

2024 Information on corporate governance and remunerations



The corporate governance chapter of the consolidated directors' report that forms part of the 2024 Annual Report of Banco Santander, S.A. is attached. The entire annual report is available on the Banco Santander's corporate website (www.santander.com).

This chapter includes the content of the 2024 annual corporate governance and remuneration reports, drafted in a free format as we have been doing since the entry into force of the relevant Circular of the Spanish stock market authority (CNMV), as well as the 2024 activities reports of the board committees.

The references to the above information within the attached corporate governance chapter are the following:

→ 2024 Annual corporate governance report	Entire corporate governance chapter
→ 2024 Activities reports of the audit; nomination; remuneration; risk, supervision, regulation and compliance; responsible banking, sustainability and culture; and innovation and technology committees	Sections 4.5, 4.6, 4.7, 4.8, 4.9 and 4.10, respectively
→ 2024 Annual directors' remuneration report	Sections 6 (excluding 6.4), 9.4 and 9.5

The chapter must be read in conjunction with the other sections of the 2024 Annual Report given it forms part of it. In light of this, it must be noted that the automatic links to other sections of the 2024 Annual Report that are included in the attached document do not work.



CORPORATE GOVERNANCE

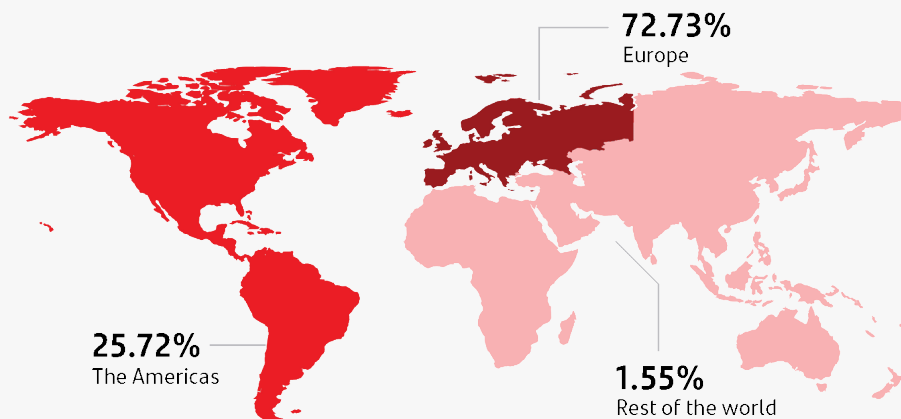
Clear and robust corporate governance to ensure a long-term, sustainable business model

Our governance bodies



Broad and balanced shareholder base

Share capital distribution by geography¹



1. Figures as at 31 December 2024.

Aligned with high corporate governance standards



Banco Santander has the highest score in the Spanish Association for Standardisation and Certification's (AENOR) Good Corporate Governance Index (GCGI V2.0), which verifies aspects such as composition and functioning of the board and its committees, shareholders' general meeting, remuneration policy, compliance and transparency.

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1. 2024 OVERVIEW



Glenn Hutchins,
Vice Chair and Lead Independent Director

"In 2024, the board remained committed to increasing shareholder value by delivering strong, sustainable results in line with our Investor Day targets. We believe that board oversight is critical in aligning the interests of our shareholders –and other stakeholders– with the strategies of our enterprise and driving success. This corporate governance report sets out how the board and its committees work to ensure that the Group continues to deliver shareholder value with prudence and careful risk management.

Notably, we made important progress over the year in our technology transformation agenda and in our shift to five global businesses, enabling us to serve our customers better, gain operating efficiencies and clarify external reporting. We also removed the regional layer of management, facilitating fast decision-making, clear accountability and enhanced agility. We further held several meetings in session with our Executive Chair and with our CEO in order to assist in their work and evaluate their progress.

Every year the board visits one of our key markets to get an on-the-ground perspective of the businesses, opportunities and challenges faced locally. In November 2024, we travelled to Brazil in recognition of the strategic importance of that geography for the Group, meeting with key staff, important clients and external stakeholders. During the year, we also held two sessions with high potential younger executives to evaluate the quality of our internal talent pipeline. We welcomed the opportunity to engage with so many of our valued colleagues and clients around the world and will continue to do this in the future.

Critical to created shareholder value is our capacity to attract, develop and retain the best talent world-wide to support our transformation. We compete in a global market for skills not just with the world's largest financial institutions but also with large-scale technology companies. Our ability to offer market-based compensation for our top talent is vital to our capacity to compete and succeed. During the year, we met with our largest

shareholders and their proxy advisers to explain our compensation philosophy and to gather feedback. The remuneration committee, which I chair, discussed the lessons from this consultation and made related changes during the year (see section [6. 'Remuneration'](#)).

As part of our ambition to be a technology-first company, we will be holding an entirely virtual Annual General Meeting (AGM) in 2025 supported by advanced technology to improve interaction with our shareholders. During 2024, I conducted an extensive engagement with shareholders on this topic to understand their expectations and to inform the design of our virtual AGM. We are confident that this approach, which positions us as a digital-first and sustainable company, will ensure equal access for all shareholders worldwide (see more details in ['Virtual AGM'](#) in section 3.5).

Leveraging the diverse skills, experience and strengths of our board members, we implemented on a number of committee changes throughout the year. We also strengthened the board with the addition of Carlos Barrabés and Antonio Weiss. The impact and benefit of these changes was evidenced in the results of the internal board effectiveness review conducted in 2024, the details of which can be found in ['Board effectiveness review in 2024'](#), in section 4.3.

Looking forward, we will sharpen our focus on increasing shareholder value through the transformation of Santander into a technology-defined enterprise offering high quality products, providing world-class customer service and managing costs efficiently world-wide – while remaining true to our purpose and corporate culture".

1.1 Board skills and diversity

Appointments in 2024

In 2024 board composition has remained commensurate with the required skills, experience and diversity required to oversee and drive the Group's strategy, reinforced by our board refreshment activity in the year.

Two thirds of our board members are independent directors and 40% are women. This meets the 40% minimum requirement for the less represented gender at the board set out in the Organic Law on Equal Representation and Balanced Presence of Women and Men, that will be required from June 2026.

At the annual general shareholders' meeting held on 22 March 2024 (2024 AGM) it was agreed to appoint Carlos Barrabés and Antonio Weiss who both joined the board once they obtained their corresponding regulatory approvals, filling the vacancies left by Bruce Carnegie-Brown and Ramiro Mato, respectively. These changes have continued to reinforce the board's financial, technological and digital expertise and its geographical diversity, with a key focus on US, which is one of our core markets.

Changes to the committees

Changes to the committees that the board agreed to in 2024 were partly driven by the departures of Bruce Carnegie-Brown and Ramiro Mato from the board, and the need to rotate the audit committee chair after the four-year legal term has elapsed, in line with applicable legal provisions. The board also considered other factors including the distribution of work amongst its members as well as ensuring an optimised mix of skills and experience. In addition, it has also considered the importance of observing best practice committee composition disciplines as well as alignment with regulatory guidance, therefore ensuring their ongoing effectiveness.

Changes can be summarised as follows:

- Executive committee: Ramiro Mato stepped down on 27 June 2024.
- Audit committee: Germán de la Fuente was appointed Chair on 23 March 2024 replacing Pamela Walkden, who remained as a member. Ramiro Mato stepped down on 27 June 2024.
- Nomination committee: Belén Romana, who joined the committee on 1 January 2024, was appointed committee Chair on 23 March 2024, succeeding Bruce Carnegie-Brown. Carlos Barrabés joined with effect from 27 June 2024.
- Remuneration committee: Bruce Carnegie-Brown stepped down on 22 March 2024. Antonio Weiss was appointed to the committee on 1 January 2025.
- Risk supervision, regulation and compliance committee: Pamela Walkden was appointed Chair on 23 March 2024, replacing Belén Romana, who remained as a member. Ramiro Mato stepped down on 27 June 2024 and José Antonio Álvarez became a member on 1 January 2025.
- Responsible banking, sustainability and culture committee: Sol Daurella assumed the chairship on 23 July 2024. Both Pamela Walkden and Carlos Barrabés were appointed to the committee

on 23 March 2024 and 27 June 2024, respectively, replacing Belén Romana and Ramiro Mato, who stepped down on those same dates, respectively.

- Innovation and technology committee: Glenn Hutchins was appointed committee Chair on 23 March 2024, replacing Ana Botín, who remained as a member. Carlos Barrabés joined with effect from 27 June 2024.

1.2 Board effectiveness

Board effectiveness review and actions to continuously improve

Corporate governance is a priority for Santander. Our governance model has consistently received strong support from shareholders, as evidenced by their high participation in general meetings and strong approval rates for corporate management, the appointment and re-election of directors. Governance practices need to adapt to business and strategic needs, so we continuously look for opportunities for improvement.

The annual board effectiveness review, in which we periodically enlist the help of external independent advisors, is key to our commitment to good governance and allows us to verify the quality and effectiveness of the functioning of our governance bodies. It also ensures that the board is able to support management appropriately and to oversee it through constructive challenge. During 2024, the nomination committee monitored execution of the action plan derived from the 2023 board effectiveness review, which was conducted in cooperation with Spencer Stuart as external independent firm and successfully completed in June 2024.

In 2024, the board conducted its annual effectiveness review internally. The areas for improvement were reviewed by the nomination committee and the board of directors and the resultant action plan was approved in January 2025. See '[Board effectiveness review in 2024](#)' in section 4.3.

Group and subsidiary board relations

The ongoing strength of the ties between the Group's and its subsidiaries' boards of directors is key to effective oversight of policies, controls and corporate culture. The challenges of the current macroeconomic landscape evidence the need for effective cross-border cooperation within the Group, which our proven Group Subsidiary Governance Model (GSGM) facilitates.

The strength of our governance model is maintained through a number of coordination mechanisms that are in place between the Group and subsidiaries, as follows:

Group nominated directors

A number of Group directors and top managers are also members of the boards of our subsidiaries, which facilitates the management bodies' coordination and the strategic alignment of the local boards. See section [7. 'Group structure and internal governance'](#).

Group and subsidiary committee relations

In 2024, the audit committee and risk supervision, regulation and compliance committee Chairs attended subsidiary committee meetings. In turn, they invited their local counterparts to join the respective Banco Santander committee meetings throughout the year. This helped to enhance communication and the sharing of topics of common interest and best practices between the Group and its subsidiaries.

The Chairs of the Group audit committee and risk supervision, regulation and compliance committee also organised several virtual meetings with their local counterparts, which enriched the communication among them and allowed them to share priorities and common matters of interest. Therefore, this practice will continue going forward.

Finally, in 2024 we also held an audit committee Chairs convention at our headquarters in Boadilla del Monte. The aim was to foster further collaboration between the Group and its subsidiaries, raise awareness about global initiatives and expectations, collectively discuss topical issues and encourage networking. As in previous occasions, the event was both successful and productive, with universal positive feedback received from participants.

Coordinated induction and training plans

We continued to share our training, induction and development methodology and associated content with the subsidiaries to promote best practices and drive a consistent approach on a group-wide basis. In 2024 we scheduled training sessions for subsidiary board members with local directors covering the consolidation of all our activities across our footprint under five global businesses. See '[Director training and induction programmes](#)' in section 4.3.

Group and subsidiary board visits

Every year at least one board session is held in one of the Group's key geographies. As part of these visits, directors meet top management in the unit in order to better understand the country business. In 2024, the board of directors met in São Paulo, Brazil, where we also organised branch visits and meetings with senior management and clients. In addition, directors met with top talent in the region as part of our proactive approach to talent management.

Furthermore, subsidiary boards are encouraged to hold their board meetings at our corporate centre in Boadilla del Monte, Madrid, or in Santander, Cantabria, to foster further collaboration and engagement with the corporate teams. In 2024, the boards of Santander Bank Polska, Santander UK and Santander Brazil held specific meetings at our corporate centre, while Santander Mexico held a board meeting in Santander, Cantabria. The above mentioned practices will continue in 2025 and beyond.

1.3 Remuneration policy

Santander's remuneration policy has traditionally received strong support from our investors. At our 2024 AGM, shareholders approved the policy with 74.82% votes in favour. As this percentage is lower than in other years, our board of directors engaged with our top shareholders and with major proxy advisory firms to ensure that our remuneration policy continues to align

with their expectations. Meetings were led by Glenn Hutchins, our Lead Independent Director and remuneration committee Chair.

Following careful consideration by our remuneration committee and the board of directors of the feedback received, the remuneration policy for 2025, 2026 and 2027 includes the following changes compared to the existing one:

- increase in the component paid in instruments from 50% to 60%;
- raise of the minimum long-term metric on relative TSR threshold for vesting from percentile 40 to percentile 50;
- increase of the weight of the long-term metric on relative TSR from 40% to 50%; and
- enhancement of the weight of the part of the remuneration that is subject to long-term metrics from 36% to 40%.

In addition, we provide further detail on the committee's process for setting and reviewing the remuneration policy, providing additional information on how we set executive remuneration and how pay aligns with performance, including our peers selection criteria for this analysis. Banco Santander conducts a rigorous process that includes an annual review of comparable market information to make sure that our remuneration remains competitive.

We believe these adjustments bolster the alignment of our management and shareholders' interests. For more details, see section [6. 'Remuneration'](#).

1.4 Engagement with our shareholders

In 2024 we continued to combine traditional and virtual channels in shareholder engagement, which enabled us to meet the needs of our approximately 3.5 million shareholders, and encourage their involvement in our corporate governance. For more details, see '[Engagement with shareholders in 2024](#)' in section 3.1.

At the 2024 AGM, we once again gave our shareholders, spread around the world, the option to attend in person or remotely. This flexibility enables them to participate without needing to travel. The high shareholder participation through remote means at general meetings shows our shareholders' satisfaction with this option and has been considered by the board of directors, among other reasons, in its decision to convene the annual general meeting in virtual format (see '[Virtual AGM](#)' in Section 3.5).

We are firmly committed to reporting information of the highest quality to align our interests with those of our shareholders through sustainable growth and long-term value creation. Against this backdrop, the sustainability information we disclose for 2024 considers the new European Sustainability Reporting Standards (ESRS) adopted by the European Commission and the International Sustainability Standards Board's (ISSB) global sustainability disclosure standards, which will enable our shareholders to compare this information more easily within the EU and globally while complying with the disclosure obligations under Spanish law (until the implementation of EU legislation takes place). For more details, see the '[Sustainability statement](#)' chapter.

1.5 Achievement of our 2024 priorities

The 2023 annual report disclosed our priorities for 2024. The following chart describes how we delivered on each priority.

2024 priorities

How we delivered

Transformation

To oversee the execution of agreed plans to build a digital bank with branches with a single platform, optimizing the product portfolio and enhancing the customer experience, simplifying processes and implementing the new operating model.

The board continued to oversee our operating model, so called One Santander, which completely captures the value and potential of our scale and network effects, simplifying our structure and decision making and eliminating legacies. The board confirmed the positive progress made by global businesses and corporate functions working in partnership as one team.

The board also kept monitoring our transformation journey based on three strategic pillars, to better serve our customers, improve efficiency, and drive value creation:

- Simplification of product portfolio and customer experience to enlarge our customer base: a key focus was placed on improving digital onboarding (including associated onboarding time reduction) across the Group, on the significant simplification of our product portfolio, and on reducing operating costs and associated complexity.
- Automation and simplification of processes: we remain focused on making the business more efficient by undertaking specific Group-wide automation and digitalization of processes initiatives.
- Deployment of best-in-class global tech platform and associated commonality across our footprint: the board monitored specific initiatives launched throughout 2024 together with the implementation of our own common tech global platforms. As part of that, we are evolving into an organization where the software is the product, by developing successful 'banking as a service' initiatives, such as Openbank, Zinia, Getnet, PagoNxt Payments, and Ebury.

Five global businesses

To oversee the consolidation of our activities across all markets under five global businesses and the change of reporting of financial results aligned to this model, with the support of the audit committee.

One key strategic initiative announced in 2023 was to consolidate all activities across our footprint under five global businesses. During 2024, the board monitored the execution of this strategy to ensure that it accomplishes the intended outcomes, including customer benefits and operating efficiencies. In addition, the board oversaw, with the assistance of the audit committee, the change of reporting of financial results to global businesses as primary segments, to better align the information with the manner we manage the Group.

The board considers that the consolidation under five global businesses was well executed, which enables the Group to enter into the next phase of its transformation journey. This phase is marked by a renewed focus on streamlining our structure to achieve greater agility and increasing our profitability through accelerating the roll out of our global business platforms and products.

The consolidation under five global businesses represented a foundational step toward becoming a truly global, digital-first financial institution. These units enable us to deliver innovative solutions tailored to customer needs, leverage efficiencies at scale, and drive significant value creation across geographies, thanks to the network effects of being One Santander.

To help us achieve this next level of transformation, the board agreed to remove the regional layer of management in January 2025. This simplification ensures that our global businesses operate directly across all countries, enabling faster decision-making, clear accountability, and enhanced agility.

People

Continue to enhance our employee value proposition, ensuring that they are aligned with our corporate culture and that we are focused on attracting and retaining the best talent to fulfil our strategy.

The board holds the belief that having the right talent and skills in place and attracting and engaging the best talent with a best-in-class employee value proposition, will enable our transformation. As a result, senior management succession planning remained high on the board's agenda in 2024.

Furthermore, the board monitored that the employee is always placed at the centre of all we do, promoting an inclusive culture, as well as health and wellbeing initiatives. In addition, the board placed a key focus on the merits of listening to employees so the Group can continuously improve in this regard.

The board also approved specific organizational changes and associated appointments, with the aim of having a more dynamic and efficient organization, being well placed to face the challenges ahead with a positive impact on society, utilizing new ways of working to drive value, and reflecting the Group strategy and culture in our relation with clients, supervisors and other stakeholders.

2024 priorities

How we delivered

Progressing in our sustainability targets

To oversee the fulfilment of our sustainability targets to ensure that we remain on track to fulfil our plans in this area and accelerate finance to help our customers in their transition to a low carbon economy. In addition, we will continue taking care of the sustainability agenda, including our objectives on financial inclusion and customer welfare.

We continued to progress on our sustainability targets. In particular:

- We hit our target of EUR 120 billion in green finance raised or facilitated between 2019 and 2025 in advance (with more than EUR 129 billion in total as from 2019).
- We have financially included 2.6 million people and we have supported microentrepreneurs through programs like Prospera, Tuiio and Surgir.
- We invested EUR 103.8 million to support education, employability and entrepreneurship through Santander Universidades (EUR 208.9 million as from 2023).
- We have progressed towards equality, achieving a greater representation of women in senior positions, from 22.7% in 2019 to 31.2% in 2024.
- We accomplished the equal pay gap target for 2025 (~0%) in advance. We continued to supervise the measures in place to eliminate the pay gap.
- We closed 2024 with 4,828 persons with disabilities employed within the Group (over 2.3% of our global workforce), in line with our commitment to boost the inclusion of people with disabilities by increasing the number of hires and promotions and foster accessibility.
- We continued to supervise the execution our community support programmes, in line with our aim to improve people's access to education and culture and support their well-being. In 2024, we monitored our response to the effects of the flash flood in eastern Spain. We took immediate action to help our people and customers, including fee waivers, the proactive communication to provide financial support to affected customers and employees, payment holidays on loans and leasing, replacement of vehicles for affected customers, among other measures.

See the '[Sustainability statement](#)' chapter for additional details.

Long-term shareholder value

To promote the generation of long-term and sustainable shareholder value creation through consistent returns growth while maintaining our capital management discipline. This will ensure strong shareholder remuneration and the resources required to deliver our strategic transformation.

In 2024, we continued to deliver a strong performance in terms of shareholder value creation, as outlined at the 2023 Investor Day. As part of that, the board continued to drive our potential through leveraging our unique business model based on the customer (building a digital bank with branches), scale (global and in-market scale) and diversification (business, geography and balance sheet) as follows:

- **Revenue and customer growth:** revenue increased 10% in constant euros (8% in current euros) up to EUR 62,211 million and with customer numbers climbed eight million to 173 million (vs. 165 million customers in 2023).
- **Strength:** CET1 above 12%, closing the year at 12.8% (vs. 12.3% in 2023), where we have maintained a disciplined capital allocation methodology and prudent risk management.
- **Profitability:** RoTE between 15-17%, closing the year with a 16.3% RoTE (vs. 15.1% in 2023).
- **Cost discipline:** the efficiency ratio improved in 2024 to 41.8% (vs. 44.1% in 2023), in line with the target of c.42%.
- **Conservative risk appetite:** the Group cost of risk was 1.15% at the end of 2024 (vs. 1.18%).
- **Shareholder remuneration:** the remuneration paid to shareholders in 2024 was 34% higher than in 2023. We paid out approximately EUR 3,000 million in a cash dividend (EUR 19.50 cents per share with the right to receive a dividend, of which we paid out EUR 9.50 cents per share in May and EUR 10.00 cents per share in November), which is a 39% increase on the cash dividend paid out in 2023. Moreover, we also paid out approximately EUR 3,000 million through share buyback programmes.

2024 priorities

How we delivered

Governance effectiveness

To remain focused on the overall effectiveness and composition of the board and its committees, ensuring that their role is discharged in the most tangible and effective manner.

In 2024, we continued to refresh the board of directors ensuring diversity in its broadest sense (gender, backgrounds, geographical provenance, new skills and experience) to ensure that we are well placed to address the challenges faced in our business and taking into account feedback from previous board effectiveness reviews.

The board holistically analysed committee composition and agreed on specific changes, partly driven by the departures of Bruce Carnegie-Brown and Ramiro Mato from the board, and the need to rotate off the audit committee chair in line with applicable provisions. The agreed changes took into consideration best practice committee composition disciplines, regulatory guidance, appropriate workload distribution amongst members and optimised mix of skills and experience on each committee, among other factors. See '[Changes to the committees](#)' in section 1.1.

In 2024, the nomination committee monitored execution of the action plan derived from the 2023 board effectiveness review, which was conducted with the collaboration of an external independent firm, which was successfully completed in June 2024. In addition, the board conducted its annual effectiveness review in 2024 internally. The findings of the review concluded that the board and its committees continue to operate effectively and that the board's contribution is highly valuable for management. See '[Board effectiveness review in 2024](#)' in section 4.3.

1.6 Priorities for 2025

The board set the following priorities for 2025:

→ Transformation

We will oversee the implementation of our operating model, ensuring that we operate as a truly global-local organization with five global businesses, simplifying processes, reducing costs and improving customer experience by further optimizing our product portfolio.

→ People

We will remain focused on attracting and retaining the best talent to fulfil our strategy now and in the future. We will maintain our proactive approach to senior management succession planning, based on the Group's strategic needs.

→ Culture

We will continue to monitor the embeddedness of agile methodologies and more flexible organizational structures across the Group to promote a more collaborative and multidisciplinary way of working that results in a greater customer focus.

→ Progressing in our sustainability goals

We will oversee the fulfilment of our sustainability goals striking a balance between financing our customers in their transition to a low carbon economy and the different political and regulatory approaches. In addition, we will continue taking care of the sustainability agenda, in line with our aim to help people and businesses prosper.

→ Long-term shareholder value

The board will promote the generation of long-term and sustainable shareholder value creation through consistent returns growth while maintaining our robust capital management discipline. This will ensure strong shareholder remuneration and the resources required to deliver our strategy.

→ Governance effectiveness

We will continue to enhance the overall effectiveness of the board and its committees, with an appropriate composition and ensuring that their role is discharged in the most tangible and effective manner.

2. OWNERSHIP STRUCTURE

- Broad and balanced shareholder base
- A single class of shares
- Authorized capital consistent with best practice to provide the necessary flexibility

2.1 Share capital

Our share capital comprises ordinary shares, each with a par value of EUR 0.50. Every share belongs to the same class and carries the same voting, dividend and other rights.

We do not have any bonds or securities that can be converted into shares other than the contingent convertible preferred securities (CCPS) mentioned in section [2.2 'Authority to increase capital'](#).

As at 31 December 2024, Banco Santander's share capital amounted to EUR 7,576,246,161, divided into 15,152,492,322 shares.

In 2024, we amended our share capital three times, reducing it on each occasion:

- Two through the cancellation of the shares repurchased under the buyback programmes that formed part of the shareholder remuneration policy for 2023:
 - one by EUR 179,283,744 (c. 2.22% of share capital), under the authorization of the 2023 AGM and registered with the Commercial Registry on 5 February 2024; and
 - another one by EUR 165,652,500 (c. 2.09% of share capital), in the terms agreed at the 2024 AGM and registered with the Commercial Registry on 1 July 2024.
- One through the cancellation of the shares repurchased under the first buyback programme that formed part of the shareholder remuneration policy for 2024 (First 2024 Buyback Programme), by EUR 170,890,625 (c. 2.21% of share capital), under the authorization of the 2024 AGM and registered with the Companies Register on 20 December 2024.

Since November 2021, when we completed the first buyback programme of those executed within the framework of the shareholder remuneration policy, Banco Santander has reduced its share capital by c. 12.62% of the outstanding shares as of that date.

At the 2025 AGM, the board of directors submitted a share capital reduction proposal to cancel the shares that will be acquired through the second share buyback programme charged against 2024 results (Second 2024 Buyback Programme); as well as, if appropriate, a further proposal to cancel the shares that are

acquired in any new buyback programme that the board may implement or by other legally permitted means.

See sections [2.5 'Treasury shares'](#) and [3.5 'Our next AGM in 2025'](#).

We have a diversified and balanced shareholder structure, with 3,485,134 shareholders as at 31 December 2024, broken down by type, geographical provenance and number of shares as follows:

Type of investor

	% of share capital
Board ^A	1.29%
Institutional	58.70%
Retail	40.01%
Total	100%

A. Shares owned or represented by directors. For more details, see [Tenure and equity ownership](#) in section 4.2 and subsection A.3 in section [9.2 'Statistical information on corporate governance required by CNMV'](#).

Geographic distribution

	% of share capital
Europe	72.73%
The Americas	25.72%
Rest of the world	1.55%
Total	100%

Number of shares

	% of share capital
1-3,000	8.82%
3,001-30,000	16.92%
30,001-400,000	11.56%
Over 400,000	62.70%
Total	100%

2.2 Authority to increase capital

Under Spanish law, shareholders at the general meeting have the authority to increase the share capital and may delegate power to the board of directors to increase the share capital by no more than 50%. Our Bylaws are consistent with Spanish law and do not set out special conditions for share capital increases.

As at 31 December 2024, our board of directors had received authorization from shareholders to approve or carry out the following capital increases:

- **Authorized capital to 2027:** Shareholders at the 2024 AGM granted authorization to the board to increase share capital on one or more occasions by up to EUR 3,956,394,643 (50% of the capital at the time of that AGM). The board was granted this authorization for a period of three years (until 22 March 2027).

The board can issue shares for cash consideration with or without pre-emptive rights for shareholders, and for capital increases to back any convertible bonds or securities issued under its authority granted at the 2023 AGM.

Shares without pre-emptive rights under this authorization can be issued up to EUR 791,278,928.50 (10% of the capital at the time of the 2024 AGM). However, under the Spanish Companies Act, this limit does not apply to capital increases to convert CCPS (which shall be converted into newly-issued shares if the CET1 ratio falls below a predetermined threshold). This authorization was used for the two CCPS issues carried out in 2024.

- **Capital increases approved for contingent conversion of CCPS:** We issued contingent convertible preferred securities that qualify as regulatory Additional Tier 1 (AT1) instruments and would be converted into newly-issued shares if the CET1 ratio fell below a predetermined threshold. Each issue was backed by a capital increase approved under the authorization granted to the board by shareholders in force at the time of the CCPS issue.

The chart below shows the outstanding CCPS at the time of this report, with details about the capital increase resolutions that back them. Those capital increases are, therefore, contingent and have been delegated to the board of directors. The board is authorized to issue additional CCPS and other convertible securities and instruments in accordance with a resolution passed at the 2023 AGM that allows convertible instruments and securities to be issued for up to EUR 10 billion or an equivalent amount in another currency (under this authorization, two CCPS issues were executed in 2023 and two in 2024). Any capital increase resulting from the conversion of shares and other convertible instruments will occur according to the capital increase authorization made at the time those instruments were issued.

Issues of contingent convertible preferred securities (CCPS)

Date of issuance	Nominal amount	Discretionary remuneration per annum	Conversion predetermined threshold	Maximum number of shares in case of conversion ^A
19/03/2018	EUR 1,500 million	4.75% for the first 7 years		416,666,666
14/01/2020	EUR 1,500 million	4.375% for the first 6 years		604,594,921
06/05/2021	USD 1,000 million	4.75% for the first 6 years		391,389,432
06/05/2021	EUR 750 million	4.125% for the first 7 years	If, at any time, the CET1 ratio of Banco Santander or the Group is lower than 5.125%	352,278,064
21/09/2021	EUR 1,000 million	3.625% for the first 8 years		498,007,968
16/11/2023	USD 1,150 million	9.625% for the first 5 years and 6 months		447,470,817
16/11/2023	USD 1,350 million	9.625% for the first 10 years		525,291,828
20/05/2024	EUR 1,500 million	7% for the first 6 years		501,672,240
01/08/2024	USD 1,500 million	8% for the first 10 years		461,964,890

A. The figure corresponds to the maximum number of shares that could be required to cover the conversion of these CCPS, calculated as the quotient (rounded off by default) of the nominal amount of the CCPS issue divided by the minimum conversion price determined for each CCPS (subject to any antidilution adjustments and the resulting conversion ratio).

2.3 Significant shareholders

As at 31 December 2024, no Banco Santander shareholder individually held over 3% of the voting rights (the minimum threshold provided under Spanish law to issue a mandatory notification of a significant holding in a listed company).

Though the following shareholding held by an asset manager was registered with the CNMV as at 31 December 2024, its related notification states that the shares and financial instruments to which voting rights the notification refers are being held on behalf of third parties (funds or other investment entities or the portfolios they manage) and that none of them exceeds 3% of the voting rights that Banco Santander shares afford.

Significant shareholding as at 31 December 2024

Date of entry in CNMV register	Shareholder name	% voting rights ^A
04/10/2024	BlackRock Inc	6.875

A. Includes voting rights attached to shares and financial instruments.

The changes notified to the CNMV in 2024 with regard to significant shareholdings are detailed below:

Significant shareholding. Changes in 2024

Date of entry in CNMV register	Shareholder name	Previous % ^A	Subsequent % ^A
18/06/2024	Dodge & Cox	3.038	2.937
04/10/2024	Blackrock Inc	5.426	6.875

A. Includes voting rights attached to shares and financial instruments.

Likewise, though as at 31 December 2024 certain custodians appeared in our shareholder registry as holding more than 3% of our share capital, we understand that those shares were held on behalf of other investors, none of whom exceeded that threshold individually. These custodians were State Street Bank (15.26%), The Bank of New York Mellon Corporation (7.16%), Chase Nominees Limited (6.01%), Citibank (3.99%) and BNP Paribas (3.36%).

There may be some overlap in the holdings declared by these custodians and the above mentioned asset manager.

Lastly, as at 31 December 2024, neither our shareholder register nor the CNMV's register showed any investor residing in a non-cooperative jurisdiction holding at least 1% of our voting rights (which is the mandatory disclosure threshold applicable to such investors under Spanish law).

Our Bylaws and the Rules and regulations of the board of directors set out a regime to analyse and approve transactions with shareholders holding more than 10% of the voting rights. See section [4.12 'Related-party transactions and other conflicts of interest'](#).

2.4 Shareholders' agreements

In February 2006, several persons linked to the Botín-Sanz de Sautuola y O'Shea family entered into a shareholders' agreement to set up a syndicate for their shares in Banco Santander. The CNMV was informed of the execution of this agreement and the subsequent amendments the parties made. This information can be found on the CNMV website.

The main provisions of the agreement are:

- **Transfer restrictions.** Any transfer of Banco Santander shares expressly included in the agreement requires prior authorization from the syndicate meeting (which can freely authorise or reject it), except when the transferee is also a party to the agreement or Fundación Botín. These restrictions apply to the shares they expressly cover under the agreement and to shares subscribed for, or acquired by, syndicate members in exercising any subscription, bonus share, grouping or division, replacement, exchange or conversion rights that pertain or are attributed to, or derive from, those syndicated shares.
- **Syndicated voting.** Under the agreement, the parties will pool the voting rights attached to all their shares so that syndicate members may exercise them and engage Banco Santander in a concerted manner, in accordance with the instructions and the voting criteria and orientation the syndicate establishes. This covers the shares subject to the transfer restrictions mentioned above as well as any voting rights attached to any other Banco Santander shares held either directly or indirectly by the parties to the agreement, and any other voting rights assigned to them by virtue of usufruct, pledge or any other contractual title, for as long as they hold those shares or are assigned those rights. Representation of the syndicated shares is attributed to the syndicate chair, who will be the chair of Fundación Botín (currently Javier Botín, one of our directors and brother of our Group Executive Chair (Ana Botín)).

Though the agreement initially terminates on 1 January 2056, it will extend automatically for additional 10-year periods unless one of the parties notifies of its intention not to extend six months before the initial term or extension period ends. The agreement may only be terminated early if all the syndicated shareholders agree unanimously.

As at 31 December 2024, the parties to this agreement held 109,810,101 shares in Banco Santander (0.72% of its capital at such time), which were therefore subject to the voting syndicate. They include 80,355,819 shares (0.53% of its capital by close of 2024) that are also subject to the referred transfer restrictions.

Subsection A.7 of section [9.2 'Statistical information on corporate governance required by CNMV'](#) contains a list of parties to the shareholders' agreement and the relevant information filed with CNMV.

2.5 Treasury shares

Shareholder approval

The acquisition of treasury shares was last authorized at our 2023 AGM, for five years and subject to these provisions:

- Treasury shares held cannot exceed 10% of Banco Santander's share capital at any time, which is the legal limit set under the Spanish Companies Act.
- The acquisition price may not be lower than the par value of the shares, nor exceed by more than 3% the highest of the following two: the price of the last independent transaction or the highest independent offer at that time at the trading venue where the purchase is made.
- The purpose of the acquisition of treasury shares will be discretionary treasury share management, the execution of share buyback programmes, the delivery of these shares under the framework of the employee and director remuneration policy or any other purpose that the board deems pertinent at any given time.

Treasury shares policy

On 26 February 2024, the board updated the current treasury shares policy which dictates that Banco Santander may carry out treasury share transactions for these purposes:

- Provide liquidity or supply of securities in the market for Banco Santander shares, which gives this market depth and minimizes any potential temporary imbalances in supply and demand.
- Take advantage, for the benefit of all shareholders, of weakness in the share price due to its medium-term outlook.
- Meet Grupo Santander's obligations to deliver shares to our employees and directors.
- Serve any other purpose authorized by the board within the legal limits and those set at the general meeting. In this regard, Banco Santander made during the year the donations to Fundación Banco Santander indicated below in the context of its Responsible Banking and Sustainability Policy.

Among other things, the policy also provides for:

- The **principles** to uphold in treasury share trades, which include protecting financial markets' integrity and prohibiting market manipulation and insider trading.
- The **operational criteria** for carrying out treasury share trades, unless in exceptional circumstances as per the policy or carried out through mechanisms, such as buyback programmes, with a regulation of their own. These criteria include rules on:
 - **Responsibility for execution of these trades**, which falls on the Investments and Holdings department, which is kept separate from the rest of Banco Santander.

- **Venues.** Trades must generally be carried out in regulated markets and in the multilateral trading facilities stipulated in the policy, which has been amended by adding three multilateral trading facilities where Banco Santander's shares circulate.
- **Volume limits.** Trades must generally not exceed 15% of the average daily trading volume for Banco Santander shares in the previous 30 sessions on the relevant trading venue.
- **Price limits.** In general, (a) buy orders should not exceed by more than 3% the higher of (i) the price of the last independent transaction prior to the relevant acquisition or (ii) the highest independent bid at that time on the trading venue where the purchase is made; and (b) sell orders should not be lower than the lesser of the price of the last trade in the market by independent parties and the lowest sell order price in the order book.
- **Time limits,** including a black-out period that applies (a) during the 15 calendar days prior to the publication of each quarterly financial information and (b) if Banco Santander has decided to delay the disclosure of inside information according to market abuse regulations, until such information is disseminated. In the case of buyback programmes, the specific regulations establish a black-out period of 30 calendar days prior to the publication of annual and semi-annual results, which, however, will not apply when the buyback programme is managed by a third party or when the issuer has a temporary buyback programme in place.
- **Disclosure to the markets** of treasury shares trading.

The policy applies to the discretionary trading of treasury shares irrespective of whether they are carried out in regulated markets, in multilateral trading facilities, outside the orders market, either through blocks or through special transactions, or under buyback programmes. Furthermore, buyback programmes shall comply with all the applicable specific regulations, such as regulation on market abuse and their relevant implementing rules. The policy does not apply to transactions on Banco Santander's shares carried out to hedge market risks or provide brokerage or hedging for customers.

The full treasury shares policy is available on Banco Santander's corporate website.

Execution of the buyback programmes charged against 2023 results

According to the 2023 shareholder remuneration policy, two buyback programmes were executed:

- In the first buyback programme, executed from 28 September 2023 to 25 January 2024, we acquired 358,567,487 treasury shares (2.22% of share capital). Under the authorization of the 2023 AGM, on 30 January 2024 the board resolved to reduce Banco Santander's share capital through the cancellation of the repurchased shares.

- In the second buyback programme, executed from 20 February to 17 June 2024, we acquired 331,305,000 treasury shares (2.09% of share capital). In the terms agreed at the 2024 AGM, on 25 June 2024 the board resolved to reduce Banco Santander's share capital through the cancellation of the repurchased shares.

See section [2.1 'Share capital'](#).

First 2024 Buyback Programme

Under the authorization of the 2023 AGM, and according to the 2024 shareholder remuneration policy, on 26 August 2024 the board resolved to execute a new share buyback programme for a maximum amount of EUR 1,525 million, equivalent to approximately 25% of the Group reported profit (excluding non-cash, non-capital ratios impact items) for the first half of 2024 and for which we have already obtained the required regulatory authorization of the European Central Bank (ECB).

In the First 2024 Buyback Programme (executed from 27 August to 3 December 2024), we acquired 341,781,250 treasury shares (accounting for approximately 2.21% of Banco Santander's share capital), at a weighted average price per share of EUR 4.46.

On 17 December 2024, the board resolved to reduce the share capital in the amount of EUR 170,890,625, by cancelling the 341,781,250 repurchased shares.

For more details on the share capital reductions, see section [2.1 'Share capital'](#)

Second 2024 Buyback Programme

Under the same AGM approval and also according to the 2024 shareholder remuneration policy, on 4 February 2025 the board resolved to execute a new share buyback programme for a maximum amount of EUR 1,587 million. The appropriate regulatory authorization had already been obtained and the programme began on 6 February 2025.

The board had submitted the resolution to vote at the 2025 AGM for the share capital reduction by cancelling the repurchased shares. See section [3.5 'Our next AGM in 2025'](#).

Activity in 2024

As at 31 December 2024, Banco Santander and its subsidiaries held 15,529,459 shares, which accounted for 0.10% of Banco Santander's share capital (compared to 297,815,673 shares, accounting for 1.84% of the share capital as at 31 December 2023).

The chart below summarizes the monthly average proportion of treasury shares to share capital throughout 2023 and 2024.

Monthly average of daily positions in treasury shares

% of Banco Santander's share capital at month end

	2024	2023
January	1.83%	1.75%
February	0.13 %	2.16%
March	0.54 %	1.46%
April	0.98 %	1.50%
May	1.49 %	1.72%
June	1.54 %	1.68%
July	0.02 %	0.08%
August	0.06 %	0.08%
September	0.45 %	0.08%
October	0.94 %	0.64%
November	1.60 %	1.25%
December	1.36%	1.56%

In 2024, Banco Santander and its subsidiaries' treasury share trades amounted to the following values:

Acquisitions and transfers of treasury shares in 2024

EUR (except number of shares)	Acquisitions				Transfers				
	Number of shares	Total par value	Total cash amount	Average purchase price	Number of shares	Total par value	Total cash amount	Average purchase price	Profit (loss) net of taxes
Discretionary trading	72,223,881	36,111,941	298,048,000	4.13	67,667,779 ^A	33,833,890 ^A	268,877,000 ^A	4.14 ^B	7,804,000 ^B
Client induced trading ^C	113,575,334	56,787,667	484,880,000	4.27	113,575,334	56,787,667	484,880,000	4.27	
Buyback programmes	744,811,421	372,405,711	3,255,024,000	4.37	N/A	N/A	N/A	N/A	N/A
Total	930,610,636	465,305,318	4,037,952,000	4.34	181,243,113^A	90,621,557^A	753,757,000^A	4.22^B	7,804,000^B

A. Including the donations that Banco Santander made to Fundación Banco Santander during the year totalling 22,167,105 treasury shares. For more details, see section [3.2.4 'Community Support'](#) of the 'Sustainability statement' chapter.

B. Excluding the donations mentioned in footnote A above.

C. Transactions on Banco Santander's shares to hedge market risks or provide brokerage or hedging for customers.

The chart below shows significant changes in treasury shares that required disclosure to the CNMV in the year. Companies must report to the CNMV when purchases of treasury shares exceed 1% of the total voting rights (without discounting transfers) or there is a change in the number of total voting rights.

Significant changes in treasury shares in 2024^A

Reported on	% of voting rights represented by shares		
	acquired since last notice	transferred since last notice	held at reference date of notice
26/01/2024 ^B	1.13%	0.20%	1.61%
08/02/2024	1.00%	2.57%	0.08%
05/04/2024	1.05%	0.36%	0.76%
23/05/2024	1.01%	0.25%	1.53%
04/07/2024	0.87%	2.42%	0.01%
07/10/2024	1.02%	0.28%	0.75%
19/11/2024	1.04%	0.12%	1.67%
27/12/2024	0.81%	2.35%	0.17%

A. Percentages calculated with share capital at the date of disclosure.

B. It amends report dated 13 December 2024.

Transactions with financial instruments

The transactions with financial instruments with Banco Santander shares as the underlying asset carried out by Banco Santander of its own accord in 2024 for the purpose of discretionary treasury share management are as follows:

- In Q1'24, we reduced the investment position by a *delta* (i.e. net exposure to share price changes) equalling 860,000 shares. In

Q2'24, we increased the investment position by a *delta* equalling 1,450,000 shares.

- The final position at year end was a positive aggregated *delta* equalling 1,500,000 shares worth a total EUR 6,785,815.
- The instruments used were total return equity swaps and listed options, to be settled at maturity exclusively in cash.

2.6 Stock market information

Markets

Banco Santander shares are listed on Spanish stock exchanges (Madrid, Barcelona, Bilbao and Valencia), the New York Stock Exchange as American Depositary Shares (ADS), the London Stock Exchange as Crest Depositary Interests (CDI), the Warsaw Stock Exchange and in the International Quotation System (SIC) of the Mexican Stock Exchange (BMV).

Market capitalization and trading

As at 31 December 2024, Banco Santander occupies the second position in the eurozone and in the thirty-second world by market value among financial institutions, with a market capitalization of EUR 67,648 million.

7,713 million Banco Santander shares traded in the year for an effective value of EUR 33,410 million and a liquidity ratio of 49%.

The Banco Santander share

	2024	2023
Shares (million)	15,152.5	16,184.1
Price (EUR)		
Closing price	4.465	3.780
Change in the price	18%	35%
Maximum for the period	4.928	3.970
Date of maximum for the period	29/04/2024	06/12/2023
Minimum for the period	3.563	2.812
Date of minimum for the period	30/01/2024	03/01/2023
Average for the period	4.352	3.447
End-of-period market capitalization (EUR million)	67,648.3	61,168.0
Trading		
Total volume of shares traded (million)	7,712.6	11,132.3
Average daily volume of shares traded (million)	30.1	43.7
Total cash traded (EUR million)	33,409.9	38,143.5
Average daily cash traded (EUR million)	130.5	149.6

3. SHAREHOLDERS AND GENERAL MEETING

- One share, one vote, one dividend
- No takeover defences in our Bylaws
- High shareholder participation at the general meeting, mostly through virtual means
- Bylaws authorization to hold virtual-only meetings ensuring equal treatment of our shareholders

3.1 Shareholder communication and engagement

Policy on communication and engagement with shareholders and investors

Banco Santander aims to ensure its interests are in line with those of its shareholders, through sustainable growth and long-term value creation, retaining shareholders' and broader society's trust. To do that, we:

- provide information to shareholders and investors that meets their expectations and upholds our culture and values; and
- communicate and engage with them regularly so that senior managers and governance bodies consider their views.

Our policy on communication and engagement with shareholders and investors, available on our corporate website, sets out the principles that govern the aforementioned activities:

- **Protection of all shareholders' rights and lawful interests.** We facilitate exercising of shareholders' rights, provide them with information and give them opportunities to have a say in our corporate governance.
- **Equal treatment and non-discrimination.** We treat investors in the same situation equally.
- **Fair disclosure.** We make sure that the information we disclose is transparent, truthful and consistent according to applicable law.
- **Appropriate disclosure of information.** We report appropriate and relevant information to meet our shareholders' and investors' needs and expectations, and make sure it is clear, concise and accurate.
- **Compliance with the law and corporate governance rules.** We adhere closely to the laws and regulations on inside and price-sensitive information in addition to following the principles of cooperation and transparency with supervisory and regulatory bodies.

The policy also sets out:

- the **roles and responsibilities** of the main governance bodies and internal functions involved in communication and engagement;
- the **channels for information disclosure and communication**; and
- the **ways in which we engage** with shareholders and investors.

The policy also applies to relations with agents that advise, recommend or guide our shareholders and investors, such as financial and ESG analysts, proxy advisers and ratings agencies.

Moreover, Banco Santander has board-approved frameworks on accounting, financial management and sustainability information and management, on responsible banking and on branding and communications. They set out the general principles, roles and key processes on the communication of financial, non-financial and corporate information, which help ensure that all our shareholders and other stakeholders are properly informed about our strategy, targets and results, as well as about our culture and values.

Engagement with shareholders in 2024

As part of our policy on communication and engagement with shareholders and investors, we carried out the following activities during the year:

- **The annual general meeting.** The ordinary general meeting is the most important annual event for our shareholders. We strive to encourage them to attend and participate in the meeting, in an informed way. See '[Participation at general meetings](#)' and '[Right to information](#)' in section 3.2.

The annual general meeting is broadcast live on our corporate website, where its recordings are made available in full afterwards. This enables shareholders who cannot attend the meeting and other stakeholders who want to access the recording to remain fully informed of the resolutions that are submitted for approval.

The 2024 AGM was hybrid, allowing shareholders to attend in person or remotely. Our general meeting attendance app ensures shareholders can fully exercise their rights to attend and participate in real time and remotely. They can watch the entire meeting through a live feed, vote, make remarks, propose resolutions, see the remarks and proposals of other shareholders who attend remotely and contact the notary public. Our high shareholder participation rate at the most recent general meetings proves the effectiveness of our electronic means of attendance, delegation and remote voting.

As usual, an external auditor reviewed our 2024 AGM procedures, where it verified that our meeting call, preparation, communication and holding of the event were up to standard, as well as certifying the security, integrity and consistency of the means available for shareholders to participate.

Also, Banco Santander's management system for the 2024 AGM received once again AENOR certification for sustainable events in compliance with the UNE-ISO 20121.

The vast quorum and voting results at our 2024 AGM show just how important we consider shareholder engagement through general meetings. See section [3.4 '2024 AGM'](#).

- **Lead Independent Director meetings with key investors.** Since September 2024, our Lead Independent Director held several meetings with institutional investors, bringing forward the dates of the planned agenda. Though meetings primarily focused on understanding their concerns about remuneration, they also addressed other topics of interest such as the structure of the board, our sustainability strategy and their opinion on virtual

AGMs. In total, he met with 16 large institutional investors, who account for approximately 24% of our share capital.

- **Quarterly results presentations.** We present our results at the end of each quarter on the same day we make them public. The presentation can be followed live, via conference call or streamed on our website. We release the related quarterly financial report and presentation material on the same day before the markets open. During the presentation, questions can be asked or emailed to investor@gruposantander.com.

In 2024, we gave our first, second and third quarter results presentations on 30 April, 24 July and 29 October, respectively. Our fourth quarter results presentation took place on 5 February 2025.

- **Investor days.** We organize investor days where we explain our strategy and targets for the next three years to investors and other stakeholders in a broader context than in results presentations. Investors can interact directly with senior managers and some directors. We publish announcements about these meetings and provide related documents well in advance.

We held our most recent investor day in London on 28 February 2023.

- **Other activities.** We know that a single format for communicating with shareholders and investors is not valid for everyone. For this reason, in 2024 and early 2025, we carried out the activities detailed in the table below to meet their diverse needs and expectations.

Other activities

→ Investor roadshows	Our Shareholder and Investor Relations team had 1,269 meetings (both in person and virtually) with 511 investors, including 109 meetings focused on ESG matters. We engaged with 37.91% of share capital.
→ Interaction with retail shareholders	Our Shareholder and Investor Relations team held 229 events (online, in person and hybrid). Attendees accounted for 8.25% of the capital held by retail shareholders in Spain. Shareholders engaged with the Group's senior management at several of these events.
→ Studies and surveys	We received 157,632 shareholders and investors opinions through quality surveys and studies, of which 9,136 corresponded to opinions received in the SPF (Simple, Personal and Fair) survey of Banco Santander.

Communication with proxy advisors and other analysts

We have always recognized the value our investors place on open dialogue with proxy advisers, ESG analysts and other influential entities. We make sure they understand our corporate governance and sustainability priorities and messages in order to convey them properly to investors.

In 2024, we continued to engage with the main proxy advisers. Moreover, we provided information and explanations about proposed resolutions submitted to vote at the 2024 AGM so they could make voting recommendations.

We also engaged in dialogue with ESG analysts. For more details, see the '[Sustainability statement](#)' chapter.

Corporate website

Our corporate website includes all the information on corporate governance as required by law and, in particular, (i) Banco Santander's key internal regulations (Bylaws, Rules and regulations of the board, Rules and regulations for the general shareholders meeting, etc.); (ii) information on the board of directors and its committees, as well as directors' skills and professional biographies; and (iii) all the information related to general meetings.

Information on our corporate governance can be found at <https://www.santander.com/en/shareholders-and-investors/corporate-governance> (included for information purposes only). The contents of our corporate website are not incorporated by reference to this annual report nor should be considered part of it for any purpose.

In addition, our corporate website provides extensive institutional, financial and sustainability information about the Group as well as other information we consider to be of interest to our shareholders and, in general, to all our stakeholders worldwide. Its design enables us to be transparent and enhance user experience by providing quality information about Santander.

Other channels

In order to maximize the dissemination and quality of information, we offer shareholders and investors an app (Santander Shareholders and Investors) compatible for Android and Apple iOS that contains a broad range of information about the Group.



We also engage with shareholders through various channels, such as an email address, telephone lines, WhatsApp, postal service and virtual office.

In addition, we regularly post information about Banco Santander on our official X and LinkedIn accounts. The contents included in these profiles are not incorporated by reference to this annual report nor should be considered part of it for any purpose.

3.2 Shareholder rights

One share, one vote, one dividend

Our Bylaws provide for one share class only (ordinary shares), which grant all shareholders the same rights. Each Banco Santander share entitles its holder to one vote and there is no preferential treatment in dividend payouts. The Bylaws fully adhere to the one share, one vote, one dividend principle.

Voting rights and unrestricted share transfers

There are no non-voting or multiple-voting shares, nor limitations to the number of votes a shareholder can cast, or any other restriction on exercising voting rights, except for those prescribed by law or set out in our Bylaws should the acquisition of the shares infringe regulations. There are no quorum requirements or qualified majorities other than those prescribed by law.

Neither Banco Santander's Bylaws nor any other means restrict the transferability of shares, which is subject only to restrictions prescribed by law.

Furthermore, our Bylaws do not include any neutralization provisions, as set out in the Spanish Securities Market Act, which would apply in takeover bids.

The shareholders' agreement mentioned in section [2.4 'Shareholders' agreements'](#) contains transfer and voting restrictions on the shares that are subject to it.

Acquisition of significant shareholdings

Because banking is a regulated sector, the acquisition of a significant shareholding or influence in Banco Santander is subject to regulatory approval or non-objection, as applicable, by the supervising authority. Furthermore, as Banco Santander is a listed company, any parties wishing to acquire control over it and/or enter into any other lawful scenario must launch a tender offer for its shares.

Such acquisitions are largely regulated by:

- Regulation (EU) 1024/2013 of the Council of 15 October 2013, conferring specific tasks on the ECB relating to the prudential supervision of credit institutions.
- Act 10/2014, of 26 June, on the organization, supervision and solvency of credit institutions and its implementing regulation, Spanish Royal Decree 84/2015, of 13 February.
- Act 6/2023, of 17 March, on the Securities Markets and on Investment Services.

The acquisition of a significant holding in Banco Santander may also require approval by other domestic and foreign regulators with supervisory powers over Banco Santander or its subsidiaries' operations and shares listings, or other actions concerning such regulators or subsidiaries; and other authorities pursuant to foreign investment regulations in Spain or other countries where we operate.

Participation at general meetings

All registered holders of shares found on record at least five days prior to the day of a general meeting are entitled to attend. Banco Santander facilitates shareholder participation by allowing them to exercise their rights to attend, delegate, vote and participate at general meetings using remote communications systems.

Shareholders can attend general meetings virtually. They can follow them through real-time means of communication, vote, make remarks, propose resolutions and contact the notary public. Our Bylaws allow for general meetings to be virtual-only, without the physical attendance of shareholders or their proxies, provided that we can guarantee their identity and standing and that they can participate effectively in the meeting by remote means of communication, exercise their rights in real time and follow the presentations of other attendees, considering the state of the art and Banco Santander's circumstances, particularly the number of shareholders.

The electronic shareholders' forum, available on the corporate website at the time the meeting is called, allows shareholders to add to the agenda items included in the meeting notice, requests for support for their proposals, initiatives to reach the percentage required to exercise minority shareholder rights legally, and offers or requests to act as a voluntary proxy.

Supplement to the notice and proposal of resolutions

Shareholders representing at least 3% of the share capital are able to request the publication of a supplement to the annual general meeting notice, adding one or more items to the agenda, with an explanation or substantiated resolution proposal and any other relevant documents.

Shareholders representing at least 3% of the share capital may also propose reasoned resolutions on any matters that have been, or should be, added to the agenda of a called annual general meeting.

To exercise these rights, shareholders must send a certified notice to Banco Santander's registered office within five days after the annual general meeting notice is posted.

Any shareholder, irrespective of their stake, can also request the removal of directors or the filing of corporate liability action against any director to be put to a vote at the general meeting, even when not on the agenda.

Right to information

From the time the general meeting notice is posted until the fifth day before the general meeting date on first call, shareholders can submit the written requests for information or clarification they may deem pertinent, or any written questions they deem relevant to the items on the meeting agenda.

Moreover, in the same manner and within the same period, shareholders can submit written requests for clarification about information Banco Santander has sent to the CNMV since the last general meeting or about auditor's reports. Banco Santander posts all shareholder-requested information and the answers it provides on its corporate website.

Shareholders who attend either in person or virtually may also exercise their right to receive information at the meeting. Where information cannot be given during the course of the meeting, it will be provided in writing within seven days and posted on our corporate website.

Quorum and majorities for passing resolutions at the general meeting

The quorum and majorities set out in our Bylaws and Rules and regulations for general meetings in order to hold a valid meeting and adopt corporate resolutions are those provided for under Spanish law.

Except for certain matters mentioned below, on first call, shareholders accounting for at least 25% of the subscribed share capital with voting rights must be in attendance for the valid constitution of the general shareholders' meeting. If sufficient quorum is not reached, general meetings will be held on second call, which does not require a quorum.

In accordance with our Rules and regulations for general meetings, shareholders voting by remote means, by post or direct delivery or by electronic means before the meeting are counted as present in order to determine the general meeting quorum.

With the exception of certain matters mentioned below, general meeting resolutions pass when shareholders attending in person or by proxy cast more votes in favour than against.

The quorum and majorities required to amend the Bylaws, issue shares and bonds, make structural changes and vote on other significant resolutions permitted by law are those set out below for amending the Bylaws. Furthermore, in accordance with laws applying to credit institutions, if over 50% of the share capital is present at a general meeting, a qualified two-thirds majority is required to raise the proportion of variable remuneration

components to fixed components above 100% (up to 200%) for executive directors and other employees whose professional activities have a material impact on the Group's risk profile; otherwise, a three-quarters majority will be necessary.

Decisions about acquiring, selling or contributing core assets to another company or similar corporate transactions shall require shareholder approval at general meetings when the law so dictates. Our Bylaws have no further requirement in this regard.

Rules for amending our Bylaws

Shareholders at the general meeting have the authority to approve any amendment to the Bylaws. However, the board can also decide to change the registered office within Spain.

The directors or, as applicable, the shareholders who have drafted a proposed amendment to the Bylaws, must write it out in full and prepare a report justifying it, which shall be provided to shareholders at the time the general meeting to debate the proposed amendment is called.

The general meeting notice must clearly state the items to be amended as well as the rights of all shareholders to examine the full text of proposed amendments and the related report at Banco Santander's registered office and to have them delivered free of charge.

If shareholders are convened to debate amendments to the Bylaws, the quorum on first call will be reached if 50% of the subscribed share capital with voting rights is in attendance. If a sufficient quorum cannot be reached, the general meeting will be held on second call, where 25% of the subscribed share capital with voting rights must be in attendance.

When less than 50% of the subscribed share capital with voting rights is in attendance, resolutions on amendments to the Bylaws can only be validly adopted if two-thirds of shareholders attending the meeting in person or by proxy vote for them. However, when 50% or more of the subscribed share capital with voting rights is present, resolutions may pass by way of absolute majority.

Resolutions to amend the Bylaws that involve new obligations for shareholders must be accepted by those affected.

Bylaw amendments are subject to ECB approval. However, amendments that are exempt from authorization but must still be reported to the ECB include a change of the registered office within Spain, share capital increases, adding mandatory or prohibitive laws or regulations to the Bylaws, changing the wording in order to comply with court or administrative rulings and any others the ECB has declared exempt due to a lack of materiality in response to prior consultations.

3.3 Dividends and shareholder remuneration

Remuneration against 2024 results

For the 2024 results, the board continued to apply the same policy as in 2023, with total shareholder remuneration of approximately 50% of the Group reported profit (excluding non-cash, non-capital ratios impact items), distributed in approximately equal parts in cash dividend and share buybacks.

• **Interim remuneration.**

- On 26 August 2024, the board resolved to execute the First 2024 Buyback Programme worth up to EUR 1,525 million (equivalent to approximately 25% of said Group reported profit in H1'24). See '[First 2024 Buyback Programme](#)' in section 2.5.
- On 24 September 2024, the board resolved to pay an interim cash dividend against the 2024 results of 10 euro cents per share entitled to the dividend (equivalent to approximately 25% of said Group reported profit in H1'24); it was paid from 1 November 2024.

• **Final remuneration.** Under the 2024 shareholder remuneration policy:

- On 4 February 2025 the board of directors resolved to implement the Second 2024 Buyback Programme worth a maximum amount of EUR 1,587 million, for which the appropriate regulatory authorization has been obtained, and the execution of which began on 6 February 2025. For more details, see '[Second 2024 Buyback Programme](#)' in section 2.5.
- On 25 February 2025 the board of directors resolved to submit a resolution at the 2025 AGM to approve a final cash dividend in the gross amount of 11 euro cents per share entitled to dividends. If approved at the AGM, the dividend would be payable from 2 May 2025.

Once the above-mentioned actions are completed, total shareholder remuneration for 2024 will total EUR 6,293 million (approximately 50% of the Group reported profit -excluding non-cash, non-capital ratios impact items- in 2024), distributed as approximately 50% in cash dividends (EUR 3,181 million) and 50% in share buybacks (EUR 3,112 million). These amounts have been estimated assuming that, as a consequence of the partial execution of the Second 2024 Buyback Programme, the number of outstanding shares entitled to a final cash dividend will be 14,988,884,075. Therefore, that amount may be higher if fewer shares than planned are acquired in the Second 2024 Buyback Programme; otherwise, it will be lower.

Remuneration against 2025 results

As announced on 5 February 2025, the board intends to allocate up to EUR 10 billion to shareholder remuneration in the form of share buybacks, corresponding to the 2025 and 2026 results, as well as to the expected excess capital. This share buyback target includes: (i) buybacks that are part of the existing shareholder remuneration policy outlined below, and (ii) additional buybacks following the publication of annual results to distribute year-end excesses of CET1 capital.

The ordinary remuneration policy for the 2025 results, which the board intends to apply, will remain the same as for the 2024 results, consisting of a total shareholder remuneration of approximately 50% of the Group's reported profit (excluding non-cash and non-capital ratios impact items), distributed in approximately equal parts between cash dividends and share buybacks.

The execution of the shareholder remuneration policy and share buybacks to distribute the excess CET1 capital is subject to corporate and regulatory approvals.

3.4 2024 AGM

We held our annual general meeting on 22 March 2024, on second call, in a hybrid format, allowing attendance both in person and by electronic means.



Quorum and attendance

The quorum (among shareholders present and represented) was 66.646%, broken down as follows:

Quorum breakdown	Share capital with voting rights
Present	4.168 %
In person and virtual attendance	0.819 %
In person attendance	0.073% ^A
Virtual attendance	0.007%
Remote voting	3.349%
By post or direct delivery	0.523 %
By electronic means	2.826%
Represented	62.478 %
By post or direct delivery	5.987 %
By electronic means	56.491 %
Total	66.646 %

A. The portion corresponding to shares directly or indirectly held by directors or represented by them at the meeting is not included in this percentage. For more details on directors' voting rights, see subsection A.3 of section 9.2 '[Statistical information on corporate governance required by the CNMV](#)'.

Approved resolutions and voting results

All items on the agenda were approved. Votes in favour of the board's proposals averaged 97.16%. 99.36% of votes approved the corporate management for 2023 and 74.82% of the votes approved the directors' remuneration policy for 2024, 2025 and 2026.

