

Institutional Presentation 9M'23



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model and
strategy**

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& activity**

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Our business model
and strategy

Santander, a leading financial group



9M'23 Highlights

	Total assets (€ bn)	1,817
	Customer loans (€ bn excluding reverse repos)	1,017
	Customer deposits + mutual funds (€ bn excluding repos)	1,160
	Branches	8,652
	9M'23 Net operating income (pre-provision profit) (€ mn)	24,134
	9M'23 Attributable profit (€ mn)	8,143
	Market capitalization (€ bn; 29-09-23)	59
	People (headcount)	212,219
	Customers (mn)	166
	Shareholders (mn)	3.7
	Financial inclusion starting 2023 (mn people)	1.3

The Santander Way

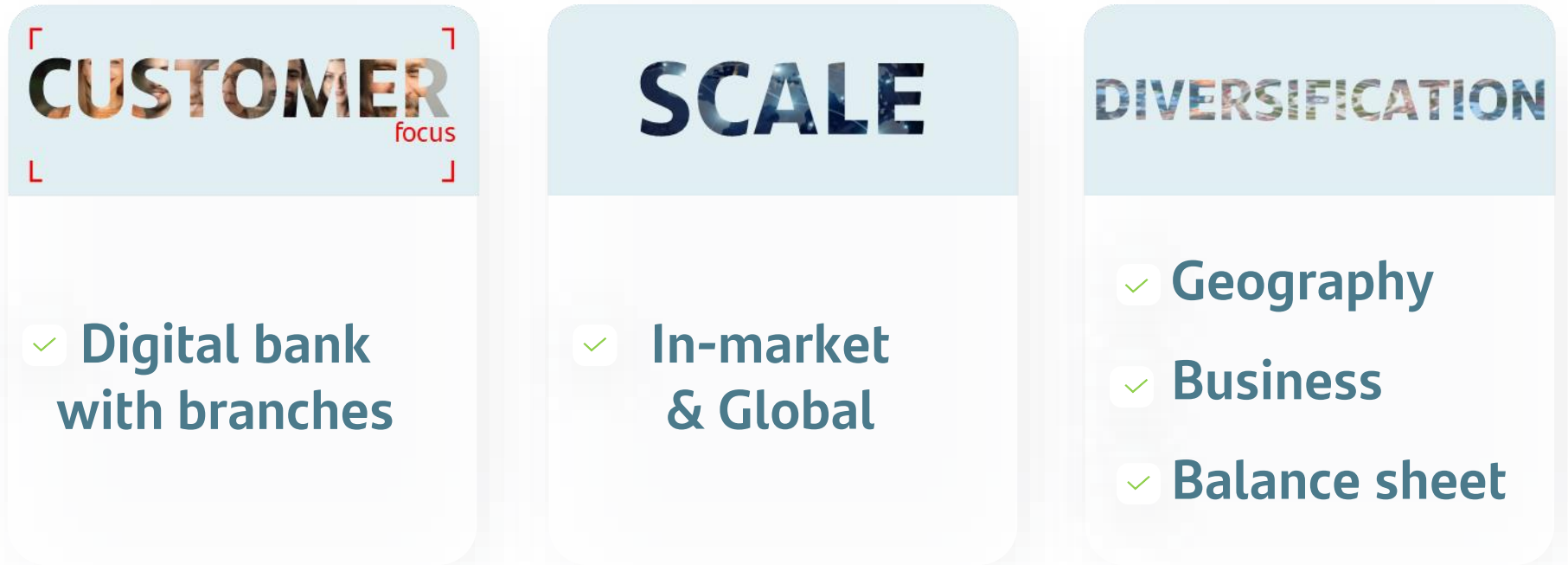
Who we are and what guides us



Santander business model



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



Entering a new phase of value creation

01.

Customer focus

We have grown our customer base over the last seven years, with balanced growth by region and business

166 (+9mn)
million customers

Distribution by market



15%



28%



45%



DCB 12%



101 mn (+2.1mn)
Active customers



53.6 mn (+6%)
Digital customers



Customer satisfaction

**Top 3 NPS¹ in
5 markets**



+12%
Transactions per
active customer



56%
Digital sales as a
% of total sales in 9M'23

01.

Customer focus



To bring all our customers to a common operating model, while converging to a common technology to build a **digital bank with branches**



Branches: >8,000



Best omni-channel experience,
while we guarantee access to all segments

Collaborative spaces and increased digital capabilities



- Sparsely populated communities
- Most vulnerable groups
- Low-income communities
- University students

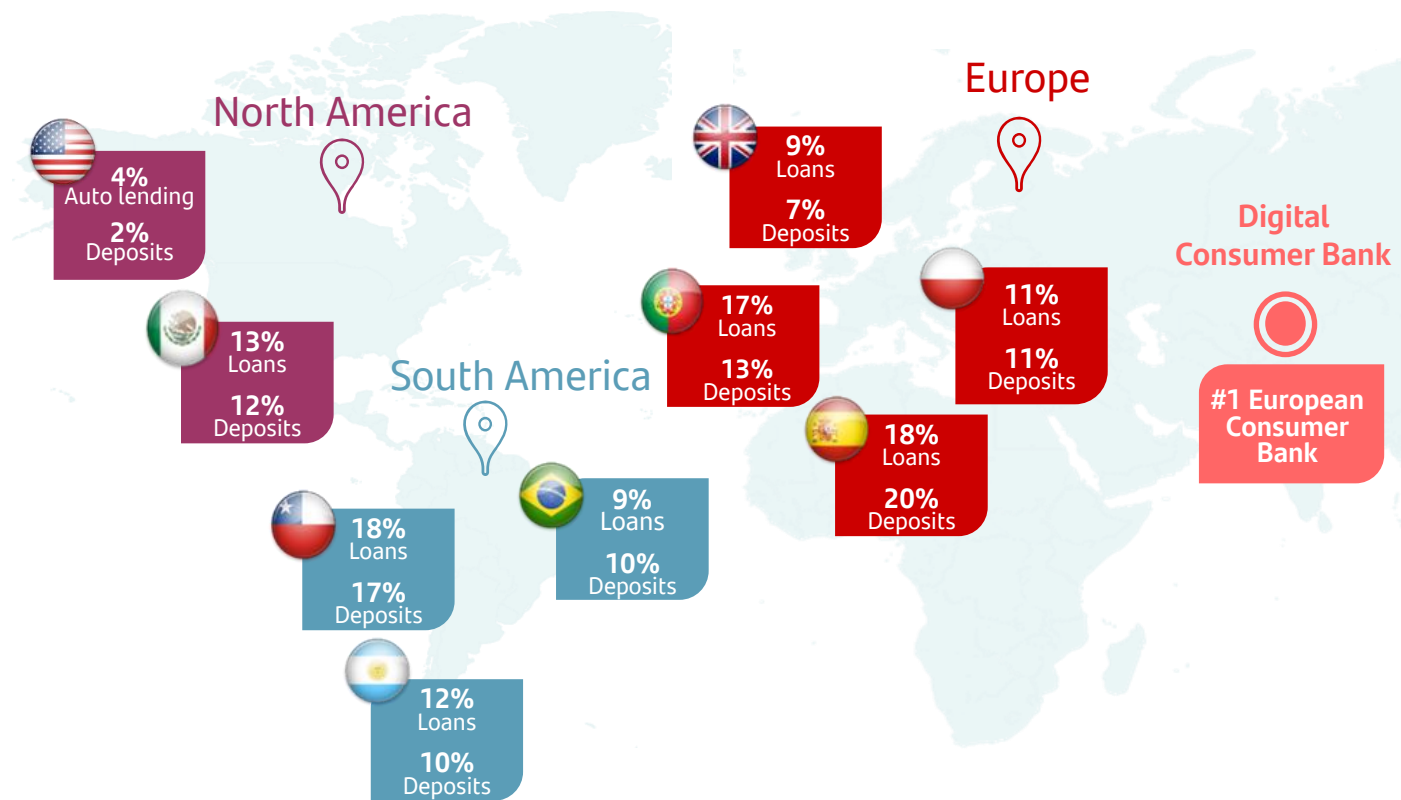


02.

Scale

Our unique combination of in-market scale and global scale network allow us to be among the most profitable banks in our markets

Market shares



Our global and network businesses (SCIB, WM&I, Payments and Auto) drive in-market and Group profitable growth and value, while represents 38% of Santander's total revenue

03.

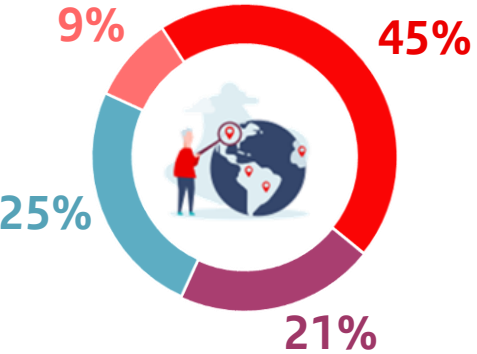
Diversification



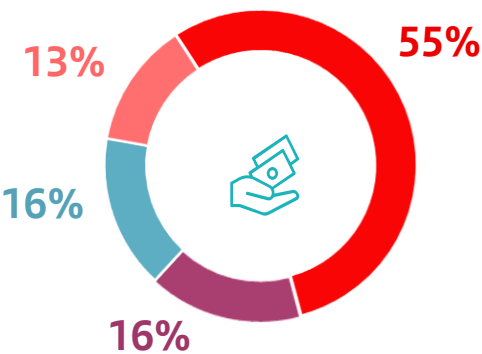
Geographical
well-diversified profit
and balance sheet



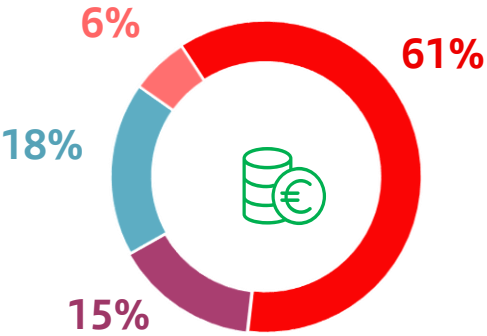
Profit



Customer loans



Customer funds



■ Europe ■ North America ■ South America ■ Digital Consumer Bank

03.

