

**RESOLUTIONS TO BE ADOPTED BY THE BOARD OF DIRECTORS OF
BANCO SANTANDER, SA, AS PART OF THE SEGREGATION OF THE
CENTRE OF EXCELLENCE**

[●]. **Approval of the segregation of the Methodology and Validation Departments of the Centre of Excellence into a newly created limited liability company**

(A) Approval of the segregation project:

It is [unanimously] resolved to approve and sign the segregation project under which Banco Santander, SA (“**Santander**” or the “**Bank**”) will segregate the Methodology and Validation Departments of its Centre of Excellence (hereinafter, the “**Segregated Unit**”) into a newly created limited liability company, which shall be called Santander Analytics, SL (“**Santander Analytics**” or the “**Beneficiary Company**”). The above is resolved in accordance with articles 30 and 31, in relation with articles 73 and 74, of Spanish Law 3/2009 of 3 April, on structural modifications of companies (the “**Structural Modifications Law**” or “**LME**”). A copy of the segregation project is attached hereto as Annex [I], duly signed by the members of the board of directors (the “**Segregation Project**”).

In accordance with the provisions of article 32 of the Structural Modifications Law, the Segregation Project shall be added to the Santander corporate website (www.santander.com).

(B) Approval of the segregation in accordance with the approved and signed Segregation Project

The board of directors [unanimously] approves the segregation of the Segregated Unit into the Beneficiary Company, conducted in accordance with the Segregation Project approved and signed by the directors.

Given that the Beneficiary Company will be a newly created limited liability company that will be wholly and directly owned by Santander, the segregation shall be governed by the special simplified regime provided in article 49 – with reference to articles 73 and 52 – of the Structural Modifications Law. The following should be considered in this regard: (i) article 73 of the Structural Modifications Law provides that “*references to the resulting company [or absorbing company] of the merger are equivalent to references to the beneficiary companies of the demerger*”. Therefore, references to the absorbing company in articles 22 et seq of the Structural Modifications Law (and particularly, articles 49 and 52) must be understood to refer to Santander Analytics, and consequently, references to the absorbed company must be understood to refer to Santander; (ii) under article 52 of the Structural Modifications Law, the simplified regime provided by article 49 applies in cases where the absorbed company – in this case, Santander – directly or indirectly owns all shares in the absorbing company – in this case, Santander Analytics. Therefore, the approval of the segregation by the Santander general shareholders’ meeting would not be necessary (equivalent to the absorbed company under article 73 of the Structural Modifications Law) (article 49.1.4 of the Structural Modifications Law, along with the fact that the Segregated Unit does not constitute an essential asset or activity under the Spanish Corporations Law). This resolution is thus sufficient for the segregation.

Notwithstanding the foregoing, the board of directors voluntarily offers its shareholders the option to request the calling of a general shareholders’ meeting in order to approve the

segregation in similar terms to those provided for under article 51 of the LME for certain cases. Therefore, Santander shareholders that represent at least one percent of the share capital are granted the right to demand the holding of a general meeting within a period of 15 days from publication of the last of the segregation announcements.

Thus, the segregation shall be deemed to be approved by this Resolution for all purposes if, 15 days after the publication of the last of the segregation announcements, Santander has not received a request to call a general shareholders' meeting to approve the segregation, submitted by Santander shareholders representing at least one percent of the share capital in the terms provided by Article 51 of the Structural Modifications Law.

(C) Information about the terms and circumstances of the segregation

As discussed in section (B) above, the segregation shall be governed by the special simplified regime provided in article 78 bis and article 49 – with reference to articles 73 and 52 – of the Structural Modifications Law. Therefore:

- (i) The drafting of a directors' report on the Segregation Project will not be necessary, and as Santander Analytics will be a limited liability company, an independent expert report will not be necessary either (articles 49.1.2 and 78 bis of the LME, in relation to articles 73 to 76 of the Spanish Corporations Law).
- (ii) The Segregation Project must not contain mentions relating to the share swap ratio, methods of implementing the exchange and exchange procedure, date from which the holders of the shares delivered in exchange have the right to share in the profits, nor the date of the accounts used to establish the conditions under which the segregation is implemented (article 49.1.1 and 74.2 of the LME).
- (iii) Approval by Santander of a segregation balance sheet will not be necessary (article 78 bis LME).

