



**DISCLOSURE STRATEGY**  
**of Santander Bank Polska Group**

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## 1. Definitions

Glossary of terms and abbreviations used in the Disclosure Strategy of Santander Bank Polska Group.

Bank/ Santander Bank	Santander Bank Polska S.A.
Group/ Capital Group	Santander Bank Polska Group - the parent (Santander Bank Polska S.A.) together with all subsidiaries and associates
Strategy	This Disclosure Strategy concerning the disclosure of qualitative and quantitative information concerning capital adequacy and information subject to disclosure by Santander Bank Polska Group
CRR	Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms amending Regulation (EU) No 648/2012, as amended. Later changes to the regulation include CRR II, CRR 'quick fix'
CRR II	Regulation (EU) No 219/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No 648/2012
CRR III	Regulation (EU) No 2024/1623 of the European Parliament and of the Council 31 May 2024 amending Regulation (EU) No 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor
CRR 'quick fix'	Regulation (EU) No 2020/873 of the European Parliament and of the Council of 24 June 2020 amending Regulations (EU) No 575/2013 and (EU) 2019/876 as regards certain adjustments in response to the COVID-19 pandemic
CRD VI	Directive 2024/1619 of the European Parliament and of the Council of 31 May 2024 amending Directive 2013/36/EU as regards supervisory powers, sanctions, third-country branches, and environmental, social and governance risks
Regulation no 2024/3172	Commission Implementing Regulation (EU) 2024/3172 of 29 November 2024 laying down implementing technical standards for the application of Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to public disclosures by institutions of the information referred to in Part Eight, Titles II and III, of that Regulation, and repealing

	Commission Implementing Regulation (EU) 2021/637
ITS EBA/ITS/2025/01	Final Draft Implementing Technical Standards on IT solutions for public disclosures by institutions, other than small and non-complex institutions, of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 from 12 February 2025
Regulation no 2019/630	Regulation (EU) No 2019/630 of the European Parliament and of the Council of 17 April 2019 amending Regulation (EU) No 575/2013 as regards minimum loss coverage for non-performing exposures
Guidelines EBA	Implementing rules for the CRR Regulation and the European Banking Authority's Strategy Guidelines, including on disclosure requirements under Part Eight of Regulation (EU) No 575/2013
Recommendation H	Recommendation H on the internal control system in banks, April 2017
Recommendation M	Recommendation M on operational risk management in banks, January 2013
Recommendation P	Recommendation P on bank liquidity risk management, March 2015
Recommendation Z	Recommendation Z on the principles of internal governance in the Banks, October 2020
The Act of macro prudential supervision	The Act of August 5, 2015 macro prudential supervision over the financial system and crisis management in the financial system
EBA	European Banking Authority
ESG risk	Environmental, social or governance (ESG) risks
EBA Data Hub	Data Access Portal on the EBA website

## 2. Scope and objective of the strategy

This document presents the information disclosure strategy of Santander Bank Polska Group. with respect to the requirements that arise out of:

- Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, as amended;
- Commission Implementing Regulation (EU) 2024/3172 of 29 November 2024 laying down implementing technical standards for the application of Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to public disclosures by institutions of the information referred to in Part Eight, Titles II and III, of that Regulation, and repealing Commission Implementing Regulation (EU) 2021/637;
- Final Draft Implementing Technical Standards EBA/ITS/2025/01 on IT solutions for public disclosures by institutions, other than small and non-complex institutions, of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 from 12 February 2025;
- Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social and governance risks;
- Regulation (EU) No 2019/630 of the European Parliament and of the Council of 17 April 2019 amending Regulation (EU) No 575/2013 as regards minimum loss coverage for non-performing exposures;
- Guidelines EBA;
- The Banking Law;
- The Act of August 5, 2015 macro prudential supervision over the financial system and crisis management in the financial system;
- Recommendation H on the internal control system in banks, April 2017;
- Recommendation M on operational risk management in banks, January 2013;
- Recommendation P on bank liquidity risk management, March 2015;
- Recommendation Z on the principles of internal governance in the Banks, from October 2020;
- other regulations or guidelines introduced for the purpose of articles in Part eight of the CRR.

The purpose of the disclosure of information under the Regulation of the European Parliament and of the Council (EU) No 575/2013 of 26 June 2013, should be to provide market participants with accurate and comprehensive information on the risk profile of the Group.

The Group as a significant subsidiary of an EU parent institution, which is of material significance for its local market, shall disclose the information on a consolidated basis of Santander Bank Polska Group according to Article 13 of CRR.

