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A trustworthy partner

- Golden emblem Consumer Quality Leader in the category The best PPK servicing company in 2021–2025.
- More than 25 years of experience on the market of investment funds.

Experience in pension products

- Many years of experience in designing and managing Employee Retirement Plans (PPE), Individual Retirement Accounts (IKE) and Individual Retirement Security Account (IKZE).
- Santander TFI launched the first PPE scheme in 2001, IKE in 2004 and IKZE in 2023.
- The value of assets accumulated in the Individual Retirement Accounts maintained in Santander TFI amounts to over PLN 700 million, and we have already earned the trust close to 30 thousand participants.
- The value of assets deposited on PPE maintained by TFI amounts over 400 mln PLN.
- The value of assets accumulatedu in the Indyvidual Retirement Security Account maintained by Santander TFI amounts over 90 mln PLN, and we have already earned the trust more than 8 thousands participants.

PPK in Santander TFI

- Not more than 0.35% permanent management fee.
- No more than 0.1% success fee.
- 0% conversion fee (change of investment allocation), regardless of the number of changes.
- · No additional charges from employers or employees for access to dedicated PPK online services and the helpline.
- Dedicated IT solutions simple and quick conclusion of agreement and PPK online services.
- The value of assets in the Employee Capital Plans (PPK) amounts close to PLN 700 million.
- Over 113 thousand of PPK participants.
- More than 17 thousand signed management agreements.

Support for employers

- Support of PPK managers, at every stage of creation and operation of PPK.
- Support in conducting information process for employees (traditional and online meetings, brochures and leaflets).
- Free access to the PPK online service for the employer after logging in, employers can manage the PPK.
- **Dedicated helpline for companies** maintaining PPK in Santander TFI.
- Training for employees administrating PPK.
- Information materials for employees and an employer available in four languages.
- Possibility to integrate the online PPK service PPK with HR and payroll systems.

Data as of October 17, 2025 PPK in Santander TFI S.A.





Experience and effectiveness in investment fund management.



- · Santander TFI S.A. is one of the biggest and most experienced investment fund companies on the Polish market.
- The Company was founded in 1998 and since then has managed Santander investment funds which are highly valued by both our Customers and experts.
- In addition, since 2003, Santander TFI also manages the Credit Agricole FIO umbrella fund which was the first white label solution on the Polish market, i.e. a fund operating under its own brand and according to its own guidelines, but under the wing of a selected investment fund company.
- The Company also manages individual portfolios containing one or more financial instruments.
- We also have extensive experience in the development and management of Employee Retirement Plans and in the maintenance of Individual Retirement Accounts and in Individual Retirement Security Account.
- The Company's shareholders with 50% stakes in the total number of votes at general meetings of shareholders are Santander Bank Polska S.A. and Banco Santander S.A.

How we stand out?



More than **25 years on the market** of investment funds.



Value of assets under management **PLN 29 bn.**



More than 260 000 customers who have trusted us.



Many years of experience in designing and managing Employee Retirement Plans (since 2001) and Individual Retirement Accounts (since 2004) and Individual Retirement Security Account (IKZE) (since 2023).



One of the biggest and most experienced management teams on the Polish market.



The value of assets accumulated in the Individual Retirement Accounts maintained in Santander TFI amounts to over PLN 700 million, and we have already earned the trust close to 30 thousands participants.

Data as of October 17, 2025 PPK in Santander TFI S.A.



Investing on a global scale



We have been present on the market since 1857



Largest bank of the euro zone





Source: Santander.com

173 million Customers



Over 7500 branches



Awards and distinctions

The high quality of our products is evidenced by the numerous awards and distinctions:

2025



Customer's Laurel TOP BRAND 2025

The special award is granted in the nationwide Consumer's Laurel 2025 competition



Consumer Quality Leader 2025 old emblem in the category

old emblem in the category the best PPK servicing company



Customer's Laurel 2025

Gold Emblem in the nationwide Consumer's Laurel 2025 competition



· Good Brand 2025

- Quality, Trust, Reputation

First place in a nationwide competition in the Investment Fund Companies category



Super Brand 2025

- Quality, Trust, Reputation

Special award presented for multiple wins in the Good Brand program

2024



Consumer Laurel Grand Prix 2024

Grand Prix emblem for Santander in the nationwide Consumer Laurel 2024 competition



Good Brand 2024 – Quaity, Trust, Reputation

Distinction in the nationwide ompetition in the category of Investment Fund Companies

- · Brand of the 15th anniversary
- Consumer Quality Leader 2024
- Alfa 2023 award for:

Santander Small and Medium Caps Equity – best fund in category Polish small and medium caps equity funds and

6 distinctions:

Santander TFI S.A. in "The best fund management company" category Santander Polish Equity Santander Corporate Bond Santander Prestiż Corporate Bond Santander Prestiż Short Duration Credit Agricole Stable Growth Krótkoterminowy Credit Agricole Stabilnego Wzrostu

2023



Good Brand 2023 – Quality, Trust, Reputation

Distinction in the nationwide competition in the category of Investment Fund Companies



• Consumer Quality Leader 2023

in the category "The best PPK servicing company". The award is granted by the Strefa Gospodarki (Dziennik Gazeta Prawna)

2022



• Good Brand 2022 -

- Quality, Trust, Reputation

1st place in the nationwide plebiscite in the Investment Fund Society category



• Consumer Quality Leader 2022

1st place in category
"The best PPK servicing company"



Bronze Customer's Laurel 2022

3rd place in category "Investment funds"

· Alfa 2022 rewards

- Best fund in category Polish long-term government bonds funds
 Santander Government Bond
- Santander Small and Medium Caps Equity – best fund in category Polish small and medium caps equity funds

2021

Consumer Quality Leader 2021

1st place in category "The best PPK servicing company"

Alfa 2021 – 1 distinction

Santander Balanced

2020

Wprost Eagle awards 2020

Santander TFI received the prize in Business Leader category

· Alfa 2020 - 2 distinctions:

- · Santander Prestiż Short Duration
- Santander Short Duration

2019

• Alfa 2019 - 4 distinctions:

- Santander TFI S.A. in "The best fund management company" category)
- Santander Prestiż Corporate Bond
- Santander Prestiż Short Duration
- · Credit Agricole Stable Growth

• Alfa 2019 - 4 distinctions:

2nd place in category "The best foreign shares fund 2019" for Santander Prestiż Technology and Innovations

2018

• Alfa 2018 award:

Credit Agricole Stable Growth

– Best Stable Growth Fund

Distinctions:

- Santander Stable Growth
- Santander Polish Equity
- Santander Prestiż Short Term Bond

• "Parkiet" Golden Portfolio:

for the Manager of Santander Platinum Conservative

2017

• Alfa 2017 award:

Santander Corporate Bond

• Alfa 2017 distinctions:

- Credit Agricole Stable Growth
- Santander Corporate Bond
- "Rzeczpospolita" ranking:
 - Best Fund Management Company title – third place

2016

· Alfa 2016 distinctions:

- Santander Prestiż Polish Equity
- Santander Prestiż Corporate Bond



Management Board of Santander TFI S.A.

Santander TFI is managed by an experienced management team of renowned experts and long-term practitioners of financial markets. The members of the Company's Management Board are:



Marcin Groniewski Management Board President



Grzegorz Borowski Management Board Member



Szymon Borawski-Reks Management Board Member



Janusz Korpa Management Board Member

The bios of the Management Board Members, bios of Fund Managers and a description of the investment process and risk management process are presented in the appendices hereto.

An experienced and stable investment team



Szymon Borawski-ReksJoined the company in May 2003.



Adam Majerowski
Joined the company in June 2004.



Bartosz DębowskiJoined the company in June 2008.



Adam Nowakowski
Joined the company in September 2010.



Paweł PisarczykJoined the company in February 2010.



Jakub PłotkaJoined the company in February 2011.



