

**Nominations Committee of the Supervisory Board
of Santander Bank Polska S.A.**

Warsaw, 3 March 2023

**ASSESSMENT OF THE INDIVIDUAL SUITABILITY OF SUPERVISORY BOARD MEMBERS
AND ASSESSMENT OF THE COLLECTIVE SUITABILITY OF THE SUPERVISORY BOARD
OF SANTANDER BANK POLSKA S.A.**

**– RECOMMENDATION OF THE NOMINATIONS COMMITTEE OF THE SUPERVISORY BOARD
FOR THE GENERAL MEETING OF SHAREHOLDERS OF SANTANDER BANK POLSKA S.A.**

I. Recommendation for the General Meeting

The Nominations Committee of the Supervisory Board of Santander Bank Polska S.A. (**Committee**), on the basis of the conducted assessments, unanimously recommends to the General Meeting the approval, in the form of a resolution, the results of the assessments of the individual suitability of Supervisory Board members as well as collective suitability of the Supervisory Board of Santander Bank Polska S.A. (**Bank**), including the suitability of Audit and Compliance Committee members (**Audit Committee**) as well as the composition of the Audit Committee to check if it meets the requirements set out in the Poland's Auditors Act.

II. Legal basis

On 3 March 2023, the Nominations Committee of the Supervisory Board of Santander Bank Polska S.A. assessed the individual suitability of Supervisory Board members as well as collective suitability of the Supervisory Board of Santander Bank Polska S.A., including the suitability of Audit and Compliance Committee members as well as the composition of the Audit Committee to check if it meets the requirements set out in the Poland's Auditors Act. These are annual re-assessments of individual suitability of Supervisory Board members and collective suitability of the Supervisory Board.

The assessment was made in relation to the following regulations:

- 1) the Banking Law Act of 29 August 1997 (**Banking Law**),
- 2) Joint Guidelines of the European Securities and Markets Authority [ESMA] and of the European Banking Authority [EBA] on the assessment of the suitability of members of the management body and key function holders (EBA/GL/2021/06) (**Guidelines**),
- 3) Policy on the suitability assessment of the Supervisory Board members in Santander Bank Polska

S.A. (Policy).

- 4) Act of 11 May 2017 on statutory auditors, audit firms and public oversight (**Poland's Auditor's Act**).

When assessing the suitability, the Committee also took into account the rules arising from the "Methodology for assessing the suitability of members of the governing bodies of the entities supervised by the Polish Financial Supervision Authority" published by the KNF (**Methodology**). In relation to Audit Committee members, the Committee took into account in particular the requirements arising from the Poland's Auditor Act, the "Best practice for appointment, composition and operation of the audit committees" (**KNF's Best Practice**) and the "Best practice for GPW listed companies 2021" (**GPW Best Practice**).

III. Results of the assessment

3.1. Results of the individual suitability assessments

On 3 March 2023, the Committee assessed the individual suitability of all the Supervisory Board members:

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| 1) Antonio Escámez Torres | Chairman of the Supervisory Board, |
| 2) Jose Luis de Mora | Vice-Chairman of the Supervisory Board, |
| 3) Dominika Bettman | Member of the Supervisory Board. |
| 4) José Garcia Cantera | Member of the Supervisory Board, |
| 5) Isabel Guerreiro | Member of the Supervisory Board, |
| 6) Danuta Dąbrowska | Member of the Supervisory Board, |
| 7) David Hexter | Member of the Supervisory Board, |
| 8) John Power | Member of the Supervisory Board, |
| 9) Jerzy Surma | Member of the Supervisory Board, |
| 10) Marynika Woroszyńska-Sapieha | Member of the Supervisory Board. |

The Committee assessed the individual suitability based on criteria indicated in Individual Competence Profiles with regard to:

- a) knowledge, skills and experience;
- b) good reputation, honesty and integrity;
- c) independence,
- d) independence of mind,
- e) ability to commit sufficient time to perform the duties.

The Committee also took into account the detailed criteria provided in the Methodology as well as the resultant approach to assessing compliance with them.

Taking into account the above criteria and the weights assigned to them, the Committee stated that each of the above individuals:

- ✓ meets the suitability criteria set out in Article 22(aa) of the Banking Law, i.e. with regard to knowledge, skills and experience required to perform their duties and responsibilities on the Bank's Supervisory

Board as well as gives assurance of proper exercise of these duties,

- ✓ met the criteria with regard to good repute, honesty, and integrity; and in the Committee's opinion there were no objective and demonstrable grounds that might raise concerns about good repute of those individuals,
- ✓ meets the independence of mind criteria,
- ✓ has the ability to commit sufficient time to perform her duties and responsibilities also in the periods of particularly increased activity of the Bank; in particular, meets the requirements set out in Article 22(aa)(3) of the Banking Law.

The Committee did not identify any shortcomings in the knowledge, skills or experience of the said individuals and thus deemed that there was no need to design Individual Development Plans referred to in § 10 of the Policy for any of those individuals.

Based on the submitted statements and analysis of the independence criteria for Supervisory Board members, the Committee stated that five out of ten members of the Supervisory Board met the independence criteria, i.e. Dominika Bettman, David Hexter, Marynika Woroszyłska – Sapieha, Danuta Dąbrowska and Jerzy Surma. The requirement of § 25(2) of the Bank's Statutes is met as it states that at least half of the Supervisory Board members must be independent.

