



Ordinary general shareholders' meeting of Banco Santander, S.A.

31 March 2023

Agenda, summary of the proposed resolutions and supplementary information

The full text of the proposed resolutions and explanatory reports, together with all the useful information for the general shareholders' meeting, has been published and is available at the following [link](#)

Item 1. Annual accounts and corporate management. Page 16

Item	Proposal
1 A	Annual accounts and directors' reports of Banco Santander and of its consolidated group for 2022. To approve the annual accounts and directors' reports for financial year 2022, which can be viewed at the following link .
1 B	Consolidated statement of non-financial information for 2022, which is part of the consolidated directors' report. To approve the consolidated statement of non-financial information for financial year 2022 (see ' Responsible banking ' chapter of the 2022 annual report).
1 C	Corporate management for 2022. To approve the corporate management for financial year 2022.

Item 2. Application of results obtained during 2022. Page 17

Purpose	To approve the application of results obtained during 2022, which is aligned with the shareholder remuneration policy established by the board of directors for financial year 2022, consisting of a total remuneration target of approximately 40% of the Group's ordinary profit, distributed approximately equally between cash dividends and share buybacks.	
	To approve the application of the separate results obtained by Banco Santander during financial year 2022 as follows:	
	Separate results obtained during financial year 2022 (profit)	EUR 7,921,403,147.51
	Application To dividends	EUR 1,942,470,146.35
	<i>Dividend paid prior to the date of the meeting⁽¹⁾</i>	<i>EUR 979,113,612.35</i>
	<i>Final dividend⁽²⁾</i>	<i>EUR 963,356,534</i>
Proposal	To Voluntary Reserves ⁽³⁾	EUR 5,978,933,001.16
	(1) Total amount paid as interim dividend, at a fixed rate of 5.83 euro cents per share entitled to receive the dividend.	
	(2) Fixed dividend of EUR 5.95 cents gross per share entitled to receive the dividend, payable in cash as from 2 May 2023. The total amount has been estimated assuming that, after the buyback programme announced on 28 February 2023 is implemented, 16,190,866,119 of the Bank's outstanding shares will be entitled to receive the dividend. Therefore, the total amount of the final dividend may be higher if fewer shares than anticipated are acquired under the buyback programme, and it will be lower in the opposite case.	
	(3) Estimated amount corresponding to a final dividend of EUR 963,356,534. This figure will increase or decrease by the same amount as the lower or higher amount, respectively, of the final dividend.	

Item 3. Board of directors: appointment, re-election or ratification of directors.

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General overview of the board of directors

SIZE AND REGULAR RENEWAL OF THE BOARD OF DIRECTORS

- ✓ It is made up of **15 members** whose profiles and track records can be viewed at the following [link](#).
- ✓ Our directors are appointed for **three-year** periods (below the legal limit of four years). However, one-third of the board members are renewed each year, following the order established by their length of service according to the date and order of the respective appointment.

INDEPENDENCE

- ✓ **High level of independence** on the board. Out of 15 directors, 13 are external and 2 are executive, and the majority (10 members, representing 66.67% of the board) are independent.
 - ✓ **Separation of duties of the Executive Chair and the Chief Executive Officer**, while ensuring that their roles are complementary.
 - ✓ **Lead independent director**, whose duties can be viewed at the following [link](#).
- Specialist committees**, which perform their supervisory, reporting, advisory and proposal-making tasks to support the board in their supervisory and key decision-making duties.
- Audit committee: 100% independent directors.
 - Nomination committee: 100% independent directors.
 - ✓ • Remuneration committee: 100% external directors, 80% of whom are independent directors.
 - Risk supervision, regulation and compliance committee: 100% external directors, 80% of whom are independent directors.
 - Responsible banking, sustainability and culture committee: 100% independent directors.
 - Innovation and technology committee: 62.5% independent directors and 75% external directors.

DIVERSITY AND COMPETENCIES

- ✓ The policy on the selection, suitability assessment and succession of directors **fosters diversity** broadly and from different perspectives, including such as gender, age, geographic provenance, experience and knowledge.
- ✓ **Strong commitment to gender diversity**. The approval of the proposals submitted to the shareholders at the general shareholders' meeting will maintain 40% female representation on the board, in line with best corporate governance practices.
- ✓ Each director's skills and qualities are disclosed in the [board skills and diversity matrix](#) (updated in 2023), which reflects the balance of knowledge, skills, diversity and experience required to pursue the Bank's long-term strategy.
- ✓ The board has an **annual training plan** to help the directors to continue developing their skills and strengthen their knowledge of the Group and the industry. There are also sound **induction programmes** so that new directors can better understand the industry and Grupo Santander's business and governance model, structure and risk profile.

ADDITIONAL INFORMATION

You can find more information about the board in section 4 '[Board of Directors](#)' of the Corporate Governance chapter of the 2022 annual report.

Composition of the board of directors following the 2023 general shareholders' meeting (in the event of approval of all proposed resolutions regarding directors)

	Name	Position
Executive directors 13.33%	Ana Botín	Executive Chair
	Héctor Grisi	Chief Executive Officer
Independent directors 66.67%	Bruce Carnegie-Brown	Vice Chair and Lead Independent Director
	Homaira Akbari	Director
	Sol Daurella	Director
	Henrique de Castro	Director
	Germán de la Fuente	Director
	Gina Díez Barroso	Director
	Glenn Hutchins	Director
	Ramiro Mato	Director
	Belén Romana	Director
	Pamela Walkden	Director
Other external directors 20%	José Antonio Álvarez	Vice chair
	Luis Isasi	Director
	Javier Botín	Director

Proposed resolutions and appointments being submitted to a vote:

Item 3 A	Setting of the number of directors. To set the number of directors at 15. → Within the range established in the Good Governance Code for Listed Companies of the CNMV. → Within the range established in Banco Santander's Bylaws (minimum of 12 and maximum of 17 members).
Item 3 B	Ratification of the appointment and re-election of Mr Héctor Blas Grisi Checa.



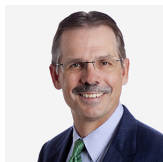
CEO
Executive director

[Héctor Grisi](#)

Héctor Grisi meets the suitability requirements needed to hold the position of director, and his ratification and re-election help the board to enrich its competencies, experience and international diversity, contributing, among others, skills in the areas of banking, financial services and risk management. In particular, Héctor Grisi provides:

- An in-depth knowledge of Grupo Santander's businesses and global strategy.
- A relentless focus on the customer, proven leadership in managing teams and driving transformation, and greater connectivity among the different markets in which the Group operates.
- A solid international track record and significant experience in the financial sector.

Item 3 C Ratification of the appointment and re-election of Mr Glenn Hogan Hutchins.



External director (independent)





[Glenn Hutchins](#)


Glenn Hutchins meets the suitability requirements needed to hold the position of director, and his ratification and re-election help the board to be made up of a highly qualified majority of independent directors and to strengthen, among others, competencies in the areas of technology, banking, finance and regulatory, in which the director has a solid track record, both in the private sector and in regulatory institutions and supervisors.

Items 3 D, 3 E, 3 F, 3 G and 3 H Re-election of 5 directors.

All the directors who are submitted for re-election:

- Have shown that they have the expertise, experience and merits necessary to hold the position of director.
- They have shown their commitment to Banco Santander, with an outstanding contribution that has been demonstrated through a high level of attendance at and informed participation in the meetings of the board and the committees of which they are a member.

Item	Name	Position	What they bring to the Board
3 D	 <u>Pamela Walkden</u>	Independent external director	Extensive experience in the international banking industry. She contributes to the gender, geographical and education diversity. Her expertise in audit supports her recognition as a financial expert.
3 E	 <u>Ana Botín</u>	Executive chair Executive director	Key financial expertise and broad experience in roles involving a high level of responsibility and complexity in banking and financial services, including the chair of major international institutions. She has led the strategic and cultural transformation of Grupo Santander and shown constant commitment to sustainable and inclusive growth.
3 F	 <u>Sol Daurella</u>	Independent external director	Broad management and strategic experience in the area of large multinationals, particularly in the distribution sector. Strengthens the international dimension of the board and its expertise in finance.
3 G	 <u>Gina Díez Barroso</u>	Independent external director	Detailed knowledge of the Mexican market, and of the real estate and education sectors. Banking experience and broad expertise in sustainability and responsible business.

Item	Name	Position	What they bring to the Board
3 H	 Homaira Akbari	Independent external director	Broad experience in business management and in the holding of top positions at entities across various sectors and countries, particularly in the area of new technologies, big data and digital transformation.

Item 4. Re-election of the external auditor for financial year 2023. **Page 28**

Auditor's name	PricewaterhouseCoopers Auditores, S.L.
Independence	The audit committee issued its report on the independence of the external auditor at its meeting held on 17 February 2023.
Number of years auditing annual financial statements	7
Level of support in last re-election at April 2022 general shareholders' meeting	99.67%
% fees for non-audit services/fees for audit services provided to Banco Santander and its subsidiaries in Spain	32.12%(*), significantly below the maximum ratio permitted by applicable law on the independence of the auditor.

(*) Calculated in accordance with the criteria set forth by Regulation (EU) No 537/2014, which only takes into account the services provided by the auditor in Spain; this percentage would be 20.43% if the perimeter considered were to include the fees for non-audit services approved for PwC and other firms of the PwC network worldwide for entities of the entire Grupo Santander (in Spain and abroad), out of the fees for audit services provided to the entire Group, and 18.3% if calculated in accordance with the criteria established by the CNMV for the preparation of the annual corporate governance report.

Item 5. Share capital and convertible securities. **Page 29**

Item 5 A.	Reduction in share capital in the maximum amount of EUR 757,225,978.50, through the cancellation of a maximum of 1,514,451,957 own shares. Delegation of powers. The proposal is available at the following link .
Purpose of the proposal	<p>To reduce the share capital in the maximum amount of EUR 757,225,978.50, through the cancellation of a maximum of 1,514,451,957 own shares to be acquired by Banco Santander through the buyback programme approved by the board of directors at its meeting held on 27 February 2023.</p> <p>The purpose of the capital reduction is to cancel own shares, thereby contributing to shareholder remuneration by increasing earnings per share, which is inherent to the decrease in the number of shares.</p> <p>The maximum investment of the programme is EUR 921 million, equal to approximately 10% of Grupo Santander's ordinary profit in 2022.</p>
Item 5 B.	Reduction in share capital in the maximum amount of EUR 822,699,750.50, through the cancellation of a maximum of 1,645,399,501 own shares. Delegation of powers. The proposal is available at the following link .
Purpose of the proposal	<p>To reduce the share capital in the maximum amount of EUR 822,699,750.50, through the cancellation of own shares acquired through one or more share buyback programmes or by other means legally permitted, delegating to the board the power to approve the reduction and to set all other terms not specified in the resolution.</p> <p>The purpose of the capital reduction is to cancel own shares, such as those that may be acquired within the framework of the shareholder remuneration policy, that is supported by the increase in the earnings per share, inherent to the decrease in the number of shares</p>
Item 5 C.	Authorisation for Banco Santander and its subsidiaries to be able to acquire own shares. The proposal is available at the following link .
Purpose of the proposal	To authorise Banco Santander and its subsidiaries to acquire shares of Banco Santander to engage in discretionary management of own shares, implement buyback programmes, deliver own shares within the framework of the employee and director remuneration policy, and pursue other purposes.
Period	Authorisation is granted for a five-year period.

Acquisition price	The maximum price per share may not exceed the higher, increased by 3%, of the price of the last independent purchase or the highest independent offer at that time at the trading venue where the purchase is made. The minimum price shall be the nominal value.
Limit	Up to a maximum number of shares equal to 10% of the share capital at any time or such higher maximum percentage as is established by law while this authorisation is in effect.
Item 5 D.	Delegation to the board of the power to issue securities convertible into shares of Banco Santander within a 5-year period and subject to a maximum aggregate limit of EUR 10,000 million. Setting of standards to determine the bases for and terms and conditions applicable to the conversion and granting of powers to increase capital. Delegation to exclude pre-emptive rights. The proposal is available at the following link .
Purpose of the proposal	To authorise Banco Santander to issue securities (including debentures, bonds, preferred interests, warrants and other fixed-income securities or debt instruments of a similar nature) convertible into shares of Banco Santander, delegating to the board the power to determine the conditions for each issuance as well as the conversion standards and bases to the extent not established in the proposed resolution
Period	Authorisation is granted for a five-year period.
Limit	EUR 10,000 million or the equivalent thereof in another currency.
Pre-emptive rights	The board would be able to exclude, in whole or in part, the pre-emptive rights of the shareholders, where such exclusion is required to obtain funds in the markets or is otherwise justified in the corporate interest.
Authorisation to increase capital	To authorise the board to be able to approve the necessary increase in capital to accommodate the conversion of the securities that have been issued, provided that it does not exceed the limit authorised by the shareholders at the general shareholders' meeting (50% of share capital or 10% in the event that pre-emptive rights have been excluded in the issuance of securities, not taking into account issues of contingently convertible preferred interests in which the pre-emptive rights are excluded for purposes of the limit of 10%).

Item 6. Remuneration.

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Item 6 A. Directors' remuneration policy. The proposal is available at the following [link](#).

To approve the [directors' remuneration policy](#) (the "**Remuneration Policy**") for financial year 2023, as from its approval, as well as for financial years 2024 and 2025.

The board believes that the Remuneration Policy proposed for approval is reasonably in proportion to the importance of the Company, is in line with the economic and financial situation thereof and is consistent with market standards at comparable companies. Furthermore, the factors that affect the various components of remuneration for the performance of executive duties are aligned with the Company's strategy, objectives, values and interests over the long term and with an appropriate and effective management of risks, without offering incentives to assume risks that exceed the level tolerated by the Company.

The main features of the Remuneration Policy that the board submits for approval by the shareholders' at the meeting are set out below:

KEY ASPECTS

- The remuneration of directors is in line with international best practices in corporate governance, market practice and the remuneration of our comparable companies.
- The Remuneration Policy sets forth the remuneration system for the directors in their capacity as such, including mention of the maximum annual amount to be paid to all of the directors in such capacity and the criteria for distribution thereof among the directors.
- The remuneration of directors in their capacity as such has two fixed components: an annual allotment and attendance fees, for which reason it is not linked to performance.

- Each year, Banco Santander conducts a comparative analysis of total compensation for executive directors and other senior executives. For 2023, the analysis will consist of a “peer group” made up by BBVA, BNP Paribas, Citi, Crédit Agricole, HSBC, ING, Itaú, Scotia Bank and Unicredit.
- The last policy (approved at the ordinary general meeting held on 1 April 2022) was approved with 93.83% votes in favour.
- The main proxy advisors (ISS and Glass Lewis) recommended voting in favour of the approval of the last remuneration policy.

NON-EXECUTIVE DIRECTORS

- This remuneration of the non-executive directors is consistent with the provisions of Article 58 of the Bylaws and Article 33 of the Rules and Regulations of the Board and with the proposed establishment of the maximum amount of such remuneration submitted to the shareholders at the general shareholders' meeting under item 6 B of the agenda.
- Directors can receive shares, share options or other forms of share-based compensation, subject to prior approval at the general meeting.

EXECUTIVE DIRECTORS

- The Remuneration Policy describes the remuneration to be received by the executive directors for the performance of executive duties. There are no planned changes to the principles on executive directors' remuneration compared to those established in 2022.
- This remuneration of the executive directors, as well as the manner in which it is described in the Remuneration Policy, complies with the requirements established by the Spanish Capital Corporations Law and with the principles and rules set forth in the Company's Bylaws and Rules and Regulations of the Board, as well as with such existing provisions as are especially applicable to the directors of the Company because of the status thereof as a credit institution (primarily, Law 10/2014 of 26 June on the organisation, supervision and solvency of credit institutions, Circular 2/2016 of 2 February of Banco de España to credit institutions on supervision and solvency, which completes the adjustment of the Spanish legal system to Directive 2013/36/EU and to Regulation (EU) no 575/2013, and other related provisions).
- The relationship between the fixed and variable components of the executive directors' remuneration is balanced and efficient.
- The remuneration of the executive directors is subject to *malus* and *clawback* clauses.
- There is no provision for excessive social welfare benefits.
- Non-competition clauses are provided for in the contracts of non-executive directors, on market terms (two years' of the annual fixed remuneration).
- The following should be noted with respect to the variable remuneration of the executive directors:
 - Variable components of the total remuneration of the executive directors may not exceed 200% of fixed components (if approved by the shareholders under item 6 B of the agenda).
 - Variable remuneration is linked to Grupo Santander's performance, based on targets that are subject to quantitative and qualitative criteria, the weighting of which is described in the Remuneration Policy.
 - 60% of variable remuneration is subject to a 5-year deferral period, with the accrual of the last 3 years subject to the achievement of a number of long-term metrics.

- In order to strengthen one of Banco Santander's strategic lines, the executive directors also participate in the Banco PagoNxt, S.L. subsidiary incentive plan, and may receive value-indexed equity instruments called restricted stock units (“RSUs”). The RSUs replace part of the instruments of Banco Santander that the executive directors may receive as variable remuneration, thereby preventing their total remuneration amounts from increasing via this route. RSUs will never represent an amount in excess of 10% of their variable remuneration.
- Variable remuneration is received 50% in cash and 50% in instruments (shares, share options and/or RSUs).
- Executive directors may not transfer or directly or indirectly hedge the shares for one year as from the delivery thereof. The options are also subject to a one-year holding period, during which they also cannot be exercised.

Finally, we would like to highlight the following aspects of the corporate bonus:

Short-term corporate bonus metrics	<ul style="list-style-type: none"> → The Group's transformation strategy is further supported, by increasing the weighting of the metrics related to customers, profitability and efficiency in their service. → The strategic priorities of revenues and clients remain (with total and loyal customer metrics), as well as RoTE. → CET1 ratio is now included as a metric to outline the importance of capital generation throughout the business. → A multiplier based on the weighted average of the performance of the Group's local units in relation to that of the leaders in each market where Grupo Santander operates is added. → The qualitative assessment for the short-term bonus is simplified by reducing the items included in it from 7 to 4, covering risk management, compliance, ESG aspects and cooperation among the Group's units in transformational projects.
Share options	<ul style="list-style-type: none"> → The executive directors may choose to receive 50% of the variable remuneration corresponding to fiscal year 2023 they receive in instruments, entirely in Santander shares, or half in Santander shares and half in Santander share options. → Options will not include any premium, as they will be valued at fair market price at the moment when they are awarded. So the executives' exposure to the evolution of the share price both positively and negatively is increased.
Multiyear objective metrics	<ul style="list-style-type: none"> → Long-term performance metrics are maintained, prioritising in this way shareholder returns and Banco Santander's profitability in the long-term, as well as sustainability of the balance sheet and its activities and how they are carried out. → The weighting of these metrics is maintained (40% TSR, 40% RoTE and 20% ESG metrics). → The maximum achievement ratio remains at 125% so executives have the incentive to exceed their targets (however, this will not exceed the remuneration thresholds approved at the AGM).

Item 6 B. Setting of the maximum amount of annual remuneration to be paid to all the directors in their capacity as such. The proposal is available at the following [link](#).

To approve a maximum annual amount of the remuneration of directors in their capacity as such of EUR 6,000,000, the board being able to reduce such remuneration on the terms established in the Bylaws.

Item 6 C. Approval of maximum ratio between fixed and variable components of total remuneration of executive directors and other employees belonging to categories with professional activities that have a material impact on the risk profile. The proposal is available at the following [link](#).

To approve a maximum ratio of 200% between the variable and fixed components of the total remuneration of the executive directors and of certain members of the Identified Staff.

The terms of the proposal are summarised below:

Maximum ratio of variable remuneration

Limit	The ratio between the variable and fixed components of total remuneration may not exceed 200%.
Beneficiaries	The proposal affects certain members of Identified Staff (i.e. those categories of personnel whose professional activities have a material impact on the risk profile of the institution) of Grupo Santander, up to a maximum of 753 people.
Purpose of variable remuneration of the Identified Staff	To reward employee performance consistently with rigorous risk management, without encouraging inappropriate risk-taking and seeking an alignment with the interests of the shareholders and with the Group's strategic objectives, thus fostering the creation of value over the long term.
Purpose of renewal of authorisation	The renewal of this authorisation for certain members of the Identified Staff will allow the Bank to compete with European and international institutions, with ratios not expected to exceed 100% in all cases. In addition, the renewal of this authorisation will continue to allow for simpler and more efficient payroll management. The annual adjustment of the components of remuneration of the members of the Identified Staff with a view to maintaining an appropriate level of motivation, the high level of internal mobility within the Group, and the remuneration structure that is peculiar to each business area make it advisable to have as much flexibility as possible. Furthermore, the renewal of this authorisation is more efficient as a tool to retain talent and allows for the alignment of incentives.
2022 information	The variable components of remuneration of the Identified Staff in 2022 represented 122% of the fixed components (142% for the executive directors). Approximately 36% of members of the Identified Staff exceeded the ratio of 100% in 2022, the median being a 82% ratio and percentile 75 reaching a 132% ratio. Only 7% of the Identified Staff reached ratios over 195%.

Item 6 D. Deferred Multiyear Objectives Variable Remuneration Plan. The proposal is available at the following [link](#).

The application of an award to be paid in cash, Santander shares and, where applicable, options on Santander shares implemented by means of the eighth cycle of the Deferred Multiyear Objectives Variable Remuneration Plan (the "**Award**") is proposed to the shareholders for approval at the general meeting as regards the inclusion of executive directors among the beneficiaries thereof.

The characteristics of the eighth cycle of the Award as regards the executive directors are summarised below:

Beneficiaries	The executive directors of Banco Santander are beneficiaries of the Award.
Metrics	<ul style="list-style-type: none"> → 6 short-term metrics (increase in number of overall customers and active customers, income per customer, cost per customer, RoTE and CET1 ratio). → Multi-year metrics: <ul style="list-style-type: none"> ◦ Achievement of the return on tangible equity ("RoTE") target of the Bank in 2025. Weighted at 40%. ◦ Relative performance of total shareholder return (TSR) of the Bank for the 2023-2025 period compared to the weighted TSRs of a peer group of 9 credit institutions. Weighted at 40%. ◦ Level of Group progress on the Responsible banking actions lines and associated targets, measured through four metrics related to environmental, social and corporate governance (ESG) matters: women in management positions; financial inclusion; green finance and assets under management in socially responsible investments; and reducing the exposure in thermal coal-related power and mining portfolios. These metrics have an aggregate weighting of 20%.

