

**Banco Santander, S.A.**  
**Hong Kong Branch**

(A public limited liability company incorporated in Spain)

**Financial Disclosure Statement**

**For the year ended 31 December 2024**

**BANCO SANTANDER, S.A.**  
**HONG KONG BRANCH**

(A public limited liability company incorporated in Spain)

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## General Information

Banco Santander, S.A. Hong Kong Branch operates Corporate and Investment Banking business in Hong Kong across three major lines of products: Global Markets, Global Transaction Banking and Global Debt Financing.

## Unaudited Income Statement

		For the year ended	
	Note	31 Dec 2024 HK\$'000	31 Dec 2023 HK\$'000
Interest income		3,910,627	2,988,795
Interest expense		(3,899,381)	(3,122,027)
Other operating income			
- Gains less losses arising from trading in foreign currencies		393,130	651,859
- Gains less losses arising from securities held for trading purposes		(1,431)	(763)
- Gains less losses from other trading activities		54,910	105,571
- Net fees and commission income	1	191,078	85,638
- Others		391,750	289,237
<b>Total operating income</b>		<b>1,040,683</b>	<b>998,310</b>
Operating expenses			
- Staff expenses		(570,289)	(533,514)
- Rental expenses		(35,080)	(34,508)
- Other expenses		(300,877)	(287,183)
<b>Total operating expenses</b>		<b>(906,246)</b>	<b>(855,205)</b>
<b>Operating profit</b>		<b>134,437</b>	<b>143,105</b>
Change of impairment allowances for loans and receivables		10,825	(11,657)
Loss from disposal of property, plant and equipment		(9)	-
<b>Profit before taxation</b>		<b>145,253</b>	<b>131,448</b>
Tax expense		(57,385)	(45,120)
<b>Profit after taxation</b>		<b>87,868</b>	<b>86,328</b>

**Unaudited Balance Sheet**

	Note	31 Dec 2024 HK\$'000	30 Jun 2024 HK\$'000
<b>ASSETS</b>			
Cash and balances with banks (except those included in amount due from overseas offices)		1,859,218	1,192,496
Due from Exchange Fund		519,022	251,306
Placement with banks which have a residual contractual maturity of more than one month but not more than 12 months (except those included in amount due from overseas offices)		966,361	507,495
Amount due from overseas offices		62,157,474	49,860,006
Trade bills		977,026	491,736
Securities held for trading purposes		5,970,958	6,691,631
Loans and receivables	2	18,637,291	14,841,345
Property, plant and equipment		40,785	55,144
Investment securities		9,649,888	7,241,167
Other accounts	3	51,271,803	55,129,088
<b>TOTAL ASSETS</b>		<b>152,049,826</b>	<b>136,261,414</b>
<b>LIABILITIES</b>			
Deposits and balances from banks (except those included in amount due to overseas offices)		5,348,243	14,938,466
Due to Exchange Fund		3,261,867	2,498,624
Deposits from customers			
- demand deposits and current accounts		39,532	18,378
- savings deposits		5,487,101	2,313,620
- time, call and notice deposits		19,453,898	22,508,530
Amount due to overseas offices		52,972,973	30,437,771
Certificates of deposit issued		10,719,393	7,565,499
Accrued interest, other liabilities and provisions		54,766,819	55,980,526
<b>TOTAL LIABILITIES</b>		<b>152,049,826</b>	<b>136,261,414</b>

**Unaudited Supplementary Information**
**1. Net fees and commission income**

	<b>For the year ended</b>	
	<b>31 Dec 2024</b>	<b>31 Dec 2023</b>
	HK\$'000	HK\$'000
Gross fees and commission income	388,537	209,688
Gross fees and commission expenses	(197,459)	(124,050)
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Net fees and commission income	<u>191,078</u>	<u>85,638</u>

