



Management Board Report

on Santander Bank Polska
Group Performance
in H1 2025

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I. Overview of Santander Bank Polska Group performance in H1 2025

1. Key achievements of the Group

EFFICIENCY AND SECURITY

- ▶ Solid capital position of the Group, confirmed by capital ratios as at 30 June 2025, including the total capital ratio of 18.06%, i.e. well above the statutory and regulatory minimum (17.84% as at 30 June 2024).
- ▶ High and stable ROE YoY (20.5% vs 19.1% as at 30 June 2024).
- ▶ Sound liquidity position. Net customer loans to deposits ratio at 75.4%. Supervisory liquidity ratios well above the regulatory minimum.
- ▶ Close monitoring of risk and implementation of relevant prudential measures.
- ▶ High cost efficiency of the Group, with a cost to income ratio of 31.3% (31.1% in H1 2024) despite rising regulatory, transformation and business scale-related costs.
- ▶ Further automation and optimisation of operational processes.
- ▶ Improved availability, reliability, performance and cybersecurity of the Group's systems.

BUSINESS VOLUMES AND ASSET QUALITY

- ▶ 11.2% YoY increase in total assets to PLN 314.6bn supported by growing business volumes in key product lines and customer segments.
- ▶ 10.4% YoY growth in deposits from customers driven by an increase in term deposits (+7.8% YoY) and current and savings account balances (+11.4% YoY).
- ▶ 6.0% YoY increase in gross loans and advances to customers, including loans and advances to business customers and the public sector (+6.8% YoY), lease receivables (+9.1% YoY) and loans and advances to individuals (+4.7% YoY).
- ▶ Improved quality of the credit portfolio, with the NPL ratio of 4.2% (4.5% as at 30 June 2024), the Group's prudential approach to risk management and an increase in credit receivables.
- ▶ Decrease in the cost of credit risk from 0.70% in H1 2024 to 0.45% in H1 2025 amid gradual economic recovery.
- ▶ Limited decline in the annualised Ytd net interest margin on a comparative basis (5.10% for H1 2025 vs 5.34% for H1 2024) as a combined effect of the expected interest rate cuts, growth in business volumes and volatility of financial markets.
- ▶ Higher net fee and commission income driven by higher net income from the investment fund, stock and bancassurance markets and from currency exchange.
- ▶ Growth in the number of transactions made via mobile banking of Santander Bank Polska S.A. (+19.1% YoY) and in the share of this channel in remote credit sales.
- ▶ 20.2% YoY increase in the net asset value of investment funds, reflecting strong positive net sales of investment funds in H1 2025 and higher valuation of assets.

CUSTOMERS AND COMMUNITIES

- ▶ 7.4m customers of Santander Bank Polska S.A. and Santander Consumer Bank S.A., including 3.6m loyal customers.
- ▶ 3.9% YoY increase in the number of accounts held by customers of Santander Bank Polska S.A. to 7.1m, including 3.9m Santander Accounts.
- ▶ 4.6m digital customers of both banks, including 3.8m mobile banking customers.
- ▶ Further automation, robotisation, optimisation and simplification of operational processes.
- ▶ Continuation of IT projects aimed at improving experience of customers and employees.
- ▶ Implementation of measures to support sustainable development and promote cybersecurity culture.
- ▶ Further enhancement of the remote channel functions, including improvements in the new Santander mobile application and iBiznes24.

Key achievements of the Group (cont.)

AWARDS

- ▶ Michał Gajewski, President of the Management Board of Santander Bank Polska S.A., ranked first (for the third time) in the Banker of the Year ranking by Forbes.
- ▶ The Brokerage Team of Santander Brokerage Poland placed first for the third year running in the ranking published by the Parkiet daily.
- ▶ Santander Bank Polska S.A. named the Leader of Ethics in the "Ethical Company" competition organised by Puls Biznesu.
- ▶ Santander Bank Polska S.A. awarded in ten categories of the Institution of the Year ranking: best private banking, best bank for business, best internet banking, best customer service in remote channels, best customer service in branches, best personal banking (at branches and remote channels), best account opening, CX leader and best bank based on customer voice. 30 branches were individually recognised for top customer service quality.
- ▶ Santander Bank Polska S.A. placed first in the Best Branch Services and Personal Account categories of the Golden Banker ranking by Bankier.pl and Puls Biznesu. The Bank was also a runner-up in the main Multichannel Services category and in the Premium Account (for Select Account) and Social Media categories.
- ▶ Santander Bank Polska S.A. named the Best Bank in the Finance World Leaders competition organised as part of the Banking & Insurance Forum in recognition of its dynamic growth, impressive financial performance and high operational efficiency.
- ▶ Santander Factoring Sp. z o.o. recognised in Forbes Diamonds 2025, a ranking of the most dynamically developing companies which have substantially increased their value over the last three years.
- ▶ Treasury dealers of Santander Bank Polska S.A. ranked first in the ranking by the Ministry of Finance.
- ▶ The ESG Golden Leaf 2025 accolade awarded to Santander Bank Polska S.A. by Polityka weekly for the comprehensive management of environmental, social and governance matters.
- ▶ First place overall and in the "banking, finance and insurance" category in the "ESG Ranking. Responsible Management" and the title of "Leader of S – Social Areas" for corporate social responsibility initiatives.
- ▶ Santander Bank Polska S.A. placed on the prestigious list of the Best Places to Work in Poland ("Najlepsze Miejsca Pracy™ w Polsce") and among 25% of the best employers with the Great Place to Work® certificate.
- ▶ The Thornless Rose accolade awarded to Santander Bank Polska S.A. by Home & Market for comprehensive, discreet and personalised services for Private Banking customers and a flexible approach to wealth management.
- ▶ Santander Bank Polska S.A. placed on the Diversity IN Check 2025 list in recognition of its organisational maturity in managing diversity and building an inclusive work environment.

2. Financial and business highlights of Santander Bank Polska Group

Selected income statement items		H1 2025	H1 2024	Change YoY (2025 / 2024)
Continuing operations ¹⁾				
Total income	PLN m	8,010.5	7,425.1	7.9%
Total costs	PLN m	(2,476.5)	(2,258.6)	9.6%
Net expected credit loss allowances	PLN m	(243.2)	(448.2)	-45.7%
Profit before tax	PLN m	4,120.4	3,380.9	21.9%
Profit attributable to the shareholders of Santander Bank Polska S.A.	PLN m	3,079.0	2,453.5	25.5%
Selected income statement items		H1 2025	H1 2024	Change YoY (2025 / 2024)
Continuing and discontinued operations ²⁾				
Total income	PLN m	8,963.6	8,283.5	8.2%
Total costs	PLN m	(2,803.5)	(2,577.5)	8.8%
Net expected credit loss allowances	PLN m	(428.1)	(611.2)	-30.0%
Profit before tax	PLN m	4,313.7	3,206.1	34.5%
Profit attributable to the shareholders of Santander Bank Polska S.A.	PLN m	2,751.6	2,359.7	16.6%
Selected balance sheet items		30.06.2025	30.06.2024	Change YoY (2025 / 2024)
Continuing and discontinued operations ²⁾				
Total assets	PLN m	314,556.8	282,878.6	11.2%
Total equity	PLN m	33,203.3	31,194.1	6.4%
Net loans and advances to customers	PLN m	179,174.3	168,374.9	6.4%
Deposits from customers	PLN m	237,546.6	215,234.6	10.4%
Selected off-balance sheet items		30.06.2025	30.06.2024	Change YoY (2025 / 2024)
Net assets of investment funds ³⁾	PLN bn	26.5	22.1	4.4
Selected ratios ⁴⁾		30.06.2025	30.06.2024	Change YoY (2025 / 2024)
Continuing and discontinued operations ²⁾				
Costs/Income	%	31.3%	31.1%	0.2 p.p.
Total capital ratio	%	18.06%	17.84%	0.22 p.p.
ROE	%	20.5%	19.1%	1.4 p.p.
NPL ratio	%	4.2%	4.5%	-0.3% p.p.
Cost of credit risk	%	0.45%	0.70%	-0.25% p.p.
Loans/Deposits	%	75.4%	78.2%	-2.8 p.p.
Selected non-financial data ⁵⁾		30.06.2025	30.06.2024	Change YoY (2025 / 2024)
Electronic banking users ⁶⁾	m	6.5	6.4	0.1
Active digital customers ⁷⁾	m	4.6	4.4	0.2
Active mobile banking customers	m	3.8	3.4	0.4
Debit cards	m	5.1	4.9	0.2
Credit cards	m	0.8	0.9	-0.1
Customer base	m	7.4	7.5	-0.1
Branch network	locations	339	351	-12
Santander Zones and off-site locations	locations	9	17	-8
Partner outlets	locations	399	421	-22
Employment	FTEs	11,274	11,437	-163

1) Due to the classification of SCB S.A. and its subsidiaries as group assets held for sale and discontinued operations in the current reporting period (in accordance with the criteria laid down in IFRS 5), the profit/loss generated by the above entities and their assets and liabilities are presented separately from continuing operations in the consolidated financial statements of Santander Bank Polska Group for the 6-month period ended 30 June 2025.

2) For analytical purposes, in the selected sections of the table above the continuing and discontinued operations are presented in aggregate.

3) Assets in investment funds managed by Santander Towarzystwo Funduszy Inwestycyjnych S.A.

4) For definitions of ratios presented in the table above, see Section 3 "Selected financial ratios of Santander Bank Polska Group" of Chapter VII "Financial situation after H1 2025".

5) Except for debit cards, the selected non-financial data refer to Santander Bank Polska S.A. and Santander Consumer Bank S.A., i.e. to continuing and discontinued operations.

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

7) 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.

3. Key external factors

Main macroeconomic factors which impacted the financial and business performance of Santander Bank Polska Group in the first half of 2025

Economic growth	▶ A slight improvement in industrial production based on the gradual economic recovery in the euro zone and probably due to increased execution of orders before the coming into force of higher US tariffs. Signals of faster utilisation of EU funds. Continued weakness of exports.
Labour market	▶ Unemployment rate remaining near historical lows. Wage growth slowing to single-digit levels, with real wages continuing to grow at a solid pace. A further slight decline in employment despite the continued net inflow of foreigners into the labour market.
Inflation	▶ Lower-than-expected path of CPI inflation, resulting from a revision of the inflation weights basket, stronger zloty and lower commodity prices. Lower average inflation forecasts for 2025 and 2026.
Monetary policy	▶ A sudden shift in the MPC's stance towards monetary policy easing in April, forcing price adjustments on the markets. A 50b.p. interest rate cut in May and a pause in interest rate adjustments in June.
Fiscal policy	▶ Further increase in the fiscal deficit in Q1 2025 from 6.6% of GDP to 6.9%, with an emerging risk of public debt almost certainly exceeding 60% of GDP in 2026. Continuation of its upward trend and very high issuance of treasury bonds in 2025. Poland's submission of a request to activate the national escape clause related to defence spending, which eases fiscal controls by the European Commission.
Loans market	▶ Relatively stable situation in the credit market, continued high and improving sales of consumer loans, higher sales of mortgage loans than six months ago, although in this case there is no clear upward trend, similarly to corporate loans.
Financial markets	▶ High volatility in debt markets due to shifting inflation outlook and expectations as to monetary policy in Poland and globally. Market reaction to reports of tariff wars and the escalating situation in the Middle East. A gradual revival of foreign investor interest in Polish debt despite record high borrowing needs this year. Historically high asset swap spreads. ▶ The EUR/PLN exchange rate moving upwards by approx. PLN 0.08 in early April, compared to the levels at which it stabilized in March, and remaining elevated throughout Q2 2025, due to the MPC's shift to a more dovish stance, the US administration's announcement of additional tariffs, and increased political uncertainty in the country. The USD/PLN exchange rate declining significantly and consistently throughout the first half of the year, from around 4.20 to 3.60 – the lowest level since 2018.

4. Corporate events

Major corporate events in the reporting period until the release date of the report for H1 2025

Buyback of own shares for the purpose of Incentive Plan VII	Definition of buyback rules
	<ul style="list-style-type: none"> ▶ On 25 February 2025, the Bank's Management Board adopted a resolution on the buyback of own shares to pay out awards for 2024 and deferred awards for 2022 and 2023 payable in 2025 to the participants of Incentive Plan VII. ▶ The maximum amount allocated to the buyback was PLN 87,042k. The maximum number of own shares to be repurchased was 326k (0.32% of the Bank's share capital and voting rights). The buyback was planned to take place in two periods: a) between 26 February 2025 and 28 March 2025 and b) between 2 May 2025 and 27 June 2025. ▶ The Bank's shares could be repurchased on the regulated market of the Warsaw Stock Exchange via the agency of Santander Brokerage Poland, using funds from the capital reserve. The price of own shares subject to the buyback could not be lower than PLN 50 or higher than PLN 1,000. The Bank could repurchase not more than 25% of the average daily trading volume for the last 20 session days before the repurchase day. ▶ The Management Board was authorised to withdraw from the buyback at any time, including to close it early if the maximum number of shares were repurchased or the maximum allocated amount was used before the set date.
	Buyback process and performance of related obligations
	<ul style="list-style-type: none"> ▶ From 26 February 2025 to 12 March 2025, the Bank bought back 155,605 own shares representing 0.15% of the share capital and the total voting power. As the number of shares repurchased by the Bank was sufficient to pay out awards to the participants of Incentive Plan VII in 2025 (i.e. awards for 2024 and deferred awards for 2022–2023), on 12 March 2025 the Bank's Management Board closed the buyback programme. ▶ As at 12 March 2025, all 155,605 repurchased shares were transferred to the brokerage accounts of Incentive Plan VII participants. ▶ The above measures were taken with the consent from the Polish Financial Supervision Authority (KNF) for the buyback of 2,331k own shares in the period between 1 January 2023 and 31 December 2023 to meet obligations towards the Bank's employees under Incentive Plan VII.

Major corporate events in the reporting period until the release date of the report for H1 2025 (cont.)

<p>Capital requirements and MREL</p>	<p>Waiver of an additional capital requirement for risk connected with foreign currency mortgage loans</p> <ul style="list-style-type: none"> ▶ On 11 March 2025, the Management Board of Santander Bank Polska S.A. received a decision from the KNF on the expiry of the KNF's decision of 21 December 2023 requiring the Bank to cover, on a consolidated basis, an additional own funds requirement above the value required under Regulation No 575/2013. As a result, Santander Bank Polska Group is no longer required to maintain own funds to cover an additional capital requirement for risk connected with foreign currency home loans and equity releases at 0.013 percentage point above the total capital ratio. <p>Setting MREL for Santander Bank Polska Group</p> <ul style="list-style-type: none"> ▶ On 23 April 2025, the Management Board of Santander Bank Polska S.A. received a letter from the Bank Guarantee Fund with information about the decision taken by the resolution college of Santander Group on the minimum requirement for own funds and eligible liabilities (MREL) for the Bank's Group, which is 15.36% of the total risk exposure amount (TREA) and 5.91% of the total exposure measure (TEM) calculated in line with Regulation (EU) No 575/2013. ▶ The Bank is also required to meet the minimum MREL subordination requirement of 15.22% of TREA and 5.91% of TEM.
<p>Profit distribution and dividend payout</p>	<p>Individual recommendation of the KNF with regard to satisfaction of the criteria for payment of a dividend from the net profit earned in 2024</p> <ul style="list-style-type: none"> ▶ On 13 March 2025, the Bank's Management Board received an individual recommendation from the KNF regarding the dividend policy of commercial banks for 2025, the supervisory review and evaluation process and the Bank's reporting data. ▶ In view of the sound quality of the Bank's loan portfolio measured as the share of NPLs in the total portfolio of receivables from the non-financial sector (including debt instruments), the Bank's potential dividend payout ratio was set at 75%. ▶ To ensure the stability of operations and further development, the KNF recommended that the Bank should limit the risk present in its operations by: <ul style="list-style-type: none"> ▶ not distributing more than 75% of the profit earned in 2024 with the proviso that the maximum payout should not be higher than the annual profit reduced by profit already allocated to own funds; ▶ consulting upfront with the supervisory authority any other measures which could reduce the Bank's own funds (in particular if they go beyond the scope of the ordinary business and operational activity), including the distribution of the profit retained in previous years or the buyback or redemption of own shares. <p>Information on potential dividend payout in 2025 from the dividend reserve</p> <ul style="list-style-type: none"> ▶ On 17 March 2025, the Management Board of Santander Bank Polska S.A. was advised by the KNF that it did not have any objections to the potential payout of the additional amount of PLN 840,886,574.78 from the dividend reserve in 2025. <p>Management Board's recommendation on 2024 profit distribution and dividend reserve</p> <ul style="list-style-type: none"> ▶ On 19 March 2025, the Management Board of Santander Bank Polska S.A. issued a recommendation on 2024 profit distribution and dividend reserve. The recommendation was approved by the Bank's Supervisory Board. ▶ The Management Board proposed that the profit of PLN 5,197,479,813.35 earned in 2024 be distributed as follows: <ul style="list-style-type: none"> ▶ PLN 3,897,631,915.40 to be allocated to dividend for shareholders (74.99% of the net profit for 2024); ▶ PLN 104,130,000.00 to be allocated to the capital reserve; ▶ PLN 1,195,717,897.95 to be left undistributed. ▶ It was also recommended that PLN 840,886,574.78 of the dividend reserve should be allocated to dividend for shareholders. ▶ The dividend to be paid out from the 2024 profit and from the dividend reserve totalled PLN 4,738,518,490.18. ▶ The dividend payment from the profit earned in 2024 and from the dividend reserve covered 102,189,314 shares of series A, B, C, D, E, F, G, H, I, J, K, L, M, N, O. The dividend per share was PLN 46.37. ▶ The dividend record date was 13 May 2025 and the dividend was paid on 20 May 2025. ▶ When taking the decision, the Management Board took into account the current macroeconomic environment as well as the recommendations and current position of the KNF.
<p>Annual General Meeting</p>	<ul style="list-style-type: none"> ▶ On 15 April 2025, the AGM of Santander Bank Polska S.A. was held. It approved annual reports of the Bank and the Group, distributed the profit and approved the dividend in accordance with the recommendation of the Bank's Management Board of 19 March 2025. It also granted discharge to the members of the Management Board and Supervisory Board, changed the Remuneration Policies for members of the Supervisory and Management Boards of Santander Bank Polska S.A. and aligned the remuneration of the Supervisory Board Chairman with the market. Furthermore, it created a capital reserve for the buyback of own shares under Incentive Plan VII and reported on its execution, as well as updated the Bank's Statutes to reflect changes in the legal environment. The amendments to the Statutes approved by the AGM were entered in the National Court Register on 12 May 2025.
<p>Management Board for a new term of office</p>	<ul style="list-style-type: none"> ▶ On 15 April 2025, the Supervisory Board of Santander Bank Polska S.A. appointed the Management Board for a new term of office, effective as of 16 April 2025. All existing members were re-elected, except for Juan de Porras Aguirre, who stepped down due to his retirement plans. Magdalena Szwarc-Bakuła was appointed as a new Management Board member in charge of the Legal and Compliance Division.

Major corporate events in the reporting period until the release date of the report for H1 2025 (cont.)

**Measures to sell
Santander Consumer
Bank S.A.**

- ▶ In relation to the agreement of 5 May 2025 made by and between Banco Santander S.A. (Santander Group) and Erste Group Bank AG (Erste Group) on the sale of 49% of shares of Santander Bank Polska S.A. and 50% of shares of Santander Towarzystwo Funduszy Inwestycyjnych S.A. (Santander TFI), the operations of Banco Santander S.A. in Poland must be reorganised. It involves a change to the ownership structure of Santander Consumer Bank S.A., which, together with its subsidiaries, is currently part of Santander Bank Polska Group.
- ▶ On 12 May 2025, Santander Bank Polska S.A. decided to start discussions with Banco Santander S.A. on the sale of Santander Consumer Bank S.A.
- ▶ With the consent from the Management Board and Supervisory Board, on 16 June 2025 the Bank signed a preliminary agreement with Santander Consumer Finance S.A. on the sale of 3,120k shares in Santander Consumer Bank S.A. representing 60% of the share capital and voting power for the total price of PLN 3.105bn.
- ▶ The actual impact of the sale of shares on the Bank's equity may differ from the amount estimated as at 16 June 2025.
- ▶ For the purpose of the transaction, on 13 June 2025 an independent fairness opinion was issued for the Bank's Management Board on the financial terms of the potential transaction.
- ▶ Closing of the transaction is subject to consents required by law and fulfillment of other terms defined in the transaction documentation.

II. Basic information about the Bank and Santander Bank Polska Group

1. History, ownership structure and profile

> History of Santander Bank Polska S.A. (key ownership changes)

2001	➤	Incorporation of Bank Zachodni WBK S.A. (BZ WBK S.A.) as a result of a merger of Bank Zachodni S.A. with Wielkopolski Bank Kredytowy S.A. (13 June 2001)
2011	➤	Sale of all shares of Bank Zachodni WBK S.A. held by AIB European Investments Ltd. (70.36% of share capital and voting power) to Banco Santander S.A. (1 April 2011)
	➤	Acquisition of 95.67% of share capital and voting power of BZ WBK S.A. by Banco Santander S.A. in the tender offer for 100% of the Bank's shares
2013	➤	Merger of BZ WBK S.A. and Kredyt Bank S.A. by way of acquisition (transfer of all assets of the acquired bank to the acquirer in exchange for newly issued series J shares allotted to shareholders of Kredyt Bank S.A.) (4 January 2013)
2014	➤	Acquisition of ordinary and preference shares of Santander Consumer Bank S.A. (SCB S.A.) with its registered office in Wrocław by BZ WBK S.A., representing 60% of the share capital of SCB S.A. and 67% of votes at the General Meeting of SCB S.A. (1 July 2014)
2018	➤	Registration of the change of the Bank's name from Bank Zachodni WBK S.A. to Santander Bank Polska S.A. and its registered office address from Wrocław to Warsaw in the National Court Register (7 September 2018)
	➤	Acquisition of a demerged part of Deutsche Bank Polska S.A. and 100% of DB Securities S.A. along with registration of an increase in the share capital of Santander Bank Polska S.A. by demerger shares (9 November 2018)
2025	➤	Conclusion of an agreement between Banco Santander S.A. (Santander Group) and Erste Group Bank AG (Erste Group) on the sale of a 49% stake in Santander Bank Polska S.A. and shares in Santander TFI S.A. representing 50% of the company's share capital

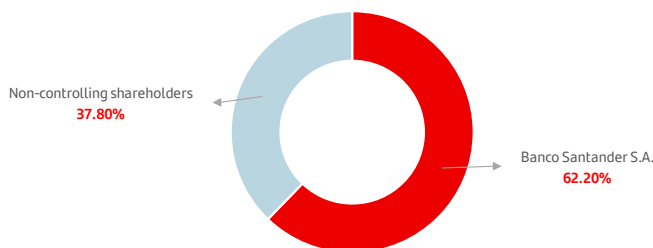
Ownership structure of the share capital

> Entities with significant holdings of Santander Bank Polska S.A. shares as at 30 June 2025 and 31 December 2024

Shareholders with a stake of 5% and higher	Number of shares and voting rights		% in the share capital and total voting power	
	30.06.2025	31.12.2024	30.06.2025	31.12.2024
Banco Santander S.A.	63,560,774	63,560,774	62.20%	62.20%
Nationale-Nederlanden OFE ¹⁾	5,123,581	5,123,581	5.01%	5.01%
Other shareholders	33,504,959	33,504,959	32.79%	32.79%
Total	102,189,314	102,189,314	100.00%	100.00%

¹⁾ Nationale-Nederlanden Otwarty Fundusz Emerytalny (OFE) is managed by Nationale-Nederlanden Powszechnie Towarzystwo Emerytalne (PTE) S.A.

Ownership structure of Santander Bank Polska share capital as at 30.06.2025



As at 30 June 2025, Banco Santander S.A. held a controlling stake of 62.20% in the registered capital of Santander Bank Polska S.A. and in the total number of votes at the Bank's General Meeting. The remaining shares were held by the minority shareholders, of which, according to the information held by the Bank's Management Board, only Nationale-Nederlanden Otwarty Fundusz Emerytalny (OFE) exceeded the 5% threshold in terms of share capital and voting power.

According to the information held by the Management Board, the ownership structure did not change in the period from the end of H1 2025 until the authorisation of the Report of Santander Bank Polska Group for H1 2025 for issue.

Between 26 February and 12 March 2025, the Bank's Management Board, acting under the authorisation granted by the Annual General Meeting of 18 April 2024, bought back 155,605 own shares representing 0.15% of the share capital and voting power to meet the Bank's obligations under Incentive Plan VII. On 12 March 2025, the buyback was closed and instructions were made to transfer the repurchased shares to brokerage accounts of the eligible participants of the Incentive Plan. Having settled all the instructions, the Bank does not hold any own shares.

For more information about the buyback under Incentive Plan VII, see "Corporate events" above, and section "Variable remuneration" in Part 1 "Human resources management" of Chapter VI "Organisational and infrastructure development".

Majority shareholder

Since 2011, Santander Bank Polska S.A. has been a member of Santander Group, with Banco Santander S.A. as a parent entity.

Banco Santander S.A., having its registered office in Santander and operating headquarters in Madrid, is one of the largest commercial banks in the world in terms of market capitalisation, with around 168 years of history. The bank is listed on the stock exchanges in Spain, Mexico, Poland, the USA and the UK.

Santander Group specialises in retail banking, private banking, business and corporate banking, as well as asset management and insurance. The business of the Group is geographically diversified, but it focuses on ten core markets: Spain, Poland, Portugal, the UK, Germany, Brazil, Argentina, Mexico, Chile and the USA.

The Group's operating model is based on three pillars: customer focus, global and local scale, and business and geographical diversification.

Santander Group's global strategy is to be the best open financial services platform by acting responsibly and earning the lasting loyalty of people, customers, shareholders and communities. Its purpose is to help people and businesses prosper while being Simple, Personal and Fair.

Expected ownership changes

On 5 May 2025, an announcement was made about an agreement concluded by Erste Group Bank AG (Erste Group) and Banco Santander S.A. (Santander Group) whereby Erste Group will acquire a 49% stake in Santander Bank Polska S.A. for a cash consideration of EUR 6.8bn (PLN 584 per share) and a 50% stake in Santander Towarzystwo Funduszy Inwestycyjnych S.A. (Santander TFI S.A.) for EUR 0.2bn. Together, this amounts to a total cash consideration of EUR 7bn.

The sale transaction is subject to regulatory approvals and other prerequisites such as the sale of a 60% stake in Santander Consumer Bank S.A. held by Santander Bank Polska S.A. to Santander Group.

By acquiring 49% of shares in Santander Bank Polska S.A., Erste Group will become the largest shareholder. Banco Santander S.A. will keep 13% of the share capital of Santander Bank Polska S.A.

With the acquisition of the stake in Santander Bank Polska S.A., Erste Group will gain a significant share in the Polish banking sector, strengthen its presence in Central and Eastern Europe and move closer to fulfilling its long-standing strategic goal: to become the leading lender in this European region.

Founded in 1819 as the first Austrian savings bank, Erste Group went public in 1997 with a strategy to expand its retail business into Central and Eastern Europe. Since then Erste Group has grown to become one of the largest financial services providers in CEE in terms of the number of customers and total assets.

Erste Group is headquartered in Vienna and operates as a universal bank, providing services to more than 16 million customers in seven countries: Austria, Czechia, Slovakia, Romania, Hungary, Croatia and Serbia.

Profile of the organisation

Legal form

Santander Bank Polska S.A. with its registered office in Warsaw started operations in 1989 as one of the first universal commercial banks in post-war Poland. Since 1993, it has been listed on the Warsaw Stock Exchange. After several ownership changes and more than 30-year presence in the Polish banking market, it was the second largest bank by market capitalisation and third by total assets as at 31 March 2025.

The Bank is a parent entity of Santander Bank Polska Group and forms a domestic bank holding group as defined in the Polish Banking Law Act together with its related entities, including Santander Consumer Bank S.A. (a domestic subsidiary bank). It is also registered as a foreign bank holding group with Spain-based Banco Santander S.A. as the ultimate parent entity. No financial support agreements referred to in Article 141t of the Polish Banking Law Act have been concluded as part of the above-mentioned holding groups.

Santander Bank Polska S.A. operates in Poland and has standard business and operational relationships with foreign banks and financial institutions. It also provides services to foreign customers and cooperates with Santander Group companies on a large scale. The Bank does not conduct active cross-border operations in other countries.

Business profile of Santander Bank Polska Group

Santander Bank Polska S.A. is a universal bank which provides a full range of services for personal customers, SMEs, large companies, corporates and public sector institutions. The Bank's offer is modern, comprehensive and satisfies diverse customer needs with regard to bank accounts and credit, savings, investment, settlement, insurance and card products. The financial services of Santander Bank Polska S.A. also include cash management, payments, trade finance and transactions in the capital, money, FX and derivative markets, as well as underwriting and brokerage services.

