

**BASE PROSPECTUS****365.BANK, A. S.***(incorporated as a joint stock company under the laws of the Slovak Republic)***EUR 3,000,000,000****Covered Bonds Issuance Programme**

365.bank, a. s., with its registered seat at Dvořákovo nábrežie 4, 811 02 Bratislava, Slovak Republic, Identification No.: 31 340 890, registered in the Commercial Register of the District Court Bratislava I, Section: Sa, File No. 501/B, LEI: 315700PLTAXHBH5J02, BIC: POBNSKBAXXX (the **Issuer**) has established a covered bonds issuance programme of up to EUR 3,000,000,000 (the **Programme**), under which it may continuously or repeatedly issue covered bonds (in Slovak: *kryté dlhopisy*) (the **Bonds**). The aggregate principal amount of all outstanding Bonds issued under the Programme shall not at any time exceed EUR 3,000,000,000.

The Issuer shall issue the Bonds as book-entry securities in bearer form under the laws of the Slovak Republic, in particular under Act No. 530/1990 Coll. on Bonds, as amended (the **Bonds Act**), Act No. 566/2001 Coll. on Securities and Investment Services, Amending and Supplementing Certain Acts, as amended (the **Securities Act**) and under Act No. 483/2001 Coll. on Banks, Amending and Supplementing Certain Acts, as amended (the **Act on Banks**).

This document constitutes a base prospectus (the **Base Prospectus**) for the Bonds to be issued under the Programme pursuant to Article 8 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the **Prospectus Regulation**), pursuant to Commission Delegated Regulation (EU) 2019/979 and pursuant to Article 25 and Annexes 7 and 15 of Commission Delegated Regulation (EU) 2019/980 (the **Prospectus DR**).

This Base Prospectus was approved on 29 March 2022 by the National Bank of Slovakia (NBS), the competent authority of the Slovak Republic for the purposes of the Prospectus Regulation. The Base Prospectus will not be registered, authorised or approved by any authority of another state, except that the Issuer will request the NBS to notify the approval of the Base Prospectus pursuant to Art. 25 Prospectus Regulation to the *Commission de Surveillance du Secteur Financier, Luxembourg* (the **CSSF**) as the competent authority of the Grand Duchy of Luxembourg under the Prospectus Regulation. The Issuer may request the NBS to provide competent authorities in additional host member states within the European Economic Area (the **EEA**) with such notification, in each case, for the purpose of admitting the Programme or Bonds for trading on a regulated market in the Grand Duchy of Luxembourg or in a Member State other than the Slovak Republic. The Issuer may submit such a request also after the Base Prospectus has been approved. **NBS only approved this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval by NBS should not be considered as an endorsement of the Issuer or an endorsement of the quality of the Bonds that are the subject of this Base Prospectus.**

The validity of this Base Prospectus expires on 29 March 2023 in relation to Bonds which are to be admitted to trading on a regulated market in the EEA. The obligation to supplement the Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when the Base Prospectus is no longer valid. Anytime during the validity of the Base Prospectus, a supplement to the Base Prospectus in accordance with Art. 23 of the Prospectus Regulation (the **Supplement**) may be prepared in relation to the updating of the Base Prospectus and submitted to NBS for approval. Once approved, the Supplement shall be published according to the Prospectus Regulation.

The Issuer shall prepare and publish the final terms for each tranche of the Bonds under the Programme (the **Final Terms**). The Final Terms will include information concerning the Bonds which is unknown at the time of the preparation of the Base Prospectus or stated in the Base Prospectus in several alternatives. The Final Terms shall be submitted to NBS and published according to the Prospectus Regulation, and will constitute, together with the Base Prospectus, as amended by later Supplements, the entire information about each tranche of the Bonds.

The Issuer may apply for admission of the Bonds to the official list of the Luxembourg Stock Exchange (the **LSE**) and to trading on the regulated market of the LSE. The LSE is a regulated market for the purposes of Directive 2014/65/EU (**MiFID II**). The Issuer may also apply for admission of the Programme or Bonds for trading on the regulated market of another Member State of the EEA other than the Slovak Republic. Information about the regulated market to which the application for admission to trading will be submitted will be set out in the relevant Final Terms.

Tranches of the Bonds are expected to be rated; the credit rating will be specified in the relevant Final Terms. Whether or not each credit rating applied for in relation to a tranche of the Bonds will be, issued or endorsed, by a credit rating agency established in the European Union and registered under Regulation (EC) No. 1060/2009 (the **CRA Regulation**) will be specified in the relevant Final Terms. The European Securities and Markets Authority (the **ESMA**) publishes on its website a list of credit rating agencies registered and certified in accordance with the CRA Regulation. **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 credit rating agency.**

Investing in the Bonds involves risks. Prospective investors should consider mainly the factors described in section 3 “Risk Factors” of the Base Prospectus. Potential investors should independently assess any investment in the Bonds.

*Issuer***365.bank, a. s.**

The date of this Base Prospectus is 21 March 2022.

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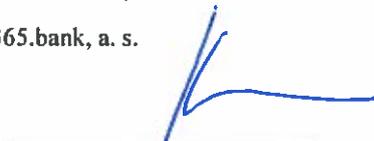
I. RESPONSIBILITY STATEMENT AND NOTICES

365.bank, a. s., with its registered seat at Dvořákovo nábrežie 4, 811 02 Bratislava, Slovak Republic, Identification No.: 31 340 890, registered in the Commercial Register of the District Court Bratislava I, section: Sa, insert No.: 501/B, LEI: 315700PLTAXHBHWP5J02 (the Issuer) acting through Ladislav Korec, MBA, FCCA, Member of the Board of Directors and RNDr. Zuzana Žemlová, Member of the Board of Directors, represents to be solely responsible for the information contained in and incorporated by reference in the Base Prospectus.

The Issuer hereby declares that to the best of its knowledge and having taken all reasonable care to ensure that such is the case, the information contained in the Base Prospectus is up to date, complete and true, in accordance with the facts and contains no omission likely to affect its import.

In Bratislava, on 21 March 2022

365.bank, a. s.



Name: Ladislav Korec, MBA, FCCA

Title: Member of the Board of Directors



Name: RNDr. Zuzana Žemlová

Title: Member of the Board of Directors

NOTICE

The Issuer confirms to any dealer of the day (each a Dealer) that (i) this Base Prospectus contains all information with regard to the Issuer and the Bonds which is material in the context of the issue and offering of any Bonds hereunder, (ii) the information contained in the Base Prospectus with respect to the Issuer and the Bonds is accurate in all material respects and is not misleading in any material respect, opinions and intentions expressed therein with respect to the Issuer and the Bonds are honestly held, that there are no other facts with respect to the Issuer or the Bonds the omission of which would make this Base Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading and (iii) the Issuer has made all reasonable enquiries to ascertain all facts material for the purposes aforesaid.

Only the Issuer is responsible for the information contained in this Base Prospectus or any supplement thereof, or any Final Terms or any other document incorporated herein by reference and no person has separately verified the information contained in this Base Prospectus or any other document incorporated herein, and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons accepts any responsibility for the accuracy or completeness of the information contained in any of these documents.

Neither this Base Prospectus nor any supplement(s) thereto nor any Final Terms constitute an offer or an invitation to subscribe for or purchase any Bonds and should not be considered as a recommendation by the Issuer or any Dealer that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Bonds. Each recipient of this Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the information contained in the Base Prospectus and the condition (financial or otherwise) of the Issuer and the Bonds.

Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Base Prospectus, any supplement thereto and the offering or sale of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer to inform themselves about and to observe any such restriction.

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 advisors to determine whether and to what extent (i) Bonds are legal investments for it, (ii) Bonds can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Bonds. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules.

MIFID II PRODUCT GOVERNANCE / TARGET MARKET

The Final Terms in respect of any Bonds may include a legend entitled “*MiFID II Product Governance*” which will outline the target market assessment in respect of the Bonds and which channels for distribution of the Bonds are appropriate and may outline further details in connection therewith. Any person subsequently offering, selling or recommending the Bonds (a **distributor**) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the **MiFID Product Governance Rules**), any Dealer subscribing for any Bonds is a manufacturer in respect of such Bonds, but otherwise neither the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MIFIR PRODUCT GOVERNANCE / TARGET MARKET

The Final Terms in respect of any Bonds may include a legend entitled “*UK MiFIR Product Governance*” which will outline the target market assessment in respect of the Bonds and which channels for distribution of the Bonds are appropriate and may outline further details in connection therewith. Any distributor should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Bonds is a manufacturer in respect of such Bonds, but otherwise neither the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MIFIR Product Governance Rules.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Bonds 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 European Economic Area (**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 Directive 2014/65/EU (as amended, the **MiFID II**); (ii) a customer within the meaning of Directive 2016/97/EU (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 MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Bonds 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 United Kingdom (**UK**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (**FSMA**) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as 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 EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the **UK Prospectus Regulation**). Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

BENCHMARKS REGULATION – STATEMENT IN RELATION TO ADMINISTRATOR'S REGISTRATION – Interest amounts payable on Bonds with a floating rate of interest may be calculated by reference to the Euro Interbank Offered Rate (**EURIBOR**) which is provided by the European Money Markets Institute (**EMMI**). As at the date of this Base Prospectus, EMMI appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (the **ESMA**) pursuant to Article 36 of the Benchmarks Regulation (EU) 2016/1011 of the European Parliament and 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 and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (the **Benchmarks Regulation**).

In this Base Prospectus all references to "**EUR**", "**Euro**", "**euro**" and "**EURO**" are to the single currency of the member states of the European Union participating in the third stage of the European Economic and Monetary Union.

ALTERNATIVE PERFORMANCE MEASURES

Certain financial measures presented in this Base Prospectus and in the documents incorporated by reference are not recognised financial measures under International Financial Reporting Standards as adopted by the European Union (IFRS) (**Alternative Performance Measures**) and may therefore not be considered as an alternative to the financial measures defined in the accounting standards in accordance with generally accepted accounting principles. The Alternative Performance Measures are intended to supplement investors' understanding of the Issuer's financial information by providing measures which investors, financial analysts and management use to help evaluate the Issuer's financial leverage and operating performance. Special items which the Issuer does not believe to be indicative of ongoing business performance are excluded from these calculations so that investors can better evaluate and analyse historical and future business trends on a consistent basis. Definitions of these Alternative Performance Measures may not be comparable to similar definitions used by other companies and are not a substitute for similar measures according to IFRS.

2. OVERVIEW OF THE PROGRAMME

The following section contains a general description of the Programme for the purposes of Article 25(1)(b) of the Prospectus DR.

This overview is not complete; it only provides a selection of information from the following sections of the Base Prospectus. In order to obtain complete information about the Programme, it is necessary to read the entire Base Prospectus and, in relation to a particular tranche of the Bonds, the applicable Final Terms.

PRINCIPAL PARTIES

Issuer: 365.bank, a. s., a bank established as a joint-stock company under the laws of the Slovak Republic, with its registered seat at Dvořákovo nábrežie 4, 811 02 Bratislava, Slovak Republic, Identification No.: 31 340 890, registered in the Commercial Register of the District Court Bratislava I, Section: Sa, File No. 501/B, LEI: 315700PLTAXHBHZZP5J02.

Administrator and Paying Agent: The Issuer may act as the Administrator or Paying Agent. The Issuer may also appoint J&T BANKA, a.s., with its registered office at Sokolovská 700/113a, Karlín, 186 00 Prague 8, Czech Republic, Identification No.: 471 15 378, registered in the Commercial Register maintained by the Municipal Court in Prague, File No.: B 1731, acting in the Slovak Republic through its branch J&T BANKA, a.s., pobočka zahraničnej banky, with its registered office Dvořákovo nábrežie 8, 811 02 Bratislava, Slovak Republic, Identification No.: 35 964 693, registered in the Commercial Register of the District Court Bratislava I, Section: Po, Insert No.: 1320/B or any other administrators / paying agents in respect of the Programme or some issues of the Bonds.

Dealers, Joint Lead Managers: No dealers have been appointed for the Programme.

The Issuer may appoint one or more financial institutions to act as dealers (each a **Dealer** and together, the **Dealers**) and/or joint lead managers (together, the **Joint Lead Managers**) in relation to a particular Tranche of the Bonds.

Dealers and/or Joint Lead Managers will not be liable for any information contained in the Base Prospectus.

The Issuer itself may act as the Dealer for the purposes of any offer.

Administrator of the covered bonds programme: The Act on Banks requires that the NBS appoints an independent individual as an administrator (in Slovak: *správca*) overseeing certain aspects of the covered bonds programme as well as his/her deputy. The NBS has appointed Mr. Gabriel Balog as the administrator and Mr. Vladimír Pokorský as the deputy administrator of the covered bonds programme of the Issuer. The administrator is inter alia required to prepare a written certificate evidencing that the coverage of the Bonds is secured in accordance with the Act on Banks and that an entry in the register of covered bonds has been made prior to any issue of the Bonds. The administrator also verifies whether the Issuer discharges its obligations arising from the Bonds in compliance with the applicable legislation.

Rating Agency: Fitch Ratings Ireland Limited Spółka z ograniczoną odpowiedzialnością Oddział w Polsce (**Fitch Ratings**) or any other Fitch Ratings' entities, which are incorporated in the EU and registered under the CRA Regulation.

THE BONDS AND THE PROGRAMME

Risk Factors: There are certain factors that may affect the Issuer's ability to fulfil its obligations under the Bonds issued under the Programme. In addition, there are certain factors that are material for the purposes of assessing the market

and legal risks associated with the Bonds. These risk factors are listed in section 3 “*Risk Factors*”.

Programme Description:	Covered bonds issuance programme of up to EUR 3,000,000,000 governed by the laws of the Slovak Republic.
Programme Size:	The aggregate principal amount of all outstanding Bonds issued under the Programme shall not at any time, exceed EUR 3,000,000,000.
Distribution:	The Bonds will be offered in the form of an offer which is not subject to the obligation to prepare and publish a prospectus pursuant to Article 1(4) of the Prospectus Regulation (or in the case of the United Kingdom, pursuant to the corresponding national legislature) on a syndicated or non-syndicated basis through the Issuer itself, or through Dealers and/or Joint Lead Managers.
Currency:	The Bonds will be denominated in Euro.
Maturities:	The Bonds will have maximum maturity of 10 years or shorter as set out in the relevant Final Terms, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank, supervisory authority or any laws or regulations applicable to the Issuer and the Bonds.
Issue price:	The Bonds may be issued at an issue price that is at par or at a discount to, or premium over, par as specified in the Final Terms.
Form of the Bonds:	The Bonds will be issued as book-entry securities (in Slovak: <i>zaknihované cenné papiere</i>) in bearer form (in Slovak: <i>vo forme na doručiteľa</i>) governed by the Slovak law.
Settlement:	<p>The primary settlement of the Bonds will be in each case through Slovak Central Securities Depository (in Slovak: <i>Centrálny depozitár cenných papierov SR, a.s.</i>).</p> <p>The Bonds may also be settled and held through international central depositories such as Euroclear or Clearstream through their bridge accounts or links maintained with the Slovak Central Securities Depository.</p>
Fixed Rate Bonds:	Fixed interest will be payable on such date or dates and will be calculated on the basis of such Day Count Fraction as set out in the applicable Final Terms.
Floating Rate Bonds:	<p>Floating Rate Bonds will bear interest at a rate determined on the basis of the reference rate and margin set out in the applicable Final Terms. Interest on Floating Rate Bonds in respect of each Interest Period will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as set out in the applicable Final Terms.</p> <p>The margin (if any) relating to such floating rate will be set out in the applicable Final Terms.</p>
Zero Coupon Bonds:	Zero Coupon Bonds will be offered and sold at a discount to their nominal amount and will not bear interest.
Repurchase:	The Issuer will be entitled to repurchase all or some of the Bonds at any time.
Early redemption of the Bonds at the option of the Holders:	The Holders shall not have the right to request early redemption of the Bonds.
Early redemption of the Bonds at the option of the Issuer:	The applicable Final Terms will indicate either that the relevant Bonds cannot be redeemed prior to their stated maturity or that such Bonds will be redeemable at the option of the Issuer upon giving notice to the Holders, on a date or dates specified prior to such stated maturity and at a price or prices, and on such other terms as will be set out in the applicable Final Terms.

Early redemption of the Bonds for tax reasons:	If specified in the Final Terms, the Issuer is entitled to redeem the Bonds early on a specified date, if it becomes obliged to make additional payments to the Holder as compensation for the deduction or withholding of tax.
Denomination of the Bonds:	The minimum denomination of each Bond will be EUR 100,000, as specified in the relevant Final Terms.
Taxation:	<p>The payments of the principal and interest from the Bonds are subject to withholding tax, levies or other charges if required by the legal regulations of any relevant jurisdiction applicable as at the date of their payment.</p> <p>The relevant Final Terms may state that if such deduction or withholding occurs, the Issuer will, with certain exceptions, pay additional amounts to the Holders so that the payment of the principal or interest income actually received by the Holders is in such an amount as if no withholding or deduction has been made (<i>gross-up</i>).</p> <p>Payments in respect of the Bonds may be subject to any deduction or withholding required by FATCA and no additional amounts will be paid to cover the amounts so deducted.</p> <p>Regarding the related terms of taxation, see section 10 of the Base Prospectus titled “<i>General Description of Taxation and Foreign Exchange Regulation in the Slovak Republic.</i>”</p>
Negative pledge:	The Terms and Conditions of the Bonds will not contain any negative pledge provision.
Cross-default:	The Terms and Conditions of the Bonds will not contain any cross-default provision.
Status of obligations:	Obligations from the Bonds constitute direct, general, secured (covered, in Slovak: <i>kryté</i>), unconditional and unsubordinated liabilities of the Issuer which rank <i>pari passu</i> among themselves and always rank at least <i>pari passu</i> with any other direct, general, similarly secured (covered, in Slovak: <i>kryté</i>), unconditional and unsubordinated liabilities of the Issuer, present and future, save for those obligations of the Issuer as may be stipulated by mandatory provisions of law.
Credit rating:	Tranches of the Bonds are expected to be rated; the credit rating will be specified in the relevant Final Terms. 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 credit rating agency.
Admission to trading:	<p>The Issuer will apply for admission of the Bonds to the official list and to trading on the regulated market of the LSE or on another foreign regulated market, as agreed between the Issuer and the relevant Dealer, always in compliance with the applicable legal regulations and the rules of the stock exchange.</p> <p>Information about the application for admission to trading on a particular stock exchange or regulated market will be set out in the relevant Final Terms.</p>
Governing law:	The Bonds, the Programme and any non-contractual rights and obligations arising from the Bonds and the Programme will be governed by, and shall be construed in accordance with, the Slovak law.
Selling restrictions:	<p>The Bonds are not for distribution to non-professional (i.e. retail) clients.</p> <p>In the United States, EEA Member States, the United Kingdom and other jurisdictions there are restrictions on the distribution of the Base Prospectus, any supplement thereto, Final Terms, offer, sale and purchase of the Bonds</p>

and other restrictions in connection with the offering and sale of a particular tranche of the Bonds.

For more details, see section 9 of the Base Prospectus titled “*Distribution and Selling Restrictions*”.

Restrictions on the distribution of the Base Prospectus and offering of the Bonds in the United States:

Regulation S, Category 2 of the United States Securities Act of 1933.

3. RISK FACTORS

Prospective investors should carefully consider the risk factors set forth below as well as any other information included in the Base Prospectus and the relevant Final Terms prior to making any investment decision with respect to the Bonds. The described risk factors may, individually or jointly, affect the Issuer's ability to meet the obligations under the Bonds.

*The Issuer has only described in the Base Prospectus the risk factors related to its business, activities and financial situation or prospects that it considers to be material and of which it is currently aware. There may be additional risks that the Issuer does not currently consider significant or currently not aware of, which may also have an adverse effect on business, activity, financial situation, prospects of the Issuer and the consolidated group of companies in which the Issuer itself has an interest (the **Group**) as well as the Issuer's ability to meet the obligations under the Bonds.*

The risk factors are presented in a limited number of categories depending on their nature. In each category the most material risk factors are mentioned first.

3.1 Risk factors associated with the Issuer and the Group

Each of the Issuer related risks highlighted below could have a material adverse effect on the Issuer's or its Group's business as well as the Issuer's, operations, financial situation or prospects which, in turn, could have a material adverse effect on its ability to meet the obligations under the Bonds. In addition, each of the Issuer related risks highlighted below could adversely affect the trading price of the Bonds or the rights of investors under the Bonds and, as a result, investors could lose some or all of their investment.

The factors described below are also largely applicable to the entire Group. However, the Issuer is not significantly dependent on its subsidiaries, it does not therefore specifically refer to risk factors related to the Group or its subsidiaries.

Risk factors related to the Bonds are divided into:

- (a) Macroeconomic factors affecting the Issuer;
- (b) Risks factors associated with the market, client sector and position in the Slovak banking market;
- (c) Risk factors associated with the Issuer's financial situation and creditworthiness; and
- (d) Legal, regulatory and operational risk factors associated with the Issuer.

Macroeconomic factors affecting the Issuer

The Issuer may be adversely affected by global financial and economic crises, impact of the conflict between Russia and Ukraine, sovereign debt issues, high inflation, the risk of one or more entries leaving the European Union or the Eurozone and other negative macroeconomic, political and market factors

The Issuer's financial situation, results, prospects and ability to meet the obligations under the Bonds may be affected by conditions in the global financial markets, economic conditions and future economic prospects. Due to the interconnectedness of the global financial markets, the Eurozone and the Slovak economy, the unfavourable situation in the world and the Eurozone has an adverse impact on the Issuer's financial situation and prospects. The departure from the European Monetary Union by one or more countries and/or the abandonment of the Euro as a currency could have material adverse effects on the existing contractual relations and the fulfilment of obligations by the Issuer and/or Issuer's customers and, thus, have an adverse impact on the Issuer's ability to meet its obligations under the Bonds.

In 2020, the Slovak Republic's year-on-year real GDP declined by 4.4%.¹ Due to new mutations in the virus, causing the COVID-19 disease, such as the delta variant and the related insufficient vaccination of part of the population of Slovak Republic, the economic recovery in 2021 may be slower than economists expected. However, it is still true that Slovak economy quickly restored at the end of 2020, supported by foreign demand and the automotive industry and for 2021, the NBS predicts Slovak Republic's GDP growth at 3.1%, in 2022 at 5.8% and in 2023 at 5.6%.² In addition to new virus mutations, the third wave of the pandemic is a negative risk

¹ Eurostat. Real GDP growth rate, available at the following hyperlink:
<https://ec.europa.eu/eurostat/databrowser/view/tec00115/default/table?lang=en>.

² National Bank of Slovakia: „Economic and Monetary Developments, winter 2021“, available at the following hyperlink:
https://www.nbs.sk/_img/Documents/_Publikacie/ekonomicky_menovny_vyvoj/2021/EN/emd_winter-2021.pdf.

of development, which could also slow recovery, but its damage could be lower due to vaccination compared to the second wave of the COVID-19 pandemic.³

As regards Slovak Republic's debt, the total government deficit reached 6.16% of GDP in 2020.⁴ The Council for Budgetary Responsibility estimates that the deficit will reach 4.8% of GDP in 2022.⁵ Slovak debt to GDP ratio reached 60.3%, compared to EU average of 90.5% and Eurozone average of 97.8% as at the end of 2020.⁶ Many EU countries and other countries thus continue to struggle under large budget deficits or elevated debt levels (which exacerbated the economic downturn due to the COVID-19 epidemics), raising a concern of the market that these countries may in the future be unable to repay outstanding debt. These countries may thus have difficulty obtaining funds if the markets concerned become too volatile, unavailable, or fail to fulfil their role.

The above expectations are put into a serious uncertainty in view of the recent surge of a military conflict between Russia and Ukraine, the biggest risk to international security since the Cold War. The Issuer has no material direct exposure to Russia, Belarus or Ukraine nor a direct exposure via providing loans to any clients with registered seat or assets in Russia, Belarus or Ukraine. However, it is indirectly affected by the influence of the conflict on the heavily export-oriented Slovak economy and the EU. Due to the close sensitivity of Slovakia on the supplies of natural gas from Russia via Ukraine, there is a risk that Slovakia might be potentially cut from the supply of the natural gas, the supply might be disrupted or it would be forced to pay a substantially higher price for it. This, together with high energy and oil prices, could possibly adversely affect Slovak households and corporates, which may in turn jeopardize their ability to satisfy their obligations *vis-à-vis* the Issuer as creditor. Furthermore, Slovakia, as Ukraine's direct neighbour, already is, and could be in the future, a target country for migrants from Ukraine, which may put further pressure on the Slovak economy that has not fully recovered from the pandemic crisis, yet. The EU, the United Kingdom and the USA have imposed extensive sanctions on Russia (while Crimea, Luhansk and Donetsk regions are already subject to sanctions), Belarus and certain individuals, banks and industries based in those countries. The sanctions and Russian countersanctions or other retaliatory measures however may also inflict direct or indirect harm on the economy of Slovakia, the EU or specific companies, some of which may be clients of the Issuer. All these risks may negatively affect the financial performance and prospects of the Issuer as well as stability of the Slovak and European banking and capital markets, access to liquidity and risk appetite of investors.

The European Central Bank (ECB) has implemented its plan to purchase unlimited amounts of government bonds of the Eurozone member states. This step and the ultra-low interest environment created pressure on the financial sector, including the Issuer, as a result of the decline in interest income. However, rapidly rising inflation and stable state of European economies has put pressure on ECB to abandon its ultra-easy monetary policy. In the first quarter of 2022, the future path of ECB's monetary policy is uncertain, particularly the pace, scope and timing of possible policy tightening. Potential shifts in monetary policy in the future may depend on inflation or other price stability indicators but given the complexity of current macroeconomic environment, these unprecedented policies may have other than anticipated effects in either direction fast and without prior notice. Changes in monetary policy may result also in increased volatility in debt and foreign exchange markets. Monetary policy may help to build significant exaggeration in various assets such as equity, housing and bonds and these asset prices could also correct swiftly and markedly. Possible sharp falls in asset prices in any sector may have an adverse effect on the financial situation and profitability of the Issuer, whether due to direct losses or due to a loss of value of security.

Impact of COVID-19 measures on the business and financial situation of the Issuer

At the date of preparation of this Base Prospectus, the Issuer was not substantially negatively affected by the COVID-19 pandemic and at the same time did not face a significant increase in the volume of non-performing loans (NPLs) or enforcement proceedings in connection with debtors' defaults. The COVID-19 pandemic however had a significant impact on the creation of provisions and reserves in 2020. If the COVID-19 pandemic again causes the closure of the economy, within which the Slovak government would order the introduction of quarantine or closure of the Issuer's stone branches, this could affect the sale of those product categories that the Issuer primarily distributes through branches where the sales strategy is built on personal contact with customers.

³ Institute of Financial Policy: „Vlna za vlnou sa valí“, Macroeconomic Forecast for 2021 – 2024”, available at the hyperlink: https://www.mfsr.sk/files/archiv/35/Komentar_MV_jun2021.pdf.

⁴ Council for Budget Responsibility: “*Public Administration Budget Management in 2020*”, available at the hyperlink: <https://www.rz.sk/hospodarenie-rozpocet-verejnej-spravy-v-roku-2020/>.

