

24 July 2024

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

# Earnings 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.

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# Important information

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

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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**

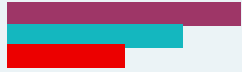
This presentation and the information it contains does not constitute an offer to sell nor the solicitation of an offer to buy any securities.

## **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.

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**H1'24 Highlights**  
**Progress on**  
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**Group**  
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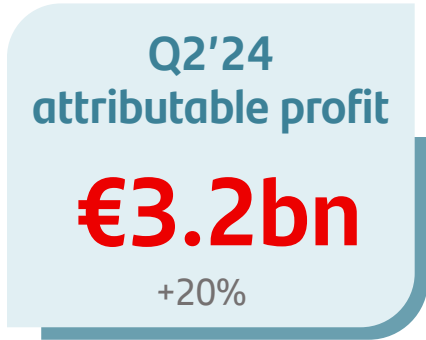
**Final remarks**

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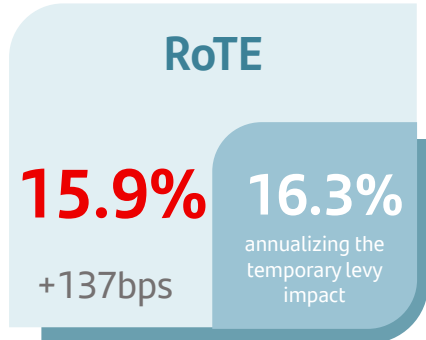
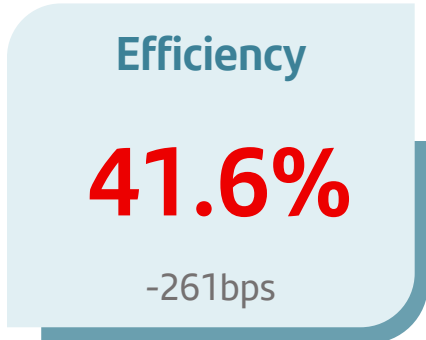
**Appendix**

# Record H1'24 results with all our global businesses contributing to our 2024 targets

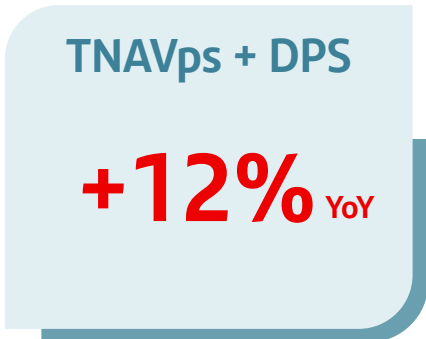
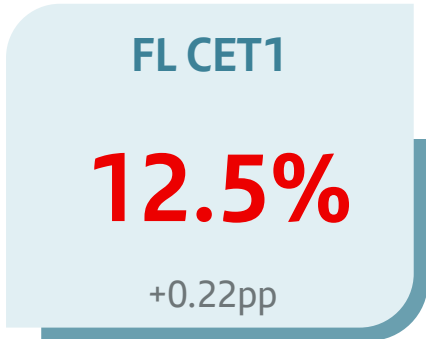
 Another record quarterly profit, including €0.5bn net one-time charges; recurring Q2 profit of €3.7bn



 Strong operating performance and increase in profitability supported by ONE Transformation



 Solid balance sheet and higher shareholder remuneration supporting sustained value creation



# 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
<b>Total revenue</b>	<b>31,050</b>	<b>28,234</b>	<b>10</b>	<b>9</b>	<b>10</b>	<b>10</b>
Operating expenses	-12,913	-12,479	3	3	5	4
<b>Net operating income</b>	<b>18,137</b>	<b>15,755</b>	<b>15</b>	<b>14</b>	<b>15</b>	<b>14</b>
LLPs	-6,243	-5,771	8	8	9	8
Other results*	-2,386	-1,655	44	43	40	39
<b>Attributable profit</b>	<b>6,059</b>	<b>5,241</b>	<b>16</b>	<b>15</b>	<b>16</b>	<b>15</b>

## Excellent business and commercial dynamics continued in H1'24

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



Note: underlying P&L. All references to variations in constant euros across the presentation include Argentina in current euros to mitigate distortions from a hyperinflationary economy. Additionally, from Q2 2024 onwards, we have begun to apply a new inflation-adjusted exchange rate for the Argentine peso. For further information, please see the 'Alternative Performance Measures' section of the Quarterly Financial Report.

(\*) Including the temporary levy on revenue earned in Spain (-€335mn in Q1'24 and -€224mn in Q1'23) and the write-downs in Q2'24 related to our merchant platform in Germany (-€214mn; -€170mn net of taxes) and Superdigital in Latin America (-€100mn; -€73mn net of taxes).

# A record H1'24 puts us on track to exceed our 2024 targets ...

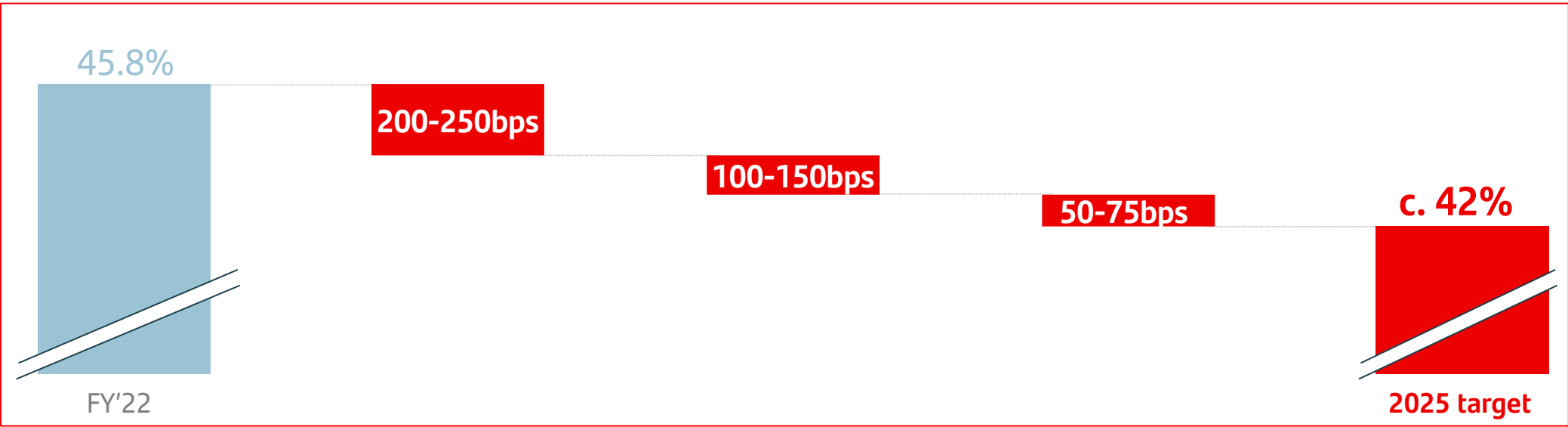
	H1'24	2024 targets	Upgraded 2024 targets	
Revenue <sup>1</sup>	+9%	Mid-single digit growth	High-single digit growth	UPGRADED
Efficiency	41.6%	<43%	c.42%	UPGRADED
CoR	1.2%	c.1.2%	CONFIRMED	
FL CET1	12.5%	>12.0% after Basel III implementation	CONFIRMED	
RoTE	15.9% 16.3% annualizing the temporary levy impact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

... backed by execution of ONE Transformation, improving both revenue and costs ...

Efficiency execution 2022-H1'24












FY'22	ONE Transformation	Global & Network businesses	Global Tech capabilities & others	H1'24
45.8%	-266bps	-87bps	-71bps	41.6%
	<ul style="list-style-type: none"><li>• <b>Product simplification:</b> 6% fewer products in Q2'24 (-23% vs. Dec-22)</li><li>• <b>59%</b> products / services <b>digitally available</b> (58% Mar-24; 56% Dec-23)</li><li>• <b>US:</b> \$20mn efficiencies in Q2'24 (\$230mn since 2022) captured in Consumer and Commercial</li></ul>	<ul style="list-style-type: none"><li>• <b>Multi-Nationals:</b> +3% YoY revenue growth</li><li>• <b>Wealth:</b> collaboration fees with CIB and Corporates reached <b>€2.03bn (+12% vs. H1'23)</b></li><li>• <b>Consumer:</b> expansion of OEM agreements</li></ul>	<ul style="list-style-type: none"><li>• <b>Global approach</b> to technology: €77mn efficiencies in Q2'24 (€314mn since 2022)<ul style="list-style-type: none"><li>– <b>Gravity</b> (back-end) efficiencies</li><li>– <b>Process optimization</b></li><li>– <b>Global vendor</b> agreements</li><li>– <b>IT&amp;Ops shared-services</b></li></ul></li></ul>	

Reminder from Investor Day Efficiency 2022-2025





... and by our five global businesses, leveraging our global scale to accelerate profitable growth

H1'24	Revenue (€bn)	Contribution to Group revenue	C/I	RoTE	2025 RoTE target
 Retail	16.3 +12%	 52%	39.5% -4.8pp	18.1% +4.3pp	c.17%
 Consumer	6.4 +7%	 20%	40.6% -2.7pp	13.0% +0.4pp	>14%
 CIB	4.2 +6%	 13%	43.4% +5.2pp	19.1% -2.2pp	>20%
 Wealth	1.8 +12%	 6%	34.4% -2.3pp	80.4% +3.5pp	c.60%
 Payments	2.7 +3%	 9%	46.9% +0.5pp	<div>PagoNxt EBITDA margin</div> 20.1% +8.9pp	>30%
 Group	31.1 +9%		41.6% -2.6pp	16.3% +1.3pp	15-17%



Note: YoY changes and revenue in constant euros.

Contribution to Group revenue as a percentage of total operating areas, excluding the Corporate Centre.  
Global businesses' RoTEs are adjusted based on Group's deployed capital. Data are presented annualizing the impact of the temporary levy. Without annualizing its impact: Retail 17.4% (+4.1pp); Consumer 12.8% (+0.3pp); CIB 19.0% (-2.3pp); Wealth 79.3% (+3.4pp); PagoNxt EBITDA margin 20.1% (not affected) and Group 15.9% (+1.4pp).

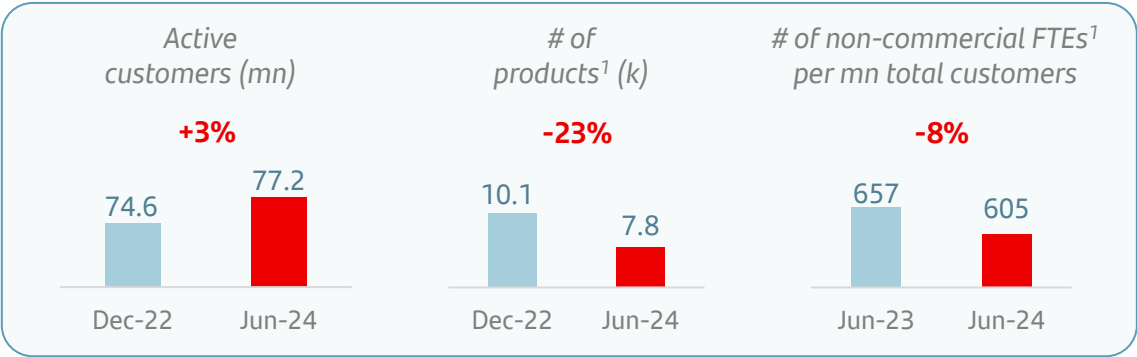
# Retail: delivering 12% revenue growth with costs flat, by deploying global platforms

## Execution of the strategy

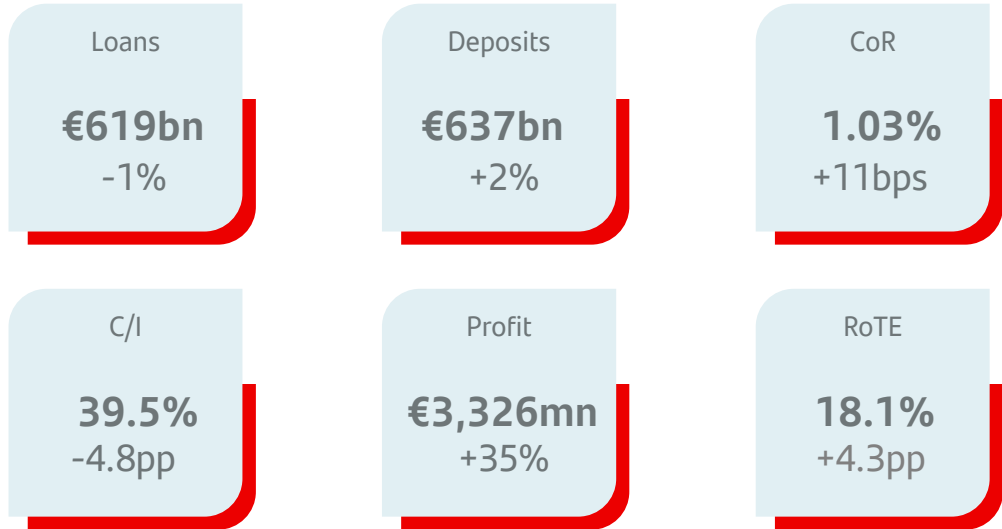
*Driving growth and efficiency on the back of our new model and proprietary technology*

Customer experience	New digital onboarding and simplified product offering leading to an increase in customers and digital sales
Operational leverage	Automated processes and a leaner organization driving efficiencies and a reduction of non-commercial FTEs
Global platform	New platform (ODS-Gravity) reducing the cost per transaction and driving efficiencies. Gravity implementation completed in the US

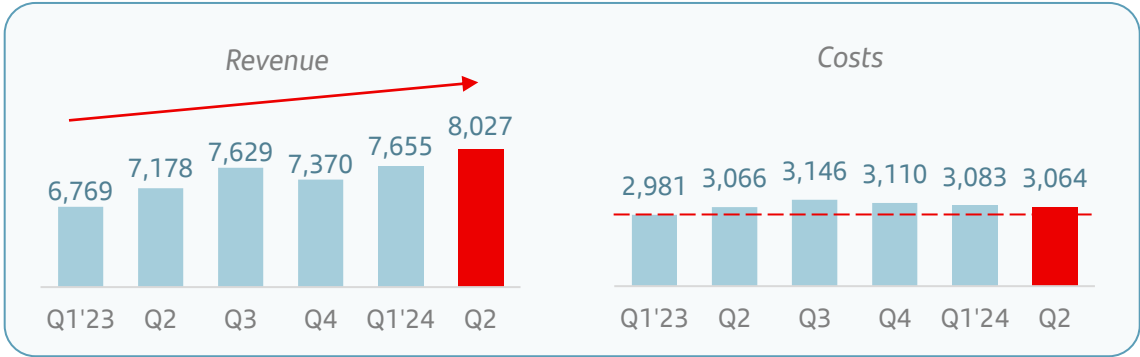
### Key drivers



## H1'24 financials



### Operational leverage – Revenue vs. Costs (€ mn, excl. Argentina)



Note: data and YoY changes in constant euros. RoTE annualizing the impact of the temporary levy.  
(1) Metrics cover all products and employees in the branch network in our 10 main countries.

