

CORPORATE CULTURE POLICY

SANTANDER GROUP

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

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1 INTRODUCTION

This policy establishes the guidelines and required standards to embed a healthy culture throughout Santander Group (the Group). This policy must be read and understood together with the corporate frameworks and other applicable regulations of conduct in the corporate centre and the subsidiaries; with special attention to the Responsible Banking Framework and the General Code of Conduct.

2 DEFINITIONS AND SCOPE

Belonging to a large international group provides a competitive advantage and adds value to each of the units that comprise it. Santander will only achieve sustainable commercial success by managing the business in a responsible way. Doing things in a Simple Personal and Fair way and helping people and businesses prosper, in order to be a responsible Bank. “How” things are done is as important as “what” is done and it is the corporate culture that ensures that not only are legal and regulatory requirements met, but that expectations are exceeded.

Our corporate culture is based on shared values and ethical standards in line with the Group’s code of conduct, balancing our responsibilities as a bank, in order to earn both the trust and lasting loyalty of our people, customers, shareholders and communities.

This policy must be observed by all the Group’s employees, entities and subsidiaries across all business areas and countries in which it operates.

The definitions of the main concepts included in the policy are:

- The Santander Way encompasses the purpose “to help people and businesses prosper”, the “Simple, Personal and Fair” values, the aim, “to be the best open financial services platform, acting responsibly and earning the trust of our people, customers, shareholders and communities”, the risk culture (Risk Pro), which stresses that “Risk management is everyone’s job”, and lastly, the behaviours, leadership and the principles of diversity, equity and inclusiveness.
- Risk Pro: This represents the risk culture at Santander, based on the individual responsibility of employees in day-to-day risk management, regardless of the role they play or the position they hold in the organisation.
- General Code of Conduct: This contains the catalogue of ethical principles and rules of conduct that should govern the performance of all employees of Santander Group.
- Open Channel: A tool that allows situations and behaviours not aligned with the General Code of Conduct or corporate behaviours to be reported in a completely anonymous and confidential manner to help strengthen the Group’s ethics, transparency and integrity.
- Flexible working: An agreement that offers flexible work options adapted to the needs and preferences of each employee of the Group. It affects where, when and how much

employees work so that they can have a balance between their personal and professional lives.

- BeHealthy: A health and well-being programme that aims to inspire Group employees and their families to achieve a healthy and balanced life through diet and physical and mental habits.
- MyContribution: An employee management model used to set annual targets, conduct performance assessments and promote a culture of high performance within the Group.
- Your Voice: A continuous listening model with short questionnaires at various times of the year; it serves to provide information on the opinions, motivations and concerns of the Group's employees.

3 SCOPE OF APPLICATION AND TRANSPOSITION TO THE SUBSIDIARIES

This policy has been developed by Banco Santander, S.A, in its capacity as the parent company of Santander Group. It will be directly applicable to the corporate centre and will be provided to the Group companies as a reference document, establishing the regime to be applied in this area.

Group entities are responsible for preparing and approving, in their respective governing bodies, their own internal regulations that will allow them to apply the provisions contained therein, with the strictly necessary adjustments, if applicable, which guarantee compliance with the local legislation and regulatory requirements and expectations. This approval must first be validated by the corporate centre.

4 ELEMENTS WHICH CONSTITUTE THE SANTANDER CULTURE

Santander Group's corporate culture is structured on three levels:

- 4.1. Common minimum standards.
- 4.2. Mandatory global initiatives.
- 4.3. Local initiatives.

The details of these three elements are listed below:

4.1 Common minimum standards

These elements are the backbone of our culture. They have been developed following a bottom-up process and apply to the entire Group. These elements cannot be changed.

