Corporate Volunteering Report 2017

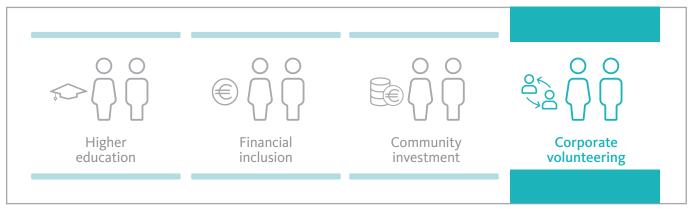


#Prosper



Santander's purpose is to help people and businesses prosper

Social inclusion as a driving force



Corporate volunteering

Through corporate volunteering, company employees can take part in promoting, developing and managing the social programmes carried out by the company in its strategy to invest in communities.

MAIN FOCAL POINTS:



Employees' participation in Group activities aimed at improving the well-being of groups at risk of social exclusion.



Employees' participation in carrying out local activities which are aimed at improving life in the communities where they live.



Employees' participation in Matching giving and Fund-raising programmes organised by the bank in its main geographical areas.

A global commitment

Santander encourages corporate volunteering as a way of promoting commitment, motivation, a sense of pride at belonging to the Group, and solidarity amongst employees, while also helping the communities where it operates to prosper.

Introduction

■ Corporate volunteering, the driver for internal management and community support

The way global challenges such as climate change or social development are addressed has also been affected by the phenomenon of economic globalisation, the associated expansion of companies' activities and the gradual subcontracting of functions in developing countries.

Multinationals are now able to act with more resources, capacities and methods than governments. Companies and society form part of the same world and their future is a shared one. One of the consequences of this shared function was the creation, in 2000, of the United Nations Global Compact: a nexus where all organisations administrations, companies, non-profit companies, etc. - have the opportunity of declaring their commitment towards better lives for people and communities, and thus contributing towards global sustainability. Another more recent example was in 2015, when global leaders adopted the United Nations sustainable development goals, which include eradicating poverty, protecting the planet or ensuring prosperity for all among others, as part of a new sustainable development agenda where everyone - governments, the private sector, civil society and people - has to do their share.

Against this background, small, medium and large companies are aware, more than ever, that they must play the role of citizens, each in their sector, with their dimension, risks and impacts. Responsible companies in the twenty-first century engage in dialogue with their interactants, accept their own local and global commitments, include processes to allow for control or improvement in their management, and are accountable in a transparent way, innovating and observing good practices of other companies, and taking part in joint initiatives with other similar agents. The most important sign of a company's show of solidarity towards society's needs is its most valuable asset: its human capital. A well-trained, organised workforce with a spirit of solidarity has an enormous potential for talent, skills and enthusiasm, and Corporate Volunteering is a perfect way for it to help communities.

Corporate volunteering initiatives combine **social actions with human resources management**, and are usually aligned with **culture and organisational values.**

A proper corporate volunteering policy has advantages for the three agents which take part in the process: the group of people who benefit; the companies; and the volunteers (employees). Adequate deployment of corporate volunteering is clearly beneficial to communities and also provides clear benefits for the company, which also obtains benefits.

Changes are constantly happening in the workplace due to many different economic and technological variables, new spaces, but above all due to people. New generations entering the labour market are beginning to demand new ways of working. When looking for work, the millennial generation is not only interested in becoming part of business structures which can guarantee them economic stability. These young people actually look to work in places where they can have a good work/ life balance, and they are also interested in joining organisations with values and commitments towards the environment about them.

Acquiring new skills

In 2014, the ESADE Instituto de Estudios Laborales and Valores & Marketing showed that 92% of employees managed to become more efficient at their jobs after having taken part in volunteering activities. On top of that, 87% of volunteers said they had acquired team co-working skills and 84% said they felt more integrated in the corporate culture and considered that they shared its values.

