



Argentina



H1'23

Earnings Presentation

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-anales-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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In this presentation, Santander relies on and refers to certain information and statistics obtained from publicly-available information and third-party sources, which it believes to be reliable. Neither Santander nor its directors, officers and employees have independently verified the accuracy or completeness of any such publicly-available and third-party information, make any representation or warranty as to the quality, fitness for a particular purpose, non-infringement, accuracy or completeness of such information or undertake any obligation to update such information after the date of this presentation. In no event shall Santander be liable for any use by any party of, for any decision made or action taken by any party in reliance upon, or for inaccuracies or errors in, or omission from, such publicly-available and third-party information contained herein. Any sources of publicly-available information and third-party information referred or contained herein retain all rights with respect to such information and use of such information herein shall not be deemed to grant a license to any third party.

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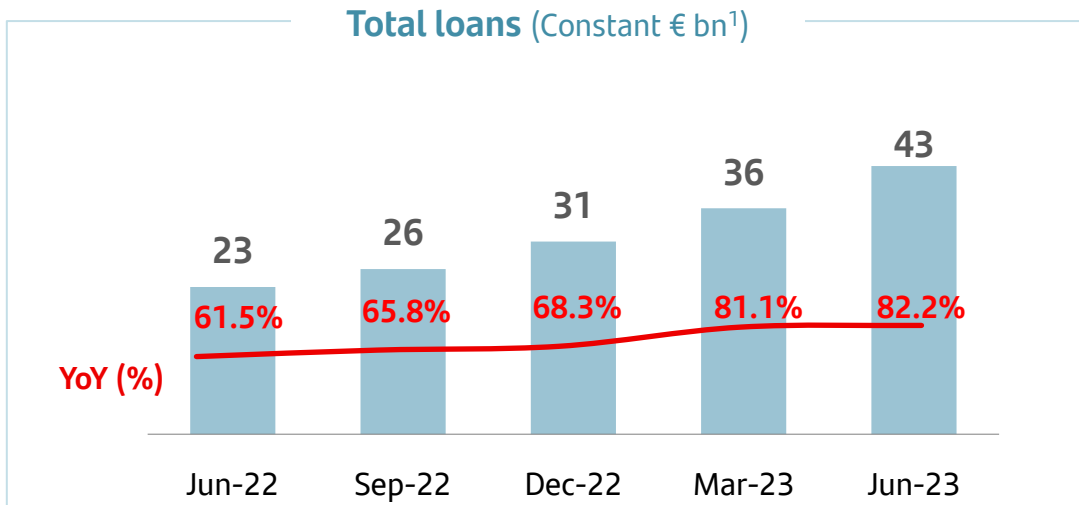
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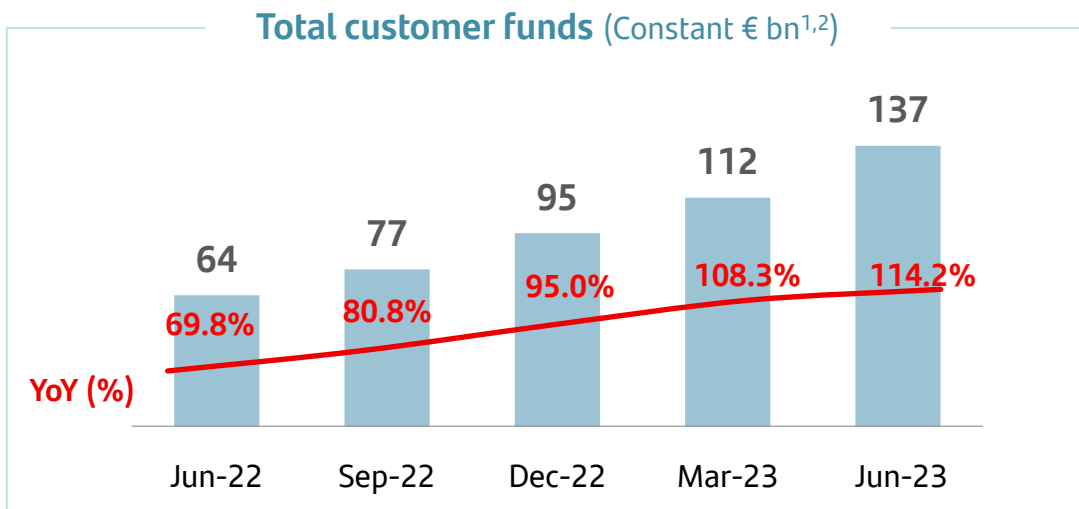
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Appendix

Transactional and well capitalized financial system



- ▶ Loans/GDP³: 9%. Deposits/GDP³: 19%
- ▶ Loans: +96% growth YoY in local currency and +99% in dollar-denominated portfolio (in local currency)
- ▶ Deposits: up 104% YoY, +110% in local currency and +104% in dollar-denominated portfolio (in local currency)
- ▶ AuMs grew 143% YoY, in a context of high inflation and excess liquidity



- ▶ High liquidity levels in both pesos and US dollars. Excess liquidity placed in central bank notes, repos and treasury instruments
- ▶ Improving capital ratio⁴: 30% total capital ratio
- ▶ Private sector NPL ratio⁴ at 3.1% and coverage⁴ at 127%
- ▶ 12M inflation⁵: 118.9%



Source: Central Bank of Argentina.

(1) End period exchange rate as of Jun-23.

(2) Total customer funds includes total deposits and mutual funds.

(3) As of Mar-23.

(4) As of Apr-23.

(5) Jun-22-May-23 Real + Jun-23 estimated.

