

## RESULTS JANUARY – DECEMBER 2024

# Santander Portugal achieves net profit of € 990.0 million

*Throughout 2024, Santander continued on the path of sustainable growth, which follows from the commitment we have taken up of transforming the bank, in order to simplify the business and make it more focused on customer experience.*

*Thus, we have been following a path to also become a more efficient bank, endowed with the ideal conditions to support households, businesses and the economy. We have capital, liquidity and, above all, we have the will and the necessary resources to do so, thanks, to a great extent, to the dedication of our teams.*

*Our customers have responded very positively. We have earned the trust of more than 78 thousand new active customers, and 84 thousand new digital customers last year, and the provision of competitive offers, adapted to the economic context, have helped us strengthen our relationship with all the others. We increased our share of housing loans — 1 in every 4 housing loans in Portugal are originated at Santander — and we kept growing in the corporate segment, both in terms of business share and volume. As far as resources, a greater diversity of solutions contributed to a positive evolution, with emphasis on investment funds, which increased by 15%.*

*The year of 2024 was one of solid growth, marked by the evolution of the balance sheet, by customer growth, and by improved financial results. We are now moving into a new cycle, with lower interest rates, well prepared for the challenges that will follow, but with the ambition to keep growing in a sustained manner, maintaining our commitment to supporting families and businesses in Portugal.*

*Pedro Castro e Almeida, CEO of Banco Santander Portugal*

Lisbon, February 7, 2025 — PRESS RELEASE

### Main Highlights

- In 2024 the **net income** of Santander Totta, SGPS amounted to **€ 990.0 million**,<sup>1</sup> compared to € 894.6 million in 2023.
- In 2024, the Bank continued to grow its customer base in a sustained manner, both active and digital customers, by an additional 78 thousand and 84 thousand, to 1.9 and 1.3 million customers, respectively, especially in higher value segments.
- As a result, the number of new accounts opened increased by 20.5%, compared to the same period last year; the number of new debit and credit cards issued increased by 13.5%; and 1.2 million daily purchase and payment transactions were carried out (+13.0%).
- Santander continued to provide a diverse range of protection solutions suited to its customers' needs, with emphasis on the launch of "CUF Santander," an innovative health insurance, exclusively for its customers.

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<sup>1</sup> Santander Totta, SGPS is in the process of merger with Banco Santander Totta, which is expected to be completed by the end of February: additional information is available in the note at the end of this document. The 2023 final results are adjusted for non-recurring operations.

- **Total loans to customers** (gross) amounted to € 50.3 billion (+12.9% year-on-year), reflecting the dynamic origination of housing credit, as well as in the corporate segment.
- **Customer resources** grew by 5.9% year-on-year to **€ 45.9 billion**, reflecting the growth in customer deposits (+5.4% year-on-year), and in off-balance sheet resources (+8.1%).
- The **efficiency ratio stood at 25.5%**, a 1.1 p.p. decrease year-on-year.
- The quality of the credit portfolio remained quite solid, with the **NPE ratio standing at 1.6%**, with 84.1% coverage (and 57.0% specific impairment coverage).
- The **fully implemented CET1 ratio** stood at 16.0% (-0.9 p.p. compared to December 2023).
- Santander was distinguished as the **"Best Bank in Portugal"**, within the scope of *The World's Best Banks 2024*, by *Global Finance* magazine; as the **"Best International Bank in Portugal,"** within the scope of the *Euromoney Awards for Excellence 2024*, by *Euromoney* magazine; and as the **"Best Retail Bank in Portugal,"** ranking among "the institutions that are best placed to set an example and take the lead during this uncertain macroeconomic period," by *World Finance* magazine.
- In the corporate segment, and for the fourth consecutive year, *Global Finance* distinguished Santander with the title of **"Best SME Bank"** in Portugal, within the scope of the *SME Bank Awards 2025*.
- The *Private Banking* segment of Santander Portugal was distinguished by *Euromoney* as the **"Best International Private Banking"** in Portugal, rewarding the Bank's work in this area for the 13<sup>th</sup> consecutive year, but also by the magazines *Global Finance* and *World Finance*, which distinguished Santander with the award **"Best Private Banking"** in Portugal.
- In 2025, the Bank has already been certified, for the 3<sup>rd</sup> consecutive year, as **Top Employer 2025** in Portugal, by the *Top Employers Institute*, which distinguishes companies with the best people management practices. University students recognized Santander as the Best Bank to work for in Portugal, according to the Merco University Talent 2024 ranking, developed for the first time in Portugal.
- In terms of **sustainable financing**, the Bank keeps supporting the climate transition of its private and corporate customers, with a financing volume above € 2.0 million.
- Santander Portugal has the best ratings in the sector. The current long-term debt ratings of Banco Santander Totta, compared to those of Portugal as a country, are as follows: Fitch — A- (Portugal — A-); Moody's — Baa1 (Portugal — A3); S&P — A- (Portugal — A-); and DBRS — A (Portugal — A(H)).

