

# Quarterly Shareholder Summary - 9M'24

July - September 2024

## Key figures Group 9M'24

**Record profit generation: attributable profit amounted to €9.3bn (+14% vs. 9M'23) with all our global businesses contributing to our 2024 targets**

	9M'24	change/9M'23
Total income	€46,185 mn	7.2%
Net operating income	€26,923 mn	11.6%
Profit before tax	€14,427 mn	12.9%
Profit attributable to the parent	€9,309 mn	14.3%

Note: Underlying income statement.

## Solid, diversified and scaled balance sheet

	Sep-24	change/Sep-23
Total assets	€1,802,259 mn	(0.8)%
Loans and advances to customers	€1,067,419 mn	2.7%
Customer deposits	€1,045,911 mn	1.1%
Total funds	€1,327,308 mn	3.0%

	Sep-24	Sep-23
Fully-loaded CET1 ratio	12.5%	12.3%

## Delivering double-digit value creation and higher shareholder remuneration<sup>1,2</sup>

	Sep-24	change/Sep-23
TNAV per share + DPS	€5.04	14%

## Sound credit quality metrics

	9M'24	9M'23
Cost of risk	1.18%	1.13%
NPL ratio	3.06%	3.13%
NPL coverage ratio	64%	68%

## ONE Transformation is driving profitable growth and structural efficiency improvement

	9M'24	9M'23
RoTE	16.2%	14.8%
Efficiency ratio	41.7%	44.0%

### Total income

The benefits from our global scale, margin management and higher customer activity were reflected in year-on-year increases in net interest income (+8% in euros, +9% in constant euros) and net fee income (+5% in euros, +6% in constant euros), resulting in total income growth of 7% in euros (+8% in constant euros).

### Ratios

Credit quality remains robust, driven by the strong macroeconomic environment and employment across our footprint. The NPL ratio was 3.06%, improving 7 bps year-on-year. Total loan-loss reserves reached €22,735 million, resulting in a total coverage ratio of 64%.

### Profitability

Profitability improved year-on-year. RoTE stood at 16.2% in 9M 2024, compared to 14.8% in the same period of 2023.

## Global businesses performance 9M'24

Since January 2024, we have managed the bank through a simpler and more efficient operating model organized under 5 global businesses. This will allow us to capture the full potential of our in-market and global scale and deliver profitable growth.

### Retail & Commercial Banking

A new global business integrating our retail and commercial banking activities.

**Loans** decreased 1% year-on-year in constant euros due to lower balances in Europe (mortgages and SMEs) and in the US, partially offset by increases in South America and Mexico. **Deposits rose 1% in constant euros.**

**Attributable profit of €5,332 million**, increasing 29% year-on-year in euros and in constant euros, driven by the good revenue performance, efficiency gains from our transformation programme and lower provisions in Europe.

Loans<sup>3</sup>  
**€614 bn**  
-1%

Deposits<sup>4</sup>  
**€638 bn**  
+1%

Cost of risk  
**0.98%**  
+3bps

Efficiency  
**39.3%**  
-4.2pp

Profit  
**€5,332 mn**  
+29%

RoTE  
**18.5%**  
+3.6pp

Note: data and YoY changes in constant euros.

1. TNAV + cash dividend per share includes €9.50 cent cash dividend paid in May 2024 and the €10.00 cent interim cash dividend per share approved in September 2024 that will be paid from November 2024, executed as part of the shareholder remuneration policy.

2. Target payout is c.50% of Group reported profit (excluding non-cash, non-capital ratios impact items), distributed approximately 50% in cash dividends and 50% in share buybacks. Execution of the shareholder remuneration policy is subject to future corporate and regulatory decisions and approvals.

3. Gross loans and advances to customers (excluding reverse repos).

4. Customer deposits excluding repos.

## Digital Consumer Bank

A single model across our markets for our consumer and auto finance business and for Openbank.

**Loans increased 5% year-on-year in constant euros, +7% in auto** in a market that is recovering. Deposits rose 12% in constant euros, in line with our strategy aimed at lowering funding costs and reducing net interest income volatility across the cycle, to be able to offer our customers better pricing.

**Attributable profit reached €1,507 million in 9M 2024, a 4% increase year-on-year in euros** (+5% in constant euros), mainly driven by operational leverage, with solid performances in net interest income and net fee income and good cost control, which more than offset lower residual values in auto and the cost of risk normalization.

