



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

**OTHER MATERIAL INFORMATION**

Banco Santander, S.A., as a supplement to its announcements of 26 March, 24 May and 8 June, 2021, announces that it expects to launch on 3 November, 2021, subject to obtaining the relevant regulatory approval and the terms and conditions that will be set forth in an informative memorandum (*folleto informativo*) (the "**Informative Memorandum**") and in a U.S offer to purchase (the "**U.S. Offer to Purchase**"), voluntary tender offers for cash (as provided under article 97 of the Mexican Securities Market Law (Ley del Mercado de Valores) and U.S. securities laws, as applicable) to acquire all of the Series B shares and American Depositary Shares (ADSs) of Banco Santander México, S.A., Institución de Banca Múltiple, Grupo Financiero Santander México ("**Santander Mexico**") not already held, directly or indirectly, by Banco Santander, which represent approximately 8.27% of Santander Mexico's share capital (the "**Tender Offers**"). Banco Santander previously announced its intention to launch such Tender Offers for a price of 24 Mexican pesos for every share of Santander Mexico and 120 Mexican pesos for every ADS of Santander Mexico and now announces that it has determined to increase the price of the Tender Offers to 26.50 Mexican pesos for each Santander Mexico Series B share and the U.S. Dollar equivalent of 132.50 Mexican pesos per ADS.

Pursuant to the Informative Memorandum and the U.S. Offer to Purchase, respectively, the Tender Offers are expected to remain in force from 3 November, 2021 and until 7 December, 2021, unless the initial period is extended. Notwithstanding the foregoing, the offer period may be subsequently extended on one or more occasions at the discretion of Banco Santander in accordance to the terms of the Tender Offers.

For clarification purposes, the payment of a cash dividend amounting to 0.275 Mexican pesos per share (1.375 Mexican pesos per ADS) approved at Santander Mexico's ordinary general shareholders' meeting held on 25 October 2021 will not adjust the price of the Tender Offers.

The financial impacts of the Tender Offers by Santander Group are not materially different to the ones announced when the transaction was first informed.

Boadilla del Monte (Madrid), 29 October, 2021

**IMPORTANT INFORMATION FOR INVESTORS ABOUT THE PROPOSED TRANSACTION**

INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE TENDER OFFER STATEMENT, OFFER TO PURCHASE, SOLICITATION/RECOMMENDATION STATEMENT AND ALL OTHER RELEVANT DOCUMENTS 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 may be obtained without charge after they have been filed at the SEC's website at [www.sec.gov](http://www.sec.gov) and through the CNBV's website at [www.cnbv.gob.mx](http://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.

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.