Maximum achievement ratio	<ul style="list-style-type: none"> → The maximum achievement ratio can reach at 125%, to incentivise exceeding the established targets. → 40% of the Award, if any, will be paid in 2024, net of taxes, after applying the corresponding withholding or payment on account. → 60% of the Award will be deferred and paid in fifths in 2025, 2026, 2027, 2028 and 2029. → Each of the payments that are to be made on the Anniversaries will be made 50% in cash and the other 50% in instruments, after applying any withholding or payment on account applicable at any time. → The portion of the Incentive that is paid in instruments will be reduced in the amount resulting from the equity instruments linked to the value of the subsidiary PagoNxt, S.L. that the executive directors are entitled to receive under the incentive plan of said company, the difference being paid, at the executive director's choice, in Santander shares only or in halves in Santander shares and options on Santander shares.
Payment	<ul style="list-style-type: none"> → The deferral periods and the deferred amount may be increased (but not reduced) if necessary to conform them to applicable legal provisions at any time. → The executive directors may not directly or indirectly hedge the Santander shares that they receive pursuant to the foregoing sections before delivery thereof. They may likewise not transfer them or directly or indirectly hedge the shares for one year as from the delivery thereof. In addition, if the executive director has opted to receive part of the Award in options on Santander shares, the executive director will be unable to carry out the actions provided for in this paragraph in relation to the options or exercise the options within one year following their delivery. → Pursuant to the Group's policy on shareholdings, the executive directors of Banco Santander may not transfer Santander shares that they receive pursuant to the preceding paragraphs for three years from the date of delivery thereof, unless the director already holds Santander shares for an amount equivalent to twice the director's annual fixed remuneration.
Maximum number of shares and options	<ul style="list-style-type: none"> → The maximum amount of the Award to be delivered in shares to the executive directors is (i) EUR 11.5 million, if the executive directors ask to receive only in shares the portion of the Incentive to be paid in instruments; or (ii) EUR 5.75 million if the executive directors ask to receive the portion of the Incentive to be paid in instruments in halves in shares and options. In turn, the maximum amount of the Award to be delivered in share options amounts to EUR 5.75 million. → The number of shares and, if applicable, share options to be received by the executive directors in each payment of the Award may be reduced if they receive equity instruments (specifically, restricted share unites or RSUs) linked to the value of the subsidiary PagoNxt, S.L. under that company's incentive plan, so that the maximum aggregate amount of the variable remuneration of the executive directors received as shares, share options and RSUs does not exceed the maximum limit of EUR 11.5 million. RSUs will never represent an amount in excess of 10% of their variable remuneration.
Malus and clawback	The <i>malus</i> and <i>clawback</i> clauses provided for in the Group's <i>malus</i> and <i>clawback</i> policy apply.

Item 6 E. Application of the Grupo Santander's buy-out regulations. The proposal is available at the following [link](#).

To authorise the potential delivery of shares or rights thereon or remunerations referenced to the value of the shares to executive directors applying the Group's buy-out regulations.

The buy-out regulations are an instrument to be selectively used in the engagement of executives or employees who, as a result of accepting a job offer from Banco Santander (or from other Group companies), lose the right to receive certain variable remuneration from their previous company. Therefore, these rules, which take into account the regulations and recommendations that apply to the Bank, allow for the maintenance of certain flexibility to be able to attract the best talent and to be fair with respect to the loss of rights that an executive or employee incurs due to joining the Group, given that the conditions of the buy-out take into account those that applied to the remuneration the loss of which is compensated for.

The maximum number of shares that may be delivered under this resolution is a number such that, multiplying the number of shares delivered (or recognised) on each occasion by the average weighted daily volume of the average weighted listing prices of the Santander shares for the fifty trading sessions prior to the date on which they are delivered (or recognised), does not exceed the amount of 40 million.

Item 6 F. Annual directors' remuneration report (consultative vote). The proposal is available at the following [link](#).

To vote, on a consultative basis, on the [annual directors' remuneration report](#).

It is noted that the annual report on directors' remuneration received 88.01% votes in favour.

The following is a brief summary of the key information from the 2022 annual report on directors' remuneration

Non-executive directors	<ul style="list-style-type: none"> → Remuneration in line with market practice and aligned with comparable companies. → Non-executive directors did not receive variable remuneration linked to the performance of Banco Santander.
Executive directors	<ul style="list-style-type: none"> → Remuneration in line with market practice and aligned with comparable companies (BBVA, BNP Paribas, Citi, Crédit Agricole, HSBC, ING, Itaú, Scotiabank and Unicredit). → The variable remuneration paid in 2022 is linked to the performance of Grupo Santander → There is a balanced ratio between fixed remuneration and annual variable and long-term incentive remuneration. → Disclosure of the metrics used in variable remuneration: <ul style="list-style-type: none"> • Quantitative: <ul style="list-style-type: none"> ◦ Customers (30%): Net Promoter Score (10%); number of total customers (10%); and number of loyal customers (10%) ◦ Shareholders (70%): return on tangible equity or RoTE (30%) and return on risk-weighted assets or RoRWA (40%) • Qualitative: customer satisfaction; conduct risk performance and customer due diligence; efficient capital adequacy management and appropriate management of operational risk, risk appetite and record breaches; sustainable and sound results and efficient cost management; sustainability of business growth compared to the previous year, in view of market conditions and competition; and progress on responsible banking commitments, with focus on financial inclusion, green finance and diversity targets. → A table showing the achievement of targets is published, with a breakdown of quantitative metrics (metrics, % achievement over target, assessment and weighted assessment), qualitative metrics (component, assessment and total weighted score), exceptional adjustments, if any, and total score. → The amount of remuneration paid is broken down into cash (50%), shares (23%), share options (23%) and PagoNxt RSUs (4%). → There is publication of the incentive payment schedule for executive directors, in which a portion of the payment is immediate (40%) and the rest is deferred (60%). → All payments in shares are subject to a three-year retention period, unless the director already holds shares in an amount equivalent to twice his/her annual fixed remuneration, in which case the shares would be subject only to the regulatory obligation to hold shares for one year from their delivery date. → There was no application of <i>malus</i> or <i>clawback</i> clauses in 2022 (variable remuneration for 2022 can be clawed back until the beginning of 2029). → The provisions recognised in 2022 for retirement pensions are disclosed.

Item 7. Authorisation to the board and grant of powers for conversion into public instrument.

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To authorise (a) the board to interpret, correct, supplement, implement and further develop the resolutions, to comply with the requirements for the effectiveness thereof and to delegate the powers received to the executive committee or to any director with delegated powers; and (b) Ms Ana Botín, Mr Héctor Grisi Checa, Mr Jaime Pérez Renovales and Mr Javier Illescas to convert the corporate resolutions into public instruments, execute notarial instruments and deposit the accounts and other documentation with the Commercial Registry.

Proposed resolutions and reports of the board of directors

1 Annual accounts and corporate management.

Each of the proposals formulated under items 1 A through 1 C shall be submitted to a separate vote.

1 A Annual accounts and directors' reports of Banco Santander, S.A. and of its consolidated group for 2022.

PROPOSED RESOLUTION

To approve the annual accounts (balance sheet, profit and loss statement, statement of recognised income and expense, statement of changes in total equity, cash flow statement, and notes) and the directors' reports of Banco Santander, S.A. and of its consolidated Group for the financial year ended 31 December 2022, all drawn up in eXtensible HyperText Markup Language (XHTML) format, with the consolidated financial statements tagged using standard eXtensible Business Reporting Language (XBRL), in accordance with Directive 2004/109/EC and Delegated Regulation (EU) 2019/815.

1 B Consolidated statement of non-financial information for 2022, which is part of the consolidated directors' report.

PROPOSED RESOLUTION

To approve the consolidated statement of non-financial information for the financial year ended 31 December 2022, which is part of the consolidated directors' report for said financial year ("Responsible banking" chapter of the 2022 annual report).

1 C Corporate management for 2022.

PROPOSED RESOLUTION

To approve the corporate management for financial year 2022.

2 Application of results obtained during 2022.

PROPOSED RESOLUTION

To approve the application of the separate results obtained by the Bank during financial year 2022 as follows:

Separate results obtained during financial year 2022 (profit)		EUR 7,921,403,147.51
Application	To dividends	EUR 1,942,470,146.35
	Dividend paid prior to the date of the meeting ⁽¹⁾	EUR 979,113,612.35
	Final dividend ⁽²⁾	EUR 963,356,534
	To Voluntary Reserves ⁽³⁾	EUR 5,978,933,001.16

(1) Total amount paid as interim dividend, at a fixed rate of 5.83 euro cents per share entitled to receive the dividend.

(2) Fixed dividend of EUR 5.95 cents gross per share entitled to receive the dividend, payable in cash as from 2 May 2023. The total amount has been estimated assuming that, after the buyback programme announced on 28 February 2023 is implemented, 16,190,866,119 of the Bank's outstanding shares will be entitled to receive the dividend. Therefore, the total dividend may be higher if fewer shares than anticipated are acquired under the buyback programme, and it will be lower in the opposite case.

(3) Estimated amount corresponding to a final dividend of EUR 963,356,534. This figure will increase or decrease by the same amount as the lower or higher amount, respectively, of the final dividend.

3 Board of directors: appointment, re election or ratification of directors.

Each of the proposals formulated under Items 3 A through 3 H shall be submitted to a separate vote.¹

3 A Setting of the number of directors.

PROPOSED RESOLUTION

To set the number of directors at 15, which is within the maximum and the minimum established by the Bylaws.

PROPOSAL OF THE NOMINATION COMMITTEE AND REPORT OF THE BOARD

The nomination committee and the board, which endorses and concurs with the considerations of the committee, believe that 15 is an appropriate number of members to ensure the proper representativeness and efficient operation of the board. Moreover, this number is within the range established in Article 41 of the Bylaws and in Recommendation 13 of the Good Governance Code of Listed Companies.

If the shareholders acting at the general meeting approve the ratification and re-election of directors proposed in items 3 B to 3 H below, the board of directors of the Bank would be made up of 15 directors, of which 10 would be classified as independent directors (66.67% of the total), 2 as executive directors (13.33% of the total) and 3 as other external directors (20% of the total). Women would represent 40% of the board. This composition would be aligned with best corporate governance practices and with the rules and regulations of the board, which require that the board of directors be made up of a wide majority of external directors, that the number of independent directors be at least one-half of all directors, and that the board have a balanced presence of women and men.

¹ In relation to each of items 3 A through 3 H, there is included a proposed resolution that is being submitted to the shareholders, a reasoned proposal drawn up by the nomination committee on 20 February 2023, which the board endorses and with which it concurs in all respects, and the report of the board evaluating the expertise, experience and merits of the persons whose appointment or re-election is proposed, in compliance with the provisions of Section 529 *decies* of the Spanish Capital Corporations Law (*Ley de Sociedades de Capital*). Pursuant to Article 55.1 of the Bylaws, the term of office of directors shall be 3 years, though it is established that one-third of the board shall be renewed every year, following the order established by the length of service of each director on the board, according to the date and order of the respective appointment as approved in each case by the shareholders at a general meeting. As a result, it is proposed to re-elect Pamela Ann Walkden, Ana Patricia Botín-Sanz de Sautuola y O'Shea, Sol Daurella Comadrán, Gina Lorenza Díez Barroso Azcárraga and Homaira Akbari for a new 3-year period. In addition, information is included regarding the identity, category and curriculum vitae of the persons whose appointment or re-election is submitted to the shareholders for purposes of the provisions of Section 518 e) of the Spanish Capital Corporations Law.

3 B Ratification of the appointment and re-election of Mr Héctor Blas Grisi Checa.

PROPOSED RESOLUTION

To ratify the appointment of Mr Héctor Blas Grisi Checa as a director, which was approved by the board at its meeting of 20 December 2022 and became effective on 1 January 2023, with the classification of executive director. Also, to re-elect Mr Héctor Blas Grisi Checa as a director with the same classification of executive for the Bylaw-mandated period of 3 years.

PROPOSAL OF THE NOMINATION COMMITTEE AND REPORT OF THE BOARD



Héctor Grisi
CEO
Executive director

Professional career

Joined the board in 2023.

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

Education: Degree in Finance from the Ibero-American University of Mexico City.

Experience: He joined the Group in 2015 as executive chair and chief executive officer of Santander México and Grupo Financiero Santander México, and in 2019, he was additionally named Regional Head for North America, whose primary markets are Mexico and the United States. Before joining Santander, he had spent 18 years at Credit Suisse in several leadership roles, including head of investment banking for Mexico, Central America and the Caribbean, as well as executive chair and chief executive officer of Credit Suisse México. He previously held various positions in the corporate and investment banking divisions of Grupo Financiero Invermexico and Casa de Bolsa Inverlat. He was vice-chair of Asociación de Bancos de México ("Bank Association of Mexico") from 2011 to 2014.

Other positions of note: Non-executive chair of Cogrimex, S.A. de C.V.

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

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

Analysis of competencies and diversity

The ratification and re-election of Héctor Grisi offers the board a strong sense of customer orientation, proven leadership in managing teams and driving transformation and increased connectedness among the different markets in which the Group operates, as well as a solid international track record and significant experience in the financial sector. The director has detailed knowledge of Grupo Santander's lines of business and international strategy.

The ratification and re-election thereof help the board enrich its competencies, experience and international diversity reflected in the competencies and diversity matrix of the board, contributing, among others, skills in the areas of banking, financial services and risk management, which are greatly significant for the design and implementation of the Bank's long-term strategy.

Work and effective dedication. Absence of conflicts of interest

Since the interim appointment became effective (1 January 2023) to the present date, there is confirmation of the proper performance of the duties of the position and positive evaluation thereof, as well as the director's attendance at and informed participation in 100% of the 2 meetings of the board held in that period and in 100% of the 4 meetings of the executive committee.

Héctor Grisi is within the maximum number of positions, is able to devote sufficient time to performing the duties thereof and is not subject to any conflicts of interest.

Evaluation

Based on applicable legal provisions and the Company's internal policies and regulations, the committee believes that Héctor Grisi is widely recognised as solvent and deserving of business and professional respectability, has the expertise and experience required to hold the position of director, and is able to carry out good governance of the Bank, such that Héctor Grisi meets the suitability requirements needed to hold the position of director.

The committee believes that Héctor Grisi fulfils the requirements established in subsection 1 of Section 529 *duodecies* of the Spanish Capital Corporations Law and in Article 6.2 (a) of the rules and regulations of the board to be considered an executive director.

Report of the board

The board endorses the evaluation of the nomination committee, with which it concurs in all respects, and considers that Héctor Grisi has the expertise, experience and merits necessary to hold the positions of director and chief executive officer. Héctor Grisi is likewise considered by the board to be an executive director.

3 C Ratification of the appointment and re-election of Mr Glenn Hogan Hutchins.

PROPOSED RESOLUTION

To ratify the appointment of Mr Glenn Hogan Hutchins as a director, which was approved by the board at its meeting of 20 December 2022 after the relevant regulatory approvals were obtained, with the classification of independent director. Also, to re-elect Mr Glenn Hogan Hutchins as a director with the same classification of independent for the Bylaw-mandated period of 3 years.

PROPOSAL OF THE NOMINATION COMMITTEE AND REPORT OF THE BOARD



Glenn Hutchins
Independent external director

Professional career

Joined the board in 2022.

Nationality: American. Born in 1955 in Virginia, United States.

Education: JD degree and MBA from Harvard University.

Experience: Co-founder of Silver Lake, a US technology investment entity, where he was CEO until 2011. He was previously senior managing director of the Blackstone Group (1994-1999) and of Thomas H. Lee Co (1985-1994), and a consultant at Boston Consulting Group. He was also chairman of SunGard Data Systems (2005-2015) and a director of Nasdaq (2005-2017) and Virtu Financial (2017-2021). He was a director and chairman of the audit and risk committees of the Federal Reserve Bank of New York from 2011 to 2021. He has also been a director of institutions including the Harvard Management Corporation, which manages Harvard University's endowment. Additionally, he was an adviser in President Clinton's transition into office and a special economic policy and healthcare adviser to the White House.

Other positions of note: He is the non-executive chairman of the North Island Ventures investment firm and an independent director of AT&T. He is also a member of the international advisory board and investment board of the Singapore sovereign wealth fund (GIC), co-chair of the Brookings Institution, chair of the CARE foundation and vice chair of the Obama Foundation. Additionally, he is a member of the executive committee of the Boston Celtics Basketball team.

Membership on board committees: Nomination committee, remuneration committee, and innovation and technology committee.

Analysis of competencies and diversity

The committee considers that the board had an adequate composition to perform its duties, but it has deemed appropriate to continue strengthening competencies in the technology, banking, finance and regulatory areas by appointing Glenn Hutchins, who has a solid track record in such areas, both in the private sector and in regulatory institutions and supervisors, which are greatly significant for the design and implementation of the Bank's long-term strategy.

The ratification and re-election thereof additionally help the board to be made up of a highly qualified majority of independent directors.

Effective dedication. Absence of conflicts of interest

Since the interim appointment became effective (20 December 2022) to the present date, there is confirmation of the proper performance of the duties of the position and positive evaluation thereof, as well as the director's attendance at and informed participation in 100% of the 3 meetings of the board, of the 4 meetings of the nomination committee, of the 2 meetings of the remuneration committee and the only meeting of the innovation and technology committee held since his appointment.

Glenn Hutchins is within the maximum number of positions, is able to devote sufficient time to performing the duties thereof and is not subject to any conflicts of interest.

Evaluation

Based on applicable legal provisions and the Company's internal policies and regulations, the committee believes that Glenn Hutchins is widely recognised as solvent and deserving of business and professional respectability, has the expertise and experience required to hold the position of director, and is able to carry out good governance of the Bank, such that Glenn Hutchins meets the suitability requirements needed to hold the position of director.

The committee believes that Glenn Hutchins fulfils the requirements established in subsection 4 of Section 529 *duodecies* of the Spanish Capital Corporations Law and in Article 6.2 (c) of the rules and regulations of the board to be considered an independent director.

Report of the board

The board endorses the evaluation of the nomination committee, with which it concurs in all respects, and considers that Glenn Hutchins has the expertise, experience and merits necessary to hold the position of director. Glenn Hutchins is likewise considered by the board to be an independent director.

3 D Re-election of Mrs Pamela Ann Walkden.

PROPOSED RESOLUTION

To re-elect Mrs Pamela Ann Walkden as a director, with the classification of independent director, for the Bylaw-mandated period of 3 years.

PROPOSAL OF THE NOMINATION COMMITTEE AND REPORT OF THE BOARD



Pamela Walkden
Independent external director

Professional career

Joined the board in 2019.

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

Education: Degree in Economics from Cambridge University.

Experience: She has served in a number of senior management positions at Standard Chartered Bank, among them, she has been head of human resources, risk, treasury, asset and liability management and regional markets, internal audit, institutional relations and investor relations. In addition, she was an independent member of the UK Prudential Regulation Authority (PRA) Regulatory Reform Panel and a member of the European Banking Authority (EBA) Stakeholder Group, as well as a member of the Welfare and Ethics Committee of the Royal Veterinary College.

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

Positions in other Group companies: She is an independent director of Santander UK PLC and of Santander UK Group Holdings PLC.

Membership on board committees: Audit committee (chair) and risk supervision, regulation and compliance committee.

Analysis of competencies and diversity

The re-election of Pamela Walkden offers the board extensive experience in international banking, and contributes to the gender, geographical and education diversity. In addition to this, the director offers expertise in audit, which supports the recognition thereof as a financial expert.

The re-election thereof helps the board preserve the balance of competencies, experience and diversity reflected in the competencies and diversity matrix of the board, enriching it with her expertise, in particular, in the banking, accounting, audit and financial areas, which are greatly significant for the design and implementation of the Bank's long-term strategy, and also contributes to the board being made up of a majority of independent directors and having a balanced presence of women and men.

Work and effective dedication. Absence of conflicts of interest

Since the re-election of the director at the ordinary general meeting of 3 April 2020 to the present date, there is confirmation of the proper performance of the duties of the position and positive evaluation thereof, as well as the director's attendance at and informed participation in 97.73% of the 44 meetings of the board held since her appointment, in 100% of the 41 meetings of the audit committee since the re-election thereof as director and 93.55%

of the 31 meetings of the risk supervision, regulation and compliance committee held since the director joined the committee (1 May 2021).

Pamela Walkden is within the maximum number of positions, is able to devote sufficient time to performing the duties thereof and is not subject to any conflicts of interest.

Evaluation

Based on applicable legal provisions and the Company's internal policies and regulations, the committee believes that Pamela Walkden is widely recognised as solvent and deserving of business and professional respectability, has the expertise and experience required to hold the position of director, and is able to carry out good governance of the Bank, such that Pamela Walkden meets the suitability requirements needed to hold the position of director.

The committee believes that Pamela Walkden fulfils the requirements established in subsection 4 of Section 529 *duodecies* of the Spanish Capital Corporations Law and in Article 6.2 (c) of the rules and regulations of the board to be considered an independent director.

Report of the board

The board endorses the evaluation of the nomination committee, with which it concurs in all respects, and considers that Pamela Walkden has the expertise, experience and merits necessary to hold the position of director. Pamela Walkden is likewise considered by the board to be an independent director.

3 E Re-election of Ms Ana Patricia Botín-Sanz de Sautuola y O'Shea.

PROPOSED RESOLUTION

To re-elect Ms Ana Patricia Botín-Sanz de Sautuola y O'Shea as a director, with the classification of executive director, for the Bylaw-mandated period of 3 years.

PROPOSAL OF THE NOMINATION COMMITTEE AND REPORT OF THE BOARD



Ana Botín
Executive chair
Executive director

Professional career

Joined the board in 1989.

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

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

Experience: She joined Banco Santander, S.A., after working at JP Morgan (New York, 1980-1988). In 1992 she was appointed senior executive vice president. Between 1992 and 1998 she led the expansion of Santander in Latin America. In 2002 she was appointed executive chair of Banesto. From 2010 to 2014 she was CEO of Santander UK PLC, where she was a non-executive director until April 2021. She was appointed executive chair of Grupo Santander in 2014. She has also been a non-executive director of Santander UK Group Holdings PLC (2014-2021) and President of the European Banking Federation from 2021 to February 2023.

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

Positions in other Group companies: She is chair of PagoNxt, S.L., Universia España Red de Universidades, S.A. and Universia Holding, S.L., and a non-executive director of Santander Holdings USA, Inc. and Santander Bank, N.A.

Membership on board committees: Executive committee (chair) and innovation and technology committee (chair).

