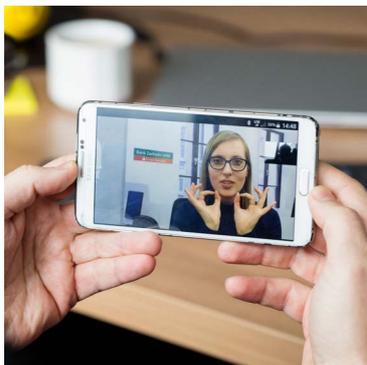
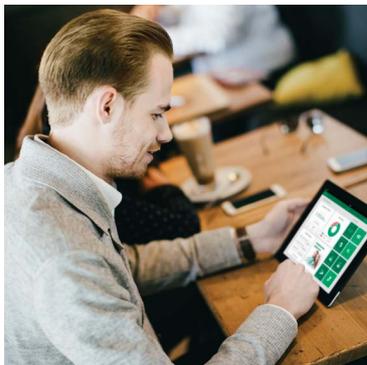
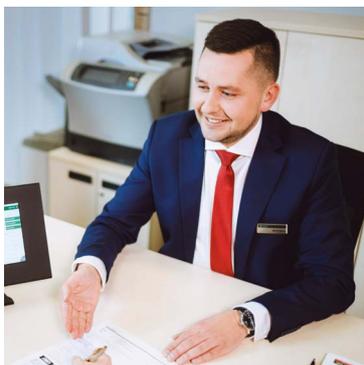


We help people and businesses prosper



2015

CORPORATE SOCIAL
RESPONSIBILITY REPORT



Bank Zachodni WBK

 Grupa Santander

Contents



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An interview with Gerry Byrne, [G4-1]
acting President of Management
Board of Bank Zachodni WBK,
Chairman of the Supervisory
Board of Bank Zachodni WBK

We live in times when banks all over the world are under close public scrutiny and corporate social responsibility activities may be perceived as an attempt to divert attention from business affairs ...

Indeed, a number of developments in recent times have affected the way banks are perceived, both in Poland and worldwide. But in order to change public perception we need much more than corporate image building activities. I strongly believe in credibility, truthfulness and persistence in building a conscious image. One of its elements is corporate social responsibility embedded in the company's DNA. And that is the case of Bank Zachodni WBK which I have the honour to manage together with the Management Board. We engage in CSR projects regardless of the current economic situation, regulatory environment or opinions about the banking sector prevailing in the public domain. The pro-social and pro-civic dimensions of our activities are a consequence of the market position of Bank Zachodni WBK. As one of the largest corporate groups present in Poland, we are enhancing the bank's value not only through our financial performance but also by promoting corporate social responsibility and sustainability. We treat all CSR initiatives – both those addressed to employees and the ones benefiting customers and other stakeholders – as our obligation. This approach is an integral element of our business management strategy.

But the bank is a business organisation ...

I should be the last person to object to this opinion. Every bank is, by its nature, tradition and operational model, a business enterprise. But in order to achieve its business objectives effectively the bank must have the trust of its customers, employees and other stakeholders and develop strong relationships with them. Without such credit and without a tangible manifestation of the saying "safe as a bank" no financial institution can succeed in business. Bank Zachodni WBK scores very well in stress tests carried out by both European and Polish supervisory authorities. We are above the market average of the Polish banking sector on a number of key measures. We attribute this success to a sound business strategy and treat it as motivation for further growth. The key focus in the development of our product offer is on customer needs and satisfaction, but we should also bear in mind the significance of non-financial

aspects of our activities. I am proud and inspired when I see the employees of Bank Zachodni WBK engage in numerous social projects which go far beyond their job duties.

Will the planned regulatory changes affect the bank's CSR activities?

At present, banks in Poland have been exposed to the strongest external pressures since the onset of free-market economy in the financial sector in Poland. It is a combination of activities and measures implemented by the market regulators, legislators and the Monetary Policy Council and the effect of a number of macroeconomic factors and external processes. In Bank Zachodni WBK we always treat challenges as opportunities rather than threats and it's the same in this case. We do not look at the bank's CSR activity from the perspective of spreadsheets, percentages and figures. Being bankers, we are well aware of the fact that CSR is a vital component of the process of building public trust in our organisation. And trust is a key factor to success in our sector. Regulatory environment, no matter how good or bad, has nothing to do with it. Sector taxes, for instance, are in force in many countries and the Santander Group is engaged in a wide range of CSR initiatives regardless of the geographic location of the Group's business units.

A bank with a wide offer of products and services targeted to different market sectors must have a huge number of stakeholders. What is their role in the development of a CSR strategy?

The size of Bank Zachodni WBK's business is enormous and we indeed have a huge number of stakeholders. We listen to the needs of our employees, customers, business partners, regulators, local communities and NGOs. We use every opportunity to collect feedback from them. As a result, we have a good insight into the resources, current situation and needs of persons we interact with. To put it briefly, we ask questions, listen to answers and take actions. We realize that while the 20th century was the age of yelling brands, the 21st century is the age of listening brands. Therefore, we believe that our competitive advantage must stem from a balanced model of investments into relationships with our employees and with a broadly understood external environment. We have created the Customer

Satisfaction website with an option of interactive communication in order to be able to adapt to the expectations of our customers on an ongoing basis. We communicate with our stakeholders in social media, but also by organising thematic dialogue sessions. Some of our activities respond to individual requests, others to proposals put forward by groups of people or communities.

The bank's mission is "to help people and businesses prosper". How should we understand it?

"To help people and businesses prosper" is our guiding principle and fundamental corporate value which we share across the whole Santander Group. The essential thing for Bank Zachodni WBK is that the term 'customers' refers in this context to all stakeholders that I mentioned before. Personal customers are as important to us as managers of large corporations, our employees or NGO activists. All new ideas and changes are implemented with an intention to help our stakeholders prosper, not only in financial terms. We want to see them thrive. This is important because as a bank we are only as strong as our external environment and our customers. Their success is a precondition for our success. Sharing common goals gives us additional motivation for everyday work.

Are any of your CSR initiatives particularly worth mentioning from the bank's point of view?

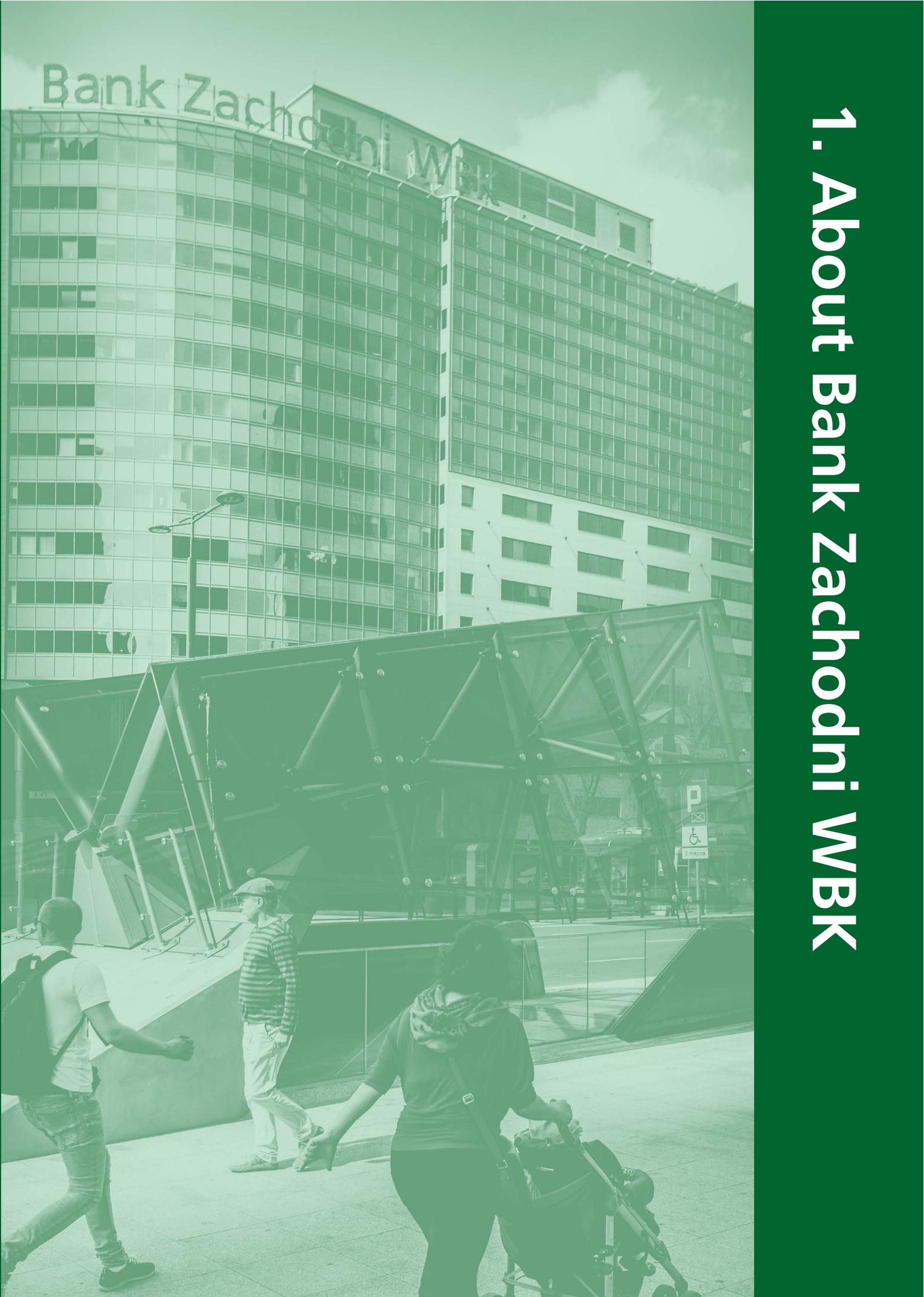
We are proud of all our CSR activities but if I were to choose those particularly noteworthy I would certainly mention our projects related to broadly understood education and science. Knowledge and innovation are the foundations of long-term growth. We strongly support the development of higher education, primarily through our unique global initiative called Santander Universidades. The programme was launched in Poland in 2011 and since then 60 Polish universities have joined the network. The programme's tagline "We want to be part

of your success" is reflected in the support provided to individual research projects on entrepreneurship and new technologies and in promoting the mobility of students and faculty staff and creating opportunities for networking. Additionally, global software platforms of Santander Universidades facilitate the exchange of experience between students of all member universities. In addition to the academic community, the bank also supports initiatives addressed to schoolchildren and seniors, including financial education and entrepreneurship classes.

Last year was exceptional as we had a chance and honour to support the organization of the 17th International Chopin Piano Competition. The prestige of the event is unquestionable. To emphasize its value, we developed a slogan "Limitless Pride" which captures how Poland and Poles feel about Chopin and his music. I personally highly appreciate the fact that our CSR initiatives are not limited to typical social projects but cover all areas of our activity.

What are the bank's goals in the area of Corporate Social Responsibility?

Our CSR strategy for the next three years has three major objectives. The first one is to enhance the bank's market position. The second goal is to align the bank's offer with the opportunities arising in the external environment. Our third goal is to continue investing in the development of solutions which will make the stakeholders of Bank Zachodni WBK feel special. Their preferences and behaviours are changing rapidly and companies unable to keep up with such changes have no chances to succeed. Therefore, we want to transform our business to make our services more innovative and up-to-date. We want to do it through digitalisation of our financial services and by being Simple, Personal and Fair. Summing up, we will try to keep up our very rich spectrum of current CSR activities but we will never stop adding new interesting and valuable initiatives to our agenda.



1. About Bank Zachodni WBK

Calendar of Events 2015

I JANUARY

Bank Zachodni WBK qualified for the third time to the RESPECT Index of socially responsible stock exchange listed companies.

II FEBRUARY

The bank was a party to celebrations of the 15th anniversary of Partnership for Corporate Social Responsibility in Poland organised by the Responsible Business Forum."

III MARCH

11 practices of Bank Zachodni WBK were included in the publication "Responsible Business in Poland. Good Practices 2014."

IV APRIL

Bank Zachodni WBK joined the group of signatories of the Declaration of Polish Businesses for Sustainable Development Until 2050.

The 9th ranking of Responsible Companies – our bank ranked second in the "banking, finance and insurance" category and came in seventh among TOP 10 Responsible Companies 2015.

APRIL - OCTOBER

Sponsorship of the 17th International Fryderyk Chopin Piano Competition.

V MAY

Old mobile phones collection was carried out among the bank's employees. The money raised was used to finance the purchase of household appliances donated to the Wrocław Daycare and Education Centre

VII JULY

10 new branches of Bank Zachodni WBK received the Green Office Certificate. Altogether, there are 53 certified branches in our network.

VIII AUGUST

We launched voluntary CSR e-learning training for employees.

IX SEPTEMBER

The closing ceremony of the 2nd edition of "Here I live, Here I Change" competition during which 300 projects received funding from Bank Zachodni WBK.

Inauguration of the Santander Orchestra – a unique cultural project targeting students of Polish art universities. 64 musicians were perfecting their skills under the leadership of John Axelrod and a number of tutors – musicians and music professors recognised in Poland and abroad.

X OCTOBER

We published the second issue of the CSR Report of Bank Zachodni WBK, including a version for people with visual impairments.

Our employee volunteers participated in the organisation of the International Wheelchair Rugby Competition - Mazovia Cup 2015.

Participation in the international conference "Business Changes the World" organised by the Responsible Business Forum at which Feliks Szyszkowiak, Member of the Management Board Member of Bank Zachodni WBK delivered a speech.

XI NOVEMBER

Twenty new Barrier-free Branches adapted to the special needs of our customers joined our network which currently includes 149 locations.

XII DECEMBER

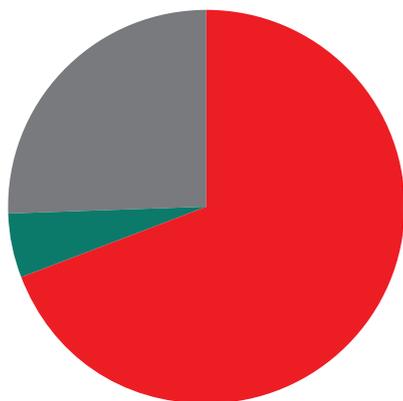
The closing event of a skill-based volunteering campaign implemented by participants of the Leaders of the Future and Best of the Best programmes. More than 150 people took part in the campaign. Thirty-five initiatives were carried out for the benefit of nine organisations.



Who we are

[G4-3, G4-4, G4-6, G4-7, G4-8, G4-17]

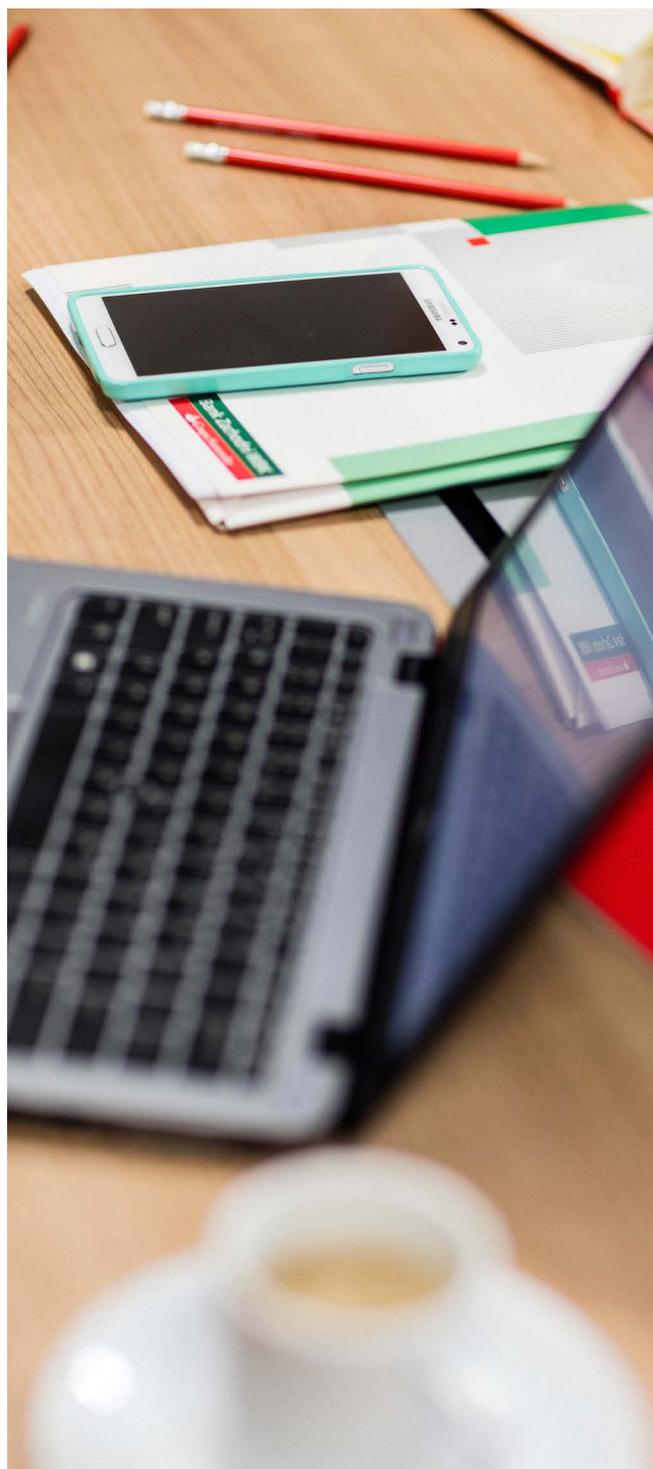
Bank Zachodni WBK is among the biggest and most innovative financial institutions in Poland. We are one of the fastest growing banks on the Polish market, providing services to retail customers, small and medium-size enterprises and large corporations. Our customers are offered comprehensive, top-quality financial services supported by state-of-the-art banking technologies. The list of Bank Zachodni WBK's associates and subsidiaries can be found on page 12 of the Management Board Report on the Activities of BZ WBK Group in 2015.



Shareholders

Percentage of total shares

	Banco Santander 69.41%
	Nationale Nederlanden OFE 5.15%
	Other shareholders 25.44%





Trust in relationships with customers is our most valuable asset. Therefore, we help our customers achieve their goals by providing advanced financial solutions, making quick credit decisions and following simple and transparent procedures. Thanks to the combination of long-term experience and innovative approaches we are able to offer sophisticated products through one of the biggest network of branches and partner outlets (nearly 1,000) in Poland and via electronic access channels, including mobile banking. **[G4-5]** Our organisation has four corporate centres: in Warsaw, Poznań, Lublin and Wrocław (registered head office).

Additionally, Bank Zachodni WBK Group offers brokerage services, management of assets and investment funds, leasing, factoring and a complete range of bancassurance products.

[G4-13] In 2015, there were no significant changes in the bank's size, structure, ownership or value chain. No changes occurred in the bank's governance structure, including the Management Board or Supervisory Board of Bank Zachodni WBK. **[G4-34]**

List of awards

In 2015 Bank Zachodni WBK received the following awards:

Effective business

Best Bank in Poland

BZ WBK was named “Best Bank in Poland” at the international Euromoney Awards for Excellence 2015. The judging panel appreciated the bank’s high operational efficiency and outstanding profits, as well as innovative solutions in the area of online and mobile banking. The evaluation criteria focused not only on financial performance but also on services provided by each bank.

Top Brand

BZ WBK hailed the most positive banking brand in the eighth edition of Top Brand ranking published by the PRESS monthly. For the eighth time in a row, Bank Zachodni WBK scored highest in its sector with regard to the tone of media publications and once again received a special recognition in this category.

Bank for the business

Bank Zachodni WBK received the Wprost Wallet Award 2015 in the category “the best bank for small and medium size enterprises”. The Wallet Awards are presented by the Wprost weekly to the best financial institutions in Poland to promote the most interesting financial products on the market and support financial education of the public.

Marketing of the year

The marketing team of Bank Zachodni WBK was named the best in the marketing sector in the fifth edition of the Marketing Director of the Year competition organised by Mediarun. BZ WBK was recognised in particular for its unique marketing strategy.

Innovation

Investing in innovation

The Innovator Award 2015 was granted to Bank Zachodni WBK by the Wprost weekly in recognition of the bank’s Export Development Programme, in the fifth edition of the ranking of the most innovative companies in Poland. The Innovator statuettes are presented to businesses from the most rapidly growing sectors which invest in innovative solutions, selected on the basis of the independent Innovation Research 2015.

Friendly Bank by Newsweek

Bank Zachodni WBK topped the ‘mobile banking’ category of Newsweek’s annual ranking. The BZWBK24 application was appreciated for a wide range of services and functionalities available to smartphone owners.

Innovative solutions

Bank Zachodni WBK was ranked first in Poland in the category “2015 World’s Best Digital Banks in Central and Eastern Europe”. The winners were recognised for a wide range of services and innovative solutions based on customers’ best experience.

First in Poland, second in Europe

Bank Zachodni WBK’s application was named the best in Poland and the second best in Europe. According to Forrester Research, its advantages include an innovative approach to mobile solutions, interaction with the bank via BZWBK24 SMS service, mobile-friendly web pages of the bank, compatibility of the application with the most popular mobile operating systems and a dedicated tablet application.

Ingenious mobile application

The judging panel of the Emerging Payments Awards awarded Bank Zachodni WBK with the first prize in the category “best mobile application.” The awards are granted by experts to institutions which demonstrate exceptional ingenuity and competence in business development.

Attractive workplace

Reliable Employer

Bank Zachodni WBK received a title of Reliable Employer 2015. The competition partners included Employers of the Republic of Poland, Rzeczpospolita daily, Bloomberg Businessweek and Parkiet stock exchange gazette.

Transparency

Double award winner

The CSR Report of Bank Zachodni WBK received a distinction for credibility and the award of Internet users in the prestigious CSR Reports Competition.

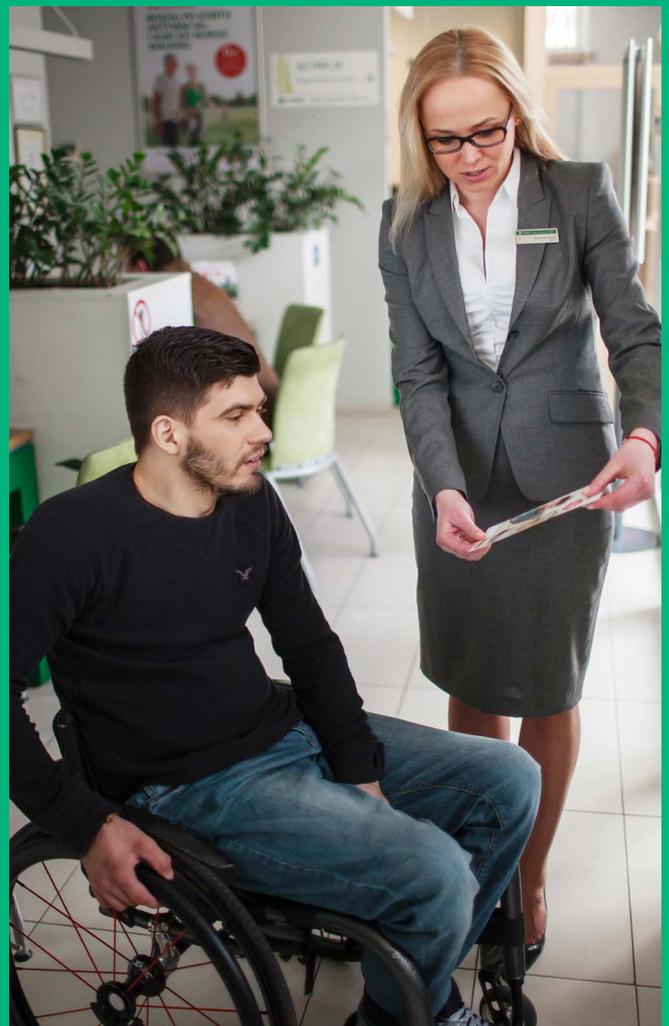
Green Frog Award 2015

The judges appreciated how the CSR Report of Bank Zachodni WBK presents both facts and figures, as well as the bank’s impact on the environment. In their opinion, due to a very high degree of transparency and materiality, the publication was a very reliable source of information for investors and employees. Our report differed from other submitted reports in that it also described the challenges which Bank Zachodni WBK copes with and included opinions of external stakeholders.

Accessibility

Barrier-free service

Our efforts to eliminate barriers for people with disabilities were awarded with a title of an Ambassador of the UN Convention on the Rights of Persons with Disabilities.



Santander Group

The majority shareholder of Bank Zachodni WBK is Santander, number one financial institution in the eu-rozone and 11th largest bank in the world in terms of capitalisation. **[G4-9]**

 **United States**

Customers	5.1 m
Employees	18,123
Partnerships with universities	46
Scholarships	1,973
Volunteers	1,442
People helped	95,658

 **Mexico**

Customers	12.4 m
Employees	17,847
Partnerships with universities	201
Scholarships	3,547
Volunteers	11,344
People helped	61,651

 **Chile**

Customers	3.6 m
Employees	12,454
Partnerships with universities	53
Scholarships	440
Volunteers	1,051
People helped	180,602

 **Brazil**

Customers	32.4 m
Employees	49 520
Partnerships with universities	455
Scholarships	3 071
Volunteers	28 758
People helped	253 263

 **Argentina**

Customers	2.8 m
Employees	7,952
Partnerships with universities	81
Scholarships	1,885
Volunteers	309
People helped	13,750



Main markets

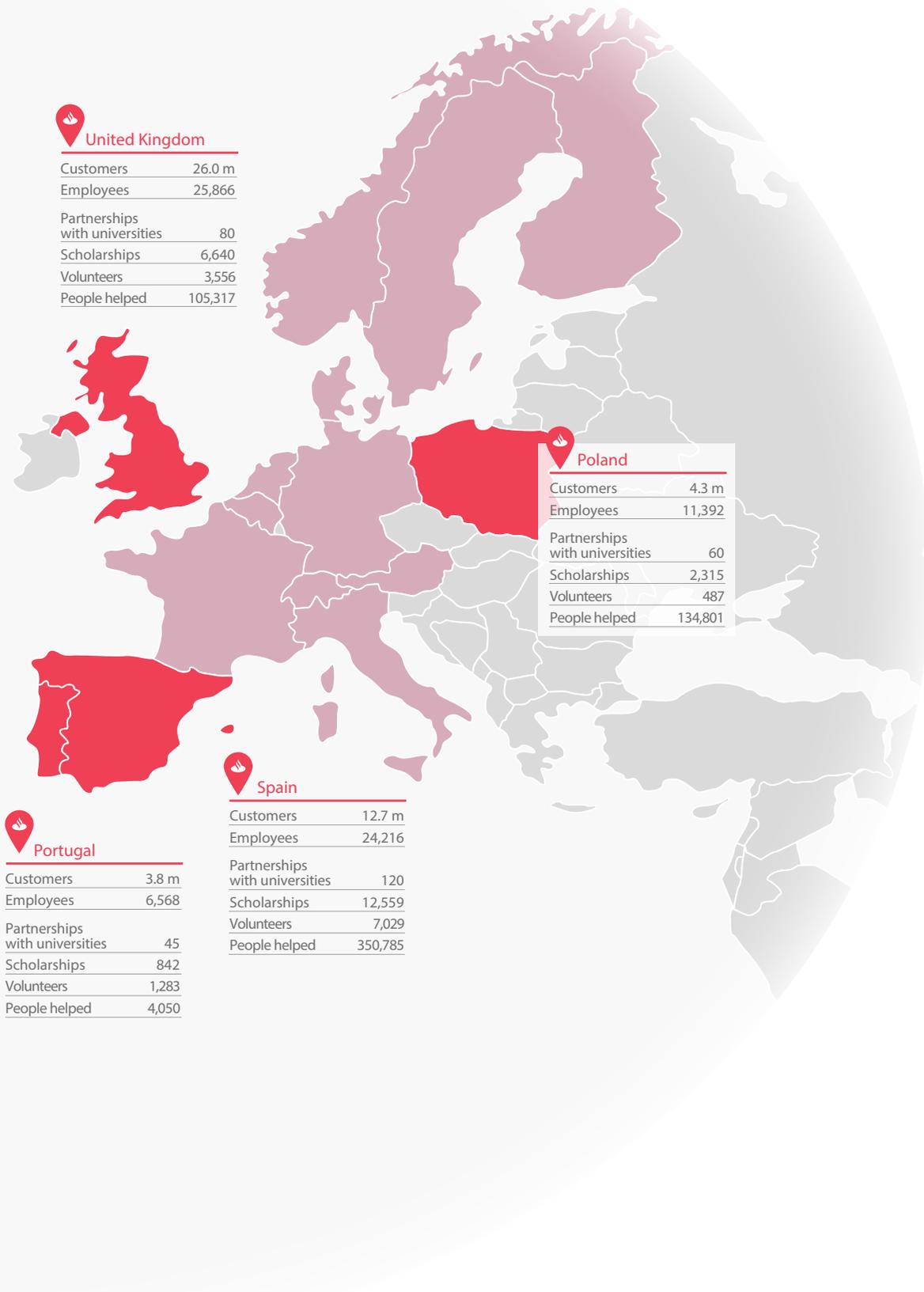


Santander Consumer Finance markets

The Group's presence is focused on ten main markets: Spain, Germany, Poland, Portugal, the United Kingdom, Brazil, Mexico, Chile, Argentina and the United States. The bank also has a significant amount of market share in Uruguay and Puerto Rico, consumer financing business in other European countries, and a presence in

China through the wholesale banking and consumer finance business.

The Santander Group maintains geographic diversification which is well balanced between mature and emerging markets.



Our mission and vision

OUR MISSION

To help people and businesses prosper

OUR VISION

To be the best retail and commercial bank that earns the lasting loyalty of our people, customers, shareholders and communities

SIMPLE

We want to offer our customers services tailored to their needs, simple products and procedures.

FAIR

We carry out transparent and legitimate operations and treat others as we wish to be treated.

PERSONAL

We want to develop lasting relationships with our customers offering them products and services tailored to their individual needs and expectations.

