

2020 Earnings Presentation

All. Together. Now.



Important information

Non-IFRS and alternative performance measures

This presentation contains, in addition to the financial information prepared in accordance with International Financial Reporting Standards (“IFRS”) and derived from our financial statements, alternative performance measures (“APMs”) as defined in the Guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority (ESMA) on 5 October 2015 (ESMA/2015/1415en) and other non-IFRS measures (“Non-IFRS Measures”). These financial measures that qualify as APMs and non-IFRS measures have been calculated with information from Santander Group; however those financial measures are not defined or detailed in the applicable financial reporting framework nor have been audited or reviewed by our auditors. We use these APMs and non-IFRS measures when planning, monitoring and evaluating our performance. We consider these APMs and non-IFRS measures to be useful metrics for our management and investors to compare operating performance between accounting periods, as these measures exclude items outside the ordinary course performance of our business, which are grouped in the “management adjustment” line and are further detailed in Section 3.2 of the Economic and Financial Review in our Directors’ Report included in our Annual Report on Form 20-F for the year ended 31 December 2019. Nonetheless, these APMs and non-IFRS measures should be considered supplemental information to, and are not meant to substitute IFRS measures. Furthermore, companies in our industry and others may calculate or use APMs and non-IFRS measures differently, thus making them less useful for comparison purposes. For further details on APMs and Non-IFRS Measures, including its definition or a reconciliation between any applicable management indicators and the financial data presented in the consolidated financial statements prepared under IFRS, please see the 2019 Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission on 6 March 2020, as well as the section “Alternative performance measures” of the annex to the Banco Santander, S.A. (“Santander”) Q4 2020 Financial Report, published as Inside Information on 3 February 2021. These documents are available on Santander’s website (www.santander.com). Underlying measures, which are included in this presentation, are non-IFRS measures.

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

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Important information

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

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**Performance in 2020
and areas review**



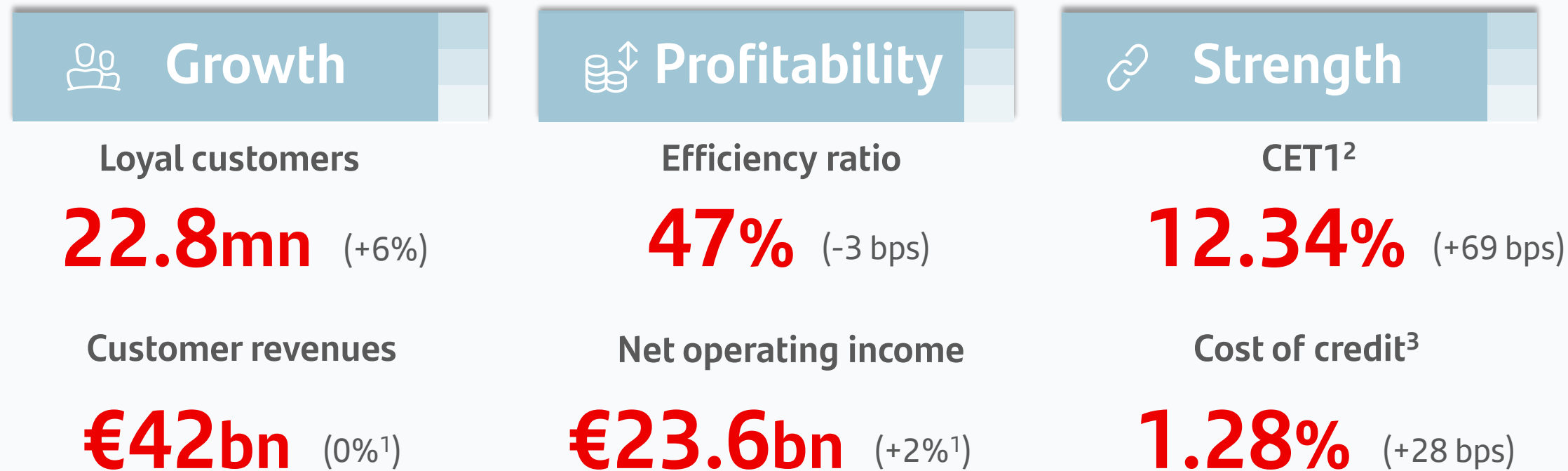
**Progress on
transformation in
2020 and next steps**



**Medium term outlook
and key takeaways**

Our business model and discipline in capital allocation delivered strong operating performance, resulting in a 7.4% underlying RoTE

2020 (vs. 2019)

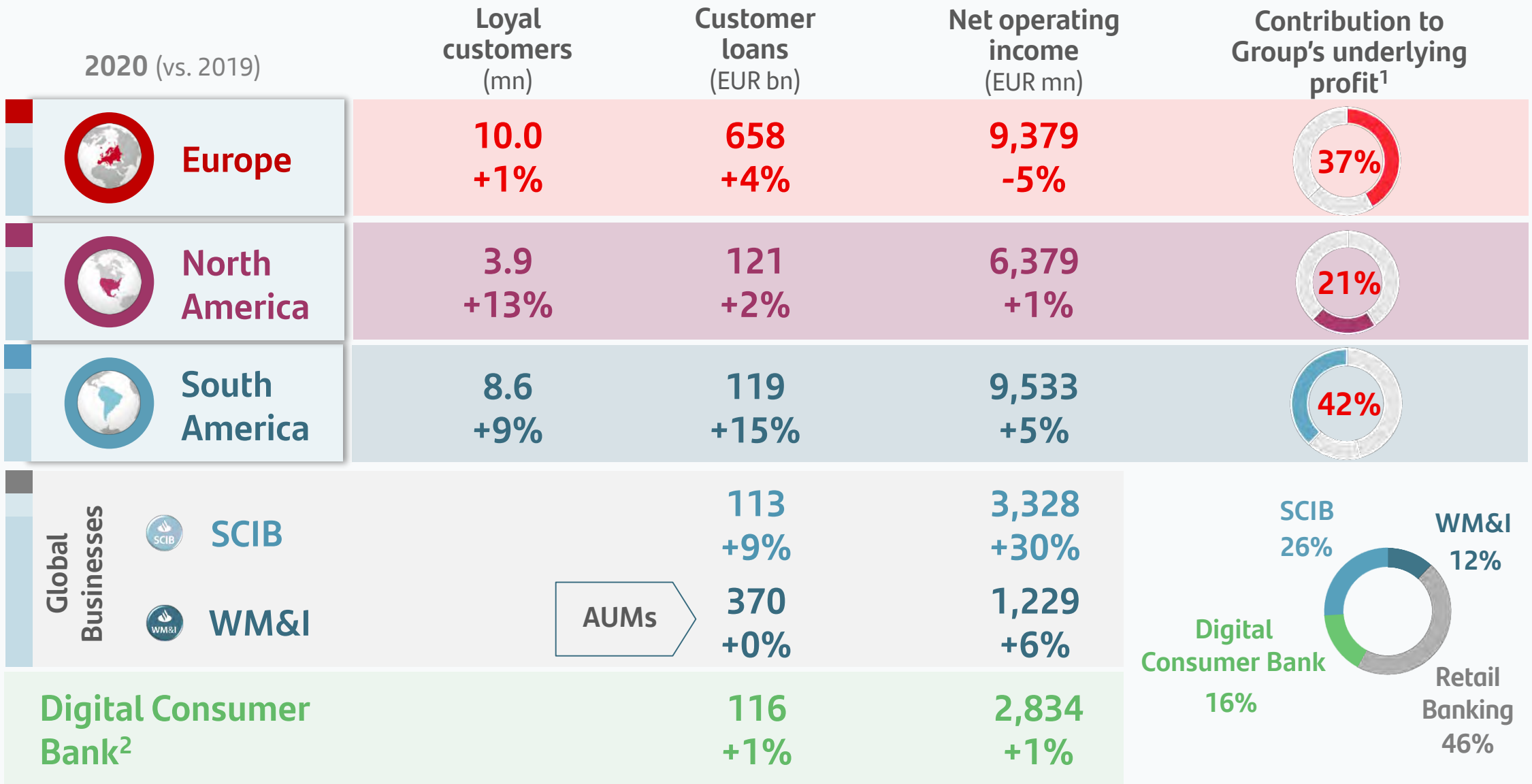


Fully-paid capital distribution of **new shares equivalent to €0.10 per share in 2020**, as well as a **€2.75 cents per share to be paid in cash** as shareholder remuneration against year 2020⁴

In a challenging 2020, we delivered +2%¹ YoY net operating income and €5bn underlying profit

EUR mn	2020	2019	% change	
			Euros	Constant Euros
Net interest income	31,994	35,283	-9	1
Net fee income	10,015	11,779	-15	-5
Customer revenue	42,009	47,062	-11	0
Trading and other income	2,591	2,432	7	9
Total income	44,600	49,494	-10	0
Operating expenses	-20,967	-23,280	-10	-2
Net operating income	23,633	26,214	-10	2
Net loan-loss provisions	-12,173	-9,321	31	47
Other results	-1,786	-1,964	-9	2
Underlying PBT	9,674	14,929	-35	-26
Underlying attributable profit	5,081	8,252	-38	-29
Net capital gains and provisions	-13,852	-1,737	-	-
Attributable profit	-8,771	6,515	-	-

Our geographical and business diversification continues to add value



We have worked hard to mitigate the impact of the crisis...



Employees

>100k employees **working from home**

MiVuelta app for contact tracing and health monitoring

>70k tests performed



Customers

c.6mn customers supported during Covid19

c.€175bn in new loans

>€1bn per day in new lending for SMEs and Corporates

c.80% expired moratoria

€45bn liquidity government measure mobilisation



Communities

>€100mn in aid

€56mn for essential health equipment and materials

€19mn to support vulnerable communities

€30mn through Santander Universities

... further embedding ESG to build a more responsible bank



Environmental: supporting the green transition

Helping customers go green

€32.6bn

Green Finance since 2019

€6.9bn AUM

Social Responsible Investment

Going green ourselves

€1bn Green

Bond issued (2nd since 2019)

Carbon Neutral

in own our operations

Aligning to Paris targets

1st CCCA³ report

1st TCFD⁴ report



Social: building a more inclusive society

Talented & diverse team

Top 10¹ in **6** geographies

23.7% women in leadership positions

Financially empowering people

4.5mn people² since 2019

€469mn credit to microentrepreneurs in 2020

Supporting society

3.8mn people helped since 2019

200k scholarships granted since 2019



Governance: doing business the right way

A strong culture

86%

Simple, Personal, Fair

employees proud to work in Santander

Taking ESG criteria into account when determining **remuneration**

An independent, diverse Board

+60% Independent directors

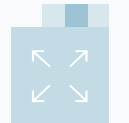
40% women on Group Board

Governance embedded to deliver on **ESG**

Group review



2020 showed resilient revenue and net operating income¹...



Growth

P&L ¹	2020	Vs. 2019
Net interest income	31,994	1%
Net fee income	10,015	-5%
Customer revenue	42,009	0%
Trading and other income ²	2,591	9%
Total income	44,600	0%
Operating expenses	-20,967	-2%
Net operating income	23,633	2%
Loan-loss provisions	-12,173	47%
Other results	-1,786	2%
Underlying PBT	9,674	-26%
Underlying attributable profit	5,081	-29%
Net capital gains and provisions	-13,852	-
Attributable profit	-8,771	-

1) EUR mn and % change in constant euros

2) "Other income" includes, income from the equity accounted method, dividends and other operating results. Contribution to the SRF recorded in Q2'19 and Q2'20. Contribution to the DGF in Spain recorded in Q4'19 and Q4'20.

Underlying attributable profit






Constant EUR mn



Attributable profit (Constant EUR mn)

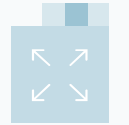
1,498	1,095	280	2,377	203	-11,136	1,796	366
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... while investing to improve our operating model and productivity

FY2020	
Goodwill impairment	-10,100
 UK	-6,101
 US	-2,330
 Poland	-1,192
 SCF (Nordics and others)	-477
Deferred tax assets	-2,500
Other	-1,252
Restructuring costs	-1,114
Others	-138
 Group total	-13,852

Of which allocated in Q4:	
Other	-1,146
Restructuring costs (Spain -700, the UK -121, Others ¹ -218)	-1,039
Others	-107

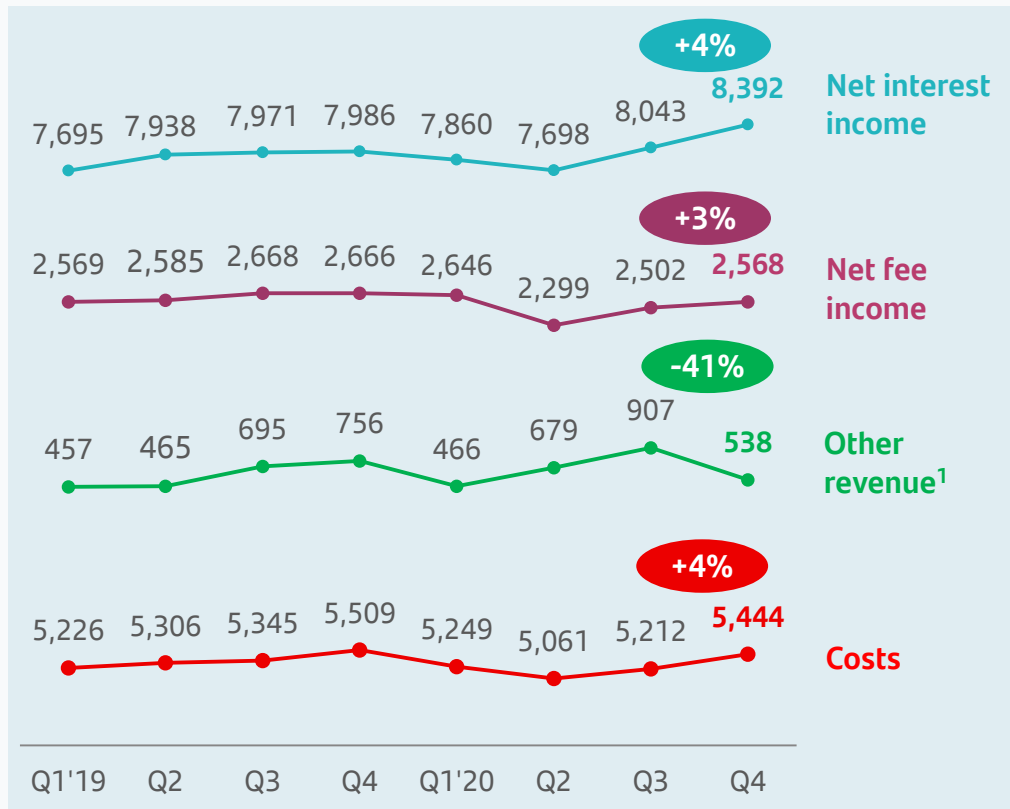
Top line showed strong signs of recovery in the last two quarters



Growth

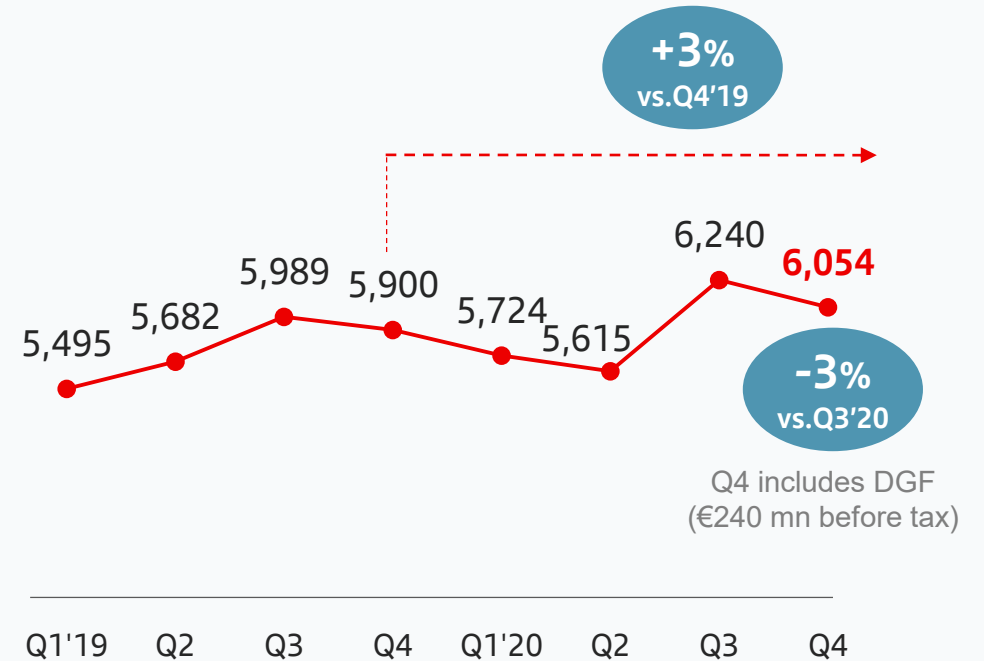
Revenues and costs

Constant EUR mn. Changes vs. Q3'20

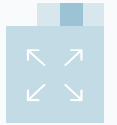


Net operating income

Constant EUR mn



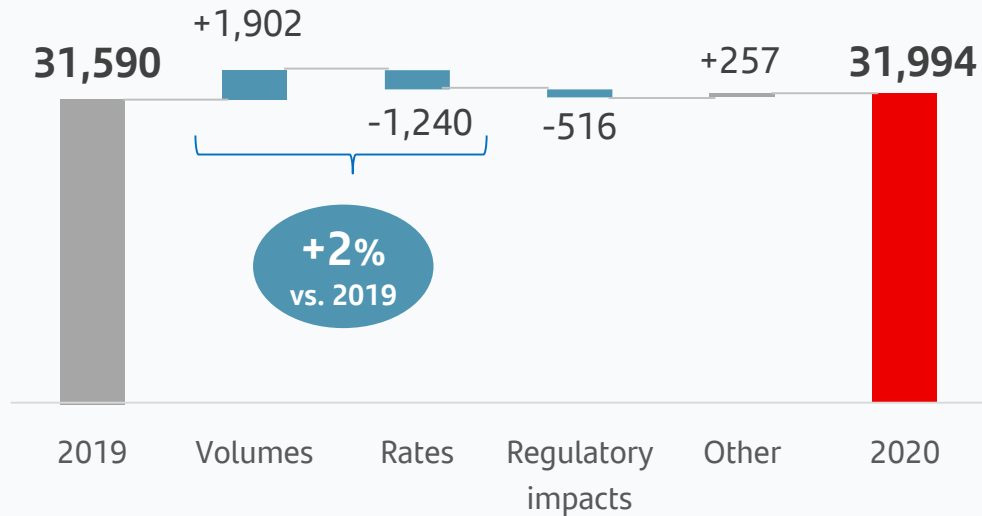
NII and fees continued to recover in Q4...



