

Final CRR Assessment

In respect of the Transaction “**SC Germany S.A., Compartment Leasing 2023-1**” (Santander Consumer Leasing GmbH)

13 December 2023



Authorization of SVI as third party

STS Verification International GmbH ("SVI") has been authorized by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, "BaFin"), as the competent authority pursuant to Article 29 of the Securitisation Regulation, to act in all EU countries as third party pursuant to Article 28 of the Securitisation Regulation to verify compliance with the STS Criteria pursuant to Articles 18 to 26 of the Securitisation Regulation ("STS Verification"). Moreover, SVI performs additional services including the verification of compliance of securitisations with (i) Article 243 of the Capital Requirements Regulation (Regulation (EU) 2017/2401 dated 12 December 2017, amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms) ("CRR Assessment"), (ii) Article 270 (senior positions in synthetic SME securitisations) of the CRR ("Article 270 Assessment"), (iii) Article 13 of the Delegated Regulation (EU) 2018/1620 on liquidity coverage requirement for credit institutions dated 13 July 2018, amending Delegated Regulation (EU) 2015/61 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirements for Credit Institutions ("LCR") ("LCR Assessment"), and (iv) the STS Criteria, in respect of existing securitisations and potential deficiencies regarding compliance with the STS Criteria ("Gap-Analysis"). These additional services are carried out after notification to and in agreement with BaFin.

Mandating of SVI and verification steps

On 5 June 2023, SVI has been mandated by the Seller (Santander Consumer Leasing GmbH) to verify compliance with the STS criteria pursuant to Article 28 of the Securitisation Regulation for the securitisation transaction "SC Germany S.A., Compartment Leasing 2023-1" (the "Transaction").

As part of our verification work, we have met with representatives of Santander Consumer Leasing GmbH and Santander Consumer Bank AG to conduct a virtual due diligence meeting on 25 July 2023. In addition, we have discussed selected aspects of the Transaction with



Santander Consumer Leasing GmbH, Santander Consumer Bank AG and legal counsel and obtained additional information on the transaction structure, the underwriting and servicing procedures of Santander Consumer Leasing GmbH and the underlying transaction documentation.

For the purposes of this Final CRR Assessment, we have reviewed the following documents and other information related to the Transaction:

- Prospectus
- Lease Receivables Purchase Agreement
- Incorporated Terms Memorandum
- Additional information received by e-mail, such as confirmations, comments, etc.

Verification Methodology

The fulfilment of each verification point in this Final CRR Assessment provided to the Originator is evaluated based on the three fulfilment values (traffic light status):

Criterion is fully met	
Criterion is mostly met, but with comments or requests for missing information	
Criterion not (yet) met based on available information	



Disclaimer of SVI

SVI grants a registered verification label “verified – STS VERIFICATION INTERNATIONAL” if a securitisation complies with the requirements for simple, transparent and standardised securitisation as set out in Articles 19 to 26e of the Securitisation Regulation (“STS Requirements”). The same registered verification label is used by SVI in the context of a CRR Assessment, Article 270 Assessment, LCR Assessment and Gap-Analysis. The aim of the Securitisation Regulation is to restart high-quality securitisation markets, and the intention of implementing a framework for simple, transparent and standardised transactions with corresponding STS criteria shall contribute to this. However, it should be noted that the STS verification performed by SVI does not affect the liability of an originator or special purpose vehicle in respect of their legal obligations under the Securitisation Regulation. Furthermore, the use of verification services from SVI shall not affect the obligations imposed on institutional investors as set out in Article 5 of the Securitisation Regulation or set out in the CRR, LCR and other relevant regulations, respectively. Notwithstanding confirmation by SVI, which verifies compliance of a securitisation with the STS Requirements, such verification by SVI does not ensure the compliance of a securitisation with the general requirements of the Securitisation Regulation.

