



Argentina



2023

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. APMs we use are presented unless otherwise specified on a constant FX basis, which is computed by adjusting comparative period reported data for the effects of foreign currency translation differences, which distort period-on-period comparisons. 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) Q4 2023 Financial Report, published on 31 January 2024 (<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.

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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.

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Important Information

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In particular, 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 and may change, including, but not limited to (a) 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' (including governments and other public actors) energy and climate strategies, and the underlying assumptions and estimated impacts on Santander's and third-parties' businesses related thereto; (b) Santander's and third-parties' approach, plans and expectations in relation to carbon use and targeted reductions of emissions, which may be affected by conflicting interests such as energy security; (c) changes in operations or investments under existing or future environmental laws and regulations; (d) changes in rules and regulations, regulatory requirements and internal policies, including those related to climate-related initiatives ; (e) our own decisions and actions including those affecting or changing our practices, operations, priorities, strategies, policies or procedures; and (f) the 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.

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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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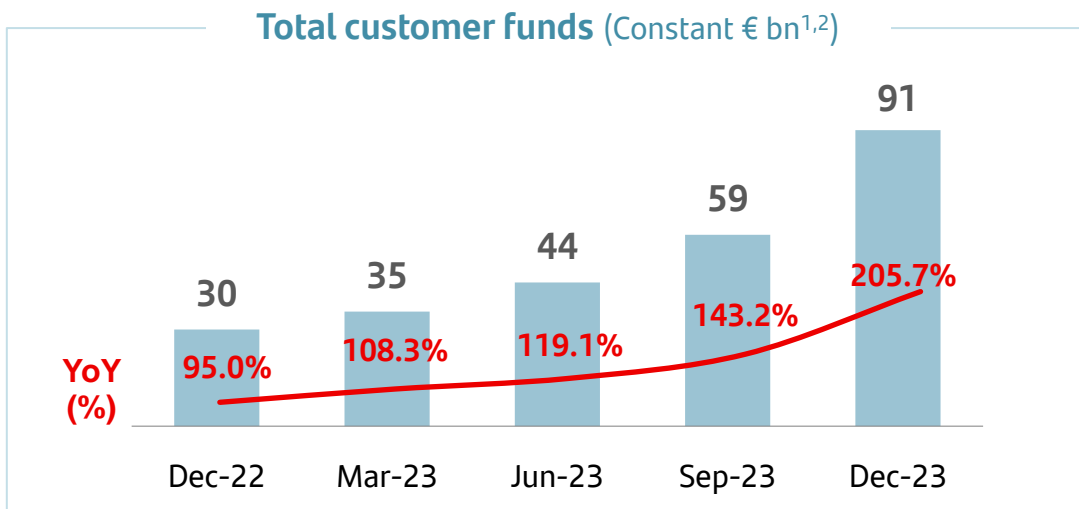
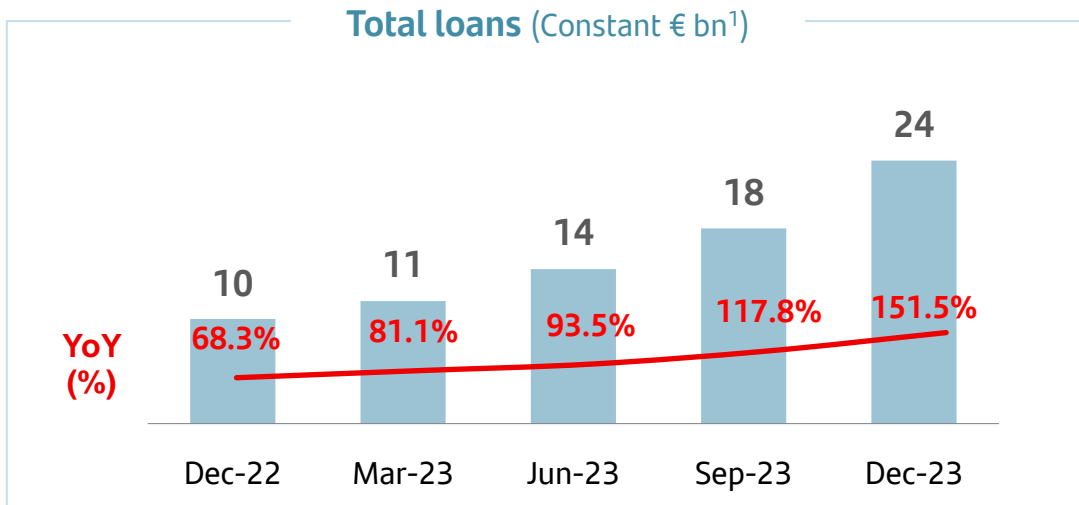
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Transactional, liquid and well capitalized financial system, with steady asset quality



- ▶ Loans/GDP⁴: 8%. Deposits/GDP⁴: 18%.
- ▶ Loans: grew +137% YoY in local currency and +335% in dollar-denominated portfolio (in local currency, impacted by devaluation of the peso in Dec-23)
- ▶ Deposits: increased 177% YoY, +147% in local currency and +339% in dollar-denominated portfolio (in local currency).
- ▶ Mutual funds grew 286% YoY, in a scenario with high inflation and excess liquidity.
- ▶ High liquidity levels in both pesos and US dollars. Excess liquidity allocated mainly to repos and treasury instruments.
- ▶ Improving capital ratio³: 30.8% total capital ratio.
- ▶ Private sector NPL ratio³ at 2.7% and coverage³ at 129%.
- ▶ 2023 FY inflation: 211.4%.



Source: Central Bank of Argentina.

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

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

(3) As of Nov-23.

(4) As of Sep-23.



