

How remuneration works at Santander

Our remuneration strategy promotes good conduct and values the ethical and sustainable outcome.

OUR POLICY

All employees receive a fixed salary and a variable remuneration determined each year based on our strategy and organizational values.

Our model for variable remuneration takes into account financial results, customer satisfaction and ex-ante and ex-post risk management.

The package is also made up of benefits aimed at attracting, motivating and retaining professionals, and promoting the balance between personal and work life.

Profitability: Results that increase the distribution of dividends among shareholders.

Customer satisfaction: Targets related to the reduction of complaints, and customer satisfaction.

Risk management: Measured risks and action taken to mitigate them.



Equal salaries

At Santander, there is no difference in salaries between men and women who have the same roles and positions.



Management remuneration

The total amounts, as well as the minimum, average and maximum amounts for individual remuneration, are disclosed through the [Reference Form](#) submitted annually to the Brazilian Securities and Exchange Commission.



Minimum salaries

The minimum remuneration practiced by the Bank is greater than or equal to the salary level fixed by the Collective Bargaining Union Convention.

Governance

See how we ensure the transparency and proper management of our remuneration policies and practices.

ADMINISTRATIVE BOARD

Also composed of independent members, the Board independently approves the Bank's remuneration policy.



Decision forums



REMUNERATION COMMITTEE

Advises the Board of Directors on the approval of the variable remuneration model. [Learn more about our remuneration practices in the Annual Report.](#)



Internal committees

ETHICS AND COMPLIANCE COMMITTEE

Every month analyzes managers' and employees' adherence to the organization's desired conduct.

MALUS AND CLAWBACK COMMITTEE

Comprising of audit, risk, compliance, human resources and finance executives, it meets to evaluate and deliberate on measures to be applied in situations of misconduct or excessive risk taking.

Santander shareholders participate in discussions on remuneration. During the General Shareholders' Meeting, the maximum amount to be paid each year to the directors is approved.



Shareholder participation



Setting of objectives and evaluation of results

Organizational goals set for the year are shared across areas and set with each executive and employee.

The assessment recognizes that, as important as the outcome is, it matters how it is achieved. Therefore, further to the objectives, we evaluate adherence to **corporate conduct**.

For executive positions we also consider **indicators of diversity** in the internal setting and, in some cases, **environmental goals** (such as reducing water and energy consumption).

How we value long-term results

What we do to prevent unwanted conduct and risk taking beyond established limits.

As a global financial conglomerate, Santander is subject to regulation by local and European bodies. And we go further, adopting practices that exceed those required by these institutions. See some examples below.

ACTION	WHAT WE DO
Identification of material risk takers	We map all employees and managers taking risks according to their roles, responsibilities and remuneration.
Application of deferred payment	Besides the managers, we extend the deferral rule to all people who are in a position of taking risks. They receive at least 40% of their deferred variable remuneration in at least three years and 50% of the total variable remuneration in shares.
Disciplinary measures for unwanted conduct	We apply the malus and clawback clauses, disciplinary measures and implement internal committees. Deferred installments of variable remuneration may be reduced or canceled in the event of non-compliance with internal rules and exposure to excessive risks. Employees who receive a warning, suspension or any other disciplinary measure have their variable remuneration reduced.
Variable remuneration limit	We adopt variable remuneration limits for the areas of control and material risk takers, as well as for managers. The limit corresponds to up to two times the annual fixed remuneration received. In the control areas, it is equal to the fixed remuneration, and there are no business targets in the goal setting phase.