**2. Loans and receivables**

	<b>31 Dec 2024</b>	<b>30 Jun 2024</b>
	HK\$'000	HK\$'000
Loans and advances to customers (note 9)	18,569,347	14,845,020
Impairment allowances		
- Stage 1	(3,414)	(3,675)
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	18,565,933	14,841,345
Loans and advances to banks	71,358	-
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	<u>18,637,291</u>	<u>14,841,345</u>

**3. Other accounts**

	<b>31 Dec 2024</b>	<b>30 Jun 2024</b>
	HK\$'000	HK\$'000
Accrued interest and other accounts		
- Accrued interest	600,316	594,922
- Amount receivable arising from derivative contracts	50,513,633	54,222,775
- Others	157,854	311,391
	<hr/>	<hr/>
	<u>51,271,803</u>	<u>55,129,088</u>

**4. Impaired loans and advances**

There were no impaired loans and advances to customers or banks as at 31 December 2024 and 30 June 2024.

**5. Derivative transactions**

	<b>31 Dec 2024</b>	<b>30 Jun 2024</b>
	HK\$'000	HK\$'000
Nominal amounts		
- Exchange rate-related derivative contracts	673,951,332	858,550,647
- Interest rate derivative contracts	1,061,367,122	1,027,847,567

**Unaudited Supplementary Information (Continued)**
**5. Derivative transactions (continued)**

	<b>31 Dec 2024</b> HK\$'000	<b>30 Jun 2024</b> HK\$'000
Fair value assets		
- Exchange rate-related derivative contracts	10,636,804	8,275,309
- Interest rate derivative contracts	39,876,829	45,947,466
Fair value liabilities		
- Exchange rate-related derivative contracts	10,810,344	8,039,848
- Interest rate derivative contracts	39,225,493	45,391,987

The above derivative assets and liabilities, being the positive or negative marked-to-market value of the respective derivative contracts, represent gross replacement costs. They do not take into account the effects of bilateral netting arrangements.

**6. Off-balance sheet exposures**

	<b>31 Dec 2024</b> HK\$'000	<b>30 Jun 2024</b> HK\$'000
Contractual amounts		
- Direct credit substitutes	1,289,096	2,241,186
- Transaction-related contingencies	12,449,041	12,336,216
- Trade-related contingencies	6,161,957	5,520,730
- Other commitments	75,261,707	68,482,783
- Others (forward forward deposits placed)	2,261,966	4,767,562

**Unaudited Supplementary Information (Continued)**
**7. International claims**

International claims refer to exposures to counterparties on which the ultimate risk lies, and is derived according to the location of the counterparties after taking into account any recognized risk transfer. The basis of geographical segments and individual countries is in accordance with the definitions set out in the Banking (Disclosure) Rules and the "Return of International Banking Statistics" issued by the Hong Kong Monetary Authority ("HKMA"). Only countries constituting 10% or more of our total international claims are disclosed as follows:

HK\$ million	Banks	Official sector	Non-bank private sector		Others	Total
			Non-bank financial institutions	Non-financial private sector		
As at 31 Dec 2024						
Developed countries	64,226	1,123	261	2,283	-	67,893
<i>Of which: Spain</i>	<i>62,818</i>	<i>-</i>	<i>80</i>	<i>24</i>	<i>-</i>	<i>62,922</i>
Offshore centres	406	8,235	711	11,163	-	20,515
<i>Of which: Singapore</i>	<i>4</i>	<i>8,235</i>	<i>40</i>	<i>1,463</i>	<i>-</i>	<i>9,742</i>

HK\$ million	Banks	Official sector	Non-bank private sector		Others	Total
			Non-bank financial institutions	Non-financial private sector		
As at 30 Jun 2024						
Developed countries	51,323	762	207	1,535	-	53,827
Of which: Spain	50,610	-	64	-	-	50,674
Offshore centres	432	4,568	2,066	6,075	-	13,141
Of which: Hong Kong	430	-	2,034	4,629	-	7,093

