

Program Information

Santander UK Group Holdings plc

PROGRAM INFORMATION

Type of Information:	Program Information
Date of Announcement:	7 August 2020
Issuer(s) Name:	Santander UK Group Holdings plc (the " Issuer ")
Name and Title of Representative:	Tom Ranger Treasurer
Address of Head Office:	2 Triton Square, Regent's Place, London, NW1 3AN United Kingdom
Telephone:	+44- (0)207-756-4797
Contact Person:	Attorney-in-Fact: Hironori Shibata, Attorney-at-law Hiroto Ando, Attorney-at-law Aina Ono, Attorney-at-law Kazuya Uryu, Attorney-at-law Anderson Mori & Tomotsune Address: Otemachi Park Building 1-1, Otemachi 1-chome Chiyoda-ku, Tokyo Telephone: +81-3-6775-1000
Type of Securities:	Notes
Scheduled Issuance Period:	8 August 2020 to 7 August 2021
Maximum Outstanding Issuance Amount:	€30,000,000,000
Address of Website for Announcement:	https://www.jpx.co.jp/english/equities/products/tpbm/announcement/index.html
Status of Submission of Annual Securities Reports or Issuer Filing Information:	None
Name of Arranger (for the purpose of this Program Information):	Mizuho International plc Nomura International plc

Notes to Investors:

1. The TOKYO PRO-BOND Market is a market for professional investors, etc. (*Tokutei Toushika tou*) as defined in Article 2, Paragraph 3, Item 2(b)(2) of the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "FIEA") (the "**Professional Investors, Etc.**"). Notes listed on the market ("**Listed Notes**") may involve high investment risk. Investors should be aware of the listing eligibility and timely disclosure requirements that apply to issuers of Listed Notes on the TOKYO PRO-BOND Market and associated risks such as the fluctuation of market prices and shall bear responsibility for their investments. Prospective investors should make investment decisions after having carefully considered the contents of this Program Information.
2. Where this Program Information (a) contains any false statement on important matters, or (b) lacks information on: (i) important matters that should be announced or (ii) a material fact that is necessary to avoid misleading content, a person who, at the time of announcement of this Program Information, is an officer (meaning an officer stipulated in Article 21, Paragraph 1 of the FIEA (meaning a director (*torishimari-yaku*), accounting advisor (*kaikai-sanyo*), corporate auditor (*kansa-yaku*) or executive officer (*shikkou-yaku*), or a person equivalent to any of these) (each an "**Officer**") of the Issuer) that announced this Program Information shall be liable to compensate

persons who acquired the Notes for any damage or loss arising from the false statement or lack of information in accordance with the provisions of Article 21, Paragraph 1, Item 1 of the FIEA applied mutatis mutandis in Article 27-33 of the FIEA and of Article 22 of the FIEA applied mutatis mutandis in Article 27-34 of the FIEA. However, this shall not apply to cases where the person who acquired the Notes was aware of the existence of the false statement or the lack of information at the time of subscription for acquisition of the Notes. Additionally, such Officer shall not be required to assume the liability prescribed above, where he/she proves that he/she was not aware of, and was unable to obtain knowledge of, even with due care, the existence of the false statement or the lack of information.

3. The regulatory framework for the TOKYO PRO-BOND Market is different in fundamental aspects from the general regulatory framework applicable to other exchange markets in Japan. Investors should be aware of the rules and regulations of the TOKYO PRO-BOND Market, which are available on Japan Exchange Group, Inc. website.
4. Tokyo Stock Exchange, Inc. ("**Tokyo Stock Exchange**") does not express opinions or issue guarantees, etc. regarding the content of this Program Information (including but not limited to, whether this Program Information (a) contains a false statement or (b) lacks information on: (i) important matters that should be announced or (ii) a material fact that is necessary to avoid misleading content) and shall not be liable for any damage or loss.
5. This Program Information is prepared pursuant to Rule 206, Paragraph 2 of the Special Regulations of Securities Listing Regulations Concerning Specified Listed Securities of Tokyo Stock Exchange (hereinafter referred to as the "**Special Regulations**") as information prescribed in Article 2, Paragraph 1, Item 1 of the Cabinet Office Ordinance on Provision and Publication of Information on Securities, etc. Accordingly, this Program Information shall constitute Specified Securities Information stipulated in Article 27-31, Paragraph 1 of the FIEA.
6. In this Program Information, all references to "**U.S. dollars**", "**U.S. \$**" and to "**\$**" are to United States dollars, references to "**Sterling**" and "**£**" are to pounds sterling, and references to "**euro**" and "**€**" are to the single currency of participating Member States of the European Union.
7. All prospective investors who purchase the Notes shall be required to agree not to sell, transfer or otherwise dispose of the Notes to be held by them to any person other than the Professional Investors, Etc., except for the transfer of the Notes to the following:
 - (a) the Issuer or an officer (meaning an officer as prescribed in Article 11-2, Paragraph 2, Item 2 (c) of the Cabinet Office Ordinance on Definitions under Article 2 of the FIEA (MOF Ordinance No. 14 of 1993, as amended, the "**Definitions Cabinet Office Ordinance**") (meaning a director (*torishimari-yaku*), corporate auditor (*kansa-yaku*), executive officer (*shikkou-yaku*), board member (*riji*) or auditor (*kanji*), or a person equivalent to any of these) of the Issuer) who holds shares or equity pertaining to voting rights exceeding 50% of all the voting rights in the Issuer which is calculated by excluding treasury shares or any non-voting rights shares (the "**Voting Rights Held by All the Shareholders, Etc.**" (*Sou Kabunushi Tou no Giketsuken*)) (as prescribed in Article 29-4, Paragraph 2 of the FIEA) of the Issuer under his/her own name or another person's name (each a "**Specified Officer**" (*Tokutei Yakuin*)), or a juridical person (excluding the Issuer) whose shares or equity pertaining to voting rights exceeding 50% of the Voting Rights Held by All the Shareholders, Etc., are held by the Specified Officer (the "**Controlled Juridical Person, Etc.**" (*Hi-Shihai Houjin Tou*)) (as prescribed in Article 11-2, Paragraph 4 of the Definitions Cabinet Office Ordinance) including a juridical person (excluding the Issuer) whose shares or equity pertaining to voting rights exceeding 50% of the Voting Rights Held by All the Shareholders, Etc. are jointly held by the Specified Officer and the Controlled Juridical Person(s), Etc. under their own name or another person's name (as prescribed in Article 11-2, Paragraph 3 of the Definitions Cabinet Office Ordinance); or
 - (b) a company that holds shares or equity pertaining to voting rights exceeding 50% of the Voting Rights Held by All the Shareholders, Etc. of the Issuer in its own name or another person's name.
8. When (i) a solicitation of an offer to acquire the Notes or (ii) an offer to sell or a solicitation of an offer to purchase the Notes (collectively, "**Solicitation of the Note Trade**") is made, the following matters shall be notified from the person who makes such Solicitation of the Note Trade to the person to whom such Solicitation of the Note Trade is made:
 - (a) no securities registration statement (pursuant to Article 4, Paragraphs 1 through 3 of the FIEA) has been filed with respect to the Solicitation of the Note Trade;

- (b) the Notes fall, or will fall, under the Securities for Professional Investors (*Tokutei Toushika Muke Yukashoken*) (as defined in Article 4, Paragraph 3 of the FIEA);
- (c) any acquisition or purchase of the Notes by such person pursuant to any Solicitation of the Note Trade is conditional upon such person (i) agreeing to comply with the restriction on transfer of the Notes as set forth in note 7 above, (in the case of a solicitation of an offer to acquire the Notes to be newly issued), or (ii) entering into an agreement providing for the restriction on transfer of the Notes as set forth in note 7 above with the person making such Solicitation of the Note Trade (in the case of an offer to sell or a solicitation of an offer to purchase the Notes already issued);
- (d) Article 4, Paragraphs 3, 5 and 6 of the FIEA will be applicable to such certain solicitation, offers and other activities with respect to the Notes as provided in Article 4, Paragraph 2 of the FIEA;
- (e) the Specified Securities Information, Etc. (*Tokutei Shouken Tou Jouhou*) (as defined in Article 27-33 of the FIEA) with respect to the Notes and the Issuer Information, Etc. (*Hakkosha Tou Jouhou*) (as defined in Article 27-34 of the FIEA) with respect to the Issuer have been or will be made available for the Professional Investors, Etc. by way of such information being posted on the web-site maintained by the TOKYO PRO-BOND Market (<https://www.jpx.co.jp/english/equities/products/tpbm/announcement/index.html> or any successor website), in accordance with Rules 210 and 217 of the Special Regulations; and
- (f) the Issuer Information, Etc. will be provided to the holders of the Notes or made public pursuant to Article 27-32 of the FIEA.
9. This Santander UK Group Holdings plc €30,000,000,000 Euro Medium Term Note Programme (the "**Programme**") under the Base Prospectus dated 30 June 2020 (as supplemented) included in this Program Information (the "**Base Prospectus**") has been rated (i) (P)Baa1 (senior unsecured), (P)P-2 (short-term), (P)Baa1 (subordinated) by Moody's Investors Service Limited ("**Moody's**"), (ii) BBB (senior unsecured notes with a maturity of one year or more), A-2 (senior unsecured notes with a maturity of less than one year), BB+ (subordinated notes) by S&P Global Ratings Europe Limited ("**S&P**") and (iii) A (long-term senior unsecured) and F1 (short-term senior unsecured) by Fitch Ratings Ltd. ("**Fitch**"). Those credit rating firms have not been registered under Article 66-27 of the FIEA ("**Unregistered credit rating firms**").
- Unregistered credit rating firms are not subject to any supervision of the Financial Services Agency of Japan or regulations applicable to credit rating firms, including obligations to disclose information, nor any obligation to publicize information regarding such matters as listed in Article 313, Paragraph 3, Item 3 of the Ordinance of the Cabinet Office Concerning Financial Instruments Business, Etc. (the "**Cabinet Office Ordinance**").
- Fitch has Fitch Ratings Japan Limited (registration number: Commissioner of Financial Services Agency (*kakuzuke*) No. 7), Moody's has Moody's Japan K.K. (registration number: Commissioner of Financial Services Agency (*kakuzuke*) No. 2) and S&P has S&P Global Ratings Japan Inc. (registration number: Commissioner of Financial Services Agency (*kakuzuke*) No. 5) within their respective groups as credit rating firms registered under Article 66-27 of the FIEA ("**Registered credit rating firms**"), and Fitch, Moody's and S&P are specified affiliated corporations (as defined in Article 116-3, Paragraph 2 of the Cabinet Office Ordinance) of the respective Registered credit rating firms above. The assumptions, significance and limitations of the credit ratings given by Fitch, Moody's and S&P are made available for the public on their respective websites of (i) Fitch Ratings Japan Limited, at "Assumptions, Significance and Limitations of Credit Ratings" posted under "Regulatory Affairs" on its website in the Japanese language (<https://www.fitchratings.com/ja/regulatory>), (ii) Moody's Japan K.K., at "Assumptions, Significance and Limitations of Credit Ratings" posted under "Related to Explanation of Unregistered Credit Ratings" in the column titled "Use of Ratings of Unregistered Firm" on its website in the Japanese language (https://www.moody's.com/pages/default_ja.aspx), and (iii) S&P Global Ratings Japan Inc., at "Assumptions, Significance and Limitations of Credit Ratings" posted under "Information on Unregistered Credit Ratings" on its website in the Japanese language (https://www.standardandpoors.com/ja_JP/web/guest/regulatory/unregistered).
10. The selling restrictions set forth in notes 7 and 8 above shall prevail over those set forth in the section entitled "SUBSCRIPTION AND SALE AND TRANSFER AND SELLING RESTRICTIONS – Japan" in the Base Prospectus dated 30 June 2020 included in this Program Information.
11. Although the Programme contemplates issuance of various types of the Notes as set out in "OVERVIEW OF THE PROGRAMME" in the Base Prospectus, the Notes which are not eligible to be listed on the TOKYO PRO-BOND Market under the rules and regulations of Tokyo Stock Exchange or due to technical difficulties shall not

be listed on the TOKYO PRO-BOND Market.

