

# Selected Financial Information of Santander Bank Polska Group for 2024

This report contains inside information as defined in Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (MAR). Article 17(1) of MAR is the legal basis for this report.

The financial information provided herein and concerning the quarter and the year ended 31 December 2024 includes the selected, preliminary, unaudited data which has been prepared for information purposes, in addition to the interim reporting obligations of Santander Bank Polska Group. The scope of disclosures does not meet the definition of an interim report required by the International Accounting Standard 34 Interim Financial Reporting or the Regulation of the Minister of Finance of 29 March 2018 on current and financial reports published by the issuers of securities and the rules of equal treatment of the information required by the laws of a non-member state. Some financial data may be subject to revision in the Group's Annual Report for 2024 to be published on 25 February 2025 along with an independent auditor's opinion.

I. Consolidated income statement.....	3
II. Consolidated statement of comprehensive income .....	4
III. Consolidated statement of financial position.....	5
IV. Consolidated statement of changes in equity.....	6
V. Consolidated statement of cash flows .....	8
VI. Separate income statement .....	9
VII. Separate statement of comprehensive income .....	10
VIII. Separate statement of financial position .....	11
IX. Separate statement of changes in equity.....	12
X. Separate statement of cash flows .....	14
XI. Overview of financial performance of Santander Bank Polska Group in 2024.....	15

## I. Consolidated income statement

	1.10.2024- 31.12.2024	1.01.2024- 31.12.2024	1.10.2023- 31.12.2023	1.01.2023- 31.12.2023
for the period:				
<b>Interest income and similar to interest</b>	<b>5 008 900</b>	<b>19 127 387</b>	<b>4 720 076</b>	<b>18 409 758</b>
Interest income on financial assets measured at amortised cost	4 198 678	16 005 671	3 867 435	14 925 201
Interest income on financial assets measured at fair value through other comprehensive income	530 112	2 004 322	595 485	2 472 065
Income similar to interest on financial assets measured at fair value through profit or loss	7 878	68 300	14 968	82 910
Income similar to interest on finance leases	272 232	1 049 094	242 188	929 582
<b>Interest expense</b>	<b>(1 384 219)</b>	<b>(5 254 171)</b>	<b>(1 292 200)</b>	<b>(5 293 859)</b>
<b>Net interest income</b>	<b>3 624 681</b>	<b>13 873 216</b>	<b>3 427 876</b>	<b>13 115 899</b>
Fee and commission income	927 323	3 588 997	878 407	3 331 561
Fee and commission expense	(201 359)	(679 533)	(168 309)	(614 559)
<b>Net fee and commission income</b>	<b>725 964</b>	<b>2 909 464</b>	<b>710 098</b>	<b>2 717 002</b>
Dividend income	3 402	15 811	53	11 471
Net trading income and revaluation	43 880	192 557	21 076	306 619
Gains (losses) from other financial securities	4 933	25 763	(4 238)	(5 121)
Gain/loss on derecognition of financial instruments measured at amortised cost	(25 595)	(70 180)	(26 196)	(322 492)
Other operating income	53 763	185 041	40 900	168 901
Impairment allowances for expected credit losses	(75 243)	(983 392)	(255 243)	(1 149 377)
Cost of legal risk associated with foreign currency mortgage loans	(1 444 360)	(3 101 330)	(1 012 676)	(2 592 326)
Operating expenses incl.:	(1 252 735)	(5 065 027)	(1 213 386)	(4 714 997)
-Staff, operating expenses and management costs	(1 011 477)	(4 237 708)	(1 017 317)	(3 934 824)
-Amortisation of property, plant and equipment and Intangible assets	(118 477)	(472 570)	(120 545)	(424 561)
-Amortisation of right of use asset	(37 207)	(141 634)	(29 235)	(144 918)
-Other operating expenses	(85 574)	(213 115)	(46 289)	(210 694)
Share in net profits (loss) of entities accounted for by the equity method	30 392	102 297	20 158	96 937
Tax on financial institutions	(214 885)	(818 559)	(195 034)	(782 495)
<b>Profit before tax</b>	<b>1 474 197</b>	<b>7 265 661</b>	<b>1 513 388</b>	<b>6 850 021</b>
Corporate income tax	(561 170)	(2 020 864)	(506 545)	(1 902 192)
<b>Consolidated profit for the period</b>	<b>913 027</b>	<b>5 244 797</b>	<b>1 006 843</b>	<b>4 947 829</b>
of which:				
-attributable to owners of the parent entity	913 395	5 212 731	980 121	4 831 107
-attributable to non-controlling interests	(368)	32 066	26 722	116 722
<b>Net earnings per share</b>				
Basic earnings per share (PLN/share)	8,94	51,01	9,60	47,28
Diluted earnings per share (PLN/share)	8,94	51,01	9,60	47,28

## II. Consolidated statement of comprehensive income

	1.10.2024- 31.12.2024	1.01.2024- 31.12.2024	1.10.2023- 31.12.2023	1.01.2023- 31.12.2023
<b>for the period:</b>				
<b>Consolidated profit for the period</b>	<b>913 027</b>	<b>5 244 797</b>	<b>1 006 843</b>	<b>4 947 829</b>
<b>Items that will be reclassified subsequently to profit or loss:</b>	<b>(485 488)</b>	<b>(75 025)</b>	<b>595 400</b>	<b>2 459 699</b>
Revaluation and sales of debt financial assets measured at fair value through other comprehensive income gross	(68 455)	505 776	342 804	1 953 159
Deferred tax	13 007	(96 097)	(65 133)	(371 100)
Revaluation of cash flow hedging instruments gross	(530 913)	(598 400)	393 516	1 083 506
Deferred tax	100 873	113 696	(75 787)	(205 866)
<b>Items that will not be reclassified subsequently to profit or loss:</b>	<b>56 453</b>	<b>154 312</b>	<b>28 277</b>	<b>46 395</b>
Revaluation of equity financial assets measured at fair value through other comprehensive income gross	71 795	190 361	47 909	72 822
Deferred and current tax	(13 480)	(35 368)	(9 102)	(13 836)
Provision for retirement benefits – actuarial gains/losses gross	(2 299)	(841)	(13 000)	(15 544)
Deferred tax	437	160	2 470	2 953
<b>Total other comprehensive income, net</b>	<b>(429 035)</b>	<b>79 287</b>	<b>623 677</b>	<b>2 506 094</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>483 992</b>	<b>5 324 084</b>	<b>1 630 520</b>	<b>7 453 923</b>
Total comprehensive income attributable to:				
- owners of the parent entity	496 212	5 292 165	1 609 504	7 292 186
- non-controlling interests	(12 220)	31 919	21 016	161 737