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Santander Argentina: one of the leading privately-owned banks in Argentina by volumes

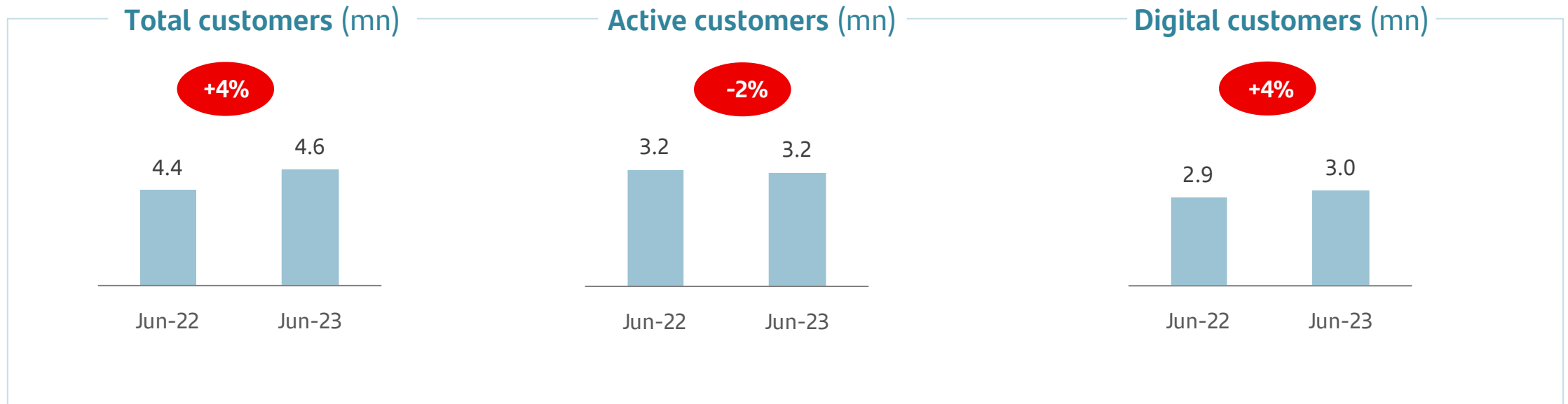
| KEY DATA | H1'23 | YoY Var. ⁴ |
|--|-----------|-----------------------|
|  Customer loans ¹ | €6,394mn | +116.0% |
|  Customer funds ² | €14,309mn | +106.6% |
|  Attributable profit | €252mn | +271.2% |
|  RoTE | 30.7% | +9.7pp |
|  Efficiency ratio | 50.7% | -7.4pp |
|  Loans market share ³ | 11.0% | +20bps |
|  Deposits market share ³ | 9.9% | -108bps |
|  Total customers | 4.6mn | +4.4% |
|  Digital customers | 3.0mn | +3.9% |
|  Branches | 362 | -11.1% |
|  Employees | 8,233 | -3.3% |



Strategic Priorities

- ▶ Grow our customer base and loyalty and ensure the best customer 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
- ▶ Boost profitable growth, optimizing capital allocation and preserving portfolio quality

Customer satisfaction is our top priority



- ▶ **Customer-centric business model. Customer satisfaction: #1** in individual NPS¹ ranking
- ▶ **55% of our active customers are loyal** (53% individuals, 68% SMEs and 61% middle market companies)
- ▶ **Strong positioning in digital channels.** 90% of our active customers are digital customers. Mobile customers rose 8% YoY.

Customer-centric business model



Building Santander platform

Getnet Santander global payments solutions for all merchant segments

superdigital 100% digital platform to promote financial inclusion

Santander Consumer Consumer finance company

MODO Systemic company to promote digital payments and increase financial inclusion

