

[Company name]

ESG Report 2023

of Santander Bank Polska Group



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About the bank

Letter from Michał Gajewski, CEO of Santander Bank Polska S.A.



Dear All,

ESG topics have already become firmly embedded in the activities of financial institutions. They are becoming increasingly important for all our stakeholders and the global economy. Therefore, the implementation of our ESG strategy is and will continue to be a priority for us both in our day-to-day work and in our long-term planning.

2023 has been a challenging year for the entire financial sector in terms of preparing for new regulatory requirements. The Corporate Sustainability Reporting Directive (CSRD) requires us to report data according to ESRS standards already for the current year with publication in 2025. Sustainability reports will be subject to attestation requirements by auditors. In addition, financial institutions are required to disclose their Green Asset Ratio (GAR) for 2023. This ratio illustrates the extent to which the activities we finance relate to sustainable projects, as defined by the EU Taxonomy.

In 2023, we set up an internal panel of experts that analyses sustainable transactions and products for compliance with the Taxonomy and our internal green financing classification system - SFCS. This system allows us to accurately determine whether our financing is truly sustainable. We base our analysis on the Banco Santander Group's sustainability criteria developed in line with international standards and regulations (including the EU Taxonomy). According to this analysis, the amount of sustainable financing provided by the Santander Bank Polska Group for 2023 was PLN 7,671 million. Compared to 2022, this is an increase of 145%!

[GRI 2-22]

Regulations are not only a challenge, but also an opportunity. They make monitoring progress on ESG strategies continuous. They bring consistency and transparency to the reporting of sustainability issues. They make it easier to analyse and prepare for risks such as climate change. We are already experiencing these changes and, in the long term, they will affect the operations of all companies worldwide.

The transformation of the Polish economy should become permanently accelerated. Achieving the goals set out by the European Green Deal requires a synergy of bank financing and public funding. That is why it is so necessary to step up work on systemic solutions at the level of local authorities and governments. For our part, we are increasing the volume and scope of transactions related to the financing of environmentally sustainable projects year on year. These include renewables, energy-efficient real estate and electromobility. We will also support investments in new technologies such as energy storage and hydrogen installations.

An area we have been developing for several years now is ESG risk management. We recognise that the fight against climate change invariably remains the biggest challenge for the global economy and that climate-related risks and opportunities have a key impact on the financial sector. Therefore, we define and integrate social and environmental risks, including climate risks, into the bank's holistic risk management system. We are developing our analysis, which is prepared on the basis of TCFD recommendations. It includes an assessment

of climate opportunities and risks in several scenarios and time dimensions. On this basis, we can increasingly define the impact of these risks on the bank's portfolio.

We are also not slowing down when it comes to supporting social programmes. We are consistently building a friendly working environment that provides respect and appreciation, as well as opportunities for development. This is confirmed, among other things, by the Great Place To Work certificate and by our presence on the Diversity IN Check list - a ranking of Polish employers most advanced in diversity and inclusivity management. We carry out many internal projects, such as Diversity Ambassadors for top management, Employee Networks, educational actions, trainings, webinars (e.g. Diversity Month) and the Santander Women podcast.

Education is another area of our social commitment. Our flagship Santander Universidades programme provides opportunities to learn new skills and enhance knowledge free of charge. More than 38,000 people from Poland have already benefited from free courses and scholarships, with 21,000 of them in 2023. We are also continuing our proprietary educational project 'Finansiaki', which makes it easier for teachers and parents to introduce children to the world of finance and entrepreneurship. Last year, more than 16,000 people benefited from our educational materials.

The Santander Bank Polska Foundation has been successfully operating for 26 years. More than 1,500 bank employees are involved in the Foundation's voluntary work. Every year, together with the Foundation and Santander Group companies, we organise the charity fundraiser "We Will Double Your Impact", in which we match the amounts donated to double their value. Last year, we raised funds for the development and operation of the chat room run by the Power to the Children Foundation, which operates the national helpline 116 111. Thanks to our customers and volunteers, we donated more than PLN 700,000 for this purpose. In 2023, the Santander Bank Polska Foundation and Santander Leasing carried out a **nationwide grant programme for local governments "Together for Eco-Change". The total value of the grants awarded in this programme was PLN 1 million. The funds will finance a minimum of 17 electric vehicle charging stations.**

Our economy is likely to be a beneficiary of the global remodelling of supply chains in the coming years. Reshoring and nearshoring, that is moving investments closer to consumer markets, are processes that are increasingly influencing investors' perception of Poland as an attractive place for business. An influx of new foreign investments can be expected to boost economic growth in the coming years.

The global economy appears stable, but in an environment of high interest rates it will be difficult to make a strong recovery. The development of the Polish economy will be stimulated by the unblocking of EU funds. Nearly EUR 50 billion in grants and another several tens of billions in loans could spark a very strong development momentum. It is likely that these funds will be used to invest in the energy sector and to transform the Polish economy. This is a good time to implement a new energy policy based on RES.

Through a sustainable business model, we create value for customers, employees, shareholders, local communities and other stakeholders. Decisions made here and now will have an impact on the world that future generations will live in. That is why we act with concern for the long-term impact on our surroundings, including the natural environment.

Michał Gajewski
CEO of Santander Bank Polska S.A.

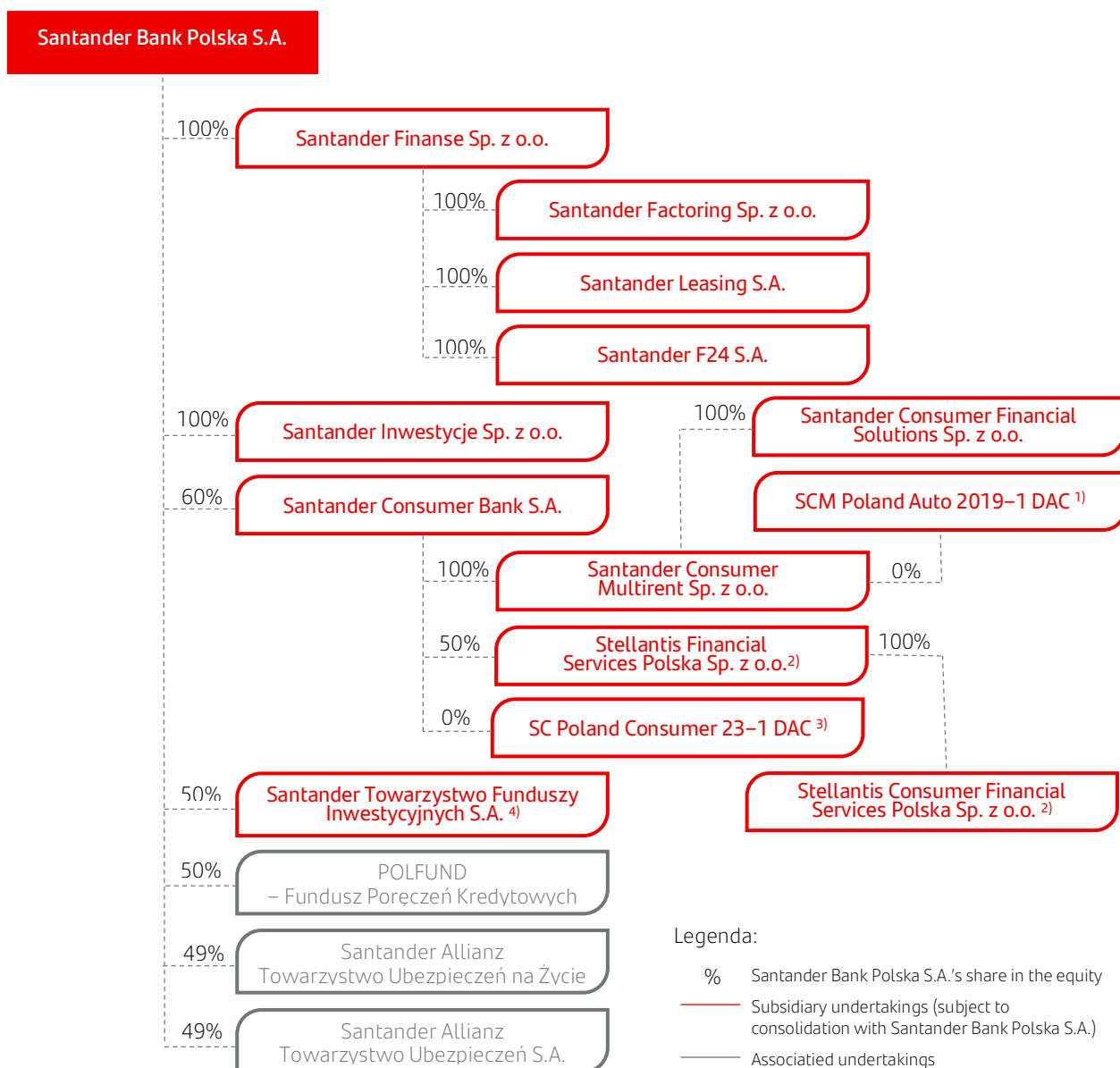
Activity Profile

About Santander Bank Polska Group

[GRI 2-1] [GRI 2-6]

The Santander Bank Polska Group (hereinafter: the Group) is one of the largest groups operating in the Polish financial market. The Group's parent company, Santander Bank Polska S.A. (hereinafter: the Bank) - is a universal bank providing a full range of services to retail customers, small and medium-sized companies and large enterprises, corporations and public sector institutions. The bank has one of the largest networks of branches and partner branches in Poland, in addition to providing services through electronic access channels, including mobile banking. Santander Bank Polska S.A. is among the three largest banks in the Polish banking sector and is the largest private bank in Poland. It is also listed on the Warsaw Stock Exchange and its shares are included in the WIG20 index, WIG-Banks index and WIG-ESG, an index covering the most socially responsible listed companies.

The structure of our Group is as follows:



1) SCM Poland Auto 2019-1 Designated Activity Company with its registered office in Dublin was incorporated on 18 November 2019. Its shareholder is a legal person that is not connected with the Group. It is an SPV established to securitise a part of the lease portfolio of Santander Consumer Multirent Sp. z o.o., which is its controlling entity in accordance with the conditions laid down in IFRS 10.7.

2) In relation to the formation of the automotive manufacturing corporation Stellantis N.V. in 2021 as a result of merger between the Italian-American conglomerate Fiat Chrysler Automobiles and the French Groupe PSA, on 3 April 2023 PSA Finance Polska Sp. z o.o. and PSA Consumer Finance Polska Sp. z o.o. were renamed Stellantis Financial Services Polska Sp. z o.o. and Stellantis Consumer Financial Services Polska Sp. z o.o., respectively. Stellantis Financial Services Polska Sp. z o.o. is an investment in a subsidiary for the purpose of consolidated financial statements due to the fact that it is controlled by Santander Consumer Bank S.A. (directly) and Santander Bank Polska S.A. (indirectly).

- 3) SC Poland Consumer 23-1 Designated Activity Company (DAC) is a special purpose vehicle incorporated in Dublin on 17 June 2022 for the purpose of securitising a part of the retail loan portfolio of Santander Consumer Bank S.A. (SCB S.A.) The SPV does not have any capital connections with SCB S.A., which is its controlling entity in accordance with the conditions laid down in IFRS 10.7.
- 4) Co-owners of Santander Towarzystwo Funduszy Inwestycyjnych S.A. (Santander TFI S.A.), i.e. Santander Bank Polska S.A. and Banco Santander S.A., are members of global Santander Group and hold an equal stake of 50% in the company's share capital. In practice, Santander Bank Polska S.A. controls Santander TFI S.A. within the meaning of IFRSs because, as the main business partner and distributor of investment products, it has a real impact on the operations and financial performance of Santander TFI S.A.

Subsidiaries

As at 31 December 2023, Santander Bank Polska Group comprised Santander Bank Polska S.A. and the following subsidiaries:

- Santander Consumer Bank S.A. (SCB S.A.),
- Santander Consumer Multirent Sp. z o.o. (SCM Sp. z o.o. – subsidiary of SCB S.A.),
- Santander Consumer Financial Solutions Sp. z o.o. (subsidiary of SCM Sp. z o.o.),
- SCM Poland Auto 2019-1 DAC (subsidiary of SCM Sp. z o.o.),
- SC Poland Consumer 23-1 DAC (subsidiary of SCB S.A.),
- Stellantis Financial Services Polska Sp. z o.o. (subsidiary of SCB S.A.),
- Stellantis Consumer Financial Services Sp. z o.o. (subsidiary of Stellantis Financial Services Polska Sp. z o.o.),
- Santander Towarzystwo Funduszy Inwestycyjnych S.A.,
- Santander Finanse Sp. z o.o.,
- Santander Factoring Sp. z o.o. (subsidiary of Santander Finanse Sp. z o.o.),
- Santander Leasing S.A. (subsidiary of Santander Finanse Sp. z o.o.),
- Santander F24 S.A. (subsidiary of Santander Finanse Sp. z o.o.),
- Santander Inwestycje Sp. z o.o.,
- PSA Finance Polska sp. z o.o.

Associates:

- POLFUND – Fundusz Poręczeń Kredytowych S.A.
- Santander Allianz Towarzystwo Ubezpieczeń S.A.
- Santander Allianz Towarzystwo Ubezpieczeń na Życie S.A.

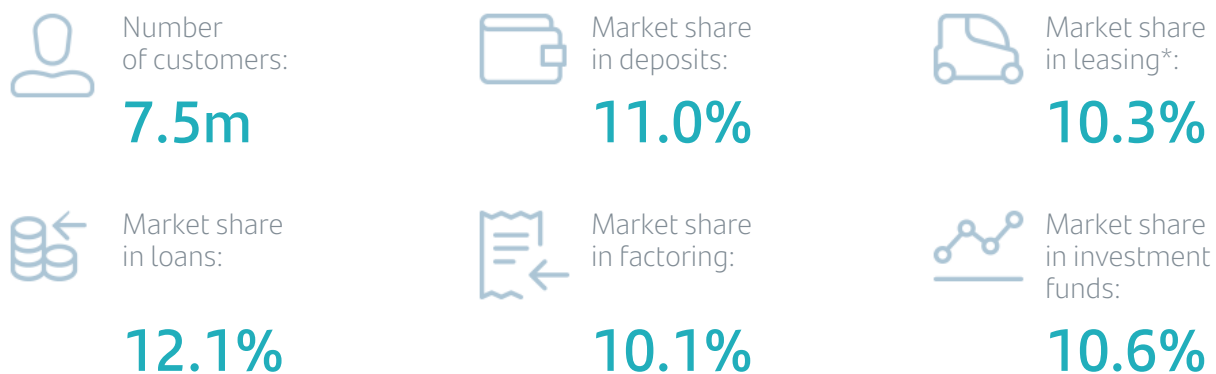
In 2023, the Santander Bank Polska Group provided services to 7.5 million customers.



The activities of the Santander Bank Polska Group are concentrated in Poland, but we also provide services to foreign customers and engage in multidimensional cooperation within the global Banco Santander Group. The head office of Santander Bank Polska S.A. is located in Warsaw.

This report includes information on the subsidiaries belonging to the Santander Bank Polska Group on a consolidated basis - with Santander Bank Polska S.A. (the Bank) as the parent company. For more details on the scope of the report, please refer to the chapter [About the Report](#). The detailed structure of the Santander Bank Polska Group can be found on our website.

Santander Bank Polska Group in 2023:

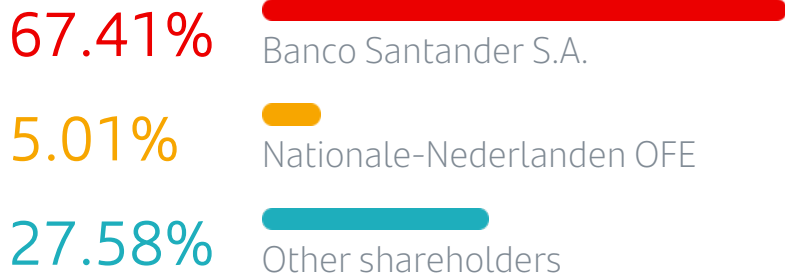


* Total share of Santander Leasing S.A. and Santander Consumer Multirent Sp. z o.o.

Ownership structure and the Santander Group

Santander Bank Polska S.A., together with its subsidiaries, is part of the global Santander Group, whose parent company is Banco Santander S.A., with its registered office in Santander and operational headquarters in Madrid. Banco Santander S.A. has a tradition of more than 165 years and is one of the world's largest commercial banks. It is mainly engaged in retail banking, also showing significant activity in the private, business and corporate banking, asset management and insurance markets.

Shareholding structure of Santander Bank Polska S.A. as at 31 December 2023¹:



The Santander Group has a geographically diversified business with a primary focus on ten key markets, both developed and emerging. The Group's four leading geographies and operating segments are Europe, North America, South America and the Santander Open Platform.

As at 31 December, 2023 Banco Santander Group had:



Strategy and business model of Santander Bank Polska Group

[GRI 2-23] [GRI 2-24] [PRB 1 – Alignment] [GPW I-P1] [Custom indicator: Information on key products, including new products launched during the reporting period]

Between 2021 and 2023, Santander Bank Polska Group pursued a strategy based on its mission and six strategic directions:

- Customer Obsession,
- Employee Focus,
- Simplification,
- Omnichannel,
- Innovate to Open Platform,
- Safety and Trust.

The adopted strategic directions were interdependent and indicated the most important areas on which the Group's transformation focused. Details of the strategy for 2021-2023 are presented in the [ESG Report 2022](#).

An important part of our business strategy between 2021 to 2023 was the Responsible Banking Strategy, which defined our approach to ESG topics. The cornerstone of its implementation were actions aimed at strengthening corporate culture and increasing the Group's commitment to sustainable finance.

¹ Shareholders with a shareholding of more than 5% are known.

Our mission	Help people and businesses prosper					
Our vision	Be the Best Open Financial Services PLATFORM by acting RESPONSIBLY and earning the lasting LOYALTY of our people, customers, shareholders and communities					
Our values	Simple Personal Fair					
Behaviours	Think customer	Embrace change	Act now	Move together	Speak up	risk pro
Strategic directions	Customer obsession	Employee focus	Simplification	Omnichannel	Evolution to Open Platform	Safety and trust

The bank verified the achievement of its strategic objectives at the top management level by monitoring the results delivered in relation to the ambitions set. These ambitions are presented in the table below:

Our ambitions	
Cost-to-Income ratio (C/I)	<40%
Dividend payout ratio	50% of the profit for the period
Total capital ratio (TCR)	Dividend triggering level
Cost of credit risk (CoR)	Pre-pandemic average (COVID-19) covering the entire business cycle

In 2023, the Santander Bank Polska Group has achieved all of its ambitions.

Santander Bank Polska Group strategy for 2024-2026

We continue to live our purpose of helping people and businesses prosper in order to become the most profitable bank in Poland						
THE MOST PROFITABLE BANK IN POLAND						
Our mission	Help people and businesses prosper					
Our vision	Be the Best Open Financial Services PLATFORM by acting RESPONSIBLY and earning the lasting LOYALTY of our people, customers, shareholders and communities					
Our values	Simple Personal Fair					
Behaviours	Think customer	Embrace change	Act now	Move together	Speak up	risk pro
Strategic directions	TOTAL Experience		TOTAL Digitalisation		TOTAL Responsibility	

For the period 2024-2026, the Management Board has adopted for implementation the strategy "We help you achieve more". The strategy is based on our mission statement "We help people and businesses prosper", in addition to three strategic directions: Total Experience, Total Digitalisation and Total Responsibility.

The key assumptions of the "We help you achieve more" strategy are as follows:

- Our strategy is people-oriented: we focus on customers and employees. We are committed to evoking positive emotions by offering exceptional experience that exceeds the expectations of our stakeholders. We want to do that in the world that surrounds our customers – an increasingly digital, but still in need of human interaction. We know that customer satisfaction and employee engagement are key to our success. This is what our first strategic direction – Total Experience – is about.
- We also know that positive emotions and experience to a large extent depend on the interactions in the digital world. That is why, with increased determination, we follow the path of digital innovation offering our customers new possibilities in remote channels and ensuring our employees effective processes. This is what our second strategic direction – Total Digitalisation – is about.
- Challenges we face as a bank and society require huge responsibility. We consciously make ethical decisions, keeping in mind our impact on the community and the environment. With a sustainable business model, we create value for customers, employees, shareholders and local communities, working towards a better future for our children and our planet. This is what our third strategic direction – Total Responsibility – is about.

Integration of sustainability objectives into the strategy

Topics related to the sustainability area are included in the strategy, in particular in the strategic direction Total Responsibility. This direction defines a number of ambitions for specific ESG areas:

- environmental, in which the bank is a role model for sustainability and transformation and supports customers in making the green transition,
- social, in which the bank supports society through education, tackling financial and digital exclusion and making social investments. It promotes inclusiveness and diversity among employees and ensures a high level of cyber security,
- governance, through which the bank meets its commitments to all stakeholders and operates in compliance with regulatory requirements, ensuring security and stability and strengthening customer confidence. In addition, the bank maintains a dialogue with regulators and industry organisations about new legislative developments and builds a culture of risk management.

All three strategic directions included in the new strategy are complementary and reinforce each other.

The business model of our Group is invariably based on offering state-of-the-art financial solutions to private customers, micro, small and medium-sized enterprises as well as Polish and multinational corporations. The Group provides a wide range of domestic and international banking and financial services. Our priority is to ensure the loyalty of our customers and the commitment of our employees, which leads to an increase in revenues, receivables and deposits.

The Santander Bank Polska S.A.'s offer is modern, comprehensive and meets the diverse needs of its customers in terms of bank accounts, credit, savings and investment, settlement, insurance and card products. The bank's services include cash management, payments and foreign trade services, capital market operations, money market, foreign exchange and derivative transactions, as well as guarantee and brokerage services. Santander Bank Polska S.A. is one of the market leaders when it comes to the use of modern banking technologies and is consistently building its brand to become the bank of choice for customers in line with its strategic objective.

The bank's own range of products is supplemented by the specialised products of the affiliated Group companies, such as Santander Towarzystwo Funduszy Inwestycyjnych S.A., Santander Leasing S.A., Santander Factoring Sp. z o.o. and Santander Consumer Bank S.A.. Through cooperation with these companies, the Bank provides customers with access to investment funds, asset portfolios, leasing and factoring products and consumer loans:

Santander Bank Polska S.A.

As a universal bank, it provides a full range of services to individuals, small and medium-sized businesses and large enterprises, corporations and public sector institutions.

Santander Towarzystwo Funduszy Inwestycyjnych S.A.

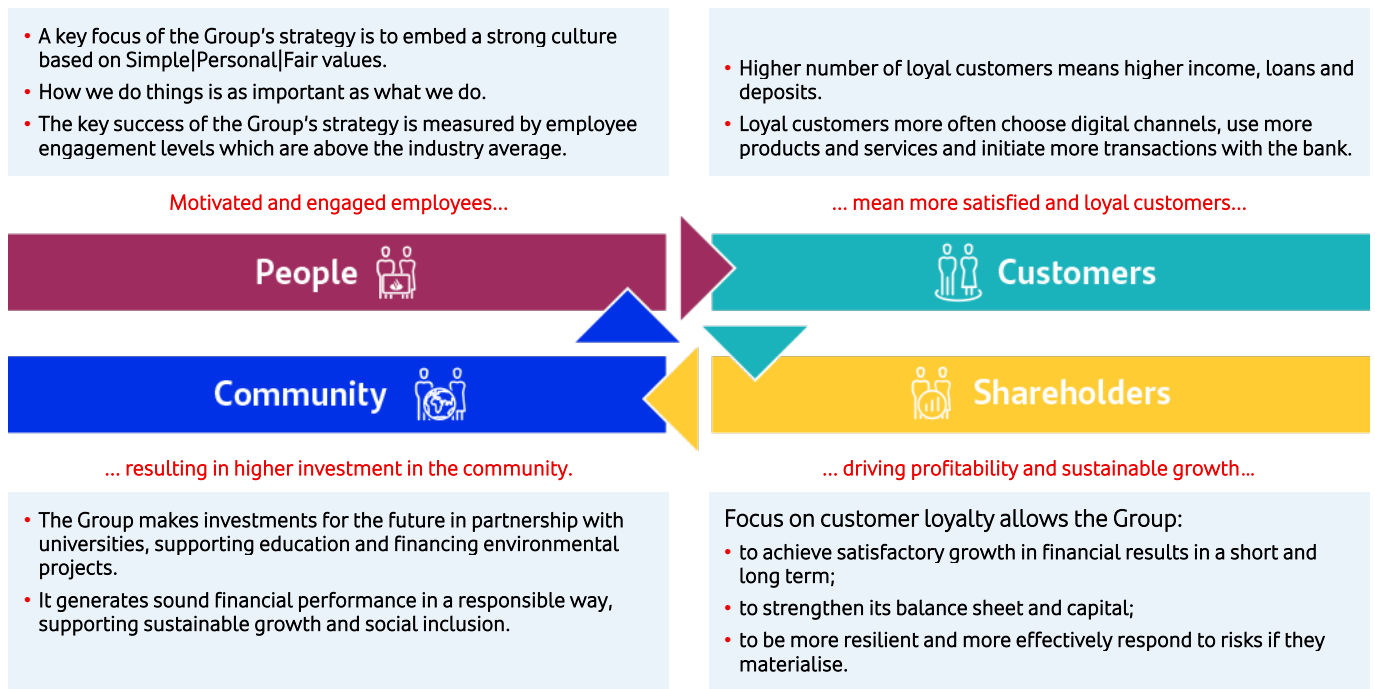
The company manages assets held in investment funds. It has many years of experience in setting up and managing Employee Pension Schemes and Individual Retirement Accounts..

Santander Leasing S.A.

The company offers financing of a wide range of fixed assets for customers from the SME sector and corporate clients. Santander Leasing's main products are operating leases, finance leases and loans for the purchase of fixed assets and land, as well as vehicle rental.

<p>Santander Factoring Sp. z o.o.</p>	<p>The company offers financing of sales (factoring of receivables) to Polish and foreign customers and financing of purchases (factoring of payables) from domestic and foreign suppliers. The company's clients include small and medium-sized enterprises, large enterprises and multinational corporation with a global footprint.</p>
<p>Santander Consumer Bank S.A.</p>	<p>The bank focuses on meeting the credit needs of households, mainly in the Consumer Finance sector and the car loan market. It also finances businesses, mainly car dealers and importers. Santander Consumer Bank's offer includes consumer loans, financing car purchases through loans, leasing and factoring, lending to car dealers, retail and business deposits and insurance.</p>

Value creation process



We undertake all activities with our customers and their needs in mind. We design products, processes and channels of communication with customers using service design, so that our customers are satisfied with the services and keen to continue the relationship.

The single most important element in creating the value offered to customers is our employees. We build supportive working environment and organisational culture by promoting cooperation, equality, diversity and inclusiveness and by enhancing employee motivation, engagement and skills.

Our competitive advantage stems from:

- stable sources of funding, a solid capital and liquidity base,
- a diversified asset portfolio,
- a clear, coherent, consistently implemented strategic vision underpinned by customer focus and operational efficiency,
- simple processes, digital technologies and implementation of agile operating principles,
- an effective and simple business model,
- a diverse range of activities,
- being part of the global Banco Santander Group and benefiting from its international experience.

Performance results

[GRI 201-1] [Custom indicator: Number of the bank's access points in Poland, including branches, broken down into outlets operated directly by the bank and partner outlets] [PRB 2 - Impact and Target Setting]

Implementation of the strategy for 2021-2023

Financial and non-financial metrics of the Santander Bank Polska Group

	2023	2022	2021
Cost of credit risk (CoR) [%]	0.72%	0.59%	0.76%
Cost/Income (C/I) [%]	29.50%	37.90%	59.60%
Dividend payout ratio [%]*	97.01%	29.90%	29.89%
Total Capital Ratio [%]**	18.56%	19.74%	18.58%

* Refers to Santander Bank Polska S.A. only.

** Data in the respective periods include profits recognised in own funds in accordance with the applicable EBA guidelines.

Selected financial results of the Santander Bank Polska Group

	2023	2022	2021	2020	2019
Profit attributable to shareholders of Santander Bank Polska S.A. (in PLN million)	4,831.10	2,799.10	1,111.70	1,037.20	2,138.30
Profit before tax for the period (in PLN million)	6,850.00	4,353.00	2,057.80	1,880.90	3,244.60
Total assets (in PLN million)	276,651.90	257,517.20	243,017.30	228,748.90	209,476.20
Total equity (in PLN million)	33,691.00	28,465.30	27,213.60	28,658.00	26,979.50
ROE [%]	20.30%	11.90%	4.70%	4.40%	9.70%
Loans/Deposits [%]	76.20%	77.60%	79.00%	82.80%	91.60%
Total Capital Ratio [%]	18.56%	19.74%	19.05%	20.42%	17.07%

Key non-financial data of the Santander Bank Polska Group for the last five years

	2023	2022	2021	2020	2019
Customers (in millions)	7.50	7.40	7.20	7.10	7.20
Electronic banking users (in millions)*	6.40	6.30	5.70	5.40	4.40
Active digital customers (in millions)**	4.20	3.60	3.20	2.90	2.50
Active mobile banking customers (in millions)	3.00	2.70	2.40	2.00	1.60
Branch network	369	385	450	562	665
Santander zones and off-site locations	17	16	13	12	10
Partner outlets	421	433	435	380	317

* Registered users with active access to internet and mobile banking services of Santander Bank Polska S.A. and Santander Consumer Bank S.A.

** Active users of electronic banking services of Santander Bank Polska S.A. and Santander Consumer Bank S.A. who at least once used the services in the last month of the reporting period.

Customers

	2023	2022	2021	2020	2019	2018	2017
Total number of bank customers (in thousands)	5,877	5,695	5,432	5,215	5,050	4,884	4,412
Santander Internet – registered customers (in thousands)	5,012	4,869	4,492	4,179	4,424	4,019	3,388
Santander Internet – active customers (in thousands)	3,497	3,285	2,998	2,757	2,510	2,345	2,056
Santander mobile – active mobile customers (in thousands)	2,608	2,452	2,194	1,865	1,577	1,338	1,094
iBiznes24 – registered businesses (in thousands)	26	20	25	21	18	17	15

Outlets

	2023	2022	2021	2020	2019	2018	2017
Number of outlets/branches in Poland in 2022							
a. Branches*	336	351	396	468	515	612	576
b. Partner outlets	171	170	164	138	134	123	109
Business and Corporate Banking Centres	6	6	6	19	19	12	12

* Including branches, off-site locations and Santander Zones

ATMs and CDMs

	2023	2022	2021	2020	2019	2018	2017
ATMs	351	472	610	731	774	858	948
CDMs	0	0	0	0	3	4	13
Dual-function machines	890	952	914	930	923	900	771

Achievement of Responsible Banking strategy goals by Santander Bank Polska S.A.

No.		2022 results	2023 results
1.	Top 10 employers ranking	Top Employer Certificate	Top Employer Certificate
2.	Women in senior positions	34.70%	34.96%
3.	Equal Pay Gap ratio	2.00%	1.17%
4.	Number of people financially empowered from 1 Jan, 2019	651,453	1,732,963
5.	Green finance compliant with SFCS (in PLN m)*	2,668	5,499
6.	Electricity from renewable resources (%)**	83.50%	88.00%
7.	Elimination of single-use plastics (%)	100%	100%
8.	Scholarships, internships and job placements (number)	5,915	17,355
9.	Number of people helped***	493,461	113,089

* Change in the metric presentation: amount in PLN million. SFCS – Sustainable Finance Classification System

** Electricity purchased directly by the Bank

*** The 2022 result was influenced by initiatives implemented as part of humanitarian aid to Ukraine

Corporate culture

At Santander Bank Polska Group, we operate according to the 'Santander Way', which defines the purpose and ways in which we operate. Our three corporate values – Simple, Personal, Fair – are our commitment – both to the customers to whom we offer our financial services and to the employees of our Group companies.

The day-to-day operation of the Group is supported by a set of desired corporate behaviours. Their acronym "T.E.A.M.S" clearly indicates our priorities - the greatest emphasis is placed on people, both in our teams and among our customers.



Our values, mission, vision and ethical standards have for many years formed a coherent corporate culture of the Santander Bank Polska Group.

 Mission	 Vision	 Values
<p>To help people and businesses prosper</p>	<p>To be the best open financial services platform by acting responsibly and earning the lasting loyalty of employees, customers, shareholders and communities</p>	<p>Simple Personal Fair</p>

The corporate culture of Santander Bank Polska Group in 2023 was defined by:

- General Code of Conduct, which sets out the ethical standards and principles of conduct that should guide the actions of all Santander Bank Polska Group employees²,
- Sustainability Policy, which highlights the importance of creating value for employees (replaced in October 2023 by the Responsible Banking and Sustainability Policy),
- Santander Bank Polska Group Corporate Culture Policy,
- three corporate values - Simple, Personal, Fair,
- behaviours in line with T.E.A.M.S.



GOOD PRACTICE

Every year, the entire Santander Group celebrates Santander Week, which is a celebration of all employees. During the event, each day of the week is focused around reinforcing the values of one of the T.E.A.M.S behaviours. During Santander Week 2023 in Poland, we organised 14 events attended by almost 1,500 bank employees. Events were held both online and onsite in 4 locations (Warsaw, Poznań, Wrocław and Lublin.) Santander Week ended with a "Family Day" that involved both employees of the head office and 161 branches of the bank.

Bank and Group's stakeholders

Stakeholder map

[GRI 2-29] [GRI 203-2] [PRB 4 – Stakeholders] [GPW I-P5]

We engage stakeholders to effectively align products and services with customer needs and our own operations with the changing market. We identify individual stakeholder groups³ and update their profiles. We not only listen to our stakeholders, we want the Group's voice to be heard too, which is why we use a variety of communication channels in our contacts.

² More information on the 'General Code of Conduct' can be found in the section on values and ethics on page 32.

³ The stakeholder identification process is based on qualitative analysis, conducted for the purpose of non-financial reporting and dialogue sessions, among others, which we have been conducting since 2014 according to the AA1000SEES standard.



Retail customers

Communication channels:

- bank outlets
- website and other online channels (bank's blog, Facebook, X, LinkedIn, Tik Tok, Instagram)
- customer satisfaction surveys
- meetings, conferences and training sessions
- conversation with an advisor
- video chat
- web form

Business customers

Communication channels:

- bankers and customer advisers
- Business and Corporate Banking Centres
- conferences
- virtual trade missions
- opinion and satisfaction surveys
- online advisor

Employees

Communication channels:

- employee opinion surveys
- intranet
- newsletters, bulletins, mailings
- meetings with top management
- team-building events, workshops and training courses

Shareholders and the investment community

Communication channels:

- quarterly performance presentations (meetings, conferences, stock exchange and press releases)
- General Meeting of Shareholders

Regulators

Communication channels:

- reports
- formal correspondence
- day-to-day cooperation during supervisory inspections

Media and public opinion

Communication channels:

- conferences and press briefings
- interviews, expert commentaries
- face-to-face meetings
- press releases
- social media channels

Santander Group

Communication channels:

- reports
- regular correspondence
- meetings and experience sharing

Natural environment

Communication channels:

- ESG reports
- reports to institutions
- contacts and cooperation with environmental organisations

Suppliers and business partners

Communication channels:

- direct contact
- conferences and industry events

Social partners

Communication channels:

- face-to-face meetings and cooperation
- dialogue sessions with stakeholders
- activities of the Santander Bank Polska Foundation
- participation in conferences and local events
- corporate volunteering

Industry organisations and associations

Communication channels:

- direct meetings and cooperation

Partnerships and sustainability commitments

[GRI 2-28]

We are involved in the work of associations and foundations and in initiatives that promote responsible practices. Below is a selection of initiatives in which we participated as a bank in 2023:

Social and ethics initiatives in the financial sector:

- Declaration of Responsible Selling,
- Business and Human Rights Programme, UN Global Compact Network Poland,
- Diversity Charter,
- Partnership for the Implementation of the Sustainable Development Goals (SDGs),
- Business Accessibility Forum (BAF).

Environmental initiatives:

- UNEP Finance Principles for Responsible Banking,
- Equator Principles,
- Together for the Environment Partnership
- Climate Positive programme of the UN Global Compact Network Poland,
- Polish Plastics Pact,
- Green Ribbon #forthePlanet campaign,
- Re:Generation programme,
- Green Transformation Council of the Lewiatan Confederation,
- 5 Fractions Coalition.

Membership in associations:

- Responsible Business Forum,
- Polish ESG Association.

In addition, Santander Bank Polska S.A. is a signatory to the Code of Banking Ethics and the Declaration of Banks on the Plain Language Standard. As part of our cooperation with the Polish Bank Association, the bank's representatives are involved in the work of, among others, the Sustainable Finance Committee, the Consumer Credit Committee, the Payment Services Council and the Banking Technology Forum.


The bank's subsidiaries are also represented in industry organisations. Santander Leasing S.A. is a member of the Polish Leasing Association (within which it is an active participant in, among other things, the working groups on carbon footprint calculation for Scope 3 reporting), the Polish Association of Alternative Fuels and the Polish Economic Chamber of Agricultural Machinery and Equipment.

Santander TFI S.A. is a member of the Polish Chamber of Funds and Asset Management, and in December 2023 TFI S.A. joined the Sustainable Investment Forum Poland (POLSIF). This is a new association set up in 2023. Marlena Janota, a member of TFI's Management Board, is a POLSIF board member.


Awards and distinctions

Bank:

Awards for social and environmental activities:

	▶ Top Employer 2023 title		▶ Great Place to Work! certificate			▶ Ethical Company title awarded by Puls Biznesu
	▶ Golden CSR Leaf awarded by POLITYKA		▶ Diversity IN Check	▶ entry on the Diversity IN Check - a list of the most advanced employers in Poland in terms of diversity and creating inclusive workplaces		
	▶ 2nd place in the Responsible Companies Ranking	▶ Silver award for environmental innovation, in the ESG Innovator competition				

Industry awards and rankings:

	▶ industry leader title in the Euromoney Market Leaders ranking		▶ Best International Private Banking in Poland Euromoney 2023		▶ winner in the Institution of the Year ranking, in eight categories		
	▶ winner in the Celent Model Bank Awards 2023		▶ winner in the 'Golden Bank' ranking		▶ winner in the 'Banking Stars' ranking		▶ 'Best Bank in Poland' title in the Euromoney Awards for Excellence 2023.

- ▶ ranking of Treasury Securities Dealers of the Ministry of Finance
- ▶ 'Banker of the Year 2023' title for the bank's CEO, Michał Gajewski

Awards for ESG reporting:



- ▶ top award in the Responsible Business Forum's Sustainability Reports competition (in the Sustainability Report category)



- ▶ first place in the Global ESG Monitor ranking



- ▶ **Best Annual Report** – special award for the best sustainability report in the Banks and Financial Institutions category

Subsidiaries were recognised in 2023 with the following awards:

Santander TFI S.A.:

- ALFA award for leaders in the investment fund industry presented by the independent institute Anality Online:
 - Two statuettes in the following categories:
 - ▶ the best long-term Polish government bond fund for Santander Government Bond (managed by Michał Hołda),
 - ▶ the best Polish SME equity fund for Santander Small and Medium Cap Equity fund (managed by Jakub Płotka, CFA).
 - Distinctions in the categories:
 - ▶ best Polish equity fund (Santander Prestiż Polish Equity),
 - ▶ best balanced fund (Santander Balanced),
 - ▶ best stable growth fund (Credit Agricole Stable Growth),
 - ▶ best long-term Polish government bond fund (Santander Prestiż Government Bond),
 - ▶ best Investment Fund Company.
- Consumer Quality Leader - Golden Emblem in the category PPK Service Providers awarded by Strefa Gospodarki (Dziennik Gazeta Prawna)
- Good Brand - Quality, Trust, Reputation.

Santander Leasing S.A.:

- Technobusiness 2023 and Best Bank award in the Insurance and other financial institutions' category by Gazeta Bankowa

Santander Consumer Bank S.A.:

- Customer Friendly Company – Customer Friendly Bank
- Service Quality Star
- Good Brand - Quality, Trust, Reputation in the Car Loans category
- Top Employers Poland

Santander Consumer Multirent Sp. z o. o.:

- Service Quality Star
- Consumer Quality Leader
- Good Brand

Selection of material aspects for the bank

[GRI 3-1] [GRI 3-2]

In 2023, a double materiality analysis was carried out in accordance with ESRS guidelines⁴ for the CSRD.⁵ The purpose of the analysis was to identify the most relevant ESG topics for Santander Bank Polska S.A.. This analysis comprehensively assesses:

- the bank's impact on the external environment (impact materiality),
- external risks and opportunities affecting the bank (financial materiality).

The juxtaposition of impact materiality and financial materiality allows the identification of material topics, which the bank then takes into account in its strategy and non-financial reporting.

The double materiality analysis process involved the bank's internal and external stakeholders; employees, suppliers, business partners, representatives of NGOs, financial institutions and regulators.

The survey included, among other things a dialogue session with selected external stakeholders and an anonymous survey addressed to employees.

The employee survey was conducted online in July 2023.

The dialogue session took place on 27 July 2023 on the MS Teams online platform. This was the bank's 11th session on sustainability and responsible business conduct. In line with market best practice, the session was conducted based on the AA1000SES international dialogue standard, with the participation of independent facilitators from a consultancy firm. The dialogue session included discussions in three thematic groups:

- Responsible business relationships and their impact on the environment and society,
- Responsibility for the bank's employees and social activities,
- Sustainable finance and customer relations.

The summary materials of the survey and dialogue session were presented to the bank's Management Board. Their conclusions have been incorporated into the double materiality analysis and into the new strategy "We help you achieve more".