In accordance with article 228 of the Companies Registry Regulations, in relation with articles 78 bis and 49 of the LME, the segregation resolution must include the following information, which is fully in accordance with the provisions of the Segregation Project.

(a) Identification of the parties involved in the segregation

- Banco Santander, SA is a Spanish credit institution with registered office at Paseo de Pereda, no. 9-12, 39004 (Santander). Its tax identification number is A-39000013. It is registered in the Cantabria Companies Registry on page 286, folio 64 of Companies Book 5, entry 1. It is registered in the Bank of Spain Banks and Bankers Register under number 0049.
- Santander Analytics, SL will be a newly formed limited liability company. Its registered office will be established at Ciudad Grupo Santander, Avda. de Cantabria, s/n, 28660, Boadilla del Monte (Madrid).

(b) Articles of Association governing the operation of the new company (Beneficiary Company); identification of the individuals who will initially manage and represent the company; and identification of the auditors, if any

The Beneficiary Company's articles of association, which shall govern it after its segregation, are attached hereto as Annex [II].

The company shall be managed by a board of directors. The members who will comprise the Beneficiary Company's board of directors will be those identified in section (D), below.

The auditors of the Beneficiary Company will also be identified in section (D).

(c) *Identification of the assets and liabilities included in the Segregated Net Worth*

For the purposes of article 74.1 of the Structural Modifications Law, Annex 1 of the Segregation Project identifies the "Segregated net worth" items. These are the assets included in the segregation perimeter, which will be acquired by the Beneficiary Company in the context of the segregation, by universal succession, and which constitute an independent economic unit as defined by article 71 of the Structural Modifications Law (the "**Segregated Net Worth**").

It is hereby certified that the segregation involves the transfer of a set of tangible assets and, if applicable, intangible assets that are part of Santander's net worth and that constitute an autonomous economic unit capable of independently conducting business activities. These involve performing support tasks in defining and using risk models, under the terms described in the Segregation Project.

Similarly, it is hereby certified that Santander takes responsibility for concluding with the Beneficiary Company any contracts required for the Beneficiary Company to independently conduct the business activity of the Segregated Unit under equivalent conditions to those under which Santander had conducted this activity in the past.

(d) *Date from which the operations performed by the economic unit owned by Santander, which will be subject to the segregation, are considered for accounting purposes to be performed by the Beneficiary Company*

January 1, 2017 is set as the date from which the Santander operations involving the Segregated Net Worth shall be considered for accounting purposes to be performed by Santander Analytics. Notwithstanding the foregoing, if the segregation is registered in the financial year 2018, after the preparation of the 2017 Santander financial statements, the segregation shall be governed by section 2.2 of Accounting and Valuation Rule 19 of the General Accounting Plan, approved by Royal Decree 1514/2007 of 16 November (with reference to Accounting and Valuation Rule 21).

For all appropriate purposes, it is hereby certified that this retroactive accounting is in accordance with the General Accounting Plan.

(e) *Ancillary obligations, special rights, and titles other than those representing share capital*

It is hereby certified that there are no holders of special rights in Santander. No rights or options shall be granted to shareholders in special categories or to holders of shares not representing share capital.

(f) *Benefits attributed to directors and independent experts*

It is hereby certified that no type of benefits shall be granted to the directors of Santander or those appointed by Santander Analytics.

It is not applicable to apply this statement to any experts, because there is no involvement of independent experts in this segregation.

(g) *Condition precedent*

The effectiveness of the segregation is subject to the condition precedent of authorisation of the segregation by the Ministry of Economy, Industry and Competitiveness, in accordance with the laid down in additional provision 12 of Law 10/2014, of 26 June, on the organisation, supervision and solvency of credit institutions

(D) Incorporation of a limited liability company

As a result of the segregation, it is resolved to incorporate a limited liability company as the Beneficiary Company for the segregation.

