

Supplement to the notice of call to the extraordinary general shareholders' meeting of Banco Santander, S.A.

This document constitutes a supplement to the notice of call to the extraordinary general shareholders' meeting of Banco Santander, S.A. (the "**Company**") to be held in Santander, at the Palacio de Exposiciones y Congresos (Avenida del Racing, s/n), on 23 July 2019 at 8:30 a.m., on second call, in the event that, due to failure to reach the required quorum, such meeting cannot be held on first call, which has been also convened to be held at the same place and time on 22 July 2019 as announced on 21 June 2019 by way of the corresponding public notices.

The Company is organised and exists under Spanish law. Accordingly, the rights and obligations of the Company's shareholders as well as the holding of and the participation in the general shareholders' meeting are regulated by Spanish corporate law. Under Spanish law, only shareholders that are registered as holders of shares at least five days prior to the general shareholders' meeting may participate in such meetings and exercise their voting rights.

This supplement is directed exclusively to the investors holding shares in the Company through the Polish National Depository of Securities (*Krajowy Depozyt Papierów Wartościowych*) (the "**NDS**") with the intermediation of Euroclear Bank SA/NV ("**Euroclear**") (the "**Polish Investors**"). Euroclear's link with the Spanish depository, Iberclear, operates via the services of a participant in Iberclear, through which Euroclear (through its subsidiary, E.C. Nominees Limited ("**Euroclear Nominees**")) holds shares in the Iberclear system for the Polish Investors.

Due to the fact that Euroclear Nominees is the registered holder of the shares in the Company for the benefit of the Polish Investors, such investors will only be able to enforce the rights attached to the shares to the extent of, and pursuant to, the terms and conditions of the arrangements among Euroclear, Euroclear Nominees, the NDS and the relevant Polish depository investment firms, and, as a result of certain aspects of Spanish law that govern the shares, will not be able to directly enforce or exercise those rights. However, such rights may be exercised through the NDS and, consequently, Euroclear. Given the above, the exercise by the Polish Investors of their rights to participate in and vote at the general shareholders' meeting will differ from the exercise of such rights by the investors holding the shares in the Company directly via Iberclear system.

The information included in this document that relates to certain procedures specifically applicable to Polish Investors is based exclusively on the information provided to the Company by the Polish NDS.

Polish Investors are encouraged to contact in advance the respective NDS participants maintaining their securities accounts in order to obtain detailed information related to the participation in and voting at the general shareholders' meeting, including in particular the ultimate deadline by which each Polish Investor may exercise his/her voting rights and the relevant documents or data that need to be provided by such Polish Investor.

I. Participation in and voting at the extraordinary general shareholders' meeting of the Polish Investors

1. General remarks

The Polish Investors may participate in and vote at the extraordinary general shareholders' meeting by way of: (i) personal voting by proxy; or (ii) the issuance of voting instructions pursuant to the rules of the Euroclear system, as supplemented by the terms and conditions governing the relationship between the investors and the depository investment firms operating their securities accounts.

The right to exercise the above-mentioned rights at the general shareholders' meeting by the Polish Investors will be established on the basis of the balance of their securities accounts maintained by the respective investment firms (the NDS participants) five days prior to the meeting, including all of the transactions that have been settled up to such date (inclusive).

In order to be able to duly exercise the above rights at the general shareholders' meeting, the Polish Investors will be provided with the relevant information and documentation by the investment firms (the NDS participants) that maintain their securities accounts, and they should contact such investment firms in case of any queries with regard to their rights.

2. Personal voting by proxy

Personal voting by the Polish Investors at the general shareholders' meeting implies attending the meeting in person and will require Euroclear Nominees, as the registered shareholder of the Company, to issue powers of attorney in favour of the Polish Investors or in favour of the person expressly designated thereby. Such proxy-holder may freely vote by attending the general shareholders' meeting in person. To that end, a Polish Investor should declare to its investment firm the willingness to attend the meeting and vote in person and such information should be transferred by the investment firm to the NDS and consequently to Euroclear. Then, Euroclear Nominees must grant such powers of attorney and deliver them to the Company within the applicable deadline determined by the Company. The data that should be provided by the Polish Investor wishing to attend the meeting and vote in person will be determined by Euroclear and delivered to the Polish Investor by the NDS with the intermediation of the NDS participants.

3. Voting by instructions

The Polish Investors who wish to vote by instruction should give their voting instructions with regard to the general shareholders' meeting to the NDS participants operating the securities accounts in which such investors' shares are registered, and such NDS participants will then deliver the instructions to the NDS. Subsequently, the NDS will deliver the voting instructions to Euroclear, which, through Euroclear Nominees, the registered holder of the shares in the Company, will vote at the general shareholders' meeting pursuant to the instructions received from the Polish Investors. The form of the instructions will be provided to the Polish Investors by their investment firm.

