

INTERNET FAQ'S

ORDINARY GENERAL SHAREHOLDERS' MEETING

- 12 APRIL 2019 -

CALL TO MEETING, PLACE OF THE MEETING AND ATTENDANCE

1. What date and time will the next ordinary general shareholders' meeting be held?

The meeting is scheduled to take place at 9:30 a.m. on 11 April 2019, on first call, or at the same time on 12 April, on second call (it is usual for the meeting to be held on second call).

2. Where will the general shareholders' meeting be held?

At the Palacio de Exposiciones y Congresos, Avda. del Racing, s/n, of the city of Santander (Spain). You can view a map for access to the premises under "Other information" in the "Shareholders' General Meeting" section on the Bank's corporate website, www.santander.com.

3. By what means is the meeting called?

By means of a notice published in the Official Bulletin of the Commercial Registry of Spain (Boletín Oficial del Registro Mercantil) (BORME) or in one widely circulated newspaper in Spain, and on the corporate website of the Bank (www.santander.com) and of the National Securities Market Commission (Comisión Nacional del Mercado de Valores) (CNMV) (www.cnmv.es), at least one month in advance of the date set for the meeting. On this occasion, the general shareholders' meeting has been called on 4 March 2019 by means of the notification of a material fact to the CNMV with the notice of the call to meeting, the publication of the same notice of the call to meeting on the Bank's corporate website (www.santander.com) and the publication of the said notice of the call to meeting in the BORME. It is expected that the meeting will be held on 12 April 2019 on second call (the first call is for 11 April).

In addition, the Bank announces the call to meeting by means of written notice sent to the shareholders by the Chairman, together with the corresponding attendance, proxy and distance voting card, which contains the agenda for the meeting.

All the information and documents relating to the general meeting are also available on the Bank's corporate website (www.santander.com).

4. How can I obtain the information required to facilitate shareholders' attendance at and participation in the next general meeting?

Starting on the date of publication of the notice of the meeting, the Bank has posted on its corporate website the text of all resolutions proposed by the board of directors in connection with the items on the agenda (including the directors' remuneration policy), together with the relevant directors' reports, reasoned proposal or detailed recommendation of the board of directors, when applicable, in those cases in which it is mandatory or otherwise deemed appropriate, as well as the attendance, proxy and distance voting card.

In addition, in the event there is a supplement to the call to meeting, as from the date of its publication the Company will post on its corporate website the text of those proposals included in such supplement, if they have been sent to the Company.

Without prejudice to any requirements established by law, the Bank will post on its corporate website such information as it deems appropriate in order to facilitate shareholders' attendance and participation, including:

- a. Information regarding the place where the meeting is to be held, describing, if applicable, how to access the premises.
- b. Description of the mechanisms for proxy-granting and voting from a distance that may be used.
- c. Information, if applicable, regarding systems or procedures that make it easier to follow the progress of the meeting, such as simultaneous interpretation equipment, dissemination by audiovisual means, provision of information in other languages, etc.

5. Who is entitled to attend the general meeting?

Shareholders who hold any number of shares registered in their name in the corresponding book-entry registry five days prior to the day on which the general meeting is to be held.

6. How can I be represented at the ordinary general shareholders' meeting?

Any shareholder who does not attend the meeting may grant voting powers to any individual or legal entity, whether he/she/it is or is not a shareholder, in order to be represented by such person. Proxies must be granted in writing or by electronic means specifically for each meeting.

When a proxy is granted in writing, once the "Proxy" section of the attendance, proxy and distance voting card has been signed, the shareholder may send it by mail in the postage-prepaid envelope that will have been received by then or deliver it to any office of Santander.

When a proxy is granted by electronic means, shareholders shall be required to follow the instructions appearing on the Bank's corporate website and in the notice of the call to meeting.

7. May a proxy be revoked?

A proxy is always revocable. Personal attendance at the meeting (whether physically or from a distance) by the person granting the proxy, or distance voting prior to the meeting, implies the revocation of any proxy granted, regardless of the date of such proxy.

8. How many votes is a shareholder (or his/her representative) attending the meeting entitled to?

Attendees at the general meeting shall have one vote for each share they hold or represent.

9. What requirements must be complied with in order to attend the meeting physically?

In order to attend the general meeting, it is essential that the shareholder, or the person who validly represents him/her, obtain their corresponding name-bearing attendance card, which the shareholder must present at the premises where the meeting is held (Palacio de Exposiciones y Congresos, Avenida del Racing, s/n, City of Santander, Spain) in order to be allowed to enter. The card must be signed in the appropriate place by the attending shareholder (or, if applicable, by the proxy-holder).

10. From what time may shareholders enter the premises where the meeting will be held?

From 8:30 a.m. on the date of the meeting, i.e., one hour before the commencement of the meeting.

11. What is the latest time for attendance to be computed?

a. In the case of physical attendance, no attendance and proxy cards shall be admitted if submitted after the time established for the commencement of the general meeting.

b. In the case of remote attendance, attendees must register through the “proxy-granting, advance electronic voting and remote attendance” subsection within the “Shareholders’ General Meeting” section of the Bank’s corporate website by logging on between 8:00 a.m. and 9:00 a.m. on the date of the meeting. No attendee registration shall be admitted outside this time period.

12. Can I be part of the meeting if I arrive after it has commenced?

Shareholders or their proxy-holders, as the case may be, who arrive late at the place where the meeting is held, once the period for admission of attendance and proxy cards has expired, may be part of the meeting but will not be included in the list of attendees.

13. May shareholders attend the meeting with a companion?

Shareholders may attend the meeting with an accompanying person so long as the latter is also a shareholder who has the right to attend (or a proxy-holder). Otherwise, shareholders must call the Shareholders’ Helpline ((+34) 91 276 92 90) or write to the e-mail address junta.accionistas@santander.com to request the issuance of an invitation to such relative.

14. May another person attend the meeting on my behalf? Does he/she need to be a shareholder?

The right to attend general meetings may be delegated to any individual or legal entity, whether or not a shareholder. Shareholders who are individuals and do not have the full enjoyment of their civil rights and shareholders that are legal entities may be represented by the person who acts as their legal representative, with proper evidence being provided of such legal representation or by whoever their legal representative designates.

15. If several holders appear on the attendance card, how many of them may attend the general meeting?

Only one of them shall have the right to attend the general meeting, and he/she shall be deemed to have been appointed by the other joint holders to exercise the rights accruing to a shareholder.

See also questions 52 and 84.

16. Is it possible to attend the meeting by using data-transmission means that allow for real-time connection with the premises where the meeting takes place and remote electronic voting while the meeting is being held?

Yes, you will have the possibility of attending and exercising your rights at the meeting from a distance in real time.

A software application has been made available on the Bank’s corporate website (www.santander.com), in the general shareholders’ meeting / proxy-granting, advance electronic voting and remote attendance section, which will permit remote attendance at the meeting.

See specific questions on [REMOTE ATTENDANCE](#).

17. What requirements must be complied with for remote attendance at the meeting?

Shareholders (or their proxy-holders) who wish to use the remote attendance mechanisms must use one of the means authorised by the Bank whereby a set of passwords for access to the remote attendance software application and, by means of such passwords, an electronic signature, are made available to them.

See specific questions on [REMOTE ATTENDANCE](#).

ATTENDANCE, PROXY AND DISTANCE VOTING CARD

18. What should I do if I do not receive the attendance card for the meeting?

You can request a duplicate thereof via any of the following channels:

- Any branch of Banco Santander, S.A.
- Shareholders' Helpline: (+34) 91 276 92 90
- Shareholders' meeting E-Mail: junta.accionistas@santander.com
- At the premises where the meeting is to be held, a short time before commencement thereof, by showing your National Identity Document or equivalent document.

