



TERMS OF REFERENCE OF THE MANAGEMENT  
BOARD OF SANTANDER BANK POLSKA S.A.

## I General provisions

### § 1

The Management Board operates pursuant to provisions of the Banking Law Act of 29 August 1997 (Journal of Laws 2019, it. 2357, consolidated text), Commercial Companies Code of 15 September 2000 (Journal of Laws 2019, it. 505, consolidated text), other acts, the Bank's Statutes and these Terms of Reference.

### § 2

The Management Board manages and represents the Bank. The Management Board deals with all issues which have not been restricted to the remit of the General Meeting of Shareholders or the Supervisory Board.

### § 3

Management Board members perform their duties in person.

## II. Composition of the Management Board

### § 4

1. Management Board members are appointed and removed in line with the procedure laid down in the Banking Law Act, Commercial Companies Code and the Bank's Statutes.
2. The President of the Management Board ensures that the composition of the Management Board complies with law and submits relevant motions to the Bank's governing bodies when necessary.

### § 5

A member of the Management Board informs the President of the Management Board and the Chairperson of the Supervisory Board, whilst the President notifies the Chairperson of the Supervisory Board of any conflict of interest or a potential conflict of interest in connection with the function performed. A member of the Management Board refrains from considering any matter where there is a conflict of interest for them.

### § 6

Performance of a function in governing bodies of companies from outside the Bank Group requires approval of the Supervisory Board.

### III. Performance of duties

#### § 7

1. Management Board members jointly manage the Bank's business.
2. In particular, the Management Board:
  - 1) manages the Bank's current operations (decides on the manner of delivering tasks, supervises and controls their delivery and resolves any emerging issues),
  - 2) defines the Bank's mission statement,
  - 3) determines long-term action plans and strategic objectives for the Bank, develops and implements the Bank's management strategy, including short- and long-term overall business targets as well as action plans including specific tasks aimed at achieving these targets, including e.g. responsible banking and sustainable growth strategy,
  - 4) defines assumptions for the Bank's business and financial plans,
  - 5) approves plans and monitors their delivery,
  - 6) without being requested provides to the Supervisory Board regular information about:
    - a) Management Board resolutions and their subject,
    - b) the Bank's standing, including its assets as well as important circumstances related to managing the business of the Bank, especially in the area of its operations, investments, human resources, in the scope and on the dates agreed with the Supervisory Board,
    - c) progress in delivering the development directions defined for the Bank, indicating any departures from the established course of action along with the rationale behind,
    - d) transactions and other events or circumstances which have or may have a material impact on the financial standing of the company, including its profitability or liquidity,
    - e) changes to the information provided to the Supervisory Board before, if they have or may have a material impact on the company's standing,  
(the discharge of obligations referred to in letters b-e pertains also to the information held by the Management Board with regard to subsidiaries or affiliates),
  - 7) appoints permanent and ad hoc Committees and appoints persons responsible for managing these Committees,
  - 8) ensures that internal regulations adopted in the Bank are developed, issued and implemented in line with in-house legislative rules arising from such documents as (i) Regulatory Documents Policy of Santander Bank Polska S.A, and (ii) Instruction on legislative proceedings and on matters submitted to the Management Board,
  - 9) ensures and monitors the execution of the policies and other major internal regulations adopted in the Bank,
  - 10) designs and implements the Bank's organisational framework, including the Bank's organisational structure,
  - 11) reviews and analyses the results, identifies any deficiencies and lessons for the future,
  - 12) exercises ongoing oversight of key functions of the Bank by participating in the process of appointing and removing key function holders and regular, at least annual, assessment of their performance including their suitability; this oversight should not impede the independence required for performing specific functions,

