Santander

Quarterly Shareholder Report - 2025

January - December 2025

See in Spanish

Key figures Group 2025

In 2025, attributable profit increased 12% year-on-year to €14,101 million

	2025	change/ 2024
Total income	€62,390mn	0.3%
Net operating income	€36,665mn	1.3%
Profit before tax	€20,867mn	9.7%
Profit attributable to the parent	€14,101mn	12.1%

Note: Underlying income statement.

Solid balance sheet and organic capital build

	Dec-25	change/ Dec-24
Total assets	€1,867,515mn	1.7%
Loans and advances to customers	€1,037,288mn	(1.6%)
Customer deposits	€1,041,200mn	(1.4%)
Total funds	€1,363,160mn	1.1%

Notes: total funds includes customer deposits, mutual funds, pension funds and managed portfolios.
If we include loans, deposits and funds associated with the Poland disposal, as at 31 December 2025 loans and advances to customers would have been €1,076,315mn; customer deposits €1,095,827mn and total funds €1,426,432mn.

	Dec-25	Dec-24
Phased-in CET1 ratio	13.5%	12.8%

Higher profitability and double-digit shareholder value creation

	change/Dec-24
TNAVps + Cash DPS	+14%

TNAVps + Cash DPS includes the €11.00 cent cash dividend per share paid in May 2025 and the €11.50 cent cash dividend per share paid in November 2025, both forming part of our shareholder remuneration policy.

	2025	change/Dec-24
EPS	€0.91	+17.3%

Credit quality remains robust

	Dec-25	Dec-24
Cost of risk	1.15%	1.15%
NPL ratio	2.91%	3.05%
NPL coverage ratio	66%	65%

ONE Transformation and global scale keep accelerating operational leverage and profitable growth

	2025	2024
RoTE (post-AT1)	16.3%	15.5%
Efficiency ratio	41.2%	41.8%

Total income

In a less favourable environment than initially expected, shaped by geopolitical and trade tensions and lower interest rates, **total income** was flat year-on-year, achieving our 2025 target. In constant euros, it was up 4%, underpinned by a positive **net fee income** performance (+9%), boosted by higher customer activity, network benefits and greater collaboration between our global businesses, accompanied by a solid **net interest income** performance.

Ratios

Credit quality remained robust, supported by our good risk management and low unemployment levels across our footprint. The **NPL ratio** improved 14bps year-on-year to 2.91%, reaching the lowest recorded levels in 16 years. The **NPL coverage ratio** delivered a 2pp increase year-on-year to 66%. Total **loan-loss reserves** ended the year at €22,869mn.

The Group's **cost of risk** was stable year-on-year at 1.15%, in line with our target for 2025.

Profitability

Profitability improved significantly year-on-year with **RoTE (post-AT1)** increasing 0.8pp to 16.3% in 2025, compared to 15.5% in 2024, in line with our year-end target.

Global businesses performance in 2025

Retail & Commercial Banking

Global business integrating our retail and commercial banking activities.

ONE Transformation continues to deliver tangible progress: fees (+6%), cost per active customer (-4%) and high profitability levels.

Loans rose YoY supported by mortgages, mainly in Europe, Brazil and Mexico. Deposits (+4%) and mutual funds (+16%) up in most countries, on the back of higher transactionality.

Strong profit growth YoY (+9%), on the back of higher fees and effective risk management, with costs under control.

Loans	Deposits	Mutual funds
€601bn	€662bn	€115bn
+1%	+4%	+16%
Efficiency	**CoR**	**RoTE post-AT1**
39.4%	0.88%	17.7%
-0.1pp	-5bps	-0.4pp

Note: data and YoY changes in constant euros.

Digital Consumer Bank

A single model across our markets for our consumer and auto finance business and for Openbank.

Progressing in our priority to become the preferred choice of our partners and end customers, while being the most cost competitive player.

Loans rose 2% YoY, underpinned by auto lending, especially in Europe, in a market that picked up after a weak start to the year, and in Latin America.