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Appendix

Santander Argentina: leading privately-owned bank in Argentina in terms of loans and deposits

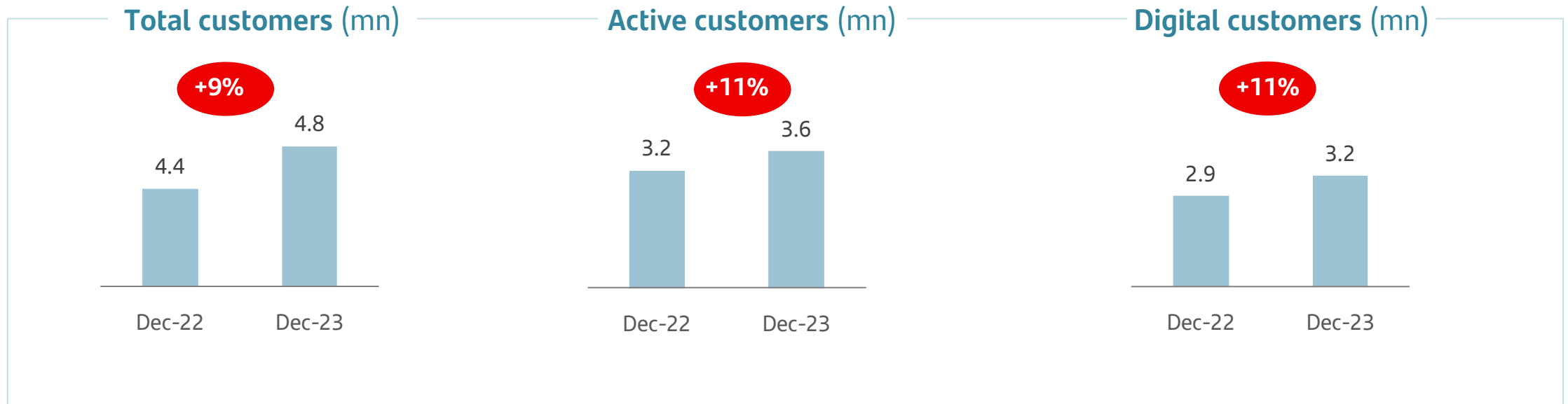
KEY DATA	2023	YoY Var. ⁴
 Customer loans ¹	€3,878mn	+217.0%
 Customer funds ²	€10,288mn	+235.3%
 Attributable profit	€386mn	+462.3%
 RoTE	55.6%	+29.4pp
 Efficiency ratio	50.2%	-3.7pp
 Loans market share ³	11.5%	+139bps
 Deposits market share ³	11.1%	+89bps
 Total customers	4.8mn	+8.8%
 Digital customers	3.2mn	+10.6%
 Branches	322	-14.1%
 Employees	8,455	+2.5%



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.** Leading in terms of customer satisfaction: ranking 1st in Individuals NPS¹.
- ▶ **Strong positioning in digital channels.** Digital customers increased 11% YoY to 3.2 mn, equivalent to 89% of our active customers, while mobile customers rose 15% YoY.

