Responsible Banking

We are committed to society by helping people and businesses prosper

OUR PURPOSE

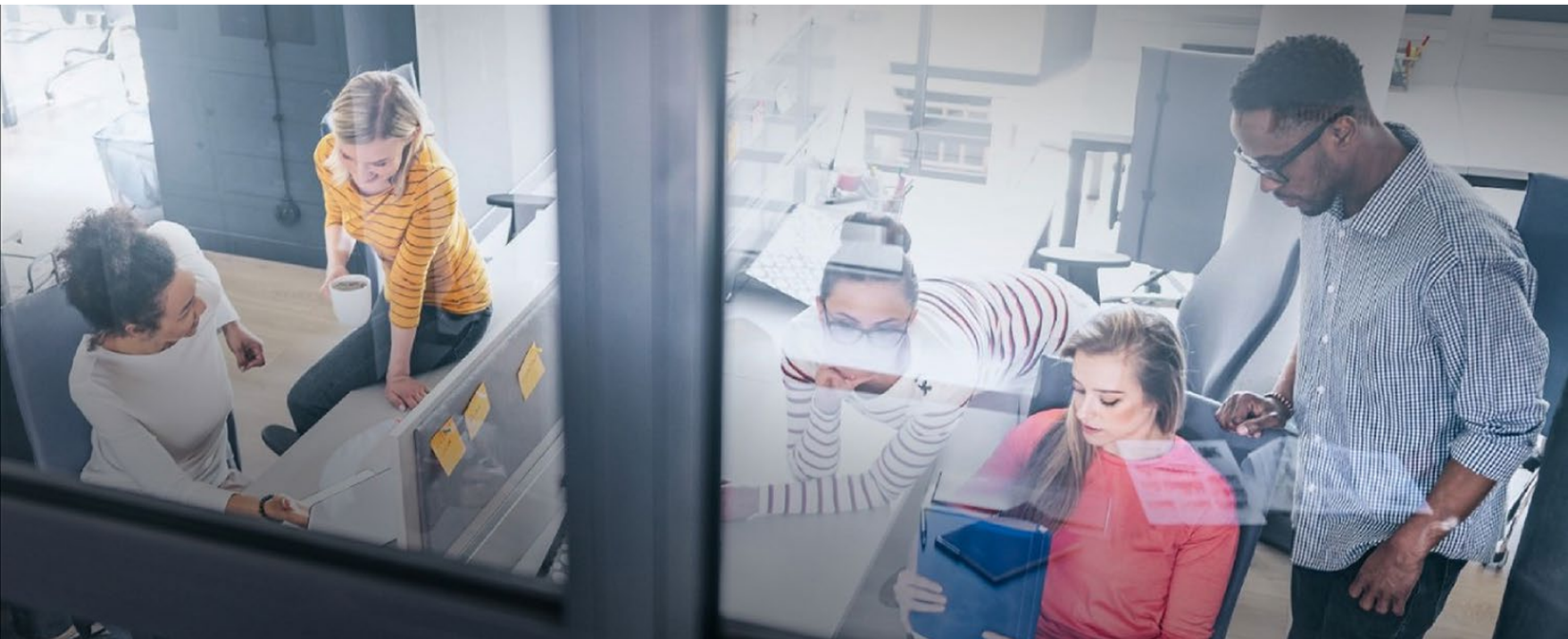
To help people and businesses prosper

OUR AIM

To be the best open financial services platform by acting responsibly

OUR HOW

By acting in a Simple, Personal and Fair way



At Santander, we help society address its challenges because we believe that economic and social progress go together. We have identified two main challenges:

1
Adapting to an ever-changing environment

2
Supporting inclusive and sustainable growth

To reach these challenges we integrate environmental, social and governance criteria in our business model and we leverage on a strong governance through a Responsible Banking, Sustainability and Culture Board Committee.

