

Santander acquires 80% of leading ESG consultancy, WayCarbon

- For over 15 years, the Brazil-based consultancy firm has been advising public and private organizations on climate change and helping develop and implement strategies to increase their sustainability.
- The deal will further enhance Santander's environmental, social and governance (ESG) expertise, allowing it to better support customers in their energy transition.
- WayCarbon's affiliation with Santander will provide scalability and a global client platform to build on its already successful business model.

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Banco Santander announced today that it has reached an agreement to acquire 80% of WayCarbon Soluções Ambientais e Projetos de Carbono ('WayCarbon'), a leading Brazil-based ESG consultancy firm.

WayCarbon has been advising public and private organisations on their energy transition for 15 years, with 170 employees serving clients across 18 countries. The business provides three core services to help clients develop and implement strategies to increase their sustainability: ESG consultancy; management software to support the tracking and implementation of ESG strategies; and carbon credit trading.

The acquisition is an important step to further enhance Santander's own sustainability offerings to support the bank's clients across all markets in their energy transition. It will also help Santander progress further in its own ESG objectives by engaging in the voluntary carbon market, reforestation and forest conservation programmes and other emissions trading schemes.

The carbon markets allow companies, non-profit organizations, governments and individuals to buy and sell carbon offset credits, an instrument that represents the reduction of a specific amount of emissions.

José M Linares, global head of Santander Corporate & Investment Banking (Santander CIB), said: *"As an industry leader in ESG, WayCarbon will help us with our own objectives and our clients' in their transition to more sustainable business models. Santander has vast experience in sustainable projects and is a global leader and pioneer in renewable energy finance. This deal will help maintain Santander at the forefront of this critical space"*.

WayCarbon CEO Felipe Bittencourt said: *"WayCarbon, which has B-corp certification reflecting its commitment to generating profit with a purpose, is focused on catalyzing the transition to a low-carbon economy and has been growing fast in the last few years. This agreement with Santander will expand our business's global scale, with specialized products and services for a wider range of companies in its ten core markets in Europe and the Americas, so we'll have a greater impact"*.

Santander aims to raise or facilitate €120 billion in green finance between 2019 and 2025 and €220 billion by 2030 as part of its responsible banking agenda and its support for its customers transitioning to a low-carbon economy.

Corporate Communications

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It is already carbon neutral in its own operations. To reach net-zero emissions for the whole group by 2050 in support of the Paris Agreement objectives and the transition to a low-carbon economy, Santander will align its power generation portfolio with the Paris Agreement by 2030.

The transaction, which is expected to close by the second quarter of 2022, subject to closing conditions, will have a negligible impact on the group's capital and deliver a return on invested capital of 30-50% in 3-4 years.

Banco Santander (SAN SM, STD US, BNC LN) is a leading commercial bank, founded in 1857 and headquartered in Spain. It has a meaningful presence in 10 core markets in the Europe, North America and South America regions, and is one of the largest banks in the world by market capitalization. Santander aims to be the best open financial services platform providing services to individuals, SMEs, corporates, financial institutions and governments. The bank's purpose is to help people and businesses prosper in a simple, personal and fair way. Santander is building a more responsible bank and has made a number of commitments to support this objective, including raising over €120 billion in green financing between 2019 and 2025, as well as financially empowering more than 10 million people over the same period. At the end of 2021, Banco Santander had €1.15 trillion in total funds, 153 million customers, of which 25.4 million are loyal and 47.4 million are digital, 9,900 branches and 197,000 employees.

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