⁵ The Council for Budget Responsibility: “Budgetary traffic light, Budget Forecast – January 2022, available at the following hyperlink: <https://www.rz.sk/rozpocetov- semafor-2022-01/>

⁶ Eurostat: Euroindicators 84/2021 – 22 July 2021, available at the hyperlink: <https://ec.europa.eu/eurostat/documents/2995521/11563191/2-22072021-AP-EN.pdf>

On 8 December 2020, the Slovak Parliament has adopted an Act No. 421/2020 Coll., on temporary protection of entrepreneurs in economic hardship (the **Act on Temporary Protection**), which became effective on 1 January 2021. An entrepreneur, who has a centre of main interests in Slovak Republic, who meets statutory requirements, may apply for a temporary protection (for a 3-month term, which may be further extended) from its creditors. In order to benefit from the temporary protection, an entrepreneur must file an application with the relevant court, where the entrepreneur confirms that a temporary protection has been approved by a majority of its creditors (calculated based on the amount of their receivables). The main effects of granting the temporary protection include:

- (a) no commencement of bankruptcy proceedings;
- (b) no enforcement of pledge against the entrepreneur under the temporary protection; or
- (c) limited termination of the agreements with entrepreneurs under temporary protection.

Under the Act on Temporary Protection, any entrepreneur may apply for protection until 31 December 2022. As of the date of this Base Prospectus, the Issuer is not able to predict what the impact on the Issuer's obligors (and in consequence on the Issuer and its business) will be after termination of the temporary protection as significant number of them may still face financial difficulties and may end up insolvent and subject to bankruptcy or restructuring proceedings. This could have negative impact on the Issuer, its business and its financial condition.

Risks factors associated with the market, client sector and position in the Slovak banking market

The Issuer's business, capital position and results of operations have been, and may continue to be significantly adversely affected by market risks

The Issuer faces the risk that the market prices of its assets and liabilities or its income will be adversely affected by changes in market conditions. The risk includes changes of interest rates, credit spreads of issuers of securities, foreign exchange rates, equity and debt price risks or market volatility.

Changes in interest rate levels, yield curves, rates and spreads may affect the Issuer's net interest income and margin. Decreasing interest rates often result in decreasing margins and consequently in decreasing net interest income. There is a risk, also with regard to the current economic situation as well as the regulation of the NBS in the area of providing loans, that the growth of the volume of provided loans will be slower in the future. The impact of changes in interest rates on the Issuer's net interest income depends on the relative amounts of assets and liabilities that are affected by the change in interest rates. Reductions in interest rates and margins may not affect the Issuer's refinancing costs in the same way as they affect interest rates and margins on loans granted by the Issuer, because a bank's ability to make a corresponding reduction in the interest rate and margin it pays to its lenders is limited, in particular when interest rates on deposits are already very low. Due to above, interest rate fluctuations and, in particular, decreasing interest rate margins could negatively affect the Issuer's net interest income and could essentially affect the Issuer's ability to meet the obligations under the Bonds.

The Issuer is also exposed to the risk that the risk management systems for the market risks to which its portfolios are exposed may prove inadequate, especially in the event of extreme and unforeseeable events. In times of market stress or other unforeseen circumstances, previously uncorrelated indicators may become correlated, or previously correlated indicators may move in different directions. These changes in correlation can be exacerbated where other market participants are using risk or trading models with assumptions or algorithms that are similar to the Issuer's. In these cases, it may be difficult to reduce the Issuer's risk positions due to the activity of other market participants or widespread market dislocations, including circumstances where asset values are significantly declining, or no market exists for certain assets. Should the Issuer make investments directly in assets that do not have an established liquid trading market or are otherwise subject to restrictions on sale or hedging, the Issuer may not be able to reduce its positions and reduce its risk associated with such positions and as a result could suffer a loss that could affect its ability to meet its obligations under the Bonds.

The Issuer is exposed to the risk of decline in the value of real estate used as collateral to cover the Issuer's receivables

Although, as at the date of this Base Prospectus, the real estate market in the Slovak Republic appears to grow sustainably, the Issuer's loan portfolios comprising commercial and residential real estate may suffer losses if property values decline in the future or, if because of deficiencies in the collateral management, the value of the security proves to be insufficient. Low interest rates on new loans led to an increase in demand for residential real estate, accompanied by increasing house prices and mortgage loan volumes. On 11 February 2022, the European Systemic Risk Board (**ESRB**) published a warning to Slovakia regarding risks in residential real estate markets, mainly due to the signs of house price overvaluation, high house price growth, increasing household

indebtedness, and high mortgage growth. According to the ESRB the pandemic has led to a sharp decrease in economic activity, with an unequal economic impact across household income groups.⁷ The potentially increasing unemployment rate could also lead to an increased number of non-performing loans and losses arising from commercial and consumer loans unrelated to real estate. If these risks were to materialise, it could have an adverse effect on the Issuer's business, financial condition, results of operations and prospects.

Potential decline of residential real estate prices may specifically affect value of the cover pool and the cover ratio of the Bonds. However, pursuant to the statutory requirements, the cover ratio cannot fall below 105% of the value of the covered liabilities (see also the risk factor "*In exceptionally adverse Issuer's bankruptcy situation the cover pool assets may not be sufficient to fully cover all liabilities under the Bonds*").

Customer relations and reputation risk

The Issuer's management is dependent on maintaining long-term relationships, reputation and trust with clients, media, counterparties, shareholders, investors or supervisors. The potential loss of good name and reputation in relation to the Issuer may have a negative impact on the acquisition of new deposits, the outflow of deposits, the availability of external financing, revenue growth and capital raising, and thus on the Issuer's business, financial and economic condition as well as the market position.

Competition in the Slovak banking market

The Issuer faces strong competition in Slovak Republic from major Slovak banks owned by major international groups and also several local players who offer similar services to those of the Issuer. The Issuer also perceives increasing competition from new innovative financial companies (fintechs). Because of this competition, particularly in the retail segment and the current low interest rate environment, net interest margins have historically been very low. Competition from fintechs may impact the Issuer's non-interest revenues (fees). If the Issuer is not successful in facing such competition and/or the current extremely low interest rates (especially for housing loans) are maintained on the market, this may have a significant negative effect on the Issuer's financial condition and results of operations.

The majority interest in the Issuer is owned by a sole shareholder and risks related to the business of the JTFG Group might have a material adverse effect on its business

The Issuer is a member of the JTFG Group (as defined in section 4.9 of the Base Prospectus) and its sole shareholder, JTFG, is its direct majority owner and controls it. There are significant links between the Issuer, JTFG and the entire JTFG Group, whether it is intra-group funding, access to human and other resources, expertise, technology sharing or development, or reporting. Risks related to the business of the JTFG Group and the markets on which it operates may therefore have a material adverse effect on the Issuer. If these risks materialise in relation to the JTFG Group, even if only on a reputational level, this could also have adverse consequences for the Issuer's financial condition, results and operations. The risks include mainly:

- (a) Like the Issuer itself (see in more detail risk factor "*The Issuer may be adversely affected by global financial and economic crises, impact of the conflict between Russia and Ukraine, sovereign debt issues, high inflation, the risk of one or more countries leaving the European Union or the Eurozone and other negative macroeconomic, political and market factors*"), also the whole JTFG Group was and may continue to be adversely affected by global financial and economic crises, high inflation, the Eurozone debt crisis, the risk of one or more countries leaving the EU or the Eurozone and other negative macroeconomic and market environments, currently also due to the economic and legal effects of the spread of the COVID-19 pandemic. The impact of the military conflict between Russia and Ukraine is limited on the JTFG Group. Its only affected asset in Russia is J&T BANKA Moscow, which constitutes less than 2% of the JTFG Group's assets and its contribution to the total profit amounted to approximately 2.5% in 2021.
- (b) The JTFG Group, as a financial group, faces credit risk (risk of non-performing loan) due to the deterioration of the economic situation or even regulatory intervention. The JTFG Group also faces other risks in the financial sector, such as new and tightening regulatory requirements (not only under the EU laws but also under the laws of other countries) and market risks, which include an environment of low interest rates and pressure on credit margins. The JTFG Group faces significant currency risk and adverse exchange rate movements or exchange rate volatility may lead to a sudden deterioration in

⁷ Report "*Vulnerabilities in the residential real estate sectors of the EEA countries February 2022*" available at: https://www.esrb.europa.eu/pub/pdf/reports/esrb.report220211_vulnerabilities_eea_countries~27e571112b.en.pdf?cb8132dc3e0f0f53a4fce3292a690bd6.

loan portfolio quality or value, asset value, losses from open foreign exchange positions or other adverse consequences on the financial situation and its results.

- (c) Some of the JTFG Group's markets, especially those outside the EU, are emerging markets with an unstable legal and economic environment, poor law enforcement, unstable regulation and a high risk of sudden and adverse government intervention, such as foreign exchange controls, interest rate caps, forced conversion of loans into domestic currency or moratorium on repayment of liabilities.

Risk factors associated with the Issuer's financial situation and creditworthiness

The Issuer may experience deterioration in credit quality, in particular because of financial crises, economic recessions, or increased interest rates; The Issuer might suffer losses because of the actions of or deterioration in the commercial soundness of its borrowers and counterparties (credit risk/counterparty risk)

The Issuer is exposed to credit risk, i.e., the commercial soundness of a borrower or a counterparty and the potential financial loss that this counterparty could cause to the Issuer if it could not meet its contractual obligations vis-à-vis the Issuer. In addition, the value of the provided security and the Issuer's ability to satisfy itself from that security have an impact on the Issuer's credit risk. The Issuer is exposed to the credit risk, particularly in regards to its lending activities to retail and corporate customers, especially with regard to unsecured loans, which comprise majority of loans the Issuer provided to retail customers. This exposes the Issuer to the risk of counterparty defaults, which have historically been higher during periods of economic downturn occurring at present.

Potential deterioration in the credit quality provided by the Issuer and increase in non-performing loans may result in increased risk costs for the Issuer. Analyses and assumptions on which the risk costs are based may prove to be inadequate and may result in an inaccurate predictions of credit performance.

The Issuer is to a certain extent exposed also to a risk of non-performance by counterparties in the financial services industry. This risk can arise through trading, lending, deposit-taking, derivative business, repos and securities lending transactions, clearance and settlement and other activities or relationships with institutional clients.

Defaults by, or even concerns about potential defaults or a perceived lack of creditworthiness of one or more financial institutions, or the financial industry, have led and could lead to significant market-wide liquidity problems, losses or defaults by other financial institutions as many financial institutions are inter-related due to trading, funding, clearing or other relationships. This risk is often referred to as "systemic risk" and it affects credit institutions and different types of intermediaries in the financial services industry. In addition to its other adverse effects, the materialisation of systemic risk could lead to an imminent need for the Issuer and other credit institutions in the market to raise additional liquidity or capital while at the same time making it more difficult to do so. Systemic risk could therefore have a material adverse effect on the Issuer's business, financial condition, results of operations, liquidity and prospects.

The Issuer creates reserves for potential losses arising from default by a counterparty or credit risk. Should actual credit risk exceed estimates on which the Issuer has based net allocations to provisioning, the Issuer's loan loss reserves could be insufficient to cover losses. This would have a material adverse impact on the Issuer's financial position and results of operations and could affect the Issuer's ability to meet the obligations under the Bonds.

The Issuer's liquidity and profitability would be significantly adversely affected should the Issuer be unable to access the capital markets, to raise deposits, to sell assets on favourable terms, or if there is a strong increase in its funding costs (liquidity risk)

The Issuer relies on client (mainly consumer) deposits, to meet a substantial portion of its funding requirements; the significant part of these deposits is due at request. Any material decrease in deposits could have an adverse effect on the Issuer's liquidity unless appropriate measures are taken, which may not be possible under economically advantageous terms and conditions, if at all. In addition, the Issuer may be unable to meet its respective payment obligations on a particular day and may have to obtain liquidity from the market at short notice and in unfavourable terms, or even fail to obtain liquidity from the market and, at the same time, be unable to generate sufficient alternative liquidity through the disposition of its assets. Loss of customer trust in the business or performance of the Issuer could result in unexpectedly high levels of loss for the Issuer's clients. Deposits could be withdrawn faster than the rate at which some of the Issuer's borrowers repay their loans, and lending obligations could be terminated. The Issuer's liquidity buffers may not be sufficient, and results of the Issuer's liquidity risk management models may lead to inadequate management measures. All of that might negatively affect the Issuer's ability to meet the obligations under the Bonds.

Any deterioration, suspension or withdrawal of the credit rating of the Issuer or the Slovak Republic could result in increased funding costs, may damage customer perception and may have other material adverse effects on the Issuer

On 13 October 2021, the Issuer has been assigned a credit rating by Fitch Ratings Ireland Limited Spółka z ograniczoną odpowiedzialnością Oddział w Polsce (the **Fitch Ratings**) and such rating is expected to be maintained by this entity or another Fitch Ratings affiliate, in any case by a company established and registered in the EU under the CRA Regulation. This credit rating constitutes an opinion of Fitch Ratings on the creditworthiness of the Issuer, i.e. an indicator of likelihood of a possible loss due to insolvency, delay in payments or incomplete payments to investors. However, the assigned credit rating does not express all risks and a situation may arise that would lead to losses for the Issuer, a negative impact on its results of operations, or its ability to meet its obligations under the Bonds. It cannot be considered as a recommendation to buy, hold or sell the Bonds or other securities issued by the Issuer.

A credit rating agency may downgrade, suspend or withdraw the credit rating of the Issuer, in particular as a result of adverse macroeconomic developments, changes in the regulatory environment in Slovak Republic, company-specific developments or changes in its underlying assumptions. Rating agencies change or adjust their ratings methodologies from time to time. A credit rating may be suspended or withdrawn if the Issuer was to terminate the agreement with the rating agency or to determine that it would not be in its interest to continue to provide financial data to the rating agency. A credit rating could also be adversely affected by the soundness or perceived soundness of other financial institutions. Downgrade, suspension or withdrawal of the credit rating or publishing of negative information or prospects regarding the Slovak Republic can also result in the increased costs or restrictions of the Issuer's funding.

Downgrading of the Issuer's credit rating may have a negative effect on the market price of issued and outstanding Bonds. Downgrading of the credit rating may lead to a restriction of access to funds, and consequently to higher refinancing costs. Since the Issuer is also dependent on the interbank market as a refinancing source, any funding rate increase caused by a downgrade, suspension or withdrawal of a credit rating may restrict its access to refinancing opportunities and have a significant effect on the Issuer's earnings. In particular, a rating downgrade to below investment grade might restrict investors to invest in Bonds issued by the Issuer, leading to a reduced funding volume. Furthermore, a rating downgrade among others, has a material effect on the Issuer's business activity, e.g., reduced deposits, derivative business, fee business (e.g., custody and guarantee business), as well as might cause a severe disruption of its client base.

Legal, regulatory and operational risk factors associated with the Issuer

Banking regulation and its changes could lead to an increase in capital requirements, the need to increase the volume of eligible liabilities for the purpose of meeting the MREL requirement, the need to increase the volume of liabilities due to the liquidity situation and reduced profitability of the Issuer

Requirements and changes regarding adequate capitalisation and other indicators

In response to the financial crisis in Europe, the European banking sector has become subject to significant new regulations. The key document is the package consisting of CRR and 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 (**CRD IV**) by virtue of which the European Commission adopted the Basel III standards of the Bank for International Settlements. A set of measures was also adopted amending many of the existing provisions set out in CRD IV, CRR, BRRD and the SRM Regulations. Most of these new rules apply from 28 June 2021. Key changes are (i) more risk-sensitive capital requirements, in particular in the area of market risk, counterparty credit risk, and for exposures to central counterparties; (ii) a binding leverage ratio to prevent institutions from excessive leverage; (iii) a binding net stable funding ratio to address the excessive reliance on short-term wholesale funding and to reduce long-term funding risk; and (iv) the total loss absorbing capacity (the **TLAC**) requirement for global systemically important banks and other credit institutions.

Because of the ongoing implementation of these measures, the Issuer is exposed to additional requirements for capital adequacy (e.g., in the form of capital buffers) and fulfilment of other indicators (e.g. in the area of liquidity). In addition, these requirements may cause the Issuer to incur additional costs and liabilities as a result of which the Issuer will have to change its business strategy, or which may have other negative impact on its business, the offered products and services as well as the value of its assets. The Issuer may not be able to increase its capital or eligible liabilities sufficiently and in a timely manner. If the Issuer is unable to meet its regulatory requirements for capital adequacy or eligible liabilities or other indicators, its private credit ratings

may drop and its cost of funding may increase, and/or the competent authorities may impose fines, penalties or other regulatory measures. These circumstances would have a material adverse effect on the Issuer's business, financial condition and results of its operations.

Bank recovery and resolution legislation

Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 (the **BRRD**) should also contribute to the stability of the banking sector. BRRD was implemented in the Slovak Republic by Act No. 371/2014 Coll. on the resolution of crisis situations on the financial market, as amended (the **Resolution Act**). This act provides a framework for the recovery and resolution of the credit institutions' crisis situations and requires the institutions to prepare "recovery plans" setting out agreements and measures that can be used in the event of a substantial deterioration in the financial institution's position to restore its viability from a long-term perspective. The Issuer, as a major bank, is also subject to the single resolution mechanism (the **SRM**). Its role is to centralise the key competencies and resources for managing the credit institution's failure in the participating Member States of the Banking Union. The SRM is governed by: (i) Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 (the **SRM Regulation**) covering the main aspects of the mechanism and broadly replicating the BRRD rules on the recovery and resolution of credit institutions; and (ii) an intergovernmental agreement related to some specific aspects of the Single Resolution Fund. Under the SRM, the Single Resolution Board is primarily responsible for resolving crisis situations in close cooperation with the ECB, the European Commission and the national crisis resolution authorities in the event of a default (or potential default) of the Issuer as a significant subject under the direct supervision of the ECB if a trigger event occurred.

Such legislation concerning the Issuer as a bank is sector-specific and is much stricter than the normal insolvency and crisis regime concerning other business companies. The resolution body has the power to impose a number of other measures. Although these measure in most cases will not directly affect the Bonds (as covered protected instruments), exercising these powers of the resolution body is highly unpredictable and any proposal or expectation of such exercise could materially adversely affect the Issuer, its activities, financial situation and also the ability to meet the obligations under the Bonds.

Minimum requirements for own funds and eligible liabilities (MREL)

In order to ensure the effectiveness of bail-in and other tools for resolution of crisis situation, institutions must meet minimum requirements for own funds and eligible liabilities (the so-called **MREL**) to be calculated as a percentage of total liabilities and own funds and to be set by the relevant resolution authorities. The set of measures related to the reform of European banking also includes Directive (EU) 2019/879 amending the BRRD Directive (**BRRD2**) that has been implemented into the legal order of the Slovak Republic by the Resolution Act. BRRD2 introduces the full implementation of the TLAC standard and revises the existing MREL mode. Other changes to the MREL framework include changes to the MREL calculation methodology, the criteria for eligible liabilities that can be considered as MREs, the introduction of internal MREs and other requirements for reporting and disclosure of information regarding institutions. A transitional period for full compliance with the MREL requirements is expected to be until 1 January 2024.

Under the current draft decision of the resolution authority, the MREL requirement for the Issuer's resolution group is set at 19.57% of its total risk exposure amount and 5.25% of its leverage ratio exposure. This target should be achieved by 1 January 2024. There is also transitional target of 17.90% of the total risk exposure amount and 5.25% of its leverage ratio exposure, which was successfully achieved by 1 January 2022 and similarly, transitional target of 18.73% of the Issuer's total risk exposure amount and 5.25% of its leverage ratio exposure, which must be achieved by 1 January 2023. For these purposes, the Issuer issued senior preferred MREL eligible bonds in 2021. However, fulfilment of the MREL targets in the future will require issuance of additional MREL eligible liabilities.

Stricter and/or new regulatory requirements may be adopted in the future, and the existing regulatory environment continues to evolve. Any such regulatory developments may expose the Issuer to additional costs and liabilities which may require the Issuer to change its business strategy or otherwise have a negative impact on its business, the offered products and services as well as the value of its assets. If the Issuer is unable to comply with other regulatory requirements, its credit ratings may drop and its cost of funding may increase, and/or the competent authorities may impose fines, penalties or other regulatory measures. The occurrence of all such consequences could have a material adverse effect on the Issuer's business, financial condition and results of its operations.

Changes in consumer protection laws and the application or interpretation of such laws might limit the fees and other pricing terms and conditions that the Issuer may charge for certain banking services and might also allow customers to claim back some of those fees already paid in the past

Changes in consumer protection laws or the interpretation of consumer protection laws by courts or governmental authorities could limit the amount of interest or fees that the Issuer may charge for the provision of some of its products and services, and thereby result in lower commission or interest income. In the Slovak Republic, for example, there is a consideration cap for the provision of consumer loans and fees are regulated for the basic banking product, the so-called standard account, and also for early repayment of a housing loan. The Issuer has been a party to a number of civil and administrative proceedings initiated by customers, supervision authorities or consumer protection agencies and associations resulting in fines or abandonment of the enforcement of part of the interest or fees. The legal proceedings mainly relate to allegations that certain contractual provisions, particularly in respect of consumer loans, violate mandatory consumer protection laws and regulations. These allegations relate to the enforceability of certain fees as well as contractual provisions for the adjustment of interest and currency exchange rates. Moreover, any such changes in consumer protection laws or the interpretation of such laws by courts or governmental authorities could impair the Issuer's ability to offer certain products and services, or to enforce certain contractual provisions and reduce the Issuer's net commission income and have an adverse effect on the results of its operations.

The evolving legal order of the Slovak Republic and related legislation may create an uncertain environment for investments and business activities and thus have a negative effect on the Issuer's business activities

The legal infrastructure and the law enforcement system in the Slovak Republic are less developed compared to those in Western European countries. The Issuer is a party to various legal proceedings in the ordinary course of business, including for the enforcement of its claims against the borrowers or other counterparties. Lack of legal certainty, inability to achieve effective legal remedy in a timely manner or at all, delays in litigation and the risk of new legal evolution or changes in the application of the new legal order can lead to investment losses and significant adverse effects on business activities, the financial position, results of operations of the Issuer and its ability to meet its obligations under the Bonds.

Risk of changes in the tax framework and the introduction of a financial transaction tax

The future development of the Issuer's assets, financial and profit position depends on the tax framework. A change in legislation, case law, the administrative procedures or practice of tax authorities or other relevant public authorities to the detriment of the Issuer may have an adverse effect on its assets, financial and profit position. The Issuer is subject to complex tax regulations that in some cases may have only been in effect for a short period, are frequently amended or differently applied. The level of tax collection can also lead to the introduction of new taxes in order to increase tax revenues.

Within the European Union, there is still a proposal for a financial transaction tax (the **FTT**). Following the introduction of the FTT, financial transactions related to derivative contracts and all other financial transactions (e.g. the purchase and sale of shares, debt and similar securities, money market instruments or units in collective investment undertakings) might be taxed. The taxable amount could be everything which constitutes a consideration paid or owed from the counterparty or a third party in connection with this transaction. The planned deadline for the FTT introduction has been postponed several times in the past, and it is currently not clear either whether the FTT will be introduced in the proposed form, or at all. However, should the FTT be introduced, as a result of the higher taxes, it will have a negative impact on the Issuer's income and profitability.

Operational and strategic risk

The Issuer faces operational risk, i.e. the risk of loss resulting from the inadequacy or failure of internal processes, people and systems or from external events. The Issuer faces a number of operational risks, including the risk of dependence on information technology and telecommunications infrastructure. The Issuer as a bank is dependent on financial, accounting and other data processing systems that are complex and sophisticated and whose activities can be negatively affected by a number of problems, such as hardware or software malfunctions, physical destruction of important IT systems, computer hacker attacks, computer viruses or terrorist attacks. The Issuer may thus suffer significant financial losses; there may be a disruption of the Issuer's activities, non-fulfilment of obligations to clients, regulatory interventions and damage to reputation.

The Issuer is exposed to operational risk, which may arise because of an error in the execution, confirmation or settlement of transactions. The Issuer's business depends on the ability to process a large number of diverse and complex transactions which have an increasing volume and complexity and are not always confirmed in time. The Issuer's business is also dependent on the secure processing, storage and transmission of confidential and

sensitive information. Employees, mistakes, negligence or fraud of employees, expose the Issuer's business to the risk of non-compliance with the set principles and rules. These steps could lead to legal sanctions, damage to reputation or financial damage.

The Issuer makes considerable efforts to protect its systems, networks and databases from possible attacks by third parties, physical damage to information systems and the prevention of other possible problems. If failures, system, network and database outages occur in the future, this may cause significant economic losses for the Issuer and its clients.

The Issuer is exposed to strategic risk, i.e., the risk of loss of profits or capital due to adverse developments in the business environment, incorrect business decisions or incorrect implementation of business decisions. Insufficient strategic risk management may have a negative impact on the Issuer's business and results of operation.

The Issuer's risk management strategies and internal control procedures may expose it to unidentified or unanticipated risks

The Issuer's risk management techniques and strategies have not and may not be effective in mitigating the Issuer's risk exposures in all economic market conditions and environments or against all types of risks. Regulatory audits and regular reviews of the risk management procedures and methods in the past have revealed weaknesses or deficiencies in the Issuer's risk management systems. Risk management tools may fail to anticipate future significant risk exposures under market disruption conditions. In addition, the Issuer's quantitative modelling cannot consider all risks and is based on numerous assumptions regarding the overall environment, which may or may not prove to be correct. If statistical models incorrectly assumed factors or incorrectly evaluated them, risk exposures could arise. If such circumstances arise that the Issuer did not identify, anticipate or correctly evaluate in developing its statistical models, its losses could be higher than the maximum losses envisaged under its risk management systems and the Issuer could therefore experience significant unanticipated losses, which could have a material adverse effect on its business, financial position and results of activities.

The Issuer depends upon its senior management team and on the expertise of its key personnel and may be unable to hire and retain a highly skilled and experienced workforce

The quality of management and key employees are crucial for the setting and fulfilment of the Issuer's strategic goals. The ability to retain existing employees and hire new ones plays an important role in this regard. Departures of managers or key employees could have a negative impact on business activities, financial condition and results of operation, which could negatively affect the Issuer's financial and economic condition and its business, market position and results of operation.

If the Issuer fails to maintain an effective system of internal controls, it may not be able to accurately determine financial results or adequately prevent fraud

Effective internal controls are necessary to provide reliable financial reports and effectively prevent fraud. Furthermore, as the Issuer grows its business, its internal controls become more complex, and it will require significantly more resources to ensure its internal controls remain effective. The existence of any material weakness in the Issuer's internal control over financial reporting could also result in errors in the Issuer's financial statements that could require it to restate its financial statements.

3.2 Risk factors related to the Bonds

Risk factors related to the Bonds are divided into:

- (a) Risk factors specific to the covered bonds legal framework;
- (b) Risk factors related to the provisions and limitations in the Terms and Conditions of the Bonds;
- (c) Legal, regulatory and tax risk factors; and
- (d) Risk factors related to acquiring and trading in the Bonds.