## Key Indicators

### Santander Totta, SGPS

<b>BALANCE SHEET AND RESULTS (million euro)</b>	<b>dez-24</b>	<b>dez-23</b>	<b>Var.</b>
Total Net Assets	56,086	54,590	+2.7%
Loans and advances to customers (gross) (1)	50,331	44,586	+12.9%
Customers' Resources	45,887	43,318	+5.9%
Net Interest Income (without dividends)	1,589.7	1,491.0	+6.6%
Net Fees	452.2	457.0	-1.1%
Net Income from Banking Activities (2)	2,070.9	1,956.2	+5.9%
Operating costs	-528.3	-519.8	+1.6%
Net Operating Income	1,542.5	1,436.4	+7.4%
Income before taxes and non-controlling interests	1,471.7	1,311.2	+12.2%
Consolidated net income	990.0	894.6	+10.7%

<b>RATIOS</b>	<b>dez-24</b>	<b>dez-23</b>	<b>Var.</b>
ROE	22.8%	23.4%	-0.6 p.p.
Efficiency ratio	25.5%	26.6%	-1.1 p.p.
CET I ratio (fully implemented)	16.0%	16.9%	-0.9 p.p.
Non-Performing Exposure Ratio (3)	1.6%	1.7%	-0.1 p.p.
Non-Performing Exposure coverage ratio	84.1%	89.2%	-5.1 p.p.
Non-Performing Exposure coverage ratio (by specific impairment)	57.0%	56.6%	+0.4 p.p.
Cost of credit (4)	0.03%	0.17%	-0.14 p.p.

<b>Other Data</b>	<b>dez-24</b>	<b>dez-23</b>	<b>Var.</b>
Employees in Portugal	4,610	4,615	-5
Total Branches in Portugal	328	332	-4

<b>RATING - Banco Santander Totta, SA</b>	<b>dez-24</b>
FitchRatings	A-
Moody's	Baa1
Standard & Poor's	A-
DBRS	A

(1) Total loans to customers (gross)

(2) Includes the costs with the Resolution and Deposit Guarantee Funds

(3) In accordance with to EBA criteria

(4) 12 month average

The 2023 final results are adjusted for non-recurring intra-group operations

## Business Environment

The international economic context continued to prove its resilience throughout the fourth quarter of 2024, despite the deterioration in growth prospects for 2025. The stronger economic growth in China and the US in Q3'2024, combined with the latest data, suggests that global economic growth has remained sustained in Q4'2024. However, the continued geopolitical tensions — particularly in the Middle East and related to the war in Ukraine —, the fragility of the Chinese real estate market, and the high likelihood of the US adopting a more protectionist policy, may quickly have a negative impact on the current global economic growth cycle.

