August 2022

Santander Holdings USA, Inc.

Santander Group Green, Social & Sustainability Funding Global Framework

Investor Presentation

Santander

Image provided by ICON Architecture: 250 Centre Street, Jackson Square Station in Boston, MA.

Disclaimer: SHUSA

This presentation of Santander Holdings USA, Inc. (“SHUSA”) contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 regarding the financial condition, results of operations, business plans and future performance of SHUSA. Words such as “may,” “could,” “should,” “will,” “believe,” “expect,” “anticipate,” “estimate,” “intend,” “plan,” “goal” or similar expressions are intended to indicate forward-looking statements. In this presentation, we may sometimes refer to certain non-GAAP figures or financial ratios to help illustrate certain concepts. We believe that this additional information and the reconciliations we provide may be useful to investors, analysts, regulators and others as they evaluate the impact of these items on our results for the periods presented due to the extent to which the items are indicative of our ongoing operations. Where applicable, we provide generally accepted accounting principles (“GAAP”) reconciliations for such additional information. SHUSA’s subsidiaries include Banco Santander International (“BSI”), Santander Investment Securities Inc. (“SIS”), Santander Securities LLC (“SSLLC”), Santander Financial Services, Inc. (“SFS”), and Santander Asset Management, LLC, as well as several other subsidiaries. Although SHUSA believes that the expectations reflected in these forward-looking statements are reasonable as of the date on which the statements are made, these statements are not guarantees of future performance and involve risks and uncertainties based on various factors and assumptions, many of which are beyond SHUSA’s control. Among the factors that could cause SHUSA’s financial performance to differ materially from that suggested by forward-looking statements are: (1) the effects of regulation, actions and/or policies of the Federal Reserve, the Federal Deposit Insurance Corporation (the "FDIC"), the Office of the Comptroller of the Currency (the “OCC”) and the Consumer Financial Protection Bureau, and other changes in monetary and fiscal policies and regulations, including policies that affect market interest rates and money supply, as well as the impact of changes in and interpretations of GAAP, the failure to adhere to which could subject SHUSA and/or its subsidiaries to formal or informal regulatory compliance and enforcement actions and result in fines, penalties, restitution and other costs and expenses, changes in our business practice, and reputational harm; (2) SHUSA’s ability to manage credit risk may increase to the extent our loans are concentrated by loan type, industry segment, borrower type or location of the borrower or collateral, and changes in the credit quality of SHUSA’s customers and counterparties; (3) adverse economic conditions in the United States and worldwide, including the extent of recessionary conditions in the U.S. related to COVID-19 and the strength of the U.S. economy in general and regional and local economies in which SHUSA conducts operations in particular, which may affect, among other things, the level of non-performing assets, charge offs, and credit loss expense; (4) inflation, interest rate, market and monetary fluctuations, including effects from the discontinuation of the London Interbank Offered Rate (“LIBOR”) as an interest rate benchmark, may, among other things, reduce net interest margins and impact funding sources, revenue and expenses, the value of assets and obligations, and the ability to originate and distribute financial products in the primary and secondary markets; (5) the adverse impact of COVID-19 on our business, financial condition, liquidity, reputation and results of operations; (6) natural or man-made disasters, including pandemics and other significant public health emergencies, outbreaks of hostilities or effects of climate change, and SHUSA’s ability to deal with disruptions caused by such disasters and emergencies; (7) the pursuit of protectionist trade or other related policies, including tariffs and sanctions by the U.S., its global trading partners, and/or other countries, and/or trade disputes generally; (8) adverse movements and volatility in debt and equity capital markets and adverse changes in the securities markets, including those related to the financial condition of significant issuers in SHUSA’s investment portfolio; (9) risks SHUSA faces implementing its growth strategy, including SHUSA's ability to grow revenue, manage expenses, attract and retain highly-skilled people and raise capital necessary to achieve its business goals and comply with regulatory requirements; (10) SHUSA’s ability to effectively manage its capital and liquidity, including approval of its capital plans by its regulators and its subsidiaries’ ability to continue to pay dividends to it; (11) reduction in SHUSA’s access to funding or increases in the cost of its funding, such as in connection with changes in credit ratings assigned to SHUSA or its subsidiaries, or a significant reduction in customer deposits; (12) the ability to manage risks inherent in our businesses, including through effective use of systems and controls, insurance, derivatives and capital management; (13) SHUSA’s ability to timely develop competitive new products and services in a changing environment that are responsive to the needs of SHUSA's customers and are profitable to SHUSA, the success of our marketing efforts to customers, and the potential for new products and services to impose additional unexpected costs, losses or other liabilities not anticipated at their initiation, and expose SHUSA to increased operational risk; (14) competitors of SHUSA may have greater financial resources or lower costs, or be subject to different regulatory requirements than SHUSA, may innovate more effectively, or may develop products and technology that enable those competitors to compete more successfully than SHUSA and cause SHUSA to lose business or market share and impact our net income adversely; (15) Santander Consumer USA Inc.’s (“SC’s”) agreement with FCA US LLC (“Stellantis”) may not result in currently anticipated levels of growth; (16) changes in customer spending, investment or savings behavior; (17) the ability of SHUSA and its third-party vendors to convert, maintain and upgrade, as necessary, SHUSA’s data processing and other information technology (“IT”) infrastructure on a timely and acceptable basis, within projected cost estimates and without significant disruption to our business; (18) SHUSA’s ability to control operational risks, data security breach risks and outsourcing risks, and the possibility of errors in quantitative models and software SHUSA uses in its business, including as a result of cyber-attacks, technological failure, human error, fraud or malice by internal or external parties, and the possibility that SHUSA’s controls will prove insufficient, fail or be circumvented; (19) changing federal, state, and local tax laws and regulations, which may include tax rate changes, that could materially adversely affect our business, including changes to tax laws and regulations and the outcome of ongoing tax audits by federal, state and local income tax authorities that may require SHUSA to pay additional taxes or recover fewer overpayments compared to what has been accrued or paid as of period-end; (20) the costs and effects of regulatory or judicial actions or proceedings, including possible business restrictions resulting from such actions or proceedings; and (21) adverse publicity and negative public opinion, whether specific to SHUSA or regarding other industry participants or industry-wide factors, or other reputational harm; and (22) acts of terrorism or domestic or foreign military conflicts. In this regard, during the first quarter of 2022, SHUSA has assessed its exposure to clients in Russia and Belarus and does not believe it has any significant risk with respect to these clients; and (23) the other factors that are described in Part I, Item IA – Risk Factors of SHUSA’s Annual Report on Form 10-K for 2021. Because this information is intended only to assist investors, it does not constitute investment advice or an offer to invest, and in making this presentation available, SHUSA gives no advice and makes no recommendation to buy, sell, or otherwise deal in shares or other securities of Banco Santander, S.A. (“Santander”), SHUSA, Santander Bank, N.A. (“Santander Bank” or “SBNA”), SC or any other securities or investments. It is not our intention to state, indicate, or imply in any manner that current or past results are indicative of future results or expectations. As with all investments, there are associated risks, and you could lose money investing. 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Disclaimer: Green, Social & Sustainability Funding Global Framework