The following chart summarizes the resolutions approved and voting results:

	VOTES ^A				Quorum ^D
	For ^B	Against ^B	Blank ^C	Abstention ^C	
1. Annual accounts and corporate management					
1A. Annual accounts and directors' reports for 2023	99.71	0.29	0.05	0.30	66.65
1B. Consolidated statement of non-financial information for 2023	99.70	0.30	0.06	0.38	66.65
1C. Corporate management for 2023	99.36	0.64	0.06	1.63	66.65
2. Application of results for 2023	99.70	0.30	0.05	0.21	66.65
3. Board of directors: appointment and re-election of directors					
3A. Setting of the number of directors	99.63	0.37	0.07	0.28	66.65
3B. Appointment of Mr Juan Carlos Barrabés Cónsul	99.62	0.38	0.07	0.33	66.65
3C. Appointment of Mr Antonio Francesco Weiss	99.61	0.39	0.06	0.34	66.65
3D. Re-election of Mr Javier Botín-Sanz de Sautuola y O'Shea	96.77	3.23	0.06	0.33	66.65
3E. Re-election of Mr Germán de la Fuente Escamilla	99.62	0.38	0.07	0.32	66.65
3F. Re-election of Mr Henrique de Castro	95.45	4.55	0.06	0.33	66.65
3G. Re-election of Mr José Antonio Álvarez Álvarez	97.70	2.30	0.06	0.31	66.65
3H. Re-election of Ms Belén Romana García	99.21	0.79	0.07	0.35	66.65
4. Re-election of the external auditor for financial year 2024	99.48	0.52	0.05	0.31	66.65
5. Share capital					
5A. Authorisation to the board of directors to increase the share capital of the Bank on one or more occasions and at any time, within a 3-year period, through cash contributions in the maximum nominal amount of EUR 3,956,394,643. Delegation of the power to exclude pre-emptive rights.	95.16	4.84	0.04	0.22	66.65
5B. Reduction in share capital in the maximum amount of EUR 783,428,928.50, through the cancellation of a maximum of 1,566,857,857 own shares. Delegation of powers.	99.44	0.56	0.04	0.19	66.65
5C. Reduction in share capital in the maximum amount of EUR 791,278,928.50, through the cancellation of a maximum of 1,582,557,857 own shares. Delegation of powers.	99.22	0.78	0.04	0.22	66.65
6. Remuneration					
6A. Directors' remuneration policy	74.82	25.18	0.05	0.29	66.65
6B. Setting of the maximum total annual remuneration of directors in their capacity as such	97.43	2.57	0.05	0.29	66.65
6C. Approval of the maximum ratio of fixed and variable components of total remuneration of executive directors and other employees belonging to categories with professional activities that have a material impact on the risk profile	98.84	1.16	0.06	0.27	66.21
6D. Deferred Multiyear Objectives Variable Remuneration Plan	95.63	4.37	0.06	0.29	66.65
6E. Application of the Group's buy-out regulations	98.75	1.25	0.07	0.32	66.65
6F. Annual directors' remuneration report (consultative vote)	90.18	9.82	0.06	1.31	66.65
7. Authorisation to the board and granting of powers for conversion into a public instrument	99.70	0.30	0.06	0.25	66.65
8 to 23. Corporate action to demand director liability and dismissal and removal of directors^E	0.00	100.00	0.00	0.05	63.30

A. Each Banco Santander share grants one vote.

B. Percentage of votes for and against.

C. Percentage of share capital present and attending by proxy at the 2024 AGM.

D. Percentage of Banco Santander's share capital on the date of the 2024 AGM.

E. Items 8 to 23, not included on the agenda, were put to a separate vote. They refer to the proposal to bring corporate action to demand director liability (*acción social de responsabilidad*) against all directors in office (8) and to the proposal of dismissal and removal of the following directors: Ms Ana Botín-Sanz de Sautuola y O'Shea (9), Mr Héctor Blas Crisí Checa (10), Mr Glenn Hogan Hutchins (11), Mr José Antonio Álvarez Álvarez (12), Ms Homaira Akbari (13), Mr Javier Botín-Sanz de Sautuola y O'Shea (14), Mr Bruce Carnegie-Brown (15), Ms Sol Daurella Comadrán (16), Mr Henrique de Castro (17), Mr Germán de la Fuente Escamilla (18), Ms Gina Lorenza Díez Barroso (19), Mr Luis Isasi Fernández de Bobadilla (20), Mr Ramiro Mato García-Ansorena (21), Ms Belén Romana García (22) and Mrs Pamela Walkden (23).

The full texts of the resolutions passed can be found on our corporate website and on the CNMV's website, as they were filed as other relevant information on 22 March 2024.

3.5 Our next AGM in 2025

Resolution proposals submitted to shareholders' approval

The board of directors agreed to call the 2025 AGM on 3 April on first call or on 4 April on second call, and to propose the following resolutions:

Annual accounts and corporate management

- To approve the annual accounts and the directors' reports of Banco Santander and its consolidated Group for the financial year ended on 31 December 2024. For more details, see '[Consolidated financial statements](#)'.
- To approve the consolidated non-financial statement for the financial year ended on 31 December 2024, which is part of the consolidated directors' report. See the '[Sustainability statement](#)' chapter.
- To approve the corporate management for financial year 2024.

Application of results of financial year 2024

- To approve the application of results obtained by Banco Santander during financial year 2024. See note [4.a](#)) to the consolidated financial statements.

Board of directors: appointments and re-elections

- To set the number of directors at 15, within the maximum and minimum limits stated in the Bylaws.
- To re-elect Luis Isasi, Héctor Grisi, Glenn Hutchins, Pamela Walkden and Ana Botín for a three-year period. See section [4.1 'Our directors'](#).

External auditor

- To re-elect the firm PricewaterhouseCoopers Auditores, S.L. (PwC) as external auditor of Banco Santander and its consolidated group for financial year 2025.

Independent verifier

- To appoint the firm PricewaterhouseCoopers Auditores, S.L. (PwC) as verifier of the sustainability information of Grupo Santander for financial year 2025.

Share capital

- To reduce the share capital of Banco Santander with the following purposes:
 - Cancelling a maximum of 1,413,743,296 treasury shares purchased under the Second 2024 Buyback Programme.
 - Cancelling a maximum of 1,515,249,232 treasury shares acquired through one or more share buyback programmes or by other legally permitted means, authorizing the board of directors to cancel them on one or several occasions within the earlier of one year or the date of the next annual general meeting.

See sections [2.1 'Share capital'](#) and [2.5 'Treasury shares'](#).

Remuneration. See section [6. 'Remuneration'](#)

- To approve the director's remuneration policy for 2025, 2026 and 2027.
- To set the maximum amount of annual remuneration to be paid to all the directors in their capacity as such.
- To approve a maximum ratio of 200% of variable components to fixed components of total remuneration for executive directors and certain employees belonging to professional categories that have a material impact on the Group's risk profile.
- To approve the Deferred Multiyear Objectives Variable Remuneration Plan.
- To approve the Group's buy-out regulations.
- To hold a non-binding vote on the annual directors' remuneration report.

Related documents and information are available for consultation on our corporate website from the date the meeting notice is published.

Virtual AGM

The 2025 AGM will be held as a virtual-only meeting broadcast live from our corporate centre in Boadilla del Monte. Holding the meeting in this format is possible thanks to the legal and statutory authorisation to hold this type of meeting that was approved by the vast majority of our shareholders, it is consistent with the Santander Group's digitalisation policy, and is motivated by the following reasons:

- First, holding the meeting exclusively by remote means allows us to ensure equal treatment of all our shareholders and facilitates their participation and full exercise of their rights at the meeting from anywhere, in line with our ongoing efforts to incentivise and increase the flexibility in the relationship with its shareholders. Banco Santander has several million shareholders, who are very diversified geographically, and only a few dozen of them attend the general meetings in person. Data on the 2024 AGM quorum and attendance, which endorse the above, are available in section [3.4 '2024 AGM'](#).
- Additionally, we have spent over two decades promoting remote participation of the shareholders in the general meeting and developing a remote participation platform (the General Shareholders' Meeting Platform), which proved to be ideal during the pandemic, for which reason it is now considered perfectly possible to hold the general meeting exclusively by remote means with sufficient guarantees, thereby making more effective use of the opportunities provided by technology. In this regard, the General Shareholders' Meeting Platform has sufficient guarantees, replicates the functioning of the traditional meeting and safeguards the exercise of shareholders' rights at the same level as in a physical or hybrid meeting. The platform is technologically tested and all the processes of the meeting are subject to an external audit, which verifies compliance with the procedures relating to the call, preparation, communication and holding of the meeting, certifying the security, integrity and consistency of the means made available to the shareholders regarding their participation in the meeting. All of this is also part of the Group's digitalisation and transformation process.
- Moreover, this initiative is aligned with the current digital paradigm. This is shown by the experience of countries such as the United States, Canada or Germany, where virtual-only meetings are the majority practice among the major listed companies. This is also attested by the evolution of Spanish legislation after the experience of the pandemic, with the admission of the possibility of holding meetings and assemblies exclusively by remote means and with the express statutory authorisation to this effect agreed by the vast majority of our shareholders.

- Fourthly, the initiative allows for a more effective allocation of the Group's resources and a relative reduction in the costs associated with a meeting of this nature, benefiting Banco Santander and all the shareholders.
- Finally, a virtual AGM will considerably reduce the environmental impact of a meeting held in a format requiring the physical travel of attendees, employees and other persons involved in the preparation and holding of the general meeting, particularly when an equivalent result can be achieved without such travel thanks to existing technology developed by the Group.

Attendance at the 2025 AGM shall be necessarily through the General Shareholders' Meeting Platform accessible on the corporate website www.santander.com, through the "General Shareholders' Meeting" site, or on the website www.juntasantander.com.

Since attendance at general meetings is not paid, a general policy in this regard is not necessary. However, Banco Santander offers shareholders that participate in our general meeting a commemorative courtesy gift, as has been tradition for decades.

4. BOARD OF DIRECTORS

A balanced board

→ 15 directors: 13 non-executive and 2 executive

→ Majority of independent directors (66.67%)

→ Balanced presence of women and men (40%-60%)



- | | | | | | | | |
|---|--|--|---|--|---|---|---|
| <p>1 Pamela Walkden
Member
Non-executive director
(independent)
●▲C*</p> | <p>2 Héctor Grisi
CEO
Executive director
●▲</p> | <p>3 Ana Botín
Executive Chair
Executive director
●C▲</p> | <p>4 Glenn Hutchins
Vice Chair and Lead Independent Director
Non-executive director
(independent)
■●C▲</p> | <p>5 José Antonio Álvarez
Vice Chair
Non-executive director
●▲▲</p> | <p>6 Germán de la Fuente
Member
Non-executive director
(independent)
●C▲</p> | <p>7 Belén Romana
Member
Non-executive director
(independent)
●■▲C▲</p> | <p>8 Luis Isasi
Member
Non-executive director
●■▲</p> |
| <p>9 Sol Daurella
Member
Non-executive director
(independent)
■●*C</p> | <p>10 Antonio Weiss
Member
Non-executive director
(independent)
■</p> | <p>11 Javier Botín
Member
Non-executive director</p> | <p>12 Homaira Akbari
Member
Non-executive director
(independent)
●*▲</p> | <p>13 Carlos Barrabés
Member
Non-executive director
(independent)
■*▲</p> | <p>14 Henrique de Castro
Member
Non-executive director
(independent)
●■▲</p> | <p>15 Gina Díez Barroso
Member
Non-executive director
(independent)
■*</p> | <p>16 Jaime Pérez Renovales
General Counsel and secretary of the board</p> |

- Executive committee
- Audit committee
- Nomination committee
- Remuneration committee
- ▲ Risk supervision, regulation and compliance committee
- * Responsible banking, sustainability and culture committee
- ▲ Innovation and technology committee
- C Chair of the committee



4.1 Our directors



**Ana
Botín-Sanz de Sautuola y O'Shea**
EXECUTIVE CHAIR
Executive director

Board member since 1989.

Nationality: Spanish. Born in 1960 in Santander, Spain.

Education: Degree in Economics from Bryn Mawr College of Pennsylvania.

Experience: Ms Botín joined Banco Santander, after working at JP Morgan (New York, 1980-1988). In 1992, she was appointed Senior Executive Vice President (*director general*). Between 1992 and 1998, she led Santander's expansion into Latin America. In 2002, she was appointed Executive Chair of Banesto. Between 2010 and 2014, she was CEO of Santander UK PLC and was a non-executive director until April 2021. In 2014 she was

appointed Executive Chair of Banco Santander. She was also a non-executive director of Santander UK Group Holdings PLC (2014-2021) and Chair of the European Banking Federation (2021-2023).

Other positions of note: Ms Botín is a member of the board of directors of The Coca-Cola Company and Chair of the Institute of International Finance (IIF). She is also founder and Chair of the CyD Foundation (which supports higher education) and the Empieza por Educar Foundation (the Spanish subsidiary of international NGO Teach for All), and sits on the advisory board of the Massachusetts Institute of Technology (MIT).

Positions in other Group companies: Ms Botín is non-executive Chair of Open Bank, S.A., Santander Consumer Finance, S.A., Open Digital Services, S.L., PagoNxt, S.L., Universia España Red de Universidades, S.A. and Universia Holding, S.L.; and is a non-executive director of Santander Holdings USA, Inc. and Santander Bank, N.A.

Membership of board committees: Executive committee (Chair) and innovation and technology committee.

Skills and competencies: Ms Botín has extensive international experience in top executive roles in banking. She has also led Grupo Santander's strategic and cultural transformation, and her philanthropy underscores her ongoing commitment to sustainable and inclusive growth.



**Héctor
Grisi Checa**
CHIEF EXECUTIVE OFFICER
Executive director

Board member since 2023.

Nationality: Mexican. Born in 1966 in Mexico City, Mexico.

Education: Degree in Finance from Universidad Iberoamericana (Mexico City).

Experience: Mr Grisi joined the Group in 2015 as Executive Chair and CEO of Banco Santander México and Grupo Financiero Santander México, S.A. de C.V. He was named Regional Head for North America (2019-2022). Before joining Santander he worked in Mexico and the US. Mr Grisi spent 18 years in several leadership

roles at Crédit Suisse, including Head of investment banking for Mexico, Central America and the Caribbean, and Chair and CEO of Crédit Suisse México. He also held several roles in corporate and investment banking at Grupo Financiero Invermexico and at Casa de Bolsa Inverlat. From 2011 to 2014, Mr Grisi was Vice Chair of Asociación de Bancos de México ("Bank Association of Mexico").

Other positions of note: Mr Grisi is non-executive Chair of Cogrimex, S.A. de C.V.

Positions in other Group companies: Mr Grisi is a non-executive director of Grupo Financiero Santander México, S.A. de C.V. and PagoNxt, S.L.

Membership of board committees: Executive committee and innovation and technology committee.

Skills and competencies: Mr Grisi has gained vast experience and a unique strategic vision from his many years of executive service at several banking and financial institutions. He is well-versed in Grupo Santander's businesses and global strategy, especially in such key markets as Mexico and the US. He brings to the board geographic and international diversity and a strong, international track record of management, leadership, business transformation and connectivity between the Group's markets.



**Glenn Hogan
Hutchins**

VICE CHAIR AND LEAD INDEPENDENT DIRECTOR
Non-executive director (independent)

Board member since 2022.

Nationality: American. Born in 1955 in Virginia, US.

Education: Graduated with a AB, MBA and JD from Harvard University.

Experience: Mr Hutchins co-founded US technology and investment firm Silver Lake, where he was CEO until 2011. Prior, Mr Hutchins had been a senior managing director at The Blackstone Group (1994-1999) and Thomas H. Lee Co. (1985-1994), and a consultant at Boston Consulting Group. He has also served on the boards of SunGard Data Systems (Chair, 2005-2015), NASDAQ (2005-2017) and Virtu Financial (2017-2021). He served as a director and Chair of the audit and risk committees of the Federal Reserve Bank of New York from 2011 to

2021. Additionally, he served on the board of the Harvard Management Company, which manages Harvard University's endowment. Mr Hutchins worked with President Clinton in his transition to power and the White House as special advisor on economic and healthcare policy.

Other positions of note: Mr Hutchins is non-executive Chair of investment firm North Island Ventures, an independent director of AT&T and Lead Independent Director of CoreWeave, Inc. He is a member of the international advisory board and investment board of Singapore's Government Investment Corporation (GIC), co-Chair of the Brookings Institution, Chair emeritus of not-for-profit organization CARE, and Vice Chair of the Obama Foundation. He also serves on the executive committee of the Boston Celtics basketball team.

Membership of board committees: Nomination committee, remuneration committee (Chair), and innovation and technology committee (Chair).

Skills and competencies: As a long-time investor in technology and fintech companies, Mr Hutchins has expertise in financial markets and is well-known among investors and stakeholders. He brings to the board his acumen in technology, telecommunications, innovation, finance and investment as well as extensive knowledge of financial regulation as a result of his leadership roles in government, especially with financial regulators and supervisors. He works closely with not-for-profit entities committed to fighting poverty, designing effective public policy and promoting social justice.



**José Antonio
Álvarez Álvarez**

VICE CHAIR
Non-executive director

Board member since 2015.

Nationality: Spanish. Born in 1960 in León, Spain.

Education: Degree in Economics and Business Administration. MBA from the University of Chicago.

Experience: Mr Álvarez joined Banco Santander in 2002. He was appointed Senior Executive Vice President (*director general*) and Head of the Financial Management and Investor Relations division in 2004 (Group Chief Financial Officer) and was Group CEO from 2015 to 2022.

He served as director at SAM Investments Holdings Limited, Santander Consumer Finance, S.A., Santander Holdings USA, Inc., and as non-executive Vice Chair of Banco Santander (Brasil) S.A. He sat on the supervisory boards of Santander Consumer Bank AG, Santander Consumer Holding GmbH and Santander Bank Polska, S.A. He was also a board member of Bolsas y Mercados Españoles, S.A.

Other positions of note: Mr Álvarez is an independent director of Aon PLC and a member of the advisory committee of Grupo Buenavista.

Positions in other Group companies: Mr Álvarez is a non-executive director of PagoNxt, S.L.

Membership of board committees: Executive committee, risk supervision, regulation and compliance committee, and innovation and technology committee.

Skills and competencies: Mr Álvarez is a highly qualified and talented leader with a distinguished career in banking. He brings significant strategic and international management expertise, in particular financial planning, asset management and consumer finance, and has vast knowledge of the Group from his tenure as CEO. He has extensive experience and an established reputation with such key stakeholders as regulators and investors.



**Homaira
Akbari**

Non-executive director (independent)

Board member since 2016.

Nationality: American and French. Born in 1961 in Tehran, Iran.

Education: PhD in Experimental Particle Physics from Tufts University of Massachusetts and MBA from Carnegie Mellon University.

Experience: Ms Akbari was a non-executive director of Gemalto NV and Veolia Environment S.A. She was Chair and CEO of SkyBitz, Inc., managing director of TruePosition Inc., and a non-executive director of Covisint Corporation and US Pack Logistics, LLC. She also held various roles at Microsoft Corporation and Thales Group, was non-executive Chair of WorkFusion, Inc., and an independent director of Temenos, AG.

Other positions of note: Ms Akbari is CEO of AKnowledge Partners, LLC, a global consultancy firm on the Internet of Things, cybersecurity and artificial intelligence. She is an independent director of Landstar System, Inc. and a member of the security advisory board of Telefónica Soluciones de Criptografía, S.A.U. She is also a trustee of the French Institute Alliance Française.

Positions in other Group companies: Ms Akbari is a non-executive director of Santander Consumer USA Holdings Inc. and PagoNxt, S.L.

Membership of board committees: Audit committee, responsible banking, sustainability and culture committee, and innovation and technology committee.

Skills and competencies: Ms Akbari brings significant experience of technology companies. Her knowledge of digital transformation challenges and cybersecurity is an asset to the board. She also has extensive experience in diverse regions and knowledge of water, energy and waste management and treatment, which are of particular value to the Group's sustainability policy.



**Juan Carlos
Barrabés Cónsul**

Non-executive director (independent)

Board member since 2024.

Nationality: Spanish. Born in 1970 in Huesca, Spain.

Education: Tour Operator Management from the School of Tourism of Aragón and Global Leadership and Public Policy for the XXI Century Program from Harvard Kennedy School.

Experience: Mr Barrabés sat on the board of Santander España and the advisory council of Vodafone. He was also director of the master's degree in Strategic Design Lab at Istituto Europeo di Design (IED) and of the MBA at Escuela de Organización Industrial (EOI) in Madrid, and a trustee of Fundación Ashoka Emprendedores Sociales.

Other positions of note: Mr Barrabés is the founder and Chair of Grupo Barrabés, which advises large corporates on digital transformation, innovation, new technologies, e-commerce and the Internet, and SMEs on innovation and using technology efficiently in business processes. He founded and sits on the advisory council of Escuela de Negocios del Pirineo (ESPENI); founded and sits on the management board of Épsilon Ecología, Asociación para la Defensa del Medio Ambiente; founded and is a trustee of Fundación Empieza por Educar; and is an adviser to Centro de Finanzas Sostenibles y Responsables de España (centre for sustainable and responsible finance, FINRESP).

Membership of board committees: Nomination committee, responsible banking, sustainability and culture committee, and innovation and technology committee.

Skills and competencies: With a lengthy track record as an entrepreneur and e-commerce pioneer, he brings to the board extensive experience in Spain's digital and innovation areas, especially the integration of digital technology in socio-economic development, retail distribution, the promotion of talent and the benefits of digital transformation for people and institutions. His experience as founder and trustee of multiple non-profit organizations that focus on education, entrepreneurship and environmental protection enriches the board's expertise in responsible business and sustainability.



Javier Botín-Sanz de Sautuola y O'Shea
Non-executive director

Board member since 2004.

Nationality: Spanish. Born in 1973 in Santander, Spain.

Education: Degree in Law from the Complutense University of Madrid.

Experience: Mr Botín founded JB Capital Markets, S.V., S.A.U. in 2008 and has been its Executive Chair ever since. He was co-founder and executive director of the equities division of M&B Capital Advisers, S.V., S.A. (2000-2008). Previously, he had been a legal adviser within the International Legal department of Banco Santander (1998-1999).

Other positions of note: In addition to the financial sector, Mr Botín works with several not-for-profit organizations. He has been Chair of the Botín Foundation since 2014 and is also a trustee of the Princess of Girona Foundation.

Skills and competencies: Mr Botín brings international and managerial expertise to the board, particularly in finance and banking. He also brings a deep understanding of Grupo Santander, its operations and its strategy from his tenure as a non-executive director.



Sol Daurella Comadrán
Non-executive director (independent)

Board member since 2015.

Nationality: Spanish. Born in 1966 in Barcelona, Spain.

Education: Degree in Business and MBA from ESADE.

Experience: Ms Daurella sat on the board of Círculo de Economía de Barcelona and was an independent director of Banco Sabadell, S.A., Ebro Foods, S.A. and Acciona, S.A. She was also honorary consul general of Iceland in Barcelona (1992-2021).

Other positions of note: Ms Daurella is Chair of Coca-Cola Europacific Partners PLC, Executive Chair of Olive Partners, S.A., and holds several roles in Grupo Cobega companies. She is also Vice Chair of the board of trustees of the FERRO Oncology Research Foundation and a board member of Instituto de la Empresa Familiar.

Membership of board committees: Nomination committee, remuneration committee, and responsible banking, sustainability and culture committee (Chair).

Skills and competencies: Ms Daurella brings to the board excellent strategy and high-level management skills from her international top-executive experience at listed and large privately-held entities, particularly distributors. She has vast experience of corporate governance as the former Chair of several boards and having served on several audit committees. As a trustee of various health, education and environmental foundations, she provides responsible business and sustainability insight to the board.



Henrique de Castro

Non-executive director (independent)

Board member since 2019.

Nationality: Portuguese. Born in 1965 in Lisbon, Portugal.

Education: Degree in Business Administration from the Lisbon School of Economics & Management and MBA from the University of Lausanne.

Experience: Mr de Castro was Chief Operating Officer at Yahoo. Previously, he had been the manager of worldwide devices, media and platforms at Google, European sales and business development manager at Dell Inc., and a consultant at McKinsey & Company. He was also an independent director at First Data Corporation.

Other positions of note: Mr de Castro is an independent director of Fiserv Inc.

Positions in other Group companies: Mr de Castro is a non-executive director of PagoNxt, S.L.

Membership of board committees: Audit committee, remuneration committee, and innovation and technology committee.

Skills and competencies: Mr de Castro brings to the board valuable international experience in technological and digital strategy due to his executive roles in the world's top technology companies.



Germán de la Fuente Escamilla

Non-executive director (independent)

Board member since 2022.

Nationality: Spanish. Born in 1964 in Madrid, Spain.

Education: Degree in Economics and Business Administration with a diploma in auditing from the Complutense University of Madrid.

Experience: Mr de la Fuente has spent his professional career at Deloitte, where he has been Head of the audit business for the financial services industry (2002–2007), managing partner of Audit & Assurance (2007-2021) in Spain, and Chair and CEO of Deloitte, S.L. (2017-2022). He was also a member of the global board of directors of the firm from 2012 to 2016 and of the global audit and risk services committee until June 2021. He has been involved in auditing major Spanish financial groups and in multiple consulting and advisory projects.

Membership of board committees: Audit committee (Chair) and risk supervision, regulation and compliance committee.

Skills and competencies: Mr de la Fuente brings extensive experience in the auditing industry and sound knowledge in auditing, accounting and internal and risk control, and the banking sector, all of which uphold his recognition as a financial expert.



**Gina
Díez Barroso Azcárraga**
Non-executive director (independent)

Board member since 2020.

Nationality: Mexican. Born in 1955 in Mexico City, Mexico.

Education: Degree in Design from Centro de Diseño of Mexico City.

Experience: Ms Díez Barroso was an independent director of Banco Santander México and other Grupo Santander companies in Mexico until 2020. She has been member of the board of directors of Americas Society and Council of the Americas, Laurel Strategies and Qualitas of Life Foundation. She was also a founder and a trustee of the Pro-Educación Centro and Diarq foundations.

Other positions of note: Ms Díez Barroso is the founder and non-executive Chair of Grupo Diarq, S.A. de C.V. and Centro de Diseño y Comunicación, S.C. (Universidad Centro). She is also a non-executive director of Bolsa Mexicana de Valores (BMV) and Dalia Women, S.A.P.I de C.V. (Dalia Empower), a member of Comité de 200 (C200) and represents Mexico at the W20, the G20 women's initiative to promote gender diversity.

Positions in other Group companies: Ms Díez Barroso is a non-executive director of Universia México, S.A. de C.V.

Membership of board committees: Nomination committee and responsible banking, sustainability and culture committee.

Skills and competencies: Ms Díez Barroso brings to the board vast experience in the real estate and education sectors, and has extensive knowledge of, and an ever-lasting commitment to, sustainability, inclusion and responsible business, having been a founder and trustee of foundations that focus on education, gender diversity and social support.



**Luis
Isasi Fernández de Bobadilla**
Non-executive director ()*

Board member since 2020.

Nationality: Spanish. Born in 1956 in Jerez de la Frontera, Spain.

Education: Degree in Economics and Business Administration and MBA from Columbia Business School.

Experience: Mr Isasi began his career at Abengoa, before holding various executive positions at JP Morgan in New York and First National Bank of Chicago in London.

In 1987, he joined Morgan Stanley where he was managing director of investment banking for Europe and Chair and Country Head for Spain (1997-2020) and senior advisor (2020-2023). He has also been director of Madrileña Red de Gas, S.A. and Sociedad Rectora de la Bolsa de Madrid, S.A., as well as an independent director of Grifols, S.A.

Other positions of note: Mr Isasi is the non-executive (independent) Chair of the board of directors of Logista Integral, S.A. (LOGISTA).

Positions in other Group companies: Mr Isasi is non-executive Chair of the board of Santander España.

Membership of board committees: Executive committee, remuneration committee, and risk supervision, regulation and compliance committee.

Skills and competencies: Mr Isasi has vast experience in a wide range of sectors and international markets (in particular, finance and investment banking) as well as a strong institutional network within Spain.

(*) In the opinion of the nomination committee and the board of directors, Mr Isasi meets the requirements to be considered independent, despite being categorized as other external based on a standard of prudence. For more details, see subsection 'Other external directors' in section 4.2.



**Belén
Romana García**

Non-executive director (independent)

Board member since 2015.

Nationality: Spanish. Born in 1965 in Madrid, Spain.

Education: Degree in Economics and Business Administration from Universidad Autónoma de Madrid. She is also a State Economist for Spain.

Experience: Ms Romana was formerly director general of Economic Policy, director general of the Treasury of the Spanish Ministry of Economy, and director at Banco de España and the CNMV. She was also a director at the Instituto de Crédito Oficial and other entities on behalf of the Ministry of Economy. She served as a non-executive director at Banesto and as Executive Chair of Sociedad de Gestión de Activos Procedentes de la Reestructuración Bancaria, S.A. (SAREB). She has also been non-executive director of Aviva PLC and Aviva Italia Holding S.p.A.

She has also been co-Chair of the board of trustees of The Digital Future Society and advisory board member at Inetum and TribalData.

Other positions of note: Ms Romana is an independent director of Industria de Diseño Textil, S.A. (Inditex), SIX Group AG and its subsidiary Bolsas y Mercados Españoles, Sociedad Holding de Mercados y Sistemas Financieros, S.A.U. She is also the non-executive Chair of its other subsidiaries, SIX Digital Exchange AG and SDX Trading AG. Furthermore, she is an independent director of Werfen, S.A.; an advisory board member at Rafael del Pino Foundation; senior adviser to Artá Capital; and academic director of the IE Leadership & Foresight Hub Programme.

Positions in other Group companies: Ms Romana is the non-executive (independent) Chair of Santander Insurance, S.L.

Membership of board committees: Executive committee, audit committee, nomination committee (Chair), risk supervision, regulation and compliance committee, and innovation and technology committee.

Skills and competencies: Given her background as a government economist and overall executive and non-executive experience in finance (particularly from serving on the audit committees of listed companies), Ms Romana is a recognized financial expert. Having held key positions in credit institutions and the regulatory and supervisory bodies of the financial industry and securities markets in Spain, she also provides strategic insights into banking, financial regulations and government relations in Spain and Europe.



**Pamela
Walkden**

Non-executive director (independent)

Board member since 2019.

Nationality: British. Born in 1960 in Worcester, England.

Education: Master's Degree in Economics from Cambridge University.

Experience: Mrs Walkden has served in a number of senior management positions at Standard Chartered Bank, including as Group Head of Human Resources, Chief Risk Officer, Group

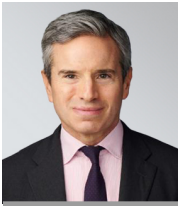
Treasurer, Group Head of Asset and Liability Management and Regional Markets, Group Head of Internal Audit, Group Head of Corporate Affairs and Group Manager of Investor Relations. In addition, she served as an independent member of the UK Prudential Regulation Authority (PRA) Regulatory Reform Panel, as member of the European Banking Authority Stakeholder Group, and was a lay member of the Welfare and Ethics Committee of the Royal Veterinary College.

Other positions of note: Mrs Walkden is a member of the advisory board of JD Haspel Limited.

Positions in other Group companies: Mrs Walkden is a non-executive director of Santander UK PLC and Santander UK Group Holdings PLC.

Membership of board committees: Audit committee, risk supervision, regulation and compliance committee (Chair), and responsible banking, sustainability and culture committee.

Skills and competencies: She brings to the board extensive experience in the international banking industry and deep expertise in auditing, which underscores her recognition as a financial expert.



**Antonio Francesco
Weiss**

Non-executive director (independent)

Board member since 2024.

Nationality: American and Italian. Born in 1966 in New York, US.

Education: Degree in Comparative Literature from Yale University and MBA from Harvard University.

Experience: Mr Weiss was Counselor to the Secretary of the US Department of the Treasury from 2015 to 2017, where he led the Department of Domestic Finance, working on matters related to financial markets, regulatory reform, job creation and economic growth. He previously held a number of senior management positions at Lazard, including Global Head of Investment Banking, Global Head of Mergers and Acquisitions, and Vice Chair of European Investment Banking.

Other positions of note: Mr Weiss is a founder and partner of investment firm SSW Partners, LP. He is a research fellow of the Mossavar-Rahmani Center for Business and Government at the Harvard Kennedy School of Government, a member of the Council on Foreign Relations, and a trustee of several non-profit, economic policy organizations, including the Volcker Alliance, the Citizens Budget Commission and the Bretton Woods Committee. He is non-executive director of Société Familiale d' Investissements, S.A., associate of AFWCo LP and senior advisor to the investment company JAB Holdings. He is a director and former publisher of *The Paris Review*.

Membership of board committees: Remuneration committee.

Skills and competencies: Mr Weiss has a lengthy track record in financial services, public policy and non-profit organizations. He also has vast international experience in executive positions in the US, Europe and other regions. Having held key positions in both the public and private sectors, he contributes extensive knowledge of the US market and financial sector to the board, most notably in matters of economic policy.



**Jaime
Pérez Renovales**

General Counsel and secretary of the board

Joined the Group in 2003.

Nationality: Spanish. Born in 1968 in Valladolid, Spain.

Education: Degree in Law and Business Administration from Universidad Pontificia Comillas (ICADE E-3) and State Attorney for Spain.

Experience: Jaime Pérez Renovales was director of the office of the second deputy Prime Minister for Economic Affairs and Minister of Economy, deputy secretary to the Spanish Prime Minister, Chair of the *Spanish State Official Gazette* and the committee for Government Reform. Previously, he had been Vice General Counsel, vice secretary of the board and Head of Grupo Santander's legal department, General Counsel and secretary of the board at Banesto, and deputy director of legal services at the CNMV. He is the Banco Santander representative on the board of trustees of the Princess of Asturias Foundation and is a member of the jury for its award for Social Sciences. He is Chair of the ICADE Business Club, Chair of the board of trustees of the Fundación Universitaria Comillas-I.C.A.I. and professor of Constitutional Law in the Faculty of Law at Universidad Pontificia Comillas (ICADE).

Jaime Pérez Renovales is the secretary of every board committee.

4.2 Board composition

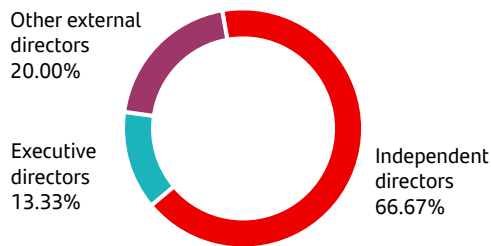
Size

As at 31 December 2024, the board of directors comprised 15 members, whose profile and background are described in section 4.1 'Our directors'. The Bylaws dictate that the board must be composed of no less than 12 and no more than 17 members.

Composition by type of director

The board of directors has a balanced composition between executive and non-executive directors, most of whom are independent. Each director's status has been verified by the nomination committee.

Our board composition



Executive directors

- Ana Botín, Group Executive Chair
- Héctor Grisi, Chief Executive Officer

Section 4.3 provides a detailed description of their respective roles and duties under '[Group Executive Chair and Chief Executive Officer](#)'.

Independent directors

- Glenn Hutchins (Lead Independent Director)
- Homaira Akbari
- Carlos Barrabés
- Sol Daurella
- Henrique de Castro
- Germán de la Fuente
- Gina Díez Barroso
- Belén Romana
- Pamela Walkden
- Antonio Weiss

Every year, the nomination committee verifies the independence of the board members. It considers potentially significant business

relations that could affect their independence and other pertinent circumstances. For more details on this analysis, see section 4.6 '[Nomination committee activities in 2024](#)' and in subsection C.1.3 of section 9.2 '[Statistical information on corporate governance required by the CNMV](#)'.

Independent non-executive directors account for 66.7% of board members. This conforms to best corporate governance practices as well as to the Rules and regulations of the board, which require that the board be predominantly made up of non-executive directors with at least 50% independent directors.

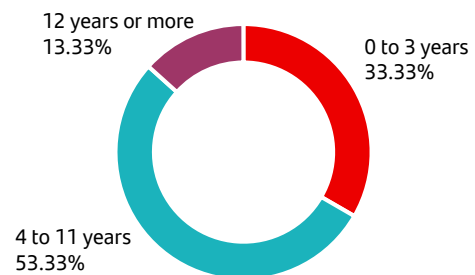
Other external directors

- José Antonio Álvarez
- Javier Botín
- Luis Isasi

These directors are not classified as independent directors for the following reasons:

- Mr Álvarez, because he was the former CEO of Banco Santander until 31 December 2022.
- Mr Botín, because he has been a director for over 12 years.
- Mr Isasi, because it is considered preferable to classify him as an external director under prudent criteria, in view of his remuneration as non-executive chair of Santander España in addition to his remuneration as a director and the special nature of this body as supervisor of a business unit without its own corporate identity separate to Banco Santander, despite the nomination committee and the board believing that he meets the requirements to be classed as an independent director.

Board tenure



At the end of 2024, the average term of directors was 8.03 years and the average term of independent directors was 4.76 years. For more details, see '[Board skills and diversity matrix](#)' and '[Tenure and equity ownership](#)' in this section 4.2.

Tenure and equity ownership^A

Board of directors		Tenure			Banco Santander shareholding ^D				
		Date of first appointment ^B	Date of last appointment	End date ^C	Direct	Indirect	Shares represented	Total	% of share capital
Executive Chair	Ana Botín	04/02/1989	31/03/2023	31/03/2026	1,893,028	31,506,972	—	33,400,000	0.220%
Chief Executive Officer	Héctor Grisi	20/12/2022	31/03/2023	31/03/2026	2,123,907	—	—	2,123,907	0.014%
Vice Chair and Lead Independent Director	Glenn Hutchins	20/12/2022	31/03/2023	31/03/2026	732,330	—	—	732,330	0.005%
Vice Chair	José Antonio Álvarez	25/11/2014	22/03/2024	22/03/2027	2,617,170	—	—	2,617,170	0.017%
	Homaira Akbari	27/09/2016	31/03/2023	31/03/2026	67,826	100,913	—	168,739	0.001%
	Carlos Barrabés	22/03/2024	22/03/2024	22/03/2027	100	—	—	100	0.000%
	Javier Botín	25/07/2004	22/03/2024	22/03/2027	5,502,083	25,601,761	157,304,169 ^E	188,408,013	1.243%
	Sol Daurella	25/11/2014	31/03/2023	31/03/2026	149,483	476,837	—	626,320	0.004%
	Henrique de Castro	12/04/2019	22/03/2024	22/03/2027	2,982	—	—	2,982	0.000%
Members	Germán de la Fuente	01/04/2022	22/03/2024	22/03/2027	10,000	—	—	10,000	0.000%
	Gina Díez Barroso	22/12/2020	31/03/2023	31/03/2026	27,000	—	—	27,000	0.000%
	Luis Isasi	03/04/2020	01/04/2022	01/04/2025	45,000	—	—	45,000	0.000%
	Belén Romana	22/12/2015	22/03/2024	22/03/2027	208	—	—	208	0.000%
	Pamela Walkden	29/10/2019	31/03/2023	31/03/2026	82,608	—	—	82,608	0.001%
	Antonio Weiss	22/03/2024	22/03/2024	22/03/2027	—	—	—	—	0.000%
	Total				13,253,725	57,686,483	157,304,169	194,844,377	1.286%
General Counsel and secretary of the board	Jaime Pérez Renovales								

A. Figures as at 31 December 2024.

B. The date of first appointment referred herein may not match with the date of acceptance of the position.

C. The date provided does not take into account the additional period that may apply under article 222 of the Spanish Companies Act, nor the annual renewal of one-third of the board established in article 55.1 of the Bylaws. For more details, see ['Election, appointment, re-election and succession of directors'](#) in section 4.2.

D. Banco Santander's shareholding policy aims to align our executive directors and shareholders' long-term interests. It includes the obligation for each executive director to maintain a significant investment in Banco Santander's shares, equivalent to twice their annual salary. Executive directors have five years from the time they were appointed to reach the required level of investment. Any shares they receive as remuneration are subject to a mandatory three-year holding period from their date of delivery, unless they already hold the mentioned investment equivalent, in addition to the regulatory obligation not to sell them for one year from delivery, which applies in all cases.

E. Includes shares owned by Fundación Botín, chaired by Javier Botín, and syndicated shares, including shares corresponding to Ana Botín that are also included within her direct or indirect shareholdings above, but excluding those corresponding to Javier Botín. For more details, see section [2.4 'Shareholders' agreements'](#). In subsection A.3 of section [9.2 'Statistical information on corporate governance required by the CNMV'](#), we adapted this information to the CNMV's format.

As of 31 December 2024, Ana Botín, Héctor Grisi and José Antonio Álvarez had 903,995, 151,395 and 610,123 Banco Santander share options, respectively. Each option has one share as underlying asset. These options come from the Group's remuneration plans.

For more details, see section [9.2 'Statistical information on corporate governance required by the CNMV'](#).

Diversity

A diverse board of directors is essential to its effectiveness. Mixed skills, experiences and points of view create an environment that promotes independent opinion and constructive debate and ensures proper decision-making. Thus, we seek to achieve a sound balance of technical expertise, experience and broad diversity in the composition of the board.

Our policy on the selection, suitability assessment and succession of directors helps make our board more diverse in terms of gender, age, geographical provenance, experience and knowledge.

- **Gender.** The nomination committee and the board of directors understand the importance of fostering equal opportunity between men and women as well as the need for women board members who meet the suitability requirement. In this regard, the policy includes the gender equality target set by the nomination committee for women and men to account for between 40% and 60% of the total members of the board.

40% of our board members are women, meeting the target for the less represented gender at the board set out in the Organic Law on Equal Representation and Balanced Presence of Women and Men, which from June 2026 will require the boards of the 35 companies with the highest market capitalization to have the least-represented gender account for 40% or more of its members.

- **Age.** Our policy also considers that selection must promote age diversity. There are no age limits for becoming a director nor for the roles of chair and chief executive officer.
- **Country of origin/international education.** Selection considers cultural diversity, geographical provenance, and international education and experience, especially in the Group's core markets.
- **Education and career.** Selection considers candidates' academic training and career history to ensure they are qualified to understand our Group's businesses, structure and markets, and that they fit within the Santander culture and other aspects deemed material to the Group.

Moreover, our policy stipulates that board member selection must not have any implicit bias that could lead to any form of discrimination, based for instance on disability, race or ethnic origin.

The policy follows the European Banking Authority (EBA) and European Securities and Markets Authority (ESMA) joint guidelines on the suitability assessment of board members and key functions holders, as well as the ECB's Guide to fit and proper assessments.

Board skills and diversity matrix

The nomination committee updates a ['Board skills and diversity matrix'](#) that reflects the balance of the knowledge, skills, qualifications, diversity and experience required to pursue our long-term strategy in an ever-changing market.

It considers the recommendations of the EBA and ESMA guidelines on the suitability assessment of board members and key functions holders, as well as the ECB's Guide to fit and proper assessments.

The matrix follows this structure:

- We distinguish between **thematic (technical)** and **horizontal skills**.
- We include a separate **diversity section** that details gender, country of origin/ international education, and age.
- We show each member's **tenure**.

The matrix discloses each board member's particular expertise and skills, some of which are further detailed in section [4.1 'Our directors'](#), and is a sign of our commitment to transparency.

We continuously review the suitability of skills and diversity to ensure a diverse board that can meet Banco Santander's strategy needs. The matrix enables us to pinpoint areas we need to strengthen in the succession and election of new board members.

Last, the ['Committees skills and diversity matrix'](#), which we also continuously update, shows the diverse composition of each committee and members' knowledge and expertise relevant to their committee's remit.

Board skills and diversity matrix

	Ana Botín	Héctor Grisi	Glenn Hutchins	José Antonio Álvarez	Homaira Akbari	Carlos Barrabés	Javier Botín	Sol Daurella	Henrique de Castro	Germán de la Fuente	Gina Díez Barroso	Luis Isasi	Belén Romana	Pamela Walkden	Antonio Weiss
	Executive Chair	CEO	Vice Chair Lead Independent Director	Vice Chair Non-executive	Independent	Independent	Non-executive	Independent	Independent	Independent	Independent	Non-executive	Independent	Independent	Independent
SKILLS AND EXPERIENCE															
THEMATIC SKILLS															
Banking (100%)	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Other financial services (80%)	•	•	•	•	•		•		•	•	•	•	•	•	•
Accounting, auditing and financial literacy (100%)	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Retail (73.3%)	•	•		•	•	•	•	•	•			•	•	•	
Digital & information technology (53.3%)	•	•	•	•	•	•			•				•		
Risk management (86.7%)	•	•	•	•	•	•	•	•		•		•	•	•	•
Business strategy (100%)	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Responsible business & sustainability (73.3%)	•	•	•	•	•	•	•	•			•		•		•
Human resources, culture, talent & remuneration (93.3%)	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Legal and regulatory (13.3%)			•										•		
Governance and control (80%)	•	•	•	•	•	•	•	•		•		•	•	•	•
International experience	Continental Europe (80%)	•		•	•	•	•	•	•	•		•	•	•	•
	US/UK (86.7%)	•	•	•	•	•	•	•	•	•		•	•	•	•
	Latam (60%)	•	•		•	•	•		•	•	•	•			
	Others (26.7%)							•	•	•				•	
HORIZONTAL SKILLS															
Top management (100%)	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Government, regulatory and public policy (20%)			•										•		•
Academia and education (40%)	•				•	•		•			•				•
Significant directorship tenure (93.3%)	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
DIVERSITY															
Gender	Female (40%)	•			•			•			•		•	•	
	Male (60%)		•	•	•	•	•		•	•		•			•
Country of origin/ international education	Continental Europe (60%)	•			•	•	•	•	•	•		•	•		
	US/UK (60%)	•		•	•	•					•	•	•	•	•
	Latam (13.3%)		•								•				
	Others (6.7%)					•									
Age	Under 55 (13.3%)					•	•								
	55 to 65 (66.7%)	•	•		•	•		•	•	•			•	•	•
	Over 65 (20%)			•							•	•			
BOARD TENURE															
0 to 3 years (33.3%)		•	•			•				•					•
4 to 11 years (53.3%)				•	•			•	•		•	•	•	•	
12 years or more (13.3%)	•						•								

Committees skills and diversity matrix

		Executive committee	Audit committee	Nomination committee	Remuneration committee	Risk supervision, regulation and compliance committee	Responsible banking, sustainability and culture committee	Innovation and technology committee
SKILLS AND EXPERIENCE								
THEMATIC SKILLS								
Banking		100%	100%	100%	100%	100%	100%	100%
Other financial services		100%	80%	60%	80%	80%	40%	87.5%
Accounting, auditing and financial literacy		100%	100%	100%	100%	100%	100%	100%
Retail		100%	80%	60%	60%	80%	80%	87.5%
Digital and information technology		80%	60%	60%	40%	40%	40%	100%
Risk management		100%	80%	80%	80%	100%	80%	87.5%
Business strategy		100%	100%	100%	100%	100%	100%	100%
Responsible business and sustainability		80%	40%	100%	60%	40%	80%	87.5%
Human resources, culture, talent and remuneration		100%	100%	100%	100%	100%	100%	100%
Legal and regulatory		20%	20%	40%	20%	20%	-	25%
Governance and control		100%	80%	80%	60%	100%	80%	87.5%
International experience	Continental Europe	80%	100%	60%	80%	100%	80%	75%
	US/UK	100%	100%	60%	100%	100%	60%	87.5%
	Latam	80%	60%	20%	40%	60%	40%	62.5%
	Others	-	60%	20%	40%	40%	40%	12.5%
HORIZONTAL SKILLS								
Top management		100%	100%	100%	100%	100%	100%	100%
Government, regulatory and public policy		20%	20%	40%	40%	20%	-	25%
Academia and education		20%	20%	60%	40%	-	80%	37.5%
Significant directorship tenure		100%	100%	100%	80%	100%	100%	100%
DIVERSITY								
Gender	Female	40%	60%	60%	20%	40%	80%	37.5%
	Male	60%	40%	40%	80%	60%	20%	62.5%
Country of origin/international education	Continental Europe	80%	60%	60%	60%	80%	40%	62.5%
	US/UK	80%	60%	60%	60%	80%	60%	62.5%
	Latam	20%	-	20%	-	-	20%	12.5%
	Others	-	20%	-	-	-	20%	12.5%
Age	Under 55	-	-	20%	-	-	20%	12.5%
	55 to 65	80%	100%	40%	60%	80%	60%	75%
	Over 65	20%	-	40%	40%	20%	20%	12.5%
BOARD TENURE								
0 to 3 years		20%	20%	40%	40%	20%	20%	37.5%
4 to 11 years		60%	80%	60%	60%	80%	80%	50%
12 years or more		20%	-	-	-	-	-	12.5%

Election, appointment, re-election and succession of directors

Election

Our internal policy for the selection, suitability assessment and succession of directors dictates standards for the board's composition, the process of identifying and selecting candidates, and the suitability assessment of new directors.

Directors must meet specific requirements dictated by laws for credit institutions and our Bylaws and must also fulfil the obligations and duties of their position prescribed therein and in the Rules and regulations of the board.

Our directors must be of renowned business and professional integrity, and have the knowledge and experience needed to perform their role and exercise good governance. Director candidates will also be selected on the basis of their professional contribution to the entire board.

The board of directors will endeavour to have significantly more external or non-executive directors than executive directors, and for the number of independent directors to make up at least half of all members.

Appointment and re-election

Shareholders appoint and re-elect directors at the general meeting. Furthermore, if directors step down during their term of office, the board of directors may provisionally designate another director by co-option until the shareholders at the general meeting confirm the appointment at the next meeting.

Each appointment, re-election and ratification of directors is submitted to a separate vote at the general meeting.

Proposals for appointment, re-election and ratification of directors (regardless of their category), which the board of directors submits to the shareholders, as well as appointments of the board in cases of co-option, should be preceded by the corresponding reasoned proposal of the nomination committee.

Proposals to be submitted to the general meeting must include a duly substantiated report by the board, containing an assessment of the qualifications, experience and merits of the proposed candidate. Re-election and ratification proposals will also provide an assessment of the work and dedication to the position during the last period in which the proposed director held office. If the board disregards the nomination committee's opinion, it must explain its decision and record its reasons in the minutes of the meeting.

Term and cessation

Our directors are appointed for three-year terms. However, one-third of board members are renewed each year in order of their tenure. Outgoing directors may be re-elected.

Our directors shall cease to hold office when the term for which they were appointed ends, unless they are re-elected, when the general meeting so resolves, or when they resign. When a director ceases to hold office prior to the end of their term (i.e. by general meeting resolution or by resignation), they shall explain the reasons for resignation or, for non-executive directors, their opinion on the reasons for their cessation in office by the general meeting in a letter to the other board members, unless they report

them at a meeting of the board and this is recorded in the minutes. To the extent relevant to our shareholders, the resignation shall be publicly disclosed, including sufficient information on the reasons or circumstances that the director provides.

Directors must tender their resignation to the board and formally step down from their position if the board, on the nomination committee's recommendation, deems it appropriate in cases that may adversely affect the board's functioning or Banco Santander's credit or reputation. In particular, they must resign if they find themselves in a circumstance of ineligibility or prohibition provided by law, without prejudice to the honourability requirements for directors and the consequences deriving from subsequent failure to meet those requirements, set out in Royal Decree 84/2015, that implements Act 10/2014.

Directors must notify the board as soon as possible of any circumstances affecting them, whether related to their performance in Banco Santander or not, that might damage Banco Santander's credit or reputation, especially if under criminal investigation, and of the developments of any such criminal proceedings. When the board is informed or becomes otherwise aware of any such situations, it will examine them as soon as possible and decide, based on the particulars and on a report from the nomination committee, any measures to adopt, such as opening an internal investigation, calling on directors to resign or proposing their dismissal.

Proprietary directors must also tender their resignation when the shareholder they represent sells off or significantly reduces its equity holding.

Succession planning

Succession planning is a key element of our good governance as it ensures orderly role transitions as well as board continuity and stability and its adequate renewal, composition and independence. This planning follows a well-defined methodology and clear allocation of responsibilities. Our aim is to identify candidates with the necessary talent for each function.

Banco Santander's director succession plan focuses on diversity standards and the suitability assessment policy, as well as the regular review of the composition of the board and its committees, and the identification of potential board member candidates.

The policy has specific core performance indicators, reviewed each year, for such aspects as succession effectiveness (vacancies filled by identified candidates); the number of internal and external candidates immediately available to succeed executive directors; training and development plans for potential candidates to succeed executive directors in one to three years; gender diversity and country of origin or international education; updated board member tenure; the strength of the list of successors to executive directors, committee chairs and the Lead Independent Director; and the percentage of candidates to succeed directors who are immediately available (or candidates for a one-to-three year period).

The nomination committee and the board prioritize succession planning, with sound and appropriate plans in place that are regularly revisited to make sure they meet regulatory requirements and align with industry best practice.

4.3 Board functioning and effectiveness

Board functions

Banco Santander's board of directors is our highest decision-making body, except in matters reserved to shareholders at the general meeting. It performs its duties with unity of purpose and independent judgement.

The board's policy is to designate executive bodies and managers to run day-to-day operations and implement the strategy. It focuses on general supervision and other functions it cannot delegate by law, the Bylaws or the Rules and regulations of the board, including:

- General policies and strategies including, among others, capital and liquidity; tax; new products, operations and services; corporate culture and values, including policies on responsible business and sustainability and, in particular, on environmental and social matters; crisis management and resolution planning; risk (including tax risk) control and management; remuneration policy; and compliance.
- Financial and non-financial reporting, and - more generally - information reported to shareholders, investors and the general public, as well as the processes and controls that ensure full disclosure.
- Policies on reporting and communication with shareholders, markets and public opinion, and supervision of the disclosure of information.
- Internal audit plan.
- The selection, succession and remuneration of directors, senior management and other key positions.
- Effectiveness of Grupo Santander's corporate and internal governance system, including the GSGM, corporate frameworks and internal regulations.
- Significant corporate transactions and investments.
- Calling the general shareholders' meeting.
- Related-party transactions.

Board regulation

The board is governed by the rules set out in the Bylaws and the Rules and regulations of the board, both of which are available on our corporate website.

- **Bylaws.** These dictate the basic rules that apply to the composition and operation of the board and its members' duties, and are supplemented and implemented by the Rules and regulations of the board. They can only be amended by shareholders at the general meeting. See '[Rules for amending our Bylaws](#)' in section 3.2.
- **Rules and regulations of the board.** These set the rules for running and internally organizing the board of directors and its committees through the development of applicable laws and Bylaws provisions and good governance recommendations. They set out the principles governing its actions and the duties of its members.

The Rules and regulations of the board adhere to all legal provisions as well as the principles and recommendations set out in the Spanish Corporate Governance Code; Corporate Governance Principles for Banks of the Basel Committee on Banking Supervision; and the EBA's in Guidelines on internal governance.

Our rules on the audit committee also adhere to the good operating practices set out in the CNMV's Technical Guide 1/2024 on Audit Committees of Public Interest Entities, published on 27 June; as well as with the applicable regulations because our shares are listed as ADS on the NYSE and, in particular, with Rule 10A-3 under the Securities Exchange Act (SEA) on standards relating to audit committees.

Our rules on the nomination and the remuneration committees also adhere to the good operating practices set out in the CNMV's Technical Guide 1/2019 on Nomination and Remuneration Committees.

Structure of the board

The board's corporate governance structure ensures that it discharges its duties effectively.

Group Executive Chair and Chief Executive Officer

The Executive Chair is Ana Botín and the Chief Executive Officer is Héctor Grisi. They are the most senior executives in the Group's strategic and ordinary management, which the board is responsible for overseeing, ensuring that their roles are clearly separated and complementary. Both report exclusively to the board of directors.

The roles of our Executive Chair and Chief Executive Officer can be summarized as follows:

Roles of the Executive Chair and the Chief Executive Officer

Executive Chair	Chief Executive Officer
<ul style="list-style-type: none"> The Chair is the highest-ranking executive in Grupo Santander and its main representative with regulators, authorities and other major stakeholders. The Chair is responsible for the long-term strategy of the Group, including new tech and digital growth engines, namely PagoNxt and the Digital Consumer Bank. The Chair is also responsible for other corporate functions and units that help drive the Group's long-term strategy and transformation, comprising Technology and Data & Architecture, People & Culture, Financial Accounting & Control, Strategy and Corporate Development, General Secretariat and Communications & Corporate Marketing. This reflects the Chair's ultimate accountability for Transformation. The Chair also leads the appointment and succession planning of Grupo Santander senior management, to be submitted to the nomination committee and board for approval. 	<ul style="list-style-type: none"> The Chief Executive Officer is entrusted with the day-to-day management of the business with the highest executive functions and reports exclusively to the board. Accordingly, the Chief Executive Officer's direct reports are the senior managers in charge of the business units: the local CEO / Country Heads and those in charge of the global businesses (Wealth Management & Insurance, Corporate & Investment Banking, Payments and Retail & Commercial Banking (including Transformation^A)), encompassing the relevant support and control functions. Whilst the Chair is accountable for Digital Consumer Bank, given that it is a global business, the Group CEO remains fully accountable for the Countries through which Digital Consumer Bank operates. As responsible for day-to-day management, the CFO also reports to the Chief Executive Officer. Additionally, the Chief Executive Officer is responsible for Regulatory & Supervisory Relations and for embedding the Group's sustainability policy in the day-to-day management of Group businesses and the support and control functions.

A. Whilst Retail & Commercial Banking reports directly to the Chief Executive Officer (with no functional line to the Executive Chair), ultimate accountability for Transformation remains with the Executive Chair.

The duties of the Executive Chair, the Chief Executive Officer, the board, and its committees are clearly separated. Various checks and balances give Grupo Santander's corporate governance structure the appropriate equilibrium. In particular:

- The board and its committees supervise both the Executive Chair and the Chief Executive Officer. Both the Executive Chair and Chief Executive Officer report directly to the board of directors.
- The board has delegated all its powers to the Executive Chair and the Chief Executive Officer, except for those that cannot be delegated by law and under the Bylaws and the Rules and regulations of the board. The board directly exercises those powers to perform its general supervisory function.
- The Lead Independent Director leads the Group Executive Chair's succession and appointment in coordination with the nomination committee.
- The audit committee is chaired by an independent director who is considered a 'financial expert' as defined in Regulation S-K of the Securities and Exchange Commission (SEC).
- The audit; nomination; responsible banking, sustainability and culture; remuneration; risk supervision, regulation and compliance; and innovation and technology committees are chaired by, and have a majority of, independent directors. The first three committees are also composed entirely of independent directors.
- The Executive Chair may not simultaneously act as Banco Santander's Chief Executive Officer.
- The corporate Risk, Compliance and Internal Audit functions report as independent units to a committee or a member of the board of directors and have direct, unfettered access to the board.

Lead Independent Director

Our Lead Independent Director is Glenn Hutchins. The Lead Independent Director is key to our corporate governance arrangements. He is responsible for the effective coordination of the non-executive directors and makes sure they serve as an appropriate counter-balance to the executive directors.

The following chart shows the Lead Independent Director's functions and activities in 2024. He provides a detailed report to the nomination committee and board of directors on his activities and the discharge of his duties on an annual basis.

Duties of the Lead Independent Director and activities during 2024

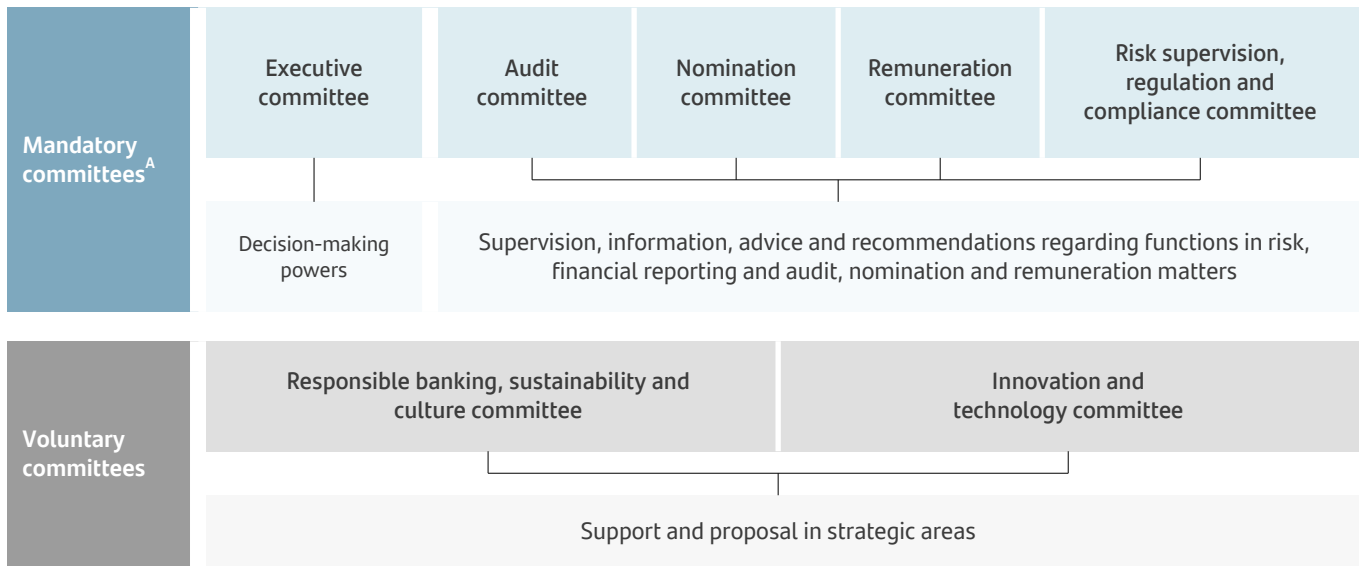
Duties	Activities in 2024
Facilitate discussion and open dialogue among independent directors, holding private meetings of non-executive directors without the executive directors present and proactively engaging with them to consider their views and opinions.	Held six meetings with non-executive directors where they were able to voice their views and opinions. These meetings provided a valuable opportunity to reflect on the overall board and committee cycle throughout the year, to discuss board training topics, strategy execution, executive director and top management performance and objectives (including the CEO performance assessment given his reporting line to the board), and reflections on areas of continuous improvement. The non-executive directors held a meeting with the Chief Executive Officer without the Executive Chair present (and vice versa), in recognition of their direct reporting line to the board.
Direct the periodic evaluation of the Chair of the board of directors and coordinate her succession plans.	Led the Executive Chair's annual performance review in order to determine her variable pay. Furthermore, he coordinated her succession planning activity, facilitated through his membership of the nomination committee.
Engage with shareholders and other investors to learn of their concerns, especially with regard to Banco Santander's corporate governance.	See section 3.1 'Shareholder communication and engagement' for full details of the Lead Independent Director's activities.
Replace the Chair in her absence, with such key rights as the ability to call board meetings under the terms of the Rules and regulations of the board.	Whilst the Executive Chair was able to chair all board meetings, there were specific instances where the Lead Independent Director assumed the chairship of the board, mainly driven by the nature of the topic being discussed and the Executive Chair's potential vested interest, being therefore recused for those discussions.
Request a board meeting or that new items be added to the agenda.	While the Lead Independent Director did not need to request additional board meetings to be called, he remained fully engaged in, and informed of, board meeting agendas to add additional items as required.

