

**Supervisory Board
Santander Bank Polska S.A.**

**REPORT OF THE SUPERVISORY BOARD
FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS
ON THE RESULTS OF THE INDIVIDUAL SUITABILITY ASSESSMENT OF THE SUPERVISORY
BOARD MEMBERS AND COLLECTIVE SUITABILITY ASSESSMENT OF THE SUPERVISORY
BOARD OF SANTANDER BANK POLSKA S.A.**

The Supervisory Board of Santander Bank Polska S.A. hereby informs you that on 9 April 2019 the Nominations Committee of the Supervisory Board assessed the suitability of individual Supervisory Board members:

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| 1) Gerry Byrne | Chairman of the Supervisory Board, |
| 2) Jose Luis de Mora | Vice-Chairman of the Supervisory Board, |
| 3) José Garcia Cantera | Member of the Supervisory Board, |
| 4) Danuta Dąbrowska | Member of the Supervisory Board, |
| 5) David Hexter | Member of the Supervisory Board, |
| 6) Witold Jurcewicz | Member of the Supervisory Board, |
| 7) John Power | Member of the Supervisory Board, |
| 8) Jerzy Surma | Member of the Supervisory Board, |
| 9) Marynika Woroszylska-Sapieha | Member of the Supervisory Board, |

as well as the collective suitability of the Supervisory Board.

The assessment was made in line with the following regulations: the Banking Law Act of 29 August 1997 (**Banking Law**), Joint guidelines of the European Securities and Markets Authority and the European Banking Authority no. EBA/GL/2017/12 (**Guidelines**) and the Policy on Suitability Assessment of Supervisory Board Members at Santander Bank Polska S.A. (**Policy**).

The Committee performs such a periodic suitability re-assessment at least annually.

Based on the individual assessments, the Committee stated that:

- each of the Supervisory Board members meets the suitability criteria set out in Article 22(aa) of the Banking Law, i.e. with regard to knowledge, skills and experience required in their individual functions, and warrants proper discharge of their duties and responsibilities,
- each of the Supervisory Board members meets the good repute, honesty and integrity requirements,
- each of the Supervisory Board members is able to demonstrate the independence of mind and has the required behavioral skills to effectively assess and challenge decisions proposed by others members and to resist “group-think”,
- each of the Supervisory Board members has the ability to commit sufficient time to perform their duties and responsibilities also in the periods of particularly increased activity of the Bank; in particular, each of the Supervisory Board members meets the requirements set out in Article 22(aa)(3) of the Banking Law.

Taking into account the results of individual suitability assessments of the Supervisory Board members as well as the fact that the collective suitability of the Supervisory Board is considered as a sum of skills represented by all its members, the Committee deemed that collectively the Supervisory Board:

- meets the requirements with regard to knowledge, skills and experience, warranting thus proper performance of duties and effective oversight of all areas of the Bank, including the requirements with regard to the ability to challenge and effectively monitor decisions taken by Management Board,
- meets the good repute, honesty, and integrity criteria,

- meets the independence criteria as there are five independent members among nine members making up the Supervisory Board and independent members are properly represented on the Supervisory Board committees, including the Audit and Compliance Committee,
- meets the independence of mind criteria,
- sufficiently meets the Policy's diversity requirements, including those related to educational and professional background, age, geographical provenance as well as pursues the targets for the female representation on the Supervisory Board set until 2025,
- meets the criteria with regard to the ability to commit sufficient time to perform its duties, also in periods of particularly increased activity of the Bank.

By comparing the current nine-member composition of the Supervisory Board and the skills and knowledge held by the Supervisory Board members against the collective suitability requirements, the Committee did not identify any shortcomings in this respect, also after José Manuela Campa resignation from the Supervisory Board member function on 4 March 2019 as relevant skills continue to be represented on the Supervisory Board thanks to the skills held by the remaining Supervisory Board members.

There is a sufficient number of the Supervisory Board members with knowledge and experience in each required area to allow a discussion of decisions considered by the Supervisory Board as well as adequate skills are held by members of individual Supervisory Board committees in line with the applicable laws and the Bank's internal regulations.

The Supervisory Board members collectively have the skills enabling them to present their views, to influence the decision-making process within the Supervisory Board as well as to assess decisions taken by the Management Board, including those on the Bank's business model, risk appetite, strategy and markets in which the Bank operates. The Supervisory Board is able to constructively challenge the Management Board decisions and exercise effective oversight of its operations.

The Supervisory Board has knowledge and skills in human resources management enabling it to assess the performance of Management Board members, candidates for the Management Board Member functions as well as to assess human resources policies implemented in the Bank.

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

In the Committee's opinion, the present structure, size, composition and effectiveness of the Supervisory Board are suitable.

The Committee did not identify any need to formulate any recommendations as a result of the individual suitability assessment of Supervisory Board members of Santander Bank Polska S.A. and collective suitability assessment of the Supervisory Board.