Analysis of competencies and diversity

The re-election of Ana Botín offers the board key financial expertise and broad experience in roles involving a high level of responsibility and complexity in banking and financial services, including the chair of major international institutions. Additionally, she has led the strategic and cultural transformation of Grupo Santander and shown constant commitment to sustainable and inclusive growth.

Her re-election helps the board preserve the balance of competencies, experience and diversity reflected in the competencies and diversity matrix of the board, with an important contribution in the areas of strategy, banking, other financial services and risk management that, combined with her international education diversity, are greatly significant for the design and implementation of the Bank's long-term strategy, and also contributes to the board having a balanced presence of women and men.

Work and effective dedication. Absence of conflicts of interest

Since the re-election of the director at the ordinary general meeting of 3 April 2020 to the present date, there is confirmation of the proper performance of the duties of the position and positive evaluation thereof, as well as the director's attendance at and informed participation in 100% of the 44 meetings of the board held since the re-election thereof. Also noted is the director's attendance at and informed participation in 96.33% of the 109 meetings of the executive committee and 100% of the 11 meetings of the innovation and technology committee held since the re-election thereof as a director.

Ana Botín is within the maximum number of positions, is able to devote sufficient time to performing the duties thereof and is not subject to any conflicts of interest.

Evaluation

Based on applicable legal provisions and the Company's internal policies and regulations, the committee believes that Ana Botín is widely recognised as solvent and deserving of business and professional respectability, has the expertise and experience required to hold the position of director, and is able to carry out good governance of the Bank, such that Ana Botín meets the suitability requirements needed to hold the position of director.

The committee believes that Ana Botín fulfils the requirements established in subsection 1 of Section 529 *duodecies* of the Spanish Capital Corporations Law and in Article 6.2 (a) of the rules and regulations of the board to be considered an executive director.

Report of the board

The board endorses the evaluation of the nomination committee, with which it concurs in all respects, and considers that Ana Botín has the expertise, experience and merits necessary to hold the positions of director and chair. Ana Botín is likewise considered by the board to be an executive director.

3 F Re-election of Ms Sol Daurella Comadrán.

PROPOSED RESOLUTION

To re-elect Ms Sol Daurella Comadrán as a director, with the classification of independent director, for the Bylaw-mandated period of 3 years.

PROPOSAL OF THE NOMINATION COMMITTEE AND REPORT OF THE BOARD



Sol Daurella
Independent external director

Professional career

Joined the board in 2015.

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

Education: Degree in Business and MBA from ESADE.

Experience: She served on the board of the Círculo de Economía of Barcelona and was an independent non-executive director at Banco Sabadell, S.A., Ebro Foods, S.A. and Acciona, S.A. She was also Consul General of Iceland in Barcelona (1992-2021).

Other positions of note: She is chair of Coca-Cola Europacific Partners, PLC. and executive chair of Olive Partners, S.A., and holds several positions at Cobega Group companies. She is also chair of the board of trustees of the FERRO Oncology Research Foundation and vice chair of Instituto de la Empresa Familiar.

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

Analysis of competencies and diversity

The re-election of Sol Daurella offers the board broad management and strategic experience in the area of large multinationals, particularly in the distribution sector. It also strengthens the international dimension of the board and its expertise in finance.

The re-election thereof helps the board preserve the balance of competencies, experience and diversity reflected in the competencies and diversity matrix of the board, that is benefited by her contributions in the banking, retail distribution, strategy, responsible business and sustainability areas, which are greatly significant for the design and implementation of the Bank's long-term strategy, and also contributes to the board being made up of a majority of independent directors and having a balanced presence of women and men.

Work and effective dedication. Absence of conflicts of interest

Since the re-election of the director at the general meeting of 3 April 2020 to the present date, there is confirmation of the proper performance of the duties of the position and positive evaluation thereof, as well as the director's attendance at and informed participation in 97.73% of the 44 meetings of the board held since the re-election thereof. Also noted is the director's attendance at and informed participation in 89.19% of the 37 meetings of the nomination committee, 91.89% of the 37 meetings of the remuneration committee and 92.86% of the 14 meetings of the responsible banking, sustainability and culture committee held since the re-election thereof as a director. It should be pointed out that the

meetings that she was unable to attend were mainly the extraordinary meetings that were not scheduled in the annual meeting calendar.

Sol Daurella is within the maximum number of positions, is able to devote sufficient time to performing the duties thereof and is not subject to any conflicts of interest.

Evaluation

Based on applicable legal provisions and the Company's internal policies and regulations, the committee believes that Sol Daurella is widely recognised as solvent and deserving of business and professional respectability, has the expertise and experience required to hold the position of director, and is able to carry out good governance of the Bank, such that Sol Daurella meets the suitability requirements needed to hold the position of director.

The committee believes that Sol Daurella fulfils the requirements established in subsection 4 of Section 529 *duodecies* of the Spanish Capital Corporations Law and in Article 6.2 (c) of the rules and regulations of the board to be considered an independent director.

Report of the board

The board endorses the evaluation of the nomination committee, with which it concurs in all respects, and considers that Sol Daurella has the expertise, experience and merits necessary to hold the position of director. Sol Daurella is likewise considered by the board to be an independent director.

3 G Re-election of Ms Gina Lorenza Díez Barroso Azcárraga.

PROPOSED RESOLUTION

To re-elect Ms Gina Lorenza Díez Barroso Azcárraga as a director, with the classification of independent director, for the Bylaw-mandated period of 3 years.

PROPOSAL OF THE NOMINATION COMMITTEE AND REPORT OF THE BOARD



Gina Díez Barroso
Independent external director

Professional career

Joined the board in 2020.

Nationality: Mexican. Born in 1955 in Mexico City (Mexico).

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

Experience: Until April 2020, she was an independent director of Banco Santander México, S.A. and other Grupo Santander companies in Mexico. She has also been a member of the board of directors of Americas Society and Council of the Americas, Laurel Strategies and Qualitas of Life Foundation. She has also been a founder and a trustee of the Pro-Educación Centro and Diarq Foundations.

Other positions of note: She is the founder and non-executive chair of Grupo Diarq, S.A. de C.V. and of Centro de Diseño y Comunicación, S.C. (Universidad Centro). In addition, she is a non-executive director of Bolsa Mexicana de Valores (BMV) and of Dalia Women, S.A.P.I. de C.V. (Dalia Empower), a member of Comité de 200 (C200) and a representative of Mexico at the W20, the G20 women's initiative.

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

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

Analysis of competencies and diversity

The re-election of Gina Díez Barroso offers the board detailed knowledge of the Mexican market and of the real estate and education sectors, in addition to banking experience acquired as an external director of Banco Santander México and other Group subsidiaries in Mexico, as well as broad expertise in sustainability and responsible business, developed as a founder and trustee of foundations focusing on education, gender diversity and social integration. Her re-election also contributes to diversity in terms of gender, geographic origin and international education on the board.

The re-election thereof helps the board preserve the balance of competencies, experience and diversity reflected in the competencies and diversity matrix of the board, that is reinforced with her skills in the strategy, responsible business and sustainability, human resources, culture, talent and remuneration areas that, together with the diversity of gender and international education she brings, help the design and implementation of the Bank's long-term strategy.

Work and effective dedication. Absence of conflicts of interest

Since the appointment thereof by the board of directors on 22 December 2020, ratified at the general meeting of 26 March 2021, to the present date, there is confirmation of the proper performance of the duties of the position and positive evaluation thereof, as well as the director's attendance at and informed participation in 96.87% of the 32 meetings of the board held since the re-election thereof. Also noted is the director's attendance at and informed participation in 100% of the 15 meetings of the nomination committee held since the director joined the committee (22 December 2021) and to the only meeting of the responsible banking, sustainability and culture committee held since she joined said committee (31 January 2023).

Gina Díez Barroso is within the maximum number of positions, is able to devote sufficient time to performing the duties thereof and is not subject to any conflicts of interest.

Evaluation

Based on applicable legal provisions and the Company's internal policies and regulations, the committee believes that Gina Díez Barroso is widely recognised as solvent and deserving of business and professional respectability, has the expertise and experience required to hold the position of director, and is able to carry out good governance of the Bank, such that Gina Díez Barroso meets the suitability requirements needed to hold the position of director.

The committee believes that Gina Díez Barroso fulfils the requirements established in subsection 4 of Section 529 *duodecies* of the Spanish Capital Corporations Law and in Article 6.2 (c) of the rules and regulations of the board to be considered an independent director.

Report of the board

The board endorses the evaluation of the nomination committee, with which it concurs in all respects, and considers that Gina Díez Barroso has the expertise, experience and merits necessary to hold the position of director. Gina Díez Barroso is likewise considered by the board to be an independent director.

3 H Re-election of Ms Homaira Akbari.

PROPOSED RESOLUTION

To re-elect Ms Homaira Akbari as a director, with the classification of independent director, for the Bylaw-mandated period of 3 years.

PROPOSAL OF THE NOMINATION COMMITTEE AND REPORT OF THE BOARD



Homaira Akbari
Independent external director

Professional career

Joined the board in 2016.

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

Education: Doctor in Experimental Particle Physics from Tufts University, Massachusetts, and MBA from Carnegie Mellon University.

Experience: She was non-executive director of Gemalto NV and of Veolia Environment S.A., chair and CEO of SkyBitz, Inc., managing director of TruePosition Inc. and non-executive director of Covisint Corporation and US Pack Logistics LLC. She has also held various posts at Microsoft Corporation and Thales Group and she was non-executive chair of WorkFusion, Inc.

Other positions of note: She is CEO of AKnowledge Partners, LLC and an independent director of Landstar System, Inc. and of Temenos, AG. She is also a trustee of the French Institute Alliance Française.

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

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

Analysis of competencies and diversity

The re-election of Homaira Akbari offers the board broad experience in business management and in the holding of top posts at entities across various sectors and countries, particularly in the area of new technologies, Big Data and digital transformation.

The re-election thereof helps the board preserve the balance of competencies, experience and diversity reflected in the competencies and diversity matrix of the board, contributing, among others, competencies in the area of banking, other financial services, digital and information technologies (IT) and responsible business and sustainability. Her re-election also contributes to diversity in terms of geographic origin and international education, which are greatly significant for the design and implementation of the Bank's long-term strategy, and also to the board being made up of a majority of independent directors and having a balanced presence of men and women.

Work and effective dedication. Absence of conflicts of interest

Since the re-election of the director at the general meeting of 26 March 2021 to the present date, there is confirmation of the proper performance of the duties of the position and positive evaluation thereof, as well as the director's attendance at and informed participation in 100% of the 26 meetings of the board held since the re-election thereof.

Also noted is the director's attendance at and informed participation in 100% of the 25 meetings of the audit committee, 100% of the 7 meetings of the innovation and technology committee and 100% of the 8 meetings of the responsible banking, sustainability and culture committee held since the re-election thereof as a director.

Homaira Akbari is within the maximum number of positions, is able to devote sufficient time to performing the duties thereof and is not subject to any conflicts of interest.

Evaluation

Based on applicable legal provisions and the Company's internal policies and regulations, the committee believes that Homaira Akbari is widely recognised as solvent and deserving of business and professional respectability, has the expertise and experience required to hold the position of director, and is able to carry out good governance of the Bank, such that Homaira Akbari meets the suitability requirements needed to hold the position of director.

The committee believes that Homaira Akbari fulfils the requirements established in subsection 4 of Section 529 *duodecies* of the Spanish Capital Corporations Law and in Article 6.2 (c) of the rules and regulations of the board to be considered an independent director.

Report of the board

The board endorses the evaluation of the nomination committee, with which it concurs in all respects, and considers that Homaira Akbari has the expertise, experience and merits necessary to hold the position of director. Homaira Akbari is likewise considered by the board to be an independent director.

4 Re election of the external auditor for financial year 2023.

INFORMATION ABOUT THE AUDITOR

It is proposed to re-elect PricewaterhouseCoopers Auditores, S.L. as auditor of the Bank and the Group for financial year 2023. The proposal has been made by the audit committee, which has submitted it to the board of directors for subsequent submission thereof to the shareholders at the general meeting.

The partner of PricewaterhouseCoopers Auditores, S.L. responsible for the audit of the Bank and the Group is Mr. Julián González Gómez, who has experience as a partner auditing global groups, mainly in Spain and the United Kingdom, and who has an outstanding track record in the Spanish financial sector. Julián González also regularly participates in various international forums on banking supervision and regulation.

PROPOSED RESOLUTION

To re-elect PricewaterhouseCoopers Auditores, S.L., with a registered office in Madrid at Paseo de la Castellana, nº 259 B, with Tax ID Code B-79031290 and registered in the Official Registry of Auditors of Accounts (*Registro Oficial de Auditores de Cuentas*) of the Accounting and Audit Institute (*Instituto de Contabilidad y Auditoría de Cuentas*) of the Ministry of Economic Affairs and Digital Transformation under number S0242, as external auditor for the verification of the annual accounts and of the directors' report of the Bank and of the consolidated Group for financial year 2023.

5 Share capital and convertible securities.

Each of the proposals made under items 5 A through 5 D shall be submitted to a separate vote.

5 A Reduction in share capital in the maximum amount of EUR 757,225,978.50, through the cancellation of a maximum of 1,514,451,957 own shares. Delegation of powers.

REPORT OF THE BOARD

In compliance with the provisions of Sections 286 and 318 of the Spanish Capital Corporations Law, the board has prepared this report to provide a rationale for the proposal submitted to the shareholders at the general shareholders' meeting under item 5 A of the agenda.

- **Rationale for the proposal.** In the context of the shareholder remuneration policy, the board of directors considers that it is appropriate to reduce the share capital through the cancellation of the Company's own shares. The main effect of the aforementioned capital reduction will be an increase in the earnings per share of the Company, which will benefit its shareholders. This reduction is linked to the buyback programme that was approved by the board of directors at its meeting held on 27 February 2023 and that will be implemented pursuant to applicable legal provisions and under the authorisation for the acquisition of own shares granted by the shareholders at the ordinary general shareholders' meeting held on 3 April 2020 under item Five II) of the agenda, and if approved, the authorisation for the acquisition of own shares submitted for the approval of the shareholders at the general meeting under item 5 C of the agenda (respectively, the "**Programme**" and the authorisation in effect at any time, the "**Shareholder Approval**").
- **Main terms and conditions of the reduction in share capital**
 - The maximum investment of the Programme is EUR 921 million, equal to approximately 10% of the Group's ordinary profit in 2022.
 - The proposed reduction is in the maximum nominal amount of EUR 757,225,978.50, corresponding to a maximum of 1,514,451,957 own shares that could be acquired under the Programme. However, it is noted that the amount of the reduction is likely to be lower, as the maximum number of shares to be acquired under the Programme will depend on the average price at which the purchases take place, and it is reasonable that said purchases are made at an average price above the nominal value.
 - For illustrative purposes only, if the acquisitions under the Programme were made at an average price of EUR 3.50 per share, a total of 263,142,857 own shares could be acquired (amount resulting from dividing the maximum investment under the Programme by the acquisition price). In this scenario, the capital reduction would amount to EUR 131,571,428.50, that is, the aggregate amount of the nominal value of the number of shares to be cancelled.
 - The purpose of the capital reduction is to cancel own shares, contributing to the remuneration of the Company's shareholders by increasing earnings per share, which is inherent to the decrease in the number of shares. The reduction is a nominal or write-down reduction, as the implementation thereof does not entail a return of contributions to the shareholders.
 - The capital reduction will not entail the return of contributions to the shareholders, given that, at the time of implementation of the reduction, the Company will be the owner of the shares to be cancelled. The recognition for accounting purposes of the capital reduction is described in the proposal, with a statement for purposes of the provisions of Section 335 of the Spanish Capital Corporations Law that a reserve for amortised capital in an amount equal to the nominal value of the cancelled shares, which may only be used subject to the same requirements as for a reduction in share capital, will be funded from the share premium reserve (or, in the absence of regulatory authorisation, from other unrestricted reserves accounts). Therefore, pursuant to the provisions of

Section 335 c) of the Spanish Capital Corporations Law, the creditors' right of opposition set out in Section 334 of said law shall not apply.

- For purposes of the provisions of Section 411 of the Spanish Capital Corporations Law and in accordance with Additional Provision One of Law 10/2014 of 26 June on the organisation, supervision and solvency of credit institutions, it is hereby stated for the record that, as the Bank is a credit institution and the other requirements set forth in the aforementioned Additional Provision are met, the consent of the bondholder syndicates for the outstanding debenture and bond issues is not required for the implementation of the reduction.
- **Update of legal reserve and voluntary reserves.** The excess of the balance of the legal reserve account over an amount equal to 20% of the share capital arising after the implementation of the reduction will be reclassified to the voluntary reserves account once the reduction in capital becomes effective. This provision will also allow the legal reserve to be adjusted to the amount legally established of 20% of the share capital, following the previous capital reductions implemented pursuant to the resolutions approved at the general meeting of 1 April 2022.
- **Delegation of powers and authorisations.** The implementation of the reduction is subject to receipt of the corresponding regulatory approval. It is proposed to authorise the board to implement the capital reduction resolution and to decide those matters that have not been expressly established in the proposed resolution or that are a consequence thereof, and to take such actions and execute such public or private documents as may be necessary or advisable for the fullest implementation of the capital reduction. The delegation also includes the grant of powers to the board of directors to, among other things, implement the reduction once the Programme is completed, amend the article of the Bylaws relating to the amount of capital and the number of shares, and obtain the corresponding regulatory approval. It is also proposed to authorise the board of directors to take the necessary steps and actions so that, once the capital reduction resolution has been implemented, the cancelled shares are delisted from trading on the Spanish and foreign stock exchanges and the corresponding book-entry records are cancelled, in accordance with the procedures established at each of these stock exchanges or securities markets. Furthermore, and in relation to the current authorisation to acquire own shares that the shareholders approved at the ordinary general shareholders' meeting of 3 April 2020 and to the authorisation for the acquisition of own shares that is submitted for the approval of the shareholders at the general meeting under item 5 C of the agenda, if approved, it is clarified that the cancelled shares are excluded from the calculation corresponding to the aforementioned authorisations.

Finally, it is also proposed that the shareholders authorise the board of directors to delegate to the executive committee and/or any director with delegated powers all the delegable powers referred to in the proposed resolution that is covered by this report.

PROPOSED RESOLUTION

- **Reduction in share capital through the cancellation of own shares**

It is hereby resolved to reduce the Bank's share capital in the aggregate nominal value, subject to the maximum amount indicated below, represented by the shares, with a nominal value of fifty euro cents each, to be acquired through a share buyback programme (the "**Programme**") addressed to all shareholders, which was approved by the board at its meeting held on 27 February 2023 and that is implemented pursuant to applicable legal provisions and under the authorisation for the acquisition of own shares granted by the shareholders at the ordinary general shareholders' meeting held on 3 April 2020 under item Five II) of the agenda, and, if approved, through the authorisation for the acquisition of own shares that is submitted for the approval of the shareholders at the general meeting under item 5 C of the agenda or any other authorisation that may hereafter replace it (the "**Shareholder Approval**"). The maximum amount of the Programme is EUR 921 million and the maximum number of own shares to be acquired is 1,514,451,957 (the "**MNOSA**"). Accordingly, the maximum amount of the capital reduction will be EUR 757,225,978.50, which corresponds to the aggregate nominal value of the shares, each having a nominal value of

fifty euro cents, to be acquired through the Programme, up to the stated maximum of 1,514,451,957 shares (the “**Programme Reduction**”).

- **Purpose of the Programme Reduction**

The purpose of the Programme Reduction is to cancel own shares, contributing to the remuneration of the Company's shareholders by increasing the earnings per share, which is inherent to the decrease in the number of shares. This reduction is a nominal or write-down reduction, as the implementation thereof does not entail a return of contributions to the shareholders.

- **Procedure, implementation period and reserves to which the Programme Reduction will be charged**

The shares to be cancelled will be acquired pursuant to the Shareholder Approval and in accordance with applicable legal provisions on market abuse and the securities market, for which reason it will not be necessary to make a public takeover bid for shares of the Company acquired under the Programme. The shares will be acquired on the price and volume conditions established in applicable legal provisions.

Pursuant to Section 340.3 of the Spanish Capital Corporations Law, if the Bank does not reach the maximum number of shares to be acquired under the Programme (i.e. the MNOSA), the capital will be reduced by the nominal value corresponding to the number of shares actually acquired under the Programme.

The own shares acquired by the Company under the Programme will be cancelled within one month of the latest of the approval of this resolution by the shareholders, the termination of the Programme, or the receipt of the relevant regulatory approvals. Therefore, the Programme Reduction must be implemented within that period.

The Programme Reduction will not entail the return of contributions to the shareholders, given that, at the time of implementation of the reduction, the Bank will be the owner of the shares to be cancelled.

The cancellation of own shares to implement the Programme Reduction will be booked to the reduction of share capital by an amount equivalent to the nominal value of the shares cancelled, and the excess, up to the price paid for their acquisition, will be charged against the share premium reserve or, if the corresponding regulatory approval is not obtained, against other unrestricted reserves accounts.

Furthermore, for purposes of the provisions of Section 335 of the Spanish Capital Corporations Law, it is stated for the record that a reserve for amortised capital in an amount equal to the nominal value of the cancelled shares, which may only be used subject to the same requirements as for a reduction in share capital, will be funded from the share premium reserve (or from another unrestricted reserve if the relevant regulatory approval is not obtained). Therefore, pursuant to the provisions of Section 335 c) of the Spanish Capital Corporations Law, the creditors' right of opposition set out in Section 334 of said law shall not apply.

For purposes of the provisions of Section 411 of the Spanish Capital Corporations Law and in accordance with Additional Provision One of Law 10/2014 of 26 June on the organisation, supervision and solvency of credit institutions, it is hereby stated for the record that, as the Bank is a credit institution and the other requirements set forth in the aforementioned Additional Provision are met, the consent of the bondholder syndicates for the outstanding debenture and bond issues is not required for the implementation of the Programme Reduction.

- **Update of legal reserve and voluntary reserves**

The excess of the balance of the legal reserve account over an amount equal to 20% of the share capital arising after the implementation of the reduction will be reclassified to the voluntary reserves account once such reduction in capital becomes effective. The excess of the balance of the legal reserve account over the amount equivalent to 20% of the share capital resulting from the capital reductions carried out pursuant to the resolutions adopted at the general meeting held on 1 April 2022 will also become part of the voluntary reserves account.

- **Delegation of powers and authorisation**

The implementation of the Programme Reduction is subject to receipt of the corresponding regulatory approvals required by applicable legal provisions.

