in respect of any Note, Coupon or Talon is not a business day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding business day in such place and shall not be entitled to any further interest or other payment in respect of any such delay. In this paragraph, "**business day**" means, in respect of any place of presentation, any day on which banks are open for presentation and payment of bearer debt securities and for dealings in foreign currencies in such place of presentation and, in the case of payment by transfer to a EUR account as referred to above, any day on which T2 is open.
- (f) *Payments other than in respect of matured Coupons*: Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Notes at the Specified Office of any Paying Agent outside the United States.
- (g) *Partial payments*: If a Paying Agent makes a partial payment in respect of any Note, Coupon or Talon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and the date of such payment.

9. TAXATION

- (a) *Gross up*: All payments of principal, interest and other amounts in respect of the Notes and the Coupons by or on behalf of the Issuer shall (subject always to Conditions 3(f), 5, 6 and 7(i)) be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Republic of Poland or any political subdivision therein or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, in respect of interest (but not principal or any other amount), the

Issuer shall (subject as aforesaid) pay such additional amounts as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note, Coupon or Talon:

- (i) held by or on behalf of a holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Coupon or Talon by reason of its having some connection with the jurisdiction by which such taxes, duties, assessments or charges have been imposed, levied, collected, withheld or assessed other than the mere holding of the Note, Coupon or Talon;
 - (ii) where the relevant Note, Coupon or Talon is presented or surrendered for payment more than 30 days after the Relevant Date except to the extent that the holder of such Note, Coupon or Talon would have been entitled to such additional amounts on presenting or surrendering such Note, Coupon or Talon for payment on the last day of such period of 30 days; or
 - (iii) where such withholding or deduction is 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.
- (b) *Taxing jurisdiction:* If the Issuer becomes subject at any time to any taxing jurisdiction other than the Republic of Poland, references in these Conditions to the Republic of Poland shall be construed as references to the Republic of Poland and/or such other jurisdiction.

References in these Conditions (including, without limitation, for the purposes of cancellation pursuant to Condition 5) to interest shall be deemed to include any additional amounts which may be payable under this Condition 9.

10. ENFORCEMENT

- (a) In the event of a decision of the competent court declaring the Issuer insolvent, the liabilities under the Notes shall become immediately due and payable under the Bankruptcy Law.
- (b) In the event the liquidation of the Issuer is initiated in accordance with the Banking Law, any Noteholder should be paid by the Issuer in accordance with the relevant provisions of Polish law (in particular, subject to the notification of the claim within the time limit specified in the Code of Commercial Companies, if applicable) or liquidation procedures set out or approved by the Competent Authority. If claims are not filed within the time limit specified in the Code of Commercial Companies, the liabilities under the Notes will be subject to satisfaction from the Issuer's assets not yet distributed among the Issuer's shareholders.
- (c) For the avoidance of doubt, write-down or conversion of liabilities or any other instrument of compulsory restructuring applied to the Issuer under the BGF Act shall not give rise to the Notes becoming due and payable or to any other claim of the Noteholder against the Issuer.
- (d) For the avoidance of doubt, no amounts shall be due in respect of the Notes if payment of the same shall have been cancelled in accordance with Condition 3(f), Condition 5, Condition 6(a)(iii), Condition 6(a)(iv) and/or Condition 7(j), and accordingly non-payment of such amounts shall not constitute a default.
- (e) Any Noteholder may at its discretion institute such proceedings against the Issuer as it may think fit to enforce any obligation, condition, undertaking or provision binding on the Issuer under the Notes (other than, without prejudice to Conditions 10(a) to 10(b) any obligation for the payment of any principal or interest in respect of the Notes, including any damages for breach of obligation) **provided that** the Issuer shall not by virtue of the institution of any such proceedings be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it, except with the prior approval of the Competent Authority (if such approval is then required under the Applicable Banking Regulations).

- (f) No remedy against the Issuer, other than as provided in Conditions 10(a) to 10(b) shall be available to the Noteholders, whether for the recovery of amounts owing in respect of the Notes or in respect of any breach by the Issuer of any of its obligations or undertakings with respect to the Notes.

11. PRESCRIPTION

Claims for principal shall become void unless the relevant Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date.

12. REPLACEMENT OF NOTES, COUPONS AND TALONS

If any Note, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Fiscal Agent, subject to all applicable laws and competent authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

13. PAYING AGENTS AND CALCULATION AGENT

In acting under the Agency Agreement and in connection with the Notes and the Coupons, the Paying Agents and Calculation Agent act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders. For the avoidance of doubt, neither the Fiscal Agent, the Paying Agents, nor the Calculation Agent shall be liable to any party for, or be responsible for calculating, determining, or verifying, any Write Down Amount, Write Up Amount, interest cancellation amount, or whether a Trigger Event has occurred.

The initial Paying Agent and its initial Specified Office is listed below. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent or Calculation Agent and to appoint a successor fiscal agent or calculation agent and additional or successor paying agents or calculation agents; **provided, however, that** the Issuer shall at all times maintain a fiscal agent and a calculation agent.

Notice of any change in any of the Paying Agents or Calculation Agents or in their Specified Offices shall promptly be given to the Noteholders.

14. MEETINGS OF NOTEHOLDERS; MODIFICATION AND WAIVER

- (a) *Meetings of Noteholders:* The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer and shall be convened by it upon the request in writing of Noteholders holding not less than five per cent. of the aggregate Prevailing Principal Amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more Persons holding or representing not less than 50 per cent. of the aggregate Prevailing Principal Amount of the outstanding Notes or, at any adjourned meeting, one or more Persons being or representing Noteholders whatever the Prevailing Principal Amount of the Notes held or represented; **provided, however, that** Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which one or more Persons holding or representing not less than two-thirds or, at any adjourned meeting, one-third of the aggregate Prevailing Principal Amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not.

Any such meeting of the Noteholders may be convened at a physical location or by such other method (which may include, without limitation, a conference call or video conference).

