



# Corporate Governance

February 2024



# Clear and robust corporate governance to ensure a long-term sustainable business model

## Our governance bodies

### Annual general meeting

Active involvement of our shareholders in the general meeting

### Board of directors

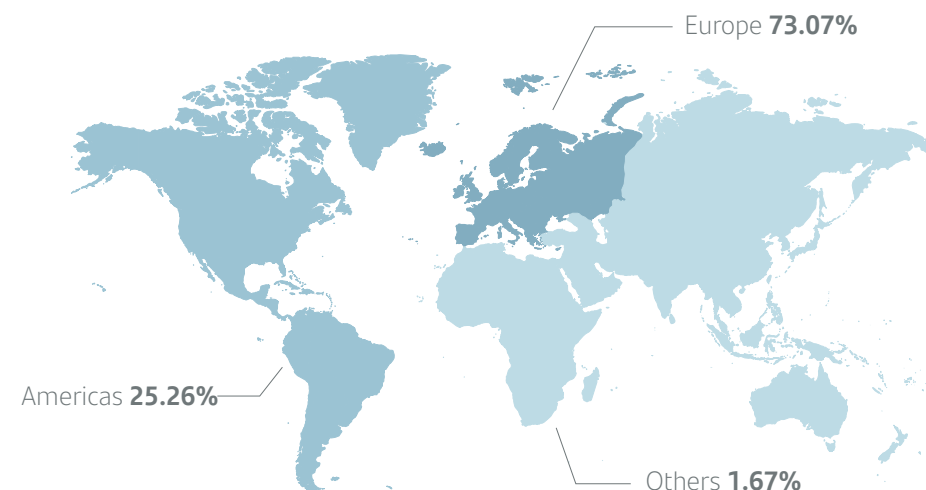
Highest decision-making body focusing on oversight functions

### Board committees

Robust structure to support the board

## Broad and balanced shareholder base

Distribución del capital social por regiones geográficas



## Aligned with high corporate governance standards



Banco Santander has the highest score in the Spanish Association for Standardisation and Certification's (AENOR) Good Corporate Governance Index (GCGI V2.0), which verifies aspects such as composition and functioning of the board and its committees, shareholders' general meeting, remuneration policy, compliance and transparency.



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# 01

## Santander at a glance



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# 1.1

## Our corporate culture

The **Santander Way** remains unchanged to continue to deliver for all our stakeholders.



### Our purpose

To help people and businesses **prosper**.

### Our aim

To be the best open financial services **platform**, by acting **responsibly** and earning the lasting **loyalty** of our people, customers, shareholders and communities.

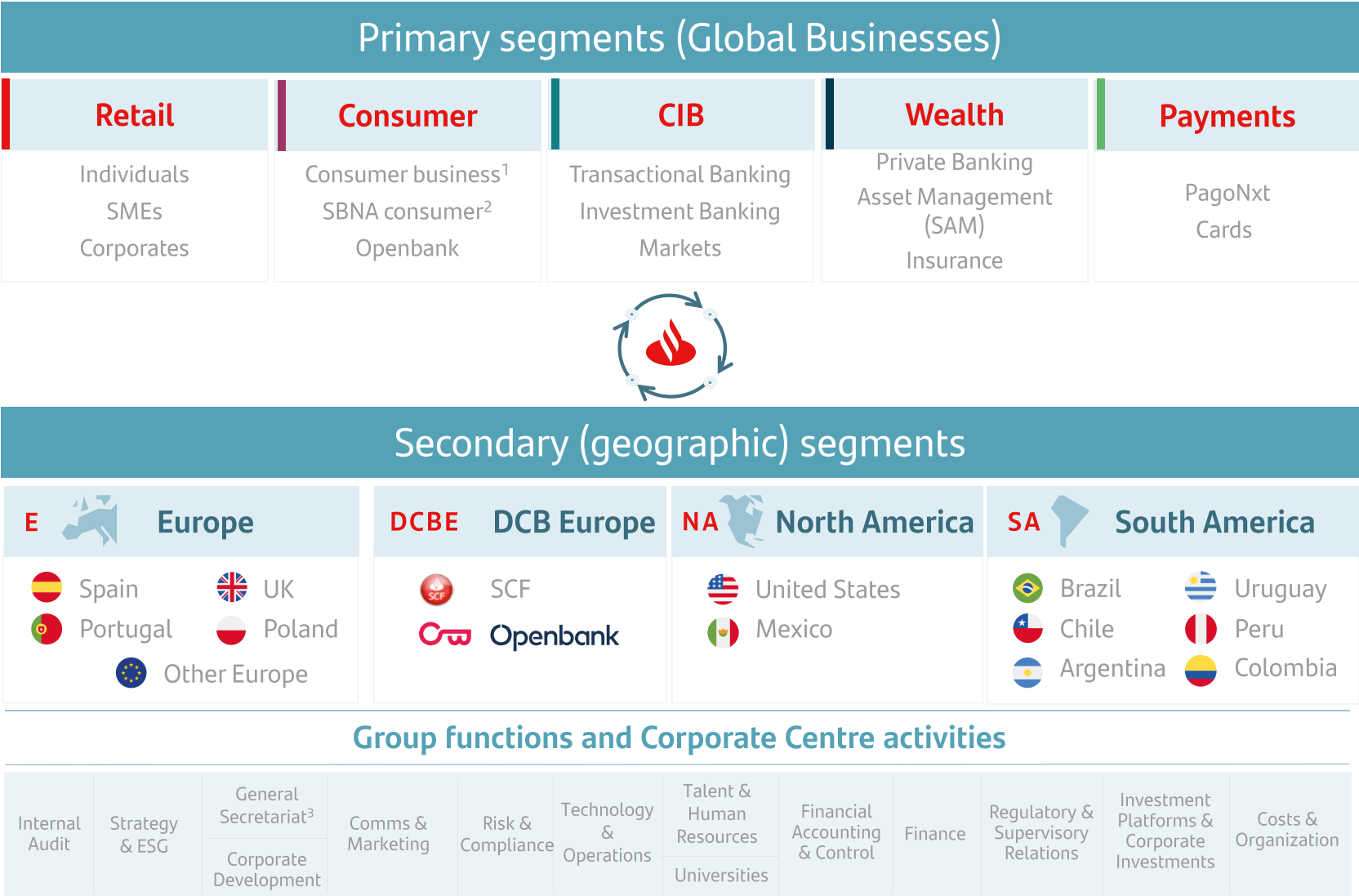
### Our how

Everything we do should be **simple, personal and fair**.



1.2

Group organizational structure from January 2024

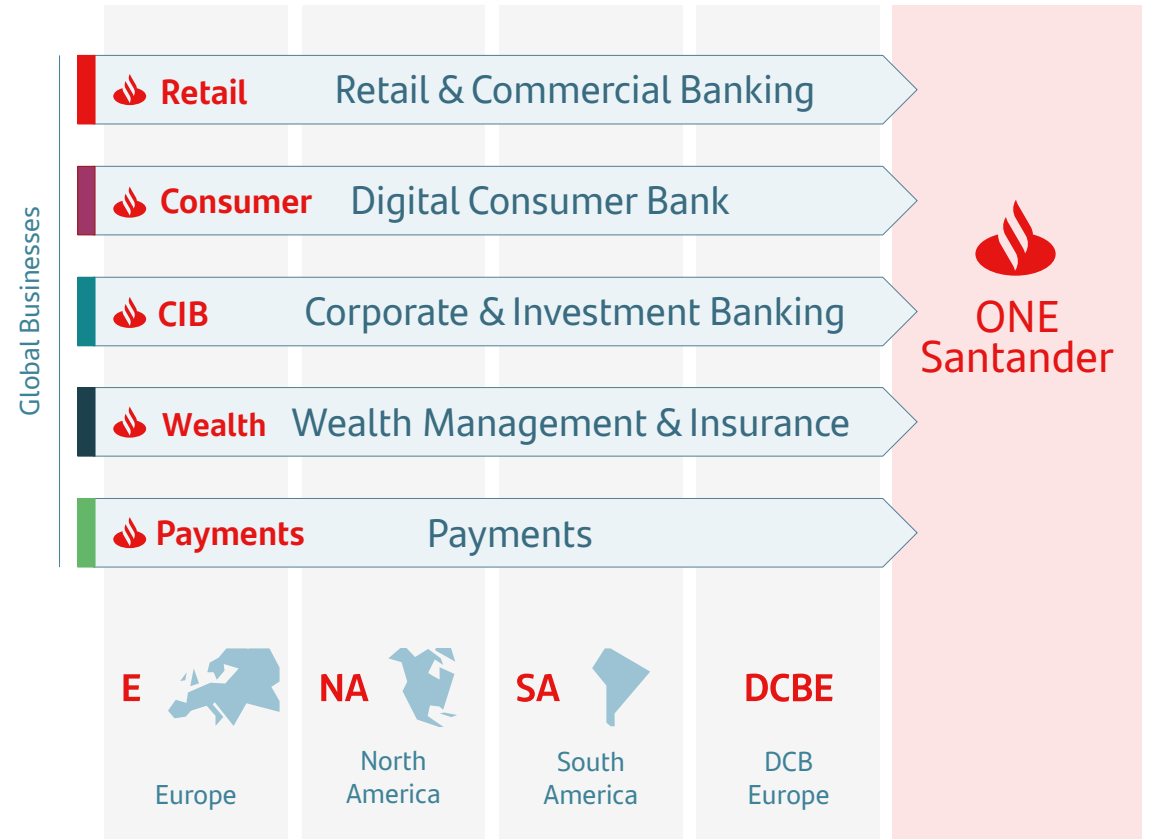


Note: Corporate Centre is allocated to both the primary and secondary segments.  
(1) Includes all consumer finance companies across the Group.  
(2) Includes individuals.  
(3) Includes Legal, Internal Governance, Tax and Security & Intelligence.

# 1.3

## New reporting from 2024<sup>1</sup>

Santander will concentrate operations in five Global Businesses which will become the bank's primary reporting segments, while will maintain current governance of subsidiaries autonomous in capital and liquidity



1. The Group will align the way it reports its financial results to this new model from January 2024, once it is fully implemented. Retail & Commercial and Digital Consumer Bank will be new global businesses. Payments will include Global Cards and PagoNxt, which retains its own distinct Governance arrangements.

# 1.4

## A unique business model

Santander is a retail bank with a unique business model based on three pillars.



### 01. Customer focus

Digital bank with branches



**Top 3 NPS<sup>1</sup>**  
in 7 markets



**165 mn**  
total customers

**100 mn**  
active customers

### 02. Our scale

Local and global scale

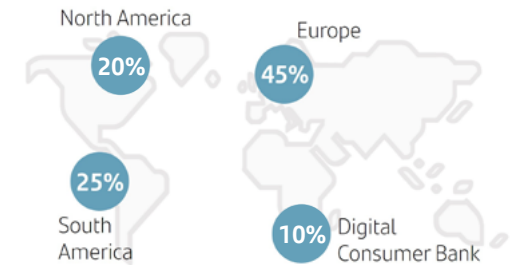
**Top 3 in lending<sup>2</sup>**  
in 9 of our markets



### 03. Diversification

Geographic and business diversification.  
Solid and diversified balance sheet

**Contribution to Group profit<sup>3</sup>**



**Our business model remains a source of great strength and resilience**

1. NPS – internal benchmark of individual customers' satisfaction audited by Stiga/Deloitte in H2'23.

2. Market share in lending as of September 2023 including only privately-owned banks. Digital Consumer Bank (DCB) refers to auto in Europe.

3. FY'23 attributable profit by region. Operating areas excluding the Corporate Centre.

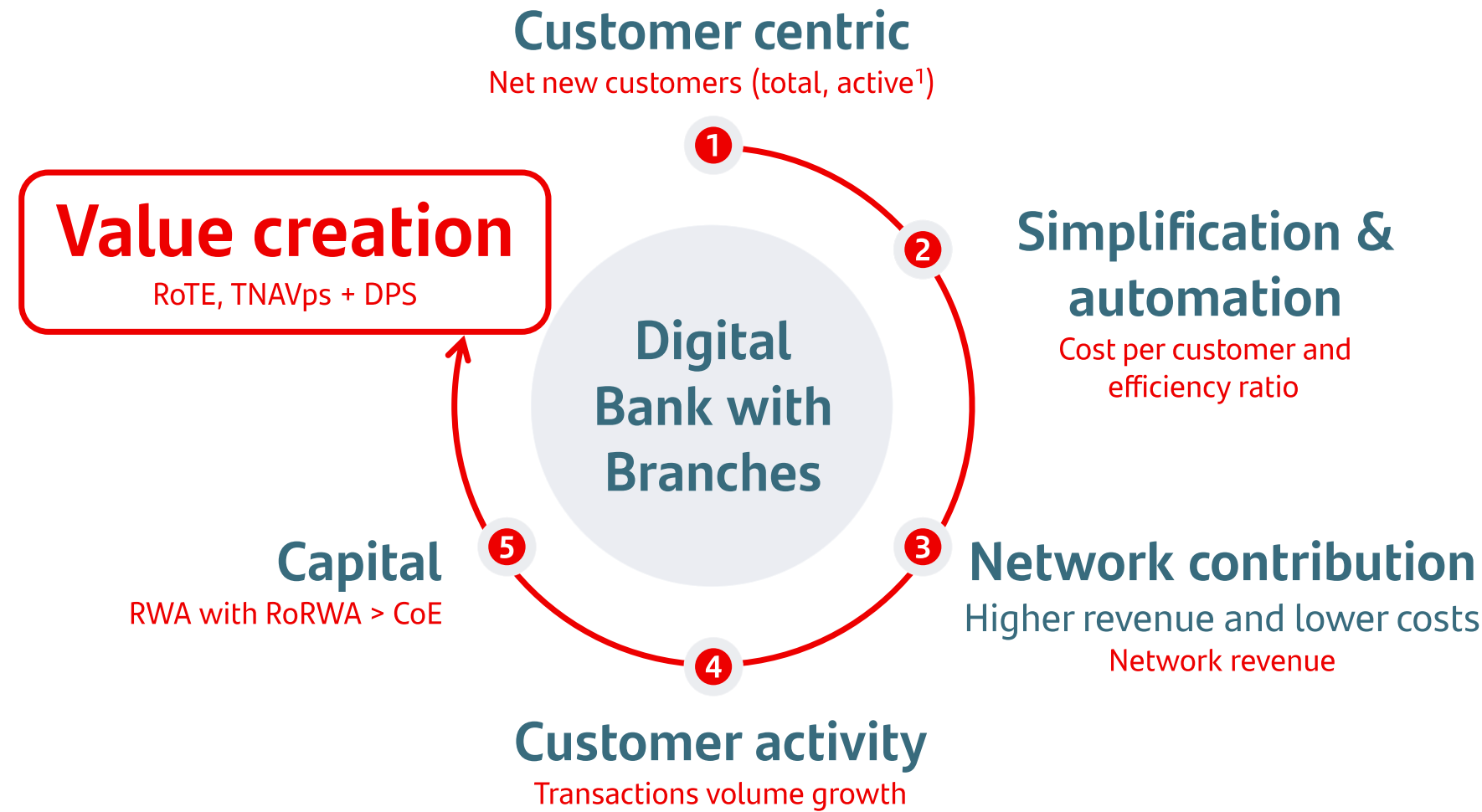


# 1.5 Strategy

Entering a new phase of shareholder value creation by combining our local leadership with global scale and network.



5 pillars for value creation across the Group, with focus on Retail & Commercial banks



1. Those customers who meet transactionality threshold in the past 90 days.

# 1.6

## 2023 Highlights

Achieved a record year and delivered on our financial targets.



- **Record results** with 5mn new customers YoY contributing to double-digit revenue growth
- **First year of ONE Transformation** is driving **profitable growth** and structural **efficiency improvement**
- **Strong balance sheet**, with solid credit quality metrics and a higher capital ratio
- **Delivering double-digit value creation** and higher **shareholder remuneration**

FY'23 Attributable Profit	FY'23 Revenue
€11.1bn +15%	€58bn +11%
Cost-to-income	RoTE
44.1% -173bps	15.1% +169bps
CoR	FL CET1
1.18% +0.19pp	12.3% +0.2pp
TNAVps + DPS	EPS
+15% Cash DPS c.+50%	+21.5%

Note: unless otherwise indicated, detail by global business presented across this document reflects the new operating model announced in September 2023. For more information, see also the presentation published on 20 December 2023 that explains the new operating model and adapted financial disclosures.  
YoY changes. In constant euros: Attributable Profit +18%; Revenue +13%.  
TNAVps + DPS includes the €5.95 cent cash dividend paid in May 2023 and the €8.10 cent cash dividend paid in November 2023.

# 1.7

## Shareholder base

3.7 million shareholders worldwide support our strategy.