Deposits grew 5%, up across our footprint, supported by Openbank, in line with our deposit gathering strategy to reduce funding costs and lower NII volatility across the cycle

Profit +8% YoY, even after lower fiscal benefits linked to EVs,mainly backed by solid revenue growth and lower provisions.

New lending	Loans	Deposits
€82bn	€212bn	€130bn
-8%	+2%	+5%
Efficiency	**CoR**	**RoTE (post-AT1)**
40.6%	2.10%	8.6%
+0.5pp	-7bps	-0.3pp

Corporate & Investment Banking

Our global platform to support corporates and institutions.

Good progress in our strategy focused on fees and capital-light business through our Global Markets and Global Banking initiatives, supporting enhanced value proposition and higher profitability while we maintain a leading position in efficiency.

Profit rose 7% YoY, backed by fees (+9%), up across business lines but particularly in Global Banking in the US, and NII on the back of solid Global Markets financing activity.

Loans	Deposits	Efficiency
€152bn	€140bn	45.5%
+15%	+5%	+0.0pp

CoR	RoTE post-AT1
0.15%	19.1%
+5bps	+1.8pp

Wealth Management & Insurance

Common service models for our Private Banking, Asset Management and Insurance businesses.

We continue to build the best wealth and insurance manager in Europe and the Americas, leveraging our leading global private banking platform and our best-in-class funds and insurance product factories.

AuMs reached a new record of €558bn (+14% YoY), on the back of solid commercial activity and a positive market performance. GWPs rose 4% YoY, with a strong performance in the life savings business.

Profit increased double digits YoY, supported by strong revenue growth across businesses reflecting, our focus on fee generating activities.

AuMs	Net new money (PB)	Net Sales (SAM)
€558bn	€20.0bn	€3.7bn
+14%	6% of volumes*	2% of volumes*
GWPs	**Efficiency**	**RoTE post-AT1**
€10.7bn	35.3%	68.5%
+4%	-2.9pp	-8.4pp

*Net new money as a % of PB's 2024 customer assets and liabilities (CAL). Net sales as a % of SAM's 2024 AuMs.

Payments

Single infrastructures for our payment solutions: PagoNxt and Cards.

PagoNxt

Profit up €152mn YoY (excluding write-downs in Q2'24) driven by strong revenue (+16%, higher activity). EBITDA margin rose to 34.5% (+7.0pp).

Getnet TPV	Getnet number of transactions
€238bn	+7%
+14%	

Cards

Profit up 19% YoY, with NOI +24%, boosted by double-digit revenue growth (credit card activity). LLPs impacted by loan growth and a less favourable macro environments in some of our countries.

Spending	Average balance
€338bn	€23bn
+6%	+13%

Note: data and YoY changes in constant euros.

Santander in the market

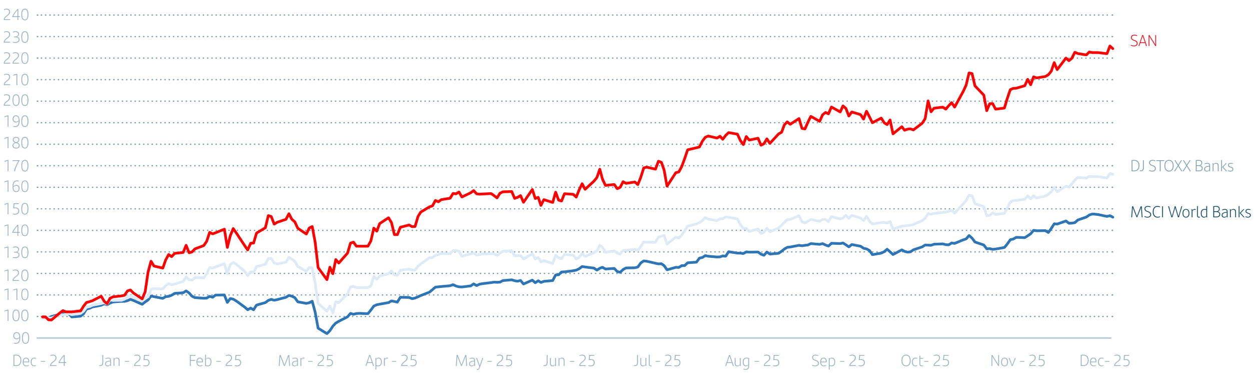
The SAN share closed 2025 with a 125.6% year-to-date increase