4.1.1 The Santander Way

- **Purpose: to help people and businesses prosper.** The purpose is the Group's reason for being. It is common to all entities and cannot be adapted locally.
- **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 aim, which is linked to our purpose, is the objective that the Group aspires to achieve through the development and execution of its strategic planning at any given time. The Group's aim and that of its companies in the countries must take into account four groups of stakeholders (people, customers, shareholders and communities) when developing and communicating the strategy and culture, and also when defining the key performance indicators (KPIs).
- **Values: Simple, Personal and Fair.** Achieving our goals in the right way is as important as achieving them at all. Simple, Personal and Fair (SPF): these are the principles that define how we do things, and they cannot be altered. The words can be translated without altering their meaning. Each Group company can define what Simple, Personal and Fair means for each of its four stakeholder groups (people, customers, shareholders and communities), in accordance with the corporate culture of the Group. It is simultaneously a declaration of the Group's ambition and of its desire to improve. In other words, it should be treated as a goal and not as something that has already been achieved or consolidated.
- **The risk culture (Risk Pro¹).** Santander Group employees adopt a strong risk culture, known as Risk Pro. Our risk culture is based on the idea that every employee is responsible for managing the particular risks they face on a daily basis, regardless of their rank or role. All employees have to be aware of and understand the risks they deal with in their day-to-day activities and be responsible for identifying, managing and reporting them, taking into account the approved risk appetite and limits. The risk culture is universal and uniform throughout the organisation and encompasses all types of risks (financial and non-financial), irrespective of which organisational unit is responsible for their management and control. It fosters an environment of effective communication by means of transparency and open dialogue throughout the organisation. Continuous discussion in risk decision-making processes should be facilitated. The development, communication and embedding of the corporate risk culture across all units and levels of the organisation is built upon a set of processes that form part of the employee life cycle. Further information on these processes is detailed in Annex I - Risk Culture: Processes and Responsibilities.

¹ I AM Risk in SAN UK and SAN US

- **Behaviours: TEAMS.** In order to act in accordance with our values (Simple, Personal and Fair), five corporate behaviours called TEAMS (after their initials) have been defined and are based on appropriate ethical and behavioural standards. These may change over time if needed after discussion and evaluation. The five TEAMS corporate behaviours, and their meaning for each employee, expressed in the first person, are:
 1. **Think Customer:** *I care about our customers so I go the extra mile to earn their trust and loyalty. Customers demand more than ever that we should be a Simple, Personal and Fair bank. Keeping the customer in mind means going further, in order to gain the loyalty and trust of the people we serve, and always acting in their best interests. Each of us should put ourselves in the customer's place and always think about how our actions affect them. We must anticipate and respond to every question, problem and need our customers may have. That means going further, offering first-class service.*
 2. **Embrace Change:** *I embrace new challenges and I see new ways of doing things as an opportunity to grow. The world is changing rapidly. On the one hand, new technologies represent a constantly changing competitive landscape, and on the other, social trends have increased overall expectations from companies. Santander has made firm commitments to achieve a net carbon emission equivalent to zero in 2050, which we must comply with. These changes require effort and will inevitably face some resistance. The challenge is to tackle them with an outlook focused on the opportunities they offer. Change may mean making mistakes, but we should not be afraid of that. Mistakes are the price of progress: we must learn from them and remember that the biggest mistake is to ignore the changes that we must adopt.*
 3. **Act Now:** *I take accountability and manage risks accordingly, always keeping things simple. Complexity puts an end to growth. Growing companies move as an agile group, without red tape or complicated processes. We should be like that. We must shoulder our tasks and perform them quickly and responsibly, while encouraging our colleagues to do the same. Whether it is our responsibility or another team's, we must work together to remove the barriers that slow us down. Managing risks does not mean denying them, but understanding the risks and dealing with them in an appropriate and proportionate manner.*
 4. **Move Together:** *I seek opportunities to promote collaboration and work together to achieve common goals. Only by working as a team can we solve the most complex challenges, which is why we created One Santander. The best teams make the most of each member's capabilities to achieve their objectives. Diversity can be one of our greatest strengths, but only if we cooperate, listen and move as one.*

5. **Speak Up:** *I feel free to raise any idea, ask any question or escalate any issues or risks, building an environment of respect and trust. I am comfortable sharing and receiving feedback. We should all express ourselves. If problems, ideas and solutions are not shared, things will never improve. We all have a unique perspective and, being unique, it is useful for the whole. All of us, from the most senior to the youngest, must have the confidence to challenge in a constructive way in order to improve: we should all be prepared to give and receive honest opinions, and we should all be confident that the issues we raise will be heard.*

- **Leadership.** In addition to adopting the TEAMS corporate behaviours in an exemplary manner, Group management is expected to exercise leadership that is open, facilitating, transformational and inclusive, in order to drive diversity and inspire teams to develop and work with the highest level of motivation and purpose.
- **Principles of diversity, equity and inclusion.** Promoting a diverse, inclusive environment that reflects the composition of societies helps to empathise with customers, while improving employees' welfare and sense of belonging. Diversity, equity and inclusion are key aspects of teams' innovation, commitment and risk mitigation.