Our guiding values:

Focus on customers

We focus on customers, their expectations and satisfaction. Simplicity, professionalism and individualised approach allow us to build valuable long-term relationships founded on mutual trust.

Innovativeness

We keep working on new, technologically advanced banking solutions. We respond to the changing needs of our customers, invest in their development and facilitate access to banking services.

Strength

Our strong market position is a result of a robust balance sheet and prudent risk management in accordance with the international standards of the Santander Group. Our activities generate benefits not only to the bank's customers. We also support the development of local communities and the whole country.

Leadership

Our managers release the energy of our employees by inspiring them, motivating, determining development directions and jointly building the value of our bank.

Ethics

In all our operations we respect the applicable laws and internal regulations and are guided by the transparency principles in our conduct and procedures.

Commitment

We build the commitment of our employees by cooperation, partnership and trust which allow us to deliver our tasks with enthusiasm and go beyond the set goals. The employees have influence over the bank's development directions and are proud of working for a bank which focuses on stakeholder satisfaction.

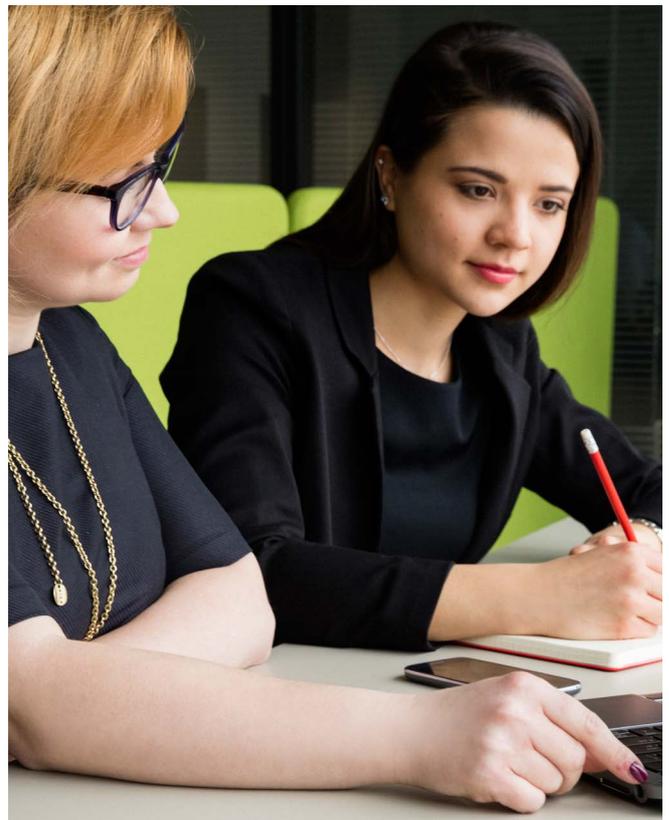


Our responsibility

Corporate Social Responsibility (CSR) in Bank Zachodni WBK is understood as conducting business operations in a sustainable way, taking into account the real impact of the bank's business decisions on all stakeholders - our customers, employees, business partners and communities – and on the natural environment. We also want to continuously contribute to the social and economic development of the whole country and inspire changes for the better.

In line with our sustainability policy, we make every decision taking into account social, ethical and environmental criteria. It is an integral element of managing our business operations, a long-term commitment and investment in the future development.

The evidence of the high quality of our CSR policy is the listing of Bank Zachodni WBK in the Respect Index of stock exchange companies which follow the principles of corporate social responsibility, produce top quality reports and demonstrate excellence in investor relations and corporate governance. Twenty three companies listed on the Warsaw Stock Exchange qualified for the ninth issue of the Respect Index.



CSR PRIORITIES OF BANK ZACHODNI WBK

Simple | Personal | Fair



COMMUNITIES

We build a civil society, support the development of education and science and promote equal opportunities.



SHAREHOLDERS AND THE MARKET

We work towards satisfactory growth and responsible risk management.



CUSTOMERS

We earn the trust of customers through dialogue and responsible selling.



EMPLOYEES, SUPPLIERS AND BUSINESS PARTNERS

We develop an organisational culture founded on our key values: Simple, Personal, Fair. We rely on partnership, dialogue and bottom-up initiatives and respect diversity and the natural environment.



Direct economic value generated and distributed, including revenues, operating costs, employee wages and benefits, grants and other community investments, retained earnings and payments to capital providers and to government agencies

[G4-EC1]

Value (PLN)

Revenues	5 057 728
Operating costs	1 654 137
Employee wages and benefits	1 205 219
Payments to capital providers	1 290 049
Payments to government	455 940
Community investments	21 229
Economic value retained	431 154



“

STAKEHOLDER EXPECTATIONS

“It would be valuable if you could put emphasis on and demonstrate the impact of entry into force of Directive 2014/95/EU in Poland and in Europe. The report published by Bank Zachodni WBK could be a useful educational tool for the entire financial sector with regard to disclosure of non-financial data.”

The new obligation of reporting non-financial data will be imposed on more than 300 companies in Poland. We are already getting ready for the new law.

As of 1 January 2017, stock-exchange listed companies, banks, investment funds and other large

public interest entities in Poland will be required to publish non-financial data in selected sustainability and corporate social responsibility areas. The new regulation will apply to companies and groups with holding companies which are public interest entities with an average annual headcount of more than 500 employees and which meet one of the following criteria: a balance sheet total above EUR 20m or net revenues above EUR 40m.

Bank Zachodni WBK has been publishing reports prepared in conformance with international GRI guidelines for a number of years and, as a result, meets most of the requirements of the new Directive. We have reviewed our reports published to date against the new reporting obligation guidelines and have decided to expand this year's report to include information on employee accidents (G4-LA6) and an approach to evaluation of suppliers in terms of sustainable development criteria (DMA: Supplier Assessment).

[G4-15]

As a member of an international banking group, we also pursue global sustainability objectives and make a contribution to the achievement of five Sustainable Development Objectives under the 2030 Agenda adopted by the United Nations in September 2015.



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.



Take urgent action to combat climate change and its impact.



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.



Achieve gender equality and empower all women and girls.

What we do

We operate in three market segments:

We offer comprehensive financial services to retail customers, small and medium size companies and large corporations. We provide a complete range of services – from the basic ones, like personal accounts, checking accounts and credit cards, to complex solutions including financing and advice in the largest transactions executed on the market.

We effectively manage our organisation and take good care of our employees:

In 2015 we developed an HR strategy involving a complex approach to employees. We are changing our organisational culture focusing on dialogue, partnership and promotion of employee bottom-up initiatives. We strictly adhere to ethical standards of conduct and expect from our employees honesty and conformance with the generally applicable laws and internal regulations.

We work closely with our partners and suppliers:

Our relationships with suppliers and business partners are based on trust. We expect them to carry out their business operations in conformance with applicable environmental standards and the Global Compact principles. Our biggest suppliers are obliged to complete a CSR questionnaire and make the necessary commitments.

We promote social activity through our foundation and other units of the bank:

We have defined three major areas of our social involvement: support to education and development of science; building civil society; and promotion of equal opportunities and counteracting social exclusion. We want all our initiatives to be multi-dimensional as much as possible. We support and promote not only projects which contribute to our business growth. We believe that successful business operations must be combined with corporate giving activities, such as supporting culture, art and national heritage.

How our impact changed

“

STAKEHOLDER EXPECTATIONS

“I would like to see current data on a year-on-year basis. Values of all indicators should be presented for a number of years so that we can see how they changed over time in particular areas.”

“The report includes answers to questions asked by stakeholders. It would be good to show the key statistics from the time of the first report in the context of achievements. There are many things that we can illustrate with figures.”

The table presents the data identified by our stakeholders as most important from the point of view of the bank's impact on the environment for the last three years. Other GR4 indicators are presented on an annual basis.



Our impact	Description	Indicators		
		2013	2014	2015
CUSTOMERS, INVESTORS	Number of access points (ATMs, deposit machines, branches and partner outlets)	2329	2268	2544
	Number of customers	4.2 m	4.2 m	4.3 m
	Number of participants of the Entrepreneurs' Academy	The programme was not offered	5000	5500
	Number of users of the Bank of Ideas website	7500	8863	9650
	Payments to capital providers	710 943	1 000 932	1 290 049
EMPLOYEES	Number of training hours per employee	41	38	37
	Salaries of men/ women versus minimum wage	180% /180%	188% /193%	190% /194%
	Number of volunteers	381	650	487
SOCIETY AND ENVIRONMENT	Number of branches with barrier-free certificates	96	145	149
	Number of universities in the Santander Universidades network	39	54	60
	Community investments	20 952	21 231	21 229



“

STAKEHOLDER EXPECTATIONS

“Showing how the bank engages in the development of Corporate Social Responsibility by cooperating with the Responsible Development Forum (FOB) and taking part in numerous initiatives.”

[G4-15, G4-16] We actively participate in a number of initiatives aimed at promoting corporate social responsibility. For instance, we are a strategic partner of the Responsible Development Forum and in 2015 we were a party to celebrations of the 15th Anniversary of Corporate Social Responsibility in Poland. The bank was also involved in the preparation of a FOB’s publication on “Communication in Voluntary Service”.

The bank is a signatory of:

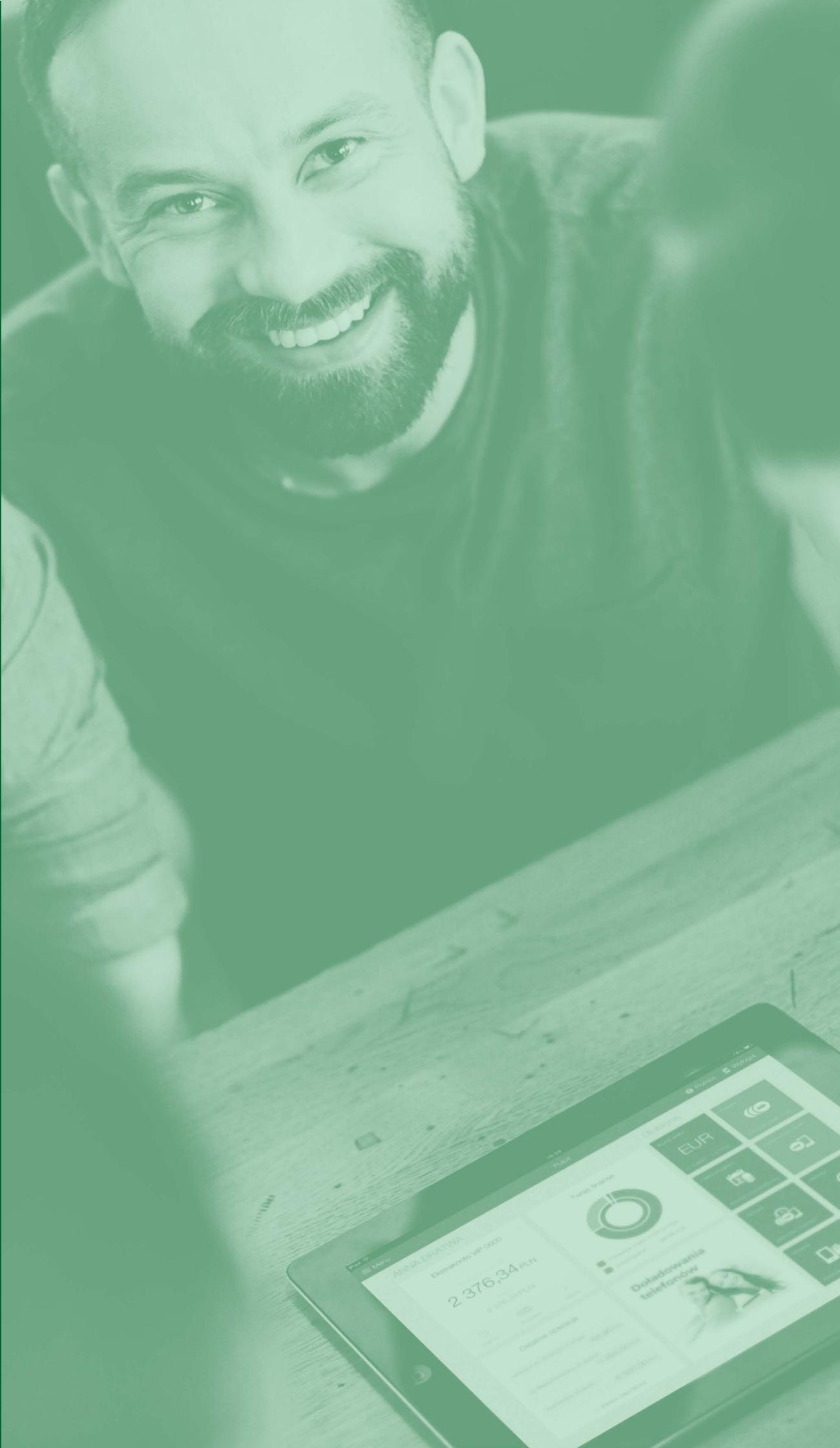
- Declaration of Polish Businesses for Sustainable Development, as part of the project called the Vision of Sustainable Development of Polish Businesses until 2050,
- Best Banking Practices,
- Code of Best Practice of the Financial Market,
- Equator Principles as part of the Santander Group.

[G4-16] Bank Zachodni WBK is also a member of the Polish Institute of Directors, the Lewiatan Confederation and the Polish Bank Association. As part of our cooperation with the latter organisation, we participated in 2015 in the work of:

- Property Financing Committee,
- LEADER Working Group,
- Financial Service Quality Committee,
- Banking Law Council,
- Infrastructure and Communication Financing Working Group,
- Consumer Credit Committee,
- European Funds Working Group,
- Qualification Standards Committee.

The highest standards apply not only to our services, but also to the reporting policy which is based on GRI standards and subject to external review. We can confidently say that we are very well prepared for entry into force of Directive 2014/95/EU which as of 2017 will impose an obligation of reporting non-financial data on all large corporations. We are one of few Polish companies which have voluntarily decided to disclose such data for a number of years.

2. We help customers prosper



98%

of individual bank transfers are executed by our customers outside branches

52%

of individual deposits made in cash deposit machines

540

cash deposit machines at the end of 2015

We want to be a Simple, Personal and Fair bank. We treat the corporate values of the Santander Group as an everyday obligation to stay focused on the customer, be it a large corporation, a small workshop or an individual. Our mission - consistent with the Santander Group's mission statement - is "to help people and businesses prosper". The success of their financial ventures – regardless of the scale - is a precondition for our growth as a bank.

Simple means friendly and accessible

Customer Benefits:

- reduced number of offers
 - simplified procedures
 - time savings
 - products easier to understand
-

“

STAKEHOLDER EXPECTATIONS

"There are so many products and services... I think we need to target our products at specific customers more effectively through direct communication in branches, marketing, product development and advertising. It's great that banks offer so many services but how to get a grasp of all of them."



The map of our market impact:

Thanks to our products and services customers:

- Save money and invest in their future

- Make use of EU funds

- Have a more convenient life – pay faster using mobile and online solutions and save time

- Gain knowledge and education and train their employees

- Feel safer managing their finance

- Expand their business operations abroad

- Develop their businesses and grow profits

- Find business partners

- Employ other persons and fuel economic development

- Develop know-how

- Invest in new technologies and innovation

- Find employment

- Have fulfilling lives, pursue their passions and make their dreams come true.

Cutting-edge CRM

We want to look at our banking business through the eyes of our customers who often judge banks by the quality of communication with customers. Misdirected sales campaigns and redundant, duplicate sales calls not only waste customers' time but also damage the reputation of the entire banking institution.

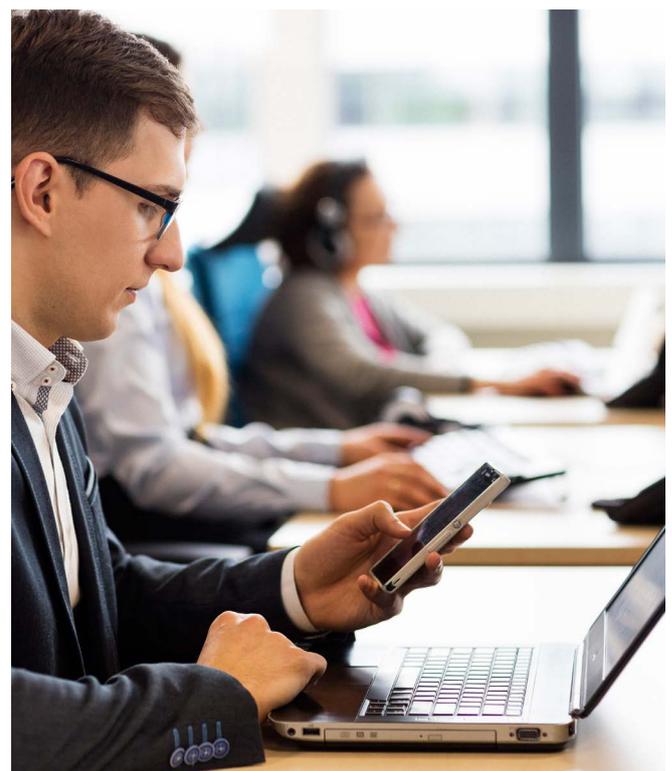
In Bank Zachodni WBK we believe that the key to successful communication with customers is to know their needs and address them as quickly as possible. What does the customer need? When? Which channel of access is preferred by the customer in contacts with the bank? Knowing the answers to those questions is of key significance for building a strong relationship between the customer and the bank. And we can find such answers thanks to the CRM system launched in 2015 which supports coordination of multi-channel contacts with customers.



Based on the analysis of consumer behaviours of our customers we precisely select the product offer and the optimum time of contact with each person. We want our services to "hit the mark" and meet the existing financial needs of our customers. If that is the case, the offer is likely to be treated as a solution to a particular issue, not as an irritating attempt at pushing an unneeded banking product on the customer.

For over two years, our process of telephone communication has been subject to certification for conformance with the European standard EN 15838 developed at the request of the European Commission, which lays down the standards of services provided by call centres. It focuses, in particular, on such aspects as the service management strategy, consultants' work, the infrastructure, processes, customer satisfaction and corporate social responsibility. A positive outcome of the certification process and meeting all requirements set out in the standard is treated as an evidence of high quality of the implemented processes. In 2015, the process underwent a scheduled audit and the certification for the next period was upheld.

Each contact between the customer and the bank – regardless of the channel used – is recorded in the system together with customer answers and decisions. The new solution allows us to register every interaction with the customer, regardless of the channel used, and record the customer's answers and decisions in the system. This helps us to avoid multiple contacts about the same thing which customers often used to complain about and maintain continuity of communication with the customer by different employees, both in the call centre and in the branch. In Bank Zachodni WBK, the history of interactions with customers is available all the time to all authorised employees.



Effective sales

Communication

Mobile application



Relationships with customers

Multi-channel approach

For the bank, the implementation of the system means not only an improved image and better quality of the customer service, but also an opportunity to maximize sales. Responding to actual demand for the product is a way to enhance the effectiveness of marketing activities and a potential source of competitive advantage on the market. Knowing our customers and their needs, we can offer them a full-range product support.

9 percentage points higher and in some branches the growth of the customer satisfaction index was as high as 49 percentage points. .

[G4-PR3] [G4-PR7] [G4-PR9]

All our marketing activities are conducted in line with the “Manual of Advertising and Marketing Communication Compliance of Bank Zachodni WBK”. The manual is a collection of guidelines applicable to advertising activities involving all types of media, including the increasingly common online advertisement. Commercial information provided to our customers is always clearly identified as marketing content. In 2015, there was not a single report of non-conformance with the rules.

Improvement of communication with customers means also a shorter waiting time for contact with a consultant or an employee. In 2015, we have thoroughly analysed our customers’ opinions in that respect and identified branches where queues were a real challenge. During summer holidays, when every bank struggles with reduced staffing, we deployed our trainees to substitute for absent employees in order to speed up customer service. The conducted survey has evidenced the success of the initiative: customer satisfaction with the waiting time in branches where trainees helped was on average

Good practice

Credit simulator

The Credit Simulator was developed in order to speed up the service process. The tool helps advisors to quickly assess customers’ credit capacity. Use of the simulator does not lead to issue of a decision but facilitates assessment of the probability of a positive decision without having to wait a long time and submitting many documents.

Self-service

We encourage customers to manage their accounts themselves, even during a visit in a branch. Our network of ATMs with a cash deposit function, which at the end of December 2015 included 540 machines, allows customers to deposit money into their accounts. Our customers got to like this service – almost 50% of personal customers choose a cash deposit machine instead of the bank teller.



The migration of customers to remote channels is supported by a group of Multi-Channel Approach Ambassadors. Their number is growing all the time. In 2015, 92 branch employees joined the team which originally had only 12 members. They describe themselves as "aficionados of the multi-channel approach" and take care of all practical aspects of the multi-channel transformation in the branch network. The Ambassador Programme was an innovative initiative across the entire Santander Group. Their efforts were highly appreciated and the good practice was replicated by other Santander markets.

The Bank Zachodni WBK brand continues to be one of the top three financial brands in Poland. In 2015, the spontaneous brand awareness was at 54% (3rd best position defended) and for the first time we joined the group of TOP3 banks mentioned most often by Poles as a main bank. This is an outcome of our effective marketing campaigns and image building activities, including sponsorship and CSR projects.

Source: Millward Brown, Tracking BZ WBK Marketing Communication 2015; IPSOS Brand Image & Equity Study for Santander Group, 2015

Fair means honest and transparent

Customer benefits:

- security of solutions offered
 - short response time
 - transparent fees for banking services
-

Misselling understood as reckless, negligent and unethical sale of financial products is a term which has become a media buzzword and a popular subject among customers of financial institutions in recent years. Bank Zachodni WBK responded to the issue by rigorous adherence to the practice "Zero tolerance for misselling", supported with a relevant policy for the employees. Our operating standards impose an obligation of responsible sale of products adapted to the needs and knowledge of our customers and making sure that all terms and fees are fully understood by customers. At all stages of presenting our offer, starting from advertisements, we do our best to provide reliable and transparent information.



STAKEHOLDER EXPECTATIONS

“Bank Zachodni WBK is perceived better than other banks in terms of image and we need to communicate it because we have reasons to be proud. It is mainly about relationships with customers. There were no instances of gross misselling or lost court cases and this message is worth disseminating. Customer relationships is our priority.”

Each of our customers will always receive clear, exhaustive and accurate information about the bank’s services. In line with expectations, we have simplified the language of our communication. We always inform clearly about the terms of the offer, charges, fees, interest rates and benefits related to particular products. We put emphasis on presenting the risks associated with financial instruments, in particular with investments and long-term loans. We do not sell unit-linked insurance products to senior customers.

[G4-PR4]

Selected standard customer agreements are examined by external institutions and results of such examinations are taken into account by the bank. In 2015, the court declared some of the provisions of one of our cash loan agreements as abusive. The standard agreement was entered into the register of abusive contractual clauses, but no fines or sanctions were imposed on the bank and no warnings were issued as a result.



Complaints

Customer benefits:

- simple complaint filing procedure
- guarantee of quick and reliable complaint evaluation

No one likes complaints but in Bank Zachodni WBK we treat each complaint as a learning lesson. A complaint means that someone who trusted us and became our customers is – hopefully only momentarily – dissatisfied with our services or products. We want to resolve each such situation quickly and effectively. We also want to make the bank’s process of filing complaints brief and simple. For many years our customers have been able to file a complaint in every branch, by letter, telephone or email. In 2015, we additionally simplified the entire process. Every customer can now file a complaint on our electronic banking platform BZWBK24 using a convenient, dedicated complaint form available on the bank’s website. The customer chooses the preferred form of the bank’s answer (letter, BZWBK24, text message) and we make sure that it will be written in a simple and clear language,

WE HAVE PREPARED CONSISTENT, SIMPLE AND UNIFORM:



FORMS

for customers from different segments
for use by branches



STANDARD

letters to customers for the Business
Support Centre



FOLDERS

for customers available in branches



BUSINESS CARD TEMPLATES

understandable also to people from outside the banking industry. In December 2015, nearly half of all complaints (47%) were answered within three business days and by May 2016 the rate went up to 60%.

The new process of customer complaint handling was prepared in strict cooperation with customers. At each stage of development, the proposed solutions were presented to stakeholders and thanks to their involvement and extensive feedback we managed to prepare, for instance, a script of a friendly complaint filing conversation with the customer.

Increase in customer satisfaction with the complaint handling process:

In 2015, the index of customer satisfaction with the overall complaint handling process improved considerably. The NPS2015 index regarding the complaint handling process went up by 12% (source: BZ WBK Customer Satisfaction Survey 2014).



STAKEHOLDER EXPECTATIONS

“I think it would be worthwhile to talk about complaints, how you have learned from them, what innovations and improvements you have implemented based on the customer feedback. Customers are sometimes right and the bank should acknowledge that and show it values constructive feedback.”

[G4-PR8]

Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data, categorized by:	Number of complaints (2015)	Complaint description
Complaints received from outside parties and substantiated by the organization	21	Breach of the bank secrecy obligation, sending letters with data in unsealed envelopes or to a wrong address
Complaints from regulatory bodies	3	Three complaints from the Polish Financial Supervision Authority concerning breach of the bank secrecy obligation, failure to cancel a proxy and breach of the personal data protection law. All complaints turned out to be unsubstantiated
Total number of identified leaks, thefts, or losses of customer data	4	

[G4-FS1, GR-FS2]

In Bank Zachodni WBK we believe that social and environmental aspects are very important factors for making credit and investment decisions. Therefore, all projects with a value higher than USD 10m financed by us have to be analysed for social and environmental risks in accordance with the Equator Principles. Therefore, all business units identify and analyse social and environmental threats related to transactions in line with applicable procedures. The project analysis process consists

of a range of activities The analytical procedure involves assignment of all projects to one of three risk categories (A, B or C). High risk projects undergo additional social and environmental assessment carried out by an independent auditor.

In 2016, seven social and environmental policies will be implemented, including three sectoral policies. The policies will be in force in the entire Santander Group.

Personal means for everybody, everywhere

Customer benefits:

- security of solutions offered
 - quick response time
 - transparency of fees for banking services
-



STAKEHOLDER OPINION

"I like my account accessible everywhere, at any time. I like to press a button and see where the nearest ATM is located".

BZWBK24 mobile functionalities



checking the **account balance**



scanning QR codes on bills
automatic filling in of bank transfer details



bank transfers – traditional and to the beneficiary's mobile phone number instead of a bank account number



topping up mobile phones



viewing the history of transactions



contact with an adviser through a video or audio connection or a chat



payments using a mobile phone and withdrawals from ATMs without a card – **BLIK**



ordering credit products



mobile shopping – a possibility to buy city transport tickets or pay for parking; since May 2016, it has also been possible to order a taxi and pay for it with a mobile phone



contactless mobile payments

Mobile banking

Our customers always know where to find the nearest BZ WBK's outlet as most of the time they have it simply in their pocket. BZWBK24 mobile application installed in a smartphone saves time and offers access to the majority of bank services wherever you are. Customers using the application have access to all banking information and functionalities which are needed in everyday life. Mobile means quick and convenient.



Number of active mobile banking users

December 2015

666 k

April 2016

738 k

Sale of credit products via online and mobile banking

147 k
products sold

Number of mobile banking transactions

6.72 m

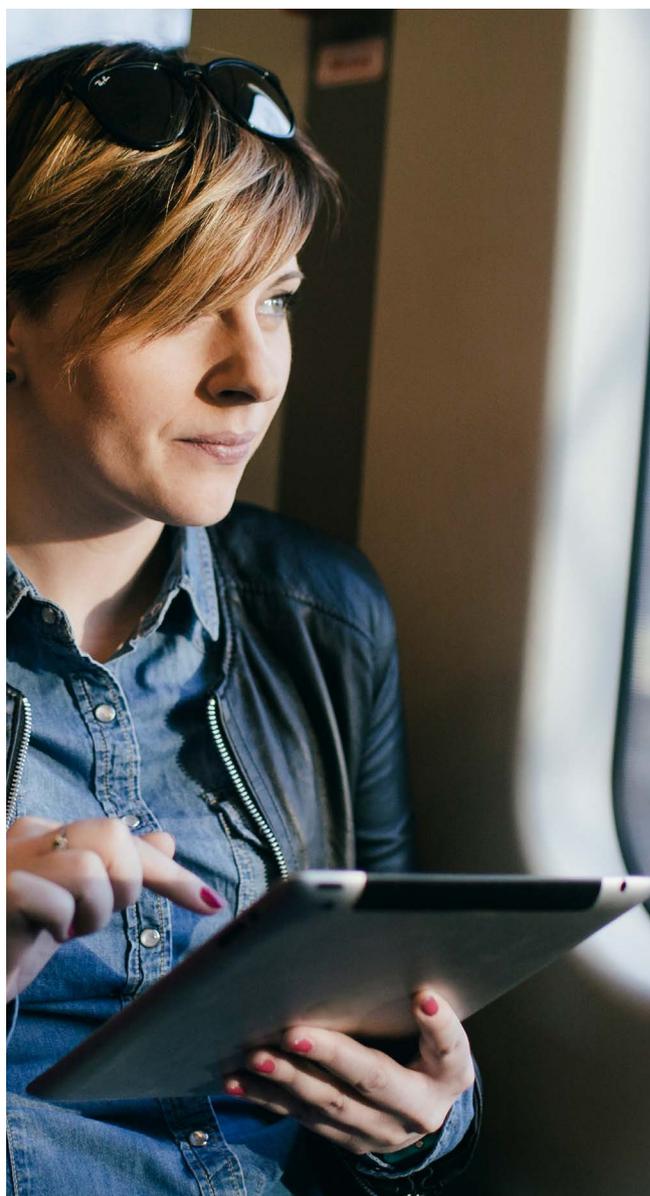
We realise that before our customers get to like BZWBK24, our employees have to become keen on the solution. Therefore in 2015 we organised the cyclical Open Mobile Banking Day during which our experts from the Mobile and Online Banking Area held meetings with customer advisors from all over Poland. Advantages of BZWBK24 mobile are appreciated not only by the bank's customers but also by independent experts:

- first place in the competition of Money.pl website – BZWBK24mobile application scored 26.6 out of the maximum 30 points and was named the “Best Mobile Banking Application” leaving ten other applications behind.
- distinction for the developed application in the “Electronic banking and e-finance” category of the IT Leader competition of Financial Institutions 2014 organised by Gazeta Bankowa.
- BZWBK24 mobile considered number one mobile banking application in Newsweek's Friendly Bank competition.
- Forrester Research, an international market research and consulting company, recognised the mobile banking platform of Bank Zachodni WBK as the best one in Poland, second best in Europe and third best

worldwide. The ranking was part of the report “2015 European Mobile Banking Functionality Benchmark” published in June (the European issue) and in August (the global issue).