The Group shall disclose information about the entities of Santander Bank Polska Group and provide information about Group members that are excluded from the process of consolidation for prudential consolidation purposes.

This strategy sets out the following:

- The scope of disclosure
- Frequency of publications and dates of disclosure
- Means of disclosure
- Rules for approval and verification of information subject to disclosure, and assessment whether market participants are provided with a comprehensive picture of the risk profile
- Rules of verification and adoption of the disclosure strategy

### 3. Disclosure Strategy - principles

#### 3.1. Scope of disclosure

In order to provide market participants with a comprehensive view of the risk profile, the Group disclose information pursuant to Article 13 of Regulation No 575/2013 as amended and others regulations/ guidelines indicated in them, listed in point 2 of the Strategy.

The Group shall publicly disclose the information specified in Article 431 of the CRR except for non-material, proprietary or confidential information, i.a.:

1. With regard to own funds::

- a full reconciliation of Common Equity Tier 1 items, Additional Tier 1 items, Tier 2 items and filters and deductions applied to own funds and the balance sheet in the audited financial statements;
- a description of the main features of the Common Equity Tier 1 and Additional Tier 1 instruments and Tier 2 instruments issued by the Group;
- the full terms and conditions of all Common Equity Tier 1, Additional Tier 1 and Tier 2 instruments;
- separate disclosure of the nature and amounts of the following:
  - each prudential filter;
  - each deduction made;
  - items not deducted;
- a description of all restrictions applied to the calculation of own funds and the instruments, prudential filters and deductions to which those restrictions apply;
- information on own funds and eligible liabilities.

2. With respect to compliance with the capital requirements, the Group shall disclose inter alia:

- a summary of the Group's approach to assessing the adequacy of its internal capital to support current and future activities;
- for risk-weighted exposures calculated in accordance with the standardized approach, i.e. method currently used, 8 % of the risk-weighted exposure amounts for each of the exposure classes;
- the total amount of requirements for individual risks;
- information on capital ratios;
- when calculating the risk-weighted exposure amounts shall disclose the exposures assigned to each category and to each risk weight.

3. Regarding the remuneration policy and specific categories of staff:

The Group shall disclose inter alia the following information, regarding the remuneration policy and practices of the Group for those categories of staff whose professional activities have a material impact on its risk profile:

- information concerning the decision-making process used for determining the remuneration policy, as well as the number of meetings held by the main body overseeing remuneration during the financial year;
- information on link between pay and performance;
- the most important design characteristics of the remuneration system, including information on the criteria used for performance measurement and risk adjustment, deferral policy and vesting criteria;
- the ratios between fixed and variable remuneration;
- information on the performance criteria on which the entitlement to shares, options or variable components of remuneration is based;
- the main parameters of variable remuneration components;
- aggregate quantitative information on remuneration, broken down by business area;
- aggregate quantitative information on remuneration, broken down by senior management and members of staff whose actions have a material impact on the risk profile of the institution, indicating the following:
  - the amounts of remuneration for the financial year, split into fixed and variable remuneration, and the number of beneficiaries;
  - the amounts and forms of variable remuneration, split into cash, shares, share-linked instruments and other types;
  - the amounts of outstanding deferred remuneration, split into vested and unvested portions;
  - the amounts of deferred remuneration awarded during the financial year, paid out and reduced through performance adjustments;
  - new sign-on and severance payments made during the financial year, and the number of beneficiaries of such payments;
  - the amounts of severance payments awarded during the financial year, number of beneficiaries and highest such award to a single person.

In order to meet the complete requirements for disclosure of information in accordance with Regulation (EU) No 575/2013, as amended, Regulation (EU) No 2021/637, Regulation (EU) No 2024/3172, EBA's Implementing Technical Standards and recommendation of the local supervision the Group publishes other information deemed relevant, e.g.:

