

The draft resolutions that will be considered by the Extraordinary General Meeting of Bank Zachodni WBK S.A. to be held on 30th June 2014.

re: item 2 of the agenda

**RESOLUTION OF THE EXTRAORDINARY GENERAL MEETING
OF BANK ZACHODNI WBK S.A.**

(draft)

re. appointing Chairman of the Meeting

§ 1

Annual General Meeting shall elect the Chairman of the Meeting in the person of

§ 2

This resolution shall come into force on the day of its adoption.

re: item 4 of the agenda

**RESOLUTION OF THE EXTRAORDINARY GENERAL MEETING
OF BANK ZACHODNI WBK S.A.**

(draft)

re. adopting the meeting's agenda

Extraordinary General Meeting shall adopt the following agenda of the meeting:

1. Opening of the General Meeting.
2. Electing the Chairman of the General Meeting.
3. Establishing whether the General Meeting has been duly convened and has the capacity to adopt resolutions.
4. Adopting the agenda for the General Meeting.
5. Adopting the resolution regarding the increase in the Bank's share capital through the issuance of ordinary bearer series L shares, the exclusion of the pre-emptive rights of the Bank's existing shareholders with respect to all the series L shares, amendments to the statute of the Bank and the seeking of the admission and introduction of the series L shares to trading on the regulated market operated by the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.) and the dematerialisation of the series L shares.
6. Adopting the Incentive Scheme V.
7. Closing the General Meeting.

re: item 5 of the agenda

**RESOLUTION OF THE EXTRAORDINARY GENERAL MEETING
OF BANK ZACHODNI WBK S.A.**

(draft)

Re. the increase in the Bank's share capital through the issuance of ordinary bearer series L shares, the exclusion of the pre-emptive rights of the Bank's existing shareholders with respect to all the series L shares, amendments to the statute of the Bank and the seeking of the admission and introduction of the series L shares to trading on the regulated market operated by the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.) and the dematerialisation of the series L shares

The extraordinary general meeting of Bank Zachodni WBK S.A. with its registered office in Wrocław (the "Bank"), acting pursuant to Articles 430, 431, 432 and 433 of the Act dated 15 September 2000 – the Commercial Companies Code (the "CCC") hereby resolves:

§ 1

1. To increase the share capital of the Bank by PLN 53,839,020 (fifty three million eight hundred thirty nine thousand and twenty zlotys) through the issuance of 5,383,902 (five million three hundred eighty three thousand nine hundred and two) ordinary bearer series L shares with a nominal value of PLN 10 (ten zlotys) each (the "Series L Shares"). -----
2. That the Series L Shares will be issued by way of a private subscription within the meaning of Article 431 § 2(1) of the CCC through the offering of the Series L Shares by the Bank's Management Board to Santander Consumer Finance S.A. with its registered office in Madrid ("SCF"). A subscription agreement for the Series L Shares will be executed by the Bank within 6 (six) months from the adoption of this resolution.
3. That the issue price of a Series L Share will be PLN 400.53 (four hundred zlotys and 53/100) per one Series L Share, i.e. PLN 2,156,414,268.06 (two billion one hundred fifty six million four hundred fourteen thousand two hundred and sixty eight zlotys and 6/100) for all the Series L Shares. -----
4. That the Series L Shares will participate in dividend payments on terms equal to that of all other shares in the Bank from 1 January 2014, i.e. in the distributable profits for the year ended 31 December 2014. -----
5. That the Series L Shares will be issued in exchange for an in-kind contribution in the form of 3,120,000 (three million, one hundred and twenty thousand, i.e. 1,040,001 preferred shares and 2,079,999 ordinary shares) shares with a nominal value of PLN 100 (one hundred zlotys) each, in the share capital of Santander Consumer Bank S.A. with its registered office in Wrocław and postal address: ul. Strzegomska 42C, 53-611 Wrocław, entered in the National Court Register kept by the District Court for Wrocław-Fabryczna, VI Commercial Division of the National Court Register under No. KRS 0000040562 ("SCB"), with the share capital paid-up in full, representing a 60% stake in the share capital and 67% of the total number of votes at the general meeting of SCB, held by SCF (the "In-Kind Contribution"). -----

