



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

Warsaw, 20 March 2024

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

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

I. Recommendation for the General Meeting

The Nominations Committee of the Supervisory Board of Santander Bank Polska S.A. (**Committee**) unanimously recommends that the General Meeting **adopts by force of a relevant resolution the below presented results of assessments of individual suitability of prospective Supervisory Board members for the new term of office as well as collective suitability of the Supervisory Board in the proposed composition**, including the results of the assessment of individual suitability of Audit and Compliance Committee members (**Audit Committee**) as well as the composition of the Audit Committee in terms of compliance with requirements set out in Poland's Auditors Act.

The assessments are annual **re-assessments for the following members of the Supervisory Board (they were also made given that these individuals are prospective Supervisory Board members for the new term of office)**:

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| 1) Antonio Escámez Torres | Chairman of the Supervisory Board |
| 2) José Luis de Mora | Vice Chairman of the Supervisory Board |
| 3) José Garcia Cantera | Member of the Supervisory Board |
| 4) Dominika Bettman | Member of the Supervisory Board |
| 5) Isabel Guerreiro | Member of the Supervisory Board |
| 6) Danuta Dąbrowska | Member of the Supervisory Board |
| 7) Adam Celiński | Member of the Supervisory Board |
| 8) Jerzy Surma | Member of the Supervisory Board |

The Committee also assessed individual suitability of **Kamilla Marchewka-Bartkowiak and Tomasz Sójka** as candidates for the Supervisory Board members as to-date they had not performed any role on the Board (initial assessments).

Kamilla Marchewka-Bartkowiak has a higher level doctoral degree and is the associate professor in the Department of Investments and Financial Markets of Poznań University of Economics and Business as well as expert at the Bureau of Research (former: the Sejm Analyses Bureau) at the Chancellery of the Polish Sejm. Thanks to her rich academic experience in finance and banking she will strengthen the Supervisory Board's

skills given her knowledge of the banking sector as well as a broad view of the Bank's economic environment. Additionally, her vast research experience in the area of finance would enhance the diversity of the Supervisory Board and strengthen its skills related to long-term macroeconomic and legislative forecasts.

Tomasz Sójka is a professor and lecturer at Adam Mickiewicz University in Poznań and a well known lawyer. His academic record is well recognised and he has a broad knowledge of the Polish financial and business market, including the banking sector; he will also complement the Supervisory Board's collective skills by contributing his experience in advanced technology law (including AI). He used to be a member of supervisory boards of companies such as GPW S.A. (Warsaw Stock Exchange) and NCBR Investment Fund ASI S.A. He also provided advisory to many financial institutions on matters such as FX loans or supervisory review and evaluations (BION). His combined legal, business and academic experience will reinforce the collective skills of the Board, in particular when it comes to regulatory matters.

Based on the assessments made (the results of which are presented below), the Nominations Committee recommends to the Annual General Meeting the appointment of the Supervisory Board of Santander Bank Polska S.A. in the following composition:

- 1) Antonio Escámez Torres
- 2) José Luis De Mora
- 3) Dominika Bettman
- 4) José García Cantera
- 5) Isabel Guerreiro¹
- 6) Danuta Dąbrowska
- 7) Adam Celiński
- 8) Jerzy Surma²
- 9) Kamilla Marchewka-Bartkowiak
- 10) Tomasz Sójka

The Committee also recommends that the function of the Supervisory Board Chairman be vested with Antonio Escámez Torres who currently performs this role.

Given the need to ensure the required representation of independent members on the Supervisory Board (pursuant to § 25(2) of the Bank's Statutes, they should represent at least 50% of the Board's composition), **the Committee recommends the appointment of two candidates (Isabel Guerreiro and Jerzy Surma) with effect as of 1 July 2024.**

Adam Celiński will meet the independence criteria starting from 1 July 2024 given the lapse of the cool-off period of three years from 30 June 2021 when he ceased to be a partner at PwC – the Bank's auditor. Jerzy Surma will lose the status of the independent member from 11 May 2024 r. given that he will be performing a function on the Supervisory Board for more than 12 years. Therefore, the Committee recommends that in the period between the date of the Annual General Meeting's resolution on the Supervisory Board

1As of 1 July 2024

2As of 1 July 2024

appointment and 30 June 2024, the Supervisory Board should be composed of eight members, including four independent ones (Dominika Bettman, Danuta Dąbrowska, Kamilla Marchewka–Bartkowiak, Tomasz Sójka), and starting from 1 July 2024 – of 10 members, including five independent ones (including Adam Celiński).

