

24 July 2024

Think **Value**
Think **Customer**
Think **Global**

Fixed income investors presentation



H1'24

Important information

Non-IFRS and alternative performance measures

This presentation 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-anuales-suministrada-a-la-sec/2024/sec-2023-annual-20-f-2023-en.pdf>), as well as the section “Alternative performance measures” of Banco Santander, S.A. (Santander) Q2 2024 Financial Report, published on 24 July 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 presentation contains, in addition to financial information, non-financial information (NFI), including environmental, social and governance-related metrics, statements, goals, commitments and opinions.

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.

Forward-looking statements

Santander hereby warns that this presentation contains “forward-looking statements” as per the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Such statements can be understood through words and expressions like “expect”, “project”, “anticipate”, “should”, “intend”, “probability”, “risk”, “VaR”, “RoRAC”, “RoRWA”, “TNAV”, “target”, “goal”, “objective”, “estimate”, “future”, “commitment”, “commit”, “focus”, “pledge” and similar expressions. They include (but are not limited to) statements on future business development, shareholder remuneration policy and NFI.

Important information

While these forward-looking statements represent our judgement and future expectations concerning our business developments and results may differ materially from those anticipated, expected, projected or assumed in forward-looking statements.

In particular, forward looking statements are based on current expectations and future estimates about Santander's and third-parties' operations and businesses and address matters that are uncertain to varying degrees and may change, including, but not limited to (a) expectations, targets, objectives, strategies and goals relating to environmental, social, safety and governance performance, including expectations regarding future execution of Santander's and third-parties' (including governments and other public actors) energy and climate strategies, and the underlying assumptions and estimated impacts on Santander's and third-parties' businesses related thereto; (b) Santander's and third-parties' approach, plans and expectations in relation to carbon use and targeted reductions of emissions, which may be affected by conflicting interests such as energy security; (c) changes in operations or investments under existing or future environmental laws and regulations; (d) changes in rules and regulations, regulatory requirements and internal policies, including those related to climate-related initiatives ; (e) our own decisions and actions including those affecting or changing our practices, operations, priorities, strategies, policies or procedures; and (f) the uncertainty over the scope of actions that may be required by us, governments and others to achieve goals relating to climate, environmental and social matters, as well as the evolving nature of underlying science and industry and governmental standards and regulations.

In addition, the important factors described in this presentation and other risk factors, uncertainties or contingencies detailed in our most recent Form 20-F and subsequent 6-Ks filed with, or furnished to, the SEC, as well as other unknown or unpredictable factors, could affect our future development and results and could lead to outcomes materially different from what our forward-looking statements anticipate, expect, project or assume.

Forward-looking statements are therefore aspirational, should be regarded as indicative, preliminary and for illustrative purposes only, speak only as of the date of this presentation, are informed by the knowledge, information and views available on such date and are subject to change without notice. Santander is not required to update or revise any forward-looking statements, regardless of new information, future events or otherwise, except as required by applicable law. Santander does not accept any liability in connection with forward-looking statements except where such liability cannot be limited under overriding provisions of applicable law.

Not a securities offer

This presentation and the information it contains does not constitute an offer to sell nor the solicitation of an offer to buy any securities.

Past performance does not indicate future outcomes

Statements about historical performance or growth rates must not be construed as suggesting that future performance, share price or results (including earnings per share) will necessarily be the same or higher than in a previous period. Nothing in this presentation should be taken as a profit and loss forecast.












Third Party Information

In this presentation, Santander relies on and refers to certain information and statistics obtained from publicly-available information and third-party sources, which it believes to be reliable. Neither Santander nor its directors, officers and employees have independently verified the accuracy or completeness of any such publicly-available and third-party information, make any representation or warranty as to the quality, fitness for a particular purpose, non-infringement, accuracy or completeness of such information or undertake any obligation to update such information after the date of this presentation. In no event shall Santander be liable for any use by any party of, for any decision made or action taken by any party in reliance upon, or for inaccuracies or errors in, or omission from, such publicly-available and third-party information contained herein. Any sources of publicly-available information and third-party information referred or contained herein retain all rights with respect to such information and use of such information herein shall not be deemed to grant a license to any third party.

Santander, a leading financial group



H1'24 Highlights

	Total assets (€ bn)	1,786
	Customer loans (€ bn excluding reverse repos)	1,027
	Customer deposits + mutual funds (€ bn excluding repos)	1,171
	Branches	8,285
	H1'24 Net operating income (pre-provision profit) (€ mn)	18,137
	H1'24 Attributable profit (€ mn)	6,059
	Market capitalization (€ bn; 28-06-24)	67
	People (headcount)	209,553
	Customers (mn)	168
	Shareholders (mn)	3.5
	Financial inclusion (mn people)	2.8

Index



**H1'24
Summary**



Santander
Business
Model &
Strategy



Capital



Asset
Quality



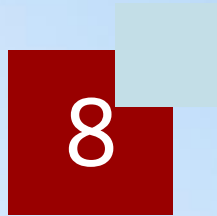
Liquidity &
Funding.
Ratings



ESG



Concluding
Remarks



Links,
Appendix
and
Glossary



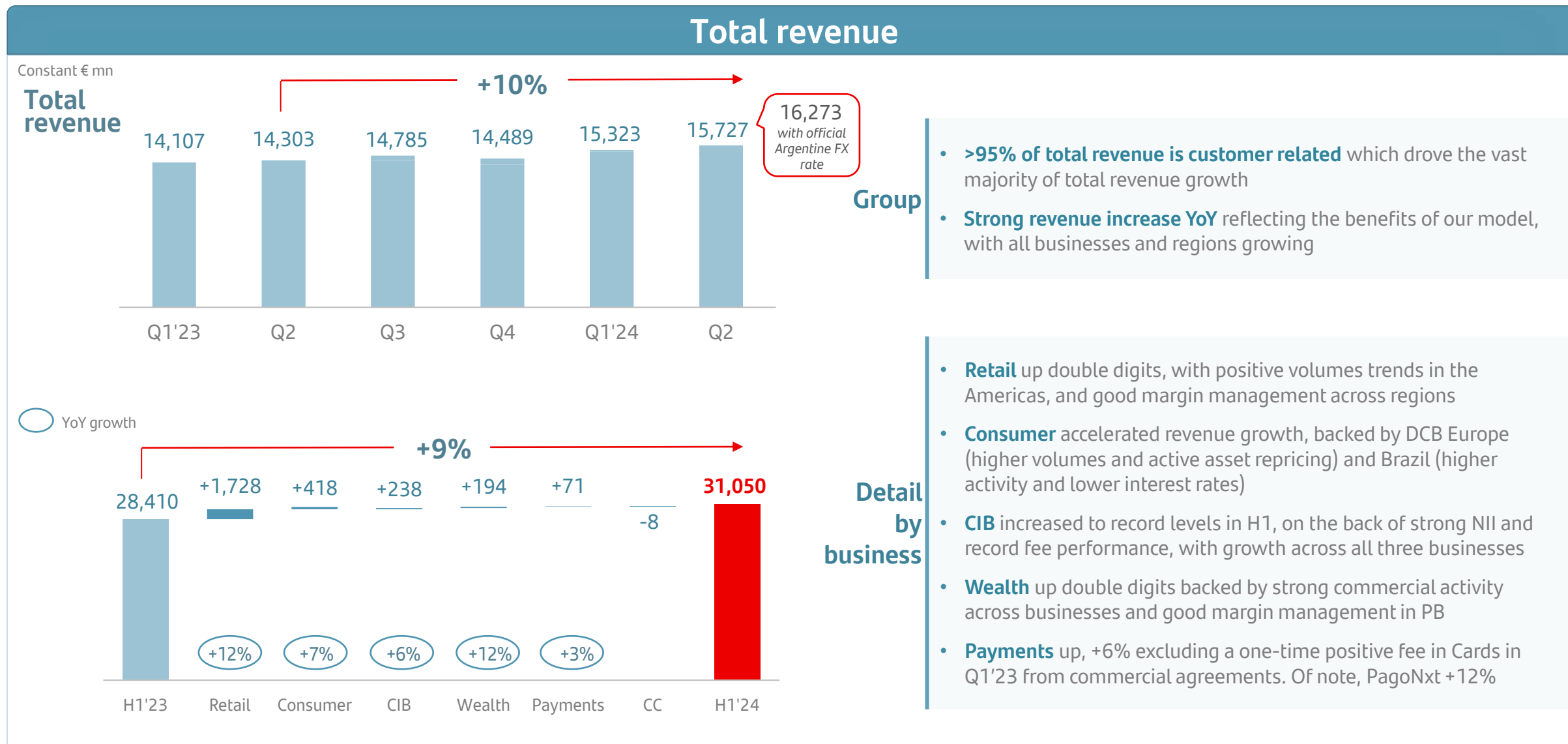
Double-digit YoY profit increase driven by strong growth in net operating income, supported by customer revenue and efficiency improvements

P&L € million	H1'24	H1'23	ex. Argentina			
			Current	Constant	Current	Constant
			%	%	%	%
NII	23,457	20,920	12	11	11	10
Net fee income	6,477	6,103	6	6	8	7
Other income	1,116	1,211	-8	-7	8	9
Total revenue	31,050	28,234	10	9	10	10
Operating expenses	-12,913	-12,479	3	3	5	4
Net operating income	18,137	15,755	15	14	15	14
LLPs	-6,243	-5,771	8	8	9	8
Other results*	-2,386	-1,655	44	43	40	39
Attributable profit	6,059	5,241	16	15	16	15

Excellent business and commercial dynamics continued in H1'24

- Record NII, fees, total revenue, net operating income and profit
- C/I and RoTE improvement

High-single digit revenue growth backed by customer activity across our businesses



ONE Transformation is driving structural efficiency gains and positive jaws

Efficiency and costs

Efficiency

Quarterly

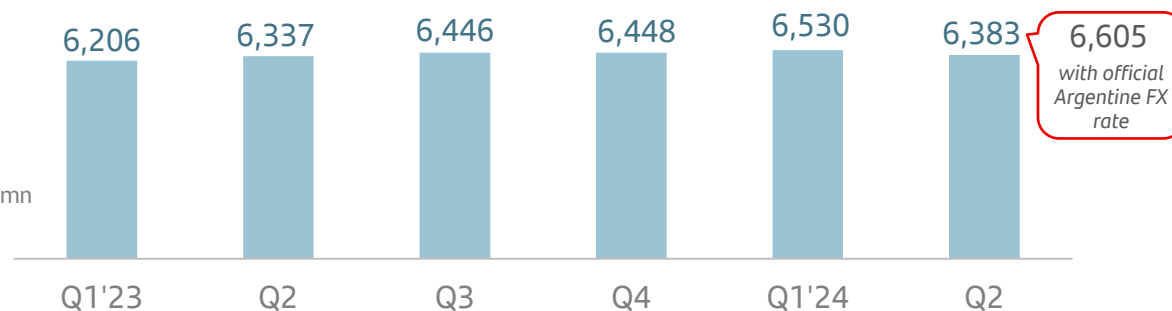


Efficiency

- **Strong quarterly trend.** H1'24 efficiency ratio improved 3pp YoY to 41.6%, even when we are investing in our transformation
- **Transformation investments (technology)** in H1'24 totalled €1.2bn (€3.6bn since 2022)
- Most businesses reflecting **strong operational leverage** from our initiatives to move towards a simpler and more integrated model

Costs

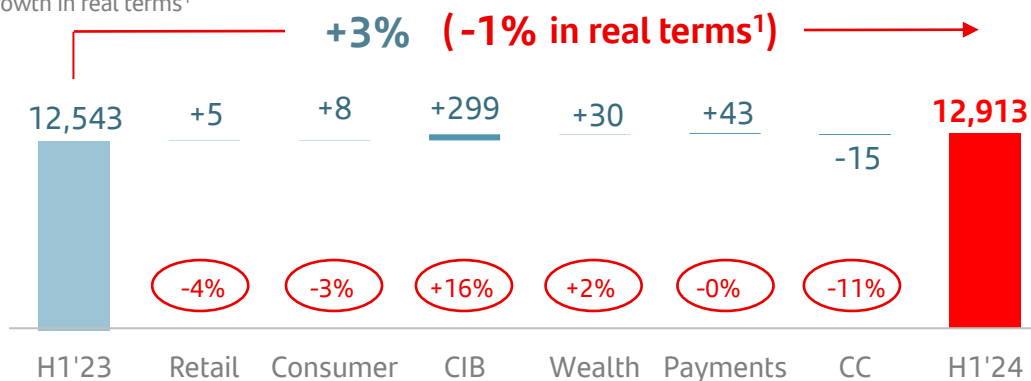
Constant € mn



Costs

- **Costs fell 2% QoQ** (flattish excluding Argentina), after three stable quarters
- **Costs decreased 1% YoY in real terms**, with widespread reductions and efficiency gains
 - **Retail:** strong decline in costs, reflecting our transformation efforts
 - **Consumer:** costs down despite investments and business growth
 - **CIB:** higher costs as we invest for future growth through US BBO, our initiative to develop new products and capabilities
 - **Wealth:** slightly up due to higher commercial activity and reinforcing our PB teams
 - **Payments:** decreased even with Cards and PagoNxt still in investment phases
 - **Corporate Centre:** down driven by ongoing simplification measures

○ YoY growth in real terms¹



Stable credit quality in line with 2024 target

LLPs and credit quality

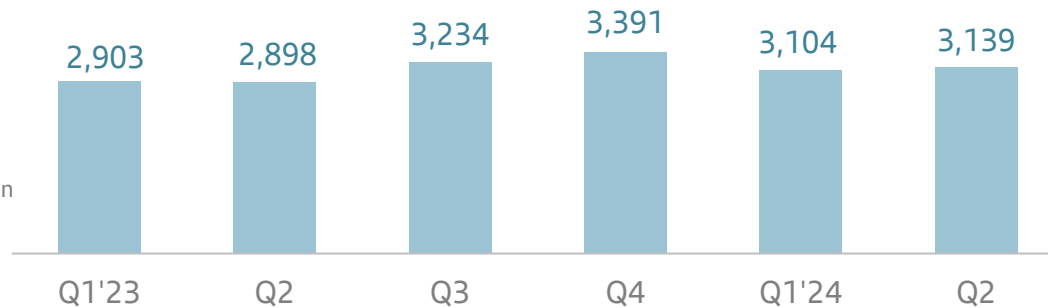
CoR

12 month



LLPs

Constant € mn



Credit quality

- **YTD CoR stood at 1.17%**, despite increasing CHF mortgage portfolio coverage
- **Credit quality remains robust**, backed by overall good economic performance and record low unemployment in most countries
- **NPL ratio of 3.02%**, improving significantly both YoY and QoQ with stable coverage ratio