The information and opinions contained in the Santander Green, Social & Sustainable Funding Global Framework (hereafter the "Framework") are provided as of the date of this document and are subject to change without notice. No one who becomes aware of the information contained in the Framework should regard it as definitive, because it is subject to changes and modifications. Furthermore, the Santander Group does not assume any responsibility or obligation to update or revise any such statements, regardless of whether those statements are affected by the results of new information, future events or otherwise. The Santander Group (as defined herein below) advises that this document contains "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. 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The following important factors, in addition to others discussed elsewhere in this document and in public filings we make from time to time, could affect our future performance and could cause materially different outcomes from those anticipated in forward-looking statements: (1) general economic or industry conditions of areas where we have significant operations or investments (such as a worse economic environment; higher volatility in the capital markets; inflation or deflation; changes in demographics, consumer spending, investment or saving habits; and the effects of natural or man-made disasters, including the COVID-19 pandemic, in the global economy); (2) exposure to various market risks (particularly interest rate risk, foreign exchange rate risk, credit risk, equity and debt price risk and volatility and risks associated with the replacement of benchmark indices); (3) potential losses from early repayments on our loan and investment portfolio, declines in value of collateral securing our loan portfolio, and counterparty risk; (4) political stability in Spain, the United Kingdom, other European countries, Latin America and the U.S.; (5) changes in legislation, regulations, taxes, including regulatory capital and liquidity requirements, especially in view of the UK exit of the European Union and increased regulation in response to financial crisis; (6) our ability to integrate successfully our acquisitions and related challenges that result from the inherent diversion of management's focus and resources from other strategic opportunities and operational matters; (7) changes in our access to liquidity and funding on acceptable terms, in particular if resulting from credit spread shifts or downgrades in credit ratings for the entire group or significant subsidiaries and our ability to manage capital and liquidity effectively; (8) our ability to timely develop competitive new products and services in a changing environment; and (9) adverse publicity. Numerous factors could affect our future results and could cause those results to deviate 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. Forward-looking statements speak only as of the date of this document and are informed by the knowledge, information and views available on such date. Santander is not required to update or revise any forward-looking statements, regardless of new information, future events or otherwise. The information contained in this Framework is subject to, and must be read in conjunction with, all other publicly available information, including, where relevant, any fuller disclosure document published by Santander. 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Contents

The Team

Vikas Gupta: Treasurer
Oversees SHUSA Capital Markets, Liquidity and IRR Management, Investment Portfolio and other Treasury related activities

Kerrie La Fleur: Vice President
Heads SHUSA Capital Markets and US Investor Relations
Overseeing SHUSA and SC Capital Markets' ESG efforts

Seth Goodall: Executive Director CSR
Responsible for overseeing Santander's activities related to CSR, ESG, philanthropy, and community engagement

Leah Daly: Senior Director, ESG
Tasked with leading the development and implementation of SHUSA-wide ESG strategy

Christopher Memoli
Responsible for deploying up to $1B per year in equity and debt capital to finance multifamily affordable housing and small business development

Nuno Dias Andrade
Leads the structured finance team, a reference in financing and advising renewable energy projects in the US

Santander Holdings USA, Inc. (SHUSA) Sustainability Overview

01

Sustainability at SHUSA

The ESG Strategy of SHUSA has three pillars, which support us in our goal of helping people and businesses prosper

Empower People and Businesses

46,000+
individuals counseled with financial education

$100M
multi-year investment to execute consumer banking digital transformation strategy

167,000+
financially empowered people[1]