Improving employees' well-being

The 'DOING GOOD IS GOOD FOR YOU' health and volunteering study carried out by United Health in 2013 found that 94% of people who take part in voluntary work feel more positive, while 76% say that they feel healthier and have lower stress levels. And 81% say that volunteering has helped them to forge stronger ties with their colleagues.

v Volunteers in Banco Santander

Volunteers form part of the Banco Santander corporate culture, and are a crucial part of its social investment strategy to help improve people's lives in communities.

Through taking part in corporate volunteering initiatives, Banco Santander not only helps communities to prosper, but also promotes commitment, motivation, the sense of pride at belonging to the company and the solidarity of its employees; all crucial values for adequate talent management.

The corporate volunteering policy, which was approved by the board of directors in 2015, is aligned with the Sustainability policy, and defines the Bank's corporate strategy in volunteering and its employees' participation in the different social initiatives promoted by the Bank, all in line with the SPF culture (Simple, Personal and Fair). Based on this corporate framework, each country carries out local volunteering activities within its field of action, using its own characteristics and its community's social and economic needs, so it can be closer to its stakeholders and its community.

The volunteer policy determines that the Bank will set aside a certain number of hours a month or a year, which will vary from country to country, for employees to take part in corporate volunteering. Alternatively, staff can choose to receive some form of recognition for corporate volunteering in their free time.

Corporate volunteering policy

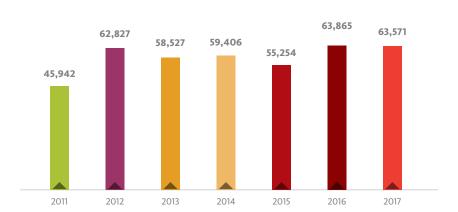
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Volunteering is an opportunity to share in order to grow



Etienne Butruille, Sustainability, Santander Group, Spain

EMPLOYEES TAKING PART IN SOCIAL INITIATIVES





We are volunteers

The Santander We are Volunteers programme, created in 2011, is used to channel volunteering activities and gives the employees the chance to take part in a broad range of volunteering activities so as to create a more favourable environment, making an impact on communities and bringing professionals on board as part of the task of achieving the United Nations Sustainable Development Goals.

We are Santander Week in Brasil.

How do volunteers make a contribution...

...towards the Bank's strategic priorities?



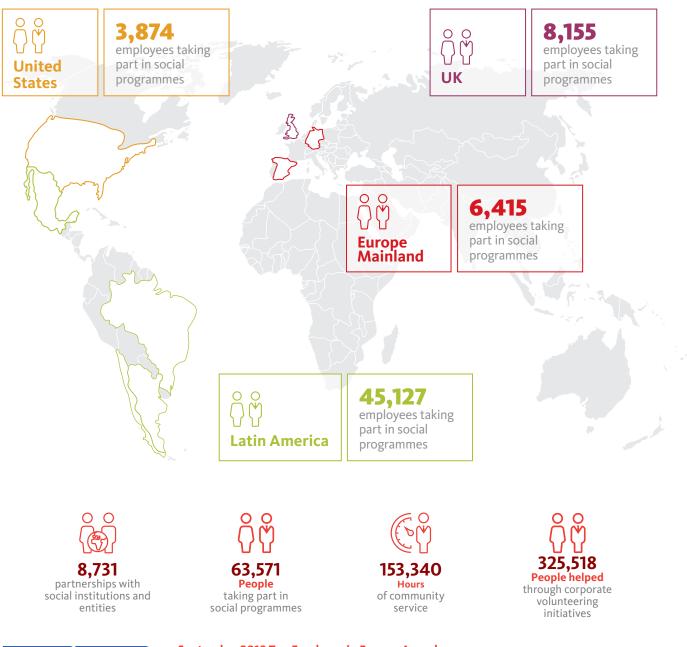
...to the Sustainable Development Goals?



