SANTANDER GROUP TAX STRATEGY

This tax strategy is approved by the board of directors of Banco Santander, S.A. and sets out common guidelines on tax matters that apply throughout the Group. It is available on the corporate website www.santander.com and the Group employees are aware of their obligation to comply with the strategy as it is part of the General Code of Conduct.

CORPORATE CULTURE AND TAXATION

The Group's tax strategy is aligned with the business strategy. The principles that make up the Group's tax action should be consistent with its purpose to contribute to the progress of individuals and businesses and its aim to be the best digital and open financial services platform by acting responsibly and earning the lasting loyalty of our employees, customers, shareholders and communities.

The Group's tax contribution and the prominent role played by its entities providing support in the management of their national tax systems are very important factors within the framework of a sustainable and responsible banking to which the Group is committed, as well as its contribution to inclusive and sustainable growth.

In this way, the principles governing the Santander Group's tax strategy should allow, in addition to a strict compliance with the applicable regulations, an appropriate tax contribution in the jurisdictions in which the Group is present according to the value created in each of them. To this end, the Group must comply with the international tax standards developed by the OECD addressing base erosion and profit shifting and support the development of a new international tax framework that prevents excessive tax competition between jurisdictions.

TAX RISK LEVEL

The alignment of the tax strategy with the mission, vision and values that form part of the Group's general strategy entails zero tolerance with regard to the unlawful avoidance of taxes.

With regard to the interpretation and application of current regulations, the Group adopts a low tax risk profile without waiving the right to adopt the most efficient alternatives, always providing that the alternative chosen respects the principles of this tax strategy.

The assessment of this risk should not only take into account any possible impact on the Group's equity but also on its reputation, which affects the way employees, customers, shareholders or investors and communities perceive the bank.

PRINCIPLES OF THE TAX STRATEGY

The following principles are part of the Santander Group's fiscal strategy:

1. Meeting its legally required tax obligations, reasonably interpreting in all cases the applicable regulations in line with the spirit and purpose of the latter.
2. Being taxed according to the true legal nature and economic substance of the events, acts or business activities undertaken, avoiding any transactions or business activities that are clearly of

a contrived or improper nature or serve no economic purpose other than tax avoidance.

3. Avoiding any tax planning that could be considered aggressive for not respecting the principles stated in the preceding paragraphs, notwithstanding the use of those alternatives or options that permit a more favourable tax treatment, meeting the guidelines issued in this regard by international organizations or the tax authorities in the jurisdictions where the Group operates.

4. Ensuring transparency, rejecting the use of structures of an opaque nature for tax purposes. Such structures are understood as those which, through the use of special purpose vehicles via non-cooperative jurisdictions, are designed with the purpose of preventing the tax authorities from knowing the party finally responsible for the respective activities or the ultimate holder of the goods or rights involved.

5. Not create or acquire participations in entities domiciled in countries or territories that are considered to be non-cooperative jurisdictions, in accordance with Spanish tax regulations and applicable local regulations, without authorization from the board of directors and always after an analysis of the specific circumstances of the event and the justification for its opportunity.

6. Respecting the regulations on transfer pricing, following the guidelines set by the OECD and the recommendations of the EU Joint Transfer Pricing Forum; especially addressing those transactions that are not eliminated as a result of the tax consolidation process or whose subject matter and terms set them apart from the company's ordinary trading activities. The application of these rules will pursue the adequate taxation in each jurisdiction in accordance with the activities undertaken, the assumed risks and the profits generated, avoiding the erosion of tax bases and regardless the value creation within the framework of the traditional economy or the new digital environment.

7. In relation to the tax obligations of customers,
   • Not providing any kind of tax advice or planning beyond the information on the possible tax treatment of the product or service involved, warning that it consists of simple information and not tax advice, and that the customers are responsible for duly complying with their tax obligations.
   • Not engaging in transactions or activities that facilitate unlawful avoidance of taxes by our customers.
   • Providing customers with the relevant tax information to comply with their tax obligations, as far in advance as possible and in a clear and complete manner.

8. Collaborating with the competent tax authority and providing it with the information required. In particular, the Group should address the obligations arising from the automatic exchange of information on Foreign Account Tax Compliance ACT-USA (FATCA) and Common Reporting Standard (CRS), as well as those obligations established for early communication on potentially aggressive tax planning mechanisms.

9. To publish in a transparent manner the information relating to the Annual Banking Report in the terms set out in the banking supervision regulation, and the total tax contribution of the Group, distinguishing in the main jurisdictions their own taxes paid and the taxes from third parties that the Group collects as collaborator of tax authorities, as well as any other information necessary to comply with generally accepted reporting standards on sustainability.

10. To promote a cooperative relationship with the tax authorities of the jurisdictions where the Group is present, based on the principles of transparency and mutual trust, to avoid conflicts and minimize litigation by consulting the tax authorities or promoting advance pricing agreements.

11. Contributing to the configuration of a fair and sustainable tax system and to the development

and implementation of a more equitable and efficient tax legislation, for the benefit of both general and business interests.

In short, adopting those best tax practices that lead to the appropriate prevention and reduction of both tax and reputational risk, in order to generate greater legal and economic security for the institution and its shareholders.

TAX RISK MANAGEMENT

The tax strategy is disseminated within the Group through the tax policy approved by the board of directors of Banco Santander, which sets out the principles, common guidelines and standards on tax matters that will apply to all entities of the Santander Group. This policy defines the tax risk and the principles governing its management and control, the governance applicable to the tax function and the roles and responsibilities that are involved in it, as well as the catalogue of transactions with special tax risk defined by the board and its governance.

The Group subsidiaries should adopt the policy with those adaptations that are strictly essential to comply with their regulations or supervisory requirements.

The tax risk management and control system in the Group entities is developed through appropriate procedures that are part of the Group's internal risk control system (IRCS), and is subject to its assessment and certification processes.

In accordance with the transparency commitments undertaken, a summary of the corporate tax policy is available on the website www.santander.com.

GOVERNANCE

The corporate tax advisory area is part of the General Secretary Division. The Head of the corporate tax advisory area holds maximum responsibility for this function within the Group, acting under the direction and supervision of the General Secretary and reporting regularly to the board of directors and its audit, risk supervision, regulation and compliance committees.

Corporate tax advisory is responsible for ensuring compliance with the principles of this tax strategy by coordinating and collaborating with the local tax advisors of the subsidiaries, whether internal or external.

The tax advisory function is supervised and controlled in accordance with the Group's regulatory requirements and internal regulations. For this purpose, both internal audit and external auditors carry out regular reviews of the applicable tax procedures.

VALIDITY

The tax strategy was approved by the board of directors of Banco Santander, S.A. in February 2015 and, although it is intended to remain, it is annually reviewed and updated in accordance with the regulatory changes and the international tax environment. This version was approved in October 2022.