12. Copies of the documents incorporated by reference in the Base Prospectus dated 30 June 2020 and the supplements thereto are available for viewing at:
<https://www.santander.co.uk/uk/about-santander-uk/investor-relations>



SANTANDER UK PLC

(INCORPORATED IN ENGLAND WITH LIMITED LIABILITY, REGISTERED NUMBER 2294747)
(AS ISSUER OF SENIOR NOTES)

and

SANTANDER UK GROUP HOLDINGS PLC

(INCORPORATED IN ENGLAND WITH LIMITED LIABILITY, REGISTERED NUMBER 8700698)
(AS ISSUER OF SENIOR NOTES AND DATED SUBORDINATED NOTES)

€30,000,000,000

EURO MEDIUM TERM NOTE PROGRAMME

Santander UK plc ("**Santander UK**") and Santander UK Group Holdings plc ("**Santander UK Group Holdings**", together with Santander UK, the "**Issuers**" and each an "**Issuer**") may from time to time issue notes (the "**Notes**") denominated in any currency as agreed between the relevant Issuer and the relevant Dealer (as defined below) under this €30,000,000,000 Euro Medium Term Note Programme (the "**Programme**"). The Notes issued under the Programme may comprise (i) unsubordinated Notes of either Issuer which rank as senior obligations of the relevant Issuer ("**Senior Notes**") and (ii) Notes of Santander UK Group Holdings which are subordinated as described herein and have terms capable of qualifying as Tier 2 capital ("**Dated Subordinated Notes**"). Any Notes issued under the Programme by the completion of the Final Terms or, in the case of Exempt Notes (as defined below), the Pricing Supplement, on or after the date of this Prospectus are issued subject to the provisions hereof. "**Final Terms**" means the terms set out in a Final Terms document substantially in the form set out in this Prospectus and "**Pricing Supplement**" means the terms set out in a Pricing Supplement document substantially in the form set out in this Prospectus. Accordingly, in the case of Exempt Notes, each reference in this Prospectus to information being specified or identified in the applicable Final Terms shall be read and construed as a reference to such information being specified or identified in the applicable Pricing Supplement unless the context requires otherwise.

This Prospectus has (other than in respect of Exempt Notes) been approved by the United Kingdom Financial Conduct Authority (the "**FCA**"), as competent authority under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuers or of the quality of the Notes that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.

Application has been made to the FCA in its capacity as competent authority for Notes (other than Exempt Notes) issued under the Programme to be admitted to the official list of the FCA (the "**Official List**"). In respect of Notes to be admitted to the Official List, application has also been made to the London Stock Exchange plc (the "**London Stock Exchange**") for such Notes to be admitted to trading on the London Stock Exchange's Main Market. The London Stock Exchange's Main Market is a regulated market (a "**Regulated Market**") for the purposes of Directive 2014/65/EU (as amended, "**MiFID II**").

This Prospectus (as supplemented as at the relevant time, if applicable) is valid for 12 months from its date in relation to Notes which are to be admitted to trading on a regulated market in the European Economic Area (the "**EEA**"). For these purposes, reference(s) to the EEA include(s) the United Kingdom. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Prospectus is no longer valid.

The requirement to publish a prospectus under the Prospectus Regulation only applies to Notes which are to be admitted to trading on a regulated market in the EEA and/or offered to the public in the EEA other than in circumstances where an exemption is available under Article 1(4) and/or 3(2) of the Prospectus Regulation (and for these purposes, references to the EEA include the United Kingdom). References in this Prospectus to "**Exempt Notes**" are to Notes for which no prospectus is required to be published under the Prospectus Regulation. **The FCA has neither approved nor reviewed information contained in this Prospectus in connection with Exempt Notes.**

Notes may be issued in bearer or registered form (respectively "**Bearer Notes**" and "**Registered Notes**"). The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed €30,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein. The Notes may be issued on a continuing basis to one or more of the Dealers specified under "**Overview of the Programme**" and any additional Dealer appointed under the Programme from time to time (each a "**Dealer**" and together the "**Dealers**"), which appointment may be for a specific issue or on an ongoing basis. References in this Prospectus to the "**relevant Dealer**" shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe for such Notes.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes, and certain other information not contained herein which are applicable to each Tranche of Notes will (other than in the case of Exempt Notes) be set out in the applicable Final Terms which, with respect to Notes to be admitted to the Official List and to be admitted to trading on the London Stock Exchange's Main Market, will be delivered to the FCA and the London Stock Exchange on or before the date of issue of the Notes of such Tranche and will also be published on the website of the London Stock Exchange through a regulatory information service (the "**RNS website**"). In the case of Exempt Notes, notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes, and certain other information not contained herein which are applicable to each Tranche of Exempt Notes will be set out in the applicable Pricing Supplement.

The Programme provides that Notes may be listed on such other Regulated Market(s) as may be agreed between the relevant Issuer and the relevant Dealer and specified in the Final Terms.

See "**Risk Factors**" (pages 19 to 55) for a discussion of factors which may affect the relevant Issuer's ability to fulfil its obligations under Notes issued under the Programme and factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, (the "**Securities Act**") and may not be offered or sold in the United States or to, or for the benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")) unless the Notes are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available. See "**Form of the Notes**" for a description of the manner in which Notes will be issued. Notes are subject to certain restrictions on transfer, see "**Subscription and Sale and Transfer and Selling Restrictions**".

The rating of certain Series of Notes to be issued under the Programme may be specified in the applicable Final Terms.

Arranger

SANTANDER CORPORATE & INVESTMENT BANKING

Dealers

BARCLAYS
BNP PARIBAS
CREDIT SUISSE
GOLDMAN SACHS INTERNATIONAL
J.P. MORGAN
MORGAN STANLEY
NOMURA

BofA SECURITIES
CITIGROUP
DEUTSCHE BANK
HSBC
MIZUHO SECURITIES
NATWEST MARKETS

SANTANDER CORPORATE & INVESTMENT BANKING

UBS INVESTMENT BANK

The date of this Prospectus is 30 June 2020.

In this document references to “**Santander UK**” are references to Santander UK plc, references to “**Santander UK Group Holdings**” are to Santander UK Group Holdings plc and references to “**Santander UK Group**” and the “**Group**” are references to Santander UK Group Holdings and its subsidiaries. References to “**Banco Santander**” are references to Banco Santander, S.A. and references to the “**Banco Santander Group**” are references to Banco Santander and its subsidiaries.

In this document references to “**Moody’s**” are to Moody’s Investors Service Limited; references to “**S&P**” are to S&P Global Ratings Europe Limited; and references to “**Fitch**” are to Fitch Ratings Ltd. Each of Moody’s and Fitch is established in the United Kingdom (the “**UK**”) and S&P is established in the European Union (the “**EU**”). Each of Moody’s, S&P and Fitch is registered under Regulation 1060/2009/EC of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (as amended) (the “**CRA Regulation**”). In general, as at the date of this Prospectus, European (including UK) regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EU or in the UK and registered under the CRA Regulation unless the rating is provided by a credit rating agency operating in the EU or in the UK before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused. If the status of a rating agency rating the Notes changes, European (including UK) regulated investors may no longer be able to use the rating for regulatory purposes and the Notes may have a different regulatory treatment. This may result in European (including UK) regulated investors selling the Notes which may impact the value of the Notes and any secondary market.

However, following the exit of the UK from the EU and the end of any applicable transitional periods, it is expected that EU law will cease to apply to the UK. As a result, the status of a rating agency rating the Notes prior to such exit (and any transitional period) may change. In particular, it is expected that, in the absence of an agreement between the UK and the EU in respect of credit rating agencies, the credit ratings of UK based credit ratings agencies will only continue to be usable for regulatory purposes in the EU if such credit ratings are endorsed by a credit rating agency located in an EU member state and, similarly, the credit ratings of EU based credit ratings agencies will only continue to be usable for regulatory purposes in the UK if those credit ratings are endorsed by a credit rating agency which is located in the UK. Further information regarding the regulatory treatment of credit ratings following the exit of the UK from the EU (and the end of any applicable transitional periods) is contained in the public statements entitled ‘*Endorsement of credit ratings elaborated in the United Kingdom in the event of a no-deal Brexit*’ issued by the European Securities and Markets Authority dated 15 March 2019 (the “**ESMA CRA Guidance**”) and ‘*Endorsement of credit ratings from the European Union into the United Kingdom for regulatory use in the event of a no-deal Brexit*’ issued by the UK Financial Conduct Authority dated 15 March 2019 (the “**FCA CRA Guidance**”). Investors are invited to make their own assessment regarding the usability of credit ratings for regulatory purposes in their relevant jurisdictions.

The Issuers make no assurances or representations that following the exit of the UK from the EU (and the end of any applicable transitional periods) (i) the status of a rating agency rating the Notes will remain the same under either EU or UK law; (ii) a rating agency rating the Notes will continue to be registered under the CRA Regulation; and/or (iii) European (including UK) investors will be able to continue relying on any ratings provided in respect of the Notes for regulatory purposes.

Credit ratings are not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Each Issuer accepts responsibility for the information contained in this Prospectus and the Final Terms for each Tranche of Notes issued by it under the Programme. To the best of the knowledge of each Issuer the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

Other than in relation to the documents which are deemed to be incorporated by reference (see "*Documents Incorporated by Reference*" below), the information on the websites to which this Prospectus refers does not form part of this Prospectus and has not been scrutinised or approved by the FCA.

Save for the Issuers, no other party has separately verified the information contained herein or makes any representation, warranty or undertaking, express or implied, or accepts any responsibility or liability with respect to the accuracy or completeness of the information contained or incorporated in this Prospectus or any other information provided by the Issuers in connection with the Programme or accepts any liability for any actions or omissions of the Issuers or any other person in connection with the Programme.

No person is or has been authorised by either Issuer to give any information or to make any representation not contained in or not consistent with this Prospectus or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by either Issuer, any of the Dealers or the Trustee.

Neither this Prospectus nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by either Issuer, any of the Dealers or the Trustee that any recipient of this Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the relevant Issuer. Neither this Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of either Issuer, any of the Dealers or the Trustee to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuers is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers and the Trustee expressly do not undertake to review the financial condition or affairs of the Issuers during the life of the Programme or to advise any investor in the Notes of any information coming to their attention. Investors should review, *inter alia*, the most recently published documents incorporated by reference in this Prospectus when deciding whether or not to purchase any Notes.

The Notes, not in registered form, are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to or for the account or benefit of U.S. persons, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and the U.S. Treasury regulations promulgated thereunder.

Notwithstanding anything in this Prospectus to the contrary, each prospective investor (and each employee, representative or other agent of the prospective investor) may disclose to any and all persons, without limitation of any kind, the U.S. tax treatment and U.S. tax structure of any offering and all materials of any kind (including opinions or other tax analyses) that are provided to the prospective investor relating to such U.S. tax treatment and U.S. tax structure, other than any information for which nondisclosure is reasonably necessary in order to comply with applicable securities laws.

Persons into whose possession offering material comes must inform themselves about and observe any such restrictions. This Prospectus does not constitute, and may not be used for or in connection with, an offer to any person to whom it is unlawful to make such an offer or a solicitation by anyone not authorised so to act.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuers, the Dealers and the Trustee do not represent that this Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering, or that all actions have been taken by the Issuers, the Dealers or the Trustee which would permit a public offering of any Notes or distribution of this Prospectus in any jurisdiction where action for that purpose is required. In particular, no action has been taken by the Issuers, the Dealers or the Trustee which would permit a public offering of any Notes or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Notes in the United States, the European Economic Area, Belgium, the United Kingdom, Australia, Canada, Japan, Hong Kong, Singapore, Poland, the United Arab Emirates, the Dubai International Financial Centre, Indonesia, Malaysia and Switzerland, see “Subscription and Sale and Transfer and Selling Restrictions”.

In making an investment decision, investors must rely on their own examination of the relevant Issuer and the terms of the Notes being offered, including the merits and risks involved.

Certain of the Dealers and their affiliates have engaged and may in the future engage in investment banking and/or commercial banking transactions with, and may perform services for the Issuers and their respective affiliates. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuers or any of their affiliates.

None of the Dealers, the Issuers and the Trustee makes any representation to any investor in the Notes regarding the legality of its investment under any applicable laws. Any investor in the Notes should satisfy itself that it is able to bear the economic risk of an investment in the Notes for an indefinite period of time.

PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“EEA”) or in the United Kingdom (“UK”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the “Insurance

Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

BENCHMARKS REGULATION

Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates as specified in the applicable Final Terms. Any such reference rate may constitute a benchmark for the purpose of Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016 (the “Benchmarks Regulation”). If any such reference rate does constitute a benchmark, the applicable Final Terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (“ESMA”) pursuant to Article 36 (Register of administrators and benchmarks) of the Benchmarks Regulation. Not every reference rate will fall within the scope of the Benchmarks Regulation. Transitional provisions in the Benchmarks Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the relevant Final Terms (or, if located outside the EU or the UK, recognition, endorsement or equivalence). The registration status of any administrator under the Benchmarks Regulation is a matter of public record and, save where required by the applicable law, the Issuers do not intend to update the applicable Final Terms to reflect any change in the registration status of the administrator.