Adding value to different audiences

WOMEN el programa exclusivo para la mujer

NOVA

DUOO

iU #Pensadoporvos



Cuenta Senior

Enhancing our network model

▶ **Santander Express:** expanding our non-banking correspondent network



▶ **Financial inclusion branches**

▶ **Agribusiness office**



▶ **2.0 branches:** closer to our customers supported by technology

▶ **WorkCafé**



Reward and benefit programmes

SUPER Club+



Towards a more digital bank

▶ **100% digital onboarding** for basic accounts and SMEs

▶ **ECHEQ:** digital experience in check issuing, endorsing and financing

▶ **Top app rating** in iOS and Android

▶ **Foreign Trade services** in digital channels

Awards & recognitions



▶ Top 5 in GPTW for 12 years

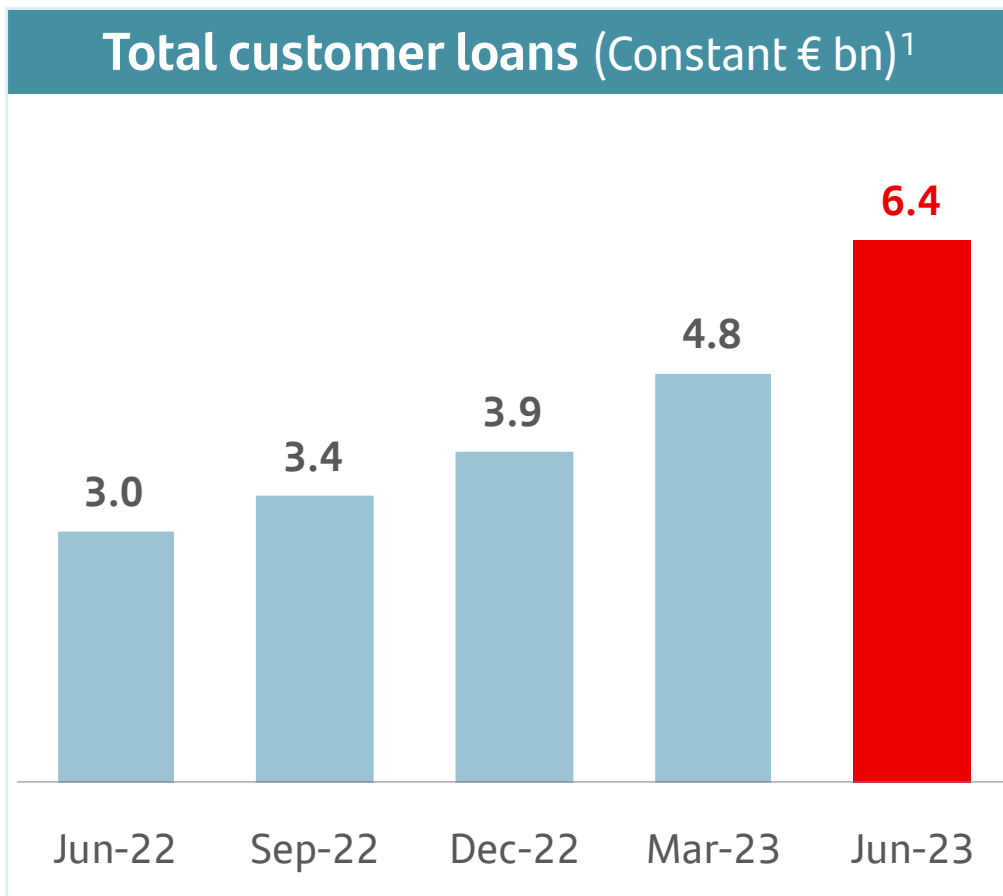


▶ Best Bank 2023



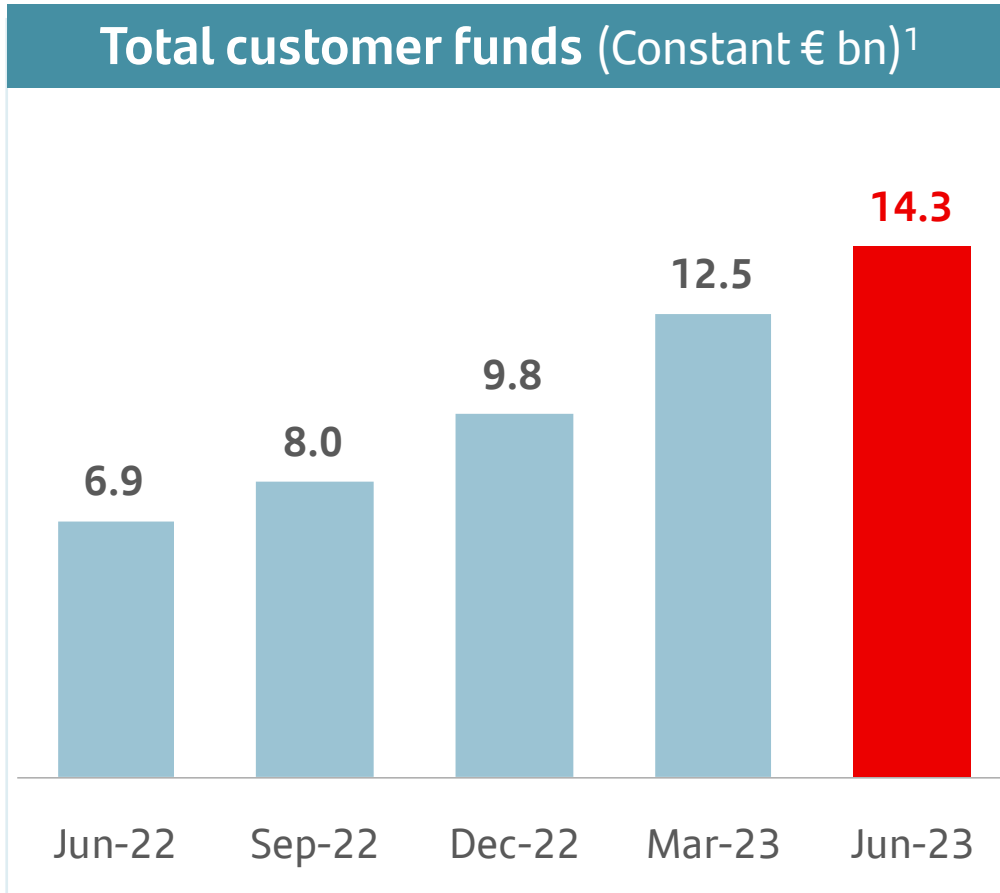
▶ Best Bank 2022

Loans grew 116% YoY driven by consumer credit, SMEs, Corporates and CIB



| | Jun-23 | Jun-22 | YoY (%) | QoQ (%) |
|--------------------------------------|------------|------------|--------------|-------------|
| Individuals² | 2.5 | 1.3 | 94.9 | 23.1 |
| o/w Cards & Consumer Credit | 2.0 | 1.0 | 95.0 | 25.2 |
| o/w Mortgages | 0.3 | 0.2 | 85.8 | 21.6 |
| CIB | 1.9 | 0.8 | 130.1 | 42.2 |
| Corporates & Institutions | 0.9 | 0.5 | 101.9 | 24.5 |
| SMEs | 0.9 | 0.3 | 182.6 | 54.2 |
| Other | 0.1 | 0.1 | 107.3 | 25.8 |
| Total customer loans | 6.4 | 3.0 | 116.0 | 32.5 |

Customer deposits increased 88% YoY, mainly driven by time deposits. Strong growth in mutual funds (+166% YoY)



| | Jun-23 | Jun-22 | YoY (%) | QoQ (%) |
|-----------------------------|-------------|------------|--------------|-------------|
| Demand | 5.7 | 3.5 | 64.9 | 6.8 |
| Time | 4.2 | 1.8 | 133.1 | 23.3 |
| Total deposits | 9.9 | 5.3 | 88.1 | 13.2 |
| Mutual Funds | 4.4 | 1.7 | 165.5 | 17.0 |
| Total customer funds | 14.3 | 6.9 | 106.6 | 14.3 |