The legally required information for the incorporation of the Beneficiary Company is included below, in accordance with the provisions of article 40.3 of the LME (in relation with article 22 of the Spanish Corporations Law and article 175 of the Companies Registry Regulations):

(i) *Incorporation and articles of association*

By virtue of the segregation and simultaneously with the execution thereof, a Spanish single partner limited liability company, with the corporate name Santander Analytics, SL, shall be incorporated for an indefinite duration. This company shall be governed by the Spanish Corporations Law and any other applicable laws, and specifically by the articles of association that are approved in this act, which have been attached here to the minutes as Annex [II].

(ii) *Contributions, subscription and payment of share capital*

The share capital of the Beneficiary Company shall amount to seven hundred twenty thousand euros (EUR 720,000), divided into 720,000 equal, new cumulative and indivisible shares, each with a nominal value of one euro (EUR 1), numbered consecutively from 1 to 720,000, inclusive. The shares shall be fully subscribed and paid up by Banco Santander, SA.

The Beneficiary Company shall be also incorporated with an assumption premium of four (4) euros per share, that is, a total amount of two million eight hundred and eighty thousand euros (2,880,000 €). Therefore, the total amount of share capital and assumption premium will be three million six hundred thousand euros (€ 3,600,000).

At the time that the segregation takes effect, by its transfer to the Beneficiary Company of the Segregated Net Worth, described in section (C) above and in section 5 of the Segregation Project–, which are considered to be fully reproduced herein for all appropriate purposes–. The value of the Segregated Net Worth is EUR 3,600,000.

Therefore, the founding partner of the Beneficiary Company will be Banco Santander, SA; the identification information for Banco Santander, SA is included in section (C) above.

(iii) *Determination of the governing body and appointments*

The governing body of the Beneficiary Company shall take the form of a board of directors, with seven members of the board.

To this end, the following persons are appointed to hold these positions, for an indefinite period of time:

- (a) Mr. Jose María Nus Badía, of legal age, Spanish citizen, married, with residence at Av. de Cantabria s/n, Boadilla del Monte (Madrid) and holder of valid Spanish DNI nº 78.052.689-G.
- (b) Mr. Keiran Foad, of legal age, British citizen, married, with residence at Av. de Cantabria s/n, Boadilla del Monte (Madrid) y NIE nº 0Y5060931W.
- (c) Mr. Jesús Fuentes Colella, of legal age, Spanish citizen, married, with residence at Avenida de Gran Vía de Hortaleza 3, 28033 Madrid and holder of valid Spanish DNI nº 07826177-J.
- (d) Mr. José Francisco Doncel Razola, of legal age, Spanish citizen, married, with residence at Av. de Cantabria s/n, Boadilla del Monte (Madrid) and holder of valid Spanish DNI nº 2.197.691-H.
- (e) Mr. Francisco Javier Simón Ruíz, of legal age, Spanish citizen, married, with residence at Av. de Cantabria s/n, Boadilla del Monte (Madrid) and holder of valid Spanish DNI nº 52383447-G.
- (f) Mr. Brian Gunn, of legal age, American citizen, married, with residence at 75 State Street, Boston, MA 02109 (USA) and holder of American passport nº 530490773.
- (g) Mr. Elías Bustillo Borruel, of legal age, Spanish citizen, single, with residence at Av. de Cantabria s/n, Boadilla del Monte (Madrid) and holder of valid Spanish DNI nº 25.148.245-E.

(iv) *Appointment of auditors*

It is resolved that the auditors of the Beneficiary Company, for an initial period of 3 years, will be PricewaterhouseCoopers Auditores, SL, with registered office in Madrid at Paseo de la Castellana, no. 259B, with tax identification number (CIF) B-79031290, and registered in the Official Auditors Registry of the Accounting and Auditing Institute under number S0242.

(v) *Commencement of operations*

The Beneficiary Company shall commence its operations on the date of execution of the segregation and company incorporation deed.