19. May I request at the office a duplicate of the attendance, proxy and distance voting cards for other shareholders who are relatives of mine?

No, only the holder of the shares himself/herself may request a duplicate by proving his/her identity with a National Identity Document or equivalent document.

20. What must I do if I need to modify any of my personal details set forth in the attendance, proxy and distance voting card?

You must give notice thereof via the following channels:

- Shareholders' Helpline: (+34) 91 276 92 90.
- Shareholders' meeting E-Mail: junta.accionistas@santander.com
- Branch of the Group where your shares are deposited.

21. What must I do if the number of shares appearing on the attendance, proxy and distance voting card is not the same as the number of shares I hold?

Attendance, proxy and distance voting cards for the meeting are issued with the data included in the records on the date of issuance. If transfers are made after the date of issuance, they may not appear on the card. However, shareholders shall have the voting rights attaching to the shares registered in the corresponding book-entry registries five days in advance of the date set for the meeting to be held on first call.

Shareholders may also go to any Santander office and request the issuance of a duplicate of their card with updated data.

22. What is the difference between an abstention and a blank vote?

Abstaining means not voting. In contrast, a blank vote means that the shareholder does cast a vote, but without voting either for or against the proposed resolution.

AGENDA

23. How can I become apprised of the resolutions proposed by the board of directors in connection with the items on the agenda?

Starting on the date of publication of the notice of call to the ordinary general shareholders' meeting, the Bank has posted on its corporate website the text of all resolutions and supporting reports (or reasoned proposal or detailed recommendation, when applicable) proposed by the board of directors in connection with the items on the agenda.

Furthermore, in the event there is a supplement to the call to meeting, as from the date of its publication the Company will post on its corporate website the text of the proposals included in such supplement that have been communicated to the Company.

In addition, in the exercise of their right to receive information, shareholders may obtain from the Company, immediately and free of charge, the annual accounts, the management report (including the statement of non-financial information) and the auditor's report for Financial Year 2018, as well as the consolidated accounts, the Group's management report (including the consolidated statement of non-financial information) and the auditor's report for such Financial Year. All these documents are also available on the Bank's corporate website (www.santander.com). In connection with items Six, Seven, Nine and Eleven on the agenda, starting on the date of publication of the notice of the call to meeting, shareholders may examine at the registered office of the Company the full text of the proposed resolutions and the mandatory reports prepared by the directors (or, in the case of item Eleven, of the detailed recommendation of the board of directors), as well as request that such documents be delivered or sent to them free of charge. These documents are also available at the Bank's corporate website (www.santander.com). The reasoned proposal regarding the director remuneration policy (item Nine) and the specific report of the remuneration committee thereon are available to the shareholders, who may also request that they be delivered or mailed free of charge, at the registered office of the Company and on the Bank's corporate website (www.santander.com).

Similarly, shareholders may also obtain, at the registered office, the full text of the other documents (including the report on directors' remuneration and the explanatory report of the board on the expertise, experience and merits of the candidates referred to in items Three B to Three G, which includes the reasoned proposal of the appointments committee and the *curricula vitae* of the aforementioned candidates) and other proposed resolutions submitted to the decisive or consultative vote of the shareholders at the general shareholders' meeting.

All of the foregoing is without prejudice to the provisions of sections 197, 519 and 520 of the Spanish Capital Corporations Law (*Ley de Sociedades de Capital*) and the provisions of the Rules and Regulations for the general shareholders' meeting. All such requests for information may be made by submitting the request at the registered office or by sending it to the Company by postal correspondence or by remote means of electronic communication or of data transmission, subject to the terms specified in the notice of the call to meeting and on the Bank's corporate website.

24. Prior to the holding of a meeting, can a shareholder request that one or more items be included on the agenda?

Shareholders representing at least three per cent of the share capital may request, in connection with the ordinary general shareholders' meeting, the publication of a supplement to the call to meeting, including one or more items on the agenda, so long as such new items are accompanied by a rationale or by a substantiated proposal for a resolution, all as provided by the Spanish Capital Corporations Law.

25. How should this right be exercised? Is there a deadline for doing so?

This right must be exercised by means of verifiable notice that must be received at the registered office within five days of the publication of the call to meeting, with a statement of the identity of the shareholders exercising the right and the number of shares that they own, as well as the items to be included in the agenda, accompanied by the rationale or the substantiated proposals for resolutions concerning such items and any other documentation that may be applicable.

The supplement to the call to meeting must be published at least fifteen days prior to the date set for the meeting. Such supplement, as well as the text of the proposals included in it, will be posted on the Bank's corporate website.

26. What does the card mean by "Proposals regarding matters not included in the agenda"?

It means those matters that need not be included in the agenda for shareholders to be able to discuss them at the meeting, because the Law so permits.

27. Who may propose a resolution during the course of the meeting?

In addition to the cases specified in question 26 above, all shareholders (or their proxy-holders) attending the ordinary general shareholders' meeting may, during the presentation period, make proposals for resolutions at the general meeting in connection with any item submitted to a vote according to the agenda when such proposals are not, pursuant to the provisions of the Law, to be made available to the shareholders at the time of the notice of the call to meeting or require other specifications.

In the case of remote attendees, these presentations may be submitted from the time the Chairman declares the meeting to be properly convened until the end of the presentation period. For this purpose, the shareholder (or his/her representative) must also have stated, at the time of registration (between 8:00 a.m. and 9:00 a.m. on the date of the meeting), the intention to make a presentation.

The foregoing is without prejudice to the right granted by the Spanish Capital Corporations Law to shareholders representing at least 3% of the share capital to submit substantiated proposals for resolutions regarding matters that have already been included or must be included in the agenda prior to the meeting, in accordance with the procedure described in question 25 above.

28. If I have granted a proxy to another person, does such proxy also cover proposals regarding items not included in the agenda?

Yes, unless the shareholder checks the NO box below the voting instructions on the Proxy Card, in the section "Proposals regarding items not included in the agenda of the call to meeting," in which case the shareholder will be deemed to have instructed the proxy-holder to abstain. If the proxy also covers proposals regarding items not included in the agenda, the specific instruction given to the proxy-holder is to vote against, unless otherwise indicated.

HOLDING AND MONITORING OF THE MEETING

29. What is the quorum required so that the meeting may be deemed validly established and shareholders may approve the items on the agenda?

The quorums for the meeting are set out in the Spanish Capital Corporations Law. The meeting shall be validly established on first call with the presence, in person or by proxy, of shareholders holding at least 25% of the subscribed share capital having the right to vote. On second call, the meeting shall be validly established whatever the percentage of share capital in attendance.

In order for shareholders at the meeting to be able to resolve upon the issuance of debentures, any capital increase or reduction, transformation, merger, split-off, overall assignment of assets and liabilities, relocation of the registered office abroad, elimination or limitation of pre-emptive rights, and, in general, any amendment to the Bylaws, the attendance shall be required, on first call, of shareholders present, in person or by proxy, who hold at least 50% of the subscribed capital having the right to vote. On second call, the attendance of shareholders holding 25% of such share capital shall be sufficient, provided, however, that when in this latter case shareholders holding less than 50% of the share capital with a right to vote are in attendance, the aforementioned resolutions may only be adopted upon the affirmative vote of two-thirds of the capital whose holders are present at the meeting, in person or by proxy.

