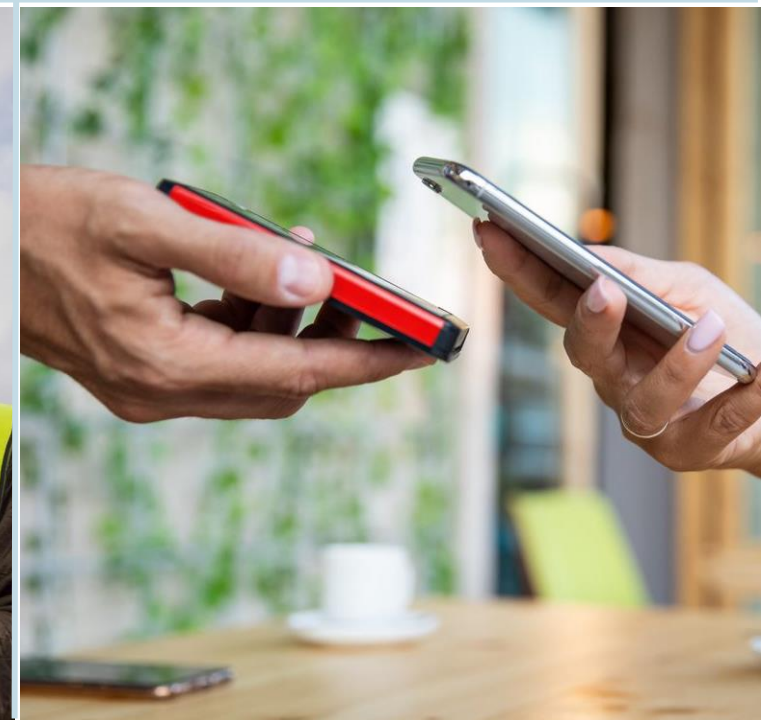


28 July 2021

H1'21 Earnings Presentation

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Important information

Non-IFRS and alternative performance measures

This presentation contains, in addition to the financial information prepared in accordance with International Financial Reporting Standards (“IFRS”) and derived from our financial statements, alternative performance measures (“APMs”) as defined in the Guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority (ESMA) on 5 October 2015 (ESMA/2015/1415en) and other non-IFRS measures (“Non-IFRS Measures”). These financial measures that qualify as APMs and non-IFRS measures have been calculated with information from Santander Group; however those financial measures are not defined or detailed in the applicable financial reporting framework nor have been audited or reviewed by our auditors. We use these APMs and non-IFRS measures when planning, monitoring and evaluating our performance. We consider these APMs and non-IFRS measures to be useful metrics for our management and investors to compare operating performance between accounting periods, as these measures exclude items outside the ordinary course performance of our business, which are grouped in the “management adjustment” line and are further detailed in Section 3.2 of the Economic and Financial Review in our Directors’ Report included in our Annual Report on Form 20-F for the year ended 31 December 2020. Nonetheless, these APMs and non-IFRS measures should be considered supplemental information to, and are not meant to substitute IFRS measures. Furthermore, companies in our industry and others may calculate or use APMs and non-IFRS measures differently, thus making them less useful for comparison purposes. For further details on APMs and Non-IFRS Measures, including its definition or a reconciliation between any applicable management indicators and the financial data presented in the consolidated financial statements prepared under IFRS, please see the 2020 Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission on 26 February 2021, as well as the section “Alternative performance measures” of the annex to the Banco Santander, S.A. (“Santander”) Q2 2021 Financial Report, published as Inside Information on 28 July 2021. These documents are available on Santander’s website (www.santander.com). Underlying measures, which are included in this presentation, are non-IFRS measures.

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

Forward-looking statements

Santander advises that this presentation contains “forward-looking statements” as per the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These statements may be identified by words like “expect”, “project”, “anticipate”, “should”, “intend”, “probability”, “risk”, “VaR”, “RoRAC”, “RoRWA”, “TNAV”, “target”, “goal”, “objective”, “estimate”, “future” and similar expressions. Found throughout this presentation, they include (but are not limited to) statements on our future business development, economic performance and shareholder remuneration policy. However, a number of risks, uncertainties and other important factors may cause actual developments and results to differ materially from our expectations. The following important factors, in addition to others discussed elsewhere in this presentation, could affect our future results and could cause materially different outcomes from those anticipated in forward-looking statements: (1) general economic or industry conditions of areas where we have significant operations or investments (such as a worse economic environment; higher volatility in the capital markets; inflation or deflation; changes in demographics, consumer spending, investment or saving habits; and the effects of the COVID-19 pandemic in the global economy); (2) exposure to various market risks (particularly interest rate risk, foreign exchange rate risk, equity price risk and risks associated with the replacement of benchmark indices); (3) potential losses from early repayments on our loan and investment portfolio, declines in value of collateral securing our loan portfolio, and counterparty risk; (4) political stability in Spain, the United Kingdom, other European countries, Latin America and the US (5) changes in legislation, regulations, taxes, including regulatory capital and liquidity requirements, especially in view of the UK exit of the European Union and increased regulation in response to financial crisis; (6) our ability to integrate successfully our acquisitions and related challenges that result from the inherent diversion of management’s focus and resources from other strategic opportunities and operational matters; and (7) changes in our access to liquidity and funding on acceptable terms, in particular if resulting from credit spreads shifts or downgrade in credit ratings for the entire group or significant subsidiaries.

Important information

Numerous factors could affect our future results and could cause those results deviating from those anticipated in the forward-looking statements. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements.

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**Highlights and
Group performance**

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Appendix

H1'21 Highlights



Growth

- **Net operating income up 13% YoY** driven by **the 8% increase in total income** (volumes: +2% loans; +4% deposits; +18% mutual funds) and efficiency improvement
- **Widespread growth across** regions and businesses
- Greater revenue generation and improved efficiency driven by **increased digitalization**
- **Strong digital adoption: 52%** of sales through digital channels in H1'21 (44% in H1'20) and 45 million **digital customers (+14% YoY)**



Profitability

- **Q2'21 profit of EUR 2,067 mn.** Excluding SRF contribution: +8% QoQ
- **H1'21 Group attributable profit** of EUR 3,675 mn¹ and **H1'21 underlying profit of EUR 4,205 mn** (+153% YoY)
- **Increased profitability:** underlying RoTE of 12.6% and **underlying EPS** of EUR 22.7 cents
- We announced an agreement to acquire **Amherst Pierpont** and a proposal to acquire the **minorities** SHUSA does not own (20%) in **SC USA**



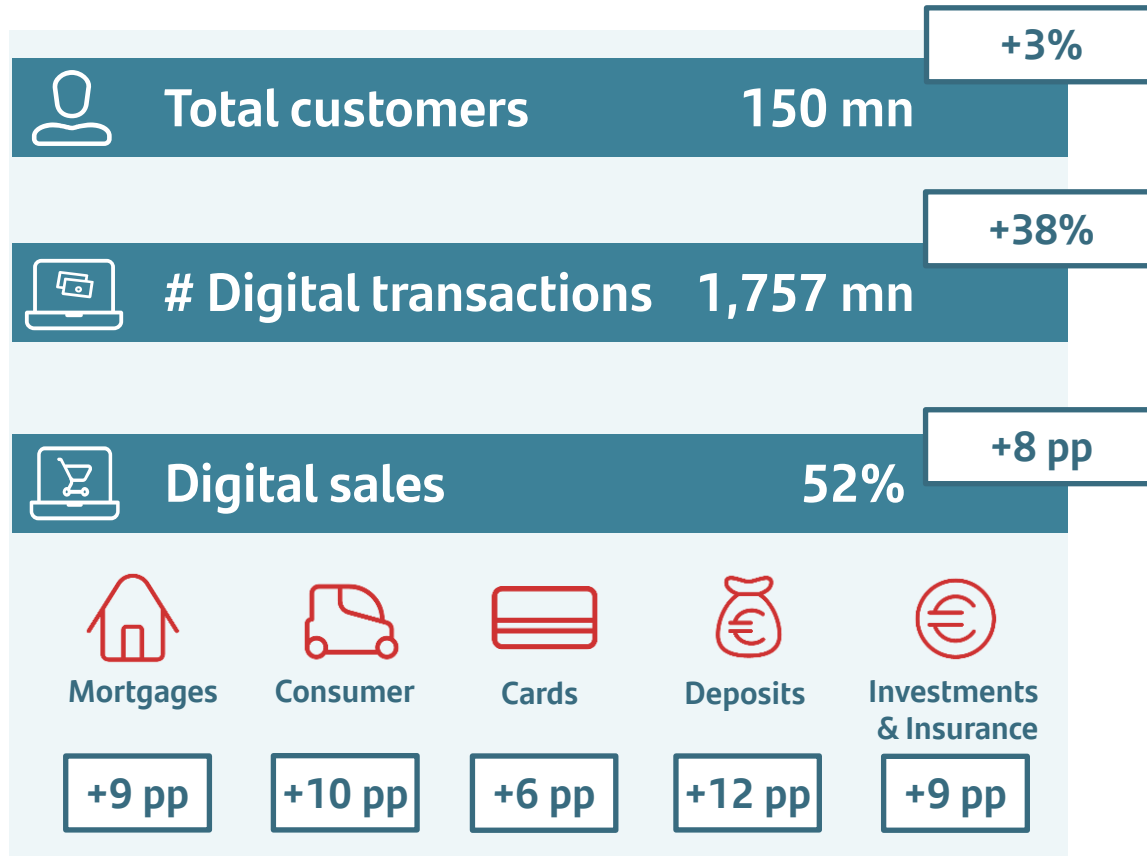
Strength

- **Cost of credit improved** to 0.94%. Loan-loss reserves stood at EUR 24 bn, with a coverage ratio of 73%
- **CET1 ratio** of 12.11% with continued organic generation (7 bps in Q2'21²). In addition, regulatory and models' impact (-24 bps)
- **TNAVps increased 4% QoQ** to EUR 3.98 as of June 2021

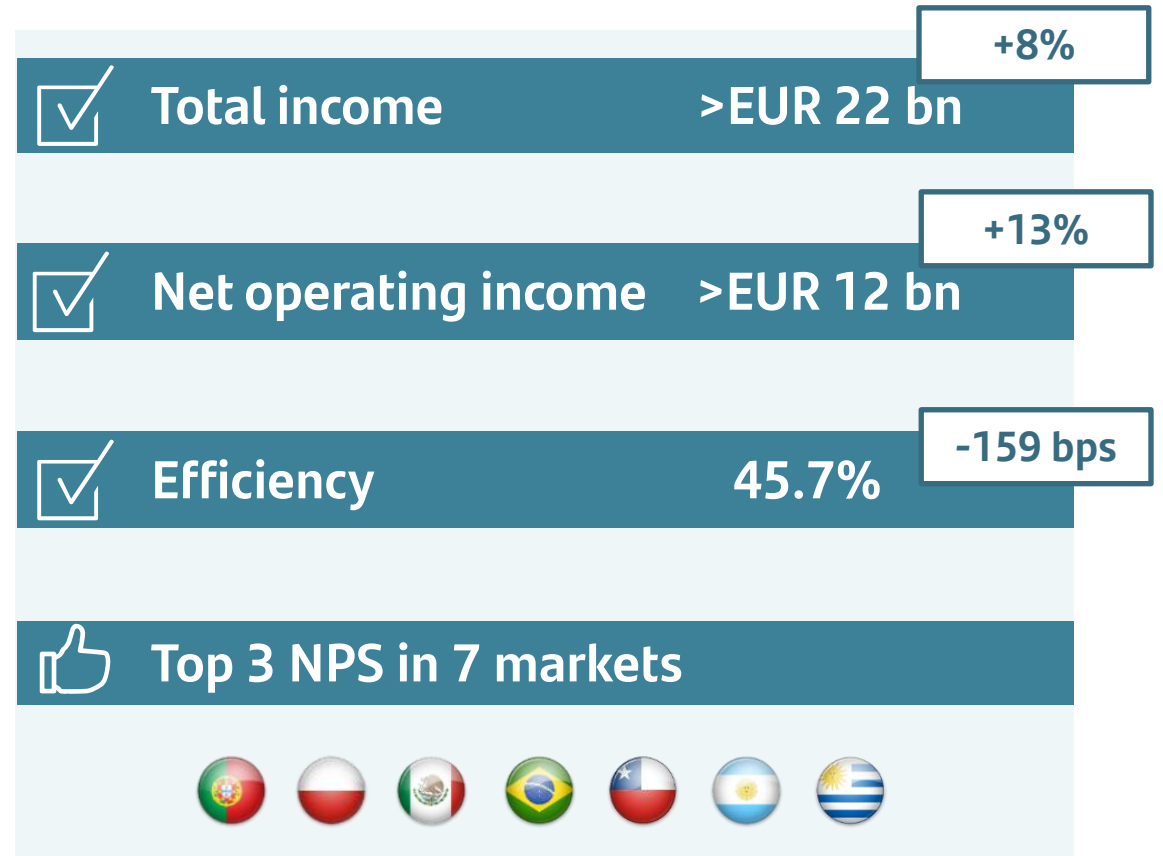
Broad-based growth in H1'21 while we focus on building a more resilient, inclusive and greener business

Greater revenue generation (+8% YoY) and improved efficiency driven by increased digitalization

H1'21 and YoY changes

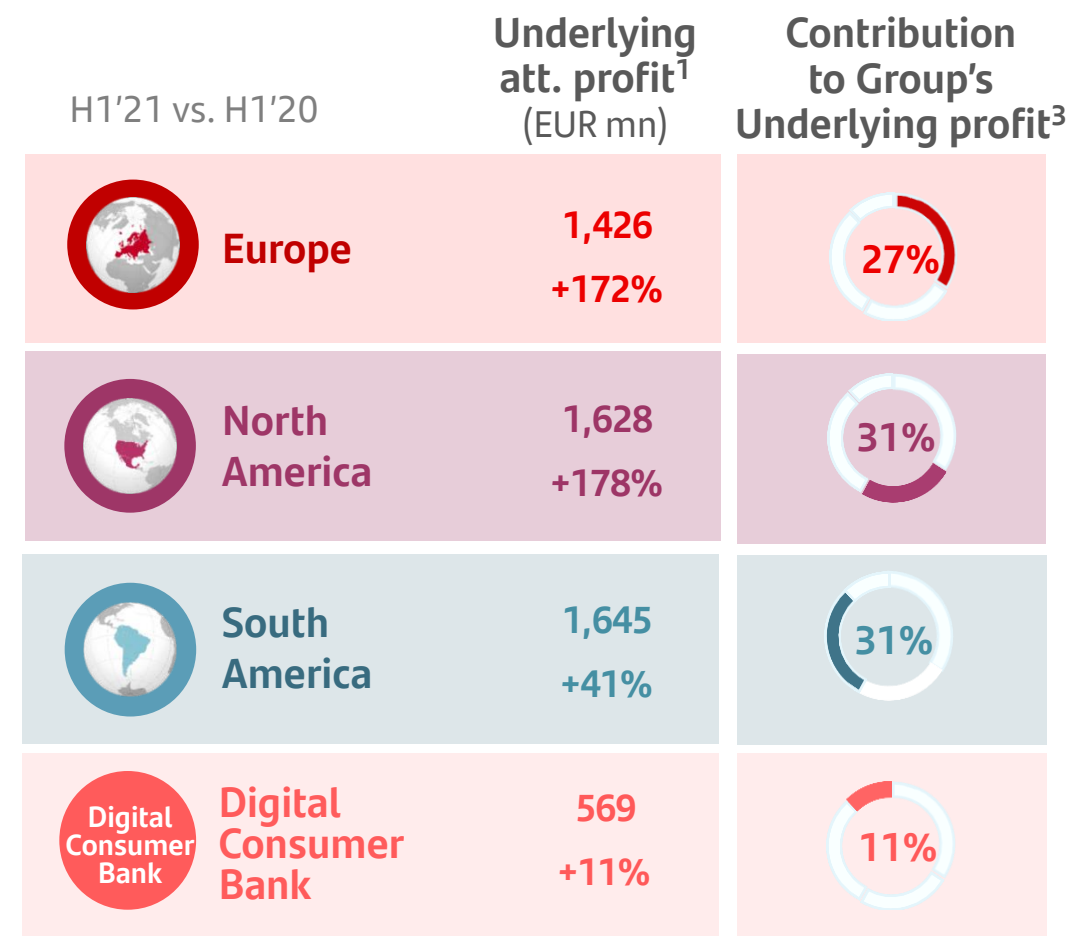


H1'21 and YoY changes in constant euros



H1 underlying profit of EUR 4.2 billion, driven by solid net operating income growth (+13%¹ YoY) and lower cost of credit

EUR million	H1'21	H1'20	% change	
			Euros	Constant euros
NII	16,196	16,202	0	8
Net fee income	5,169	5,136	1	8
Trading and other income	1,330	1,180	13	20
Total income	22,695	22,518	1	8
Operating expenses	-10,377	-10,653	-3	3
Net operating income	12,318	11,865	4	13
LLPs	-3,753	-7,027	-47	-42
Other results	-937	-997	-6	-2
Underlying PBT	7,628	3,841	99	123
Underlying att. profit	4,205	1,908	120	153
Net capital gains and provisions ²	-530	-12,706	-96	-96
Attributable profit	3,675	-10,798	—	—



Positive customer revenue performance and continued LLP reduction drove profit increase QoQ excluding SRF contribution¹