The Group considers diversity, equity and inclusion to be a fundamental issue linked to the company's cultural transformation and strategic aim. Hence, nine principles of diversity, equity and inclusion in the Group have been defined:

1. Santander Group recognises and supports all existing sources of diversity, both visible (gender, race, age, visible disabilities, etc.) and invisible (professional and life experiences, education, religion, values and beliefs, invisible disabilities, sexual orientation, personality, etc.).
2. It promotes an inclusive working environment in which all individual differences are valued, respected and enhanced. Having a diverse workforce is a competitive advantage that helps us to attain our business objectives, attract and retain the best talent and meet the expectations of our stakeholders.
3. Banco Santander is committed to offering equal opportunities to all. Leaders and employees are selected, remunerated and promoted based on merit without any kind of discrimination.
4. The Group's people management policies, processes, systems and tools do not entail any bias that may give rise to situations of discrimination of any kind.
5. Our customers are diverse (in terms of gender, race, age, beliefs, abilities, sexual orientation, etc.) and having a diverse workforce will help us to better understand their needs. The new kind of digital customer that the Group is targeting will also require us to have diverse profiles.

6. Our products reflect the diversity of our clients and are accessible to all.
7. We comply with the prevailing international and local legislation on diversity, inclusion and equal opportunities in each country.
8. Leaders and managers of the Group play an active role in diversity management.
9. We are committed to achieving pay equality for the whole of our workforce, comparing employees in the same job, level and function. The process is properly monitored to correct any pay inequality detected.

4.1.2. Stakeholders and virtuous circle

A strong inclusive corporate culture is essential to prosper in today's competitive and changing market.

The Group has four key stakeholder groups: people, customers, shareholders and communities. The order in which they are listed was chosen carefully, as the engagement and success of our people lead to satisfied customers who, in turn, generate returns for shareholders, and allow the Group to continue to invest in communities, thus creating a virtuous circle.

4.1.3. Santander brand

The Santander brand reflects the Group's corporate culture. It must be conveyed in a coherent and consistent manner throughout the world to all our stakeholders. The brand strategy and marketing plans of all the Group's units must be coherent with the positioning of the Santander brand and help to enhance it as a distinctive sign of the Group. The corporate brand and communication framework establishes the common principles and guidelines for action in this regard and applies to the entire Group.

4.1.4. Measurement, monitoring and disclosure

Culture in the Group (including risk culture) has to be measured in a systematic and uniform manner. Such measurement should indicate both its degree of integration in the organisation and how it has evolved over time. This includes measuring SPF perception across the four key stakeholders, the "Your Voice" survey² and the Customer Satisfaction Index (NPS³ /CSI⁴).

There are certain Group and local targets/KPIs associated with the measurement of the level of engagement at the Group:

² A continuous listening model with short questionnaires at various times of the year that serves to know the opinions, motivations and concerns of the Group's employees.

³ Net Promoter Score: An indicator that measures the customer recommendation rate.

⁴ Customer Satisfaction Index

- eNPS Recommend: measures the likelihood of employees recommending the Group as a place to work.
- Organisational Loyalty: measures the likelihood of employees staying in the Group if they receive a job offer from another company similar to their current role.
- Belief: measures the likelihood of employees recommending the Group's products or services to friends and family.
- Job satisfaction: measures the overall satisfaction of employees working in the Group.

Group subsidiaries may additionally apply local KPIs that are deemed appropriate in the local market.

4.1.5. Effective communication

The entity's culture should be promoted via transparency and open dialogue throughout the organisation, both between the board of directors and the entity's management as well as between the entity's management and the rest of employees, on a two-way basis. All employees should feel that they are participants in and conveyors of the Group's corporate and risk culture, encouraging an environment where people can "Speak up" and challenge without fear. Therefore, mechanisms and tools should be established to allow open and effective communication, such as Open Channel.

This process is managed through an annual communication plan focusing on the key drivers used to convey and strengthen the corporate culture.

4.2 Mandatory global initiatives to be implemented in Santander Group that are adapted and managed at local level.

In addition to the common minimum standards, there are global initiatives to be implemented throughout the Group. These can be adapted and managed locally to help build the corporate culture of Santander Group and all subsidiaries should implement them. Each subsidiary can determine how to implement these initiatives based on their local context and situation. They should be led locally by country and regional heads.

The Chief Talent Officer decides if a given initiative needs to be global in the overall best interests of the Group, regulatory requirements, etc. Subsidiaries can decide how to adapt initiatives locally and ultimately they must be validated by the Global HR in line with Group culture governance. Global initiatives that can be adapted locally include:

- a) Local culture governance structure: this can be developed by the countries and may include steering or working groups to support the local culture programme aligned with the Group.
- b) Local volunteering initiatives: we encourage our people across the Group to participate in corporate volunteering activities by offering them a certain number of monthly/annual work hours they can allot to supporting communities. This is crucial to help people and businesses prosper. More details in Annex II - Corporate Volunteering Standards.