§ 2

1. Acting pursuant to Article 433 § 2 of the CCC, all the pre-emptive rights of the Bank's existing shareholders with respect to the Series L Shares shall be excluded, which shall be in the Bank's best interests. -----
2. A written opinion of the Bank's Management Board justifying the reasons for the exclusion of the pre-emptive rights of the existing shareholders with respect to the Series L Shares and the proposed issue price of the Series L Shares is attached hereto as Schedule No. 1. -----

§ 3

1. The Extraordinary General Meeting of the Bank decides that the Bank will seek the admission and introduction of the Series L Shares to trading on the regulated market operated by the Warsaw Stock Exchange (the "WSE") and that the Series L Shares will be dematerialised within the meaning of the Act dated 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and on Public Companies. -----
2. The Bank's Management Board is authorised to take any actions necessary to execute this resolution, including to submit the relevant applications or notifications to the Polish Financial Supervision Authority, seek admission and introduction of the Series L Shares to trading on the regulated market operated by the WSE, execute an agreement and take any other actions in order to register the Series L Shares with the National Depository for Securities (*Krajowy Depozyt Papierów Wartościowych S.A.*) ("KDPW") and submit an application for the introduction of the Series L Shares to trading on the regulated market operated by the WSE. -----

§ 4

1. In connection with the adoption of this resolution, § 10 of the Bank's statute shall be amended to read as follows:-----

"The share capital of the Bank shall amount to PLN 992,345,340 (nine hundred ninety two million three hundred forty five thousand three hundred and forty) zlotys and shall be divided into 99,234,534 (ninety nine million two hundred thirty four thousand five hundred and thirty four) bearer shares with a nominal value of PLN 10 (ten zlotys) each, including:

- 1) *5,120,000 (five million, one hundred and twenty thousand) ordinary bearer series A shares; ----*
- 2) *724,073 (seven hundred twenty-four thousand and seventy-three) ordinary bearer series B shares;-----*
- 3) *22,155,927 (twenty-two million, one hundred and fifty-five thousand, nine hundred and twenty-seven) ordinary bearer series C shares; -----*
- 4) *1,470,589 (one million, four hundred and seventy thousand, five hundred and eighty-nine) ordinary bearer series D shares; -----*
- 5) *980,393 (nine hundred and eighty thousand, three hundred and ninety-three) ordinary bearer series E shares; -----*
- 6) *2,500,000 (two million five hundred) ordinary bearer series F shares;-----*
- 7) *40,009,302 (forty million, nine thousand, three hundred and two) ordinary bearer series G shares;-----*
- 8) *115,729 (one hundred and fifteen thousand, seven hundred and twenty-nine) ordinary bearer series H shares; -----*
- 9) *1,561,618 (one million, five hundred and sixty-one thousand, six hundred and eighteen) ordinary bearer series I shares;-----*
- 10) *18,907,458 (eighteen million, nine hundred and seven thousand, four hundred and fifty-eight) ordinary bearer series J shares;-----*
- 11) *305,543 (three hundred and five thousand, five hundred and forty-three) ordinary bearer series K shares; -----*
- 12) *5,383,902 (five million three hundred eighty three thousand nine hundred and two) ordinary bearer series L shares." -----*

2. The amendment to the Bank's Statute, referred to in section 1 above, requires the approval of the Polish Financial Supervision Authority pursuant to Article 34 section 2 in conjunction with Article 31 section 3 of the Act dated 29 August 1997 – the Banking Law and is effective as of the registration of these amendments by the registry court. -----

§ 5

The Supervisory Board shall be authorised to determine the consolidated text of the Bank's Statutes.

§ 6

This resolution comes into force as of its adoption, and with respect to the amendments to the Bank's statute, on the date on which the amendments are registered by the registry court. -----

**Opinion of the Management Board
of Bank Zachodni WBK S.A.
dated 9th April 2014**

regarding: the justification of the exclusion of the pre-emptive rights of the Bank's existing shareholders with respect to the shares in connection with the contemplated increase of the Bank's share capital through the issuance of the Series L Shares and the manner of determining the issue price of the Series L Shares.