**Unaudited Supplementary Information (Continued)**
**8. Gross loans and advances to customers by geographical areas**

The analysis of gross amount of loans and advances to customers by major countries or geographical segments is in accordance with the location of the counterparties, after taking into account any recognized risk transfer. In general, risk transfer applies when the loans and advances are guaranteed by a party in a country which is different from that of the customer. Major countries constituting 10% or more of the total gross amount of advances are disclosed as follows:

	<b>31 Dec 2024</b>	
	HK\$'000	% to total advances to customers
Gross amount of advances		
- Hong Kong	8,635,745	46.51%
- Cayman Island	2,029,447	10.93%
- South Korea	1,949,909	10.50%
- Others	5,954,246	32.06%
	<u>18,569,347</u>	<u>100.00%</u>

Overdue or impaired loans

-

	<b>30 Jun 2024</b>	
	HK\$'000	% to total advances to customers
Gross amount of advances		
- Hong Kong	6,618,793	44.59%
- South Korea	2,389,700	16.10%
- Others	5,836,527	39.31%
	<u>14,845,020</u>	<u>100.00%</u>

Overdue or impaired loans

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**Unaudited Supplementary Information (Continued)**
**9. Sector information**

Analysis of gross advances to customers and the percentage of secured advances classified into the following industry categories:

	<b>31 Dec 2024</b>		<b>30 Jun 2024</b>	
	HK\$'000	% of gross advances covered by collateral or other security	HK\$'000	% of gross advances covered by collateral or other security
Loans and advances for use in Hong Kong				
- Industrial, commercial & financial				
- Financial concerns	-	-	21,000	-
- Transport and transport equipment	217,859	-	-	-
- Manufacturing	403,443	-	418,207	-
- Others	537,043	91.25%	1,425,199	34.57%
	<u>1,158,345</u>		<u>1,864,406</u>	
Trade Finance	10,835,205	-	6,487,576	10.94%
Loans and advances for use outside Hong Kong	<u>6,575,797</u>	0.29%	<u>6,493,038</u>	0.52%
Gross loans and advances to customers (note 2)	<u><u>18,569,347</u></u>		<u><u>14,845,020</u></u>	

**10. Overdue or rescheduled assets**

As at 31 December 2024 and 30 June 2024, there were no loans and advances to customers or other assets which were overdue for more than three months, nor were there any rescheduled assets.

**11. Repossessed assets**

There were no repossessed assets held as at 31 December 2024 and 30 June 2024.

**Unaudited Supplementary Information (Continued)**
**12. Non-bank Mainland exposures**

The following Mainland exposures to non-bank counterparties are prepared in accordance with the completion instructions for the “Return of Mainland Activities” issued by the HKMA.

Types of Counterparties	On-balance sheet exposure HK\$ million	Off-balance sheet exposure HK\$ million	Total HK\$ million
<b>As at 31 Dec 2024</b>			
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	6,045	6,401	12,446
2. Local governments, local government-owned entities and their subsidiaries and JVs	-	513	513
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	3,057	2,000	5,057
4. Other entities of central government not reported in item 1 above	-	-	-
5. Other entities of local governments not reported in item 2 above	-	-	-
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	-	-	-
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
<b>Total</b>	<b>9,102</b>	<b>8,914</b>	<b>18,016</b>
<b>Total assets after provision</b>	<b>152,049</b>		
<b>On-balance sheet exposures as percentage of total assets</b>	<b>5.99%</b>		

**Unaudited Supplementary Information (Continued)**
**12. Non-bank Mainland exposures (continued)**

Types of Counterparties	On-balance sheet exposures HK\$ million	Off-balance sheet exposures HK\$ million	Total HK\$ million
<b>As at 30 Jun 2024</b>			
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	5,558	8,350	13,908
2. Local governments, local government-owned entities and their subsidiaries and JVs	42	11	53
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	2,958	1,108	4,066
4. Other entities of central government not reported in item 1 above	-	-	-
5. Other entities of local governments not reported in item 2 above	-	-	-
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	-	-	-
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
<b>Total</b>	<b>8,558</b>	<b>9,469</b>	<b>18,027</b>
<b>Total assets after provision</b>	<b>136,258</b>		
<b>On-balance sheet exposures as percentage of total assets</b>	<b>6.28%</b>		

**Unaudited Supplementary Information (Continued)**
**13. Currency risk**

The net positions or net structural positions in foreign currencies are disclosed when each currency constitutes 10% or more of the respective total net position or total net structural position in all foreign currencies.