Nearly 50%
of jobs filled internally

1 NO POVERTY
3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
7 AFFORDABLE AND CLEAN ENERGY
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
10 REDUCED INEQUALITIES

Foster Inclusive Communities

400+
partner organizations supported

100,000+
people helped[2]

25,000+
volunteer hours

$18M
charitable giving

0.2%
Equal Pay Gap[3]

$14B
Five-year Inclusive Communities Plan

$12.1B – Lending in underserved communities

$1.9B – Community development investments

$57M – Charitable contributions

65,000+ – Volunteer hours in underserved communities

Support the Green Economy

100%
carbon neutral in operations

$3.1B
renewable energy finance exposure, supporting $7.8B in total deal size (including other participating banks)

47.7%
electricity from renewable sources

$79.2B
total deal size of sustainability linked transactions in which Santander US (with other banks) participated

100%
elimination of single-use plastics where feasible

11 SUSTAINABLE CITIES AND COMMUNITIES
13 CLIMATE ACTION
16 PEACE, JUSTICE AND STRONG INSTITUTIONS
17 PARTNERSHIPS FOR THE GOALS

*2021 Data (1) Financially empowered people include those impacted through financial education training and grants; recipients of specialised lending products; and people who gained housing through investments in affordable housing projects (2) People helped included beneficiaries of grants provided for social purposes and people impacted by volunteer hours provided by SHUSA (3) The equal pay gap gauges the difference in compensation for women and men in the same job at the same level. The comparison does not consider certain factors, such as tenure, years of service, previous experience and background

Sustainability at Santander Group

Sustainability roadmap for all group entities (including SHUSA) to achieve Santander Group commitments

2020

SHUSA (and Santander Group) became carbon neutral in own operations in core geographies in part through carbon offsets

2021

SHUSA (and Santander Group) removed 100% single-use plastics in buildings & offices

2022

Creation and publication of Santander's Group Sustainable Finance Classification System (SFCS)

Creation and publication of Santander Group Green, Social & Sustainability Funding Global Framework with SPO from Sustainalytics

Commitment: Santander Group sets decarbonization targets for for oil & gas, mining, aviation & steel sectors

Creation and publication of Santander US Environmental, Social and Governance Report 2021

2025

Commitment: Goal to use 100% of electricity from renewable sources in all countries across Santander Group

Commitment: Santander Group goal to raise/ facilitate mobilization in green finance[1]:

>€120B between 2019 - 2025

>€220B between 2019 - 2030

€74.4B raised and mobilized between 2019 – June 2022

2030

Commitment: Goal to eliminate all exposure to thermal coal mining worldwide across Santander Group

Commitment: Goal to stop providing financial services to power generation clients with more than 10% of revenues dependent on thermal coal across Santander Group

Commitment: Goal to align Santander Group power generation portfolio with Paris Agreement

2050

Commitment: Goal to achieve net-zero carbon emissions across Santander Group operations and from lending, advisory and investment services

(1) Includes Santander Group's contribution to green finance: project finance; syndicated loans; green bonds; capital finance; export finance, advisory services, structuring and other products, to help customers transition to a low-carbon economy. EUR 65.7B raised and facilitated from 2019 to 2021; EUR 220B committed from 2019 to 2030

Sustainability at SHUSA

Further embedding ESG to build a more responsible bank

Environmental: Supporting the Green Transition

USD 1.24B
share of auto portfolio in plug-in hybrid vehicles through 2022

Carbon neutral
in operations

USD 1.9B
renewable projects financed in 2021

100%
Unnecessary single-use plastics free

47.7%
electricity from renewable sources

Social: Building a More Inclusive Society

USD 501M
in community development financing

USD 14.1B
Invested through the Inclusive Communities Plan[2]

~270+
entrepreneurs participated in Cultivate Small Business program[1]

~497,243
financially empowered people through 2019-2022

24%
women in senior positions

Governance: Doing Business the Right Way

Risk Culture
focuses on consumer protection, cyber awareness, privacy

Diversity, Equity and Inclusion
framework

58%
independent directors

16.7%
women on Board

Note: 2021 data, unless otherwise stated; (1) Cultivate Small Business program began in 2017; (2) Inclusive Communities Plan was a public commitment from 2017-2021

Sustainability at Santander Group: Supporting the Green Economy

Santander has been a leading bank for Renewable wind/solar Project Finance in the US since 2008

SHUSA Strategies for Environmental Commitments

SHUSA is focused on three strategies to make progress against our environmental commitments:

1	Effective climate risk management, which identifies, assesses and manages climate-change-related risks
2	Supporting the green transition
3	Reducing our environmental footprint

Renewable Energy and Clean Transportation

- Santander committed more than $12B of debt over the last four years in new transactions in the US and Canada and over $500M in tax equity since 2011
- Santander's financings and investments in the renewable space in the US represent 20.6 GW of renewable energy installed capacity[1]
- Santander was named PFI Project Finance Global Advisor of the Year in 2021, and ranked #2 in Project Finance and #1 in Renewables by both number of deals and volume globally by Inframation
- SHUSA's One Auto platform is a leading auto financer in the US and provides loans and leases and is well positioned to support our auto manufacturing partners and customers with EV financing options when available

SHUSA Environmental Highlights

$3.1B renewable energy finance exposure, supporting $7.8B in total deal size	100% elimination of unnecessary single-use plastics where feasible
100% carbon neutral in own operations since 2020	47.7% electricity from renewable sources