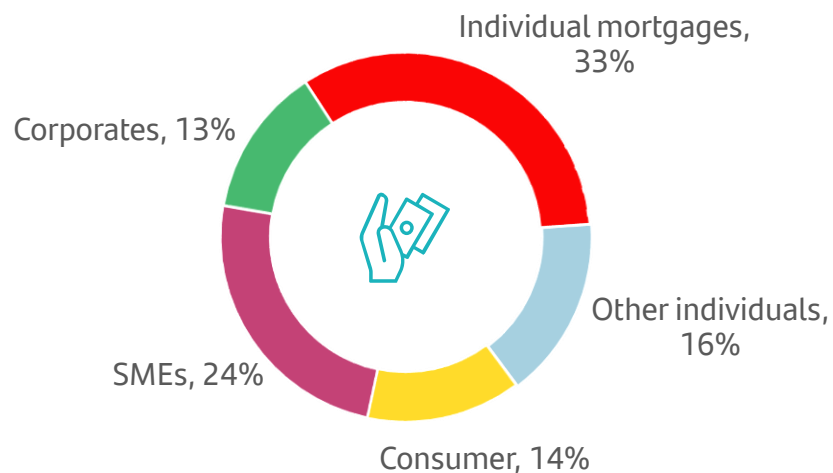
Diversification



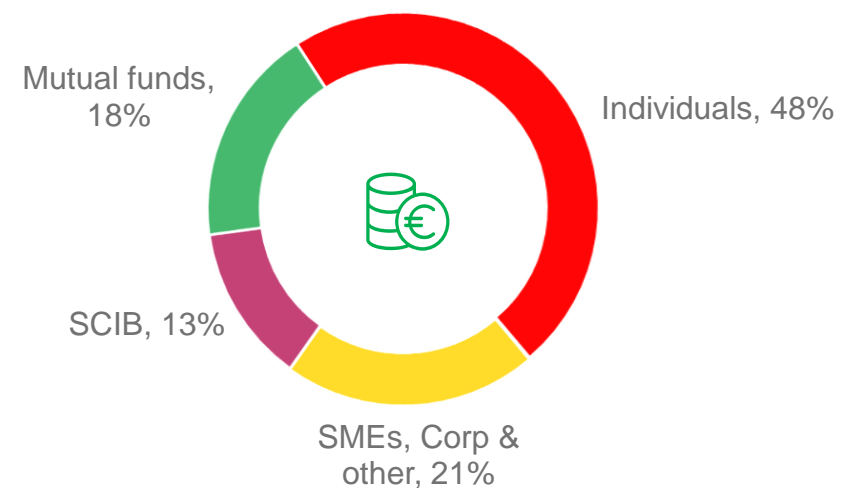
Business
diversification among
customer segments



Customer loans



Customer funds



03.

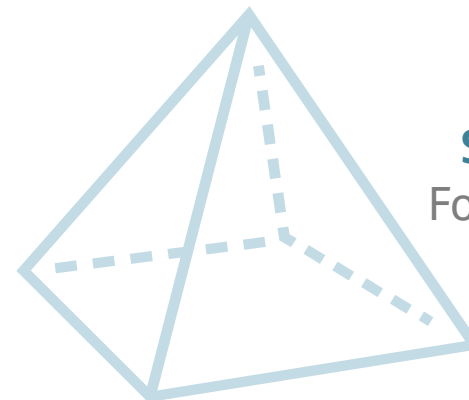
Diversification

■ ■
Rock-solid
balance sheet with
conservative risk
management
■ ■

Simple, transparent and easy to analyze balance sheet

Medium-low risk profile

Strong liquidity ratios
well above requirements



Strong solvency ratios
Focus on capital efficiency
and asset rotation

**Stable and diversified
deposit structure**
High-quality retail
customer deposits

**Highly collateralized and
diversified loan portfolio**
Low-risk loan portfolio

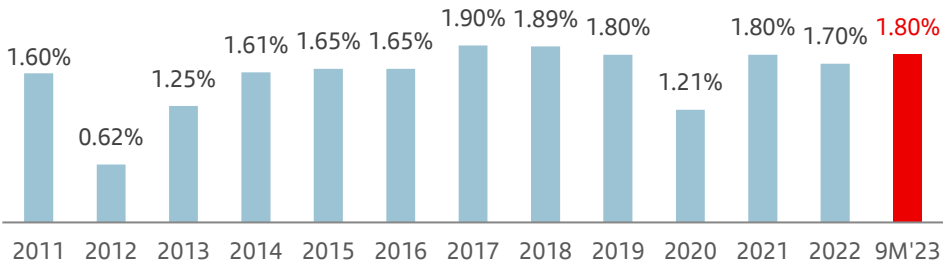
Supporting value creation and sustainable remuneration to our shareholders

In summary

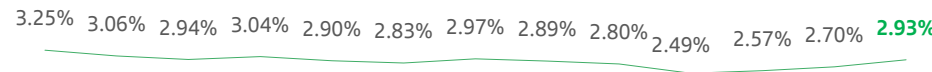
Our results show that our business model works. It is based on unique competitive advantages which differentiate us in terms of growth, cost and profitability

Reliable risk-return profile

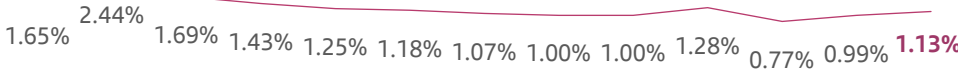
Differential Pre-provision profit / loans and cost of credit



Pre-provision profit / loans

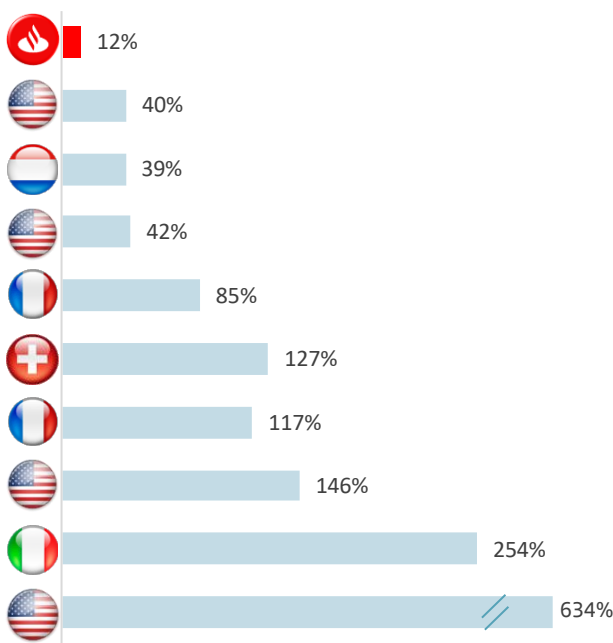


Cost of risk¹



Lower volatility of results

EPS volatility²



(1) Provisions to cover losses due to impairment of loans in the last 12 months / average customer loans and advances of the last 12 months.
(2) Calculated using quarterly data from Jan-99 to Q2'23. Source: Bloomberg, with GAAP criteria. Standard deviation of the quarterly EPS starting from the first available data since Jan-99.

Environmental, Social and Governance

■ ■
We continue to
make progress on
our ESG agenda ■ ■

Green Finance
raised and facilitated
(since 2019)

Socially responsible
Investments (AuM)

Financial inclusion
(# People)¹

9M'23

€105.9bn

€64bn

1.33mn

»

»

»