In addition, a resolution in writing signed by or on behalf of Noteholders holding not less than 75 per cent. of the Prevailing Principal Amount of the Notes for the time being outstanding, who are entitled to receive notice of a meeting of Noteholders will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

- (b) *Modification:* The Issuer may, without the consent of any of the Noteholders or Couponholders, at any time agree with the Fiscal Agent: (A) any modification (except for any modification that relates to a Reserved Matter) of the Notes, the Coupons, the Agency Agreement or the Deed of Covenant which is not prejudicial to the interests of the Noteholders; or (B) any modification of the Notes, the Coupons, the Agency Agreement or the Deed of Covenant which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with a Mandatory Provision of Law. Any modification or waiver of these Conditions will be effected in accordance with Applicable Banking Regulations.
- (c) *Competent Authority's consent:* any amendment to these Conditions requires the prior consent of the Competent Authority to be effective.

15. FURTHER ISSUES

The Issuer may from time to time, without the consent of the Noteholders or the Couponholders but subject to any Regulatory Permission required therefor (and such Regulatory Permission not having been revoked at the relevant date of such creation and issue), create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes.

16. NOTICES

Notices to the Noteholders shall be valid if published in a leading English language daily newspaper published in London (which is expected to be the Financial Times) or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe and, if the Notes are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system by publication in a manner such that the rules of such listing authority, stock exchange and/or quotation system by which the Notes have then been admitted to listing, trading and/or quotation have been complied with. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders.

17. ROUNDING

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.) and (b) all amounts denominated in EUR used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up).

18. SUBSTITUTION AND VARIATION OF THE NOTES

If at any time a Capital Event, MREL Disqualification Event, Withholding Tax Event or Tax Event occurs and is continuing, or to ensure the effectiveness or enforceability of Condition 20 (*Acknowledgement of Bail-in and Loss Absorption Powers*), the Issuer may, subject to Condition 7(j) (*Conditions to Redemption, Substitution, Variation or Repurchase*) and the Applicable Banking Regulations (without any requirement for the consent or approval of the Noteholders) and having given not less than 15 nor more than 30 days' notice to the Fiscal Agent (in accordance with the Agency Agreement) and the Noteholders (which notice shall be irrevocable) in accordance with Condition 16, at any time either:

- (a) substitute all (but not some only) of the Notes for new subordinated notes, which are Qualifying Securities; or

- (b) vary the terms of all (but not some only) Notes so that they remain or, as appropriate, become Qualifying Securities, **provided that**, in each case:
- (i) such variation or substitution does not itself give rise to any right of the Issuer to redeem the varied or substituted securities; and
 - (ii) 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 20 (*Acknowledgement of Bail-in and Loss Absorption Powers*)); and
 - (iii) such variation or substitution is not materially less favourable to Noteholders (unless any such prejudice is solely attributable to the effectiveness and enforceability of Condition 20 (*Acknowledgement of Bail-in and Loss Absorption Powers*)).

For the avoidance of doubt, any such substitution or variation shall not be deemed to be a modification or amendment for the purposes of Condition 14 (*Meetings of Noteholders; Modification and Waiver*).

Any substitution or variation in accordance with this Condition 18 is subject to the Issuer obtaining prior written consent of the Competent Authority (if such approval is then required under the Applicable Banking Regulations) and complying with the rules of any competent authority, stock exchange and/or quotation system by or on which the Notes are, for the time being, listed, traded and/or quoted.

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

For the purpose of this Condition 18, a variation or substitution shall be "**materially less favourable to Noteholders**" if such varied or substituted securities do not:

- (i) include a ranking at least equal to that of the Notes pursuant to Condition 3 (*Status and Subordination*), as applicable;
- (ii) carry the same rate of interest as the Notes prior to the relevant substitution or variation pursuant to this Condition 18;
- (iii) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the Notes, including as to timing and amounts payable in respect of any such redemption;
- (iv) have the same currency of payment, denomination and original aggregate outstanding nominal amount as the Notes prior to such variation or substitution;
- (v) preserve any existing rights under the Notes to any accrued interest which has not been paid in respect of the period from (and including) the interest payment date last preceding the date of substitution or variation; or
- (vi) have a listing on a recognised stock exchange if the Notes were listed immediately prior to such variation or substitution; and

"**Qualifying Securities**" means securities issued by the Issuer that contain terms which:

- (i) if, immediately prior to such variation or substitution, the Notes qualify as Additional Tier 1 Capital of the Issuer and/or the Group, result in such securities being eligible to qualify towards the Issuer's and/or the Group's Additional Tier 1 Capital, or
- (ii) if, immediately prior to such variation or substitution, the Notes qualify as eligible liabilities and/or loss absorbing capacity of the Issuer and/or the Group (but not Additional Tier 1 Capital of the Issuer and/or the Group), result in such securities being

eligible to qualify towards the Issuer's and/or the Group's eligible liabilities and/or loss absorbing capacity,

in each case, for the purposes of, and in accordance with, the relevant Applicable Banking Regulations to at least the same extent as the Notes prior to the relevant Capital Event, MREL Disqualification Event, Withholding Tax Event or Tax Event.

In addition, if the Issuer has elected to substitute or vary the terms of the Notes and prior to the substitution or variation of the Notes, a Trigger Event occurs, the relevant substitution or variation notice shall be automatically rescinded and shall be of no force and effect and the Issuer shall give notice thereof to the Noteholders in accordance with Condition 16 and the Fiscal Agent, as soon as practicable. Further, no notice of substitution or variation shall be given in the period following the occurrence of a Trigger Event and prior to the relevant Write Down Date (and any purported such notice shall be ineffective).