- first place in the prestigious Emerging Payments Awards competition in the category Best Mobile Application.
- number 1 in Poland in the Global Finance competition “2015 World's Best Digital Banks Awards in Central & Eastern Europe” in the category “2015 World's Best Consumer Digital Banks In Central & Eastern Europe”, while BZWBK24 mobile was ranked 1st in the category “Best in Mobile Banking” and “Best in Mobile Banking App”.

Bank Zachodni WBK also offers mobile solutions for investors, Read more about the Investor Mobile application on page 39.



Accessibility

[G4-FS13]

We keep optimising the distribution of our outlets on an ongoing basis. At the end of 2015, Bank Zachodni WBK had a network of 723 bank branches, 115 of partner outlets and 1706 ATM's and cash deposit machines.



Province	Population	Bank branches	Partner outlets	ATMs/ CDMs	Total number of access points	Ranking by population	Ranking by number of access points
Mazowieckie	5 334 511	109	22	186	317	1	3
Śląskie	4 585 924	68	7	152	227	2	4
Wielkopolskie	3 472 579	100	14	299	413	3	2
Małopolskie	3 368 336	51	7	86	144	4	6
Dolnośląskie	2 908 457	103	6	322	431	5	1
Łódzkie	2 504 136	40	10	94	144	6	7
Pomorskie	2 302 077	50	8	89	147	7	5
Lubelskie	2 147 746	24	3	50	77	8	12
Podkarpackie	2 129 187	17	5	38	60	9	13
Kujawsko-pomorskie	2 089 992	38	6	82	126	10	8
Zachodniopomorskie	1 715 431	35	8	72	115	11	9
Warmińsko-mazurskie	1 443 967	15	8	29	52	12	15
Świętokrzyskie	1 263 176	14	9	27	50	13	16
Podlaskie	1 191 918	15	1	37	53	14	14
Lubuskie	1 020 307	26	0	84	110	15	10
Opolskie	1 000 858	18	1	59	78	16	11



Security

Our customers entrust to us not only their money, but also their dreams, ambitions, passions and plans for the near and distant future. We proudly accept the responsibility and do our best to make them safe. We are continuously upgrading our security systems and make sure we use state-of-the-art solutions.

Customer security involves also guaranteed privacy in contacts with the bank and while processing personal data. We strictly adhere to banking secrecy requirements and all our operations conform 100% with the applicable regulations, in particular including the Banking Law. The subject of privacy is also addressed in the General Code of Conduct and the Information Security Manual of Bank Zachodni WBK. Compliance with the provisions of those documents is expected from all our employees.

We are well aware, however, that customers' prudence and caution are equally important as technical security measures. We regularly remind all customers that the key security principle in online and mobile banking is not to disclose account login details to anyone.



STAKEHOLDER EXPECTATIONS

“Universal design of services is very important, for instance, taking into account the needs of senior customers who come across numerous technical and technological barriers while using the applications.”

But that is not all. Technological education which we offer to customers is not only limited to banking. Based on the dialogue sessions held with the stakeholders of Bank Zachodni WBK, we have prepared tailor-made programmes related to the subject of technological security enhancement for various audiences. We provide training to young people in a friendly formula of games during which we discuss the rules of safe Internet browsing on smartphones. In 2015, we organised classes for schoolchildren from Elbląg and workshops for college students from Poznań.

We also target seniors, on the one hand, in order to prevent their digital exclusion and, on the other, to educate them how to use mobile banking services safely. The most effective form of interaction in this case are meetings in person, like the ones we held last year in Poznań and near Zielona Góra. Our communication activities are complemented by articles published in the press and distributed leaflets and brochures.

Retail customers

New tools and products

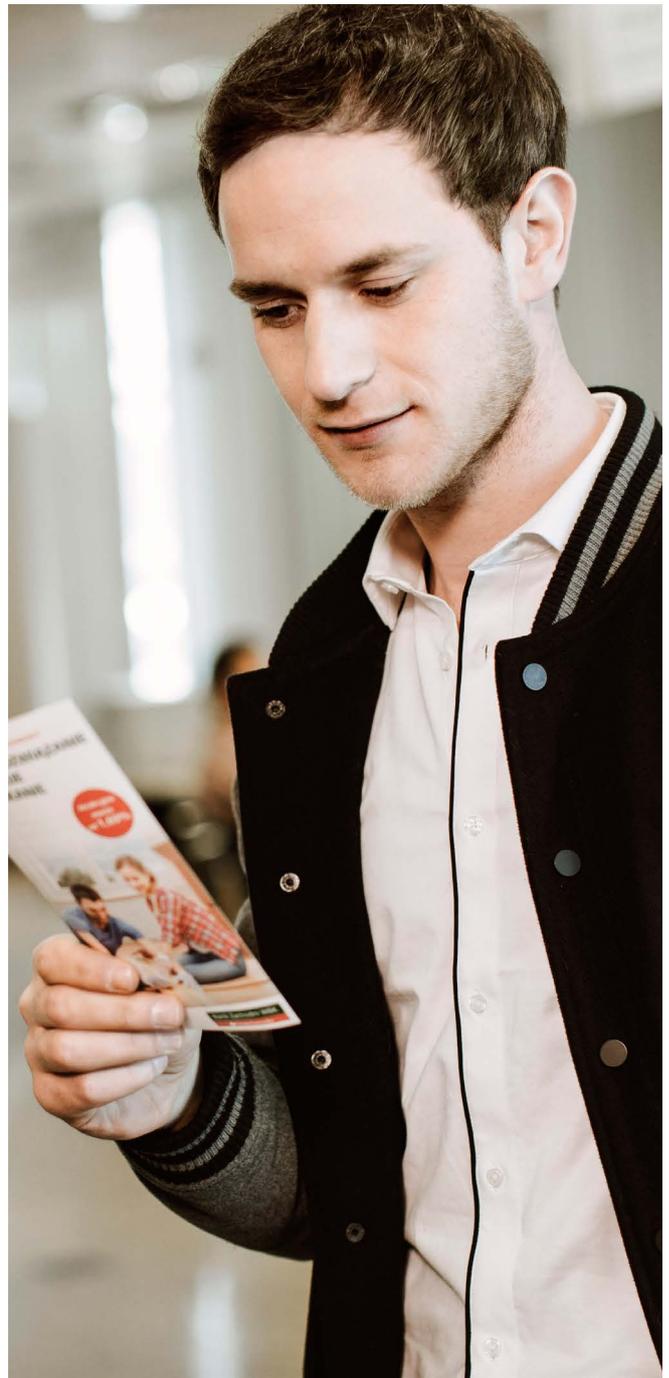
Listening [G4-PR5]

Customer benefits:

- possibility to express an opinion about the bank's services
 - participation in the development of the bank's products and services
 - access to advanced and individually tailored solutions
-

Since the beginning of 2014, we have been regularly measuring the level of customer expectations and satisfaction. At present, the survey consists of 20 modules. We measure customer satisfaction in a branch, when buying a product, executing a transaction, using an ATM, contacting the call centre and logging on to BZWBK24 on a computer or using a smartphone... Listening to the voice of our customers is not the goal in itself. On the basis of the survey results, we implement expected improvements.

We want to make banking with Bank Zachodni WBK as pleasant as possible through dialogue with customers, empathy and commitment. To this end we have launched a Customer Satisfaction website at <http://www.bzwbk.pl/ms/satysfakcja/strona-glowna.html>, intended as a tool for two-way communication. We use it to inform about the implemented changes and remain open to new ideas and suggestions. A dialogue platform of this kind is an innovative solution on the banking market. By presenting the completed improvement projects we demonstrate to our customers that we deliver on the promises made to them. Thanks to customer satisfaction surveys conducted by our bank until the end of 2015, we managed to collect around 200,000 opinions of our customers!



See how we operate



Mobile

- we have increased the range of products and services offered by the bank via BZWBK24 mobile, including a check of the account balance prior to logging on to the application and the launch of the Investor mobile application for making stock exchange investments using mobile phones.



Call centre

- we have reduced the IVR and the time of waiting for contact with a consultant
- we have launched an Advisor Online service dedicated to customers with hearing impairment who can now communicate with the bank in the Polish Sign Language. In every branch of the bank customers can now take advantage from assistance of a Polish Sign Language interpreter.



Retail customers

- we have increased accessibility of our products and services by offering an option of a video or audio call or a chat with the advisor via the Advisor Online service



Branches

- we have introduced improvements to increase the comfort of service in 120 branches.
- we have taken care to ensure professional service to customers with special needs.
- we have expanded the network of Barrier-free Branches



ATMs/ CDMs in BZWBK24 network

- we have expanded the network of our ATMs and cash deposit machines.



Internet

- we have simplified the procedure of logging on to BZWBK24 Internet and mobile and improved the online stock exchange service Investor mobile



Corporate customers and VIPs

- we have launched a telephone line dedicated to SME and VIP customers.
- we have expanded the scope of services for VIP customers offered by telephone VIP advisors via the wealth management contact centre.



Support to investors

- retail customers who make investments on the Polish and foreign stock exchanges are offered convenient solutions and support of our experts. Read more on page 59

Good practice

Concierge and Priority Pass

We help VIP customers not only with finance but also in handling everyday life errands. In 2015, we launched an online Concierge platform via which customers can request assistance in sometimes very unusual matters or take advantage of one of available, attractive proposals of spending free time.

Last year customers submitted to our bank 463 requests, including many untypical ones, such as organising a tour around India, a trip to the Santa Claus village or a New Year's Eve party in Cuba, ordering a taxi in Rome, buying tickets for concerts and theatre performances or booking hotels in remote parts of the world.

VIP customers banking with Bank Zachodni WBK can also take advantage of the Priority Pass programme when travelling by air. The programme offers a possibility of using Executive Lounges in airports all over the world. In 2015, as many as 1,683 customers benefitted from this option.

We want to develop our services in line with the design thinking methodology i.e. based on thorough understanding of the needs and expectations of the service users – our existing and prospective customers. Selected employees of the bank take part in training programs during which the practical aspects of design thinking in our work are presented. New products and services are designed by project teams composed of employees from different areas of the bank.

2015 IN NUMBERS ONGOING CUSTOMER SURVEY

20

SURVEY MODULES

- Channels of contact with the bank
- Purchase of products
- Use of products
- Overall cooperation with the bank

every 2 min

A QUESTIONNAIRE IS COMPLETED

59.2 k

INTERVIEWS WITH CUSTOMERS
(ongoing survey)

342 days

TOTAL TIME OF RECORDED INTERVIEWS

3 out of 4

INTERVIEWS CONCERN A VISIT TO THE BANKS' BRANCH



% of customers absolutely satisfied with the last visit/contact (score 7 on a scale of 1 to 7)

Visit in a branch

Call centre incoming calls

Q4 2014

73%

58%

Q4 2015

77%

69%

Difference Q4 2015- Q4 2014 (y-o-y)

4%

11%



Our products and programmes improving the quality of social life

Big Family Card

In 2015 we joined the national Big Family Card programme. Under the programme, families with at least three children, regardless of their level of income, can take advantage of discounts and benefits offered both by public institutions and private entrepreneurs (e.g. discounted museum or train tickets).

The programme participants can also benefit from a special offer prepared by the bank:

- **personal account and a credit card**

Thanks to free of charge maintenance of an account with a minimum turnover of PLN 1,000, a credit card without monthly or annual fees and cashback on certain household bills and purchases, families can save more than PLN 1,000.

- **low-price loans**

As a partner of the Big Family Card programme, we offer financial support to its participants:

- personal overdraft sanctioned free of charge, and
- attractive mortgage loan offer without a fee (regardless of the loan value). Additionally, participants of the Big Family Card programme will be able to apply for a loan together with another non-participant borrower i.e. a person who is not a holder of the Big Family Card.

Active 50+ Account

Active 50+ is a promotional offer dedicated to active persons past the age of 50. Customers who open an account receive a pair of Nordic walking poles as a gift. Bank Zachodni WBK promotes active lifestyle of people aged 50 and more. The account also includes a Medical Assistance package which offers emergency medical aid and access to a medical and legal helpline. More than 60,000 people have used the account and related services to date.

<20 Account

We introduce young people into the world of finance by offering up-to-date, safe financial education. The <20 Account is dedicated to customers from the age of 13 and has been created in line with the preferences and expectations of teenagers. Both the account and the card issued to the account are free of charge until the 20th birthday of the account holder. Additionally, the account includes a saving option. The money deposited on the account bears attractive interest rate.

Account 1|2|3

Account 1|2|3 offers a cashback option on household bills paid from the account (1% for gas, 2% for electricity and 3% for Internet/ telephone – not more than PLN 25 in total). Additionally, customers who use 1|2|3 credit cards can receive 1% cashback on purchased groceries, 2% on goods purchased at petrol stations and 3% on money spent in restaurants and fast foods.



Investor Account

We encourage Poles to try out informed and conscious investing on the stock exchange. As part of the Investor Account promotion, new customers who until 31 May 2015 opened a personal account and a brokerage account with Bank Zachodni WBK and, subsequently, completed special training and executed minimum one stock exchange transaction were rewarded with a bonus worth up to PLN 150. 337 customers took advantage of the promotional offer and altogether invested on the Polish stock exchange more than PLN 3m during the promotion period (March to May 2015). Two hundred customers have remained active to date.

Visa Silver Pajacyk

In partnership with the Polish Humanitarian Action (PAH), we have prepared a special Visa Silver Pajacyk card. For each credit card issued, an amount of PLN 10 and a fraction of the value of each transaction executed with the card are transferred to the Foundation's account. In 2015, thanks to the sale and active use of the cards, the total amount donated by the bank to PAH amounted to PLN 480,000. The money was used to finance meals for 1,179 children in 76 facilities.

ATM cards

Instead of the logo of MasterCard or Visa – only the logo of our bank. As the first commercial bank in Poland, we issued our own ATM card which can be ordered by every personal customer of Bank Zachodni WBK. The card is issued for free, there is no monthly charge and all withdrawals and deposits are free of charge. The card is intended mainly for use to withdraw and deposit money using ATMs of Bank Zachodni WBK. The difference with a debit card is that it cannot be used to withdraw money from non-BZ WBK ATMs, to pay for purchases in shops with POS terminals or to pay for online shopping.

Dual function ATMs

We launched the first machine which combines the functions of cash withdrawal and cash deposit. A dual function ATM allows not only to withdraw and deposit money but also to execute non-cash transactions. For instance, the customer may top up a mobile phone or repay a credit card using a debit card.

Small business in a nutshell

In partnership with the University in Łódź we prepared a training programme called "Small business in a nutshell" dedicated to people who are planning to start their own business. The course participants acquired basic knowledge on setting up and running a company, planning business activities and organising work. We also presented various opportunities for financing the development of one's own business.

Home for the Young

We help young people to finance the purchase of their first home, one of the most important needs at the time of starting adult life and a family, taking advantage of the government programmes implemented as part of the housing policy. We offer loans under the Home for the Young (MdM) programme, with a grant available from the Subsidy Fund to finance down payment which young people have to make when buying their first home. Thanks to a well designed offer and an efficient lending process, many families decide to take out the loan and the bank has a high, 20% share in the market of newly sanctioned loans under the MdM programme.

Helping

Customer benefits:

- help in financial difficulty
-

Support to customers in a difficult situation

We know from our long-term experience that not all customers will be able to easily repay their debt in accordance with the schedule. We treat such situations as natural and we believe they should be resolved in partnership. Therefore, we have a number of standard and ready solutions to support customers during such times. For instance:

- a restructuring loan or an equity release loan sanctioned for repayment of existing debt,
- adjustments to the repayment schedule, change of the account for loan repayment or change of a monthly instalment type (e.g. from decreasing to equated instalments),
- extension of the lending period,
- reduction of the principal repayment value with an option of adding overdue instalments.

The guiding principle which determines our approach to such situations is to help customers who experience transitional problems. In the long-term perspective, we want to salvage the customer, continue our relationship and restore timely repayment of the debt obligations. The fact that we do not use the term 'debt collection' in the names of our units or processes reflects the spirit of our approach. The measures we use to assess the effectiveness of applied solutions are strictly related to the quality of partnership relations developed with the customer. For instance:

- the degree of delivery on the promises made by customers which shows whether the arrangements we made together were feasible,
- the extent to which the customer's situation improved as a result of the support offered,

- the percentage of customers who approach us to discuss their difficulties and trust us without waiting for a contact from the bank,
- assessment of the customer service quality, including the advisory role during communication, as part of the independent customer satisfaction survey.

At an early stage of overdue payments such an approach is quite common on the banking market. In our case, however, the result is that in the portfolio of non-performing loans, over 90% of repayments are made voluntarily by customers without the involvement of court debt collection officers.

The rules described above apply both to customers attended by the bank's employees and those using the services of partner companies. Only when voluntarily declared repayments are not made, the bank decides to sell the debt to third-party institutions – securitisation funds. When selling portfolios of non-performing loans, the main criterion we apply before making the decision is the excellent reputation of the buyer, both on the Polish market and abroad.

Our process of managing problem debt is based on the following principles:

PREVENTION

The approach involves a range of possible adjustments to the terms of the agreement available to every customer. The solutions will become even more accessible when the service is launched in the BZWBK24 electronic channel and over the telephone, which is planned in the coming months. Of significance are also limited requirements concerning documentation of the customer's standing, often only in the form of declarations made by the customer. We are also planning changes in the process to reduce the number of situations in which an annex must be signed, for instance, by offering an option of modifying the agreement terms during a contact with the Video Advisor.

We are also executing proactive information campaigns on the website of Bank Zachodni WBK about customer rights, after-sales assistance and restructuring options available to customers and how to use each of the presented solutions.

SUPPORT

We offer a wide range of options to contact the bank (including dedicated help lines and mailboxes, a request for contact on the BZWBK24 electronic platform and individual meetings with the bank's employees) and of restructuring solutions/arrangements which rely on available technological tools and competences of the bank's staff. Our goal is to offer the most appropriate solution which will guarantee timely repayment and service of the loan once the difficulties are solved. Additionally, when sending notifications of overdue repayments to customers the bank encloses a brochure with information about available solutions depending on a situation which is the cause of difficulties with debt repayment (e.g. change/ loss of a job, health problems, etc.).

COOPERATION

Regardless of the stage of a relationship between the bank and a customer obliged to repay debt, our first-choice strategy is cooperation with the customer. This means not only arrangements concerning repayment of the loan but in some cases also assistance in selling the property which secures the debt. We know that effective help must be well-planned and beneficial for both parties. Therefore, for more than three years now we have had regulations and solutions which aim at the so called 'second chance' and starting a new life without a debt burden or with affordable loan instalments which allow to meet other needs of the household.



CHF mortgages

“

STAKEHOLDER EXPECTATIONS

“The bank has mortgages denominated in Swiss francs in its portfolio but I know you took steps to resolve the issue. What were they like?”

We continue to offer solutions which facilitate repayment of mortgages and equity release loans denominated in Swiss francs:

- we factor in the negative LIBOR CHF value when calculating loan interest rates, also when the total sum of the reference rate and margin is below zero,
- we reduced the FX spread for CHF until the end of June 2016 to 2% (the sell rate at which the value of loan instalments is calculated is only 1% higher than the interbank market rate),
- we offer a possibility of extending the lending period or of a temporary reduction in the instalment value (by 10% or 20% for a period of 3, 6 or 12 months) or suspension of the loan principal repayment for a maximum period of 12 months,

- we do not charge customers for annexes signed in order to restructure the loan,
- we convert the loan currency into PLN at an average NBP rate,
- we do not demand additional security or insurance upon increase in the LTV ratio,
- we have launched a programme which facilitates the sale of a property which secures a CHF loan when the LTV is over 90% - the bank offers a possibility of selling the mortgaged property and transferring the security pledge to the new property purchased by the borrower.

Moreover, since 19 February 2016 borrowers with housing loans denominated in any currency have been able to take advantage of a subsidy in the maximum amount of PLN 1,500 available over a period of 18 months pursuant to the Act on the Support to Borrowers in a Difficult Financial Situation.

The number of CHF loans: 41,674 as at 31 March 2016.



Mirosław Skiba
Management Board Member of Bank Zachodni WBK
in charge of the Retail Banking Division

Simple, Personal and Fair: the three words are the best indication of what we did in 2015 in the area of retail customer service. We have become Simple thanks to the new CRM system implemented in 2015 which helps us choose an offer individually tailored to the needs of each customer, instead of overwhelming them with plenty of unsuitable of-

fers. We are now more Personal as we offer 24/7 access to an account via the best – beyond any doubt – mobile application in Poland and one of the best in Europe. Last year the application was enhanced with new functionalities and options and its quality is evident in the number of awards and distinctions it has received. Being Fair means to us a commitment to honest and accurate communication with the customer. We have simplified the language of our documents and messages, made it easier to file complaints and implemented mechanisms of collecting feedback from our customers. But above all, we continue our policy of “Zero tolerance for misselling”, an example of which is a restriction on offering unit-linked insurance products to senior customers.

I am positive that the projects and processes launched last year responded to actual expectations of our customers.

In 2015, the Retail Banking Division saw only minor structural changes. In Branch Banking the reporting lines for Macroregional Directors were shortened. Now their reports are submitted directly to the relevant Management Board Member, following elimination of the position of the Head of Branch Banking. We also reduced the number of macroregions from 12 to 8 and of regions from 78 to 65 with a view to streamlining and optimising the management of the entire network.



Financial partner to the development of SMEs

Small and medium-sized enterprises generate 18% of the Polish GDP, 35% of revenues and as much as 40% of all jobs. The revenues of banks from the segment amount to PLN 7.9bn and account for 14% of the total sector revenues. The key challenge to the banking sector is to effectively manage the potential of SMEs.

Deloitte "How Small and Medium-Sized Enterprises Bank in Poland", a survey of 852 business customers from the SME sector, 2015.

The number of SMEs in Poland (1.9 per 1,000 Poles) is the lowest of all EU member states.

SMEs take out banks loans three times more often than large corporations.

The biggest barrier to growth in the opinion of SMEs is the difficulty with finding and recruiting new employees.

A report "Small and Medium-Sized Enterprises in Poland. Barriers and Development" Polityka Insight, 2016

We want small and medium-sized enterprises to identify and take advantage of opportunities for growth in partnership with Bank Zachodni WBK. As a bank, we want to promote creative and innovative enterprises which offer quality jobs. We know that access to reliable financing can help SMEs spread their wings and begin dynamic market expansion. 2015 was a year during which we developed our offering dedicated to the SME sector. Now we can proudly say that we support customer from the segment more and more actively. In order to align our products as much as possible with

the needs of small and medium-sized businesses, we want to get to know our customers. Therefore in 2016, Bank Zachodni WBK acting in partnership with Polityka Insight prepared a report on the condition of small and medium-sized enterprises in Poland. The study identified main development opportunities and barriers found in the SME sector. It showed that small and medium-sized companies in Poland are in a good condition, however, in order to meet the growing competition, the sector should put more emphasis on investments in innovation and expansion to international markets. We believe that the products and services offered by Bank Zachodni WBK can help them do it!

Main conclusions detailed in the report:

- The Polish SME sector is smaller compared to other EU member states.
- The majority of SMEs are industrial and trading companies.
- SMEs take out bank loans three times more often than large corporations.
- Small and medium-sized enterprises tend to grow at the same rate as the economy.
- The development of SMEs is based mainly on increasing productiveness.
- SMEs invest more in people than in machinery.
- The biggest barriers to SME growth include high taxes and bureaucracy.
- Difficulties in access to financing stifle the innovativeness of SMEs.
- The bigger the company the more difficult it gets to find qualified staff.

Extraordinary year for SMEs in Bank Zachodni WBK

The best bank for small and medium-sized companies in the Wprost Wallets 2015 competition (30th June 2015).

Sales performance – a growth of 17.11% year-on-year in new customers financing (new SME business + leasing + factoring).

Over 10,000 customers acquired in May and June – record-high sales of Biznes Pakiet.

Four times higher frequency of meetings with customers.

A new EU-funding related offer of Bank Zachodni WBK – 200 trained advisors.

A cycle of 36 workshops for entrepreneurs in the region of Silesia on building the company's image on the Internet delivered jointly with Google and attended by 818 participants.

An audience of 770,000 watching the programme "Business Evolutions".

2,180 participants of the autumn edition of the Entrepreneurs' Academy, including 1,360 prospective customers (61.4%).

Workshops for SMEs – a new formula in which participants work together to invent a solution to a defined business challenge.

Revenues in excess of PLN 1bn.



Facilitating

SME customer benefits

- access to modern banking services
 - time savings
 - money savings
-

In Bank Zachodni WBK, we know that running your own business is an activity which takes up a lot of time. Therefore, we want to make sure that banking operations will be as quick as possible. In 2015, we developed a project which makes it possible for SME customers to **open a business account in remote communication channels**. Thanks to the work done last year we have been able to offer this option to customers since April 2016.

In 2015, we also developed a concept to enable **issue of a credit decision to SME customers without visiting a branch**. The project was designed for external customers who had no relationship with Bank Zachodni WBK in the past and was launched effectively in April 2016.

Owners of small and medium-sized businesses with limited transactional needs can also open an **Account Worth Recommending** in our bank. This highly popular account is maintained for customers for free provided contributions to the Social Security Fund (ZUS) are paid from the account. The offer includes an additional FX account maintained in EUR, USD or GBP.

A convenient option for SME customers is the ability to have full control over their bank account via BZWBK24 mobile application.

Advising

SME customer benefits

- contact with a trustworthy and reliable bank expert
-

We believe in long-term partnership with small and medium-sized businesses. In 2008 we established a special unit called SME Skills Academy responsible for the implementation of the bank's upskilling strategy.

For a number of years, the bank has been implementing a strategy of upgrading the skills of its advisors. We want our employees to have the knowledge and skills which allow for the development of long-term partner relationships with entrepreneurs. Our advisors are expected to focus on the actual needs of customers, both at present and in the future.

In view of the establishment of the SME Banking Division in 2015, the SME Skills Academy was integrated into the structure of the new Department of SME Customer Excellence. The scope of the Academy's activities has also been extended to include support to the implementation of the bank's strategy in respect of financing the agriculture sector, foreign trade and projects co-funded by the EU.

SME advisors will also be actively involved in one of the most important areas of cooperation with customers i.e. lending. One of the Academy's responsibilities is to deliver training and issue certificates required to take part in the credit process. In 2015, 3,500 participants attended training programmes offered by the Academy. Nearly 1,900 persons participated in training events to obtain the SME Credit Certificate. Other training courses in SME customer financing were attended by 810 participants.

Together with the development of SME skills by advisors, the approach to employee evaluation has changed. The bonus paid to employees is dependent more and more on the growth of the portfolio of products purchased by the customer. In this way, advisors are motivated to build long-term relationships with entrepreneurs based on identification of their needs and responding to them.



The plans for 2016 provide for continuation of the SME Credit certificates Programme, launch of new tools facilitating the analysis of the customer's situation and support to the implementation of the bank's strategy in respect of financing the agriculture sector, international trade and projects co-funded by the EU and enhancement of selling skills and customer service quality. The total number of participants is estimated to range between 5,000 and 6,000. In addition to training offered by the Academy, other units of the bank and third-party training companies selected in a competition were invited to deliver training.

Connecting

SME customer benefits

- possibility to gain knowledge and develop business contacts
 - opportunity for international business expansion
-

We are convinced that Polish SMEs can be successful also on foreign markets. In order to support their internationalisation, in 2014 we made available to SMEs the Santander Trade portal which initially was accessible only to corporate customers. Last year saw implementation of a number of additional functionalities and benefits for companies. The portal is available free of charge to the bank's customers, on a permanent basis, (with an additional option of membership in the Santander Trade Club), and to external customers for a 30-day trial period. More information about the Santander Trade portal can be found on page 51.

Educating

SME customer benefits

- possibility to gain knowledge and develop business contacts
 - opportunity for business growth
-

Another form of support to entrepreneurs is our Entrepreneurs' Academy, a series of conferences held in 50 cities across Poland. The purpose of the Academy is to support the development of business competences by entrepreneurs in areas important from the point of view of their business activity.

The unmet demand for training in the SME sector is a fact evidenced, for instance, by the study "Banking in a Country with Social Market Economy" carried out by the Polish Bank Association in 2014: "Young managers need practical knowledge about low-risk management of a business. This is particularly true in the case of owners and managers of small and medium-sized enterprises which are the engine of the economic growth in Poland. Their competences need strengthening".

In 2015, the main subject of the Academy was EU funding, an integral element of promotion and implementation of the bank's pro-EU "Business Union" strategy. The meetings were attended by 5,500 entrepreneurs.



Motivating

SME customer benefits

- motivation
 - business knowledge
-

A great number of entrepreneurs found inspiration for development watching the “Business Evolutions”, a cycle of programmes produced with an active involvement of our bank. It was the first TV show addressed to SMEs broadcast on channel 1 of the public television. The show served the purpose of promoting a new advertising message in preparation for the launch of Santander Advance, the new global strategy of the Santander Group. Each episode presented a diagnosis of the situation in a certain company, the recommended actions, their implementation and initial effects. All actions contributed to building of the bank’s ‘Business Partner’ image. “Business Evolutions” was an innovative way to reach SME customers. Bank Zachodni WBK was depicted not only as an institution satisfying the financial needs of entrepreneurs, but also as a partner supporting the growth and broadly understood development of businesses.



Turning processed fruit and vegetable products into a business and how sales increased tenfold

An interview with Katarzyna Surowiec from Ogródek Dziadunia, a company which took part in the Business Evolutions

How did you learn about the casting for the Business Evolutions?