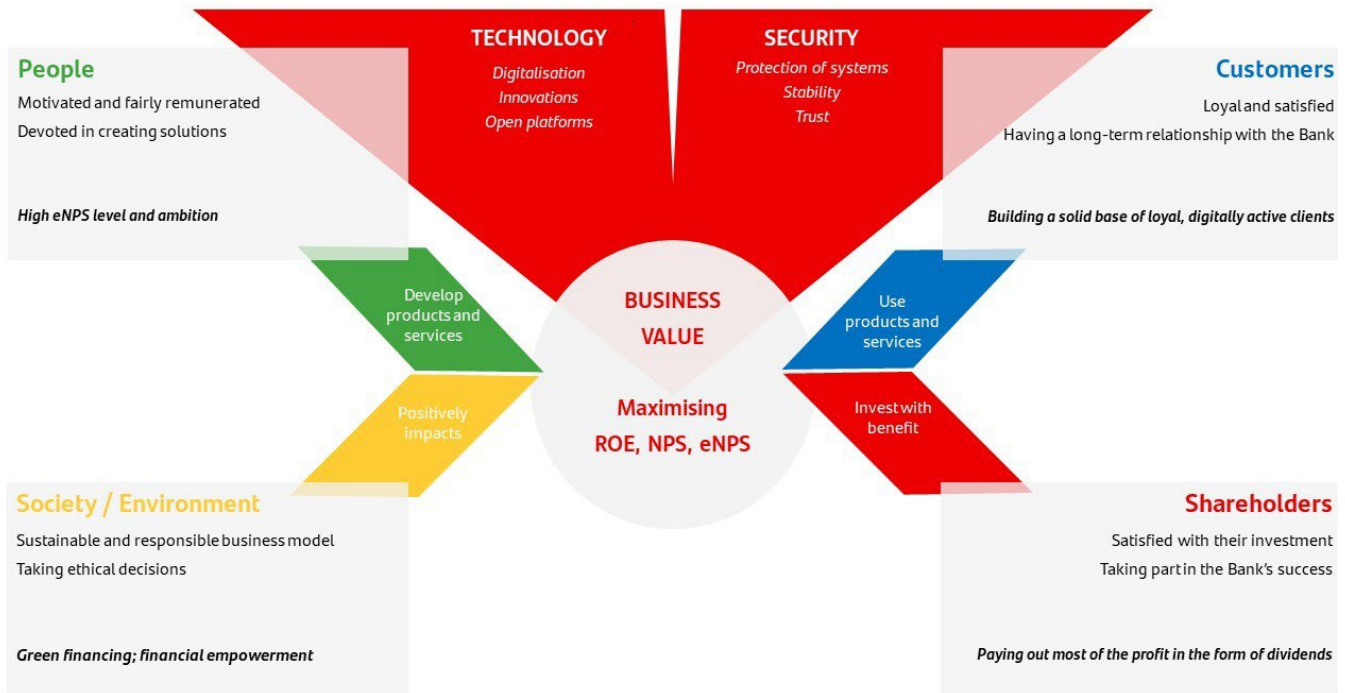
The Bank continuously develops its product range to ensure that solutions offered to customers are transparent, simple, digital, flexible and available in self-service channels. It offers unique solutions which are developed within Santander Group based on its global presence, infrastructure and market potential. Customers are provided with comprehensive services in traditional sales channels and in technologically advanced remote channels. The Bank's outlets are located Poland-wide.

The Bank's own product range is complemented by specialist products offered by its group of related companies, including: Santander Towarzystwo Funduszy Inwestycyjnych S.A., Santander Leasing S.A., Santander Factoring Sp. z o.o., Santander Allianz Towarzystwo Ubezpieczeń S.A. and Santander Allianz Towarzystwo Ubezpieczeń na Życie S.A. In cooperation with all these companies, the Bank provides its customers with access to investment funds, asset portfolios, insurance, leasing and factoring products.

Santander Consumer Bank S.A. and its subsidiaries form a separate business segment with its own customer base, product range and distribution channels. It offers credit facilities to households, mainly in the consumer finance and car finance sectors. It also provides financing to businesses, mainly car dealers and importers. Santander Consumer Bank Group offers consumer loans, car finance through car loans, lease and factoring, credit facilities for car dealers, retail and business deposits and insurance products.

As at 30 June 2025, Santander Bank Polska Group provided services to 7.4m customers, including 1.4m customers of Santander Consumer Bank S.A.

Value creation at Santander Bank Polska Group



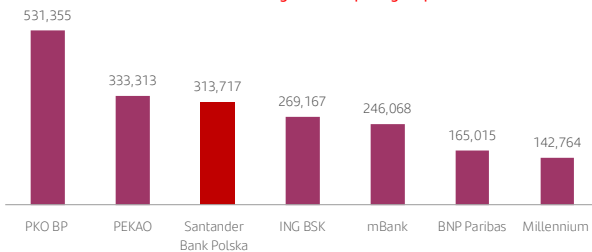
Position of Santander Bank Polska S.A. and its Group in the Polish banking sector

Position in the banking sector

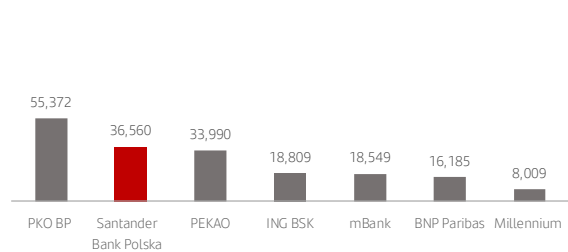
Santander Bank Polska S.A. is ranked among the top three banks in the Polish banking sector (together with PKO BP S.A. and Pekao S.A.) and is the largest private bank in Poland.

According to the interim reports for the quarter ended 31 March 2025, which at the date of authorisation of this Management Board report for issue were the most up-to-date source of comparable data on the performance of banks listed on the Warsaw Stock Exchange (WSE), Santander Bank Polska S.A. – including its subsidiaries and associates – was Poland’s second largest banking group in terms of total equity and market capitalisation and third largest one in terms of total assets, net loans and customer deposits.

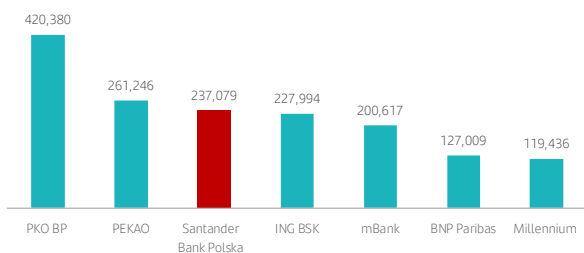
Total assets (PLN m) of Santander Bank Polska Group as at 31.03.2025 against the peer group



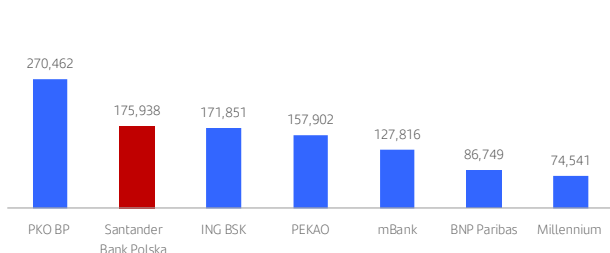
Total equity (PLN m) of Santander Bank Polska Group as at 31.03.2025 against the peer group



Customer deposits (PLN m) of Santander Bank Polska Group as at 31.03.2025 against the peer group



Customer loans and advances (PLN m) of Santander Bank Polska Group as at 31.03.2025 against the peer group



Share in key market segments

According to the NBP statistics on the banking market, as at the end of June 2025 the market share of Santander Bank Polska Group was 12.8% for loans (12.9% as at 31 December 2024) and 11.0% for deposits (11.2% as at 31 December 2024). The corresponding shares for continuing operations (excluding SCB Group) were 11.3% and 10.3%, respectively.

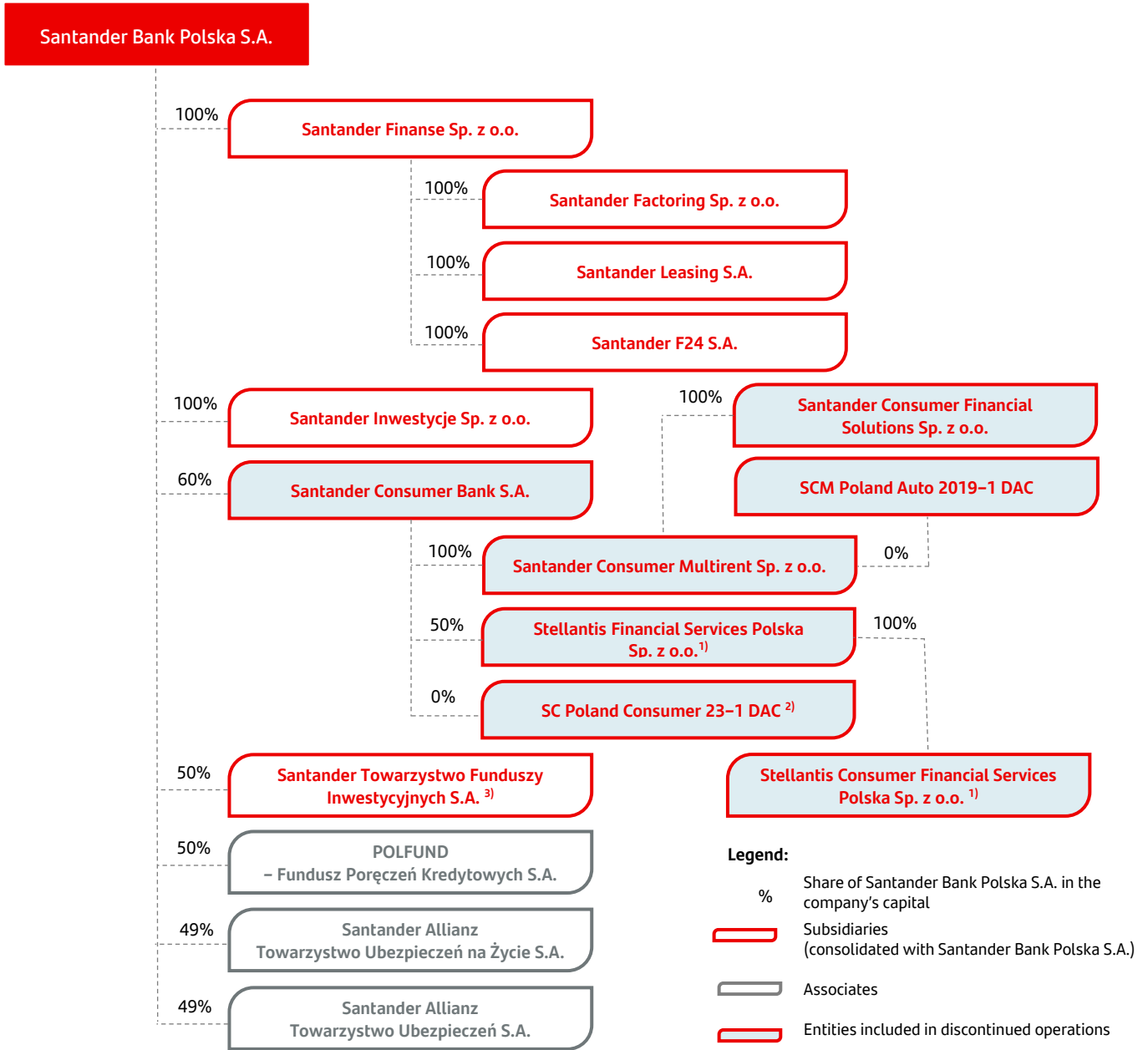
The Group operates in the factoring and leasing markets via its subsidiaries, holding a share of 10.5% and 10.2% as at 31 March 2025 vs 10.0% and 9.5% as at 31 December 2024 (according to the Polish Factors Association and the Polish Leasing Association). In the same period, the Group's share in the retail investment fund market was 10.3% vs 10.7% as at 31 December 2024 (according to Analityz Online).



* Total share of Santander Leasing S.A. and Santander Consumer Multirent Sp. z o.o.
** Share in the retail investment fund market.

2. Structure of Santander Bank Polska Group

> Subsidiaries and associates of Santander Bank Polska S.A. as at 30 June 2025



1) Stellantis Financial Services Polska Sp. z o.o. is a subsidiary undertaking for the purposes of consolidated financial reporting as it is controlled by Santander Consumer Bank S.A. (directly) and Santander Bank Polska S.A. (indirectly). Pursuant to the framework agreement, Santander Consumer Bank (SCB S.A.) has the right to take decisions regarding key areas such as financing and risk management. In practice, SCB S.A. has ability to direct activities that significantly affect investment returns and is exposed to potential risks (e.g. losses) and benefits (e.g. dividends).

2) SC Poland Consumer 23-1 Designated Activity Company (DAC) is a special purpose entity (SPE) 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 SPE does not have any capital connections with SCB S.A., which nevertheless exercises control over the entity in accordance with IFRS 10.7. based on contractual rights. The Servicing Agreement and Asset Transfer Agreement give SCB S.A. power over the management and operations of the SPE. In addition, the entity relies on SCB S.A. for access to financing and guarantees as well as technology, know-how and other resources, which further enhances the controlling power of the Bank.

3) The 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. Santander Bank Polska S.A. has control over Santander TFI S.A. because, as concluded by the Bank's Management Board in line with the guidance provided in IFRS 10 par. B18 and legal requirements concerning Santander TFI S.A. and its operations, the Bank has a practical ability to unilaterally direct the relevant activities of Santander TFI S.A. even if it does not have a contractual right to do so. The Bank can have a real impact on the composition of the Supervisory Board and through it – on the composition of the Management Board of Santander TFI S.A., both of which decide on the relevant activities of Santander TFI S.A. Furthermore, as the major business partner and distributor of investment products, Santander Bank Polska S.A. significantly affects the operations and returns of the investment fund company. At the same time, through its ownership interest, the Bank has right to variable returns generated by that company and carries the risk related to that variability. It should therefore be concluded that by having power and right to variable returns (benefits), the Bank has control over Santander TFI S.A. The planned sale of a stake in Santander Bank Polska S.A. by Banco Santander S.A. does not affect the Bank's judgment in this respect.

Subsidiaries

As at 30 June 2025, Santander Bank Polska Group comprised Santander Bank Polska S.A. and the following subsidiaries:

1. Santander Consumer Bank S.A. (SCB S.A.)
2. Santander Consumer Multirent Sp. z o.o. (SCM Sp. z o.o. – subsidiary of SCB S.A.)
3. Santander Consumer Financial Solutions Sp. z o.o. (subsidiary of SCM Sp. z o.o.)
4. SCM Poland Auto 2019-1 DAC (subsidiary of SCM Sp. z o.o.)
5. SC Poland Consumer 23-1 DAC (subsidiary of SCB S.A.)
6. Stellantis Financial Services Polska Sp. z o.o. (subsidiary of SCB S.A.)
7. Stellantis Consumer Financial Services Sp. z o.o. (subsidiary of Stellantis Financial Services Polska Sp. z o.o.)
8. Santander Towarzystwo Funduszy Inwestycyjnych S.A.
9. Santander Finanse Sp. z o.o.
10. Santander Factoring Sp. z o.o. (subsidiary of Santander Finanse Sp. z o.o.)
11. Santander Leasing S.A. (subsidiary of Santander Finanse Sp. z o.o.)
12. Santander F24 S.A. (subsidiary of Santander Finanse Sp. z o.o.)
13. Santander Inwestycje Sp. z o.o.

Compared with 31 December 2024, the list of subsidiaries of Santander Bank Polska S.A. did not change.

As at 30 June 2025, all companies within Santander Bank Polska Group were consolidated with the Bank in accordance with IFRS 10.

In H1 2025, decisions on divestment of Santander Consumer Bank S.A. and liquidation of Santander Inwestycje Sp. z o.o. were made:

- On 16 June 2025, Santander Bank Polska S.A. signed a preliminary agreement with Santander Consumer Finance S.A. on the sale of its stake in Santander Consumer Bank S.A. representing 60% of the share capital and voting power. For detailed information on this transaction, please see section “Corporate events” in Chapter I “Overview of Santander Bank Polska Group performance in H1 2025”. Accordingly, in the Condensed Interim Consolidated Financial Statements of Santander Bank Polska Group for the 6-month period ended 30 June 2025 Santander Consumer Bank S.A. and its subsidiaries were classified as discontinued operations which meet the criteria of a business held for sale.
- On 27 June 2025, the Extraordinary General Meeting of Santander Inwestycje Sp. z o.o. decided to start the liquidation of the company on 1 July 2025, appoint a liquidator and change the name to SPV XX04062025 w likwidacji (a company in liquidation) (effective as of its registration in the National Court Register).

Associates

In the consolidated financial statements of Santander Bank Polska Group for the 6-month period ended 30 June 2025, the following companies are accounted for using the equity method in accordance with IAS 28:

1. Santander Allianz Towarzystwo Ubezpieczeń S.A.
2. Santander Allianz Towarzystwo Ubezpieczeń na Życie S.A.
3. POLFUND – Fundusz Poręczeń Kredytowych S.A.

Compared with 31 December 2024, the list of associates did not change.

3. Share price of Santander Bank Polska S.A. vs the market

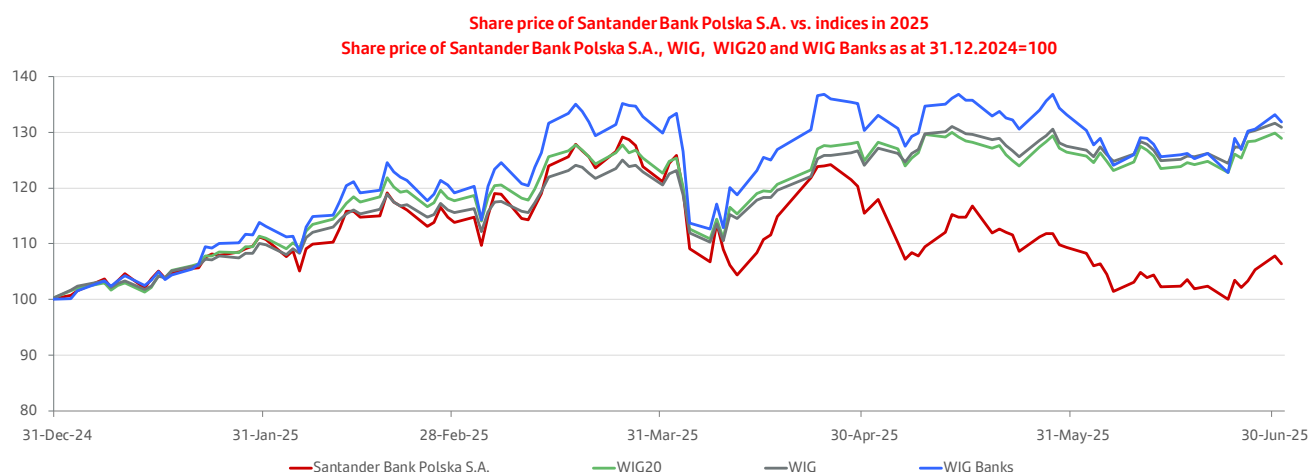
The shareholders of Santander Bank Polska S.A. saw the Bank’s share price fluctuate sharply during H1 2025. After the first four months of impressive gains and record high market capitalisation, the share price dipped in May and June. Positive sentiment, not only in the banking sector but the stock market as a whole, boosted the Bank’s stock performance earlier in the year. Having hit an all-time high of PLN 630 on 28 April, the Bank’s share price slid to PLN 493.60 in June, closing the first half of the year with a 7.9% gain. Rates of return soared to 17.62%, after the Bank paid a record high dividend of PLN 46.37 per share in May. Apart from strong price fluctuations, Banco Santander’s intention to sell a controlling stake in Santander Bank Polska S.A. to the Austria-based Erste Group announced at the beginning of May was another major concern of the Bank’s shareholders.

> Key data on shares of Santander Bank Polska S.A. in H1 2025 vs previous period

Price at the end of the previous reporting period (31.12.2024) PLN 457.60	Price at the end of the current reporting period (30.06.2025) PLN 493.60	Minimum intraday price in H1 2025 PLN 454.00	Maximum intraday price in H1 2025 PLN 630.00
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Key data on shares of Santander Bank Polska S.A.	Unit	30.06.2025	31.12.2024
Total number of shares at the end of the period	item	102,189,314	102,189,314
Nominal value per share	PLN	10.00	10.00
Closing share price at the end of the reporting period	PLN	493.60	457.60
Ytd change	%	+7.9%	-6,6%
Highest closing share price Ytd	PLN	591.00	581.00
Date of the highest closing share price	-	25.03.2025	8.04.2024
Lowest closing share price Ytd	PLN	457.60	437,20
Date of the lowest closing share price	-	23.06.2025	29.11.2024
Capitalisation at the end of the period	PLN m	50,440.65	46,761.83
Average trading volume per session	item	98,175	84.928
Dividend per share	PLN	46.37	44.63
Dividend record date	-	13.05.2025	16.05.2024
Dividend payment date	-	20.05.2025	23.05.2024

> Share price of Santander Bank Polska S.A. vs key indices



4. Ratings of Santander Bank Polska S.A.

Santander Bank Polska S.A. has bilateral credit rating agreements with Fitch Ratings and Moody's Investors Service.

The tables below show the latest ratings assigned by the agencies to the Bank, which remained in effect on the date the Report of Santander Bank Polska Group for H1 2025 was authorised for issue.

Ratings by Fitch Ratings

Rating category	Ratings changed/affirmed on 27.06.2025 ¹⁾	Ratings changed/affirmed on 17.02.2025	Ratings changed/affirmed on 17.07.2024 ²⁾
Long-Term Issuer Default Rating (Long-Term IDR)	A-	A-	BBB+
Outlook for the long-term IDR	Rating on Watch	Stable	Stable
Short-Term Issuer Default Rating (Short-Term IDR)	F1	F1	F2
Viability Rating (VR)	bbb+	bbb	bbb
Shareholder Support Rating	a-	a-	bbb+
National Long-Term Rating	AA+(pol)	AA+(pol)	AA(pol)
Outlook for the long-term IDR	Rating on Watch	Stable	Stable
National Short-Term Rating	F1+(pol)	F1+(pol)	F1+(pol)
Long-Term Senior Preferred Debt Rating	A-	A-	BBB+
Short-Term Senior Preferred Debt Rating	F1	F1	F2
Short-Term Senior Non-Preferred Debt Rating	BBB+	BBB+	BBB

1) Ratings of Santander Bank Polska S.A. applicable as at 30 June 2025

2) Ratings of Santander Bank Polska S.A. applicable as at 31 December 2024

On 17 February 2025, Fitch Ratings upgraded Santander Bank Polska S.A.'s Long-Term Issuer Default Rating (LT IDR) from "BBB+" to "A-" and its Shareholder Support Rating (SSR) from "bbb+" to "a-". The outlook for Long-Term IDR remained stable. The agency also upgraded the following ratings: Short-Term Issuer Default Rating (ST IDR) (to "F1"), National Long-Term Rating (Natl LT) (to "AA+") and debt ratings.

The Viability Rating (VR) of "bbb" and the National Short-Term Rating (Natl ST) of "F1+(pol)" were not changed.

The above rating actions reflected an upgrade of the rating of Banco Santander S.A. (majority shareholder) from "A-/Outlook stable/a-" to "A/Outlook stable/a" on 11 February 2025 as well as potential support of the parent for Santander Bank Polska S.A.

On 27 June 2025, Fitch Ratings upgraded Santander Bank Polska S.A.'s Viability Rating (VR) from "bbb" to "bbb+" as a result of improved assessment of the Bank's operating environment. The improvement mainly results from diminishing legal and government intervention risks, which translates into better business prospects for Polish banks. The rating action also reflects the Bank's performance, which exceeds the European average. It also considers the Bank's strong business profile, underpinned by solid structural profitability as well as sound capitalisation and improving asset quality and stable funding.

The placement of the LT IDR and national rating on the Rating Watch Negative is an effect of the agreement made by Erste Group Bank AG and Banco Santander S.A. to acquire a 49% stake in Santander Bank Polska S.A.

Ratings by Moody's Investors Service

Rating category	Ratings affirmed on 12.05.2025 ¹⁾	Ratings upgraded on 03.06.2019 ¹⁾
Long-term/short-term counterparty risk rating	A1/P-1	A1/P-1
Long-term/short-term deposit rating	A2/P-1	A2/P-1
Outlook for long-term deposit rating	stable	stable
Baseline credit assessment (BCA)	baa2	baa2
Adjusted baseline credit assessment	baa1	baa1
Long-term/short-term counterparty risk assessment	A1 (cr)/P-1 (cr)	A1 (cr)/P-1 (cr)
Senior unsecured euro notes rating (EMTN Programme)	(P) A3	(P) A3

1) Ratings of Santander Bank Polska S.A. applicable as at 30 June 2025 and 31 December 2024

In its announcement of 12 May 2025, Moody's Ratings affirmed the ratings of Santander Bank Polska S.A. The outlook for long-term deposit ratings remained stable.

The rating action was prompted by the announcement on 5 May 2025 that Erste Group Bank AG had reached an agreement to acquire a stake in Santander Bank Polska S.A. from Banco Santander.

According to the announcement, the stable outlook on long-term deposit ratings of SBP S.A. reflects the agency's view that the financial impact of the planned sale of SCB S.A. will be limited and that the costs and execution risks associated with the announced change in ownership (relating mainly to IT transformation and rebranding) will be appropriately managed and are expected to have a limited impact on the credit profile of SBP S.A.

III. Macroeconomic situation in H1 2025

Economic growth

For the first half of 2025, Poland's economy likely continued to grow at a rate exceeding 3% YoY. According to Statistics Poland, in Q1 the GDP grew by 3.2% YoY and, based on monthly data, it can be expected to continue at a similar or higher pace in Q2. The economic recovery was driven by further strong growth in the domestic demand, reaching from 4.6% to 5.3% YoY since Q2 2024, and likely averaging 4.8% YoY in H1 2025. Investments, in particular, surprised on the upside, moving from a decline of almost 7% YoY in Q4 2024 to an increase of 6.3% YoY in Q1 2025. This was accompanied by a moderate rise in the private consumption in Q1 2025, though slightly lower than the average in 2024. Net exports continued to negatively impact the economic growth, but at a slightly lower scale, with -1p.p. contribution in Q1 2025 compared to -1.6 p.p. in H2 2024.

After recording declines in YoY rates in January and February, the industrial production began to show growth, including a 3.9% YoY increase in May. June, however, brought another decline in production (-0.1% YoY). Industrial performance in the first half of the year was impacted by calendar effects, including a change in the Easter month from 2024, which makes it difficult to assess the sector's condition and prospects. We expect a slight improvement in this area in the coming months. Construction and assembly production, in turn, increased by 2.2% YoY in June after a series of negative readings. The expected increase in the use of EU funding should lead to an improvement in the subsequent months. After volatile results in Q1 2025 with an average increase of 1.4% YoY at constant prices, retail sales showed a solid growth in Q2 2025, and despite a lower-than-expected reading in June, they increased by 4.7% YoY on average. Durable goods sales volumes grew dynamically for most of the first half of the year, slowing only in June to 8.8% YoY from 17.2% YoY in May. Consumer sentiment indicators were also improving. It can be expected that in the coming quarters private consumption will continue to grow moderately, supported by still high wage growth, and the progress in the implementation of projects financed from EU funds will lead to the acceleration of investments, over time making them the main source of economic growth.

Labour market

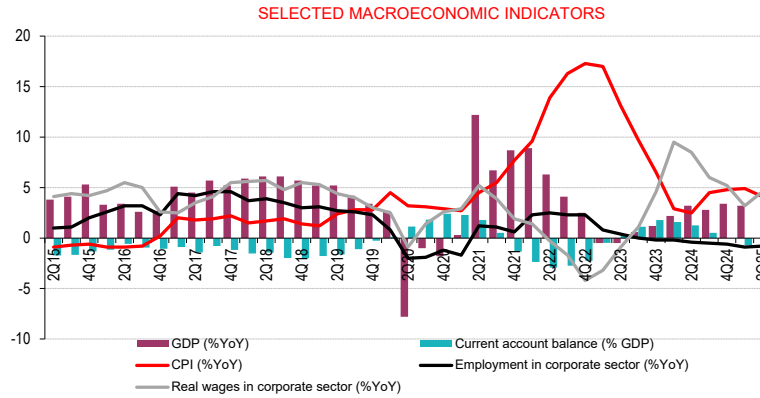
In recent quarters, the Polish labour market has been characterised by low unemployment and dynamic wage growth. In the first half of 2025, the registered unemployment rate remained close to historic lows, averaging 5.2%. The unemployment rate measured by the Labour Force Survey was 3.1% in Q1 and 3.3% in April and May, and was the third lowest rate in the European Union, after Malta and Czechia. Labour-code employment in the corporate sector has been gradually declining, with a reduction of approx. 22k between January and May this year and a slight rebound of approx. 2k in June. According to the LFS, the number of employed in the entire economy decreased by 0.8% YoY in Q1 2025. However, ZUS data indicate that the overall non-agricultural employment continues to rise (by 0.5% YoY at the end of Q1), driven by higher number of self-employed workers and those working under civil law contracts. Growth is also supported by a 6-7% YoY higher inflow of foreign workers. Meanwhile, the employment in private agriculture has been decreasing (by approx. 4.5% YoY at the end of Q1 according to KRUS and as much as 13% YoY according to the LFS). The wage growth slowed down compared to 2024, but remained high, reaching 8.4% YoY in the corporate sector in May and 9.0% YoY in June partly due to a high reading in the mining industry. The average monthly wage growth in the corporate sector in the first half of the year was 8.6% YoY.

Inflation

In Q1 2025, CPI inflation remained stable at 4.9% YoY, only to decline in April due to the base effect related to the reinstatement of VAT rates on food a year earlier. The first half of the year ended at 4.1% YoY in June, with CPI inflation averaging 4.5% YoY. The decline in CPI inflation in the first two quarters was primarily driven by lower fuel price growth, which fell from 0.0% YoY in January to -11.3% YoY in June. Fuel prices generally declined due to the falling global oil prices and the weakening dollar. Core inflation also decreased to 3.4% YoY from 3.7% YoY. PPI inflation remained below zero, hovering around -1.5% YoY.

Monetary policy

After nearly two years of stabilisation, in May 2025 the Monetary Policy Council decided to lower interest rates by 50 bp, bringing the reference rate to 5.25%. This decision was consistent with both our expectations and the market consensus. Among domestic factors, a major incentive for monetary easing was the significant decline in inflation relative to the March projection path – although largely due to a technical revision of CPI data by Statistics Poland. Furthermore, the MPC noted the noticeably lower wage pressure in the economy, the relatively weak economic climate, and low global fuel prices. At the same time, the MPC emphasised that it had not initiated a cycle of rate cuts but rather made the necessary adjustments to interest rates. Further decisions will depend on incoming data, particularly the outlook outlined by the next inflation and GDP projection due in July. The pro-inflationary risks mentioned were: uncertainty about energy price developments, still increased demand pressure and relatively high wage growth, as well as the government's expansionary fiscal policy.