**In the US, economic indicators continued to signal an expanding economy, supported by resilient domestic demand, but in a context of controlled inflationary pressures.** The labour market continued to operate at full employment, reflected in a quite low unemployment rate, namely of 4.1% in December. A slowdown in the pace of demand for workers has contributed to wages growing at a more moderate pace, resulting in lower inflationary pressures. The inflation rate is converging towards the 2% target, albeit in a gradual manner, and has recently been more persistent and volatile. In 2024, the average annual inflation still remained at 2.9% (4.1% in 2023). In this context, last December 2024, the Federal Reserve decided to cut the reference interest rate range by 25 b.p., to the range 4.25%-4.5%, in order to protect the resilience of the economy and of the labour market, within a context of inflationary pressures that tend to become more contained. Over the year as a whole, the reference interest rate dropped by 100 b.p.

**In China, the more moderate economic activity cycle recorded in the first quarters of 2024 continued throughout the 4<sup>th</sup> quarter, with the economy growing by about 5% in 2024.** Investment in the residential real estate market remains extremely vulnerable and undergoing correction, while investment in infrastructure and in the manufacturing sector has evolved at a sustained pace, largely supported by public investment. Private consumption remains quite weak, with a greater propensity among families to increase savings, contributing to increased deflationary pressures. Exports remained quite robust despite the weaker external demand and prospects of higher tariffs. Monetary policy has become more expansionary, through cuts in reference interest rates and by injecting liquidity into the economy, with the aim of encouraging consumption and investment.

**In the Euro Area, economic activity remained quite weak in Q4'2024, despite the interest rate cuts by the European Central Bank.** Economic indicators, such as the *Purchasing Managers Index (PMI)* and the European Commission's business and consumer confidence, continued to reflect a weak economic environment, namely with a tighter industrial sector and with the services sector slowing down at a faster pace, signalling a slowdown in economic growth, to 0.2% in the 4<sup>th</sup> quarter. In view of such an environment towards the end of 2024, plus the latent risk factors, the ECB has revised its growth projections downwards until 2027. With the inflation rate converging towards the 2% target (it stood at 2.4% last December), the monetary policy has gradually become less tight, with the ECB cutting reference rates by 100 b.p. throughout 2024, placing the deposit rate at 3% in December. Private consumption has benefited from the recovery of household purchasing power, in a context of full employment, but with households increasing their savings.

**In Portugal, the economy slowed down last November, reflecting a differentiated expansion of economic activity,** with a slowdown in the industry sector, and an acceleration in the services and construction sectors. The economic activity indicator has slowed down, year-on-year, due to more moderate private consumption, partly offset by an acceleration of investment. The economic environment indicator increased between September and December, reaching its highest value since March 2019. The inflation rate stood at 3.0% last December, a 0.5 p.p. increase compared to November, reflecting the greater increase in energy prices, up by 4.1% compared to 2.1% in the previous month. The unemployment rate stood at 6.7% in November, maintaining a stable profile, while the employed population grew by 1.4% year-on-year. External demand continued to show signs of resilience, with

exports and imports of goods increasing by 3.0% and 1.7%, respectively, during the eleven months ending in November, compared to the same period in 2023.

Despite such slowdown, the resilience of private consumption, supported by support measures (namely lower personal income tax and an extraordinary supplement for pensioners), enabled a quarter-on-quarter acceleration of GDP, to 1.5%, resulting in a **1.9% growth rate for the year as a whole**.

**The sovereign interest rate curve in the Euro Area continues to reinforce its positive slope, with the differential between the 10-year and 2-year maturity rates standing at about 30 b.p.**, reflecting the interest rate reduction cycle, namely with the 2-year sovereign interest rate standing at about 2.04%, and the 10-year rate at 2.36%. The Portuguese sovereign yield curve also reinforced its positive slope, recording a 78 b.p. spread between 10- and 2-years, with the 10-years standing at 2.78%, and the 2-years at 2.0%. The spread between the 10-year German sovereign interest rate and the Portuguese one remains close to 40 b.p., a sign of stability and confidence in the Portuguese economy.