The process of double materiality assessment consisted of four stages:

1. In the first stage, the assumptions of the ESRS double materiality analysis were defined and the bank's value chain was identified taking into account the three levels of its stakeholders: upstream, own operations and downstream according to the ESRS guidelines.
2. In the second stage, the bank's potentially significant impacts, risks and opportunities were identified across ten ESRS-compliant topics: climate change, pollution, water and marine resources, biodiversity and ecosystems, resource use and the circular economy, own workforce, workers in the value chain, affected communities, consumers and end-users and business conduct. The double materiality analysis process included stakeholder dialogue, external analysis (analysis of the sector and the socio-economic situation in the year covered by the report) and internal analysis (analysis of themes identified in the strategy or due diligence processes).
3. In the third stage, the previously identified impacts, risks and opportunities were subjected to a materiality assessment based on the four categories identified in the ESRS: scale, scope, reversibility and likelihood of impact of the risk or opportunity. These assessments were confirmed with the bank's key executives during a workshop.
4. In the final fourth stage, the topics assessment was prioritised, a materiality threshold was established and adopted, and a final materiality matrix was developed.

⁴ ESRS – [European Sustainability Reporting Standards](#)

⁵ CSRD – [Corporate Sustainability Reporting Directive](#)

Topics related to sustainable development (ESRS)	Impact	Risks	Opportunities	Double materiality (final result)
ESRS E1: Climate change	Significant	Critical	Significant	Critical
ESRS E2: Pollution	Minimal	Minimal	Minimal	Minimal
ESRS E3: Water and marine resources	Minimal	Minimal	Minimal	Minimal
ESRS E4: Biodiversity and ecosystems	Minimal	Minimal	Minimal	Minimal
ESRS E5: Circular economy	Minimal	Minimal	Minimal	Minimal
ESRS S1: Own workforce	Informative	Informative	Informative	Informative
ESRS S2: Workers in the value chain	Informative	Informative	Informative	Informative
ESRS S3: Affected communities	Informative	Informative	Informative	Informative
ESRS S4: Consumers and end-users	Significant	Significant	Significant	Significant
ESRS G1: Business conduct	Critical	Significant	Significant	Critical

Assessment of ESRS topics:

- Critical
- Significant
- Important
- Informative
- Minimal

Conclusions from the double materiality analysis:

- ➔ Five sustainability themes were selected for inclusion in the ESG Report.
- ➔ Three topics – Climate change, Consumers and end-users, and Business conduct – were rated as material ('significant', 'critical', 'important').
- ➔ Two topics – Own workforce and Affected communities - were rated as additionally material ('informative') – for inclusion in the report.

In 2023 we made changes to our methodology for the survey of relevant topics. One of the main reasons was to conduct the analysis based on ESRS. This makes the bank's previous survey incomparable to the one carried out in 2023. Nevertheless, we have mapped and assessed the consistency of the current materiality matrix with the previous list of material topics.

The final results of the analysis include a breakdown of impacts, risks and opportunities into ESRS thematic standards.

ESRS E1 Climate change

Material topic	Description of the identified impact	Description of the identified risk/ opportunity
Climate change adaptation / Portfolio and investments	No identified impact	Climate change adaptation from a portfolio and investment perspective can create downside risks to the loan portfolio, and the impact on financial performance will be seen from the perspective of cash flow, risk (cost and availability of capital), and growth (depending on future business development and portfolio composition). There is also an opportunity related to this sub-topic. The possibility to finance climate change adaptation initiatives may positively impact the bank's business development (greatest impact on the growth component).
Climate change mitigation / Portfolio and investments	<p>Emissions arising directly from the bank's activities</p> <p>In 2022, the bank's carbon footprint in Scopes 1 and 2 was 31,613.6 tCO₂e (location-based) / 19,499.8 tCO₂e (market-based). The carbon footprint in Scope 3, resulting from business travel, was 870.1 tCO₂e.</p> <p>The bank is working to reduce its direct carbon footprint, e.g. since 2020 onwards it has been neutral in terms of its own CO₂ emissions. The energy purchased directly comes exclusively from renewable sources. In the current calculation methodology for Scope 3, the bank has so far not taken into account the impact of its portfolio with a significant effect on the climate. Santander Bank Polska S.A. is implementing the global Net Zero strategy of the Banco Santander Group.</p> <p>CO₂ emissions have a negative impact on the environment, so the impact has been identified as actual and negative.</p> <p><i>Actual negative impact</i></p>	Climate change adaptation from a portfolio and investment perspective can create downside risks to the loan portfolio, and the impact on financial performance will be seen from the perspective of cash flow, risk (cost and availability of capital), and growth (depending on future business development and portfolio composition). There is also an opportunity related to this sub-topic. The possibility to finance climate change adaptation initiatives may positively impact the bank's business development (greatest impact on the growth component).

<p>Energy</p>	<p>Energy consumption and efficiency at the bank</p> <p>In 2022, the bank's total electricity consumption was 21,670.20 MWh, with 9,551.29 MWh of energy coming from non-renewable resources (the energy purchased by the Bank comes from RES, while the energy for which the Bank is re-invoiced, based on agreements between the bank's suppliers and energy distributors, comes in part from non-renewable sources). Previous reports do not include data on energy consumption outside the organisation (GRI 302-2). The bank is taking steps to reduce the negative impact by minimising energy consumption and increasing the use of renewable energy sources.</p> <p>Energy consumption negatively impacts the environment, so the impact has been assessed as actual and negative. All measures aimed at increasing the share of renewable energy, among others, have been included in the assessment of the scale of impact.</p> <p><i>Actual negative impact</i></p>	<p>Energy consumption and energy efficiency issues can create short- to medium-term risks of increased office rental costs or energy consumption. We also see the possibility of using cloud solutions and monitoring system to optimise and reduce data storage energy consumption. Risks arise from the current impact of the bank, i.e. the transition to energy-efficient offices and the reduction of emissions from its own operations.</p>
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ESRS S1 Own workforce

Material topic	Description of the identified impact	Description of the identified risk/opportunity
<p>Adequate remuneration</p>	<p>Adjustment of remuneration to the current economic situation in Poland</p> <p>In 2022, the topic of remuneration was crucial due to the macroeconomic situation in Poland. Rising inflation was identified as one of the most significant risks in the World Economic Forum's 'Global Risks 2023' report. The analysis of the bank's impact in this regard involved in the first place examination of the indicators and data on remuneration levels taking into account the different job grades, and a comparison with the minimum wage and the rate of inflation. The pay rate of the bank's lowest-level employees (customer service manager, relationship manager) by gender in relation to the minimum wage in 2022 was 146% for women and 144% for men.</p> <p>The bank conducts a pay review every year. In September 2023, the Management Board of Santander Bank Polska S.A. approved the remuneration adjustment plan.</p> <p>In the absence of a numerical data summary of the remuneration adjustment process at the time of the analysis, the impact in this respect could not be identified as actual. The lack of data also prevented a precise assessment of the scale and scope of the impact. Therefore, the adjustment of the remuneration of employees in the bank's branches to the current inflation rate should be interpreted as a potentially positive impact of the bank.</p> <p><i>Potential positive impact</i></p>	<p>Adequate remuneration can reduce turnover in the bank's workforce and help attract and retain professionals, while also impacting on operating costs.</p>
<p>Gender equality and equal pay for work of equal value</p>	<p>Differences in pay and share of women at all levels of employment</p> <p>On 30 March 2023, the European Parliament adopted new regulations on pay transparency. Under the new EU directive, companies will have to report on the gender pay gap for work of equal value and take action if the pay gap exceeds 5%. The new directive also includes provisions on compensation for victims of pay discrimination and on penalties, including fines, for employers who violate the new regulations. The Pay Transparency Directive will enter into force after publication in the Official Journal of the EU. In addition, in November 2022, the European Parliament adopted the Woman On-Boards Directive. According to the legislation, by June 2026 at least 40% of non-executive directors or 33% of all executive and non-executive directorships must be held by members of the underrepresented gender. The impact analysis in this topic area largely follows the above regulations.</p> <p>The bank's pay gap indicator last year was 2%. This means that, on average, women earned 2% less than men in the same positions. The pay gap indicator improved by 0.4% compared to the previous year. A pay review was conducted at the bank in the second quarter of 2022 to continue to address the gender pay gap. The bank aims to close the pay gap by 2025. In 2022, the Santander Bank Polska Group was awarded the 'Equal Pay Certificate'.</p> <p>The bank's ESG 2022 Report presents data demonstrating that there is a decrease in the share of women at different levels of employment compared to 2021, with values now ranging from a 68.2% share of women among all permanent employees at the bank to an 11.1% share of women in top management.</p> <p>Due to the relevance of this issue in light of current social changes, the differences that exist in remuneration and the share of women at all levels of employment and the lack of an in-depth analysis of the results (description of adopted methodologies and detailed explanation), the impact should be assessed as actual and negative.</p> <p><i>Actual negative impact</i></p>	<p>The current underrepresentation of women in managerial positions may expose the bank to reputational risk and the risk of potential litigation in accordance with the requirements of the new European Commission Directive (EU) 2022/2381;</p> <p>Actions taken by the bank to reduce the gender pay gap can in turn create opportunities to increase stakeholder trust and help position the bank as a responsible, inclusive employer.</p>

ESRS S3 Affected communities

Material topic	Description of the identified impact	Description of the identified risk/opportunity
Bank's involvement with local communities	<p>Santander Foundation activities</p> <p>With a network comprising branches, off-site locations, banking zones and partner outlets, the bank interacts with local communities in Polish cities of all sizes. Thanks to the scale of its operations and the identification of local needs, all these business units can have a positive impact on local communities. Given that Santander Bank Polska S.A. has been carrying out activities aimed at meeting the needs of target social groups for several years, the impact it exerts (through initiatives) should be identified as actual. One area of such impact is the activity of the Santander Foundation. The initiatives implemented by the Foundation include grant programmes, a scholarship programme, cooperation with other organisations to implement social projects as well as the coordination of corporate volunteering.</p> <p>Implementation of the Santander Universidades programme</p> <p>Education is at the heart of the bank's social commitment and the most important programme in this area is Santander Universidades, implemented globally by the entire Santander Group. Through cooperation between business and academia, the bank contributes to improving the professional competences of members of society and adapting them to the needs of the labour market.</p> <p>The bank is pursuing these objectives through its global education platform, Santander Open Academy.</p> <p>The bank cooperates with 66 Polish universities, where it has 13 own outlets.</p> <p><i>Actual positive impact</i></p>	<p>Opportunity to improve the bank's reputation and gain the trust of existing and potential stakeholders through community engagement with the potential impact on growth.</p>

ESRS S4 Consumers and end-users

Material topic	Description of the identified impact	Description of the identified risk/opportunity
Privacy	<p>Educational activities on data protection in cyberspace</p> <p>The bank runs educational campaigns on safe online banking, including: cooperation with the Polish Bank Association as part of the project 'Security in cyberspace' (implemented since 2017) with nearly 1 million beneficiaries, including direct participants: 185,000 schoolchildren, more than 95,000 students and approximately 8,000 seniors.</p> <p>The project implemented by the Santander Foundation "Independent and Safe Senior on the Web", which includes a series of workshops on the safe use of the Internet and electronic banking services. Classes are conducted throughout Poland by volunteers of the Foundation and by police officers. No statistics are available on the scale of the project.</p> <p><i>Actual positive impact</i></p>	<p>Potential reputational risk from incidents that breach the privacy of consumer data, which is one of the most critical issues in the banking sector, and therefore ongoing and comprehensive processes must be put in place to ensure full privacy protection, otherwise this may reduce the bank's ability to grow and attract new customers.</p> <p>The ability to ensure effective protection of customer privacy comes with potential additional costs for IT services, which may be reflected in the bank's cash flow.</p>
Access to information (high-quality)	<p>Misseling – unfair selling practices</p> <p>The bank aligns its communication, marketing and sales practices with applicable laws and is committed to continuously monitoring them by informing the bank of significant changes in laws and guidelines from regulators (e.g. in the form of messages in the mobile app and online banking), monitoring the implementation of regulatory projects, applying procedures for the acceptance of new products and significant product changes, reviewing contractual templates, communications and advertising, procedures and training and regular monitoring of processes and products. No figures are available on the above activities. In 2022, the bank recorded no instances of material non-compliance with regulations and voluntary codes on the labelling and communication for products and services, including advertising, promotion and sponsorship. There were, however, fourteen significant cases of employee fraud, which resulted in the bank terminating the employment contracts with justification (Article 52 of the Labour Code) and one case of imposing a fine for non-compliance with generally applicable laws, the details of which are disclosed in the ESG 2022 Report. In 2022, no cases related to misselling were documented at the bank. Due to the nature of the incidents, the impact should be identified as potential and negative.</p> <p><i>Potential negative impact</i></p>	<p>The ability to provide customers with access to high quality information increases the confidence of the bank's stakeholders, providing additional opportunities for growth and attracting new customers.</p>

Positive customer experience (NPS)	<p>Positive customer experience (NPS)</p> <p>In 2022, the bank was among the top four banks in Poland in terms of managing the quality of the mass customer experience. It also achieved the third highest NPS in the group of affluent customers and small and medium-sized companies. In addition, the improved performance can also be seen in relation to corporate customers, where the NPS increased by 10 points. The Net Promoter Score (NPS) is a measure of the extent to which customer needs are understood and satisfied. In 2022, the bank adopted the Customer Experience Management Policy, which sets out key customer-centric standards. In 2022, in the 7th edition of the 'Institution of the Year ranking', the Bank received three awards: in the 'Best Branch Service', 'Best Remote Channel Service' and 'Best Bank for Companies' categories.</p> <p><i>Actual positive impact</i></p>	The ability to provide customers with a positive service experience increases the confidence of the bank's stakeholders and provides the opportunity for stable growth.
Non-discrimination and access to products and services	<p>Accessibility of the bank's outlets and branches and banking services to people with individual needs</p> <p>One of the elements of the bank's responsibility and customer care is to strive to make banking services fully accessible. The Barrier-Free Service programme ensures an equal standard of service and a positive experience for customers with individual needs regardless of where they are served - in a branch, by telephone, online or through an ATM. The bank's website includes a tab with the possibility to search for a barrier-free branch and ATM, i.e. one that has been adapted for customers with special needs.</p> <p>Santander Bank Polska S.A. has a Consumer Protection Policy which, among other things, introduces a definition of a vulnerable customer. This is a customer who, due to his or her life situation, is particularly vulnerable to financial or personal losses, and this may be related, for example, to age, disability, job loss, illness or financial hardship. Appropriate provisions are included in internal procedures and employees who have direct contact with customers, especially vulnerable customers, receive appropriate training.</p> <p>The bank is a founding member of the Business Accessibility Forum. This initiative serves to popularise solutions to increase the accessibility of services and to develop a common position among members on the implementation of the EU Directive on the accessibility of products and services into Polish law. In 2022, the bank received the title of 'Bank of the Year' in the 'Inclusive Banking' category from The Banker magazine.</p> <p><i>Actual positive impact</i></p>	Launching programmes that increase access to products and services and reduce the risk of discrimination provides an opportunity to build relationships of trust and enhance the bank's reputation.

ESRS G1 Business conduct

Material topic	Description of the identified impact	Description of the identified risk/ opportunity
Corruption and bribery	<p>Incidents of corruption or bribery</p> <p>Hypothetical incidents of corruption, bribery or other unethical behaviour, due to the scale of the impact, would have a negative impact on the environment and result in a breach of regulations.</p> <p>During the period between 2019 and 2023, not a single case of corruption has been confirmed at the bank, and no legal proceedings regarding corrupt practices have been initiated against the bank or its employees. The bank operates according to a zero-tolerance approach to corruption. Anti-corruption matters are governed by the General Code of Conduct and the Anti-Corruption Programme (until November 2023)/ Anti-Bribery and Corruption Policy (as of December 2023), which address, inter alia: the giving of gifts and invitations, relations with third parties, the use of additional control mechanisms and channels for reporting violations of the rules.</p> <p>The bank discloses indicators on employees covered by anti-corruption training. A total of 97% of employees have received anti-corruption training in 2022 (employees on long-term sick leave are not included).</p> <p><i>Potential negative impact</i></p>	Potential financial crime can affect both cash flow and access to capital. This area is covered by the bank's policy; however, there have been isolated instances of suspected corruption in the past, hence the risks identified.
Risk management system	<p>Ineffective system for integrating ESG risks with business risks</p> <p>ESG issues directly or indirectly affect liquidity. As a financial intermediary, the bank contributes to significant positive and negative, environmental and social externalities through its lending practices. Environmental, social and governance factors can have a significant impact on the entities, assets and projects financed by the bank in many industries.</p> <p>Failure to integrate ESG risks with business risks can adversely affect the bank's liquidity and, consequently, its customers. This also applies to the impact analysis of the bank's portfolio. ESG risk management should consider the impact on the environmental, social and governance areas.</p> <p><i>Potential negative impact</i></p>	Risk management systems are a key strategy to mitigate growing ESG risks, to have a positive impact on the bank's financial position, including cash flow, investor relations and ability to achieve stable growth. Risks have been identified in relation to the still ongoing integration of business and ESG risks.

Greenwashing

Violation of consumer legislation in connection with the development of the green offer

Greenwashing is a real risk from the point of view of investors, both professional and individual. This aspect is the main focus of financial authorities (in Poland, the Polish Financial Supervision Authority), which combat unfair greenwashing practices related primarily to financial investments, securities and green investments, etc. Consumer protection authorities (in Poland the President of the Office of Competition and Consumer Protection) are concerned about public claims made by entrepreneurs to attract customers.

In order to minimise the potential risk of infringement, a bank should first of all analyse its marketing campaigns, any public claims made in relation to its activities, the names and statements placed on the products sold, as well as its internal documentation to check whether any environmental declarations appear there. Any such claims and public statements should be true and verifiable. Internal procedures to prevent greenwashing (anti-greenwashing policy) and appropriate documentation for individual products and services that does not contain risky claims also serve this purpose. Care should also be taken to raise employee awareness through training. Instructions and procedures for dealing with possible proceedings (including inspections) initiated by the President of the Office of Competition and Consumer Protection may be necessary so that managers and employees know how to behave in such cases.

Santander Bank Polska S.A. has introduced internal guidelines 'Communication and advertising in the area of sustainability at Santander Bank Polska S.A.'. The document describes how information can be communicated, who is responsible for giving an opinion on particular documents and which units shall give their opinions.

Potential negative impact

Greenwashing now poses an increasing financial risk for entities that do not verify ESG statements, both their own and those made by clients. This can negatively impact the entities' reputation, investor relations and growth opportunities. Actions taken to address this problem should ensure compliance with rigorous communication principles and practices.

Governance

Corporate governance strategy and policies

[GRI 2-23] [GRI 2-24]

Corporate governance in the companies that make up the Santander Bank Polska Group lays down rules for the operation of their governing bodies and key systems and processes. It shapes exemplary relations with the shareholders, customers and other stakeholders. The adopted principles build market confidence in the Santander Bank Polska Group and indirectly support the sustainable development and credibility of the domestic capital market. Particular emphasis is placed on the professionalism and ethical profile of the members of the management and supervisory bodies, as well as transparency and due diligence in the conducted operations.

Corporate governance in our Group companies is shaped by legal regulations (including the Commercial Companies Code and the Banking Law), as well as the Corporate Governance Principles for Supervised Institutions of the Financial Supervision Commission. In the case of the bank, the key documents from the point of view of corporate governance are also the Good Practices of Companies Listed on the WSE, the "Recommendation Z concerning the principles of governance in banks" issued by the Polish Financial Supervision Authority and the Code of Bank Ethics of the Polish Bank Association (also applicable to Santander Consumer Bank S.A.).



A complete description of the bank's corporate governance can be found in the Santander Bank Polska S.A. Corporate Governance Statement for 2023.

In addition, Santander Bank Polska Group has developed and adopted other internal regulations setting out the principles of corporate governance. The most important are:

- Corporate Governance Model for the Group and its subsidiaries⁶,
- Detailed Corporate Governance Principles,
- Internal Governance Principles of Santander Bank Polska S.A.,
- Governance Principles in the Santander Bank Polska Group⁷,
- Corporate Governance Principles for Responsible Banking,
- Responsible Banking and Sustainability Policy
- General Code of Conduct, detailed regulations and policies, including:
 - Information Policy,
 - Conflict of Interest Policy,
 - Code of Conduct on Securities Markets,
 - Anti-Money Laundering Policy,
 - 5 Principles of Cybersecurity Policy,
 - Anti-Bribery and Corruption Policy (ABC Policy)
 - Policy for Selection and Assessment of Suitability of Management Board Members and Key Executives of Santander Bank Polska S.A.,
 - Policy for Assessing the Suitability of Members of the Supervisory Board of Santander Bank Polska S.A.

The Group's corporate governance regulations are reviewed annually and amended if necessary. In October 2023, the Sustainability Policy and the Human Rights Policy ceased to be effective. The updated provisions of both of these regulations were included in the Responsible Banking and Sustainability Policy, which replaced these documents and has been in force in the Group since October 2023. In addition, in December 2023, the Anti-Corruption Programme was replaced by the Anti-Bribery and Corruption Policy (ABC Policy).

Our Group's corporate governance principles are also reflected in the 'We Help You Achieve More' strategy adopted in December 2023.

⁶ Internal document developed by Banco Santander S.A. addressed to its subsidiaries, including Santander Bank Polska S.A.

⁷ Internal document developed by Santander Bank Polska S.A., which defines the principles concerning the relationship between the Group and its subsidiaries. The Bank, as the Group's parent company, defines the Group's governance model to guarantee the required corporate governance and the proper functioning of the control system.

Management structure

Management Board composition

[GRI 2-9]⁸ [GRI 2-11] [GPW G-P1] [GPW G-P2] [GPW G-P3]

In this report we present the bank's management structure. Information on the management structure of the other companies in our Group is available on their websites.

The composition of the Management Board⁹ of Santander Bank Polska S.A. as at 31 December 2023 was as follows:



Michał Gajewski

President of the Management Board / Chief Executive Officer of Santander Bank Polska S.A.



Andrzej Burliga

Vice-President of the Management Board in charge of Risk Management Division



Juan de Porras Aguirre

Vice-President of the Management Board in charge of Corporate and Investment Banking Division



Arkadiusz Przybył

Vice-President of the Management Board in charge of Wealth Management and Insurance Division



Lech Gałkowski

Member of the Management Board in charge of Business and Corporate Banking Division



Artur Gębowski

Member of the Management Board in charge of Compliance and Financial Crime Control Division (appointed with effect from 14 November 2023 when the new Division became operational)



María Elena Lanciego Pérez

Member of the Management Board in charge of the Accounting and Financial Control Division (held office from 1 January to 31 December 2023. On 1 January 2024, Wojciech Skalski took over as Member of the Management Board)¹⁰



Patryk Nowakowski

Member of the Management Board in charge of the Digital Transformation Division



Magdalena Proga-Stępień

Member of the Management Board in charge of the Retail Banking Division (appointed on 4 April 2023)



Maciej Reluga

Member of the Management Board in charge of Financial Management Division, Chief Economist



Dorota Strojowska

Member of the Management Board in charge of Business Partnerships Division

⁸ Indicators GRI 2-9 concern disclosures by Santander Bank Polska S.A.

⁹ For the purpose of GRI 2-11 disclosure, we explain that the bank operates under a dualistic model, in accordance with the Commercial Companies Code, which provides for the division of management and supervisory powers between the Management Board and the Supervisory Board. The Chair of the Supervisory Board is not a member of the bank's Management Board.

¹⁰ On 26 October 2023, María Elena Lanciego Pérez resigned from the Board member position with effect from 1 January 2024. On 13 December 2023, the Supervisory Board appointed Wojciech Skalski, former Director of the Financial Accounting Area, to replace her.

As of December, 31 2023, women accounted for 27% of the Management Board. The bank's Board Members did not hold any other significant positions that could have a negative impact on the sufficient time availability, as evidenced by the suitability assessment (each member must obtain a positive assessment regarding the availability of sufficient time to perform his/her function).

Role of the Management Board and Supervisory Board

[GRI 3-3] [GRI 2-12] [GPW E-P1]

The role of the Management Board of Santander Bank Polska S.A. is to:

- manage the bank's affairs jointly,
- represent the bank's interests,
- prepare business plans, approve them and monitor their implementation,
- prepare assumptions for financial plans, approve them and monitor their performance,
- define the bank's mission,
- set long-term strategic plans and objectives,
- appoint standing and ad hoc committees and designate persons responsible for managing their work,
- implement corporate governance at the bank and ensure that it is complied with,
- assess, at least twice a year, the level of compliance with the bank's ethical principles.

The responsibilities of the Management Board also include the management of climate risks and the related activities are under the control of the Supervisory Board. Among other things, these bodies approve key policies and the internal control system, and participate in the review and acceptance of risks. The Management Board is responsible for developing an ESG (environmental, social and governance) strategy covering climate risks and integrating it into the business strategy in line with the Santander Group's Net Zero strategy.

The Management Board is responsible for overseeing and approving the Responsible Banking Strategy and the integration of ESG criteria into the business strategy (in the short, medium and long term) and as part of the risk management process. The responsibilities related to the ESG agenda are distributed among the Management Board members as follows:

- management of ESG risks is the responsibility of the Vice President in charge of Risk Management Division,
- green finance matters are the responsibility of the Management Board Member in charge of Business and Corporate Banking Division,
- coordination of the Santander Bank Polska Group's activities related to Responsible Banking, including ESG quality reporting – is the responsibility of the Head of the Corporate Communication and Marketing Area, which operates outside the divisional structure,
- quantitative ESG reporting is the responsibility of the Management Board Member in charge of Accounting and Financial Control Division.

The Supervisory Board continuously supervises the bank's activities, exercises the powers provided for in the Code of Commercial Companies and the Statutes, and approves the annual and long-term plans for the bank's development, the financial plans, the bank's operating strategies and the principles of prudent and stable management of the bank drawn up by the Management Board. The Supervisory Board, in accordance with its bylaws, oversees the development, implementation and execution of the responsible banking programme and the fulfilment of regulatory requirements in the ESG area. The remit of the Supervisory Board Committees, i.e. the Risk Committee and the Audit and Compliance Committee, has also been expanded from 2024. It has been agreed that ESG risks will also be taken into account in reviewing the Group's risk profile, just like in the case of reviewing and recommending to the Supervisory Board for approval the policies relating to the overall risk management framework in place in the organisation. The Audit and Compliance Committee will review the ESG Report and the ESG ratings assigned to the bank and the Group.

Appointment of the Management Board and Supervisory Board

[GRI 2-9] [GRI 2-10] [GRI 2-17] [GRI 2-18]

The procedures for the appointment and removal of members of the Management Board of Santander Bank Polska S.A. are in accordance with:

- Commercial Companies Code,
- Banking Law,
- Statute of Santander Bank Polska S.A.,
- Policy for the Appointment and Succession of Members of the Management Board of Santander Bank Polska S.A.

Members of the Management Board are appointed by the Supervisory Board. In accordance with the regulations, the appointment of the President of the Management Board and the Member of the Management Board overseeing the management of significant risks at the bank requires the approval of the Polish Financial Supervision Authority. Members of the Management Board may be dismissed by the Supervisory Board or the General Meeting of Shareholders at any time. The term of office of the Management Board and the Supervisory Board is three years. The members of the Supervisory Board, including the Chair of the Board, are elected and dismissed by the General Meeting of Shareholders.

As part of the process of appointing a member of the Management Board, a suitability assessment is carried out - in accordance with legal provisions and the Selection and Suitability Assessment Policy for Members of the Management Board and Key Executives of Santander Bank Polska S.A. and the Methodology for Assessing the Suitability of Members of Governing Bodies of Supervised Entities, published by the Polish Financial Supervision Authority.

The Management Board and the Supervisory Board are appointed taking into account criteria that ensure the comprehensiveness and diversity of these bodies. Each Member of the Management Board is subject to an individual, independent suitability assessment and the Management Board as a whole to a collective, independent suitability assessment. These assessments are carried out at least once a year and always in the situations outlined in the Policy, including in the event of a change in the composition of the Management Board or a significant change in the responsibilities of individual Management Board Members. If a person is deemed unsuitable to serve as a Management Board Member, he or she shall immediately step down.

The Supervisory Board monitors the performance of the Management Board and its members. The process of evaluating the qualifications of the members of the Management Board and other persons performing key functions at the bank is carried out by the Nomination Committee and the Remuneration Committee of the Supervisory Board. The evaluation of the Management Board is carried out at least once a year by the Supervisory Board, which consists of five members who meet the independence criteria (half of the membership). The work of the Supervisory Board is evaluated by the General Meeting of Shareholders of the bank. Once every three years, the evaluation is carried out by an independent external entity and submitted for approval by the General Meeting of Shareholders..

All members of the Management Board have the knowledge, experience and qualifications necessary to perform their functions properly. Serving on the Management Board is the main activity of its members, although some additionally serve on the Supervisory Boards of the bank's subsidiaries, which enhances their supervision and operations. Serving on the governing bodies of entities outside the bank's Group is only possible with the approval of the Supervisory Board.

In 2023, the bank conducted specialised sustainability training sessions attended by members of the Management Board and Supervisory Board:

- ESG Risk Training
- ESG Risk New normal... to be

Training topics for members of the governing bodies included information on legal requirements and the European regulatory framework, greenwashing, decarbonisation, climate change risks and their impact on the bank's activities, including on the loan portfolio, methodologies for managing risks and the threats and opportunities they present. In addition, in 2023 Management Board members participated in conferences and events with a broad focus on sustainability and ESG, including the following events:

- Does a career have a gender? Women and men about work -a discussion panel during Impact 2023,
- Global ESG standards: Are we there yet? – a discussion panel during Impact 2023,
- Financing of energy transition projects, a speech during the 3rd Energy Law Conference,
- CEO debate in the shadow of the CJEU organised by Puls Biznesu.

The active participation of the bank's management in events devoted to sustainability topics and the presentation of our bank's and Group's approach to a wide audience fosters the exchange of experiences with ESG leaders and experts, thereby increasing the knowledge and awareness of managers and the organisation as a whole.

Committees

[GRI 2-9] [GRI 2-13]

The most important committee responsible for managing sustainability and ESG issues at Santander Bank Polska S.A. is the **Responsible Banking and Corporate Culture Committee**. Its mandate is to support the Management Board in setting the strategy and standards and managing responsible banking and corporate culture at Santander Bank Polska S.A., as well as setting and monitoring sustainability objectives for all areas of the bank's business. This committee is chaired by the President of the Management Board.

The committee members are:

- President of the bank's Management Board - Chairman of the Committee;
- Vice-President of the bank's Management Board in charge of Corporate and Investment Banking Division;
- Vice-President of the bank's Management Board in charge of Risk Management Division;
- Vice-President of the bank's Management Board in charge of Wealth Management and Insurance Division;
- Member of the bank's Management Board in charge of Retail Banking Division;
- Member of the bank's Management Board in charge of Business Partnerships Division;
- Member of the bank's Management Board in charge of Financial Management Division;
- Member of the bank's Management Board in charge of Business and Corporate Banking Division;
- Member of the bank's Management Board in charge of Digital Transformation Division;
- Member of the bank's Management Board in charge of Accounting and Financial Control Division;
- Member of the bank's Management Board in charge of the Compliance and Financial Crime Control Division,
- Head of Corporate Governance;
- Head of Legal Area;
- Head of the Corporate Communications and Marketing Area;
- Head of the Talent Management and Organisational Culture Transformation;
- Chief Employee Experience Officer;
- Head of Risk Culture Development.

The Committee has established a working group called the **ESG Forum** to coordinate the day-to-day implementation of activities related to the development and implementation of responsible banking, sustainability, ESG, corporate culture, sustainable finance, ESG risks and the climate strategy. The Forum's tasks are to analyse the challenges, opportunities and risks of the EU Sustainable Finance agenda, to plan and coordinate ESG activities and to report regularly to the Committee and the bank's Management Board (at least twice a year). Members of the ESG Forum are representatives of top management from all divisions and areas and of Santander Leasing.

In addition to the Responsible Banking and Corporate Culture Committee, the following committees are responsible for managing the bank's environmental, social and economic impact:

- Operational Risk Management Committee,
 - Disclosure Committee,
 - Information Management Committee,
 - Risk Management Committee,
 - Risk Management Forum,
 - Regulatory and Reputational Risk Committee,
 - Credit Committee,
 - Local Product Marketing and Monitoring Committee,
 - Public Policy Committee,
- General Compliance Committee.

Supervisory Board Composition

[GRI 2-9] [GPW G-P2] [GPW G-P3]

The composition of the Supervisory Board of Santander Bank Polska S.A. as at 31 December 2023 was as follows:



Antonio Escámez Torres

Chairman of the Supervisory Board (does not meet the independence criteria). The Chairman of the bank's Supervisory Board is not a member of the bank's Management Board



José Luís De Mora

Deputy Chairman of the Supervisory Board (does not meet the independence criteria)



Dominika Bettman

Member of the Supervisory Board (meets the independence criteria)



José García Cantera

Member of the Supervisory Board (does not meet the independence criteria)



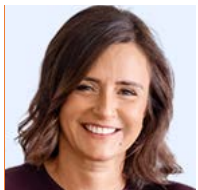
Adam Celiński

Member of the Supervisory Board (does not meet the independence criteria) (appointed on 1 August, 2023)



Danuta Dąbrowska

Member of the Supervisory Board (meets the independence criteria)



Isabel Guerreiro

Member of the Supervisory Board (does not meet the independence criteria)



David R. Hexter

Member of the Supervisory Board (meets the independence criteria)



Jerzy Surma

Member of the Supervisory Board (meets the independence criteria)



Marynika Woroszyńska-Sapieha

Member of the Supervisory Board (meets the independence criteria)

In 2023, John Power resigned from the Supervisory Board effective 1 August 2023. All members of the Supervisory Board are non-executive members and 5 members are independent.

Appointment of the Supervisory Board

[GRI 2-9] [GRI 2-10]

The Supervisory Board consists of at least 5 members appointed for a joint term of three years. Members of the Board, including its Chairperson, are elected and dismissed by the General Meeting of Shareholders.

The term of office of a member of the Supervisory Board expires no later than on the date of the General Meeting of Shareholders approving the financial statements for the last full financial year of his or her function as a member of the Supervisory Board. The term of office shall also expire upon death, resignation or dismissal. The term of office of a Supervisory Board Member appointed before the expiration of a given term of the entire Supervisory Board shall expire simultaneously with the expiration of the terms of office of the remaining Members of the Board. The Supervisory Board may appoint committees and persons responsible for directing the work of these committees. The Supervisory Board appoints from among its members the Audit and Compliance Committee, the Risk Committee, the Nominations Committee and the Remuneration Committee, and may appoint other committees to support and improve the activities of the Supervisory

Board. Detailed terms of the committee operations, including the roles and competencies of the committee chair and members, are set by regulations adopted by the Supervisory Board.

One of the bank's commitments is to ensure 40-60% female representation on the Supervisory Board by 2025. The 40% target was achieved in 2023.

Supervisory Board committees in 2023:

Audit and Compliance Committee

- David Hexter – Chairman
- Dominika Bettman
- Danuta Dąbrowska
- Jerzy Surma
- Marynika Woroszyńska-Sapieha.

Risk Committee

- Jerzy Surma – Chairman
- Dominika Bettman
- David Hexter
- Adam Celiński.

Nominations Committee

- Marynika Woroszyńska-Sapieha – Chairperson
- José Luís de Mora
- Danuta Dąbrowska
- David Hexter
- Jerzy Surma.

Remunerations Committee

- Danuta Dąbrowska – Chairperson
- José Luís de Mora
- Marynika Woroszyńska-Sapieha
- Dominika Bettman.

All of the above committees - within their respective terms of reference - are responsible for making decisions and providing oversight for the management of the organisation's economic, environmental and human impacts.



Detailed information on the bank's corporate governance, the nomination process and the independence criteria for members of the bank's governing bodies can be found in the bank's Corporate Governance Statement for 2023, the Statutes and the [regulations](#) of the Supervisory Board of Santander Bank Polska S.A. Additional information about the distribution of tasks, significant competencies, fulfilment of the independence criteria and the term of office of the members of the Supervisory Board can be found on the bank's website in the [Investor Relations](#) section.

Rules on remuneration of management

[GRI 2-19] [GRI 2-20] [GRI 2-21]

The remuneration policies for the members of the management of Santander Bank Polska S.A. ensure an appropriate level of remuneration for the Management Board and Supervisory Board members and for key executives. The adopted principles make it possible to attract, retain and appropriately motivate individuals with the competences necessary to properly manage and supervise the bank.

The remuneration of the Management Board and the Supervisory Board is governed by two documents: the Remuneration Policy for Members of the Management Board of Santander Bank Polska S.A. and the Remuneration Policy for Members of the Supervisory Board of Santander Bank Polska S.A.

The members of the Management Board receive remuneration consisting of a fixed and a variable part depending on their performance evaluation. The remuneration of the Members of the Supervisory Board is not dependent on options or other derivatives or on any other variables or the performance of the bank.

The remuneration of the Members of the Management Board is determined by the Supervisory Board taking into account the recommendation of the Remuneration Committee. This Committee determines the remuneration policy for the Members of the bank's Management Board.

In determining the remuneration of the Members of the Management Board, consideration is given, inter alia, to:

- the role performed,
- responsibilities,
- qualifications,
- professional experience,
- market competitiveness of the remuneration.

The structure of total remuneration is in line with market practices, while remuneration levels are in line with banking sector standards, taking into account the scale of the bank's operations.

The bonus system for Management Board members makes the level of remuneration conditional on an assessment of the company's long-term financial position, the long-term growth of shareholder value and the stability of the company's operations and the acceptable level of risk.

The amount of the annual bonus is determined in particular based on:

- quantitative indicators (e.g. customer satisfaction indicators, number of customers and number of loyal customers, return on equity, return on risk-weighted assets),
- qualitative indicators resulting from a qualitative analysis of financial performance and risks incurred,
- value of the potential adjustment arising from unforeseen events.

The selection of indicators and their granularity level for individual Management Board Members takes into account the scope of their individual duties and responsibilities in the bank's management process. Decisions on the allocation of variable remuneration are made based on the outcome of the assessment of their performance.

From 2021 onwards, one of the criteria for determining the amount of the bonus awarded to members of the bank's Management Board is the achievement of strategic objectives in the field of responsible banking and ESG. One of the strategic directions in the period between 2021 and 2023 written into the objectives charter as mandatory was Safety & Trust. It pertained to ESG, among others. The KPIs by which its achievement is measured include green finance, position in the Top 10 employers, number of women in managerial positions and closing the pay gap between female and male employees (Equal Pay Gap). Another factor taken into account is the progress made in a given year in three key areas:

- promoting diversity,
- facilitating access to financial services and financial education, and
- developing a 'green' product offer.

On the basis of the indicators and assessment of the performance of the individual tasks in the WHAT, HOW and RISK categories and the respective weights assigned to these objectives, a score is determined. This score is subject to adjustment by a multiplier proposed by the Remuneration Committee of the Supervisory Board and approved by the Supervisory Board. The multiplier is derived, among other things, from an assessment of the three-year outlook.

Since 2022, the Santander Bank Polska Group Incentive Programme VII has been in place for employees of Group companies who make a significant contribution to their value. The aim of the programme is to motivate the achievement of business and quality objectives in line with the Group's long-term strategy. The programme - which will run until 2026 - will strengthen the link between employees and the Group, as well as encourage them to be particularly attentive to the Group's long-term interests. Due to the deferral of variable remuneration payments, share buybacks and the transfer of shares to participants will continue until 2033.

Participants in the Incentive Programme are obligatorily all persons with the status of Identified Staff members of the Santander Group (i.e. persons with key functions, designated in accordance with Article 22aa(10) of the Banking Law). The list of other key participants is drawn up by the Members of the Management Board and approved by the bank's Supervisory Board, with the participation of other employees in the programme being voluntary.

Under the programme, upon fulfilment of certain conditions, an award is granted as a component of variable remuneration in the form of the bank's own shares. To this end, between 2023 and 2033, Santander Bank Polska will acquire up to 2,331,000 own shares.

The total variable remuneration awarded for a calendar year to the members of the Management Board may not exceed 100% of the fixed remuneration awarded for the calendar year in question. In exceptional cases, this limit may be increased to a maximum of 200% of the fixed remuneration, subject to the approval of the General Meeting of the bank's Shareholders.


Variable remuneration – awarded on the basis of bonus regulations – is paid in cash and in the form of financial instruments. The value of the payment in the form of financial instruments may not be less than 50% of the total variable remuneration payment.

Payment of at least 40% of each variable remuneration component shall be deferred for a period of five years. A malus clause may be applied to the deferred portion of the variable remuneration if performance-related or risk-changing situations arise.

Upon expiry of their mandate, removal from office or non-appointment to a new term of office, the members of the Management Board are entitled to severance pay. The right to severance pay does not apply in the event of resumption of employment within the bank's structures, dismissal for disciplinary reasons, as well as resignation or failure to receive a vote of acceptance for the performance of duties.

The bank does not offer members of the Management Board, Supervisory Board or senior management any special retirement benefits and does not have any pension or benefit obligations of a similar nature in relation to these individuals.

More information about the remuneration of Supervisory and Management Board members, Incentive Programme VII and the bank's shares held by members of the Management Board can be found in our Corporate Governance Statement for 2023.



▶ The ratio of the total annual remuneration of the highest paid individual in the organisation to the median annual total remuneration including all employees (excluding the highest paid individual) is 1:34.35 (the disclosure includes the undeferred portion of variable cash remuneration paid in 2023 for 2022). If the full amount of variable remuneration awarded in 2023 for 2022 was taken into account, the ratio would be 1:63.77*. In 2022, this ratio was 1:50 and was 13.7 percentage points lower.

The ratio refers to Santander Bank Polska S.A. The figure does not include data for the Santander Bank Polska Group. Work is underway to calculate the consolidated indicator in subsequent years.

ESG Governance – What matters to us

Values and ethics

[GRI 3-3] [GRI 2-16] [GRI 2-24] [GRI 2-25] [GRI 2-26] [GPW G-P4] [GPW G-P6]

General Code of Conduct and whistleblowing channels

Santander Bank Polska Group operates ethically. A key document in this respect effective since 2013 is the publicly available [General Code of Conduct](#) in which we define in detail the principles of work ethics in our organisation, present examples of behaviour that are desirable in specific situations and clearly communicate the consequences of breaching ethical standards. The Code's standards are addressed to all persons employed by the bank under an employment contract or cooperating with the bank under a civil law contract, including top management and members of the bank's management and supervisory bodies (hereinafter collectively referred to as "employees").