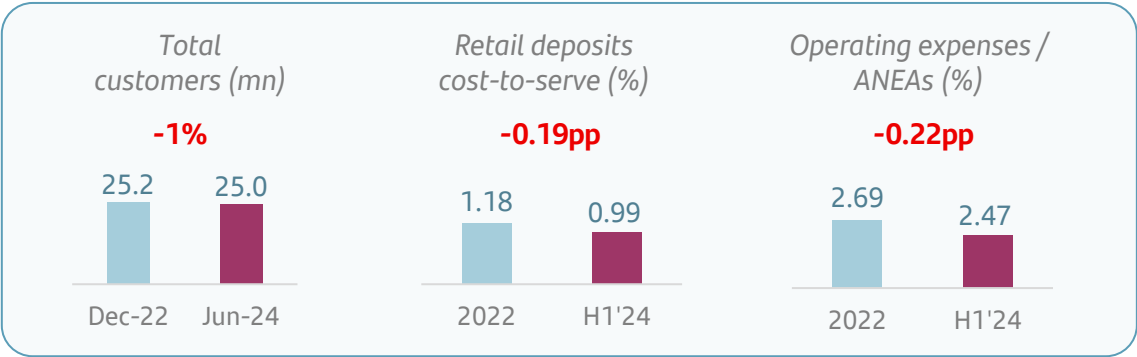
# Consumer: strong improvement in operational leverage and better deposit cost-to-serve

## Execution of the strategy

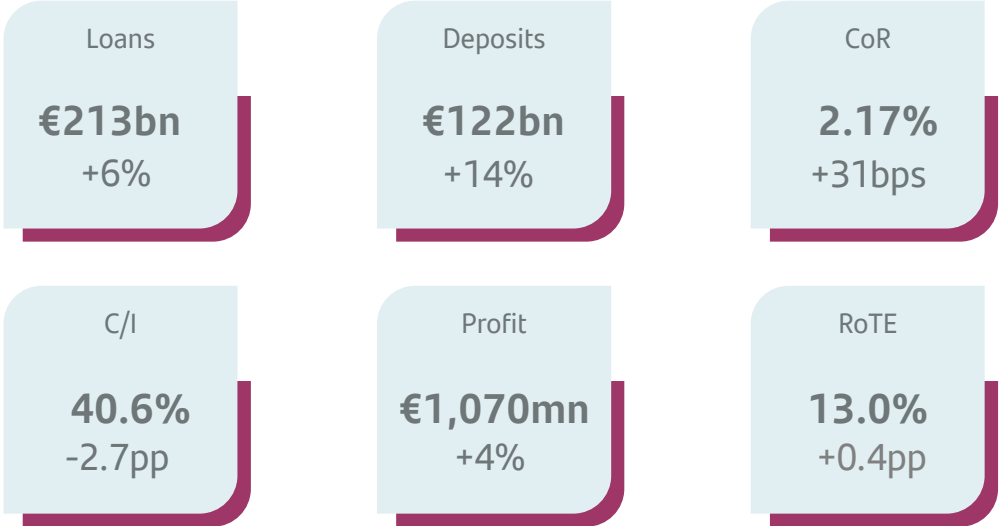
*Transforming into a best-in-class, global business and operating model*

Customer experience	Fully-digital financing experience available for our auto partners Expanding partnerships across regions
Operational leverage	Launched a new onboarding for pure digital players Double-digit deposit growth supported by our digital solutions
Global platform	Openbank launch in the US and Mexico Zinia's successful launch of instalment loans with Apple in Germany

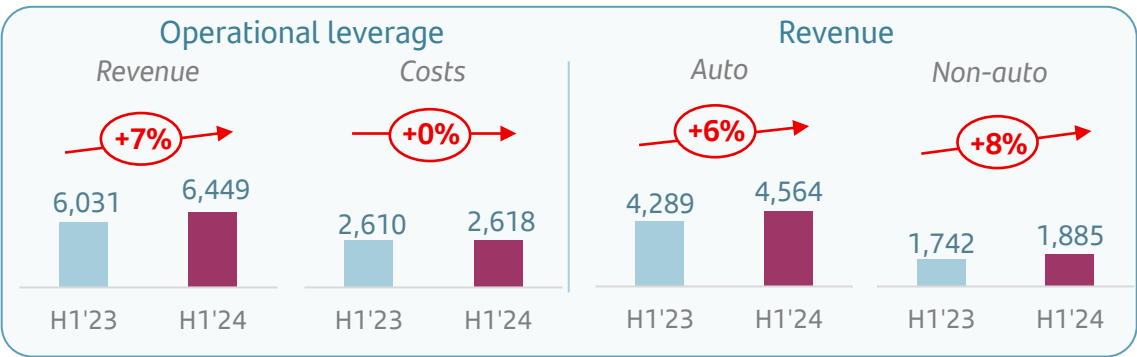
### Key drivers



## H1'24 financials



### Operating performance (€ mn)



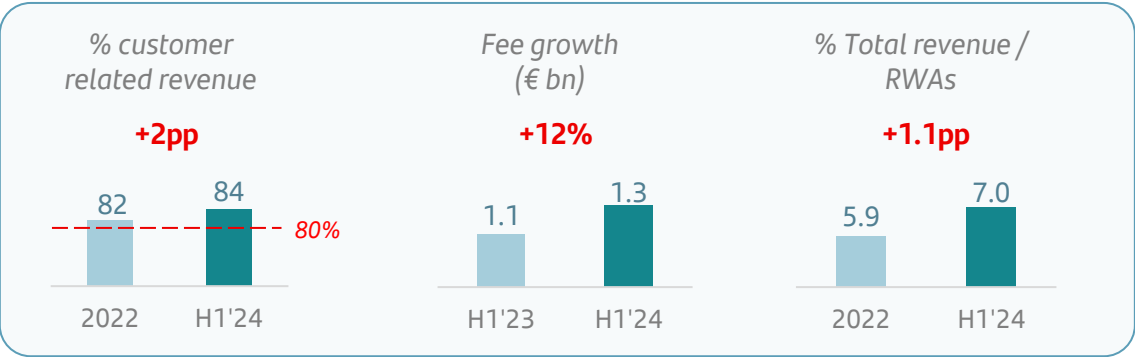
# CIB: US investments drove 12% fee growth and strong RoTE of 19%

## Execution of the strategy

*Playing to our strengths to better serve our corporate customers and institutions*

Customer experience	Significant progress broadening our product offering in the US Development of Markets infrastructure to serve institutional clients
Operational leverage	Enhanced global centres of expertise, with new and strengthened industry and product teams
Global platform	Increased distribution capabilities, evolving our originate-to-share model towards a mainstream end-to-end platform

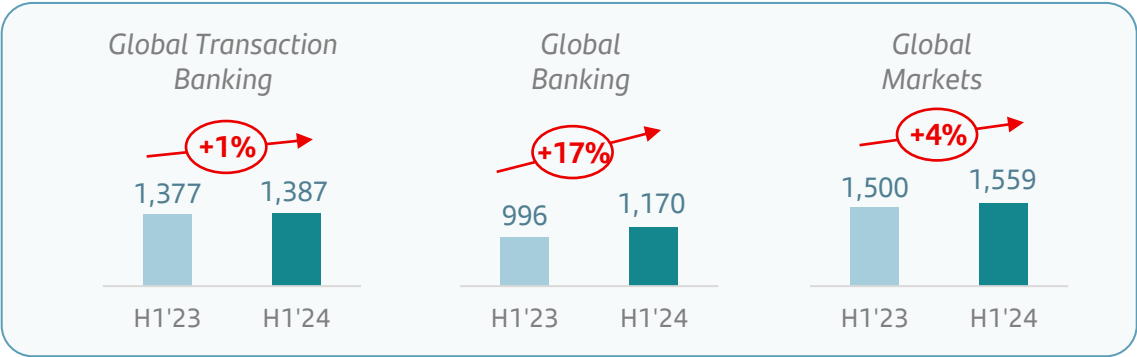
### Key drivers



## H1'24 financials



### Revenue (€ mn)



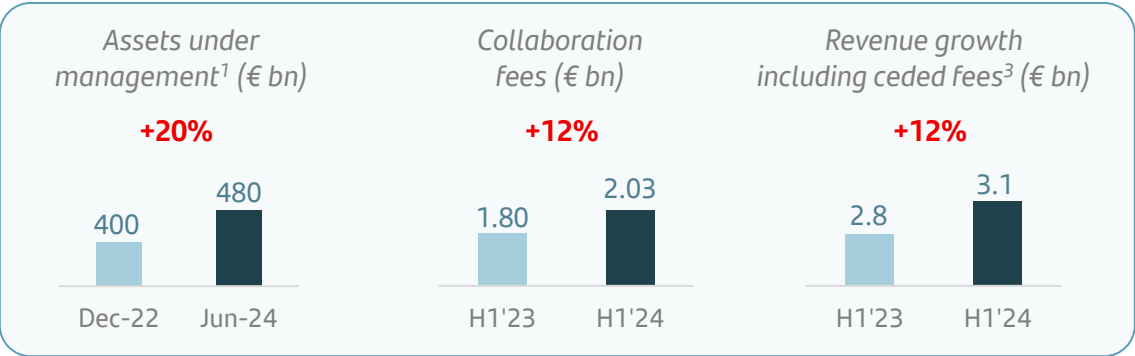
# Wealth: network collaboration fees up 12% and profitability over 80%

## Execution of the strategy

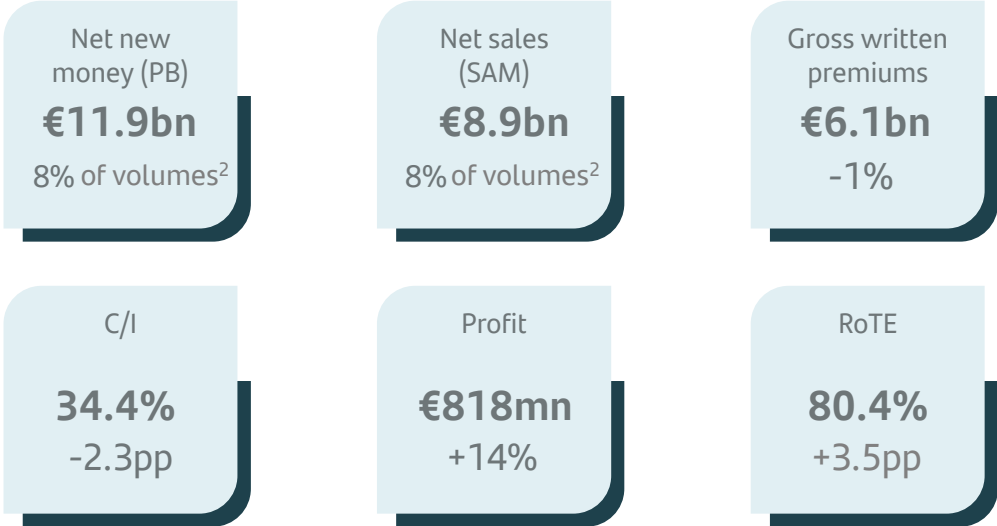
Accelerating our customers' connectivity with our global product platforms

Customer experience	Improved customer relationships, providing the best service with the right solutions, reflected in +13% YoY PB customer growth
Operational leverage	Boosted results by fostering collaboration with Retail (including Corporates) and CIB, and by connecting PB across countries
Global platform	Accelerating the regionalization of our auto insurance platform to promote direct-to-consumer business and new segments

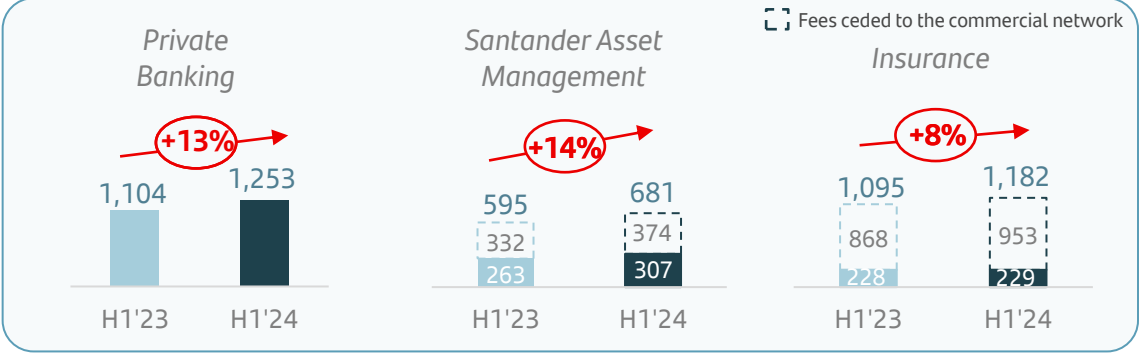
### Key drivers



## H1'24 financials



### Revenue (including ceded fees, € mn)



Note: data and YoY changes in constant euros. RoTE annualizing the impact of the temporary levy. Including all fees generated by Santander Asset Management and Insurance, even those ceded to the commercial network, which are reflected in Retail's P&L, PAT + fees of €1,714mn (+12% YoY).