Growth

NII evolution

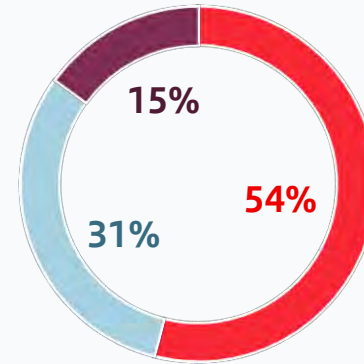
Constant EUR mn



NII increased from higher lending and deposits volumes

Net fee income - breakdown by Global Business

As % of total Group¹



	2020 vs. 2019	Q4'20 vs. Q3'20
Retail Banking	-11%	0%
WM&I	0%	+5%
SCIB	+12%	+6%
Total Group	-5%	+3%

Recovery in the quarter supported by acquiring, WM&I and SCIB

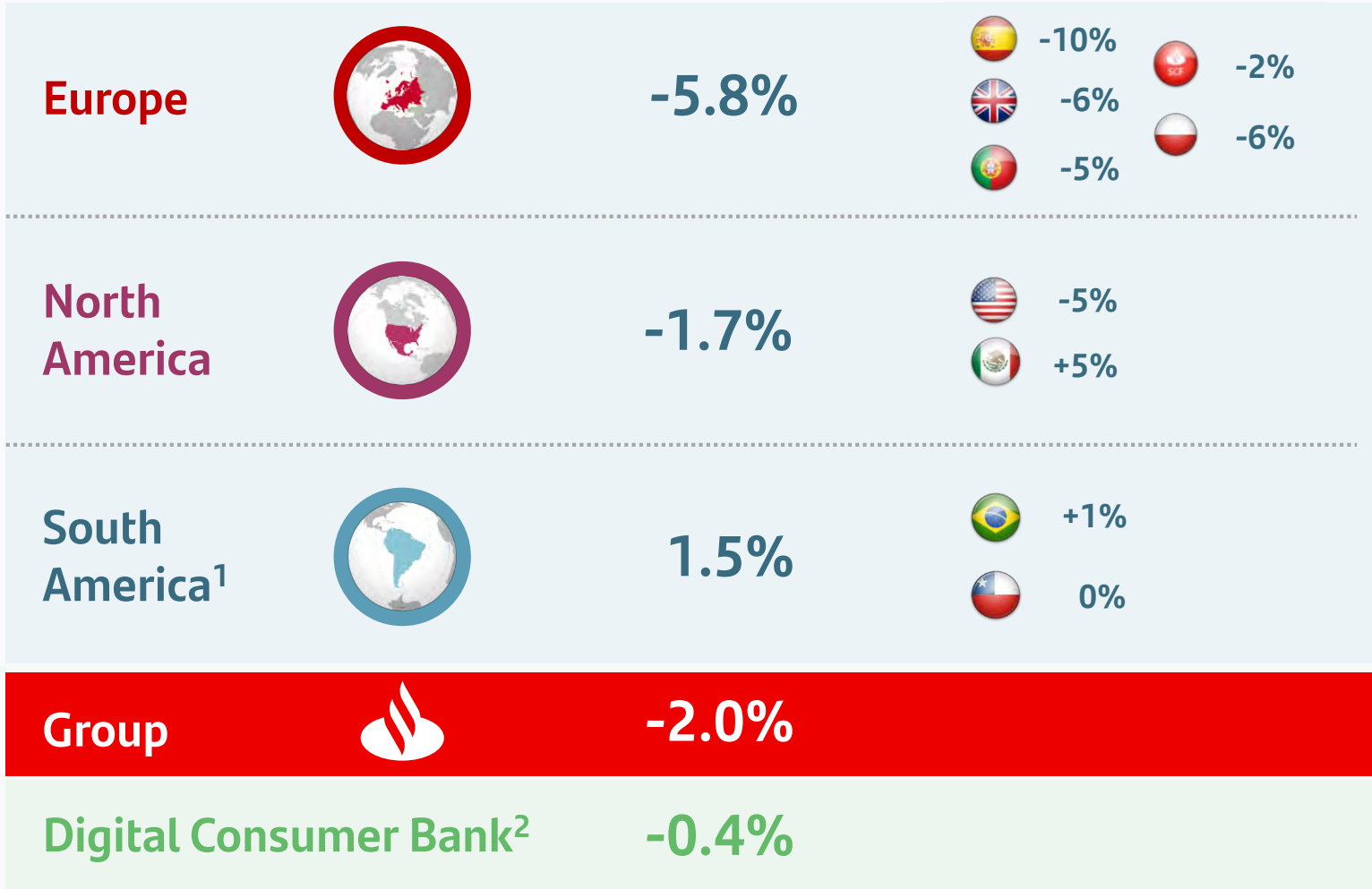
... and efficiency gains exceeded 2020 target



Profitability

Costs

% change YoY in constant EUR



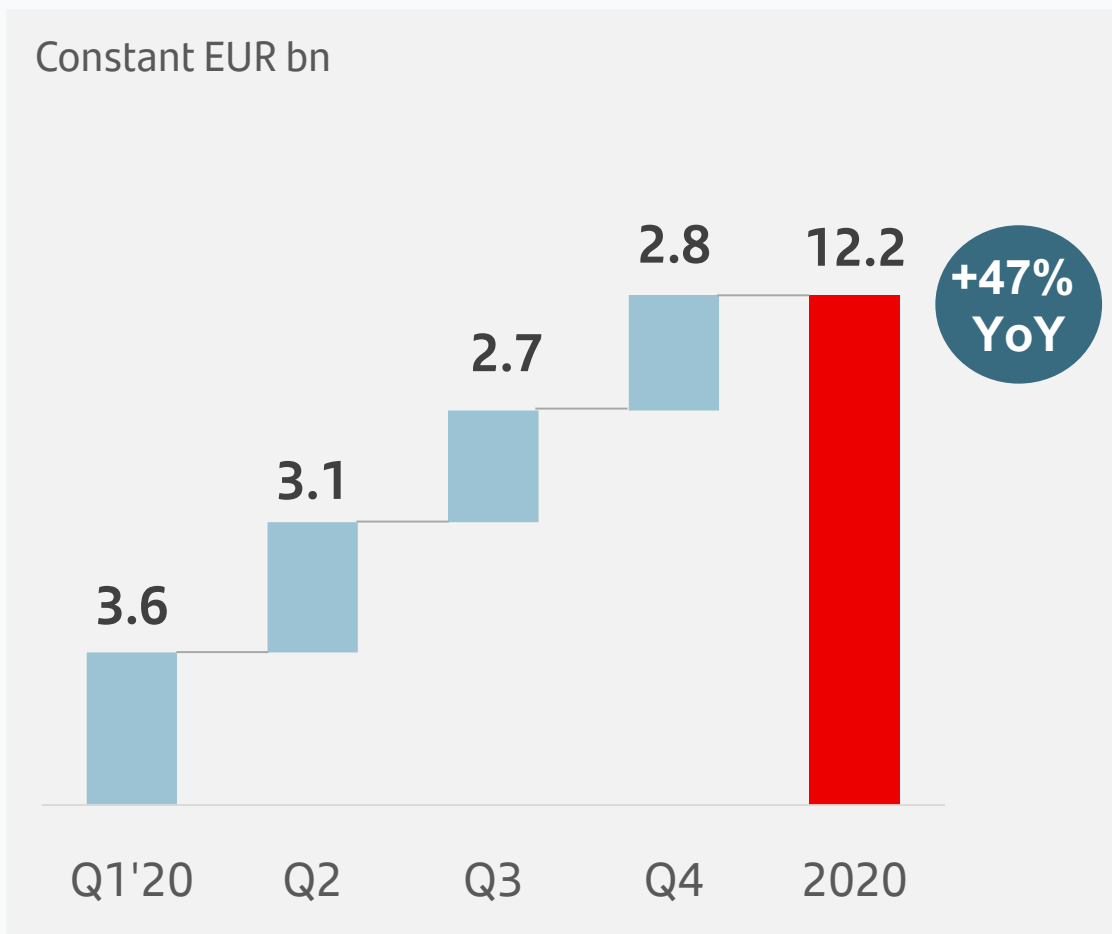
Increasing productivity in most markets

Cost of credit in line with guidance, with improved coverage



Strength

Loan-loss provisions



Credit quality indicators

	Dec-19		Dec-20
Cost of credit ¹	1.00%	>	1.28%
NPL ratio	3.32%	>	3.21%
Coverage ratio	68%	>	76%
Loan-loss reserves (Constant EUR)	20.4bn	>	24.3bn

Note: Exposure and coverage ratio by stage in appendix, page 73

79% of moratoria have already expired with 3% in stage 3. 78% of the €23bn active moratoria are secured



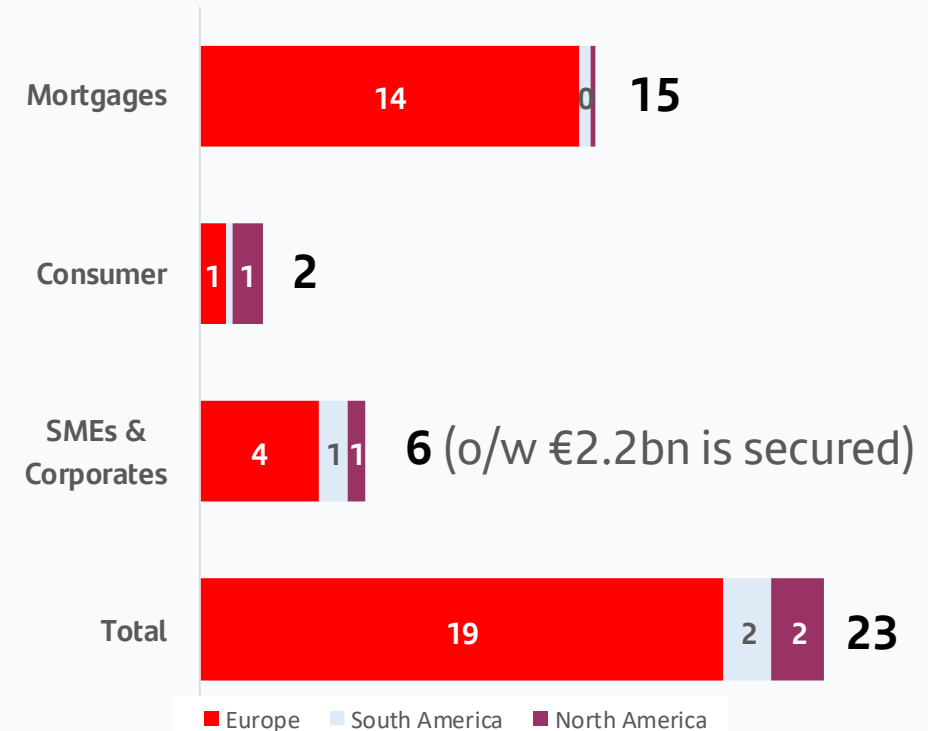
Total moratoria by segment

Total moratoria as of 31 December 20, EUR bn

	Total moratoria	o/w: expired	Expired		
			Stage 1	Stage 2	Stage 3
Mortgages	70	55	47.8	6.2	1.1
Consumer	20	18	13.5	2.9	1.2
SMEs & Corporates	22	16	11.6	3.8	0.4
Total	112	89	72.9	12.9	2.7

Active moratoria by segment

Active moratoria as of 31 December 20, EUR bn



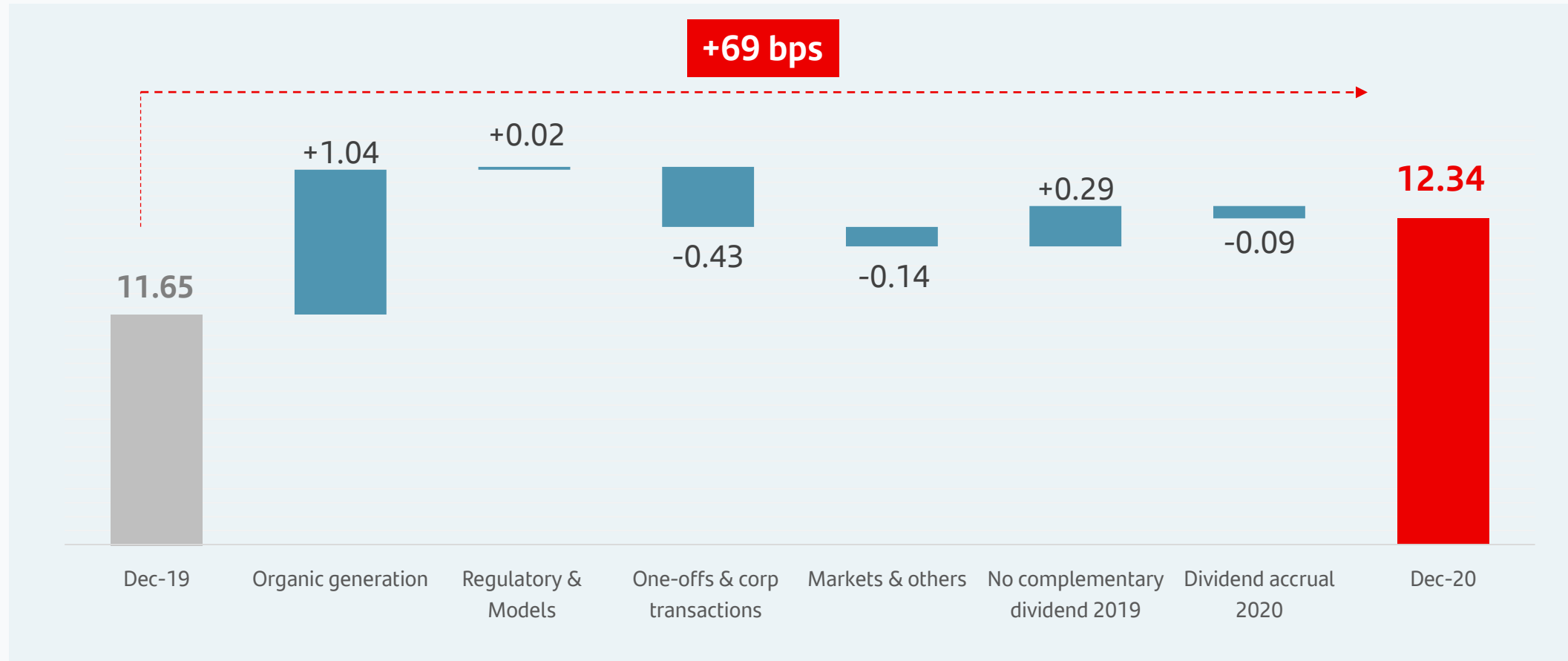
Robust performance of the already expired moratoria with **only 3% in stage 3**

Portugal (€9bn), Spain (€7bn), the UK (€3bn)

Group CET1 rose 69 bps YoY, exceeding our 11%-12% target



CET1 ratio evolution



Business areas review



EUROPE



KEY DATA	2020	% 2019
Loyal / active customers (%)	36	+1 pp
Digital customers (mn)	15.2	+10%
NPL ratio (%)	3.15	-10 bps
Cost of credit (%)	0.62	+34 bps
Efficiency ratio (%)	52.4	-21 bps
Underlying RoTE (%)	5.5	-4.5 pp



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

Loans up YoY with broad-based growth, mainly in Spain (ICO), the UK (mortgages and corporates) and SCIB

Profit down YoY due to **higher LLPs** but resilient customer revenue and strong cost control supporting recovery



P&L*	Q4'20	% Q3'20	2020	% 2019
NII	3,710	4.6	14,046	0.0
Net fee income	1,162	0.1	4,737	-9.4
Total income	4,987	-3.1	19,693	-5.4
Operating expenses	-2,534	-0.3	-10,314	-5.8
Net operating income	2,453	-5.9	9,379	-4.8
LLPs	-1,131	18.3	-4,299	136.3
Underlying PBT	959	-34.1	4,167	-42.7
Underlying att. profit	634	-32.8	2,656	-45.0

(*) EUR mn and % change in constant euros



Strong new business recovery in H2, **well above European market trends**, driven by **robust NII** and cost savings

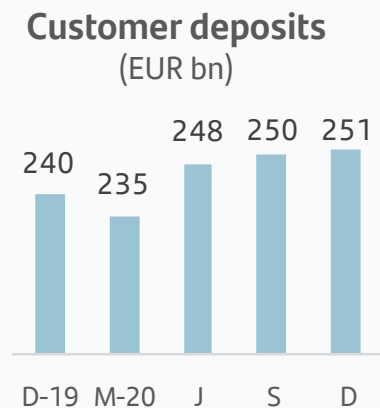
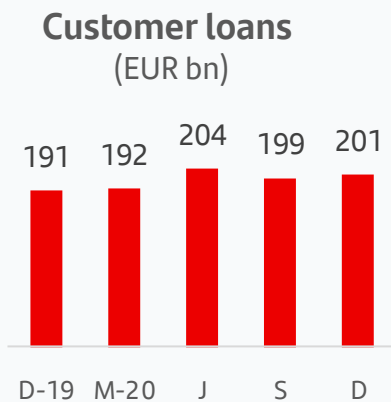


FY20 affected by interest rate cuts, DGF contribution, regulatory charges and LLPs. **Q4 net operating income increase**



KEY DATA	2020	% 2019
Loyal / active customers (%)	34	+2 pp
Digital customers (mn)	5.2	+11%
NPL ratio (%)	6.23	-71 bps
Cost of credit (%)	1.01	+58 bps
Efficiency ratio (%)	53.2	-38 bps
Underlying RoTE (%)	3.3	-7.2 pp

VOLUMES¹



P&L*	Q4'20	% Q3'20	2020	% 2019
NII	1,067	3.2	3,957	1.0
Net fee income	573	2.0	2,314	-6.7
Total income	1,632	-9.3	6,782	-9.6
Operating expenses	-873	-2.2	-3,607	-10.3
Net operating income	759	-16.4	3,175	-8.9
LLPs	-611	36.1	-2,001	133.7
Underlying PBT	20	-94.4	715	-67.1
Underlying att. profit	20	-91.9	517	-67.4

(*) EUR mn



Loan growth (+5% YoY) mainly in SMEs and Corporates

Our digital channels were redesigned to meet customers' needs, improving customer experience and NPS position

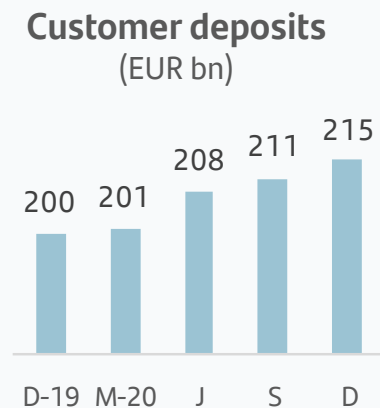
Q4 NII and fee income improvement, with **reinforced provisions coverage**. DGF impact

FY20 profit impacted by lower non-customer revenue and higher LLPs partially offset by **strong cost reduction (-10%)**



KEY DATA	2020	% 2019
Loyal / active customers (%)	31	-1 pp
Digital customers (mn)	6.3	+8%
NPL ratio (%)	1.21	+20 bps
Cost of credit (%)	0.28	+18 bps
Efficiency ratio (%)	60.9	+91 bps
Underlying RoTE (%)	3.9	-3.4 pp

VOLUMES¹



P&L*	Q4'20	% Q3'20	2020	% 2019
NII	1,063	8.7	3,808	1.9
Net fee income	99	-16.1	506	-40.8
Total income	1,146	2.4	4,339	-7.0
Operating expenses	-626	-3.3	-2,642	-5.6
Net operating income	519	10.2	1,697	-9.1
LLPs	-114	-39.0	-733	194.0
Underlying PBT	253	3.6	697	-51.4
Underlying att. profit	212	18.5	530	-50.2

(*) EUR mn and % change in constant euros



Volume growth based on strong new mortgage lending (GBP+4 bn YoY) and business banking government schemes

Recovery picked up in Q4 reflected in revenue growth (liability repricing), cost control and lower LLPs

FY20 profit down due to regulatory changes (overdrafts) and covid-19-related provisions, **partially offset by NII** and **lower costs**. Maintaining low cost of credit

NORTH AMERICA



KEY DATA	2020	% 2019
Loyal / active customers (%)	36	+6 pp
Digital customers (mn)	6.0	+16%
NPL ratio (%)	2.23	+3 bps
Cost of credit (%)	2.92	+16 bps
Efficiency ratio (%)	42.1	-75 bps
Underlying RoTE (%) ¹	10.7	-2.3 pp

P&L*	Q4'20	% Q3'20	2020	% 2019
NII	2,055	-1.5	8,469	0.2
Net fee income	394	-4.3	1,661	-0.1
Total income	2,691	0.0	11,011	0.1
Operating expenses	-1,194	8.0	-4,631	-1.7
Net operating income	1,498	-5.6	6,379	1.5
LLPs	-773	-1.2	-3,916	11.8
Underlying PBT	668	-14.4	2,332	-9.7
Underlying att. profit	431	-3.7	1,492	-3.3

(*) EUR mn and % change in constant euros

Do
Do
↑

Increasing coordination and cooperation between Mexico and the US, e.g. joint technology programmes

Continued development of the USMX trade corridor (revenues: SCIB +29%; Commercial +30%)

FY20 net operating income increased with **efficiency improvement**, whilst **profit** affected by LLP increase



YoY growth, both in loans and customer funds, supported by corporate demand, consumer auto and incentive programmes



FY20 resilient NII, cost reduction and lower minority interest expense (SC USA share repurchase). **Underlying profit of €731mn, up 3.8%**. USA delivers in 2020 an **adjusted RoTE of 8.4%**



FY20 net operating income up due to revenue improvement. Profit impacted by greater LLPs. **RoTE remained high** at 14%

SOUTH AMERICA



KEY DATA	2020	% 2019
Loyal / active customers (%)	27	+0 pp
Digital customers (mn)	20.2	+17%
NPL ratio (%)	4.39	-47 bps
Cost of credit (%)	3.32	+40 bps
Efficiency ratio (%)	35.8	-34 bps
Underlying RoTE (%)	18.1	-2.5 pp

P&L*	Q4'20	% Q3'20	2020	% 2019
NII	2,566	7.1	10,723	4.6
Net fee income	878	8.2	3,566	-2.1
Total income	3,514	4.9	14,845	4.7
Operating expenses	-1,314	10.9	-5,312	4.0
Net operating income	2,201	1.6	9,533	5.1
LLPs	-702	-7.8	-3,923	35.1
Underlying PBT	1,444	8.0	5,291	-5.8
Underlying att. profit	808	13.8	2,927	-4.1

(*) EUR mn and % change in constant euros



The region remains a growth engine, focused on being a more connected region, capturing business opportunities. **RoTE remained high: 18%**

Double-digit growth in loans and deposits, with volumes and transactionality gradual recovery in H2

Net operating income growth backed by higher NII and efficiency improvement. **Strong Q4**



Reached #1 in NPS and record growth in current accounts. **FY20 net operating income** driven by higher NII. **Strong Q4**



Strong volume and profit growth in the four countries boosted by higher revenue and efficiency improvement



Brazil

South America
main market

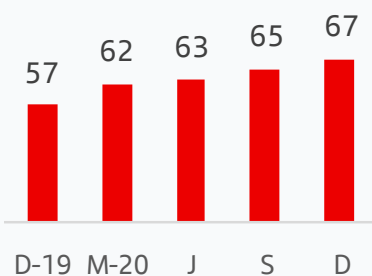


KEY DATA	2020	% 2019
Loyal / active customers (%)	23	+1 pp
Digital customers (mn)	15.6	+16%
NPL ratio (%)	4.59	-73 bps
Cost of credit (%)	4.35	+42 bps
Efficiency ratio (%)	32.6	-42 bps
Underlying RoTE (%)	19.2	-2.0 pp

