Santander Consumer Bank AG - Mortgage Covered Bonds

Covered Bonds / Germany

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Reporting as of:
04/01/2021
All amounts in EUR (unless otherwise specified)

Data as provided to Moody's Investors Service (note 1)

I. Programme Overview

Overview
Year of initial rating assignment: 2010
Total outstanding liabilities: EUR 1,000,000,000
Total asset in the Cover Pool: EUR 1,167,464,861
Issuer name / CR Assessment: Santander Consumer Bank AG
Group or parent name / CR Assessment: Santander Consumer Finance S.A. / A1(cr)
Multi collateral type: Residential

Ratings
Covered bonds rating: Aaa
Entity used in Moody's EL & TPI analysis: Santander Consumer Bank AG
CB anchor: CR Assessment + 1 notch
CR Assessment: A1(cr)
SUR: N/A
Unsecured claim used for Moody's EL analysis: Yes

II. Value of the Cover Pool

Collateral quality
Collateral score: 9.0%
Collateral score excl. systemic risk: 1.7%

Cover Pool losses
Collateral Risk (Collateral Score post-haircut): 3.4% - 23%
Market Risk: 11.2% - 77%
Residential: 34.5% - 200%

III. Over-Collateralisation Levels (notes 2 & 3)

Over-Collateralisation (OC) figures presented below include Eligible only collateral.
Over-Collateralisation levels are provided on any of the following: nominal basis or unstressed NPV basis or on stressed NPV basis.

Current situation
Committed OC (Unstressed NPV): 2.0%
Current OC (Unstressed NPV): 24.8%
OC consistent with current rating (note 4): 2.0%

IV. Timely Payment Indicator & TPI Leeway

Timely Payment Indicator (TPI): High
TPI Leeway: 4

Extract from TPI table - CB anchor is CR Assessment + 1 notch

<table>
<thead>
<tr>
<th>Rating</th>
<th>TPI Leeway</th>
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<td>Aaa(cr)</td>
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<td>A2(cr)</td>
<td>Aaa</td>
</tr>
<tr>
<td>A3(cr)</td>
<td>Aaa</td>
</tr>
</tbody>
</table>

Sensitivity scenario CB anchor

Scenario 1: CB anchor is lowered by 1 notch
7.5%

IV. Timely Payment Indicator & TPI Leeway

Timely payment
Remainder period for principal payments of 6 months or greater: No
Liquidity reserve to support timely payments: Yes

[Notes]

1. The data reported in this PO is based on information provided by the issuer and may include certain assumptions made by Moody's. Moody's accepts no responsibility for the information provided to it and, while it believes the assumptions it has made are reasonable, cannot guarantee that they are or will remain accurate. Although Moody's receives all issuers to provide reporting data in a consistent manner, there may be differences in the way that certain data is categorized by issuers. The data reporting template (which issuers are requested to use) is available on request. Credit ratings, TPI and TPI Leeway shown in this PO are as of publication date.

2. This assumes the Covered Bonds rating is not constrained by the TPI. Also, to the extent rating assumptions change following a downgrade or an upgrade of the issuer, the necessary OC stated here may also change. This is especially significant in the case of CR assessments of Aaa(cr) or Baa3(cr), as the necessary OC following a 1 notch downgrade may then be substantially higher than the amount suggested here as market risks are considered more critically by Moody's at this time. In any event, the necessary OC amounts stated here are subject to change at any time by Moody's discretion.

3. This is the minimum OC calculated to be consistent with the current rating under Moody's expected loss model. However, the level of OC consistent with a growing rating level may differ from this amount where ratings are capped under the TPI framework and, for example, where committee discretion is applied.

4. The OC consistent with the current rating is the minimum level of over-collateralisation which is necessary to support the covered bond rating at its current level on the basis of the pool as at the cut-off date. The sensitivity is based on certain assumptions, including that the Covered Bonds are not constrained by the TPI. Further, this sensitivity run is a model output only and therefore a simplification as it does not take into account certain assumptions that may change as an issue is disaggregated, and as a result, the actual OC number consistent with the current rating may be higher than shown. The OC required may also differ from the model output in situations where committee discretion is applied. In any event, the OC amounts stated here are subject to change at any time by Moody's discretion.
V. Asset Liability Profile

Interest Rate & Duration Mismatch (note 5)

- Fixed rate assets in the cover pool: 84.6%
- Fixed rate covered bonds outstanding: 100.0%
- WAL of outstanding covered bonds: 4.7 years

Swap Arrangements

- Interest rate swap(s) in the Cover Pool: No
- Intra-group interest rate swap(s) provider(s): No
- Currency swap(s) in the Cover Pool: No
- Intra-group currency swap(s) provider(s): No

WAL of the cover pool: 4.7 years

Currency swap(s) in the Cover Pool:

Maximum mismatch: 7.8% in EUR millions

VI. Performance Evolution

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moodys.com for the most updated credit rating action information and rating history.