**Portugal's credit ratings remain as A- (positive) by S&P, A- (positive) by Fitch, and A3 (stable) by Moody's, and was revised upwards by DBRS, to A(H) stable.**

## **Business Activity**

In 2024, Santander Portugal continued to pursue its **growth strategy, while deepening its commercial and transactional relationship with customers**, largely supported by the process of continuous commercial and operational optimization, aimed at improving customer experience and satisfaction.

In 2024, the Bank continued to expand its customer base: **active customers** increased by 78 thousand new customers (+4.3% compared to the end of 2023), while **digital customers** increased by 85 thousand during the same period, to 1.26 million (+7.2%), which corresponds to 66% of all active customers.

Such growth was particularly visible in **higher-value segments**, translated as greater commercial activity, both in terms of transactionality, as well as in business volumes.

Customer growth and their greater connection to the Bank was particularly visible in the **greater number of new accounts opened** (+20.5%), and of **new debit and credit cards issued by the Bank** (+13.5%). Transactions have also increased and, throughout the entire year, the Bank's customers used their cards to carry out **1.2 million daily purchase and withdrawal operations** (+13% year-on-year).

The **omnichannel experience** provided by the Bank, with the extension of the offer to digital channels, allows them to be more intensively used by customers: in 2024, daily logins on the Bank's private website and App grew by 13.6%, exceeding 1.04 million. More than 782 thousand customers (+15.3%) prefer the experience provided by the Santander *OneApp* and use it exclusively for digital access to the Bank.

The Bank offered its customers a **competitive range of products, both credit and resources**, suited to their needs, while particularly taking into account the new cycle of reference interest rates cuts already initiated by the ECB.

As a result, there was a significant **increase in new credit production**, especially mortgage loans, where the Bank held a leading position in the segment, having originated about **a quarter of the volume of new mortgages in 2024**. Combined with the solidity of new credit volumes to companies, the customer credit portfolio (gross) also grew.

In the **corporate** segment, the Bank maintained its focus on being its customers' partner in supporting digital and climate transformation, having granted **more than € 2 billion in sustainable financing** in 2024, and also providing the usual liquidity and treasury management instruments, such as factoring and confirming.

The Bank also maintained its solid business activity in supporting international trade and the internationalization of Portuguese companies, strengthening its position in terms of trade finance operations, which can also be carried out through Netbanco and the App, with greater security, convenience, and speed. The most significant international business operations have, in many cases, involved transactions related to ESG criteria, particularly in the photovoltaic and biofuels sector.

The **adequate offer of savings products**, both in terms of deposits and off-balance sheet products, was also reflected in the growth of customer resources. It is worth highlighting the **wide range of investment funds**, with returns suited to the new cycle of reference rate cuts by the ECB, as a complement to traditional deposits. The portfolio of off-balance sheet resources grew by 8.1% year-on-year, reaching € 4,882 million in investment funds, and € 3,848 million in financial insurance and other resources.

In terms of **protection solutions**, both personal and non-life, Santander continues to provide its customers with a diverse offer aimed at promoting their peace of mind and comfort in terms of protection insurance, with the origination of new policies growing by 14.9% compared to the same period last year, namely by benefiting from the innovative **health insurance "CUF Santander,"** in partnership with CUF and Aegon. In credit-related insurance, the Bank keeps working to ensure its competitiveness, particularly in the younger segment, in order to keep up with the measures implemented by the government.

## Results

At the end of 2024, Santander Totta, SGPS (referred to as "Bank" or "Santander Portugal" in this Press Release) achieved a net profit of € 990.0 million, which compares to the € 894.6 million it achieved in the same period last year (+10.7%).

### Main Highlights:

Net income from banking activities,<sup>1</sup> in the amount of € 2,070.9 million (+5.9% year-on-year), benefited mainly from the dynamics of net interest income (+6.6%), as net fees remained relatively stable compared to 2023 (-1.1%).