Start (31/12/2024)	€4.465
Maximum (30/12/2025)	€10.156
Minimum (02/01/2025)	€4.255
End (31/12/2025)	€10.070

Perfomance of the main indexes:

SAN: **+125.6%**
Eurostoxx Banks: **+80.3%**
DJ Stoxx Banks: **+66.9**
MSCI World Banks: **+46.9%**
Ibex 35: **+49.3%**
DJ Stoxx 50: **+14.1%**

Santander's share significantly outperformed both the sector and the broader European market



93% of analysts recommend buying or holding SAN shares

Buy	**69%**
Hold	**24%**
Sell	**7%**

Source: Bloomberg as of 31/12/2025.

As at 31 December 2025, Santander's market capitalization of €147,921 million* was the largest in the eurozone among financial institutions.

Shares and trading data

Shares (number)	**14,689,319,502**
Average daily turnover (number of shares)	**29,696,669**
Share liquidity (%)	**51**

(Annualized number of shares traded during the period / number of shares)

Weighting of the Santander share in the main indices

Stoxx Europe 600 Banks	**8.4%**
Euro Stoxx Banks	**13.6%**
Ibex 35	**17.0%**

Source: Bloomberg and Madrid Stock Exchange as of 31/12/2025.

* After cancelling the shares carried out on 30 December 2025 from the first share buyback programme against 2025 results. Without taking into account the cancellation of these shares, market capitalization of €149,895mn.

3,518,729 shareholders trust Banco Santander

Distribution by type of shareholder

Institutions	**64.52%**
Retail	**34.15%**
Board	**1.33%***

*Shares owned or represented by directors.

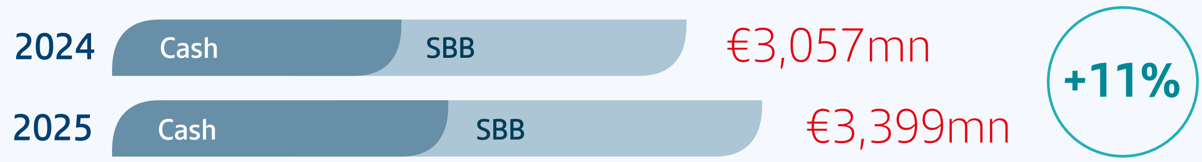
Distribution by geographic area

Europe	**70.38%**
The Americas	**28.29%**
Other	**1.33%**

As of 31/12/2025. Source: data obtained from the aggregation of Banco Santander, S.A. Shareholder Register.

Shareholder remuneration charged against 2025 results

Remuneration based on the results of the first half of each period



In application of the current shareholder remuneration policy, **the Group carried out the following against 2025 results:**

- A payment **of an interim cash dividend of €11.50 cents per share, paid in November 2025**, equivalent to c.25% of the Group's underlying profit in H1 2025, 15% higher than its 2024 equivalent. Including the €11.00 cent dividend per share paid in May 2025, the cash dividend per share paid during 2025 was also 15% higher than that paid in 2024.
- **The first share buyback programme of €1.7 billion**, carried out between 31 July 2025 and 23 December 2025.

  This programme puts us on track to reach our goal to distribute at least €10 billion through share buybacks charged against 2025 and 2026 results and against expected capital excess*.

Total shareholder remuneration charged against H1 2025 results was €3,399 million, **11% higher than the remuneration charged against H1 2024 results.** The amount is approximately 50% of H1 2025 attributable profit (around 25% through cash dividend payments and around 25% through share buybacks).