Exceptionally, in connection with the adoption of the proposal under item Nine of the agenda, on the approval of maximum ratio between fixed and variable components of total remuneration of executive directors and other employees belonging to categories which professional activities impact significantly on the risk profile, the shareholders of the entity shall take its decision by a majority of at least two thirds, provided that shareholders holding at least 50% of the share capital with a right to vote are in attendance. If this quorum is not reached, shareholders shall take its decision by a majority of at least three quarters of the share capital with a right to vote in attendance. The directors and other beneficiary employees of the referred proposal shall not, directly or indirectly, exercise the voting rights that they might have as shareholders of the Bank.

30. What must I do if I want to make a presentation during the course of the ordinary general shareholders' meeting?

Once a quorum for the general meeting has been established, the shareholders (or their proxy-holders) who wish to make a presentation at the meeting and, if appropriate, request information or clarifications with respect to the items on the agenda, request clarifications regarding information accessible to the public that has been provided by the Company to the National Securities Market Commission since the holding of the last general shareholders' meeting and regarding the auditor's report or make proposals, shall identify themselves to the Notary Public or, at the instruction of the Notary Public, to the staff assisting him, stating their full name, the number of shares they hold and/or those for which they hold proxies. If they wish to have the literal text of their presentation included in the minutes of the meeting, they must deliver it in writing to the Notary Public at that time.

Once the Presiding Committee has the list of persons who wish to make presentations and the Chairman has presented such reports as he deems appropriate, the presentation period shall commence.

31. Can I also make a presentation at the ordinary general shareholders' meeting in the case of remote attendance?

Shareholders (or their proxies) who, in the exercise of their rights, wish to make a presentation at the meeting and, if appropriate, request information or clarifications with respect to the items on the agenda, request clarifications regarding information accessible to the public that has been provided by the Company to the National Securities Market Commission since the holding of the last general shareholders' meeting and regarding the auditor's report or make proposals, shall state their intent to do so at the time of registration. Following such statement, and exclusively by using the presentation form made available for such purpose, remote attendees may make their presentation, question or proposal in writing and send it from the time the Chairman declares the meeting to be validly convened and until the end of the presentation period.

32. Does the Bank have any system in place whereby the progress of the ordinary general shareholders' meeting can be followed without having to attend in person?

Yes, it is envisaged that a broadcast of the meeting will be available on the Bank's corporate website, www.santander.com.

Watching the broadcast of the meeting on the Internet or through the Bank's corporate website without registering as a remote attendee does not amount to remote attendance at the meeting.

33. How can I be informed of the resolutions adopted at the meeting in the event that I cannot attend?

Pursuant to applicable laws and regulations, in the "Shareholders' General Meeting" section of its corporate website www.santander.com, the Bank will publicise the quorum obtained, a breakdown of the voting, and the resolutions adopted at the meeting.

34. Will a souvenir be delivered as a memento of the holding of the meeting?

Yes, it has been decided that a souvenir be delivered as a memento of the shareholders' personal or remote attendance by distance voting or by proxy at the next general meeting.

35. Where and how can I pick up such souvenir?

In the event of remote attendance through distance voting or by proxy an exclusive souvenir will be available for you at the office with which you usually do business, after you have provided evidence of your capacity as a proxy-holder or the casting of a distance vote or remote attendance. If you are not a depositor with our Entity, you can use the office search device that is made available in the "Shareholders' General Meeting" section of the Bank's corporate website, which will help you find the office that is closest to your domicile.

In the event of physical attendance, the souvenir will be delivered to you at the Palacio de Exposiciones y Congresos on the date of the meeting.

36. What must I do to receive the souvenir in the event of granting a proxy or voting through the Internet using the software application made available on the Bank's corporate website or on the Bank's Internet address www.juntasantander.com or a mobile device?

You must go to your branch of Banco Santander and produce evidence of your proxy-granting or electronic voting operation.

37. Will any attendance fee (monetary payment per each present or represented share) be paid by reason of the holding of the meeting?

No payment of an attendance fee has been contemplated.

38. If I am not a depositor and wish to deliver my proxy or my distance vote, where should I go?

You can sign the attendance, proxy and distance voting card and send it by mail in the postage-prepaid envelope you will have received, or hand-deliver it to any office of Santander.

An office search device is available on the Bank's corporate website, which will help you find the branch that is closest to your domicile.

In addition, you may vote or grant a proxy electronically by following the instructions specified on such website.

ADVANCE PROXY-GRANTING AND DISTANCE VOTING: HAND-DELIVERY/POSTAL CORRESPONDENCE OR ELECTRONIC MEANS

39. Is it possible to grant a proxy or vote by remote means of communication?

Yes, mechanisms for proxy-granting and distance voting prior to the meeting have been contemplated:

- by hand-delivery or postal correspondence, by delivering or sending the duly signed attendance, proxy and distance voting card to the Company; or
- by electronic means through the "Shareholders' General Meeting" section on the Bank's corporate website (www.santander.com) or through the Bank's Internet address www.juntasantander.com. Shareholders with a mobile device compatible with Android or Apple iOS operating systems may also use the "*Santander Accionistas e Inversores*" application, which they must have previously downloaded from Google Play or App Store, respectively.

40. Is there a deadline for receipt by the Company of the proxies granted and the votes cast from a distance prior to the meeting?

a. Both proxies granted from a distance and votes cast from a distance sent by hand-delivery or postal correspondence must be received by the Company before midnight of the third day prior to the date the meeting is to be held on first call, i.e., prior to midnight on 8 April 2019.

After the aforementioned deadline, only such proxies shall be admitted as are granted in writing and submitted by the appointed proxy-holder who physically attends the meeting to the staff in charge of the shareholders' register on the date and at the place of the meeting and beginning one hour prior to the time established for commencement thereof.

b. For purposes of this general meeting, it has been decided that the deadline for receipt of proxies and votes from a distance sent by electronic means is prior to 6 p.m. on the day prior to the date that the meeting is scheduled to be held on first call. Therefore, proxies granted from a distance as well as votes cast from a distance through electronic means must be received by the Company prior to 6 p.m. on the day prior to the date that the meeting is scheduled to be held on first call, i.e., prior to 6 p.m. on 10 April 2019.

After the aforementioned deadline, only such proxies shall be admitted as are granted in writing and submitted by the appointed proxy-holder who physically attends the meeting to the staff in charge of the shareholders' register on the date and at the place of the meeting and beginning one hour prior to the time established for commencement thereof.

41. What treatment is afforded the vote cast from a distance prior to the meeting?

Shareholders who validly cast their vote from a distance shall be deemed present for purposes of the establishment of a quorum at the general meeting. Proxies granted prior to the casting of such vote shall be deemed revoked, and those which are granted afterwards shall be deemed not to have been granted.

42. May I modify the distance vote once it has been cast?

Once cast, a distance vote may not be modified, except in the event of attendance at the meeting in person (whether physically or from a distance) by the shareholder who has cast such vote or, in the case of electronic voting, also by a subsequent vote cast before the established deadline by means of the attendance, proxy and distance voting card (hand-delivery or postal correspondence).

43. Rules of priority among proxies, distance voting and attendance in person (physically or from a distance)

- Priorities among proxies, distance voting and attendance in person
 - a. Attendance at the meeting in person (whether physically or from a distance) by a shareholder who has previously granted a proxy or voted from a distance, irrespective of the means used to cast such vote, shall render said proxy or vote ineffective. Physical personal attendance will invalidate remote personal attendance.
 - b. Likewise, a vote, regardless of the means used to cast it, shall render ineffective any electronic or written proxy, whether it has been granted previously, in which case it shall be deemed revoked, or subsequently, in which case it shall be deemed not to have been granted.
- Priorities based upon the means used to grant the proxy or cast the vote
 - a. In the event that a shareholder validly grants a proxy by electronic means, on the one hand, and by means of a printed card, on the other, the latter shall prevail over the former, regardless of the respective dates thereof.
 - b. Likewise, a vote validly cast under a handwritten signature set on the printed card shall render void the vote cast electronically, whether previously or subsequently.