Map of employees taking part in social initiatives in 2017

Banco Santander arranges different volunteering programmes at both Group and local level, thus helping the communities in which it operates to prosper.

VOLUNTEER MAP



Santander, 2018 Top Employer in Europe Award

Santander has received 2018 Top Employers Europe certification which acknowledges the working conditions companies create for their employees. Santander received certification for Santander Spain, Poland (Bank Zachodni WBK), the UK and its Santander Consumer Finance units in Austria, Belgium, Germany, Italy, the Netherlands and Poland.

EUROPE

2018

CELLENCE IN EMPLOYEE CO

EMPLOYER

Main activities in which employees take part at Group level

With its global aim, Banco Santander arranges activities which are designed for employees to take part in common international programmes in all countries in which it operates. At Group level, these programmes culminate at two important moments during the year.



2017 We are Santander Week Food Drive. Headquarters, Boadilla del Monte.

B We are Santander Week

The We are Santander Week is held in all Group countries at the same time. The Bank's close to 190,000 employees can take part in this event to celebrate their sense of pride at belonging to a global, leading, diverse organisation with a common culture and clear purpose and aim. In 2016, many different programmes were arranged to promote listening and team collaboration in all countries; activities were focused on the corporate behaviours aimed at creating a more Simple, Personal and Fairer bank. Volunteering activities were outstanding for yet another year with great staff impact and commitment.

For the third successive year, the Bank organised the Santander Food Drive, with the participation of employees from Brazil, Spain, Mexico, Poland and the corporate centre, through which 60,000 kilos of food were collected. As they do every year, the different countries also gave their employees the chance to donate blood in collaboration with the Red Cross; while a number of different charity street markets were organised to raise funds for social causes. Many other initiatives were also carried out in each country within the We Are Santander Week.

In Germany, for example, more than 150 employees took part in painting, gardening and carpentry tasks in schools and nurseries across the country. Additionally, more than 180 employees donated blood and several sport activities were carried out, such clycle, football, races, and so on. Overall, Santander Germany donated €120,000 to over 65 institutions during the "We are Santander Week".

In Argentina, the group collaborated once again with Fundación TECHO. Over 40 employees took part in activities such as building homes for homeless people. Also reading work for primary school children wew carried out in partnership with Fundación Leer.

"

Our behaviours are the basis for great collaboration. What will make us a winner is a culture that allows people to speak up, to embrace change, to accep diversity of all types, so that we can fully realise the potential in our teams and in our markets.

"

Ana Botín, Executive Chairman

Be Healthy Challenge

During the We Are Santander Week, the second Be Healthy challenge was launched. After circling the globe in the 2016 Week, this challenge in 2017 has managed, through our employees footsteps, to link together the 66,000 km that separate the countries in which Santander operates.

Thanks to the employees who took part in the challenge, the lives of 6,600 people in Peru have been improved. The Bank has donated a total of 66,000 euros, one euro for every kilometre walked, to the NGO Action Against Hunger, to eradicate malnutrition among children and improve the lives of hundreds of people in Peru. Specifically, the Bank has contributed to:

- Save a child suffering fron anaemia in Peru. and teach a mother to prepare meals rich in iron for her children to prevent anaemia.
- Give families a chance to learn how to raise and handle smaller animals and recover traditional techniques for preserving ironrich foods.
- Train a local health worker to monitor the health of the community and support parents in the prevention of childhood anaemia.

This initiative, not only increases our physical activity, but is yet another example of our commitment to helping society to prosper.



Be Healthy Challenge in Peru.

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Through this challenge, Santander has created two key objectives. On the one hand, our aim to make Santander the healthiest organisation in the world through our Be Healthy programme, promoting healthy habits amongst our employees, the working environment and relatives. And, on the other. our commitment to our communities and society's progress.

"

Roberto Di Bernardini, Global Director of HR



2017 Toy Drive. Heartquarters, Boadilla del Monte.

International Volunteering Day

Banco Santander's International Volunteering Day featured many initiatives centred around the around the Bank's main areas of social action.

