

# **General Policy**

# **Corporate Volunteering Policy**

**SANTANDER GROUP**

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## 1. INTRODUCTION

Santander Group purpose is to help people and businesses prosper. Its aim is to become the best retail and commercial bank that earns the lasting loyalty of our people, customers, shareholders and communities in a way that is Simple, Personal and Fair.

To this end, Santander Group encourages its employees to participate in measures to support the communities in which we operate through corporate volunteering and other activities promoted by the Group in addition to those carried out by employees individually.

For us, corporate volunteering is the combination of activities promoted and supported by the Santander Group to get employees involved and participating by taking time (part of which is work hours) and using their skills and talent to help causes, projects and not-for-profit organisations in order to benefit society.

Furthermore, retired and/or early retired employees, suppliers, customers, and/or shareholders may also participate in the Santander Group volunteering activities provided that they are permitted to do so by the legislation in each of their countries and their corresponding local Human Resources teams are in agreement, under the terms defined in each specific initiative.

“We are volunteers” will ensure the consistency of all activities and make it possible for participants to be recognised as Santander Group volunteers in the various countries where the Group operates. The naming will be defined in various languages of the Group.

## 2. OBJECTIVES

This policy establishes the corporate volunteering scheme. Its objectives are as follows:

- To strengthen the Group’s commitment to communities through the direct involvement of its employees within the Group’s sustainability strategy framework.
- To increase employees’ commitment to the Group and their pride in belonging to the Group.
- To create bonds that enhance internal relationships.
- To develop necessary abilities and skills within the Group, such as the ability to co-operate, teamwork, leadership and employees’ creativity.

## 3. SCOPE OF ACTION

This policy is made by Banco Santander, SA, as the parent entity of Santander Group, being directly applicable to the Corporation, and is provided to the subsidiaries of the Group as a reference document, establishing the regime to be applied to the matter to which it refers.

The Group entities are responsible for preparing and approving their own internal regulations by their respective governance bodies that allow its application in their scope of the provisions, contained in the Group's rule, with the adaptations that, when appropriate, are strictly essential to

make them compatible and to comply with the regulatory requirements, regulations or the expectations of their supervisors.

#### **4. PRINCIPALS**

Child and youth education is a central element of the Santander Group corporate volunteering scheme, which complements the work carried out to benefit higher education through agreements with universities.

Within this area, there are three basic lines of action:

- Preventing school dropout.
- Improving the employability of young people at risk of social exclusion.
- Promoting financial literacy.

Moreover, each country may develop its own activities within their scope of action and based on their own social and economic characteristics and needs, in order to be closer to their stakeholders and the communities they serve. In all cases, these activities must be aligned with the aim, purpose and values of the Group and with this policy.

The corporate volunteering scheme includes the following ways to collaborate:

- Taking time and/or performing activities: either on-site or on-line.
- Donating money: in those jurisdictions where the legalisation allows for voluntary monetary donations to fund social projects promoted by Santander Bank.

In order to encourage activities that have a greater impact on the social environment the Santander Group will give preference to on-site volunteering without ruling out other types of volunteering.

Priority will be given to volunteering initiatives with a greater impact on communities, based on indicators included within this policy (Section IV), in addition to those initiatives carried out in countries where the Group operates with the possibility of carrying them out with public institutions (such as schools) or prestigious not-for-profit organisations.

For a volunteering organisation to be selected, it must have the means to measure the impact of actions performed with Santander Group.

#### **5. PROCEDURE**

Each country will predetermine a certain number of monthly/annual hours that will be offered to its employees to ensure they can participate in corporate volunteering activities if they wish to do so. Otherwise, each country must provide a system that makes it possible to recognise the corporate volunteer work that employees carry out in their free time.

With regard to employees who work directly with customers, an alternative plan must be established so as to ensure that these employees may participate in corporate volunteering activities without adversely affecting business continuity or the quality of the service offered.

With education as a core strategy, the Group will encourage proposals by local units directed to their employees in each of the countries in which the Group operates, without discarding the possibility of carrying out global activities at specific moments or occasions.

Furthermore, under the strategy framework included in this policy, employees may propose ideas and volunteering initiatives, and inform about organisations with which they collaborate as volunteers.

The Human Resources and Sustainability functions in each country will present these proposals to be considered by local committees.

Each country will establish a system to give recognition to those volunteers who are most committed and who contribute the most to improving their local community.

Human Resources is responsible for promoting volunteering at the Santander Bank and works closely with Sustainability and local functions in the countries. Its role is to determine which initiatives best match the corporate and local strategy, report them, identify the profile of participants, train them, and give them the skills for a positive experience both for them and for the potential beneficiaries of the activity, co-ordinating with the not-for-profit organisation in charge of each particular programme.

Corporate volunteering is co-ordinated through two working groups:

- Corporate: Made up of volunteering heads from each country and the corporate centre (HR and Sustainability). The working group takes part in designing the policy and determining global activities. It will meet, at least, once every six months. Extraordinary meetings may be called when requested by any working group member.
- Local: It is responsible for rolling out the local policy, co-ordinating local activities and reporting for the corporate indices and reports to the previous working group. This working group must co-ordinate with the Sustainability team in order to report on results to the local Sustainability Committee. Otherwise, this Committee may assume its functions.

## **6. MONITORING INDICATORS**

To ensure this policy is followed, and be able to measure the internal and external impact of corporate volunteering and its objectives, every country must include and report on a series of basic annual indicators that will facilitate the role of the corporate Commitment and Recognition teams, regardless of other indicators they elect to include for their local reporting:

- Number of individual volunteers who participate in volunteering activities (on-site, micro-donations, and on-line).

- Number of volunteering hours in activities proposed or disseminated by the Group and its value in the local currency.
- Number of projects.
- The impact of the volunteering activities:
- Number of direct and group beneficiaries to which the activities correspond (people with disabilities, youth, children, senior citizens, immigrants, rural groups, indigenous peoples, etc.)
- Multiplier effect on families, social organisations, society in general, the environment and other, where possible.
- NGOS with which they collaborate.
- Investment in volunteering (any economic contribution other than the volunteers' time).

The monitoring of the various activities will be complete once a questionnaire is sent to volunteers upon their conclusion. The purpose will be to assess their satisfaction and the extent to which they meet established objectives.

It is responsibility of the human resources and the sustainability function area to request the local sustainability units the figures of employees participating in social initiatives at the end of the year corresponding to the preparation of local reports and other more specialized reports, such as Sustainability.

## **7. RELATIONSHIP WITH OTHER POLICIES**

The contents of the general sustainability policy and other sectoral policies of the Group will be included if it is not covered in this policy.

## **8. POLICY OWNERSHIP AND UPDATES**

Banco Santander, S.A. Board of Directors owns this policy. Any review or modification on it must be approved by the board of directors.

This policy will be subject to review in the Sustainability Committee with the objective that all the areas represented in this committee will know and adopt the main decisions to put it in practice.

It will be the responsibility of the corporate sustainability unit to inform the local sustainability units, in the Group's subsidiaries, of any revision or modification of this policy for its correct local adoption. This unit will also be responsible for making the proper follow-up of said local adoption.

The content of this policy constitutes a process of continuous improvement that will be reflected in the annual reviews of this document.

This policy was last revised in February 2018 and is published for general knowledge on the corporate intranet and on the website [www.santander.com](http://www.santander.com)