- 13) at least every six months, develops and submits to the Supervisory Board a report on the assessment of outsourcing contracts in terms of their correctness, compliance with legislation and internal regulations as well as quality and timeliness of outsourced activities,
  - 14) verifies, on an annual basis, the impact of remuneration rules of the Bank on its management and produces a report from this verification that is presented to the Supervisory Board,
  - 15) assesses the adherence to the rules of ethics in the Bank on a regular basis, at least twice a year,
  - 16) makes an expert assessment of the regulations pertaining to the Management Board at least once a year to check their adequacy, taking into account the period subject to the assessment and the forecast for the upcoming period (the following are subject to the review, among others: Terms of Reference of the Management Board, Policy on selection and suitability assessment of management board members and key function holders).
  - 17) approves and implements the general policy (strategy) on the prevention of money laundering and terrorist financing, regularly – at least once a year – reviews the activity report submitted by an employee responsible for ensuring compliance with AML/CFT regulations and ensures that the Group entities perform their own business-wide assessments of money laundering and terrorist financing risk in a coordinated way and based on a common methodology, yet reflecting their own specificities, and implement remedial actions in a timely and effective manner.
3. Specific tasks are delegated to lower management levels pursuant to organisational regulations of units and committees issued by the Management Board by force of a resolution. Powers are delegated in a precise manner ensuring effective delivery of tasks in line with the Bank's strategy, risk management strategy, adopted limits and Risk Appetite Statement, remuneration rules and other internal regulations of the Bank.
4. Irrespective of the Management Board's responsibility for development and functioning of the Bank's governance framework and irrespective of the internal allocation of powers among Management Board members and delegation of some powers to lower management levels, Management Board members, including the President as the individual managing the work of the Management Board, are responsible for the Management Board operation and proper delivery of its tasks.
5. Delegation of specific powers to lower management levels does not release the Management Board from its accountability for managing the Bank.
6. The Management Board member in charge of risk management ensures that information on risk submitted to the Management Board is comprehensive and clear so that it enables the Management Board to understand the Bank's risk profile.
7. The Bank's management board takes actions to receive sufficient information to get a clear understanding of the general objectives and risk profile of the Group.
8. The Management Board provides to the Supervisory Board all the information it requests (in the form and at the time agreed with the Supervisory Board) and clarifies any doubts arising from the submitted data and papers.
9. The discharge of obligations referred to in section 2(6) (b-e) pertains also to the information held by the Management Board with regard to subsidiaries or affiliates.
10. Information referred to in section 2(6)(a-c) is provided to the Supervisory Board at each regular meeting, while information referred to in section 2(6) (d-e) is provided without undue delay after the event takes place or certain circumstances emerge.

11. The Management Board provides information to the Supervisory Board via email or a dedicated IT system.

## § 8

1. Work of the Management Board is managed by the President of the Management Board.
2. The President of the Management Board chairs Management Board meetings.
3. In the President's absence, their role is performed by a Management Board member appointed by the President.
4. The President of the Management Board, and in their absence the Management Board member referred to in section 3, ensures that the Management Board's decisions are taken based on information that is adequate, precise, full and understandable for all the Management Board members in line with applicable regulations.

## § 9

1. When the Management Board decides on the risk management matters and the Management Board member in charge of risk management votes differently than the majority of Management Board members or differently than initially proposed in the draft decision:
  - 1) the Management Board member in charge of risk management justifies their decision in writing,
  - 2) the Management Board immediately reports that fact to the Supervisory Board, including the written justification of the decision taken by the Management Board and the written justification of the decision taken by the Management Board member in charge of risk management.
2. The Management Board may take decisions on matters related to risk management in the absence of the Management Board member in charge of risk management solely in strongly justified cases.

## § 10

1. The Management Board takes decisions in the form of resolutions.
2. When taking decisions, the Management Board considers assessments, information and analyses of the risk management unit related to risk exposure.
3. In particular, a Management Board resolution is required in the case of matters:
  - 1) to be submitted to or approved by the Supervisory Board or the General Meeting,
  - 2) arising from the recommendations of the Supervisory Board or the General Meeting,
  - 3) raised by Management Board members and Committee Chairpersons.
4. The procedure of passing resolutions is set out in § 10 and 11 of these Terms of Reference.