Risk factors specific to the covered bonds legal framework

In exceptionally adverse Issuer's bankruptcy situation the cover pool assets may not be sufficient to fully cover all liabilities under the Bonds

The cover pool (in Slovak: *krycí súbor*) covering the liabilities of the Issuer under the Bonds will consist primarily of mortgage loans secured by way of a legally perfected first ranking mortgage in favour of the Issuer over the mortgaged property and certain substitute assets, such as cash and securities. All assets included in the cover pool must comply with the applicable requirements or criteria set out in the Act on Banks. In particular, each individual mortgage loan eligible to be included in the cover pool must comply with the applicable requirements including, amongst other things, the loan-to-value limit under which the outstanding amount of principal under the loan may not exceed 80% of the value of mortgaged property, subject to limited exemptions. Also, the Issuer is required to perform regular testing of the value of the mortgaged properties and the total value of the cover pool assets must at all times be at least 105% of the value of all covered liabilities (or such higher value as may be set out in the terms and conditions of the Bonds), whereby according to the legislation, the Issuer must calculate this cover ratio on the last day of each relevant month. These requirements will be observed in the substantially same manner also under Amendment to the Act on Banks No. 454/2021 Coll. (the **CBD Implementing Act**), which implements Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 on the issue of covered bonds and covered bond public supervision (**EU Covered Bonds Directive**). The CBD Implementing Act will enter into force on 8 July 2022.

All mortgaged property is located in the Slovak Republic, in line with applicable Slovak law requirements. These requirements will also apply in the future under the CBD Implementing Act. The value of the mortgaged property as well as the value of the mortgage loans included in the cover pool may reduce over time, in particular, in the event of a general downturn in the value of properties located in the Slovak Republic. In such cases, despite the relevant statutory safeguards and regulatory requirements under Section 67 *et seq.* of the Act on Banks, the value of the mortgage loans may become insufficient to provide full cover for the issued and outstanding Bonds. While the Issuer is solvent and operating its business, it will be obliged to include additional eligible assets in the cover pool in order to maintain the required cover ratio. In the case of bankruptcy, involuntary administration or similar situations when the Issuer's ability to generate additional eligible assets will be limited, the value of the cover pool assets may decrease below the required levels so that it may not be sufficient to fully cover all covered liabilities including those under the Bonds.

Finally, any substantial overall downturn in the value of real properties in the Slovak Republic could adversely affect the Issuer's results of operations, financial condition and business prospects and its ability to perform the obligations under the Bonds as well as the value of the cover pool.

Risk of extension of final maturity of the Bonds and risk of change of the issuer of the Bonds

In the event of bankruptcy or involuntary administration of the Issuer, the bankruptcy trustee or the involuntary administrator (each a **trustee**) of the Issuer will take over the operation of the programme of the covered bonds and the cover pool (the **programme**, as defined in the Act on Banks and not to be confused with the Programme under this Base prospectus). The programme of covered bonds (as defined in the Act on Banks) includes all assets of the cover pool as well as all obligations under the Bonds, mortgage bonds issued by the Issuer in the past, any other covered bonds issued by the Issuer and other covered liabilities, such as hedging derivatives (if any) and related administrative contracts and functions. The trustee will be obliged to evaluate whether the operation of the covered bonds programme does not cause the overall decrease of rate of satisfaction of the Holders. If the trustee reaches the conclusion that the operation of the programme may result in decrease of satisfaction of the Holders, it will have the obligation to notify the NBS of its intention to transfer the programme or its parts to another bank or several banks in the Slovak Republic and to attempt such transfer. As a result of the notification, the final maturity of the Bonds would be adjusted in accordance with Section 67 (10) and (11) of the Act on Banks (so-called "soft bullet extension") as follows: (i) during the first month from delivery of the

transfer notification to the NBS, the maturity dates would not be adjusted, (ii) from the first day of the second month until the last day of the 12th month from delivery of the transfer proposal to the NBS, any final maturity date for principal amount payment under any Bonds falling into that period would be postponed by 12 months, and (iii) if the administrator requires a prolongation of the transfer period, any final maturity date for principal amount payment under the Bonds in the period of subsequent 12 months would be prolonged by another 12 months. The same applies to final maturity dates already extended during the first prolongation period. The payments of yields and other conditions of the Bonds would not be affected, but the Holders will not receive any other compensation and will not have any remedies in respect of the extended maturity of the Bonds. Substantially the same soft bullet extension will apply under Section 82 of the Act on Banks as will be amended by the CBD Implementing Act. The new regime also clarifies that the soft bullet extension will apply upon resolution proposal and that the extension cannot result in the change of the original order of maturity of the outstanding tranches of the Bonds.

The soft bullet extension of the final maturities will be effective from the date of delivery of the programme transfer notification by the trustee to the NBS and will not be subject to any further approval or consent of the NBS. If no transfer is effected, the postponed maturities for principal amount payments would occur on the last day of the prolongation period. The extension of the final maturities will not apply to maturities of the mortgage bonds issued before 1 January 2018. If the maturity date for any issue of mortgage bonds occurs during the transfer period, the trustee will have to pay the principal amount to the holders of the mortgage bonds under their original terms. The treatment of the mortgage bonds, however, can change under the CBD Implementing Act and the soft bullet extension may become applicable to the mortgage bonds as well, subject to certain conditions.

The transfer of the programme itself will be subject to prior approval of the NBS. If such a transfer is effected, the identity of the Issuer of the Bonds will change to the transferee bank, i.e. another bank in the Slovak Republic will become an obligor under the Bonds. This does not have an effect on the terms of the Bonds themselves, but the creditworthiness of the new issuer might be different from the creditworthiness of the Issuer. In accordance with Section 55(10) of the Act on Banks and Section 195a (7) of the Bankruptcy Act, the consent of the Holders is not required in bankruptcy and involuntary administration scenarios in order for the transfer of the programme or its part to be valid and become effective.

The Holders are exposed to the risk that in the event of the Issuer's bankruptcy, deposits will be satisfied before their residual uncovered receivables in respect of the Bonds are paid

Under Section 180a of the Bankruptcy Act (transposing Article 108 of the BRRD into Slovak law), in the event of the Issuer's bankruptcy, the proceeds of the liquidation of the assets forming the general bankruptcy estate that will be primarily used to compensate the creditors of receivables from protected deposits will be satisfied in the following order:

- (a) receivables of the Deposit Protection Fund within the scope of compensation paid to depositors pursuant to Section 11(1) of Act No. 118/1996 Coll. on Protection of Deposits, as amended (the **Deposit Protection Act**) or within the scope of the funds provided to resolve the crisis situation pursuant to Section 13(4)(g) of the Deposit Protection Act; and
- (b) receivables from protected deposits of individuals, micro-enterprises, small and medium-sized enterprises, which exceed the level of cover under Section 11(4) of the Deposit Protection Act.

This risk concerns all creditors of unsecured receivables as well as parts of receivables that haven't been fully compensated from available collateral. Therefore, the Holders should be aware that in the event of the Issuer's bankruptcy and to the extent, the covered bonds programme will not be transferred and the claims of the Holders will be compensated from the proceeds of the sale of the cover pool only in part, their residual receivables from the Bonds will be subordinated to the abovementioned receivables from protected deposits.

Risk factors related to the provisions and limitations in the Terms and Conditions of the Bonds

Bonds may be early redeemed by the Issuer prior to maturity at the option of the Issuer

If such right is stated in the Final Terms, the Issuer may, at its sole discretion, early redeem all, but not some only, the relevant Bonds before their stated maturity, on a specified Early Redemption Date at their principal amount, together with accrued interest (if any). In each case of an early redemption, the conditions for early redemption (as set out in the Terms and Conditions) have to be met.

The Issuer may make an effort to early redeem the Bonds (subject to adhering the relevant conditions) when its cost of borrowing with similar parameters will be lower than the rate of interest on such Bonds. At those times,

an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the rate of the interest on the early redeemed Bonds and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time. Early redemption features are also likely to limit the market price of the Bonds. During any period when the Issuer can redeem the Bonds, the market price of the Bonds generally will not rise substantially above the price at which they can be redeemed early. This may also be true prior to any early redemption period if the market believes that the Bonds may become eligible for early redemption in the near term.

Risk of the Bonds with a fixed interest rate

Holders of the Bonds with a fixed interest rate are exposed to the risk that the price of such Bonds will fall due to interest rate changes. While the nominal interest rate of the Bonds as specified in the applicable Final Terms is fixed during the life of the Bonds, the actual interest rate on the capital market applied for the remaining maturity period of the Bonds (for the purpose of this paragraph, the **market interest rate**) is subject to change. The change of the market interest rate also means the change of value of the Bonds with a fixed interest rate, but in the opposite direction. Thus, if the market interest rate increases, the value of the Bonds with a fixed interest rate usually falls to the level in which the interest on such Bond is approximately equal to the market interest rate. If, on the contrary, the market interest rate decreases, the value of the Bonds with a fixed interest rate usually increases to the level in which the interest on such Bond is approximately equal to the market interest rate.

Risk of the Bonds with a zero coupon

The Holders are exposed to the risk that the price of such Bonds will fall due to changes in the interest rates, while the prices of these Bonds are more volatile than prices of the Bonds with a fixed interest rate and are likely to respond to a greater degree to market interest rate changes than interest bearing Bonds with a similar maturity.

Risk of financial benchmark and reference rate continuity

Bonds with a floating interest rate are usually volatile investments. The Holder of such Bonds is exposed to the risk of interest rate fluctuations and uncertain interest income. Due to interest rate fluctuations, it is not possible to determine in advance the yield on the Bonds with a floating interest rate. Interest on the Bonds with a floating rate of interest will be calculated by reference to one or several specific benchmark indices or swap rates provided by a relevant administrator. EURIBOR (Euro Interbank Offered Rate) and other interest rate indices which are deemed to be benchmarks are the subject of regulatory supervision and recent national and international regulatory recommendations and proposals for reform (such indices jointly the **Benchmarks**). The main legislation in this area is the Benchmark Regulation (Regulation (EU) No. 2016/1011). These regulatory requirements and changes, if any, may cause such Benchmarks to perform differently than in the past, or stop to be used, or have other unpredictable consequences. Any such consequence could have a material adverse effect on any Bonds linked to such a Benchmark.

Benchmarks could also be discontinued. If the Benchmark is discontinued or otherwise unavailable, the interest rate for the Bonds with a floating interest rate linked to such a Benchmark will be determined for the relevant period by the procedure pursuant to the Terms and Conditions (so called fallback provisions) and if such a procedure cannot be used, the Issuer may decide to redeem such Bonds early. Any such procedure could have a material adverse effect on the value of and return on any such Bonds.

So-called benchmarks such as EURIBOR and other interest rate indices which are deemed to be "benchmarks" (each a **Benchmark** and together the **Benchmarks**), to which the interest of Bonds bearing or paying a floating or other variable rate of interest may be linked to, have become the subject of regulatory scrutiny and recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause the relevant Benchmarks to perform differently than in the past, or have other consequences which may have a material adverse effect on the value of and the amount payable under Bonds bearing or paying a floating or other variable rate of interest.

International proposals for reform of Benchmarks include 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 and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (the **Benchmark Regulation**). The scope of the Benchmark Regulation is wide and, in addition to so-called "critical Benchmark" indices such as EURIBOR, applies to many other interest rate indices.

The Benchmark Regulation could have a material impact on securities linked to a Benchmark rate or index, including any of the following circumstances:

- (a) a rate or index which is a Benchmark could not be used as such if its administrator does not obtain authorisation or is based in a non-EU jurisdiction which (subject to applicable transitional provisions) does not satisfy the "equivalence" conditions, is not "recognised" pending such a decision and is not "endorsed" for such purpose. In such event, depending on the particular Benchmark and the applicable terms of the securities, the securities could be de-listed, adjusted, redeemed prior to maturity or otherwise impacted; and
- (b) the methodology or other terms of the Benchmark could be changed in order to comply with the terms of the Benchmark Regulation, and such changes could have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level, and could lead to adjustments to the terms of the securities, including Calculation Agent determination of the rate or level of such Benchmark.

Any changes to a Benchmark as a result of the Benchmark Regulation or other initiatives, could have a material adverse effect on the costs of refinancing a Benchmark or the costs and risks of administering or otherwise participating in the setting of a Benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or participate in certain Benchmarks, trigger changes in the rules or methodologies used in certain Benchmarks or lead to the disappearance of certain Benchmarks.

Although it is uncertain whether or to what extent any of the above mentioned changes and/or any further changes in the administration or method of determining a Benchmark could affect the level of the published rate, including to cause it to be lower and/or more volatile than it would otherwise be, and/or could have an effect on the value of any securities whose interest or principal return is linked to the relevant Benchmark, investors should be aware that they face the risk that any changes to the relevant Benchmark may have a material adverse effect on the value of and the amount payable under the Bonds whose rate of interest or principal return is linked to a Benchmark (including, but not limited to, Floating Rate Securities). Benchmarks could also be discontinued entirely. For example, on 27 July 2017, the United Kingdom Financial Conduct Authority (**FCA**) announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021. The LIBOR will be discontinued (in a phased way) in the near future.

If a Benchmark were to be discontinued or otherwise unavailable, the rate of interest for floating rate Bonds which are linked to such Benchmark will be determined for the relevant period by the fall-back provisions applicable to such Bonds, which could result in a substitute rate to apply (based on announcement of a successor rate, commonly used rates or general market interest levels) and which in the end could result in the same rate being applied until maturity of the floating rate Bonds, effectively turning the floating rate of interest into a fixed rate of interest and which will result in a redemption right of the Issuer. Any of the foregoing could have a material adverse effect on the value or liquidity of, and the amounts payable on floating rate Bonds whose rate of interest is linked to a discontinued Benchmark.

No early maturity upon Issuer's default, no joint representative

Pursuant to the Terms and Conditions and in line the prevailing market practice for debt issuances by Slovak credit institutions, a default on Issuer's obligations under the Bonds will not cause the early maturity (acceleration) of Issuer's obligations owed to the Holders or the right of the Holders to claim early redemption of the Bonds. In the case of a payment default by the Issuer, the Holders will have a right to sue the Issuer for payment and they will also have the right to separate satisfaction in respect of the assets in the cover pool in potential execution proceedings. However, the Holder will not have the right to demand early redemption of the full principal amount. A default by the Issuer may trigger convening of the meeting of the Holders, but there is no joint representative of the Holders and each Holder will generally have to enforce its rights against the Issuer individually.

Indicated aggregate amount of the tranche of the Bonds is not binding

The aggregate amount of the tranche of the Bonds indicated in the relevant Final Terms represents the maximum aggregate amount of the tranche of such Bonds. However, the actual aggregate principal amount of the Bonds issued in this manner may be lower than the indicated aggregate amount and may vary during the life of the Bonds issued, depending, in particular, on the demand for such Bonds and repurchases by the Issuer. Therefore, the indicated aggregate amount of any tranche of the Bonds does not justify any conclusions with regard to their liquidity on the secondary market.

The Holders are exposed to the risk that the Issuer is not limited in issuing additional debt securities or creating additional liabilities

The Issuer is not limited to the amount of debt it may issue that may arise or which it can secure. The Issuer is not obliged to specifically inform the Holders about the issue, creation or securing of additional debt (with the exception of publishing regular financial reports). The issue, creation, or guarantee of additional debt may have an adverse effect on the market price of the Bonds and the Issuer's ability to meet all its obligations arising from the issued Bonds and may reduce the amount that the Holders would be able to obtain in the event of the Issuer's bankruptcy. If the Issuer's financial situation deteriorated, the Holders could suffer direct and materially negative consequences, including interruption in interest income or a reduction in the principal amount of the Bonds and, in the event of liquidation of the Issuer, loss of the whole investment.

Legal, regulatory and tax risk factors

The Bonds are not covered by any (statutory or voluntary) protection scheme

The Bonds are not covered by any statutory or protection scheme. In addition, no voluntary deposit guarantee scheme exists for the Bonds. In the event of the insolvency of the Issuer, investors in the Bonds therefore cannot rely on any (statutory or voluntary) protection scheme to compensate them for the loss of capital invested in the Bonds and might thus lose their entire investment.

Tax impact of the investment

A net income on the Bonds may be reduced by the tax burden of the investment in the Bonds. Interest on the Bonds, or profits realised by the Holder upon the sale or repayment of the Bonds, may be subject to taxation in the Holder's country of residence, in a country in which the transfer of the Bonds takes place or in another country that is relevant in the situation in which the Holder is subject to tax. Official statements of tax authorities or court decisions regarding financial instruments as the Bonds may not be available in certain countries. The investors are advised to contact their own tax advisors for advice on the tax impact of an investment in the Bonds.

Withholding tax risk

As at the date of this Base Prospectus, the yield on the Bonds is not subject to any withholding tax in the Slovak Republic, except for yield paid to tax payers who are individuals or tax payers not incorporated or established for business purposes and the NBS. With regard to frequent changes of tax regime in the Slovak Republic, no established practice exists. Tax regulations, which are subject to changes, create negative prospects for the predictability and stability of the Slovak tax environment. Potential changes regarding the withholding tax regime can negatively affect the expected yield on the Bonds.

Denomination of financial activities of the Holder in a currency other than euro, in which the Issuer will pay the principal and interest on the Bonds, may give rise to exchange rate risks, especially in the case of adverse regulatory interference

The Issuer will pay the principal and interest on the Bonds in the euro. This presents certain risk related to currency conversions if a Holder's financial activities are denominated in a currency other than the euro (the **Holder's Currency**). These risks include, in particular, risks related to the significant change of exchange rates (including changes due to the devaluation of euro or the revaluation of the Holder's Currency) and risks related to the introduction of exchange rate measures and controls. An appreciation of the Holder's Currency relative to the euro with respect to the expression in the Holder's Currency would mean a decrease of the real income from the principal and interest the Bonds and/or the market value of the Bonds. Government authorities may introduce or exercise exchange rate measures and controls that could adversely affect an applicable exchange rate; as a result, certain Holders, whose financial activities are denominated in a currency other than the euro, could receive lower return on the Bonds than expected.

Regulation applying to investment activities of certain investors may limit or fully prevent these investors from investing in the Bonds

Investment activities of certain investors may be regulated under special legal regulations and may be subject to supervision or control by competent public authorities. Each potential investor in the Bonds should refer to its professional advisor to determine whether and to which extent the Bonds represent an admissible investment, while taking into account the nature of the investor and the extent to which it is subject to restrictions on its own purchase or holding of the Bonds.

Payments on the Bonds may be subject to U.S. withholding tax under FATCA

In certain circumstances, payments made under or in connection with the Bonds may be subject to U.S. withholding tax pursuant to Sections 1471 – 1474 of the U.S. Foreign Account Tax Compliance Act (**FATCA**) and related legislation, and international agreements on the implementation of FATCA, including the treaty entered into between the Slovak Republic and the United States of America.

FATCA may also affect payments made to custodians or intermediaries in the payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of FATCA withholding, or an ultimate investor that fails to provide the trader (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA), and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax advisor to obtain a more detailed explanation of FATCA and how FATCA may affect them.

If withholding is required under FATCA, the Issuer will not be required to pay any additional amounts with respect to the withheld amounts.

Risk factors related to acquiring and trading in the Bonds***Inflation risk***

The Bonds do not contain an inflation clause and the fair value of investment in the Bonds may fall with the falling value of the Euro due to inflation. Inflation also causes the reduction of real yield on the Bonds. If the amount of inflation exceeds the amount of nominal yield on the Bonds, the value of real yield on the Bonds will be negative. Year-on-year inflation in the Slovak Republic in January 2022 reached 8.4%.⁸

Rating of the Bonds may not adequately reflect all the risks of investing in the Bonds, and may also result in its suspension, downgrade or withdrawal

If Bonds are assigned a credit rating, it may not adequately reflect all the risks of investing in these Bonds. No assurance can be given that a credit rating will remain constant for any given period of time or that a credit rating will not be reduced, suspended or withdrawn entirely by the credit rating agency if, in its judgment, circumstances so warrant. Rating agencies may also change their methodologies for rating securities in the future. Such suspension, downgrade, withdrawal or change of methodology may have an adverse effect on the market value and trading price of the Bonds. A credit rating is not a recommendation to purchase, sell or hold securities.

Trading in the Bonds may not be liquid and may be suspended

Whether the Bonds are listed or not, there can be no assurance regarding the future development of a secondary market for the Bonds or the ability of Holders to sell the Bonds. The Bonds may have no established trading market when issued, and one may never develop. Investors may not be able to sell their Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. In an illiquid market, an investor might not be able to sell its Bonds at any time at fair market prices or at all. The possibility to sell the Bonds might additionally be restricted by country specific reasons. Furthermore, the Issuer cannot guarantee the price for which Bonds will be purchased and/or sold on the secondary market. Historical development of prices of the Bonds cannot be considered as indicator of future development of prices. The Holder is therefore exposed to the risk of an unfavourable development of market prices of its Bonds which materialises if the Holder sells the Bonds prior to the final maturity of such Bonds. If the Holder decides to hold the Bonds until final maturity, the Bonds will be redeemed at the amount set out in the relevant Final Terms. There is also a risk that trading in the Bonds on relevant exchange may be suspended, interrupted or terminated for exceptional economic, regulatory or technical reasons, even without any fault or influence of the Issuer.

Risk of fluctuations in market price of the Bonds

The Holders are at risk of the change of the market price of the Bonds in the case of the sale of the Bonds. The historical development of the prices of the Bonds cannot serve as an indicator of the future development of the

⁸ Statistical Office of the Slovak Republic. Inflation – consumer price indices in January 2022. Published on 14 February 2022. Available at: <https://slovak.statistics.sk:443/wps/portal?urile=wcm:path:/obsah-sk-inf-akt/informativne-spravy/vsetky/a232e7f7-58f5-4bf7-a913-35d39bd6a3b9>.

prices of any Bonds. The Bonds could trade at prices that may be higher or lower than the initial offering price depending on many factors, including prevailing interest rates, the Issuer's operating results, the market for similar securities and other factors, including general economic conditions, performance and prospects, as well as recommendations of securities analysts and such price may change during trading. Thus, the Holders are exposed to the risk of unfavourable developments in the market prices of the Bonds they hold which may materialise if the Holders decide to sell them prior to their final maturity. The Holders must be aware that Bonds may be issued at a price higher than the price of comparable Bonds on the secondary market, which may increase the effect of the unfavourable market price development. If a Holder decides to hold the Bonds up to their final maturity, the principal amount will be repaid at the amount set out in the relevant Final Terms.

Risk of reduced yield caused by transaction costs and depositary fees

The total return of the investment in the Bonds may be affected by the fees mainly related to the acquisition, purchase or sale of the Bonds. Potential investors in the Bonds should become familiar with the fees charged related to the holding, purchase and sale of the Bonds before investing in the Bonds.

Fees and transaction costs reduce the yield a Holder will realise on the investment in the Bonds. When Bonds are purchased, several types of incidental costs (including transaction fees and commissions) may be incurred and will have to be paid by the Holder in addition to the then current market price of the Bond. Similarly, when a Holder sells any Bonds, such incidental costs will reduce the actual price the Holder will receive for each Bond sold. These incidental costs may significantly reduce or even exclude the profitability of an investment in the Bonds. For instance, credit institutions as a rule charge their clients commissions which are either fixed minimum commissions or pro-rata commissions depending on the order value. To the extent that additional – domestic or foreign – parties are involved in the execution of an order, including but not limited to domestic managers or brokers, Holders must take into account that they may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs).

Credit spread risk

Potential investors in the Bonds must be aware that the Bonds bear the risk of the Issuer's credit spread, which may increase during the life of the Bonds, resulting in a decrease in the price of the Bonds. Factors affecting the credit spread include, inter alia, the Issuer's creditworthiness and rating, probability of default, potential loss in the event of a default and the remaining term to maturity of the Bonds. The liquidity rate, the general level of interest rates, overall economic developments and the currency in which the Bonds are denominated may also have a negative effect on the credit spread.

Risk of relevant clearing/settlement system

There is a risk that the settlement system of the Central Securities Depository of the Slovak Republic or corresponding records of international central depositories such as Euroclear or Clearstream, or links between them, will become dysfunctional due to technical or regulatory reasons, also e.g. in case of changes in laws or internal procedures of depositories. The Issuer has no influence on such an event, however, problems with the settlement or restriction of the possibility of holding the Bonds through international central depositories may have a negative effect on the price of the Bonds and may cause that the securities settlement of the Bond trades will not be realised.

4. INFORMATION ABOUT THE ISSUER

4.1 Basic information

Business name:	365.bank, a. s.
Registered seat:	Dvořákovo nábrežie 4, 811 02 Bratislava, Slovak Republic
Country of incorporation:	Slovak Republic
Identification No.:	31 340 890
LEI:	315700PLTAXHBHQP5J02
Telephone:	0850 00 6500
E-mail:	hello@365.bank
Website:	www.365.bank

4.2 History and development of the Issuer

365.bank, a. s., as a joint-stock company, is one of the legal successors of Poštovní banka, a.s. with its formerly registered office at Plzeňská 139, Prague 5, Czech Republic, Identification No: 00 247 723, formerly registered in the company register of the District Court for Prague 1, section: Sa, insert No.: 470, which was wound up without liquidation by demerger pursuant to the decision of its General Meeting dated 15 December 1992.

365.bank, a. s. was established by a memorandum of association dated 16 December 1992 pursuant to Sections 154 to 220gd of Act No. 513/1991 Coll., the Commercial Code (the **Commercial Code**), and banking legislation applicable at that time. The Issuer was incorporated by registration in the Commercial Register maintained by the District Court Bratislava I on 31 December 1992 and is registered in the Commercial Register maintained by the District Court Bratislava I, section: Sa, insert No.: 501/B. The Issuer commenced its activities on 1 January 1993. The Issuer is a joint-stock company established for an indefinite period and it carries out its business in compliance with Slovak law, *inter alia* with the Commercial Code, the Act on Banks and the Securities Act. The Issuer holds a Slovak banking licence, and is a Slovak bank (credit institution) under the Act on Banks.

In 2009, the Issuer established a branch in the Czech Republic, but this was cancelled on 30 June 2021 and deleted from the Commercial Register in the Czech Republic on 13 July 2021.

Based on the decision of the General Meeting held on 9 April 2021, with the prior consent of NBS, file No: NBS1-000-060-110, registration No.: 100-000-285-127, to change the articles of association, which became effective on 5 May 2021, the business name of the Issuer and several of its subsidiaries was changed with effect from 3 July 2021. Until 2 July 2021, the Issuer traded under the business name Poštová banka, a.s.

The table below provides an overview of changes in the Issuer's business name and respective subsidiaries of the Group, effective as of 3 July 2021.

Name of the entity in the Group until 2 July 2021	Name of the entity in the Group from 3 July 2021
Poštová banka, a.s	365.bank, a. s.
Prvá penzijná správcovská spoločnosť Poštovej banky, správ. spol., a. s.	365.invest, správ. spol., a. s.
Dôchodková správcovská spoločnosť Poštovej banky, d. s. s., a. s	365.life, d. s. s., a. s.
Amico Finance, a. s.	Ahoj, a.s.
SPPS, a. s.	SKPAY, a. s.

On 1 December 2017, the Issuer established a branch named Poštová banka, a.s., odštepny závod 365.bank, with its registered office at Žižkova 9, 811 02 Bratislava, Slovak Republic, headed by Mgr. Marek Šupa. By changing the business name of the Issuer with effect from 3 July 2021, the name of the branch was changed to 365.bank, a. s., odštepny závod 365.bank.

On 27 October 2020, the Issuer established a branch called 365.bank, a. s., odštepny závod 365.bank, with its registered office at Dvořákovo nábrežie 4, 811 02 Bratislava, Slovak Republic, headed by Ing. Melinda Burdanová, with effect from 10 June 2021 (until 9 June 2021, Ing. Gabriel Balog acted as head). By changing the business name of the Issuer with effect from 3 July 2021, the name of the branch was changed to 365.bank, a. s., odštepny závod Poštová banka.