Actually, by accident. Our advisor from the bank where we have our account sent us a link with an invitation to take part in the programme. I decided that we could try, although I didn’t believe at all that we would end up on TV. I was rather sceptical. But after a while we got information that we made it to the next stage of the eliminations and finally – to our big surprise – that we qualified

Was it worthwhile?

I think promotion was the biggest benefit. A great number of consumers learned about us. We changed the range of products and our image. We took care of the marketing aspects e.g. visual identification, logo, product labels. We received assurance that what we did was right but a number of things required improvements. Business evolutions did not last long but the changes we began implementing are a long-time project. We are building our sales network, employing new sales representatives and developing export sales. But there is still a lot of work to be done because some changes are still ahead of us.

Did the promotion really drive up sales?

After the TV programme, our customer base grew to include 60 new customers with whom we cooperate until now. Some orders are big, others are small but an overall increase in sales is quite considerable. Today, we dispatch goods every day and in the past we did it once or twice a month. And this holds true for both wholesale and retail customers. So to conclude, I think that we now sell at least ten times more than before.

And the change would not have happened if not for the programme?

I think it wouldn’t. Even if we had managed to choose the right direction of development, it would have been a long process and the scale of our operations would now be much smaller. The experts advised us to hire a professional advertising agency to take care of our marketing. Earlier, we tried to do everything on our own. Outsourcing advertising to an agency was a difficult and expensive decision, but fortunately it brought the



expected results. If not for the experts, I think we would have never done it. It has been six months since the programme was broadcast and everything has changed. In March we took part in a conference of the association of chefs from the whole Europe and we had a chance to present our products. We received the invitation thanks to participation in the programme. And participation in the conference turned out to be a gate to new sales markets. We are currently working on an offer dedicated to restaurants and hotels. We wouldn't have got such a chance if we hadn't been part of the Business Evolutions.

The experts in the programme had not only words of praise for you.

Our mentor who evaluated the quality of our company's products was Piotr Adamczewski, a famous food critic. I remember that he really liked three of our products but criticized the other three. It was like a cold shower to us, but I think we really needed constructive feedback from an expert and his suggestions turned out to be very useful, especially when we invent new tastes or develop the product offer. We keep his opinions in mind and carry on further changes.

What else did the experts point out to you?

Lack of courage to take risks. I think it was our biggest problem. We weren't even ready at the time to trust sales representatives. Today we are growing our sales network and we see the results. We did not have any logistic competence so we didn't really focus on export sales. At present, we want to sell our products to West European countries, especially to Germany and UK, where many Poles live. I was surprised when the experts considered our product range too wide. We had invented so many delicious tastes and we were supposed to give up on some of them. We were told to focus on the major products. To date, this has been the most difficult change for me because some customers still keep asking about the products we dropped after the programme.

So what was the biggest benefit of taking part in the programme?

We owe a lot to the programme authors and the bank's employees. They are professionals. They opened our eyes to the most distinctive products which we had in our portfolio and told us to promote them more intensely because they were truly original and exceptional. We are a small processor but despite that we have a unique product which makes us stand out on the market. The Business Evolutions were an adventure of our life and the experience we gained was much more valuable than the financial support.



Feliks Szyszkowiak
Management Board Member of Bank Zachodni
WBK in charge of the Technology Division*

Last year we carried out a number of activities which helped us to understand better the needs of customers from the SME segment. We implemented procedures of collecting and recording information about meetings held with customers and the sub-

jects tackled in order to facilitate planning future meetings. Such data are maintained in the new CRM system. Another step involved making changes to the bonus system which now supports the development of stronger relationships with customers. In the near future we will be launching the "account meter" (kontomierz) tool which will facilitate the start of cooperation with new customers and intensifying training activities involving a large number of advisors. We will also be implementing sub-strategies which will help us meet specific needs of our customers, including a wide range of solutions for exporters and importers, a strategy dedicated to customers from the agriculture sector and measures aimed at supporting the growth of our customers through different aid funds, in particular including the EU funds.

2015 was also a year of major structural changes. The SME Segment was spun off the Retail Banking Division and transformed into a separate SME Banking Division. The change reflects the bank's aspiration to strengthen its presence among micro-businesses, small and medium-sized enterprises. The adopted solutions give the bank a better competitive position and let us meet the growing expectations of SME customers who appreciate accessibility, professionalism and personalised services.

*until 22 June 2016, in charge of the SME Banking Division

We will help you grow your business

BUSINESS EVOLUTIONS

- Online company
- Export – Import
- Workshops and training
- Work and employment

Corporate banking

Support to international expansion

Corporate customer benefits

- support to export operations
 - opportunity of global business contacts
 - business knowledge
-

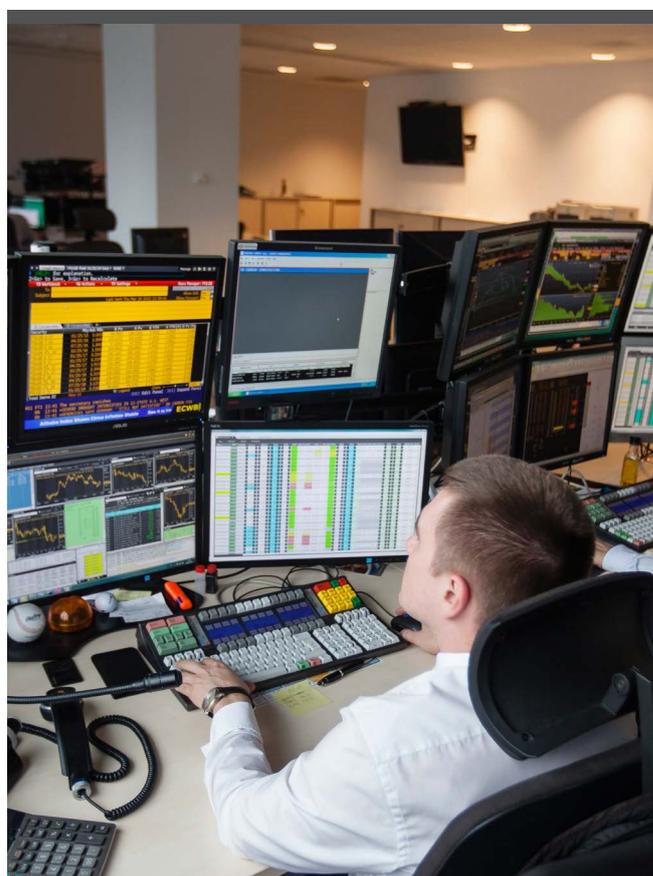
One of the key elements of the Corporate and Business Banking strategy is to significantly strengthen the bank's position in the area of foreign trade finance. We have an ambitious goal to become number one bank in financing foreign trade in Poland and the first choice for corporate customers engaged in export and import operations.

The Business and Corporate Banking Division of Bank Zachodni WBK consists of 12 Corporate Centres, Large Corporations Department and Property Financing Department and employs a team of 200 dedicated corporate customer relationship managers and over 100 product specialists supporting the growth of businesses. Customers are offered individually tailored solutions designed by local advisers supported by credit and product partners. We provide a full range of products and services including loans, deposits, transactional banking, treasury products, leasing, factoring and capital market instruments.

In 2015, we organised and attended numerous events for customers, the purpose of which was to present new business opportunities, available legal and market solutions, as well as bank products dedicated to companies considering international business expansion.

Taking advantage of synergies arising from our membership of one of the largest financial groups worldwide and acting in partnership with our colleagues from Santander in other countries, we can offer unique solutions to our customers in Poland. The examples include virtual trade missions (China, Chile) organised with the use of cutting-edge communication technologies and assistance of local Santander branches which helped Polish companies find foreign business partners.

Such projects support business networking and facilitate exchange of experience. Thanks to our experts' financial knowledge we provide customers with the necessary know-how and ready-made solutions how to start trading on foreign markets.



EXPORT DEVELOPMENT PROGRAMME

The Export Development Programme (EDP) was created with a view to providing support to an increasing number of Polish companies which are considering expansion of their business into foreign markets. International expansion is not only an excellent opportunity to grow and promote one's business, but also to take advantage of completely new prospects for dynamic development, diversification of business activities and achievement of a success in a global dimension.

The programme is addressed to companies operating both on local and national markets. The initiative of Bank Zachodni WBK responds to the identified market demand and is intended to encourage Polish entrepreneurs to consider business internationalisation by showing its advantages and providing professional support. The Export Development Programme offers specific solutions which will help to prepare an expansion plan and facilitate operations on foreign markets. One of the programme goals is to combine the efforts of the private and public sector, local governments and business chambers to jointly promote and support the development of Polish export.

EXPORT DEVELOPMENT PROGRAMME



**Source of knowledge
about export trade**



**Contact with experts working
for the programme**



Conferences and events

The programme partners include Google, KUKE Export Credit Insurance Corporation, Bisnode and PwC. Therefore, under the Programme experts from the bank and from other partner institutions share their knowledge with Polish entrepreneurs.

2015 edition in numbers:

1st edition

12 conferences in main cities of Poland, virtual missions and industry events

We reached **2 400 companies** with information about the EDP

460 companies took part in conferences

Associated events:

- POLAND-CHINA
Virtual Trade Mission (10 May 2015)
- AutoEvent: Automotive Industry
Conference (23-25 June 2015)
- UK TRADE MISSION
(15-19 June 2015)

2nd edition

6 "Regional Export Eagles" conferences + awards ceremonies, virtual trade missions, business breakfasts

400 participants / **195** represented companies

Associated events

- **10** meetings organised by partners (breakfasts, seminars, etc.), approximately 280 participants in total
- Trade mission to Chile

The programme continues the bank's long-term tradition of helping entrepreneurs and their businesses prosper. International expansion creates opportunities for the brand promotion on new markets, higher income and a success on an international scale.



Santander Passport

Corporate customer benefits

- time savings
 - convenient account management
-

The Santander Passport programme supported by the International Desk offers a new approach to services provided to international customers on Santander's main markets. It is dedicated to companies with subsidiaries and large exporters. Thanks to the Santander Passport, customers receive preferential services also outside of Poland. The passport guarantees the status of a corporate

customer regardless of the size of foreign subsidiaries and simplified processes of credit application evaluation. Additionally, each customer with a passport will be assigned a dedicated advisor in Poland who will answer questions concerning the customer's international operations and access to the network of International Desk experts in 15 countries where the Santander Group is present who will also support the development of foreign subsidiaries.

In Poland, Santander Passports will be issued to a selected group of 113 Polish Enterprises. Three passports were handed out in 2015 and the remaining ones will be presented in 2016.

Santander Trade

What is Santander Trade Website?

International expansion, whether through development of export operations and entry into new unknown markets or through direct investments is always a challenging and risky venture. The use of innovative tools in finding and conquering new markets greatly facilitates and speeds up the process and limits the related risk. SantanderTrade.com is a unique website on the Polish market dedicated to entrepreneurs looking for opportunities of entry into foreign markets.

What do Polish companies need to develop internationally?

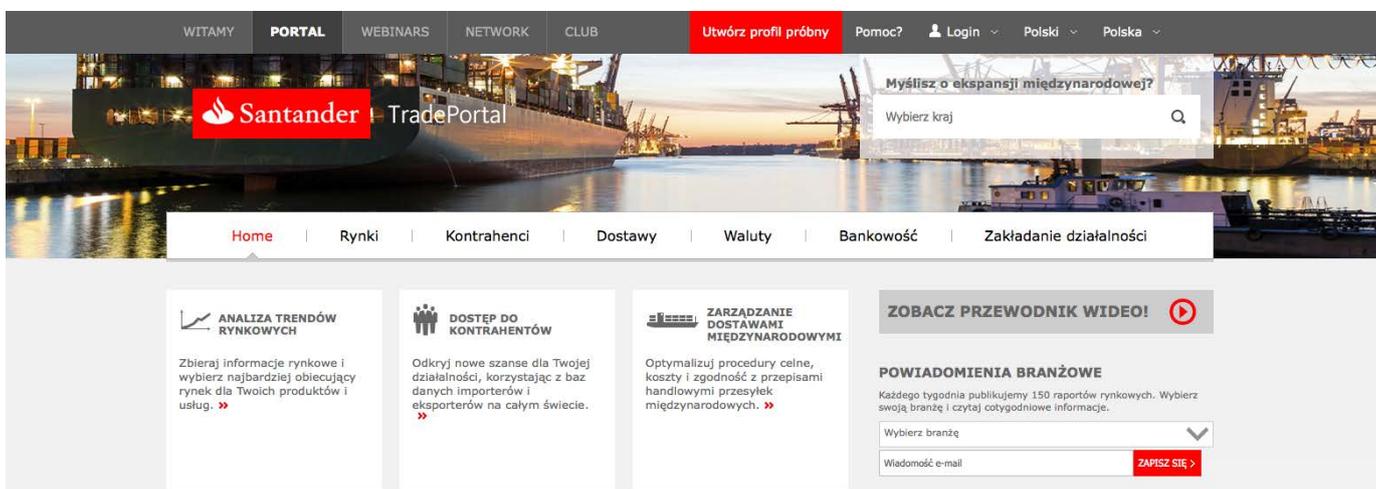
First of all, reliable information about business opportunities and foreign markets where their products might be of interest, as well as accurate and proven information about economic, legal, cultural, political and business specificities of those markets. SantanderTrade.com is a convenient and quick source of reliable information. The users can take advantage of software platforms, technological or accounting advice and assistance in launching online stores on markets abroad.

Another important aspect of international expansion is the availability of suitable financing aligned with the company's ambitions and of solutions securing or minimising the risks associated with international expansion. SantanderTrade.com offers data and information about trade exchange with 185 countries, including over 25,000 reports on sectors of potential interest and access to a database of exporters and importers which helps to find the right business partner abroad.

The website also contains valuable information about regulations and standards applicable to foreign trade in a given country, in particular including those specific to the selected market or industry. It offers access to over one million of tenders and tender offers from all over the world and up-to-date information about more than 40,000 fairs and exhibitions in different countries. What's important, all data are presented in a transparent, easy to navigate format. Another option offered by SantanderTrade.com is the membership of the Santander Trade Club which promotes knowledge gaining (webinars – interactive online seminars and case studies presented by entrepreneurs who are experts in many areas of foreign trade), virtual trade missions and online courses certified by the globally recognised International Chamber of Commerce which regulates global trade.

In October 2015, the President of the Polish Bank Association personally presented the "ACE" statuette to Bank Zachodni WBK in appreciation of the SantanderTrade.com website.

In 2016, access to Santander Trade Network was additionally enabled. Customers can use it to contact networks of partner companies in selected countries which will help them start operations on a new market.



To date nearly 20,000 customers have used the SantanderTrade.com platform.

Development of services for the agriculture sector

Agribusiness customer benefits

- attractive financing
 - access to international markets
-

17% of people employed in Poland work in the agricultural sector which is of major significance both from the economic and social point of view. Poland, as a country with a large area of arable land and advantageous environmental conditions, has a potential for the further dynamic development of agriculture. We want to be the best partner for all agribusiness operators – farmers, suppliers of production assets and the largest processors. Our proposal includes a comprehensive financing offer.

Agriculture food processing and trading

- over **1.5 m** farms
- a few thousand companies
- an over **10%** share in the GDP
- value of the agribusiness banking market - **PLN 4 bn**
- **5-fold** increase in the Polish food export since admission to the EU. The present value is estimated at **EUR 21 bn**, and analysts expect a **5%** growth in the years to come.

In 2015, we took part in more than thirty meetings with farmers during which we identified their needs and exchanged opinions about the situation in the industry. We also developed cooperation with agricultural advice centres, public administration institutions and industry association in order to be an active participant of the agricultural producers' community.



Since last year, we have been preparing analyses for use by the bank's employees with information about the agriculture in Poland and the specific nature of the sector.

We are satisfied with the results of the survey which shows that Bank Zachodni WBK is one of the three best recognised brands by customers living in rural areas. We want to keep developing the cooperation, for instance, by finding international sales markets. Thanks to the global reach of the Santander Group we can help establish trade relationships with potential customers in Spain, the United Kingdom or China. We believe that Polish farmers can significantly expand their horizons with the help of Bank Zachodni WBK.

Aiming high

Corporate customer benefits

- possibility of expressing an opinion about the bank's services
-

Our ambition is to increase our market share in the segment of corporate customers from the present 10% to 15%. We realize, however, that in order to achieve this goal we need to know our corporate customers' opinions and the degree of satisfaction with the bank's services. Therefore we regularly collect feedback on customers' cooperation with our bank:

- Deep Insight – a survey carried out every two years with the participation of approximately 1,500 customers
- GfK Polonia – a regular survey carried out every six months on a sample of approximately 500 customers (a group of respondents is selected every time).
- Symmetry – a survey of a group of iBiznes24 users during visits at their workplaces and, additionally, questionnaires completed at logout from the system.

The results of the surveys are analysed not only by the Division Management but also by our managers and operating teams.



Michael McCarthy
Management Board Member of Bank Zachodni WBK in charge of the Business and Corporate Banking Division

For companies it is extremely important to trust the bank they work with. Therefore, the Business and Corporate Banking Division builds mutual trust by offering top quality products and solutions meeting individual needs of corporate customers and facilitating the development of every company. We help, inspire and become a true business partner for

enterprises operating both in Poland and abroad.

More and more often customers appreciate the value added of working with a bank which is part of an international financial organisation like the Santander Group. The benefits which we offer to corporate customers of BZ WBK include the Export Development Programme (EDP), SantanderTrade.com, webinars and virtual trade missions, Santander International Desk, Santander Passport or the recently launched Santander Network.

Thanks to the combination of banking services with access to information and networking opportunities, Bank Zachodni WBK and the Santander Group become partners in the designing and executing international expansion strategies.

Our ambition is to become the first-choice bank for corporate customers. We can achieve this goal thanks to our employees who have the required expertise, provide top quality customer service and build long-term relationships with customers.

Global Corporate Banking (formerly known as Global Banking & Markets)

The Global Corporate Banking Division focuses on comprehensive financial services for the largest corporate customers who are offered a wide range of financial and investment products on the local market and support in international transactions executed in close partnership with the Santander Group.

The GCB offer was expanded to include the services provided by the Brokerage House which was incorporated into the Division in 2015.



“

STAKEHOLDER EXPECTATIONS

“I would like to learn what the bank does in the area of financial education of customers.”

Good practice

Stock exchange training

In 2015, we were one of the organisers of the Summer Stock Exchange School, an educational project run jointly with the Warsaw Stock Exchange and the Association of Individual Investors addressed to persons who want to start their adventure with the stock exchange and to beginner investors. In July, August and September, every Wednesday all interested participants were able to take part in online training delivered by capital market experts. One of them was an analyst from the Brokerage House of Bank Zachodni WBK (DM BZ WBK) whose lecture was watched online by more than one thousand people. Another expert from DM BZ WBK participating in the Summer Stock Exchange School delivered a webinar on "The ABC of WIG20 Futures".

Bank Zachodni WBK was also a partner to the Futures Masters investment competition devoted to the derivative market. By investing virtual money participants could win real cash awards. The competitors invested in stock exchange futures with an aim to achieve the highest rate of return. Participants were able to take advantage of the support of an expert from Bank Zachodni WBK - an analyst from the bank's Brokerage House.

Supporting regeneration projects

Customer benefits

- access to attractive financing
- regeneration of valuable assets

We actively participate in the JESSICA initiative which supports regeneration of urban areas in the countries of the European Union, both in the economic and social dimension. The distributed funds co-finance urban projects which contribute to permanent development of urban areas and improvement of their attractiveness to residents and potential investors. By the end of September 2015, the utilisation of the funds under management reached 100%.

All projects for which the bank signed Jessica loan agreements have a major impact on an increase in the attractiveness of urban areas and improvement of the residents' quality of life.

Jessica in 2015:

- Regeneration of a building of the former **Dana Clothing Factory** in Szczecin. The effect of the investment is a four-star hotel which in addition to commercial operations will be engaged in social projects, such as occupational training for employees and practical training for students from hotel and catering schools.
- Conversion of the **building of the Emergency Medical Service and the Army Recruitment Centre** into a building with shopping, service and office functions. In addition to commercial activities, the building will also be used for concerts, exhibitions and charity events.
- Regeneration of the buildings of the **former Polmo factory** in Szczecin. While preserving the historical layout of buildings protected by the City Heritage Officer, a number of modernisations were carried out, as a result of which premium quality office, service and shopping centre was built with a total area in excess of 3,000m². The building is fully adapted to the needs of people with disabilities. In addition to commercial functions, the building will also house cultural events related to the history of the former factory.
- Regeneration of the **Skolwin Paper Mill** building. With the help of financing sanctioned under the JESSICA initiative, the original function was restored to an old paper mill building. After many years, paper is again manufactured in Szczecin and nearly 100 people found jobs. During the opening ceremony, a cooperation agreement was signed between APIS Paper Mill and West-Pomeranian University of Technology. Under the agreement, students will obtain an opportunity to have practical training in the factory in order to acquire skills which would be difficult to learn during theory classes.
- Construction of a **four-storey building** by ALKON persons and property security agency. The building with an area of over 2,000m² is compatible with the surrounding architecture and fully adapted to the needs of people with disabilities. It is located on the grounds of the former head office of the company. As part of the implemented project the company agreed to make conference rooms in the building available free of charge to persons who supported the disabled. Additionally, a social cooperative is located in the building which provides training and assistance to socially excluded people.
- Adaptation of the **Old Slaughterhouse** building. The renovated building can now be visited to see a concert, exhibition or a film show, to have a business lunch or to buy a book in the bookstore. The upper storey houses there is office space which will be used by the Investor, CSL Internationale Spedition. The Old Slaughterhouse is a part of a bigger historical complex under the Heritage officer's protection.



New products and services for the corporate segment

Santander Global Platform (SGP)

Santander Global Platform (SGP) is a worldwide platform thanks to which corporate customers of the Santander Group with accounts in many countries can have access to them, make payments or generate statements using one system. Such countries as Spain, Portugal, Germany, France, Italy, Argentina, Brazil, Chile, Mexico, Columbia, Peru and Uruguay are already present on the platform and corporate customers of Bank Zachodni WBK have been successively added to it since February 2015. SGP is a single access point for all accounts held with the Santander Group. For international corporate customers, this means no need to set up local electronic banking systems in every country in which they operate. SGP also allows to view bank statements from accounts in third-party banks, not necessarily members of the Santander Group. The only requirements is that a bank must be connected to the SWIFT network. In the near future the platform functionality will be extended to include mid-day statements which means that not only end-day statements but all transactions booked on customers' accounts will be after a short while visible in SGP. GCB, acting in consultation with Santander, also works on the development of an international cash pooling solution to be offered by the Santander Group.

Electronic cheques

We are the first bank on the Polish market which has offered electronic cheques to business customers. We have developed a solution greatly facilitating the work of the leading entity on the market of short-term credit (as of 1 July). Instead of traditional cheques which require time consuming processing with the involvement

of many employees and give rise to a high number of complaints, a solution based on new technologies has been implemented: the cheque number and the PIN are sent in a text message and the cash can be collected without using a card in one of several thousand of ATMs (operated by Bank Zachodni WBK, ING Bank Śląski, Bank Millennium, PKO or Euronet). Works are in progress to make the solution currently offered to pilot customers available also to corporate and SME customers. The service will certainly be of interest to companies whose operations require disbursement of cash to employees, for instance transport companies sending cash to drivers to pay e.g. for unplanned truck service or companies which pay business travel advances to their employees. Other potential users of the service are companies which are planning to close cash desks.

Investor mobile

In mid 2015, a new Investor mobile application of the Brokerage of Bank Zachodni WBK (DM BZ WBK) was launched. The application enables making stock exchange investments via the mobile channel, at any time and place. Its users have access to interesting quotations and details of particular instruments and orders can be placed quickly and easily. Placed orders are controlled on one screen and a quick overview of the entire portfolio held with DM BZ WBK is available. Investors can track the latest PAP and ESPI messages and receive price alerts on interesting instruments so that they are all the time up to date with the market. For the convenience of our customers we offer different opportunities of access to the brokerage account: via a dedicated mobile application (for Apple iOS and Google Android) and a mobile web browser version.



Loan with a cap

In 2015, the Treasury Service Department which belongs to the Global Corporate Banking Division introduced to the bank's offer new solutions for mortgage loan holders. The "Loan with a Cap" is a service intended for customers who have taken out mortgage loans. We offer a possibility of fixing the maximum value of the 3M WIBOR reference rate which serves as the basis for calculating the variable interest rate. By using the service and signing an agreement fixing the Maximum Limit on 3M WIBOR customers gain the security and stability of financial obligations related to their mortgage in the future, for a period of 1 to 5 years. Thanks to the "Loan with a Cap" service, customers can be certain that in the event of a rise in market interest rates, the value of the 3M WIBOR which is the reference rate for the interest on mortgage loans will not exceed the limit agreed with the bank for a respective period of time.

Bank Zachodni WBK becomes a Treasury Securities Dealer for the fifth time

In 2015, Bank Zachodni WBK was once again selected by the Ministry of Finance as one of the banks acting as Treasury Security Dealers. The purpose of the Treasury Security Dealing system is to secure the credit needs of

the state and improve the liquidity, transparency and effective operation of the treasury securities market. Banks with the status of Treasury Security Dealers are the only ones which can purchase treasury securities in tenders organised by the Ministry of Finance.

Development of investment advisory service

The Investor online service is the basic tool used by our customers to invest on the Warsaw Stock Exchange and on foreign markets. A number of new functionalities appeared in the new version of the service launched in 2015, including:

- Investment Roadmap – a learning tool for beginner investors and a useful instrument facilitating model portfolio tracking for experienced investors, has become more functional and user-friendly.
- It now contains a rebalancing mechanism which generates an individual list of orders to be executed to make sure the customer's portfolio tracks the model portfolio. Additionally, an index has been added to monitor the degree of similarity between the customer's account and the model portfolio.
- Changes in the method of calculating margin deposits for derivatives traded on the WSE. The new model ensures better risk coverage and more accurate measurements.



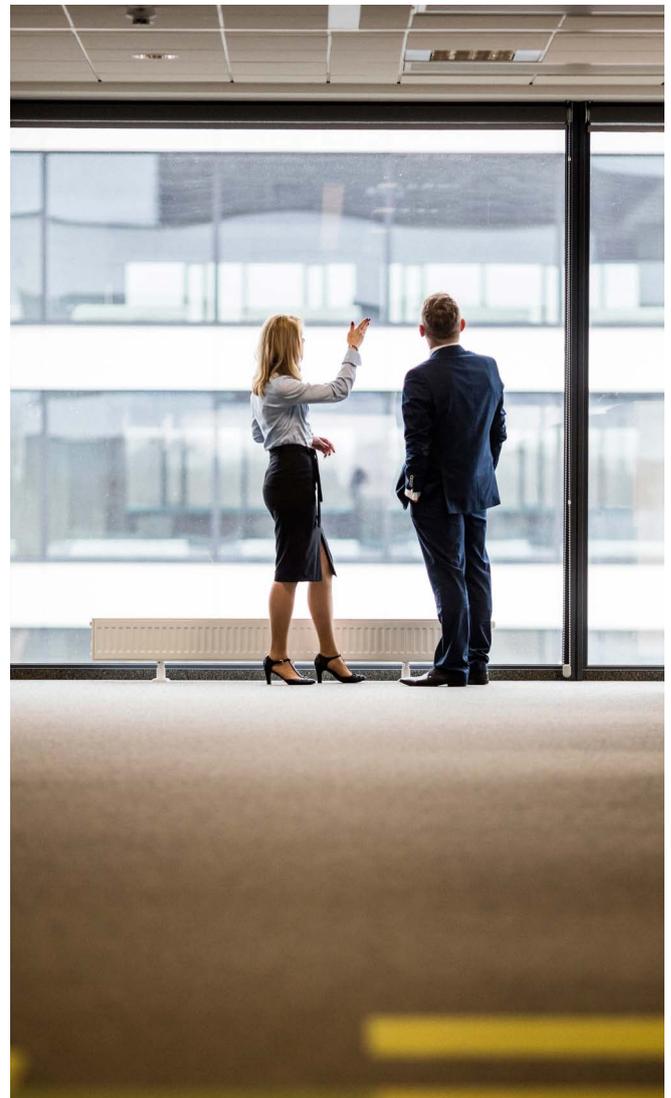
Juan de Porrás Aguirre
Management Board Member of Bank Zachodni WBK
in charge of the Global Corporate Banking Division

The Global Corporate and Banking Division (GBC), taking advantage of the global reach of the Santander Group, provided services to corporations using the services of the international structures of Global Corporate Banking and cooperated with various Santander Group members (Santander UK, Santander Chile, Santander US, Santander Mexico and Santander Madrid) on high-value projects of financing large corporate groups. Last year, the global partnership with the Santander Group resulted in a number of significant deals and development of close relationships with multinational corporations. Examples of such activities include the bank's participation in the issuance of eurobonds by a Polish insurance institution and refinancing of working capital loans in Poland and Mexico for a multinational group offering financial services.

In 2015, GCB also continued to finance the Polish economy by providing financing to a number of enterprises representing sectors of particular importance for the economy, such as media and telecommunications, chemicals, energy and oil and FMCG. Together with the Business and Corporate Banking Division GCB was also involved in the financing of the medical, food and furniture industry.

In 2015, GCB worked on the implementation of new, innovative solutions for both corporate and retail customers, including the launch of the Santander Global Payments platform which offers international customers easy access to accounts maintained in various countries, an innovative electronic cheques service offered for the first time on the Polish market to corporate customers and a new Investor mobile application made available to brokerage customers as a convenient and technologically advanced platform for making stock exchange investments in the mobile channel.

Pursuant to the agreement signed with the European Investment Bank, the GCB acted as a manager of the JESSICA initiative. In 2015, six new investments co-funded under the programme were completed.



3. Supportive and developing organisation



Bank Zachodni WBK is as capable and effective in the achievement of its objectives as the people which it employs. We want to keep growing, therefore in 2015 we developed an HR strategy underlying our holistic approach to employees. We are changing our organisational culture, focusing on partnership, dialogue and promotion of bottom-up initiatives and employee commitment. We want every employee to feel a part of the bank's transformation.