19. GOVERNING LAW AND JURISDICTION

- (a) *Governing law:* The Notes and any non-contractual obligations arising out of or in connection with the Notes are governed by English law, except for:
 - (i) Conditions 3(b) to 3(e) (both inclusive) and 3(g); and
 - (ii) Condition 20 (*Acknowledgement of Bail-in and Loss Absorption Powers*) and Condition 21 (*Recognition of Stay Powers*), which shall be governed by Polish law.
- (b) *English courts:* The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with the Notes (including a dispute regarding any non-contractual obligation arising out of or in connection with the Notes), and accordingly each of the Issuer and the Noteholders in relation to any dispute submits to the exclusive jurisdiction of the English courts.
- (c) *Appropriate forum:* Each of the Issuer and the Noteholders agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.
- (d) *Service of process:* The Issuer irrevocably appoints Commerzbank Aktiengesellschaft at its office at 30 Gresham Street, London EC2V 7PG 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 Commerzbank Aktiengesellschaft 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. 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 (which, for the purposes of this Condition 20, includes each holder of a beneficial interest in the Notes), by its acquisition of the Notes, each Noteholder acknowledges and accepts that any liability arising under the Notes may be subject to the exercise of such Bail-in and Loss Absorption Powers as may be exercised by 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 Relevant Resolution Authority, which exercise (without limitation) may include and result in some or any of the following, or a combination thereof:
 - (i) the reduction of all, or a portion, of the Relevant Amounts in respect of the Notes;
 - (ii) the conversion of all, or a portion, of the Relevant Amounts 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 or the Relevant Amounts in respect 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 interest becomes payable, including by suspending payment for a temporary period; and
 - (v) the variation of the terms of the Notes, as deemed necessary by the Relevant Resolution Authority, to give effect to the exercise of any Bail-in and Loss Absorption Powers by the Relevant Resolution Authority.
- (b) By its acquisition 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 Paying Agent.
- (c) Upon 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 Paying 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 20, will be an event of default.

For the purposes of this Condition 20:

"Bail-in and Loss Absorption Powers" means any loss absorption, write down, conversion, transfer, modification, suspension or similar or 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 thereunder, as applicable, pursuant to which any obligation of the Issuer or any member of the Group (or any affiliate of the Issuer or any member of the Group) 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).

"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 Relevant Resolution Authority.

"Relevant Resolution Authority" means the Bank Guarantee Fund, the Single Resolution Board (SRB) established pursuant to the SRM Regulation and/or any other authority entitled to exercise or participate in the exercise of any bail-in tool from time to time.

The exercise of any Bail-in and Loss Absorption Powers by the Relevant Resolution Authority will not constitute a default for any purposes in respect of the Notes.

21. RECOGNITION OF STAY POWERS

- (a) By its subscription and/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), 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 21 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 and/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) For the purpose of these Conditions:

- (i) **"Stay Powers"** means the powers of a relevant resolution authority to suspend or restrict rights and obligations under:
 - (A) Article 33a (Power to suspend payment or delivery obligations);
 - (B) Article 69 (Power to suspend payment or delivery obligations);
 - (C) Article 70 (Power to restrict the enforcement of any security interest); and
 - (D) Article 71 (Power to temporarily suspend any termination right),

of the BRRD and any relevant implementing measures in any member state, including Articles 142 - 144a of the BGF Act;

- (ii) **"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
- (iii) **"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.

DOCUMENTS INCORPORATED BY REFERENCE

The documents set out below that are incorporated by reference in this Prospectus are, where indicated, direct translations into English from the original languages of the parties' documents. To the extent that there are any inconsistencies between the original language versions and the translations, the original language versions shall prevail. The information set out shall be deemed to be incorporated in, and to form part of, this Prospectus:

1. the sections of the Base Prospectus of the Issuer dated 7 November 2025 (the "**Base Prospectus**") relating to the Programme, entitled as set out in the table below:

	Page references (inclusive)
General Description of the Programme.....	10-13
Risk Factors	
Risks Related to the Issuer and its Group	14-25
Risks relating to macroeconomic and regulatory conditions	25-34
Risks relating to the Group and its relationship with Commerzbank and its affiliates (the Commerzbank Group)	34
Forward-Looking Statements	49
Presentation of Financial and Other Information	53-57
Form of the Notes	58-59
Selected Financial Information of the Issuer and Overview of the Group's Financial Condition	148-155
Description of the Group.....	156-189
Risk Management	190-192
Market and Legal Environment	193-202
General Information on the Bank.....	203-208
Management and Supervisory Corporate Authorities	209-221
Taxation	222-233
Subscription and Sale.....	234-239

which can be viewed online at: <https://www.mbank.pl/pdf/mzp-korporacje/relacje-inwestorskie/ratingi-instrumenty-dluzne/prospekt-emisyjny-7-11-2025.pdf>

2. the sections of the first supplement to the Base Prospectus dated 13 May 2026, entitled as set out in the table below:

	Page references (inclusive)
Ratings	4
Risk Factors	4-6
Presentation of Financial Information.....	6-7
Selected Financial Information of the Issuer and Overview of the Group's Financial Condition.....	7-14
Description of the Group.....	15-25
Market and Legal Environment	25-28
Management and Supervisory Corporate Authorities	28-29