Pursuant to Article 433 § 2 of the Act dated 15 September 2000 – the Commercial Companies Code (the “**CCC**”), the management board of Bank Zachodni WBK S.A. with its registered office in Wrocław (the “**Bank**”) adopted this opinion on **9th April 2014** in connection with the contemplated adoption by the extraordinary general meeting of the Bank, scheduled for 30 June 2014, of a resolution regarding: the increase in the Bank's share capital through the issuance of ordinary bearer series L shares (the “**Series L Shares**”), the exclusion of the pre-emptive rights of the Bank's existing shareholders with respect to all the Series L Shares, amendments to the statute of the Bank and the seeking of the admission and introduction of the Series L Shares to trading on the regulated market operated by the Warsaw Stock Exchange (*Giełda Papierów Wartościowych w Warszawie S.A.*) and the dematerialisation of the Series L Shares (the “**Resolution**”).

1. Exclusion of the pre-emptive rights with respect to the Series L Shares

The issue of the Series L Shares and the making of the corresponding in-kind contribution in the form of 3,120,000 (three million, one hundred and twenty thousand, i.e. 1,040,001 preferred shares and 2,079,999 ordinary shares) shares with a nominal value of PLN 100 (one hundred zlotys) each in the share capital of Santander Consumer Bank S.A. with its registered office in Wrocław and postal address: ul. Strzegomska 42C, 53-611 Wrocław, entered in the National Court Register kept by the District Court for Wrocław-Fabryczna, VI Commercial Division of the National Court Register under No. KRS 0000040562 (“**SCB**”), with the share capital paid-up in full, representing a 60% stake in the share capital and 67% of the total number of votes at the general meeting of SCB, held by Santander Consumer Finance S.A. with its registered office in Madrid (“**SCF**”) (the “**In-Kind Contribution**”), is connected with the planned reorganisation of the group of Banco Santander S.A. (with its registered office at Paseo de Pereda 9-12, Santander, Spain) (“**Santander**”) in Poland by making SCB a direct subsidiary of the Bank. The aforementioned reorganisation is being carried out by Santander as part of its commitment made to the Polish Financial Supervision Authority (the “**PFSA**”) in connection with the approval granted by the PFSA for the merger between the Bank and Kredyt Bank S.A.¹

In order to fulfil the aforementioned commitment, on 27 November 2013, the Bank, SCF and SCB executed an investment agreement (the “**Investment Agreement**”), whereby the shares in SCB held by SCF were to be acquired by the Bank from SCF in exchange for a specific number of new shares in the Bank in accordance with the formula included in the Investment Agreement, which will be issued as a result of the increase in the share capital of the Bank.

In accordance with the Resolution, the Series L Shares will be offered to be subscribed for, by way of private subscription, exclusively to SCF in exchange for the In-Kind Contribution. The issue of the Series L Shares in exchange for the In-Kind Contribution will enable the Bank to take control over SCB without the necessity for the Bank to spend significant funds or incur debt. The Bank's Management Board believes that the increase in the share capital through the issuance of new shares in the Bank, with the exclusion of all the pre-emptive rights of the existing shareholders, and the Bank's related offer, by way of a private subscription, the Series L Shares exclusively to SCF, is the optimal instrument and is in the Bank's best interests to perform the aforementioned transaction.

¹ The decision of the PFSA on approving the merger between BZ WBK and Kredyt Bank S.A. was issued on 4 December 2012 (see: current report No. 37/2012 dated 4 December 2012).

2. Manner in which the issue price of the Series L Shares is to be established

The issue price of the Series L Shares was determined at PLN 400.53 (four hundred zlotys and 53/100) per Series L Share, i.e. PLN 2,156,414,268.06 (two billion, one hundred and fifty-six million, four hundred and fourteen thousand, two hundred and sixty-eight zlotys and 06/100) for all the Series L Shares. The Series L Shares will be paid for by SCF prior to the registration of the increased share capital, entirely in the form of the In-Kind Contribution.