Selected issues regulated by the General Code of Conduct:

- | | | |
|--|---|--|
| <p>1 corporate culture – the Santander Way approach and the T.E.A.M.S. philosophy</p> | <p>2 equal opportunities and non-discrimination</p> | <p>3 an inclusive and respectful working environment</p> |
| <p>4 prevention of conflicts of interest</p> | <p>5 handling of confidential information and personal data</p> | <p>6 behaviour in the media and during public appearances</p> |
| <p>7 procedures applicable to securities markets</p> | <p>8 maintaining fair and responsible relationships with competitors</p> | <p>9 cyber security</p> |

10 responsible use of social media

11 reliability and transparency of financial information

12 control of employee expenditure

13 respect for intellectual and industrial property rights

14 sales of banking products and services

15 relations with suppliers and intermediaries

16 gifts and invitations from third parties

17 prevention of financial crime

18 cooperation with public authorities

All employees are required to familiarise themselves with the provisions of the Code and to abide by them. The principles described in the document are presented during onboarding training, and they are also periodically refreshed during mandatory training courses, such as the bank's obligatory training course General Code of Conduct, Anti-Corruption and Prevention of Criminal Liability Risks.

The provisions of the Code are complemented by the Group's internal documents:

- Code of Conduct in Securities Markets,
- Anti-Money Laundering and Countering the Financing of Terrorism Policy,
- Anti-Bribery and Corruption Policy,
- Conflict of Interest Policy,
- Whistleblowing Policy,
- Respect and Dignity Policy.

The bank's Compliance function supported by the Human Resources function is responsible for the development, implementation and application of the General Code of Conduct. Observance of the Code is overseen by the Regulatory and Reputational Risk Committee, the Management Board and the Audit and Compliance Committee of the Supervisory Board. The Code is reviewed annually. In 2023, no changes were made to the Code.

One of the areas regulated in the Code and elaborated upon in the "Whistleblowing Policy" is the issue of reporting violations of the law and corporate standards. Employees may use for this purpose the following channels, also on an anonymous basis:

- KLAkson application,
- ethical helpline,
- dedicated mailbox,
- letters sent by post to the address indicated in the internal rules.

The channels are operated internally, only in certain situations can submitted reports be forwarded to an external expert for examination. All information sent, including the identity of the whistleblower, is treated as confidential. The whistleblower has the choice to report the case by name or anonymously. Once the information gathered has been clarified and verified, disciplinary or other action may be taken against the persons concerned. In accordance with the Group's internal regulations it is prohibited to take repressive measures or draw any consequences against whistleblowers. The Group also applies the good industry practices compiled in the "Code of Banking Ethics", developed by the Polish Bank Association.

[Custom indicator: Number of reports of irregularities and/or issues for investigation to the ethical mailbox and helpline]



In 2023, we received 143 reports through whistleblowing channels (including the ethical mailbox, the app and the helpline).

At Santander Bank Polska S.A., the Chief Compliance Officer acting under the authority of the bank's Management Board is responsible for the operation of the whistleblowing procedures and designated employees of the compliance function (Compliance and Financial Crime Control Division) and authorised employees receive reports and take follow-up action.

With regard to the communication of material issues to the bank's governing bodies, at least once every six months the Member of the Management Board in charge of the Compliance and Financial Crime Control Division informs - through periodic reports - the President of the Management Board and the Supervisory Board of material reports received through whistleblowing channels. Reports deemed material include, but are not limited to:

- matters relating to persistent or repeated or large-scale irregularities in the application of procedures or in the execution of processes,

- issues that may give rise to a risk of criminal, civil or administrative liability of the bank or expose the bank to regulatory sanctions, and
- reports that contain information causing a high reputational risk for the bank, the Santander Bank Polska Group or the Santander Group.

The whistleblowing channels mentioned above are intended for persons employed by the bank under an employment contract or a civil law contract, including top management and members of the bank's management and supervisory bodies. These channels are also used by analogous persons in subsidiaries (Santander Factoring sp. z o.o., Santander Leasing S.A., Santander Towarzystwo Funduszy Inwestycyjnych S.A.).


For example, at Santander Factoring sp. z o.o. "Whistleblowing policy" based on the regulations of Santander Bank Polska S.A. takes into account the specific nature and organisational structure of the company. Among other things, special forms and applications have been implemented to enable open reporting of violations of applicable regulations and suspicious customer behaviour that may result in the commission of a criminal offence (so called anti-frauds).

At Santander Leasing S.A., reports sent through whistleblowing channels provided by the bank are dealt with by special units of the bank with the participation of Santander Leasing S.A.. Complaints submitted by customers directly to the company are handled by its business units. Santander Leasing S.A. also maintains records of breaches of regulations and incidents that pose a reputational risk to the company.

At Santander TFI S.A. the Internal Audit and Compliance Department is authorised to receive reports of violations, take follow-up action and manage the operation of procedures for anonymous reporting of violations.

Santander Consumer Bank S.A. also has channels in place for reporting violations of the law, as well as internal regulations and ethical rules. These include mailboxes and the external application Sygnanet. Violations can be reported there by current and former employees, job candidates, trainees and interns, members of Santander Consumer Bank's bodies and suppliers. Responsibility for receiving reports lies (depending on the channel of reporting) with either the bank's CEO and designated employees of the Compliance Department or the Supervisory Board or designated members of the Supervisory Board.

[Custom indicator: List of key activities and initiatives implemented in the bank during the year to increase employees' knowledge of the bank's ethics and corporate culture] [GRI 2-25]



Activities to prepare employees to report irregularities in the workplace continued in 2023 and included:

- a communication campaign to promote ethical attitudes, the "Speak Up" culture and ways to report violations and irregularities,
- the Ethics and Relations Office's educational activities for managers with a series of articles based on lessons learned from reports submitted through whistleblowing channels,
- series of articles for employees on discrimination and webinars on bullying,
- meetings between the Director of the Ethics and Relations Office and the members of the Management Board to discuss the conclusions and recommendations drawn up on the basis of the cases reported by employees.

Conflicts of interest

[GRI 2-15]

The conflict of interest policies in place in the Santander Bank Polska Group are based on the regulations implemented in the parent company. The "[Policy of Preventing Conflicts of Interest at Santander Bank Polska S.A.](#)" elaborates the provisions of the "General Code of Conduct" by requiring all employees to give priority to the interests of the Group, customers and other stakeholders, which they may under no circumstances subordinate to their private interests.

According to the Code, employees and company management are bound by, among other things:

- prohibition of special treatment or offering special terms of employment due to personal or family ties,
- prohibition on deriving additional benefits from a position held in the Group, except in explicitly permissible cases,
- prohibition from participating in the approval of transactions or influencing transactions with parties associated by economic or family ties acting as beneficiaries or guarantors.

The Policy of Preventing Conflicts of Interest at Santander Bank Polska S.A. also regulates cases of conflict of interest:

- between customers,
- between the bank and its customers,

- resulting from the relationship between a subsidiary and the bank acting as the parent company,
- between Group entities and members of their governing bodies,
- with significant shareholders of subsidiaries,
- between the bank and its suppliers, third parties or major business partners,
- between the bank's functions and/or business units,
- between two subsidiaries,
- between members of the bank's Supervisory Board or Management Board, or between members of these bodies and other employees (arising, among other things, from non-business relationships, kinship or affinity),
- between the bank and related parties other than the ones mentioned above.

At Santander Bank Polska S.A., potential conflicts of interest are assessed by experts from the Compliance and Financial Crime Control Division. They have the right to request certain data or information on personal or professional conditions that may affect the performance of employees' duties and their decisions.

Members of the bank's Management and Supervisory Boards prevent conflicts of interest in the first place by avoiding professional activities that may lead to their occurrence. They are also not allowed to take part in the resolution of matters where a conflict of interest involving them has arisen or may arise. They are furthermore obliged to inform the bank of such situations. The issues of possible conflicts of interest concerning the members of the Management Board and the Supervisory Board are examined prior to their appointment to these bodies and as part of the regular, follow-up suitability assessments.

In accordance with generally applicable laws, the bank discloses in its periodic financial statements to stakeholders information about:

- membership in management boards/ supervisory boards of other organizations,
- ownership of shares in supplier companies and other stakeholders,
- existence of majority shareholders in the company,
- related parties, relationships and transactions with them, as well as maturing receivables.

We provide information on the assessment of the suitability of members of the bank's Management Board and Supervisory Board to the Polish Financial Supervision Authority. In accordance with our policies on the suitability of members of the bank's authorities, we re-assess whether a member of the Management Board or Supervisory Board devotes sufficient time to his/her duties when the member takes on an additional executive role or begins to carry out other relevant activities, including political activities. The assessment of the suitability of Supervisory Board members is made at the General Meeting of shareholders and the documents are published on the dedicated website.

In addition, the bank fulfils its disclosure obligations related to the information about significant shareholdings in cases specified in the Public Offering Act. The topic of disclosure of conflicts of interest is also addressed in the Regulations on Investing by or for the account of Related Persons in Financial Instruments at Santander Bank Polska S.A.. It obliges persons acting in a managerial capacity and persons closely related to them to notify the Polish Financial Supervision Authority and the bank of any transaction for their account in respect of the bank's shares, the bank's debt instruments, derivatives or other related financial instruments.

This policy applies to the bank and is the reference document that other entities should follow in dealing with the issues raised in it. Group companies are required to use this document as the basis for all policies, procedures and regulations that they develop and implement in the area concerned, while making any changes required to bring its provisions into line with local rules, recommendations and instructions issued by supervisory authorities.

Anti-corruption policies

[GRI 205-2] [GRI 205-3] [GPW G-P5]

Corruption prevention issues are described in the Group-wide 'General Code of Conduct' which used to be supplemented by the "Anti-Corruption Programme". In December 2023 the programme was replaced by the "Anti-Bribery and Corruption Policy (ABC)" updating the training matters in this area. All of our Group companies operate according to the principle of Zero Tolerance for Corruption, and the regulations implemented relate, inter alia, to:

- gifts and invitations given to public officials,
- gifts and invitations given to employees,
- relations with third parties,
- application of additional control mechanisms,
- channels for reporting violations of rules.

In 2023, there was not a single case of corruption in the Group, nor were there any legal proceedings for corrupt practices against companies or their employees.

We want both our anti-corruption policies and our position on this issue to be known to all Group employees, as well as to members of the governing bodies. In parallel to communicating the procedures as part of the standard internal regulation communication process, we also organise mandatory anti-corruption training. In 2023, training was available for Group employees on the following topics:

- General Code of Conduct,
- Anti-Corruption Programme / ABC Policy,
- Guidelines on gifts and invitations,
- Corporate Defense.

Results of the implementation of the Santander Bank Polska Group’s communication and training activities focusing on anti-corruption policies and procedures

	Number of employees by job category	Number of employees to whom anti-corruption policies and procedures have been communicated	% of employees to whom anti-corruption policies and procedures have been communicated	Number of employees who have received anti-corruption training	% of employees who have received anti-corruption training
Group (including the Bank)	12,072	11,799	98%	11,677	97%
Members of the bank’s Management Board	11	11	100%	11	100%
Representatives of the bank’s senior management*	64	64	100%	63	98%
Representatives of the bank’s middle management**	1,369	1,369	100%	1,357	99%
Other employees of the bank***	8,602	8,602	100%	8,495	99%
Total for the bank	10,046	10,046	100%	9,926	99%

* Employees excluding members of the Management Board and middle management of Santander Bank Polska S.A.
 ** Other managers of Santander Bank Polska S.A.
 *** Employees on long-term leave of absence are not included

Members of the bank’s governing bodies trained in anti-corruption / to whom anti-corruption policies and procedures have been communicated

	Percentage of governing body members to whom the organisation’s anti-corruption policy and procedures have been communicated	Percentage of governing body members who have received anti-corruption training
Management Board	100%	100%
Supervisory Board	100%	0%
Total	100%	52%

We do not collect data on the communication of anti-corruption procedures to business partners across the Group. We do not collect data by region.

Integrating ESG into the organisation's risk management system

[GRI 2-6] [GRI 3-3] [GRI 2-25] [PRB 2 - Impact and Target Setting] [PRB 3 - Clients and Customers] [PRB 5 - Governance & Culture] [GPW I-P2] [GPW I-P3] [GPW I-P4] [GPW E-P1] [Custom indicator: Description of the bank’s approach to implementing ESG regulatory requirements into its business strategy] [Custom indicator: Description of policies, procedures and results of climate risk exposure testing]

When making decisions, we take into account various ESG risks. The management of these risks is part of a broader, comprehensive risk management process at Santander Bank Polska Group. This system is based on three independent and complementary levels, the so-called lines of defence. All implemented solutions:

- take into account the bank’s exposure to risks,
- cover all relevant risks, including environmental, social and governance risks,

- cover the adequacy and effectiveness of the risks and the interdependencies of the different risk types,
- enable the bank to make effective decisions on the implementation of its management strategy.

In 2023, significant changes took place in the area of ESG risk management at Santander Bank Polska S.A.. Responsibility for these risks has been assigned to the Risk Management Division, and the person responsible at the Management Board level is the Vice President in charge of this division. ESG risks have been included in the division's strategy (by defining channels for their transmission to traditional banking risks) and in the division's regulations in terms of tasks and responsibilities.

To ensure that the ESG risk management area is properly organised within the division, an ESG Risk Management Office has also been established. Among other things, the office is responsible for integrating the ESG risk management approach into the bank's existing internal risk management framework. This includes the integration of ESG issues into the credit risk assessment process, the valuation of collateral and subsequent monitoring. The Office is also tasked with supporting the implementation of the bank's strategy in respect of ESG aspects, particularly with regard to the emissivity analysis of the loan portfolio, as well as through the development of policies and analytical tools to support clients in their transformation towards a low-carbon economy. The office's activities are also aimed at mitigating greenwashing risks through oversight of internal processes, certification of sustainable finance and ongoing collaboration with the reputational risk function.

Climate change risks and their impact on operations

Proper definition of the risks associated with climate change is necessary to take action to increase resilience to these risks. It also provides a way to better exploit the opportunities associated with the challenges posed by climate change in order to improve the growth dynamics, financial performance and image of the Group. In line with TCFD recommendations, climate change risks are identified and analysed under two categories: physical and transition risks.

Physical risks

Physical risks arise from the increasing severity and frequency of extreme weather events, such as violent storms or floods (acute physical risks). In many sectors, these can cause direct damage to assets and disruption to infrastructure. Such risks can also affect companies indirectly, by necessitating a change in their business profile, increasing costs (e.g. insurance) or even preventing them from operating.

The second group of physical risks are those associated with gradual and prolonged changes in climate patterns over the medium to long term, particularly as a result of increases in average temperatures (chronic physical risks). In this category, the agricultural sector has an inherent exposure, due to an increase in the risk of land erosion, which has an impact on the quality and quantity of the yields achieved. In the medium to long term, the deteriorating hydrological situation of Poland and the threat of drought is also a risk factor. Lack of adequate water retention systems and water shortages can have a number of negative effects. They may affect various sectors of the economy, including, inter alia, the energy sector (e.g. thermal power plants using river water in cooling systems may have to reduce energy production during periods of drought). Deterioration of hydrological conditions may also mean an increase in fire risk and potential losses in timber production, among other negative impacts.

Transition risks

Transition risks relate to the transition towards a low-carbon economy, in line with the goals of the Paris Agreement and the strategic direction set by the European Green Deal. Such a transition implies major structural changes in the global economy, entailing many risks, including rapidly emerging losses from so-called stranded assets. The consequences of these processes are complex and multidimensional, making the assessment of transition risks difficult but extremely important. From the Group's perspective, these risks can affect the Group both directly and indirectly through their impact on the Group's customers.

Regulatory risks are one category of transition risks. They relate to the revision of regulations aimed at preventing climate change and promoting adaptation to climate change. New, stricter regulations that will force climate-friendly solutions may lead to higher operating costs for some companies. Sectors dependent on coal and other fossil fuels, on which the Polish energy mix is predominantly based, are particularly vulnerable to these risks. Regulatory risks arise from the rising cost of CO₂ emissions, stricter reporting and data collection requirements and even regulatory changes imposing restrictions on the operation of some particularly carbon-intensive businesses. A risk not yet so widespread in Poland, but already noticeable in Western European countries, are lawsuits brought, for example, by NGOs. These are aimed at holding companies legally responsible for contributing to climate change or combating so-called greenwashing. The risk of litigation applies largely to companies operating in the most harmful and carbon-intensive sectors.

Technological risks are another group, as decarbonisation and the transformation of the economy will require support in the form of technological innovation. For many companies and industries, profound technological change may mean the loss of asset and infrastructure value and the need to invest in R&D and the implementation of new technologies.

The economic transformation and structural changes also involve market risks. Changes in the demand and supply of raw materials and commodities will affect their prices and, as a result, the production costs of companies. Consumer choices and the wider macroeconomic environment, including the competitiveness of the economy or the level of interest rates, will also be subject to change.

The final group of transition risks are reputational risks. These relate to increased consumer awareness and unethical or unconscious greenwashing actions on the part of businesses.

Analysis and assessment of the transmission of climate risks to banking risks

Climate risks and ESG risks in general have not been set aside as a separate category of risks relevant to Santander Bank Polska Group. The approach used is to analyse and assess the transmission of climate risks to banking risks, in line with TCFD recommendations. The results of the analysis are presented in the table below.

Impact of physical risks	Impact of transition risks	Approach to risk management
Credit risk		
Climate risk can negatively affect borrowers and reduce their ability to service their debt. More frequent and intense weather emergencies and natural disasters may furthermore reduce the value of the loan collateral.	EU or national regulation may reduce the debt-servicing capacity of business borrowers operating in certain sectors, primarily in high-carbon industries such as: <ul style="list-style-type: none"> • energy, • oil & gas, • transport. 	We integrate ESG risks into the credit risk assessment and monitoring process, both at the customer level and at the loan portfolio level. In the following sections of this report, changes are described that are gradually being introduced into the credit process. ESG considerations are becoming increasingly important in sectoral analyses and strategies.
Market risk		
Risk of losses arising from changes in the value of the bank's assets and liabilities caused by natural disasters and sudden weather events.	An increase in the cost of CO ₂ emissions may drive up costs for some companies (particularly in carbon-intensive sectors such as energy and oil & gas). This may lead to a reduction in revenue for these companies and, consequently, a decline in investment capacity which in turn, may result in fewer loan applications. Regulatory pressures may indirectly affect the financial market by reducing investment in selected customer groups.	Due to the current structure of its trading book, the bank does not identify a quantifiable impact of ESG factors on market risk. This means that there is no significant impact of supply, demand or instrument prices, on the bank's performance results or on the level of risk incurred. At the same time, the bank has an ongoing agenda to analyse whether the impact of ESG factors on market risk is becoming material, in particular with regard to potential changes in the structure of the trading book.
Liquidity risk		
Climate change, including natural disasters and sudden weather events, can cause a surge in demand for cash.	No significant impact of transition risk was identified.	Appropriate procedures have been defined so that ESG risks are included in the annual liquidity adequacy assessment process (ILAAP), in which we estimate net outflows.
Operational risk		
Sudden weather events may affect the conduct of business at bank branches (e.g. flooding, power outages).	Higher energy costs may increase the burden on the bank (e.g. increase in the cost of space rental).	ESG risks are identified, valued and monitored as part of the risk self-assessment process. They are mandatory risks in this process. As part of the scenario analyses, a scenario is examined that assumes the materialisation of events caused by ESG factors. Under current regulations, the bank's units are required to report ESG events to the operational event database. In November 2023, operational risk indicators monitoring ESG risks were included in the reporting.
Business risk		
No significant impact of physical risk was identified.	In the short term, there is an increase in costs associated with the transition to a low-carbon economy. Some of these costs are passed on to consumers, which may reduce their willingness and/or ability to take out consumer loans (e.g. to buy new cars). Regulation and changes in customer decisions can create new opportunities to offer products or services. Failure to take appropriate action may lead to an exodus of customers to competitors.	The impact of transition risks on the bank's business operations is analysed on an ongoing basis, which is reflected in the bank's strategic actions and product offering.
Reputational risk		
No significant impact of physical risk was identified.	Continued financing of sectors negatively perceived by regulators, the market and rating	We pay particular attention to the transparent communication of sector policies.

agencies (mainly carbon-intensive industries) may negatively affect the bank's rating.

We apply reputational risk management policies.
We seek to engage clients in addressing climate change and environmental conditions.
We conduct appropriate analysis in terms of reputational risk and analyse clients' climate strategies.

Compliance risk

No significant impact of physical risk was identified.

Regulatory pressures are likely to intensify, which may increase in-house and/or consultancy costs as a result of meeting the obligation to comply with new regulations. In the event of non-compliance with the new regulations, there may be a risk of fines imposed by market regulators.

We are constantly reviewing the regulations affecting our bank and are fully compliant with the requirements set by EU and national regulators.
As part of the global Santander Group, we are part of the Net Zero Banking Alliance.

Risk materiality analysis – materiality matrix

A new methodology for identifying sectors vulnerable to climate risks and assessing the materiality of climate risks for these sectors was adopted in 2023. Sectors with the highest exposure to climate risks were identified based on TCFD and UNEP FI guidelines. The table below shows the list of identified sectors (excluding those with negligible contribution to the bank's portfolio¹¹):

Sector	Examples of sub-sectors
Agriculture	Crop growing, animal farming, horticulture, forestry
Industrial processing	Food, beverages, tobacco, wood products, chemicals, plastics, building materials, machinery
Mining and metallurgy	Mining of coal and metal ores, coke production, metal and steel production
Fuel sector (oil and gas)	Mining, processing, distribution, integrated companies
Electricity generation and supply, with a distinction between conventional and renewable sources	All energy sources: coal, gas, oil, nuclear, solar, wind, biomass, energy distribution
Real estate, construction, mortgages	Mortgage lending to individuals, commercial property financing, construction
Transport	Production of cars and trucks and other means of transport, shipping, air transport, rail transport, road transport

Similarly to the previous year, we have treated renewable energy generation as a separate sector. In 2023, we further identified mortgage lending as a separate category. The sectors identified in the above process and the mortgage portfolio were assessed as relatively sensitive to climate risks. The remaining sectors and the portfolio of retail loans other than mortgages were assessed as relatively insensitive to climate risk.

A materiality matrix of climate risks was developed for the identified sectors, which became the basis for reporting for the Business and Corporate Banking (BCB), Corporate and Investment Banking (CIB) and Small and Medium-Sized Enterprises (SMEs) portfolios and for the mortgage portfolio (other portfolios will be included in the assessment as the methodology evolves).

The resulting materiality matrix is currently used in the process of reporting the materiality of climate risks in the portfolio. In the next stages, we envisage applying it to other processes (including as part of the environmental and social risk assessment at the individual client level). Further work on refining the analysis of climate risks aims to include quantitative assessments and incorporate them into the Risk Dashboard - aggregated risk information presented at the level of the bank's Management Board and Supervisory Board. Ultimately, the results of the materiality analysis will be used to define risk appetite.

Strategy resilience – Sensitivity of sectors to climate risks

In 2023, the bank carried out an analysis of the portfolio sensitivity to climate risks, taking into account an assessment of the sensitivity of the most exposed sectors included in the portfolio. The analysis was carried out over three time horizons – short (2030), medium (2040) and long (2050). In contrast to the analysis carried out in previous years, it was decided to use the climate scenarios defined by the Network for Greening the Financial System (NGFS). This group of central banks and supervisors determined to work towards a better understanding

¹¹ Such as car loans and leases for private customers and water supply.

and management of climate risks already brings together more than 130 institutions (including the largest ones such as the European Central Bank, the Bank of England and the US Federal Reserve System). The following three scenarios¹² were considered:

- **The scenario of limiting the temperature increase to below 2°C** assumes that a gradual tightening of climate policy (with 67% probability) will succeed in limiting the average temperature increase to this level. This scenario belongs to the category of Orderly Transition scenarios;
- **The delayed transition scenario assumes no decrease in emissions by 2030** and a limited range of negative emissions. Limiting the temperature increase to below 2°C will require very strong climate policy action in this scenario. This scenario belongs to the category of Disorderly Transition scenarios,
- **The scenario based on the implementation of current policies** assumes that the measures implemented to date will be continued, but that the targets remaining at the declaration level will not be met. The materialisation of this scenario will be associated with a high level of physical risks. This scenario belongs to the category of Hot House World scenarios.

Following the approach recommended by the TCFD, the analysis considered the main risks from both categories: physical risks (PR) and transition risks (TR). In 2023, the methodology for assessing climate risks was refined (for a description of the risk materiality analysis methodology by sector, see Risk management, Risk materiality analysis). Risks were assessed on a scale of 1 to 5 (where 1 means very low risk and 5 means very high risk). The analysis was qualitative, but carried out from a double materiality perspective, i.e. considering the channels of the bank's impact on climate change and the impact of climate change on the bank's performance. The methodology and scope of this analysis is being continuously enhanced to reflect more and more accurately the impact of climate risks on the bank's portfolio.

The evolution of physical and transition risks in the 11 sectors most sensitive to climate risks in which Banco Santander clients are active was analysed. Nine of these 11 sectors are materially represented in Santander Bank Polska S.A. The table below shows the results of this analysis, together with a presentation of the materiality of each sector in the bank's portfolio. The results of the analysis carried out due to the change in methodology are not directly comparable to those presented in the ESG 2022 Report, partly because the taxonomy of sectors sensitive to climate risks has been changed. The process of integrating the results of the analysis carried out into the risk management system is underway, in particular taking into account their integration into risk tolerance and application to the credit process.

¹² Defined by NGFS in Phase III in September 2022.

Sectors sensitive to climate risks	Quality assessment*		Transition risks (RT)									Physical risks (RF)									Current sector share in the segment **			
	TR	PR	Orderly			Disorderly			Hot House World			Orderly			Disorderly			Hot House World			BCB	CIB	SME	Retail customers
			2030	2040	2050	2030	2040	2050	2030	2040	2050	2030	2040	2050	2030	2040	2050	2030	2040	2050				
Oil and gas	High	Low	High	High	High	Low	High	High	High	Average	Low	Low	Low	Average	Average	Average	Average	Average	Average	0.5%	10.8%	0.0%		
Mining and metallurgy	High	Low	High	High	High	Low	High	High	High	Average	Low	Low	Low	Average	Average	Average	Average	Average	Average	12.6%	12.4%	7.4%		
Energy – power generation from conventional sources	High	Average	High	High	High	Low	High	High	High	Average	Average	Average	Average	Average	Average	Average	Average	Average	Average	0.8%	25.9%	1.1%		
Renewable energy generation (RES)	Low	Average	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	0.0%	8.6%	0.0%		
Transport	High	Low	High	High	High	Low	High	High	High	Average	Average	Average	Average	Average	Average	Average	Average	Average	Average	13.1%	4.9%	20.0%		
Consumer car loans and leasing***	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low					
Agriculture	Average	Average	Average	Average	Average	Low	Average	Average	Average	Low	Low	Low	Low	Low	Low	Low	Average	Average	High	1.9%	0.5%	32.6%		
Industrial processing	Average	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	35.6%	21.6%	16.8%		
Water supply***	Average	Average	Average	Average	Average	Low	Average	Average	Average	Low	Low	Low	Low	Low	Low	Low	Average	Average	High	1.6%	0.0%	1.1%		
Construction	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	14.7%	8.6%	17.9%		
Real estate and mortgages	Average	Low	Average	Average	Average	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	19.0%	5.4%	3.2%	100%	
Total																				100%	100%	100%	100%	

* For the purpose of a rapid assessment of the portfolio structure, a simplified materiality matrix at the aggregate macro-sector level may also be used.

** Portfolio structure at the end of 2023.

*** The Consumer Car Loans and Leasing and Water Supply sectors are locally immaterial to the bank's portfolio.

BCB – Business & Corporate Banking

CIB – Corporate & Investment Banking

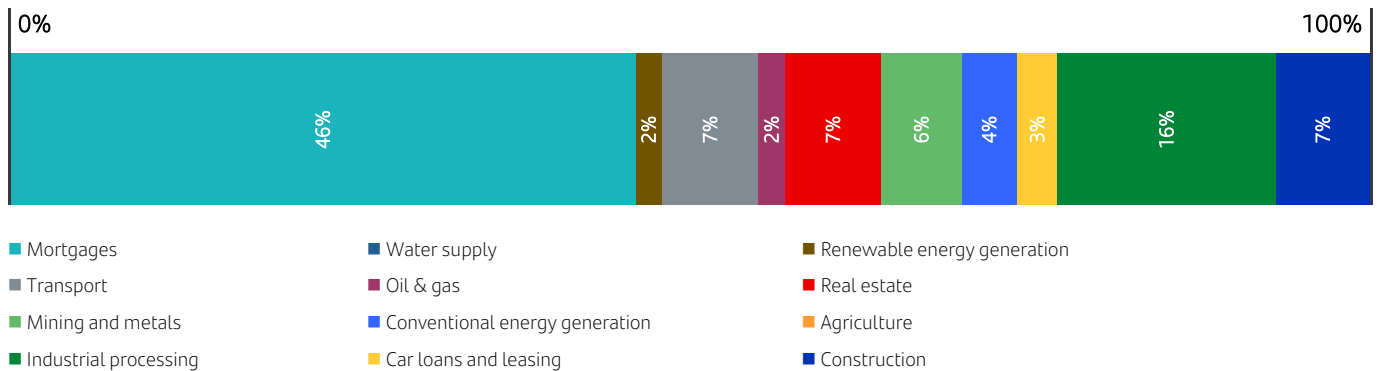
SME – Small and Medium-sized Enterprises

Risk:

- Very low (1)
- Low (2)
- Average (3)
- High (4)
- Very high (5)

The share of each sector in the total climate-sensitive portfolio at the end of 2023 is shown in the chart below. Mortgages account for the largest share (46%), followed by the industrial processing sector (16%).

Sectors exposed to climate risks – the bank's portfolio structure at the end of 2023



Projects are still underway to assess transition and physical risks in a systemic and quantitative way at client level. We are estimating the emissivity of all the bank's business customers and retail mortgage products. With this, we have started a detailed estimation of transition risks and are defining actions dedicated to key parts of the portfolio. This also allows us to integrate environmental aspects into standard portfolio analysis processes, and to set targets and funding limits at appropriate levels.

The Santander Bank Polska Group has identified climate-related risks and opportunities as having an impact on financial instruments and has incorporated them into its main risk management processes. The impact of climate change on the Group's operations has been defined at a high level, but as part of the refinement process, further elaboration of this analysis is planned to include more in-depth quantification of the impact of the aforementioned risks.

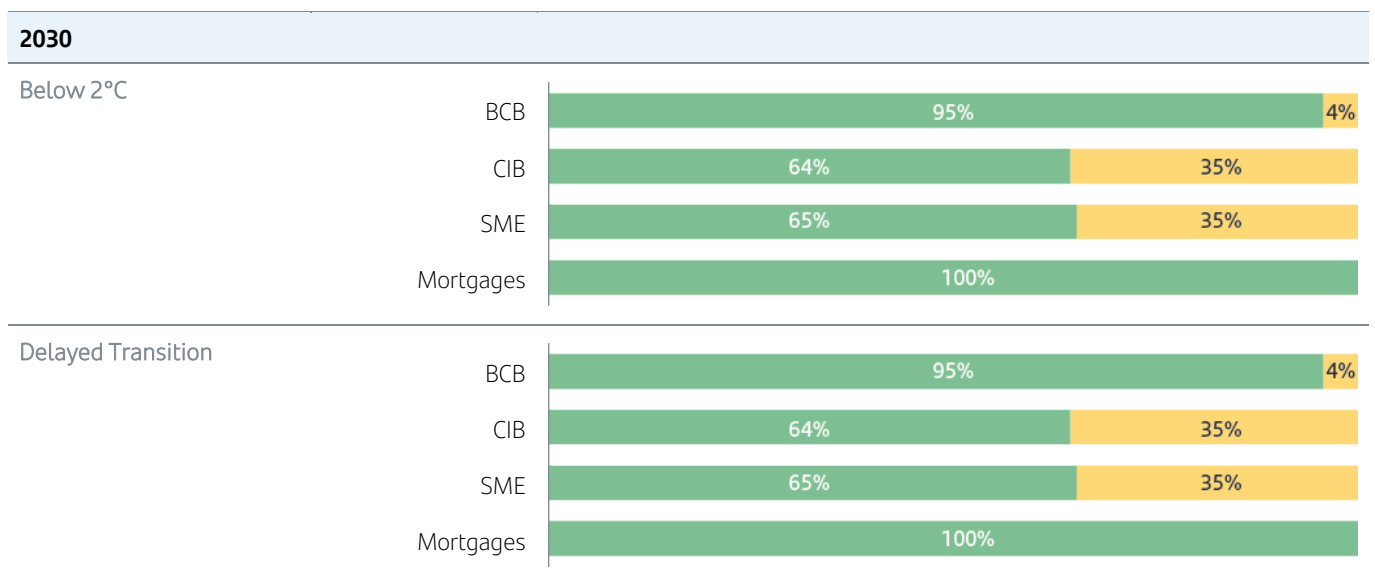
Portfolio exposure to climate risks

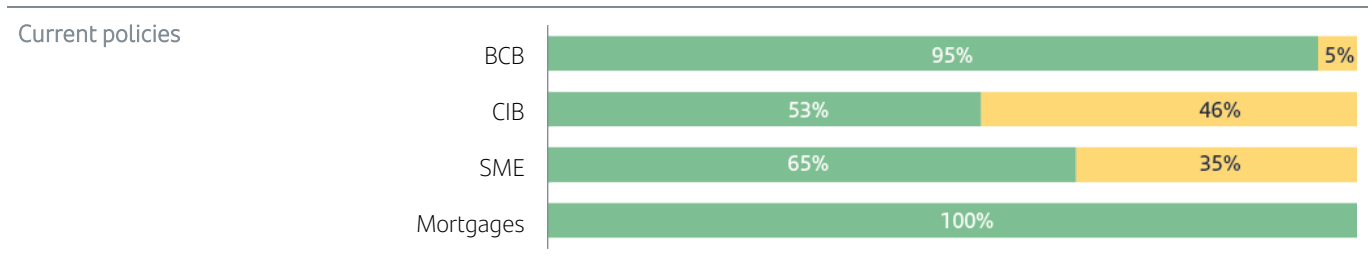
Our calculation of climate risk exposure answers the question about the proportion of sectors from different risk categories in our portfolio of each segment (Business and Corporate Banking, Corporate and Investment Banking and Small and Medium-sized Enterprises). In doing so, we assume that the portfolio structure will be the same as at the end of 2023.

Physical risks

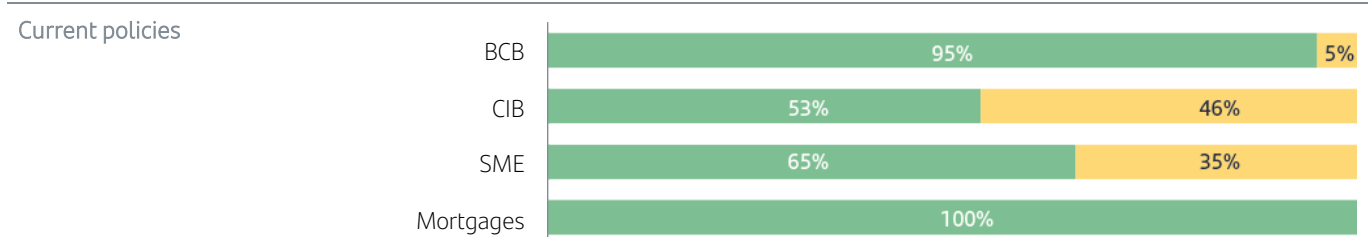
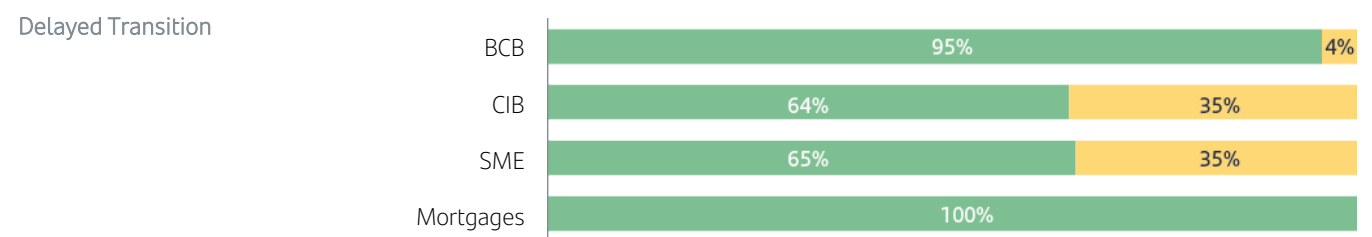
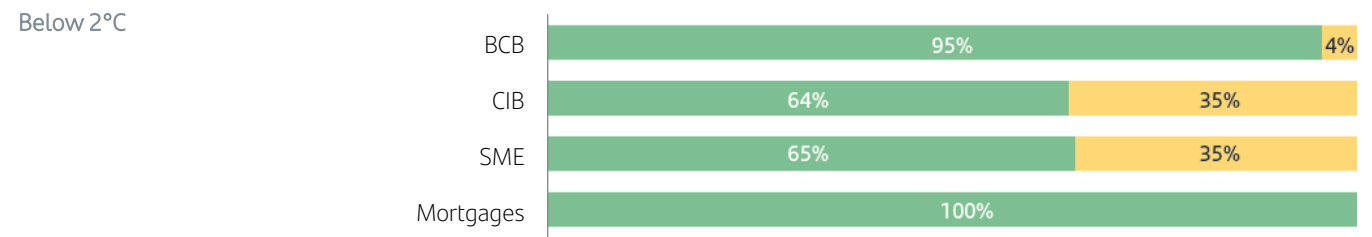
The charts below show the exposure of each segment to physical risks, as shown in the legend below.

Risk:

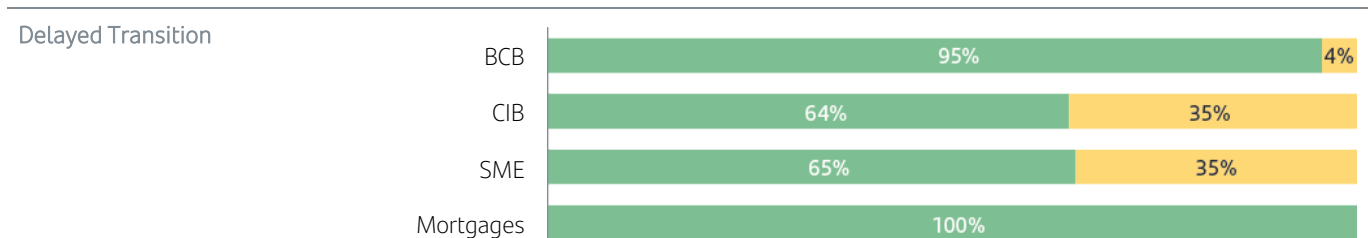
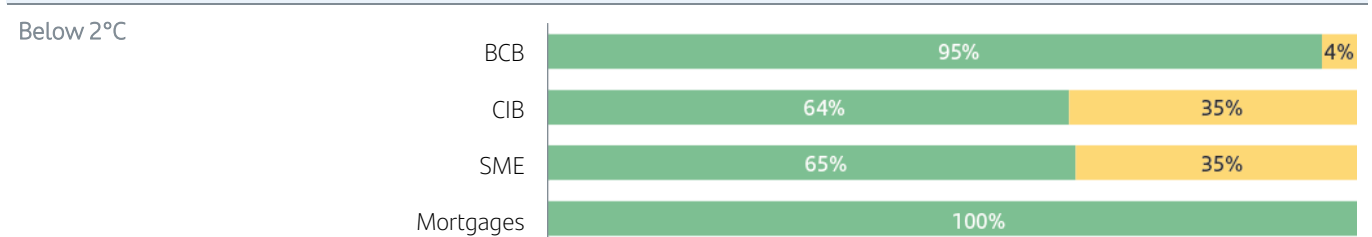


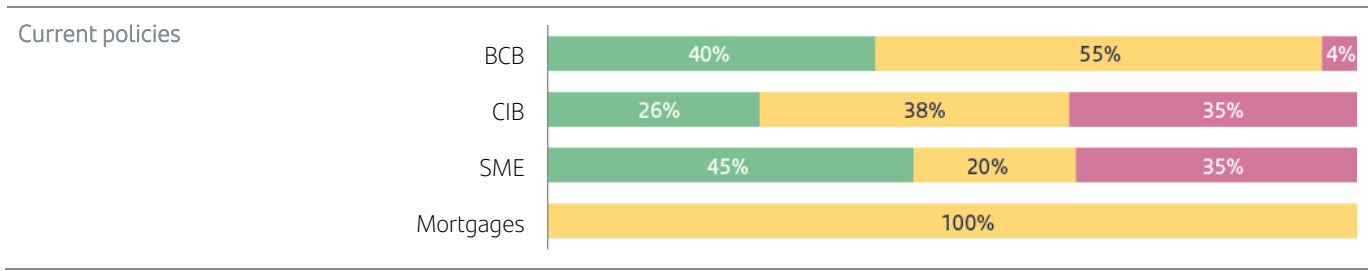


2040



2050



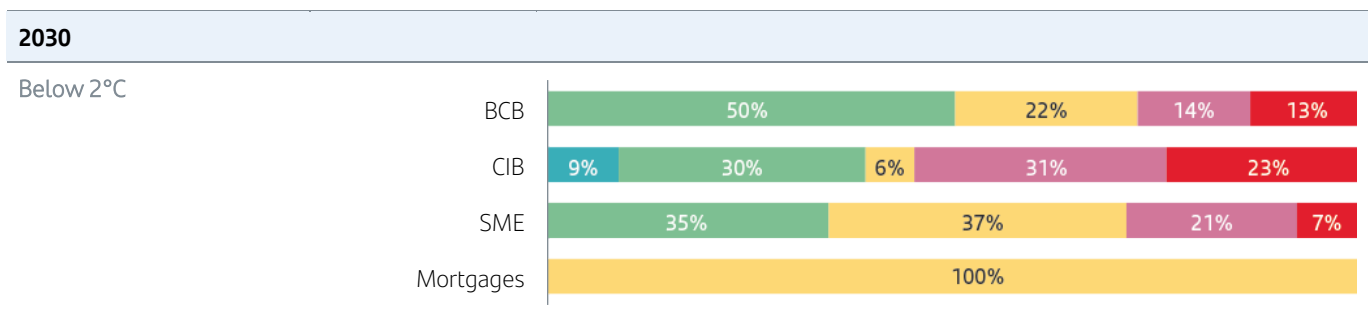


In most scenarios, the portfolio will be predominantly made up of sectors rated as 'low risk'. A slightly higher risk rating ('medium risk') applies to the energy and RES, as well as agriculture and water supply sectors, hence the higher share of this category and exposure in the corporate and investment banking (CIB) and SME segments. This applies to the entire period of analysis, as significant materialisation of physical risks according to the assumed NGFS scenarios will only occur after 2050. The exposure would be somewhat different in the Hot House World scenario, in which higher risk ratings also apply to the oil & gas sector and several other sectors in 2050, as physical risks may materialise a little faster in this scenario.