### Shareholders

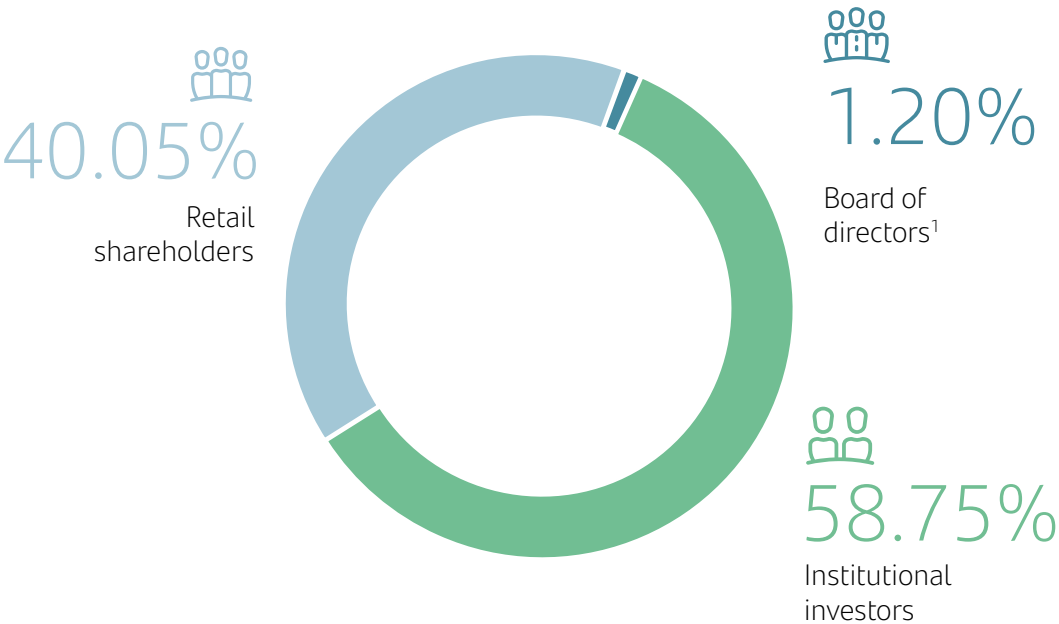
3,662,377



Source: Banco Santander, S.A Shareholder register.  
Date as of 31 December.

### Shares

16,184,146,059



1. Shares owned or represented by directors.

# 1.8

## Shareholder remuneration



### 2023 ■ Remuneration policy:

<p>PAYOUT</p> <p>c.50 %</p> <p>of the Group's profit</p>	<p>CASH DIVIDEND</p> <p>€17.60 cents per share (+50% vs 2022)</p> <p>€8.10 cents paid in November</p> <p>€9.50 cents will be paid in May</p>	<p>THE BUY-BACK PROGRAMME</p> <p>1º (Sep 2023)</p> <p>€1,310 millions</p> <p>2º (Feb 2024)</p> <p>€1,459 millions</p>	<p>TOTAL SHAREHOLDER REMUNERATION</p> <p>€5,538 millions</p> <p>against the 2023 results</p>
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In line with the 2023 shareholder remuneration policy, the board of directors has resolved to:

Submit to the 2024 Annual Shareholders' Meeting, whose call is being published today, the approval of a **final gross cash dividend of €9.50 cents per share entitled to receive dividends. Subject to the approval of the 2024 Annual Shareholders' Meeting, the dividend would be payable from 2 May 2024.**

Implement a **new share buy-back programme, to which the Bank will allocate an amount of 1,459 million euros**, which started on February 20.

Once the above mentioned actions are completed, the Bank's shareholder remuneration for the 2023 results will **total 5,538 million euros** (c. 50% of the Group reported profit in 2023) split in approximately equal parts in cash dividends (2,769 million euros) and share buybacks (2,769 million euros)<sup>1</sup>.

### 2024 ■ Remuneration policy:

For the 2024 results, the board intends to continue applying the same policy, consisting in a total shareholder remuneration of approximately 50% of the Group reported profit (excluding noncash, non-capital ratios impact items), distributed in approximately equal parts in cash dividend and share buybacks, thus continuing the one applied with respect to 2023. The shareholder remuneration policy is subject to future corporate and regulatory approvals.

1. Bank's shareholder remuneration policy is approximately 50% payout of the Group net attributable profit (excluding non-cash, non-capital ratios impacts items). The above-mentioned amounts have been estimated assuming that, with the partial execution of the second share buy-back programme described above, the number of outstanding shares entitled to receive the final dividend will be 15,483,617,874. Therefore, the total cash dividend will be higher if fewer shares than planned are acquired in the buy-back programme and will be lower in the opposite scenario.

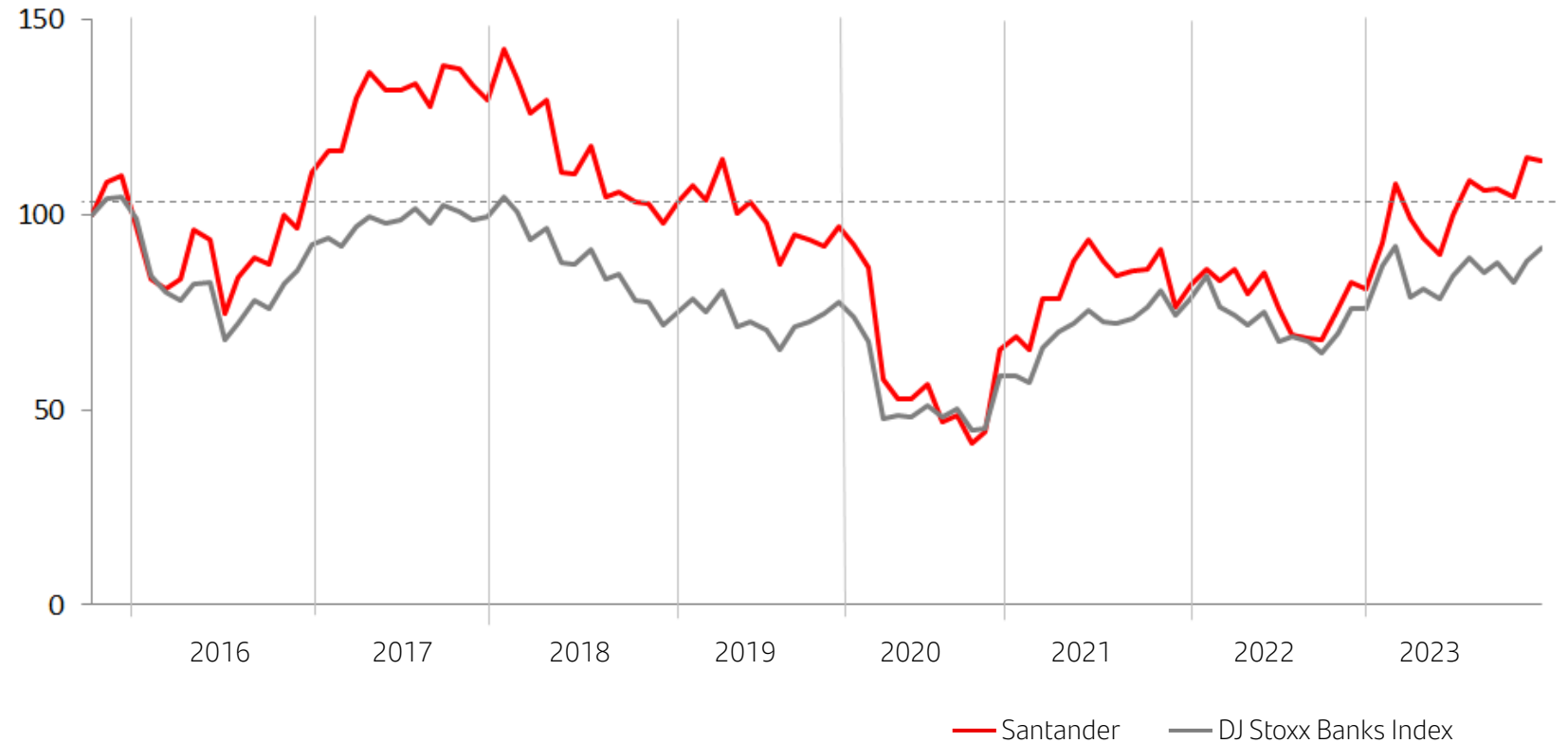


# 1.9

## Share Performance



### Santander share vs. DJ Stoxx Banks Index since the Investor Day 2015



Source: Bloomberg from 30 September 2015 to 31 December 2023.

A cluster of four squares in red, teal, and light blue colors.

# 02

## Corporate governance



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# 2.1

## As a responsible bank we have clear, robust governance

This is key for guaranteeing a sustainable business model over the long term. Best practices of our governance are channelled to all subsidiaries.

### Core strengths in our corporate governance

#### Broad and balanced shareholder base

- For more information see page 11.

#### Effective engagement with our shareholders

- Combination of **traditional and virtual communication channels** to meet the needs of all our shareholders and encourage their involvement.
- **In-person general shareholders' meetings, with online participation permitted.** Our general meeting attendance app enables shareholders to exercise their rights to attend and participate in real time and remotely. Our 2020 and 2021 AGMs were held exclusively online. In 2022, we resumed hybrid meetings, with the option of attending in person or by electronic means. The record attendance quorum was indicative of shareholders' satisfaction.

AGM quorum		
2021	2022	2023
67.66%	68.78%	67.56%

- Commitment to **maximise the disclosure and quality of information** to continue retaining our investors trust.
- Our **policy on communication and engagement with shareholders and investors** facilitates their participation in our corporate governance.
- **Transparency and simplification of remuneration** with performance metrics aligned with the strategy, investors' interests and long-term sustainability.

#### Effective board of directors

- **Majority of independent directors.**
- **Balanced, qualified and diverse composition.**
- **Separate and complementary roles** of Executive Chair and CEO, and leadership of our Lead Independent Director.
- **Strong committee** structure supporting the board.
- **Good long-standing practices** in corporate governance and embedded in our Board Regulations.

#### Focus on responsible business practices and attention to all stakeholders interest

- Responsible banking as a **cornerstone** of our corporate governance.
- **Special responsible banking, sustainability and culture committee**, fully coordinated with the other board committees.
- **Public responsible banking targets.**
- **Strong corporate values** that reinforce **our culture and our aim** to help people and businesses prosper.
- A strategy to tackle the challenge of **climate change** by promoting a low-carbon economy and sustainable consumption.
- **Corporate sustainability policies**, constantly adapted to domestic and foreign best practices.
- **Our non-financial information statement** makes sure our messages on responsible banking and corporate governance are understood.

# 2.2

## Board composition

Strong commitment to ensuring ongoing board effectiveness, balanced tenure and diversity.



Number of directors	Geography of origin	Women	Independent board members
15	5	40%	66.67%
<p>Directors are appointed for a <b>3-year term</b>.</p> <p><b>1/3</b> of the board is put for re-election each year.</p>	<p><b>Diversity of geographical provenance.</b> Continental Europe, US, UK, Latam and other.</p>	<p>Since November 2019, Banco Santander counts with a <b>40% representation of women on the board</b>.</p>	<p><b>5.33</b> average years on board.</p>

Date as of 31 December 2023.



# 2.3

## Board members

Majority of independent directors (66.67%) which ensures the free decision making on the board.



**Ana Botín-Sanz de Sautuola y O'Shea**  
Group Executive Chair  
Executive director

**Héctor Grisi Checa**  
Chief Executive Officer  
Executive director

**Glenn Hogan Hutchins**  
Vice Chair and Lead Independent Director  
Non-executive director (independent)

**José Antonio Álvarez Álvarez**  
Vice Chair  
Non-executive director

**Homaira Akbari**  
Non-executive director (independent)

**Javier Botín-Sanz de Sautuola y O'Shea**  
Non-executive director

**Bruce Carnegie-Brown**  
Non-executive director (independent)

**Sol Daurella Comadrán**  
Non-executive director (independent)

**Henrique de Castro**  
Non-executive director (independent)

**Germán de la Fuente**  
Non-executive director (independent)

**Gina Díez Barroso**  
Non-executive director (independent)

**Luis Isasi Fernández de Bobadilla**  
Non-executive director

**Ramiro Mato García-Ansorena**  
Non-executive director (independent)

**Belén Romana García**  
Non-executive director (independent)

**Pamela Ann Walkden**  
Non-executive director (independent)

**Jaime Pérez Renovales**  
General Counsel and secretary of the board

● Executive committee  
▲ Innovation and technology committee  
■ Responsible banking, sustainability and culture committee  
▲ Audit committee

● Nomination committee  
● Remuneration committee  
■ Risk supervision, regulation and compliance committee  
C Chair of the committee

# 2.4

## Our next AGM in 2024

The ordinary general meeting is the most important annual event for our shareholders.

## 2024 annual general meeting

The ordinary general shareholders' meeting will be held in Centro de Formación El Solaruco (Ciudad Grupo Santander), Avenida de Cantabria s/n, Boadilla del Monte, on 22 March 2024, at 9.30 a.m. (CET), on second call.



### AGENDA FOR THE ORDINARY GENERAL SHAREHOLDERS' MEETING

- 1 **Annual accounts and corporate management.**
  - 1A Annual accounts and directors' reports of Banco Santander, S.A. and of its consolidated group for 2023.
  - 1B Consolidated statement of non-financial information for 2023, which is part of the consolidated directors' report.
  - 1C Corporate management for 2023.
- 2 **Application of results obtained during 2023.**
- 3 **Board of directors: appointment and re-election of directors.**
  - 3A Setting of the number of directors.
  - 3B Appointment of Mr Juan Carlos Barrabés Cónsul.
  - 3C Appointment of Mr Antonio Francesco Weiss.
  - 3D Re-election of Mr Javier Botín-Sanz de Sautuola y O'Shea.
  - 3E Re-election of Mr Germán de la Fuente Escamilla.
  - 3F Re-election of Mr Henrique de Castro.
  - 3G Re-election of Mr José Antonio Álvarez Álvarez.
  - 3H Re-election of Ms Belén Romana García.
- 4 **Re-election of the external auditor for financial year 2024.**
- 5 **Share capital.**
  - 5A Authorisation to the board of directors to increase the share capital of the Bank on one or more occasions and at any time, within a 3-year period, through cash contributions in the maximum nominal amount of EUR 3,956,394,643. Delegation of the power to exclude pre-emptive rights.
  - 5B Reduction in share capital in the maximum amount of EUR 783,428,928.50, through the cancellation of a maximum of 1,566,857,857 own shares. Delegation of powers.
  - 5C Reduction in share capital in the maximum amount of EUR 791,278,928.50, through the cancellation of a maximum of 1,582,557,857 own shares. Delegation of powers.
- 6 **Remuneration.**
  - 6A Directors' remuneration policy.
  - 6B Setting of the maximum amount of annual remuneration to be paid to all the directors in their capacity as such.
  - 6C Approval of maximum ratio between fixed and variable components of total remuneration of executive directors and other employees belonging to categories with professional activities that have a material impact on the risk profile.
  - 6D Deferred Multiyear Objectives Variable Remuneration Plan.
  - 6E Application of the Group's buy-out regulations.
  - 6F Annual directors' remuneration report (consultative vote).
- 7 **Authorisation to the board and grant of powers for conversion into public instrument.**

This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.

## Hybrid meeting



In-person



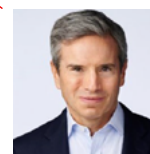
Remote

The board of directors agreed on 19 February 2024 to submit the nominations of both Carlos Barrabés and Antonio Weiss as new independent directors to the 2024 AGM (subject to regulatory approval), to fill the vacancies to be left by Bruce Carnegie-Brown and Ramiro Mato, who has also communicated his intention to not stand for re-election and step down as director on the later of the date on which the general meeting takes place and the date on which the regulatory approval for the appointment of Antonio Weiss is obtained.



D. Juan Carlos Barrabés

Considered an influential e-commerce pioneer. He brings vast experience of the Spanish market, especially in digitalization and innovation, with a focus on using technology for socio-economic development, promoting talent, and helping people and institutions get the most out of the digital transformation.



Mr. Antonio Francesco Weiss

Brings solid experience of the US market, which is one of the Group's strategic markets, and, in particular, in the financial sector, where he held different executive positions, and in the regulatory and public policy area.

# 2.5

## Continued improvements of corporate governance

Strong commitment to pursuing best national and international practices.

### Adequate board refreshment

The following directors have been appointed in recent years:



**Héctor Grisi**

Joined the board in 2023

**Executive.** Extensive career in the banking sector, where he has held the highest executive roles in which he has demonstrated leadership skills and unique strategic vision. He is well-versed in Grupo Santander's, in particular in relation to Mexico and the US, and has vast international experience in managing transformation and connectivity between the Group's markets.



**Glenn Hutchins**

Joined the board in 2022

**Independent.** Expert on financial markets, and well-known to investors and stakeholders. Acumen in technology, telecommunications, innovation, finance and investment. Extensive knowledge of financial regulation and supervision, as a result of his leadership roles in government and with financial regulators and supervisors.



**Germán de la Fuente**

Joined the board in 2022

**Independent.** Extensive experience in the auditing industry and sound knowledge in auditing, accounting and internal risk control, as well as in the banking sector.



**Gina Díez Barroso**

Joined the board in 2020

**Independent.** Vast experience in the real estate and education sectors, and extensive knowledge of responsible business and sustainability as a result of having been a charter member and trustee of foundations that focus on education, gender diversity and social support.



**Luis Isasi Fernández de Bobadilla**

Joined the board in 2020

**Other external.** Broad experience in a wide range of sectors and international markets (in particular, finance and investment banking), as well as a strong institutional network within Spain.

### Maximum transparency and improvement of public disclosures

#### Constant improvement of our corporate governance disclosures.

We present the proposed resolutions submitted to the AGM in a single document with simpler language and with improved "look and feel", in line with our Annual Report. It includes a summary of the proposed resolutions and supplemental information, very useful for our shareholders.