Marta StępieńJoined the company in January 2015.



Maciej WojdyłaJoined the company in 2016.



Łukasz TokarskiJoined the company in August 2025.

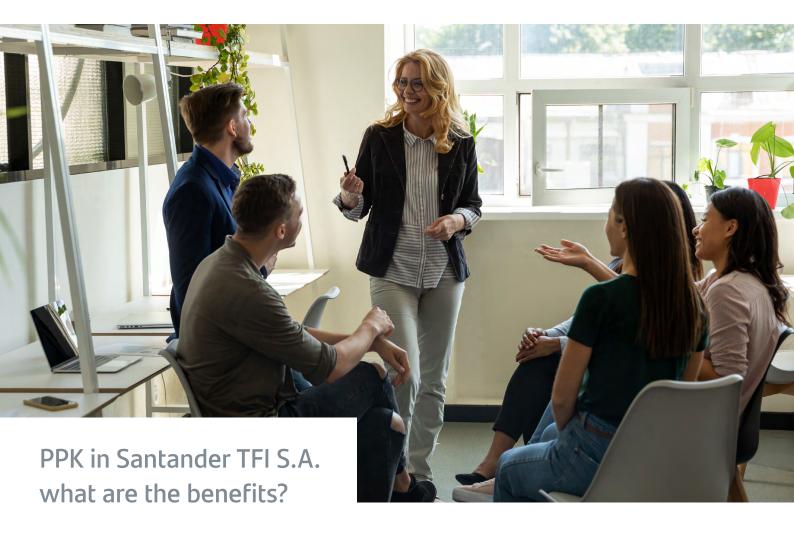


Sustainability (ESG) in Santander TFI S.A.

Sustainable development and corporate business responsibility are the approaches which Santander TFI S.A. pursues by following the best practices and standards worldwide laid down in our policies which guide our daily work, including:







Support on each stage

We will answer your questions, show you how to implement PPK step by step and help you to educate your employees.

No additional costs

No charges for using PPK services for an employer and employees as well as for information, educational and instructional materials.

Access to PPK 24h per day

PPK support in free online services for an employer and employees.

Quick and simple implementation in a traditional or online form

We offer comprehensive support at the stages of signing the agreement and implementation in the form which is most convenient for the employer both online and traditionally during meetings at the employer's premises.

Quick and simple implementation

Fully online implementation of PPK filling in the requ est for the conclus ion of PPL management agreement involves only 2 steps and takes only 8 minutes.

We encourage you to take a look at the following materials: Zapraszamy do zapoznania się z materiałami:

- PPK service step by step link
- Enrolment to the PPK in Santander TFI Link

All materials are also available at:

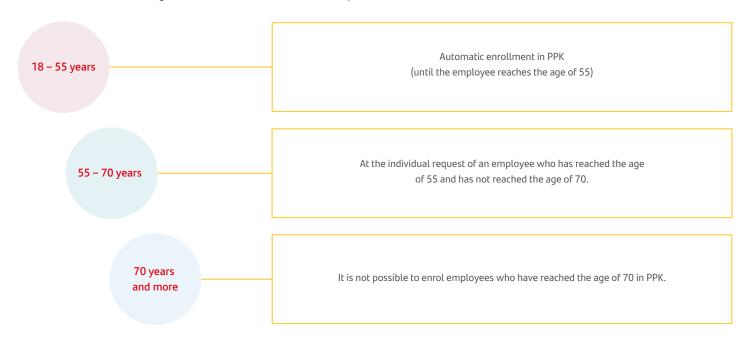
Santander.pl/PPK/dokumenty link



Key information about PPK

PPK participants

Employees who have attained the age of 18 years but have not attained the age of 55 years have to be enrolled in the PPK (if they didn't resign to participate in the PPK earlier). Employees who have attained the age of 55 years but have not attained the age of 70 years may declare their willingness to enrol in the PPK. After the age of 70 the enrolment in the PPK is not possible.



- Employee may opt out of paying contributions to the PPK at any time by submitting an appropriate statement to his employer. He must remember that if He opt out of paying contributions, his employer will also be exempted from this obligation. In this situation, the funds from the State Treasury will not be credited to employees PPK account. As a result, no funds will be credited to his PPK account.
- Employee may recommence the payment of contributions to the PPK at any time. It is sufficient to submit an appropriate request to your employer.
- Employer has a duty to automatically re-enrol in the PPK, every 4 years, those employees who have opted out of paying contributions (this applies to employees who have attained the age of 18 but have not attained the age of 55 years). Each employee has the right to submit to their employer a statement to opt out again of paying contributions.

Participation in PPK is a triple benefit for employees

Payments to your PPK account will come from 3 sources: from employee, from employer and from the State Treasury (the Labour Fund):



*For persons whose remuneration obtained from various sources in a given month does not exceed in total the amount of 120% of the minimum remuneration, the basic contribution may be less than 2%, but not less than 0.5% of the remuneration.

Investment in PPK

The funds gathered in the PPK will be invested in investment funds – each participant will be automatically assigned to the sub-fund corresponding to their age which will reduce the investment risk as an employee gets closer to the age of 60.

PPK in Santander TFI S.A.

240 zł - annual additional contribution

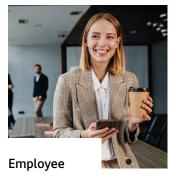
(after fulfilment of the conditions laid down in the PPK Act, i.e. upon the payment to the PPK of an appropriate amount per year).



Benefits from the maintenance of PPK for the employer and the employee



- PPK as an additional component of an attractive benefit package offered by the employer (e.g. making additional contributions for employees after a certain time of service on top of the basic (obligatory) contribution of 1.5%).
- Employer's costs associated with the financing of contributions to PPK can be treated as income deductible expenses.
- Contributions financed by the Employer are excluded from the base salary, which is used to calculate social security and disability insurance premiums.



- Additional savings after the age of 60 (an Employee joining the PPK at the age of 20 with a gross monthly salary of PLN 5,000 may save more than PLN 290,000*).
- Capital investment in accordance with a strategy aligned with the Employee's age which will be adjusted with time.
- The savings in PPK are treated as entirely private assets, unlike the pension premiums paid to ZUS and OFE.
- No tax** imposed on money withdrawn by the Employee from PPK past the age of 60.
- Acquisition of PPK assets through succession is not subject to donation or inheritance tax.

*After 40 years of saving assuming an adequate rate of return (the fund, however, does not guarantee achievement of the investment goal) - calculations made using the PPK Calculator available at https://www.santander.pl/ppk/kalkulator-ppk. Calculation assumptions: age of an employee enrolled in the PPK – 20 years, PLN 5,000 gross remuneration, basic (mandatory) contribution of the employee to the PPK: 2% of gross remuneration, basic (mandatory) contribution of the employer to the PPK: 1.5% of gross remuneration, projected annual rate of return in the withdrawal period: 2.75%, projected annual increase in remuneration: 2.8%, projected annual average rate of return in the investment period: 3.5%, no additional contributions, saving up to the age of 60, management costs – 0,50% (include no more than 0.10% success fee).

**19% capital gains tax (determined in accordance with Article 30a(1)(11b) of the PIT Act) we will not charge in the case of withdrawals after you turn 60, assuming the payment of: 25% of funds once and the remaining 75% in at least 120 monthly installments or 100% of funds in at least 120 monthly installments. Changing these assumptions (reducing the number of installments or a one-off payment of the entire amount) will result in the need to charge you capital gains tax. Pursuant to the PIT Act (Article 30a(13) of the PIT Act), the taxable income will be determined as the amount of the payment from the redemption of participation units, less the expenses for the purchase of these redeemed.

Support for companies choosing PPK in Santander TFI S.A.