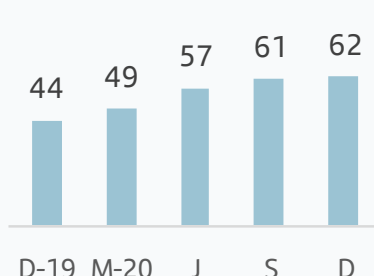
P&L*	Q4'20	% Q3'20	2020	% 2019
NII	1,786	3.4	7,625	-0.2
Net fee income	677	3.8	2,824	-2.0
Total income	2,544	2.3	10,866	2.7
Operating expenses	-897	12.5	-3,541	1.4
Net operating income	1,648	-2.4	7,325	3.3
LLPs	-540	-4.4	-3,018	31.1
Underlying PBT	1,072	1.2	4,045	-4.9
Underlying att. profit	568	5.8	2,113	-5.2

VOLUMES¹

Customer loans
(EUR bn)



Customer deposits
(EUR bn)



(*) EUR mn and % change in constant euros

Expansion of core business and growth in new businesses drove **double-digit YoY volume increase**, with controlled cost of credit

Q4 profit growth boosted by higher customer revenue and lower LLPs. Costs impacted by salary agreement and IT

FY20 net operating income increase driven by resilient revenue and efficiency improvement. **RoTE** remained high at **19%**



(1) Constant euros. Customer loans excluding reverse repos. Customer deposits excluding repos

GLOBAL BUSINESSES

Corporate & Investment Banking



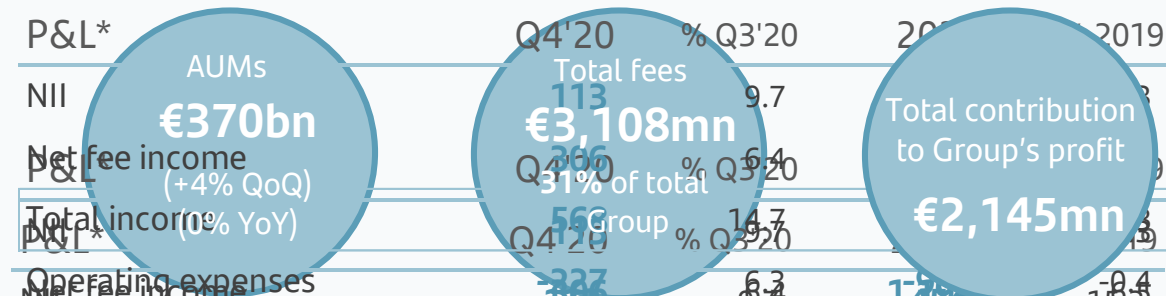
P&L*	Q4'20	% Q3'20	2020	% 2019
Total income	1,274	-6.6	5,397	15.1
Net operating income	744	-14.3	3,328	29.8
Underlying att. profit	330	-37.3	1,823	22.7

(*) EUR mn and % change in constant euros

Increased activity, improving efficiency ratio and profitability

FY20 profit was 23% higher, backed by double-digit growth in all core businesses

Wealth Management & Insurance



P&L*	Q4'20	% Q3'20	2020	% 2019
Total income	1,274	-6.6	5,397	15.1
Net operating income	341	21.1	1,229	6.2
Underlying att. profit	246	26.6	868	2.3
Net operating income	341	21.1	1,229	6.2
PBT	342	27.3	1,199	2.6
Underlying att. profit	246	26.6	868	2.3

(*) EUR mn and % change in constant euros

Underlying profit increase: sound revenues and less costs. Q3

PBT	342	27.3	1,199	2.6
------------	------------	-------------	--------------	------------

Underlying att. profit	246	26.6	868	2.3
-------------------------------	------------	-------------	------------	------------

(*) EUR mn and % change in constant euros

Private Banking fees rose 9%, SAM¹ AuMs increased 1% and Insurance protection non-related fees up 9% YoY



1

Performance in 2020
and areas review



2

Progress on
transformation in
2020 and next steps



3

Medium term outlook
and key takeaways

We have laid the foundations for the Santander of Tomorrow



Our purpose

To help people and businesses prosper



Our aim

To be the **best open financial services platform**, by acting **responsibly** and earning the **lasting loyalty** of our people, customers, shareholders and communities



Our how

Everything we do should be **Simple, Personal and Fair**

Our strategy and model transformation has doubled profits and improved RoTE, with a €29² bn higher capital base, a c.70% increase

	2013	2019	Change	
			(bn)	(%)
Underlying attributable profit to the Group, (bn)	€4.2 ¹	€8.3	+€4.1	+98%
Underlying RoTE, (%)	7.7%	11.8%	+4.1 p.p.	

We will continue to allocate capital to higher growth opportunities

Disciplined capital allocation

1

**High RoRWA
organic growth**

Primarily in Americas

2

**Fee income
businesses**

SCIB, Wealth
Management,
Payments Software

3

**Santander of
Tomorrow**

One Santander,
PagoNxt and Digital
Consumer Bank








**EPS + TNAVps
growth**

Dividend growth
(40%-50%¹ cash payout)

Reinvesting for profitable growth

2020 underlying RoRWA
(Dif. vs Group avg.)

RWAs as %
of total Group

		2020 underlying RoRWA (Dif. vs Group avg.)	RWAs as % of total Group
<p>1</p> <p>High RoRWA organic growth</p> <p>Primarily in the Americas</p>	 North America	1.60% +54bps	18%
	 South America	2.83% +177bps	20%
	 Digital Consumer Bank	1.40% +34bps	14%
<p>2</p> <p>Fee income businesses</p> <p>SCIB, Wealth Management, Payments Software</p>	 SCIB	1.86% +80bps	18%
	 WM&I	7.52% +646bps	2%

c.40%
of our capital delivered double digit underlying RoTE despite current challenges

The Santander of Tomorrow – 3 priorities for profitable growth

1 ONE SANTANDER

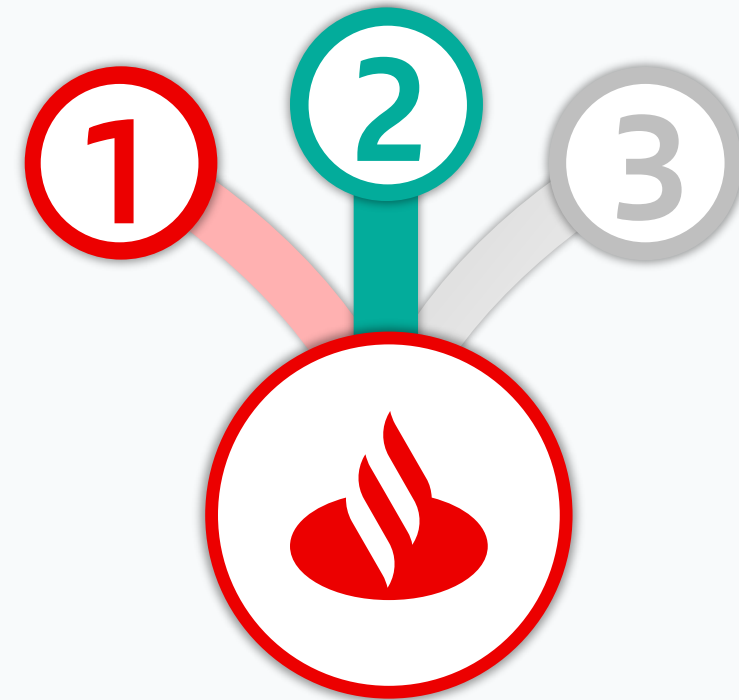
New operating model leveraging our global scale to deliver a better customer experience, supported by common culture and higher degrees of commonality, technology being one

2 PAGONXT

Our Group technology “backbone” solutions with payments at the core

3 DIGITAL CONSUMER BANK

Openbank and SCF driving profitable growth in Europe and new markets



Building on our technology to strengthen our **customers' loyalty** and access new fee-based revenue pools

One Santander: creating a better bank for our customers with a new operating model...



One Santander

Improving our **customer service**...

... strengthening our relationship with **customers**...

... by creating a **common operating model**

Simplify mass market value proposition

New distribution model

Shared processes and best-in-class technology



Medium term goal:

Top 3 NPS in 9 countries

Medium term goal:

Digital sales/total >50%

Medium term goal:

Efficiency ratio c.40%

... will deliver customer growth and higher productivity



One Santander

Medium-term goals

Underlying RoTE: 10-12%

Efficiency ratio: c.45%

Underlying RoTE²: 11-13%

Efficiency ratio: c.40%

Underlying RoTE: 19-21%

Efficiency ratio: c.35%

Europe¹

- Focus on **capital-efficient growth** opportunities
- Leverage **PagoNxt** global solutions with particular focus on SMEs and merchants
- Re-invent (Work-Cafés) our **branch network**, expand **Santander Personal**, deploy **common mobile app**

North America

- Expand **collaboration** to Commercial Banking, Auto and other retail segments
- Build **shared services**

South America

- Expand **Getnet** and **Superdigital**
- Common operating model for **Consumer Finance**
- Focus on **revenue growth** opportunities (e.g. Agrobusiness)



(1) Excluding SCF+Openbank, which would have an efficiency ratio of c.39% and a RoTE of 13%-15%. Europe, including SCF+Openbank, would have an efficiency ratio of c.43% and a RoTE of 12%-13%.

(2) Adjusted RoTE for excess capital in the US

PagoNxt is our global payments company providing services to SME/ Merchant and Consumers, leveraging our scale and technology



Payments is a **sizeable and fast growth market...**

... in which Santander already has **significant scale**

Merchant Acquiring

+11%

Expected annual growth
in e-commerce

€80bn

Merchant
acquiring global
revenue pool

>1.1mn

Active Merchant
business customers

c.60mn

Active credit and
Debit cards

International Trade

+3%

Annual growth
international trade

€350bn

International trade
revenue pool¹

>4mn

Group SME
customers

>200k

Group SME
customers trading int.

PagoNxt

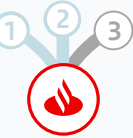
PagoNxt offers SMEs cutting-edge digital Merchant and Trade solutions



Merchant Solutions		Trade Solutions	
	Getnet ^{tr}	Merchant Spain	
'18-'20 growth	Active customers	+76% From 506k to 891k	+88% From 69k to 130k
	Market share	+25% From 12% to 15%	+40% From 12% to 17%
E-commerce market share	22%	9%	
	Accelerating with Wirecard assets		
			<p>We have made significant investments in 4 key assets which strengthen our trade offering</p> <p> </p> <p> </p> <p>We have already onboarded c.300k customers</p>

PagoNxt will **help Santander banks** deliver payment solutions seamless, faster and better value

Our Digital Consumer Bank: building on a strong foundation



Digital Consumer Bank

A

Openbank

Global consumer financing business serving **offline and e-commerce merchants**

>55k Merchant POS

c.€20bn Loans

Largest **full-service global digital bank** in the world

1.2mn Customers

c.€10bn Deposits

+

B

Santander Auto

Auto loan and leasing business serving **OEMs and dealers**

>75k Dealer & OEM POS

c.€85bn Loans

6mn new consumers/yr in 15 markets

Low-cost funding for loan growth

C

Digital Banking APIs (SaaS model)

Openbank technology and data capabilities grow revenues by adding services and improving productivity

Our ambition: to grow revenues and x2 PAT¹ in the medium term and build the most innovative consumer lending business in Europe



Digital
Consumer Bank

Great potential...

... to build a new paradigm...

... and deliver strong
financial results



c.18mn

Active
customers



4.5

Avg. products
per customer

- **Common apps**, data and systems infrastructure across regions
- **Single streamlined operating model** across auto, consumer lending and retail in 15+ countries
- **Simplified license and common compliance model**
- **New auto, consumer lending and retail banking country launches**

Medium-term goals

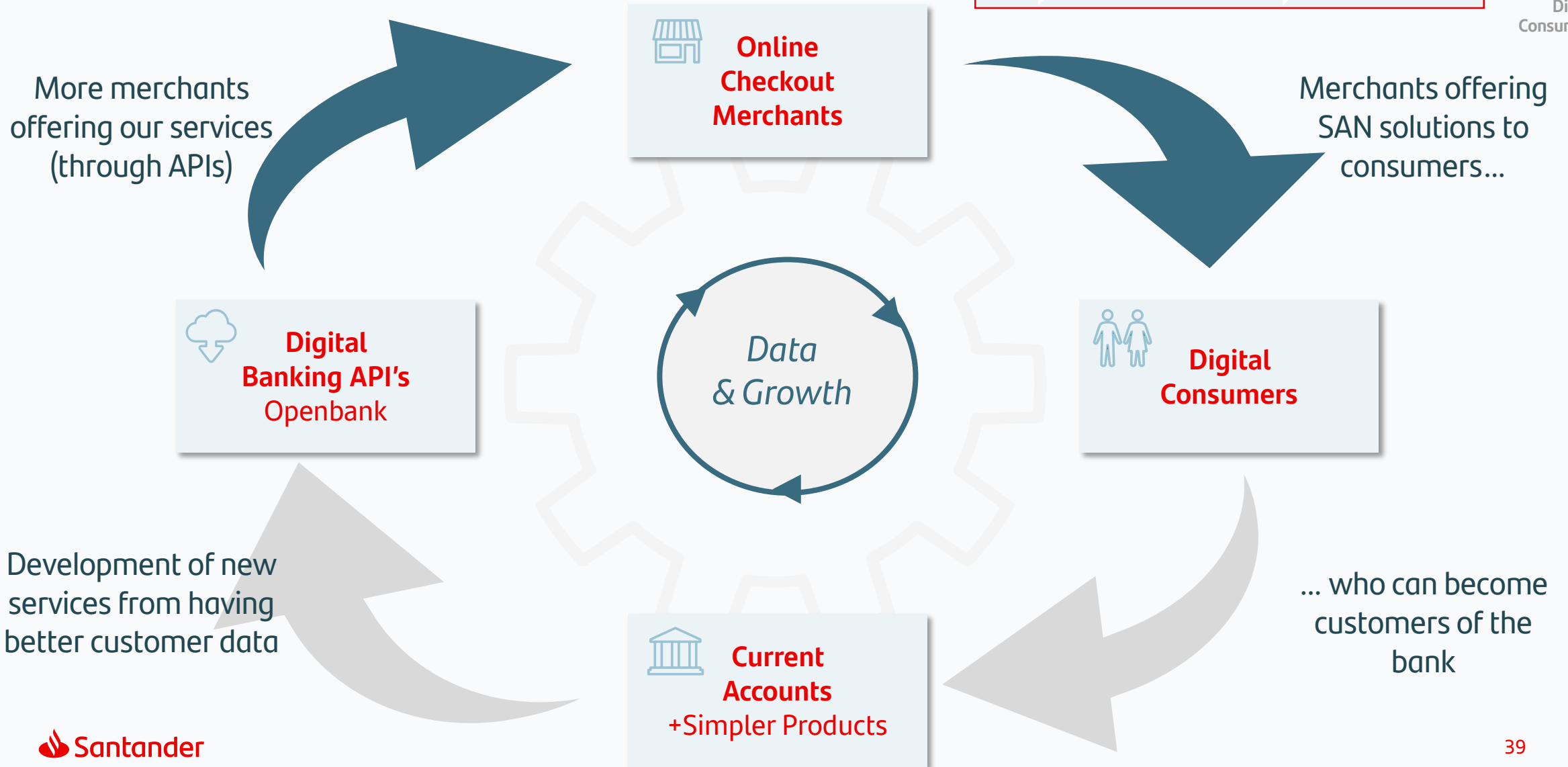
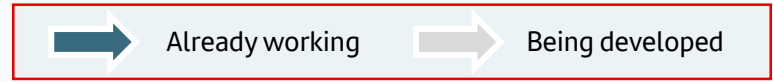
c.15% Underlying RoTE

39% Efficiency ratio

Our Digital Consumer Bank: flywheel powers growth



Digital Consumer Bank





1

Performance in 2020
and areas review



2

Progress on
transformation in
2020 and next steps



3

**Medium term outlook
and key takeaways**

Reiterate our medium-term goals and a goal of 9-10% RoTE⁴ for 2021

Our 2021 goals...



**Cost income ratio
<47%**



**Cost of credit
<1.28%**



**Underlying ROTE
9%-10%**

... and the medium-term impact
of the new model...



**Best-in-class
NPS**



**Mid-single
digit
revenue growth¹**



**Underlying RoTE
13-15%**

11-12% CET1

**40-50% cash dividend
pay-out (underlying profit)³**

Clear strategic priorities and plan for growth in EPS + TNAVps

Our resilient business model delivered sound results in 2020

- **€5bn underlying profit and resilient net operating income** (+2% YoY) while growing loyal (+6%) and digital customers (+15%)
- **Robust credit quality** with cost of credit at 1.28%
- **Strong organic capital generation**, with 12.34%¹ Group CET1

Our capital allocation will drive growth, with three strategic priorities:

- **One Santander** - in Europe, **10-12% RoTE** and **45% efficiency ratio** in the medium term
- **PagoNxt** - building off existing assets (Getnet, Wirecard in Europe). **Getnet Brazil listing expected** in 2021²
- **Digital Consumer Bank** - **2x PAT** medium-term goal

Thank You.

Our purpose is to help people and businesses prosper.

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

Simple Personal Fair



Appendix



Appendix

Other countries. Detail

Secondary segments

Balance sheet and capital management

Yield on loans and cost of deposits

NPL and coverage ratios and cost of credit

Responsible Banking

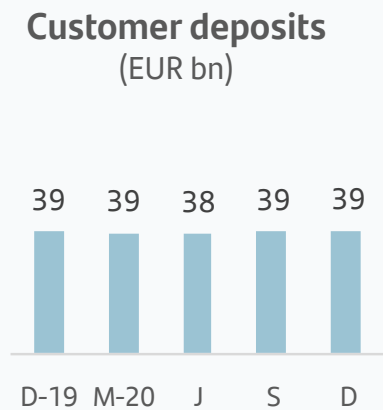
Quarterly income statements

Glossary



KEY DATA	2020	% 2019
Active customers (mn)	17.6	-9%
NPL ratio (%)	2.36	+6 bps
Cost of credit (%)	0.88	+40 bps
Efficiency ratio (%)	42.3	-99 bps
Underlying RoTE (%)	12.5	-2.7 pp

VOLUMES¹



P&L*	Q4'20	% Q3'20	2020	% 2019
NII	961	1.8	3,832	1.2
Net fee income	199	-2.8	750	-8.4
Total income	1,223	2.4	4,685	0.9
Operating expenses	-515	6.6	-1,981	-1.5
Net operating income	708	-0.4	2,703	2.8
LLPs	-186	-11.6	-899	92.3
Underlying PBT	532	9.0	1,869	-14.4
Underlying att. profit	324	14.2	1,085	-15.9

(*) EUR mn and % change in constant euros



Strong new business recovery in the second half of the year, above European market trends, is reflected in Q4 performance

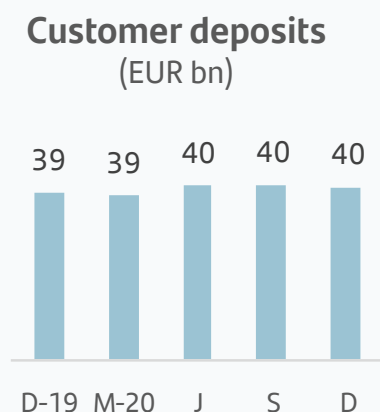
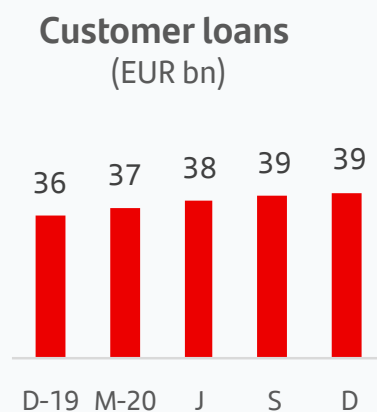
FY20 net operating income up driven by robust NII and cost savings initiatives

FY20 underlying profit heavily impacted by higher covid-19 related provisions, although high profitability maintained



KEY DATA	2020	% 2019
Loyal / active customers (%)	48	+2 pp
Digital customers (k)	930	+20%
NPL ratio (%)	3.89	-94 bps
Cost of credit (%)	0.51	+53 bps
Efficiency ratio (%)	45.5	+21 bps
Underlying RoTE (%)	8.7	-4.1 pp

VOLUMES¹



(1) Customer loans excluding reverse repos. Customer deposits excluding repos

P&L*	Q4'20	% Q3'20	2020	% 2019
NII	195	1.1	787	-8.1
Net fee income	103	9.1	388	-0.6
Total income	317	1.5	1,296	-5.7
Operating expenses	-149	2.1	-590	-5.3
Net operating income	168	1.0	706	-6.1
LLPs	-42	-11.4	-193	--
Underlying PBT	133	11.0	483	-35.5
Underlying att. profit	95	14.3	338	-35.5

(*) EUR mn



Focus on improving service quality, resulting in **the best NPS in Portugal** and strong growth in digital customers

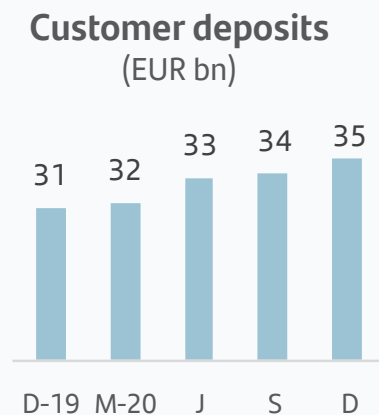
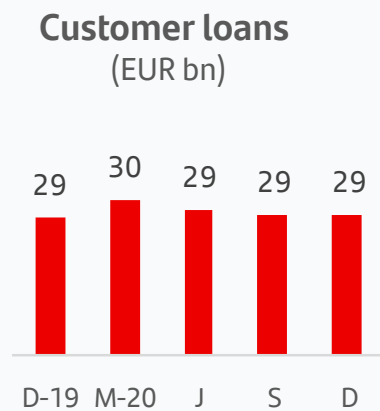
New lending market share at 25% in mortgages and at 18% in corporates