### III. Consolidated statement of financial position

	as at:	31.12.2024	30.09.2024	31.12.2023
<b>ASSETS</b>				
Cash and balances with central banks		10 575 107	12 954 519	8 417 519
Loans and advances to banks		8 812 988	7 322 045	9 533 840
Financial assets held for trading		9 347 575	8 064 504	8 939 360
Hedging derivatives		1 401 753	2 184 932	1 575 056
Loans and advances to customers incl.:		174 776 281	171 846 048	159 520 007
- measured at amortised cost		155 594 869	153 076 466	143 488 004
- measured at fair value through other comprehensive income		4 289 996	4 273 307	2 798 234
- measured at fair value through profit and loss		63 289	73 469	85 093
- from finance leases		14 828 127	14 422 806	13 148 676
Reverse sale and repurchase agreements		12 126 356	10 701 611	12 676 594
Investment securities incl.:		76 912 655	65 482 316	67 523 003
- debt securities measured at fair value through other comprehensive income		40 843 475	32 914 165	47 598 570
- debt securities measured at fair value through profit and loss		1 247	1 012	2 005
- debt investment securities measured at amortised cost		35 596 997	32 169 637	19 639 468
- equity securities measured at fair value through other comprehensive income		462 317	390 519	277 121
- equity securities measured at fair value through profit and loss		8 619	6 983	5 839
Assets pledged as collateral		1 198 845	3 344 970	271 933
Investments in associates		967 209	937 223	967 514
Intangible assets		979 811	894 333	881 857
Goodwill		1 712 056	1 712 056	1 712 056
Property, plant and equipment		795 006	767 233	765 278
Right of use asset		489 056	505 516	494 296
Deferred tax assets		1 414 382	1 312 956	1 751 189
Fixed assets classified as held for sale		5 400	4 892	6 453
Other assets		2 859 440	2 890 988	1 615 930
<b>Total assets</b>		<b>304 373 920</b>	<b>290 926 142</b>	<b>276 651 885</b>
<b>LIABILITIES AND EQUITY</b>				
Deposits from banks		5 148 660	4 280 116	4 156 453
Hedging derivatives		607 737	567 289	880 538
Financial liabilities held for trading		9 909 687	8 656 019	8 818 493
Deposits from customers		232 028 762	217 769 851	209 277 356
Sale and repurchase agreements		1 198 455	3 861 102	273 547
Subordinated liabilities		2 228 898	2 680 488	2 686 343
Debt securities in issue		11 851 163	12 374 231	9 247 159
Lease liabilities		348 450	365 382	365 833
Current income tax liabilities		741 297	445 237	1 174 609
Deferred tax liability		686	520	435
Provisions for financial liabilities and guarantees granted		93 919	110 953	123 085
Other provisions		2 075 840	1 456 930	967 106
Other liabilities		3 699 180	4 430 670	4 989 910
<b>Total liabilities</b>		<b>269 932 734</b>	<b>256 998 788</b>	<b>242 960 867</b>
<b>Equity</b>				
<b>Equity attributable to owners of parent entity</b>		<b>32 527 467</b>	<b>32 001 415</b>	<b>31 762 645</b>
Share capital		1 021 893	1 021 893	1 021 893
Other reserve capital		24 424 796	24 381 000	25 097 202
Revaluation reserve		(218 647)	199 714	(298 688)
Retained earnings		2 086 694	2 099 472	1 111 131
Profit for the period		5 212 731	4 299 336	4 831 107
<b>Non-controlling interests</b>		<b>1 913 719</b>	<b>1 925 939</b>	<b>1 928 373</b>
<b>Total equity</b>		<b>34 441 186</b>	<b>33 927 354</b>	<b>33 691 018</b>
<b>Total liabilities and equity</b>		<b>304 373 920</b>	<b>290 926 142</b>	<b>276 651 885</b>

## IV. Consolidated statement of changes in equity

Consolidated statement of changes in equity 1.01.2024 - 31.12.2024	Equity attributable to owners of parent entity						Total	Non- controlling interests	Total equity
	Share capital	Own shares	Other reserve capital	Revaluation reserve	Retained earnings and profit for the period				
<b>As at the beginning of the period</b>	<b>1 021 893</b>	<b>-</b>	<b>25 097 202</b>	<b>(298 688)</b>	<b>5 942 238</b>	<b>31 762 645</b>	<b>1 928 373</b>	<b>33 691 018</b>	
Total comprehensive income	-	-	-	79 434	5 212 731	5 292 165	31 919	5 324 084	
<i>Consolidated profit for the period</i>	-	-	-	-	5 212 731	5 212 731	32 066	5 244 797	
<i>Other comprehensive income</i>	-	-	-	79 434	-	79 434	(147)	79 287	
Inclusion of share based incentive scheme	-	-	100 192	-	-	100 192	-	100 192	
Purchase of own shares	-	(72 334)	-	-	-	(72 334)	-	(72 334)	
Settlement of the purchase of own shares under share based incentive scheme	-	72 334	(72 592)	-	-	(258)	-	(258)	
Profit allocation to other reserve capital	-	-	356 395	-	(356 395)	-	-	-	
Profit allocation to dividends	-	-	(1 056 637)	-	(3 504 072)	(4 560 709)	(46 573)	(4 607 282)	
Transfer of revaluation of equity financial assets measured at fair value through other comprehensive income	-	-	-	(4 216)	4 216	-	-	-	
Other changes	-	-	236	4 823	707	5 766	-	5 766	
<b>As at the end of the period</b>	<b>1 021 893</b>	<b>-</b>	<b>24 424 796</b>	<b>(218 647)</b>	<b>7 299 425</b>	<b>32 527 467</b>	<b>1 913 719</b>	<b>34 441 186</b>	

As at the end of the period revaluation reserve in the amount of PLN (218,647) k comprises: change in revaluation of debt securities in the amount of PLN (648,680) k, revaluation of equity securities in the amount of PLN 353,064 k, revaluation of cash flow hedge instruments in the amount of PLN 77,535 k and accumulated actuarial gains of PLN (566) k.

Equity attributable to owners of parent entity

Consolidated statement of changes in equity 1.01.2024 - 30.09.2024	Share capital	Own shares	Other reserve capital	Revaluation reserve	Retained earnings and profit for the period	Total	Non-controlling interests	Total equity
As at the beginning of the period	1 021 893	-	25 097 202	(298 688)	5 942 238	31 762 645	1 928 373	33 691 018
Total comprehensive income	-	-	-	496 617	4 299 336	4 795 953	44 139	4 840 092
Consolidated profit for the period	-	-	-	-	4 299 336	4 299 336	32 434	4 331 770
Other comprehensive income	-	-	-	496 617	-	496 617	11 705	508 322
Inclusion of share based incentive scheme	-	-	70 022	-	-	70 022	-	70 022
Purchase of own shares	-	(72 334)	-	-	-	(72 334)	-	(72 334)
Settlement of the purchase of own shares under share based incentive scheme	-	72 334	(72 592)	-	-	(258)	-	(258)
Profit allocation to other reserve capital	-	-	342 769	-	(342 769)	-	-	-
Profit allocation to dividends	-	-	(1 056 637)	-	(3 504 072)	(4 560 709)	(46 573)	(4 607 282)
Transfer of revaluation of equity financial assets measured at fair value through other comprehensive income	-	-	-	(3 368)	3 368	-	-	-
Other changes	-	-	236	5 153	707	6 096	-	6 096
<b>As at the end of the period</b>	<b>1 021 893</b>	<b>-</b>	<b>24 381 000</b>	<b>199 714</b>	<b>6 398 808</b>	<b>32 001 415</b>	<b>1 925 939</b>	<b>33 927 354</b>

As at the end of the period revaluation reserve in the amount of PLN 199,714 k comprises: change in revaluation of debt securities in the amount of PLN (601,227) k, revaluation of equity securities in the amount of PLN 295,599 k, revaluation of cash flow hedge instruments in the amount of PLN 503,562 k and accumulated actuarial gains of PLN 1,780 k.