II. Results of the assessment

The Committee made the following assessments of suitability in line with the following regulations:

- 1) Banking Law Act of 29 August 1997 (**Banking Law**),
- 2) Joint Guidelines of the European Securities and Markets Authority [ESMA] and of the European Banking Authority [EBA] on the assessment of the suitability of members of the management body and key function holders (EBA/GL/2021/06) (**Guidelines**),
- 3) Policy on the suitability assessment of the Supervisory Board members in Santander Bank Polska S.A. (**Policy**),
- 4) Act of 11 May 2017 on statutory auditors, audit firms and public oversight (**Auditors Act**).

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

2.1 Results of the individual suitability assessments

The Committee stated that each of the said individuals:

- ✓ meets the suitability criteria set out in Article 22(aa) of the Banking Law, i.e. with regard to **knowledge, skills and experience** required to perform their duties and responsibilities on the Bank’s Supervisory Board as well as **gives assurance of proper exercise of these duties**,
- ✓ meets the criteria with regard to **good repute, honesty, and integrity**; and in the Committee’s opinion there are no objective and demonstrable grounds that might raise concerns about good repute of these individuals,
- ✓ meets the **independence of mind** criteria,
- ✓ has the ability to **commit sufficient time** to perform their duties and responsibilities also in the periods of particularly increased activity of the Bank; in particular, meets the requirements set out in Article 22(aa)(3) of the Banking Law.

The Committee did not identify shortcomings in terms of any of the said individuals’ knowledge, skills or experience. The induction of Kamilla Marchewka–Bartkowiak and Tomasz Sójka, should they be appointed as the Supervisory Board members by the General Meeting, will follow the rules defined in the Bank’s applicable regulations.

The Committee also assessed Supervisory Board members’ skills to manage environmental, social and governance (ESG) risks. The Committee deemed that all the assessed individuals had relevant knowledge

and skills with regard to sustainable development.

The Committee stated that the **independence criteria** were currently met by five assessed individuals, i.e. Dominika Bettman, Danuta Dąbrowska, Jerzy Surma, Kamilla Marchewka-Bartkowiak and Tomasz Sójka. Adam Celiński will meet all the independence criteria as of 1 July 2024 given the lapse of the cool-off period of three years from 30 June 2021 when he ceased to be a partner at PwC – the Bank’s auditor.³ On 10 May 2024, Jerzy Surma will lose the status of the independent member given that he will be performing a function on the Supervisory Board for more than 12 years.

Therefore, given the need to comply with the requirement set out in § 25(2) of the Bank Statutes, namely that at least half of the Supervisory Board’s members should be independent, the Committee recommends that all the assessed individuals be appointed to the Supervisory Board for the new term of office with the proviso that Isabel Guerreiro’s and Jerzy Surma’s appointment should **take effect as of 1 July 2024. This will ensure that there is the required number of independent members of the Supervisory Board at all times.**

At the same time, in the period between the adoption of the resolutions on appointing Supervisory Board members by the General Meeting and 1 July 2024, the Supervisory Board in the eight-member composition will meet the suitability criteria given that its members will have sufficient skills which will be strengthened further once Isabel Guerreiro and Jerzy Surma join the Board on 1 July 2024.

The Committee did not identify any need to formulate any recommendations as a result of individual suitability assessments.

2.2 Assessment of the suitability of prospective Audit Committee members and assessment of the Audit Committee’s composition – results

On 20 March 2024, the Committee assessed the individual suitability of the following individuals in terms of meeting the criteria set out in Poland’s Auditors Act and the Bank’s Statutes:

Adam Celiński	prospective Chair of the Audit Committee
Danuta Dąbrowska	Member of the Audit Committee
Dominika Bettman	Member of the Audit Committee
Tomasz Sójkaka	prospective Member of the Audit Committee
Kamilla Marchewka-Bartkowiak	prospective Member to the Audit Committee

In the assessment process the Committee took into account the KNF’s stance with regard to members of audit committees presented in the KNF’s Best Practice.