Voting by instruction will not require the disclosure of the relevant Polish Investor's personal data to the Company.

II. The English translation of the proposed agenda of the extraordinary general shareholders' meeting

The text of the agenda of the extraordinary general shareholders' meeting included below is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.

One.-

Increases in share capital by such amount as may be determined pursuant to the terms of the resolution, by means of the issuance and placement into circulation of new ordinary shares that will be fully subscribed and paid up by means of in-kind contributions, to be used to acquire all of the securities representing the share capital of Banco Santander México, S.A., Institución de Banca Múltiple, Grupo Financiero Santander México (“**Santander México**”) not held by the Santander Group in an exchange offer. The two capital increases would be used to settle the exchange offer in two steps, although only one of them may be implemented if the settlement finally takes place all at once:

- Increase in share capital by such amount as may be determined pursuant to the terms of the resolution, by means of the issuance and placement into circulation of new ordinary shares having a par value of one-half (0.50) euro each, with a share premium to be determined by the board of directors, or by any of its delegated decision-making bodies or by any director, by delegation therefrom, pursuant to Section 297.1.a) of the Spanish Capital Corporations Law, no later than the date of implementation of the resolution. The new shares will be fully subscribed and paid up by means of in-kind contributions consisting of securities representing the share capital of Santander México, i.e. ordinary series B shares (including those represented through American Depositary Shares (ADSs)) of Santander México, in the form technically and legally appropriate to coordinate the various clearing and settlement systems and the legal provisions applicable in Spain, Mexico and the United States, including, without limitation, the ability to deliver rights to such shares, whether or not represented by certificates (the “**Primary Increase**”). Express provision for the possibility of incomplete subscription.

- Increase in share capital by such amount as may be determined pursuant to the terms of the resolution, by means of the issuance and placement into circulation of new ordinary shares having a par value of one-half (0.50) euro each, with a share premium to be determined by the board of directors, or by any of its delegated decision-making bodies or by any director, by delegation therefrom, pursuant to Section 297.1.a) of the Spanish Capital Corporations Law, no later than the date of implementation of the resolution. The new shares will be fully subscribed and paid up by means of in-kind contributions consisting of securities representing the share capital of Santander México, i.e. ordinary series B shares (including those represented through American Depositary Shares

(ADSs)) of Santander México, in the form technically and legally appropriate to coordinate the various clearing and settlement systems and the legal provisions applicable in Spain, Mexico and the United States, including, without limitation, the ability to deliver rights to such shares, whether or not represented by certificates (the “**Complementary Increase**”). Express provision for the possibility of incomplete subscription.

Delegation of powers to the board of directors, which may in turn delegate such powers to any of its delegated decision-making bodies or to any director, to establish the terms and conditions of the increases as to all matters not provided for by the shareholders at the general shareholders’ meeting, to take such actions as may be required for implementation hereof, to amend the text of sections 1 and 2 of Article 5 of the Bylaws to reflect the new amount of share capital, and to execute such documents as may be necessary or appropriate to carry out the increases.

Application to the appropriate domestic and foreign authorities for admission to trading of the new shares on the Madrid, Barcelona, Valencia and Bilbao stock exchanges through Spain’s Automated Quotation System (Continuous Market) and on the foreign stock exchanges on which the shares of the Bank are listed (currently London, Warsaw and, through ADSs, on the New York Stock Exchange), as well as on the Mexican Stock Exchange, all in the manner required by each of such stock exchanges.

Two.-

Authorisation to the board of directors to interpret, remedy, supplement, implement and develop the resolutions approved by the shareholders at the meeting, as well as to delegate the powers received from the shareholders at the meeting, and grant of powers to convert such resolutions into notarial instruments.

III. Documents available on the Company’s website

The following documents and information, among others, are available on the Company’s corporate website (www.santander.com) from the date of publication of the announcement of the call to the extraordinary general shareholders’ meeting:

- (i) The announcement of the call to meeting.
- (ii) This supplement.
- (iii) The total number of shares and voting rights on the date of the call to meeting.
- (iv) The full text of the proposed resolutions regarding all of the items on the agenda for the general shareholders’ meeting, as well as, in connection with item One, the corresponding directors’ report.
- (v) The rules applicable to proxy-granting and voting by remote means of communication and to remote attendance at the meeting and the documentation necessary for such purpose.

- (vi) The rules of operation of the Electronic Shareholders' Forum.
- (vii) The current Bylaws.
- (viii) The current Rules and Regulations for the General Shareholders' Meeting.
- (ix) The current Rules and Regulations of the Board of Directors.
- (x) The valid requests for information, clarification or questions asked by shareholders exercising their right to receive information and any answers provided by the directors.