Other credit quality metrics

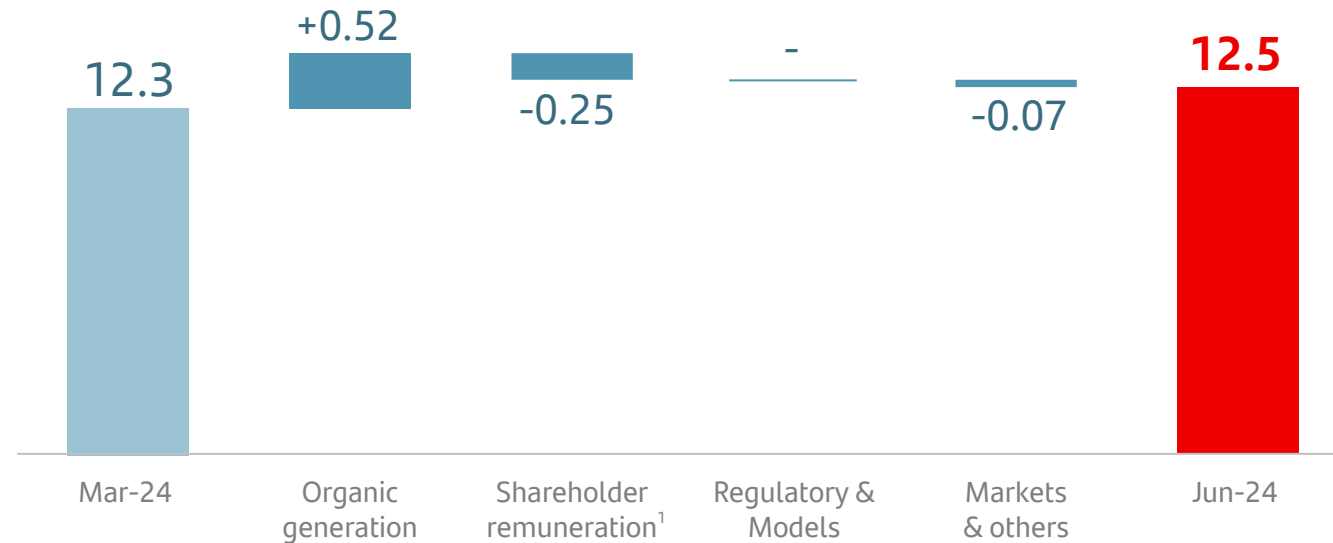
	Jun-23	Mar-24	Jun-24
NPL ratio	3.07%	3.10%	3.02%
Coverage ratio	68%	66%	66%
Stage 1	€1,011bn	€1,007bn	€1,008bn
Stage 2	€75bn	€83bn	€94bn
Stage 3	€35bn	€36bn	€35bn

Detail by business

- **In Retail, which represents 50% of Group LLPs**, CoR remained stable QoQ at 1.03%
 - Spain: improving CoR and NPL YoY and QoQ
 - UK: CoR stable at very low levels
 - Brazil: CoR improving slightly QoQ and better NPL YoY
 - Mexico: CoR normalizing in line with expectations and affected by change of mix. NPL improved QoQ
- **In Consumer, which represents 35% of Group LLPs**, CoR normalized YoY to 2.17% (both DCB Europe and the US), in line with expectations, and remained fairly stable QoQ

FL CET1 ratio well above our target of >12%, driven by strong capital generation

Jun-24 FL CET1 ratio performance



Capital ratios

	<u>Jun-23</u>	<u>Jun-24</u>	<u>Diff.</u>
FL CET1 ratio	12.2%	12.5%	22bps
FL Total capital ratio	15.9%	16.4%	45bps
FL Leverage ratio	4.8%	4.7%	-5bps

All-time high quarterly and half-year profit, driving an upgrade of our 2024 targets

	H1'24	2024 targets	Upgraded 2024 targets	
Revenue ¹	+9%	Mid-single digit growth	High-single digit growth	UPGRADED
Efficiency	41.6%	<43%	c.42%	UPGRADED
CoR	1.2%	c.1.2%	CONFIRMED	
FL CET1	12.5%	>12.0% after Basel III implementation	CONFIRMED	
RoTE	15.9% 16.3% annualizing the temporary levy impact	16%	>16%	UPGRADED

Index



H1'24
Summary



Santander
Business
Model &
Strategy



Capital



Asset
Quality



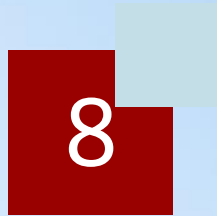
Liquidity &
Funding.
Ratings



ESG



Concluding
Remarks

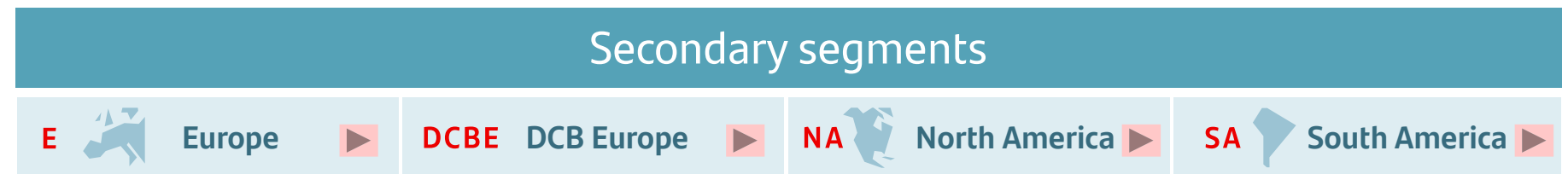
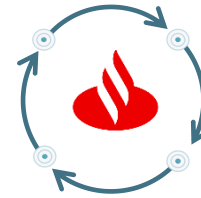
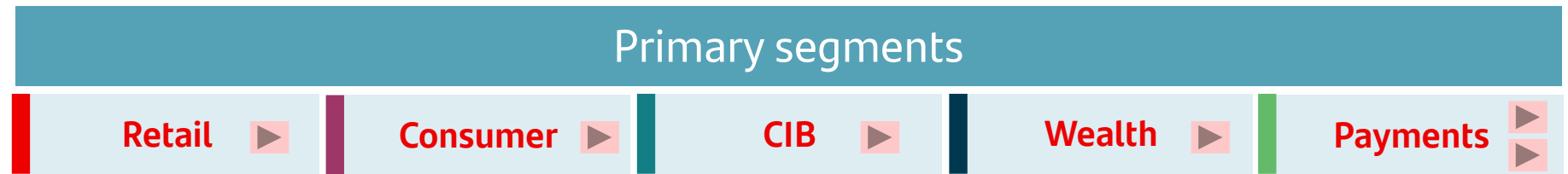


Links,
Appendix
and
Glossary



Santander is managed according to primary and secondary segments

Group
organizational
structure
from January
2024



Group functions and Corporate Centre activities

Internal Audit	Strategy, Chair's office & ESG	General Secretariat ¹	Comms & Marketing	Risk & Compliance	Technology & Operations	Talent & Human Resources	Financial Accounting & Control	Finance	Regulatory & Supervisory Relations	Investment Platforms & Corporate Investments	Costs & Organization
		Corporate Development	Transformation			Universities					

Note: Corporate Centre is allocated to both the primary and secondary segments.

(1) Includes Legal, Internal Governance, Tax and Security & Intelligence.

Our business model remains unchanged to continue to deliver for all our stakeholders

1. Customer focus

Building a digital bank with branches



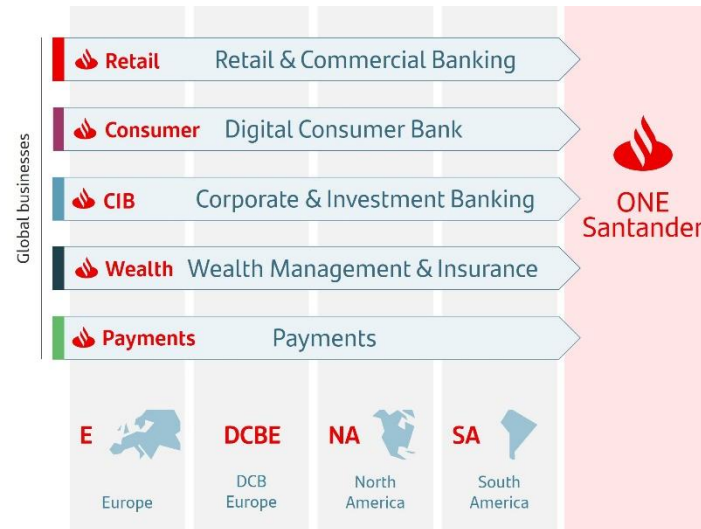
168 mn
total customers

101 mn
active customers

We are building a digital bank with branches to make our customers' lives easier, giving them the power to decide how they want to interact with us (in person at our >8,000 branches, contact centres, digital channels, ...).

2. Scale

Global and in-market scale



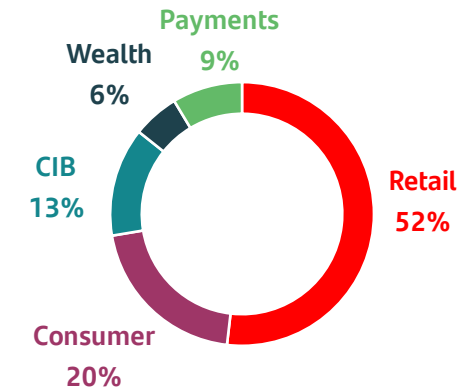
Our five global businesses support value creation based on the profitable growth and operational leverage that ONE Santander provides. Our global and in-market scale helps us to improve our local banks' profitability, adding value and network benefits.

3. Diversification

Business, geographical and balance sheet

Contribution to Group revenue¹

Jun-24



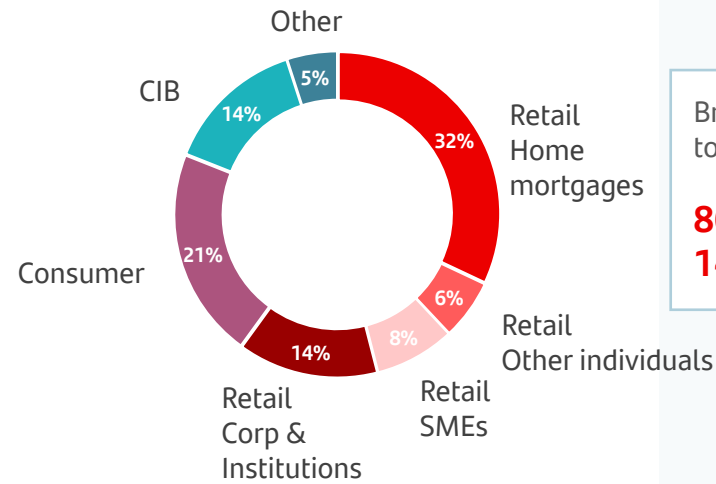
Well-balanced diversification between businesses and markets with a solid and simple balance sheet that gives us recurrent net operating income with low volatility and more predictable results.

We maintain our geographic and business diversification both in assets and liabilities ...

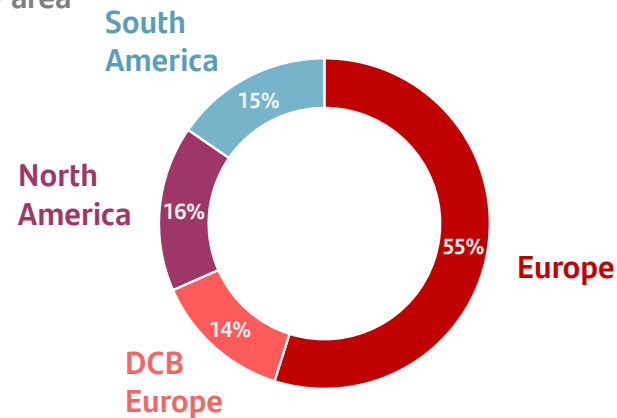
Loans and advances to customers

(excluding reverse repos, Jun-24)

By product/business



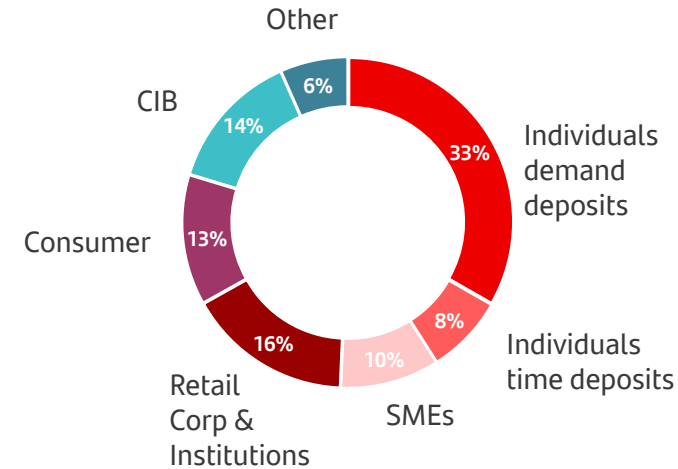
By area¹



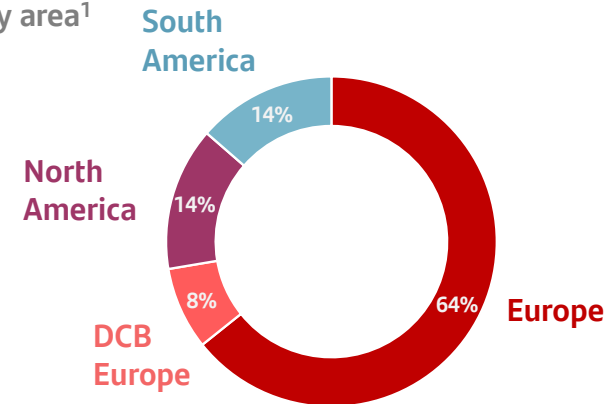
Customer deposits

(excluding repos, Jun-24)

By product/business



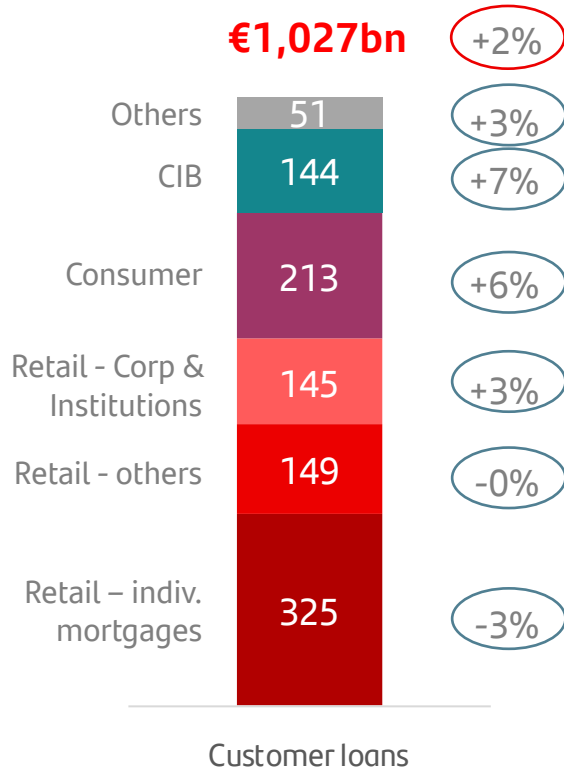
By area¹



... with loans that remained steady despite changing interest rate dynamics...