Structure of board committees

Board committees support the board in three main areas:

- Managing the Group by exercising decision-making powers through the executive committee.
- Formulating strategy for core areas through the responsible banking, sustainability and culture committee, and the innovation and technology committee.
- Supervising and making important decisions through the audit committee, nomination committee, remuneration committee and risk supervision, regulation and compliance committee.

The board has seven committees under this structure:



A. Required by law, the Bylaws or the Rules and regulations of the board.

Secretary of the board

Jaime Pérez Renovales is the secretary of the board. He assists the chair and ensures the formal and substantial legality of all the board's actions. He also makes sure that good governance recommendations and procedures are observed and remain under continuous review.

The secretary of the board is also the General Counsel of Banco Santander. He acts as the secretary of all board committees and facilitates a fluid and effective relationship between the committees and the Group's units that must collaborate with them.

The appointment of the secretary of the board is a matter for the board to approve, taking into account the prior opinion of the nomination committee. The secretary does not need to be a director.

The board has two vice secretaries, F. Javier Illescas Fernández-Bermejo (Group Head of Legal) and Adolfo Díaz-Ambrona Moreno (General Counsel of Santander España). They assist the secretary with his duties on the board and its committees, and replace him in the event of absence, inability to act or illness.

Board operation

The board of directors held 18 meetings (14 ordinary and four extraordinary) in 2024. The Rules and regulations of the board dictate that it must hold at least nine annual ordinary meetings and one quarterly meeting.

Though board meetings follow a calendar approved annually and a provisional agenda of items to discuss among the matters that fall under its remit, new items can be added and additional meetings can be called. Directors may also propose items to be added to the agenda and are duly informed of changes to the calendar and meeting agendas.

To help directors prepare effectively for each meeting, they are given relevant documents sufficiently in advance and in a secure

electronic format. In the board's opinion, these documents are appropriately detailed and received in good time which enables members to make appropriate decisions.

The Rules and regulations of the board of directors also expressly acknowledge directors' rights to request and obtain information on anything related to Banco Santander and its domestic and foreign subsidiaries. They also acknowledge their right to inspect the books, files, documents and any other records of corporate transactions, in addition to premises and facilities. Furthermore, directors can request and obtain any information and advice they deem necessary from the secretary in order to perform their duties.

Additionally, the board meets at the Chair's discretion or at the request of at least three directors. The Lead Independent Director is also authorized to request a board meeting or that new items be added to the agenda for a meeting that has already been called.

Directors must attend meetings in person, either physically or virtually, and endeavour to limit their absence to situations of absolute necessity. The nomination committee checks that directors attend at least 75% of board and committee meetings and that any absence has a valid excuse without raising doubt about the director's commitment to good governance. For more details, see '[Board and committee preparation and attendance](#)' in this section 4.3.

If directors are unable to attend a meeting, they can designate (in writing and on a special basis for each session) another director to act on their behalf. Proxies are granted with instructions. Non-executive directors may only be represented by other non-executive directors. A director can hold more than one proxy.

The board may meet in various rooms at the same time, provided that members can interact in real time to ensure interactivity and intercommunication via audio-visual means or telephone.

Board meetings are validly quorate when more than half of its members attend in person or by proxy.

Resolutions are adopted by absolute majority of the directors in attendance. The chair has the casting vote in the event of a tie. The Bylaws and the Rules and regulations of the board only require the qualified majorities according to law.

The secretary of the board keeps the board’s documents on file and records the content of meetings in meeting minutes. Meeting minutes of the board and committees include statements members expressly request to be put on record. Moreover, the secretary oversees the monitoring of the actions that the board and its committees must perform that the parties responsible for are duly informed of.

The board may hire legal, accounting or financial advisers and other experts at Banco Santander’s expense for assistance with their duties.

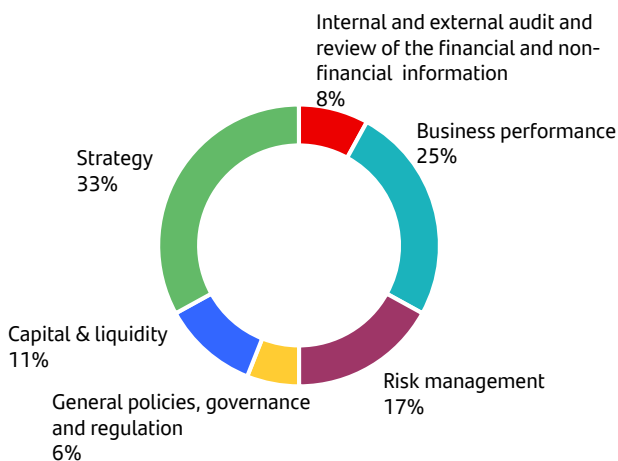
Comparison of number of meetings held^A

	Banco Santander	Spain average	US average	UK average
Board	18	11.2	7.7	8.2
Executive committee	24	7.6	NA	NA
Audit committee	15	8.8	8.1	5.3
Nomination committee	13	7.5	4.6	3.9
Remuneration committee	14	7.5	5.8	4.9
Risk supervision, regulation and compliance committee	18	12.3	NA	6.4

A. Source: Spencer Stuart Board Index 2024 (Spain, United States and United Kingdom).
NA: Not available.

The following chart shows the board’s approximate time allocation to each function in 2024.

Approximate allocation of the board’s time in 2024



Committee operation

Board committees follow a calendar and an annual work plan established every year. Each committee meets as often as is required to fulfil its duties, with a minimum of four meetings,

except for the innovation and technology committee, which holds at least three meetings.

A committee meeting is quorate if it is attended by more than half the committee’s members in person or through an appointed proxy. A committee resolution passes with a simple majority of votes. In the event of a tie, the committee chair has the casting vote. Committee members may appoint a proxy to vote for them and, as in board meetings, non-executive directors can only appoint a non-executive director proxy.

Committee members are given relevant meeting materials sufficiently in advance of each meeting to facilitate suitable meeting preparation and therefore promote overall committee effectiveness.

Though they cannot vote, any director can attend and participate in meetings of committees on which they do not serve if invited by the chair of the board and the chair of the respective committee, upon request to the chair of the board. Furthermore, all board members who are not executive committee members may attend executive committee meetings at least twice a year, for which they are to be called by the chair.

Committees have the authority to summon executives, who will appear at meetings at the invitation of, and under the terms dictated by, the respective chair. Their attendance will be recorded in the meeting minutes. Committees may also submit a request to the General Counsel to hire legal, accounting or financial advisers or other experts to assist with their duties at Banco Santander’s expense.

The role of committee secretary is non-voting and falls on the General Counsel and secretary of the board. This fosters a fluid and efficient relationship between the board, its committees, and senior management. The board should encourage communication and engagement through these and other means with the committees to boost efficiency and ensure effective coordination in the performance of their respective support duties, through, among others, the following mechanisms:

- **Joint meetings.** The committees (mainly the audit and risk supervision, regulation and compliance committees and the latter with the remuneration committee) hold joint meetings on topics of mutual interest.
- **Information to the board.** At each board meeting, the committee chairs present on the matters that they have discussed in previous sessions of those meetings. They also provide the board members with copies of their committee meeting minutes and all other documents handed out.
- **Common members between committees.** We strive to have board members sit on several committees.
- **Cross-sectoral review of agendas.** A periodic review of the work plans of the various committees is carried out to ensure that meeting agendas are complete and coherent.
- **Informal events.** Continue to leverage informal time between board members, acknowledging the value that this brings to board culture.

Board and committee preparation and attendance

The following table shows the attendance rate of board and committee meetings in 2024.

Directors	Committees							
	Board	Executive	Audit	Nomination	Remuneration	Risk supervision, regulation and compliance	Responsible banking, sustainability and culture	Innovation and technology
Average attendance	98%	95%	99%	89%	93%	98%	91%	100%
Individual attendance								
Ana Botín	18/18	24/24	–	–	–	–	–	5/5
Héctor Grisi	18/18	23/24	–	–	–	–	–	5/5
Glenn Hutchins	18/18	–	–	12/13	14/14	–	–	5/5
José Antonio Álvarez	18/18	24/24	–	–	–	–	–	5/5
Homaira Akbari	17/18	–	15/15	–	–	–	5/5	5/5
Carlos Barrabés ^A	7/8	–	–	4/6	–	–	1/2	3/3
Javier Botín	17/18	–	–	–	–	–	–	–
Sol Daurella	17/18	–	–	11/13	11/14	–	5/5	–
Henrique de Castro	18/18	–	14/15	–	14/14	–	–	5/5
Germán de la Fuente	18/18	–	15/15	–	–	18/18	–	–
Gina Díez Barroso	17/18	–	–	12/13	–	–	4/5	–
Luis Isasi	18/18	24/24	–	–	13/14	18/18	–	–
Belén Romana ^B	18/18	23/24	15/15	13/13	–	17/18	2/2	5/5
Pamela Walkden ^C	18/18	–	15/15	–	–	18/18	3/3	–
Antonio Weiss ^D	8/8	–	–	–	–	–	–	–

Note: This table shows each director's in-person attendance at ordinary and extraordinary board or committee meetings except when they attended by proxy. The nomination committee was informed of directors' excused absences and verified that they raised no doubt about their capability of good governance. Some directors did not attend extraordinary meetings that were not scheduled in the annual meeting calendar. Health reasons were behind attendance lower than 75%.

A. Member of the board and of the nomination, responsible banking, sustainability and culture; and innovation and technology committees since 27 June 2024.

B. Stopped down as a member of the responsible banking, sustainability and culture committee on 23 March 2024.

C. Member of the responsible banking, sustainability and culture committee since 23 March 2024.

D. Member of the board since 27 June 2024.

The following table shows the average preparation of directors in the exercise of their functions on the board and committees in 2024:

	Meetings	Average of hours per member ^A	Average of hours per chair ^A
Board	18	229 ^B	458 ^B
Executive committee	24	144	288
Audit committee	15	150	300
Nomination committee	13	52	104
Remuneration committee	14	56	112
Risk supervision, regulation and compliance committee	18	180	360
Responsible banking, sustainability and culture committee	5	25	50
Innovation and technology committee	5	20	40

A. Includes hours of meeting preparation and attendance. Estimated preparation time considers travel to attend meetings in person, where appropriate.

B. Not including four extraordinary sessions held in 2024 due to their short duration and low impact on the directors' required commitment.

Directors' average time commitment is calculated by taking the number of members on the board and on each committee, the number of times each body meets during the year, average meeting length, and an estimate of the time each director needs to prepare for every meeting. We estimate that the board chair and

the committee chairs have a greater time commitment than the other directors because of the added functions their roles require. We also consider the commitment to attend sessions that form part of directors' training and development programme, the meetings of non-executive directors with the Lead Independent Director, and additional unstructured Board time on other activities that enables greater informal engagement between directors.

Considering the above mentioned criteria, on average, directors dedicate approximately 63 eight-hour days a year to preparing and attending board and committee meetings.

Directors must report to the nomination committee any professional activity or role that they are going to perform outside the Group so that the committee can check that they can dedicate enough time to the Group and the professional activity or role does not pose conflicts of interest.

The annual suitability reassessment our nomination committee conducts (see section 4.6 'Nomination committee activities in 2024') enables us to update information on the estimated time directors dedicate to roles or professional activities outside the Group and demonstrates their ability to exercise good governance.

This makes sure the number of board roles that our directors have at once is within the legal limit (i.e. no more than one executive and two non-executive roles, or four non-executive roles; roles in the same group are considered a single role and roles in not-for-profit or non-commercial organizations -such as, among others,

organisations for the sole purpose of managing the private economic interests- are not included).

Director training and induction programmes

The board has an annual training and development programme to help directors continue to develop skills and increase their understanding of the Group and industry, taking into account their experience and expertise. The board selects contents on an annual basis based on feedback from its members and supervisory and regulatory requirements, among others.

Programme workshops are delivered collectively to all board members and in 2024, they covered the following topics:

- **Recovery and Resolution Plan.**
- **Cybersecurity.**
- **Sustainability**, with a key focus on CSRD.
- **Generative Artificial Intelligence.**
- **Inorganic growth analysis.**
- **Financial crime compliance**, bribery and corruption risks, sanctions and anti-money laundering regulation.
- **Regulatory updates** covering DORA, Data Privacy and Basel IV, amongst others.
- **Customer experience.**

Directors can also request one to one and ad-hoc training on specific topics tailored to their own needs, if deemed helpful. The objective of such sessions would be to enable directors to deep dive into specific areas in order to ensure that their knowledge is optimal and up to date.

Banco Santander shares its training, induction and development methodology with subsidiaries to promote best practices and drive consistency of approach across our footprint. Some Group executives facilitated special sessions for subsidiary directors throughout the year to keep them up to date with relevant Group matters such as the consolidation under five global businesses across our footprint.

Every board member receives a directors' manual. It is a support guide that provides both new and existing directors with a complete reference of information relevant to their role. In addition, the board has robust induction programmes so new directors can deeply understand the industry and Grupo Santander's business model and structure, risk profile and governance arrangements, taking into account their existing skills, competencies and knowledge. They are completed within six months after taking up their position as new directors and include document reviews, tailored meetings, site visits and training sessions with senior managers of the Group, as appropriate.

Both Carlos Barrabés and Antonio Weiss completed their induction programmes, which were tailored to their experience and particular needs.

“

The induction programme played a key role during my onboarding as a member of the board. Both the sessions and supporting materials dealt with all key topics, ensuring that my onboarding was seamless and complete. I also benefited from early engagement with a number of senior leaders across the Group, who provided me with valuable insights into Santander's values and culture. Overall, the programme was excellent and ensured that I was well prepared to discharge my role”.

Antonio Weiss, director

Board effectiveness review in 2024

The board undergoes a yearly assessment of its performance and effectiveness, composition, quality of its work, and individual performance of its members. The review includes its committees. Every three years, it is conducted by an external consultant, whose independence is verified by the nomination committee.

Methodology and scope of the assessment

In 2024, the review was conducted internally. The scope of the internal assessment included the structure of the board, its organisation and functioning, dynamics and internal culture and the functioning and effectiveness of its committees. In addition, the assessment covered the individual performance of the Executive Chair, Chief Executive Officer, Lead Independent Director and General Secretary. The assessment also facilitated the opportunity for performance feedback on the remaining individual directors.

The Executive Chair and the nomination committee Chair led the assessment, with the involvement of the Lead Independent Director. The review followed the methodology and structure of previous internal reviews, based on a confidential questionnaire that was fully completed by all board members. In addition, the review also took into account the feedback received from senior executives on the overall value they get from the board as a whole and reflections received as part of additional interactions throughout 2024 (including non-executive director sessions and assessment questionnaires for board training and development programmes, among others).

Findings and action plan

The results of the 2024 assessment process were discussed by the nomination committee and board of directors in January and February 2025, with a consensus view that the board and its committees continue to operate effectively. In particular, the results revealed the following:

- The board has undergone an appropriate degree of refreshment and is appropriately composed, with a depth of skills and experience, as well as high degree of independence and diversity.
- The Executive Chair model continues to work effectively and there remains clarity and universal understanding of the division

of responsibilities between the Executive Chair and the CEO, which is clearly documented. The checks and balances in place are considered to be highly effective.

- There is a strong and healthy internal board culture, where dynamics encourage open and transparent discussions, critical thinking, constructive challenge to senior management and sound decision making.
- The Executive Chair, Chief Executive Officer, Lead Independent Director and General Secretary had a positive and effective performance with the competence expected. The remaining directors also performed positively with an overall effective contribution.
- The board agenda focuses on the right priorities and the quality of reporting and information flows support robust and timely decision-making.
- Committees are considered to work effectively, with appropriate coordination mechanisms in place, and the support they give to the board is highly valued. The committee composition changes made throughout the period, including committee Chair rotation, were considered favourably and in support of an appropriate distribution of work among members, acknowledging that this would be kept under review.
- The executive team has a favourable opinion of the board, positively rating the constructive challenge and support provided.

As a result of the review, the nomination committee and board of directors discussed potential areas for improvement and the latter approved an associated action plan in February 2025. Each committee will be engaged on specific actions applicable to their remit to ensure effective and efficient operation, as appropriate.

The key action plan highlights can be summarised as follows:

- **Structure of the board.** As part of any future board refreshment, continued consideration will be given to maintaining an appropriate composition taking into account relevant factors such as our strategic direction, and the skills and experience required to oversee its delivery, and our core markets and associated geographical footprint.
- **Effectiveness of the Executive Chair model.** The split of roles and responsibilities between the Executive Chair and the CEO will be kept under continuous review and refinement, as appropriate, to ensure its ongoing effectiveness and robustness.
- **In-person engagement.** Increase in person formal and informal engagements in recognition of director preference for in-person meetings and the value they attribute to their time together.
- **Organisation and functioning.** Continue to optimise Board and committee time facilitated by keeping the volume of supporting documentation under continuous review.
- **Committees.** A proactive approach to committee composition will be retained, ensuring optimal performance, effectiveness and efficient distribution of work among board members, among other factors. In addition, meeting frequency will be kept under continuous review to identify streamlining opportunities to the extent possible.

The resulting actions and associated outcomes of the review have supported our continued priority focus on effective governance.

4.4 Executive committee activities in 2024

COMPOSITION

Position		Category	Appointed on
Chair	Ana Botín	Executive	11/12/1989 ^A
	Héctor Grisi	Executive	01/01/2023
Members	José Antonio Álvarez	Other external	13/01/2015
	Luis Isasi	Other external	20/05/2020
	Belén Romana	Independent	01/07/2018
Secretary	Jaime Pérez Renovales		

A. Committee Chair since 10 September 2014.

Functions

The executive committee is a key governance body in Banco Santander and the Group. The board delegated to it all its powers except those that cannot be delegated by law or under the Bylaws and Rules and regulations of the board. Its meeting frequency and the nature of its decisions enable the board to focus on general oversight. It also reports regularly to the board on its core matters and decisions adopted, and provides all directors with the minutes and documents from its meetings.

Committee performance

The board, supported by its nomination committee, determines the committee's size and composition, to ensure its effectiveness. As well as the board, the committee has an external director majority, ensuring a balance of opinions and compliance with Recommendation 37 of the Spanish Corporate Governance Code. Its secretary is the secretary of the board.

The committee frequency ensures the discharge of its duties and it is generally convened every two weeks, although it can meet as many times as required by the Chair.

Main activities in 2024

In 2024, the committee addressed a breadth of matters relating to the business of the Group and its main subsidiaries, risk management, corporate transactions and other proposals that were subsequently submitted to the board, which can be summarised as follows:

- **Results.** Regularly reviewed the Group's results and stakeholder reaction to them.
- **Business performance.** Regularly received updated information on the performance of the Group's business areas and other related matters.
- **Report by the Executive Chair.** The Executive Chair regularly reported on the Group's management, strategy and institutional matters.
- **Report by the CEO.** The CEO regularly reported on the Group's performance and on the budget and execution of plans for all the global businesses and units that report to him.

- **Corporate transactions.** Analysed and approved, where appropriate, corporate transactions on investments and divestments, joint ventures and capital transactions.
- **Risks.** Received regular holistic risk and compliance reports. The committee also authorized or declined material transactions within the framework of the risk governance model.
- **Global businesses and subsidiaries.** Received regular updates on global businesses, subsidiaries and other business lines' performance against agreed plans. This helped the committee support the board with the oversight and control of its global business and subsidiary operations, and with the fulfillment of the targets announced at the 2023 Investor Day.
- **Capital and liquidity.** Received regular reports on capital ratios and optimization measures, pricing (originations) and portfolio profitability. By virtue of the board's delegation and within capital and funding plans, the committee agreed non-convertible debt issuances and securitizations.
- **Supervisors and regulatory matters.** agenda and projects to ensure compliance with supervisory recommendations and regulatory reforms.
- **Governance matters.** Approved specific internal regulation under its remit. In particular, the committee reviewed and approved key governance documents associated with the five global businesses. Furthermore, the committee analysed the effectiveness of the executive first level committee structure and approved the associated improvement plans.

In 2024, the committee held 24 meetings. See ['Board and committee preparation and attendance'](#) in section 4.3 for members' meeting attendance and the estimated average time each one spent on meeting preparation and attendance.

2025 priorities

The committee set the following priorities for 2025:

- Monitor the performance of the Group's global businesses and subsidiaries, including progress in the execution of their strategic plans.
- Continue to assess proposed corporate transactions relating to investments and divestments, joint ventures and capital transactions.
- Continue to oversee the execution and achievement of specific public targets, including those disclosed at the 2023 Investor Day.
- Continue to facilitate timely and efficient decision making, supporting the board and enabling it to focus on general oversight and strategy matters.
- Continue to ensure the committee's effectiveness and efficient coordination with the board, its committees and the executive first level committees.

4.5 Audit committee activities in 2024



Germán de la Fuente
Chair of the audit committee

"During 2024, the committee continued to benefit from a comprehensive mix of experience and skills, and each provided appropriate advice and challenge to the top management. I would like to expressly thank Pamela Walkden, who chaired the committee during the last four years until I took over in March 2024. Her devotion and excellent service have been key for discharging our responsibilities. Pamela remains a member of the committee, offering her experience and commitment. Our smooth transition has facilitated the ongoing effectiveness of the committee, ensuring that its role is discharged in the most tangible and effective manner. As part of that, we received confirmation on our overall alignment with the provisions of the new CNMV Technical Guide on audit committees and we are taking proactive steps to remain fully prepared for the implementation of the CSRD in Spain.

The committee maintained its focus on the effective oversight of the financial information integrity and the internal controls and kept a professional and open relationship with the external auditor. Specifically, we oversaw the change of reporting of financial results to global businesses as primary segments to effectively align the way we report with the manner we manage the Group. Non-financial information also remained high on our agenda last year and, in particular, we discussed at length on the need to maintain robust processes and controls in the current complex legislative framework, and monitor the greater independent assurance required going forward.

The committee oversaw and led an external auditor selection process according to applicable regulation in order to propose the appointment of our external auditor at the 2026 AGM. After a rigorous and competitive selection process, the committee recommended the board to propose the appointment of PricewaterhouseCoopers.

We monitored the independence and effectiveness of the Internal Audit function as part of our fundamental duties, ensuring the resources to fulfil its responsibilities, including the need to complement the existing workforce with new skillsets and expertise. We remained cognisant of the importance of allowing for the appropriate level of flexibility when overseeing the internal audit plan execution, to ensure that we are well prepared for any new challenges and associated risks.

As we have done in previous years, we proactively shared emerging themes, concerns and views with our subsidiary audit committees on an ongoing basis, which enabled us to harness their vast collective expertise and helped to further instil our 'One-Santander' vision.

In January 2024, the succession process for a new Group Chief Audit Executive was invoked in order to identify a suitable successor for Juan Guitard, after almost ten years in the role. The committee conducted a rigorous process in coordination with the nomination committee, which resulted in the appointment of Julia Bayón (former Head of Business Legal, CIB Legal, and Vice-Secretary of the board), as new Group CAE. Julia brings different skills that will enrich the role. I wish her all the best and the committee is confident on her success in this new position. In turn, I would like to thank Juan for so many years of excellent performance, his strong commitment to the Group, and especially, for his assistance to the committee I have the privilege to chair."

COMPOSITION

Position		Category	Appointed on
Chair	Germán de la Fuente	Independent	21/04/2022 ^A
	Homaira Akbari	Independent	26/06/2017
Members	Henrique de Castro	Independent	21/10/2019
	Belén Romana	Independent	22/12/2015
	Pamela Walkden	Independent	29/10/2019
	Secretary	Jaime Pérez Renovales	

A. Committee Chair since 23 March 2024.

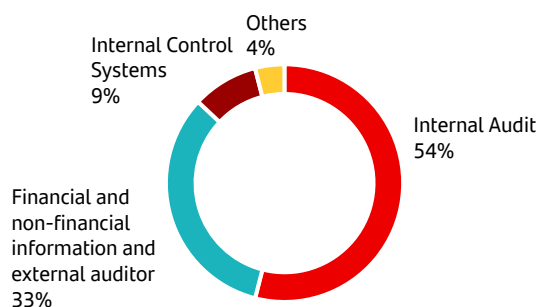
The board of directors appointed the committee's members based on their expertise, skills and experience in the matters within the committee's scope. For more details, see section 4.1 'Our directors' and 'Board skills and diversity matrix' in section 4.2.

According to SEC Regulation S-K, committee Chair Germán de la Fuente is considered a financial expert based on his credentials, extensive experience in accounts auditing and strong expertise in accounting and internal and risk control, as well as in the banking industry.

TIME ALLOCATION

In 2024, the committee held 15 meetings, including four joint sessions with the risk supervision, regulation and compliance committee. See 'Board and committee preparation and attendance' in section 4.3 for members' attendance and the estimated average time each one spent on meeting preparation and attendance.

The chart below shows the committee's approximate time allocation in 2024:



Duties and activities in 2024

This section summarizes the audit committee's activities in 2024.

Duties	Actions taken
Financial and non-financial information	
Review the financial statements and other financial information	<ul style="list-style-type: none"> Reviewed the individual and consolidated annual financial statements and directors' report for 2024, as well as consolidated half-yearly financial report, and submitted them to the board for approval. Monitored compliance with legal requirements and accounting principles, and ensured that the external auditor issued a report on the effectiveness of the Group's system of internal control over financial reporting (ICFR). Reviewed quarterly financial information (dated 31 December 2023, 31 March, 30 June and 30 September 2024, respectively), inclusive of reporting five global businesses as primary segments, prior to board approval and subsequent release to the market and supervisory bodies. Reviewed supplementary financial information to the annual report: the Universal Registration Document filed with the CNMV; Form 20-F and Form 6-K filed with the SEC. Verified, on a quarterly basis, the consistency of the financial information published on our website and the CNMV's website (when required), ensuring that it was up to date and consistent with the information approved by the board.
Review the non-financial information	<ul style="list-style-type: none"> Oversaw and assessed the preparation and reporting processes of non-financial information, including sustainability information, in coordination with the responsible banking, sustainability and culture committee and informed the board accordingly. Received regular updates from the Group Chief Accounting Officer (CAO) and the Head of Sustainability on progress with sustainability reporting within the Group, including the associated scope of metrics and action plans and the impacts of the CSRD. As part of this, acknowledged the future requirement to appoint a verifier of sustainability information and associated governance upon implementation of the CSRD in Spain. Reviewed the Climate Finance and Green Bond reports in coordination with the responsible banking, sustainability and culture committee, prior to their submission to the board for approval, assessing the integrity of such disclosures and the review conducted by the external auditor. Endorsed the Pillar III disclosures report and submitted to the board for approval.
Information on applied tax policies	<ul style="list-style-type: none"> Was informed by the Head of Tax on applied tax policies based on Spain's Code of Good Tax Practices, prior to their submission to the board for approval, as well as on the annual review of the tax strategy and policy tax risk management and control. Was informed on the filing of the 2023 Tax transparency report to the Spanish tax agency (<i>Agencia Estatal de Administración Tributaria</i>).
Relations with the external auditor	
Information on the external audit plan	<ul style="list-style-type: none"> Received updates on the planning, progress and execution of the audit plan, including the work conducted in connection with the non-financial information. Was informed of the impact of legal and regulatory developments in connection with financial and non-financial information, as well as their relevance regarding timelines and assurance scope of the independent external verification. Obtained the external auditor's confirmation of its full access to all information necessary to conduct the audit. Analysed the audit reports for the annual financial statements before the external auditor submitted them to the board. It also received the external auditor's additional report explaining the results of the audit conducted, in accordance with the applicable regulation.
Interaction with the external auditor	<ul style="list-style-type: none"> The lead audit partner, who met regularly with the committee Chair, was invited to all committee meetings, which facilitated effective communication between the external auditor and the board. In addition, the committee met him without executives present to ensure a fluent communication and the independent performance of its function.
Assessment of the external auditor's performance	<ul style="list-style-type: none"> Conducted the final evaluation of the external auditor's performance and how it has contributed to the integrity of the financial information based on, among other parameters: its knowledge of the business, the quality and efficiency of its services and sufficiency of resources (including the composition and level of seniority of the team involved); the frequency and quality of its communications; its independence; transparency reports and quality controls; and the opinions of the audit committee Chairs and the controllers of the main subsidiaries or relevant subgroups within the Group. Received the 2024 PwC Transparency report from the lead audit partner, who also informed the committee about the public outcomes of quality controls conducted by the ICAC or other supervisors and other relevant investigations.

Duties

Actions taken

External auditor independence

PwC's remuneration for audit and non-audit services

- Monitored PwC's remuneration, including the following fees for audit and non-audit services provided to the Group:
EUR million

	2024	2023	2022
Audit	120.1	117.5	115.4
Audit-related services	13.6	8.6	6.4
Tax advisory services	0.9	1.6	0.5
Other services	7.4	5.9	4.8
Total	142.0	133.6	127.1

The audit and main non-audit services included for each item in the above breakdown are detailed as follows:

- Audit services: audit of the individual and consolidated financial statements of Banco Santander and its subsidiaries (which PwC or another network firm is the external auditor); audit of the interim consolidated financial statements of Banco Santander; integrated audits prepared in order to file the Form 20-F with the SEC and the internal control audits (SOx) for required Grupo Santander's entities; limited reviews of financial statements; and regulatory reports to the external auditors on Grupo Santander's entities.
- Audit-related services: issuance of comfort letters, verification services of financial and non-financial information (as required by regulators) and other reviews of documentation to be submitted to domestic or foreign authorities that, due to their nature, are typically provided by the external auditor.
- Tax services: tax compliance and advisory services provided to Group companies mainly outside Spain, which have no direct effect on the audited financial statements and are permitted in accordance with the applicable independence regulations.
- Other services: agreed-upon procedure reports, assurance reports and special reports performed under the accepted profession's standards; as well as other reports required by the regulators.

The 'Audit' heading includes the fees for the year's audit, regardless of the date the audit was completed. Any subsequent adjustments, which are not significant, are shown in note [47.b](#) in the 'Notes to the consolidated financial statements' for each year for comparison purposes. The fees corresponding to the rest of the services are shown by reference to when the audit committee approved them.

- Verified that the ratio of PwC's fees paid for all services for Banco Santander and the Group to its annual revenue in Spain and worldwide did not exceed the 15% limit for three consecutive years. In 2024 the ratio stood at 0.27% of PwC's total revenues worldwide.
- Verified every quarter, according to Regulation (EU) No 537/2014 of the European Parliament and of the Council, that the fees approved in 2024 for non-audit services provided by PricewaterhouseCoopers Auditores, S.L. (PwC), (including for 'Other services' and 'Audit-related services', and not including services that the external auditor is required to perform under domestic or EU laws) were significantly less than 70% of the average fees paid specifically to PwC in the past three consecutive years for the 'Audit' of Banco Santander and its subsidiaries in Spain (not including fees for reviews with more limited assurance than required for accounts auditing, which are included as non-audit services). In 2024, the ratio stood at 25.98%; and it would be 21.49% if services approved for PwC and other firms in its network and provided to Grupo Santander in and outside Spain were included.

See subsection C.1.32 of section [9.1 'Reconciliation with the CNMV's corporate governance report model'](#) for the reconciled amounts of the above mentioned fees listed, with the numerator and denominator values of each ratio found in section C.1.32 of section [9.2 'Statistical information on corporate governance required by the CNMV'](#).

- In 2024, Grupo Santander contracted for services by audit firms other than PwC in the amount of EUR 206.2 million (EUR 174.1 and 185.5 million in 2023 and 2022, respectively).

Non-audit services

- Approved, on a monthly basis, all non-audit services rendered by the Group's external auditor verifying that all of them met the independence requirements under Spanish and European regulation and SEC and Public Company Accounting Oversight Board (PCAOB) rules, as well as complying with our internal Policy on the approval of services other than audits provided by the external auditor.

Personal and financial relations

- Received confirmation from PwC that the designated audit team, PwC as the auditor firm, everyone else that forms part of PwC or of other firms in its network, including all applicable extended relations to them complied with the requirements on external auditor independence, analysing possible threats and taking appropriate safeguarding measures in line with their internal policies and procedures.
- Received information about the results of the internal review, carried out every six months, according to our internal regulation, on possible financial ties between Grupo Santander and PwC and its related parties, which concluded that no existing ties compromised the independence of PwC as external auditor.

Duties

Actions taken

External auditor independence report

- Verified the external auditor's independence prior to the issuance of the 2024 auditor's report on the financial statements, considering:
 - the remuneration it has received for audit and non-audit services;
 - all non-audit services rendered by the external auditor; and
 - the personal circumstances and financial dealings, that the external auditor or persons performing the audit may have with the Group.
- Received written confirmation from PwC of its independence from Grupo Santander in accordance with applicable European and Spanish law and the SEC and the PCAOB rules.
- Concluded that, in its opinion, it had no objective reason to question the external auditor's independence and issued this annual report on its independence.

External auditor mandate

Re-election

- Proposed to the board, for approval, and subsequent submission to the 2025 AGM, the re-election of PwC as external auditor of Banco Santander and its consolidated group for financial year 2025, which will be the tenth and final year of PwC's initial mandate as the Group's external auditor. Since 2021, the lead audit partner has been Julián González, PwC's banking sector audit leader who has experience as a global group audit partner (mainly in Spain and the UK) and a strong background in the Spanish financial sector. He also regularly participates in various international forums on banking supervisory and regulatory forums.

Selection process

- Oversaw a rigorous and comprehensive selection process, through a public tender according to applicable regulation, to propose to the board the appointment of the external auditor for Banco Santander and its consolidated group's at the 2026 AGM, after PwC's ten-year mandate ends.
- Received the favourable opinion from Internal Audit function on the transparency, objectivity and independence of the selection process conducted.
- Rated PwC's proposal the best for its technical offer, assigned team, and economic terms, among other parameters, and recommended selecting it, as preferred firm, to the board for approval and, subsequent, to propose its appointment as external auditor of Banco Santander and its consolidated group at the 2026 AGM.

Internal audit

Oversight of the Internal Audit function

- Supervised the Internal Audit function and ensured its independence and effectiveness in 2024.
- Reviewed the external quality assessment performed by the Institute of Internal Auditors in Spain to continue ensuring the effectiveness of the function and its alignment with best practice and Global Internal Audit Standards.
- Oversaw, in coordination with the nomination committee, the selection process of the Group Chief Audit Executive (CAE) which resulted in the proposal to appoint Julia Bayón to the nomination committee and to the board. Monitored her onboarding process to ensure its robustness, enabling her to be truly effective in her role.
- Invited the CAE to all committee meetings and held two private sessions with her without other executives or the external auditor present. The committee also invited additional internal audit officers to meetings throughout 2024, when required.
- Endorsed the 2024 Internal Audit function budget, ensuring that the function had the resources and skillsets needed to discharge its duties effectively.
- Reviewed and approved the Internal Audit function strategic plan for 2024-2027.
- Was kept apprised of the initiatives launched and hubs created to improve the efficiency of Internal Audit's work and associated digital initiatives, including artificial intelligence capabilities.
- Assessed the preparedness and effectiveness of the Internal Audit function to fulfil its duties.
- Endorsed the former and new CAE's 2024 objectives for onward submission to the board for approval. Reviewed their performance against those objectives and reported the results to the remuneration committee and to the board to set their variable remuneration.
- Verified the suitability of the subsidiary CAEs, in coordination with the Group nomination committee.

Monitoring of internal audit activities

- Reviewed the annual internal audit plan for 2024 and submitted it to the board for approval, ensuring that it covered the Group's relevant risks, with a key focus on credit risk, third party risk management, model risk and financial crime compliance, among others; and oversaw its progress with internal audit recommendations and ratings of businesses, units and corporate functions. Each subsidiary CAE reported to the committee at least once in 2024.
- Received regular information on internal audit activities carried out in 2024, monitoring progress in audit ratings, and further promoting a continued focus on maintaining a robust control environment; and conducted an additional review of issued audit reports, requiring certain areas to present their action plans.
- Continued promoting the first line's further involvement in internal audit recommendations and ensured that senior management and the board understood the conclusions of internal audit reports.
- Received holistic reviews of internal audit coverage of cybersecurity, IT risks, financial crime, sustainability, model risk, credit risk, capital and solvency, operational risk, access control and vendor management, among other topics, to ensure proper oversight, with first and second line of defence representatives invited to provide additional feedback, as appropriate.

Duties

Actions taken

Internal control systems

Monitoring the effectiveness of internal control systems

- Received information on the Group's internal control system and monitored related action plans, together with the internal control strategic plan, including those associated with sustainability reporting.
- Received reports and certification on the Group's 2023 internal control system (ICS) and assessed its effectiveness in compliance with the CNMV's (ICFR) and the SEC's (SOx) regulations.

Other activities

Coordination with Risk and with Compliance

- Held four joint meetings with the risk supervision, regulation and compliance committee to review risk, compliance and internal audit aspects of the global businesses and subsidiaries, with first line of defence representatives present.
- Received information in a joint meeting with the risk supervision, regulation and compliance committee on the Group's whistleblowing channel (Canal Abierto) with a special focus on matters within the committee's remit to ensure the Group's culture empowers employees and other persons related to Banco Santander to speak up, be heard and report irregular practices without fear of reprisal.
- Collectively discussed with the risk supervision, regulation and compliance committee additional topics of mutual interest, such as risk culture and the internal control environment, and received an update on internal audit matters of the Risk and Compliance functions.
- Received biannual reports on the main legal contingencies, associated provisions and applicable public information, in coordination with the risk supervision, regulation and compliance committee.
- Invited the CRO to all 2024 committee meetings.
- The Chairs of the audit committee and of the risk supervision, regulation and compliance committee remained in constant communication, ensuring ongoing coordination and collaboration.
- Received reports from Santander España's joint audit and risk committee on the main items covered at the meetings throughout the year.

Committee's operation and effectiveness

- Reviewed the CNMV's Technical Guide 1/2024 on audit committees at public-interest entities, acknowledging the committee's overall alignment with its recommendations, and endorsed specific actions mainly on sustainability-related matters to be taken following the implementation of the CSRD in Spain.
- Invited subsidiary audit committee chairs to specific committee meetings throughout the year. In turn, the committee Chair attended specific subsidiary audit committee meetings to further enhance communication between them.
- Held a subsidiary audit committee Chairs convention at our headquarters in Boadilla del Monte to foster further collaboration across the Group. For more details, see ['Group and subsidiary board relations'](#) in section 1.2.

Related-party and corporate transactions

Creation or acquisition of special-purpose vehicles and entities based in countries considered non-cooperative jurisdictions

- Was informed of the activities of the Group's offshore entities by the Head of Tax, providing this information to the board. See note [3.c](#) in the 'Notes to the consolidated financial statements'.
- Reported favourably to the board, for its approval, on proposals to create or acquire interests in entities domiciled in non-cooperative jurisdictions or in special purpose entities and received the Special Purpose Entities Annual Update.

Authorization and oversight of related-party transactions

- Reviewed the details and balances of the related-party transactions reported in the annual and half-yearly financial statements. Checked that those transactions were carried out under market conditions.
- Supervised and reported to the board on a bi-annual basis that the related-party transactions, including those authorized with delegated board powers, complied with the law, the Rules and regulations of the board and/or the conditions set by board resolution; verified the alignment with the internal reporting and monitoring procedure and that those transactions met the fairness and transparency requirements established in the aforementioned rules and were fair and reasonable.
- Issued the Related-party transactions report. For more, details see section [4.12 'Related-party transactions and other conflicts of interest'](#).

Information for general meetings and corporate documents

Shareholder information

- Was represented by the former committee Chair, Pamela Walkden, who reported at the 2024 AGM on the committee's activities in 2023.

Corporate documents for 2024

- Prepared this activities report on 20 February 2025, which includes a performance review of the committee's functions and key priorities identified for 2025. The board of directors approved it on 25 February 2025.

2025 priorities

The committee set the following priorities for 2025:

- Continue to supervise the Group's global business and units, from a control perspective with a special focus on those more linked to transformation, in coordination with the risk supervision, regulation and compliance committee, to ensure that appropriate controls remain effective.
- Continue to focus on the oversight of the internal audit plan execution with an ongoing focus on fundamental risks, such as credit risk, cyber, third party risk management and risk derived from emerging technologies such as artificial intelligence.
- Remain focused on the independence and effectiveness of the Internal Audit function, ensuring its preparedness to fulfil its duties, including the required resources, skills and expertise of its people.
- Continue to monitor the implementation of the CSRD in Spain and the appointment of the verifier of sustainability information. In addition, remain focused on the overall analysis and reporting processes for the non-financial information, including sustainability information, and its associated integrity, to meet increasing stakeholder expectations, in coordination with the responsible banking, sustainability and culture committee.
- Remain focused on ensuring that the committee discharges its role in the most tangible and effective manner.

4.6 Nomination committee activities in 2024



Belén Romana
Chair of the nomination committee

"The committee plays a key role overseeing that both the board and the executive team are well placed to help the Group achieves its strategic goals. As part of that, we continued to apply and supervise succession arrangements for the board as a whole so that succession planning more generally continued to be discharged in an effective manner. We have carefully analysed board composition, ensuring that its depth of skills and experience remained optimal to contribute to the Group's success.

In addition, in 2024 we analysed committee composition more broadly, to ensure that committees remained well equipped to discharge their duties, balancing continuity, refreshed membership and time commitment, relevant skills and experience, and value added. As part of that, the committee continued to benefit from a great mix of experience and skills, complemented with the appointment of Carlos Barrabés as a member in June 2024. In addition, we recommended specific committee Chair rotation movements to the board, evidencing once again the strength and depth of expertise of its members. I would like especially to thank Bruce Carnegie-Brown for his service over the last years as Chair of the committee until I took over in March 2024, when he stepped down from the board.

The committee devoted significant time to senior executive succession planning in 2024 to ensure that we have the appropriate people to lead and execute our transformation strategy. We also remain committed to the continued development of our internal succession pipeline. As part of that, the board held two informal sessions with top talent across our

footprint to remain sighted on the depth of talent within the Group. However, we understand that we also need to attract external talent required to deliver our strategic targets. For such purposes, the committee remained focused on ensuring the suitability of the new profiles and the creation of an inclusive workplace that facilitates a more diverse composition of our top management and its success.

In line with our commitment to continuous governance improvements, the committee monitored the effective implementation of the action plan derived from the 2023 board effectiveness review, with was conducted with the assistance of an external expert. We also conducted an internal evaluation of the board and its committees in 2024 with a view to improving our overall effectiveness, where possible. We were pleased with the results which concluded that the board continues to operate effectively, with an efficient committee structure, and that management positively values the constructive challenge and the contribution they get from the board as a whole.

We consider that effective Group-wide governance is an essential element of business success and strategy execution. As a result, corporate and internal governance has been a key feature in the year, driving continuous improvement across the Group and ensuring adequate oversight and control of subsidiary operations. The committee has tracked governance developments and the implications for the Group and kept these under continuous review. As a good example of the continuous adaptation to current trends, the committee recommended the organization of a virtual only AGM in 2025, after checking that the measures in place fully preserved shareholders rights. A virtual AGM should foster the active participation of our shareholders, assuring their equal treatment since eliminating the differences between those attending physically and remotely, and will be more consistent with our sustainability policy, since it will avoid travel to where the AGM would take place otherwise.

Looking ahead, we will continue working on ensuring that we have the best team and robust governance in place, leveraging on our strong culture to attract, develop and retain the best people to support our transformation".

COMPOSITION

Position		Category	Appointed on
Chair	Belén Romana	Independent	01/01/2024 ^A
	Carlos Barrabés	Independent	27/07/2024
Members	Sol Daurella	Independent	23/02/2015
	Gina Díez Barroso	Independent	22/12/2021
	Glenn Hutchins	Independent	20/12/2022
Secretary	Jaime Pérez Renovales		

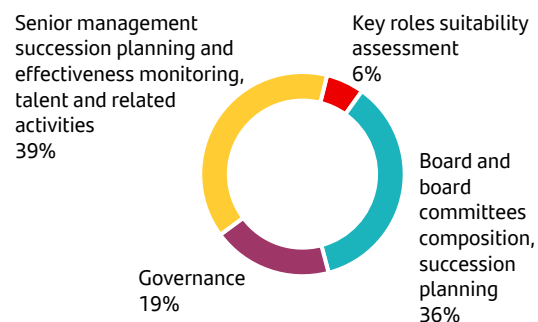
A. Committee Chair since 23 March 2024.

The board of directors appointed the committee's members based on their expertise, skills and experience in the matters within the committee's scopes. For more details, see section 4.1 'Our directors' and 'Board and committees skills and diversity matrix' in section 4.2.

TIME ALLOCATION

In 2024, the committee held 13 meetings, including one joint session with the risk supervision, regulation and compliance committee. See ['Board and committee preparation and attendance'](#) in section 4.3 for members' attendance and the estimated average time each one spent on meeting preparation and attendance.

The chart below shows the committee's approximate time allocation in 2024:



Duties and activities in 2024

This section summarizes the nomination committee's activities in 2024.

Duties	Actions taken
Board and committees composition and succession planning	
Selection and succession of the board and its committees	<ul style="list-style-type: none"> Ensured board member selection procedures guaranteed directors' individual and collective suitability; fostered diversity in its broadest sense; and analysed the required expertise, skills and time commitment for effective board membership. Continued to oversee, together with the Executive Chair, succession planning activities for the board. Assessed the composition of the committees and the international advisory board in order to ensure they had the right skills and experience to perform their duties successfully and proposed composition changes for certain committees to further enhance their performance and ongoing effectiveness. For more details, see 'Changes to the committees' in section 1.1. Continued monitoring the board's overall skills and competencies, therefore ensuring that the collective board and its committees composition remained appropriate to oversee and lead the strategic direction of the Group.
Appointment, re-election and ratification of directors	<ul style="list-style-type: none"> Considered areas of expertise and experience required to complement the board by reference to the board skills and diversity matrix as well as the annual board effectiveness review in order to target appropriate searches and recruitment. Ensured that any proposed appointment had been drawn from a depth of candidate pool which recognised diversity in its broadest sense, therefore ensuring the best possible outcomes.
Annual verification of directors' status	<ul style="list-style-type: none"> Verified each director category (i.e. executive, independent and other external) and submitted a proposal to the board for it to be confirmed or reviewed in the annual corporate governance report and at the 2025 AGM. For more details, see section 4.2 'Board composition'. Assessed directors' independence, verifying that there were no significant business ties between the Group and companies in which they are, or have been, significant shareholders, directors or senior managers, in particular regarding financing extended by the Group to such companies. In all cases, the committee concluded that existing ties were not significant because (i) financing (a) did not constitute economic dependency for such companies because other sources of funding were available, and (b) was consistent with the Group's share of the relevant market; and because (ii) business ties did not reach comparable materiality thresholds used in other jurisdictions as benchmarks (e.g. New York Stock Exchange (NYSE), Nasdaq and Canada's Bank Act), among other reasons.
Directors' potential conflicts of interest and other professional activities	<ul style="list-style-type: none"> Examined the information provided by directors about their intention to carry out other professional activities or positions outside the Group and the related time commitment and concluded that those commitments were compliant with applicable legislation regarding the maximum number of directorships they may hold, and did not interfere with their obligations as Banco Santander directors nor entail any conflict of interest.
Director induction, training and development programmes	<ul style="list-style-type: none"> Assessed the effectiveness of the director induction, training and development programmes, guaranteeing that such programmes are designed according to each director's circumstances and needs. Identified areas for improvement and additional topics for the 2025 board training programme.
Senior management succession planning and effectiveness monitoring, talent and related activities	
Succession planning for executive directors and senior management	<ul style="list-style-type: none"> Oversaw the discipline applied to senior executive succession planning, which included key positions in subsidiaries, and made sure plans were orderly being implemented through a rigorous, transparent, merit-based and objective process that promotes diversity in its broadest sense. Oversaw appointments of key positions and monitored the effectiveness of the top management succession plans. Endorsed the proposed changes to the Group succession policy for senior executives to enhance process robustness with a more strategic approach, improving effectiveness and simplicity.
Appointment of senior management team members	<ul style="list-style-type: none"> Recommended specific appointments, later agreed by the board, in coordination with certain committees, as needed. For more details, see section 5. 'Senior management team'.
People and culture	<ul style="list-style-type: none"> Recommended the full integration of Human Resources and Talent functions under the common leadership of the Global Head of People and Culture. Discussed People and Culture's activities to continue supporting progress on inclusive culture, in coordination with the remuneration and the responsible banking, sustainability and culture committees. Assessed and challenged proposals on senior executives' mission, career development plans, mobility and talent retention initiatives Group-wide.
Governance	
Board effectiveness review	<ul style="list-style-type: none"> Reviewed the execution of the action plan to address the areas for improvement revealed in the 2023 board effectiveness annual review, which was conducted with the collaboration of an independent external consultant. Oversaw the 2024 board effectiveness review, which was conducted internally, and endorsed the resultant action plan. For more details, see 'Board effectiveness review in 2024' in section 4.3.

Duties

Actions taken

Corporate governance

- Reviewed the key highlights of the 2024 AGM.
- Analysed evolving practices and market trends with regard to the general shareholder meeting format (either physical, hybrid or fully virtual), and requested updated information on our investors and proxy advisors' insights and experiences in this respect to be considered in the proposal to the board on the format for the 2025 AGM. In view that (i) the Bank has several million shareholders very diversified geographically, only a few dozen of which attend the general meetings in person, and holding a virtual-only meeting allows to offer all of them the same opportunities to participate, ensuring their equal treatment; (ii) the remote participation platform developed by the Bank as part of its digitalization process proved to be ideal during the pandemic, as it replicates the functioning of a traditional shareholder meeting and safeguards the exercise of shareholders' rights at the same level as in a physical or hybrid meeting; (iii) holding a virtual-only meeting is aligned with the current digital paradigm, which is shown by the experience of countries such as the United States, Canada or Germany where virtual-only meetings are a majority practice among major listed companies, and which is also attested by the evolution of Spanish legislation and the broad support of the amendment of our Bylaws to allow for virtual-only meetings received from our investors at the 2021 AGM; and (iv) the feedback received from institutional investors during the corporate governance roadshow hosted by our Lead Independent Director, who also had open communication with proxy advisors on this topic; the committee concluded that there are well-grounded reasons and sufficient assurance regarding the effectiveness of shareholders rights for holding a virtual-only 2025 AGM, and recommended to the board to call it in this format, taking into account that this does not necessarily mean that future AGMs will be virtual-only.
- Reviewed the activities conducted by the Lead Independent Director, ensuring the discharge of his duties, as evidenced through a summary of his activities in the year, which was also submitted to the board.
- Reviewed the activities conducted by the Shareholder and Investor Relations team, as well as the Lead Independent Director's engagement with investors, shareholders and proxy advisors, and their feedback on the Group's corporate governance arrangements.
- Verified the independence of the external advisers hired by the committee and the remuneration committee in 2024, analysing their services and the amounts they received, among others.
- Reviewed the annual corporate governance report to verify that information contained therein conforms to the applicable law and assisted the board in the periodic review of our corporate governance system for the board to fulfill its mission to promote the corporate interest and consider stakeholders' expectations.

Internal governance

- Monitored the split of the roles and responsibilities between the Executive Chair and the CEO to ensure its ongoing effectiveness and alignment with the board approved allocation of the same. For more details, see '[Structure of the board](#)' in section 4.3.
- Assessed the suitability of certain proposed key position appointments at Group and subsidiary level, subject to the Group's appointments and suitability procedure.
- Oversaw subsidiary board composition to ensure consistent suitability in line with expectations across the Group.
- Endorsed Group director nominations for subsidiary boards to ensure they were suitable and correctly perform their duties.
- Verified the suitability of the subsidiary CAEs, and CROs and CCOs with the Group audit and risk supervision, regulation and compliance committees, respectively.
- Remained apprised on new governance regulation, trends, best practices and implications for the Group, as well as on the actions taken to simplify and streamline internal regulation and executive level governance bodies' effectiveness with no loss of governance.
- Verified that subsidiaries followed the provisions of the GSGM relating to board and committee structure and their functions pursuant to best practices. In addition, the committee tracked subsidiary actions and progress in implementing internal regulation required by the Group. For more details, see section 7. '[Group structure and internal governance](#)'.
- Analysed the outcomes of the subsidiary board and board Chairs annual effectiveness reviews.

Suitability assessment

Suitability assessment of directors, senior management and key positions

- Conducted the annual suitability assessment of directors, senior management, heads of internal control functions and the Group's key position holders, confirming their continued business and professional good reputes and appropriate knowledge and experience to perform their duties.
- Concluded that board members continue to discharge good governance, having analysed notifications from them regarding their other professional obligations, confirming that they are able to devote the necessary time and have no conflict of interest; and overseeing directors' attendance at board and committee meetings, ensuring that it did not fall below 75% and, in the specific cases of lower attendance, that absences were duly justified and do not undermine their capacity to devote sufficient time to discharge their duties. Furthermore, average board attendance was verified as 98%. For more details, see '[Board and committee preparation and attendance](#)' in section 4.3.
- Analysed and informed the board of potential circumstances or unforeseen situations affecting directors over the course of the year that could harm the Group's credit and reputation and, in particular, legal proceedings in which a director is subject to investigation. Based on the information received from said director on the events under investigation, and given the stage of proceedings, the nomination committee concluded that the director remained suitable to exercise his duties, though the committee will continue to monitor the case.

Duties

Actions taken

Information for general meetings and corporate documents

Shareholder information	<ul style="list-style-type: none"> Was represented by the former committee Chair, Bruce Carnegie-Brown, who reported at the 2024 AGM on the committee's activities in 2023.
Corporate documents for 2024	<ul style="list-style-type: none"> Prepared this activities report on 24 February 2025, which includes a performance review of the committee's functions and key priorities identified for 2025. The board of directors approved it on 25 February 2025.

2025 priorities

The committee set the following priorities for 2025:

- Continue to supervise succession arrangements for the board as a whole, playing an important role in ensuring that succession planning more generally is discharged in an effective manner. Continue to take its proactive approach to board refreshment and associated succession planning, considering previous board effectiveness review outcomes and other relevant factors.
- Keep a proactive focus on senior executive succession planning based on the Group's strategic needs, and the potential challenges the business may face, maintaining our attention to the continued development of our internal succession pipeline and to a merit-based culture of equal opportunity and inclusion. Ensure that people and other talent related risks are properly understood and addressed in coordination with the risk supervision, regulation and compliance committee.
- Continue to promote that leadership and talent traits and associated characteristics as a catalyst of The Santander Way, ensuring that it serves as the glue to keep everyone committed together to the transformation. Further promote an inclusive workplace to facilitate the success of our senior leaders and teams.
- Keep our corporate governance arrangements under constant review to make sure they continue to consider all stakeholders' interests with strategic relevance for the Group by closely monitoring shareholder engagement and, together with the Lead Independent Director, by taking into account their feedback and insights. In particular, monitor shareholder experience and results of the 2025 AGM, including the feedback received on the format under which it was held and reporting on this to the board.
- Monitor the implementation of CSRD in Spain and assess changes to the internal regulation that may be required in coordination with the audit committee.
- Remain focused on ensuring that the board and its committees discharge their role in the most tangible and effective manner. As part of that, monitor the effective implementation of the action plan derived from the 2024 board effectiveness review, in line with our commitment to continuous governance improvements.

4.7 Remuneration committee activities in 2024



Glenn Hutchins
Chair of the remuneration committee

"The committee is guided by key principles, which include shareholder value, meritocracy, risk management and fairness. Aligned with these principles, our remuneration philosophy is focused on strengthening our employee value proposition while meeting regulatory expectations and serving the best interests of all stakeholders. Our goal is to implement our remuneration policies and plans in a manner that serves these interests across our entire global footprint.

Critical to creating shareholder value is our capacity to attract, develop and retain the best talent world-wide to support our transformation. We compete in a global market for skills not just with the world's largest financial institutions but also with the biggest and most successful technology companies. Our ability to offer market-based compensation for our top talent is vital to our capacity to compete and succeed.

Taking account of the support received for our remuneration policy at the 2024 AGM, we met during the year with our largest shareholders and their proxy advisers to explain our compensation philosophy and to gather feedback. The remuneration committee discussed the lessons from this consultation and made a series of adjustments to our incentive plans that strengthen the alignment between pay and long-term performance. Additionally, we have expanded our disclosure to provide more detail on the committee's process for determining pay and selecting appropriate pay comparators, given our global scale and peer group.

In coordination with the nomination committee, we continued to focus on fairness across the Group, ensuring the avoidance of pay gaps, meeting all relevant requirements and making fulsome disclosure. An external review has affirmed that the Group's policies, procedures, and practices fully comply with applicable legislation.

Committee members bring diverse expertise, providing valuable insights and challenges to management that enhance our decision-making and oversight. During the year, we strengthened our committee by the including a new director, Antonio Weiss, as a member.

Looking ahead, we remain committed to ensuring that the Group can attract and retain the very best talent to drive our success and deliver long-term, sustainable value for all our stakeholders. To this end, we intend to continue our dialogue with shareholders and other key stakeholders who share our interest in the prosperity of the Group".

COMPOSITION

Position		Category	Appointed on
Chair	Glenn Hutchins	Independent	20/12/2022
	Sol Daurella	Independent	23/02/2015
Members	Henrique de Castro	Independent	29/10/2019
	Antonio Weiss	Independent	01/01/2025
	Luis Isasi	Other external	19/05/2020
Secretary	Jaime Pérez Renovales		

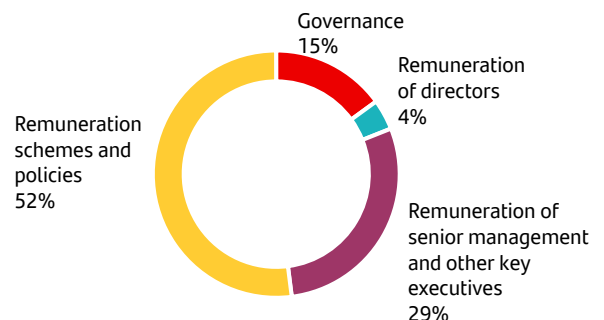
A. Committee Chair since 1 October 2023.

The board of directors appointed the committee's members based on their expertise, skills and experience in the matters within the committee's scope. For more details, see section 4.1 'Our directors' and 'Board and committees skills and diversity matrix' in section 4.2.

TIME ALLOCATION

In 2024, the committee held 14 meetings, including one joint session with the risk supervision, regulation and compliance committee. See 'Board and committee preparation and attendance' in section 4.3 for members' attendance and the estimated average time each one spent on meeting preparation and attendance.

The chart below shows the committee's approximate time allocation in 2024:



Duties and activities in 2024

This section summarizes the remuneration committee's activities in 2024.

Duties	Actions taken
Remuneration schemes and policies	
Remuneration policy for executive directors, senior management and other key executives	<ul style="list-style-type: none"> Remained focused on simplifying executive directors and senior management remuneration, shaping remuneration schemes consistent with our Simple, Personal and Fair values, with a special focus on shareholder value creation. Recommended the 2023 individual variable remuneration for senior management, based on annual performance targets and their weightings as set by the board. Proposed to the board the global annual executive variable remuneration for 2024 (payable immediately and deferred executive remuneration), based on achievement of previously set quantitative and qualitative targets. In addition, reviewed the ex-ante risk adjustments of total variable remuneration assigned to the global businesses and units, based on actual risk outcomes and their management, in conjunction with the risk supervision, regulation and compliance committee. Recommended to the board the annual performance indicators to calculate variable remuneration for 2025 with limited variations versus the previous year in order to maintain focus on risk, Group-wide collaboration and shareholder value creation, among others. Set the achievement scales for the annual and multi-year performance targets and weightings for submission to the board. Reviewed and considered the results of the say on pay at our 2024 AGM, as well as the feedback received from top shareholders and major proxy advisory firms, proposing to the board a remuneration policy for 2025, 2026 and 2027 that includes changes compared to the existing policy to strengthen its alignment with shareholders' expectations.
Assist the board of directors in supervising compliance with remuneration policies	<ul style="list-style-type: none"> Checked that remuneration schemes were aligned with the Group's performance, corporate culture, risk appetite and applicable regulation, and created no incentive to breach risk appetite. Reported to the board on Group remuneration practices and assessed their effectiveness, receiving confirmation on their alignment with the Group remuneration policy. Reported to the board on an external advisor assessment of the remuneration policy that concluded that the Group's policies, procedures and practices comply with the regulatory requirements for credit institutions. Reviewed the adoption of ex-post risk adjustments, including the application of malus and clawback arrangements within the Group.
Director remuneration policy report	<ul style="list-style-type: none"> Reviewed the Lead Independent Director's report on engagement with key shareholders and proxy advisors regarding executive director remuneration. Reviewed and proposed to the board the annual directors' remuneration report for an advisory vote at the 2024 AGM. Assisted the board in overseeing compliance with the director remuneration policy. Positively recommended the directors' remuneration policy for 2025, 2026 and 2027 that will be submitted by the board of directors at the 2025 AGM as a separate item on the agenda pursuant to Article 529 <i>novodecies</i> of the Spanish Companies Act and is an integral part of the director remuneration policy report. See sections 6.4 Directors' remuneration policy for 2025, 2026 and 2027 and 6.5 'Preparatory work and decision-making for the remuneration policy; remuneration committee involvement'. As part of that, the committee considered the voting results of the remuneration proposals at the 2024 AGM, the inputs from shareholder and stakeholder engagement during the year. It also considered any recommendations from regulators, legal requirements or applicable regulation concerning remuneration matters and verified that the policy is consistent with the Group's culture and Simple, Personal and Fair values. The main changes incorporated in the policy compared to the previous one include four key actions in the variable remuneration scheme: <ul style="list-style-type: none"> increase in the component paid in instruments from 50% to 60%; raise of the minimum long-term metric on relative TSR threshold for vesting from percentile 40% to percentile 50%; increase of the weight of the long-term metric on relative TSR from 40% to 50%; and enhancement of the weight of long-term metrics from 36% to 40%. Further detail on the committee's process for setting and reviewing the remuneration policy is provided. Confirmed that the directors' remuneration policy for 2025, 2026 and 2027 is consistent with the remuneration scheme set out in the Bylaws.
People and culture	<ul style="list-style-type: none"> Reviewed gender pay gap reduction and equal pay with a view to promoting greater diversity in its broadest sense. Reviewed internal 'equal pay for equal work' data against the previous year and targets and focused on measures to enhance them in each unit. Discussed People and Culture activities, with a key focus on the avoidance of associated pay gaps, in coordination with the nomination and the responsible banking, sustainability and culture committees.