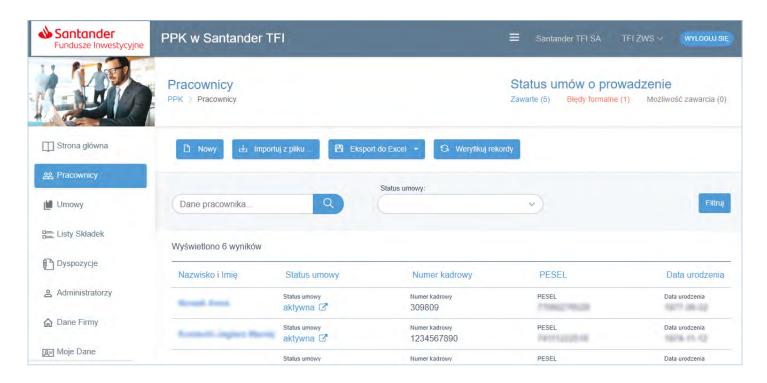


When selecting a provider of Employee Capital Plans, it is worth taking notice of the support provided by them and its form. Santander TFI S.A. offers comprehensive support both at the stage of implementation and ongoing maintenance of the programme in the form which is most convenient for the employer – both online and traditionally during meetings at the employer's premises.

Support for employers

- Online Service for Employers After logging on employers will be able to administer PPK in their organizations.
- Functionalities:
 - providing the employer with a complete set of information and documents,
 - conclusion of a PPK administration agreement on behalf of and for the benefit of employees and the possibility of downloading the PPK management contract,
 - notification and current update of the list of employees enrolled in the PPK,
 - processing payments to PPK,
 - · submitting orders,
 - browsing the list of submitted employees and the history of placed orders,
 - fully electronic communication regarding the list of employees.





Helpline – A dedicated helpline for employers. Special hotline for employers, no automatic control, direct contact with a consultant.

Key functionalities:

- technical support,
- · clarification of inconsistencies on an ongoing basis,
- providing answers to questions concerning PPK.

Additional Support

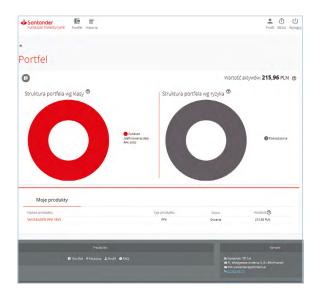
- support on each stage of the implementation of PPK in the company,
- explanation of formal and technical aspects,
- holding meetings with employee representatives,
- information campaigns on the PPK for employees:
- trainings for PPK administration employees online meetings, webinars organized with Partners, eg PFR, Infor. Information on webinars can be found on Santander.pl/PPK and on the LinkedIn Santander TFI website,
- providing information materials for employees traditional and electronic materials available in four language versions (polish version, english version, russian version, ukrainian version),
- possibility to integrate the online PPK service PPK with HR and payroll systems, allowing direct data transfer from the HR and payroll system to PPK online system.

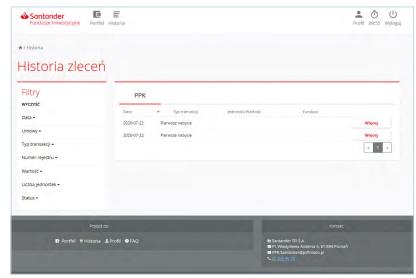




Support for employees - PPK participants

• Online service for employees – after logging on employees will be able to administer their PPK accounts PPK.





Funcionalities:

- online access to the summary of assets,
- possibility of entering additional data,
- placement of PPK related instructions and declarations, such as change in the allocation of payments, withdraw by the Employee from PPK past the age of 60 and change in the allocation of investments, return or change of employee data,
- template of a PPK administration agreement available for review/ downloading,
- using a contacts form to ask questions.
- Helpline a dedicated helpline for employees. Special hotline for employees, no automatic control, direct contact with a consultant.
- Training after the launch of PPK, Santander TFI will be ready to hold meetings with employees both online and in stationary form.

Santander TFI experts:

- clarify all formal and technical aspects of the scheme,
- meet with employee representatives,
- train employees who administer PPK.

· Additional materials:

- current performance data of the investment funds, including target-date funds, available online a possibility to monitor on an on-going basis, and compare the results of investment funds held in a selected time horizon,
- regularly updated product information investment fund factsheets, Key Investor Information, prospectuses, statutes and regulations available online at Santander.pl/TFI,
- market commentaries prepared by the fund managers from Santander TFI weekly commentaries published every Monday and special commentaries available on TFI's website at Santander.pl/TFI,
- educational materials including materials with information about PPK for employees and employers,
- **PPK calculator** a calculator which helps to simulate the value of savings based on the criteria predefined by the user (age, contribution value, investment horizon, estimated rate of return on investment),
- · PPK-related questions and answers,
- most important information about PPK available on a single dedicated website at Santander.pl/TFI.



Costs of PPK in Santander TFI S.A. – terms of PPK administration and management agreements

Fees and charges applicable to PPK in Santander TFI S.A.

| Management fee | • not more than 0.35 – details in the table below. | | | |
|--|---|--|--|--|
| Success fee | No more than 0.1% success fee. | | | |
| Conversion fee | 0% regardless of the number of changes. | | | |
| (for changing the investment allocation) | applies to the fee charged when converting units within all sub-funds of the Santander PPK SFIO Fund. | | | |

| Per | iod | | Management fee | | | | | | | | | | | | |
|------------|------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------|--------|--|--|--|
| From | Until | Santander PPK 2025 | Santander PPK 2030 | Santander PPK 2035 | Santander PPK 2040 | Santander PPK 2045 | Santander PPK 2050 | Santander PPK 2055 | Santander PPK 2060 | Santander PPK 2065 | | | | | |
| 01.01.2025 | 31.12.2029 | 0,30% | 0,32% | 0.350/ | | | | | | | | | | | |
| 01.01.2030 | 31.12.2034 | | 0,30% | 0,35% | 0,55% | 0,35% | 0,35% | | | | | | | | |
| 01.01.2035 | 31.12.2039 | | | | | 0,55% | 0,35% | 0,35% | | | | | | | |
| 01.01.2040 | 31.12.2044 | | | 0,20% | 0.200/ | | 0,30% | | | 0,55% | 0,35% | 0.350/ | | | |
| 01.01.2045 | 31.12.2049 | 0,20% | | | | 0.200/ | 0.200/ | 0.200/ | 0.200/ | | | 0,30% | | | |
| 01.01.2050 | 31.12.2054 | | | | 0,20% | 0,20% | | 0,30% | | | | | | | |
| 01.01.2055 | 31.12.2059 | | | | 0,20% | 0,20% | 0.20% | 0,30% | | | | | | | |
| 01.01.2060 | | | | | | | 0,20% | 0,20% | 0,30% | | | | | | |

- In line with the provisions of the PPK Act, an investment fund management company may charge a management fee in the amount not exceeding 0.5% of the sub-fund's net asset value on an annual basis. Moreover, investment fund companies may charge a success fee for the achievement of the investment goal which may not be higher than 0.1% of the sub-fund's net asset value on an annual basis. This fee may be charged when:
 - a positive rate of return on investment in the sub-fund was achieved in a given year,
 - the rate of return on investment in the sub-fund is higher than the reference rate.
 - As at the last day of valuation in November in a given year, the return rate obtained by the investment fund, pension fund or sub-fund at a level not lower than 75% of the highest return rates on funds of the same target-date.
- No fees will be charged on:
 - · contributions to PPK,
 - annual bonuses,
 - starting contributions,
 - · accepted transfer disbursements,
 - contributions made in connection with changes in the investment allocation,
 - money contributed pursuant to Art. 87 sec. 21 of the PPK Act,
 - withdrawals, refunds and transfer disbursements.
- In addition to the management fee and success fee, the fund may cover the following costs:
 - fees and charges payable to investment companies or banks whose services the fund uses while executing transactions related to investing its assets,
 - fees and charges arising from the fund's agreements and transactions executed in connection with investing the fund's assets,
 - fees and charges payable to deposit and settlement institutions whose services the fund uses while investing its assets,
 - remuneration payable to the Depository,
 - costs of keeping the Register of Fund Participants and the Sub-register of Participants of the respective sub-fund,



- fees and taxes payable in connection with the fund's operations, including the fees paid for licenses and permits required by force of law,
- costs of announcements required in connection with the fund's operations, by force of the fund statutes or the applicable legal regulations,
- costs of production and publication of information materials about the fund or the sub-funds required by force of law,
- costs of a sub-fund liquidation,
- remuneration payable to a liquidator of a sub-fund.