Customer loans

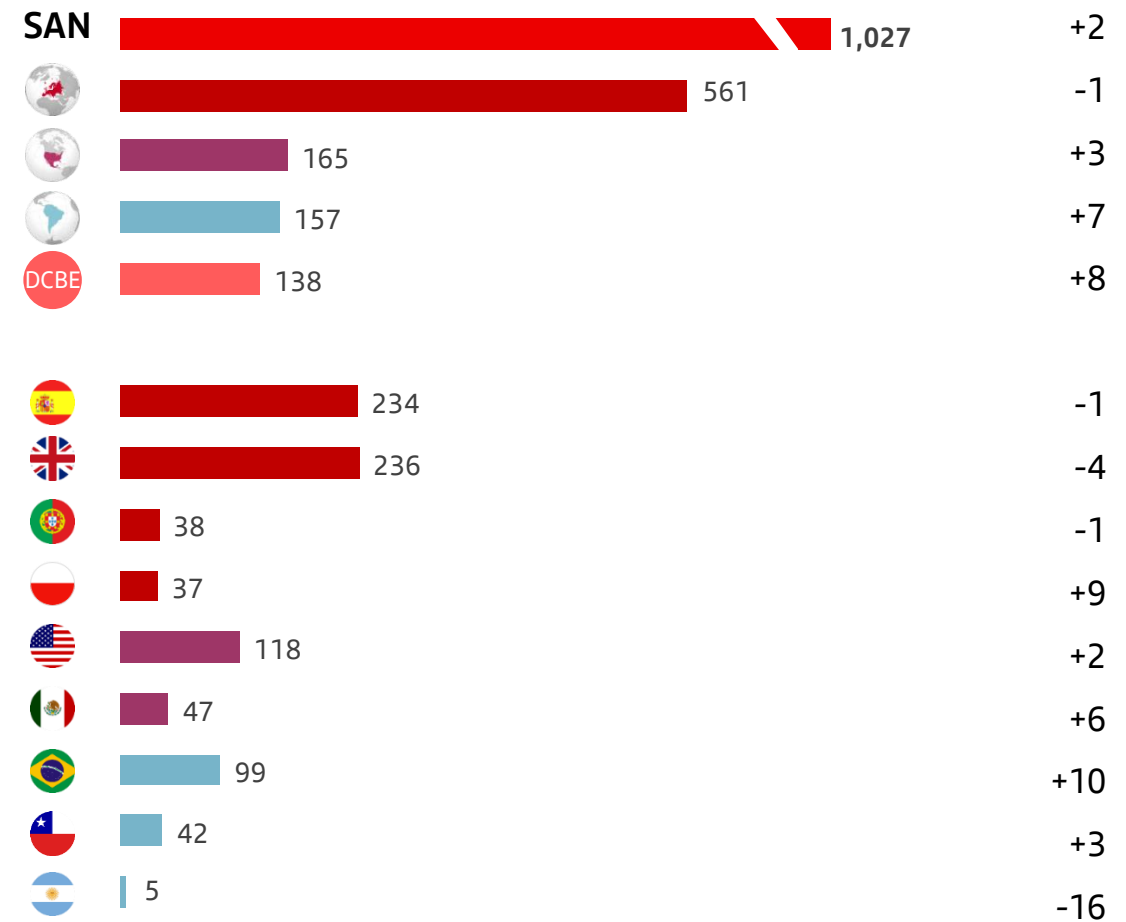
Jun-24, € bn and % change YoY in constant €



Loan growth heterogenous across footprint: higher interest rates are reducing demand and driving early repayments, especially in Europe. There were positive dynamics in North America, South America and DCB Europe.

Customer loans by country

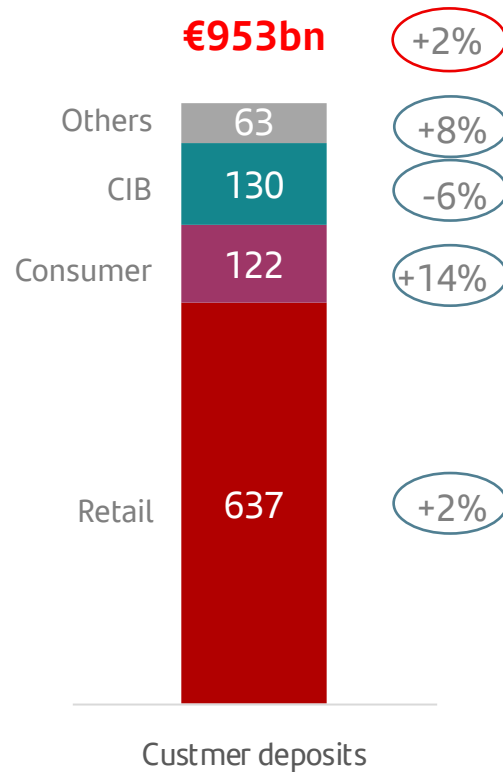
Jun-24, € bn and % change YoY in constant €



... and a strong and diversified deposit base

Customer deposits

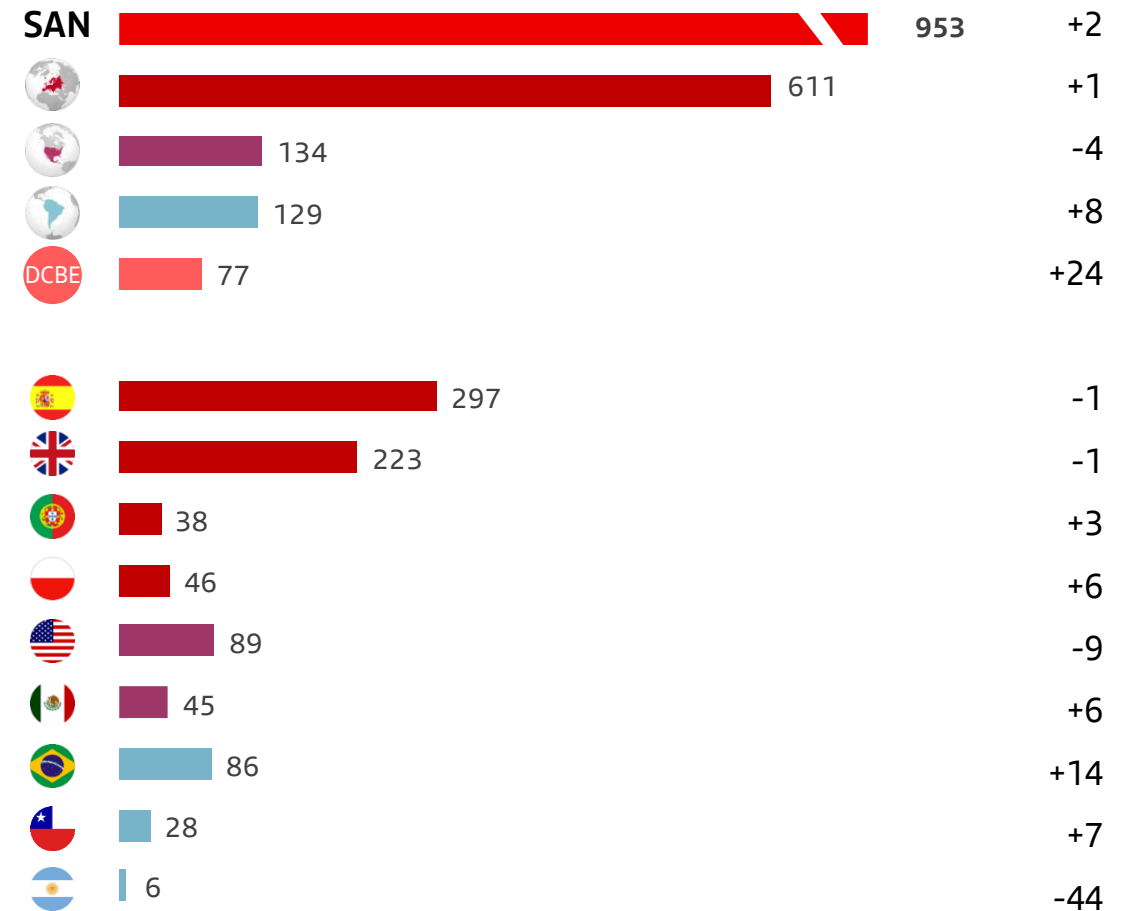
Jun-24, € bn and % change YoY in constant €



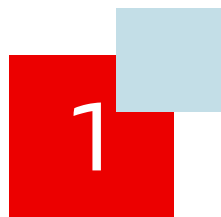
High-quality stable deposit base and a high proportion of our deposits from individuals are covered by deposit guarantee schemes.

Customer deposits by country

Jun-24, € bn and % change YoY in constant €



Index



H1'24
Summary



Santander
Business
Model &
Strategy



Capital



Asset
Quality



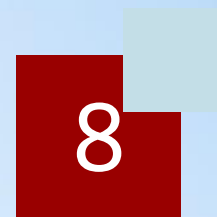
Liquidity &
Funding.
Ratings



ESG



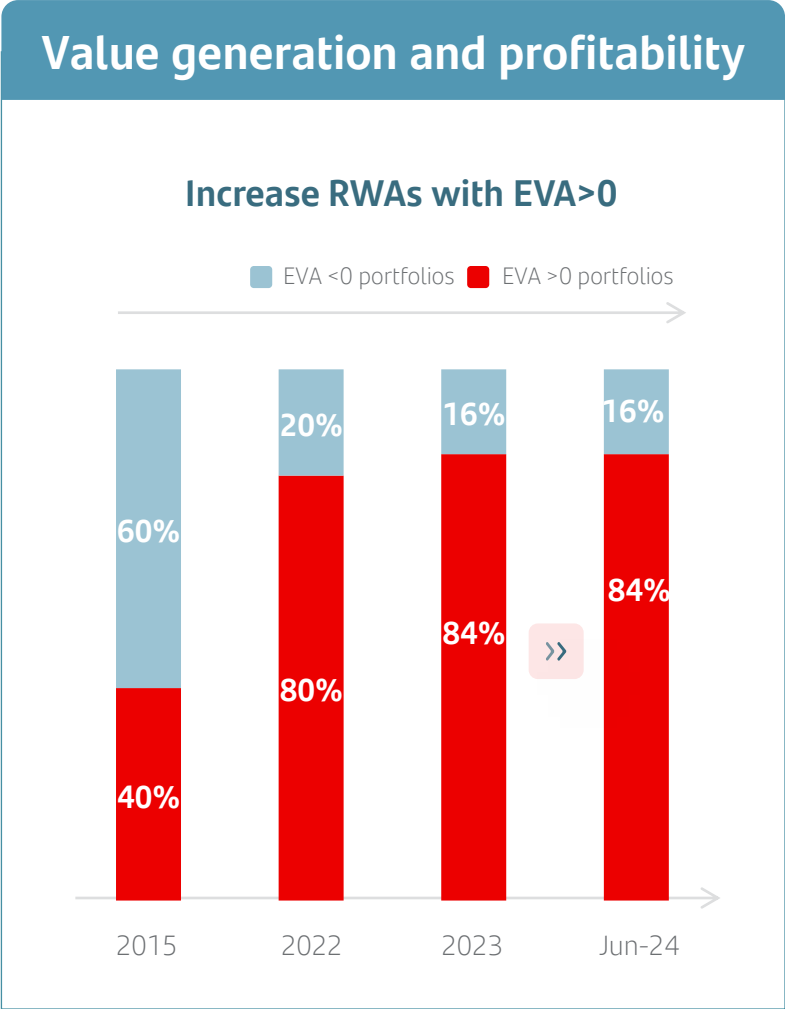
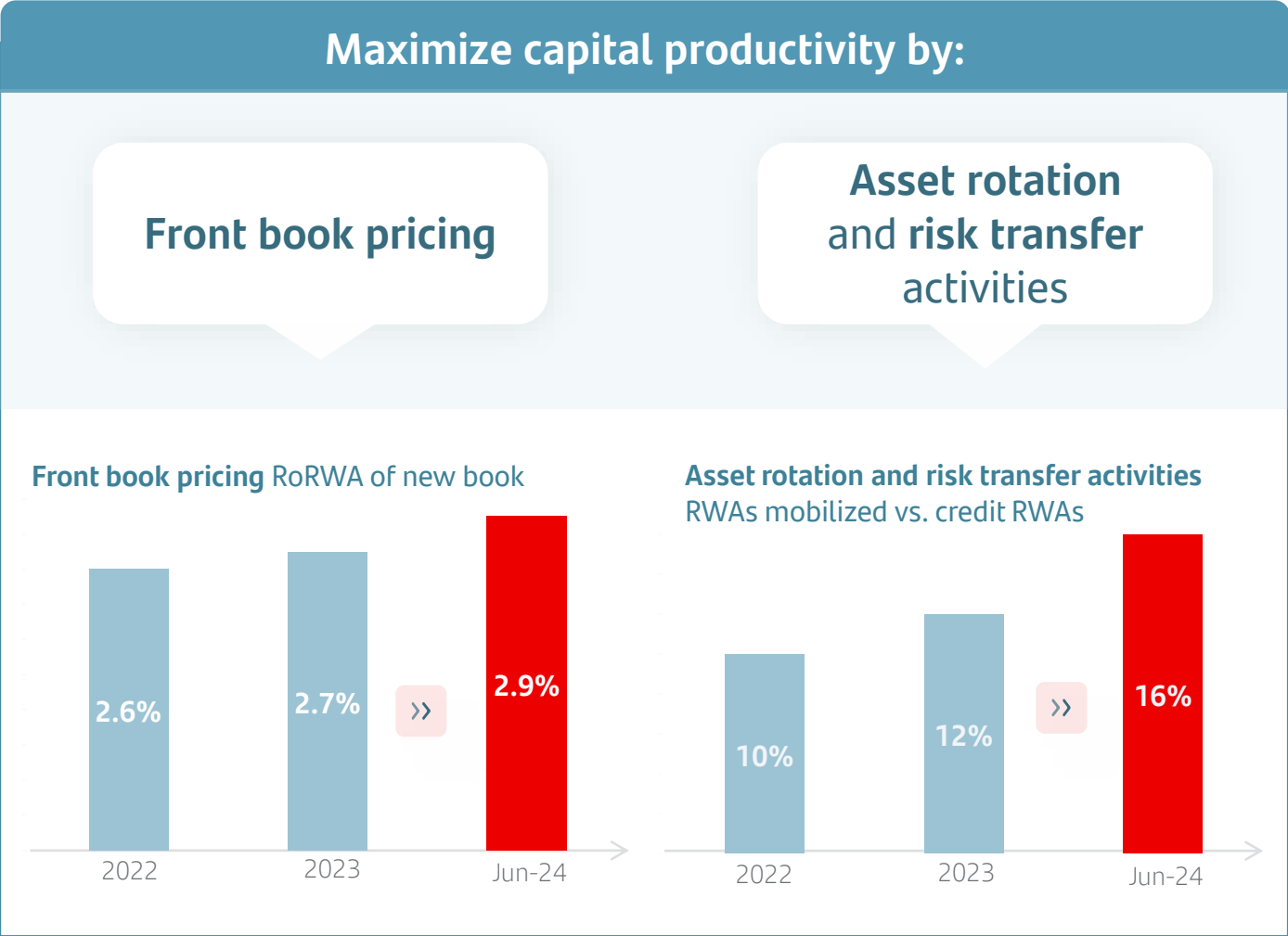
Concluding
Remarks



Links,
Appendix
and
Glossary

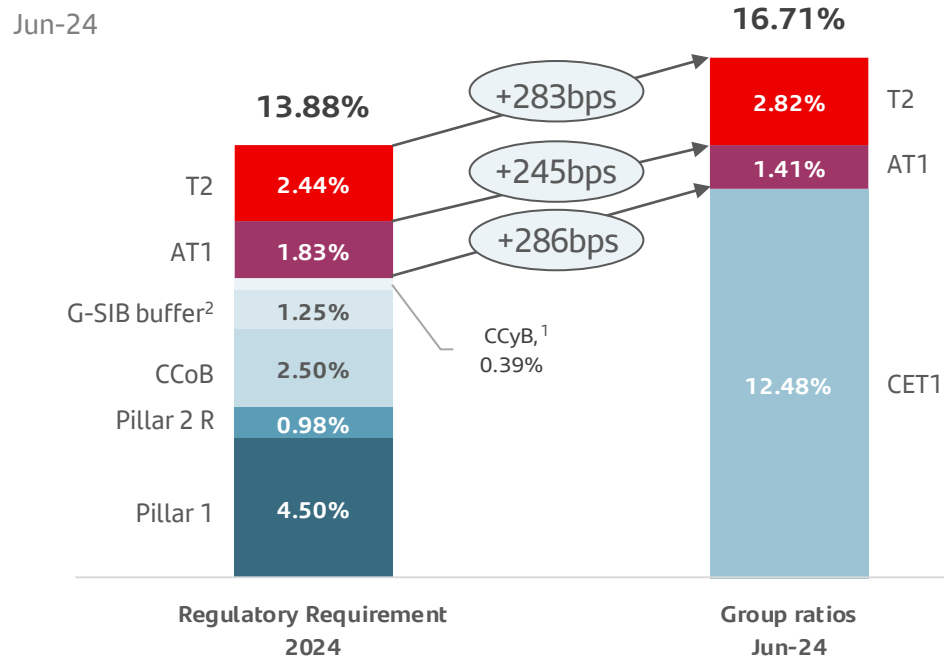


Enhanced capital strength: profitable organic generation, with new front book at 23% RoTE, and record distributions