**Our Board Skills & Diversity Matrix includes comprehensive and individualised information on the competencies and diversity of our directors**, both at the level of the board and **its committees. It reflects the capacity of our board to pursue our long-term strategy.**

### Balanced presence of both genders on the board

Have been achieving our goal of having gender balance on the board (40%–60% of either gender) since 2019, in accordance with our policy on selecting directors and the Rules and regulations of the board of directors. **Currently, 40% of the board members are women.**

### Effective and robust succession processes

Our succession process **conforms to regulatory requirements and industry best practice.**

The board's renewal in recent years has strengthened its banking, financial, technological and digital prowess, increased its regional diversity, giving it the right composition to lead the Group in pursuit of its strategy now and in the future.

### At the national and international forefront of best practice

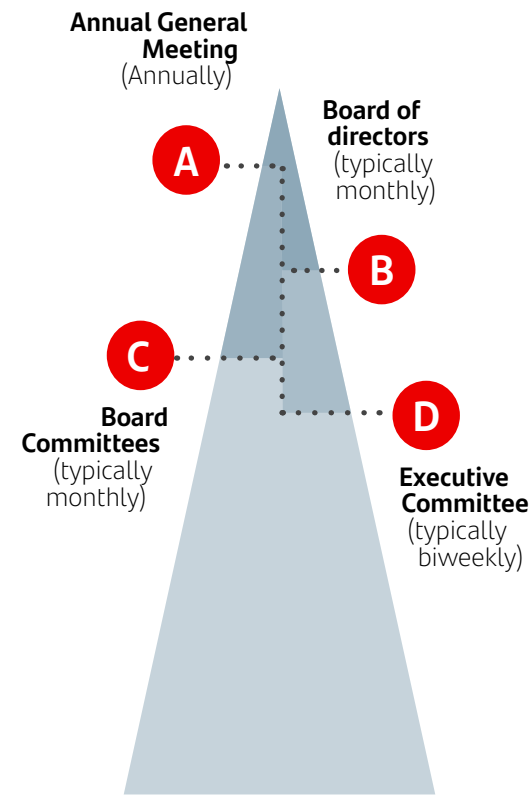
We follow the recommendations of the supervisory authorities and the guidelines of national and international organizations, as well as the EBA's guidelines on internal governance and remuneration and joint guidelines with ESMA on the assessment of the suitability of members of the management body and key function holders, and other guidelines by national and international organizations.

We comply with all the recommendations in the CNMV's Code of Good Governance that apply to us.

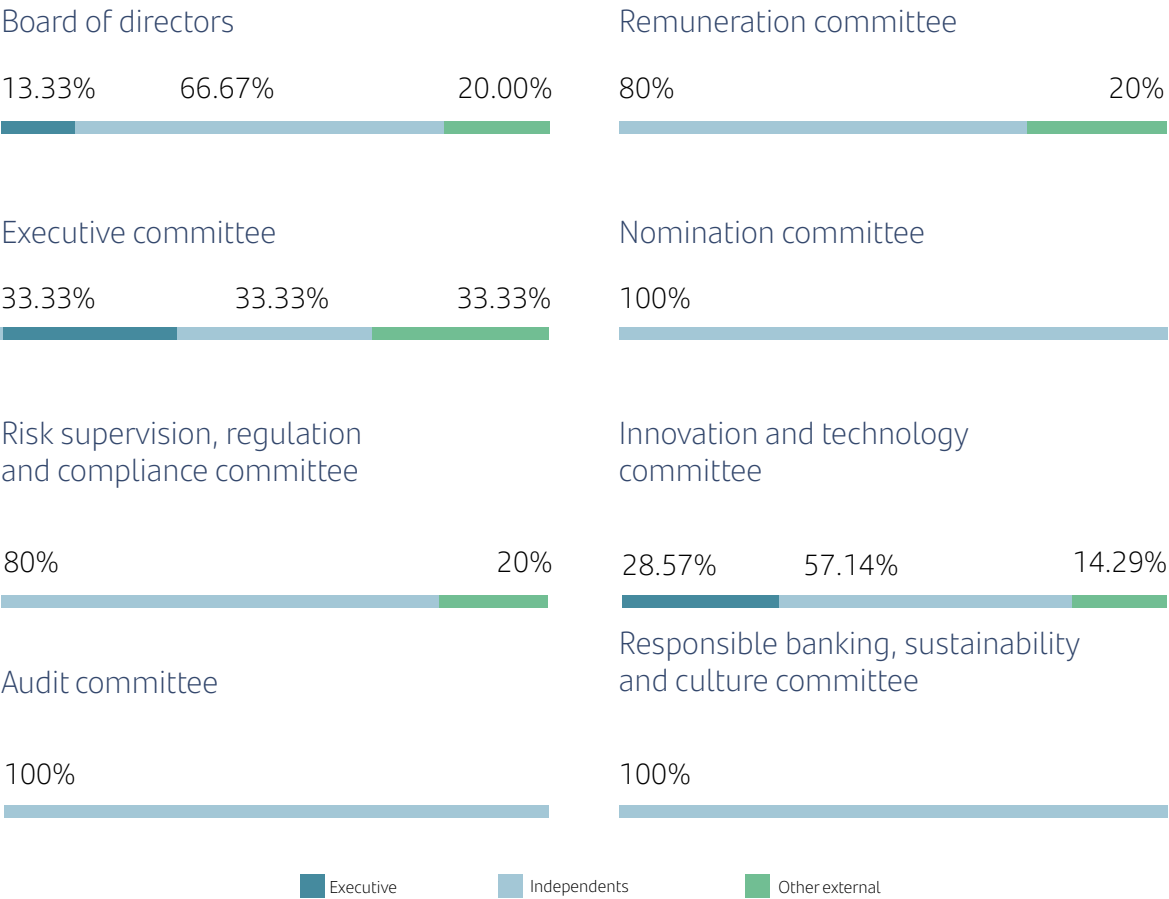
# 2.6 Corporate governance framework

We strive to continually strengthen our corporate governance system, its key to fulfil our purpose of becoming a more responsible bank in an era of disruption.

Shareholders are at the top of the decision making process



## Balanced composition of board and committees





# 2.7

## Separate roles and responsibilities

A clear separation of the roles of the Chair, CEO and LID is key in our governance structure.



### Role of Group Executive Chair

The Chair is the highest-ranking executive in Grupo Santander and its main representative with regulators, authorities and other major stakeholders.

The Chair is responsible for the long-term strategy of the Group, including new tech digital growth engines, namely PagoNxt and the Digital Consumer Bank.

The Chair is also responsible for other corporate functions and units that help drive the Group's long-term strategy and transformation, comprising Technology and Data & Architecture, Human Resources, Talent, Financial Accounting & Control, Strategy and Corporate Development, General Secretariat and Communications & Corporate Marketing. This reflects the Chair's ultimate accountability for Transformation.

The Chair also leads the appointment and succession planning of Grupo Santander senior management, to be submitted to the nomination committee and board for approval.



### Role of Chief Executive Officer

The Chief Executive Officer is entrusted with the day-to-day management of the business with the highest executive functions and reports exclusively to the board in this regard.

Accordingly, the Chief Executive Officer's direct reports are the senior managers in charge of the business units: the regional heads (Europe, North America and South America) and those in charge of the global businesses (Wealth Management & Insurance, Corporate & Investment Banking, Payments and Retail & Commercial Banking (including TransformationA)), encompassing the relevant support and control functions. Whilst the Chair is accountable for DCB, given that it is a global business, the Group CEO remains fully accountable for the Countries through which DCB operates.

As responsible for day-to-day management, the CFO and the Global head of Investment Platforms & Corporate Investments also report to the CEO.

Additionally, the Chief Executive Officer is responsible for Regulatory & Supervisory Relations and for embedding the group's sustainability policy in the day-to-day management of Group businesses and the support and control functions.



### Role of Lead Independent Director

Facilitate discussion and open dialogue among independent directors, coordinating private meetings of non-executive directors without the executive present and proactively engage with them to consider their views and opinions.

Direct the periodic evaluation of the Chair of the board of directors and coordinate her succession plan.

Engage with shareholders and other investors to learn about their concerns, in particular, with regard to Banco Santander's corporate governance.

Replace the Chair in her absence with such key rights such as the ability to call board meetings under the terms set down in the Rules and regulations of the board.

Request a board meeting or that new items be added to the agenda thereof.

2.8

Board skills and diversity matrix

Our board composition ensures the right balance of knowledge, capabilities, qualifications, diversity and experience.

		Ana Botín	Héctor Grisi	Glenn Hutchins	José Antonio Álvarez	Homaira Akbari	Javier Botín	Bruce Carnegie-Brown	Sol Daurella	Henrique de Castro	Germán de la Fuente	Gina Díez Barroso	Luis Isasi	Ramiro Mato	Belén Romana	Pamela Walkden
		Executive Chair	CEO	Vice Chair Lead Independent Director	Non-executive Vice Chair	Independent	Non-executive	Independent	Independent	Independent	Independent	Independent	Non-executive	Independent	Independent	Independent
SKILLS AND EXPERIENCE																
THEMATIC SKILLS																
Banking (93.3%)		•	•	•	•	•	•	•	•		•	•	•	•	•	•
Other financial services (86.7%)		•	•	•	•	•	•	•			•	•	•	•	•	
Accounting, auditing and financial literacy (100%)		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Retail (80%)		•	•		•	•	•	•	•	•			•	•	•	•
Digital & information technology (60%)		•	•	•	•	•		•		•				•	•	
Risk management (86.7%)		•	•	•	•	•	•	•	•		•		•	•	•	•
Business strategy (100%)		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Responsible business & sustainability (73.3%)		•	•	•	•	•	•	•	•			•		•	•	
Human resources, culture, talent & remuneration (93.3%)		•	•	•	•	•		•	•	•	•	•	•	•	•	•
Legal and regulatory (13.3%)												•			•	
Governance and control (86.7%)		•	•	•	•	•	•	•	•		•		•	•	•	•
International experience	Continental Europe (73.3%)	•			•	•	•	•	•	•	•		•	•	•	
	US/UK (93.3%)	•	•	•	•	•	•	•	•	•	•		•	•	•	•
	Latam (66.7%)	•	•		•	•	•			•	•	•	•	•		
	Others (40%)							•	•	•	•			•		•
HORIZONTAL SKILLS																
Top management (100%)		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Government, regulatory and public policy (13.3%)				•											•	
Academia and education (40%)		•				•		•	•			•		•		
Significant directorship tenure (93.3%)		•	•	•	•	•	•	•	•	•	•	•	•	•	•	
DIVERSITY																
Gender	Female (40%)	•				•			•			•			•	•
	Male (60%)		•	•	•		•	•		•	•		•	•	•	
	Continental Europe (60%)	•			•		•		•	•	•		•	•	•	
Country of origin/ international education	US/UK (66.7%)	•		•	•	•		•				•	•	•	•	•
	Latam (13.3%)		•									•				
	Others (6.7%)					•										
	Less than 55 (6.7%)						•									
Age	From 55 to 65 (66.7%)	•	•		•	•		•	•	•	•				•	•
	More than 65 (26.7%)			•								•	•	•		
BOARD TENURE																
0 to 3 years (33.3%)			•	•							•	•	•			
4 to 11 years (53.3%)					•	•		•	•	•				•	•	•
12 years or more (13.3%)		•					•									

# 2.9

## Board assessment and continuous improvement of its functioning. Directors' succession plan

Corporate governance is a key tool to drive the Group's strategy. The annual assessment allows us to test the proper functioning of the board. A solid succession that guarantees the stability of the business.

### Board assessment

Yearly assessment of its performance and effectiveness.

Conducted at least every three years by an external consultant.

In 2023, the evaluation was conducted by an independent external consultant (Spencer Stuart), focusing on the structure, composition, diversity and competencies of the board and committees.

In January 2024, the nomination committee and the board of directors discussed the findings, with a consensus view that the results were positive and that the board and its committees operate effectively and concluded that our governance model is robust and adjusted to meet the highest standards.

The board of directors approved an associated action plan in February 2024, the key aspects of which are:

- **Structure of the board:** as part of any future board refreshment, a continued focus will be placed on maintaining an appropriate international diversity, and on technology and innovation skills.
- **Effectiveness of the executive chair model:** keep the split of the roles and responsibilities between the Executive Chair and the Group CEO under continuous review and refinement to ensure its ongoing effectiveness and robustness.
- **Lead Independent Director:** consolidate the orderly transition of the Lead Independent Director's responsibilities in favour of Glenn Hutchins, enabling him to be truly effective in role.
- **Organization and international culture:** continue to ensure that paper volume and content is sufficient and concise in order to facilitate its understanding and corresponding debate.
- **Committees:** keep composition under review, ensuring optimal performance and effectiveness.

### Succession plan

**Key area for the nomination committee and the board,** with plans in place that are appropriate, robust and **regularly updated.**

Main board members' succession plans ensure the board's **orderly transition, continuity, stability, proper renewal and independence.**

Succession planning is an annual process, with a clear methodology, timetable and designation of roles. Special effectiveness metrics that are revised annually.

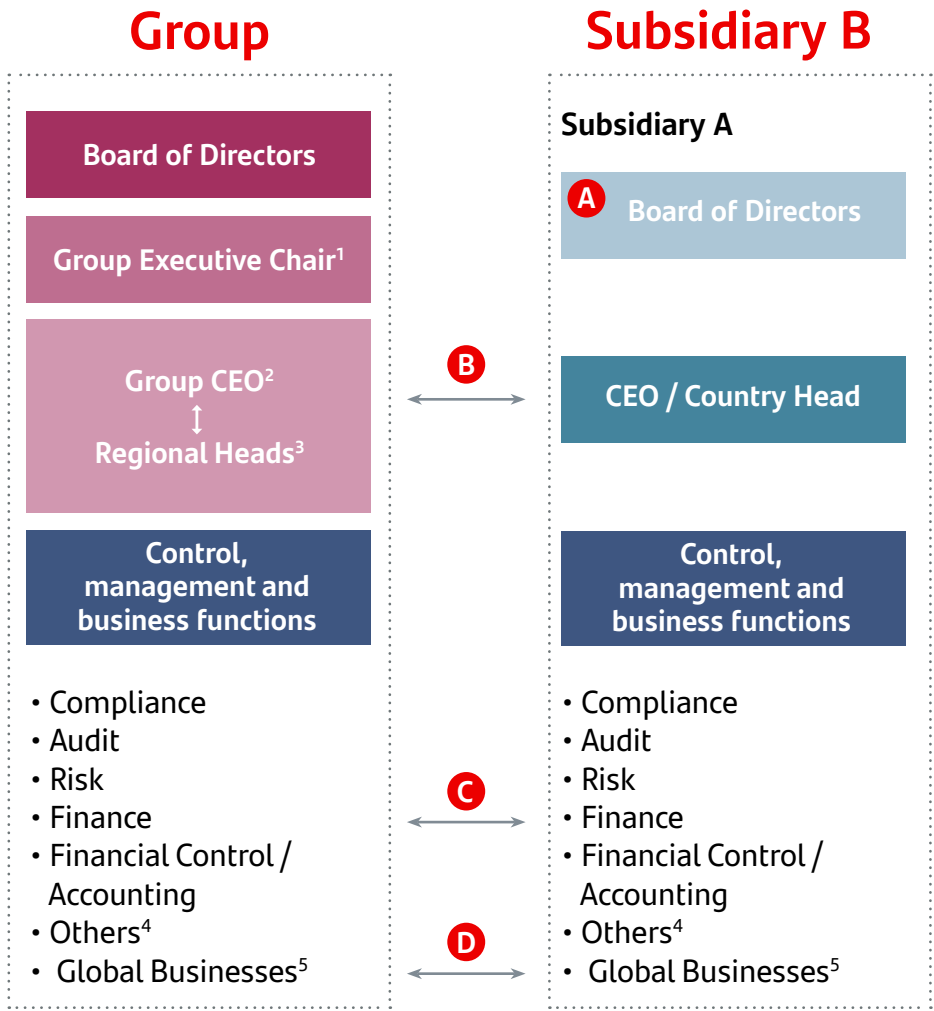
Our succession procedures for directors and key positions in the Group **conform to regulatory requirements and industry best practice.**



# 2.10

## Group subsidiary governance model

Best practices on robust governance are channelled to all subsidiaries.



1. First executive.  
2. Second executive who reports to the board of directors.  
3. Europe, North America and South America, reporting to Group CEO.  
4. Technology & Operations, Human Resources, General Secretariat, Marketing, Communications, Strategy.  
5. Retail & Commercial Banking; Digital Consumer Banking, Corporate & Investment Banking, Wealth Management & Insurance and Payments  
\* Each global business is responsible to define the common business and operating model, set the global ambition and identify and managing the global tech platforms and product factories.