The subject of target-date funds' costs is regulated by the provisions of Chapter 7 of the PPK Act.

The costs of the depository's remuneration and of keeping the register of participants will be kept within the limits set out in Art. 50 sec. 2. of the PPK Act

The remaining costs may not differ significantly from the customary costs of providing services of a given kind, in accordance with the provisions of Art. 50 sec. 4 of the PPK Act. The actual value of the costs will depend on a number of factors, such as the volume of transactions in the period under review, the market rates and applicable taxes.

The amount of actually incurred costs after the end of each calendar year will be published in the key information document (in the first year of operation of a given sub-fund, the amount will be forecasted).

Outsourcing of selected operations

In connection with the launch of Santander PPK SFIO, Santander TFI S.A. has entered into cooperation with the providers of selected financial services:

- Depository Bank Handlowy w Warszawie S.A.
- Transfer agent ProService Finteco Sp. z o.o.
- Fund auditor PricewaterhouseCoopers Polska Sp. z o.o. Audyt sp.k.





How to join to PPK in Santander TFI S.A.?

In order to enrol in the PPK, it is necessary to fill in the request for the conclusion of PPK management agreement – it involves only 2 steps and takes up to 8 minutes. In order to do that

You will need:

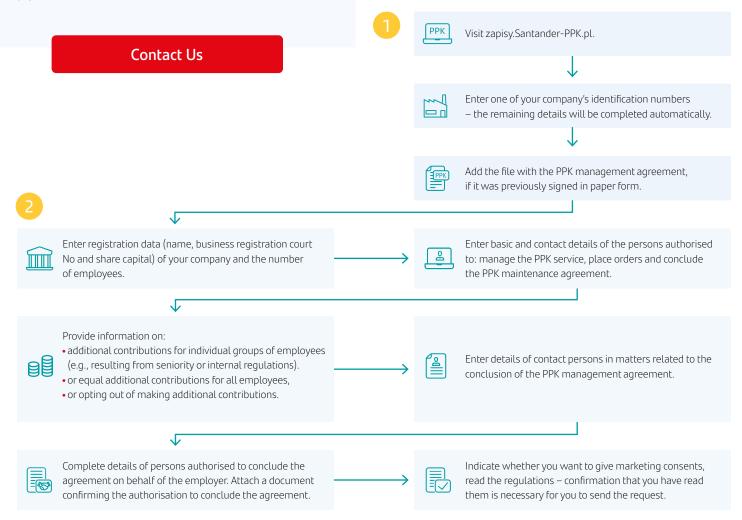
- your company details and one of its identification numbers (Tax ID No (NIP), National Court Register No (KRS), Statistical ID No (REGON));
- the file with the PPK management agreement, if it was previously signed in paper form;
- details of the persons from your company authorised to: manage the PPK service, place orders and conclude the PPK maintenance agreement;
- the decision whether your company will pay additional contributions for employees and, if so, in what amount;
- details of contact persons and persona authorised to conclude the agreement
- the file with the document confirming the authorisation to conclude the agreement.

Experts who are ready to answer any additional questions or meet at a convenient location to sign the agreement at any time wait for you in Santander TFI at every stage of joining the PPK.

After verifying the correctness of the data contained in the request within 5 business days, we will send to the indicated e-mail address of the PPK administrator a welcome package containing:

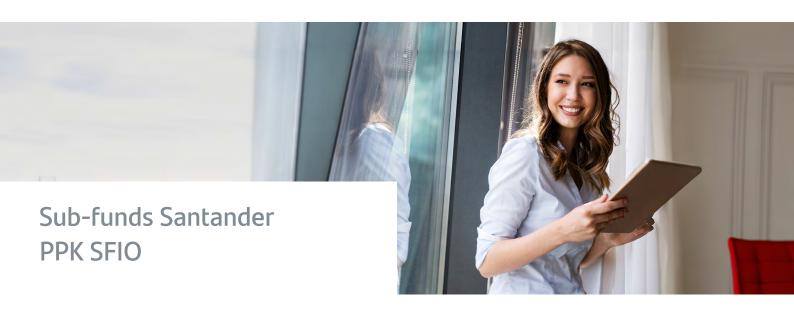
- Welcome letter;
- PPK Management Agreement with attachments;
- Regulations of the PPK service for the employer PPK Service;
- PPK Service manual;
- Information policy on personal data processing.

The last step of the implementation of the PPK in your company is the conclusion of the PPK maintenance agreement and providing information on employees who want to participate in the plan via the PPK service.



 ${\sf PPK} \ in \ {\sf Santander} \ {\sf TFI} \ {\sf S.A.}$





What are target-date funds?

The purpose of using target-date sub-funds in the PPK program is to facilitate long-term investments aimed at accumulating and growing the capital after the age of 60. The characteristic feature of this kind of sub-funds is to precisely define the target date which, according to the sub-fund's underlying assumptions, is the date when the participant will stop making contributions to the fund and will start withdrawing the money. Depending on the target date, the investment policy will be automatically changing during the capital accumulation period in order to adapt the acceptable risk level to the PPK participant's age. It should be taken into consideration that investing activity involves risk. The sub-funds do not quarantee that the stated investment objective will be accomplished or that a specific return on investment will be achieved.

Each employee participating in the PPK scheme will be assigned to an appropriate sub-fund based on the age. The table below shows the target dates for of the sub-funds corresponding to PPK participant age groups.

| PPK participants born between | Sub-funds target date | Sub-funds to which the PPK participant will be assigned |
|-------------------------------|-----------------------|---|
| 1963* – 1967 | 2025 | Santander PPK 2025 |
| 1968 – 1972 | 2030 | Santander PPK 2030 |
| 1973 – 1977 | 2035 | Santander PPK 2035 |
| 1978 – 1982 | 2040 | Santander PPK 2040 |
| 1983 – 1987 | 2045 | Santander PPK 2045 |
| 1988 – 1992 | 2050 | Santander PPK 2050 |
| 1993 – 1997 | 2055 | Santander PPK 2055 |
| 1998 – 2002 | 2060 | Santander PPK 2060 |
| 2003 – 2007 | 2065 | Santander PPK 2065 |

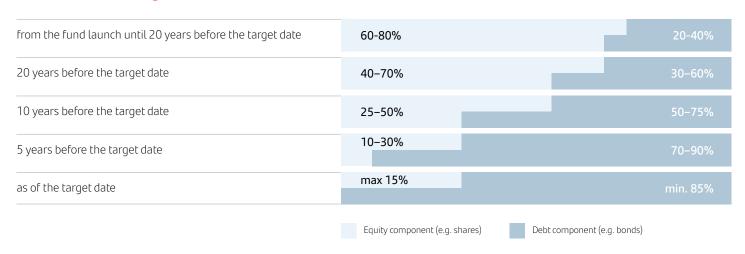
^{*}Also including participants born before 1963.

How will the money contributed to PPK sub-funds be invested?