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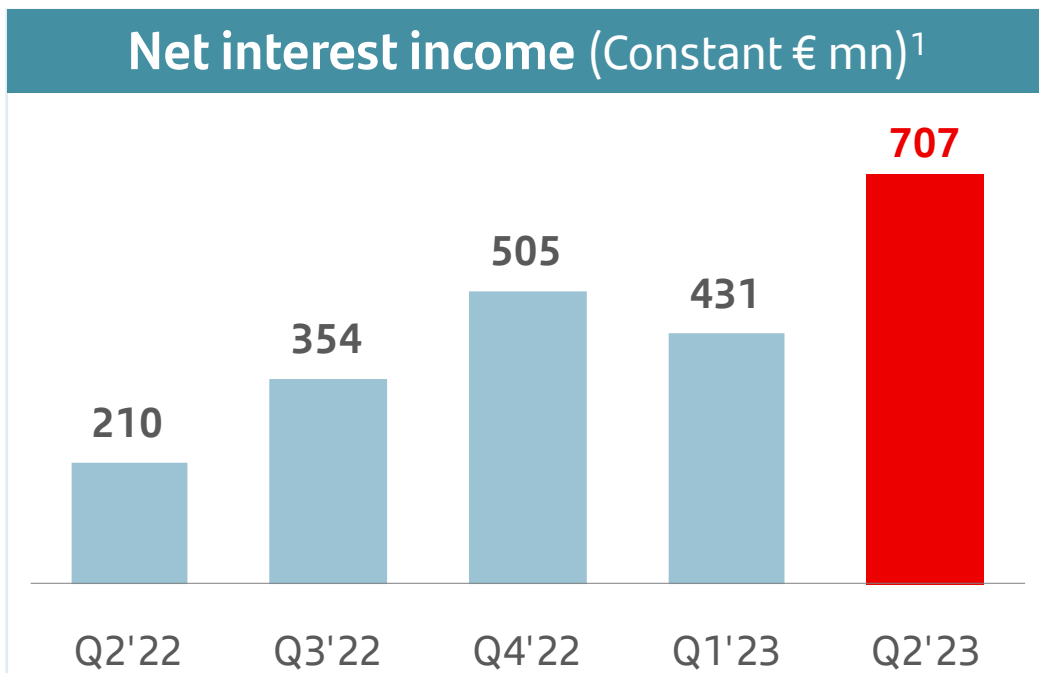
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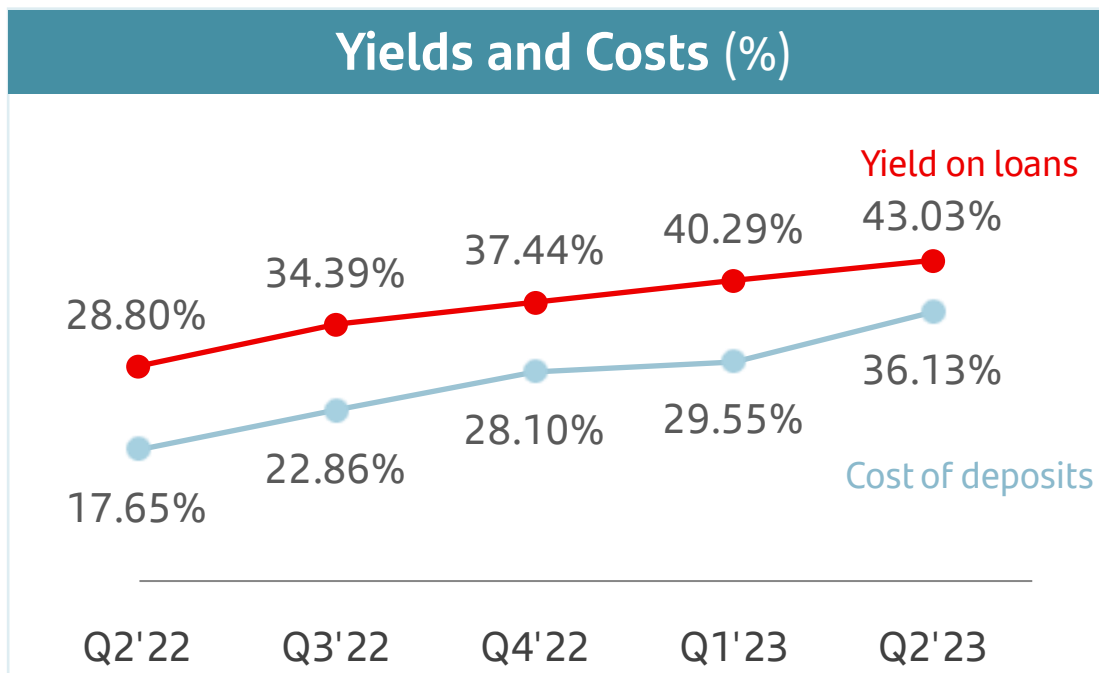
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NII increased 233% driven by business growth and higher volumes and rates on central bank notes



| NII / Average total earning assets | | | | |
|-------------------------------------|--------|--------|--------|--------|
| 14.02% | 20.09% | 24.04% | 16.54% | 21.86% |
| Official interest rate ² | | | | |
| 45.71% | 59.05% | 69.18% | 70.09% | 86.91% |



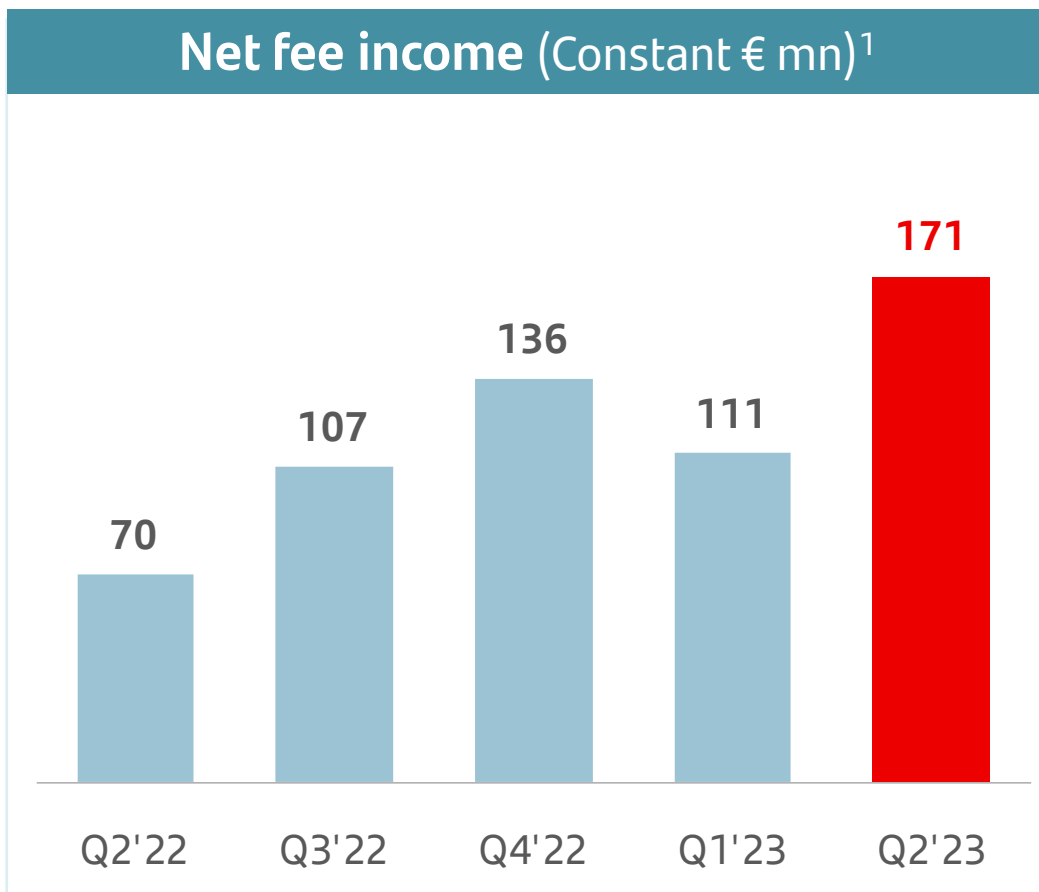
| Differential | | | | |
|--------------|--------|-------|--------|-------|
| 11.1pp | 11.5pp | 9.3pp | 10.7pp | 6.9pp |



(1) Average exchange rate as at 6M'23.
 (2) Quarterly average.