(1) Includes off-balance sheet assets and deposits.

(2) Annualized net new money as % of total PB CAL. Annualized net sales as % of SAM's AuMs.

(3) Includes all fees generated by Santander Asset Management and Insurance, even those ceded to the commercial network, which are reflected in Retail's P&L.

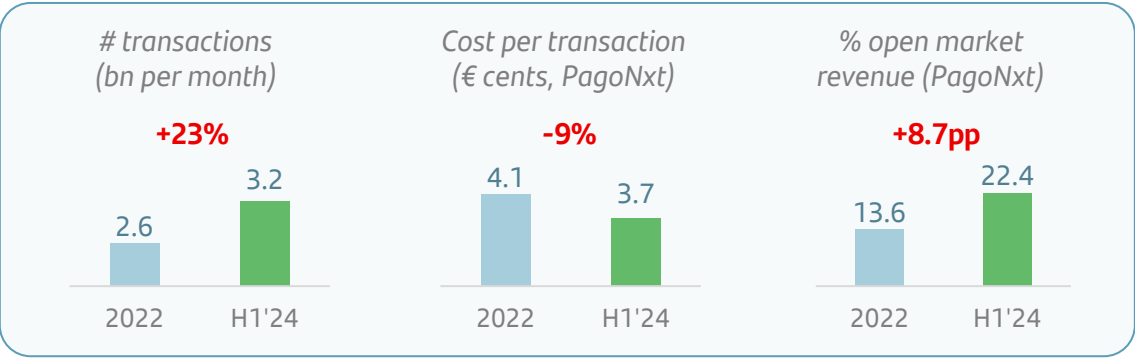
# Payments: PagoNxt open market revenue above 22% and EBITDA margin over 20%

## Execution of the strategy

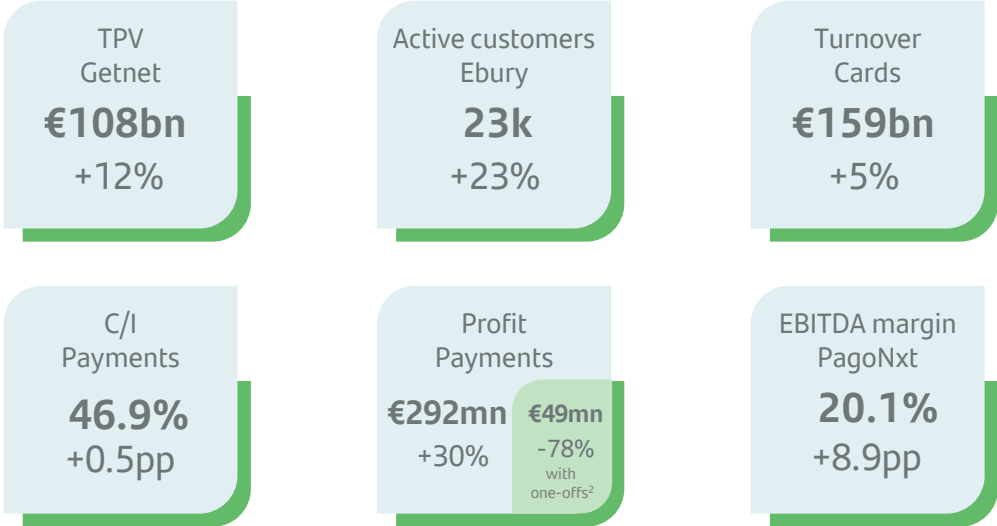
Seizing a growing opportunity by capturing scale through global platforms

Customer experience	Invisible Payments providing the best experience New Dynamic Currency Conversion rolled out in Getnet Mexico
Operational leverage	Capex optimization, operational efficiencies and more transactions in PagoNxt Payments, driving down the cost per transaction
Global platform	Significant progress in our Global Cards platform (Plard) Getnet focusing on leveraging Group's scale

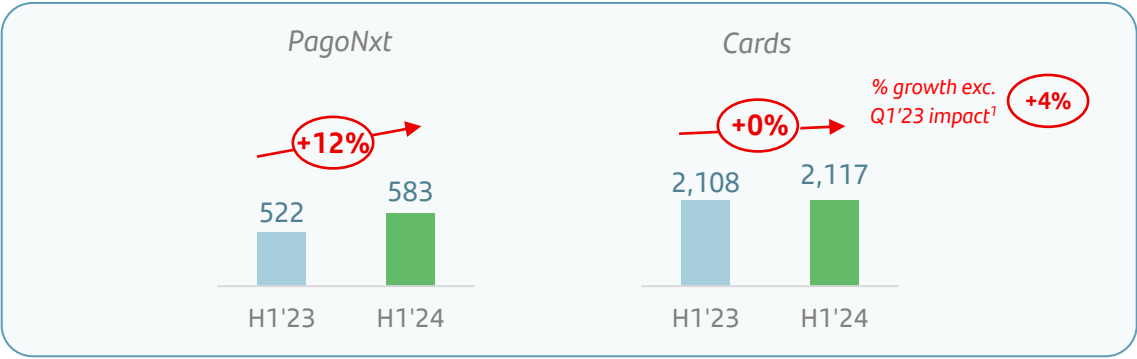
### Key drivers



## H1'24 financials

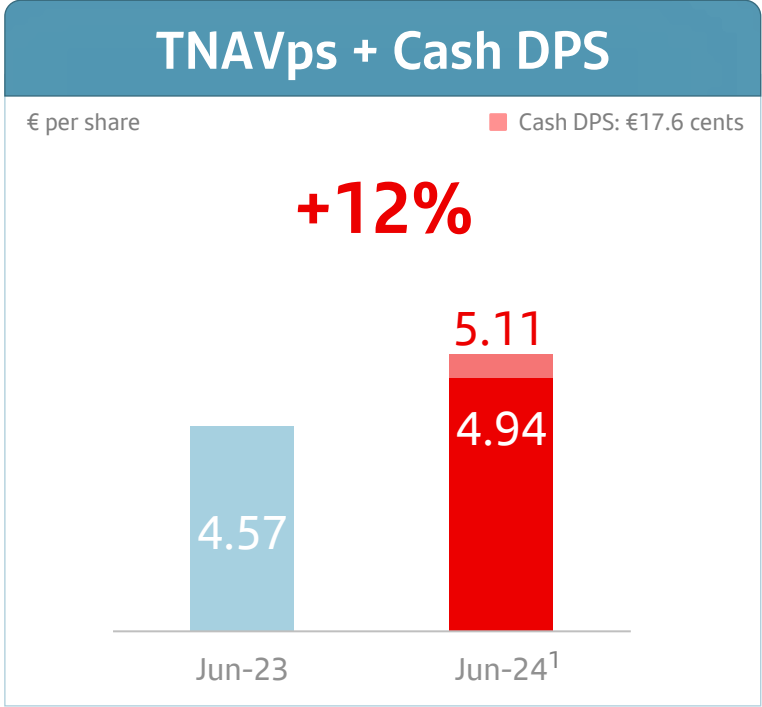
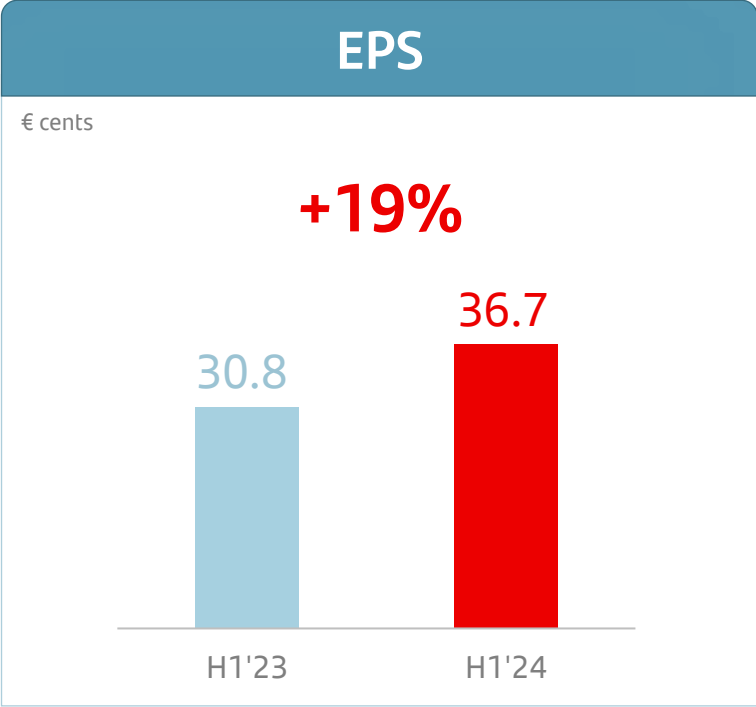
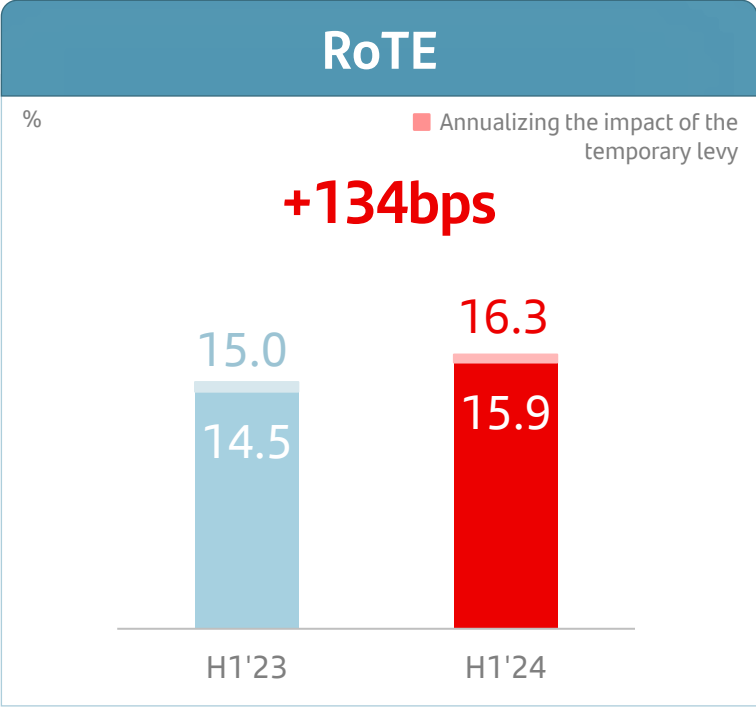


### Revenue (€ mn)



Note: data and YoY changes in constant euros. Transactions include merchant payments, cards and electronic A2A payments.  
(1) Revenue growth excluding a one-time positive fee recorded in Q1 2023 from commercial agreements in Brazil.  
(2) Profit and YoY change including the write-downs related to our merchant platform in Germany and Superdigital in Latin America.

c.10% revenue growth and share buybacks drove EPS up 19% and a 12% increase in TNAVps + Cash DPS

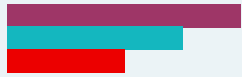


Since 2021, Santander has repurchased c.11% of its outstanding shares



Note: our shareholder remuneration policy is c.50% payout (split in approximately equal parts in cash and share buybacks). Implementation of shareholder remuneration policy is subject to future corporate and regulatory decisions and approvals.

(1) TNAVps + Cash DPS includes the €8.10 cent cash dividend paid in November 2023 and the €9.50 cent cash dividend paid in May 2024, executed as part of the shareholder remuneration policy.



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H1'24 Highlights  
Progress of our strategy

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Final remarks

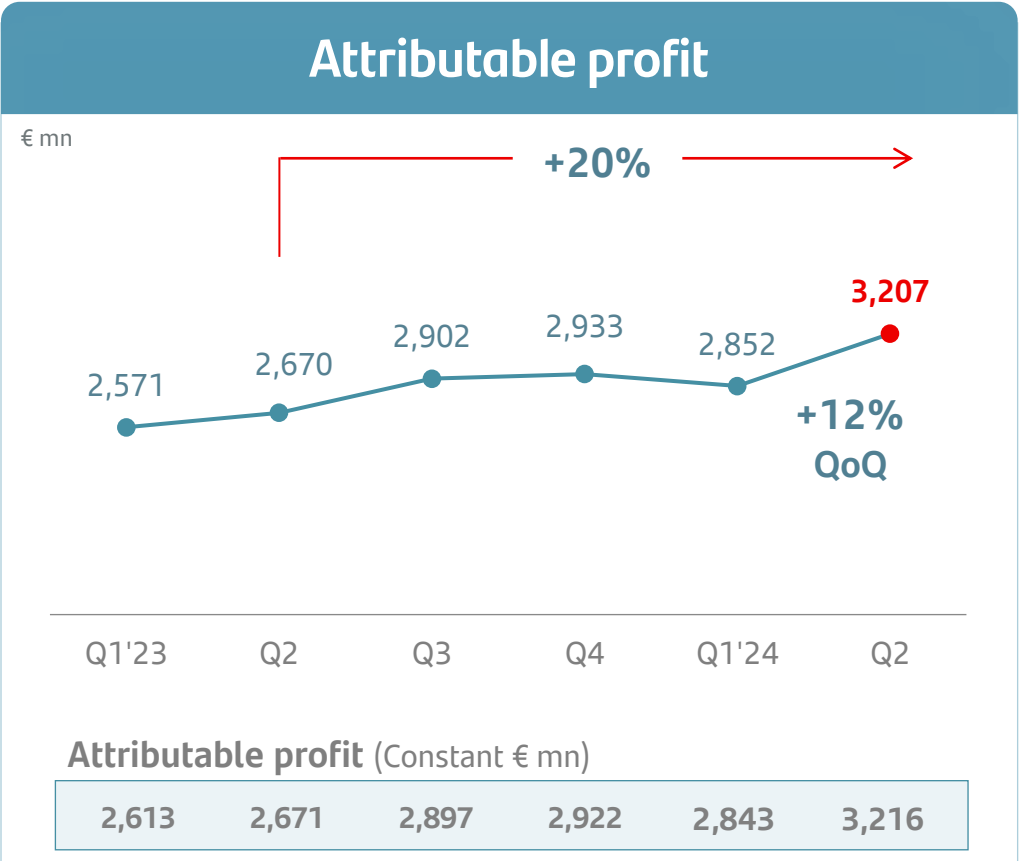
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Appendix