The commercial and operational improvement process that the Bank has been implementing has allowed operating costs to be kept under control (+1.6%), resulting in an improved efficiency ratio to 25.5% (-1.1 p.p.). Net operating profit amounted to € 1,542.5 million (+7.4%).

The net interest income grew by 6.6% in 2024, to € 1,589.7 million. The evolution of this margin fully reflected the monetary policy of the European Central Bank since 2022. In 2024, the 1- and 3-month Euribor rates were still higher, on average, than those in 2023. However, the 6- and 12-month rates were lower, reflecting not only the reduction in the reference interest rates by the ECB (by 100 b.p., in 2024), but also expectations regarding their future performance. As a result, net interest income decreased throughout the year, on a quarterly basis, compared to Q4'2023, when the highest value of this margin was achieved.

Net fees, amounting to € 452.2 million, fell by 1.1% compared to the same period in 2023, reflecting two opposite effects. On the one hand, there was a relatively widespread growth in fees related to customer activity, especially those related to credit, investment funds and insurance. On the other hand, and while maintaining their usual volatility, there was a lower volume of fees received from financial advisory services in 2024.

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<sup>1</sup> Net income from banking activities includes charges with Resolution Funds, and with the Deposit Guarantee Fund

Gains on financial assets amounted to € 21.0 million, meaning that net income from banking activities<sup>1</sup> grew by 5.9% year-on-year, to € 2,070.9 million.

The Bank continued to implement its commercial and operational improvement process throughout the year of 2024, namely the digitalization of processes and the progressive increased offer through digital channels, in addition to that available through its physical network. As a result, the operating cost base was kept under control, which increased by just 1.6%, i.e. below the annual inflation rate (which stood at 2.4%), to € 528.3 million. Staff costs amounted to € 291.6 million (+2.5%), while general and administrative expenses stood at € 196.1 million (+8.3%). Strict cost control allowed the efficiency ratio to improve by 1.1 p.p., to 25.5%.

The macroeconomic context in 2024 remained quite favourable, namely with a situation of full employment: GDP grew by about 1.9%, and the unemployment rate remained around 6.5%. In this context, net impairment of financial assets at amortised cost amounted to € -13.0 million, a reduction compared to € -73.3 million (-82.3%), corresponding to a credit cost of 0.03%. The NPE ratio fell by 0.1 p.p. to 1.6%.

Net provisions and other results amounted to -€ 57.9 million, largely reflecting the costs of the extraordinary contribution to the banking sector and the solidarity tax, in the amount of -€ 35 million. Profit before taxes and non-controlling interests grew by 12.2% year-on-year to € 1,471.7 million.

## **Balance Sheet and Business**

Business volumes recorded sustained growth throughout 2024.

At the end of 2024, **loans to customers (gross) amounted to € 50.3 billion**, a 12.9% growth year-on-year. From the end of summer 2023, the Bank adapted its offer to the new interest rate context, which already anticipated an easing in the tight monetary policy implemented by the ECB, resulting in greater attraction of new customers, in higher value segments, with the consequent credit growth.

The **mortgage loan book grew by 5.5%** year-on-year, to € 23.3 billion at the end of the year. The Bank continued to provide a competitive credit offer in this segment, in terms of 'mixed' rate, which helped it to keep a leading position with significant growth in the production of new mortgages.

In this segment, and in terms of public guarantees to support the purchase of a permanent dwelling by young people, Santander Portugal saw the recognition of its leading role in the mortgage credit market, with a global amount of € 259 million in public guarantees. In the first month of implementation of this measure, more than one thousand credit applications were made under it, corresponding to a mortgage credit amount of about € 200 million.

**Consumer credit also grew by 8.1%**, to € 1.9 billion.

**Credit to companies and institutions amounted to € 24.9 billion**, with the Bank continuing to pursue its strategy of supporting its customers' projects, providing several liquidity and treasury management solutions, as well as support for international business, to which were also added various instruments to support the energy transition of Portuguese companies. In 2024 the Bank also signed several credit facilities to support the economy within the scope of InvestEU with Banco Português de Fomento, with a total system allocation of € 3.5 billion.