The board of directors is expected to submit the approval of a final cash dividend, in accordance with the current shareholder remuneration policy, at the next general shareholders'meeting. As a result, the total cash dividend per share charged against 2025 results is estimated to be approximately 15% higher than that charged against 2024 results.

At year end, **TNAV** per share was €5.76. Including the final cash dividend against 2024 results and the interim cash dividend charged against 2025 results, TNAV per share increased 14% year-on-year.

*As previously announced, Santander intends to allocate at least €10 billion to shareholders through share buybacks charged against 2025 and 2026 results and against the expected capital excess. This share buyback target includes i) buybacks that are part of the existing shareholder remuneration policy; and ii) additional buybacks following the publication of annual results to distribute year-end excesses of CET1 capital. The implementation of the shareholder remuneration policy and additional buybacks is subject to future corporate and regulatory decisions and approvals.

Our business model, based on three unique competitive advantages, is the foundation to continue generating value for our shareholders

1. Customer focus

We are building a digital bank with branches to deliver the best customer experience and be the #1 bank for our customers.

Total customers	**180mn**	+4.5% vs. Dec-24
Active customers	**106mn**	+3% vs. Dec-24

2. Global and in-market scale

Santander has a unique combination of global scale and local leadership. Our activities are organized under five global businesses, which support value creation based on the profitable growth and operational leverage that ONE Santander provides.

Global businesses

Retail	Retail & Commercial Banking
Consumer	Digital Consumer Bank
CIB	Corporate & Investment Banking
Wealth	Wealth Management & Insurance
Payments	Payments

ONE Santander

3. Diversification: business, geographical and balance sheet

Well-balanced diversification between businesses and markets with a solid and simple balance sheet that gives us recurrent net operating income with low volatility and more predictable results.

	Retail	Consumer	CIB	Wealth	Payments
Gross loans and advances to customers (excl. reverse repos)[1]	59%	21%	15%	3%	2%
Customer funds[1]	62%	11%	12%	15%	
Contribution to Group revenue[2]	50%	21%	13%	7%	9%

1. As percentage of total operating areas. December 25. Including Poland.
2. As percentage of total operating areas, excluding the Corporate Centre.

Delivering on all our 2025 targets

	Revenue	Fees	Cost base	CoR	CET1[1]	RoTE post-AT1	TNAVps + Cash DPS
2025	€62.4bn	+9%	-1% in euros	1.15%	13.5%	16.3% post-AT1	+14%
Targets	c.€62bn	Mid-high single digit growth	Down vs. 2024 in euros	c.1.15%	13% operating range: 12-13%	16.5% post-AT1	Double-digit growth through-the-cycle

Note: Data and YoY changes in constant euros, unless otherwise indicated.
TNAVps + Cash DPS includes the €11.00 cent cash dividend per share paid in May 2025 and the €11.50 cent cash dividend per share paid in November 2025, both forming part of our shareholder remuneration policy. (1) CET1 ratio is phased-in, calculated in accordance with the transitory treatment of the CRR.

For more information on Banco Santander's quarterly results see:

Executive Chair video summary

Press release

2025 Financial Report

2025 Earnings presentation

About us

Banco Santander is a leading commercial bank, founded in 1857 and headquartered in Spain. Santander is a global bank organized under 5 global businesses, with a meaningful presence in 10 core markets in Europe, North America and South America, and is one of the largest banks in the world by market capitalization.

Santander aims to be the best open financial services platform providing services to individuals, SMEs, corporates, financial institutions and governments. **The bank's purpose is to help people and businesses prosper in a simple, personal and fair way.**

Santander

Contact

Holders of Santander Spain share
www.santander.com
accionistas@santander.com
Shareholder Helpline: +34 91 276 92 90*
WhatsApp: +34 91 276 92 90*

*Lines are open Monday to Friday from 8.00 a.m. to 7.00 p.m.