Duties

Actions taken

Remuneration of senior management and other key executives

Performance reviews	<ul style="list-style-type: none"> Reviewed the calibration of executives' performance reviews for the senior management and, in particular, for the Executive Chair, the CEO and the main executives in coordination with non-executive directors; for the CRO and CCO with the risk supervision, regulation and compliance committee; and for the CAE with the audit committee.
Fixed remuneration for executive directors and senior management	<ul style="list-style-type: none"> Checked that executive directors' fixed remuneration remained appropriate to their duties based on market rates. Made sure remuneration for senior management remained fair and competitive, recommending adjustments where appropriate to the board, based on a benchmark analysis and specific pay principles.
Variable remuneration for executive directors and senior management	<ul style="list-style-type: none"> Proposed to the board variable remuneration for the preceding year payable either immediately or in deferred amounts.
Share plans	<ul style="list-style-type: none"> Submitted a proposal to the board for approval and subsequently for vote at the 2024 AGM on remuneration plans that involve the delivery to executive directors of shares (deferred multiyear target variable remuneration plan; deferred and conditional variable remuneration plan; application of the Group buy-out policy). Analysed and submitted to the board tailored incentive schemes for different units to drive talent retention and alignment with the Group's strategic priorities.

Remuneration of directors

Individual remuneration of directors in their capacity as such	<ul style="list-style-type: none"> Reviewed the directors' remuneration in their capacity as such, based on the positions they held on the collective decision-making body, their membership and attendance at committee meetings, benchmark information and other objective circumstances and submitted to the board the relevant proposals. For more details, see section 6.2 'Remuneration of directors for supervisory and collective decision-making duties: policy applied in 2024'.
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Remuneration of Identified Staff

Remuneration of executives who are Identified Staff	<ul style="list-style-type: none"> Reviewed the number of executives who are part of the Identified Staff (Material Risk Takers) in 2024 pursuant to applicable law, trends versus previous years and fixed and variable remuneration ratios for control functions to ensure they remained consistent with regulation and targets. Set key remuneration components for Identified Staff in coordination with the risk supervision, regulation and compliance committee. Submitted a proposal to the board, for subsequent submission to the 2024 AGM, regarding the approval of maximum variable remuneration of up to 200% of the fixed component for certain Identified Staff, including executive directors and senior management. Checked that remuneration schemes supported attraction and retention of key talent to help drive the Group's strategy, the application of the incentives implemented in the Group, and the level of achievement of long-term deferred remuneration metrics.
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Governance

Coordination with subsidiaries	<ul style="list-style-type: none"> Received information on remuneration practices, trends and challenges in different local markets. Held a joint session with the risk supervision, regulation and compliance committee to review the subsidiary action plans on internal sales force pay and conduct risk for the external sales force. Verified that remuneration schemes factor in capital and liquidity, and do not offer incentives to assume risks that exceed Banco Santander's tolerance, thus promoting and being compatible with adequate and effective risk management.
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Information for general meetings and corporate documents

Shareholders information	<ul style="list-style-type: none"> Was represented by the former committee Chair, Bruce Carnegie-Brown, who reported at the 2024 AGM on the committee's activities in 2023.
Corporate documents for 2024	<ul style="list-style-type: none"> Prepared this report on 24 February 2025, which includes a performance review of the committee's functions and key priorities identified for 2025. The board of directors approved it on 25 February 2025.

2025 priorities

The committee set the following priorities for 2025:

- Keep incentive measures under continuous review to ensure that they continue to incentivize shareholder value creation and remain aligned with our organization based on five global businesses and with our solid risk management and control model. This includes a continued focus on customers, sustainable profitability and our corporate culture and behaviours.
- Continue to monitor trends and best practices in executive remuneration to further enhance our employee value proposition, promoting effective attraction and retention of key talent to deliver the Group's strategy while maintaining focus on investors and proxy advisors' expectations.
- Keep our performance management system under constant review, with a set of conversations planned between managers and teams to bring attention to what we do and how we do it, all within a solid risk culture, while driving everyone's development.
- Continue working with the nomination committee on supporting progress on inclusive culture, ensuring the avoidance of pay gaps in this regard.
- Remain focused on ensuring that the committee discharges its role in the most tangible and effective manner.

4.8 Risk supervision, regulation and compliance committee activities in 2024



Pamela Walkden
Chair of the risk supervision, regulation and compliance committee

"In 2024 the economic and political environment remained dynamic and constantly evolving. We continued to monitor the macroeconomic conditions and arising risks affecting the Group, while remaining vigilant and identifying emerging risks that could impact on our business model.

The committee's agenda is closely interconnected with the Group's strategy and operating context. As part of that, risks associated with the transformation of the retail and commercial businesses and the creation of the five global businesses remained as a top priority. We continued to supervise, in coordination with the audit committee, all the Group's global businesses and units, to ensure the robustness of our control environment.

We closely monitored credit risk and non-performing assets; market risk; operational risk; and IT and cyber risks; among others, to ensure they all remain within acceptable limits. Third party risk management was a key area of focus throughout the year in coordination with the innovation and technology committee and it will remain high on our agenda this coming year, reinforced by the alignment with new regulation on operational resilience.

Compliance and conduct risk, and in particular, financial crime has been a key feature of the committee's work during the year. We oversaw the positive progress made on our One FCC programme implementation across the Group and reviewed sanction screening activity. The valuable discussions held provided useful and constructive challenge to management, which will be taken forward in 2025.

We also ran a rigorous selection process in coordination with the nomination committee, which resulted in the appointment of David Hazell as the new Chief Compliance Officer in February 2024. David moved from Santander US to take up this role and the committee looks forward to continuing to work with him as he evolves the Compliance function to further support the Group in its transformation.

The committee remains well equipped to discharge its role with a great mix of experience and skills. We have complemented this with the appointment of José Antonio Álvarez as a member with effect from 1 January 2025. I would also like to thank Belén Romana for her service over the last years as Chair of the committee until I took over in March 2024. I am delighted that Belén is staying on the committee as a member.

In 2024 I have continued to host meetings with the subsidiary risk committee Chairs, exchanging views and best practices, and have also attended a number of the subsidiary risk committee meetings. I believe both of these are important to strengthen subsidiary governance linkages and engagement, as well as effectively utilise the experience and local knowledge. Finally, I would like to thank the Risk and Compliance teams who have put in a huge amount of time and effort to help guide the Group through 2024.

For the coming year we sadly expect a complex geopolitical context to remain. The committee will continue to remain focused and do everything possible to ensure efficient and effective risk management across the Group".

COMPOSITION

Position	Category	Appointed on
Chair	Pamela Walkden	Independent 01/05/2021 ^A
	José Antonio Álvarez	Other external 01/01/2025
Members	Germán de la Fuente	Independent 01/01/2023
	Luis Isasi	Other external 19/05/2020
	Belén Romana	Independent 28/10/2016
Secretary	Jaime Pérez Renovales	

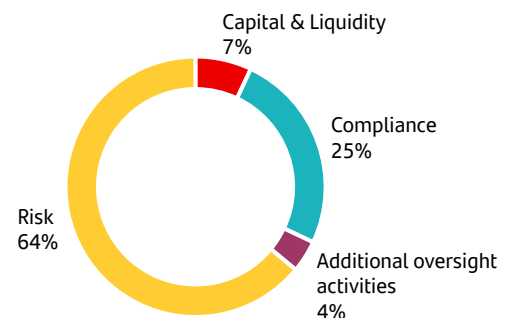
A. Committee Chair since 23 March 2024.

The board of directors appointed the committee's members based on their expertise, skills and experience in the matters within the committee's scope. For more details, see section 4.1 'Our directors' and 'Board and committees skills and diversity matrix' in section 4.2.

TIME ALLOCATION

In 2024, the committee held 18 meetings, including one strategy session, four joint sessions with the audit committee, one joint session with the nomination committee and one joint session with the remuneration committee. See 'Board and committee preparation and attendance' in section 4.3 for members' attendance and the estimated average time each one spent on meeting preparation and attendance.

The chart below shows the committee's approximate time allocation in 2024:



Duties and activities in 2024

This section summarizes the risk supervision, regulation and compliance committee's activities in 2024.

Duties	Actions taken
Risk	
Assist the board in (i) defining the Group's risks policies, (ii) determining the risk appetite, strategy and culture, and (iii) supervising their alignment with the Group's corporate values	<ul style="list-style-type: none"> • Reviewed and proposed to the board for approval the annual risk appetite statement proposal for 2024, including new metrics and limits. • Reviewed risk appetite metrics, compliance with the approved limits and any breaches on a quarterly basis. • Reviewed the three-year strategic plan, the annual budget and the recovery and resolution plans before the board approved them. Reviewed and challenged the identified risks and mitigating factors associated with those key processes, their consistency, and their alignment with the Group's risk appetite.
Risk management and control	<ul style="list-style-type: none"> • Reviewed the risk profile and risk management of the Group's global businesses and main subsidiaries in coordination with the audit committee, with a special focus on credit risk, operational risk, financial crime compliance and risks associated with our transformation. • Reviewed the risks of strategic projects and their mitigation measures, with a special focus on the global businesses, before their submission to the board. • Checked that the Group's risk management and control, most notably the risk profile assessment (RPA) and the risk control self-assessment (RCSA), remained robust. • Analysed the potential impact and opportunities associated with emerging risks and how they would affect our business model, including the different businesses and subsidiaries. • Supported the board in conducting stress tests of Banco Santander through the assessment of scenarios and assumptions, analysing the results and the measures proposed by the Risk function. • Ensured that the stress test programme was aligned with the EBA Guidelines 2018/04 on institutions' stress testing. • Received and analysed specific information on credit risk, with a special focus on non-performing assets; market, counterparty, liquidity and structural risk; operational risk (including legal and reputational risk); and social and environmental risk. The committee conducted this analysis in cooperation with the audit committee. • Received and analysed updated information on third party risk management and compliance with the requirements of DORA; and on cybersecurity and technological obsolescence, in cooperation with the innovation and technology committee. Oversaw the actions taken on the back of unauthorized access to a Banco Santander database hosted by a third party and analysed in detail the lessons learned following an investigation of the incident. • Supported the board in the supervision of crisis management and resolution planning and of the business continuity and contingency plans. • Held a strategy session with a key focus on emerging risks, the macroeconomic and geopolitical landscape, cybersecurity and the risks stemming from artificial intelligence.
Supervise the Risk function	<ul style="list-style-type: none"> • Reviewed the Risk function's activities, strategy, strengths and potential areas for improvement. • Ensured the ongoing independence and effectiveness of the Risk function, including the assessment of the sufficiency and appropriateness of its resourcing. • Endorsed the CRO's 2024 objectives for onward submission to the board for approval. Reviewed the CRO's annual performance against those objectives and reported the results to the remuneration committee and board of directors to set his variable remuneration. • Verified the suitability of the subsidiary CROs and participated in subsidiary CRO selection and appointment, in coordination with the Group nomination committee.
Collaboration to establish rational remuneration policies and practices	<ul style="list-style-type: none"> • Held a joint session with the remuneration committee to review the subsidiary action plans on internal sales force pay and conduct risk for the external sales force. • Verified that remuneration schemes factor in capital and liquidity, and do not offer incentives to assume risks that exceed Banco Santander's tolerance, thus promoting and being compatible with adequate and effective risk management. • Reviewed the ex-ante risk adjustment of total variable remuneration assigned to the global businesses and units, based on actual risk outcomes and their management, in conjunction with the remuneration committee. • Reviewed the 2024 bonus pools and the results of the exercise carried out annually to identify employees whose professional activities had a material impact on the Group's risk profile (Identified Staff).
Regulatory and supervisory relations	<ul style="list-style-type: none"> • Received information on regulatory and supervisory relations, with focus on those related to the Single Supervisory Mechanism (SSM), the Single Resolution Board (SRB), the supervisors of all the Group's subsidiaries and the Supervisory Review and Evaluation Process (SREP) and specific on-site inspections related to risk and compliance matters, as appropriate.

Duties

Actions taken

Compliance

Supervise the Compliance function

- Supervised the Compliance function's activities, strategy, strength and potential areas of improvement, as well as the development of the 2024 compliance programme, with a key focus on its support to the Group's transformation.
- Ensured the ongoing independence and effectiveness of the Compliance function, including the appropriateness and sufficiency of its resourcing.
- Reviewed monthly reports on regulatory issues, product governance and consumer protection, reputational risk, internal and external events, notifications and inspections by supervisors, among others.
- Received updates on compliance and conduct risks from the Group's main subsidiaries and global businesses, with a special focus on the status of the implementation of the One Financial Crime Compliance programme.
- Oversaw, in coordination with the nomination committee, the selection process to identify a new Chief Compliance Officer (CCO), which resulted in the appointment of David Hazell that the committee reported favourably. Monitored his onboarding process to ensure its robustness, enabling him to be truly effective in his role.
- Held two private sessions with the CCO to discuss strategic compliance topics as well as to discuss independently and directly any potential material issue relating to the Compliance function.
- Endorsed the CCO's 2024 objectives for onward submission to the board for approval. Reviewed the CCO's performance against those objectives and reported the results to the remuneration committee and board of directors to set his variable remuneration.
- Verified the suitability of the subsidiary CCOs and participated in subsidiary CCO selection and appointment, in coordination with the Group nomination committee.

Regulatory compliance including Canal Abierto

- Reviewed our compliance with data protection regulation across the Group and received the Data Protection Officer's annual report.
- Endorsed, prior to presentation to the board, amendments to the general code of conduct.
- Received information, in a joint meeting with the audit committee on the Group's whistleblowing channel (Canal Abierto) with a special focus on matters within the committee's remit to ensure the Group's culture empowers employees and other persons related to Banco Santander to speak up, be heard and report irregular practices without fear of reprisal.

Financial crime compliance (FCC)

- Oversaw the Group's observance of FCC regulations as well as the activities carried out by the Compliance function:
 - Was provided quarterly progress updates on the One FCC programme implementation either on a Group, global business and/or local business perspective, including information on sanction screening activity.
 - Reviewed recommendations and observations stemming from the annual independent expert report on Banco Santander in accordance with Act 10/2010 and Royal Decree 304/2014 (on anti-money laundering and counter terrorism financing).

Product governance and consumer protection

- Reviewed reports on customer and other stakeholders' complaints, to ensure that their root causes were assessed and the action plans set to reduce and mitigate any identified deficiencies were ongoing.
- Reviewed risk management and the main risks identified, as well as the concerns, priorities and actions taken by the Product Governance and Consumer Protection area regarding conduct risk with retail and vulnerable customers.

Capital and liquidity

Assist the board in reviewing and approving capital and liquidity strategies and supervising their implementation

- Reviewed and reported favourably to the board on the annual ICAAP run by the Finance division and challenge made by the Risk function in accordance with industry best practices and supervisory guidelines.
- Reviewed the capital plan according to the scenarios envisaged over a three-year period.
- Reviewed and reported favourably to the board on the ILAAP, which was challenged by the Risk function and developed in line with the Group's business model and its liquidity needs.
- Reviewed liquidity risk and liquidity levels of the Group and its subsidiaries.
- Continuously monitored capital levels, capital management and associated tools, the 2024 securitizations plan and the analysis of the portfolio profitability versus the risk undertaken.

Duties

Actions taken

Additional oversight activities

Additional oversight activities

- Held four joint meetings with the audit committee to review risk, compliance and internal audit aspects of the global businesses and regions, with first line of defence representatives present.
- Collectively discussed with the audit committee additional topics of mutual interest, such as risk culture and internal control environment, and received an update on internal audit matters of the Risk and Compliance functions.
- The committee Chair attended specific subsidiary risk supervision, regulation and compliance committee meetings to further enhance communication between them.
- Held a number of subsidiary risk supervision, regulation and compliance committee Chair meetings remotely to foster further collaboration across the Group. See '[Group and subsidiary board relations](#)' in section 1.2 for further details.
- The committee Chair and the Chair of the audit committee maintained a smooth communication, ensuring ongoing coordination and collaboration.

Information for general meetings and corporate documents

Shareholder information

- Was represented by the former committee Chair, Belén Romana, who reported at the 2024 AGM committee's activities in 2023.

Corporate documents for 2024

- Prepared this activities report on 21 February 2025, which includes a performance review of the committee's functions and key priorities identified for 2025. The board of directors approved it on 25 February 2025.

2025 Priorities

The committee set the following priorities for 2025:

- Continue to monitor the macroeconomic landscape and supervise all the Group's risks to ensure that those risks remain within our approved risk appetite. Remain focused on credit; third party risk management (including alignment with DORA, in coordination with the innovation and technology committee); operational; market; model; IT; cyber and risk derived from emerging technologies such as artificial intelligence; and financial crime compliance.
- Continue to identify emerging and non-traditional risks to anticipate potential impacts on our business model and work in partnership with the nomination committee to ensure that people and other talent related risks are properly understood and addressed.
- Supervise the main risks associated with our transformation and the five global businesses.
- Continue to monitor the overall effectiveness of the Risk and Compliance functions in discharging their critical role in the Group.
- Remain focused on ensuring that the committee discharges its role in the most tangible and effective manner.

4.9 Responsible banking, sustainability and culture committee activities in 2024



Sol Daurella
Chair of the responsible banking, sustainability and culture committee

"In 2024 we continued to advise the board on the climate change strategy, monitoring the development of our green finance proposition and how the global businesses support our customers' transition to a low-carbon economy. As part of that, we ensured that actions for climate material exposure and strategy to align our activity with the Paris Agreement goals were consistent with the relevant disclosure requirements and standards, and supported the delivery of our public targets.

Financial inclusion, health and community support remained high on our agenda in 2024. We continued to make progress on our sustainability targets related to green finance and financial inclusion, among others, and towards equality within the Group. Santander Universidades continues to play a key role in supporting education, employability and entrepreneurship across our footprint, in line with our commitment to help people and business prosper and benefit from platforms such as Santander Open Academy, Universia and Santander X, among others.

The committee continued to analyse the divergence in public policies and actions of authorities and institutions in the countries where we operate, as well as their associated risks and the potential impact on our sustainability strategy. We kept our strong coordination with the audit committee to monitor the implementation of CSRD and non-financial disclosures in order to meet the greater expectations from stakeholders in the current complex legislative framework.

As part of the 2023 board effectiveness review conducted with the assistance of an external provider, we agreed to further develop the role and functioning of the committee given its important sustainability agenda, whilst leveraging on the work of other committees. These steps, together with our focus on continuous improvement, helped ensure that the committee remains effective.

The committee's mix of experience and skills helped the board with the significant sustainability challenges ahead, further complemented with the appointment of both Pamela Walkden and Carlos Barrabés as members during the year. I would like to thank Ramiro Mato for his service over the last years as committee Chair until he stepped down from the board in June 2024; and to Belén Romana who remained as a committee member until March 2024.

In 2025, we will remain focused on the Group's green finance strategy, and closely monitor sustainability progress across our footprint, with a key focus on our five global businesses".

COMPOSITION

Position		Category	Appointed on
Chair	Sol Daurella	Independent	01/07/2018 ^A
Members	Homaira Akbari	Independent	01/07/2018
	Carlos Barrabés	Independent	27/06/2024
	Gina Díez Barroso	Independent	31/01/2023
	Pamela Walkden	Independent	23/03/2024
Secretary	Jaime Pérez Renovales		

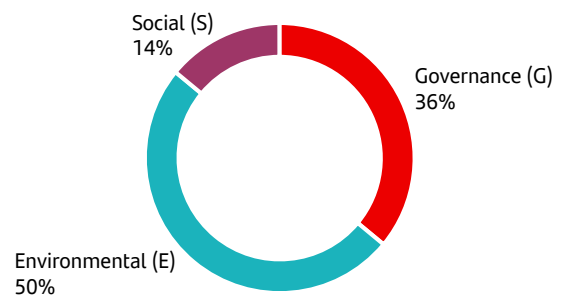
A. Committee Chair since 23 July 2024.

The board of directors appointed the committee's members based on their expertise, skills and experience in the matters within the committee's scope. For more details, see section 4.1 'Our directors' and 'Board and committees skills and diversity matrix' in section 4.2.

TIME ALLOCATION

In 2024, the committee held five meetings. See '[Board and committee preparation and attendance](#)' in section 4.3 for members' attendance and the estimated average time each one spent on meeting preparation and attendance.

The chart below shows the committee's approximate time allocation in 2024:



Duties and activities in 2024

This section summarizes the responsible banking, sustainability and culture committee's activities in 2024.

Duties	Actions taken
Environmental (E)	
Climate transition plan	<ul style="list-style-type: none"> Reviewed the Group's climate change strategy and challenged it to ensure that it remained a key enabler to achieve our ambition towards net zero emissions by 2050. Reviewed the alignment in thermal coal, power generation, energy (oil and gas), aviation, steel and auto manufacturing sectors with the Paris Agreement goals. Reviewed the subsidiary plans to ensure their alignment with supervisory expectations and the Paris Agreement goals, covering activity regarding mortgages, commercial real estate and agriculture. Endorsed the Group priorities for 2024 in relation to sustainability, including supporting our customers in their green transition and promoting a sustainable culture.
ESG in risk management	<ul style="list-style-type: none"> Reviewed ESG factors introduced in the credit approval process, associated action plans and related achievements. Worked with the risk supervision, regulation and compliance committee to review the progress made in embedding climate-related and environmental risks, as well as to monitor the implementation of controls and processes to mitigate ESG risks, including greenwashing.
Sustainable finance	<ul style="list-style-type: none"> Reviewed the green finance strategy and its execution, including the Group's exposure in green finance more generally. Oversaw the sustainability strategy, including support to our customers in their green transition. Reviewed the global businesses' progress in sustainability. Received specific training on sustainability matters, with a key focus on CSRD to further enhance board and committee members knowledge on this matter. See 'Director training and induction programmes' in section 4.3.
Environmental footprint	<ul style="list-style-type: none"> Monitored our own environmental footprint, value chain emissions and carbon neutral claim, including analysis of the associated CSRD reporting implications.
Social (S)	
Social agenda	<ul style="list-style-type: none"> Reviewed our social agenda, which includes financial inclusion; financial health; business with social output; and corporate social responsibility or philanthropic activities. Reviewed the outcomes of the holistic human rights due diligence exercise conducted and suggested to the board its associated disclosures.
Education and other support to communities	<ul style="list-style-type: none"> Reviewed the progress made within our community support strategy, which includes our support to education, employability and entrepreneurship. Reviewed Santander Universidades strategy and its alignment with the Group's transformation agenda and endorsed the associated course of action.
People and culture	<ul style="list-style-type: none"> Discussed People and Culture's activities to continue supporting progress on inclusive culture, in coordination with the nomination and remuneration committees, with a key focus on the representation of women in senior positions within the Group.
Governance (G)	
Governance	<ul style="list-style-type: none"> Assisted the board in ensuring that sustainability targets and metrics were embedded in the Group's remuneration schemes. As part of that, reviewed, in coordination with the remuneration committee, a proposal to further increase the alignment of the long-term incentive for 2024-2026 with our sustainability agenda. Monitored and assessed the Group's progress on its targets to ensure that its KPIs remained relevant and aligned with committee expectations. Identified priority sustainability areas for action based on the outcomes of a materiality assessment that the Sustainability team conducts every year. Verified that the proposed sustainability agenda and targets remained aligned with the Group's strategy. Reviewed ESG global ratings' assessments of Banco Santander, identifying strengths, areas for improvement and areas of focus. Reviewed any resulting action plans after engaging with investors and NGOs on ESG-related matters. Considered the findings and suggested areas for improvement concerning its remit derived from the 2023 board effectiveness review conducted with the assistance of an external provider and agreed on specific changes to further develop its role and functioning given the importance of the sustainability agenda, while leveraging on the work of other committees, to ensure that it remains effective. Reviewed the progress made regarding the management of the supply chain in regards to ESG, including the compliance of associated regulatory requirements.
ESG reporting	<ul style="list-style-type: none"> Supported the audit committee on the supervision and assessment of the process to prepare and present non-financial information according to the applicable regulations and international standards. Reviewed the 2024 Group statement on non-financial information and the independent expert's report. See the 'Sustainability statement' chapter. Reviewed the Climate Finance and Green Bond Reports in coordination with the audit committee, prior to their submission to the board for approval.

Duties

Actions taken

Regulatory landscape

- Reviewed the main European and international financial regulatory and supervisory initiatives and priorities related to sustainability.
- Received information on local regulatory developments to remain abreast of local challenges and opportunities.

Information for general meetings and corporate documents

Shareholder information

- Was represented by the former committee Chair, Ramiro Mato, who reported at the 2024 AGM committee's activities in 2023.

Corporate documents for 2024

- Prepared this activities report on 27 January 2025, which includes a performance review of the committee's functions and key priorities identified for 2025. The board of directors approved it on 25 February 2025.

2025 Priorities

The committee set the following priorities for 2025:

- Continue to advise the board on the climate change strategy and our ambition towards net zero by 2050, monitoring the development of our sustainable finance proposition and how the global businesses support our customers' transition to a low-carbon economy.
- Oversee that actions and targets for climate material exposure and strategy to align our activity with the Paris Agreement goals are consistent with the relevant disclosure requirements and standards, and support the delivery of our targets.
- Continue to prioritize our financial inclusion, financial health and community support strategy in line with our aim to help people and businesses prosper.
- Analyse developments in public policies and actions of authorities and institutions in the markets where we operate, as well as their associated risks, and the potential impact on our sustainability strategy.
- Continue to enhance data quality and monitor sustainability disclosures and associated strategy in coordination with the audit committee, in order to meet increasing expectations from stakeholders in the current complex legislative framework.
- Remain focused on ensuring that the committee discharges its role in the most tangible and effective manner.

4.10 Innovation and technology committee activities in 2024



Glenn Hutchins
Chair of the innovation and technology committee

“Our goal as a bank is to deploy the most robust and efficient open financial services technology platform and, in particular, to become a digital bank with branches. We endeavor to do this in a manner which improves customer offerings, reduces costs, safeguards our security, meets regulatory expectations and promotes innovation. The committee’s role is to support the bank in these initiatives.

In 2024, the committee held its first strategy session as an addition to our regular, quarterly meetings. We invited all board members to review and assess our global technology strategy plan to ensure that it remains aligned with the Group’s priorities, with a key focus on our transformation agenda.

Over the year, the committee took a close look at our global business strategic platforms, digitalization initiatives, process automation and risk management disciplines. In particular, we

focused on our common operating and business model for retail and commercial banking. The committee believes that this will enable our in-branch and service teams to free up time for customer-facing activities and to offer personal service across all channels.

The committee also reviewed our cyber security strategy and the global threat landscape with key focus on our defenses and resilience. We looked closely at third party risk management throughout the year, working in partnership with the risk committee.

We continued to position data and analytics at the core of our business strategy and, in the future, to pursue the benefits of emerging uses of artificial intelligence. We recognize that we need take advantage of the commercial opportunities inherent in AI while meeting regulatory expectations on data management and customer safety. We also remain vigilant to other emerging technologies and approaches to computation what will allow us to improve customer offerings, lower costs and improve security in the future. In this regard, we benefit from the insights and experiences of our committee members.

In June, we welcomed Carlos Barrabés, who is experienced in the commercial application of technology, as a member of the committee. Looking forward, we will continue to support the board and management team in the transformation of Santander into a technology-first enterprise”.

COMPOSITION

Position		Category	Appointed on
Chair	Glenn Hutchins	Independent	20/12/2022 ^A
	Homaira Akbari	Independent	27/09/2016
	José Antonio Álvarez	Other external	23/02/2015
	Carlos Barrabés	Independent	27/06/2024
Members	Ana Botín	Executive	23/04/2007
	Henrique de Castro	Independent	23/07/2019
	Héctor Grisi	Executive	01/01/2023
	Belén Romana	Independent	19/12/2017
Secretary	Jaime Pérez Renovales		

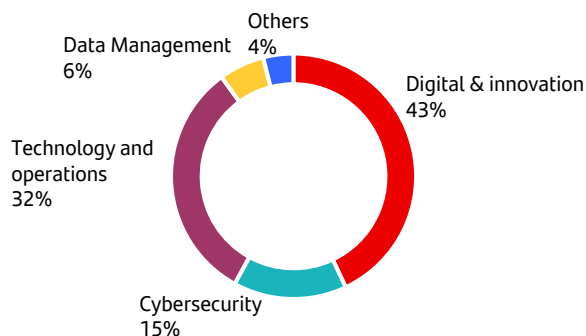
A. Committee Chair since 23 March 2024.

The board of directors appointed the committee’s members based on their expertise, skills and experience in the matters within the committee’s scope. For more details, see section 4.1 ‘Our directors’ and ‘Board and committees skills and diversity matrix’ in section 4.2.

TIME ALLOCATION

In 2024, the committee held five meetings, including one strategy session. See ‘Board and committee preparation and attendance’ in section 4.3 for members’ attendance and the estimated average time each one spent on meeting preparation and attendance.

The chart below shows the committee’s approximate time allocation in 2024:



Duties and activities in 2024

This section summarizes the innovation and technology committee's activities in 2024.

Duties	Actions taken
Digital & innovation	
Digital	<ul style="list-style-type: none"> • Monitored metrics in connection with the Group's digitalization and associated transformation, with a special focus on customer experience, simplification and efficiency. • Reviewed core digital strategies to transform the business and accelerate new businesses growth. • Reviewed strategic technological tools developed internally to further increase value creation across the Group, improving efficiency and driving appropriate synergies. • Reviewed the execution and progress of One Transformation and its overall alignment with our strategy. • Monitored execution of the Group's digital strategy with a key focus on ensuring alignment with supervisors' expectations and regulatory demands.
Cloud	<ul style="list-style-type: none"> • Reviewed the cloud strategy, which focuses on improving innovation, time-to-market and efficiency with a business-based approach, ensuring alignment with applicable regulatory requirements at all times.
Innovation framework	<ul style="list-style-type: none"> • Reviewed the implementation of the Group's innovation agenda, leveraging on our digital and data management capabilities. • Identified the challenges and capabilities in terms of innovation to increase end-to-end business agile transformation. • Identified new opportunities to accelerate innovation across the Group and ensured that we were well placed to succeed with new business models, technologies, systems and platforms.
Technology and operations	
Technology and operations (T&O)	<ul style="list-style-type: none"> • Assisted the board in supervising technological risks in coordination with the risk supervision, regulation and compliance and audit committees. • Reviewed the global technology strategy plan, reported to the board on T&O planning and activities, and ensured that the T&O strategy was properly focused on the Group's key priorities, supervising its execution progress through defined top-level strategic KPIs, including those specific to the execution of One Transformation and the common architecture. • Endorsed the Group's core strategic technology priorities to integrate key digital capabilities, leveraging five pillars: agile, cloud, core system evolution, artificial intelligence and deep technology related skills and data. • Monitored the deployment of Gravity, a Santander's in-house award-winning banking platform and a software, to help the bank become a fully digital company. • Reviewed specific projects being deployed throughout the Group and their associated T&O investment through a common tool to further ensure efficiencies, synergies and robust decision-making processes. • Analysed the priorities of the T&O function and specifically, and their alignment with the Group's aim to be the best open financial services platform with innovative customer centric capabilities. • Reviewed the strategy to further simplify Group-wide processes with the aim of reducing manual operational activity, analysing alternatives for further optimization, automation and process improvement.
Cybersecurity	
Strategy	<ul style="list-style-type: none"> • Reviewed the Group's cybersecurity strategy, with a key focus on resilience and three main action lines: protecting the Group, bolstering its defences, and generating trust among stakeholders, customers, and broader society; and recommended it for onward submission to the board for approval. • Monitored the status and progress made on the fraud prevention plan, including its associated impacts and the actions underway to further harmonize fraud prevention capabilities across the Group.
Risk management oversight	<ul style="list-style-type: none"> • Assisted the board in the supervision of cybersecurity risks and those related to artificial intelligence, and associated regulatory developments in coordination with the risk supervision, regulation and compliance and audit committees. • Supervised defences against increasing threats and reviewed security controls and automated security processes. • Analysed cyber incidents (including third party risk management implications) and reviewed associated lessons learnt in coordination with the risk supervision, regulation and compliance committee. Moreover, analysed specific incidents outside the Group according to their relevance and impact. • Monitored the global cybersecurity threat landscape closely. • Received regular updates on cybersecurity risks. In 2024 it received updates at four meetings, with a special focus on crisis simulation exercises and internal data leakage protection. • Reviewed external threats such as ransomware and analysed the strategy designed to shorten data recovery time and reduce its potential impact.
Data management	
Data management	<ul style="list-style-type: none"> • Reviewed the data management strategy including priorities for the year, focusing on the business model and how data contributes to boost business growth and customer experience. • Reviewed the Group's approach to artificial intelligence usage as a key driver of the data and the overall Group strategy, all within a specific governance and risk management framework.

Duties

Actions taken

Information for general meetings and corporate documents

Corporate documents for 2024

- Prepared this activities report on 14 January 2025, which includes a performance review of the committee's functions and key priorities identified for 2025. The board of directors approved it on 25 February 2025.

2025 Priorities

The committee set the following priorities for 2025:

- Continue to support the Group's innovation strategy, including the embedding of our operating model based on a global-local organization, through our own global technology platform.
- Continue to drive a culture of innovation using artificial intelligence to enhance decision-making processes, improve customer experience and drive operational savings.
- Remain abreast of emerging technologies and their potential business impact. In addition, the committee will continue monitoring associated developments in the financial sector and market players' activities, including technology companies.
- Continue to evolve our cyber security defences, with a special focus on emerging threats, as well as to continue to monitor third party risk management and alignment with DORA in coordination with the risk supervision, regulation and compliance committee.
- Remain focused on ensuring that the committee discharges its role in the most tangible and effective manner.

4.11 International advisory board

Composition

Position		Background
Chair	Larry Summers	Former Secretary of the US Treasury and President Emeritus and Charles W. Eliot University Professor of Harvard University
Members	Sheila C. Bair	Former Chair of the Federal Deposit Insurance Corporation and former President of Washington College
	Mike Rhodin	Supervisory board member of TomTom and director of HzO. Former IBM Watson Senior Vice President
	Francisco D'Souza	Managing Partner and co-founder at Recognize
	James Whitehurst	Senior Advisor at IBM and former CEO of Red Hat
	George Kurtz	CEO and co-founder of CrowdStrike. Former Chief Technology Officer of McAfee
	Nadia Schadlow	Former Deputy National Security Advisor for Strategy and former Assistant to the President of the United States
	Andreas Dombret	Former board member of Deutsche Bundesbank, of Supervisory Board of the ECB and of Bank International Settlements and former Vice Chair of Bank of America in Europe
	Carolyn Everson	Director at The Coca-Cola Company and The Walt Disney Company. Former chair of Instacart and former vice-president of Global Business Group at Facebook (Meta)
	Juan Ignacio Gallardo Thurlow	Chair of Organización Cultiba, Grupo Azucarero México and Grupo GEPP (PepsiCo bottling company in Mexico)
Secretary	Jaime Pérez Renovales	

Functions

Since 2016, Banco Santander's international advisory board has provided the Group with expert insight into innovation, digital transformation, cybersecurity, new technologies, capital markets, corporate governance, branding, reputation, regulation and compliance.

Its members are external and not members of the board. They are prominent and respected leaders who have extensive experience in the most relevant areas for the strategy of the Group, particularly in terms of innovation, digital transformation and the US and European markets.

Meetings

The international advisory board meets at least twice a year. In 2024, it met in May and October. It addressed key strategic topics for the near future within the overall context of our transformation agenda and our global-local organization with five global businesses. In particular, it covered specific topics such as the merits of the agile methodology and the implications of artificial intelligence in the financial sector, with a key focus on the Group's activity. In addition, the international advisory board analysed in depth the strategic importance of certain global businesses and geographies on a go-forward basis.

4.12 Related-party transactions and other conflicts of interest

Related-party transactions

This section contains the related-party transactions report referred to in recommendation six of the CNMV's Corporate Governance Code, which the audit committee prepared on 20 February 2025.

Directors, senior managers and shareholders

Pursuant to the Rules and regulations of the board, a transaction that Banco Santander or its subsidiaries make with directors, shareholders who hold at least 10% of voting rights or sit on the board, and parties considered "related parties" under the International Financial Reporting Standards must be authorized:

- at the general meeting if it is worth 10% or more of assets on the last consolidated balance sheet; or
- by the board of directors in all other cases. Nonetheless, according to relevant rules and on the audit committee's recommendation, our board delegated authority to executive bodies, committees and competent proxies to approve related-party transactions if they:
 - are carried out under agreements with standard terms that would generally apply to customers who contract for the same product or service;
 - are made at prices or rates set by the supplier of such products or service or, where such products or service have no existing prices or rates, under regular market conditions as in business relations with similar customers; and
 - do not exceed 0.5% of the net annual income as stated in the last consolidated financial statements approved at the general meeting.

The board approved an internal reporting and monitoring procedure in which the audit committee confirms twice a year that such transactions authorized with delegated board powers are fair and transparent and meet the above-mentioned requirements.

The board also has an internal approval mechanism for non-banking and other transactions that do not meet the delegation requirements. It sets out minimum transaction terms and conditions in order to protect corporate and shareholder interests.

The board and audit committee check that transactions with related parties are fair and reasonable to Banco Santander and to the other shareholders.

If a related-party transaction must be approved at the general meeting or by the board, the law stipulates that the audit committee must issue a preliminary report about it. However, the law does not require the report for related-party transactions if they are approved under the board's delegated authority and meet the audit committee's requirements.

Board members must recuse themselves from all deliberations and votes on resolutions about a related-party transaction if they have a conflict of interest with it.

In 2024, the audit committee found that no director or related party, in the terms of International Financial Reporting Standards, carried out transactions deemed 'significant' or material to Santander and the related party, or under non-market conditions.

The audit committee confirmed that all related-party transactions in 2024, including those authorized with delegated board powers, had been performed correctly after conducting a bi-annual review on their conformity to the law, the Rules and regulations of the board and the conditions set by board resolution; verified the alignment with the internal reporting and monitoring procedure and that those transactions met the fairness and transparency requirements established in the aforementioned rules, and were considered fair, reasonable and under market conditions (see the audit committee activities report under section [4.5 'Audit committee activities in 2024'](#)).

Banco Santander has a policy for the admission, authorisation and monitoring of financing transactions to directors and senior managers as well as to their spouse (or similar partner), a child who is a minor or legal adult and their financial dependent, or a company controlled by a director or a senior manager whose business is to hold assets for the sole purpose of managing their personal or family wealth. The policy applies to financing transactions carried out by Banco Santander, or any of its subsidiaries, and sets out general maximum borrowing rules, interest rates and other conditions that apply to related-party transactions, which are the same for all other employees. It dictates that the board must authorize loans, credit facilities and guarantees extended to Banco Santander's directors and senior managers, and, except in the cases listed below, subsequently by the ECB:

- Transactions guaranteed in a collective agreement signed by Banco Santander, with similar terms and conditions to transactions with any employee.
- Transactions made under agreements with standard conditions that generally apply to a large number of customers, if the amount granted to the beneficiary or their related parties does not exceed EUR 200,000.

Note [5.f\) 'Loans'](#) to the consolidated financial statements describes the direct risk Grupo Santander maintained with board members as at 31 December 2024. Those transactions are consistent with market conditions, have the same terms and conditions as transactions with employees, and allocate payments in kind where appropriate.

No Banco Santander shareholder holds 10% or more of voting rights or has a seat on the board.

Intra-group transactions

The law does not consider direct or indirect transactions with a wholly-owned subsidiary or investee to be "related-party" if no party related to Banco Santander holds an interest in it. Thus, Santander monitors subsidiaries or investees' observance of these rules if they can be affected by related-party transactions.

The rules and approval bodies and procedures that apply to intragroup transactions are the same as for transactions with customers to make sure they are conducted at market prices and conditions.

Note [53 'Related parties'](#) to the consolidated financial statements and note [47 'Related parties'](#) to the individual financial statements state the balance of transactions with subsidiaries, affiliates, jointly-owned entities, directors, senior managers and related parties.

Other conflicts of interest

Banco Santander has internal rules and procedures for preventing and managing conflicts of interest that can arise from the Group's operations or with directors and senior managers. Our General code of conduct and an internal policy for Group employees, directors and entities set out the guidelines we follow to prevent and manage conflicts of interest.

Directors and senior managers

The Rules and regulations of the board stipulate that our directors must adopt necessary measures to avoid situations in which their direct or indirect interests may enter into conflict with corporate interests or their duty towards Banco Santander.

Directors must refrain from using Santander's name or their position to exert undue influence on private transactions; using corporate assets for private purposes; using business opportunities for personal gain; obtaining favours or remuneration from others for being directors; and engaging in activities for themselves or others that will put them and Banco Santander in competition or permanent conflict.

Directors must report to the board conflicts of interest that they or their related parties may have with Banco Santander, which are to be disclosed in the financial statements. The nomination committee oversees compliance with the rules set from time to time to avoid potential conflicts of interest in other roles held by directors.

In 2024, no director reported a conflict of interest with Santander. Nonetheless, in 2024 there were 41 abstentions in votes on matters deliberated at board and committee meetings, including 19 instances where directors did not vote on resolutions on nominations, re-elections or board committee or Chair assignments; nine instances concerning remuneration; one instance relating to a transaction between Banco Santander and a director; and 12 instances where directors removed themselves during the review of their status and suitability.

The Code of conduct in security markets (CCSM), which directors and senior managers follow, provides mechanisms to recognize and resolve conflicts of interest. It also dictates that directors and senior managers must provide the Compliance area with a statement on their relations, and they must keep it up to date.

Subjected persons must also disclose any matter that could put them in a conflict of interest because of their ties or otherwise, and the chief officer of their area, their common senior officer (where several areas are involved), or whoever the Compliance area decides will resolve it.

The CCSM also dictates that directors, senior managers and related parties should not trade Grupo Santander's securities within 30 days either from the time they are bought or sold or before the quarterly, half-year or annual results are announced and published.

The CCSM can be found on our corporate website.

Group companies

Banco Santander is the Group's only company listed in Spain, where it's not required to have mechanisms in place to resolve conflicts of interest with a listed subsidiary.

In a conflict of interest with a listed subsidiary, Banco Santander, as the parent company, must consider the interests of all its subsidiaries, the presence of minority shareholders in them, and how these conflicts may affect the long-term interests of the Group. Subsidiaries should also consider the interests of Grupo Santander when making decisions within their remit.

The Group structures governance on a system of rules that guarantees proper oversight over subsidiaries. We have a Group-subsidiary governance model that sets out the key rules for Group-subsidiary relations and conflict of interest resolution mechanisms. For more details, see section [7. 'Group structure and internal governance'](#).

5. SENIOR MANAGEMENT TEAM

The table below shows the profiles of Banco Santander's senior management team (Senior Executive Vice Presidents). It does not include executive directors, whose profiles are described in section [4.1 'Our directors'](#).

Name	Position	Profile
Mahesh Aditya	GROUP CHIEF RISK OFFICER	Mahesh Aditya joined Grupo Santander in 2017 as Chief Operating Officer of Santander Holdings USA and became Chief Risk Officer in 2018. He was appointed Chief Executive Officer of Santander Consumer USA in 2019, and Group Senior Executive Vice President and Group Chief Risk Officer in 2023. Previously, he had been Chief Risk Officer at Visa (2017-2019) and Chief Risk Officer of Retail & Mortgage Banking at JP Morgan, Capital One and Citibank.
Daniel Barriuso	GLOBAL HEAD OF RETAIL & COMMERCIAL BANKING AND GROUP CHIEF TRANSFORMATION OFFICER	Daniel Barriuso joined Grupo Santander in 2017 as Global Head of Cybersecurity (CISO) and Fraud Prevention. In 2023, he was named Senior Executive Vice President, Chief Transformation Officer, and Global Head of Retail and Commercial Banking. Previously, he had held several executive roles at BP, Credit Suisse and ABN AMRO.
Julia Bayón	GROUP CHIEF AUDIT EXECUTIVE	Julia Bayón joined Grupo Santander in 1994 and was Head of Banesto's International and Wholesale Banking legal service from 2001 to 2013, when she moved on to running the legal service for Global Transaction Banking, Credit and Restructuring at Banco Santander. In 2016, she became Head of Legal for Corporate and Investment Banking. In 2021, she was appointed Head of the Legal Service for Business and deputy secretary of the Banco Santander board of directors. In 2024, she became Group Senior Executive Vice President and Chief Audit Executive.
Juan Manuel Cendoya	GROUP HEAD OF COMMUNICATIONS, CORPORATE MARKETING AND RESEARCH	Juan Manuel Cendoya joined Grupo Santander in 2001 as Group Senior Executive Vice President (<i>director general</i>) and Group Head of the Communications, Corporate Marketing and Research division. In 2016, he was appointed Vice Chair of the board of directors and Head of Institutional and Media Relations of Santander España. Previously, he had been Head of the Legal and Tax department of Bankinter, S.A. He is also a State Attorney for Spain.
José Doncel	GROUP CHIEF ACCOUNTING OFFICER	José Doncel joined Grupo Santander in 1989 as Head of Accounting. He had also served as Head of Accounting and Financial Management at Banesto (1994-2013). He was appointed Senior Executive Vice President (<i>director general</i>) and Head of the Internal Audit division in 2013 and Group Chief Accounting Officer in 2014.
José Antonio García Cantera	GROUP CHIEF FINANCIAL OFFICER	José Antonio García joined Grupo Santander in 2003 as Group Senior Executive Vice President (<i>director general</i>) of Global Wholesale Banking of Banesto and was appointed CEO in 2006. He was appointed Senior Executive Vice President of Global Corporate Banking at Banco Santander in 2012 and Group Chief Financial Officer in 2015. Previously, he had served on the executive committee of Citigroup EMEA, as well as on the board of directors of Citigroup Capital Markets, Ltd and Citigroup Capital Markets UK.
Javier García-Carranza	GLOBAL HEAD OF WEALTH MANAGEMENT & INSURANCE	Javier García-Carranza joined Grupo Santander in 2016 as Global Head of Corporate Holdings and Investment Platforms before being appointed Global Head of Wealth Management & Insurance in 2024. Previously, he was Head of Principal Investments and Investment Banking for Europe, the Middle East and North Africa at Morgan Stanley.

Name	Position	Profile
David Hazell	GROUP CHIEF COMPLIANCE OFFICER	David Hazell joined Grupo Santander in 2012 as Chief Conduct & Compliance Officer of Santander UK. In 2018, he was named Chief Compliance Officer of Santander Holdings USA and in 2022 took the same role at Santander Bank NA. In 2024, he became Group Senior Executive Vice President and Group Chief Compliance Officer. Previously, he was Head of Risk and Regulation (2004-2009) and of Governance, Risk and Compliance (2009-2010) at PricewaterhouseCoopers LLP, and Operational & Regulatory Risk Director at Aviva PLC (2010-2012).
José María Linares	GLOBAL HEAD OF CORPORATE & INVESTMENT BANKING	José María Linares joined Grupo Santander in 2017 as Senior Executive Vice President (<i>director general</i>) and Global Head of Corporate and Investment Banking. Previously, he served as director and senior equity analyst at Société Générale (1997-1999). He joined J.P. Morgan in 1999 and was subsequently appointed managing director and Head of Global Corporate Banking at J.P. Morgan Chase & Co. (2011-2017).
Mónica López-Monís	GROUP HEAD OF SUPERVISORY AND REGULATORY RELATIONS	Mónica López-Monís joined Grupo Santander in 2009 as General Counsel and secretary of the board of Banesto. In 2015, she was appointed Group Senior Executive Vice President (<i>director general</i>) of Banco Santander and Group Chief Compliance Officer until her appointment in 2019 as Group Head of Supervisory and Regulatory Relations. Previously, she had been General Counsel at Aldeasa, S.A. She also was General Counsel at Bankinter, S.A., as well as independent director at Abertis Infraestructuras, S.A. She is also a State Attorney for Spain.
Dirk Marzluf	GROUP CHIEF OPERATING & TECHNOLOGY OFFICER	Dirk Marzluf joined Grupo Santander in 2018 as Group Senior Executive Vice President and Head of IT and Operations. Previously, he had held several roles at AXA Group, where he became CIO, leading the insurance group's technology and information security transformation and co-sponsoring its digital strategy. He also held global senior management roles at Accenture, Daimler Chrysler and Winterthur Group.
José Luis de Mora	GROUP HEAD OF CORPORATE DEVELOPMENT AND FINANCIAL PLANNING	José Luis de Mora joined Grupo Santander in 2003 to Head the Group's Strategic Plan Development and Acquisitions. In 2015, he was appointed Group Senior Executive Vice President (<i>director general</i>) and Group Head of Financial Planning and Corporate Development. He was also Head of Strategy (2019-2023) and Global Head of Digital Consumer Bank (2020-2025).
Jaime Pérez Renovales	GROUP GENERAL COUNSEL	See profile in section 4.1 'Our directors' .
Nitin Prabhu	GLOBAL HEAD OF DIGITAL CONSUMER BANK	Nitin Prabhu joined Grupo Santander in January 2025 as Senior Executive Vice President and Global Head of Digital Consumer Bank. From 2012, he worked at PayPal, where he held leadership roles spanning the payments, consumer, and merchant businesses, and where he became the Senior Vice President of Small and Medium Sized Businesses and Financial Services Products. Prior to PayPal, he worked at eBay and consulted with Fortune 1000 companies globally.
Javier Roglá	GROUP HEAD OF PEOPLE & CULTURE	Javier Roglá joined Grupo Santander in 2016 as Global Head of Santander Universities and CEO of Universia. In 2021 he became Group Senior Executive Vice President and Chief Talent Officer, and in 2024 was appointed Head of the Group's People & Culture division. He sits also on the board of Teach for All and was previously a business development consultant at Endesa and principal at Boston Consulting Group, as well as co-founding and running Fundación Empieza por Educar.

6. REMUNERATION

Sections [6.1](#), [6.2](#), [6.3](#), [6.5](#), [6.6](#), [6.7](#), [9.4](#) and [9.5](#) comprise the annual report on directors' remuneration that will be submitted to the consultative vote of the general shareholders' meeting.

In addition, sections [6.4](#) and [6.5](#) sets out the directors' remuneration policy for 2025, 2026 and 2027, which will be put to the binding vote of the general shareholders' meeting.

The annual report on directors' remuneration and the directors' remuneration policy for 2025, 2026 and 2027 were approved by our board of directors on 25 February 2025. All directors were present at the time of vote casting and voted in favour.

The remuneration policy for directors in force as of the date of this report is available on our corporate website.

Introduction

Brief summary of strategic accomplishments in 2024

- Santander achieved an attributable profit of EUR 12,574 million in 2024, a 14% increase versus 2023, thanks to strong revenue growth across all global businesses and regions, as well as the addition of eight million new customers to 173 million.
- The group maintained disciplined and rigorous cost control, with the best efficiency ratio in 15 years and continued to increase profitability and shareholder value creation, with a return on tangible equity of 16.3%; earnings per share of EUR 0.77, up 18%, and tangible net asset value per share of EUR 5.24 at the end of the year. Total shareholder return during the year was 23.2%.
- These accomplishments enabled us to exceed our strategic goals set for 2024 bonus pool, mainly in capital and customer growth, so total executive variable remuneration increased by 4% compared to the previous year.

Shareholder engagement and responsiveness

Santander has historically received strong support for our remuneration policy proposals — averaging 90% between 2019 and 2023. However, at our 2024 annual shareholder meeting, the remuneration policy proposal received support from 74.8% of votes for. This lower-than-usual support prompted our board of directors to engage with our top shareholders to understand their perspectives on our remuneration system, identify any concerns leading to votes against our proposed policy and make changes to assume best possible alignment with shareholders.

Meetings were held with the 16 top investors (controlling approximately 24% of the Banco Santander's share capital) and with the major proxy advisory firms, ISS and Glass Lewis (regarding their methodologies and vote recommendations). All of these discussions were led by Glenn Hutchins, our Lead Independent Director and Chairman of our remuneration committee (see '[Statement from Glenn Hutchins, Lead Independent Director](#)' in section 1 and '[Engagement with shareholders in 2024](#)' in section 3.1). While primarily focused on remuneration, these meetings also covered additional topics of interest to our investors including board structure, sustainability strategy and virtual shareholder meetings.

Changes approved based on shareholder feedback

Overall feedback and insights received for many aspects of our remuneration programme were positive, since the company is committed to paying for performance and a significant portion of pay is at risk, but some general themes emerged during discussions, including expectations around an increase of the percentage of variable pay which is long-term oriented and higher threshold for TSR vesting. Our remuneration committee and the board of directors carefully reviewed our shareholders' feedback and have taken steps to address these concerns. This has resulted in a number of changes to our remuneration policy for 2025, as summarized below (for more details on these actions, see section [6.4](#)):

1. The portion of variable remuneration paid in equity has increased from 50% to 60%.
2. The minimum relative TSR threshold for vesting has increased from the 40th percentile versus peers to the 50th percentile in the long-term award, as several investors have indicated this as a preference, in order to avoid vesting below median peer performance levels.
3. The weight of relative TSR within the long-term metrics has increased from 40% to 50%.
4. Long-term metrics application has increased from 36% of total variable remuneration to 40%, to reinforce long-term value creation in the company.

Additionally, Santander has enhanced its public remuneration disclosures to provide further detail on our Committee's process for setting the Remuneration policy.

In response to feedback from investors, this reports also contains further explanations on how we set executive remuneration and

align pay with performance, including the peer selection criteria for this analysis. Banco Santander follows a rigorous process which includes an annual review of comparative market data to ensure our pay remains competitive in the marketplace (section 6.3).

We believe these changes further strengthen the alignment of management and shareholders' interest.

6.1 Principles of the remuneration policy

Directors' remuneration in their capacity as such

The board of directors sets the individual remuneration of directors (including executive directors) for the performance of supervisory and collective decision-making duties within the amount fixed by shareholders and commensurately with the roles they perform on the collective decision-making body, their committee membership and attendance, and other objective circumstances the board might consider.

Remuneration of directors for executive duties

Banco Santander's remuneration policy for executive duties (which also generally applies to Banco Santander employees) dictates that:

- 1 Remuneration must be in line with shareholders and customers' interests, conducive to creating long-term value and compatible with our rigorous risk management, long-term strategy and values, as well as with maintaining a sound capital base.
- 2 Fixed remuneration must make up a significant proportion of total compensation.
- 3 Variable remuneration must reward performance for achieving individual, business unit and, as the case may be, Group targets.
- 4 The global remuneration package and its structure must be competitive in order to attract and retain talent.
- 5 Remuneration decisions must be free of conflicts of interest and discrimination of any kind different from that based on the performance assessment of objectives and corporate behaviours. Remuneration must be free of gender-based bias and help eliminate inequalities that could result from it.

The remuneration elements the policy lays down include necessary mechanisms to ensure remuneration will be conducive to achieving strategic and long-term sustainability objectives of Banco Santander.

Accordingly, it bases executive directors and senior managers' variable pay on pre-determined, specific and quantifiable financial, sustainability-based and value-creation targets that are consistent with Banco Santander's interests, including in regard to environmental, social and governance matters.

For more details, please see section 6.3 about the policy's application in 2024 and section 6.4 about the remuneration policy for 2025 and subsequent years.

Lastly, the remuneration committee and the board enlisted the assistance of Willis Towers Watson to:

- Compare markets and entities similar to the Group in size, characteristics and operations using relevant data for setting remuneration.
- Estimate the fair value of variable remuneration linked to long-term objectives.

6.2 Remuneration of directors for supervisory and collective decision-making duties: policy applied in 2024

A. Composition and limits

According to our Bylaws, the remuneration of directors in their roles consists of a fixed annual amount set at the general shareholders' meeting. This amount remains in effect until shareholders vote to amend it, even though the board may reduce it in the years it deems appropriate. At the AGM, remuneration for 2024 was set at EUR 6 million (limit that has not been updated since 2012 and whose amount finally consumed has been systematically lower), which included (a) an annual allotment and (b) attendance fees.

Santander has taken out a civil liability insurance policy for directors and other executives of the Group, subject to usual terms proportionate to its circumstances.

Directors can receive shares, share options or other forms of share-based compensation, subject to prior approval at the general meeting. Directors can also receive other compensation following a proposal made by the remuneration committee and upon resolution by the board of directors, as may be deemed appropriate, in consideration for the performance of other duties in Banco Santander, whether they are executives' duties or not, in addition to their oversight and collective decision-making as board members.

Non-executive directors do not have the right to receive any benefit on the occasion of their removal from office.

B. Annual allotment

Each director received the amounts for serving on the board and its committees and positions held in them included in the chart below for 2023 and 2024.

In accordance with the remuneration policy approved at the general shareholders' meeting on 22 March 2024, the annual allotment for board and committee membership are for the same amounts for annual allotments as those initially established for 2023, except for the responsible banking, sustainability and culture committee, which was updated to EUR 28 thousand, thus equalizing its remuneration to other committees of mandatory existence, considering the importance and complexity of the matters addressed in it. Applicable amounts were:

Amount per director in euros	2024	2023
Members of the board of directors	98,000	98,000
Members of the executive committee	170,000	170,000
Members of the audit committee	43,000	43,000
Members of the nomination committee	28,000	28,000
Members of the remuneration committee	28,000	28,000
Members of the risk supervision, regulation and compliance committee	43,000	43,000
Members of the responsible banking, sustainability and culture committee	28,000	18,000
Members of the innovation and technology committee	28,000	28,000
Chair of the audit committee	70,000	70,000
Chair of the nomination committee	50,000	50,000
Chair of the remuneration committee	50,000	50,000
Chair of the risk supervision, regulation and compliance committee	70,000	70,000
Chair of the responsible banking, sustainability and culture committee	50,000	50,000
Chair of the innovation and technology committee	70,000	70,000
Lead independent director ^A	110,000	110,000
Non-executive Vice Chair	30,000	30,000

A. Glenn Hutchins has been allocated EUR 700,000 (including annual allowances and attendance fees) in minimum total annual pay set for the required time and dedication to perform his roles.

C. Attendance fees

Pursuant to board-approved resolutions on the remuneration committee's recommendations, attendance fees for board and committees meetings (with the exception of the executive committee, for which no fees are set) added up to the amounts included in the chart below for the last two years.

Since we had not reviewed the attendance fees since 2016, shareholders at the 2024 AGM approved an increase of 4% in respect of 2023. This increase compensates for board members' greater time commitment in relation to those of other comparable banking groups, based on an independent expert analysis carried out in 2023.

Attendance fees per director per meeting in euros	2024	2023
Board of directors	2,704	2,600
Audit committee and risk supervision, regulation and compliance committee	1,768	1,700
Other committees (excluding executive committee)	1,560	1,500

D. Breakdown of Bylaw-stipulated emoluments

Total director Bylaw-stipulated emoluments and attendance fees received in 2024 amounted to EUR 5.4 million (EUR 5.3 million in 2023). This is 11% less than the amount approved at the general meeting. Each director earned the following amounts for these items:

Directors	Category	Amount in euros											Total By-law stipulated emoluments and attendance fees	2023
		2024										Board and committee attendance fees		
		Board ^F	EC	AC ¹	Annual allotment			ITC ⁵	Total					
Ana Botín	Executive	98,000	170,000	—	—	—	—	—	43,944	311,944	56,472	368,416	411,000	
Héctor Grisi	Executive	98,000	170,000	—	—	—	—	—	28,000	296,000	56,472	352,472	339,500	
José Antonio Álvarez	Other external	128,000	170,000	—	—	—	—	—	28,000	326,000	56,472	382,472	371,000	
Glenn Hutchins	Independent	414,912	—	—	28,000	78,000	—	—	82,055	602,967	97,032	700,000	371,600	
Bruce Carnegie-Brown ^A	Independent	22,322	—	—	17,767	6,378	—	—	—	46,467	31,408	77,875	576,000	
Homaira Akbari	Independent	98,000	—	43,000	—	—	—	28,000	28,000	197,000	88,088	285,088	265,000	
Javier Botín ^B	Other external	98,000	—	—	—	—	—	—	—	98,000	45,968	143,968	137,000	
Sol Daurella	Independent	98,000	—	—	28,000	28,000	—	50,083	—	204,083	88,088	292,171	248,500	
Henrique de Castro	Independent	98,000	—	43,000	—	28,000	—	—	28,000	197,000	103,064	300,064	283,800	
Gina Díez	Independent	98,000	—	—	28,000	—	—	28,000	—	154,000	70,928	224,928	210,050	
Luis Isasi	Other external	98,000	170,000	—	—	28,000	43,000	—	—	339,000	100,776	439,776	416,800	
Ramiro Mato ^C	Independent	47,911	83,111	21,022	—	—	21,022	38,133	—	211,200	60,008	271,208	517,600	
Belén Romana	Independent	98,000	170,000	43,000	66,750	—	58,944	6,378	28,000	471,072	127,816	598,888	571,600	
Pamela Walkden	Independent	98,000	—	58,944	—	—	97,056	21,622	—	275,622	104,624	380,246	340,600	
Germán de la Fuente	Independent	98,000	—	97,056	—	—	43,000	—	—	238,056	99,944	338,000	270,600	
Carlos Barrabés ^D	Independent	50,089	—	—	14,311	—	—	18,060	14,311	96,771	31,408	128,179	—	
Antonio Weiss ^E	Independent	50,089	—	—	—	—	—	—	—	50,089	21,632	71,721	—	
Total		1,791,323	933,111	306,022	182,828	168,378	263,022	190,277	280,310	4,115,270	1,240,200	5,355,470	5,330,650	

A. Stepped down as director on 22 March 2024.

B. All amounts received were reimbursed to Fundación Botín.

C. Stepped down as director on 27 June 2024.

D. Director and member of the NC, RBSCC and ITC since 27 June 2024.

E. Director since 27 June 2024.

F. Also includes emoluments for other roles in the board.

EC: executive committee. AC: audit committee. NC: nomination committee. RC: remuneration committee.