44. What must I do in order to cast my vote or grant a proxy from a distance by hand-delivery or postal correspondence?

Shareholders shall complete and sign the "Proxy-granting" or "Distance Voting" section of the printed attendance, proxy and distance voting card issued by the Bank. The duly completed and signed card must be hand-delivered or sent by mail to the appropriate Office of the Bank or sent in the postage-prepaid envelope enclosed with the letter sent by the Chairman.

45. How can I grant a proxy and vote by electronic means prior to the meeting?

In addition to the means traditionally used to grant a proxy, the Bank has provided that shareholders who wish to do so may, prior to the meeting, grant a proxy and cast their vote in connection with the items on the agenda by the following electronic means:

- a. Through the Bank's Internet address www.juntasantander.com. Shareholders with a mobile device compatible with Android or Apple iOS operating systems may also use the "*Santander Accionistas e Inversores*" application, which they must have previously downloaded from Google Play or App Store, respectively.
- b. In the general shareholders' meeting / proxy-granting, advance electronic voting and remote attendance section of the Bank's corporate website (www.santander.com).

46. Who will be able to grant a proxy or vote by electronic means?

The shareholders of Banco Santander, S.A., whether or not they are customers of the Bank.

47. Is there any charge for electronic proxy-granting and voting?

No, this service is made available to shareholders free of charge.

48. May I grant a proxy by this means to another person, whether he/she is or is not a shareholder?

Yes, you may grant a proxy to any other individual or legal entity, whether he/she is or is not a shareholder, in order for such person to represent you. A proxy granted to a person who cannot hold it pursuant to the provisions of law will not be valid or effective. In addition, shareholders who grant a proxy by electronic means undertake to notify the appointed proxy-holder of the proxy being granted. Where a proxy is granted to a director and/or the general secretary of the Bank or a remote attendee at the meeting, such notice shall be deemed given upon receipt by the Bank of such electronic proxy.

49. Must electronic proxies be accepted by the proxy-holder?

Yes, without such acceptance they may not be used. The person to whom voting powers are delegated may only exercise such powers by attending the meeting in person (physically or from a distance).

a. All electronic proxies granted to persons other than the directors and/or the general secretary and/or a remote attendee at the meeting must be printed, signed and submitted along with an identification document by the appointed proxy-holder to the staff in charge of the shareholders' register on the date and at the place of the meeting, beginning one hour prior to the time established for commencement thereof.

b. Electronic proxies or proxies sent by postal correspondence, granted to persons who attend the meeting from a distance – and provided always that they have been sent through the Bank – shall be submitted to the aforementioned remote attendees by means of the Bank's software application in order for them to accept said proxies, if they are willing to do so.

See specific questions on [REMOTE ATTENDANCE](#).

50. What requirements must I comply with in order to grant a proxy and vote electronically?

Shareholders have the following options at their disposal:

a. Shareholders who are individuals and who have already entered into a Multi-Channel Agreement with the Bank may make use thereof, using the passwords and electronic signature already available to them under such agreement for purposes of electronic proxy-granting and voting.

If an individual shareholder is a client of the Bank and wishes to enter into a Multi-Channel Agreement, he/she may do so at any branch of Banco Santander or through Supernet 2.0 (www.bancosantander.es) by clicking on "Obtener claves - Alta en Banca online".

In the event you have forgotten:

- the access password, you may retrieve it at any branch of Banco Santander, through Superlínea (915 123 123) or through Supernet 2.0 (www.bancosantander.es), clicking on "Recuperar Clave". Likewise, if the shareholder wishes to activate his/her access password or if it has been revoked, the reassignment process of the access password may be done through Supernet 2.0 (www.bancosantander.es).

- the electronic signature, you may obtain it at any branch of Banco Santander, through Superlínea (915 123 123) or Supernet 2.0 (www.bancosantander.es). The validity of an electronic signature obtained through Superlínea or Supernet 2.0 will only be valid for the following 24 hours.

b. Use Openbank security passwords:

- Four numeric characters password sent via SMS when you opened your account.

- Eight alphanumeric characters password received by post when you activated your account.

In the event of having forgotten or lost the passwords, or if they have been blocked out of the system, you may request new passwords by calling phone number (+34) 911 773 316 or through the website www.openbank.es.

c. Shareholders who are individuals and who do not have the abovementioned passwords (Santander or Openbank), and shareholders that are legal entities (even if they have passwords) must sign an agreement for Access to Electronic Voting and Proxy-Granting and Remote Attendance for the sole purpose of using the electronic voting and proxy-granting mechanisms, at no charge and as follows:

- Sign the agreement at a Banco Santander office.

- Sign the agreement through the corporate website (www.santander.com) with the CERES electronic certificate issued by the Royal Spanish Mint [Real Casa de la Moneda - Fábrica Nacional de Moneda y Timbre (RCM - FNM)] or with an electronic Spanish identity card (DNI).

IMPORTANT: If the shareholder is a legal entity, is not a resident in Spain, or has any other kind of special characteristic, the shareholder will not be allowed to select this second option and, as the case may be, must complete and sign the agreement at the office.

In order to sign this agreement, shareholders must access the "Request passwords" section of the proxy-granting, advance electronic voting and remote attendance section of the corporate website (www.santander.com) or the Bank's Internet address www.juntasantander.com or, if he/she uses a mobile device compatible with Android and Apple iOS operating systems, the "*Santander Accionistas e Inversores*" application, and follow the corresponding instructions.

Once shareholders obtain their corresponding set of passwords and electronic signature, they may vote or grant a proxy to any individual or legal entity to represent them at the meeting, either through the "Shareholders' General Meeting" section on the Bank's corporate website (www.santander.com) or through the Bank's address www.juntasantander.com or through the "*Santander Accionistas e Inversores*" application (available for mobile devices compatible with Android and Apple iOS operating systems), pursuant to the terms and conditions described in each case.

51. Until what date may I grant a proxy or vote electronically prior to the meeting?

Starting on the date of publication of the announcement of the call to the ordinary general shareholders' meeting, you will find all of the information regarding this proxy-granting and voting mechanism on the Bank's corporate website.

The deadline for granting a proxy or voting electronically prior to the meeting will be prior to 6 p.m. on the day prior to the date the meeting is to be held on first call, i.e., prior to 6 p.m. on 10 April 2019. Any electronic proxies granted or votes cast subsequently thereto shall be deemed not have been granted or cast. After the expiration of the above-mentioned deadline, only such proxies shall be admitted as are granted in writing and submitted by the appointed proxy-holder who physically attends the meeting to the staff in charge of the shareholders' register, on the date and at the place of the general meeting and beginning one hour prior to the time established for commencement thereof.

52. If there are several joint holders specified on the attendance, proxy and distance voting card, who may exercise the right to vote or grant a proxy electronically?

Either or any of the joint holders of deposited shares may grant a proxy or vote by electronic means, so long as they have executed with the Bank either of the agreements whereby they may obtain the set of passwords for access to the electronic voting and proxy-granting software application and, by means thereof, an electronic signature. For purposes of the provisions of section 126 of the Spanish Capital Corporations Law, it is presumed that the joint holder who carries out an act (proxy-granting, voting, or attending physically or from a distance) at any time has been appointed by the other joint holders to exercise the rights accruing to a shareholder. The rules of priority established as general rules shall apply to joint holders between themselves.