Source: GUS, NBP, Santander

Loans and deposits

In the first half of 2025, the overall loan volumes grew at 4.5-5.5% YoY. Since March, the demand for mortgage loans has improved, with monthly sales exceeding PLN 7bn and the volume growing by 3-4% YoY. Consumer loan sales remained high at over PLN 11bn per month since March, with the volume increasing by more than 6.0% YoY. The corporate loan portfolio rose by nearly 5.0% YoY, accelerating to over 7.0% YoY in June alone.

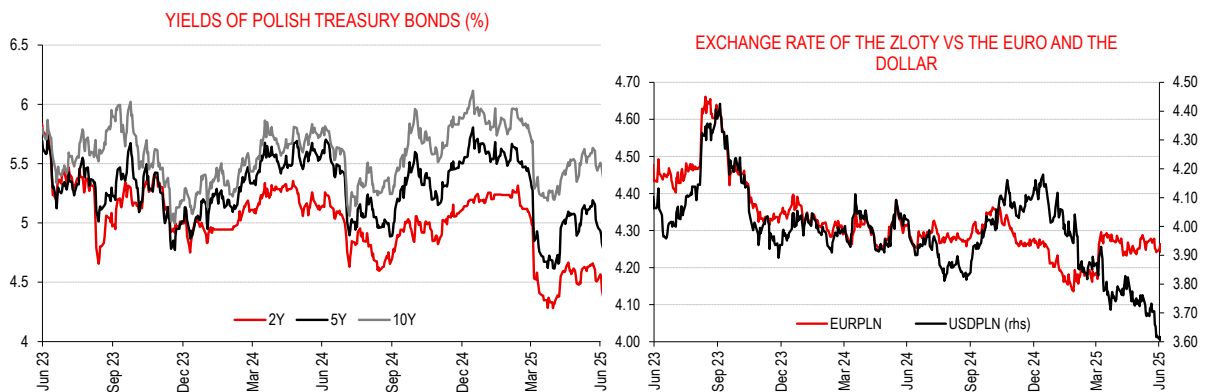
Deposits went up by 9-10% YoY in the first half of the year. Both term and current deposits grew at a similar rate.

Financial markets

The first half of 2025 was characterised by a significant increase in volatility and risk aversion in global financial markets. This was primarily due to the new US president's decision taken in April to significantly increase import tariffs. Most of these tariffs were later reduced or suspended, but the average level of tariff burdens in the global economy increased. Initially, concerns about the impact of tightening trade policy on the US economy led to an increase in the market's estimate of the Fed's interest rate cuts and a rise in US bond yields. However, Fed officials emphasised that the trade wars were likely to prompt them to postpone a decision on rate cuts. The reduction in eurozone interest rates by a total of 75 bp narrowed the scope for further monetary easing, while the announcement of the European Commission's plans to increase defence spending and loosen fiscal rules as well as the announcement of a significant fiscal spending package in Germany led to a sharp increase in bond yields in the eurozone. The EUR/USD exchange rate rose from around 1.03 at the beginning of the year to around 1.18 at the end of June.

The domestic financial market saw a significant appreciation of the zloty in the first two months of the year. The EUR/PLN exchange rate reached a local low of 4.13, a level last seen in early 2018. Growing hopes for ceasefire in Ukraine played a key role in the zloty's strengthening. The appreciation was also supported by the growing expected interest rate disparity and the resilience of the domestic economy to the economic stagnation in the eurozone. The exchange rate later rebounded due to the continuing war in Ukraine, tariff wars, and the more dovish policy of the National Bank of Poland (NBP). At the end of June, the EUR/PLN rate was around 4.24.

In the domestic interest rate market, similarly to the eurozone markets, the yield curve shifted upwards due to the announcement of fiscal expansion in Europe. However, the scale of growth in the Polish market was smaller than in the eurozone, due to the earlier increase in the fiscal deficit and defence spending. The publication of lower-than-expected inflation data in mid-March contributed to an increase in the market's valuation of the scale of interest rate cuts, which was further strengthened at the end of March, following another positive surprise in inflation data. Polish bond yields significantly declined in response to the US decision to introduce tariffs.



Source: Bloomberg, Santander

Stock market

The first half of 2025 was one of the most successful periods in the history of the Warsaw Stock Exchange. Posting impressive rates of return, the main WSE indices not only followed the positive trends seen in major European and global markets, but in fact outperformed them. While they lost their momentum in mid-May, the gains generated during the first four months stood firm. The main Polish stock indices hit their new highs. WIG, a broad-based index, reached the record level of 105,302 points on 12 May. Even though it fell thereafter to 104,691 points, it still ended the first half of the year over 31% higher. mWIG40, a mid-cap index, gained only slightly less, advancing 30% on December 2024. sWIG80, a small-cap index, posted a more modest gain of 22% in that period. WIG20, a blue-chip index, closed June nearly 30% up, reaching its record high of 2,897 points during the session on 12 May, the best result in the last 14 years.

The first half of 2025 was not only a period of relative prosperity, with markets discounting future benefits of AI applications. It was also a period of geopolitical tensions. The armed conflicts in the Middle East and Ukraine and, more importantly, the tariff wars waged by the US administration, led to short but sharp turbulences and price corrections. Still, the zloty appreciation and prospective infrastructure and military investments (also planned under the National Recovery Plan) bolstered positive investor sentiment on the Warsaw floor.

Legal environment of the banking sector

The table below shows the selected legislation which has or will come into effect in 2025 and has impact on the financial sector in Poland.




Act or regulation	Effective date	Selected regulations affecting the financial sector
Regulation of the Council of Ministers of 18 December 2024 on the Polish Classification of Activities	1 January 2025	<ul style="list-style-type: none"> ▶ The regulation introduces changes to the classification of activities in accordance with the current economic reality and international standards. As a result, the activity codes assigned to the Bank's customers must be re-mapped based on the classification from 2007.
Act of 20 December 2024 on credit servicers and credit purchasers	19 February 2025	<ul style="list-style-type: none"> ▶ The act transposes Directive (EU) 2021/2167 of the European Parliament and of the Council of 24 November 2021 on credit servicers and credit purchasers and amending Directives 2008/48/EC and 2014/17/EU (NPL Directive). ▶ The new legislation requires lenders to inform consumers about any planned modifications to the terms and conditions of the agreement.
Act of 26 April 2024 on ensuring that economic operators comply with the accessibility requirements for certain products and services	28 June 2025	<ul style="list-style-type: none"> ▶ The act introduces a number of requirements regarding the sale of products and services to people with special needs. ▶ Banks are required to adapt their websites, apps, portals and customer documentation to WCAG requirements.
Regulation (EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022 on digital operational resilience for the financial sector and amending Regulations (EC) No 1060/2009, (EU) No 648/2012, (EU) No 600/2014, (EU) No 909/2014 and (EU) 2016/1011 ("DORA")	17 January 2025	<ul style="list-style-type: none"> ▶ The regulation imposes an obligation to set roles and responsibilities in relation to the management of ICT risk. ▶ Financial entities must adopt a dedicated ICT risk management policy and strategies, in particular: business continuity policy, audit plans, digital operational resilience strategy. ▶ They are also required to develop and regularly update ICT risk scenarios and a list of threats. ▶ The regulation also introduces an obligation to test digital resilience, including to test regularly all key ICT systems and tools in terms of vulnerability, performance, security, etc. ▶ It includes provisions regulating relationships with ICT service providers. ▶ It also specifies the rules for sharing and exchanging information about ICT risks between financial institutions and service providers.

IV. Development strategy

1. Purpose, aim, values and strategic objectives

At the beginning of 2024, the Bank's Management Board adopted the strategy of Santander Bank Polska Group for 2024–2026, which is a continuation of the previous course of action and is based on the same values and assumptions as before.

The Group's purpose is to help customers and employees prosper with an aim to become the most profitable bank in Poland.

 Purpose To help customers and employees prosper	 Aim To be the best open financial services platform by acting responsibly and earning the lasting loyalty of employees, customers, shareholders and communities	 Values Simple Personal Fair
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Changes compared to the previous strategy

In 2025, no significant changes were introduced to the strategy of Santander Bank Polska Group. The strategic directions, i.e. Total Experience, Total Digitalisation and Total Responsibility remained the same. The only change was the refinement of the Net Zero ambitions and update of the ambition levels for the selected internal metrics.

> Strategy of Santander Bank Polska Group for 2024–2026

We continue to live our purpose of helping customers and employees prosper in order to become the most profitable bank in Poland

THE MOST PROFITABLE BANK IN POLAND						
Our purpose	Help customers and employees prosper					
Our aim	Be the Best Open Financial Services PLATFORM by acting RESPONSIBLY and earning the lasting LOYALTY of our people, customers, shareholders and communities					
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	

Strategic directions

The Group's strategy for 2024–2026 “We help you achieve more” has been developed to meet the priorities of the Bank as a modern organisation. It is based on three strategic directions: Total Experience, Total Digitalisation and Total Responsibility.

The first direction – Total Experience – is focused on maximising customer and employee experience. The second direction – Total Digitalisation – means further development of digital service channels for customers and an effective digitalised work environment for employees. The third direction – Total Responsibility – reflects the Bank's responsible business agenda and covers environmental, social and governance aspects.

When setting the strategic directions, the Group also defines strategic objectives and key success measures that let it track the progress in delivery of the strategy.

In view of dynamic and complex changes in the macroeconomic conditions, the strategy of Santander Bank Polska Group is regularly verified, which helps take prompt action in response to market trends and other developments in the fast changing environment.

2. Key achievements in H1 2025

TOTAL EXPERIENCE

Actions delivered in H1 2025 as part of the TOTAL EXPERIENCE direction

- ▶ Simplification and update of the key TX standards (plain communication standards, service standards, solution design standards, etc.) together with the related tools based on the results of the employee experience survey.
- ▶ Adaptation of basic messages to retail customers to the simplicity and accessibility requirements of the European Accessibility Act/ WCAG as part of the Plain Language Factory.
- ▶ Identification of key challenges based on the customer advisor experience survey and development of initiatives to increase the effectiveness and job satisfaction of the above employee group.
- ▶ Conducting the first edition of the survey to check the perception of the key TX rules among customers and employees and monitor that perception among non-customers. The results will be used to define actions for H2 2025.
- ▶ Organisation of a two-day meeting of the expert guild, bringing together UX, CX and EX researchers and designers from across the Bank to exchange experience in developing compelling solutions from the perspective of functionality, emotions and values.
- ▶ Incorporation of the Employee Experience (EX) into the assessment and prioritisation of all strategic initiatives as an additional parameter of the Quarterly Business Review.
- ▶ Conducting an employee engagement survey in line with the EX management model. Based on its results, work was continued as part of Hot & Gain Spots (interdisciplinary teams) in relation to financial and non-financial recognition, effectiveness, development and promotion of a role of employees as ambassadors of the Bank's products and services. The findings were also used to define action plans for individual divisions to address the challenges identified in each area.

TOTAL DIGITALISATION

Actions delivered in H1 2025 as part of the TOTAL DIGITALISATION direction

- ▶ Optimisation of customer experience in mobile and internet channels through steady simplification and acceleration of digital processes, with a focus on eliminating barriers and improving user satisfaction.
- ▶ Automation of decision-making and operating processes by developing solutions based on automated decisions and digital service of customer applications using advanced analytics and AI.
- ▶ Extension of the digital accessibility of products and services: gradual implementation of new functions for retail, SME, business and corporate customers which are fully available in remote channels.
- ▶ Integration and development of remote and assisted channels: implementation of solutions to ensure smooth customer service both online and with the participation of customer advisors.
- ▶ Monitoring of performance indicators related to the delivery of changes for customers and employees and acceleration of those changes: steady reduction of the time needed to implement digital solutions and faster creation of value for customers through effective management of changes as part of the Bank's transformation agenda.

TOTAL RESPONSIBILITY

Actions delivered in H1 2025 as part of the environmental aspect of the TOTAL RESPONSIBILITY direction

- ▶ Conclusion of agreements with PGE to finance the development of Baltica 2 off-shore wind farm with a capacity of 1,498 MW.
- ▶ Provision of advisory and financing services for Bałtyk 2 and Bałtyk 3, two off-shore wind farm projects. Combined, the two projects are one of the world's and the EU's largest renewable energy financings. Acting as the sole financial advisor for the above projects and KUKI agent.
- ▶ Acting as an independent ESG advisor in the issue of green and sustainable bonds. Granting financing for the development of BESS (Battery Energy Storage Systems) as the first institution in Poland.
- ▶ Modification of the mortgage lending to reduce the materialisation of physical risks.
- ▶ Pilot implementation (and planned roll-out) of a standardised and systemic solution for ESG risk analysis for medium-sized companies.
- ▶ Development of the Santander New Energy platform to support the Bank's own distribution.
- ▶ Appointment of regional ambassadors as part of the Bank's distribution network to support the sale of sustainable products to SME customers.
- ▶ Publication of a report: "Green transition and SMEs – how to get a competitive edge" in March 2025.
- ▶ Granting financing for the first stage of the Booster Zabrze project, a business and logistics centre with office, retail and green space.
- ▶ Continued transformation of the Bank's operations, including the development of photovoltaic infrastructure for on-site power generation and the purchase of electricity from renewable sources for 2025.

Actions delivered in H1 2025 as part of the social aspect of the TOTAL RESPONSIBILITY direction

- ▶ Implementation of initiatives to support social development, including "Finansiaki", language courses, training courses available via Santander Open Academy, and cybersecurity education campaigns.
- ▶ Planning and launch of educational activities in the area of sustainable development to help employees build their competencies in the delivery and communication of the strategic objectives, including by organising another edition of the ESG Knowledge Bank.
- ▶ Implementation of educational initiatives to foster the corporate culture by promoting inclusion, healthy lifestyle, recognition, cybersecurity, and prevention of workplace misconduct.
- ▶ Organisation of the Santander Helps fundraiser, promoting physical activity and team spirit among employees.
- ▶ Publication of the OHS Report presenting best practice and inspiring solutions for protecting the wellbeing of employees in the workplace.
- ▶ Organisation of two editions of the Accessibility Academy, bringing together representatives of NGOs and academic communities, alongside ongoing work to adapt the Bank (including processes and document) to the accessibility requirements (EAA).
- ▶ Receipt of the following awards and distinctions: Top Employer Poland 2025, Top Employer Europe 2025, Great Place to Work – Najlepsze Miejsca Pracy™ Polska 2025, Diversity IN Check 2025 and Ethical Company (for the first time, the Bank was among five companies which received the Leader of Ethics title).

Actions delivered in H1 2025 as part of the governance aspect of the TOTAL RESPONSIBILITY direction

- ▶ Fulfilment of obligations towards stakeholders, including through the transparent communication of the Bank's activities. It includes, among other things, the publication of the first Sustainability Statement in accordance with the CSRD.
- ▶ Maintenance of the ratios and satisfaction of other criteria and regulatory requirements to pay out dividend.
- ▶ Implementation of the internal *Guidelines on Control and Management of Greenwashing Risk* to address the requirements arising from the latest EBA and EU regulations.
- ▶ Preparations for the implementation of the requirements of the directive on improving the gender balance among directors of listed companies (the implementing act has not been passed yet). The Annual General Meeting authorised the Supervisory Board to adopt the gender balance policy envisaged in the bill.
- ▶ The measures taken by the Bank as part of the sustainability agenda received acknowledgement and recognition. The Bank came top in the "ESG Ranking. Responsible Management 2025" and received the ESG Golden Leaf 2025 accolade from the Polityka weekly.

V. Business development in H1 2025

1. Business development of Santander Bank Polska S.A. and non-banking subsidiaries

1.1. Retail Banking Division

Personal customers

Product line for personal customers	Activities of the Retail Banking Division in H1 2025
Cash loans	<ul style="list-style-type: none"> ▶ The Bank focused on further development and optimisation of digital processes related to cash loans, including on the basis of customers' needs analysis. ▶ Measures were continued to support digital sales of cash loans, both to borrowers and non-borrowers. They included limited-time offers of an online cash loan. ▶ Work was underway to align processes related to consumer loans (cash loans, credit cards and personal overdrafts) with the European Accessibility Act (EAA). Actions aimed to ensure compliance with the Polish Act on credit servicers and credit purchasers were completed. ▶ The pricing policy was updated in line with prevailing macroeconomic conditions. ▶ In H1 2025, cash loan sales of Santander Bank Polska S.A. were PLN 6.0bn, up 9.2% YoY. Sales generated via remote channels accounted for 77.4% vs 73.6% in the corresponding period last year. As at 30 June 2025, the Bank's cash loan portfolio totalled PLN 18.6bn, up 6.6% YoY.
Mortgage loans	<ul style="list-style-type: none"> ▶ The Bank increased the frequency of mortgage loan communications sent in remote channels, notably to Select customers. ▶ The mortgage loan offer for external customers was further improved by optimising the pricing strategy. ▶ The offer of home loans for primary market property buyers was simplified. ▶ The scope of remote post-sales services connected with the Family Home Loan was extended to include a prepayment option. ▶ Execution of annexes to mortgage loan agreements was aligned with the Act on credit servicers and credit purchasers. ▶ A campaign was run among customers with an offer to sign an annex setting out the terms that will apply if the base reference rate is not provided or is materially changed. ▶ The pricing offer of mortgage loans was modified by adjusting fixed interest rates for the first five years to 5Y IRS quotations. ▶ In H1 2025, the value of new mortgage loans totalled PLN 4.0bn and decreased by 43.0% YoY as a high base effect connected with the closure of the 2% Safe Mortgage programme in the corresponding period last year. ▶ The gross mortgage loan portfolio of Santander Bank Polska S.A. increased by 2.5% YoY to PLN 55.3bn as at 30 June 2025. PLN mortgage loans totalled PLN 54.3bn, up 4.1% YoY.
Personal accounts and bundled products, including:	<ul style="list-style-type: none"> ▶ In H1 2025, customers were provided with an option to change transfer limits via Santander mobile. The Bank also set the limit of PLN and FX personal accounts per customer. ▶ Santander mobile features also included a possibility to make and manage recurring BLIK payments. ▶ As at 30 June 2025, the number of PLN personal accounts grew by 2.2% YoY and reached 4.8m. The number of Santander Accounts (the main acquisition product for a wide group of customers) was 3.9m (+2.2% YoY). Together with FX accounts, the personal accounts base totalled 6.2m (+3.6% YoY). ▶ The Bank's acquisition activities were focused on Santander Account, Santander Max Account, Select Account and Child's Account.

Product line for personal customers	Activities of the Retail Banking Division in H1 2025 (cont.)
Payment cards	<ul style="list-style-type: none"> ▶ In H1 2025, the Bank continued its promotional, sales and relationship-building activities to increase payment card turnover and grow the card portfolio. ▶ Work was underway to extend the range and functionality of card products, including to revamp the credit card offer for the Premium segment. ▶ Measures were taken to grow credit card sales to new customers in Santander internet and Santander mobile. ▶ As at 30 June 2025, the personal debit card portfolio comprised 4.6m cards and increased by 3.6% YoY. Together with business debit cards, it included 5.1m cards (+4.0% YoY) and generated 8.4% higher non-cash turnover YoY. ▶ The credit card portfolio of Santander Bank Polska S.A. included 631.2k cards and was stable YoY in terms of number (-0.04% YoY) and debt level (-0.3% YoY), while generating 5.9% higher non-cash turnover YoY.
Deposit and investment products, including:	<ul style="list-style-type: none"> ▶ In H1 2025, the Bank's priority in terms of management of deposit and investment products was to optimise the cost of the portfolio and ensure high satisfaction of savers. ▶ The Bank's investment offer comprised mainly brokerage services and investment funds, including funds managed by the Bank's subsidiary Santander Towarzystwo Funduszy Inwestycyjnych S.A. (Santander TFI S.A.) as well as selected Polish and foreign funds.
➤ Deposits	<ul style="list-style-type: none"> ▶ In H1 2025, Santander Bank Polska S.A. offered a range of solutions rewarding existing customers, supported by direct marketing communication. ▶ Popular products in the reporting period were term deposits (including Winter Deposit and Spring Deposit) and investment products with various risk levels. ▶ In February 2025, the Bank offered an option to open savings accounts in the mobile application. Private Banking customers could also open Private Banking savings accounts via Santander online. ▶ Starting from May 2025, customers can open deposits negotiated with an advisor via Santander online without the need to visit a branch. ▶ As part of educational initiatives, the Bank launched the "Financial health" section in the "My goals" module. The travel category was expanded, encouraging customers to save money for that goal in an even more effective way. ▶ At the end of March, the following initiatives were launched: <ul style="list-style-type: none"> ▶ Promotion for customers depositing new funds in the Multi Savings Account, with an interest rate of 6% on up to PLN 100k. ▶ "We reward active customers", a special offer of 4% interest rate on funds up to PLN 100k for holders of the Select savings account who transfer their salary above the stated level and actively use Select accounts. ▶ A new issue of the 12-month structured deposit based on USD/PLN rate. ▶ In June 2025, the Bank's offer was expanded to include: <ul style="list-style-type: none"> ▶ Deposits for You (Lokaty dla Ciebie) offered to selected customer groups. ▶ A new issue of the 9-month structured deposit based on EUR/PLN rate. ▶ As at 30 June 2025, total deposits from retail customers of Santander Bank Polska S.A. were PLN 124.9bn, up 6.1% Ytd and 8.8% YoY. Term deposit balances decreased by 4.5% Ytd to PLN 37.5bn and current account balances increased by 11.4% Ytd to PLN 87.2bn (including a 15.2% Ytd rise in savings account balances).
➤ Investment funds managed by Santander TFI S.A.	<ul style="list-style-type: none"> ▶ In H1 2025, net sales of investment funds managed by Santander TFI S.A. were positive at PLN 1,156m net. ▶ Particularly popular were short-term debt sub-funds (56% of sales) and bond sub-funds (23% of sales). Santander Prestiż Calm Investment was the best performing short-term debt sub-fund, accounting for approx. 22% of sales. ▶ The range of investment funds was extended to include Santander Prestiż Fixed Income Dollar, a new sub-fund of Santander Prestiż SFIO, which has been distributed since July 2025. ▶ In H1 2025, Santander TFI S.A. continued to build its market position in terms of Employee Capital Plans (ECPs). As 30 June 2025, the company managed ECP assets of PLN 624.3m from more than 107k Santander PPK SFIO unitholders. ▶ As at 30 June 2025, the total net assets of investment funds managed by Santander TFI S.A. were PLN 26.5bn, up 10.5% Ytd and 20.2% YoY. ▶ In H1 2025, Santander TFI S.A. continued to work closely with Santander Bank Polska S.A. in terms of sales of products for Private Banking and Select segments and development of distribution in the Mass and Premium segment. The company provided product training for the Bank's employees handling customers from the above segments, and its representatives participated in the meetings with high net worth customers of Santander Bank Polska S.A. ▶ In June 2025, an investment fund module was launched in the mobile application of Santander Bank Polska S.A.

Product line for personal customers	Activities of the Retail Banking Division in H1 2025 (cont.)
Brokerage activities	<ul style="list-style-type: none"> ▶ On 1 February 2025, Santander Brokerage Poland launched a promotion (available until the end of December 2025) reducing to 0.19% the fee on orders for ETFs and ETCs traded on the WSE, placed online, including via the mobile application. It is a result of the WSE "Fee Reduction Programme" intended to attract investors to the above-mentioned solutions. ▶ From 22 to 30 January 2025, customers could subscribe for IPO shares of Diagnostyka at a promotional fee (0.19% of the order value). Santander Brokerage Poland was a joint bookrunner and an intermediary accepting subscriptions from retail and institutional investors. ▶ Due to changes related to digital accessibility (WCAG, plain language standards) and investment advisory (extension of the range of financial instruments for which such service is provided, to include investment certificates of closed-end investment funds), customers were sent updated documents (terms and conditions, schedule of fees and charges and introductory information). ▶ Thanks to the launch of cooperation with asset manager Invesco in June, the offer was expanded to include new ETFs. Santander Brokerage Poland now offers more than 500 products of different issuers. ▶ In April 2025, an annex was made to the distribution agreement with a new supplier of structured products. ▶ In response to customers' needs, in May 2025 the offer was extended to include four new structured products.
Bancassurance	<ul style="list-style-type: none"> ▶ The insurance cover and pricing terms of the Locum Comfort insurance were changed. ▶ The purchase of travel insurance (Podróż bez obaw /Worry-free Travel and Zmiana planu podróży /Travel Plan Change) was further enhanced. ▶ A new solution was put in place, enabling customers to designate or change beneficiaries. ▶ Work was underway to align the processes with the European Accessibility Act (EAA). ▶ The insurance portfolio view now includes documents related to travel insurance policies purchased by customers. ▶ "Insurance Days" were organised in more than 200 branches and partner outlets to promote insurance products. ▶ In H1 2025, the insurance premium decreased by 60.2% YoY as a combined effect of lower sales of related insurance products (mainly insurance for borrowers) and higher sales of non-related ones (mainly Życie i Zdrowie life insurance).
Private Banking	<ul style="list-style-type: none"> ▶ The Euromoney magazine once again recognised Santander Bank Polska S.A. for its private banking services, granting it two awards: for Poland's best international private bank and Poland's best private bank for succession planning.

Small and Medium Enterprises (SMEs)

Product line for SMEs	Activities of the Retail Banking Division in H1 2025
Business accounts and bundled products	<ul style="list-style-type: none"> ▶ As regards business accounts, Santander Bank Polska S.A.: <ul style="list-style-type: none"> ▷ Ended the "Free account forever" promotion. ▷ Launched special offers for customers opening a business account: "Free business account for firms" (free maintenance, domestic transfers and payment orders in EUR to EAA member states other than Poland for the first three years), "Your business with bonuses" and "Online business account" with a bonus for customers opening that account. ▷ Started a referrals programme, encouraging selected customers to recommend an online business account. ▶ A new special offer of 12-month free rental of POS terminals was introduced. ▶ The Bank launched the second edition of "Let's talk business over coffee", a series of six webinars about taxes, cybersecurity, new technologies, marketing and investments. ▶ SME customers were provided with a possibility to make deposits at Euronet CDMs (a service available free of charge until 30 November 2025). ▶ The Entrepreneurs Week was organised, during which customers were presented with a special offer including a term deposit, discount on eZdrowie medical packages and reimbursement of payments at gas stations.

Product line for SMEs	Activities of the Retail Banking Division in H1 2025 (cont.)
<p>Loans</p>	<ul style="list-style-type: none"> ▶ In H1 2025, the following special credit offers were introduced: <ul style="list-style-type: none"> ▷ promotional terms for instalment loans and loans available in remote channels; ▷ 0% arrangement fee on loans consolidating debts transferred from other banks; ▷ waiver of part of the fee for loans with interest subsidised by the Agency for Restructuring and Modernisation of Agriculture and loans with partial principal repayment; ▷ 0% fee for SME customers taking out the Business New Energy investment loan; ▷ “Spring break with a business loan” – a special offer for customers applying for a business loan with business insurance and/or fixed-rate loan. ▶ As regards ESG: <ul style="list-style-type: none"> ▷ In partnership with KPMG, the Bank published a report: “Green transition and SME – how to get a competitive edge”, providing guidance on how to benefit from new regulatory requirements. ▷ The Bank implemented the ESG Code of Conduct for Suppliers of Santander Bank Polska, which is applicable to all suppliers participating in the procurement process. ▶ In H1 2025, credit sales to SME customers of Santander Bank Polska S.A. totalled PLN 2.7bn, down 2.6% YoY. As at 30 June 2025, the Bank’s credit portfolio totalled PLN 18.3bn, up 5.0% YoY.
<p>Lease facilities offered by Santander Leasing S.A.</p>	<ul style="list-style-type: none"> ▶ In H1 2025, Santander Leasing S.A. financed net assets of PLN 4.3bn (+1.4% YoY). The most pronounced YoY growth was reported in the segment of machines and equipment (+13.0% YoY), notably agricultural ones. ▶ The range of complementary products of Santander Leasing S.A. was extended and improved: <ul style="list-style-type: none"> ▷ The Indeks Maszyna GAP insurance cover and benefit amount were increased. ▷ Customers were offered an option to charge electric and plug-in hybrid cars with the Orlen fuel card. ▶ In June 2025, the layout of finance documents for retail customers was changed in accordance with plain language standards. ▶ The access to finance for SME customers as part of the fast-track procedure was improved by making available balloon payments from subsidies for machines and equipment. ▶ Launching a special offer for construction machines. ▶ The existing processes were adjusted, enabling customers of Santander Leasing S.A. to benefit from the NaszEauto state subsidies for the purchase or lease of electric cars. ▶ New vendor schemes were launched in cooperation with partners of Santander Leasing S.A. ▶ eBOK24, a customer portal, was adapted to the requirements of the Accessibility Act (WCAG 2.1) and a new functionality was added enabling customers to download traffic tickets. ▶ A special deal called “Account with Lease 3x500” was launched, offering a cash prize or fuel card to customers who opened an online business account and took out a lease or loan of min. PLN 10k.