## § 11

1. Meetings of the Bank's Management Board have the form of:
  - 1) a simultaneous gathering of Management Board members at one venue, or

- 2) communication between Management Board members located at different venues at the same time and using remote communication means, among others: telephone, video, dedicated computer software as well as email, as specified in section 2.
2. Management Board meetings in the form specified in section 1(2) are held in line with the following principles:
  - 1) The President of the Management Board, with the support of the Secretariat, selects the means of remote communication, ensuring the security of electronic communication, and provides access to it to all members of the Management Board, enabling them to participate in a meeting using such means, in due time before the meeting;
  - 2) the Secretariat provides members of the Management Board with the necessary support to efficiently participate in meetings using means of remote communication;
  - 3) The President of the Management Board checks the attendance list and identity of Management Board members participating in the meeting with the support of the minute-taker or other persons appointed by the President of the Management Board, in particular on the basis of: (i) video image of individual persons; (ii) telephone numbers used by individual persons participating in the meeting; (iii) email addresses used by members of the Management Board; (iv) passwords provided to individual persons to the email address assigned to them in the Bank's domain; or (v) in another way, indicated separately by the President of the Management Board, reflecting the specific nature of the employed means of remote communication.
3. Management Board meetings should be attended by the Head of the Internal Audit Area and the Head of the Chief Compliance Officer without the voting rights; other people invited by Management Board members may also attend the meetings.

## § 12

1. Meetings of the Management Board are convened by the President on their own initiative or at the request of another Management Board member.
2. Meetings of the Management Board are convened as the need arises.
3. Notice of the planned meeting of the Management Board along with the proposed agenda and related papers should be delivered to each Management Board member at least two days in advance of the meeting date. The President of the Management Board may shorten the above time limit in justified cases.
4. Management Board meetings are arranged by the Secretariat under the supervision of the Management Board President.

## § 13

1. Management Board resolutions are adopted in an open vote, subject to section 2.
2. The Management Board adopts resolutions in a secret ballot in cases stipulated by law.
3. The Management Board adopts resolutions by an absolute majority of votes.
4. The Management Board member voting against a resolution may request that their dissenting opinion be minuted.

5. Management Board resolutions are signed by the President or person chairing the meeting during which a resolution was adopted.

#### § 14

1. Resolutions are adopted by the Management Board:

- 1) by direct vote at the meeting,
- 2) by voting through another Management Board member present at the meeting,
- 3) by circulation, or
- 4) by using remote communication means.

2. A vote in line with the procedure set out in section 1(2) is cast in the written form. It needs to be signed and dated and the content of the document must explicitly specify the matter voted upon as well as whether it is "for", "against" or if it is an "abstaining" vote.

3. Resolutions adopted in line with the procedure set out in section 1(3) are circulated to all Management Board members and become valid when signed by at least half of the Management Board members, including the President, subject to section 4. The signature of each Management Board member needs to be dated.

4. Resolutions adopted in line with the procedure set out in section 1(3) are valid when all Management Board members have been informed about the contents of the draft resolution.

#### § 15

1. Meetings of the Management Board are minuted.

2. The minutes should specify the meeting date and agenda, names and surnames of the Management Board members in attendance, the course of the discussion, arrangements, agreed actions and decisions taken, number of votes cast for individual resolutions and dissenting opinions together with their justification.

3. The minutes should include information on an actual or potential conflict of interest arising for a Management Board member in relation to the considered matter.

4. If a Management Board member deems that the Management Board decision is against the Bank's interests, they should demand that their dissenting opinion is minuted.

5. Minutes are signed by at least the member of the Management Board who chairs the meeting or who ordains a vote.

6. Minutes of Management Board meetings are kept in the book of minutes stored at the Bank's registered office. The book of minutes may be kept in an electronic form.

### VI. Final provisions

#### § 16

1. Committees referred to in § 5(2)(6) are composed of Management Board members as well as persons who do not sit on the Management Board.

2. Detailed principles of a permanent Committee operations are set out in the Committee Terms of Reference approved by the Management Board. Terms of reference of a Committee set ad hoc are issued by the Management Board member managing or supervising operations of that Committee.
3. The Committee Chairperson appointed by the Management Board manages the work of a given Committee.
4. The Committee Chairperson issues ordinances.
5. Ordinances of the Committee Chairperson may be amended or revoked by force of the Management Board resolutions.

#### § 17

These Terms of Reference become effective as of the date of their adoption.