Three pillars

In 2015, we launched projects which are the pillars of an engaging workplace and help us build an organisation where all employees want to work and where they can develop their competences and skills regardless of the job role.



EMPLOYEE'S PROFESSIONAL LIFECYCLE. Culture of dialogue.

We have closely examined every stage of our employment cycle: from the recruitment interview, through the first days at work, change of the job role and development up to and including leaving the company. Our approach is always based on the best employer branding practices. We want to recruit the best employees, both young and experienced, through different recruitment models.

- Employer branding
- Enhanced recruitment models
- Development of managers and experts



EFFECTIVENESS. Cooperation.

Our performance results are based not only on prudent cost management but also on a motivated team of employees. In our organisation we want to recognise high competences, experience and willingness to keep learning all the time. When evaluating performance, we review achievement of individual objectives, but also check whether the employee's conduct is consistent with the values and behaviours promoted by Bank Zachodni WBK and the Santander Group

- Fair remuneration
- Improvement of incentive systems



FRIENDLY WORKPLACE. Bottom-up initiatives.

Flexible work schedules which help to maintain the right work-life balance, pleasant work environment, sports programmes and team building meetings are examples of benefits offered to employees by Bank Zachodni WBK. We create a friendly work environment because we believe that only motivated staff can achieve ambitious goals.

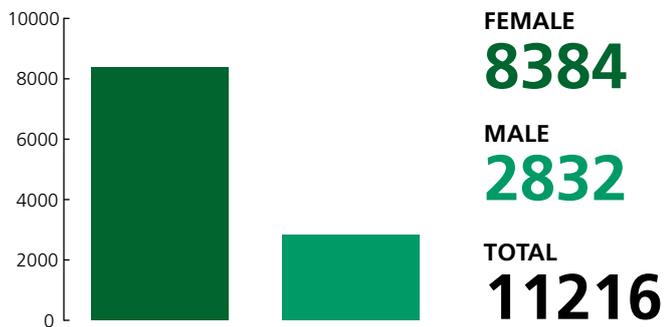
- Workplace and tools
- Ways to encourage teamwork



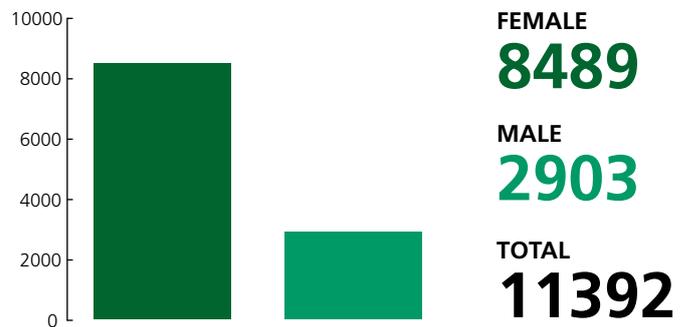
Our employees...

- are proud of working for Bank Zachodni WBK (according to the engagement survey, 65% of the bank's employees are proud of their employer)
- keep upgrading their skills and improving performance
- work well as a team
- demonstrate our values in daily work
- appreciate the bank as a good employer
- develop their skills thanks to a variety of training opportunities (in 2015, our employees spent 418,420 hours on training)
- are highly motivated
- have become increasingly aware of the significance of CSR activities
- are committed to their workplace (89% of the bank's employees are hired under a permanent employment contract for an unspecified period of time). We have recorded a 44% growth in the number of people employed for a period of 1 to 3 years, with a simultaneous 47% drop in the number of people employed less than one year.

Total number of employees (FTEs) by gender:



Total number of employees (persons) by gender:



Total number of employees (persons) by employment type:	Female	Male	Total
Full-time	8296	2812	11108
Part-time	193	91	284
Total	8489	2903	

Total number of employees and supervised workers (persons) by employment duration:	Female	Male	Total
Contracts for a specified period of time	933	356	1289
Contracts for an unspecified period of time	7556	2547	10103
Total	8489	2903	

Total number of employees and supervised workers (persons) by contract type:	Female	Male	Total
Assignment contract	421	159	580
Contract for specific work	1	12	13
Internship contract	605	224	829
Self-employed	0	0	0
Supervised and/or seasonal workers	1156		

Employee's professional lifecycle

CULTURE OF DIALOGUE

In order to have the best employees, we are enhancing our image of an attractive employer working in partnership with universities (workshops, joint projects). Our actions in 2015 targeted at experts and managers made our organisation the 4th most attractive employer in the banking, insurance and financial institutions sector (Most Desirable Employer 2015 Survey Report, Antal).

Employee benefits:

- transparent recruitment programme
- possibility to recommend a friend for work
- training
- clear rules and opportunities for promotion

2015



110 remunerated internships
717 non-remunerated internships
27 internships remunerated from EU funds

October
November



15 work fairs
m.in.: Gdańsk, Kraków,
Lublin, Poznań, Warsaw
and Wrocław.

Awards



Reliable Employer 2015
"The most desirable employer
in the opinion of experts and
managers" according to Antal
among banking, insurance and
financial institutions – the only
awarded bank (4th place)

December



**Cooperation with universities
from Santander Universidades
network**
9 workshops on assessment,
recruitment and employer
branding.

The next stage is the recruitment process. Our goal is to have a team of committed employees who actively cooperate, support each other, speak openly, listen attentively, show respect, deliver on promises, engage in change processes and work with passion. We look for people whose knowledge and experience will meet the needs of particular job roles. We pay a lot of attention to job candidates' motivation and attitudes. We are aware of the value of intelligent, motivated and creative employees for our organisation, especially when they work as a team and not as a group of talented individuals.

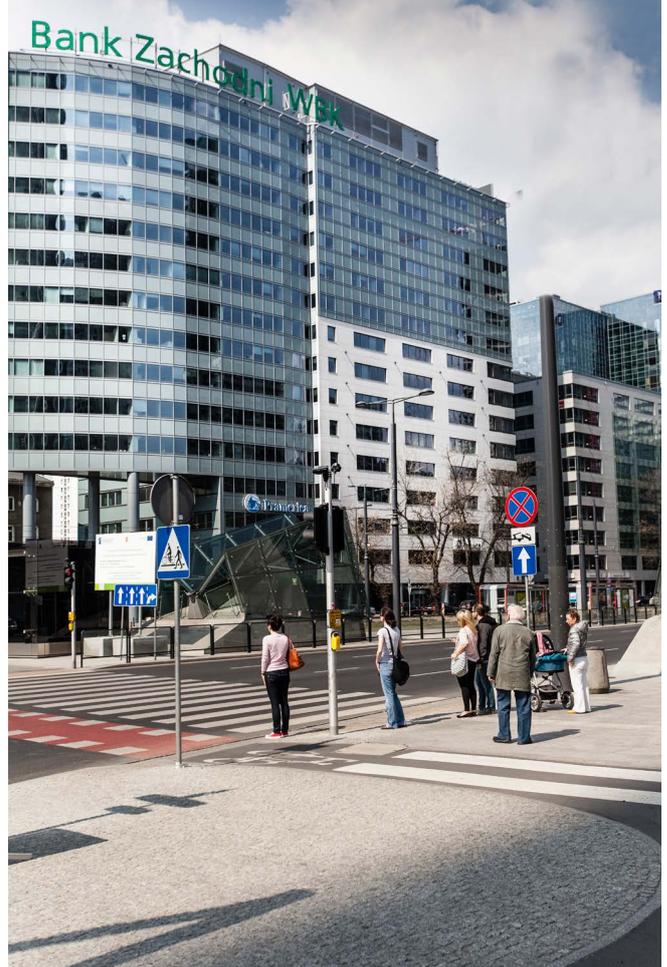
Our recruitment process is also open to experienced employees from the banking sector. Young people who are just starting their professional career can benefit from our Internships and the Practical Training Programme which creates opportunities for gaining the first work experience and for professional development. The best programme participants can be hired by the bank. In 2015, we also launched an Employee Referral Programme under which existing employees can recommend valuable candidates for work in branches.

Total number of new employees (persons) by gender:	Female	Male	Total
Total workforce	8489	2903	11392
New employees	855	384	1239
Rate of new employees versus total workforce by gender	10.07%	13.23%	10.88%
Rate of new employees by gender versus total number of new employees	69.01%	30.99%	

Total number of new employees (persons) by age groups:	<30	30-50	>50
Total workforce	1844	8027	1521
New employees	736	490	13
Rate of new employees versus total workforce by age groups	39.91%	6.10%	0.85%
Rate of new employees by age groups versus total number of new employees	59.40%	30.99%	1.05%

Total number of employees leaving the company (persons) by gender:	Female	Male	Total
Total workforce	8489	2903	11392
Number of employees leaving the company	1190	482	1672
Rate of employees leaving the company versus total workforce by gender	14.02%	16.60%	14.68%
Rate of employees leaving the company by gender versus total number of employees leaving the company	71.17%	28.83%	

Total number of employees leaving the company (persons) by age groups:	<30	30-50	>50
Total workforce	1844	8027	1521
Number of employees leaving the company	505	954	213
Rate of employees leaving the company versus total workforce by age groups	27.39%	11.88%	14.00%
Rate of employees leaving the company by age groups versus total number of employees leaving the company	30.20%	57.06%	12.74%



Employee referral programme

The idea of launching the Employee Referral Programme in the branch network emerged in response to the changes on the labour market i.e. a decreasing number of candidates actively looking for a job. Bank employees can recommend persons they know for work in the bank's branches in all macroregions. The referral requires submission of the job candidate's CV on a special referral form. If the recommended person's CV meets the basic criteria, we invite the candidate to an interview. Each employee who has recommended a person ultimately hired by Bank Zachodni WBK who has worked at least one month in the bank will receive a special bonus in the gross amount of PLN 215. The referral system helps us strengthen our employer branding and empowers our employees who feel they have influence on the performance of our organisation and on their work environment. Persons employed by the bank under the Employee Referral Programme are highly motivated and loyal staff members. Since the launch of the Referral Programme, 40 recommended persons found jobs in our bank.

IN THE FUTURE:

Harmonisation of the programme and extension of its scope to all open positions in the bank is planned.

Additionally, there is also an internal recruitment programme. We have developed long-term training and development programmes which prepare employees for taking up new roles in the bank. We have also started work on the development of a concept of different opportunities for professional development and changing the job role within our organisation. We encourage both employees and managers to take up new challenges and roles and support them in the process. In 2015 we began preparations for two programmes: "From a Personal Customer Advisor to a Business Customer Advisor" and the "Corporate Academy". Work is also in progress on a number of new initiatives of this kind. Similar underlying assumptions were adopted in designing a new approach to talent development. The new concept introduced in 2015 envisages development of most talented employees, including present and future leaders, and of experts within the framework of a number of talent programmes. Participation in a talent programme opens up opportunities for a fast-track development in the direction chosen by the employee.

Talent programmes are intended for persons who are likely to have major influence on the current and future performance of our bank. Each programme is designed to equip participants with all competences and skills which might be useful in their new potential roles. Our bank offers two types of talent programmes: Expert development programmes are dedicated to per-



sons interested in horizontal development and in gaining knowledge and skills required to become a high-class expert in their respective field. Manager development programmes prepare participants to taking up managerial roles in various areas of our organisation. Each of them is individually tailored to satisfy the needs of a given team.

Our HR strategy provides for professional development of employees based on taking advantage of opportunities afforded by the organisation, especially in respect of open positions and promotions. If an employee decides to leave the company, the last element of the employment cycle is an exit interview, a conversation with the leaving employee aimed at collecting feedback, both on positive aspects of the work experience and on potential deficiencies.

Talent

Competences



Performance



Achievements and experience



Job potential/
personal characteristics



In 2015:

81 450

participations in training and development initiatives (excluding university education, courses and language classes)

434

employees attended subsidised language courses

54

employees enrolled in subsidised post-graduate courses

6

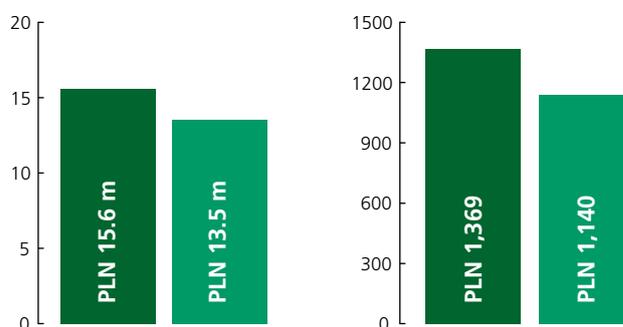
employees received subsidies to finance higher education

44

employees attended subsidised courses with certification

Training

We keep developing the potential of our employees and upgrading their skills. We make use of a wide range of tools which facilitate acquisition of new professional skills, including distant learning (e-learning and web-casts), workshops (indoor and outdoor), learning foreign languages and taking specialist courses. An important element of employee development is the possibility for applying the acquired skills in practice, in the work environment and sharing new knowledge with team members. 282 976 of workshop hours in 2015 - a 9% increase year-on-year. An 11% increase in workshop hours per person.



Total training expenditures

Training expenditures per bank employee

■ 2015 ■ 2014

[G4-LA9]

	Female	Male	Total
Total number of training hours by gender	310 747	107 673	418 420
Total workforce (according to G4-10)	8 489	2 903	11 392
Average number of training hours by gender	36.61	37.09	36.73

	Total number of hours	Total number of employees	Average number of hours
Senior management	6 296.46	245	25.7
Middle management	71 146.34	1 780	39.97
Other employees	340 976.85	9367	36.4



Development programmes for employees [G4-LA10]

We have an ambition to be the first-choice institution not only for customers but also for employees. We want all employees to know that their competences and commitment will be duly recognised and that their development will be supported through organised training events and programmes.

impact on the current and future achievements of our organisation, in particular including individuals who:

- achieve above-average results,
- show exceptional motivation, activity, passion, values and interpersonal skills.

In Bank Zachodni WBK, we distinguish between two categories of talents: experts and managers. Talented employees will receive special support in their development.

Sustainable development goals



ENSURE EQUITABLE QUALITY EDUCATION (4):

By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.

Three expert programmes initiated in 2015 will be effectively launched by mid-2016. The planned overall number of participants is 54.

Two managerial programmes initiated in 2015 will also be effectively launched by mid-2016 and the planned number of their participants is 56.

By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development.

Leaders of the future

New managers can count on dedicated help in the period of their adaptation to the new role in Bank Zachodni WBK. The Leaders of the Future Programme encompasses a range of locally and centrally managed activities involving experienced management members. Their purpose is to provide the best possible support in taking up the new role. The whole manager adaptation process lasts approximately 12 months.

Talents

At the turn of 2015/2016, we developed a new approach to talents in the organisation. "Talent" as we understand it is a person who may have a significant

In 2015, 69 persons took part in the programme. The agenda of the last year's edition included a workshop on management of one's own development, seven rules of effective performance, implementation of CSR and business projects, leadership in practice and a business game.

Employment category	Percentage of total employees by gender and by employee category who received a regular performance review in 2015	
	Female	Male
Senior management	98%	100%
Middle management	99%	100%
Other employees	96%	97%
Percentage of total workforce who received performance review	97%	





Managerial Competency Model

At the turn of 2015 and 2016, we launched the Managerial Competency Model. Its implementation will help us streamline the competences of managerial staff and prepare them for the delivery of our strategy and ambitious business goals and facing challenges in a flexible way.

In 2015, 1,440 managers of all levels took part in a series of training events in soft skills. Managers participated in feedback sessions and cafeteria workshops.

Participation of 1440 managers in cafeteria workshops

Subject	Number of participants
Motivation	143
Monitoring and execution	137
Multitalented leader	121
Partnership building	62
Development of employees	62
Team building	52
Delegation as a form of development	50
One to one meetings	25
Work organisation and time management	23
Management by objectives	18
Team meetings	3
Total number of participants	696

MANAGERIAL COMPETENCY MODEL

Simple | Personal | Fair

Competency sub-categories

- disseminating information
- methods of communication
- listening
- cooperation



Communication



Leadership

Competency sub-categories

- vision and strategy
- team building
- change management
- decision making

Competency sub-categories

- effective motivation
- involvement in employee development and learning
- development of skills and competences



Motivation and development



Business management

Competency sub-categories

- responsibility for business performance of the organisation
- responsibility for risks in the managed unit
- setting quality and business ethics standards
- building the organisation's image on the market

Friendly workplace

BOTTOM-UP INITIATIVES

Employee benefits:

- flexible working hours
 - convenient and modern work environment
 - active recreation and team integration
-

The key to successful implementation of our ambitious strategy is a highly motivated, engaged team of employees. The work environment in which we spend 40 hours a week has a major influence on the performance of employees. Therefore we keep improving the work conditions and do not limit our efforts to meeting the requirements set forth in applicable laws (e.g. occupational health and safety regulations). For instance, in 2015 we carried out 64 modernisation projects in the bank's facilities. We also created 55 self-service zones and furnished the first Select branches. Additionally, we changed the functions and layout of certain branches by turning them into Customer Relationship Centres and Smart Red branches. Our plans envisage systematic renovation and modernisation of all branches and offices.

Examples of modernisation projects

Poznań: We created nearly 8,000 m² of friendly work environment. Approximately 700 employees of the bank were relocated. Employees were offered quality space adjusted to the character of their jobs, including relaxation zones and modern staff facilities. The new building employs many environment-friendly solutions and its quality is evidenced by the LEED Platinum certificate documenting conformance with the highest environmental standards e.g. a sustainable location, reduced energy and water consumption and quality construction materials.

Wrocław: We designed engaging workplaces with desk-sharing arrangements, new digital telephone networks, support centres, hot desks, creative work rooms and comfortable staff amenities.

Seven branches in Poland (a pilot project):

The branches have received a modern look and have been divided into customer service zones to facilitate and speed up the service process, e.g. self-service zone, cash transactions zone, etc.





“Our priority is to create work conditions which will allow employees to successfully juggle work and private life. We work together to create engaging working environment.”

Beata Daszyńska-Muzyczka
 Member of the Management Board of
 Bank Zachodni WBK in charge of Business Partner-
 ship Division

We promote active recreation and one of the examples of our activities in this area is the annual trekking event for employees and their families (“Rajd Bankowca”). As part of our sports and recreation offer we also co-finance the purchase of tickets and access to a very wide range of sports facilities all over Poland (swimming pools, sports clubs, gyms, tennis courts and many more). Our new proposal is a Corporate Wellness programme launched in 2016 called the “Health Bank” with an aim of encouraging an active lifestyle among employees and promoting health education.

Annual Trekking Event

The annual trekking event “Rajd Bankowca” is the biggest recreation & family event which can be attended (on preferential terms) by all employees and retired employees of the bank and their family members. The event sponsored to a large extent

by the bank has been organised for 22 years. The programme is prepared to suit the expectations of every employee and includes a wide choice of trekking routes and options of relaxation and active recreation such as cycling, sailing, horseback riding, hiking and sightseeing.

Participants of the event can:

- visit the most attractive regions of Poland and neighbouring countries
- master different sports e.g. skiing, snowboarding, sailing, canoeing, horseback riding or mountain climbing
- enjoy contact with the nature and local culture
- rest in an active way
- integrate with other employees during group activities and picnics

In 2015, 1,475 persons took part in the event and the number keeps growing every year. A survey carried out among the event participants showed a very high level of satisfaction with the event formula (94%) and as many as 86% of respondents said they would recommend participation in the event to other employees.

In 2015:

134 440

services and benefits purchased in the system and financed from the additional benefits fund

90%

of employees used the cafeteria benefit plan

95.09%

exercised additional benefit options

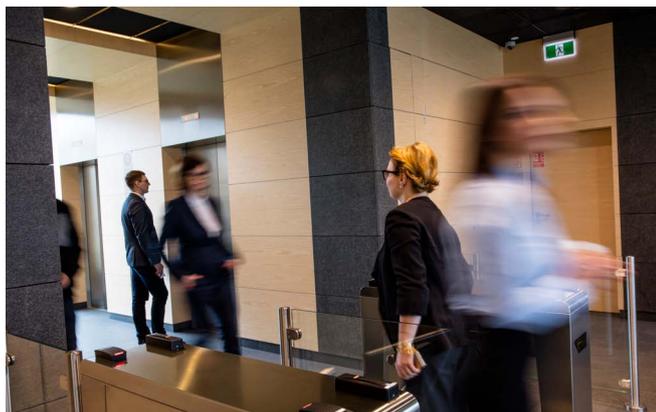
82%

employees satisfied with the system (according to a survey carried out in 2015)

The cafeteria benefit system launched in 2015 is financed from the additional benefits fund.

Everybody is eligible!

Financing from the additional benefits fund is granted to employees based on the criterion of gross income per household member. The funds can be used exclusively to pay for services and benefits available to the employee or his/her eligible family members: the spouse and children supported by the employee, provided they continue education and have not turned 25. Bank employees may not transfer allocated funds to other employees or use them to pay for services or benefits for other employees.



Healthcare services

Each employee of Bank Zachodni WBK has access to a wide range of healthcare services from one of the leading providers of medical services on the Polish market. Additionally, all bank's employees have access to MyBenefit, an online cafeteria benefits plans. In practice, this means a possibility of taking advantage of more than 200,000 products and services co-financed by the bank and supplied by over 7,000 partners of the programme, including trips in Poland and abroad, children camps and tickets to sports and cultural events.

Work time

In response to our employees' expectations, in 2015 we offered more opportunities to take advantage of flexible working hours. The bank's ambition is to create an environment in which every employee will be able to realize his/her potential and the available work schedules will be driving up efficiency and will contribute to higher commitment of employees.

By force of the amended Work Regulations, four work time models have been implemented in the bank aligned with the specificity of operations of particular units. We are glad to hear from employees that the changes will help them maintain balance between work and private life. We also encourage employees to manage their work time better by offering tools which facilitate planning, executing and monitoring work activities.

In the future:

Implementation of modern, digital work time recording and settlement systems is planned which will enable:

- system-based reporting of work time,
- gaining knowledge on how we use our work time,
- effective planning and management of work time.

Employee benefits:

- transparent career rules in the bank's structures
- support to pregnant women

“

STAKEHOLDER EXPECTATIONS

“Women in executive bodies – information about programmes implemented in this respect. What are the opportunities for promotion to managerial and executive positions at different levels?”

“The HR policy of the bank, communicating that the bank is open not only to customers with disabilities but also to employees with disabilities. This would mean the bank is open to all the society.”

“It would be worthwhile to show that the bank consciously employs older and disabled people to make use of their competencies.”

[G4-LA12]

Workforce by age category and diversity	Rate of employees in each category in 2015 versus total workforce of the organisation		Total percentage of employees in respective categories
	Female	Male	
<30 years	11.9%	4.3%	16.2%
30-50 years	51.7%	18.8%	70.5%
>50 years	11.0%	2.4%	13.4%
Foreigners	0.1%	0.2%	0.3%

Workforce by job rank	Rate of employees in each category in 2015 versus total workforce of the organisation		Total percentage of employees in respective categories
	Female	Male	
Senior management	0.7%	1.4%	2.1%
Middle management	9.9%	5.7%	15.6%
Other employees	63.9%	18.4%	82.3%

Supervisory Board Members by age and diversity	% breakdown in each category in 2015		Percentage of each category in the Supervisory Board
	Female	Male	
<30 years	0.0%	0.0%	0.0%
30-50 years	10.0%	20.0%	30.0%
>50 years	10.0%	60.0%	70.0%
Foreigners	0.0%	60.0%	60.0%

Management Board Members by age and diversity	% breakdown in each category in 2015		Percentage of each category in the Management Board
	Female	Male	
<30 years	0.0%	0.0%	0.0%
30-50 years	10.0%	60.0%	70.0%
>50 years	0.0%	30.0%	30.0%
Foreigners	0.0%	40.0%	40.0%

The entitlements provided for in the Labour Code are not sufficient. Therefore the policy of Bank Zachodni WBK goes far beyond the obligatory regulations. Our **Policy of Support to Women During Pregnancy and Maternity** makes it easier to combine family responsibilities with job duties. Such an approach is not only beneficial for the bank's employer branding but also increases our chances for successful growth.

We offer support already at the time of long-term leaves related to pregnancy or maternity/ child raising leaves.

- We offer the option of using the resources from our **Science Bank**. Selected books and publications are sent to the requested address.
- Women on maternity and child raising leaves are covered by **long-term training plans**.

Upon return to work, young mothers can benefit from:

- an additional 3-week paid leave available right after the end of the statutory maternity leave
- an opportunity to switch temporarily from a full-time job to a part-time job or to work flexible hours
- an adaptation period after returning to work from the maternity leave and exemption from the obligation to meet sales targets in the first month after returning to work.



STAKEHOLDER EXPECTATIONS

“How women returning to work from maternity leaves are supported in combining work with family life? – This is an important subject for a socially responsible company.”

[G4-LA3] Return to work and retention rates after parental leave, by gender

Total number of employees that were entitled to parental leave



Total number of employees that took parental leave



Total number of employees who returned to work after parental leave ended



Total number of employees who returned to work after parental leave ended who were still employed twelve months after their return to work (employees for whom the period of 12 months following return to work ended in the reporting period)



Retention rate



FEMALE

70.15%

MALE

84.62%

In Bank Zachodni WBK, we do not see any obstacles to employing people with disabilities. At the moment, the bank has 70 employees with disabilities. The majority of them are involved in providing customer service in branches or work in the IT area of the Business Support Division.



Cooperation with trade unions

Employee associations, including trade unions, are our social partners. We meet regularly, every quarter of the year, and engage in a dialogue on employee affairs, in conformance with the legal regulations in force. In 2015, we consulted with the trade unions changes implemented in the Work Regulations concerning flexible working hours, the bonus systems and the rules of the additional benefits fund.

First aid training

We encourage all employees to learn the rules of providing first aid together with us. First aid courses delivered by qualified and experienced employees of the occupational health and safety team are regularly offered in the bank. The courses can be attended by people who participated in similar events in the past as specialists recommend to refresh first aid knowledge every two years.

First aid training for employees of Bank Zachodni WBK is provided in conformance with the standards and protocols developed by the International Liaison Committee on Resuscitation (ILCOR).

Why was it worthwhile? We asked the participants!



Krzysztof Stępień
Advisor, Branch no. 15 in Wrocław

The most interesting part of the training were role plays. The trainers were very creative when inventing roles for training participants e.g. injured persons, rescue team members or onlookers. Delicious refreshments during the lunch break were an additional nice surprise. I strongly recommend the course to everybody!

Joanna Zolichowska
Director of Branch no. 1 in Żywiec

An excellent training event. And what was most important to me? I stopped being afraid and understood that not much is needed to save someone's life.

Agnieszka Majsak
Director of Branch no. 6 in Kraków

I enrolled in the course to become more courageous and be able to help people in need. The training fully met my expectations and taught me how to behave in unexpected emergency situations, even when they involve very young children. I recommend the training to everyone.

[G4-LA6]

Employment categories	Female	Male
Number of work-related accidents (incidents)	50	14
Number of work-related fatalities	0	0
Number of serious work accidents (incidents)	0	0
Number of light work accidents (incidents)	50	14
Total number of persons injured in accidents	66	



First aid training of employees of Bank Zachodni WBK

Female	Male	Total
Accident incidence rate (IR -calculated as the total number of accident victims/ employment x 1000)		
4.64	1.25	5.89
Total number of lost days due to work accidents (LDR – calculated as the rate of total number of lost days to the planned number of employees' hours of work in the reporting period * 200000)		
24.4	12.1	21.3
Accident seriousness rate (calculated as a total number of lost days due to accidents/ number of accidents)		
26.22	19.6	24.71
Absence rate (AR, calculated as the total number of days of absence from work/ number of days of work in a year 200000)*		
15401	5607.2	12905.3

Organisational effectiveness

COOPERATION

Employee benefits:

- development of competences
 - transparent and motivating remuneration policy
 - clear-cut ethical rules
-

I am FAIR!

In 2015, we carried out the “I am FAIR!” campaign on ethical standards in everyday work and liability for products and services. We selected 30 topics and published articles on each of them, every two weeks, on the intranet home page as News of the Day. The subjects tackled included correct identification of customers, security of mobile devices and computers, dangers related to passing on chain letters, providing feedback and generating strong and safe passwords to all kinds of accounts. We also launched a film competition in which employees wrote their own scripts and shot videos to demonstrate their fair conduct every day.

Remuneration

We want to employ the best, highly motivated employees. We offer them attractive remuneration – also in comparison to other banks – which depends on the value of the job role, performance results and presented attitudes. In 2015, work began on a comprehensive review of the Remuneration Policy in order to update and align it with the needs of the organisation and its employees, as well as to increase our competitiveness on the labour market.



[G4-EC5] Average monthly salary of men employed at the lowest organisational level of Bank Zachodni WBK amounted last year to PLN 3,262.22 i.e. 194% of the minimum wage. Women employed at the lowest organisational level in our bank earned on average PLN 3,208.42 i.e. 190% of the minimum age.

[G4-LA13]

Employment structure/ Structure according to significant locations	Warsaw: Senior management	Warsaw: Middle management	Warsaw: Other employees	Other cities: Senior management	Other cities: Middle management	Other cities: Other employees	Rest of the country: Senior management	Rest of the country: Middle management	Rest of the country: Other employees
Basic salary of women by employee category (PLN)	26 387.27	12 487.43	5 826.83	18 152.56	9 618.39	4 577.93	15 891.90	8 177.22	3 634.92
Basic salary of men by employee category (PLN)	42 081.76	14 766.34	8 250.06	21 461.07	10 679.01	6 091.12	15 160.00	9 460.88	4 264.87
Ratio of the basic salary of women to men for each employee category, by significant locations of the organisation	62.70%	84.57%	70.63%	84.58%	90.07%	75.16%	104.83%	86.43%	85.23%
Remuneration of women by employee category (PLN)	37 911.60	15 084.56	6 926.45	23 680.38	11 254.09	5 397.44	19 009.54	9 398.40	4 532.25
Remuneration of men by employee category (PLN)	72 698.09	18 649.56	9 923.18	30 550.20	12 730.34	7 319.19	17 038.45	10 873.19	5 374.72
Ratio of the remuneration of women to men for each employee category, by significant locations of the organisation	52.15%	80.88%	69.80%	77.51%	88.40%	73.74%	111.57%	86.44%	84.33%

Ethics at work

Business ethics is one of the priorities and foundations of conducting banking operations. All our employees are expected to act honestly and in compliance with the laws, recommendations of the market regulators and internal rules.