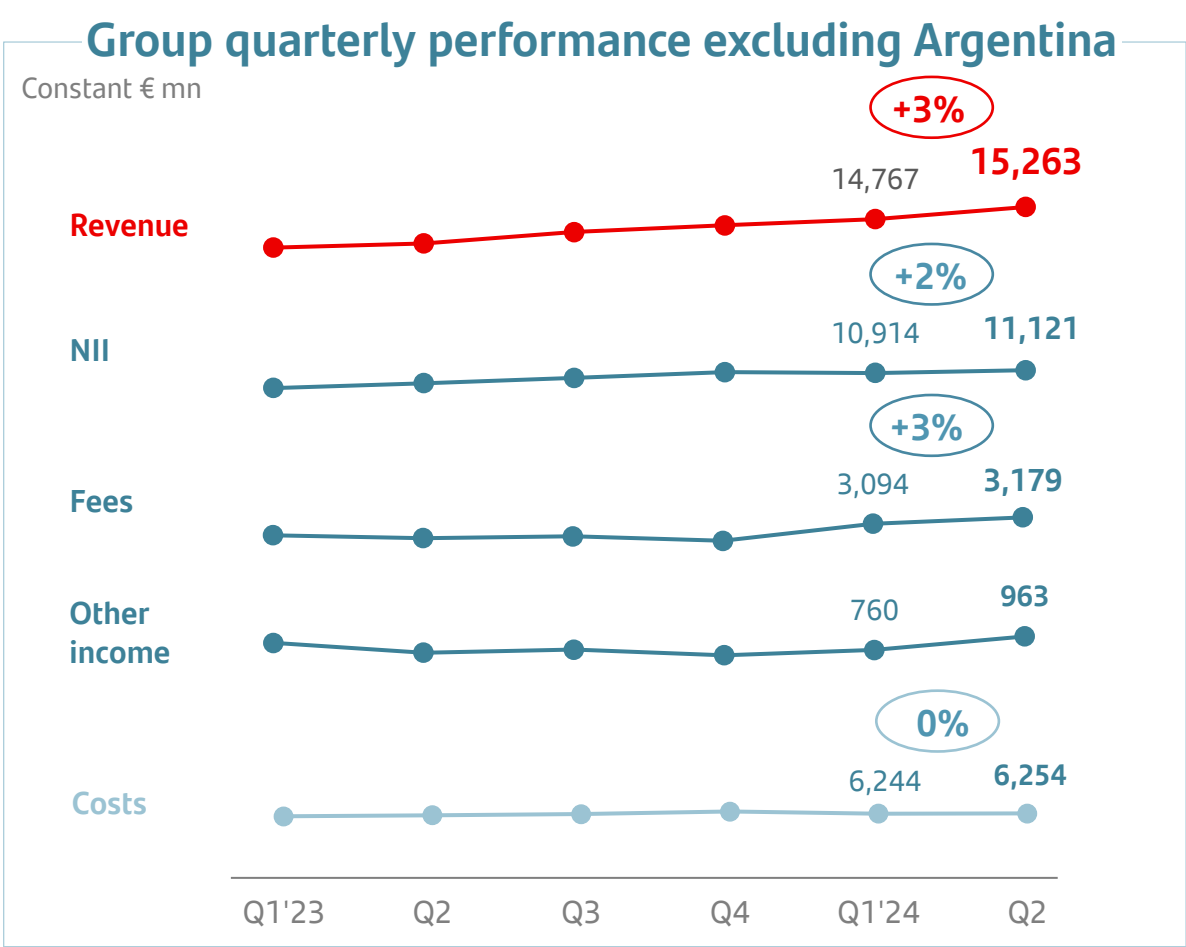
# Double-digit YoY profit increase driven by strong growth in net operating income, supported by customer revenue and efficiency improvements

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



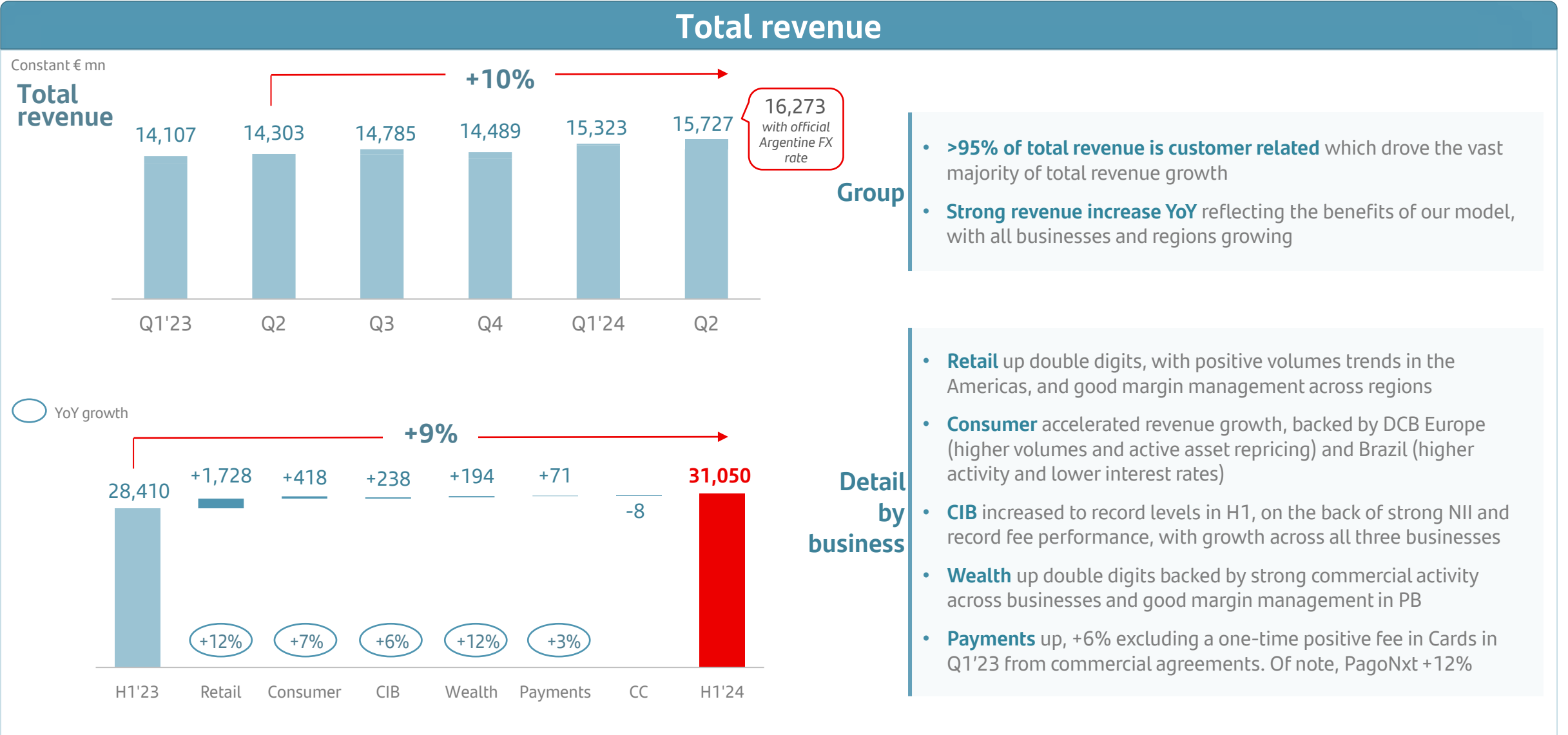
# NII up 2% and costs flat QoQ when Argentina is excluded

Q2'24 vs. Q1'24				
	Group		Group excluding Argentina	
	Current	Constant	Current	Constant
	%	%	%	%
NII	-4	-4	1	2
Net fee income	0	1	2	3
Other income	511	506	27	27
Total revenue	2	3	3	3
Operating expenses	-3	-2	0	0
Net operating income	5	6	5	6
Attributable profit	12	13	11	11



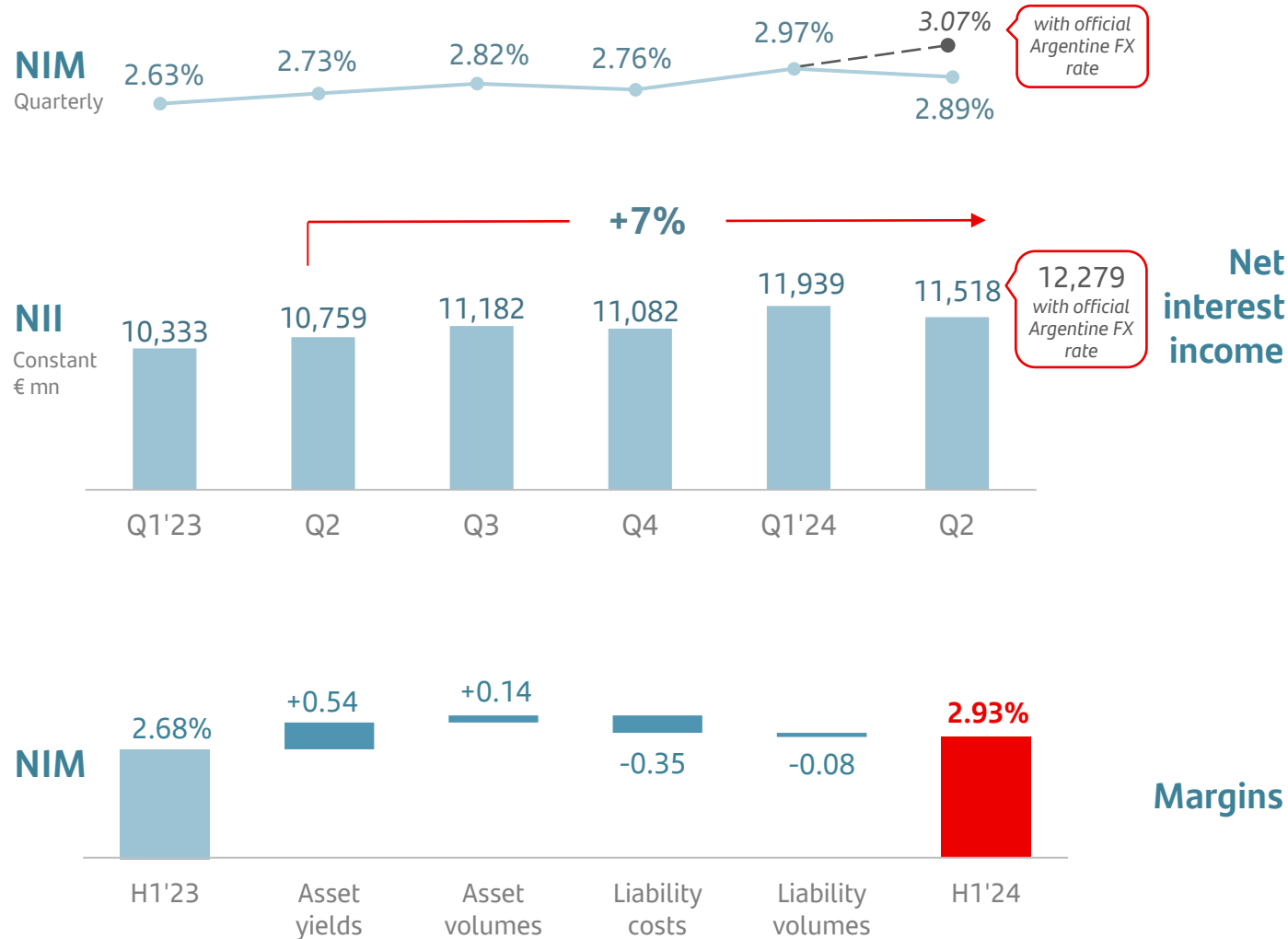
Following a prudent approach, we started to use a new inflation-adjusted exchange rate for Argentina in Q2, which affected QoQ trends