Transition risks

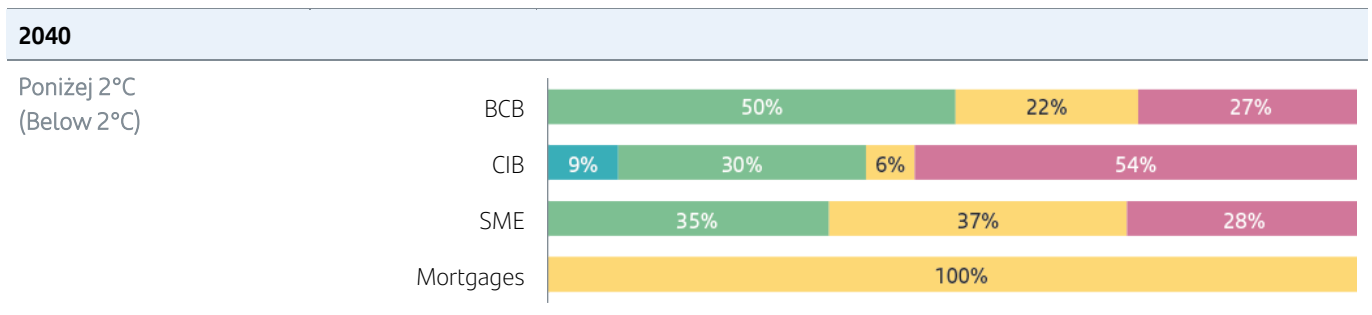
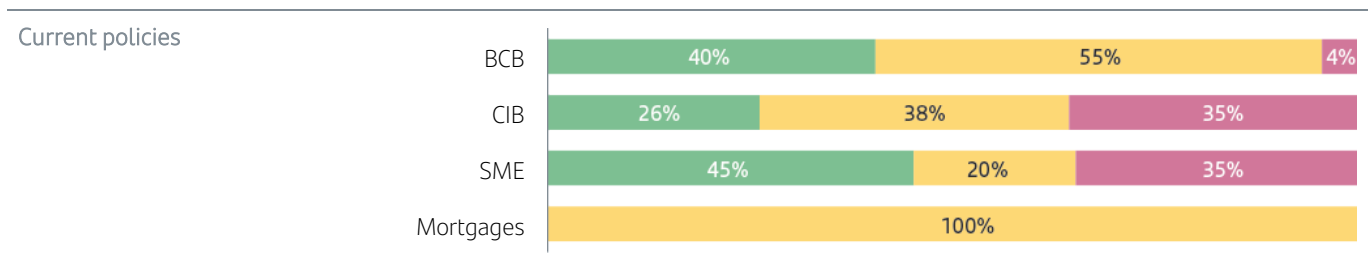
We then carried out a similar analysis for transformational risks. The charts below show the exposure to transformation risks assuming the same portfolio structure (at the end of 2023).

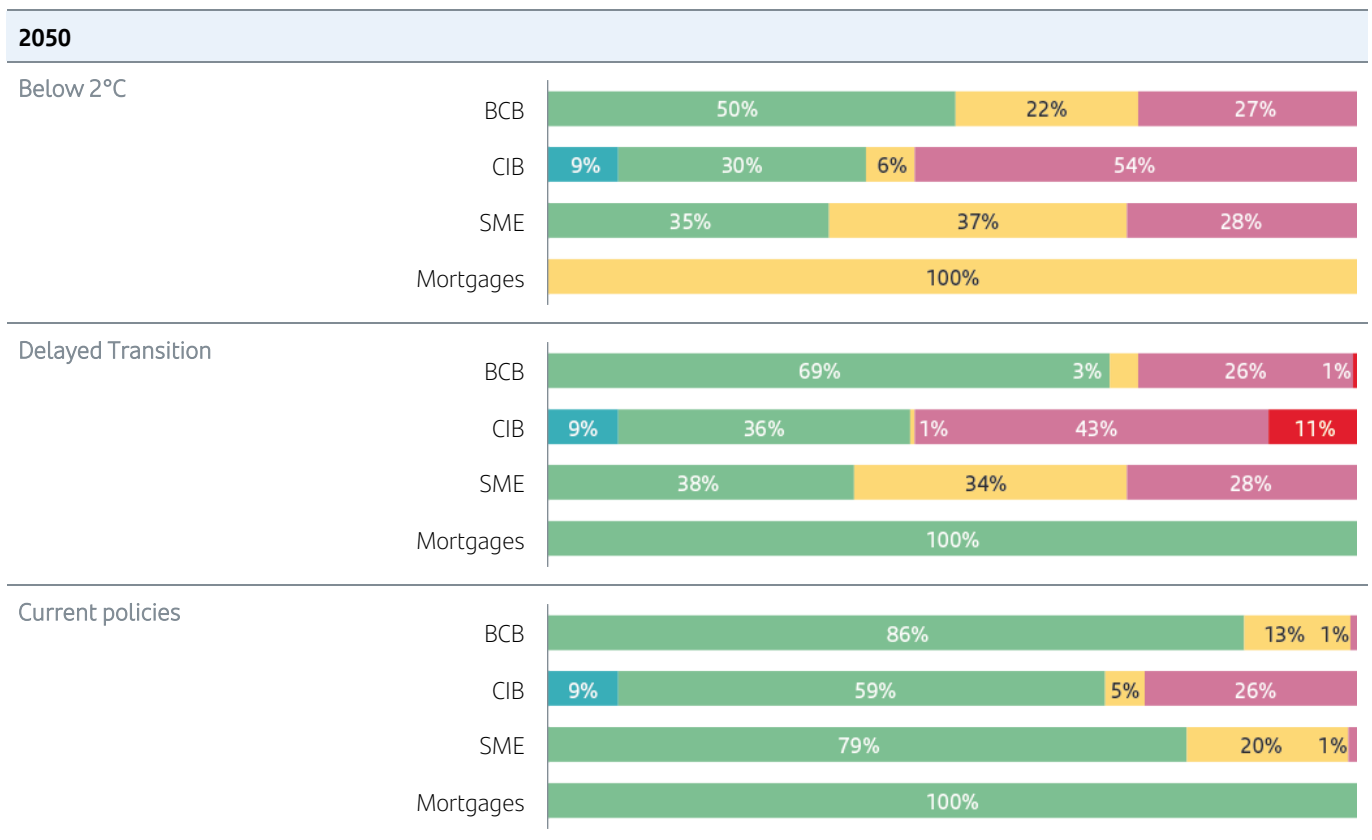
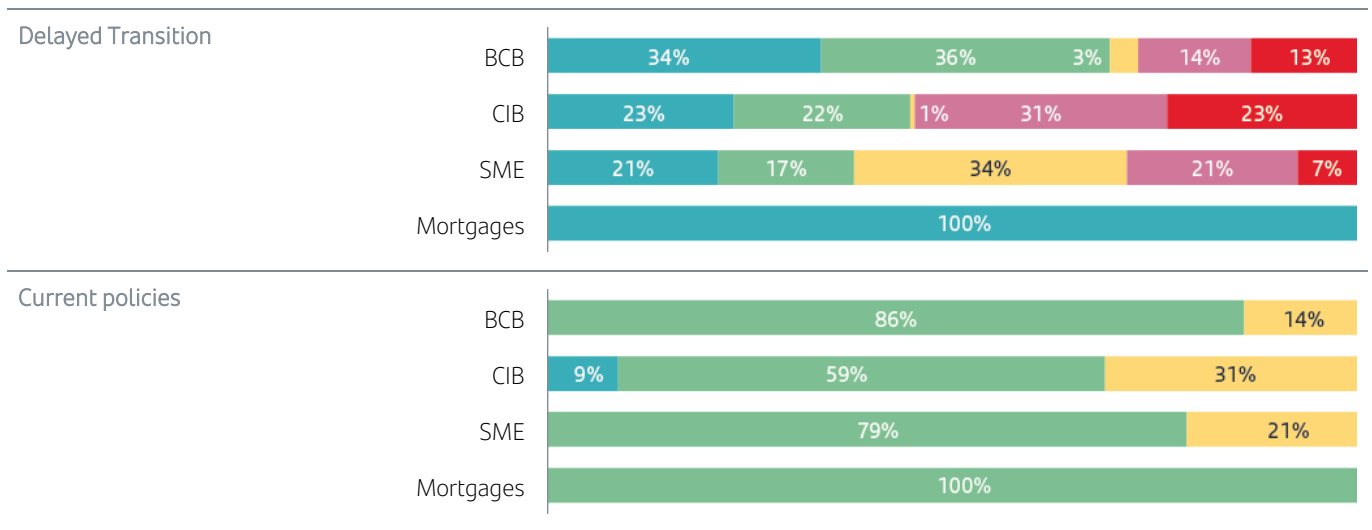
Risk:



Delayed Transition

The scenario has not been defined for 2030





In the Orderly Transition scenario, the portfolio's exposure to transition risks is slightly higher in the short term, due to the very high risk rating for the oil and gas sector and the metals and mining sector. In the medium and long term, the risk assessments for these two sectors are slightly lower, hence the lower portfolio exposure across all segments. Exposure is highest for the Corporate and Investment Banking (CIB) segment (due to the relatively high share of the energy and metals and mining sectors in the portfolio). In the other segments, the exposure stems from the share of the transport sector and, in the case of Business and Corporate Banking (BCB), additionally from the significant share of the metals sector.

In the Disorderly Transition scenario, exposure to climate risks is highest in the medium term - over 20% of the Corporate and Investment Banking portfolio will be categorised as very high risk (13% for the Business and Corporate Banking segment). To compare, this category is not present in this time horizon when the transition takes place in an orderly manner. In the long term (2050), the share of the very high-risk category will be much smaller (entirely absent in the BCB and SME portfolio).

The last scenario under consideration (Hot House World) does not assume rapid and ambitious climate policy action, which results in significantly lower ratings of transition risks compared to the other scenarios. The exposure of the portfolios in this scenario will decrease

somewhat further in the medium term. Only for the portfolio of the Corporate and Investment Banking (CIB) will the exposure increase in the 2050 horizon, driven by the contribution of the energy sector.

The bank and Group entities considered the risks associated with climate change when preparing their financial statements in accordance with International Financial Reporting Standards and other necessary disclosures. Based on the analysis performed, there was no material impact of environmental issues on the financial statements as a whole.

Climate opportunities

The opportunities ahead of the Group are particularly related to the development of the RES market and the possibility to invest in projects and businesses in this sector, as well as the possibility to be involved in the financing of transport electrification projects, including the uptake of electric and low-emission cars and low-emission public transport. The opportunity to engage in financing decarbonisation projects for the bank's clients is also an important prospect. New business opportunities identified in the longer term will be related to cooperation with companies taking part in the transformation of the Polish energy sector and the development of advisory services for the selection of low-carbon solutions for the agribusiness sector and the development of financial services in this area.

ESG in risk management processes

Climate risk management is part of a wider, comprehensive risk management process at Santander Bank Polska Group. In line with the results of the material risks identification and update process completed in the first quarter of 2023, climate risks have not been set aside as a separate category of these risks. Channels of transmission of climate risks to banking risks were identified, including credit, compliance, reputational, business and operational risks. The analysis of risk transmission channels is being enhanced all the time and the perspective of the impact analysed is now being extended to include market risk for the trading book and liquidity risk. The application of this approach has an impact on the process of estimating and quantifying material risks.

ESG risks are also taken into account in the bank's annual Risk Profile Assessment process.

The process of reporting the materiality of climate risks for the portfolio, based on the materiality matrix described above, will continue to be refined and deepened. The first quantitative report on the materiality of climate risks based on the new methodology was presented to the Credit Risk Committee in the fourth quarter of 2023. Following modifications planned for the first half of 2024, a summary of materiality assessment results by physical and transformational risks will also be included in the main risk report, which currently contains qualitative information on climate risks and ESG risks in general.

Preparations are also underway for a climate stress test in 2024, which will take into account both the transition risks materialisation scenario and additional factors associated with the materialisation of physical risks.

Data used in the management of ESG risks

Santander Bank Polska is implementing a project for the systemic collection of data on climate risks and ESG data in a wider sense, in support of its risk management processes. We use external databases for this purpose, including the Central Register of Energy Performance of Buildings and databases maintained by the Credit Information Bureau. We also work with external data providers. The process of acquiring the first iteration of the data should be completed in the first half of 2024. Information on the quantitative assessment of climate risks (and ESG risks more broadly) is gradually being integrated into the processes of identification, valuation and monitoring of banking risks. ESG risk indicators are already included in analyses of operational, market and liquidity risks.

Credit risk

Climate risk issues are increasingly being integrated into risk assessment at the stage of credit processes.

As part of the Policy for the management of social, environmental and climate change risks, the following procedures have been defined for the analysis of ESG risks:

- the Environmental, Social and Climate Change Risk Analysis applicable to customers of the Corporate and Investment Banking (CIB) segment,
- the Environmental and Social Risk Analysis procedure for BCB Customers, applicable to customers of the Business and Corporate Banking segment.

The ESG risk assessment aims to assess the customer's ability to manage all ESG risks allowing for an analysis of the impact of the customer's actions on their mitigation.

The risk analysis for the global client segment is carried out locally, in line with the solutions used in the Banco Santander Group. An individual ESCC (Environmental Social & Climate Change) risk analysis is performed. It applies to transactions or clients operating in the sectors defined in the Social, Environmental and Climate Change Risk Management Policy, in particular including the oil and gas, energy, mining and metals and soft commodities sectors. The ESCC risk analysis and the resulting recommendation is taken into account in the client's credit application and is a component of periodic reviews. New sensitive sub-sectors are integrated into this process, such as automotive and food and chemical sectors (in particular plastic production and agrochemicals).

In addition, for customers from sectors with high CO₂ emissions, a structured analysis of plans to transform operations towards lower carbon emissions is carried out. The analysis includes customers from such industries as energy, coal mining, airlines and steel production. Moreover, for international corporate clients, the analysis of physical and transition risks is taken into account in a qualitative part of the client rating process. If these factors have a significant impact on the credit risk assessment, an appropriate description is added to the rating.

For project finance, an analysis in line with the Equator Principles, a market standard and common language for assessing environmental and social risks in projects among large financial institutions worldwide, is applied. This assessment is carried out as part of the ESCC Risk Analysis for Financed Projects, a procedure implemented in 2023, in cooperation with the business line and ESCC analysts. As a first step, it identifies a project category, which depends on the potential impact on environmental and social issues. This is followed by an environmental and social impact analysis, the granularity of which depends on the category assigned. The recommendation resulting from the analysis becomes part of the credit application.

For other corporate customers, a largely automated algorithm is now used. It enables the preselection of climate risks, based on which customers receive statuses within specific areas, so-called environmental flags. These are assigned to all customers as part of a portfolio analysis conducted on the basis of the characteristics of individual companies (including the section of the Polish Classification of Activities in which they operate). In addition, if a potentially elevated ESG risk is identified by any participant in the credit process (banker, credit analyst or Credit Committee), a request for additional individual analysis is made to the ESG Risk Management Office (this process has not yet been formalised).

Further work is planned for 2024 to comprehensively integrate ESG factors into the structured risk assessment process for Business and Corporate Banking customers. The implementation of the relevant solutions should take place in the third and fourth quarters of 2024. As a next step, an appropriate translation of this process to the SME segment will be developed in line with the principle of proportionality.

With regard to retail customers, the bank is primarily working on expanding the data held and analysed on transition risk and the risk of changing consumer preferences with regard to the mortgage portfolio. This data will also be key to developing the assessment of ESG risks (including climate risks) in the business property segment.

Collateral valuation

Work is also currently underway to collect data to properly reflect climate risks in collateral valuation, in line with the letter received from the PFSA in March 2023 communicating supervisory expectations in the ESG area. Market solutions and guidelines for property valuations are monitored on an ongoing basis, but at the moment there are no uniform standards. Work on defining an internal methodology for the impact of climate risks on collateral valuation is scheduled for the second half of 2024. This will ultimately allow the definition of procedures resulting in a requirement for external appraisers to provide certain data and reflect the identified risks in property valuations.

As of January 2024, the bank has a standardised and streamlined process for obtaining building energy performance certificates for properties securing the repayment of a loan, if the purpose of the loan is the same as the collateral property. This process will allow for the massive acquisition of energy efficiency and CO₂ emissions data at property level.

Projects are also underway to obtain data from external sources, regarding, for instance, physical risks at the municipality level, including chronic and acute risks, relevant climate scenarios and time horizons, and data from a central register of building energy performance.

Security of services, transactions and customer data

[GRI 3-3] [GRI 418-1] [GPW G-D1]

Santander Bank Polska Group processes significant amounts of customers' personal data and other confidential and sensitive information for the purpose of providing financial services. In 2023, the bank had 3,497,000 digital customers. We meet the highest national and EU standards for protecting data from cyber threats. Our comprehensive IT security system is based on best practices and state-of-the-art technology solutions. Our information security management system is certified to ISO/IEC 27001:2013 and includes oversight of

information security in Santander Bank Polska Group's business environment and assessment of specific information security requirements and IT systems.

We monitor IT security regulations and technologies and adapt our systems to changing conditions on an ongoing basis. This enables us to continuously improve our internal transactional systems and the tools that our customers are willing to use on a daily basis.



We monitor compliance and complaints from external stakeholders. In 2023, the Santander Bank Polska Group received four legitimate complaints from third parties regarding breaches of customer privacy and no complaints from administrative authorities. We recorded 8 cases of data leaks (loss) in 2023.

How we took care of cyber security in 2023:

[Custom indicator: Actions implemented to ensure cyber security]

We promote awareness of online financial security among customers and to the public at large. In 2023, we regularly published information on the most common cyber threat scenarios and tips on how to protect against them in Santander Bank Polska S.A.'s social media and online and mobile banking platforms. These activities reached more than four million users, including - for the first time - also customers between the ages of 13 and 17. For those who use the Internet less often, we prepared a campaign dedicated to IT security conducted on the radio (5.5 million viewers) and television (5.7 million viewers). The Santander Bank Polska S.A. brand ambassador Piotr Adamczyk became its face and voice. An animation displayed on TV screens promoting the 5 principles of cyber security is also a regular feature in the bank's branch network.

In 2023, we also prepared training courses on cyber threats for Private Banking clients and senior citizens. In addition, in cooperation with the Warsaw Banking Institute, we organised an online event for primary and secondary school students, which was attended by more than six thousand people. The bank also participated in the Bakcyl programme, where cyber security issues were discussed during classes taught by volunteers.

Bank delegates were speakers at conferences, including the Woman in Tech Summit 2023 and The Hack Summit 2023.

At Santander Leasing S.A., we monitor the security of systems and applications and conduct periodic 'phishing' tests and ethical hacking. Cyber security topics are also part of training for new employees.

Human rights due diligence policies and processes and their outcomes

[GRI 2-23] [GPW S-P8]

The respect and protection of human rights in the Santander Bank Polska Group is regulated by the "[Responsible Banking and Sustainability Policy](#)" which in October 2023 replaced two previous documents, the Sustainability Policy and Human Rights Policy. The provisions of the Policy emphasise the relevance of our commitments to stakeholders and explain the processes for applying social, environmental and corporate governance standards in line with the Responsible Banking Model. The Policy outlines Santander Bank Polska S.A. and the Santander Bank Polska Group's approach to responsible banking and sustainable development. It sets out the principles, commitments, objectives and strategy with regard to shareholders, employees, customers, suppliers, social issues, the environment, diversity, fiscal responsibility, respect for human rights and the prevention of corruption and other illegal activities.

In the area of relations with employees:

- preventing discrimination and practices that violate human dignity,
- refraining from the use of forced labour and child labour,
- respecting the right of association and collective bargaining,
- fair conditions of employment

In the area of relations relations with customers and suppliers:

- equal treatment of customers,
- equal treatment of suppliers

In the area of relations with communities:

- fight against corruption,
- community involvement.

The international standards underpinning the Responsible Banking and Sustainability Policy include:

- Equator Principles of the International Finance Corporation ,
- Universal Declaration of Human Rights,
- United Nations Global Compact,
- Principles for Responsible Banking (UNEP FI),
- UN Sustainable Development Goals,
- UN Guiding Principles on Business and Human Rights,
- OECD Guidelines for Multinational Enterprises,
- Fundamental Conventions of the International Labour Organisation (ILO),

Santander Bank Polska S.A., Santander Factoring sp. z o.o. and Santander Leasing S.A. are subject to the provisions of the Social, Environmental and Climate Change Risk Management Policy of Santander Bank Polska Group. The document identifies the types of activities that we will not support with our financial services and products (the so-called exclusion list). The other companies in our Group have adopted their own procedures in this regard based on this policy. In particular, Santander Consumer Bank S.A., which operates as a separate entity subject to the provisions of the Banking Law and the supervision of the PFSA, has adopted solutions appropriate to its risk profile and business model.

Sustainable supply chain

[GRI 308-1] [GRI 414-1] [GRI 2-6]

In accordance with the Responsible Banking and Sustainability Policy at Santander Bank Polska Group, we promote respect for ESG commitments throughout the supply chain.

The most important regulations related to the supply chain management of the Group companies are as follows:

	Santander Bank Polska S.A.	Santander Leasing S.A.	Santander Factoring Sp. z o. o.	Santander Consumer Bank S.A.	Santander TFI S.A.
Santander Bank Polska Purchasing Policy	+		+		+
Supplier Selection Procedure of Santander Bank Polska S.A.	+		+		+
Policy on Cooperation with Suppliers and Outsourcing at Santander Bank Polska S.A.	+				+
Responsible Banking and Sustainability Policy	+	+	+	+	+
Procedure for Supplier Management and Outsourcing at Santander Bank Polska S.A.	+		+		+

In its dealings with suppliers, Santander Bank Polska S.A. takes into account compliance with the principles of fair and equitable treatment, transparency and integrity. Suppliers are expected to implement policies on ethics and compliance with the law, anti-corruption mechanisms and initiatives to ensure business integrity, health and safety standards, workplace diversity and inclusiveness, as well as adherence to the UN Universal Declaration of Human Rights and the principles of the UN Global Compact.

When qualifying suppliers for collaboration, we verify, among other things.:

- whether they diversify their revenues and do not become dependent on the bank;
- whether they have relevant certifications, e.g. on environmental protection and labour relations,
- ESG policies and codes of ethics in place, anti-corruption proceedings and programmes implemented and reports published,
- an ethical approach to finances - we check whether they pay employee contributions, taxes and amounts due to contractors.

We aim to ensure that, ultimately, all the companies that make up the Santander Bank Polska Group include social and environmental criteria in their supplier selection processes. In 2023, such assessments were carried out by selected Group companies:

Group companies incorporating sustainability criteria in the supplier selection procedure

	Santander Bank Polska S.A.	Santander Consumer Bank S.A.	Santander Leasing S.A.	Santander Factoring Sp. z o. o.	Santander TFI S.A.
Social criteria	+	+	-	-	-
Environmental criteria	+	+	-	-	-

At Santander Bank Polska S.A., part of the procurement process is a CSR questionnaire, which bidders participating in tender procedures are obliged to complete. In 2023, we continued to work on the transition from a CSR survey to an ESG survey, as announced in previous reports, which will reflect current expectations towards suppliers.

Key indicators reflecting the performance of the procurement process policies in 2023:

	Bank	Group
Number of suppliers with an annual turnover of more than PLN 50,000	1,640	2,146
Including the number of suppliers subject to qualification	1,010	1,281
Percentage of suppliers - Polish or foreign companies with registered office or branch in Poland	89.50%	n/a
Number of completed purchasing processes	384	570
Percentage of new suppliers that have been reviewed for environmental criteria	100%	75.90%
Percentage of new suppliers who have been reviewed for social criteria*	100%	61.90%

* Each bidder is obliged to complete a CSR survey.

Environment and Climate

Environmental and climate strategies and policies

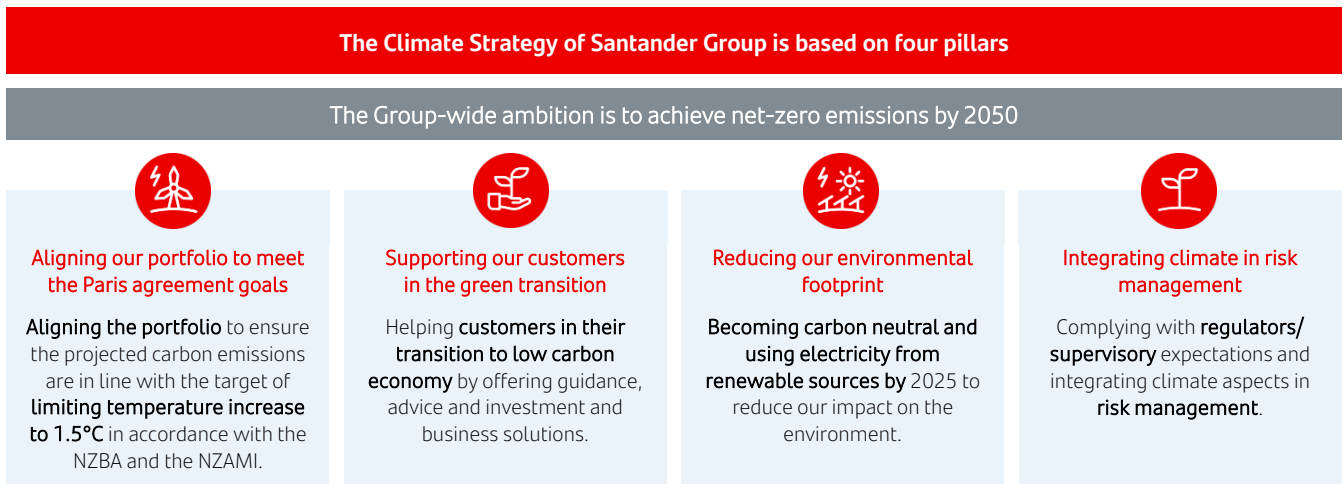
[GRI 2-23] [GRI 2-24] [PRB 2 - Impact and Target Setting] [GPW E-P5]

The most important documents concerning the management of the environmental impact of Santander Bank Polska Group are:

- Group Net Zero strategy
- Responsible Banking Strategy (effective 2021-2023),
- We Help You Achieve More business strategy 2024-2026 ,
- Responsible Banking and Sustainability Policy,
- Social, Environmental and Climate Change Risk Management Policy,
- sector policies,
- Sustainable and Responsible Investment Policy and Policy of Engagement with Listed Companies and Application of Corporate Governance Measures" (of key importance at Santander TFI S.A.),
- Global Sustainable Bond Framework Policy,
- Green Bond Framework Policy.

Santander Group's climate strategy and Net Zero strategy

In the Santander Bank Polska Group, we implement the climate strategy of the Banco Santander Group and operate in line with the Net Zero strategy promoting alignment of our portfolio with the objectives of the Paris Agreement and the policies of the European Union which emphasize the major role of the financial sector in combating climate change. We want to achieve net zero emissions by 2050 and this objective applies to the entire value chain of the Santander Bank Polska Group.



The Net Zero strategy envisages:

- discontinuation of financing for energy companies with more than 10% of their revenue derived from coal-fired power generation from 2030 at the latest,
- discontinuation of lending services to thermal coal producers by 2030,
- supporting customers in the transition process through comprehensive financing for renewable energy sources and the development of adequate financial products.

We aim to achieve the targets set by the Group's Net Zero Strategy in the medium and long term on the basis of identified and implemented decarbonisation levers. We are pursuing these by reducing the Group's internal emissions (resulting from, among other things, electricity consumption and business travel) and emissions related to the financial services provided - lending, advisory or investment services.

Responsible Banking Strategy

Our strategic commitment implemented in 2023 under the 'Green Bank' banner was to prioritise environmental protection in our external and internal operations. The Group is developing sustainable financial products and solutions, supporting the transition to a low- and zero-carbon economy and aligning operations with international environmental requirements.

Responsible Banking and Sustainability Policy

In matters related to environmental impact, our Group operates according to the prudence principle. This approach is described in the Responsible Banking and Sustainability Policy which describes our actions and commitments in this regard. In line with this policy, acknowledging the community's right to live in a healthy and clean environment, we are committed to minimising the environmental impact of our activities by:

- analysing and identifying negative environmental impacts as part of the risk assessment process of financial and investment activities in a manner consistent with applicable international standards,
- gradually building transaction portfolios in line with the idea of promoting and financing a low-carbon and climate-resilient economy, which is necessary to halt global warming,
- managing the environmental impact generated by the bank's infrastructure by applying management systems based on international regulatory standards, taking into account continuous improvement, and by controlling the most important aspects of consumption, waste and emissions.

The following internal actions are taken by the Group within the framework of its Responsible Banking and Sustainability Policy:

- promoting environmental protection based on international regulatory standards and a system of continuous improvement – at the bank we are in the process of preparing for ISO 14001 environmental certification. In 2023, the documentation was prepared. In the first quarter of 2024, employee training and then the certification process is planned. Santander Leasing is ISO 14001 certified.
- setting indicators for systematic improvement in the efficiency of environmental management and decarbonisation targets for the most polluting areas of our own operations,
- measuring and monitoring the consumption of natural resources, emissions and waste production at most Santander Bank Polska S.A. sites.

The actions taken in respect of external stakeholders include:

- reducing the financing of activities that can have a direct impact on the environment and society and cause long-term effects related to climate change,
- establishing responsible relationships with customers to encourage sustainable business activities that create wealth for current and future generations,
- encouraging suppliers to commit to environmental protection and the transition to a low-carbon economy.

Social, environmental and climate change risk management policy

The Santander Bank Polska Group analyses environmental and social risks for clients operating in the oil and gas, energy, mining and metals and soft commodities sectors. These matters are governed by the Social, Environmental and Climate Change Risk Management Policy, which sets out the criteria for identifying, assessing, monitoring and managing social and environmental risks and details our standards for investing and collaborating with clients operating in industries with the greatest impact on the climate.

The criteria apply to customers in all segments (Corporate and Investment Banking, Business and Corporate Banking, Small and Medium Enterprises) and are binding for the entire Santander Bank Polska Group in relation to financing, advisory services, capital management, asset management and insurance. The Social, Environmental and Climate Change Risk Management Policy also identifies the types of activities in the aforementioned sectors subject to prohibitions or restrictions. These include:

- sourcing and processing of indigenous timber or palm oil without appropriate certification,
- any project or activity involving oil and gas extraction, power generation or transmission, mining and metallurgy, manufacturing infrastructure, plantations or other major infrastructure projects that put at risk areas classified as wetlands protected by the Ramsar

Convention¹³, UNESCO World Heritage Sites¹⁴ or protected areas recognised by the International Union for Conservation of Nature (IUCN) as Category I, II, III or IV areas¹⁵,

- projects that, in accordance with IFC Performance Standard 7 - Indigenous Peoples¹⁶ require free, prior and informed consent (FPIC), do not meet the IFC 7 performance standard and do not have a credible action plan to ensure compliance.

These are however not the only sectors analysed by the Group from an environmental and social perspective. For more information on procedures in the context of risk management, see the subsection 'Climate risks in credit processes'.

Environmental protection – what matters to us?

Aligning the portfolio to the Net Zero 2050 targets

[GRI 3-3] [GRI 2-23]

In line with the Group's Net Zero 2050 Strategy, we are working to align our portfolio with the objectives of the Paris Agreement, TCFD recommendations and European Union policies. In addition, our activities are underpinned by international and EU initiatives and guidelines related to promoting sustainable transformation, including:

- UN Sustainable Development Goals,
- EU Taxonomy Regulation,
- Sustainable Finance Disclosure Regulation (SFDR),
- Corporate Sustainability Reporting Directive,
- UNEP Finance Principles for Responsible Banking,
- Equator Principles,
- Aspects relevant to the industry mentioned by the ESG ratings – e.g. S&P ESG Scores and MSC ESG,
- EBA/GL/2020/06 Guidelines for granting and monitoring credits,

EBA Report on management and supervision of ESG risks for credit institutions and investment firms EBA/REP/2021/18.

The sharing of international good practices also contributes to the achievement of decarbonisation goals. The Santander Group is a founding member of the Net Zero Banking Alliance, a United Nations initiative spearheaded by the banking sector, which guides the way forward regarding the qualitative analysis of our investment portfolio.

Environmental issues as part of ESG factors are also considered in investment analysis. Looking at non-financial factors is viewed within our Group as an opportunity to gain a more complete picture of the assets we manage and to make more balanced investment decisions. Among other things, we analyse issues of environmental strategy and management, climate change impacts, the extent to which natural resources are used and pollution prevention.

Green finance

[GRI 3-3] [Custom indicator: Main pro-environmental products and services offered to customers, including offerings that influence climate change solutions] [Custom indicator: Information on key products, including new products launched during the reporting period] [Custom indicator: Products and initiatives for small and medium-sized enterprises (SMEs)]

At Santander Bank Polska Group, we offer sustainable financial products. Environmental and climate issues are taken into account in the development of such products and services and in credit analysis. The benchmark in this regard is the Santander Bank Polska Group's Sustainable Finance Classification System, in force since 2022.

Sustainable Finance Classification System (SFCS).

It is an internal methodology for classifying sustainable financial products and services, in particular regarding how the Group defines green, social and sustainable finance. According to its guidelines, green and social financing and financing for sustainability-related purposes must meet certain technical criteria, environmental and social due diligence requirements and be verifiable. The system is based on

¹³The Convention on Wetlands, known as the Ramsar Convention, is an international treaty that provides a framework for the conservation and sustainable use of wetlands and their resources. (<https://www.ramsar.org/>).

¹⁴<http://whc.unesco.org/en/list>

¹⁵The International Union for Conservation of Nature (IUCN) classifies protected areas according to their environmental management objectives: Category I: Ia: Strict nature reserve; Ib: Wilderness area, Category II: National park, Category III: Natural monument or feature Category IV: Habitat or species management area.

¹⁶<https://www.ifc.org/en/insights-reports/2012/ifc-performance-standard-7>

internationally recognised industry guidelines and principles, such as the ICMA Social and the Green Bond Principles, the Climate Bond Standards and Loan Market Association's principles for green or social or sustainability linked loans (LMA Green Loan Principles, LMA Social Loan Principles and LMA Sustainability-Linked Loan Principles), as well as the EU Taxonomy. The bank has targets for the value of green finance aligned with SFCS. In 2023, we provided green financing amounting to PLN 7,671 million (PLN 3,127.5 million in 2022), a 145% increase year-on-year.

Throughout the Group, we have implemented the Global Sustainable Bond Framework Policy and the Green Bond Framework Policy, in which we have committed to allocating green bond proceeds to renewable energy projects (solar and wind).

Green finance is governed, inter alia, by the following regulations:

- Responsible Banking Strategy (effective 2021-2023),
- Responsible Banking and Sustainability Policy,
- Social, Environmental and Climate Change Risk Management Policy,
- sector policies,
- Sustainable and Responsible Investment Policy and Policy of Engagement with Listed Companies and Application of Corporate Governance Measures" (of key importance at Santander TFI S.A.),
- Group Net Zero strategy,
- Global Sustainable Bond Framework Policy,
- Green Bond Framework Policy.

Our Group's green finance offer is aimed at a diverse range of customers, including those from industries with the greatest impact on climate issues, such as energy, oil and gas and industrial operations.

Special offer of the Santander Bank Polska Group:

loans for sustainable investments, including RES	loans linked to the Sustainable Development Goals	cash loan with ECO promotion	eco-loan
green bonds and sustainability bonds	sustainability-linked bonds	advice on sustainable financing options	financial advice in the ESG area
leasing of photovoltaic SolarLease installations	leasing of electric vehicles, including subsidised lease under the "My Electric Car" programme	leasing of non-emission heat sources, energy storage, electric vehicle charging stations	investment funds classified under SFDR as Article 8 products ('light green') and Article 9 products ('dark green')

Pro-environmental activities of Santander Bank Polska Group companies in 2023:

Company	Initiatives in 2023	Plans for 2024
Santander Bank Polska S.A.	<p>Business and Corporate Banking Division: PLN 1.2 billion - the amount of financing for customer energy transformation granted in 2023. This includes PLN 245.5 million earmarked for a company in the renewable energy sector, advising on two transactions for the sale of wind farms, advising on two transactions for the sale of photovoltaic farms, ESG coordinator function for a telecommunications company</p> <p>Corporate and Investment Banking Division: Financing:</p> <ul style="list-style-type: none"> • Food sector company: a syndicated loan for PLN 800 million • Telecommunications sector company: a syndicated loan for PLN 1.5bn • Industrial sector company: a syndicated loan/ECA for PLN 580 million • Energy sector company: project finance/ECA of EUR 132 million • Telecommunications sector company: project finance for PLN 350 million • Renewable energy company: project finance of PLN 245.5 million • Energy sector company: project finance of PLN 237.6 million • Telecommunications sector company: bonds worth PLN 807 million • Santander Bank Polska: bonds worth PLN 1.9bn <p>Advisory:</p> <ul style="list-style-type: none"> • two wind farm sale transactions 	<ul style="list-style-type: none"> • Continuation and increase in the value of financing for projects in line with ESG objectives, in particular in the renewable energy sector, through syndicated loans, ECAs, value of project financing and bonds • Continuation and increased involvement in advising on M&A projects in the area of sustainable assets and advisory services in the form of ESG coordination • Development of the Spirit application (adding ESG flags to selected Wealth Management product groups). Successive increase in the percentage of funds offered under the WM Advisory service that meet at least SFDR8 • Continuous expansion of our investment offering to include sustainability-related products and

	<ul style="list-style-type: none"> • two photovoltaic farm transactions • ESG coordinator function for a company from the telecommunications sector 	instruments within the Brokerage Office
	<p>Wealth Management and Insurance:</p> <ul style="list-style-type: none"> • Enhancement of Santander Brokerage Office's offering of Exchange Traded Funds (ETFs) - instruments which are increasingly often chosen by Polish investors as an alternative to classic equities - to include the ESG aspect and the Electric Vehicles and Driving Technology and Battery Metals sectors. • Broadening the range of structured products for affluent clients to include Green Bonds linked to the EURO STOXX 50 ESG-X index. The net proceeds from the issuance of these products were used to refinance or invest in so-called Green Projects that meet the eligibility criteria according to the Santander Group's Global Financing Framework for Green, Social and Sustainable Development Projects. • Implementation of changes in procedures for staff, customer service and advice on ESG requirements 	
Santander Consumer Bank S.A.	<p>Financing renewable energy sources through instalment sales.</p> <ul style="list-style-type: none"> • Participation in the My Electric Car programme. • Cooperation with the European Investment Bank under a programme supporting the purchase of zero-emission cars by small and medium-sized enterprises. • Financial promotions for electric cars. • Cooperation with brands selling electric cars. 	
Santander Leasing	<ul style="list-style-type: none"> • PLN 422 million - the value of financed green investments in 2023, • The value of financed zero-emission transport amounted to PLN 154 million, • We financed renewable energy sources with a capacity of 39 MW worth over PLN 166 million. <p>The nationwide grant programme 'Together for Eco-Change' is implemented by the Santander Foundation with funding from Santander Leasing. The object of the competition is to finance the construction of electric vehicle charging stations and maintain them for two years. In 2023, 17 grants were awarded.</p> <p>Launch of the zielonepanele.pl website, through which individual customers and companies can find out about the benefits of investing in photovoltaics and quickly check the cost of installation and approximate terms of investment financing, as well as learn about the offer of selected contractors and request for a quote.</p> <ul style="list-style-type: none"> • Introduction of a simplified procedure for financing the most important products in the RES segment. Financing was made available for photovoltaic installations, heat pumps, battery energy storage and electric vehicle charging stations with defined parameters. • Recertification for the ISO 14001-compliant Environmental Management System audited by Dekra Certification. • Cooperation with suppliers of zero-emission technologies and transport • Participation in the My Electric Car programme • Collaboration with the European Bank for Reconstruction and Development in a programme to support green investments • Participation in the de minimis guarantee programme in cooperation with Bank Gospodarstwa Krajowego supporting, among other things, green investments. 	<ul style="list-style-type: none"> • Continuation and increase in the value of financing for investments meeting ESG targets, particularly from the renewable energy and non-carbon transport sectors.
Santander TFI S.A.	<p>Management of four ESG investment funds:</p> <ul style="list-style-type: none"> • Santander Prestiż Global Responsible Investment- a sub-fund of the Santander Prestiż SFIO (classified as an Article 8 SFDR product),¹⁷ • Santander Prestiż European Equity – a sub-fund of Santander Prestiż SFIO (classified as an Article 8 SFDR product), • Santander Prestiż Future Wealth – a sub-fund of Santander Prestiż SFIO (classified as an Article 8 SFDR product), • Santander Prestiż Prosperity – a sub-fund of Santander Prestiż SFIO (classified as an Article 9 SFDR product) 	

Combating greenwashing

[GRI 3-3]

In order to mitigate the risk of greenwashing, the bank has set up an inter-departmental panel of experts (ESG Panel). Its task is to support the Santander Bank Polska Group's business segments in correctly identifying and classifying sustainable credit transactions and products, both in terms of compliance with the criteria of the internal Sustainable Finance Classification System (SFCS) and with the EU Taxonomy.