	Page references (inclusive)
Selling restriction "Public Offer Selling Restriction Under the UK Prospectus Regulation"	29-30
which can be viewed online at: https://www.mbank.pl/pdf/msp-korporacje/relacje-inwestorskie/ratingi-instrumenty-dluzne/project-aster-supplement-master-13-05-26.pdf	
3. the reviewed condensed consolidated financial statements of the Group for the six months ended 30 June 2026 (the " H1 2026 Consolidated Financial Statements "), included in the consolidated half-year report of the Group for the six months ended 30 June 2026, which constitute a free translation from the Polish version into the English language and can be viewed online at: https://www.mbank.pl/pdf/msp-korporacje/relacje-inwestorskie/wyniki-finansowe/2026/report-h1.pdf	
(a) condensed consolidated income statement (page 7);	
(b) condensed consolidated statement of comprehensive income (page 8);	
(c) condensed consolidated statement of financial position (page 9);	
(d) condensed consolidated statement of changes in equity (pages 10-11);	
(e) condensed consolidated statement of cash flows (page 12);	
(f) explanatory notes to the consolidated financial statements (pages 13 to 67 inclusive); and	
(g) selected explanatory information (pages 68 to 80).	
4. the independent registered auditor's report on the review of the 2026 H1 Consolidated Financial Statements, which constitutes a free translation from the Polish version into the English language and can be viewed online at: https://www.mbank.pl/pdf/msp-korporacje/relacje-inwestorskie/wyniki-finansowe/2026/auditor-report-h1.pdf	
5. the audited consolidated financial statements of the Group for the year ended 31 December 2025 (the " 2025 Consolidated Financial Statements "), included in the consolidated annual report of the Group for the year ended 31 December 2025, which constitute a free translation from the Polish version into the English language and can be viewed online at: https://www.mbank.pl/pdf/relacje-inwestorskie/raport-roczny/2025/mbank-group-consolidated-ifs-financial-statements.pdf	
(a) consolidated income statement (page 5);	
(b) consolidated statement of comprehensive income (page 6);	
(c) consolidated statement of financial position (page 7);	
(d) consolidated statement of changes in equity (page 8);	
(e) consolidated statement of cash flows (page 9); and	
(f) explanatory notes to the consolidated financial statements (pages 10 to 162 inclusive).	
6. the independent registered auditor's report on the audit of the 2025 Consolidated Financial Statements, which constitutes a free translation from the Polish version into the English language and can be viewed online at: https://www.mbank.pl/pdf/relacje-inwestorskie/raport-roczny/2025/independent-auditors-report-consolidated-financial-statements.pdf	
7. the audited consolidated financial statements of the Group for the year ended 31 December 2024 (the " 2024 Consolidated Financial Statements "), included in the consolidated annual report of the Group for the year ended 31 December 2024, which constitute a free translation from the Polish version into the English language and can be viewed online at: https://www.mbank.pl/pdf/relacje-inwestorskie/rn/2025/mbank-group-consolidated-ifs-financial-statements-2024.pdf	
(a) consolidated income statement (page 5);	

- (b) consolidated statement of comprehensive income (page 6);
 - (c) consolidated statement of financial position (page 7);
 - (d) consolidated statement of changes in equity (page 8);
 - (e) consolidated statement of cash flows (page 9); and
 - (f) explanatory notes to the consolidated financial statements (pages 10 to 164 inclusive).
8. the independent registered auditor's report on the audit of the 2024 Consolidated Financial Statements, which constitutes a free translation from the Polish version into the English language and can be viewed online at: <https://www.mbank.pl/pdf/relacje-inwestorskie/rn/2025/mbank-independent-auditor-report-consolidated-2024.pdf>

Any information contained in or incorporated by reference in any of the documents specified above which is not incorporated by reference in this Prospectus is either not relevant to investors or is covered elsewhere in this Prospectus and for the avoidance of doubt, unless specifically incorporated by reference into this Prospectus, information contained on the website does not form part of this Prospectus and has not been scrutinised or approved by the CSSF. 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 Prospectus.

Following the publication of this Prospectus a supplement may be prepared by the Issuer and approved by the CSSF in accordance with Article 23 of the Prospectus Regulation, in the event of any significant new factor, material mistake or material inaccuracy relating to information included in this Prospectus which may affect the assessment of the Notes. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise) be deemed to modify or supersede statements contained in this Prospectus or in a document which is incorporated by reference in this Prospectus.

RECENT FINANCIAL PERFORMANCE

Presentation of financial information

Unless otherwise indicated, the financial information in this Prospectus relating to the Group has been derived from the 2025 Consolidated Financial Statements and the 2024 Consolidated Financial Statements and the H1 2026 Consolidated Financial Statements. Further, unless otherwise indicated, (i) information as of and for the financial year ended 31 December 2024 has been extracted from the 2025 Consolidated Financial Statements and (ii) information as of and for the first half of 2025 ended 30 June 2025 has been extracted from the H1 2026 Consolidated Financial Statements, in each case, where such information is presented for comparative purposes.

The Group's financial year ends on 31 December and references in this Prospectus to any specific year are to the 12-month period ended on 31 December of such year. The Group's annual financial statements have been prepared in accordance with IFRS as adopted by the EU. The Group's interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting.

Financial results of the Group in the first half of 2026

Income of the Group

For the first half of 2026 ended 30 June 2026, the Group's total income remained broadly stable at PLN 6,221 million, compared with PLN 6,227 million in the first half of 2025, representing a decrease of 0.1 per cent.

Net interest income amounted to PLN 4,844 million, down from PLN 5,025 million for the first half of 2025 (a decrease of 3.6 per cent.).

Interest income decreased by 5.7 per cent. to PLN 6,958 million (compared with PLN 7,380 million for the first half of 2025), reflecting the lower interest rate environment. In the period from 30 June 2025 to 30 June 2026, the Monetary Policy Council reduced the NBP reference rate by 1.5 percentage points to 3.75 per cent. Interest income from loans and advances decreased by PLN 512 million, or 9.8 per cent., to PLN 4,724 million. Interest income from investment securities increased by PLN 160 million, or 9.8 per cent., to PLN 1,801 million in the first half of 2026, reflecting higher volume of investment securities. At the same time, interest income on debt securities held for trading rose to PLN 58 million, compared with PLN 56 million in the first half of 2025. Interest expense decreased by PLN 241 million, or 10.2 per cent., to PLN 2,114 million compared with the first half of 2025. The decrease in interest costs was driven mainly by a reduction in interest expenses on derivative instruments, which more than offset the increase in interest expenses related to issued debt securities, subordinated liabilities and deposits. The Group's net interest margin for the first half of 2026 amounted to 3.5 per cent., compared with 4.3 per cent. in the first half of 2025.

The Group's net fee and commission income was PLN 1,145 million for the first half of 2026, an increase of 5.5 per cent., compared with PLN 1,085 million for the first half of 2025. Fee and commission income increased by 4.3 per cent. to PLN 1,808 million compared with the first half of 2025. The strongest growth was recorded in commissions from currency transactions, commissions for agency service regarding sale of other products of external financial entities, fees from brokerage and debt securities issuance services, credit-related fees and commissions, fees from portfolio management services and other management-related fees and commissions from bank accounts. The increase in commission income was partially offset by lower commissions for agency services related to the sale of products of external financial institutions, due to a high comparative base in the first half of 2025, which included a one-off income arising from the settlement of cooperation with UNIQA in connection with the extension of the strategic partnership with the company.

