

## FIRST SUPPLEMENT DATED 24 FEBRUARY 2021 TO THE BASE PROSPECTUS DATED 21 AUGUST 2020



Bank Hipoteczny

PKO Bank Hipoteczny Spółka Akcyjna

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

EUR 4,000,000,000

**Programme for the issuance of the Covered Bonds (*hipoteczne listy zastawne*)**

This supplement (the “**Supplement**”) constitutes the first supplement to the Base Prospectus dated 21 August 2020 (the “**Base Prospectus**”) and must be read in conjunction with the Base Prospectus prepared by PKO Bank Hipoteczny S.A. (the “**Issuer**” or the “**Bank**”) regarding the EUR 4,000,000,000 Programme for the issuance of the Covered Bonds (*hipoteczne listy zastawne*) (the “**Programme**”). This Supplement has been drawn up in accordance with Art. 23.1 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”).

All capitalised terms used but not otherwise defined shall have the meanings ascribed to them in the Base Prospectus.

The Bank accepts responsibility for the information contained or incorporated by reference in this Supplement. To the best of the Bank’s knowledge (having taken reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and contains no omission likely to affect its meaning. This Supplement has been approved by the Commission de Surveillance du Secteur Financier (the “**CSSF**”) of the Grand Duchy of Luxembourg as the competent authority under the Luxembourg Act dated 16 July 2019 on Prospectuses for Securities (*loi relative aux prospectus pour valeurs mobilières*) and for the purposes of the Prospectus Regulation.

Information contained in this Supplement updates and/or revises comparable information contained in the Base Prospectus. To the extent that there is any inconsistency between: (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement; and (b) any other statement in or incorporated by reference in the Base Prospectus, the statement indicated in (a) above will prevail.

Except as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus since the publication of the Base Prospectus.

This Supplement will be published in electronic form on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu), will be available free of charge at the specified offices of the Bank and will be published in electronic form on the website of the Bank at [www.pkobh.pl](http://www.pkobh.pl).

### AMENDMENTS TO THE BASE PROSPECTUS

#### *Front cover page*

On the front cover page of the Base Prospectus, the paragraph starting with “Interest amounts payable under the Floating Rate Covered Bonds” shall read as follows:

“Interest amounts payable under the Floating Rate Covered Bonds may be calculated by reference to EURIBOR, LIBOR, WIBOR, SONIA or SOFR as specified in the relevant Final Terms. As at the date of this Base Prospectus, SONIA and SOFR do not fall within the scope of Regulation (EU) 2016/1011 (the “**Benchmark Regulation**”). As of the date of the Base Prospectus, the administrators of EURIBOR and WIBOR are included in the ESMA’s register of administrators under Art. 36 of the Benchmark Regulation. As at the date of this Base Prospectus, the transitional provisions of Art. 51 of the Benchmarks Regulation apply; therefore the administrator of LIBOR, i.e., ICE Benchmark Administration Limited, is currently not required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence). As at the date of this Base Prospectus, the administrator of LIBOR is not included in the ESMA’s register of administrators under Art. 36 of the Benchmark Regulation. The regulatory status of any administrator under the Benchmark Regulation is a matter of public record and, save as required by the applicable law, the Bank does not intend to provide any updates or prepare any supplement to reflect any changes in the regulatory status of any administrator.”

***Risk factors – The Bank’s operations might be affected by the COVID-19 outbreak***

On page 9 of the Base Prospectus, the fifth and sixth paragraphs shall read as follows:

“The Bank’s costs resulting from allowances for expected credit losses amounted to PLN 35.7 million in 2020.

In connection with the continuing COVID-19 pandemic and its negative impact on the financial standing of the Bank’s customers, the Bank expects that the quality of the loan portfolio in consecutive reporting periods will deteriorate. Despite not having full knowledge about the impact of the pandemic on the economy, the Bank accounted for an additional allowance for the impact of COVID-19 on the forecast deterioration in the value of the credit portfolio. The COVID-19 pandemic does not affect the going concern assumption.”