Underlying attributable profit

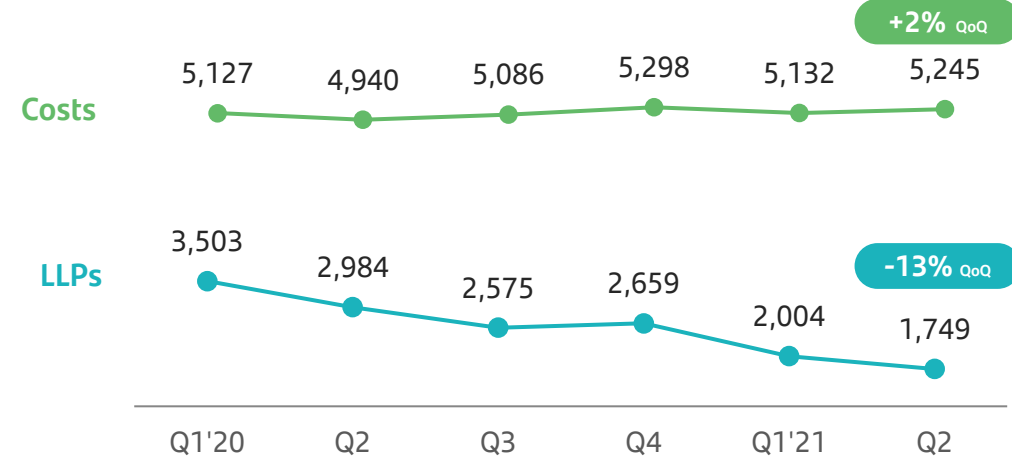
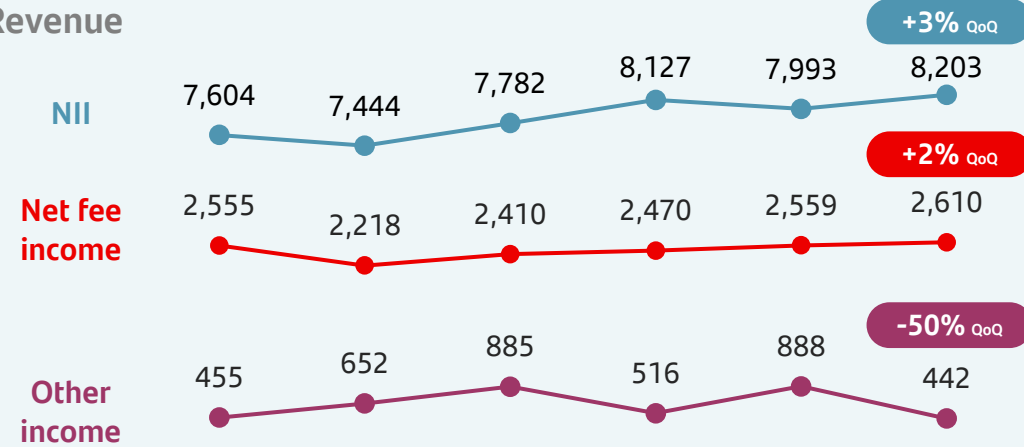
Constant EUR mn



Underlying attributable profit (EUR mn)



377	1,531	1,750	1,423	2,138	2,067
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Revenue



NII was 8% higher than H1'20 boosted by volume growth and margin management







Volume growth

	H1'21 vs. H1'20	Q2'21 vs. Q1'21
 Loans	+2% YoY	+1% QoQ
 Deposits	+4% YoY	+1% QoQ

- **Activity picked up in the quarter, with growth across regions:** loans grew EUR 11 bn and deposits by EUR 12 bn
- **Margin management:** repricing of liabilities (Europe, Mexico and Chile) and loan spreads improvement in the US, the UK and Poland
- **Average interest rates remained lower than H1'20,** despite the hikes in Brazil (+200 bps since June-20) and Mexico (+25 bps in June-21)

Net fee income recovered to pre-pandemic levels, growing in higher value-added services and products

Activity rebound


		H1'21 vs. H1'20	Q2'21 vs. Q1'21
	PoS turnover	+54%	+19%
	Cards turnover	+26%	+14%
	Digital Consumer Bank (new lending)	+20%	+18%
	SAM+Private Banking (AuM)	+12%	+5%
	Insurance premiums ¹	+12%	+9%
	DCM+ECM+M&A fees	+25%	-7%

- Strong acquiring turnover recovery boosted by 

- Overall growth in cards turnover

- Strong signs of recovery with positive performance notably in Germany (+25% QoQ) and the Nordics (+18% QoQ)

- Business diversification:
SCIB 17% and WM&I 32% of total fee income

- Recovery of activity: strong commercial flows YTD EUR 9.2 bn (WM&I) and insurance premiums boosted by 

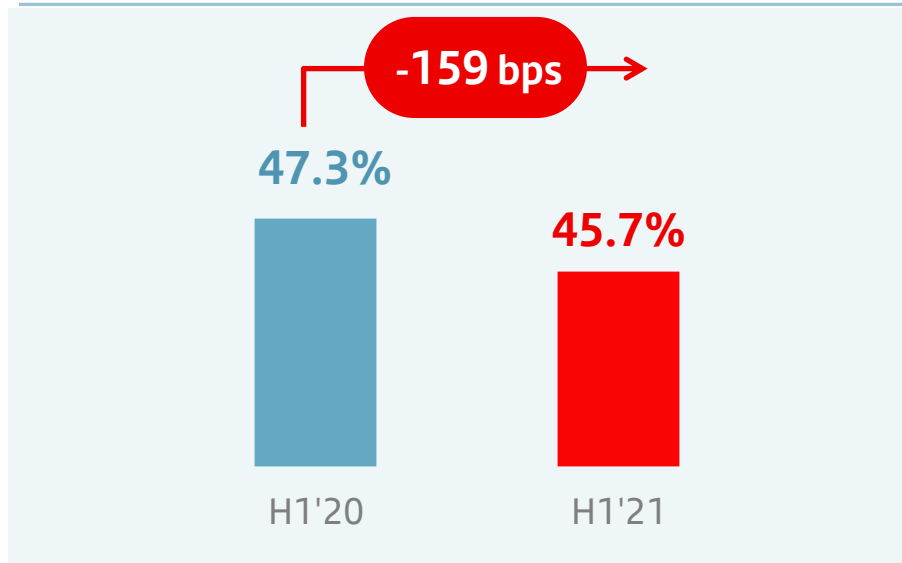
- Fee income recorded another strong quarter, although the QoQ comparison was affected by an exceptionally high Q1'21

Continued progress on driving efficiencies (mainly in Europe: -800 bps YoY) despite accelerating inflation; costs declined -0.4% in real terms



Group

Efficiency ratio



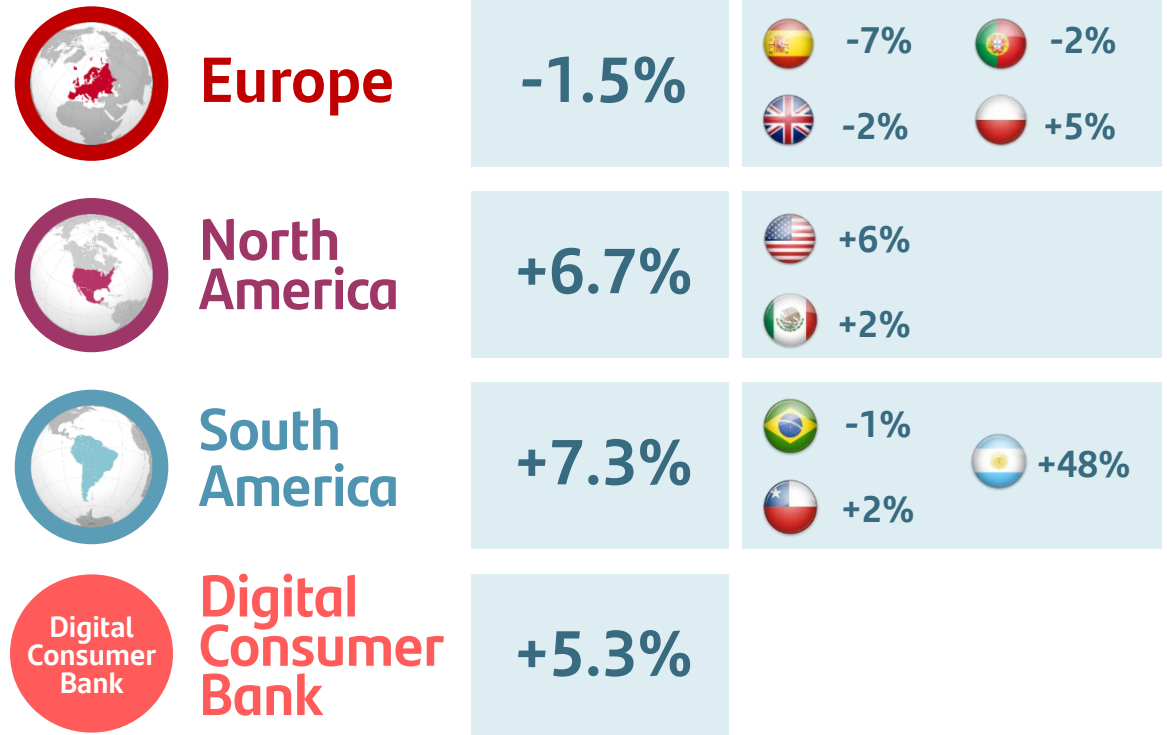
Costs

H1'21 vs. H1'20. Constant euros



Costs by region

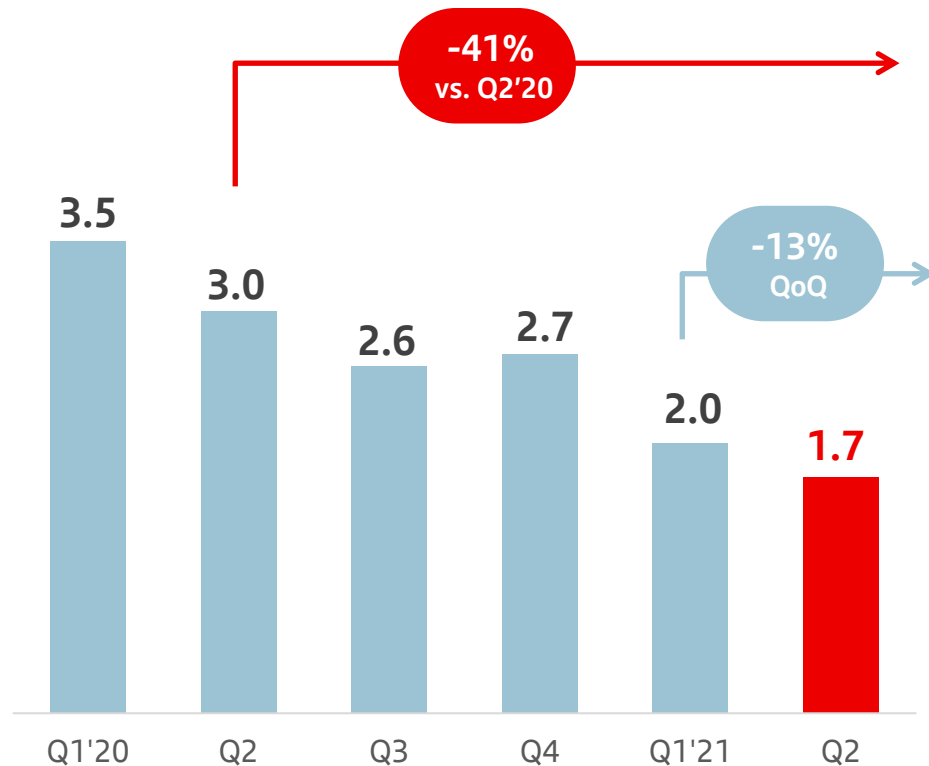
H1'21 vs. H1'20 - Constant euros



Further improvement in cost of credit, with lower LLPs in most countries, notably Brazil, the US and the UK

Loan-loss provisions

Constant EUR bn



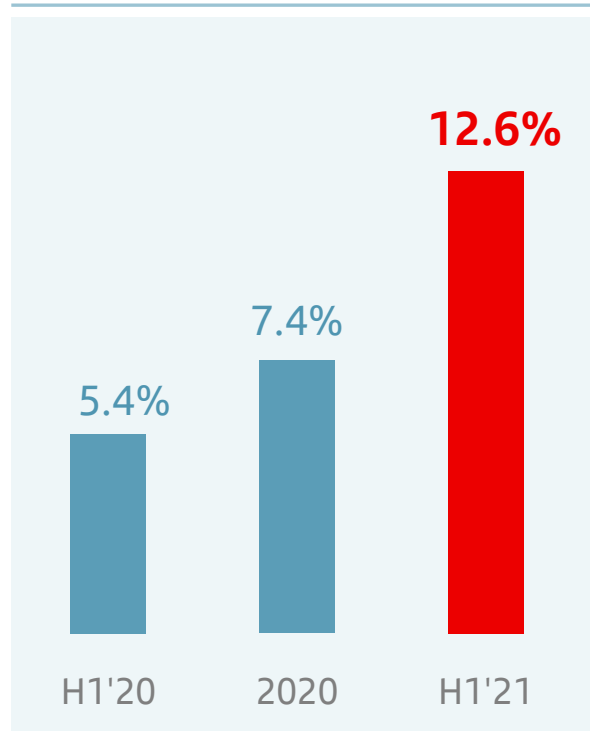
Credit quality indicators

	Jun-20	Mar-21	Jun-21
Cost of credit ¹	1.26%	1.08%	0.94%
NPL ratio	3.26%	3.20%	3.22%
Coverage ratio	72%	74%	73%

Note: exposure and coverage ratio by stage in appendix, page 55

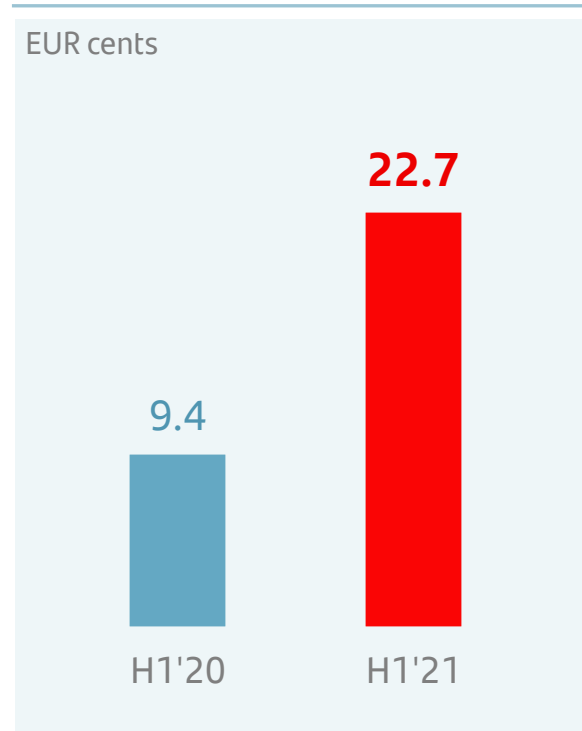
Our strong operating performance resulted in increased profitability and TNAVps...

Underlying RoTE



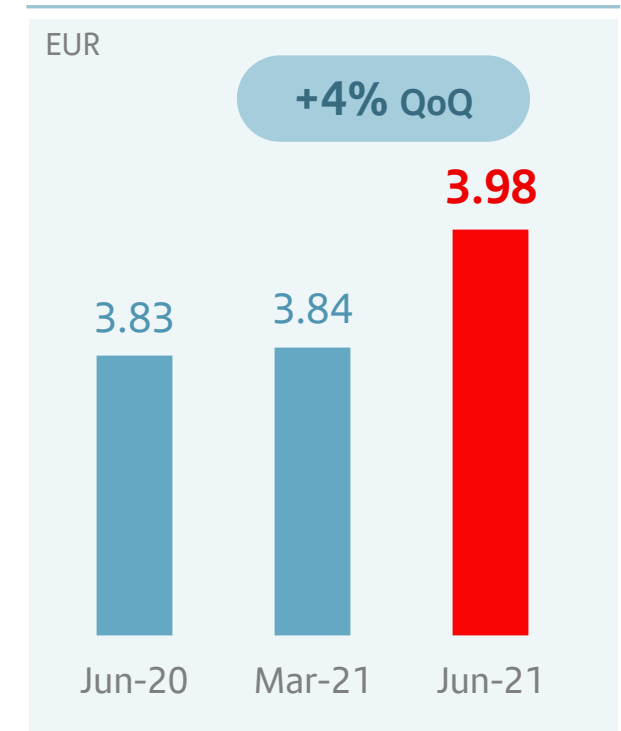
Statutory RoTE H1'20: 1.7%, 2020: 1.9% and H1'21: 11.8%

Underlying earnings per share



Statutory earnings per share H1'20: -EUR 63.9 cents and H1'21: EUR 19.7 cents

TNAV per share



...and continued organic generation, which enabled us to maintain our solid capital position

CET1 ratio quarterly evolution



Note: as indicated by the consolidating supervisor, a pay-out of 50%, the maximum within the target range (40%-50%), has been assumed for the calculation of the capital ratios in 2021. Previously, 40% cash pay-out was considered
 (1) Including -18 bps for potential shareholder remuneration equivalent to up to 50% of Q2'21 underlying profit
 (2) TRIM low defaults (-9 bps), SA-CCR (-11 bps)

ESG: supporting the green transition of our clients and building a more inclusive society, whilst we remain committed to our climate change goals

E Environmental

Ambition to be Net Zero by 2050

Founding Member of the Net-Zero Banking Alliance

We have **set an specific target to strive** to reduce **emission intensity on power generation portfolio** by 2030¹

Santander Green Bond Issuances

EUR 1 bn in H1'21

Santander has issued to date: 3 Green bonds (EUR 3 bn)

Green finance mobilized

EUR 8 bn in H1'21; EUR 42 bn since 2019

2025 goal: EUR 120 bn

Renewable project finance – H1'21 Global League tables position

#1 by deals

Top 3 by volume

In **Bloomberg Clean Energy & Dealogic Wind, Renewables Fuel**

S Social

Santander finance for all: providing access, microfinance and financial education

Financially empowering people

1.1 mn in H1'21; 6.0 mn since 2019

2025 goal: 10 mn

Microcredit

EUR 261 mn H1'21;
EUR 1.2 bn since 2019

G Governance

An independent and diverse Group Board

>60% Independent directors

40% Women

ESG metrics are part of our executive compensation bonus scorecard²

Including our public target on **women in senior positions**



Note: more details on page 61 of appendix
 Dealogic - Regional Renewable Energy MLA Rankings – H1'21
 Bloomberg NEF Clean Energy - Asset finance - lead arrangers – H1'21
 (1) Going from 0.23 tCO₂/MWh to 0.11 tCO₂/MWh
 (2) Also including contribution to the climate project, development of green finance and contribution to financially empowering people



PRINCIPLES FOR RESPONSIBLE BANKING



Member of
Dow Jones Sustainability Indices
 Powered by the S&P Global CSA



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Appendix

Business and profit growth leveraging our geographic diversification

H1'21 vs. H1'20	Digital customers (mn)	Customer loans (EUR bn)	Customer deposits (EUR bn)	Net operating income (EUR mn)	Underlying att. profit (EUR mn)	Underlying RoTE
 Europe	15.7 +6%	562 +1%	579 +3%	3,947 +37%	1,426 +172%	7% +4.5 pp
 North America	6.3 +10%	126 0%¹	105 +5%¹	3,145 +2%	1,628 +178%	15%² +8.8 pp
 South America	22.7 +20%	130 +10%	116 +12%	4,793 +11%	1,645 +41%	20% +3.9 pp
 Digital Consumer Bank	0.7 +28%	116 0%	54 +9%	1,392 +2%	569 +11%	12% +1.5 pp



Q2 affected by SRF contribution. Otherwise, total income +1% and net operating income +4% QoQ

QoQ: fee income rebounded to pre-pandemic levels, ongoing cost control and we continued to strengthen our balance sheet in the face of recovery uncertainty