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



# Widening spreads drive NII and NIM expansion

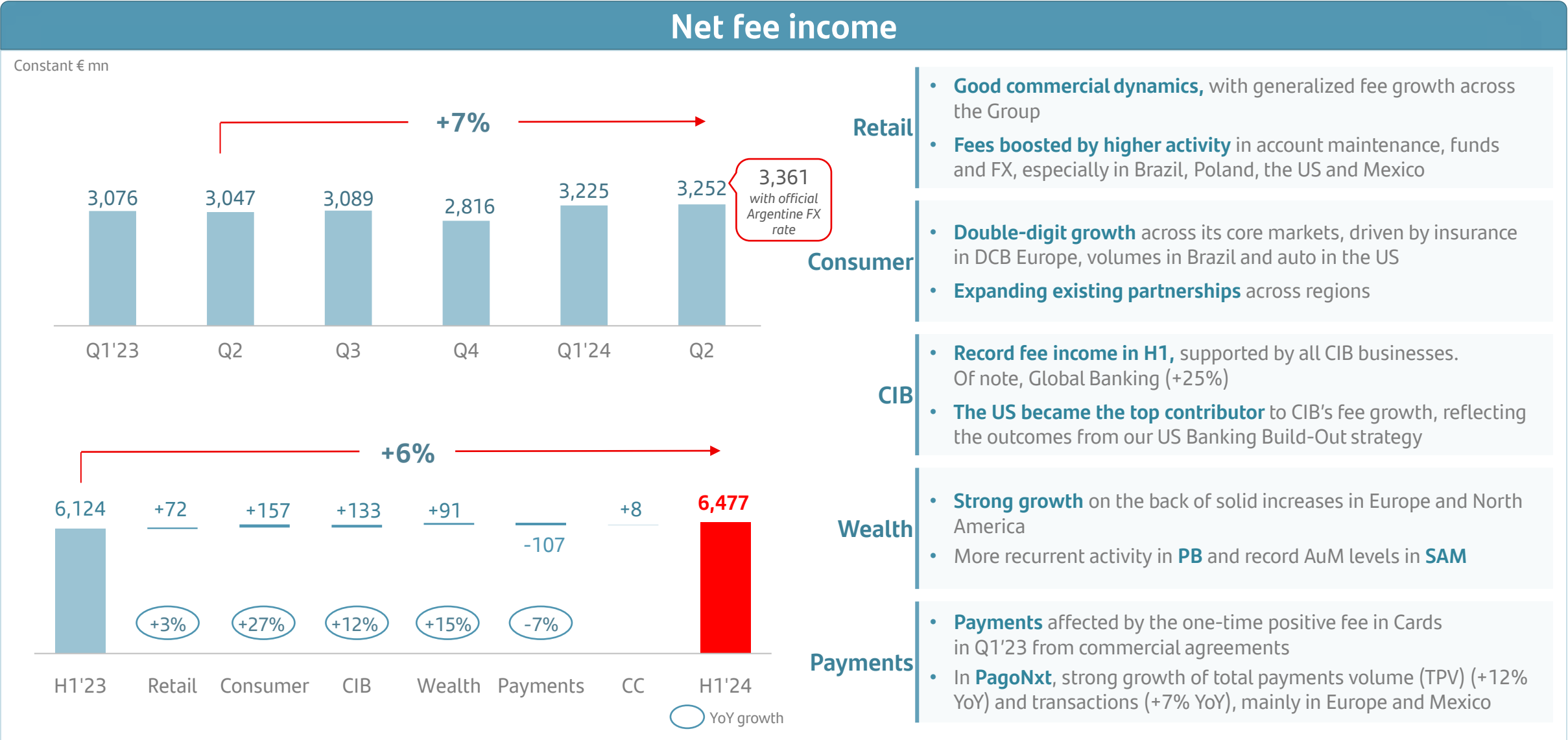
## Net interest income and NIM



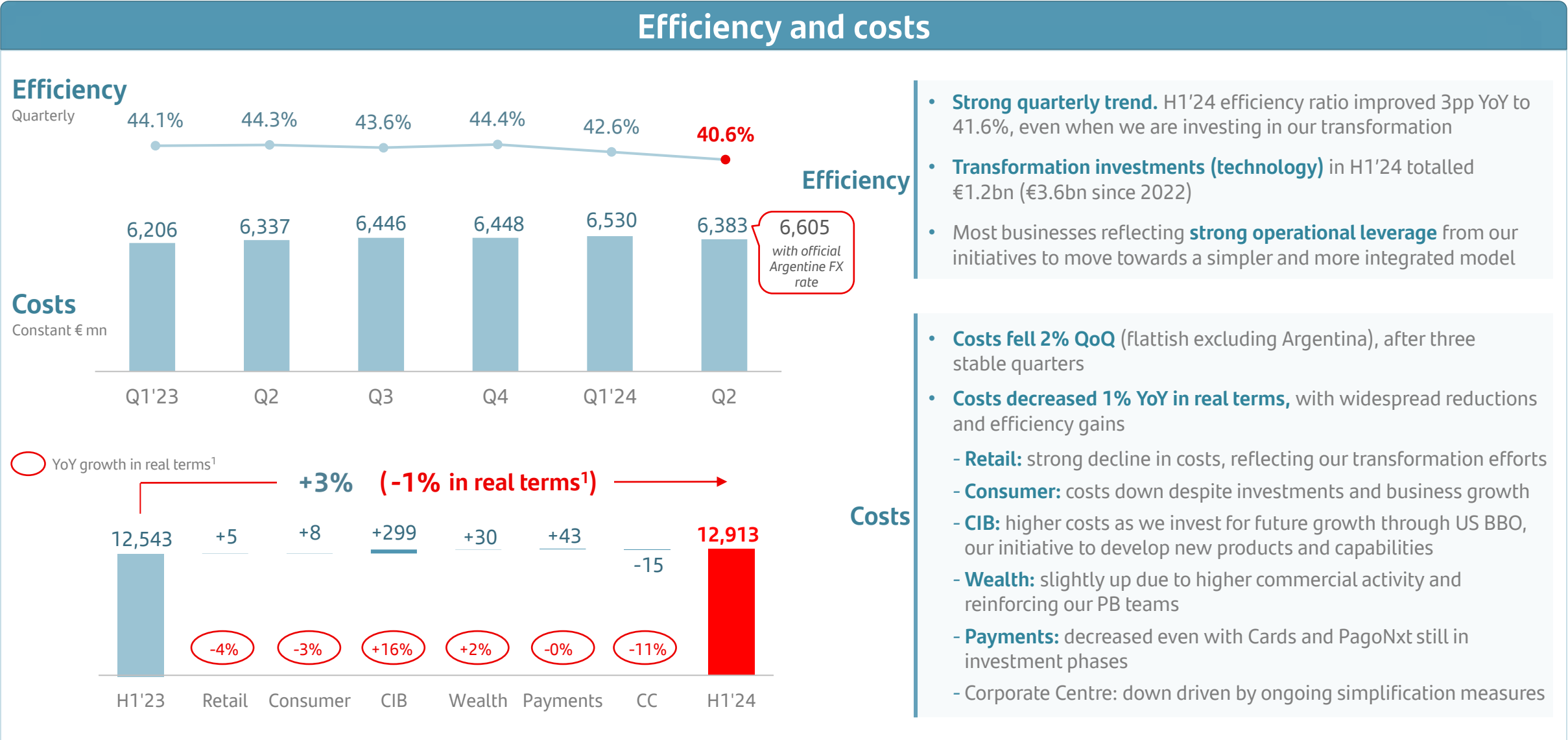
- **>80% of the Group's NII** is from our Retail and Consumer businesses
- **Solid H1 NII increase YoY (+11%)** across all businesses and regions
  - **Retail in Europe and North America** continued to rise on the back of strict liability management
  - **Retail in South America and Consumer**, supported by volume growth and negative interest rate sensitivity
  - **Strong growth in CIB** on the back of solid activity in GB
- **Q2 up 2% excl. Argentina** mainly driven by Retail (+2%), with strong growth in South America (Chile and Brazil) and Europe slightly up
  - **Consumer (+1%)**, expected to accelerate going forward
  - **CIB (+6%)** growing strongly, supported by GTB and GB
  - **Retail in North America** affected by change of mix in Mexico

- **NIM continued to improve YoY** driven by asset repricing and controlled cost of deposits
- **Strong European franchise**, mostly funded by stable retail deposits, and good momentum in South America

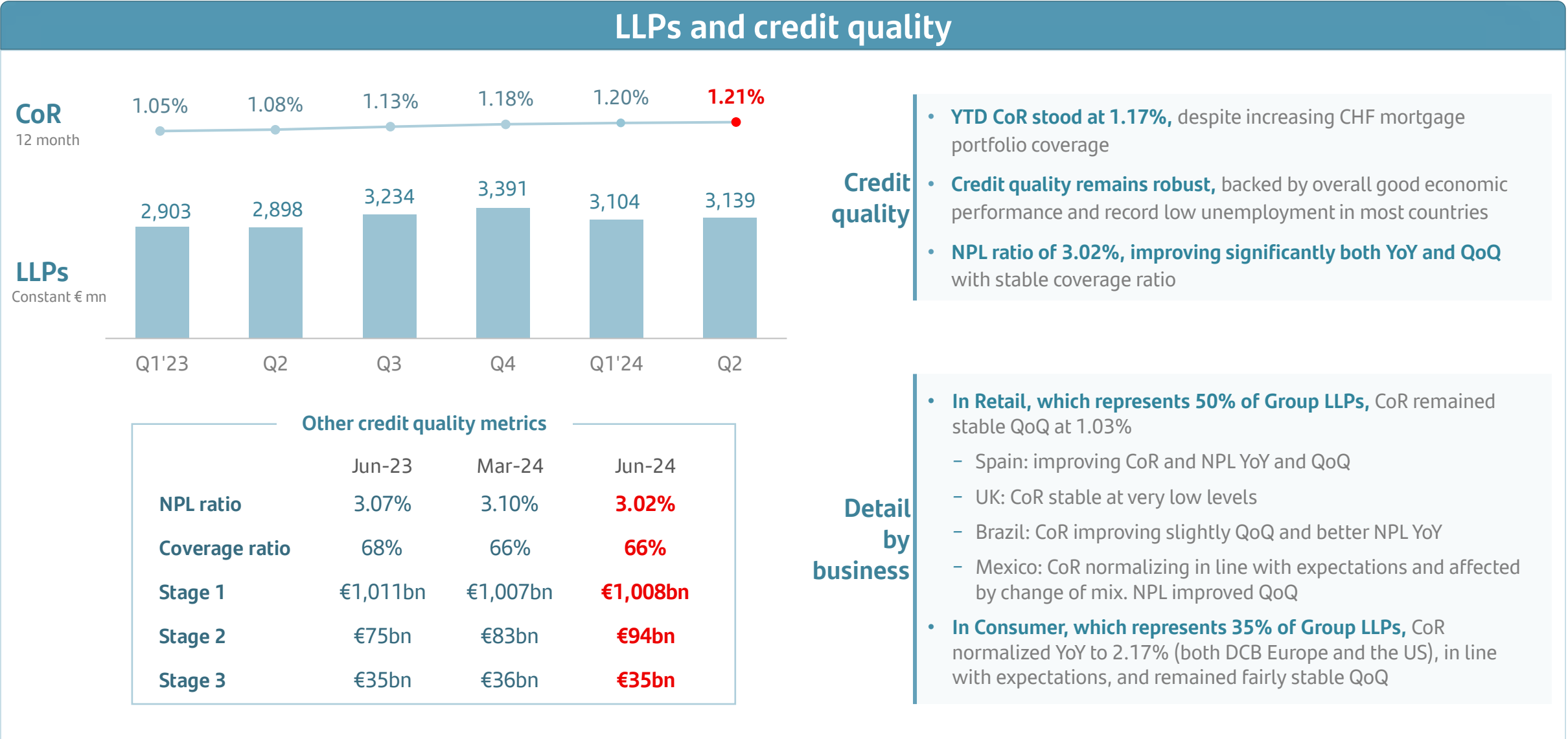
# Net fee income growth shows value added from our global businesses



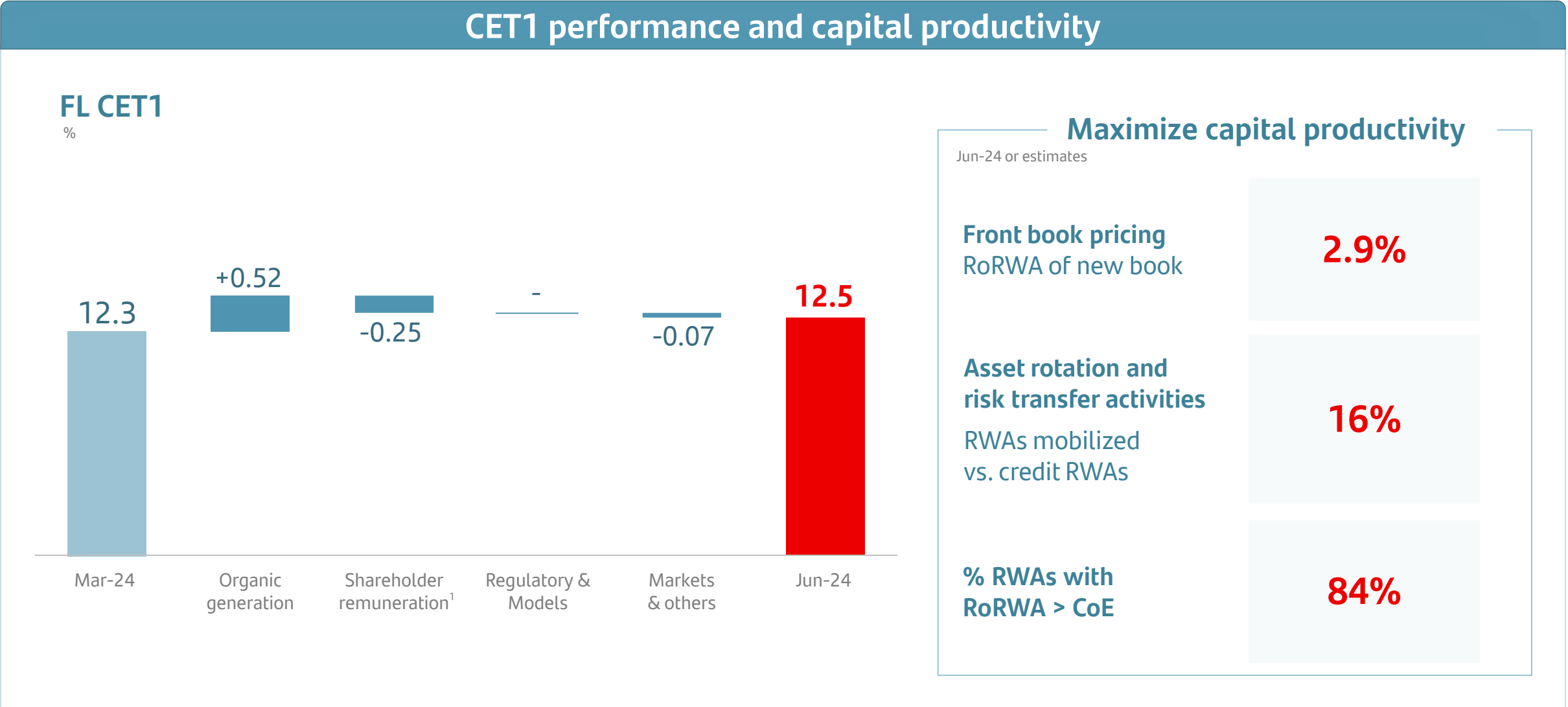
# ONE Transformation driving structural efficiency gains and positive jaws



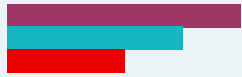
# Stable credit quality in line with 2024 target