Global Adviser of the Year: Santander

PFI AWARDS 2021

"Santander has emerged as one of the leading global project finance banks over the last few years. It has built up its presence in lead-arranging bonds and, particularly advisory, where it uses its arranging and advisory skills in an almost seamless way." [2]

Global ESG Deal of the Year

"Vineyard Wind – a joint venture between Avangrid Renewables and Copenhagen Infrastructure Partners (CIP) – has won the global environmental, social and governance or ESG-focused project finance deal of the year, finally signaling that all systems are go for the build-out of offshore wind in the United States. Santander… acted as financial adviser, hedge coordinator, green loan coordinator, among other roles."[2]

Note: 2021 data, unless otherwise stated (1) Source: Infra Deals & IJGlobal (2) Project Finance International (PFI)

Sustainability at SHUSA: Empowering People and Businesses

SHUSA is committed to building a more inclusive society by meeting the needs of underserved individuals and communities

SHUSA Social Highlights (2021)

100,000+ people helped	25,404 volunteer hours	$18M charitable giving
$553M Small Business Administration (SBA) lending [1]	$321M affordable housing tax credit investments	641,000+ hours leadership & professional growth classes
400+ partner organisations supported	Nearly 50% job opening filled internally	$20 minimum wage; nearly triple the federal minimum

Community Development Finance (2021)

Santander Bank launched the CDF team in 2017 to create intentional, responsive community development lending and investments within its operating footprint

$608M total lending and investments	**$321M** affordable housing tax credit investments	**$107M** affordable housing construction and equity bridge loans
1,303 affordable housing units created	**4,209** tenants placed in affordable housing	

Inclusive Communities Plan (2017-2021)

- In 2021, Santander Bank concluded its Inclusive Communities Plan– a five-year commitment to community development lending and investments, philanthropy and volunteering across its Northeast footprint
- We are proud to have exceeded our commitment by investing $14B– more than 21% above goal. Since 2017, the Bank has made the following investments:

$14B

Five-year Inclusive Communities Plan

$12.1B – Lending in underserved communities

$1.9B – Community development investments

$57M – Charitable contributions

65,000+ – Volunteer hours in underserved communities

Small Business (2021)

- SHUSA is dedicated to helping small businesses access the products, capital, education and mentorship needed to start and scale their companies

17,424 small business loans	**$1.6B** in small business loan financing	**4,769** loans in LMI communities	**$440M** in LMI community loan financing

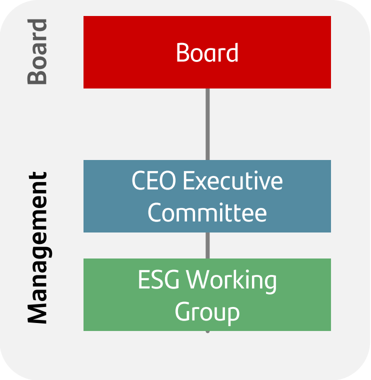
Note: 2021 data, unless otherwise stated. (1) Includes Paycheck Protection Program (PPP) Lending;

Sustainability at SHUSA: Doing Business the Right Way

SHUSA's strong corporate and risk governance ensures we behave responsibly in all we do

Corporate & ESG Governance

- The full Board retains oversight of ESG matters, with the support of committees based on their areas of responsibility
- The CEO Executive Committee and ESG Working Group provide management oversight and strategic guidance and escalate critical issues
- ESG functions are executed by a variety of teams across the firm (including lines of business, ESG & Corporate Responsibility, Risk, Finance and HR)

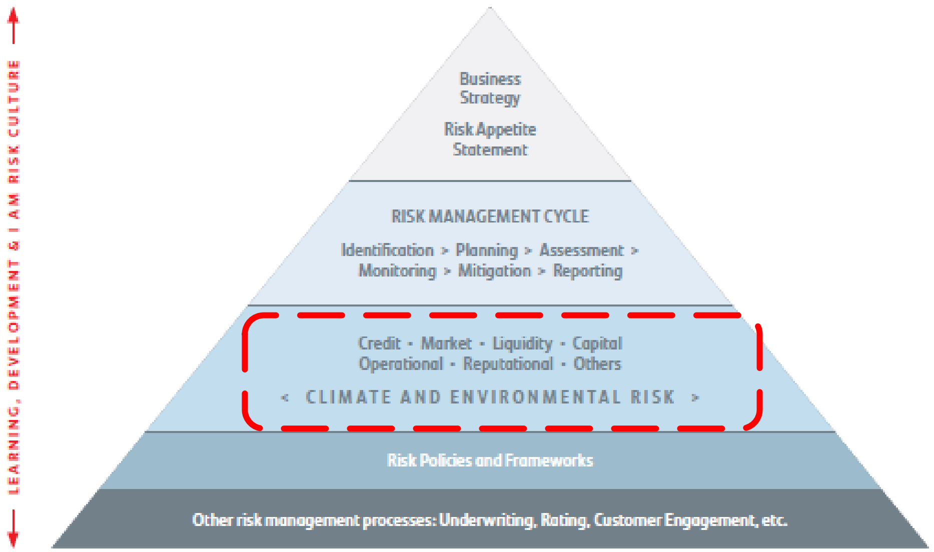


- Aligned with Group and participating in Group governance forums
- Engaged in internal and external regulatory dialogue on future ESG regulations