The **Group-subsidary governance model** enhances **control** and **oversight** through:

- A** **Presence of the Group in the subsidiaries' boards of directors** establishing guidelines for board structure, dynamics and effectiveness
- B** **Reporting** of the CEO / Country Heads to the Group CEO / Regional Heads and Group executive committee
- C** **Interaction** between the Group's and the subsidiaries' control, management and business functions
- D** **Interaction** between global businesses \* and local businesses

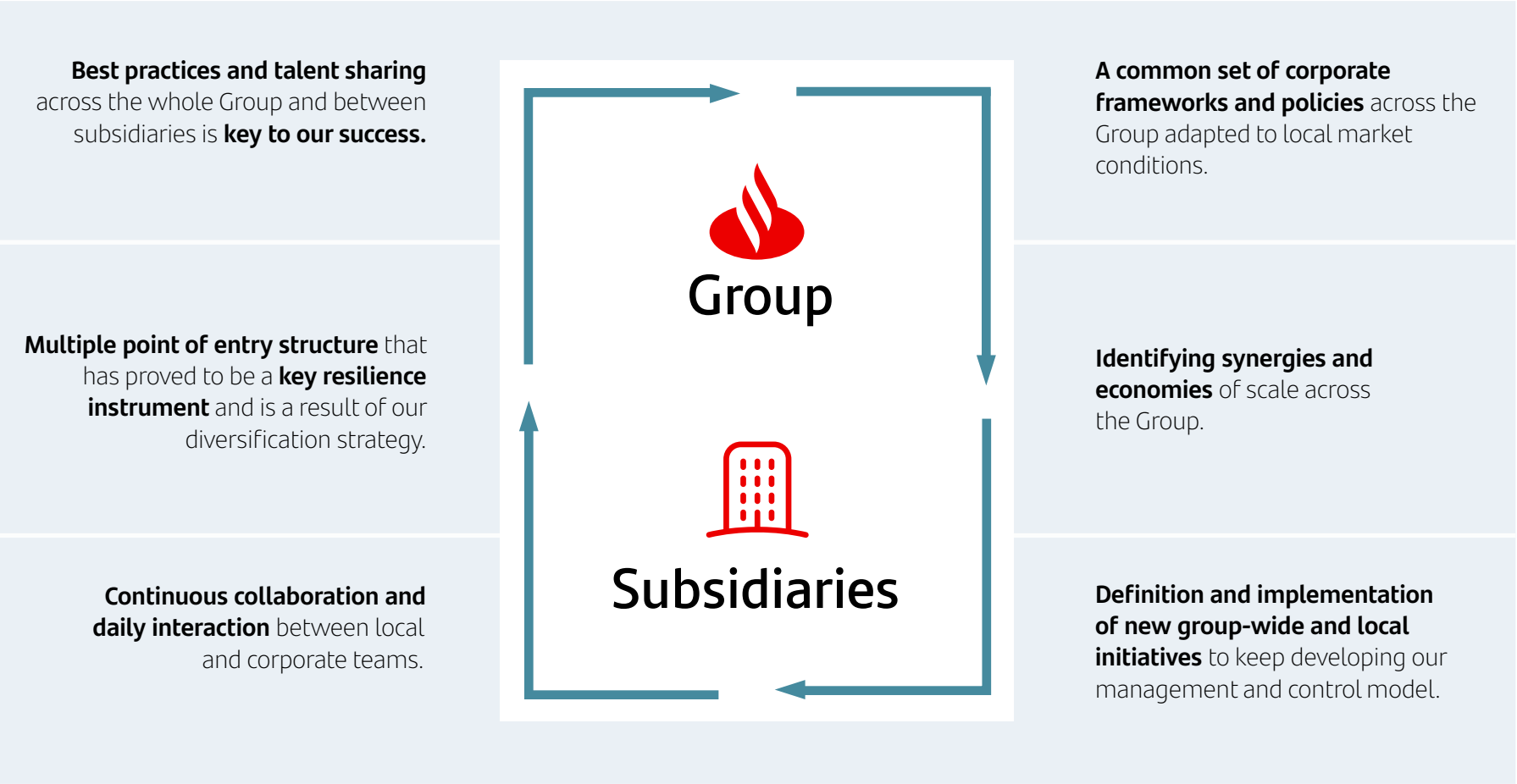
**The Group's appointment and suitability assessment procedure is a key element of Governance**

# 2.11

## Group – subsidiary interaction

A balanced Group – subsidiary model adding value to the sum of the parts.

### Consistent governance across the Group following the Group-subsidaries governance model





# 03

## Remuneration policy



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# 3.1

## Executives remuneration

The director remuneration policy is submitted each year as a separate item of the agenda at the general meeting of shareholders.



### General lines

**Remuneration of directors** is based on the positions held by the directors on the collective decision-making body, membership and attendance of the various committees, and such other objective circumstances that the board may take into account.

The **components of the remuneration** are:

#### Annual allotment



#### Attendance fees



### Executive fixed components

#### Gross annual salary of executive directors in 2023

- Consistent with the level of responsibility within the Bank with the goal of retaining professionals and attracting the best talent.
- After five years with no review of gross annual salary, and further to the remuneration committee's recommendation, the board resolved that Ana Botin's gross annual salary would increase a 3% in respect of 2022 (this would mean an effective total rise in her total compensation of around 1% versus 2022, taking into account the sum of fixed salary, pension contribution and target bonus). In connection with this, it is worth noting that an increase of 4.5% in the base salary subject to collective agreement has been applied to the general Santander workforce in Spain.
- The new CEO Héctor Grisi will receive a gross annual salary of EUR 3 million, which is the same fixed compensation as the former CEO. The board agreed on this amount upon proposal of the remuneration committee, based on his proven expertise as a successful CEO with Santander Mexico and Group's North America regional head.

#### Other fixed components of executive directors

- Benefits systems: Defined contribution plans (including fixed and variable components).
- Fixed salary supplement (to replace the former supplementary death and disability benefits).
- Social welfare benefits.

#### Annual allotment and attendance fees of directors in 2023

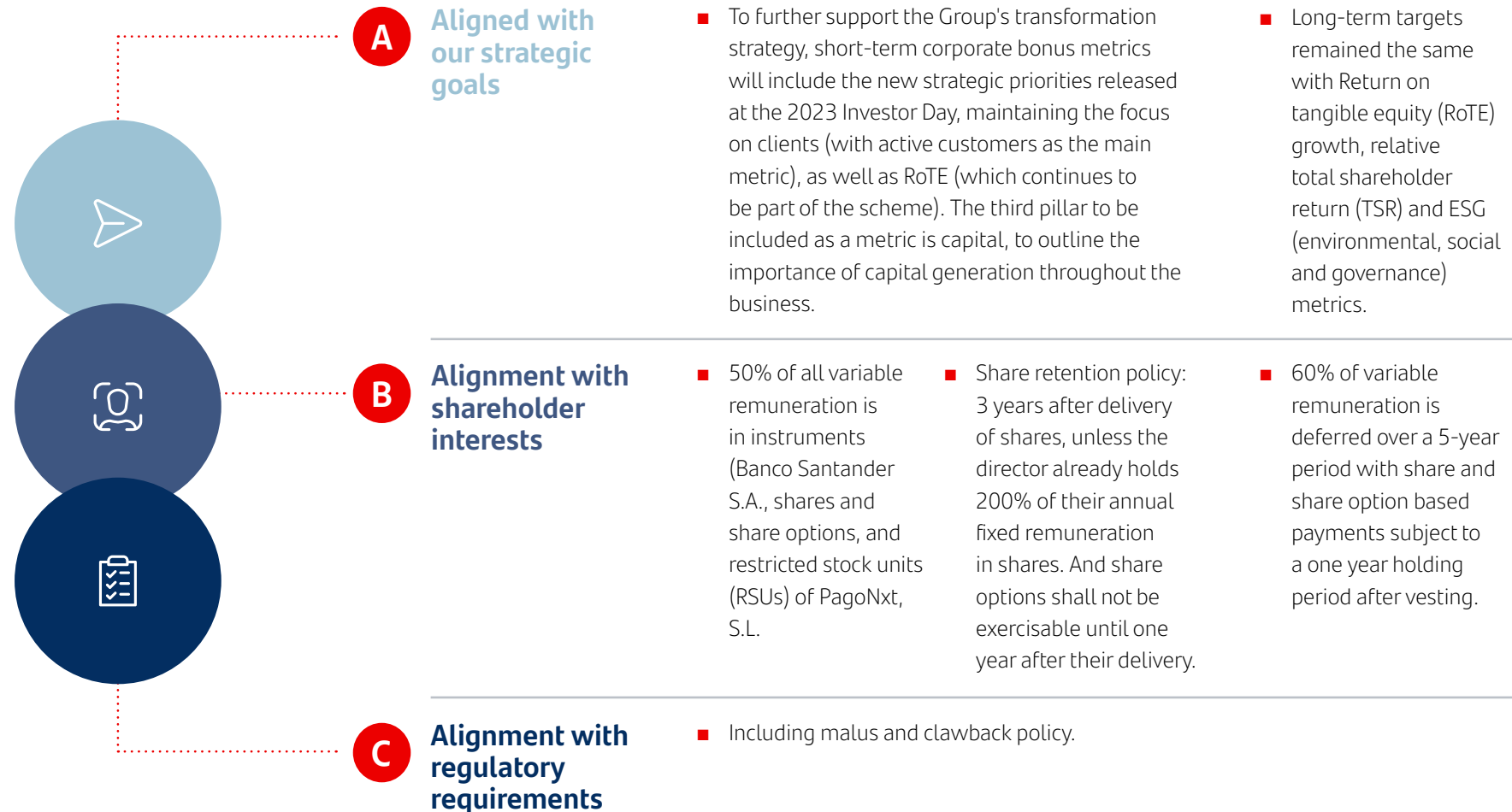
- After several years with practically no review of directors' remuneration, the board has proposed, for 2023, an increase of EUR 3,000 in the annual allotment for board and committee membership (except for the executive committee) and without a comprehensive review of the remuneration. All other board related amounts for 2023, including board and board committees fees, are the same as for 2022.

# 3.2

## Executive directors' remuneration

Executive directors' variable remuneration is subject to meeting financial and non-financial targets.

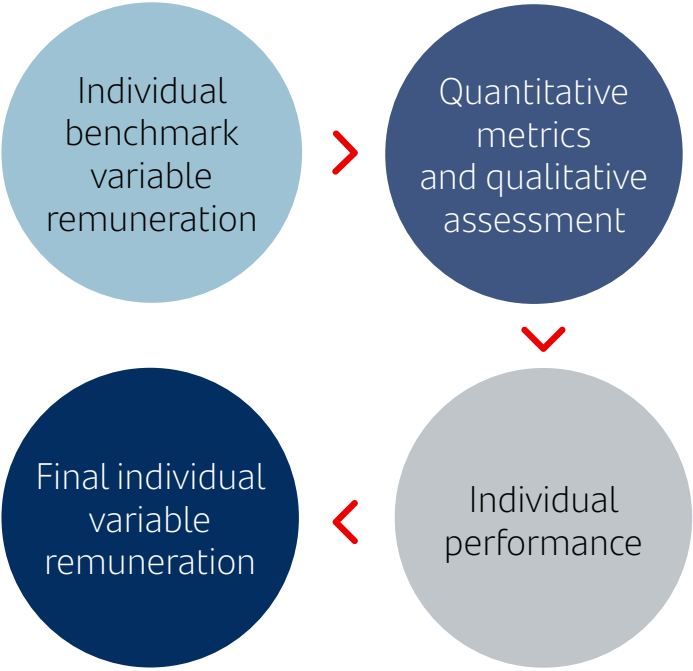
### Executive variable remuneration



# 3.3

## Executive variable remuneration scheme

Variable remuneration is deferred over five years.



### 2023 variable remuneration for executive directors (structure)

Immediately following performance year	2024	→	40%
Deferred (malus)	2025	→	12%
	2026	→	12%
Deferred subject to long-term targets	2027	→	12%
	2028	→	12%
	2029	→	12%
			<b>100%</b>

- The variable remuneration in 2023 for executive directors will be paid 50% in cash and 50% in instruments. The part to be received in instruments split as follows:
  - EUR 500,000 and EUR 420,000 in PagoNxt, S.L. RSUs for Ana Botín and Héctor Grisi, respectively.
  - The rest, all in instruments of Banco Santander, S.A. The executive director must decide between receiving such amount all in shares, or receiving in equal parts shares and share options of Banco Santander, S.A. (while for 2024 and 2025, the board agreed, upon proposal from remuneration committee, that executive directors receive half in shares and half in share options).
- **40%** of the incentive is paid in the following year and the deferred portion **(60%)** in five equal parts over the next five years.
- **The last three payments** are additionally subject to long-term targets.

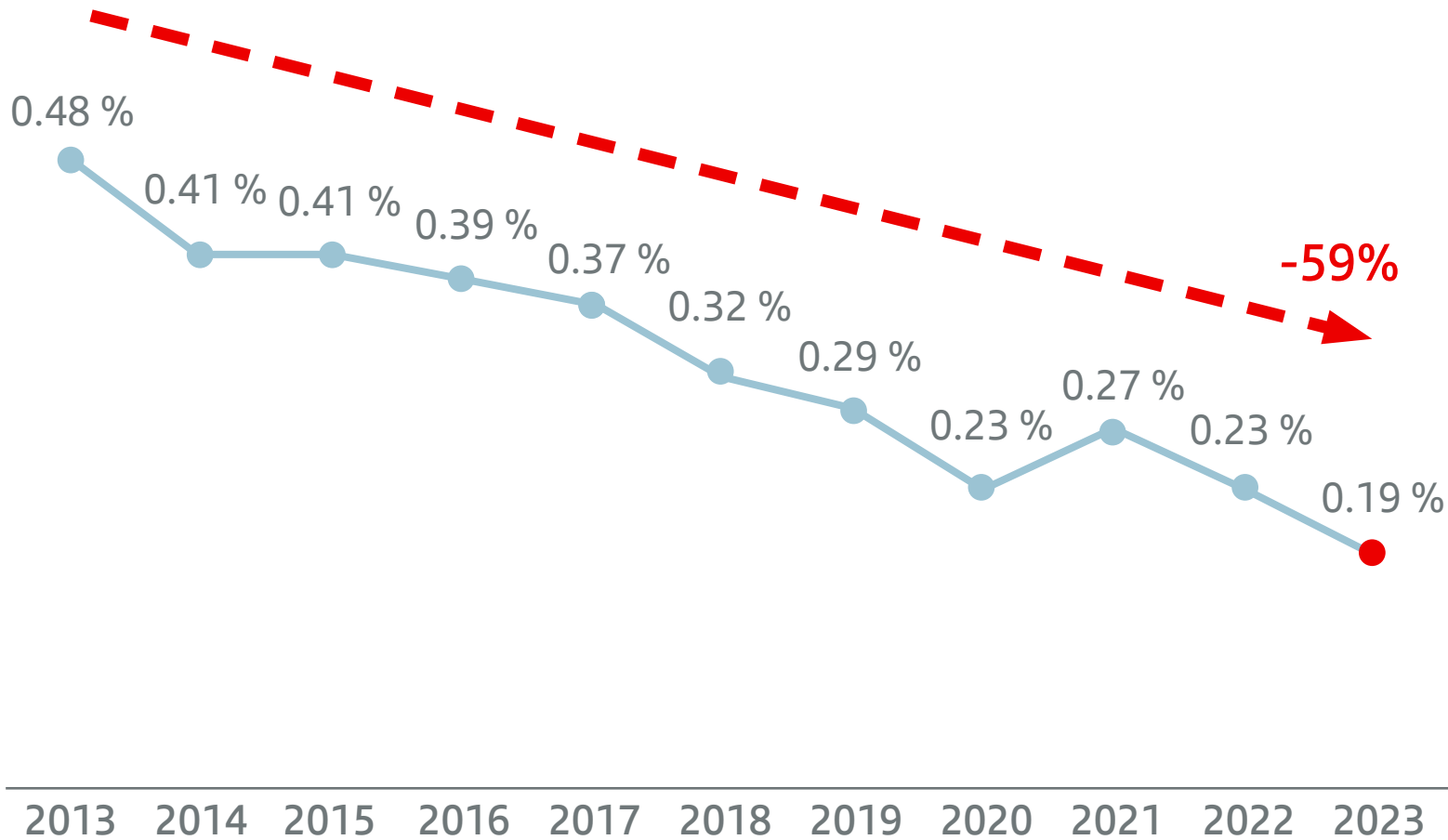
# 3.4

## Executive directors' remuneration

Executive directors' remuneration is aligned with shareholder interests.



Total remuneration as % of underlying attributable profit





# 3.5

## Directors' remuneration for 2023



Deferred variable pay subject to long-term incentives **includes 5 ESG metrics** (Executive Directors).



**The maximum achievement ratio is 125%** so executives have the incentive to exceed their targets; however, the maximum achievement ratio for effectively paid remuneration will not exceed the thresholds approved at the AGM (Executive Directors).



**To create a stronger alignment with shareholder return, it is proposed to maintain options as a remuneration instrument.** A proposal to increase the number of trading sessions used to determine the share price used for executive directors and identified staff bonus from 15 to 50, to soften the impact on the share price of events (positive or negative) that may occur within a short period will be put to vote at the 2023 AGM. Under the Remuneration policy for 2023 and beyond, the maximum number of shares (and/or share options) will be calculated based on the daily volume-weighted average of the weighted average Santander share price in the 50 trading sessions before the last Friday (not included) before the board meeting at which executive directors' bonus is agreed.



In 2023, directors, in their capacity as such, **will receive remuneration for supervisory and collective decision-making duties for a total of up to 6 million euros as authorised by the shareholders at the April 2021 and 2022 AGM.** For 2023, an increase of EUR 3,000 in the annual allotment for board and committee membership (except for the executive committee). No comprehensive review of the remuneration has been undertaken.