MIFID II PRODUCT GOVERNANCE AND TARGET MARKET

The Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) may include a legend entitled “MiFID II product governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue of Notes about whether, for the purpose of the Product Governance rules under EU Delegated Directive 2017/593 (the “MiFID Product Governance Rules”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE

The Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) may include a legend entitled “Notification under Section 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore (the “SFA”). The relevant Issuer will make a determination in relation to each issue about the classification of the Notes being offered for purposes of section 309B(1)(a). Any such legend included on the relevant Final Terms (or Pricing Supplement, in the case of

Exempt Notes) will constitute notice to “relevant persons” for the purposes of section 309B(1)(c) of the SFA.

Unless otherwise stated in the applicable Final Terms (or Pricing Supplement, in the case of Exempt Notes), all Notes shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in the Monetary Authority of Singapore (the MAS) Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

U.S. INFORMATION

The Notes have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved this Prospectus or confirmed the accuracy or determined the adequacy of the information contained in this Prospectus. Any representation to the contrary is unlawful.

This Prospectus may be distributed on a confidential basis in the United States to a limited number of Qualified Institutional Buyers (“QIBs”) as defined in Rule 144A under the Securities Act (“Rule 144A”) for informational use solely in connection with the consideration of the purchase of the Notes being offered hereby. Its use for any other purpose in the United States is not authorised. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

Registered Notes may be offered or sold within the United States only to QIBs in transactions exempt from the registration requirements under the Securities Act. Each U.S. purchaser of Registered Notes is hereby notified that the offer and sale of any Registered Notes to it may be made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A.

Each purchaser or holder of Notes represented by a Rule 144A Global Note or any Notes issued in registered form in exchange or substitution therefor (together “Rule 144A Notes”) will be deemed, by its acceptance or purchase of any such Rule 144A Notes, to have made certain representations and agreements intended to restrict the resale or other transfer of such Notes as set out in “Subscription and Sale and Transfer and Selling Restrictions”. Unless otherwise stated, terms used in this paragraph have the meanings given to them in “Form of the Notes”.

AVAILABLE INFORMATION

To permit compliance with Rule 144A in connection with any resales or other transfers of Notes that are “restricted securities” within the meaning of the Securities Act, the Issuers have undertaken in the Trust Deed to furnish, upon the request of a holder of such Notes or any beneficial interest therein, to such holder or to a prospective purchaser designated by him, the information required to be delivered under Rule 144A(d)(4) under the Securities Act if, at the time of the request, the relevant Issuer is neither a reporting company under Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended, (the “Exchange Act”) nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder. Each Issuer is currently a reporting company under the Exchange Act.

SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES

Each Issuer is a company incorporated in England. All of the directors of each Issuer, aside from one director of Santander UK, reside outside the United States and all or a substantial portion of the assets of each Issuer are located outside the United States. As a result, it may not be possible for investors to effect service of process outside England upon either Issuer, or to enforce judgments against it obtained in the United States predicated upon civil liabilities of either Issuer or such directors under laws other than English, including any judgment predicated upon United States federal securities laws. The Issuers have been advised by Slaughter and May, their English solicitors, that there is doubt as to the enforceability in England in original actions or in actions for enforcement of judgments of United States courts of civil liabilities predicated solely upon the federal securities laws of the United States.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references in this document to “U.S. dollars”, “U.S. \$” and “\$” are to the currency of the United States of America, to “Sterling” and “£” are to the currency of the United Kingdom and to “euro” and “€” are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

Each Issuer maintains its financial books and records and prepares its financial statements in Sterling in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, including interpretations issued by the IFRS Interpretations Committee of the International Accounting Standards Board and as adopted by the EU (“IFRS”). Each Issuer has complied with IFRS as adopted by the EU and as applied in accordance with the provisions of the Companies Act 2006.

FORWARD-LOOKING STATEMENTS

This Prospectus and the documents incorporated by reference herein include forward-looking statements. Examples of such forward-looking statements include, but are not limited to: (i) projections or expectations of revenues, costs, profit (or loss), earnings (or loss) per share, dividends, capital structure or other financial items or ratios; (ii) statements of plans, objectives or goals of each Issuer or its management, including those related to products or services; (iii) statements of future economic performance, including in particular any such statements included in each Issuer's most recently published Annual Report; and (iv) statements of assumptions underlying such statements. Words such as “believes”, “anticipates”, “expects”, “intends”, “aims”, “plans”, “targets” and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

By their very nature, forward-looking statements are not statements of historical or current facts; they cannot be objectively verified, are speculative and involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved. The Issuers caution that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. Some of these factors, which could affect the Group's business, financial condition and/or results of operations, include:

- the effects of disruptions and volatility in the global economy and global financial markets;
- the effects of UK economic conditions;
- the effects of the UK's withdrawal from the European Union;
- the effects of competition with other financial institutions, including new entrants into the financial services sector;

- the risk that the Group's new or existing products and services may not become (or may not continue to be) successful;
- the risk that the Group may be unable to continue offering products and services from third parties;
- the extent to which the Group's loan portfolio is subject to prepayment risk;
- the risk that the Group may be unable to manage the growth of its operations;
- the effects of any changes to the reputation of the Group or its affiliates;
- the extent to which regulatory capital, liquidity and leverage requirements, and any changes to these requirements may limit the Group's operations;
- the Group's ability to access liquidity and funding on acceptable financial terms;
- the effects of an adverse movement in external credit rating assigned to the Group, any Group member or any of their respective debt securities;
- the effects of any changes in the pension liabilities and obligations of the Group;
- the effects of fluctuations in interest rates and other market risks;
- risks arising from the integrity and continued existence of reference rates;
- the extent to which the Group may be required to record negative fair value adjustments for its financial assets due to changes in market conditions;
- the Group's ability to control the level of non-performing or poor credit quality loans and whether the Group's loan loss reserves are sufficient to cover loan losses;
- the risk that the value of the collateral, including real estate, securing the Group's loans may not be sufficient and that the Group may be unable to realise the full value of the collateral securing its loan portfolio;
- the effects of the financial services laws, regulations, government oversight, administrative actions and policies and any changes thereto in each location or market in which the Group operates;
- the risk that the Group may become subject to the provisions of the Banking Act 2009, including the bail-in and write down powers thereunder;
- the effects of any failure to comply with anti-money laundering, anti-terrorism, anti-corruption, anti-tax evasion or sanctions laws or regulations, or the risk of any failure to prevent or detect any illegal or improper activities fully or timeously;
- the effects of taxation (and any changes to tax), in each location in which the Group operates;
- the Group's exposure to any risk of loss from civil litigation and/or criminal legal or regulatory proceedings;
- the risk of failing to successfully apply or to improve the Group's credit risk management systems;
- the risk that the Santander UK Group's data management policies and processes may not be sufficiently robust;
- the effect of cyber-crime on the Group's business;
- the risks arising from any non-compliance with the Group's policies, from any employee misconduct or human error, or from any negligence or fraud;
- the risk of failing to effectively manage changes in the Group's information technology infrastructure and management information systems in a timely manner;

- the Group's exposure to unidentified or unanticipated risks despite its risk management policies, procedures and methods;
- the risks arising from the Group's reliance on third parties and affiliates for key infrastructure support, products and services;
- the ability of the Group to recruit retain and develop appropriate senior management and skilled personnel;
- the effects of any inaccuracy within the judgements and accounting estimates which underpin aspects of the financial statements, and the consequent risk of any material misstatement of the Group's financial results; and
- the effect of any change in accounting standards.

The Issuers caution that the foregoing list of important factors is not exhaustive.

Undue reliance should not be placed on forward-looking statements when making decisions with respect to the Group and/or its securities. Investors and others should take into account the inherent risks and uncertainties of forward-looking statements and should carefully consider the foregoing non-exhaustive list of important factors. Forward-looking statements speak only as of the date on which they are made and are based on the knowledge, information available and views taken on the date on which they are made; such knowledge, information and views may change at any time.

The Issuers do not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Please consider carefully the risk factors set out in the sections herein entitled Risk Factors.

ALTERNATIVE PERFORMANCE MEASURES - Certain alternative performance measures ("APMs") are included or referred to in this Prospectus (including in the documents incorporated by reference). APMs are non-IFRS measures used to supplement disclosures prepared in accordance with other applicable regulations such as IFRS. Santander UK Group Holdings considers that these APMs provide useful information to enhance the understanding of financial performance. The APMs should be viewed as complementary to, rather than a substitute for, the figures determined according to other regulatory measures. An explanation of each such APM's components and calculation method can be found at pages 169 to 171 of the Annual Report of Santander UK Group Holdings for the year ended 31 December 2019 (incorporated by reference).

STABILISATION

In connection with the issue of any Tranche of Notes, one or more relevant Dealers (the "Stabilisation Manager(s)") (or persons acting on behalf of any Stabilisation Manager(s)) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over- allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

THE UNITED KINGDOM'S WITHDRAWAL FROM THE EUROPEAN UNION

On 31 January 2020 the United Kingdom ceased to be a member state of the European Union. The United Kingdom has now entered a transition period until 31 December 2020 (or such later date as may be agreed between the United Kingdom and the European Union), during which European

Union law will continue to apply to the United Kingdom (the “Transition Period”). Once the Transition Period has ended, investors should be aware that United Kingdom law may diverge from European Union law. As at the date of this Prospectus, it is not possible for the Issuers to predict (i) the extent or materiality of any such divergence; (ii) the precise impact of any such divergence on the regulatory environment in which the Issuers and the Group operates; (iii) the impact of any such divergence on the Terms and Conditions of any Notes issued under the Programme, whether such Notes are issued in reliance upon this Prospectus, or otherwise (in the case of Exempt Notes); or (iv) the impact on the regulatory treatment of an investor holding any Notes issued under the Programme. Investors are urged to make their own assessment, and seek independent advice, regarding the impact of the UK’s exit from the European Union on their acquisition and/holding of any Notes issued under the Programme.

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DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have previously been published, shall be incorporated in, and form part of, this Prospectus and approved by the FCA for the purpose of the Prospectus Regulation:

- (1) the Annual Report of Santander UK for the year ended 31 December 2019 (which includes the audited consolidated annual financial statements of Santander UK as of 31 December 2019 prepared in accordance with IFRS), excluding the sentence “Please refer to our latest filings with the SEC (including, without limitation, our Annual Report on Form 20-F for the year ended 31 December 2019) for a discussion of certain risk factors and forward-looking statements” on page 237;
- (2) the Annual Report of Santander UK for the year ended 31 December 2018 (which includes the audited consolidated annual financial statements of Santander UK as of 31 December 2018 prepared in accordance with IFRS), excluding the sentence “Please refer to our latest filings with the SEC (including, without limitation, our Annual Report on Form 20-F for the year ended 31 December 2018) for a discussion of certain risk factors and forward-looking statements” on page 220;
- (3) the Annual Report of Santander UK Group Holdings for the year ended 31 December 2019 (which includes the audited consolidated annual financial statements of Santander UK Group Holdings as of 31 December 2019 prepared in accordance with IFRS), excluding the sentence “please refer to our latest filings with the SEC (including, without limitation, our Annual Report on Form-20F for the year ended 31 December 2019) for a discussion of certain risk factors and forward-looking statements” on page 256 and the sections entitled “Contact us” and “Key Dates” on page 258;
- (4) the Annual Report of Santander UK Group Holdings for the year ended 31 December 2018 (which includes the audited consolidated annual financial statements of Santander UK Group Holdings as of 31 December 2018 prepared in accordance with IFRS), excluding the sentence “please refer to our latest filings with the SEC (including, without limitation, our Annual Report on Form-20F for the year ended 31 December 2018) for a discussion of certain risk factors and forward-looking statements” on page 243 and the sections entitled “Contact us” and “Key Dates” on page 244;
- (5) the Quarterly Management Statement for the three months ended 31 March 2020 of Santander UK Group Holdings, including the supplementary consolidated information for Santander UK and its controlled entities as set out in Appendix 3 on page 10;
- (6) the Terms and Conditions of the Notes set out on pages 123 to 202 of the Prospectus dated 1 July 2019;
- (7) the Terms and Conditions of the Notes set out on pages 126 to 203 of the Prospectus dated 29 August 2018; and
- (8) the Terms and Conditions of the Notes set out on pages 116 to 177 of the Prospectus dated 30 August 2017.