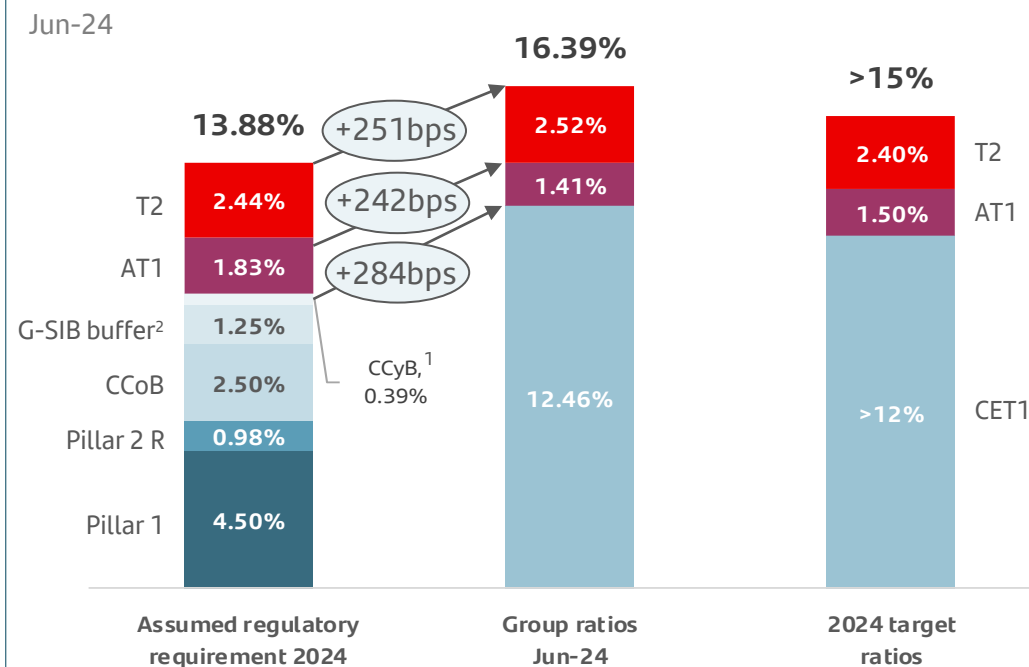
Santander's capital levels, both phased-in and fully loaded, exceed minimum regulatory requirements

SREP capital requirements and MDA*



- The minimum CET1 to be maintained by the Group is 9.62%
- As of Jun-24, the distance to the MDA is 245bps³ and the CET1 management buffer is 286bps

Assumed capital requirements (fully-loaded)**



- AT1 and T2 ratios are planned to be close to 1.5% and 2.4% of RWAs respectively

* The phased-in ratio includes the transitory treatment of IFRS 9, calculated in accordance with article 473 bis of the Capital Requirements Regulation (CRR2) and subsequent modifications introduced by Regulation 2020/873 of the European Union. Total phased-in capital ratios include the transitory treatment according to chapter 4, title 1, part 10 of the CRR2.

** Fully-loaded CRR and fully-loaded IFRS 9.

(1) Estimated countercyclical buffer as of Jun-24.

(2) On 1 January 2024, our systemic buffer requirement increased from 1% to 1.25% due to a higher D-SIB requirement due to i) a methodological change by the ECB which was later adopted by Banco de España and ii) because institutions must hold capital at the consolidated level for the higher of the G-SIB (currently at 1%) and D-SIB requirements. Additionally, the ECB revised Banco Santander, S.A.'s P2R requirement from 1.58% to 1.74%, mainly due to a change in the ECB's methodology.

(3) MDA trigger = 2.86% - 0.41% = 2.45% (41bps of AT1 shortfall is covered with CET1).

Strong fundamentals for AT1 bond holders

Distance to trigger¹

- Santander Group's CET1 levels are well above the **minimum loss absorption trigger** of 5.125%: **€45.95bn**
- The first line of defence is the Group's strong pre-provision profitability providing a high capacity to absorb provisions during the crisis and should continue to underpin the Group's earnings generation capacity

MDA

- As of Jun-24, the **distance to the MDA is 245bps²**

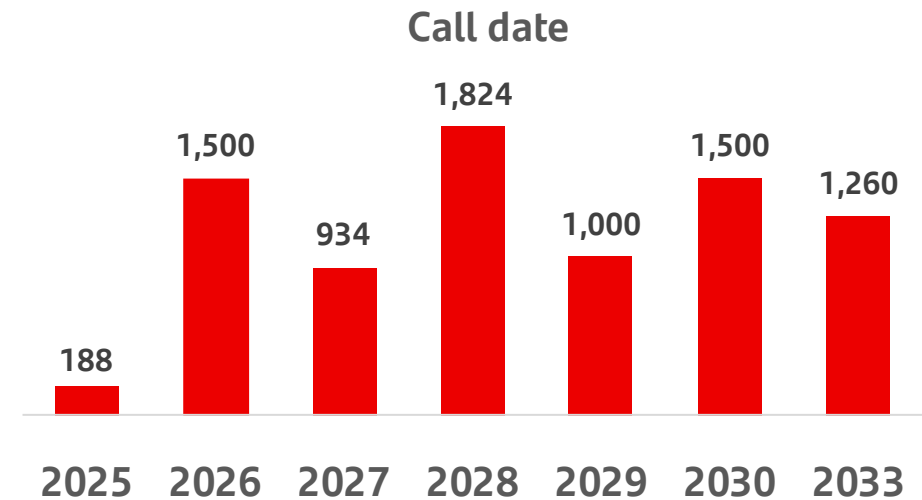
ADIs

- Santander Parent Bank has €67.1bn in Available Distributable Items, **best-in-class**
- This amount of ADI represents **>100 times** the full Parent AT1 budgeted for 2024.
- Santander has never been prohibited from making a Tier 1 payment or dividend due to insufficient ADIs. Santander has never cancelled the payment of coupons of any of its Tier 1 securities

AT1 issuances distributed by call date

Banco Santander, S.A. AT1 issuances outstanding at Jun-24

EUR mn	Currency	Nominal € mn	Coupon	Structure	Next call date	Reset Spread
Banco Santander S.A.	EUR	188	4.75%	PNC7	19-Mar-25	409.7 bps
Banco Santander S.A.	EUR	1,500	4.38%	PNC6	14-Jan-26	453.4 bps
Banco Santander S.A.	USD	934	4.75%	PNC6	12-May-27	375.3 bps
Banco Santander S.A.	EUR	750	4.13%	PNC7	12-May-28	431.1 bps
Banco Santander S.A.	USD	1,074	9.63%	PNC5	21-Nov-28	530.6 bps
Banco Santander S.A.	EUR	1,000	3.63%	PNC8	21-Sep-29	376 bps
Banco Santander S.A.	EUR	1,500	7.00%	PNC6	20-May-30	443.2 bps
Banco Santander S.A.	USD	1,260	9.63%	PNC10	21-Nov-33	529.8 bps

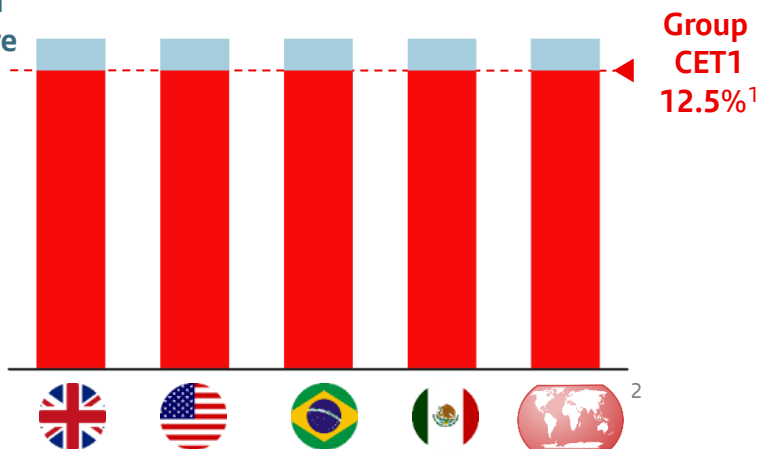


FX hedging policy on capital ratio and P&L

Stable capital ratio hedge

Illustrative example:

Hedged
Exposure



- Managed to mitigate FX volatility in our CET1 ratio.
- Based on Group regulatory capital and RWAs by currency.

Our P&L Policy

✓ Strategic management of exposure to exchange rates in equity and dynamic management of the FX hedges related to the units' next 12 months results in euros

✓ Mitigate impact of FX volatility

✓ Corporate Centre assumes all hedging costs

Diversified bond portfolio represents just 7% of total assets

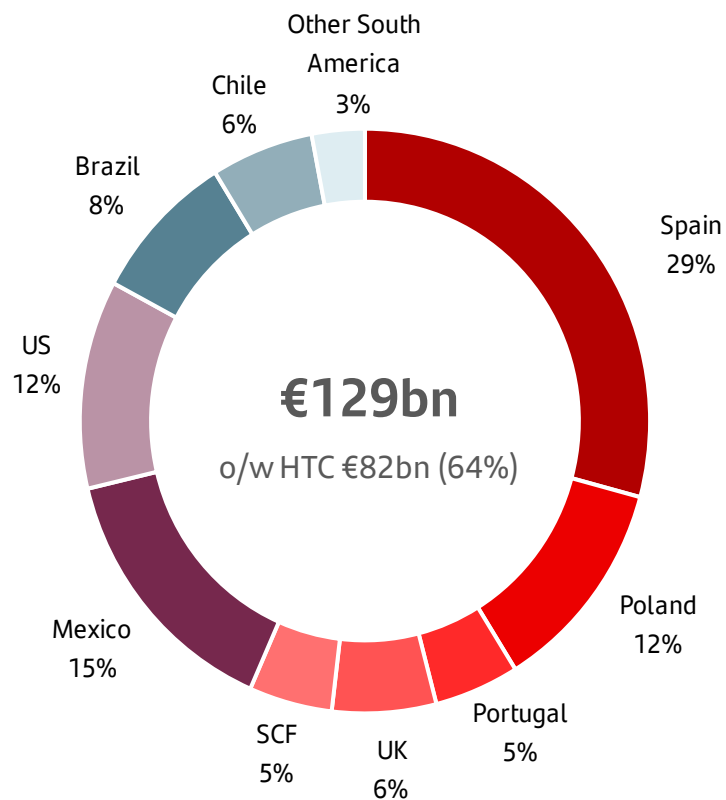
Bond portfolio

%, Jun-24

€129bn

Liquidity
portfolio
€26bn

ALCO IRRBB
€103bn



- Bond portfolio represents **7% of total assets**
- **HTC&S** duration: 1.7 years
- **Mark to market impact of the HTC portfolio** equivalent to 2% of total FL CET1 (€77.8bn)

Index



H1'24
Summary



Santander
Business
Model &
Strategy



Capital



**Asset
Quality**



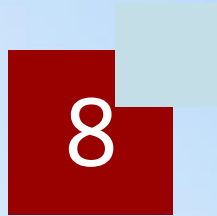
Liquidity &
Funding.
Ratings



ESG



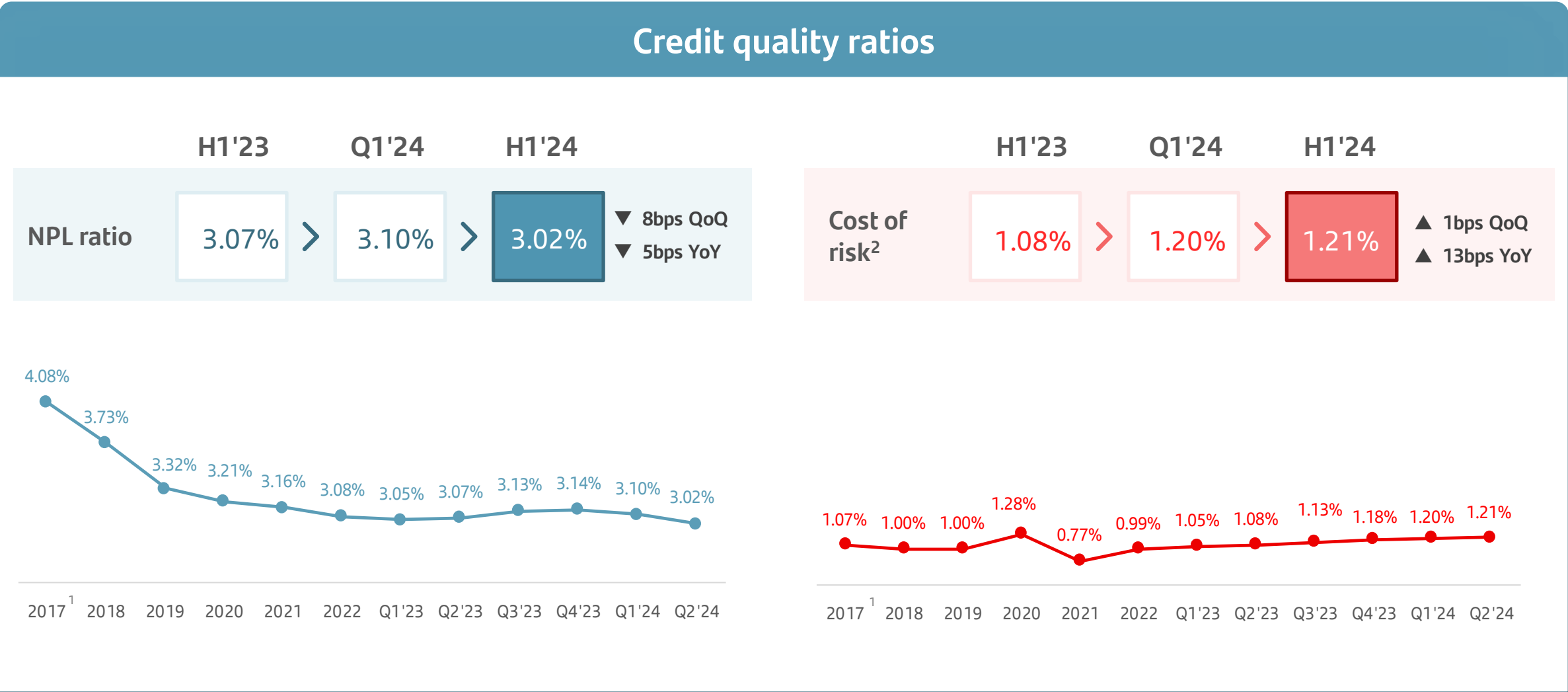
Concluding
Remarks



Links,
Appendix
and
Glossary



Credit quality remains solid...