Customer-centric business model



Building Santander platforms

Getnet

Santander's global payments solutions for all merchant segments

Santander Consumer

Consumer finance company

MODO

Systemic company to promote digital payments and increase financial inclusion

Enhancing our network model

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



▶ **Agribusiness office**



▶ **WorkCafé**



▶ **Financial inclusion branches**

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

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



Adding value to different audiences

WOMEN
el programa exclusivo para la mujer

NOVA

DUO



Cuenta Senior

Reward and benefit programmes



Awards & recognitions



▶ Top 5 in GPTW for 12 years

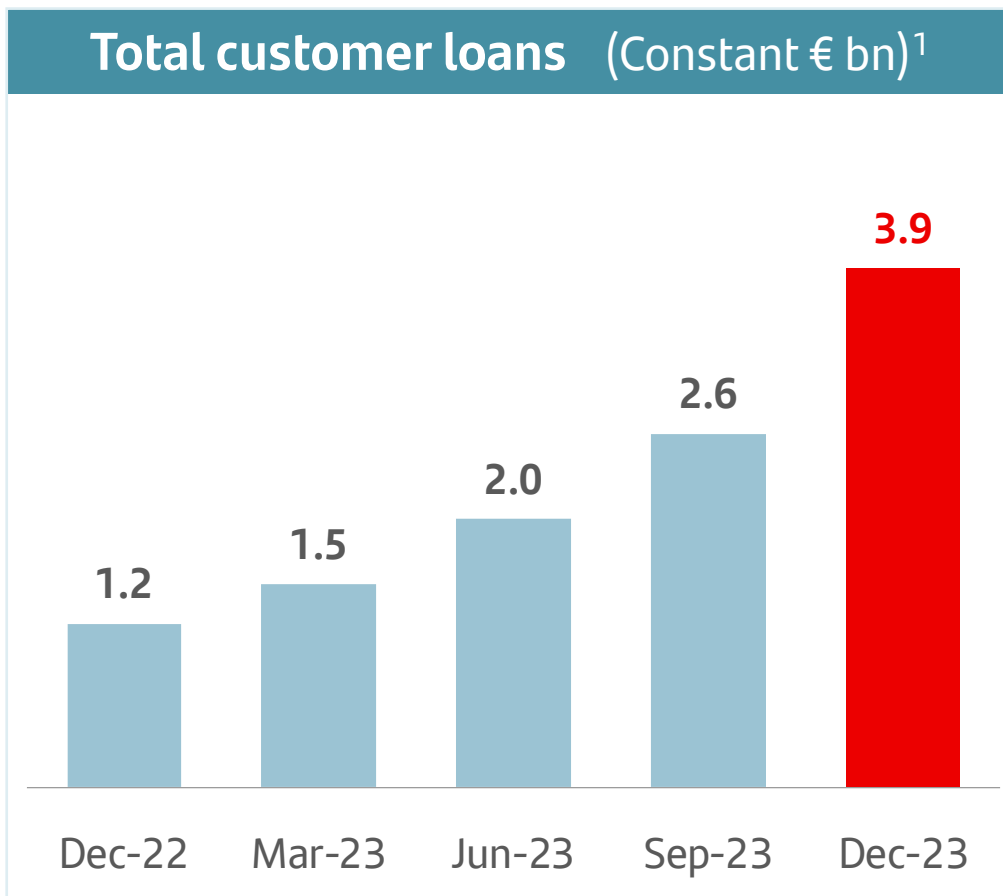
EUROMONEY

▶ Best Bank 2023



▶ Best Bank 2022

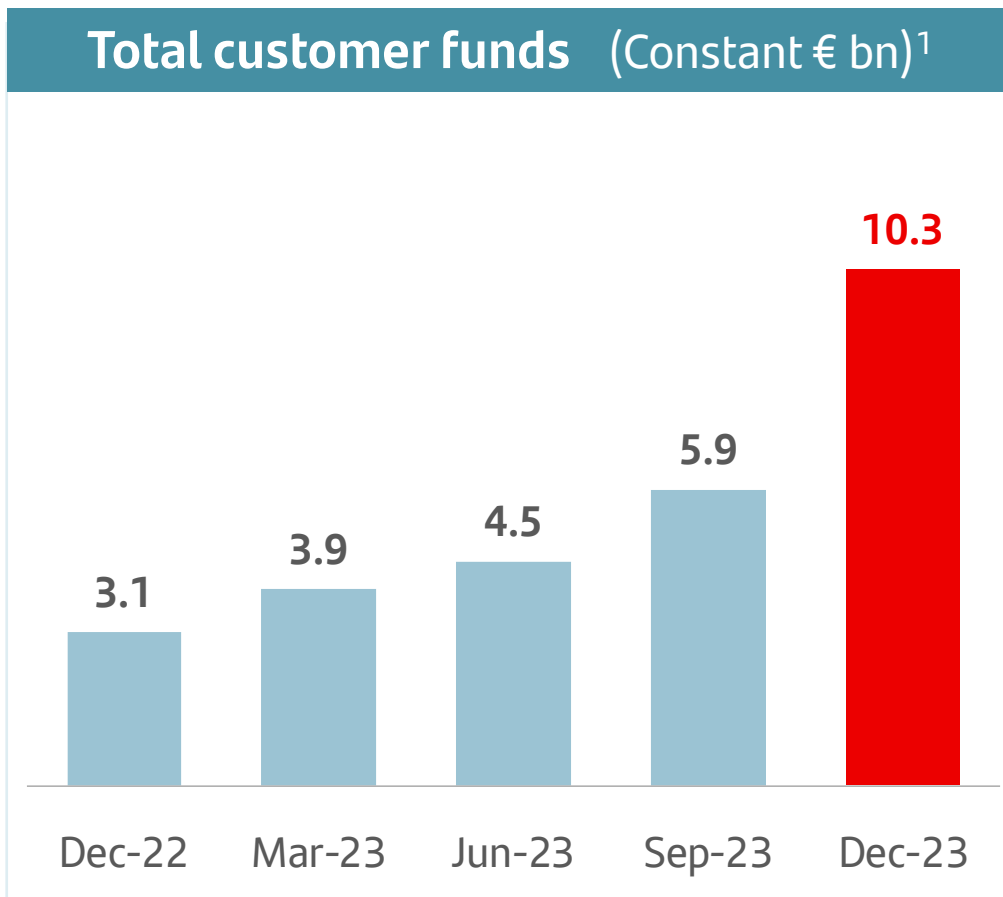
Loans grew 217% YoY driven by cards, CIB, SMEs and Corporates



	Dec-23	Dec-22	YoY (%)	QoQ (%)
Individuals²	1.4	0.5	165.5	44.0
o/w Cards & Consumer Credit	1.2	0.4	172.9	46.2
o/w Mortgages	0.1	0.1	115.1	29.8
CIB	1.1	0.3	244.7	55.8
Corporates & Institutions	0.5	0.2	208.2	31.6
SMEs	0.6	0.1	340.2	45.0
Other	0.1	0.0	264.4	85.1
Total customer loans	3.9	1.2	217.0	46.9



Customer deposits increased 190% YoY, driven by demand deposits. Very strong growth in mutual funds (+355% YoY)



	Dec-23	Dec-22	YoY (%)	QoQ (%)
Demand	4.9	1.4	242.5	110.5
Time	1.5	0.8	94.8	0.3
Total deposits	6.5	2.2	190.2	67.0
Mutual Funds	3.8	0.8	355.48	88.1
Total customer funds	10.3	3.1	235.3	74.2