RSRCC: risk supervision, regulation and compliance committee. RBSCC: responsible banking, sustainability and culture committee. ITC: innovation and technology committee.

Changes in the chairship of the committees:

1. Germán de la Fuente was appointed Chair of the AC on 23 March 2024, replacing Pamela Walkden.
2. Belén Romana was appointed Chair of the NC on 23 March 2024, succeeding Bruce Carnegie-Brown.
3. Pamela Walkden was appointed Chair of the RSRCC on 23 March 2024, replacing Belén Romana.
4. Sol Daurella assumed the chairship of the RBSCC on 23 July 2024. Pamela Walkden joined to the RBSCC on 23 March 2024, replacing Belén Romana.
5. Glenn Hutchins was appointed Chair of ITC on 23 March 2024, replacing Ana Botín.

6.3 Remuneration of directors for executive duties

i) How we set executive directors pay

We set the remuneration structure for executive directors by considering company performance as well as Santander's unique individual circumstances such as multiple stock exchange listings, the geographical distribution of the company's operations, sales and employees, and the clear industry-specific pressures in terms of talent attraction and retention. As explained below, we conduct a benchmarking analysis for the executive chair and CEO positions every year in order to establish a framework of reference for what competitors are paying.

ii) How we determine our peer group

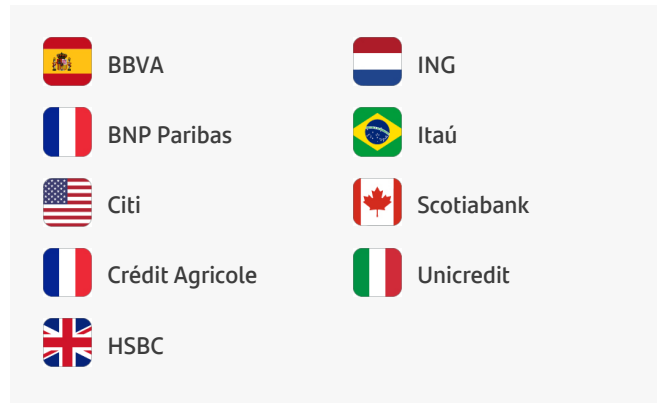
Banco Santander conducts an annual comparative review of executive directors' and top management remuneration against a peer group comprised of global banks. Because we have extensive international operations and we compete for talent on a global scale, our peer group appropriately reflects these characteristics. While two-thirds of the companies in our comparator group are European, we include banks from the US and Brazil due to the strong presence of Santander in those countries. For instance, over 50% of revenues and nearly half of profits from our secondary business segments came from the Americas in 2024, making this region a critical market for us both from a business perspective and as a source of talent.

	Europe	DCB Europe	North America	South America	% Attributable to the Americas
Revenue (EUR million)	23,510	5,679	13,915	19,783	54%
Attributable profit (EUR million)	6,644	642	2,579	3,863	47%
Total customers (thousands)	46,821	19,550	25,762	80,405	62%
Total employees	65,746	16,792	42,846	79,571	60%

As % of total operating areas, excluding the Corporate Centre.

To select the peer group, Group governing bodies follows a robust process that takes into account and ranks potential peers on the following criteria: market capitalization, scale, brand recognition, geographical diversification, business model and regulatory framework.

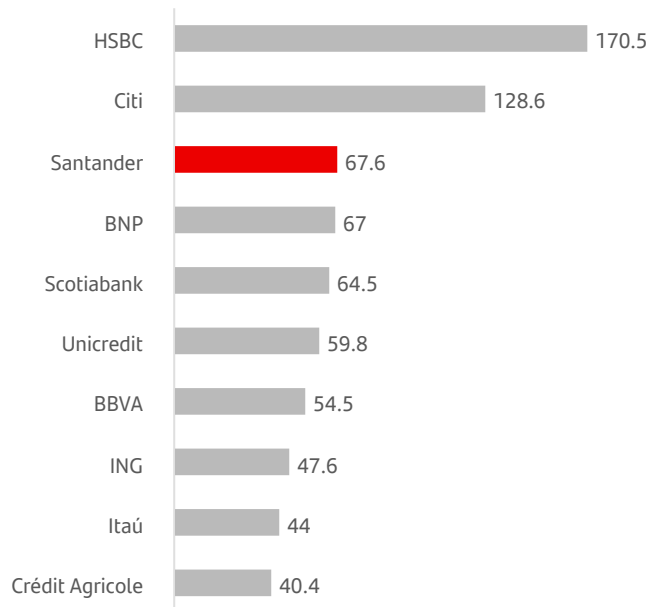
We regularly review the validity of our peer group and make the necessary changes to ensure it properly reflects our business and talent markets. Following an assessment in autumn of 2024, we determined that for 2025 our peer group should remain unchanged from 2024 and also from 2023. The group comprises the following companies:



Why did we choose these banks for the peer analysis?

- To ensure a comparison under similar macroeconomic and regulatory landscape.
- To be able to identify market trends and dynamics.
- To capture the latest developments in the banking industry.
- To monitor banks with similar size, performance, geographic footprint, business model and strategy.
- To identify outliers and best practices across the sector.

Market Cap (EUR bn) at 2024 closing date



iii) Performance-based Pay and alignment with shareholder value

Our remuneration programme mainly focuses on paying for performance, with a significant portion of each executive's remuneration at-risk. Additionally, variable pay outcome depends on the achievement of performance targets that align with our corporate strategy and lead to enhanced value for our

shareholders. The main purpose of this incentive programme is to incentivise long-term value creation.

In this sense, for year 2024:

- 61% of our Executive Chair's total compensation is performance-based and 57% of our CEO's total compensation is performance based.
- 36% of our executive director's total variable remuneration is subject to long-term metrics that include relative TSR, return on tangible equity and other sustainability metrics and therefore strengthen the alignment of our executive director's interests with the shareholder's interests in the long-term. This will increase from 36% to 40% in year 2025.
- Additionally, 50% of their variable remuneration is delivered in the form of equity instruments (mainly Banco Santander S.A. shares), with this portion to be increased up to 60% in year 2025.

v) Summary of executive remuneration composition

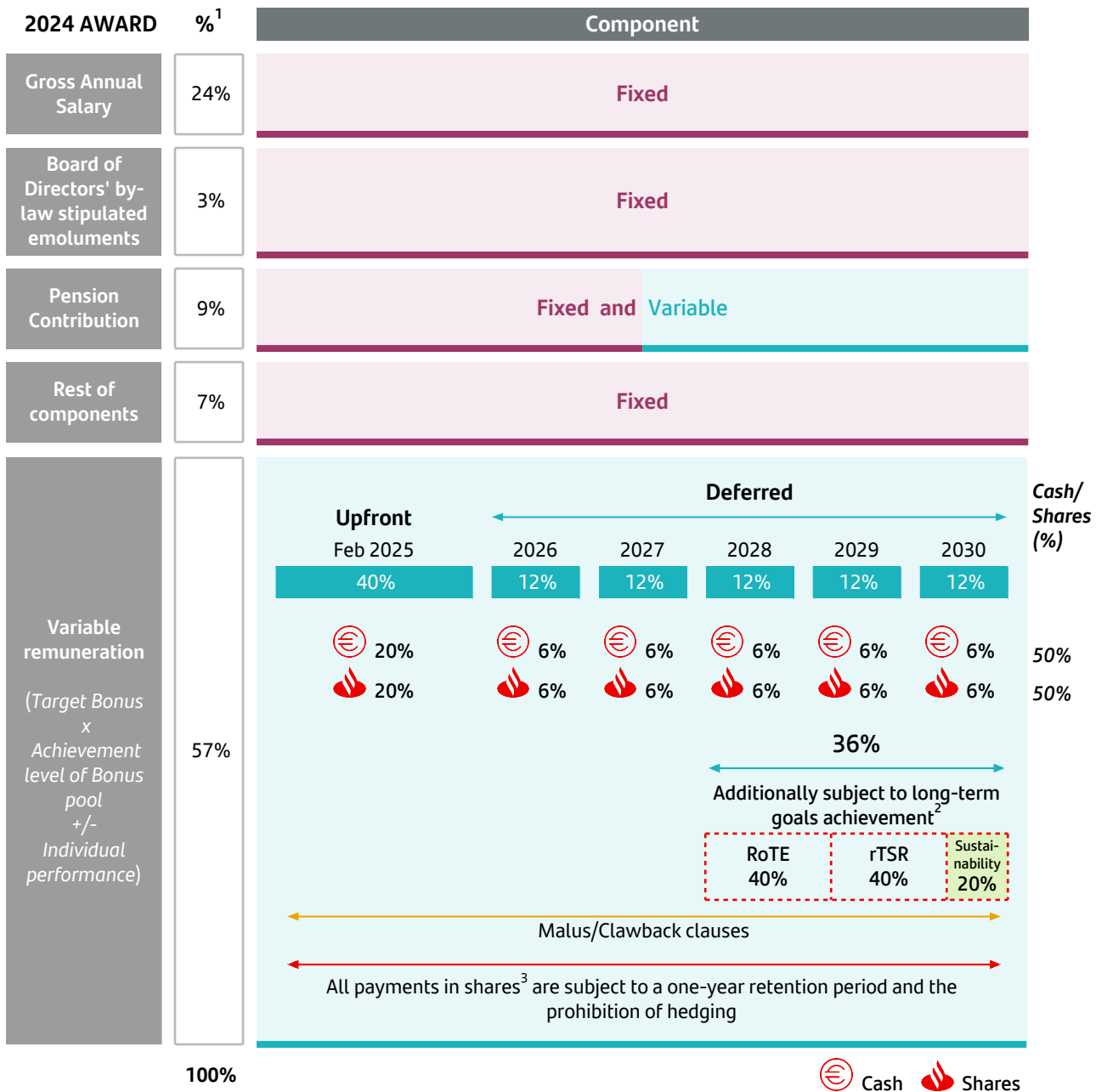
The policy on directors' remuneration for executive duties in 2024 was approved by the board of directors and put to a binding vote at the 2024 AGM, with 74.8% votes in favour. The table below summarizes the main items of remuneration policy of Ana Botín and Héctor Grisi.

Targets related to performance metrics are intended to be challenging, with payout levels established after considering upside/downside scenarios, sensitivity analysis and year-over-year growth comparisons, to ensure rigorous alignment of payouts to performance.

iv) How we include sustainability metrics in the variable incentive scheme

The current remuneration policy incorporates mechanisms that link variable remuneration to the achievement of financial, sustainability, and value creation objectives. These objectives are specific, measurable, and aligned with the bank's interests, encompassing environmental, social, and governance (sustainability) factors. For further details, please see section I.

Component	Type	Policy	Effective in 2024
Gross annual salary	Fixed	→ Paid in cash on a monthly basis (+5% vs 2023).	Ana Botin: EUR 3,435 thousand. Héctor Grisi: EUR 3,150 thousand.
Variable remuneration	Variable	<ul style="list-style-type: none"> → Individual target bonus updated (+5% vs 2023). → Calculated against annual quantitative metrics and a qualitative assessment, and taking into account individual performance. → 50% of each payment is instruments, consisting of Banco Santander, S.A instruments, and restricted stock units (RSUs) of PagoNxt, S.L. → The number of instruments is set at the time of the award. → 40% paid in 2025. → 60% deferred in five years. <ul style="list-style-type: none"> ◦ 24% paid in equal parts in 2026 and 2027. ◦ 36% paid in equal parts in 2028, 2029 and 2030, provided certain long-term objectives are met (2024-2026). 	<ul style="list-style-type: none"> • See section 6.3 B ii for details on annual metrics and assessment. • See section 6.3 B iii for details on individual variable pay. • See section 6.3 B iv for details on long-term metrics.
Pension scheme	Fixed	→ Annual contribution of 22% of base salary.	• No changes.
	Variable	→ Annual contribution of 22% of 30% of the average of variable remuneration in the last three years.	• See section 6.3 C for details on annual contributions and pension balance.
Other remuneration	Fixed	<ul style="list-style-type: none"> → Includes life, accident and medical insurance, and other in-kind compensation. → Includes for the Executive Chair a fixed remuneration supplement in cash (not considered salary or pensionable) since supplementary death and disability benefits were eliminated. 	<ul style="list-style-type: none"> • Regarding fixed remuneration supplement, no change for Ana Botin since 2018. • Héctor Grisi will not receive supplement in his fixed remuneration.
		→ Payment for non-compete commitment	No changes.
Shareholding policy	N/A	→ Executive directors also have the obligation to hold them for three years from their award date, unless the director already holds shares for an amount equivalent to 200% of their net annual salary (calculated on the basis of their gross annual salary). In such case, the regulatory obligation to hold shares is for one year from their grant date.	<ul style="list-style-type: none"> • Policy updated during 2020 to assure compliance with recommendation 62 to the Good Governance Code for Listed Companies of the CNMV. • Both Ana Botin and Héctor Grisi maintain an amount in shares higher than 200% of their fixed pay.



Remuneration scheme applicable to Executive Chair and CEO.

1. Example with Executive Chair 2024 percentages over total remuneration.

2. Long-term metrics shown for 2024 award at fair value of 70%, as have been determined by an independent expert.

3. Executive directors also have the obligation to hold them for three years from their award date, unless the director already holds shares for an amount equivalent to 200% of their net annual salary (calculated on the basis of their gross annual salary). In such case, the regulatory obligation to hold shares is for one year from their grant date.

A. Gross annual salary

On the remuneration committee's recommendation, and due to the excellent business results and total shareholder return in 2023, in order to ensure a competitive remuneration compared to other peer groups, the board resolved to increase 5% the annual salary for Ana Botín and Héctor Grisi in 2024 versus 2023.

Fixed pension contribution continues to be 22% of gross annual salary for 2024.

Executive directors' gross annual salary and fixed annual contribution to pensions for 2024 and 2023 were as follows:

EUR thousand	2024			2023		
	Gross annual salary	Fixed annual pension contribution	Total ^A	Gross annual salary	Fixed annual pension contribution	Total ^A
Ana Botín	3,435	756	4,191	3,271	720	3,991
Héctor Grisi	3,150	693	3,843	3,000	660	3,660
Total	6,585	1,449	8,034	6,271	1,380	7,651

A. Additionally, Ana Botín received in 2024 and 2023 EUR 525 thousand as a fixed remuneration supplement. Héctor Grisi did not receive fixed remuneration supplement.

B. Variable remuneration

i) General policy for 2024

The board approved the executive directors' variable remuneration on the remuneration committee's recommendation, according to the policy approved at the general shareholders' meeting:

- Variable components¹ of executive directors' total remuneration in 2024 should represent less than 200% of fixed components, as established by resolution of the AGM on 22 March 2024.
- At the beginning of 2025, on the remuneration committee's recommendation, the board approved the final amount of the 2024 incentive, based on the bonus pool calculated in accordance with the directors' remuneration policy approved at the general shareholders' meeting on 22 March 2024, and in consideration of:
 - Short-term quantitative metrics measured against annual objectives.
 - A qualitative assessment that cannot adjust the result by more than 25 percentage points upwards or downwards. While the metrics considered are qualitative, the assessment is not discretionary. Rather, it is based on an assessment of objective, measurable and audited goals, as described below.
 - An exceptional adjustment that, if applicable, must be supported by evidence.
 - The final 2024 individual incentive is determined based on the bonus pool payout, the executive director's target bonus and the individual performance resulting from (i) their individual objectives (which generally match the Group's and cover financial, risk management and solvency position, as well as fostering the five global businesses: Payments, Digital Consumer Bank, Retail & Commercial Banking, CIB and Wealth; and accelerating the transformation of the Bank into One Santander, with a special focus on IT, people and the sustainability agenda); and (ii) how they achieve them in consideration of how they manage employees and follow the corporate values.



A. Any exceptional adjustment supported by evidence

Quantitative metrics and qualitative assessment aspects are described below.

- Payment of the approved incentive is split equally into cash and instruments, the latter as follows:

- EUR 500,000 and EUR 420,000 in PagoNxt, S.L. RSUs for Ana Botín and Héctor Grisi, respectively.
- The rest, all in shares of Banco Santander.
- 40% is paid in 2025, once the final amount has been set. The remaining 60% will be deferred in equal parts over five years (subject to long-term metrics) as follows:
 - The deferred amounts payable in 2026 and 2027 (24% of the total), will be paid if none of the malus clauses described below are triggered.
 - The deferred amounts payable in 2028, 2029 and 2030 (36% of the total), will be paid if the malus clauses are not triggered and the multi-year targets described below are reached. These targets can reduce these amounts and the number of deferred instruments or increase them up to a maximum achievement ratio of 125%, so executives have the incentive to exceed their targets.
- Deferred amounts in cash may be adjusted for the inflation related to the deferral period.
- All payments in shares are subject to a three-year retention period, unless the director already holds shares for an amount equivalent to twice his/her annual fix remuneration, in which case the shares would be subject only to the regulatory one-year retention period obligation.
- The hedging of the instruments received during the retention and deferral periods is expressly prohibited. The sale of shares is also prohibited for one year from time they are received.
- All deferred payments can be subject to malus. Similarly, Santander can claw back paid incentives in the scenarios and for the period dictated in the Group's malus and clawback policy.

ii) Quantitative metrics and qualitative assessment for 2024

Executive directors' variable remuneration for 2024 has been based on the corporate centre executives' common bonus pool, which calculation comes from the quantitative metrics and qualitative assessment approved by the board at the beginning of 2024 on the remuneration committee's recommendation. This also takes into account the input from the human resources committee, which for this purpose counts on the participation of the senior management in charge of the group's Risk, Compliance, Audit, Human Resources and Legal and Financial accounting and control functions, who among others provided input on risk, solvency, liquidity, results' quality and recurrence, and compliance and control. The results for the bonus pool (shown in the chart below) resulting from the process above and reviewed and approved by

¹ As indicated in the first chart in section 6.3 pension contributions include both fix and variable components, the latter of which also form part of total variable remuneration.

the board, upon recommendation from the remuneration committee, are shown in the chart below.

Category and (weight) of Bonus pool	A. Quantitative metrics ^A		
	Targets	Achievement over target	Assessment
Transformation: (45%)	Total customers (growth) (10%)	Target: 5.31 million. Achievement: 8.9 million.	150.00%
	Active customers (growth) (10%)	Target: 2.1 million. Achievement: 4.1 million.	150.00%
	Revenue per active customer (10%)	Target: EUR 600. Achievement: 617 EUR.	102.79%
	Cost (15%)	Target: EUR 24,799 million. Achievement: EUR 24,808 million.	100.00%
Capital^B (30%)	CET1 ratio	Target: 12.45%. Achievement: 12.76%	252.59%
Profitability (25%)	RoTE (Return on tangible equity)	Target: 16.09%. Achievement: 16.27%.	108.86%
TOTAL metrics			158.27%

A. For this purpose, these metrics may be adjusted upwards or downwards by the board, following a proposal from the remuneration committee, when inorganic transactions, material changes to the Group's composition or size or other extraordinary circumstances (such as extraordinary impacts of macroeconomic environment, impairments, restructuring procedures or regulatory changes) have occurred which affect the suitability of the metric and achievement scale established in each case and resulting in an impact not related to the performance of the executive directors and executives being evaluated.

B. The related score has been calculated as per the pay-out scale approved, which factors in not only performance vs target as per CRR2 but also vs CRR3, risk transfer and net RWAs targets.

B. Qualitative assessment		
Indicators	Level of achievement	Assessment
Performance vs. Market (+/- 10%)	The Group achieved record results in 2024 for the third year in a row. This enabled us to i) place above our global peers' average in terms of profitability adjusted to cost of risk (NIM-CoR); keep a lid on cost growth more or less in line with inflation and increasing at a rate half that of our peers; and iii) continue boosting our profitability (RoTE) by climbing two positions and widening the gap with the market average. By business, Retail performed strongly in almost every market, as did Consumer, which remained a leader in NIM-CoR and profitability. Wealth grew at a faster rate than our peers.	+5.00%
Network Collaboration (+/- 5%)	During the year, we have strengthened synergy between global businesses, countries and support functions, driving collaboration within our Organization as a key factor in capturing the value of our Group, reinforcing our competitive and operational advantages. This allows us to continue to strengthen our global network and transform collaboration into a real advantage for the Group.	+3.41%
Compliance and Risk (+/- 5%)	Strengthened oversight units, including in global processes (e.g. P-27). Delivered on various regulatory/supervisory issues (closure of 4 SREP recommendations, maintained SREP operational rating, delivered EBA repair programme, full implementation of ECB IFRS9 operational act). Delivered a new Group-wide IRB strategy. Significant progress on strategic and transformational initiatives and further integration of advanced risk management techniques fostering profitable growth (automated credit decisioning, use of machine learning and artificial intelligence). Also continued to deliver an effective Compliance program in 2024, meeting the defined priorities with tangible deliverables focused on regulatory priorities such as One FCC, Unit and Global Division oversight and advice, and broader issues such as talent enhancement and mobility.	+2.50%
Sustainability targets (+/- 5%)	We made significant progress in sustainability-related lines of work, most notably our strong performance in financial inclusion and sustainable business (including climate).	+3.13%
TOTAL qualitative assessment		+14.03%
C. Exceptional adjustment approved by board of directors upon recommendation of remuneration committee	Despite very strong results and outstanding performance in capital management, the Board, upon recommendation from the Remuneration Committee, approved a discretionary reduction of -27.3 p.p. to best align the bonus pool results with shareholder performance	-27.30 %

Final bonus pool 2024	145%
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The payout relative to the level of achievement of the targets for the quantitative metrics (158.27%) and the ones relative to the qualitative evaluation (+14.03%) and exceptional adjustment (-27.30%) are added up:

$A + B + C =$ Final bonus pool result in 2024 (as a percentage of target).

The following section details the individual variable remuneration approved by the board.

iii) Determination of the individual variable remuneration for executive directors set in 2024

The board approved executive directors' variable remuneration for 2024 on the remuneration committee's recommendation, based on the bonus pool detailed above, their individual target bonuses for 2024 and the evaluation of their individual contributions.

The board also verified that none of the following circumstances have occurred:

- The Group's ONP² for 2024 was not more than 50% less than for 2023. Otherwise, variable remuneration would not have been greater than 50% of the individual target.

² For this purpose, ONP is attributed ordinary net profit, adjusted upwards or downwards for transactions the board believes have an impact not connected to the performance of evaluated directors, for which extraordinary profit, corporate transactions, impairments, or accounting or legal adjustments that may occur during the year are evaluated. The exclusion in the calculation for these purposes of goodwill impairments is aligned with the supervisors' criteria on their recommendations on dividend distributions.

- The Group's ONP was not negative. Otherwise, the incentive would have been zero.

The board of directors, upon recommendation of the remuneration committee, resolved to increase 5% the target bonuses for the Executive Chair and the CEO in 2024.

Variable contributions to pensions in terms of percentage were not modified in 2024, remaining at 22% of the 30% of the last three assigned bonus' average. This means **complying with Circular 2/2016 of the Bank of Spain**, standard 41, on pension benefits, by which a part of not less than 15% of the total contribution must be based on variable components.

Breakdown of immediately payable and deferred remuneration

2024 was a groundbreaking year in our transformation. We delivered solid operating performance and profitable growth, with record attributable profit of EUR 12,574 million on the back of a strong increase in revenue that grew far above costs, and all this progress with an improvement in cost of risk. These excellent results enabled us to achieve the targets we set for the year: a CET1 ratio of 12.8% (far exceeding forecasts and driven by strong

net organic capital generation of over 200 basis points) and shareholder value creation (TNAV per share plus cash DPS up 14% year on year and cash dividend per share of up 39% year on year). All this, coupled with our business model and robust balance sheet, enabled us to achieve an initial bonus pool of 172.30%. However, to make this pool more consistent with shareholder return, the board approved a negative adjustment of 27.30%.

Furthermore, the ratio of executive directors' total remuneration to underlying attributable profit fell from 0.19% in 2023 to 0.18% in 2024, as shown in section 6.3.I.

In this context, total executive variable remuneration increased by 4% compared to the previous year.

The immediately payable variable remuneration in deferred amounts not contingent on long-term metrics and variable remuneration deferred and contingent on long-term objectives approved by the board of directors, following a proposal by the remuneration committee, resulting from the aforementioned process are:

Immediately payable and deferred (not linked to long-term objectives) variable remuneration

EUR thousand	2024				2023			
	In cash	In shares ^A	In RSUs ^A	Total	In cash	In shares ^B	In RSUs ^B	Total
Ana Botín	2,961	2,761	200	5,922	2,848	2,648	200	5,696
Héctor Grisi	2,046	1,878	168	4,092	1,952	1,784	168	3,904
Total	5,007	4,639	368	10,015	4,800	4,432	368	9,600

A. The amounts in the foregoing table correspond to a total of 1,014 thousand shares of Banco Santander and 7 thousand RSUs of PagoNxt, S.L.

B. The amounts in the foregoing table correspond to a total of 1,168 thousand shares in Banco Santander and 6 thousand RSUs in 2023.

The following chart states deferred variable remuneration at fair value, which will only be received in 2028, 2029 and 2030 if the long-term multi-year targets are met (see section 6.3 B iv)) and beneficiaries continue to be employed at Grupo Santander, in accordance with the terms approved in the general shareholders' meeting, and no circumstances triggering malus clauses occur³:

Deferred variable remuneration linked to long-term objectives (fair value)

EUR thousand	2024				2023			
	In cash	In shares ^A	In RSUs ^A	Total	In cash	In shares ^B	In RSUs ^B	Total
Ana Botín	1,166	956	210	2,332	1,121	911	210	2,243
Héctor Grisi	806	629	176	1,611	769	592	176	1,537
Total	1,972	1,585	386	3,943	1,890	1,504	386	3,780

A. The number of shares in the table correspond to a total of 346 thousand shares of Banco Santander and 7 thousand RSUs of PagoNxt S.L.

B. The number of shares in the table correspond to a total of 396 thousand shares and 6 thousand RSUs of PagoNxt S.L. in 2023.

Fair value has been determined on the grant date based on the valuation of an independent expert, Willis Towers Watson. Based on the design of the plan for 2024 and success levels of similar plans at peer entities, the fair value was considered to be 70% of total value linked to long-term objectives assigned.

The maximum amount of shares to be delivered under the plan is within the maximum amount of the award to be delivered in shares (EUR 11.5 million) approved at the 2024 AGM for executive

directors. This number of shares has been calculated with the weighted average daily volume of weighted average listing prices of Banco Santander shares in the 50 trading sessions prior to the Friday (not inclusive) before 4 February 2025 (the date on which the board approved the 2024 bonus for executive directors), which was EUR 4.576 per share. According to an independent experts' valuation, the price per PagoNxt, S.L. RSU equals EUR 54.14.

³ Corresponds to the fair value of the maximum amount to be received over a total of 3 years, subject to continued service -with certain exceptions-, non- applicability of malus clauses and compliance with set goals. Fair value was estimated at the plan award date on account of several scenarios for the variables in the plan during the measurement periods.

iv) Multi-year targets linked to the payment of deferred amounts in 2028, 2029 and 2030

The multi-year targets linked to the payment of the deferred amounts payable in 2028, 2029 and 2030 are:

	Metrics	Weight	Target and compliance scales (metrics ratios)
A	Banco Santander's consolidated Return on tangible equity (RoTE) target in 2026	40%	If RoTE in 2026 is $\geq 18\%$, then metric ratio is 1.5 If RoTE in 2026 is $\geq 15\%$ but $< 18\%$, then metric ratio is $0 - 1.5^B$ If RoTE in 2026 is $< 15\%$, then metric is 0
B	Relative Total Shareholder Return (TSR) ^A in 2024-2026 within a peer group	40%	If ranking Santander equal percentile 100, then metric ratio is 1.5 If ranking Santander between percentiles 75 and 100 (not inclusive), then metric ratio is $1 - 1.5^C$ If ranking Santander between percentiles 40 and 75 (not inclusive), then metric ratio is $0.5 - 1^C$ If ranking Santander below percentile 40, then metric ratio is 0
C	Four sustainability (environmental, social and governance) metrics with the following weighting: $\frac{2}{10} \times \text{Coefficient 1} + \frac{2}{10} \times \text{Coefficient 2} + \frac{1}{10} \times \text{Coefficient 3} + \frac{5}{10} \times \text{Coefficient 4}$	20%	1) If % women in senior executive positions in 2026 is $\geq 37\%$, then metric ratio is 1.25 If % women in senior executive positions in 2026 is $\geq 36\%$ but $< 37\%$, then metric ratio is $1 - 1.25^D$ If % women in senior executive positions in 2026 is $\geq 34\%$ but $< 36\%$, then metric ratio is $0 - 1^D$ If % women in senior executive positions in 2026 is $< 34\%$, then metric ratio is 0
			2) If number of financially included people ^E between 2024 and 2026 (in million) is $\geq 6,3$, then metric ratio is 1.25 If number of financially included people ^E between 2024 and 2026 (in million) is $\geq 5,3$ but $< 6,3$, then metric ratio is $1 - 1.25^D$ If number of financially included people ^E between 2024 and 2026 (in million) is $\geq 3,5$ but $< 5,3$, then metric ratio is $0 - 1^D$ If number of financially included people ^E between 2024 and 2026 (in million) is $< 3,5$, then metric ratio is 0
			3) If socially responsible investment ^F in 2026 is $\geq 21\%$, then metric ratio is 1.25 If socially responsible investment ^F in 2026 is $\geq 18\%$ but $< 21\%$, then metric ratio is $1 - 1.25^D$ If socially responsible investment ^F in 2026 is $\geq 15\%$ but $< 18\%$, then metric ratio is $0 - 1^D$ If socially responsible investment ^F in 2026 is $< 15\%$, then metric ratio is 0
			4) If finance raised and facilitated ^G (in EUR billions) between 2024 and 2026 is ≥ 180 , then metric ratio is 1.25 If finance raised and facilitated ^G (in EUR billions) between 2024 and 2026 is ≥ 150 but < 180 , then metric ratio is $1 - 1.25^D$ If finance raised and facilitated ^G (in EUR billions) between 2024 and 2026 is ≥ 110 but < 150 , then metric ratio is $0 - 1^D$ If finance raised and facilitated ^G (in EUR billions) between 2024 and 2026 is < 110 , then metric ratio is 0

A. TSR refers to the difference (%) between the final and initial values of capital invested in ordinary shares of Banco Santander. The final value is calculated based on the dividends or other similar concepts (such as the Santander Scrip Dividend programme) shareholders receive for this investment during the corresponding period -as if they had invested in more shares of the same type at the first date on which the dividend or similar concept was payable to shareholders- and the weighted average share price at that date. To calculate TSR, the weighted average daily volumes of the weighted average listing prices for the fifteen trading sessions prior to 1 January 2024 (exclusive) is considered (to calculate the initial value) and the fifteen trading sessions prior to 1 January 2027 (exclusive) (to calculate the final value). The peer group consists of BBVA, BNP Paribas, Citi, Cr dit Agricole, HSBC, ING, Ita , Scotia Bank and Unicredit.

B. Straight-line increase in the RoTE ratio based on the percentage of specific RoTE in 2026 within this bracket of the scale.

C. Proportional increase in the TSR ratio based on the number of positions moved up in the ranking.

D. Increase of the coefficient is proportional to its position on this line of the scale.

E. Financial inclusion: the banking proposals or tailored finance refer to the number of people unbanked, underbanked, in financial distress or with difficulty to access credit to whom we provide tailored access and finance solutions, aiming to meet local financial inclusion needs in a recurrent, comprehensive, affordable and effective way.

F. Assets under management that meet the criteria of Santander's Sustainable Finance and Investment Classification System (SFICS) as a percentage of total assets under management.

G. Grupo Santander's contribution to our customers' transition (2024-2026): CIB green finance raised and facilitated (target), Retail & Commercial banking green finance and sustainable linked-loans, and Digital Consumer Bank green finance.

To determine the annual amount of the deferred portion linked to objectives corresponding to each executive director in 2028, 2029 and 2030, the following formula shall be applied to each of these payments ('final annuity') without prejudice to any adjustment deriving from the malus clauses:

$$\text{Final annuity} = \text{Amt.} \times (2/5 \times A + 2/5 \times B + 1/5 \times C)$$

where:

- 'Amt.' is one third of the variable remuneration amount deferred conditional on performance (i.e. Amt. will be 12% of the total variable pay set in early 2025).

- 'A' is the RoTE coefficient according to the scale in the table above, based on RoTE at year-end 2026.
- 'B' is the TSR ratio calculated as the scale in the table above, according to the relative performance of Banco Santander's TSR within its peer group in 2024- 2026.
- 'C' is the coefficient resulting from the sum of weighted coefficients for each of the four sustainability targets for 2026 described above.
- In any event, if the result of $(2/5 \times A + 2/5 \times B + 1/5 \times C)$ is greater than 1.25, the multiplier will be 1.25.

v) Malus and clawback

Deferred amounts (whether or not contingent on multi-year targets) will be earned if the beneficiary continues to work with the Group⁴, and none of the circumstances triggering malus clauses arise before each payment, according to the section on malus and clawback clauses in the remuneration policy.

Similarly, Banco Santander can clawback any paid variable amounts in the scenarios and for the period dictated by the terms and conditions in the said policy.

Variable remuneration for 2024 can be clawed back until the beginning of 2031.

Malus and clawback clauses are triggered by poor financial performance of Banco Santander, a division or area, or exposures from staff as a result of an executive(s)'s management of, at least, one of these factors:

Category	Factors
Risk	Significant failures in risk management by Banco Santander, or by a business or risk control unit.
Capital	An increase in capital requirements at the Banco Santander or one of its business units not planned at the time that exposure was generated.
Regulation and internal codes	Regulatory penalties or legal convictions for events that might be attributable to the unit or staff responsible for them. In addition, failure to comply with Banco Santander's internal codes of conduct.
Conduct	Improper conduct, whether individual or collective. Negative effects deriving from the marketing of unsuitable products and the liability of persons or bodies making such decisions will be considered especially significant.

In addition to the existing policy on malus and clawback clauses of our remuneration policy, the addendum to our remuneration policy entitled "Financial Statement Restatement Compensation" regulates the recoupment of compensation received by the executive directors of Banco Santander, S.A., and senior management, in the event of a financial restatement (according to the regulation) resulting from material noncompliance with financial reporting requirements under US federal securities laws.

The application of malus or clawback clauses for executive directors shall be determined by the board of directors, at the proposal of the remuneration committee, and cannot be proposed once the retention period for the final payment in shares under the plan has elapsed in early 2031. Therefore, the board determines the specific deferred incentive amount to be paid as well as any amount that could be subject to clawback, upon on the

remuneration committee's recommendation and depending on the level of compliance with the conditions for applying malus clauses.

C. Main features of the benefit plans

Executive directors participate in the defined contribution pension scheme created in 2012, which covers contingencies due to retirement, disability and death.

According to the 2012 system, contracts for Ana Botín and other senior managers with defined benefit pension obligations were transformed into a defined contribution system. The new system gives executive directors the right to receive benefits upon retirement, even if they are not active at Banco Santander at the time, based on contributions to the system. It also replaced their previous right to receive a pension supplement in the event of retirement.

The initial contribution for Ana Botin in the new defined contribution pension scheme corresponded to the market value of the assets for which the provisions for due obligations were recognized when the previous pension commitments had been transferred to the new pension scheme.

Every year since 2013, Banco Santander has been contributing to the pension scheme for executive directors and other members of the executive team in proportion to their pensionable bases until their departure from the Group, retirement, death or disability. In general terms, the pensionable base for executive directors is the sum of their fixed remuneration plus 30% of the average of their last three variable remuneration amounts. Contributions will be 22% of pensionable bases in all cases.

This means **complying** in both cases with **Circular 2/2016 of the Bank of Spain**, standard 41, on pension benefits, by which a part of not less than 15% of the total contribution must be based on variable components.

For Héctor Grisi, CEO from 1 January 2023, since he has been in the position for two years, the calculation of the variable portion was done using the average of the last two variable remuneration amounts.

Pursuant to remuneration regulations, contributions calculated on the basis of variable remuneration are subject to the discretionary pension benefits scheme. Therefore, under the policy, malus and clawback clauses can be enforced on them in place at any given time and during the same period in which variable remuneration is deferred. Furthermore, these contributions must be invested in Banco Santander shares for five years from the date of the executive director's retirement, or from the date on which the executive directors leave the group. Once that period has elapsed, the amount invested in shares will be paid to them or their beneficiaries if some contingency covered by the pension scheme was happened or will be added to the remainder of their

⁴ When the beneficiary's relationship with Banco Santander or another Group entity terminates because of retirement, early retirement or pre-retirement; a dismissal ruled by the courts to be wrongful; unilateral withdrawal for good cause by an employee (which includes the situations set forth in article 10.3 of Royal Decree 1382/1985, of 1 August, governing the special relationship of senior management, for the persons subject to these rules); permanent disability or death; mandatory redundancy; or because an employer other than Banco Santander ceases to belong to Grupo Santander, the right to receive shares and deferred amounts in cash and any amounts of the deferred amounts in cash adjusted for inflation will remain under the same conditions in force as if none of such circumstances had occurred. In the case of death, the right will pass to the beneficiary's heirs.

In cases of justified temporary leave due to temporary disability, suspension of contract due to maternity or paternity leave, or leave to care for children or a relative, there will be no change in the beneficiary's rights. If the beneficiary goes to another Group company (even through international assignment and/or expatriation), these rights will likewise not change. If the relationship terminates by mutual agreement or because the beneficiary obtains a leave not mentioned above, the terms of the termination or temporary leave agreement will apply.

None of the above circumstances shall give the right to receive the deferred amount in advance. If the beneficiary or the successors thereof maintain the right to receive the deferred remuneration in shares and cash and, where applicable, the amounts arising from the adjustment for inflation of the deferred amounts in cash, it shall be delivered within the periods and under the terms provided in the rules for the plans.

cumulative balance until their retirement age when the total amount will be paid.

The benefit plan is outsourced to Santander Seguros y Reaseguros, Compañía Aseguradora, S.A. The economic rights of the directors previously mentioned belong to them even if they are not active at Banco Santander at the time of their retirement, death or disability. Their contracts do not stipulate any severance payment outside the extent of the law for termination of contract.

The provisions recognised in 2024 for retirement pensions amounted to EUR 2,445 thousand (EUR 2,110 thousand in 2023), as broken down below.

EUR thousand	2024	2023
Ana Botín	1,339	1,144
Héctor Grisi	1,105	966
Total	2,445	2,110

The amounts corresponding to each director as of 31 December 2024 and 2023 in the pension scheme are:

EUR thousand	2024	2023
Ana Botín	54,731	49,257
Héctor Grisi	1,299	585
José Antonio Álvarez	20,326	19,495
Total	76,356	69,338

D. Other remuneration

Grupo Santander also takes out insurance policies for life, health and other contingencies for its executive directors. This other remuneration component includes the fixed supplement approved for Ana Botín to replace the supplementary benefits from the pension scheme eliminated in 2018, in addition to the cost for insuring death or disability until they retire. Directors are covered under the Group's civil liability insurance policy.

[Note 5](#) to the Group's consolidated financial statements describes other benefits received by executive directors in detail.

E. Shareholdings

In 2016, on the remuneration committee's recommendation, the board of directors approved a shareholding policy to better align executive directors with shareholders' long-term interests.

According to this policy, in addition to the executive directors' commitment to maintaining a significant holding of shares in Banco Santander for as long as they have their role, executive directors have five years to demonstrate that their personal assets include shares in Banco Santander that amount (net of taxes) to twice their gross annual salary on that date. The following table shows the ratio, with a share price of EUR 4.465⁵:

	2024		
	Gross annual salary (thousand)	Number of shares (thousand)	Number of times
Ana Botín	3,435	33,400	43.4
Héctor Grisi	3,150	2,124	3.0

⁵ This share price corresponds to the share price as of closing of stock markets on 31 December 2024.

Likewise, in addition to the regulatory obligation for executive directors not to sell the shares they receive as remuneration for a year from their award, which is included in the shareholding policy, and will apply to all cases, this policy has also been updated in 2020 to include the obligation for executive directors not to sell the shares they receive as remuneration for a period of three years from their award date, unless the executive director already holds Banco Santander shares for an amount equivalent to twice his/her annual salary.

F. Remuneration of board members as representatives of Banco Santander

The executive committee resolved that the remuneration accrued by executive directors who represent Banco Santander on boards of companies where it owns equity and were appointed after 18 March 2002 will accrue to the Group. No executive director received remuneration for this type of representation in 2024.

The following table includes the remuneration received by non-executive directors on a personal basis in other Group entities:

Director	Position	Remuneration
Homaira Akbari	Member of the board of Santander Consumer USA Holdings, Inc.	USD 100 thousand (EUR 96 thousand)
	Member of the Board of PagoNxt, S.L.	EUR 200 thousand
Henrique de Castro	Member of the Board of PagoNxt, S.L.	EUR 200 thousand
José Antonio Álvarez	Member of the Board of PagoNxt, S.L.	EUR 200 thousand
	Member of the Board of Banco Santander (Brasil) S.A.	BRL 1,135 thousand (EUR 183 thousand)
Pamela Walkden	Member of the Santander UK, plc and Santander UK Group Holdings Limited	GBP 109 thousand (EUR 129 thousand)

Likewise, Luis Isasi received EUR 1,000 thousand for his role as non-executive Chair of the Santander España business unit and for attending its board and committee meetings (amount included in the chart below as "other remuneration" as it is paid by Banco Santander, S.A.).

And finally, José Antonio Álvarez received a fixed remuneration of EUR 1,750 thousand as strategic adviser of Grupo Santander, as well as the life and health insurance contributions and the supplement for having waived the death and disability policy disclosed in the table in section G below.

G. Individual remuneration of directors for all items in 2024

Below is a breakdown of each director's short-term salary (payable immediately) and deferred remuneration not based on long-term performance for 2024 and 2023. Statistical information on remuneration required by the CNMV (9.5) and Note 5 to the Group's consolidated financial statements contains disclosures on shares delivered in 2024 under the deferred remuneration schemes of previous years where conditions for their delivery were met in the related years.

Directors	EUR thousand										
	2024									2023	
	Bylaw-stipulated emoluments		Salary and bonus of executive directors							Total	Total
	Board and board committees annual allotment	Board and committee attendance fees	Fixed Salary	Immediate payment bonus (50% in instruments)	Deferred payment bonus (50% in instruments)	Total	Pension Contribution	Other ^F remuneration			
Ana Botín	312	56	3,435	3,702	2,221	9,358	1,339	1,062	12,127	11,544	
Héctor Grisi	296	56	3,150	2,558	1,535	7,243	1,105	437	9,137	8,257	
José Antonio Álvarez	326	56	—	—	—	—	—	3,316	3,698	3,553	
Glenn Hutchins	603	97	—	—	—	—	—	—	700	372	
Bruce Carnegie-Brown ^A	46	31	—	—	—	—	—	—	78	576	
Homaira Akbari	197	88	—	—	—	—	—	—	285	265	
Javier Botín ^B	98	46	—	—	—	—	—	—	144	137	
Sol Daurella	204	88	—	—	—	—	—	—	292	249	
Henrique de Castro	197	103	—	—	—	—	—	—	300	284	
Gina Díez	154	71	—	—	—	—	—	—	225	211	
Luis Isasi	339	101	—	—	—	—	—	1,000	1,440	1,417	
Ramiro Mato ^C	211	60	—	—	—	—	—	—	271	518	
Belén Romana	471	128	—	—	—	—	—	—	599	572	
Pamela Walkden	276	105	—	—	—	—	—	—	381	341	
Germán de la Fuente	238	100	—	—	—	—	—	—	338	271	
Carlos Barrabés ^D	97	31	—	—	—	—	—	—	128	—	
Antonio Weiss ^E	50	22	—	—	—	—	—	—	72	—	
Total 2024	4,115	1,240	6,585	6,260	3,756	16,601	2,444	5,815	30,214	—	
Total 2023	4,238	1,097	6,271	6,000	3,600	15,871	2,110	5,251	—	28,567	

A. Stepped down as director on 22 March 2024.

B. All amounts received were reimbursed to Fundación Botín.

C. Stepped down as director on 27 June 2024.

D. Member of board of directors since 27 June 2024.

E. Member of board of directors since 27 June 2024.

F. Other remuneration includes for Luis Isasi EUR 1,000 thousand for his role as non-executive Chair of the Santander España business unit and for attending its board and committee meetings. For José Antonio Álvarez, this amount includes remuneration as strategic advisor of Grupo Santander, life and health insurance contributions (EUR 856 thousand) and the supplement for having waived the death and disability policy (EUR 710 thousand).

The following table provides each executive director's salary contingent on multi-year targets. It is only paid if they remain active in the group, malus clauses do not apply and set multi-year targets are achieved (as depending on their achievement, the amounts will be increased (limited to 125%), reduced, or even be zero, if the related minimum thresholds are not achieved):

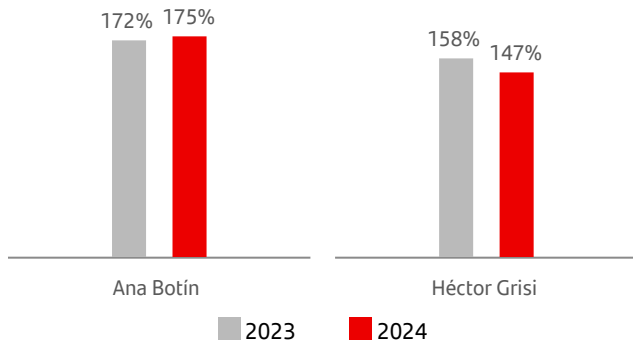
	EUR thousand	
	2024	2023
Ana Botín	2,332	2,243
Héctor Grisi	1,611	1,537
Total	3,943	3,780

A. Fair value of the maximum amount receivable over a total of 3 years (2028, 2029 and 2030), which was estimated when the plan was granted, based on several scenarios relating to variables in the plan during the measurement periods.

H. Ratio of variable to fixed pay components in 2024

At the 2024 AGM, shareholders approved a maximum ratio of 200% of variable to fixed components in executive directors' pay.

The table below shows the ratio of variable components to fixed components for each executive director's total pay in 2024. This ratio increased slightly from 2023 by 3 pp for Ana Botín and decreased 11 pp for Héctor Grisi.



For these purposes:

- Variable components include all items of this nature, such as any contributions to the pension scheme calculated on directors' variable pay.
- Fixed components consist of the other items each director receives for executive duties, including contributions to pension schemes calculated on the basis of fixed remuneration and other benefits, as well as all Bylaw-stipulated emoluments that the director is entitled to receive in his or her capacity as such.

I. How we include sustainability metrics in 2024 variable incentive scheme

Banco Santander's current remuneration policy is designed to align executive pay with our strategic goals, including long-term sustainability. The policy incorporates mechanisms that link variable remuneration to the achievement of financial, sustainability, and value creation objectives. These objectives are specific, measurable, and aligned with the bank's interests, encompassing environmental, social, and governance (sustainability) factors.

Sustainability metrics are included in the two different incentive schemes, the short-term incentive and the long-term incentive. Both structures are in place to reward performance and promote a balance between immediate results and sustainable growth over time.

1. Short-term incentive (measured by the Bonus pool result):

- Variable pay calculated against annual quantitative metrics and a qualitative assessment based on objective factors, while also considering individual performance. We consider sustainability accomplishments in the qualitative assessment, with a weight of +/- 5%.

- Our top 236 Groups' executives (including the Executive Chair and CEO), as well as employees of the global Corporate Centre and global corporate centres of our subsidiaries, are subject to this general Bonus pool framework and their respective local adaptations.
- The proposed parameters for sustainability performance reviews aim to reward progress both in key metrics and in embedding sustainability in management. For the 2024 award, the sustainability component of the qualitative assessment considered the following sustainability-related accomplishments vs the targets budgeted for the year: progress with inclusive culture, financial inclusion, sustainable business volume, climate and governance and data.

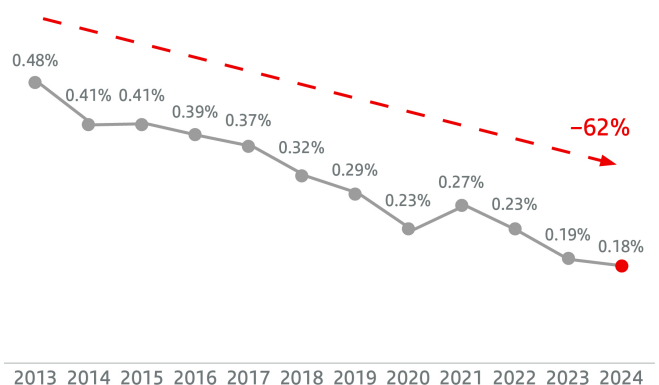
2. Long-term incentive:

- A portion of variable compensation (36%), which is deferred and earned based on the achievement of pre-determined multi-year goals, including sustainability metrics (for the 2024 award, 20% of total multi-year goals). These metrics are progress with inclusive culture, financial inclusion, socially responsible investment and supporting the transition to a low carbon economy (for more details, please see section 6.3.B iv).
- Our top 36 Groups' executives have their long-term incentive linked to these metrics, including the Executive Chair and CEO.

J. Comparative analysis of directors' remuneration, company performance and average remuneration of employees

This chart summarizes directors' compensation (short-term remuneration, deferred variable remuneration and/or deferred variable remuneration linked to multi-year targets included, excluding pension contributions) for executive duties in relation to underlying attributable profit as evidenced below. The weight of executive directors' remuneration relative to underlying attributable profit continues to decline since 2013.

Ratio of executive directors' total remuneration to underlying attributable profit



The following chart shows the comparative analysis between the directors' remuneration, the company performance (underlying profit attributable to the Group, audited profit before taxes and ordinary ROTE) and the average remuneration of Santander employees (other than directors and in a full time equivalent basis) in the last 5 years:

Directors' remuneration ¹ (EUR thousand)	2024	% var. 24/23	2023	% var. 23/22	2022	% var. 22/21	2021	% var. 21/20	2020
• Executive Directors									
Ana Botín	12,127	5%	11,544	5%	11,001	(4)%	11,435	68%	6,818
Héctor Grisi	9,137	11%	8,257	—	—	—	—	—	—
• Non-Executive Directors²									
José Antonio Álvarez	3,698	4%	3,553	(61)%	9,086	(1)%	9,160	52%	6,018
Glenn Hutchins	700	88%	372	—%	10	—%	—	—%	—
Bruce Carnegie-Brown ^A	78	(86)%	576	(18)%	700	—	700	18%	595
Homaira Akbari	285	8%	265	9%	244	(2)%	248	23%	202
Javier Botín ^B	144	5%	137	6%	129	—	129	6%	122
Sol Daurella	292	17%	249	8%	230	(4)%	239	12%	214
Henrique de Castro	300	6%	284	9%	261	(2)%	267	23%	217
Gina Díez Barroso	225	7%	211	23%	172	32%	130	—	4
Luis Isasi ^C	1,440	2%	1,417 ^E	—	1,412 ^E	—	1,406 ^E	49%	943
Ramiro Mato ^D	271	(48)%	518	4%	500	—	499	16%	430
Belén Romana	599	5%	572	4%	549	3%	533	28%	417
Pamela Walkden	381	12%	341	6%	323	7%	303	42%	214
Germán de la Fuente	338	25%	271	—	137	—	—	—	—
Carlos Barrabés ^E	128	—	—	—	—	—	—	—	—
Antonio Weiss ^F	72	—	—	—	—	—	—	—	—
Company's performance									
Underlying profit attributable to the Group (EUR mn)	12,574	14%	11,076	15%	9,605	11%	8,654	70%	5,081
Consolidated results of the Group ³ (EUR mn)	19,027	16%	16,459	8%	15,250	5%	14,547	—	(2,076)
Ordinary RoTE	16.27%	8%	15.06%	13%	13.37%	5%	12.73%	71%	7.44%
Employees' average remuneration⁴ (EUR thousand)	61	5%	58	3%	56	1%	56	18%	47
Employees' average remuneration in Spain⁵ (EUR thousand)	75	3%	73	6%	68	10%	62	(2)%	63

1. Deferred variable remuneration linked to long-term objectives is not included.

2. Non-executive directors' remuneration fluctuations are caused by joining or leaving the board of directors and the difference in the amount of meetings they assist during the year. Hence there is no correlation between their remuneration and the company performance.

3. Group operating profit/(loss) before tax.

4. Employee average remuneration includes all concepts, including other remuneration. Normally the increases or decreases in remuneration are greater for the executive directors, depending on the results of the entity, because the percentage of variable remuneration over fixed remuneration in an average employee is lower than that of the executive directors. Variable remuneration data accrued in the current year, both for employees and executive directors. Evolutive data also impacted by exchange rate performance in the group's geographies. Full time equivalent data considered.

5. Total employees in Spain geography. Fixed remuneration + effective bonus received in the year. Not all concepts are included. Not impacted by exchange rates.

A. Stepped down as director on 22 March 2024.

B. All amounts received were reimbursed to Fundación Botín.

C. Includes EUR 1,000 thousand for his role as non-executive Chair of the Santander España business unit and for attending its board and committee meetings.

D. Stepped down as director on 27 June 2024.

E. Member of board of directors since 27 June 2024.

F. Member of board of directors since 27 June 2024.

K. Performance of the long-term metrics under the 2021 plan (2021-2023)

In 2024, the board of directors, at the remuneration committee's recommendation, approved the level of performance of the long-term metrics for the sixth cycle of the deferred multi-year objectives variable remuneration plan (2021). The table below details each metric and its result at the close of period.

Metric	Target	Result	Coefficient	Weight	Weighted coefficient
CET1 fully loaded in 2023	12%	12.3%	100%	1/3	33.3%
Earnings per share growth in 2023 vs 2020	100%	149.6%	150%	1/3	50%
TSR in 2021-2023	33 - 66 percentile (0% and 100%)	Percentile 33	25%	1/3	8.3%
Total					91.6%

L. Summary of link between risk, performance and remuneration

Banco Santander's remuneration policy and its application in 2024 have promoted sound and effective risk management, at the same time as supported the fulfilment of long-term business objectives.

The key elements of the remuneration policy for executive directors making alignment between risk, performance and reward in 2024 were as follows:

Key words	Aspect aligning risk, performance and remuneration
Metrics balance	The balance of quantitative metrics and qualitative assessments, including customer, risk, capital and profitability in relation to risk, used to determine the executive directors' variable remuneration.
Financial thresholds	The adjustment to variable remuneration if certain financial thresholds are not reached, which may limit the variable remuneration to 50% of the previous year's amount or lead to it not being awarded at all.
Long-term objectives	The long-term objectives linked to the last three portions of the deferred variable remuneration. These objectives are directly associated with return to shareholders relative to a peer group, return on tangible equity (RoTE) and the five targets linked to our sustainability agenda.
Individual performance	The discretion of the board to consider the performance of each executive director in the award of their individual variable remuneration.
Variable remuneration cap	200% of fixed remuneration.
Control functions involvement	The work undertaken by the human resources committee aided by senior managers leading Control functions in relation to the analysis of quantitative metrics information and undertaking qualitative analysis.
Malus and clawback	Malus can be applied to unvested deferred pay and clawback can be applied to vested or paid compensation under the conditions dictated by the Group's remuneration policy.
Shareholding policy	We have demanding executive stock ownership requirements whereby they have the obligation to hold an amount of Santander shares of at least twice their annual salary, thus reducing the incentive for short-term risk taking.
Payment in instruments	At least 50% of variable pay is in instruments and subject to retention or prohibition from exercise of at least one year from their delivery.

6.4 Directors' remuneration policy for 2025, 2026 and 2027

Remuneration policy principles and remuneration system

A. Directors' remuneration in their capacity as such

Director's remuneration is regulated by article 58 of Banco Santander's Bylaws and article 33 of the Rules and regulations of the board of directors. For 2025, 2026 and 2027, no changes to the principles and composition of directors' remuneration for supervisory and collective decision-making duties are planned with respect of those in 2024. They are described in sections [6.1](#) and [6.2](#).

B. Executive directors' remuneration

Executive directors are entitled to be paid the remuneration (e.g., salaries, incentives, bonuses, severance payments for early

termination from such duties, and amounts to be paid by Banco Santander for insurance premiums or contributions to savings schemes) deemed appropriate for performing executive functions following a proposal from the remunerations committee and by resolution of the board of directors, subject to the limits set by law.

C. Shareholder engagement

In response to the lower-than-usual support our 2024 remuneration policy proposal received in the 2024 annual general meeting, we engaged with a significant portion of our shareholders and proxy advisors to discern and address any concerns related to remuneration. These engagement efforts are described in greater detail on the introduction section of this chapter.

As a result of these conversations, the remuneration committee proposed several changes to the remuneration structure of the executive directors for the 2025 incentive award and beyond, as well as updates to our disclosure:

Key issues raised by shareholders	Actions taken in response
<p>→ Investors expressed their wish to increase the weight of the long-term components of variable remuneration.</p>	<ul style="list-style-type: none"> • First, to provide even greater alignment with shareholders, the portion of variable remuneration paid in equity will be increased from 50% to 60%. In this regard, in 2025, for executive directors, variable remuneration will be paid 40% in cash and 60% in instruments, the latter whose long-term valuation replicate the interests of our shareholders. The portion they will receive in instruments is split as follows: <ol style="list-style-type: none"> i. EUR 500 thousand and EUR 420 thousand in PagoNxt, S.L. RSUs for Ana Botin and Héctor Grisi, respectively. ii. The rest, all in shares of Banco Santander. • Second, to strengthen the long-term vision and value creation of the company, the percentage of variable pay subject to long-term metrics will be increased from 36% to 40%. • And third, to increase the alignment with shareholders return, we have increased the weight of the relative TSR long-term performance metric from 40% to 50%.
<p>→ Investors viewed favourably that we had increased the minimum relative TSR (rTSR) vesting from 33rd percentile to 40th percentile. Still, several indicated a preference for no vesting below median peer performance levels.</p>	<ul style="list-style-type: none"> • Starting with the 2025 awards, we have increased the minimum vesting threshold for rTSR from 40th percentile to 50th percentile.
<p>→ Some investors raised how executive remuneration levels are determined.</p>	<ul style="list-style-type: none"> • Santander has enhanced the remuneration disclosures to provide further detail on our Committee's process for setting the Remuneration Policy. • This report contains further explanations detailing how executive remuneration is set and how pay is aligned with performance, including the peer selection criteria for this analysis. Santander follows a rigorous process that includes an annual review of comparative market data to ensure our pay remains competitive in the marketplace.