HK\$ million	USD	CNY	EUR	SGD	Others	Total
<b>As at 31 Dec 2024</b>						
Spot assets	98,723	2,534	22,276	16,689	4,704	144,926
Spot liabilities	(111,393)	(7,563)	(7,686)	(10,698)	(2,841)	(140,181)
Forward purchases	326,254	214,271	39,785	13,590	35,326	629,226
Forward sales	(313,151)	(208,778)	(54,538)	(19,462)	(37,065)	(632,994)
Net option position	-	-	-	-	-	-
	<u>433</u>	<u>464</u>	<u>(163)</u>	<u>119</u>	<u>124</u>	<u>977</u>
Net long/ (short) position						
Net structural position	<u>2</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>

HK\$ million	CNY	USD	Others	Total
<b>As at 30 Jun 2024</b>				
Spot assets	4,015	96,296	28,887	129,198
Spot liabilities	(12,730)	(99,833)	(14,400)	(126,963)
Forward purchases	228,781	411,191	155,417	795,389
Forward sales	(220,524)	(406,757)	(169,990)	(797,271)
Net option position	-	-	-	-
	<u>(458)</u>	<u>897</u>	<u>(86)</u>	<u>353</u>
Net long/ (short) position				
Net structural position	<u>-</u>	<u>2</u>	<u>-</u>	<u>2</u>

Delta equivalent approach method is used to calculate net options position of the Branch.

**14. Liquidity information disclosures**
**i. Liquidity maintenance ratio ("LMR")**

	<b>For the quarter ended</b>	
	<b>31 Dec 2024</b>	<b>31 Dec 2023</b>
Average LMR for the financial period	44.07%	41.80%

The average liquidity maintenance ratio is the simple average of each month's average liquidity maintenance ratio for the reporting period. Liquidity maintenance ratio is calculated in accordance with the guidelines of the HKMA and the Banking (Liquidity) Rules.

The liquidity information disclosure is also available under section "Shareholders and Investors" on Banco Santander, S.A.'s website at [www.santander.com](http://www.santander.com).

**Unaudited Supplementary Information (Continued)****14. Liquidity information disclosures (continued)****ii Liquidity risk management**

Liquidity risk comprises the risk of the Banco Santander, S.A. Hong Kong Branch (the “Branch”) not being able to meet payment obligations promptly or would do so at a high price. Losses may result from a forced asset disposal and a cash flow imbalance. Liquidity risk identification, measurement, monitoring and control for the Branch are commensurate with the limited scope of our business and its role as the funding center in Asia-Pacific.

Risk Management policies and the underlying risk appetite limits are set at Head Office level. These risk appetite limits are then adopted by the Branch for the setting of individual branch liquidity gap measures, other liquidity metrics and controls.