- c) Local KPIs. Other elements that are suggested for inclusion in the management structure of local culture in a subsidiary are: an action plan with a summary of all global and local initiatives; a communication plan; the definition of a list of KPIs enabling progress to be monitored. Group subsidiaries should submit details of the above-mentioned elements to the Group upon request from the Global HR team.

Examples of global culture initiatives by quadrant:

- Employees: Diversity and Inclusion, flexible working, “Be Healthy”, Santander Week, My Contribution.
- Customers: customer loyalty strategy, digital transformation, financial inclusion.
- Shareholders: Simple, Personal and Fair financial reporting standards.
- Communities: Santander Universities, volunteering.

4.3 Local initiatives

Local initiatives can be developed with autonomy within the corporate culture policy and with respect for pre-defined corporate frameworks (Compliance and Conduct, Risks, Brand and Communications, Responsible Banking, Human Resources, etc.). These initiatives should be shared with the Group’s Risk Management Office and/or via the Global HR team, when appropriate, to encourage best practices sharing and learning from other units.

4.4 Fundamental roles and responsibilities

Full collaboration between the participating functions, which should be the Chief Talent Officer, the Global HR and the local culture teams, is necessary for the implementation of this policy. In particular, their key responsibilities are:

The Chief Talent Officer function is responsible for updating, modifying and/or designing the corporate culture strategy for the Group, as well as for preparing, developing and interpreting this policy and the guidelines necessary to support the implementation of the strategy in the Group.

The Global HR function is responsible for transposing corporate culture policy through the implementation, adaptation and design of initiatives and procedures that respond to the Group’s corporate culture strategy and guidelines.

Local culture teams should promote the effective implementation within their scope of all the elements included in this policy and they should develop the local initiatives referred to in point 4.3.

5 GOVERNANCE

The promotion of the culture (including risk culture) is the responsibility of the most senior bodies in the organisation. The bylaw-stipulated bodies are therefore primarily responsible for monitoring its communication, internally and externally, without prejudice to the collaboration required from other governance bodies.

The board of directors is the most senior governance body for corporate culture and it is advised by the responsible banking, sustainability and culture committee (RBSCC) in culture matters.

For Risk Culture, the board of directors may delegate oversight of risk culture and progress to the board risk committee as an independent risk control and supervision body. This body may be assisted by other lower-level committees at executive level in order to carry out more efficient oversight to ensure that the risk culture is adhered to at all times and in all places.

The Group's responsible banking forum, which supports the RBSCC on environmental, social and governance (ESG) criteria including the culture, provides direction, approval and oversight to help ensure the shaping of a consistent corporate culture and its integration throughout the Group.

At local level, in each of Santander's subsidiaries, the board of directors (or main governing body) should ensure that the communication of the "common minimum standards" of the culture receives continuous attention. This attention is reflected in the agenda of its meetings, with explicit delegation to senior management and their teams.

Each subsidiary is required to identify a governing body to focus on developing, implementing and measuring the actions they have in respect of culture (including risk culture). The local governance structure applicable to culture is for each subsidiary to determine; however the overall outcomes must be consistent with the required standards of the Group.

6 OWNERSHIP, INTERPRETATION, EFFECTIVE DATE AND PERIODIC REVIEW

- Approval of this document will be given by the board of directors of Banco Santander, S.A.
- Interpretation thereof corresponds to the Chief Talent Officer function.
- This document will come into force on the date on which it is published. Its content will be subject to regular review and changes or modifications will be made as necessary.

7 VERSION CONTROL

Document version	Person responsible for maintenance	Committee of approval	Date
1	P. Cox	Board of directors of Banco Santander, S.A.	07/2017
2	P. Cox	Board of directors of Banco Santander, S.A.	02/2019
3	P. Cox	Board of directors of Banco Santander, S.A.	12/2019
4	E. Rubio	Board of directors of Banco Santander, S.A.	15 December 2021
5	A. Fernández de la Pradilla	Board of directors of Banco Santander, S.A.	27 July 2022

Document version	Remarks
1	First version of the policy
2	Update and integration of the risk culture model into the corporate culture policy.
3	Inclusion of Leadership Commitments into the Santander Way, Volunteering standard (Annex IV), which replaces the previous corporate volunteering policy, and updated Diversity and Inclusion principles.
4	Update of the responsibilities of Responsible Banking and the Risk Management Office regarding the risk management of Risk Pro as an element of the corporate culture.
5	Review and general update of the document, including the new corporate behaviours.
5	Updating corporate behaviours and assigning ownership of the culture policy to the Chief Talent Officer, who replaces the Responsible Banking team as the policy owner. General review and simplification of the document.