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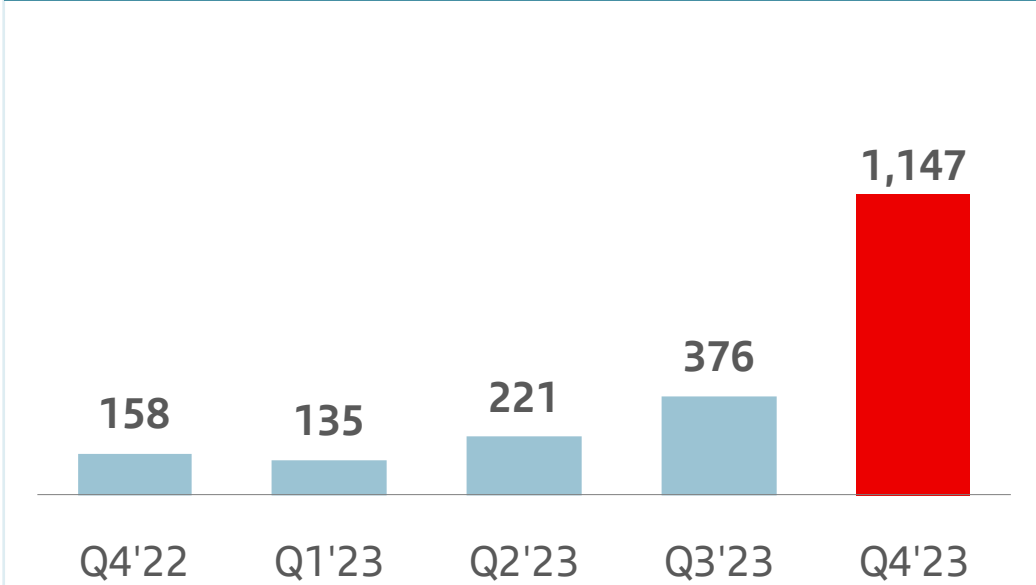


Appendix



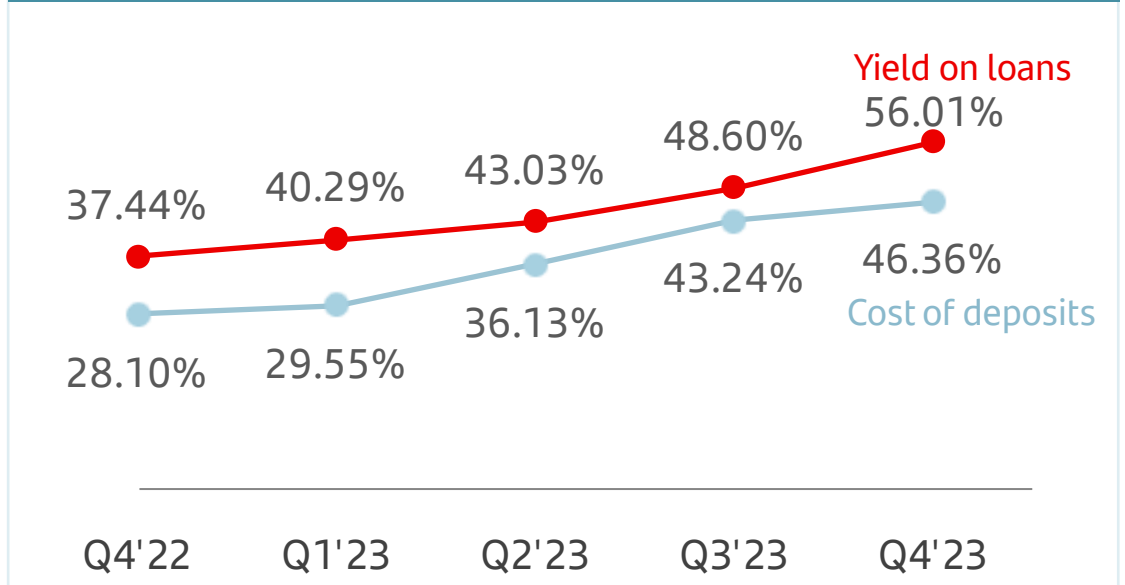
NII increased 399% YoY driven by business growth and higher volumes and rates on central bank notes

Net interest income (Constant € mn)¹



NII / Average total earning assets				
24.04%	16.54%	21.86%	29.95%	66.80%
Official interest rate ²				
69.18%	70.09%	85.97%	103.46%	124.25%

Yields and Costs (%)