SVI has carried out no other investigations or surveys in respect of the issuer or the notes concerned other than as set out in this Final CRR Assessment and disclaims any responsibility for monitoring the Issuer’s continuing compliance with these requirements or any other aspect of the issuer’s activities or operations. In particular, SVI has relied on statements made in the offering circular or other legal documentation of the Transaction and based its analysis on information provided directly or indirectly by the Originator or Sponsor of the Transaction. Investors should therefore not evaluate their investment in securitisation positions based on this Final CRR Assessment.

SVI has not provided any form of advisory, audit or equivalent service to the Originator, Issuer or Sponsor.



Accordingly, the Final CRR Assessment is only an expression of opinion by SVI after application of its verification methodology and not a statement of fact. It is not a guarantee or warranty that ECB, any of the ESAs or national competent authorities, courts, investors or any other person will accept the STS status of the relevant securitisation or its status under the LCR and/or the CRR. Therefore, no person should rely on the Final CRR Assessment in determining the STS status but must perform its own analysis and reach its own conclusions.

SVI assumes due performance of the contractual obligation thereunder by each of the parties and the representations made and warranties given in each case by any persons to SVI or in any of the documents are true, not misleading and complete. SVI shall have no liability for any loss of any kind suffered by any person as a result of a securitisation where the Final CRR Assessment indicated that it met, in whole or in part, the STS Requirements, certain CRR or SRT requirements being held for any reason as not so meeting the relevant requirements or not being able to have lower capital allocated against it save in the case of deliberate fraud by SVI. SVI shall also not have any liability for any action taken or action from which any person has refrained from taking as a result of the Final CRR Assessment.

LIST OF ABBREVIATIONS/DEFINITIONS

Note: For any other term used in this Final CRR Assessment in capital spelling, please refer to the defined terms in SCHEDULE 1 “DEFINITIONS” in the Prospectus.

AuP	Agreed-upon Procedures
BaFin	Bundesanstalt für Finanzdienstleistungsaufsicht (German Federal Financial Supervisory Authority)
BDSG	Bundesdatenschutzgesetz
CF-Model	Cash Flow-Model
Closing Date	13 December 2023
EBA	European Banking Authority
EBA Guidelines	Final Report on Guidelines on the STS criteria for non-ABCP securitisation, as published by EBA on 12 December 2018
ECB	European Central Bank
EIOPA	European Insurance and Occupational Pensions Authority
ESAs	European supervisory authorities (EBA, EIOPA and ESMA)
ESMA	European Securities and Markets Authority
GDPR	General Data Protection Regulation
InsO	Insolvenzordnung (German Insolvency Code)
Issuer	SC Germany S.A., acting on behalf and for the account of its Compartment Leasing 2023-1
ITM	Incorporated Terms Memorandum
LO	German Legal Opinion
LRPA	Lease Receivables Purchase Agreement
MAR	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation)
Originator	Santander Consumer Leasing GmbH
Prospectus	Prospectus dated 11 December 2023

RTS on Homogeneity	Commission Delegated Regulation (EU) 2019/1851 dated 28 May 2019 supplementing the Securitisation Regulation with regard to regulatory technical standards on the homogeneity of the underlying exposures in securitisation
Santander Consumer Leasing	Santander Consumer Leasing GmbH
SC Germany S.A., Compartment Leasing 2023-1	SC Germany S.A., acting on behalf and for the account of its Compartment Leasing 2023-1
Securitisation Regulation	Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012
Seller	Santander Consumer Leasing GmbH
Servicer	Santander Consumer Leasing GmbH
SSPE	Securitisation Special Purpose Entity or Issuer
Transaction	The securitisation of auto Lease Receivables involving SC Germany S.A., Compartment Leasing 2023-1 as Issuer
Union	The European Union or "EU"

#	Criterion Article 243 (2)	CRR Assessment
1	Qualification of the securitisation position as STS securitisation	<p><u>Verification Method:</u> Legal (Prospectus) / Regulatory (STS Notification, STS Verification Report)</p> <p>The Transaction and therefore also the Securitisation Position will be notified according to Article 27 (1) of the Securitisation Regulation by the Originator to ESMA as meeting the requirements of Articles 20 – 22 of the Securitisation Regulation in respect of non-ABCP securitisations, see Section "THE EU RISK RETENTION AND EU TRANSPARENCY REQUIREMENTS", Subsection "EU Transparency Requirements" in the Prospectus. Please also refer to the Final Verification Report prepared by SVI in respect of the Transaction.</p>