... at the Group and country level

NPL ratios

%		Q2 2023	Q1 2024	Q2 2024
	Retail	3.22	3.24	3.15
	Consumer	4.18	4.86	4.81
	CIB	1.38	1.14	1.05
	Wealth	0.82	0.64	0.77
	Payments	5.13	4.85	5.00
	Spain	3.11	3.00	2.91
	UK	1.32	1.48	1.46
	Portugal	3.09	2.63	2.42
	Poland	3.74	3.57	3.40
	US	3.46	4.60	4.33
	Mexico	2.60	2.74	2.78
	Brazil	7.00	6.06	5.96
	Chile	4.95	4.95	5.12
	Argentina	1.92	1.84	1.51
	DCB Europe	2.04	2.27	2.31

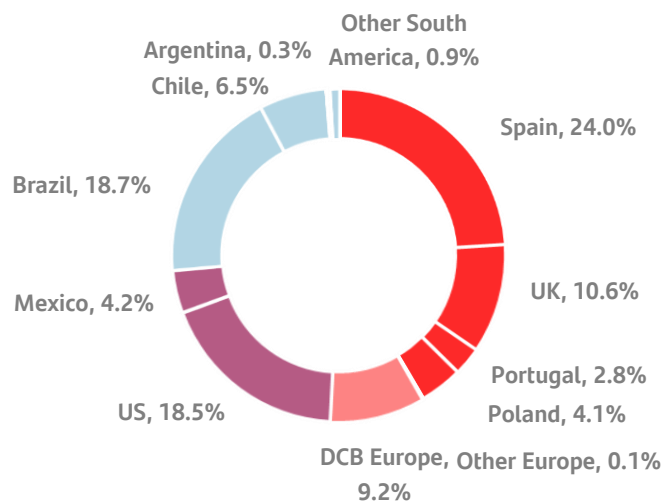
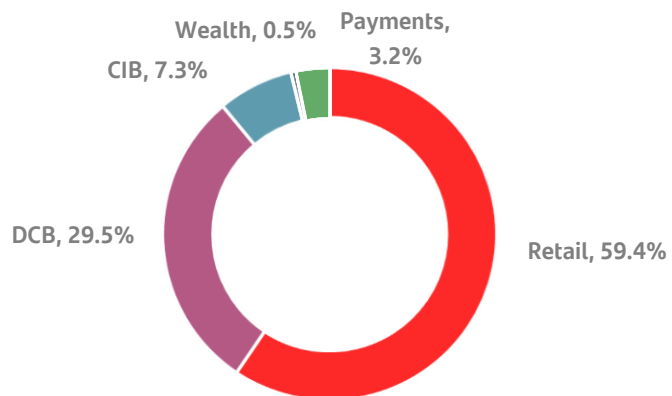
Cost of risk¹

%		Q2 2023	Q1 2024	Q2 2024
	Retail	0.92	1.03	1.03
	Consumer	1.86	2.12	2.17
	CIB	0.18	0.14	0.15
	Wealth	0.00	-0.05	0.05
	Payments	7.11	6.89	7.03
	Spain	0.62	0.59	0.56
	UK	0.11	0.08	0.08
	Portugal	0.10	0.19	0.12
	Poland	1.87	1.95	1.81
	US	1.57	1.98	2.06
	Mexico	2.13	2.63	2.71
	Brazil	4.74	4.79	4.77
	Chile	0.88	0.85	0.97
	Argentina	3.46	5.43	4.80
	DCB Europe	0.54	0.67	0.72

Distribution of credit impaired loans in line with total portfolio

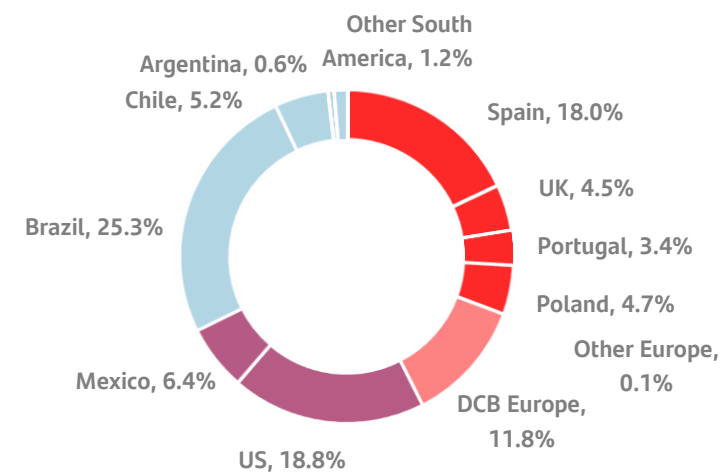
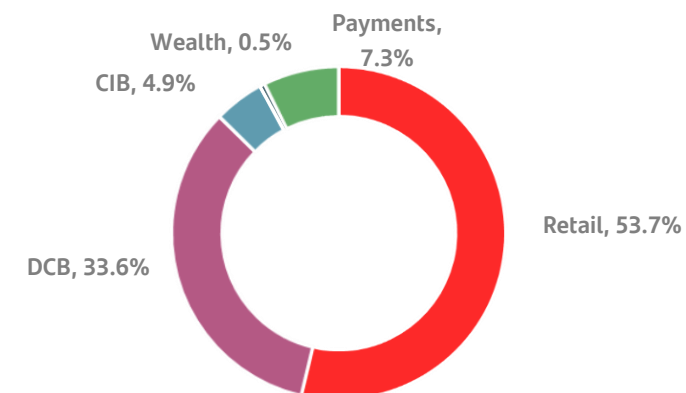
Credit impaired loans

Jun-24, % of operating areas



Loan-loss allowances

Jun-24, % of operating areas



Strong portfolio diversification with a 56% exposure to individuals and stable sector distribution

Credit quality

	Jun-23	Mar-24	Jun-24
NPL ratio	3.07%	3.10%	3.02%
Coverage ratio	68%	66%	66%
Stage 1	€1,011bn	€1,007bn	€1,008bn
Stage 2	€75bn	€83bn	€94bn
Stage 3	€35bn	€36bn	€35bn

Sector distribution ¹



Index



H1'24
Summary



Santander
Business
Model &
Strategy



Capital



Asset
Quality



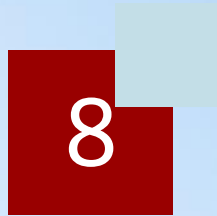
**Liquidity &
Funding.
Ratings**



ESG



Concluding
Remarks



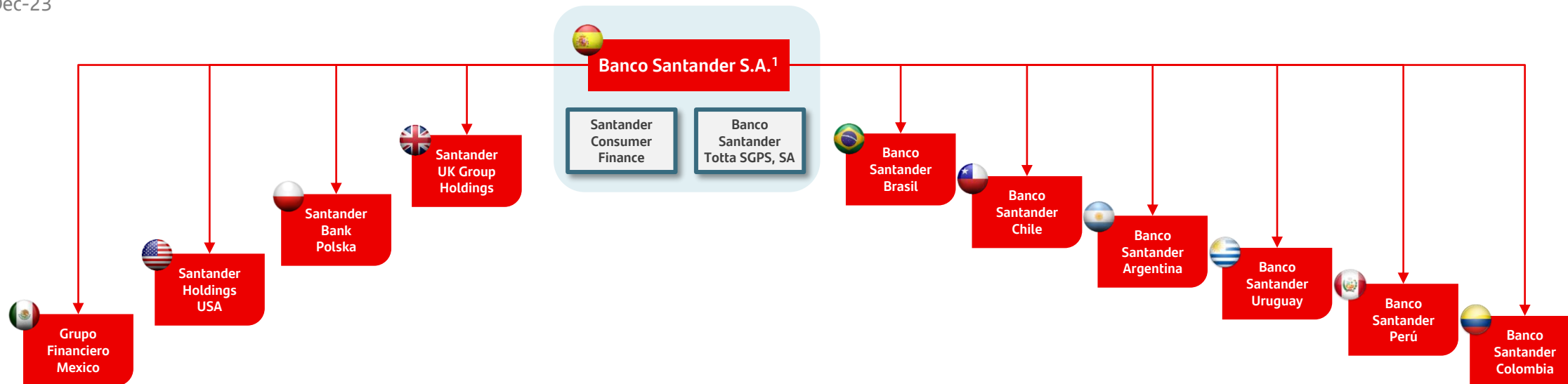
Links,
Appendix
and
Glossary



The Group's business model combines local knowledge with global best practices through legally, financially and operationally autonomous subsidiaries...

Legal autonomy structure

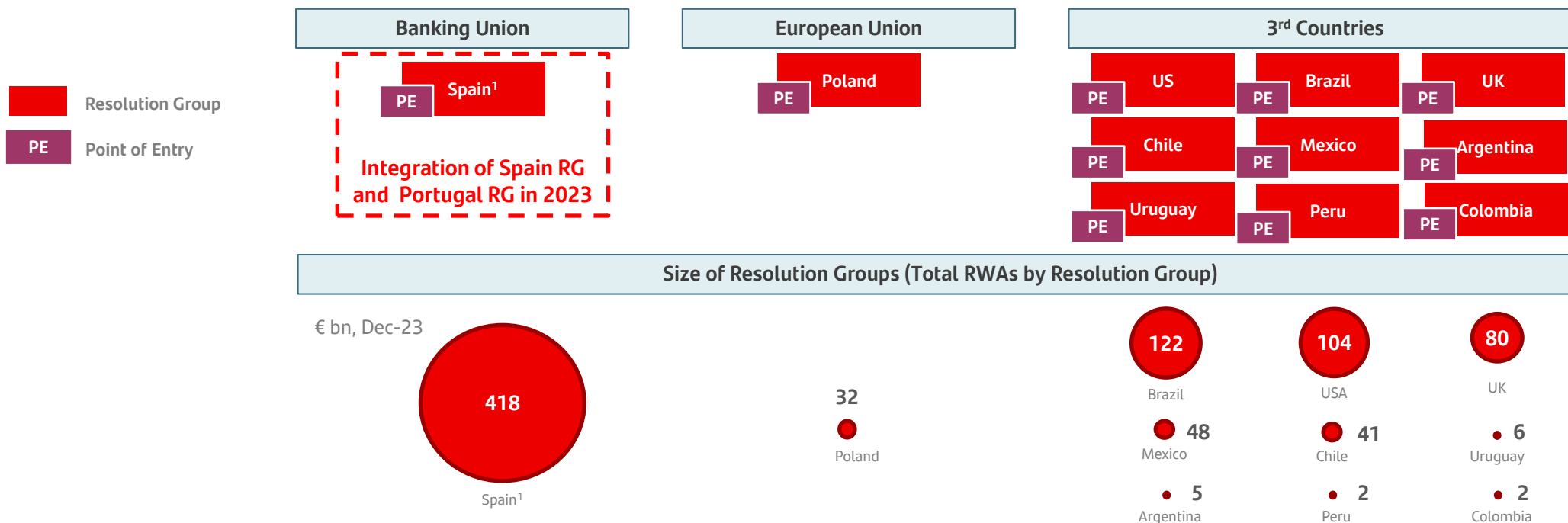
Dec-23



- **Financial autonomy:** Financial interconnections are limited and at market prices
- **Operational autonomy:** Shared services are limited and carried out through autonomous factories. Access to FMIs through other Group entities is very limited.

... divided into different resolution groups that can be resolved separately though multiple entry points

MPE resolution strategy



- ▶ We have defined the **Resolution Groups (RGs)** mirroring the model of autonomous financial groups so that all entities have been assigned to one RG
- ▶ Each RG comprises the entity identified as the entry point in resolution and the entities that belong to it

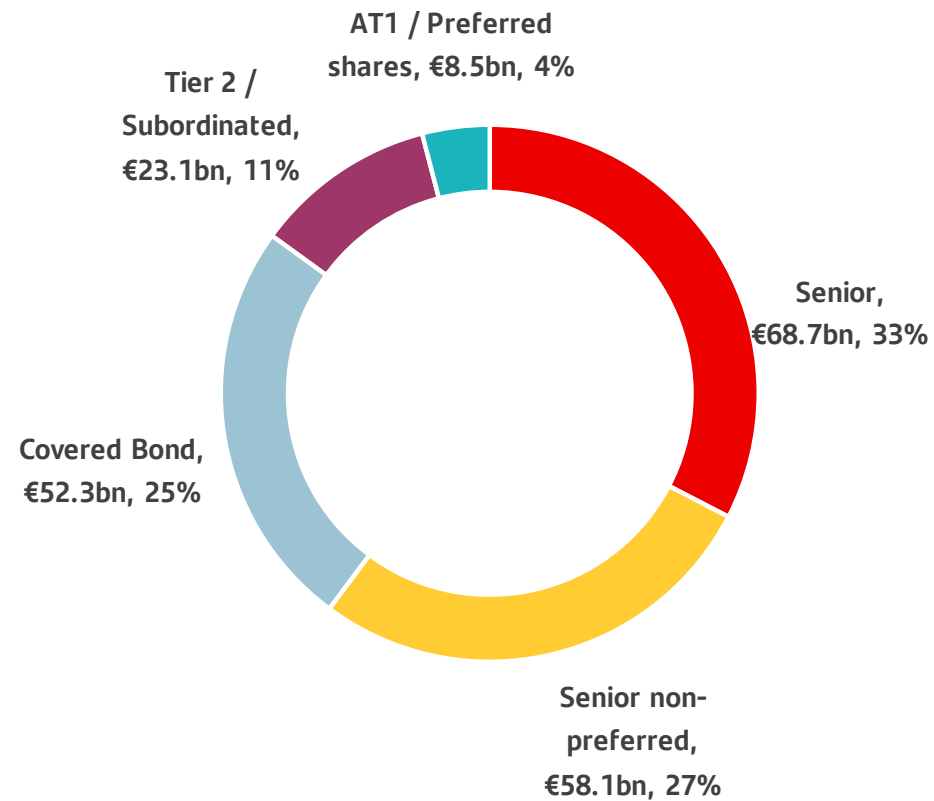
Santander's liquidity management is based on the following principles

- ▶ Decentralized liquidity model.
- ▶ Needs derived from medium- and long-term activity must be financed by medium- and long-term instruments.
- ▶ High contribution from customer deposits, due to the retail nature of the balance sheet.
- ▶ Diversification of wholesale funding sources by instruments/investors, markets/currencies and maturities.
- ▶ Limited recourse to wholesale short-term funding.
- ▶ Availability of sufficient liquidity reserves, including the discount window/standing facility in central banks to be used in adverse situations.
- ▶ Compliance with regulatory liquidity requirements both at Group and subsidiary level, as a conditioning management factor.

Stock of issuances shows diversification across instruments and entities

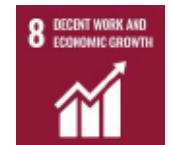
Debt outstanding by type

Jun-24



Includes the **issuance of Green and Sustainable Bonds** in line with the Group's ESG strategy and Responsible Banking Agenda:

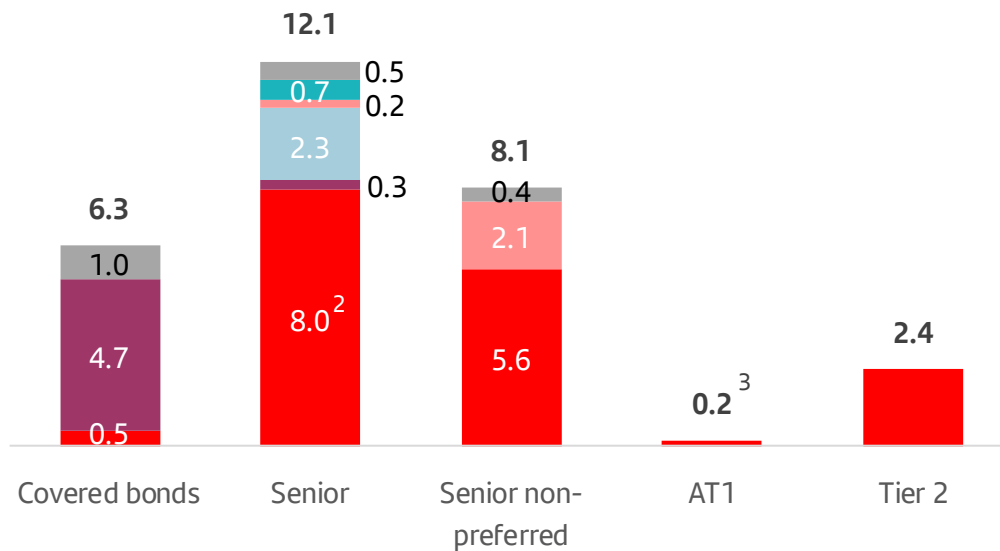
Type	Date	Issuer	Product	Nominal	Maturity
Green	Oct-19	Banco Santander S.A.	Senior Preferred	EUR 1 bn	7 yrs
Green	Jun-20	Banco Santander S.A.	Senior Non Preferred	EUR 1 bn	7 yrs
Green	Jan-21	Santander Consumer Bank AS	Senior Preferred	SEK 500 mn	5 yrs
Green	Jun-21	Banco Santander S.A.	Senior Non Preferred	EUR 1 bn	8NC7
Green	Nov-21	Santander Consumer Bank AS	Senior Preferred	NOK 750 mn	3 yrs
Green	Nov-21	Santander Consumer Bank AS	Senior Preferred	NOK 250 mn	5 yrs
Sustainable	Sep-22	Santander Holdings USA	Senior HoldCo	USD 500 mn	4NC3
Green	Apr-23	Santander International Products plc	Senior Preferred	PLN 24.2 mn	1.53 yrs
Green	Oct-23	Banco Santander Chile	Senior Preferred	JPY 5 bn	2 yrs
Green	Oct-23	Banco Santander Chile	Senior Preferred	JPY 3 bn	2 yrs
Social	Jun-24	Banco Santander (Brasil) S.A.	Senior Preferred	USD 250 mn	3 yrs