FY20 profit decrease mainly due to **covid-19 impacts on revenue and LLPs**, partially offset by **costs reduction**



KEY DATA	2020	% 2019
Loyal / active customers (%)	55	+1 pp
Digital customers (k)	2,756	+10%
NPL ratio (%)	4.74	+43 bps
Cost of credit (%)	1.10	+38 bps
Efficiency ratio (%)	41.3	+91 bps
Underlying RoTE (%) ¹	9.5	-10.1 pp

VOLUMES²



- (1) Underlying RoTE adjusted for excess capital. Otherwise 5%
 (2) Constant euros. Customer loans excluding reverse repos. Customer deposits excluding repos

P&L*	Q4'20	% Q3'20	2020	% 2019
NII	243	0.2	1,037	-8.5
Net fee income	120	8.5	452	0.2
Total income	388	-0.2	1,524	-8.3
Operating expenses	-154	-2.8	-629	-6.2
Net operating income	234	1.6	895	-9.7
LLPs	-81	24.7	-330	57.3
Underlying PBT	66	-50.3	370	-43.9
Underlying att. profit	20	-69.2	162	-52.0

(*) EUR mn and % change in constant euros



Strong customer deposit growth, improving funding structure and costs

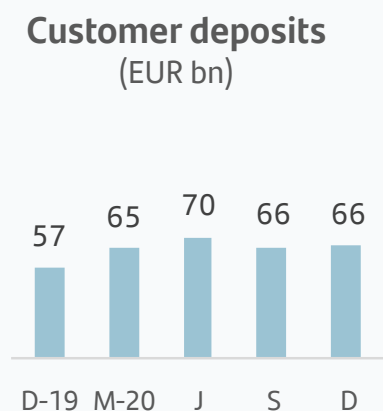
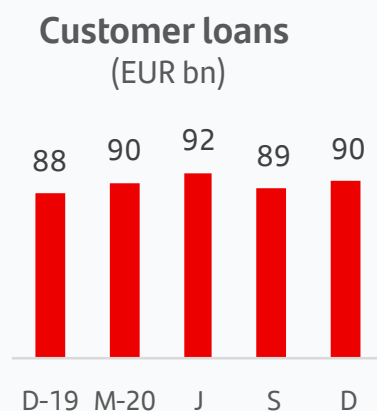
Q4 improvement in customer revenue and costs, offset by lower trading gains and LLPs related to individuals

FY20 profit down impacted by covid-19 LLPs, interest rate cuts (-140 bps), higher BFG contribution and regulatory charges



KEY DATA	2020	% 2019
Loyal / active customers (%)	22	+3 pp
Digital customers (k) ¹	1,011	+6%
NPL ratio (%)	2.04	-16 bps
Cost of credit (%)	2.86	+1 bps
Efficiency ratio (%)	41.8	-151 bps
Underlying RoTE (%) ²	8.4	-0.3 pp

VOLUMES³



(1) Excluding Puerto Rico disposal impact. Considering it, 0% YoY

(2) Underlying RoTE adjusted for excess capital. Otherwise 5%

(3) Constant euros. Customer loans excluding reverse repos. Customer deposits excluding repos. In Q3, disposal of Puerto Rico impact of: EUR 2.2 bn in loans and EUR 3.5 bn in deposits

P&L*	Q4'20	% Q3'20	2020	% 2019
NII	1,348	-2.2	5,645	-0.3
Net fee income	206	-3.2	889	-4.3
Total income	1,801	0.3	7,360	-1.4
Operating expenses	-772	8.5	-3,079	-4.8
Net operating income	1,029	-5.1	4,281	1.2
LLPs	-561	-0.6	-2,937	7.2
Underlying PBT	431	-13.9	1,250	-3.2
Underlying att. profit	260	2.8	731	3.8

(*) EUR mn and % change in constant euros



YoY growth, both in loans and customer funds, supported by corporate demand, consumer auto and incentive programmes

Lower seasonal impact (auto), better lease performance and lower effective tax rates **boosted Q4**. Q4 expenses include upfront costs for optimization initiatives.

FY20 resilient NII, cost reduction and lower minority interest expense (SC USA share repurchase). **Underlying profit of EUR 731 mn, up 3.8%. RoTE² of 8.4%**

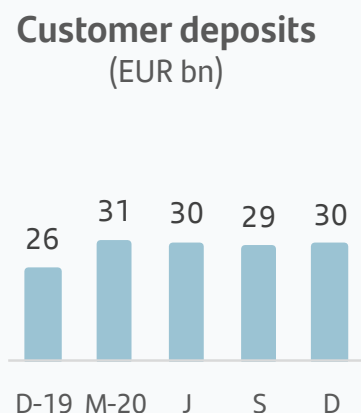
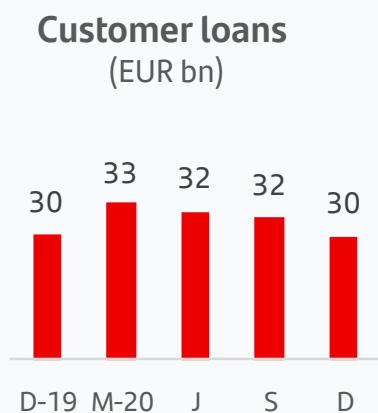


Mexico



KEY DATA	2020	% 2019
Loyal / active customers (%)	39	+6 pp
Digital customers (mn)	5.0	+20%
NPL ratio (%)	2.81	+62 bps
Cost of credit (%)	3.03	+54 bps
Efficiency ratio (%)	42.5	+72 bps
Underlying RoTE (%)	14.4	-6.2 pp

VOLUMES¹



(1) Constant euros. Customer loans excluding reverse repos. Customer deposits excluding repos

P&L*	Q4'20	% Q3'20	2020	% 2019
NII	707	0.1	2,825	1.2
Net fee income	188	-5.6	772	5.2
Total income	891	-0.7	3,651	3.2
Operating expenses	-422	7.0	-1,552	5.0
Net operating income	469	-6.7	2,098	2.0
LLPs	-212	-2.7	-979	28.3
Underlying PBT	238	-15.2	1,082	-16.2
Underlying att. profit	171	-12.3	762	-9.3

(*) EUR mn and % change in constant euros



Strong increase in **loyal** and **digital customers**, reflected in **deposit growth** (individuals). Corporate loans normalizing after picking up in the beginning of the crisis

Q4 performance affected by **increased costs** (mainly IT). **Resilient revenue** and **lower LLPs**

FY20 net operating income increased due to revenue improvement. Profit impacted by greater LLPs, though **RoTE remained high** at 14%

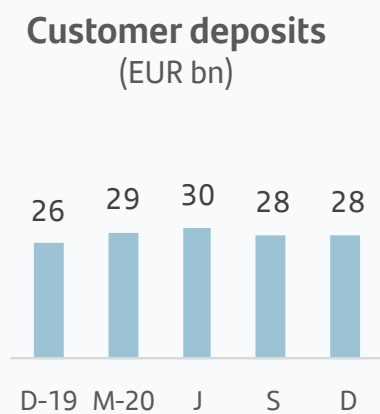
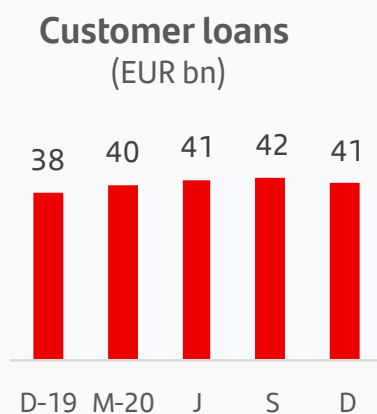


KEY DATA	2020	% 2019
Loyal / active customers (%)	44	-2 pp
Digital customers (k)	1,547	+24%
NPL ratio (%)	4.79	+15 bps
Cost of credit (%)	1.50	+42 bps
Efficiency ratio (%)	39.8	-83 bps
Underlying RoTE (%)	13.2	-4.9 pp

P&L*	Q4'20	% Q3'20	2020	% 2019
NII	494	16.8	1,787	9.9
Net fee income	94	26.7	335	-5.0
Total income	594	10.8	2,263	2.4
Operating expenses	-219	-2.1	-900	0.3
Net operating income	375	20.1	1,363	3.8
LLPs	-94	-38.8	-594	54.0
Underlying PBT	285	67.4	785	-20.2
Underlying att. profit	163	88.1	432	-21.2

(*) EUR mn and % change in constant euros

VOLUMES¹



Leadership in NPS, with strong growth in digital customers and in current account openings driving improved funding mix

Strong Q4 profit boosted by NII (inflation), recovery in fees, cost control and lower LLPs

FY20 net operating income underpinned by higher NII (volumes and lower cost of funds) and efficiency improvement, although impacted by higher LLPs related to covid-19



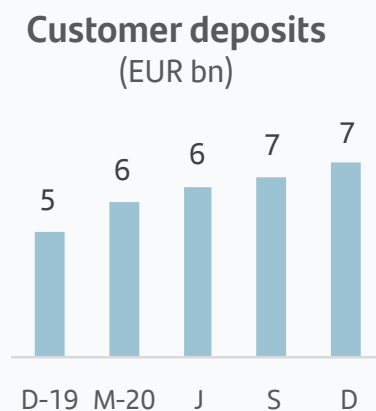
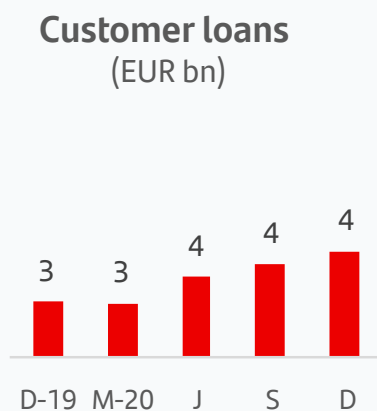
Argentina

South America
other markets



KEY DATA	2020	% 2019
Loyal / active customers (%)	44	-3 pp
Digital customers (k)	2,650	+21%
NPL ratio (%)	2.11	-128 bps
Cost of credit (%)	5.93	+84 bps
Efficiency ratio (%)	56.0	-187 bps
Underlying RoTE (%)	26.2	+4.0 pp

VOLUMES¹



(1) Constant euros. Customer loans excluding reverse repos. Customer deposits excluding repos

P&L*	Q4'20	% Q3'20	2020	% 2019
NII	192	20.2	912	48.8
Net fee income	71	32.8	273	-6.1
Total income	226	15.4	1,128	31.5
Operating expenses	-141	24.4	-632	27.2
Net operating income	85	4.3	496	37.3
LLPs	-48	37.2	-226	47.3
Underlying PBT	15	-38.4	200	40.8
Underlying att. profit	18	-29.7	179	91.1

(*) EUR mn and % change in constant euros



Double-digit YoY volume growth, maintaining high liquidity in both pesos and USD

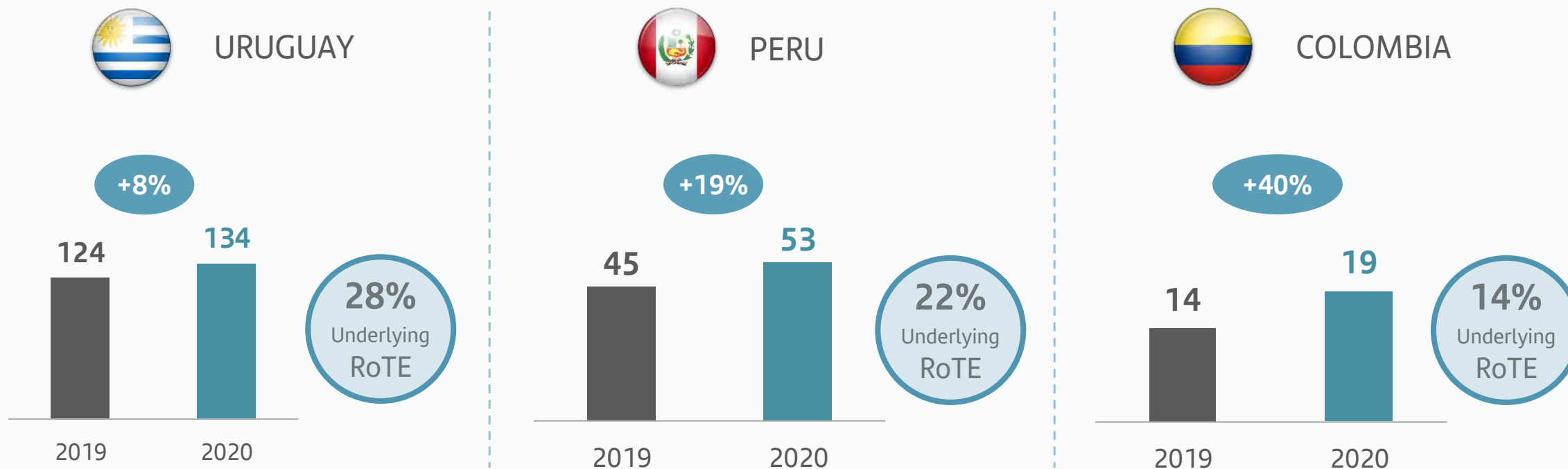
Strong customer revenue growth in Q4 though profit affected by higher provisions and costs (salary agreement)

FY20 profit and RoTE increase due to NII and efficiency improvement



Uruguay and Andean region

Underlying attributable profit



Double-digit volume growth in all countries, both in customer loans and customer funds

Strong **profit** growth boosted by higher revenue and efficiency improvement



Corporate Centre

P&L*	2020	2019
NII	-1,374	-1,252
Gains/Losses on FT	287	-297
Operating expenses	-329	-373
LLPs and other provisions	-443	-273
Tax and minority interests	69	166
Underlying att. profit	-1,844	-2,097

(*) EUR mn



NII impacted by the increased liquidity buffer

Positive impact of FX hedging cost reflected in results from financial transactions

Operating expenses down -12% YoY

Provisions include non-recurring charges for certain holdings whose valuation has been affected by the crisis

Appendix

Other countries. Detail

Secondary segments

Balance sheet and capital management

Yield on loans and cost of deposits

NPL and coverage ratios and cost of credit

Responsible Banking

Quarterly income statements

Glossary

Retail Banking

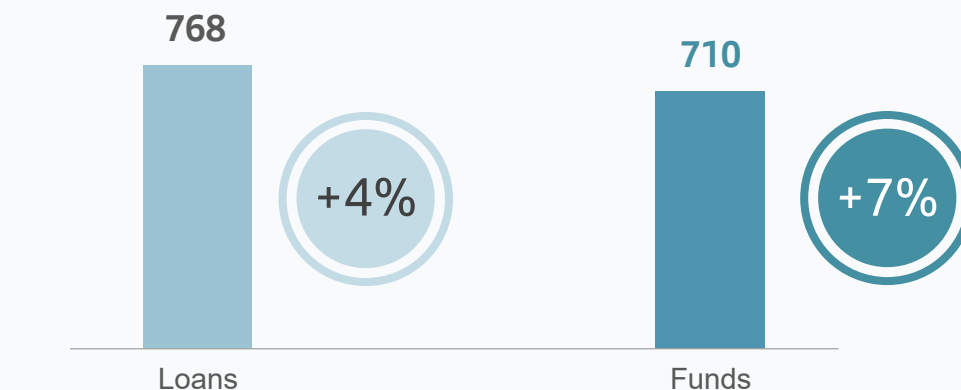
P&L*	Q4'20	% Q3'20	2020	% 2019
NII	7,371	4.1	29,544	0.1
Net fee income	1,661	0.7	6,850	-9.6
Total income	9,159	0.4	37,215	-3.1
Operating expenses	-4,179	4.2	-16,847	-2.6
Net operating income	4,980	-2.6	20,368	-3.5
LLPs	-2,410	-1.6	-11,608	44.1
Underlying PBT	2,163	-10.0	7,531	-35.2
Underlying att. profit	1,258	-3.8	4,196	-39.0

(*) EUR mn and % change in constant euros



Activity

EUR bn and % change YoY in constant euros



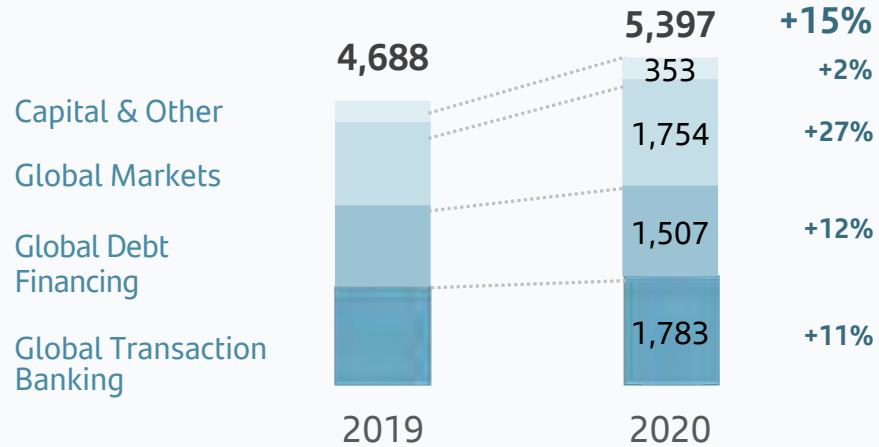
Our priority is to ensure the **necessary financial support** for our stakeholders

Focus on accelerating our **digital transformation**, through a **multi-channel** strategy



Corporate & Investment Banking

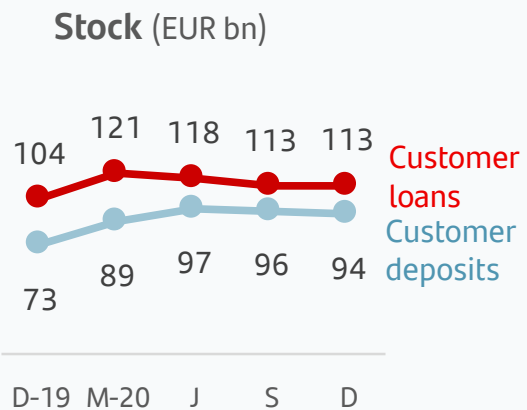
Total income (Constant EUR mn)



P&L*	Q4'20	% Q3'20	2020	% 2019
NII	781	1.6	2,953	20.4
Net fee income	379	6.0	1,550	12.5
Total income	1,274	-6.6	5,397	15.1
Operating expenses	-530	7.5	-2,069	-2.7
Net operating income	744	-14.3	3,328	29.8
LLPs	-176	308.9	-467	209.9
Underlying PBT	496	-36.6	2,726	17.1
Underlying att. profit	330	-37.3	1,823	22.7

(*) EUR mn and % change in constant euros

VOLUMES¹



1.86%
Underlying
RoRWA

38.3%
Efficiency
ratio



Increased activity, improving efficiency ratio and profitability, whilst maintaining the support to our customers

In Q4, NII and fees up driven by South America and Europe. **Profit fell due to lower trading gains** (increase in CVA and loan portfolio sales at market value) and higher **provisions** (covid-19 and single cases)

FY20 profit was 23% higher, backed by double-digit growth in all core businesses



(1) Constant euros. Customer loans excluding reverse repos. Customer deposits excluding repos



Wealth Management & Insurance

ACTIVITY	EUR bn and % change in constant euros	QoQ	YoY
Total AUM	370	+4%	0%
Funds and investments ²	225	+2%	+3%
- Asset Management (SAM)	181	+1%	+1%
- Private Banking	68	+6%	+8%
Custody of customer funds	87	+11%	-6%
Customer deposits	58	+2%	+2%
Customer loans	17	+5%	+10%

P&L*	Q4'20	% Q3'20	2020	% 2019
NII	113	9.7	454	-15.3
Net fee income	306	6.4	1,194	6.5
Total income	568	14.7	2,135	3.3
Operating expenses	-227	6.3	-906	-0.4
Net operating income	341	21.1	1,229	6.2
LLPs	-6	-40.9	-28	--
Underlying PBT	342	27.3	1,199	2.6
Underlying att. profit	246	26.6	868	2.3

(*) EUR mn and % change in constant euros



FY20 profit increase: sound revenues and flat costs. Q3 and Q4 reflecting the gradual recovery in activity since the months of strongest impact from the health crisis in the first half of the year

Private Banking: good activity levels and business growth (fees up 9% YoY), despite the markets situation and the reduction of interest rates

SAM: volumes recovering (up +1% YoY), both by market movement and by positive cumulative net sales since May

Insurance: production affected by lower activity derived from the crisis, mainly in Europe, but protection non-related fees up 9% YoY



Note: Total assets marketed and/or managed

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

(2) Total adjusted for funds from private banking customers managed by SAM. 2019 figures included the *pro forma* of the asset management Popular's joint venture