Equity attributable to owners of parent entity

Consolidated statement of changes in equity 1.01.2023 - 31.12.2023	Share capital	Own shares	Other reserve capital	Revaluation reserve	Retained earnings and profit for the period	Total	Non-controlling interests	Total equity
As at the beginning of the period	1 021 893	-	23 858 400	(2 781 325)	4 569 125	26 668 093	1 797 255	28 465 348
Total comprehensive income	-	-	-	2 461 079	4 831 107	7 292 186	161 737	7 453 923
Consolidated profit for the period	-	-	-	-	4 831 107	4 831 107	116 722	4 947 829
Other comprehensive income	-	-	-	2 461 079	-	2 461 079	45 015	2 506 094
Inclusion of share based incentive scheme	-	-	198 912	-	-	198 912	-	198 912
Purchase of own shares	-	(48 884)	-	-	-	(48 884)	-	(48 884)
Settlement of the purchase of own shares under share based incentive scheme	-	48 884	(48 249)	-	-	635	-	635
Profit allocation to other reserve capital	-	-	3 464 692	-	(3 464 692)	-	-	-
Interim dividend	-	-	(2 375 902)	-	-	(2 375 902)	-	(2 375 902)
Profit allocation to dividends	-	-	-	-	-	-	(37 861)	(37 861)
Other changes	-	-	(651)	21 558	6 698	27 605	7 242	34 847
<b>As at the end of the period</b>	<b>1 021 893</b>	<b>-</b>	<b>25 097 202</b>	<b>(298 688)</b>	<b>5 942 238</b>	<b>31 762 645</b>	<b>1 928 373</b>	<b>33 691 018</b>

As at the end of the period revaluation reserve in the amount of PLN (298,688) k comprises: change in revaluation of debt securities in the amount of PLN (1,059,952) k, revaluation of equity securities in the amount of PLN 202,287 k, revaluation of cash flow hedge instruments in the amount of PLN 558,326 k and accumulated actuarial gains of PLN 651 k.

## V. Consolidated statement of cash flows

	for the period	1.01.2024- 31.12.2024	1.01.2023- 31.12.2023
<b>Cash flows from operating activities</b>			
<b>Profit before tax</b>		<b>7 265 661</b>	<b>6 850 021</b>
<b>Adjustments for:</b>			
Share in net profits of entities accounted for by the equity method		(102 297)	(96 937)
Depreciation/amortisation		614 204	569 479
Net gains on investing activities		4 041	5 021
Interest accrued excluded from operating activities		(1 832 568)	(1 814 295)
Dividends		(119 183)	(87 706)
Impairment losses (reversal)		14 091	5 573
<b>Changes in:</b>			
Provisions		1 079 568	401 011
Financial assets / liabilities held for trading		689 235	(416 839)
Assets pledged as collateral		(1 088 492)	(133 235)
Hedging derivatives		308 029	(1 376 461)
Loans and advances to banks		(4 669 728)	1 627 108
Loans and advances to customers		(29 617 191)	(21 217 107)
Deposits from banks		117 305	570 638
Deposits from customers		26 423 635	17 547 915
Buy-sell/ Sell-buy-back transactions		(1 915 251)	(4 142 162)
Other assets and liabilities		(3 307 760)	1 471 356
Interest received on operating activities		15 462 082	15 001 042
Interest paid on operating activities		(3 985 161)	(4 848 756)
Paid income tax		(2 135 860)	(665 188)
<b>Net cash flows from operating activities</b>		<b>3 204 360</b>	<b>9 250 478</b>
<b>Cash flows from investing activities</b>			
<b>Inflows</b>		<b>16 063 828</b>	<b>16 213 375</b>
Sale/maturity of investment securities		13 144 692	13 837 008
Sale of intangible assets and property, plant and equipment		29 521	34 721
Dividends received		119 183	87 706
Interest received		2 770 432	2 253 940
<b>Outflows</b>		<b>(22 078 347)</b>	<b>(21 417 015)</b>
Purchase of investment securities		(21 445 654)	(20 782 119)
Purchase of intangible assets and property, plant and equipment		(632 693)	(634 896)
<b>Net cash flows from investing activities</b>		<b>(6 014 519)</b>	<b>(5 203 640)</b>
<b>Cash flows from financing activities</b>			
<b>Inflows</b>		<b>12 370 685</b>	<b>10 071 205</b>
Debt securities issued		8 159 564	6 875 760
Drawing of loans		4 211 121	3 195 445
<b>Outflows</b>		<b>(15 132 213)</b>	<b>(14 035 889)</b>
Debt securities buy out		(5 577 382)	(6 721 700)
Repayment of loans and advances		(3 683 959)	(3 890 984)
Repayment of lease liabilities		(159 606)	(169 580)
Dividends to shareholders		(4 607 282)	(2 413 763)
Purchase of own shares		(72 334)	(48 884)
Interest paid		(1 031 650)	(790 978)
<b>Net cash flows from financing activities</b>		<b>(2 761 528)</b>	<b>(3 964 684)</b>
<b>Total net cash flows</b>		<b>(5 571 687)</b>	<b>82 154</b>
<b>Cash and cash equivalents at the beginning of the accounting period</b>		<b>34 575 193</b>	<b>34 493 039</b>
<b>Cash and cash equivalents at the end of the accounting period</b>		<b>29 003 506</b>	<b>34 575 193</b>