<b>LOANS (million euro)</b>	<b>dez-24</b>	<b>dez-23</b>	<b>Var.</b>
Loans to individuals	25,437	24,108	+5.5%
<i>of which</i>			
Mortgage	23,257	22,035	+5.5%
Consumer	1,933	1,789	+8.1%
Loans to corporates and institucionals	24,894	20,478	+21.6%

The Non-Performing Exposure (NPE) ratio, calculated according to EBA criterion (in relation to balance sheet exposure), decreased by 0.1% p.p. to 1.6%, with the respective coverage standing at 84.1%, while the NPE coverage by specific impairment stood at 57.0% (+0.4 p.p.).

Customer resources grew by 5.9% year-on-year, to € 45.9 billion. **Customer deposits grew by 5.4%**, to € 37.2 billion, in line with the increased household savings rate (to 10.7% in Q3'2024). The Bank was also able to keep an offer with attractive profitability conditions within the context of the new interest rate cycle, in terms of **off-balance sheet resources**, which grew by 8.1% compared to the end of 2023, driven by investments in investment funds (+14.8%).

<b>RESOURCES (million euro)</b>	<b>dez-24</b>	<b>dez-23</b>	<b>Var.</b>
<b>Customers' resources</b>	<b>45,887</b>	<b>43,318</b>	<b>+5.9%</b>
Deposits	37,157	35,239	+5.4%
Off-balance sheet resources	8,731	8,080	+8.1%
Investment funds	4,882	4,252	+14.8%
Insurance and other resources	3,848	3,828	+0.5%

## Liquidity and Solvency

Santander Portugal pursued its liquidity management strategy aimed at maximizing the liquidity buffer to face adverse events. In Q4'2024, the liquidity reserve remained at a comfortable level, ending the year with a liquidity reserve of € 16.9 billion. Exposure to the Eurosystem stood at € -1.1 billion (surplus position).

The Bank has maintained a financing structure appropriate to the market context. Financing obtained from the European Central Bank came down to zero, with the last tranche of € 0.7 billion maturing in March 2024.

Short-term funding, through repurchase agreements, amounted to € 3.7 billion at the end of Q3. In terms of long-term financing, Santander Portugal ended Q4'2024 with about € 1.1 billion in securitisations, € 3.8 billion in covered bonds, € 1.6 billion in senior non-preferred issuances, € 0.2 billion in subordinated issuances, € 0.4 billion in Credit Linked Notes, and about € 0.4 billion in financing with repurchase agreements.

The LCR (Liquidity Coverage Ratio), calculated in accordance with CRD IV rules, stood at 142.5%, thus meeting regulatory requirements on a fully implemented basis.

The Common Equity Tier 1 (CET1) ratio, calculated in accordance with CRR/CDR IV standards, stood at 16.0% (fully implemented), at the end of December 2024, a decrease of 0.9 p.p. compared to same period in 2023.

The Bank still has very high capitalization levels, clearly above the minimum requirements set by the ECB under the SREP (for 2025, CET1 — 9.581%, Tier 1 — 11.391%, and Total — 13.803%, fully implemented, already including the new reserve for sectoral systemic risk of the Bank of Portugal).



In terms of MREL, as of the end of December, Santander Totta SGPS recorded a ratio of 32.0%, above the fully implemented requirement of 24.55% (including the 3% Combined Buffer Requirement (CBR) of TREA), required for 2024.

<b>CAPITAL (fully implemented) (million euro)</b>	<b>dez-24</b>	<b>dez-23</b>	<b>Var.</b>
Common Equity Tier I	2,577	2,622	-1.7%
Tier I Capital	3,277	3,022	+8.4%
Total Capital	3,548	3,295	7.7%
<b>Risk Weighted Assets (RWA)</b>	<b>16,065</b>	<b>15,473</b>	<b>+3.8%</b>
CET I ratio	16.0%	16.9%	-0.9 p.p.
Tier I ratio	20.4%	19.5%	+0.9 p.p.
Total Capital Ratio	22.1%	21.3%	+0.8 p.p.