Any statement contained herein or in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a subsequent statement which is deemed to be incorporated by reference herein or contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise), (provided, however, that such statement shall only form part of the Prospectus to the extent that it is contained in a document all of the relevant portion of which is incorporated by reference by way of a supplement proposed in accordance with Article

23 of the Prospectus Regulation). Any statement so modified or superseded shall not, except as so modified or superseded, constitute part of this Prospectus.

Copies of the documents incorporated by reference in this Prospectus, listed in (1) to (8) above, are available for viewing at: <https://www.santander.co.uk/about-santander/investor-relations>.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus shall not form part of this Prospectus.

The Issuers will, in the event of any significant new factor, material mistake or material inaccuracy relating to information included in this Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to this Prospectus or publish a new Prospectus for use in connection with any subsequent issue of Notes. Certain information contained in the documents listed above has not been incorporated by reference in this Prospectus. Such information is either (i) not considered by the Issuers to be relevant for prospective investors in the Notes to be issued under the Programme or (ii) is covered elsewhere in this Prospectus.

OVERVIEW OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms.

This Overview constitutes a general description of the Programme for the purposes of Article 25(1) of Commission Delegated Regulation (EU) No 2019/980.

Words and expressions defined in “Form of the Notes” and “Terms and Conditions of the Notes” shall have the same meanings in this overview.

Issuers:	Santander UK plc and Santander UK Group Holdings plc
Issuers’ Legal Entity Identifiers (LEI):	Santander UK plc: PTCQB104N23FMNK2RZ28 Santander UK Group Holdings plc: 549300F5XIFGNNW4CF72
Description of Issuers:	<p>Santander UK is a subsidiary of Santander UK Group Holdings and provides financial services in the UK. Santander UK was incorporated in England and Wales in 1988.</p> <p>Santander UK Group Holdings is the immediate parent company of the Santander UK Group which provides financial services in the UK. Santander UK Group Holdings was incorporated in England and Wales in 2013.</p> <p>Each Issuer forms part of the Banco Santander Group.</p>
Risk Factors:	There are certain factors that may affect the relevant Issuer’s ability to fulfil its obligations under Notes issued under the Programme. These are set out under “ <i>Risk Factors - Business Risk Factors</i> ” below. In addition, there are certain factors set out under “ <i>Risk Factors - Risks relating to the Notes</i> ” below which are material for the purpose of assessing the market risks associated with Notes issued under the Programme.
Description:	Euro Medium Term Note Programme
Arranger:	Banco Santander, S.A.
Dealers:	<p>Banco Santander, S.A.</p> <p>Barclays Bank Ireland PLC</p> <p>Barclays Bank PLC</p> <p>BNP Paribas</p> <p>Citigroup Global Markets Limited</p> <p>Credit Suisse Securities (Europe) Limited</p> <p>Deutsche Bank AG, London Branch</p> <p>Goldman Sachs International</p> <p>HSBC Bank plc</p> <p>J.P. Morgan Securities plc</p> <p>Merrill Lynch International</p>

Mizuho International plc
 Morgan Stanley & Co. International plc
 NatWest Markets Plc
 Nomura International plc
 UBS AG London Branch

and any other Dealers appointed in accordance with the Programme Agreement.

Certain Restrictions:	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “ <i>Subscription and Sale and Transfer and Selling Restrictions</i> ”).
Trustee:	Citicorp Trustee Company Limited
Issuing and Principal Paying Agent:	Citibank, N.A., London Branch
Registrar:	Citigroup Global Markets Europe AG
Programme Size:	Up to €30,000,000,000 (or its equivalent) outstanding at any time. The Issuers may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
Distribution:	The Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
Currencies:	Any currency indicated in the applicable Final Terms.
Maturities:	Subject to any applicable legal or regulatory restrictions and the rules from time to time of any relevant central bank (or equivalent body), such maturity as indicated in the applicable Final Terms. Unless otherwise permitted by the prevailing Capital Rules, Dated Subordinated Notes will have a minimum maturity of five years.
Issue Price:	Notes may be issued at an issue price which is at par or at a discount to, or premium over, par.
Form of Notes:	The Notes will be issued in bearer or registered (or inscribed) form as described in “ <i>Form of the Notes</i> ”. Notes issued in bearer form may also be issued in new global note (“ NGN ”) form. Registered Notes will not be exchangeable for Bearer Notes or <i>vice versa</i> .
Fixed Rate Notes:	Interest on Fixed Rate Notes will be payable on such date or dates as indicated in the applicable Final Terms and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the relevant Issuer and the relevant Dealer.

Fixed Rate Reset Notes: Fixed Rate Reset Notes will, in respect of an initial period, bear interest at the initial fixed rate of interest specified in the applicable Final Terms. Thereafter, the fixed rate of interest will be reset on one or more date(s) specified in the applicable Final Terms by reference to a Mid-Swap Rate, a Benchmark Gilt Rate or a Reference Bond Rate and for a period equal to the reset period, as adjusted for any applicable margin, in each case as may be specified in the applicable Final Terms. Interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.

Floating Rate Notes: Floating Rate Notes will bear interest at a rate:

- (1) determined on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or
- (2) determined on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or
- (3) equal to a fixed rate minus a rate based upon a reference rate.

The Margin (if any) relating to such floating rate will be indicated in the applicable Final Terms.

Convertible Interest Basis Notes: Convertible Interest Basis Notes may be converted from one interest and/or payment basis to another if so provided in the applicable Final Terms.

Other provisions in relation to Floating Rate Notes, Variable Interest Notes and Convertible Interest Basis Notes: Floating Rate Notes, Variable Interest Notes and Convertible Interest Basis Notes may also have a maximum interest rate, a minimum interest rate or both.

Interest Basis Notes: Interest on Floating Rate Notes, Variable Interest Notes and Convertible Interest Basis Notes in respect of each Interest Period, as agreed prior to issue by the relevant Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and may be calculated on the basis of such Day Count Fraction, as indicated in the applicable Final Terms.

Zero Coupon/Discount Notes: Zero Coupon Notes and Discount Notes will be offered and sold at a discount to their nominal amount and, in the case of Zero Coupon Notes, will not bear interest.

Benchmark In certain situations, including if the relevant benchmark ceases to be administered, (a) an Alternative Reference Rate, an applicable

- discontinuation:** Adjustment Spread and Floating Rate Calculation Changes or, in the case of Floating Rate Notes linked to U.S. dollar LIBOR or SOFR, a Benchmark Replacement and Benchmark Replacement Conforming Changes may be determined in respect of the relevant Floating Rate Notes, in each case pursuant to Condition 4(c)(ii)(B)(VII) or (b) an Alternative Relevant Rate may be determined in respect of the relevant Fixed Rate Reset Notes pursuant to Condition 4(b)(iii), as applicable.
- Exempt Notes:** Each Issuer may issue Exempt Notes. The relevant Issuer may agree with any Dealer that Exempt Notes may be issued in a form not contemplated by the “*Terms and Conditions of the Notes*”, in which event the relevant provisions will be included in the applicable Pricing Supplement.
- Redemption:** The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default or, in the case of Dated Subordinated Notes, upon the occurrence of a Regulatory Capital Event) or that such Notes will be redeemable at the option of the relevant Issuer (including, in the case of Senior Notes issued by Santander UK Group Holdings, due to a Loss Absorption Disqualification Event and upon satisfaction of any applicable conditions to redemption, as described below) and/or the Noteholders (other than the case of Dated Subordinated Notes) upon giving notice to the Noteholders or the relevant Issuer, as the case may be, on a date or dates specified prior to such stated maturity or automatically upon the occurrence of certain specified events and at a price or prices and on such other terms as may be agreed between the relevant Issuer and the relevant Dealer and indicated in the applicable Final Terms.

Conditions to redemption of the Dated Subordinated Notes and, if applicable, Senior Notes issued by Santander UK Group Holdings:	Any optional redemption or purchase by Santander UK Group Holdings of Dated Subordinated Notes (and/or Senior Notes issued by Santander UK Group Holdings, if applicable pursuant to any Loss Absorption Regulations) is subject to Santander UK Group Holdings having obtained Regulatory Approval and being in compliance with the Regulatory Preconditions.
Denomination of Notes:	Notes will be issued in such denominations as indicated in the applicable Final Terms save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, see " <i>Certain Restrictions</i> " in this Overview. In addition, the minimum denomination of each Note (other than an Exempt Note) will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).
Taxation:	No sales of Rule 144A Notes in the United States to any one purchaser will be for less than U.S.\$200,000. All payments in respect of the Notes will be made without withholding of or deduction for or on account of taxes imposed by the relevant tax jurisdiction, subject as provided in Condition 7. In the event that any such withholding or deduction is required by law, the relevant Issuer will, save in certain circumstances provided in Condition 7, be required to pay additional amounts to cover the amounts so deducted.
Status of the Notes:	The Senior Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and will rank <i>pari passu</i> without preference among themselves. The Dated Subordinated Notes will constitute direct, subordinated and unsecured obligations of Santander UK Group Holdings and will rank <i>pari passu</i> without preference among themselves.
Waiver of set-off:	Subject to applicable law, no holder of any Dated Subordinated Notes or Senior Notes issued by Santander UK Group Holdings and, in each case, the relative Coupons (if any), may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by Santander UK Group Holdings arising under or in connection with the Dated Subordinated Notes or the Senior Notes issued by Santander UK Group Holdings or, in each case, the relative Coupons (if any), and each holder of any Dated Subordinated Notes or Senior Notes issued by Santander UK Group Holdings and, in each case, the relative Coupons (if any) shall, by virtue of being the holder of any Dated Subordinated Note or Senior Note issued by Santander UK Group Holdings or, in each case, the holder of the relative Coupon (if any), be deemed to have waived all such rights of set-off, compensation or retention.

- Rating:** The rating of the Notes (if any) to be issued under the Programme will be specified in the applicable Final Terms.
- Listing:** Application has been made for Notes (other than Exempt Notes) issued under the Programme to be admitted to the Official List and trading on the London Stock Exchange's Main Market. The Notes may also be listed on such other Regulated Market(s) as indicated in the applicable Final Terms in relation to each Series.
- Governing Law:** The Notes and any non-contractual obligations arising out of or in connection therewith will be governed by, and construed in accordance with, English law.
- Selling Restrictions:** There are restrictions on the offer, sale and transfer of Notes in certain jurisdictions, including in the United States, the European Economic Area, Belgium, the United Kingdom, Australia, Japan, Hong Kong, Singapore, Canada, Poland, the United Arab Emirates, the Dubai International Financial Centre, Indonesia, Malaysia, Switzerland and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes (see "*Subscription and Sale and Transfer and Selling Restrictions*").

Neither the Trust Deed constituting the Notes nor the Terms and Conditions of the Notes will contain any negative pledge covenant by the relevant Issuer or any events of default other than those set out in Condition 9 (which do not include, inter alia, a cross default provision).

RISK FACTORS

In purchasing Notes, investors assume the risk that the relevant Issuer might become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the relevant Issuer becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuers might not be aware of all relevant factors and certain factors which they currently deem not to be material may become material as a result of the occurrence of events outside that Issuer's control. Each Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme.

Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.

Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Prospectus have the same meanings in this section.

Business Risk Factors

Geopolitical and Macro-Economic Risks

The Group's operations, financial condition and prospects may be materially impacted by economic conditions in the UK and disruptions in the global economy and global financial markets

The Group's business activities are concentrated in the UK, where it offers a range of banking and financial products and services to UK retail and corporate customers. As a consequence, the Group's operations, financial condition and prospects are significantly affected by the general economic conditions in the UK

In particular, the Group may face, among others, the following risks related to any future economic downturn:

- Reduced demand for the Group's products and services.
- Inability of the Group's borrowers to comply fully or in a timely manner with their existing obligations.
- The process the Group uses to estimate losses inherent in its credit exposure requires complex judgements and assumptions, including forecasts of economic conditions, and if such economic conditions develop more adversely than the Group's estimates it may impair the ability of the Group's borrowers to repay their loans.
- The degree of uncertainty concerning economic conditions may adversely affect the accuracy of the Group's estimates, which may, in turn, impact the reliability of the process and the sufficiency of the Group's loan loss allowances.
- Lower or negative interest rates, reducing the Group's interest margins.
- The value and liquidity of the portfolio of investment securities that the Group holds may be adversely affected.
- The recovery of the international financial industry may be delayed and impact the Group's operations, financial condition and prospects.
- Adverse macroeconomic developments may have a negative impact on the household income of the Group's retail customers and the profitability of the Group's business customers, which may adversely affect the recoverability of the Group's loans and other extensions of credit and result in increased credit losses. In particular, the recent outbreak of COVID-19 and various efforts recommended or put in place for individuals and businesses to contain the spread of the disease

in the UK and in other countries, as well as some of the UK government and central bank financial mitigation measures, could adversely affect the Group's profitability and its operations, although it is too early to accurately predict the financial and business impact of the COVID-19 outbreak at this time.