The power to establish the terms and conditions of this resolution as to all matters not expressly provided for herein is delegated to the board of directors. Specifically, and for illustrative purposes only, the following powers are delegated to the board of directors:

- (a) To proceed with the implementation of the Programme Reduction and declare the approved Programme Reduction to be closed and executed, determining the cancellation of the shares acquired under the Programme. To determine the reserves against which the excess of the price paid over the nominal value of the shares to be cancelled is to be charged, as well as the reserve provided for in Section 335 of the Spanish Capital Corporations Law.
- (b) To request and obtain from the competent regulators in each case such authorisations, consents or permits as may be necessary for the full implementation of the Programme Reduction.
- (c) To amend the article of the Bylaws relating to capital and the number of shares.
- (d) To take any actions, make any statements or engage in any formalities that may be required in relation to the provision of public information and any actions that may be required before the National Securities Market Commission and the Stock Exchanges on which the shares of the Company are admitted to trading, as well as before the regulators and governing bodies of the markets on which the Company's shares are traded.
- (e) To publish such announcements as may be necessary or appropriate in relation to the Programme Reduction and take all actions necessary for the effective cancellation of the own shares referred to in this resolution.
- (f) To engage in such formalities and take such actions as are necessary and to submit to the competent bodies such documents as may be required such that, once the cancellation of the shares of the Company and the execution of the corresponding capital reduction instrument and the registration thereof with the Commercial Registry have occurred, the cancelled shares will be excluded from trading through the Automated Quotation System (*Sistema de Interconexión Bursátil*) (Continuous Market) on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges and the corresponding book-entry records will be cancelled; and to make such requests and engage in such formalities and actions as may be necessary to exclude the cancelled shares from trading on any other stock exchanges or securities markets on which the Company's shares are or may be listed, in accordance with the procedures established on each such stock exchange or securities market, and to cancel the corresponding book-entry records.
- (g) To take such actions as may be necessary or appropriate to implement and formalise the Programme Reduction before any public or private, Spanish or foreign authorities or agencies, including actions for purposes of statement, supplementation, or correction of defects or omissions that might prevent or hinder the full effectiveness of the preceding resolutions, all on the broadest terms thereof.

Pursuant to the provisions of Section 249bis.l) of the Spanish Capital Corporations Law, the board of directors is expressly authorised to delegate in turn (with the power of substitution when appropriate) to the executive committee and/or to any director with delegated powers, all delegable powers referred to in this resolution, all without prejudice to the representative powers that currently exist or may be granted in relation to this resolution.

Furthermore, and in relation to the current authorisation to acquire own shares that the shareholders approved at the ordinary general shareholders' meeting of 3 April 2020 and to the authorisation for the acquisition of own shares that is submitted for the approval of the shareholders at the general meeting under item 5 C of the agenda and any other authorisation that may hereafter replace it, if approved, it is stated for the record that the shares cancelled pursuant to this resolution are excluded from the calculation corresponding to the aforementioned authorisations.

5 B Reduction in share capital in the maximum amount of EUR 822,699,750.50, through the cancellation of a maximum of 1,645,399,501 own shares. Delegation of powers.

REPORT OF THE BOARD

In compliance with the provisions of Sections 286 and 318 of the Spanish Capital Corporations Law, the board has prepared this report to provide a rationale for the proposal submitted to the shareholders at the general shareholders' meeting under item 5 B of the agenda.

- **Rationale for the proposal.** In the context of the shareholder remuneration that the board may approve for the results of financial year 2023 and subsequent financial years, the board deems it advisable for the Company to have all the necessary mechanisms in place to fully implement and execute the own share buyback programme or programmes for the cancellation of shares that are approved and implemented by the board of directors after the holding of the general shareholders' meeting or to cancel other own shares acquired by other legally permitted means, both with respect to the launch of the programme and the actual cancellation of the shares acquired and the corresponding reduction in share capital, all in an agile and flexible manner, without the need to call and hold a meeting on occasion of each implementation, but always within the limits, terms and conditions established by the Spanish Capital Corporations Law and by the shareholders acting at a general meeting, and after obtaining any relevant regulatory approvals. The main effect of the aforementioned capital reduction will be an increase in the earnings per share of the Company, which will benefit its shareholders.
- **Main terms and conditions of the reduction in share capital**
 - The reduction is proposed in the maximum amount of up to EUR 822,699,750.50, equal to 10% of the share capital of the Bank following the implementation of the capital reduction in the amount of EUR 170,203,286.00 approved by the board of directors on 1 February 2023, in relation to which only the relevant regulatory approvals are pending as at the date of preparation of this report, corresponding to a maximum of 1,645,399,501 shares having a nominal value of fifty euro cents each. Under the proposal submitted to the shareholders, the final amount of the reduction will be set by the board of directors within this maximum limit, depending on the final number of own shares that the board resolves to cancel and that have been acquired by the Bank under the existing authorisation for the acquisition of own shares, as approved by the shareholders at the ordinary general shareholders' meeting of 3 April 2020, or, if approved, the authorisation for the acquisition of own shares submitted for the approval of the shareholders at the general meeting under item 5 C of the agenda, any other resolution that may hereafter replace it, or any resolution of the shareholders at the general meeting relating to the acquisition of own shares.
 - The purpose of the capital reduction is to cancel own shares, such as those that may be acquired within the framework of the shareholder remuneration policy, thereby contributing to the remuneration of shareholders of the Company by increasing earnings per share, which is inherent to the decrease in the number of shares. The reduction is a nominal or write-down reduction, as the implementation thereof will not entail a return of contributions to the shareholders.
 - The reduction must be implemented before the passage of one year or the holding of the next ordinary general meeting, whichever occurs earlier. Upon the expiration of this period, the resolution shall be deprived of effect to the extent of the reduction that has not been implemented by that time. Likewise, the reduction shall be deprived of effect if the board does not exercise the powers delegated thereto in the resolution within the period set by the shareholders for implementation thereof.
 - During this period of effectiveness, the reduction may be implemented in whole or in part, in the manner and on the occasions that the board of directors deems most appropriate, within the limits established in the resolution itself and by law. Furthermore, if the board does not consider it advisable to implement the reduction in view of the circumstances (market conditions, the Bank's conditions, or those arising from significant social or economic facts or events), it may, within said period, submit to the shareholders the possibility of revoking it.

- The capital reduction will not entail the return of contributions to the shareholders, given that, at the time of implementation of the reduction, the Company will be the owner of the shares to be cancelled. The recognition for accounting purposes of the capital reduction is described in the proposal. In this regard, for purposes of Section 335 of the Spanish Capital Corporations Law, it is stated for the record that at the time the reduction is implemented, the board of directors may decide to fund a reserve for amortised capital from the share premium reserve or from another unrestricted reserve if the corresponding regulatory approval is not obtained in an amount equal to the nominal value of the cancelled shares, which may only be used subject to the same requirements as for a reduction in share capital. If such a reserve were to be funded, the creditors' right of opposition set out in Section 334 of said law shall not apply.
- For purposes of the provisions of Section 411 of the Spanish Capital Corporations Law and in accordance with Additional Provision One of Law 10/2014 of 26 June on the organisation, supervision and solvency of credit institutions, it is hereby stated for the record that, as the Bank is a credit institution and the other requirements set forth in the aforementioned Additional Provision are met, the consent of the bondholder syndicates for the outstanding debenture and bond issues is not required for the implementation of the capital reduction.
- It is also proposed to cancel, to the extent necessary and for the part that has not been implemented, the resolution for a reduction in share capital approved by the shareholders at the ordinary general shareholders' meeting held on 1 April 2022 under item 7 D of the agenda. This resolution already establishes that the period for its implementation is the shorter of one year or by the date of the next ordinary general meeting, and that the resolution shall be deprived of effect to the extent of the capital reduction not implemented by the end of such period.
- **Update of legal reserve and voluntary reserves.** The excess of the balance of the legal reserve account over an amount equal to 20% of the share capital arising after the implementation of the reduction will be reclassified to the voluntary reserves once the reduction in capital becomes effective.
- **Delegation of powers.** It is proposed to authorise the board to implement the capital reduction resolution and to decide those matters that have not been expressly established in the proposed resolution or that are a consequence thereof, and to take such actions and execute such public or private documents as may be necessary or advisable for the fullest implementation of the capital reduction. In particular, it is proposed to authorise the board of directors to take the necessary steps and actions so that, once the capital reduction resolution has been implemented, the cancelled shares are delisted from trading on the Spanish and foreign stock exchanges and the corresponding book-entry records are cancelled, in accordance with the procedures established at each of these stock exchanges or securities markets. Furthermore, and in relation to the current authorisation to acquire own shares that the shareholders approved at the ordinary general shareholders' meeting of 3 April 2020, or to the authorisation for the acquisition of own shares that is submitted for the approval of the shareholders at the general meeting under item 5 C of the agenda and any other authorisation that may hereafter replace it, if approved, it is clarified that the shares cancelled pursuant to this resolution are excluded from the calculation corresponding to the aforementioned authorisations.

Finally, it is also proposed that the shareholders authorise the board of directors to delegate to the executive committee and/or any director with delegated powers all the delegable powers referred to in the proposed resolution that is covered by this report.

PROPOSED RESOLUTION

- **Reduction in share capital through the cancellation of own shares**

It is hereby resolved to reduce the share capital of the Bank by up to a maximum amount of EUR 822,699,750.50, equal to 10% of the share capital of the Bank following the implementation of the capital reduction in the amount of EUR 170,203,286.00 approved by the board of directors on 1 February 2023, in relation to which only the relevant regulatory approvals are pending as at the date of formulation of this proposed resolution, corresponding to a

maximum of 1,645,399,501 shares having a nominal value of fifty euro cents each, through the cancellation of the own shares acquired by the Company under the current authorisation to acquire own shares approved by the shareholders at the ordinary general shareholders' meeting of 3 April 2020, or, if approved, the authorisation for the acquisition of own shares that is submitted for the approval of the shareholders at the general meeting under item 5 C of the agenda, any other resolution that may hereafter replace it, or any resolution of the shareholders relating to the acquisition of own shares, all pursuant to the provisions of applicable law and regulations and after obtaining any relevant regulatory approvals (the "**Capital Reduction**").

It is also proposed to cancel, to the extent necessary and for the part that has not been implemented, the resolution for a reduction in share capital approved by the shareholders at the ordinary general shareholders' meeting held on 1 April 2022 under item 7 D of the agenda.

- **Implementation period**

The period for implementation of this resolution shall be the shorter of one year or by the date of the next ordinary general meeting, and this resolution shall be deprived of effect to the extent of the capital reduction not implemented by the end of such period

During the effective period of the authorisation, the Capital Reduction may be implemented in whole or in part in the manner and on the occasions that the board of directors or, by delegation thereof, the executive committee and/or any director with delegated powers, deems most appropriate, within the limits established in this resolution and by law. Notwithstanding the foregoing, if the board of directors (with express powers of substitution to the executive committee or any director with delegated powers) does not consider it advisable to implement the Capital Reduction within the aforementioned period in consideration of market conditions, conditions of the Bank itself or those arising from any significant social or economic fact or event, it may submit to the shareholders the possibility of revoking it.

The Capital Reduction shall also be deprived of all effect if the board of directors, or by substitution, the executive committee or any director with delegated powers, does not exercise the powers delegated thereto within the period set by the shareholders for the implementation thereof, in which case this will be reported to the shareholders at the next general meeting to be held.

- **Final amount**

The final amount of the Capital Reduction shall be set by the board of directors or, by delegation, by the executive committee and/or any director with delegated powers, within the maximum limit set forth above, based on the final number of own shares that the board of directors (or, by delegation, the executive committee and/or any director with delegated powers) cancels pursuant to the provisions of this resolution.

- **Purpose of the Capital Reduction**

The purpose of the Capital Reduction is to cancel own shares, such as those that may be acquired within the framework of the shareholder remuneration policy, that is supported by the increase in the earnings per share, inherent to the decrease in the number of shares. This reduction is a nominal or write-down reduction, as the implementation thereof will not entail a return of contributions to the shareholders.

- **Reserves to which the Capital Reduction will be charged**

The cancellation of own shares to implement the Capital Reduction will be booked to the reduction of share capital by an amount equivalent to the nominal value of the shares cancelled, and the excess, up to the price paid for their acquisition, will be charged against the share premium reserve or against other unrestricted reserves accounts.

Furthermore, for purposes of Section 335 of the Spanish Capital Corporations Law, it is stated for the record that at the time the Capital Reduction is implemented, the board of directors may resolve to fund a reserve for amortised capital from the share premium reserve or, in the absence of regulatory authorisation, from other unrestricted reserves accounts in an amount equal to the nominal value of the cancelled shares, which may only be used subject to the same requirements as for a reduction in share capital. Pursuant to Section 335 c) of the Spanish Capital

Corporations Law, if such a reserve were to be funded, the creditors' right of opposition set out in Section 334 of said law shall not apply.

For purposes of the provisions of Section 411 of the Spanish Capital Corporations Law and in accordance with Additional Provision One of Law 10/2014 of 26 June on the organisation, supervision and solvency of credit institutions, it is hereby stated for the record that, as the Bank is a credit institution and the other requirements set forth in the aforementioned Additional Provision are met, the consent of the bondholder syndicates for the outstanding debenture and bond issues is not required for the implementation of the Capital Reduction.

- **Update of legal reserve and voluntary reserves**

The excess of the balance of the legal reserve account over an amount equal to 20% of the share capital arising after the implementation of the reduction will be reclassified to the voluntary reserves account once the reduction in capital becomes effective.

- **Delegation of powers**

Delegation to the board of directors of the power to establish the terms and conditions of this resolution as to all matters not expressly provided for herein. Specifically, and for illustrative purposes only, the following powers are delegated to the board of directors:

- (a) To determine the number of shares to be cancelled in each implementation, with the power to decide to refrain from implementing the resolution in whole or in part if no acquisition of own shares for cancellation ultimately occurs or if, the shares having been acquired, it is advisable to refrain from doing so in the corporate interest due to market conditions, conditions of the Bank itself or any significant social or economic condition. All of the foregoing shall be reported to the shareholders at the general meeting.
- (b) To declare executed each of the implementations of the Capital Reduction to be finally approved, setting, where appropriate, the final number of shares to be cancelled in each implementation, and therefore the amount by which the share capital of the Company must be reduced in each implementation, all subject to the limits established in this resolution. To determine the reserves against which the excess of the price paid over the nominal value of the shares to be cancelled is to be charged. To resolve to fund a reserve for amortised capital in an amount equal to the nominal value of the cancelled shares, for purposes of the provisions of Section 335 of the Spanish Capital Corporations Law.
- (c) To request and obtain from the competent regulators in each case such authorisations, consents or permits as may be necessary for the full implementation of the Capital Reduction.
- (d) To amend the article of the Bylaws relating to capital and the number of shares.
- (e) To take any actions, make any statements or engage in any formalities that may be required in relation to the provision of public information and any actions that may be required before the National Securities Market Commission and the Stock Exchanges on which the shares of the Company are admitted to trading, as well as before the regulators and governing bodies of the markets on which the Company's shares are traded.
- (f) To publish such announcements as may be necessary or appropriate in relation to the Capital Reduction and each implementation thereof and take all actions necessary for the effective cancellation of the own shares referred to in this resolution.
- (g) To engage in such formalities and take such actions as are necessary and to submit to the competent bodies such documents as may be required such that, once the cancellation of the shares of the Company and the execution of the corresponding capital reduction instrument and the registration thereof with the Commercial Registry have occurred, the cancelled shares will be excluded from trading through the Automated Quotation System (*Sistema de Interconexión Bursátil*) (Continuous Market) on the Madrid, Barcelona, Bilbao and Valencia Stock

Exchanges and the corresponding book-entry records will be cancelled; and to make such requests and engage in such formalities and actions as may be necessary to exclude the cancelled shares from trading on any other stock exchanges or securities markets on which the Company's shares are or may be listed, in accordance with the procedures established on each such stock exchange or securities market, and to cancel the corresponding book-entry records.

- (h) To take such actions as may be necessary or appropriate to implement and formalise the Capital Reduction before any public or private, Spanish or foreign authorities or agencies, including actions for purposes of statement, supplementation, or correction of defects or omissions that might prevent or hinder the full effectiveness of the preceding resolutions, all on the broadest terms thereof.

Pursuant to the provisions of Section 249bis.l) of the Spanish Capital Corporations Law, the board of directors is expressly authorised to delegate in turn (with the power of substitution when appropriate) to the executive committee and/or to any director with delegated powers, all delegable powers referred to in this resolution, all without prejudice to the representative powers that currently exist or may be granted in relation to this resolution.

Furthermore, and in relation to the current authorisation to acquire own shares that the shareholders approved at the ordinary general shareholders' meeting of 3 April 2020 and to the authorisation for the acquisition of own shares that is submitted for the approval of the shareholders at the general meeting under item 5 C of the agenda and any other authorisation that may hereafter replace it, if approved, it is stated for the record that the shares cancelled pursuant to this resolution are excluded from the calculation corresponding to the aforementioned authorisations.

5 C Authorisation for the Bank and its subsidiaries to be able to acquire own shares.

REPORT OF THE BOARD

The board has prepared this report to provide a rationale for the proposal submitted to the shareholders at the general shareholders' meeting under item 5 C of the agenda:

- **Potential acquisition of own shares and limits.** The purpose of the proposal is to provide the group with an instrument allowed by current corporate law so that it is in a position to acquire own shares of the Company at all times, subject to legal limits and requirements, up to a maximum number of shares equal to 10% of the share capital existing at any time or such higher maximum percentage as is established by law while this authorisation is in effect.
- **Period:** 5 years following the date of the general meeting.
- **Acquisition price.** The maximum price per share may not exceed the higher, increased by 3%, of the price of the last independent purchase or the highest independent offer at that time at the trading venue where the purchase is made. The minimum price shall be the nominal value.
- **Purpose.** The board considers it highly appropriate to have the approval to acquire own shares of the Company for any of the following main purposes:
 - (i) *Discretionary management of own shares.* The performance of discretionary trading in treasury shares for the purposes of:
 - providing liquidity or a supply of securities, as applicable, in the market of the shares of the Bank, giving depth to such market and minimising possible temporary imbalances between supply and demand; and
 - benefiting shareholders as a whole, taking advantage of situations of weakness in the price of the shares in relation to prospects of changes in the medium term.

- (ii) *Share buyback programmes.* The implementation of new share buyback programmes targeted at all shareholders pursuant to Article 5 of the Market Abuse Regulation and Delegated Regulation 2016/1052, or implemented through another buyback mechanism or procedure with a similar purpose.

Within the context of the Bank's current shareholder remuneration policy and in line with the buyback programmes initiated by the Bank from 2021 to date, such buyback programmes or procedures may be aimed at a subsequent reduction in the share capital of the Company through the cancellation of the acquired shares.

- (iii) *Other purposes.* The acquisition of shares to be used for other purposes or through other procedures that the board of directors deems appropriate from time to time, within the legal limits and those set by the shareholders at a general meeting.

In view of customary market practices and recent experiences, these purposes would include but not be limited to acquisitions of own shares to be subsequently used in any of the following contexts:

- (a) delivery to implement the exchange of financial instruments or other liabilities that are exchangeable for those shares;
- (b) delivery as consideration in corporate acquisitions;
- (c) donation to Fundación Banco Santander (or to other non-profit entities that may be designated in the future) in the context of Grupo Santander's Responsible Banking policy; or
- (d) direct delivery to employees and directors of the Company and its Group, for use in relation to or to cover the option rights held by such employees or directors.

In these situations, purchases may be implemented by means of any buyback procedure if so approved, and particularly, in the circumstances indicated in (a) and (d) above, as a buyback programme as provided for in Article 5 of the Market Abuse Regulation and of Delegated Regulation 2016/1052, among others.

In any case, the board of directors may at each time decide on the manner and the procedure by which the transactions in own shares are carried out.

- **Revocation of prior authorisation.** It is proposed to renew the authorisation granted to the board of directors by the shareholders acting at the ordinary general shareholders' meeting of 3 April 2020 for the acquisition of own shares and to approve a new authorisation, also for a five-year period, depriving of effect, to the extent not used, the authorisation granted under resolution Five II) adopted at the ordinary general shareholders' meeting held on 3 April 2020.

PROPOSED RESOLUTION

- **Revocation of prior authorization**

To deprive of effect, to the extent not used, the authorisation granted by resolution Five II) of the shareholders acting at the ordinary general shareholders' meeting of 3 April 2020 for the derivative acquisition of treasury shares by the Bank and by the subsidiaries making up the Group.

- **New authorisation. Requirements and limits**

To expressly authorise the Bank and the subsidiaries making up the Group to be able to acquire shares representing the share capital of the Bank by any legally admissible instrument, for the application and purpose established in this resolution, subject to legal limits and requirements, up to a maximum number of shares equal to 10% of the share capital existing at any time or such higher maximum percentage as may be established by law while this authorisation is in effect.

If the acquisition is for consideration, the maximum price per share may not exceed the higher, increased by 3%, of the price of the last independent purchase or the highest independent offer at that time at the trading venue where the purchase is made. The minimum price shall be the nominal value.

This authorisation may be used within a term of five years as from the date the general shareholders' meeting is held.

- **Application and purpose**

Shares may be acquired pursuant to this authorisation both in order to transfer them by any means or to cancel them, and in order to apply them to the remuneration systems contemplated in the third paragraph of letter a) of number 1 of Section 146 of the Spanish Capital Corporations Law (*Ley de Sociedades de Capital*), or to hedge any remuneration system to be settled in shares or linked to share capital.

Furthermore, within the framework of this authorisation, the board of directors may approve the launch of buyback programmes addressed to all shareholders in accordance with Article 5 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 supplementing the Regulation on market abuse with regard to regulatory technical standards for the conditions applicable to buyback programmes and stabilisation measures or in accordance with another buyback mechanism or procedure with a similar purpose. Such buyback programmes may be aimed at a subsequent reduction in the share capital of the Company through the cancellation of the acquired shares, following a resolution of the shareholders at a general shareholders' meeting, or any other purpose established by applicable law. This authorization also allows the implementation of the buyback programmes approved by the board before the adoption of this resolution based on the authorisation granted by the ordinary general shareholders' meeting held on 3 April 2020 through resolution Five II), and which, as of the date this resolution is adopted, have not been completed.

The authorisation may also be used to acquire own shares for other purposes or through other procedures decided from time to time by the board of directors, which for this purpose may also decide on the manner and the procedure by which the transactions in own shares are carried out.