*Governance*

The Santander approach to risk management is committee-based for all decisions. The Branch has a Finance Forum, responsible for the management of assets, liabilities, commitments and contingent liabilities of the Branch. Its role is to ensure that the management of liquidity risk of the Branch is carried out within the approved limits and policies. The Finance Forum formulates and approves on a yearly basis a strategic funding plan for the Branch. The plan is regularly reviewed to take into account the projected balance sheet growth and liquidity sources. The Branch also has an Asia Risk Control Forum (“APAC RCF”), responsible for approving risk policies and procedure and an Asia SCIB Executive Risk Forum (“APAC ERF”), responsible for approving limits, including those related to liquidity. The support units assigned with the responsibilities to identify, measure and monitor risks are independent from the business origination functions. Asia Pacific Market & Structural Risk is responsible for the monitoring of liquidity risks. Financial Control is responsible for the calculation of the liquidity maintenance ratio (the “LMR”) and provides the relevant information in order to closely monitor the daily liquidity ratios. Financial Management designs and executes the strategic funding plan of the Branch, aligned with the business strategy, overall funding plan and risk appetite of the Group. The structural liquidity position of the Branch is managed by Financial Management. Operational and intraday liquidity management is delegated to the Short Term Markets desk (STM).

*Reporting*

The Branch has put in place a set of metrics and monitoring tools to measure and identify its liquidity risk. Daily monitoring of LMR and LMR projections are done by Financial Control. In addition, Asia Pacific Market & Structural Risk monitors reports including but not limited to, liquidity gaps, liquidity asset buffer, liquidity stress testing, intraday liquidity stress testing, liquidity coverage ratio and net stable funding ratio.

*Stress testing*

Monthly stress test is carried out in order to identify sources of potential liquidity strain, monitor liquidity exposures and assess impact of future liquidity stresses on the Branch’s cash flows, liquidity position, profitability and solvency. These scenarios cover institution-specific, market-wide stress scenarios and the combination of both. The design of the stress test is commensurate to the Branch’s business scope and funding structure. It is reviewed at least annually to ensure its effectiveness.

Results of the stress tests are reported to the APAC RCF and Finance Forum, and are considered in the Branch’s strategic funding plan and the formulation of the Contingency Funding Plan.

## Unaudited Supplementary Information (Continued)

### 14. Liquidity information disclosures (continued)

#### ii. Liquidity risk management (continued)

##### *Funding and market access*

The Branch is responsible for managing its own financial resources, always in coordination with the liquidity position at Santander Group level. Santander Head Office issues pricing guidelines to ensure coordinated pricing strategy across Santander S.A. branches. Banco Santander, S.A. Head Office is always ready to provide funding support to all international branches, including the Hong Kong Branch. The Branch actively pursues a diversified funding mix. Funding profile is monthly reported to the Finance Forum, who monitors its alignment with risk appetite and strategy.

##### *Maintenance of liquidity buffer*

The Branch holds a liquidity buffer to cover liquidity needs at all times, including during periods of stress. The composition of the Branch's liquidity buffer consists of cash and high quality marketable securities issued or guaranteed by sovereigns. During the year the Branch held Hong Kong Exchange Fund Bills (HKD), Japan Government Bond (JPY), Singapore Government Bond (SGD), China Government Bond (CNY, CNH) and China Policy Bank Bond (CNY) for these purposes.

##### *Contingency Funding Plan ("CFP")*

The Branch maintains a framework to monitor and respond to potential liquidity stress. The objective is to define a series of liquidity risk triggers, critical events and the appropriate response by the Branch to these warnings. The CFP prescribes possible courses of action with defined roles and responsibilities to address any stress situation and prepare the Branch for funding pressures should they develop. The CFP is reviewed at least on an annual basis by the Finance Forum and it is validated by Santander headquarters.

##### *Sources of Funding*

	31 Dec 2024 HK\$ million	31 Dec 2023 HK\$ million
Deposits from customers	30,377	30,983
Funding raised from banks	3,409	3,119
Funding raised from connected banks	53,456	49,600
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Total Funding Sources	87,242	83,702
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### Unaudited Supplementary Information (Continued)

#### 14. Liquidity information disclosures (continued)

##### iii. Liquidity gap

The table below analyses the on- and off-balance sheet items of the Branch, broken down into maturity buckets and the resultant liquidity gaps:

HK\$ million	Total amount	Next day	2 to 7 days	8 days to 1 month	>1 month up to 3 months	>3 months up to 6 months	>6 months up to 1 year	>1 year up to 2 years	>2 years up to 3 years	>3 years up to 5 years	Over 5 years	Balancing amount
<b>As at 31 Dec 2024</b>												
Amount receivable arising from derivative contracts	48,425	1,828	74,725	61,427	94,636	85,603	99,364	88,664	35,098	24,660	67,391	-
Cash and due from banks	66,131	22,183	3,564	1,877	8,362	9,479	16,369	1,307	1,454	1,235	301	-
Trade bills	977	8	21	418	417	108	5	-	-	-	-	-
Debt securities held	15,621	15,621	-	-	-	-	-	-	-	-	-	-
Loans and advances to customers	18,303	1,353	2,017	7,603	2,203	1,920	1,330	636	260	740	241	-
Other assets	199	-	-	59	22	-	-	9	-	3	-	106
<b>Total on-balance sheet assets</b>	<b>149,656</b>	<b>40,993</b>	<b>80,327</b>	<b>71,384</b>	<b>105,640</b>	<b>97,110</b>	<b>117,068</b>	<b>90,616</b>	<b>36,812</b>	<b>26,638</b>	<b>67,933</b>	<b>106</b>
<b>Total off-balance sheet claims</b>	<b>30,539</b>	<b>10,414</b>	<b>10,096</b>	<b>7,767</b>	<b>2,262</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Deposits from customers	25,332	5,847	696	742	5,270	5,915	6,282	254	326	-	-	-
Amount payable arising from derivative contracts	47,947	1,806	74,936	61,478	94,531	85,942	100,089	87,856	34,970	24,167	66,610	-
Due to banks	61,911	17,911	1,148	8,504	14,984	7,630	9,561	576	1,519	-	78	-
Debt securities issued	10,871	-	350	1,924	4,209	1,562	1,697	-	1,129	-	-	-
Other liabilities and reserves	3,595	-	1,706	182	223	8	74	31	16	16	-	1,339
<b>Total on-balance sheet liabilities</b>	<b>149,656</b>	<b>25,564</b>	<b>78,836</b>	<b>72,830</b>	<b>119,217</b>	<b>101,057</b>	<b>117,703</b>	<b>88,717</b>	<b>37,960</b>	<b>24,183</b>	<b>66,688</b>	<b>1,339</b>
<b>Total off-balance sheet obligations</b>	<b>41,314</b>	<b>760</b>	<b>30,816</b>	<b>585</b>	<b>4,659</b>	<b>4,478</b>	<b>-</b>	<b>16</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Contractual maturity mismatch</b>		<b>25,083</b>	<b>(19,229)</b>	<b>5,736</b>	<b>(15,974)</b>	<b>(8,425)</b>	<b>(635)</b>	<b>1,883</b>	<b>(1,148)</b>	<b>2,455</b>	<b>1,245</b>	
<b>Cumulative contractual maturity mismatch</b>		<b>25,083</b>	<b>5,854</b>	<b>11,590</b>	<b>(4,384)</b>	<b>(12,809)</b>	<b>(13,444)</b>	<b>(11,561)</b>	<b>(12,709)</b>	<b>(10,254)</b>	<b>(9,009)</b>	