1.2. Business and Corporate Banking Division

Direction	Activities of the Business and Corporate Banking Division in H1 2025
Business trends in the main product lines	<ul style="list-style-type: none"> ▶ Progressive business growth across all segments and business lines, translating into higher income from lending (+14.2% YoY), trade finance (+14.0% YoY) and treasury products (+10.7% YoY). ▶ 9.4% YoY growth in volumes (including 10.5% YoY in terms of loans). Credit limits up 11.2% YoY. ▶ High credit quality of the corporate lending portfolio, with a low and stable cost of risk. ▶ 10.6% YoY increase in deposit volumes. ▶ Growing sales in digital channels, particularly in terms of currency exchange (+12.2% YoY). ▶ 17.3% YoY rise in the number of mobile customers.
Business transformation/digitalisation	<p style="color: #c00000;">Simplification and digitalisation</p> <ul style="list-style-type: none"> ▶ Continuing digitalisation and development projects to ensure best-in-class services. ▶ Implementing new solutions for users of a new iBiznes24 electronic banking platform and iBiznes24 mobile application. ▶ Completing the migration of all customers to iBiznes24 2.0, a new version of the system providing top quality banking services. With cutting-edge functions and an intuitive interface, the system provides even more effective and secure finance management solutions. It enables advanced user activity monitoring, process automation and integration with other banking services, significantly improving user experience. ▶ Starting a pilot of ESCC (Environmental, Social and Climate Change) assessment for corporate customers. ▶ Launching a digital onboarding path for corporate customers to speed up credit delivery, reduce bankers' workload and eliminate errors in the submission of documents by customers. ▶ AI-related initiatives: increasing the potential of the data ecosystem and implementing generative AI solutions, making sure they are used in an informed and ethical way. ▶ Developing the CLP (Corporate Lending Platform), including changes resulting in a considerable increase in the number of processed cases and limitation of email correspondence on the business side, reducing turnaround times. <p style="color: #c00000;">Products</p> <ul style="list-style-type: none"> ▶ Launching a new user-friendly multi-currency card to enable customers to more effectively manage their finances when travelling abroad by storing multiple currencies without the need to pay conversion fees. <p style="color: #c00000;">Transformation</p> <ul style="list-style-type: none"> ▶ Continuation of innovative transformation programmes #4US and #4Leaders aimed at improving work environment, developing skills and sharing leadership experiences. ▶ Launch of a new transformation programme called #4Growth to build a self-learning organisation.
Commercial activities	<ul style="list-style-type: none"> ▶ In H1 2025, Santander Bank Polska S.A. was involved in a number of projects as: <ul style="list-style-type: none"> ▶ A partner of the EY Entrepreneur Of The Year gala, an event recognising the most outstanding entrepreneurs in Poland. Winners at the country level compete for the EY World Entrepreneur Of The Year title in Monte Carlo. ▶ A participant of the M&A conference: "From a local company to a regional leader" organised by Deloitte in June 2025, during which business practitioners, investors and transaction advisors discussed how companies can growth through acquisitions and how to prepare for attracting external investors. ▶ A sponsor of a transport industry conference: "The future of sustainable transport: expectations vs reality". ▶ A strategic partner of the key event in the family business sector: "Family Business Future Summit 2025" organised by the Wojarska Aleksiejuk & Wspólnicy law firm. ▶ A golden partner of the conference organised by the Polish Chamber of Commercial Properties (PINK) which brings together commercial property market participants (developers, investors, and planning and design firms).
Awards and recognitions for the Bank	<ul style="list-style-type: none"> ▶ Leader in terms of letters of commitment issued for an eco loan in the competition organised by BGK for institutions offering products secured by Biznesmax and Ekomax guarantees. ▶ Golden Leaf ESG 2025 from Polityka weekly, another prestigious accolade received in an independent competition for activities in the ESG area. This award is a testament to the Bank's comprehensive and strategic approach to managing ESG matters.

Area	Activities of Santander Factoring Sp. z o.o. in H1 2025
Factoring	<ul style="list-style-type: none"> ▶ The value of the credit portfolio of Santander Factoring Sp. z o.o. increased by 7.2% YoY to PLN 9.0bn as at 30 June 2025. ▶ The receivables purchased by the company over the first six months of 2025 went up by 6.5% YoY to PLN 24.8bn.

1.3. Corporate and Investment Banking Division

Unit	Key activities in H1 2025
Credit Markets Department	<ul style="list-style-type: none"> ▶ The Bank actively communicated with key customers as regards syndicated loan refinance, project finance (particularly renewable energy projects), securitisation, and debt, rating and ESG advisory services. Debt transactions were particularly popular among companies from the telecommunications, IT, retail, logistics, property and energy sectors. A number of transactions were also concluded in the asset turnover and underwriting area (mainly in connection with renewable energy). ▶ In the project finance and syndicated lending area, the following transactions are particularly noteworthy: <ul style="list-style-type: none"> ▷ Leading role in the financing of off-shore wind farm projects (some of the largest financial deals globally and the largest ones in the European Union). ▷ The largest advisory mandate ever received by the Bank in relation to a renewable energy project. ▷ Acting as the coordinator and ESG coordinator in the refinancing of the transaction in the logistics sector. ▷ The lead arranger of finance for some of the first large-scale battery storage facilities. ▷ Co-financing of the commercial property development project. ▷ Participation in syndicated refinancing for a company from the telecommunications sector. ▷ Co-financing of a transaction in the energy sector. ▷ Participation in a syndicated lending to refinance debt of a company from the consumer goods sector. ▷ Holding multiple roles in LBO finance for a company from the IT sector. ▷ Participation in the sustainability-linked syndicate finance for a leading company from the modern telecommunications infrastructure sector. ▷ Coordinator of bridge financing in the commercial property sector. ▶ Acting as the lead arranger of bond issues in the domestic and foreign markets for customers from Poland: <ul style="list-style-type: none"> ▷ Participation in the issue of eurobonds in the US market for customers from the multi-utility sector (USD 1.25bn) and public sector (USD 5.5bn) and in the EU market for a customer from the public sector (EUR 3bn), as well as the issue of covered bonds for a Polish mortgage bank (EUR 500m). ▷ Issue of bonds for the subsidiaries for the total amount above PLN 1.8bn. ▷ Coordination of or participation in PLN 4.6bn worth of corporate bond issues in Poland in the real estate, debt collection, retail and e-commerce sectors. ▷ Coordination of processes to secure sustainable finance through the issue of green bonds and sustainability-linked bonds for customers from the telecommunications, retail and public sectors.
Capital Markets Department	<ul style="list-style-type: none"> ▶ The key initiatives of the Capital Markets Department included: <ul style="list-style-type: none"> ▷ Acting as the joint global coordinator in the IPO of a company from the healthcare sector. ▷ Acting as the sole global coordinator in the accelerated book building for shares of a medical device distributor. ▷ Acting as the joint bookrunner in the SPO of a company from the retail sector. ▷ Transactional advisory and intermediary services for an acquirer in the tender offer for shares of a holding company from the energy and mining sector. ▷ Advisory services for a private equity fund in the sale of shares of a financial sector service provider, for an IT company in the sale of shares to a strategic investor, for a leading meat processor in the acquisition of a company from the pet food sector, and for a strategic investor in the acquisition of a company from the healthcare sector.

Unit	Key activities in H1 2025 (cont.)
<p>Global Transactional Banking Department</p>	<ul style="list-style-type: none"> ▶ Business trends in trade finance: <ul style="list-style-type: none"> ▷ Stable level of documentary transactions (guarantees, letters of credit) in both quarters of 2025, with an increased demand from the infrastructure sector. Continued activity in the counter guarantee area owing to well-established relationships with trade finance providers/ international banks and a significant number of inquiries about issuing guarantees at the request of foreign banks. ▷ Substantial YoY growth in the utilisation of working capital finance (factoring, reverse factoring, confirming). Considerably higher demand for supplier finance programmes and higher limits for customers due to the use of insurance products and/or distribution of part of the risk to other financial institutions. Extension of the scope of available currencies (e.g. to include CAD). ▷ Solid growth in the portfolio of long-term transactions secured by guarantees issued by export credit agencies, particularly in the renewable energy sector (off-shore wind power). Increasing benefits from the continued partnership with KUKE and joint implementation of guarantees to secure investments (KUKE untied support). ▶ Business trends in transactional banking: <ul style="list-style-type: none"> ▷ Steady monthly increases in transactional banking. Double digit YoY growth in income resulting from continued efforts and investments made last year as well as active acquisition of deposit customers, with tangible impact on the Division's transactional banking performance. ▷ High volatility of deposit volumes in Q2 2025. ▶ Business trends in other areas: <ul style="list-style-type: none"> ▷ A visible increase in price competition in the mid- and long-term financing area over the last months. ▷ Lower average drawdown of overdrafts (in percentage terms) in the later part of H1 2025 as a combined effect of seasonality and higher total amount of overdrafts granted.
<p>Financial Markets Area</p>	<p>Institutional clients:</p> <ul style="list-style-type: none"> ▷ Key transactions in the institutional clients area of Santander Brokerage Poland: IPO of a company from the medical sector, SPO of companies from the retail sector and employee benefits sector, ABB for shares of companies from the medical, e-commerce, employee benefits, construction and financial sector, and successful tender for shares of a company from the energy sector. ▷ Santander Brokerage Poland ranked top (for the third year running) in the ranking published by Parkiet daily based on votes from 53 investment fund companies. Mateusz Choromański again placed among TOP3 dealers in Poland, climbing to the second position in an individual ranking. Third place of the Analysis Team of Santander Brokerage Poland. ▷ Publishing more than 150 analyst recommendations with regard to CEE listed companies. <p>Strategic Client Office:</p> <ul style="list-style-type: none"> ▷ Settling an interest rate hedging transaction related to the second wind farm on the Baltic Sea. ▷ Continuing the collaboration with energy companies with respect to carbon credits (acquisition of a new customer). ▷ Settling an interest rate hedging transaction related to the third wind farm on the Baltic Sea (the largest investment so far). ▷ Reporting a significant YoY increase in income from the investment line and interest rate hedges. ▷ Generating stable income on currency exchange. <p>Treasury Services Department:</p> <p>Retail/SME/WM:</p> <ul style="list-style-type: none"> ▷ Launching a series of investment breakfasts, bringing together economists and customers from the Select and Wealth segments. ▷ Reporting YoY growth in FX income from transactions with personal customers. ▷ Increasing the number of active customers (Mass, Select, WM, SME) using the Santander Exchange platform to an all-time high of 315k in February 2025. ▷ Growing income from Santander Exchange transactions made by personal customers. ▷ Displaying Santander Exchange ads (including information about current exchange rates) in the Bank's branches and providing a demo version of Santander Exchange on the Bank's website. ▷ Making two subscriptions for PLN structured deposits. ▷ Generating higher income YoY on investment products in the Wealth Management area. <p>CORPO:</p> <ul style="list-style-type: none"> ▷ Reporting a double digit YoY growth in income from currency exchange and the investment line. ▷ Increasing the number of active customers making currency exchange transactions (+4% YoY), hedging currency risk (+27% YoY) and using investment lines with products offered by the Treasury Services Department (+30% YoY). ▷ Launching Santander Exchange Weekly News in iBiznes24 for corporate customers. ▷ Starting the first sales campaign for Smartbank customers. ▷ Collaborating with Premium Property: participating in the prestigious real estate conference MIPIM 25' in Cannes. ▷ Collaborating with Premium Commercial: visiting Madrid with key segment customers. ▷ Supporting a customer in the M&A process as a provider of currency hedging solutions. ▷ Growing income from currency exchange transactions amid an increase in the number of active customers. ▷ Generating higher income from currency risk hedging transactions and increasing the number of active customers. ▷ Growing income from the investment line along with an increase in the number of active customers.

Unit	Key activities in H1 2025 (cont.)
Financial Markets Area (cont.)	<ul style="list-style-type: none"> ▶ Structuring a credit exposure for an SPV developing a stadium. ▶ Hedging an exposure in respect of bonds issued for institutional customers with a 6-year CIRS. ▶ Sanctioning first overdrafts with a fixed interest rate. ▶ Organising regional meetings with corporate finance teams. <p>Financial Market Transactions Department: First place (for the eighth time in a row) this time in all categories of the latest ranking of Treasury Securities Dealers published by the Ministry of Finance for Q1 2025.</p>

2. Business development of Santander Consumer Bank Group (discontinued operations)

Direction	Activities of Santander Consumer Bank Group in selected areas in H1 2025
Key focus areas of Santander Consumer Bank Group's operations	<ul style="list-style-type: none"> ▶ In H1 2025, Santander Consumer Bank (SCB) Group focused on: <ul style="list-style-type: none"> ▶ maintaining the leadership position in the instalment loan market by holding a stable share in traditional sales, extending cooperation with large retailers, growing online sales, identifying new sales growth opportunities and maintaining profitability of collaboration with trade partners; ▶ acquiring customers through consumer finance products and leveraging cross-selling and up-selling strategies; ▶ maximising the effectiveness of customer contacts and optimising the cash loan offer; ▶ providing services to SMEs and developing products for individuals by actively extending the base of partners in product distribution. ▶ Furthermore, SCB Group continued to: <ul style="list-style-type: none"> ▶ increase cost effectiveness (optimisation of the distribution network, automation, further digitalisation, optimisation and simplification of sales and back-office processes, etc.); ▶ improve the quality of operational processes (automation of mass and recurring processes, implementation of new bots, extension of the range of products and services available in self-service electronic channels, and implementation of new self-service solutions, etc.). ▶ In the car finance segment, the businesses of leasing and factoring subsidiaries were steadily developed, focusing on sales profitability and risk optimisation (a personal car loan has been removed from SCB's offer as of the end of January 2025).
Loans	<ul style="list-style-type: none"> ▶ As at 30 June 2025, net loans and advances granted by Santander Consumer Bank Group totalled PLN 19.9bn, up 8.9% YoY. The increase is attributed to record cash loan sales and high supply of cars, translating into growth in the lease receivables, stock finance and factoring. Meanwhile, the value of the instalment loan and credit card portfolio decreased due to selective sales, increased focus on profitability of credit cards and acquisition of new instalment loan borrowers, as well as the migration of the credit card platform. A substantial decline was also reported in the expiring mortgage loan portfolio. ▶ In the reporting period, Santander Consumer Bank S.A. sold the overdue loan portfolio of PLN 264.9m at a profit before tax of PLN 55.7m. In the corresponding period last year, it sold the portfolio of PLN 408.1m, at a profit before tax of PLN 50.3m.
Deposits	<ul style="list-style-type: none"> ▶ In H1 2025, SCB continued to actively sell new and renewable term deposits. Customers were particularly interested in deposits with tenors of up to six months. ▶ SCB focused on maintaining a profitable deposit base, while providing attractive terms to customers, particularly in the remote service channels (mobile application). ▶ As at 30 June 2025, deposits from customers of SCB Group totalled PLN 16.5bn and increased by 9.8% YoY owing to retail deposits.
Other	<ul style="list-style-type: none"> ▶ In H1 2025, SCB renewed the agreements with three key partners from the household appliances sector. ▶ In the reporting period, SCB Group launched cooperation with Ford in relation to car finance for individuals and SMEs. Agreements with Ford and Chinese car brands offer high sales growth potential.

VI. Organisational and infrastructure development

1. Human resources management

Employment

As at 30 June 2025, the number of FTEs in Santander Bank Polska Group was 11,274 (11,396 as at 31 December 2024), including:

- 9,434 FTEs of Santander Bank Polska S.A. (9,486 as at 31 December 2024) and
- 1,308 FTEs of Santander Consumer Bank Group (1,361 as at 31 December 2024).

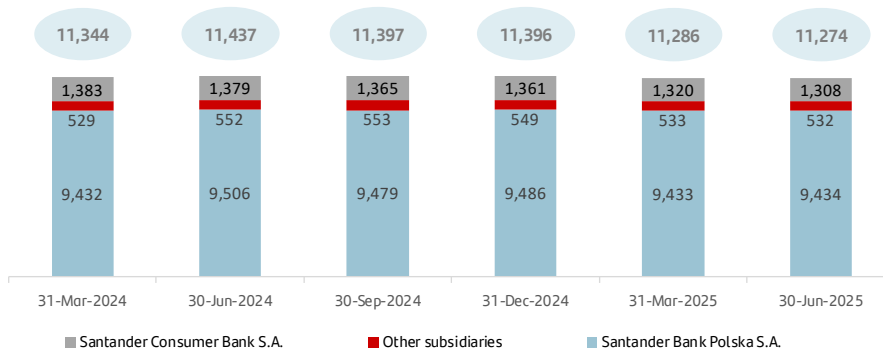
The employment in Santander Bank Polska Group decreased by 163 FTEs YoY and 122 FTEs Ytd.

The Group continues the transformation of the business model through digitalisation, branch network optimisation, migration of products and services to remote distribution channels, and gradual implementation of technological and organisational solutions increasing operational efficiency. The objective is to allocate the maximum resources to strengthen customer relationships, grow business and build skills matching the target profile for the organisation.

The HR processes take into account present operational needs, development requirements as well as the market and regulatory environment.

> Employment of Santander Bank Polska Group ¹⁾

Employment at Santander Bank Polska Group (in FTE)
by quarter in 2024 and 2025



¹⁾ The above employment data exclude employees of Stellantis Financial Services Polska Sp. z o.o. who are employed in Poland but provide services to customers abroad.

Delivery of the strategic HR objectives

In H1 2025, work was underway to deliver the objectives arising from the HR strategy and set in accordance with the Bank's strategic directions. The measures taken were embedded in the Bank's strategy and supported its transformation and business efficiency.

During the reporting period, a particular focus was placed on:

- effective transformation towards Total Experience and building the bank of first choice for talents
- further digitalisation and search for HR process effectiveness (taking into account new technologies)
- building a strong corporate culture focused on people, innovation and safe work environment.

Total Experience

- ▶ In accordance with the strategic HR objectives related to Total Experience, the TX methodology was refined and adjusted to the needs of the organisation. The key TX standards (i.e. plain language, service, and Compass solution design standards) were simplified and updated to improve employee experience with internal processes. The competencies of the future were further developed by means of uniform development paths for managers and upskilling programmes concerning analytics, AI and soft skills. A comprehensive succession process designed for Management Board members and key function holders was updated to ensure the continuity of leadership.

Total Digitalisation

- ▶ As part of Total Digitalisation, measures were taken to develop digital skills of managers, including change management and use of new technologies. Numerous improvements were made to self-service HR systems.

Total Responsibility

- ▶ As part of Total Responsibility, a range of educational initiatives for employees were implemented to foster an inclusive corporate culture and promote employee wellbeing.

In H1 2025, Santander Bank Polska S.A. received the following certificates and recognitions: Top Employer Polska 2025, Top Employer Europe 2025, Great Place to Work – Najlepsze Miejsca Pracy™ Polska 2025, Diversity IN Check 2025.

Selected HR initiatives

Initiatives for improving employee experience

Employee engagement survey

- ▶ In H1 2025, the Your Voice employee engagement survey was held. The overall response rate at the Bank was 92% of eligible employees. eNPS (Employee Net Promoter Score) exceeded the True Benchmark, ranking the Bank TOP 1 among Santander Group companies in Europe. Reports from the survey include a thorough analysis of quantitative results and employee comments at the level of the Bank, organisational units and individual topics.

Activities of Hot & Gain Spots

- ▶ Based on the findings from the employee engagement survey, Hot & Gain Spots (multidisciplinary teams) continued their work at the central level, undertaking initiatives in response to the needs voiced by employees. Action plans were developed for each division, addressing challenges identified in individual areas.

EX as a component of the scoring for the assessment and prioritisation of strategic projects including the employee's perspective

- ▶ Project work was completed to incorporate EX in the scoring for the assessment and prioritisation of strategic projects taking into account the employee's perspective. It is as an additional parameter of the Quarterly Business Review which meets the commitments arising from the strategic direction of Total Experience.

Initiatives for improving relationships in the workplace

Educational initiatives for employees and managers

- ▶ To prevent employee misconduct, educational initiatives were conducted for employees and managers (series of workshops, webinars and articles) to raise the awareness of inappropriate workplace behaviours, promote effective cooperation and foster a culture of dialogue in addressing workplace issues.

Variable remuneration

As the business and qualitative targets were met at the level triggering a bonus pool for 2024, in Q1 2025 the Bank's Management Board decided to pay variable remuneration in its full amount.

Objectives were also achieved to pay the awards under long-term Incentive Plan VII. The Plan was launched on 27 April 2022 under Resolution no. 30 of the Annual General Meeting and is addressed to the employees of the Bank and its subsidiaries (excluding Santander Consumer Bank S.A.) who significantly contribute to growth of the organisation value. Its purpose is to motivate the participants to achieve business and qualitative goals in line with the Group's long-term strategy. This mechanism is intended to strengthen the employees' relationship with the Group and encourage them to act in its long-term interest.

The Plan obligatorily covers all persons with an identified employee status in Santander Bank Polska Group. Key function holders designated by the Management Board and approved by the Supervisory Board can participate in the Plan on a voluntary basis.

The Plan covers the period of five years (2022–2026). However, as the payment of variable remuneration is deferred, the share buyback and allocation will be completed by 2033.

The participants are entitled to variable remuneration in the form of the Bank's shares provided that they meet the terms and conditions stipulated in the participation agreement and the resolution. To that end, Santander Bank Polska S.A. can buy back up to 2,331k own shares from 1 January 2023 until 31 December 2033.

The Annual General Meeting of Santander Bank Polska S.A. held on 18 April 2024 authorised Management Board members to repurchase in 2025 fully covered own shares for the Plan participants in respect of the award for 2024 and part of the deferred awards for 2022–2023.

On 12 March 2025, the buyback was closed as the sufficient number of shares were repurchased to pay out the awards for Incentive Plan VII participants in 2025. The Bank bought back 155,605 own shares (of 326k shares eligible for buyback) totalling PLN 82.4m (from PLN 87.0m worth of capital reserve allocated to the delivery of the Plan in 2025). The average buyback price per share was PLN 527.46. All shares were transferred to brokerage accounts of the eligible participants. Having settled the instructions, the Bank does not hold any own shares.

In H1 2025, the total amount recognised in line with IFRS 2 in the Group's equity was PLN 33.8m, of which 33.5m was taken to staff expenses for the six months of 2025. This amount comprises expenses incurred in 2025 and part of the costs attributable to subsequent years of the Incentive Plan as the award will be vested in stages. As at 30 June 2025, PLN 82.4m worth of shares were transferred to eligible employees.

For more information about the buyback, please see Section 4 "Corporate events" in Chapter I "Overview of Santander Bank Polska Group performance in H1 2025".

Training and development

Leadership transformation

- ▶ In H1 2025, the leadership transformation at Santander Bank Polska S.A. was continued. Development paths for various manager groups were updated to enhance competencies of the future and prepare leaders for effective management in the changing business environment. The main goal was to improve the Bank's business efficiency by developing technology and digital skills of managers, including change management and use of new technologies.

Strategic talent management processes

- ▶ Alongside the above activities, strategic talent management processes were delivered to support the Bank's organisational transformation. The process of management by objectives was launched. Objectives aligned with the Bank's strategy were set for all employees across all organisational units.

Mandatory training

- ▶ As regards mandatory training, measures were taken to ensure compliance with regulatory requirements and introduce employees to their new roles in accordance with the applicable standards.

Upskilling programmes

- ▶ Upskilling programmes were launched to promote internal mobility. They focus on developing the competencies of the future, particularly in the area of analytics, data science, AI and soft skills which are essential for modern agile organisations.

Inclusive corporate culture

- ▶ In H1 2025, a variety of educational initiatives for employees were held on the Appreciation Day, Women's Day, Mother's Day, Children's Day, Pride Month, etc. to promote an inclusive corporate culture. They included webinars, articles, competitions, campaigns and corporate volunteering initiatives and were organised in cooperation with employee networks.

2. Optimisation of the organisational structure

In H1 2025, the organisational structure of Santander Bank Polska S.A. was changed to further increase the operational efficiency of the organisation through its better alignment with the business environment and continuous optimisation of management processes.

Legal and Compliance Division/ Risk Management Division

- ▶ The Legal and Compliance Division was established, centralising legal, compliance and personal data protection units within a single management structure. This ensures more effective cooperation between those units by optimising internal processes and data processing based on BI and AI tools and consistent work methodologies. The new Division includes the Compliance Area headed by the Chief Compliance Officer who reports directly to the Management Board member. The structure of this unit and its place in the organisation meet the requirements arising from the applicable regulations.
- ▶ The Legal and Compliance Division was set up in place of the Compliance and FCC Division. The control, fraud prevention and AML units of the dissolved Division were transferred to the Risk Management Division. This not only allows them to make optimal use of both data and process modelling in the Risk Management Division to carry out their tasks, but also helps to maximise synergies and strengthen the collaboration between the second line of defence teams. The former Head of the Compliance and FCC Division was appointed the Head of the Risk Management Division and the Chief Risk Officer, as approved by the Polish Financial Supervision Authority (KNF). This way, the continuity of leadership and management of transformation and AML development projects has been maintained.

Wealth Management and Insurance Division/ Retail Banking Division/ Units outside the divisional structure

- ▶ The bancassurance units were transferred to the Retail Banking Division in order to increase process synergies in the sales channels of that Division.
- ▶ The oversight of the Wealth Management Area was delegated to the Head of the Business and Corporate Banking Division (outside the divisional structure) to use the opportunities for optimisation arising from the common business objectives of Private Banking customers.
- ▶ The Wealth Management and Insurance Division was dissolved.

Retail Banking Division and Branch Network

- ▶ The Savings and Investments unit was set up to design and develop products and digital solutions supporting customers in the saving and investment processes. The unit is responsible for providing a secure and user-friendly end-to-end financial experience across digital channels and in interactions with customer advisors.

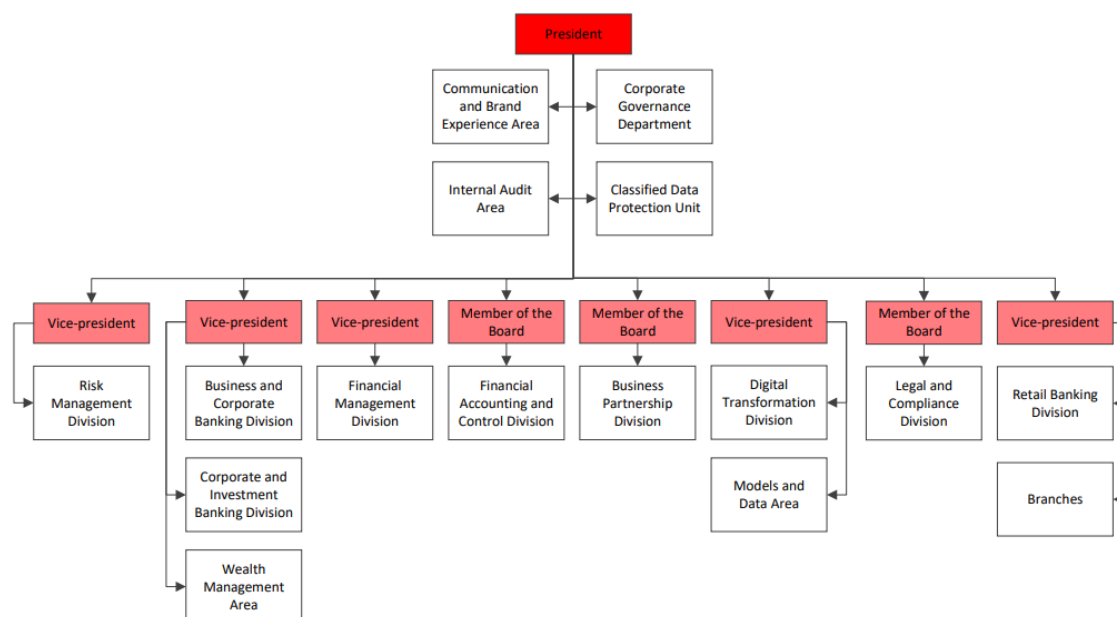
Business Partnership Division

- ▶ The Strategic Partnerships and Leadership Area was set up to integrate the units responsible for leadership development, employer branding, recruitment and onboarding, and business partnership. The change is to facilitate the management of employee's journey in the organisation and the transfer from talent acquisition to its development and motivation.

Units outside the divisional structure

- ▶ The Models and Data Area, which integrates the Business Intelligence competencies, now reports to the Head of the Digital Transformation Division (outside the divisional structure).
- ▶ The oversight of the Wealth Management Area (a unit of the former Wealth Management and Insurance Division) was taken over by the Head of the Business and Corporate Banking Division (outside the divisional structure).

> Organisational units of the Business Support Centre of Santander Bank Polska S.A. as at 30 June 2025



3. Development of distribution channels of Santander Bank Polska S.A.

The table below presents the main sales channels of Santander Bank Polska S.A. and basic statistics on remote channel users.

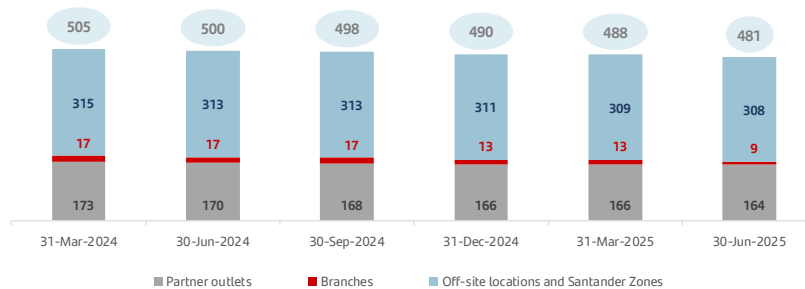
Santander Bank Polska S.A.	30.06.2025	31.12.2024	30.06.2024
Branches (locations)	308	311	313
Off-site locations	1	2	2
Santander Zones (acquisition stands)	8	11	15
Partner outlets	164	166	170
Business and Corporate Banking Centres	6	6	6
Single-function ATMs ¹⁾	119	130	268
Dual-function machines ¹⁾	1,246	1,242	1,121
Registered internet and mobile banking customers ²⁾ (in thousand)	5,253	5,197	5,089
Digital (active) mobile and internet banking customers ³⁾ (in thousand)	3,858	3,765	3,634
Digital (active) mobile banking customers ⁴⁾ (in thousand)	3,242	3,112	2,948
iBiznes24 – registered companies ⁵⁾ (in thousand)	27	26	26

- 1) Network of ATMs of Santander Bank Polska S.A. maintained by specialised operators (following the migration of machines between September 2023 and November 2024).
- 2) Number of customers who signed an electronic banking agreement under which they can use the available products and services remotely.
- 3) Number of active internet and mobile banking users (digital customers) who at least once logged into internet or mobile banking or checked their balance without logging in the last month of the reporting period.
- 4) Number of active mobile banking customers who at least once logged into the mobile application or its light version or checked their balance without logging in the last month of the reporting period.
- 5) Only the customers using iBiznes24 – an electronic platform for business customers (iBiznes24, iBiznes24 mobile and iBiznes24 Connect).

