



# COMMITTEE FOR BETTER BANKS

---

BRINGING CHANGE TO OUR INDUSTRY

June 26, 2020

**Santander Holdings USA**

Chief Executive Officer and President Timothy H. Wennes  
75 State Street Boston, MA 02109 United States

Dear Mr. Wennes,

As our nation continues to be roiled by crises, from a global pandemic causing economic devastation to systemic racism weaponized in everyday encounters and manifest in horrific police brutality, the actions taken by our leading financial institutions will have an enormous impact on our ability to struggle through these crises and come out a stronger and more unified people. Within financial institutions, frontline bank employees have a unique perspective to offer, which is why we regret your refusing our offer to form a USA Banking Crisis Committee. The urgency for establishing this committee has only grown over the past weeks.

In the absence of this committee, the Committee for Better Banks is launching the Better Banks Accountability Project. Our first report will be Bank Scorecard #1: COVID-19 Response. Attached is a draft of your bank's report for your review. Here is a brief explanation of our methodology and findings.

In May and June 2020, the Committee for Better Banks Accountability Project reviewed publicly available information related to corporate responses to the Covid-19 pandemic in three constituent groups: small businesses, workers, and consumers. We reviewed bank websites, media reports, corporate financial disclosures, and internet based sources to evaluate how each bank performed during the first three months of the novel coronavirus pandemic (March – May). Banks received a letter grade based on a percentage score of a total of 115 points. A bank would not be graded for performance under any metric if it did not have a related business line.

This is the grading rubric we used to calculate your final score and grade of **F**.

<b>Santander Final Score Calculation</b>		
<b>Category</b>	<b>Eligible</b>	<b>Awarded</b>
Mainstreet Lending and Protections	30	3
Worker Protections	40	18
Consumer Protections	30	16
Other Factors	5	5
Total	105	42
<b>Final Grade</b>		<b>40%</b>

This grade is fully explained in the tables copied below. Please contact us by Thursday, July 2, 2020 if you have any questions or comments regarding the scorecard. You can contact us at [staff@betterbanks.org](mailto:staff@betterbanks.org).

Sincerely,

Nick Weiner  
Co-Director  
Committee for Better Banks

Erin Mahoney  
Co-Director  
Committee for Better Banks

<b>Santander Mainstreet Lending and Protections</b>		<b>Eligible Points</b>	<b>Awarded Points</b>
<b>Stock buybacks</b> Full points for cancelling buybacks during pandemic.	February: Santander Announced Tender Offer For \$1 Billion Share Repurchase Program. No public statement cancelling repurchase found.	10	0
<b>US Banking Crisis Committee</b> Full points for participation.	No policy or response to the letter found.	10	0
<b>Paycheck Protection Program</b> Points deducted for concierge loan services under PPP program; administrative failures; prioritizing classes of customers.	Santander Reported To Have Separate System For Processing Paycheck Protection Program Loans For Certain Clients Per NYT.	10	3
<b>Total</b>		<b>30</b>	<b>3</b>

<b>Santander Worker Protections</b>		<b>Eligible Points</b>	<b>Awarded Points</b>
<p><b>Telework Policy</b></p> <p>Points awarded for including call center workers in remote plans; not requiring office presence for non-site dependent roles.</p>	<p>Non-Location Dependent Employees Working From Home; Santander Implemented Flexible And Alternate Scheduling At Branches And Call Center.</p>	10	6
<p><b>Paid Leave and Hazard Pay</b></p> <p>Points awarded for extended paid leave benefit and hazard pay for duration of pandemic.</p>	<p>Santander Set Up Temporary Emergency Paid Leave Program With 80 Additional Hours Of Paid Time Off; Santander Gave \$250 Per Week Pay Premium For Branch Employees And Frontline Workers During Pandemic.</p>	10	7
<p><b>Protections for Returning Workers</b></p> <p>Points awarded for stating social distancing and enhanced cleaning in branches</p>	<p>Santander Implemented Social Distancing In Branches To Limit Risks To Customers And Employees.</p>	10	5
<p><b>Workforce issues</b></p> <p>Points awarded for announcing no layoffs in 2020</p>	<p>Santander Pledged No Layoffs In Spain During Coronavirus Outbreak; No public statement regarding plans for US workforce found.</p>	10	0
<b>Total</b>		<b>40</b>	<b>18</b>

<b>Santander Consumer Protections</b>		<b>Eligible Points</b>	<b>Awarded Points</b>
<b>Mortgage Policy</b>  Points awarded for following federal stating each forbearance time period set by CARES Act, clearly suspending foreclosure, eviction, and repossession.	Santander USA Stopped Collections And Suspended Mortgage And Home Equity Line Of Credit Foreclosures.	10	2
<b>Relief from Bank Fees</b>  Points awarded for automatically suppressing fees for all consumer products.	Santander Suspended Payment And Refunded Late Payment And Overdraft Fees; Santander Waived Late Charges.	10	10
<b>Relief for Automobile Loans</b>  Full points for applying federal mortgage forbearance timelines.	Santander Offered Lease Extensions For Lessees Unable To Return Vehicles And Deferred Payment For Certain Fiat Chrysler Cars;	10	4
<b>Relief for Student Loans</b>  Full points for following federal forbearance timelines.	Santander does not offer student loans.	NA	NA
<b>Total</b>		<b>30</b>	<b>16</b>

<b>Santander Other Factors Considered</b>		<b>Eligible Points</b>	<b>Awarded Points</b>
<b>Charitable Donations</b>  Five bonus points for making charitable donation.	Santander Consumer USA Donated \$1.3 Million In Covid-19 Charitable Grants; Santander USA Holdings Full year net income of \$994 million  Donation equaled 0.1% of net income.	5	5
<b>Total</b>		<b>5</b>	<b>5</b>