¹⁷ Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability - related disclosures in the financial services sector (Sustainable Finance Disclosure Regulation, SFDR)

The Panel is chaired by the Director of ESG Risks (Risk Management Division) and overseen by the Risk Control Committee at the level of the bank's Management Board.

Regulations relating to the implementation of new products and services ensure that consultation with the Compliance Area and the Sustainability and ESG Team is required for all ESG-related products and services, including non-credit ones.

With regard to greenwashing risk, further policies, procedures and guidelines are gradually being defined to address this risk, which is diffused in the bank's activities. To date, the following actions have been taken:

- the approach to defining sustainable transactions and products has been made more consistent through the Sustainable Finance Classification System (SFCS),
- the Sustainability Communication and Publicity guidelines have been defined for employees preparing marketing and image messages,
- the risk of greenwashing has been identified in the Compliance Area Guidelines for Working with Partners.

Environmental impact of operations

Greenhouse gas emissions

[GRI 305-1] [GRI 305-2] [GRI 305-3] [GPW E-P2]

Since 2020, the bank has been neutral in terms of its own CO₂ emissions. We only buy energy from renewable sources and offset other emissions with carbon credit certificates. These are purchased for all subsidiaries by the Banco Santander Group. We reduce greenhouse gas emissions from internal activities, including electricity consumption, business travel and car fleet operation. Since 2022, our offices have been supplied with electricity from renewable energy sources under a grid contract with Tauron, as evidenced by Tauron Group's ECO Premium Product Accession Certificate. The electricity we purchase participates entirely in the ECO Energy Sales Guarantee scheme and comes mainly from hydroelectric power plants.

Greenhouse gases' (GHG) emissions (in tonnes of CO₂e) – data refers to Santander Bank Polska S.A.

	2023	2022
Scope 1	5,138.90	5,264.90
Scope 2 (location-based)	23,944.50	26,348.70
Scope 2 (market-based)	13,288.80	14,234.90
Scope 3 (business travel, remote work**)	1,463.20*	870.10*
Total Scope 1+2 (location-based)	29,083.40	31,613.60
Total Scope 1+2 1+2 (market-based)	18,427.60	19,499.80

* Only location-based data from DEFRA was used

** Remote work was taken into account in both 2022 and 2023

Greenhouse gases' (GHG) emissions (in tonnes of CO₂e) – data refers to Santander Bank Polska Group

	2023
Scope 1	6,059.60
Scope 2 (location-based)	25,743.80
Scope 2 (market-based)	14,175.50
Scope 3 (business travel, remote work**)	1,672.70*
Total Scope 1+2 (location-based)	31,803.37

Total Scope 1+2 1+2 (marked-based)

20,235.11

* Only location-based data from DEFRA was used

** Remote work was taken into account in both 2022 and 2023

We are presenting emissions data at the consolidated level for the first time and do not have Group level data for 2022..

A description of the calculation methodology can be found in the [Our performance](#) chapter.

In terms of measures and targets, Santander Bank Polska S.A. continues to work on detailed transition plans taking into account short and medium-term climate change adaptation and mitigation targets. Steps towards decarbonising the loan portfolio are currently being taken through a reduction in our direct emissions (resulting from electricity consumption and business travel, among other things) and the emissions associated with the financial services we provide – **loans, advisory or investment services**.

In 2024, it is also planned to develop more comprehensive measures on ESG risks and to include them in the relevant internal reports. These measures will be taken into account in the process of updating the risk appetite (planned for the first quarter of 2024) and in the setting of concentration limits and exposure limits, (which will be effective from the second quarter of 2024). In the longer term, developments in this area will also include verifying the degree to which decarbonisation levers are implemented (primarily the increase in financing for green real estate, RES and electric cars).



GOOD PRACTICE

In 2023, we increased the efficiency of Santander.pl resulting in a 70% reduction in its carbon footprint and earning a place among the fastest websites in Poland.

Other environmental indicators

Electricity consumption

[GRI 302-1] [GPW E-P4]

The bank's electricity consumption in 2022 and 2023 – data refers to Santander Bank Polska S.A.

Electricity consumption [MWh]	2023	2022
Total electricity consumption	18,641.30	21,670.20
including total consumption of energy from non-renewable sources	7 390,77	9,551.29
natural gas	7,301.30	9,227.10
of which:		
fuel oil	72.11	308.28
Diesel oil	17.36	15.91

Electricity consumption in the Group in 2023 – data refers to Santander Bank Polska Group

Electricity consumption [MWh]	2023
Total electricity consumption	20,389.02
including total consumption of energy from non-renewable sources	7 390,77
natural gas	7,301.25
of which:	
fuel oil	72.11
Diesel oil	310.90*

We are presenting electricity consumption data at the consolidated level for the first time and do not have Group level data for 2022.

* Due to the lack of consumption data in litres for Stellantis company, an average consumption of 7 lge/100km was assumed according to [IEA](#).

Water consumption

[GRI 303-1] [GPW E-D2]

At all Santander Bank Group locations, we are connected to water mains and we use tap water for drinking and sanitary purposes. The water used is discharged into municipal sewage system..

How we save water

- Upon every branch modernisation, dishwashers are installed
- At the Atrium office in Warsaw, a grey water system (a system of pre-treatment of water from showers and sinks for reuse in flushing toilets) is used and efficient bathroom fittings and waterless urinals save 10 million litres of water a year
- At the Business Support Centre office in Poznań, rainwater is collected on the roofs of buildings and then used to water the green areas. Low-flow toilets and taps, as well as waterless urinals, reduce water consumption and save around 6.8 million litres of water a year
- In the Business Support Centre office building in Wrocław, we have reduced water consumption by half thanks to low-flow toilets and taps

Materials used in the bank by weight and volume

[GRI 301-1]

	Santander Bank Polska S.A.	Santander Bank Polska Group
Magnetic storage media [kg]	2,213.00	2,550.64
Paper [kg]	137,628.75	148,007.25
Total [kg]	139,841.75	150,557.89



GOOD ENVIRONMENTAL PRACTICES IN 2023 – INTERNAL ACTIONS

Santander TFI S.A.:

- Car fleet modernisation. In 2023, 65% of company cars at Santander TFI S.A. (17 out of 26) had a hybrid drive. More cars will be replaced gradually as leases are renewed.
- Successive reduction of paper consumption - in 2021 by 42% and in 2022 by a further 38% (compared to 2020. In 2023 paper consumption was at the same level as in 2022).
- Launch of 'Exchange Lockers' in the offices in Poznań and Warsaw. The company has provided places where employees can bring unwanted items to enable others to use them and give them a second life.

Santander Leasing S.A.:

- A series of expert videos entitled 'Hello Leasing', dedicated to promoting eco-friendly products and services, including the leasing of electric cars or photovoltaic panels.
- A nationwide grant programme 'Together for Eco-change' is implemented by the Santander Foundation with funds from Santander Leasing. The goal of the programme is to finance the construction of electric vehicle charging stations and their maintenance for 2 years.
- Environmental Management System in accordance with the 14001 standard.

Santander Consumer Bank:

- Webinars for employees on environmental topics.
- Financial support for the students of the LEM scientific association at Warsaw University of Technology for the implementation of the project "Light Electric Motorcycles, or automotive innovation",
- Donation to the Ecoguards foundation that cares for animals and promotes their adoption.

Disclosures under Regulation 2020/852

Scope of Taxonomy disclosure

Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment (EU Taxonomy) lays down a unified classification system for sustainable activities designed to increase the transparency and comparability across the market and support investors in taking investment decisions. This Regulation – along with supplementing Commission Delegated Regulation (EU) 2021/2178 (as amended) specifying the content, methodology and presentation of information concerning environmentally sustainable activities – imposed additional reporting obligations on undertakings required to provide non-financial disclosures in accordance with the Non-Financial Reporting Directive (undertakings subject to NFRD). In the case of Santander Bank Polska S.A. and other credit institutions, the foregoing legislation became fully effective in 2024 (except for two forms applicable as of 2026) following the two-year transition period from 1 January 2022 to 31 December 2023, during which the disclosures were limited and focused on the eligibility of activities. In view of the above and in accordance with the interpretation of Commission Delegated Regulation (EU) 2021/2178 on Taxonomy disclosures presented in Commission Notice (C/2023/305), Santander Bank Polska Group is not required to disclose the comparative key performance indicators for 2022 in its Taxonomy reporting for 2023.

The Taxonomy covers six environmental objectives: climate change mitigation, climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention, and the protection and restoration of marine and terrestrial ecosystems.

As part of GAR reporting for 2023, Santander Bank Polska Group conducted a complete Taxonomy analysis (at the level of a single transaction) with regard to two climate objectives defined in Commission Delegated Regulation (EU) 2021/2139: climate change mitigation and climate change adaptation. The results are presented in the tables included in section: "Templates presenting GAR calculation".

Activities indicated as contributing substantially to other four climate objectives, as specified in Commission Delegated Regulation (EU) 2023/2486, have been assessed only in terms of Taxonomy eligibility based on customers' business codes in the NACE system. They are presented at an aggregate level in the table below "Eligibility of exposures with regard to four environmental objectives".

The transactions identified are related to the circular economy objective. The transactions are presented according to the NACE sector classification up to level 2.

NACE	Eligible exposures with regard to four environmental objectives defined in Commission Delegated Regulation (EU) 2023/2486
B.07 Mining of metal ores	1,303,082.30
C.11 Manufacture of beverages	4,799.30
C.17 Manufacture of paper and paper products	320.20
C.19 Manufacture of coke and refined petroleum products	223,027.20
C.20 Manufacture of chemicals and chemical products	464,696.60
C.22 Manufacture of rubber and plastic products	1,934.80
C.27 Manufacture of electrical equipment	101.40
C.28 Manufacture of machinery and equipment n.e.c.	56,204.30
C.30 Manufacture of other transport equipment	18.50
D.35 Electricity, gas, steam and air conditioning supply	270,818.30
F.41 Building construction	46,118.80
F.42 Civil engineering	681.00
G.45 Wholesale and retail trade and repair of motor vehicles and motorcycles	257,592.00
G.46 Wholesale trade, except of motor vehicles and motorcycles	644,853.20
G.47 Retail trade, except of motor vehicles and motorcycles	858,830.10
J.58 Publishing activities	29,184.50

J.61 Telecommunications	283,990.40
J.62 Computer programming, consultancy and related activities	0.30
J.63 Information service activities	87,720.80
K.66 Activities auxiliary to financial services and insurance activities	189.70
L.68 Real estate activities	61,384.90
M.70 Activities of head offices; management consultancy activities	270,907.80
N.77 Rental and leasing activities	10,927.10
N.79 Travel agency, tour operator and other reservation service and related activities	0.20
N.82 Office administrative, office support and other business support activities	192,169.40
R.93 Sports activities and amusement and recreation activities	46,139.70
SUM	5,115,692.80

Pursuant to Commission Delegated Regulation (EU) 2022/1214 amending Delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities, the Group provides the following information on exposure to the financing of nuclear and fossil gas related activities.

Nuclear energy related activities		
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Key performance indicators for Taxonomy purposes

The key performance indicator for sustainable activities of credit institutions is the green asset ratio (GAR), which shows investments and exposures related to Taxonomy-aligned sustainable activities with regard to the environmental objectives as a proportion of the assets included in the GAR calculation.

The GAR numerator considers loans and advances, debt securities and equity instruments in the banking book in respect of undertakings subject to NFRD, loans secured by residential properties, building renovation loans and car loans for households, and loans for local governments. Assets included in the GAR denominator (covered assets) are total gross assets excluding exposures to central governments, exposures to central banks and the trading book. Below are the key performance indicators (KPIs) of Santander Bank Polska Group calculated with regard to two climate objectives by the ratio (turnover or CapEx) used to calculate the Taxonomy eligibility and Taxonomy alignment of general purpose exposures to customers subject to the NFRD. The GAR based on flow and KPIs for off-balance sheet exposures (financial guarantees and assets under management) are included as well. The KPIs are presented using the table contained in Annex VI to Commission Delegated Regulation (EU) 2023/2485 amending Delegated Regulation (EU) 2021/2139.

Summary of KPIs

	Total environmentally sustainable assets (PLN k)	Total environmentally sustainable assets (TURNOVER)	Total environmentally sustainable assets (CAPEX)	KPI (TURNOVER)	KPI (CAPEX)	% coverage (over total assets)	% of assets excluded from the numerator of the GAR	% of assets excluded from the denominator of the GAR
Main KPI Green asset ratio (GAR) stock	Green asset ratio (GAR) stock	826,727.40	1,127,250.30	0.40%	0.50%	77.90%	7.10%	22.10%
	Financial guarantees	0.00	0.00	0.00%	0.00%			
	Assets under management	128,785.40	128,785.40	9.60%	9.60%			
	Total environmentally sustainable assets (PLN k)	Total environmentally sustainable assets (TURNOVER)	Total environmentally sustainable assets (CAPEX)	KPI TURNOVER	KPI CAPEX	% coverage (over total assets)	% of assets excluded from the numerator of the GAR	% of assets excluded from the denominator of the GAR
Additional KPIs Green asset ratio (GAR) flow	Green asset ratio (GAR) flow	256,134.80	225,849.50	0.50%	0.60%	80.30%	0.90%	19.70%
	Financial guarantees	0.00	0.00	0.00%	0.00%			
	Assets under management	120,210	120,210	19.20%	19.20%			

Templates presenting GAR calculation

Quantitative disclosures for two climate objectives

The tables below include quantitative information of Santander Bank Polska Group subject to disclosure as of 1 January 2024 in relation to two climate objectives as specified in Article 4(2) of Commission Delegated Regulation (EU) 2021/2178 supplementing Regulation 2020/852.

They include balance sheet and off-balance sheet assets used to calculate KPIs of Santander Bank Polska Group by stock as at the end of the reporting period and by flow (understood as exposures originated in a given financial year and reflected in the stock as at the end of the reporting period). They are presented by the ratio (turnover or CapEx) used to calculate the Taxonomy eligibility and Taxonomy alignment of general exposures to customers subject to the NFRD.

Apart from the total GAR, partial Green Asset Ratios are disclosed, broken down by climate objective, customer segment and financial instrument. In addition, supplementary KPIs for financial guarantees and assets under management are calculated.

The figures presented in the tables come from the FINREP templates, i.e. financial statements consolidated for prudential purposes, prepared for central banks. The aggregates and their components have the same information content and limitations as FINREP reports. Information about individual customers and products (including leasing and factoring) which was not available in FINREP was taken from the corporate data warehouse in accordance with the FINREP granularity and from the non-financial information system developed by Santander Bank Polska S.A. for ESG reporting purposes. Data about customers and products of Santander Consumer Bank S.A. and its subsidiaries were obtained directly from those entities.

GAR templates 1-5 in different variants

Assets for the calculation of GAR by stock and turnover

Disclosure reference date T																
PLN	Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
			Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds				Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds				Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds		
				Of which transitional	Of which enabling	Of which enabling			Of which transitional	Of which enabling	Of which transitional			Of which enabling		
GAR - Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	69,738,157.50	55,366,053.30	826,727.40	0.00	2.30	54,603.90	0.00	0.00	0.00	0.00	55,366,053.30	826,727.40	0.00	2.30	54,603.90
2	Financial undertakings	11,765,208.70	2,437,188.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,437,188.80	0.00	0.00	0.00	0.00
3	Credit institutions	11,730,707.40	2,437,016.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,437,016.00	0.00	0.00	0.00	0.00
4	Loans and advances	11,210,991.00	2,208,340.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,208,340.80	0.00	0.00	0.00	0.00
5	Debt securities, including UoP	519,716.40	228,675.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	228,675.20	0.00	0.00	0.00	0.00
6	Equity instruments	0.00	0.00	0.00		0.00	0.00	0.00		0.00	0.00	0.00	0.00		0.00	0.00
7	Other financial corporations	34,501.30	172.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	172.70	0.00	0.00	0.00	0.00
8	of which investment firms	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	Loans and advances	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10	Debt securities, including UoP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Equity instruments	0.00	0.00	0.00		0.00	0.00	0.00		0.00	0.00	0.00	0.00		0.00	0.00
12	of which management companies	2,178.70	11.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11.10	0.00	0.00	0.00	0.00
13	Loans and advances	2,178.70	11.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11.10	0.00	0.00	0.00	0.00
14	Debt securities, including UoP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
15	Equity instruments	0.00	0.00	0.00		0.00	0.00	0.00		0.00	0.00	0.00	0.00		0.00	0.00
16	of which insurance undertakings	32,322.60	161.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	161.60	0.00	0.00	0.00	0.00
17	Loans and advances	32,322.60	161.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	161.60	0.00	0.00	0.00	0.00
18	Debt securities, including UoP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Disclosure reference date T

PLN	Climate Change Mitigation (CCM)						Climate Change Adaptation (CCA)						TOTAL (CCM + CCA)			
	Total gross carrying amount	Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
		Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Of which environmentally sustainable (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling				
19	Equity instruments	0.00	0.00	0.00		0.00	0.00	0.00	0.00		0.00	0.00	0.00		0.00	0.00
20	Non-financial undertakings	5,758,050.60	819,146.40	82,471.50	0.00	2.30	54,603.90	0.00	0.00	0.00	0.00	819,146.40	82,471.50	0.00	2.3	54,603.90
21	Loans and advances	5,758,050.60	819,146.40	82,471.50	0.00	2.3	54,603.9	0.00	0.00	0.00	0.00	819,146.40	82,471.50	0.00	2.3	54,603.90
22	Debt securities, including UoP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
23	Equity instruments	0.00	0.00	0.00		0.00	0.00	0.00	0.00		0.00	0.00	0.00		0.00	0.00
24	Households	52,109,718.10	52,109,718.10	744,255.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	52,109,718.10	744,255.90	0.00	0.00	0.00
25	of which loans collateralised by residential immovable property	50,439,910.60	50,439,910.60	285,200.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	50,439,910.60	285,200.40	0.00	0.00	0.00
26	of which building renovation loans	743,558.10	743,558.10	459,055.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	743,558.10	459,055.50	0.00	0.00	0.00
27	of which motor vehicle loans	926,249.50	926,249.50	0.00	0.00	0.00	0.00				926,249.50	0.00	0.00	0.00	0.00	0.00
28	Local governments financing	105,180.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
29	Housing financing	12,849.70	0.00	0.00		0.00	0.00	0.00	0.00		0.00	0.00		0.00	0.00	0.00
30	Other local government financing	92,330.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
31	Collateral obtained by taking possession: residential and commercial immovable properties	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	20,206,931.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
33	Financial and Non-financial undertakings	95,435,967.40														
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	67,759,208.90														
35	Loans and advances	67,713,917.90														
36	of which loans collateralised by commercial immovable property	0.00														
37	of which building renovation loans	0.00														
38	Debt securities, including UoP	0.00														
39	Equity instruments	45,291.00														
40	Financial undertakings	26,950,158.20														

Disclosure reference date T

PLN	Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)					
Of which Use of Proceeds	Of which transitional		Of which enabling	Of which Use of Proceeds	Of which transitional		Of which enabling	Of which Use of Proceeds	Of which transitional		Of which enabling					
41	Non-EU country counterparties not subject to NFRD disclosure obligations	726,600.40														
42	Loans and advances	710,910.50														
43	Debt securities, including UoP	4,010.80														
44	Equity instruments	11,679.00														
45	Derivatives	1,575,056.30														
46	On demand interbank loans	2,019,784.90														
47	Cash and cash-related assets	8,417,519.10														
48	Other categories of assets (e.g. Goodwill, commodities etc.)	43,620,763.10														
49	Total GAR assets	220,807,248.30	55,366,053.30	826,727.40	0.00	2.30	54,603.90	0.00	0.00	0.00	0.00	55,366,053.30	826,727.40	0.00	2.30	54,603.90
50	Assets not covered for GAR calculation	62,799,747.20														
51	Central governments and Supranational issuers	47,503,665.50														
52	Central banks exposure	6,246,368.20														
53	Trading book	9,049,713.60														
54	Total assets	283,630,255.10														
	Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations															
55	Financial guarantees	22,196.60	188.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	188.1	0.00	0.00	0.00	0.00
56	Assets under management	19,188,939.20	1,112,753.10	128,714.80	0.00	12,968.70	115,746.10	228,162.70	70.60	0.00	70.60	1,340,915.80	128,785.40	0.00	12,968.70	115,816.70
57	Of which debt securities	15,530,809.50	683,442.10	63,402.20	0.00	6,964.80	56,437.50	149,502.50	61.70	0.00	61.70	832,944.50	63,463.90	0.00	6,964.80	56,499.10
58	Of which equity instruments	3,652,405.50	436,932.70	65,779.90	0.00	6,047.70	59,732.10	79,556.10	9.10	0.00	9.10	516,488.80	65,789.00	0.00	6,047.70	59,741.20

Assets for the calculation of GAR by stock and CapEx

Disclosure reference date T																
PLN	Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
		Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				
			Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling
GAR – Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	69,738,157.50	56,212,007.90	1,127,250.30	0.00	9,086.70	235,854.80	0.00	0.00	0.00	0.00	56,212,007.90	1,127,250.30	0.00	9,086.70	235,854.80
2	Financial undertakings	11,765,208.70	2,381,289.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,381,289.20	0.00	0.00	0.00	0.00
3	Credit institutions	11,730,707.40	2,380,977.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,380,977.10	0.00	0.00	0.00	0.00
4	Loans and advances	11,210,991.00	2,152,301.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,152,301.90	0.00	0.00	0.00	0.00
5	Debt securities, including UoP	519,716.40	228,675.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	228,675.20	0.00	0.00	0.00	0.00
6	Equity instruments	0.00	0.00	0.00		0.00	0.00	0.00	0.00		0.00	0.00		0.00	0.00	0.00
7	Other financial corporations	34,501.30	312.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	312.00	0.00	0.00	0.00	0.00
8	of which investment firms	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	Loans and advances	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10	Debt securities, including UoP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Equity instruments	0.00	0.00	0.00		0.00	0.00	0.00	0.00		0.00	0.00		0.00	0.00	0.00
12	of which management companies	2,178.70	21.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	21.10	0.00	0.00	0.00	0.00
13	Loans and advances	2,178.70	21.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	21.10	0.00	0.00	0.00	0.00
14	Debt securities, including UoP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
15	Equity instruments	0.00	0.00	0.00		0.00	0.00	0.00	0.00		0.00	0.00		0.00	0.00	0.00
16	of which insurance undertakings	32,322.60	290.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	290.90	0.00	0.00	0.00	0.00
17	Loans and advances	32,322.60	290.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	290.90	0.00	0.00	0.00	0.00
18	Debt securities, including UoP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
19	Equity instruments	0.00	0.00	0.00		0.00	0.00	0.00	0.00		0.00	0.00		0.00	0.00	0.00
20	Non-financial undertakings	5,758,050.60	1,721,000.60	382,994.40	0.00	9,086.70	235,854.80	0.00	0.00	0.00	0.00	1,721,000.60	382,994.40	0.00	9,086.70	235,854.80
21	Loans and advances	5,758,050.60	1,721,000.60	382,994.40	0.00	9,086.70	235,854.80	0.00	0.00	0.00	0.00	1,721,000.60	382,994.40	0.00	9,086.70	235,854.80

Disclosure reference date T

PLN	Climate Change Mitigation (CCM)						Climate Change Adaptation (CCA)						TOTAL (CCM + CCA)			
	Total gross carrying amount	Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
		Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				
		Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling			
22	Debt securities, including UoP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
23	Equity instruments	0.00	0.00	0.00		0.00	0.00	0.00	0.00		0.00	0.00		0.00	0.00	0.00
24	Households	52,109,718.10	52,109,718.10	744,255.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	52,109,718.10	744,255.90	0.00	0.00	0.00
25	of which loans collateralised by residential immovable property	50,439,910.60	50,439,910.60	285,200.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	50,439,910.60	285,200.40	0.00	0.00	0.00
26	of which building renovation loans	743,558.10	743,558.10	459,055.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	743,558.10	459,055.50	0.00	0.00	0.00
27	of which motor vehicle loans	926,249.50	926,249.50	0.00	0.00	0.00	0.00					926,249.50	0.00	0.00	0.00	0.00
28	Local governments financing	105,180.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
29	Housing financing	12,849.70	0.00	0.00		0.00	0.00			0.00	0.00	0.00		0.00	0.00	0.00
30	Other local government financing	92,330.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
31	Collateral obtained by taking possession: residential and commercial immovable properties	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	20,206,931.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
33	Financial and Non-financial undertakings	95,459,227.00														
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	67,782,468.50														
35	Loans and advances	67,713,917.90														
36	of which loans collateralised by commercial immovable property	0.00														
37	of which building renovation loans	0.00														
38	Debt securities, including UoP	23,259.60														
39	Equity instruments	45,291.00														
40	Financial undertakings	26,950,158.20														
41	Non-EU country counterparties not subject to NFRD disclosure obligations	726,600.40														
42	Loans and advances	710,910.50														
43	Debt securities, including UoP	4,010.80														

Disclosure reference date T

PLN	Total gross carrying amount	Climate Change Mitigation (CCM)						Climate Change Adaptation (CCA)				TOTAL (CCM + CCA)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)						Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
		Of which environmentally sustainable (Taxonomy-aligned)						Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				
		Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling				
44	Equity instruments	11,679.00														
45	Derivatives	1,575,056.30														
46	On demand interbank loans	2,019,784.90														
47	Cash and cash-related assets	8,417,519.10														
48	Other categories of assets (e.g. Goodwill, commodities etc.)	43,620,763.10														
49	Total GAR assets	220,830,507.90	56,212,007.90	1,127,250.30	0.00	9,086.70	235,854.80	0.00	0.00	0.00	0.00	56,212,007.90	1,127,250.30	0.00	9,086.70	235,854.80
50	Assets not covered for GAR calculation	62,799,747.20														
51	Central governments and Supranational issuers	47,503,665.50														
52	Central banks exposure	6,246,368.20														
53	Trading book	9,049,713.60														
54	Total assets	283,630,255.10														
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations															
55	Financial guarantees	22 196.60	188.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	188.1	0.00	0.00	0.00	0.00
56	Assets under management	19 188 939.20	1 112 753.10	128 714.80	0.00	12 968.70	115 746.10	228 162.70	70.60	0.00	70.60	1 340 915.80	128 785.40	0.00	12 968.70	115 816.70
57	Of which debt securities	15 530 809.50	683 442.10	63 402.20	0.00	6 964.80	56 437.50	149 502.50	61.70	0.00	61.70	832 944.50	63 463.90	0.00	6 964.80	56 499.10
58	Of which equity instruments	3 652 405.50	436 932.70	65 779.90	0.00	6 047.70	59 732.10	79 556.10	9.10	0.00	9.10	516 488.80	65 789.00	0.00	6 047.70	59 741.20

GAR sector information by stock and turnover

Breakdown by sector - NACE 4 digits level (code and label)		Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				TOTAL (CCM + CCA)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount				[Gross] carrying amount				[Gross] carrying amount			
		PLN k	Of which environmentally sustainable (CCM)	PLN k	Of which environmentally sustainable (CCM)	PLN k	Of which environmentally sustainable (CCA)	PLN k	Of which environmentally sustainable (CCA)	PLN k	Of which environmentally sustainable (CCM + CCA)	PLN k	Of which environmentally sustainable (CCM + CCA)
1	B.07.29 Mining of other non-ferrous metal ores	68,411.82	0.00			0.00	0.00			68,411.82	0.00		
2	C.11.02 Manufacture of wine from grape	1,040.97	0.00			0.00	0.00			1,040.97	0.00		
3	C.17.12 Manufacture of paper and paperboard	79.31	0.00			0.00	0.00			79.31	0.00		
4	C.19.20 Manufacture of refined petroleum products	25,485.81	0.00			0.00	0.00			25,485.81	0.00		
5	C.20.15 Manufacture of fertilisers and nitrogen compound	287,998.62	0.00			0.00	0.00			287,998.62	0.00		
6	C.20.16 Manufacture of plastics in primary forms	15.32	0.00			0.00	0.00			15.32	0.00		
7	C.22.19 Manufacture of other rubber products	41.60	0.00			0.00	0.00			41.60	0.00		
8	C.28.12 Manufacture of fluid power equipment	65.82	0.00			0.00	0.00			65.82	0.00		
9	C.28.21 Manufacture of ovens, furnaces and furnace burners	1,958.92	0.00			0.00	0.00			1,958.92	0.00		
10	C.28.92 Manufacture of machinery for mining, quarrying and construction	4,202.33	0.00			0.00	0.00			4,202.33	0.00		
11	C.30.20 Manufacture of railway locomotives and rolling stock	15.10	0.00			0.00	0.00			15.10	0.00		
12	D.35.14 Trade of electricity	180,906.60	0.00			0.00	0.00			180,906.60	0.00		
13	F.41.10 Development of building projects	34,643.92	0.00			0.00	0.00			34,643.92	0.00		
14	G.45.31 Wholesale trade of motor vehicle parts and accessories	102,115.23	0.00			0.00	0.00			102,115.23	0.00		
15	G.46.32 Wholesale of meat and meat product	19,421.70	0.00			0.00	0.00			19,421.70	0.00		
16	G.46.42 Wholesale of clothing and footwear	29,261.71	0.00			0.00	0.00			29,261.71	0.00		
17	G.46.46 Wholesale of pharmaceutical goods	277.76	0.00			0.00	0.00			277.76	0.00		
18	G.46.90 Non-specialised wholesale trade	37,056.51	0.00			0.00	0.00			37,056.51	0.00		
19	G.47.11 Retail sale in non-specialised stores with food, beverages or tobacco predominating	2.21	0.00			0.00	0.00			2.21	0.00		
20	G.47.41 Retail sale of computers, peripheral units and software in specialised stores	10,324.14	0.00			0.00	0.00			10,324.14	0.00		
21	G.47.71 Retail sale of clothing in specialised stores	20,733.01	0.00			0.00	0.00			20,733.01	0.00		
22	G.47.72 Retail sale of footwear and leather goods in specialised stores	25,887.39	0.00			0.00	0.00			25,887.39	0.00		
23	J.58.13 Publishing of newspapers	3,379.56	0.00			0.00	0.00			3,379.56	0.00		
24	J.61.10 Wired telecommunications activities	4,132.61	0.00			0.00	0.00			4,132.61	0.00		
25	J.61.30 Satellite telecommunications activities	10,741.56	0.00			0.00	0.00			10,741.56	0.00		

		Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				TOTAL (CCM + CCA)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
Breakdown by sector - NACE 4 digits level (code and label)		[Gross] carrying amount				[Gross] carrying amount				[Gross] carrying amount			
		PLN k	Of which environmentally sustainable (CCM)	PLN k	Of which environmentally sustainable (CCM)	PLN k	Of which environmentally sustainable (CCA)	PLN k	Of which environmentally sustainable (CCA)	PLN k	Of which environmentally sustainable (CCM + CCA)	PLN k	Of which environmentally sustainable (CCM + CCA)
26	J.63.12 Web portals	10,877.38	0.00			0.00	0.00			10,877.38	0.00		
27	K.66.12 Security and commodity contracts brokerage	189.72	0.00			0.00	0.00			189.72	0.00		
28	L.68.10 Buying and selling of own real estate	51,458.97	0.00			0.00	0.00			51,458.97	0.00		
29	M.70.10 Activities of head offices	219,015.17	0.00			0.00	0.00			219,015.17	0.00		
30	M.70.22 Business and other management consultancy activities	17.35	0.00			0.00	0.00			17.35	0.00		
31	N.77.40 Leasing of intellectual property and similar products, except copyrighted works	1,673.64	0.00			0.00	0.00			1,673.64	0.00		
32	N.82.91 Activities of collection agencies and credit bureaus	2,180.96	0.00			0.00	0.00			2,180.96	0.00		
33	R.93.11 Operation of sports facilities	9,481.70	0.00			0.00	0.00			9,481.70	0.00		

GAR sector information by stock and CapEx

		Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				TOTAL (CCM + CCA)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
Breakdown by sector - NACE 4 digits level (code and label)		[Gross] carrying amount				[Gross] carrying amount				[Gross] carrying amount			
		PLN k	Of which environmentally sustainable (CCM)	PLN k	Of which environmentally sustainable (CCM)	PLN k	Of which environmentally sustainable (CCA)	PLN k	Of which environmentally sustainable (CCA)	PLN k	Of which environmentally sustainable (CCM + CCA)	PLN k	Of which environmentally sustainable (CCM + CCA)
1	B.07.29 Mining of other non-ferrous metal ores	68,411.82	0.00			0.00	0.00			68,411.82	0.00		
2	C.11.02 Manufacture of wine from grape	1,040.97	0.00			0.00	0.00			1,040.97	0.00		
3	C.17.12 Manufacture of paper and paperboard	79.31	0.00			0.00	0.00			79.31	0.00		
4	C.19.20 Manufacture of refined petroleum products	25,485.81	0.00			0.00	0.00			25,485.81	0.00		
5	C.20.15 Manufacture of fertilisers and nitrogen compound	287,998.62	0.00			0.00	0.00			287,998.62	0.00		
6	C.20.16 Manufacture of plastics in primary forms	15.32	0.00			0.00	0.00			15.32	0.00		
7	C.22.19 Manufacture of other rubber products	41.60	0.00			0.00	0.00			41.60	0.00		
8	C.28.12 Manufacture of fluid power equipment	65.82	0.00			0.00	0.00			65.82	0.00		
9	C.28.21 Manufacture of ovens, furnaces and furnace burners	1,958.92	0.00			0.00	0.00			1,958.92	0.00		
10	C.28.92 Manufacture of machinery for mining, quarrying and construction	4,202.33	0.00			0.00	0.00			4,202.33	0.00		

Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				TOTAL (CCM + CCA)				
	Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		
	[Gross] carrying amount				[Gross] carrying amount				[Gross] carrying amount				
	PLN k	Of which environmentally sustainable (CCM)	PLN k	Of which environmentally sustainable (CCM)	PLN k	Of which environmentally sustainable (CCA)	PLN k	Of which environmentally sustainable (CCA)	PLN k	Of which environmentally sustainable (CCM + CCA)	PLN k	Of which environmentally sustainable (CCM + CCA)	
11	C.30.20 Manufacture of railway locomotives and rolling stock	15.10	0.00			0.00	0.00			15.10	0.00		
12	D.35.14 Trade of electricity	180,906.60	0.00			0.00	0.00			180,906.60	0.00		
13	F.41.10 Development of building projects	34,643.92	0.00			0.00	0.00			34,643.92	0.00		
14	G.45.31 Wholesale trade of motor vehicle parts and accessories	102,115.23	0.00			0.00	0.00			102,115.23	0.00		
15	G.46.32 Wholesale of meat and meat product	19,421.70	0.00			0.00	0.00			19,421.70	0.00		
16	G.46.42 Wholesale of clothing and footwear	29,261.71	0.00			0.00	0.00			29,261.71	0.00		
17	G.46.46 Wholesale of pharmaceutical goods	277.76	0.00			0.00	0.00			277.76	0.00		
18	G.46.90 Non-specialised wholesale trade	37,056.51	0.00			0.00	0.00			37,056.51	0.00		
19	G.47.11 Retail sale in non-specialised stores with food, beverages or tobacco predominating	2.21	0.00			0.00	0.00			2.21	0.00		
20	G.47.41 Retail sale of computers, peripheral units and software in specialised stores	10,324.14	0.00			0.00	0.00			10,324.14	0.00		
21	G.47.71 Retail sale of clothing in specialised stores	20,733.01	0.00			0.00	0.00			20,733.01	0.00		
22	G.47.72 Retail sale of footwear and leather goods in specialised stores	25,887.39	0.00			0.00	0.00			25,887.39	0.00		
23	J.58.13 Publishing of newspapers	3,379.56	0.00			0.00	0.00			3,379.56	0.00		
24	J.61.10 Wired telecommunications activities	4,132.61	0.00			0.00	0.00			4,132.61	0.00		
25	J.61.30 Satellite telecommunications activities	10,741.56	0.00			0.00	0.00			10,741.56	0.00		
26	J.63.12 Web portals	10,877.38	0.00			0.00	0.00			10,877.38	0.00		
27	K.66.12 Security and commodity contracts brokerage	189.72	0.00			0.00	0.00			189.72	0.00		
28	L.68.10 Buying and selling of own real estate	51,458.97	0.00			0.00	0.00			51,458.97	0.00		
29	M.70.10 Activities of head offices	219,015.17	0.00			0.00	0.00			219,015.17	0.00		
30	M.70.22 Business and other management consultancy activities	17.35	0.00			0.00	0.00			17.35	0.00		
31	N.77.40 Leasing of intellectual property and similar products, except copyrighted works	1,673.64	0.00			0.00	0.00			1,673.64	0.00		
32	N.82.91 Activities of collection agencies and credit bureaus	2,180.96	0.00			0.00	0.00			2,180.96	0.00		
33	R.93.11 Operation of sports facilities	9,481.70	0.00			0.00	0.00			9,481.70	0.00		

GAR KPI stock by turnover

Disclosure reference date T

% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					Proportion of total assets covered
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
	Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling				
GAR – Covered assets in both numerator and denominator																
1 Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	79%	1%	0%	0%	0%	0%	0%	0%	0%	0%	79%	1%	0%	0%	0%	25%
2 Financial undertakings	21%	0%	0%	0%	0%	0%	0%	0%	0%	0%	21%	0%	0%	0%	0%	4%
3 Credit institutions	21%	0%	0%	0%	0%	0%	0%	0%	0%	0%	21%	0%	0%	0%	0%	4%
4 Loans and advances	20%	0%	0%	0%	0%	0%	0%	0%	0%	0%	20%	0%	0%	0%	0%	4%
5 Debt securities, including UoP	44%	0%	0%	0%	0%	0%	0%	0%	0%	0%	44%	0%	0%	0%	0%	0%
6 Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%	0%		0%	0%	0%
7 Other financial corporations	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%
8 of which investment firms	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
9 Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
10 Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
11 Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%	0%		0%	0%	0%
12 of which management companies	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%
13 Loans and advances	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%
14 Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
15 Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%	0%		0%	0%	0%
16 of which insurance undertakings	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%
17 Loans and advances	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%
18 Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
19 Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%	0%		0%	0%	0%

Disclosure reference date T

% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					Proportion of total assets covered	
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)						
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)						
		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling					
20	Non-financial undertakings	14%	1%	0%	0%	1%	0%	0%	0%	0%	0%	14%	1%	0%	0%	1%	2%
21	Loans and advances	14%	1%	0%	0%	1%	0%	0%	0%	0%	0%	14%	1%	0%	0%	1%	2%
22	Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
23	Equity instruments	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
24	Households	100%	1%	0%	0%	0%	0%	0%	0%	0%	0%	100%	1%	0%	0%	0%	18%
25	of which loans collateralised by residential immovable property	100%	1%	0%	0%	0%	0%	0%	0%	0%	0%	100%	1%	0%	0%	0%	18%
26	of which building renovation loans	100%	62%	0%	0%	0%	0%	0%	0%	0%	0%	100%	62%	0%	0%	0%	0%
27	of which motor vehicle loans	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	0%	0%	0%
28	Local governments financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
29	Housing financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
30	Other local government financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
31	Collateral obtained by taking possession: residential and commercial immovable properties	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

GAR KPI stock by CapEx

Disclosure reference date T																
% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					Proportion of total assets covered
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	
GAR – Covered assets in both numerator and denominator																
1 Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	81%	2%	0%	0%	0%	0%	0%	0%	0%	0%	81%	2%	0%	0%	0%	25%
2 Financial undertakings	20%	0%	0%	0%	0%	0%	0%	0%	0%	0%	20%	0%	0%	0%	0%	4%
3 Credit institutions	20%	0%	0%	0%	0%	0%	0%	0%	0%	0%	20%	0%	0%	0%	0%	4%
4 Loans and advances	19%	0%	0%	0%	0%	0%	0%	0%	0%	0%	19%	0%	0%	0%	0%	4%
5 Debt securities, including UoP	44%	0%	0%	0%	0%	0%	0%	0%	0%	0%	44%	0%	0%	0%	0%	0%
6 Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%	0%		0%	0%	0%
7 Other financial corporations	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%
8 of which investment firms	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
9 Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
10 Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
11 Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%	0%		0%	0%	0%
12 of which management companies	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%
13 Loans and advances	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%
14 Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
15 Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%	0%		0%	0%	0%
16 of which insurance undertakings	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%
17 Loans and advances	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%
18 Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
19 Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%	0%		0%	0%	0%
20 Non-financial undertakings	30%	7%	0%	0%	4%	0%	0%	0%	0%	0%	30%	7%	0%	0%	4%	2%
21 Loans and advances	30%	7%	0%	0%	4%	0%	0%	0%	0%	0%	30%	7%	0%	0%	4%	2%
22 Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
23 Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%	0%		0%	0%	0%
24 Households	100%	1%	0%	0%	0%	0%	0%	0%	0%	0%	100%	1%	0%	0%	0%	18%

Disclosure reference date T

% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					Proportion of total assets covered
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling					
25 of which loans collateralised by residential immovable property	100%	1%	0%	0%	0%	0%	0%	0%	0%	0%	100%	1%	0%	0%	0%	18%
26 of which building renovation loans	100%	62%	0%	0%	0%	0%	0%	0%	0%	100%	62%	0%	0%	0%	0%	0%
27 of which motor vehicle loans	100%	0%	0%	0%	0%					100%	0%	0%	0%	0%	0%	0%
28 Local governments financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
29 Housing financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
30 Other local government financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
31 Collateral obtained by taking possession: residential and commercial immovable properties	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
32 Assets excluded from the numerator for GAR calculation (covered in the denominator)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

GAR KPI flow by turnover

Disclosure reference date T

% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					Proportion of total assets covered
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling					
GAR – Covered assets in both numerator and denominator																
1 Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	14%	0%	0%	0%	0%	0%	0%	0%	0%	14%	0%	0%	0%	0%	0%	26%
2 Financial undertakings	14%	0%	0%	0%	0%	0%	0%	0%	0%	14%	0%	0%	0%	0%	0%	16%
3 Credit institutions	14%	0%	0%	0%	0%	0%	0%	0%	0%	14%	0%	0%	0%	0%	0%	16%
4 Loans and advances	44%	0%	0%	0%	0%	0%	0%	0%	0%	44%	0%	0%	0%	0%	0%	16%
5 Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
6 Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%		0%	0%	0%	0%
7 Other financial corporations	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
8 of which investment firms	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

GAR KPI flow by CapEx

Disclosure reference date T																
% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					Proportion of total assets covered
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
	Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling			
GAR – Covered assets in both numerator and denominator																
1 Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	45%	2%	0%	0%	1%	0%	0%	0%	0%	0%	45%	2%	0%	0%	1%	85%
2 Financial undertakings	16%	0%	0%	0%	0%	0%	0%	0%	0%	0%	16%	0%	0%	0%	0%	53%
3 Credit institutions	16%	0%	0%	0%	0%	0%	0%	0%	0%	0%	16%	0%	0%	0%	0%	53%
4 Loans and advances	14%	0%	0%	0%	0%	0%	0%	0%	0%	0%	14%	0%	0%	0%	0%	52%
5 Debt securities, including UoP	223%	0%	0%	0%	0%	0%	0%	0%	0%	0%	223%	0%	0%	0%	0%	1%
6 Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%	0%		0%	0%	0%
7 Other financial corporations	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
8 of which investment firms	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
9 Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
10 Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
11 Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%	0%		0%	0%	0%
12 of which management companies	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
13 Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
14 Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
15 Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%	0%		0%	0%	0%
16 of which insurance undertakings	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
17 Loans and advances	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
18 Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
19 Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%	0%		0%	0%	0%
20 Non-financial undertakings	48%	14%	0%	0%	9%	0%	0%	0%	0%	0%	48%	14%	0%	0%	9%	5%
21 Loans and advances	48%	14%	0%	0%	9%	0%	0%	0%	0%	0%	48%	14%	0%	0%	9%	5%
22 Debt securities, including UoP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
23 Equity instruments	0%	0%		0%	0%	0%	0%		0%	0%	0%	0%		0%	0%	0%
24 Households	100%	4%	0%	0%	0%	0%	0%	0%	0%	0%	100%	4%	0%	0%	0%	28%

Disclosure reference date T

% (compared to total covered assets in the denominator)	Disclosure reference date T															
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
	Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling						
25	of which loans collateralised by residential immovable property	100%	1%	0%	0%	0%	0%	0%	0%	0%	100%	1%	0%	0%	0%	23%
26	of which building renovation loans	100%	96%	0%	0%	0%	0%	0%	0%	100%	96%	0%	0%	0%	0%	1%
27	of which motor vehicle loans	100%	0%	0%	0%	0%				100%	0%	0%	0%	0%	0%	4%
28	Local governments financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
29	Housing financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
30	Other local government financing	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
31	Collateral obtained by taking possession: residential and commercial immovable properties	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

KPI off-balance sheet exposures

Disclosure reference date T

% (compared to total eligible off-balance sheet assets)	Disclosure reference date T														
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
	Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling					
1	Financial guarantees (FinGuar KPI)	0.85%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.85%	0.00%	0.00%	0.00%	0.00%
2	Assets under management (AuM KPI)	5.80%	0.67%	0.00%	0.07%	0.60%	1.19%	0.00%	0.00%	0.00%	6.99%	0.67%	0.00%	0.07%	0.60%

Rules for Taxonomy analysis for the purpose of GAR reporting for 2023

Identification of customers subject to the NFRD and general rules

The list of the Group's customers subject to non-financial reporting obligations (in accordance with the criteria laid down in Article 19a and 29a of Directive 2013/34/EU on the annual financial statements, consolidated financial statements and related reports and Non-Financial Reporting Directive 214/95/EU) was defined using the databases of third parties, particularly BIK (domestic entities) and Clarity Ai (EU entities based outside Poland).

