



Banco Santander, S.A. (the "**Bank**" or "**Santander**"), in accordance with the provisions of the Spanish capital markets regulations, announces the following:

OTHER RELEVANT INFORMATION

In connection with the inside information disclosure sent today to the Spanish National Securities Commission, and the Santander board of directors' resolution to withdraw the proposal under point Two (Application of 2019 results) from the agenda of the ordinary general shareholders meeting of the Bank that will be held tomorrow 3 April 2020 on second call, the Bank hereby attaches the communication from the auditor of the Bank and its Group in which it is confirmed that the auditor would have not changed its audit opinion if it had known of the aforementioned resolution of the board of directors, on the date on which the audit reports were signed.

This document is also available on the corporate website (www.santander.com).

Boadilla del Monte (Madrid), 2 April 2020



FREE TRANSLATION OF THE ORIGINAL IN SPANISH. IN CASE OF A DISCREPANCY THE SPANISH VERSION PREVAILS

April 2, 2020

Banco Santander, S.A.
Ciudad Financiera Grupo Santander
Avenida de Cantabria s/n
28660 Boadilla del Monte
Madrid, Spain

For the attention of the Board of Directors

Dear Sirs

The notice of the General Shareholders' Meeting of Banco Santander, S.A. (the Bank) dated 28 February 2020 includes the following Proposal for the Application of Profits agreed by the Board of Directors in their meeting of 27 February 2020:

	Million euro
Dividend distributed at 31 December*	1 662
Final dividend (including, if appropriate, cash dividend of shareholders opting to receive cash in <i>scrip dividend</i>) **	1 761
	3 423
Voluntary reserves	107
Net profit for the year	3 530

* Recognised in Shareholders' funds – Interim dividends. ** Assuming % of requests for cash of 20%

This proposal is also included in note 4 to the Bank's standalone and consolidated financial statements for the year ended 31 December 2019, that were authorised for issue by the Bank's Board of Directors in the aforementioned meeting and on which we issued our audit reports on 28 February, in which we expressed, in both cases, an unqualified opinion.

*PricewaterhouseCoopers Auditores, S.L., Torre PwC, Pº de la Castellana 259 B, 28046 Madrid, España
Tel.: +34 915 684 400 / +34 902 021 111, Fax: +34 915 685 400, www.pwc.es*



As indicated in the attached Appendix, the Bank's Board of Directors, in their meeting of April 2, 2020 has taken the decision to propose postponing a decision on such proposal for the application of profits contained in the notice of said meeting until a subsequent meeting, which should be held within the legally envisaged time period for holding the general meeting, taking into account the extended period envisaged under Royal Decree-Law 8/2020, of 17 March.

Within this context, we confirm that this decision of the Bank's Board of Directors would not have modified our audit opinion expressed in our above-mentioned audit reports dated 28 February 2020, if such decision of the Board of Directors had been known at the time of our signing such reports.

This letter relates solely to the decision to propose postponing the decision on the proposal for the application of profits mentioned above. Since 28 February 2020, date of issuance of our audit report, we have not carried out any audit procedure on other matters or subsequent events that may have occurred since that date.

This letter is issued at the request of the Board of Directors of Banco Santander S.A., for the purposes of informing the General Shareholders' Meeting, in accordance with the requirements of articles 40 and 41 of Royal Decree Law 8/2020, of 17 March, on extraordinary and urgent measures to address the economic and social impact of COVID-19 in relation with the Proposal for the Application of Profits of mercantile companies in the context of the Covid-19 health crisis and must not be used for any other purposes.

PricewaterhouseCoopers Auditores, S.L.

(Original in Spanish signed by)

Alejandro Esnal
Partner

*PricewaterhouseCoopers Auditores, S.L., Torre PwC, Pº de la Castellana 259 B, 28046 Madrid, España
Tel.: +34 915 684 400 / +34 902 021 111, Fax: +34 915 685 400, www.pwc.es*



BANCO SANTANDER, S.A. BOARD OF DIRECTORS.
RESOLUTIONS APPROVED AT ITS 2 APRIL 2020 MEETING

Taking into consideration the recommendation issued by the European Central Bank and in line with the Bank's mission to help people and businesses prosper, it is decided to cancel the payment of the final dividend against 2019 results and the dividend policy for 2020 approving for that purpose the following resolutions:

1. To revise its dividend policy, including for the application of the 2020 results, in the sense that the board's intention is now not to propose any dividend distribution to shareholders until there is more visibility of the effects of the COVID-19 crisis and the 2020 results are known;
2. To withdraw from the agenda of the ordinary general shareholders meeting of the Bank that will be held tomorrow 3 April 2020 on second call the proposals under points Two (Application of 2019 results) and Seven A (Capital increase against reserves to implement the scrip dividend that was contemplated in connection with the above mentioned application of results). This withdrawal does not affect the Bank's annual accounts (nor, therefore, requires them to be restated) nor the approval of the points under point One (Annual accounts and corporate management) nor under any other points of the agenda, as provided for by Royal Decree-Law 11/2020 and the joint communication issued by the Spanish National Securities Commission and the Spanish Registrars Society on 26 March 2020;
3. To withdraw the resolutions of the board passed on 28 January and 27 February by virtue of which the above mentioned proposed application of 2019 results was put forward for approval by the ordinary general shareholders meeting; and
4. To expressly establish that the board's intention is that the new proposed application of 2019 results, which will be submitted for approval by a new general shareholders meeting to be held within the legal term prescribed for holding the ordinary general shareholders meeting (and which is expected to take place in October 2020), will be to apply the 2019 results in full (excluding the amount of the interim dividend paid in November 2019 which totalled 1,661,811,458.20 euros) to voluntary reserves, without prejudice to the possibility of it being then resolved to propose to such general shareholders meeting a distribution following a reassessment of the situation once the uncertainties caused by the COVID-19 crisis disappear.

Banco Santander, S.A. - Círculo Social - Paseo de Pereda, 9 - E. 33004 SANTANDER - B. M. de Santander, 11 pp. 263, Folio 69, Libro 9º de Inscripciones, inscripción 11. C.I.F. A-3800033