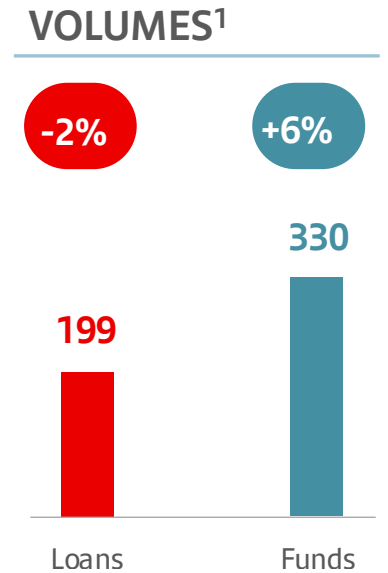
H1'21 profit boosted by **net operating income:** higher NII (margin management and TLTRO), fees (insurance and current accounts) and strong **efficiency improvement**



KEY DATA	H1'21	vs. H1'20
Digital customers (mn)	5.3	+4%
NPL ratio (%)	6.22	-33 bps
Cost of credit (%)	1.00	+32 bps
Efficiency ratio (%)	49.4	-553 bps
Underlying RoTE (%)	5.2	+2.0 pp

P&L*	Q2'21	vs. Q1'21	H1'21	vs. H1'20
NII	1,015	-0.5	2,034	9.6
Net fee income	617	5.0	1,204	2.2
Total income	1,693	-5.1	3,478	3.8
Operating expenses	-852	-1.8	-1,719	-6.6
Net operating income	842	-8.3	1,759	16.6
LLPs	-492	9.6	-941	0.0
PBT	202	-40.4	542	55.1
Underlying att. profit	147	-39.2	390	55.8

(*) EUR mn and % change





Strong revenue improvement driven by margin management (NIM: +12 bps QoQ; +26 bps YoY) and volume growth (mortgages and government-backed business loans)

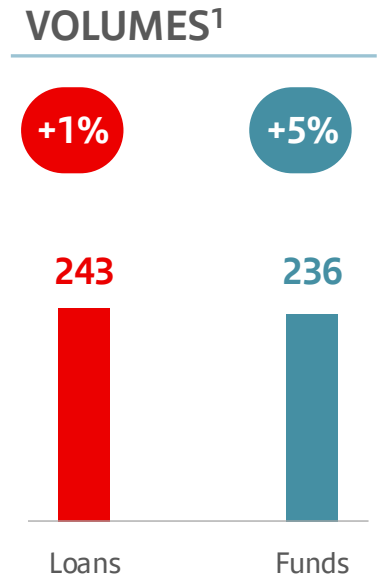
Cost reduction and LLP release from improved economic forecast

As a result, significant efficiency and profitability improvement, **reaching a double-digit RoTE**

KEY DATA	H1'21	vs. H1'20
Digital customers (mn)	6.4	+5%
NPL ratio (%)	1.30	+20 bps
Cost of credit (%)	0.09	-13 bps
Efficiency ratio (%)	56.0	-1,346 bps
Underlying RoTE (%)	10.6	+9.6 pp

P&L*	Q2'21	vs. Q1'21	H1'21	vs. H1'20
NII	1,100	8.5	2,100	29.0
Net fee income	117	-3.7	238	-16.9
Total income	1,211	7.6	2,322	21.5
Operating expenses	-648	-2.0	-1,299	-2.1
Net operating income	563	21.2	1,023	75.0
LLPs	86	—	68	—
Underlying PBT	587	41.5	997	858.0
Underlying att. profit	399	34.3	693	870.5

(*) EUR mn and % change in constant euros





Brazil



Our **growth strategy** focused on improving customer service, which enabled customer acquisition and loyalty to grow at a faster pace

Profit increased YoY: revenue up (higher volumes and fee income) and lower LLPs

Our efforts on increasing productivity were reflected in a **better efficiency** ratio and a higher **RoTE (22%)**

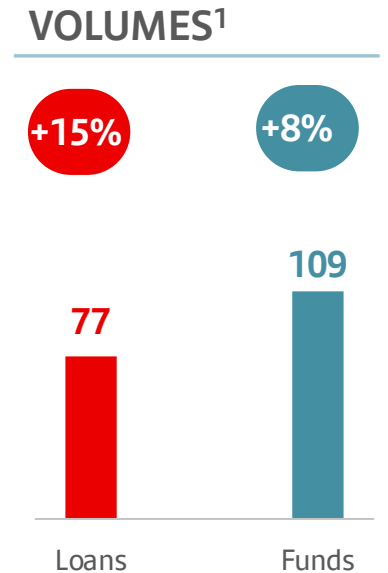
Q2 impacted by lower trading gains (market making), higher costs (inflation and costs related to greater activity) and increased provisions in individuals



KEY DATA	H1'21	vs. H1'20
Digital customers (mn)	17.5	+21%
NPL ratio (%)	4.55	-52 bps
Cost of credit (%)	3.51	-116 bps
Efficiency ratio (%)	28.9	-290 bps
Underlying RoTE (%)	22.1	+5.0 pp

P&L*	Q2'21	vs. Q1'21	H1'21	vs. H1'20
NII	1,919	4.1	3,700	9.8
Net fee income	698	6.7	1,330	8.7
Total income	2,682	2.7	5,203	9.0
Operating expenses	-779	4.2	-1,502	-1.0
Net operating income	1,902	2.1	3,701	13.6
LLPs	-674	18.8	-1,222	-22.4
Underlying PBT	1,200	0.4	2,354	51.7
Underlying att. profit	619	6.5	1,180	43.8

(*) EUR mn and % change in constant euros





Profit grew YoY boosted by net operating income (+23% excluding Puerto Rico and Bluestem portfolio disposals) and significant LLP savings

Revenue up YoY driven by lease income, NII (volumes and cost of funding) and fees (excluding disposals: NII +8%; fees +14%; total income +17%)

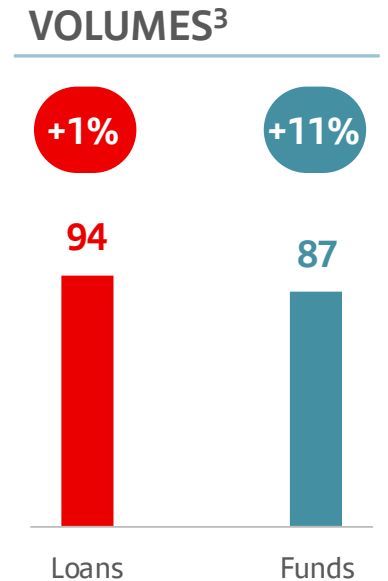
Profit up QoQ backed by LLP release and higher revenue (excluding Bluestem portfolio disposal: NII +3%; fees -6%; total income +2%)

Accelerating US growth with the agreement to acquire Amherst Pierpont and the proposal to repurchase the outstanding shares of SC USA (20%)

KEY DATA	H1'21	vs. H1'20
Digital customers (k) ¹	1,026	+3%
NPL ratio (%)	2.00	+51 bps
Cost of credit (%)	1.34	-196 bps
Efficiency ratio (%)	41.0	-153 bps
Underlying RoTE (%) ²	15.9	+13.2 pp

P&L*	Q2'21	vs. Q1'21	H1'21	vs. H1'20
NII	1,326	-0.7	2,663	0.8
Net fee income	191	-20.4	432	1.7
Total income	1,835	-3.4	3,737	9.6
Operating expenses	-783	4.9	-1,531	5.7
Net operating income	1,052	-8.7	2,206	12.5
LLPs	9	—	-156	-90.5
Underlying PBT	1,076	10.6	2,050	635.9
Underlying att. profit	674	9.5	1,291	569.3

(*) EUR mn and % change in constant euros



(1) Excluding Puerto Rico disposal impact. Considering it, -3% YoY

(2) RoTE adjusted for excess capital: 31%

(3) Loans and advances to customers excluding reverse repos. Customer funds: customer deposits excluding repos + marketed mutual funds. EUR bn and YoY changes in constant euros, excluding disposal of Puerto Rico and Bluestem impact. Considering it, loans -2% and funds +6%.



The weak economic environment dampened loans in the financial sector YoY. However, early indicators started to show signs of recovery



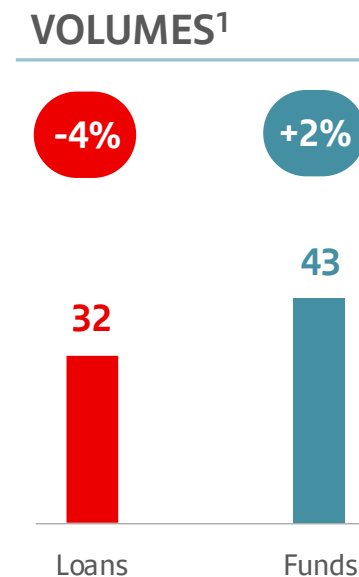
In this context, we **increased our customer base** (loyal and digital up double-digit), mortgages and auto loans grew above the sector and continued to change our funding mix

Profit stable YoY affected by NII pressures (lower rates and credit volumes) and lower trading gains (ALCO sales in Q2'20). Cost reduction in real terms and cost of credit <3%

Q2 profit rebound with improved trends in NII, costs and LLPs

KEY DATA	H1'21	vs. H1'20
Digital customers (mn)	5.1	+11%
NPL ratio (%)	3.10	+60 bps
Cost of credit (%)	2.74	-21 bps
Efficiency ratio (%)	43.1	+361 bps
Underlying RoTE (%)	13.3	-2.1 pp

P&L*	Q2'21	vs. Q1'21	H1'21	vs. H1'20
NII	684	0.9	1,352	-3.9
Net fee income	210	1.7	414	7.9
Total income	878	-0.1	1,743	-6.1
Operating expenses	-379	0.0	-752	2.5
Net operating income	499	-0.2	991	-11.7
LLPs	-204	-11.8	-432	-21.2
Underlying PBT	289	9.7	548	-2.4
Underlying att. profit	205	11.0	387	-1.8



(*) EUR mn and % change in constant euros





New lending in H1'21 well above 2020 (+20% YoY) although covid-19 lockdowns had a significant impact in early 2021. Strong activity expected for H2

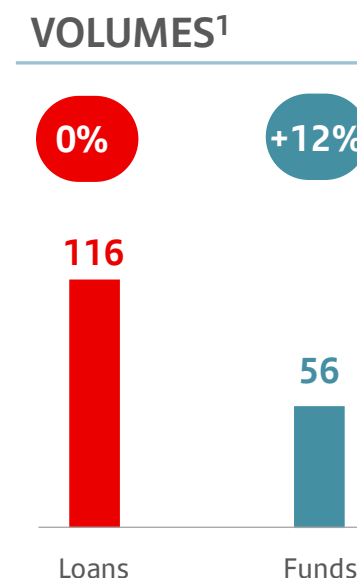
Profit up YoY favoured by revenue increase and cost of credit improvement. Higher costs due to technology investments and scaling capabilities

Activity recovered in Q2, mainly new lending in Germany (+25%) and the Nordics (+18%), although results were dampened **by CHF mortgages and the SRF charge**. Excluding the latter, total income +3%; profit +6%

KEY DATA	H1'21	vs. H1'20
Active customers (mn)	19.4	-4%
NPL ratio (%)	2.18	-14 bps
Cost of credit (%)	0.64	-10 bps
Efficiency ratio (%)	46.6	+76 bps
Underlying RoTE (%)	12.0	+1.5 pp

P&L*	Q2'21	vs. Q1'21	H1'21	vs. H1'20
NII	1,075	1.4	2,130	-1.1
Net fee income	206	9.4	395	11.0
Total income	1,302	-0.5	2,606	3.5
Operating expenses	-613	1.9	-1,214	5.3
Net operating income	689	-2.5	1,392	2.0
LLPs	-142	-14.7	-308	-42.2
Underlying PBT	502	-1.3	1,008	12.6
Underlying att. profit	278	-5.3	569	11.1

(*) EUR mn and % change in constant euros



Global businesses

Corporate & Investment Banking

Another strong set of results in Q2'21, although the QoQ comparison was affected by the SRF charge and an **exceptionally high Q1'21**

Strong underlying profit growth YoY backed by all revenue lines and a sharp reduction in LLPs

Leading positions in the rankings of different products (e.g. #1 in Structured Finance in LatAm and Europe by # of transactions)

Underlying
RoRWA

2.5%

Total fees

EUR 900 mn
(+18% YoY)

Efficiency

36.4%

P&L*	Q2'21	vs. Q1'21	H1'21	vs. H1'20
Total income	1,283	-22.8	2,938	17.9
Net operating income	740	-34.9	1,870	23.3
Underlying att. profit	494	-30.1	1,197	44.8

(*) EUR mn and % change in constant euros



Wealth Management & Insurance

Commercial flows YTD: Private Banking EUR 5.1 bn; SAM EUR 4.1 bn.
Gross written premiums (Insurance): +12% YoY

Total contribution to Group's profit +9% vs. H1'20 driven by higher volumes, private banking fees and increased insurance protection business, mainly non-credit related

AUMs

EUR 395 bn
(+12% YoY)

Total fees¹

EUR 1,634 mn
(+10% YoY)

Contribution
to Group's profit²

EUR 1,084 mn
(+9% YoY)

P&L*	Q2'21	vs. Q1'21	H1'21	vs. H1'20
Total income	519	3.1	1,021	6.2
Net operating income	293	3.6	574	7.6
Underlying att. profit	210	6.3	406	7.6

(*) EUR mn and % change in constant euros

(1) Including fees generated by asset management and insurance transferred to the commercial network

(2) Profit after tax + fees generated by asset management and insurance transferred to the commercial network

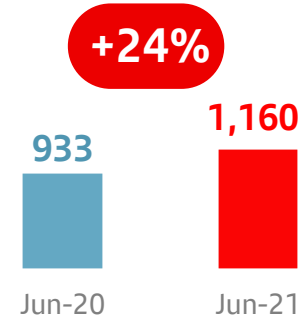
Merchant solutions

- **Getnet Brazil:** strong commercial performance and gaining market share (15.5%). Listing expected before year-end¹
- **LatAm:** global franchise expansion and product offerings gathering pace
- **Getnet Europe:** pan-European acquirer readiness achieved, in production in Q2, will be accelerating new customer acquisition by year-end
- **Commercial activity** grew strongly and **recovered to pre-pandemic levels**



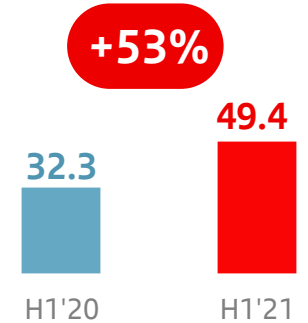
Active merchants

Thousands



Total Payments Volume

EUR bn



Trade solutions

- **8 markets are now connected to One Trade for initial services:** recent roll-out in Mexico and Poland

Active clients

Jun-21

One Trade

>6k

Ebury

>15k

Consumer solutions

- Rolling out of new single global IT platform
- Launch expected by year-end



Active users

YoY growth, Jun-21

+18%



Transaction Volume

+18%

Revenue expected to grow ~50% in H2'21 and reach EUR 1 bn in the medium-term



Corporate Centre



Lower revenue affected by the positive impact of FX hedging in 2020

Downward trend in operating expenses continued (-4% YoY), driven by streamlining and simplification measures

Significant lower provisions due to charges in H1'20 for certain holdings whose valuation was affected by the crisis

P&L*	H1'21	H1'20
NII	-679	-658
Gains/Losses on Financial Transactions	-96	78
Operating expenses	-160	-166
LLPs and other provisions	-229	-402
Tax and minority interests	126	61
Underlying att. profit	-1,062	-1,125

(*) EUR mn

1

Group
performance

2

Business
areas review

3

Key
takeaways

4

Appendix

H1'21 Key takeaways

Solid P&L performance

Further revenue
improvement

Efficiency gains
-159 bps

Lower cost of credit
0.94%

Revenue
+8%

**Net operating
income**
+13%

Underlying Profit
EUR 4.2 bn

Volume growth and profitability improvement

Volume growth
YoY and QoQ

CET1 above target
(11-12%)

RoTE higher than
cost of capital

Loans: +16 bn YoY
Funds: +64 bn YoY

CET1
12.11%

Underlying
RoTE
12.6%

Based on our strong H1'21 performance and our constructive business view for H2'21,
we are well on track to outperform our FY21 goals

1

Group
performance

2

Business
areas review

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takeaways

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Appendix

Primary segments and other countries

Secondary segments

Balance sheet and capital management

Yield on loans and cost of deposits

NPL and coverage ratios and cost of credit

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Accelerating One Santander transformation to deliver superior growth under a more efficient operating model

Revenue increased YoY driven by NII (UK and Spain), ALCO sales in Portugal and CIB

Strong efficiency improvement as a result of the ongoing optimization plans

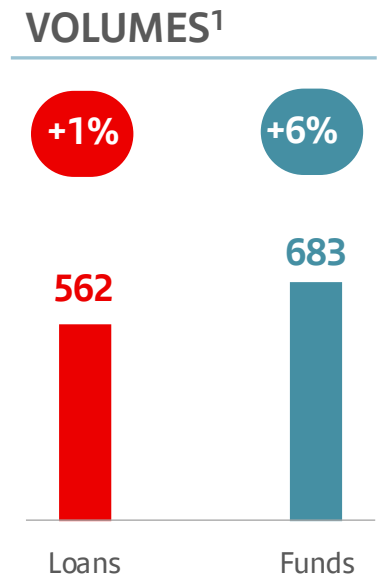
Cost of credit normalizing after LLPs drop in almost all countries (mainly in the UK)

Q2 impacted by SRF charge, lower trading gains and provisions in Poland due to CHF mortgages

KEY DATA	H1'21	vs. H1'20
Digital customers (mn)	15.7	+6%
NPL ratio (%)	3.30	-10 bps
Cost of credit (%)	0.49	+8 bps
Efficiency ratio (%)	51.2	-800 bps
Underlying RoTE (%)	7.2	+4.5 pp

P&L*	Q2'21	vs. Q1'21	H1'21	vs. H1'20
NII	2,751	3.5	5,396	14.8
Net fee income	1,086	1.1	2,157	4.6
Total income	3,942	-5.3	8,091	14.0
Operating expenses	-2,072	-0.5	-4,144	-1.5
Net operating income	1,870	-10.2	3,947	36.6
LLPs	-606	1.7	-1,202	-28.4
Underlying PBT	919	-25.8	2,150	171.6
Underlying att. profit	599	-27.8	1,426	171.9

(*) EUR mn and % change in constant euros





Sharp rise in **digital customers** with **higher digital sales penetration**

Increase in **customer loans** driven by new lending, mainly in corporates and mortgages