Fee and commission expense increased by PLN 15 million, or 2.3 per cent., to PLN 663 million in the first half of 2026, mainly due to higher commissions paid for the sale of products of external financial institutions.

Net trading income amounted to PLN 114 million in the first half of 2026, up by PLN 62 million or 119.2 per cent. compared with the first half of 2025. Growth was recorded in both the foreign exchange result and gains or losses from hedge accounting.

Dividend income increased from PLN 8 million in the first half of 2025 to PLN 55 million in the first half of 2026, mainly due to a dividend from Polski Standard Płatności (PSP), the operator of the BLIK mobile payment system.

Other income, including gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss and gains or losses from non-trading equity instruments and debt securities

mandatorily measured at fair value through profit or loss, in the first half of 2026 stood at PLN 78 million compared with PLN 33 million a year ago. This increase was driven by higher gains on non-trading equity instruments mandatorily measured at fair value through profit or loss.

For the first half of 2026, net other operating income (other operating income net of other operating expenses) amounted to PLN -15 million, compared with PLN 24 million in the first half of 2025. Other operating income decreased by 41.6 per cent., while other operating expenses decreased by 26.3 per cent. year-on-year.

Costs of the Group

Total overhead costs of the Group and depreciation stood at PLN 2,124 million for the first half of 2026, an increase of PLN 197 million, or 10.2 per cent., compared with the same period in 2025. Staff-related expenses amounted to PLN 958 million (+10.4 per cent. year-on-year), material costs stood at PLN 512 million (+8 per cent.) and depreciation amounted to PLN 323 million (+3.2 per cent.).

Contributions and transfers to the Bank Guarantee Fund amounted to PLN 294 million, compared with PLN 238 million in the first half of 2025 (+23.5 per cent.).

The cost-to-income ratio for the first half of 2026 was 34.1 per cent., compared with 30.9 per cent. a year earlier. The normalized cost-to-income ratio for the first half of 2026, i.e. with the costs calculated net of the contribution to the resolution fund attributable to the remaining half of the year, was 31.8 per cent., compared with 29.4 per cent. for the first half of 2025.

Net impairment losses and fair value change on loans and advances

Net impairment losses and fair value change on loans and advances of the Group (comprising impairment or reversal of impairment on financial assets not measured at fair value through profit or loss, and gains or losses on non-trading loans and advances mandatorily measured at fair value through profit or loss) amounted to PLN -240 million, compared with PLN -295 million in the first half of 2025.

Costs of legal risk related to foreign currency loans

The costs of legal risk related to foreign currency loans amounted to PLN 197 million for the first half of 2026, compared with PLN 1,205 million for the first half of 2025. These costs mainly reflected updates to parameters used in the model for calculating legal risk provisions for FX Mortgage Loans.

Profit generated by the Group

Taxes on the Group balance sheet items totalled PLN 439 million, compared with PLN 378 million in the first half of 2025.

The Group's profit before income tax amounted to PLN 3,221 million (vs. PLN 2,422 million in the first half of 2025). Income tax expense increased to PLN 1,208 million, compared with PLN 757 million in the first half of 2025.

Net profit attributable to the Owners of mBank S.A. was PLN 2,013 million, compared with PLN 1,665 million in the first half of 2025. The Group's net return on equity was 18.0 per cent. compared with 17.8 per cent. a year earlier. The Group's net return on tangible equity (ROTE) was 21.2 per cent. compared with 20.8 per cent. for the first half of 2025.

Statement of financial position items

As of 30 June 2026, the Group's gross carrying amount of loans and advances to customers stood at PLN 154.3 billion, out of which PLN 84.7 billion was to individuals, PLN 69.5 billion was to corporate entities and PLN 0.2 billion was to the public sector. It compares with PLN 136.8 billion as of 31 December 2025 (including PLN 78.5 billion to individuals, PLN 58.1 billion to corporate entities and PLN 0.1 billion to the public sector).

Amounts due to customers amounted to PLN 248.5 billion as of 30 June 2026 (including PLN 178.3 billion related to individual clients, PLN 67.2 billion related to corporate clients and PLN 3.0 billion related to the public sector) compared with PLN 229.1 billion as of 31 December 2025.

Capital ratios

As of 30 June 2026, the Group's Total Capital Ratio stood at 15.3 per cent., while the Tier 1 capital ratio and Common Equity Tier 1 (CET1) ratio were 13.6 per cent. and 12.6 per cent., respectively.

As of 30 June 2026, the Group's own funds amounted to PLN 22.2 billion, including PLN 19.7 billion of Tier 1 capital and PLN 18.2 billion of CET1 capital. Total risk exposure amount (TREA) amounted to PLN 144.8 billion. The increase of 14.1 per cent. compared with 31 December 2025 was driven mainly by growth in exposure volumes and regulatory changes related to the implementation of the Group Default Definition (GDD).

Consolidated financial data of the Group

The following tables present consolidated financial data of the Group as of and for the six-month periods ended 30 June 2026 and 30 June 2025. They were extracted from the H1 2026 Consolidated Financial Statements.

Consolidated Statement of Profit or Loss Information

	The first half of the year ended 30 June	
	2026	2025 R
	<i>(PLN millions)</i>	
Interest income	6,958	7,380
Interest expenses.....	(2,114)	(2,355)
Net interest income.....	4,844	5,025
Fee and commission income.....	1,808	1,733
Fee and commission expenses	(663)	(648)
Net fee and commission income	1,145	1,085
Dividend income	55	8
Net trading income	114	52
Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss	91	17
Gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss	(21)	8
Other operating income	125	214
Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss	(232)	(287)
Costs of legal risk related to foreign currency loans	(197)	(1,205)
Overhead costs	(1,801)	(1,614)
Depreciation	(323)	(313)
Other operating expenses.....	(140)	(190)
Operating profit.....	3,660	2,800
Taxes on the Group balance sheet items	(439)	(378)
Profit before income tax	3,221	2,422
Income tax expense	(1,208)	(757)
Net profit	2,013	1,665
Net profit attributable to:		
Owners of mBank S.A.....	2,013	1,665
Non-controlling interests	-	-

R – restated. Comparative data for H1 2025 were restated to reflect a change in the presentation of swap points arising from FX Swap transactions with non-bank clients classified in the trading book. Such revenues and costs, previously recognised in Net interest income, are now presented in Net trading income. The presentation of swap points from derivative instruments classified in the banking book remained unchanged.