Traditional distribution channels

As at 30 June 2025, Santander Bank Polska S.A. had 308 branches, 1 off-site location, 8 Santander Zones and 164 partner outlets. During the six months of 2025, the number of bank outlets (branches, off-site locations and Santander Zones) decreased by 7, and the number of partner outlets by 2.

Number of branches and partner outlets of Santander Bank Polska S.A. by quarter in 2024 and 2025



Intermediaries network

Indirect distribution channels, whose main role is to acquire new customers, include mainly agents and intermediaries/ brokers.

- In H1 2025, the Bank used the services of external agents (Mobile Agency Network) to offer cash loans, mortgage loans, SME loans, loan insurance, personal and business accounts, and leasing facilities.
- Cooperation with network intermediaries in terms of mortgage loans was centrally managed under nine agreements. The mortgage loan offer did not change, neither did the terms of cooperation between the Bank and brokers.
- As part of a centralised management model, the Bank also collaborated with network and local financial intermediaries in terms of cash loans, SME products and personal accounts

ATMs

As at 30 June 2025, the network of self-service devices of Santander Bank Polska S.A. – provided in co-branding partnership with Euronet and ITCARD – comprised 1,365 units, including 119 ATMs (cash dispense functionality only) and 1,246 dual function machines (cash dispense and deposit functionality) including 1,180 recyclers, i.e. devices enabling withdrawal of cash that has been previously deposited by other customers.

Since November 2024, all machines have been maintained by the above operators under an ATM-as-a-service model. ATMs of Santander Bank Polska S.A. are equipped with a speech-to-text technology, enabling visually impaired customers to make all types of transactions without additional assistance. It is one of the elements of adapting the Bank's processes and procedures to the Polish Accessibility Act. A large number of ATMs also have NFC readers, making it possible for customers to use cards from their digital wallets.

Remote channels

In H1 2025, Santander Bank Polska S.A. further improved the functionality, performance and security of digital contact channels in line with its long-term strategy which is to increase the share of such channels in customer acquisition and sales.

Electronic channel	Selected solutions and improvements introduced in H1 2025
santander.pl	<ul style="list-style-type: none"> ▶ In H1 2025, new solutions were developed to support sales and increase security. <ul style="list-style-type: none"> ▷ The integration of santander.pl with Salesforce was continued and the following features were added to facilitate communication with customers: an option to add deep links (in a mobile version), URLs linked to CTA buttons prompting users to take certain action, and an exit pop-up with a message for users leaving the website. ▷ Work was underway to introduce two-factor authentication and to refine and extend the CSP (Cloud Solution Provider) licence model to maintain a high level of security and high Bitsight ratings. ▶ The implementation of WCAG (Web Content Accessibility Guidelines) was completed. <ul style="list-style-type: none"> ▷ The last stage involved the modification of the individual retirement account calculator and the investment calculator, as well as optimisation of other less frequently used components.
Internet and mobile banking	<ul style="list-style-type: none"> ▶ In H1 2025, the Bank continued to improve and develop its mobile application. The following features were added: standing orders, trusted payees, savings account opening, payment limit management and recurring BLIK payments (the latter two options available to personal customers), investments, Alerty24 settings, games and multimedia and goals for business customers. ▶ Individuals using BLIK payments can now see the code before logging into the application. The limited access to the application during maintenance breaks was extended (customers can view their latest transaction history or the list of tickets bought and parking fees paid). New fixes were also prepared in relation to BLIK payments, transfers, quick view, access to desktop, settings and logout screen.
Santander Open	<ul style="list-style-type: none"> ▶ In March 2025, the scope of payment initiation services available as part of Santander Open was extended to include Velo Bank. Santander Bank Polska S.A. is one of the Polish market leaders in terms of open banking services. The Bank's customers can now integrate their accounts online (AIS) and initiate payments (PIS) in relation to accounts held with any of the following ten banks: Alior Bank, Bank Millennium, BNP Paribas, Credit Agricole, ING Bank Śląski, mBank, Nest Bank, PKO BP, Pekao S.A. and VeloBank. ▶ AIS and PIS are available both in Santander internet and Santander mobile.
Contact Centre (Multichannel Communication Area and Remote Distribution Area)	<p>Service excellence</p> <ul style="list-style-type: none"> ▶ The achievements in H1 2025 included: <ul style="list-style-type: none"> ▷ Top MASS NPS Benchmark for Contact Centre – the highest result in the market over the last five years. ▷ Golden Banker 2025: Second place in the following general rating categories: best helpline services and best email/form/chat services. ▷ Institution of the Year 2024: Third place in the category of the best customer service in remote channels. <p>Selected technological changes</p> <ul style="list-style-type: none"> ▶ New functions were added to the Call Steering mechanism (password reset and advance notification of cash withdrawal). ▶ Short information and educational messages that helpline callers hear before they connect with an advisor were further developed. ▶ An educational fairy tale about cybersecurity was used instead of music on hold. ▶ A new mechanism was put in place for routing helpline callers interested in brokerage products. ▶ A new process was implemented for high net worth individuals enabling them to buy investment products over phone. ▶ A solution was designed whereby customers can ask to be contacted about investments. ▶ In the Online Advisor channel, new transfer groups were added (enabling quick and precise redirection and improving customer experience) and Push notification was implemented (informing customers about a new message from their advisors). ▶ Voice biometrics was abandoned, as a result of which the customer identification process at the Contact Centre is now uniform and more secure by using mobile authorisation and Click2Call. ▶ Procedures were introduced for advisors from the Multichannel Communication Area and the Remote Distribution Area on how to handle users of Moja Firma Plus and iBiznes24. ▶ SME advisors were provided with an option to change transfer limits in the mobile application via the video channel. ▶ The customer identification process related to the payable-on-death designation was improved by implementing video verification. ▶ A browser was created as part of the "Free withdrawals from third party ATMs" offer. ▶ An automated control was put in place in relation to the sale of Locum property insurance and Życie i Zdrowie life insurance. ▶ The scope of application of Speech Analytics (internal tool) was extended to include the monitoring of topics and service quality. <p>Selected process changes</p> <ul style="list-style-type: none"> ▶ Fraud prevention processes were further enhanced, including the ability to unblock access to online banking services without requiring a restart, as well as improvements to processes involving the use of suspected devices. ▶ Customers can update their IDs via phone without the need to visit a branch. ▶ The mobile application can be activated via email. ▶ A new tool was implemented for handling instructions to close an SME account. <p>Selected bot applications</p> <ul style="list-style-type: none"> ▶ Sandi, a chatbot, was launched on the internet banking login page.

Electronic channel	Selected solutions and improvements introduced in H1 2025 (cont.)
Contact Centre (Multichannel Communication Area and Remote Distribution Area) (cont.)	<ul style="list-style-type: none"> ▶ A knowledge base was added to the chatbot, providing answers in Ukrainian and Russian to frequently asked questions from Contact Centre customers. The chatbot is now available on the Bank's webpages in Ukrainian. ▶ The chatbot includes the description of all self-service internet and mobile banking processes and is used to promote remote channels. ▶ The chatbot was launched on 30 subpages of www.santander.pl, including in the contact for SME and Select customers tab. ▶ Voice and IVR voice assistants were implemented on the helplines for Select customers (61 885 86 00 and 1 9999). In H1 2025, 76% of callers were successfully routed to the right advisor based on the spoken phrase.
e-commerce	<ul style="list-style-type: none"> ▶ Santander Bank Polska S.A. develops an e-commerce channel to sell strategic products online. The Bank offers personal accounts, business accounts and cash loans in partnership with affiliate networks in Poland, i.e. the largest online platforms. ▶ The Bank also takes active measures in electronic channels (website, electronic banking platform, mobile application) in relation to existing customers, providing them with tailored products and services.

4. Development of distribution channels of Santander Consumer Bank S.A. (discontinued operations)

The section below presents the main sales channels of Santander Consumer Bank S.A. and basic statistics on remote channel users.

Santander Consumer Bank S.A.	30.06.2025	31.12.2024	30.06.2024
Branches	31	38	38
Partner outlets	235	233	251
Car loan sales partners	291	1,124	1,270
Instalment loan sales partners	5,394	5,638	5,830
Registered internet and mobile banking customers ¹⁾ (in thousand)	1,227	1,270	1,322
Digital (active) mobile and internet banking customers ²⁾ (in thousand)	697	691	729
Digital (active) mobile banking customers ³⁾ (in thousand)	528	491	452

1) Customers who signed an agreement with Santander Consumer Bank S.A. and at least once used the bank's electronic banking system in the reporting period.

2) Number of active internet and mobile banking users (digital customers) who at least once logged into internet or mobile banking or checked their balance without logging in the last month of the reporting period.

3) Number of active mobile banking customers who at least once logged into the mobile application or its light version or checked their balance without logging in the last month of the reporting period.

5. Continued digital transformation

The digital transformation at Santander Bank Polska Group is focused on developing cutting-edge digital banking services, automating processes and increasing security. The key achievements in H1 2025 included: mobile authorisation, implementation of a voice assistant, self-service password reset, development of fraud prevention systems and upgrade of IT infrastructure. The mobile application was further improved, educational campaigns were launched, and credit and payment processes were streamlined. The above measures have translated into higher satisfaction of customers and better service quality.

The table below presents the selected projects delivered by Santander Bank Polska S.A. in H1 2025 in line with the main digital transformation directions.

Initiative	Selected projects delivered in H1 2025
Improvement of availability, reliability and performance of the Bank's systems	<ul style="list-style-type: none"> ▶ A new platform was implemented for authenticating users and authorising transactions in electronic channels. It is part of a bigger project intended to modify the management of the Bank's customers' data. ▶ A new system was deployed for registering electronic banking users, assigning product rights, setting transaction limits and defining payment authorisation paths. The system stores information about customers' profiles, which reduces the failure rate compared to the previous solution. ▶ In Q2 2025, failover tests were successfully completed to validate systems' ability to switch to a backup location in the event of a failure. ▶ The functionality of Santander mobile was further enhanced by adding: <ul style="list-style-type: none"> ▶ a possibility to check transaction history during maintenance breaks; ▶ My Goals service for SME customers (offering various types of savings methods). ▶ A voice assistant was launched on helplines for high net worth customers and customers of Santander Brokerage Poland, automatically routing the call to the right advisor based on a phrase spoken by the customer. This way, customers can get faster access to specialist services. ▶ eDoręczenia, a new electronic contact channel was launched, enabling customers to: <ul style="list-style-type: none"> ▶ send and receive documents and data electronically, without the need to send them in paper form; ▶ receive confirmation of data dispatch and delivery. ▶ A chat was implemented, enabling customers to monitor their arrears and inquire about their debt. This new contact channel facilitates access to information and supports pre-debt collection actions. ▶ The Knowledge Base was expanded to include answers in Ukrainian and Russian to frequently asked questions from Contact Centre customers. The scope of self-service solutions was further extended (card activation, blocking and cancelling, mobile application PIN reset, electronic banking password reset, account opening/ closing). ▶ The Sandi chatbot was launched to support the central mortgage loan application process. Customers can ask about stages of the process and receive a list of necessary documents. ▶ Selected operational processes related to restructuring loans and retail accounts blocked in favour of third parties (e.g. employment offices) were centralised and taken over from branch banking, which increased their effectiveness. ▶ The central migration of customers to the new iBiznes24 (2.0) electronic banking platform, one of the key elements of transformation of services for business customers, was successfully completed.
Enhancement of security of the Bank's systems	<ul style="list-style-type: none"> ▶ In view of growing cyber and fraud risks, the fraud prevention systems were further developed by automating the processes related to suspected transactions and including new vectors of attacks on mobile and desktop devices. It allows the Bank to respond more promptly and provides a higher level of security for customers. ▶ The security of the Bank's infrastructure was further enhanced by implementing new tools to minimise the risk of data leak and optimise network traffic. Employees were provided with more secure login methods and the quality of encryption and integrity of communication were improved. ▶ A range of initiatives were undertaken to increase customers' awareness of cyber risk. Customers received regular educational materials via internet and mobile banking. A refreshed campaign "Don't believe in fairy tales 2.0" was run in social media, featuring animations and posts about the most common cyberthreats. The campaign attracted a lot of interest and reached several million customers and internet users. ▶ Mobile authorisation was enabled for Private Banking customers as the last stage of implementation of a new customer verification mechanism on the Bank's helplines. This push-based mechanism is currently used by mass/SME, Corpo, Select and Private Banking customers. It is offered to users of iBiznes24 2.0 mobile and Santander mobile as part of Santander online, Mini Firma, Moja Firma plus or iBiznes24 package. ▶ Self-service password reset was introduced in Santander internet, enabling customers to quickly and securely recover access to internet banking without the need to contact the helpline. In addition to increasing users' independence, the solution reduces the time to gain access to the account as well as the number of requests made with the helpdesk.

Initiative	Selected projects delivered in H1 2025 (cont.)
Implementation of regulatory requirements	<ul style="list-style-type: none"> ▶ Mechanisms were put in place for sanctions screening of financial instruments using ISIN. The process covers the settlement of customers' transactions and selected orders, including those processed in cooperation with the Central Securities Depository of Poland (KDPW). ▶ EAA (European Accessibility Act): changes were implemented in 253 most critical banking processes, making 22 out of 31 services fully available to people with special needs. Work was underway to adapt other services. ▶ The scope of mandatory insurance of mortgaged properties was extended to include flood risk. Properties located in flood risk zones can no longer be used as security for mortgage loans (KNF requirement). ▶ System changes were introduced in the refinancing process in order to handle customers' post-sales requests related to fixed-rate mortgage loans. ▶ 61 agreements were terminated and all corporate customer accounts in RUB were closed. ▶ As part of implementation of ISO20022, the third round of business tests of Sorbnet3 was completed in partnership with the National Bank of Poland. More than 30% of SWFT messages are now sent in a new MX format (pacs.008), which increases regulatory compliance and confirms that the organisation is ready to fully adopt the new standard.
Automation and optimisation of operational processes	<ul style="list-style-type: none"> ▶ The migration of payment systems to the global payment platform (PagoNxt) was continued. ▶ A solution was introduced to automate the posting of sealed cash deposits to customers' accounts using details from the QR code included on the bank deposit slip. ▶ The process of full cash loan repayment and change of the repayment date was automated. ▶ Mobile authorisation was implemented to confirm the identity of advisors from the early arrears teams. ▶ The BPMS (Business Process Management System) project was continued, as part of which: <ul style="list-style-type: none"> ▶ garnishee order processing was further digitalised; ▶ the scope of the project was extended to include all branches and partner outlets; ▶ the procedure for submitting instructions was simplified; ▶ an option was introduced to track case status in remote channels, including in electronic banking; ▶ branch advisors were provided with a tool (Sandi chatbot) to support the handling of inquiries. ▶ A new bot was implemented to automate the processing of overdue letters of credit, which helped to significantly reduce response times and lower operating costs.

VII. Financial situation after H1 2025

1. Consolidated income statement

Structure of Santander Bank Polska Group's profit before tax

Condensed consolidated income statement of Santander Bank Polska Group in PLN m (for analytical purposes)	H1 2025	H1 2024 Restated data ⁵⁾	Change YoY
Total income	8,010.5	7,425.1	7.9%
- Net interest income	6,353.9	5,911.5	7.5%
- Net fee and commission income	1,471.6	1,385.2	6.2%
- Other income ¹⁾	185.0	128.4	44.1%
Total costs	(2,476.5)	(2,258.6)	9.6%
- Staff, general and administrative expenses	(2,140.4)	(1,948.7)	9.8%
- Depreciation/amortisation ²⁾	(288.8)	(266.1)	8.5%
- Other operating expenses	(47.3)	(43.8)	8.0%
Net expected credit loss allowances	(243.2)	(448.2)	-45.7%
Cost of legal risk connected with foreign currency mortgage loans ³⁾	(818.1)	(1,013.3)	-19.3%
Share in net profit (loss) of entities accounted for by the equity method	58.0	53.1	9.2%
Tax on financial institutions	(410.3)	(377.2)	8.8%
Consolidated profit before tax from continuing operations ⁴⁾	4,120.4	3,380.9	21.9%
Corporate income tax	(1,008.5)	(899.8)	12.1%
Net profit for the period from continuing operations ⁴⁾	3,111.9	2,481.1	25.4%
- Net profit from continuing operations attributable to owners of the parent entity (SBP S.A.) ⁴⁾	3,079.0	2,453.5	25.5%
- Net profit from continuing operations attributable to non-controlling interests	32.9	27.6	19.2%
Net profit (loss) for the period from discontinued operations ⁴⁾	(264.2)	(147.4)	79.2%
Net profit for the period (from continuing and discontinued operations)	2,847.7	2,333.7	22.0%
- Net profit attributable to owners of the parent entity	2,751.6	2,359.7	16.6%
- Net profit (loss) attributable to non-controlling interests	96.1	(26.0)	-469.6%

1) Other income includes total non-interest and non-fee income of the Group comprising the following items of the full income statement: dividend income, net trading income and revaluation, gain/loss on other financial instruments, gain/loss on derecognition of financial instruments measured at amortised cost and other operating income.

2) Depreciation/amortisation includes depreciation of property, plant and equipment, amortisation of intangible assets and depreciation of the right-of-use asset.

3) This line item reflects the raised and released provisions for legal risk and legal claims related to foreign currency mortgage loans. Together with a gain/loss on derecognition of financial instruments measured at amortised cost (included in other income), it presents the total impact of legal risk connected with the above-mentioned loans on the Group's performance in line with the accounting treatment based on IFRS 9. Starting from 1 January 2022, the Group measures and presents legal risk connected with the foreign currency mortgage loan portfolio reducing the gross carrying amount of loans in line with IFRS 9. If there is no exposure to cover the estimated provision (or the existing exposure is insufficient), the provision is recognised in accordance with IAS 37.

4) Due to the classification of SCB S.A. and its subsidiaries as discontinued operations in the current reporting period (in accordance with the criteria laid down in IFRS 5), the profit/loss generated by the above entities is presented separately from continuing operations in the consolidated income statement of Santander Bank Polska Group for the 6-month period ended 30 June 2025.

5) The data for the six-month period ended 30 June 2024 were restated in line with the presentation of continuing and discontinued operations in the current period.

Comparability of periods

Discontinued and continuing operations

With the consent from the Bank's Management Board and Supervisory Board, on 16 June 2025 Santander Bank Polska S.A. signed a preliminary agreement with Santander Consumer Finance S.A. on the sale of 3,120k shares in Santander Consumer Bank S.A. representing 60% of the share capital and voting power for the total price of PLN 3,105m.

For the purpose of the transaction, on 13 June 2025 an independent fairness opinion was obtained regarding the financial terms of the potential transaction.

For more information about the above transaction and its background, please see Chapter I "Overview of Santander Bank Polska Group performance in H1 2025", Section 4 "Corporate events".

As at 30 June 2025, Santander Consumer Bank S.A. and its subsidiaries were classified as group assets held for sale and discontinued operations because according to the Management Board of Santander Bank Polska S.A. the classification criteria specified in IFRS 5 Non-current Assets Held for Sale and Discontinued Operations were met. The assets related to the activities of Santander Consumer Bank S.A. and its subsidiaries are available for immediate sale in their present condition. The closing of the transaction is subject to obtaining the required regulatory approvals, in particular the consent of the Polish Financial Supervision Authority (KNF), which the Management Board deems highly probable. The transaction is expected to be completed within 12 months.

The discontinued operations of Santander Consumer Bank Group form a separate material business segment of Santander Bank Polska Group held for sale. The activities of this segment focus on selling products and services to personal and business customers (including car loans, credit cards, cash loans, instalment loans and leases). The offer of this segment also includes term deposits and insurance products linked to credit facilities.

The discontinued operations are presented in the income statement for the 6-month period ended 30 June 2025 separately from the continuing operations under "Consolidated net profit (loss) for the period from discontinued operations", a line item which aggregates all profit components related to the group assets held for sale.

Following the separation of the discontinued operations, the comparative data (for the 6-month period ended 30 June 2024) were restated in the income statement for H1 2025 as if the operations were discontinued at the start of the comparative period.

The part of the business of Santander Bank Polska Group which is not intended for divestment represents continuing operations.

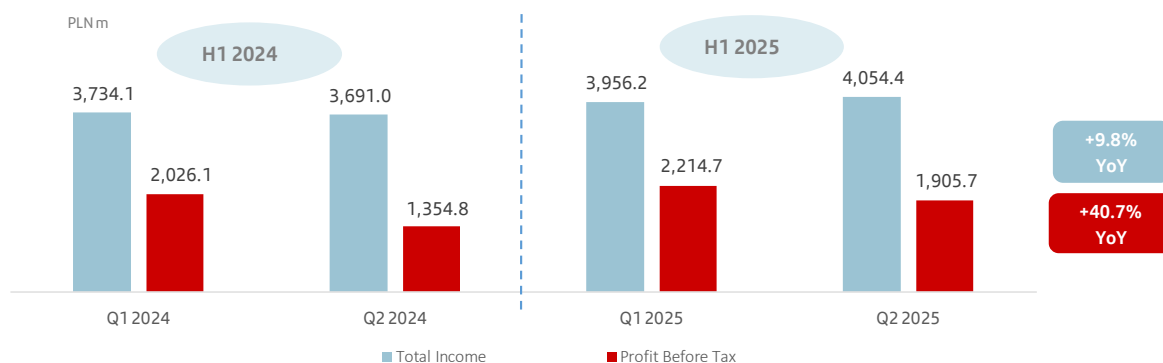
Continuing operations

The profit before tax of Santander Bank Polska Group from continuing operations for the 6-month period ended 30 June 2025 was PLN 4,120.4m, up 21.9% YoY. The profit attributable to owners of the parent entity increased by 25.5% YoY to PLN 3,079.0m.

The table presented in the "Comparability by continuing operations" section below contains the selected items of the income statement of Santander Bank Polska Group as part of continuing operations which affect the comparability of the analysed periods. After the relevant adjustments:

- the underlying profit before tax from continuing operations increased by 7.5% YoY;
- the underlying profit from continuing operations attributable to owners of the parent entity went up by 7.4% YoY.

The Group's total income and profit before tax from continuing operations by quarter in the first half of 2024 and 2025



Discontinued operations

In H1 2025, the profit before tax related to the divestment of Santander Consumer Bank S.A. and its subsidiaries was PLN 193.3m, up PLN 368.0m YoY. After the corporate income tax of PLN 457.5m, the loss for the period from discontinued operations was PLN 264.2m, up 79.2% YoY. The corporate income tax reflects the cost of a deferred tax liability of PLN 399.5m resulting from the difference between the carrying amount and tax base of the shares of Santander Consumer Bank S.A. The above liability will be settled by Santander Bank Polska S.A. upon the sale.

Continuing and discontinued operations

The total consolidated net profit of Santander Bank Polska Group from continuing and discontinued operations for the 6-month period ended 30 June 2025 was PLN 2,847.7m, up 22.0% YoY. The profit attributable to owners of the parent entity increased by 16.6% YoY to PLN 2,751.6m.

Comparability as part of continuing operations
Selected items of the income statement affecting the comparability of periods as part of continuing operations

	H1 2025	H1 2024
Cost of legal risk connected with foreign currency mortgage loans of Santander Bank Polska S.A. <i>(dedicated income statement item)</i>	▶ PLN 818.1m	▶ PLN 1,013.3m
Contributions to the BFG (guarantee fund and resolution fund) made by Santander Bank Polska S.A. <i>(general and administrative expenses)</i>	▶ PLN 313.2m (including a contribution of PLN 41.7m to the guarantee fund)	▶ PLN 233.1m (excluding a contribution to the guarantee fund, which was suspended in 2023-2024)
Negative adjustment to interest income on mortgage loans due to statutory solution known as payment holidays <i>(interest income)</i>	▶ Not applicable	▶ PLN 134.5m – a one-off adjustment for payment holidays for PLN mortgage borrowers in 2024 subject to specific eligibility criteria
Negative impact of changes to the criteria of a significant increase in credit risk <i>(net expected credit loss allowances)</i>	▶ Not applicable	▶ PLN 124.5m – a rise in expected credit loss allowances resulting from the extension of quantitative criteria for identifying a significant increase in credit risk and determining the classification of exposures to Stage 2

Determinants of consolidated profit before tax from continuing operations in H1 2025

CHANGES IN THE KEY COMPONENTS OF THE CONSOLIDATED PROFIT BEFORE TAX FROM CONTINUING OPERATIONS FOR H1 2025 VS H1 2024



During the first six months of 2025, Santander Bank Polska Group (excluding Santander Consumer Bank S.A. and its subsidiaries) reported an increase of 7.5% YoY in net interest income from continuing operations and a decline in net interest margin. Loans and advances, the major growth driver, rose YoY along with higher demand for consumer loans, w/c finance and investment facilities. On the other hand, lower interest rates negatively affected the variable-rate loan portfolio liquidity surplus investments. The value of the debt securities portfolio also increased significantly YoY, as did net interest income generated by those assets.

Net fee and commission income from continuing operations grew by 6.2% YoY, mainly due to the Group's activities in the stock, investment fund and currency markets in a favourable economic environment, which translated into higher net income from brokerage fees, distribution and asset management fees, and FX fees. Net income from insurance, card and guarantee fees increased YoY too.

The consolidated profit before tax was also positively affected by other non-interest and non-fee income, which grew by PLN 56.6m due to net trading income and revaluation (+PLN 56.1m) and gain on derecognition of financial instruments measured at amortised cost (+PLN 21.2m), reflecting settlements with foreign currency mortgage loan borrowers.

The Group's profitability was also positively impacted by lower costs of legal risk connected with foreign currency mortgage loans (-19.3% YoY).

Net expected credit loss allowances decreased by 45.7% YoY due to a high base in the comparative period, which reflected a PLN 124.5m increase in allowances resulting from the remeasurement triggered by changes in the criteria for identifying a significant increase in credit risk of retail and SME portfolios of Santander Bank Polska S.A. The risk profile of the Group's credit portfolios remains good and stable.

On the other hand, the Group's profitability was reduced mainly by a 9.8% YoY increase in staff, general and administrative expenses, reflecting higher amounts payable to the BFG due to higher resolution fund contribution and reinstated guarantee fund contribution, as well as the salary review and growing operating expenses in respect of third party services, consultancy and advisory fees and use of IT systems.

Profit before tax of Santander Bank Polska Group from continuing operations by contributing entities

Components of Santander Bank Polska Group's profit before tax from continuing operations in PLN m (by contributing entities)

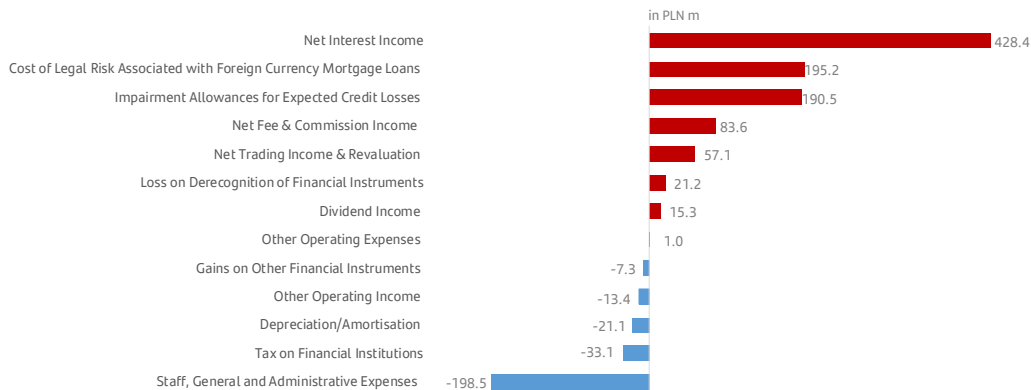
	H1 2025	H1 2024	Change YoY
Santander Bank Polska S.A.	4,055.7	3,336.9	21.5%
Subsidiaries:	178.2	147.9	20.5%
Santander Towarzystwo Funduszy Inwestycyjnych S.A.	81.4	68.3	19.2%
Santander Finanse Sp. z o.o. and its subsidiaries (Santander Leasing S.A., Santander Factoring Sp. z o.o., Santander F24 S.A.)	96.7	78.8	22.7%
Santander Inwestycje Sp. z o.o.	0.1	0.8	-87.5%
Equity method valuation	58.0	53.1	9.2%
Elimination of dividends received by Santander Bank Polska S.A.	(171.5)	(157.0)	9.2%
Profit before tax from continuing operations	4,120.4	3,380.9	21.9%

Santander Bank Polska S.A. (parent entity of Santander Bank Polska Group)

The profit before tax of Santander Bank Polska S.A. was PLN 4,055.7m, up 21.5% YoY.

Changes to the components of the profit before tax earned by the Bank are presented below.

Year-on-year changes in the main items of the income statement of Santander Bank Polska S.A. for H1 2025 in absolute numbers



Changes in the main components of the standalone profit reflect the trends relating to the consolidated profit. Similarly to the Group, the Bank's profit before tax was positively affected by net interest income, cost of legal risk connected with foreign currency mortgage loans, net expected credit loss allowances, net fee and commission income, net trading income and revaluation, dividend income and gain on derecognition of financial instruments measured at amortised cost. The increases in the above-mentioned items were partly offset by a negative impact of changes in staff, general and administrative expenses, tax on financial institutions, amortisation/depreciation, other operating income and gain/loss on other financial instruments.

Subsidiaries

In the segment of continuing operations, the subsidiaries consolidated by Santander Bank Polska S.A. reported a profit before tax of PLN 178.2m, up 20.5% YoY on account of stronger performance of Santander Towarzystwo Funduszy Inwestycyjnych S.A. as well as leasing and factoring companies controlled by Santander Finanse Sp. z o.o.

Santander TFI S.A.

The profit before tax of Santander TFI S.A. for H1 2025 increased by 19.2% YoY to PLN 81.4m, as a result of 11.9% YoY higher net fee and commission income. Asset management fees, the main contributor, grew YoY along with a rise in the average assets under management, reflecting a positive change in the value of investment fund units and sound net sales of investment funds. Another growth driver was a margin increase resulting from a higher management fee introduced on 1 March 2025 in relation to two short-term debt sub-funds and Santander Prestiż Calm Investment, whose combined assets accounted for more than 40% of total net assets managed by Santander TFI S.A. Meanwhile, net income from success fees went down, as an effect of a high base resulting from solid rates of return generated by the funds last year. The company also reduced its staff, general and administrative expenses due to staff downsizing and the release of an unused portion of the bonus accrual.