The Issuer obtained the prior consent of the NBS to carry out activities related to the covered bonds issuance programme based on the decision of the NBS dated 17 January 2022, No.: 100-000-319-160 registration No.: NBS1-000-061-066, which became effective on 18 January 2022.

4.3 Significant changes in the structure of borrowing and financing

The Issuer is primarily financed by received deposits from clients. In order to meet the prescribed interim MREL liabilities target, the Issuer executed multiple debt issuances under its existing debt securities issuance programme and outside the programme via private placements throughout 2021 and may do so again in 2022. Except for issuing the Bonds under the Programme, the Issuer does not expect significant changes in its borrowing and financing structure in the future.

The Issuer expects to issue at least one tranche of the covered bonds in the first half of 2022 and, subject to market conditions, to remain active in the international debt capital market in the foreseeable future.

4.4 Credit rating

The table below sets out the current credit ratings of the Issuer assigned to it by the credit rating agency Fitch Ratings Ireland Limited Spółka z ograniczoną odpowiedzialnością Oddział w Polsce (**Fitch Ratings**), with its registered office at Krolewska 16, 00-103, Warsaw, Poland, which is registered under the CRA Regulation. Fitch Ratings provided a solicited credit rating to the Issuer. Going forward the Issuer's rating will probably be maintained by Fitch Ratings' entities, which are incorporated in the EU and registered under the CRA Regulation.

Credit rating assigned by the credit rating agency Fitch Ratings:

	Credit rating
LT IDR	BB- Outlook stable
ST IDR	B
Support Rating	5
Support Floor	NF
Viability	bb-

Explanation of the assigned rating:

Issuer Default Ratings

'BB' rating indicate an elevated vulnerability to default risk, particularly in the event of adverse changes in business or economic conditions over time; however, business or financial flexibility exists that supports the servicing of the Issuer's financial commitments.

Support Rating and Support Floor

The '5' Support Rating and 'No Floor' Support Rating Floor reflect Fitch Ratings' view that support from the authorities cannot be relied on, given that Slovak Republic has adopted resolution legislation that requires senior

creditors to participate in losses. Fitch Ratings is of the opinion that, although support from the Issuer's majority shareholder J&T Finance Group is possible, it cannot be reliably assess or relied upon.

Viability

'bb' ratings denote moderate prospects for ongoing viability of the Issuer. A moderate degree of fundamental financial strength exists, which would have to be eroded before the Issuer would have to rely on extraordinary support to avoid default. However, an elevated vulnerability exists to adverse changes in business or economic conditions over time.

4.5 Business overview

Principal activities

The Issuer is a Slovak bank and operates primarily on the basis of the Commercial Code and the Act on Banks. The Issuer's scope of business includes banking activities performed based on a banking licence granted to the Issuer in compliance with the Act on Banks. The banking activities performed by the Issuer are listed in the Issuer's articles of association and are registered as the scope of business in the Commercial Register and are carried out in compliance with the applicable generally binding legal regulations.

The Issuer offers its clients a wide range of banking and financial products and services. The principal business activities of the Issuer include the acceptance of deposits, provision of loans, domestic and cross-border transfers of funds, provision of investment services, investment activities and ancillary services under the Securities Act.

As of 31 December 2021, the Issuer operates in the Slovak Republic through 62 branches.

In addition, as of 31 December 2021, the Issuer provided banking services through 280 financial services offices and 1,543 post offices. The financial services office is a workplace in the premises of Slovenská pošta a.s. (the **Slovak Post**) where the Issuer's employees provide services and products. At the post offices, the employees of the Slovak Post offer the Issuer's products and services. The cooperation with the Slovak Post, currently agreed until 2026, affords the Issuer the largest network of physical contact points in the Slovak Republic.

The Group performs its activities mainly in the areas of retail banking and corporate banking. Through its subsidiaries, the Group also provides asset management services, pension funds management services and consumer finance.

4.6 Strategy and responsible conduct of business of the Issuer

Mission, vision and values

As part of its strategy, the Issuer articulates its mission, vision and values. The Issuer formulates its values as meaningfulness, inspiration, humanity and transparency. In compliance with these values, the Issuer is committed in its mission to inspire people to have more money and time for everything they love. As part of the vision, the Issuer declares, "thanks to us, it will be possible to think less about money". The Issuer wants to be valued by clients not only thanks to professional services, modern solutions, but also because of the certainty that the Issuer will advise its clients and will lead them to a more responsible and reasonable management of their own money.

365.bank transformation

From 3 July 2021, the Issuer uses "365.bank" as its main brand, which is the most preferred digital bank in the Slovak Republic.⁹ "Poštová banka" brand is retained and used for the banking services provided in cooperation with the Slovak Post, aimed at more traditional existing client base.

In terms of the client segments, the Issuer's and the Group's focus is at young and affluent retail segment, large corporate segment, teenage / young customers (including via new "Smartie" application and product) as well as mass retail, in particular lending. 365.bank transformation is expected to support the Issuer and the Group in the implementation of this strategy and broadening the client base.

⁹ Based on the Issuer's own market surveys.

In terms of implementation of the strategy, the Issuer and the Group also employ omnichannel transformation, cloud-native banking technology, digitalization, sustainability and open ecosystem ready to cover a variety of financial needs.

Responsible conduct of business

The Issuer is part of the Group, which operates in several areas of the financial market.

The employees of the Group and its external collaborators are guided in their work by the principles of the Group Code of Ethics and the 365 Compliance Code (the **Codes**). They carry out their work in such a way as to represent the Group and its values responsibly and conscientiously.

The Codes set out common values and minimum standards of ethical conduct of business that are binding on all Group employees. Employees are expected to understand and comply with these Codes in any contact with any internal and external party.

If necessary, employees can contact the employees responsible for supervising meeting the law and regulations (e.g., the Compliance Officer).

By meeting high standards and acting in accordance with the Codes, each employee contributes to a positive perception of the Group by all parties concerned – especially clients, shareholders, business partners and the public.

The Codes are available on the intranet of the Group members. However, they are not included in this Base Prospectus by reference.

Sustainability

For the Issuer as well as the entire Group, the principles of sustainability have always been included among the basic priorities, which was also reflected in the Codes of the Group. The Group employees are required to handle all tools and equipment they work with or come into contact with care, diligence and in a manner that is friendly to the environment and economy.

Members of the Group as well as their employees support projects aimed at environmental protection, e.g. process digitisation (paperless).

The Issuer is currently developing its ESG (environmental, social and governance) strategy that focuses on sustainability and sound risk management.

The Issuer has committed to reducing its carbon footprint by 2025.

4.7 Principal markets

The Issuer provides its services and performs its banking activities mostly on the domestic market in the Slovak Republic. It provides services to corporate and retail clients through various distribution channels, i.e., through a branch network covering the entire territory of the Slovak Republic and electronic channels.

As of 31 December 2021, the Issuer was the seventh largest bank in the Slovak Republic by the total value of assets.¹⁰

Specifically, with regard to the consumer loans, the Issuer's market share was approximately 15%, with regard to retail deposits approximately 8%, current accounts approximately 6% and term deposits approximately 9%, in each case being stable compared to years 2019 and 2020 and enabling the Issuer to compete with major players in the Slovak banking market. With regard to the mortgage loans, the Issuer entered that segment only several years ago and achieved 2.63% market share as at 30 December 2021, with the total gross balance of the principal of mortgage loans of EUR 1,028 million as at 31 December 2021 (compared to EUR 541 million as at 31

¹⁰ Based on the Group's information and public information from the NBS's reports on Slovak financial market and stability available at www.nbs.sk.

December 2020 and EUR 399 million as at 31 December 2019), maintaining strong growth in this segment. The Issuer also keeps above market average rate of growth in the retail loans segment generally.¹¹

The Issuer also achieved the highest return on assets in 2020 and 2021 compared to other top five banks in the Slovak market and achieved one of the best three returns on equity for the same period compared to other top five banks in the Slovak market.¹²

As for the market outlook, based on the main macroeconomic indicators such as the inflation, unemployment, GDP growth and debt to GDP, the Slovak Republic's economy appears more robust than Eurozone average, which – despite the risks associated with Covid-19 pandemics and its related impacts - is expected to support further potential of growth in the Slovak banking market, in particular in the lending business. This expectation is supported by the NBS's forecasts of decreasing unemployment and nominal wage growth between 2021 and 2023.¹³

4.8 Information regarding current and new products/services

The Issuer provides products and services for retail and corporate clients, with the total number of clients exceeding 927,000 as at 31 December 2021. The main products and services for retail clients:

Provision of credits and loans in euros for individual clients

- (a) Dobrá pôžička – a non-purpose consumer credit
- (b) Lepšia splátka – refinancing consumer credit
- (c) Pôžička od 365 – non-purpose consumer loan
- (d) Pôžička na refinancovanie – refinancing consumer credit
- (e) Digital credit
- (f) Mortgage
- (g) Permitted overdraft – servicing of existing products, sales suspended from 1 August 2020.

Accepting deposits, keeping accounts in euros, issuing payment cards

- (a) Legislative accounts – Basic banking product, Payment account with basic functions
- (b) Debtor's special account
- (c) Účet zadarmo / Účet plus (Free account / Account plus)
- (d) Užitočný účet / Užitočný účet senior / Účet pre mladých (Useful account / Useful account senior / Account for young people)
- (e) Sporenie na vzdelanie (Savings for education)
- (f) Syslenie (incremental saving by rounding payments from a current account or debit card)
- (g) Sporenie s cieľom (Saving with a goal)
- (h) Dobré sporenie Rezerva (Reserve Good Saving)
- (i) Dobré sporenie Istota na vzdelanie (Education Security Good Saving)
- (j) Term deposits
- (k) Debit Mastercard / Mastercard Gold payment cards.

Insurance intermediation

- (a) Životné poistenie Užitočná poisťka (Useful Insurance Life Insurance)

¹¹ Based on the Group's information and public information from the NBS's reports on Slovak financial market and stability available at www.nbs.sk.

¹² Based on the Group's information and public information on the Slovak banking market from the NBS and other Slovak banks.

¹³ National Bank of Slovakia: „Economic and Monetary Developments, winter 2021“, available at the following hyperlink: https://www.nbs.sk/_img/Documents/_Publikacie/ekonomicky_menovyy_vyvoj/2021/EN/emd_winter-2021.pdf.

- (b) Životné poistenie Mozaika (Mozaika Life Insurance)
- (c) Úrazové poistenie Plus (Plus Accident Insurance)
- (d) Detské poistenie pre nezbedníkov (Insurance for children)
- (e) Poistenie bývania PostDom (PostDom Housing Insurance)
- (f) Insurance of the ability to repay a housing loan
- (g) Insurance of the ability to repay a loan
- (h) (SIPO Insurance PLUS).

Other services and payment services

- (a) Program odmeňovania Peniaze S5 (Money-back Remuneration Program)
- (b) Voice biometrics
- (c) Electronic banking services - IB, mobile application, SMS info, push notifications
- (d) Google Pay, Apple Pay, Garmin Pay, Fitbit Pay
- (e) 3D Secure
- (f) SEPA payments
- (g) Foreign payments
- (h) CashBack
- (i) Poštomat (Postal automat)
- (j) Eurogiro
- (k) “Smartie” application and account product for children and their parents.

Main products and services for legal persons and natural persons – entrepreneurs:

- (a) Business accounts in EUR and CM (additional services – Payment cards, Internet banking, Multicash, POS, iTerminal)
- (b) Payment traffic
- (c) Payment documents
- (d) Financing – corporate credits, bank guarantees, use of various third-party support programs
- (e) Deposit products – Term deposits in EUR and CM.

The Issuer distributes investments in mutual funds via its subsidiary 365.invest, správ. spol., a. s., which manages over EUR 1.8 bn. for more than 100,000 clients as at 31 December 2021. In addition, the Issuer distributes the pension saving products of the company 365.life, d. s. s., a. s., which is one of five pension fund management companies in Slovak market. The Issuer also intermediates consumer loans of company Ahoj, a.s., which is one of top three non-banking consumer loans providers in the Slovak Republic¹⁴ offering innovative consumer lending products, such as “buy now, pay later”. All of these companies are subsidiaries of the Issuer.

4.9 Organisational structure and status of the Issuer in the Group

The Issuer and its subsidiaries are part of the consolidated Group. The major companies forming the Group are listed in section 4.11 of the Base Prospectus.

The Issuer and the Group are also part of the larger J&T FINANCE GROUP SE group (the **JTFG Group**), which is a strong major CEE finance group operating in the area of retail, private and investment banking, portfolio and asset management as well as venture capital. As of 31 December 2020, the consolidated assets of

¹⁴ Based on the Group’s information and public information from the NBS’s reports on Slovak financial market and stability available at www.nbs.sk.

the JTFG Group were EUR 11,824 million, the loans to customers were EUR 7,160 million and the group booked the profit of EUR 79 million with its return on equity reaching 4.5%. The most significant members of the JTFG Group are companies with a banking license – J&T BANKA, a.s., operating primarily in the Czech Republic, 365.bank, a. s., operating on the Slovak market and J&T Bank, a.o., operating in the Russian Federation.

The JTFG Group consists of J&T FINANCE GROUP SE (**JTFG**, the parent company) and its individual subsidiaries included in the consolidation of J&T FINANCE GROUP SE according to its direct or indirect share in them. The JTFG Group was founded in 2014 as a new holding for the finance companies of the existing J&T Group, which was founded back in 1990s. Major shareholders and founders of the group are Mr. Jozef Tkáč and Mr. Patrik Jakabovič.

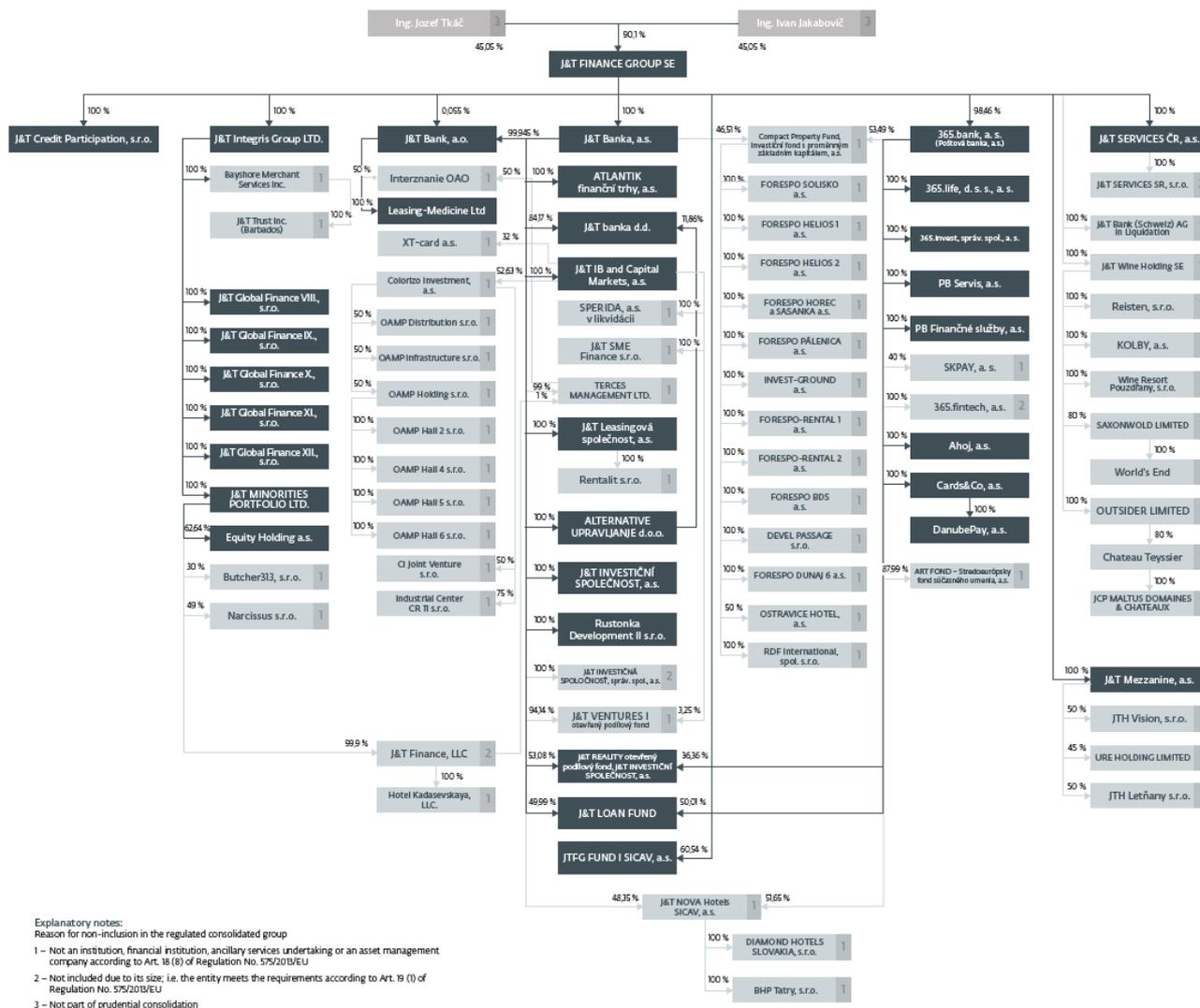
Significant members of the JTFG Group are 365.bank, a. s. and J&T BANKA, a.s. which operate mainly on the Slovak and Czech banking markets.

Major companies forming the JTFG Group as of 31 December 2021 are:

Name	Country of incorporation	Share of JTFG in registered capital
365.bank, a. s.	Slovak Republic	98.45%
J&T BANKA, a.s.	Czech Republic	100%
J&T SERVICES ČR, a.s.	Czech Republic	100%
J&T Mezzanine, a.s.	Czech Republic	100%
J&T INTEGRIS GROUP LIMITED	Republic of Cyprus	100%

The ownership chart of the JTFG Group as of 31 December 2021, which the Issuer is a part of, is provided below:

CHART OF J&T GROUP STRUCTURE | **COMPANIES THAT ARE PART OF PRUDENTIAL CONSOLIDATION**
dated 31 December 2021



4.10 Description of share capital

As of 31 December 2021, the total amount of the Issuer’s registered capital of EUR 366,305,193 consists of 330,899 ordinary registered shares in book-entered form. The nominal value of each share is EUR 1,107.

The shares are not admitted to trading on any regulated or other organised market. The Issuer is a privately held company.

4.11 The Group and its participation in business of other Slovak and foreign persons

The Issuer itself holds shares in several companies that together with the Issuer form a consolidated Group. The Issuer is not significantly dependent on its subsidiaries.

Major companies forming the Group as of 31 December 2021 are:

Entity	Registered capital (in EUR)	Issuer’s share
365.invest, správ. spol., a. s.	1,700,000	100%
365.life, d. s. s., a. s.	11,949,810.48	100%

Ahoj, a.s.	600,000	100%
PB Servis, a. s.	600,000	100%
PB Finančné služby, a. s.	99,582	100%
365.fintech, a. s.	2,000,000	100%
Cards&Co, a. s.	1,450,000	100%
SKPAY, a. s.	350,000	40%
ART FOND – Stredoeurópsky fond súčasného umenia, a. s.	991,000	87.99%
365.nadácia	6,638.78	The Issuer is a founder

Entity	Incorporation	Focus
365.invest, správ. spol., a. s.	3 January 1995	creation and management of standard, alternative and foreign alternative funds
365.life, d. s. s., a. s.	20 October 2004	creation and management of pension funds
Ahoj, a.s.	10 April 2015	provision of consumer credits
PB Servis, a. s.	15 June 2011	management of real property
PB Finančné služby, a. s.	1 August 2001	financial services
365.fintech, a. s.	23 January 2018	investing activities
Cards&Co, a. s.	29 September 2018	computer services
SKPAY, a. s.	10 February 2012	issuance of electronic money
ART FOND – Stredoeurópsky fond súčasného umenia, a. s.	5 December 2014	collecting activity
365.nadácia	6 November 2007	charity

4.12 Trend information

Macroeconomic conditions, market environment, the military conflict between Russia and Ukraine, as well as legislation and regulation applicable to all financial institutions in the Slovak Republic and the Eurozone have an impact on the Issuer, the Group and its business.

The change in circumstances that has affected the world economy and people's daily lives because of measures taken to limit the spread of COVID-19 and vaccination of the population is likely to cause long-term uncertainty about the prospects for the Eurozone and Slovak Republic, which may have an adverse effect on the Issuer.

Except as stated above, there are no other known trends, uncertainties, requirements, liabilities or events that could reasonably be considered to have an impact on the Issuer's prospects in the current financial year.

There has been no material adverse change in the prospects of the Issuer since 31 December 2021.

4.13 Profit forecasts or estimates

The Issuer has neither published nor included in the Base Prospectus any profit forecast or estimate.

4.14 Administrative, managing and supervising bodies

Board of Directors

The Board of Directors is the Issuer's statutory body, which manages the Issuer's activities and acts on its behalf. The Board of Directors decides on all matters of the Issuer, unless a matter is reserved for the General Meeting

or the Supervisory Board by law or the Issuer's articles of association. All members of the Board of Directors may act on behalf of the Issuer. At all times two members of the Board of Directors together act and sign on behalf of the Issuer. The Board of Directors has four members; their term of office is 5 years. A person may be re-elected as member of the Board of Directors.

Members of the Board of Directors of the Issuer

Name and surname	Position held
Ing. Andrej Zaťko	Chairman
RNDr. Zuzana Žemlová	Member
Ing. Peter Hajko	Member
Ladislav Korec, MBA, FCCA	Member

All of the members of the Issuer's Board of Directors have professional qualifications for the performance of their positions and hold no significant share in the Issuer's business. None of them has been convicted of a property crime. None of the members of the Board of Directors conducts business or activities outside the Issuer or the Group that would be significant with regard to the Issuer's activities.

The Issuer has no knowledge of any conflict of interest of the members of the Board of Directors in relation to their obligations vis-à-vis the Issuer and their private interests or other obligations.

Contact address of all members of the Issuer's Board of Directors is Dvořákovo nábrežie 4, 811 02 Bratislava, Slovak Republic.

Supervisory Board

The Supervisory Board is the supreme control body of the Issuer; it supervises the financial and business activities of the Issuer, the execution of powers of the Board of Directors and the performance of other activities of the Issuer. It has currently three members; two are elected by the General Meeting and one third by the Issuer's employees. The term of their office is 5 years. The same person may be re-elected as a member of the supervisory board. The Chairman and Vice-chairman of the Supervisory Board are appointed by the General Meeting from among the members of the Supervisory Board.

Meetings of the Supervisory Board are convened as necessary, but at least once a quarter, by the Chairman or Vice-chairman of the Supervisory Board. The Supervisory Board shall have a quorum if at least one half of its members attend it. Decisions by the Supervisory Board shall be made by a majority of the attending members. If the vote of the members of the Supervisory Board attending the meeting is tied during the decision-making of the Supervisory Board, the vote of the Chairman of the Supervisory Board is decisive.

Members of the Supervisory Board of the Issuer

Name and surname	Position held
Ing. Jozef Tkáč	Chairman
Ing. Jan Kotek	Member
Ing. Vladimír Ohlídal, CSc.	Member

All of the members of the Issuer's Supervisory Board have professional qualifications for the performance of their positions and none of them has been convicted of a property crime. Ing. Jan Kotek holds no significant share in the Issuer's business, does not conduct business or activities outside the Issuer or the Group that would be significant with regard to the Issuer's activities.

Ing. Vladimír Ohlídal, CSc, is the owner of a 100% share in RUN FIVE Media Technologies CZ a.s., with its registered office at Masná 403/110, Trnitá, 602 00 Brno, Czech Republic, Identification No.: 01733851, which

has a contract with the Issuer for the supply, installation and the operation of the advertising system. He is also the sole shareholder in SALVETA, s.r.o., with its registered office at Masná 403/110, Trnitá, 602 00 Brno, Czech Republic, Identification No.: 26257254, which deals with real estate management. Mr. Ohlídál does not conduct further business or other activities outside the Issuer or the Group that would be significant with regard to the Issuer's activities.

Ing. Jozef Tkáč owns a 45.05% share in the registered capital and voting rights of J&T FINANCE GROUP SE, which owns 98.45% in the registered capital and voting rights of the Issuer. As of the date of the Base Prospectus, Ing. Jozef Tkáč also works in the following companies, which can be considered significant with regard to the Issuer's activities:

- (a) J&T BANKA, a.s., Identification No.: 471 15 378, with its registered office at Sokolovská 700/113a Karlín, 186 00 Prague 8, Czech Republic, Chairman of the Supervisory Board, registered in the Commercial Register of the Municipal Court in Prague, file No.: B 1731;
- (b) ATLANTIK finanční trhy, a.s., Identification No.: 262 180 62, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, Member of the Supervisory Board, registered in the Commercial Register of the Municipal Court in Prague, file No.: B 7328;
- (c) J&T SERVICES ČR, a.s., Identification No.: 281 68 305, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, Chairman of the Supervisory Board, registered in the Commercial Register of the Municipal Court in Prague, file No.: B 12445;
- (d) Equity Holding, a.s., Identification No.: 100 05 005, with its registered office at Sokolovská 700/113a, 186 00 Prague 8, Czech Republic, Chairman of the Board of Directors, registered in the Commercial Register of the Municipal Court in Prague, file No.: B 1164; and
- (e) Nadace J&T, Identification No.: 271 62 524, with its registered office at Malostranské nábřeží 563/3, Malá Strana, 118 00 Prague 1, Czech Republic, Member of the Board of Directors, registered in the Commercial Register of the Municipal Court in Prague, file No.: N 1521.

The Issuer has no knowledge of any conflict of interest of the members of the Supervisory Board in relation to their obligations vis-à-vis the Issuer and their private interests or other obligations.

Contact address of all members of the Supervisory Board is Dvořákovo nábřeží 4, 811 02 Bratislava, Slovak Republic.

4.15 Major shareholders

The table below presents the shareholding structure of the Issuer as of 31 December 2021:

Shareholder	Registered capital (in thousands of EUR)	Share (in %)	Voting rights (in %)
J&T FINANCE GROUP SE	360,627	98.45	98.45
Slovenská pošta, a.s.	5,458	1.49	1.49
Ministry of Transport and Construction of the Slovak Republic	110	0.03	0.03
UNIQA Versicherungen AG	110	0.03	0.03
Total	366,305	100.00	100.00

The Issuer is not aware of any mechanisms whose application may later result in the change of its control. Control mechanisms for exercising the shareholder rights of the Issuer's owner and measures to ensure the elimination of the misuse of these rights are stipulated in the Act on Banks and other generally binding legal regulations.

4.16 Financial information concerning the assets and liabilities, financial situation and profits and losses of the Issuer

Historical financial information are included in the Base Prospectus by reference from the following Issuer's financial statements:

- (a) the consolidated financial statements of the Issuer for the year ending 31 December 2021 prepared in accordance with the IFRS as adopted by the EU; and
- (b) the consolidated financial statements of the Issuer for the year ending 31 December 2020 prepared in accordance with the IFRS as adopted by the EU, which form part of the Issuer's Consolidated Annual Report for 2020.

The consolidated financial statements for the year ended 31 December 2021 and for the year ended 31 December 2020 were audited by KPMG Slovensko spol. s r.o., with its registered seat at Dvořákovo nábrežie 10, Bratislava 811 02, Slovak Republic, member of the Slovak Chamber of Auditors, SKAU licence No. 96.

The independent auditor expressed unmodified opinions as stated in its audit reports incorporated by reference herein.

Overview of the financial and business position for the year ended 31 December 2021

The Group's net profit for 12 months ended 31 December 2021 amounted to EUR 56.9 million.