## VI. Separate income statement

	1.10.2024- 31.12.2024	1.01.2024- 31.12.2024	1.10.2023- 31.12.2023	1.01.2023- 31.12.2023
<b>for the period:</b>				
<b>Interest income and similar to interest</b>	<b>4 210 443</b>	<b>16 103 254</b>	<b>3 998 882</b>	<b>15 604 018</b>
Interest income on financial assets measured at amortised cost	3 708 106	14 173 256	3 426 181	13 240 163
Interest income on financial assets measured at fair value through other comprehensive income	497 279	1 875 462	562 023	2 300 743
Income similar to interest on financial assets measured at fair value through profit or loss	5 058	54 536	10 678	63 112
Interest expense	(1 100 900)	(4 185 792)	(1 021 576)	(4 164 431)
<b>Net interest income</b>	<b>3 109 543</b>	<b>11 917 462</b>	<b>2 977 306</b>	<b>11 439 587</b>
Fee and commission income	781 936	3 028 193	730 294	2 829 144
Fee and commission expense	(146 067)	(475 713)	(126 964)	(443 345)
<b>Net fee and commission income</b>	<b>635 869</b>	<b>2 552 480</b>	<b>603 330</b>	<b>2 385 799</b>
Dividend income	43 386	212 332	18	241 567
Net trading income and revaluation	44 269	189 422	17 872	298 573
Gains (losses) from other financial securities	3 562	23 419	(7 422)	(12 363)
Gain/loss on derecognition of financial instruments measured at amortised cost	(25 033)	(65 278)	(22 796)	(316 773)
Other operating income	19 228	74 891	18 553	74 836
Impairment allowances for expected credit losses	(49 703)	(637 924)	(283 169)	(945 710)
Cost of legal risk associated with foreign currency mortgage loans	(1 153 505)	(2 252 561)	(777 212)	(2 081 557)
Operating expenses incl.:	(1 028 645)	(4 206 672)	(1 017 096)	(3 936 495)
-Staff, operating expenses and management costs	(843 554)	(3 566 752)	(861 820)	(3 309 013)
-Amortisation of property, plant and equipment and Intangible assets	(100 241)	(387 713)	(92 444)	(350 702)
-Amortisation of right of use asset	(32 787)	(131 037)	(32 292)	(126 784)
-Other operating expenses	(52 063)	(121 170)	(30 540)	(149 996)
Tax on financial institutions	(203 604)	(777 985)	(186 258)	(751 162)
<b>Profit before tax</b>	<b>1 395 367</b>	<b>7 029 586</b>	<b>1 323 126</b>	<b>6 396 302</b>
Corporate income tax	(466 156)	(1 832 106)	(431 072)	(1 723 324)
<b>Profit for the period</b>	<b>929 211</b>	<b>5 197 480</b>	<b>892 054</b>	<b>4 672 978</b>
<b>Net earnings per share</b>				
Basic earnings per share (PLN/share)	9,09	50,86	8,73	45,73
Diluted earnings per share (PLN/share)	9,09	50,86	8,73	45,73

## VII. Separate statement of comprehensive income

	1.10.2024- 31.12.2024	1.01.2024- 31.12.2024	1.10.2023- 31.12.2023	1.01.2023- 31.12.2023
<b>for the period:</b>				
<b>Net profit for the period</b>	<b>929 211</b>	<b>5 197 480</b>	<b>892 054</b>	<b>4 672 978</b>
<b>Items that will be reclassified subsequently to profit or loss:</b>	<b>(454 665)</b>	<b>(73 304)</b>	<b>608 432</b>	<b>2 347 063</b>
Revaluation and sales of debt financial assets measured at fair value through other comprehensive income gross	(42 792)	495 822	354 163	1 832 301
Deferred tax	8 131	(94 206)	(67 290)	(348 137)
Revaluation of cash flow hedging instruments gross	(518 523)	(586 321)	396 986	1 065 307
Deferred tax	98 519	111 401	(75 427)	(202 408)
<b>Items that will not be reclassified subsequently to profit or loss:</b>	<b>55 069</b>	<b>150 567</b>	<b>29 643</b>	<b>46 076</b>
Revaluation of equity financial assets measured at fair value through other comprehensive income gross	71 798	188 399	47 909	72 166
Deferred and current tax	(13 642)	(35 796)	(9 103)	(13 712)
Provision for retirement benefits – actuarial gains/losses gross	(3 812)	(2 514)	(11 313)	(15 282)
Deferred tax	725	478	2 150	2 904
<b>Total other comprehensive income, net</b>	<b>(399 596)</b>	<b>77 263</b>	<b>638 075</b>	<b>2 393 139</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>529 615</b>	<b>5 274 743</b>	<b>1 530 129</b>	<b>7 066 117</b>

## VIII. Separate statement of financial position

	as at:	31.12.2024	30.09.2024	31.12.2023
<b>ASSETS</b>				
Cash and balances with central banks		10 240 316	12 736 557	8 275 110
Loans and advances to banks		9 002 974	7 393 992	9 048 400
Financial assets held for trading		9 366 581	8 064 727	8 941 960
Hedging derivatives		1 363 319	2 109 707	1 559 374
Loans and advances to customers incl.:		152 257 402	150 480 564	140 903 101
- measured at amortised cost		147 965 869	146 198 058	138 093 756
- measured at fair value through other comprehensive income		4 289 996	4 273 307	2 798 234
- measured at fair value through profit and loss		1 537	9 199	11 111
Reverse sale and repurchase agreements		12 126 356	10 701 611	12 676 594
Investment securities incl.:		71 820 996	60 923 032	62 952 586
- debt securities measured at fair value through other comprehensive income		38 130 920	30 267 482	44 814 032
- debt investment securities measured at amortised cost		33 227 759	30 266 613	17 866 218
- equity securities measured at fair value through other comprehensive income		462 317	388 937	272 336
Assets pledged as collateral		1 198 845	3 344 970	271 933
Investments in subsidiaries and associates		2 330 907	2 377 407	2 377 407
Intangible assets		826 533	747 486	730 461
Goodwill		1 688 516	1 688 516	1 688 516
Property, plant and equipment		415 295	404 006	472 100
Right of use asset		449 693	468 240	449 610
Deferred tax assets		674 692	504 022	986 915
Fixed assets classified as held for sale		4 308	4 308	4 308
Other assets		2 324 187	2 336 967	1 062 826
<b>Total assets</b>		<b>276 090 920</b>	<b>264 286 112</b>	<b>252 401 201</b>
<b>LIABILITIES AND EQUITY</b>				
Deposits from banks		3 050 432	3 072 836	2 668 293
Hedging derivatives		600 071	562 639	829 565
Financial liabilities held for trading		9 926 216	8 655 936	8 834 034
Deposits from customers		215 776 367	202 225 428	195 365 937
Sale and repurchase agreements		1 198 455	3 861 102	273 547
Subordinated liabilities		2 127 985	2 577 691	2 585 476
Debt securities in issue		7 514 380	8 092 240	5 929 056
Lease liabilities		475 622	494 015	484 012
Current income tax liabilities		673 956	371 006	1 127 618
Provisions for financial liabilities and guarantees granted		170 350	187 884	151 294
Other provisions		1 580 516	1 074 030	741 677
Other liabilities		2 769 203	3 443 723	3 925 195
<b>Total liabilities</b>		<b>245 863 553</b>	<b>234 618 530</b>	<b>222 915 704</b>
<b>Equity</b>				
Share capital		1 021 893	1 021 893	1 021 893
Other reserve capital		22 427 789	22 397 619	23 369 548
Revaluation reserve		(197 903)	201 693	(275 166)
Retained earnings		1 778 108	1 778 108	696 244
Profit for the period		5 197 480	4 268 269	4 672 978
<b>Total equity</b>		<b>30 227 367</b>	<b>29 667 582</b>	<b>29 485 497</b>
<b>Total liabilities and equity</b>		<b>276 090 920</b>	<b>264 286 112</b>	<b>252 401 201</b>

## IX. Separate statement of changes in equity

Statement of changes in equity 1.01.2024 - 31.12.2024	Share capital	Own shares	Other reserve capital	Revaluation reserve	Retained earnings and profit for the period	Total
<b>As at the beginning of the period</b>	<b>1 021 893</b>	-	<b>23 369 548</b>	<b>(275 166)</b>	<b>5 369 222</b>	<b>29 485 497</b>
Total comprehensive income	-	-	-	77 263	5 197 480	5 274 743
<i>Profit for the period</i>	-	-	-	-	5 197 480	5 197 480
<i>Other comprehensive income</i>	-	-	-	77 263	-	77 263
Inclusion of share based incentive scheme	-	-	100 192	-	-	100 192
Purchase of own shares	-	(72 334)	-	-	-	(72 334)
Settlement of the purchase of own shares under share based incentive scheme	-	72 334	(72 592)	-	-	(258)
Profit allocation to other reserve capital	-	-	87 042	-	(87 042)	-
Profit allocation to dividends	-	-	(1 056 637)	-	(3 504 072)	(4 560 709)
Other changes	-	-	236	-	-	236
<b>As at the end of the period</b>	<b>1 021 893</b>	-	<b>22 427 789</b>	<b>(197 903)</b>	<b>6 975 588</b>	<b>30 227 367</b>

As at the end of the period revaluation reserve in the amount of PLN (197,903) k comprises: change in revaluation of debt securities in the amount of PLN (630,053) k, revaluation of equity securities in the amount of PLN 352,463 k, revaluation of cash flow hedge instruments in the amount of PLN 82,346 k and accumulated actuarial gains of PLN (2,659) k.