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







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Appendix

# Making progress towards our ID targets in our new phase of value creation for our shareholders

H1'24 vs. 2025 ID targets

Strength

FL CET1

12.5%

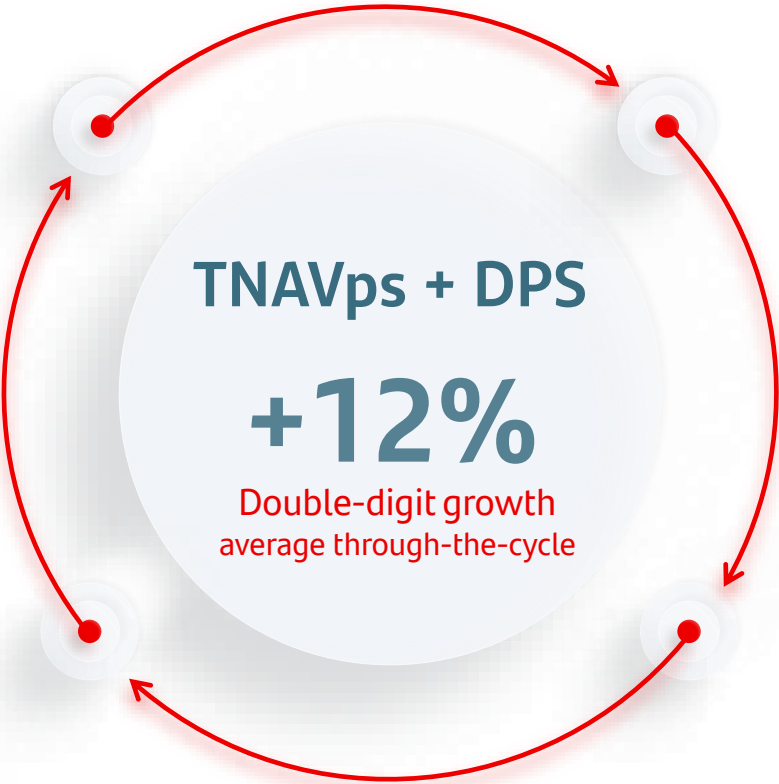
>12%

Shareholder remuneration

Payout

50%

Cash dividend + SBB  
50% annually



Disciplined capital allocation

RWAs with RoRWA > CoE

84%

c.85%


Profitability

RoTE<sup>1</sup>

16.3%

15-17%

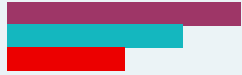
# All-time high quarterly and half-year profit, driving an upgrade of our 2024 targets

-  **Record profit supported by an outstanding P&L from top to bottom**  
Excellent business dynamics: record NII, fees, revenue and net operating income
-  **ONE Transformation and value-added by our global businesses, accelerating operational leverage and profitable growth**  
Revenue and efficiency guidance for 2024 upgraded
-  **Sound credit quality performance in H1'24**  
CoR expected to remain at similar levels under current macro conditions
-  **Robust balance sheet with strong capital levels (CET1 +20bps in Q2)**  
Unequivocally committed to maintaining our CET1 ratio above 12%
-  **Capital productivity and disciplined capital allocation, driving profitability and shareholder value creation**  
Improved RoTE guidance. Confirmed double-digit growth<sup>2</sup> TNAVps + Cash DPS

	H1'24	Upgraded 2024 targets
Revenue <sup>1</sup>	+9%	High-single digit growth
Efficiency	41.6%	c.42%
CoR	1.2%	Confirmed c.1.2%
FL CET1	12.5%	Confirmed >12% after Basel III implementation
RoTE	16.3%	>16%



Note: targets market dependent. Based on macro assumptions aligned with international economic institutions.  
H1'24 RoTE annualizing the temporary levy impact.  
(1) YoY change in constant euros, except Argentina in current euros.  
(2) On average through-the-cycle.



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Appendix

# Appendix

**Investor Day Targets summary**

Detail by global business, region and country

Reconciliation of underlying results to statutory results

Glossary

The other information in the Appendix regularly provided each quarter can be found in the document entitled "Supplementary Information", published together with this presentation on the Group's corporate website

# ONE Transformation driving double-digit growth in value creation

		2022	2023	H1'24	2025 targets
Profitability	RoTE (%)	13.4	15.1	15.9	15-17
	Payout (Cash + SBB) <sup>1</sup> (%)	40	50	50	50
	EPS Growth (%)	23	21.5	19.2	Double-digit
Customer centric	Total customers (mn)	160	165	168	c.200
	Active customers (mn) <sup>2</sup>	99	100	101	c.125
Simplification & automation	Efficiency ratio (%)	45.8	44.1	41.6	c.42
Customer activity	Transactions volume per active customer (month, % growth) <sup>3</sup>	-	10	9	c.+8
Capital	FL CET1 (%)	12.0	12.3	12.5	>12
	RWA with RoRWA > CoE (%)	80	84	84	c.85
ESG <sup>4</sup>	Green financed raised & facilitated (€bn)	94.5	114.6	123.4	120
	Socially responsible Investments (AuM) (€bn)	53	67.7	74.0	100
	Financial inclusion (# People, mn)	-	1.8	2.8	5
	Women in leadership positions (%)	c.29	31.4	31.1	35
	Equal pay gap (%)	c.1	c.0	-	c.0

TNAVps+DPS (Growth YoY)

+6%

+15%

+12%

Double-digit growth  
average through-the-cycle



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

(2) Those customers who meet transactionality threshold in the past 90 days.

(3) Total transactions annual growth include merchant payments, cards and electronic A2A payments. Target c.+8% CAGR 2022-25.

(4) Information is audited on a limited assurance basis. Green finance raised & facilitated (€bn): since 2019 (not EU taxonomy aligned). Financial inclusion (# people, mn): since 2023. Definitions in the Glossary section in this document. Equal pay gap is calculated annually.

# Appendix

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# Detail by global business



## Highlights

- **Our transformation** and disciplined capital allocation are reflected in a significant rise in total customers, **efficiency** improvements (-4.8pp to 39.5%) and higher **profitability** (RoTE +4pp to 18.1%)
- **Loans** slightly down YoY, still affected by prepayments in Spain and a strict pricing policy in the UK. Growth in South America (lower interest rates), Mexico and Poland. Generalized increases in **deposits** and mutual funds
- **Strong profit growth YoY (+35%),** with a solid revenue performance, lower costs in real terms and a drop in LLPs:
  - **NII** rose, mainly driven by Europe (good margin management) and South America (volumes and lower cost of deposits)
  - Solid **fee** performance boosted by higher activity in account maintenance, funds and FX, especially in Brazil, Poland, the US and Mexico
  - **LLPs** improved and CoR was stable due to the good performance in Europe, which offset normalization in Mexico and volumes in Brazil
- **Quarterly trends affected by Argentina. Excluding it, profit grew 22%,** on the back of strong revenue growth and good underlying credit quality trends. Additional CHF provisions in Q2 were partially offset by the charge related to the temporary levy in Q1

## Key data

Loans	Deposits	Mutual Funds
€619bn -1%	€637bn +2%	€92bn +22%
Efficiency	CoR	RoTE
39.5% -4.8pp	1.03% +11bps	18.1% +4.3pp

## P&L

Underlying P&L*	Q2'24	% Q1'24	H1'24	% H1'23	% H1'23'
NII	6,870	-3.0	14,015	11.6	13.0
Net fee income	1,173	-0.4	2,366	3.1	3.5
Total revenue	8,226	3.2	16,274	11.9	13.1
Operating expenses	-3,119	-4.8	-6,423	0.1	0.8
<b>Net operating income</b>	<b>5,107</b>	<b>8.7</b>	<b>9,851</b>	<b>21.2</b>	<b>22.9</b>
LLPs	-1,564	4.6	-3,087	-1.3	-0.8
<b>Attributable profit</b>	<b>1,824</b>	<b>21.8</b>	<b>3,326</b>	<b>34.9</b>	<b>37.4</b>

(\*) € mn and % change in constant euros.

(1) % change in current euros.

## Highlights

- We continue expanding our **leadership in consumer finance** across our footprint, converging towards a **more digital global operating model and implementing enhanced solutions** through common platforms
- Loans** up 6%, driven by higher new business volumes (+8%) mainly in Brazil and Europe, in a context of higher activity in auto
- Deposits** rose 14%, mainly in Europe, in line with our deposit gathering strategy to lower funding costs and reduce NII volatility across the cycle
- Net operating income increased double-digits**, supported by a positive revenue performance, including a 27% rise in fees, and good cost control (-3% in real terms)
- Profit** up 4% YoY, mainly driven by solid net operating income, and despite CoR normalization towards pre-pandemic levels and the impact from the additional CHF provisions to increase coverage
- Profit rose 31% QoQ** mainly driven by lower LLPs in the US, with positive trends in revenue and stable costs

## Key data

New lending	Deposits	Mutual Funds
€46.7bn +8%	€213bn +6%	€122bn +14%
Efficiency	CoR	RoTE
40.6% -2.7pp	2.17% +31bps	13.0% +0.4pp

## P&L

Underlying P&L*	Q2'24	% Q1'24	H1'24	% H1'23	% H1'23'
NII	2,655	-1.9	5,364	6.7	6.8
Net fee income	387	9.7	742	26.8	27.1
Total revenue	3,264	2.6	6,449	6.9	7.0
Operating expenses	-1,307	-0.5	-2,618	0.3	0.4
<b>Net operating income</b>	<b>1,957</b>	<b>4.8</b>	<b>3,831</b>	<b>12.0</b>	<b>12.1</b>
LLPs	-1,055	-7.0	-2,193	21.4	21.6
<b>Attributable profit</b>	<b>606</b>	<b>30.8</b>	<b>1,070</b>	<b>4.3</b>	<b>4.2</b>

(\*) € mn and % change in constant euros.

(1) % change in current euros.

## Highlights

- We continue **making our centres of expertise more sophisticated**, deepening client relationships, with focus on our Global Markets, the US Banking Build-Out strategy and actively managing capital
- Strong activity YoY**, mainly supported by Global Banking and Global Markets
  - Global Transaction Banking:** positive trends in Export Finance partially offset by weaker activity in Cash Management (interest rate cuts) with Trade & Working Capital Solutions remained flat
  - Global Banking:** strong activity with DCM gaining market share in Europe, LatAm and the US, and Corporate Finance, benefitting from positive market momentum
  - Global Markets:** good activity levels, mainly in Europe, partially offset by a more challenging environment in Brazil
- Revenue grew across businesses reaching record levels in H1**, particularly driven by NII and fees. Profit down, as we invest for growth
- Quarterly trends affected by Argentina. Excluding it, strong NII growth (+6%)** offset by gains on financial transactions performance and our investments in transformation

## Key data

Loans		Deposits	
€144bn +7%		€130bn -6%	
Efficiency	CoR	RoTE	
43.4% +5.2pp	0.15% -4bps	19.1% -2.2pp	

## P&L

Underlying P&L*	Q2'24	% Q1'24	H1'24	% H1'23	% H1'23'
NII	969	-7.9	2,031	22.0	21.6
Net fee income	626	-4.0	1,280	11.6	12.0
Total revenue	2,076	-1.2	4,188	6.0	5.9
Operating expenses	-930	4.8	-1,817	19.7	20.2
Net operating income	1,146	-5.6	2,371	-2.5	-3.0
LLPs	-56	39.4	-96	—	—
Attributable profit	700	0.0	1,405	-4.6	-4.9

(\*) € mn and % change in constant euros.

(1) % change in current euros.

## Highlights

- We continue building the **best Wealth and Insurance manager** in Europe and the Americas, supported by our leading global private banking platform and our best-in-class funds and insurance product factories
- *Euromoney* named us the **Best International Private Bank in Latin America** for the second year in a row, and the **Best International Private Bank** in 8 of our countries
- **AuMs at record levels** (+13% YoY), backed by excellent commercial dynamics, both in Private Banking and SAM, and positive market performance
- **Double-digit profit growth YoY** supported by revenue, with positive interest margin management and solid growth in fees across all three businesses. Total contribution to Group profit<sup>3</sup> increased 12% YoY
- **Profit up QoQ** driven by good revenue performance, mainly in Insurance, controlled costs and the impact of having charged the temporary levy in Q1

## Key data

AuMs	Net new money (PB)	Net sales (SAM)
€480bn +13%	€11.9bn 8% of volumes <sup>2</sup>	€8.9bn 8% of volumes <sup>2</sup>
Gross written premiums	Efficiency	RoTE
€6.1bn -1%	34.4% -2.3pp	80.4% +3.5pp

## P&L

Underlying P&L*	Q2'24	% Q1'24	H1'24	% H1'23	% H1'23'
NII	404	-4.4	827	13.4	13.8
Net fee income	355	-2.6	719	14.6	14.9
Total revenue	897	0.7	1,789	12.2	12.6
Operating expenses	-309	1.0	-615	5.2	5.5
<b>Net operating income</b>	<b>588</b>	<b>0.6</b>	<b>1,173</b>	<b>16.2</b>	<b>16.7</b>
LLPs	-10	147.9	-14	—	—
<b>Attributable profit</b>	<b>417</b>	<b>4.5</b>	<b>818</b>	<b>14.3</b>	<b>15.0</b>
<b>Contribution to profit</b>	<b>879</b>	<b>5.3</b>	<b>1,714</b>	<b>12.1</b>	<b>12.5</b>

(\*) € mn and % change in constant euros.

(1) % change in current euros.