Loans <sup>1</sup> <b>€210 bn</b> +5%	Deposits <sup>2</sup> <b>€123 bn</b> +12%	Cost of risk <b>2.12%</b> +11bps
Efficiency <b>40.7%</b> -1.9pp	Profit <b>€1,507 mn</b> +5%	RoTE <b>11.9%</b> +0.3pp

## Corporate & Investment Banking

Our global platform to support corporates and institutions.

**Strong activity year-on-year**, supported mainly by our growth initiatives in Global Banking (Global Debt Finance and Corporate Finance) and Global Markets, and, to a lesser extent, by Global Transaction Banking.

**Attributable profit reached €2,039 million**, a 5% decline year-on-year (-3% in constant euros). Good revenue performance, growing 9% in constant euros from record levels in 9M 2023, partially offset higher costs related to the development of new capabilities and provisions. We maintained a leading position in efficiency and profitability.

Loans <sup>1</sup> <b>€137 bn</b> +6%	Deposits <sup>2</sup> <b>€127 bn</b> -13%	Cost of risk <b>0.21%</b> +6bps
Efficiency <b>44.4%</b> +3.6pp	Profit <b>€2,039 mn</b> -3%	RoTE <b>18.1%</b> -2.3pp

## Wealth Management & Insurance

Common service models for our private banking, asset management and insurance businesses.

Total **assets under management** continued to increase, reaching new record levels of **€493 billion**, +16% year-on-year in constant euros, due to excellent commercial dynamics in both Private Banking and Santander Asset Management. In Insurance, **gross written premiums** reached **€9.0 billion in 9M 2024**.

**Attributable profit amounted to €1,266 million**, 14% higher year-on-year (+15% in constant euros), with an **RoTE of 81%**.

Net new money (PB) <b>€13.2 bn</b> 5% of volumes*	Net sales (SAM) <b>€12.5 bn</b> 7% of volumes*	Gross written premiums <b>€9.0 bn</b> 0%
Efficiency <b>34.2%</b> -2.1pp	Profit <b>€1,266 mn</b> +15%	RoTE <b>81.1%</b> +3.9pp

\*Annualized net new money as % of total PB customer assets and liabilities (CAL). Annualized net sales as % of SAM AuMs.

## Payments: PagoNxt & Cards

Single infrastructures for our payment solutions: PagoNxt and Cards.

**Activity increased in both businesses supported by global platform development**, enabling further scale gains. In PagoNxt, Getnet's Total Payments Volume (TPV) rose 12% year-on-year in constant euros and the number of transactions improved 5%. In Cards, turnover increased 6% year-on-year in constant euros and transactions rose 9%.

**Attributable profit was €178 million**. Excluding charges after discontinuing our merchant platform in Germany and Superdigital in Latin America in Q2 2024, profit was €421 million, increasing 5% year-on-year, +10% in constant euros. The EBITDA margin in PagoNxt improved 3.1pp to 22.7%.

Loans <sup>1</sup> <b>€23 bn</b> +5%	TPV Getnet <b>€163 bn</b> +12%	Turnover Cards <b>€241 bn</b> +6%
Efficiency Payments <b>46.3%</b> +1.3pp	Profit Payments <b>€421 mn</b> +10%	EBITDA margin PagoNxt <b>22.7%</b> +3.1pp
	<b>€178 mn</b> -53% with one-offs*	

\*Profit and YoY change including the charges of our investments related to our merchant platform in Germany and Superdigital in Latin America.

Note: data and YoY changes in constant euros.