Differential				
9.3pp	10.7pp	6.9pp	5.4pp	9.7pp

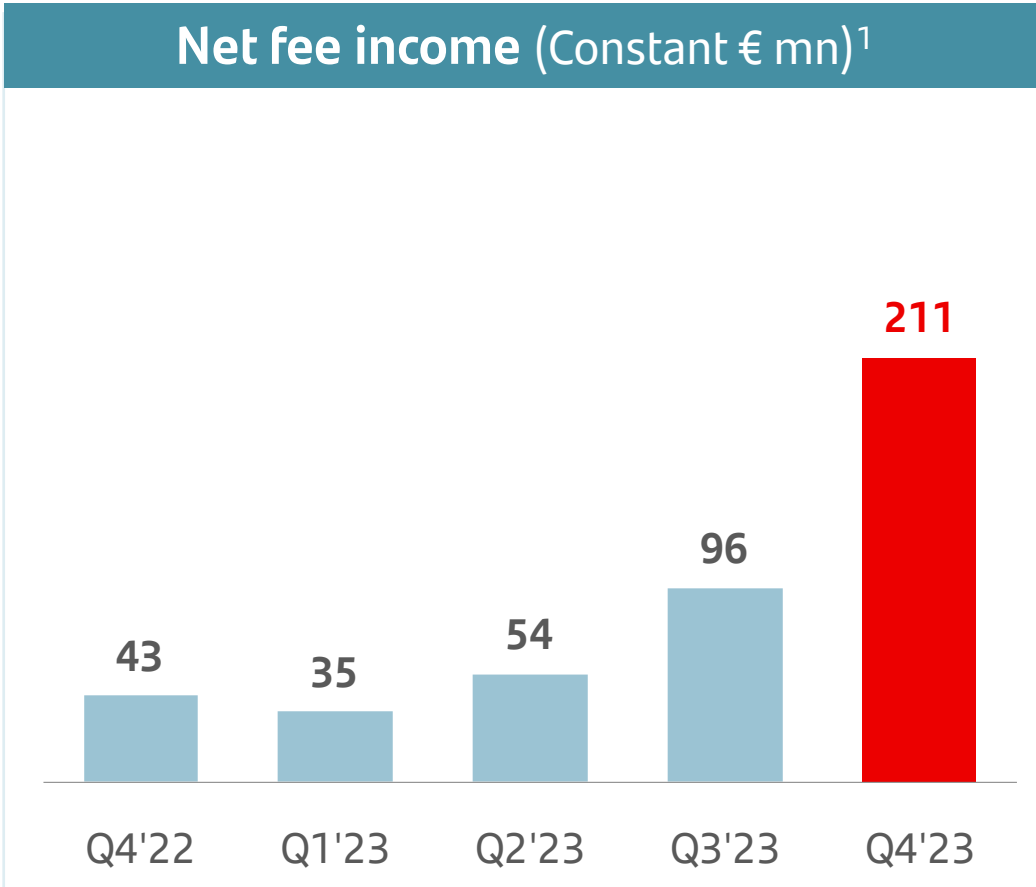


Note: QoQ comparison impacted by Q4'23 yearly cumulative effect from hyperinflation accounting.

(1) Average exchange rate as at 12M'23.

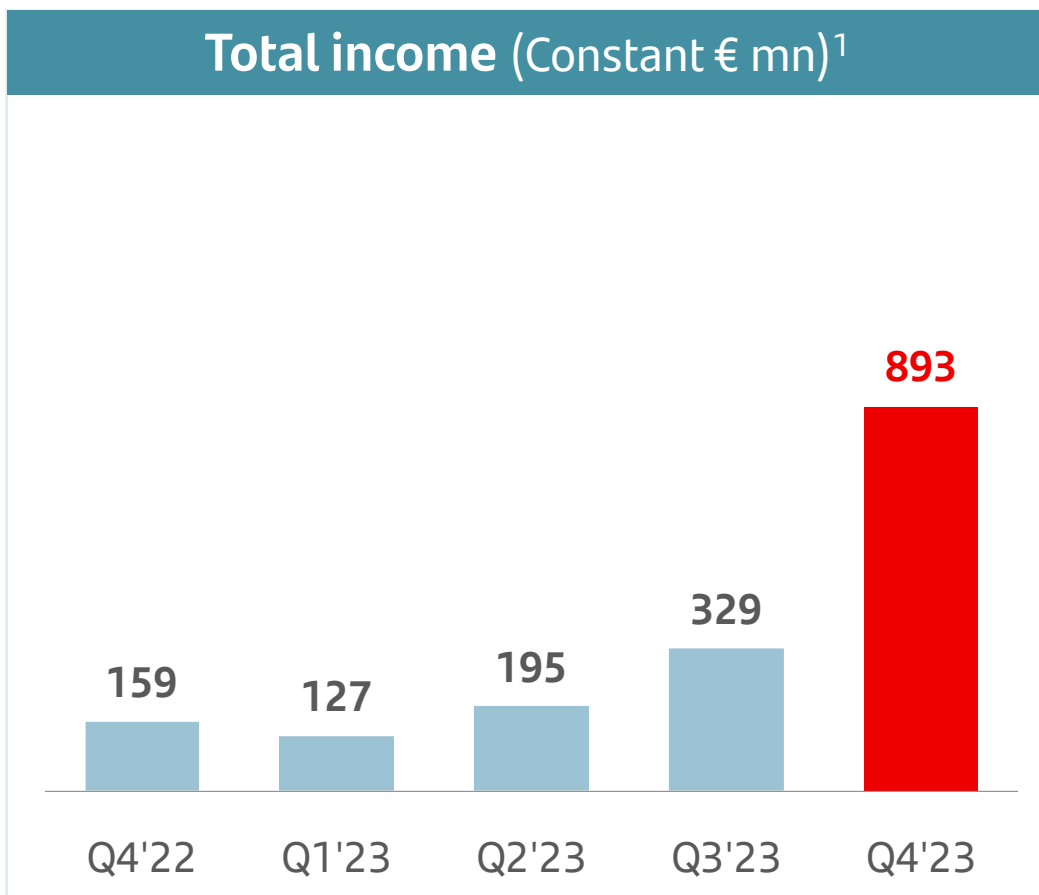
(2) Quarterly average.

Net fee income increased 245% YoY mainly due to transactional and mutual fund fees