## PagoNxt

- TPV increased 12% YoY in **Getnet**, driven by Mexico, Chile and Europe. Active customers growing strongly in **Ebury** (+23% YoY)
- Revenue rose 12%** due to an overall increase in business activity across countries, supporting **EBITDA margin improvement to 20.1%**
- Profit** impacted by the write-downs related to our merchant platform in Germany and Superdigital in Latin America

### Getnet

#### Getnet Total Payments Volume (TPV)

€108bn +12%

#### Number of transactions

+7%

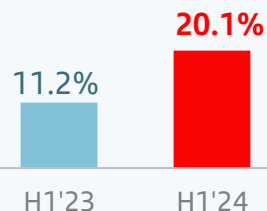
### P&L

Underlying P&L*	Q2'24	% Q1'24	H1'24	% H1'23	% H1'23'
NII	31	5.5	62	96.8	97.7
Net fee income	233	5.8	456	2.0	2.2
Total revenue	300	7.7	583	11.7	12.0
Operating expenses	-297	-1.7	-601	4.9	5.0
Net operating income	4	—	-18	-65.1	-65.9
LLPs	-5	41.0	-9	-26.1	-26.1
Attributable profit	-265	561.6	-304	198.5	195.8
Att. profit excl. one-offs	-22	-46.5	-61	-39.8	-40.4

(\*) € mn and % change in constant euros.  
(1) % change in current euros.

#### EBITDA margin

+8.9pp



## Cards

- The total number of cards managed in the Group rose to **104 million**, continuing the positive trends in previous quarters
- Solid growth in **customer activity** (turnover +5% YoY)
- Revenue up 4% YoY** excluding a positive one-off recorded in Q1'23
- High profitability with **RoTE at 35.0%**

### Cards

#### Turnover

€159bn +5%

#### Average balance

€21bn +6%

### P&L

Underlying P&L*	Q2'24	% Q1'24	H1'24	% H1'23	% H1'23'
NII	613	-3.0	1,258	7.2	8.2
Net fee income	462	3.7	915	-11.3	-10.8
Total revenue	1,047	-0.4	2,117	0.5	1.2
Operating expenses	-319	-7.1	-665	2.3	3.9
Net operating income	728	2.8	1,452	-0.4	0.0
LLPs	-428	5.6	-843	-2.5	-1.5
Attributable profit	176	1.9	353	8.5	8.3

(\*) € mn and % change in constant euros.  
(1) % change in current euros.

## Highlights

- **NII** fairly stable, as higher liquidity buffer remuneration was offset by higher interest expense related to more TLAC/MREL issuances
- **Higher losses on financial transactions** due to greater negative FX hedging impacts
- **Costs improved** driven by ongoing simplification measures
- As a result, **lower attributable loss YoY**

## P&L

Underlying P&L*	H1'24	H1'23
NII	-100	-94
Gains / losses on financial transactions	-284	-189
Operating expenses	-174	-189
LLPs and other provisions	-82	-70
Tax and minority interests	-3	-19
<b>Attributable profit</b>	<b>-609</b>	<b>-620</b>

(\*) € mn.

A faint, light blue world map is visible in the background, centered behind the text. The map shows the outlines of continents and major landmasses.

# Detail by region and country

## Highlights

- We remain focused on **growing our business while transforming our operating model** to improve efficiency and customer experience
- **Customers increased across the region** (+525k YoY), mainly driven by Spain
- **New business volumes continued to rise**, however **loans** declined YoY, still affected by prepayments. **Deposits up**, with a migration to time deposits. Mutual funds also rose
- **Strong profit growth YoY** supported by **NII**, especially Retail in Spain and Portugal, on the back of good margin management. **Efficiency gains and active risk management**
- **Profit up 7% QoQ**, with revenue growth, good cost control and improving credit quality performance. Impact from additional CHF mortgage provisions to increase coverage partially offset the charge related to the temporary levy in Q1

## Key data and P&L

Loans	Deposits		Mutual Funds		
€561bn -1%	€611bn +1%		€116bn +16%		
Efficiency	CoR		RoTE		
39.3% -2.6pp	0.39% -3bps		17.2% +3.1pp		
Underlying P&L*	Q2'24	% Q1'24	H1'24	% H1'23	% H1'23 <sup>1</sup>
NII	4,165	0.8	8,288	7.4	9.6
Net fee income	1,167	-3.1	2,368	4.4	5.5
Total revenue	5,910	1.5	11,718	10.1	12.0
Operating expenses	-2,297	-0.5	-4,602	3.5	5.0
<b>Net operating income</b>	<b>3,612</b>	<b>2.9</b>	<b>7,116</b>	<b>14.9</b>	<b>17.0</b>
LLPs	-532	9.6	-1,017	-22.7	-21.1
<b>Attributable profit</b>	<b>1,647</b>	<b>6.7</b>	<b>3,187</b>	<b>23.6</b>	<b>25.7</b>

(\*) € mn and % change in constant euros.

(1) % change in current euros.



## Spain

- **Customer growth YoY.** Loans still affected by mortgage prepayments YoY, but +3% QoQ driven by Retail and CIB. Migration to time deposits continued and mutual funds grew double digits YoY
- **Profit increased 55% YoY**, supported by strong growth in NII (especially in Retail), higher fees (mutual funds) and lower LLPs
- **Profit also up QoQ**, with positive NII, flat costs and a reduction in LLPs, and the charge related to the temporary levy in Q1

Loans	Deposits	Mutual Funds
€234bn -1%	€297bn -1%	€86bn +14%
Efficiency	CoR	RoTE
34.1% -5.8pp	0.56% -6bps	22.1% +7.5pp

Underlying P&L*	Q2'24	% Q1'24	H1'24	% H1'23
NII	1,840	1.3	3,656	15.6
Net fee income	738	-1.1	1,484	5.0
Total revenue	3,048	1.1	6,065	18.6
Operating expenses	-1,033	0.1	-2,065	1.3
Net operating income	2,015	1.6	3,999	30.1
LLPs	-327	-1.2	-658	-18.1
Attributable profit	984	27.5	1,756	55.1

(\*) € mn and % change.

## UK

- **Loans** continued to decrease impacted by a strict pricing policy. Migrations to time deposits and an increase in mutual funds
- **Profit down YoY** impacted by lower mortgage volumes, higher deposit costs and operating expenses performance. CoR improving from already very low levels
- **Profit up QoQ**, driven by cost reductions which offset the decline in revenue (fees) and the increase in LLPs. QoQ comparisons benefited from the UK bank levy charge in Q1

Loans	Deposits	Mutual Funds
€236bn -4%	€223bn -1%	€8bn +4%
Efficiency	CoR	RoTE
57.7% +8.3pp	0.08% -3bps	10.8% -3.0pp

Underlying P&L*	Q2'24	% Q1'24	H1'24	% H1'23	% H1'23 <sup>1</sup>
NII	1,196	0.5	2,381	-10.1	-7.8
Net fee income	64	-19.3	142	-16.9	-14.8
Total revenue	1,260	-0.1	2,516	-11.0	-8.8
Operating expenses	-717	-2.6	-1,451	3.8	6.5
Net operating income	542	3.4	1,065	-25.6	-23.7
LLPs	-44	152.8	-61	-42.1	-40.6
Attributable profit	325	6.1	630	-24.9	-23.0

(\*) € mn and % change in constant euros.

(1) % change in current euros.

## Portugal

- Moderate decline in **loans** as customer deleveraging mitigated by new business recovery. Double-digit increases in **time deposits** and **mutual funds**
- **Profit +75% YoY**, boosted by NII (better loan yields and funding costs under control) and positive fee performance, with LLPs at low levels
- **Profit down QoQ**, with revenue decreasing from high levels in Q1, flat costs and regulatory charges in Q2

Loans	Deposits	Mutual Funds
€38bn -1%	€38bn +3%	€5bn +14%
Efficiency	CoR	RoTE
23.4% -8.7pp	0.12% +2bps	28.8% +10.1pp

Underlying P&L*	Q2'24	% Q1'24	H1'24	% H1'23
NII	413	-4.1	844	46.8
Net fee income	115	-9.4	242	3.0
Total revenue	558	-4.4	1,142	38.6
Operating expenses	-134	-0.2	-267	1.1
Net operating income	425	-5.7	874	56.4
LLPs	5	—	-2	-93.1
Attributable profit	260	-14.3	563	75.2

(\*) € mn and % change.

## Poland

- **Loans rose** driven by Retail (record mortgage and personal loan originations) and CIB. Significant **deposit** growth, both in time and demand
- **Profit up 12% YoY**, supported by strong NII, positive fees (FX and mutual funds) and improved LLPs, which offset higher costs
- **Profit down QoQ**, affected by CHF mortgage portfolio provisions to increase coverage. Net operating income up 5%, backed by revenue

Loans	Deposits	Mutual Funds
€37bn +9%	€46bn +6%	€6bn +44%
Efficiency	CoR	RoTE
27.2% +0.4pp	1.81% -6bps	19.4% +1.5pp

Underlying P&L*	Q2'24	% Q1'24	H1'24	% H1'23	% H1'23 <sup>1</sup>
NII	697	0.9	1,384	6.9	14.4
Net fee income	163	-7.9	339	9.5	17.3
Total revenue	878	4.5	1,711	5.9	13.4
Operating expenses	-237	2.9	-466	7.6	15.3
Net operating income	640	5.1	1,245	5.2	12.7
LLPs	-166	26.7	-297	-19.2	-13.4
Attributable profit	173	-19.5	386	12.3	20.3

(\*) € mn and % change in constant euros.

(1) % change in current euros.

## Highlights

- We are focused on **strengthening our leadership** in auto and non-auto through strategic alliances and better service through new operational leasing platforms and non-auto platforms with Zinia
- Loans** rose 8% YoY. **Deposits** up 24%, in line with our deposit gathering strategy to increase retail funding through common digital platforms to reduce funding costs and NII volatility through the interest rate cycle
- Revenue** up 7% YoY, **mainly driven by NII**, as we actively repriced loans and captured customer deposits. **Strong increase in fees**, driven by greater penetration in direct insurance, especially in Germany
- Profit** down YoY and QoQ as the good performances in revenue and costs were more than offset by additional CHF mortgage provisions to increase coverage. **Net operating income grew 14% YoY and 6% QoQ**

## Key data and P&L

New lending	Loans		Customer Funds		
€26bn +2%	€138bn +8%		€81bn +23%		
Efficiency	CoR		RoTE		
46.2% -3.2pp	0.72% +17bps		9.2% -1.8pp		
Underlying P&L*	Q2'24	% Q1'24	H1'24	% H1'23	% H1'23 <sup>1</sup>
NII	1,092	-0.1	2,187	6.8	7.2
Net fee income	231	5.2	451	14.1	14.4
Total revenue	1,444	2.5	2,854	7.0	7.4
Operating expenses	-655	-1.4	-1,319	0.1	0.4
Net operating income	789	6.0	1,534	13.6	14.2
LLPs	-308	12.0	-584	39.5	40.7
Attributable profit	224	-1.9	453	-13.2	-13.1

(\*) € mn and % change in constant euros.

(1) % change in current euros.



## Highlights

- **Focus on transformation**, leveraging the strengths of our businesses in the US and Mexico and enhancing our regional operating model in T&O
- **Loans rose 3%**, particularly in Mexico and CIB in the US. **Deposits declined 4%**, in line with our strategy to reduce the costs of excess corporate deposits in CIB
- **Revenue up 7%** driven by a strong performance in CIB in the US, reflecting our capabilities build-out, and across the board in Mexico
- **Costs** rose, impacted by inflation and higher investments in digitalization as part of our transformation in Retail in Mexico and CIB in the US. Continued efficiency gains in Consumer and Commercial in the US
- YoY profit affected by higher LLPs (higher volumes and expected CoR normalization). **Strong net operating income growth (+7%)**
- **Solid profit growth QoQ**, supported by net operating income growth and improvement in LLPs in both countries

## Key data and P&L

Loans	Deposits		Mutual Funds		
€165bn +3%	€134bn -4%		€33bn +19%		
Efficiency	CoR		RoTE		
47.6% -0.1pp	2.23% +54bps		11.7% +0.6pp		
Underlying P&L*	Q2'24	% Q1'24	H1'24	% H1'23	% H1'23 <sup>1</sup>
NII	2,636	0.8	5,247	3.8	6.4
Net fee income	662	3.6	1,300	16.3	20.7
Total revenue	3,554	1.8	7,039	6.9	9.7
Operating expenses	-1,691	1.6	-3,352	7.1	9.6
<b>Net operating income</b>	<b>1,863</b>	<b>2.0</b>	<b>3,686</b>	<b>6.7</b>	<b>9.8</b>
LLPs	-908	-8.1	-1,893	21.2	23.7
<b>Attributable profit</b>	<b>703</b>	<b>9.1</b>	<b>1,347</b>	<b>-3.2</b>	<b>0.1</b>

(\*) € mn and % change in constant euros.

(1) % change in current euros.

## US

- **Lending up 2%**, driven by CIB activity and auto. **Deposits** declined in line with our funding strategy in CIB
- **Revenue rose 4% YoY**, offset by higher costs (investments in CIB build out) and expected LLP normalization, resulting in flat profit YoY
- **Excellent profit performance QoQ**, due to continued revenue growth, a marked fall in LLPs and greater fiscal benefits from EVs

Loans	Deposits		Mutual Funds		
€118bn +2%	€89bn -9%		€13bn +8%		
Efficiency	CoR		RoTE <sup>2</sup>		
50.5% +0.8pp	2.06% +50bps		12.8% -0.3pp		
Underlying P&L*	Q2'24	% Q1'24	H1'24	% H1'23	% H1'23 <sup>1</sup>
NII	1,428	1.4	2,824	-2.6	-2.6
Net fee income	272	1.3	539	38.3	38.3
Total revenue	1,900	0.9	3,769	4.1	4.0
Operating expenses	-963	1.6	-1,903	5.8	5.8
Net operating income	938	0.1	1,866	2.3	2.3
LLPs	-556	-10.4	-1,171	16.5	16.5
Attributable profit	385	36.7	664	-0.3	-0.4

(\*) € mn and % change in constant euros.

(1) % change in current euros.