5 D Delegation to the board of the power to issue securities convertible into shares of the Bank within a 5-year period and subject to a maximum aggregate limit of EUR 10,000 million. Setting of standards to determine the bases for and terms and conditions applicable to the conversion and granting of powers to increase capital. Delegation to exclude pre-emptive rights.

REPORT OF THE BOARD

In compliance with the provisions of Sections 286, 296.1, 297.1.b), 417, 510 and 511 of the Spanish Capital Corporations Law, the board has prepared this report to provide a rationale for the proposal submitted to the shareholders at the general shareholders' meeting under item 5 D of the agenda:

- **Potential issuance of securities convertible into shares of the Bank.** The purpose of the proposal is to provide the Bank with an instrument established by current corporate law so that it is at all times in a position to raise funds on the primary securities markets that are necessary for proper management of the corporate interests. Specifically, the approval of this proposal would grant the board the manoeuvrability and responsiveness that is required by the competitive environment in which the Bank operates, where the success of a given transaction or of a strategic initiative often depends on the ability to carry it out promptly, without the delays and costs that a new call to and holding of a general shareholders' meeting inevitably entails.

In addition to the foregoing reasons, the board believes it highly appropriate to have the delegated powers set forth in the proposal submitted under item 5 D of the agenda, in view of the regulatory framework that governs the Bank's

activities. In accordance with the solvency and equity framework defined by applicable regulations (particularly the regulatory framework in Europe known as "Basel III"), the Bank is subject, on an individual and consolidated basis, to compliance with: (i) regulatory minimum capital requirements ("Pillar 1"); (ii) a specific capital requirement ("Pillar 2R"); (iii) an additional requirement known as the "combined buffer requirement"; and (iv) since 1 January 2023 and given its condition of Global Systemically Important Institutions, an additional capital buffer requirement in the leverage ratio.

Although the Bank currently meets all of these requirements comfortably and has sufficient issues of specific instruments to efficiently address its legal requirements, the board believes it appropriate to have the delegated powers to be able to issue new securities that may be computed as regulatory capital, in order to strengthen its ratios and maintain appropriate management margins beyond the requirements that may apply to it at any time and that contribute to the Bank being able to strengthen and preserve a sound capital position for the Bank and its group at all times.

Pursuant to the proposed delegation, the board would have powers so that the Bank could issue debentures, bonds, preferred interests and other fixed-income securities or debt instruments of a similar nature (including warrants) that are convertible into shares of the Bank, in accordance with the terms of the proposal.

- **Period for exercise of the delegated powers.** The proposal envisages the directors being able to issue securities convertible into shares of the Bank on one or more occasions within a five-year period.
- **Maximum aggregate amount.** The aggregate maximum amount of the issuances of securities to be made under the delegation is EUR 10,000 million or the equivalent thereof in another currency.
- **Standards for determining conversion bases and terms and conditions.** The proposal establishes the standards for determining the conversion bases and terms and conditions. In particular, the proposal sets out aspects including the following: (i) the securities issued pursuant to the delegation will be valued at their nominal value; (ii) a fixed or variable conversion ratio may be established, stating for each alternative the applicable standards for determining the minimum price per share; and (iii) debentures may not be issued for an amount that is lower than their nominal value or converted into shares of the Bank if the nominal value of the debentures is lower than that of the shares.

It also provides for the possibility of establishing a premium or discount on the share price in the case of a variable conversion ratio, albeit limited to 30%. This possibility provides the board with sufficient manoeuvrability to set the variable conversion ratio in accordance with market circumstances and with the other considerations to be taken into account by the board, albeit limited so as to ensure that the issue price of the shares in the case of conversion, if a discount is granted, does not differ by more than 30% from the market value of the shares at the time of conversion.

The proposal entrusts to the board the specification of some of the bases and terms and conditions for each issuance, within the limits of, and in accordance with, the standards established by the shareholders acting at the meeting. As a result, the board will determine the specific conversion ratio for an issuance. For this purpose, when approving an issuance of securities of this nature pursuant to the authorisation submitted for approval at the general meeting, the board shall draw up a directors' report identifying matters including the specific conversion bases and terms and conditions applicable to that issuance, in accordance with applicable law. When it is deemed appropriate or required pursuant to applicable law, the Bank shall obtain an independent report from an expert other than its external auditor in relation to the corresponding issuance.

- **Admission to trading.** The proposal envisages the adoption of the resolutions required so that the securities that are issued by virtue of this delegation may be admitted to trading on any secondary market or at any trading venue, whether organised or not, official or unofficial, domestic or foreign.
- **Authorisation to increase capital.** The proposal submitted for the approval of the shareholders at the general meeting also contemplates authorising the board to be able to approve the necessary increase in capital to accommodate the conversion of the securities that have been issued. The increase in capital that the board wishes to implement to accommodate the issuance of convertible securities may not exceed, added to any increases that may

have been approved pursuant to authorisations granted by the shareholders at a general shareholders' meeting, one-half of the amount of share capital, in accordance with the provisions of Section 297.1.b) of the Spanish Capital Corporations Law. This means that the increases in capital that are necessary to accommodate the conversion of convertible securities shall be deemed to be included within the limit available at any time under the authorisation to increase the share capital approved by the shareholders at the general shareholders' meeting of 1 April 2022 under item 7 A of the agenda, or any other authorisation that may replace it.

- **Exclusion of pre-emptive rights.** As permitted by Sections 417, 506 and 511 of the Spanish Capital Corporations Law, the board is given the power to exclude, in whole or in part, the pre-emptive rights of the shareholders, where such exclusion is required to obtain funds in the markets or is otherwise justified in the corporate interest.

- (i) **Ability.** The board of directors believes that this additional option significantly expands the manoeuvrability and responsiveness offered by the simple delegation of the power to issue convertible securities.

The total or partial exclusion of pre-emptive rights is a power that the shareholders at the general shareholders' meeting give to the board, which, in view of the circumstances and taking account of any legal requirements, may decide whether or not to exercise it at any time.

If the board decides to eliminate pre-emptive rights with respect to a specific issuance that it decides to make within the scope of the authorisation requested at the general meeting, the board shall issue a report detailing the reasons of corporate interest that justify the measure, which shall be the subject of the corresponding report of an independent expert (other than the Bank's external auditor) appointed by the Commercial Registry, when voluntarily requested by the Bank or required pursuant to applicable law, as provided in Sections 414, 417 and 511 of the Spanish Capital Corporations Law. Said reports shall be made available to the shareholders and shall be communicated to them at the first general shareholders' meeting held after the adoption of the issuance resolution and shall be included on the Bank's corporate website.

- (ii) **Rationale.** The exclusion of pre-emptive rights may be justified by several reasons, which may include the following

- *Flexibility and agility.* Sometimes it is necessary to act quickly in financial markets in order to take advantage of the most favourable conditions. This happens, for example, when obtaining funds in international markets, where the quality and prestige of the Bank, along with the large volume of resources traded on such financial markets, and the agility and speed with which action is taken on them, make it possible to obtain a large volume of funds under very favourable conditions, provided that it is possible to carry out an issuance in such markets at the most appropriate time, which cannot be determined a priori.
- *Reduction in costs.* The elimination of pre-emptive rights tends to reduce the costs associated with the transaction (especially the fees of the financial institutions participating in the issue) as compared to an issue with pre-emptive rights.
- *Less distortion.* The elimination of pre-emptive rights normally reduces distortion in trading in the Company's shares during the issue period, which also tends to be shorter than for an issue with such rights.
- *Optimal raising of funds.* The exclusion may be necessary when it is planned to raise funds in international markets or through the use of bookbuilding. Also when equity instruments are issued that can be computed as own funds, as additional provision four of the current Securities Market Law requires that at least 50% of the issuance be placed among professional investors (the achievement of which percentage could not be ensured if pre-emptive rights were not excluded).

- (iii) **Maximum limit.** The proposal envisages that pre-emptive rights may only be excluded to the extent that the board, adding together the capital that is increased in order to cover the issuance of convertible debentures and, if applicable, any other increases in capital that may have been approved within the scope of authorisations granted by the shareholders at the general shareholders' meeting, does not exceed the limit of 10% of the share

capital amount, in accordance with the provisions of the authorisation to increase share capital approved by the shareholders at the general shareholders' meeting of 1 April 2022 under item 7 A of the agenda, with the exception stated below.

- (iv) Issue of CoCos and maximum limit. Among other instruments, solvency rules provide for the ability to compute the following issues as additional tier 1 equity instruments and, therefore, as eligible for compliance with the solvency requirements: (a) those that are perpetual or that have no conversion and/or repayment period; and (b) those under which conversion is contingent and contemplated to meet regulatory requirements for the computability of the securities issued as equity instruments pursuant to the solvency regulations applicable at any time ("**Contingently Convertible Issues**" or "**CoCos**"); so long as provision is made, among other characteristics, for their contingent conversion into newly-issued shares when the solvency ratios fall below a pre-established threshold.

This possibility allows credit institutions to meet their solvency requirements in a more flexible manner and under more suitable financial and capital management conditions, such that the issue of these types of securities that are contingently convertible has become a customary practice at many credit institutions, including the Bank, and independently of the fact that the equity ratios, both individual and consolidated, are higher than those applicable, as in the case of the Bank. For this reason, and in line with Additional Provision Fifteen of the Spanish Capital Corporations Law, it is considered appropriate that issues of CoCos should not be counted for the purposes of the general limit of 10% of share capital for issues where pre-emptive rights are excluded. Instead, the general limit of one-half of the share capital existing on the date of the authorisation shall apply.

- **Warrants and convertible and exchangeable securities.** The proposed resolution also provides that the rules established in connection with the issuance of convertible fixed-income securities shall apply, *mutatis mutandis*, in the event of the issuance of warrants or similar securities that might entitle the holders thereof, directly or indirectly, to subscribe for newly-issued shares of the Bank; the delegated authority includes the broadest powers, with the same scope as described therein, to decide all matters the board deems appropriate in connection with those kinds of securities.

It is appropriate to state that those issuances of securities that do not include the possibility of conversion into shares of the Bank are not governed by this delegation; the board has the power to approve resolutions on all issues concerning those issuances, in accordance with the law and pursuant to the resolution approved by the shareholders at the general meeting of the Bank of 26 March 2021 under item Five A of the agenda. For their part, issuances of convertible and exchangeable securities will be governed by the provisions of this authorisation, and it will be possible to establish that the Bank reserves the right to choose at any time between converting them into newly-issued shares of the Bank or exchanging them for outstanding shares. The Bank may also opt to deliver a combination of newly-issued shares and outstanding shares, always ensuring that all the holders of securities which are converted or exchanged on the same date are treated equally.

- **Revocation of prior authorisation.** The proposed revocation, to the extent not used, of resolution Seven II) adopted by the shareholders at the ordinary general shareholders' meeting of 12 April 2019 is due to the board's belief that it is appropriate to renew, on the terms stated above, the current authorisation to issue securities convertible into shares of the Company, which would expire on 12 April 2024, to ensure that regardless of when the ordinary general meeting is held in 2024, the Bank will at all times have an authorisation in effect to issue convertible securities.

PROPOSED RESOLUTION

- **Revocation of prior authorisation**

To rescind and deprive of effect, to the extent unused, the authorisation granted pursuant to resolution Seven II) approved at the ordinary general shareholders' meeting of 12 April 2019.

- **New authorisation**

To again authorise the board of directors, as broadly as may be necessary under the law:

- (i) so that it can issue, as provided in the general regime for the issuance of debentures and pursuant to the provisions of Section 319 of the Regulations of the Commercial Registry:
 - debentures, bonds, preferred interests and other fixed-income securities or debt instruments of a similar nature in any of the forms admitted by law and that are convertible into shares of the Bank, including warrants or other similar securities that may provide a direct or indirect entitlement to subscribe for shares of the Bank, to be settled by physical delivery or set-off;
 - on one or more occasions, at any time, within a period of 5 years from the date of this meeting;
 - in the maximum amount of EUR 10,000 million or its equivalent in another currency, taking into account for the calculation of that limit in the case of warrants the sum of the premiums of the warrants under each issuance approved pursuant to the powers delegated hereby (or in the case of warrants payable by physical delivery, the sum of premiums and exercise prices);
- (ii) determining the amount of each issuance, always within the stated overall quantitative limit; the -domestic or foreign- place of issuance and the currency and, if it is foreign, the equivalent thereof in euros; the denomination, whether bonds (*bonos*), debentures (*obligaciones*), preferred interests (*participaciones preferentes*) or any other denomination permitted by law (including equity instruments among those contemplated by Articles 51 to 55 or 62 to 65 of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms; the issuance date(s); whether the securities are mandatorily, contingently or voluntarily convertible, and if voluntarily, whether at the option of the holder of the securities or the issuer; the interest rate, dates and procedures for payment of the coupon; whether they are to be callable or not (including, if applicable, the possibility of redemption by the issuer) and, if applicable, the redemption period and events of redemption (in whole or in part), whether they are to be with or without a maturity date and, in the former case, the maturity date; the type of repayment, premiums and tranches; guarantees, including mortgages; form of representation, whether certificated or as book entries; the number of securities and the nominal value thereof, which, in the case of convertible securities, shall not be less than the nominal value of the shares; pre-emptive rights, if any, and subscription procedure; applicable law, whether domestic or foreign; the application, if any, for admission to trading on official or unofficial, organised or unorganised, domestic or foreign secondary markets or trading venues of the securities that are issued in compliance with the requirements in each case established by applicable laws and regulations; and, in general, any other condition applicable to the issuance (the foregoing list of powers hence being descriptive and not exhaustive), and, if applicable, appointing the Examiner (*Comisario*) and approving the basic rules that are to govern the legal relations between the Bank and the Syndicate, if any and allowed, of holders of the securities that are issued, and designating and to the extent necessary removing all persons or entities who must be involved in the issuances, including but not limited to placement entities, listing and payment agents, and formalising such contracts, agreements or other documents as may be necessary with those entities, establishing their fees or the terms of their remuneration;
- (iii) also, in each case, deciding the conditions for repayment of the securities issued in reliance on this authorisation, including the power to use, to the extent applicable, the redemption means referred to in Section 430 of the Spanish Capital Corporations Law or any other means that may be appropriate. In addition, the board of directors is authorised, whenever it deems appropriate, and subject to the necessary official authorisations being obtained as well as, if required, approval at the Meetings of the respective Syndicates or bodies representing the holders of the securities, to modify the conditions for repayment of the securities issued and the maturity thereof, as well as the interest rate, if any, of those included in each of the issuances made pursuant to this authorisation;

- (iv) within the scope of the provisions of Sections 308, 417 and 511 of the Spanish Capital Corporations Law, to totally or partially exclude the pre-emptive rights of the shareholders when such exclusion is required to obtain funds in international markets, for the use of bookbuilding techniques, or when it is in any other manner justified by the Company's interest within the framework of a specific issuance of convertible securities, subject to the obligation, in the event that the board decides to use this power to exclude pre-emptive rights, to prepare, at the time of approving the issuance and in accordance with applicable law, a report detailing the specific reasons of corporate interest that justify such measure, which may be subject to the corresponding report of an independent expert (other than the Bank's external auditor) appointed by the Commercial Registry, when voluntarily requested by the Bank or required pursuant to applicable law, as provided in Sections 414, 417 and 511 of the Spanish Capital Corporations Law. The directors' report and any independent expert's report shall be made available to the shareholders and communicated to them at the first general meeting held after the adoption of the issuance resolution, and they shall be immediately included on the Bank's corporate website;
- (v) to increase the share capital in the amount required to accommodate conversion requests, being able to exercise this power to the extent that the board, adding together the capital that is increased in order to cover the issuance of convertible debentures and, if applicable, any other increases in capital that may have been approved within the scope of authorisations granted by the shareholders at the general shareholders' meeting, does not exceed the limit of one-half of the share capital amount specified in Section 297.1.b) of the Spanish Capital Corporations Law or 10% of such total amount of share capital if the pre-emptive rights of the shareholders are excluded in the issuance of the convertible securities. This authorisation to increase capital includes authorisation to issue and float, on one or more occasions, the shares representing such capital that are necessary to implement the conversion, as well as authorisation to amend the text of the article of the Bylaws relating to the amount of share capital and, if applicable, to rescind the portion of such increase in capital that was not needed for a conversion into shares; and
- (vi) to apply, when appropriate, for admission to trading of the securities issued pursuant to the powers delegated hereby on official or unofficial, organised or unorganised, domestic or foreign secondary markets or trading venues, with the board of directors being authorised to carry out such formalities and activities before the competent authorities of the various domestic or foreign securities markets as may be necessary for admission to listing.

At subsequent general shareholders' meetings held by the Bank, the board of directors shall inform the shareholders of the use that has been made of this delegated power until that time.

- **Conversion bases and terms and conditions**

The following standards are established for purposes of determining the bases and terms and conditions for the conversion of convertible securities that are issued pursuant to this authorisation:

- (i) Securities issued pursuant to this resolution shall be convertible into new shares of the Bank in accordance with a conversion ratio that may be fixed (determined or determinable) or variable (in which case, it may include maximum and/or minimum limits on the conversion price), with the board of directors being authorised to determine whether they are mandatorily, contingently or voluntarily convertible, and if voluntarily, whether at the option of their holder or of the issuer, at the intervals and during the maximum term established in the issuance resolution, which shall not exceed fifty (50) years from the date of issuance. Such maximum term shall not apply to securities without a maturity date that are convertible.
- (ii) In the case of a fixed conversion ratio, for purposes of the conversion, the fixed-income securities shall be valued at their nominal amount and the shares shall be valued at the exchange rate determined in the resolution of the board of directors making use of this delegation, or at the exchange rate determinable on the date or dates specified in the resolution of the board, and based on the listing price of the Bank's shares on the Stock Exchange on the date(s) or during the period(s) taken as a reference in such resolution, with or without a premium or with or without a discount, and in any case subject to a minimum of the greater of (a) the average (whether arithmetic

or weighted) exchange rate for the shares on the Continuous Market of the Spanish Stock Exchanges, based on closing prices, average prices or other listing reference, during a period to be determined by the board that shall not be greater than three months nor less than three calendar days and which shall end no later than the day prior to the adoption by the board of the resolution providing for the issuance of the reference securities, and (b) the exchange rate for the shares on such Continuous Market according to the closing price on the day preceding the day of adoption of such issuance resolution.

- (iii) The issuance of convertible fixed-income securities at a variable conversion ratio may also be approved. In such case, the price of the shares for purposes of the conversion shall be the arithmetic or weighted mean of the closing prices, average prices or other listing reference for the shares of the Company on the Continuous Market during a period to be determined by the board of directors, which shall not be greater than three months nor less than three calendar days and which shall end no later than the day prior to the date of conversion, as applicable, with a premium or a discount on such price per share. The premium or discount may be different for each conversion date under each issuance (or under each tranche of an issuance, if any), provided, however, that if a discount is set on the price per share, such discount may not be greater than 30%. Additionally, a minimum and/or maximum reference price may be set for the shares for purposes of the conversion thereof upon the terms established by the board.
- (iv) If the issuance is convertible and exchangeable, the board may also provide that the issuer reserves the right to choose at any time between conversion into newly-issued shares or exchange for outstanding shares, specifying the nature of the shares to be delivered at the time of the conversion or exchange, and may also choose to deliver a combination of newly-issued shares and existing shares. In any event, the issuer must respect equality of treatment among all of the holders of the fixed-income securities that are converted or exchanged on the same date.
- (v) Upon conversion, the fractional shares that may need to be delivered to the holder of the debentures shall be rounded by default to the immediately lower whole number. The board shall decide whether any difference that might result should be paid to each holder in cash.
- (vi) Under no circumstances shall the value of the shares for the purposes of the ratio for the conversion of the debentures into shares be lower than the nominal value thereof. Pursuant to the provisions of Section 415.2 of the Spanish Capital Corporations Law, debentures shall not be converted into shares if the nominal value of the former is lower than that of the latter. Convertible debentures shall likewise not be issued for an amount lower than their nominal value.

Upon approval of an issuance of convertible securities pursuant to the authorisation granted by the shareholders at the meeting, the board of directors shall prepare a directors' report further developing and specifying the bases for and terms and conditions of the conversion that are specifically applicable to such issuance, based on the above-described standards. This report shall be supplemented, when the Bank deems it appropriate or when required by applicable law, by the report of an independent expert (other than the Bank's external auditor) referred to in Sections 414, 417, 510 and 511 of the Spanish Capital Corporations Law. Said reports shall be made available to the shareholders and shall be communicated to them at the first general shareholders' meeting held after the adoption of the issuance resolution and shall be included on the Bank's corporate website.

- **Issue of CoCos and maximum limit**

For the purposes of the limit available for the total or partial exclusion of pre-emptive rights (10% of the Bank's current share capital), issues shall not be computed if they are perpetual or have no conversion and/or repayment period and under which conversion is contingent and contemplated to meet regulatory requirements for the computability of the securities issued as equity instruments pursuant to the solvency regulations applicable at any time ("**Contingently Convertible Issues**" or "**CoCos**") in which pre-emptive rights are excluded and which may be approved pursuant to this delegation. Pursuant to Additional Provision Fifteen of the Spanish Capital Corporations

Law, the general limit of 50% of the Bank's share capital shall apply to increases in capital carried out to cover the conversion of such issues if pre-emptive rights are excluded.

- **Convertible warrants**

The above rules, including in particular those relating to powers to increase share capital, exclude pre-emptive rights and determine the conversion bases and terms and conditions, shall apply, *mutatis mutandis*, in the event that warrants or other similar securities are issued that might entitle the holders thereof, directly or indirectly, to subscribe for newly-issued shares of the Bank; the delegation includes the broadest powers, with the same scope as established therein, to decide on all matters it deems appropriate in connection with those kinds of securities

- **Authorisation to delegate**

The board of directors is authorised to delegate in turn (with the power of substitution when so appropriate) to the executive committee or to any director with delegated powers those delegable powers granted pursuant to this resolution, all without prejudice to the representative powers that currently exist or may be granted in relation to this resolution.

6 Remuneration.

Each of the proposals formulated under items 6 A through 6 F shall be submitted to a separate vote.

6 A Directors' remuneration policy.

REASONED PROPOSAL OF THE BOARD

In compliance with the provisions of subsection 4 of Section 529 *novodecies* of the Spanish Capital Corporations Law (*Ley de Sociedades de Capital*), the board has prepared this reasoned proposal for purposes of the proposed approval of the remuneration policy of the directors of the Bank (the "**Remuneration Policy**") that is submitted to the shareholders at the general shareholders' meeting under item 6 A of the agenda.