If you need further information, please call the Shareholders' Helpline (+34) 91 276 92 90.

53. If I am the holder of several voting/proxy cards, may I grant proxies to different persons? Must I carry out the whole proxy-granting/voting process for each of the cards?

Even if you hold several proxy cards, you must grant a proxy to only one person. Yes, you must carry out the process for each of the cards.

54. What happens if I have voted or granted a proxy electronically and then I attend the meeting (physically or from a distance)?

Attendance at the meeting in person (whether physically or from a distance) by a shareholder who has previously granted a proxy or voted from a distance, regardless of the means used, shall render said proxy or vote ineffective. In any event, please bear in mind that physical personal attendance will invalidate remote personal attendance.

55. If I grant a proxy electronically, on the one hand, and by means of a printed card on the other, which one prevails?

The proxy granted by means of a printed card always prevails over the electronic proxy, regardless of the respective dates thereof.

56. If I vote electronically prior to the meeting, on the one hand, and by means of hand-delivery or postal correspondence, on the other, which one prevails?

The vote that is hand-delivered or sent by postal correspondence within the deadline established for such purpose always prevails.

57. May I modify a prior electronic vote once it has been cast?

Except in the case of physical or remote attendance at the meeting or in the case of a vote that is hand-delivered or sent by postal correspondence (in which case, the electronic vote shall be rendered ineffective), the vote cast may not be modified. Only one electronic session shall be allowed for each type of operation (proxy-granting or voting), and if both operations are carried out, the vote shall prevail.

In addition, an electronic vote renders any electronic or physical proxy ineffective, be it prior or subsequent thereto.

58. Who must notify the proxy-holder of the proxy that a shareholder has granted to him/her?

A shareholder who grants a proxy electronically undertakes to notify the designated proxy-holder of the proxy granted. When the proxy is granted to a director and/or the general secretary of the Bank or to a remote attendee at the meeting, such notice shall be deemed to have been made upon receipt by the Bank of such electronic proxy.

59. What must be done by the proxy-holder, other than a director or the general secretary of the Bank or a remote attendee, to whom an electronic proxy has been granted?

Electronic proxies must be accepted by the proxy-holder, without which acceptance they may not be used. All electronic proxies in favour of persons other than the directors and/or the general secretary and/or a remote attendee at the meeting must be printed, signed and submitted by the designated proxy-holder to the staff in charge of the shareholders' register on the date and at the place of the meeting, beginning one hour prior to the time established for commencement thereof.

60. May I revoke a proxy granted to another person electronically?

A proxy granted by electronic means shall be rendered ineffective by :

- a proxy granted in writing;
- a prior electronic vote;
- a vote that is hand-delivered or sent by postal correspondence; or
- physical or remote attendance at the meeting.

61. I am the legal representative of a minor child who is a shareholder. How can I grant a proxy / vote electronically?

The father or mother (or the legal guardian of the minor, as the case may be) must be the ones who grant the proxy or vote via the Internet through the Bank's corporate website or, if using mobile devices, through the Bank's Internet address www.juntasantander.com or through the "Santander Accionistas e Inversores" application (for mobile devices compatible with the Android and Apple iOS operating systems).

62. Are legal entities also entitled to vote and grant a proxy by this means?

Yes. However, they may only do so through a representative of the legal entity that provides evidence of sufficient powers to sign the relevant agreement at the office, vote and grant a proxy at general meetings. The Bank will have to verify the sufficiency of the corresponding documents which provide evidence of such powers.

Once the prior registration process through the corporate website has been completed, shareholders must call the Shareholders' Helpline (+34) 91 276 92 90, where they will be told what steps to follow in order to be able to activate the passwords that will enable them to grant a proxy or cast a vote.

63. What documents do legal entities need in order to provide evidence of proxy representation?

Through the Shareholder's Helpline (+34) 91 276 92 90, you will be told what documents are needed, and which you must take to the office of Santander of your choice together with the password request process confirmation screen (which contains the activation code).

64. Who may I turn to if I experience a technical problem that prevents me from casting a vote or granting a proxy electronically?

In such case, we suggest you call our Shareholders' Helpline (+34) 91 276 92 90.

The Bank reserves the right to modify, suspend, cancel or restrict the mechanisms for electronic voting and proxy-granting prior to the meeting, when so required for technical or security reasons.

In any event, the Bank shall not be liable for any damage that users may sustain as a result of failures, overloads, downtime, failed connections or any other event of the same or a similar nature that is beyond the Bank's control and prevents the use of the mechanisms for electronic voting and proxy-granting prior to the meeting.

65. Once I have granted a proxy / cast a vote, will I be given any proof of the operation I have carried out?

Yes, once you have granted a proxy or cast a vote, we recommend that you print and keep proof of the operation carried out and of the contents thereof.

REMOTE ATTENDANCE AT THE MEETING

66. What is remote attendance?

Shareholders having the right to attend (or their representatives) may attend and vote at the meeting by using means of data transmission that allow for their real-time connection with the premises where the meeting is held.

67. Where must I log on in order to act as a remote attendee?

In the ordinary general shareholders' meeting / proxy-granting, advance electronic voting and remote attendance section on the Bank's corporate website (www.santander.com), a specific device has been made available to allow for remote attendance. It is also possible to attend remotely through the Bank's Internet address www.juntasantander.com.

68. Who may use the remote attendance mechanisms?

The shareholders of Banco Santander, S.A., or those persons who validly represent them, whether or not they are customers of the Bank.

69. Is there any charge for remote attendance?

No, this service is made available to the shareholders (or their representatives) free of charge.

70. What do I need in order to use the remote attendance mechanism?

Shareholders (or their representatives) who wish to use the remote attendance mechanism must have previously obtained a set of passwords and, by means thereof, an electronic signature, all of which is provided for in an agreement that adequately guarantees the attendees' security and ensures their identity, the proper exercise of their rights, real-time interactivity and the proper progress of the meeting.

71. What agreement am I required to sign?

a. Multi-Channel agreement

Individuals who have already entered into the Multi-Channel agreement with the Bank may rely upon it and use the passwords and electronic signature they already have under such agreement in order to attend remotely. Openbank security passwords can also be used for these purposes.

b. Agreement for Access to Voting and Proxy-granting and Remote Attendance at the Meeting

Individuals who have not entered into a Multi-Channel agreement and legal entities (even if they have entered into the Multi-Channel agreement) must sign such agreement ("Agreement for access to and use of the area for voting and proxy-granting by electronic means and attendance at the meeting through remote means of communication"), free of any charge by the Bank, in order to attend the meeting remotely and to vote, as follows:

- Sign the agreement at any Office.
- Sign the agreement on the corporate website (www.santander.com) with the CERES electronic certificate issued by the Royal Spanish Mint [Real Casa de la Moneda - Fábrica Nacional de Moneda y Timbre (RCM - FNM)], or with an electronic Spanish identity card (DNI).

IMPORTANT: If a shareholder is a legal entity, is not a resident of Spain, or has any other kind of special characteristic, such person will not be allowed to select the second option, and, as the case may be, must complete and sign the agreement at any Office.

In order to sign this agreement, shareholders must access the "Request passwords" section of the proxy-granting, advance electronic voting and remote attendance section of the corporate website (www.santander.com) or the Bank's Internet address www.juntasantander.com or, if the mobile device is compatible with Android or Apple iOS operating systems, through the "*Santander Accionistas e Inversores*" application, and follow the instructions provided therein.