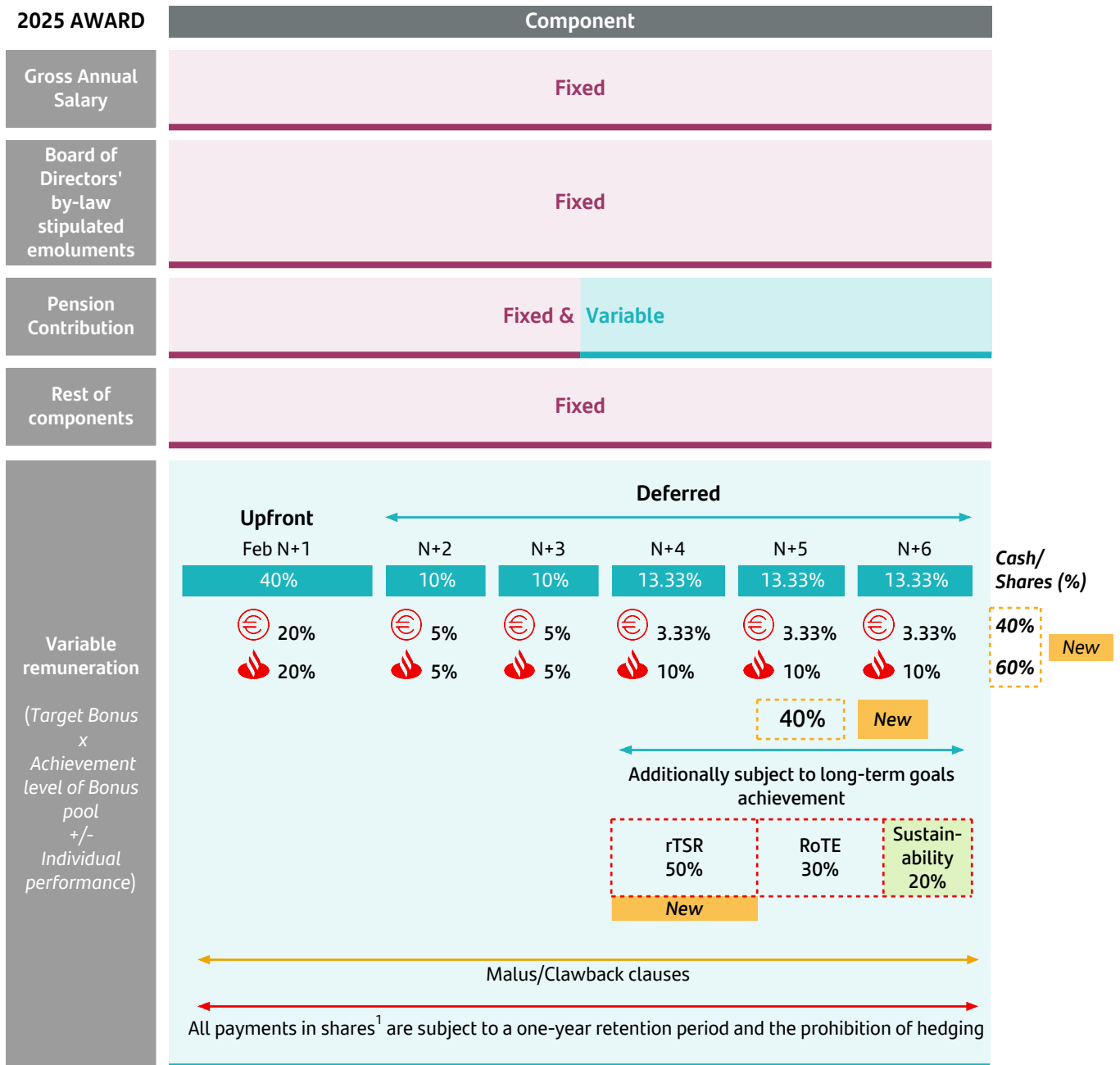
The remuneration committee proposes to maintain the current long-term performance metrics, thus prioritizing shareholder returns and the Group's profitability in the long-term, as well as the sustainability of the balance sheet and its activities and how we carry them out. Therefore these metrics will continue to be:

- Relative performance of Banco Santander's total shareholder return (TSR) compared to our peer group. Its weight is increased from 40% to 50% of the total.
- Return on tangible equity (RoTE), as an indication of long-term value creation. Its weight will be 30% of the total.

- Four sustainability metrics linked to the progress we make on our targets to implement the Group's agenda in this sense. Their weight will be 20% of the total.

And the maximum achievement ratio will also remain at 125% so executives have the incentive to exceed their targets; however, the maximum achievement ratio for effectively paid remuneration will not exceed the thresholds approved at the AGM.

The following table shows the remuneration structure for 2025 of both executive directors, according to the aforementioned changes:



€ Cash 🔥 Shares

1. Executive directors also have the obligation to hold them for three years from their award date, unless the director already holds shares for an amount equivalent to 200% of their net annual salary (calculated on the basis of their gross annual salary). In such case, the regulatory obligation to hold shares is for one year from their grant date.

Moreover, to strengthen a strategic line that is key to Banco Santander's future, and with the aim of providing a strong alignment with PagoNxt's success, the Executive Chair and the Chief Executive Officer will continue to receive restricted stock units (RSUs) of PagoNxt, S.L.

The RSUs substitute part of their variable pay instruments in Banco Santander shares without increasing their total pay and will not represent more than 10% of their variable pay.

Specifically, as regards 2025, Ana Botín would receive the equivalent of EUR 500 thousand in RSUs, and Héctor Grisi would receive the equivalent of EUR 420 thousand in RSUs, in accordance with PagoNxt, S.L.'s long term incentive plan. Each RSU would grant the right to a share in PagoNxt, S.L. or the holding entity of its group (or its equivalent in cash) at the moment when, according to such plan, a liquidity event, a repurchase or a liquidation of such instruments takes place.

This plan is subject to the same principles of risk alignment, variable remuneration caps, deferrals and malus and clawback as the incentive which applies to executive directors described herein, but with payment being done in PagoNxt S.L. instruments.

Also, as detailed at the beginning of chapter 6.3, Banco Santander conducts an annual comparative review of executive directors' and top management remuneration. In 2025, the peers that comprise the review are BBVA, BNP Paribas, Citi, Crédit Agricole, HSBC, ING, Itaú, Scotiabank and Unicredit, based on their market capitalization, global scale, brand recognition, geographical diversification, business model and regulatory framework. The incorporation of US and Brazilian banks is justified by the strong presence of Banco Santander in those countries, where Santander is listed (on the New York Stock Exchange and Brazilian Stock Exchange of São Paulo).

Our findings show that Banco Santander does not award its executive directors any remunerative components outside of common market practice.

Principle of equal pay for equal work and equal employment conditions for Santander executives and employees

Santander applies the equal pay principle included in the Corporate remuneration policy of Grupo Santander for executive directors and employees alike, which forbids any type of differential treatment that is not exclusively based on an assessment of performance results and corporate behaviours, and promotes equal pay for men and women.

Furthermore, our remuneration framework rewards Santander employees for their contribution based on such common principles as:

- Meritocracy: Non-discrimination based on sex, age, culture, religion or ethnicity.
- Consistency: Remuneration consistent with the level of responsibility, leadership and performance within the Group, to promote retention of key professionals and attract the best talent.
- Sustainability: A remuneration framework that is sustainable in terms of associated costs, cost control, and related objectives (as described in the policy) that ensure variable remuneration is commensurate with the Group's performance, disincentivize

short termism and promote long-term sustainability. The remuneration scheme for the 1,246 Corporate Identified Staff also includes deferrals of up to 60% of their variable remuneration, payment of 50% of their variable remuneration in instruments (subject to one-year retention) and malus and clawback clauses.

Also, performance objectives for annual variable remuneration have included since 2020 sustainability components. From 2022, with the purpose of increasing focus on the Group's sustainability agenda and highlight this matter as a core long-term strategy, sustainability metrics are included (described in the next section) for the last deferred variable remuneration payments.

- Social responsibility: Employees' pay cannot be lower than the legal minimum wage or the living wage in the country where they work. Additionally, in order to give our social responsibility prominence in remuneration, the Group's responsible banking objectives for employee remuneration include the people financially included metric.
- Performance-based pay: Variable remuneration is subject to the achievement of (i) annual objectives (set out in section 6.4.B.ii.B), which reflect customer and profitability strategy, promote proper risk management and cost-effective capital allocation, and discourage short-term management focus; and (ii) long-term objectives (see section 6.4.B.ii.B), which support a sustainable balance sheet, shareholder return, the Group's profitability and sustainability of the Group's activities and the way they are carried out.

Directors' remuneration for 2025

A. Directors' remuneration in their capacity as such

In 2025, directors, in their capacity as such, will receive remuneration for supervisory and collective decision-making duties for a total of up to EUR 6 million as authorised by the shareholders at the 2024 AGM (which will again be put to a vote at the 2025 AGM). It consists of:

- annual allocation, and
- attendance fees.

For 2025, the board of directors, on the remuneration committee's recommendation, approved a 3% increase (in respect of 2024) to the annual allotments for the board (chair and members) and its committees (including the executive committee), as well as to the amount allocated to the role of Lead Independent Director and non-executive vice chair and to attendance fees. This increase (aligned with the average remuneration increase of the Group's staff in Spain in 2024 vs 2023) compensates the greater time commitment of board members, compared to those of other comparable banking groups, as the last market analysis we conducted alongside an independent expert concluded.

The specific amounts and the form of payment are determined by the board of directors in the manner described in the respective 6.2 section of the Annual report, based on the objective circumstances of each director.

Additionally, as indicated in the description of the director remuneration system, Banco Santander will pay its directors' the corresponding civil liability insurance premium in 2025. The related

policy is common to all executives and was taken out under usual market condition, proportionate to Banco Santander's situation.

B. Executive directors' remuneration for the performance of executive duties

i) Fixed remuneration components

A) Gross annual salary

As part of the annual review of the target compensation of our executive directors, and on the remuneration committee's recommendation, the board has decided not to increase their gross annual salaries, which they believe are competitive based on market data for our peer group and appropriate given their roles and capabilities as well as the Group's performance.

Likewise, their gross annual salary amounts may increase owing to adjustments made to the fixed remuneration mix based on the criteria approved by the remuneration committee, provided this does not entail any cost increase for Banco Santander.

B) Other fixed remuneration components

- **Benefit systems:** defined contribution schemes as set out in section 'Benefit schemes'⁶.
- **Supplement to fixed salary:** Ana Botín will receive EUR 525 thousand as a supplement to her fixed pay in 2025. This was approved in 2018 when the supplementary death and disability pension schemes were eliminated. Héctor Grisi will not receive any supplement of this kind.
- **Social welfare benefits:** executive directors will also receive social welfare benefits such as life insurance premiums, travel grants, medical insurance and the allocation of remuneration to employee loans, in accordance with Banco Santander's general policy for senior management, and in the same terms as the rest of employees.
- Likewise, Banco Santander makes available to directors the human and material means required or considered appropriate for carrying out their duties (including any travel required for the exercise of their role). Any eventual private use of these means by the executive directors is duly paid by them under the similar terms and conditions that would be applied to third independent party under the supervision of the audit committee. This information can also be found under the 'Benefit plans' section.

ii) Variable remuneration components

The board approved the policy on executive directors' variable remuneration for 2025 on the remuneration committee's recommendation, based on the remuneration policy principles described at the beginning of this section [6.4](#).

Executive directors' variable remuneration consists of a single incentive scheme, linked to the achievement of short-and long-term objectives. It is structured as follows:

- The final amount of variable remuneration will be set at the start of the following year (2026) based on the target bonus amount and subject to compliance with the annual objectives described under section B) below.

- 40% of the incentive will be paid immediately once the final amount has been set, and 60% will be deferred in equal parts paid out over five years and subject to long-term metrics:
 - The amount deferred over the first two years (20% of the total) will be paid in 2027 and 2028 on the condition that no malus clauses described under section 6.3 B v) are triggered.
 - The amount deferred over the next three years (40% of the total) will be paid in 2029, 2030 and 2031, on the condition that no malus clauses are triggered and long-term targets – described in section D) Deferred incentive subject to long-term performance objectives– are met.

The Group can clawback incentives already paid in the cases and during the term set out in its malus and clawback policy, described under section 6.3. B) v).

Exceptionally, when a new executive director joins Banco Santander, his/her variable pay may include a sign-on bonus and/ or buyouts.

Variable components in executive directors' total remuneration for 2025 cannot exceed the limit of 200% of fixed components submitted for approval to the 2025 AGM. However, under EU regulations on remuneration, certain variable components can be excluded.

The proportion of fixed and variable remuneration elements of Banco Santander executive directors is due to the European regulation set out in the CRD V directive. In this sense, the setting of higher fixed amounts than other executive directors of non-EU banks within our peer group is due precisely to the non-requirement of this limit 2:1 of variable/fixed components for non-EU banks.

A. Target bonus

Variable remuneration for executive directors in 2025 will be set based on bonus pool results versus items detailed in the scorecard herein, their individual target bonus and the achievement of their individual objectives, which for 2025 among others include, both for the Executive Chair and the CEO, the ones to continue consolidating the management of the Group through our five global businesses.

As part of the annual review of the target compensation of our executive directors, and on the remuneration committee's recommendation, the board has decided not to increase their target bonuses for the same reasons that their gross annual salaries were not increased.

B. Setting of final variable remuneration based on yearly results

The executive director' 2025 variable remuneration will be based on the results for the following items within an updated scorecard:

1. Three categories of **quantitative metrics** (business transformation, capital and sustainable profitability) to increase alignment with shareholder value creation and capital generation. The main changes adopted in 2025 are:
 - i. the removal of the total customers metric, leaving active customers, to prioritize profitability further;

⁶ As indicated in the next section, executive directors contribution to the benefit systems includes both fixed and variable components

- ii. the inclusion of cost per active customer (instead of total costs) to keep the focus on appropriate costs management to succeed in transformation, while connecting it with our profitable customers;
 - iii. the replacement of revenue per active customer with fees over costs to incentivize growing in a business with lower capital consumption and reducing costs (so when rates come down, earnings are not depressed); and
 - iv. the inclusion of RoRWA SVA (shareholder value added) in the quantitative assessment, removing RoTE from the scope, to increase alignment with shareholders.
2. A **qualitative assessment** with the same four components of previous year, which address regulatory requirements and the needs and concerns of our shareholders: risk and compliance, network collaboration, sustainability matters and a relative performance assessment against the market in the main financial metrics. As stated in section 6.3.b, the metrics in the qualitative assessment are measurable, objective, audited and important to executing the long-term strategy of the company. The range of adjustment related to the risk and compliance and network collaboration categories has been modified (from +/-5% in the 2024 variable remuneration framework to +/-10% in 2025) to further reinforce risk adjustments within the bonus scheme and collaboration within the Group due to its relevance for the current strategy.
3. An **exceptional adjustment** that must be duly supported and may involve changes owing to control and/or risk deficiencies, negative assessments from supervisors or unexpected material events.



Accordingly, the proposed **quantitative metrics** and weightings are:

Category	Metrics ^A	Weighting
Transformation: Weight: 45%	Active customers (growth)	10%
	Cost per active customer	15%
	Fees over costs (recurrence ratio)	20%
Capital Weight: 25%	Capital generation	25%
Sustainable profitability Weight: 30%	RoRWA (Return on risk-weighted assets) SVA	30%

A. For this purpose, these metrics may be adjusted upwards or downwards by the board, following a proposal from the remuneration committee, when inorganic transactions, material changes to the Group's composition or size or other extraordinary circumstances (such as impairments, extraordinary impacts of macroeconomic environment, regulatory changes or restructuring processes) have occurred which affect the suitability of the metric and achievement scale established in each case and resulting in an impact not related to the performance of the executive directors and executives being evaluated.

And finally, to the result obtained above, we add or subtract the **qualitative assessment** according to this table:

Qualitative assessment	Weight
Performance vs. Market	+/-10%
Compliance and Risk	'+/-10%
Network collaboration	'+/-10%
Sustainability targets	+/-5%

Lastly, as additional conditions for determining the incentive, the following circumstances must be confirmed to set variable pay:

- If the Group's ONP for 2025 were 50% less than in 2024, variable pay would in no case exceed 50% of the benchmark incentive for 2025.
- If the Group's ONP were negative, the incentive would be zero.

When setting individual bonuses, the board will also consider restrictions to the dividend policy imposed by supervisors.

C) Forms of payment of the incentive

Variable remuneration of executive directors will be paid 60% in instruments, split as:

- the amount of PagoNxt RSUs set for each year (which cannot exceed 10% of their variable pay); and
- the rest, all in shares of Banco Santander.

One portion will be paid in 2026 and the other will be deferred for five years and contingent on long-term metrics:

- a) 40% of variable remuneration is paid in 2026 net of tax, with 50% in cash and 50% in instruments.
- b) 60% paid, if applicable, in five parts in 2027, 2028, 2029, 2030 and 2031 (net of tax), with 33% in cash, 67% in instruments, under the conditions stipulated in section E). This is explained in more detail in the table "2025 award" at the beginning of this 6.4 section.

The final three payments, which weight has been increased from 36% of variable remuneration to 40%, will also be subject to long-term objectives described in section D) below.

Shares shall be subject to a three-years retention period, unless the executive directors already hold shares for an amount equivalent to 200% of their fix annual remuneration -in which case the regulatory one year retention period will apply.

Under the remuneration policy, the maximum number of shares will be calculated based on the daily volume-weighted average of the weighted average Santander share price in the 50 trading sessions before the last Friday (not included) before the board meeting at which executive directors' bonus is agreed.

D) Deferred variable pay subject to long-term objectives

As indicated above, the amounts deferred in 2029, 2030 and 2031 will be paid on the condition that the group achieves its long-term targets for 2025-2027, in addition to the terms described in section E).

As advanced in section B) on the principles of the remuneration policy, the long-term targets are:

A. Relative performance of Banco Santander's total shareholder return (TSR) in 2025-2027 in respect of the weighted TSR of a peer group comprising 9 credit institutions, with the appropriate TSR ratio based on the group's TSR among its peers.

Ranking of Santander TSR	'TSR Ratio'
The 100 th percentile	1.5
Between the 75 th and 100 th percentiles (not inclusive)	1 - 1.5 ^A
Between the 50 th and 75 th percentiles (not inclusive)	0.5 - 1 ^A
Less than the 50 th percentile	0

A. Proportional increase in TSR coefficient within this bracket of the scale according to the number of positions moved up in the ranking.

TSR⁷ measures the return on shareholders' investment. It is the sum of the change in share price plus dividends and other similar items shareholders can receive during the period.

The peer group comprises BBVA, BNP Paribas, Citi, Credit Agricole, HSBC, ING, Itaú, Scotiabank and Unicredit.

B. Banco Santander's consolidated Return on tangible equity (RoTE) target in 2027. The RoTE ratio for this target is obtained as follows:

RoTE in 2027 (%)	'RoTE Ratio'
≥ 18.5%	1.5
≥ 17% but <18.5%	0 - 1.5 ^A
< 17%	0

A. Straight-line increase in RoTE coefficient within this bracket of the scale based on the specific percentage of RoTE in 2027.

C. Sustainability metrics.

In the global markets we serve, our engagement to a inclusive culture is a critical driver of our business success. We have a large, diverse customer base, and it's essential that our workforce reflects and understands the varied perspectives of our clients. Our approach to hiring, training, promoting, and retaining an appropriately aligned workforce directly impacts our ability to innovate, relate to our customers and, ultimately, deliver superior results. By fostering an inclusive environment that values different backgrounds, experiences, and viewpoints, we enhance our problem-solving capabilities, improve decision-making, and boost creativity.

Our focus on the composition of our workforce is about doing what's smart for our business because it means we are better positioned to maximize our financial performance and deliver enhanced value to our shareholders. Our success is intrinsically linked to the effectiveness of our team, making it a cornerstone of our strategy for sustained growth and profitability.

More specifically, for the 2025 incentive, the sustainability portion of the long-term incentive that is granted is determined based on performance in the following metrics and targets, which together determine the final payout of 20% of the portion of variable compensation tied to multi-year goals.

Achievement will depend on the progress made on the Group's sustainability actions lines and associated targets (described below)^B:

1. Women in executive positions by 2027:

In those geographies where regulation or governmental policy does not support establishing specific inclusivity objectives, there will not be specific goals tied to incentive compensation and will not be included in the methodology or formula that determines an element of the total executive payout. In those instances, and to the extent permissible, they will be assessed with other Group's initiatives, factors or projects as aspirational goals that can be a factor considered in making compensation decisions.

Women in executive positions ^B (%)	Coefficient
≥ 39.5%	1.25
≥ 39.2% but < 39.5%	1 - 1.25 ^A
≥ 38.4% but < 39.2%	0 - 1 ^A
< 38.4%	0

A. Increase of the coefficient is proportional to its position on this line of the scale.
B. Executive positions make up 14% of the total workforce.

The scope of this metric has been reviewed to enhance the attraction and retention of female talent and drive meaningful change. It is essential to focus on lower levels of the organization pyramid, enabling a stronger and more robust female pipeline that supports organic and sustainable progress towards our senior roles.

2. Average annual total number of people that received financial inclusion support in the period 2025 and 2027:

Financial inclusion ^B (millions of people)	Coefficient
≥ 6	1.25
≥ 4.5 but < 6	1 - 1.25 ^A
≥ 3.5 but < 4.5	0 - 1 ^A
< 3.5	0

A. Increase of the coefficient is proportional to its position on this line of the scale.
B. Number of people unbanked, underbanked, in financial distress or with difficulty to access credit to whom we provide tailored access and finance solutions, aiming to meet local financial inclusion needs in a recurrent, comprehensive, affordable and effective way.
Financial Inclusion thresholds have shifted from accumulative to annual average because it reflects better the performance of these programs.

⁷ TSR refers to the difference (%) between the final and initial values of capital invested in ordinary shares of Banco Santander. The final value is calculated based on the dividends or other similar concepts (such as the Santander Scrip Dividend programme) shareholders receive for this investment during the corresponding period -as if they had invested in more shares of the same type at the first date on which the dividend or similar concept was payable to shareholders- and the weighted average share price at that date. To calculate TSR, the weighted average daily volumes of the weighted average listing prices for the fifteen trading sessions prior to 1 January 2025 (exclusive) is considered (to calculate the initial value) and the fifteen trading sessions prior to 1 January 2028 (exclusive) (to calculate the final value).

⁸ There are thresholds that go beyond current targets, which should not be considered a revision of them, but a way to further motivate our management team, in order to progress beyond targets on sustainability main strategic lines.

3. Socially responsible investment in 2027 as a percentage of total assets under management.

Socially responsible investment ^B (%)	Coefficient
≥ 21%	1.25
≥ 19% but < 21%	1 – 1.25 ^A
≥ 15% but < 19%	0 – 1 ^A
< 15%	0

A. Increase of the coefficient is proportional to its position on this line of the scale.

B. Assets under management that meet the criteria of Santander's Sustainable Finance and Investment Classification System (SFICS), over total assets under management.

4. Supporting transition. This goal includes how we support our customers' transition through sustainable finance, and the progress on transition plan:

Finance raised and facilitated ^B between 2025 and 2027 (EUR bn)	Coefficient
≥ 220	1.25
≥ 165 but < 220	1 – 1.25 ^A
≥ 120 but < 165	0 – 1 ^A
< 120	0

A. Increase of the coefficient is proportional to its position on this line of the scale.

B. Grupo Santander's contribution to our customers' transition: CIB green finance raised and facilitated and Retail & Commercial banking green finance and Digital Consumer Bank green finance.

To achieve beyond 100% of this goal, it is necessary to progress on Banco Santander transition plan, in order to further support our customers in their transition, including: improving climate data, progress on actions to align our portfolios, enhance sustainable product offering to address market needs, further embed climate and environmental risk, and aim to support policy action and market developments.

Each sustainability goal has a different weighting:

1. Women in executive positions: 20%
2. Financial inclusion: 20%
3. Socially responsible Investment: 10%
4. Supporting transition: 50%

$$C = (20\% \text{ Goal 1} + 20\% \text{ Goal 2} + 10\% \text{ Goal 3} + 50\% \text{ Goal 4})$$

Finally, the following formula will be used to set the annual amount of performance-based deferred variable remuneration in 2029, 2030 and 2031 ('final annuity'), without prejudice to any adjustment deriving from the application of the malus policy (see section 6.3 B v):

$$\text{Final annuity} = \text{Amt.} \times (5/10 \times A + 3/10 \times B + 2/10 \times C)$$

where:

- 'Amt.' is one third of variable remuneration deferred conditional on performance (i.e. Amt. will be 13.33% of the total incentive set in early 2026).
- 'A' is the TSR ratio calculated as the scale in the table above, according to the relative performance of Banco Santander's TSR within its peer group in 2025-2027.
- 'B' is the RoTE coefficient according to the scale in the table above, based on RoTE at year-end 2027.

- 'C' is the coefficient resulting from the sum of weighted coefficients for each of the four sustainability targets for 2027 (see section (c) above).

- In any event, if the result of $(5/10 \times A + 3/10 \times B + 2/10 \times C)$ is greater than 1.25, the multiplier will be 1.25.

The estimated maximum amount to be delivered in instruments to executive directors is EUR 11.5 million.

Lastly, to verify compliance with these long-term objectives, the board, following a proposal from the remuneration committee, may adjust them to remove the effects of any regulatory change to its calculation rules or any extraordinary circumstances (such as impairments, corporate transactions, share buybacks or restructuring procedures) that have occurred which affect the suitability of the metrics and achievement scales established in each case and resulting in an impact not related to the performance of the executive directors and executives being evaluated.

E) Other terms of the incentive

Payment of the deferred amounts (including those linked to long-term targets) will occur only if they remain in the Group and none of the circumstances triggering malus clauses arise (as per the malus and clawback section in the Group's remuneration policy) under terms similar to those indicated for 2024 (detailed in section 6.3 B v)), policy expanded in 2023 to adapt it to the new regulation of US Securities Exchange Commission. Furthermore, the Group can claw back paid incentives under the scenarios, period and terms and conditions set out in the remuneration policy.

Hedging the value of Santander shares received during the retention and deferral periods is expressly prohibited.

The effect of inflation on the deferred amounts in cash may be offset.

Selling shares is also prohibited for at least one year since the delivery.

The remuneration committee may propose to the board adjustments in variable remuneration under exceptional circumstances owing to internal or external factors, such as requirements, orders or recommendations issued by regulatory or supervisory bodies. Such adjustments will be described in detail in the report on the remuneration committee and the annual report on directors' remuneration put to a non-binding vote at the AGM.

iii. Shareholdings

As described in section 6.3.E, in addition to the regulatory obligation not to sell shares they receive as remuneration for a year since from their award date, in order to comply with recommendation 62 of the Spanish Corporate Governance Code, the policy on shareholdings includes the obligation for executive directors not to sell the shares they receive as variable remuneration for a period of three years from their award date, unless the executive director already holds Banco Santander shares for an amount equivalent to twice his/her annual salary.

Directors' remuneration for 2026 and 2027

A. Directors' remuneration in their capacity as such

For 2026 and 2027, no changes to directors' remuneration are planned in respect of what is foreseen herein for 2025. However, shareholders at the 2026 or 2027 AGMs may approve an amount higher than the six million euros currently in force, or the board may approve an alternative allocation of that amount to directors in accordance with the criteria in article 58.2 of Banco Santander's Bylaws (i.e. duties and responsibilities; positions held on the board; membership and attendance at committee meetings; and other objective circumstances).

B. Directors' remuneration for the performance of executive duties

Executive directors' remuneration will conform to principles similar to those applied in 2025, with the following changes.

i) Fixed components of remuneration

A) Gross annual salary

Executive directors' annual gross fixed pay may be adjusted each year based on the criteria approved by the remuneration committee at any given time.

Otherwise, it must be disclosed in the report on the remuneration committee and the annual report on director's remuneration put to a non-binding vote at AGM.

B) Other fixed remuneration components

No changes planned in respect of the terms for 2025.

ii) Variable remuneration components

The policy on executive directors' variable remuneration for 2026 and 2027 will be based on the same principles as in 2025, following the same single-incentive scheme described above, and subject to the same rules of operation and limitations.

A) Setting variable remuneration

Executive directors' variable remuneration for 2026 and 2027 will be set based on the corporate bonus pool and a benchmark approved for each year which takes into account:

- a set of short-term quantitative metrics measured against annual objectives and aligned with the Group's strategic plan. These metrics will also cover, at least, capital and customers. They can be measured at Group level and, where applicable, at division level, for a specific business division headed by an executive director. The results of each metric can be contrasted with the budget for the financial year, as well as with growth from the previous year.
- a qualitative assessment that cannot raise or lower the result of the quantitative metrics by more than 35%. It will be conducted for the same categories as the quantitative metrics, including relative performance against market, risk management, compliance, network collaboration and sustainability targets.
- an exceptional adjustment that must be duly substantiated and may involve changes owing to control and/or risk shortfalls, negative assessments from supervisors or unexpected material events.

The quantitative metrics, the qualitative assessment and potential extraordinary adjustments will allow main objectives are considered from the perspective of the various stakeholders and that the importance of risk and capital management is factored in.

Once the corporate bonus pool is fixed according to the criteria above, the board of directors, further to a proposal from the remunerations committee, decides on the individual bonus, taking into consideration the level of achievement of their individual objectives, which in general terms coincide with the bonus pool metrics, their compliance with corporate values and risk culture.

Lastly, the following circumstances must be confirmed to set variable remuneration:

- If ONP does not reach a certain compliance threshold, the incentive cannot exceed 50% of the year's individual target bonus.
- If the group's ONP were negative, the incentive would be zero.
- When setting individual variable pay, the board will also consider restrictions to the dividend policy imposed by supervisors.

B) Forms of payment of the incentive

The variable remuneration of executive directors for 2026 and 2027, will be paid as follows:

- 40% in cash;
- and 60% in instruments, split as follows:
 - the amount of PagoNxt, S.L. RSUs set for each year (as described below); and
 - the rest, all in shares of Banco Santander.

It is also envisaged that for 2026 and 2027 Ana Botín would receive the equivalent of EUR 500 thousand in RSUs, and Héctor Gris would receive the equivalent of EUR 420 thousand in RSUs, in accordance with PagoNxt, S.L.'s long term incentive plan. Each RSU would grant the right to a share in PagoNxt, S.L. or the holding entity of its group (or its equivalent in cash) at the moment when, according to such plan, a liquidity event, a repurchase or a liquidation of such instruments takes place.

The RSUs will substitute part of their Santander variable pay instruments without increasing their total pay and will not represent more than 10% of their variable pay in any event.

C) Deferred variable remuneration subject to long-term objectives

The last three annual payments of each deferred variable remuneration amount will be made in accordance with the terms described under section E) above and if the Group fulfils long-term objectives for at least 3 years. This may confirm, reduce or increase payment amounts and the number of deferred instruments.

Long-term metrics will reflect value creation and shareholder returns as well as capital and sustainability over a minimum period of 3 years. They will be aligned with the Group's strategic plan and main priorities towards its stakeholders. They can be measured for the entire Group or by country or business, when appropriate, and subsequently compared to a group of peers.

The portion paid in shares cannot be sold until one year has elapsed since delivery.

D) Other terms of the incentive

No changes to the continuity, malus and clawback clauses of the remuneration policy for 2025 described in section 6.4.B.E) are expected. Furthermore, no changes are planned in respect of the clauses on hedging instruments or the deferred amounts in cash adjusted for inflation.

iii) Shareholdings

The policy on shareholdings approved in 2016, with the amendment introduced in 2020 relating to not selling the shares they receive as variable remuneration for a period of three years detailed in section 6.3.E) above will apply in 2026 and 2027, unless the remuneration committee proposes it be amended to the board in light of exceptional circumstances (regulations, orders or recommendations from regulators or supervisors). Such amendments would be described in detail in the report on the remuneration committee and the annual report on director's remuneration put to a non-binding vote at the annual general meeting.

iv) Principle of equal pay

The same principle of equal pay that applies for executive directors and any other Santander employee described in respect of 2025 apply for 2026 and 2027.

Terms and conditions of executive director contracts and other provisions applicable to all directors

Executive directors' terms of service are governed by board-approved contracts they sign with Banco Santander. The basic terms and conditions, besides those relating to the remuneration mentioned above, are the ones described here below.

A. Exclusivity and non-competition

Executive directors may not contract with other companies or entities to perform services, unless expressly authorised by the board of directors. In all cases, they are bound by a duty of non-competition in relation to companies and activities similar in nature to Banco Santander and its consolidated group.

In addition, executive director contracts impose prohibitions on competing and attracting customers, employees and suppliers, which can be enforced for two years after their termination in their executive duties for reasons other than a breach by Banco Santander. In regard to Ana Botín and Héctor Grisi, the compensation to be paid by Banco Santander for this duty of non-competition is twice the amount of the fixed remuneration.

Finally, all directors must comply with the Board Rules and regulations provisions that prevent them from carrying out competing activities and oblige them to communicate any other professional activities, that must be assessed by the nominations committee in order to check whether there is any conflict of interest or impair director's capacity to discharge his duties as such.

B. Code of Conduct

Directors are obliged to adhere strictly to the group's General Code and the Code of Conduct in Securities Markets, especially in terms of confidentiality, professional ethics and conflicts of interest.

C. Termination

The length of executive directors' contract is indefinite. Contracts do not provide for any severance payment upon termination apart from what the law provides.

If Ana Botín's contract is terminated by Banco Santander, she must remain available to the group for four months in order to ensure proper transition. During this period, she would continue to receive her gross annual salary.

D. Benefit plans

Executive directors participate in the defined contribution pension scheme created in 2012. It covers retirement, disability and death. Banco Santander makes annual contributions to executive directors' benefit plans schemes. Annual contributions are calculated in proportion to executive directors' pensionable bases, and the Group will continue to make them until the executive directors' leave the Group or until their retirement within the Group, their death or disability. The pensionable base of executive directors' annual contributions is their fixed remuneration plus 30% of the average of their last three variable remuneration amounts.

Contributions will be 22% of pensionable bases.

The pension amount that corresponds to contributions linked to variable remuneration will be invested in Santander shares for five years from the earlier of the date of retirement or cessation. It will be paid in cash after the five years have elapsed or on the retirement date (if later). Moreover, the malus and clawback clauses for variable remuneration contributions will apply for the same period as the related bonus or incentive.

This benefit plan is outsourced to Santander Seguros y Reaseguros, Compañía Aseguradora, S.A. Executive directors' economic rights under the scheme belong to them even if they are not active in the group at the time of their retirement, death or disability. Their contracts do not provide for any severance pay upon termination apart from what the law provides.

E. Insurance and other remuneration and benefits in kind

Ana Botín will receive the supplement to their fixed remuneration approved when the supplementary life and health benefits were eliminated in 2018. It will be paid in 2025, 2026 and 2027 in the same amount and continue to be paid until they reach retirement age (even if they are still active).

The Group has life and health insurance policies taken out for executive directors. Insurance premiums for 2025 include standard life insurance and the life insurance cover with the supplement to their fixed remuneration mentioned above. In 2026 and 2027, premiums could vary if directors' fixed pay or actuarial circumstances change.

Furthermore, directors are covered by Banco Santander's civil liability insurance policy and may receive other benefits in kind (such as employee loans) pursuant to the group's general policy and subject to the corresponding tax treatment.

Likewise, the Bank makes available to directors the human and material means required or considered appropriate for carrying out their duties (including any travel required for the exercise of their role). Any eventual private use of these means by the directors is

duly paid by them under the similar terms and conditions that would be applied to third independent party under the supervision of the audit committee.

F. Confidentiality and return of documents

Directors are bound to a strict duty of confidentiality during their relationship and subsequent to termination. Directors are required to return any documents and items relating to their activities and in their possession to Banco Santander.

Agreements with non-executive members of the board

José Antonio Álvarez has a contract since 1 January 2023 to represent the bank before supervisors, international bodies, sector organizations and other entities and authorities in institutional and public policy matters as necessary, for which he receives a fixed remuneration of EUR 1,750 thousand. This is an annual contract which has been renewed for the year 2025.

Luis Isasi has a contract since 4 April 2020 to act as non-executive Chair of the Santander España business unit (for which he receives EUR 925 thousand a year) and to serve as a member of the board of Santander España business unit (for which he receives EUR 75 thousand a year). His contract is for an indefinite term and does not entitle him to any compensation if terminated.

Appointment of new executive directors

The components of remuneration and basic structure of the agreements described in this remunerations policy will apply to any new director that is given executive functions at Banco Santander, notwithstanding the possibility of amending specific terms of agreements so that, overall, they contain conditions similar to those previously described.

Directors' total remuneration for executive duties cannot exceed the highest remuneration received by the group's current executive directors under the remuneration policy approved by shareholders. The same rules apply if a director assumes new duties or becomes an executive director.

If a director takes up executive functions in a specific division or local unit, the board of directors, on the remuneration committee's recommendation, can adapt the metrics for setting and paying incentives to take that division or local unit into account in addition to the Group.

Remuneration paid to directors in that capacity will be included within the maximum amount set by shareholders to be distributed by the board of directors in the terms described above.

A new director coming from an entity outside Grupo Santander could be paid a buyout to offset any variable remuneration foregone for having accepted a contract with the group; and/or a sign-on bonus for leaving to join Banco Santander.

This compensation could be paid fully or partly in shares, depending on the delivery limits approved at the AGM. Authorization is expected to be sought at the next general shareholders' meeting in order to deliver a maximum number of shares to any new executive directors or employees to whom buyout regulations apply.

Furthermore, sign-on bonuses can only be paid once to new executive directors, in cash or in shares, and in each case they will

not exceed the sum of the maximum variable remuneration awarded for all executive directors.

Mr Grisi's appointment as CEO (with effect from 1 January 2023) did not entail a buyout or sign-on bonus since he was already part of Grupo Santander.

Temporary exceptions to the remuneration policy

According to section 6 of Article 529 *novedecies* of the Spanish Companies Act, specific exceptions may apply to components in the remuneration policy, based on particular business needs or macroeconomic context in the Group's geographies, provided that they are required to serve the long-term interests and sustainability of the entity; ensure its viability; and require to be adopted urgently.

Such exceptions include:

- Complex macroeconomic scenarios where the ordinary course of the business is severely impacted.
- The appointment of a new Executive Chair or chief executive officer, or the need to retain an executive director to avoid a vacancy at the head of the Group (*vacatio regis*) during especially complex times for the business.
- The need to adapt to regulatory change.

To apply, exceptions must be supported by:

- a reasoned remuneration committee proposal; and
- board of directors analysis and approval.

Any applied exception will be explained in the *Annual report on directors' remuneration*.

6.5 Preparatory work and decision-making for the remuneration policy; remuneration committee involvement

Section [4.7 'Remuneration committee activities for 2023'](#), (the report on the remuneration committee) states:

- Pursuant to Banco Santander's Bylaws and the Rules and regulations of the board of directors, the duties relating to the remuneration of directors performed by the remuneration committee.
- The composition of the remuneration committee at the date the report is approved.
- The number of meetings held in 2024, including a joint session with the risk supervision, regulation and compliance supervision committee.
- The date of the meeting in which the report was approved.

The 2023 annual report on directors' remuneration was approved by the board of directors and put to consultative vote at the 2024 AGM, with 90.18% of the votes in favour. The tally of the votes

was:

	Number	% of total ^A
Votes	10,547,165,767	99.95 %

	Number	%
Votes for ^B	9,381,395,305	90.18 %
Votes against ^B	1,021,578,768	9.82 %
Blank ^C	5,497,367	0.05 %
Abstentions ^C	138,694,327	1.31%

A. Percentage on total valid votes and abstentions.

B. Percentage of votes for and against.

C. Percentage of Banco Santander's share capital on the date of the AGM.

Decision process for the development, review and application of the policy

Pursuant to Article 529 *novodecies* of the Spanish Companies Act, the remuneration committee issues the report on the proposed remuneration policy for 2025, 2026 and 2027 herein. The board of directors then submits it to the 2025 AGM as a separate item on the agenda and an integral part of this text. See [6.4 'Directors' remuneration policy for 2025, 2026 and 2027'](#).

Banco Santander's Compensation function prepares the remuneration policy with the suggestions, requests and comments received during the year from the human resources committee, remuneration committee and the board of directors. A first draft of the policy is submitted to the remuneration committee for review every January. The review considers the suggestions, requests and comments the Chair and Lead Independent Director receive through shareholder and stakeholder engagement during the year on our corporate governance and our remuneration structures. Regulators' recommendations and legal requirements that may have come to light since the last time the director remuneration policy was submitted for approval by the AGM are also considered.

The committee also makes sure the policy is consistent with the Group's culture and our Simple, Personal and Fair values.

After the preliminary presentation, incorporating the changes and suggestions of these first revisions, the Compensation function then prepares the final draft for the remuneration committee to submit to the board of directors for approval in February.

Based on the analysis carried out in the context of the 2024 annual remuneration report elaboration and its continued supervision of the remuneration policy, the remuneration committee believes the director remuneration policy for 2025, 2026 and 2027 which is

included in section 6.4 above is consistent with the principles of Banco Santander's remuneration policy and its remuneration scheme set out in the Bylaws.

The policy aims, among other aspects, (i) to maintain a simple executive remuneration scheme, with three categories of quantitative metrics (business transformation, sustainable profitability and capital) to further align with value creation and capital generation; (ii) outperform peers in value creation aspects; and, (iii) regarding metrics linked to multiyear objectives, to prioritize long-term profitability for shareholders and Santander and a sustainable balance sheet (total shareholder return, RoTE and sustainability-related metrics related to our responsible banking targets) in order to follow best market practice and meet our stakeholders' needs.

In 2024, no deviations from, or temporary exceptions to, the application of the remuneration policy occurred.

6.6 Remuneration of non-director members of senior management

2024 variable remuneration was approved by the board of directors on 4 February 2025 in view of the recommendation from the 27 January 2025 remuneration committee. It was set according to Banco Santander's general remuneration policy as well as specific details pertaining to senior management.

In general, senior management variable remuneration packages were calculated with the quantitative metrics and qualitative assessment used for executive directors (see section 6.3.B) ii).

Some contracts of members of senior management were amended in 2018 in the same manner described under 6.3.D) in respect of Ana Botín, with a pension scheme of 22% of their pensionable bases, the elimination of supplementary benefits, an increase of the insured sum of life insurance and a supplement to fixed remuneration in cash which is included under "Other remuneration".

The following table shows the amounts of short term remuneration (immediately payable) and deferred remuneration (not linked to multi year targets) for senior management as of 31 December 2024 and 2023, excluding those of executive directors. This amount has been reduced by 39% compared to that reported in 2014 (EUR 80,792 thousand):

EUR thousand							
Short-term and deferred salary remuneration							
Year	Number of people	Fixed	Immediately receivable variable remuneration (50% in instruments) ^A	Deferred variable remuneration (50% in instruments) ^B	Pension contributions	Other remuneration ^C	Total
2024	14	16,466	14,753	6,639	4,520	7,153	49,531
2023	14	17,109	14,711	6,439	4,775	7,135	50,169

A. The amount immediately payable in 2024 was 1,612 thousand Santander shares (1,568 thousand Santander shares and 1,386 thousand Santander share options in 2023).

B. The deferred amount for 2024 will be 725 thousand Santander shares a (700 thousand Santander shares and 555 thousand Santander share options in 2023).

C. Includes life insurance premiums, health insurance and relocation packages, other remuneration items and RSUs of PagoNxt S.L., as members of board of directors of this entity.

The share price for 2024 variable remuneration is EUR 4.576.

This table breaks down remuneration linked to multi-year targets for senior management (excluding executive directors) at 31 December 2024 and 2023, which they will only receive if they meet the terms of continued service; non-applicability of malus clauses; and long-term goals are met during deferral periods.

Thousands of euros		
Year	Number of people	Deferred variable remuneration subject to long-term metrics ^A (50% in instruments) ^B
2024	14	6,971
2023	14	6,761

A. In 2024, this corresponds to the fair value of maximum annual payments for 2028, 2029 and 2030 in the ninth cycle of the plan for deferred variable remuneration linked to multi-year targets. In 2023, this corresponds to the estimated fair value of maximum annual payments for 2027, 2028 and 2029 in the eighth cycle of the plan for deferred variable pay linked to multi-year targets. Fair value in the plan was determined on the authorization date based on the valuation report of independent expert Willis Towers Watson. Based on the plan for 2024 and success levels of similar plans at peer entities, the fair value was considered to be 70% of the value linked to long-term metrics.

B. The number of shares in Santander as deferred variable pay subject to long-term metrics shown in the table above was 762 thousand shares in 2024 (735 thousand shares in Santander and 582 Santander share options in 2023).

The long-term goals are the same as those for executive directors. They are described in section 6.3.B) iv).

Additionally, members of senior management who stepped down from their roles in 2024 consolidated salary remuneration and other remuneration for a total amount of EUR 12,303 thousand (EUR 3,560 thousand in 2023). In 2024 rights regarding variable pay subject to long-term objectives amounted to EUR 633 thousand (this right has not been generated in 2023 for this collective).

In 2024, the ratio of variable to fixed pay components was 116% of the total for senior managers group, well within the maximum limit of 200% set by shareholders at the AGM.

See [note 5](#) of the Group's 2024 consolidated financial statements for further details.

6.7 Prudentially significant disclosures document

On the remuneration committee's recommendation, the board approves the key remuneration elements of managers or employees who, while not belonging to senior management, take on risks, carry out control functions (i.e. internal audit, risk management and compliance) or who receive global remuneration that places them in the same remuneration bracket as senior management and employees who take on risk. These are typically those whose professional activities may have an important impact on the Group's risk profile (all of these, together with the senior management and Banco Santander's board of directors form the so called 'Corporate Identified Staff' or 'Corporate Material Risk Takers')

Every year, the remuneration committee reviews and, where applicable, updates Corporate Identified Staff in order to include individuals within the organization who qualify as such. The Remuneration Policies chapter in the 2024 Pillar III disclosures report⁹ of Banco Santander explains the criteria and regulations followed to identify such staff.

At the end of 2024, 1,246 Group executives (including executive directors and non-director senior managers) were considered corporate identified staff of Grupo Santander (1,152 in 2023), which accounts for 0.60% of the total final workforce (0.54% in 2023).

Corporate Identified Staff have the same remuneration framework as executive directors (see sections [6.1](#) and [6.3](#)), except for:

- Category-based deferral percentages and terms.
- The possibility in 2024 of certain less senior manager categories of only having deferred variable pay subject to malus and clawback clauses.
- The portion of variable remuneration paid or deferred as shares for Group executives in Brazil, Chile and Poland that can be delivered in shares or similar instruments of their own listed entities.

In 2025, the board will maintain its flexibility to determine full or partial payment in shares or similar instruments of Banco Santander and its relevant subsidiaries in the proportion it deems appropriate (according to the maximum number of Banco Santander shares allocated at the general meeting and to any regulatory restrictions in each jurisdiction).

The aggregate amount of variable remuneration for Corporate Identified Staff in 2024, the amounts deferred in cash and instruments, and the ratio of the variable to fixed remuneration components are explained in the remuneration policies chapter of Banco Santander's Pillar III disclosures report for 2024.

⁹ The 2024 Pillar III disclosures report can be found on our corporate website.

7. GROUP STRUCTURE AND INTERNAL GOVERNANCE

The Group is structured into legally independent subsidiaries whose parent company is Banco Santander, S.A. Its registered office is in Santander (Cantabria, Spain), while its corporate centre is located in Boadilla del Monte (Madrid, Spain). It has a Group-subsidary governance model (GSGM) and good governance practices in place for its core subsidiaries. Any references to subsidiaries in this section are to the Group's most prominent entities.

The key features of the GSGM are:

- The subsidiaries' governing bodies must ensure their rigorous and prudent management and economic solvency while pursuing the interests of their shareholders and other stakeholders.
- The subsidiaries are managed locally by teams that possess extensive knowledge on, and experience with, their customers and markets, while benefiting from the synergies and advantages of belonging to the Group.
- The subsidiaries are subject to local authority regulation and supervision, although the ECB supervises the Group on a consolidated basis.
- Customer funds are secured by the deposit guarantee schemes in the subsidiaries' countries and are subject to local laws.

The subsidiaries manage their capital and liquidity autonomously while the Group's capital and liquidity are coordinated by corporate committees. Intra-group risk transactions are limited, transparent and carried out under market conditions. In addition, the Group retains a controlling interest in subsidiaries listed in certain countries.

Each subsidiary runs independently and has its own recovery plan, limiting the contagion of risk between them and reducing systemic risk.

The GSGM also applies to the global businesses, namely: Corporate & Investment Banking (CIB), Retail & Commercial Banking (Retail), Wealth Management & Insurance (Wealth), Digital Consumer Bank (Consumer) and Payments (Payments). Local CEOs / Country Heads remain ultimately responsible for achieving the budget, execution of the customer and commercial strategy, and financial delivery while global businesses heads lead common businesses and are responsible for the implementation of the global operating model and common tech stack, thereby improving local performance; these result in a truly global-local organization.

7.1 Corporate Centre

The GSGM is supported by a corporate centre, which brings control and support units together with such functions as strategy, risk, compliance, audit, finance, accounting, technology and operations, people and culture, legal services, internal governance, communications and marketing. It adds value to the Group by:

- enhancing governance under robust corporate frameworks, models, policies and procedures to implement strategies and ensure an effective Group oversight;
- making the Group's units more efficient through cost management synergies, economies of scale and a common brand;
- sharing best commercial practices, with a key focus on global connectivity, launching commercial initiatives globally and bolstering digitalization and transformation; and
- ensuring the suitability of our main executives through the procedure for appointing key positions and assessing suitability that applies to the entire Group.

7.2 Internal governance

Group-subsidary relationship

The GSGM outlines a set of principles that regulate three types of relationships between the Group and its subsidiaries:

- The subsidiaries' governing bodies are subject to the Group's rules and procedures for structuring, forming and running boards of directors and their committees (audit, nomination, remuneration and risk committees), according to international standards. Guidelines regarding subsidiary board composition are aligned with best international practices and ensure an appropriate Group presence on subsidiary boards with at least two Group nominated directors on each board. The subsidiaries are also subject to local regulations and supervisory standards.
- The relationship between local CEOs / Country Heads and the Group CEO. Until January 2025 these relationships were facilitated through three Regional Heads (Europe, North America and South America). Whilst the regional organizational structure has played a key role in ensuring that the Group delivers on its long-term strategic vision and against targets announced as part

of previous investor days, the board agreed to remove this management layer in line with its ongoing focus on streamlining our structure to achieve greater agility, increasing our profitability through accelerating the roll out of our global business platforms and products. See section [1.5 'Achievement of our 2024 goals'](#).

- The relationship between local and global heads of key positions, following a three lines of defence model: Chief Risk Officer (CRO), Chief Compliance Officer (CCO), Chief Audit Executive (CAE), Chief Financial Officer (CFO) and Chief Accounting Officer (CAO), as well as other key support and business functions (Technology and Operations (T&O), People and Culture, General Secretariat, Marketing, Communications, Strategy), as well as the five global businesses (CIB, Retail, Wealth, Consumer and Payments).

Internal regulation

The Group has corporate frameworks for matters considered to have a material impact on its risk profile, such as risk, capital, liquidity, compliance, financial crime, technology, auditing, accounting, finance, strategy, people and culture, outsourcing, cybersecurity, special situations management communications and brand and responsible banking. These frameworks, which are mandatory, also specify:

- how the Group should supervise and exert control over its subsidiaries; and
- the Group's involvement in subsidiaries' decision-making (and vice versa).

The Banco Santander board approves the GSGM and corporate frameworks for subsidiary governing bodies to formally adhere to them. They consider subsidiaries' local requirements and are revised every year as required by the Group board to adapt to new legislation and international best practices.

The functions draw on corporate frameworks to prepare internal regulatory documents that are given to subsidiaries as a reference for implementing those frameworks effectively, cohesively and in compliance with applicable local laws and supervisory requirements. This approach ensures consistency throughout the

Group. Every year, the functions conduct an assessment to ensure that the Group's internal regulations are embedded locally and carry out an annual certification process to ensure the internal regulation under their scope is fit for purpose.

The Group's Internal Governance office and subsidiary general counsels are responsible for embedding the GSGM and corporate frameworks. Every year, their performance is assessed in reports sent to the relevant governing bodies.

Since 2019, a policy on the governance of non-GSGM subsidiaries has enhanced the governance and control system that has been applied to those companies.

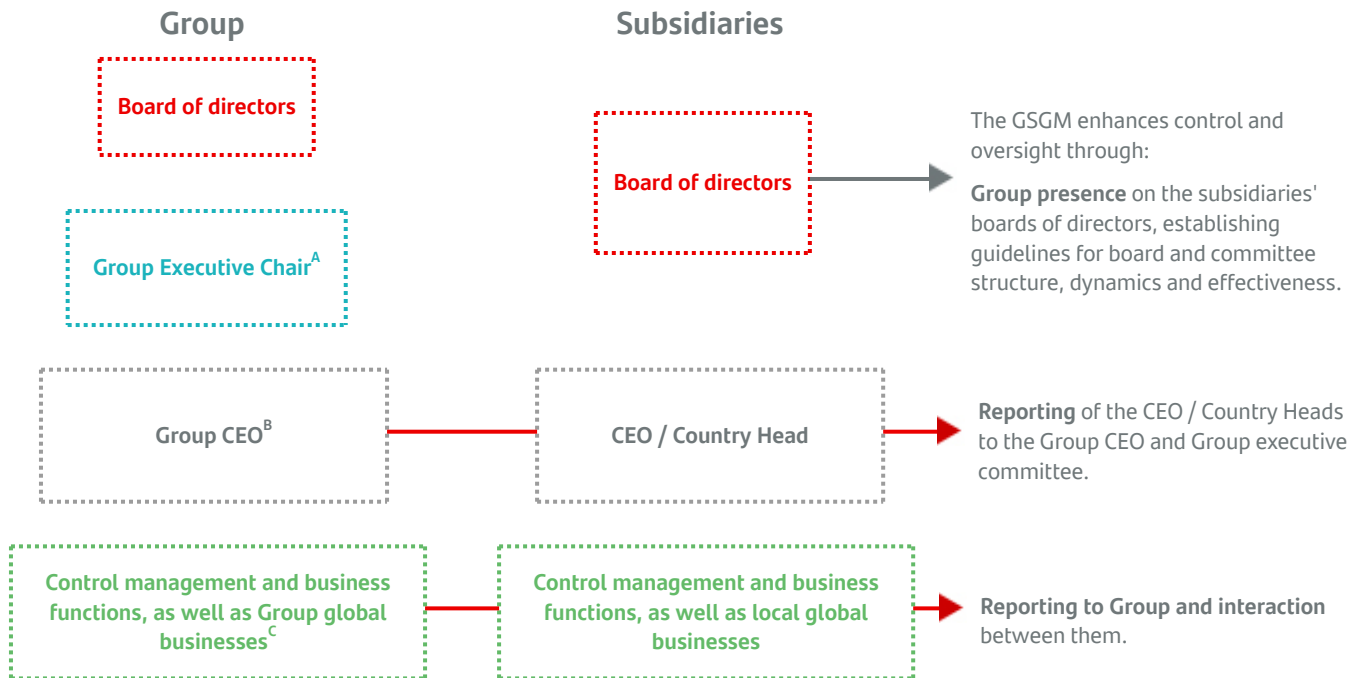
Global businesses each have specific governance arrangements which ensures a robust Group-wide oversight of such businesses as set out in the GSGM. Each global business is responsible for defining the common business and operating model, setting the global ambition and identifying and managing the global tech platforms and product factories.

Recent developments

As we continue to progress our transformation agenda, the board agreed to remove the regional layer of management in January 2025 to drive simplification and ensure that our global businesses operate directly across all countries, enabling faster decision-making, clear accountability and enhanced agility. As a result, local CEO / Country Heads now report directly to the Group CEO. They must undertake their defined key responsibilities in compliance with European Union and country-specific laws and regulations. In turn, global businesses and corporate functions own the implementation of the global operating model across our footprint; and are responsible for of the relevant platform and products budgets. This ensures alignment with our global priorities and further ensures resource optimization.

In addition, the T&O governance model was updated in 2024 with the aim of helping the global businesses and entities in their digital transformation. This governance model details a set of guiding principles defined to implement T&O's operating model global strategy, whilst ensuring an adequate control and oversight on a Group-wide basis.

The following charts show the three levels of the GSGM, as well as the main actions to ensure an effective relationship and solid internal governance system for the Group.



A. First executive.

B. Second executive, who reports directly to the board of directors.

C. Audit, Risk, Compliance, Finance, Financial Accounting & Control, T&O, People and Culture, General Secretariat, Marketing, Communications, Strategy as well as the five global businesses (CIB, Retail, Wealth, Consumer and Payments).

<p>Best practices and talent sharing across the whole Group and between subsidiaries is key to our success.</p>	<p>Multiple point of entry structure that has proved to be a key resilience instrument and is a result of our diversification strategy.</p>	<p>Continuous collaboration and daily interaction between local and corporate teams.</p>
<p>A common set of corporate frameworks and policies across the Group adapted to local market conditions.</p>	<p>Synergies and economies of scale across the Group.</p>	<p>Planning and implementation of new Group-wide and local initiatives to keep developing our management and control model.</p>

8. INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR)

This section describes the key features of Grupo Santander's ICFR.

8.1 Control environment

Governance and control bodies

These bodies are responsible for implementing and overseeing our ICFR, which builds on the Group's internal control system (ICS):

- **Board of directors.** It approves the financial reports Banco Santander must disclose as a listed company. The board also oversees and guarantees the integrity of the Group's internal information, control, accounting and reporting systems.
- **Audit committee.** It assists the board of directors in overseeing the ICS and in preparing and presenting financial information. The audit committee also works with the external auditor to address matters that have been considered in audits to have a significant impact on our ICFR. It also makes sure the external auditor issues a report on the Group's ICFR.

For more details, see section [4.5 'Audit committee activities in 2024'](#).

- **Risk control committee.** It assists the audit committee in reviewing and overseeing the annual ICS assessment.
- **Corporate accounting, financial and management, and sustainability information committee.** It is responsible for governing and supervising accounting, financial management and control matters.
- **Internal control steering meeting.** It is chaired by the CRO and CAO and its role is to continuously monitor the Group's control environment, as well as the ICS strategy and performance.

Lead functions

The structure of the Group enables us to manage risk effectively and ensure that internal control functions (risk, compliance and internal audit) are independent of business functions and can perform their duties efficiently. The key functions that prepare financial information are:

- **Costs function.** It draws up and documents the corporate model for managing structures and templates, which is used as a reference across the Group.
- **Business and support functions.** They are responsible for identifying and documenting (under their remit) the risks, tasks and controls that make up our ICFR, based on knowledge of their operations and procedures.
- **Financial accounting and control function.** It is responsible for: (i) drawing up the Group's accounting policies and adapting them to local needs; (ii) ensuring that appropriate organizational

structures are in place to carry out assigned tasks, as well as a suitable hierarchical-functional structure; (iii) using Group tools and methodologies to implement and run an ICS on the cut-off, consolidation and publication of financial information and to ensure that the financial information we report remains reliable; and (iv) implementing the corporate accounting and management information systems and adapting them to the specific needs of local units.

- **Risk and compliance functions.** These functions comprise the second line of defence and are in charge of independently overseeing and challenging the risk management that the first line conducts.

Within the Risk division, the internal control function sets the standards and methodology for, and oversees the implementation, monitoring and reporting of the Group's ICS.

- **Internal audit function.** It is the third line of defence in overseeing and reporting on our ICFR. It recommends corrective action and areas of improvement for the first and second lines to consider and implement. Internal audit is an independent function from the board of directors and senior management that oversees the quality and effectiveness of internal control, risk management (current or emerging) and governance processes and systems, thus helping to protect the organization's value, solvency and reputation.

General Code of Conduct, Canal Abierto and training

General Code of Conduct (GCC)

The Group's GCC sets out board approved guidelines on employees' conduct. Moreover, it dictates guidelines in relation to accounting standards and financial reporting.

All of the Group's employees, including directors, sign up to the GCC when they join Santander. Some are also subjected to the Code of Conduct in Securities Markets and other codes of conduct specific to their area or business.

All Santander employees have access to courses on the GCC. The compliance function also answers employees' queries on ethics and rules in the GCC.

If anyone violates the code, the people and culture function adopts disciplinary measures and recommends corrective action (including work sanctions), irrespective of any related civil or criminal sanctions.

For more details on the GCC's core implementation mechanisms, see 'Conduct standards' in section [4.2 'Ethical conduct'](#) in the 'Sustainability statement' chapter.

Canal Abierto

Canal Abierto is Banco Santander's internal information system where any person related to Banco Santander can confidentially and, if desired, anonymously, report unethical conduct that could be considered illegal acts in the workplace or contrary to the law; irregularities or violations of the GCC and acts that go against the Group's corporate behaviours; and improper accounting or auditing practices and internal control or influence on external auditors according to the SOx Act. It also provides a means to report suspicions of infringements of anti-money laundering and terrorism financing, corruption and bribery, and securities market laws.

The board of directors is responsible for implementing Canal Abierto, while the audit committee and the risk supervision, regulation and compliance committee jointly supervise the channel.

For more details on functioning of the channel and the number and type of reports received, see section [4.3 'Ethical channels'](#) in the 'Sustainability statement' chapter.

Training

Group employees who help prepare or analyse financial information take part in training programmes and regular refresher courses specifically designed to teach them the concepts and skills they require to discharge their duties properly.

The functions that prepare our ICFR promote, design and oversee these programmes and courses, with support from the people and culture function.

Training takes the form of both e-learning and on-site sessions that the people and culture function monitors and oversees to guarantee that employees duly complete them and understand their contents.

Training programmes and refresher courses on financial reporting in 2024 focused on: (i) risk analysis and management; (ii) accounting and financial statement analysis; (iii) the business, banking and the financial environment; (iv) financial management, costs and budgeting; (v) mathematical skills; and (vi) calculations and statistics.

Over 81,133 employees from several units and markets where Grupo Santander operates undertook the mentioned training programmes, with some 490,000 hours spent on them. Moreover, each subsidiary has its own training plan, based on Banco Santander's.

8.2 Risk assessment in financial reporting

Grupo Santander has a specific process to identify the companies that must be included in its scope of consolidation, which the Financial Accounting and Control division and the General Secretariat division oversee.

This process enables us to identify the entities that Grupo Santander controls through voting rights that grant direct or indirect ownership of their capital and through mutual funds, securitization funds, shareholders agreements, structured entities and other means. The aim is to determine whether the Group has control over an entity, whether it has rights to the variable returns of the entity or is exposed to them, and whether it can influence the amount of such variable returns. If the Group is considered to have control, the entity is included in the scope of consolidation under the global integration method. Otherwise, we analyse whether there is significant influence or joint control. If so, the entity is also included in the scope of consolidation and is measured using the equity method.

Entities with the greatest impact on the preparation of the consolidated financial information, must use a common ICS methodology to make sure that relevant controls are included and all significant risks to financial reporting are covered.

Risk identification considers all the Group's activities, not just the risks directly related to the preparation of the Group's financial information. For more details on the specific ICS controls on non-financial information and sustainability, see 'Risk management and internal controls over sustainability information' in note [SN 2. 'Sustainability governance'](#) in the 'Sustainability statement' chapter.

Identifying potential risks that must be covered by the ICS is based on top management's knowledge and understanding of the business and its operations in relative to the importance and qualitative criteria associated with the type, complexity or structure of the business.

Banco Santander ensures that controls are in place to cover the potential risks we identify. This includes risks of errors and fraud in financial reporting and those that cover (i) the existence of assets, liabilities and transactions at the relevant date; (ii) timely and correct recording and proper valuation of assets, liabilities and transactions; and (iii) the correct application of accounting principles and rules, as well as appropriate breakdowns.

For more details on the identification, documentation and assessment of the ICS risks and controls, see section [1.5 'Internal control system'](#) in the 'Risk management and compliance' chapter.