3.5

Directors' remuneration for 2023

Corporate Governance: ESG in Reward

	Weights		Equally weighted ESG action lines included	
			2022- 2024	2023- 2025
LTI	RoTE	40%	<ul style="list-style-type: none"><li>• Women in senior positions</li><li>• Financially empowered people</li><li>• Green finance mobilized</li><li>• Setting decarbonisation targets</li><li>• Emission intensity in Power Generation</li></ul>	<ul style="list-style-type: none"><li>• Women in senior positions</li><li>• Financially empowered people</li><li>• Green finance mobilized and Socially Responsible Investments</li><li>• Thermal coal-related power &amp; mining phase out</li></ul>
	rTSR	40%		
	ESG	20%		

Short term Scorecard 2023	Quantitative 100%		A relative performance multiplier versus market which will multiply by 0.7 to 1.3 the result of the quantitative metrics based on performance versus top peers in each market on metrics as: NIM, C/I, CoR, NPLs, NPS and Net Margin after provisions	Qualitative ±25%	
	Transformation 45%	X		Network Collaboration	±10%
	Capital generation 30%			Risk	±5%
	Sustainable Profitability (RoTE) 25%			Compliance	±5%
				ESG	±5%

Note: Establishment of decarbonization targets by sectors in line with the commitment of the Net Zero Banking Alliance: NZBA.

# 04

## Risk, Compliance & Conduct management



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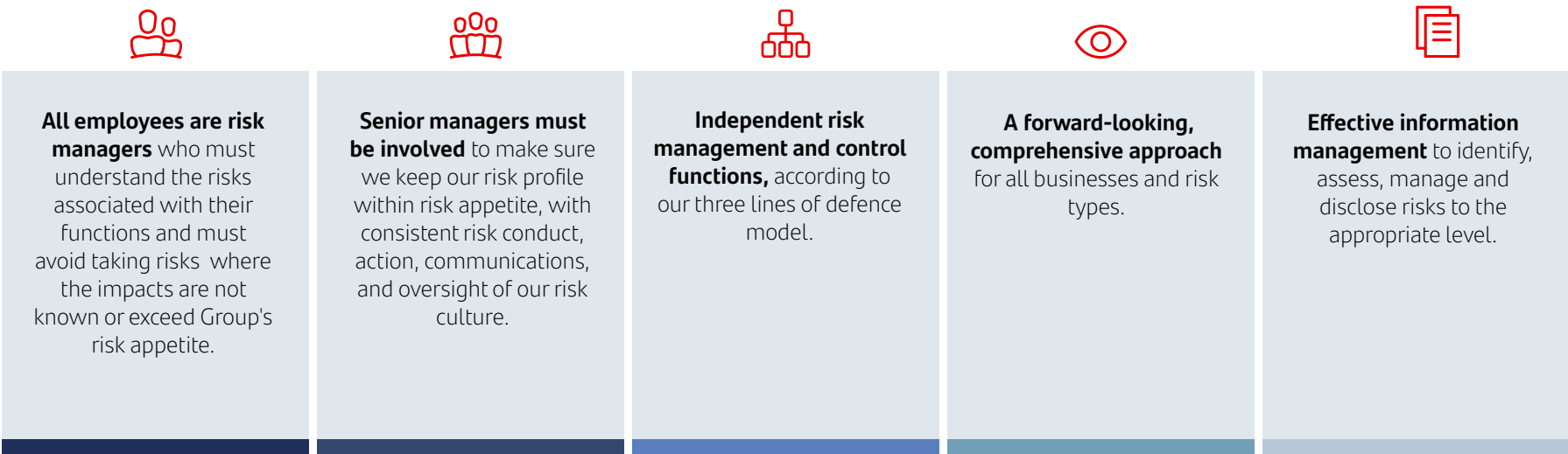
# 4.1

## Principles and risk culture

Are a key pillar of Grupo Santander's risk strategy and underpins our business model.



Our common risk principles are aligned with regulatory requirements and inspired by best market practices



## A solid risk culture – Risk Pro

The way in which we understand and manage risks on a day-to-day basis



...and Risk Pro is embedded within them

**risk pro**  
Everyone's business

It is a core element of Grupo Santander's culture, The Santander Way, and an essential lever to help people and businesses prosper.

# 4.2

## Risk, Compliance & Conduct governance

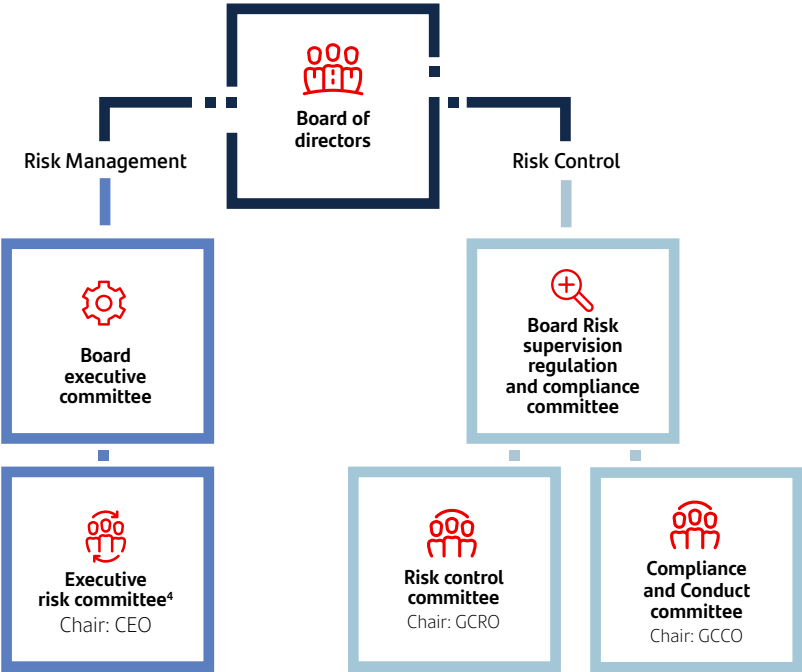
To carry out effective oversight of all risks in line with our risk appetite.



### It stands on our model of three lines of defence

1 <sup>st</sup>	Formed by <b>business and support areas</b> , that take or originate risks are primarily responsible for managing them. It detects, measures, controls, monitors and reports on the risks it originates according to internal risk management policies, models and procedures. Risk management must be consistent with the approved risk appetite and related limits.
2 <sup>nd</sup>	Comprised by <b>risk and compliance &amp; conduct functions</b> , independently oversees and challenges risk management at the first line of defence. Its duties include promoting that risks will be managed according to the risk appetite approved by senior management and strengthening our risk culture across the Group. Both the <b>GCRO</b> <sup>1</sup> and <b>GCCO</b> <sup>2</sup> are responsible for the second line of defence and have direct access to the board of directors through its corresponding committees.
3 <sup>rd</sup>	<b>Internal audit function</b> , which is fully independent to give the board and senior managers assurance of high-quality and efficient internal controls, governance and risk management to preserve our value, solvency and reputation. The <b>GCAE</b> <sup>3</sup> is responsible for the third line of defence and has direct access to the board of directors through its corresponding committees.

### Robust Risk, Compliance & Conduct governance structure with clear responsibilities



1. Group Chief Risk Officer. 2. Group Chief Compliance Officer. 3. Group Chief Audit Executive. 4. The GCRO has the right to veto the committee's decisions.



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# 05

## Responsible banking



[GO TO INDEX](#) ↑

# 5.1

## Our responsible strategy

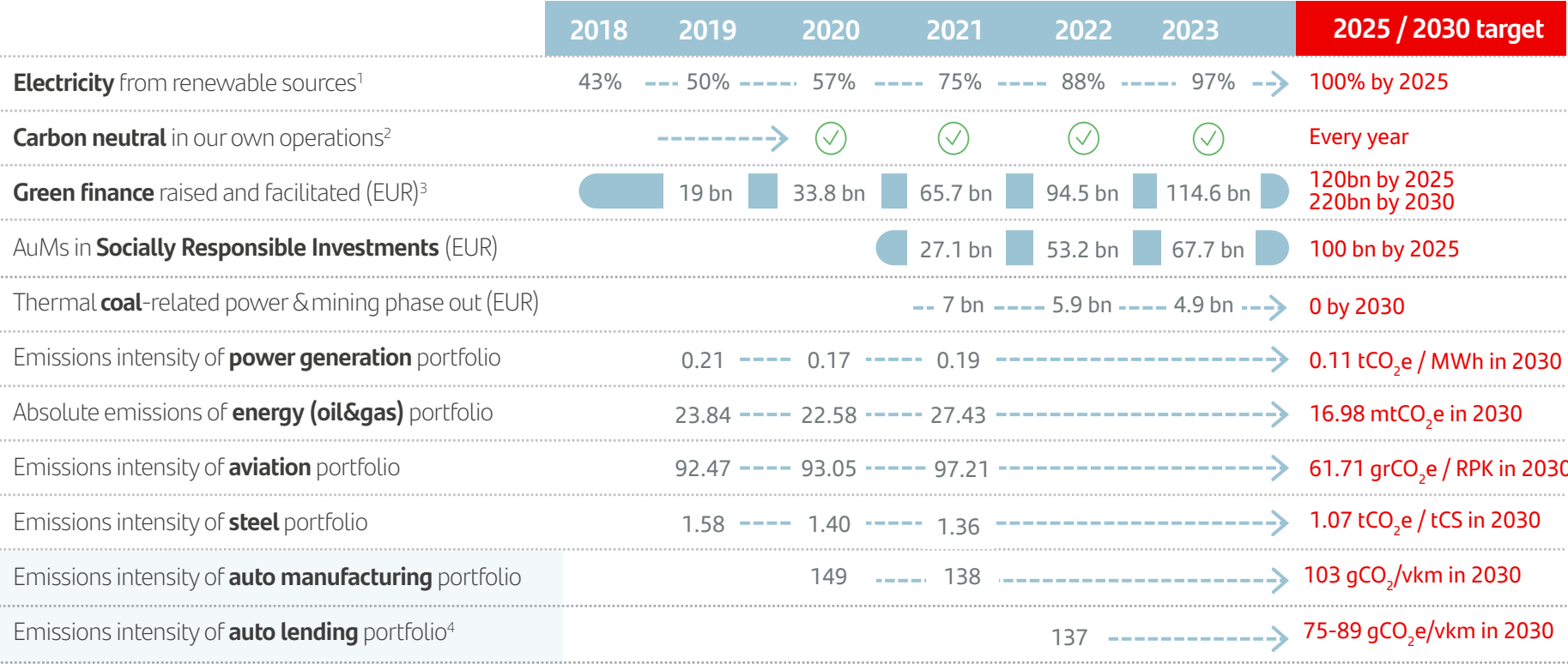


Ambition	Action
<div>E</div> <div>Support the transition to a low-carbon economy</div>	<ul style="list-style-type: none"><li>→ Support and engage with customers in accelerating their transition, and develop a best-in-class sustainable finance and investment proposition.</li><li>→ Progress with decarbonizing our portfolios to align to net zero by 2050, while considering other environmental goals.</li></ul>
<div>S</div> <div>Promote inclusive growth</div>	<ul style="list-style-type: none"><li>→ Promote employees' wellbeing and equal treatment and opportunities for all.</li><li>→ Support financial inclusion by promoting access to financial products and services and financial health, including financial literacy.</li><li>→ Foster customer information transparency and data privacy.</li><li>→ Support education, employability and entrepreneurship.</li></ul>
<div>G</div> <div>Strong governance and culture across the organization</div>	<ul style="list-style-type: none"><li>→ Drive culture, conduct and ethical behaviour, doing everything the Santander Way: Simple, Personal and Fair.</li><li>→ Continue integrating ESG in governance and our core activities, and enhancing capabilities across teams including business, risk management and data reporting.</li></ul>

5.2

Santander Responsible Banking targets

We focus on the areas where our operations can have a large impact and set targets that enable us to promote our agenda



New in 2023    --> From... to...    Cumulative target    ✓ Commitment Achieved

1. In countries where we can verify electricity from renewable sources at Banco Santander properties. It considers the 10 main countries in which we operate.

2. Scope 1 and 2 emissions and scope 3 emissions from employee commuting and business travel. It considers wholly owned companies in Argentina, Brazil, Chile, Germany, Mexico, Poland, Portugal, Spain, the United Kingdom and the United States.

3. Preliminary data as final League Tables for 2023 were not yet available at the date of editorial closing. CIB contributed EUR 20.2 billion to the green finance target, including EUR 5.6 bn in Project Finance; EUR 2.8 bn in financial advice; EUR 5.8 bn in green bonds (DCM); EUR 0.2 bn in export finance (ECAs); and EUR 5.8 bn in M&A, according to Dealogic, Infralogic, TXF and Mergermarket league tables. In 2023 there was no significant contributions from ECM and Project bonds. This refers to all roles undertaken by Banco Santander in the same project. It does not include financial inclusion and entrepreneurship. Green Finance raised and facilitated is not a synonym of EU Taxonomy. Please refer to specific section on EU taxonomy-related requirements for further details in this regard. This information will be updated to year end in the next Climate Finance Report.

4. Consumer lending for acquisition of passenger cars, covering a significant majority of the exposure in Europe.

# 5.3

## Responsible culture

Our common standards.



Our Way is the **Santander Way** ...

Living our Values of  
**Simple | Personal | Fair**

Daily, through our Corporate Behaviours:



And, through our solid culture  
of Risk Management:



# 5.4

## Responsible Banking Governance



### Board of directors

Approves and supervises the implementation of general policies and strategies relating to our corporate culture, values, responsible business practices and sustainability. It also makes sure all the Group's employees are aware of codes of conduct and act ethically, and ensures compliance with the laws, customs and good practices of the industries and countries where we operate.

### Responsible banking, sustainability & culture committee ("RBSCC")

Assists the board of directors in fulfilling its oversight responsibilities with respect to the responsible business strategy and sustainability issues of the company and its Group.

### Management meeting

Chaired by the CEO, it discusses our progress on the responsible banking agenda, especially as regards to climate change, TCFD and ESG business opportunities. In 2023, the committee was informed three times on progress made with the responsible banking agenda.

### Main topics addressed in 2023

In 2023, in line with our ESG agenda, our senior management focused on: 1) Our climate strategy, including our pledge to be net zero by 2050; 2) Our sustainable finance and investment value proposition and transition plans to a low-carbon economy; 3) the integration of climate and social criteria into risk management; 4) the extension of our financial empowerment proposition; and 5) the mobilization and use of enablers to integrate ESG criteria into everything we do in the Group.

### Responsible banking forum<sup>1</sup>

Executes the responsible banking agenda across the Group; drives decision-making on responsible banking issues; ensures the execution of any mandates from the RBSCC, other board committees and the board of directors; and ensures alignment with key issues, including the review and escalation of reports to the RBSCC.

The Group's responsible banking corporate unit and RB network work jointly to deliver on our strategy in a co-ordinated way across the Group.

### Group responsible banking unit

Coordinates and drives the responsible banking agenda, with support from a senior adviser on responsible business practices who reports directly to the executive chair.

1. The Forum's 11 permanent members are the regional head of Europe (rotating chair); the regional head of North America (rotating chair); the Regional head of South America (rotating chair); Group Head of Strategy, Corporate Development & Financial Planning; Group Head of Human Resources; Group Chief Risk Officer; Group Chief Compliance Officer; Global Head of Wealth Management & Insurance; Global Head of Santander Corporate and Investment Banking; Group Head of Communications, Corporate Marketing and Research; and the senior adviser to the executive Chair on responsible business practices.



# 5.5

## Corporate policies related to Responsible Banking



**General code of conduct**  
Brings together the ethical principles and rules of conduct our employees must follow and is central to our Compliance function.

**Corporate culture policy**  
Establishes the guidelines and standards to ensure a consistent group culture.

**Responsible Banking and Sustainability policy**  
Outlines our Responsible Banking and Sustainability principles, commitments, objectives and strategy with regard to our stakeholders including human rights protection.

**Environmental, social & climate change risk management policy**  
Details how we identify and manage risks, in energy (oil&gas), mining and metals, and in soft commodities.