- **Sustainable Finance Classification System:** Created in 2022, it is an internal classification system and global taxonomy that defines sustainable finance activities that may be classified as green, social or sustainable

Risk Management

- At Santander, risk management is everyone's job as we manage our businesses to protect customers, clients and other stakeholders from risks in the financial system and to maintain the safety and soundness of SHUSA and its entities
- We work to further embed ESG Risk and Climate Risk within our Enterprise Risk Management Framework, including our Risk Appetite, risk culture and learning and development curriculum



Santander Group Green, Social & Sustainability Funding Global Framework

02

Santander Group Green, Social & Sustainability Funding Global Framework

Global Framework encompassing broad spectrum of categories, instruments and all group entities (including SHUSA)

- An amount equivalent to the proceeds will be earmarked to Eligible Green and/or Social Projects that meet the Framework Eligibility Criteria
- Assets booked outside of SHUSA's own balance sheet or consolidated perimeter are not eligible
- **Look-Back Period:** SHUSA may reference Green and/or Social Projects funded up to 36 months prior to issuance date
- **Look-Forward Period:** The framework allows a 36 month forward looking period however ideally SHUSA intends to allocate net proceeds within 12 months of issuance
- **External Review:** Sustainalytics provided a second party opinion (SPO) for this Framework and its alignment with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, Social Bond Principles 2021, Green Loan Principles 2021, and Social Loan Principles 2021

Green or Social	Eligible categories under Santander Group's GSS Funding Global Framework	UN SDG Goals
Green	**Renewable energy (SHUSA focus)**	7, 13
	Energy efficiency	7, 9, 13
	Pollution prevention and control	3, 11, 14, 15
	Environmentally sustainable management of living natural resources and land use	14, 15
	Terrestrial and aquatic biodiversity	14, 15
	Clean Transportation (SHUSA focus)	11, 13
	Sustainable water and wastewater management	6, 11, 12
	Climate Adaptation	13
	Eco-efficient Products and Technologies	9, 12
	Green Buildings	7, 11
Social	Affordable basic infrastructure	6, 7, 9, 11
	Access to essential services	3, 4, 8, 10
	Affordable housing (SHUSA focus)	10, 11
	Employment generation and programs designed to prevent and/ or alleviate unemployment stemming from socioeconomic crises, including through the potential effect of **SME financing and microfinance (SHUSA focus)**	1, 8

Proposed Use of Proceeds

All framework categories are eligible but SHUSA intends to focus on Renewable Energy, Clean Transportation, Affordable Housing and SME Financing and Microfinance

Use of Proceeds	Context	UN SDG Goals
Renewable Energy	▪ We believe that SHUSA is a leading institution in the US renewable energy space ▪ Committed more than $12B of debt over the last four years in new transactions in the US and Canada ▪ Ranked #3 Renewables Project Finance arranger (MLA) in the US in 2018-2020, as well as #1 Infrastructure Financial Advisor globally with 50 deals valued at $25B	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION
Clean Transportation	▪ SHUSA's One Auto platform is a leading auto financer in the US, serving about 3 million customers. It provided loans and leases for plug-in hybrid vehicles totalling $697M in 2021 ▪ As both supply and demand grow and the US market transitions towards greater electrification of vehicles (including plug-in hybrid and battery electric vehicles), SHUSA is well positioned to support our auto manufacturing partners and customers with EV financing options	11 SUSTAINABLE CITIES AND COMMUNITIES 13 CLIMATE ACTION
Affordable Housing	▪ SHUSA has significant Community Development Finance, Commercial Real Estate and Multifamily portfolios which provide for the construction, maintenance and rehabilitation of affordable housing units	10 REDUCED INEQUALITIES 11 SUSTAINABLE CITIES AND COMMUNITIES
SME Financing & Microfinance*	▪ SHUSA supports small business investment corporations (SBICs) defined by SBA and government programs	1 NO POVERTY 8 DECENT WORK AND ECONOMIC GROWTH

* Full Category name as per framework: Employment generation and programs designed to prevent and/ or alleviate unemployment stemming from socioeconomic crises, including through the potential effect of SME financing and microfinance

Santander Group Green, Social & Sustainability Funding Global Framework

Global Framework encompassing broad spectrum of categories, instruments and all group entities (including SHUSA)

Project Evaluation & Selection	Management of Proceeds	Reporting
▪ **Balance Sheet Working Group:** responsible for Eligible Asset identification, ongoing evaluation and selection, management of proceeds, and ongoing reporting ▪ Santander's Sustainable Finance Classification System (SFCS) will be utilized for project eligibility ▪ For transactions closed prior to the implementation of the SFCS, SHUSA will only consider transactions with use of proceeds related to: ✓ **Renewable Energy:** wind and solar within the scope of the eligibility criteria per our Framework ✓ **Affordable Housing:** transactions that qualify under and meet CRA criteria, including an investment whose primary purpose is affordable housing for LMI individuals	▪ Balance Sheet Working Group will keep track of the Eligible Assets allocated to all outstanding Labelled Funding Instruments (LFI) ▪ If proceeds cannot directly be allocated to Eligible Assets, the proceeds will be held in accordance with the issuing entity's normal liquidity management policy and will not finance activities listed as exclusions in Use of Proceeds subsection ▪ Should there be a change in status of an original Eligible Asset, the Working Group will be responsible for replacing projects, ideally within a 12-month period from the date the status change is identified	▪ SHUSA will create and publish annual reports on both allocation and expected impact metrics on outstanding LFI which will be reviewed by a qualified, independent third party ▪ **Allocation Reporting:** Aggregated information about the Eligible Assets for each bond, i.e.: Eligible Category, balance of unallocated proceeds, the share of new financing vs. re-financing ▪ **Impact Reporting:** A qualitative description of the portfolio of Eligible Assets allocated to the relevant LFI, key impact indicators and information on the methodology and assumptions used