Source: H1 2026 Condensed Consolidated Financial Statements (unaudited).

Consolidated Statements of Comprehensive Income Information

	The first half of the year ended 30 June	
	2026	2025
	<i>(PLN millions)</i>	
Net profit / (loss)	2,013	1,665
Other comprehensive income net of tax, including:	11	141
Items that may be reclassified subsequently to the income statement	10	152
Exchange differences on translation of foreign operations (net)	2	4
Cash flow hedges (net)	3	75
Cost of hedge (net)	-	(2)
Change in valuation of debt instruments at fair value through other comprehensive income (.....	5	75
Items that will not be reclassified to the income statement	1	(11)
Actuarial gains and losses relating to post-employment benefits (net).....	1	-
Sale of investment properties (net)	-	(11)
Total comprehensive income (net).....	2,024	1,806
Total comprehensive income (net), attributable to:		
Owners of mBank S.A.....	2,024	1,806

The first half of the year ended 30 June		
	2026	2025
	(PLN millions)	
Non-controlling interests	-	-

Source: H1 2026 Condensed Consolidated Financial Statements (unaudited).

Consolidated Statements of Financial Position Information

	As of 30 June 2026 (PLN millions)	As of 31 December 2025 (PLN millions)
ASSETS		
Cash and cash equivalents	18,277	40,481
Financial assets held for trading and hedging derivatives	4,126	4,280
Non-trading financial assets mandatorily at fair value through profit or loss, including:	828	779
Equity instruments	475	376
Debt securities	12	12
Loans and advances to customers	341	391
Financial assets at fair value through other comprehensive income	41,968	33,807
Financial assets at amortised cost, including:	231,416	193,254
Debt securities	59,264	47,235
Loans and advances to banks	21,718	13,193
Loans and advances to customers	150,434	132,826
Fair value changes of the hedged items in portfolio hedge of interest rate risk	3	8
Non-current assets and disposal groups classified as held for sale	-	11
Intangible assets	2,398	2,249
Tangible assets	1,352	1,424
Investment properties	-	-
Current income tax assets	28	71
Deferred income tax assets	852	1,214
Other assets	3,154	2,675
Total assets	304,402	280,253
LIABILITIES & EQUITY		
Financial liabilities held for trading and hedging derivatives	1,508	1,456
Financial liabilities measured at amortised cost, including:	270,349	249,247
Amounts due to banks	2,744	2,434
Amounts due to customers	248,487	229,145
Lease liabilities	623	653
Debt securities issued	15,001	13,611
Subordinated liabilities	3,494	3,404
Fair value changes of the hedged items in portfolio hedge of interest rate risk	145	306
Liabilities included in disposal groups classified as held for sale	-	1
Provisions	1,661	2,029
Current income tax liabilities	369	114
Deferred income tax liabilities	-	-
Other liabilities	7,010	5,691
Total liabilities	281,042	258,844
Equity attributable to Owners of mBank S.A.	21,860	19,909
Additional equity components	1,500	1,500
Non-controlling interests	-	-
Total equity	23,360	21,409
Total liabilities and equity	304,402	280,253

Source: H1 2026 Condensed Consolidated Financial Statements (unaudited).

Items from Consolidated Cash Flow Statements

The first half of the year ended 30 June		
	2026	2025 R
	(PLN millions)	
Cash and cash equivalents at the beginning of the reporting period	40,481	36,681
Cash flows from operating activities	(22,507)	(15,625)
Cash flows from investing activities	(380)	(214)
Cash flows from financing activities	671	(33)
Effects of exchange rate changes on cash and cash equivalents	12	(12)
Cash and cash equivalents at the end of the reporting period	18,277	20,797
Net increase/decrease in cash and cash equivalents	(22,216)	(15,872)

R – restated. Comparative data for H1 2025 were restated to reflect a change in the presentation of swap points arising from FX Swap transactions with non-bank clients classified in the trading book. Such revenues and costs, previously recognised in Net interest income, are now presented in Net trading income. The presentation of swap points from derivative instruments classified in the banking book remained unchanged.

Source: H1 2026 Condensed Consolidated Financial Statements (unaudited).

Key Financial Ratios

The table below presents selected financial ratios for the Group (except LCR and NSFR, which are presented for the Bank) as of the dates and for the periods indicated below.

	As of and for the first half of the year ended 30 June	
	2026	2025
	<i>(per cent.)</i>	
ROE gross	28.8	25.9
ROE net.....	18.0	17.8
ROTE	21.2	20.8
ROA net.....	1.39	1.36
Cost to income ratio (C/I)	34.1	30.9
Net interest margin (NIM)	3.49	4.25
Non-performing loans ratio (NPL ratio)	3.1	3.5
NPL ratio – corporate portfolio.....	3.8	3.8
NPL ratio – retail portfolio	2.9	3.5
NPL ratio of mortgage loan portfolio to private individuals (Poland).....	1.2	1.4
NPL ratio of mortgage loan portfolio in PLN to private individuals (Poland)	0.99	1.11
NPL Coverage ratio	49.9	52.3
NPL Coverage ratio including provisions for performing loans	74.4	74.4
Cost of risk	0.34	0.46
Loan-to-deposit ratio	60.7	64.7
Equity to assets.....	7.7	7.6
Liquidity Coverage Ratio (LCR) ¹	218	222
Net Stable Funding Ratio (NSFR) ²	163	155

¹ Liquidity Coverage Ratio (LCR) – a relation of liquid assets of the liquidity buffer to the expected net outflows within 30 calendar days.

² Net Stable Funding Ratio (NSFR) – a relation of own funds and stable liabilities ensuring stable financing to illiquid assets and receivables requiring stable financing.

CAPITAL ADEQUACY AND DISTRIBUTABLE ITEMS

The information provided in the tables below does not take into account the issuance of the Notes and any accrued tax.