The economy affected also the 2021 interest income due to constantly declining interest rates, which reached historic lows. Year-on-year net interest income decreased by EUR 5.8 million (3.7%).

The COVID-19 pandemic had a significant impact on the creation of provisions and reserves in 2020. The situation improved in 2021, the net impairment of financial assets not valued at fair value through profit or loss created during the 2021 amounted to EUR 21.3 million, which is 46% of the creation for the same period in 2020.

Efficient operation is one of the key factors in profitability in an environment of low interest rates. The consolidated results of the Group were affected by investment into the transformation to 365.bank and opening of new branches, therefore, there was an increase in administrative expenses of EUR 8.5.

The Issuer's subsidiaries in particular contributed to the increase in consolidated profit.

365.invest, správ. spol., a. s. achieved third place in terms of net fund assets in 2021. It thus overtook one of the major players among management companies in Slovak Republic, namely Eurizon Asset Management Slovak Republic, správ. spol., a. s., which it was gradually closing in on the whole year.¹⁵ Thanks to that, the 365.invest, správ. spol., a. s. continues to manage to increase net income from fees and commissions also in 2021 to EUR 19.8 million for the 2021, year-on-year by EUR 2.3 million.

365.life, d. s. s., a. s. also succeeded, earning EUR 2.8 million net for 2021, which is increase of the profit by EUR 0.7 million. The success of 365.life, d. s. s., a. s. was also felt by savers, while the appreciation in the actively managed equity fund and in the guaranteed bonds fund was the most successful on the market with a significant distance from the competition in 2021. In the equity fund, savers even attributed a double-digit appreciation.

The Group recorded a growth in total assets also in 2021. At the end of 2021, they reached the level of EUR 4,904 million that is an increase of almost EUR 438 million in 12 months.

The volume of loans and advances to customers increased and reached EUR 3,150 million. The increase was driven mainly by the retail loans, the net value of which, after taking into account provisions, increased by EUR 428 million in the first 6 months of 2021.

¹⁵ Based on the data on Slovak funds published by the Slovak Association of the Management Companies (SASS) for July 2021, available on the website: <https://ass.sk/fondy/historicke-udaje/2022-01>.

The decrease of corporate credits in 2021 was also supported by the subsidiary PB Finančné služby, a. s., which underwent a change in the business model and, despite the more difficult conditions caused by the pandemic, managed to reach the planned level of new production.

In 2020, the Group amount of deposits from clients remained stable with the same trend in 2021. The number of clients of the digital 365.bank increased by 84% year-on-year approximately 55,000.

The increase in the capital adequacy ratio – the level of Tier I capital as a percentage of risk-weighted assets was recorded in 2021. Tier 1 capital adequacy increased from 16.88% to 17.84% at the end of December 2021 and continues to significantly exceed the level of minimum required capital. The increase in capital adequacy was mainly because of retaining the profit for 2020 without distributing any dividends in 2021.

4.17 Legal, administrative and arbitration proceedings

The Issuer is a party to the legal proceedings in the case of the claimants Kingstown Capital Management LP et al. against J&T Banka, JTFG and the Issuer, as the defendants for damages potentially exceeding USD 1 billion. This damage was to have arisen from the defendants' assisting Czech group CPI and its owner with alleged unlawful take-over of ORCO Property Group, S.A. The legal proceedings are pending before the United States District Court, Southern District of New York, proceedings No. 1: 19-cv-03170-DLC. The action was delivered on 11 April 2019. At first instance, a decision was issued dismissing the action against all defendants, including the Issuer. The claimants appealed against that decision in January 2021. The proceedings are not terminated as of the date of the Base Prospectus. The Issuer denies any unlawful conduct and considers the action at New York courts as without merits. No provisions were created in respect of the claim. However, any court decision on this case to the detriment of the Issuer could have an impact on its ability to meet its obligations under the Bonds.

Except for the above legal proceedings, during the period of 12 months preceding the preparation of the Base Prospectus, the Issuer or any member of the Group was not (and, so far as the Issuer is aware, no such proceedings are pending or threatened) party to any governmental, legal, administrative or arbitration proceedings that may have or may have had in the recent past significant effects on the financial position or profitability of the Issuer or on the companies in the Group. It cannot be excluded that in the future the Issuer or a company from the Group will become a party to any Proceedings that may have a material adverse effect on the economic results and financial position of the Issuer.

4.18 Significant change in the Issuer's financial position

No significant changes have occurred in the financial performance, financial position or business position of the Issuer or the Group since the date of compilation of the last audited consolidated financial statements of the Group for the year ended 31 December 2021.

No significant changes occurred in the structure of borrowing and financing of the Issuer.

4.19 Material contracts

The Issuer, or any member of the Group, has not entered into any material contracts other than contracts entered into in the ordinary course of the business that may result in a situation in which the Issuer or any member of the Group will have an obligation or authorisation decisive for the Issuer's ability to perform the obligations under the Bonds towards their Holders.

5. REASONS FOR THE OFFER AND THE USE OF PROCEEDS

Unless stated otherwise, the Issuer will use the net proceeds from each tranche of the Bonds to fund its general corporate purposes and business activities.

The above stated use of proceeds constitutes also the reasons for the offer of each tranche of the Bonds.

6. BASIC INFORMATION ABOUT THE BONDS

General information

The Bonds are debt securities that represent the Issuer's obligation to repay their principal amount and any proceeds.

The Bonds will be governed by the laws of the Slovak Republic, in particular the Bonds Act and the Act on Bank and under the Programme. The Issuer may issue the Bonds on a continuous or repeated basis as separate issues and individual issues may also be issued in parts (tranches).

The Bonds may be offered in the territory of the Slovak Republic or on the territory of other Member States of the European Union only in one or several manners defined in Article 1(4) of the Prospectus Regulation, which is exempt from the obligation to publish a prospectus.

The Issuer may, but is not obliged, to apply for admission of the Bonds to the official list of LSE and to trading on the regulated market of LSE or on another regulated market in the Member State of the EEA other than the Slovak Republic.

Legal framework of the Bonds under Slovak law

The details of the Bonds and their issuance are set out in the Act on Banks and the Act on Bonds. The Bonds are secured (covered) bonds the principal amount of which, including the yields on them, is fully covered by assets or other property values in the cover pool, which can only be issued by a bank in the Slovak Republic, and which is designated in its name as "covered bond" (in Slovak: *krytý dlhopis*). The Holders of the Bonds have by virtue of law the priority security right over all assets registered in the cover pool, including in the mortgages over the real estate property securing the included mortgage loans.

The Bonds can only be issued by a Slovak bank that has a bank license under the Act on Banks and which has obtained prior approval from the NBS to perform activities related to the covered bonds issuance programme. The Issuer has obtained such prior approval of the NBS on 17 January 2022.

The cover pool consists of four components: (i) underlying assets (i.e. mortgage loans), (ii) additional assets, (iii) hedging derivatives, and (iv) liquid assets. An asset or property value becomes part of the cover pool by its inclusion in the register of covered bonds and is included until it is removed from this register. The cover pool may, pursuant to Section 68(3) of the Act on Banks, be used only to cover the Issuer's obligations to repay the principal amount of the covered bonds and their interest proceeds, the estimated obligations and costs of the Issuer related to the covered bonds programme (e.g. to the covered bonds programme administrator, the payment service agent, etc.) and the obligations of the Issuer arising from hedging derivatives.

The base assets are the Issuer's receivables from mortgage loans with a maturity of no more than 30 years provided to consumers and secured by pledges over immovable assets that meet the statutory conditions. The base assets are also these pledges over immovable assets. If the value of the pledged property decreases to the amount of the current unpaid principal of the mortgage loan, such Issuer's receivable shall be included in the base assets only up to the amount not exceeding 80% of the value of the pledged property. If the value of the pledged property falls below the unpaid principal, it is not included in the base assets at all. Substantially the same cover assets requirements will apply under the CBD Implementing Act (as defined below) and amended Article 129 of CRR.

Additional assets include deposits with the NBS, the ECB or the central bank of a Member State, ECB debt certificates, cash, treasury bills issued by the Slovak Republic, or debt securities issued by a Member State, deposits with banks, foreign banks and debt securities issued by banks and foreign banks.

The Act on Banks sets out the method of calculating the cover ratio. The cover ratio is the ratio between the value of the cover pool and the sum of the Issuer's obligations and costs arising from the covered bonds programme and must be maintained at a level of at least 105% (or such higher value as may be set out in the terms and conditions of the bonds).

Property values and assets forming part of the cover pool are registered in the register of the covered bonds. They cannot be pledged by the Issuer or used to secure its other obligations.

The NBS appoints for each bank that is the issuer of covered bonds, a cover bonds programme administrator and its deputy supervising the compliance with the statutory conditions in relation to the covered bonds programme.

The covered bonds programme administrator supervises the issue of covered bonds in terms of their requirements and coverage under the Act on Banks and informs NBS about any identified deficiencies. The covered bonds programme administrator is required to issue a written certificate for each issue of covered bonds prior to the issue, that they have the required coverage and that a record is kept in the register of covered bonds.

If the Issuer becomes insolvent, the separate bankruptcy estate of the secured creditors, who are the holders of the covered bonds, would be composed of the assets constituting the cover pool and registered in the register of covered bonds; this separate bankruptcy estate will include in particular the base assets, i.e. receivables from mortgage loans, including pledges over properties serving to secure the receivables from mortgage loans, provided that they have been registered in the register of covered bonds and included in the cover pool.

If the Issuer is insolvent, the bankruptcy trustee has several options to deal with the covered bonds programme. The bankruptcy trustee may in particular continue to operate the covered bonds programme as part of the issuer's business unless this reduces the overall satisfaction ratio for the holders of the covered bonds. If the bankruptcy trustee assesses that it will be more beneficial to the holders of the covered bonds, he may attempt to transfer the covered bonds programme or its part so that the whole covered bonds programme is transferred to another bank or multiple banks. If the bankruptcy trustee fails to secure transferring of the covered bonds programme, he is entitled to sell individual receivables from mortgage loans that form part of the cover pool's assets during the business operation. If the capitalisation fails to be achieved in such a way before termination of the operation of the Issuer's business, the bankruptcy trustee may, after fulfilling the statutory conditions and complying with the statutory deadlines, terminate the operation of the covered bonds programme as a part of the Issuer's business and enforce an early repayment of obligations corresponding to the receivables that constitute the base assets of the cover pool. Termination of the covered bonds programme operation will result in acceleration of the covered bonds.

Statutory publications concerning the Cover Pool and the Bonds

The Issuer has internally allocated approximately EUR 750,000,000 of assets (residential mortgages) eligible for covering its liabilities under the Bonds issued under the Programme in the future.

The Issuer has also internal strategy concerning the quality of the cover assets under which the target LTV ratio of the residential mortgages in the cover pool is expected to be 70% or lower (as compared to regulatory maximum of 80%).

Detailed information regarding the cover pool and the Bonds will be published by the Issuer to the extent required under the Act on Banks and other applicable regulation and prevailing Slovak market practice.

Implementation of the EU Covered Bonds Directive

CBD Implementing Act will enter into force on 8 July 2022. The amendment regulates, in particular, various new classes of the covered bonds and cover assets and changes certain aspects of the supervision and transfer of a covered bond programme. Nevertheless, it does not have a significant impact on the Slovak covered bond market as the current Slovak legal framework is already in compliance with the fundamental requirements of the EU Covered Bonds Directive. The amendment expressly states that the Bonds issued pursuant to the current legal framework applicable until 8 July 2022 (the **Pre-CBD Bonds**) will continue to be governed by the provisions of the Act on Banks as applied until 8 July 2022, without any additional requirements or actions.

The Issuer has not issued any Pre-CBD Bonds as at the date of this Base Prospectus, but expects to issue at least one tranche of the Pre-CBD Bonds in the first half of 2022 and, subject to market conditions, to remain active in the international covered bonds market in the foreseeable future.

It will also be possible for the Issuer to apply the new regime under the CBD Implementing Act to the Pre-CBD Bonds and include such Bonds in the continuing covered bonds programme governed by the CBD Implementing Act. The Pre-CBD Bonds will be then treated as European Covered Bonds (Premium), covered by assets under Article 129(1)(d) and (f) of CRR. In this case, however, the CBD Implementing Act expressly requires that the cover of such Pre-CBD Bonds must be preserved in accordance with provisions of the Act on Banks as applied until 8 July 2022. All rights of the holders of the Pre-CBD Bonds must be preserved or must be more beneficial in case of any such change. Consequently, even if the Issuer decides to include the Pre-CBD Bonds in the continuing covered bond programme governed by the CBD Implementing Act, such decision will have no negative impact on any rights of the holders of the Pre-CBD Bonds. The Issuer may decide to effect these changes with regard to the Pre-CBD Bonds by giving relevant notices until 31 December 2023.

7. COMMON TERMS

This section of the Base Prospectus contains certain information in square brackets that do not contain specific information or contain only a general description (or general principles or alternatives). At the moment of the preparation of the Base Prospectus, the unknown information concerning the Bonds, will be completed by the Issuer for individual issues of the Bonds in the Final Terms (as defined below) to be prepared and published in the form specified in section 8 of the Base Prospectus designated as the “Form of the Final Terms”.

The term “Bonds” for the purpose of this section 7 (“Common Terms”) only refers to the bonds of the issue concerned and shall not be construed as any bonds issued continuously or repeatedly by the Issuer under the Programme.

The text in these Common Terms in italics is merely a guide to the preparation of the Final Terms and is not part of the final legally binding text of the relevant Terms and Conditions (as defined below) of the relevant issue of the Bonds.

All issues of the Bonds to be issued under the Programme on the basis of this Base Prospectus will be governed by the Common Terms set out in this section 7 (the **Common Terms**) and the respective Final Terms. For the purposes of these Common Terms and pursuant to Article 8(4) and (5) of the Prospectus Regulation, the Final Terms mean a document designated as the “Final Terms” to be prepared and published by the Issuer with regard to individual issues of the Bonds, and which will contain particular information the description of which is given in square brackets in these Common Terms (the **Final Terms**).

For the sake of clarity, the sections and paragraphs of the Common Terms are numbered separately.

PART A: INFORMATION ABOUT THE BONDS

This Part A (*Information about the Bonds*) of the Common Terms together with Part A of the Final Terms replaces the terms and conditions of the respective issue of the Bonds (the **Terms and Conditions**).

For the avoidance of doubt, the term “Bonds” in the Terms and Conditions only refers to the bonds of the particular issue and shall not be construed as referring to any bonds issued continuously or repeatedly by the Issuer under the Programme.

Any reference to point, section or paragraph in the Terms and Conditions (including in the Final Terms) means reference to point, section or paragraph of the whole Terms and Conditions of a given issuance of the Bonds.

1. Basic information, form and manner of issue of the Bonds

- 1.1 The Bonds [ISIN], [CFI], [FISN], [Common Code] will be issued by the Issuer, 365.bank, a. s., with its registered seat at Dvořákovo nábrežie 4, 811 02 Bratislava, Slovak Republic, Identification No.: 31 340 890, registered in the Commercial Register of the District Court Bratislava I, Section: Sa, File No. 501/B, LEI: 315700PLTAXHBHJP5J02 (the **Issuer**) in accordance with Act No. 530/1990 Coll., on Bonds, as amended (the **Bonds Act**) and in accordance with Act No. 566/2001 Coll. on Securities and Investment Services, as amended (the **Securities Act**).
- 1.2 The Bonds are issued as covered bonds (in Slovak: *kryté dlhopisy*) under Section 67 et seq. of Act No. 483/2001 Coll. on Banks, as amended (the **Act on Banks**) and are covered by assets or other property values in the cover pool pursuant to the relevant provisions of the Act on Banks.
- 1.3 The Bonds are book-entry securities (in Slovak: *zaknihované cenné papiere*) registered in: [**Depository – information (name and address of the entity) about the entity that maintains the statutory records of securities**] (the **Central Depository**) in bearer form (in Slovak: *vo forme na doručiteľ’a*) pursuant to the Securities Act.
- 1.4 The Bonds will be issued with principal amount (in Slovak: *menovitá hodnota*) of each of the Bonds of [**Principal Amount**] (the **Principal Amount**), the number of securities being no more than [**Number of Securities in the Issue**].
- 1.5 The Bonds will be issued in euro.
- 1.6 The name of the Bonds is [**Name**].

- 1.7 The Aggregate Principal Amount (in Slovak: *celková menovitá hodnota*) of the Bonds will be no more than [Aggregate Amount of the Issue] (the **Aggregate Amount of the Issue**) and after deduction of the costs relating to the issue of the Bonds (costs of the Central Depository, admission to trading, advisors, subscription or placement of the Bonds, administration, settlement and other associated costs) the estimated net proceeds from the issue of the Bonds will be [Estimated Net Proceeds from the Issue].
- 1.8 Individual issues of the Bonds may be issued by the Issuer in parts (tranches) in compliance with the applicable provisions of the Bonds Act.
- 1.9 The Issue Price of the Bonds was determined as [Issue Price in %] of the Principal Amount (the **Issue Price**).
[Information about the accrued interest]
- 1.10 The issue date of the Bonds is set for [Issue Date] (the **Issue Date**).
- 1.11 The Bonds will be issued under the EUR 3,000,000,000 covered bonds issuance programme pursuant to Article 8 of the Prospectus Regulation (the **Programme**).
- 2. Rights attached to the Bonds**
- 2.1 The Bonds will be issued in accordance with the Bonds Act, the Securities Act and the Act on Banks, and the Holders have the rights and obligations arising from these laws and the Terms and Conditions. The procedure for exercising these rights follows from the applicable laws and the Terms and Conditions.
- 2.2 Rights attached to the Bonds are not restricted, except for general restrictions pursuant to applicable legal regulations.
- 2.3 The transferability of the Bonds is not restricted. No rights to exchange them for any other securities and no pre-emption rights (rights for preferential subscription) to any securities and no other benefits are attached to the Bonds.
- 2.4 The payment of the Principal Amount or the payment of interest on the Bonds is secured (covered) in compliance with the applicable provisions of the Act on Banks.
- 2.5 A joint representative of the Holders or any other representative of Holders has not been appointed.
- 3. Holders of the Bonds and transfers**
- 3.1 The Holders of the Bonds will be the persons registered as owners of the Bonds (a) on the owner's account (in Slovak: *účet majiteľa*) maintained by the Central Depository or by a member of Central Depository; or (b) in the internal records of a person for which Central Depository maintains a custody account (in Slovak: *držiteľský účet*) or similar account (each such account the **Relevant Account** and each such person the **Holder**). If some of the Bonds are registered in a custody account, the Issuer reserves the right to rely on the authority of each person maintaining such account to fully represent (directly or indirectly) the Holder and perform vis-à-vis the Issuer and to the account of the Holder all legal acts (either in the Holder's name or in its own name) associated with the Bonds as if this person were their owner.
- 3.2 A transfer of the Bonds is made through the registration of the transfer in the Relevant Account.
- 3.3 Unless the law or a decision of the court delivered to the Issuer provides otherwise, the Issuer will deem each Holder as the authorised owner in all respects and make the payments under the Bonds to that Holder.
- 4. Status of obligations**
- Obligations from the Bonds constitute direct, general, secured (covered, in Slovak: *kryté*), unconditional and unsubordinated liabilities of the Issuer which rank *pari passu* among themselves and always rank at least *pari passu* with any other direct, general, similarly secured (covered, in Slovak: *kryté*), unconditional and unsubordinated liabilities of the Issuer, present and future, save for those obligations of the Issuer as may be stipulated by mandatory provisions of law.
- 5. Representations and undertakings of the Issuer**
- 5.1 The Issuer declares that it owes to the Holders the Principal Amount and undertakes to repay the Principal Amount and any interest on the Bonds (if the Bonds bear interest income), in accordance with their Terms and Conditions.

- 5.2 The Issuer undertakes to treat all Holders in the same circumstances equally.
- 5.3 **[Overcollateralization** – [The Issuer undertakes to maintain the cover ratio (in Slovak: *ukazovateľ krytia*) in respect of the Bonds at least in accordance with the Act on Banks and other applicable Slovak laws.] *or* [The Issuer undertakes to maintain the cover ratio (in Slovak: *ukazovateľ krytia*) in respect of the Bonds at least at the level of [●].]
- 6. Interest**
- 6.1 The Bonds will bear interest from the date of the Issue Date. **[Determination of interest** – [The Bonds bear a fixed interest rate throughout their life, in the amount of [**Rate**]% p. a.] (the **Interest Rate**).]
- or for zero coupon Bonds:* [The Bonds have no interest rate and their interest is determined as the difference between the Principal Amount of the Bonds and their Issue Price. The provisions of sections 6.3 to 6.13 and any reference to interest or its payment shall in this case not be applicable to the Bonds.]
- or for the floating rate Bonds:* [The Bonds bear interest at the floating rate set as the sum of the Reference Rate and the Margin of [**Reference Rate and Margin**]% p. a. (the **Interest Rate**). The Reference Rate will be set for the first time [**Reference Rate Setting Deadline**] before the Issue Date and subsequently set [**Reference Rate Setting Deadline**] before the applicable Payment Date for the following Interest Period (the **Reference Rate Setting Date**). The current floating Interest Rate for the relevant Interest Period shall be notified by the Issuer to the Holders promptly.]]
- 6.2 Yield to Maturity as at the Issue Date amounts to: [**Yield to Maturity**].
- 6.3 Interest on the Bonds will be always paid [**Interest Payment Frequency**] (on) [**Interest Payment Date(s)**] of the relevant calendar year (each a **Payment Date**) in compliance with section 8 below.
- 6.4 Interest on the Bonds will be paid to the Holders for each Interest Period retrospectively, for the first time on [**First Interest Payment Date**].
- 6.5 For the purposes of the Terms and Conditions, the **Interest Period** shall mean the period commencing on the Issue Date (inclusive) and ending on the first Payment Date (exclusive) and subsequently each successive period commencing on the Payment Date (inclusive) and ending on the next successive Payment Date (exclusive) until (a) the Principal Amount Maturity Date (exclusive) or until (b) the Early Maturity Date (exclusive) if the Bonds are redeemed early.
- 6.6 Interest on the Bonds shall be calculated according to the convention [**Convention**] (as defined below).
- 6.7 The amount of interest payable to each Holder shall be calculated (a) as the product of the Principal Amount and the Interest Rate (expressed as a decimal number), (b) by subsequent multiplication of this amount by the relevant fraction of days calculated in accordance with the convention specified in the preceding sentence, (c) by subsequent multiplication of this amount by the number of the Bonds held by the relevant Holder, and (d) by rounding the resulting value to two decimal places, with the value of 0.005 being rounded up. The same procedure shall be used also for calculation of the aliquot accrued interest.
- 6.8 The Bonds will cease to bear interest as of the Principal Amount Maturity Date or the Early Maturity Date (if the Bonds are redeemed early), provided that the Principal Amount has as of this date been repaid. If the Principal Amount is not fully repaid as of the Principal Amount Maturity Date or the Early Maturity Date (if the Bonds are redeemed early) due to the Issuer's fault, the Bonds will continue to bear interest at the Interest Rate until all due amounts in respect of the Bonds have been paid.
- 6.9 For the purposes of the Terms and Conditions, **Reference Rate** means the interest rate expressed as the percentage p.a. displayed on [**Screen page**] (or any substitute screen page displaying such information) as [**Relevant value** – [the value of the fixing of the interest rates for sale on the interbank market for deposits for the relevant currency for the relevant period] *or* [the value of mid-swap interest rate (the average of bid and offer swap rate) for the fixed part of swap transaction, where the fixed rate is changed into a floating rate in the relevant currency for the relevant period] *or* [Not applicable.]]; information/data regarding the past performance, current value as well as the volatility of the Reference Rate can also be obtained there.

If the Reference Rate is not available on the above-mentioned page or it is not displayed for any reason, it will be determined by the Issuer. In the event that any interest rate calculated using the Reference Rate in accordance

with the procedures set out above would be less than zero, the Interest Rate with a value of zero will be used to calculate the Interest Rate.

- 6.10 If – except for the Interruption Event (as defined below) – the relevant Screen Page is not available or if the rate does not appear in the relevant time, the Issuer will request each of the Reference Banks (as defined below) to provide a rate for the Reference Rate of approximately 11:00 a.m. for the relevant Reference Rate Setting Date. If such rates are provided by two or more Reference Banks, the Reference Rate for the relevant period will be the arithmetic average of such rates (rounded to the nearest thousandth of a percentage point according to the arithmetic rules, if necessary). If such rates are provided by only one or none of the Reference Banks, the Reference Rate will be determined by the Issuer as the arithmetic average (rounded to the nearest one thousandth of a percentage point according to the arithmetic rules, if applicable) of the rates reported to the Issuer by the Reference Banks, or any two or more of them, as the rates at which major banks on the interbank market in the Eurozone offered them at around 11:00 a.m. on the relevant Reference Rate Setting Date deposits in the Currency for the relevant Interest Period. If the Reference Interest Rate cannot be determined in accordance with the preceding paragraphs, the Issuer shall determine the Reference Rate at its own discretion.

Reference Banks means at least four major banks in the Eurozone interbank market.

- 6.11 If the Issuer at its reasonable discretion determines that (a) it becomes illegal for the Issuer to use the Reference Rate, or (b) the Reference Rate administrator ceases to calculate and publish the Reference Rate permanently or indefinitely, or (c) the Reference Rate administrator becomes insolvent, is under restructuring or becomes subject to any similar proceedings (affecting the administrator) initiated by the administrator or its supervisory or regulatory authority, or (d) the Reference Rate is otherwise interrupted or otherwise ceases to be provided (each of the events referred to in paragraphs (a) to (d) an **Interruption Event**), the Reference Rate shall be replaced by the rate determined by the Issuer (the **Substitute Reference Rate**) in accordance with the following paragraphs in order (a) to (d):
- (a) The Reference Rate shall be replaced by a reference rate determined by any applicable law or regulation or notified by the Reference Rate administrator, the relevant Central Bank or supervisory authority or the regulatory authority as the substitute interest rate for the Reference Interest Rate, provided the Issuer has access to the source of such determination. The Issuer shall provide this information to the Holders as soon as possible in accordance with section 14. In this case, the Issuer is not subject to any other disclosure obligations in connection with such Substitute Reference Rate or any adjustments or changes made in connection therewith.
 - (b) The Substitute Reference Rate shall be determined by the Independent Advisor's discretion as the rate most comparable to the Reference Rate, and if the Independent Advisor finds that there is a reference rate accepted in the industry as comparable to the Reference Rate, then the Independent Advisor will use such reference interest rate as the Substitute Reference Rate and determine which screen page or source to use in connection with this Substitute Reference Rate (the **Substitute Screen Page**). The Independent Advisor shall inform the Issuer and the Administrator of such determinations. The Issuer shall provide this information to the Holders without undue delay in accordance with section 14.
 - (c) In addition to replacing the Reference Rate with the Substitute Reference Rate under paragraphs (a) or (b) above, the Issuer (acting in good faith and in a commercially reasonable manner) may state (i) the factor adjusting the interest rate or fraction or margin (which is added or deducted) to be applied to the Substitute Reference Rate for the purpose of achieving a result, consistent with the economic substance of the Reference Rate prior to the occurrence of the Interruption Event, and (ii) any other changes necessary to determine the Interest Rate or other payments to comply with market practice in relation to the Substitute Reference Rate (for example, Convention, business days, Interest Rate Setting Dates, method of calculating the amount of interest). The Issuer shall provide this information to the Holders without undue delay in accordance with section 14.
 - (d) If the Substitute Screen Page determined in accordance with paragraph (b) is not accessible to the Issuer or if the Independent Advisor does not determine a Substitute Reference Rate or if the Issuer is unable to appoint an Independent Advisor even after reasonable efforts, the deadline for determining the Substitute Reference Rate under the above paragraphs was insufficient, the Issuer shall decide, at its

reasonable discretion, but not earlier than three business days before the Reference Rate Setting Date, that:

- (i) the Reference Rate will be the rate displayed on the Screen Page on the last day preceding the relevant Reference Rate Setting Date, when this rate was stated, and informs the Holders about it without undue delay in accordance with section 14; or
- (ii) it redeems all (not just some) Bonds early with the notice of early redemption being provided at least 30 days in advance in accordance with section 14; section 7.3 shall apply *mutatis mutandis*. **[Further information on early redemption if it is impossible to determine the Substitute Reference Rate]**

Independent Advisor means an independent financial institution of international repute or other independent financial advisor with relevant professional expertise appointed by the Issuer at its own expense.