Companies controlled by Santander Finanse sp. z o.o.

Profit before tax posted by companies controlled by Santander Finanse Sp. z o.o. went up by 22.7% YoY to PLN 96.7m.

- Total profit before tax of Santander Leasing S.A., Santander Finanse Sp. z o.o. and Santander F24 S.A. for the six months of 2025 grew by 35.2% YoY to PLN 64.3m. Strong sales generated in H1 2025 triggered an increase in lease receivables (+9.2% YoY), net interest income (+8.2% YoY) and net insurance income (+9.8% YoY). Another contributing factor was a decrease in the negative balance of net expected credit loss allowances (-31.0% YoY). The quality of the lease portfolio remained high, with the NPL ratio of 3.43% (-0.36 p.p. YoY). The positive financial impact of the above trends was partly offset by higher costs of synthetic securitisation resulting from a new project launched in December 2024.
- The profit before tax posted by Santander Factoring Sp. z o.o. increased by 3.7% YoY to PLN 32.4m, reflecting 8.3% higher net interest income from a growing portfolio of factoring receivables. At the same time, net allowances made by the company for H1 2025 were positive due to the release of a significant amount of provisions in Q2 2025. The loss recorded under net fee and commission income increased YoY due to higher costs of transactions made under the Risk Participation Agreement. Furthermore, in H1 2025 the company reported a YoY increase in operating expenses on account of higher staff expenses (annual salary review), higher general and administrative expenses (legal services) and amortisation of intangibles (software investments).

Discontinued operations related to SCB Group

The profit before tax from discontinued operations (i.e. Santander Consumer Bank Group classified as assets held for sale) for the 6-month period ended 30 June 2025 was PLN 193.3m and increased by PLN 368.0m as a combined effect of:

- A 13.5% YoY increase in net interest income to PLN 863.6m driven by growth of the credit portfolio and favourable changes in its structure (a higher share of high-margin products and a lower share of instalment and mortgage loans).
- A 36.6% YoY decrease in net fee and commission income to PLN 44.9m (despite higher net insurance income) resulting from higher costs of securitisation.
- A 66.0% YoY increase in other non-interest and non-fee income to PLN 44.6m reflecting improvement in gain on other financial instruments, gain on derecognition of financial instruments measured at amortised cost and other operating income.
- A 13.3% YoY rise in negative balance of net expected credit loss allowances to PLN 184.8m, caused mainly by the modification of the model for identification of a significant increase in credit risk (SICR) of credit exposures, resulting in an additional allowance. In H1 2025, Santander Consumer Bank Group sold credit receivables of PLN 264.9m at a profit before tax of PLN 55.7m. Last year, it sold the portfolio of PLN 408.1m, with a positive P&L impact of PLN 50.3m gross.
- A 2.5% YoY increase in operating expenses to PLN 327.0m due to higher general and administrative expenses, and higher other operating expenses.
- Downward revision of the cost of legal risk connected with foreign currency mortgage loans to PLN 226.9m (-57.4% YoY).

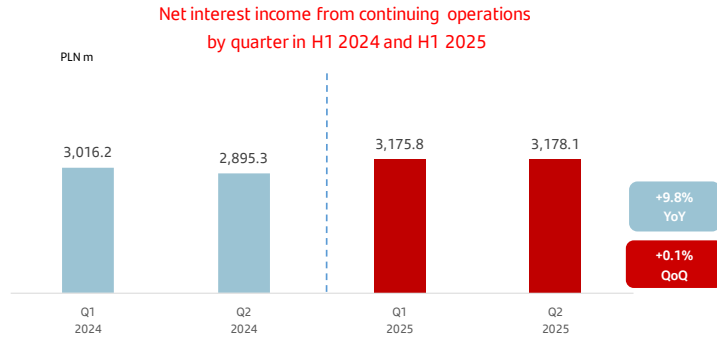
Structure of Santander Bank Polska Group's profit before tax

Total income

Total income from continuing operations earned by Santander Bank Polska Group for H1 2025 increased by 7.9% YoY to PLN 8,010.5m.

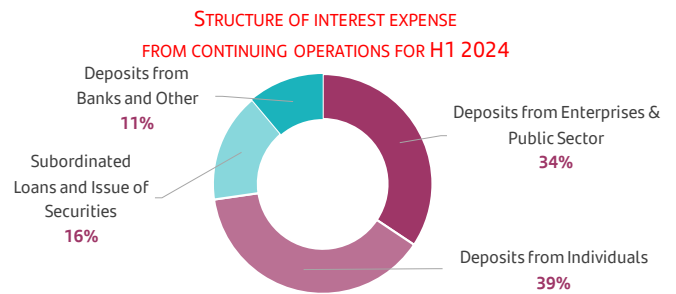
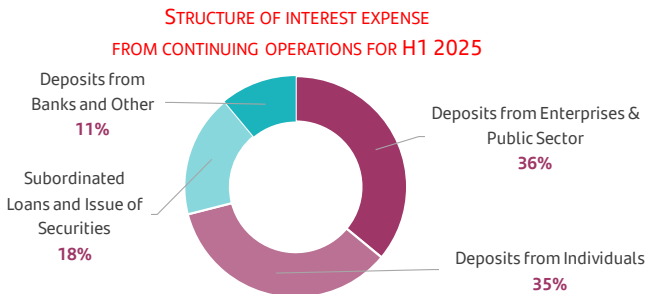
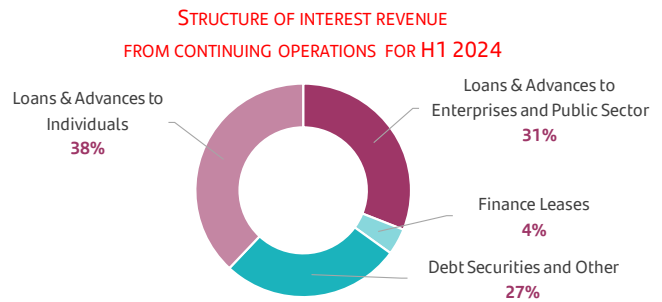
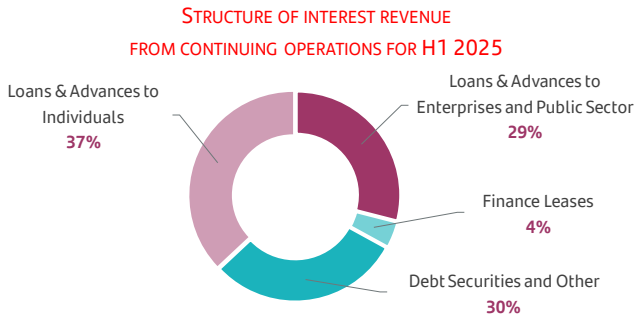
Net interest income

In the segment of continuing operations, net interest income for the first six months of 2025 totalled PLN 6,353.9m and was up 7.5% YoY as a result of higher business volumes generated in an economic environment conducive to monetary policy easing. In May 2025, the Monetary Policy Council cut NBP interest rates by 50 b.p.

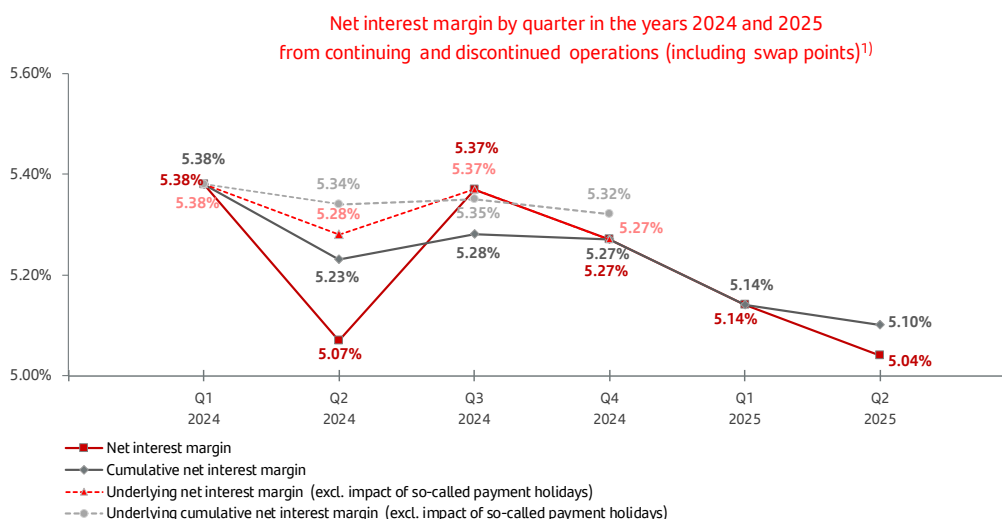


The Group's interest income for the six months of 2025 totalled PLN 8,724.6m and was up 8.8% YoY, mainly supported by debt securities portfolios and loans and advances to personal customers.

Meanwhile, interest expense grew by 12.3% YoY to PLN 2,370.7m on account of the Group's main liabilities portfolios, in particular deposits from enterprises and the public sector, subordinated liabilities and liabilities in respect of debt securities in issue and repurchase transactions.



On a comparative basis (i.e. excluding the impact of payment holidays on Q2 2024), the net interest margin of Santander Bank Polska Group from continuing and discontinued operations annualised on a quarterly basis was 5.04% in Q2 2025 vs 5.28% in Q2 2024 (down 0.24 p.p. YoY and 0.10 p.p. QoQ). The corresponding net interest margin from continuing operations for Q2 2025 was 4.89% and lower by 0.20 p.p. YoY and 0.06 p.p. QoQ.



1) The calculation of the net interest margin of Santander Bank Polska S.A. takes account of swap points allocation from derivative instruments used for the purpose of liquidity management but excludes interest income from the portfolio of debt securities held for trading and other exposures connected with trading.

The net interest margin from continuing and discontinued operations annualised on a Ytd basis was 5.10%, down 0.24 p.p. YoY on a comparative basis. The corresponding net interest margin from continuing operations was 4.94% and decreased in nominal terms to the extent comparable to the margin calculated for the Group in its to-date composition.

This decline originated in the period of growth of the Group's key business volumes and reflects the expected evolution of market interest rates and adjustment measures taken by the Group (including the management of prices of assets and liabilities).

On a comparative basis (i.e. taking into account Santander Consumer Bank Group classified as assets held for sale), the finance lease receivables of Santander Bank Polska Group increased by 9.1% YoY, loans and advances to enterprises and the public sector grew by 6.8% YoY, and loans and advances to personal customers were up 4.7% YoY. The carrying amount of debt investment financial assets measured at amortised cost increased by 49.5%. At the same time, deposits from individuals and from enterprises and the public sector grew dynamically by 9.0% YoY and 12.2% YoY, respectively (both term deposits and current account balances). The above retail assets and deposits increased on a quarterly basis too.

Net fee and commission income

Net fee and commission income from continuing operations (PLN m)

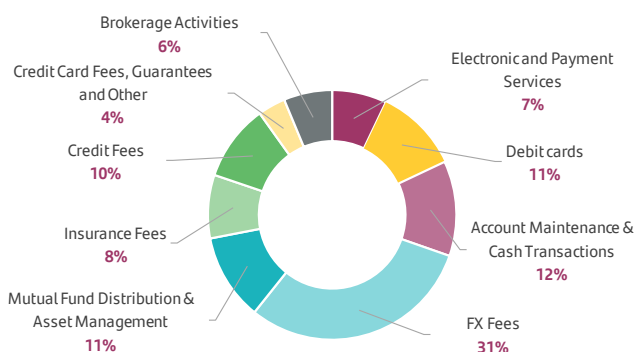
	H1 2025	H1 2024	Change YoY
FX fees	448.0	426.4	5.1%
Account maintenance and cash transactions	181.7	187.5	-3.1%
Credit fees ¹⁾	146.3	159.3	-8.2%
Asset management and distribution	164.5	143.2	14.9%
Insurance fees	121.1	115.0	5.3%
Debit cards	160.0	153.8	4.0%
Electronic and payment services ²⁾	104.1	103.1	1.0%
Brokerage activities	92.5	71.3	29.7%
Credit cards	40.8	39.4	3.6%
Guaranties and sureties	46.9	38.7	21.2%
Other fees ³⁾	(34.3)	(52.5)	-34.7%
Total	1,471.6	1,385.2	6.2%

1) Net fee and commission income from lending, factoring and leasing activities which is not amortised to net interest income. This line item includes, among other things, the cost of credit agency.

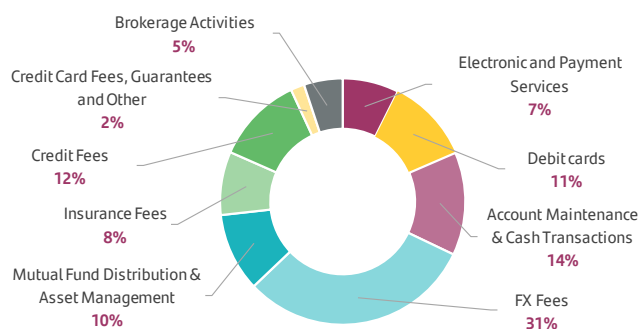
2) Fees for payments (foreign and mass payments, Western Union transfers), trade finance, services for third party institutions as well as other electronic and telecommunications services.

3) Issue arrangement fees, brokerage fees, fees paid to other banks and other fees.

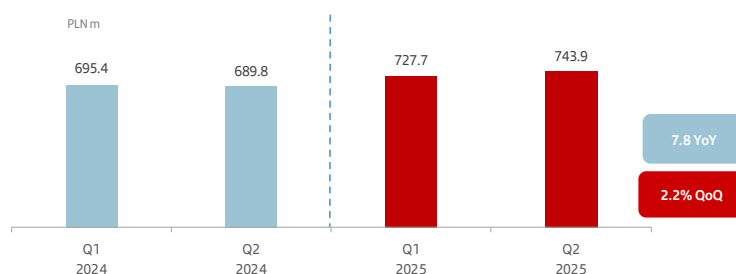
Net fee & commission income structure in H1 2025 from continuing operations



Net fee & commission income structure in H1 2024 from continuing operations



Net fee & commission income by quarter from continuing operations in H1 2024 and H1 2025

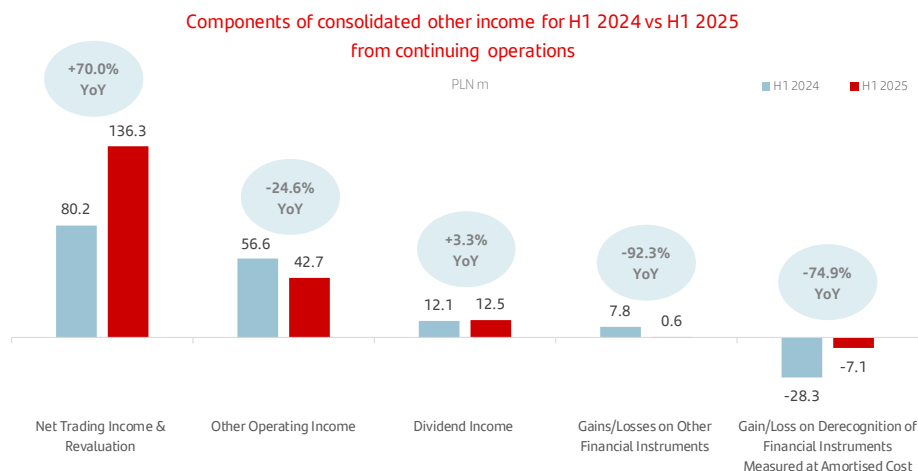


Net fee and commission income for H1 2025 was PLN 1,471.6m and increased by 6.2% YoY on account of the Group's diversified operations, including activities in the investment fund, stock and foreign exchange markets, with higher rates of return generated in the reporting period.

The key changes to net fee and commission income items were as follows:

- Net FX fee income increased by 5.1% YoY mainly on account of higher turnover, accompanied by a slight decline in average quotations. Higher FX transaction volumes were reported in both electronic and traditional channels.
- Net fee and commission income from distribution and asset management grew by 14.9% YoY on account of higher income from fees collected by Santander TFI S.A. for fund asset management, resulting from a higher average value of net assets driven by solid sales growth and a positive change in the value of fund units. Income from asset management fees was also supported by a margin increase resulting from a higher management fee introduced on 1 March 2025 in relation to two short-term debt sub-funds and Santander Prestiż Calm Investment, whose combined assets accounted for more than 40% of total net assets managed by Santander TFI S.A.
- A 5.3% YoY increase was reported under the insurance line item, reflecting higher net income from insurance activities of Santander Leasing S.A. At the same time, Santander Bank Polska S.A. posted higher YoY net fee income from the life and health insurance (Życie i zdrowie), a key product not linked to standard banking products offered by the Bank.
- Net income from brokerage activities increased at a rate of 29.7% YoY, reflecting positive trends in global equity markets. The economic situation in Poland encouraged foreign investors to be more active on the Warsaw Stock Exchange. Turnover generated by domestic individual investors, including customers of Santander Brokerage House, also reached a satisfactory level. It was supported by increased volatility in April due to political and macroeconomic events, and also new record highs of the WIG index observed in Q2 2025.
- Net fee and commission income from guarantees and sureties was up 21.2% YoY as a combined effect of higher income from guarantee activities and higher costs related to new securitisation projects launched in 2024.
- The loss recorded under other fees and commissions decreased YoY as an effect of a high expense base connected with cash loan sales.
- Credit fees declined by 8.2% YoY due to an increase in costs of credit agency (arising from extension of the cooperation with the network of agents) exceeding a rise in fee and commission income from customer finance.
- Other changes in net fee and commission income reflected standard business operations.

Non-interest and non-fee income



Non-interest and non-fee income of Santander Bank Polska Group from continuing operations presented above totalled PLN 185.0m and was up 44.1% YoY on account of changes in the following components:

- Net trading income and revaluation increased by PLN 56.1m YoY to PLN 136.3m, reflecting a rise of PLN 65.1m YoY to PLN 129.0m in the total gain on trading in debt and equity financial assets measured at fair value through profit or loss on account of an increased market-making activity of Santander Brokerage Poland in relation to equity instruments. A gain on transactions in derivative and FX markets decreased from PLN 14.9m in H1 2024 to PLN 6.8m in H1 2025. The weaker result on trading in derivatives was largely offset by a higher gain on transactions used by the Bank to manage FX liquidity.
- A gain on other financial instruments totalled PLN 0.6m and was down 92.3% YoY on account of lower gain on hedging and hedged instruments (-PLN 7.3m YoY), with a stable gain on the sale of debt investment financial assets measured at fair value through other comprehensive income (i.e. treasury bonds), which totalled PLN 5.7m in both periods.
- Other operating income was PLN 42.7m and fell by 24.6% YoY due to the release of lower amounts of provisions for legal claims and other assets.
- The Group reported a loss of PLN 7.1m on derecognition of financial instruments measured at amortised cost vs a loss of PLN 28.3m in the corresponding period last year. This line item includes mainly the financial result of voluntary settlements with CHF home loan borrowers, which brought in a loss of PLN 8.8m in H1 2025 (down PLN 22.0m YoY). In the current reporting period, Santander Bank Polska S.A. made 952 settlements, both pre-court and post-court (10,453 by the end of June 2025). As part of the settlement, the loan is converted to PLN and/or a method is determined to settle the liabilities arising from the loan agreement. The settlement terms are individually negotiated with customers.

Expected credit loss allowances

Net expected credit loss allowances on loans and advances measured at amortised cost from continuing operations (PLN m)	Stage 1		Stage 2		Stage 3		POCI		Total	Total
	H1 2025	H1 2024	H1 2025	H1 2024	H1 2025	H1 2024	H1 2025	H1 2024	H1 2025	H1 2024
Allowance on loans and advances to banks	-	-	-	-	-	-	-	-	-	-
Allowance on loans and advances to customers	156.9	(3.6)	(295.7)	(328.4)	(162.2)	(175.4)	46.0	52.0	(255.0)	(455.4)
Recoveries of loans previously written off	-	-	-	-	5.4	6.3	-	-	5.4	6.3
Allowance on off-balance sheet credit liabilities	15.1	(4.2)	3.9	(14.6)	(12.6)	19.7	-	-	6.4	0.9
Total	172.0	(7.8)	(291.8)	(343.0)	(169.4)	(149.4)	46.0	52.0	(243.2)	(448.2)

In H1 2025, the charge made by Santander Bank Polska Group to the income statement on account of net expected credit loss allowances related to continuing operations was PLN 243.2m, down 45.7% YoY.

The decrease in net impairment allowances for the credit portfolio is mainly an effect of a high base in the comparative period resulting from the modification of the criteria for identification of a significant increase in credit risk at Santander Bank Polska S.A. The new criteria were implemented in Q2 2024 in relation to retail and SME portfolios, resulting in the classification of PLN 7.0bn worth of loans and advances to stage 2 and a rise of PLN 124.5m in expected credit loss allowances.

The lower level of net expected credit loss allowances is also attributed to positive economic trends which positively affect the condition of the credit portfolios and revision parameters. No significant one-off items affecting the level of allowances were reported in the analysed period.

In H1 2025, Santander Bank Polska S.A. sold credit receivables of PLN 817.8m, at a profit before tax of PLN 62.9m. In the same period last year, the Bank sold credit receivables of PLN 357.1m, generating a profit before tax of PLN 75.1m.

The cost of credit risk related to the continuing operations of Santander Bank Polska Group was 0.33% for the first six months of 2025. Taking into account Santander Consumer Bank Group, the consolidated cost of credit risk related to the continuing and discontinued operations was 0.45% and decreased compared to the previous quarter (0.57%) and the corresponding period last year (0.70%).

The Group steadily monitors its credit portfolio and the impact of the current macroeconomic and geopolitical situation on risk levels, adjusting credit ratings and classification of exposures to individual stages accordingly. The quality of credit portfolios is considered to be good and the key risk indicators are stable.

Total costs

Total costs (PLN m)	H1 2025	H1 2024	Change YoY
Staff, general and administrative expenses, of which:	(2,140.4)	(1,948.7)	9.8%
- Staff expenses	(1,092.2)	(1,018.1)	7.3%
- General and administrative expenses	(1,048.2)	(930.6)	12.6%
Depreciation/amortisation	(288.8)	(266.1)	8.5%
- Depreciation of property, plant and equipment and amortisation of intangible assets	(219.2)	(197.5)	11.0%
- Depreciation of the right-of-use asset	(69.6)	(68.6)	1.5%
Other operating expenses	(47.3)	(43.8)	8.0%
Total costs	(2,476.5)	(2,258.6)	9.6%

In H1 2025, total operating expenses of Santander Bank Polska Group related to continuing operations increased by 9.6% YoY to PLN 2,476.5m on account of inflation, salary review, higher contributions to the Bank Guarantee Fund, higher costs of third party services and IT systems as well as increased depreciation/ amortisation of property, plant and equipment and intangible assets.

As total costs grew by 9.6% YoY and total income by 7.9% YoY, the cost to income ratio related to continuing operations increased slightly to 30.9% in H1 2025 from 30.4% in H1 2024. The corresponding ratios for the Bank were 30.0% and 29.4%, respectively.

Total operating expenses related to continuing and discontinued operations were PLN 2,803.5m and increased by 8.8% YoY, including a 8.9% YoY rise in staff, general and administrative expenses to PLN 2,391.0m. The consolidated cost to income ratio (including Santander Consumer Bank Group) was 31.3% vs 31.1% in the comparative period.

Staff expenses

In H1 2025, staff expenses related to continuing operations totalled PLN 1,092.2m and increased by 7.3% YoY. The average employment was relatively stable in both periods. The main components of staff expenses, i.e. salaries, bonuses and statutory deductions from salaries, went up by 7.5% YoY to PLN 1,054.9m on account of the salary review in Q4 2024 and higher accruals for employee bonuses. The costs related to the Group's long-term share-based incentive plan (Incentive Plan VII) were PLN 33.5m vs PLN 38.8m last year.

General and administrative expenses

In H1 2025, general and administrative expenses related to continuing operations went up by 12.6% YoY to PLN 1,048.2m.

Amounts payable to market regulators (BFG, KNF and KDPW) totalled PLN 334.9m and were up 32.7% YoY due to the reinstatement (after two years) of a quarterly contribution to the BFG guarantee fund totalling PLN 41.7m and recognition of 16.5% YoY higher annual contribution to the BFG bank resolution fund, which totalled PLN 271.4m in accordance with the BFG Council's resolution of 21 March 2025. Total contributions made by the Group to the BFG were PLN 313.2m, up 34.4% YoY.

Excluding the mandatory contributions to the BFG, the Group's general and administrative expenses increased by 5.4% YoY, mainly on account of higher cost of IT systems, consultancy and advisory services, other third party services, and marketing and entertainment.

- The cost of IT systems went up by 9.7% YoY on account of licence fees and multiple projects.
- Consultancy and advisory fees rose by 7.7% YoY, reflecting higher costs of legal services and support for projects delivered by the Group (including the ones related to CRM solutions).
- The costs of other third party services were up 12.0% YoY due to, among other things, the outsourcing of banking operations which used to be performed in-house and generated costs in other line items (payment handling, ATM maintenance, alerts, AML/CFT processes).
- Costs of marketing and entertainment increased by 5.3% YoY on account of extensive advertising campaigns.

In the case of outsourced ATM maintenance services, the increase in the costs of third party services was accompanied by a reduction in the costs of cars, transport and cash-in-transit services (-29.2% YoY). A clear decrease was reported in the costs of maintenance of premises (-6.4% YoY) and in the costs of short-term leases (-23.7% YoY) resulting from optimisation of the branch network. Savings were also generated under a new power purchase contract.

Tax and other charges

Tax on financial institutions in the segment of continuing operations totalled PLN 410.3m in H1 2025 and was up 8.8% YoY, reflecting a YoY increase in assets (including loans and advances) and a YoY rise in the portfolio of treasury securities lowering the tax base.

Corporate income tax on continuing operations was PLN 1,008.5m and effectively lower (decrease from 26.6% in H1 2024 to 24.5% in H1 2025) as a result of a 21.9% increase in profit before tax and a rise in contributions to the BFG and in tax on financial institutions, partly offset by a decrease in costs of legal risk connected with foreign currency mortgage loans.

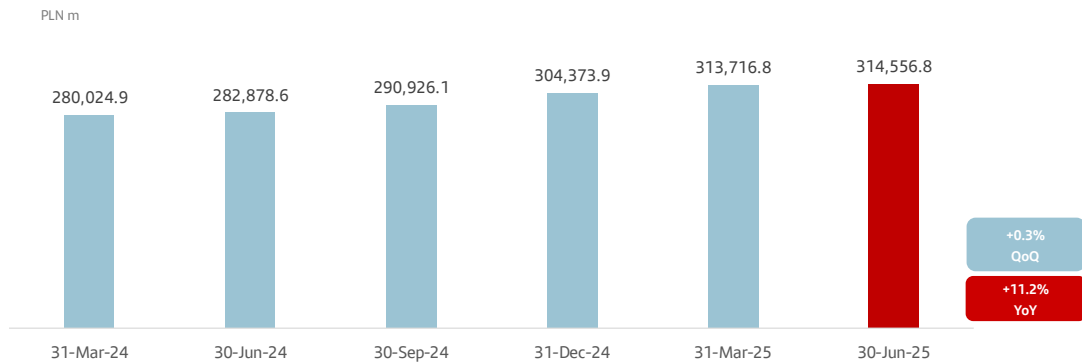
Corporate income tax on discontinued operations was PLN 457.5m. The tax includes a deferred tax liability arising from the difference between the carrying amount and the tax base of the shares of Santander Consumer Bank S.A. held for sale. In relation to the sale of shares in SCB S.A., the tax deductible acquisition cost was set on the basis of the share exchange: the nominal value of own shares issued at the time of the acquisition was taken as the acquisition cost for the purpose of determining the taxable income from the sale of shares in SCB S.A.

2. Consolidated statement of financial position

Consolidated assets

As at 30 June 2025, the total assets of Santander Bank Polska Group were PLN 314,556.8m, up 11.2% YoY and 3.3% Ytd, mainly on account of loans and advances to customers and investment financial assets. The value and structure of the Group's financial position is determined by the parent entity, which held 90.4% of the consolidated total assets vs 90.7% as at the end of December 2024 and 90.8% as at the end of June 2024.

Total consolidated assets at the end of consecutive quarters in 2024 and 2025



Comparability of periods

Group assets classified as held for sale and discontinued operations

In the statement of financial position as at 30 June 2025, the assets of a disposal group were presented separately from other assets under assets of a disposal group classified as held for sale. Corresponding liabilities were presented separately under liabilities directly related to assets of a disposal group classified as held for sale.

Major assets and liabilities disclosed under the two above-mentioned line items as at 30 June 2025 are presented in Note 32 Discontinued operations to the Condensed Interim Consolidated Financial Statements of Santander Bank Polska Group for the 6-month period ended 30 June 2025.

Pursuant to IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, the comparative data (as at 31 December 2024 and 30 June 2024) in the statement of financial position as at 30 June 2025 have not been restated.

Apart from presenting balance sheet data as at 30 June 2025 in the format required by IFRS 5, the tables below include comparative pro forma data, taking into account the assets and liabilities of Santander Consumer Bank Group for sale, which enables the readers to assess the development of the business activity of Santander Bank Polska Group (in its to-date composition) during the last six months and the last year.