Capital adequacy of the Group (consolidated basis)

The following table sets forth details of the risk exposure amount and capital ratios of the Group:

	As of 30 June 2026	As of 31 December 2025 R	As of 31 December 2024 R
	<i>(PLN millions except percentages)</i>		
Common equity tier 1 capital ratio (%)	12.6%	14.2%	14.2%
Tier 1 capital ratio (%)	13.6%	15.4%	15.7%
Total capital ratio (%)	15.3%	17.4%	17.0%
Total risk exposure amount (RWA)	144,809	126,885	102,430

R – restated. The restatements of the originally reported figures reflect the retrospective recognition of net profit for the fourth quarters of 2024 and 2025.

The table below sets forth the distance to Trigger Event of the Group:

	As of 30 June 2026	As of 31 December 2025 R	As of 31 December 2024 R
	<i>(in PLN millions)</i>		
Distance to Trigger Event ¹	10,819	11,515	9,340

R – restated. The restatements of the originally reported figures reflect the retrospective recognition of net profit for the fourth quarters of 2024 and 2025.

Capital adequacy of the Issuer (non-consolidated basis)

The following table sets forth details of the risk exposure amount and capital ratios of the Issuer:

	As of 30 June 2026	As of 31 December 2025 R	As of 31 December 2024 R
	<i>(PLN millions except percentages)</i>		
Common equity tier 1 capital ratio (%)	14.9%	16.8%	16.3%
Tier 1 capital ratio (%)	16.1%	18.2%	18.0%
Total capital ratio (%)	18.0%	20.6%	19.5%
Total risk exposure amount (RWA)	124,786	108,463	90,267

R – restated. The restatements of the originally reported figures reflect the retrospective recognition of net profit for the fourth quarters of 2024 and 2025.

The table below sets forth the distance to Trigger Event of the Issuer:

	As of 30 June 2026	As of 31 December 2025 R	As of 31 December 2024 R
	<i>(in PLN millions)</i>		
Distance to Trigger Event ²	12,137	12,714	10,111

R – restated. The restatements of the originally reported figures reflect the retrospective recognition of net profit for the fourth quarters of 2024 and 2025.

¹ The distance to Trigger Event reflects as of 30 June 2026, 31 December 2025 and 31 December 2024 the amount of common equity tier 1 capital of the Group above the Trigger Event level applicable to the Notes (being a CET1 capital ratio of less than 5.125 per cent.) which is decreased in line with the dividend policy (if not yet decided for the period) or actual dividend (if paid for the period).

² The distance to Trigger Event reflects as of 30 June 2026, 31 December 2025 and 31 December 2024 the amount of common equity tier 1 capital of the Issuer above the Trigger Event level applicable to the Notes (being a CET1 capital ratio of less than 5.125 per cent.) which is decreased in line with the dividend policy (if not yet decided for the period) or actual dividend (if paid for the period).

Maximum Distributable Amount of the Group

The table below sets forth the distance to Maximum Distributable Amount of the Group:

	As of 30 June 2026	As of 31 December 2025 R	As of 31 December 2024 R
		(in PLN millions)	
Distance to Maximum Distributable Amount ³	4,760	6,800	6,089

R – based on the restated CET1 ratio

Maximum Distributable Amount of the Issuer

The table below sets forth the distance to Maximum Distributable Amount of the Issuer:

	As of 30 June 2026	As of 31 December 2025 R	As of 31 December 2024 R
		(in PLN millions)	
Distance to Maximum Distributable Amount ⁴	7,458	8,905	7,430

R – based on the restated CET1 ratio

Distributable Items of the Issuer

The table below sets forth the Distributable Items of the Issuer:

	As of 31 December 2025	As of 31 December 2024
	(in PLN millions)	
Distributable Items ⁵	15,070	11,668

³ The distance to Maximum Distributable Amount reflects as of 30 June 2026, 31 December 2025 and 31 December 2024 the amount of common equity tier 1 capital above the required amount of common equity tier 1 capital before the application of any Maximum Distributable Amount restrictions to the Group which is decreased in line with the dividend policy (if not yet decided for the period) or actual dividend (if paid for the period).

⁴ The distance to Maximum Distributable Amount reflects as of 30 June 2026, 31 December 2025 and 31 December 2024 the amount of common equity tier 1 capital above the required amount of common equity tier 1 capital before the application of any Maximum Distributable Amount restrictions to the Issuer which is decreased in line with the dividend policy (if not yet decided for the period) or actual dividend (if paid for the period).

⁵ The Distributable Items of the Issuer as of 31 December 2025 and 31 December 2024 reflect the amount of the Issuer's retained earnings available for distribution which is decreased in line with the dividend policy (if not yet decided for the period) or actual dividend (if paid for the period).

GENERAL INFORMATION

Authorisation

The creation and issue of the Notes has been authorised by a resolution of the Management Board of the Issuer dated 28 July 2026 and a resolution of the Supervisory Board of the Issuer dated 17 September 2026.

Listing and Admission to Trading

Application has been made to the Luxembourg Stock Exchange for the Notes 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. The estimated total expenses related to the admission to trading are EUR 10,650.

Legal and Arbitration Proceedings

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened, of which the Issuer is aware), which may have, or have had during the 12 months prior to the date of this Prospectus, a significant effect on the financial position or profitability of the Issuer and the Group.

Significant/Material Change

Since 30 June 2026, there has been no material adverse change in the prospects of the Issuer or the Group. Since 31 December 2025, there has been no significant change in the financial position or financial performance of the Issuer or the Group.

Auditor

KPMG Audyt spółka z ograniczoną odpowiedzialnością spółka komandytowa ("**KPMG**"), 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 2025 Consolidated Financial Statements and the 2024 Consolidated Financial Statements and issued an unmodified auditor's report from the audit thereof. On behalf of KPMG Audyt spółka z ograniczoną odpowiedzialnością sp. k., the 2025 Consolidated Financial Statements and the 2024 Consolidated Financial Statements were audited by Marcin Podsiadły (certified auditor, licence No. 12774).