Profit up YoY boosted by ALCO portfolio sales, cost control and lower LLPs

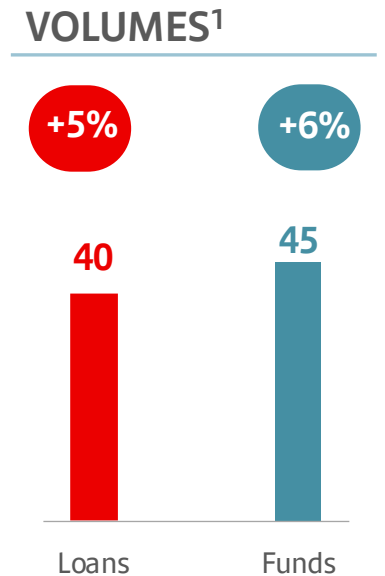
Profit decreased QoQ due to ALCO portfolio sales in Q1'21. Fee income growth backed by transactional fees



KEY DATA	H1'21	vs. H1'20
Digital customers (k)	981	+13%
NPL ratio (%)	3.71	-72 bps
Cost of credit (%)	0.41	+11 bps
Efficiency ratio (%)	39.6	-474 bps
Underlying RoTE (%)	11.9	+3.4 pp

P&L*	Q2'21	vs. Q1'21	H1'21	vs. H1'20
NII	192	-0.5	384	-3.8
Net fee income	110	11.5	210	9.7
Total income	303	-29.1	730	9.3
Operating expenses	-143	-2.0	-289	-2.4
Net operating income	160	-43.2	441	18.6
LLPs	-35	0.4	-69	-33.5
Underlying PBT	114	-51.3	347	50.8
Underlying att. profit	78	-51.4	239	49.7

(*) EUR mn and % change





Continued business transformation and launch of new digital products and services enabled us to **improve our NPS position to top 3**

Net operating income after LLPs up 43% YoY driven by revenue growth (lower rates offset by fees, dividends and trading gains) and reduced LLPs

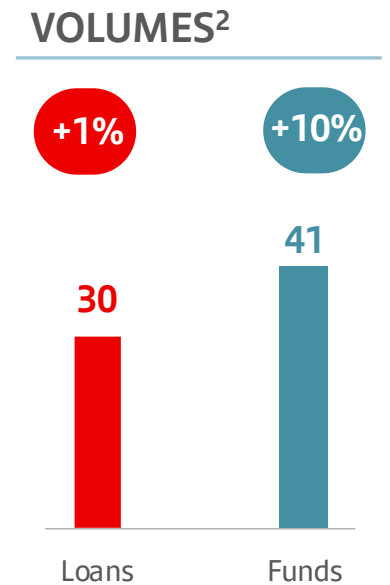
Profit impacted by charges related to CHF mortgages (EUR 125 mn), mainly in Q2



KEY DATA	H1'21	vs. H1'20
Digital customers (k)	2,850	+8%
NPL ratio (%)	4.58	+1 bps
Cost of credit (%)	0.88	-9 bps
Efficiency ratio (%)	41.5	-87 bps
Underlying RoTE (%) ¹	3.3	-1.3 pp

P&L*	Q2'21	vs. Q1'21	H1'21	vs. H1'20
NII	250	3.7	490	-7.9
Net fee income	126	-0.6	253	18.4
Total income	417	16.7	774	7.3
Operating expenses	-163	2.9	-321	5.1
Net operating income	254	27.6	453	8.9
LLPs	-45	-33.6	-113	-36.6
Underlying PBT	83	42.2	141	-13.2
Underlying att. profit	34	63.3	54	-23.9

(*) EUR mn and % change in constant euros





North America



In line with our **strategy to increase the weight of the most profitable businesses**, the Group announced several transaction proposals in the region (Amherst Pierpont and minorities of SC USA and Mexico)

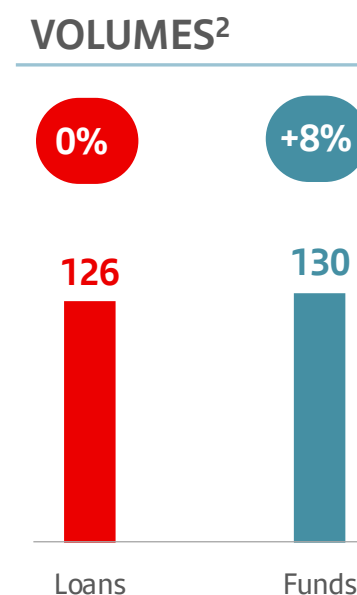
Strong profit growth YoY boosted by cost of credit improvement in the US, cost control and revenue increase (excluding disposals: NII +4%; fees +12%; total income +8%)

Q2 profit up due to lower LLPs. Revenue excluding Bluestem portfolio disposal: NII +2%; fees -2%; total income +1%

KEY DATA	H1'21	vs. H1'20
Digital customers (mn)	6.3	+10%
NPL ratio (%)	2.28	+56 bps
Cost of credit (%)	1.67	-154 bps
Efficiency ratio (%)	42.7	+106 bps
Underlying RoTE (%) ¹	14.6	+8.8 pp

P&L*	Q2'21	vs. Q1'21	H1'21	vs. H1'20
NII	2,010	-0.2	4,015	-0.8
Net fee income	410	-9.8	861	5.3
Total income	2,719	-2.2	5,487	4.0
Operating expenses	-1,194	3.5	-2,343	6.7
Net operating income	1,525	-6.3	3,145	2.1
LLPs	-195	-51.1	-588	-73.2
Underlying PBT	1,338	10.6	2,545	204.6
Underlying att. profit	854	10.2	1,628	177.9

(*) EUR mn and % change in constant euros





Strengthening regional ties in order to continue **growing profitably**, supported by **record customer increase** in recent months

Strong rise in **loyal (+24%) and digital customers (+20%)**, reflected in volume increase, with improvements in efficiency and cost of credit

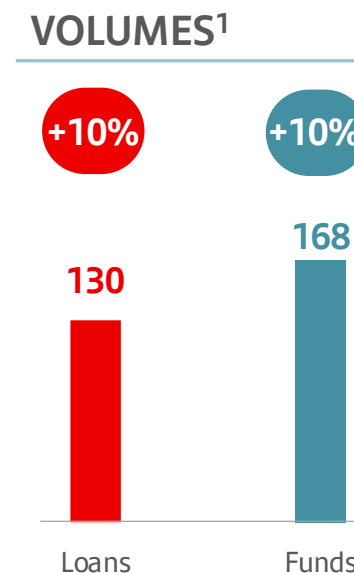
Profit up YoY underpinned by NII, fees and lower LLPs. Costs down 3% in real terms

QoQ profit growth boosted by customer revenue and lower tax rate, more than offsetting the increase in costs (inflation and activity) and provisions

KEY DATA	H1'21	vs. H1'20
Digital customers (mn)	22.7	+20%
NPL ratio (%)	4.36	-37 bps
Cost of credit (%)	2.51	-98 bps
Efficiency ratio (%)	34.4	-82 bps
Underlying RoTE (%)	20.3	+3.9 pp

P&L*	Q2'21	vs. Q1'21	H1'21	vs. H1'20
NII	2,760	5.3	5,334	11.1
Net fee income	928	8.2	1,770	13.9
Total income	3,772	4.6	7,311	9.8
Operating expenses	-1,299	5.7	-2,518	7.3
Net operating income	2,473	4.1	4,793	11.2
LLPs	-809	15.4	-1,492	-27.8
Underlying PBT	1,609	4.3	3,113	49.3
Underlying att. profit	871	10.4	1,645	40.9

(*) EUR mn and % change in constant euros





We continued to make headway with our commercial strategy: demand deposits (+42%), digital customers (+39%), Getnet (c. 28 k PoS) and Santander Life (729 k customers)



The increase in SMEs, mortgages and consumer **loans** was offset by the fall in corporates. **Funds** growth with better funding mix

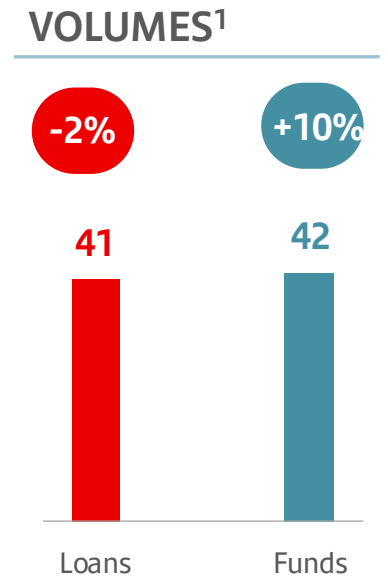
Profit up YoY due to margin management, with improved efficiency and cost of credit

Profit grew QoQ due to higher NII, gains on financial transactions and lower LLPs

KEY DATA	H1'21	vs. H1'20
Digital customers (k)	1,867	+39%
NPL ratio (%)	4.57	-42 bps
Cost of credit (%)	1.07	-39 bps
Efficiency ratio (%)	38.4	-189 bps
Underlying RoTE (%)	18.6	+7.4 pp

P&L*	Q2'21	vs. Q1'21	H1'21	vs. H1'20
NII	511	1.8	1,009	12.1
Net fee income	96	-0.1	190	11.0
Total income	637	2.7	1,252	6.8
Operating expenses	-245	3.0	-481	1.8
Net operating income	392	2.6	771	10.2
LLPs	-82	-19.5	-182	-49.0
Underlying PBT	315	12.8	592	73.5
Underlying att. profit	169	9.5	321	70.0

(*) EUR mn and % change in constant euros





Argentina



Business diversification: we opened the first agribusiness branch in the country; Santander Consumer is focused on used vehicles, as well as other goods and services

Ongoing digital transformation: digital sales (78% of total), Getnet (32 k active merchants)

Profit increased YoY boosted by the main revenue lines and lower provisions

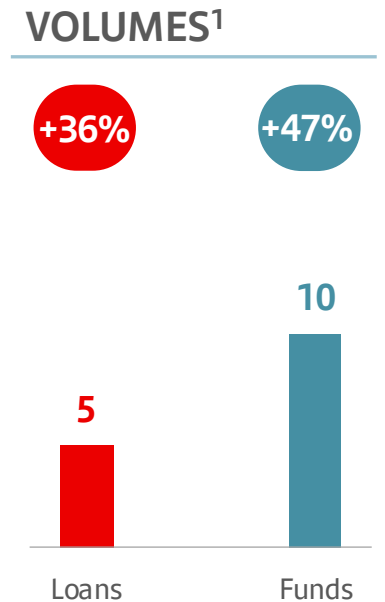
Overall inflation impact on P&L and volume performance



KEY DATA	H1'21	vs. H1'20
Digital customers (k)	2,716	+6%
NPL ratio (%)	3.34	+19 bps
Cost of credit (%)	3.94	-173 bps
Efficiency ratio (%)	62.0	+806 bps
Underlying RoTE (%)	23.9	-4.8 pp

P&L*	Q2'21	vs. Q1'21	H1'21	vs. H1'20
NII	235	26.5	440	25.3
Net fee income	87	29.6	161	75.1
Total income	301	25.8	563	28.5
Operating expenses	-179	15.3	-349	47.6
Net operating income	122	45.2	214	6.0
LLPs	-35	166.2	-48	-47.4
Underlying PBT	57	41.5	100	14.3
Underlying att. profit	62	50.1	108	41.5

(*) EUR mn and % change in constant euros





High profitability sustained across all countries supported by stronger customer loyalty, leading to greater transactionality and digitalization

Uruguay: profit decreased YoY mainly impacted by lower interest rates

Peru: profit rose YoY boosted by higher revenue and efficiency improvement

Colombia: profit increased, underpinned by higher customer revenue

Uruguay and Andean region

Underlying attributable profit



URUGUAY

-14%

59

51

H1'20

H1'21

22%
RoTE



PERU

+29%

20

26

H1'20

H1'21

22%
RoTE



COLOMBIA

+34%

9

12

H1'20

H1'21

16%
RoTE

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Primary segments and other countries

Secondary segments

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Retail Banking

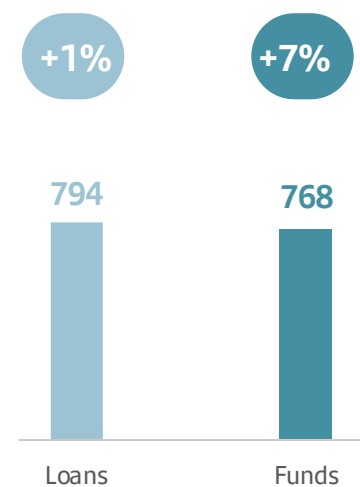


Focus on accelerating our **digital transformation**, through a **multi-channel** strategy adapting channels to new business trends and customer needs

This clear orientation enabled us to **rank top 3** in **customer satisfaction**, measured by NPS, in **7 of our markets**

QoQ and YoY profit growth due to higher NII and strong increase in fee income, with better efficiency and lower cost of credit

ACTIVITY



P&L*	Q2'21	vs. Q1'21	H1'21	vs. H1'20
NII	7,766	3.0	15,238	7.0
Net fee income	1,753	1.6	3,462	4.1
Total income	9,811	1.9	19,347	7.9
Operating expenses	-4,247	1.6	-8,404	1.0
Net operating income	5,564	2.2	10,942	13.8
LLPs	-1,726	-4.5	-3,509	-43.5
Underlying PBT	3,375	4.4	6,565	127.9
Underlying att. profit	1,954	5.3	3,790	134.6

(*) EUR mn and % change in constant euros

+12% YoY
Loyal
customers

7
markets
Top 3 NPS¹



Corporate & Investment Banking



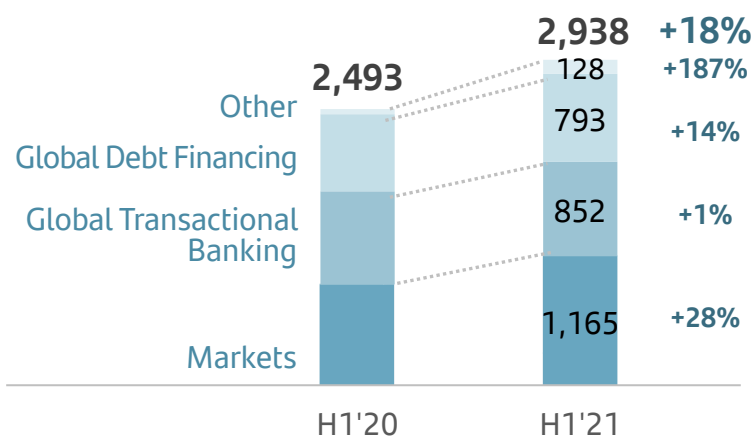
Continued **strategy execution** to strengthen our position as a **strategic advisor**

Increased our participation in **green and ESG bonds**, with a total volume of EUR 6.2 bn

Profit boosted by strong revenue growth, with all products increasing vs. H1'20 mainly driven by GDF, market activities and investment banking fees

Following an exceptionally high first quarter, underlying profit decreased QoQ due to market volatility and business normalization

Total income (Constant EUR mn)



P&L*	Q2'21	vs. Q1'21	H1'21	vs. H1'20
NII	739	2.4	1,460	14.0
Net fee income	434	-7.4	900	18.4
Gains (losses) on FT	101	-75.9	512	49.6
Total income	1,283	-22.8	2,938	17.9
Operating expenses	-543	3.0	-1,069	9.5
Net operating income	740	-34.9	1,870	23.3
LLPs	-21	-54.3	-68	-72.0
Underlying PBT	750	-29.6	1,808	46.6
Underlying att. profit	494	-30.1	1,197	44.8

(*) EUR mn and % change in constant euros

2.5%
RoRWA

36.4%
Efficiency ratio



Wealth Management & Insurance



Private Banking: continued good activity levels and business growth.
Net new money YTD: EUR 5.1 bn. Total customer assets and liabilities +15% YoY

SAM: volumes continued to grow (+9% YoY), both by market movement and by positive net sales (EUR 4.1 bn YTD)

Insurance: gross written premiums +12% YoY, despite related business is still affected by lower credit activity

Total contribution to Group's profit up 9% vs. H1'20 and fees +10%, driven by higher volumes, higher private banking fees and increased insurance protection business, mainly non-credit related

ACTIVITY

EUR bn and % change in constant euros

ACTIVITY	QoQ	YoY
Total AUM	5%	12%
Funds and investments ¹	5%	12%
- Asset Management (SAM)	3%	9%
- Private Banking	9%	20%
Custody of customer funds	5%	20%
Customer deposits	2%	1%
Customer loans	10%	19%

P&L*	Q2'21	vs. Q1'21	H1'21	vs. H1'20
NII	91	2.8	179	-4.7
Net fee income	316	6.0	612	10.6
Total income	519	3.1	1,021	6.2
Operating expenses	-227	2.4	-447	4.4
Net operating income	293	3.6	574	7.6
LLPs	-3	-50.0	-8	-29.0
Underlying PBT	288	5.3	561	8.2
Underlying att. profit	210	6.3	406	7.6

EUR 1,084 mn
 (+9% YoY)
 Total contribution to Group's profit²

Total fees³
EUR 1,634 mn
 (+10% YoY)
 Weight of Total Group
32%

(*) EUR mn and % change in constant euros



Note. AuM: Total assets marketed and/or managed

(1) Total adjusted for funds from private banking customers managed by SAM

(2) Profit after tax + fees generated by asset management and insurance transferred to the commercial network

(3) Including fees generated by asset management and insurance transferred to the commercial network

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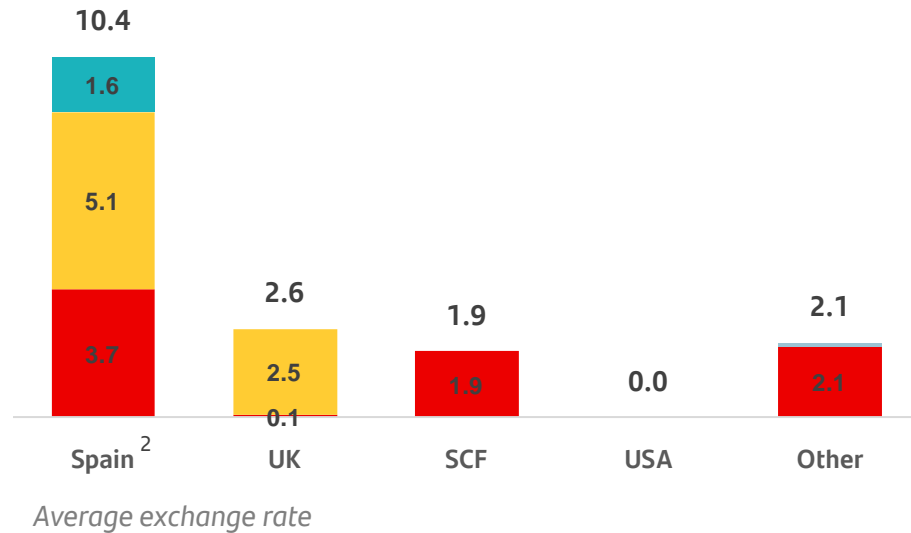
Quarterly income statements

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Conservative and decentralized liquidity and funding model

EUR 8.8 bn¹ issued in public markets in Q2'21

EUR bn, Jun-21



► Other includes issuances in Brazil, Chile, Argentina and Mexico

Very manageable maturity profile

EUR bn, Jun-21







(1) Data includes public issuances from all units with period-average exchange rates. Excludes securitisations. Two T2 instruments issued in Q4'20 as prefunding for 2021, totalling EUR 2.3 billion, are not included.