(E) Application to the operation of the tax regime established in Chapter VII of Title VII of Law 27/2014, of 27 November, on Corporate Income Tax and under article 45, paragraph I.B.10 of Spanish Royal Legislative Decree 1/1993 of 24 September, approving the revised text of the Law on Property Transfer Tax and Stamp Duty

In accordance with Article 89.1 of Law 27/2014, of 27 November, on Corporate Income Tax, the segregation is subject to the tax regime established in Chapter VII of Title VII, and in article 45, paragraph I.B.10 of Royal Legislative Decree 1/1993 of 24 September, approving the revised text of the Law on Property Transfer Tax and Stamp Duty. Under this tax regime, companies may be restructured under the concept of tax neutrality, provided that these

operations are performed for valid economic reasons, such as those presented in the Segregation Project.

Within three months of the registration of the segregation deed, the Tax Agency shall be informed of the segregation as provided in articles 48 and 49 of the Corporate Income Tax Regulations, approved by Spanish Royal Decree 634/2015, of 10 July.

(F) Delegation of authorities

It is [unanimously] resolved to grant powers of attorney to the executive committee, with powers of substitution, and to:

- Mr. Elías Bustillo Borrueal, of legal age, Spanish citizen, single, with residence at Av. de Cantabria s/n, Boadilla del Monte (Madrid) and holder of valid Spanish DNI n° 25.148.245-E;
- Mr. Francisco Barceló Llauger, of legal age, Spanish citizen, married, with residence at Avenida de Cantabria s/n, 28660 Boadilla del Monte (Madrid) and holder of valid Spanish DNI n° 51.400.746-R;
- Mr. Carlos Beltrán García-Echániz, of legal age, Spanish citizen, married, with residence at Avenida de Cantabria s/n, 28660 Boadilla del Monte (Madrid) and holder of valid Spanish DNI 50.807.962-L;
- Mr. José Miguel Royo Olid, of legal age, Spanish citizen, married, with residence at Avenida de Cantabria s/n, 28660 Boadilla del Monte (Madrid) and holder of valid Spanish DNI n° 04.848.831-V.

So that, without prejudice to any proxy powers or powers of attorney that are currently in force, they may each, jointly and severally, perform any actions that are necessary or desirable to ensure the execution, implementation, effectiveness, and success of the decisions adopted. These powers specifically include but are not limited to the following actions:

- (i) Clarify and complete the resolutions adopted and resolve any questions or issues that may arise. Remedy any defects and complete any omissions that may prevent or impair the effectiveness of the relevant decisions or the registration thereof.
- (ii) As provided by the Law, publish the relevant public notices regarding the segregation, and in particular, the public notice provided in article 43 of the Structural Modifications Law.
- (iii) Declare the expiration of the 15-day period for demanding that a general shareholders' meeting be called, granted to shareholders representing at least one percent of the share capital under section (C) above. Declare, therefore, that the segregation must be deemed to have been approved for all purposes if no valid request for a call to meeting has been received.
- (iv) Conduct settlements with and secure loans due to creditors who object to the segregation, as provided by the Structural Modifications Law, and in general, comply with article 44 of such Law. This includes the authority to declare the expiration of the objection period.

- (v) Issue any resolutions that are necessary or desirable for the execution and implementation of the decisions taken. Execute any public and/or private documents and perform any legal actions, legal transactions, contracts, statements, and operations that are necessary for this purpose.
- (vi) Appear before or send notices to administrative authorities and any other relevant bodies and entities. Request any authorisations from the competent institutions, in particular the Ministry of Economy, Industry and Competitiveness, the Bank of Spain, the European Central Bank, the National Securities Market Commission, the Directorate-General for Taxes, or any other body, entity, or registry, whether public or private, national or foreign, as necessary or appropriate for the segregation and the incorporation and start of operations of the Beneficiary Company, in order to perform the procedures and actions required for the full implementation and effectiveness thereof.
- (vii) Appear before a notary public to execute the segregation and incorporation deed of Santander Analytics and any other public deeds or notary documents that are necessary or desirable for this purpose, with specific authorities for approval, correction, clarification, or rectification.
- (viii) Appear before administrative authorities and sign on behalf of Santander any documents required to obtain the Beneficiary Company's tax identification number (NIF). Submit any necessary tax forms including, but not limited to, form 036.
- (ix) Represent Santander in its capacity as partner of the Beneficiary Company after the company has been incorporated. Therefore, at its sole discretion as a partner (or single partner) of the Beneficiary Company, adopt any decision that may be necessary or desirable.

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