- policy of equal opportunities and non-discrimination,
- respect for others,
- balance between professional and personal life,
- safety at work,
- protection of the natural environment,
- respecting collective rights,
- rules of conduct in specific situations (e.g. conflict of interests, management of the information flow, counteracting money laundering, trading on the securities market, anti-corruption practices, intellectual property),
- reporting non-conformances using the established reporting channels.

Sustainable development goals



GENDER EQUALITY (5):

Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.

[G4-56] Our ethical standards are set forth in the General Code of Conduct which regulates the basic rules of conduct and is consistent with the principles in force in the Santander Group. The Code lays down the principles governing:

[G4-57] [G4-58] Each employee of Bank Zachodni WBK knows that behaviours which do not conform with the Code rules will not be tolerated in our organisation. Instances of actual or suspected breaches of the rules can be reported anonymously and confidentially by calling the bank’s telephone helpline available 24 hours a day or sending an email to the ethical mailbox. Additionally, the adopted “Speak openly” policy guarantees that all employees who act in good faith can report different kinds of issues without fear of retaliation.

In 2015, employees used the telephone helpline and the ethical mailbox to report 96 different matters, including suspected breaches of ethical standards, employee relationships, disclosure of confidential information or management non-conformances.

All reported matters were thoroughly investigated and sanctions were imposed on persons found guilty of violating the principles of the Code of Conduct.

Employees also received advice and explanations in response to 20 enquiries made via the abovementioned channels. The subjects tackled included, for instance:

- starting one's own business,
- making bank's data available for the purpose of research projects,
- purchasing shares,
- cooperation with intermediaries..

Altogether, 96 reports were made in 2015 via electronic mail and the helpline.

Sustainable development goals



ECONOMIC GROWTH AND ITS IMPACT ON THE ENVIRONMENT (8):

Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.

[G4-HR3] In Bank Zachodni WBK, we prevent discrimination, mobbing and sexual harassment (in line with the Respect and Dignity At Work policy). In 2015, five instances of discrimination were reported and thoroughly investigated. None of the alleged discriminating behaviours were confirmed.

We make sure all employees know the provisions of the Code of Conduct and of our policies. The bank's management staff have received a special communication pack in which the most important provisions of the Code and the related actions to be taken are discussed. Additionally, employees take part in e-learning courses dedicated to the subjects of ethics at work.

[G4-LA16] Altogether, 34 grievances were reported last year in relation to labour practices. All were evaluated and resolved in 2015. We also evaluated in 2015 five grievances reported in the previous year.

In Bank Zachodni WBK, we prevent discrimination, mobbing and sexual harassment (in line with the Respect and Dignity At Work policy). In 2015, five instances of discrimination were reported and thoroughly investigated. None of the alleged discriminating behaviours were confirmed.

In Bank Zachodni WBK, we follow the principle of "Zero tolerance for corruption". Since 2014 the Anti-Corruption Programme has been in force in the bank which draws on the General Code of Conduct and contains elaboration of the respective provisions of the Code and a range of useful guidelines. Its aim is to protect the bank and its employees against allegations of corruption practices. It sets forth the rules applicable to interactions with public officials, employees of other companies, transactions involving domestic and foreign public companies, government agencies and public institutions. All individuals subject to the Code are prohibited to offer or give any remuneration, gifts or other benefits to representatives of the government, public officials, employees and directors of public companies and executives of other companies. **[G4-SO6]**

Our organisation does not make political donations.





[G4-SO3] The anti-corruption programme is in force in all units of Bank Zachodni WBK and applies to all employees regardless of the type of agreement they have with the bank.

[G4-SO5] In 2015 no instances of corruption were identified in Bank Zachodni WBK.

[G4-SO4]

Employment categories	Management Board members	Senior management	Middle management	Other employees
Percentage of employees that the organization's anti-corruption policies and procedures have been communicated to	100	100	100	100
Percentage of employees that have received anti-corruption training	72.72	84	91.5	83

Aggregated data for 2015

Incentive system

The achievement of our strategic objectives and maintenance of the high motivation level of employees are supported by the bonus systems. We have aligned our bonus schemes to the needs of particular employee categories – both in the branch network and in the business support centre – and have launched systems dedicated to particular business and functional areas. Despite the differentiation, the approach to incentivising employees is uniform and consistent. Every system is in the first place linked with the results and performance of respective bank's units and achievement of individual objectives.

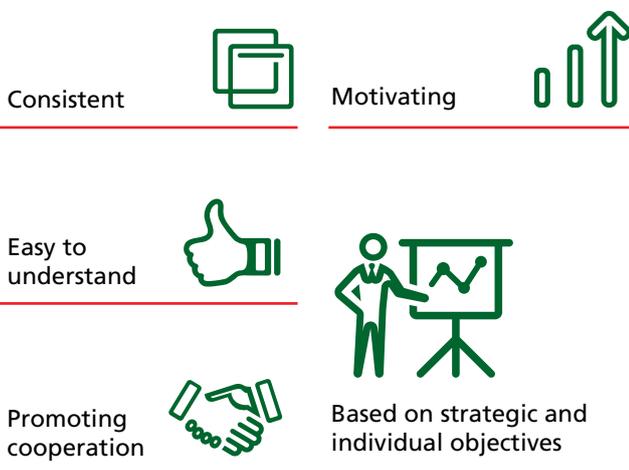
- Objectives on which our bonus systems are based are consistent with the bank's objectives cascaded by the managers to employees but also reflect individual objectives of each employee.
- The objectives are ambitious but achievable and motivating (80% is the minimum degree of delivery of financial and non-financial objectives).
- Each employee is covered by one bonus system.
- The systems clearly differentiate the bonus value between top achievers and average performers.
- Bonus systems support effective collaboration between team members and between different teams, departments and divisions.
- The plans and objectives are clearly and regularly communicated and the logic behind the set objectives is known and understood by employees.



As a financial institution Bank Zachodni WBK is obliged to reflect in its bonus systems external regulations imposed by the supervisory authority. For instance, bonuses of persons identified in accordance with the applicable laws as having a major influence on the bank's risk profile are deferred for a period of 3 years, part of the bonus is settled in the form of capital market instruments and the award of each deferred part of the bonus is conditional on a positive evaluation of the bank's performance results and the long-term performance of the employee.

Additionally, in 2015 another edition of the long-term incentive scheme (3-year) based on award of the bank's equities was launched. The programme participants include approximately 500 key employees and managers of the bank. The purpose of the scheme is to support the achievement of long-term goals by employees and enhance the degree of ownership. It is also perceived as a way to recognise key staff members and their contribution to the implementation of the bank's long-term strategy.

Bonus systems in BZ WBK



Organisational culture

Simple, Personal, Fair

Employee benefits:

- coherent system of values and behaviours
-

We want to be a Simple, Personal and Fair bank. We believe that effective implementation of the strategic values will be possible only thanks to common behaviour standards of all employees. Therefore, the key element of the process of implementing the new organisational culture initiated in 2015 was the involvement of the senior management members in the cycle of workshops, educational and training events addressed to employees, with special emphasis on the role of key managers.





This is how we want to act

I am **Simple | Personal | Fair** when:



I actively cooperate

I actively encourage others to cooperate in order to find the best solution for our customers and colleagues.



I support my colleagues

I support my colleagues' development by giving feedback and appreciating their effort.



I speak openly

I speak openly, adapt my communication depending on the situation and provide constructive feedback.



I listen attentively

I listen to other people, try to show empathy and understand their needs.



I show respect

I show respect and treat others in the same way as I would like to be treated, while recognising and appreciating diversity.



I deliver on promises

I keep promises and make sure all my actions are consistent.



I engage in change processes

In my actions I try to support change processes by proposing creative and innovative solutions and learning from mistakes.



I work with passion

I work with passion and enthusiasm and do my best to gain the trust and loyalty of my customers and colleagues.

We want the implemented organisational culture to become a common, permanent reference for the decisions and actions of all employees. The implementation of the new culture across the entire bank is a long-term, multi-stage process, therefore of great significance for

the success of the project will be the role of ambassadors of the new organisational culture – employees of the bank who volunteered to play such roles. Their duty is to promote the values and behaviours consistent with the new culture among other employees. The ambassadors

undergo regular training and participate in workshops during which they develop their competences.

At present the group of ambassadors has 50 members. Thanks to their commitment and passion, they effectively communicate the significance and principles of our new organisational culture to their colleagues and remind them about the values and expected behaviours. Over 80% of ambassadors are also actively engaged in the related communication on social media.

Our vales – Simple, Personal and Fair – support the achievement of the overarching goal which is – in line with the new strategy – to help our customers prosper and to be the best retail and commercial bank and earn the lasting loyalty of our people, customers, shareholders and communities.

Training related to the new organisational culture

336

number of workshop hours

313

number of managers participating in workshops

21

number of workshops held





Best4Us

The Best4Us platform launched in June 2015 in the Santander Group has become very popular among the employees of Bank Zachodni WBK who can use it to benefit from:

- holiday exchange of homes with a person from another country. Santander Home Sharing offers more than 200 accommodations in different parts of the world,
- organised holidays for employees' children under the cultural and language exchange programme Santander Kids which offers an opportunity to experience life in another country,
- opportunities for foreign language learning or upgrading. The Santander Language Exchange contains over 500 registered profiles of employees from all over the world interested in conversations in more than 15 languages.



Bartosz Kaźmierczak
Multichannel Banking Area

"I registered an account on Best4Us minutes after the official launch of the platform. I am a graduate of the English language faculty and I love travelling, therefore I was interested in opportunities for language exchange and home sharing. Initially, I registered a profile to exchange my English and Polish language competences for a possibility to learn Spanish from scratch. When I learn the language I am planning to take advantage of an option to rent an apartment and check the acquired language skills in Spain.

Over the months since registration of my profile I received a number of language exchange offers – a great majority concerned conversations in English to brush up language skills. There was also one unusual request. I was asked to record a few simple sentences in Polish using a mobile phone. The person planned a visit to Poland and wanted to impress people with the knowledge of Polish. I recommend the platform to all persons who want to improve their language skills in a non-standard way, make new friends and find safe accommodation abroad."

Global data as at 31 December 2015

Number of visits:

76,280

Number of unique users

62,077 (from Poland 1,069)

Number of page viewings:

299,133

Average visit time:

02:34 minutes

Number of registered accounts:

8,183

of which 302 in Poland (bzwbk.pl and santanderconsumer.pl) – data from Poland valid as at 13 May 2016

Intragram

In September 2015, a new internal platform called Intragram was launched in the bank. It is intended as a tool for team integration facilitating informal, social communication within our organisation. Intragram is an internal social network where each employee of Bank Zachodni WBK can post pictures, comment and like them. The rules are intuitive and modelled on the most popular social media. The most interesting pictures are published on the Intranet home page and in the corporate newsletter "VaBank!". As the interest in the website is very high, we are planning to expand its functionalities.

Average number of likes

15 per picture

Number of posted pictures
(September – December 2015)

223

Number of viewings
(September – December 2015)

294 899

This means that each employee viewed the pictures 27 times on average.



Beata Daszyńska-Muzyczka
Member of the Management Board
of Bank Zachodni WBK in charge of
Business Partnership Division

"We create engaging work environment in Bank Zachodni WBK based on three pillars: organisational effectiveness, employee lifecycle and a friendly workplace. We focus on partnership, culture of dialogue and bottom-up initiatives and we want all employees to take an active part in the transformation of our organisation. We also take care to ensure that our employees can maintain the right balance between professional and private life.

Additionally, in an effort to further embed the 'Simple, Personal and Fair' values we began in 2015 a cycle of workshop with the involvement of senior managers of each division of the bank. The purpose is to find answers to the question how the values and the related behaviours can help us implement the business strategy of our bank. The activities are successfully continued in 2016 with the participation of all employees of our organisation.

In 2015, we put strong emphasis on recruitment and effective acquisition of most talented employees, drawing on the effects of our employer branding policy and the activities aimed at promoting the bank's image of an attractive employer at universities."

Corporate governance [G4-34] [G4-39]

We strictly adhere to the formal corporate governance principles published every year since 2002 by the Warsaw Stock Exchange in a document "Best Practices for WSE Listed companies". Additionally, in April last year the General Meeting of Shareholders of our bank approved the "Corporate Governance Rules for Supervised Entities" issued by the Polish Financial Supervision Authorities in July 2014.

In 2015, no instances of non-conformances with the adopted corporate governance principles were identified.

Supervisory Body [G4-34] [G4-39]

The Supervisory Board supervises all aspects of the bank's operations. The Board has at least five members appointed for a joint term of three years. Supervisory Board Members, including the Chairman, are appointed and dismissed by the General Meeting of Shareholders. In line with the bank's Statutes, at least half of the members have to meet the independent status requirement.

The Audit and Compliance Committee [G4-14] evaluates the adequacy, scope and effectiveness of the accounting and internal control systems. Together with the Management Board and internal auditors, it reviews the Group's internal financial controls, and the internal control and (financial and non-financial) risk management systems.

The Committee monitors the bank's financial reporting process, ensuring the adequate quality of financial reports and compliance of disclosure practices with the law, KNF requirements and accounting principles. Furthermore, the Committee reviews the work performed by the statutory auditor, ensuring that the entity is independent and effective. Also, it reviews the actions undertaken by the Management Board in terms of compliance with legal and regulatory requirements and the bank's by-laws.

The Risk Oversight Committee presents the Supervisory Board with recommendations of fair remuneration policies and practices. It defines the remuneration policy and individual pay packages for Management Board members and performs annual reviews of the remuneration payable to the Management and Supervisory Board members. The Committee also oversees the bonus scheme for Management Board members, and analyses incentive solutions and other remuneration schemes proposed for implementation in the bank and its subsidiaries.

The Remuneration and Nominations Committee presents the Supervisory Board with recommendations of fair remuneration policies and practices. It defines the remuneration policy and individual pay packages for Management Board members and performs annual reviews of the remuneration payable to the Management and Supervisory Board members. The Committee also oversees the bonus scheme for Management Board members, and analyses incentive solutions and other remuneration schemes proposed for implementation in the bank and its subsidiaries.



Management Board

On 31 December 2015, the Management Board of Bank Zachodni WBK had the following composition:

- Gerry Byrne, Acting President of the Management Board
- Andrzej Burliga, Member of the Board in charge of Risk Management Division
- Beata Daszyńska-Muzyczka, Member of the Board in charge of Business Partnership Division
- Carlos Polaino Izquierdo, Member of the Board in charge of Financial Accounting and Control Division,
- Eamonn Crowley, Member of the Board in charge of Financial Management Division
- Feliks Szyszkowiak, Member of the Board in charge of Small and Medium Enterprise Banking Division
- Juan de Porras Aguirre, Member of the Board in charge of Global Corporate Division
- Marcin Prell, Member of the Board in charge of Legal and Compliance Division
- Michael McCarthy, Member of the Board in charge of Business and Corporate Banking Division
- Mirosław Skiba, Member of the Board in charge of Retail Banking Division
- Paweł Wiczorek, Member of the Board in charge of Technology Division

All Management and Supervisory Board Members meet the Banking Law requirements concerning the maximum number of memberships of management and supervisory boards of other companies.



Marcin Prell
Member of the Management Board
in charge of Legal and Compliance Division

"Conformance with corporate governance principles is particularly important to us, because it is a foundation for the relationships of trust between our organisation and customers. We do our best to make sure that the every employee is guided by the principles in making everyday business decisions. We realize that corporate governance is a guarantee of the transparency, stability and future development of our organisation."

Our business partners

[G4-12] [G4-EN32] [G4-HR10] [G4-LA14]

The majority of the bank's service providers are Polish companies. Special procedures apply to suppliers when the value of their turnover with Bank Zachodni WBK exceeds PLN 50,000.

1756

the number of suppliers whose turnover with Bank Zachodni WBK exceeds PLN 50,000

384

procurement procedures were executed in 2015 by the Procurement Office

745

suppliers were invited to participate and each one was obliged to submit a completed CSR questionnaire

We have adopted a principle that the purchase of each product/ service whose value is above PLN 50,000 involves a requirement imposed on the supplier to submit a completed questionnaire on corporate social responsibility. In this way we make sure that the company meets the environmental criteria. Since January 2016, all new agreements signed with suppliers include mandatory CSR clauses which oblige the contractors to adhere to all 10 principles of the Global Compact adopted by the UN at a meeting in Davos in January 1999.



The 10 Principles of the UN Global Compact

Human Rights

1. Businesses should support and respect the protection of internationally proclaimed human rights and
2. make sure that they are not complicit in human rights abuses

Labour

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining
4. the elimination of all forms of forced and compulsory labour
5. the effective abolition of child labour and
6. the elimination of discrimination in respect of employment and occupation

Environment

7. Businesses should support a precautionary approach to environmental challenges
8. undertake initiatives to promote greater environmental responsibility and
9. encourage the development and diffusion of environmentally friendly technologies

Anti-Corruption

10. Businesses should work against corruption in all its forms, including extortion and bribery

“

STAKEHOLDER OPINIONS

“You have implemented this year a supplier review. I would like to ask you how you are going to control your suppliers. There is a questionnaire which suppliers complete but are you planning to verify their declarations in any way?”

As we develop partnership relations with our suppliers, we trust that their declarations are true and accurate. If any doubts arise, we will take steps to verify the accuracy of submitted declarations.

Environment

Daily operations of every bank are associated with consumption of energy. In Bank Zachodni WBK, we make efforts to minimise it as much as possible. Energy efficiency is closely linked with our business strategy and the mission and objectives of our bank. We have managed to reduce considerably the amount of energy used by replacing traditional lighting in branches with LED lighting and by installing dusk sensors. We also protect the natural environment by using integrated document management solutions. Outdated documents are destroyed and recycled. Every year we purchase approximately 510 tonnes of paper, while more than 1,265 tonnes are destroyed and recovered.



STAKEHOLDER OPINIONS

“Bank Zachodni WBK takes firm and strategic actions to integrate natural environment protection into daily operations of the banks, and in particular, is employees (promotion of environment-friendly attitudes both at work and at home).”

[G4-EN1]



STAKEHOLDER EXPECTATIONS

“It would be worthwhile to present in the report the actual quantities of destroyed documents, detailed figures because it makes it easier to imagine the impact. For example, we could say we saved X hectares of forests etc. which would certainly be well received by persons for whom environmental factors really matters”.

Utilised resources/materials by weight (t,m ³)	Total consumption (weight/ volume)
natural gas (m ³)	1 505 302.86
fuel oil (t)	176025.6
diesel oil (m ³)	322
petrol (m ³)	2 778 654

Sustainable development goals



Climate change (13):

Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.

In Green Offices:



We have installed **tap perlators** to reduce water consumption



We **segregate waste** – certified branches have waste segregation stations and promote environment-friendly behaviours among their employees and customers



We purchase **environment-friendly equipment** and biodegradable detergents.

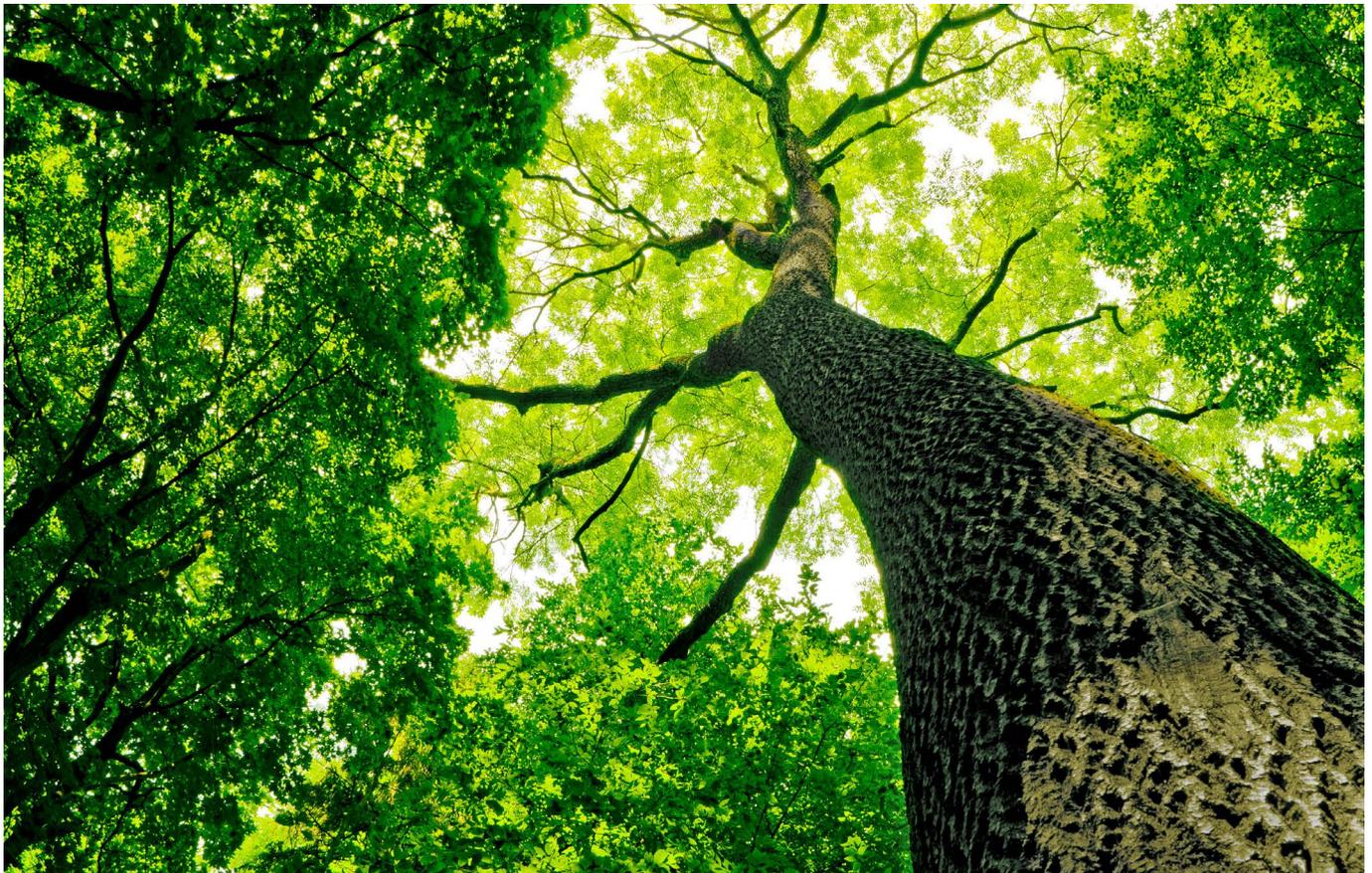
In 2015 we certified another 10 branches which received the status of a Green Office. The total number of certified branches at the moment is 46. Their purpose is to increase the environmental awareness of employees, reduce negative impact on the natural environment and lower the operating expenses. The project envisages monitoring and reduction of consumption of resources and materials and waste segregation.

In 2016, we are planning to certify another dozen or so branches.



STAKEHOLDER OPINIONS

“The Green Office environmental standard opens up many opportunities, not only for the bank’s image but also for new products and the way the bank will sell them.”



Good practice

Collection of used mobile phones

At the turn of March and April 2015, we organised jointly with the Our Earth Foundation a campaign involving collection of old mobile phones. Scrapped mobiles collected in special bins were then transported to a specialised company called Greenfone which ensured their environment-friendly disposal. The proceeds from the phones sale and recycling financed replacement of household appliances in the Wrocław Childcare Centre (WCOW). The raised funds were sufficient to buy and energy-efficient refrigerator and two washing machines.



Eco-active

Document shredding can also be an environment-friendly activity. Documents containing sensitive customer data which need to be destroyed are transferred to RDO as part of the Eco-active programme. The company guarantees professional, safe and environment-friendly destruction of data. To the bank, this means no need to use its own shredders, saving employees' time and saving money which would otherwise be spent on the equipment. Additionally, the milled paper is processed and recycled.

Under the loyalty programme launched by RDO, customers collect loyalty points which can then be exchanged for donations supporting the Synapsis Foundation or the National Society for Birds Protection. Participation in the programme is also an opportunity for building social and environmental awareness of employees. In 2015, we requested a selected group of employees to vote which cause to support with our loyalty points. By force of a joint decision of our employees, the money were divided 50/50 between Synapsis and the Birds Protection Society

Our environmental impact

[G4-EN16] [G4-EN15] [G4-EN30] [G4-EN17] [G4-EN3]

Emmissions attributable to electric energy purchased for the organisation	Emmission related to heat generation	Emmissions related to transport of materials, products and waste	Total electricity energy consumption						
30 236.79 tCO₂e	3622.415 tCO₂e	7312.96 tCO₂e	36364.143 MWh						
Fuel used by vehicles	Bank employees use company cars (data as at the end of April 2016)	Total consumption of energy from non-renewable sources	<table border="0"> <tr> <td>natural gas</td> <td>15053.03</td> </tr> <tr> <td>fuel oil</td> <td>175.9</td> </tr> <tr> <td>diesel oil</td> <td>322 101.88</td> </tr> </table>	natural gas	15053.03	fuel oil	175.9	diesel oil	322 101.88
natural gas	15053.03								
fuel oil	175.9								
diesel oil	322 101.88								
7312.969 tCO₂	13.95%	337330.9 MWh							



4. We support the growth of local communities and our environment



What we do to have a positive effect on the environment?

[G4-EC7]

We have defined three key areas of corporate social responsibility in Bank Zachodni WBK: support to education and development of science, building a civil society and promoting equal opportunities and counteracting social exclusion. They are directly linked to our CSR strategy and we have been engaged in those areas for many years.

In this way, we make a contribution to the achievement of the Sustainable Development Goals defined in the United Nations Sustainable Agenda 2030, especially:

Goal 4: Ensure inclusive and quality education for all and promote lifelong learning.

Goal 8: Promote inclusive and sustainable economic growth, employment and decent work for all.



STAKEHOLDER OPINIONS

"Against the background of other banks and companies in Poland, Bank Zachodni WBK is a corporate social responsibility leader engaged in a wide range of activities."



STAKEHOLDER EXPECTATIONS

"It is important to make sure that all initiatives are linked to the bank's values. There must be a key to it all, because engaging in too many different activities may erode the bank's identity."

"It's no good when there is no continuity or logic behind the choice of activities. It's better to focus on a few specific areas which are well thought out and ensure continuity."

We want our projects to be as multi-dimensional as possible. Many of our initiatives bring about changes in a number of areas.

Supporting education and development of science

- A possibility to extend the scope of research projects
- Cooperation between students from different departments and universities leading to new research ideas
- Enhancement of knowledge on entrepreneurship and finance of young people and adults
- Change in the public perception of universities which are partners of Bank Zachodni WBK
- Higher quality and more attractive forms of economic education in schools
- Upgrading teachers' knowledge to include the latest developments in economics

Building civil society

- Promoting desirable attitudes and qualities among young people, such as entrepreneurship, creativity, responsible citizenship, communicativeness, IT literacy and teamwork
- Development and professionalization of social organisation thanks to partnership with Bank Zachodni WBK
- Releasing the potential of local communities through implemented social and cultural projects
- Support to local entrepreneurs and local administration units

Promoting equal opportunities and counteracting social exclusion

- Improved access of people with disabilities to financial products and services
- Self-reliance of people with disabilities in managing their finance
- Change of public perception of people with disabilities
- Promoting positive attitudes towards people with disabilities
- Supporting sports activities for people with disabilities
- Involving children from low-income or dysfunctional families in cultural, social and educational projects

Building civil society

Social capital is a vital factor for the future of our country. We want to take an active part in building the capital by mobilising young people, inspiring their activity and encouraging them to take matters in their own hands, while strengthening their identification and bonds with the environment. We invest in ambitious and creative young people and offer opportunities for cultural and social development.



Sustainable Development Goals

“By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture’s contribution to sustainable development”.

Sponsorship of culture

We support and promote not only projects which contribute to the development of our business. We believe that conducting successful business operations must be combined with support to culture, art, national heritage and promotion of young, talented artists.

Sponsorship of the Chopin Competition

The Chopin Competition is one of the oldest and most prestigious music competitions in the world, an event which opens the doors to the best concert halls to competitors. Its former winners e.g. Martha Argerich, Maurizio Pollini or Krystian Zimerman are now among the most famous pianists of present times. Chopin’s

music knows no borders. His compositions are known and admired on all continents of the world. The international acclaim of Chopin’s music was one of the key arguments when deciding about the bank’s sponsorship of the competition. Since 2011, we have been a member of the Santander Group which draws its strength from the diversity of the markets on which it operates. When promoting our affiliation with the competition we used a slogan “Limitless Pride”. Poles are definitely proud of Chopin, the most recognisable Polish artist of all times, and a great ambassador of the Polish culture worldwide. Chopin’s music helps us communicate across borders.

“

STAKEHOLDER OPINIONS

“Thanks to the bank’s involvement, the Chopin Competition achieved an unprecedented scale.”





As a sponsor of the 17th International Fryderyk Chopin Competition, we are very proud of being a part of the largest and most prestigious cultural event in Poland, watched by millions of music lovers all over the world. The sponsorship was a great honour but at the same time a challenge, because our role was not limited to funding the event but also involved participation in the promotional campaign. Working closely with the National Fryderyk Chopin Institute, we worked out a formula ensuring optimum communication and cost synergies in the project. As a result, we were able to support the Polish culture even more effectively, on the occasion of this fantastic, international event.

The 17th Chopin Competition was an unprecedented top-class event breaking all records of popularity. It had the highest number of enrolled participants ever and benefitted from large-scale promotional activities with a strong focus on cutting-edge trends in communication, including global concert broadcasts thanks to a special application for mobile devices. Performances of the competitors were broadcast live by the Polish radio and television (TVP2 and TVP Kultura), in every corner of the world thanks to the mobile application Chopin Competition 2015 and on the Chopin Institute's YouTube channel. Moreover, live broadcast was available on Medici.tv and NINA websites and presented during the Milan EXPO exhibition.