- Accommodative monetary policies leading to an extended period of low or lower interest rates, particularly the reduction of interest rates to near zero as a mitigating measure in response to the recent COVID-19 outbreak, weaker sterling and potentially higher inflation, any of which could have an adverse effect on the Group's profitability.
- Adverse changes in the credit quality of the Group's borrowers and counterparties or a general deterioration in UK economic conditions could reduce the recoverability and value of the Group's assets and require an increase in its level of provisions for bad and doubtful debts. There can be no assurance that the Group will not have to increase its provisions for loan losses in the future as a result of increases in non-performing loans or for other reasons beyond its control. Material increases in the Group's provisions for loan losses and write-offs or charge-offs could have a material adverse effect on its operations, financial condition and prospects. Any significant related reduction in the demand for its products and services could also have a material adverse effect on the Group's operations, financial condition and prospects.
- Economic instability and downturns beyond the UK may also impact the UK economy as a whole. Disruption and volatility in the global financial markets could have a material adverse effect on the Group, including the Group's ability to access capital and liquidity on financial terms acceptable to the Group, which could have a material adverse effect on the Group's operations, financial condition and prospects.

The UK's withdrawal from the EU could have a material adverse effect on the Group's operations, financial condition and prospects

On 31 January 2020 the UK ceased to be a member of the EU, on withdrawal terms which establish the Transition Period until 31 December 2020. During the Transition Period the UK will be treated as if it were still a member of the EU for trading purposes, EU legislation will continue to apply in the UK and negotiations on a trade agreement will be conducted, as well as negotiations on the extent of legislative and regulatory convergence and regulatory cooperation. The EU will also carry out regulatory equivalence assessments for financial services. Such assessments, even if positive, do not guarantee that equivalence will be granted to the UK as a third country pursuant to equivalence regimes in existing EU financial services legislation. Although the withdrawal agreement foresees the possibility to extend the Transition Period for two more years after the 31 January 2020, this is not automatic as the UK has enshrined the 31 December 2020 date in domestic legislation passing the withdrawal agreement as the end of the Transition Period, signalling a current desire not to extend it.

Uncertainty remains around the terms of the UK's relationship with the EU at the end of the Transition Period. If the Transition Period were to end without a comprehensive trade agreement, the UK's economic growth may be negatively impacted. At the end of the Transition Period, even if a trade agreement is entered into and/or if equivalence is granted to certain areas of the UK's financial services, contingency measures may still be necessary in certain economic or financial matters to avoid uncertainty and adverse economic effects in the UK and there may be some changes in the products and services that the Group can continue to offer into the EEA and to EEA residents or EEA incorporated entities. Where possible, Santander UK would look to service such EEA customers from Banco Santander, S.A. instead.

While the longer term effects of the UK's anticipated withdrawal from the EU are difficult to predict, there is ongoing political and economic uncertainty, which is likely to continue in the medium term. This uncertainty may have an adverse effect on the UK economy impacting on borrowers and/or the Group. Management has identified a number of risks to the Group as a consequence of this uncertainty and the result of the withdrawal process, including the following:

- Increased market volatility: there could be a negative impact on the Group's cost of or access to funding, especially in an environment in which the Group's credit ratings are impacted, and this could affect interest and currency exchange rates and the value of assets in the Group's banking book or of securities held by the Group for liquidity purposes.
- The Group is subject to substantial EU-derived regulation and oversight: although legislation has now been passed transferring the EU *acquis* into UK law, there remains significant uncertainty as

to the legal and regulatory environment in which the Group and its subsidiaries will operate when the Transition Period ends.

- Uncertainty on cross-border operations: the Group and other financial institutions will not be able to rely on the European passporting framework for financial services and may not be able to utilise EU financial markets infrastructure, and it is unclear what alternative regime may be in place following the UK's departure from the EU, which would limit the ability of the Group to carry on cross-border business in the EU.
- An adverse effect on the UK economy impacting the Group's customers and clients.

Were one or more of these risks to arise it could have a material adverse effect on the Group's operations, financial condition and prospects.

No assurance can be given that any of the matters outlined above would not adversely affect (i) the ability of the Issuers to satisfy their obligations under the Notes; and/or (ii) the market value of the Notes; and/or (iii) the liquidity of the Notes in the secondary market.

Business Model Risks

The Group is exposed to competition from other financial institutions, including new entrants into the financial services sector

The markets for UK financial services are very competitive and the Group has seen strong competition from incumbent banks and large building societies. In addition, the Group faces competition from a number of new entrants, non-banks and other providers.

The UK government and regulators are actively supporting the emergence of new entrants into the UK financial services market. The internet and mobile technologies are also changing customer behaviour and the competitive environment. There has been a steep rise in customer use of mobile banking in recent years. The Group faces competition from established providers of financial services as well as from banking business developed by non-financial companies, including technology companies and large retail companies with strong brand recognition. Management expects such competition to continue or intensify as a result of customer behaviour and trends, technological changes, competitor behaviour, the growth in digital banking, new lending models and changes in regulation (including the recent introduction of Open Banking and changes arising from the Payment Services Directive II ("PSD2"). As a result of any restructuring or evolution in the market, there may emerge one or more new viable competitors in the UK banking market or a material strengthening of one or more of the Group's existing competitors in that market, limiting the Group's ability to increase its customer base and expand its operations, increasing competition for investment opportunities and potentially reducing the Group's market share.

Any of these factors or a combination thereof could result in a significant reduction in the profit of the Group. The Group gives consideration to the competitive position in its management actions, such as pricing, product decisions and its business model. Increasing competition could mean that the Group increases rates offered on deposits or lowers the rates it charges on loans, or changes its cost base, any of which could have a material adverse effect on its operations, financial condition and prospects.

The Group's ability to maintain its competitive position depends, in part, on the success of new products and services it offers its customers and its ability to continue offering products and services from third parties

The success of the Group's operations and its profitability depends, in part, on the success of new products and services it offers to customers. However, the Group cannot guarantee that its new products and services will meet the needs or preferences of the Group's customers which may change over time, and such changes may render the Group's products and services obsolete, outdated or unattractive, and the Group may not be able to develop new products that meet its customers' changing needs in a timely manner. As the Group expands the range of its products and services, some of which may be at an early stage of development in the UK market, it will be exposed to known, new and potentially increasingly complex risks, including conduct risk, and development expenses. The Group's employees and risk management systems, as well as its experience and that of its partners, may not be sufficient or adequate to enable it to properly handle or manage such risks. In addition, the cost of developing products that have not launched is likely to affect its operating results.

Any or all of the above factors, individually or collectively, could have a material adverse effect on the Group's operations, financial condition and prospects.

The Group's loan portfolio is subject to risk of prepayment

The Group's loan portfolio is subject to prepayment risk resulting from the ability of a borrower or issuer to pay a debt obligation prior to maturity. Generally, in a low interest rate environment, prepayment activity increases, which reduces the weighted average lives of the Group's earning assets and could have a material adverse effect on the Group's operations, financial condition and prospects.

As a result the Group could be required to amortise net premiums into income over a shorter period of time, thereby reducing the corresponding asset yield and net interest income and there is a risk that the Group is not able to accurately forecast amortisation schedules for these purposes which may affect its profitability. Prepayment risk also has a significant adverse impact on credit card and collateralised mortgage loans, since prepayments could shorten the weighted average life of these assets, which may result in a mismatch in the Group's funding obligations and reinvestment at lower yields. The risk of prepayment and its impact on the Group's ability to accurately forecast amortisation schedules is inherent in the Group's commercial activity and an increase in prepayments or a failure to accurately forecast amortisation schedules could have a material adverse effect on the Group's operations, financial condition and prospects.

If the Group is unable to manage the growth of its operations, this could have a material adverse impact on its profitability

The Group allocates management and planning resources to develop strategic plans for organic growth, and to identify possible acquisitions and disposals and areas for restructuring its businesses when necessary. From time to time, the Group evaluates acquisition, disposal, and partnership opportunities that it believes could offer additional value to its shareholders and customers, and are consistent with its business strategy. However, the Group may not be able to identify suitable acquisition or partnership candidates, and may not be able to acquire promising targets or form partnerships on favourable terms, or at all. Furthermore, preparations for acquisitions that the Group does not complete can be disruptive. The Group bases its assessment of potential acquisitions and partnerships on limited and potentially inexact information and on assumptions with respect to value, operations, profitability and other matters that may prove to be incorrect. The Group's ability to benefit from any such acquisitions and partnerships will depend in part on its successful integration of those businesses. Such integration entails significant risks such as challenges in retaining the customers and employees of the acquired businesses, unforeseen difficulties in integrating operations and systems and unexpected liabilities or contingencies relating to the acquired businesses, including legal claims and regulatory investigations. Moreover, the success of the acquisition or venture will at least in part be subject to a number of political, economic and other factors that are beyond the Group's control. The Group can give no assurances that its expectations with regard to integration and synergies will materialise.

The Group cannot provide assurance that it will, in all cases, be able to manage its growth effectively or to implement its strategic growth decisions, including its ability to:

- Manage efficiently the operations and employees of expanding businesses.
- Maintain or grow its existing customer base.
- Successfully execute its strategy.
- Fully due diligence and assess the value, strengths and weaknesses of investment or acquisition candidates.
- Finance strategic opportunities, investments or acquisitions.
- Fully integrate strategic investments, or newly-established entities or acquisitions, in line with its strategy.
- Align its current information technology systems adequately with those of an enlarged group.
- Apply its risk management policy effectively to an enlarged group.

Any or all of these factors, individually or collectively, could have a material adverse effect on the Group's operations, financial condition and prospects.

Damage to the Group's reputation could cause harm to its business prospects

Maintaining a positive reputation is critical to attracting and retaining customers, investors and employees and conducting business transactions with counterparties. Damage to the reputation of the Group or Banco Santander, S.A. (as the ultimate parent of the Group), the reputation of affiliates operating under the 'Santander' brand or any of its other brands could therefore cause significant harm to the Group's business and prospects. Harm to the Group's reputation can arise directly or indirectly from numerous sources, including, among others, employee misconduct (including the possibility of employee fraud), litigation, regulatory interventions and enforcement action, failure to deliver minimum standards of service and quality, disruption to service due to a cyber-attack, wider IT failures, compliance failures, third party fraud, financial crime, breach of legal or regulatory requirements, unethical behaviour (including adopting inappropriate sales and trading practices), the activities of customers, suppliers and counterparties and the perception of the financial services industry as a whole. Further, negative publicity regarding the Group, whether true or not, may result in harm to the Group's operations, financial condition and prospects.

The Group could suffer significant reputational harm if it fails to identify and manage potential conflicts of interest properly. The failure, or perceived failure, to adequately address conflicts of interest could affect the willingness of customers to deal with the Group, or give rise to litigation or regulatory enforcement actions against the Group. Therefore, there can be no assurance that conflicts of interest will not arise in the future that could cause material harm to the Group's financial condition and prospects.

Capital and Liquidity Risk

The Group is subject to regulatory capital, liquidity and leverage requirements that could limit its operations, and changes to these requirements may further limit and could have a material adverse effect on the Group's operations, financial condition and prospects

Capital Requirements Regulation and Capital Requirements Directive IV

The Group is subject to capital adequacy requirements applicable to banks and banking groups under directly applicable EU legislation and as adopted by the Prudential Regulation Authority ("**PRA**"). The Group is required to maintain a minimum ratio of Common Equity Tier 1 ("**CET1**") capital to risk-weighted assets, Tier 1 capital to risk-weighted assets, total capital to risk-weighted assets and Tier 1 capital to total adjusted assets for leverage monitoring purposes. Any failure by the Group to maintain such ratios above prescribed regulatory minimum levels may result in administrative actions or sanctions. These could potentially include requirements on the Group to cease all or certain lines of new business, to raise new capital resources or, in certain circumstances, a requirement for the Group's existing capital instruments (potentially including the Group's debt securities) to be subjected to bail-in or write down (for more information, see the risk factor entitled "*Legal & Regulatory Risks – The Group may become subject to the provisions of the Banking Act 2009, including bail-in and write down powers*").