Santander Sustainable Finance Classification System

An internal classification system for sustainable finance globally and base for Global Framework Use of Proceeds criteria

- Santander's Sustainable Finance Classification System (SFCS) is a global internal guide that outlines criteria and environmental performance thresholds to identify an asset as green, social or sustainable in all the Group's units and businesses. The GSS Funding Global Framework builds on these criteria to identify eligible assets when available
- The SFCS ensures a consistent approach to sustainable finance across Santander that will enable SHUSA to track activities, support product development, mitigate the risk of greenwashing and reinforce SHUSA's transparency and commitment to promote and increase its green, social and sustainability-linked activity

International industry guidelines, standards and principles that the SFCS draws upon

EU taxonomy	ICMA Green/ Social Bond Principles	LMA Green Loan Principles	LMA Sustainability Linked Loan Principles	ICMA Sustainability Linked Bond Principles	Febraban taxonomy (Brazil)	UNEP FI framework	Climate Bond Standards

Dedicated purpose

- Transaction proceeds go towards eligible green or social projects
- Eligibility criteria: specific activities and thresholds, based on industry principles and guideline (ICMA, LMA, Climate Bond Standards) and the EU Taxonomy

The SFCS has been reviewed by Sustainalytics to ensure it is consistent with market practice as at February 2022
Note: The SFCS was published in 2022 and SHUSA will apply the eligibility criteria on a forward-looking basis from 2022 onwards. For transactions closed prior to the implementation of the SFCS, SHUSA would only consider transactions whose use of proceeds are related to: Renewable energy – wind and solar within the scope of the eligibility criteria per our Framework and; Affordable Housing transactions and SBICs that qualify under and meet Community Reinvestment Act (CRA) criteria, including an investment whose primary purpose is affordable housing for LMI individuals

Appendix

03

Santander Group Environmental Impact Strategy and Targets

Four pillars of Santander's Group climate strategy and public commitments apply to all group entities

SHUSA has historically contributed to Group commitments and intends to continue to do so going forward

1 Aligning Santander Group Portfolio to Meet Paris Agreement Goals

Portfolio alignment

- Supporting Santander Group's ambition to be net-zero in carbon emissions by 2050, we are currently setting sector and portfolio alignment targets in accordance with Net Zero Banking Alliance
- In 2022 Santander Group set new emissions targets regarding its energy, aviation and steel portfolio
- Supporting investment aligned with net-zero carbon emissions by 2050 and efforts to limit warming to 1.5°C
- Annual disclosure of carbon emissions and emissions intensity data in line with what we believe are best practices

2 Supporting Customers in the Green Transition

Helping customers transition

- Commitment to raise and mobilize €120B in green finance (2019-2025) and €220B by 2030
- Offering customers guidance, advice and specific business solutions
- Enabling clients to invest according to their sustainability preferences with ESG investment offerings available

3 Reducing Santander Group Environmental Impact

Environmental impact

- Remaining carbon neutral in own operations
- Sourcing 100% of electricity from renewable sources by 2025
- Continued robust analysis of environmental footprint and resource consumption

4 Embedding Climate in Risk Management

Embedding climate risk

- Understanding and managing the sources of climate change risks in Santander Group portfolios and setting the courses of action and processes to manage it

For more information, please see page 73-74 in the "Responsible Banking" section of Santander's 2021 Annual Report and pages 5-6 of Santander's Climate Finance Report (2021-2022)
Climate Finance Report 2021 – June 2022 (santander.com) Annual Report | Shareholders and Investors | Santander Bank

Sustainability at SHUSA: Fostering Inclusive Communities

Santander Bank's Inclusive Communities Plan

Inclusive Communities Plan

- Launched in 2017, SBNA's Inclusive Communities Plan (ICP) represented a 5-year $11B commitment to lending, community development and charitable giving across the Bank's Northeast footprint. $14B was invested in total, exceeding goal by $3B
- The plan covered community development lending and investments, charitable contributions, low- to moderate-income branches (LMI) and volunteer hours
- A National Community Advisory Board, along with six Regional Boards, were established to strengthen impact and increase responsiveness to our communities
- **Next Steps:** Launch multi-year SHUSA ICP 2.0 in 2023 in collaboration with community partners

Area	5-Year Impact	Goal	Initiatives
Mortgages	$5.7B	136% ($4.2B)	• Affordable home purchase program expansion, including down payment/closing cost assistance • Community Mortgage Development Officers
Small Business[1]	$3.5B	184% ($1.9B)	• Cultivate Small Business • Small Business Education, English and Spanish • Second Look partnerships with CDFIs
CD Loans	$2.9B	94% ($3.0B)	• LIHTC Construction and Bridge Lending • CDFI Lending • Economic Development Lending
CD Investments	$1.9B	100% ($1.9B)	• LIHTC • Small Business Investment Fund • Real Estate Funds
Grants	$57M	104% ($55M)	• Focus on wealth building and financial well-being through affordable housing, small business and financial education grants
LMI Branches	10[2]	100% (10)	• Open 10 retail branches in LMI communities and communities of color
Volunteering	65,286 hrs	109% (60,000)	• Focus on LMI individuals and small businesses through financial education and community development activities

(1) Includes Paycheck Protection Program (PPP) Lending; (2) Two branches were delayed opening due to COVID, but are fully funded and will open in 2022, including branches in Sharswood in Philadelphia, PA and Hempstead, NY.