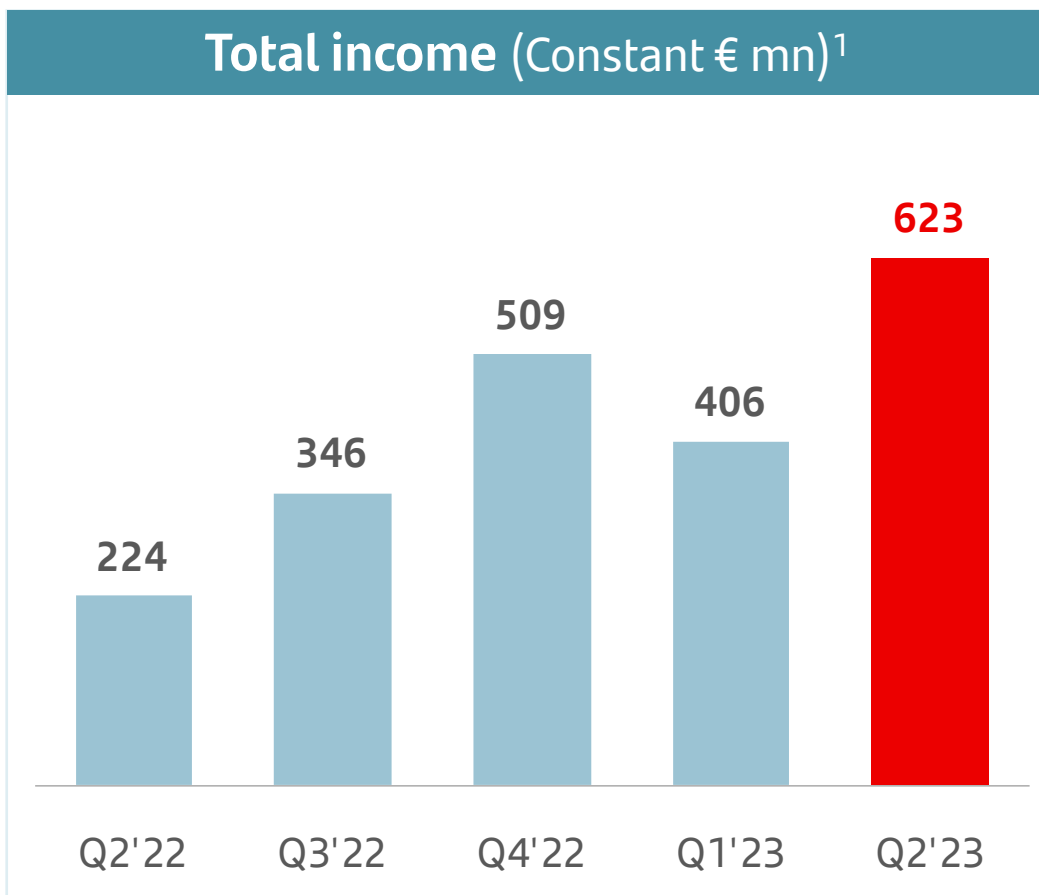
Net fee income increased 129% YoY underpinned by transactional fees and mutual funds



| | H1'23 | H1'22 | YoY (%) | QoQ (%) |
|---|------------|------------|--------------|--------------|
| Transactional fees | 147 | 76 | 91.9 | 21.6 |
| Payment methods | 50 | 27 | 88.1 | 6.1 |
| Transfers, drafts, cheques and other orders | 41 | 18 | 124.6 | 31.9 |
| Foreign exchange currencies | 3 | 2 | 33.3 | 26.8 |
| Other transactional | 53 | 29 | 78.8 | 29.7 |
| Investment and pension funds | 44 | 14 | 217.4 | 77.4 |
| Insurance | 16 | 9 | 87.0 | 23.1 |
| Securitized and custody services | 11 | 2 | 405.2 | 48.1 |
| Other | 65 | 22 | 189.8 | 167.3 |
| Total net fee income | 282 | 123 | 128.8 | 53.8 |