- Around 500 volunteers took part in various initiatives in the Corporate Centre, such as a toy drive that provided Christmas gifts to 2,800 children. Other initiatives were focused on preventing school drop-outs and helping adolescents to become more employable through programmes such as 'Coach Exit Santander' and 'Partners for a Day'. The Bank also continued the 'Woman to woman' programme, in which 27 female volunteers mentors from the Bank helped victims of gender-based violence.
- In Brazil, over 7,900 volunteers participated in a number of different state school programmes through Programa Escola Brasil (PEB) where students, teachers and families from 198 public schools were benefited.
- In Argentina, the Bank organised the International Volunteering Day together with young people at risk of social exclusion who take part in the Pescar Santander Río Educational Centre, which has a mandate of making youngsters more employable.

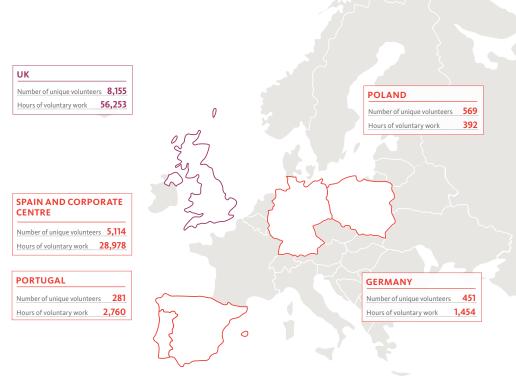
• In Germany, Bank employees supported the work of an institution for homeless people, donating money for hot meals and drinks for a period of two weeks.

In addition, a team of around 70 employees participated in the 24-hour KETTCAR-Challenge marathon, in which Santander donated \leq 24,000 to the foundation 'Stiftung RTL-Wir helfen Kindern', which aims to improve the perspective of children's lives and teenagers all over the world.

 In Portugal, with the aim of encouraging the practice of active citizenship through volunteering and recognizing the efforts of the young people most committed to society, Santander Universities launched in 2016 the University Volunteer Award (PVU). The 2017 edition of the PVU attracted a total of 50 candidatures, which mobilize 5,000 volunteers in differente causes, with an impact on more than 886,000 beneficiaries. The winners of this award were announced on the International Volunteer Day.

Main activities in which employees take part at local level

Banco Santander has stepped up its commitment to the communities in which it operates through organising local volunteering initiatives in which the Bank and its employees can get involved and assist in dealing with problems which affect these communities the most.



"

We want to be helpful to society and be able to help others. All of us together can do a lot.

"

Javier González Zorita Volunteering activist in Castilla y León, Spain

FINANZAS PARA MORTALES

The Finanzas para Mortales ("Finance for Mortals") programme consists of different face-to-face and online courses. It also has a website open to all where people can find answers to their main questions about daily finance topics, and where they can also watch videos with explanations.

Employees take part in the Finanzas para Mortales volunteering programme by giving talks on financial education to different groups, in partnership with other institutions and educational centres, thereby helping communities to expand their knowledge of the economy and finance.

In 2017, 806 in-person sessions were held all over Spain, with more than 18,000 attendances and more than 23,300 hours of trainning time. Forty percent of the training sessions have been carried out in partnership with Fundación Secretariado Gitano and 20% with Fundación Integra. The idea is to use financial education to help people who have experienced difficulties in the past to find job opportunities and turn their lives around. The Bank also collaborates with institutions such as the Spanish Red Cross, Banco de Alimentos (Food Bank), Soñar Despierto and ONCE.

Employees can also participate by giving financial education talks through the Tus Finanzas Tu Futuro programme of the Spanish Banking Association (AEB) and the Junior Achievement programme. Through this programme, Bank employees act as financial education instructors for secondary school pupils, helping them learn basic concepts of everyday finance through games and didactic activities.