1. Gross loans and advances to customers (excluding reverse repos).

2. Customer deposits excluding repos.

## Santander in the market

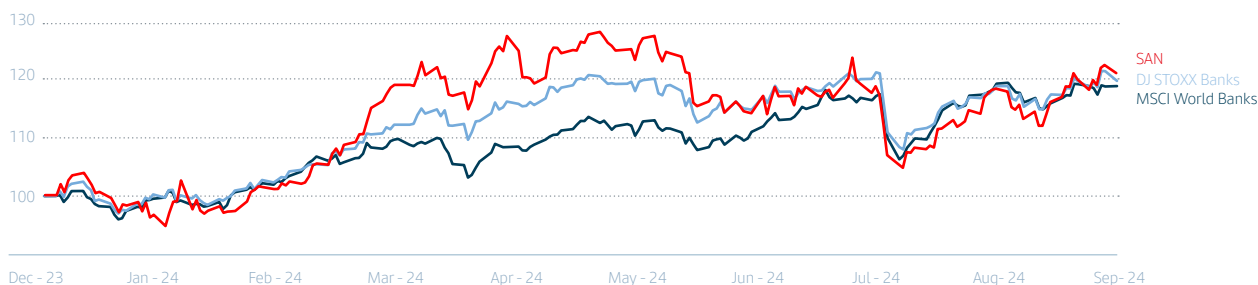
The SAN share ended 9M'24 with a +21.7% increase

<b>Start</b> (29/12/2023)	€3.780
<b>Maximum</b> (29/04/2024)	€4.928
<b>Minimum</b> (30/01/2024)	€3.563
<b>End</b> (30/09/2024)	€4.601

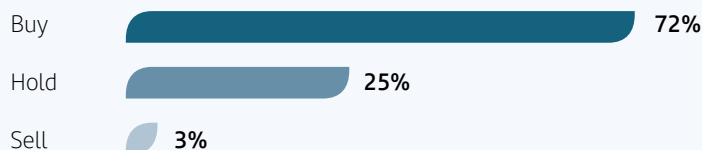
### Performance of the main indices:

SAN: +21.7%
Eurostoxx Banks: +22.7%
DJ Stoxx Banks: +20.3%
MSCI World Banks: +19.4%
Ibex 35: +17.6%
DJ Stoxx 50: +8.8%

Our business model and strategy are reflected in a good performance of the Santander share, which closed the first nine months of the year outperforming the market



97% of analysts recommend buying or holding SAN shares and they attribute an average target price of €5.65



Source: Bloomberg as of 30/09/2024.

Banco Santander's market capitalization of €71,281 million is the largest in the eurozone among financial institutions

### Shares and trading data

Shares (number)	15,494,273,572
Average daily turnover (number of shares)	30,590,687
Share liquidity (%)	50

(Annualized number of shares traded during the period / number of shares)

### Weighting of the Santander share in the main indices

DJ Stoxx Banks	6.9%
DJ Euro Stoxx Banks	11.4%
Ibex 35	11.7%

Source: Bloomberg and Madrid Stock Exchange as of 30/09/2024.

3,501,621 shareholders trust Banco Santander

### Distribution by type of shareholder

Institutions	59.37%
Retail	39.37%
Board	1.26%*

\*Shares owned or represented by directors.

As of 30/09/2024. Source: Banco Santander, S.A Shareholder Register.

### Distribution by geographic area

Europe	72.92%
The Americas	25.65%
Other	1.43%

## Shareholder remuneration

We allocate 50% of the Group's underlying profit to shareholder remuneration. Keys to the interim dividend charged to 2024<sup>1</sup> results:



### 50% of remuneration in cash

The board of directors of Banco Santander announced its decision to pay an interim cash dividend of **€10.00 cents per share**, an increase of 23% compared to the same dividend last year, to be paid from 1 November 2024.



### 50% through share buybacks

Also, the board approved a share buyback programme of **€1,525 million**, which commenced on 27 August.



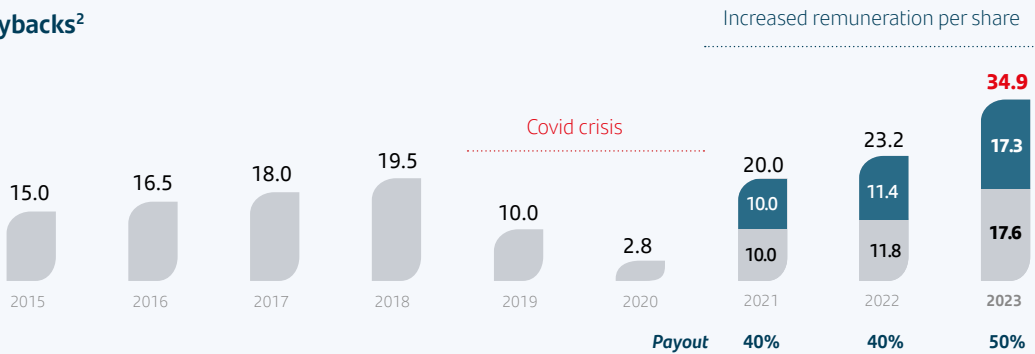
As a result, **the total remuneration of this interim distribution charged against 2024 results will be around €3,050 million** (+17% compared to its equivalent of 2023) and represents approximately 50% of the H1 2024 attributable profit (25% through dividend payments and 25% through share buybacks).