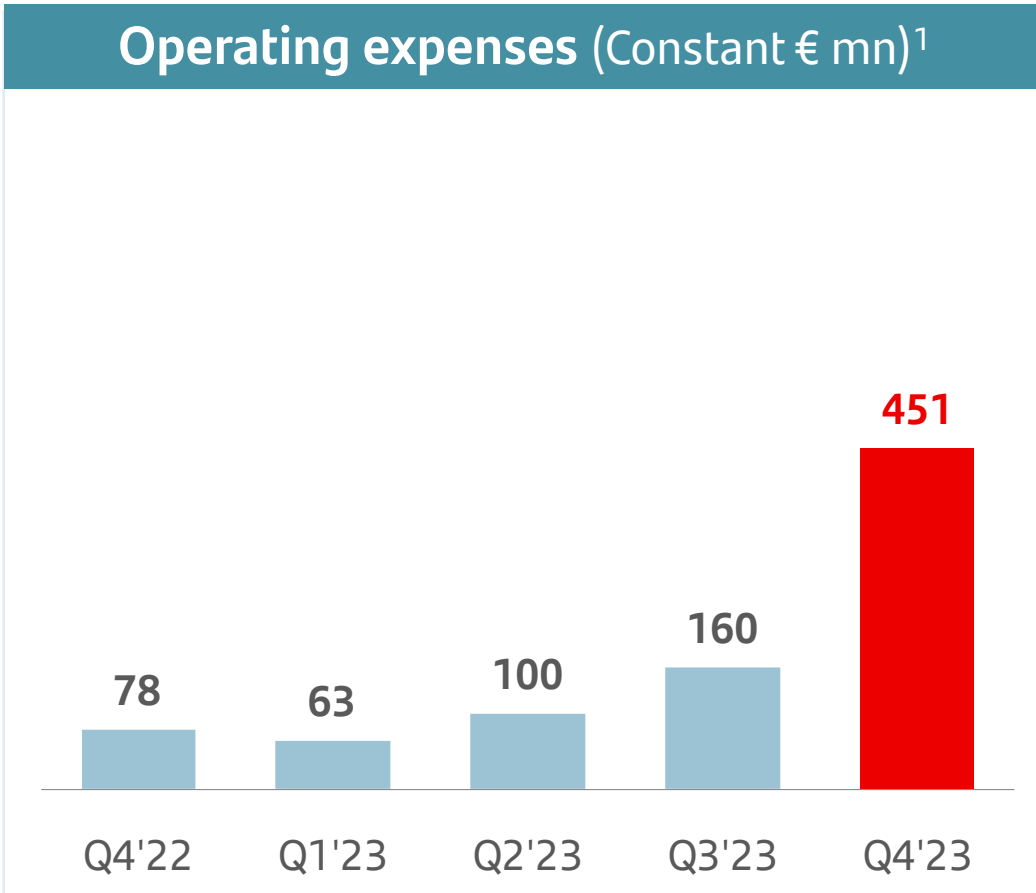
	2023	2022	YoY (%)	QoQ (%)
Transactional fees	133	61	117.9	23.0
Payment methods	53	24	121.1	28.7
Transfers, drafts, cheques and other orders	36	15	145.4	35.7
Foreign exchange currencies	2	1	49.2	4.2
Other transactional	42	21	99.8	6.5
Investment and pension funds	47	12	289.7	104.3
Insurance	13	6	119.6	28.9
Securities and custody services	14	2	516.0	118.8
Other	188	33	466.1	225.6
Total net fee income	396	115	245.2	118.8

Total income grew 298% YoY driven by the solid performance in the main revenue lines, more than offsetting greater negative effect from the hyperinflation adjustment



	2023	2022	YoY (%)	QoQ (%)
Net interest income	1,879	376	399.4	205.1
Net fee income	396	115	245.2	118.8
Customer revenue	2,275	491	363.4	187.5
Other ²	(731)	(103)	609.2	224.4
Total income	1,544	388	298.1	171.4

