

Warsaw, December 3, 2021

### **Current Report No. 39/2021**

**Subject: Letter from the Bank Guarantee Fund regarding the minimum requirement for own funds and eligible liabilities (MREL) for Capital Group of Bank Handlowy w Warszawie S.A.**

**Legal basis:** Art. 17 of the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (MAR).

The Management Board of Bank Handlowy w Warszawie S.A. ("the Bank"), announces that on December 3, 2021 the Bank received a letter from the Bank Guarantee Fund ("BFG") on the minimum requirement for own funds and eligible liabilities ("MREL").

The MREL requirement for the total risk exposure amount TREA for the Bank, based on consolidated data, was set at 15.36% TREA, and should be met by own funds and eligible liabilities that meet the subordination requirement by 31 December 2023. MREL requirement TEM for the Bank, based on consolidated data, was set at 5.91% of the total exposure measure (TEM), and should be met by own funds and eligible liabilities that meet the subordination requirement at 5.87% TEM by 31 December 2023.

The BFG defined the mid-term targets that the Bank should meet by the end of each calendar year, in the period of reaching the target MREL level.

These targets in relation to TREA are respectively 11.68% by 31 December 2021 and 13.52% by 31 December 2022. The mid-term targets for TEM are 3% by 31 December 2021 and 4,46% by 31 December 2022.

At the same time, pursuant to Art. 19 par. 2, par. 3, Art. 21 par. 3, par. 3, Art. 42 point 3 and Art. 48 (3) of the Act on macroprudential supervision, instruments of Tier I capital (CET1) maintained by the Bank for the purposes of the combined buffer requirement cannot be included in the MREL requirement expressed as a percentage of the total risk exposure amount (MREL TREA).