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

Appendix

Other countries. Detail

Secondary segments

Balance sheet and capital management

Yield on loans and cost of deposits

NPL and coverage ratios and cost of credit

Responsible Banking

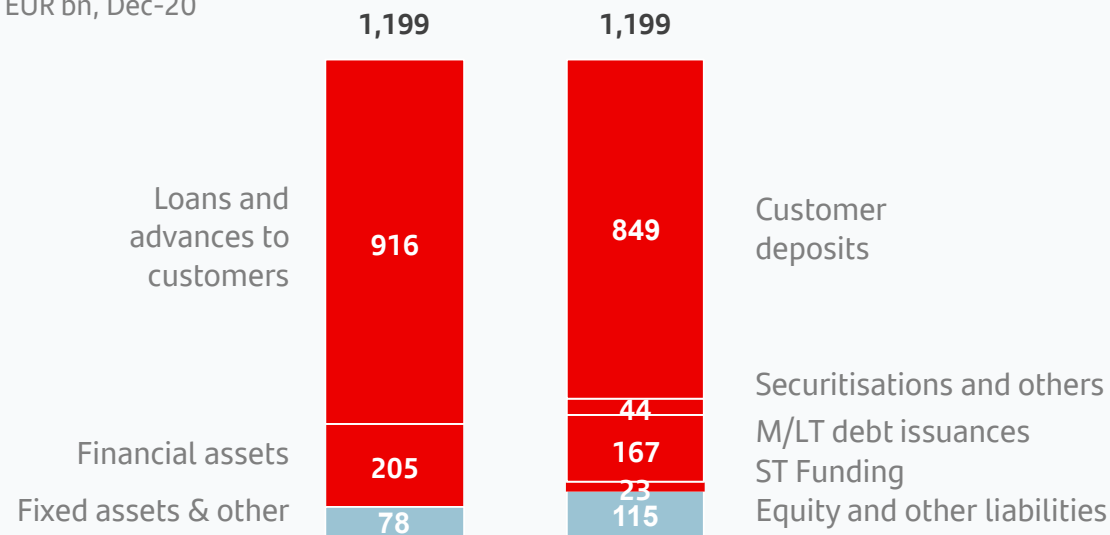
Quarterly income statements

Glossary

Santander has a highly liquid balance sheet with a large contribution from customer deposits and diversified MLT wholesale debt instruments

Liquidity Balance Sheet

EUR bn, Dec-20



HQLAs³

EUR bn, Dec-20

	Assets	Liabilities
HQLAs Level 1		241.4
HQLAs Level 2		9.5
▶ Level 2A		5.2
▶ Level 2B		4.3

Liquidity Coverage Ratio (LCR) Net Stable Funding Ratio (NSFR)

	Dec-20 ¹	Dec-19	Sep-20
Spain ²	175%	143%	118%
SCF	326%	248%	112%
UK ²	152%	145%	126%
Portugal	123%	134%	120%
Poland	187%	149%	145%
US	129%	133%	119%
Mexico	207%	133%	131%
Brazil	167%	122%	115%
Chile	155%	143%	119%
Argentina	189%	196%	183%
Group	165%	147%	119%



Note: Liquidity balance sheet for management purposes (net of trading derivatives and interbank balances)

(1) Provisional data

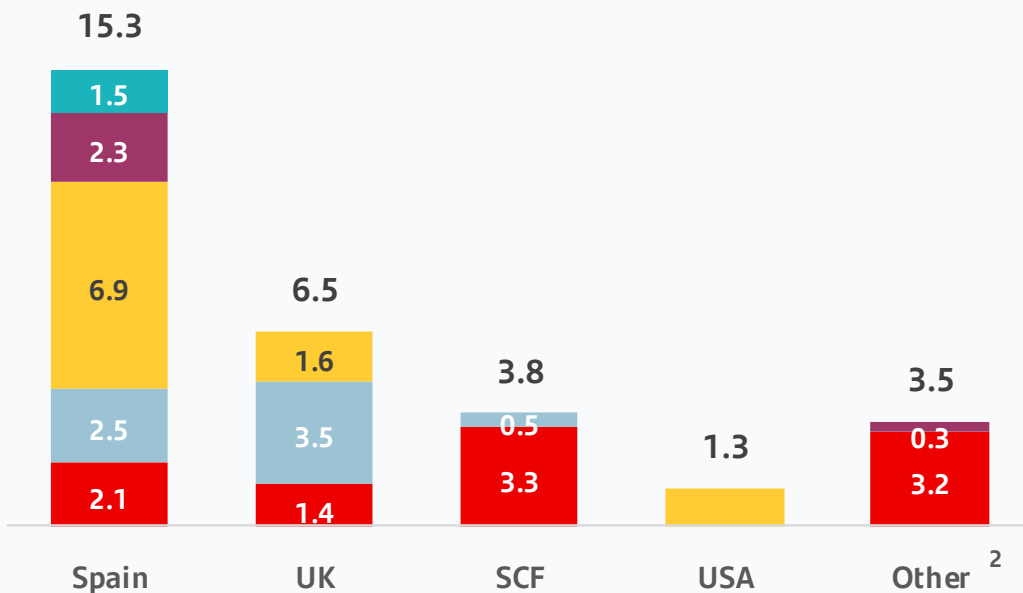
(2) LCR and NSFR: Spain: Parent bank, UK: Ring-fenced bank

(3) 12 month average, provisional

In 2020, the Group has issued EUR 30 bn¹ of MLT debt and is able to cover its very manageable maturity profile

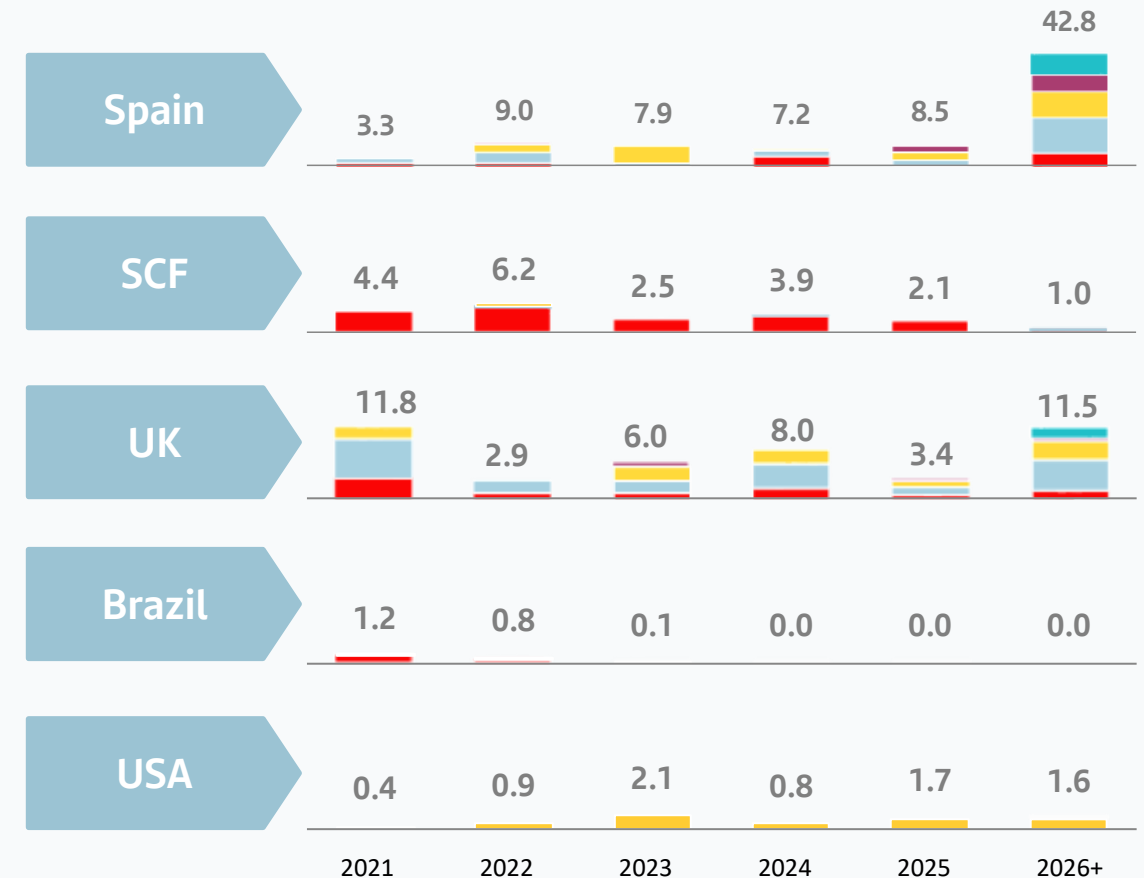
Public market issuances in 2020

EUR bn, Dec-20



Maturity profile

EUR bn, Dec-20



■ Senior Debt ■ Covered bond ■ Senior TLAC ■ Subordinated ■ Preferred stock





(1) Data include public issuances from all units with period-average exchange rates. Excludes securitisations
 (2) Other public market issuances in Mexico, Brazil, Chile and Poland

We actively manage interest rate risk and our ALCO portfolios to optimize results while maintaining an appropriate risk profile

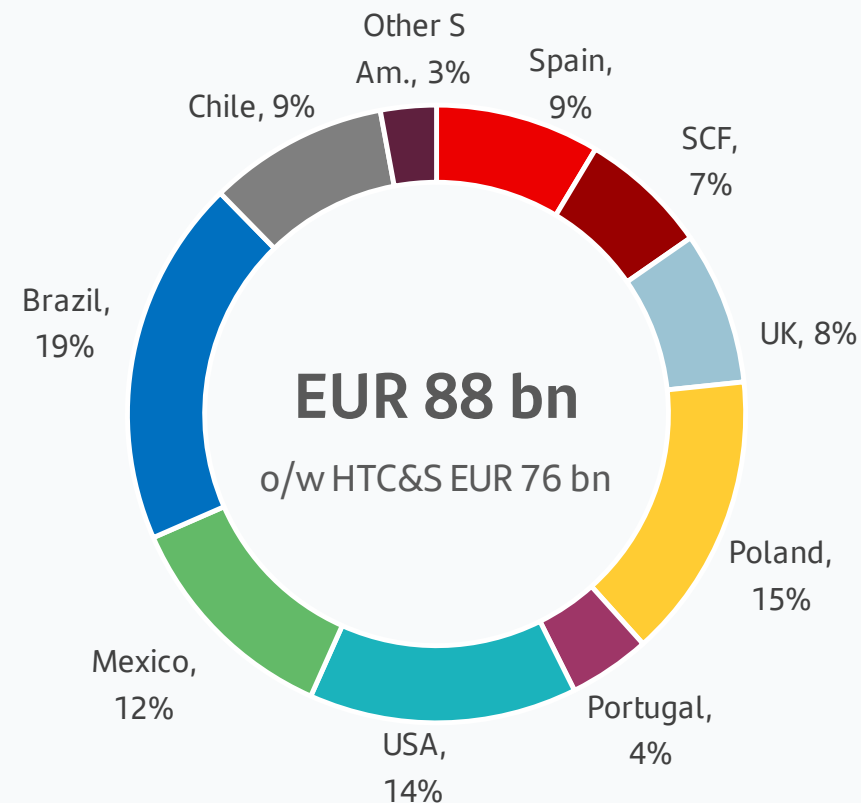
Positive interest rate sensitivity in Europe

Net interest income sensitivity to a +/-100 bp parallel shift
EUR mn, Nov-20

	+100 bps	-100 bps
 1	+686	-118
 2	+334	-31
 3	+126	-66
	-94	+94

ALCO portfolios reflect our geographic diversification

Distribution of ALCO portfolios by country
%, Dec-20



(1) Parent bank
(2) Ring-fenced bank
(3) SBNA. SCUSA has positive NII sensitivity to interest rate decreases

Issuances 2020 against funding plan

EUR bn, Dec-20	Covered Bonds + Senior		Senior Non-Preferred		Hybrids		TOTAL	
	Plan	Issued	Plan	Issued	Plan	Issued	Plan	Issued
Santander S.A	4-5	3.1	7-8	6.9	1-2	3.8 ¹	12-15	13.8
SCF	6-8	3.8	-	0.0	-	0.0	6-8	3.8
UK	6-8	4.9	2-3	1.6	-	0.0	8-11	6.5
SHUSA	-	-	1-2	1.3	-	0.0	1-2	1.3
TOTAL	16-21	11.8	10-13	9.8	1-2	3.8	27-36	25.4²

- Frontloading of issuances in the first half of the year, having issued EUR 22 billion, particularly focused on TLAC eligible issuances. Further EUR 3 bn issued in Q4 (mainly subordinated debt).
- Countries were able to meet their wholesale funding needs through the issuances in the year and access to central bank facilities.
- Liquidity position remains solid, with LCR above minimum requirements and ample liquidity buffers in all of our units.



Note: Issuance plan subject to, amongst other considerations, market conditions and regulatory requirements. Other secured issuances (for example ABS, RMBS, etc.) are not considered in the table above

(1) Issuance of EUR 1.5 bn AT1 (4.375%) in January 2020, replacing the EUR 1.5 billion AT1 (5.481%) that was called in March, therefore not within the scope of funding plan

(2) EUR 25 billion refers to the four entities given in the table. See slide 61 for full Group figures

2021 funding plan

EUR bn	Hybrids	Snr non-pref + Snr	Covered Bonds	TOTAL
Santander S.A	2 - 3 ¹	8 - 10	-	10 - 13
SCF	-	3 - 4	0 - 1	3 - 5
UK	-	2.5 - 3.5	-	2.5 - 3.5
SHUSA	-	3 - 4	-	3 - 4
TOTAL	2 - 3¹	16.5 - 21.5	0 - 1	18.5 - 25.5

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

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

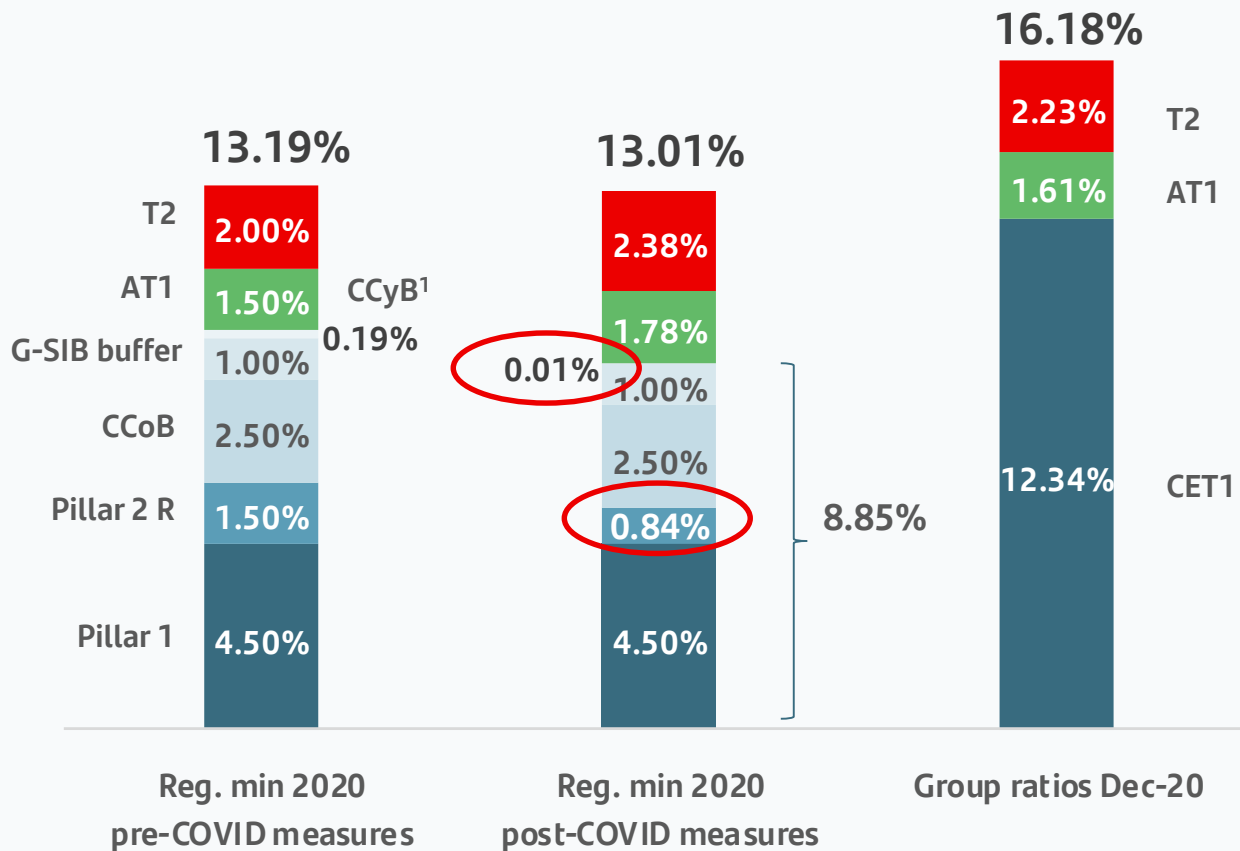


Note: Issuance plan subject to, amongst other considerations, market conditions and regulatory requirements. Other secured issuances (for example ABS, RMBS, etc.) are not considered in the table above

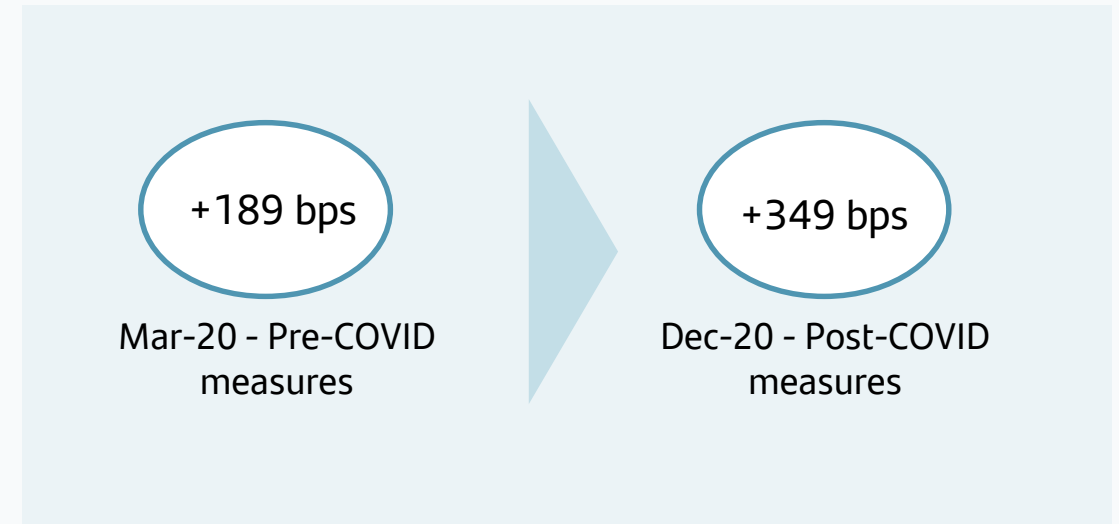
(1) Two hybrid issuances in Q4 2020 totalling EUR 2.3 billion. Issuance of additional hybrid securities will depend on RWA growth, to continue fulfilling the AT1 and T2 buffers (1.5% and 2% respectively).