Conservative and decentralized liquidity and funding model

€29.0bn¹ issued in public markets in H1'24

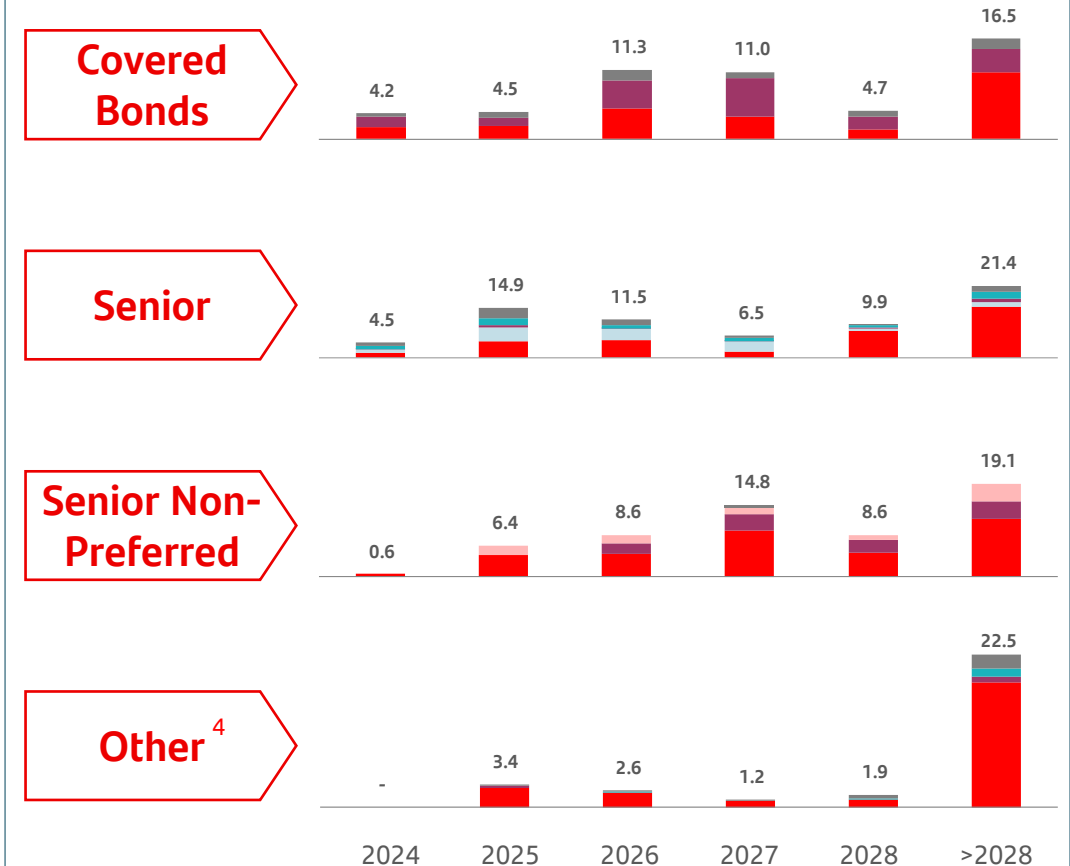
€ bn, Jun-24



- Other includes issuances in Portugal, Poland and Brazil

Very manageable maturity profile

€ bn, Jun-24



■ Spain ■ UK ■ SCF ■ Chile ■ US ■ Other



(1) Data includes public issuances from all units with period-average exchange rates. Excludes securitizations.

(2) Includes €6.5bn of Banco Santander, S.A., €1.4bn of Santander International Products PLC.

(3) €0.188bn (net between €1.500bn issuance and €1.312bn repurchased following the tender offer exercise on XS1793250041, both executed in May-24).

(4) Including: AT1 / Preferred shares and Tier 2 / Subordinated.

2024 issuances against funding plan

YtD execution of 2024 funding plan

€ bn, Jun-24	AT1 + Tier 2		SNP + Senior		Covered Bonds		TOTAL	
	Plan	Issued	Plan	Issued	Plan	Issued	Plan	Issued
Banco Santander, S.A	4 - 5	5.2 ¹	16 - 18	18.4 ²	0 - 1	0.5	20 - 24	24.1
UK	-	-	1 - 2	0.3	5 - 6	4.7	6 - 8	5.1
SCF	-	-	3 - 5	2.3	-	-	3 - 5	2.3
SHUSA	-	-	2 - 3	2.3	-	-	2 - 3	2.3
TOTAL	4 - 5	5.2	22 - 28	23.3	5 - 7	5.2	31 - 40	33.7

Banco Santander, S.A.'s 2024 funding plan contemplates the following:

- ▶ Continue fulfilling the 1.5% AT1 and 2.4% T2 buffers subject to RWA growth
- ▶ MREL & TLAC ratios above regulatory requirements
- ▶ Liquidity position remains solid, with LCR and NFSR above minimum requirements and ample liquidity buffers
- ▶ Frontloading of issuances in the first half of the year, particularly focused on regulatory issuances

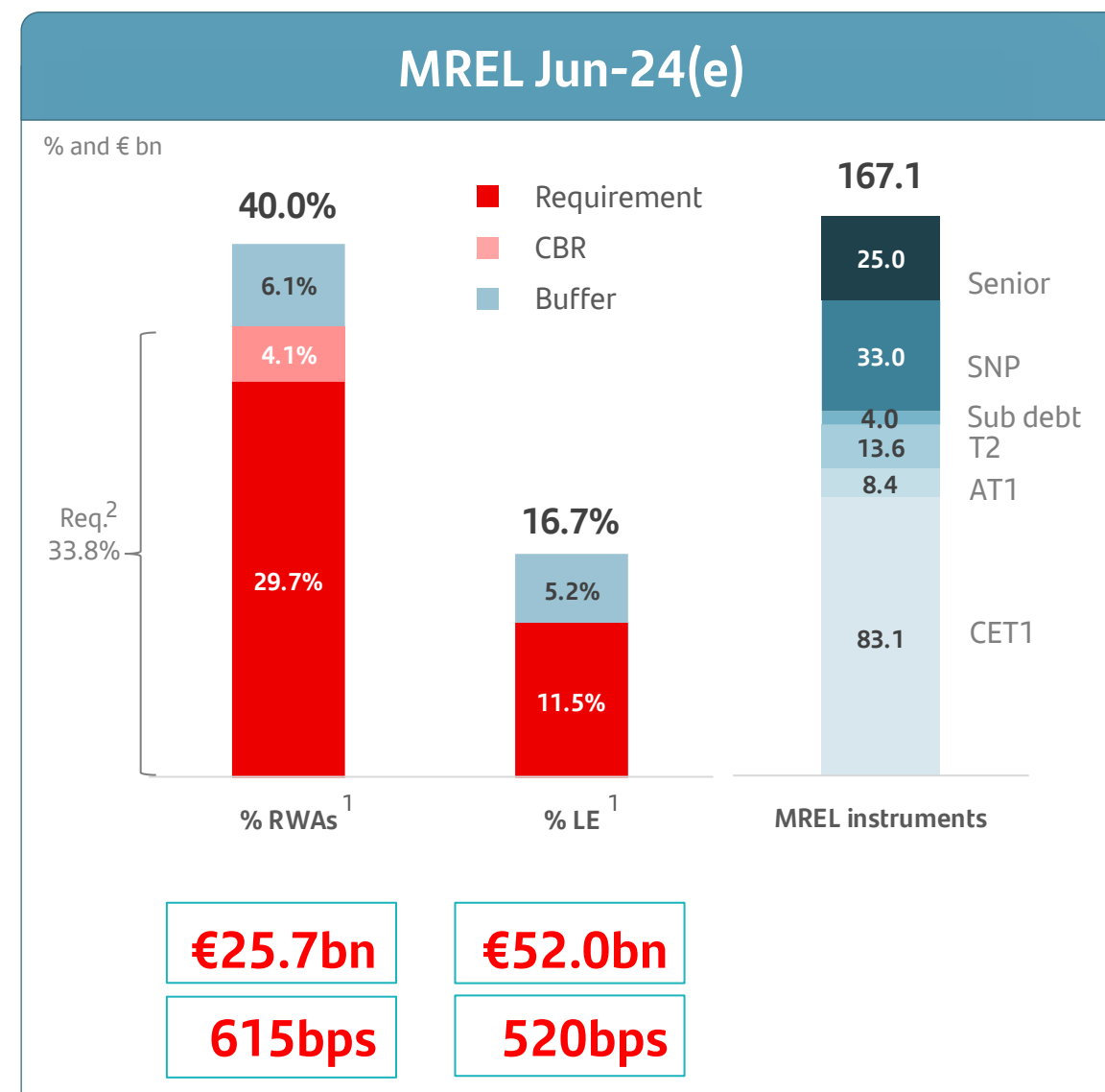
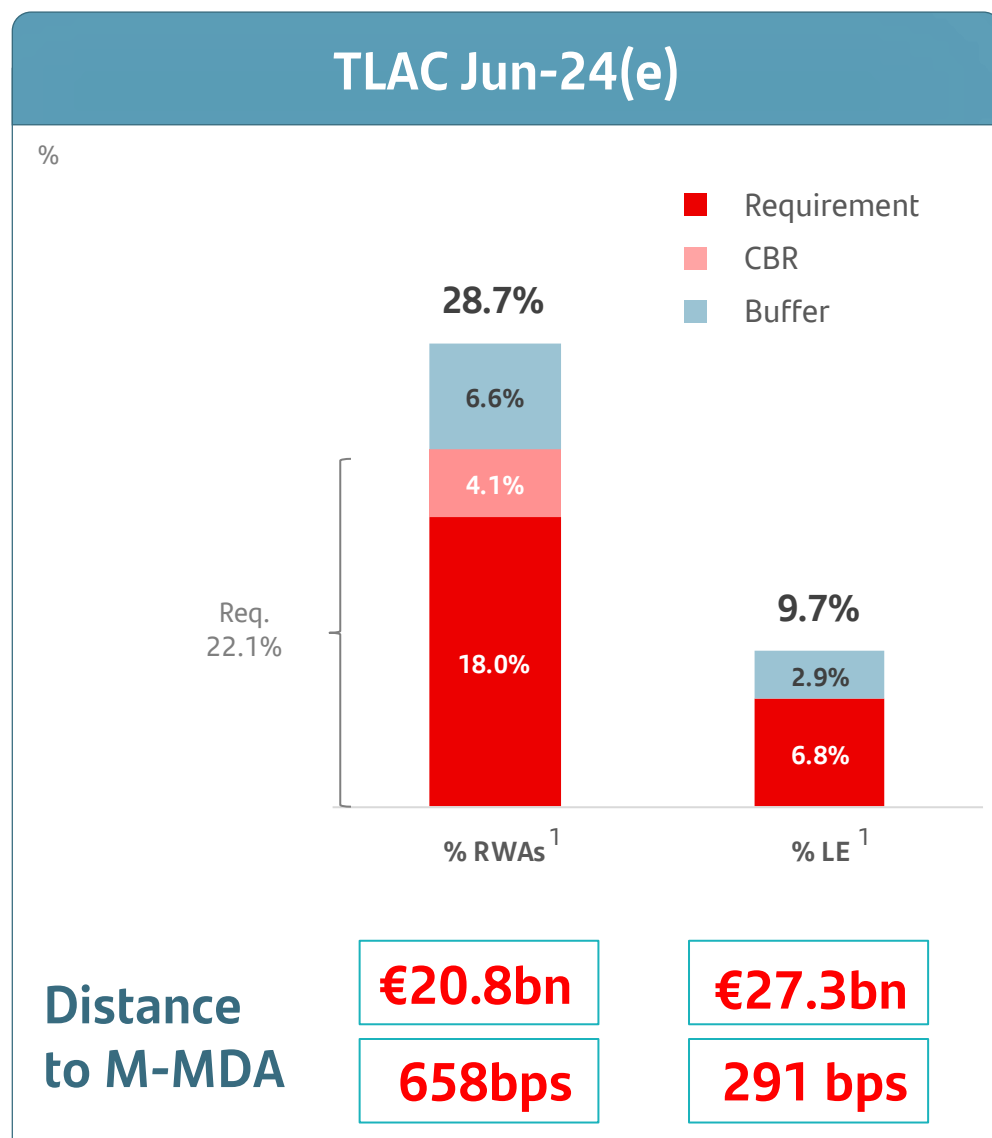
Note: Issuance plan subject to, amongst other considerations, market conditions and regulatory requirements. Other secured issuances (for example ABS, RMBS, etc.) are not considered in the table above.



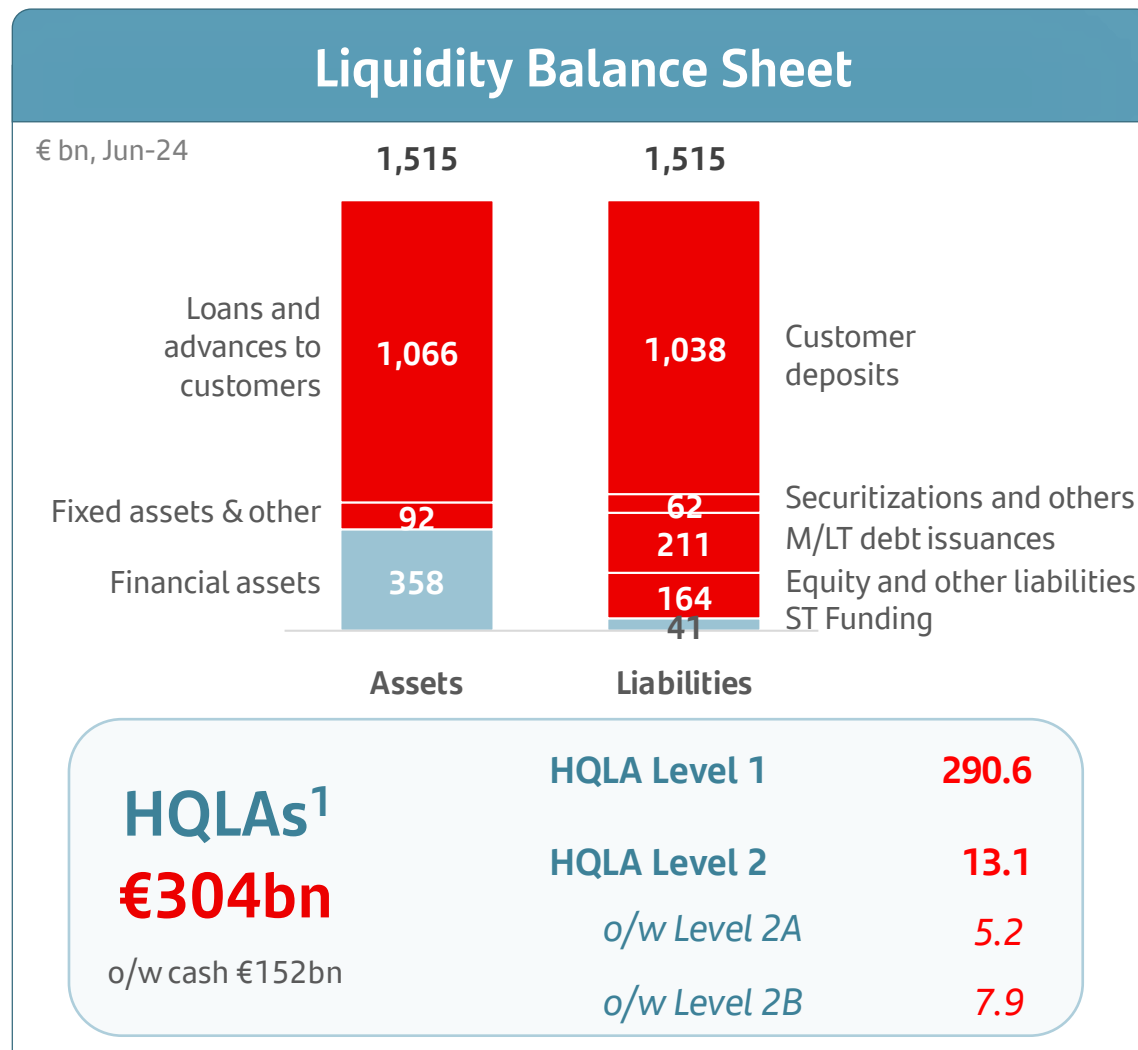
(1) Includes: i) €2.56bn in Tier 2 debt issued in 2023 as prefunding for the 2024 funding plan; ii) €2.42bn Tier 2 debt issued in 2024; and iii) €0.188bn AT1 (net between €1.500bn issuance and €1.312bn repurchased following the tender offer exercise on XS1793250041, both executed in May-24).