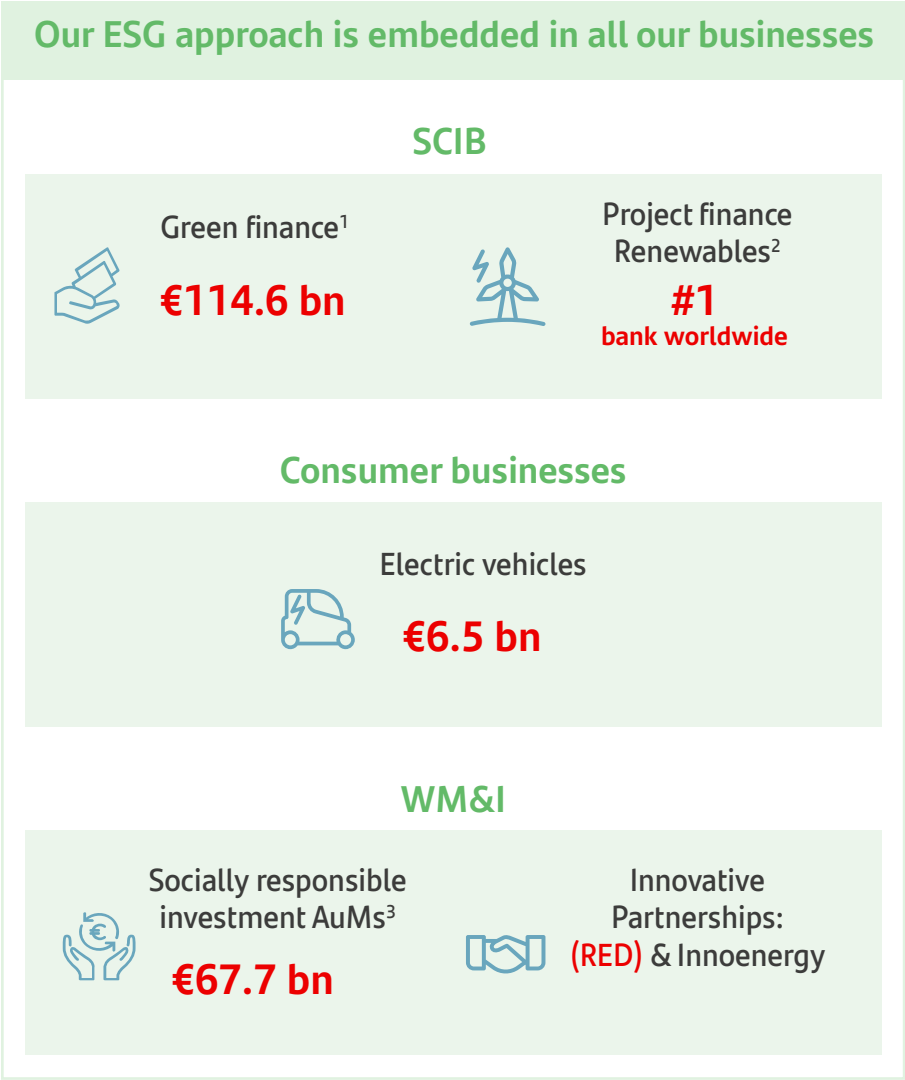
**Financing for Sensitive sectors Policy**  
Provides guidelines for our involvement in industries that are considered sensitive and carry reputational risk.

### Other policies that support our responsible banking strategy



# 5.6

Supporting the green transition of our customers and committed to financial inclusion



Note: H1 '23 ESG figures. Green finance, Socially responsible investment AuMs and Financial Inclusion updated to 9M'23.

1. Cumulative since 2019. Public target of €120bn by 2025 and €220bn by 2030.

2. Renewable energy finance ranking based on the league tables provided by Infralogic as of January 2023 for the last 10 years as of FY2022

3. AuMs classified as Article 8 and 9 funds (SFDR) from SAM, plus third-party funds and other ESG products according to EU taxonomy from Private Banking. We apply equivalent ESG criteria to SAM's funds in Latin America

# 5.7

## Doing things the right way



Our strong and inclusive culture: The Santander Way	Our strong corporate culture is critical to succeeding in today's competitive, fast-moving environment.	Supporting the green transition	We're fully committed to helping meet Paris agreement goals while supporting our customers' transition to a low-carbon economy.
Conduct and ethical behaviour	Our business complies with the highest standards of conduct and ethical behaviour.	Socially responsible investment	We embed ESG in our decision-making, offering a sustainable value proposition for customers, and an active ESG engagement.
A talented and engaged team	To succeed in the new business environment, and to earn and keep our customers' loyalty, we need a diverse workforce that is both talented and engaged.	Financial inclusion and empowerment	We help people access the financial system, set up and grow micro-businesses, and learn how to manage their finances.
Acting responsibly towards customers	We develop our products and services responsibly, and aspire to deliver excellent customer service.	Support for higher education and other local initiatives	We support the communities where we operate, with a special focus on higher education as the driving force behind society's progress.
Responsible procurement	We integrate environmental, social and governance criteria into our supply chain, supporting our suppliers in their sustainable transition.		

# 5.8

## Promoting inclusive and sustainable growth



### Supporting the transition to a green economy

Our target is to achieve **net zero carbon emissions across the Group by 2050**. To do so:

- We set science based targets for most carbon intensive sectors delivering on our **Net Zero Banking Alliance** commitment.
- We support our customers in their transition to a low carbon economy. We are the leaders in financing renewable energy projects.
- Since 2011, our energy efficiency and sustainability initiatives have helped to reduce significantly our environmental footprint Group's total emissions increased in 2023, mainly due to the return of employees to branches after the lifting of restrictions and the recovery of business travel and the improvement of the Group's operational control procedures in the countries.

- SAM interim target to **halve net emissions for 50% of its AuM in scope** by 2030 delivering on our Net Zero Asset Managers initiative commitment.



### ESG Investing in Wealth Management & Insurance

We promote **Socially Responsible Investment** through the integration of **ESG criteria in our wealth management, private banking and insurance products**.



### Inclusion and financial empowerment

Through **Santander Finance for All** we help people **to access financial services, to create or develop micro-enterprises through loans**, and we make sure they have the necessary skills to manage their finances through **financial education**.



Santander recognised as Bank of the Year for Financial Inclusion by **Euromoney** and we were the **highest ranked bank on Fortune's list of 50 companies** that are changing the world.



### Supporting communities

Through **Santander Universities and Universia** we have created a **network of universities** through which we help people **to get access to an education**, and we support **entrepreneurship** and aim to help students gain a **foothold in the job market**.

We **support communities** through the promotion of **local initiatives and social programmes** that **support early pre-school education, social welfare and art, culture and knowledge**.

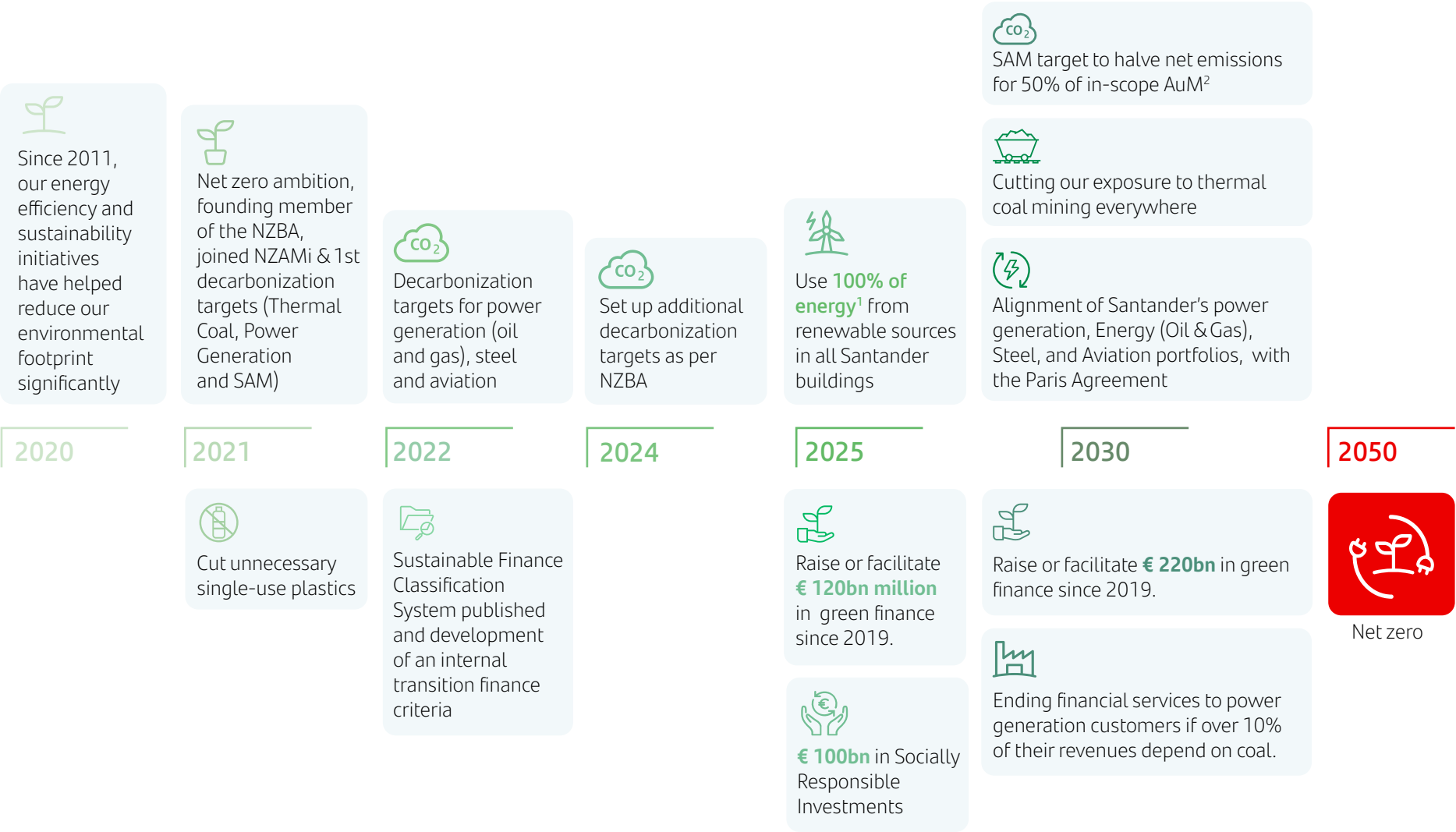


### Analysis of environmental and social risks

We take into account **social and environmental issues** that may arise from our clients' business operations.

# 5.9

## We have set the ambition to be net zero by 2050



1. In countries where we can verify electricity from renewable sources at Banco Santander properties.  
2. Assets in scope are 54% of SAM total assets, which currently have a defined Net Zero methodology. This objective might be reviewed upwards depending on data availability at least every five years.

# 5.10

## Aligning our portfolios with the objectives of the Paris Agreement



We have already set the following decarbonization targets:

Sector	Scenario	Emissions	Metric	Baseline	2020	2021	2030 targets
Power generation	IEA Net Zero 2050	Scope1	tCO <sub>2</sub> e/MWh	0.21 <small>((2019 baseline year))</small>	0.17	0.19	0.11 (-46%)
Energy (Oil & Gas)	IEA Net Zero 2050	Scope 1 + 2 + 3 <sup>1</sup>	mtCO <sub>2</sub> e	23.84 <small>((2019 baseline year))</small>	22.58	27.43	16.98 (-29%)
Aviation	IEA Net Zero 2050	Scope 1 + 2	grCO <sub>2</sub> e/RPK	92.47 <small>((2019 baseline year))</small>	93.05	97.21	61.71 (-33%)
Steel	IEA Net Zero 2050	Scope 1 + 2	tCO <sub>2</sub> e/tS	1.58 <small>((2019 baseline year))</small>	1.40	1.36	1.07 (-32%)
Auto manufacturing	IEA Net Zero 2050	Scope 3 <sup>2</sup>	gCO <sub>2</sub> e/vkm	149 <small>((2019 baseline year))</small>	149	138	103 (-31%) <sup>2</sup>
Auto lending <sup>3</sup>	IEA Net Zero 2050	Scope1 + 2	gCO <sub>2</sub> e/vkm	137 <small>((2019 baseline year))</small>	n/a	n/a	75-89 <small>(-35-45%)</small>
Thermal coal	Phase-out targets to eliminate exposure by 2030 to power generation customers with a revenue dependency on coal of over 10%, and thermal coal mining						

- 1. Use of sold products.
- 2. Target reduction is -25% vs 2021 reference
- 3. Consumer lending for the acquisition of passenger cars, covering a significant majority of the exposure in Europe.

**Financed emissions:** In line with the methodology and design we chose, based on PACF<sup>4</sup>, the 2019 financed emissions metrics we used to set targets were:

Sector	Absolute emissions (MtCO <sub>2</sub> e)		Physical emissions intensity		Financial emissions intensity (MtCO <sub>2</sub> e/EUR bn lent)		Overall PCAF score <sup>5</sup>	
	2020	2021	2020	2021	2020	2021	2020	2021
Power generation	4.59	4.24	0.17 tCO <sub>2</sub> e/MWh	0.19 tCO <sub>2</sub> e/MWh	0.45	0.41	2.5	2.8
Energy (Oil&Gas)	22.58	27.43	73.60 tCO <sub>2</sub> e/TJ	74.36 tCO <sub>2</sub> e/TJ	3.38	3.33	3.6	3.9
Aviation	1.08	0.84	93.05 grCO <sub>2</sub> e/RPK	97.21 grCO <sub>2</sub> e/RPK	0.44	0.42	3.7	3.2
Steel	2.14	1.9	1.40 tCO <sub>2</sub> e/tS	1.36 tCO <sub>2</sub> e/tS	1.63	1.33	3.1	3.1

4. PCAF: "Partnership for Carbon Accounting Financials" is a global partnership of financial institutions that work together to develop and implement a harmonized approach to assess and disclose the greenhouse gas (GHG) emissions associated with their loans and investments. Santander joined PCAF in 2021.

5. Scores illustrate the data quality used to calculate the financed emissions (with 1 being the best). Financed emissions information comes from a wide range of sources for emissions, physical intensity, and production data. For CIB portfolios CDP is the main source for GHG emissions and Trucost for production, we also used Asset Impact and Annual Reports as secondary sources to cover information gaps. We rely on Transition Pathway Initiative to measure physical intensity for certain sectors, such as Autos, O&G and Steel. In other retail sectors, we rely on the good quality of business information but also on data suppliers to improve and expand their emission databases.

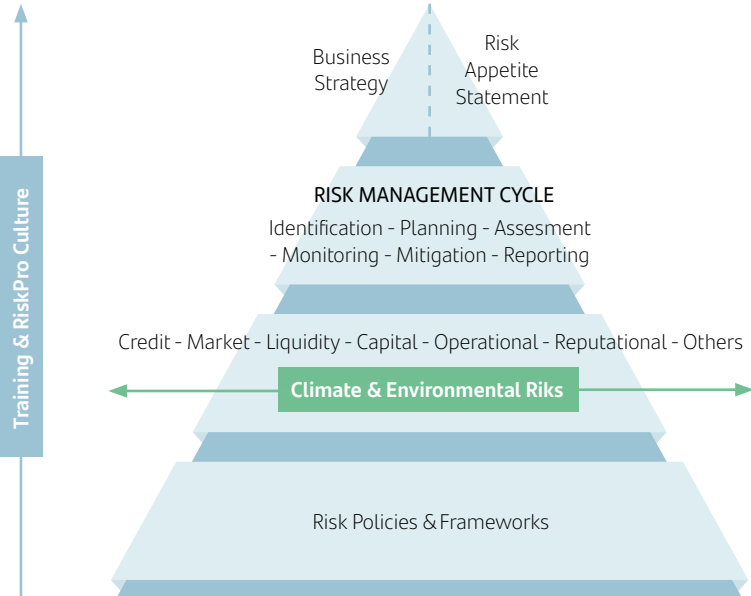


# 5.11

## Embedding climate change into our risk management



We have been integrating climate change and environmental risk management within our core processes and risk cycle phases.



The current identification includes also other climate relevant sectors as well as individuals, SCF and corporates customers, and it now covers more than 80% of our balance sheet.

### > Materiality assessment - Climate risk analysis and heat mapping of portfolios

September 2023 (pre-mitigation) - EUR billion

		TR	PR	CIB	Other segments
Power (conventional)				28	2
Power (renewables)				12	0
Transport				23	1
Mining y metals				14	8
Transport				28	12
Auto Consumer				0	159
Real Estate				8	388
Other climaterelated sectors	Agriculture			2	9
	Construction			17	14
	Manufacturing			49	26
	Water & Waste			3	1
Climate sectors				184	620
Other sectors				58	230
Total portfolio				242	850

Low Moderately low Medium High Very high

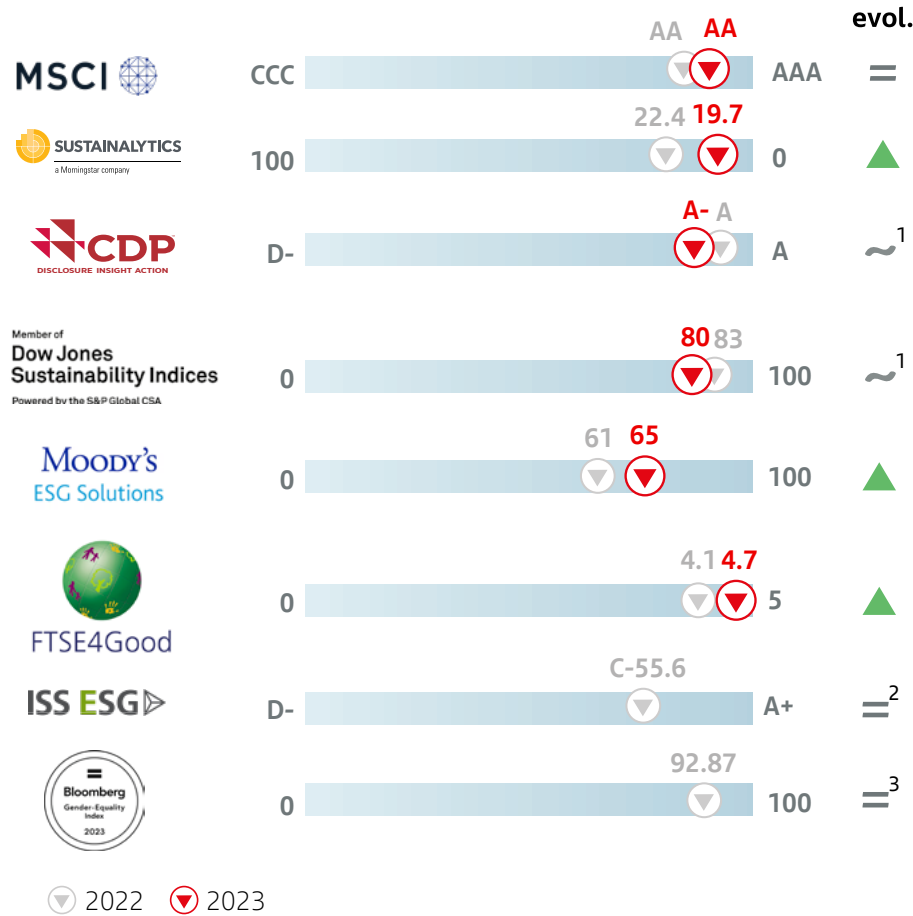
TR: transition risk. PR: physical risk.  
CIB: REC (on and off-balance sheet lending + guarantees + derivatives PFE: Potential Future Exposure).  
Other segments: Drawn amount; includes individuals, SCF, Auto US, Corporates and Institutions, and SMEs.  
Other sectors: considered as low risk; include: CIB, Corporate and SMEs outside the risk taxonomy perimeter // Individuals and SCF: cards and other consumer credit // Private Banking (excl. mortgages).  
Exposure 0 represents exposure below EUR 500 million.