In the case of general purpose debt instruments, the value of Taxonomy-eligible and Taxonomy-aligned assets was calculated as a product of the gross value of exposures and relevant turnover and CapEx KPIs. These indicators were provided by third parties, i.e. BIK (in terms of domestic entities) and Clarity Ai (in terms of non-residents). They come from the publicly available statements of non-financial information published by entities subject to NFRD.

In the case of specific purpose loans and advances and instruments issued to finance specific investments, the economic activities financed by the Group were assessed on a case-by-case basis in terms of Taxonomy eligibility, i.e. if they were included in the EU Taxonomy as part of individual climate objectives. If the result of the assessment was positive, they were subsequently analysed in terms of Taxonomy alignment, i.e. if they met the technical criteria (contribute substantially to one climate objective and cause no significant harm to other environmental objectives) and minimum social safeguards (meet specific social and ethical standards).

The methodology, analysis and results of both stages of the Taxonomy assessment were reviewed and approved by the ESG Panel. The Panel reviews the transactions made by business units of Santander Bank Polska Group (excluding Santander Consumer Bank Group) and decides if they meet the criteria of the EU Taxonomy, internal sustainable finance classification system (SFCS) and transition finance classification system (TFCS). Entities of Santander Consumer Bank Group collect data and conduct Taxonomy analyses independently. The final templates are aggregated at the level of Santander Bank Polska S.A. as a parent entity.

Assessment of Taxonomy eligibility of exposures to customers subject to the NFRD

Transactions with credit institutions and other financial institutions (understood exclusively as insurance companies, investment firms and asset managers) gave rise to general purpose exposures and qualified as Taxonomy-eligible to the extent indicated by the KPIs published by the above-mentioned customers. Exposures to financial institutions were not assessed in terms of Taxonomy alignment because of the transition period effective until the end of 2023, during which those entities were only required to publish the eligibility ratio.

In the Corporate and Investment Banking Division, expert judgment was used to assess Taxonomy eligibility of specific purpose exposures to corporate customers subject to the NFRD arising from term/investment loans, syndicated loans, trade finance and project finance.

In the Business and Corporate Banking Division, Taxonomy-eligible debt instruments were identified either on the basis of expert judgment (in the case of older exposures) or 78igitalized results of the questionnaire obligatorily completed by customers subject to the NFRD applying for special purpose loans as part of the regular classification of loans based on the EU Taxonomy and the internal sustainable finance classification system (in the case of new exposures).

The eligibility of leasing transactions with customers subject to the NFRD was assessed on the basis of the leased assets.

As a result of the review and verification of the transactions from the Group's debt instrument portfolio (both Business and Corporate Banking and Corporate and Investment Banking) in terms of the type of the financed activity and its inclusion in the EU Taxonomy, the activities were classified as Taxonomy-eligible in accordance with Commission Delegated Regulation (EU) 2021/2139 establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives.

Assessment of Taxonomy alignment of exposures to customers subject to the NFRD

Transactions classified by the ESG Panel of Santander Bank Polska S.A. as sustainable finance in line with the internal sustainable finance classification system (SFCS) were thoroughly reviewed in terms of their alignment with the EU Taxonomy.

In 2023, the assessment covered specific purpose lending in the form of project finance originated by the Corporate and Investment Banking Division not disbursed earlier than in 2022. Based on the information collected, one transaction with an SPV of a customer subject to the NFRD was identified.

Both the customer and Santander Bank Polska Group are still conducting the assessment and collecting evidence for the purpose of Taxonomy disclosures. As part of the transaction, a loan of PLN 251m was granted, of which PLN 26.7m was disbursed as at 31 December 2023. The activity subject to assessment is electricity generation from wind power, which contributes to climate change mitigation.

In the Business and Corporate Banking segment, one potential Taxonomy-aligned specific purpose transaction with a customer subject to the NFRD was identified. Lending is to be disbursed next year. The Taxonomy assessment is in progress. As a result, no transaction from the Business and Corporate Banking segment was included for further analysis.

Assessment of Taxonomy eligibility and Taxonomy alignment of exposures to households

Santander Bank Polska Group identified the following products for households as Taxonomy-eligible: home loans and loans for biomass-fuelled heating devices, electric car charging stations, solar collectors, photovoltaic panels/installations, heat pumps, wind turbines, passenger cars and delivery vans up to 3.5t granted on or after 1 January 2022.

The following facilities were classified as Taxonomy-aligned: loans for electric car charging stations, solar collectors and photovoltaic panels/installations which do not cause significant harm to objectives related to climate change adaptation. The assessment was made on the basis of customers' postal codes and the database prepared by Munich Re, including information about the severity and frequency of climate threats in NUTS territorial units in Poland.

The Taxonomy-aligned products also included home loans of Santander Bank Polska S.A. (excluding the portfolio of Santander Consumer Bank S.A. as those loans were withdrawn from the offer in 2009) that met the criterion of substantial contribution based on the analysis of data included in the central register of energy performance certificates (issued in Poland since 2015) and the "do no significant harm" criterion with regard to climate change adaptation.

As it was not possible to automatically separate mortgage loans for development of new buildings or loans for purchase of residential properties, such loans are presented at an aggregate level as part of the portfolio secured by residential properties. In order to assess if the above portfolio contributes substantially to climate change mitigation, a more stringent criterion was used, i.e. the criterion applicable to buildings constructed after 31 December 2020, according to which the primary energy demand should be at least 10% lower than the threshold set for nearly zero-energy buildings in the domestic legislation implementing Directive 2010/31/EU of the European Parliament and of the Council. To that end, the ratio showing the annual demand for non-renewable primary energy for space and water heating, ventilation and cooling was compared with the threshold value reduced by 10% (calculated in line with the formula presented in § 329(1) of the Notice of the Minister for Development and Technology of 15 April 2022): 63kWh/(sqm*year) for single-family residential buildings and 58.5 kWh/(sqm*year) for multi-family residential buildings.

The physical risks of the portfolio of loans secured by residential properties were assessed on the basis of customers' postal codes and the database of NUTS territorial units in Poland including information about climate threats of high severity or frequency on a given territory.

Due to insufficient evidence resulting from disproportionate efforts and resources required to obtain relevant information and confirmations from customers for the purpose of reporting for 2023, loans for electric and plug-in hybrid cars and loans for biomass-fuelled heating devices were not classified as Taxonomy-aligned.

Local governments

The Group did not grant loans to local governments to finance residential or commercial properties. No other specific purpose lending was sanctioned to that group either.

Voluntary disclosure

Information about transactions with special purpose vehicles

Lending granted to customers subject to the NFRD is not the only significant financing provided by the bank that contributes to environmental objectives.

As part of specific purpose lending in the form of project finance originated by the Corporate and Investment Banking Division and disbursed not earlier than in 2022, which was classified by the ESG Panel of Santander Bank Polska S.A. as sustainable finance according to the internal classification system, five transactions with SPVs of customers not subject to the NFRD were identified. They were thoroughly analysed in terms of Taxonomy alignment.

Three transactions were classified as Taxonomy-aligned. Their total nominal value is PLN 400m, of which PLN 277m was disbursed as at 31 December 2023. The above projects substantially contribute to climate change mitigation through electricity generation from wind power. The projects meet the technical criteria and the "do no significant harm" rule, and project sponsors comply with minimum safeguards.

Each location specified in the project documentation was verified in terms of physical risks. No such risks were identified using tools available to the bank. As the project documentation did not include information about a potential negative impact on the transition to a circular economy, the parameters of wind turbines used in the projects and their suppliers were analysed in greater detail. The analysis covered availability, durability, recyclability, easy disassembly and adaptability of products manufactured. The impact on the protection and recovery of biodiversity and ecosystems was analysed too. The assessment focused on the environmental impact and effectiveness of implementation of the required mitigation and compensation measures. The projects classified by Santander Bank Polska S.A. as Taxonomy-aligned do not adversely affect the protection and recovery of biodiversity and ecosystems. The environmental and social analysis was conducted in line with the Equator Principles, which are an official project assessment methodology adopted by the bank. Each majority investor was verified in terms of compliance with minimum safeguards. Specifically, the bank checked if they had rules or due diligence processes in place regarding human rights, good tax practices, fair competition and prevention of corruption, and if all employees and suppliers were required to adhere to them. Investors in projects classified by Santander Bank Polska S.A. as Taxonomy-aligned comply with minimum safeguards.

The other two transactions did not qualify as Taxonomy-aligned as there was insufficient evidence to demonstrate the compliance with the "do no significant harm" criterion. However, they meet some or all criteria of substantial contribution to the environmental objectives of the Taxonomy.

The purpose of one of these transactions was to finance the renovation of an existing building, reducing the primary energy demand by at least 30% (according to SPO). PLN 186m worth of lending was provided, of which PLN 79m was disbursed as at 31 December 2023. Due to incomplete documentation, it was not possible to confirm that other technical criteria and the "do no significant harm" rule were met. Still, the transaction qualifies as sustainable finance according to the internal classification system.

The purpose of the other transaction was to finance the construction of photovoltaic infrastructure. PLN 225m worth of lending was granted, of which PLN 150m was disbursed as at 31 December 2023. The transaction was classified by the ESG Panel as sustainable finance according to the internal classification system but did not qualify as Taxonomy-aligned. The results of the Taxonomy analysis were not sufficient to demonstrate compliance with the "do no significant harm" rule (transition to a circular economy). The project documentation included information about at least six suppliers of solar panels, which limited the possibility to confirm availability, durability, recyclability, easy disassembly and adaptability of products manufactured.

Specific purpose lending granted by the Business and Corporate Banking and reviewed by the ESG Panel in terms of alignment with the internal classification system (SFCS) concerned the development and purchase of commercial properties. The assessment was based on the BREEAM and LEEDS (pre)certification, which is not sufficient to determine the alignment with the EU Taxonomy. It was concluded that the Group did not have sufficient evidence to consider those transactions to be Taxonomy-aligned. As a result, no transaction from the Business and Corporate Banking segment was classified as such.

Other qualitative disclosures related to EU Taxonomy

Nature and objectives of Taxonomy-aligned economic activities and the evolution of the Taxonomy-aligned economic activities over time

The bank takes steps to align its portfolio with the goals set in the Paris Agreement, the TCFD's recommendations and the EU policies, which indicate that the financial sector plays a major role in tackling climate change. The value of lending granted by the bank for sustainable purposes has been steadily rising. Such purposes include renewable energy sources, energy-efficient buildings and electromobility. The bank also intends to increase the financing of energy storage facilities and hydrogen installations.

The bank analyses requirements arising from the EU Taxonomy-related regulations. It is aware of challenges connected with the robust criteria for assessing different types of economic activities and the availability of the underlying data. That is why the Bank keeps improving its reporting systems and processes. Work is underway to create an analytical database which will be used as a uniform data source for reporting purposes. The bank also obtains data from its customers and other external sources to make sure that its data repository is as accurate and complete as possible. As a result of an analysis, the bank identified assets and activities which currently cannot be classified as Taxonomy-aligned due to insufficient data. Specifically, there are no consistent rules or sufficient evidence to assess the "do no significant harm" criteria and the minimum social safeguards. The assessment of the Taxonomy alignment of different types of economic activities may change in the future, once more data are available and a common sector approach is adopted.

Compliance with Regulation (EU) 2020/852 in the financial undertaking's business strategy, product design processes and engagement with clients and counterparties

The bank considers the environmental objectives specified in the EU Taxonomy in its sustainable development initiatives and integrates the ESG criteria into the credit analysis of its customers. The bank follows a climate strategy which complies with the Net Zero global strategy of Banco Santander and supports customers in their transition to a low carbon economy. Specifically, it provides advisory services and steadily expands the range of products supporting the transition (including debt instruments).

For 2024–2026, the bank's Management Board adopted the "We Help You Achieve More" strategy. It emphasises that the challenges the Bank and the society face require a huge responsibility. With a sustainable business model, the Bank creates value for customers, employees, shareholders and local communities, working towards a better future for us, our children and our planet. This is what the bank's third strategic direction – Total Responsibility – is about. The strategy includes the bank's commitment to comply with the reporting requirements regarding ESG (including the EU Taxonomy) and diversify the portfolio of green assets. Therefore, in 2024–2026 the Bank will launch new financial products and services to support the transition, provide advisory services in terms of green investments, finance new sustainable projects and communicate with investors to ensure that green assets generated by the bank meet their expectations.

Additional or complementary information in support of the financial undertaking's strategies and the weight of the financing of Taxonomy-aligned economic activities in their overall activity

Apart from the assessment of its exposures in terms of alignment with the EU Taxonomy, in 2022 the bank implemented the internal Sustainable Finance Classification System (SFCS). It specifies the criteria to be met by specific and general purpose lending to be classified as green, social or sustainable finance. The system is based on the recognised market standards, including the EU Taxonomy. Other guidelines that the system complies with are: ICMA Social and Green Bond Principles, Climate Bond Standards and LMA Sustainability Linked Loan Principles. Based on the EU Taxonomy, the Bank identifies environmentally sustainable finance (GAR), which is part of the finance that meets the SFCS criteria. In 2023, the value of the latter finance was PLN 7,671m (PLN 3,127.5m in 2022) and increased by 145% YoY, reflecting a dynamic growth of the bank's investments in sustainable projects. As the GAR is published for the first time, its YoY evolution can be presented in the future reporting periods.

Stakeholder relations - Social

Stakeholders relations strategies and policies

[GRI 2-23] [GRI 2-24] [PRB 4 – Stakeholders]

Santander Bank Polska Group lays down principles to shape responsible stakeholder relations. In line with the "We Help You Achieve More" strategy, we make conscious ethical decisions, taking care about their impact on the community and the environment. Through a sustainable business model, our bank creates value for customers, employees, shareholders and local communities, ensuring a better tomorrow for us, our children and our planet. The strategic approach to stakeholder relations is complemented by policies implemented both across our Group and in individual companies. Of particular relevance in this context is the "Responsible Banking and Sustainability Policy", adopted in October 2023 to replace the previous "Sustainability Policy" and "Human Rights Policy". According to its provisions, the social objective of the Santander Bank Polska Group is to promote inclusive growth in the form of financial education, support for learning, entrepreneurship and employment, and the creation of diverse teams with high competence.

Santander Bank Polska Group's social commitments are stated in its Responsible Banking and Sustainability Policy:

 Towards employees:	 Towards customers and suppliers:	 Towards the communities:
<ul style="list-style-type: none"> • prevention of discrimination and practices violating human dignity, • not using forced labour and child labour, • respect for the right of association and collective bargaining, • compliance with health and safety standards, • offering fair employment conditions, • enabling the work-life balance. • ensuring the right to protection of personal data and privacy. 	<ul style="list-style-type: none"> • equal treatment of customers, • equal treatment of suppliers, • environmental protection. 	<ul style="list-style-type: none"> • fight against corruption, • community involvement • dialogue with stakeholders, • maintaining channels of communication and collaboration with stakeholders.

The Responsible Banking and Sustainability Policy is a document available on the Santander Bank Polska S.A. website.

In addition to the policy and strategy, the following documents governing social matters are in force in the Group:

- Stakeholder relations strategies and policies,
- Santander Bank Polska Group's Corporate Culture Policy,
- Social, Environmental and Climate Change Risk Management Policy,
- General Code of Conduct,
- Policy of Diversity in the Composition of the Management Board of Santander Bank Polska S.A.

Our approach to social matters is in line with international principles and guidelines, including the following documents:

- Equator Principles
- Universal Declaration of Human Rights,
- UN Sustainable Development Goals
- UN Global Compact,
- OECD Guidelines for Multinational Enterprises,
- UN Guiding Principles on Business and Human Rights,
- Fundamental Conventions of the International Labour Organisation (ILO).

Stakeholder relations – what matters to us

Positive customer experience (NPS)

[Custom indicator: Key actions to increase customer satisfaction] [Custom indicator: Customer satisfaction measurement results]

The Group has adopted a strategic approach that we call 'customer-centricity'. According to our strategy, we want to be a market leader "in the service quality, focused on the needs and expectations of customers". The detailed description of our customer-centricity approach can be found in the Customer Experience Management Policy implemented in 2022. The standards we have adopted include:

- the Compass standard for the design of products and services, which is based on customer-centric principles of modern design,
- the 'Clear Thing' standard of simple communication which we have implemented both in the process of exchanging information with customers and internally
- the standard of empathetic customer service, in which it is increasingly important to combine digital solutions with in-branch customer experience.



GOOD PRACTICE

The number of areas in which the 'Clear Thing' standard of straightforward communication is being implemented is growing. The style of correspondence sent to customers regarding debit and credit cards, mortgages, accounts and insurance was changed in 2023. New rules for the preparation of promotional terms and conditions were also adopted and guidelines for the preparation of documents for people with special needs were developed. In 2024, we will implement new service standards in the distribution network.

In the future, we will continue the activities from 2023 with a focus on:

- digital availability of our communication on the website and the mobile application, including model documents,
- the creation of a database of model texts, terms and definitions.
- implementation of text usability studies.

At Santander Leasing S.A., we revised and implemented leasing agreements, general terms and conditions and accompanying documents written in plain language, significantly increasing their clarity and readability for recipients. Similar measures were carried out in terms of mass communication addressed to customers, implemented through emails, text messages, information on platforms and the website. In 2024, at Santander Leasing S.A., the documents of other products (loans, rental) will be amended to adapt them to the requirements of plain language.

At Santander Bank Polska S.A., the quarterly action planning process takes into account the customers' point of view. The results of the NPS (Net Promoter Score) for each business segment are analysed and the most important initiatives to improve its value are identified. We view this indicator as a measure of the degree to which customer needs are understood and met.

Customers' needs, aspirations, problems and requirements are the basis for the initiatives we take. And one of the key metrics by which we check the extent to which we are responding to customer expectations is the Net Promoter Score (NPS). In 2023, we saw that the actions we took were appreciated by our customers. In the case of mass customers, we were among the top three most recommended banks, which means we were up one position on the previous year. Among affluent customers, we maintained our third NPS rank, and the nominal value of this indicator increased by 6pp, compared to the previous year. Among small and medium-sized businesses, we were ranked second. We also see a significant improvement in NPS performance among corporate and investment banking customers (by 12pp year-on-year) and Private Banking customers (by 14 pp year-on-year).

Santander Bank Polska S.A. is a co-initiator and signatory of the Declaration of Responsible Selling. This is a project initiated by financial institutions to improve ethical standards in customer relations. In 2023, the Bank once again successfully completed an audit of the Responsible Selling Declaration, which confirmed that our internal regulations and processes are transparent and customer-friendly.

Responsible selling in the Group is governed by our General Code of Conduct. The principles we follow are:

- fair treatment of the customer at all stages of the sales process,
- full information on the risks and costs associated with the product or service,
- competitive, transparent pricing at a reasonable level,
- impartial, understandable and relevant to the target customer group product- and service-related information,
- information on channels and decision-making processes regarding applications, incidents and claims that is understandable to customers.

At Santander Bank Polska S.A., we ensure that marketing communications sent to customers are ethical and in line with the law, recommendations of regulators and good market practices.

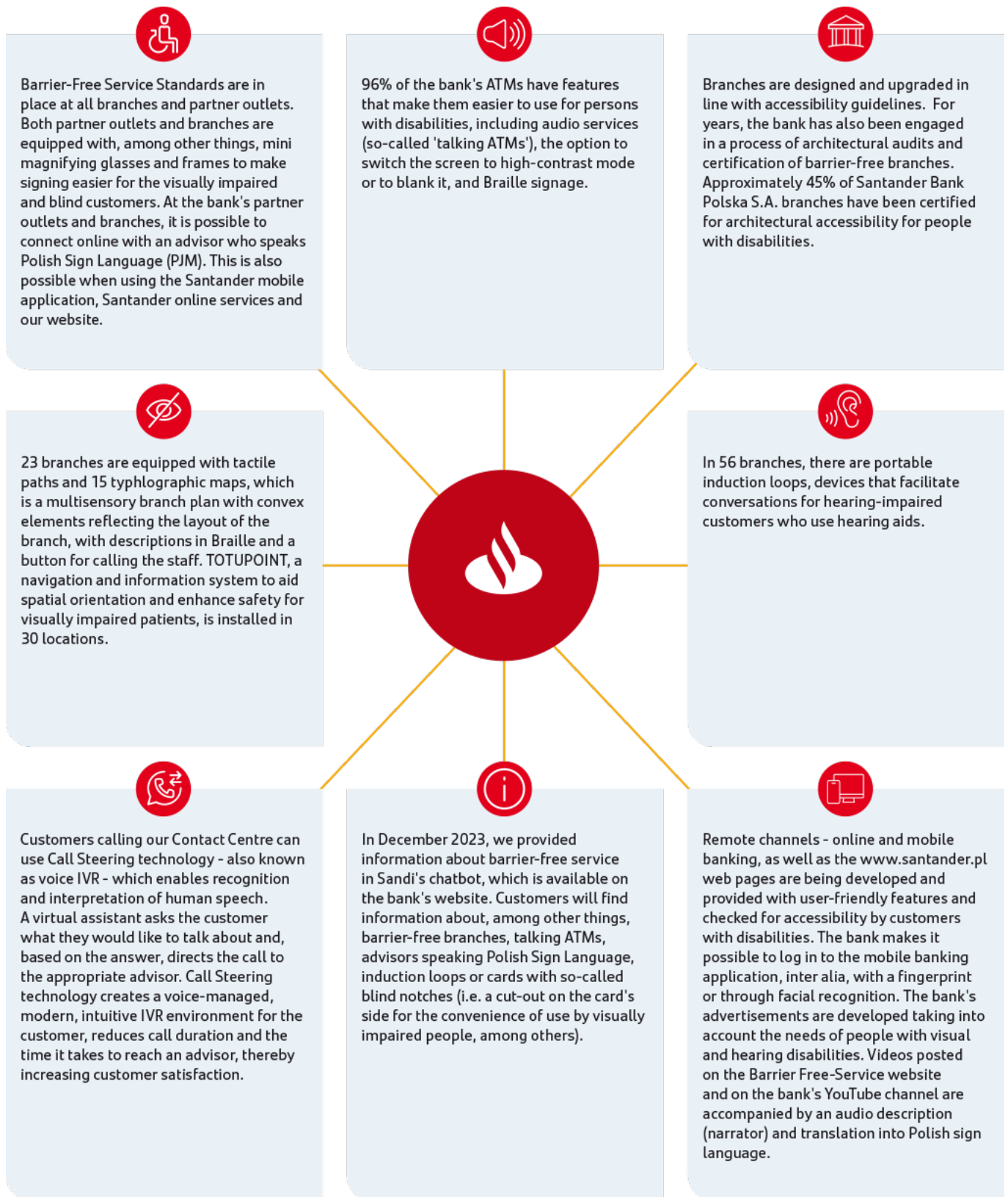
The general rules for the preparation and verification of marketing materials are set out in the Santander Bank Polska S.A. Advertising and Marketing Communications Manual. Detailed standards for a given product group are contained in the guidelines, developed by the Compliance and Financial Crime Control Division. The basic rule is that marketing materials should be reliable, honest, truthful and written in clear and simple language adapted to the target audience. Before publication, each material is reviewed to ensure that it meets the standards set out in the guidelines. In addition, training and workshops for units preparing marketing communications are held periodically to strengthen the knowledge and skills of employees.

At Santander Bank Polska S.A, we recognise that customers' decisions to purchase products are increasingly driven by a desire to reduce environmental damage or have a positive impact on the environment. We want to provide customers with reliable and honest information that they can rely on when making purchasing decisions. To this end, the Compliance and Anti-Financial Crime Division has prepared Sustainability Communication and Advertising Guidelines to combat greenwashing. Compliance with the guidelines is checked before the material is published. Furthermore, business projects and new product proposals are checked for the risk of greenwashing in order to ensure at an early stage in the preparation of an offer that the change does not generate a risk of customer misleading and greenwashing.

Inclusive and sustainable banking

[GRI 3-3] [Custom indicator: Number of bank branches with Barrier-Free Service certification] [FS 14 (GRI Sector supplement)]

At the Group, we tailor our offering, service and communication system to the needs of all customers. We offer services in traditional branches, digital channels and, in addition, we have a network of self-service facilities. Among other things, we increase accessibility through the Barrier-Free Service Programme implemented at Santander Bank Polska S.A. consistently since 2010. The aim of this programme is to provide access to the bank's offering to customers with different needs, including persons with disabilities and senior citizens. Thanks to modern technologies, we are steadily increasing the possibility of remote use of products and services across the Group. At the same time, we take care to provide the right conditions for customers in traditional outlets.



In accordance with the requirements of the Act on Ensuring Accessibility for Persons with Special Needs, Santander Bank Polska S.A. offers upon request so-called accessible documents, i.e. non-personalised templates of agreements and regulations.



GOOD PRACTICE

In 2023, Santander Bank Polska S.A. conducted an educational campaign in social media showcasing the bank's solutions for visually impaired people. The campaign reached 2.8 million people. In addition, as a founding member of the Business Accessibility Forum (BAF), the bank supported the development and dissemination of the Report on Digital Accessibility in Polish Business and the organisation of the Space Without Barriers Accessibility Forum.

We also work to prevent financial exclusion by facilitating access to cash, banking products and services, including through a network of partner outlets and ATMs in areas where there are no bank branches. We carry out financial inclusion activities based on an internal methodology that is consistent across the Santander Group, in line with international standards and with assurance by an independent external body. In 2023, the number of beneficiaries of these activities totalled 145,849.

Impact of operations on the environment

Employee relations

Employment structure

[GRI 2-7] [GRI 2-8] [GRI 2-30] [GRI 401-1] [PRB 4 – Stakeholders] [GPW S-P6] [GPW S-P7]

At the end of 2023, the Santander Bank Polska Group employed **12,072** people under employment contracts¹⁸, most of them in the bank (84%). In addition, **2,660** people provided work for the Group.

The figures below refer to the headcount as at 31 December, 2023.

12,072 employees of the Santander Bank Polska Group, including:



10,089 at the bank



1,433 at Santander Consumer Bank S.A. and its subsidiaries



336 at Santander Leasing S.A. and its subsidiaries



114 at Santander Factoring Sp. z o.o.



100 at Santander TFI S.A.

- ➔ 15% were newly hired Group employees.
- ➔ 14% was the level of employee turnover in the Group.
- ➔ Group employees are not covered by collective labour agreements. There are 5 trade union organisations in the bank.

¹⁸At the time of preparing this Report, the Group does not have a systematic solution to report the number of employees without completely avoiding double counting within Group companies, which results from individuals being employed in more than 1 Group company at the same time. The Group is working on implementing solutions to improve the reported data. Any double counting of relates to part-time contract employees and may represent 4% of the total number of employees.

Number of employees by gender and type of employment contract




Type of employment contract	Santander Bank Polska S.A.			Santander Bank Polska Group		
	Female	Male	Total	Female	Male	Total
Employed for an indefinite period of time	5,850	2,788	8,638	7,063	3,412	10,475
Employed for a fixed period of time	937	514	1,451	1,057	540	1,597
Total	6,787	3,302	10,089	8,120	3,952	12,072

Number of employees by gender and type of contract


Type of employment contract	Santander Bank Polska S.A.			Santander Bank Polska Group		
	Female	Male	Total	Female	Male	Total
Full-time	6,316	2,991	9,307	7,614	3,622	11,236
Part-time	471	311	782	506	330	836
Non-guaranteed hours	0	0	0	0	0	0
Total	6,787	3,302	10,089	8,120	3,952	12,072

In 2023, we did not see any significant fluctuations in the number of employees in the Group, and those that did occur in our opinion were due to standard employee turnover.

The predominant form of employment in the Santander Bank Polska Group is the employment contract, but there are also individuals working for the Group under other arrangements, depending on the Group company:

 <p>At the Bank – 2 086 persons:</p>	 <p>At Santander Consumer Bank S.A. and its subsidiaries – 91 persons:</p>	 <p>At Santander Leasing S.A. and its subsidiaries – 472 persons</p>
<ul style="list-style-type: none"> • trainees and interns, • persons performing specific tasks within a specified period of time, • persons working under B2B contracts. 	<ul style="list-style-type: none"> • outsourced employees mainly in the Call Centre and operations, • persons working under B2B model, mainly freelancers in the IT area, • persons working under civil law contracts, mainly in the sales network (OFWCA contracts – "Individuals performing agency activities"). 	

In the other companies, the numbers are insignificant and such individuals provide ad-hoc support to our teams.



GOOD PRACTICE

At the Bank and Santander TFI S.A., regular engagement and 'Your Voice' e-NPS surveys are conducted, as well as surveys on issues relevant to daily work. Among other things, in 2023 employee preferences were surveyed at TFI in relation to the new offices that will start to be rented in 2024 and 2025. Monthly staff meetings are also held with the Management Board to discuss the current situation of the company. In the bank, meanwhile, three waves of surveys are carried out throughout the year. We are proud to note an upward trend in results as of 2021 onwards.

Diversity in the workplace

[GRI 2-9] [GRI 405-1] [GRI 405-2] [GRI 202-1] [GPW S-P1] [GPW S-P5]

The number of people employed by the Santander Bank Polska Group under employment contracts is 12,072, of which 67% are women and 33% are men. Most of the Group's employees work in Warsaw and other large conurbations. Less than 1% of the Group's employees are foreigners.

Share of women at different job categories

	Santander Bank Polska S.A.	Santander Bank Polska Group
Percentage of women - top management	27.27%	12.50%
Percentage of women - senior managers	37.38%	37.43%
Percentage of women - other managers	58.18%	57.21%
Percentage of women - other employees	67.77%	67.86%

Respect for individuality, equal treatment and anti-discrimination are guaranteed, inter alia, by the Respect and Dignity Policy and the Santander Bank Polska Group Corporate Culture Policy. The bank, as a signatory to the Diversity Charter (an international initiative supported by the European Commission) has taken on a commitment to respect and support diversity. In addition, in line with the Policy of Diversity in the Composition of the Management Board, we are committed to ensuring gender balance in the composition of the Management Board and have increased the number of women on the Management Board compared to the previous reporting period. At the end of 2023, there were 8 men and 3 women on the Management Board of Santander Bank Polska S.A. The Supervisory Board aims to achieve a minimum of 30% women on the Management Board by 2025 and to increase diversity in terms of age and geographical background. We also promote the diversity of the members of the Management Board and the Supervisory Board in terms of experience and qualities - about half of the members of our governing bodies are foreigners.

We are still working on obtaining reliable data to show the wage gap at a consolidated level. However, we disclose unadjusted wage gap, that is the ratio of the average basic salary of women to men employed in each grade, on the bank's level.

Unadjusted wage gap in 2023

Santander Bank Polska S.A.		
Job category	Basic salary*	Total remuneration**
Top management (Management Board)	76.34%	68.14%
Senior management (excluding the Management Board)	82.94%	78.19%
Other managers	80.91%	78.19%
Other employees in non-managerial positions	71.25%	71.93%

For 2023, the methodology has been for the first time aligned with EBA requirements (Directive 2013/36).

* A fixed amount paid to an employee for the performance of their duties. It does not include any additional amounts of remuneration, such as overtime pay or bonuses.

** Basic salary, bonuses and awards paid during the reporting period.

According to another approach, the unadjusted wage gap between men and women in full-time employment remains at 52.63% in the Bank:

Gender Pay Gap (S-P5) – data refers to the Bank

Santander Bank Polska S.A.

52.63%

The indicator, as recommended by the WSE, compares the annual gross salaries of male and female full-time employees of the company at the end of the financial year and takes into account bonuses, awards and other allowances.

In parallel, we conduct our own analyses, where employment clusters and comparisons of similar positions are taken into account. The wage gap adjusted in this way is 1.17% at Santander Bank Polska S.A.(down from 2% last year).

Santander's custom indicator – Equal Gender Pay Gap* – data refers to the Bank

Santander Bank Polska S.A.

1.17%

* Banco Santander's Group methodology: the indicator compares the remuneration of men and women in similar positions (all employed persons are divided into 'clusters'). The total EPG gap is a weighted average of the wage gaps in each cluster calculated as the difference of the average male wage and the average female wage to the average male wage. The weights for the weighted average are the sizes of the individual clusters. For 2023, the methodology has been adapted for the first time to the requirements of the EBA (Directive 2013/36).

Regarding the ratio of the remuneration of the lowest-level employees (customer service manager, relationship manager) to the national minimum wage, we note a similar level for both genders, with female employees at the lowest level of the bank earning 138% of this

wage and male employees earning 142%. At other Group companies, the results are more gendered, for example, at Santander TFI S.A. we noted a difference of up to 64% between the corresponding figures.

For detailed figures, see chapter [Our performance results](#).

Employee remuneration policy

[GRI 2-20]

The Santander Bank Polska Group Remuneration Policy enables us to attract and retain the best qualified professionals. Its personal scope covers employees of the bank and its subsidiaries, including identified employees (otherwise known as Material Risk Takers/MRTs), whose professional activities have a significant impact on the organisation's risk profile, excluding Members of the Management Board and Supervisory Board. We offer a market-competitive benefits package consisting of basic salary, bonus schemes and fringe benefits. The regulations implemented in the Group promote the avoidance of excessive risk among employees.

The ownership of the Policy is vested in the Management Board of Santander Bank Polska S.A., which is responsible for its updating and reviewing at least once a year. The bank's organisational unit responsible for remuneration assists the Management Board in this process. The Supervisory Board is responsible for overseeing the Policy, approving it and, at least annually, reviewing the remuneration principles and assessing their impact on the bank's management.

The Santander Bank Polska Group Remuneration Policy has been prepared in cooperation with the Risk Units, the Compliance and Financial Crime Control Division and the Legal Department. In determining the value of remuneration, we use reports offered by an independent consulting firm. The remuneration principles applied are subject to an independent internal review by the Internal Audit Area at Santander Bank Polska S.A. at least once a year. A report on the review is presented to the Supervisory Board and the Remuneration Committee of the Supervisory Board.

In determining the limit of the proportion of variable to fixed remuneration components, Santander Bank Polska S.A. takes into account the opinions of shareholders (in principle, it is then necessary to obtain the approval of the General Meeting of Shareholders expressed by a two-thirds majority of votes in the presence of persons representing at least half of the share capital).

The remuneration principles for members of the Supervisory Board and the Management Board are described in subsection [Rules for the remuneration of management](#).

Training and development

[GRI: 401-2] [GRI 404-1] [GRI 404-2] [GRI 404-3]

Santander Bank Polska Group considers employee development to be an essential condition for its market success. In each Group company, we have prepared bespoke training tailored to its business characteristics and the needs of the organisation.

<p>Santander Bank Polska S.A.</p>	<ul style="list-style-type: none"> • Knowledge Bank - ESG training series • English and IELTS training with the British Council conducted as part of the Santander Open Academy - 10% of the course places (out of 1,000) were reserved for employees of Santander Bank Polska Group. • Advisor of the Future - a programme aimed at branch network employees related to the development of digital competences. • Leadership Academy - a programme developing leadership competencies. • Leader's Quest - a series of induction training courses for newly appointed managers. • Subsidised language learning. • Mentoring and tutoring - internal knowledge sharing in the organisation.
<p>Santander Consumer Bank S.A.</p>	<ul style="list-style-type: none"> • First Manager - six-month development programme for professionals promoted to managerial positions .
<p>Santander TFI S.A.</p>	<ul style="list-style-type: none"> • LinkedIn Learning platform • LEGIMI e-library • English and Spanish language learning platform • EAP programme - psychological and development support (helpline, webinars, newsletters) • subsidised external courses and training - at the employee's/supervisor's request • "The Power of Appreciating Diversity: DISC" - a programme analysing the potential, communication skills and behavioural styles
<p>Santander Factoring sp. z o. o.</p>	<ul style="list-style-type: none"> • the opportunity to benefit from training at Santander Bank Polska S.A. • individual training of employees according to their competence needs and development path

Santander Leasing S.A.

- Go! Guide Pro training related to improving work with the tools offered by Google. The training topics in 2023 include:
- Google Sheets
- Service Design
- Locker Studio
- Salesforce - training for SME leasing consultants



GOOD PRACTICE

Santander TFI S.A. organised in 2023 the ESG School, a series of internal meetings for employees to discuss relevant ESG topics. The training sessions covered greenwashing, the SFDR, Green MiFID regulations, the Polish ESG investment fund market, as well as diversity and inclusion.

Training in Santander Bank Polska Group:

- 442,349 training hours
- 73% female training participants
- 26% male training participants

At least once a year, the quality of work of the majority of Group employees is assessed (58% of women and 70% of men). In the bank, the corresponding figures are 86% women and 90% men. The review is carried out based on criteria known to the employee and his/her manager. An element of the periodic employee appraisal is our corporate values, such as "Think customer", "Embrace change", "Act now", "Move together" and "Speak up". The human resources department may also take part in the appraisal.



GOOD PRACTICE

At Santander Consumer Bank S.A., employees who are terminated for reasons attributable to the employer receive an outplacement package, which includes three individual sessions with an external career consultant.

Benefits

[GRI 401-2]

Regardless of the type of employment contract (full-time vs. part-time), Santander Bank Polska Group employees receive additional benefits. The benefits offered by the Group companies are presented below:

<p>Santander Bank Polska S.A.</p>	<ul style="list-style-type: none"> • private medical care • cafeteria system • co-financing of the Multisport card • loans for house renovation and other housing purposes • financial assistance - support for persons in a difficult life and financial situation • support for parents: holiday subsidies for children, school starter kits, care in day nurseries, children's clubs and kindergartens financed from the Social Benefits Fund (ZFSS) • annual holiday allowance for bank's pensioners • allowances for persons with disabilities • financial allowance for pro-health purposes, 2 days off for persons with light disabilities and entirely remote work option for such persons (where the organisation and type of work permits)
<p>Santander Consumer Bank S.A.</p>	<ul style="list-style-type: none"> • private medical care • Social Benefits Fund (ZFSS): <ul style="list-style-type: none"> • Multisport card, • loans for renovation and housing purposes, • allowances - support for people in a difficult life and financial situation (including pensioners), • holiday subsidies for children • Children's Day contribution • Christmas subsidy (also for pensioners) • summer holiday subsidy (also for pensioners) • Additional length of service benefits: <ul style="list-style-type: none"> • additional paid days off - 1 to 5 days (number increases every 5 years after 5 years of seniority) • seniority gift (every 5 years from 10 years of seniority) • retirement gift

<p>Santander TFI S.A.</p>	<ul style="list-style-type: none"> • private medical care • psychological support • subsidised insurance policy • sports card • extra free time
<p>Santander Factoring sp. z o. o.</p>	<ul style="list-style-type: none"> • private medical care • group insurance • English language learning • sports card • reimbursement of eyeglasses
<p>Santander Leasing S.A.</p>	<ul style="list-style-type: none"> • private medical care • Multisport card • MyBenefit cafeteria, • group insurance, • English language courses, • Spanish language courses, • Company Social Benefits Fund, • financial services, • subsidies for contact lenses or eyeglasses.