(2) Includes €3.25bn Senior Non-Preferred and €3.4bn Senior Preferred issued in 2023, as prefunding for the 2024 funding plan.

TLAC/MREL for the Resolution Group headed by Banco Santander, S.A.



Well-funded, diversified, prudent and highly liquid balance sheet (large % contribution from customer deposits), reflected in solid liquidity ratios



	Liquidity Coverage Ratio (LCR)		Net Stable Funding Ratio (NSFR)
	Jun-24 ¹	Mar-24	Mar-24
Spain ²	159%	145%	117%
UK ²	142%	163%	137%
Portugal	145%	122%	115%
Poland	204%	235%	154%
US	149%	146%	119%
Mexico	169%	183%	133%
Brazil	155%	137%	112%
Chile	188%	179%	113%
Argentina	281%	278%	154%
SCF	385%	405%	112%
Group	163%	158%	123%

The main metrics show the strength and stability of the Group's liquidity position

Evolution of key liquidity metrics

	2020	2021	2022	2023	Jun-24
Loans ¹ / net assets	76%	75%	72%	68%	70%
Loan ¹ -to-deposit ratio (LTD)	111%	108%	103%	99%	103%
Customer deposits and medium- and long-term funding / loans ¹	114%	115%	121%	127%	123%
Short-term wholesale funding / net liabilities	2%	2%	3%	3%	3%
Structural liquidity surplus / net liabilities	15%	16%	19%	23%	21%
Encumbrance	27%	26%	22%	23%	21% ²

LTD and MLT funding metrics by geography

Jun-24

	LTD Ratio	(Deposits + M/LT funding) / Loans ¹
Spain ³	80%	137%
UK	109%	107%
Portugal	100%	113%
Poland	77%	135%
US	110%	115%
Mexico	87%	124%
Brazil	94%	128%
Chile	143%	93%
Argentina	95%	106%
DCB Europe	176%	81%
GROUP	103%	123%

Banco Santander, S.A. ratings

	Moody's			S&P			Fitch		
	Rating	Date last change	Direction last change	Rating	Date last change	Direction last change	Rating	Date last change	Direction last change
Covered Bonds	Aa1	17/04/2018	↑	-	-	-	AAAu	16/11/2023	↑
Senior Debt	A2	11/01/2019	↑	A+	16/12/2021	↑	A	17/07/2018	↑
Senior Non-preferred	Baa1	27/09/2017	↑	A-	06/04/2018	↑	A-	19/04/2017	Initial
Subordinated	Baa2	26/06/2017	↑	BBB+	06/04/2018	↑	BBB	27/03/2020	↓
AT1	Ba1	11/05/2021	Initial	BBB-	30/04/2024	Initial	-	-	-
Short Term Debt	P-1	17/04/2018	↑	A-1	06/04/2018	↑	F1	17/07/2018	↑

Santander Parent & Subsidiaries' Senior Debt Ratings

	Moody's				S&P				Fitch			
	Rating	Date last change	Direction last change	Outlook	Rating	Date last change	Direction last change	Outlook	Rating	Date last change	Direction last change	Outlook
Group	A2	11/01/2019	↑	POSITIVE	A+	16/12/2021	↑	STABLE	A	17/07/2018	↑	STABLE
San UK PLC	A1	20/10/2020	↓	STABLE	A	09/06/2015	↑	STABLE	A+	03/01/2019	↑	STABLE
San UK Group Holding PLC	(P)Baa1	16/09/2015	↑	STABLE	BBB	10/04/2015	-	STABLE	A	20/12/2019	↑	STABLE
Santander Consumer Finance SA	A2	17/04/2018	↑	POSITIVE	A	16/12/2021	↑	STABLE	A	28/10/2019	↑	STABLE
Banco Santander Totta SA	(P)Baa1	26/05/2023	↑	STABLE	A-	05/03/2024	↑	POSITIVE	A-	07/11/2022	↑	STABLE
Santander Holding US	Baa2	19/10/2023	↑	STABLE	BBB+	06/04/2018	↑	STABLE	BBB+	17/11/2017	↑	STABLE
Banco Santander México	A3	06/03/2024	↓	STABLE	-	-	-	-	BBB+	13/06/2012	↓	STABLE
Banco Santander Chile	A2	20/09/2022	↓	STABLE	A-	25/03/2021	↓	STABLE	-	-	-	-
Santander Bank Polska	(P)A3	03/06/2019	↑	STABLE	-	-	-	-	BBB+	02/06/2014	↑	STABLE
Banco Santander Brasil	Ba1	25/02/2016	↓	POSITIVE	BB	20/12/2023	↑	STABLE	-	-	-	-
Kingdom of Spain¹	Baa1	15/03/2024	-	POSITIVE	Au	20/09/2019	↑	STABLE	A-	19/01/2018	↑	STABLE



Note: Santander México decided to withdraw the S&P ratings.
 For more information on the Group's ratings see the Links page in the Appendix.
 (1) Foreign Currency LT Debt.

Index



H1'24
Summary



Santander
Business
Model &
Strategy



Capital



Asset
Quality



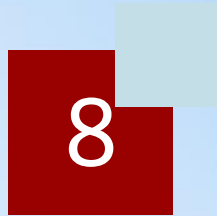
Liquidity &
Funding.
Ratings



ESG



Concluding
Remarks



Links,
Appendix
and
Glossary



Our sustainability strategy

Our sustainability strategy focuses on issues that are material to Santander. We conduct a **double materiality assessment** to identify the topics that pose the biggest risks to, and create commercial opportunity for the bank; and where we can have the biggest impact

Ambition		Action
E	Support the transition to a low-carbon economy	<ul style="list-style-type: none"> → Support and engage with customers in accelerating their transition and develop a best-in-class sustainable finance and investment proposition → Progress with decarbonizing our portfolios to align with our net zero ambition, while considering other environmental goals
S	Promote inclusive growth	<ul style="list-style-type: none"> → Promote employees' wellbeing and equal treatment and opportunity for all → Support financial inclusion promoting access to financial products and services and financial health, including financial literacy → Foster customer information transparency and data privacy → Support education, employability and entrepreneurship
G	Strong governance and culture across the organization	<ul style="list-style-type: none"> → Drive culture, conduct and ethical behaviour, doing everything the Santander Way and being Simple, Personal and Fair → Continue integrating ESG in governance and our core activities, and enhancing capabilities across teams including business, data reporting, risk management

We continue to make progress on our ESG agenda

	Jun-24		2025 targets
Green Finance raised and facilitated (since 2019)	€123.4bn	>>	€120bn
Socially responsible Investments (SRI) AuMs	€74.0bn	>>	€100bn
Financial inclusion (# People) ¹	2.8mn	>>	5mn

ESG Ratings/Indices (1/2)

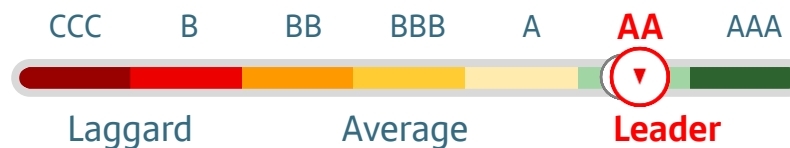
2023
or latest
available

2022

MSCI



AA

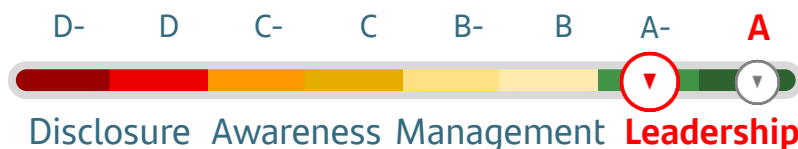


- ▶ We maintained our positioning at AA
- ▶ Within top 36% with AA (among 201; only 5% reached AAA)

CDP



A-

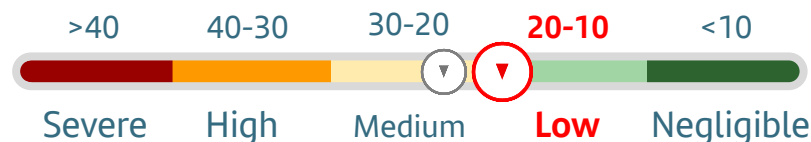


- ▶ We maintained our positioning at Leadership level, even though decreased from A to A-
- ▶ Top 22% financial services and above the sectorial average, which is B

SUSTAINALYTICS



19.7

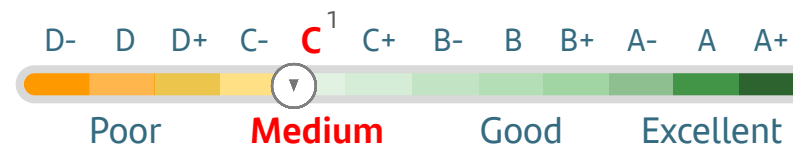


- ▶ 19th percentile and 61st out of 329 diversified banks

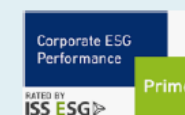
ISS ESG



C



- ▶ 55.6 points, Santander in top 10%
- ▶ Once again ISS ESG awarded us its **Prime** badge for companies with ESG performance above the sector-specific "Prime" threshold



For further information on ESG strategy see the Santander Corporate [ESG presentation](#).

The use by Banco Santander, S.A. of any MSCI ESG RESEARCH LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Banco Santander, S.A. by MSCI. MSCI services and data are the property of MSCI or its information providers and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

(1) Not rated in 2023.

ESG Ratings/Indices (2/2)

Member of
**Dow Jones
Sustainability Indices**
Powered by the S&P Global CSA



80



2023
or latest
available



2022



FTSE4Good



4.7



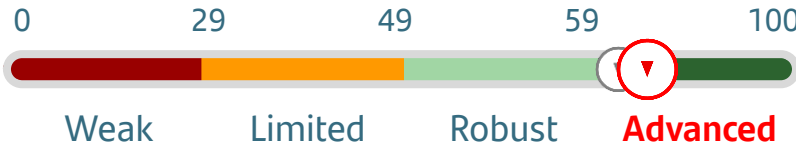
- ▶ 98th percentile
- ▶ **23 years in a row**, featuring on the Dow Jones Sustainability Index World (DJSI World) and in the DJSI Europe Index
- ▶ 15th position worldwide and 2nd among our peers

- ▶ 97th percentile in banking sector
- ▶ Banco Santander has been part of the FTSEGood Index since 2003. In 2023, we obtained 4.7 points, **above sector average**

MOODY'S | ESG Solutions



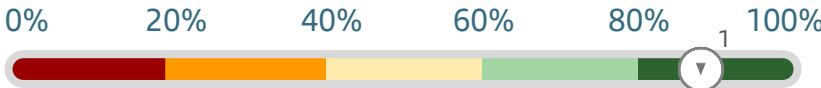
65



- ▶ Overall score of 65 above the average of diversified banks



92.87



- ▶ **#1** out of 153 banks; 2nd overall



For further information on ESG strategy see the Santander Corporate [ESG presentation](#).
(1) Based on 2022 information. Updated score not yet available.

Index



H1'24
Summary



Santander
Business
Model &
Strategy



Capital



Asset
Quality



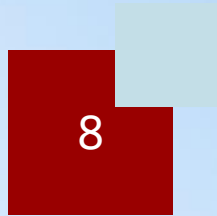
Liquidity &
Funding.
Ratings



ESG



**Concluding
Remarks**



Links,
Appendix
and
Glossary



Concluding Remarks

- ▶ The Group's stable capital generation has been supported by strong pre-provision profits providing Santander with a high capacity to absorb provisions.
- ▶ Strong capital levels in line with Santander's business model based on geographic diversification, solid market positions in areas where it operates and independent subsidiary model in terms of capital and liquidity.
- ▶ The Group is well above the regulatory capital requirement with significant payment capacity from available distributable items, while maintaining comfortable margins to conversion and MDA triggers.
- ▶ According to June 2024 data, the Banco Santander, S.A. Resolution Group complies with the MREL and subordination requirements, TLAC and Group capital buffers.
- ▶ Comfortable liquidity position reinforced further: compliance with regulatory liquidity requirements established at Group and subsidiary levels ahead of schedule, with high availability of liquidity reserves.

Index



H1'24
Summary



Santander
Business
Model &
Strategy



Capital



Asset
Quality



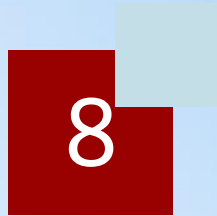
Liquidity &
Funding.
Ratings



ESG



Concluding
Remarks



Links,
Appendix
and
Glossary



Links to Grupo Santander public materials

For additional information on the Group, please *click on the images or icons below*

H1 2024 financial results

Financial report



Earnings presentation



Series (Excel)



Shareholders report



Global business presentations



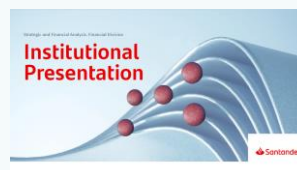
Press release



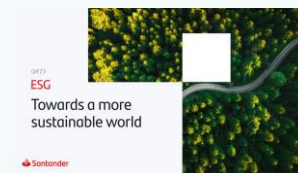
Video (3 minutes)



Institutional Presentation



ESG



Ratings

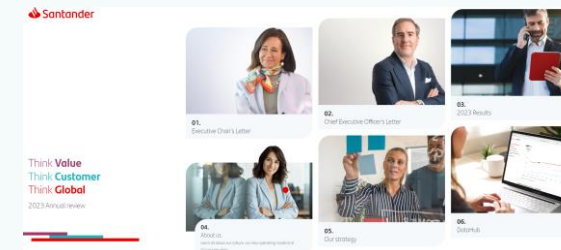


Pillar 3



Other information

2023 Digital annual review



2023 Annual report













Overview of our Corporate Governance presentation



Retail & Commercial Banking

'A new global business integrating all our retail and commercial banking businesses globally to better serve our customers, improve efficiency and drive value creation'

H1'24 Highlights

	Customer loans (€ bn)	619
	Customer deposits (€ bn)	637
	Customer funds (€ bn)	729
	Attributable profit (€ mn)	3,326
	Efficiency ratio	39.5%
	RoTE ¹	18.1%
	RWAs (€bn)	293
	Cost of risk	1.03%
	Total customers (mn)	143
	Active customers (mn)	77

Strategic priorities

- Implement a common operating model, leveraging the Group's global scale and our local presence
- Spread transformation efforts across Retail & Commercial Banking's footprint to foster simplification, process automation and deployment of our best-in-class tech platform
- Further increase profitability, supported by customer base growth and cost-to-serve efficiencies














Digital Consumer Bank

‘Global leader in auto financing and digital consumer activities’