Structure of consolidated assets

Assets in PLN m (for analytical purposes)	30.06.2025 ⁴⁾	Structure		31.12.2024	Structure		30.06.2024		Change (%)	Change (%)
	Pro forma data	30.06.2025 ⁵⁾	30.06.2025	Restated data ²⁾	31.12.2024	Restated data ²⁾	30.06.2024	30.06.2024		
	1	2	3	4	5	6	7	1/4	1/6	
Loans and advances to customers	179,174.3	159,236.7	50.6%	174,776.3	57.4%	168,374.9	59.5%	2.5%	6.4%	
Investment financial assets	80,585.3	74,496.3	23.7%	70,917.0	23.3%	63,567.5	22.5%	13.6%	26.8%	
Assets of a disposal group classified as held for sale/ Non- current assets held for sale ¹⁾	1.7	27,456.5	8.7%	5.4	0.0%	5.5	0.0%	-68.5%	-69.1%	
Cash and cash equivalents ²⁾	21,758.3	21,526.2	6.8%	29,003.5	9.5%	25,714.9	9.1%	-25.0%	-15.4%	
Financial assets held for trading and hedging derivatives	15,880.2	15,880.2	5.1%	10,749.3	3.5%	7,960.4	2.8%	47.7%	99.5%	
Loans and advances to banks	3,822.1	3,822.1	1.2%	4,031.2	1.3%	2,239.4	0.8%	-5.2%	70.7%	
Property, plant and equipment, intangible assets, goodwill and right-of-use assets	3,931.7	3,640.2	1.2%	3,975.9	1.3%	3,879.2	1.4%	-1.1%	1.4%	
Reverse sale and repurchase agreements and assets pledged as collateral	3,220.2	3,220.2	1.0%	5,674.3	1.9%	6,051.1	2.1%	-43.2%	-46.8%	
Other assets ³⁾	6,183.0	5,278.4	1.7%	5,241.0	1.8%	5,085.7	1.8%	18.0%	21.6%	
Total	314,556.8	314,556.8	100.0%	304,373.9	100.0%	282,878.6	100.0%	3.3%	11.2%	

1) In accordance with the classification criteria laid down in IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, as at 30 June 2025 Santander Consumer Bank S.A. and its subsidiaries were classified as disposal group assets held for sale and presented as a separate line item together with other non-current assets held for sale.

2) In line with the guidelines of the IFRS Interpretations Committee and requirements of IAS 7 Statement of Cash Flows and IAS 1 Presentation of Financial Statements, since 31 March 2025 Santander Bank Polska Group has presented the category of cash and cash equivalents, which apart from cash and balances with central banks includes financial assets with original maturity of up to three months. The change in the accounting principles made it necessary to restate the comparative data.

3) Other assets include the following items of the full version of the statement: investments in associates, deferred tax assets and other assets.

4) Column 1 presents asset classes on a comparative pro forma basis, that is in line with the presentation of balance sheet data as at 31 December 2024 and 30 June 2024 according to the full consolidation approach, without recognising the assets of the disposal group classified as held for sale.

5) Column 2 presents asset classes in accordance with IFRS 5, i.e. after separating assets of a disposal group classified as held for sale. In accordance with the classification criteria laid down in IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, as at 30 June 2025 Santander Consumer Bank S.A. and its subsidiaries were classified as a group of non-current assets held for sale and presented as a separate line item together with other non-current assets held for sale.

As mentioned earlier in the introductory section on the comparability of data in the statement of financial position included in the Condensed Interim Consolidated Financial Statements of Santander Bank Polska Group for the 6-month period ended 30 June 2025, in the current period the assets related to the activities of Santander Consumer Bank S.A. and its subsidiaries were presented separately and data for the comparative periods were not restated. The separated assets classified as held for sale account for 8.7% of the total consolidated assets of Santander Bank Polska Group.

For analytical purposes, Column 1 of the above condensed statement of financial position as at 30 June 2025 presents the pro forma items in the format used in the previous reporting periods.

On a comparative basis, net loans and advances to customers increased by 2.5% Ytd along with a rise in loans to personal customers, enterprises and the public sector, and in lease receivables. The carrying amount of investment financial assets went up by 13.6% in the same period, supported by continued growth in investments in treasury bonds and bills, which have the biggest share in the Group's portfolio of investment securities. During the first six months of 2025, financial assets held for trading and hedging derivatives increased by 47.7%, reflecting the Group's activity in terms of swap transactions (IRS and FX swaps) and transactions in Treasury debt securities (mainly bonds) in the trading book.

Meanwhile, reverse sale and repurchase agreements and assets pledged as collateral decreased by 43.2%, reflecting a lower value of the bonds used to secure repo transactions. Cash and cash equivalents went down by 25.0% on account of balances in central bank accounts and short-term loans and advances to banks.

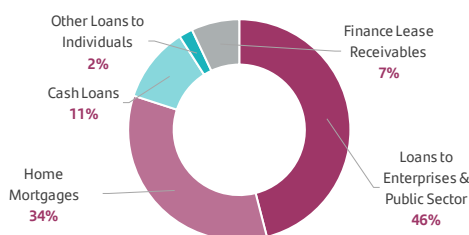
Since 31 March 2025, a presentation change has been made to the consolidated financial statements of Santander Bank Polska Group, namely financial assets with original maturity of up to three months that used to be disclosed under loans and advances to banks and debt investment securities (NBP bills) have been presented separately under cash and cash equivalents together with assets that used to be disclosed under cash and balances with central banks. Detailed information in this respect is provided in the Condensed Interim Consolidated Financial Statements of Santander Bank Polska Group for the 6-month period ended 30 June 2025, section "Presentation of cash and cash equivalents in the statement of financial position" in Note 2.5 "Comparability with the results from the previous periods".

Credit portfolio

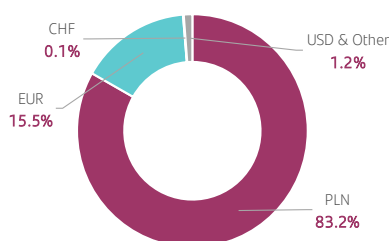
Gross loans and advances to customers in PLN m	30.06.2025 ¹⁾		31.12.2024	30.06.2024	Change (%)	Change (%)
	Pro forma data					
	1	2	3	4	1/3	1/4
Loans and advances to individuals	90,684.3	77,267.8	88,814.2	86,582.5	2.1%	4.7%
Loans and advances to enterprises and the public sector	78,242.4	74,932.2	76,315.9	73,246.8	2.5%	6.8%
Finance lease receivables	15,745.1	11,041.7	15,145.2	14,435.4	4.0%	9.1%
Other	74.0	73.8	70.3	79.9	5.3%	-7.4%
Total	184,745.8	163,315.5	180,345.6	174,344.6	2.4%	6.0%

1) Column 1 presents portfolios of gross loans and advances to different segments of customers on a comparable pro forma basis, i.e. taking into account Santander Consumer Bank Group. Column 2 does not include such loans and advances due to their recognition as part of a separate line item Disposal group classified as held for sale based on MSSF 5.

Product structure of consolidated loans and advances to customers as at 30.06.2025 excl. SCB Group



FX structure of consolidated loans and advances to customers as at 30.06.2025 excl. SCB Group

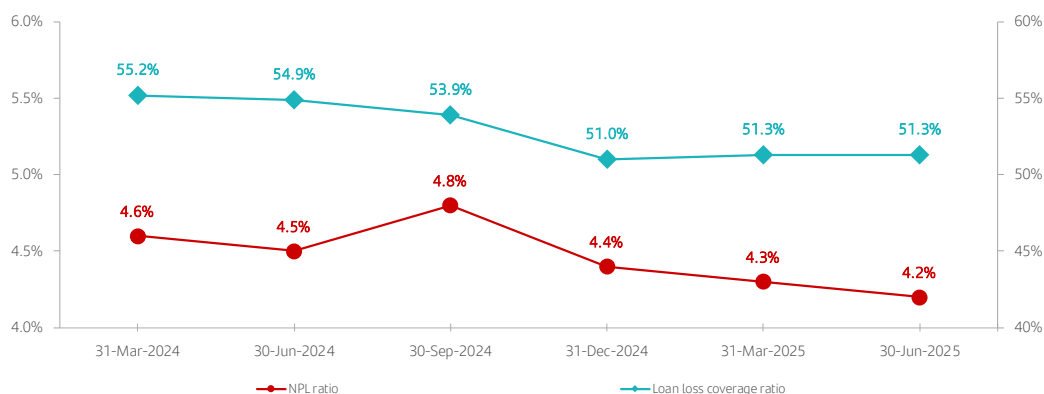


On a comparative basis, i.e. taking into account the assets of Santander Consumer Bank Group, the consolidated gross loans and advances to customers increased by 2.4% Ytd.

The section below presents the Group's credit exposures by key portfolios in terms of customer segments and products:

- Loans and advances to individuals grew by 2.1% during the first six months of 2025. Home loans of Santander Bank Polska S.A., which were the main contributor to this figure, totalled PLN 55,150.7m and were up 1.1% due to a moderate demand for this product. Meanwhile, home loans of Santander Consumer Bank S.A. totalled PLN 1,307.7m and continued to decline as a result of the portfolio phase-out, following the bank's withdrawal from an active sale of that product several years ago. Cash loans were the second largest item of loans and advances to customers. The cash loan portfolio of Santander Bank Polska S.A. totalled PLN 18,584.0m and increased by 3.2% due to a high base at the end of December 2024 supported by dynamic sales driven by macroeconomic factors. The cash loan portfolio of Santander Consumer Bank S.A. grew by 7.2% on account of record high sales, including via remote channels.
- Loans and advances to enterprises and the public sector (including factoring receivables) went up by 2.5%, supported predominantly by higher exposures in respect of working capital loans (utilisation of overdrafts) and term loans to customers of the Business and Corporate Banking segment.
- Finance lease receivables of the subsidiaries of Santander Bank Polska S.A. rose by 1.8% to PLN 11,041.7m along with solid sales, notably in the machines and equipment segment. Lease receivables of SCB S.A. were PLN 4,703.3m and increased by 9.4% due to a high supply of cars.

Credit quality ratios by quarter in 2024 and 2025
(including SCB Group)



As at 30 June 2025, the NPL ratio of Santander Bank Polska Group (including Santander Consumer Bank Group) was 4.2% and the provision coverage ratio for impaired loans was 51.3% (vs 4.4% and 51.0% as at the end of December 2024, respectively). Excluding group assets related to the activities of SCB Group and classified as held for sale, the NPL ratio was 3.9% and the provision coverage ratio was 45.3%

Structure of consolidated equity and liabilities

Equity and liabilities in PLN m (for analytical purposes)	30.06.2025 ³⁾ Pro forma data		Structure		Structure		Structure	Change	Change
	30.06.2025 ⁴⁾	30.06.2025 ⁴⁾	30.06.2025	31.12.2024	31.12.2024	30.06.2024	30.06.2024	(%)	(%)
	1	2	3	4	5	6	7	1/4	1/6
Deposits from customers	237,546.6	221,040.2	70.3%	232,028.8	76.2%	215,234.6	76.1%	2.4%	10.4%
Liabilities directly related to group assets classified as held for sale ¹⁾	-	22,676.4	7.2%	-	-	-	-	-	-
Subordinated liabilities and debt securities in issue	14,523.2	12,126.5	3.9%	14,080.0	4.6%	13,199.7	4.7%	3.1%	10.0%
Financial liabilities held for trading and hedging derivatives	12,803.9	12,804.0	4.1%	10,517.4	3.5%	7,686.9	2.7%	21.7%	66.6%
Deposits from banks and sale and repurchase agreements	7,483.9	5,119.2	1.6%	6,347.1	2.1%	8,333.0	2.9%	17.9%	-10.2%
Other liabilities ²⁾	8,995.9	7,587.2	2.4%	6,959.4	2.4%	7,230.3	2.7%	29.3%	24.4%
Total equity	33,203.3	33,203.3	10.5%	34,441.2	11.2%	31,194.1	10.9%	-3.6%	6.4%
Total	314,556.8	314,556.8	100.0%	304,373.9	100.0%	282,878.6	100.0%	3.3%	11.2%

1) Pursuant to IFRS 5, as at 30 June 2025 the liabilities related to SCB Group are presented separately in the statement of financial position as liabilities directly related to disposal group assets classified as held for sale.

2) Other liabilities include lease liabilities, current tax liabilities, deferred tax liabilities, provisions for financial and guarantee liabilities, other provisions and other liabilities.

3) Column 1 presents liability classes on a comparative pro forma basis, that is in line with the presentation of balance sheet data as at 31 December 2024 and 30 June 2024 according to the full consolidation approach, without recognising the liabilities directly related to disposal group assets classified as held for sale.

4) Column 2 presents liability classes in accordance with IFRS 5, i.e. after separating liabilities directly related to assets of the disposal group classified as held for sale.

Both in the reporting period and the comparative periods, deposits from customers were the largest constituent item of the Group's total equity and liabilities and the main source of funding for the Group's assets. They increased by 2.4% Ytd as on a comparative basis, as a result of a significant inflow of funds to current accounts of personal customers (including savings accounts).

On a comparative basis, deposits from banks and sale and repurchase agreements went up by 17.9% Ytd on account of deposits from banks of Santander Consumer Bank S.A. and repurchase agreements of Santander Bank Polska S.A. Furthermore, the balance of financial liabilities held for trading and hedging derivatives rose by 21.7% Ytd, reflecting the activity of Santander Bank Polska S.A. in the derivatives market.

An increase was also reported in the comparative balance of subordinated liabilities and debt securities in issue (+3.1% Ytd), which is attributed to bond issues.

In H1 2025, Santander Bank Polska Group made the following issues, using the proceeds to finance working capital needs:

- Santander Factoring Sp. z o.o. issued three series of bonds guaranteed by the Bank:
 - 19 February 2025: PLN 507.0m worth of series A25 variable-rate bonds with a maturity date of 19 August 2025;
 - 23 April 2025: PLN 185.0m worth of series B25 variable-rate bonds with a maturity date of 23 October 2025;
 - 23 June 2025: PLN 364.0m worth of series C25 variable-rate bonds with a maturity date of 23 December 2025.
- Santander Leasing S.A. issued two series of bonds with a put option:
 - 19 March 2025: PLN 100.0m worth of series T variable-rate bonds with a maturity date of 19 March 2026;
 - 4 April 2025: PLN 240.0m worth of series U variable-rate bonds with a maturity date of 4 April 2026.
- As part of a synthetic securitisation of a corporate loan portfolio, on 26 June 2025 the Bank issued CLNs with a nominal value of PLN 320.0m and a maturity date of 31 March 2036. The Bank has the option of earlier repayment of its obligations under the CLNs. On 26 June 2025, the CLNs were introduced to trading in the alternative trading system on the Vienna MTF organised by Wiener Börse AG (Vienna Stock Exchange).
- On 24 June 2025, Santander Consumer Bank S.A. and Santander Consumer Multirent Sp. z o.o. issued the next tranche of two-year variable-rate bonds of PLN 400m as part of the joint issue programme. The tranche was taken up in full by financial entities.

Deposit base

Deposits by entities

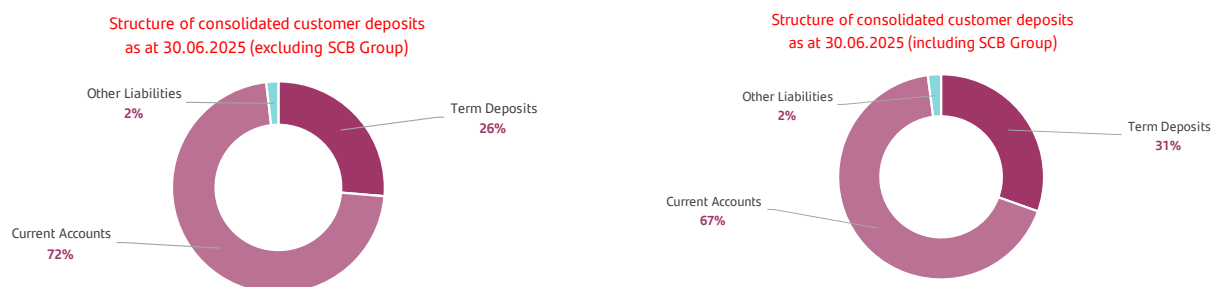
Deposits from customers in PLN m	30.06.2025 ¹⁾	30.06.2025	31.12.2024	30.06.2024	Change (%)	Change (%)
	Pro forma data					
	1	2	3	4	1/3	1/4
Deposits from individuals	135,183.0	124,863.8	127,764.5	123,986.2	5.8%	9.0%
Deposits from enterprises and the public sector	102,363.7	96,176.4	104,264.3	91,248.4	-1.8%	12.2%
Total	237,546.7	221,040.2	232,028.8	215,234.6	2.4%	10.4%

1) Column 1 includes deposits from customers presented on a comparable pro forma basis, i.e. including Santander Consumer Bank Group, as opposed to column 2, which does not include such deposits due to their recognition in a separate line item: liabilities directly related to disposal group assets classified as held for sale based on IFRS 5.

As at 30 June 2025, the Group's comparative deposits from customers increased by 2.4% Ytd as a combined effect of a 4.0% rise in current accounts of personal customers (including savings accounts) and a 2.0% decline in term deposits.

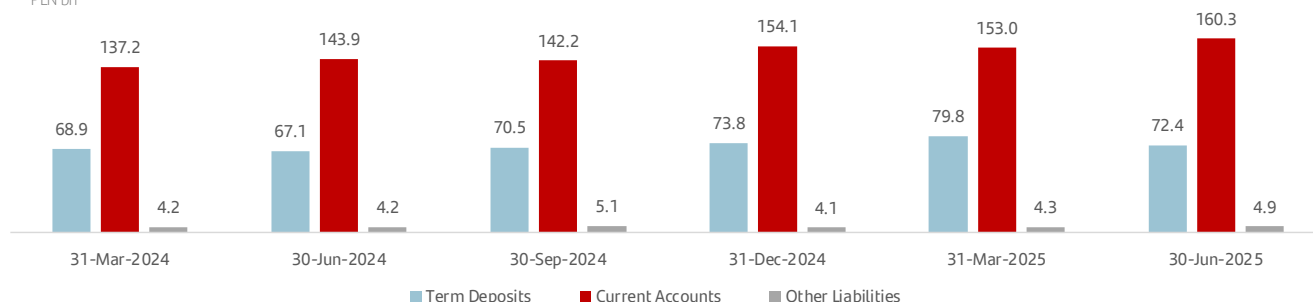
- Deposits from individuals went up by 5.8% Ytd driven by inflows into current and savings accounts (+11.4%), with a concurrent decline in term deposits (-3.5%).
- Deposits from enterprises and the public sector were down 1.8% as a consequence of a 3.8% decrease in current account balances and a stable level of term deposits (+0.8%). Deposits from enterprises comprise loans and advances from financial institutions, including loans granted by the European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD) and the Council of Europe Development Bank (CEB) to finance the lending activity of the Bank and its subsidiaries. An increase in the above liabilities of Santander Consumer Bank S.A. is an effect of an agreement signed with the EBRD, whereby the loan for financing renewable energy projects was increased and extended for another five years. The loan amount is an equivalent of EUR 41m.

Deposits by tenors



Term deposits and current accounts* at quarter-ends of 2024 and 2025 (incl. SCB Group)

PLN bn



*including savings accounts

3. Selected financial ratios of Santander Bank Polska Group

Selected financial ratios of Santander Bank Polska Group (including SCB Group)	30.06.2025	30.06.2024	30.06.2025 Continuing operations
Cost/Income	31.3%	31.1%	30.9%
Net interest income/Total income	80.5%	80.5%	79.3%
Net interest margin ¹⁾	5.10%	5.23%	4.94%
Net fee and commission income/Total income	16.9%	17.6%	18.4%
Net loans and advances to customers/Deposits from customers	75.4%	78.2%	72.0%
NPL ratio ²⁾	4.2%	4.5%	3.9%
NPL provision coverage ratio ³⁾	51.3%	54.9%	45.3%
Cost of credit risk ⁴⁾	0.45%	0.70%	0.33%
ROE ⁵⁾	20.5%	19.1%	21.9%
ROTE ⁶⁾	22.9%	20.9%	24.4%
ROA ⁷⁾	1.8%	1.7%	2.1%
Total capital ratio ⁸⁾	18.06%	17.84%	19.67%
Tier 1 capital ratio ⁹⁾	17.31%	16.72%	18.92%
Book value per share (PLN)	324.92	305.26	324.92
Earnings per ordinary share (PLN) ¹⁰⁾	26.93	23.09	30.13

- 1) Net interest income annualised on a year-to-date basis (excluding interest income from the portfolio of debt securities held for trading and other exposures related to trading) to average net earning assets as at the end of consecutive quarters after the end of the year preceding the particular accounting year (excluding financial assets held for trading, hedging derivatives, other exposures related to trading and other loans and advances to customers).
- 2) Lease receivables and gross loans and advances to customers measured at amortised cost and classified to Stage 3 and POCI exposures to the total gross portfolio of such lease receivables and loans and advances as at the end of the reporting period.
- 3) Impairment allowances for lease receivables and loans and advances to customers measured at amortised cost and classified to Stage 3 and POCI exposures to the gross value of such lease receivables and loans and advances as at the end of the reporting period.
- 4) Net expected credit loss allowances (for four consecutive quarters) to average gross loans and advances to customers measured at amortised cost and lease receivables (as at the end of the current reporting period and the end of the previous year).
- 5) Net profit attributable to the parent's shareholders (for four consecutive quarters) to average equity (as at the end of the current reporting period and the end of the previous year), excluding non-controlling interests, current period profit and dividend reserve.
- 6) Net profit attributable to the parent's shareholders (for four consecutive quarters) to average tangible equity (as at the end of the current reporting period and the end of the previous year) defined as common equity attributable to the parent's shareholders less revaluation reserve, current year profit, dividend reserve, intangible assets and goodwill.
- 7) Net profit attributable to the parent's shareholders (for four consecutive quarters) to average total assets (as at the end of the current reporting period and the end of the previous year).
- 8) The capital ratio was calculated on the basis of own funds and total capital requirements established for the individual risk types by means of the standardised approach, in line with the CRD IV/CRR package. Total capital ratio for continuing operations as at 30 June 2025 is provided in the table above on a pro forma basis.
- 9) Tier 1 capital ratio calculated as a quotient of Tier 1 capital and risk-weighted assets for credit, market and operational risk. Tier1 Ratio for continuing operations as at 30 June 2025 is provided in the table above on a pro forma basis.
- 10) Net profit for the period attributable to the parent's shareholders to the average weighted number of ordinary shares.

4. Additional financial information

Transactions with related parties

Key intercompany transactions with subsidiaries and associates

Transactions between Santander Bank Polska S.A. and its related parties are banking operations carried out on an arm's length basis as part of their ordinary business and mainly involve loans, bank accounts, deposits, guarantees and leases.

As at 30 June 2025, the Bank's total exposure in respect of loans granted to banking and non-banking subsidiaries (including Santander Finanse Sp. z o.o., Santander Leasing S.A., Santander F24 S.A., Santander Consumer Multirent Sp. z o.o. i Santander Consumer Bank S.A.) was PLN 20,903.4m compared with PLN 19,776.4m as at 31 December 2024.

Deposits held with the Bank by its subsidiaries (including Santander Factoring Sp. z o.o., Santander Leasing S.A., Santander Finanse Sp. z o.o., Santander TFI S.A., Santander Consumer Multirent Sp. z o.o., Santander Consumer Bank S.A. i Santander Consumer Financial Solutions Sp. z o.o.) totalled PLN 563.2m vs PLN 692.6m as at 31 December 2024. Liabilities towards associates were PLN 32.5m vs PLN 61.4m as at 31 December 2024.

Contingent liabilities were PLN 6,172.1m as at 30 June 2025 (PLN 5,984.9m as at 31 December 2024), including guarantees granted to the subsidiaries totalling PLN 4,264.4m (PLN 4,488.3m as at 31 December 2024).

The above transactions were eliminated from the consolidated financial statements.

Intercompany transactions with the parent entity

The Bank's receivables from the parent entity (Banco Santander S.A.) were PLN 3,416.5m (PLN 3,875.8m as at 31 December 2024), while liabilities were PLN 343.5m (PLN 1,519.4m as at 31 December 2024).

For more information about related party transactions, please see Note 35 to the Condensed Interim Consolidated Financial Statements of Santander Bank Polska Group for the 6-month period ended 30 June 2025 and Separate Financial Statements of Santander Bank Polska S.A. for 2024.

Off-balance sheet items

Guarantees and derivatives

The tables below present contingent liabilities and nominal values of derivative transactions of Santander Bank Polska Group

Contingent liabilities (granted) (PLN m)	30.06.2025	31.12.2024
Financial:	46,207.0	46,005.5
- credit lines	42,127.0	41,533.2
- credit cards	3,537.9	3,768.7
- import letters of credit	542.1	689.7
- term deposits with future start date	-	13.9
Guarantees	16,162.7	18,001.6
Provision for off-balance sheet liabilities	(78.5)	(93.9)
Total	62,291.2	63,913.2

Contingent liabilities (received) (PLN m)	30.06.2025	31.12.2024
Financial	25.9	189.8
Guarantees	49,793.6	58,191.6
Total	49,819.5	58,381.4

Pending court proceedings

The table below presents the amounts disputed in pending court proceedings with regard to claims made by or against the Bank or its subsidiaries as at 30 June 2025 and 31 December 2024.

Court proceedings with Santander Bank Polska Group as a party (PLN m)	30.06.2025 excl. SCB Group	31.12.2024 incl. SCB Group
Value of claims in lawsuits filed by the Group	3,578.1	3,284.0
Value of claims in lawsuits filed against the Group	6,419.3	8,406.9
Receivables of the Group in arrangement or bankruptcy cases	112.4	110.1
Value of claims in all pending court proceedings	10,109.8	11,801.0
Value of claims in completed proceedings	752.3	848.5

As at the end of June 2025, there were 3,838 cases against Santander Bank Polska Group (excluding SCB Group), where the claim value was high (equal to or above PLN 500k). The total amount of provisions recognised in accordance with IAS 37 and the adjustment to the gross carrying amount under IFRS 9 related to those legal claims was PLN 1,894.2m.

14,402 lawsuits were filed against the Group over loans indexed to or denominated in a foreign currency, with the disputed amount totalling PLN 5,910.9m. This included one class action filed under the Class Action Act in respect of 233 CHF-indexed loans, with the disputed amount of PLN 51.0m.

For more information on legal claims in respect of foreign currency mortgage loans, see Note 31 "Legal risk connected with CHF mortgage loans" to the Condensed Interim Consolidated Financial Statements of Santander Bank Polska Group for the 6-month period ended 30 June 2025.

As at 30 June 2025, there were also 2,551 pending lawsuits against the Bank over a free credit sanction, with the disputed amount totalling PLN 64.4m. The lawsuits are brought by customers or entities that have purchased customers' debt and concern the compliance of consumer cash loan agreements with the Consumer Credit Act.

5. Factors which may affect the financial results in H2 2025

The following external developments may have a significant impact on the financial performance and activity of Santander Bank Polska Group in H2 2025:

- Economic policy of the new US administration (including tariffs, migration and deregulation).
- Scale and pace of further interest rate cuts by major central banks.
- Continued weakness in the euro area and thus relatively low foreign demand for Polish goods and services.
- Change in the U.S. approach to the conflict in Ukraine and its relations with Europe.
- The war between Russia and Ukraine, impact of sanctions and international trade restrictions. Potential increase in migration flows in the case of cessation of hostilities. Potential disruptions to the supply of energy resources. Increased defence spending in Poland.
- Possible escalation of the conflict in the Middle East, with potential impact on prices of crude oil and natural gas and on global risk aversion.
- Further path of inflation in Poland impacting the market pricing of NBP rate changes.
- Further decisions of the MPC on interest rates, balance sheet reduction by the NBP.
- Foreign currency loans: banks' decisions on settlements with customers and further litigation.
- Possible new government programmes supporting the financial accessibility of housing.
- Changes in the valuation of credit risk in financial markets, also influenced by changes in the assessment of geopolitical risk.
- Changes in bond yields depending on monetary and fiscal policy expectations.
- Changes in the demand for credit in the context of liquidity, still high interest rates, the impact of the war and quick rise of apartment prices in Poland in recent quarters.
- Changes in the financial situation of households influenced by labour market trends and benefits received.
- Changes in customers' savings allocation decisions influenced by expected returns on various asset classes and changes in attitudes towards saving and spending.
- Further developments in global equity markets and their impact on demand for mutual fund units and shares.
- Scale of fund use under the current EU financial framework and the National Recovery Plan.
- Stability and effectiveness of the ruling coalition.

VIII. Risk and capital management

1. Key risk management principles and structure in the Bank and in Santander Bank Polska Group

Key risk management principles

Both the Bank and other members of Santander Bank Polska Group are exposed to various risks within their day-to-day activities which adversely affect the delivery of strategic priorities of the organisation. The main types of risks include: credit risk (including concentration risk), market risk (in the banking book and in the trading book), liquidity risk, operational risk, compliance risk and reputational risk.

Risk management allows Santander Bank Polska S.A. and its Group to conduct effective and safe operations that enable profit generation and business development within approved risk parameters. The Bank follows a range of external standards and requirements in this respect which are binding on financial institutions. It also relies on best practice and standards developed by Santander Group.

The Bank and Santander Bank Polska Group have defined their risk profile which corresponds to the general risk appetite established by the Group. It is expressed as quantitative limits and captured in the Risk Appetite Statement adopted by the Management Board and approved by the Supervisory Board. The limits are set using stress tests and scenario analyses. They ensure stability of the Bank's and the Group's position even if special situations occur. Global limits are used to set watch limits and define risk management policies.

The integrated risk management structure includes relevant committees which have been set up to decide on identification of individual risks and internal risk management standards and policies, and to monitor the risk level.

The Bank has also established a relevant organisational structure to mitigate risk at three independent and complementary levels (lines of defence), i.e.:

- organisational units which generate risk and are required to comply with the rules ensuring high quality and correctness of their performance;
- units responsible for identification, measurement, monitoring and mitigation of risks in a way that ensures independence of risk control functions from risk-taking units;
- the internal audit function, whose tasks involve assessment of the management system of the Bank and its subsidiaries, including the effectiveness of managing the risk related to the Bank's business and the business of its subsidiaries.