Remote attendance at the meeting is not available through the "*Santander Accionistas e Inversores*" application.

Once shareholders (or their representatives) have signed either of the aforementioned agreements and have the corresponding set of passwords and electronic signature, such shareholder may, through the "Shareholders' General Meeting" section of the Bank's corporate website (www.santander.com), attend and vote at the meeting by remote means of communication in real time.

72. What must I do in order to use the remote attendance mechanism? When will it be available for use?

Shareholders (or their representatives) who wish to attend the meeting from a distance and vote by remote means of communication in real time must go to the general shareholders' meeting / proxy-granting, advanced electronic voting and remote attendance section on the website and register by logging on between 8:00 a.m. and 9:00 a.m. on the date of the meeting.

No attendee registration shall be allowed outside this time period.

73. What happens if I register on 11 April, the day for the meeting to be held on first call, and the meeting is finally held on 12 April, on second call?

In such case, attendees who have registered for the meeting on first call will be required to carry out the registration process again in order to be able to attend.

74. May persons who attend from a distance, whether or not they are shareholders, have proxies granted to them?

Yes, as long as such proxies have been received by the Bank within the deadlines for admission, the software application will show the remote attendee the proxies that have been granted thereto so that they can be accepted if such remote attendee is willing to do so.

75. What must I do if I wish to leave the meeting as a remote attendee and want the Notary to record that I am leaving?

Attendees who wish to state before the Notary that they expressly leave the meeting must do so by using the form included for such purpose in the remote attendance software application. Once they have notified the Notary of their express intent to leave the meeting, all actions thereafter taken by such shareholders shall be deemed not taken.

In any event, by means of a connection to the software application, the Notary will be aware of the actions taken by the persons who attend the meeting from a distance, including the votes that may be cast by them.

76. In such case, what happens to my vote?

The following events may occur:

- If you cast your vote before logging off, the vote shall be computed in the direction in which it was cast pursuant to the rules established in the Rules and Regulations for the general shareholders' meeting.

- If you did not cast your vote before logging off and did not state to the Notary that you were expressly leaving, it shall be deemed that you vote affirmatively on all of the items on the agenda and against all items that do not appear on the agenda.

- If you did not cast your vote before logging off but stated to the Notary that you were expressly leaving the meeting, the vote shall be deemed an abstention.

77. What must I do if I wish to make a presentation at the meeting?

Shareholders (or their representatives) who wish to make a presentation at the meeting and, if appropriate, request information or clarifications with respect to the items on the agenda, request clarifications regarding information accessible to the public that has been provided by the Company to the National Securities Market Commission since the holding of the last general shareholders' meeting and regarding the auditor's report or make proposals, shall state their intent to do so at the time of registration.

Following such statement, and exclusively by using the presentation form made available for such purpose, remote attendees may make their presentation, question or proposal in writing and send it from the time the Chairman declares the meeting to be validly convened until the end of the presentation period. Attendees who wish their presentation to be recorded in the minutes of the meeting must expressly state so in the text of such presentation.

78. How will attendees who are physically present at the meeting be aware of the remote presentations, and how will remote attendees be aware of possible presentations made by other remote attendees?

As the presentations by remote attendees are received, they shall be made available to all the attendees physically present at the premises where the meeting is held by placing them on the Notary's table. In turn, remote attendees may find out about these remote presentations by logging onto the website that will be indicated in the software application.

Requests for information or clarification made by remote attendees will be answered in writing within seven days following the meeting, pursuant to the provisions of the Spanish Capital Corporations Law.

79. What is the latest time at which remote presentations may be made?

From the time that the Chairman declares the meeting to be validly convened until the end of the presentation period.

80. When does the period for vote-casting begin?

Shareholders (or their proxies) may vote on the proposals included in the agenda starting at the time when the Chairman declares that the meeting is validly convened and provided always that the attendee has registered as such.

81. What happens if I cast a vote when the meeting is declared to be convened and then there are proposals on items not included in the agenda?

As regards proposed resolutions on matters which, pursuant to the provisions of law, need not be included in the agenda, remote attendees may cast their vote starting at the time when the secretary for the meeting reads out such proposals for a vote to be taken thereon.

82. When does the remote voting process end?

The process ends when, following the reading of the summary proposed resolutions (including the proposals on items outside the agenda, if any) by the secretary for the meeting, the voting begins on the proposed resolutions at the premises where the meeting is held.

83. May legal entities and those that do not reside in Spain use the mechanism for attendance at the meeting by remote means of communication in real time?

In both cases, they must call the Shareholders' Helpline (+34) 91 276 92 90 in order to adapt, with proper safeguards, the mechanisms for attendance at the meeting by such means.

84. What happens if there are several joint holders of the shares? Who will be deemed an attendee?

In the case that more than one of the joint holders of deposited securities are in attendance, the joint holder who is first to register (physically or from a distance) shall be deemed an attendee, and therefore, any subsequent access by the other joint holders shall be denied.

The joint holder who first registers shall be presumed to have been appointed by the other joint holders to exercise the rights accruing to a shareholder.

85. What must I do if I experience any technical problem that prevents me from using the remote attendance mechanism?

In that case, we suggest you call the Shareholders' Helpline (+34) 91 276 92 90, where they will try to help you.

The Bank reserves the right to modify, suspend, cancel or restrict the mechanisms for remote attendance at the meeting when so required for technical or security reasons.

In any event, the Bank shall not be liable for any damage that users may sustain as a result of failures, overloads, downtime, failed connections or any other event of the same or a similar nature that is beyond the Bank's control and prevents the use of the mechanisms for remote attendance at the meeting.

ELECTRONIC SHAREHOLDERS' FORUM

86. What is the purpose of the Forum?

The Forum is made available in order to facilitate communication among the Company's shareholders on occasion of the call to and until the holding of each general shareholders' meeting.

Shareholders may gain access thereto through the corporate website (www.santander.com) on occasion of the call to and until the holding of the general shareholders' meeting.

87. Who can use the Electronic Shareholders' Forum?

Use is reserved exclusively to individual shareholders of the Company and to voluntary associations of shareholders that are validly organised and registered in the special registry created for such purpose at the National Securities Market Commission in accordance with section 539.2 of the Spanish Capital Corporations Law and the regulations thereunder.

88. How can I access the Forum?

In order to be able to access and use the Forum, such shareholders and voluntary associations of shareholders must register themselves as "Registered Users," complying with the following requirements:

- (i) Obtaining the relevant set of passwords for access and electronic signature by one of the means set forth in the answer to question 89 below;
- (ii) The express acceptance, without reservation, of the terms and conditions of Rules of Operation of the Electronic Shareholders' Forum available on the Bank's corporate website through the relevant screen generated by the Forum software; and
- (iii) Completing a form with their contact information so that the Bank can contact them for the administration, management, supervision or moderation of the operation of the Forum in accordance with the Rules of Operation of the Electronic Shareholders' Forum.

Access to and use of the Forum is reserved exclusively to individual shareholders of the Company and to voluntary associations of shareholders validly formed and registered in the special registry created for such purpose at the National Securities Market Commission in accordance with the provisions of section 539.2 of the Spanish Capital Corporations Law and the regulations thereunder.