## External Recognition

Santander received several awards throughout the year, which reflect the Bank's financial performance and its continuous commitment to innovation, quality of service, and social responsibility.

In 2025, the Bank has already been certified, for the 3<sup>rd</sup> consecutive year, as **Top Employer 2025** in Portugal by the *Top Employers Institute*, which distinguishes companies with the best people management practices. In this field, Santander was also chosen by university students as the Best Bank to work for in Portugal, according to the **Merco University Talent 2024** ranking, developed for the first time in the country.

In 2024, Santander was awarded by the North American magazine *Global Finance* as the **Best Bank in Portugal**, through *The World's Best Banks 2024*, distinguishing financial institutions for the results achieved, the variety of services offered, and their credibility with customers.

In turn, *Euromoney* distinguished Santander as the "**Best International Bank in Portugal**," within the scope of the *Euromoney Awards for Excellence 2024*. This publication also considered Santander as the "**Best Bank in Corporate Social Responsibility**."

Within the scope of the *World Finance Banking Awards 2024*, the *World Finance* magazine distinguished Santander as the "**Best Retail Bank in Portugal**," considering it as "*one of the institutions that are in the best position to set the example and take up a leading role during this uncertain macroeconomic period.*"

In the corporate segment, and for the fourth consecutive year, *Global Finance* distinguished Santander with the title of "**Best SME Bank in Portugal**," within the scope of the *SME Bank Awards 2025*, which distinguish the financial institutions that best respond to the needs of SMEs in their markets, for the support they provide, and for the quality of the services offered.

In the Private Banking segment, *Euromoney* distinguished Santander as the "**Best International Private Banking**" in Portugal, awarding this segment of the Bank for the 13<sup>th</sup> consecutive year. In this edition, the jury took into account the offer to customers, the innovation capacity, the proposal of products with an impact, and commercial success. *Global Finance* and *World Finance* also awarded Santander the title of "**Best Private Banking**" in Portugal.

For the 3<sup>rd</sup> consecutive year Santander was once again distinguished as the **No. 1 ESG Bank in Portugal**, taking the first position in the sector in the **Merco ESG 2023** ranking. The study assessed the companies that best complied with environmental, social and governance (ESG) factors.



In terms of Asset Management activity, **World Finance** magazine distinguished Santander as the "Best Wealth Management Provider 2023" in Portugal, within the scope of the "**World Finance Wealth Management Awards**."

It is also worth highlighting the **Euronext Lisbon Awards 2024**, where Santander was distinguished, for the 5<sup>th</sup> consecutive year, in the "**Settlement & Custody**" category.

Note:

This document relates to the company's consolidated results for the previous year. The planned merger with Banco Santander Totta, S. A., through which the company will be incorporated into the Bank, is expected to be completed by the end of February 2025. Notwithstanding the incorporation of the company into the Bank, the company's consolidated report and accounts will be processed later, within the legal term.