Ms Bożena Graczyk, a statutory auditor appointed by the competent registry court, has issued an opinion on the report of the Bank's Management Board regarding the in-kind contributions made in order to cover for the increased share capital and Citigroup Global Markets Limited has issued a fairness opinion on the fair value of the In-Kind Contribution.²

3. Conclusion

In view of the foregoing, the Bank's Management Board believes that the exclusion of the pre-emptive rights of the Bank's existing shareholders, in connection with the issuance of the Series L Shares, is in the Bank's best interests, results from its strategy and development plans and is necessary due to the specific nature of the issue which involves making an in-kind contribution. In light of the above, the Bank's Management Board hereby gives its positive opinion on the proposed draft Resolution and recommends that the shareholders adopt it.

² See: current report No. 9/2014 dated 10 April 2014 and current report No. 17/2014 dated 26 May 2014, respectively.

re: item 6 of the agenda

**RESOLUTION OF THE EXTRAORDINARY GENERAL MEETING
OF BANK ZACHODNI WBK S.A.**

(draft)

re. Incentive Scheme V

Acting pursuant to art. 393 and respectively applied art. 431 § 1 of the Commercial Companies Code, the following is resolved:

§ 1

1. In Bank Zachodni WBK (the "Company") a three-year long Incentive Scheme V, starting in 2014, shall be introduced.
2. The Incentive Scheme V is addressed to employees of the company as well as to the employees of the Company's subsidiaries ("BZ WBK Group") who make a marital contribution to the growth in its value as thus to the growth in the value of its shares.
3. The objective of the Incentive Scheme V is to create an instrument that will both ensure tighter links of Participants in Incentive Scheme V referred to in § 2 with the BZWBK Group as well as an effective incentive in line with the so-called CRD IV¹ and CRR² Package as well as European Banking Authority guidelines.

§ 2

1. The Incentive Scheme V Participants ("Participant") are members of the Bank's Management Board and the key employees of the BZWBK Group nominated by the Bank's Management Board and approved by the Bank's Supervisory Board, however not more than 500 individuals.
2. The precondition for becoming a Participant is to sign the "Agreement on Participation in the 3-year Incentive Scheme V 'Performance Shares Plan 2014' for the Employees of the Bank Zachodni WBK Group" ("Agreement"). The terms of the draft Agreement shall be determined by the Bank's Supervisory Board ("Supervisory Board") at the Bank Management Board's request.
3. The natural person loses the right of the Participant in Incentive Scheme V, if after being qualified to the Incentive Scheme V yet prior to the date of holding the Annual General Meeting of Shareholders in 2017 ("Date of Confirming the Participation") his/her employment relationship with the Company or another entity from BZ WBK Group ceases to exist. Detailed conditions governing the forfeiture of the rights will be defined in the Agreement.
4. A natural person loses his/her Right of the Participant in Incentive Scheme V if after being classified for the Incentive Scheme V, as a result of the division of the Participant's and his/her spouse's joint property any claims under the Agreement could be acknowledged for the benefit of the Participant's spouse.
5. The Supervisory Board – acting in the Company's interest – may decide to allow the Participant to retain his/her rights under the Incentive Scheme V despite the circumstances referred to in clause 3 or 4, if there are special reasons for that.

¹ Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive [2002/87/EC](#) and repealing Directives [2006/48/EC](#) and [2006/49/EC](#)

² Regulation (EU) no 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012

6. Availing of its rights described in clause 5, the Supervisory Board defines in detail the rules of retaining the rights of the Participant in Incentive Scheme V.