2025 targets

€120bn

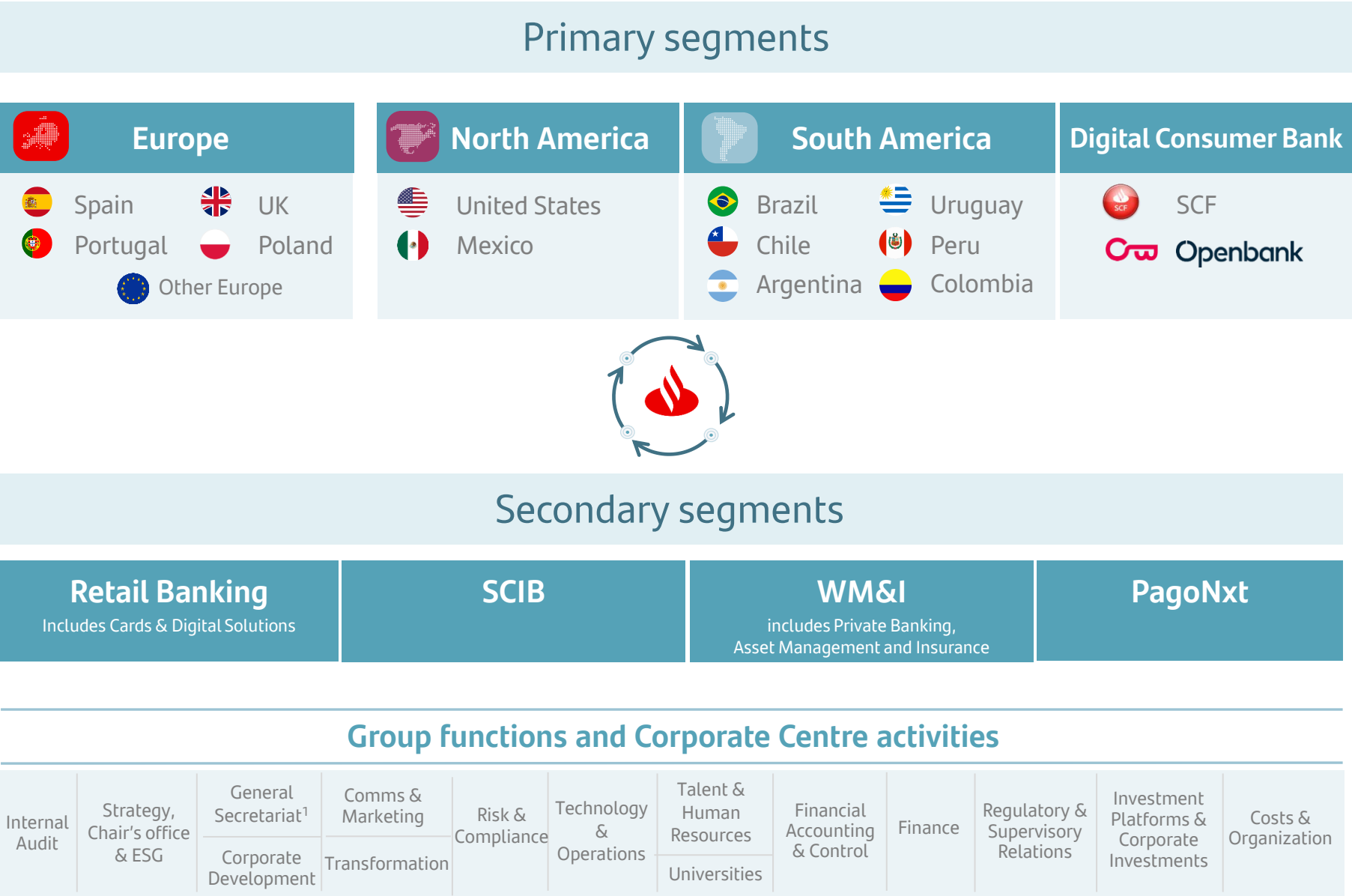
€100bn

5mn



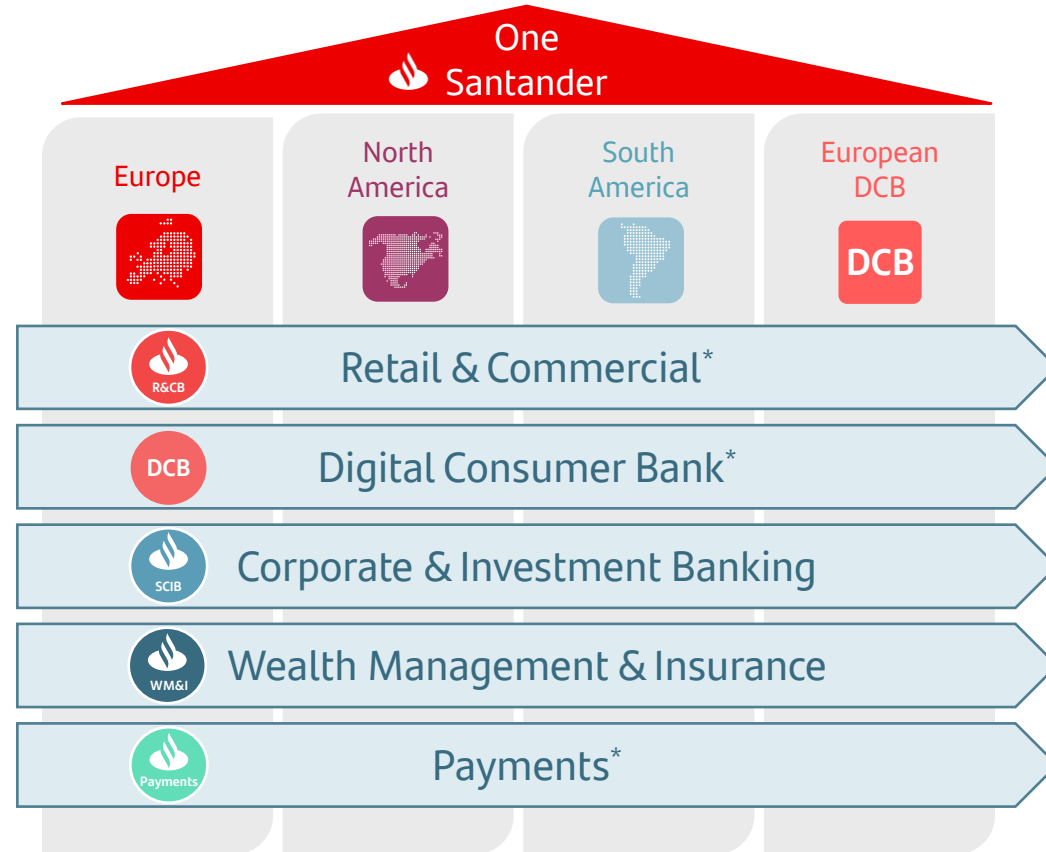
2. Group structure and businesses

Group organizational structure in 2023



Our last
step towards
ONE SANTANDER
announced on
18 September
2023

-
New reporting
from 2024*



Santander will concentrate operations in five global business areas which will become the bank's primary reporting segments, while will maintain current governance of subsidiaries autonomous in capital and liquidity

A faint, light blue world map is visible in the background, centered behind the text. The map shows the outlines of continents and major landmasses.









Primary segments



Europe

'We continue to accelerate our business transformation to achieve higher growth and a more efficient operating model'

9M'23 Highlights

	Branches	3,095
	Employees	67,151
	Total customers (mn)	46.4
	Digital customers (mn)	18.3
	Customer loans (€ bn)	552
	Customer funds (€ bn)	710
	Underlying attributable profit (€ mn)	4,176
	RoTE	14.8%

Strategic priorities

- Customer centric: grow our active customer base through better customer service and experience
- Simplification and automation: enhance efficiency through a common operating model in the region
- Network contribution: grow our global business revenue by increasing connectivity across the region
- Customer activity: improve loyalty through a value proposition for individuals and SMEs
- Disciplined capital allocation: improve pricing discipline and risk management
- Further improve profit and increase RoTE











Spain



'Focus on our business transformation leveraging global solutions to enhance customer service while increasing efficiency and profitability'

9M'23 Highlights









	Branches	1,881
	Employees	26,819
	Total customers (mn)	14.9
	Digital customers (mn)	6.3
	Customer loans (€ bn)	231
	Customer funds (€ bn)	381
	Underlying attributable profit (€ mn)	1,854
	RoTE	14.7%

Strategic priorities

- Grow our customer base, providing the best customer experience across all channels
- Deliver a simpler value proposition for retail and a specialized one for high-value segments and evolve our customer relationship model towards a digital bank with branches
- Simplify our product portfolio and automate processes to enhance operational excellence
- Leverage global solutions to grow our business and build a common operating model
- Continue optimizing our capital management through better capital allocation and balance sheet mobilization

'Santander UK creates value by serving customers with tailored financial products and services'

9M'23 Highlights

	Branches	444
	Employees	22,204
	Total customers (mn)	22.5
	Digital customers (mn)	7.2
	Customer loans (€ bn)	238
	Customer funds (€ bn)	228
	Underlying attributable profit (€ mn)	1,243
	RoTE	14.0%

■ ■ Strategic priorities ■ ■

- Well established UK market position. Customer focused strategy with resilient balance sheet
- Deliver growth through customer loyalty and outstanding customer experience
- Simplify and digitalize the business for improved efficiency and returns
- Be a responsible and sustainable business. Engage, motivate and develop a talented and diverse team











Portugal



'Santander Portugal aims to provide best-in-class service to its customers, maintaining a leadership position in lending'

9M'23 Highlights

	Branches	376
	Employees	4,982
	Total customers (mn)	2.9
	Digital customers (mn)	1.2
	Customer loans (€ bn)	38
	Customer funds (€ bn)	40
	Underlying attributable profit (€ mn)	604
	RoTE	23.1%









Strategic priorities

- Continue to implement our transformation plan with the aim of improving service quality and increasing our customer base
- Grow organically in terms of profitable market share and with adequate capital remuneration
- Maintain our position as market leaders in efficiency, improving the cost base
- Maintain an appropriate risk policy with high credit quality and strong capital position



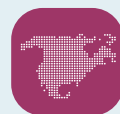
'3rd largest bank in Poland and
one of the most innovative financial institutions in Poland'

9M'23 Highlights

	Branches	386
	Employees	10,721
	Total customers (mn)	5.9
	Digital customers (mn)	3.5
	Customer loans (€ bn)	32
	Customer funds (€ bn)	46
	Underlying attributable profit (€ mn)	529
	RoTE	18.9%

■ ■ Strategic priorities ■ ■









- Maintain Top 3 NPS position in a highly competitive digital market in Poland - implementing the agenda from our customer roadmap to reinforce our position
- Strengthen efforts to ensure Total Experience, which includes the best experience for our customers as well as our employees, including initiatives that support comfort and management tools
- Continue to optimize the branch network to increase the number of cashless branches
- Optimize and automate repetitive processes with low added value for customers, further reduce paper communication, migrate customers to remote service channels with new customer advisor role in retail banking



North America

'We provide a full range of financial services with a particular focus on Retail, Private and Corporate Banking'

9M'23 Highlights

	Branches	1,789
	Employees	45,834
	Total customers (mn)	25.1
	Digital customers (mn)	7.8
	Customer loans (€ bn)	165
	Customer funds (€ bn)	172
	Underlying attributable profit (€ mn)	1,900
	RoTE	10.4%

■ ■ Strategic priorities ■ ■

- Continue leveraging our own local strengths and capabilities while promoting strong Group network contributions in Mexico and the US
- Rationalize businesses and products with limited scale and profitability to generate efficiencies and profitable growth
- Provide a compelling value proposition by taking advantage of our global connectivity, adopting best practices and maximizing the benefits of our global platforms
- Boost sustainable profitability levels through loyalty strategies and a refined tailored service for better customer experience
- Focus on expanding and implementing sustainable finance opportunities within our businesses











United States



'Santander US combines a stable, retail-oriented depository base supporting its auto finance, wealth management and corporate banking businesses'

9M'23 Highlights

	Branches	420
	Employees	13,971
	Total customers (mn)	4.4
	Digital customers (mn)	1.1
	Customer loans (€ bn)	117
	Customer funds (€ bn)	109
	Underlying attributable profit (€ mn)	865
	RoTE ¹	11.3%









Strategic priorities

- Targeting segments with proven competitive advantage and strong Group network contribution
- Simplification: rationalize businesses and products with limited scale
- Transformation: leverage Group digital capabilities to drive scalability and lower cost to serve
- Network Contribution: leverage Group's network to drive top line growth and achieve scale synergies
- Profitable growth: support growth across target businesses while maintaining disciplined capital management



'Santander México, one of the leading financial groups in the country, focused on commercial transformation and innovation'