***Risk factors – Future unavailability or discontinuance of LIBOR, EURIBOR or WIBOR may adversely affect the value of Floating Rate Covered Bonds which reference, respectively, LIBOR, EURIBOR or WIBOR***

On page 17 of the Base Prospectus, the third paragraph of the risk factor entitled “*Future unavailability or discontinuance of LIBOR, EURIBOR or WIBOR may adversely affect the value of Floating Rate Covered Bonds which reference, respectively, LIBOR, EURIBOR or WIBOR*” shall read as follows:

“According to the Benchmark Regulation, subject to a transitional period, a supervised entity (such as the Bank) may use a benchmark in the EU if it is developed by an administrator established or resident in the EU and entered in a register kept by the ESMA. WIBOR is a key benchmark since the entry into force of Commission Implementing Regulation (EU) 2019/482, i.e., since 26 March 2019. Key benchmarks may be used by supervised entities during a transitional period, until 31 December 2021, or until the date of authorisation or refusal to authorise or register the entity developing the benchmark as the benchmark manager. On 16 December 2020, the KNF authorised GPW Benchmark S.A. to operate as an administrator of WIBOR.”

***Documents incorporated by reference***

On 17 February 2021, the Bank published the financial statements for the period from 1 January to 31 December 2020. In connection with the publication of the financial statements, the following section shall be added on page 20 of the Base Prospectus:

- “(i) the English translation of the audited financial statements of the Bank for the year ended 31 December 2020 ([https://www.pkobh.pl/media\\_files/5d148178-7094-445a-91da-ab5c47365a96.xhtml](https://www.pkobh.pl/media_files/5d148178-7094-445a-91da-ab5c47365a96.xhtml)):
- (i) income statement:  
[https://www.pkobh.pl/media\\_files/5d148178-7094-445a-91da-ab5c47365a96.xhtml#\\_Toc473634206](https://www.pkobh.pl/media_files/5d148178-7094-445a-91da-ab5c47365a96.xhtml#_Toc473634206)
  - (ii) statement of comprehensive income:  
[https://www.pkobh.pl/media\\_files/5d148178-7094-445a-91da-ab5c47365a96.xhtml#\\_Toc473634207](https://www.pkobh.pl/media_files/5d148178-7094-445a-91da-ab5c47365a96.xhtml#_Toc473634207)
  - (iii) statement of financial position:  
[https://www.pkobh.pl/media\\_files/5d148178-7094-445a-91da-ab5c47365a96.xhtml#\\_Toc473634208](https://www.pkobh.pl/media_files/5d148178-7094-445a-91da-ab5c47365a96.xhtml#_Toc473634208)
  - (iv) statement of changes in equity:  
[https://www.pkobh.pl/media\\_files/5d148178-7094-445a-91da-ab5c47365a96.xhtml#\\_Toc473634209](https://www.pkobh.pl/media_files/5d148178-7094-445a-91da-ab5c47365a96.xhtml#_Toc473634209)
  - (v) statement of cash flows:  
[https://www.pkobh.pl/media\\_files/5d148178-7094-445a-91da-ab5c47365a96.xhtml#\\_Toc473634210](https://www.pkobh.pl/media_files/5d148178-7094-445a-91da-ab5c47365a96.xhtml#_Toc473634210)
  - (vi) notes to the financial statements:  
from: [https://www.pkobh.pl/media\\_files/5d148178-7094-445a-91da-ab5c47365a96.xhtml#\\_Toc63762795](https://www.pkobh.pl/media_files/5d148178-7094-445a-91da-ab5c47365a96.xhtml#_Toc63762795)  
to: [https://www.pkobh.pl/media\\_files/5d148178-7094-445a-91da-ab5c47365a96.xhtml#\\_Toc63762917](https://www.pkobh.pl/media_files/5d148178-7094-445a-91da-ab5c47365a96.xhtml#_Toc63762917)
- (j) the English translation of the audit report prepared in connection with the audited financial statements of the Bank for the year ended 31 December 2020 ([https://www.pkobh.pl/media\\_files/9e02a7c2-0682-4e59-b9eb-33828a0b3b06.xhtml](https://www.pkobh.pl/media_files/9e02a7c2-0682-4e59-b9eb-33828a0b3b06.xhtml)).”

### **General Information – Significant or Material Change**

The sentence included in subsection “General Information – Significant or Material Change” on page 106 of the Base Prospectus shall read as follows:

“There has been no significant change in the financial position of the Bank since 31 December 2020 and there has been no material adverse change in the financial performance and position or prospects of the Bank since 31 December 2020.”