Statement of changes in equity 1.01.2024 - 30.09.2024	Share capital	Own shares	Other reserve capital	Revaluation reserve	Retained earnings and profit for the period	Total
<b>As at the beginning of the period</b>	<b>1 021 893</b>	-	<b>23 369 548</b>	<b>(275 166)</b>	<b>5 369 222</b>	<b>29 485 497</b>
Total comprehensive income	-	-	-	476 859	4 268 269	4 745 128
<i>Profit for the period</i>	-	-	-	-	4 268 269	4 268 269
<i>Other comprehensive income</i>	-	-	-	476 859	-	476 859
Inclusion of share based incentive scheme	-	-	70 022	-	-	70 022
Purchase of own shares	-	(72 334)	-	-	-	(72 334)
Settlement of the purchase of own shares under share based incentive scheme	-	72 334	(72 592)	-	-	(258)
Profit allocation to other reserve capital	-	-	87 042	-	(87 042)	-
Profit allocation to dividends	-	-	(1 056 637)	-	(3 504 072)	(4 560 709)
Other changes	-	-	236	-	-	236
<b>As at the end of the period</b>	<b>1 021 893</b>	-	<b>22 397 619</b>	<b>201 693</b>	<b>6 046 377</b>	<b>29 667 582</b>

As at the end of the period revaluation reserve in the amount of PLN 201,693 k comprises: change in revaluation of debt securities in the amount of PLN (595,392) k, revaluation of equity securities in the amount of PLN 294,308 k, revaluation of cash flow hedge instruments in the amount of PLN 502,349 k and accumulated actuarial gains of PLN 428 k.

Statement of changes in equity 1.01.2023 - 31.12.2023	Share capital	Own shares	Other reserve capital	Revaluation reserve	Retained earnings and profit for the period	Total
<b>As at the beginning of the period</b>	<b>1 021 893</b>	-	<b>22 305 509</b>	<b>(2 668 305)</b>	<b>3 986 173</b>	<b>24 645 270</b>
Total comprehensive income	-	-	-	2 393 139	4 672 978	7 066 117
<i>Profit for the period</i>	-	-	-	-	4 672 978	4 672 978
<i>Other comprehensive income</i>	-	-	-	2 393 139	-	2 393 139
Inclusion of share based incentive scheme	-	-	198 912	-	-	198 912
Purchase of own shares	-	(48 884)	-	-	-	(48 884)
Settlement of the purchase of own shares under share based incentive scheme	-	48 884	(48 249)	-	-	635
Profit allocation to other reserve capital	-	-	3 289 929	-	(3 289 929)	-
Interim dividend	-	-	(2 375 902)	-	-	(2 375 902)
Other changes	-	-	(651)	-	-	(651)
<b>As at the end of the period</b>	<b>1 021 893</b>	-	<b>23 369 548</b>	<b>(275 166)</b>	<b>5 369 222</b>	<b>29 485 497</b>

As at the end of the period revaluation reserve in the amount of PLN (275,166) k comprises: change in revaluation of debt securities in the amount of PLN (1,031,669) k, revaluation of equity securities in the amount of PLN 199,860 k, revaluation of cash flow hedge instruments in the amount of PLN 557,266 k and accumulated actuarial gains of PLN (623) k.

## X. Separate statement of cash flows

	for the period	1.01.2024- 31.12.2024	1.01.2023- 31.12.2023
<b>Cash flows from operating activities</b>			
<b>Profit before tax</b>		<b>7 029 586</b>	<b>6 396 302</b>
<b>Adjustments for:</b>			
Depreciation/amortisation		518 750	477 486
Net gains on investing activities		(6 037)	6 769
Interest accrued excluded from operating activities		(2 176 110)	(2 011 345)
Dividends		(207 145)	(240 269)
Impairment losses (reversal)		14 304	4 390
<b>Changes in:</b>			
Provisions		857 895	355 302
Financial assets / liabilities held for trading		673 731	(416 804)
Assets pledged as collateral		(1 088 492)	(110 353)
Hedging derivatives		329 435	(1 285 031)
Loans and advances to banks		(4 686 721)	1 644 598
Loans and advances to customers		(22 961 885)	(17 751 486)
Deposits from banks		501 649	524 521
Deposits from customers		23 383 643	13 301 911
Buy-sell/ Sell-buy-back transactions		(1 915 324)	(3 976 188)
Other assets and liabilities		(3 266 121)	1 269 265
Interest received on operating activities		12 731 737	12 438 286
Interests paid on operating activities		(3 302 076)	(4 101 274)
Paid income tax		(1 991 668)	(511 093)
<b>Net cash flows from operating activities</b>		<b>4 439 151</b>	<b>6 014 987</b>
<b>Cash flows from investing activities</b>			
<b>Inflows</b>		<b>15 767 756</b>	<b>14 663 141</b>
Sale of investments in subsidiaries and other changes		46 500	-
Sale/maturity of investment securities		12 827 421	12 259 146
Sale of intangible assets and property, plant and equipment		1 234	13 048
Dividends received		207 145	240 269
Interest received		2 685 456	2 150 678
<b>Outflows</b>		<b>(20 885 862)</b>	<b>(18 883 143)</b>
Purchase of investment securities		(20 439 604)	(18 433 175)
Purchase of intangible assets and property, plant and equipment		(446 258)	(449 968)
<b>Net cash flows from investing activities</b>		<b>(5 118 106)</b>	<b>(4 220 002)</b>
<b>Cash flows from financing activities</b>			
<b>Inflows</b>		<b>4 534 224</b>	<b>6 032 802</b>
Debt securities issued		4 350 000	5 865 760
Drawing of loans		184 224	167 042
<b>Outflows</b>		<b>(8 831 989)</b>	<b>(8 619 723)</b>
Debt securities buy out		(2 787 443)	(5 605 700)
Repayment of loans and advances		(617 713)	(87 560)
Repayment of lease liabilities		(147 307)	(154 407)
Dividends to shareholders		(4 560 709)	(2 375 902)
Purchase of own shares		(72 334)	(48 884)
Interest paid		(646 483)	(347 270)
<b>Net cash flows from financing activities</b>		<b>(4 297 765)</b>	<b>(2 586 921)</b>
<b>Total net cash flows</b>		<b>(4 976 720)</b>	<b>(791 936)</b>
<b>Cash and cash equivalents at the beginning of the accounting period</b>		<b>33 698 888</b>	<b>34 490 824</b>
<b>Cash and cash equivalents at the end of the accounting period</b>		<b>28 722 168</b>	<b>33 698 888</b>