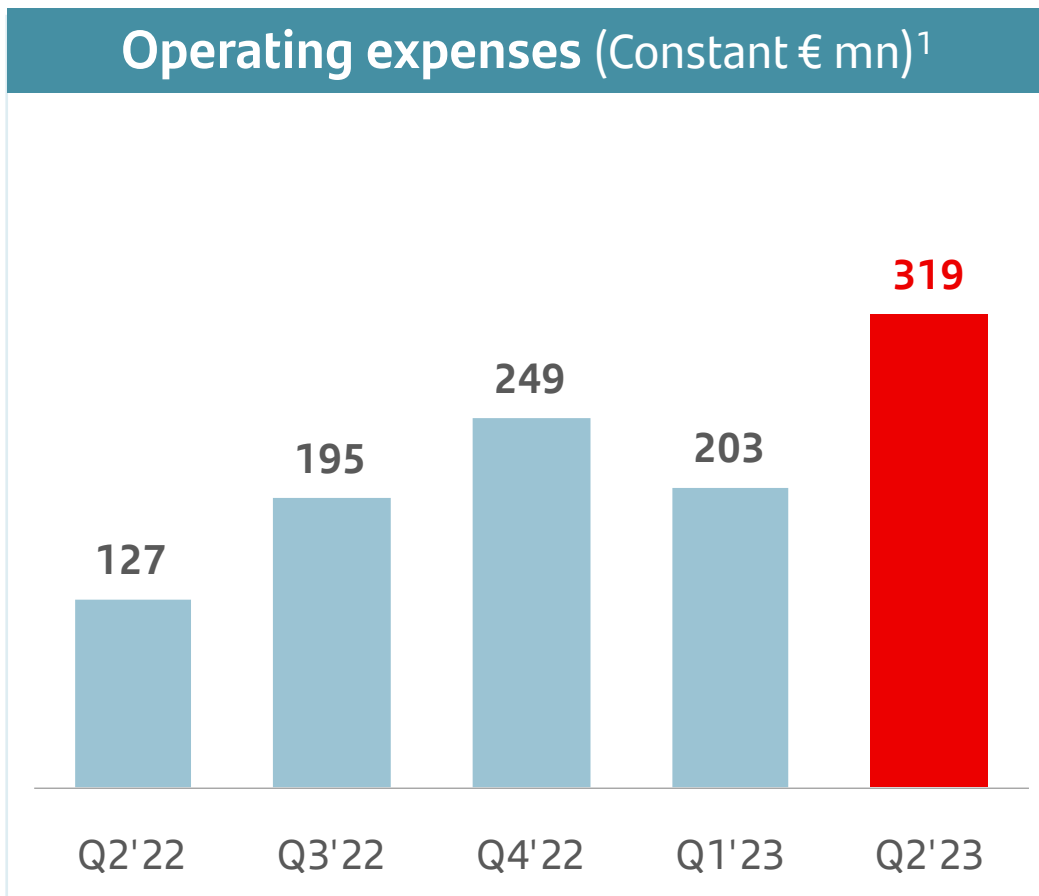


Total income grew 168% YoY, boosted by the solid performance in the main revenue lines, more than offsetting greater negative effect from the hyperinflation adjustment



| | H1'23 | H1'22 | YoY (%) | QoQ (%) |
|-------------------------|--------------|------------|--------------|-------------|
| Net interest income | 1,138 | 342 | 232.7 | 63.8 |
| Net fee income | 282 | 123 | 128.8 | 53.8 |
| Customer revenue | 1,420 | 465 | 205.2 | 61.8 |
| Other ² | (390) | (81) | 380.1 | 86.9 |
| Total income | 1,029 | 384 | 168.2 | 53.3 |

Costs increased at a slower pace than total income

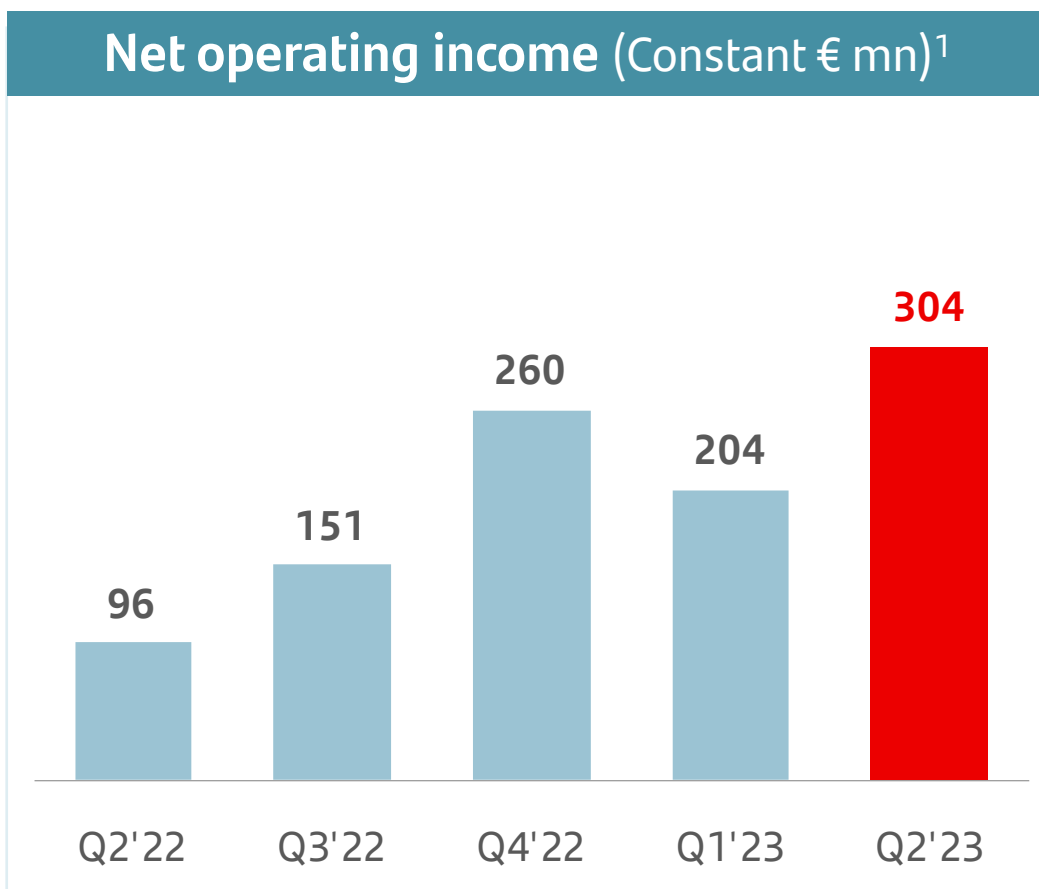


| | H1'23 | H1'22 | YoY (%) | QoQ (%) |
|---------------------------|------------|------------|--------------|-------------|
| Operating Expenses | 522 | 223 | 134.1 | 57.5 |

| | | | | |
|---------------|-------|-------|-------|------|
| Branches (#) | 362 | 407 | -11.1 | -5.2 |
| Employees (#) | 8,233 | 8,514 | -3.3 | -0.8 |