The investment policy of the target-date sub-funds will be consistent with the key assumptions of the PPK Act in respect of the need to minimize the investment risk with time as the employee approaches the age of 60. Knowing precisely the investment horizon (the date when the Employee will turn 60), the manager will initially invest the majority of assets in equity instruments and then, as the Employee gets older, gradually shift a growing share of the funds to investments associated with a lower degree of risk, such as debt securities. At the same time, it should be remembered that the Santander PPK SFIO sub-funds are characterized by risk related mainly to market interest rates fluctuations, credit risk, liquidity risk and fluctuations in share prices. Before making any investment decisions, read the fund prospectus, which contains, inter alia, the full list of risks.



Allocation of target-date funds:



Investment policy of Santander PPK SFIO sub-funds

The PPK target-date sub-funds will invest their assets in respective time periods according to the rules specified in the table below:

| | | ander 2025 | | ander 2030 | | ander 2035 | | ander 2040 | | ander 2045 | Santa PPK | ander 2050 | Santa PPK | ander 2055 | | ander 2060 | | ander 2065 | | | | | | | | | | |
|----------------------------|---------------------|-------------------|---------------------|---------------|---------------------|-------------------|---------------------|-------------------|---------------------|-------------------|---------------------|-------------------|---------------------|-------------------|---------------------|-------------------|---------------------|-------------------|------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Period | equity component | debt component | equity component | debt | equity component | debt component | | | | | | | | | | |
| 01.07.2019 – 31.12.2019 | 25%- 50% | 50%- 75% | 40%- 70% | 30%- 60% | 40%- | 30%- | 60%- 80% | 20%- 40% | 60%- | 20%- | | | | | | | | | | | | | | | | | | |
| 01.01.2020 – 31.12.2024 | 10%- 30% | 70%- 90% | 25%- 50% | 50%- 75% | 70% | 1 | | 60% | 40%- | 30%- | 80% | 40% | 60%- 80% | 20%- 40% | 60%- | 20%- | | | | | | | | | | | | |
| 01.01.2025 – 31.12.2029 | | | 10%- 30% | 70%- 90% | 25%- 50% | 50%- 75% | 70% | 60% | 40%- | 30%- | | 80% | 80% 40% | 60%- 80% | 20%- 40% | | | | | | | | | | | | | |
| 01.01.2030 – 31.12.2034 | | | | | | 25%- 50% | 50%- 75% | 70% | 60% | 40%- | 30%- | | | | | | 20%- 40% | | | | | | | | | | | |
| 01.01.2035 – 31.12.2039 | | | | | | | | | 10%- 30% | 70%- 90% | 25%- 50% | 50%- 75% | 70% | 60% | 40%- | 30%- | | | | | | | | | | | | |
| 01.01.2040 – 31.12.2044 | | | | | | | | | | | | | | | | | | | | 10%- 30% | 70%- 90% | 25%- 50% | 50%- 75% | 70% | 60% | 40%- | 30%- | |
| 01.01.2045 – 31.12.2049 | 0%- 15% | 85%- 100% | 0%- | 85%- | | | | | | | | | | 10%- 30% | 70%- 90% | 25%- 50% | 50%- 75% | 70% | 60% | 40%- | 30%- | | | | | | | |
| 01.01.2050 – 31.12.2054 | | | 15% | 100% | 0%- 15% | 85%- 100% | 0%- | 85%- | | | | | 10%- 30% | 70%- 90% | 25%- 50% | 50%- 75% | 70% | 60% | | | | | | | | | | |
| 01.01.2055 – 31.12.2059 | | | | | | | | | | | | | | | | | 15% | 100% | 0%- 15% | 85%- 100% | 0%- | 85%- | | | 10%- 30% | 70%- 90% | 25%- 50% | 50%- 75% |
| 01.01.2060 – 31.12.2064 | | | | | | | | | | | | | | | | | 15% | 100% | 0%- 15% | 85%- 100% | 0%- | 85%- | 10%- 30% | 70%- 90% | | | | |
| 01.01.2065 | | | | | | | 15% | 100% | 0%- 15% | 85%- 100% | | | | | | | | | | | | | | | | | | |

Over a period of five years directly preceding the year in which a given sub-fund reaches its target date, the equity component will be gradually reduced and the share of the debt component will be increased.



As part of the debt component the sub-fund can invest:

- at least 70% of the value of its assets in government and quasi government bonds or bank deposits,
- not more than 30% of the value of its assets in other financial instruments, however, not more than 10% in financial instruments without an investment grade rating.

As part of the equity component the sub-fund can invest:

- at least 40% of the value of its assets in the shares of WIG20 companies,
- not more than 20% of the value of its assets in the shares of WIG40 companies,
- not more than 10% of the value of its assets in the shares of other WSE listed companies,
- at least 20% of the value of its assets in foreign shares of companies from OECD countries.

Debt securities – what is a bond?

Government and quasi-government bonds are securities issued, underwritten or guaranteed by the State Treasury, the National Bank of Poland,
a local administration unit or by a central government or central bank of a Member State, the European Central Bank, the European Union, the
European Investment Bank or international organizations, provided that the securities issued, underwritten or guaranteed by such international
organizations have an investment-grade rating assigned by a rating agency recognized by the European Central Bank in its regular operations.

Equity securities – what is a share?

- A financial instrument (security) representing a partial share of its owner in the capital of a joint-stock company.
- The share is a legal title to joint ownership of a company organised in the form of a joint-stock company.
- Examples of equity indices where equity securities are listed:

| Poland | WIG, WIG20, mWIG40, sWIG80 |
|----------------|----------------------------|
| Germany | DAX |
| USA | S&P 500, Nasdaq, Dow Jones |
| Japan | Nikkei 225 |
| United Kingdom | FTSE100 |

- The main investment categories include shares and similar equity instruments, debt securities and money market instruments.

 The sub-funds invest in debt securities and money market instruments issued by national and local governments and business entities.
- The share of sub-funds' investments in participation units or shares of other open-end investment funds may not be higher than 30% of the sub-fund's asset value.
- The sub-funds do not use benchmarks to assess the investment performance.



Risk and reward profile of Santander PPK SFIO sub-funds

The main investment risk categories associated with the sub-funds' investment policy are the risks arising from equity investments (mainly in shares) and the risks arising from investments in debt securities (mainly bonds). Investing activity involves risk. The sub-funds do not guarantee that the stated investment objective will be achieved or that a specific return on investment will be achieved. The participant must take into account the possibility of losing at least part of the invested funds. When investing in mutual funds, the participant acquires participation units of such funds, and not the underlying assets that the fund itself invests in. A full description of the sub-fund's risks can be found in the prospectus and, in abbreviated form, in the KID.

The risk indicator* for the respective sub-funds is shown in the table below.

| Santander PPK 2030 | ← lower risk higher risk → | |
|--------------------|-----------------------------|--|
| antander PPK 2035 | 1 2 3 4 5 6 7 | |
| | | |
| antander PPK 2045 | | |
| antander PPK 2050 | ← lower risk higher risk → | |
| Santander PPK 2055 | | |
| antander PPK 2060 | (1) (2) (3) (4) (5) (6) (7) | |
| | | |

^{*}The risk indicator is an indication of the risk level of this product compared to other products. Takes values from 1 to 7. The higher the value of the indicator, the higher is the risk of the product, i.e. the greater the probability of a loss of the invested funds.





More information about PPK in Santander TFI S.A.



Santander.pl/PPK



instytucje@santander.pl



() Infolinia 22 35 54 673

The telephone service available to PPK participants is offered from Monday to Friday (on all trading days of the Warsaw Stock Exchange) between 9:00 a.m. and 5:00 p.m. Calls charged according to the operator's tariff.

This document is presented for marketing purposes and does not constitute an agreement or an information document required by law.

It should not be relied upon as the sole basis for making investment decisions. The net asset value of some sub funds of the Santander PPK SFIO fund may be highly volatile due to the composition of the portfolio or the portfolio management technique used. Some sub-funds may invest more than 35% of their assets in securities issued, guaranteed or underwritten by the State Treasury or the National Bank of Poland.