§ 3

1. The Company undertakes to ensure that subject to compliance with the terms of the Agreement, the Participant will be able to subscribe for and acquire such a number of the Bank Zachodni WBK S.A. shares as is specified in the Agreement for a price equal to their nominal value, i.e. PLN 10 ("Performance Shares"). Immediately on closing of the subscription for the Performance Shares and registration of the issue by the relevant court, the Company shall introduce such shares to the public trading on Warsaw Stock Exchange ("WSE") or to another regulated market where shares of Bank Zachodni WBK will be quoted. The above presents the "Liquidity Assurance".
2. To ensure the Participant can exercise their rights, the Company shall issue up to 250,000 Performance Shares.
3. The right of the Participant in the Incentive Scheme V referred to in clause 1 shall be called – depending on the context - the "Award" or "Total Award" or "Annual Award". Depending on the context, this term shall also mean the value of the right referred to in clause 1.
4. If the Performance Shares acquired by the Participant and recorded in his/her securities account cannot be traded on the WSE as they have not been introduced to the public trading, the Company, as per the assumptions of the Incentive Scheme V, shall promptly indicate, at the Participant's request, an entity which will purchase the Performance Shares from the Participant.
5. The Company undertakes that if the Performance Shares due to the Participant under the Agreement are not recorded in the Participant's securities account by 31 December 2017 due to the Bank Zachodni WBK's fault, then at the Participant's request, the Company shall pay the Participant an amount equal to the product of (i) the number of the Performance Shares subscribed for by the Participant and (ii) the difference between the Company's share price at the WSE session opening on the last quotation day in 2017 and the Issue Price. Details related to the above obligation are outlined in the Agreement and by the Supervisory Board respecting all due rights of Participants.
6. The maximum number of the Performance Shares that the Participant can acquire under the Agreement cannot be higher than a quotient (determined by the Supervisory Board) of the Participant's annual gross base salary in 2013 and the average market price of the Company's shares from the 30 stock exchange sessions prior to the date of adopting this Resolution, less the Issue Price. The value referred to above is the Maximum Total Award.

§ 4

1. The Incentive Scheme V will be executed in such a way that at the first stage the Participants will sign the Agreement with the Company and at the second stage the Participants will have the right to acquire the Performance Shares provided that the criteria for the Award are met.
2. After being recorded in the securities account, it will be not possible to dispose of the Performance Shares taken up by the Participants in the Incentive Scheme V for the period of one year, unless clause 3 hereof does not stipulate further reaching limitations.
3. The Performance Shares acquired by Participants in Incentive Scheme V whose remuneration is subject to specific limitations envisaged in the so-called CRD IV and CRR Package cannot be disposed until the lapse of dates stipulated directly or indirectly in these documents or the EBA Guidelines ("Additional Retention"). The above rule is applied respectively to the cash benefit as per § 3 clause 5 of this Resolution. The Bank's Supervisory Board can introduce a detailed regulation in this respect.

§ 5

1. The economic criterion triggering the Award entitlement is the achievement of the defined below profit after tax growth rate (PAT) by Bank Zachodni WBK Group.
2. The allocation of the Annual Award is dependent on the occurrence of the Economic Trigger in the individual years of the Incentive Scheme V life in line with the rules outlined in § 6.
3. Additionally, the Participant has a right to the Total Award calculated based on the three-year lifecycle of the Incentive Scheme in line with the principles outlined in § 7, if the number of shares stemming from the Total Award would be higher than the number of shares stemming from the sum of Annual Awards. The maximum amount of the Annual Award is 1/3 of the Total Award.
4. The maximum amount of the Total Award shall be specified as per rules outlined in § 3 point 6.
5. Pursuant to clause 4, the Participant upon obtaining the right to the Annual Award shall not lose the aforementioned entitlements despite the fact that the Economic Trigger for the Total Award is not met.
6. In the case of gaining a right to the Total Award, the entitlement to the Annual Award shall expire automatically. This does not refer to the situation when the Total Award is lower than the sum of the actually received Annual Awards.
7. The detailed rules with regard to the Annual Award and Total Award are outlined in the Agreement. In the remaining scope, the Annual Award and Total Award shall be regulated by the Supervisory Board in compliance with the Incentive Scheme V objectives.

§ 6

1. The amount of the Annual Award shall depend on the performance against the Economic Trigger underpinning the Incentive Scheme V in a given year.
2. Depending on the PAT growth rate in individual years of the Incentive Scheme V life, the Participants shall be entitled to:
 - i) 100% of the Maximum Annual Award if the PAT annual growth rate in individual years of the Incentive Scheme V life is not lower than:
 - a) 11% in 2014,
 - b) 26% in 2015,
 - c) 26% in 2016.
 - ii) 25% of the Maximum Annual Award if the PAT annual growth rate in individual years of the Incentive Scheme V life is equal to:
 - a) 7% in 2014,
 - b) 17% in 2015,
 - c) 17% in 2016.
3. Directly proportionately between 25% and 100% of the Maximum Annual Award if the PAT annual growth rate in individual years of the Incentive Scheme V life falls within the bands set out in points i) and ii) above.
4. The Supervisory Board shall set the detailed methodology of calculating the Total Award being guided by principles described in clause 6, by summing up the values described in clause 2 and calculating the average arithmetic mean of the values described in clause 3 each time for the years from 2014 to 2016.

