

Santander Consumer Bank
Basel III Pillar 3 Disclosures
As at Sep 30, 2025

Regulatory Disclosure

This document represents the Basel III Pillar 3 disclosures for Santander Consumer Bank (the “Bank”) as at Sep 30, 2025, pursuant to the Office of the Superintendent of Financial Institutions (OSFI) requirements for Small and Medium-Sized Deposit-Taking Institutions (SMSBs). SMSBs are segmented into three categories for the purposes of capital, liquidity, and Pillar 3 disclosure purposes. The Bank follows the Pillar 3 Disclosure requirements for Small and Medium- Sized Banks (SMSBs) and is classified as a Category 2 SMSB. The contents of the disclosures are tailored to the nature, size, and complexity of the Bank. The following disclosures represent the Bank’s qualitative disclosures that are provided quarterly.

Qualitative reporting regarding credit risk and operational risk is provided annually; and market risk reporting does not apply.

These disclosures are unaudited, and all amounts reported in these disclosures are presented in thousands of Canadian dollars, unless otherwise noted. The report is available in the “our company” section of the Bank’s website at www.santanderconsumer.ca

For further information, please visit the OSFI’s Financial Data and forms website at <https://www.osfi-bsif.gc.ca/en/data-forms/financial-data>

Reporting Entity

The Bank is a Schedule II Canadian charter bank governed by the Bank Act (Canada). The address of the Bank’s registered office is 200, 4245 – 97 Street NW, Edmonton, Alberta, T6E 5Y7. The Bank received orders to commence and carry-on business on March 5, 2025.

The Bank utilizes an indirect business model to provide its financial service offerings. The Bank offers secured lending focused on indirect automotive financing. The Bank is a CDIC member financial institution.

Risk Management

Santander Consumer Bank maintains a comprehensive and integrated risk management framework to ensure prudent management and control of risks across the organization. The Bank's approach is grounded in the following key components:

- **The Risk Appetite:** The Board of Directors approves the Bank's risk appetite, which is articulated through a formal risk appetite statement, including the risk appetite statement, defined risk limits, and clearly assigned roles and responsibilities. This ensures that risk-taking activities remain within acceptable boundaries aligned with the Bank's strategic objectives.
- **Risk culture:** A strong and consistent risk culture is embedded throughout the Bank, aligned with the values and principles of 'The Santander Way'. This culture emphasizes accountability, ethical conduct and socially responsible risk-taking that supports the long-term sustainability and resilience of the Bank.
- **Risk Management Process:** Santander has established a structured and forward-looking set of processes for identifying, assessing, planning, mitigating, monitoring and reporting risks. These processes support effective risk-informed decision making across the organization and ensure material risks are appropriately addressed in a timely and coordinated manner.

Template KM1: Key metrics (at consolidated group level)						
		a	b	c	d	e
(in thousands of Canadian dollars)		30-Sep-25	30-June-25	31-Mar-25	T-3	T-4
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	223,177	223,770	222,182		
2	Tier 1	223,177	223,770	222,182		
3	Total capital	234,339	234,665	232,815		
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	949,564	925,117	901,435		
4a	Total risk-weighted assets (pre-floor)	949,564	925,117	901,435		
Risk-based capital ratios as a percentage of RWA						
5	CET1 ratio (%)	23.5%	24.19%	24.65%		
5a	CET1 ratio (%) (pre-floor ratio)	23.5%	24.19%	24.65%		
6	Tier 1 ratio (%)	23.5%	24.19%	24.65%		
6a	Tier 1 ratio (%) (pre-floor ratio)	23.5%	24.19%	24.65%		
7	Total capital ratio (%)	24.68%	25.37%	25.83%		
7a	Total capital ratio (%) (pre-floor ratio)	24.68%	25.37%	25.83%		

Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.5%	2.5%	2.5%		
9	Countercyclical buffer requirement (%)	n/a	n/a	n/a		
10	Bank G-SIB and/or D-SIB additional requirements (%) [Not applicable for SMSBs]	n/a	n/a	n/a		
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	2.5%	2.5%	2.5%		
12	CET1 available after meeting the bank's minimum capital requirements (%)	16.5%	17.19%	17.65%		
Basel III Leverage ratio						
13	Total Basel III leverage ratio exposure measure	1,313,433	1,228,483	1,187,000		
14	Basel III leverage ratio (row 2 / row 13)	16.99%	18.22%	18.72%		

Modified CC1 – Composition of capital for SMSBs		
(in thousands of Canadian dollars)		Amounts
Common Equity Tier 1 capital: instruments and reserves		
1	Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	126,630
2	Retained earnings	101,302
3	Accumulated other comprehensive income (and other reserves)	(3,492)
4	<i>Directly issued capital subject to phase out from CET1 (only applicable to Federal Credit Unions)</i>	n/a
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	n/a
6	Common Equity Tier 1 capital before regulatory adjustments	224,440
Common Equity Tier 1 capital: regulatory adjustments		
28	Total regulatory adjustments to Common Equity Tier 1	1,263
29	Common Equity Tier 1 capital (CET1)	223,177
Additional Tier 1 capital: regulatory adjustments		
44	Additional Tier 1 capital (AT1)	0
45	Tier 1 capital (T1 = CET1 + AT1)	223,177
Tier 2 capital: instruments and provisions		
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	0
47	<i>Directly issued capital instruments subject to phase out from Tier 2 (applicable only to Federal Credit Unions)</i>	n/a
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	0
49	<i>of which: instruments issued by subsidiaries subject to phase out (applicable only to Federal Credit Unions)</i>	n/a
50	Collective allowances	11,162
51	Tier 2 capital before regulatory adjustments	11,162

Tier 2 capital: regulatory adjustments		
57	Total regulatory adjustments to Tier 2 capital	0
58	Tier 2 capital (T2)	11,162
59	Total capital (TC = T1 + T2)	234,339
60	Total risk-weighted assets	949,564
Capital ratios		
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)	23.5%
62	Tier 1 (as a percentage of risk-weighted assets)	23.5%
63	Total capital (as a percentage of risk-weighted assets)	24.68%
OSFI target		
69	Common Equity Tier 1 target ratio	7.00%
70	Tier 1 capital target ratio	8.50%
71	Total capital target ratio	10.50%

Template LR2: Leverage ratio common disclosure template					
(in thousands of Canadian dollars)			a	b	
			30-Sep-25	30-June-25	
On-balance sheet exposures					
1	On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures but including collateral)		1,299,747	1,214,692	
2	Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework (IFRS)				
3	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)		(5,970)	(5,970)	
4	(Asset amounts deducted in determining Tier 1 capital)		(1,263)	(1,333)	
5	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 to 4)		1,292,514	1,207,389	
Derivative exposures					
6	Replacement cost associated with all derivative transactions		20,321	20,785	
7	Add-on amounts for potential future exposure associated with all derivative transactions		598	309	
11	Total derivative exposures (sum of lines 6 to 10)		20,919	21,094	
Capital and total exposures					
20	Tier 1 capital		223,177	223,770	
21	Total Exposures (sum of lines 5, 11, 16 and 19)		1,313,433	1,228,483	
Leverage ratio					
22	Basel III leverage ratio		16.99%	18.22%	