The Capital Requirements Directive IV ("**CRD IV Directive**") and the Capital Requirements Regulation (the "**CRR**" and together with the CRD IV Directive, "**CRD IV**") implemented changes proposed by the Basel Committee on Banking Supervision (the "**Basel Committee**") to the capital adequacy framework, known as 'Basel III' in the EU. In implementing CRD IV, the PRA has required the capital resources of UK banks to be maintained at levels which exceed the base capital requirements prescribed by CRD IV and to cover relevant risks in their business. In addition, a series of capital buffers have been established under CRD IV and PRA rules to ensure a bank can withstand a period of stress. Though the results of the PRA's 2019 stress test did not impact on the level of capital that the Group is required to hold, the PRA could, in the future, as a result of stress testing exercises (both in the UK and EU wide) and as part of the exercise of UK macro-prudential capital regulation tools, or through supervisory actions, require the Group to increase its capital resources further, which could have a material adverse effect on the Group's operations, financial condition and prospects.

Liquidity Coverage Ratio ("LCR")

The LCR is intended to ensure that a bank maintains an adequate level of unencumbered, high quality liquid assets which can be used to offset the net cash outflows the bank could encounter under a short-term significant liquidity stress scenario. The current minimum requirement for LCR is set at 100%. The

Group's current liquidity position is in excess of the minimum requirements set by the PRA, however there can be no assurance that future changes to the applicable liquidity requirements would not have an adverse effect on the Group's financial performance.

Leverage Ratios

The Financial Services Act 2012 (the "**FS Act**") also provides the Financial Policy Committee ("**FPC**") of the Bank of England ("**BoE**") with certain other macro-prudential tools for the management of systemic risk, including quarterly setting of the countercyclical capital buffer rate and powers of direction relating to leverage ratios. All major UK banks and banking groups (including the Group) are required to hold enough Tier 1 capital (75% of which must be CET1 capital) to satisfy a minimum leverage ratio requirement of 3.25% and enough CET1 capital to satisfy a countercyclical leverage ratio buffer of 35% of each bank's institution-specific countercyclical capital buffer rate. The PRA require UK globally systemically important banks ("**G-SIBs**") and ring fenced bodies to hold enough CET1 capital to meet an additional leverage ratio buffer of 35% of the institution-specific G-SIB buffer rate or Systemic Risk Buffer ("**SRB**") rate, and for consolidated groups which include a ring fenced body to hold enough CET1 capital to meet leverage ratio group add-on. The FPC can also direct the PRA to adjust capital requirements in relation to particular sectors through the imposition of sectoral capital requirements. Action taken in the future by the FPC in exercise of any of its powers could result in the regulatory capital requirements applied to the Group being further increased, which could have a material adverse effect on the Group's operations, financial condition and prospects.

Further Regulatory Changes

Regulators in the UK and worldwide have also proposed that additional loss absorbency requirements should be applied to systemically important institutions to ensure that there is sufficient loss absorbing and recapitalisation capacity available in resolution. The Bank Recovery and Resolution Directive ("**BRRD**") requires that EU Member States ensure that EU banks meet a Minimum Requirement for Eligible Liabilities ("**MREL**"). The BoE is required to set MREL for all institutions. The BoE expects banks to comply with end-state MREL requirements by 1 January 2022.

On 7 June 2019 amendments to CRD IV, BRRD and the single resolution mechanism ("**SRM**") through Regulation (EU) 2019/876 of the European Parliament and of the Council amending CRR ("**CRR II**") and Directive (EU) 2019/878 of the European Parliament and of the Council amending CRD IV ("**CRD V**") were published. CRR II and CRD V introduce changes to the leverage ratio, requirements for own fund and MREL, counterparty credit risk, market risk, exposures to central counterparties, large exposures, reporting and disclosure requirements, remuneration, capital conservation measures and the net stable funding ratio ("**NSFR**") amongst others. The NSFR is defined as the amount of available stable funding relative to the amount of required stable funding. The majority of the provisions of CRR II will apply from 28 June 2021, although certain provisions, such as those relating to the definition of own funds, were implemented from 27 June 2019.

In addition to the above, regulators in the UK and worldwide have produced a range of proposals for future legislative and regulatory changes which could force the Group to comply with certain operational restrictions or take steps to raise further capital, or could increase the Group's expenses and could have a material adverse effect on the Group's operations, financial condition and prospects. These changes, which could affect the Group as a whole, include the EU implementation of the Basel Committee's new market risk framework, which reflects rules made as a result of the Basel Committee's fundamental review of the trading book. In addition, in December 2017 the Basel Committee published the final Basel III framework, with proposed implementation from 1 January 2022. This includes the following elements:

- Revisions to the standardised approach for credit risk, credit valuation adjustment risk and operational risk to address certain weaknesses identified by the Basel Committee.
- Additional constraints on the use of internal model approaches for credit risk, and removing the use of internal model approaches for credit valuation adjustment risk and operational risk.
- The use of an output floor based on standardised approaches.
- The introduction of a leverage ratio buffer for global systemically important banks and refinements to the definition of the leverage ratio exposure measure.

The foregoing measures could have a material adverse effect on the Group's operations, financial condition and prospects.

There is a risk that changes to the UK's capital adequacy regime (including any increase to minimum leverage ratios) may result in increased minimum capital requirements, which could reduce available capital for new business purposes and adversely affect the Group's cost of funding, profitability and ability to pay dividends, continued organic growth (including increased lending), or pursue acquisitions or other strategic opportunities (alternatively the Group could be required to restructure its balance sheet to reduce the capital charges incurred pursuant to the PRA's rules in relation to the assets held, or raise additional capital but at increased cost and subject to prevailing market conditions). In addition, changes to the eligibility criteria for Tier 1 and Tier 2 capital may affect the Group's ability to raise Tier 1 and Tier 2 capital and impact the recognition of existing Tier 1 and Tier 2 capital resources in the calculation of the Group's capital position. Furthermore increased capital requirements may negatively affect the Group's return on equity and other financial performance indicators.

The Group's business could be affected if its capital is not managed effectively or if these measures limit the Group's ability to manage its balance sheet and capital resources effectively or to access funding on commercially acceptable terms. Effective management of the Group's capital position is important to the Group's ability to operate its business, to continue to grow organically and to pursue its business strategy. There is a risk that implementing and maintaining existing and new liquidity requirements, such as through enhanced liquidity risk management systems, may incur significant costs, and more stringent requirements to hold liquid assets may materially affect the Group's lending business as more funds may be required to acquire or maintain a liquidity buffer, thereby reducing future profitability. This could in turn adversely impact the Group's operations, financial condition and prospects.

Liquidity and funding risks are inherent in the Group's business and could have a material adverse effect on the Group's operations, financial condition and prospects

Liquidity risk is the risk that the Group either does not have available sufficient financial resources to meet its obligations as they fall due or can secure them only at excessive cost. This risk is inherent in any retail and commercial banking business and can be heightened by a number of enterprise-specific factors, including over-reliance on a particular source of funding, changes in credit ratings or market-wide phenomena such as market dislocation. While the Group maintains a liquid asset buffer and implements liquidity management processes to seek to mitigate and control these risks, in particular, unforeseen systemic market factors like those experienced during the last financial crisis make it difficult to eliminate these risks completely. There can be no assurance that such circumstances will not reoccur. Extreme liquidity constraints may affect the Group's operations and its ability to fulfil regulatory liquidity requirements, as well as limit growth possibilities. Disruption and volatility in the global financial markets could have a material adverse effect on the Group's ability to access capital and liquidity on financial terms acceptable to it. A sudden or unexpected shortage of funds in the banking system could threaten the stability of the banking system, and lead to increased funding costs, a reduction in the term of funding instruments or require the Group to liquidate certain assets, thereby impacting the Group's liquidity position and its ability to pay its debts. If these circumstances were to arise, this could have a material adverse effect on the Group's results, operations, financial condition and prospects.

The Group's cost of funding is directly related to prevailing interest rates and to its credit spreads. Increases in interest rates and the Group's credit spreads can significantly increase the cost of its funding. Changes in the Group's credit spreads are market-driven and may be influenced by market perceptions of its creditworthiness. Changes to interest rates and the Group's credit spreads occur continuously and may be unpredictable and highly volatile.

If wholesale markets financing ceases to be available, or becomes excessively expensive, the Group may be forced to raise the rates it pays on deposits, with a view to attracting more customers, and/or to sell assets, potentially at depressed prices. The persistence or worsening of these adverse market conditions, significant increases in capital markets funding costs or deposit rates could have a material adverse effect on the Group's interest margins, its cost of funding, access to liquidity and its profitability and therefore on its operations, financial condition and prospects.

In recent years the Group has also made use of central bank funding schemes such as the BoE's Funding for Lending Scheme and Term Funding Scheme. As at 31 December 2019, the Group had drawn £10.8 billion of cash under the Term Funding Scheme and £1.0 billion of UK Treasury Bills under the BoE's Funding for Lending Scheme. A rapid removal or significant reduction in outstanding quantitative easing purchase programmes could have an adverse effect on the Group's ability to access liquidity and on its

funding costs. Any significant reduction or withdrawal of any central bank funding facilities the Group may be utilising at any given time could cause an increased dependence on term funding issues and increase its funding costs.

Each of the factors described above could have a material adverse effect on the Group, including its ability to access capital and liquidity on financial terms acceptable to it and, more generally, on its operations, financial condition and prospects.

Further, the Group aims for a funding structure that is consistent with its assets, avoids excessive reliance on short-term wholesale funding, attracts enduring retail and commercial deposits and provides diversification in products and tenor. The Group therefore relies, and will continue to rely, on retail and commercial deposits to fund a significant proportion of lending activities. The ongoing availability of this type of funding is sensitive to a variety of factors outside the Group's control, such as general economic conditions and the confidence of depositors in the economy, in the financial services industry in general and in the Group specifically, the Group's credit rating and the availability and extent of deposit guarantees, as well as competition between banks for deposits or competition with other products, such as mutual funds. A change in any of these factors could significantly increase the amount of commercial deposit withdrawals in a short period of time, thereby reducing its ability to access deposit funding on appropriate terms, or at all, in the future, and therefore have a material adverse effect on the Group's operations, financial condition and prospects.

The Group's liquidity planning assumes that customers will continue to make a volume of deposits with the Group (particularly demand deposits and short-term time deposits), and the Group intends to maintain its emphasis on the use of deposits as a source of funds. The short-term nature of some deposits could cause liquidity problems for the Group in the future if deposits are not made in the volumes anticipated, are withdrawn at short notice or are not renewed. If a substantial number of depositors withdraw their demand deposits or do not roll over their time deposits upon maturity, there may be a material adverse effect on the Group's operations, financial condition and prospects.

An adverse movement in the Group's external credit rating would likely increase its cost of funding, require the Group to post additional collateral or take other actions under some of its derivative contracts and adversely affect the Group's operations, financial condition and prospects

Credit ratings affect the cost and other terms upon which the Group is able to obtain funding. Credit rating agencies regularly evaluate the Group, and their credit ratings of the Group and the Group's issued debt are based on a number of factors, including the Group's financial strength, the strength of the UK economy and conditions affecting the financial services industry generally.

Any downgrade in the external credit ratings assigned to the Group or any of the Group's debt securities could have an adverse impact on the Group. In particular, such downgrade in the Group's credit ratings could increase its borrowing costs and could require it to post additional collateral or take other actions under some of derivatives, loan facilities or other financial contracts, and could limit its access to capital markets and have a material adverse effect on its operations, financial condition and prospects. For example, a credit rating downgrade could have a material adverse effect on the Group's ability to sell or market certain products, engage in certain longer-term or derivatives transactions and retain its customers or investors, particularly those who need a minimum rating threshold in order to transact or invest.

Any of these results of a credit rating downgrade could, in turn, result in outflows and reduce the Group's liquidity and have an adverse effect on the Group, including its operations, financial condition and prospects. For example, the Group estimates that at 31 December 2019, if Fitch, Moody's and S&P were concurrently to downgrade the long-term credit ratings of Santander UK plc by one notch, and thereby trigger a short-term credit rating downgrade, this could result in an outflow of £1.5 billion of cash and collateral. A hypothetical two notch downgrade would result in a further outflow of £1.6 billion of cash and collateral at 31 December 2019. These potential outflows are captured under the LCR regime. However, while certain potential impacts are contractual and quantifiable, the full consequences of a credit rating downgrade are inherently uncertain, as they depend upon numerous dynamic, complex and inter-related factors and assumptions, including market conditions at the time of any downgrade, whether any downgrade of a firm's long-term credit rating precipitates downgrades to its short-term credit rating, whether any downgrade precipitates changes to the way that the financial institutions sector is rated, and assumptions about the ratings of other financial institutions and the potential behaviours of various customers, investors and counterparties. Actual outflows will also depend upon certain other factors including any management or restructuring actions that could be taken to reduce cash outflows and the

potential liquidity impact from a loss of unsecured funding (such as from money market funds) or loss of secured funding capacity.