Holders of CREST Depositary Interests (CDIs)
www.santandershareview.com
santandershareholders@equiniti.com
Shareholder Helpline: 0371 384 2000*

*Lines are open Monday to Friday from 8.30 a.m. to 5.30 p.m. (excluding English and Welsh public holidays). Callers from overseas should contact +44 (0) 121 415 7188.

Holders of American Depositary Receipts (ADRs)
Citibank Shareholder Services
P.O. Box 43077. Providence. RI 02940-3077
citibank@shareholders-online.com
Telephone: +1 888 810 7456*
Telephone: +1 781 575 4555 (International calls)*
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Think **Customer**
Think **Global**

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Discl

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Banco Santander, S.A. ("Santander") cautions that this document may contain financial information prepared according to International Financial Reporting Standards (IFRS) and taken from our consolidated financial statements, as well as alternative performance measures (APMs) as defined in the Guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority (ESMA) on 5 October 2015, and other non-IFRS measures. The APMs and non-IFRS measures were calculated with information from Grupo Santander; however, they are neither defined or detailed in the applicable financial reporting framework nor audited or reviewed by our auditors. We use the APMs and non-IFRS measures when planning, monitoring and evaluating our performance. We consider them to be useful metrics for our management and investors to compare operating performance between accounting periods.

Nonetheless, the APMs and non-IFRS measures are supplemental information; their purpose is not to substitute the IFRS measures. Furthermore, companies in our industry and others may calculate or use APMs and non-IFRS measures differently, thus making them less useful for comparison purposes. APMs using environmental, social and governance labels have not been calculated in accordance with the Taxonomy Regulation or with the indicators for principal adverse impact in SFDR.

For more details on APMs and non-IFRS measures, please see the 2024 Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission (the SEC) on 28 February 2025 (https://www.santander.com/content/dam/santander-com/en/documentos/informacion-sobre-resultados-semestrales-y-anuales-suministrada-a-la-sec/2025/sec-2024-annual-20-f-2024-en.pdf), as well as the section "Alternative performance measures" of Banco Santander, S.A. (Santander) Q4 2025 Financial Report, published on 3 February 2026 (https://www.santander.com/en/shareholders-and-investors/financial-and-economic-information#quarterly-results).

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- exposure to operational risks, including cyberattacks, data breaches, data losses and other security incidents;
- exposure to market risks (e.g., risks from interest rates, foreign exchange rates, equity prices and new benchmark indices);
- potential losses from early loan repayment, collateral depreciation or counterparty risk;
- political instability in Spain, the UK, other European countries, Latin America and the US;
- changes in monetary, fiscal and immigration policies and trade tensions, including the imposition of tariffs and retaliatory responses;
- legislative, regulatory or tax changes (including regulatory capital and liquidity requirements) and greater regulation prompted by financial crises;
- acquisitions, integrations, divestitures and challenges arising from deviating management's resources and attention from other strategic opportunities and operational matters;
- climate-related conditions, regulations, targets and weather events;
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- our own decisions and actions, including those affecting or changing our practices, operations, priorities, strategies, policies or procedures; and
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Sale of 49% stake in Santander Bank Polska to Erste Group

All figures, including P&L, loans and advances to customers, customer funds and other metrics are presented on an underlying basis and include Santander Bank Polska, in line with previously published quarterly information, i.e. maintaining the same perimeter that existed at the time of the announcement of the sale of 49% stake in Santander Bank Polska to Erste Group (https://www.santander.com/content/dam/santander-com/en/documentos/informacion-privilegiada/2025/05/hr-2025-05-05-santander-announces-the-sale-of-49-per-cent-of-santander-polska-to-erste-group-bank-and-agrees-strategic-cooperation-across-cib-and-payments-en.pdf). For further information, see the 'Alternative performance measures' section of Banco Santander, S.A. (Santander) Q4 2025 Financial Report, published on 3 February 2026 (https://www.santander.com/en/shareholders-and-investors/financial-and-economic-information#quarterly-results).