## XI. Overview of financial performance of Santander Bank Polska Group in 2024

### Factors and events with significant impact on the financial results of Santander Bank Polska Group in 2024

<b>Economic growth</b>	<ul style="list-style-type: none"> <li>• A rebound of economic growth to approx. 3% p.a. in line with Poland's economic potential, largely supported by consumer demand.</li> <li>• Subdued growth in investments with the prospect of a recovery in subsequent quarters. Gradual deterioration of the foreign trade balance due to weak economic conditions in the eurozone and acceleration of domestic demand supporting imports.</li> </ul>
<b>Labour market</b>	<ul style="list-style-type: none"> <li>• Unemployment rate at a record low level.</li> <li>• Double-digit wage growth.</li> </ul>
<b>Inflation</b>	<ul style="list-style-type: none"> <li>• Inflation again increasing above the upper band of the NBP inflation target, mainly influenced by rising energy and food prices.</li> </ul>
<b>Monetary policy</b>	<ul style="list-style-type: none"> <li>• Interest rates kept unchanged amid increasing inflation, high wage growth and expansionary fiscal policy.</li> <li>• Mixed signals from the central bank with regard to possible interest rate cuts in 2025.</li> </ul>
<b>Fiscal policy</b>	<ul style="list-style-type: none"> <li>• Revision of the state budget for 2024 with an increase in the fiscal deficit from 5.1% to 5.7% of GDP due to generation of lower-than-expected income. Fiscal deficit of 5.5% of GDP assumed in the draft budget for 2025, implying no significant fiscal consolidation.</li> <li>• Continued increase in debt to GDP, borrowing needs and treasury security issues.</li> </ul>
<b>Credit market</b>	<ul style="list-style-type: none"> <li>• Recovery of the credit market with an improved credit delivery in volume terms. Record sales of consumer loans. Normalisation of the demand for mortgage loans as a result of closure of the Safe Mortgage 2% programme.</li> <li>• Expected continuation of positive trends along with further growth in economic activity.</li> </ul>
<b>Financial markets</b>	<ul style="list-style-type: none"> <li>• High volatility of debt markets amid changing expectations as to global inflation and monetary policy, including initial growth and then decrease in the expected pace and scale of monetary policy easing by the Federal Reserve. Rising bond yields observed for the greater part of the year, reflecting revised expectations as to the scale and pace of interest rate cuts.</li> <li>• Exceptionally stable EUR/PLN rate throughout the year despite the US dollar strengthening against the euro in H2 and real appreciation of the Polish zloty. Moderate reactions of the currency market to the domestic and global developments.</li> </ul>

### Group's profitability

The profit before tax of Santander Bank Polska Group for the 12-month period ended 31 December 2024 was PLN 7,265.7m, up 6.1% YoY. The profit attributable to the shareholders of the parent entity increased by 7.9% YoY to PLN 5,212.7m.

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

- the underlying profit before tax increased by 9.6% YoY;
- the underlying profit attributable to the shareholders of the parent entity went up by 11.7% YoY.

### Determinants of the Group's profit for 2024

In 2024, Santander Bank Polska Group generated solid growth in net interest income (+5.8% YoY) in an environment of lower YoY but still high interest rates and an increased demand for credit, notably consumer loans and corporate loans.

Net fee and commission income grew by 7.1% YoY, reflecting, among other things, a YoY increase in net income from FX fees and insurance fees as well as net fee and commission income from lending, leasing and factoring activities. What also contributed to the growth in net fee and commission income was the Group's activity in the stock and investment fund markets, which translated into higher net income from brokerage fees and distribution and asset management fees.

Furthermore, the profit before tax was positively affected by other non-interest and non-fee income, which grew by PLN 189.6m due to a decrease in the cost of settlements with foreign currency mortgage borrowers presented in the Group's income statement under gain/loss on derecognition of financial instruments measured at amortised cost.

Expected credit loss allowances were down 14.4% YoY, reflecting a gradual recovery of economic activity in Poland and a stable condition of the Group's credit portfolio, with a negligible share and financial impact of one-off items. Another contributing factor was further sale of credit receivables. In 2024, the Bank changed the criteria of a significant increase in credit risk in relation to all of its credit portfolios, which resulted in an increase of PLN 130.8m in expected credit loss allowances.

The Group's profitability was adversely impacted by a 19.6% YoY rise in cost of legal risk connected with foreign currency mortgage loans, resulting from the review and update of the risk assessment parameters in 2024, including the likelihoods of different judgments considered by the Group.

What also weighed down on the Group's profitability was a 7.7% YoY increase in staff, general and administrative expenses, reflecting an inflationary pressure, pay rises in line with market rates, higher contribution to the BFG bank resolution fund, and growing operating expenses in respect of third party services, consultancy and advisory fees, maintenance of premises and access to specialised information platforms.

## Comparability of periods

### Selected items of the income statement affecting the comparability of periods

	2024	2023
<b>Cost of legal risk connected with foreign currency mortgage loans</b> <i>(income statement item)</i>	<ul style="list-style-type: none"> <li>• PLN 3,101.3m</li> </ul>	<ul style="list-style-type: none"> <li>• PLN 2,592.3m</li> </ul>
<b>Contributions to the BFG resolution fund made by Santander Bank Polska S.A. and Santander Consumer Bank S.A.</b> <i>(general and administrative expenses)</i>	<ul style="list-style-type: none"> <li>• PLN 249.9m</li> </ul>	<ul style="list-style-type: none"> <li>• PLN 174.6m</li> </ul>
<b>Negative adjustment to interest income on mortgage loans due to the so-called statutory payment holidays</b> <i>(interest income)</i>	<ul style="list-style-type: none"> <li>• PLN 134.5m – a one-off adjustment (taken to Q2 2024) accounting for payment holidays for PLN mortgage borrowers in 2024 subject to specific eligibility criteria</li> </ul>	<ul style="list-style-type: none"> <li>• PLN 49.3m – revision of the adjustment to interest income in respect of payment holidays for PLN mortgage borrowers in 2022–2023 to account for changes in the assumptions regarding borrowers' participation in the programme</li> </ul>
<b>Negative impact of changes to the criteria of a significant increase in credit risk</b> <i>(net expected credit loss allowances)</i>	<ul style="list-style-type: none"> <li>• PLN 130.8m – a rise in expected credit loss allowances resulting from the change in the criteria of a significant increase in credit risk determining the classification of exposures to Stage 2</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>
<b>Cost of settlements connected with foreign currency mortgage loans</b> <i>(gain/loss on derecognition of financial instruments measured at amortised cost)</i>	<ul style="list-style-type: none"> <li>• PLN 74.1m</li> </ul>	<ul style="list-style-type: none"> <li>• PLN 329.8m</li> </ul>