(2) Includes Banco Santander S.A. and Santander International Products PLC Note: preference shares also includes other AT1 instruments.

Interest rate risk hedging

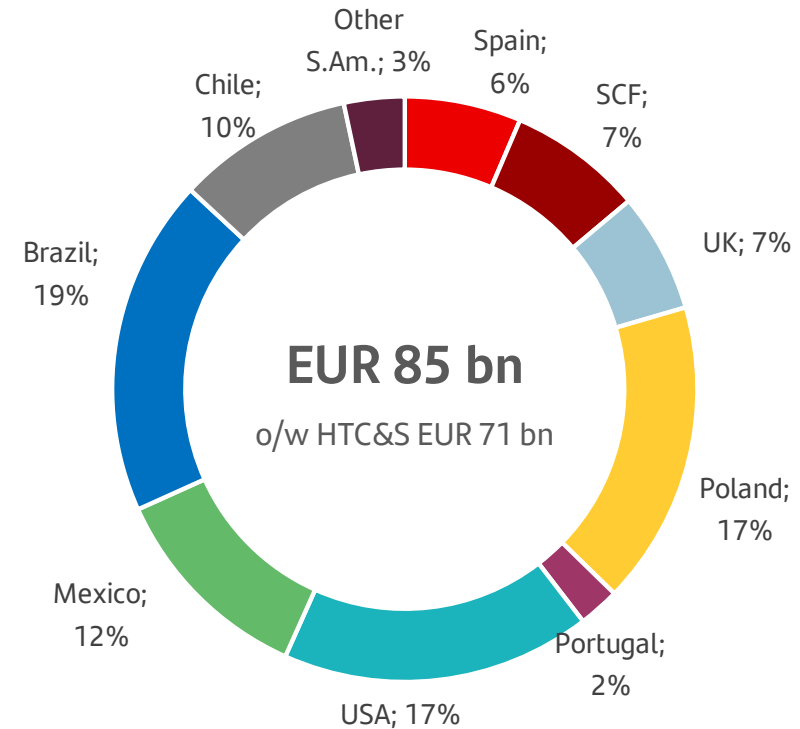
Mostly positive interest rate sensitivity

Net interest income sensitivity* to a +/-100 bp parallel shift
EUR mn, May-21

	+100 bps	-100 bps
 ¹	+975	-490
 ²	+398	-676
 ³	+160	-89
	-86	+86

ALCO portfolios reflect our geographic diversification

Distribution of ALCO portfolios by country
%, Jun-21



(1) Parent bank

(2) Ring-fenced bank

(3) SBNA. SC USA has positive sensitivity under a -100 bp shift scenario

*Note: different criteria vs. Q4'20 presentation: -100 bps sensitivities affected by removal of management floors.

Issuances YTD against funding plan

2021 Funding plan and issuances

EUR bn, Jun-21

	Snr Non-Preferred + Snr		Hybrids		Covered Bonds		TOTAL	
	Plan	Issued	Plan	Issued	Plan	Issued	Plan	Issued
Santander S.A	8-10	8.1	2-3	3.9 ¹	-	-	10-13	12.0
SCF	3-4	1.9	-	-	0-1	-	3-5	1.9
UK	2.5-3.5	2.6	-	-	-	-	2.5-3.5	2.6
SHUSA	3-4	-	-	-	-	-	3-4	-
Other ²	2.5-3.5	2.1	0-0.5	-	-	0.1	2.5-4	2.1
TOTAL ²	19-25	14.6	2-3.5	3.9	0-1	0.1	21-29.5	18.6

Banco Santander S.A.'s 2021 funding plan contemplates the following:

- The Financial Plan is focused on covering TLAC/MREL requirements, with no secured issuances, to:
 - continue building up TLAC/MREL buffers
 - pre-finance senior non-preferred / senior preferred transactions which lose TLAC eligibility due to entering in the <1 year window
 - cover the increase in estimated RWAs which are the base of both requirements

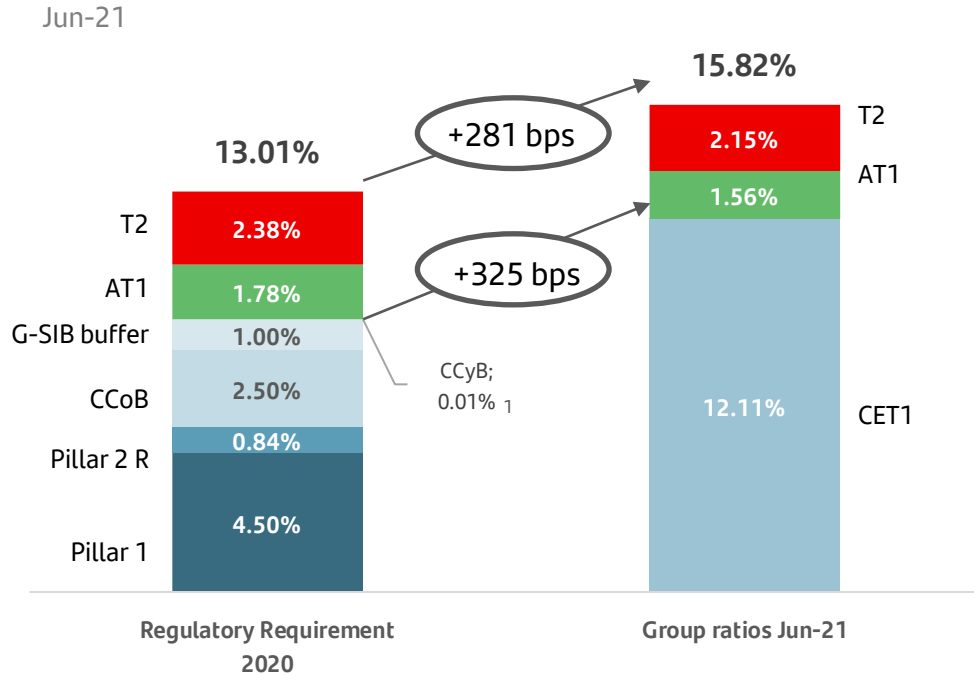


Note: Issuance plan subject to, amongst other considerations, market conditions and regulatory requirements. Other secured issuances (for example ABS, RMBS, etc.) are not considered in the table above. (1) Two T2 instruments issued in Q4'20 as prefunding for 2021, totalling EUR 2.3 billion: EUR 1 billion issued 22-Oct-20 with a coupon of 1.625% and USD 1.5 billion issued 3-Dec-20 with a coupon of 2.749%. Issuance of additional hybrid securities will depend on RWA growth, to continue fulfilling the AT1 and T2 buffers (1.5% and 2% respectively).

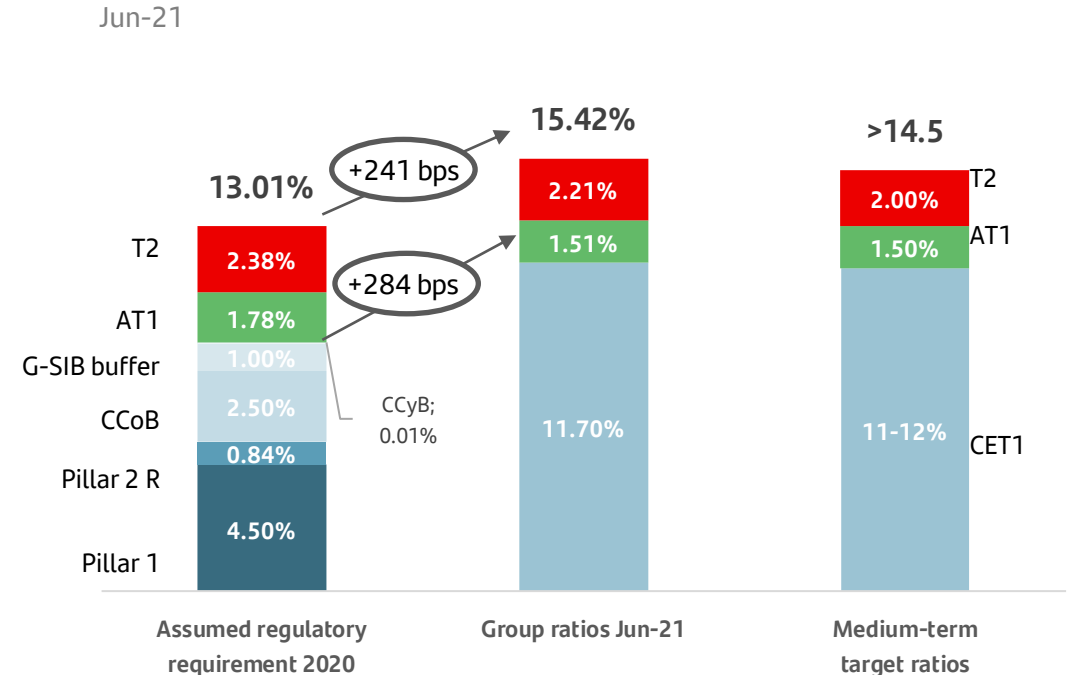
(2) Santander International Products, Plc. Is not included in the table: in H1'21 issued EUR 0.72 bn of Senior Unsecured

Santander's capital levels, both phased-in and fully loaded, exceed minimum regulatory requirements

SREP capital requirements and MDA*



Assumed capital requirements (fully-loaded)



- ▶ Following regulatory changes in response to the COVID-19 crisis, the **minimum CET1** to be maintained by the Group is **8.86%** (was 9.69% pre-changes)
- ▶ As of Jun-21, the distance to the MDA is 281 bps² and the CET1 management buffer is 325 bps

- ▶ AT1 and T2 issuance are planned to be zero to target 1.5% and 2% of RWAs respectively assuming constant RWAs



* The phased-in ratio includes the transitory treatment of IFRS 9, calculated in accordance with article 473 bis of the Regulation on Capital Requirements (CRR) and subsequent amendments introduced by Regulation 2020/873 of the European Union. Additionally, the Tier 1 and total phased-in capital ratios include the transitory treatment according to chapter 2, title 1, part 10 of the aforementioned CRR.

(1) Countercyclical buffer.

(2) MDA trigger = 3.25% - 0.22% - 0.23% = 2.81% (22 bps of AT1 and 23 bps of T2 shortfall is covered with CET1).

TLAC ratios for the Resolution Group headed by Banco Santander, S.A.

TLAC Ratio

EUR mn	30 September 2020	31 December 2020	31 March 2021	30 June 2021 E
Own Funds	86,191	86,836	86,879	86,148
of which: Common Equity Tier 1 (CET1) capital	70,829	69,451	69,594	69,043
of which: Additional Tier 1 (AT1) capital	7,740	7,723	7,591	7,676
of which: Tier 2 (T2) capital	7,621	9,662	9,694	9,430
Eligible Liabilities	30,650	30,434	32,531	34,711
Subordinated instruments	860	964	1,120	2,817
Non preferred senior debt	22,912	22,540	24,352	24,730
Preferred senior debt and instruments with the same insolvency ranking	6,878	6,930	7,059	7,164
TLAC BEFORE DEDUCTIONS	116,841	117,270	119,410	120,860
Deductions	52,622	51,134	48,893	48,758
TLAC AFTER DEDUCTIONS	64,621	66,136	70,517	72,102
Risk Weighted Assets (RWAs)	275,124	277,178	282,373	286,579
TLAC RATIO (% RWAs)	23.3%	23.9%	25.0%	25.2%
Leverage Exposure (LE)	635,439	632,194	689,334	672,990
TLAC RATIO (% LE)	10.1%	10.5%	10.2%	10.7%

TLAC ratio increased in the second quarter of 2021 from 25% to 25.2% of RWAs (compared with the fully-loaded TLAC requirement of 21.5% as of January 2022 and the current requirement of 19.5 % as of June 2021) since the growth driven by instruments more than offset the increase in RWAs.

The instruments before deduction have increased by EUR 1.45 bn, as the issuances carried out (AT1: EUR 1.6 bn; SNP: EUR 1.8 bn) offset the loss of computability in the quarter (SNP: EUR 1.3 bn), the drop in the CET1 (EUR 0.5 bn) and the impact of exchange rates (EUR 0.2 bn). Additionally, SP (EUR 1.7 bn) was issued in the quarter (without impact on the TLAC ratio, due to the cap on senior preferred debt).

In the quarter, RWAs grew by EUR 4.2 bn, mainly due to the increase in credit risk under internal models, due to regulatory impacts (CCFs and SA-CCR).

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Yield on loans (%)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21
Europe	2.30	2.12	2.06	2.09	2.08	2.04
Spain	1.99	1.86	1.82	1.85	1.85	1.80
United Kingdom	2.49	2.35	2.32	2.36	2.33	2.32
Portugal	1.63	1.57	1.57	1.51	1.46	1.40
Poland	4.04	3.34	2.95	2.89	2.91	2.91
North America	8.94	7.85	7.82	7.70	7.78	7.61
US	7.76	6.90	6.96	6.83	7.00	6.76
Mexico	12.25	11.00	10.73	10.36	10.11	10.12
South America	11.70	10.00	9.03	9.50	9.92	10.00
Brazil	13.56	12.28	11.66	11.07	11.37	11.63
Chile	7.35	5.74	4.75	7.03	6.93	6.67
Argentina	23.75	20.06	18.37	19.93	22.03	22.05
Digital Consumer Bank	4.22	4.22	4.07	4.05	3.98	3.94

Cost of deposits (%)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21
Europe	0.36	0.25	0.14	0.12	0.11	0.08
Spain	0.06	0.04	0.04	0.04	0.04	0.03
United Kingdom	0.69	0.52	0.29	0.23	0.21	0.15
Portugal	0.08	0.06	0.05	0.03	0.02	0.02
Poland	0.65	0.42	0.14	0.09	0.05	0.03
North America	1.57	1.15	0.90	0.74	0.64	0.61
US	0.74	0.40	0.30	0.23	0.17	0.12
Mexico	3.54	3.21	2.53	2.03	1.85	1.86
South America	3.13	2.07	1.58	1.45	1.83	2.15
Brazil	3.12	2.27	1.61	1.46	1.47	2.15
Chile	1.35	0.71	0.34	0.45	0.35	0.31
Argentina	10.64	7.37	8.70	9.98	11.62	11.88
Digital Consumer Bank	0.47	0.44	0.39	0.35	0.30	0.26

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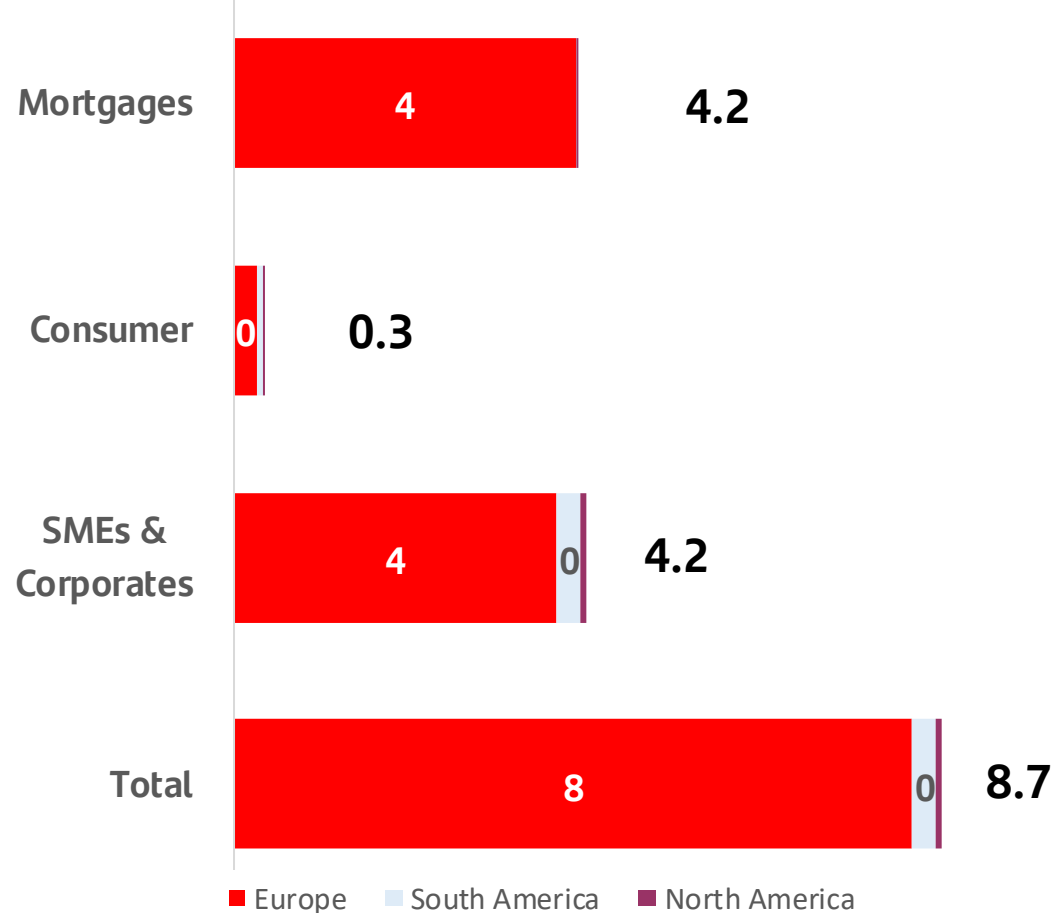
Quarterly income statements

Glossary

92% of moratoria has expired, with only 5% at stage 3. From the 8% still active, 71% is secured and most of it is in Europe

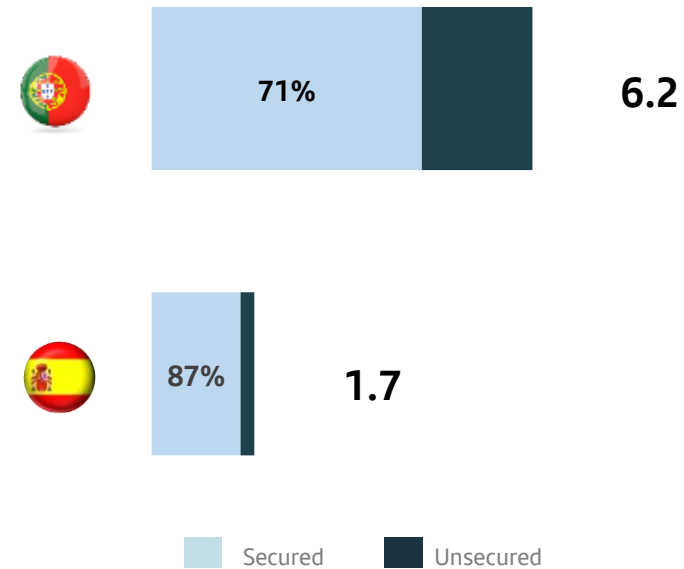
Distribution of loans subject to moratoria