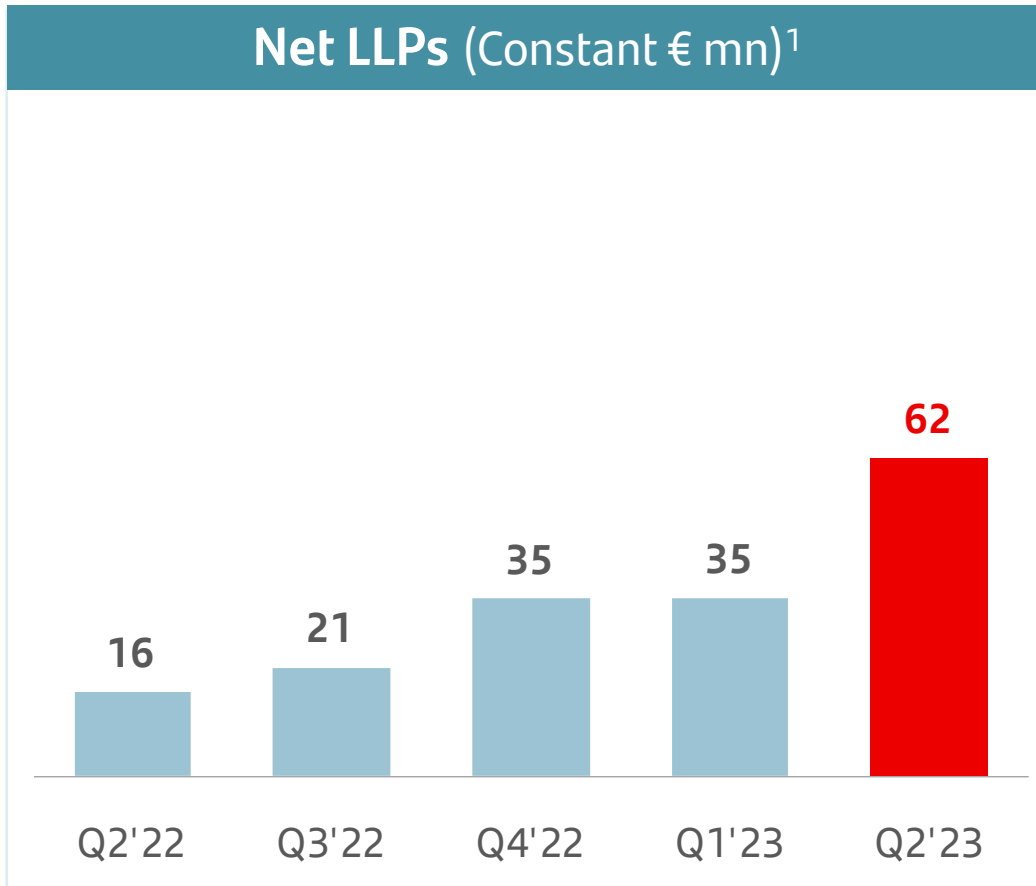
Net operating income increased 215% YoY boosted by the good performance in the main revenue lines. The efficiency ratio improved 7.4pp YoY



| | H1'23 | H1'22 | YoY (%) | QoQ (%) |
|-----------------------------|------------|------------|--------------|-------------|
| Total income | 1,029 | 384 | 168.2 | 53.3 |
| Operating Expenses | (522) | (223) | 134.1 | 57.5 |
| Net operating income | 508 | 161 | 215.3 | 49.2 |
| Efficiency ratio | 50.7% | 58.0% | -7.4pp | |



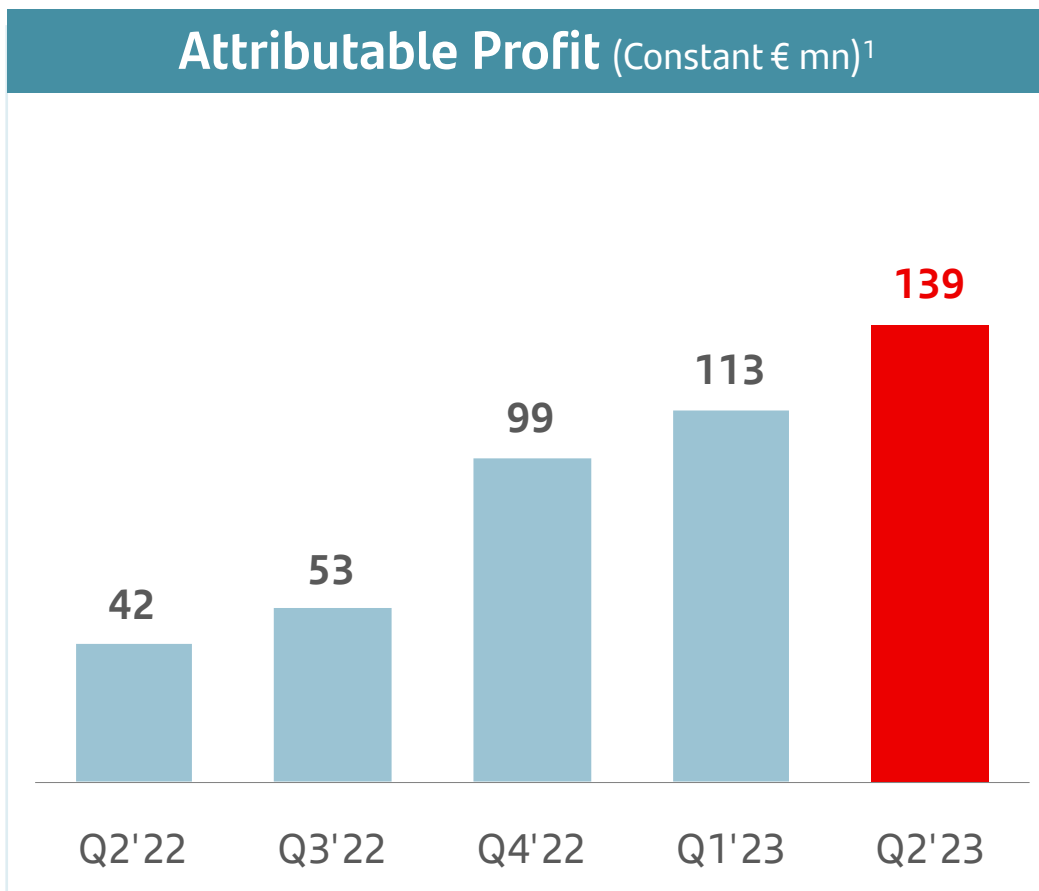
LLPs were up, rising from low levels in previous periods. Solid credit quality, with NPL improving 55bps YoY



| | H1'23 | H1'22 | YoY (%) | QoQ (%) |
|--|------------|------------|--------------|-------------|
| Net operating income | 508 | 161 | 215.3 | 49.2 |
| Loan-loss provisions | (97) | (34) | 187.7 | 78.7 |
| Net operating income after provisions | 411 | 128 | 222.6 | 43.1 |

| | | | | |
|---------------------------|-------|-------|--------|--------|
| Cost of risk ² | 3.46% | 3.07% | 39bps | 49bps |
| NPL ratio | 1.92% | 2.48% | -55bps | -15bps |
| Coverage ratio | 163% | 171% | -8.0pp | -6.2pp |