Top 10
company to work for in
6 geographies by 2021[1]

40%-60%
women on our Group Board by 2021[1]

And we have set some goals which reflect **our commitment** to build a more responsible bank

30%
women in senior leadership positions[2] by 2025

≃0%
equal pay gap by 2025

Financially empower
10 M people
2019-2025

OUR COMMITMENTS

To raise or facilitate the mobilization of

€120bn
2019 - 2025

Help 4 M
people through our community programmes 2019-2021[1]

200K
scholarships, internships and entrepreneurs programmes funded 2019 -2021[1]

€220bn
2019 - 2030

in green finance

100%
of our electricity from renewable sources by 2025

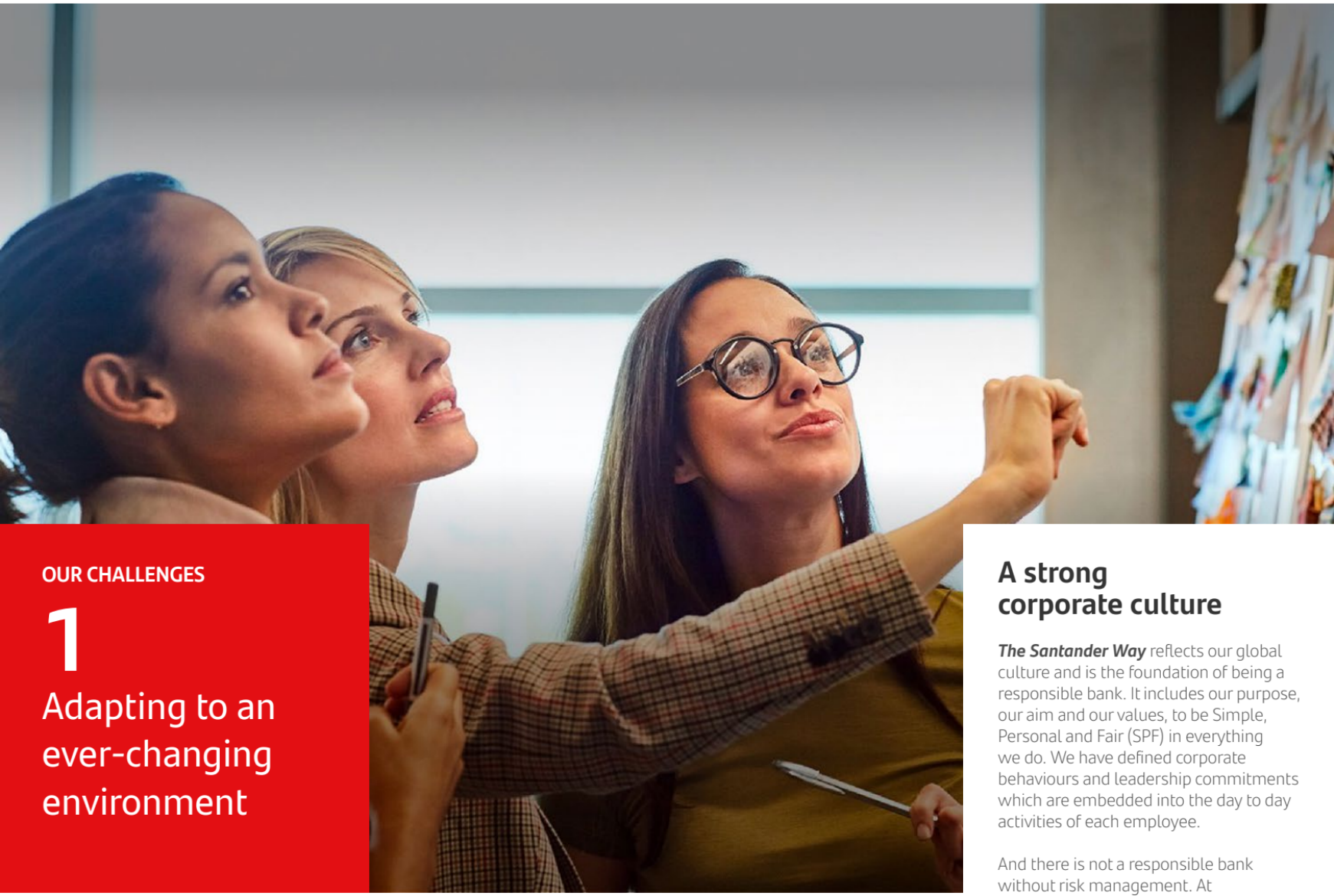
1. Commitment already achieved in 2020

2. Senior leadership positions represent our top 1%

Discover
more about
Our Commitments
here

Eliminate
unnecessary single use plastic by 2021

2020



OUR CHALLENGES

1

Adapting to an ever-changing environment

A strong corporate culture

The Santander Way reflects our global culture and is the foundation of being a responsible bank. It includes our purpose, our aim and our values, to be Simple, Personal and Fair (SPF) in everything we do. We have defined corporate behaviours and leadership commitments which are embedded into the day to day activities of each employee.