Costs increased YoY at a slower pace than total income

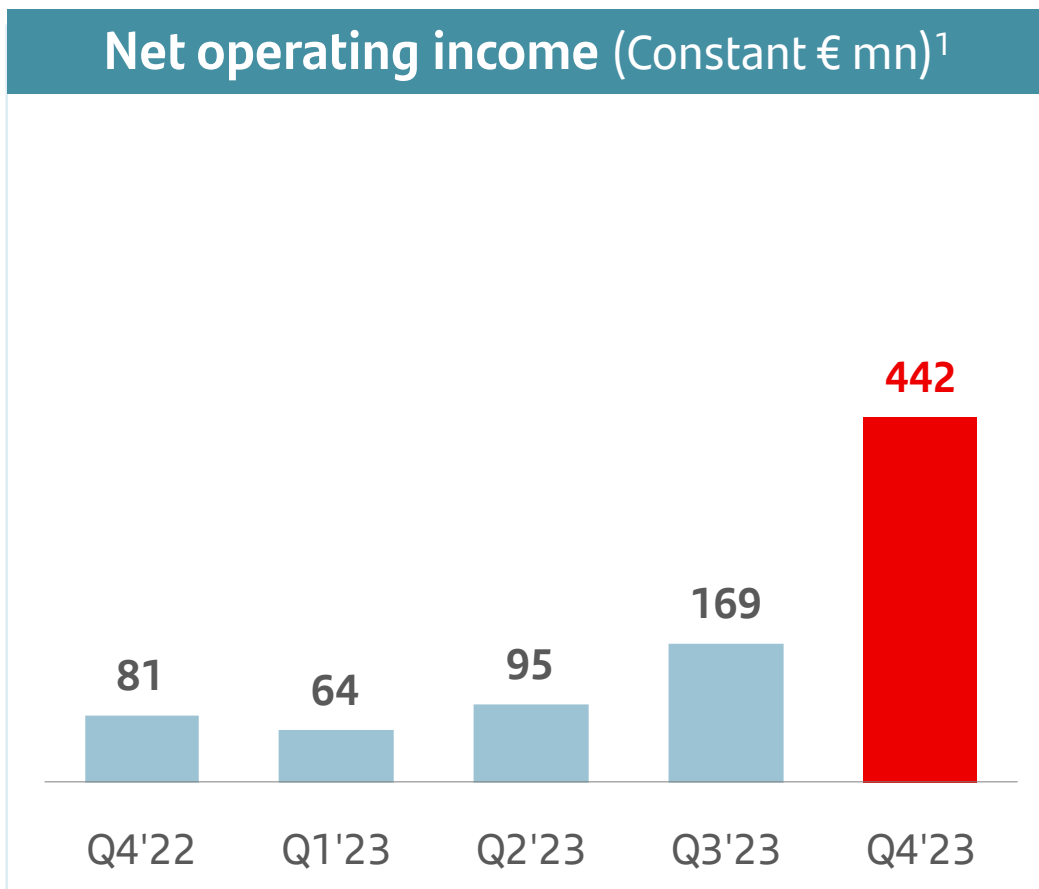


	2023	2022	YoY (%)	QoQ (%)
Operating Expenses	775	209	271.0	181.5

Branches (#)	322	375	-14.1	-4.5
Employees (#)	8,455	8,251	2.5	3.5



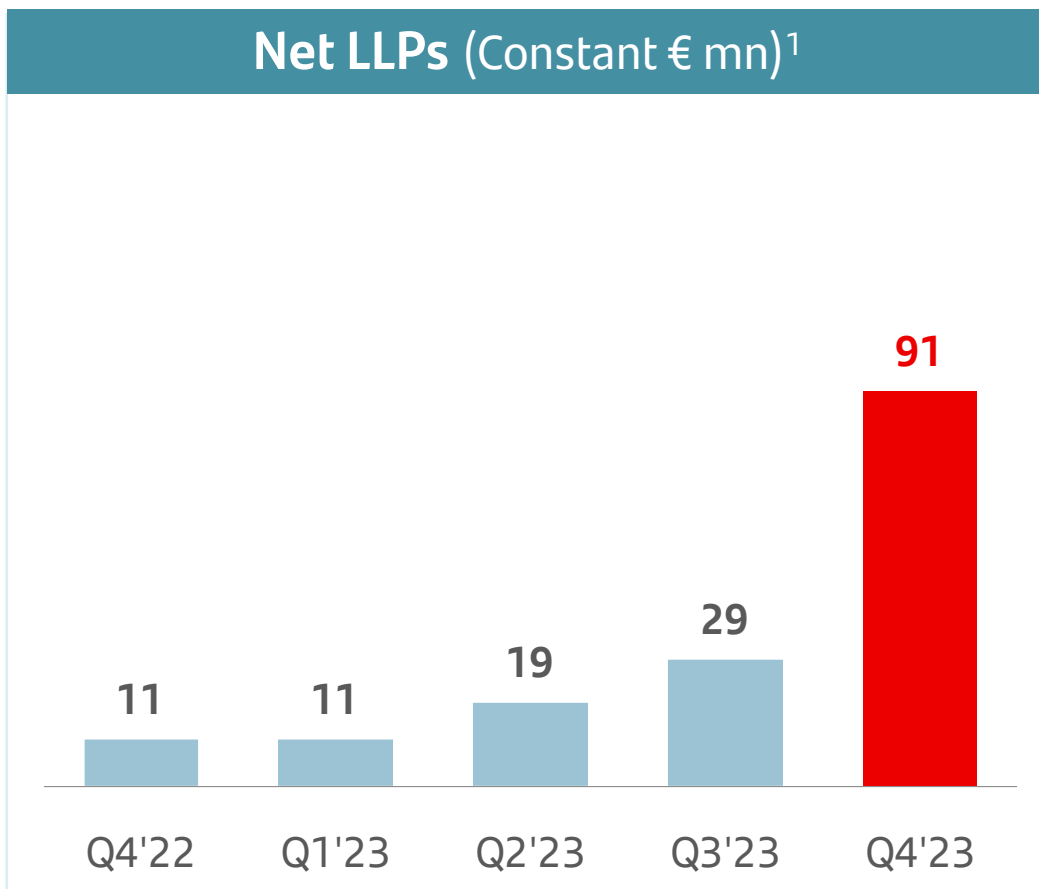
Net operating income increased 330% YoY, driven by strong revenue growth. The efficiency ratio improved 3.7 pp YoY



	2023	2022	YoY (%)	QoQ (%)
Total income	1,544	388	298.1	171.4
Operating Expenses	(775)	(209)	271.0	181.5
Net operating income	769	179	329.7	161.8
Efficiency ratio	50.2%	53.9%	-3.7pp	



LLPs were up, rising from low levels in 2022



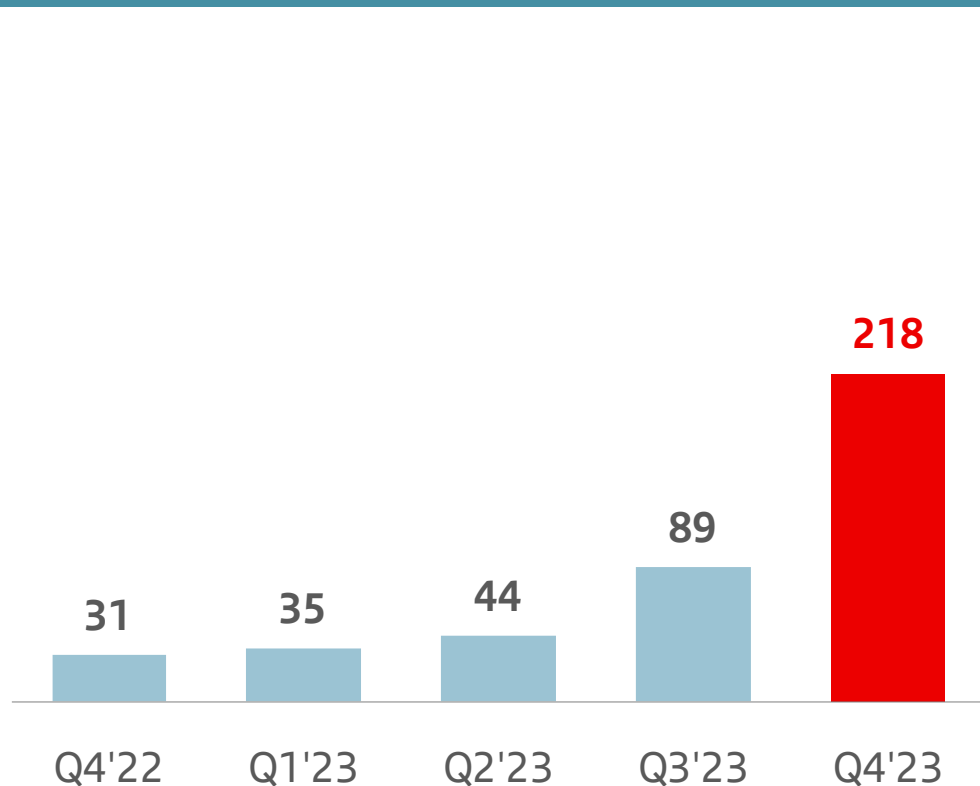
	2023	2022	YoY (%)	QoQ (%)
Net operating income	769	179	329.7	161.8
Loan-loss provisions	(150)	(28)	436.9	211.3
Net operating income after provisions	619	151	309.9	151.5