The text of the Remuneration Policy arises from the report and the proposal received from the remuneration committee, with which the board concurs in all the terms thereof, has been prepared as required by Section 529 *novodecies* of the Spanish Capital Corporations Law, and appears in sections 6.4 and 6.5 of the "Corporate governance" chapter of the consolidated directors' report included in the 2022 annual report available on the corporate website (www.santander.com) since the date of the call to meeting and which is also available to the shareholders for delivery or mailing free of charge.

- **Period of application.** The period covered by the Remuneration Policy includes financial year 2023, as from the time it is approved, as well as financial years 2024 and 2025.
- **Remuneration of directors in their capacity as such.** The Remuneration Policy sets forth the remuneration system for the directors in their capacity as such, including mention of the maximum annual amount to be paid to all of the directors in such capacity and the criteria for distribution thereof among the directors. This remuneration is consistent with the provisions of Article 58 of the Bylaws and Article 33 of the Rules and Regulations of the Board and with the proposed establishment of the maximum amount of such remuneration submitted to the shareholders at the general shareholders' meeting under the following item of the agenda.
- **Remuneration for performance of executive duties.** The Remuneration Policy describes the remuneration to be received by the executive directors for the performance of executive duties. This remuneration (as well as the manner in which it is described in said policy) complies with the requirements established by the Spanish Capital Corporations

Law and with the principles and rules set forth in the Company's Bylaws and Rules and Regulations of the Board, as well as with such existing provisions as are especially applicable to the directors of the Company because of the status thereof as a credit institution (primarily, Law 10/2014 of 26 June on the organisation, supervision and solvency of credit institutions, Circular 2/2016 of 2 February of Banco de España to credit institutions on supervision and solvency, which completes the adjustment of the Spanish legal system to Directive 2013/36/EU and to Regulation (EU) no 575/2013, and other related provisions).

- **Assessment by the board.** The board believes that the Remuneration Policy proposed for approval is reasonably in proportion to the importance of the Company, is in line with the economic and financial situation thereof and is consistent with market standards at comparable companies. Furthermore, the factors that affect the various components of remuneration for the performance of executive duties are aligned with the Company's strategy, objectives, values and interests over the long term and with an appropriate and effective management of risks, without offering incentives to assume risks that exceed the level tolerated by the Company.

PROPOSED RESOLUTION

To approve, pursuant to the provisions of Section 529 *novodecies* of the Spanish Capital Corporations Law (*Ley de Sociedades de Capital*), the directors' remuneration policy of the Bank for financial years 2023, 2024 and 2025, the text of which has been made available to the shareholders within the framework of the call to the general meeting, which appears in sections 6.4 and 6.5 of the "Corporate governance" chapter of the consolidated directors' report included in the 2022 annual report and which, regarding the variable components of the remuneration of executive directors for 2023 and to the extent that they make up a remuneration system that includes the delivery of shares of the Bank or of rights thereto, is also submitted to the shareholders at the general shareholders' meeting under item 6 D.

6 B Setting of the maximum amount of annual remuneration to be paid to all the directors in their capacity as such.

PROPOSED RESOLUTION

To approve, for purposes of the provisions of section 2 of Article 58 of the Bylaws, the establishment of the fixed annual amount of remuneration of the directors in their capacity as such at EUR 6,000,000, which amount shall be applicable to remuneration corresponding to financial year 2023 and shall remain effective for so long as the shareholders acting at a general shareholders' meeting do not resolve to amend it, the board of directors being able to reduce it on the terms established in the aforementioned provision of the Bylaws.

6 C Approval of maximum ratio between fixed and variable components of total remuneration of executive directors and other employees belonging to categories with professional activities that have a material impact on the risk profile.

DETAILED RECOMMENDATION OF THE BOARD

The regulations applicable to the Bank provide that, on a general basis, the variable component of the total remuneration of a person whose professional activities have a material impact on the risk profile of the Group (including the executive directors of the Bank) may not exceed 100% of the fixed component, unless the shareholders acting at a general meeting approve increasing such limit, provided always that the limit of 200% may in no case be exceeded (said limit shall hereinafter be referred to as "**Maximum Variable Remuneration Ratio**").

The approval of a Maximum Variable Remuneration Ratio of 200% for a specific group of staff is submitted to the shareholders under item 6 C of the agenda for the reasons set out in this detailed recommendation. It should be noted that the proposed resolution is understood without prejudice to the need for the companies of the Group in which the

potential beneficiaries to which the resolution refers provide services to comply with the obligations that correspond to them in each case for purposes of permitting the 100% ratio to be exceeded.

It is noted for purposes of the provisions of rule 39, section 6 of Circular 2/2016 of 2 February of Banco de España that in preparing the proposed resolution to which this detailed recommendation refers, the board has especially taken into account the levels and evolution of solvency of the Group, as well as the recommendations of the European Central Bank regarding dividends.

- **Potential beneficiaries.** The group with respect to which such approval is required is made up of certain persons included within the scope of what applicable legal provisions (specifically, Section 32 of Law 10/2014 of 26 June on the organisation, supervision and solvency of credit institutions and the implementing regulations) call "*categories of staff whose professional activities have a material impact on the risk profile of the institution*" (the "**Identified Staff**"). In accordance with the criteria applicable to this definition, certain persons who do not currently receive variable remuneration, like the non-executive directors of the Bank, are deemed to be included in the Identified Staff.

This resolution proposes renewing the authorisation of a Maximum Variable Remuneration Ratio of 200% for a portion of the Identified Staff of Grupo Santander. Specifically, the persons for whom this authorisation must be requested on the grounds supporting this proposal and described below, have been selected from among all persons making up the Identified Staff at 31 December 2022. The [Exhibit](#) to this report (which can be viewed at the end of the document) includes a breakdown of the aforementioned number of beneficiaries at 31 December 2022 and the respective positions thereof.

In view of the customary changes as to members of the Identified Staff, the possibility of the criteria for its composition being adjusted, and the possibility of new persons being included in that group, the board proposes that the authorisation also cover up to a maximum of 50 other persons not included in the [Exhibit](#) so that they can also be beneficiaries of a Maximum Variable Remuneration Ratio of 200%. This additional provision allows for an adequate degree of flexibility that makes it possible to combine the application of the remuneration policies with the inclusion of new businesses within the Group, as well as with the rigorous process of determining the Identified Staff each financial year.

Therefore, the maximum number of members of the Identified Staff for which the authorisation is requested, including those listed in the [Exhibit](#), is 753 (0.36% of the total staff).

- **Remuneration policy for the Identified Staff.** The remuneration policy applicable to the members of the Identified Staff is guided by principles similar to those described in connection with executive directors in the directors' remuneration policy, which is submitted to the shareholders for approval under item 6 A of the agenda. Therefore, the purpose of variable remuneration of the Identified Staff is to reward employee performance consistently with rigorous risk management, without encouraging inappropriate risk-taking and seeking an alignment with the interests of the shareholders and with the Group's strategic objectives, thus fostering the creation of value over the long term.

Thus, for example, among the variable components of the remuneration of some members of this group for 2023, which includes executive directors, is an incentive (whose terms in relation to executive directors are described in the directors' report and the proposal included under the following item 6 D), to be received, at the beneficiary's choice (i) 50% in cash and 50% in Santander shares or (ii) 50% in cash, 25% in Santander shares and 25% in options on Santander shares. In the case of executive directors, it should be noted that they also participate in the variable remuneration plan of the Bank's subsidiary PagoNxt, S.L., receiving payments under that plan in equity instruments linked to the value of that subsidiary called restricted stock units ("**RSUs**"), so that the RSUs they receive are deducted from the portion of the incentive that is not to be paid in cash, and the rest of such portion is paid, at the executive director's choice, in shares only or in halves in shares and options on shares. In line with the provisions of the preceding paragraph, the collection of a portion of this incentive will be deferred over a period of four to five or even seven years (depending on the beneficiary's profile and the local regulations that may apply thereto). The accrual of

the aforementioned incentive is also subject to metrics that allow for the alignment thereof with the Group's strategic plan and which take into account, among other aspects, the quality of the results achieved, the efficient consumption of capital or the suitability of business growth in view of the market and competitive environment in which the Bank does business and, in addition, for the main executives of the Group the accrual of part of the deferred remuneration is subject to the achievement of specific long-term metrics, which will allow for confirmation, if applicable, that the decisions initially made have supported the generation of sustainable long-term results.

- **Rationale.** The authorisation of a Maximum Variable Remuneration Ratio for certain categories of employees that is higher than that generally provided gives the Bank greater flexibility to adapt the remuneration schemes applicable to each employee profile, without jeopardising the general objectives of bringing the remuneration policy into line with the Group's risk profile, as such ratio is subject in all cases to the legal limit of 200%, to the remuneration policy approved by the Company, and to all other legal restrictions applicable to variable remuneration. Along these lines, the total remuneration package for each employee and the structure thereof must be competitive, such that it facilitates attracting and retaining, as well as adequately remunerating, the persons included in the Identified Staff, taking into account the duties and responsibilities assigned to each of them. In this regard, the following considerations are in order:
 - *Flexibility and competitiveness vis-à-vis global institutions.* Compliance with the regulatory provisions applicable to the Bank is required to European credit institutions regardless of where they operate, whereas non-European Community institutions are subject to them only with respect to their activities in Europe. As a consequence, global institutions like Grupo Santander must compete in terms of talent attraction and retention with institutions that are not subject to the same regulations, such that it is advisable to have maximum flexibility in remuneration matters within applicable legal limits.
 - *Flexibility and competitiveness vis-à-vis European competitors.* Even in the European banking sector, the Bank has verified that its main competitors approved Maximum Variable Remuneration Ratios in excess of 100% in financial year 2022, as they did in prior years. Therefore, the proposal submitted to the shareholders at the general meeting under item 6 C of the agenda will allow the Bank to compete on similar terms with the European institutions whose activities and size are similar to those of the Company.
 - *Maximum ratios.* It is not expected that ratios of 100% will be exceeded in all cases. In practice, the average ratio of the total of variable components to the total of fixed components of the remuneration for all of the categories of management or employees within the Identified Staff during the past financial year is far less than the maximum percentage of 200%. Specifically, on average in 2022, the variable components of remuneration of the Identified Staff represented 122% of the fixed components (142% for the executive directors). Approximately 36% of members of the Identified Staff exceeded the ratio of 100% in 2022, the median being a 82% ratio and percentile 75 reaching a 132% ratio. Only 7% of the Identified Staff reached ratios over 195%.
 - *More efficient management.* In addition, the renewal of this authorisation for certain members of the Identified Staff continues to allow for simpler and more efficient payroll management. The annual adjustment of the components of remuneration of the members of the Identified Staff with a view to maintaining an appropriate level of motivation, the high level of internal mobility within the Group, and the remuneration structure that is peculiar to each business area make it advisable to have as much flexibility as possible. For example, a feature of the wholesale business is that it adopts remuneration structures in which the weight of variable remuneration over fixed remuneration is more significant than in other businesses. Talent attraction and retention in these businesses requires maintaining remuneration structures that are aligned with market practices, and therefore, it is particularly desirable to obtain the authorisation to pay a Maximum Variable Remuneration Ratio in excess of 100% to those who perform duties in this area. In this regard, approximately 11% of the Identified Staff performs duties in the Group's wholesale business.

- *Talent retention.* Moreover, the authorisation of higher Maximum Variable Remuneration Ratios within legal limits is more efficient as a tool to retain talent in view of possible competitor moves than increasing the amount of the fixed components of remuneration, which, if it occurred, might entail an increase in the Group's fixed costs.
- *Alignment of incentives.* Finally, without prejudice to all other regulations applicable in the area of remuneration in order to avoid excessive risk-taking by Group employees, a Maximum Variable Remuneration Ratio of up to 200% would also allow, in certain positions that are key to the prudent achievement of results and business objectives, for a more significant portion of total remuneration to be subject to the achievement of such results and objectives, thus making it possible to reward outstanding performance where appropriate.
- **Calculation.** For purposes of calculating the Maximum Variable Remuneration Ratio the total remuneration of the relevant members of the Identified Staff for all items has been taken into account, with a breakdown into variable components (i.e. those the accrual of which is subject to the achievement of results or specific objectives) and fixed components (all other remuneration items), as described in more detail in the directors' remuneration policy.

As stated, the ratio of 200% is not expected to be reached for all the members of the Identified Staff for whom this limit is requested, taking into account their benchmark incentives and the variable remuneration policy established for this financial year. In this regard, the following considerations are in order:

- In a scenario of standard achievement of targets, the total amount of the variable components of remuneration would be similar to the total amount of the fixed components (i.e. an average ratio of 106%).
- Assuming a scenario where targets are generally achieved at 125%, the excess of the variable components of remuneration over 100% of the fixed components would be EUR 116 million, considering only those that would exceed a ratio of 100%. Not all members of the Identified Staff benefiting from a 200% ratio would have reached a ratio in excess of 100% in such estimate, and it is not possible to estimate the number of persons that in fact would, since this will depend on the level of achievement of the objectives of the Group and its units in 2023, among other circumstances.
- The hypothetical maximum amount in 2023 of the excess of the variable components of remuneration over 100% of the fixed components for the 703 persons benefiting from this proposal at 31 December 2022, if all such persons reached the Maximum Variable Remuneration Ratio of 200%, would be EUR 327 million.

It should be noted that the approval of the proposed authorisation would not affect the Bank's maintenance of a solid equity base or its obligations under the solvency rules. Specifically, the impact on both the total phase-in and fully loaded capital ratios of Grupo Santander at 31 December 2022 in the aforementioned circumstances estimated by the Bank (EUR 116 million of excess of variable remuneration over 100% of the fixed components) would amount to 2 basis points, considering only those who would exceed a ratio of 100%, and, in a scenario in which the ratio for all members of the Identified Staff for which authorisation is requested reached 200%, it would amount to 5 basis points.

PROPOSED RESOLUTION

To approve a maximum ratio of 200% between the variable and fixed components of the total remuneration of the executive directors and of certain employees belonging to categories with professional activities that have a material impact on the risk profile of the Group upon the terms set forth below:

- **Number of affected persons:** certain members of the Identified Staff (703 at 31 December 2022, as itemised in the [Exhibit](#) to the detailed recommendation prepared by the board of directors), and up to 50 additional beneficiaries, up to a total maximum of 753 persons.

The beneficiaries of this resolution include the executive directors of Banco Santander and other employees of the Bank or other companies of the Group belonging to the "**Identified Staff**", i.e. to categories with professional activities that have a material impact on the risk profile of the Bank or of the Group, including senior executives, risk-

taking employees or employees engaged in control functions, as well as other workers whose total remuneration places them within the same remuneration bracket as that of the foregoing categories. However, it is noted that the categories of personnel who engage in control duties are generally excluded from the scope of this resolution. The members of the Identified Staff have been selected pursuant to Article 32.1 of Law 10/2014 of 26 June on the organisation, supervision and solvency of credit institutions and the standards established in Commission Delegated Regulation (EU) 2021/923 of 25 March 2021, supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards setting out the criteria to define managerial responsibility, control functions, material business units and a significant impact on a material business unit's risk profile, and setting out criteria for identifying staff members or categories of staff whose professional activities have an impact on the institution's risk profile that is comparably as material as that of staff members or categories of staff referred to in Article 92(3) of that Directive.

- **Grant of powers**

Without prejudice to the provisions of item 7 of the agenda or to the powers of the board of directors in remuneration matters, the board is hereby authorised to implement this resolution, with the power to elaborate, as necessary, on the content hereof and that of the agreements and other documents to be used or adapted for such purpose. Specifically, and merely by way of example, the board of directors shall have the following powers:

- (a) To determine any modifications that should be made in the group of Identified Staff members that benefit from the resolution, within the maximum limit established by the shareholders at the general meeting, as well as the composition and amount of the fixed and variable components of the total remuneration of said persons.
- (b) To approve the basic content of the agreements and of such other supplementary documentation as may be necessary or appropriate.
- (c) To approve all such notices and supplementary documentation as may be necessary or appropriate to file with the European Central Bank, Banco de España or any other public or private entity.
- (d) To take any action, carry out any procedure or make any statement before any public or private entity or agency to secure any required authorisation or verification.
- (e) To interpret the foregoing resolutions, with powers to adapt them to the circumstances that may arise at any time without affecting their basic content, including any regulations or provisions or recommendations from supervisory bodies that may prevent their implementation upon the terms approved or that may require the adjustment thereof.
- (f) In general, to take any actions and execute all such documents as may be necessary or appropriate.

The board of directors is authorised to delegate (with the power of substitution when appropriate) to the executive committee or to any director with delegated powers, those delegable powers granted pursuant to this resolution, all without prejudice to the representative powers that currently exist or may be granted in relation to this resolution.

The Company shall communicate the approval of this resolution to all Group companies engaging executives or employees belonging to the Identified Staff and who are beneficiaries of this resolution, without prejudice to the exercise by such of the Bank's subsidiaries as may be appropriate in each case of the powers they hold to implement the remuneration policy with respect to those executives and employees and, if applicable, to adjust such policy to regulations or to the requirements of competent authorities in the respective jurisdiction, or to compliance with the obligations that bind them for such purpose.

6 D Deferred Multiyear Objectives Variable Remuneration Plan.

REPORT OF THE BOARD

Article 20.2.(x) of the Bylaws, Article 2.XII of the Rules and Regulations for the General Shareholders' Meeting and Section 219 of the Spanish Capital Corporations Law grant the shareholders at a general meeting the power to approve the application of compensation systems consisting of the delivery of shares or of rights thereto when the beneficiaries are directors of the Bank.

For this reason, the implementation of the Deferred Multiyear Objectives Variable Remuneration Plan (the "**Plan**") is submitted to the shareholders for approval under item 6 D of the agenda as regards the inclusion of executive directors among the beneficiaries thereof, which the board of directors has approved in relation to the executive directors and the main characteristics of which are set forth below:

• Eighth cycle of the Plan

The application of an award to be paid in cash, Santander shares and, where applicable, options on Santander shares implemented by means of the eighth cycle of the Plan (the "**Award**") is proposed to the shareholders for approval at the general meeting as regards the inclusion of executive directors among the beneficiaries thereof. This eighth cycle falls within the variable remuneration policy for the Identified Staff for financial year 2023, that essentially coincides with the cycle approved for financial year 2022 and which is a continuation of the policy applied since financial year 2016, although certain changes to the corporate bonus scheme are proposed on the terms briefly described below:

- The quantitative short-term corporate bonus metrics have been updated, to include new metrics aligned with the new strategic priorities released in the Investor Day held on 28 February, maintaining the focus on clients (with active customers as the main metric) as well as RoTE, and including capital, to outline the importance for the Group of capital generation.
- A relative performance multiplier is included, which may reduce or increase the result from the metrics used, based on results versus top selected peers on metrics considered key for each business or country.
- The qualitative assessment for the short-term bonus is simplified by reducing from 7 to 4 the possible adjustments to be made.
- If options are used, the term for the exercise thereof will not exceed ten years from the initial date, with the board of directors setting the specific term within said limit.

In formulating the Plan and carrying out the review of the remuneration policies of the Group during financial year 2022, the board has taken into account Directive 2013/36/EU of 26 June, as updated and consolidated as at the date of this report, Law 10/2014 of 26 June on the organisation, supervision and solvency of credit institutions, and Banco de España's Circular 2/2016 of 2 February, as currently in force at the date of this report. The board has also taken into account the guidelines published in this field by the European Banking Authority, and particularly the new Guidelines on sound remuneration policies under Directive 2013/36/EU (EBA/GL/2021/04) of 2 July 2021.

• Beneficiaries of the Award

The beneficiaries of the Award will be the executive directors of Banco Santander and the Group Promontorio executives, all of them belonging to the "**Identified Staff**", although the shareholders' approval is requested exclusively in relation to the application thereof to the executive directors of the Bank.

- **Overall description of the Award**

- *Determination of the Award.* At the beginning of 2024 and following a proposal of the remuneration committee, the board of directors will verify if the targets on which the amount of the 2023 Award is contingent have been met. Subsequently, if applicable, the 2023 Award for each beneficiary of the Plan (therefore including the executive directors) will be established based on the target award for such financial year. The Award setting will take into account the quantitative metrics and qualitative factors applicable to the Award and which have been revised with respect to those corresponding to previous financial years.
- *Form of payment of the Award to the executive directors.* Any Award to the executive directors will be paid as follows:
 - 40% of the Award will be paid in 2024, net of taxes, after applying the corresponding withholding or payment on account (this portion of the total amount of the Award, the "**Immediate Payment Amount**").
 - 60% of the Award will be paid on a deferred basis in five equal parts in financial years 2025, 2026, 2027, 2028 and 2029, subject to the conditions for accrual set forth below (the "**Deferred Payment Amount**").

All Award payments will be made 50% in cash and 50% in instruments. The part of the Incentive payable in instruments will be paid, once deducted the amounts resulting from the RSUs that the executive director is entitled to receive under PagoNxt, S.L. incentive plan, at the executive director's choice, in Santander shares only or in halves in Santander shares and options on Santander shares.

The deferral periods and the deferred amount may be increased (but not reduced) if necessary to conform them to applicable legal provisions at any time.

- *Conditions for accrual of the deferred portion of the Award.* In addition to the beneficiary remaining within the Group, the accrual of the deferred portion of the Award is conditional upon the non-existence of improper risk-taking under the Group's *malus* and clawback policy that triggers the application of *malus* clauses. Furthermore, pursuant to applicable legal provisions, the amounts paid shall be subject to clawback in the instances provided for in the applicable policy of the Bank.

Additionally, the accrual of the deferred portion of the Award to be paid to the executive directors in financial years 2027, 2028 and 2029 (the "**Deferred Portion Subject to Objectives**") is subject to the achievement of certain targets for the 2023-2025 period (the "**Multiyear Objectives**") and to the metrics and achievement scales associated with such Multiyear Objectives.

The Multiyear Objectives approved by the board are:

- A. Achievement of the return on tangible equity ("**RoTE**") target of the Bank in 2025.
- B. Relative performance of total shareholder return ("**TSR**") of the Bank for the 2023-2025 period compared to the weighted TSRs of a peer group of 9 credit institutions.
- C. Level of progress on the targets to implement the Group's Responsible banking agenda.

The proposed resolution provides a detailed description of the metrics and achievement scales associated with the Multiyear Objectives and of the weighting thereof for purposes of the calculation of the annual amount of the Deferred Portion Subject to Objectives, if any, that should be paid to the executive directors in financial years 2027, 2028 and 2029.