VOLUNTARE

Banco Santander was a worthy recipient of the Certificate of Excellence in the Management of Corporate Volunteers in the Excellence Plus category in 2017



JUNIOR ACHIEVEMENT

This project focused on financial education of young people through classes in public high schools counts each year with increasing adherence by volunteers from Santander Totta. In the school year 2016/2017, 170 volunteers from all the country participated in about 200 programs, corresponding to a total of 2,118 hours of volunteering and contributed to the development of competences of 3,368 students.

For the 2017/2018 school year, in addition to the collaboration with Junior Achievement, the program counts on the participation of volunteers in the SPOT program, which aims to combat the school dropout and absentism of young people from 6 to 21 years old. In a first phase, developed at the end of 2017, 12 volunteers participated volunteers and there was a registration of 170 volunteers to participate in the programs of Junior Achievement in schools throughout the country.

"

It is a great challenge trying to help young people who are deciding upon their professional future, but it is also very gratifying. Being a volunteer means trying to change something in our environment, and it also changes us.

"

António Santos Volunteer in Junior Achievement



More information

JOBLINGE

As well as making a contribution through volunteering activities in the We Are Santander Week in Germany, employees can also help in initiatives such as Joblinge, which is designed to help people who are disabled or at risk of social exclusion to find jobs. Our employees thus act as mentors for these young people, who in each case receive attention customised to their needs.

More information

More information



BAKCYL is a programme promoted by the Warsaw Banking Institute, in partnership with the Polish Banking Association, and which is aimed at improving the level of financial education of young Poles, helping them to have a practical knowledge of finances and to develop skills for the correct use of financial services.

Over 100 bank employees act as instructors in this programme, giving financial education classes and workshops in schools all over the country. Volunteers receive a pack with training materials, aligned to the needs and expectation of the school pupils.

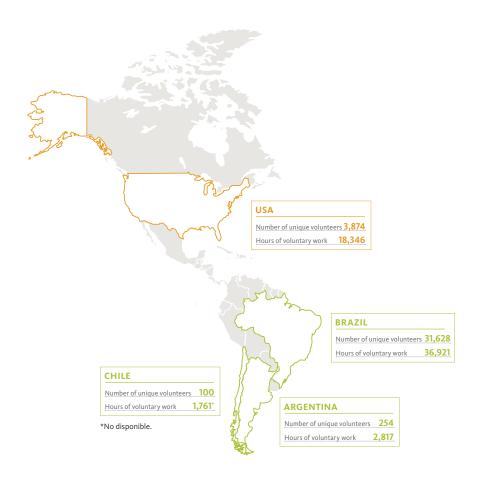


DISCOVERY DAYS

Discovery Days is part of the Discovery Project, a community service programme which is designed to develop skills, increase knowledge and help to foster innovation, to ensure that people have a better future. Every year, Group employees in the United Kingdom can take part in over 500 community projects which are part of Discovery Days. They include educational projects in schools, providing support services in soup kitchens, painting community buildings or clearing forests, for example.

In 2017, thanks to the collaboration of 430 social entities from all the country, 13,460 people were benefited with this programme.

Volunteers also provide continued support to programmes such as Santander MoneyWise, aimed at helping people understand how to manage their everyday finances.



FINANCIAL EDUCATION & TRAINING PROGRAM

Since it was launched in 2016, Banco Santander continues with an education programme for consumers that, among others initiatives, promotes the development of presentation materials based on the FDIC Money Smart programme, and the subsequent development of workshops and courses of financial training given by the employees. In the United States, Bank employees can also enjoy the Volunteer Paid Time Off (VPTO) scheme, whereby employees have up to 16 hours a year to take part in volunteer programmes which are aimed at improving the communities where they live and work.