KPMG has reviewed the H1 2026 Consolidated Financial Statements and issued a review report. On behalf of KPMG the H1 2026 Consolidated Financial Statements were reviewed by Marcin Podsiadły (certified auditor, licence No. 12774).

Documents available

Copies of the following documents (together with English translations thereof) may be inspected during normal business hours at the offices of the Paying Agent at 2, Boulevard Konrad Adenauer, 1115 Luxembourg, Luxembourg for so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange:

- (a) the constitutional documents (with an English translation thereof) of the Issuer;
- (b) a copy of this Prospectus and the Base Prospectus;
- (c) the Agency Agreement; and
- (d) the Deed of Covenant.

For at least ten years from the date of this Prospectus, this Prospectus, constitutional documents (with an English translation thereof) of the Issuer, and a copy of any document containing the information incorporated by reference in this Prospectus can be obtained from the Issuer's website at <https://www.mbank.pl/en/investor-relations/>. For the avoidance of doubt, unless specifically incorporated by reference into this Prospectus, information contained on the Issuer's website does not form part of this Prospectus.

Material Contracts

No contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Issuer that are, or may be, material or contain provisions under which the Issuer or any of its subsidiaries has an obligation or entitlement which is, or may be, material to the ability of the Issuer to meet its obligations in respect of the Notes.

Yield

There is no explicit yield to maturity. The Notes do not carry a fixed date for redemption and the Issuer may not, and under certain circumstances is not permitted to, make payments on the Notes at the full stated rate. The interest rate is also subject to periodic resetting.

For information purposes only, on the basis of the issue price of the Notes of 100.00 per cent. of their principal amount, the yield of the Notes up to (but excluding) the First Reset Date is 6.625 per cent. per annum on a semi-annual basis (assuming no Write Down and no cancellation of interest during such period). The yield is calculated as at the Issue Date on the basis of the issue price. It is not an indication of future yield.

Legend Concerning U.S. Persons

The Notes and any Coupons and Talons appertaining thereto will bear a legend to the following effect: "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".

ISIN and Common Code

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The ISIN is XS3516310151 and the common code is 351631015.

The Financial Instrument Short Name (FISN) code is MBANK SA/6.735 MTN PERP JR SUB REGS, as set out on the website of the Association of National Numbering Agencies (ANNA), as updated, or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN.

The address of Euroclear is 1, boulevard du Roi Albert II, 1210 Brussels, Belgium. The address of Clearstream is 42, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.

The Legal Entity Identifier

The Legal Entity Identifier (LEI) code of the Issuer is 259400DZXF7UJJK2AY35.

Joint Bookrunners Transacting with the Issuer

Certain of the Joint Bookrunners 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.

In addition, in the ordinary course of their business activities, the Joint Bookrunners 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. Certain of the Joint Bookrunners 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 Joint Bookrunners 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 Notes issued under the Programme. The Joint Bookrunners 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

SUBSCRIPTION AND SALE

None of the Issuer and the Joint Bookrunners represents that the 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. The Issuer intends to offer the Notes through the Joint Bookrunners named below. Subject to the terms and conditions stated in a subscription agreement dated on or about 25 September 2026 (the “**Subscription Agreement**”), among the Joint Bookrunners and the Issuer, each of the Joint Bookrunners has severally agreed to purchase, and the Issuer has agreed to sell to each of the Joint Bookrunners, the principal amount of the Notes set forth opposite each Joint Bookrunner’s name below.

Joint Bookrunners	Principal Amount of Notes (EUR)
Commerzbank AG.....	50,000,000
Erste Group Bank AG	50,000,000
Goldman Sachs Bank Europe SE	50,000,000
J.P. Morgan SE.....	50,000,000
UBS Europe SE.....	50,000,000
Total	250,000,000

The Subscription Agreement provides that the obligations of the Joint Bookrunners to purchase the Notes are subject to approval of legal matters by counsel and to other conditions. The Joint Bookrunners must purchase all the Notes if they purchase any of the Notes. The offering of the Notes by the Joint Bookrunners is subject to receipt and acceptance and subject to the Joint Bookrunners’ right to reject any order in whole or in part.

See also "**Subscription and Sale**" in the Base Prospectus.

REGISTERED OFFICE OF THE ISSUER

mBank S.A.
ul. Prosta 18
00-850 Warsaw
Poland

ARRANGER

Commerzbank Aktiengesellschaft
Kaiserstraße 16 (Kaiserplatz)
60311 Frankfurt am Main
Germany

JOINT BOOKRUNNERS

Commerzbank Aktiengesellschaft
Kaiserstraße 16 (Kaiserplatz)
60311 Frankfurt am Main
Germany

Erste Group Bank AG
Am Belvedere 1
1100 Vienna
Austria

Goldman Sachs Bank Europe SE
Marienturm Taunusanlage 9-10
60329 Frankfurt am Main
Germany

J.P. Morgan SE
Taunustor 1
60310 Frankfurt am Main
Germany

UBS Europe SE
Bockenheimer Landstraße 2-4
60306 Frankfurt am Main
Germany

ISSUING AND PRINCIPAL PAYING AGENT

Deutsche Bank Aktiengesellschaft
Trust & Security Services
Taunusanlage 12
60325 Frankfurt am Main
Germany

LISTING AGENT

Deutsche Bank Luxembourg S.A.
2, Boulevard Konrad Adenauer
1115 Luxembourg
Grand Duchy of Luxembourg

LEGAL ADVISERS

To the Issuer

as to English law:

Allen Overy Shearman Sterling LLP
One Bishops Square
London E1 6AD
United Kingdom

as to Polish law:

**Allen Overy Shearman Sterling,
A. Pędzich sp.k.**
ul. Grzybowska 56
00-844 Warsaw
Poland

*To the Arranger
and the Joint Bookrunners*

as to English law:

White & Case LLP
5 Old Broad Street
London EC2N 1DW
United Kingdom

as to Polish law:

**White & Case M. Studniarek i Wspólnicy
– Kancelaria Prawna sp.k.**
al. Jana Pawła II 22
00-133 Warsaw
Poland

AUDITOR TO THE ISSUER

KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.
ul. Inflancka 4a
00-189 Warsaw
Poland