The rewards of investing in shares are also accompanied by risks. A description of the risk factors, financial data and information about fees and charges can be found in the prospectuses, key information documents (KIDs) and schedules of fees and charges available in Polish at Santander.pl/ TFI/documents and at Santander fund distributors. For a summary of investors' rights, see the prospectus (Chapter III, sec. 4).

The Funds do not guarantee the achievement of a stated investment objective or a specific investment performance and future returns are subject to taxation, which depends on the personal situation of each investor and which may change over time. Before making an investment decision, the participant should consider the fees associated with the sub-fund and take into account the possible taxation of the investment return. The participant must also take into account the possibility of losing at least part of the invested funds.

When investing in mutual funds, the participant purchases the units of those funds and not the underlying assets that the fund itself invests in.

Santander TFI S.A. with a registered office in Poznań, ul. Wierzbięcice 1a, 61-569 Poznań, registered by the District Court for Poznań – Nowe Miasto and Wilda in Poznań, 8th Business Section of the National Court Register under number KRS 0000001132 with a tax identification number NIP 778 13 14 701 and a share capital of PLN 13,500,000.00 (fully paid-up).

Santander TFI S.A. operates on the basis of authorisation from and is supervised by the Polish Financial Supervision Authority.

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PPK in Santander TFLS A



Appendix 1

Information about the Management Board of Santander TFI S.A.



Marcin Groniewski
President of the Management Board of Santander Towarzystwo Funduszy Inwestycyjnych S.A.

Graduate of the Finance and Banking faculty at the University of Economics in Katowice. Has certificates in the field of risk and process management, coaching, mentoring, as well as change management. Associated with Santander Bank Polska S.A. Group (previously: BZ WBK S.A. Group) since 1998. He worked mainly in the areas of financial and capital markets. Played various roles in the management of liquidity, currency and interest rate risk. In 1998–2006 he worked as a dealer, than from 2006 to 2012 managed the department dealing on financial markets. Between 2012 and 2016 he was a Director of Financial Markets Area and then the director of Dom Maklerski BZ WBK S.A. He carried out the merger of Dom Maklerski BZ WBK with the Bank (currently: Santander Bank Polska S.A.), than as the Director of the Strategy and Transformation Area he was responsible for the strategy operationalization and the transformation of the Bank's business model. In March 2022 he was appointed Vice President of the Management Board in Santander TFI S.A. in charge of the Sales and Marketing Area, the Financial Department and with the Product Development Department. In April 2023 he was nominated for the position of President of the Management Board in Santander TFI S.A.



Szymon Borawski-Reks
Member of the Management Board Santander Towarzystwo Funduszy Inwestycyjnych S.A.

Graduate of the Poznań University of Economics, Department of Management and Marketing; Majors: capital investments and corporate finance strategies. Joined the company in May 2003. In 2006 obtained investment advisor licence (no 233). From 2009 holder of the prestigious Chartered Financial Analyst (CFA) designation. Winner of two Alfa 2015 awards for the best Polish equity fund and the best stable growth fund and two distinctions for the best Polish equity fund and the best balanced fund. In July 2016 took the position of Investment Director. In January 2023 was appointed to the Management Board of Santander TFI S.A. where he is in charge of the Investment Area.





Grzegorz BorowskiMember of the Management Board Santander Towarzystwo Funduszy Inwestycyjnych S.A.

Holder of a Ph.D. degree in economics, attorney-at-law. Graduate of the Law Department and a post-graduate programme in European law at Adam Mickiewicz University in Poznań. In 2010, received a Ph.D. degree from the Poznań University of Economics, defending a thesis on economic and legal aspects of the development of investment fund markets in the European Union. Associated with Santander Bank Polska S.A. Group (previously: BZ WBK S.A. Group) since 2001. Between 2001 and 2007 worked in BZ WBK TFI S.A. and between 2005 and 2007 in BZ WBK Asset Management S.A. as the Compliance and Legal Director. Between 2007 and 2008, engaged in the founding of Spatium Towarzystwo Funduszy Inwestycyjnych S.A., as a Board Member and Legal Director. In 2009, returned to BZ WBK TFI S.A. (currently: Santander TFI S.A.) and BZ WBK Asset Management S.A. Between 2009 and 2014, held the position of the Legal Director and Product Development Director. Subsequently, from 2014 to 2016, the Legal Division Director. In April 2014 appointed as the Operations Director and in July 2014 as a Member of the Management Board of BZ WBK Asset Management S.A. (in operation until 31 March 2016) and of Santander TFI S.A. (previously: BZ WBK TFI S.A.), in charge of the operations division. Supervises the IT department, the settlement team and the middle office department and coordinates the cooperation with depositaries and transfer agents.



Janusz Korpa
Member of the Management Board of Santander Towarzystwo Funduszy Inwestycyjnych S.A.

A graduate of the Poznań University of Economics and Business, where he majored in Economic Cybernetics and Computer Science. He has been associated with the Santander Bank Polska S.A. capital group (formerly known as the BZ WBK S.A. capital group) since the beginning of his career, which he started in 1993. He gained experience in the functioning of money markets as an employee of the Treasury Department. Then, he spent many years dealing with issues related to the measurement and monitoring of market risk, liquidity and interest rates. He held the position of Director of the Financial Risk Department from 2008 to 2019. From 2019 to 2020, he was at the helm of the Asset and Liability Management Department, where he was responsible for the management of balance sheet structural risks, liquidity and interest margins. He also supervised the functioning of the Emergency Management Office. He was a member of the Asset and Liability Committee, the Risk Management Forum and the Capital Committee for many years. He has worked with Towarzystwo Funduszy Inwestycyjnych S.A. since 2021, initially as an Advisor to the Management Board and since 16 April 2021, he was appointed to the Management Board, where is responsible for the Risk Management Area.

PPK in Santander TFI S.A.

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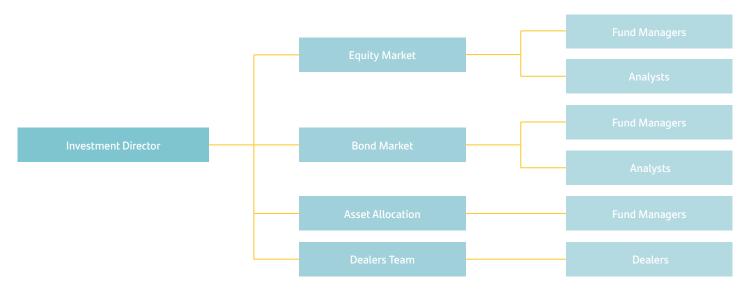


Information about the Fund Managers, the investment process and risk management.

In the Appendix 2 we present information about the Santander funds management team. Below you will also find a description of our investment philosophy and diagrams explaining the applied investment risk management and control processes under the Santander funds, including the Santander PPK SFIO fund. We describe the investment process, including analysis and selection of equities and bonds and a unique investment risk control process, which was divided into two stages – pre-trade and post-trade.