## Mexico

- Successful customer acquisition campaigns and new commercial agreements boosting **loans** (most global businesses) and **deposits**
- **Profit up YoY** with positive jaws as a double-digit rise in revenue (mainly NII and fees) outpaced cost growth. Expected LLP normalization
- **Profit +5% QoQ** supported by lower LLPs and better revenue (especially fees as NII flat due to changing asset mix)

Loans	Deposits		Mutual Funds		
€47bn +6%	€45bn +6%		€20bn +28%		
Efficiency	CoR		RoTE		
41.4% -0.7pp	2.71% +57bps		19.1% +1.2pp		
Underlying P&L*	Q2'24	% Q1'24	H1'24	% H1'23	% H1'23 <sup>1</sup>
NII	1,207	0.0	2,421	12.6	19.4
Net fee income	374	4.8	733	4.1	10.5
Total revenue	1,636	2.3	3,244	10.6	17.4
Operating expenses	-677	2.4	-1,343	8.8	15.4
Net operating income	959	2.3	1,901	12.0	18.9
LLPs	-351	-4.4	-721	30.0	37.9
Attributable profit	429	4.8	840	4.1	10.5

(\*) € mn and % change in constant euros.

(1) % change in current euros.

## Highlights

- We are focused on **being the primary bank for our 77 million customers (+4mn YoY)**, becoming the **most profitable** in each of our countries and enhancing **service quality**
- **Loans grew** YoY across all global businesses, mainly boosted by Brazil. **Time deposits and mutual funds** rose YoY in most of our markets
- **Profit increased YoY**, as strong NII growth across countries more than offset lower gains on financial transactions (CIB in Brazil) and higher provisions (volumes in Brazil and normalization in Chile)
- **Significant efficiency gains YoY** (-3.7pp) driving up **profitability** (RoTE +2.1pp)
- **Quarterly trends affected by Argentina. Excluding it**, profit +7%, with higher revenue and controlled costs

## Key data and P&L

Loans	Deposits		Mutual Funds		
€157bn +7%	€129bn +8%		€66bn +18%		
Efficiency	CoR		RoTE		
35.4% -3.7pp	3.50% +18bps		16.0% +2.1pp		
Underlying P&L*	Q2'24	% Q1'24	H1'24	% H1'23	% H1'23 <sup>1</sup>
NII	3,649	-10.5	7,835	23.0	21.0
Net fee income	1,176	2.2	2,358	0.3	-1.6
Total revenue	4,903	3.1	9,790	10.5	8.3
Operating expenses	-1,636	-8.3	-3,466	0.1	-1.9
Net operating income	3,267	9.9	6,324	17.1	14.9
LLPs	-1,370	2.7	-2,748	9.5	8.2
Attributable profit	885	13.9	1,681	19.1	15.3

(\*) € mn and % change in constant euros.

(1) % change in current euros.

## Brazil

- **Double-digit growth YoY in loans** (with increases across all global businesses), **time deposits and mutual funds**
- **Greater profit and profitability YoY**, driven by NII (volumes and cost of deposits) and efficiency gains, more than offsetting lower gains on financial transactions and higher LLPs (growing less than loans)
- **Profit rose QoQ**, with better NII and fees and controlled costs

Loans	Deposits		Mutual Funds		
€99bn +10%	€86bn +14%		€50bn +22%		
Efficiency	CoR		RoTE		
32.4% -2.7pp	4.77% +3bps		15.9% +3.8pp		
Underlying P&L*	Q2'24	% Q1'24	H1'24	% H1'23	% H1'23 <sup>1</sup>
NII	2,605	3.3	5,235	22.4	22.2
Net fee income	888	9.3	1,734	3.8	3.6
Total revenue	3,477	3.4	6,984	11.4	11.2
Operating expenses	-1,109	0.1	-2,265	2.8	2.6
Net operating income	2,368	5.1	4,719	16.1	15.8
LLPs	-1,158	3.9	-2,322	7.6	7.3
Attributable profit	580	7.7	1,141	39.0	38.7

(\*) € mn and % change in constant euros.

(1) % change in current euros.

## Chile

- **Loans** increased YoY across most global businesses. Double-digit growth YoY in **time deposits** and **mutual funds**
- **Profit fell YoY** despite the strong performance in NII (volumes and lower cost of deposits), impacted by costs rising in line with inflation, and a pick up in LLPs from low levels in previous years
- **Strong profit growth QoQ**, due to NII (UF and lower costs of deposits)

Loans	Deposits		Mutual Funds		
€42bn +3%	€28bn +7%		€11bn +25%		
Efficiency	CoR		RoTE		
39.2% -3.2pp	0.97% +9bps		13.7% -2.7pp		
Underlying P&L*	Q2'24	% Q1'24	H1'24	% H1'23	% H1'23 <sup>1</sup>
NII	472	31.4	824	32.2	13.3
Net fee income	137	4.0	265	-2.1	-16.1
Total revenue	659	22.5	1,187	12.7	-3.4
Operating expenses	-241	5.2	-465	4.3	-10.6
Net operating income	418	35.3	721	18.8	1.8
LLPs	-126	-1.3	-251	44.2	23.6
Attributable profit	162	76.0	253	-10.7	-23.5

(\*) € mn and % change in constant euros.

(1) % change in current euros.

## Argentina

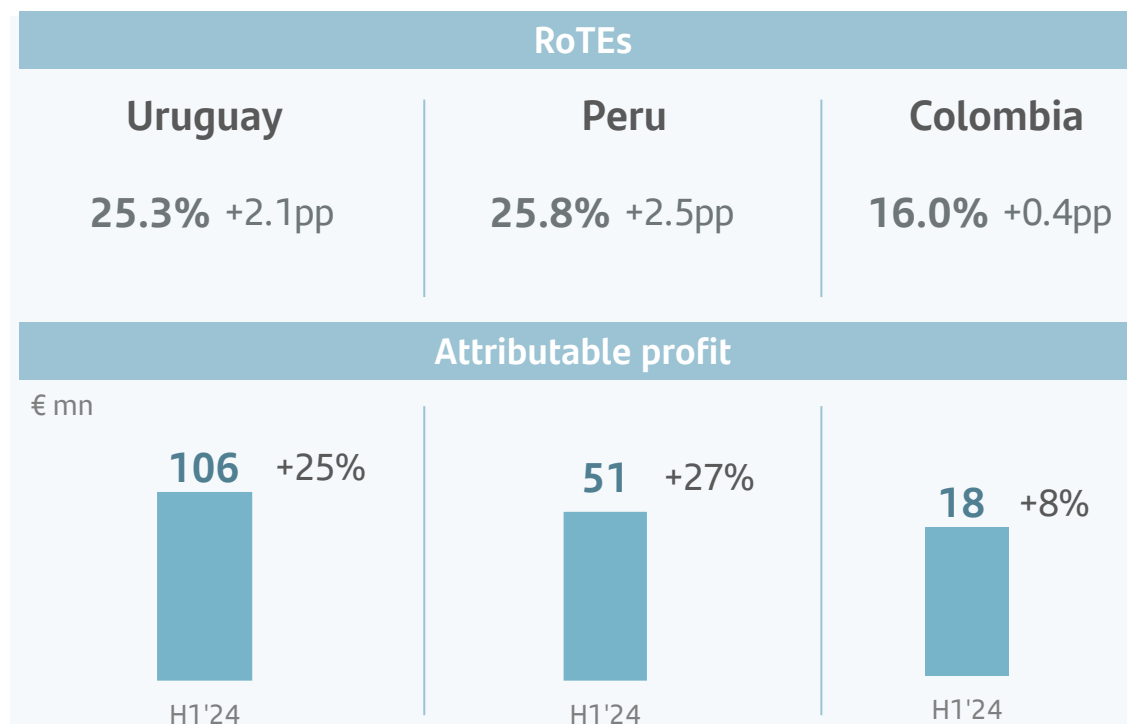
- We are working to **improve our customer service** and **adapt our value offer** to customer needs in a dynamic market
- Profit** comparison both YoY and QoQ affected by the use of the new inflation-adjusted exchange rate from Q2
- Positive jaws, driving a 10pp **efficiency improvement**

Loans	Deposits		Mutual Funds		
€5bn -16%	€6bn -44%		€3bn -29%		
Efficiency	CoR		RoTE		
40.6% -10.0pp	4.80% +133bps		39.1% +8.5pp		
Underlying P&L*	Q2'24	Q1'24	H1'24	% Q1'24	% H1'23
NII	397	1,025	1,423	-61.2	25.0
Net fee income	73	131	204	-44.6	-27.6
Total revenue	465	555	1,020	-16.4	-0.9
Operating expenses	-129	-286	-414	-54.9	-20.5
Net operating income	336	270	606	24.4	19.3
LLPs	-31	-35	-66	-11.6	-32.0
Attributable profit	164	101	266	62.1	5.4

(\*) € mn and % change in current euros.

## Uruguay, Peru and Colombia

- Loan growth in Uruguay** (+16% YoY) mainly in Consumer and Retail. Joint initiatives between CIB and Corporates in Peru and Colombia
- Profit up YoY** on the back of double-digit revenue growth in all three countries
- High profitability**, with double-digit RoTEs





# Appendix

Investor Day Targets summary

Detail by global business, region and country

**Reconciliation of underlying results to statutory results**

Glossary

# Reconciliation of underlying results to statutory results

EUR mn

	January-June 2024			January-June 2023		
	Statutory results	Adjustments	Underlying results	Statutory results	Adjustments	Underlying results
Net interest income	23,457	—	23,457	20,920	—	20,920
Net fee income	6,477	—	6,477	6,103	—	6,103
Gains (losses) on financial transactions <sup>1</sup>	957	—	957	1,302	—	1,302
Other operating income	(176)	335	159	(315)	224	(91)
<b>Total income</b>	<b>30,715</b>	<b>335</b>	<b>31,050</b>	<b>28,010</b>	<b>224</b>	<b>28,234</b>
Administrative expenses and amortizations	(12,913)	—	(12,913)	(12,479)	—	(12,479)
<b>Net operating income</b>	<b>17,802</b>	<b>335</b>	<b>18,137</b>	<b>15,531</b>	<b>224</b>	<b>15,755</b>
Net loan-loss provisions	(6,595)	352	(6,243)	(6,245)	474	(5,771)
Other gains (losses) and provisions	(1,699)	(687)	(2,386)	(1,196)	(459)	(1,655)
<b>Profit before tax</b>	<b>9,508</b>	<b>—</b>	<b>9,508</b>	<b>8,090</b>	<b>239</b>	<b>8,329</b>
Tax on profit	(2,916)	—	(2,916)	(2,281)	(213)	(2,494)
<b>Profit from continuing operations</b>	<b>6,592</b>	<b>—</b>	<b>6,592</b>	<b>5,809</b>	<b>26</b>	<b>5,835</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Consolidated profit</b>	<b>6,592</b>	<b>—</b>	<b>6,592</b>	<b>5,809</b>	<b>26</b>	<b>5,835</b>
Non-controlling interests	(533)	—	(533)	(568)	(26)	(594)
<b>Profit attributable to the parent</b>	<b>6,059</b>	<b>—</b>	<b>6,059</b>	<b>5,241</b>	<b>—</b>	<b>5,241</b>

(1) Includes exchange differences.

Explanation of H1'24 adjustments:

- Temporary levy on revenue earned in Spain in Q1'24, totalling EUR 335 million, which was moved from total income to other gains (losses) and provisions.
- Provisions which strengthen the balance sheet in Brazil of EUR 352 million in Q2'24 (EUR 174 million net of tax and minority interests).

Explanation of H1'23 adjustments:

- Temporary levy on revenue earned in Spain in Q1'23, totalling EUR 224 million, which was moved from total income to other gains (losses) and provisions.
- Provisions which strengthen the balance sheet in Brazil in the first quarter, totalling EUR 235 million, net of tax and non-controlling interests (EUR 474 million recorded in net loan-loss provisions, EUR 213 million positive impact in tax and EUR 26 million in non-controlling interests).

# Appendix

Investor Day Targets summary

Detail by global business, region and country

Reconciliation of underlying results to statutory results

**Glossary**

# Glossary - Acronyms

- **A2A:** account to account
- **ALCO:** Assets and Liabilities Committee
- **AM:** Asset management
- **AuMs:** Assets under Management
- **bn:** Billion
- **BNPL:** Buy now, pay later
- **bps:** Basis points
- **c.:** *Circa*
- **CAL:** Customer assets and liabilities
- **CET1:** Common equity tier 1
- **CHF:** Swiss franc
- **CIB:** Corporate & Investment Banking
- **CoE:** Cost of equity
- **Consumer:** Digital Consumer Bank
- **CoR:** Cost of risk
- **Covid-19:** Coronavirus Disease 19
- **DCB Europe:** Digital Consumer Bank Europe
- **DPS:** Dividend per share
- **EPS:** Earning per share
- **ESG:** Environmental, social and governance
- **EV:** Electric Vehicle
- **FL:** Fully-loaded
- **FTE:** Full time employee
- **FX:** Foreign exchange
- **FY:** Full year
- **IFRS 9:** International Financial Reporting Standard 9, regarding financial instruments
- **LLPs:** Loan-loss provisions
- **mn:** million
- **NII:** Net interest income
- **NIM:** Net interest margin
- **NPL:** Non-performing loans
- **NPS:** Net promoter score
- **OEM:** Original equipment manufacturer
- **Payments:** PagoNxt and Cards
- **PB:** Private Banking
- **PBT:** Profit before tax
- **P&L:** Profit and loss
- **pp:** Percentage points
- **Ps:** Per share
- **QoQ:** Quarter-on-Quarter
- **Repos:** Repurchase agreements
- **Retail:** Retail & Commercial Banking
- **RoE:** Return on equity
- **RoRWA:** Return on risk-weighted assets
- **RoTE:** Return on tangible equity
- **RWA:** Risk-weighted assets
- **SAM:** Santander Asset Management
- **SBB:** share buybacks
- **SME:** Small and Medium Enterprises
- **US BBO:** US Banking Building-Out
- **TNAV:** Tangible net asset value
- **TPV:** Total Payments Volume
- **YoY:** Year-on-Year
- **YTD:** Year to date
- **Wealth:** 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

- **Women in leadership positions** = Percentage of women in senior executive positions over total headcount. This segment corresponds to less than 1% of the total workforce
- **Equal pay gap** = The equal pay gap measures differences in remuneration between women and men in the same job at the same level
- For financial ESG metrics, please see 'Alternative Performance Measures' section of the Quarterly Financial Report

# 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**