5. For the needs of calculating the Annual Award or Total Award of the Incentive Scheme V Participants whose remuneration is subject to specific limitations envisaged in the so-called CRD IV and CRR Package, the Supervisory Board may adopt specific rules of calculating the Economic Trigger being guided by the Incentive Scheme V objectives.

§ 7

1. The amount of the Total Award depends on the performance against the Economic Trigger being the compound annual growth rate (CAGR) of Bank Zachodni WBK Group's PAT in the three years of the Incentive Scheme V life.
2. Depending on the level of the compound annual growth rate in PAT, the Participants shall be entitled to:
 - i) 100% of the Maximum Total Award if the compound PAT annual growth rate is not lower than 20,8%,
 - ii) 25% of the Maximum Total Award if the compound PAT annual growth rate is not lower than 13,6%,
 - iii) Directly proportionately between 25% and 100% of the Maximum Total Award if the compound PAT annual growth rate falls within the bands set out in points i) and ii) above.

§ 8

1. The Supervisory Board has the right to define in detail the principles of classifying individuals as Participants in Incentive Scheme V. At the Bank Management Board's request, the Supervisory Board shall create a list of the Participants in Incentive Scheme V.
2. The Supervisory Board shall have the right to define the detailed mode and criteria of how the Incentive Scheme V will be executed with due respect to the Company's rights and due rights of its Participants. The manner of executing the Incentive Scheme V shall be underpinned by maximum respect for the principle of loyalty of co-operation between the Participants and the Company.
3. The Supervisory Board shall be entitled to define the rules and manner of resolution of disputes relating to the Incentive Scheme V and to mediate between the Participant and the Bank's Management Board in matters directly related to the Incentive Scheme V.
4. The Supervisory Board shall have the right to change the conditions underpinning the Incentive Scheme V if it deems it necessary and consistent with the Incentive Scheme V objectives. The above refers in particular to changes stemming from European Union law requirements or changes in domestic legislation.
5. The Supervisory Board shall have the right to change the Economic Trigger referred to in §7 of the Resolution, especially in the case of changes to the accounting rules or performing extraordinary transactions by the Company, in particular in the case of selling a significant part of the debt portfolio as a result of which the above said Economic Trigger would not duly reflect the growth in the Company's value over the life of the Incentive Scheme V.
6. The Supervisory Board shall have the right to change the Economic Trigger referred to in §7 of the Resolution, especially in the case the Company participates in organisation- or consolidation-related transformations as a result of which the above said Economic Trigger would not duly reflect the growth in the Company's value over the life of the Incentive Scheme V.
7. The Bank's Supervisory Board shall be authorized to reduce the Annual Award or the Total Award in the event of one of the following exceptional circumstances ("Malus Clause"):
 - i) Radical deterioration in the economic performance of the Bank Zachodni WBK Group;
 - ii) Deliberate and serious violation by the Participant of internal regulations or commonly applicable law;

iii) Material restatement of the Bank Zachodni WBK Group's financial statements by a chartered auditor;

iv) Radical deterioration of the risk profile describing Bank Zachodni WBK Group.

This reduction could be for the whole programme or a select group of individuals or one person. The exercise of the Malus Clause by the Supervisory Board requires a detailed justification. Malus Clause should be interpreted under the standards of Santander Group.

8. The Bank's Management Board as well as each Participant shall have the right to request the Supervisory Board for their opinion on the disputable issue related directly to the Incentive Scheme V.

§ 9

1. The language interpretation of the resolution cannot be in clash with the rules of functional interpretation of its stipulations.
2. The Resolution becomes effective on the day of its adoption.