#	Criterion Article 243 (2) (a)	CRR Assessment
2	Granularity of the securitised portfolio in terms of single obligor concentrations (measured on the basis of a group of connected clients)	<p><u>Verification Method:</u> Legal (Prospectus, Lease Receivables Purchase Agreement)</p> <p>On the relevant Purchase Date, each Lessee in respect of its relevant aggregate Discounted Receivables Balance does not exceed 0.5% of the Aggregate Outstanding Discounted Receivables Balance, please refer to Section "ELIGIBILITY CRITERIA", Item (16) of the Prospectus.</p> <p>Furthermore, Santander Consumer Leasing confirmed that there is no group of connected clients with an aggregate Discounted Receivables Balance which exceeds 2.0%.</p> <p>The underlying exposures represent solely the finance portion (itself comprising a claim against the Lessees in respect of principal and interest, see Sections "ELIGIBILITY CRITERIA", Item (1), "CREDIT STRUCTURE", Subsection "Lease Interest Rates" and Schedule 1 "DEFINITIONS", definition of "Collections" of the Prospectus) paid by the Lessee during the term of the Lease Contract whereas the residual value portion for the contract type Residual Value Leasing does not form part of the underlying exposures.</p>

#	Criterion Article 243 (2) (b)	CRR Assessment
3	Maximum risk weight under the Standardised Approach	<p><u>Verification Method:</u> Legal (Prospectus) / Due Diligence (explicit confirmation by Originator)</p> <p>None of the underlying exposures are secured by residential mortgages or commercial mortgages, therefore Article 243(2) (b) (i) and (ii) are not applicable.</p> <p>At the time of inclusion in the securitisation, the underlying exposures meet, in relation to the Seller, the conditions for being assigned, under the Standardised Approach and taking into account any eligible credit risk mitigation, the following maximum risk weights:</p> <p>Retail exposures: 75% (individual exposure) Any other exposures: 100% (individual exposure)</p> <p>The underlying Lease Contracts have been entered into exclusively with Lessees (consumers and corporates) which are resident or registered in Germany and the Lessees are not credit-impaired, please refer to Section "ELIGIBILITY CRITERIA", Items (17) and (20) of the Prospectus.</p> <p>Therefore, the underlying exposures meet the conditions for being assigned under the Standardised Approach and, taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than 100% for other (=corporate) exposures in accordance with Article 122 (2) and equal to or smaller than 75% for retail exposures in accordance with Article 123 of the CRR, on an individual exposure basis.</p>

#	Criterion Article 243 (2) (c)	CRR Assessment
4	Inclusion of loans secured by lower ranking security rights for RMBS and CMBS	<p><u>Verification Method:</u> Legal (Prospectus, Lease Receivables Purchase Agreement)</p> <p>The Eligibility Criteria restrict the underlying exposures to Lease Receivables under Lease Contracts – therefore, residential or commercial mortgage loans do not form part of the portfolio, please refer to Section “ELIGIBILITY CRITERIA”, Item (1) of the Prospectus.</p>
#	Criterion Article 243 (2) (d)	CRR Assessment
5	Maximum loan-to-value for RMBS	<p><u>Verification Method:</u> Legal (Prospectus, Lease Receivables Purchase Agreement)</p> <p>The Eligibility Criteria restrict the underlying exposures to Lease Receivables under Lease Contracts – therefore, residential or commercial mortgage loans do not form part of the portfolio, please refer to Section “ELIGIBILITY CRITERIA”, Item (1) of the Prospectus.</p>



As a result of the verifications documented above, we confirm to **Santander Consumer Leasing GmbH** that the requirement pursuant to Article 243 (2) of Regulation (EU) 2017/2401 dated 12 December 2017, amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms, have been fulfilled for the Transaction **"SC Germany S.A., Compartment Leasing 2023-1"**.

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