89. How can I register on the Forum?

Shareholders who are individuals and wish to access the Forum must have previously entered into one of the following agreements with the Bank, which will allow them to have a set of passwords for access to the Forum and to the remote voting and proxy-granting software application, and an electronic signature by means thereof:

- (i) Multi-Channel agreement: shareholders who are individuals and who have already signed a Multichannel agreement with the Bank may make use thereof, using the passwords and electronic signature already available to them by virtue of such agreement in order to access the Forum. Openbank security passwords can also be used for these purposes. If the shareholder is a customer of the Bank and wants to sign the Multi-Channel agreement, the shareholder may do so through Supernet or go to their branch.
- (ii) Agreement for Access to Electronic Voting and Proxy-granting and Remote Attendance: shareholders who are individuals and have not entered into a Multi-Channel agreement and shareholders that are legal entities (even if they have entered into a Multi-Channel agreement) must sign an Agreement for Access to Electronic Voting and Proxy-granting and Remote Attendance ("Agreement for access to and use of the area for voting and proxy granting by electronic means and attendance at the meeting through remote means of communication" or "Agreement for Access to and Use the Forum") for the sole purpose of accessing and, if applicable, of using the Forum and using the electronic voting and proxy-granting mechanisms without charge by the Bank:

- Sign the agreement at the Office.

- Sign the agreement on the corporate website (www.santander.com) with the CERES electronic certificate issued by the Royal Spanish Mint [Real Casa de la Moneda - Fábrica Nacional de Moneda y Timbre (RCM - FNM)] or with an electronic Spanish identity card (DNI).

IMPORTANT: If a shareholder is a legal entity, is not a resident of Spain, or has any other kind of special characteristic, such person will not be allowed to select the second option, and, as the case may be, must complete and sign the agreement at the Office.

In order to sign this agreement, shareholders must access the "Request passwords" section of the proxy-granting, advance electronic voting and remote attendance section of the corporate website (www.santander.com) or the Bank's Internet address www.juntasantander.com or, if the mobile device is compatible with Android or Apple iOS operating systems, the "*Santander Accionistas e Inversores*" application, and follow the instructions provided therein.

Access to the Forum is not available through the “*Santander Accionistas e Inversores*” application or the Bank’s Internet address www.juntasantander.com if this address is accessed with a mobile device.

Voluntary associations of shareholders that desire to access the Forum must complete the corresponding form to log on as a Registered User of the Forum, providing evidence of their status as a shareholder of the Company or of a voluntary association of shareholders duly established and registered with the National Securities Market Commission, in the manner set forth in such form, and sign an Agreement for Access to and Use of the Forum.

Legal entities and non-residents of Spain must call the Shareholders’ Helpline (+34) 91 276 92 90 in order to adapt, with proper safeguards, the mechanisms for participating in the Electronic Shareholders’ Forum.

90. What kind of messages can I send?

Registered Users that are shareholders of the Bank may send messages for posting in the Forum, containing exclusively:

- (i) Proposals intended to be submitted, where appropriate, as a supplement to the agenda included in the call to the general meeting or, as the case may be, in relation to items included on the agenda.
- (ii) Requests for adherence to such proposals.
- (iii) Initiatives to reach the percentage required to exercise a minority right as contemplated by Law.
- (iv) Voluntary proxy offers or solicitations.

In addition, even if they do not have an interest in the share capital of the Bank, voluntary associations of shareholders validly established and registered in the special registry created for such purpose at the National Securities Market Commission pursuant to section 539.2 of Spanish Capital Corporations Law may be Registered Users and send offers or solicitations for voluntary representation for publication in the Forum.

91. How can I exercise my rights as a shareholder through the Electronic Forum?

All of the rights and powers (whether to obtain information, make proposals or of any other kind) that the shareholders or, to the extent allowed voluntary associations of shareholders validly established and registered in the special registry created for such purpose at the National Securities Market Commission pursuant to section

539.2 of Spanish Capital Corporations Law, wish to exercise must be exercised through the legally established channels, pursuant to the provisions of Law, the bylaws or the rules and regulations, other internal rules of the Company and the notice of the call to meeting, and neither the Forum nor the mailbox provided by the Bank shall in any event be valid channels for such purposes.

92. Can I send notices to the Bank through the Electronic Forum?

The Forum does not constitute a channel of communication between the Company and Registered Users. Therefore, no message sent to or posted on the Forum or sent to the contact mailbox referred to in article 12 of the Rules of Operation of the Electronic Shareholders’ Forum shall in any event be deemed notice to the Company for any purpose, and especially not for purposes of exercising any rights held by Registered Users, whether individually or collectively, nor shall it replace any of the requirements under the Law, the bylaws or the rules and regulations or other internal rules of the Company for the exercise of any such rights or for carrying out initiatives or activities of the shareholders.

QUESTIONS AND ANSWERS REGARDING THE SCRIP DIVIDEND (PROPOSAL UNDER ITEM SIX OF THE AGENDA)

The purpose of such proposal is to allow the board of directors to offer all the shareholders the option to receive, at their discretion, cash or newly issued shares of the Bank free of charge on the dates on which one interim dividend of the 2019 Financial Year is paid, subject to the board of directors, or, when appropriate, the executive committee, deciding to carry out the resolutions adopted by the general shareholders' meeting.

93. Why is the Santander Scrip Dividend Programme proposed?

The aim of the Scrip Dividend Programme is to offer the shareholders the alternative to receive, at their discretion, either shares or cash on the dates on which the compensation corresponding to one interim dividend for 2019 is paid. This offer for the shareholders has been structured through a capital increase to be charged to reserves, which proposal for capital increase is submitted to the approval of the shareholders at the next general shareholders' meeting, to be held in April.

94. What is the Santander Scrip Dividend Programme?

It is the shareholder compensation programme by means of which this alternative is carried out and which Banco Santander uses to allow shareholders to decide whether they prefer to receive part of their compensation in cash or in fully paid-up shares of Santander.

Shareholders will automatically receive, without charge, share rights that will be listed on the stock exchange for a minimum period of 15 days prior to the dates on which the corresponding interim dividend is usually paid. Shareholders may elect to either (i) sell such rights, on the market or to the Bank, thus receiving compensation in cash or (ii) retain them and receive new shares. The Bank will guarantee, by means of an irrevocable commitment to purchase the rights at a fixed price, that all shareholders who wish to do so can sell the rights received free of charge and receive a cash amount. The purchase undertaking will not extend to rights purchased on the market.

95. Will I receive less if I choose cash?

No, the Bank undertakes to purchase the shareholders' bonus share rights received by those who remain as shareholders on the date of reference which will be duly communicated when the programme is implemented (but not those purchased on the market) at a guaranteed price (Purchase Undertaking), to be calculated prior to the opening of the trading period of the bonus share rights. The gross price that a shareholder will receive for selling to the Bank all of his bonus share rights under the Purchase Undertaking will be equal to the value of the new shares that he would receive if he did not sell his rights¹.

96. What are my options? What can I do with the bonus share rights that I am entitled to receive?

You have 3 options:

- Not to sell the rights and receive fully paid-up shares, which will not be subject to tax withholding.
- To sell your rights on the market and receive a cash amount, which will be subject to tax withholding.
- To sell your shares to Banco Santander at a guaranteed price and receive a cash amount. In this case, it will be subject to tax withholding if you are a Personal Income Tax (*Impuesto sobre la Renta de las Personas Físicas*) ("**IRPF**") payer. A tax withholding is not applied if you are a Corporate Tax (*Impuesto sobre Sociedades*) ("**IS**") or Non-Resident Income Tax (*Impuesto sobre la Renta de no Residentes*) ("**IRNR**") payer.

¹ subject to rounding.

97. But, in that case, what do I have to do to receive the amount of the programme in cash in the form of traditional dividends?

You must contact the financial institution with which your shares are deposited.