Tickets to the competition were sold out in a couple of days, so many music lovers were not able to listen to

the pianists live in the National Philharmonic in Warsaw. Bank Zachodni WBK decided to help Varsovians follow this unique event and in October 2015, during the final stage of the competition, designed and opened on the company premises at 17 Jana Pawła II Street Forte Piano Café where all guests could watch live broadcasts from the Warsaw Philharmonic, enjoying the best quality of sound and music.

The central element in the Café Forte Piano was the Boston grand piano lent to the Bank for this special occasion by Steinway, our partner in the project. Over a cup of aromatic coffee or a glass of excellent wine and delicious sweets, guests were able to listen and admire the finalists' performances. We also invited outstanding pianists, former participants of the Chopin Competition and other, exceptional artists who sometimes surprised the audience with their choice of repertoire, to play live music in the cafe. The unique place became very popular not only among Chopin's fans but also among the residents of Warsaw looking for a venue to meet with friends in an atmosphere of art and culture.

Thanks to effective cooperation of Multikino, NIFC and the bank, the first Prize Winner Concert was broadcast in 15 movie theatres across Poland (Bydgoszcz, Gdańsk, Gdynia, Katowice, Kraków, Lublin, Łódź (Silver Screen), Olsztyn, Poznań Old Brewery, Rzeszów, Szczecin, Warsaw Ursynów, Warsaw Golden Terraces, Wrocław Grunwald Passage and Zabrze).

The 17th International Chopin Piano Competition in figures:

70,000,000

a record-breaking number of people actively participating in disseminating information about the competition. Active involvement of so many people in the field of classical music was referred to as "revolution" in the reports of research institutes.

The videos on the Chopin Institute's YouTube channel had

9,300,000

views which is equivalent to 140 years of continuous watching

TV broadcasts were watched every day by

150,000

on average; the prize winner's concert attracted nearly 800,000 people before TV screens

The competition's website recorded over

13,000,000

visits

In Poland: according to CBOS

29%

of Poles tracked the event through the media

Only Polish social media users exchanged

70 m

posts about the competition

Videos presented on YouTube were watched by users from

218

countries

Publications about the competition reached nearly

5 bn

people worldwide!

Source: data analyses prepared by the Media Monitoring Institute and Press-Service Media Monitoring

The Chopin competition was not the first occasion on which we cooperated with the Fryderyk Chopin's National Institute. Between 2014 and 2015, we also participated in the organisation of the world-famous festival "Chopin and His Europe". The festival concerts are very popular and attract a large audience.

Santander Orchestra

The idea of founding an orchestra emerged around the same time, completely independently, in MyWay Young Talent Foundation and in Bank Zachodni WBK. The partnership of the two institutions resulted in a unique project in Poland. The concept was to create a new orchestra composed of young musicians, which would combine top quality performance of music with additional activities, such as portfolio building or image management. In addition to Bank Zachodni WBK and MyWay Foundation, Krzysztof Penderecki European Music Centre was involved in the execution of the project.

The orchestra's debut took place in 2015. Sixty four young, talented musicians, students of music schools, working under the direction of outstanding tutors – musicians and professors of music recognised in Poland and abroad – perfected their skills and prepared for a tour around major concert halls in Poland, in Łusławice, Wrocław, Katowice, Warsaw and Gdańsk. Workshops were held on the premises of the Krzysztof Penderecki European Music Centre in Łusławice. Additionally, young musicians took part in a coaching session and gained knowledge on such subjects as self-presentation, communication in media, finance management and copyright law.

“

STAKEHOLDER EXPECTATIONS

“The Santander Orchestra: In the report for 2015 on the bank's CSR and cultural activities I would like to focus on this particular initiative because it is absolutely unique and invaluable for young people involved in culture, for young musicians. It is not easy to talk about culture in terms of figures only but you can share some data and I would be interested to see it”.

The orchestra's tour took place at the turn of November and December 2015. The concerts were conducted by world-famous conductors, Krzysztof Penderecki and John Axelrod.

For many years the bank's activities have proven that art is one of the spheres of social life which needs particular support. We are convinced about the synergy which exists between conducting business operations and investing in the development of local communities and helping our people and businesses prosper. The Santander Orchestra is an outcome of this mindset, a project which promotes partnership, creativity and courage in action, the important values which have helped the Santander Group succeed worldwide. The inspiration for the project was our strong urge to help young and talented Polish musicians in gaining professional knowledge and building careers.

The project turned out to be a great opportunity for the young artists, a chance they had never got in Poland before. And what's important, is that participation in the project was totally free and the value added was new professional contacts made by the participants during the project period. That was the role of tutors, musicians from international orchestras or professors of music from foreign universities, selected in consultation with the orchestra conductors and experts from the Krzysztof Penderecki Music Centre. Their responsibility was to prepare the young musicians for playing in the orchestra by working with particular sections of instruments and sharing personal experience with the orchestra members.





Michał Bielenia,
participant of the Santander Orchestra

"I had a great pleasure to participate in the Santander Orchestra as a concertmaster.

During the project, I had an honour to work with the most outstanding personalities in the world of music, such as Professor Krzysztof Penderecki, Roland Greuter, Robert Nagy or John Axelrod. The rehearsal period preceding our tour was a highly challenging training to me. From the point of view of a young musician who just graduated from the Fryderyk Chopin University in Warsaw and the Royal Conservatory of Brussels, I very much appreciate the chance which the Santander Orchestra project gave me, to experience the life of a professional orchestra musician which I aspire to become.

Today, looking back, I can positively say that the Santander Orkiestra project had a great contribution to my success. In May 2016 I won two auditions for a 2-year internship programme in two most prestigious European operas: Daniel Barenboim Staatskapelle in Berlin and Opernhaus in Zurich directed by Fabio Luisi.

I am very happy that I had a chance to take part in this unique project, both on a national and international scale. The opportunity to work with the most renowned artists and a group of young, talented musicians, excellent organisation and artistic sup-

port helped the project participants to spread their wings. For me, personally, it was a great experience which made me stronger and strengthened my conviction that I want to follow this career path. I will eagerly support the next editions of the Santander Orchestra in every possible way."

The value added of the programme was a cycle of training events delivered by experts from MyWay Foundation, including a personal coaching session, self-presentation workshop and lectures on copyright law and finance management.

In order to become a member of the Santander Orchestra, each candidate had to go through the recruitment process: register on the project website www.santanderorchestra.com, prepare to play the music pieces selected by the organisers, record their performance and submit the recording via a dedicated online form. Out of 121 submissions, best candidates were chosen by the judging panel composed of the selected members of the Santander Orchestra Council.



The Santander Orchestra in figures:

121 submissions in the recruitment process

64 top musicians in the orchestra

3 conductors

2 soloists (Szymon Nehring, Gabor Boldoczki);

8 tutors

5 experts from MyWay Foundation

27 persons involved in administration of the project

5 concerts in the biggest concert halls in Poland

6,272 persons in the audience of the orchestra's concerts

17,091.7 km travelled

18 days of common practice

58 hours of rehearsals

15 hours of concerts

12 hours of fitness training

432 hours spent together

1,400 persons willing to participate in the project

more than **130** publications mentioning the bank's role in the project

BZ WBK PRESS PHOTO

Important events and present-day issues in Poland and around the world deserve to be documented by quality photographs. Therefore, our bank supports and inspires press photographers by organising since 2005 the BZ WBK Press Photo competition. The photos awarded in 2015 present a unique spectrum of different images from Poland and other countries. One hundred and ninety-six pictures from all parts of the world taken by 32 best Polish press photographers guarantee unforgettable impressions to photography fans, showing, for instance, dramatic fights in Ukraine and in the Middle East, miner strikes in Silesia, the joy after the second goal scored by Sebastian Mila in Poland's match against Germany, horses on fire during the Luminarias event in Spain or Warsaw seen from the inside of buildings the facades of which are covered by large outdoor advertising banners.



BZ WBK PRESS PHOTO IN FIGURES

The 11th edition involved:

368 photographers

5,334 photos

6 competition categories

"Events", "Daily Life", "Sports", "Portraits",
"Culture and Art " and "Nature"

196 photos taken by

32 press photographers

Photos of the 11th edition's winners were presented at 16 exhibitions held all over Poland until the end of December 2015.

Activities of the BZ WBK Foundation

Building a civil society is a long-term process which requires a joint effort of many institutions. We want to make a contribution to the process through the activities of our foundation which has been supporting the development of young generations of Poles for many years.

MISSION OF THE BANK ZACHODNI WBK FOUNDATION thinking of the future of our country, we invest in young, ambitious and mature people, promote socially responsible attitudes, inspire to action and create opportunities.

We appreciate the great potential of young people, their willingness to learn, urge to remain active, readiness to help others and the continuous search for authorities. We are also well aware of the fact that in today's consumption-driven world this potential can easily get lost. Therefore, we focus on positive, creative projects which involve young people in the public life. We encourage them to participate in actions for the common good, to exercise consciously their civil rights and to rise to the challenges of the 21st century.

Target on young people

We provide opportunities for ambitious and responsible people and create local leaders. We try to develop projects in which young people can discover the wealth of the Polish national heritage and find references for their own decisions and attitudes. We promote creativity and entrepreneurship in the young generation. We support non-standard activities which require imagination and courage in action. Additionally, we want to improve the quality of economic knowledge of young Poles.

We focus on young people and we strongly believe it is a good investment



The main sponsor of the foundation is Bank Zachodni WBK

The foundation is an instrument of the bank's social activity. The motivation for our activity stems from the conviction that businesses, with their means and experience, need to be involved in the resolution of the most urgent social issues of our country. Today, one of the most important challenges in Poland is to enhance civil activity and entrepreneurship of people, while respecting the principle of social solidarity and Poland's tradition and cultural heritage. When trying to put the theory into practice, the foundation turns to the most receptive population group, young people, who will carry out the changes in the future, especially by supporting their development at schools and universities.

We observe with great satisfaction that as a result of the foundation's efforts young people, often from small towns, develop their knowledge and engage more and more eagerly in areas which will have a critical impact on their future and on the future of the whole country. We believe that such work will contribute to the building of the civil society and to releasing the potential of different communities and individuals.

Foundation programmes

Bank of Ambitious Youth

In 2015, 135 organisations received grants of a total value exceeding PLN 925,000

The grant program launched by Bank Zachodni WBK Foundation in 2010 educates young people in such skills as defining local community needs, setting objectives, creating task forces, solving problems and implementing measures on a local level, in order to promote positive social attitudes. One of the project goals is to define the qualities of individual persons necessary for effective functioning in a civil society, such as knowledge, interpersonal communication, social sensitivity, leadership skills and building a leader's position. In order to develop socially responsible attitudes, people need to identify themselves with the history and culture, both in a local and national dimension.

Bank of Children's Smiles

In 2015, 63 organisations received a support in the total amount of nearly **PLN 210,000**.

The Bank of Children's Smiles is a micro-grant program addressed to institutions and organizations which work on a daily basis with children from dysfunctional and disadvantaged families. Many children do not have proper conditions for growth and for the development of desirable values in their family environment. The foundation supports projects which take an individual approach to children. The implemented projects develop the sense of social sensitivity and activity, responsibility for one's own life, for other people and for the country, and propose positive role models.

Architects of Our Reality

The foundation allocated the amount of **PLN 118,500** to the project.

Under the project, groups of teenagers from all over Poland identified historical characters who left a valuable legacy in their cities, regions or on the countrywide scale. The main goal was to refresh the memory of people who made a valuable contribution to the local community and today are completely forgotten or their achievements have not been fully recognised. In 2015, a pilot project promoting Henryk Witaczek was carried out by a group of young people from a Community High School in Milanówek. In the national grant competition "Architects of Our Reality" addressed to teenagers and NGOs, the foundation selected 16 prize winners who received grants in the amount of PLN 3,000 to PLN 5,000 intended to finance activities aimed at commemorating distinguished individuals from the local area. Members of 16 project teams took part in a two-day workshop during which they also had a chance to play a location-based game devoted to Stefan Bryła.

In 2014, The "Architects of Our Reality" programme received a grant from the Citizen Initiatives Fund (CIF) of

the Ministry of Labour and Social Affairs. The foundation spent the total of PLN 118,500 on the implementation of the project, including PLN 62,000 contributed by CIF.

Unsung Heroes

Nearly **PLN 35,500** was spent on the project.

The Bank Zachodni WBK Foundation, acting in partnership with the Polish History Museum and the Łódź Film School, implemented an educational project called "Unsung Heroes". Junior schools and high schools were invited to take part in a history competition devoted to Poles who supported people actively fighting for independence between 1944 and 1989. The judging panel evaluated the submitted scripts and selected winners who attended a series of film workshops and, subsequently, together with the Film School students, shot short documentaries on their respective 'unsung heroes'. Results of the second stage of the competition were announced at the gala held in Iluzjon Movie Theatre in Warsaw.



Employee volunteering

Bottom-up initiatives of the employees of Bank Zachodni WBK undertaken in support of selected NGOs or public institutions (social organisations) have been encouraged by the bank for many years.

Any group of employees who want to work as volunteers can apply for a grant to Bank Zachodni WBK Foundation. The maximum value of awarded financial support is PLN 3,000. The ideas for activities proposed by volunteers respond to the real needs of local communities in which they live. Volunteers also try to find for additional sponsors and partners.

Initiatives of Bank Zachodni WBK's employees

Every year the foundation organizes a competition "Volunteer Project of the Year" in which employees can vote for the best initiative and the winning team receives an additional PLN 3,000 for their social cause. The competition is one of the vehicles for promoting activities for the benefit of people in need, the natural environment or local communities. The best project of 2015 was called **"Assistance For a Start"** and was implemented by the employees from Branch no. 1 in Kamienna Góra. In 2015, the Foundation financed 59 projects which involved 487 volunteers. The main category of the project beneficiaries were persons in a difficult life situation.

In 2015, 487 volunteers carried out 59 projects financed by the Foundation of Bank Zachodni WBK. The total value of grants was PLN 173,000



Selected volunteering projects implemented in 2015 by employees of Bank Zachodni WBK and sponsored by the Bank Zachodni WBK Foundation.



Raising money for fire victims (Głogów)



Christmas gifts for 115 children from selected orphanages (Szczecin, Warsaw, Wrocław)



Raising money for a hand prosthesis for a 14-year old boy, resident of a family-type children's home (Świdnica)



Organising an integration trip to Warsaw for members of Seniors Club no. 82 (Poznań)



Collection of clothing and household appliances for shelters for the homeless (Jelenia Góra)



Creative piggy banks - an educational project for children from a daycare centre (Wałbrzych)



Assistance in the renovation of the building of the Association for the Welfare of the Deafblind (Poznań)

Skill-based volunteering

A special type of employee volunteering practices in our bank is skill-based volunteering. Its idea is based on sharing specialist knowledge which our employees are experts at e.g. subjects related to banking and finance, as well as to management and security, particularly in the era of digital technologies. Whenever possible, the bank provides support to such initiatives. In 2015, the bank's employees participated in projects associated with financial education and entrepreneurship addressed to schoolchildren. The classes were attended in total by 5,288 students. More information about Financial Education on page 113.

Moreover, in 2015, 118 employees of Bank Zachodni WBK participating in development programmes "Best of the Best" and "Leaders of Europe" took part in skill-based volunteering. They were engaged in 35 projects for the benefit of such organisations as the Robinson Crusoe Foundation, Eudajmonia Foundation, the Wrocław Hospice for Children, Barrier-Free Poland, ASHOKA, the Warsaw Wheelchair Rugby Association and the National Federation of Non-Governmental Organisations. The volunteers helped NGOs, for instance, in the development of plans to acquire 1% tax donations and in designing and executing communication plans and marketing strategies and offered training in self-presentation and presentation skills.

All employees who want to engage in volunteering receive from the bank both administrative support (facilitating contacts between volunteers and beneficiaries) and useful materials, such as ready-made training concepts and lesson plans. Volunteers may also propose new subjects for classes which are close to their field of interest or specialty. We want to make sure that our volunteering initiatives are aligned, as much as possible, with the potential and capabilities of the volunteering employees.

“

STAKEHOLDER OPINIONS

"Compared to other banks and companies in Poland, Bank Zachodni WBK is an unquestionable leader of corporate social responsibility with its wide-range of activities and projects."

The School Card Programme

The School Card is a unique programme which combines the goal of school security enhancement with economic education of children and teenagers. The bank donates access control systems (card readers mounted at entrances to schools) which prevent access of unauthorised persons to school buildings. Persons who do not have a school card can enter the school building only assisted by the school staff.

School cards can be customised to include individual pictures and images with distinctive identification elements of each school (e.g. name, logo). Therefore, the cards can also be used as school identifiers. Thanks to the EMV technology, many other functions can be added to the School Card. For example, it can be used as a library card or a swimming pool pass.

Each school which has joined the program benefits from a special series of lectures in finance delivered by experts from the bank who share their expert knowledge as volunteers.



Supporting education and the development of science

The level of financial education in Poland is still lower than in the majority of other EU member states. According to the Global Financial Literacy Survey carried out by Standard & Poor's Ratings Services, only 42% of adult Poles have knowledge sufficient to manage their own budget and effectively use financial instruments. Sharing knowledge and competences in this area is one of the priorities of our corporate social responsibility activities. We believe in the development of financial literacy from the young age, therefore we engage in a great number of partnerships with schools and universities.



Sustainable Development Goals

"By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship."

"Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all."

Support to the development of science: Santander Universidades

Supporting higher education and the idea of entrepreneurship is a particularly important area of our corporate social activity and is implemented within the framework of Santander Universidades – a programme launched in Poland in 2011, as part of a global initiative which unites thousands of universities worldwide, including 60 institutions in our country.



STAKEHOLDER OPINIONS

"The programme works very well and generates benefits both for students and the bank."

"I am glad that the bank perceives students as long-term investment which will yield results in the future."



One of the key goals of Santander Universidades is to provide support to individual research programmes on entrepreneurship and new technologies, to encourage the mobility of students and faculty staff, and to assist networking.

Santander Universidades in figures

21

countries

4,100

projects

1,225

universities participating
in the programme

1,200

partnership agreements with
universities all over the world

28,800

scholarships worldwide in 2015

130,000

scholarships since 2000

Santander Universidades in Poland:

60

6 new universities enrolled since 2014



One of valuable benefits is the possibility of sharing knowledge within the framework of a number of global programmes launched by the best universities in the world in which students from all universities which are members of the Santander Universidades network can participate.

The Santander Universidades tagline “We Want to be Part of Your Success” refers to both talented students and young entrepreneurs who, in the near future, will shape the social and economic reality of Poland. 2015 was an important year in the history of Santander Universidades, as it saw the development of a scholarship and internship programme and strengthening of engagement in individual academic projects, including student start-ups which very effectively promote the idea of innovative entrepreneurship using new technologies.

Grand Tour – Get to Know Yourself!

In 2015, we carried out the third edition of our project Grand Tour- Get To Know Yourself! available to all students from universities in Poland which are partners of Santander Universidades in Poland. The winners – 12 young people interested in the outer world and open to change – took part in an unusual self-improvement programme. Over six days, they tried to develop six competences which are important both in professional and personal life, such as communication, willingness to learn, continuous development, activity and engagement, flexibility and adaptability, teamwork and ability to achieve the planned results.

Our activities under the Grand Tour programme respond to the need of educating social leaders, people aware of their strengths, who can master the true meaning of the word “responsibility” in many different dimensions at the same time.

“

STAKEHOLDER EXPECTATIONS

“It would be worthwhile to show the actual impact of the programme on education e.g. developments which would not have been possible without the programme.”

PUT Motorsport

An example of a project which fully meets the key assumptions of the Santander Universidades programme is the PUT Motorsport program during which students can develop innovative technological solutions and business skills in such areas as brand management, fundraising, business plan drafting, presentation and development of a marketing strategy. The interdisciplinary formula of the project demonstrates the value of teamwork based on complementary strengths of all team members. The PUT Motorsport team consists of 19 students divided into six project groups. The outcome of their work is participation in the international competition with their self-designed and built racing car competing in the Student Formula class.



Mikołaj Zygmąński
Leader of the PUT Motorsport

“Most of us would agree that after participation in the Student Formula event our life has changed, particularly with regard to our perception of education and work. If not for the programme, we would only read in the books about the things which we did on a daily basis working for the Formula project. PUT Motorsport gave us an opportunity to design a racing car by ourselves and correct our own errors and mistakes. Nothing could prepare us better for the future challenges”.

Thanks to the support received by PUT Motorsport from Santander Universidades, the team from the Poznań University of technology was able to take part in the 2015 edition of the Student Formula competition and present its own technological and business solutions.

The PUT Motorsport turned out to be the best newcomer in the history of the event ending up on the 26th place out of 70 teams. The important thing to know is that the final result was not only based on the performance of the vehicle, but also on the business presentation which the team had to deliver in front of an audience of international motor industry experts. The Poznań team was particularly successful in that element, ranking fifth of all participants.

e-Wejściówki

www.ewejsciwki.pl is a website launched in May 2014 which started from selling online theatre passes i.e. unnumbered tickets for unoccupied seats in the audience which normally were available only in theatre ticket offices 30 minutes before the performance. The web service quickly became popular, especially among persons aged 24-34. The platform is growing all the time and at present also sells regular tickets with assigned seats and includes reviews of theatre performances written by persons who bought tickets on the website. There was no such possibility on the Polish Internet before. At present, the website works with approximately 50 theatres all over Poland, mainly in Warsaw, Poznań, Kraków and Lublin. The founders of e-Wejściówki are Maciej Wartacz, Michał Charmas and Bruno Markovic.

Bank Zachodni WBK supports the development of young entrepreneurs since March 2015 when it became the Strategic Partner of the website. Under the partnership with Santander Universidades, all university students who are holders of active Smartcards can buy passes and tickets on eWejsciwki.pl with a 50% discount. In 2016, Maciej Wartacz, founder of e-Wejściówki, will also deliver a series of lectures at Santander Universidades member universities sharing his start-up experience and trying to promote entrepreneurship among their students.



#BankingCareer

An important role of the Santander Universidades programme in 2015 was to support entrepreneurial-minded students by developing their economic knowledge and facilitating their start on the labour market. Achievement of this goal was assisted by the #BankingCareer project developed by the Business and Corporate Banking Division and implemented at three universities in Poland: the Poznań University of Economics, the Warsaw School of Economics and the University of Economics in Wrocław. The programme offered students a possibility of acquiring knowledge and new skills directly from the best market practitioners. Outstanding students additionally had an opportunity to take part in additional workshops and conferences and apply, on preferential terms, for a remunerated three-months' internship in the Corporate Banking Sales Network.

Workshops organised as part of #Banking Career project enjoyed great popularity among students at all universities where they were offered. The number of project participants ranged from 90 (Warsaw School of Economics and Wrocław University of Economics) to 150 in Poznań. A few hundred students also participated in open lectures which preceded the workshops.

As a result of the project we have already hired 12 trainees in Poznań and another 70 applications for internship

in Wrocław and Warsaw are in the course of a recruitment process. Students get an opportunity to gain experience working for the largest corporate customers in Poland.

In 2016, the programme will be continued at the same universities and expanded to include a number of new institutions. For instance, #BankingCareer will now be available, also to students of the Cracow University of Economics.

Smartcard

One of the major effects of cooperation between Santander Universidades and the academic community is the **Smartcard - an electronic student ID**. The original assumption was to combine the university document with an option of activating a banking application allowing, for instance, to make contactless payments. At present, the card is developed in all possible ways, depending on the needs of universities and of the students themselves. The Smartcard can combine the functionalities of a library card, electronic signature, electronic attendance record, access to discount programs or a pass to enter the university buildings.





Financial Education

In Bank Zachodni WBK, we believe that financial education at schools is an investment in the future and that raising students' level of knowledge and competences in economics and finance may be a good way to build conscious citizen attitudes. We are proud of the fact that no other bank in Poland supports economic education on an equally broad scale as Bank Zachodni WBK.

A large and continuously growing group of volunteers have been engaged in education of young people by sharing their expert knowledge and supporting school teachers, in particular those teaching entrepreneurship classes. Such cooperation is extremely valuable from the point of view of employer branding, as evidenced by the high number of students applying for internship in our branches. Some of them also apply for a job with Bank Zachodni WBK after graduation. The value of investments in the education of young people is priceless.

The subjects discussed in class elaborate the mandatory curriculum. Students learn about the rules of public finance management and about the impact of every citizen on the budget of a local administration unit or the whole state. Volunteers teach young people the principles of safe use of various bank products, including cards, accounts, deposits and loans. They also make them aware of potential threats which may arise as a result of insufficient knowledge and competence deficits. Thanks to the financial knowledge acquired by young people at school, they will be able to make better choices in the future.

Our volunteers take part in cooperation with schools and local governments and strengthen the recognition of our brand in local communities.

Long-term, regular and growing cooperation with volunteers requires support in the form of professional teaching materials. Therefore, a collection of lesson plans and presentations were developed and made available on the Intranet in a dedicated section "Economic Education". Volunteers can also find there business games which they might use in class.

Over the years, many branches have developed regular relationships with schools. An example is the city of Głogów, where at the beginning of each school year, in September, schools receive proposals of partnership cooperation and subjects to be discussed during the year. Schedules of classes to be delivered by experts from Bank Zachodni WBK are agreed with headmasters and teachers. Classes are held at schools, most often as part of entrepreneurship courses. Volunteers also support schools in the organisation of competitions in economics and on many occasions sponsor prizes for winners.

We focus on high quality of the content but also on innovative and attractive forms of communicating the knowledge. One of the preferred tools is educational games, such as Business Zone, Your Family Budget and Leaders of Europe.



Business Zone

business-zone.com.pl

The purpose of the game is to stimulate entrepreneurial spirit. The ranking of the best players is available online. Nine contest editions have already been completed (three rounds of three tours each). You can join Business Zone at any time, however, you will not be eligible for the contest version in that case. The game has over 3,000 registered online users.



Your Family Budget

twojbudzetrodzinny.pl

The game educates its users by teaching them how to rationally manage borrowed money and how to avoid excessive debt. The game has over 5,662 registered user accounts.



Leaders of Europe

It's a board game for students of junior schools and high schools which promotes knowledge of the global market economy. The game is presented to school students during meetings with volunteers from the bank.

Buy From Your Neighbour Program

Our long-term partnership with schools and local governments and the potential identified in the developed relationships inspired the establishment of an educational and marketing project 'Buy From Your Neighbour'.

The goal of the programme is to promote consumer patriotism by explaining the impact of individual consumer choices and decisions on the local budget. During classes, students learn how to recognise Polish products, what types of taxes are imposed by the state why we should pay them and get to know that a budget is and how it is drafted.

The program targets schools (students, parents and teachers), local governments and owners of small and

medium size businesses operating on local markets (customers of the bank).

The common link connecting all project participants are local discount systems based on education and knowledge about the impact of informed consumer choices on the financial condition of their municipality. The project supports local entrepreneurship, strengthens social relationships and bonds with the local community and encourages joint responsibility for the quality of life and prosperity of its members.

The involvement of small and medium sized businesses in the local discount system has additional educational value, as it is often their first direct encounter with the idea of corporate social responsibility in practice.



Participation of Bank Zachodni WBK in the Citizenship Development Forum's project

We have been a long-term partner of the Competition for the Economic Comic Book organised by the Citizenship Development Foundation. Last year the 7th edition of the competition was held and we had a privilege of proposing one of the four competition subjects. Our proposal: "Clever buying – raising consumer awareness" related to the idea of the project "Buy from your neighbour", turned out to be so up-to-date and attractive that one-third of all submissions referred to it, and six of them were awarded. The winners received financial awards in the form of prepaid cards issued by Bank Zachodni WBK and books.

The best comics were published in the form of a compilation and served as the basis for scenarios of entrepreneurship and economic knowledge classes taught to schoolchildren. The scenarios and the comic books were recorded on CDs attached to the compilation and are distributed to teachers all over Poland.

Exempted from Theory

Exempted from Theory is a national competition for college and high school students intended to develop practical skills in project management and encourage social activity. The challenge to the participants is to carry out their own social project using an interactive website and the support of experienced mentors. All participants who manage to complete the project receive internationally recognised management certificates and the best ones are awarded prestigious titles.

In 2015, BZ WBK was a strategic partner of the competition. We offered financial bonuses to participants to facilitate the implementation of their projects.

Promoting equal opportunities

In Bank Zachodni WBK, we believe that in the 21st century disability may not be a barrier to using financial services. We demonstrate this approach in practice, on a daily basis, in our branches and on our technological platforms. We are proud of the title of an Ambassador of the UN Convention on the Rights of People with Disabilities received in 2015.

Barrier-free Service [G4-FS14]

The Barrier-free Service is a strategic programme which has been implemented for six years now, with an aim to ensure the widest possible access to bank products and services to customers with disabilities. We want to make sure they will receive comprehensive and professional service in every channel and place of contact with the bank. We implement technological improvements and innovative solutions not only in branches but also in the ATM network and in online applications providing access to accounts, including an offer of customer service in the Polish Sign Language.

At present, our bank has 149 certified barrier-free branches adapted to the needs of persons with different disabilities. Twenty of them joined the network in 2015, having passed audits carried out in each branch by the TUS Foundation. Changes go far beyond the architecture of the branches and include training of the personnel, availability of support materials, priority service desks and signature guide frames for customers with visual impairments, as well as, a possibility of reading out loud the text of signed documents and statements of will to customers who cannot read or write. Barrier-free branches have low counters, wheelchair ramps, elevators, wide

doors and manoeuvring space for wheelchairs. Priority service desks can also be used by seniors and pregnant women.

In partnership with the TUS Foundation, the bank prepared graphic identification of branches using disability icons consistent with the methodology of niepelnosprawnik.pl. As a result, customers using a search engine on the bank's website to locate a branch or an ATM receive information about the scope of services provided by each barrier-free branch, through referral to the niepelosprawnik.pl website.





STAKEHOLDER EXPECTATIONS

“Disseminating the good practices developed in the Barrier-free Service project by encouraging business partners to implement similar solutions.”