9M'23 Highlights

	Branches	1,369
	Employees	30,704
	Total customers (mn)	20.5
	Digital customers (mn)	6.6
	Customer loans (€ bn)	49
	Customer funds (€ bn)	62
	Underlying attributable profit (€ mn)	1,163
	RoTE	17.6%

■ ■ Strategic priorities ■ ■









- Advance with the technological transformation to improve the digital channels
- Simplify products, processes and operations to transform the service model, building on technology and data to improve customer experience
- Grow our customer base and increase loyalty through integrated digital products and offerings, new service models and mass market value proposition
- Remain the market leader with value-added products for corporates and by building on existing relationships to attract more customers, particularly individuals
- Improve deposit mix and contribute to better cost of deposits



South America

'Moving forward to become the most profitable bank in each of the countries in which we operate in the region while promoting synergies across our global and regional businesses'

9M'23 Highlights

	Branches	3,407
	Employees	80,497
	Total customers (mn)	74.8
	Digital customers (mn)	26.3
	Customer loans (€ bn)	162
	Customer funds (€ bn)	207
	Underlying attributable profit (€ mn)	2,329
	RoTE	14.8%

Strategic priorities

- In individuals, pursue optimization, simplification and automation, reducing service costs and delivering excellent customer experience
- In consumer finance, continue to strengthen our leadership position in the region by reinforcing partnerships with OEMs and developing new agreements
- In payment methods, increase market share through Getnet and One Trade. We are increasing cooperation in Trade Finance, through new international solutions, such as Ebury's expansion in Brazil
- In CIB, become the leading CIB operator in most of the products and countries, consolidating our pan-regional offer
- In regional businesses, continue to strengthen our Multi-Latin business
- Continue to promote inclusive and sustainable businesses, making sustainable finance an important growth driver for the region











Brazil



**'Santander Brasil has a solid strategy,
which benefits from being part of a large international group'**

9M'23 Highlights

	Branches	2,662
	Employees	57,722
	Total customers (mn)	64.6
	Digital customers (mn)	20.5
	Customer loans (€ bn)	101
	Customer funds (€ bn)	143
	Underlying attributable profit (€ mn)	1,426
	RoTE	13.7%

■ ■ Strategic priorities ■ ■

- Continuing to develop the best integrated distribution platform in the market in order to strengthen connectivity between businesses and capture opportunities more swiftly
- Increasing and capitalizing on our customer base, primarily through greater loyalty, maximizing growth
- Simplifying products and processes and boosting operational efficiency and customer experience
- Keeping credit quality under control by continually anticipating trends and enhancing risk models
- Focusing on value creation, profitability and superior payout levels. Innovating to adapt and satisfy to new demands











Chile



'We are the leading bank in the country and we always have the customer at the centre of our strategy'

9M'23 Highlights

	Branches	249
	Employees	9,828
	Total customers (mn)	3.9
	Digital customers (mn)	2.1
	Customer loans (€ bn)	44
	Customer funds (€ bn)	39
	Underlying attributable profit (€ mn)	417
	RoTE	14.1%

■ ■ Strategic priorities ■ ■

- Continue with a leadership position through the commercial network transformation and digital banking proposition
- Boost the three innovative initiatives: Más Lucas, WorkCafé Espresso and a specialized business service model focus on the agricultural, automotive and Multi-Latins
- Specialization and a differential value-added offering and service for corporates in transactional products, FX and consulting
- Sustained generation of new business opportunities, fostering competition, seeking growth and leading the sustainable finance market











Argentina



'The leading privately-owned bank in Argentina by deposit volumes'

9M'23 Highlights

	Branches	337
	Employees	8,168
	Total customers (mn)	4.8
	Digital customers (mn)	3.1
	Customer loans (€ bn)	6
	Customer funds (€ bn)	14
	Underlying attributable profit (€ mn)	406
	RoTE	39.5%



■ ■ Strategic priorities ■ ■

- Grow customer base and loyalty and ensure the best service through our multi-channel strategy
- Increase our market share in personal, agro and consumer credit, and position ourselves as a leader in sustainable finance and financial inclusion
- Expand our financial platform, simplifying processes and products and improving efficiency through our digital transformation
- Increase collaboration between businesses and develop new businesses with focus on profitable growth, optimizing capital allocation and preserving portfolio quality



'Santander Uruguay is the country's leading privately-owned bank'

9M'23 Highlights

	Underlying att. profit (€ mn)	131
	RoTE	23.5%



Strategic priorities

- Continue to consolidate our leadership with good dynamics in all products, increasing our market share compared to private banks
- Strengthen our offer to individuals with SOY, Mi Auto and Getnet



'Activity focused on corporates, the country's large companies and the Group's global customers (SCIB)'

9M'23 Highlights

	Underlying att. profit (€ mn)	62
	RoTE	23.2%



Strategic priorities

- Accelerate growth in global businesses. Among the top 3 investment banks and leaders in syndicated loans, Debt Capital Markets and auto loans
- Progress in our digital strategy (expansion of NeoAuto, Surgir, ...)



'Bank specialized in corporates, CIB and auto finance'

9M'23 Highlights

	Underlying att. profit (€ mn)	22
	RoTE	15.1%

Strategic priorities









- Focus on profitable products with CIB and Corporate offerings
- Continue to grant loans to entrepreneurs
- Consolidate our new and used auto loans position



Digital Consumer Bank

'Europe's consumer finance leader: solid business model, geographic diversification and leading market shares in auto/mobility finance and in personal finance/e-commerce'

9M'23 Highlights

	Branches	361
	Employees	16,806
	Total customers (mn)	20.0
	Points of sale (k)	>130
	Customer loans (€ bn)	131
	Customer funds (€ bn)	70
	Underlying attributable profit (€ mn)	823
	RoTE	11.3%

■ ■ Strategic priorities ■ ■

Secure leadership in global digital consumer lending:

■ Auto:

- Progress further with strategic initiatives to build a world-class digital offering in mobility
- Provide our OEMs and partners with innovative finance and sale solutions (lending, leasing, and subscription offerings) on dealer websites and in auto marketplaces

■ Consumer (non-auto): gain market share through specialization and tech platforms in buy now, pay later (BNPL), checkout lending, credit cards and direct loans

■ Digital Bank: continuing to increase loyalty among our Openbank and SC Germany retail customers and boosting digital banking

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Secondary segments



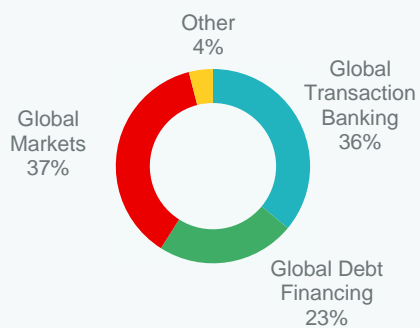
Corporate & Investment Banking

'Santander CIB supports corporate and institutional customers, offering tailored services and value-added wholesale products suited to their complexity and sophistication'

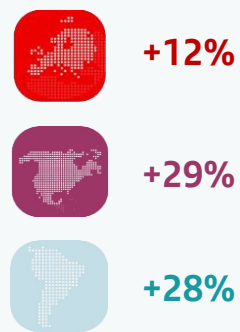
9M'23 Highlights

	Total income (€ mn)	6,479
	Efficiency ratio	37%
	RoTE	28%
	Underlying attributable profit (€ mn)	2,680

Total revenue breakdown by business



Revenue YoY growth by region



Strategic priorities

- Our ambition is to become a **world-class CIB business** focused on positioning ourselves as a **strategic advisor** to our clients
 - Double the size of our US franchise focusing on strengthening our advisory capabilities
 - Continue to globalize the Markets business focusing on Institutional Investors and the US market
 - Accelerate asset rotation to increase profitability and enhance new business origination

GlobalCapital

Derivatives House of the Year in Latin America

EUROMONEY

Best Bank for FX in Latin America

Recent Awards

LATINFİNANCE

Infrastructure Bank of the Year in Latin America



Best Trade Finance Bank
Best Receivables Financing Provider

Leading positions in League Tables Q3'23



Structured Finance



Debt Capital Markets



Equity Capital Markets



M&A



Source: Dealogic, Infralogic, Bloomberg













More information at <https://www.santander.com/en/about-us/where-we-are/santander-corporate---investment-banking>



Wealth Management & Insurance

'We want to become the best Wealth and Protection Manager in Europe and the Americas'

9M'23 Highlights

	Total assets under management	447
	Total fees generated as % of the Group's total fe	30%
	RoTE	92%
	Underlying attributable profit (€ mn)	1,251
	Total contribution to Group's profit (€ mn)	2,486
	Contribution to Group's profit	+26% YoY
	Private banking clients (k)	253
	Private banking net new money (€ bn)	8.7
	Santander Asset Management - net sales (€ bn)	6.4
	Insurance - Gross written premiums	+5% YoY

Strategic priorities



- Continue building our global platform leveraging the connectivity of our teams
- Keep developing a more sophisticated value proposition
- Nurture our PB segments, with a global service supporting cross-border clients in Private Wealth



- Continue to be the preferred funds partner for our retail network
- Become a relevant player in the Alternatives businesses
- Grow in the Institutional and Private Banking segments
- Enable digital investment platforms in all countries



- Work to be the preferred insurance provider for our customers
- Focus on improving customer lifetime value and user experience through innovative programmes
- Leverage data analytics to deliver better service to our customers

Our ESG commitment: reach €100bn SRI AuM by 2025



(1) Total assets marketed and/or managed. Private Banking + SAM excluding AuMs of Private Banking customers managed by SAM.
 (2) It includes all fees generated by assetmanagement and insurance businesses, even those ceded to the commercial network.
 More information at <https://www.santander.com/en/about-us/where-we-are/wealth-management-insurance>

‘One-of-a-kind paytech business that offers innovative payment solutions’

9M'23 Highlights



PagoNxt revenue (€ mn)

820; +23% YoY

Merchants



Total payments volume (€ bn)

149; +24% YoY



transactions

+32% YoY

Getnet

Ebury

We are a **one-of-a-kind paytech business** backed by Santander

Helping our customers prosper and accelerate their growth through a **one-stop shop**, providing **solutions beyond payments** to merchants and SMEs & corporates