PROGRAMA ESCOLA BRASIL (PEB)

Since 1998, this Banco Santander volunteer programme has encouraged Bank employees, customers and relatives to take part in activities in state schools aimed at improving education in Brazil. A special team advises the volunteers and gives them tools to provide guidance for their classes at the school over the year. The Bank also has a special incentive in which employees are given four hours a month to dedícate to the PEB.

In 2017, the Programme suffered a change in which the entire scope of the actions was integrated into activities that have the SDGs (Sustainable Development Goals) as directors, disseminating the UN 2030 Agenda for school communities and their environments. In this context, the PEB reached the number of more than 400 actions in 2017, totaling more than 7,900 volunteers involved (among permanent volunteers, and occasional guest volunteers) in 198 public schools, with 50,087 voluntary hours computed and 93,986 direct beneficiaries among students, teachers, school staff, family members and other people from the community school.

The actions of the PEB focus on 10 SDGs, and among these, the most worked in schools in 2017 were: SDG 8 "Decent Work and Economic Growth" with more than 61 actions, SDG 4 "Quality Education" with 85 actions carried out, and SDG 12 "Responsible Consumption and Production "with 28 actions.





Building homes in partnership with TECHO Chile.



Banco Santander has been a partner of TECHO Chile for many years. This organisation tackles the situation of poverty affecting thousands of people who do not have a proper roof over their heads, and who live in very precarious conditions in camps. The Bank and its employees support TECHO Chile's activities through funding and building homes and healthy community areas.

To help the families affected by the forest fires produced in Chile in 2017, the Techo-Chile campaign, Canal 13 and Banco Santander, managed to raise \$1,555,768,324, with which 500 emergency homes were built in 19 affected communities. The collaborators of the Bank not only made personal contributions, but also encouraged customers to make donations through the account that Santander arranged to collect funds.

Volunteers to support Pequeño Cottolengo:

More than 100 volunteers from Banco Santander collaborated in Happy Park, a charity event that supports Pequeño Cottolengo, a home for children and adults with severe and profound intellectual disabilities, to favour their integration.



PESCAR SANTANDER RÍO EDUCATIONAL CENTRE

As part of its aim to help people prosper, the Bank organises workplace inclusion and skills programmes for young people to make them more employable. One of the best examples is the Pescar Santander Río Educational Centre, which aims to prepare young people to fare better on the job market by offering personal and professional training to students from state schools in Buenos Aires.

With this programme, some young people in their last year of school could attend the Centre accompained by a monitor specialised in social psychology. Addiotionally, in the 10th year of these courses, the Pescar Santander Río Educational

Centre also offered a mentoring programme carried out by volunteers who were Bank employees. They provide guidance to the youngsters through talks and workshops on subjects such as how to prepare for interviews, and legal considerations of job hunting. Volunteer suppliers of Santander Río also taught the students information technology classes.

Through the programme in collaboration with the Fundación Pescar, young people are offered work experience during the Contact Centre during the year. When they finish their studies, the Bank also gives them the chance to work in the company.





Closure of the 7th Social Projects Competition in the 'Euros from your Payslip' programme.

■ Other initiatives in which employees take part *Matching giving & Fund-raising*.

The Bank also organises a number of different programmes to support and promote various Fund-raising initiatives for employees, in order to help the most disadvantaged sections of communities.

Some of the most significant programs are Amigo de Valor in Brazil, Mexico's Fideicomiso por los niños (Children's Trust), the 'Euros from your payslip' Fund, Convocatoria de proyectos (Call for projects) in Spain, and the Matched donation Scheme in the UK. In all of them, the Bank complements the funds raised with its own contributions.

In many of these programmes, the employees themselves come up with the funds out of their own pockets, either through their payslip, income tax or with one-off contributions through transfers. In other cases, employees, with the Bank's support, promote charity activities in the community such as street markets, or charity marathons which they use to raise funds from customers, suppliers and society at large.