6.12 **Convention** means for the purposes of the Terms and Conditions one of the following conventions for the calculation of interest:

- (a) **30E/360** which, for the purposes of the calculation, means that a calendar year has 360 days divided into 12 months, and each month has 30 days;
- (b) **Act/360** which, for the purposes of the calculation, means that a calendar year has 360 days; however, the actual number of days lapsed in the relevant Interest Period is taken into consideration, i.e. the same convention as for the Reference Rate is used; and
- (c) **Act/Act** which, for the purposes of the calculation, means the actual number of days from the beginning of the Interest Period to the day of the relevant calculation divided by 365 (or if any part of the period for which the interest **income** is determined falls within a leap year, the sum of (i) the actual number of days in that part of the period for which the interest income is determined, which falls within the leap year, divided by the number 366, and (ii) the actual number of days in that part of the period for which the interest income is determined, which falls into the non-leap year, divided by the number 365).

6.13 The calculation of interest on the Bonds by the Issuer will be final and binding for all Holders, except for a manifest error.

7. Maturity of the Bonds

7.1 Unless the Bonds are redeemed earlier or repurchased by the Issuer and thus cease to exist, as per sections 7.2 and 7.3 below, the Principal Amount **[Method of Redemption]** shall be repaid on **[Maturity Date]** (the **Principal Amount Maturity Date**).

7.2 The Issuer has the right to purchase any of the Bonds on the secondary market at any market price any time prior to the Principal Amount Maturity Date. The Bonds purchased by the Issuer will not cease to exist and the Issuer may keep and resell them. However, the Issuer may at any time after the buy-back of the Bonds until the Principal Amount Maturity Date decide to terminate the Bonds, in which case the Bonds bought back by the Issuer shall cease to exist.

7.3 **[Early redemption of the Bonds by the Issuer** – [The Issuer is, on the basis of its decision, entitled to early redeem all (not only some) Bonds issued and outstanding as of **[Early Redemption Date(s)]** (the **Early Maturity Date**). The Issuer is obliged to announce such decision to the Holders no sooner than 60 days and no later than 30 days prior to the relevant Early Maturity Date.] The Issuer's notification of the early redemption of the Bonds and of the Early Maturity Date is irrevocable and obliges the Issuer to early redeem the entire issue in respect of which the notification was made. On the Early Maturity Date, the Issuer shall pay to each Holder [(i) 100.00% of Principal Amount of the Bonds; and (ii) the accrued interest of the Principal Amount of the Bonds *or* **[Other Determination of the Early Redemption Amount]**]. The provisions of section 8 shall apply accordingly to the early redemption of the Bonds.]

or [The Issuer is entitled to early redeem all (not only some) Bonds issued and outstanding as of **[Early Redemption Date(s)]** (the **Early Maturity Date**) only if (a) on the occasion of the next payment due under the Bonds, the Issuer has or will become obliged to pay additional amounts as provided or referred to in section 10 as a result of any change in, or amendment to, the laws or regulations of the Slovak Republic or any change in

the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date of the issues of the first tranche of the Bonds and (b) such obligation cannot be avoided by the Issuer taking reasonable measures available to it. The Issuer is obliged to announce such decision to the Holders no sooner than 60 days and no later than 30 days prior to the relevant Early Maturity Date. The Issuer's notification of the early redemption of the Bonds and of the Early Maturity Date is irrevocable and obliges the Issuer to early redeem the entire issue in respect of which the notification was made. On the Early Maturity Date, the Issuer shall pay to each Holder 100.00% of Principal Amount of the Bonds and any accrued interest until that date. The provisions of section 8 shall apply accordingly to the early redemption of the Bonds.]

or [Not applicable. The Issuer may not, on the basis of its decision, redeem the Bonds early.]

8. Payment terms and conditions

- 8.1 The Issuer undertakes to pay the interest from the Bonds and repay the Principal Amount in euro (EUR). The interest from the Bonds and the Principal Amount shall be paid to the Holder in accordance with the tax, foreign exchange and other applicable Slovak legal regulations effective on the date of the relevant payment.
- 8.2 Payment of the interest from the Bonds will be made as of the Payment Date and the repayment of the Principal Amount will be made as of the Principal Amount Maturity Date or the Early Maturity Date (if the Bonds are redeemed early) in accordance with the Terms and Conditions, through the Issuer and/or the Administrator (as defined below) of the issue of the Bonds at its registered seat (the **Payment Venue**).
- 8.3 The interest from the Bonds and the Principal Amount shall be paid to persons who will prove to be the Holders according to the current register of Bonds held by the Central Depository or a Central Depository member or a person registering a Holder for the Bonds registered on the holding account held for such a person by the Central Depository at the close of business hours of the Central Depository on the relevant Determination Date (the **Authorised Person**).
- 8.4 For the purposes of the Terms and Conditions, the **Determination Date** means:
- (a) for the purposes of the payment of interest from the Bonds, the 30th calendar day prior to the Payment Date (exclusive), or
 - (b) for the purposes of the payment of the Principal Amount:
 - (i) the 30th calendar day prior to the Principal Amount Maturity Date (exclusive); or
 - (ii) the 30th calendar day prior to the Early Maturity Date.
- 8.5 The Issuer shall make the payment of interest from the Bonds and the Principal Amount to the Authorised Persons via wire transfer to their accounts held at the bank, foreign bank or a branch of the foreign bank, which the Authorised Person shall notify to the Issuer in a manner satisfactorily certain and acceptable for the Issuer (and relevant Administrator, if appointed) no later than five business days prior to the Payment Date or the Principal Amount Maturity Date or the Early Maturity Date.
- 8.6 The form and content of the instruction must satisfy the reasonable requirements of the Issuer (and relevant Administrator, if appointed), and the Issuer (or relevant Administrator, if appointed) will be entitled to request sufficiently satisfactory evidence that a person who has signed the instruction is authorised to do so on behalf of the Authorised Person. Such evidence must also be delivered to the Issuer (or relevant Administrator, if appointed) no later than five business days prior to the Payment Date/Principal Amount Maturity Date/Early Maturity Date (as applicable). In particular, the Issuer (or relevant Administrator, if appointed) will be entitled to request any Authorised Person to deliver an officially certified power of attorney if the Authorised Person acts through a representative.
- 8.7 Despite the rights under the preceding sentence, the Issuer (and relevant Administrator, if appointed) will not (a) be obliged to verify the authenticity of the instruction according to this section, or (b) be liable for any damage incurred in relation to any delay resulting from the delivery of incorrect, out-of-date and/or incomplete instruction, or (c) be liable for any damage incurred in connection with the verification of the instruction or any other information or documents pursuant to this section. In these cases, the Authorised Person shall not be entitled to any additional payment or interest for the caused delay or the delay of the relevant payment.
- 8.8 If the Issuer, in reasonable time after the Payment Date, the Principal Amount Maturity Date or the Early Maturity Date (as the case may be) cannot pay any amount due in relation to the Bonds due to delays caused by the Authorised Person, failure to provide a proper instruction or for other reasons on the part of the Authorised

Person (e.g. in case of his/her death), the Issuer may, without prejudice to its authorisation pursuant to Section 568 of Act No. 40/1964 Coll. the Civil Code, as amended, deposit the due amount at the expense of the Authorised Person (or its legal successor) at his discretion either into notarial custody or keep the due amount itself. By depositing the due amount into custody (notarial or its own), the Issuer's obligation for payment of such amount is deemed to have been satisfied and the Authorised Person (or its legal successor) shall in such case not be entitled to any additional payment, interest or other proceeds in connection with the safekeeping and later payment of the amount.

- 8.9 For the purposes of the Terms and Conditions, a business day means a day on which commercial banks in city [**Financial Centre**] are normally open for business and the TARGET 2 system (Trans-European Automated Real-Time Gross Settlement Express Transfer System) is open for settling transactions except for a Saturday, Sunday and any other day which is considered a public holiday in the Slovak Republic. If the Payment Date, the Principal Amount Maturity Date or the Early Maturity Date, as the case may be, falls on a day other than a business day, the Payment Date, the Principal Amount Maturity Date or the Early Maturity Date will be deemed to fall on the next business day, provided that in this case no additional interest or other additional amounts will accrue on the Bonds.

9. Administrator

- 9.1 The activities of the administrator (paying agent) related to the payment of interest income, redemption of the Bonds and calculations related to the determination of income shall be provided by the [**Administrator** - [the Issuer] or [J&T BANKA, a.s., with its registered office at Sokolovská 700/113a, Karlín, 186 00 Prague 8, Czech Republic, Identification No.: 471 15 378, registered in the Commercial Register maintained by the Municipal Court in Prague, File No.: B 1731, acting in the Slovak Republic through its branch J&T BANKA, a.s., pobočka zahraničnej banky, with its registered office Dvořákovo nábrežie 8, 811 02 Bratislava, Slovak Republic, Identification No.: 35 964 693, registered in the Commercial Register of the District Court Bratislava I., Section: Po, Insert No.: 1320/B] or [**Other Administrator**]] (the **Administrator**).
- 9.2 The Issuer reserves the right to designate at any time another or additional Payment Venue or to appoint one or more other Administrators in relation to any issue of the Bonds or only in relation to this activity in some countries. The Administrator can only be a bank, a branch of a foreign bank, or another person with the required authorisation to do so. If the Issuer appoints another Administrator, it shall enter into an agreement with such Administrator (the **Administration Agreement**) which will regulate the rights and obligations of the Issuer and the Administrator to ensure that all of the rights and obligations of the Issuer under the Terms and Conditions, the Bonds Act, the Act on Banks, the Securities Act and any other applicable legal regulations are performed. The provisions of the Terms and Conditions concerning making payments and other administrative functions applicable to the Issuer shall apply to the Administrator *mutatis mutandis*. The changes to the Administrator and the Payment Venue shall be deemed to be the changes of the Payment Venue. The changes must not be substantially detrimental to the Holders. The Issuer shall notify the Holders of its decision to appoint the Administrator. Any such change shall become effective after the end of a 15-day period after the date of the notice, unless a later effective date is specified in the notice. However, any change which would otherwise become effective less than 30 days prior to or after the Payment Date of any amount in relation to the Bonds, shall become effective on the thirtieth day after such Payment Date.
- 9.3 The Administrator acts as the Issuer's representative in relation to the performance of the obligations arising from the Administration Agreement and unless the Administration Agreement or the law provides otherwise, it has no legal relationship with the Holders. The Administrator shall not guarantee the Issuer's obligations under the Bonds or secure them in any other manner.
- 9.4 The Issuer and the Administrator may, without the consent of the Holders, agree on (a) any change of any provision of the Administration Agreement if such change is exclusively of a formal, secondary or technical nature or if it is made in order to correct a manifest error or required due to changes in legal regulations; and (b) any other change and waiver of claims arising from any breach of any provision of the Administration Agreement which, in the reasonable opinion of the Issuer and the Administrator, will not be detrimental to the Holders.

10. Taxation

- 10.1 The payments of the Principal Amount and interest from the Bonds are subject to withholding tax, levies or other charges if required by the Slovak legal regulations applicable as at the date of their payment.

- 10.2 **[Gross-up** – [The Issuer will not be obliged to pay any additional sums to the recipient for the reimbursement of these withholdings, taxes, levies or charges.] *or* [If such withholding or deduction is required by the laws of the Slovak Republic, the Issuer will pay such additional amounts to the Holders as will be necessary so that the net amount of the principal or interest received by the Holders after such withholding or deduction will equal the respective amounts which would otherwise have been received in respect of the Bonds in the absence of such withholding or deduction (the **Additional Amounts**). However, no such Additional Amounts will be payable on account of any withheld or deducted tax which:
- (a) is payable by any person (including the Issuer) acting as custodian bank or collecting agent on behalf of a Holder, or by the Issuer if no custodian bank or collecting agent is appointed or otherwise in any manner which does not constitute a payment of tax by way of withholding or deduction by the Issuer as tax payer;
 - (b) is payable by reason of the Holder having, or having had, some personal or business connection with the Slovak Republic;
 - (c) is withheld or deducted pursuant to: (i) any European Union directive or other legal instrument of the Union law concerning the taxation of distributions income; or (ii) any international treaty relating to such taxation and to which the Slovak Republic or the European Union is a party; or (iii) any provision of law implementing, or complying with, such directive, legal instrument or treaty;
 - (d) is payable by reason of a change in law that becomes effective more than 30 days after the relevant payment in respect of the Bonds becomes due; or
 - (e) would not be payable if the Holder would provide a certificate of residence, certificate of exemption or any other similar documents required according to the respective applicable regulations.]]

11. **Limitation**

Any rights arising from the Bonds shall become time-barred after the lapse of the ten-year period from (a) the relevant Payment Date in the case of the right to claim an interest payment; or (b) the Principal Amount Maturity Date, in the case of the right to claim the payment of the Principal Amount of the Bond and accrued interest (if applicable); and (c) the first day on which such right could have been enforced under the law, in the case of any other right as the ones mentioned above.

12. **Unilateral modifications**

The Issuer may unilaterally change the Terms and Conditions only if such change is a correction of a manifest inaccuracy in the provisions of the Terms and Conditions, a change of the designation of the Issuer or the Payment Venue, unless the Bonds Act or a special law require otherwise.

13. **Meeting**

13.1 **The request to convene a Meeting**

Any Holders whose principal amount is at least 10% of the total aggregate principal amount of the issued and outstanding Bonds has the right to request the convening of the Meeting of the Holders of the Bonds (the **Meeting**). The request to convene the Meeting must be delivered to the Issuer and to the Administrator. The Holders who have requested a Meeting are required to submit an extract from the records demonstrating that they are Holders pursuant to section 3.1 as of the date of signing of the request along with the request to convene the Meeting.

The request to convene a Meeting may be withdrawn by the relevant Holders, but only if such withdrawal is received by the Issuer and the Administrator, no later than three business days before the Meeting. Withdrawal of the request to convene a Meeting does not affect any other request to convene a Meeting by other Holders. If the Meeting does not take place solely due to the withdrawal of the request to convene the Meeting, the Holders shall jointly and severally reimburse to the Issuer the costs incurred so far for the preparation of the Meeting.

The Issuer is entitled to convene the Meeting at any time and is obliged to convene the Meeting without undue delay if it is in delay with the satisfaction of the rights attached to the Bonds.

13.2 **Convening of the Meeting**

The Issuer is obliged to promptly convene the Meeting within ten business days of the receipt of the request to convene the Meeting.

The costs of organising and convening the Meeting shall be borne by the Issuer, unless stated otherwise. However, the Issuer has the right to demand reimbursement of the costs of convening the Meeting from the Holders who have filed the Request to convene the Meeting without serious cause, especially if the Issuer duly fulfils the obligations arising from the Terms and Conditions. The costs associated with attending the Meeting are covered by each participant himself.

13.3 **Notice of the Meeting**

The Issuer is obliged to publish the convening notice of the Meeting no later than five Business days prior to the date of the Meeting.

The convening notice of the Meeting must include at least:

- (a) name, Identification No. and registered seat of the Issuer;
- (b) designation of the Bonds, including at least name of the Bond, Issue Date and ISIN;
- (c) place, date and hour of the Meeting; place of the Meeting may only be a place in Bratislava, date of the Meeting must be a day which is a business day and the time of the Meeting may not be earlier than 9:00 a.m. and later than 4:00 p.m.;
- (d) agenda of the Meeting, whereas the choice of the Chairman of the Meeting must be the first item of the agenda of the Meeting; and
- (e) The Date of Record for Attending the Meeting (as defined in paragraph 13.4(a) below).

If there is no reason to convene the Meeting, the convener shall withdraw it in the same way as it was convened.

In the convening notice of the Meeting, the Issuer may determine the organisational and technical conditions under which the Holders may participate in the Meeting using electronic means of distance communication allowing a direct remote transmission of audio and video of the Meeting between the Meeting and the Holder.

13.4 **Attending the Meeting**

(a) **Persons entitled to attend the Meeting**

Each Holder who has been registered as a Holder of the Bonds pursuant to section 3.1, except for the Issuer itself and any person controlled by the Issuer, is entitled to participate and vote at the Meeting (the **Person Entitled to Attend the Meeting**) on the seventh day prior to the day of the relevant Meeting (the **Date of Record for Attending the Meeting**). Any transfers of the Bonds made after the Date of Record for Attending the Meeting are disregarded.

The Person Entitled to Attend the Meeting may be represented by an attorney who, at the beginning of the Meeting, presents and hands over to the Chairman of the Meeting (as defined below) the original of a power of attorney with an officially certified signature of the Person Entitled to Attend the Meeting or its statutory body, in the case of a legal entity, together with an original or a copy of a valid extract from the commercial register or other similar register in which the Person Entitled to Attend the Meeting is registered (possibly also the attorney, if a legal entity); this power of attorney is, except for manifest deficiencies, an irrefutable proof of the representative's right to participate and vote at the Meeting on behalf of the represented Person Entitled to Attend the Meeting. After the end of the Meeting, the Chairman of the Meeting shall hand the power of attorney over to the Issuer's custody.

(b) **Voting right**

The Person Entitled to Attend the Meeting has as many votes out of the total number of the votes that corresponds to the ratio between the principal amount of the Bonds it holds as of the Date of Record for Attending the Meeting and the total principal amount of the given Issue which is held by other Persons Entitled to Attend the Meeting attending the Meeting as of the Date of Record for Attending the Meeting.

(c) **Attendance of other persons at the Meeting and co-operation of the Issuer**

The Issuer is obliged to attend the Meeting, either through its statutory body or through a duly authorised person, and provide the information necessary for the decision or adoption of the Meeting's opinion. Other members of the Issuer's and/or Administrator's statutory, supervisory, inspection or management

body (if appointed), notary and guests invited by the Issuer to participate in the Meeting or any other persons whose attendance at the Meeting has been approved by the Issuer, may also attend the Meeting.

13.5 Course of the Meeting and adopting decisions

(a) Quorum

The Meeting has a quorum if attended (including the attendance through electronic means of communication in accordance with paragraph (f) below) by the Persons Entitled to Attend the Meeting who are, as of the Date of Record for Attending the Meeting, the Holders of the Bonds whose principal amount represents more than 50% of the total principal amount of issued and outstanding Bonds of the given Issue, except for the Bonds held by any person controlled by the Issuer. Prior to commencement of the Meeting, the Issuer will provide information on the number of Bonds in respect of which the Persons Entitled to Attend the Meeting are entitled to attend and vote at the Meeting in accordance with the Common Terms.

(b) Chairman of the Meeting

The Meeting is chaired by the Issuer or a person designated by the Issuer until it has been decided at the Meeting that another person will become the Chairman of the Meeting (the **Chairman of the Meeting**). Election of the Chairman of the Meeting shall be the first item of the agenda of the Meeting. If the election of the Chairman of the Meeting at the Meeting is not successful, the Meeting shall be chaired by the Issuer or a person designated by the Issuer until the end of the Meeting.

(c) Adopting decisions at the Meeting

The Meeting is entitled to decide only on proposed resolutions that fall within the scope of the Meeting defined in the Common Terms. The Meeting shall decide only on proposed resolutions referred to in the convening notice. Matters that were neither included in the proposed agenda of the Meeting nor mentioned in the convening notice can only be decided if the discussion of these points is agreed by all attending Persons Entitled to Attend the Meeting who are entitled to vote at this Meeting and if they at the same time relate to the items specified in the convening notice of the Meeting.

The Meeting has the power to decide on the change of the Terms and Conditions of the respective Issue of the Bonds only if proposed by the Issuer. The Meeting does not have the power to decide on the early redemption of the Principal Amount of the Bonds or a change of other obligations of the Issuer under the Bonds.

The Meeting has also the power, with the consent of the Issuer, to decide on an additional deadline for the fulfilment of the Issuer's obligations under the Bonds or in relation to the Bonds.

The Meeting decides on the submitted proposals by way of resolutions. For the adoption of a resolution, an absolute majority of the votes of the present Persons Entitled to Attend the Meeting is sufficient.

Any matter submitted to the Meeting shall be decided in the following manner: after the Chairman of the Meeting has announced the wording of the proposed resolution, each of the Persons Entitled to Attend the Meeting declares, upon the request of the Chairman of the Meeting, whether it (i) is for the adoption of the proposed resolution, (ii) is against the adoption of the proposed resolution, or (iii) abstains from voting; each such statement is recorded by the attending notary. After the end of the vote of all Persons Entitled to Attend the Meeting as described above and after the evaluation of the results, the Chairman of the Meeting, upon agreement with the attending notary, shall announce to the Persons Entitled to Attend the Meeting whether the proposed resolution has been adopted or rejected by the necessary number of the Persons Entitled to Attend the Meeting, such announcement together with the record of the attending notary on the result of the vote shall be irreversible and conclusive evidence of the result of the vote.

Any duly adopted resolution is binding on the Issuer and all Holders, regardless of whether they attended the Meeting and voted for or did not vote for the resolution at the Meeting.

In cases specified in the Bonds Act, a Person Entitled to Attend the Meeting who, according to the minutes of the Meeting, voted against the proposed resolution at the Meeting or did not attend the Meeting, may request that the rights and obligations of the Issuer and the Holder under the original Terms and Conditions continue to exist or request early redemption of the Bonds.

(d) Adjourning the Meeting

The Chairman of the Meeting shall dissolve the Meeting if a duly convened Meeting does not have a quorum in accordance with the provisions of (a) above after the lapse of 60 minutes after the time specified for the beginning of the Meeting. In such case, the Issuer is obliged to convene a replacement Meeting so that it takes place no sooner than two weeks and no later than three weeks from the date on which the original Meeting was convened. The replacement Meeting shall be announced in the manner set out in section 13.3. The new Meeting shall resolve and decide under the same terms and in the same manner as the dissolved Meeting.

(e) Minutes of the Meeting

The course of every Meeting (including, but not limited to) (i) the agenda of the Meeting (ii) the individual resolutions adopted by the Meeting and (iii) the results of the votes at the Meeting on individual resolutions) will be recorded in a notarial deed prepared at the Meeting; one copy will be prepared by the attending notary for the Issuer and one for the Administrator, if appointed. Minutes that are duly deposited with the Issuer and the Administrator are considered evidence of the facts contained in such minutes and, unless proven otherwise, are considered proof that the Meeting recorded has been duly convened and/or held, and that all resolutions of such Meeting were adopted subject to all conditions and requirements for their adoption in accordance with the Common Terms. The Issuer shall publish the adopted decisions within 14 days of the date of preparation of the minutes of the Meeting and the complete minutes shall be available to the Holders free of charge in electronic form on the designated section of the Issuer's website <https://365.bank/investors>.

(f) Attendance and voting at the Meeting through electronic means of distance communication

If, in the convening notice of the Meeting, the Issuer set out the organisational and technical terms and conditions for participation of the Holders in the Meeting through electronic means of distance communication, the Person Entitled to Attend the Meeting may participate in and vote at it through electronic means of distance communication under the following conditions:

- (i) The Person Entitled to Attend the Meeting shall respect the organisational and technical conditions and instructions of the Issuer (in particular the hardware and software requirements) and will maintain video and audio contact with the Meeting from the start of the Meeting; any later registrations of the Person Entitled to Attend the Meeting will not be taken into account;
- (ii) The Person Entitled to Attend the Meeting may, if attending the Meeting through electronic means of distance communication, not be represented by an attorney, except if the Person Entitled to Attend the Meeting notified the Issuer of this fact in writing at least two Business Days before the Meeting and at the same time delivered to the Issuer the original of a power of attorney with an officially certified signature of the Person Entitled to Attend the Meeting or its statutory body, in the case of a legal entity, together with an original or a copy of a valid extract from the commercial register or other similar register in which the Person Entitled to Attend the Meeting is registered (possibly also the attorney itself, if legal entity); this power of attorney is, except for manifest deficiencies, an irrefutable proof of the attorney's right to participate and vote at the Meeting on behalf of the represented Person Entitled to Attend the Meeting.
- (iii) the two-way communication between the Meeting and the Holder and the transmission of video and audio will not be interrupted, delayed and will be sufficient and of sufficient quality, which in particular allows the Chairman of the Meeting to verify the identity of the Person Entitled to Attend the Meeting and the Person Entitled to Attend the Meeting to participate in the discussions and vote on the items on the agenda as well as to view, receive and submit documents (in electronic form, if necessary);
- (iv) in the event of failure to comply with the condition under (iii) above, the Chairman of the Meeting shall be entitled to terminate the participation of the relevant person in the Meeting by interrupting the connection, in which case the relevant Person Entitled to Attend the Meeting shall be deemed absent from the Meeting;

- (v) in the event of any technical failure or other event giving rise to the termination of the video and/or audio connection between the Meeting and the Person Entitled to Attend the Meeting, such person shall be deemed to be absent from such moment;
- (vi) no Person Entitled to Attend the Meeting whose participation in the Meeting has been terminated under (iv) or (v) above shall have the right to resume his/her participation in that Meeting by re-connecting to the Meeting through electronic means of distance communication; the above shall not apply if the relevant connection was interrupted solely for reasons on the part of the Issuer; in such a case, the Issuer shall allow the relevant Person Entitled to Attend the Meeting to re-establish video and audio contact with the Meeting;
- (vii) while the video or audio contact with the Meeting is interrupted, the relevant Person Entitled to Attend the Meeting will be deemed to be absent; however, the Issuer is not obliged to suspend the course of the Meeting for this reason;
- (viii) the Person Entitled to Attend the Meeting shall provide the necessary assistance to the extent that the Chairman of the Meeting is able to identify and verify the identity of the Person Entitled to Attend the Meeting;
- (ix) the Chairman of the Meeting can control how the Meeting proceeds, and determine and announce the results of voting;

The Person Entitled to Attend the Meeting attending the Meeting through electronic means of distance communication under the above terms will be deemed to be present at such Meeting.

14. Notices

- 14.1 Any notice, publication or communication by the Issuer addressed to the Holders and any facts material for exercising the rights of the Holders will be published in the special section of the Issuer's website at <https://365.bank/investors>, in each case subject to mandatory requirements of applicable law.
- 14.2 If the legal regulations require that a notice is also published in another manner, such notice shall be deemed to be validly published when it is published in such required manner. If any notice is published by several manners, the date of its first publication shall be deemed the date of such notice. The publication date shall also be deemed the date of delivery of the notice to the Holders.
- 14.3 The Issuer is obliged to make notices and publications in relation to the Bonds in English or Slovak language or bilingually in English and Slovak language if the Bonds were offered on the territory of other Member States of the European Union. If it is permitted by the legal regulations, taking into account the nature of a notice or publication, the Issuer may decide to make such notice or publication relating to the Bonds in English language only.
- 14.4 Any notice to the Issuer in respect of the Bonds must be delivered in writing to the following address:
365.bank, a. s.
Financial Markets Unit
Dvořákovo nábrežie 4
811 02 Bratislava
Slovak Republic

or to such other address notified to the Holders in a manner described in this section.