Strategic priorities: scaling up our global technology platform, accelerating our commercial growth and pursuing the open market opportunity

Business lines



Merchants

Global and integrated **acquiring, processing and value-added solutions** for physical and e-comm merchants



International Trade

Specialized **cross-border trade solutions** for businesses in a global market yet to be fully digitalized



Payments

Wholesale **account-to-account payment processing** and instant connectivity to schemes in multiple countries



Group functions and Corporate Centre activities

- Global T&O strategy
- HR strategy
- Risk management and compliance
- Corporate governance and internal control
- Our brand



Technology and Operations (T&O)

'The T&O mission is to enable the Group strategy by building customer-oriented, secure, efficient and innovative technology working with the business units in a flexible and agile way'

Global T&O capabilities are key for our digital transformation

Composed of **four main domains** that contribute to the digital transformation

Technology



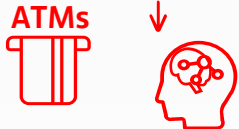
Cybersecurity



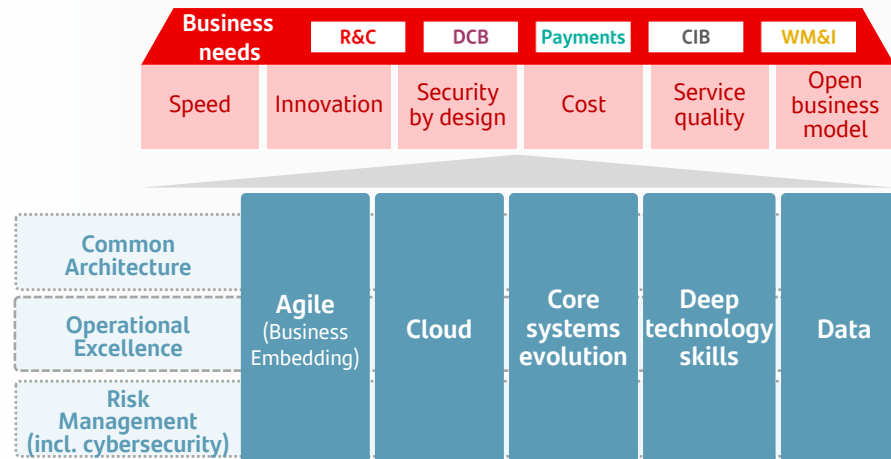
Operations



Data



Focused on **five technological pillars** to respond to the changing business needs



Operating model oriented to develop global platforms and digital services, guaranteeing their quality and security



c.4,500 tech professionals



The robust T&O service allows us to run the bank and serves our customers with high standards of quality and efficiency



HR strategy: Our aim is to be an employer of choice

'Focus on employee engagement, leveraging our SPF culture to retain and attract the best talent'



212,219

Employees (Sep-23)

97%

workforce with a permanent contract
(as of end 2022)

54%

women in our workforce
(as of end 2022)

The **SPF culture** is based on our 5 corporate behaviours



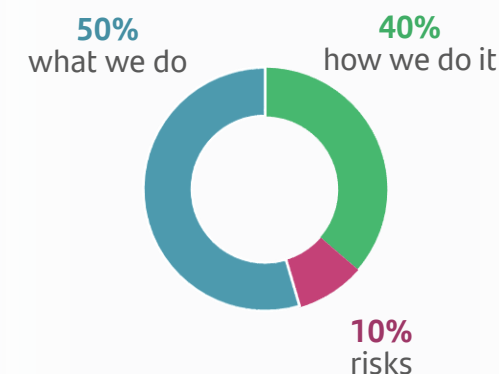
Your VOICE Continuous Employee Listening (*)

Santander scores **above benchmark** in engagement and other key dimensions

Average score (out of 10)



Our **corporate management** evaluation model



(*) Data from latest Your Voice engagement survey issued to the full organization from 9 to 19 October 2023. Workday/Peakon benchmark for Finance Companies. Engagement score is the average of 4 engagement questions around engagement, loyalty, belief and satisfaction. D&I score relates to the question "I'm satisfied with Santander's efforts to support diversity and inclusion". Health & Wellbeing score relates to the question "Employee health and wellbeing is a priority at Santander". T&C score relates to the question "Organizational transformation and change is managed well at Santander".



Risk management & compliance

'Our risk management & compliance function is key to remain a strong, secure and sustainable bank that helps people and businesses prosper'

A risk management & compliance model that relies on:



Common **Risk Principles** aligned with regulatory requirements and inspired by best market practices



A **3 lines of defence model** with a robust risk governance



Clearly defined **management and control processes**



Advanced risk and compliance management tools

Risk Profile Assessment

Systematic exercise to assess the risk profile, including all risk types defined in the Corporate framework, through a single methodology

Risk Appetite Statement & Structure of Limits

Aggregate level and types of risk we deem prudent for our business strategy, even in unforeseen circumstances

Scenario Analysis

Anticipating potential impacts to take preventive action

Risk Reporting Structure

Comprehensive, versatile with deep analysis to facilitate decision-making



Models & data unit

We use data and advanced analytics to develop our business strategy, be more efficient, enhance quality, and tackle our customers' and employees' challenges



Oversee Plan

Risk & compliance annual plans to better oversight and follow up on the implementation of long-term strategies



A proactive risk & compliance management, **customer-centric**, with the goal of maintaining our medium-low risk profile



A continuous enhancement of our capabilities for **embedding ESG factors in our risk management processes**

risk pro A **risk culture** based on the principle that all employees are risk managers



Corporate governance and internal control

'As a responsible bank, we have clear and robust governance to ensure a long-term sustainable business model'



Diversified and well-balanced
shareholder base



Effective engagement
with our shareholders
and investors

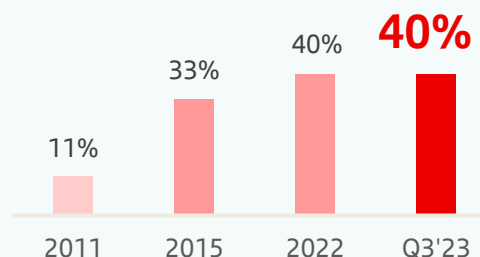
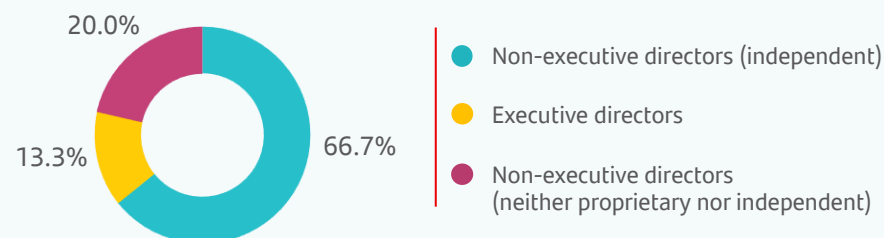


Effective board of directors



Focus on **responsible business**
practices and attention to all
stakeholders' interests

Composition of the board of directors, Sep-23



Women
on the board



Board committees

Executive

Audit

Nomination

Remuneration

Risk supervision, regulation
and compliance

Innovation and technology

Responsible banking,
sustainability and culture

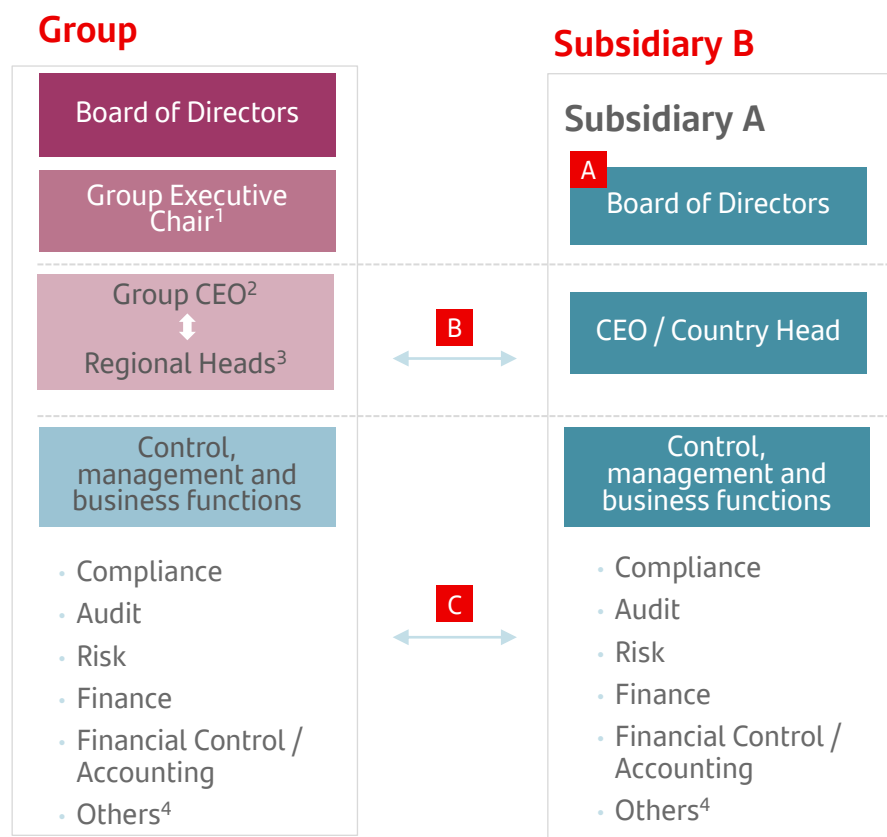
External advisory board
International advisory board



Corporate governance and internal control

'Best practices on robust governance are channelled to all subsidiaries'

Group-subsidary governance model



The **Group-subsidary governance model** enhances **control** and **oversight** through:

A

Presence of the Group in the subsidiaries' boards of directors establishing guidelines for board structure, dynamics and effectiveness

B

Reporting of the CEO / Country Heads to the Group CEO / Regional Heads and Group executive committee

C

Interaction between the Group's and the subsidiaries' control, management and business functions

The Group's appointment and suitability assessment procedure is a key element of Governance



Santander brand

'Our brand embeds the essence of the Group's culture and identity'

Santander is one of the most valued brands in the world

3rd **best global retail bank brand**
by Interbrand's Best Global Brands Ranking, 2022

As one of our most important strategic assets, our brand helps us connect with people and businesses, demonstrating our commitment to prosperity and determination to bring it to life in a positive and sustainable manner every day.