## Profit structure

## Key aggregates and components of the income statement of Santander Bank Polska Group for 2024

<b>Total income, including:</b>	<ul style="list-style-type: none"> <li>• <b>Total income</b> of Santander Bank Polska Group for 2024 increased by 7.1% YoY to PLN 17,131.7m.</li> <li>• Excluding the impact of a statutory solution known as payment holidays for PLN mortgage borrowers and settlements with CHF mortgage borrowers (a total of PLN 208.6m for 2024 and PLN 379.1m for 2023), the underlying total income was up 5.9% YoY.</li> </ul>
<b>Net interest income</b>	<ul style="list-style-type: none"> <li>• <b>Net interest income</b> for 2024 totalled PLN 13,873.2m and increased by 5.8% YoY as a result of considerable growth in business volumes achieved in the environment of lower YoY but still high interest rates.</li> <li>• The net interest income for 2024 includes the negative adjustment of PLN 134.5m reflecting the estimated financial impact of the so-called payment holidays for eligible PLN mortgage borrowers in 2024 arising from the amended Act on crowdfunding for business and support for borrowers. In turn, a charge of PLN 49.3m was made to the income statement for 2023, reflecting a revision of the negative adjustment to interest income recognised in full in 2022 on account of the previous edition of the statutory payment holidays applicable in 2022–2023. The estimated value was increased as a result of changes in the assumed participation of eligible PLN mortgage borrowers.</li> <li>• During the twelve months of 2024, the <b>cumulative net interest margin</b> (annualised on a year-to-date basis) decreased from 5.39% to 5.27%. Excluding the impact of the so-called payment holidays, it was 5.32% as at 31 December 2024 (-0.07 p.p. YoY). A slight YoY decrease in the underlying net interest margin generated in the period of growth of the Group's key business volumes reflects a decline in market interest rates and modifications made by the Group, mainly to account for cuts in NBP interest rates and their expected evolution.</li> <li>• In 2024, the pricing of the Group's deposit and credit products was regularly modified in line with market conditions and internal objectives in terms of competitive position, balance sheet structure, liquidity and profitability. At the same time, interest expense was optimised through targeted deposit promotions and higher share of solutions based on an adjustable fixed rate. Growing debt securities portfolios generated a clear increase in both interest income and expense.</li> </ul>
<b>Net fee and commission income</b>	<ul style="list-style-type: none"> <li>• <b>Net fee and commission income</b> for 2024 was PLN 2,909.5m and increased by 7.1% YoY on account of the Group's diversified operations, including activities in the investment fund, stock, bancassurance and foreign exchange markets, with higher rates of return generated in the reporting period. <ul style="list-style-type: none"> <li>✓ Net FX fee income grew by 14.4% YoY as a combined effect of higher average quotations and marginally lower FX turnover.</li> <li>✓ Net fee and commission income from distribution and asset management went up by 25.7% YoY on account of higher income from management fees related to Santander fund assets resulting from a higher average value of net assets, supported by strong net sales and a positive change in the value of fund units.</li> <li>✓ The insurance products line shows a rise of 19.5% YoY, reflecting high customer demand for the Life and health (Życie i zdrowie) insurance and accelerated sales of mortgage loan insurance at the start of 2024 due to the approaching closure of the 2% Safe Mortgage government programme.</li> <li>✓ An 11.2% YoY increase in net income from brokerage activities was driven, among other things, by Santander Brokerage Poland's participation in ABB transactions and tender offers for shares.</li> </ul> </li> </ul>

## Key aggregates and components of the income statement of Santander Bank Polska Group for 2024 (cont.)

<b>Other income</b>	<ul style="list-style-type: none"> <li>• <b>Non-interest and non-fee income</b> of Santander Bank Polska Group totalled PLN 349.0m and was up PLN 189.6m YoY on account of the following changes in its components: <ul style="list-style-type: none"> <li>✓ Net trading income and revaluation went down by 37.2% YoY to PLN 192.6m due to a YoY decline in gain on transactions in derivative and FX markets. The decrease was most pronounced in transactions used by the Bank to manage FX liquidity.</li> <li>✓ Gain on other financial instruments totalled PLN 25.8m and rose by PLN 30.9m YoY, largely supported by higher gain on hedging and hedged instruments and sale of debt investment securities measured at fair value through other comprehensive income. The above increase was partly offset by a decline resulting from the sale of the entire stake in Visa Inc. held by Santander Bank Polska S.A. In the comparative period, the valuation and sale of the above-mentioned shares brought in a total gain of PLN 13.9m.</li> <li>✓ The loss on derecognition of financial instruments measured at amortised cost was PLN 70.2m vs PLN 322.5m the year before. This line item includes mainly costs of voluntary settlements with CHF mortgage borrowers, which totalled PLN 74.1m in 2024 and PLN 329.8m in 2023.</li> </ul> </li> </ul>
<b>Costs of legal risk</b>	<ul style="list-style-type: none"> <li>• <b>Costs of legal risk</b> connected with foreign currency mortgage loans increased by 19.6% YoY to PLN 3,101.3m as a result of legal developments in Poland connected with CHF mortgage loans.</li> </ul>
<b>Net allowances</b>	<ul style="list-style-type: none"> <li>• In 2024, the charge made by Santander Bank Polska Group to the income statement on account of <b>net expected credit loss allowances</b> was PLN 983.4m, down 14.4% YoY. The lower level of allowances is attributed, among other things, to gradual economic recovery, which positively affected the condition of the credit portfolios and revision parameters.</li> <li>• In 2024, the quantitative criteria of a significant increase in credit risk were modified in relation to all credit portfolios of the Bank, resulting in the reclassification of PLN 8.1bn worth of loans and advances to Stage 2 and a rise of PLN 130.8m in expected credit loss allowances.</li> </ul>
<b>Total operating expenses</b>	<ul style="list-style-type: none"> <li>• <b>Total operating expenses</b> of Santander Bank Polska Group for 2024 increased by 7.4% YoY to PLN 5,065.0m on account of an inflationary pressure, salary review, higher contributions to the Bank Guarantee Fund, higher costs of third party services as well as increased depreciation of property, plant and equipment and amortisation of intangible assets, resulting from the delivery of investment projects and capitalisation of the related costs.</li> <li>• As total costs grew by 7.4% YoY and total income by 7.1% YoY, the Group's cost to income ratio was stable at 29.6% vs 29.5% in 2023. The corresponding ratios for the Bank were 28.2% and 27.9%, respectively.</li> <li>• <b>Staff expenses</b> for 2024 totalled PLN 2,418.3m and increased by 5.9% YoY, mainly as an effect of a salary review in relation to market rates in Q4 2023.</li> <li>• <b>General and administrative expenses</b> of Santander Bank Polska Group went up by 10.2% YoY to PLN 1,819.4m. <ul style="list-style-type: none"> <li>✓ Amounts payable to market regulators (BFG, KNF and KDPW) totalled PLN 294.0m and were up 39.1% YoY due to the recognition of 43.1% YoY higher contribution to the bank resolution fund which totalled PLN 249.9m in accordance with the BFG Council's resolution of 16 April 2024.</li> <li>✓ Excluding the mandatory contributions to the BFG, the Group's general and administrative expenses increased by 6.3% YoY, mainly on account of costs of third party services, consulting and advisory services, maintenance of premises, purchase of equipment and access to specialised information platforms.</li> </ul> </li> </ul>
<b>Taxes</b>	<ul style="list-style-type: none"> <li>• <b>Tax on financial institutions</b> for 2024 totalled PLN 818.6m and was up 4.6% YoY, reflecting a YoY increase in assets (including loans and advances) and a rise in the portfolio of treasury securities lowering the tax base.</li> <li>• <b>Corporate income tax</b> was PLN 2,020.9m and effectively stable (the effective tax rate was 27.8% in both periods) as a combined effect of a 6.1% YoY increase in profit before tax and a rise in contributions to the BFG, tax on financial institutions and costs of legal risk connected with foreign currency mortgage loans.</li> </ul>