8.3 Control activities

Revision and approval of financial information

The board of directors and the audit committee oversee the preparation, submission and integrity of the financial information required of Banco Santander and the Group. They also review compliance with regulatory requirements, the scope of consolidation and the correct application of accounting standards, ensuring that financial information remains permanently updated on our corporate website.

The audit committee is responsible for reporting to the board of directors on the financial information that the Group must publish, ensuring that it is prepared in accordance with the same principles and practices as the financial statements and is as equally reliable.

The most significant aspects we consider when closing accounts and reviewing relevant judgements, estimates, measurements and projections are:

- impairment losses on certain assets;
- the assumptions used in the actuarial calculation for employment benefit liabilities and other obligations;
- the useful life of tangible and intangible fixed assets;
- the valuation of consolidation goodwill;
- the calculation of provisions and contingent liabilities;
- the fair value of certain unquoted assets and liabilities;
- the recoverability of tax assets; and
- the fair value of acquired identifiable assets and the liabilities assumed in business combinations.

For more details on ICS reporting and governance, see section [1.5 'Internal control system'](#) in the 'Risk management and compliance' chapter.

Internal control policies and procedures for financial IT systems

The Technology and Operations division draws up the Group's corporate policies on IT systems that are used directly or indirectly to prepare financial statements. These systems follow special internal controls to prepare and publish financial information correctly.

The internal control policies on the following aspects are of particular importance:

- Updated and divulged internal policies and procedures for system security and access to applications and computer systems according to the duties assigned to a role, to make sure access to information is appropriate and to protect the confidentiality, availability and integrity of financial information from cyber attacks.
- The methodology we use when creating, modifying and maintaining apps follows a cycle of definition, development and testing that ensures we process financial information correctly. We have special development and security controls and data access, testing, vulnerability management, and other mechanisms. For more details on cybersecurity, see section [5. 'Research, development and innovation \(R&D&I\)'](#) in the 'Economic and Financial Review' chapter.
- Comprehensive testing of applications developed based on the requirements set by a specialized development laboratory.
- We run the complete software testing cycle in a pre-production computerized environment which simulates real situations before they are rolled out. Testing includes technical and functional tests, performance tests, user-acceptance tests and pilot and prototype tests, which the entities draw up before the apps become available to end users.
- Business continuity and technological contingency plans based on corporate methodology for key functions in disasters or other events that could suspend or disrupt operations, as well as highly automated back-up systems that support critical systems and

require little manual intervention owing to redundant systems and communication lines, high availability systems and data back-up.

Internal control policies and procedures for outsourced activities and valuation services from independent experts

Grupo Santander has a corporate outsourcing and third party agreement framework and third party approval policies and procedures to cover outsourcing risks properly.

The Group must adhere to this framework (and the models and policies that build on it), which meets the EBA's requirements for outsourcing and risk management with third parties and complies with DORA Regulation.

Key processes include:

- tasks to initiate, record, process, settle, report and account for transactions and asset valuations;
- IT support in terms of software development, infrastructure maintenance, incident management, security and processing; and
- other material support services that are not directly related to financial reporting, such as vendor management, property management, HR management and others.

Key control procedures to ensure adequate coverage of risks in these processes are:

- documenting relations between Group companies with comprehensive service agreements;
- documenting and validating by the Group's service providers of processes and controls for the services that the Group's vendors perform; and
- external suppliers undergoing an approval process to ensure that the relevant risks associated with the services they provide remain within acceptable levels (according to the Group's risk appetite) and to encourage them to prove the effectiveness of their internal controls through external certifications.

Grupo Santander reviews its estimates internally according to its control model guidelines. It will hire the services of a third party to help with specific matters upon confirming their expertise and independence and approving their methods and rationale of assumptions through relevant procedures.

In particular, we have controls in place to ensure the integrity and quality of information on external suppliers of key services that could affect the financial statements. These controls are comprehensively detailed in the service level agreements that form part of the respective contracts with third parties.

For more details, see 'Supplier risk management' in the section [5.2. 'Operational risk management'](#) in the 'Risk management and compliance' chapter.

8.4 Information and communication

Group accounting policies

Accounting policies should be understood as a complement to local financial and accounting rules. Their overarching aims are (i) for statements and financial information to be made available to management bodies, supervisors and the market to provide accurate and reliable information for decision-making in relation to the Group; and (ii) for all Group entities (due to their accounting ties to Banco Santander) to meet their legal requirements in a timely manner.

The Accounting Regulation area of the Financial Accounting and Control division is responsible for:

- setting the general framework for the treatment of the transactions that constitute Banco Santander's activity, in accordance with their economic nature and the regulations governing the financial system;
- drafting up and keeping up to date the Group's accounting policies and resolving any queries or conflicts arising from their interpretation; and
- enhancing and standardizing the Group's accounting practices.

The accounting, financial management and sustainability information corporate framework sets out the principles and guidelines to prepare accounting, financial and management information that must apply to all Grupo Santander entities as a key element of their good governance.

The Group's structure makes it necessary for these principles and standard guidelines to be common for their application across our footprint, and for each of the Group entities to have effective consolidation methods and employ homogeneous accounting policies. The framework's principles are adequately reflected in the Group's accounting policies.

Accounting policies are revised at least once a year and on the back of key regulatory amendments. Moreover, every month, the Accounting Regulation area publishes an internal bulletin on new accounting regulation and their most significant interpretations.

The Group entities, through their operations or accounting heads, maintain open communication with the Accounting Regulation area and the rest of the Financial Accounting and Control division, as well as other divisions when appropriate.

Mechanisms for the preparation of financial information

Regarding financial statement consolidation, to minimize operational risk and maximize the quality of information, the Group developed IT tools to channel the flow of information between the units and the Financial Accounting and Control division and carries out consolidation based on the information provided.

This process is automated end to end, with controls that enable us to detect incidents during consolidation. Moreover, the Financial Accounting and Control division exercises further supervisory and analytical control, which is set out in formal documents and carried out and reviewed under set time frames.

8.5 Monitoring of system functioning

2024 ICFR monitoring activities and results

The board of directors approved an internal audit framework that details the function and how it should conduct its work.

Internal audit function reports to the audit committee and, at least twice a year, to the board of directors. As an independent unit, it also has direct access to the board when required.

Internal audit assesses:

- the efficiency and effectiveness of the ICFR;
- compliance with applicable regulations and supervisory requirements;
- the reliability and integrity of financial and operational information; and
- asset integrity.

Its scope of action includes:

- all entities over which the Group exercises effective control;
- separated assets (for example, mutual funds) managed by the entities mentioned in the previous section; and
- any entity (or separated assets) not included in the above points with which the Group has entered into an agreement to provide internal audit function.

This subjective scope includes, our activities, businesses and processes (performed internally or through outsourcing), the organization and, where applicable, branch networks. Internal audit function may also conduct audits for other investees that are not included in the preceding points when the Group has reserved this right as a shareholder, as well as on outsourced activities in accordance with the established agreements.

The audit committee supervises the Group's Internal Audit function. For more details, see section [4.5 'Audit committee activities in 2024'](#).

As at 2024 year-end, Internal Audit division had 1,230 employees, all exclusively dedicated to this service. Of these, 281 were based at the Corporate Centre and 949 in the local units located in the Group's core markets, all with exclusive dedication.

Every year, the internal audit function prepares an audit plan based on a risk self-assessment and is solely responsible for executing the plan. Reviews may lead to recommendations, which are prioritized in accordance with their relative importance and are continuously monitored until full implementation.

In its meeting on 13 February 2024, the audit committee gave the green light to the internal audit plan for 2024, which the board of directors subsequently approved at its meeting on 26 February 2024.

The internal audit function report on the ICFR review aimed to:

- verify compliance with the provisions contained in sections 302, 404, 406, 407 and 806 of the SOx Act;

- check corporate governance with regard to information relating to the ICFR, including risk culture;
- review the functions performed by the internal control departments and by other departments, areas and divisions that work to ensure compliance with the SOx Act;
- make sure the supporting documentation relating to the SOx Act is up to date;
- confirm the effectiveness of a sample of controls based on an internal audit risk assessment methodology;
- assess the accuracy of the unit's certifications, especially their consistency with respect to the observations and recommendations made by Internal Audit, the external auditors of the annual accounts and supervisors; and
- ratify the implementation of recommendations made in the audit plan.

In 2024, the audit committee and the board of directors were regularly informed of the internal audit function's work in accordance with its annual plan, as well as of other related matters. For more details, see section [4.5 'Audit committee activities in 2024'](#).

Detection and management of deficiencies

As part of its to supervise financial reporting and internal control systems, the audit committee is responsible for maintaining

continuous dialogue with the external auditor regarding any significant weaknesses detected in the audit.

The audit committee also assesses the results of the work of the internal audit function and may take the necessary measures to correct any deficiencies identified in the financial information, that may impact on the reliability and accuracy of the financial statements. It may ask other areas of the Group involved in the process for vital information and clarification. The committee also assesses the potential impact of any errors detected in the financial information.

In 2024, the audit committee was informed of the ICS assessment and certification for the 2023 financial year. For more details, see section [4.5 'Audit committee activities in 2024'](#).

8.6 External auditor report

The external auditor issued an independent reasonable assurance report on the design and effectiveness of our ICFR.

The report is included on the following pages.



This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

Independent reasonable assurance report on the design and effectiveness of Internal Control over Financial Reporting (ICFR)

To the Board of Directors of Banco Santander, S.A.:

We have carried out a reasonable assurance engagement of the design and effectiveness of the Internal Control over Financial Reporting (hereinafter, ICFR) and the description that is included in the attached Report that forms part of the corresponding section of the Annual Corporate Governance Report of Banco Santander, S.A., (hereinafter, Banco Santander or the Parent Company) and its subsidiaries (hereinafter, the Group or Grupo Santander) as at December 31, 2024. This system is based on the criteria and policies defined by the Banco Santander S.A., in accordance with the guidelines established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in its "Internal Control-Integrated Framework" report, in its most recent framework published in 2013.

An Internal Control over Financial Reporting is a process designed to provide reasonable assurance over the reliability of financial information in accordance with the applicable financial reporting framework and includes those policies and procedures that: (i) enable the records reflecting the transactions performed to be kept accurately and with a reasonable level of detail; (ii) provide reasonable assurance as to the proper recognition of transactions to make it possible to prepare the financial information in accordance with the accounting principles and standards applicable to it and (iii) provide reasonable assurance in relation to the prevention or timely detection of unauthorized acquisitions, use or sales assets that could have material effect on the financial information.

Inherent limitations

In this regard, it should be borne in mind that, given the inherent limitations of any system of Internal Control over Financial Reporting, regardless of the quality of the design and operation of the system, it can only allow reasonable, but not absolute security, in relation to the objectives it pursues, which may lead to errors, irregularities or fraud that may not be detected. On the other hand, the projection to future periods of the evaluation of internal control is subject to risks such as such internal control being inadequate as a result of future changes in the applicable conditions, or that in the future the level of compliance of the established policies or procedures may be reduced.

Director's responsibility

The Parent Company's Directors are responsible for taking the necessary measures to reasonably guarantee the implementation, maintenance and supervision of an adequate Internal Control over Financial Reporting, as well as the evaluation of its effectiveness, the development of improvements of ICFR and the preparation and establishment of the content of the attached information relating to the ICFR.

Our Responsibility

Our responsibility is to issue a reasonable assurance report on the design and effectiveness of the Internal Control over Financial Reporting of the Banco Santander, based on the work we have performed and on the evidence we have obtained. We have performed our reasonable assurance engagement in accordance with "International Standard on Assurance Engagements 3000 (ISAE 3000)" (Revised), "Assurance Engagements other than Auditing or Reviews of Historical Financial Reporting", issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC).

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Banco Santander, S.A. and its subsidiaries

A reasonable assurance report includes the understanding of the Internal Control over Financial Reporting, assessing the risk of material weaknesses in the internal control, that the controls are not properly designed or they do not operate effectively, the execution of tests and evaluations on the design and effective implementation of this ICFR, based on our professional judgment, and the performance of such other procedures as may be deemed necessary.

We believe that the evidence we have obtained provides a sufficient and adequate basis for our opinion.

Our Independence and quality management

We have complied with the independence requirements and other ethical requirements of the Accounting Professionals Code of Ethics (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is based on the fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality, and professional behavior.

Our firm applies the International Standard on Quality Management (ISQM) 1, which requires the firm to design, implement and operate a quality management system that includes policies or procedures related to compliance with ethical requirements, professional standards and requirements, applicable laws and regulations.

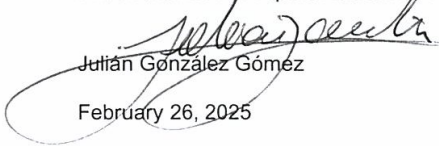
Opinion

In our opinion, Banco Santander maintained as at December 31, 2024, in all material respects, a system of Internal Control relating to Financial Reporting included in the consolidated financial statements of the Banco Santander, S.A. as at December 31, 2024 effective, which is based on the criteria and the policies defined by the Parent Company's management in accordance with the guidelines established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in its "*Internal Control - Integrated Framework*" report, in its most recent framework published in 2013.

In addition, the description of the ICFR that is attached and included in the corresponding section of the Annual Corporate Governance Report of Banco Santander as at December 31, 2024, has been prepared, in all material respects, in accordance with the requirements established by article 540 of the Consolidated Text of the Capital Companies Act and with the Circular 5/2013 of June 12 of the CNMV, and subsequent amendments, the most recent being Circular 3/2021, of September 28, of the CNMV for the purposes of describing the ICFR in the Annual Reports of Corporate Governance.

This work does not constitute an audit of accounts nor is it subject to the regulations governing the activity of the audit in force in Spain, so we do not express any audit opinion in the terms provided in the aforementioned regulations. However, we have audited under separate engagement, in accordance with the regulations governing the audit activity in force in Spain, the consolidated financial statements of Grupo Santander prepared by the Parent Company's Directors in accordance with the International Financial Reporting Standards adopted by the European Union and other provisions of the financial reporting standards applicable to the Group, and our report dated February 26, 2025 expresses a favorable opinion on those consolidated annual accounts.

PricewaterhouseCoopers Auditores, S.L.



Julián González Gómez
February 26, 2025

9. OTHER CORPORATE GOVERNANCE INFORMATION

Since 12 June 2018, CNMV allows the annual corporate governance and directors' remuneration reports Spanish listed companies must submit to be drafted in a free format, which is what we selected for our corporate governance and directors' remuneration reports since 2018.

The CNMV requires any issuer opting for a free format to provide certain information in a format it dictates so that it can be aggregated for statistical purposes. This information is included (i) for corporate governance matters, under section [9.2 'Statistical information on corporate governance required by the CNMV'](#), which also covers the section 'Degree of compliance with corporate governance recommendations', and (ii) for remuneration matters, under section [9.5 'Statistical information on remuneration required by the CNMV'](#).

Some shareholders or other stakeholders may be used to the formats of the corporate governance and directors' remuneration

reports set the by the CNMV. Therefore, each section under this format in sections [9.1 'Reconciliation with the CNMV's corporate governance report model'](#) and [9.4 'Reconciliation to the CNMV's remuneration report model'](#) include a cross reference indicating where this information may be found in the 2024 annual corporate governance report (drafted in a free format) and elsewhere in this annual report.

We have normally completed the 'comply or explain' section for all recommendations in the Spanish Corporate Governance Code to clearly show the ones we complied with, and explain the ones we partially complied or failed to comply with. In section [9.3 'References on compliance with recommendations of Spanish Corporate Governance Code'](#), we have included a chart with cross-references showing where information supporting each response can be found in this corporate governance chapter and elsewhere in this annual report.

9.1 Reconciliation with the CNMV's corporate governance report model

Section in the CNMV model	Included in statistical report	Comments
A. OWNERSHIP STRUCTURE		
A.1	Yes	See sections 2.1 'Share capital' , 3.2 'Shareholder rights' and 9.2 'Statistical information on corporate governance required by the CNMV' .
A.2	Yes	See section 2.3 'Significant shareholders' and 9.2 'Statistical information on corporate governance required by the CNMV' .
A.3	Yes	See 'Tenure and equity ownership' in section 4.2 and section 9.2 'Statistical information on corporate governance required by the CNMV' .
A.4	No	See section 2.3 'Significant shareholders' where we explain there are no significant shareholders on their own account so this section does not apply.
A.5	No	See section 2.3 'Significant shareholders' where we explain there are no significant shareholders on their own account so this section does not apply.
A.6	No	See section 2.3 'Significant shareholders' where we explain there are no significant shareholders on their own account so this section does not apply.
A.7	Yes	See sections 2.4 'Shareholders' agreements' and 9.2 'Statistical information on corporate governance required by the CNMV' .
A.8	Yes	Not applicable. See section 9.2 'Statistical information on corporate governance required by the CNMV' .
A.9	Yes	See section 2.5 'Treasury shares' and 9.2 'Statistical information on corporate governance required by the CNMV' .
A.10	No	See sections 2.2 'Authority to increase capital' and 2.5 'Treasury shares' .
A.11	Yes	See section 9.2 'Statistical information on corporate governance as required by the CNMV' .
A.12	No	See section 'Voting rights and unrestricted share transfers' in section 3.2.
A.13	No	See section 3.2 'Shareholder rights' .
A.14	Yes	See sections 2.6 'Stock market information' and 9.2 'Statistical information on corporate governance as required by the CNMV' .

Section in the CNMV model	Included in statistical report	Comments
B. GENERAL SHAREHOLDERS' MEETING		
B.1	No	See 'Quorum and majorities for passing resolutions at general meeting' in section 3.2.
B.2	No	See 'Quorum and majorities for passing resolutions at general meeting' in section 3.2.
B.3	No	See 'Rules for amending our Bylaws' in section 3.2.
B.4	Yes	See 'Quorum and attendance' in section 3.4, in relation to financial year 2024, and section 9.2 'Statistical information on corporate governance required by the CNMV' , in relation to the financial 2022, 2023 and 2024 year.
B.5	Yes	See 'Approved resolutions and voting results' in section 3.4.
B.6	Yes	See 'Participation at general meetings' in section 3.2 and section 9.2 'Statistical information on corporate governance required by the CNMV' .
B.7	No	See 'Quorum and majorities for passing resolutions at general meeting' in section 3.2.
B.8	No	See 'Corporate website' in section 3.1.
C. MANAGEMENT STRUCTURE		
C.1 Board of directors		
C.1.1	Yes	See 'Size' in section 4.2 and section 3.4 '2024 AGM' .
C.1.2	Yes	See sections 1.1 'Board skills and diversity' , 4.1 'Our directors, 'Tenure and equity ownership' in section 4.2, and section 9.2 'Statistical information on corporate governance required by the CNMV' .
C.1.3	Yes	See sections 2.4 'Shareholders' agreements' , 4.1 'Our directors, 'Composition by director type' in section 4.2, 'Duties and activities in 2024' in section 4.6 and section 9.2 'Statistical information on corporate governance required by the CNMV' .
C.1.4	Yes	See 'Board skills and diversity matrix' in section 4.2, in relation to financial year 2024, and section 9.2 'Statistical information on corporate governance required by the CNMV' , in relation to the remaining financial years.
C.1.5	No	See 'Diversity' and 'Board skills and diversity matrix' in section 4.2 and 'Duties and activities in 2024' in section 4.6.
C.1.6	No	See section 1.5 'Achievement of our 2024 goals, 'Diversity' in section 4.2 and 'Duties and activities in 2024' in section 4.6 and also section 3.1.3 'Inclusive culture' in 'Sustainability statement' chapter.
C.1.7	No	See section 4.6 'Nomination committee activities in 2024' .
C.1.8	No	Not applicable, since there are no proprietary directors. See 'Composition by type of director' in section 4.2.
C.1.9	No	See 'Functions' in section 4.4.
C.1.10	No	See section 4.1 'Our directors' .
C.1.11	Yes	See sections 4.1 'Our directors' and 9.2 'Statistical information on corporate governance required by the CNMV' .
C.1.12	Yes	See 'Board and committee preparation and attendance' in section 4.3.
C.1.13	Yes	See sections 6. 'Remuneration' and 9.2 'Statistical information on corporate governance required by the CNMV' . Additionally, see Note 5) in the 'Notes to the consolidated financial statements'.
C.1.14	Yes	See sections 5. 'Senior management team, 6.6 'Remuneration of non-director members of senior management' and 9.2 'Statistical information on corporate governance required by the CNMV' . Additionally, see note 5) in the 'Notes to the consolidated financial statements'.
C.1.15	Yes	See 'Board regulation' in section 4.3.
C.1.16	No	See 'Election, appointment, re-election and succession of directors' in section 4.2.
C.1.17	No	See 'Board effectiveness review and actions to continuously improve' in section 1.2 and 'Board effectiveness review in 2024' in section 4.3.
C.1.18	No	Not applicable as it was not carried out with the help of an independent external advisor. See 'Board effectiveness review and actions to continuously improve' in section 1.2 and 'Board effectiveness review in 2024' in section 4.3.
C.1.19	No	See 'Election, appointment, re-election and succession of directors' in section 4.2.
C.1.20	No	See 'Board operation' in section 4.3.
C.1.21	Yes	Not applicable since there are no specific requirements, other than those applying to directors generally, to be appointed chair. See section 9.2 'Statistical information on corporate governance required by the CNMV' .
C.1.22	No	See 'Diversity' in section 4.2.
C.1.23	Yes	See 'Election, appointment, re-election and succession of directors' in section 4.2 and section 9.2 'Statistical information on corporate governance required by the CNMV' .
C.1.24	No	See 'Board operation' in section 4.3.
C.1.25	Yes	See 'Lead Independent Director' and 'Board and committee preparation and attendance' in section 4.3, 'Duties and activities in 2024' in sections 4.4, 4.5, 4.6, 4.7, 4.8, 4.9 and 4.10 and section 9.2 'Statistical information on corporate governance required by the CNMV' .
C.1.26	Yes	See 'Board and committee preparation and attendance' in section 4.3, section 4.6 'Nomination committee activities in 2024' and section 9.2 'Statistical information on corporate governance required by the CNMV' .

Section in the CNMV model	Included in statistical report	Comments
C.1.27	Yes	See section 9.2 'Statistical information on corporate governance required by the CNMV' .
C.1.28	No	See 'Duties and activities in 2024' in section 4.5 and section 8.4 'Information and communication' .
C.1.29	Yes	See section 4.1 'Our directors' , 'Secretary of the board' in section 4.3 and section 9.2 'Statistical information on corporate governance as required by the CNMV' .
C.1.30	No	See section 3.1 'Shareholder communication and engagement' and 'External auditor independence' in section 4.5.
C.1.31	Yes	See 'Re-election' in section 4.5.
C.1.32	Yes	In accordance with the CNMV's instructions, see 'External auditor independence' in section 4.5 and sub-section C.1.32 of section 9.2 'Statistical information on corporate governance required by the CNMV' . Per the CNMV's instructions on preparing annual reports on corporate governance, sub-section C.1.32 provides the fee ratios of non-audit services to total audit services, with these differences in the ratio set out in Regulation (EU) No 537/2014 that is included in section 4.5 'Audit committee activities in 2024' : (a) the ratios in sub-section C.1.32 have two perimeters to the one established by Regulation (EU) No 537/2014: fees for the approved services to be performed by PricewaterhouseCoopers Auditores, S.L. (PwC) for Banco Santander and fees for the approved services to be performed by PwC and other firms in its network for all other Grupo Santander entities, in and outside Spain; and (b) the ratios' denominator is the fees amount for audit services in 2024 and not the average fee value from the past three consecutive years that Regulation (EU) No 537/2014 dictates.
C.1.33	Yes	See section 9.2 'Statistical information on corporate governance required by the CNMV' .
C.1.34	Yes	See section 9.2 'Statistical information on corporate governance required by the CNMV' .
C.1.35	Yes	See 'Board operation' and 'Committee operation' in section 4.3.
C.1.36	No	See 'Election, appointment, re-election and succession of directors' in section 4.2.
C.1.37	No	See 'Duties and activities in 2024' in section 4.6.
C.1.38	No	Not applicable.
C.1.39	Yes	See sections 6.4 'Directors' remuneration policy for 2025, 2026 and 2027' , 6.7 'Prudentially significant disclosures document' and 9.2 'Statistical information on corporate governance required by the CNMV' .
C.2 Board committees		
C.2.1	Yes	See 'Structure of board committees' and 'Committee operation' in section 4.3, sections 4.4 , 4.5 , 4.6 , 4.7 , 4.8 , 4.9 , 4.10 and 9.2 'Statistical information on corporate governance required by the CNMV' .
C.2.2	Yes	See section 9.2 'Statistical information on corporate governance required by the CNMV' .
C.2.3	No	See 'Board regulation' and 'Structure of board committees' , 'Committee operation' in section 4.3 and 'Duties and activities in 2024' in sections 4.4 , 4.5 , 4.6 , 4.7 , 4.8 , 4.9 and 4.10 .
D. RELATED PARTY AND INTRAGROUP TRANSACTIONS		
D.1	No	See 'Related-party transactions' in section 4.12.
D.2	Yes	Not applicable. See 'Related-party transactions' in section 4.12.
D.3	Yes	Not applicable. See 'Related-party transactions' in section 4.12.
D.4	Yes	See section 9.2 'Statistical information on corporate governance required by the CNMV' .
D.5	Yes	Not applicable. See 'Related-party transactions' in section 4.12.
D.6	No	See 'Other conflicts of interest' in section 4.12.
D.7	Yes	Not applicable. See section 2.3 'Significant shareholders' and 'Other conflicts of interest' in section 4.12.
E. CONTROL AND RISK MANAGEMENT SYSTEMS		
E.1	No	See chapter 'Risk management and compliance' , in particular section 1. 'Risk management and control model' and sections 1.3 'Materiality assessment' , 2.3 'Embedding ESG in risk management' and 4.2.2. 'Responsible taxation' in 'Sustainability statement' chapter.
E.2	No	See note 54 to the 'Notes to the consolidated financial statements', section 1.3 'Risk and compliance governance' in the 'Risk management and compliance' chapter. See also sections 1.3 'Materiality assessment' , 1.4 'Sustainability governance' and 4.2.2. 'Responsible taxation' in 'Sustainability statement' chapter.
E.3	No	See sections 1.2 'Key risk types' , 2. 'Credit risk' , 3. 'Market, structural and liquidity risk' , 4. 'Capital risk' , 5. 'Operational risk' , 6. 'Compliance risk' , 7. 'Model risk' and 8. 'Strategic risk' in 'Risk management and compliance' chapter. See also section 2.3 'Embedding ESG in risk management' in 'Sustainability statement' chapter and, for our capital needs, see section 3.5 'Capital management and adequacy. Solvency ratios' of 'Economic and financial review' chapter.
E.4	No	See section 1.4. 'Management processes and tools' in the 'Risk management and compliance' chapter and sections 1.3 'Materiality assessment' , 2.3 'Embedding ESG in risk management' and 4.2.2. 'Responsible taxation' in 'Sustainability statement' chapter.
E.5	No	See 2. 'Credit risk' , 3. 'Market, structural and liquidity risk' , 4. 'Capital risk' , 5. 'Operational risk' , 6. 'Compliance risk' , 7. 'Model risk' and 8. 'Strategic risk' in the 'Risk management' chapter. Additionally, see note 25e in the 'Notes to the consolidated financial statements'.
E.6	No	See sections 1. 'Risk management and control model' , 2. 'Credit risk' , 3. 'Market, structural and liquidity risk' , 4. 'Capital risk' , 5. 'Operational risk' , 6. 'Compliance risk' , 7. 'Model risk' and 8. 'Strategic risk' in 'Risk management' and compliance chapter. See also 1.4 'Sustainability governance' and 2.3 'Embedding ESG in risk management' in 'Sustainability statement' chapter.

Section in the CNMV model	Included in statistical report	Comments
F. ICFRS		
F.1	No	See section 8.1 'Control environment' .
F.2	No	See section 8.2 'Risk assessment in financial reporting' .
F.3	No	See section 8.3 'Control activities' .
F.4	No	See section 8.4 'Information and communication' .
F.5	No	See section 8.5 'Monitoring of system functioning' .
F.6	No	Not applicable.
F.7	No	See section 8.6 'External auditor report' .
G. DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS		
G	Yes	See 'Degree of compliance with the corporate governance recommendations' in section 9.2 and section 9.3 'References on compliance with recommendations of Spanish Corporate Governance Code' .
H. OTHER INFORMATION OF INTEREST		
H	No	<ul style="list-style-type: none"> • See 'Board regulation' in section 4.3, as well as section 1.4 'Sustainability governance' in the 'Sustainability statement' chapter. • Banco Santander also complies with the Polish Code of Best Practices, except in areas where regulation is different in Spain and Poland. • In addition, see sections 1.4 'Sustainability governance' and 4. 'Business conduct (Governance information)' in the 'Sustainability statement' chapter. • Banco Santander has voluntarily signed up to the Code of Best Tax Practices in Spain, see section 4.2.2. 'Responsible taxation' in the 'Sustainability statement' chapter and note 27g of the 'Notes to the consolidated financial statements'. Banco Santander also voluntarily signed up to the Code of Good Practices for the viable restructuring of debts secured by mortgages on primary residences and the Code of Good Practices for mortgage debtors at risk of vulnerability, see note 54 to the 'Notes to the consolidated financial statements'.

9.2 Statistical information on corporate governance required by the CNMV

Unless otherwise indicated all data as of 31 December 2024.

A. OWNERSHIP STRUCTURE

A.1 Complete the following table on share capital and the attributed voting rights, including those corresponding to shares with a loyalty vote as of the closing date of the year, where appropriate:

Indicate whether company Bylaws contain the provision of double loyalty voting:

Yes No

Date of last modification	Share capital (euros)	Number of shares	Number of voting rights
20/12/2024	7,576,246,161	15,152,492,322	15,152,492,322

Indicate whether different types of shares exist with different associated rights:

Yes No

A.2 List the direct and indirect holders of significant ownership interests at year-end, including directors with a significant shareholding:

Name or corporate name of shareholder	% of voting rights attributed to shares		% of voting rights through financial instruments		Total % of voting rights
	Direct	Indirect	Direct	Indirect	
BlackRock Inc.	0.00	6.79	0.00	0.09	6.88

Details of the indirect shares:

Name or corporate name of the indirect shareholder	Name or corporate name of the direct shareholder	% of voting rights attributed to shares	% of voting rights through financial instruments	Total % of voting rights
BlackRock Inc.	Subsidiaries of BlackRock Inc.	6.79	0.09	6.88

A.3 Give details of the participation at the close of the fiscal year of the members of the board of directors who are holders of voting rights attributed to shares of the company or through financial instruments, whatever the percentage, excluding the directors who have been identified in Section A.2 above:

Name or corporate name of director	% of voting rights attributed to shares (including loyalty votes)		% of voting rights through financial instruments		Total % of voting rights	From the total % of voting rights attributed to the shares, indicate, where appropriate, the % of the additional votes attributed corresponding to the shares with a loyalty vote	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
Ana Botín-Sanz de Sautuola y O'Shea	0.01	0.21	0.00	0.00	0.22	0.00	0.00
Héctor Grisi Checa	0.01	0.00	0.00	0.00	0.01	0.00	0.00
Glenn Hogan Hutchins	0.01	0.00	0.00	0.00	0.01	0.00	0.00
José Antonio Álvarez Álvarez	0.02	0.00	0.00	0.00	0.02	0.00	0.00
Homaira Akbari	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Juan Carlos Barrabés Cónsul	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Javier Botín-Sanz de Sautuola y O'Shea	0.04	0.17	0.00	0.00	0.21	0.00	0.00
Sol Daurella Comadrán	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Henrique de Castro	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Germán de la Fuente Escamilla	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gina Díez Barroso Azcárraga	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Luis Isasi Fernández de Bobadilla	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Belén Romana García	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pamela Walkden	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Antonio Francesco Weiss	0.00	0.00	0.00	0.00	0.00	0.00	0.00
% total voting rights held by the board of directors					0.47		
% total voting rights represented on the board of directors					0.82		

Details of the indirect holding:

Name or corporate name of director	Name or corporate name of direct owner	% of voting rights attributed to shares	% of voting rights through financial instruments	Total % of voting rights	From the total % of voting rights attributed to the shares, indicate, where appropriate, the % of the additional votes attributed corresponding to the shares with a loyalty vote
-	-	-	-	-	-

A.7 Indicate whether the company has been notified of any shareholders' agreements that may affect it, in accordance with the provisions of Articles 530 and 531 of the Spanish Companies Act (LSC). If so, provide a brief description and list the shareholders bound by the agreement, as applicable:

Yes No

Parties to the shareholders' agreement	% of share capital affected	Brief description of agreement	Expiry date, if applicable
Javier Botín-Sanz de Sautuola y O'Shea (directly and indirectly through Agropecuaria El Castaño, S.L.U.) Emilio Botín-Sanz de Sautuola y O'Shea, Puente San Miguel, S.L.U. Ana Botín-Sanz de Sautuola y O'Shea, CRONJE, S.L.U. Nueva Azil, S.L. Carmen Botín-Sanz de Sautuola y O'Shea Paloma Botín-Sanz de Sautuola y O'Shea Bright Sky 2012, S.L.	0.72	Transfer restrictions and syndication of voting rights as described under section 2.4 'Shareholders' agreements' of the 'Corporate governance' chapter in the annual report. The communications to CNMV relating to this shareholders' agreement can be found in material facts with entry numbers 64179, 171949, 177432, 194069, 211556, 218392, 223703, 226968 and 285567 filed in CNMV on 17 February 2006, 3 August 2012, 19 November 2012, 17 October, 2013, 3 October 2014, 6 February 2015, 29 May 2015, 29 July 2015 and 31 December 2019, respectively.	01/01/2056

Indicate whether the company is aware of the existence of any concerted actions among its shareholders. If so, give a brief description as applicable:

Yes No

Participants in the concerted action	% of share capital affected	Brief description of concerted action	Expiry date, if applicable
Javier Botín-Sanz de Sautuola y O'Shea (directly and indirectly through Agropecuaria El Castaño, S.L.U.) Emilio Botín-Sanz de Sautuola y O'Shea, Puente San Miguel, S.L.U. Ana Botín-Sanz de Sautuola y O'Shea, CRONJE, S.L.U. Nueva Azil, S.L. Carmen Botín-Sanz de Sautuola y O'Shea Paloma Botín-Sanz de Sautuola y O'Shea Bright Sky 2012, S.L.	0.72	Transfer restrictions and syndication of voting rights as described under section 2.4 'Shareholders' agreements' of the 'Corporate governance' chapter in the annual report. The communications to CNMV relating to this shareholders' agreement can be found in material facts with entry numbers 64179, 171949, 177432, 194069, 211556, 218392, 223703, 226968 and 285567 filed in CNMV on 17 February 2006, 3 August 2012, 19 November 2012, 17 October, 2013, 3 October 2014, 6 February 2015, 29 May 2015, 29 July 2015 and 31 December 2019, respectively.	01/01/2056

A.8 Indicate whether any individual or entity currently exercises control or could exercise control over the company in accordance with article 5 of the Spanish Securities Market Act. If so, identify them:

Yes No

A.9 Complete the following tables on the company's treasury shares:

At year end:

Number of shares held directly	Number of shares held indirectly (*)	% of total share capital
0	15,529,459	0.10%

(*) Through:

Name or corporate name of the direct shareholder	Number of shares held directly
Pereda Gestión, S.A.	14,000,000
Banco Santander Argentina, S.A.	558,421
Banco Santander México, S.A.	971,038
Total:	15,529,459

A.11 Estimated free float:

	%
Estimated free float	91.73

A.14 Indicate whether the company has issued securities not traded in a regulated market of the European Union.

Yes No

B. GENERAL SHAREHOLDERS' MEETING

B.4 Indicate the attendance figures for the general shareholders' meetings held during the financial year to which this report relates and in the two preceding financial years:

Date of General Meeting	Attendance data				Total
	% attending in person	% by proxy	% remote voting		
			Electronic means	Other	
01/04/2022	0.71	65.41	2.08	0.57	68.77
Of which free float:	0.09	64.98	2.08	0.57	67.72

Date of General Meeting	Attendance data				Total
	% attending in person	% by proxy	% remote voting		
			Electronic means	Other	
31/03/2023	0.72	64.20	2.22	0.42	67.56
Of which free float:	0.06	63.73	2.22	0.42	66.43

Date of General Meeting	Attendance data				Total
	% attending in person	% by proxy	% remote voting		
			Electronic means	Other	
22/03/2024	0.82	62.48	2.83	0.52	66.65
Of which free float:	0.08	61.99	2.83	0.52	65.42

B.5 Indicate whether in the general shareholders' meetings held during the financial year to which this report relates there has been any matter submitted to them which has not been approved by the shareholders:

Yes No

B.6 Indicate whether the Bylaws require a minimum holding of shares to attend to or to vote remotely in the general shareholders' meeting:

Yes No

C. MANAGEMENT STRUCTURE

C.1 Board of directors

C.1.1 Maximum and minimum number of directors provided for in the Bylaws:

Maximum number of directors	17
Minimum number of directors	12
Number of directors set by the General Meeting	15

C.1.2 Complete the following table with the directors' details:

Name or corporate name of director	Representative	Category of director	Position in the board	Date of first appointment	Date of last appointment	Election procedure
Ana Botín-Sanz de Sautuola y O'Shea	N/A	Executive	Chair	04/02/1989	31/03/2023	Vote in general shareholders' meeting
Héctor Grisi Checa	N/A	Executive	Chief Executive Officer	01/01/2023	31/03/2023	Vote in general shareholders' meeting
Glenn Hogan Hutchins	N/A	Independent	Lead Independent Director	20/12/2022	31/03/2023	Vote in general shareholders' meeting
José Antonio Álvarez Álvarez	N/A	Other external	Vice Chair	13/01/2015	22/03/2024	Vote in general shareholders' meeting
Homaira Akbari	N/A	Independent	Director	27/09/2016	31/03/2023	Vote in general shareholders' meeting
Juan Carlos Barrabés Cónsul	N/A	Independent	Director	27/06/2024	27/06/2024	Vote in general shareholders' meeting
Javier Botín-Sanz de Sautuola y O'Shea	N/A	Other external	Director	25/07/2004	22/03/2024	Vote in general shareholders' meeting
Sol Daurella Comadrán	N/A	Independent	Director	18/02/2015	31/03/2023	Vote in general shareholders' meeting
Henrique de Castro	N/A	Independent	Director	17/07/2019	22/03/2024	Vote in general shareholders' meeting
Germán de la Fuente Escamilla	N/A	Independent	Director	21/04/2022	22/03/2024	Vote in general shareholders' meeting
Gina Díez Barroso Azcárraga	N/A	Independent	Director	22/12/2020	31/03/2023	Vote in general shareholders' meeting
Luis Isasi Fernández de Bobadilla	N/A	Other external	Director	19/05/2020	01/04/2022	Vote in general shareholders' meeting
Belén Romana García	N/A	Independent	Director	22/12/2015	22/03/2024	Vote in general shareholders' meeting
Pamela Walkden	N/A	Independent	Director	29/10/2019	31/03/2023	Vote in general shareholders' meeting
Antonio Francesco Weiss	N/A	Independent	Director	27/06/2024	27/06/2024	Vote in general shareholders' meeting
Total number of directors	15					

Indicate any directors who have left during the financial year to which this report relates, regardless of the reason (whether for resignation or by agreement of the general meeting or any other):

Name or corporate name of director	Category of director at the time he/her left	Date of last appointment	Date of leave	Board committees he or she was a member of	Indicate whether he or she has left before the expiry of his or her term
Bruce Carnegie-Brown	Independent	26/03/2021	22/03/2024	Nomination and remuneration committees	No
Ramiro Mato García-Ansorena	Independent	26/03/2021	27/06/2024	Executive; audit; risks supervision, regulation and compliance; and responsible banking, sustainability and culture committees	No

C.1.3 Complete the following tables for the directors in each relevant category:

Executive directors

Name or corporate name of director	Position held in the company	Profile
Ana Botín-Sanz de Sautuola y O'Shea	Executive Chair	See section 4.1 'Our directors' in the 'Corporate governance' chapter in the annual report.
Héctor Grisi Checa	CEO	See section 4.1 'Our directors' in the 'Corporate governance' chapter in the annual report.
Total number of executive directors		2
% of the Board		13.33

Proprietary non-executive directors

Name or corporate name of director	Name or corporate name of significant shareholder represented or having proposed his or her appointment	Profile
N/A	N/A	N/A
Total number of proprietary non-executive directors		0
% of the Board		0

Independent directors

Name or corporate name of director	Profile	
Glenn Hogan Hutchins	See section 4.1 'Our directors' in the 'Corporate governance' chapter in the annual report.	
Homaira Akbari	See section 4.1 'Our directors' in the 'Corporate governance' chapter in the annual report.	
Juan Carlos Barrabés Cónsul	See section 4.1 'Our directors' in the 'Corporate governance' chapter in the annual report.	
Sol Daurella Comadrán	See section 4.1 'Our directors' in the 'Corporate governance' chapter in the annual report.	
Henrique de Castro	See section 4.1 'Our directors' in the 'Corporate governance' chapter in the annual report.	
Germán de la Fuente Escamilla	See section 4.1 'Our directors' in the 'Corporate governance' chapter in the annual report.	
Gina Díez Barroso Azcárraga	See section 4.1 'Our directors' in the 'Corporate governance' chapter in the annual report.	
Belén Romana García	See section 4.1 'Our directors' in the 'Corporate governance' chapter in the annual report.	
Pamela Walkden	See section 4.1 'Our directors' in the 'Corporate governance' chapter in the annual report.	
Antonio Francesco Weiss	See section 4.1 'Our directors' in the 'Corporate governance' chapter in the annual report.	
Total number of independent directors		10
% of the Board		66.67

Identify any independent director who receives from the company or its group any amount or perk other than his or her director remuneration, as a director, or who maintain or have maintained during the financial year covered in this report a business relationship with the company or any group company, whether in his or her own name or as a principal shareholder, director or senior manager of an entity which maintains or has maintained such a relationship.

In such a case, a reasoned statement from the Board on why the relevant director(s) is able to carry on their duties as independent director(s) will be included.

Name or corporate name of director	Description of the relationship	Reasoned statement
Sol Daurella Comadrán	Business/Financing	<p>When conducting the annual verification of the independence of directors classified as independent, the nomination committee analysed the business relationships between Grupo Santander and the companies in which they are or have previously been principal shareholders, directors or senior managers.</p> <p>The committee concluded that the business relationships maintained and the funding Grupo Santander granted to companies in which Sol Daurella was a principal shareholder or director in 2024 were not significant because, among other reasons: (i) they did not generate economic dependence on the companies involved in view of the substitutability of this funding by other sources, whether banks or others; (ii) they were consistent with Grupo Santander's share in the corresponding market; and (iii) they did not reach certain comparable materiality thresholds used in other jurisdictions (e.g. NYSE, Nasdaq and the Canadian Bank Act).</p>
Henrique de Castro	Business	<p>When conducting the annual verification of the independence of directors classified as independent, the nomination committee analysed the business relationships between Grupo Santander and the companies in which they are or have previously been principal shareholders, directors or senior managers.</p> <p>The committee concluded that the business relationships maintained between Grupo Santander and the company in which Henrique de Castro was a director in 2024 were not significant because, among other reasons they did not reach certain comparable materiality thresholds used in other jurisdictions (e.g. NYSE and Nasdaq).</p>
Gina Díez Barroso Azcárraga	Business/Financing	<p>When conducting the annual verification of the independence of directors classified as independent, the nomination committee analysed the business relationships between Grupo Santander and the companies in which they are or have previously been principal shareholders, directors or senior managers.</p> <p>The committee concluded that the business relationships maintained and the funding Grupo Santander granted to companies in which Gina Díez Barroso was a principal shareholder and director in 2024 were not significant because, among other reasons: (i) they did not generate a situation of economic dependence on the company involved in view of the substitutability of this funding by other sources, whether banks or others; (ii) they were consistent with Grupo Santander's share in the corresponding market; and (iii) they did not reach certain comparable materiality thresholds used in other jurisdictions (e.g. NYSE, Nasdaq and the Canadian Bank Act).</p>
Glenn Hogan Hutchins	Business/Financing	<p>When conducting the annual verification of the independence of directors classified as independent, the nomination committee analysed the business relationships between Grupo Santander and the companies in which they are or have previously been principal shareholders, directors or senior managers.</p> <p>The committee concluded that the business relationships maintained and the funding Grupo Santander granted to the company in which Glenn Hutchins was a director in 2024 were not significant because, among other reasons: (i) they did not generate economic dependence on the companies involved in view of the substitutability of this funding by other sources, whether banks or others; (ii) they were consistent with Grupo Santander's share in the corresponding market; and (iii) they did not reach certain comparable materiality thresholds used in other jurisdictions (e.g. NYSE, Nasdaq and the Canadian Bank Act).</p>
Belén Romana García	Business/Financing	<p>When conducting the annual verification of the independence of directors classified as independent, the nomination committee analysed the business relationships between Grupo Santander and the companies in which they are or have previously been principal shareholders, directors or senior managers.</p> <p>The committee concluded that the business relationships maintained and the funding Grupo Santander granted to companies in which Belén Romana was a director in 2024 were not significant because, among other reasons: (i) they did not generate economic dependence on the companies involved in view of the substitutability of this funding by other sources, whether banks or others; (ii) they were consistent with Grupo Santander's share in the corresponding market; and (iii) they did not reach certain comparable materiality thresholds used in other jurisdictions (e.g. NYSE, Nasdaq and the Canadian Bank Act).</p>
Juan Carlos Barrabés Cónsul	Financing	<p>When conducting the annual verification of the independence of directors classified as independent, the nomination committee analysed the business relationships between Grupo Santander and the companies in which they are or have previously been principal shareholders, directors or senior managers.</p> <p>The committee concluded that the funding Grupo Santander granted to Juan Carlos Barrabés and the companies in which he was a principal shareholder or director in 2024 were not significant because, among other reasons: (i) it did not generate economic dependence in view of the substitutability of this funding by other sources, whether banks or others; (ii) it was consistent with Grupo Santander's share in the corresponding market; and (iii) it did not reach certain comparable materiality thresholds used in other jurisdictions (e.g. NYSE, Nasdaq and the Canadian Bank Act).</p>
Antonio Weiss	Business	<p>When conducting the annual verification of the independence of directors classified as independent, the nomination committee analysed the business relationships between Grupo Santander and the companies in which they are or have previously been principal shareholders, directors or senior managers.</p> <p>The committee concluded that the business relationships maintained between Grupo Santander and the company in which Antonio Weiss was a principal shareholder in 2024 were not significant because, among other reasons they did not reach certain comparable materiality thresholds used in other jurisdictions (e.g. NYSE and Nasdaq).</p>

Other external directors

Identify all other external directors and explain why these cannot be considered proprietary or independent directors and detail their relationships with the company, its executives or shareholders:

Name or corporate name of director	Reasons	Company, manager or shareholder to which or to whom the director is related	Profile
José Antonio Álvarez Álvarez	Given that Mr Álvarez was the former CEO of Banco Santander until 31 December 2022, pursuant to sub-section 4.a) of article 529 <i>duodecies</i> of the Spanish Companies Act.	Banco Santander, S.A.	See section 4.1 'Our directors' in the Corporate governance chapter in the annual report.
Javier Botín-Sanz de Sautuola y O'Shea	Given that Mr Botín has been director for over 12 years, pursuant to sub-section 4. i) of article 529 <i>duodecies</i> of the Spanish Companies Act.	Banco Santander, S.A.	See section 4.1 'Our directors' in the Corporate governance chapter in the annual report.
Luis Isasi Fernández de Bobadilla	Under prudent criteria given his remuneration as non-executive Chair of Santander España's body as supervisor, unit without its own corporate identity separate to Banco Santander, pursuant to sub-sections 2 to 4 of article 529 <i>duodecies</i> of the Spanish Companies Act.	Banco Santander, S.A.	See section 4.1 'Our directors' in the Corporate governance chapter in the annual report.
Total number of other external directors			3
% of the Board			20.00

List any changes in the category of a director which have occurred during the period covered in this report.

Name or corporate name of director	Date of change	Previous category	Current category
—	—	—	—

C.1.4 Complete the following table on the number of female directors at the end of each the past four years and their category:

Number of female directors					% of total directors of each category			
	FY 2024	FY 2023	FY 2022	FY 2021	FY 2024	FY 2023	FY 2022	FY 2021
Executive	1	1	1	1	50.00	50.00	50.00	50.00
Proprietary	—	—	—	—	0.00	0.00	0.00	0.00
Independent	5	5	5	5	50.00	50.00	50.00	50.00
Other external	—	—	—	—	0.00	0.00	0.00	0.00
Total:	6	6	6	6	40.00	40.00	40.00	40.00

C.1.11 List the positions of director, administrator or representative thereof, held by directors or representatives of directors who are members of the company's board of directors in other entities, whether or not they are listed companies:

Identity of the director or representative	Company name of the listed or non-listed entity	Position	Remunerated YES/NO
Ana Botín-Sanz de Sautuola y O'Shea	The Coca-Cola Company	Director	YES
Héctor Grisi Checa	Cogrimex, S.A. de C.V.	Chair	NO
Glenn Hogan Hutchins	AT&T Inc.	Director	YES
	North Island, LL	Chair	NO
	North Island Ventures, LLC	Chair	NO
José Antonio Álvarez Álvarez	Aon PLC	Director	YES
Homaira Akbari	Landstar System, Inc.	Director	YES
	AKnowledge Partners, LLC	Chief Executive Officer	YES
Juan Carlos Barrabés Cónsul	Grupo Barrabés Cónsul, S.L.	Chair-Chief Executive Officer	NO
	Barrabés Internet, S.L.U.	Chief Executive Officer	NO
	Barrabés Ski Montaña, S.L.U.	Director	NO
	Action & Lifestyle, S.L.U.	Director	NO
	Tuca del Mont, S.L.	Chief Executive Officer	NO
	Ediciones Montañas y Hombres, S.L.U.	Director	NO
	Llitarrada Innova, S.L.	Representative of sole administrator	NO
	Innova Next, S.L.U.	Representative of joint and several administrator	NO
	Step One Ventures, S.L.	Representative of joint and several administrator	NO
	Formiguero Barrabés, S.L.	Joint and several administrator	NO
	Agencia Certificadora Autónoma, S.L.U.	Representative of joint and several administrator	NO
Javier Botín-Sanz de Sautuola y O'Shea	Primschain, S.L.U.	Representative of sole administrator	NO
	JB Capital Markets, S. V., S.A.U.	Chair	YES
	Inversiones Zulú, S.L.	Chair-Chief Executive Officer	NO
	Agropecuaria El Castaño, S.L.	Joint administrator	NO
Sol Daurella Comadrán	Inversiones Peña Cabarga, S.L.	Joint and several administrator	NO
	Coca-Cola Europacific Partners PLC	Chair	YES
	Cobega, S.A.	Representative of director	NO
	Equatorial Coca Cola Bottling Company, S.L.	Director	YES
	Cobega Invest S.L.	Joint administrator	NO
Henrique de Castro	Olive Partners, S.A.	Representative of director	NO
	Indau, S.A.R.L.	Sole administrator	YES
	Fiserv Inc.	Director	YES
Gina Díez Barroso Azcárraga	Stakecorp Capital, s.a.r.l.	Director	NO
	Grupo Diarq, S.A. de C.V.	Chair	NO
	Dalia Women, S.A.P.I. de C.V.	Director	NO
	Centro de Diseño y Comunicación, S.C.	Chair	NO
Luis Isasi Fernández de Bobadilla	Bolsa Mexicana de Valores, S.A.B. de C.V.	Director	YES
	Logista Integral, S.A.	Chair	YES
	Balcón del Parque, S.L.	Sole administrator	NO
Belén Romana García	Santa Clara de C. Activos, S.L.	Joint and several administrator	NO
	Werfen, S.A.	Director	YES
	SIX Group AG	Director	YES
	SIX Digital Exchange AG	Chair	YES
	SDX Trading AG	Chair	YES
	Bolsas y Mercados Españoles, Sociedad Holding de Mercados y Sistemas Financieros, S.A.	Director	YES
Antonio Weiss	Industria de Diseño Textil, S.A. (Inditex)	Director	YES
	Societe Familiale d'Investissements S.A.	Director	YES

Indicate, where appropriate, the other remunerated activities of the directors or directors' representatives, whatever their nature, other than those indicated in the previous table.

Identity of the director or representative	Other paid activities
Glenn Hogan Hutchins	Member of the international advisory board Government of Singapore Investment Corporation Member of the executive committee of Boston Celtics
Homaira Akbari	Member of the Security Advisory Board of Telefónica Soluciones de Criptografía, S.A.U.
Belén Romana García	Senior advisor of Artá Capital, S.G.E.I.C., S.A. Academic director of the IE Leadership & Foresight Hub Programme
Pamela Walkden	Member of the advisory board of JD Haspel Limited
Antonio Weiss	Partner of SSW Partners LP Associate of AFWCo LP Senior Advisor of JAB Holdings

C.1.12 Indicate and, if applicable explain, if the company has established rules on the maximum number of directorships its directors may hold and, if so, where they are regulated:

Yes No

The maximum number of directorships is established, as provided for in article 30 of the Rules and regulations of the board, in article 26 of Spanish Law 10/2014 on the ordering, supervision and solvency of credit institutions. This rule is further developed by articles 29 and subsequent of Royal Decree 84/2015 and by Rules 30 and subsequent of Bank of Spain Circular 2/2016.

C.1.13 Identify the following items of the total remuneration of the board of directors:

Board remuneration accrued in the fiscal year (EUR thousand)	30,214
Funds accumulated by current directors for long-term savings systems with consolidated economic rights (EUR thousand)	76,356
Funds accumulated by current directors for long-term savings systems with unconsolidated economic rights (EUR thousand)	0
Pension rights accumulated by former directors (EUR thousand)	46,390

C.1.14 Identify the members of the company's senior management who are non executive directors and indicate total remuneration they have accrued during the financial year:

Name or corporate name	Position (s)
Mahesh Chatta Aditya	Group Chief Risk Officer
Daniel Barriuso Rojo	Global Head of Retail & Commercial Banking and Group Chief Transformation Officer
Julia Bayón Pedraza	Group Chief Audit Executive
Juan Manuel Cendoya Méndez de Vigo	Group Head of Communications, Corporate Marketing and Research
José Francisco Doncel Razola	Group Chief Accounting Officer
José Antonio García Cantera	Group Chief Financial Officer
Francisco Javier García-Carranza	Global Head of Wealth Management & Insurance
David Arthur Hazell	Group Chief Compliance Officer
José María Linares Perou	Global Head of Corporate & Investment Banking
Mónica Lopez-Monís Gallego	Group Head of Supervisory and Regulatory Relations
Dirk Ludwig Marzluf	Group Chief Operating & Technology Officer
José Luis de Mora Gil-Gallardo	Group Head of Digital Consumer Bank and Group Head of Corporate Development and Financial Planning
Jaime Pérez Renovales	Group General Counsel
Javier Roglá Puig	Group Head of People & Culture
Number of women in senior management	2
Percentage of total senior management	14.29%
Total remuneration accrued by the senior management (EUR thousand)	49,531

C.1.15 Indicate whether any changes have been made to the board's regulations during the financial year:

Yes No

C.1.21 Indicate whether there are any specific requirements, other than those applying to directors generally, to be appointed Chair:

Yes No

C.1.23 Indicate whether the Bylaws or the board's regulations set a limited term of office (or other requirements which are stricter than those provided for in the law) for independent directors different than the one provided for in the law.

Yes No

C.1.25 Indicate the number of board meetings held during the financial year and how many times the board has met without the Chair's attendance. Attendance also includes proxies appointed with specific instructions:

Number of board meetings	18
Number of board meetings held without the Chair's attendance	0

Indicate the number of meetings held by the Lead Independent Director with the rest of directors without the attendance or representation of any executive director.

Number of meetings	6
---------------------------	---

Indicate the number of meetings of the various board committees held during the financial year.

Number of meetings of the audit committee	15
Number of meetings of the responsible banking, sustainability and culture committee	4
Number of meetings of the innovation and technology committee	5
Number of meetings of the nomination committee	13
Number of meetings of the remuneration committee	14
Number of meetings of the risk supervision, regulation and compliance committee	18
Number of meetings of the executive committee	24

C.1.26 Indicate the number of board meetings held during the financial year and data about the attendance of the directors:

Number of meetings with at least 80% of directors being present	18
% of votes cast by members present over total votes in the financial year	98
Number of board meetings with all directors being present (or represented having given specific instructions)	16
% of votes cast by members present at the meeting or represented with specific instructions over total votes in the financial year	98.87

C.1.27 Indicate whether the company's consolidated and individual financial statements are certified before they are submitted to the board for their formulation.

Yes No

Identify, where applicable, the person(s) who certified the company's individual and consolidated financial statements prior to their formulation by the board:

Name	Position
José Francisco Doncel Razola	Group Chief Accounting Officer

C.1.29 Is the secretary of the board also a director?

Yes No

If the secretary of the board is not a director fill in the following table:

Name or corporate name of the secretary	Representative
Jaime Pérez Renovales	N/A

C.1.31 Indicate whether the company has changed its external audit firm during the financial year. If so, identify the incoming audit firm and the outgoing audit firm:

Yes No

C.1.32 Indicate whether the audit firm performs non-audit work for the company and/or its group. If so, state the amount of fees paid for such work and express this amount as a percentage they represent of all fees invoiced to the company and/or its group.

Yes No

	Company	Group companies	Total
Amount of non-audit work (EUR thousand)	9,301	12,339	21,640
Amount of non-audit work as a % of amount of audit work	34.43	15.47	20.26

C.1.33 Indicate whether the audit report on the previous year's financial statements contains a qualified opinion or reservations. Indicate the reasons given by the Chair of the audit committee to the shareholders in the general shareholders meeting to explain the content and scope of those qualified opinion or reservations.

Yes No

C.1.34 Indicate the number of consecutive years during which the current audit firm has been auditing the financial statements of the company and/or its group. Likewise, indicate for how many years the current firm has been auditing the financial statements as a percentage of the total number of years over which the financial statements have been audited:

	Individual financial statements	Consolidated financial statements
Number of consecutive years	9	9

	Company	Group
Number of years audited by current audit firm/Number of years the company's or its Group financial statements have been audited (%)	20.93	21.43

C.1.35 Indicate and if applicable explain whether there are procedures for directors to receive the information they need in sufficient time to prepare for meetings of the governing bodies:

Yes No

Procedures
Our Rules and regulations of the board foresees that members of the board and committees are provided with the relevant documentation for each meeting sufficiently in advance of the meeting date.

C.1.39 Identify, individually in the case of directors, and in the aggregate in all other cases, and provide detailed information on, agreements between the company and its directors, executives and employees that provide indemnification, guarantee or golden parachute clause in the event of resignation, unfair dismissal or termination as a result of a takeover bid or other type of transaction.

Number of beneficiaries	25
Type of beneficiary	Description of the agreement:
Employees	The Bank has no commitments to provide severance pay to directors. A number of employees have a right to compensation equivalent to one to two years of their basic salary in the event of their contracts being terminated by the Bank in the first two years of their contract in the event of dismissal on grounds other than their own will, retirement, disability or serious dereliction of duties. In addition, for the purposes of legal compensation, in the event of redundancy a number of employees are entitled to recognition of length of service including services provided prior to being contracted by the Bank; this would entitle them to higher compensation than they would be due based on their actual length of service with the Bank itself.

Indicate whether these agreements must be reported to and/or authorised by the governing bodies of the company or its group beyond the procedures provided for in applicable law. If applicable, specify the process applied, the situations in which they apply, and the bodies responsible for approving or communicating those agreements:

	Board of directors	General Shareholders' Meeting
Body authorising clauses	√	
	YES	NO
Is the general shareholders' meeting informed of such clauses?	√	

C.2 Board committees

C.2.1 Give details of all the board committees, their members and the proportion of executive, independent and other external directors.

Executive committee

Name	Position	Type
Ana Botín-Sanz de Sautuola y O'Shea	Chair	Executive director
Héctor Grisi Checa	Member	Executive director
José Antonio Álvarez Álvarez	Member	Other external director
Luis Isasi Fernández de Bobadilla	Member	Other external director
Belén Romana García	Member	Independent director
% of executive directors		40.00
% of proprietary directors		0.00
% of independent directors		20.00
% of other external directors		40.00

Audit committee

Name	Position	Type
Germán de la Fuente Escamilla	Chair	Independent director
Homaira Akbari	Member	Independent director
Henrique de Castro	Member	Independent director
Belén Romana García	Member	Independent director
Pamela Walkden	Member	Independent director
% of executive directors		0
% of proprietary directors		0
% of independent directors		100
% of other external directors		0

Identify those directors in the audit committee who have been appointed on the basis of their knowledge and experience in accounting, audit or both and indicate the date of appointment of the committee chair.

Name of directors with accounting or audit experience	Germán de la Fuente Homaira Akbari Henrique de Castro Belén Romana García Pamela Walkden
Date of appointment of the committee chair for that position	23 March 2024

Nomination committee

Name	Position	Type
Belén Romana García	Chair	Independent director
Juan Carlos Barrabés Cónsul	Member	Independent director
Sol Daurella Comadrán	Member	Independent director
Gina Díez Barroso	Member	Independent director
Glenn Hutchins	Member	Independent director
% of executive directors		0
% of proprietary directors		0
% of independent directors		100
% of other external directors		0

Remuneration committee

Name	Position	Type
Glenn Hogan Hutchins	Chair	Independent director
Sol Daurella Comadrán	Member	Independent director
Henrique de Castro	Member	Independent director
Luis Isasi Fernández de Bobadilla	Member	Other external director
% of executive directors		0
% of proprietary directors		0
% of independent directors		75.00
% of other external directors		25.00

Risk supervision, regulation and compliance committee

Name	Position	Type
Pamela Walkden	Chair	Independent director
Germán de la Fuente Escamilla	Member	Independent director
Luis Isasi Fernández de Bobadilla	Member	Other external director
Belén Romana García	Member	Independent director
% of executive directors		0
% of proprietary directors		0
% of independent directors		75.00
% of other external directors		25.00

Responsible banking, sustainability and culture committee

Name	Position	Type
Sol Daurella Comadrán	Chair	Independent director
Homaira Akbari	Member	Independent director
Juan Carlos Barrabés Cónsul	Member	Independent director
Gina Díez Barroso Azcárraga	Member	Independent director
Belén Romana García	Member	Independent director
% of executive directors		0
% of proprietary directors		0
% of independent directors		100
% of other external directors		0

Innovation and technology committee

Name	Position	Type
Glenn Hogan Hutchins	Chair	Independent director
Ana Botín-Sanz de Sautuola y O'Shea	Member	Executive director
Homaira Akbari	Member	Independent director
José Antonio Álvarez Álvarez	Member	Other external director
Juan Carlos Barrabés Cónsul	Member	Independent director
Henrique de Castro	Member	Independent director
Héctor Grisi Checa	Member	Executive director
Belén Romana García	Member	Independent director
% of executive directors		25.00
% of proprietary directors		0.00
% of independent directors		62.50
% of other external directors		12.50

C.2.2 Complete the following table on the number of female directors on the various board committees over the past four years.