More information at <https://www.santander.com/en/about-us/our-brand>



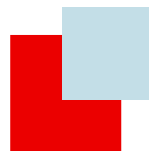


3. 9M'23 results & activity

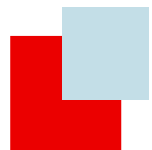
9M'23 highlights



Strong 9M results with 9mn new customers YoY contributing to a double-digit revenue increase



ONE TRANSFORMATION driving **efficiency improvement** and **profitable** growth



Further **strengthened our balance sheet**, with solid credit quality metrics and higher capital ratio



Delivering double digit **value creation** and rising **shareholder remuneration**

Q3 Attributable Profit

€2.9bn

+20% vs. Q3'22

9M Attributable Profit

€8.1bn

+11% YoY

RoTE

14.8%

+126bps YoY

EPS

+17%

YoY

CoR

1.13%

+0.14pp YTD

FL CET1

12.3%

+0.2pp YoY

TNAVps + DPS

+12%

YTD

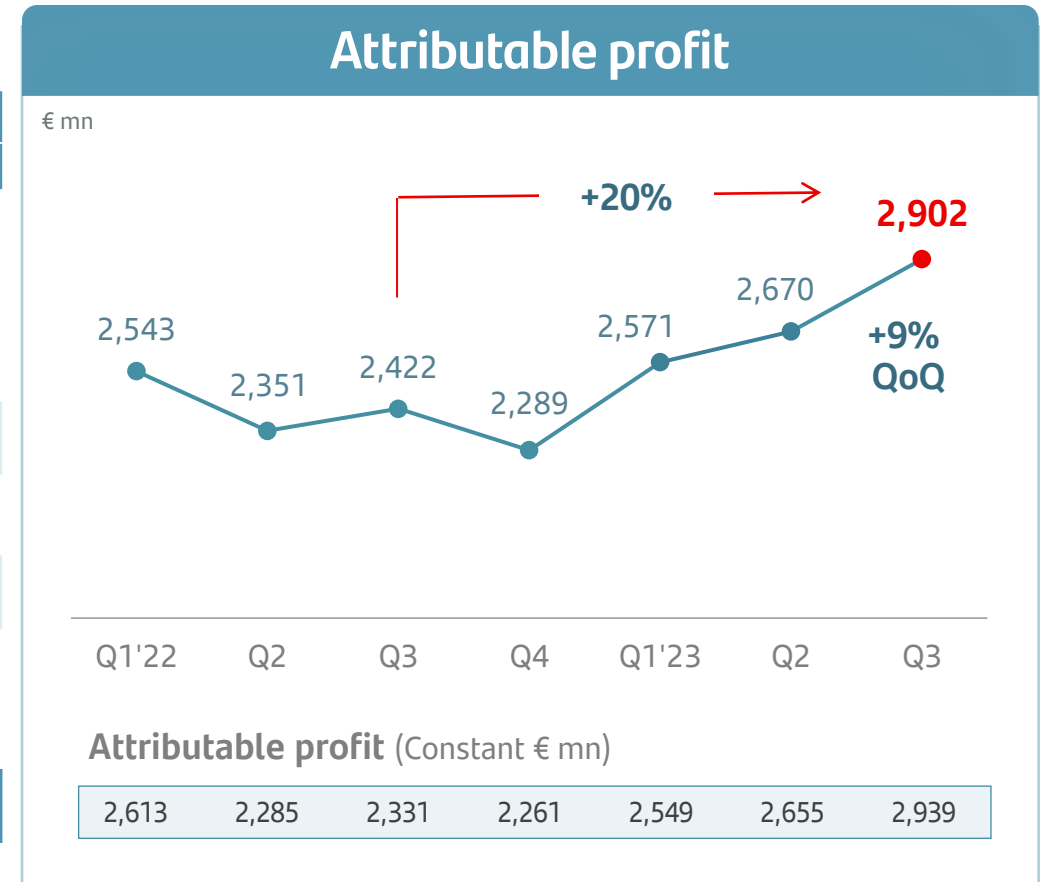
Cash DPS

+39%

YoY

Profit increased in 9M'23, supported by customer revenue and efficiency improvement, with double-digit growth in net operating income

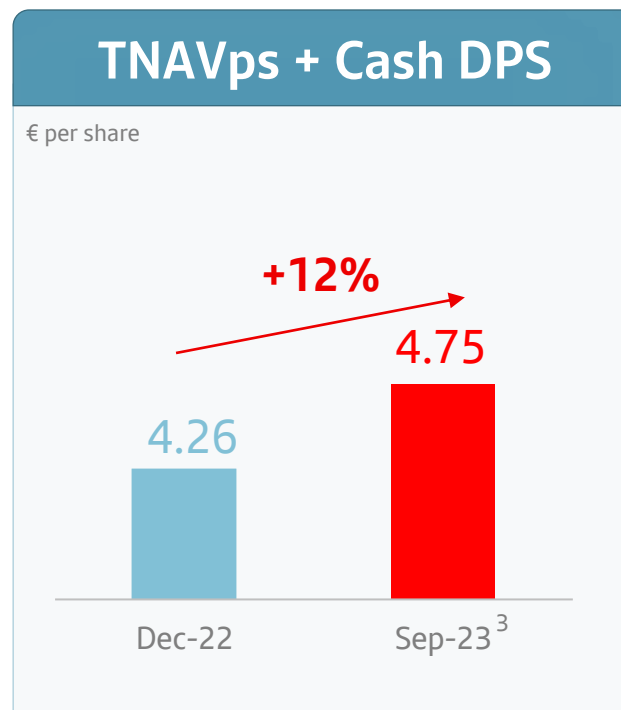
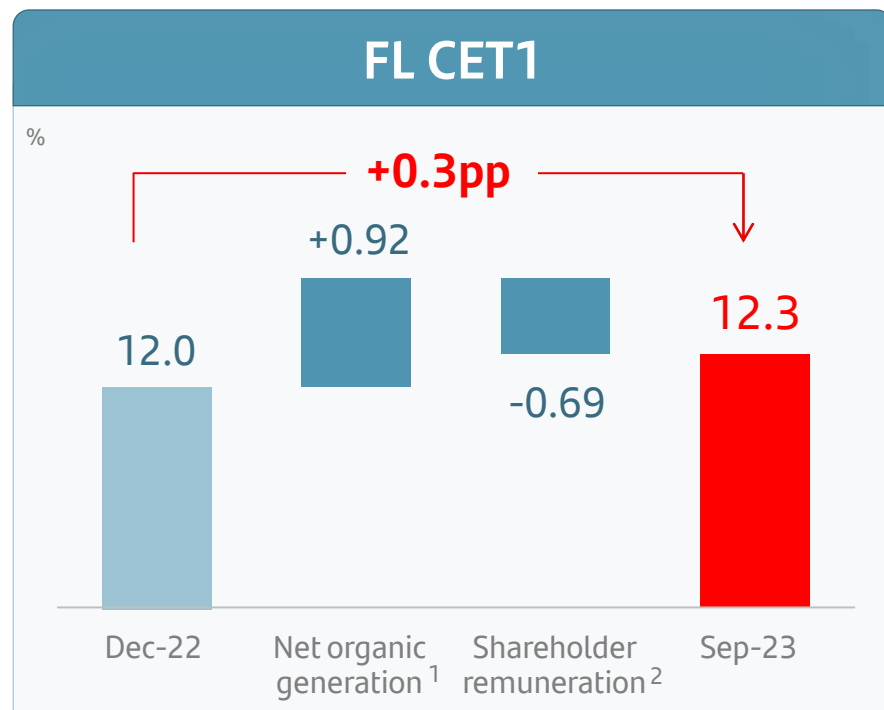
P&L € million	9M'23	9M'22	Current %	Constant %
NII	32,139	28,460	13	16
Net fee income	9,222	8,867	4	6
Other income	1,734	1,302	33	14
Total revenue	43,095	38,629	12	13
Operating expenses	-18,961	-17,595	8	10
Net operating income	24,134	21,034	15	16
LLPs	-9,037	-7,491	21	21
Other results*	-2,321	-1,782	30	38
Attributable profit	8,143	7,316	11	13



On track to deliver on our 2023 financial targets

		2023 targets	9M'23
Revenue ¹	>>	Double-digit growth	+13%
Efficiency ratio	>>	44-45%	44.0%
CoR	>>	<1.2%	1.13%
FL CET1	>>	>12%	12.3%
RoTE	>>	>15%	14.8%

Building up capital organically and delivering double-digit value creation with higher shareholder remuneration



Interim distribution in Nov-23

Cash dividend
per share of €8.10 cents
+39% YoY

Current share buyback
programme⁴
€1,310mn

Since 2021 and including the full current share buyback authorized, Santander will have repurchased c.9% of its outstanding shares

(1) Gross organic generation net of regulatory charges and other charges.

(2) Impact corresponding to cash dividend accrual (33 bps) and buybacks (36 bps) announced during the first nine months of the year. Execution of the shareholder remuneration policy is subject to future corporate and regulatory decisions and approvals.

(3) TNAVps + DPS includes the €5.95 cent cash dividend paid in May 2023 and the €8.10 cent cash dividend approved in September that will be paid in November 2023.