There can be no assurance that the credit rating agencies will maintain the Group's current credit ratings or outlooks. A failure to maintain favourable credit ratings or outlooks could increase the Group's cost of funding, adversely affect the Group's interest margins, and reduce its ability to secure both long-term and short-term funding. If a downgrade of a Group member's long-term credit ratings were to occur, it could also impact the short-term credit ratings of other members of the Group. The occurrence of any of these events could have a material adverse effect on the Group's operations, financial condition and prospects.

Negative changes to the UK sovereign credit rating, or the perception that further negative changes may occur, could have a material adverse effect on the Group's operations, financial condition, prospects and the marketability and trading value of its securities. This might also have an impact on the Group's own credit rating, borrowing costs and ability to secure funding. Negative changes to the UK sovereign credit rating, or the perception that further negative changes may occur, could also have a material effect in depressing consumer confidence, restricting the availability and increasing the cost of funding for individuals and companies, further depressing economic activity, increasing unemployment and reducing asset prices, which could in turn have a material adverse effect on the Group's operations, financial condition and prospects.

Changes in the Group's pension liabilities and obligations could have a materially adverse effect on the Group's operations, financial condition and prospects

The majority of current employees are provided with pension benefits through defined contribution arrangements. Under these arrangements the Group's obligation is limited to the cash contributions paid. The Group provides retirement benefits for many of its former and current employees in the UK through a number of defined benefit pension schemes established under trust. Santander UK plc is the principal employer under the majority of these schemes, but it has only limited control over the rate at which it pays into such schemes. Under the UK statutory pension funding requirements employers are usually required to contribute to the schemes at the rate they agree with the scheme trustees although, if they cannot agree, the rate can be set by The Pensions Regulator ("**Pensions Regulator**"). The scheme trustees may, in the course of discussions about future valuations, seek higher employer contributions. The scheme trustees' power in relation to the payment of pension contributions depends on the terms of the trust deed and rules governing the pension schemes, but, in some cases, the scheme trustees may have the unilateral right to set the employer's relevant contribution.

The Pensions Regulator has the power to issue a financial support direction to companies within a group in respect of the liability of employers participating in the UK defined benefit pension schemes where that employer is a service company, or is otherwise 'insufficiently resourced' (as defined for the purposes of the relevant legislation). As some of the employers within the Group are service companies, if the Pensions Regulator determines that they have become insufficiently resourced and no suitable mitigating action is undertaken, other companies within the Group which are connected with or an associate of those employers are at risk of a financial support direction in respect of those employers' liabilities to the defined benefit pension schemes in circumstances where the Pensions Regulator properly considers it reasonable to issue one. Such a financial support direction could require the companies to guarantee or provide security for the pension liabilities of those employers, or could require additional amounts to be paid into the relevant pension schemes in respect of them.

The Pensions Regulator can also issue contribution notices if it is of the opinion that an employer has taken actions, or failed to take actions, deliberately designed to avoid meeting its pension promises or which are materially detrimental to the scheme's ability to meet its pension promises. A contribution notice can be issued to any company or individual that is connected with or an associate of such employer in circumstances where the Pensions Regulator considers it reasonable to issue it and multiple notices could be issued to connected companies or individuals for the full amount of the debt. The risk of a contribution notice being imposed may inhibit the Group's freedom to restructure or to undertake certain corporate activities. There is a risk that the Group could incur an obligation to make a contribution to the scheme by virtue of section 75 or 75A of the Pensions Act 1995 as a result of a reorganisation or disposal of the Group's businesses.

Should the value of assets to liabilities in respect of the defined benefit schemes operated by Santander UK record a deficit or an increased deficit (as appropriate), due to either a reduction in the value of the pension fund assets (depending on the performance of financial markets) not matched by a fall in the pension fund liabilities and/or an increase in the scheme liabilities not matched by an increase in the

pension fund assets due to changes in legislation, mortality assumptions, discount rate assumptions, inflation, or other factors, or there is a change in the actual or perceived strength of the employer's covenant, this could result in Santander UK having to make increased contributions to reduce or satisfy the deficits which would divert resources from use in other areas of its business and reduce its capital resources. While Santander UK can control a number of the above factors, there are some over which Santander UK has no or limited control. Although the trustees of the defined benefit pension schemes are obliged to consult with Santander UK before changing the pension schemes' investment strategy, the trustees have the final say and ultimate responsibility for investment strategy rests with them.

Changes in UK legislation and regulation to address perceived failings in pension protection following recent high profile company insolvencies with large pension deficits may also affect Santander UK's position. Specific areas where concerns have been raised are levels of dividends where there is a pension scheme with a deficit and the length of time taken to address deficits. Changes in legislation or regulation could result in Santander UK having to make increased contributions to reduce or satisfy the deficits which would divert resources from use in other areas of its business and reduce its capital resources.

Any increase in the Group's pension liabilities and obligations as a result of the foregoing factors could have a material adverse effect on the Group's operations, financial conditions and prospects.

Market Risks

The Group's financial results are constantly exposed to market risk. The Group is subject to fluctuations in interest rates and other market risks, which could have a material adverse effect on the Group's operations, financial condition and prospects

Market risk refers to the probability of variations in the Group's net interest income or in the market value of its assets and liabilities due to volatility of interest rates, exchange rates or equity prices.

Changes in interest rates would affect the following areas, among others, of the Group's business:

- Net interest income.
- The value of the Group's derivatives transactions.
- The market value of the Group's securities holdings.
- The value of the Group's loans and deposits.
- The volume of loans originated.

Interest rates are highly sensitive to many factors beyond the Group's control, including increased regulation of the financial sector, monetary policies, domestic and international economic and political conditions and other factors. Variations in interest rates could affect the interest earned on the Group's assets and the interest paid on its borrowings, thereby affecting its net interest income, which comprises the majority of its revenue, reducing its growth rate and profitability and potentially resulting in losses. In addition, costs the Group incurs putting into place strategies to reduce interest rate exposure could increase in the future, which could have a material adverse effect on the Group's operations, financial condition and prospects.

Increases in interest rates may reduce the volume of loans originated by the Group. Sustained high interest rates have historically discouraged customers from borrowing and have resulted in increased delinquencies in outstanding loans and deterioration in the quality of assets. Increases in interest rates may also reduce the propensity of the Group's customers to prepay or refinance fixed-rate loans, reduce the value of its financial assets, reduce gains or require the Group to record losses on sales of the Group's loans or securities, which could have a material adverse effect on the Group's operations, financial condition and prospects.

Due to the historically low interest rate environment in the UK in recent years, the rates on many of the Group's interest-bearing deposit products have been priced at or near zero, which may limit the Group's ability to further reduce customer rates in the event of further cuts in the BoE's base rate. If a generally low interest rate environment in the UK persists in the long term, it may be difficult to increase the Group's net interest income, which could have a material adverse effect on the Group's operations, financial condition and prospects.

The Group is exposed to risks relating to the integrity and continued existence of reference rates

LIBOR and other interest rates are used in securities issued and held by the Group and in contracts with its financial counterparts, customers and investors. Reference rates and indices, including LIBOR and other interest rate benchmarks are subject to national, international and other regulatory guidance and proposals for reform and transition to alternative rates. On 29 November 2017, the FCA announced that its Working Group on Sterling Risk-Free Rates was to be mandated with implementing a broad-based transition to the Sterling Overnight Index Average (“**SONIA**”) over the next four years across sterling bond, loan and derivative markets, so that SONIA is established as the primary sterling interest rate benchmark and regulators in the United Kingdom continue to seek the replacement of LIBOR by the end of 2021.

Any such changes to, or replacement of, benchmarks may cause contracts in which they are used to perform differently than in the past, or may have other consequential effects on any of the Group’s rights and obligations which depend on such benchmarks and any fallbacks. In particular, the transition from GBP LIBOR to SONIA and the elimination of the LIBOR benchmark will require an adjustment to the terms of financial contracts to which the Group is a party which relate to LIBOR. This could have a material adverse effect on the Group’s operations, financial condition and prospects.

It is not yet clear whether LIBOR will cease to exist entirely before the end of 2021, whether the use of LIBOR will be made unlawful or impermissible in future, and whether there will be any transitional arrangements set out either by law, regulation or market practice. The lack of a legal or regulatory framework for the automatic transition of legacy contracts and agreements, makes such transition more complex and subject to risks that could have a material adverse effect on the Group’s operations, financial condition and prospects.

The Group has dedicated considerable bank-wide resources to prepare itself, and its customers, for the cessation of LIBOR and other legacy interest rate benchmarks:

- The Group has a fully established LIBOR transition governance structure, including senior management forums meeting monthly, and thematic and product-level working groups. In addition, regular reports are received by Santander UK’s Asset and Liability Committee and Board Risk Committee.
- The Group recognises that LIBOR transitioning presents potential risks for its customers. The Group completed a first phase of customer communication with the website publication of an education statement on the replacement of LIBOR, and is actively planning a second phase, tailored to individual customer needs.
- The Group rolled out LIBOR transition training to all its staff. The Group supported this with regular internal publications and communications, and dedicated workshops to help colleagues work together and share insights on LIBOR transitioning.
- The Group has been a highly active contributor to discussions on LIBOR transitioning through direct participation at a wide range of industry forums.

This approach allowed the Group to execute several targeted initiatives in 2019, including becoming the first UK bank to switch an existing LIBOR referencing securitisation to SONIA, switching the Group’s pension scheme derivative exposures from LIBOR-linked swaps to gilts, and completing a series of derivative trade compressions to reduce Santander UK’s gross LIBOR exposure.

The Group’s most significant exposures are to GBP LIBOR, and mainly represent derivatives transacted to hedge its balance sheet risks, corporate loans and medium-term funding. At 31 December 2019, the Group estimates the notional value of its contracts referencing post-2021 LIBOR benchmarks to be £88 billion.

When LIBOR is replaced or ceases to exist (or if the methodology for calculating LIBOR or any successor benchmark rate changes for any reason), interest rates on the Group’s floating rate obligations, loans, deposits, derivatives, and other financial instruments linked to LIBOR rates, as well as the revenue and expenses associated with those financial instruments, may be adversely affected. In addition, any uncertainty regarding the continued use and reliability of LIBOR as a benchmark interest rate could adversely affect the value of the Group’s floating rate obligations, loans, deposits, derivatives, and other financial instruments linked to LIBOR rates. Any such issues relating to LIBOR or other benchmarks or

reference rates (including SONIA) could have a material adverse effect on the Group's operations, financial condition and prospects.

Market conditions have resulted in, and could continue to result in, material changes to the estimated fair values of the Group's financial assets. Negative fair value adjustments could have a material adverse effect on the Group's operations, financial condition and prospects

The Group has material exposures to securities, loans, derivatives and other investments that are recorded at fair value and are therefore exposed to potential negative fair value adjustments. Asset valuations in future periods, reflecting the prevailing market conditions, may result in negative changes in the fair values of the Group's financial assets. In addition, the value ultimately realised by the Group on disposal may be lower than the current fair value. During the last global financial crisis, financial markets were subject to periods of significant stress resulting in steep falls in perceived or actual financial asset values, particularly due to volatility in global financial markets and the resulting widening of credit spreads. Any of these factors could require the Group to record negative fair value adjustments, which could have a material adverse effect on its operations, financial condition and prospects.

In addition, to the extent that fair values are determined using financial valuation models, such values may be inaccurate or subject to change, as the data used by such models may not be available or may become unavailable due to changes in market conditions, particularly for illiquid assets and in times of economic instability. In such circumstances, the Group's valuation methodologies require it to make assumptions, judgements and estimates in order to establish fair value.

Reliable assumptions are difficult to make and are inherently uncertain. Moreover, valuation models are complex, making them inherently imperfect predictors of actual results. Any consequential impairments or write-downs could have a material adverse effect on the Group's operations, financial condition and prospects.

The Group invests in debt securities of the UK Government largely for liquidity management purposes. At 31 December 2019, approximately 9% of the Group's total assets and 48% of the Group's securities portfolio were comprised of debt securities issued by the UK Government. Any failure by the UK Government to make timely payments under the terms of these securities, or a significant decrease in their market value, could have a material adverse effect on the Group's operations, financial condition and prospects.

Credit Risk

If the level of non-performing loans increases or the credit quality of the Group's loans deteriorates in the future, or if the Group's loan loss reserves are insufficient to cover loan losses, this could have a material adverse effect on the Group's operations, financial condition and prospects

Risks arising from changes in credit quality and the recoverability of loans and amounts due from counterparties are inherent in a wide range of the Group's businesses. Non-performing or low credit quality loans have had in the past, and could continue to have, a material adverse effect on the Group's operations, financial condition and prospects.