Occupational health and safety

[GRI 403-2] [GRI 403-5] [GRI 403-6] [GRI 403-9] [GPW S-D1] [GPW S-P3]

The bank has a General Health, Safety and Wellbeing Policy. It sets out the guidelines and standards to be adhered to in order to protect health and life and to ensure the highest level of safety and wellbeing of employees. It also promotes a healthy lifestyle and the creation of long-term value for employees and local communities.

Working time and work-life balance issues are also regulated by the "Work Regulations".

Each Group company provides a safe workplace. There are Social Labour Inspectors and a Health and Safety Committee within our structures. The working environment is monitored by the Health, Safety and Wellbeing Office, which conducts regular audits and risk assessment reviews of individual workstations. Among other things, factors affecting physical safety and ergonomics at work are taken into account, as well as psycho-social risks and hazards associated with, for example, remote working. When updating the risk assessment, the experts consider information on previous accidents as well as current legislation. We consult with employees and professional organisations. In special situations, we set up a crisis management team.

The process of assessing occupational risks for individual job roles in the Group consists of five elements:

1. Gathering information
2. Identification of hazards at workplaces
3. Defining the likelihood of the hazard occurrence and its consequences
4. Determination of risk acceptability according to the PN-N-18002-2011 standard
5. Monitoring and possible remedial actions

The performance of the Group's OHS management system is regularly reviewed and improved. The knowledge of specialists from the Health, Safety and Wellbeing Office is updated and upgraded during training courses, conferences and industry meetings.

All employees of the bank undergo training in occupational health and safety. Its scope and frequency is determined by legal requirements, changing external circumstances and needs reported by employees. Information on risky situations is reported to the manager and employees of the Health, Safety and Wellbeing Office directly, by email, an online form or by telephone. The effectiveness of our health and safety training is regularly verified through health and safety audits, interviews with employees, analyses of accident incidents and post-training surveys. In addition, Group companies organise additional training where possible, e.g. TFI conducted a first aid training course in 2023.

In addition, we have implemented Business Continuity Plans throughout our organization, which consist of procedures and information to ensure business continuity in the event of an emergency. The plans ensure restoration of critical processes in the shortest possible time to maintain an acceptable range of Group operations.

In 2023, we recorded no serious or fatal accidents at Santander Bank Polska Group. The main types of injuries that were reported included sprains, strains and fractures of the lower and upper limbs. Work-related hazards that could create a risk of serious consequences include

bank robbery, traffic accident, fire, terrorist attack and electrocution. In 2023, none of such hazards resulted in serious injuries to our employees. We do not collect information on accidents or injuries to persons performing work who are not our employees.



▶ How we took care of the health of our employees in 2023 – Examples from Group companies:

- ▶ With staff wellbeing in mind, we have been running various preventive campaigns for the bank's employees, including glucose level checks, sight prevention and anti-obesity campaigns, webinars on urological or gynaecological cancer prevention). Throughout the year, our employees also have at their disposal the support of experts in crisis situations (psychologist, child psychologist, psychotherapist, sexologist, life coach, educator, psycho-dietitian).
- ▶ Santander Consumer Bank S.A. employees were invited to webinars on testicular and cervical cancer prevention. Each employee also had the opportunity to have a breast and testicular ultrasound examination performed at the bank's office. The bank also looked after the mental health of employees by offering access to psychological support services provided by HearMe.
- ▶ At Santander Leasing S.A., employees can participate in intranet webinars on topics such as mental health, first aid or early cancer detection. The company also makes it possible to join the LeasyGO platform, whose users motivate each other to exercise and participate in sports challenges.
- ▶ Santander TFI S.A. employees have access to advice from psychotherapists and psychologists. The service is also available to family members.

Customer relations

Accessibility of products and services to the customer

[GRI 2-6] [GRI 2-25] [Custom indicator: Main activities to increase customer satisfaction] [PRB 4 – Stakeholders]

Santander Bank Polska Group serves individuals, small and medium-sized companies, large enterprises and corporations, as well as public sector institutions (7.5 million customers at the end of 2023). We ensure a positive banking experience for all customers by:

- applying service standards that meet current market trends,
- adapting the solutions offered to customers' expectations,
- responsible sales practices and preventing the sale of financial products that do not meet customer needs (misselling),
- raising customer awareness of cyber security,
- adhering to ethical principles in marketing communications,
- providing reliable and understandable information on products and services.

In 2023, Santander Bank Polska S.A. prepared new customer service standards. The changes were inspired by qualitative interviews conducted with 24 customers and quantitative research with 467 employees. In 2024, the bank plans to implement the standards in the distribution network and launch training for employees.

Santander Leasing is also planning to refresh its customer service standards in 2024.

Selected customer service standards of Santander Bank Polska S.A.:



we speak to customers in a simple and understandable language



we support customer financial education and communicate the rules of cyber security



we respect customer diversity and support persons with disabilities, so that everyone feels comfortable at our bank



we help customers even with matters unrelated to the bank. We do more for them than they expect, on our own initiative



we suggest modern and environmentally friendly solutions for paperless service



we inform about the bank's charitable activities and encourage customers to participate

The bank has prepared a modern, comprehensive and tailored offering for customers, including bank accounts, loans, savings and investments, as well as settlement, insurance and card products. We are committed to making the use of our services simple, and we are also constantly increasing the number of features and operations that customers can quickly and efficiently execute through remote channels. In terms of business customer service, the bank is also taking measures to improve the standards of cooperation and improve the relationship between the adviser and the customer.



GOOD PRACTICE

Santander Factoring sp. z o. o. invites clients, as panellists, to participate in international conferences organised by the European Bank for Reconstruction and Development together with the FCI. In May 2023, we took a premium client to the first panel organised by the EBRD with entrepreneurs.



GOOD PRACTICE

Santander Bank Polska S.A. organised 14 meetings on green investments in 11 Polish cities for clients from the SME and corporate sectors. The events were attended by 200 representatives of SMEs and around 500 corporate clients.

Santander Bank Polska S.A. is working extensively to improve customer satisfaction levels in the various segments.

- In the retail segment:
 - we develop customer-focused solutions
 - we measure performance using NPS tools,
 - we simplify products and automate processes,
 - we develop digital channels,
 - we work with One Europe on Santander Group projects.
- In the SME segment:
 - we are developing remote processes and digital banking,
 - we are simplifying the credit process.
- In the Private Banking segment:
 - we strengthen the position of this segment on the Polish market as the private bank of first choice,
 - we provide a reliable and diversified investment offer.
- In the corporate clients segment:
 - we digitise and automate operations to focus on work that brings the highest value to customers,
 - we provide customers with products appropriate to their individual needs,
 - we maintain the highest quality of service for all clients and the highest standards of compliance with regulations and market standards,
 - we build value based on the talents and experience of our employees.



GOOD PRACTICE

In 2023, Santander Bank Polska S.A. launched a programme called "Life Events" responding to the needs of those customers who feel unprepared for important life events and would like banks to help them deal with such situations by providing education and suggesting best solutions. We have created a 'Life Support' website which offers guidance on how the bank can support customers in relation to events at different stages of their life. The feedback collected shows that customers appreciate the non-commercial nature of the advice provided and expect the bank to help them through both positive and difficult moments. 80% of customers surveyed who remembered communication about the site found it valuable and said they would like to receive such tips in the future. The majority of visitors to the website also agreed with the statement that Santander Bank Polska S.A. wants to help them in everyday situations and life challenges.



GOOD PRACTICE

Santander Factoring sp. z. o. o. organised a series of more than 20 training courses for small and medium-sized companies covering eight thematic areas. These trainings, launched under the 'Business of a New Era' theme, were conducted by specialists and practitioners in the fields of management, strategy development, design, business processes, finance and marketing. Each participant was also given the opportunity to take advantage, free of charge, of the training courses offered on the PFP Platform, both conducted online and through e-learning.

We also take care to ensure the high quality of the complaints management process. Customers of Santander Bank Polska S.A. may file complaints:

- in branches,
- via the Call Centre,
- in online and mobile banking,
- by post.

We respond to complaints in the manner chosen by the customer. The available forms of response are letter or message in online and mobile banking.

- 74% of complaints were filed remotely (by telephone or electronic banking services, including video call and chat).

Customers have the choice of receiving the response by post or in online and mobile banking. They are also informed by a text message when their complaint has been accepted, the case has been closed and the response has been forwarded. If the case takes longer than 5 days and then longer than 10 days to process, the customer will also receive a text message with such information.

- 86% of our responses were transmitted electronically.

In 2023, we have continuously improved our responses to complaints and worked to reduce the time taken to respond. We try to write in a simple and exhaustive way, while avoiding banking jargon and complicated language. We use robots in our complaints processes to reduce the time taken to handle complaints.

Complaint response times:

- **67%** of complaints were dealt with within three business days.
- **27%** of cases were dealt with straight away by bank employees accepting the complaint based on their authority. This means that the customer received a decision immediately after submitting the complaint.
- We resolved **96%** of the cases handled through the simplified process within one business day.

If we cannot accept a complaint, we inform the customer how they can appeal against our decision, internally to the Customer Care Officer or to external institutions. We systematically check the quality and speed of our work and the level of satisfaction/ recommendation (confirmed by surveys). In addition, since September we have introduced a post-complaint telephone call for certain categories of complaints. Our advisors contact customers by phone to inform them about the response to their complaint, to clarify any doubts or questions and to suggest solutions that customers might benefit from. We use the findings and results to improve the process of reporting and handling complaints.

We have described the rules for accepting and handling complaints in the terms and conditions of the individual products (for loans in contracts). Customers will also find them on our website.

In order to allow serious concerns to be reported to the Management Board, a special unit (in the Compliance and Financial Crime Control Division) has been set up at the bank to analyse and report on complaint trends and incidents that contribute to a significant increase in the number of complaints. We present the complaints report quarterly to the Management Board and Supervisory Board. In addition, once a year, we discuss complaints at a meeting of the Management Board and at meetings of the Audit and Compliance Committee.

Complaints that come directly to the bank's Management Board, the Board President and the members of the Management Board are dealt with by the Customer Care Officer. We also include information about these complaints in our quarterly and annual reports.

Information security

[Custom indicator: Measures implemented to ensure cyber security] [Custom indicator: Number of customers using mobile and online banking] [Custom indicator: Number of interactions in remote channels]

In 2023 the Bank had:

- 3,497 thousand digital customers
- 494 million online and mobile transactions.

With our customers in mind, we create secure IT systems. In the Group, we design the services we offer on the basis of modern IT solutions that ensure the highest quality of cyber security. Our information security management system is certified in accordance with the ISO/IEC 27001:2013 standard. For more on this topic, please see section "[Security of services, transactions and customer data](#)".

Transparency

[GRI 2-27] [GRI 417-2] [GRI 417-3] [GRI 406-1] [GRI 415-1]

In 2023, the Santander Bank Polska Group recorded:

- 0 – cases of non-compliance with regulations and voluntary codes concerning labelling and information on products and services.
- 0 – cases of non-compliance with regulations and voluntary codes governing marketing communications
- 0 – significant penalties and sanctions for non-compliance with laws and regulations
- 0 – cases of discrimination
- 12 – significant cases of employee frauds as a result of which the bank terminated employment contracts pursuant to Article 52 of the Labour Code
- PLN 0 – donations to political parties, politicians and institutions of a similar nature
- 17,859 legal proceedings concerning loans indexed or denominated in CHF, with a total claim value of PLN 6.2 billion (compared to 12,225 cases with a total claim value of PLN 3.6 billion as of December 31, 2022), including 2 class actions covered by the Act on Pursuing Claims in Class Proceedings.

At the bank, the identification of non-compliance with laws and regulations is an ongoing process overseen by the bank's Compliance function. The process encompasses communicating significant changes in laws and guidelines, monitoring the implementation of regulatory projects, approving new products and significant product changes, ongoing verification of contractual templates, communications and advertising, procedures, training and regular monitoring of processes and products.

Relations with the communities

Education

[PRB 4 – Stakeholders]



Education is the cornerstone of our social commitment, and the most important program in this area is Santander Universidades globally implemented by the entire Santander Group. Its goal is to:

- support members of local communities to develop professional competences to improve their labour market position and consequently our common future,
- support entrepreneurship - we want to help implement good ideas in business.

The backbone of the Santander Universidades program is a scholarship platform which in 2023 changed its name to Santander Open Academy. On the platform you can find:

- training courses that focus on developing competences and increasing competitiveness in the labour market,
- educational materials - ebooks, audiobooks, podcasts and videos,
- scholarships and financial awards, i.e. economic support for the academic community.

The access to Santander Open Academy is free of charge and available to anyone over the age of 16. Those interested in acquiring new competences can take advantage of programmes offered by various universities and educational institutions from all over the world.

The bank cooperates with many Polish universities where Santander Universidades has its branches. We promote cooperation between business and academia and contribute to improving the quality of the education process and adapting candidates to the needs of the job market. In 2023, a 13th Santander Universidades branch in Poland was officially opened in the building of the Main Library of the Cracow University of Economics.

Examples of Santander Open Academy programmes:



Santander | English and IELTS training in partnership with the British Council 2023

– a programme for people living in Poland who want to improve their language skills. The training offers learning on a platform, classes with tutors and the opportunity to pass the IELTS certificate. Nearly 10,000 people have taken part and more than 110 have passed the IELTS test.



Santander training

– "Investing in the stock market: SGH & WSE 2023"

– a programme for prospective and aspiring investors. 400 participants took part in a free online training series on investing in the stock market and learnt about issues essential to investing, such as the functioning of the capital market and the stock exchange, principles of investing, company analysis, ways to assess risk, the psychology of investing and much more. The top 40 participants attended an investment workshop held in the Stock Exchange headquarters building.



GOOD PRACTICE

In 2023, representatives of the authorities of the 30 Polish universities working most closely with our bank and representatives of the Santander Bank Polska Group took part in the 5th International Rectors' Meeting in Valencia. The meeting is one of the most important events in higher education. It brought together more than 700 rectors, academics, political and business figures from 14 countries. Speakers discussed how universities can further support society in sustainable development, and the event provided an opportunity to discuss the role of academia in the face of challenges facing society.

The meeting was inaugurated by Pedro Sánchez, Prime Minister of Spain, together with Ana Botín, President of the Santander Group and Universia. From Poland, the event was attended by, among others, Board President Michał Gajewski, Board members Arkadiusz Przybył and Magdalena Proga-Stepień, as well as Marta Pszczoła, Director of the Department of Talent Management and Corporate Culture Transformation, Mariusz Chojnacki, Director of the Public Sector and Higher Education Office and Wojciech Leśniewski, Director of Santander Universidades in Poland.

In addition to the activities organised by Santander Universidades, Santander Bank Polska S.A. also supports the financial education of children and young people. Since 2016 **"Finansiaki", a proprietary project of the bank, has been implemented**, which provides parents and teachers with advice, guidance and training materials on financial education. These materials are free of charge and available at www.finansiaki.pl. Additional tips are published on the "Finansiaki To My" Facebook and Instagram profiles.

"Finansiaki" in numbers:

- **15,213** downloads of lesson plans for teachers, educational articles and an e-book guide for parents "Finansiaki. To my" from the finansiaki.pl website
- **1,052** children from primary schools and kindergartens took part in financial education classes conducted by Santander Bank Polska employee volunteers
- **14,315** copies of "Finansiaki. To my" guide in pdf version, sent to Santander Bank Polska customers together with regulations for an account for children up to the age of 12 between January and December 2023
- **506** pupils attending lessons conducted by teachers in primary schools and kindergartens (on the basis of ready-made lesson scripts downloaded from the finansiaki.pl portal)
- **821,335** recipients of the educational campaign "The Young and Money" carried out in cooperation with Onet.pl.



In 2023 the bank, in partnership with MCA BIS Sp. z o.o, organised the second edition of a series of financial education workshops called **Financial Games** for teenagers aged 12 to 15. The classes took place in ten Polish cities and students took part in a financial strategy game. Their task was to manage their budgets in the best possible way and gain knowledge about, among other things, payment types, credit, loans, interest, demand, supply or cyber security.

Financial Games in numbers:

- The workshops were held in September and October 2023 in 10 cities: Toruń, Szczecin, Olsztyn, Gdynia, Łódź, Legnica, Kraków, Rzeszów, Kalisz, Ostrów Wielkopolski.
- 5 thematic areas: 1. Money, payments and cyber security; 2. Demand, supply and prices; 3. Advertising and its influence on purchase decisions; 4. Credits and loans; 5. Savings and interest.
- Number of beneficiaries/students trained: almost 2500; number of classes: 138, number of participating schools: 50
- Evaluation surveys: initial and final, checking students' knowledge: average increase in knowledge was +29 pp. The largest increase was in the area of banking with an average of +44 pp.
- Workshops as assessed by teachers: 5.9 (on a 1-6 scale).

Santander Bank Polska is also a partner of the project **Security in Cyberspace**, which was launched in 2017 and is coordinated by the Warsaw Institute of Banking (WIB). The aim of the project is to impart basic knowledge on broadly understood online security and to develop practical skills related to the use of new technologies, as well as to raise awareness of cyber threats and develop appropriate attitudes in the area of cyber security.

Security in Cyberspace in numbers:

- In 2023, the project involved, among other things: lessons for primary and secondary school students, lectures for first-year students, knowledge tests Cyber Genius Student (2,891 participants), Cyber Genius Student (1,000 participants), educational trainings (workshops) with seniors, activities on the occasion of the European Cyber Security Month: a nationwide online lesson with a Santander Bank Poland expert on cyber security (6,409 participants) and two other lessons for primary and secondary schools (approx. 3,000 people).
- In 2023, a total of approximately 2,000 lessons, lectures, webinars, training courses, e-learning, conferences and competitions were conducted as part of the project. The project reached approximately 286 958 participants (children and young people, students, seniors).

Detailed information about the project is available at <https://cyberbezpieczenstwo.edu.pl> or <https://cyber.wib.edu.pl/>.



GOOD PRACTICE

As part of its social financial education activities, Santander Consumer Bank S.A. publishes #PolakówPortfelWłasny thematic reports on financial management, the security of finances online or financing the purchase of used and electric cars.

Other social projects of Santander Bank Polska S.A.

Picasso Exhibition

Santander Bank Polska was a sponsor of the temporary exhibition 'Picasso'. The exhibition, held on the occasion of the 50th anniversary of the artist's death and Spain's assumption of the Presidency of the Council of the European Union, was on view for three months - from 12 October 2023 to 14 January 2024. Most of the works were presented in Poland for the first time. The exhibition was divided into four sections: from the artist's reflections on beauty, through his fascination with mythological figures and passion for ceramics and the Polish motifs in his work.

The exhibition was accompanied by an educational programme aimed at adults and young people. The exhibition was accessible to persons with special needs. A guided tour in Polish Sign Language and a guided tour with audio description were also organised. Admission to these events was free.

- 142,891 people visited the exhibition (from 12 Oct 2023 till 14 Jan 2024).



Re:Generation project

Since 2021, Santander Bank Polska S.A. has been a partner in the 'Re:Generation' project in cooperation with the UNEP-GRID Warsaw Centre. In 2023, the bank took care of an orchid meadow in the Łódź Heights Landscape Park and participated in the organisation of five educational ecological workshops for children in the park.

- Number of beneficiaries: 119 pupils of grades 1-3 and teachers from primary schools in Łódź.

Key activities and grant projects of the Santander Foundation



[GRI 203-2] [Custom indicator: Number of beneficiaries of corporate volunteering activities/year].

[Custom indicator: Total amount allocated to social engagement activities]

The Santander Foundation was established in 1997. In its 26 years of operation, it has initiated and carried out most of the bank's social engagement programs. The Foundation's tasks include:

- concern for ecology,
- supporting the development of local communities,
- supporting children and young people,
- developing knowledge of safe banking.

In 2023, Santander Bank Polska Foundation signed donation agreements with community partners in the area of*:

- education,
budget: **PLN 578,197.00**
- charity,
budget: **PLN 801,345.21**
- culture,
budget: **PLN 28,500.00**

* Report according to preliminary data as at 31 December 2023. The full version of the Santander Foundation's financial statements will be available on 30.06 June, 2024 at <https://fundacja.santander.pl/>.



Scholarship programme

The Scholarship Programme, which has been in place since 2018, contributes to the development of talent and facilitates quality education. The scholarships are granted as a reward for the effort put into learning and at the same time a motivation for further work. The amount of support is PLN 10,000 per school year. In the 2023/2024 edition, 4,960 applications were received, from which 37 scholarship recipients were selected.

We Will Double Your Impact

The 2023 We Will Double Your Impact charity event raised funds for the development and operation of the trust chat run by the Power to the Children Foundation. The chat operates alongside the nationwide helpline 116-111 and enables children and young people to have anonymous contact with psychologists. Contributions to the Foundation's account were doubled and a total of more than PLN 700,000 was raised. Thanks to the funding, from 1 August to 30 December, 3,147 children received support through chat conversations.



Here I Live, Here I make ECO Changes

The aim of the programme is to change our immediate surroundings. Projects include, for example, mini-parks, revitalisation of community gardens or building rain gardens. The project to be carried out in a public space and for the newly created or revitalised friendly place to be intended for children and young people. In 2023, 20 grants of PLN 10,000 each were planned, with 15 grants of PLN 10,000 each paid out by the end of the year.

- Programme budget: PLN 200,000
- Amount spent on the programme in 2023: PLN 150,000
- Number of organisations supported by the end of 2023: 15
- Number of beneficiaries: 3,635



Together for Eco-Change Grant Programme

The Together for Eco-Change programme launched jointly by the Santander Bank Polska Foundation and Santander Leasing was completed in 2023. The idea behind the programme was to fund at least 17 electric vehicle charging stations with a total value of PLN 1m. The grant awarded covers the costs of their construction, servicing and maintenance for 24 months. Partners of the action are GreenWay Polska and the Polish Alternative Fuels Association (PSPA).

- Programme budget: PLN 1 million
- Number of organisations supported by the programme: 17
- Number of beneficiaries: 16,251



Bank of Young Sports Champions

The Bank of Young Sports Champions grant programme promotes sporting endeavours and fair-play in sport. In 2023, events for 5-26 year olds were supported, with a priority on promoting the physical development of the beneficiaries. Winners included organisers of team sports competitions, Olympics and Paralympics with a particular focus on promoting the principles of fair-play. The maximum grant amount is PLN 7,000.

- Programme budget: PLN 160,000
- Amount spent on the programme in 2023: PLN 120,000
- Number of organisations supported by the programme in 2023: 24
- Number of beneficiaries: 6,090



The Flame Club

The "Flame Club" is a project run by the Foundation since 2019. Its aim is to renovate and equip rooms according to the needs of children who are in hospital wards or children's homes. Institutions that lack rooms for learning, leisure, play or rehabilitation or are in an unsatisfactory technical condition are eligible for the programme. In 2023, the Santander Foundation renovated two rooms: at the J. Babiński Specialist Psychiatric Healthcare Complex in Łódź and at the "In the Park" Home for Children, Olsztyn Children's Aid Centre.

- Number of beneficiaries: 146

Corporate volunteering

[Custom indicator: Scale of corporate volunteering] [Custom indicator: Number of beneficiaries of social projects and initiatives related to education taken or supported by the bank and/or the bank's Foundation in a given year]

Since 2010, Santander Foundation has been promoting corporate volunteering of three kinds:

- time volunteering,
- skill-based volunteering,
- educational volunteering.

The Foundation provides knowledge-based and financial support to the bank's volunteers:

- Number of projects implemented in 2023: 161
- Number of employee volunteers registered on the electronic platform at the end of 2023: 2,124
- Amount allocated by the Santander Foundation for volunteering in 2023: PLN 122,300*
- Number of people helped through volunteering activities in 2023: 16,561

* Data as at 31 December 2023.

Corporate volunteering by employees in selected Santander Bank Polska Group companies in 2023:

<p>Santander Consumer Bank S.A.</p>		<ul style="list-style-type: none"> • Run for New Life - support for Polish transplantology during running events in Wista and Warsaw • Run for Breath - support for people suffering from cystic fibrosis during the virtual run and the final run in Zakopane. • Company Run - support for the beneficiaries of the Everest Foundation - purchase of medicines and rehabilitation of children with psychophysical deficits. • Development workshops for children with Down's syndrome under the care of the "See Me" foundation.
<p>Santander TFI S.A.</p>		<ul style="list-style-type: none"> • Participation of employees in charity runs and donation of financial support by TFI (e.g. Poland Business Run and the 6TH NORTH REGION HELPS Charitable Run) • Participation in the CSR campaign of the Wealth Management and Insurance Division with a donation of financial support by TFI - meeting with children from the "Swoboda" Family Support Centre, purchase of gifts for children, decorating gingerbread cookies and a joint meal.
<p>Santander Factoring sp. z o. o.</p>		<ul style="list-style-type: none"> • Volunteer activities for the Urtica Foundation, including the auction of paintings of children treated in oncology wards.
<p>Santander Leasing S.A.</p>		<ul style="list-style-type: none"> • Volunteer of the Year competition - nine projects in three categories: #diversity, #culture, #health, with a total award of PLN 15,000 donated to campaigns, among others: <ul style="list-style-type: none"> • We Read from the Heart - reading books to children in hospitals in Wrocław and Bydgoszcz

- Colourful Children's Home - painting rooms of a children's home
- Senior Street Art - two tours in the footsteps of Poznań street art for groups of senior citizens from Poznań
- Workshops at a community self-help home in Mosina
- Eco Bench - creating a garden for the School and Education Centre in Laski
- May Day event for seniors - residents of the Community Care Centre in Poznań
- Walking for Health - walking over a distance of 2,500 km for a good cause
- Give a Paw and Wag Your Tail - collection of food and chews for shelter dogs
- Participation in the Poland Business Run - 20 teams, 100 participants, bronze sponsor
- Christmas packages for the wards of the Social Care Centre in Mielżyn
- Christmas trees for the Wielkopolska Paediatrics Centre in Poznań
- Collection of items (food, bedding, blankets) for the shelter in Gaj,
- Blood donation with the SME West network

Expenditures on social and other projects

Santander Bank Polska Group's expenditure covering the aforementioned social and other non-business causes is presented in the table below.

Expenditure of the Santander Bank Polska Group on non-core business activities in 2023	2023
Education, including:	6,995,165.30
– Financial education	1,852,982.28
– Climate education	84,390.32
Sport	4,135,058.79
Culture	4,813,889.42
Environmental protection	297,140.00
Charitable activities and statutory activities of foundations/associations, including	6,049,501.18
– "We Will Double Your Impact"	360,441.57
Industry conferences	2,241,518.34
TOTAL	24,532,273.03

Our performance

Results in the governance area

Financial and non-financial metrics of the Santander Bank Polska Group

	2023	2022	2021
Cost of credit risk (CoR) [%]	0.72%	0.59%	0.76%
Cost/Income (C/I) [%]	29.50%	37.90%	59.60%
Dividend payout ratio [%]*	97.01%	29.90%	29.89%
Total Capital Ratio (TCR) [%]**	18.56%	19.74%	18.58%

* Only Santander Bank Polska S.A.

** Data in the respective periods include profits recognised in own funds in accordance with the applicable EBA guidelines.

Selected financial results of Santander Bank Polska Group

	2023	2022	2021	2020	2019
Profit attributable to shareholders of Santander Bank Polska S.A. (in PLN million)	4,831.10	2,799.10	1,111.70	1,037.20	2,138.30
Profit before tax for the period (in PLN million)	6,850.00	4,353.00	2,057.80	1,880.90	3,244.60
Total assets (in PLN million)	276,651.90	257,517.20	243,017.30	228,748.90	209,476.20
Total equity (in PLN million)	33,691.00	28,465.30	27,213.60	28,658.00	26,979.50
ROE [%]	20.30%	11.90%	4.70%	4.40%	9.70%
Loans/Deposits [%]	76.20%	77.60%	79.00%	82.80%	91.60%
Total Capital Ratio [%]	18.56%	19.74%	19.05%	20.42%	17.07%

Key non-financial data of the Santander Bank Polska Group for the last five years

	2023	2022	2021	2020	2019
Customers (in millions)	7.50	7.40	7.20	7.10	7.20
Electronic banking users (in millions)*	6.40	6.30	5.70	5.40	4.40
Active digital customers (in millions)**	4.20	3.60	3.20	2.90	2.50
Active mobile banking customers (in millions)	3.00	2.70	2.40	2.00	1.60
Branch network	369	385	450	562	665
Santander zones and off-site locations	17	16	13	12	10
Partner outlets	421	433	435	380	317

* Registered users with active access to internet and mobile banking services of Santander Bank Polska S.A. and Santander Consumer Bank S.A.

** Active users of electronic banking services of Santander Bank Polska S.A. and Santander Consumer Bank S.A. who at least once used the services in the last month of the reporting period

Customers of Santander Bank Polska S.A.

	2023	2022	2021	2020	2019	2018	2017
Total number of bank customers (in thousands)	5,877	5,695	5,432	5,215	5,050	4,884	4,412
Santander Internet – registered customers (in thousands)	5,012	4,869	4,492	4,179	4,424	4,019	3,388
Santander Internet – active customers (in thousands)	3,497	3,285	2,998	2,757	2,510	2,345	2,056
Santander mobile – active mobile customers (in thousands)	2,608	2,452	2,194	1,865	1,577	1,338	1,094
iBiznes24 – registered businesses (in thousands)	26	20	25	21	18	17	15

Outlets of Santander Bank Polska S.A.

	2023	2022	2021	2020	2019	2018	2017
Number of outlets/branches in Poland in 2022							
a. Branches*	336	351	396	468	515	612	576
b. Partner outlets	171	170	164	138	134	123	109
Business and Corporate Banking Centres	6	6	6	19	19	12	12

* Including branches, off-site locations and Santander Zones

ATMs and CDMs of Santander Bank Polska S.A.

	2023	2022	2021	2020	2019	2018	2017
ATMs	351	472	610	731	774	858	948
CDMs	0	0	0	0	3	4	13
Dual-function machines	890	952	914	930	923	900	771

Achievement of Responsible Banking goals. Data refers to Santander Bank Polska S.A.

No.		2022 results	2023 results
1.	Top 10 employers ranking	Top Employer Certificate	Top Employer Certificate
2.	Women in senior positions	34.70%	34.96%
3.	Equal Pay Gap ratio	2.00%	1.17%
4.	Number of people financially empowered from 1 Jan, 2019	651,453	1,732,963
5.	Green finance compliant with SFCS (in PLN m)*	2,668	5,499
6.	Electricity from renewable resources (%)**	83.50%	88.00%
7.	Elimination of single-use plastics (%)	100%	100%
8.	Scholarships, internships and job placements (number)	5,915	17,355
9.	Number of people helped***	493,461	113,089

* Change in the presentation of the indicator - amount in millions of PLN. SFCS - Sustainable Finance Classification System.

** Electricity purchased directly by the bank.

*** The result in 2022 was impacted by initiatives implemented as part of humanitarian aid to Ukraine.

[GRI 2-21]

Annual total remuneration index. Data refers to Santander Bank Polska S.A.

The ratio of the total annual remuneration of the highest paid individual in the organisation to the median annual total remuneration including all employees (excluding the highest paid individual) is 1:34.35 (the disclosure includes the undeferred portion of variable cash remuneration paid in 2023 for 2022). If the full amount of variable remuneration awarded in 2023 for 2022 was taken into account, the ratio would be 1:63.77.

In 2022, this ratio was 1:50 and was 13.7 percentage points lower.

[GRI 205-2]

Anti-corruption training in 2023 in numbers

Anti-corruption training	Number of employees by job category	Number of employees to whom anti-corruption policies and procedures have been communicated	% of employees to whom anti-corruption policies and procedures have been communicated	Number of employees who have received anti-corruption training	% of employees who have received anti-corruption training
Group without the bank	12,072	11,799	97.74%	11,677	96.73%
Members of the bank's Management Board	11	11	100%	11	100%
Representatives of the bank's senior management*	64	64	100%	63	98.00%
Representatives of the bank's middle management**	1,369	1,369	100%	1,357	99.00%
Other employees of the bank***	8,602	8,602	100%	8,495	99.00%
Total for the bank	10,046	10,046	100%	9,926	99.00%

* Employees excluding members of the Management Board and middle management of Santander Bank Polska S.A.

** Other managers of Santander Bank Polska S.A.

*** Employees on long-term leave of absence are not included

[GRI 308-1] [GRI 414-1]

Key indicators reflecting the performance of the purchasing processes in 2023:

	Bank	Group
Number of suppliers with an annual turnover of more than PLN 50,000	1,640	2,146
Including the number of suppliers subject to qualification	1,010	1,281
Percentage of suppliers - Polish or foreign companies with registered office or branch in Poland	89.50%	n/a
Number of completed purchasing processes	384	570
Percentage of new suppliers that have been reviewed for environmental criteria	100%	75.90%
Percentage of new suppliers who have been reviewed for social criteria	100%	61.90%

Results in the environmental area

Methodology for calculating CO₂ emissions

The Greenhouse Gas Protocol (GHG Protocol) standards, according to the revised version, were used to calculate CO₂ emission levels: 'A Corporate Accounting and Reporting Standard revised edition, GHG Protocol Scope 2 Guidance Amendment to the GHG Protocol

Corporate Standard' and 'Corporate Value Chain (Scope 3) Accounting and Reporting Standard, Supplement to the GHG Protocol Corporate Accounting and Reporting Standard'.

Emission factors developed by the UK Department for Environment Food & Rural Affairs (DEFRA 2022), the National Balancing and Emissions Management Centre and the Energy Regulatory Authority were used. No changes were made to the calculation methodology compared to the 2021 baseline. Data consolidation based on operational control was used for the calculation of GHG emissions. The calculations were performed for the Santander Bank Polska Group. GWP (Global Warming Potential) values based on the 4th edition of the IPCC (The Intergovernmental Panel on Climate Change) report were used in the calculations. The calculation took into account emissions from the following greenhouse gases: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃.

The following table describes the scope of the emissions calculation, the emission sources and the calculation methodology:

Scope	Emission sources covered in the report		Calculation method
Scope 1	Leakage of refrigerants	R410A R407C R32	Emissions calculated on the basis of replenishment volume data for R410A, R407C, R32 provided by Santander, and the emissions factor obtained from DEFRA 2022 and EPA / Schiesl (R32) databases.
	Emissions from mobile sources	1. Diesel oil 2. Petrol	Emissions calculated using diesel and petrol consumption data for the transport fleet, provided by Santander, and an emissions factor from DEFRA 2022.
	Emissions from stationary sources	1. Natural gas 2. Fuel oil 3. Diesel fuel	Emissions calculated using consumption data for heating oil and natural gas for heating, and diesel for standby generators, and an emissions factor obtained from DEFRA 2022.
Scope 2	Electricity	Offices	Emissions calculated on the basis of electricity consumption data, and the emission factor obtained from KOBIZE. Market Based emissions calculated from data on the fuel mix of suppliers. The % supplier structure of the bank's branches was used due to a lack of knowledge of suppliers in some of the premises used by Santander.
	District heating	Offices	No actual data available - estimate based on benchmarks of annual heat consumption per sq. m of floor area (sourced from the 2020 Statutory Energy Audit) and floor area of premises in use (heated with district heating). The calculation includes locations vacated during 2022, but only for the number of days they were in use by the bank. Emissions calculated on the basis of estimated consumption and an emissions factor extracted from DEFRA 2022.
Scope 3	Business travel	Rental cars	Emissions calculated on the basis of distance travelled in rented cars, provided by Santander, and an emissions factor sourced from DEFRA 2022.
		Bus travel	No actual data available – a distance of 100 km per purchased bus trip was assumed. Emissions were calculated as the product of the estimated route length and the number of trips purchased, and the emissions factor was sourced from DEFRA 2022.
		Rail travel	No actual data available – a distance of 200 km per purchased rail trip was assumed. Emissions were calculated as the product of the estimated route length and the number of trips purchased, and the emissions factor was sourced from DEFRA 2022.
		Air travel	Emissions calculated on the basis of domestic distance travelled (broken down into domestic, European and international flights) provided by Santander and the emissions factor sourced from DEFRA 2022.
		Remote work	No actual data available – estimate based on person-days spent working remotely and assumption that a person working remotely consumes 0.12 KWh per working hour. Emissions calculated on the basis of estimated consumption and grid emissivity factor obtained from KOBIZE.

[GRI 305-1] [GRI 305-2] [GRI 305-3] [GPW E-P1]

Greenhouse gases' (GHG) emissions (in tonnes of CO₂e) – data refers to Santander Bank Polska S.A.

	2023	2022
Scope 1	5 138.90	5 264.90

Scope 2 (location-based)	23,944.50	26,348.70
Scope 2 (market -based)	13,288.80	14,234.90
Scope 3 (business travel, remote work**)	1,463.20*	870.10*
Total Scope 1+2 (location-based)	29,083.40	31,613.60
Total Scope 1+2 (market -based)	18,427.60	19,499.80

* Only location-based data from DEFRA was used

** Remote work was taken into account in both 2022 and 2023

Greenhouse gases' (GHG) emissions (in tonnes of CO₂e) – data refers to Santander Bank Polska Group

	2023
Scope 1	6,059.60
Scope 2 (location-based)	25,743.80
Scope 2 (market -based)	14,175.50
Scope 3 (business travel, remote work)	1,672.70*
Total Scope 1+2 (location-based)	31,803.37
Total Scope 1+2 (market -based)	20,235.11

*Only location-based data from DEFRA was used

We are presenting emissions data at the consolidated level for the first time and do not have Group-level data for 2022.

[GRI 302-1] [GPW-P4]

Electricity consumption in the bank in 2022 and 2023 – data refers to Santander Bank Polska S.A.

Energy consumption [MWh]	2023	2022
Total electricity consumption	18,641.30	21,670.20
of which total consumption of energy from non-renewable sources	7,390.77	9,551.29
natural gas	7,301.30	9,227.10
Including: fuel oil	72.11	308.28
Diesel oil	17.36	15.91

Electricity consumption in the Group in 2023 – data refers to Santander Bank Polska Group

Energy consumption [MWh]	2023
Total electricity consumption	20,389.02
of which total consumption of energy from non-renewable sources	7,390.77
natural gas	7,301.25
Including: fuel oil	72.11
Diesel oil	310.9*

We are presenting emissions data at the consolidated level for the first time and do not have Group-level data for 2022.

* Due to the lack of actual consumption data in litres for Stellantis, an average consumption of 7lge/100km was assumed according to IFA

Car fleet – data refers to Santander Bank Polska S.A.

	2021	2022	2023
Number of petrol cars	13	12	37
Number of diesel cars	2	3	0
Number of hybrid/electric cars	1,303	1,310	1,381

Business travel – data refers to Santander Bank Polska S.A.

Indicator	2019	2020	2021	2022	2023
Number of business trips per employee	3.17	1.55	0.60	1.05	1.42

Changes in diesel oil and petrol consumption associated with business travel using car fleet in 2023 – data refers to Santander Bank Polska S.A.

Fuel consumption	
Diesel oil consumption (in l)	1,652.60
Change in Diesel oil consumption compared to 2022	5,886.20
Petrol consumption (in l)	1,498,328.90
Change in petrol consumption compared to 2022	-76,436.40
Average fuel consumption per employee	148.70*

* [GRI 2-4] We are presenting a correction to the information disclosed in the 2022 ESG report, where we stated that the corresponding value for the previous year was 0,063, which was due to an accounting error. The correct value for 2022 is 159.5.

Diesel oil and petrol consumption associated with business travel using car fleet in 2023 – data refers to Santander Bank Polska Group

Fuel consumption	
Diesel oil consumption (in l)	29,170.37*
Petrol consumption (in l)	1,811,631.89**
Average fuel consumption per employee	152.49

* Due to the lack of actual consumption data in litres for Stellantis, an average consumption of 7lge/100km was assumed according to IEA

** Due to the lack of actual consumption data in litres for Stellantis, an average consumption of 7lge/100km was assumed according to IEA

[GRI 301-1]

Materials used by weight and volume – data refers to Santander Bank Polska S.A.

	Paper (kg)*	Magnetic storage media (kg)**
Branches	122,953.75	2,143.00
Business Support Centres	14,675.00	70.00
Total 2023	137,628.75	2,213.00
Total 2022	186,337.50	18,245.00
Total 2021	1,216,560.00	13,770.00

*Data from the procurement system.

**Data from the supplier who collects the waste.

[GRI 301-1]

Materials used by weight and volume

– data refers to Santander Bank Polska S.A. and Santander Bank Polska Group

	Santander Bank Polska S.A.	Santander Bank Polska Group
Magnetic storage media [kg]	2,213.00	2,550.64
Paper [kg]	137,628.75	148,007.25
Total [kg]	139,841.75	150,557.89

Results in the social area

[GRI 2-7]

Employment in the Santander Bank Polska Group and in Santander Bank Polska S.A. (persons). As at 31 December 2023

Santander Bank Polska Group	12,072
Santander Bank Polska S.A.	10,089

[GRI 2-7]

Number of bank's employees between 2017 and 2023 (persons)

	2023	2022	2021	2020	2019	2018	2017
Headcount as at 31 December of each year	10,089	9,920	9,584	10,671	10,867	12,641	11,489

Data refers to the number of persons employed under a contract of employment regardless of employment status.

[GRI 2-7]

Number of employees by gender and employment term (persons). As at 31 December 2023

Number of employees by gender and employment term	Santander Bank Polska S.A.			Santander Bank Polska Group		
	Female	Male	Total	Female	Male	Total
Permanent contract	5,850	2,788	8,638	7,063	3,412	10,475
Fixed-term contract	937	514	1,451	1,057	540	1,597
Total	6,787	3,302	10,089	8,120	3,952	12,072

The data concerns the number of people employed under an employment contract, regardless of the employment status.