The Committee did not identify any need to formulate any recommendations as a result of the individual suitability assessments of the Bank's Supervisory Board members.

3.2. Assessment of the suitability of Audit Committee members and assessment of the Audit Committee's composition – results

On 3 March 2023, the Committee assessed the individual suitability of all Audit Committee members, also in terms of meeting the criteria set out in the Poland's Auditors Act:

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| 1) David Hexter | Chairman of the Audit Committee, |
| 2) Danuta Dąbrowska | Member of the Audit Committee, |
| 3) Jerzy Surma | Member of the Audit Committee, |
| 4) Marynika Woroszyłska-Sapieha | Member of the Audit Committee, |
| 5) Dominika Bettman | Member of the Audit Committee. |

In the assessment process the Committee took into account the KNF's stance with regard to members of audit committees presented in the KNF's Best Practice. The Committee established that Danuta Dąbrowska, David Hexter and Dominika Bettman had relevant knowledge and skills in accountancy or examination of financial statements.

Dominika Bettman and David Hexter meet also requirement of Article 129(5) of the Poland's Auditors Act with regard to skills and knowledge of the Bank's business.

Moreover, all members of the Audit and Compliance Committee meet the independence criteria.

Bearing in mind the above, the Committee deemed that all members of the Audit Committee met the suitability criteria.

The Committee formed the opinion that the composition of the Audit Committee was adequate given its tasks and fully met the requirements set out in Article 129 of the Poland's Auditors Act, according to which the committee should be composed of minimum three members, with the majority, including the chair, being independent, and at least one member should have knowledge and skills in banking and at least one – knowledge and skills in accountancy or examination of financial statements. The Bank meets these criteria in their entirety – the Audit Committee is composed of five members – all of whom are independent, including the chair; two of them have knowledge of the banking business (Dominika Bettman and David Hexter) and three have knowledge and skills in accountancy or examination of financial statements (Danuta Dąbrowska, David Hexter and Dominika Bettman).

In its current composition, the Audit Committee ensures effective discharge of its tasks, including support for the Supervisory Board in executing its supervisory duties.

3.3. Results of the collective suitability assessment

On 3 March 2023, the Committee assessed the collective suitability of the Supervisory Board in its current composition:

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| 1) Antonio Escámez Torres | Chairman of the Supervisory Board, |
| 2) Jose Luis de Mora | Vice-Chairman of the Supervisory Board, |
| 3) José Garcia Cantera | Member of the Supervisory Board, |
| 4) Isabel Guerreiro | Member of the Supervisory Board, |
| 5) Danuta Dąbrowska | Member of the Supervisory Board, |
| 6) David Hexter | Member of the Supervisory Board, |
| 7) John Power | Member of the Supervisory Board, |
| 8) Jerzy Surma | Member of the Supervisory Board, |
| 9) Marynika Woroszyńska-Sapieha | Member of the Supervisory Board, |
| 10) Dominika Bettman | Member of the Supervisory Board. |

The collective suitability assessment was made in line with the criteria set out in the Collective Competence Profile with regard to:

- a) knowledge, skills and experience,
- b) good reputation, honesty and integrity;
- c) independence,
- d) independence of mind,
- e) diversity,
- f) ability to commit sufficient time to perform the duties.

Taking into account the results of the above individual suitability assessments of the Supervisory Board members, including the results of assessment of the suitability of Audit Committee members and of its composition as well as the fact that the collective suitability of the Supervisory Board is considered as a sum

of skills represented by all its members, the Committee deemed that collectively the Supervisory Board in the current composition:

- ✓ meets the requirements with regard to knowledge, skills and experience, thus giving assurance of proper exercise of their duties and effective oversight of all areas of the Bank, including the requirements with regard to the ability to challenge and effectively monitor decisions taken by the Management Board,
- ✓ meets the criteria with regard to good repute, honesty and integrity, and that the Committee was not aware of any circumstances or factors that could raise concerns about good repute of the said individuals,
- ✓ meets the independence criteria as five out of ten Supervisory Board members are independent, which enables their proper representation on Supervisory Board committees,
- ✓ meets the independence of mind criteria,
- ✓ sufficiently meets the Policy's diversity requirements, including those related to educational and professional background, age, geographical provenance as well as those related the female representation on the Supervisory Board (40%-60%),
- ✓ the criteria with regard to the ability to commit sufficient time to perform its duties, also in periods of particularly increased activity of the Bank.

Therefore, the Committee unanimously stated that the structure, size, composition and effectiveness of the Supervisory Board in the current composition were suitable and complied with the applicable regulations, in particular Article 22(aa) of the Banking Law.

Both the Supervisory Board's organisational arrangements, the number of its members as well as the knowledge and skills of individual members are commensurate with the knowledge, skills and experience required to effectively perform the Supervisory Board's collective duties, allowing constructive discussion of issues considered by the Supervisory Board.

The Supervisory Board is collectively suitable given that collective suitability is determined by the sum of sufficient and adequate knowledge, skills and experience of individual Supervisory Board members.

Thus, the Committee did not identify any need to formulate any recommendations as a result of the collective suitability assessment of the Supervisory Board in its current composition.

The Committee confirmed that the assessments were conducted in a full, fair and objective manner, taking into account all circumstances relevant to the outcome of the assessments. Individual members of the Nominations Committee were not involved in the individual assessments concerning them.

Marynika Woroszyńska – Sapięha

Chairperson of the Nominations Committee