Active moratoria as of 30th Jun 21, EUR bn



Main units

Active moratoria as of 30th Jun 21, EUR bn



- Portugal and Spain represent 91% of active moratoria and 74% is secured

Stage coverage

	Exposure ¹						Coverage					
	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21
Stage 1	891	878	862	864	885	904	0.6%	0.6%	0.6%	0.5%	0.5%	0.5%
Stage 2	53	61	60	69	70	70	8.2%	7.7%	8.8%	8.5%	8.1%	8.2%
Stage 3	33	33	31	32	32	33	40.8%	41.1%	43.3%	43.4%	42.5%	42.2%

NPL ratio (%)

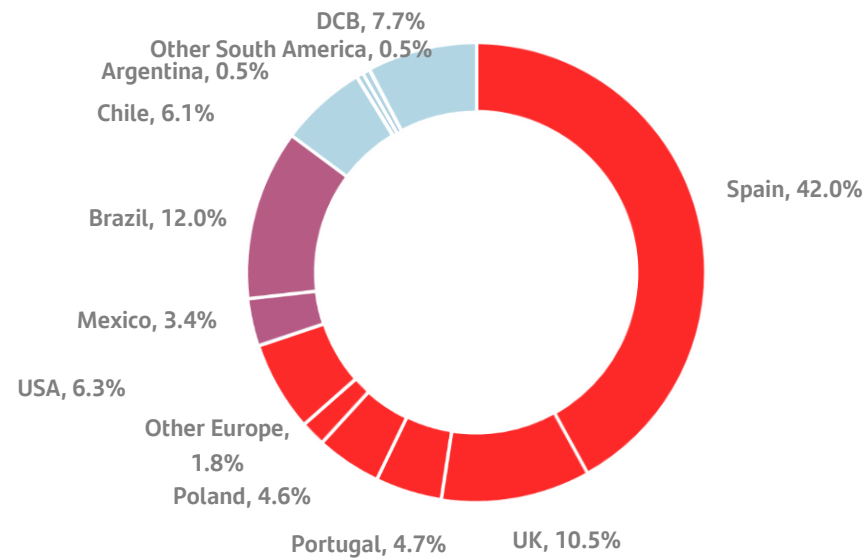
	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21
Europe	3.37	3.41	3.29	3.34	3.26	3.30
Spain	6.88	6.55	5.98	6.23	6.18	6.22
United Kingdom	0.99	1.10	1.33	1.24	1.35	1.30
Portugal	4.56	4.43	4.25	3.89	3.84	3.71
Poland	4.29	4.57	4.58	4.74	4.82	4.58
North America	2.02	1.73	1.96	2.23	2.39	2.28
US	2.00	1.49	1.85	2.04	2.11	2.00
Mexico	2.07	2.50	2.33	2.81	3.21	3.10
South America	4.63	4.74	4.40	4.39	4.30	4.36
Brazil	4.93	5.07	4.64	4.59	4.42	4.55
Chile	4.63	4.99	4.76	4.79	4.74	4.57
Argentina	3.97	3.15	2.88	2.11	2.32	3.34
Digital Consumer Bank	2.21	2.31	2.29	2.17	2.23	2.18
TOTAL GROUP	3.25	3.26	3.15	3.21	3.20	3.22

Total coverage ratio (%)

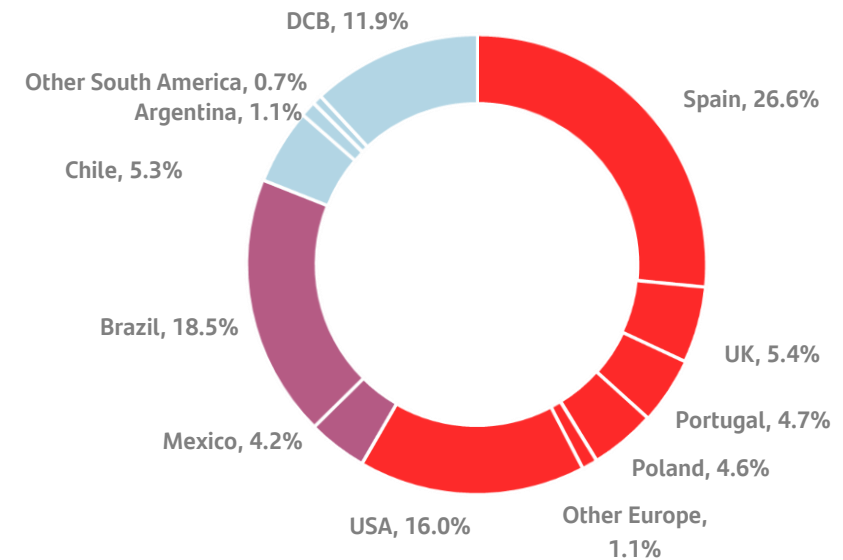
	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21
Europe	47.0	46.5	48.7	50.3	50.0	48.4
Spain	44.6	43.3	46.0	47.1	47.2	46.0
United Kingdom	39.7	42.8	41.6	44.7	40.5	37.4
Portugal	59.0	60.9	64.3	66.5	69.2	73.0
Poland	68.1	69.0	70.8	70.7	70.3	72.4
North America	170.1	206.5	201.6	182.6	153.4	152.3
US	181.4	253.1	228.8	210.4	183.2	185.7
Mexico	133.9	114.9	132.6	120.8	95.6	90.6
South America	92.9	93.0	97.2	97.4	98.4	98.1
Brazil	108.0	110.2	114.9	113.2	116.5	112.3
Chile	57.2	54.7	59.7	61.4	63.4	63.9
Argentina	131.2	165.7	186.3	275.1	232.4	167.6
Digital Consumer Bank	111.6	108.0	110.6	113.3	111.4	111.9
TOTAL GROUP	71.3	72.1	76.0	76.4	74.0	72.9

Credit impaired loans and loan-loss allowances. Breakdown by operating areas. June 2021

Credit impaired loans



Loan-loss allowances



Cost of credit (%)

	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21
Europe	0.36	0.41	0.48	0.58	0.51	0.49
Spain	0.64	0.68	0.80	1.01	0.91	1.00
United Kingdom	0.14	0.22	0.26	0.27	0.21	0.09
Portugal	0.23	0.30	0.42	0.51	0.38	0.41
Poland	0.88	0.96	0.99	1.10	1.02	0.88
North America	3.02	3.21	3.07	2.92	2.34	1.67
US	3.13	3.30	3.08	2.86	2.12	1.34
Mexico	2.69	2.95	2.97	3.03	3.00	2.74
South America	3.29	3.49	3.50	3.32	2.81	2.51
Brazil	4.43	4.67	4.58	4.35	3.79	3.51
Chile	1.25	1.46	1.59	1.50	1.33	1.07
Argentina	5.48	5.67	5.54	5.93	4.55	3.94
Digital Consumer Bank	0.63	0.74	0.79	0.83	0.69	0.64
TOTAL GROUP	1.17	1.26	1.27	1.28	1.08	0.94

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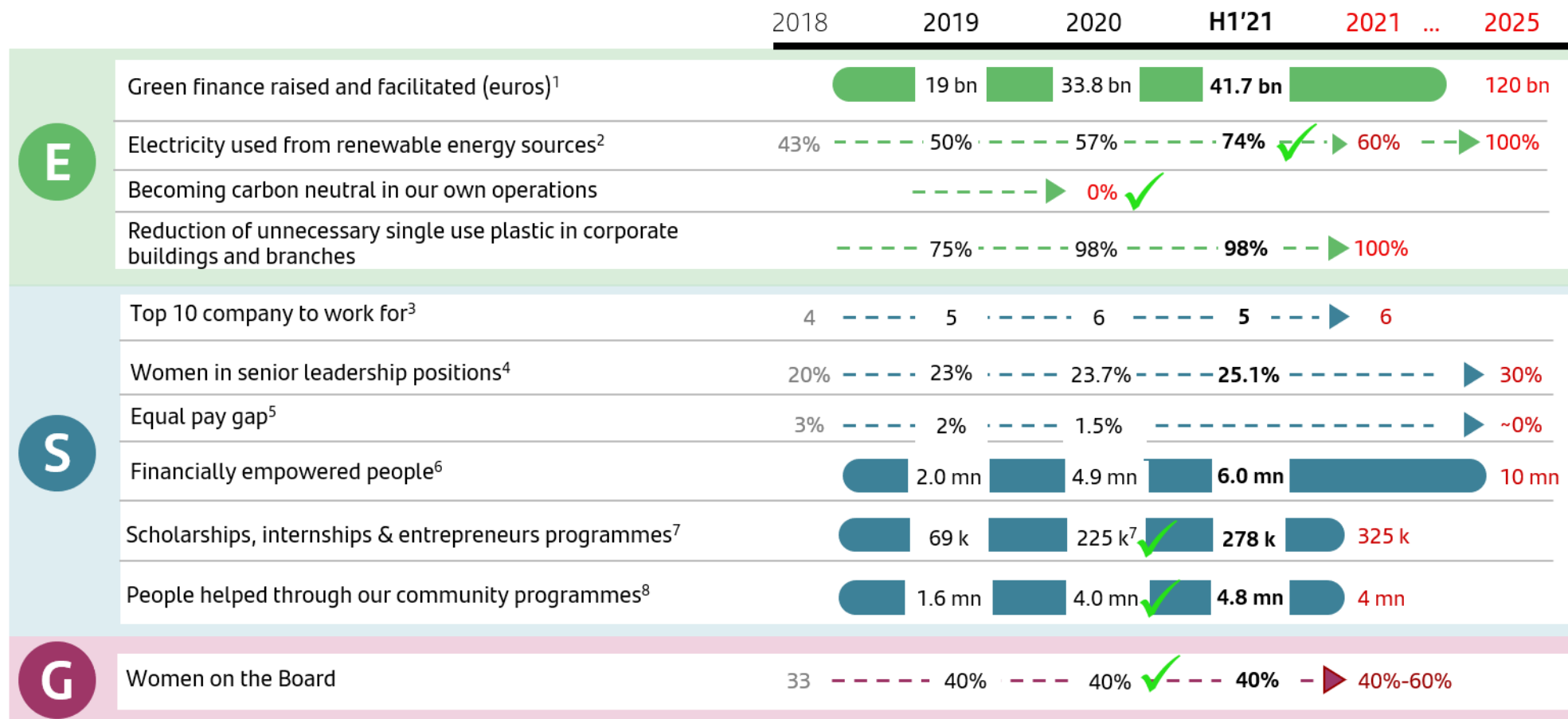
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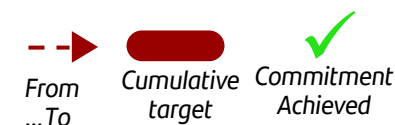
Santander Responsible Banking goals



Ambition to be net zero by 2050

With the first decarbonization targets:

- Aligning our power generation portfolio to Paris by 2030
- Stop providing financial services to power generation clients with a revenue dependency on thermal coal of over 10% by 2030
- Reduce our exposure to thermal coal mining to zero by 2030.



Inclusion of our responsible banking targets as a qualitative metric in our executive remuneration bonus scorecard

Note: H1'21 data not audited

- (1) Includes Santander overall contribution to green finance: project finance, syndicated loans, green bonds, capital finance, export finance, advisory, structuring and other products to help our clients in the transition to a low carbon economy. Commitment from 2019 to 2030 is EUR 220 bn
- (2) In those countries where it is possible to certify renewable sourced electricity for the properties occupied by the Group
- (3) According to relevant external indexes in each country (Great Place to Work, Top Employer, Merco, etc.)
- (4) Senior positions represent 1% of total workforce
- (5) Calculation of equal pay gap compares employees of the same job, level and function. Data reported annually.
- (6) People (unbanked, underbanked or financially vulnerable), who are given access to the financial system, receive tailored finance and increase their knowledge and resilience through financial education
- (7) People supported through Santander Universities initiative (students who will receive a Santander scholarship, will achieve an internship in an SME or participate in entrepreneurship programmes supported by the bank). Commitment refreshed after early completion in 2020 (200k).
- (8) People helped through our community investment programmes (excluded Santander Universities and financial education initiatives)

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SANTANDER GROUP (EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	8,487	7,715	7,773	8,019	7,956	8,240	16,202	16,196
Net fee income	2,853	2,283	2,423	2,456	2,548	2,621	5,136	5,169
Gains (losses) on financial transactions and other	474	706	891	520	886	444	1,180	1,330
Total income	11,814	10,704	11,087	10,995	11,390	11,305	22,518	22,695
Operating expenses	(5,577)	(5,076)	(5,073)	(5,241)	(5,118)	(5,259)	(10,653)	(10,377)
Net operating income	6,237	5,628	6,014	5,754	6,272	6,046	11,865	12,318
Net loan-loss provisions	(3,909)	(3,118)	(2,535)	(2,611)	(1,992)	(1,761)	(7,027)	(3,753)
Other gains (losses) and provisions	(372)	(625)	(304)	(485)	(467)	(470)	(997)	(937)
Underlying profit before tax	1,956	1,885	3,175	2,658	3,813	3,815	3,841	7,628
Underlying consolidated profit	696	1,677	2,047	1,738	2,489	2,481	2,373	4,970
Underlying attributable profit	377	1,531	1,750	1,423	2,138	2,067	1,908	4,205
Net capital gains and provisions*	(46)	(12,660)	—	(1,146)	(530)	—	(12,706)	(530)
Attributable profit	331	(11,129)	1,750	277	1,608	2,067	(10,798)	3,675

(*) Including: in Q1'20, restructuring costs
in Q2'20, adjustment to the valuation of goodwill, adjustment has been made to deferred tax assets of the Spanish consolidated fiscal group and restructuring costs and other
in Q4'20, restructuring costs and other
in Q1'21, restructuring costs

SANTANDER GROUP (Constant EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	7,604	7,444	7,782	8,127	7,993	8,203	15,048	16,196
Net fee income	2,555	2,218	2,410	2,470	2,559	2,610	4,773	5,169
Gains (losses) on financial transactions and other	455	652	885	516	888	442	1,107	1,330
Total income	10,614	10,314	11,077	11,113	11,440	11,255	20,928	22,695
Operating expenses	(5,127)	(4,940)	(5,086)	(5,298)	(5,132)	(5,245)	(10,067)	(10,377)
Net operating income	5,487	5,374	5,991	5,815	6,308	6,010	10,860	12,318
Net loan-loss provisions	(3,503)	(2,984)	(2,575)	(2,659)	(2,004)	(1,749)	(6,486)	(3,753)
Other gains (losses) and provisions	(332)	(620)	(304)	(491)	(466)	(471)	(952)	(937)
Underlying profit before tax	1,652	1,770	3,113	2,664	3,838	3,790	3,422	7,628
Underlying consolidated profit	502	1,603	2,018	1,748	2,502	2,468	2,105	4,970
Underlying attributable profit	200	1,464	1,726	1,434	2,150	2,055	1,664	4,205
Net capital gains and provisions*	(45)	(12,662)	(25)	(1,142)	(532)	2	(12,707)	(530)
Attributable profit	155	(11,198)	1,701	292	1,618	2,057	(11,044)	3,675

(*) Including: in Q1'20, restructuring costs
in Q2'20, adjustment to the valuation of goodwill, adjustment has been made to deferred tax assets of the Spanish consolidated fiscal group and restructuring costs and other
in Q4'20, restructuring costs and other
in Q1'21, restructuring costs

Europe (EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	2,378	2,330	2,534	2,670	2,645	2,751	4,708	5,396
Net fee income	1,128	942	961	968	1,072	1,086	2,071	2,157
Gains (losses) on financial transactions and other	212	125	388	37	432	106	337	538
Total income	3,718	3,398	3,883	3,675	4,149	3,942	7,115	8,091
Operating expenses	(2,175)	(2,038)	(2,046)	(2,015)	(2,071)	(2,072)	(4,213)	(4,144)
Net operating income	1,543	1,359	1,837	1,659	2,077	1,870	2,902	3,947
Net loan-loss provisions	(1,004)	(677)	(735)	(927)	(595)	(606)	(1,681)	(1,202)
Other gains (losses) and provisions	(236)	(186)	(177)	(371)	(251)	(344)	(422)	(595)
Underlying profit before tax	303	496	925	361	1,231	919	799	2,150
Underlying consolidated profit	202	360	660	268	829	616	563	1,445
Underlying attributable profit	193	336	628	256	826	599	529	1,426

Europe (Constant EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	2,356	2,343	2,565	2,706	2,652	2,744	4,699	5,396
Net fee income	1,119	943	964	971	1,073	1,084	2,062	2,157
Gains (losses) on financial transactions and other	213	122	388	35	432	106	335	538
Total income	3,688	3,408	3,917	3,712	4,156	3,935	7,096	8,091
Operating expenses	(2,158)	(2,048)	(2,069)	(2,038)	(2,077)	(2,067)	(4,206)	(4,144)
Net operating income	1,529	1,360	1,847	1,674	2,080	1,868	2,890	3,947
Net loan-loss provisions	(998)	(682)	(742)	(932)	(596)	(606)	(1,680)	(1,202)
Other gains (losses) and provisions	(234)	(184)	(180)	(373)	(249)	(346)	(418)	(595)
Underlying profit before tax	297	494	926	369	1,234	916	792	2,150
Underlying consolidated profit	199	358	661	274	830	615	557	1,445
Underlying attributable profit	189	335	630	262	828	598	524	1,426

Spain (EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	925	931	1,034	1,067	1,019	1,015	1,856	2,034
Net fee income	643	535	562	573	587	617	1,178	1,204
Gains (losses) on financial transactions and other	220	96	204	(8)	178	62	316	240
Total income	1,789	1,562	1,800	1,632	1,785	1,693	3,350	3,478
Operating expenses	(944)	(896)	(893)	(873)	(867)	(852)	(1,841)	(1,719)
Net operating income	844	665	907	759	918	842	1,509	1,759
Net loan-loss provisions	(628)	(313)	(449)	(611)	(449)	(492)	(941)	(941)
Other gains (losses) and provisions	(104)	(115)	(112)	(128)	(129)	(147)	(219)	(276)
Underlying profit before tax	112	237	346	20	340	202	350	542
Underlying consolidated profit	90	160	246	20	243	147	250	390
Underlying attributable profit	90	161	246	20	243	147	251	390

United Kingdom (EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	820	796	905	983	1,001	1,100	1,616	2,100
Net fee income	190	94	115	96	120	117	284	238
Gains (losses) on financial transactions and other	(3)	1	14	(31)	(10)	(6)	(2)	(16)
Total income	1,007	891	1,034	1,048	1,111	1,211	1,898	2,322
Operating expenses	(686)	(631)	(620)	(601)	(652)	(648)	(1,317)	(1,299)
Net operating income	321	259	414	447	459	563	580	1,023
Net loan-loss provisions	(178)	(223)	(179)	(97)	(18)	86	(401)	68
Other gains (losses) and provisions	(71)	(5)	(30)	(150)	(31)	(63)	(76)	(94)
Underlying profit before tax	72	31	205	200	410	587	103	997
Underlying consolidated profit	52	19	149	171	294	399	71	693
Underlying attributable profit	52	19	149	171	294	399	71	693