Regulatory changes in Q1 and increased capital levels, increased the Group's CET1 management buffer to nearly 350 bps

SREP capital requirements (phased-in)



CET1 management buffer²



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

TLAC Ratio

EUR mn

	Mar-20	Jun-20	Sep-20	Dec-20 (e)
Own Funds	91,550	86,335	86,191	86,686
of which: Common Equity Tier 1 (CET1) capital	75,821	70,746	70,829	69,301
of which: Additional Tier 1 (AT1) capital	7,829	7,794	7,740	7,723
of which: Tier 2 (T2) capital	7,900	7,796	7,621	9,663
Eligible Liabilities	26,271	30,998	30,650	30,397
Subordinated instruments	685	767	860	964
Non preferred senior debt	18,452	23,336	22,912	22,535
Preferred senior debt and equivalent instruments	7,134	6,894	6,878	6,897
TLAC BEFORE DEDUCTIONS	117,821	117,333	116,841	117,083
Deductions	61,567	53,652	52,622	51,422
TLAC AFTER DEDUCTIONS	56,254	63,681	64,219	65,661
Risk Weighted Assets (RWAs)	285,354	275,774	275,124	275,886
TLAC RATIO (% RWAs)	19.7%	23.1%	23.3%	23.8%
Leverage Exposure (LE)	699,813	735,543	635,439	631,568
TLAC RATIO (% LE)	8.0%	8.7%	10.1%	10.4%

- TLAC ratio at 31-Dec-20 increased 46 bps in the quarter to 23.8%¹ (compared with the fully-loaded TLAC requirement of 21.52% and the end 2020 requirement of 16%) mainly due to lower deductions
- Between September and December, TLAC before deductions increased by EUR 242 million, due to the Tier 2 issuances carried out (EUR 2,240 million), partially offset by the fall in CET1 and the impact of the USD's depreciation (-EUR 600 million)
- Regarding deductions, they are lower due to greater surpluses in other resolution groups as a result of dividend distribution limits

Group CET1 grows 36 bps QoQ, exceeding our 11%-12% target

CET1 ratio quarterly evolution



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Yield on loans (%)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20
EUROPE	2,77	2,75	2,70	2,68	2,66	2,47	2,40	2,42
Spain	2,05	2,08	2,02	2,02	1,99	1,86	1,82	1,85
Santander Consumer Finance	4,51	4,48	4,41	4,26	4,27	4,17	4,08	4,08
United Kingdom	2,72	2,67	2,63	2,59	2,52	2,37	2,35	2,39
Portugal	1,79	1,76	1,71	1,64	1,63	1,56	1,57	1,51
Poland	4,14	4,15	4,17	4,17	4,04	3,34	2,95	2,89
NORTH AMERICA	9,81	9,71	9,45	9,20	8,95	7,86	7,97	7,78
US	8,70	8,52	8,27	7,95	7,77	6,93	7,13	6,93
Mexico	12,74	12,82	12,67	12,64	12,25	11,00	10,74	10,36
SOUTH AMERICA	12,61	13,43	12,30	12,27	11,71	9,90	8,91	9,39
Brazil	15,86	15,88	15,32	14,49	13,58	12,12	11,47	10,89
Chile	6,02	8,48	6,86	7,39	7,35	5,74	4,75	7,03
Argentina	24,22	23,99	23,95	26,26	23,74	20,05	18,37	19,93

Cost of deposits (%)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20
EUROPE	0,42	0,42	0,41	0,41	0,39	0,28	0,16	0,12
Spain	0,14	0,14	0,13	0,13	0,06	0,04	0,04	0,04
Santander Consumer Finance	0,60	0,61	0,60	0,58	0,57	0,53	0,48	0,42
United Kingdom	0,67	0,70	0,70	0,69	0,69	0,52	0,29	0,23
Portugal	0,14	0,12	0,10	0,10	0,08	0,06	0,05	0,03
Poland	0,89	0,89	0,78	0,74	0,65	0,42	0,14	0,09
NORTH AMERICA	1,94	1,91	1,99	1,76	1,56	1,14	0,90	0,74
US	0,95	0,87	0,96	0,86	0,73	0,39	0,29	0,22
Mexico	3,95	4,08	4,14	3,68	3,54	3,21	2,53	2,03
SOUTH AMERICA	4,20	4,43	3,82	3,42	3,16	2,09	1,59	1,47
Brazil	4,70	4,70	4,55	3,71	3,16	2,30	1,64	1,48
Chile	1,62	2,01	1,63	1,47	1,35	0,71	0,34	0,45
Argentina	9,93	11,09	10,90	12,29	10,64	7,37	8,70	9,98

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Breakdown of moratoria by segments, regions and main countries: Credit quality of expired moratoria remains solid

EUR bn, 31-Dec-20	Total moratoria	% loan book	o/w: expired	Expired as % of Total	Expired		
					% Stage 1	% Stage 2	% Stage 3
Total Group	112	12%	89	79%	82%	15%	3%
Detail by segments							
Mortgages	70	22%	55	79%	87%	11%	2%
Consumer	20	9%	18	88%	77%	17%	7%
SMEs & Corporates	22	7%	16	72%	74%	24%	3%
Europe	73	11%	53	73%	84%	14%	2%
UK	44	19%	41	94%	84%	15%	2%
Spain	9	5%	2	26%	77%	15%	8%
SCF	5	4%	4	93%	86%	11%	3%
North America	21	18%	20	91%	75%	20%	5%
USA (SBNA & SC)	14	18%	13	90%	72%	22%	5%
Mexico	7	24%	7	94%	80%	15%	5%
South America	18	15%	16	90%	87%	9%	4%
Brazil	6	9%	6	92%	76%	18%	7%

Stage coverage

	Exposure ¹					Coverage				
	Dec-20	Sep-20	Jun-20	Mar-20	Dec-19	Dec-20	Sep-20	Jun-20	Mar-20	Dec-19
Stage 1	864	862	878	891	898	0.5%	0.6%	0.6%	0.6%	0.5%
Stage 2	69	60	61	53	53	8.5%	8.8%	7.7%	8.2%	8.7%
Stage 3	32	31	33	33	34	43.4%	43.3%	41.1%	40.8%	41.7%

(1) Exposure subject to impairment in EUR bn.

NPL ratio (%)

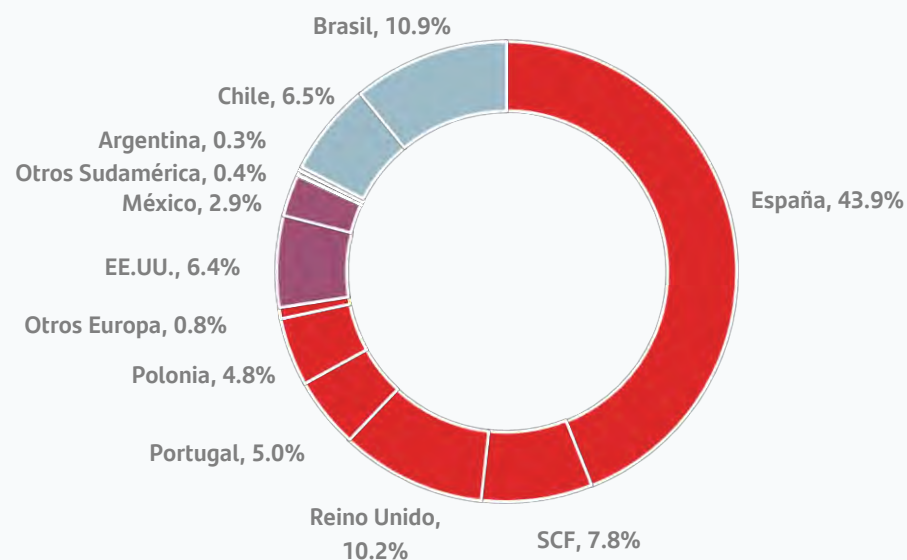
	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20
EUROPE	3,61	3,48	3,47	3,25	3,19	3,24	3,13	3,15
Spain	7,29	7,02	7,23	6,94	6,88	6,55	5,98	6,23
Santander Consumer Finance	2,33	2,24	2,25	2,30	2,43	2,52	2,50	2,36
United Kingdom	1,17	1,13	1,08	1,01	0,96	1,08	1,30	1,21
Portugal	5,77	5,00	4,90	4,83	4,56	4,43	4,25	3,89
Poland	4,39	4,21	4,35	4,31	4,29	4,57	4,58	4,74
NORTH AMERICA	2,33	2,29	2,21	2,20	2,02	1,73	1,96	2,23
US	2,41	2,32	2,18	2,20	2,00	1,49	1,85	2,04
Mexico	2,12	2,21	2,30	2,19	2,07	2,50	2,33	2,81
SOUTH AMERICA	4,83	4,81	4,81	4,86	4,63	4,74	4,40	4,39
Brazil	5,26	5,27	5,33	5,32	4,93	5,07	4,64	4,59
Chile	4,67	4,52	4,48	4,64	4,63	4,99	4,76	4,79
Argentina	3,50	3,79	3,64	3,39	3,97	3,15	2,88	2,11
TOTAL GROUP	3,62	3,51	3,47	3,32	3,25	3,26	3,15	3,21

Coverage ratio (%)

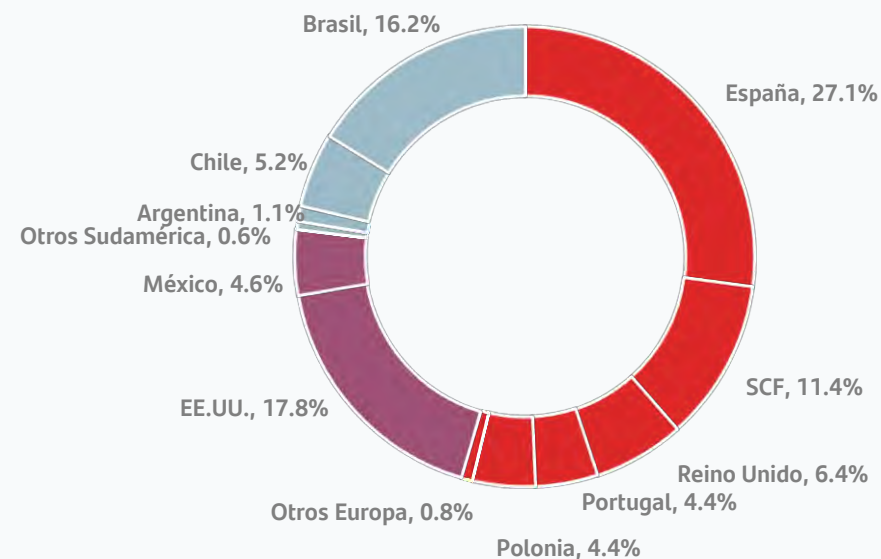
	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20
EUROPE	49,5	49,9	48,2	49,8	54,1	53,4	55,8	57,3
Spain	43,3	42,9	40,6	41,1	44,6	43,3	46,0	47,1
Santander Consumer Finance	105,3	105,9	104,2	106,1	109,6	106,1	108,2	111,0
United Kingdom	30,9	31,9	34,1	36,5	43,0	46,0	44,5	47,9
Portugal	50,7	52,9	51,5	52,8	59,0	60,9	64,3	66,5
Poland	67,6	69,7	69,0	66,8	68,1	69,0	70,8	70,7
NORTH AMERICA	153,4	150,3	155,6	153,0	170,1	206,5	201,6	182,5
US	161,0	158,4	166,6	161,8	181,4	253,1	228,8	210,4
Mexico	130,1	126,9	125,2	128,3	133,9	114,9	132,6	120,8
SOUTH AMERICA	94,1	93,0	89,7	88,4	92,9	93,0	97,2	97,4
Brazil	107,7	105,5	101,1	99,8	108,0	110,2	114,9	113,2
Chile	59,7	59,1	57,3	56,0	57,2	54,7	59,7	61,4
Argentina	118,6	126,4	134,0	124,0	131,2	165,7	186,3	275,1
TOTAL GROUP	67,8	68,1	67,3	67,9	71,3	72,1	76,0	76,4

Non-performing loans and loan-loss allowances. Breakdown by operating areas. December 2020

Non-performing loans



Loan-loss allowances



Cost of credit (%)

	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20
EUROPE	0,24	0,24	0,25	0,28	0,40	0,47	0,53	0,62
Spain	0,40	0,41	0,41	0,43	0,64	0,68	0,80	1,01
Santander Consumer Finance	0,38	0,36	0,38	0,48	0,66	0,78	0,84	0,88
United Kingdom	0,07	0,06	0,08	0,10	0,14	0,23	0,27	0,28
Portugal	0,03	0,03	0,00	(0,02)	0,23	0,30	0,42	0,51
Poland	0,61	0,66	0,71	0,72	0,88	0,96	0,99	1,10
NORTH AMERICA	2,97	2,95	2,93	2,76	3,02	3,21	3,07	2,92
US	3,11	3,09	3,09	2,85	3,13	3,30	3,08	2,86
Mexico	2,62	2,61	2,55	2,49	2,69	2,95	2,97	3,03
SOUTH AMERICA	2,89	2,87	2,90	2,92	3,29	3,49	3,50	3,32
Brazil	3,88	3,84	3,85	3,93	4,43	4,67	4,58	4,35
Chile	1,13	1,10	1,06	1,08	1,25	1,46	1,59	1,50
Argentina	4,02	4,33	4,86	5,09	5,48	5,67	5,54	5,93
TOTAL GROUP	0,97	0,98	1,00	1,00	1,17	1,26	1,27	1,28

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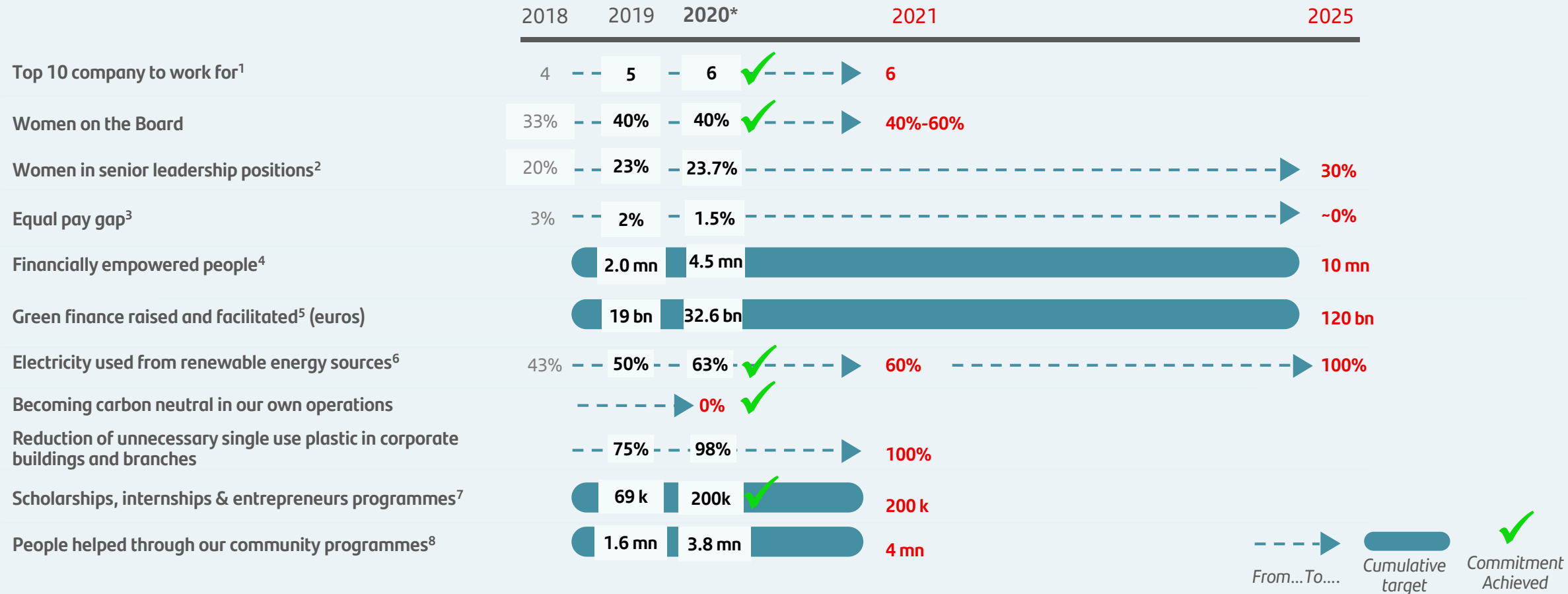
Responsible Banking

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Santander Responsible Banking goals

We are building a more Responsible Bank aligned with our commitments



*Note: 2020 Data is provisional monitoring data not audited.

(1) According to relevant external indexes in each country (Great Place to Work, Top Employer, Merco, etc.)

(2) Senior positions represent 1% of total workforce

(3) Calculation of equal pay gap compares employees of the same job, level and function

(4) People (unbanked, underbanked or financially vulnerable), who are given access to the financial system, receive tailored finance and increase their knowledge and resilience through financial education

(5) Includes Santander overall contribution to green finance: project finance, syndicated loans, green bonds, capital finance, export finance, advisory, structuring and other products to help our clients in the transition to a low carbon economy. Commitment from 2019 to 2030 is EUR 220 bn

(6) In those countries where it is possible to certify renewable sourced electricity for the properties occupied by the Group

(7) People supported through Santander Universities initiative (students who will receive a Santander scholarship, will achieve an internship in an SME or participate in entrepreneurship programmes supported by the bank)

(8) People helped through our community investment programmes (excluded Santander Universities and financial education initiatives)

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SANTANDER GROUP (EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	8.682	8.954	8.806	8.841	8.487	7.715	7.773	8.019	35.283	31.994
Net fee income	2.931	2.932	2.955	2.961	2.853	2.283	2.423	2.456	11.779	10.015
Gains (losses) on financial transactions and other	472	465	705	790	474	706	891	520	2.432	2.591
Total income	12.085	12.351	12.466	12.592	11.814	10.704	11.087	10.995	49.494	44.600
Operating expenses	(5.758)	(5.829)	(5.722)	(5.971)	(5.577)	(5.076)	(5.073)	(5.241)	(23.280)	(20.967)
Net operating income	6.327	6.522	6.744	6.621	6.237	5.628	6.014	5.754	26.214	23.633
Net loan-loss provisions	(2.172)	(2.141)	(2.435)	(2.573)	(3.909)	(3.118)	(2.535)	(2.611)	(9.321)	(12.173)
Other gains (losses) and provisions	(471)	(486)	(465)	(542)	(372)	(625)	(304)	(485)	(1.964)	(1.786)
Underlying profit before tax	3.684	3.895	3.844	3.506	1.956	1.885	3.175	2.658	14.929	9.674
Underlying consolidated profit	2.358	2.542	2.529	2.397	696	1.677	2.047	1.738	9.826	6.158
Underlying attributable profit	1.948	2.097	2.135	2.072	377	1.531	1.750	1.423	8.252	5.081
Net capital gains and provisions*	(108)	(706)	(1.634)	711	(46)	(12.660)	—	(1.146)	(1.737)	(13.852)
Attributable profit	1.840	1.391	501	2.783	331	(11.129)	1.750	277	6.515	(8.771)

(*) Including: in Q1'19, capital gains from Prisma, capital losses due to property sales and restructuring costs
in Q2'19, restructuring costs
in Q3'19, restructuring costs, PPI, deterioration of goodwill ascribed to the UK and impact of devaluation of the ARS on the capital gain from Prisma registered in Q1'19
in Q4'19, net capital gains related to the agreement with Crédit Agricole S.A. to integrate the custody businesses, net positive results in Brazil related to DTAs, net capital losses related to real estate in Spain, restructuring costs, provisions for the ruling on Swiss franc mortgages, provisions related to intangible assets and other and impact of appreciation of the ARS on the capital gains from Prisma registered in Q1'19
in Q1'20, restructuring costs
in Q2'20, adjustment to the valuation of goodwill, adjustment has been made to deferred tax assets of the Spanish consolidated fiscal group and restructuring costs and other
in Q4'20, restructuring costs and other

SANTANDER GROUP (Constant EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	7.695	7.938	7.971	7.986	7.860	7.698	8.043	8.392	31.590	31.994
Net fee income	2.569	2.585	2.668	2.666	2.646	2.299	2.502	2.568	10.488	10.015
Gains (losses) on financial transactions and other	457	465	695	756	466	679	907	538	2.373	2.591
Total income	10.721	10.988	11.334	11.409	10.973	10.677	11.453	11.498	44.451	44.600
Operating expenses	(5.226)	(5.306)	(5.345)	(5.509)	(5.249)	(5.061)	(5.212)	(5.444)	(21.386)	(20.967)
Net operating income	5.495	5.682	5.989	5.900	5.724	5.615	6.240	6.054	23.065	23.633
Net loan-loss provisions	(1.896)	(1.866)	(2.191)	(2.312)	(3.641)	(3.109)	(2.669)	(2.755)	(8.265)	(12.173)
Other gains (losses) and provisions	(417)	(447)	(412)	(477)	(343)	(630)	(312)	(501)	(1.754)	(1.786)
Underlying profit before tax	3.182	3.368	3.386	3.110	1.740	1.876	3.259	2.799	13.046	9.674
Underlying consolidated profit	2.051	2.199	2.239	2.131	554	1.670	2.104	1.831	8.619	6.158
Underlying attributable profit	1.686	1.798	1.886	1.837	248	1.524	1.802	1.508	7.207	5.081
Net capital gains and provisions*	(187)	(703)	(1.606)	540	(45)	(12.660)	(5)	(1.142)	(1.956)	(13.852)
Attributable profit	1.498	1.095	280	2.377	203	(11.136)	1.796	366	5.251	(8.771)

(*) Including: in Q1'19, capital gains from Prisma, capital losses due to property sales and restructuring costs
in Q2'19, restructuring costs
in Q3'19, restructuring costs, PPI, deterioration of goodwill ascribed to the UK and impact of devaluation of the ARS on the capital gain from Prisma registered in Q1'19
in Q4'19, net capital gains related to the agreement with Crédit Agricole S.A. to integrate the custody businesses, net positive results in Brazil related to DTAs, net capital losses related to real estate in Spain, restructuring costs, provisions for the ruling on Swiss franc mortgages, provisions related to intangible assets and other and impact of appreciation of the ARS on the capital gains from Prisma registered in Q1'19
in Q1'20, restructuring costs
in Q2'20, adjustment to the valuation of goodwill, adjustment has been made to deferred tax assets of the Spanish consolidated fiscal group and restructuring costs and other
in Q4'20, restructuring costs and other

EUROPE (EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	3.561	3.580	3.530	3.531	3.435	3.352	3.549	3.710	14.201	14.046
Net fee income	1.327	1.304	1.310	1.319	1.315	1.098	1.162	1.162	5.260	4.737
Gains (losses) on financial transactions and other	337	304	455	443	225	126	444	114	1.540	909
Total income	5.225	5.188	5.295	5.292	4.974	4.577	5.155	4.987	21.001	19.693
Operating expenses	(2.802)	(2.789)	(2.719)	(2.733)	(2.712)	(2.526)	(2.542)	(2.534)	(11.044)	(10.314)
Net operating income	2.423	2.399	2.576	2.559	2.263	2.051	2.613	2.453	9.957	9.379
Net loan-loss provisions	(457)	(387)	(497)	(498)	(1.335)	(877)	(956)	(1.131)	(1.839)	(4.299)
Other gains (losses) and provisions	(198)	(231)	(130)	(209)	(195)	(160)	(196)	(362)	(768)	(914)
Underlying profit before tax	1.768	1.781	1.949	1.852	733	1.014	1.461	959	7.350	4.167
Underlying consolidated profit	1.276	1.306	1.418	1.370	515	739	1.055	725	5.371	3.035
Underlying attributable profit	1.163	1.191	1.286	1.238	443	632	947	634	4.878	2.656