8 ANNEX I: RISK CULTURE: PROCESSES AND RESPONSIBILITIES

The development, communication and integration of the Risk Pro/I AM Risk corporate risk culture across all units and levels of the organisation is built upon a set of key processes, which form part of the employee's life cycle. These processes include:

a. Selection and recruitment processes

Raising awareness of the importance of, and personal responsibility for managing risk in each new employee and reinforcing such awareness after joining the Group through risk culture training in onboarding programmes.

b. Risk training and development processes

To help embed a strong risk culture, so that it becomes part of everyone's daily work, the Group uses the following approaches indicated below:

- Career and risk training plans for all employees.
- Training initiatives ensuring that all employees understand Risk Pro, the main risk types (financial and non-financial) and the basic aspects of risk management.
- Including a risk component in the training plans for all employees.

The Risk Pro Banking School (RPBS), Academia and the other local risk schools help to deploy the corporate risk strategy across the Group. This is therefore a crucial lever for disseminating risk culture to all employees.

c. Embedding risk culture in daily activities

Promoting open, collaborative and effective communication, ensuring that all employees' suggestions about risk management are taken into account and positively assessed, in order to help achieve advanced risk management and better decision-making. This will include promoting the use of channels to report illicit situations or breaches of the code of conduct and corporate behaviours, reporting any significant risks and/or situations of risk which are not being correctly managed. The responsibility of integrating the risk culture in the daily activities of each Group employee.

d. Reward and performance assessment processes

The Risk function plays an active role in the key reward and recognition processes. These processes are intended to reward behaviours which enable the wide variety of risks faced by the Group to be managed, controlled and supervised and to motivate the adoption of these behaviours. This aim is pursued by implementing remuneration and performance evaluation schemes that are aligned with the basic values and principles of the organisation's risk culture and that enable risks to be subject to appropriate and rigorous management. These processes will be led by Human Resources and supported by the Control functions.

RESPONSIBILITIES

In order to properly cover these processes, the risk culture is coordinated between the Corporate Culture function and the Risk Management Office area as follows:

Corporate Culture:

- Promote the implementation of mandatory common standards across the Group and their inclusion in the corporate culture of the geographies.
- Provide a comprehensive view of culture initiatives, their progress and sharing best practices of the four stakeholders.

Risk Management Office:

- Define strategic risk culture guidelines, included in the Santander culture.
- Escalate and report to the board risk committee and other governance bodies, bylaw-stipulated and otherwise, upon request.
- Drive risk culture initiatives across countries and global businesses.
- Define and monitor appropriate metrics
- Liaison with local units, including the definition of the guidelines and monitoring and oversight of risk culture within the local units.

9 ANNEX II. CORPORATE VOLUNTEERING STANDARD

Santander's purpose is to help people and businesses prosper in a way that is Simple, Personal and Fair. By promoting a Corporate Volunteering standard, the Group seeks to:

- Strengthen Santander's commitment to communities through the direct involvement of its employees, in the framework of the corporate culture policy.
- Increase employees' commitment to the Group and their pride in belonging to it.
- Develop necessary abilities and skills within the Group, such as the ability to co-operate, teamwork, leadership and employees' creativity.

Child and youth education is a central element of Santander Group's 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:

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

Each country will predetermine a certain number of monthly/annual hours that will be offered to employees to ensure that they can participate in corporate volunteering activities if they wish to do so. Employees are also encouraged to contribute their own ideas for volunteering activities.

An Executive Sponsor in each country is responsible for promoting volunteering in the Group. Their role will be to determine which initiatives are most in line with the corporate and local strategy. 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 report on a series of basic annual indicators that will facilitate the role of the corporate Engagement and Recognition function, regardless of other indicators they may elect to include for their local reporting:

- Number of individual volunteers who participate in volunteering activities (in person, micro-donations, and online).
- 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 beneficiaries groups to which the activities relate (people with disabilities, youth, children, senior citizens, immigrants, rural groups, indigenous people, etc.).
- The multiplier effect on families, social organisations, society in general, the environment and other, where possible.
- NGOs with which they collaborate (subject to a suitability assessment).
- Investment in volunteering (any economic contribution or in kind, other than volunteering hours, must follow the criteria established in the social purpose contribution process as detailed in the Group's Contributions for Social Purposes policy).