With reference to the **independence criterion**, the Committee established that all the proposed members would meet it with the proviso that Adam Celiński would meet it as of 1 July 2024, while the remaining individuals – already as at the date of this assessment. Therefore, it is recommended that Adam Celiński be

³ At the moment Adam Celiński does not meet one independence criterion, i.e. the one defined in § 25(2)(6) of the Bank’s Statutes: “[they] have not been a partner or employee of the entity that has audited financial statements of the Bank or its connected entity in the recent three years.”

appointed to the Audit Committee and vested with the Committee's chair role effective as of 1 July 2024. Before that date, the chair's role can be performed by another Committee member in line with the Committee's Terms of Reference. The Committee would like to note that the Audit Committee operating in the four-member composition before 1 July 2024 will also meet all the required criteria. The planned vesting of the chair's role with Adam Celiński would additionally strengthen the Committee's collective skills given his knowledge and experience in examination of financial statements.

The Committee established that Adam Celiński, Danuta Dąbrowska, Dominika Bettman and Kamilla Marchewka-Bartkowiak had relevant **knowledge and skills in accountancy or examination of financial statements**.

Dominika Bettman, Tomasz Sójka, Adam Celiński and Kamilla Marchewka-Bartkowiak meet also the requirement of Article 129(5) of Poland's Auditors Act with regard to **skills and knowledge of the Bank's business**.

The Committee has formed the opinion that the composition of the Audit Committee will be adequate given its tasks and fully met the requirements set out in Article 129 of the Poland's Auditors Act, according to which the committee should be composed of minimum three members, with the majority, including the chair, being independent, and at least one member should have knowledge and skills in banking and at least one – knowledge and skills in accountancy or examination of financial statements.

The Bank will meet these criteria in their entirety – the Audit Committee is to be composed of five members – all of whom are deemed independent; four of them will have knowledge of the banking business (Dominika Bettman, Adam Celiński, Kamilla Marchewka-Bartkowiak and Tomasz Sójka) and four – the knowledge and skills in accountancy or examination of financial statements (Danuta Dąbrowska, Dominika Bettman, Adam Celiński and Kamilla Marchewka-Bartkowiak).

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

2.3. Results of the collective suitability assessment

Taking into account the results of the above mentioned individual suitability assessments, including the results of the assessment of the suitability of Audit Committee members and of its composition as well as the fact that the collective suitability of the Supervisory Board is considered as a sum of skills represented by all its members, the Committee deemed that collectively the Supervisory Board in the proposed composition would:

- ✓ meet the requirements with regard to **knowledge, skills and experience, warranting thus proper performance of duties and effective oversight** of all areas of the Bank, including the requirements with regard to the ability to challenge and effectively monitor decisions taken by the Management Board,
- ✓ meet the criteria with regard to **good repute, honesty and integrity** and that the Committee was not aware of any circumstances or factors that could raise concerns about good repute of the said individuals,
- ✓ **meet the independence criteria** – in the target ten-member composition, there would be five

independent Supervisory Board members (and in the period between the date of taking the resolution on the Supervisory Board appointment and 30 June 2024 – four out of eight members will be independent) which would enable their proper representation on Supervisory Board committees,

- ✓ meet the **independence of mind** criteria,
- ✓ meet the Policy's **diversity** requirements, including those related to educational and professional background, age, geographical provenance as well as those related to the female representation on the Supervisory Board (40%-60% representation to be achieved in 2025);
- ✓ meet the criteria with regard to the ability to **commit sufficient time** to perform their duties, also in periods of particularly increased activity of the Bank.

The structure, size, composition and effectiveness of the Supervisory Board as proposed will be suitable and comply with the applicable regulations, in particular Article 22(aa) of the Banking Law. The proposed composition will ensure adequate membership in the Supervisory Board's committees, including that of the Audit Committee.

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

In the period between the adoption of the resolutions on appointing individual Supervisory Board members by the General Meeting and 1 July 2024, the Supervisory Board in the eight-member composition will meet the suitability criteria given that its members will have sufficient skills which will be strengthened further once Isabel Guerreiro and Jerzy Surma join the Board on 1 July 2024.

The Committee did not identify any conflicts of interests that would impede the Supervisory Board members' ability to perform their duties independently and objectively.

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

The Committee confirmed that the assessment process was conducted in a comprehensive, reliable and impartial manner, taking into account all circumstances that could have affected the assessment's results. Individual members of the Nominations Committee were not involved in the individual assessment of their suitability.

Marynika Woroszyńska-Sapieha

Chair of the Nominations Committee