15. Governing law and dispute resolution, language

- 15.1 Any and all rights and obligations arising from the Bonds shall be governed and construed in accordance with Slovak law.
- 15.2 Any and all disputes between the Issuer and the Holders arising under or in relation to the Bonds shall be finally resolved by the relevant Slovak court.
- 15.3 The English language version of these Terms and Conditions is legally binding and if the Terms and Conditions are translated into another language, the English language version of the Terms and Conditions shall prevail in the case of any interpretation discrepancies between the Terms and Conditions in English language and the Terms and Conditions translated into another language.

PART B: TRADING, OFFER AND OTHER INFORMATION

16. Admission to trading

- 16.1 **[Admission to trading** – [The Issuer [will submit] [has submitted] an application to the Luxembourg Stock Exchange, with its registered seat at 35A Boulevard Joseph II, L-1840 Luxembourg for the admission of the Bonds for the official list of the LSE and to trading on its regulated market: **[LSE Regulated Market]**.] *or* [The Issuer will submit an application for the admission of the Bonds to trading on **[●]**.]
- 16.2 **[Estimated costs of the admission to trading** – [The Issuer estimates the total costs associated with the request and admission of the Bonds to trading at **[●]** *or* [Not applicable.]]

17. Information about the offer

- 17.1 The Bonds will be offered in an offer which is not subject to the obligation to publish the prospectus within and outside the Slovak Republic through **[Form of Offer** – [as a syndicated issue through **[specify information on banks forming the syndicate and specify other information]**] *or* [as a non-syndicated issue **[specify other information]**]]. **[Offer is addressed to** – [eligible counterparties] *and/or* [Qualified Investors] *and/or* [limited group of persons, i.e. less than 150 individuals or legal entities in the relevant Member State other than Qualified Investors]].
- 17.2 **[Distribution method** – [No arrangements have been agreed on as regards the subscription of the Bonds with any entities on the basis of a firm commitment, placement without firm commitment or “best efforts” arrangement and the distribution of the Bonds is arranged by the Issuer.] *or* [[the Issuer] [and] [the **Dealer(s)**] [and] [the **Joint Lead Managers**] will distribute the Bonds in the Slovak Republic [and also outside the Slovak Republic] in one or several manners to which the obligation to publish a prospectus does not apply.] **[Information on any subscription agreements]**].
- 17.3 The Issuer has not entered into any firm agreement with any entities to act as intermediaries in the secondary trading of the Bonds.

18. Additional information

18.1 Interest of individuals and legal entities involved in the Programme/offer

As of the date of the Base Prospectus, the Issuer is not aware of any interest of any individual or legal entity participating in the Programme that would be material to the Programme/offer.

[Stabilization Manager – [Not applicable. No Stabilisation Manager has been appointed in connection with the Bonds.] *or* **[Stabilisation Manager]**]

[Description of other interests]

18.2 **[Third party information and expert reports]**

- 18.3 **Credit Rating of the Issuer and Bonds.** Rating assigned to the Issuer by rating agency Fitch Ratings Ireland Limited Spółka z ograniczoną odpowiedzialnością Oddział w Polsce (Fitch Ratings): **[●]**; **[Credit rating assigned to the Bonds** – [The Bonds are not rated.] *or* [It is expected that the Bonds will be rated **[●]** by Fitch Ratings.] *or* **[Other information about the credit rating assigned to the Bonds]**.] In the future, the Issuer’s rating is likely to remain assigned by Fitch Ratings entities established in the European Union and registered under the CRA Regulation.

- 18.4 **Advisors.** The Issuer used Allen & Overy Bratislava, s.r.o., with its registered seat at Eurovea Central 1, Pribinova 4, 811 09 Bratislava, Slovak Republic, as its legal advisor as to the matters of Slovak law.

18.5 **[Information on other advisors]**

- 18.6 **Financial Intermediaries.** The Issuer has not given any consent to any financial intermediaries to use the Base Prospectus for the subsequent resale or final placement of the Bonds. The Issuer may use financial intermediaries for the placement of Bonds in the Slovak Republic as well as in other Member States of the European Union, but always only in one or several manners defined in Article 1(4) of the Prospectus Regulation which is exempt from the obligation to publish a prospectus.

- 18.7 **Stabilisation.** If the Stabilisation Manager has been appointed with regards to the issuance of Bonds, this person or persons acting on his behalf may take stabilisation transactions (purchases or sales) related to Bonds with a view to support the market prices of Bonds at the level higher than would otherwise prevail without taking such actions. **However, there is no assurance that the Stabilisation Manager or any other person will take stabilisation transactions.** Stabilisation transactions may be performed from the date of reasonable disclosure of the terms concerning the Bond issuance and ends 30 calendar days from the date of issuance and settlement of the Bond issuance at the latest or (i.e., when the Issuer gains the proceeds) 60 calendar days from the date of the Bond allocation to individual investors in accordance with their orders, whichever is the earlier. Any potential stabilisation transactions shall be performed only in accordance with applicable legislation requirements.
- 18.8 **ECB eligibility.** [Yes][No]
- 18.9 **Resolutions, authorisations and approvals of the relevant tranche of the Bonds.** [●] or [Not applicable.]

8. FORM OF THE FINAL TERMS

The Form of the Final Terms which will be prepared for each issue of the Bonds to be issued on the basis of the Prospectus under the Programme is set out below. These Final Terms will contain the relevant information for each particular issue of the Bonds. The Final Terms will be prepared and published for each individual issue of the Bonds issued under the Programme prior to the commencement of the issue of the Bonds.

If certain information from the form of the Final Terms below is of no relevance in relation to a particular issue, it will state “Not applicable”. This symbol “[●]” is used to designate those parts of the Final Terms which will be filled in.

If, with regard to the concerned information item, it is stated “(selection of option from the Common Terms)” it means that such information is included in the Common Terms in the relevant information block with several options and only the option that is relevant for the given issue will be included in the Final Terms

Information regarding the supplement to the Prospectus (if any) stated below in square brackets will be provided in the Final Terms only if one or more supplements to the Prospectus are made.

The form of the Final Terms follows on the next page.

[Date]

MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is [eligible counterparties][,] [and] [professional clients] only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) [all channels][**insert as appropriate**] for distribution of the Bonds [is][are] appropriate [including investment advice, portfolio management, non-advised sales and execution only services]. [**Consider any negative target market**] Any person subsequently offering, selling or recommending the Bonds (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable].][**Insert further details on target market, client categories, etc.**]

[UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (the **COBS**), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **UK MiFIR**); and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. [**Consider any negative target market**]. Any person subsequently offering, selling or recommending the Bonds (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Bonds 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 European Economic Area (**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 Directive 2014/65/EU (as amended, the **MiFID II**); (ii) a customer within the meaning of Directive 2016/97/EU (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 MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the **Prospectus Regulation**). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Bonds 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 United Kingdom (**UK**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (**FSMA**) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as 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 EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the **UK Prospectus Regulation**). Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Final Terms**365.bank, a. s.**

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

Legal Entity Identifier: 315700PLTAXHBHQP5J02

Title of the issue of the Bonds: [●]

[(to be consolidated, form a single issue with and increase the aggregate principal amount of the [Title of relevant of Bonds] issued on [●][and increased on [●]] with ISIN [●])] ¹⁶

Tranche [●]

[Trade Date: [●]]

ISIN: [●]

issued under the EUR 3,000,000,000 Covered Bonds Issuance Programme under the base prospectus dated 21 March 2022

Issue Price: [●] per cent

Issue Date: [●]

These Final Terms have been prepared for the purpose of Article 8(5) in connection with Article 25(4) 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, as amended (the **Prospectus Regulation**) and must be read in conjunction with the information contained in the base prospectus dated 21 March 2022 (the **Base Prospectus**) [and the supplement(s) dated [●]], pertaining to the EUR 3,000,000,000 Covered Bonds Issuance Programme of 365.bank, a. s. (the **Programme**). Complete information about 365.bank, a. s. and the offer of the Bonds is only available on the basis of the combination of (i) these Final Terms, [and] (ii) the Base Prospectus [and (iii) any supplement thereto]. The Base Prospectus (and any supplement thereto) is available for viewing in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of the Issuer <https://365.bank/investors>.

The Base Prospectus was approved by the National Bank of Slovakia by its decision [●] dated [●]. [The supplement [●] was approved by the National Bank of Slovakia by its decision [●] dated [●]].

Investors should be aware that a supplement to the Base Prospectus may be published. Such a supplement will be published on the Issuer's website (<https://365.bank/investors>). In accordance with Article 23 of the Prospectus Regulation, where the Base Prospectus, to which the supplement applies, relates to an offer of Bonds to the public, investors who have already agreed to purchase or subscribe for any Bonds before such a supplement is published have the right, exercisable within two working days after the publication of such a supplement, to withdraw their acceptances, provided that the significant new factor, material mistake or material inaccuracy arose or was noted before the closing of the offer period or the delivery of the Bonds, whichever occurs first.

The Final Terms, including the used defined terms, must be read in conjunction with Common Terms contained in the Base Prospectus and section “*PART B: TRADING, OFFER AND OTHER INFORMATION*” in the Base Prospectus.

The risk factors related to the Issuer and the Bonds are listed in section 3 of the Base Prospectus “*Risk Factors*”.

¹⁶ Include only in the case of fungible tranches.

PART A: PROVISIONS SUPPLEMENTING TERMS AND CONDITIONS OF THE BONDS

This part of the Final Terms together with Part A (Information about the Bonds) of the Common Terms shall constitute the terms and conditions of the relevant issue of the Bonds.

Section 1: Basic information, form and manner of issue of the Bonds

ISIN (1.1):	<input type="checkbox"/>
CFI (1.1):	<input type="checkbox"/>
FISN (1.1):	<input type="checkbox"/>
Common Code (1.1):	<input type="checkbox"/> / Not applicable.
Depository (1.3):	<input type="checkbox"/>
Principal Amount (1.4):	<input type="checkbox"/>
Number of Securities in the Issue (1.4):	<input type="checkbox"/>
Name (1.6):	<input type="checkbox"/>
Aggregate Amount of the Issue (1.7):	<input type="checkbox"/>
Estimated Net Proceeds from the Issue (1.7):	<input type="checkbox"/>
Issue Price in % (1.9):	<input type="checkbox"/>
Information about the accrued interest (1.9):	<input type="checkbox"/> / Not applicable.
Issue Date (1.10):	<input type="checkbox"/>

Section 5: Representations and undertakings of the Issuer

Overcollateralization (5.3):	<input type="checkbox"/> (<i>selection of option from the Common Terms</i>) [The Issuer undertakes to maintain the cover ratio (in Slovak: <i>ukazovateľ krytia</i>) in respect of the Bonds at least in accordance with the Act on Banks and other applicable Slovak laws.] <i>or</i> [The Issuer undertakes to maintain the cover ratio (in Slovak: <i>ukazovateľ krytia</i>) in respect of the Bonds at least at the level of <input type="checkbox"/> .
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Section 6: Interest

Determination of interest (6.1):	<input type="checkbox"/> (<i>selection of option from the Common Terms</i>) [The Bonds bear a fixed interest rate throughout their life, in the amount of <input type="checkbox"/> % p. a.] (the Interest Rate).] <i>or for zero coupon Bonds:</i> [The Bonds have no interest rate and their interest is determined as the difference between the Principal Amount of the Bonds and their Issue Price. The provisions of sections 6.3 to 6.13 and any reference to interest or its payment shall in this case not be applicable to the Bonds.] <i>or for the floating rate Bonds:</i> [The Bonds bear interest at the floating rate set as the sum of the Reference Rate and the Margin of <input type="checkbox"/> % p. a. (the Interest Rate). The Reference Rate will be set for the first time <input type="checkbox"/> before the Issue Date and subsequently set <input type="checkbox"/> before the applicable Payment Date for the following Interest Period (the Reference
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	Rate Setting Date). The current floating Interest Rate for the relevant Interest Period shall be notified by the Issuer to the Holders promptly.]]
Yield to Maturity (6.2):	[●] / Not applicable.
Interest Payment Frequency (6.3):	[●] / Not applicable.
Interest Payment Date(s) (6.3):	[●] / Not applicable.
First Interest Payment Date (6.4):	[●] / Not applicable.
Convention (6.6):	[●] / Not applicable.
Screen page (6.9):	[●] / Not applicable.
Relevant value (6.9):	[● (<i>selection of option from the Common Terms</i>) [the value of the fixing of the interest rates for sale on the interbank market for deposits for the relevant currency for the relevant period] or [the value of mid-swap interest rate (the average of bid and offer swap rate) for the fixed part of swap transaction, where the fixed rate is changed into a floating rate in the relevant currency for the relevant period] <i>or</i> [Not applicable.]]
Further information on early redemption if it is impossible to determine the Substitute Reference Rate (6.11):	[●] / Not applicable.

Section 7: Maturity of the Bonds

Method of Redemption (7.1):	[●]
Maturity Date (7.1):	[●]
Early redemption of the Bonds by the Issuer (7.3):	[● (<i>selection of option from the Common Terms</i>) [The Issuer is, on the basis of its decision, entitled to early redeem all (not only some) Bonds issued and outstanding as of [Early Redemption Date(s)] (the Early Maturity Date). The Issuer is obliged to announce such decision to the Holders no sooner than 60 days and no later than 30 days prior to the relevant Early Maturity Date.] The Issuer's notification of the early redemption of the Bonds and of the Early Maturity Date is irrevocable and obliges the Issuer to early redeem the entire issue in respect of which the notification was made. On the Early Maturity Date, the Issuer shall pay to each Holder [(i) 100.00% of Principal Amount of the Bonds; and (ii) the accrued interest of the Principal Amount of the Bonds <i>or</i> [Other Determination of the Early Redemption Amount]. The provisions of section 8 shall apply accordingly to the early redemption of the Bonds.] <i>or</i> [The Issuer is entitled to early redeem all (not only some) Bonds issued and outstanding as of [Early Redemption Date(s)] (the Early Maturity Date) only if (a) on the occasion of the next payment due under the Bonds, the Issuer has or will become obliged to pay additional amounts as provided or referred to in section 10 as a result of any change in, or amendment to, the laws or regulations of the Slovak Republic or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date of the issues of the first tranche of the Bonds and (b) such obligation cannot be avoided by the Issuer taking reasonable measures available to it. The Issuer is obliged to announce such decision to the Holders no sooner than 60 days and no later than 30 days prior to the relevant Early Maturity Date. The Issuer's notification of the early

	<p>redemption of the Bonds and of the Early Maturity Date is irrevocable and obliges the Issuer to early redeem the entire issue in respect of which the notification was made. On the Early Maturity Date, the Issuer shall pay to each Holder 100.00% of Principal Amount of the Bonds and any accrued interest until that date. The provisions of section 8 shall apply accordingly to the early redemption of the Bonds.]</p> <p><i>or</i> [Not applicable. The Issuer may not, on the basis of its decision, redeem the Bonds early.]]</p>
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Section 8: Payment Terms and Conditions

Financial Centre (8.9):	[●]
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Section 9: Administrator

Administrator (9.1):	<p>[● (<i>selection of option from the Common Terms</i>)</p> <p>[the Issuer]</p> <p><i>or</i> [J&T BANKA, a.s., with its registered office at Sokolovská 700/113a, Karlín, 186 00 Prague 8, Czech Republic, Identification No.: 471 15 378, registered in the Commercial Register maintained by the Municipal Court in Prague, File No.: B 1731, acting in the Slovak Republic through its branch J&T BANKA, a.s., pobočka zahraničnej banky, with its registered office Dvořákovo nábřeží 8, 811 02 Bratislava, Slovak Republic, Identification No.: 35 964 693, registered in the Commercial Register of the District Court Bratislava I., Section: Po, Insert No.: 1320/B]</p> <p><i>or</i> [●]]</p>
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Section 10: Taxation

Gross-up (10.2):	<p>[● (<i>selection of option from the Common Terms</i>)</p> <p>[The Issuer will not be obliged to pay any additional sums to the recipients for the reimbursement of these withholdings, taxes, levies or charges.]</p> <p><i>or</i> [If such withholding or deduction is required by the laws of the Slovak Republic, the Issuer will pay such additional amounts to the Holder as will be necessary so that the net amount of the principal or interest received by the Holders after such withholding or deduction will be equal to the respective amounts which would otherwise have been received in respect of the Bonds in the absence of such withholding or deduction (the Additional Amounts). However, no such Additional Amounts will be payable on account of any withheld or deducted tax which:</p> <p>(a) is payable by any person (including the Issuer) acting as custodian bank or collecting agent on behalf of a Holder, or by the Issuer if no custodian bank or collecting agent is appointed or otherwise in any manner which does not constitute a payment of tax by way of withholding or deduction by the Issuer as tax payer;</p> <p>(b) is payable by reason of the Holder having, or having had, any personal or business connection with the Slovak Republic;</p> <p>(c) is withheld or deducted pursuant to: (i) any European Union directive or other legal instrument of the Union law concerning the taxation of distributions income; or (ii) any international treaty relating to such taxation and to which the Slovak Republic or the European Union is a party; or (iii) any provision of law</p>
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	<p>implementing, or complying with, such directive, legal instrument or treaty;</p> <p>(d) is payable by reason of a change in law that becomes effective more than 30 days after the relevant payment in respect of the Bonds becomes due; or</p> <p>(e) would not be payable if the Holder would provide a certificate of residence, certificate of exemption or any other similar documents required according to the respective applicable regulations.]]</p>
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PART B:**PROVISIONS SUPPLEMENTING TRADING, CONDITIONS OF THE OFFER AND OTHER INFORMATION****Section 16: Admission to trading**

Admission to trading (16.1):	<p>[● (selection of option from the Common Terms)]</p> <p>[The Issuer [will submit] [has submitted] an application to the Luxembourg Stock Exchange, with its registered seat at 35A Boulevard Joseph II, L-1840 Luxembourg for the admission of the Bonds for the official list of the LSE and to trading on its regulated market: [LSE Regulated Market].] or [The Issuer will submit an application for the admission of the Bonds to trading on [●].]]</p>
Estimated costs of the admission to trading (16.2):	<p>[● (selection of option from the Common Terms)]</p> <p>[The Issuer estimates the total costs associated with the request and admission of the Bonds to trading at [●] or [Not applicable.]]</p>

Section 17: Information about the offer

Form of Offer (17.1):	<p>[● (selection of option from the Common Terms)]</p> <p>[as a syndicated issue through [specify information on banks forming the syndicate and specify other information]] or [as a non-syndicated issue [specify other information]]]</p>
Offer is addressed to (17.1):	<p>[● (selection of option from the Common Terms)]</p> <p>[eligible counterparties] and/or [Qualified Investors] and/or [limited group of persons, i.e. less than 150 individuals or legal entities in the relevant Member State other than Qualified Investors]]</p>
Distribution method (17.2):	<p>[● (selection of option from the Common Terms)]</p> <p>[No arrangements have been agreed on as regards the subscription of the Bonds with any entities on the basis of a firm commitment, placement without firm commitment or “best efforts” arrangement and the distribution of the Bonds is arranged by the Issuer.] or [[the Issuer] [and] [the Dealer(s)] [and] [the Joint Lead Managers] will distribute the Bonds in the Slovak Republic [and also outside the Slovak Republic] in one or several manners to which the obligation to publish a prospectus does not apply.] [Information on any subscription agreements]].</p>

Section 18: Additional Information

Stabilisation Manager (18.1):	<p>[● (selection of option from the Common Terms)]</p> <p>[Not applicable. No Stabilisation Manager has been appointed in connection with the issue of the Bonds.] or [Stabilisation Manager]</p>
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Description of other interests (18.1):	<input type="checkbox"/> / Not applicable.
Third party information and expert reports (18.2):	<input type="checkbox"/> / Not applicable.
Credit rating assigned to the Bonds (18.3):	<input type="checkbox"/> (<i>selection of option from the Common Terms</i>) [The Bonds are not rated.] or [It is expected that the Bonds will be rated <input type="checkbox"/> by Fitch Ratings.] or [Other information about the credit rating assigned to the Bonds.]
Information on other advisors (18.5):	<input type="checkbox"/>
ECB eligibility (18.8):	[Yes][No]
Resolutions, authorisations and approvals of the relevant tranche of the Bonds (18.9):	<input type="checkbox"/> / Not applicable.

In Bratislava on .

365.bank, a. s

Name: [Name and surname]

Title:

Name: [Name and surname]

Title:

9. DISTRIBUTION AND SELLING RESTRICTIONS

9.1 Restrictions in the distribution of the Base Prospectus and offering of the Bonds

The distribution of the Base Prospectus and the offering, sale and purchase of the Bonds in certain jurisdictions is restricted by law. The Bonds have not been and will not be registered, permitted or approved by any administrative or other authority of any jurisdiction other than the approval of the Base Prospectus by the NBS. The Issuer will request the NBS to notify the approval of the Base Prospectus to the *Commission de Surveillance du Secteur Financier (CSSF)*, the competent authority of the Grand Duchy of Luxembourg. The Issuer may request the NBS to notify the approval of the Base Prospectus to any other competent authority of another Member State of the EEA in each case, for the purpose of admitting the Programme or Bonds for trading on a regulated market in other Member State of the EEA other than the Slovak Republic.

Therefore, the Bonds may only be offered in any jurisdiction other than the Slovak Republic only to the extent to which such offering does not require the approval or notification of the Base Prospectus and also subject to the compliance with any and all requirements pursuant to the legal regulations of such other jurisdiction.

In particular, the Bonds have not been and will not be registered under the United States Securities Act of 1933; as a result, they may not be offered, sold or delivered within the United States or to US residents, except pursuant to an exemption from or in a transaction not subject to such registration requirements pursuant to the above-mentioned law.

Persons who obtain possession of the Base Prospectus are required to become acquainted with and observe any restrictions that may be relevant to them.

The Base Prospectus itself does not constitute an offer to sell, or the solicitation of an offer to buy the Bonds in any jurisdiction. Each person acquiring the Bonds shall be deemed to declare and agree that (i) such person has understood any and all relevant restrictions related to the offer and sale of the Bonds which apply to him/her/it and to the relevant form of offer or sale; (ii) that such person will neither offer for sale nor further sell the Bonds without complying with any and all relevant restrictions which apply to such person and the relevant form of offer and sale; and (iii) prior to further offering or selling the Bonds, such person will inform the buyers of the fact that further offers or sales of the Bonds may be subject to statutory restrictions in different jurisdictions which must be observed.

In addition to above, all acquirers of the Bonds are required by the Issuer to comply with the provisions of all applicable legal regulations (including Slovak legal regulations), where they will distribute, make available or otherwise circulate the Base Prospectus, including any Supplement, individual Final Terms or other offering or promotional materials or information related to the Bonds, always at their own expense and regardless of whether the Base Prospectus or any Supplements, individual Final Terms or other offering or promotional materials or information related to the Bonds are in written, electronic or any other form.

The Base Prospectus has been prepared on the assumption that any offer of the Bonds in other Member States of the EEA will be made in compliance with the Prospectus Regulation.

Prohibition of Sales to Retail Investors in the EEA

Each Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the EEA. For the purposes of this provision:

- (a) the expression **retail investor** means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in the Prospectus Regulation;
- (b) the expression **an offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Bonds.

Prohibition of Sales to Retail Investors in the United Kingdom

Each Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds which are the subject of the offering contemplated by the Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression **retail investor** means a person who is one (or more) of the following:
 - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or
 - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as 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 EUWA; or
 - (iii) not a qualified investor as defined in Article 2 in Regulation (EU) 2017/1129 as it forms part of English law by virtue of the EUWA (**UK Prospectus Regulation**); and
- (b) the expression **an offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Bonds.

The United Kingdom – Other Regulatory Restrictions

Each Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Bonds which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Bonds other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Bonds would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Bonds in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Bonds in, from or otherwise involving the United Kingdom.

United States of America

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the **U.S. Securities Act**) and may not be offered or sold within the United States of America or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the U.S. Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the U.S. Securities Act.

Each Dealer appointed under the Programme will be required to represent and agree, that, it will not offer, sell or deliver the Bonds, (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution of all the Bonds of the given tranche of which such Bonds are a part within the United States of America or to, or for the account or benefit of, U.S. persons. Each Dealer appointed under the Programme will be required to agree that it will send to each Dealer to which it sells the Bonds during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States of America or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the U.S. Securities Act.

Until 40 days after the commencement of the offering of any issue of the Bonds, an offer or sale of such Bonds within the United States of America by any Dealer (whether or not participating in the offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the U.S. Securities Act. Each Dealer appointed under the

Programme will be required to represent and agree that neither it, nor its affiliates, nor persons acting on its behalf, have participated or are engaged in any directed selling effort (as defined in Regulation S) in relation to any Bonds, and that he has complied and will comply with all the selling restrictions under Regulation S.

General Restrictions

Other than with respect to the admission to listing, trading and/or quotation by such one or more listing authorities, stock exchanges and/or quotation systems as may be specified in the relevant Final Terms, no action has been or will be taken in any country or jurisdiction by the Issuer that would permit a public offering of Bonds, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required. Persons into whose hands the Base Prospectus or any Final Terms comes are required by the Issuer to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Bonds or have in their possession or distribute such offering material, in all cases at their own expenses.

Each Dealer appointed under the Programme will be required to agree, that it will (to the best of its knowledge) comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Bonds or possesses or distributes the Base Prospectus, any offering material relating to the Base Prospectus and the Bonds, and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Bonds under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of the Issuer, and any of the other Dealers shall have any responsibility therefore. The Issuer does not represent that Bonds 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.

10. GENERAL DESCRIPTION OF TAXATION AND FOREIGN EXCHANGE REGULATION IN THE SLOVAK REPUBLIC

10.1 Taxation in the Slovak Republic

Tax legislation, including in the country where the investor is domiciled or tax resident and in the Issuer's country of incorporation, may have an impact on the income that an investor receives from the Bonds.

The following summary includes general information regarding current tax and payment matters of the Slovak legal regulations relating to the acquisition, ownership and disposal of the Bonds applicable in the Slovak Republic as at the date of this Base Prospectus and does not purport to be a comprehensive description of all of its aspects. The information provided is subject to any changes in the applicable legal regulations that may become effective after the date of this Base Prospectus. This summary does not describe tax and payment matters under the laws of any other country than the Slovak Republic.

The Holders are recommended to consult the provisions of the applicable legal regulations with their own advisors, in particular as regards tax and foreign exchange regulations and regulations regarding social and health insurance applicable in the Slovak Republic and in the countries of their residence, as well as in countries in which the income from the holding and sale of the Bonds may be subject to tax, and implications of their application. The Holders are encouraged to keep themselves informed of any laws and other legal regulations which in particular regulate the holding of the Bonds and economic rights to the Bonds and the sale and purchase of the Bonds on ongoing basis and to comply with these laws and other legal regulations.