Sustainability at Santander Group

Awards and recognition

Santander Group efforts have been recognized

Featured in the Dow Jones Sustainability Index for the **21st year in a row**	Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA
Santander was also included in the 2022 S&P Sustainability Yearbook, receiving a silver class award for its performance during 2021	Sustainability Award Silver Class 2022 S&P Global
Biggest bank in the Eurozone and sixth globally in Interbrand's 2021 Best Global Brands ranking	Interbrand Best Global Brands 2021
Named as Best Bank for Financial Inclusion and Best Bank for Sustainable Finance in Latin America	Euromoney Awards for Excellence 2021
Top Employer Europe certification for fifth consecutive year in 2021, acknowledging excellence in working conditions	Top Employer Europe 2020 Certified excellence in employee conditions
Great Place to Work named Santander one of world's **25 best workplaces, out of more than 10,000 organizations** worldwide	Fortune World's Best Workplaces 2021

Santander Group ESG performance[1]

Rating/Scoring	2020	vs. Last Year	2021	vs. Sector Average
Dow Jones Sustainability Indexes	83	↑	85	97th percentile, 13th out of 242 banks
MSCI	BBB	↑	AA	3% AAA 29% AA among 191 banks
Sustainalytics[2]	27.1	↑	23.9	26th percentile, 268th of 1045 banks
Vigeo Eiris	62	=	61	11th of 31 diversified banks
ISS ESG	C	=	C	Decile rank of 1
CDP	B	↑	A-	Among 20% of banks with best score
Bloomberg Gender-Equality Index	85.13	↑	90.26	1st global bank and 5th from 126 financial institutions
ShareAction	57	↑	89	20 points above industry average

(1) Latest score available to each analyst in 2021 (2) Sustainalytics risk rating: the lower, the better

Sustainability at Santander Group

SHUSA is fully aligned with strategy and commitments set at Santander Group level

- In 2019 Santander set clear and ambitious public commitments, which SHUSA and all Santander partners continue to make progress towards. **Carbon neutrality was achieved across all Santander partners including SHUSA** in its own operations in 2020, **meeting the commitment a year ahead of schedule**. That encompasses **Scope 1 and 2 greenhouse gas emissions** for the Group's core geographies (G10)
- As a founding member of the **Net-Zero Banking Alliance**, Santander Group's ambition is to achieve **net-zero carbon emissions by 2050**, including financed emissions derived from lending, advisory and investment services activities. SHUSA and all subsidiaries aim to contribute to this goal
- Contributing to Santander's Group goals, SHUSA is helping building a more inclusive society, financially empowering people (>439k people between 2019-2021), and supporting the society ($501M invested in affordable housing projects; $18.6M in charitable commitments; and >71k people helped through 2021)

	Santander Group Future Commitments	2021 figure	1H'22	Target	Period
	Electricity from renewable sources (%)	75%	✓	100%	by 2025
	Thermal coal-related power & mining phase out	€7 B	-	0 exposure	by 2030
	Reduce emission intensity in power generation portfolio [A]	0.23 tCO_2e / MWh	-	0.18 tCO_2e / MWh 0.11 tCO_2e / MWh	by 2025 by 2030
	Green finance raised and facilitated (cumulative) [B]	€65.7 B	€74.4 B	€120 B €220 B	2019-2025 2019-2030
	AUMs in Socially Responsible Investments	€27 B	€30.1 B	€100 B	by 2025
	People financially empowered (millions)(cumulative) [B]	7.5 M	-	10 M	2019-2025
	Women in senior positions	26.3%	-	30%	by 2025
	Equal Pay Gap	1%	-	0%	by 2025
New in 2022	Absolute emissions of energy portfolio	-	-	16.98 $mtCO_2e$ / MWh	by 2030
New in 2022	Emissions intensity of aviation portfolio	-	-	61.71 $grCO_2e$ / RPK	by 2030
New in 2022	Emissions intensity of steel portfolio	-	-	1.07 tCO_2e / tCS	by 2030

Maintain Commitments Achieved

- → Be carbon neutral in own operations
- → Plug-In Hybrids are a growing percentage of auto portfolio at more than $700M in 2021
- → Have board of directors with 40-60% women members
- → Eliminate use of single-use plastics in buildings and offices

✓ = Commitment Achieved

For more information, please see page 19-20 in the "Responsible Banking" section of Santander's 2021 Annual Report

A. The 2021 figure of 0.23 tCO2e/MWh corresponds to the latest available portfolio data (2019) B. The 2021 figure is a cumulative figure from 2019

Project Evaluation & Selection

Projects will be evaluated and selected by the local Balance Sheet Working Group and ratified by Global review

Balance Sheet Working Group (BSWG) [1]