1. Target payout is c.50% of Group reported profit (excluding non-cash, non-capital ratios impact items), distributed approximately 50% in cash dividends and 50% in share buybacks. Execution of the shareholder remuneration policy is subject to future corporate and regulatory decisions and approvals.

## Dividends and share buybacks<sup>2</sup>

(cents per share)

■ Cash dividends  
■ Share repurchases



2. Total shareholder fiscal year remuneration: Cash dividends + buybacks.

## Our business model, based on three unique competitive advantages, is the foundation to continue generating value for our shareholders

### 1. Customer focus

We are building a digital bank with branches to deliver the best customer experience and be the #1 bank for our customers.

Total customers	171 mn	+2.8% vs. Sep-23
Active customers	102 mn	+1.7% vs. Sep-23

### 2. Global and in-market scale

Our five global businesses and our presence in Europe, DCB Europe, North America and South America support value creation based on the profitable growth and operational leverage that ONE Santander provides.

#### Global businesses

- Retail & Commercial Banking
- Digital Consumer Bank
- Corporate & Investment Banking
- Wealth Management & Insurance
- Payments: PagoNxt & Cards

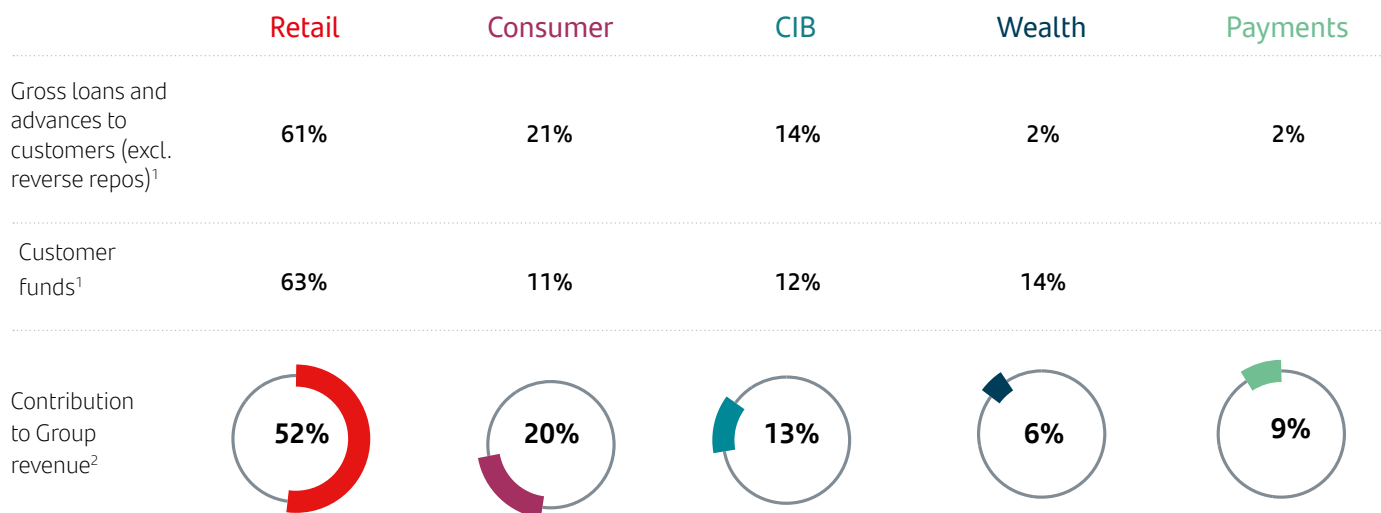
#### Santander's regions

- Europe
- DCB Europe
- North America
- South America



### 3. Diversification: business, geographical and balance sheet

Well-balanced diversification between businesses and markets with a solid and simple balance sheet that gives us recurrent net operating income with low volatility and more predictable results.