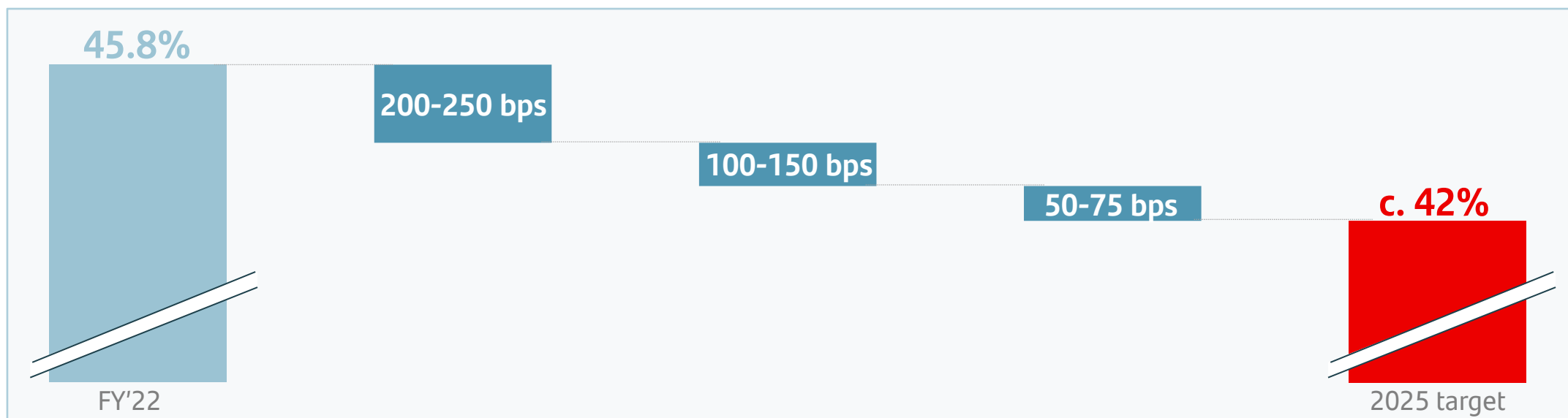
(4) Amount equivalent to c. 25% of the Group's underlying profit in the first half of 2023. The implementation of the remainder of the shareholder remuneration policy for 2023 is subject to the appropriate corporate and regulatory approvals.

Improving efficiency due to the execution of One Transformation and extracting value from our Global & Network businesses

Execution YTD
Efficiency

FY'22	One Transformation	Global & Network businesses	Global Tech capabilities & others	9M'23
45.8%	-117 bps	-39 bps	-29 bps	44.0%
	<ul style="list-style-type: none"> • Product simplification: 8% fewer products YTD • 55% products/services digitally available: +10pp YTD • In US, c.\$114mn efficiencies captured YTD in Consumer and Commercial 	<ul style="list-style-type: none"> • Multi-Latin/Multi-European: +53% 9M'23 revenue YoY growth • WM&I: collaboration with CIB and Corporates \$160mn YTD (+13%) • Auto: expansion of OEM agreements 	<ul style="list-style-type: none"> • Global approach to technology: c.€124mn efficiencies YTD <ul style="list-style-type: none"> – Gravity (back-end) efficiencies – Global vendor agreements – IT&Ops shared-services 	

Reminder from
Investor Day
Efficiency



One Transformation driving simplification, reducing cost to serve and increasing transactionality

9M'23 data (or latest available). Changes in constant euros



Simplification

Cost¹
per active customer

-2%
YoY

Revenue
per active customer

+11%
YoY

Process automation

Operational FTEs
per mn customers

-5%
YTD

Transactions
per active customer

+12%
YoY

Best-in-class Tech Platform

Gravity
Deployed in 3 countries and SCIB



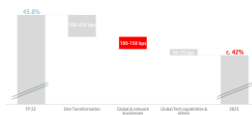
75bn
Transactions YTD

**Debit Global
Cards platform**
completed



Global and Network businesses: revenue growing above Group

9M'23 data. Changes in constant euros








	SCIB	WM&I	Payments	Auto
	Network revenue	PB network AuMs	# Transactions	Auto loans and leases
	€3.0bn	€52bn	26bn	€179bn
	+27%	+12%	+15%	+7%
Total revenue	+21%	+22% ¹	+23% PagoNxt	-4%
ID Targets (CAGR 22-25)	c.10%	c.10%	c.30% PagoNxt	c.7%






Note: total transactions include merchant payments, cards and electronic A2A payments.

(1) It includes all fees generated by asset management and insurance businesses, even those ceded to the commercial network.

Progressing towards our 2025 profitability targets

RoTE		9M'23	2025 Target
	Europe	14.8%	c.15%
	North America	10.4%	c.15% ¹
	South America	14.8%	c.19%
	Digital Consumer Bank	11.3%	c.15%
	Group	14.8%	15-17%

RoTE		9M'23	2025 Target
	SCIB	28.4%	>20%
	WM&I	92.1%	c.60%
EBITDA Margin		9M'23	2025 Target
	PagoNxt	19.6%	>30%



4. ● Final remarks

Well-positioned to create shareholder value and deliver sustainable profitability



We increased our profitability YoY, supported by customer growth and double-digit increase in revenue



Completed our changes to a simpler & more integrated model through **ONE TRANSFORMATION** that will accelerate **efficiency and profitable growth**



Our resilient balance sheet and stronger capital base, create strong foundation for growth, value creation and shareholder remuneration



These results, together with the strong business momentum we see coming into the fourth quarter, put us **on track to achieve our 2023 targets**



The **execution of our strategy** and the progress we are making with our **global platforms**, together with our **in-country leadership**, make us confident that we can continue to **grow the business and increase profitability**

9M'23

14.8%
RoTE

+17%
EPS

+12%
TNAVps +
DPS YTD

+39%¹
Cash DPS

One Transformation driving double-digit growth in value creation

		2022	9M'23	2025 targets
Profitability	RoTE (%)	13.4	14.8	15-17
	Payout (Cash + SBB) ¹ (%)	40	50	50
	EPS Growth (% CAGR 22-25)	23	17	Double-digit
Customer centric	Total customers (mn)	160	166	c.200
	Active customers (mn) ²	99	101	c.125
Simplification & automation	Efficiency ratio (%)	45.8	44.0	c.42
Network contribution	Global & network businesses' contribution to total revenue (%)	>30	38	>40
	Global & network businesses' contribution to total fees (%)	c.40	42	>50
Customer activity	Transactions volume per active customer (%) ³	-	+12	c.+8
Capital	FL CET1 (%)	12.0	12.3	>12
	RWA with RoRWA>CoE (%)	80	84	c.85
ESG⁴	Green financed raised & facilitated (€bn)	94.5	105.9	120
	Socially responsible Investments (AuM) (€bn)	53	64	100
	Financial inclusion (# People, mn)	-	1.33	5
	Women in leadership positions (%)	c.29	30.8	35
	Equal pay gap (%)	c.1	-	c.0

TNAVps+DPS (Growth YoY)

+6%

+10%

Double-digit growth
average through-the-cycle



- (1) Target payout defined as c.50% of group reported profit (excluding non-cash, non-capital ratios impact items), distributed in approximately 50% in cash dividend and 50% in share buybacks. Execution of the shareholder remuneration policy is subject to future corporate and regulatory decisions and approvals.
- (2) Those customers who meet transactionality threshold in the past 90 days.
- (3) Total transactions include merchant payments, cards and electronic A2A payments.
- (4) Not taxonomy. Green finance raised & facilitated (€bn): since 2019. Financial inclusion (#people, mn): starting Jan-23. Does not include financial education.



Help millions around the world
realise their dreams and
prosper.

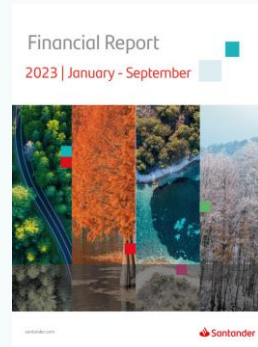
5 ● Links to public materials

Links to Grupo Santander public materials

For additional information on the Group, please click on the images, icons or flags below

9M'23 financial results

Financial report



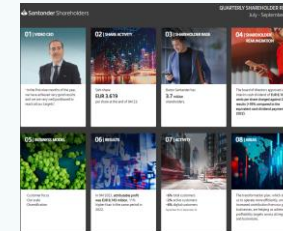
Earnings presentation



Series (Excel)



Shareholders report (interactive)



Country presentations



Press release



CEO video (3 minutes)



Fixed income presentation



Pillar 3

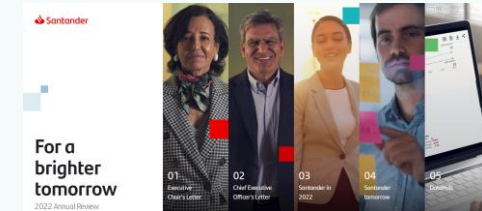


Ratings

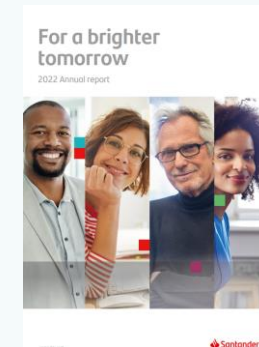


Other information

2022 Digital Annual review



2022 Annual report



Overview of our Corporate Governance presentation





Glossary

Glossary - Acronyms

- **ALCO:** Assets and Liabilities Committee
- **AM:** Asset management
- **AT1:** Additional Tier 1
- **AuMs:** Assets under Management
- **BFG:** Deposit Guarantee Fund in Poland
- **bn:** Billion
- **BNPL:** Buy now, pay later
- **bps:** Basis points
- **c.:** *Circa*
- **CAL:** Customer assets and liabilities
- **CET1:** Common equity tier 1
- **CHF:** Swiss franc
- **CIB:** Corporate & Investment Bank
- **CoE:** Cost of equity
- **CoR:** Cost of risk
- **Covid-19:** Coronavirus Disease 19
- **CRE:** Commercial Real Estate
- **DCB:** Digital Consumer Bank
- **DGF:** Deposit guarantee fund
- **DPS:** Dividend per share
- **eNPS:** Employee net promoter score
- **EPS:** Earning per share
- **ESG:** Environmental, social and governance
- **FL:** Fully-loaded
- **FX:** Foreign exchange
- **FY:** Full year
- **GDF:** Global Debt Finance
- **GDP:** Gross domestic product
- **GTB:** Global Transaction Banking
- **GWPs:** Gross written premiums
- **HQLA:** High quality liquid asset
- **HTC&S:** Held to collect and sell
- **IFRS 9:** International Financial Reporting Standard 9, regarding financial instruments
- **IPS:** Institutional Protection Scheme
- **LCR:** Liquidity coverage ratio
- **LLPs:** Loan-loss provisions
- **LTV:** Loan to value
- **M/LT:** Medium-and long-term
- **mn:** million
- **MREL:** Minimum requirement for own funds and eligible liabilities
- **NII:** Net interest income
- **NIM:** Net interest margin
- **NOI:** Net operating income
- **NPL:** Non-performing loans
- **NPS:** Net promoter score
- **OEM:** Original equipment manufacturer
- **PB:** Private Banking
- **PBT:** Profit before tax
- **P&L:** Profit and loss
- **PoS:** Point of Sale
- **pp:** Percentage points
- **Ps:** Per share
- **QoQ:** Quarter-on-Quarter
- **Repos:** Repurchase agreements
- **RoA:** Return on assets
- **RoE:** Return on equity
- **RoRWA:** Return on risk-weighted assets
- **RoTE:** Return on tangible equity
- **RWA:** Risk-weighted assets
- **SAM:** Santander Asset Management
- **SAN:** Santander
- **SBB:** share buybacks
- **SCIB:** Santander Corporate & Investment Banking
- **SC USA:** Santander Consumer USA
- **SME:** Small and Medium Enterprises
- **SRF:** Single Resolution Fund
- **ST:** Short term
- **T1/T2:** Tier 1/Tier 2
- **TLAC:** Total loss absorbing capacity
- **TLTRO:** Targeted longer-term refinancing operations
- **TNAV:** Tangible net asset value
- **TPV:** Total Payments Volume
- **YoY:** Year-on-Year
- **YTD:** Year to date
- **WM&I:** Wealth Management & Insurance