- **Limit on variable remuneration and maximum amount distributable in shares and share options**

It is noted that the variable components of the total remuneration of the executive directors for financial year 2023 will not exceed 200% of the fixed components, if the proposal under item 6 C of the agenda is approved, or 100% if it is not.

The maximum number of shares and share options to be delivered under the Plan will be determined based on the foregoing amounts and in the manner described in the proposed resolution.

It has been estimated that the maximum amount of the Award to be delivered to the executive directors in shares and, if applicable, share options, comes to EUR 11.5 million.

As indicated, in order to strengthen one of Banco Santander's key strategies for the future of the entity, the executive directors also participate in the incentive plan of the Bank's subsidiary PagoNxt, S.L., receiving the corresponding payments under that plan in RSUs. The RSUs replace part of the instruments of Banco Santander that these executive directors may receive as variable remuneration under the Award in respect of the eighth cycle of the Plan, thereby preventing their total remuneration amounts from increasing via this route. In addition, RSUs will never represent an amount in excess of 10% of their variable remuneration.

- **Delegation of powers**

Finally, it is provided that the powers granted to the board include the ability to adjust the level of achievement of the Multiyear Objectives upwards or downwards, at the proposal of the remuneration committee, in order to eliminate any effects thereon of regulatory changes or extraordinary circumstances (such as write-offs, corporate transactions, share buyback programmes or restructurings) affecting the suitability of the metric and achievement scale established in each case and resulting in an impact unrelated to the performance of the executive directors.

PROPOSED RESOLUTION

To approve, as regards the inclusion of the executive directors among the beneficiaries thereof, the implementation of the eighth cycle of the Deferred Multiyear Objectives Variable Remuneration Plan, which has been approved by the board of directors in relation to the executive directors, inasmuch as it is a remuneration system that includes the delivery to them of shares of the Bank or of rights thereon or that is linked to the value of the shares:

- **Object and beneficiaries**

The eighth cycle of the Deferred Multiyear Objectives Variable Remuneration Plan will be implemented in connection with the variable remuneration or award (hereinafter, the "**Award**") for financial year 2023 that is approved by the board of directors or the appropriate body in each case, for executive directors of Banco Santander and Group Promontorio executives, all of them belonging to the "**Identified Staff**" or "**Material Risk Takers**" (i.e. to categories of staff whose professional activities have a material impact on the risk profile of the institution in accordance with Section 32.1 of Law 10/2014 of 26 June on the organisation, supervision and solvency of credit institutions, and the regulations in implementation thereof).

The implementation of the eighth cycle exclusively as regards the variable remuneration of the executive directors of the Bank is submitted to the shareholders for approval at the general meeting.

The purpose of this eighth cycle of the Deferred Multiyear Objectives Variable Remuneration Plan as regards the executive directors of the Bank is (a) to defer a portion of the Award over a period of five years, subject to the non-occurrence of certain circumstances, and (b) in turn, to link a portion of such amount to the performance of the Bank over a multiyear period. All payments that are to be made under this eighth cycle of the Plan will be made 50% in cash and 50% in instruments, all in accordance with the rules set forth below.

- **Operation**

The Award for the executive directors for financial year 2023 will be paid, if applicable, as follows:

- 40% of the Award will be paid in 2024, net of taxes, after applying the corresponding withholding or payment on account (this portion of the total amount of the Award, the "**Immediate Payment Amount**") on the "**Initial Date**" (meaning the specific date on which the Immediate Payment Amount is paid): 50% in cash and 50% in instruments.

- Payment of the remaining amount (the “**Deferred Payment Amount**”) will be deferred over a period of 5 years (the “**Deferral Period**”), which amount will be paid in fifths within thirty days of the anniversaries of the Initial Date in 2025, 2026, 2027, 2028 and 2029 (the “**Anniversaries**”), provided that the conditions described below are met.
- The deferred portion of the Award will be divided into fifths (each one, an “**Annual Payment**”), which will determine the amount to be paid, if applicable, on each of the Anniversaries.
- Each of the payments that are to be made on the Anniversaries will be made 50% in cash and the other 50% in instruments.
- The portion of the Incentive that is paid in instruments will be reduced in the amount resulting from the RSUs that the executive directors are entitled to receive under PagoNxt, S.L. incentive plan, the difference being paid, at the executive director's choice, in shares only or in halves in Santander shares and options on Santander shares.
- The executive directors may not directly or indirectly hedge the Santander shares that they receive pursuant to the foregoing sections before delivery thereof. They may likewise not transfer them or directly or indirectly hedge the shares for one year as from the delivery thereof. In addition, if the executive director has opted to receive part of the Award in options on Santander shares, the executive director will be unable to carry out the actions provided for in this paragraph in relation to the options or exercise the options within one year following their delivery.
- Pursuant to the Group's policy on shareholding, the executive directors of Banco Santander may not transfer Santander shares that they receive pursuant to the preceding paragraphs for three years from the date of delivery thereof, unless the director already holds Santander shares for an amount equivalent to twice the director's annual fixed remuneration.
- On occasion of each payment of the deferred amount in cash, and subject to the same requirements, the executive director may be paid an amount in cash that offsets the effect of inflation on said deferred amount in cash.
- All payments will be made after applying any withholding or payment on account applicable at any time.

In addition to continuity of the director within the Group², the accrual of all Annual Payments is conditional upon the absence of any of the circumstances giving rise to the application of *malus* provisions as set out in the *malus* and clawback chapter of the Group's remuneration policy during the period prior to each of the deliveries. Likewise, the amounts of the Award already paid will be subject to possible clawback by the Bank in the instances and for the period described in said policy, all upon the terms and conditions set forth therein.

The application of *malus* and clawback provisions is triggered in those events in which there is a deficient financial performance of the entity as a whole or of a specific division or area thereof or of exposures generated by the staff, for which purpose at least the following factors must be taken into account:

² When termination of the relationship with the Bank is due to retirement, early retirement or pre-retirement of the beneficiary, for termination judicially declared to be improper, unilateral separation for good cause by an employee (which includes, in any case, the situations set forth in section 10.3 of Royal Decree 1382/1985 of 1 August governing the special relationship of senior management, for the persons subject to these rules), permanent disability or death, as well as in cases of mandatory redundancy, the right to delivery of the deferred cash amounts, shares, and, if applicable, options on shares, as well as any amounts arising from the inflation adjustment of deferred amounts in cash, shall remain under the same conditions in force as if none of such circumstances had occurred.

In the event of death, the right shall pass to the successors of the beneficiary.

In cases of justified temporary leave due to temporary disability, suspension of the contract of employment due to maternity or paternity, or leave to care for children or a relative, there shall be no change in the rights of the beneficiary.

If the beneficiary goes to another company of the Group (including through international assignment and/or expatriation), there shall be no change in the rights thereof.

If the relationship terminates by mutual agreement or because the beneficiary obtains a leave not referred to in any of the preceding paragraphs, the terms of the termination or temporary leave agreement shall apply.

None of the above circumstances shall give any right to receive the deferred amount in advance, except where necessary to comply with mandatory regulations or, where appropriate, to avoid a conflict of interest. If the beneficiary or the successors thereof maintain the right to receive deferred remuneration in cash, shares, and, if applicable, options on shares, such remuneration shall be delivered within the periods and upon the terms set forth in the plan rules.

- Significant errors in risk management committed by the entity or by a business or risk control unit.
- An increase in the capital needs of the entity or a business unit that was not expected at the time the exposures were generated.
- Regulatory sanctions or adverse court awards for facts that might be attributable to the unit or to the staff responsible for them. Also a breach of the entity's internal codes of conduct.
- Improper conduct, whether individual or collective. Negative effects from the sale of unsuitable products and the responsibility of the persons or bodies making such decisions shall be especially considered.

Additionally, the accrual of the third, fourth and fifth Annual Payments (these Annual Payments, together, the **"Deferred Portion Subject to Objectives"**) is subject to the achievement of certain targets referring to the 2023-2025 period (the **"Multiyear Objectives"**) and to the metrics and achievement scales associated with such Multiyear Objectives, which are those set forth below:

- A. Achievement of the return on tangible equity (**"RoTE"**) target of the Bank in 2025. The RoTE coefficient corresponding to this target will be obtained from the following table:

RoTE in 2025	
(%)	RoTE Coefficient
≥ 17%	1.5
≥ 14% but < 17%	0 – 1.5 ^A
< 14%	0

A. Straight-line increase in RoTE Coefficient based on the specific percentage of RoTE in 2025, within this bracket of the scale.

- B. Relative performance of the Bank's TSR for the 2023-2025 period compared to the weighted TSRs of a peer group of 9 credit institutions.

For these purposes:

- **"TSR"** means the difference (expressed as a percentage) between the final value of an investment in ordinary shares of the Bank and the initial value of that investment, taking into account that for the calculation of such final value, dividends or other similar items received by the shareholder due to such investment during the corresponding period of time will be considered as if they had been invested in more shares of the same class on the first date on which the dividend or similar item is payable to the shareholders and at the average weighted listing price on said date. To calculate TSR, the average weighted daily volume of the average weighted listing prices for the fifteen trading sessions prior to 1 January 2023 (excluded) (for the calculation of the initial value) and for the fifteen trading sessions prior to 1 January 2026 (excluded) (for the calculation of the final value) will be taken into account.
- **"Peer Group"** means the group made up of the following 9 financial institutions: BBVA, BNP Paribas, Citi, Crédit Agricole, HSBC, ING, Itaú, Scotiabank and Unicredit.

For this TSR metric, the following achievement scale is established:

TSR Position of the Bank	TSR Coefficient
Achievement of percentile 100	1.5
Between percentiles 75 and 100 (not including the latter)	1 – 1.5 ^A
Between percentiles 40 and 75 (not including the latter)	0.5 – 1 ^A
Below percentile 40	0

A. Proportional increase in TSR coefficient according to the number of positions moved up in the ranking within this bracket of the scale.

C. Level of Group progress on the Responsible banking actions lines and associated targets, measured through the following metrics related to environmental, social and corporate governance (ESG) matters:

1. Target regarding women in management positions at the Promontorio, Faro and Solaruco corporate segments at year-end 2025:

% of women in management positions^B	Coefficient 1
≥ 36%	1.25
≥ 35% but < 36%	1 - 1.25 ^A
≥ 29.3% but < 35%	0 - 1 ^A
< 29.3%	0

A. Proportional increase in the coefficient according to its position within this bracket of the scale.

B. The executives include the three top corporate segments and represent approximately 1% of the total payroll.

2. Target regarding financial inclusion between 2023 and 2025:

Financial inclusion^B (millions)	Coefficient 2
≥ 6	1.25
≥ 5 but < 6	1 - 1.25 ^A
≥ 3 but < 5	0 - 1 ^A
< 3	0

A. Proportional increase in the coefficient according to its position within this bracket of the scale.

B. Banking proposals for unbanked and underbanked regarding access to basic financial services (i.e.: cash-in/cash-out services in remote locations) or tailored finance (i.e.: for micro-entrepreneurs to set up or grow a business or customers in financial distress).

3. Green financing and socially responsible investment target, which will be measured in turn based on compliance with the following two metrics, the first being weighted 70% and the second 30% for purposes of measuring this target (and, thus, the Coefficient 3 as detailed below):

Green finance raised and facilitated^B between 2019 and 2025 (billions of euros)	Subcoefficient α
≥ 240	1.25
≥ 220 but < 240	1 - 1.25 ^A
≥ 160 but < 220	0 - 1 ^A
< 160	0

A. Proportional increase in the coefficient according to its position within this bracket of the scale.

B. Grupo Santander's contribution to green business: SCIB, Retail & Commercial banking and Digital Consumer Bank. It is measured with cumulative data since 2019.

Socially responsible investment^B (billions of euros)	Subcoefficient β
≥ 102	1.25
≥ 100 but < 102	1 - 1.25 ^A
≥ 53 but < 100	0 - 1 ^A
< 53	0

A. Proportional increase in the coefficient according to its position within this bracket of the scale.

B. Funds registered under article 8 and 9 (SFDR) in the EU, including third-party funds and SAM's Latin American funds that meet equivalent criteria.

4. Target regarding the exposure in thermal coal-related power and mining portfolios:

Thermal coal-related power & mining ^B (billions of euros)	Coefficient 4
≤ 3.8	1.25
< 5.8 but > 3.8	1 - 1.25 ^A
= 5.8	1
> 5.8	0

A. Proportional increase in the coefficient according to its position within this bracket of the scale.

B. Credit risk exposure with customers affected by the thermal coal 2030 phase-out target: power generation customers with more than 10% of revenues coming from thermal coal and thermal coal-mining customers.

Each of the four Responsible banking action lines described in sections 1 to 4 above will have the same weight, such that the level of achievement of this Multiyear Objective will be determined by using the following formula:

$$C = (1/4 \times \text{Coefficient 1} + 1/4 \times \text{Coefficient 2} + 1/4 \times \text{Coefficient 3} + 1/4 \times \text{Coefficient 4})$$

where:

- “Coefficient 3” will be determined by using the following formula:

$$\text{Coefficient 3} = (0.7 \times \text{Subcoefficient } \alpha) + (0.3 \times \text{Subcoefficient } \beta)$$

Thus, the following formula will be applied to determine the annual amount of the Deferred Portion Subject to Objectives, if any, payable in financial years 2027, 2028 and 2029 (each of these payments, a “Final Annual Payment”), without prejudice to any adjustments that may result from *malus* clauses:

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

where:

- “Amt.” means one third of the Deferred Portion Subject to Objectives.
 - “A” is the RoTE Coefficient according to the scale and terms and conditions in paragraph A above based on the achievement of the return on tangible equity target in 2025.
 - “B” is the TSR Coefficient according to the scale in paragraph B above based on the relative performance of the TSR of the Bank for the 2023-2025 period with respect to the Peer Group.
 - “C” is the coefficient resulting from adding up the weighted coefficients for each of the four responsible banking commitments by 2025, as set forth in paragraph C above.
 - Assuming in any case that if “(2/5 x A + 2/5 x B + 1/5 x C)” yields a figure greater than 1.25, 1.25 shall be applied as the multiplier.
- **Maximum number of shares to be delivered**

The final number of shares, if any, delivered to each executive director, including both those for immediate payment and those for deferred payment, shall be calculated taking into account the average weighted daily volume of the average weighted listing prices of the shares of Santander for the fifty trading sessions prior to the Friday (exclusive)

of the week prior to the date on which the board of directors approves the Award for the executive directors of the Bank for financial year 2023 (hereinafter, the **"2024 Listing Price"**).

It has been estimated that the maximum amount of the Award to be delivered to the executive directors in shares under the Award comes to (i) EUR 11.5 million, if the executive directors ask to receive only in shares the portion of the Incentive to be paid in instruments; or (ii) EUR 5.75 million if the executive directors ask to receive the portion of the Incentive to be paid in instruments in halves in shares and options (the **"Maximum Amount Distributable in Shares for Executive Directors"** or **"MADSED"**). The maximum number of Santander shares that may be delivered to the executive directors under this plan (the **"Limit on Shares for Executive Directors"** or **"LSED"**) will be determined by applying the following formula:

$$\text{LSED} = \frac{\text{MADSED}}{\text{2024 Listing Price}}$$

The final number of shares to be delivered to each executive director will take into account the amount resulting from applying the corresponding taxes (withholdings or payments on account) under the procedure established in the regulations governing the Plan.

- **Maximum number of share options to be delivered and applicable rules**

If options are delivered, each of them will have one Santander share as the underlying asset and the exercise price of each option will be equal to the 2024 Listing Price. Settlement of the options upon exercise, for both this eighth cycle and the seventh cycle of the Plan, may take place, in the terms defined by the board of directors, by delivery of Santander shares upon payment of the strike price, through a settlement by difference between the strike price for the option and the applicable Santander share market price at exercise or by means of transfer thereof to the Bank, which will acquire them at the market price.

The final number of share options, if any, to be delivered to each executive director, whether paid immediately or deferred, shall be calculated taking into account the fair value ("**FV**") calculated in accordance with generally applicable accounting standards (IFRS - International Financial Reporting Standards) for share-based payments on the date the options are granted, i.e. the Initial Date, which will be a fraction of the 2024 Listing Price.

The maximum number of share options to be delivered (the **"Limit on Award Share Options for Executive Directors"** or **"LASOED"**) will be determined based on the maximum number of shares that would be delivered to each executive director as a result of the exercise of share options if payment was made by delivery of Santander shares, which must be calculated taking into account: (i) FV; and (ii) the 2024 Listing Price.

Taking into account that the maximum amount of the Award to be delivered in share options to the executive directors amounts to EUR 5.75 million, if the executive directors opt to receive in options on Santander shares half of the portion to be paid in instruments (the **"Maximum Amount Distributable in Award Share Options for Executive Directors"** or **"MADASOED"**), the LASOED will be determined by applying the following formula:

$$\text{LASOED} = \frac{\text{MADASOED}}{\text{2024 Listing Price} \times \text{FV}}$$

Options may be exercised after the passage of one year from the delivery thereof and until they expire. The date of expiry will not be greater than ten years after the Initial Date, and the board of directors will set the specific date of expiry within this limit and whether they must be exercised during specific timeframes throughout the calendar year.

- **Other rules**

The number of shares and, if applicable, share options to be received by the executive directors in each payment of the Award may be reduced if they receive RSUs under the PagoNxt incentive plan, so that the maximum aggregate

amount of the variable remuneration of the executive directors received as shares, share options and RSUs does not exceed the maximum limit of EUR 11.5 million.

In the event of a change in the number of shares due to a decrease or increase in the par value of the shares or a transaction with an equivalent effect, the number of shares to be delivered and the conditions for exercising the share options to be granted will be modified so as to maintain the percentage of the total share capital represented by them.

Information from the stock exchange with the largest trading volume will be used to determine the listing price of the share.

If necessary or appropriate for legal, regulatory or similar reasons, the delivery mechanisms provided for herein may be adapted in specific cases without altering the maximum number of shares or share options linked to the award or the basic conditions upon which the delivery thereof is made contingent. Such adaptations may include the substitution of the delivery of shares or of share options with the delivery of equivalent amounts in cash, or vice versa.

The shares to be delivered may be owned by the Bank or by any of its subsidiaries, be newly-issued shares, or be obtained from third parties with whom agreements have been signed to ensure that the commitments made will be met.

- **Grant of powers**

Without prejudice to the general provisions of item 7 or to those set forth in preceding sections, and without prejudice to the powers of the board of directors in remuneration matters, the board is hereby authorised to implement this resolution, with the power to elaborate, as necessary, on the rules set forth herein and on the content of the agreements and other documents to be used. Specifically, and merely by way of example, the board of directors shall have the following powers:

- (i) To approve the basic content of the agreements and of such other supplementary documentation as may be necessary or appropriate, including, if applicable, the regulations governing the plan.
- (ii) To approve all such notices and supplementary documentation as may be necessary or appropriate to file with any public or private agency, including, if required, the respective prospectuses.
- (iii) To take any action, carry out any procedure or make any statement before any public or private entity or agency to secure any required authorisation or verification.
- (iv) To determine, in the case of delivery of options, the date of expiry thereof and the timeframe for exercise within the maximum limits set by the shareholders.
- (v) To determine the specific number of shares and, if necessary, options on shares to be received by each of the executive directors, observing the established maximum limits.
- (vi) To apply the measures and mechanisms that may be appropriate to compensate for the dilution effect, if any, that may occur as a result of corporate transactions and shareholder distributions for so long as the shares are not delivered to the executive directors; and, in the event that the maximum amount distributable in shares or options to be delivered to the executive directors is exceeded, to authorise their deferral and payment in options or shares, respectively, of the excess or, if both limits are exceeded, to authorise the deferral and payment of the excess in cash.
- (vii) To define whether when the option is exercised, other than through transfer thereof to the Bank, settlement is to be made in kind by delivering shares or by settling differences and regulating any mechanisms necessary or appropriate to implement such exercise, including the procedure for determination of the applicable market price.

- (viii) To extend the deferral period if so required in order to adapt to the applicable legal provisions in force at any given time or to the requirements of the competent authority, making such adjustments as may be necessary to adapt the Award to the new deferral period.
- (ix) To approve, where applicable, the engagement of one or more internationally recognised third parties to verify the achievement of the Multiyear Objectives. In particular, and merely by way of example, it may ask such third parties: to obtain, from appropriate sources, the data upon which the calculations of TSR are to be based; to perform the calculations of the TSR of the Bank and the TSRs of the entities within the Peer Group; to compare the Bank's TSR with the TSRs of the entities within the Peer Group; and to provide advice on the decision as to how to act in the event of unexpected changes in the Peer Group that may require adjustments to the rules for comparison among them or on the amendment of the Peer Group in light of objective circumstances that justify such amendment (like non-organic transactions or other extraordinary circumstances).
- (x) To interpret the foregoing resolutions, with powers to adapt them, without affecting their basic content, to the circumstances that may arise at any time, including, in particular, adapting the delivery mechanisms, without altering the maximum number of shares and share options linked to the plan or the basic conditions upon which the delivery thereof is made contingent, which may include the substitution of the delivery of shares or share options with the delivery of share options or shares, respectively, or equivalent amounts in cash, or the alteration of the mechanisms for net delivery of shares or share options in accordance with the procedures that are established for the payment of taxes, or when so required for regulatory, tax, operational or contractual reasons. In addition, the board may adapt the aforementioned plan (including the adjustment or removal of any metrics and achievement scales for the Multiyear Objectives, the inclusion of additional targets for the delivery of any deferred amount of the Award or the increase of the portion corresponding to the Deferred Payment Amount or the extension of the Deferral Period) to any mandatory regulations or administrative interpretation that may prevent the implementation thereof on the approved terms.
- (xi) To adjust the level of achievement of the Multiyear Objectives upwards or downwards, at the proposal of the remuneration committee, when regulatory changes, non-organic transactions, material changes to the Group's composition or size or other extraordinary circumstances (such as write-offs, legal changes, corporate transactions, share buyback programmes or restructurings) have occurred which affect the suitability of the metric and achievement scale established in each case and resulting in an impact unrelated to the performance of the executive directors being evaluated.
- (xii) To develop and specify the conditions upon which the receipt by the executive directors of the corresponding shares, share options or deferred amounts is contingent, as well as to determine whether, according to the plan to which this resolution refers, the conditions upon which the receipt by the executive directors of the respective shares, share options or cash amounts is made contingent have been fulfilled, with the power to modulate the cash amounts and the number of shares and share options to be delivered depending on the existing circumstances, all following a proposal of the remuneration committee.
- (xiii) In general, to take any actions and execute all such documents as may be necessary or appropriate.