EUROPE (Constant EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	3.517	3.536	3.520	3.476	3.391	3.358	3.566	3.731	14.048	14.046
Net fee income	1.318	1.295	1.309	1.306	1.304	1.100	1.166	1.167	5.228	4.737
Gains (losses) on financial transactions and other	337	302	454	440	225	125	444	115	1.534	909
Total income	5.172	5.133	5.283	5.222	4.921	4.583	5.176	5.013	20.810	19.693
Operating expenses	(2.775)	(2.762)	(2.718)	(2.698)	(2.680)	(2.528)	(2.556)	(2.550)	(10.954)	(10.314)
Net operating income	2.397	2.371	2.565	2.524	2.241	2.055	2.620	2.464	9.856	9.379
Net loan-loss provisions	(450)	(388)	(491)	(491)	(1.324)	(878)	(961)	(1.136)	(1.819)	(4.299)
Other gains (losses) and provisions	(196)	(230)	(130)	(206)	(192)	(162)	(197)	(364)	(761)	(914)
Underlying profit before tax	1.751	1.753	1.945	1.827	725	1.016	1.462	964	7.276	4.167
Underlying consolidated profit	1.264	1.285	1.415	1.351	509	740	1.056	729	5.314	3.035
Underlying attributable profit	1.152	1.171	1.284	1.221	437	633	948	637	4.828	2.656

Spain (EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	1.009	1.009	967	934	925	931	1.034	1.067	3.919	3.957
Net fee income	623	624	614	620	643	535	562	573	2.481	2.314
Gains (losses) on financial transactions and other	224	216	408	258	220	96	204	(8)	1.107	512
Total income	1.857	1.849	1.989	1.811	1.789	1.562	1.800	1.632	7.506	6.782
Operating expenses	(1.025)	(1.020)	(999)	(977)	(944)	(896)	(893)	(873)	(4.021)	(3.607)
Net operating income	832	829	990	834	844	665	907	759	3.485	3.175
Net loan-loss provisions	(242)	(228)	(210)	(176)	(628)	(313)	(449)	(611)	(856)	(2.001)
Other gains (losses) and provisions	(112)	(143)	(100)	(100)	(104)	(115)	(112)	(128)	(455)	(459)
Underlying profit before tax	478	458	681	557	112	237	346	20	2.174	715
Underlying consolidated profit	356	338	491	401	90	160	246	20	1.585	516
Underlying attributable profit	356	338	491	400	90	161	246	20	1.585	517

Santander Consumer Finance (EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	941	971	977	960	979	947	945	961	3.848	3.832
Net fee income	214	201	213	195	187	159	205	199	823	750
Gains (losses) on financial transactions and other	13	(18)	14	30	5	(11)	45	63	39	103
Total income	1.167	1.154	1.203	1.185	1.171	1.095	1.196	1.223	4.710	4.685
Operating expenses	(508)	(527)	(504)	(499)	(514)	(469)	(483)	(515)	(2.038)	(1.981)
Net operating income	659	627	699	686	656	626	712	708	2.672	2.703
Net loan-loss provisions	(122)	(59)	(147)	(148)	(317)	(184)	(211)	(186)	(477)	(899)
Other gains (losses) and provisions	24	(12)	42	(33)	44	23	(13)	10	20	65
Underlying profit before tax	561	556	594	504	383	466	489	532	2.215	1.869
Underlying consolidated profit	402	401	420	394	277	333	355	399	1.618	1.364
Underlying attributable profit	324	334	338	319	219	258	284	324	1.314	1.085

Santander Consumer Finance (Constant EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	924	953	960	948	972	952	945	962	3.785	3.832
Net fee income	213	200	212	194	186	159	205	200	819	750
Gains (losses) on financial transactions and other	12	(18)	14	29	6	(11)	46	63	38	103
Total income	1.149	1.135	1.187	1.172	1.164	1.100	1.196	1.225	4.642	4.685
Operating expenses	(501)	(519)	(498)	(495)	(511)	(471)	(483)	(515)	(2.012)	(1.981)
Net operating income	648	616	689	677	652	629	713	709	2.630	2.703
Net loan-loss provisions	(118)	(63)	(143)	(145)	(315)	(185)	(212)	(187)	(467)	(899)
Other gains (losses) and provisions	24	(12)	43	(33)	44	23	(13)	10	22	65
Underlying profit before tax	555	541	589	499	381	467	488	532	2.184	1.869
Underlying consolidated profit	397	390	416	390	275	335	355	400	1.593	1.364
Underlying attributable profit	319	323	334	314	218	259	284	324	1.290	1.085

United Kingdom (EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	975	944	908	961	898	871	976	1.063	3.788	3.808
Net fee income	216	207	217	226	193	96	117	99	866	506
Gains (losses) on financial transactions and other	15	32	(5)	33	6	12	23	(16)	74	25
Total income	1.206	1.183	1.119	1.220	1.098	979	1.117	1.146	4.727	4.339
Operating expenses	(739)	(703)	(681)	(712)	(714)	(656)	(646)	(626)	(2.835)	(2.642)
Net operating income	467	479	438	508	384	323	471	519	1.892	1.697
Net loan-loss provisions	(61)	(19)	(77)	(96)	(191)	(239)	(189)	(114)	(253)	(733)
Other gains (losses) and provisions	(50)	(25)	(43)	(66)	(74)	(4)	(36)	(151)	(184)	(267)
Underlying profit before tax	357	435	318	345	119	80	246	253	1.455	697
Underlying consolidated profit	260	333	252	255	91	61	184	215	1.100	551
Underlying attributable profit	254	327	246	249	84	54	179	212	1.077	530

United Kingdom (GBP mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	850	825	820	827	774	773	881	958	3.322	3.386
Net fee income	189	181	195	194	166	87	107	90	759	449
Gains (losses) on financial transactions and other	13	28	(4)	29	5	10	21	(14)	65	22
Total income	1.052	1.034	1.011	1.050	946	870	1.009	1.033	4.146	3.857
Operating expenses	(644)	(615)	(615)	(612)	(615)	(583)	(585)	(566)	(2.487)	(2.349)
Net operating income	407	419	396	437	331	287	424	467	1.659	1.509
Net loan-loss provisions	(53)	(17)	(68)	(83)	(164)	(211)	(171)	(105)	(222)	(652)
Other gains (losses) and provisions	(43)	(22)	(39)	(58)	(64)	(5)	(33)	(135)	(161)	(237)
Underlying profit before tax	311	380	288	296	102	71	219	227	1.276	620
Underlying consolidated profit	227	291	228	219	78	55	165	193	965	490
Underlying attributable profit	222	286	223	214	73	49	160	190	945	471

Portugal (EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	216	213	214	213	202	197	193	195	856	787
Net fee income	98	99	96	98	101	90	94	103	390	388
Gains (losses) on financial transactions and other	44	42	22	21	47	30	25	19	129	121
Total income	357	354	331	332	350	317	312	317	1.375	1.296
Operating expenses	(157)	(154)	(155)	(156)	(151)	(145)	(146)	(149)	(623)	(590)
Net operating income	200	200	176	175	199	172	166	168	751	706
Net loan-loss provisions	13	(1)	(0)	(4)	(80)	(24)	(47)	(42)	8	(193)
Other gains (losses) and provisions	(20)	(13)	2	21	(21)	(16)	1	7	(9)	(29)
Underlying profit before tax	193	186	178	192	98	132	120	133	750	483
Underlying consolidated profit	135	126	125	140	68	92	83	95	527	339
Underlying attributable profit	135	125	125	140	68	92	83	95	525	338

Poland (EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	281	284	298	307	296	251	246	243	1.171	1.037
Net fee income	113	117	119	117	116	104	112	120	467	452
Gains (losses) on financial transactions and other	(18)	39	24	34	(48)	23	35	24	80	35
Total income	377	440	442	459	365	377	394	388	1.717	1.524
Operating expenses	(173)	(176)	(175)	(169)	(172)	(143)	(161)	(154)	(693)	(629)
Net operating income	204	263	267	290	193	235	233	234	1.024	895
Net loan-loss provisions	(43)	(64)	(59)	(51)	(95)	(89)	(65)	(81)	(217)	(330)
Other gains (losses) and provisions	(34)	(34)	(24)	(34)	(36)	(40)	(32)	(87)	(127)	(195)
Underlying profit before tax	127	166	183	205	62	105	136	66	681	370
Underlying consolidated profit	89	130	139	153	32	74	100	34	511	240
Underlying attributable profit	61	89	95	104	23	51	68	20	349	162

Poland (PLN mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	1.209	1.216	1.288	1.317	1.279	1.134	1.095	1.096	5.030	4.604
Net fee income	488	499	514	504	503	467	498	541	2.005	2.009
Gains (losses) on financial transactions and other	(76)	168	104	147	(206)	95	156	109	343	154
Total income	1.622	1.883	1.906	1.968	1.576	1.696	1.749	1.746	7.379	6.767
Operating expenses	(745)	(755)	(754)	(726)	(742)	(645)	(714)	(694)	(2.979)	(2.794)
Net operating income	877	1.128	1.152	1.242	834	1.051	1.036	1.052	4.399	3.973
Net loan-loss provisions	(186)	(272)	(256)	(217)	(411)	(399)	(291)	(363)	(931)	(1.464)
Other gains (losses) and provisions	(145)	(146)	(106)	(147)	(155)	(181)	(141)	(390)	(544)	(868)
Underlying profit before tax	546	710	791	878	268	470	603	300	2.925	1.641
Underlying consolidated profit	385	556	600	655	140	329	442	154	2.195	1.065
Underlying attributable profit	264	379	409	446	98	225	302	93	1.498	719

Other Europe (EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	139	159	166	155	134	155	155	182	620	626
Net fee income	62	56	52	63	74	115	71	68	234	328
Gains (losses) on financial transactions and other	60	(7)	(8)	68	(6)	(23)	110	33	112	114
Total income	261	209	211	286	202	246	337	282	966	1.067
Operating expenses	(200)	(208)	(205)	(219)	(216)	(217)	(214)	(217)	(833)	(864)
Net operating income	61	0	5	66	(14)	29	123	65	133	203
Net loan-loss provisions	(2)	(16)	(3)	(23)	(23)	(29)	5	(97)	(44)	(143)
Other gains (losses) and provisions	(7)	(4)	(7)	4	(4)	(7)	(4)	(12)	(14)	(28)
Underlying profit before tax	52	(19)	(5)	48	(41)	(7)	124	(45)	76	32
Underlying consolidated profit	33	(21)	(8)	27	(42)	18	86	(38)	31	24
Underlying attributable profit	32	(22)	(8)	26	(42)	17	86	(37)	28	24

Other Europe (Constant EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	139	159	166	154	134	153	156	183	618	626
Net fee income	62	56	52	63	73	114	72	69	233	328
Gains (losses) on financial transactions and other	60	(8)	(9)	67	(7)	(23)	111	33	111	114
Total income	261	208	209	284	200	244	339	285	962	1.067
Operating expenses	(200)	(207)	(204)	(218)	(215)	(215)	(215)	(219)	(829)	(864)
Net operating income	61	0	5	66	(15)	29	124	66	132	203
Net loan-loss provisions	(2)	(16)	(3)	(23)	(23)	(29)	5	(97)	(44)	(143)
Other gains (losses) and provisions	(7)	(4)	(7)	4	(4)	(7)	(4)	(12)	(14)	(28)
Underlying profit before tax	52	(19)	(6)	47	(42)	(7)	125	(44)	75	32
Underlying consolidated profit	33	(21)	(8)	26	(42)	17	87	(37)	30	24
Underlying attributable profit	32	(22)	(8)	26	(42)	16	86	(36)	27	24

NORTH AMERICA (EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	2.173	2.230	2.259	2.265	2.261	2.079	2.075	2.055	8.926	8.469
Net fee income	439	463	448	427	461	400	406	394	1.776	1.661
Gains (losses) on financial transactions and other	142	226	277	257	214	228	196	243	902	881
Total income	2.753	2.918	2.983	2.949	2.936	2.706	2.678	2.691	11.604	11.011
Operating expenses	(1.172)	(1.214)	(1.267)	(1.314)	(1.224)	(1.117)	(1.097)	(1.194)	(4.968)	(4.631)
Net operating income	1.581	1.705	1.716	1.634	1.712	1.589	1.581	1.498	6.636	6.379
Net loan-loss provisions	(804)	(793)	(1.009)	(1.050)	(1.246)	(1.123)	(775)	(773)	(3.656)	(3.916)
Other gains (losses) and provisions	(64)	(31)	(79)	(31)	(14)	(36)	(24)	(57)	(205)	(131)
Underlying profit before tax	713	881	628	554	452	430	781	668	2.776	2.332
Underlying consolidated profit	526	664	481	422	336	371	533	514	2.092	1.754
Underlying attributable profit	386	503	388	389	280	336	444	431	1.667	1.492

NORTH AMERICA (Constant EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	2.087	2.117	2.130	2.120	2.131	2.065	2.152	2.121	8.454	8.469
Net fee income	416	434	418	395	431	401	423	405	1.663	1.661
Gains (losses) on financial transactions and other	145	223	271	246	208	220	202	251	884	881
Total income	2.647	2.773	2.819	2.761	2.770	2.686	2.778	2.777	11.001	11.011
Operating expenses	(1.128)	(1.154)	(1.198)	(1.234)	(1.155)	(1.109)	(1.138)	(1.229)	(4.714)	(4.631)
Net operating income	1.520	1.619	1.621	1.527	1.615	1.578	1.639	1.548	6.287	6.379
Net loan-loss provisions	(781)	(758)	(966)	(999)	(1.186)	(1.104)	(818)	(809)	(3.504)	(3.916)
Other gains (losses) and provisions	(63)	(30)	(77)	(31)	(13)	(35)	(25)	(57)	(200)	(131)
Underlying profit before tax	676	831	578	497	416	438	796	682	2.583	2.332
Underlying consolidated profit	497	626	443	378	309	376	546	524	1.943	1.754
Underlying attributable profit	364	474	357	349	256	341	456	439	1.544	1.492

United States (EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	1.407	1.453	1.460	1.449	1.462	1.429	1.406	1.348	5.769	5.645
Net fee income	234	244	238	230	250	215	218	206	947	889
Gains (losses) on financial transactions and other	174	222	278	215	217	157	206	247	889	827
Total income	1.815	1.920	1.977	1.894	1.929	1.801	1.830	1.801	7.605	7.360
Operating expenses	(775)	(805)	(847)	(869)	(809)	(776)	(722)	(772)	(3.297)	(3.079)
Net operating income	1.039	1.115	1.130	1.025	1.120	1.024	1.108	1.029	4.309	4.281
Net loan-loss provisions	(611)	(568)	(786)	(828)	(972)	(832)	(572)	(561)	(2.792)	(2.937)
Other gains (losses) and provisions	(58)	(26)	(76)	(39)	(6)	(30)	(20)	(37)	(200)	(93)
Underlying profit before tax	370	521	267	158	141	163	515	431	1.317	1.250
Underlying consolidated profit	260	383	196	109	99	170	333	330	947	932
Underlying attributable profit	181	284	154	98	60	151	259	260	717	731

United States (USD mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	1.598	1.633	1.623	1.604	1.612	1.573	1.644	1.608	6.457	6.437
Net fee income	266	275	264	255	275	237	255	247	1.059	1.014
Gains (losses) on financial transactions and other	197	250	310	238	239	173	240	291	996	943
Total income	2.061	2.158	2.198	2.096	2.126	1.983	2.139	2.145	8.513	8.394
Operating expenses	(881)	(905)	(942)	(963)	(892)	(855)	(846)	(918)	(3.690)	(3.512)
Net operating income	1.180	1.253	1.256	1.134	1.235	1.128	1.292	1.227	4.823	4.882
Net loan-loss provisions	(694)	(637)	(876)	(918)	(1.072)	(916)	(683)	(679)	(3.126)	(3.349)
Other gains (losses) and provisions	(66)	(29)	(85)	(43)	(7)	(33)	(24)	(44)	(223)	(107)
Underlying profit before tax	420	586	295	172	156	180	586	504	1.474	1.426
Underlying consolidated profit	295	431	216	118	109	188	381	386	1.060	1.063
Underlying attributable profit	206	319	170	107	66	166	296	305	803	833

Mexico (EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	766	777	798	816	798	650	669	707	3.157	2.825
Net fee income	204	218	210	197	211	185	189	188	829	772
Gains (losses) on financial transactions and other	(32)	4	(1)	42	(2)	70	(10)	(4)	13	54
Total income	939	999	1.007	1.054	1.007	905	848	891	3.998	3.651
Operating expenses	(397)	(409)	(420)	(445)	(415)	(341)	(375)	(422)	(1.671)	(1.552)
Net operating income	542	590	586	609	592	565	473	469	2.327	2.098
Net loan-loss provisions	(193)	(225)	(223)	(222)	(273)	(291)	(203)	(212)	(863)	(979)
Other gains (losses) and provisions	(6)	(5)	(3)	8	(8)	(6)	(4)	(19)	(5)	(37)
Underlying profit before tax	343	360	361	395	311	267	266	238	1.459	1.082
Underlying consolidated profit	266	280	286	313	237	201	200	185	1.145	823
Underlying attributable profit	205	219	234	291	220	186	185	171	950	762

Mexico (MXN mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	16.703	16.694	17.231	17.393	17.484	16.706	17.310	17.322	68.021	68.822
Net fee income	4.455	4.695	4.535	4.188	4.617	4.719	4.868	4.596	17.873	18.799
Gains (losses) on financial transactions and other	(687)	83	(31)	906	(51)	1.658	(194)	(91)	270	1.322
Total income	20.471	21.471	21.735	22.487	22.049	23.083	21.984	21.827	86.164	88.944
Operating expenses	(8.655)	(8.786)	(9.076)	(9.501)	(9.088)	(8.749)	(9.654)	(10.327)	(36.017)	(37.818)
Net operating income	11.816	12.685	12.659	12.987	12.962	14.334	12.330	11.500	50.146	51.125
Net loan-loss provisions	(4.211)	(4.850)	(4.813)	(4.725)	(5.985)	(7.336)	(5.339)	(5.194)	(18.599)	(23.854)
Other gains (losses) and provisions	(120)	(105)	(59)	175	(167)	(166)	(109)	(470)	(110)	(913)
Underlying profit before tax	7.485	7.729	7.787	8.437	6.810	6.832	6.881	5.836	31.438	26.359
Underlying consolidated profit	5.804	6.028	6.167	6.682	5.191	5.149	5.170	4.529	24.681	20.040
Underlying attributable profit	4.472	4.713	5.059	6.219	4.814	4.761	4.786	4.198	20.462	18.559

SOUTH AMERICA (EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	3.222	3.425	3.314	3.356	3.065	2.606	2.486	2.566	13.316	10.723
Net fee income	1.178	1.178	1.204	1.228	1.074	774	841	878	4.787	3.566
Gains (losses) on financial transactions and other	88	45	59	130	25	311	150	71	322	557
Total income	4.487	4.647	4.577	4.714	4.163	3.690	3.477	3.514	18.425	14.845
Operating expenses	(1.645)	(1.664)	(1.586)	(1.762)	(1.486)	(1.275)	(1.238)	(1.314)	(6.656)	(5.312)
Net operating income	2.842	2.984	2.991	2.953	2.677	2.416	2.240	2.201	11.769	9.533
Net loan-loss provisions	(903)	(956)	(916)	(1.015)	(1.325)	(1.110)	(787)	(702)	(3.789)	(3.923)
Other gains (losses) and provisions	(154)	(151)	(193)	(249)	(142)	(52)	(70)	(54)	(748)	(319)
Underlying profit before tax	1.785	1.876	1.882	1.688	1.211	1.254	1.382	1.444	7.232	5.291
Underlying consolidated profit	1.093	1.205	1.184	1.107	795	783	837	949	4.588	3.364
Underlying attributable profit	926	1.035	1.016	947	698	685	736	808	3.924	2.927

SOUTH AMERICA (Constant EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	2.365	2.565	2.617	2.701	2.611	2.597	2.663	2.852	10.248	10.723
Net fee income	847	869	948	977	907	786	900	974	3.641	3.566
Gains (losses) on financial transactions and other	71	50	56	110	23	294	160	79	287	557
Total income	3.283	3.484	3.621	3.788	3.541	3.677	3.722	3.905	14.176	14.845
Operating expenses	(1.186)	(1.227)	(1.279)	(1.415)	(1.258)	(1.266)	(1.322)	(1.466)	(5.106)	(5.312)
Net operating income	2.097	2.257	2.342	2.373	2.283	2.410	2.401	2.439	9.070	9.533
Net loan-loss provisions	(656)	(715)	(721)	(812)	(1.127)	(1.118)	(873)	(805)	(2.905)	(3.923)
Other gains (losses) and provisions	(103)	(116)	(143)	(188)	(117)	(57)	(77)	(68)	(550)	(319)
Underlying profit before tax	1.338	1.426	1.478	1.373	1.039	1.235	1.450	1.566	5.616	5.291
Underlying consolidated profit	828	920	936	904	686	770	880	1.028	3.587	3.364
Underlying attributable profit	697	785	800	769	599	672	775	881	3.051	2.927