Chart 3: Stressed refinancing needs per quarter (% of liabilities)

(note 6) Maximum mismatch: 7.8%

Chart 4: Currency mix before swaps (Main Currencies)

Chart 5: Amortisation profile (in millions) (note 7)

Chart 6: Collateral Score

Chart 7: Cover Pool Losses

Chart 8: OC consistent with covered bond rating vs. Current OC

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(note 5) This assumes no prepayment.
(note 6) Based on principal flows only. Assumptions include no prepayments, principal collections limited to the portion of the assets that make up the amount of the liabilities plus committed OC, no further CB issuance and no further assets added to the cover pool.
(note 7) Assumptions include no swap in place in Cover Pool, no prepayment and no further CB issuance.

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VII. Cover Pool Information - Residential Assets

Overview
- Asset type: Residential
- Loans with an external guarantee in addition to a mortgage: n/a
- Asset balance: Interest only Loans 3.1%
- Average loan balance: 57,506
- Number of loans: 19,432
- Loans for second homes / Vacation: 0.0%
- Number of properties: 13,941
- Buy to let loans / Non owner occupied properties: 10.6%
- Number of borrowers: 23,578
- Limited income verified: n/d
- Number of properties: 13,941
- Adverse credit characteristics (**): n/d
- WA remaining term (in months): 85
- WA seasoning (in months): 88

Details on LTV
- WA unindexed LTV (*) 48.1%
- WA indexed LTV: n/d
- Valuation Type: Lending Value
- LTV threshold: 60.0%
- Loan to Valuation: 200
- Loans with Prior Ranks: 217

Performance
- Loans in arrears (≤ 2 months): 0.0%
- Loans in arrears (≤ 5 months): 0.0%
- Loans in arrears (≤ 12 months): 0.0%
- Loans in a foreclosure procedure: 0.0%

Multi-Family Properties
- Loans to tenants of tenant-owned Housing Cooperatives: n/a
- Other type of Multi-Family loans (***) n/a

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(note *) may be based on property value at time of origination or further advance or borrower refinancing.
(note **) Typically borrowers with a previous personal bankruptcy or borrowers with record of court claims against them at time of origination.
(note *** ) This "other" type refers to loans directly to Housing Cooperatives and to Landlords of Multi-Family properties (not included in Buy to Let).
VIII. Cover Pool Information - Supplementary Assets

### Overview

- **Asset type:** Supplementary Assets
- **Asset balance:** 50,000,000
- **WA remaining term on maturity:** n/d
- **Number of assets:** 1
- **Number of borrowers:** 1
- **Average asset size:** 50,000,000
- **Average exposure to borrowers:** 50,000,000

### Specific Loan and Borrower characteristics

- **Repo eligible assets:** 100.0%
- **Percentage of fixed rate assets:** 0.0%
- **Percentage of bullet assets:** 0.0%
- **Assets in non-domestic currency:** 0.0%
- **Assets in arrears (≥ 12 months):** 0.0%
- **Assets in an enforcement procedure:** 0.0%
- **Average assets size:** 50,000,000
- **Average exposure to borrowers:** 50,000,000

### Performance

- **Chart A:** Interest rate type
- **Chart B:** Percentage of supplementary assets
- **Chart C:** Distribution by country rating
- **Chart D:** Distribution by country rating

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### IX. Liabilities Information: Last 50 Issuances

<table>
<thead>
<tr>
<th>ISIN</th>
<th>Series Number</th>
<th>Currency</th>
<th>Outstanding Amount</th>
<th>Issuance Date</th>
<th>Expected Maturity</th>
<th>Legal Final Maturity</th>
<th>Interest Rate Type</th>
<th>Coupon</th>
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<td>EUR</td>
<td>500,000,000</td>
<td>14/02/2020</td>
<td>14/02/2030</td>
<td>14/02/2030</td>
<td>Fixed rate</td>
<td>0.050%</td>
<td>HARD BULLET</td>
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<tr>
<td>HYPFE0002</td>
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<td>EUR</td>
<td>500,000,000</td>
<td>05/12/2017</td>
<td>05/12/2024</td>
<td>05/12/2024</td>
<td>Fixed rate</td>
<td>0.250%</td>
<td>HARD BULLET</td>
</tr>
</tbody>
</table>
MOODY'S INVESTORS SERVICE

COVERED BONDS

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