[GRI 2-7]

Number of bank's full-time and part-time employees by gender. Status as at 31 December 2023

Number of employees by gender and type of employment contract	Santander Bank Polska S.A.			Santander Bank Polska Group		
	Female	Male	Total	Female	Male	Total

Full-time	6,316	2,991	9,307	7,614	3,622	11,236
Part-time	471	311	782	506	330	836
Non-guaranteed hours (if applicable)	0	0	0	0	0	0
Total	6,787	3,302	10,089	8,120	3,952	12,072

The data concerns the number of people employed under an employment contract, regardless of the employment status.

[GRI 2-7]

Number of full-time and part-time employees (persons) by region. Status as at 31 December 2023

	Santander Bank Polska S.A.			Santander Bank Polska Group			
	Contract type	Female	Male	Total	Female	Male	Total
Warsaw	Full-time	1,186	861	2,047	1,288	912	2,200
	Part-time	116	86	202	118	92	210
Agglomerations ¹⁹	Full-time	2,526	1,579	4,105	3,541	2,126	5,667
	Part-time	272	181	453	301	193	494
Large cities ²⁰	Full-time	1,143	321	1,464	1,225	339	1,564
	Part-time	72	38	110	72	38	110
Other	Full-time	1,461	230	1,691	1,560	245	1,805
	Part-time	11	6	17	15	7	22
Total		6,787	3,302	10,089	8,120	3,952	12,072

The data concerns the number of people employed under an employment contract, regardless of the employment status.

¹⁹ Agglomerations – cities forming an agglomeration of more than 1 million inhabitants (excluding Warsaw).

²⁰ Large cities – cities with a population of more than 100,000.

[GRI 2-7]

Employees by region and duration of contract (persons). Status as at 31 December 2023

	Employment contract type	Santander Bank Polska S.A.			Santander Bank Polska Group		
		Female	Male	Total	Female	Male	Total
Warsaw	Permanent	1,088	763	1,851	1,181	818	1,999
	Temporary	214	184	398	225	186	411
Agglomerations ²¹	Permanent	2,515	1,527	4,042	3,478	2,062	5,540
	Temporary	283	233	516	364	257	621
Large cities ²²	Permanent	1,016	298	1,314	1,086	316	1,402
	Temporary	199	61	260	211	61	272
Other	Permanent	1,231	200	1,431	1,318	216	1,534
	Temporary	241	36	277	257	36	293
Total		6,787	3,302	10,089	8,120	3,952	12,072

The data concerns the number of people employed under an employment contract, regardless of the employment status.

[GRI 2-7]

Number of bank's employees (persons) by place of work. Status as at 31 December 2023

		Santander Bank Polska S.A.	Santander Bank Polska Group (including the bank)
Female	Business Support Centre	3,567	4,700
	Bank's branches	3,220	3,421
Male	Business Support Centre	2,542	3,146
	Bank's branches	760	805

The data concerns the number of people employed under an employment contract, regardless of the employment status.

[GRI 2-8]

Workforce cooperating on the basis of B2B contracts (in persons). Status as at 31 December, 2023

	Santander Bank Polska S.A.	Santander Bank Polska Group
Female	23	193
Male	112	459
Total	135	652

²¹ Agglomerations – cities forming an agglomeration of more than 1 million inhabitants (excluding Warsaw).

²² Large cities – cities with a population of more than 100,000.

[GRI 2-8]

Non-employee workforce (in persons), where the bank or the Group controls their work, by gender and contract type. Status as at 31 December, 2023

	Status as at 31 December 2023						Average number in 2023					
	Santander Bank Polska S.A.			Santander Bank Polska Group			Santander Bank Polska S.A.			Santander Bank Polska Group		
	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Commission (mandate) contract with an hourly rate	1,344	607	1,951	1,367	640	2,007	1,274	562	1,836	1,294.75	585.75	1,880.50
Specified-task contract	0	0	0	0	1	1	0	0	0	1.17	1.33	2.50

[GRI 202-1]

Remuneration of lowest-level female and male employees of the bank and the bank’s subsidiaries, relative to the national minimum wage. Status as at 31 December 2023

Company name	Female	Male
Santander Bank Polska S.A.	137.50%	142.08%
Santander Consumer Bank S.A.	134.88%	138.32%
Santander TFI S.A.	138.89%	202.78%
Santander Leasing S.A.	108.33%	147.22%
Santander Factoring Sp. z o. o.	168.40%	0.00%

[GRI 401-1]

Total number of the bank and Group’s newly hired employees (with employment contract), employee departures number, and employee turnover rate in 2023

	Santander Bank Polska S.A.					Santander Bank Polska Group				
	Employees	Newly-hired employees	Share of newly-hired employees	Number of employee departures	Employee turnover rate	Employees	Newly-hired employees	Share of newly-hired employees	Number of employee departures	Employee turnover rate
Female	6,787	1,023	15%	973	14%	8,120	1,195	15%	1,141	14%
Male	3,302	564	17%	415	13%	3,952	636	16%	495	12%
Total	10,089	1,587	16%	1,388	14%	12,072	1,831	15%	1,636	14%

The data concerns the number of people employed under an employment contract, regardless of the employment status.

[GRI 401-1]

Total number of the bank and Group’s newly hired employees (with employment contract), employee departures number. New employee turnover rate, by age group. Status as at 31 December 2023

Age	Santander Bank Polska S.A.					Santander Bank Polska Group				
	Number of employees	Number of newly-hired employees	Percentage of newly-hired employees	Number of employee departures	Employee turnover rate	Number of employees	Number of newly-hired employees	Percentage of newly-hired employees	Number of employee departures	Employee turnover rate
up to 30 years old	1,583	755	48%	441	28%	1 902	863	45%	537	28%
30-50 years old	6,497	765	12%	813	13%	7 951	891	11%	949	12%
over 50 years old	2,009	67	3%	134	7%	2 219	77	3%	150	7%
Total	10,089	1,587	16%	1 388	14%	12,072	1,831	15%	1 636	14%

The data concerns the number of people employed under an employment contract, regardless of the employment status.

[GRI 401-1]

Number of the Group’s newly-hired employees (in persons), by gender and region. Status as at 31 December 2023

Gender	Location	Santander Bank Polska S.A.			Santander Bank Polska Group		
		Number of employees	Number of newly-hired employees	Percentage of newly-hired employees	Number of employees	Number of newly-hired employees	Percentage of newly-hired employees
Female	Warsaw	1,302	246	19%	1,406	286	20%
	Agglomerations	2,798	319	11%	3,859	423	11%
	Large cities	1,215	222	18%	1,279	234	18%
	Other	1,472	236	16%	1,576	252	16%
Male	Warsaw	947	195	21%	1,004	216	22%
	Agglomerations	1,760	268	15%	2,330	316	14%
	Large cities	359	65	18%	365	67	18%
	Other	236	36	15%	253	37	15%
Total		10,089	1,587	16%	12,072	1,831	15%

The data concerns the number of people employed under an employment contract, regardless of the employment status.

The Group’s employee departures (in persons), by gender and region in 2023

Gender	Location	Santander Bank Polska S.A.			Santander Bank Polska Group		
		Number of employees	Number of employee departures	Percentage of employee departures	Number of employees	Number of employee departures	Percentage of employee departures
Female	Warsaw	1,302	147	11%	1,406	168	12%
	Agglomerations	2,798	300	11%	3,859	404	10%
	Large cities	1,215	237	20%	1,279	253	20%

	Other	1,472	289	20%	1,576	316	20%
Male	Warsaw	947	112	12%	1,004	135	13%
	Agglomerations	1,760	204	12%	2,330	257	11%
	Large cities	359	64	18%	365	66	18%
	Other	236	35	15%	253	37	15%
	Total	10,089	1,388	14%	12,072	1,636	14%

The data concerns the number of people employed under an employment contract, regardless of the employment status.

[GRI 404-1]

Number of hours of training provided to bank employees by gender. Status as at 31 December 2023

Gender	Santander Bank Polska S.A.		Grupa Santander Bank Polska	
	Number of hours of training provided to employees	Average number of training hours per employee	Total number of employees	Number of hours of training provided to employees
Female	280,838	41.38	324,681	38.80
Male	96,273	29.15	117,667	27.54
Total / average	377,110	37.38	442,349	34.99

[GRI 404-1]

Number of hours of training provided to bank and Group employees (by job category). Status as at 31 December 2023

Job category	Santander Bank Polska S.A.			Grupa Santander Bank Polska		
	Total number of employees	Number of hours of training provided to employees	Average number of training hours per employee	Total number of employees	Number of hours of training provided to employees	Average number of training hours per employee
Senior management	116	2,073	17.87	191	7,291	38.17
Middle management	1,316	48,986	37.22	1,568	63,139	40.27
Other employees	8,657	326,052	37.66	10,882	371,856	34.17
Total	10,089	377,110	37.38	12,641	442,286	34.99

Performance appraisal

[GRI 404-3]

Percentage of bank and Group employees subject to regular performance appraisals and career development reviews by gender and employment category in 2023. Status as at 31 December 2023

Job category	Santander Bank Polska S.A.				Santander Bank Polska Group			
	% of employees subject to regular performance appraisals, by gender		% of employees subject to regular performance appraisals, by gender		% of employees subject to regular performance appraisals, by gender		% of employees subject to regular performance appraisals, by gender	
	Female	Male	Female	Male	Female	Male	Female	Male
Senior management	100%	100%	100%	100%	100%	100%	100%	100%
Middle management	95.68%	94.93%	95.68%	94.93%	93.52%	92.10%	93.52%	92.10%
Other employees	84.26%	88.69%	84.26%	88.69%	81.82%	88.28%	81.82%	87.96%
Total	85.63%	89.99%	85.63%	89.99%	83.24%	89.30%	83.24%	89.04%

Diversity

[GRI 405-1]

Employees of Santander Bank Polska S.A. by job category, age group and gender (persons). Status as at 31 December 2023

		Number of employees			% of employees		
		Female	Male	Total	Female	Male	Total
Senior management*	up to 30 years old	0	0	0	0.00%	0.00%	0.00%
	30-50 years old	24	48	72	0.24%	0.48%	0.71%
	over 50 years old	16	19	35	0.16%	0.19%	0.35%
	Total	40	67	107	0.40%	0.66%	1.06%
Other managers	up to 30 years old	16	20	36	0.16%	0.20%	0.36%
	30-50 years old	538	418	956	5.34%	4.15%	9.49%
	over 50 years old	205	117	322	2.03%	1.16%	3.20%
	Total	759	555	1,314	7.53%	5.51%	13.04%
Other employees	up to 30 years old	1,055	492	1,547	10.47%	4.88%	15.35%
	30-50 years old	3,737	1,727	5,464	37.08%	17.14%	54.22%
	over 50 years old	1,193	453	1,646	11.84%	4.49%	16.33%
	Total	5,985	2,672	8,657	59.39%	26.51%	85.90%

* This category does not include the Management Board which is considered as the 'Top Management'.
The data concerns the number of people employed under an employment contract, regardless of employment status.

Employees of Santander Bank Polska Group by job category, age group and gender (persons). Status as at 31 December 2023

Employees		Number of employees			% of employees		
		Female	Male	Total	Female	Male	Category vs. All employees
Senior management*	up to 30 years old	0	0	0	0.00%	0.00%	0.00%
	30-50 years old	49	91	140	0.40%	0.75%	1.17%
	over 50 years old	31	20	51	0.16%	0.25%	0.42%
	Total	69	122	191	0,57%	0.10%	1.56%
Other managers	up to 30 years old	17	20	37	0.14%	0.16%	0.30%
	30-50 years old	644	512	1,156	5.27%	4.19%	9.47%
	over 50 years old	226	137	363	1.85%	1.12%	2.97%
	Total	887	669	1 556	7,26%	5.48%	12.74%
Other employees	up to 30 years old	1,300	587	1,887	10.65%	4.81%	15.45%
	30-50 years old	4,669	2 093	6,762	38.24%	17.14%	55.38%
	over 50 years old	1,298	517	1,815	10.63%	4.23%	14.86%
	Total	7,267	3 197	10,464	59.51%	26.18%	85.69%

* This category does not include the Management Board which is considered as the 'Top Management'.

[GRI: 405-1]

Foreign employees (in persons). Status as at 31 December 2023

	Santander Bank Polska S.A.						Santander Bank Polska Group					
	Number of foreign employees			% of foreign employees			Number of foreign employees			% of foreign employees		
	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
up to 30 years old	24	15	39	0.24%	0.15%	0.39%	24	15	39	0.20%	0.12%	0.32%
30-50 years old	12	4	16	0.12%	0.04%	0.16%	14	5	19	0.12%	0.04%	0.16%
over 50 years old	2	4	6	0.02%	0.04%	0.06%	2	4	6	0.02%	0.03%	0.05%
Total	38	23	61	0.38%	0.23%	0.61%	40	24	64	0.33%	0.20%	0.53%

[GRI: 2-9, 405-1]

Number of members of Santander Bank Polska S.A.'s Management Board and Supervisory Board (in persons) by age group and gender. Status as at 31 December 2023

Governing body members		Female	Male	Total
Management Board	up to 30 years old	0	0	0
	30-50 years old	1	4	5
	over 50 years old	2	4	6
	Total	3	8	11

Supervisory Board	up to 30 years old	0	0	0
	30-50 years old	0	0	0
	over 50 years old	4	6	10
	Total	4	6	10

Remuneration

[GRI: 405-2]

Salaries of Santander Bank Polska S.A.'s female employees versus male employees by job category. Status as at 31 December 2023

Santander Bank Polska S.A.		
Job category	Basic salary*	Total remuneration**
Top management (Management Board)	76.34%	68.14%
Senior management (excluding Management Board)	82.94%	78.19%
Other managers	80.91%	78.19%
Other employees in non-managerial positions	71.25%	71.93%

* Basic salary - salary without any additional amounts such as bonuses, incentives, overtime pay.

** Remuneration - basic salary together with additional amounts paid to the employee. Examples of such amounts may include seniority allowances, including cash awards and bonuses. Data is not collected by regions. Variable elements of remuneration are not included in the calculation.

[405-2]

Management positions by gender. Status as at 31 December 2023

Job category	Santander Bank Polska S.A.			Santander Bank Polska Group		
	Female	Male	Total	Female	Male	Total
Top management	3	8	11	3	21	24
Senior management	40	67	107	64	107	171
Other managers	704	506	1,210	817	611	1,428

Occupational Health and Safety

[GRI 403-9]

Work-related accidents (incidents) by gender *

	Santander Bank Polska S.A.						Santander Bank Polska Group					
	Total number of work-related injuries			Work-related injury rate (based on 200,000 hours worked)			Total number of work-related injuries			Work-related injury rate (based on 200,000 hours worked)		
	Female	Male	Total	Female	Male	Average	Female	Male	Total	Female	Male	Average
Number of fatalities due to work-related injuries	0	0	0	0.00	0.00	0.00	0	0	0	0.00	0.00	0.00
Number of serious work-related injuries (excluding fatalities)	0	0	0	0.00	0.00	0.00	0	0	0	0.00	0.00	0.00
Number of recordable work-related injuries (including fatalities)	21	2	23	0.43	0.08	0.31	22	3	25	0.38	0.10	0.28
Total number of work-related injuries for all employees	21	2	23	0.43	0.08	0.31	22	3	25	0.38	0.10	0.28
Number of identified potentially high-impact work-related incidents	0	0	0	-	-	-	0	0	0	-	-	-
Number of identified near-miss incidents	0	0	0	-	-	-	0	0	0	-	-	-

* The bank's Health and Safety Office does not collect information on accidents or injuries to workers who are not employed by the organisation.

About the report

[GRI 2-2] [GRI 2-3] [GRI 2-4] [GRI 2-14]

This ESG 2023 Report contains data and a description of practices applied across the Santander Bank Polska Group, with Santander Bank Polska S.A. as the parent company. The information provided relates to the Santander Bank Polska Group unless it is explicitly indicated that the information relates to a specific company. TCFD disclosures pertain only to Santander Bank Polska S.A.

Whenever this report refers to the bank, it shall be understood to mean Santander Bank Polska S.A. Where reference is made to Santander Consumer Bank S.A. in this report, it is understood to mean Santander Consumer Bank S.A. and its subsidiaries Santander Consumer Multirent Sp. z o.o. and Santander Consumer Financial Solutions Sp. z o.o. Where the report refers to Santander Leasing S.A., it is understood to mean Santander Leasing S.A. and Santander Finanse Sp. z o.o. and Santander F24 S.A..

In the previous year, our ESG report referred to Santander Bank Polska S.A. only, so comparability of indicators is in some cases limited to the bank.

This publication applies to the period from 1 January 2023 to 31 December 2023, unless otherwise stated herein.

The report contains one restatement of Santander Bank Polska S.A.'s previously reported non-financial information concerning an accounting error in the calculation of average fuel consumption per employee, explained in the Environmental Performance section.

The basis for this publication is the updated version of the Global Reporting Initiative (GRI) international standard. The GRI Table provides information on where individual disclosures have been made for the Santander Bank Polska Group.

The report refers to international guidelines and goals relevant to our organization and the financial sector. These include:

- European Commission guidelines for the disclosure of non-financial information related to climate impacts,
- UNEP FI Principles for Responsible Banking.

On top of that, the publication takes into account selected assumptions and indicators defined in the "[Guidelines for ESG Reporting – A Guide for Companies](#)". The report also includes the bank's own performance indicators, which are specific to the bank's performance.

Climate disclosures prepared according to the TCFD recommendations are part of this publication. In line with their principles, Santander Bank Polska S.A. integrates climate impact information with the rest of its sustainability disclosures.

The material topics included in the report were compiled using the materiality matrix of ESG aspects produced in 2023 in line with the double materiality analysis described in the CSR D.

The Management Board of the parent company Santander Bank Polska S.A. is actively involved in the work related to the reporting of sustainability issues. The Management Board of Santander Bank Polska S.A. is responsible for, among other things, involving the relevant units and committees in the reporting process, ensuring compliance with due diligence processes and giving final approval to the content of the ESG report. No dedicated committees have been set up at the bank to deal with ESG reporting, but the following units have been engaged in the reporting process to ensure that appropriate care is taken regarding the non-financial information published by the bank:

- Disclosure Committee,
- Audit and Compliance Committee,
- Management Board of Santander Bank Polska S.A.,
- Supervisory Board of Santander Bank Polska S.A.

Independent assurance

[GRI 2-5]

Santander Bank Polska Group, as part of ensuring due diligence in its sustainability reporting process, voluntarily submits selected disclosures to an independent review that provides limited assurance and is conducted in accordance with the National Standard on Assurance Services Other than Audits and Reviews 3000 (Z) as set out in the International Standard on Assurance Engagements 3000 (Revised) - "Assurance Engagements Other than Audits and Reviews of Historical Financial Information" ("KSUA 3000 (Z)"). The attestation process of selected non-financial data is coordinated by the Sustainability and ESG Team with the support of the Management Board of Santander Bank Polska S.A. The Supervisory Board does not actively participate in this process.

The following GRI disclosures were reviewed:

- Profile disclosures: GRI 2-1 – GRI 2-30,
- Values and ethics: GRI 418-1,
- Security of services, transactions and customer data: GRI 205-2 – GRI 205-3, GRI 417-2, GRI 417-3,
- Aligning portfolio with Net Zero 2050 strategy goals, Green finance, Direct environmental impact::
- GRI 305-1 – GRI 305-2,
- The processes used to identify and assess climate-related risks, the main risks, and how these risks are managed
- Other: GRI 401-1, GRI 405-1 – GRI 405-2, GRI 406-1.

Due to upcoming regulatory requirements, a decision has been made to have the 2023 ESG Report examined by Santander Bank Polska Group's auditor, i.e. PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp.k. (PwC) - an external entity with which we do not have a relationship that could affect the independence of the assurance. This is a step towards the target reporting of ESG issues in close connection with financial reporting.). In accordance with the provisions of the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Oversight, the audit firm and the statutory auditor are required to maintain their independence with respect to the Bank and the Group. In addition, based on the requirements of Recommendation H, the bank periodically reviews the independence of the audit firm and its employees. This assessment also takes into account the possibility of providing non-audit services

List of indicators

Below are explanations of the designations in the report. The table refers to where each disclosure is made in accordance with the GRI standard.

This report is prepared in accordance with the GRI standard; however, Santander Bank Polska Group expects to be subjected to the reporting obligations associated with the CSRD. For this reason, in the column to the right we provide an indicative reference to the places in the report where we already refer to the issues mentioned in the sustainability reporting standards of the EU Delegated Regulation 2023/2772 (the so-called ESRS - European Sustainability Reporting Standards).

GRI table



Indicator symbol	Name	Report section	Preliminary indicative reference to DR ESRS ²³
GRI 2-1	Organisational details	Activity profile – page 6	–
GRI 2-2	Entities included in the organization's sustainability reporting	About the report – page 117	ESRS 2 BP-1
GRI 2-3	Reporting period, frequency and contact point	About the report – page 117 Contact – page 129	ESRS 1 §73
GRI 2-4	Restatements of information	About the Report – page 117	ESRS 2 BP-2
GRI 2-5	External assurance	Independent assurance – page 118	Requirements of Directive 2022/2464
GRI 2-6	Activities, value chain and other business relationships	Activity profile – page 6 Integrating ESG into the organisation's risk management system – page 36 Sustainable supply chain – page 49 Accessibility of products and services to the customer – page 92	ESRS 2 SBM-1
GRI 2-7	Employees	Employment structure – page 86 Results in the social area – page 107 <i>At the time of preparing this Report, the Group does not have a systematic solution to report the number of employees without completely avoiding double counting within Group companies, which results from individuals being employed in more than 1 Group company at the same time. The Group is working on implementing solutions to improve the reported data. Any double counting of relates to part-time contract employees and may represent 4% of the total number of employees.</i>	ESRS 2 SBM-1, ESRS S1-6
GRI 2-8	Workers who are not employees	Employment structure – page 86 Results in the social area – page 107	ESRS S1-7

²³Disclosure Requirement – ESRS requirements based on [draft] ESRS-GRI Standards data point mapping and GRI compilation. This report has been prepared in accordance with the GRI and not the ESRS standard. Indicators provided are for information only.

Indicator symbol	Name	Report section	Preliminary indicative reference to DR ERS ²³
GRI 2-9	Composition and structure of Highest governance body	Management structure – page 25 Diversity in the workplace – page 87 <i>The indicator applies to disclosures for Santander Bank Polska S.A.</i>	ESRS 2 GOV-1
GRI 2-10	Highest governance body structure and composition	Appointment of the Management Board and the Supervisory Board – page 26 Appointment of the Supervisory Board – page 29 <i>The indicator applies to disclosures for Santander Bank Polska S.A.</i>	-
GRI 2-11	Nomination and selection of the highest governance body	Management Board composition – page 25 <i>The indicator applies to disclosures for Santander Bank Polska S.A.</i>	-
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	Role of the Management Board and Supervisory Board – page 26 <i>The indicator applies to disclosures for Santander Bank Polska S.A.</i>	ESRS 2 GOV-1, GOV-2
GRI 2-13	Delegation of responsibility for managing impacts	Committees – page 27 <i>The indicator applies to disclosures for Santander Bank Polska S.A.</i>	ESRS 2 GOV-1, ESRS G1-3
GRI 2-14	Role of the highest governance body in sustainability reporting	About the Report – page 117 <i>The indicator applies to disclosures for Santander Bank Polska S.A.</i>	ESRS 2 GOV-5, IRO-1
GRI 2-15	Conflict of interest	Conflicts of interest – page 34	-
GRI 2-16	Communication of critical concerns	Values and ethics – page 32	ESRS 2 GOV-2, ESRS G1-1
GRI 2-17	Collective knowledge of the highest governance body	Appointment of the Management Board and the Supervisory Board – page 26 <i>The indicator applies to disclosures for Santander Bank Polska S.A.</i>	ESRS 2 GOV-1
GRI 2-18	Evaluation of the performance of the highest governance body	Appointment of the Management Board and the Supervisory Board – page 26 <i>The indicator applies to disclosures for Santander Bank Polska S.A.</i>	-
GRI 2-19	Remuneration policies	Rules on remuneration of management – page 30 <i>The indicator applies to disclosures for Santander Bank Polska S.A.</i>	ESRS 2 GOV-3
GRI 2-20	Process to determine remuneration	Rules on remuneration of management – page 30 <i>The indicator applies to disclosures for Santander Bank Polska S.A.</i> Employee remuneration policy – page 89	ESRS 2 GOV-3
GRI 2-21	Annual total compensation ratio	Rules on remuneration of management – page 30 Results in the governance area – page 101 <i>The indicator applies to disclosures for Santander Bank Polska S.A.</i>	ESRS S1-16
GRI 2-22	Statement on sustainable development strategy	Letter from Michał Gajewski, CEO of Santander Bank Polska S.A. – page 4	ESRS 2 SBM-1
GRI 2-23	Policy commitments	Strategy and business model of Santander Bank Polska Group – page 8 Corporate governance strategy and policies – page 24 Human rights due diligence policies and processes and their outcomes – page 48 Environmental and climate strategies and policies – page 51 Aligning the portfolio to the Net Zero 2050 targets – page 53 Stakeholders relations strategies and policies – page 82	ESRS 2 GOV-4, MDR-P, ESRS S1-1, ESRS S2-1, ESRS S3-1, ESRS S4-1; ESRS G1-1

Indicator symbol	Name	Report section	Preliminary indicative reference to DR ESRs ²³
GRI 2-24	Embedding policy commitments	Strategy and business model of Santander Bank Polska Group – page 8 Corporate governance strategy and policies – page 24 Values and ethics – page 32 Environmental and climate strategies and policies – page 51 Stakeholders relations strategies and policies – page 82	ESRS 2 GOV-2; MDR-P; ESRS S1-4, ESRS S2-4; ESRS S3-4; ESRS S4-4, ESRS G1-1
GRI 2-25	Processes to remediate negative impacts	Values and ethics – page 32 Integrating ESG into the organisation's risk management system – page 36 Accessibility of products and services to the customer – page 92	ESRS S1-1, S2-1, S2-3, S3-1, S4-1 and many other
GRI 2-26	Mechanisms for seeking advice and raising concerns	Values and ethics – page 32	ESRS S1-3, ESRS S2-3, ESRS S3-3, ESRS S4-3, ESRS G1-1
GRI 2-27	Compliance with laws and regulations	Transparency – page 95	ESRS 2 SMB-3, ESRS E2-4, ESRS S11-17, ESRS G1-4
GRI 2-28	Membership of associations	Partnerships and sustainability commitments – page 15	–
GRI 2-29	Approach to stakeholder engagement	Bank and Group's stakeholders – page 14	ESRS 2 SMB-2, ESRS S2-1, ESRS S3-1, ESRS S4-1
GRI 2-30	Collective bargaining agreements	Employment structure – page 86	ESRS S1-8
GRI 3-1	Process to determine material topics	Selection of material aspects for the bank – page 18	ESRS 2 IRO-1, BP-1
GRI 3-2	List of material topics	Selection of material aspects for the bank – page 18	ESRS 2 BP-2, SBM-3
GRI 3-3	Management of material topics (identified as material in the materiality matrix)	Role of the Management Board and Supervisory Board – page 26 Values and ethics – page 32 Integrating ESG into the organization's risk management system – page 36 Security of services, transactions and customer data – page 47 Aligning the portfolio to the Net Zero 2050 targets – page 53 Green finance – page 53 Combating greenwashing – page 55 Inclusive and sustainable banking – page 84	ESRS 2 SBM-1 and many more
GRI 201-1	Direct value generated and distributed	Performance results – page 11	–
GRI 202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Diversity in the workplace – page 87 Results in the social area – page 107	ESRS S1-10
GRI 203-2	Material indirect economic impact	Bank and Group's stakeholders – page 14 Key activities and grant projects of the Santander Foundation – page 98	ESRS S1-4, ESRS S2-4; ESRS S3-4
GRI 205-2	Communication and training on anti-corruption policies and procedures (indicator reported partially)	Anti-corruption policies – page 35 Results in the governance area – page 101	ESRS G1-3
GRI 205-3	Confirmed cases of corruption and actions taken in response to them	Anti-corruption policies – page 35	ESRS G1 G1-4
GRI 301-1	Materials used by weight or volume	Other environmental indicators – page 57 Results in the environmental area – page 103	ESRS E5-4
GRI 302-1	Energy consumption within the organization	Other environmental indicators – page 57 Results in the environmental area – page 103	ESRS E1-5
GRI 303-1	Water consumption as a common resource	Other environmental indicators – page 57	ESRS 2 SBM-3, MDR-T, ESRS E3-2

Indicator symbol	Name	Report section	Preliminary indicative reference to DR ESRS ²³
GRI 305-1	Total direct greenhouse gas emissions	Greenhouse gas emissions – page 56 Results in the environmental area – page 103	ESRS E1-6, E1-4
GRI 305-2	Total indirect greenhouse gas emissions by weight	Greenhouse gas emissions – page 56 Results in the environmental area – page 103	ESRS E1-6, E1-4
GRI 305-3	Other indirect greenhouse gas emissions	Greenhouse gas emissions – page 56 Results in the environmental area – page 103	ESRS E1-6, E1-4
GRI 308-1	Percentage of new suppliers assessed according to environmental criteria	Sustainable supply chain – page 49 Results in the governance area – page 101	ESRS G1-2
GRI 401-1	Total number and percentage of new employees and total number of employees who left the organization during the reporting period	Employment structure – page 86 Results in the social area – page 107 <i>At the time of preparing this Report, the Group does not have a systematic solution to report the number of employees without completely avoiding double counting within Group companies, which results from individuals being employed in more than 1 Group company at the same time. The Group is working on implementing solutions to improve the reported data. Any double counting of relates to part-time contract employees and may represent 4% of the total number of employees.</i>	ESRS S1-6
GRI 401-2	Additional benefits (perks) provided to full-time employees	Benefits – page 90	ESRS S1-11
GRI 403-2	Hazard identification, risk assessment and incident investigation	Occupational health and safety – page 91	ESRS S1-3
GR 403-5	Occupational health and safety training	Occupational health and safety – page 91	Indirectly: ESRS S1-14
GRI 403-6	Health promotion	Occupational health and safety – page 91	Indirectly: ESRS S1-14
GRI 403-9	Type and rate of work-related injuries	Occupational health and safety – page 91 Results in the social area – page 107	ESRS S1-14
GRI 404-1	Number of training days per year per employee by employment structure	Training and development – page 89 Results in the social area – page 107	ESRS S1-13
GRI 404-2	Management skills development and lifelong learning programmes	Training and development – page 89	ESRS S1-1
GRI 404-3	Percentage of employees subject to regular performance evaluation and career development reviews, by gender and employment category	Training and development – page 89 Results in the social area – page 107	ESRS S1-13
GRI 405-1	Diversity of supervisory bodies and staff	Diversity in the workplace – page 87 Results in the social area – page 107 <i>At the time of preparing this Report, the Group does not have a systematic solution to report the number of employees without completely avoiding double counting within Group companies, which results from individuals being employed in more than 1 Group company at the same time. The Group is working on implementing solutions to improve the reported data. Any double counting of relates to part-time contract employees and may represent 4% of the total number of employees.</i>	ESRS S1-9
GRI 405-2	Ratio of male to female base salary by position held	Diversity in the workplace – page 87 <i>The indicator applies to disclosures for Santander Bank Polska S.A.</i>	ESRS S1-16
GRI 406-1	Total number of discrimination cases	Transparency – page 95	ESRS S1-17
GRI 414-1	Percentage of new suppliers assessed against social criteria	Sustainable supply chain – page 49 Results in the governance area – page 101	ESRS G1-2

Indicator symbol	Name	Report section	Preliminary indicative reference to DR ESRS ²³
GRI 415-1	Total value of financial and in-kind donations to political parties, politicians and similar parties	Transparency – page 95	ESRS G1-5
GRI 417-2	Total number of incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labelling	Transparency – page 95	ESRS S4-4
GRI 417-3	Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications	Transparency – page 95	ESRS S4-4
GRI 418-1	Total number of justified complaints regarding breaches of customer privacy and data loss	Transparency – page 95	ESRS S4-4, S4-3
FS 14 (GRI Sector Supplement)	Actions taken to ensure access to financial services for people from disadvantaged groups	Inclusive and sustainable banking – page 84	ESRS S4-4

TCFD table

As recommended by the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD), we include climate-related disclosures within the body of the report. For your convenience, we present below where the specific disclosures can be found in the report:

RECOMMENDED DISCLOSURES	Report section
Disclose the organisation's management policies on climate-related risks and opportunities.	
Describe the management board's oversight of climate-related risks and opportunities.	Role of the Management Board and Supervisory Board – page 26
Describe the role of management in assessing and managing climate-related risks and opportunities.	Role of the Management Board and Supervisory Board – page 26
Disclose the actual and potential impact of climate-related risks and opportunities on the organisation's operations, strategy and financial planning, if such information is relevant.	
Describe the climate-related risks and opportunities that the organisation has identified in the short, medium and long term.	Integrating ESG into the organisation's risk management system – page 36
Describe the impact of climate-related risks and opportunities on the organisation's operations, strategy and financial planning.	Integrating ESG into the organisation's risk management system – page 36
Describe the resilience of the organisation's strategy, taking into account different climate-related scenarios, including a 2°C or lower scenario.	Strategy resilience – Sensitivity of sectors to climate risks – page 39
Disclose how the organisation identifies, assesses and manages climate-related risks.	
Describe the organisation's processes for identifying and assessing climate-related risks.	Integrating ESG into the organisation's risk management system – page 36
Describe the organisation's processes for managing climate-related risks.	Integrating ESG into the organisation's risk management system – page 36
Describe how the processes for identifying, assessing and managing climate-related risks are integrated into the overall risk management of the organisation.	Integrating ESG into the organisation's risk management system – page 36
Disclose the measures and targets used to assess and manage relevant climate-related risks and opportunities, if such information is relevant.	
Disclose the indicators used by the organisation to assess climate-related risks and opportunities in line with the risk management strategy and process.	Greenhouse gas emissions – page 56
The extent of greenhouse gas emissions and the associated risks must be disclosed.	Greenhouse gas emissions – page 56
Describe the objectives used by the organisation to manage climate-related risks and opportunities and performance against the objectives.	Strategy and business model of Santander Bank Polska Group – page 8

List of indicators according to the "Guidelines for ESG Reporting.
A guide for companies in 2023.



		Report section
I-P1	Business model	Strategy and business model of Santander Bank Polska Group
I-P2	Integration of sustainability topics	Integrating ESG into the organisation's risk management system
I-P3	Management of sustainability matters	Integrating ESG into the organisation's risk management system
I-P4	Significant impact, risks and opportunities	Integrating ESG into the organisation's risk management system
I-P5	Stakeholder involvement	Bank and Group's stakeholders
E-P1	Managing climate change issues	Role of the Management Board and Supervisory Board Integrating ESG into the organisation's risk management system
E-P2	Greenhouse gas emissions	Greenhouse gas emissions
E-P3	Greenhouse gas emission intensity	<i>Not applicable – the Group does not present emissivity data as recommended by the indicator.</i>
E-P4	Energy consumption and sources	Other environmental indicators
E-P5	Environmental policy	Environmental and climate strategies and policies
E-D1	Water consumption	<i>Not applicable - the Group does not present the data. We only use water for consumption and sanitary purposes in day-to-day operations. The Group will work towards disclosing the quantity indicator in the future.</i>
E-D2	Water resources management	Water consumption
E-D3	Impact on biodiversity	<i>Not applicable. Santander Bank Polska S.A.'s activities have a negligible impact on biodiversity. Our Responsible Banking Strategy has identified other environmental impact issues as a priority in 2023.</i>
E-D5	Waste management	<i>Not applicable. The Group complies with legal requirements for the management of waste generated from day-to-day operations. The Group has identified other environmental topics as material.</i>
S-P1	Diversity policy	Diversity in the workplace
S-P2	Employment policy	General Code of Conduct and whistleblowing channels Workers' compensation policy Occupational health and safety
S-P3	Work-life balance policy	Occupational health and safety
S-P4	Reintegration policy	–
S-P5	Equal pay index	Diversity in the workplace
S-P6	Employee turnover	Employment structure
S-P7	Freedom of association and collective bargaining	Employment structure
S-D1	Health and safety at work (H&S)	Occupational health and safety
S-P8	Human rights policy and due diligence procedures	Human rights due diligence policies and processes
G-P1	Structure of the company's governing bodies	Management structure
G-P2	Independent governing board members	Management Board composition Supervisory Board Composition
G-P3	Diversity in the composition of the governing bodies	Management Board composition Supervisory Board Composition
G-P4	Code of ethics	General Code of Conduct and whistleblowing channels

	Report section
G-P5 Anti-corruption policy	Anti-corruption policies
G-P6 Whistleblowing mechanism	General Code of Conduct and whistleblowing channels
G-D1 Data protection policy	Security of services, transactions and customer data

List of Santander Bank Polska S.A.'s custom indicators

Indicator name	Report section
Number of the bank's access points in Poland, including branches broken down by outlets operated directly by the bank and partner outlets	Performance results – page 11
Scale of corporate volunteering	Corporate volunteering – page 99
Number of beneficiaries of corporate volunteering activities / year	Key activities and grant projects of the Santander Foundation – page 98
Total amount allocated to community engagement activities	Key activities and grant projects of the Santander Foundation – page 98
Number of customers using mobile and online banking	Information security – page 94
Number of interactions in remote channels	Information security – page 94
Custom indicator: Main pro-environmental products and services offered to customers, including offerings that influence climate change solutions	Green finance – page 53
Key actions to increase customer satisfaction	Positive customer experience (NPS) – page 83 Accessibility of products and services to the customer – page 92
Customer satisfaction measurement results	Positive customer experience (NPS) – page 83
Information on key products, including new products launched during the reporting period	Strategy and business model of Santander Bank Polska Group – page 8 Green finance – page 53
Products and initiatives for small and medium-sized enterprises (SMEs)	Green finance – page 53
Number of bank branches with Barrier-Free Service certification	Inclusive and sustainable banking – page 84
Number of beneficiaries of social projects and initiatives related to education taken or supported by the bank and/or the bank's Foundation in a given year	Corporate volunteering – page 99
List of key activities and initiatives implemented in the bank during the year to increase employees' knowledge of the bank's ethics and corporate culture	Values and ethics – page 32
Description of policies, procedures and results of climate risk exposure testing	Integrating ESG into the organisation's risk management system – page 36
Actions implemented to ensure cyber security	Security of services, transactions and customer data – page 47
Description of the bank's approach to implementing ESG regulatory requirements into its business strategy	Integrating ESG into the organisation's risk management system – page 36

UNEP FI Principles for Responsible Banking

	Principles for Responsible Banking	Report section referring to the implementation of the principle
Principle 1	Alignment	Santander Bank Polska Group's strategy and business model
Principle 2	Impact and Target Setting	Integrating ESG into the organisation's risk management system, Environmental and climate strategies and policies, Performance results
Principle 3	Clients and Customers	Integrating ESG into the organisation's risk management system
Principle 4	Stakeholders	Group and Bank stakeholders, Employee relations, Customer relations, Relations with the communities
Principle 5	Governance & Culture	ESG Governance - what is important to us?
Principle 6	Transparency & Accountability	Entire report

UN Sustainable Development Goals (SDGs)

We relate to the UN Agenda 2030 Sustainable Development Goals:

Goal		Report section referring to the fulfilment of the goal
Goal 1	No poverty	Relations with the communities
Goal 2	Zero hunger	–
Goal 3	Good health and well-being	Occupational health and safety
Goal 4	Quality education	Education Training and development
Goal 5	Gender equality	Diversity in the workplace
Goal 6	Clean water and sanitation	Water consumption
Goal 7	Affordable and clean energy	Aligning the portfolio with Net Zero 2050 targets Green finance Electricity consumption
Goal 8	Decent work and economic growth	Santander Bank Polska Group's strategy and business model, Employee relations
Goal 9	Industry, innovation and infrastructure	–
Goal 10	Reduced inequalities	Diversity in the workplace
Goal 11	Sustainable cities and communities	–
Goal 12	Responsible consumption and production	–
Goal 13	Climate action	Environmental and climate strategies and policies, Integrating ESG into the organisation's risk management system, Aligning the portfolio with Net Zero 2050 targets, Green finance, Greenhouse gas emissions
Goal 14	Life below water	–
Goal 15	Life on land	–
Goal 16	Peace, justice and strong institutions	Anti-corruption policies
Goal 17	Partnerships for the goals	Partnerships and commitment to sustainable development, Group's and bank's stakeholders

Glossary

OHS – Occupational Health and Safety

CSRD – Corporate Sustainability Reporting Directive

EBA – European Banking Authority

EPG – Equal Pay Gap, adjusted indicator of pay gap between men and women (according to the methodology of Santander Bank Polska S.A.)

ESG – Environmental, Social and Governance non-financial rating factors for companies and organisations

ESRS – European Sustainability Reporting Standards i.e. EU non-financial reporting guidelines associated with the CSRD

GAR – Green Asset Ratio

GRI – Global Reporting Initiative

GPG – Gender Pay Gap, unadjusted indicator of pay gap between men and women

ONZ – United Nations Organization

SFCS – Sustainable Finance Classification System

TCFD – Task Force on Climate-related Financial Disclosures appointed by the G20 Financial Stability Board

UNEP FI – United Nations Environment Programme Finance Initiative

C/I – Cost-to-Income Ratio

TCR – Total Capital Ratio

CoR – Cost of Credit Risk

NPS – Net Promoter Score. Measure of customer loyalty and satisfaction

Contact

[GRI 2-3]

We are interested in your feedback on our report and the scope of information you would like to see in its next edition. Please contact us to share your suggestions:

Beata Kubida

Sustainability and ESG Team Manager

e-mail: beata.kubida@santander.pl

tel.: (+48) 665 618 945

Joanna Maras

Senior Sustainability and ESG Specialist, Santander Bank Polska

e-mail: joanna.maras@santander.pl

phone: (22) 586 81 39

Michał Wróblewski

Senior Sustainability Communication Specialist

e-mail: michal.wroblewski@santander.pl

phone: 510 003 674

Our registered office address:

Santander Bank Polska S.A.

al. Jana Pawła II 17

00-854 Warsaw

www.santander.pl

www.esg.santander.pl