United Kingdom (GBP mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	706	706	818	885	874	948	1,412	1,823
Net fee income	163	85	104	87	105	101	248	206
Gains (losses) on financial transactions and other	(2)	1	13	(27)	(8)	(5)	(2)	(14)
Total income	867	791	934	945	971	1,044	1,659	2,015
Operating expenses	(591)	(560)	(562)	(543)	(569)	(558)	(1,151)	(1,128)
Net operating income	276	231	372	402	401	486	507	887
Net loan-loss provisions	(153)	(197)	(163)	(89)	(16)	75	(350)	59
Other gains (losses) and provisions	(61)	(5)	(27)	(134)	(27)	(54)	(67)	(81)
Underlying profit before tax	62	28	182	179	358	507	90	865
Underlying consolidated profit	45	17	133	153	257	345	62	602
Underlying attributable profit	45	17	133	153	257	345	62	602

Portugal (EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	202	197	193	195	193	192	399	384
Net fee income	101	90	94	103	99	110	191	210
Gains (losses) on financial transactions and other	47	30	25	19	135	1	77	136
Total income	350	317	312	317	427	303	668	730
Operating expenses	(151)	(145)	(146)	(149)	(146)	(143)	(296)	(289)
Net operating income	199	172	166	168	281	160	372	441
Net loan-loss provisions	(80)	(24)	(47)	(42)	(35)	(35)	(105)	(69)
Other gains (losses) and provisions	(21)	(16)	1	7	(13)	(11)	(37)	(24)
Underlying profit before tax	98	132	120	133	234	114	230	347
Underlying consolidated profit	68	92	83	95	161	78	160	239
Underlying attributable profit	68	92	83	95	161	78	160	239

Poland (EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	296	251	246	243	240	250	547	490
Net fee income	116	104	112	120	127	126	220	253
Gains (losses) on financial transactions and other	(48)	23	35	24	(10)	41	(25)	31
Total income	365	377	394	388	357	417	742	774
Operating expenses	(172)	(143)	(161)	(154)	(158)	(163)	(315)	(321)
Net operating income	193	235	233	234	199	254	428	453
Net loan-loss provisions	(95)	(89)	(65)	(81)	(68)	(45)	(184)	(113)
Other gains (losses) and provisions	(36)	(40)	(32)	(87)	(72)	(126)	(76)	(198)
Underlying profit before tax	62	105	136	66	58	83	167	141
Underlying consolidated profit	32	74	100	34	26	49	106	75
Underlying attributable profit	23	51	68	20	21	34	73	54

Poland (PLN mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	1,279	1,134	1,095	1,096	1,090	1,131	2,413	2,221
Net fee income	503	467	498	541	576	573	970	1,149
Gains (losses) on financial transactions and other	(206)	95	156	109	(46)	187	(111)	141
Total income	1,576	1,696	1,749	1,746	1,621	1,891	3,272	3,511
Operating expenses	(742)	(645)	(714)	(694)	(718)	(739)	(1,387)	(1,457)
Net operating income	834	1,051	1,036	1,052	902	1,151	1,886	2,054
Net loan-loss provisions	(411)	(399)	(291)	(363)	(309)	(205)	(810)	(514)
Other gains (losses) and provisions	(155)	(181)	(141)	(390)	(329)	(570)	(337)	(899)
Underlying profit before tax	268	470	603	300	265	376	738	641
Underlying consolidated profit	140	329	442	154	116	223	469	339
Underlying attributable profit	98	225	302	93	93	153	323	246

Other Europe (EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	134	155	155	182	192	195	289	387
Net fee income	78	120	78	75	138	115	198	253
Gains (losses) on financial transactions and other	(5)	(24)	109	32	139	8	(29)	147
Total income	207	251	343	290	469	318	458	787
Operating expenses	(222)	(223)	(226)	(238)	(249)	(267)	(445)	(515)
Net operating income	(15)	28	116	52	221	51	13	272
Net loan-loss provisions	(23)	(29)	5	(97)	(26)	(121)	(51)	(146)
Other gains (losses) and provisions	(4)	(9)	(4)	(12)	(6)	2	(13)	(3)
Underlying profit before tax	(42)	(10)	117	(58)	189	(67)	(52)	122
Underlying consolidated profit	(40)	15	81	(52)	106	(58)	(25)	48
Underlying attributable profit	(40)	14	81	(51)	108	(60)	(26)	49

Other Europe (Constant EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	133	151	155	182	192	195	284	387
Net fee income	75	118	78	75	138	114	193	253
Gains (losses) on financial transactions and other	(6)	(25)	109	32	139	9	(31)	147
Total income	202	244	342	289	469	318	445	787
Operating expenses	(218)	(219)	(225)	(237)	(250)	(266)	(437)	(515)
Net operating income	(16)	25	117	52	219	53	9	272
Net loan-loss provisions	(22)	(30)	6	(97)	(26)	(120)	(52)	(146)
Other gains (losses) and provisions	(5)	(7)	(6)	(12)	(4)	0	(12)	(3)
Underlying profit before tax	(43)	(12)	117	(57)	190	(67)	(55)	122
Underlying consolidated profit	(41)	13	81	(51)	105	(57)	(28)	48
Underlying attributable profit	(42)	14	81	(50)	108	(59)	(29)	49

North America (EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	2,261	2,079	2,076	2,055	2,005	2,010	4,339	4,015
Net fee income	464	405	413	402	451	410	869	861
Gains (losses) on financial transactions and other	216	227	194	242	313	299	443	612
Total income	2,941	2,711	2,683	2,699	2,768	2,719	5,651	5,487
Operating expenses	(1,230)	(1,123)	(1,109)	(1,215)	(1,149)	(1,194)	(2,353)	(2,343)
Net operating income	1,711	1,587	1,574	1,484	1,620	1,525	3,299	3,145
Net loan-loss provisions	(1,246)	(1,123)	(775)	(773)	(393)	(195)	(2,368)	(588)
Other gains (losses) and provisions	(14)	(38)	(24)	(57)	(20)	8	(52)	(12)
Underlying profit before tax	452	427	774	654	1,207	1,338	878	2,545
Underlying consolidated profit	337	369	528	500	910	1,014	706	1,924
Underlying attributable profit	282	334	439	417	773	854	616	1,628

North America (Constant EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	2,057	1,993	2,076	2,047	2,009	2,006	4,049	4,015
Net fee income	422	396	419	401	453	408	818	861
Gains (losses) on financial transactions and other	198	211	189	237	313	299	409	612
Total income	2,677	2,599	2,685	2,686	2,775	2,713	5,276	5,487
Operating expenses	(1,119)	(1,075)	(1,112)	(1,208)	(1,151)	(1,191)	(2,195)	(2,343)
Net operating income	1,557	1,524	1,573	1,477	1,623	1,522	3,081	3,145
Net loan-loss provisions	(1,136)	(1,062)	(786)	(777)	(395)	(193)	(2,197)	(588)
Other gains (losses) and provisions	(13)	(36)	(24)	(55)	(20)	8	(48)	(12)
Underlying profit before tax	409	427	762	645	1,208	1,336	835	2,545
Underlying consolidated profit	305	365	523	492	911	1,012	670	1,924
Underlying attributable profit	255	331	438	411	775	853	586	1,628

United States (EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	1,462	1,429	1,406	1,348	1,337	1,326	2,891	2,663
Net fee income	250	215	218	206	241	191	465	432
Gains (losses) on financial transactions and other	217	157	206	247	324	318	374	641
Total income	1,929	1,801	1,830	1,801	1,902	1,835	3,730	3,737
Operating expenses	(809)	(776)	(722)	(772)	(748)	(783)	(1,585)	(1,531)
Net operating income	1,120	1,024	1,108	1,029	1,154	1,052	2,144	2,206
Net loan-loss provisions	(972)	(832)	(572)	(561)	(165)	9	(1,804)	(156)
Other gains (losses) and provisions	(6)	(30)	(20)	(37)	(15)	15	(36)	0
Underlying profit before tax	141	163	515	431	974	1,076	305	2,050
Underlying consolidated profit	99	170	333	330	739	817	269	1,556
Underlying attributable profit	60	151	259	260	616	674	211	1,291

United States (USD mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	1,612	1,573	1,644	1,608	1,611	1,599	3,185	3,210
Net fee income	275	237	255	247	290	231	512	521
Gains (losses) on financial transactions and other	239	173	240	291	390	383	412	773
Total income	2,126	1,983	2,139	2,145	2,290	2,213	4,109	4,503
Operating expenses	(892)	(855)	(846)	(918)	(901)	(945)	(1,747)	(1,845)
Net operating income	1,235	1,128	1,292	1,227	1,390	1,268	2,363	2,658
Net loan-loss provisions	(1,072)	(916)	(683)	(679)	(199)	11	(1,988)	(188)
Other gains (losses) and provisions	(7)	(33)	(24)	(44)	(18)	18	(39)	0
Underlying profit before tax	156	180	586	504	1,173	1,297	336	2,470
Underlying consolidated profit	109	188	381	386	890	985	296	1,875
Underlying attributable profit	66	166	296	305	743	813	232	1,555

Mexico (EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	798	650	669	707	667	684	1,448	1,352
Net fee income	211	185	189	188	204	210	396	414
Gains (losses) on financial transactions and other	(2)	70	(10)	(4)	(6)	(16)	68	(23)
Total income	1,007	905	848	891	865	878	1,912	1,743
Operating expenses	(415)	(341)	(375)	(422)	(373)	(379)	(756)	(752)
Net operating income	592	565	473	469	492	499	1,156	991
Net loan-loss provisions	(273)	(291)	(203)	(212)	(228)	(204)	(564)	(432)
Other gains (losses) and provisions	(8)	(6)	(4)	(19)	(5)	(6)	(14)	(11)
Underlying profit before tax	311	267	266	238	259	289	578	548
Underlying consolidated profit	237	201	200	185	196	221	438	417
Underlying attributable profit	220	186	185	171	182	205	406	387

Mexico (MXN mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	17,484	16,706	17,310	17,322	16,360	16,503	34,190	32,863
Net fee income	4,617	4,719	4,868	4,596	4,995	5,077	9,336	10,072
Gains (losses) on financial transactions and other	(51)	1,658	(194)	(91)	(156)	(399)	1,607	(556)
Total income	22,049	23,083	21,984	21,827	21,199	21,181	45,133	42,380
Operating expenses	(9,088)	(8,749)	(9,654)	(10,327)	(9,139)	(9,140)	(17,837)	(18,279)
Net operating income	12,962	14,334	12,330	11,500	12,060	12,041	27,296	24,101
Net loan-loss provisions	(5,985)	(7,336)	(5,339)	(5,194)	(5,582)	(4,921)	(13,321)	(10,502)
Other gains (losses) and provisions	(167)	(166)	(109)	(470)	(127)	(151)	(333)	(278)
Underlying profit before tax	6,810	6,832	6,881	5,836	6,351	6,970	13,642	13,321
Underlying consolidated profit	5,191	5,149	5,170	4,529	4,810	5,339	10,340	10,150
Underlying attributable profit	4,814	4,761	4,786	4,198	4,458	4,947	9,575	9,406

Other North America (EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	(0)	0	0	0	0	0	0	0
Net fee income	4	5	7	8	7	8	9	14
Gains (losses) on financial transactions and other	2	(1)	(2)	(0)	(5)	(2)	1	(7)
Total income	5	4	6	8	2	5	10	7
Operating expenses	(6)	(6)	(13)	(22)	(28)	(32)	(12)	(59)
Net operating income	(0)	(2)	(7)	(14)	(26)	(26)	(2)	(52)
Net loan-loss provisions	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Other gains (losses) and provisions	(0)	(2)	(0)	0	(0)	(0)	(2)	(1)
Underlying profit before tax	(1)	(4)	(7)	(14)	(26)	(27)	(4)	(53)
Underlying consolidated profit	2	(3)	(5)	(15)	(25)	(25)	(1)	(50)
Underlying attributable profit	2	(3)	(5)	(15)	(25)	(25)	(1)	(50)

Other North America (Constant EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	(0)	0	0	0	0	0	0	0
Net fee income	4	5	7	8	7	8	9	14
Gains (losses) on financial transactions and other	2	(1)	(2)	(0)	(5)	(2)	1	(7)
Total income	5	4	6	8	2	5	10	7
Operating expenses	(6)	(6)	(13)	(22)	(28)	(32)	(12)	(59)
Net operating income	(0)	(2)	(7)	(14)	(26)	(26)	(2)	(52)
Net loan-loss provisions	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Other gains (losses) and provisions	(0)	(2)	(0)	0	(0)	(0)	(2)	(1)
Underlying profit before tax	(1)	(4)	(7)	(14)	(26)	(27)	(4)	(53)
Underlying consolidated profit	2	(3)	(5)	(15)	(25)	(25)	(1)	(50)
Underlying attributable profit	2	(3)	(5)	(15)	(25)	(25)	(1)	(50)

South America (EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	3,065	2,606	2,486	2,566	2,575	2,760	5,671	5,334
Net fee income	1,077	779	848	885	842	928	1,856	1,770
Gains (losses) on financial transactions and other	26	310	149	70	122	85	337	207
Total income	4,169	3,695	3,483	3,522	3,539	3,772	7,864	7,311
Operating expenses	(1,492)	(1,281)	(1,250)	(1,335)	(1,219)	(1,299)	(2,773)	(2,518)
Net operating income	2,677	2,414	2,233	2,187	2,320	2,473	5,091	4,793
Net loan-loss provisions	(1,325)	(1,110)	(787)	(702)	(683)	(809)	(2,435)	(1,492)
Other gains (losses) and provisions	(142)	(54)	(71)	(54)	(132)	(55)	(196)	(188)
Underlying profit before tax	1,210	1,250	1,375	1,431	1,505	1,609	2,460	3,113
Underlying consolidated profit	796	781	832	935	905	1,014	1,577	1,919
Underlying attributable profit	700	682	731	794	773	871	1,382	1,645

South America (Constant EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	2,408	2,395	2,454	2,635	2,598	2,736	4,803	5,334
Net fee income	832	722	826	896	850	920	1,553	1,770
Gains (losses) on financial transactions and other	24	275	147	72	125	82	300	207
Total income	3,264	3,392	3,428	3,603	3,573	3,738	6,656	7,311
Operating expenses	(1,169)	(1,178)	(1,234)	(1,371)	(1,224)	(1,294)	(2,347)	(2,518)
Net operating income	2,095	2,214	2,194	2,232	2,349	2,444	4,309	4,793
Net loan-loss provisions	(1,035)	(1,030)	(807)	(737)	(693)	(799)	(2,065)	(1,492)
Other gains (losses) and provisions	(105)	(53)	(68)	(61)	(132)	(55)	(158)	(188)
Underlying profit before tax	955	1,131	1,320	1,434	1,524	1,590	2,086	3,113
Underlying consolidated profit	637	708	803	944	915	1,004	1,345	1,919
Underlying attributable profit	554	613	704	802	781	863	1,167	1,645

Brazil (EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	2,270	1,813	1,756	1,786	1,780	1,919	4,083	3,700
Net fee income	869	614	664	677	632	698	1,483	1,330
Gains (losses) on financial transactions and other	(3)	224	114	82	109	64	221	173
Total income	3,137	2,651	2,534	2,544	2,521	2,682	5,788	5,203
Operating expenses	(1,004)	(835)	(805)	(897)	(723)	(779)	(1,839)	(1,502)
Net operating income	2,133	1,816	1,729	1,648	1,799	1,902	3,949	3,701
Net loan-loss provisions	(1,066)	(843)	(569)	(540)	(549)	(674)	(1,909)	(1,222)
Other gains (losses) and provisions	(127)	(31)	(68)	(36)	(96)	(28)	(158)	(124)
Underlying profit before tax	940	942	1,092	1,072	1,154	1,200	1,881	2,354
Underlying consolidated profit	571	533	611	636	624	684	1,105	1,308
Underlying attributable profit	517	478	550	568	562	619	995	1,180

Brazil (BRL mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	11,100	10,725	11,066	11,446	11,744	12,228	21,825	23,972
Net fee income	4,250	3,679	4,167	4,324	4,169	4,450	7,929	8,619
Gains (losses) on financial transactions and other	(14)	1,196	703	538	718	402	1,182	1,120
Total income	15,336	15,600	15,935	16,308	16,632	17,080	30,936	33,712
Operating expenses	(4,907)	(4,922)	(5,065)	(5,696)	(4,767)	(4,966)	(9,829)	(9,732)
Net operating income	10,429	10,678	10,871	10,612	11,865	12,115	21,107	23,979
Net loan-loss provisions	(5,214)	(4,990)	(3,752)	(3,588)	(3,619)	(4,302)	(10,205)	(7,921)
Other gains (losses) and provisions	(621)	(226)	(428)	(252)	(633)	(172)	(846)	(805)
Underlying profit before tax	4,594	5,462	6,691	6,771	7,612	7,641	10,056	15,253
Underlying consolidated profit	2,794	3,111	3,760	4,008	4,118	4,359	5,904	8,478
Underlying attributable profit	2,526	2,792	3,386	3,583	3,704	3,944	5,318	7,648

Chile (EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	448	425	420	494	497	511	873	1,009
Net fee income	92	74	74	94	95	96	166	190
Gains (losses) on financial transactions and other	12	85	38	6	22	30	98	53
Total income	553	584	532	594	614	637	1,137	1,252
Operating expenses	(230)	(228)	(223)	(219)	(236)	(245)	(458)	(481)
Net operating income	322	356	310	375	378	392	678	771
Net loan-loss provisions	(163)	(183)	(154)	(94)	(100)	(82)	(346)	(182)
Other gains (losses) and provisions	1	(2)	13	4	(1)	5	(1)	3
Underlying profit before tax	160	171	169	285	277	315	331	592
Underlying consolidated profit	138	129	125	236	222	246	267	467
Underlying attributable profit	97	86	86	163	153	169	183	321