Moreover, in those areas falling within the scope of the board of directors' responsibility, it is authorised to further develop, modify, alter or adapt the terms and conditions of the eighth cycle of the Deferred Multiyear Objectives Variable Remuneration Plan and of the other cycles of said plan that remain in effect.

The board of directors is also authorised to delegate (with the power of substitution when appropriate) to the executive committee or to any director with delegated powers those delegable powers granted pursuant to this resolution, all without prejudice to the representative powers that currently exist or may be granted in relation to this resolution.

6 E Application of the Group's buy-out regulations.

REPORT OF THE BOARD

Article 20.2.(x) of the Bylaws, Article 2.XII of the Rules and Regulations for the General Shareholders' Meeting and Section 219 of the Spanish Capital Corporations Law grant the shareholders at a general meeting the power to approve the application of compensation systems consisting of the delivery of shares or of rights thereto when the beneficiaries are directors of the Bank.

The Group's remuneration policy contains buy-out regulations aimed at establishing homogeneous rules applicable to hiring by any entity of the Group in which such hiring entity assumes, as a part of the job offer to the corresponding executive or employee (whether or not he or she belongs to the Identified Staff), the cost of the variable remuneration that such persons would have been paid by their previous company and that they would lose as a consequence of accepting the offer from the Group.

These types of rules are compatible with the regulations and recommendations applicable to the Company and are widespread in the market; their purpose is to maintain a degree of flexibility to be able to attract the best talent and to be fair with respect to the loss of rights that an executive or employee incurs due to joining the Group.

Before the approval of the buy-out regulations, the Group generally assumed payment of such amounts in cash, paying the executive or employee the corresponding amounts. However, the new buy-out regulations introduced the possibility of paying such amounts in Santander shares, which permits a better alignment with the Company's long-term interests.

To the extent that these buy-out regulations apply to persons who may join the Group as executive directors of the Bank, the delivery of shares of the Bank within the framework of the application of such regulations with respect to any executive director who might join the Group during financial year 2023 and during financial year 2024, until the holding of the ordinary general shareholders' meeting in 2024, is submitted for the approval of the shareholders at the general meeting under item 6 E of the agenda.

PROPOSED RESOLUTION

To authorise, as regards the inclusion of executive directors among its beneficiaries and inasmuch as it is a remuneration system that includes the delivery to them of shares of the Bank or of rights thereon or that is linked to the price of the shares, the (immediate or deferred) delivery of shares of the Bank within the framework of the application of the Group's buy-out regulations which have been approved by the board of directors of the Bank, following a proposal of the remuneration committee.

Such buy-out regulations are an instrument to be selectively used in the engagement of executives or employees who, as a result of accepting a job offer from the Bank (or from other Group companies), lose the right to receive certain variable remuneration from their previous company. Therefore, these rules, which take into account the regulations and recommendations that apply to the Bank, allow for the maintenance of certain flexibility to be able to attract the best talent and to be fair with respect to the loss of rights that an executive or employee incurs due to joining the Group, given that the conditions of the buy-out take into account those that applied to the remuneration the loss of which is compensated for.

The maximum number of shares that may be delivered under this resolution is a number such that, multiplying the number of shares delivered (or recognised) on each occasion by the average weighted daily volume of the average weighted listing prices of the Santander shares for the fifty trading sessions prior to the date on which they are delivered (or recognised), does not exceed the amount of EUR 40 million.

The authorisation granted hereby may be used to undertake commitments to deliver shares in relation to the engagements that occur during financial year 2023 and during financial year 2024, until the ordinary general shareholders' meeting is held in 2024.

6 F Annual directors' remuneration report (consultative vote).

PROPOSED RESOLUTION

The shareholders are asked to provide a consultative vote on the annual directors' remuneration report, approved by the board of directors following a proposal of the remuneration committee, on the terms established by law and in Circular 4/2013 of 12 June of the National Securities Market Commission (as last amended by Circular 3/2021 of 28 September of the National Securities Market Commission). The aforementioned annual report is included in sections 6 (except for 6.4 and 6.6), 9.4 and 9.5 of the "Corporate governance" chapter of the consolidated directors' report, which is part of the 2022 annual report.

7 Authorisation to the board and grant of powers for conversion into public instrument.

PROPOSED RESOLUTION

Without prejudice to the delegations of powers contained in the preceding resolutions, it is hereby resolved:

- (a) To authorise the board of directors to interpret, remedy, supplement, implement and further develop the preceding resolutions, including the adjustment thereof to conform to verbal or written evaluations of the Commercial Registry or of any other authorities, officials or institutions which are competent to do so, as well as to comply with the requirements that may legally need to be satisfied for the effectiveness thereof, and, in particular, to delegate to the executive committee or to any director with delegated powers all or any of the powers received from the shareholders at this general shareholders' meeting by virtue of the preceding resolutions as well as under this resolution 7.
- (b) To authorise Ms Ana Patricia Botín-Sanz de Sautuola y O'Shea, Mr Héctor Grisi Checa, Mr Jaime Pérez Renovales and Mr Francisco Javier Illescas Fernández-Bermejo so that any of them, acting severally and without prejudice to any other existing power of attorney whereby authority is granted to record the corporate resolutions in a public instrument, may appear before a Notary Public and execute, on behalf of the Bank, any public instruments that may be required or appropriate in connection with the resolutions adopted by the shareholders at this general shareholders' meeting. In addition, they are empowered, also on a several basis, to carry out the required filing of the annual accounts and other documentation with the Commercial Registry.

Exhibit to the reasoned proposal of the board relating to item 6 C on the agenda

Members of the Identified Staff at 31 December 2022 with respect to which approval is requested for a maximum variable remuneration ratio of 200%

POSITION	No.	POSITION	No.
ARGENTINA			12
CEO SC Argentina	1	Gerente Npd	1
Gerente Departamental	2	Gerente Principal	7
Gerente General	1		
BRAZIL			53
Dir Presidente Brasil	1	Senior Executive	3
Dir Vice Presidente Exec	12	Senior Executive Coo	1
Diretor	23	Senior Executive Ib	3
Diretor Ejecutivo	1	Supte Exec Financeiro	4
Exec Trader Manager II	2	Supte Exec Juridico	1
Head Of South América Region	1	Supte Exec Tec E Operações	1
CHILE			21
Asesor_Top_Management	1	Vp Wealth Management	1
Gerente General	1	Vpe Administracion	1
Gerente General y Country Head	1	Vpe Bei	1
Head Global Markets Sales	1	Vpe Clientes Exp Y Calidad	1
Head Global Markets (Cib & Asset_Management)	1	Vpe Comercial	1
Jefe De Productos Empresas	1	Vpe Financiero	1
Jefe Gestion Financiera	1	Vpe Intervencion	1
Jefe Intervencion e Info Financiera	1	Vpe Juridico Corporativo	1
Jefe Red Banco	1	Vpe Personas y Comunicaciones y Sost.	1
Jefe RRLL y Servicio a Personas	1	Vpe Tecnologia y Operaciones	1
Vp Corporate Investment Banking	1		
COLOMBIA			1
Vicepresidente Finanzas, Gestión Humana y Administración	1		
CORPORATE CENTRE			154
Banker (Cib, Wealth & Private) Director	2	Product Manager II (Whl)(Cert)	1
Banker (Cib, Wealth & Private) Group Vice-President	1	Product Specialist - Debt Advisory	1
Banker (Cib, Wealth & Private) Vice-President	10	Product Specialist , Equity	1
Branch manager	1	Quant Data Analytics & Models Vice-President	2
CIB Governance Group Vice-President	1	Research & Business Intelligence Vice-President	1
COO Vice-President	1	Sales – Cash Management Transaction Banking Vice-President	1
Corporate Banking Relationship Manager	1	Sales (CIB & Asset Management) Director	1
Digital Business Development & Partnerships Vice-President	1	Sales (CIB & Asset Management) Expert II	1
Director (Whl)	2	Sales (CIB & Asset Management) Vice-President	7

POSITION	No.	POSITION	No.
Director (Whl) (Cert)	7	Sales Sales (CIB & Asset Management) Vice-President	1
Ecm M&A Vice-President	1	SCIB Financial Executive Vice-President	2
ESG CIB Product & Service Value Proposition Management Vice-President	2	SCIB Office executive Vice-President	4
Executive Director, Corporate Banking Relationship Manager	1	Senior Banker II (Whl)	1
Global CIO Domain Product & It Project Management Vice-President	1	Senior Banker II (Whl) (Cert)	4
Head of Global Markets	1	Senior Leader	2
Institutional Sales (CIB & Asset Management) Director	1	Sr. Executive Vice-President	1
M&A Group Vice-President	1	Structured Product Mgr II (Whl)	3
M&A Vice-President	2	Structuring Debt Finance Vice-President	3
Origination Debt Finance Vice-President	1	Structuring Product & Service Value Proposition Management Vice-President	1
Private Banker (CIB, Wealth & Private) Vice-President	1	Top Management SCIB	1
Product – Export & Agency Finance Transaction Banking Vice-President	1	Trading Expert II	2
Product – Trade & Working Capital Transaction Banking Vice-President	1	Trading Vice-President	11
Transaction Banking Transaction Banking Vice-President	1	XVA Trading Vice-President	1
CIO Group Executive Vice-President	1	Financial Accounting Group Executive Vice-President	2
Communication Group Executive Vice-President	1	Financial Management Group Executive Vice-President	1
Compensation & Benefits Group Vice-President	1	Financial Management Group Vice-President	1
Consejero Delegado	1	Financial Management Vice-President	1
Costs & Organization Group Executive Vice-President	1	Group Executive Vice-President	3
CTO Group Executive Vice-President	1	Restructuring Business Development & Partnerships Group Vice-President	1
Director	1	Group Sr. Executive Vice-President	14
Director (Whl)	2	Head Of Operations (Whl)	2
HR Group Executive Vice-President	1	Security and Intelligence Group Executive Vice-President	1
Internal Governance Group Executive Vice-President	1	Sr. Executive Vice-President	2
Investor Relations Group Executive Vice-President	1	Strategic & Financial Analysis Group Executive Vice-President	1
Legal Group Executive Vice-President	2	Strategy & Corporate Development Group Vice-President	1
Marketing Group Executive Vice-President	1	Strategy Group Executive Vice-President	2
Npa And Strategic Ops Group Executive Vice-President	3	Supervisory & Public Stakeholder Management Group Vice-President	1
Presidenta	1	T&O Group Executive Vice-President	1
Real Estate Business Development & Partnerships Director	1	Tax Group Executive Vice-President	1
Research & Public Policy Group Executive Vice-President	1	Product Director	1
Responsible Banking Group Executive Vice-President	1	Works & Project Properties & General Services Group Vice-President	1

POSITION	No.	POSITION	No.
SPAIN			38
Analysis Vice-President	2	Internal Analysis Vice-President	1
Business Support Advisor Legal Vice-President	3	Legal Executive Vice-President	1
CFO Vice-President	1	Litigation Advisor Legal Vice-President	1
Client Service Operations Vice-President	1	Monitoring Operations Vice-President	1
Collections & Recoveries Vice-President	1	Non financial Vice-President	1
Compensation & Benefits Vice-President	1	Product & It Project Management Vice-President	1
Corporate Governance Vice-President	1	Product & Service Value Proposition Management Vice-President	5
Cost & Organization Analysis Vice-President	1	Regional Head Of Retail Executive Vicepresident	3
Human Resources & Organization Executive Vicepresident	2	Restructuring Business Development & Partnerships Vice-President	1
Product Transformation Executive Vicepresident	1	Sr. Executive Vice-President	2
Senior Executive Vice President	1	Tax Vice-President	1
Strategic & Financial Executive Vicepresident	1	Territorial Director	2
T&O Executive Vice President	1	Wealth Management Executive Vicepresident	1
MEXICO			45
Dir Ejec Recursos Corporativos & Recuperaciones	1	Dir Ejec Planeacion Comercial	1
Deputy Head Of Technology	1	Dir Ejec Planificacion Financi	1
DG Digital E Innovación	1	Dir Ejec Recuperaciones	1
DGA Digital E Innovación	1	Dir Ejec Recursos Humanos	1
DGA Estr Asu Pub Jef Gab Pr Ej	1	Dir Ejec Regulacion Y Product	1
DGA Recurs Corpor Recuperacion	1	Dir Ejec Relacion Inversionist	1
Dir Ejec Chief Opera Offi Scib	1	Dir Ejec Tec Informacion Cio	1
Dir Ejec De Capital	1	Dir Ejec y Operacion Red	1
Dir Ejec De Estrategia	1	Dir Gral Ad Interv	1
Dir Ejec Estrategia Clientes	1	Dir Gral Adj Estrategia Negocios	1
Dir Ejec Fiscal	1	Dir Gral Adjunto SCIB	1
Dir Ejec Gestión Comercial	1	Dir. Eje Gdf & Pdm	1
Dir Ejec Gestion Financiera	1	Head Empresas	1
Dir Ejec Gestion Integral Gast	1	Head Of Products, Investments & Solutions	1
Dir Ejec Glob Transact Banking	1	Head Red Comercial	1
Dir Ejec Head Regional Rese Am	1	Head Wealth Management & Insurance	1
Dir Ejec Inclusion Financiera	1	Information Security Officer	1
Dir Ejec Intervencion General	1	Managing Director	2
Dir Ejec M&A	1	Presidente Ejec Dir Gral Banco Santander	1
Dir Ejec Mercados	1	Presidente Ejec Dir Gral Gf	1
Dir Ejec Operaciones	1	Vp De Administración y Finanzas	1
Dir Ejec Particulares	1	Vp Red Comercial y Bei	1
OPENBANK			4
CFO Executive Team	1	Head Of Digital Executive Team	1
CHRO Executive Team	1	Head Of T&O Executive Team	1
OPENBANK ARGENTINA			1
Country Manager	1		
PAGONXT			13
Commercial Development Group Vice-President	1	Group Executive Vice-President	3
Cybersecurity Group Vice-President	1	Group Senior Executive Vice-President	1
Director (Whl)	1	Project Group Vice-President	1

POSITION	No.	POSITION	No.
Diretor	1	Product Director	1
Governance Group Vice-President	2	Vice President	1
PERU			1
Group Executive Vice-President	1		
POLAND			44
Advisor	1	Corporate Communication and Marketing Area director	1
ALM Analysis Office director	1	Credit Markets Department director	1
Business and Corporate Banking Department director	1	Cybersecurity and Technology Department director	1
Business and Corporate Banking Division director	1	Department of Transactions on Financial Markets director	1
Business Development and Service Department director	1	Director of card business development and financing	1
Business Partnership and Organization Department director	1	Distribution director	1
Capital Adequacy Department director	1	Early Restructuring Office director	1
Capital Management and Capital Investment Department director	1	Financial Accounting Area director	1
Capital Management team manager	1	Financial Markets Area director	1
Chief Customer Officer	1	Financial Services Area director	1
Chief Information Officer	1	Global Transaction Banking Department director	1
Chief Information Security Officer	1	Investment Banking Department director	1
Chief Operations Officer	1	IT Architecture Center director	1
Chief Technology Officer	1	Legal Area director	1
CIB Finance and Operational Support Department director	1	Management and Processes Transformation Department director	1
Member of the Board	5	Strategic Clients Office director	1
President of the Management Board	1	Strategy and Business Transformation Area director	1
Remuneration Department director	1	Treasury Services Department director	1
Retail Banking Transformation director	1	Vice President	2
Santander Digital (Retail & SME) director	1		
PORTUGAL			48
Brand Management Marketing Diretor	1	Corporate & Internal Legal Advisor	1
Business Developer Real Estate Diretor	1	Cto Executive Vice-President	1
Business Development & Partnerships	1	Data Analytics & Models Diretor Executivo	1
Business Support Legal Advisor	1	Debt Structuring Debt Finance Diretor	1
CFO Diretor Executivo	1	Director of Financial Management Analysis and Reporting	1
Chief Marketing Officer	1	Director of HR	1
Chief Transformation Officer	1	Diretor	3
Client Service Operations Diretor Executivo	1	Diretor Executivo	1
CLO Diretor Executivo	1	Epo Project Management	1
Collections & Recoveries	1	Head Of Large Corporates	1
Head Of Responsible Banking	1	Organization Diretor	1
Head Of Wealth Management & Insurance	1	Presidente Comissão Executiva	1
Investor Relations Responsável De Área 1	1	Private Banker Team Coordinator	1

POSITION	No.	POSITION	No.
It Project Management	1	Product & It Project Management	1
Network Management Distribution Management D. Comercial Empresas	3	Project Director	1
Operations Director Ejecutivo	1	Regional Head of Retail	1
Regional Head Of Retail Distribution Management	7	Strategy & Corporate Development Director Ejecutivo	1
Responsável De Área	1	Tax Director	1
Senior Data Manager	1	Technology & Cybersecurity Director	1
SANTANDER ASSET MANAGEMENT			6
Asset Management Executive Vice-President	1	Portfolio Investment & Asset Management Director	1
Director	3	Portfolio Investment & Asset Management Vice-President	1
SANTANDER CONSUMER FINANCE			34
Business Development & Partnerships Vice-President	2	Head Of T&O Product & It Project Management	1
Business Oversight Analysis Vice-President	1	HR Specialist Vice-President	1
CEO SCF Austria	1	Marketing Marketing Bereichsleiter	1
CEO SCF France	1	Président Du Directoire	1
CEO SCF Nordics	1	Regional Head Of Retail Distribution Management	1
CEO Vorstand	1	Senior Leader	1
CFO Financial Management	2	Technology Cybersecurity Vice-President	1
Chief Officer	1	Top Management	1
Chief Operating Officer	1	Top Management Vorstand	1
Directeur Commercial et Marketing	1	SCF PL Member of the board	3
Distribution Management Bereichsleiter	1	SCF PL President of the board	1
Executive Vice-President	7	SCF PL Vicepresident of the board	1
SANTANDER LONDON BRANCH			17
Director (Whl) (Cert)	6	Structured Product Mgr II (Whl)	2
Sales Manager II (Whl) (Cert)	2	Trading Mgr II (Whl) (Cert)	1
Senior Banker II (Whl) (Cert)	6		
SWITZERLAND			3
Switzerland CEO Executive Vice-President	1	Team Coordinator Private Banker (Cib, Wealth & Private) Director	2
UK			88
Chief Information Security Officer	1	Head of Debt Finance (Cert)	6
Digital, Innovation & Cto	1	Head of Fin. Management (Whl)(Cert)	1
Director (Cert)	3	Head of Fin. Mgmt (Whl)(Cert)	1
Director (Whl) (Cert)	2	Head of Rel. Management (Cert)	16
Director. (Cert)	1	Head of Transaction Banking	1
Exec Director (Cert)	1	Large Companies Director	1
Head of Bus Development (Cert)	1	Senior Leader	51
Head of Debt Finance	1		
URUGUAY			1
Gerente General - Country Head	1		
US			108
Chief Accounting Officer	1	Cio Of Data & Corporate Functions	1
Chief Communications Officer	1	Co-President Head Of Commercial Banking	1
Chief Consumer and Digital Transformation Officer	1	Corporate Banking Relationship Manager	3
Chief Exec Officer SHUSA	1	Executive Director, Financial Planning & Analysis	3
Chief Financial Officer - Sc	2	Executive Director, Head Of Wealth	1
Chief Human Resources Officer	1	Executive Director, Middle Market	1

POSITION	No.	POSITION	No.
Chief Human Resources Officer - Sc	1	Executive Director, Total Rewards & HR Technology	2
Chief Info Security Officer Us	1	Executive Director, Treasury	1
Chief Legal Officer	1	Associate Director, Private Banker	2
Chief Legal Officer - Sc	1	Managing Director	1
Chief Marketing Officer	2	Gtb Product Specialist	2
Chief Operating Officer, Cbb	1	Head of Banking & Corporate Finance	1
Chief Operation Officer - CIB	1	Head of Branch Banking & Private Client	1
Chief Strategy Officer	1	Head of Cbb Initiatives Enablement	1
Chief Technology Officer	1	Head of CIB Business Management	1
Chief Technology Officer - Sc	1	Head of Commercial Real Estate and Vehicle Finance	1
CIO	2	Head of Consumer Lending	1
Head of Digital Transformation	1	Product Specialist - Abs	1
Head of Global Debt Finance	1	Product Specialist - Debt Advisory	1
Head of Global Transaction Banking	1	Product Specialist - Inst. Sales	3
Head of Markets	1	Product Specialist - Pdm	1
Head of National Banking	1	Product Specialist , Bond Syndication	2
Head of Operations	1	Product Specialist , Corp Sales	1
Head of Operations - Sc	2	Product Specialist , Dcm	3
Head of Operations Processing	1	Product Specialist , Equity	1
Head of Pricing & Strategy	2	Product Specialist , Etd	1
Head of Small Business Banking	1	Product Specialist , Inst. Sales	2
Head of Tax- SHUSA	1	Product Specialist , Project & Structured Finance	4
Head of U.S. Corporate & Investment Banking	1	WM Chief Exec Officer	1
Mrtge Retl Development Officer	1	USA Product Specialist - Structured Products	4
President, Chrysler Capital and Auto Relationships	1	Product Specialist , Rates	2
Product Specialist , Short, Term Mkts	1	Sr. Director, Treasury	1
Product Specialist , Syndicated Ln & Acq Finance	1	Sr. Director, Customer And Employee Experience	1
Product Specialist , Trading	2	Sr. Director, Loan Operations	1
SHUSA CFO	1	USA CEO - APS	1
Sr. Director	1	USA CEO & President	1
Sr. Director, Chief Information Officer - Sc	2	USA CFO - APS	1
Sr. Director, Collections	1	USA Corporate Banking Relationship Manager	1
Sr. Director, Customer Service	1	USA President - APS	1
Sr. Director, Digital Products	1	Sr. Director, Research	1
Sr. Director, Financial Planning & Analysis	1		
WEALTH MANAGEMENT			11
Asset Management Executive Vice-President	3	Product & It Project Management Vice-President	1
Asset Mgt. CEO	1	Product Specialist Asset Management Vice-President	1
Business Support Advisor Legal Vice-President	1	Sr. Executive Vice-President	1
Insurance Executive Vice-President	1	Strategy & Corporate Development Vice-President.	1
Portfolio Investment & Asset Management Vice-President	1		
OVERALL TOTAL			703