H1'24 Highlights

	Customer loans (€ bn)	213
	New business volumes (€ bn)	46.7
	Leasing (€ bn)	17
	Customer funds (€ bn)	130
	Attributable profit (€ mn)	1,070
	Efficiency ratio	40.6%
	RoTE ¹	13.0%
	RWAs (€bn)	157
	Total customers (mn)	25

Strategic priorities










- Expand our leadership in consumer lending across our footprint (e.g. #1 finance company in Europe and LatAm, top 5 in the US and top 10 in China in auto finance) by providing the best customer experience and enhancing our global relationships
- Converge towards a more digital global operating model, building a world-class digital offering in mobility, supporting our partners' transformation journeys
- Continue to build flex-term solutions (leasing, subscription, BNPL, etc) based on common platforms to respond quickly to the changes in mobility and consumer ecosystem and our customer needs
- Continue gathering deposits as our main source of financing to lower funding costs and reduce net interest income volatility across the cycle



Corporate & Investment Banking

'Santander CIB supports corporate and institutional clients, delivering tailored services and value-added wholesale products suited to their complexity and sophistication'

H1'24 Highlights

	Customer loans (€ bn)	144
	Customer deposits (€ bn)	130
	Attributable profit (€ mn)	1,405
	Revenue (€ mn)	4,188
	Total NII (€ mn)	2,031
	Total non-NII revenue ¹ (€ mn)	2,157
	RoTE ²	19.1%
	RWAs (€bn)	122
	Efficiency ratio	43.4%
	Cost of risk	0.15%

Strategic priorities

- Our aim is to become a focused world-class CIB business, positioning ourselves as a trusted advisor to our clients:
 - Deepen client relationships, with a particular focus on the US
 - Further develop our centres of expertise and digitalize our business
 - Active capital management to support business growth
 - Attract, develop and retain top diverse talent













Source: Dealogic, Infralogic, Bloomberg



Wealth Management & Insurance

'We want to become the best wealth and insurance manager in Europe and the Americas'

H1'24 Highlights

	Total assets under management ¹ (€ bn)	480
	Gross written premiums (€ bn)	6.1
	Attributable profit (€ mn)	818
	Profit contribution ² (€ mn)	1,714
	Revenue ² (€ mn)	3,116
	Efficiency ratio	34.4%
	RoTE ³	80.4%
	RWAs (€bn)	11
	Cost of risk ⁴	0.05%
	Private banking customers (k)	283

 **Santander**
Private Banking

 **Santander**
Asset Management

 **Santander**
Insurance

Strategic priorities

- Continue building our global platform leveraging the connectivity of our teams
- Keep developing a more sophisticated value proposition
- Nurture our Private Banking segments, with a global service supporting cross-border clients in Private Wealth

- Continue to be the preferred funds partner for our retail network
- Become a relevant player in the Alternatives business
- Grow in the Institutional and Private Banking segments
- Implement digital investment platforms in all countries

- Become the preferred insurance provider for our customers in all our markets and segments
- Continue to strive for excellence in terms of coverage and customer experience
- Grow in the SMEs, Health, and Savings segments and businesses
- Develop open distribution platforms

Our ESG commitment: reach €100bn Socially Responsible Investments (SRI) AuM by 2025










(1) Total assets marketed, advised, under custody and/or managed in Private Banking + SAM excluding overlaps i.e., AuM of Private Banking customers managed by SAM.
(2) Including fees generated by Asset Management and Insurance ceded to the commercial network.
(3) RoTE is adjusted based on Group's deployed capital. Data are presented annualizing the impact of the temporary levy on revenue earned in Spain. Without annualizing it, 79.3%.
(4) A negative CoR indicates net releases.
More information at <https://www.santander.com/en/about-us/where-we-are/wealth-management-insurance>



'One-of-a-kind paytech business that offers innovative payment solutions'

H1'24 Highlights

	EBITDA margin	20.1%
	Cost per transaction (€ cents)	3.7
	# transactions (Getnet) (bn)	4.8
	Total payments volume (Getnet) (€ bn)	107.6
	Revenue (€ mn)	583
	Open market revenue (€ mn)	131
	% open market revenue	22.4%

Strategic priorities

- We are a one-of-a-kind paytech business backed by Santander
- Helping our customers prosper and accelerate their growth through a one-stop shop, providing solutions beyond payments to merchants and SMEs & corporates
- Strategic priorities: scaling up our global technology platform, accelerating our commercial growth and pursuing the open market opportunity

Business verticals

▼ Getnet

Global and integrated **acquiring, processing and value-added solutions** for physical and e-commerce merchants

▼ Pagonxt Payments

- **Payments Hub, account-to-account (A2A)** payment and processing businesses
- **OneTrade**, solutions for the management of international business of **corporations and institutions**

▼ Ebury








Global **cross-border** payments platform for SMEs

Cards

Payments

‘Provide exceptional payments experiences, fostering customer loyalty and leveraging transactional data to enhance profitability’

H1'24 Highlights

	# cards (mn)	104
	Turnover (€ bn)	159.2
	# transactions (bn)	7.0
	Average balance (€ bn)	21
	Attributable profit (€ mn)	353
	Efficiency ratio	31.4%
	RoTE	35.0%

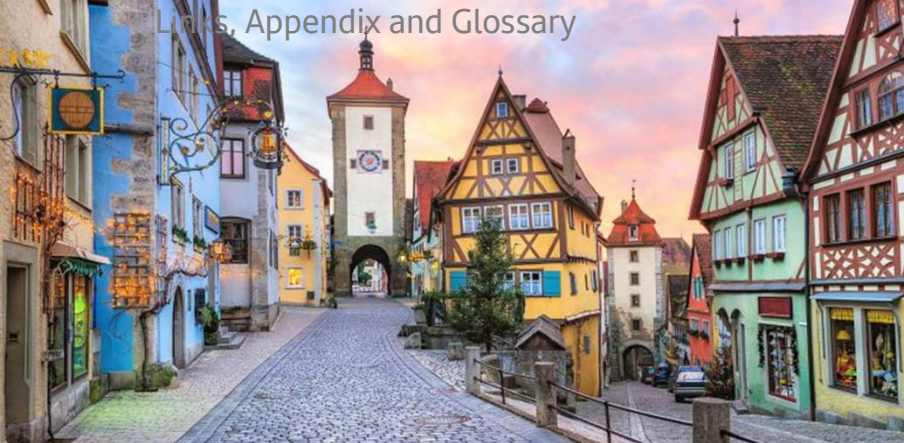
Strategic priorities

- Expand our business, in a profitable and sustainable way, developing credit and lending business, specializing in profitable segments such as corporate cards, and expanding businesses by leveraging PagoNxt's merchant platform: Getnet
- Enhance customer experience through digital solutions, including improvements in dispute and fraud payment experiences, and develop our invisible payments strategy
- Become a best-in-class global card issuing tech platform. Simplifying first our Cards product portfolio, and Build & Run our Global Issuing Platform, that extends beyond technological capabilities





Secondary segments











E



Europe

'We continue to accelerate our business transformation to achieve higher growth and a more efficient operating model'

H1'24 Highlights

	Branches	3,033
	Employees	67,633
	Total customers (mn)	46.5
	Active customers (mn)	28.8
	Customer loans (€ bn)	561
	Customer funds (€ bn)	727
	Attributable profit (€ mn)	3,187
	RoTE ¹	17.2%

Strategic priorities

- Grow the business, by acquiring new customers, increasing customer loyalty and further developing fee generating businesses
- Transform the operating model, to increase efficiency and enhance customer experience by: i) boosting digitalization through a common online banking and mobile experience; ii) product streamlining and process reengineering; iii) leveraging our global scale through the implementation of a common operating model based on centralized global technology
- Maximize the value of the business through active capital management, focusing on sustainable asset rotation, strict risk management and high-value origination





DCBE Digital Consumer Bank Europe

‘Europe’s consumer finance leader: solid business model, geographic diversification and leading market shares in auto/mobility finance and consumer’

H1'24 Highlights

	Branches	327
	Employees	16,704
	Total customers (mn)	19.5
	Points of sale (k)	>130
	Customer loans (€ bn)	138
	Customer funds (€ bn)	81
	Attributable profit (€ mn)	453
	RoTE ¹	9.2%

Strategic priorities

- Secure leadership positions in global digital consumer lending, both auto and non-auto (consumer), increasing the number of partners and providing a best-in-class service
- Continue with the transformation of our operating model in Europe, to defend our best-in-class efficiency through i) single IT platforms, ii) a simpler operational structure, and iii) automation and processes redesign
- Progress in transformational projects in Europe, with new OEM partnerships and deploying our leasing platform in auto and Zina solutions (check-out lending) in non-auto
- Increase deposit acquisition with a focus on lowering funding costs and reducing net interest income volatility across the cycle













North America

'We provide a full range of financial services with a particular focus on Retail, Private, Corporate and Investment Banking'

H1'24 Highlights

	Branches	1,765
	Employees	43,388
	Total customers (mn)	25.5
	Active customers (mn)	15.0
	Customer loans (€ bn)	165
	Customer funds (€ bn)	167
	Attributable profit (€ mn)	1,347
	RoTE	11.7%

Strategic priorities

- Remain focused on executing the transformation of our Retail and Consumer businesses in both countries. The simplification of our product portfolio and streamlining of our operations continued
- Advance in the adoption of global technology platforms to deliver an enhanced digital experience
- Continue to invest in our Corporate & Investment Banking Build-Out in the US, with the expansion of our advisory services and enhanced product offering capabilities
- Pursue growth in Wealth, with targeted investments to enhance our capabilities and strengthen growth levers
- Strengthen our regional operating model in technology and operations to consolidate know-how, digitalization, digital hubs, front and back-office automation driving more effective and efficient operations.





SA



South America

'Moving forward to become the primary bank for our customers and the most profitable franchise in each country in which we operate in the region. while promoting synergies across our global and regional businesses'

H1'24 Highlights

	Branches	3,160
	Employees	79,967
	Total customers (mn)	76.8
	Active customers (mn)	39.1
	Customer loans (€ bn)	157
	Customer funds (€ bn)	195
	Attributable profit (€ mn)	1,681
	RoTE	16.0%

Strategic priorities

- In Retail, we continue to progress towards becoming a digital bank with branches, optimizing our product offerings and processes, while improving customer experience
- In Consumer, we continue to grow and invest profitably, exploring new business models and strengthening partnerships with manufacturers and distributors
- In CIB, we are evolving towards a pan-regional offer, with a focus on Markets and Corporate Finance, to continue being the main player in each market
- In Wealth, we aim to continue liability gathering to drive customer loyalty, improving our value offering and developing our distribution channels
- In Payments, we continue to drive profitable growth of our acquiring business through Getnet (PagoNxt) and our Cards franchise, developing new business and efficiently improving customer experience



Glossary and Acronyms

- **ADIs:** Available distributable items
- **ALCO:** Assets and liabilities committee
- **AT1:** Additional Tier 1
- **AuMs:** Assets under management
- **bn:** Billion
- **Bps:** basis points
- **CBR:** Combined buffer requirement
- **CCoB:** Capital conservation buffer
- **CCyB:** Countercyclical buffer
- **CET1:** Common equity tier 1
- **CIB:** Corporate & investment banking
- **CoR:** Cost of risk
- **DPS:** Dividend per share
- **EBA:** European Banking Authority
- **ESG:** Environmental, social and governance
- **EVA:** Economic Value Added
- **FL:** Fully-loaded
- **FMI:** Financial market infrastructures
- **FY:** Full year
- **FX:** Foreign exchange
- **G-SIB:** Global Systemically Important Banks
- **HQLA:** High quality liquid asset
- **HTC:** Held to collect portfolio
- **HTC&S:** Held to collect & sell portfolio
- **IFRS 9:** International Financial Reporting Standard 9, regarding financial instruments
- **LE:** Leverage exposure
- **LLPs:** Loan-loss provisions
- **M/LT:** Medium- and long-term
- **MDA:** Maximum distributable amount
- **mn:** million
- **MPE:** Multiple point of entry
- **MREL:** Minimum requirement for own funds and eligible liabilities
- **NII:** Net interest income
- **NIM:** Net interest margin
- **NPL:** Non-performing loans
- **NPS:** Net promoter score
- **OEMs:** original equipment manufacturer
- **Pp:** percentage points
- **QoQ:** Quarter-on-quarter
- **RoRWA:** Return on risk-weighted assets
- **RoTE:** Return on tangible equity
- **RWA:** Risk-weighted assets
- **SAM:** Santander Asset Management
- **SCF:** Santander Consumer Finance
- **SCIB:** Santander Corporate & Investment Banking
- **SDG:** Sustainable Development Goals
- **SME:** Small and medium enterprises
- **SNP:** Senior non-preferred
- **SREP:** Supervisory Review and Evaluation Process
- **SRF:** Single resolution fund
- **SRI:** Socially responsible investment
- **ST:** Short term
- **T1/T2:** Tier 1/Tier 2
- **TLAC:** Total loss-absorbing capacity
- **TNAV:** Tangible net asset value
- **YoY:** Year-on-year
- **WM&I:** Wealth Management & Insurance

Glossary - Definitions

PROFITABILITY AND EFFICIENCY

- **RoTE:** Return on tangible capital: Group attributable profit / average of: net equity (excluding minority interests) – intangible assets (including goodwill)
- **RoRWA:** Return on risk-weighted assets: consolidated profit / average risk-weighted assets
- **Efficiency:** Operating expenses / total income. Operating expenses defined as general administrative expenses + amortisations

VOLUMES

- **Loans:** Gross loans and advances to customers (excl. reverse repos)
- **Customer funds:** Customer deposits excluding repos + marketed mutual funds

CREDIT RISK

- **NPL ratio:** Credit impaired loans and advances to customers, customer guarantees and customer commitments granted / Total risk. Total risk is defined as: Total loans and advances and guarantees to customers (including credit impaired assets) + contingent liabilities granted that are credit impaired
- **NPL coverage ratio:** Total allowances to cover impairment losses on loans and advances to customers, customer guarantees and customer commitments granted / Credit impaired loans and advances to customers, customer guarantees and customer commitments granted
- **Cost of risk:** Provisions to cover losses due to impairment of loans in the last 12 months / average customer loans and advances of the last 12 months

CAPITALIZATION

- **Tangible net asset value per share – TNAVps:** Tangible stockholders' equity / number of shares (excluding treasury shares). Tangible stockholders' equity calculated as shareholders equity + accumulated other comprehensive income - intangible assets

ESG METRICS

- **Green Finance raised and facilitated** = Nominal amount of PF, PF Advisory, PF bonds, Green bonds, ECA, M&A, ECM transactions classified by SCFS panel and reported in the League Tables since the beginning of the exercise.
- **SRI** = Volume of assets under management classified as article 8 - promoting ESG objectives - and 9 - with explicit sustainability objectives - of the SFDR regulation (EU Reg. 2019/2088). Includes assets managed by Santander Asset Management (SAM), third-party funds and SAM funds managed with equivalent criteria in those geographies where SFDR does not apply (mainly LatAm).
- **Financial inclusion (# People)** = Number of people who are unbanked, underbanked, in financial difficulty, with difficulties in accessing credit who, through the Group's products and services, are able to access the financial system or receive tailored finance. Financially underserved groups are defined as people who do not have a current account, or who have an account but obtained alternative (non-bank) financial services in the last 12 months. Beneficiaries of various programs are included in the quantification process only once in the entire period. Only new empowered people are counted, taking as a base year those existing since 2019.



Notes: The averages for the RoTE and RoRWA denominators are calculated using the monthly average over the period, which we believe should not differ materially from using daily balances.
The risk-weighted assets included in the denominator of the RoRWA metric are calculated in line with the criteria laid out in the CRR (Capital Requirements Regulation).

Thank You.

Our purpose is to help people and businesses prosper.

Our culture is based on believing that everything we do should be:

Simple Personal Fair