“Applying good practices in contacts with persons with disabilities in every area of the bank’s activity. For instance, when organising a meeting, asking the participants about their needs already in the invitation.”

Each certified branch has a special budget which can be used to promote the idea of a barrier-free branch. In 2015, twenty one local and national events were organised, including:

- 5th Gold Panning Champions of Persons with Disabilities
- Wheelchair Volleyball World Cup Finals
- Christmas carol concert
- 10th Hockey Tournament
- Regional Festival of Special School Ensembles in Skawina.



Communicating in the sign language

In Bank Zachodni WBK, persons with hearing impairments are offered professional service in the Polish Sign Language (PSL). A contact with specially trained bank employees is possible via video chat, using the BZWBK mobile application installed on a smartphone or tablet. It is also possible to talk to advisors in the sign language on the bank’s website and BZWBK24 Internet transactional platform.



Video service for persons with disabilities/ PSL



All branches of our bank are also equipped with the necessary mobile devices. This means that customers with hearing impairments not only can talk directly to an advisor who knows the sign language but also, since August 2015, to any branch employee with the assistance of a sign language interpreter from the bank's call centre. The conversation can be held both at the adviser's desk in the branch and in a separate room, depending on the customer's preference.

Two organisations working for the benefit of persons with disabilities were involved in the design and delivery of customer service in the Polish Sign Language: the Polish Association of the Deaf and the Barrier-Free Poland Foundation. They supported the process at the stage of testing, execution and evaluation of the functionality in terms of accessibility to customers communicating in the sign language. The new solutions were promoted on Facebook (Sign Language Competitions Campaign) and, according to conducted research, the message reached nearly 180,000 people.

Did you know that...?

- **You can contact an advisor who knows the Polish Sign Language in any branch using the bank's mobile equipment.**
- **In BZWBK24 application, all you have to do is to click on the Online Advisor icon, then choose the option "Service in the sign language" and "Video" as the type of contact.**
- **Contact Centre Advisors who know the Polish Sign Language are available Monday through Friday, between 9:00 a.m. and 7:00 p.m.** They can talk directly to the customers within the limits of their discretions or interpret the conversation between a customer and a branch advisor.
- **Worth emphasising is the fact that you don't have to be the bank's customer to take advantage of the assistance.** This is good news for persons with hearing impairments who are looking for a new provider of banking services.



Maciej Pietrucha
Contact Centre Director, Bank Zachodni WBK

“We are proud of the fact that all our network is friendly to persons with hearing impairments. We understand very well that being unable to communicate precisely in the channel of contact preferred by the customer can be a huge barrier to using banking services. Therefore, in response to the identified needs of this important category of consumers, we have decided to implement a solution which allows everyone to talk to our staff about their needs, in every branch of our bank, regardless of whether the customer has access to the internet or a mobile device.”

Monika Naumowicz
adviser from the BZ WBK Contact Centre communicating in the Polish Sign Language

“Until recently, persons communicating in the sign language had problems with using bank services because they weren’t able to communicate properly, ask questions, request for explanations or make choices. Being a child of deaf parents, the first language that I learned was the sign language. Since then, I have all my life been close to users of the sign language. A few years ago, I began to work in the association of the deaf and, through the involvement, I have not only excelled my knowledge of the sign language but also gained a better insight into the culture of persons with hearing impairments and the issues they struggle with on a daily basis because of their disability.”



STAKEHOLDER EXPECTATIONS

“It would be great if all advertising communication referred to the “Barrier-free Service” because it is a very important programme.”



Talking ATMs

Persons with visual impairments have permanent, convenient access to their cash via our network of talking ATMs – machines equipped with earphone output sockets. Customers using earphones connected to the ATM will hear instructions and messages (recorded by Krystyna Czubówna) needed to execute the basic operations. Voice service is available to holders of all cards – not only those issued by BZ WBK – and the instructions are audible only through the earphones, to make sure the service is discrete and secure.

We are gradually increasing the number of upgraded ATMs and the existing ones are provided with signage in Braille. The ATMs search engine is available on our website. The list of ATMs can also be downloaded by visually impaired customers to their mobile GPS devices in the form of a file.



ATM AVAILABLE

FOR USE BY CUSTOMERS WITH VISUAL IMPAIRMENT

PLUG IN EARPHONES TO USE

1 9999
bzwbk.pl/obb

Bank Zachodni WBK
Grupa Santander

Communication for all

We want our advertising and educational communication to be available to everyone and adapted to meet special needs of our customers. Therefore on the bank's YouTube channel and on the website of the Barrier-free Service Programme (www.bzwbk.pl/obb) we publish videos adjusted to the needs of customers with visual impairments (with audio description) and with hearing impairments (subtitles and interpretation into PSL). These are pioneering initiatives on the Polish market.

The bank adapts the videos in consultation with experts in the subject and with foundations working for the benefit of persons with disabilities. In partnership with the renowned Katarynka Foundation highly regarded by persons with disabilities we add audio description to our videos to make them available to customers with visual impairments. In 2015, we also worked together with a social organisation Utilitia on a project of adapting the bank's electronic documentation to the needs of customers with visual impairments. The scope of products and services covered by the project was expanded to include statements of will made by persons who cannot read or write. In the second half of 2015, the bank, in consultation with the leaders of Vis Maior, TUS Foundation, Utilitia, the Barrier-free Poland Foundation and the "Kulawa Warszawa" project, designed and launched an information campaign "Persons With Disabilities" on social media, the purpose of which was to present the perspective, experience, expectations and needs of disabled people in Poland. In 2015, the bank also launched a new website of the Barrier-free Programme available at www.bzwbk.pl/obb where all information about solutions offered to customers with special needs can be found.

Empathy through fencing

The fundamental values of every modern society include empathy, responsibility and respect for other people. In Bank Zachodni WBK, we believe that such values should be promoted from early years. Therefore, in 2015 we eagerly supported financially the project of fencing events "Passion, Integration and Security" organised by the Sports, Education and Work Academy for Integration. The Academy Members are outstanding paralympic European and World champions in wheelchair fencing.

“

STAKEHOLDER OPINIONS

"Our educational projects promoting young people's empathy towards persons with disabilities could never have such an impact if not for the support of Bank Zachodni WBK. Thanks to your involvement we reached 26,000 children in Poland."

"It is the only institution which, out of its own will and without any regulatory pressure, engages in education in this area and it is absolutely worthwhile to continue the initiatives."



Under the project, 240 shows for children from elementary, junior and high schools were watched by the audience of over 20,000 students. Fencing show fights admired by viewers create an opportunity for the athletes to talk to children on subjects related to disability, shared responsibility and not being indifferent to the problems of other people. The champions pointed out that we should not be afraid to help others and used examples from their own lives to illustrate how important integration and fair-play can be. Some of the students took advantage of a chance to participate in mini tournaments of wheelchair fencing, which was also an excellent exercise in empathy.

Additionally, the fencers warned children against risky behaviours which might lead to accidents. Their stories were set in a wider context since last year the foundation completed a pilot project which involved publication of comic books entitled "Start Thinking". The young readers were encouraged to be take care of their own safety and to avoid reckless behaviour. The comic strips – in the form of promotional banners – were displayed in Warsaw tube trains for a period of the 2-month outdoor campaign.

We will continue our partnership cooperation with the foundation in 2016. In addition to fencing shows in schools, we will co-organise at least one big fencing integration tournament and at least eight camps for disabled children and teenagers. The information campaign "START THINKING" will also be continued.



In October 2015, we had an honour to become the strategic sponsor of the 5th Mazovia Cup International Wheelchair Rugby Tournament. Six teams, including four from Poland, one from Germany and one from the Czech Republic, competed for the cup. The Czech team called the PRAGUE ROBOTS won the cup, beating the FLYING WINGS from Rzeszów, Poland in the finals. In addition to financial support from the bank, a few dozen of our employees were involved as volunteers in the organisation of the event.

BZ WBK for persons with disabilities



Talking ATMs



Branches without architectural barriers



Video chats in the Polish sign language



Signature guide frames for visually impaired customers



Aids to identify denominations of money bills for visually impaired customers



Advertising and educational communication with audio description, subtitles and interpretation into the Polish Sign Language



Artur Sikora
Head of Corporate Communications
and Marketing Area

“The scope and reach of our CSR activities gets wider every year. In 2015, over 134,000 people benefitted from the range of various social activities carried out of the bank and its staff.

Through initiatives like Santander Universidades, the national grant programme “Here I Live, Here I Change and the activities of the Bank Zachodni WBK Foundation, we managed to implement nearly 700 regional programmes. We are also glad to observe a growing interest in employee volunteering. Close to 500 employees were involved in activities dedicated to people in need. We allocated the amount of PLN 172,000 to the financing of volunteering projects.

In addition to the social dimension, we actively supported culture and education donating more than PLN 10m to activities in those areas. We proudly

sponsored the most prestigious cultural event in Poland in 2015, the 17th International Fryderyk Chopin Piano Competition. We also launched in Poland a unique, proprietary cultural and educational project called the Santander Orchestra.

Bank Zachodni WBK is a financial institution which values its customers and tries to do as much as possible for the communities in which they live. We have set ambitious goals to our bank in this area: supporting education and the development of science, building the civil society, promoting equal opportunities and preventing exclusion. We believe that effective implementation of well-targeted activities in those fields will contribute to building a competitive advantage of our economy and to the development of our country.

We perceive our impact on the environment in the holistic way and take a similar approach to identifying the areas in which the bank’s involvement may make a major change. Our efforts respond to the biggest challenges of the present times and are consistent with the global Sustainable Development Goals adopted by the United Nations in 2015. We also make sure that effects of our actions can be perceived locally and that they support the social and economic development of all regions across the country.

In order to succeed, we have to and want to keep improving in every dimension of our operations. Therefore in 2016, we are planning to implement a set of social and environmental policies of the Santander Group, including the new sustainability policy and related sectoral policies pertaining to climate change, human rights and employee volunteering. The standards will help us streamline our approach and define it in greater detail and convert the values and principles of corporate social responsibility into tangible actions in all areas of our bank’s activity.”

5. About the report and stakeholders



Our stakeholders

The most important stakeholders of Bank Zachodni WBK identified from the perspective of the business strategy, direct and indirect impacts of the organisation and the engagement types.

[G4-24] [G4-25] [G4-26]

Retail customers, including groups such as:

- young people
- families
- single
- students
- seniors
- persons with disabilities
- wealthy customers

Small and medium-sized enterprises

Local communities, local governments, NGOs

Corporate customers, including:

- large corporations
- public sector

Employees (existing and future)

College students and graduates, universities (authorities, faculty staff)

Suppliers and business partners

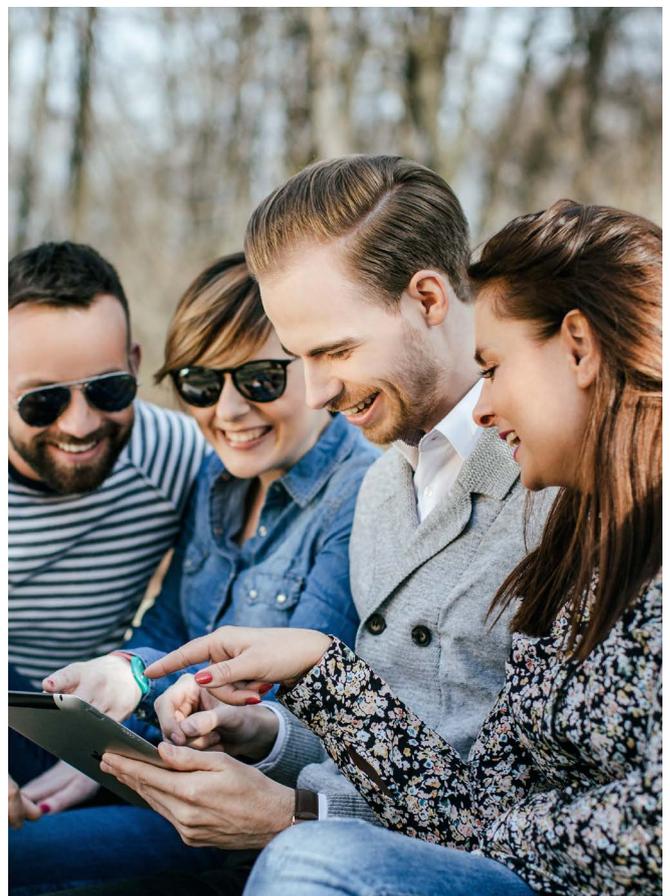
Media

- competition
- Industry organization

Shareholders

In order to define the content of the report: [G4-18]

- we have analysed the results of research conducted to date in order to identify the areas of the bank's impact on the market, society and environment,
- we have listened to the expectations of the representatives of key stakeholders,
- we have conducted a workshop with the participation of Management Board Members (Feliks Szyszkowiak, Mirosław Skiba), key bank directors and representatives of relevant departments to identify the significance of each identified subject.



[G4-37] One dialogue session was organised for the purpose of the CSR report for 2015 attended by 22 stakeholders – representatives of the financial sector, social organisations, customer associations, shareholders, research institutions and public administration. Bank Zachodni WBK was represented by a Management Board Member Feliks Szyszkowiak. His presence was a response to a Stakeholder Expectation expressed last year and was highly appreciated by the stakeholders.

The stakeholders expressed 25 expectations regarding the content of this year’s report which were taken into account during the preparation of the document. The readers will find them in highlighted boxes entitled “Stakeholder Expectations”. **[G4-27]**

During the dialogue session, 35 expectations concerning future actions of the bank were also articulated. All the expectations will be considered in the development process of the CSR Strategy of Bank Zachodni WBK.

The session was organised in conformance with the requirements of the AA1000 standard and was an important element of the process of defining the significance of GRI G4 (identification, prioritisation, validation). Its purpose was to define priority CSR areas in Bank Zachodni WBK from the point of view of reporting requirements and identification of development directions for the purpose of the currently formulated strategy of sustainable development and corporate social responsibility.

[G4-19]

GRI Aspects identified as material
Economic performance
Market presence
Indirect economic impact
Procurement practices
Materials
Energy
Emissions
Transport
Supplier environmental assessment
Employment
Occupational Health Safety
Training and Education
Diversity and equal opportunity
Equal remuneration for women and men
Supplier assessment for labour practices

GRI Aspects identified as material

Labour practices grievance mechanisms

Non-discrimination

Supplier human rights assessment

Local communities

Anti-corruption

Public policy

Compliance

Product and service labelling

Product portfolio

Marketing communication

Customer privacy

Compliance with product and service delivery and use regulations

Other material subjects identified in the course of the process

Organisational culture and building responsible attitudes of employees (in the context of responsible selling, respecting diversity and the natural environment)

Mobile and online banking/ Development of new products, expansion of the sales network

Presentation of the bank's role, including its responsibility towards market participants, customers, local communities and the environment in the context of building customer trust/ being a public trust entity

Support to customers in a difficult situation

Products and initiatives dedicated to SMEs

The social engagement strategy of the bank (including the social issues which the bank wants to help resolve)

Partnership with NGOs

[G4-19]

About our report

[G4-30] [G4-29] [G4-28] [G4-23] [G4-31]

The CSR report of Bank Zachodni WBK is issued on the annual basis. The previous report was published in 2015. This year's report contains data for the entire calendar year 2015. No significant changes in the report scope or applied measurement methods occurred. All questions, comments and suggestions concerning this year's report should be emailed to Katarzyna Teter,

Corporate Social Responsibility Manager, Bank Zachodni WBK: katarzyna.teter@bzwbk.pl.

In response to the expectations of our stakeholders, the presentation of selected indicators has been changed versus last year.



Limited assurance report

To the Management Board and Supervisory Board of Bank Zachodni WBK S.A.

Subject matter and criteria

We have been engaged by the Management Board of Bank Zachodni WBK S.A. (“the Bank”) in accordance with our agreement dated 21 July 2016 (the “Agreement”) to perform a limited assurance engagement with respect to selected non-financial information, presented in “2015 Corporate Social Responsibility Report” prepared for the period of 1 January 2015 to 31 December 2015 (“BZWBK 2015 Report”) and marked with “Yes” in a column “Review” in a table „GRI Content Index” on pages 133-139 that is profile disclosures and selected specific standard disclosures: G4-LA1, G4-LA9, G4-LA11, G4-LA12, G4-LA13, G4-LA16, G4- HR3, G4-SO4, G4-SO5, G4-SO8, G4-PR5, G4-PR9 (“Reviewed Indicators”).

The Bank’s management prepared BZWBK 2015 Report ensuring its adherence to the Sustainability Reporting Guidelines of the Global Reporting Initiative version 4.0 Core (the “GRI G4 criteria”).

Management’s Responsibility

The Bank’s Management is responsible for the preparation of the BZWBK 2015 Report in accordance with the GRI G4 criteria.

The responsibility of the Bank’s Management includes the selection and application of appropriate methods to prepare the non-financial information and the design, implementation and maintenance of systems and processes which ensure the adherence to the GRI G4 criteria relevant for the preparation of the non-financial information using assumptions and estimates which are reasonable in the circumstances.

Our Responsibility

Our responsibility is to express a limited assurance conclusion with respect to the Reviewed Indicators presented in the BZWBK 2015 Report. We applied our procedures based on our judgment and in consideration of our assessment of the risk of material misstatement of the Reviewed Indicators (definitions of indicators and reference to a page where indicators are presented are included in BZWBK 2015 Report in the “GRI Content Index”).

We conducted our work in accordance with International Standard on Assurance Engagements 3000 “Assurance engagements other than audits or reviews of historical financial information” („ISAE 3000”).

Summary of work performed

Our procedures included:

- Interviews with management and persons responsible for the reporting of the non-financial information,
- Analytical procedures for the selected non-financial information,
- Inspection of a sample evidence for the selected non-financial information.

In a limited assurance engagement, the evidence-gathering procedures are more limited than in a reasonable assurance engagement, and therefore less assurance is obtained than in a reasonable assurance engagement.

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PricewaterhouseCoopers Sp. z o.o. is entered into the National Court Register maintained by the District Court for the Capital City of Warsaw, under KRS number 0000044655, NIP 526-021-02-28. The share capital is PLN 10,363,900. The seat of the Company is in Warsaw at Al. Armii Ludowej 14.



We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 and accordingly maintains a system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Conclusion

Based on performed procedures, nothing has come to our attention that causes us to believe that the Reviewed Indicators presented in the BZWBK 2015 Report have not been prepared, in all material respects, in accordance with the GRI G4 criteria.

Limitations

Our limited assurance report prepared by PricewaterhouseCoopers Sp. z o.o. („PwC”) for Bank Zachodni WBK S.A. in respect of the Agreement is directed to sole use of the Bank’s Management Board. It should not be used to other purposes.

PwC does not take any responsibility in respect of this report (contractual, tort (including that for negligence) or any other) in respect of any parties other than the Bank. Respectively, regardless of the form of the actions, whether in contract, tort or other, within the capacity allowed by the law, PwC does not take any responsibility, and any consequences coming out of the report for any person (excluding the Bank, based on rules described above) or for any other decision taken based on this report.

The BZWBK 2015 Report should be read together with the Sustainability Reporting Guidelines of the GRI G4 Core.

TRANSLATION ONLY

PricewaterhouseCoopers Sp. z o.o.

Warsaw, 28 July 2016

We are glad that the previous issue of the report was so well received. Participants of the dialogue session considered the report interesting and remarkable, especially when compared with the rest of the industry. The following aspects were particularly appreciated:

A wide range of subjects and multiple perspectives

“

“I like that you look at things from many different points of view. You adopt a broad perspective, tackle many subjects and pay attention to many things”.

The fact that stakeholder expectations are addressed in the report

“

“I would like to thank you for taking our expectations and suggestions into account. This year's report is indeed quite different than the previous one. I see a clear change for the better and I agree with all the positive comments”.

The approach to doing business focused on people

“

“When I looked at different sections of the report I saw people everywhere. In addition to financial products, there is a human aspect in every part of the report”.

Transparency and clarity of the report

“

“What matters most to investors is figures and if they are clearly presented, like this year, it should be kept this way in the future.”

GRI Content Index

[G4-32] The asterisk is used to identify indicators the presentation of which changed from last year.

Indicator	Disclosure	CORE level requirement	Reporting	Review	Pages of the report
Strategy and analysis					
G4-1	Statement from the most senior decision-maker of the organization. (e.g. CEO, Management Board President or a holder of another equivalent position) on the significance of sustainable development for the organisation and its strategy.	CORE	X	YES	2-4
Organisational profile					
G4-3	Name of the organization	CORE	X	YES	8
G4-4	Primary brands, products, and/or services	CORE	X	YES	8
G4-5	Location of organization's headquarters	CORE	X	YES	9
G4-6	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	CORE	X	YES	8
G4-7	Nature of ownership and legal form	CORE	X	YES	8
G4-8	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	CORE	X	YES	8
G4-9	Scale of the reporting organization	CORE	X	YES	12-13
G4-10	Total number of employees by employment type, gender and region	CORE	X	YES	64
G4-11	Percentage of employees covered by collective bargaining agreements	CORE	The bank has no signed collective bargaining agreements	YES	133
G4-12	Description of the organisation's supply chain	CORE	X	YES	93
G4-13	Report any significant changes during the reporting period regarding the organisation's size, structure, or ownership of its supply chain	CORE	X	YES	9
G4-14	Report whether and how the precautionary approach or principle is addressed by the organisation	CORE	X	YES	91

G4-15	Externally developed economic, environmental and social charters, principles or other initiatives to which the organisation subscribes or which it endorses	CORE	X	YES	18
G4-16	Memberships of associations (such as industry associations) and national or international advocacy organisations	CORE	X	YES	20
Identified material aspects and boundaries					
G4-17*	List of all entities included in the organisation's consolidated financial statements or equivalent documents	CORE	X	YES	8
G4-18	The process for defining the report content and the aspect boundaries	CORE	X	YES	126
G4-19	List all the material aspects identified in the process for defining report content	CORE	X	YES	127-128
G4-20	Materiality of the identified aspects of social and environmental impact for entities within the organisation	CORE	All aspects have been identified as materials for the operations and impact of Bank Zachodni WBK	YES	134
G4-21	Any specific limitations on the scope or boundary of the report in respect of material environmental and social impacts	CORE	No limitations were found on the scope or boundary of the report in respect of material environmental and social impacts, including third-party entities	YES	134
G4-22	The effect of any restatements of information provided in previous reports, and the reasons for such restatements. (e.g. mergers, acquisition, change of the accounting year/ period, core business or measurement methods)	CORE	No restatements	YES	134
G4-23	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report	CORE	X	YES	129
Stakeholder engagement					
G4-24	List of stakeholder groups engaged by the organization	CORE	X	YES	126
G4-25	Basis for identification and selection of stakeholders with whom to engage	CORE	X	YES	126
G4-26*	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	CORE	X	YES	126
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting	CORE	X	YES	127
Report profile					
G4-28	Reporting period (e.g. fiscal/calendar year) for information provided	CORE	X	YES	129
G4-29	Date of most recent previous report (if any)	CORE	X	YES	129
G4-30	Reporting cycle (annual, biennial, etc.)	CORE	X	YES	129

G4-31	Contact point for questions regarding the report or its contents.	CORE	X	YES	129
G4-32	GRI Index	CORE	X	YES	133-139
G4-33	Report the organisation's policy and current practice with regard to seeking external assurance for the report. If the information is not included in an independent assurance report, describe the scope and basis of assurance and the relationship between the organisation and the assurance providers	CORE	Auditor's assurance	YES	130-131
Governance					
G4-34	Report the governance structure of the organisation, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts	CORE	The composition of the Supervisory Board and Management Board is presented on pages 90 and 92 of the Management Board's Report on the activities of Bank Zachodni WBK in 2015.	YES	9
G4-37	Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics		X		127
G4-39	Indicate whether the Chair of the highest governance body is also an executive officer (if so, what is his/her scope of responsibility with justification of such a structure)		X		91
Ethics and Integrity					
G4-56	Describe the organisation's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics	CORE	X	YES	82
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behaviour, and matters related to organizational integrity		X		82
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behaviour, and matters related to organizational integrity		X		82
Specific standard disclosures					
CATEGORY: ECONOMIC (EC)					
Aspect: economic performance					
	DMA: economic performance		X		15-16
G4-EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.		X		16
Aspect: Market presence					
	DMA: Remuneration/ local market presence		X		81

G4-EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.		X		81
Aspect: Indirect economic impact					
	DMA: Indirect economic impact		X		98-99, 106
G4-EC7	Contribution to the development of infrastructure and services provided to communities through commercial, in-kind, or pro bono engagements. Impact of such engagements on communities.		X		98
Aspect: Procurement practices					
CATEGORY : ENVIRONMENTAL (EN)					
Aspect: Materials					
	DMA: Materials		X		94
G4-EN1	Materials used by weight or volume		X		94
Aspect: Energy					
	DMA: Energy consumption		X		94
G4-EN3	Direct and indirect consumption of energy within the organisation		X		96
Aspect: Emissions					
	DMA: Management of emissions		X		94
G4-EN15	Direct greenhouse gas emissions by weight		X		96
G4-EN16	Indirect greenhouse gas emissions by weight		X		96
G4-EN17	Other significant indirect greenhouse gas emissions by weight		X		96
Aspect: Transport					
	DMA: Transport		X		94
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce.		X		96
Aspekt: Ocena dostawców pod kątem wpływu na środowisko					
	DMA: Ocena dostawców pod kątem wpływu na środowisko		X		93
G4-EN32	Odsetek nowych dostawców, którzy zostali poddani ocenie wg kryteriów środowiskowych		X		93
Aspect: Supplier Environmental Assessment					
Aspect: Employment					

	DMA: Employment		X		62
G4-LA1	Total number and rate of new employee hires during the reporting period, by age group, gender and region.		X	YES	66
G4-LA3	Return to work and retention rates after parental leave, by gender		X		77-78
Aspect: Occupational Health and Safety					
	DMA: Occupational health and safety		X		79
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender		X		79
Aspect: Education and training					
	DMA: Education and training		X		69
G4-LA9	Average hours of training per year per employee by gender, and by employee category.		X	YES	69
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.		X		70-72
G4-LA11*	Percentage of employees receiving regular performance and career development reviews, by gender.		X	YES	71
Aspect: Diversity and equal opportunity					
	DMA: Diversity and equal opportunity		X		77
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.		X	YES	76
Aspect: Equal remuneration for women and men					
	DMA: Equal remuneration for women and men		X		81
G4-LA13*	Ratio of the basic salary and remuneration of women to men for each employee category		X	YES	82
Aspect: Supplier assessment for labour practices					
	DMA: Supplier assessment for labour practices		X		93
G4-LA14	Percentage of new suppliers that were screened for labour practices		X		93
Aspect: Labour Practices Grievance Mechanisms					
	DMA: Labour Practices Grievance Mechanisms		X		81-83
G4-LA16	Number of grievances about labour practices filed and resolved through formal grievance mechanisms.		X	YES	83
Human rights					
Aspect: Non-discrimination					
	DMA: Non-discrimination		X		81-83

G4-HR3	Total number of incidents of discrimination and corrective actions taken.		X	YES	83
Aspect: Supplier human rights assessment					
	DMA: Supplier human rights assessment		X		93
G4-HR10	Percentage of new suppliers that were screened using human rights criteria		X		93
Society					
Aspect: Local communities					
	DMA: Local communities		X		98-99
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.		X 100% business units		138
G4-FS13	Access points in low-populated or economically disadvantaged areas by type.		X		31
G4-FS14	Initiatives to improve access to financial services for disadvantaged people.		X		118
Aspect: Anti-corruption					
	DMA: Anti-corruption		X		82-84
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified		100% business units		84, 138
G4-SO4	Communication and training on anti-corruption policies and procedures		X	YES	84
G4-SO5	Confirmed incidents of corruption and actions taken		X	YES	84
Aspect: Public policy					
	DMA: Compliance		X		81-83
G4-SO6	Total value of political contributions by country and recipient/beneficiary		The organisation does not make donations to the specified entities.		83
Aspect: Compliance					
	DMA: Zgodność z regulacjami		X		81-83
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations		In 2015, no non-monetary sanctions were imposed on Bank Zachodni WBK for non-compliance with laws and regulations.	YES	138
Product liability					
Aspect: Product and service labelling					

	DMA: Product and service labelling		X		22-24
G4-PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.		X		25
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.		No instances of non-compliance		27
G4-PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.		X	YES	33
Aspect: Marketing communication					
	DMA: Marketing communication		X		22-24
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes.		X		25
Aspekt: Ochrona prywatności klienta					
	DMA: Customer privacy		X		22-23, 28
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.		X		28
Aspect: Compliance					
	DMA: Compliance		X		22-23, 29
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.		X	YES	25

Glossary

OHS	Occupational Health and Safety
BZWBK24	Mobile and Internet banking platform of Bank Zachodni WBK
CC	Contact Centre
CRM	Customer Relationship Management
CSR	Corporate Social Responsibility
EMV	Europay MasterCard Visa
Equator Principles	International project on social and environmental risks with the participation of financial institutions
FOB	Responsible Business Forum
GCB	Global Corporate Banking (formerly known as Global Banking & Markets)
GRI	Global Reporting Initiative
Stakeholders	Parties which have influence on the organisation or under the organisation's influence
Jessica	Joint European Support for Sustainable Investment in City Area
LEED	Leadership in Energy and Environmental Design
LIBOR	London Interbank Offered Rate
MdM	Home for the Young
Misselling	Irresponsible and unethical selling of financial products
SME	Small and Medium Size Enterprises
NBP	National Bank of Poland
OBB	Barrier-Free Service
RESPECT Index	Index of socially responsible companies listed on WSE
Spread	Difference between the sell and buy ratios
UN Global Compact	United Nations initiative for corporate social responsibility and sustainable development
ZBP	Polish Bank Association

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ECO calculator

Thanks to use of the Cocoon Silk paper instead of non-scrap paper, our negative environmental impact has been reduced as follows:



932
kg less waste



1 252
km shorter distance covered by a
standard class European car



33 633
litres of water saved



2 061
kWh less energy consumed



125
kg less of greenhouse gas emissions



1 515
kg less of wood used