The income on the Bonds will be taxed pursuant to the law applicable at the time of its payment. Currently, such income is pursuant to Act No. 595/2003 Coll. on Income Tax, as amended (the **Income Tax Act**), taxed as follows:

- (a) income on the Bonds realised by a tax non-resident (the **Tax Non-Resident**) not engaged in business through a permanent establishment in Slovak Republic is not subject to income tax in the Slovak Republic;
- (b) income on the Bonds realised by a tax resident (the **Tax Resident**) that is an individual, a taxpayer not incorporated or established for business purposes or the NBS is subject to a 19% income withholding tax;
- (c) income on the Bonds realised by a Tax Resident that is a legal entity, forms part of the tax base of such taxpayer and is subject to a corporate income tax at respective rate (21% or 15%);
- (d) income on the Bonds realised by a Tax Non-Resident engaged in business through a permanent establishment in Slovak Republic (to which such income is attributable) forms part of the tax base of such permanent establishment in Slovak Republic and is subject to income tax at the respective rate for corporations (21% or 15%) or individuals (19%).

The Issuer is liable for the withholding of tax unless the Bonds are, as part of custodianship services, held in a custody account of the securities trader; in such a case, the securities trader is liable for withholding the tax. In individual cases, a yield on the Bonds may arise to an individual – Tax Resident without the tax from it being subject to tax withholding and the yield is included in the tax base of the individual (e.g. a Bond sold on the secondary market, under special terms or a yield arising on the maturity of a security calculated from the difference between the principal amount of the security and the issue price on its issue date). The taxpayer not incorporated or established for business purposes or the NBS is liable for the withholding of tax in respect of the income on the Bonds realised by this taxpayer not incorporated or established for business purposes or the NBS.

Pursuant to Council Directive 2011/16/EU on administrative cooperation in the field of taxation and repealing Directive 77/799/EEC on automatic exchange of information (DAC2) and pursuant to the agreement entered into between the Slovak Republic and the United States of America to improve compliance with international tax legislation, which were implemented to the Act No. 359/2015 Coll. on automatic exchange of financial account information for purposes of tax administration, the Issuer provides the local tax administrator with

selected information about clients from EU Member States and clients from other selected countries, including the USA, for the previous year, annually by 30 June of the relevant year.

Income from sale of the Bonds realised by a legal entity being a Slovak Tax Resident or a permanent establishment of a Tax Non-Resident is included in the tax base and is subject to a corporate income tax at respective rate (21% or 15%). In general, losses from the sale of the Bonds calculated on a cumulative basis for all Bonds sold in an individual tax period are not recognisable for tax purposes, except for specific cases stipulated by law (e.g., loss from the sale of the Bonds is recognisable for tax purposes if it is not higher than the yield on the Bonds included in the tax base until its sale or maturity).

Income from sale of securities, including the Bonds, realised by an individual being a Slovak Tax Resident or a permanent establishment of a Tax Non-Resident is included in the personal income tax base. Any losses from the sale of securities, including the Bonds, cannot be treated as recognisable for tax purposes. If an individual has owned Bonds admitted to trading on a regulated market for more than one year, income from their sale shall be exempt from income tax, except for income from the sale of the Bonds which were the business property of the individual.

Generally, income from the sale of the Bonds realised by a Tax Non-Resident coming from a Slovak Tax Resident or a permanent establishment of the Slovak Tax Non-Resident is subject to the applicable income tax rate, unless the international double tax treaty entered into by the Slovak Republic provides otherwise.

In addition, if the income taxable in Slovak Republic is realised by the resident of the country outside the EU and EEA, such income is subject to tax securement of 19% or 35% (if resident in the country with which the Slovak Republic did not conclude a double tax treaty or tax information exchange agreement or in the country listed in EU list of non-cooperative jurisdictions for tax purposes or in the country not imposing a corporate income tax or imposing a zero corporate income tax). Tax securement shall be made by a taxpayer that makes, remits or credits the payments to the resident of the country outside the EU and EEA. Tax securement is considered as final tax in case the Slovak tax return is not filed.

The income on the Bonds for individuals who must have a statutory health insurance in the Slovak Republic is generally not subject to health insurance payments; in special cases, however, yield on the Bonds may arise that will be subject to health insurance payments. Each Holder must assess its own potential obligations in this area pursuant to the relevant legislation, including the applicable transitional provisions.

10.2 Foreign Exchange Regulation in the Slovak Republic

Issuing and purchasing the Bonds in the Slovak Republic is not subject to foreign exchange regulation in the Slovak Republic. Foreign Holders may, subject to certain conditions, purchase funds in foreign currency for Slovak currency (Euro) without foreign exchange restrictions and thus transfer amounts paid by the Issuer from the Bonds from the Slovak Republic in foreign currency.

11. GENERAL INFORMATION

- 11.1 Dealers of the Programme.** No Dealers have been appointed for the entire Programme. The Issuer may appoint one or more financial institutions to act as Dealers offering a particular tranche of the Bonds. Dealers will not be liable for any information contained in the Base Prospectus.
- 11.2 Joint Lead Managers.** The Issuer may appoint Dealers or any other financial institutions as Joint Lead Managers for the final placement of the Bonds in the Slovak Republic and/or in other Member States of the EEA and the United Kingdom, but always only in one or several manners defined in Article 1(4) of the Prospectus Regulation, when offering the Bonds, or in the case of the United Kingdom, pursuant to the corresponding national legislation.
- 11.3 Completeness of the Base Prospectus.** The Base Prospectus is to be read together with any supplements to the Base Prospectus as well as all documents and information incorporated herein by reference. Comprehensive information regarding the Issuer and the Bonds may only be obtained from the combination of the Base Prospectus (including supplements to the Base Prospectus and documents and information incorporated by reference) and the relevant Final Terms.
- 11.4 Approval of information and Base Prospectus updates.** The provision of representations or information relating to the Issuer or the Bonds other than those contained herein has not been approved by the Issuer. No other information or representation may be relied upon as having been approved by the Issuer. The submission of the Base Prospectus at any time does not mean that information contained herein is accurate at any time after the date of this Base Prospectus. Unless provided otherwise, all information contained herein is provided as at the date of this Base Prospectus. The Base Prospectus may be updated pursuant to Article 23 of the Prospectus Regulation in the form of a Supplement(s) in which the information in the Base Prospectus will be up to date as at the date stated in Supplement(s). Pursuant to the applicable Slovak legal regulations, any prospectus supplement must be approved by the NBS and subsequently published.
- 11.5 Own assessment by investors.** The Bonds may not be a suitable investment for prospective investors, and each prospective investor in the Bonds must consider (or together with its advisors) the suitability of that investment in light of its own circumstances and should:
- (a) have sufficient skills and experience to make an appropriate evaluation of the Bonds, risks related to them and information contained (or incorporated by reference) in the Base Prospectus, the Final Terms and in the relevant Summary (if applicable);
 - (b) have knowledge of and access to appropriate analytical tools to evaluate investments in the Bonds and be able to evaluate the effect of the investment in the Bonds on its financial situation and/or its overall investment portfolio, always in the context of its particular financial situation;
 - (c) have sufficient financial resources and liquidity to bear all the risks related to the investment in the Bonds, including the potential volatility of the value of the Bonds;
 - (d) be aware that if a loan or credit is used to finance the purchase of the Bonds, it may happen that the cost of such a loan or credit may exceed the yield earned on the Bonds; the potential investor should not presume that they will be able to repay loan or credit and relevant interest from the yield from investment in the Bonds;
 - (e) fully understand the relevant terms and conditions of the Bonds (including the relevant Final Terms) and be familiar with the functioning of the relevant indices and financial markets; and
 - (f) be able to evaluate (either alone or in cooperation with its financial advisor) possible scenarios of development of the economy, interest rates and other factors that may affect its investment and its ability to bear relevant risks.
- 11.6 Reference rate administrators.** Amounts payable on the Bonds with a floating interest rate will be calculated with reference to the Reference rates, for example EURIBOR, as specified in more detail in the relevant Final Terms. At the date of this Prospectus, used Reference Rate administrators are registered in the ESMA register

of administrators under Article 36 of Regulation (EU) No 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.

- 11.7 Rating of the Bonds.** The Bonds are expected to be rated, and such rating, as well as the credit rating agency which has assigned it, will be specified in the Final Terms. The rating cannot be considered a recommendation to purchase, sell or hold the securities and may be subject to suspension, downgrade or withdrawal at any time by the assigning credit rating agency. Whether the rating applied for in relation to the relevant tranche of the Bonds will be assigned by a credit rating agency established in the European Union and registered under the CRA Regulation is disclosed in the Final Terms. ESMA is obliged to publish on its website <https://www.esma.europa.eu/> a list of credit rating agencies registered and certified in compliance with the CRA Regulation. The ESMA website is neither incorporated by a reference in nor does form part of the Base Prospectus.
- 11.8 Yield to Maturity.** The yield to maturity specified in the relevant Final Terms of the relevant tranche of the Bonds with a fixed interest rate shall be calculated as the internal rate of return of the relevant Bonds as at the Issue Date. The internal rate of return is defined as the discount rate in which the current value of all future cash flows from the Bonds is equal to the initial investments in them. As set out above, the yield to maturity is calculated as at the Issue Date on the basis of the Issue Price. Such calculation of the yield cannot be deemed as the indication of the actual future yield on the Bonds.
- 11.9 Approval of the Programme by the Issuer's bodies.** The establishment of the Programme was approved by the Issuer's Board of Directors and the Issuer's Supervisory Board on 8 October 2021. The Issuer's Board of Directors approved on 9 February 2022 and the Issuer's Supervisory Board approved on 16 February 2022 increasing the total principal amount of the Programme from EUR 1,500,000,000 to EUR 3,000,000,000. The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Bonds.
- 11.10 International Central Securities Depositories.** The Bonds may also be settled and held through international central depositories such as Euroclear or Clearstream, which have direct or indirect links with the Slovak Central Depository. Indirect link is usually maintained through a manager holding the Bonds for Euroclear or Clearstream on the holding (custody) account held with the Slovak Central Depository. Persons holding any Bonds in their Euroclear and/or Clearstream accounts may only exercise their rights against the Issuer through Euroclear and/or Clearstream or through the relevant manager holding these Bonds for Euroclear and/or Clearstream. In any event, the exercise of these rights will be subject to the Euroclear or Clearstream operating rules and the applicable governing law.
- 11.11 ECB eligibility.** The Final Terms may designate "ECB Eligibility" in respect of certain issues of the Bonds. Such Bonds may be settled and held through the Central Depository and also through international central depositories such as Euroclear or Clearstream in the manner, which is *prima facie* acceptable for Eurosystem collateral criteria. However, this does not necessarily mean that such Bonds will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of all applicable Eurosystem eligibility criteria.
- 11.12 Forward-Looking Statements.** This Base Prospectus may contain forward-looking statements, including (without limitation) statements identified by the use of terminology such as "anticipates", "believes", "estimates", "expects", "intends", "may", "plans", "projects", "will", "would" or similar words and expressions. These statements are based on the Issuer's current expectations and projections about future events and involve substantial uncertainties. All statements, other than statements of historical facts, contained herein regarding the Issuer's strategy, goals, plans, future financial position, projected revenues and costs or prospects are forward-looking statements. Forward-looking statements are subject to inherent risks and uncertainties, some of which cannot be predicted or quantified. Future events or actual results could differ materially from those set forth in, contemplated by or underlying forward-looking statements. The Issuer does not undertake any obligation to publicly update or revise any forward-looking statements.

- 11.13 Presentation of financial information and rounding.** Unless provided otherwise, all financial information of the Issuer is based on the International Financial Reporting Standards IFRS as adopted by the EU. Certain values included in the Base Prospectus have been subject to rounding adjustments. Accordingly, the values given for the same information item presented in different tables may slightly vary and the values given as totals in certain tables may not represent the arithmetic sum of these values.
- 11.14 Third Party Information.** In section 3.1 headed “*Risk factors associated with the Issuer and the Group*”, in section 3.2 “*Risk factors related to the Bonds*”, in section 4.7 headed “*Principal markets*”, in section 4.8 headed “*Information regarding current and new products/services*” and in section 4.16, subsection headed “*Overview of the financial and business position for the year ended 31 December 2021*” of the Base Prospectus, the Issuer used publicly available information published by:
- (a) Eurostat, on the website <https://ec.europa.eu/eurostat>;
 - (b) by the National Bank of Slovakia, on the website www.nbs.sk;
 - (c) the Institute of Financial Policy, on the website <https://www.mfsr.sk/sk/financie/institut-financnej-politiky/o-institute/o-institute.html>;
 - (d) by the Budget Council, on the website <https://www.rozpocetovarada.sk/eng/home>;
 - (e) the ESRB, at <https://www.esrb.europa.eu>;
 - (f) the Statistical Office of the Slovak Republic, on the website <https://slovak.statistics.sk/>; and
 - (g) by the Slovak Association of the Management Companies, on the website www.ass.sk.
- The Issuer confirms that third party information has been accurately reproduced and to the knowledge of the Issuer, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer, however, cannot guarantee accuracy and correctness of such reproduced information.
- 11.15 Audit and expert reports.** Except for the audited consolidated financial statements of the Issuer, the Base Prospectus does not contain any audited information and no auditor’s report has been prepared thereon. The Base Prospectus does not contain any statement or report attributed to a person acting as an expert.
- 11.16 Publications concerning the Cover Pool and the covered bonds.** The information regarding the Cover Pool and the covered bonds will be published by the Issuer to the extent required under the Act on Banks and other applicable regulation in separate section on its website <https://365.bank/investors>. None of the information published by the Issuer pursuant to the preceding sentence is incorporated in the Base Prospectus by reference or forms a part thereof.
- 11.17 Administrator of the covered bonds programme.** The Act on Banks requires that the NBS appoints an independent individual as an administrator (in Slovak: *správca*) overseeing certain aspects of the covered bonds programme as well as his/her deputy. The NBS has appointed Mr. Gabriel Balog as the administrator and Mr. Vladimír Pokorsky as the deputy administrator of the covered bonds programme of the Issuer. The administrator is *inter alia* required to prepare a written certificate evidencing that the coverage of the Bonds is secured in accordance with the Act on Banks and that an entry in the register of covered bonds has been made prior to any issue of the Bonds. The administrator also verifies whether the Issuer discharges its obligations arising from the Bonds in compliance with the applicable legislation.
- 11.18 Language of the Base Prospectus.** The Base Prospectus has been prepared and is approved by the NBS in the English language. If the Base Prospectus is translated into another language, the English language version of the Base Prospectus shall prevail in the case of any interpretation discrepancies between the Base Prospectus in English and the Base Prospectus translated into another language.
- 11.19 Negative pledge, cross-default.** The Terms and Conditions of the Bonds do not contain any negative pledge or cross-default clauses.
- 11.20 Enforcement of private claims against the Issuer.** The courts of the Slovak Republic shall have jurisdiction for the purposes of enforcement of any private claims against the Issuer related to the purchase or holding of the

Bonds. Any and all rights and obligations of the Issuer against the Holders shall be governed by the Slovak law. As a result, there is only a limited possibility of claiming rights against the Issuer in proceedings before foreign courts or pursuant to a foreign law. Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgements in civil and commercial matters (recast) (the **Brussels I Recast**), is directly applicable in the Slovak Republic. Pursuant to the Brussels I Recast, save for certain exceptions stated therein, judicial decisions issued by judicial bodies in the EU Member States in civil and commercial matters are enforceable in the Slovak Republic, and *vice versa*, the judicial decisions issued by judicial bodies in the Slovak Republic in civil and commercial matters are enforceable in the EU Member States. If, for the purposes of the recognition and enforcement of a foreign decision the application of the Brussels I Recast is excluded, but the Slovak Republic entered into an international treaty on the recognition and enforcement of court decisions with a certain country, the enforcement of a judicial decision of such country is ensured in accordance with the provisions of the given treaty. If such treaty does not exist, the decisions of foreign courts may be recognised and enforced in the Slovak Republic subject to the terms and conditions set out in Act No. 97/1963 Coll. on Private and Procedural International Law, as amended (**ZMPS**). Pursuant to ZMPS, decisions of judicial bodies of foreign states in matters set out in Section 1 of ZMPS, foreign reconciliations and foreign notarial deeds (for the purposes of this paragraph jointly the foreign decisions), cannot be recognised and enforced if (a) the subject matter of the decision falls within the exclusive jurisdiction of the bodies of the Slovak Republic or the body of a foreign state would not have jurisdiction to decide over the case if the provisions of Slovak law applied to the assessment of its jurisdiction; or (b) they are not valid and effective or enforceable in the state in which they have been issued; (c) they are not decisions on the merits of the case; or (d) a party to the proceeding against whom a decision is to be recognised was deprived of the option to appear before such authority, mainly if it was not served with a summons for a hearing or a statement of claim; the court does not assess whether this condition has been met if a foreign decision has been duly served to such party to the proceeding and the party has not filed an appeal against it or if such a party has declared that it does not insist on the review of such requirement; or if (e) the Slovak court has already decided the case by a valid and effective decision or there is an earlier foreign decision in the same case which has been recognised or meets the requirements for its recognition; or (f) the recognition would be in conflict with the Slovak public order.

- 11.21 Interest of natural and legal persons involved in the issue/offer.** Certain of the Dealers and/or their affiliates may have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer in the ordinary course of business. In addition, in the ordinary course of their business activities, these Dealers and/or 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. Certain of the Dealers and/or their affiliates that may have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and/or 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 Bonds. Any such short positions could adversely affect future trading prices of the Bonds. The Dealers 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. Further interests of natural and legal persons involved in a specific issue/offer may be specified in the relevant Final Terms.

This summary contains only general information to describe the legal situation. The relevant legislation is subject to change. The summary does not take into account the individual status of any Holder. Investors should not rely on this information and are recommended to assess the issues regarding the enforcement of private claims against the Issuer with their legal advisors.

12. DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the following documents, all of which have been published on the website of the Issuer <https://365.bank/investors> and shall be deemed to be incorporated by reference in, and form part of, this Base Prospectus:

- (a) the consolidated financial statements of the Issuer for the year ended 31 December 2021 prepared in accordance with the IFRS as adopted by the EU (the **2021 Financial Statements**). The Base Prospectus must be read in conjunction with the 2021 Financial Statements.

The 2021 Financial Statements are available at the following hyperlink:

https://365.bank/media/teydz22q/ifrs-kons_2021-12_eng_internet.pdf

- (b) the consolidated financial statements of the Issuer for the year ended 31 December 2020 prepared in accordance with the IFRS as adopted by the EU, which form part of the Issuer's Consolidated Annual Report for 2020 compiled pursuant to the applicable legal regulations (the **2020 Consolidated Annual Report**). The Base Prospectus must be read in conjunction with the above-mentioned part of the 2020 Consolidated Annual Report. Other parts of the 2020 Consolidated Annual Report not incorporated in the Base Prospectus by reference are of no relevance for the investors.

The 2020 Consolidated Annual Report is available at the following hyperlink:

https://365.bank/media/0v3aspuq/pb_vs-konsolidovana-2020-en_20_09_web.pdf

The consolidated financial statements referred to above, together with the audit reports thereon shall be incorporated by reference into, and form part of, this Base Prospectus.

Other than in relation to the documents, which are deemed to be incorporated by reference listed in this section of the Base Prospectus, the information on the websites to which this Base Prospectus refers does not form part of this Base Prospectus and has not been scrutinised or approved by the NBS.

13. DOCUMENTS AVAILABLE

The following documents are available free of charge in electronic form in a separate section on the Issuer's website <https://365.bank/investors>, until the maturity of the relevant tranche of the Bonds:

- (a) the Base Prospectus and any updates thereof in the form of any supplement(s) to the Base Prospectus;
- (b) the Final Terms prepared for the relevant tranche of the Bonds;
- (c) notices to the Holders of the relevant tranche of the Bonds; and
- (d) minutes of the Meetings of the Holders of the Bonds.

The consolidated text of the current articles of association of the Issuer is available free of charge in electronic form in a separate section on the Issuer's website <https://365.bank/investors>.

All other documents, except those mentioned above, the information from which is incorporated in the Base Prospectus by reference are available free of charge in electronic form in a separate section on the Issuer's website <https://365.bank/investors>, as long as the Base Prospectus remains valid.

Other than in relation to the documents which are incorporated by reference in section 12 of the Base Prospectus, the information on the websites to which this Base Prospectus refers does not form part of this Base Prospectus and has not been scrutinised or approved by the NBS.

14. GLOSSARY

For ease of reference, we list the main abbreviations and definitions used in the Base Prospectus:

2020 Consolidated Annual Report means the consolidated annual report of the Issuer for the year 2020 prepared pursuant to the applicable laws and which contains the audited consolidated financial statements of the Issuer for the year ended 31 December 2020 prepared in accordance with the IFRS as adopted by the EU.

2021 Financial Statements means the audited consolidated financial statements of the Issuer for the year ended 31 December 2021 prepared in accordance with the IFRS, as adopted by the EU.

Act on Banks means Act No. 483/2001 Coll. on Banks, Amending and Supplementing Certain Acts, as amended.

Additional Amounts means the payments to the Holders so that the principal or interest income actually received by the Holders is in such an amount as if no withholding or deduction has been made.

Administrator means J&T BANKA, a.s., with its registered office at Sokolovská 700/113a, Karlín, 186 00 Prague 8, Czech Republic, Identification No.: 471 15 378, registered in the Commercial Register maintained by the Municipal Court in Prague, File No.: B 1731, acting in the Slovak Republic through its branch J&T BANKA, a.s., pobočka zahraničnej banky, with its registered office Dvořákovo nábrežie 8, 811 02 Bratislava, Slovak Republic, Identification No.: 35 964 693, registered in the Commercial Register of the District Court Bratislava I., Section: Po, Insert No.: 1320/B or any other Slovak financial institution with whom the Issuer enters into the agreement on payment, calculation or other administrative functions in relation to the Bonds.

Administration Agreement means the agreement (if any) entered into between the Issuer and the Administrator on the performance of its role.

Authorised Person has the meaning given in section 8.3 of the Terms and Conditions.

Bankruptcy Act means Act No. 7/2005 Coll. on Bankruptcy and Restructuring, Amending and Supplementing Certain Acts, as amended.

Base Prospectus means this base prospectus dated 21 March 2022.

Benchmarks means one or several specific benchmark indices or swap rates provided by the relevant administrator. EURIBOR (Euro Interbank Offered Rate) and other interest rate indices which are deemed to be benchmarks are the subject of regulatory supervision and recent national and international regulatory recommendations and proposals for reform.

Bonds means the covered bonds (in Slovak: *kryté dlhopisy*) issued by the Issuer under the Programme.

Bonds Act means Act No. 530/1990 Coll. on Bonds, as amended.

BRRD means Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended.

BRRD2 means Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC.

Brussels I Regulation means Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (recast), as amended.

CBD Implementing Act means Amendment to the Act on Banks No. 454/2021 Coll.

Commercial Code means Act No. 513/1991 Coll., the Commercial Code, as amended.

Common Terms mean the Common Terms as set forth in section 7 of this Base Prospectus.

CRA Regulation means Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended.

CRD IV 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.

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 investment firms and amending Regulation (EU) No 648/2012, as amended or replaced from time to time.

CSSF means *Commission de Surveillance du Secteur Financier*, with the registered office at 283, route d'Arlon, L-1150 Luxembourg, the Grand Duchy of Luxembourg.

Date of Record for Attending the Meeting means the seventh day before the relevant Meeting.

Deposit Protection Act means Act No. 118/1996 Coll. on Protection of Deposits, as amended.

Distributor means any person who subsequently sells or recommends the Bonds.

ECB means the European Central Bank.

EEA means the European Economic Area.

ESMA means the European Securities and Markets Authority.

EUR or **Euro** or **euro** or **EURO** means the single currency of the member states of the European Union participating in the third stage of the European Economic and Monetary Union.

FATCA means the U.S. Foreign Account Tax Compliance Act.

Final Terms mean the final terms prepared by the Issuer for each issue or tranche of the Bonds issued under the Programme.

Fitch Ratings means Fitch Ratings Ireland Limited Spółka z ograniczoną odpowiedzialnością Oddział w Polsce or any of its affiliates established and registered in the European Union under the CRA Regulation.

FTT means the financial transaction tax.

GDP means gross domestic product.

Group means the consolidated group of companies in which the Issuer itself has an interest.

Holder has the meaning given in section 3.1 of the Terms and Conditions.

Chairman of the Meeting means the Issuer or a person designated by the Issuer who chairs the Meeting, until it has been decided at the Meeting that another person is to become the Chairman of the Meeting.

IFRS means the International Financial Reporting Standards designed in accordance with the standards and interpellations approved by the International Accounting Standards Board, formerly known as International Accounting Standards (IAS).

Income Tax Act means the Act No. 595/2003 Coll. on Income Tax, as amended.

Issue Date means the date of issue of the Bonds.

Issuer means 365.bank, a. s., with its registered seat at Dvořákovo nábrežie 4, 811 02 Bratislava, Slovak Republic, Identification No.: 31 340 890, registered in the Commercial Register of the District Court Bratislava I, section: Sa, insert No.: 501/B, LEI: 315700PLTAXHBHWP5J02.

LSE means Luxembourg Stock Exchange, with the registered office at 35A Boulevard Joseph II, L-1840 Luxembourg, the Grand Duchy of Luxembourg.

Meeting means a meeting of the Holders of the Bonds in relation to an Issue.

MiFID II means Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, as amended, including all its statutory instruments and implementations into the relevant national law.

MREL means the regulatory concept of minimum requirements for own funds and eligible liabilities.

NBS or **National Bank of Slovakia** means the legal entity established by Act No. 566/1992 Coll. on the National Bank of Slovakia or any of its legal successors in accordance with the laws of the Slovak Republic.

Payment Venue means the registered seat of the Issuer and/or Administrator (if appointed) of the issue of the Bonds.

Person Entitled to Attend the Meeting means any Holder who has been registered as the Holder of the Bonds pursuant to section 3.1 of the Terms and Conditions, except for the Issuer itself and any person controlled by the Issuer.

PRIIPs Regulation means Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs), as amended.

Principal Amount means the principal amount of each of the Bonds.

Proceedings means any administrative, judicial or arbitration proceedings.

Programme means the covered bonds issuance programme of up to EUR 3,000,000,000 under this Base Prospectus.

Prospectus DR means Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market.

Prospectus Regulation means 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.

Qualified Investor in any grammatical form shall have the meaning in the Base Prospectus assigned to it in Article 2(e) of the Prospectus Regulation for the purposes of the offering in the Slovak Republic and in another Member State of the European Union.

Relevant Account means the owner's account (in Slovak: *účet majiteľa*) maintained by the Central Depository or by a member of Central Depository; or in the internal records of a person for which Central Depository maintains a custody account (in Slovak: *držiteľský účet*) or similar account.

Resolution Act means Act No. 371/2014 Coll. on the resolution of crisis situations on the financial market, as amended, implementing BRRD and BRRD2 in the Slovak Republic.

Securities Act means Act No. 566/2001 Coll. on Securities and Investment Services, amending and supplementing certain acts.

Substitute Reference Rate has the meaning given in section 6.11 of the Terms and Conditions.

Substitute Screen Page has the meaning given in section 6.11 of the Terms and Conditions.

Tax Non-Resident means a taxpayer with limited tax liability in the Slovak Republic.

Tax Resident means a taxpayer with unlimited tax liability in the Slovak Republic.

Terms and Conditions include Part A (Information about securities) of the Common Terms together with Part A of the Final Terms that together constitute the terms and conditions of the respective issue of the Bonds.

TLAC means the regulatory concept of total loss absorption capacity.

Trustee means, in the event of bankruptcy or involuntary administration of the Issuer, the bankruptcy trustee or the receiver.

NAMES AND ADDRESSES

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