Risk management structure

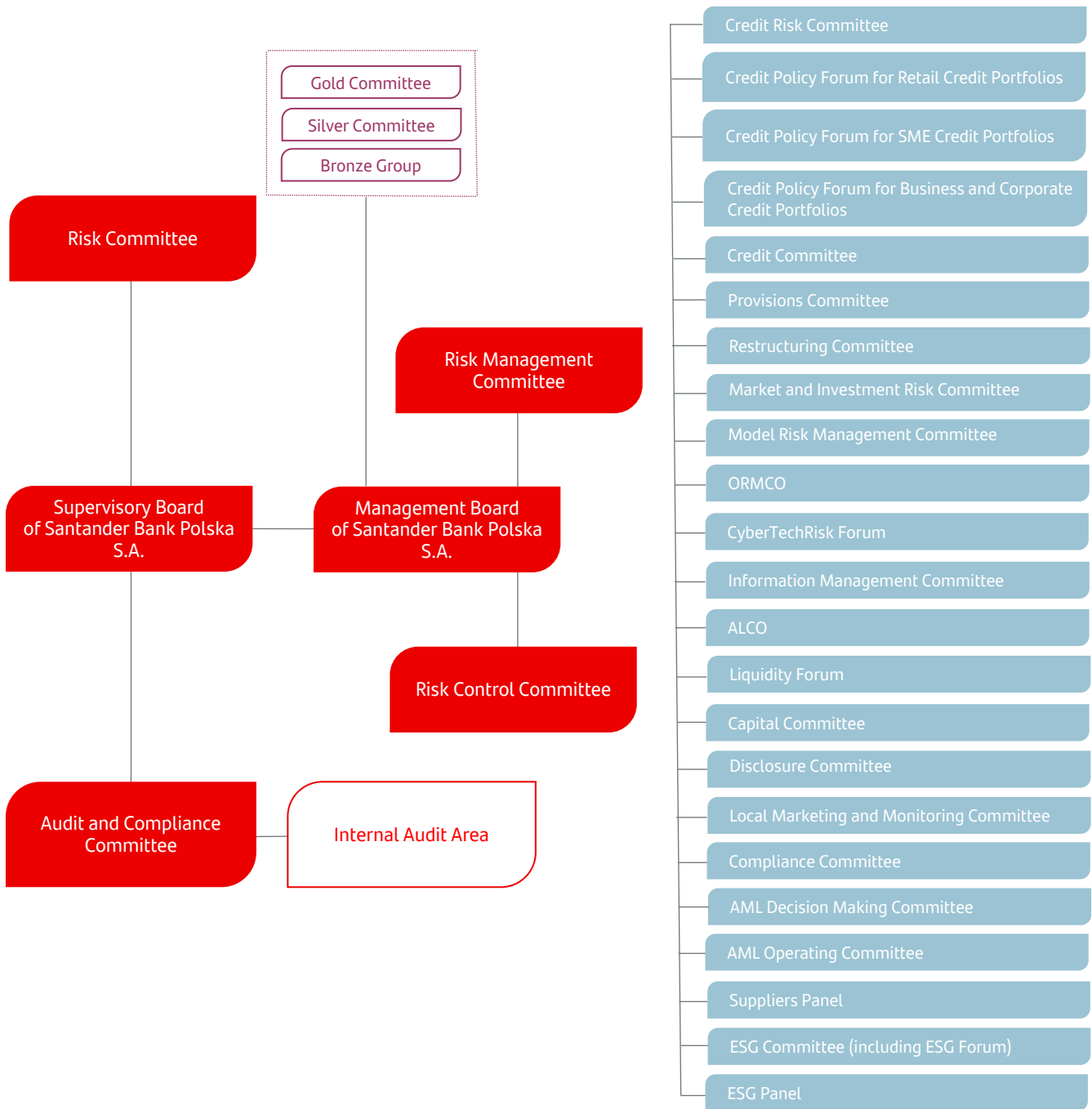
The Bank's Supervisory Board, supported by the Audit and Compliance Committee of the Supervisory Board and the Risk Committee, is responsible for ongoing supervision of the risk management system in Santander Bank Polska S.A. The Supervisory Board approves the strategy, key risk management policies and risk appetite, and monitors the use of internal limits from the perspective of current business strategy and the macroeconomic environment. It reviews the key risk areas, the identification of threats and the process of defining and monitoring remedial actions. The Supervisory Board also assesses the effectiveness of risk management measures taken by the Management Board.

The Bank's Management Board is responsible for implementing an effective risk management system that is compliant with the regulatory requirements and internal regulations. Specifically, the Bank's role in this regard is to set up an organisational structure tailored to the size and profile of the risks taken, to segregate responsibilities in order that risk assessment and control functions remain independent of operational functions, to introduce and update a risk management strategy and ensure an adequate information policy.

The Management Board fulfils its risk management role through the following two committees:

- The Risk Management Committee, which approves the key decisions taken by the main lower-level risk committees (mainly credit decisions), annual limits for securities trading and ALM transactions and an annual plan of risk assessment models.
- The Risk Control Committee, which monitors the risk level across different areas of the Bank's operations and supervises the activities of lower-level risk management committees set up by the Management Board.

> Governance structure for risk supervision and management



The Risk Control Committee supervises the following committees responsible for risk management in the Group:

- Credit Risk Committee
- Credit Policy Forum for Retail Credit Portfolios
- Credit Policy Forum for SME Credit Portfolios
- Credit Policy Forum for Business and Corporate Credit Portfolios
- Credit Committee
- Provisions Committee
- Restructuring Committee
- Market and Investment Risk Committee
- Model Risk Management Committee
- Operational Risk Management Committee/ ORMCO
- CyberTech Risk Forum
- Information Management Committee

- Assets and Liabilities Management Committee/ ALCO
- Liquidity Forum
- Capital Committee
- Disclosure Committee
- Local Marketing and Monitoring Committee
- Compliance Committee
- AML Decision Making Committee
- AML Operating Committee
- Suppliers Panel
- ESG Committee (including ESG Forum)
- ESG Panel

The Bank has dedicated bodies which are convened in crisis situations:

- Gold Committee
- Silver Committee
- Bronze Group

These committees, acting within their respective remits defined by the Management Board, are directly responsible for developing risk management methods and monitoring risk levels in specific areas. Through these committees, the Bank also supervises the risk related to the operations of its subsidiaries.

The subsidiaries implement risk management policies and procedures that reflect the approach adopted by Santander Bank Polska S.A., which ensures the consistency of risk management processes across the Group.

The Bank oversees the risk management structure of Santander Consumer Bank S.A. (SCB S.A.) under the applicable law and in line with the same oversight rules as applied to other Santander Bank Polska Group companies. The Vice President of the Bank's Management Board in charge of the Digital Transformation Division is the Bank's representative on the Supervisory Board of Santander Consumer Bank S.A. Together with SCB S.A. Supervisory Board, he is responsible for supervision over SCB S.A. and making sure that the company operates in line with the adopted plans and operational security procedures. The Bank monitors the profile and level of SCB S.A. risk via risk management committees of Santander Bank Polska S.A., which receive relevant reports on SCB S.A.'s operations.

2. Risk management priorities in H1 2025

Geopolitical and macroeconomic situation

The macroeconomic conditions in H1 2025 were favourable. Owing to the inflation accumulated from the previous periods, the debt of the entire economy (as well as the Bank's customers) decreased in relation to the GDP. Positive changes have particularly affected retail portfolios as wages have been growing significantly faster than loan balances. The situation of business customers is more complex, though. While moderate investment activity supported by continuously high interest rates does not significantly increase loan balances, the labour cost pressure, weak exports growth and strong zloty adversely affect the profitability of businesses.

In H1 2025, the Bank regularly monitored the potential impact of increased uncertainty and deglobalisation risk on individual customer segments and economic sectors in order to ensure prompt and adequate response and duly align the credit policy parameters. Stress tests and sensitivity analyses focused in particular on assessing the impact of such factors as interest rates, exchange rates, exports, labour costs and energy prices on the quality of the credit portfolios. The Bank also monitors sectors which are particularly susceptible to economic downturn such as transport and automotive sectors. At the same time, the Bank continues to reduce consumer credit risk and actively adjusts its risk appetite related to SME financing. The Bank also monitored the factors directly related to the geopolitical situation, i.e. sanctions and restriction of operations of business customers on the territory of armed conflicts. In addition, the Bank kept track of legislative changes that may significantly affect the situation in individual sectors to take adequate proactive measures in relation to the credit portfolio.

As part of regular reviews of ECL parameter models, the Bank takes into account the latest macroeconomic projections, using in-house predictive models based on historical observations of relationships between those variables and risk parameters. ECL parameters were updated in Q4 2024 to account for the impact of the geopolitical environment on the current economic situation and macroeconomic projections.

Furthermore, as part of standard ongoing monitoring, the Bank assessed the impact of the geopolitical factors on borrowers through individual reviews, analysis of macroeconomic indicators, monitoring of behavioural models (including transactional patterns), analysis of trends in individual economic sectors and comprehensive management information.

Market risk

In H1 2025, the Group continued its strategy to maintain low sensitivity of net interest income to interest rate movements in response to the regulatory limit, i.e. NII SOT at max 5% of Tier 1 capital.

ESG risks

The Group thoroughly analysed flood risk related to its mortgage collateral using interactive flood maps provided by government agencies. While the Group did not suffer significant losses as a consequence of the flood in September 2024, it recognises a growing importance of this risk. Accordingly, the mortgage lending policy for personal customers was modified by extending the minimum required insurance cover for the mortgaged property to include flood risk and changing the acceptable level of flash flood risk. This is not only to reduce the Bank's credit risk arising from climate risks but, more importantly, protect customers against such risks.

The Group implemented a pilot standardised and systemic solution for analysing ESG risk of medium-sized companies in order to fully use all available data to assess inherent risk and optimise residual risk assessment as part of cooperation with customers. The solution received a positive customer feedback and is planned to be rolled out.

Greenwashing is becoming more prevalent and taking new forms, prompting the implementation of new legal and regulatory measures. In view of the above and the new regulations of the European Union and the European Banking Authority, the Bank has developed and is implementing the Guidelines for greenwashing risk management and control, an internal regulation covering all processes that may be affected by such risk, from strategy definition to products and services to communication.

The Group is working on adapting the ESG risk management processes and procedures in line with the requirements arising from the EBA's Final Guidelines on the management of ESG risks.

Cybersecurity

The importance of cybersecurity has been steadily growing because of the increasing digitalisation of the banking sector and dynamic technological development. The geopolitical situation not only did not improve in H1 2025, but became even more tense. That is why the risk of targeted attacks made by well-structured, disciplined and sophisticated hacker groups was monitored on an ongoing basis. Furthermore, as the conflicts intensify, scenarios with a potential impact on the organisation's security were analysed. The risk connected with the consequences of attacks was regularly analysed and relevant measures were taken where justified.

Disinformation campaigns aimed to destabilise the financial sector were subject to close monitoring. The Group took measures to build awareness among employees and customers, e.g. by issuing security warnings about emerging threats, and running numerous educational campaigns.

Particular focus was placed on the risk of DDoS attacks, supply chain attacks, application attacks, malware, unauthorised transactions and attacks against customers and employees with the use of social engineering.

The growing importance of artificial intelligence technologies has become a key issue, both in terms of their use by attackers and their potential as control mechanisms that can facilitate risk and cybersecurity management. It is also increasingly important to raise the employees' and customers' awareness of AI-driven attacks, particularly of technologies used for impersonation.

The Bank is currently implementing the requirements of the EU AI Act setting out rules for development, implementation and use of artificial intelligence in the EU.

3. Material risk factors expected in the future

Macroeconomic situation

GDP growth projections for 2025 are cautiously optimistic (above 3%). The economic growth is driven mainly by an increasing purchasing and saving power of consumers. Investments should continue to rise too, although the use of funds from the National Recovery Plan is lower than expected. Meanwhile, lower exports, strong zloty, rising labour costs and limited possibility to transfer higher costs to consumers will weigh down on the performance of companies, except for the services sector.

This may put pressure on the quality of credit portfolios of companies from the manufacturing and freight transport sectors, in particular the highly leveraged ones (insignificant share of the Bank's loan book). Exports are yet another sensitivity area due to their large share in GDP, with a particular focus placed on the growth rate and the impact of the zloty appreciation.

Increased market uncertainty and growing risk of deglobalisation (or even turmoil in the international trade) are the main concerns. As a result, the risk of the entire credit portfolio, and the business customer portfolio in particular, has been increasing. The Bank mitigates that risk through the active management of concentration policy and selective approach to financing.

ESG risks

High and potentially rising energy prices are the risk whose consequences are hard to predict. It may have a critical impact on the economy over the next few years. It is all the more concerning given the insufficient progress in the energy sector transformation, particularly in the case of transmission grids and adaptation of the system to dynamically developing renewable energy sources.

Cyber threats

Cyber risk and risk related to modern digital technology have been the top concerns for many years. This relates both to human behaviour and technology. The following threats still prevail: the loss or theft of sensitive data, disruption of key services, attacks against customer assets, frauds and unauthorised transactions. They result from the dynamic growth of modern IT technologies and digital transformation.

There is still a considerable risk of ransomware attacks, DDoS attacks or use of social engineering. As expected, supply chain attacks, mobile malware attacks and cyber spying are a growing threat to cybersecurity. Other challenges include supplier risk management, cloud computing and shadow IT.

AI-driven attacks have been steadily increasing. Easy access to tools that make it possible to impersonate other people or generate legitimately-looking materials to spread disinformation is and will be a challenge for the banking sector.

Apart from the obvious benefits, the growing use of AI at the Bank generates new risks that must be addressed accordingly. To mitigate them, the Bank has been implementing the requirements arising from the AI Act. Due to the geopolitical situation connected with the war in Ukraine, the Group will still focus on the risk of targeted attacks made by well-structured, disciplined and sophisticated hacker groups.

4. Capital management

Introduction

Santander Bank Polska Group maintains a level of capital adequate to the type and scale of operations and the level of risk.

Unless otherwise indicated, in this section of the report the term Santander Bank Polska Group shall be understood as Santander Bank Polska S.A. and its subsidiaries, including entities of Santander Consumer Bank Group. This scope includes continuing and discontinued operations in accordance with IFRS 5.

As at 30 June 2025, the Group had a capital surplus of PLN 9.70bn above the minimum total capital ratio (TCR).

The level of own funds required to ensure the safe operations of the Bank and Santander Bank Polska Group and capital requirements estimated for unexpected losses is determined in accordance with the provisions of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (CRR) (as amended by CRR III and other regulations) and the Macroprudential Supervision Act, taking into account KNF's recommendations.

The Management Board is accountable for capital management, calculation and maintenance processes, including the assessment of capital adequacy in different economic conditions and the evaluation of stress test results and their impact on internal and regulatory capital and capital ratios. Responsibility for the general oversight of internal capital estimation rests with the Supervisory Board.

The Management Board has delegated ongoing capital management to the Capital Committee, which regularly assesses the capital adequacy of the Bank and Santander Bank Polska Group (including in stressed conditions), monitors the actual and required capital levels and takes actions affecting own funds (e.g. by recommending the amount of the dividend to be paid). The Capital Committee is the first body that defines the capital policy, principles of capital management and principles of capital adequacy assessment.

All decisions regarding any increase or decrease in capital are taken by relevant authorities within the Bank in accordance with the applicable law and the Bank's Statutes.

Capital requirements

Below are the minimum levels of capital ratios as at 30 June 2025 which meet the provisions of the CRR and the Macroprudential Supervision Act as well as the regulatory recommendations regarding additional own funds requirements under Pillar 2 at the level of Santander Bank Polska S.A. and Santander Bank Polska Group.

Minimum capital ratio levels ¹⁾ as at 30 June 2025	Tier 1	Total capital ratio
Santander Bank Polska S.A.	9.52%	11.52%
Santander Bank Polska Group	9.52%	11.52%

1) Minimum capital ratios including an institution-specific countercyclical capital buffer

To mitigate the risk of credit crunch arising from the Covid-19 pandemic, on 18 March 2020 the Minister of Finance issued a regulation based on the recommendation of the Financial Stability Committee removing banks' obligation to keep the systemic risk buffer of 3%.

In H1 2025, the Bank and Santander Bank Polska Group met all regulatory requirements regarding capital management.

Regulatory capital

Santander Bank Polska Group uses the standardised approach to calculate the capital requirement for credit risk, market risk and operational risk. According to this approach, the total capital requirement for credit risk is calculated as the sum of risk-weighted exposures multiplied by 8%. To determine risk-weighted exposures, risk weights are assigned to all exposures in accordance with the CRR provisions.

Pursuant to the resolution of the Bank's Annual General Meeting (AGM) of 15 April 2025, PLN 104.1m was allocated to the capital reserve, PLN 3,897.6m to dividends, and PLN 1,195.7m remained undistributed. In addition, the AGM allocated PLN 840.9m from the dividend reserve created under AGM resolution no. 6 of 22 March 2021 to the dividend for shareholders. The total amount allocated to the dividend was PLN 4,738.5m. The dividend was paid on 20 May 2025.

On 26 June 2025, Santander Bank Polska S.A. entered into a synthetic securitisation transaction in respect of the corporate receivables portfolio with a total nominal value of PLN 4,182.5m. The securitised portfolio was divided into three tranches corresponding to the sequence of allocation of credit losses. The junior and senior tranches were acquired by the Bank. The mezzanine tranche was acquired in full by external investors. The transaction structure does not use the Synthetic Excess Spread. As part of the transaction, Santander Bank Polska S.A. obtained synthetic credit risk protection on the portfolio exposures through funded credit-linked notes ("CLNs") issued directly by Santander Bank Polska S.A. The CLNs cover losses on the securitisation portfolio in the amount of the mezzanine tranche.

The securitisation transaction carried out by the Bank is designed to reduce credit risk and release part of the capital. As a result of the above transaction, the value of risk weighted assets (RWAs) was reduced by PLN 2,706m as at 30 June 2025.

> Capital ratios of Santander Bank Polska Group as at 30 June 2025, 31 December 2024 and 30 June 2024

Capital ratios of Santander Bank Polska Group	30.06.2025	31.12.2024 ¹⁾	30.06.2024
I Total capital requirement	11,860.8	11,817.7	11,795.8
II Capital and funds after deductions	26,780.2	26,578.1	26,299.2
Total capital ratio [II/(I*12.5)]	18.06%	17.99%	17.84%
Tier 1 capital ratio	17.31%	17.09%	16.72%

1) Including profits allocated to own funds pursuant to EBA guidelines.

> Capital ratios of Santander Bank Polska S.A. and Santander Consumer Bank S.A. as at 30 June 2025, 31 December 2024 and 30 June 2024

Capital ratios of Santander Bank Polska S.A.	30.06.2025	31.12.2024 ¹⁾	30.06.2024
Total capital ratio	20.26%	20.15%	20.02%
Tier 1 capital ratio	19.43%	19.14%	18.73%

1) Including profits allocated to own funds pursuant to EBA guidelines.

Capital ratios of Santander Consumer Bank S.A.	30.06.2025	31.12.2024 ¹⁾	30.06.2024
Total capital ratio	41.48%	43.60%	43.59%
Tier 1 capital ratio	40.31%	42.13%	41.81%

1) Including profits allocated to own funds pursuant to EBA guidelines.

Pursuant to the Bank's information strategy, details about the level of own funds and capital requirements are presented in a separate report on capital adequacy of Santander Bank Polska Group as at 30 June 2025 ("Information on capital adequacy of Santander Bank Polska Group as at 30 June 2025").

IX. Governing bodies

General Meetings of Santander Bank Polska S.A.

The Annual General Meeting of Santander Bank Polska S.A. was held on 15 April 2025. A brief description of the main resolutions of the above body is provided in Part 4 "Corporate events" of Chapter I "Overview of Santander Bank Polska Group performance in H1 2025".

The full versions of the resolutions are available on the website of Santander Bank Polska S.A. at <https://www.santander.pl/relacje-inwestorskie/informacje-o-spolce/walne-zgromadzenie?WZA=1>.

Composition of the Supervisory Board



> Composition of the Supervisory Board of Santander Bank Polska S.A. as at 30 June 2025 and 31 December 2024

Role in the Supervisory Board	No.	Members of the Supervisory Board as at 30.06.2025 and 31.12.2024
Chairman of the Supervisory Board:	1.	Antonio Escámez Torres
Deputy Chairman of the Supervisory Board:	2.	José Luis de Mora
Members of the Supervisory Board:	3.	Dominika Bettman
	4.	José García Cantera
	5.	Adam Celiński
	6.	Danuta Dąbrowska
	7.	Isabel Guerreiro
	8.	Kamilla Marchewka-Bartkowiak
	9.	Tomasz Sójka
	10.	Jerzy Surma

As at 30 June 2025, the Supervisory Board was composed of the individuals appointed for a three-year joint term of office by the Annual General Meeting of 18 April 2024.

The table below presents the composition of the Committees of the Supervisory Board of Santander Bank Polska S.A. as at 30 June 2025 and 31 December 2024.

Role in the Supervisory Board	No.	Members of the Supervisory Board as at 30.06.2025 and 31.12.2024	Audit and Compliance Committee	Risk Committee	Nominations Committee	Remuneration Committee
Chairman of the Supervisory Board:	1.	Antonio Escámez Torres				
Deputy Chairman of the Supervisory Board:	2.	José Luis de Mora				
Members of the Supervisory Board:	3.	Dominika Bettman				
	4.	José García Cantera				
	5.	Adam Celiński				
	6.	Danuta Dąbrowska				
	7.	Isabel Guerreiro				
	8.	Kamilla Marchewka-Bartkowiak				
	9.	Tomasz Sójka				
	10.	Jerzy Surma				

	Chairman/Chairwoman
	Board Member

As at 30 June 2025, five out of ten Supervisory Board members met the independence criteria. The following members hold independent status: Dominika Bettman, Adam Celiński, Danuta Dąbrowska, Kamilla Marchewka-Bartkowiak and Tomasz Sójka. Each of the foregoing persons made a relevant written statement as part of the suitability assessment process.

Details about the academic background and professional experience of the Bank's Supervisory Board members are published on the Bank's website at <https://www.santander.pl/relacje-inwestorskie/informacje-o-spolce/wladze-banku>.

Composition of the Management Board

The table below presents the composition of the Management Board of Santander Bank Polska S.A. as at 30 June 2025 and 31 December 2024, and the roles and responsibilities of its members.

Role in the Management Board	No.	Composition as at 30 June 2025	Reporting area as at 30 June 2025	No.	Composition as at 31 December 2024	Reporting area as at 31 December 2024
President of the Management Board:	1.	Michał Gajewski	1) Internal Audit Area 2) Other units outside of the divisional structure: Communication and Brand Experience Area, Corporate Governance Department	1.	Michał Gajewski	1) Internal Audit Area 2) Legal Area 3) Other units outside of the divisional structure: Corporate Communication and Marketing Area, Corporate Governance Department
	2.	Andrzej Burliga	1) Digital Transformation Division 2) Models and Data Area (unit outside the divisional structure)	2.	Andrzej Burliga	1) Risk Management Division 2) Models and Data Area (formerly: Business Intelligence Area), a unit outside the divisional structure
	-	-	-	3.	Juan de Porras Aguirre ¹⁾	Corporate and Investment Banking Division, Wealth Management and Insurance Division ¹⁾
Vice Presidents of the Management Board:	3.	Lech Gałkowski	1) Business and Corporate Banking Division 2) Corporate and Investment Banking Division 3) Wealth Management Area, including a separate organisational unit – Santander Brokerage Poland (unit outside of the divisional structure)	4.	Lech Gałkowski	Business and Corporate Banking Division
	4.	Artur Głembocki	Risk Management Division	5.	Artur Głembocki	Compliance and FCC Division
	5.	Magdalena Stępień Proga-	1) Retail Banking Division 2) Branch Network	6.	Magdalena Stępień Proga-	1) Retail Banking Division 2) Branch Network
	6.	Maciej Reluga	Financial Management Division	7.	Maciej Reluga	Financial Management Division
	-	-	-	8.	Patryk Nowakowski ²⁾	Digital Transformation Division
	7.	Wojciech Skalski	Financial Accounting and Control Division	9.	Wojciech Skalski	Financial Accounting and Control Division
Members of the Management Board:	8.	Dorota Strojowska	Business Partnership Division	10.	Dorota Strojowska	Business Partnership Division
	9.	Magdalena Szwarz-Bakuta ³⁾	Legal and Compliance Division	-	-	-

1) Juan de Porras Aguirre decided not to apply for reappointment for a new term of office due to his retirement plans. On 15 April 2025, his mandate expired.

2) On 6 November 2024, Patryk Nowakowski stepped down as a member of the Bank's Management Board (effective as of 1 January 2025).

3) On 15 April 2025, the Supervisory Board of Santander Bank Polska S.A. appointed Magdalena Szwarz-Bakuta as a member of the Management Board for a new term of office, effective as of 16 April 2025.

On 15 April 2025, the Supervisory Board of Santander Bank Polska S.A. appointed the Management Board for a new term of office, effective as of 16 April 2025. All existing members were re-elected, except for Juan de Porras Aguirre, who stepped down due to his retirement plans. Magdalena Szwarc-Bakuła was appointed as a new Management Board member in charge of the Legal and Compliance Division.

The information about the academic background and professional experience of the Bank's Management Board members is published on the Bank's website at <https://www.santander.pl/relacje-inwestorskie/informacje-o-spolce/wladze-banku>.

Bank's shares held by Supervisory and Management Board members

As at the release dates of the financial reports for the periods ended 30 June 2025 and 31 March 2025, no member of the Supervisory Board held any shares of Santander Bank Polska S.A.

The table below shows shares of Santander Bank Polska S.A. held by Management Board members as at the release dates of the above-mentioned reports as well as shares conditionally awarded and transferred as part of Incentive Plan VII (in respect of individual terms in office).

Management Board members as at the release date of the report for H1 2025	30.07.2025			30.04.2025		
	Total shares held as at the report release date	Shares transferred to brokerage accounts as part of Incentive Plan VII ¹⁾ in 2025	Shares conditionally awarded as part of Incentive Plan VII ²⁾	Total shares held as at the report release date	Shares transferred to brokerage accounts as part of Incentive Plan VII ¹⁾ in 2024	Shares conditionally awarded as part of Incentive Plan VII ²⁾
Michał Gajewski	11,663	3,060	19,559	11,663	3,060	19,559
Andrzej Burliga	3,309	901	5,376	3,309	901	5,376
Lech Gałkowski	10	1,223	6,744	10	1,223	6,744
Artur Gtembocki	524	462	2,148	524	462	2,148
Magdalena Proga-Stępień	1,487	776	3,025	1,487	776	3,025
Maciej Reluga	4,696	904	5,291	4,696	904	5,291
Wojciech Skalski	4,112	-	1,282	4,112	-	1,282
Dorota Strojowska	5,183	960	5,287	5,183	960	5,287
Magdalena Szwarc-Bakuła	861	-	-	861	-	-

1) Shares awarded to members of the Management Board of Santander Bank Polska S.A. as part of Incentive Plan VII for 2022 and 2023 and transferred to their individual brokerage accounts in 2025.

2) Shares conditionally awarded to members of the Management Board of Santander Bank Polska S.A. as part of Incentive Plan VII for 2022, 2023 and 2024 subject to settlement in 2024–2031.

For more information about Incentive Plan VII launched by Santander Bank Polska Group, please see part "Variable remuneration" in Section 1 "Human resources management" of Chapter VI "Organisational and infrastructure development".

X. Statement of the Management Board

True and fair presentation of the financial statements

To the best of the Management Board's knowledge, the financial figures for the current and comparative reporting periods presented in the Condensed Interim Financial Statements of Santander Bank Polska S.A. for the 6-month period ended 30 June 2025 and the Condensed Interim Consolidated Financial Statements of Santander Bank Polska Group for the 6-month period ended 30 June 2025 were prepared in keeping with the applicable accounting policies and give a true and fair view of the state of affairs and earnings of Santander Bank Polska S.A. and Santander Bank Polska Group.

The half-yearly Management Board report contained in this document gives a true view of the development, achievements and position of Santander Bank Polska S.A. and Santander Bank Polska Group (including the underlying risks) in the first half of 2025.

Signatures of the persons representing the entity

Date	Name and surname	Position/Function	Signature
29.07.2025	Michał Gajewski	President of the Management Board	Signed with a qualified electronic signature
29.07.2025	Andrzej Burliga	Vice President of the Management Board	Signed with a qualified electronic signature
29.07.2025	Lech Gałkowski	Vice President of the Management Board	Signed with a qualified electronic signature
29.07.2025	Artur Gtembocki	Vice President of the Management Board	Signed with a qualified electronic signature
29.07.2025	Magdalena Proga-Stępień	Vice President of the Management Board	Signed with a qualified electronic signature
29.07.2025	Maciej Reluga	Vice President of the Management Board	Signed with a qualified electronic signature
29.07.2025	Wojciech Skalski	Member of the Management Board	Signed with a qualified electronic signature
29.07.2025	Dorota Strojowska	Member of the Management Board	Signed with a qualified electronic signature
29.07.2025	Magdalena Szwarz-Bakuła	Member of the Management Board	Signed with a qualified electronic signature

XI. Glossary of abbreviations

Below is a list of key abbreviations used in this Management Board Report

Abbreviation	Definition
AML	Anti-Money Laundering
BCA	Baseline Credit Assessment
BCB	Business and Corporate Banking Division
BFG	Bankowy Fundusz Gwarancyjny (Bank Guarantee Fund)
BGK	Bank Gospodarstwa Krajowego (state development bank)
CIB	Corporate and Investment Banking Division
EBA	European Banking Authority
ESG	Environmental, Social and Governance
IAS	International Accounting Standards
IDR	Long-term/short-term Issuer Default Rating
IFRS	International Financial Reporting Standards
IRS	Interest Rate Swap
MPC	Monetary Policy Council
MREL	Minimum Requirement for Own Funds and Eligible Liabilities
NBP	National Bank of Poland
NPS	Net Promoter Score
OFE	Otwarty Fundusz Emerytalny (open pension fund)
PTE	Powszechnie Towarzystwo Emerytalne (pension society)
ROA	Return On Assets
ROE	Return On Equity
ROTE	Return On Tangible Equity
SCB Group	Santander Consumer Bank Group