Brazil (EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	2.459	2.520	2.560	2.534	2.270	1.813	1.756	1.786	10.072	7.625
Net fee income	931	924	970	974	869	614	664	677	3.798	2.824
Gains (losses) on financial transactions and other	21	9	(7)	57	(3)	224	114	82	81	417
Total income	3.411	3.453	3.522	3.565	3.137	2.651	2.534	2.544	13.951	10.866
Operating expenses	(1.125)	(1.102)	(1.137)	(1.242)	(1.004)	(835)	(805)	(897)	(4.606)	(3.541)
Net operating income	2.286	2.351	2.385	2.323	2.133	1.816	1.729	1.648	9.345	7.325
Net loan-loss provisions	(710)	(761)	(753)	(813)	(1.066)	(843)	(569)	(540)	(3.036)	(3.018)
Other gains (losses) and provisions	(167)	(153)	(178)	(205)	(127)	(31)	(68)	(36)	(704)	(263)
Underlying profit before tax	1.409	1.438	1.454	1.305	940	942	1.092	1.072	5.606	4.045
Underlying consolidated profit	816	856	862	777	571	533	611	636	3.311	2.352
Underlying attributable profit	721	762	767	689	517	478	550	568	2.939	2.113

Brazil (BRL mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	10.516	11.095	11.272	11.534	11.100	10.725	11.066	11.446	44.416	44.336
Net fee income	3.980	4.070	4.271	4.429	4.250	3.679	4.167	4.324	16.750	16.420
Gains (losses) on financial transactions and other	91	41	(31)	254	(14)	1.196	703	538	355	2.423
Total income	14.587	15.206	15.511	16.216	15.336	15.600	15.935	16.308	61.521	63.179
Operating expenses	(4.810)	(4.857)	(5.007)	(5.636)	(4.907)	(4.922)	(5.065)	(5.696)	(20.310)	(20.589)
Net operating income	9.777	10.350	10.504	10.580	10.429	10.678	10.871	10.612	41.211	42.589
Net loan-loss provisions	(3.037)	(3.347)	(3.314)	(3.690)	(5.214)	(4.990)	(3.752)	(3.588)	(13.387)	(17.545)
Other gains (losses) and provisions	(716)	(673)	(785)	(928)	(621)	(226)	(428)	(252)	(3.103)	(1.527)
Underlying profit before tax	6.024	6.330	6.405	5.962	4.594	5.462	6.691	6.771	24.721	23.518
Underlying consolidated profit	3.491	3.769	3.795	3.546	2.794	3.111	3.760	4.008	14.601	13.672
Underlying attributable profit	3.082	3.353	3.376	3.147	2.526	2.792	3.386	3.583	12.958	12.286

Chile (EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	440	500	462	464	448	425	420	494	1.867	1.787
Net fee income	103	97	102	102	92	74	74	94	404	335
Gains (losses) on financial transactions and other	56	59	82	71	12	85	38	6	268	142
Total income	600	656	646	638	553	584	532	594	2.539	2.263
Operating expenses	(255)	(269)	(260)	(246)	(230)	(228)	(223)	(219)	(1.031)	(900)
Net operating income	344	387	386	392	322	356	310	375	1.508	1.363
Net loan-loss provisions	(102)	(105)	(106)	(130)	(163)	(183)	(154)	(94)	(443)	(594)
Other gains (losses) and provisions	37	(1)	15	12	1	(2)	13	4	63	16
Underlying profit before tax	279	281	295	274	160	171	169	285	1.129	785
Underlying consolidated profit	219	237	234	229	138	129	125	236	919	629
Underlying attributable profit	148	163	162	157	97	86	86	163	630	432

Chile (CLP mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	333.439	383.545	363.195	386.260	397.015	384.057	383.394	447.669	1.466.440	1.612.135
Net fee income	78.010	74.473	80.052	85.052	81.770	67.170	67.421	85.452	317.587	301.814
Gains (losses) on financial transactions and other	42.713	45.387	63.719	58.999	10.853	76.629	35.003	5.316	210.818	127.801
Total income	454.162	503.405	506.966	530.311	489.638	527.855	485.818	538.437	1.994.844	2.041.749
Operating expenses	(193.440)	(206.641)	(204.239)	(205.576)	(204.237)	(205.998)	(203.043)	(198.727)	(809.897)	(812.006)
Net operating income	260.722	296.763	302.727	324.735	285.401	321.857	282.775	339.710	1.184.948	1.229.743
Net loan-loss provisions	(77.584)	(80.828)	(83.231)	(106.535)	(144.587)	(165.302)	(140.381)	(85.889)	(348.178)	(536.159)
Other gains (losses) and provisions	28.393	(417)	11.726	10.140	739	(1.905)	11.526	3.859	49.841	14.219
Underlying profit before tax	211.531	215.518	231.222	228.340	141.553	154.650	153.920	257.680	886.611	707.803
Underlying consolidated profit	165.949	182.169	183.336	190.253	122.619	116.749	114.468	213.738	721.707	567.575
Underlying attributable profit	112.355	125.176	126.756	130.587	86.013	77.918	78.454	147.535	494.874	389.919

Argentina (EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	213	298	180	250	241	261	218	192	940	912
Net fee income	116	125	88	118	76	56	70	71	446	273
Gains (losses) on financial transactions and other	2	(33)	(31)	(8)	1	(8)	(14)	(36)	(70)	(57)
Total income	331	389	237	359	318	310	274	226	1.316	1.128
Operating expenses	(202)	(229)	(122)	(209)	(186)	(153)	(152)	(141)	(762)	(632)
Net operating income	129	161	115	150	132	157	122	85	554	496
Net loan-loss provisions	(73)	(70)	(39)	(53)	(75)	(57)	(46)	(48)	(235)	(226)
Other gains (losses) and provisions	(22)	3	(28)	(54)	(14)	(18)	(17)	(22)	(101)	(70)
Underlying profit before tax	34	94	47	43	44	82	59	15	217	200
Underlying consolidated profit	10	63	24	47	34	75	52	18	145	180
Underlying attributable profit	10	63	23	47	34	75	52	18	144	179

Argentina (ARS mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	10.117	14.548	18.638	19.924	16.991	22.846	24.646	29.613	63.227	94.096
Net fee income	5.486	6.131	8.976	9.403	5.327	5.132	7.611	10.109	29.996	28.179
Gains (losses) on financial transactions and other	102	(1.596)	(2.372)	(847)	89	(595)	(1.349)	(4.047)	(4.713)	(5.902)
Total income	15.704	19.083	25.243	28.480	22.407	27.384	30.908	35.674	88.510	116.373
Operating expenses	(9.602)	(11.210)	(13.861)	(16.583)	(13.112)	(13.756)	(17.093)	(21.259)	(51.256)	(65.219)
Net operating income	6.102	7.872	11.382	11.897	9.295	13.628	13.815	14.416	37.254	51.154
Net loan-loss provisions	(3.441)	(3.459)	(4.538)	(4.391)	(5.266)	(5.207)	(5.417)	(7.430)	(15.829)	(23.321)
Other gains (losses) and provisions	(1.067)	131	(2.040)	(3.831)	(953)	(1.546)	(1.821)	(2.933)	(6.807)	(7.252)
Underlying profit before tax	1.594	4.544	4.805	3.674	3.076	6.875	6.578	4.052	14.617	20.581
Underlying consolidated profit	497	3.056	2.574	3.636	2.421	6.276	5.807	4.089	9.762	18.593
Underlying attributable profit	490	3.043	2.519	3.600	2.405	6.234	5.759	4.047	9.653	18.446

Other South America (EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	109	108	112	108	106	107	91	94	437	398
Net fee income	29	32	44	34	37	29	33	35	138	134
Gains (losses) on financial transactions and other	8	9	16	10	14	9	13	20	43	56
Total income	146	149	172	153	157	145	137	149	619	588
Operating expenses	(63)	(64)	(67)	(64)	(66)	(59)	(57)	(57)	(257)	(238)
Net operating income	83	85	105	88	91	86	80	93	362	349
Net loan-loss provisions	(18)	(20)	(18)	(20)	(21)	(27)	(19)	(19)	(75)	(85)
Other gains (losses) and provisions	(2)	(1)	(2)	(2)	(2)	(1)	1	(0)	(7)	(2)
Underlying profit before tax	63	64	86	66	68	59	62	73	280	262
Underlying consolidated profit	47	48	64	54	51	46	48	59	213	203
Underlying attributable profit	47	47	64	54	51	46	48	59	212	203

Other South America (Constant EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	89	91	95	96	97	105	96	100	370	398
Net fee income	23	27	38	30	34	29	34	37	118	134
Gains (losses) on financial transactions and other	7	8	14	9	13	9	13	20	38	56
Total income	119	126	147	135	143	143	143	158	526	588
Operating expenses	(51)	(54)	(57)	(57)	(61)	(58)	(60)	(60)	(218)	(238)
Net operating income	68	72	90	78	83	85	84	98	308	349
Net loan-loss provisions	(15)	(17)	(15)	(17)	(19)	(26)	(20)	(21)	(63)	(85)
Other gains (losses) and provisions	(1)	(1)	(1)	(2)	(2)	(1)	1	(0)	(6)	(2)
Underlying profit before tax	52	55	74	59	62	58	65	77	239	262
Underlying consolidated profit	38	40	55	48	46	45	50	62	181	203
Underlying attributable profit	38	40	55	48	46	45	50	62	181	203

SANTANDER GLOBAL PLATFORM primary segment (EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	22	23	23	23	31	32	33	33	92	129
Net fee income	2	1	2	2	13	18	24	26	6	81
Gains (losses) on financial transactions and other	(5)	(4)	(1)	(7)	1	(6)	(9)	(4)	(17)	(18)
Total income	19	20	24	18	45	44	48	55	81	192
Operating expenses	(41)	(67)	(60)	(72)	(71)	(77)	(114)	(119)	(240)	(381)
Net operating income	(22)	(47)	(36)	(54)	(26)	(33)	(66)	(65)	(159)	(190)
Net loan-loss provisions	(0)	(0)	(0)	(0)	(0)	(1)	(1)	(1)	(1)	(3)
Other gains (losses) and provisions	(1)	(0)	(1)	(4)	(1)	(6)	(1)	(3)	(6)	(11)
Underlying profit before tax	(23)	(47)	(37)	(58)	(27)	(40)	(68)	(68)	(166)	(204)
Underlying consolidated profit	(11)	(40)	(26)	(43)	(13)	(28)	(48)	(62)	(120)	(152)
Underlying attributable profit	(11)	(40)	(26)	(43)	(13)	(28)	(48)	(62)	(120)	(150)

CORPORATE CENTRE (EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	(296)	(304)	(319)	(333)	(304)	(354)	(371)	(345)	(1.252)	(1.374)
Net fee income	(14)	(13)	(9)	(15)	(9)	(6)	(11)	(3)	(50)	(29)
Gains (losses) on financial transactions and other	(90)	(106)	(85)	(34)	9	47	110	96	(315)	262
Total income	(399)	(423)	(413)	(381)	(304)	(313)	(271)	(252)	(1.617)	(1.141)
Operating expenses	(97)	(96)	(90)	(89)	(85)	(82)	(82)	(80)	(373)	(329)
Net operating income	(497)	(519)	(504)	(471)	(389)	(395)	(353)	(333)	(1.990)	(1.470)
Net loan-loss provisions	(8)	(5)	(14)	(10)	(3)	(8)	(16)	(4)	(36)	(31)
Other gains (losses) and provisions	(55)	(72)	(61)	(49)	(20)	(370)	(12)	(9)	(237)	(412)
Underlying profit before tax	(559)	(595)	(579)	(529)	(413)	(773)	(381)	(345)	(2.262)	(1.912)
Underlying consolidated profit	(526)	(592)	(529)	(458)	(937)	(188)	(330)	(389)	(2.105)	(1.844)
Underlying attributable profit	(517)	(592)	(529)	(459)	(1.031)	(94)	(330)	(389)	(2.097)	(1.844)

RETAIL BANKING (EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	8.083	8.323	8.227	8.229	7.885	7.141	7.148	7.371	32.862	29.544
Net fee income	2.178	2.134	2.108	2.141	2.024	1.495	1.671	1.661	8.561	6.850
Gains (losses) on financial transactions and other	150	201	485	339	63	224	407	126	1.175	820
Total income	10.412	10.658	10.819	10.710	9.972	8.859	9.226	9.159	42.599	37.215
Operating expenses	(4.694)	(4.747)	(4.658)	(4.827)	(4.526)	(4.084)	(4.058)	(4.179)	(18.926)	(16.847)
Net operating income	5.718	5.911	6.161	5.882	5.445	4.775	5.168	4.980	23.672	20.368
Net loan-loss provisions	(2.143)	(2.090)	(2.428)	(2.439)	(3.889)	(2.846)	(2.463)	(2.410)	(9.101)	(11.608)
Other gains (losses) and provisions	(391)	(397)	(377)	(454)	(338)	(218)	(267)	(407)	(1.619)	(1.229)
Underlying profit before tax	3.184	3.423	3.357	2.989	1.218	1.711	2.438	2.163	12.953	7.531
Underlying consolidated profit	2.119	2.377	2.286	2.122	802	1.175	1.571	1.531	8.905	5.078
Underlying attributable profit	1.763	2.000	1.958	1.858	634	982	1.322	1.258	7.580	4.196

RETAIL BANKING (Constant EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	7.200	7.414	7.455	7.453	7.323	7.134	7.391	7.696	29.522	29.544
Net fee income	1.899	1.872	1.896	1.914	1.867	1.511	1.730	1.743	7.582	6.850
Gains (losses) on financial transactions and other	199	248	499	349	91	207	403	119	1.295	820
Total income	9.298	9.534	9.850	9.716	9.281	8.851	9.524	9.559	38.398	37.215
Operating expenses	(4.240)	(4.298)	(4.335)	(4.428)	(4.245)	(4.073)	(4.177)	(4.353)	(17.301)	(16.847)
Net operating income	5.058	5.236	5.515	5.288	5.036	4.778	5.348	5.206	21.097	20.368
Net loan-loss provisions	(1.870)	(1.818)	(2.178)	(2.189)	(3.622)	(2.839)	(2.594)	(2.553)	(8.054)	(11.608)
Other gains (losses) and provisions	(339)	(360)	(325)	(392)	(309)	(223)	(275)	(422)	(1.416)	(1.229)
Underlying profit before tax	2.849	3.059	3.012	2.707	1.105	1.716	2.479	2.231	11.627	7.531
Underlying consolidated profit	1.929	2.147	2.076	1.936	733	1.176	1.597	1.572	8.088	5.078
Underlying attributable profit	1.605	1.804	1.778	1.695	571	983	1.346	1.295	6.883	4.196

CORPORATE & INVESTMENT BANKING (EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	654	700	657	716	671	713	788	781	2.728	2.953
Net fee income	352	374	421	373	404	406	361	379	1.520	1.550
Gains (losses) on financial transactions and other	272	217	153	337	225	307	248	114	978	893
Total income	1.278	1.292	1.232	1.426	1.300	1.426	1.397	1.274	5.227	5.397
Operating expenses	(561)	(560)	(552)	(608)	(536)	(507)	(496)	(530)	(2.281)	(2.069)
Net operating income	717	731	679	818	764	919	901	744	2.945	3.328
Net loan-loss provisions	(10)	(45)	27	(128)	(4)	(245)	(41)	(176)	(155)	(467)
Other gains (losses) and provisions	(22)	(16)	(21)	(32)	(15)	(28)	(20)	(72)	(91)	(135)
Underlying profit before tax	686	670	685	658	745	646	839	496	2.699	2.726
Underlying consolidated profit	484	466	486	449	527	467	597	353	1.884	1.944
Underlying attributable profit	441	419	443	410	491	437	565	330	1.713	1.823

CORPORATE & INVESTMENT BANKING (Constant EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	575	615	611	653	621	705	807	820	2.454	2.953
Net fee income	316	336	382	345	379	407	371	393	1.379	1.550
Gains (losses) on financial transactions and other	223	184	141	308	199	296	264	135	856	893
Total income	1.114	1.135	1.135	1.305	1.198	1.407	1.443	1.348	4.688	5.397
Operating expenses	(515)	(516)	(522)	(572)	(508)	(506)	(509)	(547)	(2.125)	(2.069)
Net operating income	599	619	612	733	691	902	934	801	2.563	3.328
Net loan-loss provisions	(8)	(44)	21	(119)	(4)	(242)	(43)	(177)	(151)	(467)
Other gains (losses) and provisions	(20)	(15)	(21)	(29)	(14)	(28)	(21)	(73)	(84)	(135)
Underlying profit before tax	571	560	612	585	673	632	870	551	2.328	2.726
Underlying consolidated profit	404	390	436	399	477	457	618	392	1.629	1.944
Underlying attributable profit	370	351	400	366	445	426	585	366	1.486	1.823

WEALTH MANAGEMENT & INSURANCE (EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	141	143	141	146	132	104	104	113	570	454
Net fee income	273	298	298	330	320	279	290	306	1.199	1.194
Gains (losses) on financial transactions and other	110	121	113	114	134	100	104	149	457	487
Total income	523	562	551	589	586	482	498	568	2.226	2.135
Operating expenses	(242)	(236)	(234)	(244)	(244)	(220)	(215)	(227)	(955)	(906)
Net operating income	282	327	318	345	342	263	283	341	1.271	1.229
Net loan-loss provisions	7	(1)	(4)	21	(7)	(5)	(10)	(6)	23	(28)
Other gains (losses) and provisions	(3)	(1)	(3)	(5)	(1)	(3)	(4)	7	(12)	(1)
Underlying profit before tax	285	325	310	361	334	255	269	342	1.281	1.199
Underlying consolidated profit	218	249	240	272	252	195	204	257	979	909
Underlying attributable profit	208	237	227	257	240	186	195	246	929	868

WEALTH MANAGEMENT & INSURANCE (Constant EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	130	132	136	137	125	103	108	118	536	454
Net fee income	254	278	281	308	306	278	295	314	1.121	1.194
Gains (losses) on financial transactions and other	99	109	101	101	126	101	107	153	410	487
Total income	484	519	518	547	557	482	510	586	2.067	2.135
Operating expenses	(230)	(224)	(224)	(232)	(235)	(219)	(219)	(233)	(910)	(906)
Net operating income	253	295	294	314	322	263	291	352	1.157	1.229
Net loan-loss provisions	7	(1)	(4)	21	(7)	(5)	(10)	(6)	23	(28)
Other gains (losses) and provisions	(3)	(1)	(3)	(4)	(1)	(3)	(3)	7	(12)	(1)
Underlying profit before tax	258	293	287	331	314	255	277	353	1.169	1.199
Underlying consolidated profit	197	225	221	247	236	195	211	266	889	909
Underlying attributable profit	188	215	210	235	226	186	201	254	848	868

SANTANDER GLOBAL PLATFORM secondary segment (EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	100	92	100	83	103	112	104	98	375	416
Net fee income	142	139	137	132	115	109	111	114	549	449
Gains (losses) on financial transactions and other	30	32	40	34	43	29	23	35	136	129
Total income	271	263	277	249	260	250	238	247	1.061	994
Operating expenses	(165)	(191)	(188)	(202)	(186)	(183)	(222)	(225)	(745)	(816)
Net operating income	107	72	89	47	74	67	16	21	315	178
Net loan-loss provisions	(18)	(0)	(16)	(17)	(5)	(14)	(5)	(15)	(52)	(39)
Other gains (losses) and provisions	(1)	0	(2)	(2)	2	(6)	(2)	(4)	(5)	(9)
Underlying profit before tax	88	72	71	28	71	46	10	3	258	130
Underlying consolidated profit	63	41	46	13	52	28	5	(14)	163	71
Underlying attributable profit	52	33	36	6	43	20	(3)	(22)	127	39

SANTANDER GLOBAL PLATFORM secondary segment (Constant EUR mn)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net interest income	85	81	88	77	96	111	107	102	331	416
Net fee income	113	112	117	114	104	109	116	121	457	449
Gains (losses) on financial transactions and other	27	29	38	32	42	29	23	35	127	129
Total income	225	222	244	223	241	249	246	258	915	994
Operating expenses	(145)	(172)	(173)	(188)	(177)	(182)	(226)	(231)	(677)	(816)
Net operating income	81	51	71	35	64	66	21	27	238	178
Net loan-loss provisions	(16)	0	(16)	(16)	(5)	(14)	(5)	(15)	(47)	(39)
Other gains (losses) and provisions	(1)	0	(2)	(3)	2	(6)	(1)	(4)	(5)	(9)
Underlying profit before tax	64	52	53	17	61	46	14	9	185	130
Underlying consolidated profit	48	29	35	7	45	29	7	(11)	118	71
Underlying attributable profit	39	20	27	0	37	22	(0)	(19)	86	39

Appendix

Other countries. Detail

Secondary segments

Balance sheet and capital management

Yield on loans and cost of deposits

NPL and coverage ratios and cost of credit

Responsible Banking

Quarterly income statements

Glossary

Glossary - Acronyms

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

Glossary - Definitions

PROFITABILITY AND EFFICIENCY

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

CREDIT RISK

- ✓ **NPL ratio:** Non-performing loans and customer advances, customer guarantees and contingent liabilities / total risk. Total risk is defined as: normal and non-performing balances of customer loans and advances, customer guarantees and contingent liabilities
- ✓ **NPL coverage ratio:** Provisions to cover losses due to impairment of customer loans and advances, customer guarantees and contingent liabilities / non-performing balances of customer loans and advances, customer guarantees and contingent liabilities
- ✓ **Cost of credit:** Provisions to cover losses due to impairment of loans in the last 12 months / average customer loans and advances of the last 12 months

CAPITALISATION

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

Notes: 1) The averages for the RoTE and RoRWA denominators are calculated on the basis of 13 months from December to December.

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

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

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

Thank You.

Our purpose is to help people and businesses prosper.

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

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