Chile (CLP mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	397,015	384,057	383,394	447,669	433,780	441,721	781,072	875,500
Net fee income	81,770	67,170	67,421	85,452	82,698	82,631	148,940	165,329
Gains (losses) on financial transactions and other	10,853	76,628	35,003	5,316	19,479	26,231	87,482	45,710
Total income	489,638	527,855	485,818	538,437	535,956	550,583	1,017,494	1,086,539
Operating expenses	(204,237)	(205,998)	(203,043)	(198,727)	(205,743)	(211,816)	(410,236)	(417,559)
Net operating income	285,401	321,857	282,775	339,710	330,213	338,767	607,258	668,980
Net loan-loss provisions	(144,587)	(165,302)	(140,381)	(85,889)	(87,495)	(70,398)	(309,889)	(157,893)
Other gains (losses) and provisions	739	(1,905)	11,526	3,859	(1,155)	4,015	(1,166)	2,860
Underlying profit before tax	141,553	154,650	153,920	257,680	241,563	272,384	296,203	513,946
Underlying consolidated profit	122,619	116,749	114,468	213,738	193,497	212,270	239,369	405,768
Underlying attributable profit	86,013	77,918	78,454	147,535	133,049	145,679	163,931	278,727

Argentina (EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	241	261	218	192	204	235	502	440
Net fee income	76	56	70	71	74	87	132	161
Gains (losses) on financial transactions and other	1	(8)	(14)	(36)	(16)	(22)	(6)	(38)
Total income	318	310	274	226	262	301	628	563
Operating expenses	(186)	(153)	(152)	(141)	(171)	(179)	(339)	(349)
Net operating income	132	157	122	85	92	122	289	214
Net loan-loss provisions	(75)	(57)	(46)	(48)	(14)	(35)	(132)	(48)
Other gains (losses) and provisions	(14)	(18)	(17)	(22)	(34)	(31)	(32)	(65)
Underlying profit before tax	44	82	59	15	44	57	125	100
Underlying consolidated profit	34	75	52	18	46	63	110	108
Underlying attributable profit	34	75	52	18	45	62	109	108

Argentina (ARS mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	16,991	22,846	24,646	29,613	22,035	27,866	39,837	49,901
Net fee income	5,327	5,132	7,611	10,109	7,977	10,342	10,459	18,318
Gains (losses) on financial transactions and other	89	(595)	(1,349)	(4,047)	(1,686)	(2,575)	(506)	(4,261)
Total income	22,407	27,384	30,908	35,674	28,326	35,632	49,790	63,958
Operating expenses	(13,112)	(13,756)	(17,093)	(21,259)	(18,420)	(21,246)	(26,867)	(39,666)
Net operating income	9,295	13,628	13,815	14,416	9,906	14,386	22,923	24,292
Net loan-loss provisions	(5,266)	(5,207)	(5,417)	(7,430)	(1,503)	(4,003)	(10,473)	(5,506)
Other gains (losses) and provisions	(953)	(1,546)	(1,821)	(2,933)	(3,691)	(3,717)	(2,499)	(7,409)
Underlying profit before tax	3,076	6,875	6,578	4,052	4,711	6,666	9,951	11,377
Underlying consolidated profit	2,421	6,276	5,807	4,089	4,918	7,387	8,697	12,305
Underlying attributable profit	2,405	6,234	5,759	4,047	4,888	7,339	8,639	12,227

Other South America (EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	106	107	91	94	93	93	213	186
Net fee income	40	34	40	43	41	46	74	88
Gains (losses) on financial transactions and other	16	9	11	19	7	13	24	19
Total income	162	149	143	157	141	152	311	293
Operating expenses	(72)	(65)	(70)	(78)	(90)	(96)	(137)	(185)
Net operating income	90	85	73	79	51	57	175	108
Net loan-loss provisions	(21)	(27)	(19)	(20)	(20)	(19)	(47)	(39)
Other gains (losses) and provisions	(2)	(2)	1	(0)	(1)	(1)	(5)	(2)
Underlying profit before tax	67	55	55	59	30	37	123	67
Underlying consolidated profit	52	43	43	45	14	21	95	35
Underlying attributable profit	52	43	43	45	14	21	95	35

Other South America (Constant EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	88	96	88	92	92	95	184	186
Net fee income	35	31	39	42	41	47	66	88
Gains (losses) on financial transactions and other	13	8	10	19	7	13	21	19
Total income	136	135	136	152	139	154	271	293
Operating expenses	(61)	(59)	(67)	(76)	(89)	(96)	(121)	(185)
Net operating income	75	75	69	76	50	58	150	108
Net loan-loss provisions	(17)	(24)	(18)	(19)	(20)	(19)	(41)	(39)
Other gains (losses) and provisions	(2)	(2)	1	(0)	(1)	(1)	(4)	(2)
Underlying profit before tax	56	49	52	57	29	38	105	67
Underlying consolidated profit	43	38	40	43	13	22	81	35
Underlying attributable profit	43	38	40	43	13	22	81	35

Digital Consumer Bank (EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	1,088	1,054	1,048	1,073	1,056	1,075	2,142	2,130
Net fee income	192	163	211	205	188	206	356	395
Gains (losses) on financial transactions and other	11	(4)	50	74	59	21	7	80
Total income	1,291	1,214	1,309	1,352	1,304	1,302	2,505	2,606
Operating expenses	(596)	(552)	(585)	(596)	(600)	(613)	(1,148)	(1,214)
Net operating income	695	662	724	756	703	689	1,357	1,392
Net loan-loss provisions	(331)	(200)	(222)	(204)	(166)	(142)	(531)	(308)
Other gains (losses) and provisions	40	23	(20)	6	(31)	(45)	63	(76)
Underlying profit before tax	404	485	482	558	506	502	889	1,008
Underlying consolidated profit	297	356	357	424	372	371	653	742
Underlying attributable profit	234	273	281	345	291	278	507	569

Digital Consumer Bank (Constant EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	1,087	1,068	1,058	1,084	1,058	1,073	2,154	2,130
Net fee income	192	164	211	205	189	206	356	395
Gains (losses) on financial transactions and other	11	(4)	51	75	59	21	7	80
Total income	1,290	1,228	1,320	1,364	1,306	1,300	2,517	2,606
Operating expenses	(595)	(558)	(589)	(601)	(601)	(613)	(1,153)	(1,214)
Net operating income	694	670	730	764	705	687	1,364	1,392
Net loan-loss provisions	(331)	(202)	(224)	(208)	(166)	(142)	(533)	(308)
Other gains (losses) and provisions	40	23	(20)	7	(31)	(45)	64	(76)
Underlying profit before tax	404	491	486	562	507	501	895	1,008
Underlying consolidated profit	297	361	360	428	372	370	658	742
Underlying attributable profit	234	278	284	348	292	277	512	569

Corporate Centre (EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	(304)	(354)	(371)	(345)	(324)	(355)	(658)	(679)
Net fee income	(9)	(6)	(11)	(3)	(5)	(8)	(15)	(13)
Gains (losses) on financial transactions and other	9	47	110	96	(41)	(67)	56	(107)
Total income	(304)	(313)	(271)	(252)	(370)	(430)	(617)	(800)
Operating expenses	(85)	(82)	(82)	(80)	(79)	(81)	(166)	(160)
Net operating income	(389)	(395)	(353)	(333)	(449)	(511)	(784)	(960)
Net loan-loss provisions	(3)	(8)	(16)	(4)	(154)	(9)	(11)	(163)
Other gains (losses) and provisions	(20)	(370)	(12)	(9)	(33)	(33)	(391)	(66)
Underlying profit before tax	(413)	(773)	(381)	(345)	(635)	(553)	(1,186)	(1,188)
Underlying consolidated profit	(937)	(188)	(330)	(389)	(527)	(534)	(1,125)	(1,061)
Underlying attributable profit	(1,031)	(94)	(330)	(389)	(527)	(535)	(1,125)	(1,062)

Retail Banking (EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	8,004	7,272	7,280	7,500	7,472	7,766	15,276	15,238
Net fee income	2,058	1,536	1,707	1,685	1,709	1,753	3,595	3,462
Gains (losses) on financial transactions and other	108	263	444	165	355	292	371	647
Total income	10,171	9,071	9,431	9,349	9,536	9,811	19,242	19,347
Operating expenses	(4,632)	(4,191)	(4,183)	(4,280)	(4,157)	(4,247)	(8,823)	(8,404)
Net operating income	5,538	4,880	5,248	5,069	5,378	5,564	10,418	10,942
Net loan-loss provisions	(3,890)	(2,862)	(2,465)	(2,415)	(1,783)	(1,726)	(6,752)	(3,509)
Other gains (losses) and provisions	(343)	(219)	(267)	(409)	(405)	(463)	(562)	(868)
Underlying profit before tax	1,306	1,799	2,516	2,246	3,190	3,375	3,105	6,565
Underlying consolidated profit	873	1,242	1,633	1,594	2,143	2,318	2,115	4,461
Underlying attributable profit	693	1,040	1,375	1,313	1,836	1,954	1,733	3,790

Retail Banking (Constant EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	7,201	7,035	7,296	7,596	7,508	7,730	14,237	15,238
Net fee income	1,833	1,492	1,699	1,695	1,717	1,744	3,326	3,462
Gains (losses) on financial transactions and other	136	238	428	144	356	291	375	647
Total income	9,171	8,766	9,423	9,435	9,581	9,766	17,937	19,347
Operating expenses	(4,247)	(4,077)	(4,196)	(4,333)	(4,170)	(4,234)	(8,324)	(8,404)
Net operating income	4,924	4,689	5,227	5,102	5,411	5,531	9,613	10,942
Net loan-loss provisions	(3,486)	(2,730)	(2,502)	(2,465)	(1,795)	(1,714)	(6,215)	(3,509)
Other gains (losses) and provisions	(302)	(215)	(268)	(420)	(404)	(464)	(517)	(868)
Underlying profit before tax	1,136	1,744	2,457	2,217	3,212	3,353	2,881	6,565
Underlying consolidated profit	772	1,211	1,607	1,580	2,153	2,307	1,983	4,461
Underlying attributable profit	603	1,013	1,354	1,300	1,846	1,944	1,616	3,790

Corporate & Investment Banking (EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	677	705	771	765	720	739	1,382	1,460
Net fee income	402	405	360	375	466	434	807	900
Gains (losses) on financial transactions and other	217	300	242	113	469	110	517	579
Total income	1,297	1,410	1,373	1,253	1,655	1,283	2,706	2,938
Operating expenses	(528)	(499)	(488)	(523)	(526)	(543)	(1,027)	(1,069)
Net operating income	769	910	885	730	1,130	740	1,679	1,870
Net loan-loss provisions	(6)	(239)	(40)	(185)	(47)	(21)	(245)	(68)
Other gains (losses) and provisions	(15)	(28)	(20)	(72)	(25)	31	(42)	6
Underlying profit before tax	748	644	825	472	1,058	750	1,392	1,808
Underlying consolidated profit	528	465	585	339	740	534	993	1,274
Underlying attributable profit	494	434	554	316	704	494	928	1,197

Corporate & Investment Banking (Constant EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	607	674	765	775	721	738	1,281	1,460
Net fee income	365	395	356	380	467	433	760	900
Gains (losses) on financial transactions and other	181	271	251	128	470	108	452	579
Total income	1,153	1,340	1,372	1,283	1,658	1,280	2,493	2,938
Operating expenses	(489)	(487)	(489)	(527)	(526)	(542)	(976)	(1,069)
Net operating income	664	853	884	756	1,132	737	1,517	1,870
Net loan-loss provisions	(5)	(237)	(42)	(183)	(47)	(21)	(243)	(68)
Other gains (losses) and provisions	(14)	(27)	(20)	(68)	(25)	31	(41)	6
Underlying profit before tax	645	588	821	506	1,061	747	1,233	1,808
Underlying consolidated profit	458	426	582	362	741	533	884	1,274
Underlying attributable profit	429	398	551	338	705	493	827	1,197

Wealth Management & Insurance (EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	109	93	92	100	88	91	202	179
Net fee income	308	269	279	296	297	316	578	612
Gains (losses) on financial transactions and other	133	99	102	149	117	113	232	229
Total income	550	462	474	545	502	519	1,012	1,021
Operating expenses	(237)	(212)	(207)	(216)	(220)	(227)	(449)	(447)
Net operating income	313	250	266	329	281	293	563	574
Net loan-loss provisions	(6)	(6)	(11)	(5)	(5)	(3)	(12)	(8)
Other gains (losses) and provisions	(1)	(2)	(3)	7	(3)	(1)	(3)	(5)
Underlying profit before tax	307	242	252	331	273	288	548	561
Underlying consolidated profit	232	186	193	249	206	218	418	424
Underlying attributable profit	222	179	184	238	197	210	400	406

Wealth Management & Insurance (Constant EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	100	89	92	101	88	91	188	179
Net fee income	290	263	278	297	297	315	553	612
Gains (losses) on financial transactions and other	122	98	103	149	117	112	220	229
Total income	512	450	473	547	503	518	962	1,021
Operating expenses	(222)	(206)	(207)	(217)	(221)	(226)	(428)	(447)
Net operating income	290	244	265	331	282	292	534	574
Net loan-loss provisions	(6)	(6)	(11)	(5)	(5)	(3)	(12)	(8)
Other gains (losses) and provisions	(1)	(2)	(3)	7	(3)	(1)	(3)	(5)
Underlying profit before tax	283	236	251	332	273	288	519	561
Underlying consolidated profit	214	181	192	250	206	218	395	424
Underlying attributable profit	204	174	183	239	197	209	378	406

PagoNxt (EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	0	(1)	0	(0)	(1)	(1)	(0)	(2)
Net fee income	94	78	88	103	81	127	171	209
Gains (losses) on financial transactions and other	7	(3)	(8)	(2)	(14)	(4)	4	(17)
Total income	101	75	81	100	67	123	176	189
Operating expenses	(95)	(92)	(113)	(142)	(136)	(162)	(188)	(298)
Net operating income	5	(18)	(33)	(42)	(69)	(40)	(12)	(108)
Net loan-loss provisions	(4)	(3)	(3)	(2)	(2)	(2)	(7)	(5)
Other gains (losses) and provisions	7	(6)	(1)	(2)	(2)	(3)	1	(5)
Underlying profit before tax	8	(26)	(37)	(46)	(73)	(45)	(18)	(118)
Underlying consolidated profit	(1)	(27)	(34)	(55)	(72)	(56)	(28)	(128)
Underlying attributable profit	(1)	(27)	(33)	(55)	(72)	(56)	(28)	(127)

PagoNxt (Constant EUR mn)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	H1'20	H1'21
Net interest income	0	(0)	0	(0)	(1)	(1)	(0)	(2)
Net fee income	75	74	88	102	82	126	150	209
Gains (losses) on financial transactions and other	7	(3)	(7)	(2)	(14)	(4)	4	(17)
Total income	82	71	81	100	68	122	154	189
Operating expenses	(84)	(89)	(112)	(141)	(136)	(162)	(172)	(298)
Net operating income	(2)	(17)	(32)	(42)	(69)	(40)	(19)	(108)
Net loan-loss provisions	(3)	(3)	(3)	(2)	(2)	(2)	(6)	(5)
Other gains (losses) and provisions	5	(5)	(1)	(2)	(2)	(3)	(0)	(5)
Underlying profit before tax	0	(25)	(36)	(46)	(73)	(46)	(25)	(118)
Underlying consolidated profit	(5)	(27)	(33)	(55)	(72)	(56)	(32)	(128)
Underlying attributable profit	(5)	(27)	(33)	(55)	(72)	(56)	(32)	(127)

Appendix

Primary segments and other countries

Secondary segments

Balance sheet and capital management

Yield on loans and cost of deposits

NPL and coverage ratios and cost of credit

Responsible Banking

Quarterly income statements

Glossary

Glossary - Acronyms

- ❑ **AFS:** Available for sale
- ❑ **AuM:** Assets under Management
- ❑ **BFG:** Deposit Guarantee Fund in Poland
- ❑ **bn:** Billion
- ❑ **CET1:** Common equity tier 1
- ❑ **C&I:** Commercial and Industrial
- ❑ **CIB:** Corporate & Investment Bank
- ❑ **COVID-19:** Coronavirus Disease 19
- ❑ **DGF:** Deposit guarantee fund
- ❑ **GDP:** Gross domestic product
- ❑ **HQLA:** High quality liquid asset
- ❑ **FL:** Fully-loaded
- ❑ **FX:** Foreign exchange
- ❑ **EPS:** Earning per share
- ❑ **ESG:** Environmental, social and governance
- ❑ **LTV:** Loan to Value
- ❑ **LLPs:** Loan-loss provisions
- ❑ **M/LT:** Medium- and long-term
- ❑ **mn:** million
- ❑ **MXN:** Mexican Pesos
- ❑ **n.a.:** Not available
- ❑ **NII:** Net interest income
- ❑ **NIM:** Net interest margin
- ❑ **n.m.:** Not meaningful
- ❑ **NPL:** Non-performing loans
- ❑ **PBT:** Profit before tax
- ❑ **P&L:** Profit and loss
- ❑ **PPP:** Pre-provision profit
- ❑ **QoQ:** Quarter-on-Quarter
- ❑ **RE:** Real Estate
- ❑ **Repos:** Repurchase agreements
- ❑ **ROF:** Gains on financial transactions
- ❑ **RoRWA:** Return on risk-weighted assets
- ❑ **RoTE:** Return on tangible equity
- ❑ **RWA:** Risk-weighted assets
- ❑ **SBNA:** Santander Bank NA
- ❑ **SCF:** Santander Consumer Finance
- ❑ **SC USA:** Santander Consumer USA
- ❑ **SME:** Small and Medium Enterprises
- ❑ **SRF:** Single Resolution Fund
- ❑ **ST:** Short term
- ❑ **SVR:** Standard variable rate
- ❑ **TDR:** Troubled debt restructuring
- ❑ **TLAC:** Total loss absorbing capacity
- ❑ **TNAV:** Tangible net asset value
- ❑ **UF:** Unidad de fomento (Chile)
- ❑ **YoY:** Year-on-Year
- ❑ **UX:** User experience

Glossary - Definitions

PROFITABILITY AND EFFICIENCY

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

CREDIT RISK

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

CAPITALIZATION

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

DIGITAL

- ✓ **Digital customers:** every physical or legal person, that, being part of a commercial bank, has logged in its personal area of internet banking or mobile phone or both in the last 30 days
- ✓ **Transactions monetary & voluntary:** customer interaction through mobile or internet banking which resulted in a change of balance. ATM transactions are not included
- ✓ **Digital sales:** percentage of new contracts executed through digital channels during the period. Digital sales as % of total sales

Notes: 1) The averages for the RoTE and RoRWA denominators are calculated on the basis of 7 months from December to June.

2) For periods of less than a year, and in the event of non-recurring results existing, the profit used to calculate the RoTE is the annualised underlying attributable profit (excluding non-recurring results), to which are added non-recurring results without annualising them.

3) For periods of less than a year, and in the event of non-recurring results existing, the profit used to calculate the RoRWA is the annualised underlying consolidated result (excluding non-recurring results), to which is added non-recurring results without annualising them.

4) The risk-weighted assets included in the RoRWA denominator are calculated in accordance with the criteria defined by the Capital Requirements Regulation (CRR).

Thank You.

Our purpose is to help people and businesses prosper.

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

Simple Personal Fair



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