### Unaudited Supplementary Information (Continued)

#### 14. Liquidity information disclosures (continued)

##### iii. Liquidity gap (continued)

HK\$ million	Total amount	Next day	2 to 7 days	8 days to 1 month	>1 month up to 3 months	>3 months up to 6 months	>6 months up to 1 year	>1 year up to 2 years	>2 years up to 3 years	>3 years up to 5 years	Over 5 years	Balancing amount
<b>As at 31 Dec 2023</b>												
Amount receivable arising from derivative contracts	9,992	46,554	35,544	73,649	85,681	56,001	85,032	61,406	40,252	11,264	5,119	-
Cash and due from banks	48,221	16,837	3,002	6,482	5,431	8,099	7,099	516	311	418	26	-
Trade bills	814	37	101	288	226	127	35	-	-	-	-	-
Debt securities held	15,306	15,306	-	-	-	-	-	-	-	-	-	-
Loans and advances to customers	23,874	54	2,884	7,559	6,363	1,916	2,485	1,524	405	50	634	-
Other assets	304	-	-	59	21	-	-	-	-	9	-	215
<b>Total on-balance sheet assets</b>	<b>98,511</b>	<b>78,788</b>	<b>41,531</b>	<b>88,037</b>	<b>97,722</b>	<b>66,143</b>	<b>94,651</b>	<b>63,446</b>	<b>40,968</b>	<b>11,741</b>	<b>5,779</b>	<b>215</b>
<b>Total off-balance sheet claims</b>	<b>23,428</b>	<b>7,809</b>	<b>7,809</b>	<b>7,810</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Deposits from customers	26,075	6,964	1,208	2,218	3,683	6,733	4,916	353	-	-	-	-
Amount payable arising from derivative contracts	9,205	46,539	35,467	73,838	85,495	55,941	84,887	62,278	39,855	10,944	4,761	-
Due to banks	57,627	9,068	8,708	6,942	24,995	2,943	4,028	865	-	-	78	-
Debt securities issued	3,682	-	-	456	750	1,442	1,034	-	-	-	-	-
Other liabilities and reserves	1,922	-	1	147	239	9	66	49	23	15	-	1,373
<b>Total on-balance sheet liabilities</b>	<b>98,511</b>	<b>62,571</b>	<b>45,384</b>	<b>83,601</b>	<b>115,162</b>	<b>67,068</b>	<b>94,931</b>	<b>63,545</b>	<b>39,878</b>	<b>10,959</b>	<b>4,839</b>	<b>1,373</b>
<b>Total off-balance sheet obligations</b>	<b>27,538</b>	<b>392</b>	<b>26,235</b>	<b>208</b>	<b>213</b>	<b>490</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Contractual maturity mismatch</b>	<b>23,634</b>	<b>23,634</b>	<b>(22,279)</b>	<b>12,038</b>	<b>(17,653)</b>	<b>(1,415)</b>	<b>(280)</b>	<b>(99)</b>	<b>1,090</b>	<b>782</b>	<b>940</b>	<b>-</b>
<b>Cumulative contractual maturity mismatch</b>	<b>23,634</b>	<b>23,634</b>	<b>1,355</b>	<b>13,393</b>	<b>(4,260)</b>	<b>(5,675)</b>	<b>(5,955)</b>	<b>(6,054)</b>	<b>(4,964)</b>	<b>(4,182)</b>	<b>(3,242)</b>	<b>-</b>



## Unaudited Supplementary Information (Continued)

### 15. Disclosure on remuneration

Pursuant to section 3 of Supervisory Policy Manual (CG-5) Guideline on a Sound Remuneration System issued by the HKMA, Banco Santander, S.A. Hong Kong Branch complies with the requirements and has adopted the remuneration policy of Banco Santander, S.A. Head Office. Please refer to the 2024 Annual Report of Banco Santander, S.A. at <https://www.santander.com/en/shareholders-and-investors/financial-and-economic-information/annual-report> for details.

The Branch has implemented two deferred variable remuneration plans for Senior Management and Key Personnel in different roles and compensation levels. The Senior Management and Key Personnel consists of Chief Executive, Alternate Chief Executives, Heads of Risk Control Functions, senior management reporting to Chief Executive who are considered as material risk takers, and other material risk takers. The variable remuneration consists of a combination of a minimum of 40% deferred payment in cash, shares or phantom shares to be paid in four years.

Due to the small number of senior management and key personnel in the Branch, the aggregate numbers of the remuneration are disclosed as below.