1. As percentage of total operating areas.

2. As percentage of total operating areas, excluding the Corporate Centre.

## Looking ahead: Record 9M'24 results keep us on track to meet or exceed our full-year 2024 targets

	9M'24	2024 targets
Revenue <sup>3</sup>	+8%	High-single digit growth
Efficiency	41.7%	c.42%
CoR	1.2%	c.1.2%
FL CET1	12.5%	>12.0% <sup>4</sup>
RoTE	16.2%	>16%

3. YoY change in constant euros, except Argentina in current euros.

4. After FL Basel III implementation.

## For more information on Banco Santander's quarterly results see:

[CEO video summary](#)
[Press release](#)
[9M'24 Financial Report](#)
[9M'24 Earnings presentation](#)

## About us

**Banco Santander is a leading commercial bank, founded in 1857 and headquartered in Spain.** Santander is a global bank organized under 5 global businesses, with a meaningful presence in 10 core markets in Europe, North America and South America, and is one of the largest banks in the world by market capitalization.

**Santander aims to be the best open financial services platform** providing services to individuals, SMEs, corporates, financial institutions and governments. **The bank's purpose is to help people and businesses prosper in a simple, personal and fair way.**

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This document contains financial information prepared according to International Financial Reporting Standards (IFRS) and taken from our consolidated financial statements, as well as alternative performance measures (APMs) as defined in the Guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority (ESMA) on 5 October 2015, and other non-IFRS measures. The APMs and non-IFRS measures were calculated with information from Grupo Santander; however, they are neither defined or detailed in the applicable financial reporting framework nor audited or reviewed by our auditors. We use these APMs and non-IFRS measures when planning, monitoring and evaluating our performance. We consider them to be useful metrics for our management and investors to compare operating performance between periods. APMs we use are presented unless otherwise specified on a constant FX basis, which is computed by adjusting comparative period reported data for the effects of foreign currency translation differences, which distort period-on-period comparisons. Nonetheless, the APMs and non-IFRS measures are supplemental information; their purpose is not to substitute IFRS measures. Furthermore, companies in our industry and others may calculate or use APMs and non-IFRS measures differently, thus making them less useful for comparison purposes. APMs using ESG labels have not been calculated in accordance with the Taxonomy Regulation or with the indicators for principal adverse impact in SFDR. For further details on APMs and Non-IFRS Measures, including their definition or a reconciliation between any applicable management indicators and the financial data presented in the consolidated financial statements prepared under IFRS, please see the 2023 Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission (the SEC) on 21 February 2024 (<https://www.santander.com/content/dam/santander-com/en/documentos/informacion-sobre-resultados-semestrales-y-anales-suministrada-a-la-sec/2024/sec-2023-annual-20-f-2023-en.pdf>), as well as the section "Alternative performance measures" of the Banco Santander, S.A. (Santander) Q3 2024 Financial Report, published on 29 October 2024 (<https://www.santander.com/en/shareholders-and-investors/financial-and-economic-information#quarterly-results>). Underlying measures, which are included in this document, are non-IFRS measures.

The businesses included in each of our geographic segments and the accounting principles under which their results are presented here may differ from the businesses included and local applicable accounting principles of our public subsidiaries in such geographies. Accordingly, the results of operations and trends shown for our geographic segments may differ materially from those of such subsidiaries.

#### Non-financial information

This document contains, in addition to financial information, non-financial information (NFI), including environmental, social and governance-related metrics, statements, goals, commitments and opinions.

NFI is included to comply with Spanish Act 11/2018 on non-financial information and diversity and to provide a broader view of our impact. NFI is not audited nor reviewed by an external auditor. NFI is prepared following various external and internal frameworks, reporting guidelines and measurement, collection and verification methods and practices, which are materially different from those applicable to financial information and are in many cases emerging and evolving. NFI is based on various materiality thresholds, estimates, assumptions, judgments and underlying data derived internally and from third parties. NFI is thus subject to significant measurement uncertainties, may not be comparable to NFI of other companies or over time or across periods and its inclusion is not meant to imply that the information is fit for any particular purpose or that it is material to us under mandatory reporting standards. NFI is for informational purposes only and without any liability being accepted in connection with it except where such liability cannot be limited under overriding provisions of applicable law.

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