# 5.12

## Independent recognition for our progress



### Posicionamiento en ratings ESG



1. In CDP we remain in Leadership level and in DJSI we remain in the World and European Indexes.  
2. Not rated in 2023.  
3. Based on 2022 information. Updated score not available on the date this Annual Report was issued.

We engage with ESG ratings to signal our progress and keep improving with their feedback

### Highlights in 2023

- In 2023, we maintained our position in MSCI (AA) and remain in the DJSI World and European Index for Banks.
- In CDP we maintained our positioning at Leadership level, however decreased from A to A-.
- We improved our position in Sustainalytics, scoring 19.7 points (-2.7 points) and placing in the 'low risk' category.
- We scored 65 points (+4 points) in Moody's and 4.7 points (+0.6 points) in FTSE4Good.

# 06

## Annexes



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# 6.1

## Our board - resumes



**Ana Botín-Sanz  
de Sautuola y O'Shea**

**Group Executive Chair**  
**Executive director**

Board member since 1989.

- **Nationality:** Spanish. Born in 1960 in Santander, Spain.
- **Education:** Degree in Economics from Bryn Mawr College of Pennsylvania.
- **Experience:** Ms Botín joined Banco Santander, S.A., after working at JP Morgan (New York, 1980-1988). In 1992, she was appointed Senior Executive Vice President. Between 1992 and 1998, she led Santander's expansion into Latin America. In 2002, she was appointed Executive Chair of Banesto. Between 2010 and 2014, she was CEO of Santander UK PLC and was a non-executive director until April 2021. In 2014 she was appointed Executive Chair of Santander. She was also a non-executive director of Santander UK Group Holdings PLC (2014-2021) and Chair of the European Banking Federation from 2021 to February 2023.
- **Other positions of note:** Ms Botín is a member of the board of directors of The Coca-Cola Company and Chair of the Institute of International Finance (IIF). She is also founder and Chair of the CyD Foundation (which supports higher education) and the Empieza por Educar Foundation (the Spanish subsidiary of international NGO Teach for All), and sits on the advisory board of the Massachusetts Institute of Technology (MIT).
- **Positions in other Group companies:** Ms Botín is non-executive Chair of Open Bank, S.A., Santander Consumer Finance, S.A., Open Digital Services, S.L., PagoNxt, S.L., Universia España Red de Universidades, S.A. and Universia Holding, S.L.; and is a non-executive director of Santander Holdings USA, Inc. and Santander Bank, N.A.
- **Membership of board committees:** Executive committee (Chair) and innovation and technology committee (Chair).
- **Skills and competencies:** Ms Botín has extensive international experience in top executive roles in banking. She has also led Grupo Santander's strategic and cultural transformation, and her philanthropy underscores her ongoing commitment to sustainable and inclusive growth.



**Héctor  
Grisi Checa**

**Chief Executive Officer**  
**Executive director**

Board member since 2023.

- **Nationality:** Mexican. Born in 1966 in Mexico City, Mexico.
- **Education:** Degree in Finance from Universidad Iberoamericana (Mexico City).
- **Experience:** Mr Grisi joined the Group in 2015 as Executive Chair and CEO of Santander México and Grupo Financiero Santander México. In 2019, he was named Regional Head for North America. Before joining Santander he worked in Mexico and the US. Mr Grisi spent 18 years in several leadership roles at Crédit Suisse, including Head of investment banking for Mexico, Central America and the Caribbean, and Chair and CEO of Crédit Suisse México. He also held several roles in corporate and investment banking at Grupo Financiero Invermexico and at Casa de Bolsa Inverlat. From 2011 to 2014, Mr Grisi was Vice Chair of Asociación de Bancos de México ("Bank Association of Mexico").
- **Other positions of note:** Mr Grisi is non-executive Chair of Cogrimex, S.A. de C.V.
- **Positions in other Group companies:** Mr Grisi is a non-executive director of Grupo Financiero Santander México, S.A. de C.V. and PagoNxt, S.L.
- **Membership of board committees:** Executive committee and innovation and technology committee.
- **Skills and competencies:** Mr Grisi has gained vast experience and a unique strategic vision from his many years of executive service at several banking and financial institutions. He is wellversed in Grupo Santander's businesses and global strategy, especially in such key markets as Mexico and the US. He brings to the board diversity and a strong, international track record of management, leadership, business transformation and connectivity between the Group's markets.



# 6.1

## Our board - resumes



**Glenn Hogan  
Hutchins**

**Vice Chair and Lead Independent Director**  
**Non-executive director (independent)**  
Board member since 2022.

- **Nationality:** American. Born in 1955 in Virginia, US.
- **Education:** Graduated with a AB, MBA and JD from Harvard University.
- **Experience:** Mr Hutchins co-founded US technology and investment firm Silver Lake, where he was CEO until 2011. Prior, Mr Hutchins had been a senior managing director at The Blackstone Group (1994-1999) and Thomas H. Lee Co. (1985-1994), and a consultant at Boston Consulting Group. He has also served on the boards of SunGard Data Systems (Chair, 2005-2015), NASDAQ (2005-2017) and Virtu Financial (2017-2021). He served as a director and Chair of the audit and risk committees of the Federal Reserve Bank of New York from 2011 to 2021. Additionally, he served on the board of the Harvard Management Company, which manages Harvard University's endowment. Mr Hutchins worked with President Clinton in his transition to power and the White House as special advisor on economic and healthcare policy.
- **Other positions of note:** Mr Hutchins is non-executive Chair of investment firm North Island Ventures and an independent director of AT&T. He is a member of the international advisory board and investment board of Singapore's Government Investment Corporation (GIC), co-Chair of the Brookings Institution, director of not-for-profit organization CARE, and Vice Chair of the Obama Foundation. He also serves on the executive committee of the Boston Celtics basketball team.
- **Membership of board committees:** Nomination committee, remuneration committee (Chair), and innovation and technology committee.
- **Skills and competencies:** As a long-time investor in technology and fintech companies, Mr Hutchins has expertise in financial markets and is well-known among investors and stakeholders. He brings to the board his acumen in technology, telecommunications, innovation, finance and investment as well as extensive knowledge of financial regulation as a result of his leadership roles in government, especially with financial regulators and supervisors. He works closely with not-for-profit entities committed to fighting poverty, designing effective public policy and promoting social justice.



**José Antonio  
Álvarez Álvarez**

**Vice Chair**  
**Non-executive director**  
Board member since 2015.

- **Nationality:** Spanish. Born in 1960 in León, Spain.
- **Education:** Degree in Economics and Business Administration. MBA from the University of Chicago.
- **Experience:** Mr Álvarez joined Santander in 2002. He was appointed Senior Executive Vice President of the Financial Management and Investor Relations division in 2004 (Group Chief Financial Officer) and was Group CEO from 2015 to 2022. He served as director at SAM Investments Holdings Limited, Santander Consumer Finance, S.A. and Santander Holdings USA, Inc. He sat on the supervisory boards of Santander Consumer Bank AG, Santander Consumer Holding GmbH and Santander Bank Polska, S.A. He was also a board member of Bolsas y Mercados Españoles, S.A.
- **Other positions of note:** Mr Álvarez is an independent director of Aon PLC and a member of the advisory committee of Grupo GED.
- **Positions in other Group companies:** Mr Álvarez is non-executive Vice Chair of Banco Santander (Brasil) S.A. and a non-executive director of PagoNxt, S.L.
- **Membership of board committees:** Executive committee and innovation and technology committee.
- **Skills and competencies:** Mr Álvarez is a highly qualified and talented leader with a distinguished career in banking. He brings significant strategic and international management expertise, in particular financial planning, asset management and consumer finance, and has vast knowledge of the Group from his tenure as CEO. He has extensive experience and an established reputation with such key stakeholders as regulators and investors.

# 6.1

## Our board - resumes



**Homaira Akbari**  
**Non-executive director (independent)**  
Board member since 2016.

- **Nationality:** American and French. Born in 1961 in Tehran, Iran.
- **Education:** PhD in Experimental Particle Physics from Tufts University of Massachusetts and MBA from Carnegie Mellon University.
- **Experience:** Ms Akbari was a non-executive director of Gemalto NV and Veolia Environment, S.A. She was Chair and CEO of SkyBitz, Inc., managing director of TruePosition Inc. and a non-executive director of Covisint Corporation and US Pack Logistics LLC. She also held various roles at Microsoft Corporation and Thales Group, was non-executive Chair of WorkFusion, Inc., and an independent director of Temenos, AG.
- **Other positions of note:** Ms Akbari is CEO of AKnowledge Partners, LLC, a global consultancy firm on the Internet of Things, cyber security and artificial intelligence. She is an independent director of Landstar System, Inc. and a member of the security advisory board of Telefónica Soluciones de Criptografía, S.A.U. She is also a trustee of the French Institute Alliance Française.
- **Positions in other Group companies:** Ms Akbari is a non-executive director of Santander Consumer USA Holdings Inc. and PagoNxt, S.L.
- **Membership of board committees:** Audit committee, responsible banking, sustainability and culture committee, and innovation and technology committee.
- **Skills and competencies:** Ms Akbari brings significant experience of technology companies. Her knowledge of digital transformation challenges and cyber security is an asset to the board. She also has extensive experience in diverse regions and knowledge of water, energy and waste management and treatment, which are of particular value to the Group's sustainability policy.



**Javier Botín-Sanz de Sautuola y O'Shea**  
**Non-executive director**  
Board member since 2004.

- **Nationality:** Spanish. Born in 1973 in Santander, Spain.
- **Education:** Degree in Law from the Complutense University of Madrid.
- **Experience:** Mr Botín founded JB Capital Markets, S.V., S.A.U. in 2008 and has been its Executive Chair ever since. He was co-founder and executive director of the equities division of M&B Capital Advisers, S.V., S.A. (2000-2008). Previously, he had been a legal adviser within the International Legal department of Banco Santander (1998-1999).
- **Other positions of note:** In addition to the financial sector, Mr Botín works with several not-for-profit organizations. He has been Chair of the Botín Foundation since 2014 and is also a trustee of the Princess of Girona Foundation.
- **Skills and competencies:** Mr Botín brings international and managerial expertise to the board, particularly in finance and banking. He also brings a deep understanding of Grupo Santander, its operations and its strategy from his tenure as a non-executive director.



# 6.1

## Our board - resumes



**Bruce Carnegie-Brown**

**Non-executive director (independent)**  
Board member since 2015.

- **Nationality:** British. Born in 1959 in Freetown, Sierra Leone.
- **Education:** Master of Arts in English Language and Literature from the University of Oxford.
- **Experience:** Mr Carnegie-Brown was non-executive Chair of Moneysupermarket.com Group PLC (2014-2019), a non-executive director of Jardine Lloyd Thompson Group PLC (2016-2017), Santander UK PLC and Santander UK Group Holdings PLC (2019-2021), and non-executive Chair of Aon UK Ltd (2012-2015). He was the founder and managing partner of the quoted private equity division of 3i Group PLC, and Chair and CEO of Marsh Europe, S.A. He was also Lead Independent Director at Close Brothers Group PLC (2006-2014) and Catlin Group Ltd (2010-2014). He previously worked at JP Morgan Chase for 18 years and Bank of America for four years. He was Vice Chair and Lead Independent Director of Banco Santander from 2015 to 2023.
- **Other positions of note:** Mr Carnegie-Brown is the non-executive Chair of Lloyd's of London and of Cuvva Limited, a member of the investment committee of Gresham House PLC, Chair of Marylebone Cricket Club (MCC) and of TheCityUK leadership council, and member of the professional game committee of England and Wales Cricket Board.
- **Membership of board committees:** Nomination committee (Chair) and remuneration committee.
- **Skills and competencies:** Mr Carnegie-Brown has a lengthy background in banking, particularly investment banking, and considerable expertise in insurance. He also possesses significant international experience in top management positions in Europe (UK), the Middle East and Asia. His topmanagement insight provides the board with know-how in regard to remuneration, appointments and risk. As Lead Independent Director, he has also gained an excellent understanding of investors' expectations, as well as managing relations with them and the financial community.



**Sol Daurella Comadrán**

**Non-executive director (independent)**  
Board member since 2015.

- **Nationality:** Spanish. Born in 1966 in Barcelona, Spain.
- **Education:** Degree in Business and MBA from ESADE.
- **Experience:** Ms Daurella sat on the board of Círculo de Economía de Barcelona and was an independent director of Banco Sabadell, S.A., Ebro Foods, S.A. and Acciona, S.A. She was also honorary consul general of Iceland in Barcelona (1992-2021).
- **Other positions of note:** Ms Daurella is Chair of Coca-Cola Europacific Partners PLC, Executive Chair of Olive Partners, S.A., and holds several roles in Grupo Cobega companies. She is also Vice Chair of the board of trustees of the FERRO Oncology Research Foundation and of Instituto de la Empresa Familiar.
- **Membership of board committees:** Nomination committee, remuneration committee, and responsible banking, sustainability and culture committee.
- **Skills and competencies:** Ms Daurella brings to the board excellent strategy and high-level management skills from her international top-executive experience at listed and large privately-held entities, particularly distributors. She has vast experience of corporate governance as the former Chair of several boards and having served on several audit committees. As a trustee of various health, education and environmental foundations, she provides responsible business and sustainability insight to the board.

# 6.1

## Our board - resumes



**Henrique de Castro**

Non-executive director (independent)  
Board member since 2019.

- **Nationality:** Portuguese. Born in 1965 in Lisbon, Portugal.
- **Education:** Degree in Business Administration from the Lisbon School of Economics & Management and MBA from the University of Lausanne.
- **Experience:** Mr de Castro was Chief Operating Officer at Yahoo. Previously, he had been the manager of worldwide devices, media and platforms at Google, European sales and business development manager at Dell Inc., and a consultant at McKinsey & Company. He was also an independent director at First Data Corporation.
- **Other positions of note:** Mr de Castro is an independent director of Fiserv Inc.
- **Positions in other Group companies:** Mr de Castro is a non-executive director of PagoNxt, S.L.
- **Membership of board committees:** Audit committee, remuneration committee, and innovation and technology committee.
- **Skills and competencies:** Mr de Castro brings to the board valuable international experience in technological and digital strategy due to his executive roles in the world's top technology companies.



**Germán de la Fuente Escamilla**

Non-executive director (independent)  
Board member since 2022.

- **Nationality:** Spanish. Born in 1964 in Madrid, Spain.
- **Education:** Degree in Economics and Business Administration with a diploma in auditing from the Complutense University of Madrid.
- **Experience:** Mr de la Fuente has spent his professional career at Deloitte, where he has been Head of the audit business for the financial services industry (2002–2007), managing partner of Audit & Assurance (2007–2021) in Spain, and Chair and CEO of Deloitte, S.L. (2017–2022). He was also a member of the global board of directors of the firm from 2012 to 2016 and of the global audit and risk services committee until June 2021. He has been involved in auditing major Spanish financial groups and in multiple consulting and advisory projects.
- **Membership of board committees:** Audit committee and risk supervision, regulation and compliance committee.
- **Skills and competencies:** Mr de la Fuente brings extensive experience in the auditing industry and sound knowledge in auditing, accounting and internal and risk control, and the banking sector, all of which uphold his recognition as a financial expert.