And there is not a responsible bank without risk management. At

Santander we have Risk Pro, a strong risk culture in which all employees understand their personal responsibility for managing risk.

TRAINED AND ENGAGED PROFESSIONALS

We manage talent to ensure that we have motivated and prepared teams, and we encourage diversity to provide the best solutions to our customers' needs.

- D&I principles as minimum standards
- Anonymous ethical channels
- FlexiWorking
- Culture of recognition

93% of employees claim that they're able to identify and feel responsible for the risks they face in their daily work.

Top 10 company to work for in **6 geographies**

Among Top 10 in **Bloomberg Gender Equality Index 2021**

40% women in the Group Board

23.7% women in senior leadership positions*

1.5% equal pay gap

Senior leadership positions make up 1% of the total workforce

RESPONSIBLE BUSINESS PRACTICES

- **Products and services** that are **Simple, Personal and Fair.**
- Clear **policies on conduct and consumer practices**: Consumer protection principles and Corporate guidelines for good practices on treatment of vulnerable customers.

Top 3 in NPS in **6 out of 9 geographies**

RESPONSIBLE PROCUREMENT

Our procurement processes are based on ethical, social and environmental criteria, ensuring long-term sustainability throughout our operations.

- **Third-party Certification policy policy.**
- Principles of **responsible behaviours** for suppliers.
- **Risk control.**

+8,600 critical vendors under certification policy

OUR CHALLENGES

2

Supporting inclusive and sustainable growth

4.9M
people financially empowered since 2019

FINANCIAL INCLUSION AND EMPOWERMENT

We help people access financial services, create or develop micro-businesses and provide them with the skills necessary to manage their finances. Our approach is tailored to address the specific needs of dierent regions: Latam, Europe and the US.

Financial inclusion strategy focuses on three aims:

1

Ensuring access to basic financial services

ACCESS

1.3 mill.
people financially empowered since 2019

superdigital – Santander Finance for All

2

Offering tailored finance to SMEs and entrepreneurs with difficulties obtaining credit or in financial distress.

FINANCE

+2.3 mill.
people financially empowered since 2019

tuiio – Santander Microfinance

prospera – Santander Microfinance

3

Foster resilience through financial education programs to improve people's financial literacy and make economic concepts more understandable.

RESILENCIA

+1.3 mill.
beneficiaries of financial education since 2019

SUPPORTING THE GREEN TRANSITION

We seek to achieve **net zero carbon emissions across the group by 2050**, with the first decarbonization targets by 2030:

- To align our power generation portfolio with the Paris Agreement.
- To stop providing financial services to power generation clients with more than 10% of revenues dependent on thermal coal.
- To eliminate all exposure to thermal coal mining worldwide.

We mobilize and facilitate green finance for our clients, **being leaders in renewable finance**.*

€33.8 billion
mobilized in Green finance since 2019

*According to Dealogic League Tables

Issuance of green bonds.

2 green bonds
issuance of €1bn each**

**1st green bond in 2019
2nd in 2020

We promote responsible investment.

€6.9 billion
in SRI assets under management

We measure our environmental footprint and we are committed to reducing our impact. **We are carbon neutral since 2020**.

57%
Electricity used from renewable energy sources

We also analyse and measure the social, environmental and climate change risks of our operations.

Supporting communities

SUPPORT TO HIGHER EDUCATION

We have created a world leading network of universities, through which we help people access education, support entrepreneurship and students employability.

€110M
in 2020 higher education through Santander Universities and Universia

€225M
scholarships, internships and entrepreneurship programmes granted since 2019

COMMUNITY INVESTMENT

We collaborate with our employees and the third sector, to support initiatives and social programmes that promote access to education, social welfare and the arts and culture of the communities where we operate.

€94M
in 2020 through local initiatives

4M
people helped through our community programmes since 2019

Main initiatives in which we participate

UN ENVIRONMENT PROGRAMME FINANCE INITIATIVE

WORLD BUSINESS COUNCIL FOR SUSTAINABLE DEVELOPMENT

CEO PARTNERSHIP FOR FINANCIAL INCLUSION

EQUATOR PRINCIPLES

UN GLOBAL INVESTORS FOR SUSTAINABLE DEVELOPMENT

INTERNATIONAL WILDLIFE TRADE FINANCIAL TASKFORCE