- The BSWG includes senior representatives from Treasury, CSR, ESG, Investor Relations, Risk, and impacted lines of business, among others
- The BSWG shall meet as frequently as the chair may determine and review Eligible Assets on a quarterly basis
- The responsibilities of the BSWG include, but are not limited to:
  - Selection and allocation of Eligible Assets among sustainable finance instruments
  - Review and recommendation for approval any new green, social or sustainable issuances
  - Determination of use of proceeds
  - Management of assets and proceeds ensuring sufficient coverage of commitments
  - Annual reporting on allocation and impact of Eligible Assets
  - Reporting to the GSFSG, as needed

Global Sustainability Funding Steering Group (GSFSG)

- The GSFSG considers senior representatives from the areas of, but not limited to, Financial Management (IR and Funding), Responsible Banking, E&S Risk, Legal, Compliance, Corporate & Investment Banking, Commercial Banking, Santander Consumer Finance
- The GSFSG may meet on a quarterly basis, or otherwise as the chair may determine
- GSFSG objective: To have a formal internal forum, in which all the involved areas can discuss matters relating to this Framework, specifically, but not limited to:
  - The issuances of LFI from group entities under this framework
  - The respective governance procedures
  - Supporting the BSWG in their ongoing reporting requirements
- Within the GSFSG, members will be encouraged to discuss ideas, share practical advice and best practice solutions
- The GSFSG will also oversee the responsibilities of the BSWG

(1) The Local Sustainability Funding Steering Group (LSFSG) for SHUSA is known locally as the Balance Sheet Working Group (BSWG)

Management of Proceeds

Active management and quarterly reviews will be the responsibility of the Balance Sheet Working Group

Earmarking Approach

- For each issuing entity, upon settlement of any bond, the net proceeds of any bond will be credited to the relevant entity's treasury account and incorporated into its general liquidity pool; no specific accounts will be created for sustainable bond proceeds
- Eligible Assets will be earmarked upon settlement of any bond. When earmarked, assets are not to be used for any other allocation unless replaced by other assets
- We anticipate earmarked assets equivalent to the full amount of proceeds from any bond by 12 months from issuance date
- If assets cannot be immediately identified to earmark, the proceeds will be held in accordance with the issuing entity's normal liquidity management policy
- While awaiting allocation to Eligible Assets, the proceeds will be integrated into the treasury's liquidity reserve, largely composed of cash, sovereign securities and other tradable assets, and will not be invested in loans to clients which are explicitly excluded from the regular lending policies and which participate in the activities listed in the Exclusions to Use of Proceeds subsection

SHUSA Sustainability Bond Tracking Sheet [1]

- SHUSA will use a dual approval approach to prevent the double counting of allocation of any Eligible Asset to any bond
- Firstly, the use of proceeds from a SHUSA Sustainability Bond can only be allocated to Eligible Assets from the balance sheet of SHUSA or SHUSA subsidiaries, as identified and approved by the BSWG. This ensures there is control over the risk of double counting across the various Santander entities that use of the Global Funding Framework
- Secondly, the creation of a dedicated Tracking Sheet for a SHUSA Sustainability Bond will be launched, which will detail all the identified and approved Eligible Assets allocated from any bond. The Tracking Sheet will be reviewed and updated quarterly by the BSWG and provide an additional control to ensure the identified and approved Eligible Assets have not been allocated in a previous bond

Change in Eligibility Status

- In case of divestment of any Eligible Asset, or if an Eligible Asset fails to ensure continued compliance with the Eligibility Criteria, or if early repayment of an Eligible Asset occurs, or reallocation to another ESG project, the BSWG will be responsible for replacing the allocated amount with new Eligible Asset(s)
- This should be done as soon as reasonably practicable, and ideally within a 12-month period from when the change in status of the original Eligible Asset was identified
- No forward-looking period limitation will apply to the replacing Eligible Assets

(1) The Eligible Assets Register for SHUSA is known locally as the Tracking Sheet

Reporting

Allocation and Impact Reporting on Outstanding Labelled Funding Instruments (LFI)

Allocation Report

Each annual report will provide information on the allocation of the proceeds of the relevant portfolio of LFI. The information will contain at least the following details:

1. Aggregated information about the Eligible Assets corresponding to the relevant portfolio of LFI, such as:
   - Category of Eligible Asset(s)
   - Location of Eligible Asset(s)
   - Outstanding drawn amount
   - Where practical, and if relevant, operational status (under construction or in operation)
2. The remaining balance of unallocated proceeds, if any, of relevant LFI
3. The share of new financing vs. re-financing

Impact Report

The impact reporting will include:

1. A qualitative description of the portfolio of Eligible Assets allocated to the relevant LFI;
2. The impact pursued with the relevant portfolio of Eligible Assets, and a description of the chosen key impact indicators (KPI), as per the indicative KPI list in the framework (see below)
3. Information on the methodology and assumptions used to evaluate the portfolio of Eligible Assets' impacts.

Eligible Category	Indicative Impact Reporting Metrics
Renewable energy	• Annual renewable energy generation in MWh/GWh (electricity) and GJ/TJ (other energy)
Clean transportation	• Annual GHG emissions reduced/avoided in tCO_2 equivalent • Passenger-kilometers and/or passengers; or tonne-kilometers, and savings after the project
Affordable housing	• Number of people (average family unit size number of mortgages) who benefit from the mortgage and/or construction of houses
SME Financing & Microfinance	• Number of people who have been recipient of the finance/microfinance

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

Santander

MEMBER OF
Dow Jones Sustainability Indices
In Collaboration with RobecoSAM

FTSE4Good