### **Management of the Bank – Management of Board**

Since Daniel Goska has replaced Agnieszka Krawczyk as a Vice-President of the Management Board and Agnieszka Krawczyk resigned from the Management Board, on page 71 of the Base Prospectus, the section entitled “Management Board” shall read as follows:

“The Management Board manages the activities of the Bank, acts on the Bank's behalf and makes decisions in all matters regarding the Bank which are not reserved for the General Meeting or the Supervisory Board. The Management Board is also responsible for making all decisions concerning issuances of covered bonds by the Bank. The operations of the Management Board are further regulated by the Management Board's by-laws.

The Management Board consists of at least three members who are appointed and dismissed by the Supervisory Board. The members of the Management Board are appointed for a joint four-year term. There are no restrictions on reappointment of members of the Management Board. As at the date of this Base Prospectus, the members of the Management Board are:

<u>Name</u>	<u>Year of birth</u>	<u>Position</u>	<u>Commencement of membership on the Management Board</u>	<u>Commencement of current term of office</u>	<u>Date of expiration of current term of office*</u>
Paulina Strugała	1970	President of the Management Board	16 April 2018	30 March 2019	30 June 2023
Daniel Goska	1983	Vice-President of the Management Board	1 October 2020	30 March 2019	30 June 2023
Piotr Kochanek	1980	Vice-President of the Management Board	1 January 2019	30 March 2019	30 June 2023

\* The term of office covers three full consecutive financial years; the term of office of the Management Board members expires on the date of the General Meeting approving the financial report for the third full financial year of the term of office of the Management Board.

To the best of the Bank's knowledge, there are no potential conflicts of interest between the duties owed by the members of the Management Board with respect to the Bank and their private interests or other duties.

To the best of the Bank's knowledge, members of the Management Board of the Bank do not perform any principal activities outside of the Bank other than those disclosed below.”

### **Management of the Bank – Management of Board**

On page 72 of the Base Prospectus, in the section entitled “Management Board”, the biography of Agnieszka Krawczyk shall be replaced by the biography of Daniel Goska, which shall read as follows:

“Mr Daniel Goska is a graduate of the Faculty of Computer Science and Management of the Wrocław University of Science and Technology. He began his professional career in 2008 at PricewaterhouseCoopers, working in a team specialising in auditing financial institutions including banks, insurance companies, asset managers and leasing companies. In 2010-2016, he worked at PwC Polska providing advisory services for financial institutions and enterprises, including in the areas of finance, accounting and risk management. Since 2016, he has been associated with the Bank, where he has audits, being responsible for, among others, strategic and financial planning, development of the management information system and relations with rating agencies.

Daniel Goska is the Chairman of the Finance and Risk Team of the Covered Bonds Committee of the Polish Bank Association.”

### ***Auditors***

On page 106 of the Base Prospectus, in the section entitled “*Auditors*”, after the last paragraph an additional paragraph reading as follows shall be added:

“The Bank's financial statements for the financial year ended 31 December 2020, prepared in accordance with International Financial Reporting Standards as adopted by the European Union have been audited by Agnieszka Accordi, certified auditor, member of the National Chamber of Certified Auditors, licence no. 11665, acting on behalf of PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt spółka komandytowa, an entity authorised to audit financial statements entered on the list kept by the National Chamber of Certified Auditors under no. 144 and PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt spółka komandytowa issued an unqualified audit report on such financial statements of the Bank.”

### ***Global amendment reflecting the change of the Bank's registered office address***

All references to the Bank's registered office address in the Base Prospectus shall be changed from “ul. Jerzego Waszyngtona 17, 81-342 Gdynia, Poland” to “ul. Puławska 15, 02-515 Warsaw, Poland” (the front cover page, pages 24, 31, 62, 71 and the back cover page).

All references in the Base Prospectus to the court maintaining the register of entrepreneurs relevant for the Bank shall be changed from “the District Court for Gdańsk-Północ in Gdańsk, VIII Commercial Division of the National Court Register” to “the District Court for the Capital City of Warsaw in Warsaw, 13<sup>th</sup> Commercial Division of the National Court Register” (pages 24 and 62).