A) If your shares are deposited with an institution belonging to the Santander Group: you only need to complete and check in the securities bulletin that you will receive at your mail address and that you will be required to deliver, duly signed, at any Santander office, the option "sale in favour of the Bank". If, within the application of previous Programmes, you requested your compensation in cash both at that time and under future Programmes, you are not required to do anything.

B) If your shares are NOT deposited with the Santander Group, you should contact your depository entity.

98. What is better for me, to receive cash or shares?

That is something for you to decide. You choose. If you need liquidity or, in general, if you prefer cash, sell the bonus share rights. Conversely, if you prefer to receive new Santander shares without charge and in a, generally, tax-efficient manner (i.e., with no withholding), which shares you will always be able to sell when the need arises, choose not to sell the rights and to receive shares.

99. If I prefer cash, what is better, to sell on the market or to sell to the Bank?

If you sell to Banco Santander, you have a guaranteed price. Such price will be subject to the same tax withholding that applies to cash dividends. You will be in the same position you would have been in if you had received the dividend in cash. Santander will not pass any expenses arising from the sale on to you. Other depositaries might pass on expenses.

If you sell on the market, you will not have a price that is guaranteed by the Bank. Accordingly, in this case, you may receive a greater or lesser cash amount than if you decide to sell to the Bank. Such price will also be subject to the corresponding tax withholding (which rate, in 2019, is the same as the one that would apply if you had received cash dividends). Customary selling expenses will apply.

The sale to Banco Santander is only possible for rights received free of charge corresponding to shares hold on the date of reference which will be duly communicated when the programme is implemented. It is not possible to sell to Banco Santander those rights purchased on the market.

100. If I decide to receive shares, do I have to pay anything for them?

No. Santander will not pass any expenses on to you. Other depositaries might pass on expenses.

101. Can I choose to receive part in cash and part in fully paid-up shares?

Yes. To do so, you will have to sell part of your rights and keep the rest.

102. What happens if I don't notify my choice one way or the other?

If you are a customer of the Santander Group, you will automatically receive shares without any action being required. As an exception, if you gave standing instructions in the past to receive the amounts under the Programme in cash, you will automatically receive, without any further action being required, the amount under all future Programmes in cash, in the same manner as you would receive dividends.

If you are not a Banco Santander customer, you should contact your depository entity and request such information.

103. What is the deadline for notifying the option I have chosen?

A) If your shares are deposited with an entity belonging to the Santander Group:

(i) You will be able, within the period to be notified in due course in connection with the implementation of the programme, to:

- Sell your rights on the market during the trading period.

- Sell your rights to the Bank at the guaranteed price until the date to be communicated in due course (only the rights received free of charge, not those purchased on the market).

(ii) If you do not give instructions, you will receive shares, subject to no tax withholding.

B) If your shares are NOT deposited with the Santander Group, you should contact your depositary bank and follow their instructions.

104. Does this entail a change in the Bank's cash dividend policy, in the sense that, should Santander Scrip Dividend Programme be implemented, the shareholders will not be entitled to receive their compensation in cash?

No. The Bank continues to guarantee that all shareholders who so wish could receive the entire compensation in cash, even when this compensation is paid through Santander Scrip Dividend Programme.

105. If I choose to keep the shares, do I have any tax withholding?

No.

106. If I sell my rights on the market, do I have any tax withholding?

Yes, as long as you are an IRPF taxpayer. For shareholders who pay IRPF, the amount received from the sale of the rights in the market will be considered a capital gain for the seller and will be subject to tax withholding.

A tax withholding will not be applied if you are a Corporate Tax (IS) or Non-Resident Income Tax (IRNR) payer.

107. If I sell my rights to Banco Santander, do I have any tax withholding?

Yes, like in the case of traditional dividends paid in cash.

108. If I choose to receive shares, when will I receive them?

Approximately on the date on which you customarily receive the corresponding dividend.

109. If I choose to sell my rights to Santander, when will I receive the money?

Approximately on the same date on which you customarily receive payment of the dividend in cash.

110. How many rights do I receive for each Santander share I own?

One right for each share.

111. How many rights are required to receive a new share?

That will depend on the listing price of Santander shares. This information will be communicated to the shareholders in due course.

112. What will happen with odd-lots (rights that are not sufficient to receive one share)?

Your financial institution will sell them on the market and pay them to you in cash.

113. What is the market value of the capital increase?

A maximum amount of approximately 750 million euros.

114. Why is the Bank doing this?

In order to benefit shareholders by allowing them to continue to choose to receive, on the occasion of the payment of the compensation related to one interim dividend for 2019, part of their compensation in cash or in bonus shares. Banco Santander is thereby keeping a practice that is already followed by other international banks and by other companies listed on the IBEX 35.

115. If I want to receive more shares than the number I am entitled to for my free allotment rights, can I buy additional free allotment rights?

Yes. That would be an investment decision that is independent from the Santander Scrip Dividend Programme.

116. I am a depositor with another Entity: how does this affect me? What do I have to do?

You may also receive the amount under the Programme in cash or in shares. You should contact your bank and follow their instructions (see 102 and 103).

117. I am a participant in a Dividend Reinvestment Plan (DRP) or in a Young Shareholder Plan (YSP): how does this affect me? Is the Plan cancelled?

If you participate in a DRP or in a YSP, the Santander Scrip Dividend Programme will allow you, once it is applied, to acquire Santander shares more efficiently, since the delivery of shares under the Santander Scrip Dividend Programme is not subject to tax withholding. Accordingly, you do not need to give the Bank or your customary office any kind of instructions, because under the Santander Scrip Dividend Programme you will automatically be allotted Santander shares without any tax withholding.

Banco Santander suspends the DRP/YSP on the occasion of each implementation of the Santander Scrip Dividend Programme and, thus, if you elect the option to receive cash, you will receive it at your bank account. The referred amount will not be reinvested in shares purchase.

118. What is more advantageous, to have the Dividend Reinvestment Plan/Young Shareholder Plan or to participate in the Santander Scrip Dividend Programme?

It is more advantageous to participate in the Santander Scrip Dividend Programme than in the DRP/YSP. The shares delivered under the Santander Scrip Dividend Programme will not be subject to any tax withholding.

119. I am the naked owner of shares of Santander subject to a right of usufruct. How does the Santander Scrip Dividend work in my case?

It is the naked owner's decision what to do with the bonus share rights corresponding to the shares subject to a right of usufruct. If the naked owner decides to receive new shares or to sell the rights on the market, the right of usufruct will apply to the new shares or to the proceeds of the sale. If the naked owner decides to sell the rights to Banco Santander, the corresponding cash consideration will be subject to the same withholding that the dividends and will be considered a civil fruit arising from the shares, to which the usufructuary will be entitled.

120. I am the usufructuary of shares of Santander. How does the Santander Scrip Dividend work in my case?

It is the naked owner's decision what to do with the bonus share rights corresponding to the shares subject to a right of usufruct. If the naked owner decides to sell the rights to Banco Santander, you, as usufructuary, will receive the corresponding cash consideration, which will be subject to the same withholding that the dividends and will be considered a civil fruit arising from the shares. If the naked owner decides to receive new shares or to sell the rights on the market, the right of usufruct will apply to the new shares or to the proceeds of the sale.

For further information regarding the general shareholder's meeting, you may send in your questions to us by means of:

- Shareholders' Helpline: (+34) 91 276 92 90
- Hours: Monday through Friday, from 8:00 a.m. to 7:00 p.m. Saturdays, from 8:30 a.m. to 1:30 p.m.
- Shareholders' meeting E-Mail: junta.accionistas@santander.com