#### REM1: Remuneration Awarded during Financial Year 2024<sup>1</sup>

Remuneration amount and quantitative information (HK\$'000)		Senior Management & Key Personnel
Fixed remuneration	Number of employees	17
	Total fixed remuneration in cash	51,558
Variable remuneration	Number of employees	17
	Total variable remuneration	79,495
	Of which: immediate cash	25,815
	Of which: deferred cash	14,588
	Of which: immediate shares	21,882
	Of which: deferred shares & phantom shares	17,210
Total remuneration		131,053

#### REM2: Special payments

		(a)	(b)	(c)	(d)	(e)	(f)
		Guaranteed bonuses		Sign-on awards		Severance payments	
Special payments (HK\$'000)		Number of employees	Total amount	Number of employees	Total amount	Number of employees	Total amount
1	Senior management						
2	Key personnel					1	2,940

<sup>1</sup> Banco Santander, S.A. Hong Kong Branch has adopted the remuneration system of Banco Santander, S.A. Head Office, and in addition, implemented a local deferral plan.

**Unaudited Supplementary Information (Continued)**
**15. Disclosure on remuneration (continued)**
**REM3: Deferred remuneration<sup>1</sup>**

<b>Deferred and retained remuneration</b> (HK\$'000)	Total amount of outstanding deferred remuneration	Of which: Total amount of outstanding deferred and retained remuneration exposed to ex post explicit and/or implicit adjustment	Total amount of amendment during the year due to ex post explicit adjustments	Total amount of amendment during the year due to ex post implicit adjustments	Total amount of deferred remuneration paid out in the financial year
<b>Senior Management &amp; Key Personnel</b>	<b>92,127</b>	<b>55,378</b>	-	-	<b>18,684</b>
Cash	36,749	-	-	-	6,513
Shares & Phantom Shares <sup>2</sup>	55,378	55,378	-	-	12,171

Should there be any discrepancy between the English and Chinese versions, the English version shall prevail.

<sup>1</sup> Banco Santander, S.A. Hong Kong Branch has adopted the remuneration system of Banco Santander, S.A. Head Office, and in addition, implemented a local deferral plan.

<sup>2</sup> The value is based on the closing share price of Banco Santander, S.A. as of 31 December 2024.

**Group Consolidated Financial Information**
**Capital and capital adequacy**

	<b>31 Dec 2024</b>	<b>30 Jun 2024</b>
Capital ratio (Basel III)		
CET1 capital ratio	12.8%	12.5%
Tier 1 capital ratio	14.4%	13.9%
Total capital ratio	17.4%	16.7%

	<b>EUR Million</b>	<b>EUR Million</b>
Total equity	107,327	103,648

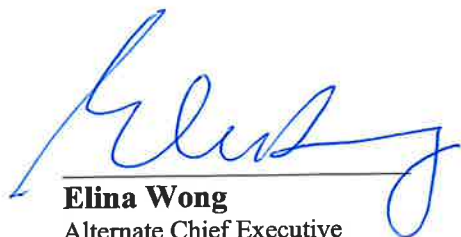
**Other financial information**

	<b>31 Dec 2024</b>	<b>30 Jun 2024</b>
	<b>EUR Million</b>	<b>EUR Million</b>
Total assets	1,837,081	1,786,261
Total liabilities	1,729,754	1,682,613
Total loans and advances to customers	1,054,069	1,065,596
Total customer deposits	1,055,936	1,037,646

	<b>For the year ended</b>	
	<b>31 Dec 2024</b>	<b>31 Dec 2023</b>
	<b>EUR Million</b>	<b>EUR Million</b>
Pre-tax profit	19,027	16,459

**Statement of Compliance**

This Disclosure Statement has been prepared in accordance with the Banking (Disclosure) Rules and the disclosure standards as stated in the Hong Kong Monetary Authority's Supervisory Policy Manual on "Guideline on the Application of the Banking (Disclosure) Rules". To the best of my knowledge, the disclosure is not false or misleading in any material respect.

**Elina Wong**

Alternate Chief Executive

Banco Santander, S.A. Hong Kong Branch

(A public limited liability company incorporated in Spain)