

SANTANDER GROUP

CRITERIA FOR FINANCING POLITICAL PARTIES

This document summarizes the application criteria for financing political parties by Santander Group, as set out in its internal regulation.

1. Definition and scope:

The financing of political parties is established on the basis of the Santander's Group General Code of Conduct, , taking into consideration the provisions of Organic Law 1/2015, of 30 March, on the reform of the Criminal Code, in relation to the crime of illegal financing of political parties and the Organic Law 8/2007, of 4 July, on financing of political parties

Regarding political party financing, Santander Group's internal regulation apply to Santander Group's relationships with political parties in a broad sense, excluding the general management of the Group's customers in their personal sphere.

A political party is considered as any association of persons with assigned legal personality, that aspires to exercise political authority through representation in the governing institutions of a country or region in all areas. In addition, this term is also used to refer to dependent bodies, electoral candidates, and party structures, in particular:

- *Dependent bodies of a political party:* entities over which a party or its structures have effective control, either through ownership relationship or due to the ability to appoint or hold management positions in that entity (such as foundations of political parties), even if they have their own legal personality.
- *Electoral candidate:* a person who meets the requirements established in the applicable electoral regulations and is appointed by a party, federation, coalition, or group with the aim of running in a public election for which they may carry out lawful activities in order to obtain votes¹. The relationship of Santander Group with the electoral candidates of the political parties will be considered included under the scope of this policy, unless they relate to personal transactions.
- *Party structures:* political parties' groups with several types of structures (federations, coalitions or electoral groups), either with a higher scope than the political party, their entities of territorial scope or any other division.

2. Criteria:

The conduct guidelines and limitations to be observed by Santander Group in its relationship with political parties will be aligned with the applicable legal and internal regulations, including the assessment of the corresponding expert functions.

¹ In exceptional circumstances, candidates who are not affiliated with political parties or who are independents will be accepted.

Financing:

The financing of political parties by any Santander Group entity will be considered exceptional and will be carried out restrictively, requiring the approval or, in the case of transactions from subsidiaries, validation by Santander Group Executive Committee , which may only authorize it under market conditions.

Likewise, the renewal or refinancing of existing exposure with political parties contracted prior to this regulation or requests to refinance debt by political parties on loans already granted must be submitted to Santander Group Executive Committee for approval or, in the case of transactions from subsidiaries, validation.

Debt forgiveness:

Santander Group entities may not fully or partially forgive debts of political parties or their dependent entities.

Santander Group entities may reach agreements on the terms of political parties' debt, provided that the interest rate applied will not be lower than the corresponding to market conditions.

Agreements on debt conditions with political parties must be submitted to the Santander Group Executive Committee for approval or, in the case of transactions from subsidiaries, their ratification.

3. Donations and contributions to election campaigns:

It is strictly forbidden for Banco Santander, S.A., or its subsidiaries to make, by themselves or through intermediaries, directly or indirectly to political parties any type of donations or contributions to electoral campaigns, whether monetary or in kind.

In line with the provisions of Additional Provision Seven of Spanish Organic Law 8/2007, of 4 July, on financing of political parties, exceptionally and with prior authorization or, in case of transactions from subsidiaries, ratification of Santander Group's Executive Committee, sponsorships of events or activities, carried out by dependent entities, which are consistent with the activity and objectives of Santander Group will be permitted. In any case, the criteria and controls provided in this regulation with respect to donations will be followed.