## Key business volumes and selected efficiency ratios

## Key business data of Santander Bank Polska Group for 2024

Loans and advances to customers	<ul style="list-style-type: none"> <li>• <b>Gross loans and advances to customers</b> totalled PLN 180,345.6m and were up 9.2% YoY as a combined effect of: <ul style="list-style-type: none"> <li>→ an 11.1% YoY increase in the portfolio of <b>loans and advances to enterprises and the public sector</b> to PLN 76,315.9m on account of investment loans, overdrafts and factoring;</li> <li>→ a 12.9% YoY rise in the portfolio of <b>finance lease receivables</b> to PLN 15,145.2m due to continued strong sales, notably in the vehicles segment;</li> <li>→ a 6.9% YoY increase in the portfolio of <b>personal loans</b> to PLN 88,814.2m, reflecting a higher demand for cash loans and accelerated mortgage loan sales at the beginning of the year due to the planned closure of the Safe Mortgage 2% programme.</li> </ul> </li> </ul>
Credit quality	<ul style="list-style-type: none"> <li>• <b>NPL ratio</b> decreased from 4.6% as at 31 December 2023 to 4.4% as at 31 December 2024. The <b>ratio of net expected credit loss allowances to average gross lease and credit receivables measured at amortised cost</b> was 0.58% (0.72% the year before).</li> </ul>
Deposits from customers	<ul style="list-style-type: none"> <li>• <b>Deposits from customers</b> grew by 10.9% YoY to PLN 232,028.7m due to a 10.8% YoY increase in deposits from personal customers to PLN 127,764.5m and a 10.9% rise in deposits from enterprises and the public sector to PLN 104,264.2m.</li> <li>• The growth in <b>deposits from customers</b> in 2024 was supported by both term deposits and current account balances of personal customers, business entities and the public sector.</li> </ul>
Liquidity	<ul style="list-style-type: none"> <li>• <b>Net customer loans to deposits ratio</b> was 75.3% as at 31 December 2024 compared with 76.2% as at 31 December 2023.</li> </ul>
Capital adequacy	<ul style="list-style-type: none"> <li>• The <b>total capital ratio</b> was 17.68% (18.65% as at 31 December 2023), that is much above the regulatory minimum, ensuring security of operations and stable growth. The YoY decrease in the ratio is mainly attributed to a YoY increase in risk weighted assets in respect of operational and market risks.</li> <li>• <b>Tier 1 capital ratio</b> was 16.78% vs 17.27% as at 31 December 2023.</li> </ul>
Return on equity	<ul style="list-style-type: none"> <li>• <b>ROE</b> totalled 20.4% and was stable YoY (20.3% as at 31 December 2023).</li> </ul>
Assets under management	<ul style="list-style-type: none"> <li>• <b>Net value of assets in investment funds</b> managed by Santander Towarzystwo Funduszy Inwestycyjnych S.A. totalled PLN 24.0bn, up 26.9% YoY.</li> <li>• In 2024, net sales of investment funds were PLN 3.9bn. Particularly popular were short-term debt sub-funds. Santander Prestiż Corporate Bonds sub-fund had the largest share in sales of bond sub-funds. Customers were also interested in Santander Prestiż Alfa, an absolute return sub-fund. With the above net sales performance, Santander Towarzystwo Funduszy Inwestycyjnych S.A. established itself as one of the market leaders.</li> </ul>
Customer base	<ul style="list-style-type: none"> <li>• The <b>customer base of Santander Bank Polska S.A. and Santander Consumer Bank S.A.</b> totalled 7.5m, including 6.0m customers of the parent entity. As at the end of December 2024, the number of loyal customers of both banks exceeded 3.7m.</li> <li>• The <b>number of PLN personal accounts</b> of Santander Bank Polska S.A. was 4.7m (+3.8% YoY). Together with FX accounts, the personal accounts base totalled 6.1m (+4.8% YoY).</li> </ul>
Electronic banking	<ul style="list-style-type: none"> <li>• The <b>number of customers</b> with access to <b>electronic banking services</b> of Santander Bank Polska S.A. and Santander Consumer Bank S.A. was 6.5m (+0.7% YoY).</li> <li>• The <b>number of active electronic banking customers, i.e. digital customers</b> of Santander Bank Polska S.A. and Santander Consumer Bank S.A. (those who at least once used the internet or mobile banking in the last month of the year) exceeded 4.5m (+4.9% YoY), including nearly 3.6m active mobile customers (+19.7% YoY).</li> <li>• The <b>payment card base</b> of Santander Bank Polska Group included nearly 5.0m debit cards (+4.5% YoY) and 0.9m credit cards of Santander Bank Polska S.A. and Santander Consumer Bank S.A. (-1.3% YoY).</li> </ul>

## Selected ratios

Selected financial ratios of Santander Bank Polska Group	2024	2023
Cost/Income	29.6%	29.5%
Net interest income/Total income	81.0%	82.0%
Net interest margin <sup>1)</sup>	5.27%	5.39%
Net fee and commission income/Total income	17.0%	17.0%
Net loans and advances to customers/Deposits from customers	75.3%	76.2%
NPL ratio <sup>2)</sup>	4.4%	4.6%
NPL provision coverage ratio <sup>3)</sup>	51.0%	55.4%
Cost of credit risk <sup>4)</sup>	0.58%	0.72%
ROE <sup>5)</sup>	20.4%	20.3%
ROTE <sup>6)</sup>	22.4%	21.2%
ROA <sup>7)</sup>	1.8%	1.8%
Total capital ratio <sup>8)</sup>	17.68%	18.65%
Tier 1 capital ratio <sup>9)</sup>	16.78%	17.27%
Book value per share (PLN)	337.03	329.69
Earnings per ordinary share (PLN) <sup>10)</sup>	51.01	47.28

- 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) Gross loans and advances to customers measured at amortised cost and lease receivables classified to Stage 3 and POCI exposures to the total gross portfolio of those receivables as at the end of the reporting period.
- 3) Impairment allowances for loans and advances to customers measured at amortised cost and lease receivables classified to Stage 3 and POCI exposures to the gross value of those receivables 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 year 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. The comparative period includes profits allocated to own funds pursuant to applicable EBA guidelines.
- 9) Tier 1 capital ratio calculated as a quotient of Tier 1 capital and risk-weighted assets for credit, market and operational risk. The comparative period includes profits allocated to own funds pursuant to applicable EBA guidelines.
- 10) Net profit for the period attributable to the parent's shareholders to the average weighted number of ordinary shares.