	Number of female directors							
	FY 2024		FY 2023		FY 2022		FY 2021	
	Number	%	Number	%	Number	%	Number	%
Audit committee	3	50.00	3	50.00	3	50.00	3	60.00
Responsible banking, sustainability and culture committee	4	80.00	4	80.00	3	75.00	3	60.00
Innovation and technology committee	3	37.50	3	42.86	3	42.86	3	42.86
Nomination committee	3	60.00	2	50.00	2	50.00	2	50.00
Remuneration committee	1	25.00	1	20.00	1	20.00	1	20.00
Risk supervision, regulation and compliance committee	2	50.00	2	40.00	2	50.00	2	40.00
Executive committee	2	40.00	2	33.33	2	33.33	2	33.33

D. RELATED-PARTY AND INTRAGROUP TRANSACTIONS

D.2 Give individual details of operations that are significant due to their amount or of importance due to their subject matter carried out between the company or its subsidiaries and shareholders holding 10% or more of the voting rights or who are represented on the board of directors of the company, indicating which has been the competent body for its approval and if any affected shareholder or director has abstained. In the event that the board of directors has responsibility, indicate if the proposed resolution has been approved by the board without a vote against the majority of the independents:

Not applicable.

D.3 Give individual details of the operations that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with the administrators or managers of the company, including those operations carried out with entities that the administrator or manager controls or controls jointly, indicating the competent body for its approval and if any affected shareholder or director has abstained. In the event that the board of directors has responsibility, indicate if the proposed resolution has been approved by the board without a vote against the majority of the independents:

Not applicable.

D.4 Report individually on intra-group transactions that are significant due to their amount or relevant due to their subject matter that have been undertaken by the company with its parent company or with other entities belonging to the parent's group, including subsidiaries of the listed company, except where no other related party of the listed company has interests in these subsidiaries or that they are fully owned, directly or indirectly, by the listed company.

In any case, report any intragroup transactions carried out with entities in countries or territories considered to be tax havens.

Corporate name of the group company	Brief description of the transaction and any other information necessary for its evaluation	Amount (EUR thousand)
The information included in this chart shows the transactions and the results obtained by Banco Santander in Spain and its foreign branches as of 31 December 2024 with Group entities resident in countries or territories that were considered non-cooperative jurisdictions pursuant to Spanish legislation, at such date (Law 11/2021 on measures to prevent and fight against tax fraud).		
These results, and the balances indicated below, were eliminated in the consolidation process. See note 3 to the 2024 'consolidated financial statements' for more information on offshore entities.		
Banco Santander (Brasil) S.A. (Cayman Islands Branch)	The amount shown on the right corresponds to net positive results (including results due to exchange differences) relating to contracting of derivatives.	
	The referred derivatives had a net positive market value of EUR 143 million and covered the following transactions:	
	- 181 Non-Delivery Forwards.	
	- 213 Swaps.	
	- 67 Cross Currency Swaps.	
	- 52 Options.	
	- 116 Forex.	232,795
	The amount shown on the right corresponds to negative results relating to demand and term deposits (liability). These deposits had a nominal value of EUR 2,564 million as of 31 December 2024.	49,681
	The amount shown on the right corresponds to positive results relating to term deposits (asset). These deposits had a nominal value of EUR 11 million as of 31 December 2024.	8
	The amount shown on the right corresponds to positive results relating to fixed income securities/subordinated instruments (asset). This relates to the investment in Tier I subordinated perpetual notes, with original date of issue November 2018, that were fully amortized on 8 November 2024.	87,327
	The amount shown on the right corresponds to negative results relating to interests and commissions concerning correspondent accounts (liability). This relates to correspondent accounts with a credit balance of EUR 15 million as of 31 December 2024.	164
	The amount shown on the right corresponds to positive results relating to commissions received.	110

D.5 Give individual details of the operations that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with other related parties pursuant to the international accounting standards adopted by the EU, which have not been reported in previous sections.

Not applicable.

G. DEGREE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE RECOMMENDATIONS

Indicate the degree of the company's compliance with the recommendations of the good governance code for listed companies.

Should the company not comply with any of the recommendations or comply only in part, include a detailed explanation of the reasons so that shareholders, investors and the market in general have enough information to assess the company's behaviour. General explanations are not acceptable.

1. The bylaws of listed companies should not place an upper limit on the votes that can be cast by a single shareholder, or impose other obstacles to the takeover of the company by means of share purchases on the market.

Complies Explain

2. When the listed company is controlled, pursuant to the meaning established in Article 42 of the Commercial Code, by another listed or non-listed entity, and has, directly or through its subsidiaries, business relationships with that entity or any of its subsidiaries (other than those of the listed company) or carries out activities related to the activities of any of them, this is reported publicly, with specific information about:

a) The respective areas of activity and possible business relationships between, on the one hand, the listed company or its subsidiaries and, on the other, the parent company or its subsidiaries.

b) The mechanisms established to resolve any conflicts of interest that may arise.

Complies Partially complies Explain Not applicable

3. During the AGM the chair of the board should verbally inform shareholders in sufficient detail of the most relevant aspects of the company's corporate governance, supplementing the written information circulated in the annual corporate governance report. In particular:

a) Changes taking place since the previous annual general meeting.

b) The specific reasons for the company not following a given Good Governance Code recommendation, and any alternative procedures followed in its stead.

Complies Partially complies Explain

4. The company should define and promote a policy for communication and contact with shareholders and institutional investors within the framework of their involvement in the company, as well as with proxy advisors, that complies in full with the rules on market abuse and gives equal treatment to shareholders who are in the same position. The company should make said policy public through its website, including information regarding the way in which it has been implemented and the parties involved or those responsible its implementation.

Further, without prejudice to the legal obligations of disclosure of inside information and other regulated information, the company should also have a general policy for the communication of economic-financial, non-financial and corporate information through the channels it considers appropriate (media, social media or other channels) that helps maximise the dissemination and quality of the information available to the market, investors and other stakeholders.

Complies Partially complies Explain

5. The board of directors should not make a proposal to the general meeting for the delegation of powers to issue shares or convertible securities without pre-emptive subscription rights for an amount exceeding 20% of capital at the time of such delegation.

And that whenever the board of directors approves an issuance of shares or convertible securities without pre-emptive rights the company immediately publishes reports on its web page regarding said exclusions as referenced in applicable mercantile law.

Complies Partially complies Explain

6. Listed companies drawing up the following reports on a voluntary or compulsory basis should publish them on their website well in advance of the AGM, even if their distribution is not obligatory:

a) Report on auditor independence.

b) Reviews of the operation of the audit committee and the nomination and remuneration committees.

c) Audit committee report on third-party transactions.

Complies Partially complies Explain

7. The company should broadcast its general meetings live on the corporate website.

The company should have mechanisms that allow the delegation and exercise of votes by electronic means and even, in the case of large-cap companies and, to the extent that it is proportionate, attendance and active participation in the general shareholders' meeting.

Complies Explain

8. The audit committee should strive to ensure that the financial statements that the board of directors presents to the general shareholders' meeting are drawn up in accordance to accounting legislation. And in those cases where the auditors includes any qualification in its report, the chair of the audit committee should give a clear explanation at the general meeting of their opinion regarding the scope and content, making a summary of that opinion available to the shareholders at the time of the publication of the notice of the meeting, along with the rest of proposals and reports of the board.

Complies Partially complies Explain

9. The company should disclose its conditions and procedures for admitting share ownership, the right to attend general meetings and the exercise or delegation of voting rights, and display them permanently on its website.

Such conditions and procedures should encourage shareholders to attend and exercise their rights and be applied in a non-discriminatory manner.

Complies Partially complies Explain

10. When a shareholder so entitled exercises the right to supplement the agenda or submit new proposals prior to the general meeting, the company should:

- a) Immediately circulate the supplementary items and new proposals.
- b) Disclose the standard attendance card or proxy appointment or remote voting form, duly modified so that new agenda items and alternative proposals can be voted on in the same terms as those submitted by the board of directors.
- c) Put all these items or alternative proposals to the vote applying the same voting rules as for those submitted by the board of directors, with particular regard to presumptions or deductions about the direction of votes.
- d) After the general meeting, disclose the breakdown of votes on such supplementary items or alternative proposals.

Complies Partially complies Explain Not applicable

11. In the event that a company plans to pay for attendance at the general meeting, it should first establish a general, long-term policy in this respect.

Complies Partially complies Explain Not applicable

12. The board of directors should perform its duties with unity of purpose and independent judgement, according the same treatment to all shareholders in the same position. It should be guided at all times by the company's best interest, understood as the creation of a profitable business that promotes its sustainable success over time, while maximising its economic value.

In pursuing the corporate interest, it should not only abide by laws and regulations and conduct itself according to principles of good faith, ethics and respect for commonly accepted customs and good practices, but also strive to reconcile its own interests with the legitimate interests of its employees, suppliers, clients and other stakeholders, as well as with the impact of its activities on the broader community and the natural environment.

Complies Partially complies Explain

13. The board of directors should have an optimal size to promote its efficient functioning and maximise participation. The recommended range is accordingly between five and fifteen members.

Complies Explain

14. The board of directors should approve a policy aimed at promoting an appropriate composition of the board that:

- a) is concrete and verifiable;
- b) ensures that appointment or re-election proposals are based on a prior analysis of the competences required by the board; and
- c) favours diversity of knowledge, experience, age and gender. Therefore, measures that encourage the company to have a significant number of female senior managers are considered to favour gender diversity.

The results of the prior analysis of competences required by the board should be written up in the nomination committee's explanatory report, to be published when the general shareholders' meeting is convened that will ratify the appointment and re-election of each director.

The nomination committee should run an annual check on compliance with this policy and set out its findings in the annual corporate governance report.

Complies Partially complies Explain

15. Proprietary and independent directors should constitute an ample majority on the board of directors, while the number of executive directors should be the minimum practical bearing in mind the complexity of the corporate group and the ownership interests they control.

Further, the number of female directors should account for at least 40% of the members of the board of directors before the end of 2022 and thereafter, and not less than 30% previous to that.

Complies Partially complies Explain

16. The percentage of proprietary directors out of all non-executive directors should be no greater than the proportion between the ownership stake of the shareholders they represent and the remainder of the company's capital.

This criterion can be relaxed:

- a) In large cap companies where few or no equity stakes attain the legal threshold for significant shareholdings.
- b) In companies with a plurality of shareholders represented on the board but not otherwise related.

Complies Explain

17. Independent directors should be at least half of all board members.

However, when the company does not have a large market capitalisation, or when a large cap company has shareholders individually or concertedly controlling over 30 percent of capital, independent directors should occupy, at least, a third of board places.

Complies Explain

18. Companies should disclose the following director particulars on their websites and keep them regularly updated:

- a) Background and professional experience.
- b) Directorships held in other companies, listed or otherwise, and other paid activities they engage in, of whatever nature.
- c) Statement of the director class to which they belong, in the case of proprietary directors indicating the shareholder they represent or have links with.
- d) Dates of their first appointment as a board member and subsequent re-elections.
- e) Shares held in the company, and any options on the same.

Complies Partially complies Explain

19. Following verification by the nomination committee, the annual corporate governance report should disclose the reasons for the appointment of proprietary directors at the urging of shareholders controlling less than 3 percent of capital; and explain any rejection of a formal request for a board place from shareholders whose equity stake is equal to or greater than that of others applying successfully for a proprietary directorship.

Complies Partially complies Explain Not applicable

20. Proprietary directors should resign when the shareholders they represent dispose of their ownership interest in its entirety. If such shareholders reduce their stakes, thereby losing some of their entitlement to proprietary directors, the number of the latter should be reduced accordingly.

Complies Partially complies Explain Not applicable

21. The board of directors should not propose the removal of independent directors before the expiry of their tenure as mandated by the bylaws, except where they find just cause, based on a proposal from the nomination committee. In particular, just cause will be presumed when directors take up new posts or responsibilities that prevent them allocating sufficient time to the work of a board member, or are in breach of their fiduciary duties or come under one of the disqualifying grounds for classification as independent enumerated in the applicable legislation.

The removal of independent directors may also be proposed when a takeover bid, merger or similar corporate transaction alters the company's capital structure, provided the changes in board membership ensue from the proportionality criterion set out in recommendation 16.

Complies Explain

22. Companies should establish rules obliging directors to disclose any circumstance that might harm the organisation's name or reputation, related or not to their actions within the company, and tendering their resignation as the case may be, and, in particular, to inform the board of any criminal charges brought against them and the progress of any subsequent trial.

When the board is informed or becomes aware of any of the situations mentioned in the previous paragraph, the board of directors should examine the case as soon as possible and, attending to the particular circumstances, decide, based on a report from the nomination and remuneration committee, whether or not to adopt any measures such as opening of an internal investigation, calling on the director to resign or proposing his or her dismissal. The board should give a reasoned account of all such determinations in the annual corporate governance report, unless there are special circumstances that justify otherwise, which must be recorded in the minutes. This is without prejudice to the information that the company must disclose, if appropriate, at the time it adopts the corresponding measures.

Complies Partially complies Explain

23. Directors should express their clear opposition when they feel a proposal submitted for the board's approval might damage the corporate interest. In particular, independents and other directors not subject to potential conflicts of interest should strenuously challenge any decision that could harm the interests of shareholders lacking board representation.

When the board makes material or reiterated decisions about which a director has expressed serious reservations, then he or she must draw the pertinent conclusions. Directors resigning for such causes should set out their reasons in the letter referred to in the next recommendation.

The terms of this recommendation also apply to the secretary of the board, even if he or she is not a director.

Complies Partially complies Explain Not applicable

24. Directors who give up their position before their tenure expires, through resignation or resolution of the general meeting, should state the reasons for this decision, or in the case of non-executive directors, their opinion of the reasons for the general meeting resolution, in a letter to be sent to all members of the board.

This should all be reported in the annual corporate governance report, and if it is relevant for investors, the company should publish an announcement of the departure as rapidly as possible, with sufficient reference to the reasons or circumstances provided by the director.

Complies Partially complies Explain Not applicable

25. The nomination committee should ensure that non-executive directors have sufficient time available to discharge their responsibilities effectively.

The board rules and regulations should lay down the maximum number of company boards on which directors can serve.

Complies Partially complies Explain

26. The board should meet with the necessary frequency to properly perform its functions, eight times a year at least, in accordance with a calendar and agendas set at the start of the year, to which each director may propose the addition of initially unscheduled items.

Complies Partially complies Explain

27. Director absences should be kept to a strict minimum and quantified in the annual corporate governance report. In the event of absence, directors should delegate their powers of representation with the appropriate instructions.

Complies Partially complies Explain

28. When directors or the secretary express concerns about some proposal or, in the case of directors, about the company's performance, and such concerns are not resolved at the meeting, they should be recorded in the minutes book if the person expressing them so requests.

Complies Partially complies Explain Not applicable

29. The company should provide suitable channels for directors to obtain the advice they need to carry out their duties, extending if necessary to external assistance at the company's expense.

Complies Partially complies Explain

30. Regardless of the knowledge directors must possess to carry out their duties, they should also be offered refresher programmes when circumstances so advise.

Complies Explain Not applicable

31. The agendas of board meetings should clearly indicate on which points directors must arrive at a decision, so they can study the matter beforehand or obtain the information they consider appropriate.

For reasons of urgency, the chair may wish to present decisions or resolutions for board approval that were not on the meeting agenda. In such exceptional circumstances, their inclusion will require the express prior consent, duly minuted, of the majority of directors present.

Complies Partially complies Explain

32. Directors should be regularly informed of movements in share ownership and of the views of major shareholders, investors and rating agencies on the company and its group.

Complies Partially complies Explain

33. The chair, as the person responsible for the efficient functioning of the board of directors, in addition to the functions assigned by law and the company's bylaws, should prepare and submit to the board a schedule of meeting dates and agendas; organise and coordinate regular evaluations of the board and, where appropriate, of the company's chief executive officer; exercise leadership of the board and be accountable for its proper functioning; ensure that sufficient time is given to the discussion of strategic issues, and approve and review refresher courses for each director, when circumstances so advise.

Complies Partially complies Explain

34. When a lead independent director has been appointed, the bylaws or the Rules and regulations of the board of directors should grant him or her the following powers over and above those conferred by law: to chair the board of directors in the absence of the chair or vice chair; to give voice to the concerns of non-executive directors; to maintain contact with investors and shareholders to hear their views and develop a balanced understanding of their concerns, especially those to do with the company's corporate governance; and to coordinate the chair's succession plan.

Complies Partially complies Explain Not applicable

35. The board secretary should strive to ensure that the board's actions and decisions are informed by the governance recommendations of the Good Governance Code of relevance to the company.

Complies Explain

36. The board in full should conduct an annual evaluation, adopting, where necessary, an action plan to correct weakness detected in:

- a) The quality and efficiency of the board's operation.
- b) The performance and membership of its committees.
- c) The diversity of board membership and competencies.
- d) The performance of the chair of the board of directors and the company's chief executive.
- e) The performance and contribution of individual directors, with particular attention to the chair of board committees.

The evaluation of board committees should start from the reports they send to the board of directors, while that of the board itself should start from the report of the nomination committee.

Every three years, the board of directors should engage an external facilitator to aid in the evaluation process. This facilitator's independence should be verified by the nomination committee.

Any business dealings that the facilitator or members of its corporate group maintain with the company or members of its corporate group should be detailed in the annual corporate governance report.

The process followed and areas evaluated should be detailed in the annual corporate governance report.

Complies Partially complies Explain

37. When there is an executive committee, there should be at least two non-executive members, at least one of whom should be independent; and its secretary should be the secretary of the board of directors.

Complies Partially complies Explain Not applicable

38. The board should be kept fully informed of the matters discussed and decisions made by the executive committee. To this end, all board members should receive a copy of the committee's minutes.

Complies Partially complies Explain Not applicable

39. All members of the audit committee, particularly its chair, should be appointed with regard to their knowledge and experience in accounting, auditing and risk management matters, both financial and non-financial.

Complies Partially complies Explain

40. Listed companies should have a unit in charge of the internal audit function, under the supervision of the audit committee, to monitor the effectiveness of reporting and control systems. This unit should report functionally to the board's non-executive chair or the chair of the audit committee.

Complies Partially complies Explain

41. The head of the unit handling the internal audit function should present an annual work programme to the audit committee, for approval by this committee or the board, inform it directly of any incidents or scope limitations arising during its implementation, the results and monitoring of its recommendations, and submit an activities report at the end of each year.

Complies Partially complies Explain Not applicable

42. The audit committee should have the following functions over and above those legally assigned:

1. With respect to internal control and reporting systems:

a) Monitor and evaluate the preparation process and the integrity of the financial and non-financial information, as well as the control and management systems for financial and non-financial risks related to the company and, where appropriate, to the group – including operating, technological, legal, social, environmental, political and reputational risks or those related to corruption – reviewing compliance with regulatory requirements, the accurate demarcation of the consolidation perimeter, and the correct application of accounting principles.

b) Monitor the independence of the unit handling the internal audit function; propose the selection, appointment and removal of the head of the internal audit service; propose the service's budget; approve or make a proposal for approval to the board of the priorities and annual work programme of the internal audit unit, ensuring that it focuses primarily on the main risks the company is exposed to (including reputational risk); receive regular report-backs on its activities; and verify that senior management are acting on the findings and recommendations of its reports.

c) Establish and supervise a mechanism that allows employees and other persons related to the company, such as directors, shareholders, suppliers, contractors or subcontractors, to report irregularities of potential significance, including financial and accounting irregularities, or those of any other nature, related to the company, that they notice within the company or its group. This mechanism must guarantee confidentiality and enable communications to be made anonymously, respecting the rights of both the complainant and the accused party.

d) In general, ensure that the internal control policies and systems established are applied effectively in practice.

2. With regard to the external auditor:

a) Investigate the issues giving rise to the resignation of the external auditor, should this come about.

b) Ensure that the remuneration of the external auditor, does not compromise its quality or independence.

c) Ensure that the company notifies any change of external auditor through the CNMV, accompanied by a statement of any disagreements arising with the outgoing auditor and the reasons for the same.

d) Ensure that the external auditor has a yearly meeting with the board in full to inform it of the work undertaken and developments in the company's risk and accounting positions.

e) Ensure that the company and the external auditor adhere to current regulations on the provisions of non-audit services, limits on the concentration of the auditor's business and other requirements concerning auditor independence.

Complies Partially complies Explain

43. The audit committee should be empowered to meet with any company employee or manager, even ordering their appearance without the presence of another manager.

Complies Partially complies Explain

44. The audit committee should be informed of any structural changes or corporate transactions the company is planning, so the committee can analyse the operation and report to the board beforehand on its economic conditions and accounting impact and, when applicable, the exchange ratio proposed.

Complies Partially complies Explain Not applicable

45. Risk control and management policy should identify or establish at least:

a) The different types of financial and non-financial risk the company is exposed to (including operational, technological, financial, legal, social, environmental, political and reputational risks, and risks relating to corruption), with the inclusion under financial or economic risks of contingent liabilities and other off-balance-sheet risks.

b) A risk control and management model based on different levels, of which a specialised risk committee will form part when sector regulations provide or the company deems it appropriate.

c) The level of risk that the company considers acceptable.

d) The measures in place to mitigate the impact of identified risk events should they occur.

e) The internal control and reporting systems to be used to control and manage the above risks, including contingent liabilities and off-balance-sheet risks.

Complies Partially complies Explain

46. Companies should establish a risk control and management function in the charge of one of the company's internal department or units and under the direct supervision of the audit committee or some other specialised board committee. This internal department or unit should be expressly charged with the following responsibilities:

a) Ensure that risk control and management systems are functioning correctly and, specifically, that major risks the company is exposed to are correctly identified, managed and quantified.

b) Participate actively in the preparation of risk strategies and in key decisions about their management.

c) Ensure that risk control and management systems are mitigating risks effectively in the frame of the policy drawn up by the board of directors.

Complies Partially complies Explain

47. Members of the nomination and remuneration committee or of the nomination committee and remuneration committee, if separately constituted - should be chosen procuring they have the right balance of knowledge, skills and experience for the functions they are called on to discharge. The majority of their members should be independent directors.

Complies Partially complies Explain

48. Large cap companies should have formed separate nomination and remuneration committees.

Complies Explain Not applicable

49. The nomination committee should consult with the company's chair and chief executive, especially on matters relating to executive directors.

When there are vacancies on the board, any director may approach the nomination committee to propose candidates that it might consider suitable.

Complies Partially complies Explain

50. The remuneration committee should operate independently and have the following functions in addition to those assigned by law:

- a) Propose to the board the standard conditions for senior officer contracts.
- b) Monitor compliance with the remuneration policy set by the company.
- c) Periodically review the remuneration policy for directors and senior officers, including share-based remuneration systems and their application, and ensure that their individual compensation is proportionate to the amounts paid to other directors and senior officers in the company.
- d) Ensure that conflicts of interest do not undermine the independence of any external advice the committee engages.
- e) Verify the information on director and senior officers' pay contained in corporate documents, including the annual directors' remuneration statement.

Complies Partially complies Explain

51. The remuneration committee should consult with the company's chair and chief executive, especially on matters relating to executive directors and senior officers.

Complies Partially complies Explain

52. The rules regarding composition and functioning of supervision and control committees should be set out in the regulations of the board of directors and aligned with those governing legally mandatory board committees as specified in the preceding sets of recommendations. They should include at least the following terms:

- a) Committees should be formed exclusively by non-executive directors, with a majority of independents.
- b) They should be chaired by independent directors.
- c) The board should appoint the members of such committees with regard to the knowledge, skills and experience of its directors and each committee's terms of reference; discuss their proposals and reports; and provide report-backs on their activities and work at the first board plenary following each committee meeting.
- d) They may engage external advice, when they feel it necessary for the discharge of their functions.
- e) Meeting proceedings should be minuted and a copy made available to all board members.

Complies Partially complies Explain Not applicable

53. The task of supervising compliance with the policies and rules of the company in the environmental, social and corporate governance areas, and internal rules of conduct, should be assigned to one board committee or split between several, which could be the audit committee, the nomination committee, a committee specialised in sustainability or corporate social responsibility, or a dedicated committee established by the board under its powers of self-organisation. Such a committee should be made up solely of non-executive directors, the majority being independent and specifically assigned the following minimum functions.

Complies Partially complies Explain

54. The minimum functions referred to in the previous recommendation are as follows:

- a) Monitor compliance with the company's internal codes of conduct and corporate governance rules, and ensure that the corporate culture is aligned with its purpose and values.
- b) Monitor the implementation of the general policy regarding the disclosure of economic-financial, non-financial and corporate information, as well as communication with shareholders and investors, proxy advisors and other stakeholders. Similarly, the way in which the entity communicates and relates with small and medium-sized shareholders should be monitored.
- c) Periodically evaluate the effectiveness of the company's corporate governance system and environmental and social policy, to confirm that it is fulfilling its mission to promote the corporate interest and catering, as appropriate, to the legitimate interests of remaining stakeholders.
- d) Ensure the company's environmental and social practices are in accordance with the established strategy and policy.
- e) Monitor and evaluate the company's interaction with its stakeholder groups.

Complies Partially complies Explain

55. Environmental and social sustainability policies should identify and include at least:

- a) The principles, commitments, objectives and strategy regarding shareholders, employees, clients, suppliers, social welfare issues, the environment, diversity, fiscal responsibility, respect for human rights and the prevention of corruption and other illegal conducts.
- b) The methods or systems for monitoring compliance with policies, associated risks and their management.
- c) The mechanisms for supervising non-financial risk, including that related to ethical aspects and business conduct.
- d) Channels for stakeholder communication, participation and dialogue.
- e) Responsible communication practices that prevent the manipulation of information and protect the company's honour and integrity.

Complies Partially complies Explain

56. Director remuneration should be sufficient to attract and retain directors with the desired profile and compensate the commitment, abilities and responsibility that the post demands, but not so high as to compromise the independent judgement of non-executive directors.

Complies Explain

57. Variable remuneration linked to the company and the director's performance, the award of shares, options or any other right to acquire shares or to be remunerated on the basis of share price movements, and membership of long-term savings schemes such as pension plans, retirement accounts or any other retirement plan should be confined to executive directors.

The company may consider the share-based remuneration of non-executive directors provided they retain such shares until the end of their mandate. The above condition will not apply to any shares that the director must dispose of to defray costs related to their acquisition.

Complies Partially complies Explain

58. In the case of variable awards, remuneration policies should include limits and technical safeguards to ensure they reflect the professional performance of the beneficiaries and not simply the general progress of the markets or the company's sector, or circumstances of that kind.

In particular, variable remuneration items should meet the following conditions:

a) Be subject to predetermined and measurable performance criteria that factor the risk assumed to obtain a given outcome.

b) Promote the long-term sustainability of the company and include non-financial criteria that are relevant for the company's long-term value, such as compliance with its internal rules and procedures and its risk control and management policies.

c) Be focused on achieving a balance between the achievement of short, medium and long-term targets, such that performance-related pay rewards ongoing achievement, maintained over sufficient time to appreciate its contribution to long-term value creation. This will ensure that performance measurement is not based solely on one off, occasional or extraordinary events.

Complies Partially complies Explain Not applicable

59. The payment of the variable components of remuneration is subject to sufficient verification that previously established performance, or other, conditions have been effectively met. Entities should include in their annual directors' remuneration report the criteria relating to the time required and methods for such verification, depending on the nature and characteristics of each variable component.

Additionally, entities should consider establishing a reduction clause ('malus') based on deferral for a sufficient period of the payment of part of the variable components that implies total or partial loss of this remuneration in the event that prior to the time of payment an event occurs that makes this advisable.

Complies Partially complies Explain Not applicable

60. Remuneration linked to company earnings should bear in mind any qualifications stated in the external auditor's report that reduce their amount.

Complies Partially complies Explain Not applicable

61. A major part of executive directors' variable remuneration should be linked to the award of shares or financial instruments whose value is linked to the share price.

Complies Partially complies Explain Not applicable

62. Following the award of shares, options or financial instruments corresponding to the remuneration schemes, executive directors should not be able to transfer their ownership or exercise them until a period of at least three years has elapsed.

Except for the case in which the director maintains, at the time of the transfer or exercise, a net economic exposure to the variation in the price of the shares for a market value equivalent to an amount of at least twice his or her fixed annual remuneration through the ownership of shares, options or other financial instruments.

The foregoing shall not apply to the shares that the director needs to dispose of to meet the costs related to their acquisition or, upon favourable assessment of the nomination and remuneration committee to address an extraordinary situation.

Complies Partially complies Explain Not applicable

63. Contractual arrangements should include provisions that permit the company to reclaim variable components of remuneration when payment was out of step with the director's actual performance or based on data subsequently found to be misstated.

Complies Partially complies Explain Not applicable

64. Termination payments should not exceed a fixed amount equivalent to two years of the director's total annual remuneration and should not be paid until the company confirms that he or she has met the predetermined performance criteria.

For the purposes of this recommendation, payments for contractual termination include any payments whose accrual or payment obligation arises as a consequence of or on the occasion of the termination of the contractual relationship that linked the director with the company, including previously unconsolidated amounts for long-term savings schemes and the amounts paid under post-contractual non-compete agreements.

Complies Partially complies Explain Not applicable

List whether any directors voted against or abstained from voting on the approval of this Report.

Yes No

I declare that the information included in this statistical annex are the same and are consistent with the descriptions and information included in the annual corporate governance report published by the company.

9.3 References on compliance with recommendations of Spanish Corporate Governance Code

Recommendation	Comply / Explain	Information
1	Comply	See section 3.2 'Shareholder rights' .
2	Not applicable	See 'Other conflicts of interest' in section 4.12 and section 2.3 'Significant shareholders' .
3	Comply	See section 3.1 'Shareholder communication and engagement' .
4	Comply	See section 3.1 'Shareholder communication and engagement' .
5	Comply	See section 2.2 'Authority to increase capital' .
6	Comply	See sections 4.5 'Audit committee activities in 2024' , 4.6 'Nomination committee activities in 2024' , 4.7 'Remuneration committee activities in 2024' , 4.8 'Risk supervision, regulation and compliance committee activities in 2024' , 4.9 'Responsible banking, sustainability and culture committee activities in 2024' , 4.10 'Innovation and technology committee activities in 2024' and 4.12 'Related-party transactions and conflicts of interest' .
7	Comply	See 'Engagement with shareholders in 2024' in section 3.1, 'Participation at general meetings' in section 3.2 and section 3.5 'Our next AGM in 2025' .
8	Comply	See 'Board regulation' in section 4.3 and sections 4.5 'Audit committee activities in 2024' and 8.5 'Monitoring of system functioning' .
9	Comply	See 'Participation at general meetings' in section 3.2.
10	Comply	See 'Supplement to the notice and proposals resolutions' in section 3.2.
11	Not applicable	See section 3.5 'Our next AGM in 2025' .
12	Comply	See section 4.3 'Board functioning and effectiveness' .
13	Comply	See 'Size' in section 4.2.
14	Comply	See 'Diversity' and 'Election, appointment, re-election and succession of directors' in section 4.2, 'Board regulation' in section 4.3, 'Duties and activities in 2024' in section 4.6 and 'Sustainability statement' chapter.
15	Comply	See section 4.2 'Board composition' .
16	Comply	See 'Composition by type of director' in section 4.2.
17	Comply	See 'Composition by type of director' and 'Election, appointment, re-election and succession of directors' in section 4.2.
18	Comply	See 'Corporate website' in section 3.1, section 4.1 'Our directors' and 'Tenure and equity ownership' in section 4.2.
19	Not applicable	See 'Composition by type of director' in section 4.2.
20	Comply	See 'Election, appointment, re-election and succession of directors' in section 4.2.
21	Comply	See 'Election, appointment, re-election and succession of directors' in section 4.2.
22	Comply	See 'Election, appointment, re-election and succession of directors' in section 4.2, 'Board regulation' in section 4.3 and 'Duties and activities in 2024' in section 4.6.
23	Comply	See 'Election, appointment, re-election and succession of directors' in section 4.2.
24	Comply	See 'Election, appointment, re-election and succession of directors' in section 4.2 and 'Board's regulation' in section 4.3.
25	Comply	See 'Board and committee preparation and attendance' in section 4.3 and 'Duties and activities in 2024' in section 4.6.
26	Comply	See 'Board operation' and 'Board and committee preparation and attendance' in section 4.3.
27	Comply	See 'Board operation' , 'Committee operation' and 'Board and committee preparation and attendance' in section 4.3.
28	Comply	See 'Board regulation' and 'Board operation' in section 4.3.
29	Comply	See 'Board operation' and 'Committee operation' in section 4.3.
30	Comply	See 'Director training and induction programmes' in section 4.3.
31	Comply	See 'Board operation' in section 4.3.
32	Comply	See section 3.1 'Shareholder communication and engagement' and 'Duties and activities in 2024' in section 4.6.
33	Comply	See section 4.3 'Board functioning and effectiveness' .
34	Comply	See 'Lead Independent Director' in section 4.3.
35	Comply	See 'Secretary of the board' in section 4.3.
36	Comply	See 'Board effectiveness review in 2024' in section 4.3.
37	Comply	See 'Board regulation' in section 4.3 and 'Composition' in section 4.4.
38	Comply	See 'Committee operation' in section 4.3 and section 4.4 'Executive committee activities in 2024' .
39	Comply	See 'Board regulation' in section 4.3 and 'Composition' in section 4.5.

Recommendation	Comply / Explain	Information
40	Comply	See ' Duties and activities in 2024 ' in section 4.5 and sections 8.1 'Control environment' and 8.5 'Monitoring of system functioning' .
41	Comply	See ' Board regulation ' in section 4.3, ' Duties and activities in 2024 ' in section 4.5 and section 8.5 'Monitoring of system functioning' .
42	Comply	See ' Board regulation ' in section 4.3 and ' Duties and activities in 2024 ' in section 4.5.
43	Comply	See ' Committee operation ' in section 4.3.
44	Comply	See ' Duties and activities in 2024 ' in section 4.5.
45	Comply	See ' Board regulation ' in section 4.3, ' Duties and activities in 2024 ' in section 4.5, ' Duties and activities in 2024 ' in section 4.8 and the ' Risk management and compliance ' chapter.
46	Comply	See ' Duties and activities in 2024 ' in section 4.5, ' Duties and activities in 2024 ' in section 4.8 and the ' Risk management and compliance ' chapter.
47	Comply	See ' Composition ' in section 4.6 and ' Composition ' in section 4.7.
48	Comply	See ' Structure of board committees ' in section 4.3.
49	Comply	See ' Duties and activities in 2024 ' in section 4.6.
50	Comply	See ' Duties and activities in 2024 ' in section 4.7 and ' Duties and activities in 2024 ' in section 4.6.
51	Comply	See ' Duties and activities in 2024 ' in section 4.7.
52	Comply	See ' Board regulation ' and ' Committee operation ' in section 4.3 and sections 4.8 'Risk supervision, regulation and compliance committee activities in 2024' and 4.9 'Responsible banking, sustainability and culture committee activities in 2024' .
53	Comply	See ' Board regulation ' in section 4.3, ' Duties and activities in 2024 ' in section 4.6, ' Duties and activities in 2024 ' in section 4.8 and ' Duties and activities in 2024 ' in section 4.9.
54	Comply	See ' Board regulation ' in section 4.3, ' Duties and activities in 2024 ' in section 4.6, ' Duties and activities in 2024 ' in section 4.8 and ' Duties and activities in 2024 ' in section 4.9.
55	Comply	See ' Duties and activities in 2024 ' in section 4.9 and ' Sustainability statement ' chapter.
56	Comply	See sections 6.2 'Remuneration of directors for supervisory and collective decision-making duties: policy applied in 2024' , 6.3 'Remuneration of directors for executive duties' and 6.4 'Directors' remuneration policy for 2025, 2026 and 2027' .
57	Comply	See sections 6.2 'Remuneration of directors for supervisory and collective decision-making duties: policy applied in 2024' , 6.3 'Remuneration of directors for executive duties' and 6.4 'Directors' remuneration policy for 2025, 2026 and 2027' .
58	Comply	See section 6.3 'Remuneration of directors for executive duties' and 6.4 'Directors' remuneration policy for 2025, 2026 and 2027' .
59	Comply	See section 6.3 'Remuneration of directors for executive duties' .
60	Comply	See section 6.3 'Remuneration of directors for executive duties' .
61	Comply	See section 6.3 'Remuneration of directors for executive duties' and 6.4 'Directors' remuneration policy for 2025, 2026 and 2027' .
62	Comply	See ' Duties and activities in 2024 ' in section 4.7, section 6.3 'Remuneration of directors for executive duties' and 6.4 'Directors' remuneration policy for 2025, 2026 and 2027' .
63	Comply	See section 6.3 'Remuneration of directors for executive duties' and 6.4 'Directors' remuneration policy for 2025, 2026 and 2027' .
64	Comply	See sections 6.1 'Principles of the remuneration policy' and 6.3 'Remuneration of directors for executive duties' and 6.4 'Directors' remuneration policy for 2025, 2026 and 2027' .

9.4 Reconciliation to the CNMV's remuneration report model

Section in the CNMV model	Included in statistical report	Further information elsewhere and comments
A. Remuneration policy for the present fiscal year		
A.1	No	<ul style="list-style-type: none"> See section 6.4: A.1.1, A.1.2, A.1.3, A.1.4, A.1.5, A.1.6, A.1.7, A.1.8, A.1.9, A.1.10, A.1.11 (note 5), A.1.12. See also sections 4.7 and 6.5 for A.1.1 y A.1.6. See 'L. Summary of link between risk, performance and remuneration' in section 6.3.
A.2	No	See section 6.4 .
A.3	No	See section 6.4 . See introduction.
A.4	No	See section 6.5 .
B. Overall summary of application of the remuneration policy over the last fiscal year		
B.1	No	For B.1.1, see sections 6.1 , 6.2 and 6.3 . For B.1.2 y B.1.3 (not applicable) see section 6.5 .
B.2	No	See ' L. Summary of link between risk, performance and remuneration ' in section 6.3.
B.3	No	See sections 6.1 , 6.2 and 6.3 .
B.4	No	See section 6.5 .
B.5	No	See section 6.2 and 6.3 .
B.6	No	See ' A. Gross annual salary ' in section 6.3.
B.7	No	See ' B. Variable remuneration ' in section 6.1, as well as sections 6.2 and 6.3 .
B.8	No	Not applicable.
B.9	No	See ' C. Main features of the benefit plans ' in section 6.3.
B.10	No	See ' D. Other remuneration ' in section 6.3.
B.11	No	See ' Terms and conditions of executive director contracts and other provisions applicable to all directors ' in section 6.4.
B.12	No	See ' F. Remuneration of board members as representatives of the Bank ' in section 6.3.
B.13	No	See note 5 to the consolidated financial statements.
B.14	No	See ' E. Insurance and other remuneration and benefits in kind ' in section 6.4.
B.15	No	See ' F. Remuneration of board members as representatives of the Bank ' in section 6.3.
B.16	No	No remuneration for this component.
C. Breakdown of the individual remuneration of directors		
C	Yes	See section 9.5 ' Statistical information on remuneration required by the CNMV '.
C.1 a) i)	Yes	See section 9.5 ' Statistical information on remuneration required by the CNMV '.
C.1 a) ii)	Yes	See section 9.5 ' Statistical information on remuneration required by the CNMV '.
C.1 a) iii)	Yes	See section 9.5 ' Statistical information on remuneration required by the CNMV '.
C.1 a) iii)	Yes	See section 9.5 ' Statistical information on remuneration required by the CNMV '.
C.1 b) i)	Yes	See section 9.5 ' Statistical information on remuneration required by the CNMV '.
C.1 b) ii)	No	No remuneration for this component.
C.1 b) iii)	No	No remuneration for this component.
C.1 b) iv)	No	No remuneration for this component.
C.1 c)	Yes	See section 9.5 ' Statistical information on remuneration required by the CNMV '.
C.2	Yes	See section 9.5 ' Statistical information on remuneration required by the CNMV '.
D. Other information of interest		
D	No	See section 4.7 ' Remuneration committee activities in 2024 '

9.5 Statistical information on remuneration required by the CNMV

B. OVERALL SUMMARY OF HOW REMUNERATION POLICY WAS APPLIED DURING THE YEAR ENDED

B.4 Report on the result of the consultative vote at the general shareholders' meeting on remuneration in the previous year, indicating the number of votes in favour, votes against, abstentions and blank ballots:

	Number	% of total
Votes cast	10,547,165,767	100.00 %

	Number	% of votes cast
Votes in favour	9,381,395,305	88.95 %
Votes against	1,021,578,768	9.69 %
Blank	5,497,367	0.05 %
Abstentions	138,694,327	1.31 %

C. ITEMISED INDIVIDUAL REMUNERATION ACCRUED BY EACH DIRECTOR

Directors	Type	Period of accrual in year 2024
Ana Botín-Sanz de Sautuola y O'Shea	Executive Chair	From 01/01/2024 to 31/12/2024
Héctor Grisi Checa	CEO	From 01/01/2024 to 31/12/2024
José Antonio Álvarez Álvarez	Vice-Chair	From 01/01/2024 to 31/12/2024
Glenn Hutchins	Lead independent director	From 01/01/2024 to 31/12/2024
Homaira Akbari	Independent	From 01/01/2024 to 31/12/2024
Javier Botín-Sanz de Sautuola y O'Shea	Other external	From 01/01/2024 to 31/12/2024
Sol Daurella Comadrán	Independent	From 01/01/2024 to 31/12/2024
Henrique de Castro	Independent	From 01/01/2024 to 31/12/2024
Gina Díez Barroso	Independent	From 01/01/2024 to 31/12/2024
Luis Isasi Fernández de Bobadilla	Other External	From 01/01/2024 to 31/12/2024
Ramiro Mato García-Ansorena	Independent	From 01/01/2024 to 27/06/2024
Belén Romana García	Independent	From 01/01/2024 to 31/12/2024
Pamela Walkden	Independent	From 01/01/2024 to 31/12/2024
Germán de la Fuente	Independent	From 01/01/2024 to 31/12/2024
Bruce Carnegie-Brown	Independent	From 01/01/2024 to 22/03/2024
Juan Carlos Barrabés Cónsul	Independent	From 27/06/2024 to 31/12/2024
Antonio Francesco Weiss	Independent	From 27/06/2024 to 31/12/2024

C.1 Complete the following tables on individual remuneration of each director (including the remuneration for exercising executive functions) accrued during the year.

a) Remuneration from the reporting company:

i) Remuneration in cash (thousand euros)

Name	Fixed remuneration	Per diem allowances	Remuneration for membership of Board's committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Severance pay	Other grounds	Total year 2024	Total year 2023
Ana Botín-Sanz de Sautuola y O'Shea	98	56	214	3,435	2,891	719	—	525	7,938	7,406
Héctor Grisi Checa	98	56	198	3,150	1,645	—	—	—	5,147	4,560
José Antonio Álvarez Álvarez	128	56	198	—	342	473	—	2,460	3,657	3,776
Glenn Hutchins	415	97	188	—	—	—	—	—	700	372
Bruce Carnegie-Brown	22	31	24	—	—	—	—	—	78	576
Homaira Akbari	98	88	99	—	—	—	—	—	285	265
Javier Botín-Sanz de Sautuola y O'Shea	98	46	—	—	—	—	—	—	144	137
Sol Daurella Comadrán	98	88	106	—	—	—	—	—	292	249
Henrique de Castro	98	103	99	—	—	—	—	—	300	284
Gina Díez Barroso	98	71	56	—	—	—	—	—	225	211
Luis Isasi Fernández de Bobadilla	98	101	241	—	—	—	—	1,000	1,440	1,417
Ramiro Mato García-Ansorena	48	60	163	—	—	—	—	—	271	518
Belén Romana García	98	128	373	—	—	—	—	—	599	572
Pamela Walkden	98	105	178	—	—	—	—	—	381	341
Germán de la Fuente	98	100	140	—	—	—	—	—	338	271
Juan Carlos Barrabés Cónsul	50	31	47	—	—	—	—	—	128	—
Antonio Francesco Weiss	50	22	—	—	—	—	—	—	72	—

Comments (Not included in the electronic submission to the CNMV)

The remuneration of Luis Isasi includes EUR 1,000 thousand for his role as non-executive Chair of the Santander España business unit and for attending its board and committee meetings.

The variable remuneration only includes amounts related to the position of executive director of Banco Santander S.A.

ii) Table of changes in share-based remuneration schemes and gross profit from consolidated shares or financial instruments

Name	Name of Plan	Financial instruments at start of year 2024		Financial instruments granted during 2024 year		Financial instruments consolidated during 2024				Instruments matured but not exercised	Financial instruments at end of year 2024			
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares / handed over	Price of the consolidated shares	Gross profit from shares handed over or consolidated financial instruments (EUR thousand)	No. of instruments	No. of instruments	No. of equivalent shares		
Ana Botin-Sanz de Sautuola y O'Shea	4th cycle of deferred variable remuneration plan linked to multi-year targets (2019)	106,464	106,464	—	—	—	35,452	35,452	4.576	162	—	71,012	—	—
	5th cycle of deferred variable remuneration plan linked to multi-year targets (2020)	74,547	74,547	—	—	—	31,049	31,049	4.576	142	—	6,225	—	37,273
	6th cycle of deferred variable remuneration plan linked to multi-year targets (2021)	533,023	533,023	—	—	—	162,750	162,750	4.576	745	—	14,925	—	355,348
	7th cycle of deferred variable remuneration plan linked to multi-year targets (2022) in shares	249,335	249,335	—	—	—	62,334	62,334	4.576	285	—	—	—	187,001
	7th cycle (Bis) of deferred variable remuneration plan linked to multi-year targets (2022) in shares options.	671,339	249,335	—	—	—	167,835	62,334	4.576	250	—	—	—	503,504
	8th cycle of deferred variable remuneration plan linked to multi-year targets (2023) in shares	572,107	572,107	—	—	—	114,421	114,421	4.576	524	—	—	—	457,686
	9th cycle of deferred variable remuneration plan linked to multi-year targets (2024)	—	—	901,853	901,853	—	404,447	404,447	4.576	1,851	—	—	—	497,405
Héctor Grisi Checa	8th cycle of deferred variable remuneration plan linked to multi-year targets (2023) in shares	371,737	371,737	—	—	—	74,347	74,347	4.576	340	—	—	—	297,390
	9th cycle of deferred variable remuneration plan linked to multi-year targets (2024)	—	—	606,917	606,917	—	279,480	279,480	4.576	1,279	—	—	—	327,437

Name	Name of Plan	Financial instruments at start of year 2024		Financial instruments granted during 2024 year		Financial instruments consolidated during 2024					Instruments matured but not exercised		Financial instruments at end of year 2024			
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares / handed over	Price of the consolidated shares	Gross profit from shares handed over or consolidated financial instruments (EUR thousand)	No. of instruments	No. of instruments	No. of instruments	No. of equivalent shares			
José Antonio Álvarez Álvarez	4th cycle of deferred variable remuneration plan linked to multi-year targets (2019)	71,149	71,149	—	—	—	—	23,693	23,693	4.576	108	—	47,456	—	—	—
	5th cycle of deferred variable remuneration plan linked to multi-year targets (2020)	40,491	40,491	—	—	—	—	16,865	16,865	4.576	77	—	3,381	—	20,245	20,245
	6th cycle of deferred variable remuneration plan linked to multi-year targets (2021)	359,733	359,733	—	—	—	—	109,838	109,838	4.576	503	—	10,073	—	239,822	239,822
	7th cycle of deferred variable remuneration plan linked to multi-year targets (2022) in shares	168,316	168,316	—	—	—	—	42,079	42,079	4.576	193	—	—	—	126,237	126,237
	7th cycle (Bis) of deferred variable remuneration plan linked to multi-year targets (2022) in shares options.	453,194	168,316	—	—	—	—	113,298	42,079	4.576	169	—	—	—	339,896	126,237

Comments (Not included in the electronic submission to the CNMV)

■ The variable remuneration only includes the amounts related to the position of executive director of Banco Santander S.A. For the construction of "short-term variable remuneration" and "long-term variable remuneration" information has been used the consolidation criteria of CNMV. In 2024 there was no application of malus clauses.

■ The **variable remuneration consolidated** as of the date of this report corresponds to the following plans:

1) Short-term variable remuneration:

- a. 40% immediate payment of variable remuneration of the ninth cycle of the deferred multi-year objectives variable remuneration plan (2024).
- b. First fifth deferred (12%) of variable remuneration of the eighth cycle of the deferred multi-year objectives variable remuneration plan (2023).
- c. Second fifth deferred (12%) of variable remuneration of the seventh cycle of the deferred multi-year objectives variable remuneration plan (2022).

2) Long-term variable remuneration:

- a. Third deferred (first fifth subject to multi-year metrics) of variable remuneration of the sixth cycle of the deferred multi-year objectives variable remuneration plan (2021).
- b. Fourth deferred (second fifth subject to multiyear metrics) of variable remuneration of the fifth cycle of the deferred multi-year objectives variable remuneration plan (2020).
- c. Fifth deferred (third fifth subject to multiyear metrics) of variable remuneration of the fourth cycle of the deferred multi-year objectives variable remuneration plan (2019).

For the purpose of calculating the hypothetical current cash value of *Gross profit from shares handed over or consolidated financial instruments*, the same share price used for VR 2024 has been taken, calculated with the weighted average daily volume of weighted average listing prices of Santander shares in the 50 trading sessions prior to the Friday (not inclusive) before 4 February 2025 (the date on which the board approved the 2024 bonus for executive directors), which was EUR 4.576 per share.

In the case of the 2022 VR share options, the gross profit of the hypothetical consolidated instruments has been calculated as the difference between the EUR 4.576 and the exercise price of the option in that remuneration plan (EUR 3.088).

■ And below are the **levels of achievement of the multi-year metrics** of the long-term variable remuneration plans:

1) Sixth cycle of the deferred multi-year objectives variable remuneration plan (2021): 91.6% of achievement for the period 2021-2023.

- a. CET1 metric at 100% of achievement for 2023 year-end period (target 12.00%). Weight of 33.3%.
- b. Underlying BPA growth at 150% of achievement (target growth of 100%). Weight of 33.3%.
- c. TSR metric at 25% of achievement (target of 33-66 percentile). Weight of 33.3%.

2) Fifth cycle of the deferred multi-year objectives variable remuneration plan (2020): 83.3% of achievement for the period 2020-2022.

- a. CET1 metric at 100% of achievement for 2022 year-end period (target 12.00%). Weight of 33.3%.
- b. Underlying BPA growth at 150% of achievement (target growth of 10%). Weight of 33.3%.
- c. TSR metric at 0% of achievement (minimum target of 33% not reached). Weight of 33.3%.

3) Fourth cycle of the deferred multi-year objectives variable remuneration plan (2019): 33.3% of achievement for the period 2019-2021.

- a. CET1 metric at 100% of achievement for 2021 year-end period (target 12.00%). Weight of 33.3%.
- b. Underlying BPA growth at 0% of achievement (target growth of 15%). Weight of 33.3%.
- c. TSR metric at 0% of achievement (minimum target of 33% not reached). Weight of 33.3%.

iii) Long-term saving systems (thousand EUR)

Name	Remuneration from consolidation of rights to savings system
Ana Botín-Sanz de Sautuola y O'Shea	1,339
Héctor Grisi Checa	1,105

Name	Contribution over the year from the company (EUR thousand)				Amount of accumulated funds (EUR thousand)			
	Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights		2024		2023	
	2024	2023	2024	2023	Systems with consolidated economic rights	Systems with unconsolidated economic rights	Systems with consolidated economic rights	Systems with unconsolidated economic rights
	Ana Botín-Sanz de Sautuola y O'Shea	1,339	1,144	—	—	54,731	—	49,257
Héctor Grisi Checa	1,105	966	—	—	1,299	—	585	—
José Antonio Álvarez	—	—	—	—	20,326	—	19,495	—

iv) Details of other items (thousands of EUR)

Name	Item	Amount remunerated in 2024
Ana Botín-Sanz de Sautuola y O'Shea	Life insurance and complement	507
	Other remuneration	30

Name	Item	Amount remunerated in 2024
Héctor Grisi Checa	Life insurance and complement	389
	Other remuneration	48

Name	Item	Amount remunerated in 2024
José Antonio Álvarez Álvarez	Life insurance and complement	849
	Other remuneration	7

b) Remuneration of the company directors for seats on the boards of other group companies:

i) Remuneration in cash (thousands of EUR)

Name	Fixed remuneration	Per diem allowances	Remuneration for membership of Board's committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Severance pay	Other grounds	Total year 2024	Total year 2023
Homaira Akbari	296	—	—	—	—	—	—	—	296	311
D. Henrique Manuel Drummond Borges Cirne de Castro	200	—	—	—	—	—	—	—	200	200
Pamela Walkden	129	—	—	—	—	—	—	—	129	152
D. José Antonio Álvarez	383	—	—	—	—	—	—	—	383	341

Comments (Not included in the electronic submission to the CNMV)

■ The variable remuneration only includes the amounts related to the position of executive director of Banco Santander S.A.

ii) Table of changes in share/based remunerations schemes and gross profit from consolidated shares of financial instruments

Not applicable

iii) Long term saving systems (thousand EUR)

Not applicable

iv) Detail of other items (thousands of EUR)

Not applicable

c) Summary of remuneration (thousands of EUR)

The summary should include the amounts corresponding to all the items of remuneration included in this report that have been accrued by the director, in thousand euros.

Name	Remuneration accrued in the company					Remuneration accrued in group companies					Total 2024 Company + group companies
	Total cash remuneration	Gross profit on consolidated shares or financial instruments	Contributio s to the long-term savings plan	Remuneratio n for other items	Total 2024	Total cash remuneration	Gross profit on consolidated shares or financial instruments	Contributio s to the long-term savings plan	Remuneratio n for other items	Total 2024	
Ana Botín-Sanz de Sautuola y O'Shea	7,938	3,959	1,339	537	13,773	—	—	—	—	—	13,773
Héctor Grisi Checa	5,147	1,619	1,105	437	8,308	—	—	—	—	—	8,308
José Antonio Álvarez Álvarez	3,657	1,050	—	856	5,563	383	—	—	—	383	5,946
Glenn Hutchins	700	—	—	—	700	—	—	—	—	—	700
Bruce Carnegie-Brown	78	—	—	—	78	—	—	—	—	—	78
Homaira Akbari	285	—	—	—	285	296	—	—	—	296	581
Javier Botín-Sanz de Sautuola y O'Shea	144	—	—	—	144	—	—	—	—	—	144
Sol Daurella Comadrán	292	—	—	—	292	—	—	—	—	—	292
Henrique de Castro	300	—	—	—	300	200	—	—	—	200	500
Gina Díez Barroso	225	—	—	—	225	—	—	—	—	—	225
Luis Isasi Fernández de Bobadilla	1,440	—	—	—	1,440	—	—	—	—	—	1,440
Ramiro Mato García-Ansorena	271	—	—	—	271	—	—	—	—	—	271
Belén Romana García	599	—	—	—	599	—	—	—	—	—	599
Pamela Walkden	381	—	—	—	381	129	—	—	—	129	510
Germán de la Fuente	338	—	—	—	338	—	—	—	—	—	338
Juan Carlos Barrabés Cónsul	128	—	—	—	128	—	—	—	—	—	128
Antonio Francesco Weiss	72	—	—	—	72	—	—	—	—	—	72
Total	21,995	6,627	2,444	1,830	32,896	1,008	—	—	—	1,008	33,905

Comments (Not included in the electronic submission to the CNMV)

The remuneration of Luis Isasi includes EUR 1,000 thousand for his role as non-executive Chair of the Santander España business unit and for attending its board and committee meetings.

C.2 Indicate the evolution in the last five years of the amount and percentage variation of the remuneration accrued by each of the directors of the listed company who have held this position during the year, the consolidated results the company and the average remuneration on an equivalent basis with regard to full-time employees of the company and its subsidiaries that are not directors of the listed company.

Directors' remuneration (EUR thousand)	2024	% var. 24/23	2023	% var. 23/22	2022	% var. 22/21	2021	% var. 21/20	2020
• Executive Directors									
Ana Botín-Sanz de Sautuola y O'Shea	13,773	13%	12,239	4%	11,735	(5)%	12,288	52%	8,090
Héctor Grisi Checa	8,308	22%	6,793	—	—	—	—	—	—
• External Directors¹									
José Antonio Álvarez Álvarez	5,946	3%	5,775	(40)%	9,575	(2)%	9,728	41%	6,877
Glenn Hutchins	700	88%	372	—	10	—	—	—	—
Bruce Carnegie-Brown	78	(86)%	576	(18)%	700	—	700	18%	595
Homaira Akbari	581	1%	576	(5)%	605	31%	461	19%	386
Javier Botín-Sanz de Sautuola y O'Shea	144	5%	137	6%	129	—%	129	6%	122
Sol Daurella Comadrán	292	17%	249	8%	230	(4)%	239	12%	214
Henrique de Castro	500	3%	484	5%	461	45%	319	36%	234
Gina Díez Barroso	225	7%	211	23%	172	32%	130	622%	18
Luis Isasi Fernández de Bobadilla ²	1,440	2%	1,417	—	1,412	—	1,406	49%	943
Ramiro Mato García Ansorena	271	(48)%	518	4%	500	—	499	16%	430
Belén Romana García	599	5%	572	4%	549	3%	533	28%	417
Pamela Walkden	510	3%	493	5%	470	38%	339	59%	214
Germán de la Fuente	338	25%	271	—	137	—	—	—	—
Juan Carlos Barrabés Cónsul	128	—	—	—	—	—	—	—	—
Antonio Francesco Weiss	72	—	—	—	—	—	—	—	—
Company's performance									
Underlying profit attributable to the Group (EUR mn)	12,574	14%	11,076	15%	9,605	11%	8,654	70%	5,081
Consolidated results of the Group ³ (EUR mn)	19,027	16%	16,459	8%	15,250	5%	14,547	—	(2,076)
Ordinary RoTE	16.27%	8%	15.06%	13%	13.37%	5%	12.73%	71%	7.44%
Employees' average remuneration⁴ (EUR thousand)	61	5%	58	3%	56	1%	56	18%	47
Employees' average remuneration in Spain⁵ (EUR thousand)	75	3%	73	6%	68	10%	62	(2)%	63

1. Non-executive directors' remuneration fluctuations are caused by joining or leaving the Board of Directors and the difference in the amount of meetings they assist during the year. Hence there is no correlation between their remuneration and the company performance.

2. The remuneration of Luis Isasi includes EUR 1,000 thousand for his role as non-executive Chair of the Santander España business unit and for attending its board and committee meetings.

3. Group operating profit/(loss) before tax.

4. Employee average remuneration includes all concepts. Full-time equivalent data. Variable remuneration data accrued in the current year.

5. Total employees in Spain geography. Fixed remuneration + effective bonus received in the year. Not included rest of concepts. Not impacted by exchange rates.

Comments (Not included in the electronic submission to the CNMV)

- The variable remuneration only includes the amounts related to the position of executive director of Banco Santander S.A. For the construction of "short-term variable remuneration" and "long-term variable remuneration" information has been used the consolidation criteria of CNMV. In 2024 there was no application of malus clauses.
- **Total remuneration of executive directors is impacted by the excellent evolution of Santander share price.** In 2024, the revaluation of the share price used to set the 2024 variable remuneration (EUR 4.576) was +21%, so the *Gross profit from shares handed over or consolidated financial instruments* (Price x Volume) increased due to such revaluation. If it had remained stable in EUR 3.793 (share price of VR 2023), the increase in the total remuneration of the Executive Chair would have been +9% compared to the figure released in 2023 report (EUR 12,239 thousand). This variation is also highly impacted by the consolidation in 2024 of previous deferrals with better levels of achievement (e.g. 2021 plan had a 91.6% of total achievement).
- And regarding the **average remuneration of employees (EUR 61 thousand)**, to highlight the following ideas:
 - a. Normally the increases or decreases in remuneration are greater for the executive directors, depending on the results of the entity, because the percentage of variable remuneration over fixed remuneration is lower in the average employee than in the executive directors.
 - b. Our local presence and global scale, based on three regions and ten core markets, and our vast branch network (c.8,000), have a direct impact on this figure: more than a half of our employees are based in Mexico and South America (mainly in Brazil). The salaries of these employees are adapted to the local cost of living. Therefore, the comparison with the remuneration of executive directors (which remuneration was set for living in a mature country) is also impacted by the difference between both costs of living. Developing countries have a lower cost of living than the country where both directors carried out their functions.
 - c. The different annual exchange rates have also an impact on this calculation where all local wages and salaries are translated into euros at the average year-end exchange rate.
 - d. Finally, the average remuneration figure of Banco Santander is impacted by the different departures (retirements and early retirements) and annual new hires, with the average cost of the former (a more senior profile) being higher than the latter (a more junior profile).

This annual report on remuneration has been approved by the board of directors of the company, at its meeting on 25 February 2025.

State if any directors have voted against or abstained from approving this report.

Yes No

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