# 6.1

## Our board - resumes



**Gina Díez Barroso Azcárraga**  
Non-executive director (independent)  
Board member since 2020.

- **Nationality:** Mexican. Born in 1955 in Mexico City, Mexico.
- **Education:** Degree in Design from Centro de Diseño of Mexico City.
- **Experience:** Ms Díez Barroso was an independent director of Santander México and other Grupo Santander companies in Mexico until April 2020. She has been member of the board of directors of Americas Society and Council of the Americas, Laurel Strategies and Qualitas of Life Foundation. She was also a founder and a trustee of the Pro-Educación Centro and Diarq foundations.
- **Other positions of note:** Ms Díez Barroso is the founder and non-executive Chair of Grupo Diarq, S.A. de C.V. and Centro de Diseño y Comunicación, S.C. (Universidad Centro). She is also a non-executive director of Bolsa Mexicana de Valores (BMV) and Dalia Women, S.A.P.I de C.V. (Dalia Empower), a member of Comité de 200 (C200) and represents Mexico at the W20, the G20 women's initiative to promote gender diversity.
- **Positions in other Group companies:** Ms Díez Barroso is a non-executive director of Universia México, S.A. de C.V.
- **Membership of board committees:** Nomination committee and responsible banking, sustainability and culture committee.
- **Skills and competencies:** Ms Díez Barroso brings to the board vast experience in the real estate and education sectors, and has extensive knowledge of, and an ever-lasting commitment to, sustainability, inclusion and responsible business, having been a founder and trustee of foundations that focus on education, gender diversity and social support.



**Luis Isasi Fernández de Bobadilla**  
Non-executive director<sup>1</sup>  
Board member since 2020.

- **Nationality:** Spanish. Born in 1956 in Jerez de la Frontera, Spain.
- **Education:** Degree in Economics and Business Administration and MBA from Columbia Business School.
- **Experience:** Mr Isasi began his career at Abengoa, before holding various executive positions at JP Morgan in New York and First National Bank of Chicago in London. In 1987, he joined Morgan Stanley where he was managing director of investment banking for Europe and Chair and Country Head for Spain (1997-2020) and senior advisor (2020-2023). He has also been director of Madrileña Red de Gas, S.A. and Sociedad Rectora de la Bolsa de Madrid, S.A., as well as an independent director of Grifols, S.A.
- **Other positions of note:** Mr Isasi is non-executive Chair of Santander España and of Logista Integral, S.A. (LOGISTA).
- **Membership of board committees:** Executive committee, remuneration committee, and risk supervision, regulation and compliance committee.
- **Skills and competencies:** Mr Isasi has vast experience in a wide range of sectors and international markets (in particular, finance and investment banking) as well as a strong institutional network within Spain.

1. In the opinion of the nomination committee and the board of directors, Mr Isasi meets the requirements to be considered independent, despite being categorized as other external based on a standard of prudence.

## 6.1

Our board –  
resumes

**Ramiro Mato  
García-Ansorena**

**Non-executive director (independent)**

Board member since 2017.

- **Nationality:** Spanish. Born in 1952 in Madrid, Spain.
- **Education:** Degree in Economics from the Complutense University of Madrid and graduate of Harvard University's Management Development Programme.
- **Experience:** Mr Mato held several roles in Banque BNP Paribas, including Chair of BNP Paribas Group in Spain. Previously, he had held several top roles in Argentina. He sat on the board of the Spanish Banking Association (AEB) as representative of Banque BNP Paribas, and of Bolsas y Mercados Españoles, S.A. He has also been a member of the board of trustees of the Fundación Española de Banca para Estudios Financieros (FEBEF).
- **Other positions of note:** Mr Mato is Chair of Ansorena, S.A., senior advisor of ACON Southern Europe Advisory, S.L., and Vice Chair of the board of trustees of the Fundación Esperanza y Alegría.
- **Membership of board committees:** Executive committee, audit committee, risk supervision, regulation and compliance committee, and responsible banking, sustainability and culture committee (Chair).
- **Skills and competencies:** Mr Mato has had an extensive professional career in banking and capital market sectors. He has held senior executive and non-executive roles and brings considerable expertise in top management, audit, risk and strategy, mainly within the financial sector. He has also been active on the boards of trustees of several foundations to promote education.



**Belén  
Romana García**

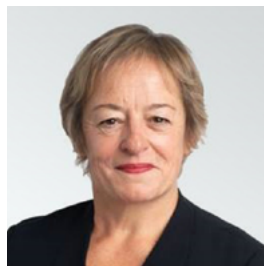
**Non-executive director (independent)**

Board member since 2015.

- **Nationality:** Spanish. Born in 1965 in Madrid, Spain.
- **Education:** Degree in Economics and Business Administration from Universidad Autónoma de Madrid. She is also State Economist for Spain.
- **Experience:** Ms Romana was formerly director general of Economic Policy, director general of the Treasury of the Spanish Ministry of Economy, and director at Banco de España and the CNMV. She was also a director at the Instituto de Crédito Oficial and other entities on behalf of the Ministry of Economy. She served as a non-executive director at Banesto and as Executive Chair of Sociedad de Gestión de Activos Procedentes de la Reestructuración Bancaria, S.A. (SAREB). She has also been non-executive director of Aviva PLC and Aviva Italia Holding S.p.A. She has also been co-Chair of the board of trustees of The Digital Future Society and advisory board member at Inetum and TribalData.
- **Other positions of note:** Ms Romana is an independent director of SIX Group AG and its subsidiary Bolsas y Mercados Españoles, Sociedad Holding de Mercados y Sistemas Financieros, S.A.U. She is also the non-executive Chair of its other subsidiaries, SIX Digital Exchange AG and SDX Trading AG. Furthermore, she is an independent director of Werfen, S.A.; an advisory board member at Rafael del Pino Foundation; senior adviser to Artá Capital; and academic director of the IE Leadership & Foresight Hub Programme.
- **Membership of board committees:** Executive committee, audit committee, nomination committee, risk supervision, regulation and compliance committee (Chair), responsible banking, sustainability and culture committee, and innovation and technology committee.
- **Skills and competencies:** Given her background as a government economist and overall executive and non-executive experience in finance (particularly from serving on the audit committees of listed companies), Ms Romana is a recognized financial expert. Having held key positions in credit institutions and the regulatory and supervisory bodies of the financial industry and securities markets in Spain, she also provides strategic insights into banking, financial regulations and government relations in Spain and Europe.

# 6.1

## Our board - resumes



**Pamela  
Ann Walkden**

**Non-executive director (independent)**

Board member since 2019.

- **Nationality:** British. Born in 1960 in Worcester, England.
- **Education:** Master's Degree in Economics from Cambridge University.
- **Experience:** Mrs Walkden has served in a number of senior management positions at Standard Chartered Bank, including as Group Head of Human Resources, Chief Risk Officer, Group Treasurer, Group Head of Asset and Liability Management and Regional Markets, Group Head of Internal Audit, Group Head of Corporate Affairs and Group Manager of Investor Relations. In addition, she served as an independent member of the UK Prudential Regulation Authority (PRA) Regulatory Reform Panel, as member of the European Banking Authority Stakeholder Group, and was a lay member of the Welfare and Ethics Committee of the Royal Veterinary College.
- **Other positions of note:** Mrs Walkden is a member of the advisory board of JD Haspel Limited.
- **Positions in other Group companies:** Mrs Walkden is a non-executive director of Santander UK PLC and Santander UK Group Holdings PLC.
- **Membership of board committees:** Audit committee (Chair) and risk supervision, regulation and compliance committee.
- **Skills and competencies:** Mrs Walkden qualifies as a financial expert in light of her broad, international experience in banking and auditing.



**Jaime  
Pérez Renovaes**

**General Counsel and secretary of the board**

Joined the Group in 2003.

- **Nationality:** Spanish. Born in 1968 in Valladolid, Spain.
- **Education:** Degree in Law and Business Administration from Universidad Pontificia Comillas (ICADE E-3) and State Attorney for Spain.
- **Experience:** Jaime Pérez Renovaes was director of the office of the second deputy Prime Minister for Economic Affairs and Minister of Economy, deputy secretary to the Spanish Prime Minister, Chair of the Spanish State Official Gazette and the committee for Government Reform. Previously, he had been Vice General Counsel, vice secretary of the board and Head of Grupo Santander's legal department, General Counsel and secretary of the board at Banesto, and deputy director of legal services at the CNMV. He is the Banco Santander representative on the board of trustees of the Princess of Asturias Foundation and is a member of the jury for its award for Social Sciences. He is Chair of the ICADE Business Club, member of the board of trustees of the Fundación Universitaria Comillas-I.C.A.I. and professor of Constitutional Law in the Faculty of Law at Universidad Pontificia Comillas (ICADE).
- Jaime Pérez Renovaes is the secretary of every board committee.

# 6.2

## Board committees

Our board has seven board committees and one external advisory board.

### Board committees

Executive
Audit
Nomination
Remuneration
Risk supervision, regulation and compliance
Innovation and technology
Responsible banking, sustainability and culture

### Comparison of number of meetings held<sup>1</sup>

	Banco Santander	Avarage Spain	US avarage	UK avarage
Executive committee	23	8.6	-	-
Audit committee	15	8.5	8.2	5.4
Nomination committee	13	6.8	4.6	4.2
Remuneration committee	12	6.8	5.8	5.4
Risk supervision, regulation and compliance committee	17	NA	NA	NA

1. Source: Spencer Board Index 2022 (Spain, United States and United Kingdom).  
NA: Not available.

### External advisory board

International advisory board



# 6.2

## Board committees

### Executive

It exercises by delegation all the powers of the board, except those which cannot be delegated pursuant to the law, the bylaws or the Rules and regulations of the board of directors.

Oversight of our executive committee is ensured through regular reports submitted to the board on the principal matters dealt with by the committee and by making available to all directors the minutes of its meetings and all the supporting documentation made available to it.

### Audit

Supervise the effectiveness of the Bank’s internal control and internal audit.

Supervise the process of preparation and submission of regulated financial information as well as the non-financial information, and submit recommendations or proposals intended to safeguard its integrity to the board of directors.

Propose to the board of directors the selection, appointment, re-election and replacement of the external auditor, in addition to preserving its independence.

1.Includes hours of meeting preparation and attendance.

			<div>Number of meetings in 2023</div> <div>23</div> <div>Average hours devoted in 2023*</div> <div>138</div> <div>Average attendance in 2023</div> <div>95%</div>
Chair	Ana Botín	Executive	
			<div>Number of meetings in 2023</div> <div>15</div> <div>Average hours devoted in 2023*</div> <div>150</div> <div>Average attendance in 2023</div> <div>99%</div>
Other members	Héctor Grisi José Antonio Álvarez Luis Isasi Ramiro Mato Belén Romana	Executive Other external Other external Independent Independent	
			<div>Number of meetings in 2023</div> <div>15</div> <div>Average hours devoted in 2023*</div> <div>150</div> <div>Average attendance in 2023</div> <div>99%</div>
Chair	Pamela Ann Walkden	Independent	
			<div>Number of meetings in 2023</div> <div>15</div> <div>Average hours devoted in 2023*</div> <div>150</div> <div>Average attendance in 2023</div> <div>99%</div>
Other members	Homaira Akbari Henrique de Castro Germán de la Fuente Ramiro Mato Belén Romana	Independent Independent Independent Independent Independent	

6.2

Board  
committees

### Nomination

Propose, review and verify the application of the director selection policy. Annually verify the classification of each director.

Apply and supervise the succession plan for the directors approved by the board of directors, working in coordination with the chair of the board or, for purposes of the succession of the chair with the lead director.

Propose and review the policies and internal procedures for the selection and continuous evaluation of members of senior management and other employees. Support and advise the board in relation to corporate governance and internal governance policy. Supervise and evaluate the strategy for communication and relations with shareholders and investors, including small- and midsize shareholders of the Company and its Group.

### Remuneration

Prepare and propose the decisions relating to remuneration that the board of directors must adopt, including those that have an impact on the Company's risk and risk management.

Periodically review the remuneration programmes.

Ensure the transparency of remuneration.

Assess the achievement of performance targets and the need for ex post risk adjustment, including the application of malus and clawback arrangements.

1. Includes hours of meeting preparation and attendance.

Chair	Bruce Carnegie-Brown	Independent	Number of meetings in 2023 13 Average hours devoted in 2023* 52 Average attendance in 2023 94%
Other members	Sol Daurella Gina Díez Barroso Glenn Hutchins Belén Romana	Independent Independent Independent Independent	
Chair	Glenn Hutchins	Independent	Number of meetings in 2023 12 Average hours devoted in 2023* 48 Average attendance in 2023 95%
Other members	Sol Daurella Henrique de Castro Bruce Carnegie-Brown Luis Isasi	Independent Independent Independent Other external	

6.2

Board committees

Risk supervision,  
regulation  
and compliance

Support and advise the board in defining and assessing risk policies affecting the Group and in determining the current and future risk appetite and the strategy and culture in this area, including proposing appropriate changes in view of internal or external circumstances affecting the Group.

Assist the board in monitoring the implementation of the risk strategy, appetite and limits.

Assist the board in approving the capital and liquidity strategy and supervising its application.

Systematic review of exposure to principal customers, economic sectors of activity, geographic areas and risk types. Cooperating in establishing rational remuneration policies and practices. Supervise the compliance function.

Innovation and  
technology

Its purpose is to assist our board of directors in fulfilling its oversight responsibilities and activities with respect to the overall role of technology in the Group's business and innovation strategy and plans, as well as the trends resulting from new business models, technologies and products.

1.Includes hours of meeting preparation and attendance.

Chair	Belén Romana	Independent	Number of meetings in 2023 17 Average hours devoted in 2023* 170 Average attendance in 2023 98%
Other members	Germán de la Fuente Luis Isasi Ramiro Mato Pamela Ann Walkden	Independent Other external Independent Independent	
Chair	Ana Botín	Executive	Number of meetings in 2023 4 Average hours devoted in 2023* 16 Average attendance in 2023 98%
Other members	Homaira Akbari José Antonio Álvarez Henrique de Castro Héctor Grisi Glenn Hutchins Belén Romana	Independent Other external Independent Executive Independent Independent	

6.2

Board  
committees

Responsible banking,  
sustainability and  
culture

Created in June 2018. Its purpose is to assist our board of directors in fulfilling its oversight responsibilities with respect to the responsible business strategy and sustainability issues of the Group, preparing and reviewing the corporate culture and values and advising on its relations with various stakeholders, especially with employees, customers, shareholders and communities with which the Group carries out its activities.

Chair	Ramiro Mato	Independent
Other members	Homaira Akbari Sol Daurella Gina Díez Barroso Belén Romana	Independent Independent Independent Independent

Number of meetings in 2023

6

Average hours devoted in 2023\*

30

Average attendance in 2023

93%

1.Includes hours of meeting preparation and attendance.

6.3

External  
advisory board

### International advisory board

External advisory board whose members are nondirectors but prominent and respected leaders who have extensive experience in the most important areas for the strategy of the Group, particularly in terms of innovation, digital transformation and the US and European markets.

Its purpose is to provide the Group with expert insight into innovation, digital transformation, cybersecurity, new technologies, capital markets, corporate governance, branding, reputation, regulation and compliance.

Chair



Larry Summers

Other  
members



Sheila C. Bair  
Mike Rhodin  
Francisco D'Souza  
James Whitehurst

George Kurtz  
Nadia Schadow  
Andreas Dombret  
Carolyn Everson  
Juan I. Gallardo Thurlow

# 6.4

## Glossary

- **ADR:** American depositary receipts
- **ADS:** American depositary shares
- **AGM:** Annual general shareholders' meeting / Junta General de Accionistas (JGA)
- **AuM:** Assets under Management / activos bajo gestión
- **bp:** Basic points/ Puntos básicos (pb)
- **CDI:** CREST despositary interests
- **CEO:** Chief Executive Officer
- **CET1:** Common Equity Tier 1
- **CFO:** Chief Financial Officer
- **CIB:** Corporate & Investment Banking
- **C/I:** Cost to income / Ratio de eficiencia
- **CNMV:** Comisión Nacional del Mercado de Valores
- **CO<sub>2</sub>e:** CO<sub>2</sub> equivalent / CO<sub>2</sub>equivalente
- **CoE:** Cost of Equity / coste del capital
- **DPS:** Dividend per share / Dividendo por acción (DPA)
- **EPS:** Earnings per share / Beneficio por acción (BPA)
- **ESG:** Environmental, Social and Governance / Ambientales, sociales y de buen gobierno
- **ESMA:** European Securities and Market Authority / Autoridad Europea de Valores y Mercados
- **FL:** Fully-loaded
- **ISR:** Inversión socialmente responsable
- **LTI:** Long-term Incentive Plan/ Plan de incentivos a largo plazo
- **MI:** Margen de intereses
- **Mn:** Millones
- **MM:** Miles de millones
- **NIM:** Net interest margin / margen de intereses sobre activos medios
- **NPS:** Net Promoter Score / indicador de la satisfacción del cliente
- **NZBA:** Net Zero Banking Alliance
- **pp:** Percentage Points / Puntos Porcentuales
- **PCAF:** Partnership for Carbon Accounting Financials /Alianza para la contabilidad del carbono en la industria financiera
- **RoRWA:** Return on risk-weighted assets / Rentabilidad sobre activos ponderados por riesgo
- **RoTE:** Return on tangible equity / Rentabilidad sobre fondos propios tangibles
- **rTSR:** Relative Total Shareholder Return/ Retorno total relativo de la acción
- **RWA:** Risk-weighted assets /Activos ponderados por riesgos
- **SAM:** Santander Asset Management
- **SCF:** Santander Consumer Finance
- **SCIB:** Santander Corporate & Investment Banking
- **TNAV:** Tangible net asset value / fondos propios tangibles
- **T&O:** Technology & operations / Tecnología y Operaciones
- **WM&I:** Wealth Management & Insurance



## 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) Q4 2023 Financial Report, published on 31 January 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.

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