Investment Department - Team

The Investment Department currently employs 15 people and has one of the biggest teams on the Polish market. Investment Department consists of:



The team members are highly qualified persons, including 9 investment advisors, 9 holders of the prestigious CFA (Chartered Financial Analyst) certificates, 5 holders of The Certificate in ESG Investing. The Head of the Investment Department is Szymon Borawski-Reks.

| Name | Title | Product Responsibility | Educational/Professional Background |
|---------------------------------|--|------------------------|--|
| Szymon Borawski-Reks, CFA | Member of the Management Board Investment Director | | Szymon Borawski-Reks graduated from the Poznan University of Economics majoring in Management and Marketing, with the concentration in capital investments and corporate financial strategy (2003). In August 2006 he received the investment advisor license number 233. Mr. Borawski-Reks joined BZ WBK Asset Management SA in May 2003. In 2006 obtained investment advisor licence (no 233). From 2009 holder of the prestigious Chartered Financial Analyst (CFA) designation. Winner of two Alfa 2015 awards for the best Polish equity fund and the best stable growth fund and two distinctions for the best Polish equity fund and the best balanced fund. In July 2016 took the position of Investment Director. In January 2023 was appointed to the Management Board of Santander TFI S.A. where he is in charge of the Investment Area. |



Name Title **Product Responsibility** Educational/Professional Background Bartosz Fund Manager • Santander Stable Growth Graduate of the Łódź University, Department of Finance and Banking. Dębowski, CFA (equity part) Major: Capital investments. His first job on the capital market was the analyst in the Brokerage Office of BGZ S.A. (August 2007). • Santander Prestiż European He joined Santander TFI in June 2008, initially as a financial analyst Equity and junior manager, currently holds the fund manager position. • Santander Equity Growth He holds an investment advisor license (since 2014) and the Santander Balanced (equity) prestigious CFA (Chartered Financial Analyst) certificate and The Certificate in ESG Investing. • Santander Moderate (equity part) Santander Prestiż Technology and Innovations Santander Prestiż US Equity Paweł Fund Manager • Santander Balanced (debt part) Graduate of the Management Department of the University of Economic in Cracow. Majors: Modelling and Forecasting Business Pisarczyk Santander Short Duration Processes. Joined the company in February 2010. Initially employed Santander Bond Universal as a risk management specialist and, subsequently, as a bond market Santander Prestiż Corporate analyst and junior manager. He currently holds the fund manager Bond position. In 2009 obtained the stock broker license and a year later the Santander Prestiż Global investment advisor license. Winner of the 2017 Alpha award for the Fixed Income best Polish corporate securities fund. Santander Stable Growth (debt part) Santander Moderate (debt part) Santander Prestiż Fixed Income Active





Fund Manager

- Santander Small and Medium Caps Equity
- Santander Prestiż Alpha
- Credit Agricole Stable Growth (equity part)
- Credit Agricole Polish Equity
- Credit Agricole Balanced (equity part)
- Santander Prestiż Polish Equity

Graduate of the Department of Management and Marketing of the Poznań University of Economics. Majors: Capital investments and corporate finance strategies. He started his professional career in 2009 in the Audit Department of Grant Thornton sp. z o.o. sp. k. He joined Santander TFI in 2011, initially as an analyst and a junior manager and currently a fund manager. He holds an investment advisor's license and the prestigious CFA (Chartered Financial Analyst) certificate. Winner of numerous Alpha awards, including best stable growth fund (2015, 2018) and best Polish small and medium-sized company stock fund (2022, 2023).



Name Title

Product Responsibility

Educational/Professional Background

Adam Nowakowski, CFA



Director

• Santander Balanced (equity part)

- Santander Polish Equity
- Santander Stable Growth (equity part)
- Santander Moderate (equity) part)
- Target-date sub-funds (equity part):
 - Santander PPK 2025
- Santander PPK 2030
- Santander PPK 2035
- Santander PPK 2040
- Santander PPK 2045
- Santander PPK 2050
- Santander PPK 2055
- Santander PPK 2060
- Santander PPK 2065

Adam Nowakowski is a graduate of the Poznań School of Economics (currently, the Poznań University of Economics and Business), where he completed studies at the Faculty of Management and Marketing, majoring in Capital Investments and Corporate Financial Strategies. He began working with the capital market in 2005 as an Assistant Broker, and then Broker in the Settlements Department of the Brokerage House of BZ WBK S.A. In 2010, he joined BZ WBK Asset Management S.A. Initially, he was employed as a Stock Analyst, and in October 2013, he advanced to Analysis Team Manager. In 2016, Adam Nowakowski joined Santander TFI, where he currently holds the Head of Equity position. He holds a Securities Broker licence no. 2012, an Investment Advisor licence no. 664. He is entitled to use the CFA title (Chartered Financial Analyst) and The Certificate in ESG Investing.

Marta Stępień, CFA



Fund Manager

- Santander Prestiż Fixed Income
- Santander Balanced (debt part)
- Santander Stable Growth (debt part)
- Santander Moderate (debt part)
- Credit Agricole Short Duration
- Credit Agricole Balanced (debt part)
- Target-date sub-funds (debt part):
 - Santander PPK 2025
 - Santander PPK 2030
 - Santander PPK 2035
 - Santander PPK 2040
 - Santander PPK 2045
 - Santander PPK 2050
 - Santander PPK 2055
 - Santander PPK 2060
 - Santander PPK 2065

Graduate of the Wrocław University of Economics, Department of Finance and Banking; Majors: Finance Analyst and Risk Management. She began working with the capital market in 2011 as an analyst in the NWAI Brokerage House. She joined Santander TFI in 2015, initially as a bond market analyst, currently holds the fund manager position. Marta Stępień holds a Securities Broker license, an Investment Advisor licence and is entitled to use the CFA title (Chartered Financial Analyst) and The Certificate in ESG Investing.



Name Title **Product Responsibility** Educational/Professional Background Head of Fixed Łukasz Tokarski, Santander Bond Universal Graduate of the Warsaw School of Economics, with a major in Finance **CFA** and Accounting, specialising in Investment Banking. From 2011 to 2017, as Income. Santander Prestiż Fund Manager fund manager in Superfund TFI. In 2017 he joined Pekao TFI as portfolio Government Bond manager responsible for the largest by net asset value group of funds Santander Prestiż Calm - short duration funds and for corporate bonds. The funds he managed Investment and co-managed have been repeatedly awarded in the "Alfa" contest by Santander Prestiż Short Analizy Online. In March 2025 he was awarded "Złoty Portfel" by The **Duration Universal** Exchange and Investor Newspaper "Parkiet" for the Best Polish Fixed Income Fund. He has stock broker license, investment advisor license and Chartered Financial Analyst title (CFA). In August 2025, he assumed the position of Head of Fixed Income and Fund Manager at Santander TFI. Graduate of the Faculty of Economic Sciences at the University of Junior Fund Santander Prestiż Emerging Maciej Warsaw, with a major in Quantitative Finance. He began his professional Wojdyła, CFA Manager Markets Equity career in 2011 at the Warsaw Stock Exchange as an analyst. He has been Santander Prestiż associated with Santander TFI since June 2016, initially working as an Global Equity equity analyst and currently serving as a junior fund manager. He holds Santander Prestiż Prosperity an investment advisor license, a securities broker license, a Chartered Financial Analyst (CFA) designation, and a Sustainable Investing • Santander Prestiż Future Wealth Certificate. Adam Majerowski is a graduate from Poznań University of Economics, Adam Head of • Dealing, technical analysis Faculty of Computer Science and Econometrics, who specialized in Majerowski Trading Economic Cybernetics. Employed at BZ WBK Asset Management SA since Department June 2004, initially as a Junior Portfolio Dealer. Currently he is the Head of the Dealing Department. Adam specializes in equity trading and regularly participates in trading conferences and forums.

Investment philosophy

The main investment selection criterion for the funds and portfolios under our management is the fundamental analysis which involves an in-depth examination of all aspects of the business operations conducted by issuers of the equities or bonds in which we want to invest. We pay special attention to the competences and motivation of the companies' management which we believe is a key to success. We closely monitor our investments and every year hold a few hundred meetings with companies in Poland and abroad.

When investing in government bonds, we look mainly at the macroeconomic analysis of the factors that have impact on changes in the inflation rate since the performance of investments in bonds depends to a large extent on interest rates, which are determined on the basis of the current and forecasted inflation. As we invest in securities denominated both in the Polish Zloty and in other currencies (for instance, the Polish eurobonds), our research of inflation changes and future prospects for the interest rates is carried out separately for each currency.

