



Banco Santander, S.A., in compliance with the Spanish and Mexican market legislation and U.S. securities laws, hereby communicates:

OTHER MATERIAL INFORMATION

Banco Santander, S.A. ("**Banco Santander**") supplements its 26 March 2021 and 24 May 2021 announcements of its intention to launch a cash offer to acquire all of the shares of Banco Santander México, S.A., Institución de Banca Múltiple, Grupo Financiero Santander México ("**Santander Mexico**") not already held by the Santander group, representing approximately 8.3% of Santander Mexico's share capital (the "**Tender Offer**").

Banco Santander announces that, in order to provide a liquidity opportunity to those investors who would prefer to exit their positions in the short term at the offered price, it intends to launch the Tender Offer as a voluntary tender offer as provided under article 97 of the Mexican Securities Market Law (*Ley del Mercado de Valores*) instead of a mandatory delisting tender offer as previously announced. Therefore, the Tender Offer will no longer be a delisting offer and thus will not be subject to the approval of at least a 95% of the total outstanding shares of Santander Mexico.

All the other terms of Banco Santander's announcement concerning the Tender Offer will remain unchanged, including the price of MXN\$24.00 per Santander Mexico share and the U.S. Dollar equivalent of MXN\$120.00 per ADS, tendered in the offer, despite the payment of a dividend amounting to MXN\$0.45 per share (MXN\$2.25 per American Depositary Share) to be voted on by Santander Mexico's shareholders' meeting to be held on June 9, 2021. Launching of the offer and the offer itself, as announced, remains subject to customary conditions for this type of transaction. In this regard, Banco Santander expects to obtain the relevant regulatory approvals on the Tender Offer documentation no later than 31 July 2021.

Boadilla del Monte (Madrid), 8 June 2021



IMPORTANT INFORMATION FOR INVESTORS ABOUT THE PROPOSED TRANSACTION

The tender offer described in this communication has not yet commenced. This communication is provided for informational purposes only and does not constitute an offer to purchase or the solicitation of an offer to sell any common stock (including any American Depositary Share representing any common stock) or other securities. If and at the time a tender offer is commenced, Banco Santander (and/or one or more of its affiliates, as applicable) intends to file with the U.S. Securities and Exchange Commission (the "SEC") a Tender Offer Statement on Schedule TO containing an offer to purchase, a form of letter of transmittal and other documents relating to the tender offer, and Santander Mexico will file with the SEC a Solicitation/Recommendation Statement on Schedule 14D-9 with respect to the tender offer. Banco Santander intends to mail these documents to Santander Mexico shareholders. Banco Santander will also file before the Comisión Nacional Bancaria y de Valores ("CNBV") an informative brochure in connection with the transaction and the prospective offer as required under applicable law.

INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE TENDER OFFER STATEMENT, OFFER TO PURCHASE, SOLICITATION/RECOMMENDATION STATEMENT AND ALL OTHER RELEVANT DOCUMENTS THAT WILL BE FILED WITH THE SEC AND THE CNBV REGARDING THE PROPOSED TRANSACTION CAREFULLY BEFORE MAKING A DECISION CONCERNING THE TENDER OFFER AS THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE TENDER OFFER.

Such documents, and other documents filed by Banco Santander and Santander Mexico, may be obtained without charge after they have been filed at the SEC's website at www.sec.gov and through the CNBV's website at www.cnbv.gob.mx. The offer to purchase and related materials may also be obtained (when available) for free by contacting the information agent for the tender offer.

This communication shall not constitute a tender offer in any country or jurisdiction in which such offer would be considered unlawful or otherwise violate any applicable laws or regulations, or which would require Banco Santander or any of its affiliates to change or amend the terms or conditions of such offer in any manner, to make any additional filing with any governmental or regulatory authority or take any additional action in relation to such offer.

Cautionary Statement Regarding Forward-Looking Statements

This communication contains "forward-looking statements" as per the meaning of the US Private Securities Litigation Reform Act of 1995. These statements may be identified by words like expect, project, anticipate, should, intend, probability, risk, target, goal, objective, estimate, future and similar expressions and include, but are not limited to, statements that are predictive in nature and depend upon or refer to future events, conditions, circumstances or the future performance of Banco Santander or Santander Mexico or their respective affiliates, including as a result of the implementation of the transactions described herein. These statements are based on management's current expectations and are inherently subject to uncertainties and changes in circumstance and a number of risks, uncertainties and other important factors may cause actual developments and results to differ materially from expectations. Risks and uncertainties include, among other things, risks related to the tender offer, including uncertainties as to how many of Santander Mexico shareholders will tender their shares in the tender offer; general economic or industry conditions of areas where Banco Santander or Santander Mexico have significant operations or investments (such as a worse economic environment; higher volatility in capital markets; inflation or deflation; changes in demographics, consumer spending, investment or saving habits; and the effects of the covid-19 pandemic on the global economy); exposure to various market risks (particularly interest rate risk, foreign exchange rate risk, equity



price risk and risks associated with the replacement of benchmark indices); potential losses from early repayments on loan and investment portfolios, declines in value of collateral securing loan portfolios, and counterparty risk; political stability in Spain, the United Kingdom, other European countries, Latin America and the US; changes in legislation, regulations, taxes, including regulatory capital and liquidity requirements, especially in view of the UK exit of the European Union and increased regulation in response to financial crisis; the ability to integrate successfully acquisitions and related challenges that result from the inherent diversion of management's focus and resources from other strategic opportunities and operational matters; and changes in access to liquidity and funding on acceptable terms, in particular if resulting from credit spread shifts or downgrades in credit ratings; and other risks and uncertainties discussed in (i) Santander Mexico's filings with the SEC, including the "Risk Factors" and "Special Note Regarding Forward-Looking Statements" sections of Santander Mexico's most recent annual report on Form 20-F and (ii) Banco Santander's filings with the SEC, including the "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements" sections of Banco Santander's most recent annual report on Form 20-F. You can obtain copies of Banco Santander's and Santander Mexico's filings with the SEC for free at the SEC's website (www.sec.gov). Other factors that may cause actual results to differ materially include those that will be set forth in the Tender Offer Statement on Schedule TO, the Solicitation/Recommendation Statement on Schedule 14D-9 and other tender offer documents filed by Banco Santander and Santander Mexico. All forward-looking statements in this communication are qualified in their entirety by this cautionary statement.

Numerous factors could affect our future results and could cause those results deviating from those anticipated in the forward-looking statements. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Our forward-looking statements speak only as at date of this communication and are informed by the knowledge, information and views available as at the date of this communication. Banco Santander is not required to update or revise any forward-looking statements, regardless of new information, future events or otherwise.