Strong profit growth underpinned by higher revenue and the efficiency improvement



| | H1'23 | H1'22 | YoY (%) | QoQ (%) |
|----------------------------|------------|-----------|--------------|-------------|
| PBT | 308 | 78 | 292.4 | 12.4 |
| Tax on profit | (55) | (10) | 433.7 | -26.8 |
| Consolidated profit | 253 | 68 | 271.1 | 23.4 |
| Minority interests | (1) | 0 | 238.9 | 71.4 |
| Attributable profit | 252 | 68 | 271.2 | 23.3 |

| | | | |
|--------------------|-------|-------|-------|
| Effective tax rate | 17.8% | 13.1% | 4.7pp |
|--------------------|-------|-------|-------|

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Financial System

- ▶ High liquidity levels in both pesos and US dollars. Excess liquidity placed in central bank notes, repos and treasury instruments
- ▶ Loans: +96% growth YoY in local currency and +99% in dollar-denominated portfolio (in local currency)
- ▶ Deposits: up 104% YoY, +110% in local currency and +104% in dollar-denominated portfolio (in local currency)
- ▶ AuMs grew 143% YoY, in a context of high inflation and excess liquidity



Strategy & Business

- ▶ Customer-centric business model. Customer satisfaction: #1 in individuals NPS¹ ranking
- ▶ Strong positioning in digital channels. One of the best ranked apps among leading banks
- ▶ Loans grew 116% YoY driven by consumer credit, SMEs, Corporates and CIB
- ▶ Customer deposits increased 88% YoY, mainly driven by time deposits. Strong growth in mutual funds (+166% YoY)



Results

- ▶ Total income grew 168% YoY, boosted by the solid performance in the main revenue lines, more than offsetting greater negative effect from the hyperinflation adjustment
- ▶ Costs increased at a slower pace than total income
- ▶ LLPs were up, rising from low levels in previous periods. Strong credit quality, with NPL improving 55bps YoY
- ▶ Strong profit growth underpinned by higher revenue and the efficiency improvement

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Balance sheet



| Constant € million ¹ | Variation | | | |
|---|---------------|--------------|--------------|--------------|
| | Jun-23 | Jun-22 | Amount | % |
| Loans and advances to customers | 6,207 | 2,849 | 3,357 | 117.8 |
| Cash, central banks and credit institutions | 2,912 | 1,689 | 1,223 | 72.4 |
| Debt instruments | 5,027 | 2,108 | 2,919 | 138.5 |
| Other financial assets | 40 | 16 | 23 | 143.1 |
| Other asset accounts | 1,022 | 496 | 525 | 105.8 |
| Total assets | 15,207 | 7,158 | 8,049 | 112.4 |
| Customer deposits | 9,914 | 5,270 | 4,644 | 88.1 |
| Central banks and credit institutions | 1,738 | 336 | 1,402 | 417.6 |
| Marketable debt securities | 148 | 73 | 75 | 102.2 |
| Other financial liabilities | 960 | 447 | 513 | 114.8 |
| Other liabilities accounts | 519 | 187 | 332 | 177.8 |
| Total liabilities | 13,278 | 6,313 | 6,965 | 110.3 |
| Total equity | 1,930 | 846 | 1,084 | 128.1 |
| Other managed customer funds | 4,395 | 1,655 | 2,740 | 165.5 |
| Mutual funds | 4,395 | 1,655 | 2,740 | 165.5 |
| Pension funds | — | — | — | — |
| Managed portfolios | — | — | — | — |

Underlying income statement



| Constant € million ¹ | Variation | | | |
|--|--------------|------------|------------|--------------|
| | H1'23 | H1'22 | Amount | % |
| Net interest income | 1,138 | 342 | 796 | 232.7 |
| Net fee income | 282 | 123 | 159 | 128.8 |
| Gains (losses) on financial transactions | 195 | 54 | 142 | 263.9 |
| Other operating income | (586) | (135) | (451) | 333.9 |
| Total income | 1,029 | 384 | 645 | 168.2 |
| Operating expenses | (522) | (223) | (299) | 134.1 |
| Net operating income | 508 | 161 | 347 | 215.3 |
| Net loan-loss provisions | (97) | (34) | (63) | 187.7 |
| Other gains (losses) and provisions | (104) | (49) | (55) | 111.0 |
| Profit before tax | 308 | 78 | 229 | 292.4 |
| Tax on profit | (55) | (10) | (45) | 433.7 |
| Profit from continuing operations | 253 | 68 | 185 | 271.1 |
| Net profit from discontinued operations | — | — | — | — |
| Consolidated profit | 253 | 68 | 185 | 271.1 |
| Non-controlling interests | (1) | (0) | (0) | 238.9 |
| Profit attributable to the parent | 252 | 68 | 184 | 271.2 |

Quarterly underlying income statement



Constant € million¹

| | Q1'22 | Q2'22 | Q3'22 | Q4'22 | Q1'23 | Q2'23 |
|--|------------|------------|------------|------------|------------|------------|
| Net interest income | 132 | 210 | 354 | 505 | 431 | 707 |
| Net fee income | 53 | 70 | 107 | 136 | 111 | 171 |
| Gains (losses) on financial transactions | 23 | 31 | 46 | 48 | 70 | 125 |
| Other operating income | (48) | (87) | (161) | (181) | (206) | (380) |
| Total income | 160 | 224 | 346 | 509 | 406 | 623 |
| Operating expenses | (95) | (127) | (195) | (249) | (203) | (319) |
| Net operating income | 65 | 96 | 151 | 260 | 204 | 304 |
| Net loan-loss provisions | (17) | (16) | (21) | (35) | (35) | (62) |
| Other gains (losses) and provisions | (17) | (32) | (47) | (87) | (24) | (79) |
| Profit before tax | 31 | 47 | 83 | 139 | 145 | 163 |
| Tax on profit | (5) | (5) | (30) | (40) | (32) | (23) |
| Profit from continuing operations | 26 | 42 | 53 | 99 | 113 | 140 |
| Net profit from discontinued operations | — | — | — | — | — | — |
| Consolidated profit | 26 | 42 | 53 | 99 | 113 | 140 |
| Non-controlling interests | (0) | (0) | (0) | (0) | (0) | (0) |
| Profit attributable to the parent | 26 | 42 | 53 | 99 | 113 | 139 |

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