Cost of risk ²	6.64%	2.91%	373bps	255bps
NPL ratio	1.99%	2.08%	-10bps	8bps
Coverage ratio	166%	180%	-14.7pp	7.4pp

Strong YoY profit growth, underpinned by higher revenue and efficiency improvement



Attributable Profit (Constant € mn)¹



	2023	2022	YoY (%)	QoQ (%)
PBT	505	94	437.9	117.1
Tax on profit	(117)	(25)	366.1	53.7
Consolidated profit	388	69	464.1	144.8
Minority interests	(2)	0	-	492.7
Attributable profit	386	69	462.3	143.6
Effective tax rate	23.1%	26.6%	-3.6pp	

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Financial System

- ▶ High liquidity levels in both pesos and US dollars. Excess liquidity mainly placed in repos and treasury instruments
- ▶ Loans: +137% growth YoY in local currency and +335% in dollar-denominated portfolio (in local currency, impacted by peso devaluation in Dec-23)
- ▶ Deposits: up 177% YoY, +147% in local currency and +339% in dollar-denominated portfolio (in local currency)
- ▶ Mutual funds increased 286% YoY, in a context with high inflation and excess liquidity



Strategy & Business

- ▶ Customer-centric business model. Customer satisfaction: ranking 1st in Individuals NPS¹
- ▶ Digital customers increased 11% YoY to 3.2 mn, equivalent to 89% of our active customers, while mobile customers rose 15% YoY. Best ranked banking app among banks
- ▶ Loans grew 217% YoY driven by cards, CIB, SMEs and Corporates
- ▶ Customer deposits increased 190% YoY, driven by demand deposits. Very strong growth in mutual funds (+355% YoY)



Results

- ▶ Total income grew 298% YoY driven 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. The efficiency ratio improved 3.7 pp
- ▶ LLPs were up, rising from low levels in 2022
- ▶ Strong YoY profit growth, underpinned by higher revenue and efficiency improvement

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Balance sheet



Constant € million ¹	Variation			
	Dec-23	Dec-22	Amount	%
Loans and advances to customers	3,767	1,182	2,585	218.7
Cash, central banks and credit institutions	4,548	639	3,909	611.4
Debt instruments	1,368	1,125	243	21.6
Other financial assets	11	16	(5)	(32.7)
Other asset accounts	776	215	561	260.6
Total assets	10,470	3,178	7,292	229.5
Customer deposits	6,478	2,232	4,246	190.2
Central banks and credit institutions	1,271	229	1,042	455.9
Marketable debt securities	148	32	116	356.6
Other financial liabilities	638	172	467	272.0
Other liabilities accounts	455	109	346	318.4
Total liabilities	8,990	2,773	6,217	224.2
Total equity	1,479	404	1,075	266.0
Other managed customer funds	3,856	836	3,020	361.1
Mutual funds	3,810	836	2,973	355.5
Pension funds	47	—	47	—
Managed portfolios	—	—	—	—

Underlying income statement



Constant € million ¹	Variation			
	2023	2022	Amount	%
Net interest income	1,879	376	1,503	399.4
Net fee income	396	115	281	245.2
Gains (losses) on financial transactions	341	46	294	637.0
Other operating income	(1,071)	(149)	(922)	617.8
Total income	1,544	388	1,156	298.1
Operating expenses	(775)	(209)	(566)	271.0
Net operating income	769	179	590	329.7
Net loan-loss provisions	(150)	(28)	(122)	436.9
Other gains (losses) and provisions	(114)	(57)	(57)	99.8
Profit before tax	505	94	411	437.9
Tax on profit	(117)	(25)	(92)	366.1
Profit from continuing operations	388	69	319	464.1
Net profit from discontinued operations	—	—	—	—
Consolidated profit	388	69	319	464.1
Non-controlling interests	(2)	(0)	(2)	—
Profit attributable to the parent	386	69	317	462.3

Quarterly underlying income statement



Constant € million¹

	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23
Net interest income	41	66	111	158	135	221	376	1,147
Net fee income	17	22	33	43	35	54	96	211
Gains (losses) on financial transactions	7	10	14	15	22	39	86	193
Other operating income	(15)	(27)	(50)	(57)	(65)	(119)	(230)	(658)
Total income	50	70	108	159	127	195	329	893
Operating expenses	(30)	(40)	(61)	(78)	(63)	(100)	(160)	(451)
Net operating income	20	30	47	81	64	95	169	442
Net loan-loss provisions	(5)	(5)	(7)	(11)	(11)	(19)	(29)	(91)
Other gains (losses) and provisions	(5)	(10)	(15)	(27)	(8)	(25)	(11)	(71)
Profit before tax	10	15	26	43	45	51	129	280
Tax on profit	(2)	(2)	(9)	(12)	(10)	(7)	(39)	(60)
Profit from continuing operations	8	13	17	31	35	44	90	219
Net profit from discontinued operations	—	—	—	—	—	—	—	—
Consolidated profit	8	13	17	31	35	44	90	219
Non-controlling interests	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(2)
Profit attributable to the parent	8	13	16	31	35	44	89	218

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