**Santander Totta, SGPS**

<b>BALANCE SHEET (million euro)</b>	<b>dez-24</b>	<b>dez-23</b>	<b>Var.</b>
<b>Cash, cash balances at central banks and other demand deposits</b>	1,998	6,285	-68.2%
Financial assets held for trading, at fair value through profit or loss, and at fair value through other comprehensive income	5,405	5,338	+1.3%
Financial assets at amortised cost	47,613	41,870	+13.7%
Investments in subsidiaries, joint ventures and associates	0	0	-
Tangible assets	385	404	-4.8%
Intangible assets	38	34	+11.7%
Tax assets	125	168	-25.3%
Non-current assets held for sale	26	36	-27.3%
Other assets	497	457	+8.7%
<b>Total Assets</b>	<b>56,086</b>	<b>54,590</b>	<b>+2.7%</b>
Financial liabilities held for trading	1,557	1,476	+5.5%
Financial liabilities at amortised cost	49,115	47,496	+3.4%
Resources from Central Banks and Credit Institutions	4,644	5,749	-19.2%
Customer deposits	37,157	35,239	+5.4%
Debt securities issued	7,017	6,249	+12.3%
Other financial liabilities	298	259	+15.0%
Provisions	131	140	-6.8%
Tax liabilities	192	373	-48.4%
Other liabilities	523	769	-32.1%
<b>Total Liabilities</b>	<b>51,518</b>	<b>50,254</b>	<b>+2.5%</b>
Share capital attributable to ST SGPS shareholders	4,566	4,335	+5.3%
Non controlling interests	2	2	+1.4%
<b>Total Shareholders' Equity</b>	<b>4,568</b>	<b>4,336</b>	<b>+5.3%</b>
<b>Total Shareholders' Equity and Total Liabilities</b>	<b>56,086</b>	<b>54,590</b>	<b>+2.7%</b>

Note: The 2023 BS has been restated to reflect the sale of ST Seguros

**Santander Totta, SGPS**

<b>CONSOLIDATED INCOME STATEMENTS* (million euro)</b>	<b>dez-24</b>	<b>dez-23</b>	<b>Var.</b>
<b>Net interest income</b>	<b>1,589.7</b>	<b>1,491.0</b>	<b>+6.6%</b>
Income from equity instruments	8.2	1.7	>200%
Results from associates	0.0	-3.8	-100.0%
Net fees	452.2	457.0	-1.1%
Other operating results	-0.3	-17.4	-98.3%
Insurance activity	0.0	0.0	-
<b>Commercial revenue</b>	<b>2,049.8</b>	<b>1,928.5</b>	<b>+6.3%</b>
Gain/losses on financial assets	21.0	178.1	-88.2%
<b>Net Income from Banking Activities (1)</b>	<b>2,070.9</b>	<b>2,106.6</b>	<b>-1.7%</b>
Operating costs	-528.3	-519.8	+1.6%
Staff expenses	-291.6	-284.5	+2.5%
Other Administrative Expenses	-196.1	-181.0	+8.3%
Depreciation	-40.6	-54.3	-25.2%
<b>Net operating Income</b>	<b>1,542.5</b>	<b>1,586.9</b>	<b>-2.8%</b>
Impairment (net) of financial assets at amortised cost	-13.0	-73.3	-82.3%
Net provisions and other results	-57.9	-51.9	+11.5%
<b>Income before taxes and non-controlling interests</b>	<b>1,471.7</b>	<b>1,461.7</b>	<b>+0.7%</b>
Taxes	-481.3	-431.1	+11.6%
Non-controlling interests	-0.4	-0.4	+5.8%
<b>Consolidated net income</b>	<b>990.0</b>	<b>1,030.2</b>	<b>-3.9%</b>

(1) Includes the costs with the Resolution and Deposit Guarantee Funds

(\*) Not audited

**Santander Totta, SGPS**

In accordance with the definition contained in instructions 16/2004 of the Bank of Portugal with the changes in instruction 6/2018

	<b>dez-24</b>	<b>dez-23</b>	<b>Var.</b>
<b>Profitability</b>			
Income before taxes and MI/Average net assets	2.6%	2.5%	+0.1 p.p.
Net income from banking activity/Average net assets	3.7%	3.7%	+0.0 p.p.
Income before taxes and MI/Average equity	33.0%	37.4%	-4.4 p.p.
<b>Efficiency</b>			
Operating expenses/Net income from banking activity	25.5%	24.7%	+0.8 p.p.
Staff expenses/Net income from banking activity	14.1%	13.5%	+0.6 p.p.
<b>Transformation</b>			
Credit (net)/Deposits	133.5%	124.3%	+9.2 p.p.