Glossary - Definitions

PROFITABILITY AND EFFICIENCY

- **RoTE:** Return on tangible capital: Group attributable profit / average of: net equity (excluding minority interests) – intangible assets (including goodwill)
- **RoRWA:** Return on risk-weighted assets: consolidated profit / average risk-weighted assets
- **Efficiency:** Operating expenses / total income. Operating expenses defined as general administrative expenses + amortisations

VOLUMES

- **Loans:** Gross loans and advances to customers (excl. reverse repos)
- **Customer funds:** Customer deposits excluding repos + marketed mutual funds

CREDIT RISK

- **NPL ratio:** Credit impaired loans and advances to customers, customer guarantees and customer commitments granted / Total risk. Total risk is defined as: Total loans and advances and guarantees to customers (including credit impaired assets) + contingent liabilities granted that are credit impaired
- **NPL coverage ratio:** Total allowances to cover impairment losses on loans and advances to customers, customer guarantees and customer commitments granted / Credit impaired loans and advances to customers, customer guarantees and customer commitments granted
- **Cost of risk:** Provisions to cover losses due to impairment of loans in the last 12 months / average customer loans and advances of the last 12 months

CAPITALIZATION

- **Tangible net asset value per share – TNAVps:** Tangible stockholders' equity / number of shares (excluding treasury shares). Tangible stockholders' equity calculated as shareholders equity + accumulated other comprehensive income - intangible assets

ESG METRICS

- **Green Finance raised and facilitated** = Nominal amount of PF, PF Advisory, PF bonds, Green bonds, ECA, M&A, ECM transactions classified by SCFS panel and reported in the League Tables since the beginning of the exercise.
- **SRI** = Volume of assets under management classified as article 8 - promoting ESG objectives - and 9 - with explicit sustainability objectives - of the SFDR regulation (EU Reg. 2019/2088). Includes assets managed by Santander Asset Management (SAM), third-party funds and SAM funds managed with equivalent criteria in those geographies where SFDR does not apply (mainly LatAm).
- **Financial inclusion (# People)** = Number of people who are unbanked, underbanked, in financial difficulty, with difficulties in accessing credit or with limited financial literacy who, through the Group's products, services and social investment initiatives, are able to access the financial system, receive tailored finance. Financially underserved groups are defined as people who do not have a current account, or who have an account but obtained alternative (non-bank) financial services in the last 12 months. Beneficiaries of various programs are included in the quantification process only once in the entire period. Only new empowered people are counted, taking as a base year those existing since 2019.
- **Women in senior positions** = Percentage of women in senior executive positions over total headcount. This segment corresponds to less than 1% of the total workforce.



Notes: The averages for the RoTE and RoRWA denominators are calculated using the monthly average over the period, which we believe should not differ materially from using daily balances. The risk-weighted assets included in the denominator of the RoRWA metric are calculated in line with the criteria laid out in the CRR (Capital Requirements Regulation).

Important information

Non-IFRS and alternative performance measures

This presentation contains 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 these 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 periods.

Nonetheless, the APMs and non-IFRS measures are supplemental information; their purpose is not to substitute 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 ESG labels have not been calculated in accordance with the Taxonomy Regulation or with the indicators for principal adverse impact in SFDR.

For further details on APMs and Non-IFRS Measures, including their definition or a reconciliation between any applicable management indicators and the financial data presented in the consolidated financial statements prepared under IFRS, please see the 2022 Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission (the SEC) on 1 March 2023 (<https://www.santander.com/content/dam/santander-com/en/documentos/informacion-sobre-resultados-semestrales-y-anuales-suministrada-a-la-sec/2023/sec-2022-annual-20-f-2022-en.pdf>), as well as the section "Alternative performance measures" of Banco Santander, S.A. (Santander) Q2 2023 Financial Report, published on 26 July 2023 (<https://www.santander.com/en/shareholders-and-investors/financial-and-economic-information#quarterly-results>). Underlying measures, which are included in this document, are non-IFRS measures.

The businesses included in each of our geographic segments and the accounting principles under which their results are presented here may differ from the businesses included and local applicable accounting principles of our public subsidiaries in such geographies. Accordingly, the results of operations and trends shown for our geographic segments may differ materially from those of such subsidiaries.

Non-financial information

This presentation contains, in addition to financial information, non-financial information (NFI), including environmental, social and governance-related metrics, statements, goals, commitments and opinions.

NFI is included to comply with Spanish Act 11/2018 on non-financial information and diversity and to provide a broader view of our impact. NFI is not audited nor reviewed by an external auditor. NFI is prepared following various external and internal frameworks, reporting guidelines and measurement, collection and verification methods and practices, which are materially different from those applicable to financial information and are in many cases emerging and evolving. NFI is based on various materiality thresholds, estimates, assumptions, judgments and underlying data derived internally and from third parties. NFI is thus subject to significant measurement uncertainties, may not be comparable to NFI of other companies or over time or across periods and its inclusion is not meant to imply that the information is fit for any particular purpose or that it is material to us under mandatory reporting standards. NFI is for informational purposes only and without any liability being accepted in connection with it except where such liability cannot be limited under overriding provisions of applicable law.

Forward-looking statements

Santander hereby warns that this presentation contains "forward-looking statements" as per the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Such statements can be understood through words and expressions like "expect", "project", "anticipate", "should", "intend", "probability", "risk", "VaR", "RoRAC", "RoRWA", "TNAV", "target", "goal", "objective", "estimate", "future", "commitment", "commit", "focus", "pledge" and similar expressions. They include (but are not limited to) statements on future business development, shareholder remuneration policy and NFI. However, risks, uncertainties and other important factors may lead to developments and results to differ materially from those anticipated, expected, projected or assumed in forward-looking statements.

Important information

The following important factors (and others described elsewhere in this presentation and other risk factors, uncertainties or contingencies detailed in our most recent Form 20-F and subsequent 6-Ks filed with, or furnished to, the SEC), as well as other unknown or unpredictable factors, could affect our future development and results and could lead to outcomes materially different from what our forward-looking statements anticipate, expect, project or assume: (1) general economic or industry conditions (e.g., an economic downturn; higher volatility in the capital markets; inflation; deflation; changes in demographics, consumer spending, investment or saving habits; and the effects of the war in Ukraine or the COVID-19 pandemic in the global economy) in areas where we have significant operations or investments; (2) climate-related conditions, regulations, policies, targets and weather events; (3) exposure to various market risks (e.g., risks from interest rates, foreign exchange rates, equity prices and new benchmark indices); (4) potential losses from early loan repayment, collateral depreciation or counterparty risk; (5) political instability in Spain, the UK, other European countries, Latin America and the US; (6) legislative, regulatory or tax changes (including regulatory capital and liquidity requirements), especially in view of the UK's exit from the European Union and increased regulation prompted by financial crises; (7) acquisition integration challenges arising from deviating management's resources and attention from other strategic opportunities and operational matters; (8) our own decisions and actions including those affecting or changing our practices, operations, priorities, strategies, policies or procedures; (9) uncertainty over the scope of actions that may be required by us, governments and others to achieve goals relating to climate, environmental and social matters, as well as the evolving nature of underlying science and industry and governmental standards and regulations; and (10) changes affecting our access to liquidity and funding on acceptable terms, especially due to credit spread shifts or credit rating downgrades for the entire group or core subsidiaries.

Forward looking statements are based on current expectations and future estimates about Santander's and third-parties' operations and businesses and address matters that are uncertain to varying degrees, including, but not limited to developing standards that may change in the future; plans, projections, expectations, targets, objectives, strategies and goals relating to environmental, social, safety and governance performance, including expectations regarding future execution of Santander's and third-parties' energy and climate strategies, and the underlying assumptions and estimated impacts on Santander's and third-parties' businesses related thereto; Santander's and third-parties' approach, plans and expectations in relation to carbon use and targeted reductions of emissions; changes in operations or investments under existing or future environmental laws and regulations; and changes in government regulations,

regulatory requirements and internal policies, including those related to climate-related initiatives.

Forward-looking statements are aspirational, should be regarded as indicative, preliminary and for illustrative purposes only, speak only as of the date of this presentation, are informed by the knowledge, information and views available on such date and are subject to change without notice. Santander is not required to update or revise any forward-looking statements, regardless of new information, future events or otherwise, except as required by applicable law.

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Past performance does not indicate future outcomes

Statements about historical performance or growth rates must not be construed as suggesting that future performance, share price or results (including earnings per share) will necessarily be the same or higher than in a previous period. Nothing in this presentation should be taken as a profit and loss forecast.

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Thank You.

Our purpose is to help people and businesses prosper.

Our culture is based on believing that everything we do should be:

Simple Personal Fair