- counterparty credit risk;
- the amount of specific countercyclical capital buffer and the geographical distribution of its credit exposures relevant for the calculation of its countercyclical capital buffer;
- other capital buffer referred to in the Act of macro prudential supervision;
- credit risk profile, including: the definitions of past due and impaired items, the amount of the impaired exposures and past due exposures, structure of exposures broken down by: classes of exposures, maturity dates, risk weights, sectors and counterparty type, the amounts set aside or reversed for estimated probable losses on exposures during the reporting period, any other adjustments;
- strategies underlying the management of specific risks;
- use of ratings assigned by external agencies;
- rules underlying the assignment of specific risk weights to the credit portfolio;
- leverage ratio with description of the processes used to manage the risk of excessive leverage;
- securitization;
- non-performing and forborne exposures;
- use of credit risk mitigation techniques;
- information on operational risk provided that such disclosure does not jeopardize the safety of the current operational processes of the Group ;
- exposure to market risk;
- CVA Risk;
- operational Risk;
- information about encumbered assets and unencumbered assets;
- information about the total average gross remuneration of the Management Board members per year to the total average gross remuneration of other Group's employees per year, as defined in the Group's remuneration rules;
- information about the conflict management, including how the Bank manages significant conflicts of interest that might arise from its membership in the Group or transactions made by the Bank with other Group members;
- ESG risks;

- exposure to shadow banking entities;
- crypto-asset exposures and related activities.

### **3.2. Frequency and date of disclosures**

In accordance with the requirements of Articles 433 and 433a of the CRR, the Group discloses the following information:

- Annually – as of December 31st of each year, containing the full scope of information required on an annual basis,
- Semi-annually – as of June 30th of each year, containing the scope of information required on a semi-annual basis,
- Quarterly – as of March 31st and September 30th of each year, containing the scope of information required on a quarterly basis.

The publication date of the disclosed information coincides with the publication date of the financial statements.

By way of derogation, the Group may submit to the EBA the information required under Article 450 separately from other information required under Titles II and III of Part Eight of the CRR, but no later than two months after the date on which it publishes its reports.

### **3.3. Means and form of disclosure**

The Group shall disclose the information in the manner specified in Article 434 of the CRR. The Group shall submit to the EBA the disclosures required by Article 433a of the CRR in electronic format no later than the date on which it publishes its financial statements. The information will be also disclosed in an electronic form, at the Group's website, in Investor Relations-> [Capital adequacy](#).

The EBA shall publish the disclosures on its website on the same day on which the Group publishes its financial statements for the relevant period, where applicable, or as soon as possible thereafter. By way of derogation, the Group may submit to the EBA the information required under Article 450 of the CRR separately from other information required under Titles II and III of Part Eight of the CRR.

The Group disclose information using following forms specified in the dedicated regulations and guidelines, in accordance with the CRR. Information at the Bank's website are disclosed in Polish and English languages. The consolidated financial statements of Santander Bank Polska Group, referred to in the disclosure document published by the Bank, are posted on the Bank's website under the Investor Relations tab: [Santander.pl/Financial-statement](https://www.santander.pl/Financial-statement).

### **3.4. Verification and approval of disclosed information**

The disclosed information about the capital adequacy of Santander Bank Polska Group is subject to independent evaluation and verification carried out by an internal or external entity entitled to audit the financial statements.

The entity authorized to carry out the assessment and verification of information on capital adequacy draws up a written opinion, together with a report from evaluation of the correctness and reliability of the information to be disclosed.

The written opinion should state, in particular, whether the information disclosed by the Group:

- has been prepared correctly, based on:
  - the actual outcome of the capital requirement calculations;
  - current state of the Group's accounting records;
- presents a true and fair picture of all information which is vital to assess the risk exposure of the Group – and in particular:
  - the information presented in the reports includes all material details about the Group's risk profile, including the scale and complexity of operations and the Group's active presence in financial markets and financial sectors;
  - the disclosed financial information matches the data presented in the annual financial statement;
- the form and content of the requirements under the Regulation (EU) No 575/2013 and forms indicated therein.

The qualitative and quantitative information on the capital adequacy of Santander Bank Polska Group is approved, prior to its publication, by:

- Disclosure Committee to verify the fairness and transparency of the financial information presented;
- Capital Committee to verify the materiality and completeness of information regarding adequacy assessment and to provide market participants with a comprehensive picture of the risk profile;
- Management Board;
- Supervisory Board.

### **3.5. Rules for verification of the disclosure strategy**

The rules for verification of the Group's disclosure strategy are established by the Bank's Management Board and approved by the Supervisory Board.

In particular, the following aspects of the disclosure strategy are verified:

- the scope and level of detail of information disclosures as reviewed with respect to the Group's business profile, scale of operations, range of activities, presence in different countries, involvement in different financial sectors, and participation in international financial markets and other important factors that could affect the Group's capital adequacy;
- frequency, method and dates of publication;
- identification of organisational units which, according to their terms of reference, are responsible for evaluation of adequacy of the disclosed information and completeness of the risk profile assessment.

The disclosure strategy shall be reviewed no less than once a year.