Employees managed to raise a total of 5.5 million euros through these programmes in 2017. On top of this, the Bank made its own contribution of 4 million euros, making total raised funds of over 9.6 million, with which the bank and its employees have been able to help over 67,000 people over the course of the year.

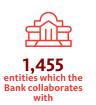
MAIN MATCHING GIVING & FUND-RAISING PROGRAMMES IN WHICH EMPLOYEES TAKE PART

Country/ Programme	Employee contribution	Others' contribution *1	Bank Contribution	Total contribution
UK • Staff Matched Donation		2,817,740 €	2,817,740€	5,635,480€
Brazil • Amigo de valor	1,331,641 €	953,848€	876,754€	3,162,243€
Spain • "Euros from your payslip" fund	236,470 €		236,470€	472,939€
Mexico • Children's trust in Mexico	211,670 €		135,330 €	400,402€
Total	1,779,781€	3,771,588€	4,066,294 €	9,617,662€

million euros

raised

*1 Customers, suppliers, society at large.







STAFF MATCHED DONATION

In the UK, Santander encourages Bank employees to take part in raising funds for charity organisations in the country through the Staff Matched Donation programme. This programme is organised by the Santander Foundation in the UK, which matches donations made by employees and companies. In 2017, a total of 2,817,740 euros were donated to around 2,000 NGOs and other social entities in the UK, helping over 25,000 people overall.

Furthermore, every year Santander employees in the UK choose a principal NGO and they raise money through street markets, charity races, events, etc., to create a social fund which is used in full for the selected NGO's activities. In 2017, the chosen NGOs were Age UK and Barnardo's. Through their enthusiastic approach and commitment, Bank teams were able to raise 1.2 million euros.



CHILDREN'S TRUST IN MEXICO, ALL IN SANTANDER

Over 24 years, this program has been directed towards various social causes in Mexico in collaboration with a number of different institutions, whose efforts are focused on helping socially and economically disadvantaged children with nutrition, education and health programmes. In 2017, Bank employees assisted 27,210 children through economic donations made to 71 social organisations. They raised €347,000, to offer help in the fight against hunger, helping 5,041 children. The programme also addressed the emotional health needs of 9,487 children, and 12,682 children were able to get access to quality primary education.

Children's Trust in Mexico, All in Santander was given the best practices award by CEMEF.

More information



AMIGO DE VALOR

Since 2002, the Amigo de Valor programme has helped to support the Municipal Councils of Children's and Adolescents' Rights in Brazil by providing funds for their activities. It channels employees' and customers resources through Brazilian income tax to support children's rights. In 2017, 29,042 employees - roughly 62% of the Bank's total staff in Brazil took part in the programme.

The programme has already supported over 600 initiatives in 199 municipalities, and over 46,000 children and adolescents have benefited. In 2017, the programme supported 38 initiatives to help over 4,000 children living in a socially precarious situation.

Under the same scheme, the Bank has also supported the Parceiro de Idosos programme to supporting elderly people's rights. In total in 2017, 19 initiatives distributed throughout the country received support from the Program for the development of care projects aimed at elderly people at social risk.





'EUROS FROM YOUR PAYSLIP' SOCIAL PROJECTS COMPETITION

The social programmes competition allows Group employees in Spain to present projects of social entities which carry out activities aimed at helping to improve our communities in some way. An experts committee selects twenty-five finalists from all the projects presented, and then the employees decide which of these finalists are the winners.

The winning projects are funded using the 'Euros from your Payslip' fund, into which employees pay voluntarily a small fraction of their salary every month; Banco Santander then itself pays out the same amount as the total raised by employees. A total of 2,800 employees already take part in this fund.



Mexico's Fideicomiso por los Niños Programme.

In 2017, 472,939 euros were donated to 10 NGOs chosen by over 3,600 employees, helping a total of over 4,300 people through this scheme.



Amigos de los Mayores, one of the winner NGOs of 9th Social Projects Competition, España.