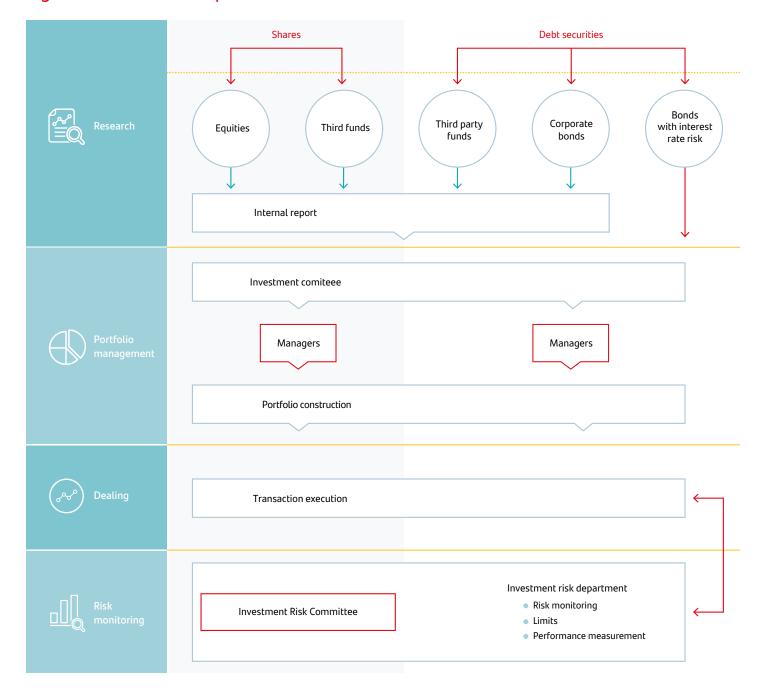
In the case of corporate bonds, the selection of instruments for the portfolios is based on a process in which we analyse both the structure of the bond issue (process called admission to the investment process) and the issuer's financial standing. The evaluation of the issue structure includes, among other things, a review of the issue documents, its size, predicted liquidity and the possibility of valuation based on the quotations from an active market. This part of the investment process is handled by the Investment Risk Department. A precondition for efor investing in securities of a given entity is a positive result of the credit risk assessment. In the course of the process, we take into account such aspects as the current situation in the issuer's industry, company-specific risks, the structure of the issuer's balance sheet, and the company's and its management's record of investment achievements to date, if the purpose of the securities issue is to finance an investment project.



Investment process

An important element of asset management is the investment process which should ensure optimum selection and utilization of the potential of the team and the IT systems, and proper execution of the process. At Santander TFI, the investment process execution is broken into four stages: research, portfolio management, dealing and risk monitoring. The diagram below illustrates the course of the process.

Fig. 1: The investment process





Analysis process

Analysis process - main tasks:

- · review of news from companies in the investment universe,
- examination of Screening List,
- presentation of analyses,
- analysis of fixed income market,
- recommendations' evaluation; changes in the Recommendation List,
- analysis of macro events and economic indicators,
- technical analysis.

Analysis process - individuals involved:

- Investment Director the Chairman,
- Fund Managers,
- Junior Fund Managers,
- Analysts.

Research and analysis

Main areas:

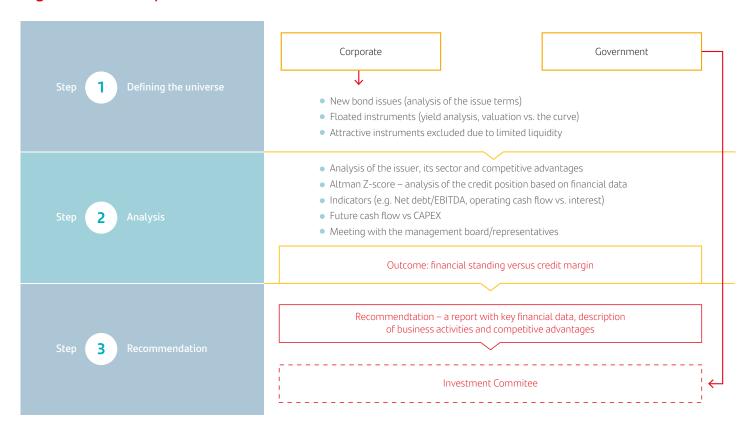
- Macro-economic policy (GDP, government policy affecting the economy, budget policy, inflation, interest rates, trade, current account, foreign direct investments),
- Economies of Poland's large trade partners (UE, Germany),
- Examination of yield curve, current and forward structure of interest rates,
- Sector analysis,
- Screening (stock issuers pre-selection),
- Fundamental analysis of companies,
- Examination of competitors performance and their portfolios (investment funds, pension funds),
- Technical analysis.

Fig. 2. Research process – equities





Fig. 3. Research process – bonds



Investment Committee - details

The Committee is composed of:

- Investment Director (the Chairman),
- Fund Managers,
- Junior Fund Managers.

Investment Committee meets on regular weekly meetings. In emergency, members of the Investment Committee may call an additional meeting of Investment Committee. Investment Committee meetings are chaired by the Investment Director. For validity of the meeting, it should be attended by at least three members.

IC approves in particular:

- setting hedge ratio for currency exposure,
- using derivatives for other than currency hedging purposes,
- strategic and geographical allocation recommendation in selected Portfolios,
- specific recommendations regarding selected financial instruments.

In Santander TFI there also functions an independent Investment Risk Committee, whose chairman is the Investment Risk Department Director. The Investment Risk Committee is composed of members of the Investment Committee and employees of the Investment Risk Department.

Investment Risk Committee - Detailed Information

The members of the Investment Risk Committee are:

- Member of the Management Board Supervising Risk Monitoring System,
- Investment Risk Department Director,
- Investment Director,
- Fund Managers,
- Junior Fund Managers,
- Investment Risk Department Team.



The Investment Risk Committee is responsible for monitoring and controlling the risks of the funds and portfolios under management. The Investment Risk Committee reviews risk reports at least once a month.

The risk control system for equity instruments covers the following parameters:

- · limits on exposure to specific equity markets,
- limits on exposures to individual issuers,
- liquidity,
- measuring Alpha, Beta, VaR, TE and other indicators assessing the effectiveness of portfolio management and the risk of managed funds.

The risk control system for debt securities covers the following parameters:

- credit risk (limits on credit exposure),
- liquidity,
- duration.

The risk control system for investment fund shares purchased for the managed portfolios covers the following parameters:

• exposure to an investment fund and management company.

The risk control system for FX exposures covers the following parameters:

- exposure / effective exposure to FX risk,
- FX exposure hedging ratio.

The system also includes stress testing for the following investment fund risks:

- market risk,
- liquidity risk,
- credit risk.

Investment Risk Department

Within the organizational structure of Santander TFI S.A. is a Member of the Management Board supervising the risk management system and the Investment Risk Department (currently 8 people). Investment risk management at the TFI is based on external (Aladdin, FactSet) and internal (AMSI) IT systems. The activities performed by the Investment Risk Department have been divided into two stages – pre trade and post trade. Their illustration is in the diagram below.

Fig. 4. Investment risk control

| | Pre-Trade | | Post-Trade | | | | | |
|---------------------------|---|--|--|---|---|--|--|--|
| | Risk Department Approval of instruments, verification | Investment Department | Risk Department Risk assessment | Risk Department Other processes | Investment Risk Committee | | | |
| Government bonds | Investment admissibility:meeting the | Conformance with the applicable format, legal and internal | Equity market riskInterest rate riskLiquidity risk | Investment limitsRisk measures (VaR, TE) | Monitoring of limits formaterial risks | | | |
| Corporate bonds | formal and legal requirements | requirements upon making investment | • Credit risk • FX risk | Stress testsInvestment | Monitoring of riskmeasures | | | |
| Equities | meeting internal requirements | decisions | Counterparty risk | performancePerformance | Monitoring of stresstest results | | | |
| Third party funds | Determining the valuation method, including the | | | attribution | Implementationof corrective actions | | | |
| Derivative instruments | valuation model • Initial liquidity assessment | | | | | | | |