In particular, the amount of the Group's reported non-performing loans may increase in the future as a result of growth in the Group's total loan portfolio, including as a result of loan portfolios that the Group may acquire in the future (the credit quality of which may turn out to be worse than the Group had anticipated), or factors beyond the Group's control, such as adverse changes in the credit quality of the Group's borrowers and counterparties, a general deterioration in the UK or global economic conditions, the impact of political events, events affecting certain industries or events affecting financial markets and global economies.

There can be no assurance that the Group will be able to effectively control the level of impaired loans in, or the credit quality of, its total loan portfolio, which could have a material adverse effect on the Group's operations, financial condition and prospects.

Interest rates payable on a significant portion of the Group's outstanding mortgage loan products fluctuate over time due to, among other factors, changes in the BoE's base rate. As a result, borrowers with variable interest rate mortgage loans are exposed to increased monthly payments when the related mortgage interest rate adjusts upward. Similarly, borrowers of mortgage loans with fixed or introductory

rates adjusting to variable rates after an initial period are exposed to the risk of increased monthly payments at the end of this period. Over the last few years both variable and fixed interest rates have been at historically low levels, which has benefited borrowers of new loans and those repaying existing variable rate loans regardless of special or introductory rates. Future increases in borrowers' required monthly payments may result in higher delinquency rates and losses related to non-performing loans in the future. Borrowers seeking to avoid these increased monthly payments by refinancing their mortgage loans may no longer be able to find available replacement loans at comparably low interest rates. These events, alone or in combination, may contribute to higher delinquency rates and losses for the Group, which could have a material adverse effect on the Group's operations, financial condition and prospects.

The Group's current loan loss reserves may not be adequate to cover an increase in the amount of non-performing loans or any future deterioration in the overall credit quality of the Group's total loan portfolio. The Group's loan loss reserves are based on the Group's current assessment of various factors affecting the quality of its loan portfolio, including its borrowers' financial condition, repayment abilities, the realisable value of any collateral, the prospects for support from any guarantor, government macroeconomic policies, interest rates and the legal and regulatory environment. Many of these factors are beyond the Group's control. As a result, there is no precise method for predicting loan and credit losses, and no assurance can be provided that the Group's current or future loan loss reserves will be sufficient to cover actual losses.

If the Group's assessment of and expectations concerning the above mentioned factors differ from actual developments the Group may need to increase its loan loss reserves, which may adversely affect the Group's operations, financial condition and prospects. Additionally, in calculating its loan loss reserves, the Group employs qualitative tools and statistical models which may not be reliable in all circumstances and which are dependent upon data that may not be complete. If the Group is unable to control or reduce the level of its non-performing or poor credit quality loans, this could have a material adverse effect on the Group's operations, financial condition and prospects.

The value of the collateral, including real estate, securing the Group's loans may not be sufficient, and the Group may be unable to realise the full value of the collateral securing the Group's loan portfolio

The value of the collateral securing the Group's loan portfolio may significantly fluctuate or decline due to factors beyond the Group's control, including macroeconomic factors affecting the UK's economy. The Group's residential mortgage loan portfolio is one of its principal assets, comprising 81% of the Group's loan portfolio at 31 December 2019. As a result, the Group is highly exposed to developments in the residential property market in the UK

House price growth has slowed since the UK referendum to exit the EU, most noticeably in London, although UK house prices have generally continued to be supported by certain economic fundamentals including historically low mortgage rates and low unemployment rates. Nevertheless, any increase in house prices may be limited given low levels of consumer confidence and low levels of real earnings growth. The depth of the previous house price declines as well as the continuing uncertainty as to the extent and sustainability of the UK economic recovery will mean that losses could be incurred on loans should they go into possession.

The value of the collateral securing the Group's loan portfolio may also be adversely affected by force majeure events such as natural disasters like floods or landslides exacerbated by climate change trends. Any force majeure event may cause widespread damage and could have an adverse impact on the economy of the affected region and may therefore impair the asset quality of the Group's loan portfolio in that area.

The Group may also not have sufficiently up-to-date information on the value of collateral, which may result in an inaccurate assessment for impairment losses on loans secured by such collateral.

If any of the above events were to occur, the Group may need to make additional provisions to cover actual impairment losses of its loans, which could have a material adverse effect on the Group's operations, financial condition and prospects.

Legal & Regulatory Risks

The Group is subject to substantial and evolving regulation and governmental oversight

As a financial services group, the Group is subject to extensive financial services laws, regulations, administrative actions and policies in the UK, the EU and in each other location in which the Group operates. For a discussion of the principal laws and regulations to which the Group is subject, see “*Regulation of the Group*”. The sector is facing unprecedented levels of government and regulatory intervention and scrutiny, and changes to the regulations governing financial institutions and the conduct of business. In addition, regulatory and governmental authorities have continued to consider further enhanced or new legal or regulatory requirements intended to reduce the probability and impact of future crises (or otherwise assure the stability of institutions under their supervision), enhance consumer protection and improve controls in relation to financial crime-related risks. The Group expect regulatory and government intervention in the banking sector to remain high for the foreseeable future. An intensive approach to supervision is maintained in the United Kingdom by the PRA, the Lending Standards Board (“**LSB**”), FCA, the Payment Systems Regulator (“**PSR**”) and the Competition and Markets Authority (“**CMA**”).

As well as being subject to UK regulation, as part of the Banco Santander Group, the Group is also affected by other regulators such as the Banco de España (the “**Bank of Spain**”) and the European Central Bank (“**ECB**”), as well as various legal and regulatory regimes (including the United States of America (the “**U.S.**”)) that have extra-territorial effect. Extensive legislation and implementing regulations affecting the financial services industry have recently been adopted in regions that directly or indirectly affect the Group’s business, including Spain, the US, the EU and other jurisdictions.

The manner in which financial services laws, regulations and policies are applied to the operations of financial institutions has gone through great change which is still being implemented and reviewed. Recent proposals and measures taken by governmental, tax and regulatory authorities and further future changes in supervision and regulation (in particular in the UK), are beyond the Group’s control and could materially affect the Group’s business.

Changes in UK legislation and regulation to address the stability of the financial sector may also affect the Group’s competitive position, particularly if such changes are implemented before international consensus is reached on key issues affecting the industry.

To the extent these laws, regulations and policies apply to it, the Group may face higher compliance costs. The Group may lack the capacity to readily respond to multiple regulatory or government policy changes simultaneously. Any legislative or regulatory actions and any required changes to the Group’s business operations resulting from such laws, regulations and policies as well as any deficiencies in the Group’s compliance with such laws, regulations and policies could result in significant loss of revenue, could have an impact on the Group’s strategy, limit its ability to pursue business opportunities in which the Group might otherwise consider engaging, limit the Group’s ability to provide certain products and services and result in enforcement action and the imposition of financial and other penalties. They may also affect the value of assets that the Group holds, requiring the Group to increase its prices thereby reducing demand for the Group’s products or otherwise have a material adverse effect on its operations, financial condition and prospects. Accordingly, there can be no assurance that future changes in laws, regulations and policies or in their interpretation or application by the Group or by regulatory authorities will not adversely affect the Group. Specific examples of areas where regulatory changes and increased regulatory scrutiny could have a material adverse effect on the Group’s operations, financial condition and prospects include, but are not limited to, the areas below.

Banking Reform

In accordance with the provisions of the Financial Services (Banking Reform) Act 2013, UK banking groups that hold significant retail deposits, including the Group, were required to separate or ‘ring-fence’ their retail banking activities from their wholesale banking activities by 1 January 2019. The Group completed its ring-fencing plans in advance of the legislative deadline of 1 January 2019. However, given the complexity of the ring-fencing regulatory regime and the material impact on the way the Group now conducts its business operations in the UK, there is a risk that the Group and/or Santander UK may be found to be in breach of one or more ring-fencing requirements. This might occur, for example, if prohibited business activities are found to be taking place within the ring-fence, mandated retail banking activities are found being carried on in a UK entity outside the ring-fenced part of the Group or the Group breaches a PRA ring-fencing rule. From 1 January 2019, if the Group were found to be in breach of any of

the ring-fencing requirements placed upon it under the ring-fencing regime, it could be subject to supervisory or enforcement action by the PRA, the consequences of which might include substantial financial penalties, imposition of a suspension or restriction on the Group's UK activities or, in the most serious of cases, forced restructuring of the UK group, entitling the PRA (subject to the consent of the UK Government) to require the sale of a Santander ring-fenced bank or other parts of the UK group.

Competition

Reviews and investigations by competition authorities (which in the United Kingdom include the CMA, the FCA and the PSR) into any aspect of the Group's operations or the functioning of any markets in which the Group operates, including, but not limited to, personal current accounts, mortgages and the small and medium-sized enterprise ("**SME**") retail banking market.

Payments

Santander UK has been required to make systems changes and update processes to comply with a number of new payments regulations at a European as well as domestic UK level. Within the UK, the Payment Systems Regulator has mandated Santander UK to build systems and processes for both "Confirmation of Payee" as well as the "Contingent Reimbursement Model Code" ("**CRM**"), which both aim to reduce the level of customer fraud (particularly through customers' manipulation into making payments known as "Authorised Push Payment" fraud). Under these standards, Santander UK will assume responsibility for certain categories of customer losses and any inherent failing in system design may lead to fines from regulators and/or compensation being paid to customers. Any requirement to make such changes, any liability to customers, any regulatory fines, or any reputational damage, could have a material adverse effect on Santander UK's operations, financial condition and prospects. At a European level, PSD2 is a fundamental piece of payments-related legislation in Europe, the first part of which came into force in January 2018. The regulation aims to harmonise payment processing across Europe, and is being implemented in the UK by the FCA. In the UK, PSD2 introduced "Open Banking", which opened up access to customers' online account and payments data to third party providers ("**TPPs**"). Customers are able to give secure access to certain TPPs authorised by the FCA or other European regulators to access account information and to make payments from current accounts. Following the CMA's retail banking market investigation, the nine largest current account providers in the UK (the "**CMA-9**"), including the Group, were required to accelerate certain of the PSD2 requirements and implement Open Banking by 13 January 2018. Open Banking and PSD2 both have the potential to exacerbate a number of existing risks including data loss/data protection, cyber security, fraud and wider financial crime risk, which in turn could give rise to increased costs, litigation risk and risk of regulatory investigation and enforcement activity. Examples of the heightened risk include the risk of fraud relating to activities of a TPP pursuant to which funds are redirected to a third party not chosen by the customer and the risk of data misuse by a TPP or other third party. If the arrangements that the Group has made to comply with the Group's Open Banking obligation prove to be inadequate or incompatible with legal and regulatory requirements or expectations, the Group could be required to make extensive and costly changes to the Group's systems and controls, policies and practices. The Group might also be fined by regulators, be subject to compensation claimed by customers and might suffer reputational damage. Any requirement to make such changes, any liability to customers, any regulatory fines, or any reputational damage, could have a material adverse effect on the Group's operations, financial condition and prospects.

Data Privacy

Failure to comply with emerging and recently implemented laws and regulations concerning data privacy and localisation in a number of jurisdictions across the globe may result in regulatory sanctions. In particular, the coming into effect of Regulation (EU) 2016/679 ("**GDPR**") on 25 May 2018 has introduced new obligations on data controllers and rights for data subjects. The implementation of GDPR has required substantial amendments to the Group's procedures and policies. The changes have had, and could continue to have, an adverse impact on the Group's business by increasing its operational and compliance costs. If there are breaches of GDPR obligations, the Group could face significant administrative and monetary sanctions as well as reputational damage. The occurrence of any of these events could have a material adverse effect on the Group's operations, financial condition and prospects.

LIBOR

There is uncertainty as to whether LIBOR will cease to exist entirely before the end of 2021, whether the use of LIBOR will be made unlawful or impermissible in future, and whether there will be any transitional arrangements set out either by law, regulation or market practice. The lack of a legal or regulatory

framework for the automatic transition of legacy contracts and agreements makes such transition more complex and subject to risks that could have a material adverse effect on the Group's operations, financial condition and prospects.

Evolving conduct and regulatory policy

The FCA is currently at various stages (from finalised rules and guidance through to consultation and implementation) in respect of a number of initiatives which could impact or require changes to the Group's approach to products and services. This includes but is not limited to a debate in relation to a duty of care for financial services firms or potential changes to the "Principles for Business", "Price Discrimination and Fair Pricing initiatives", "Guidance on the Variation of Terms in Financial Services Contracts", and reforms to the overdraft market through the "High Cost Credit Review". In parallel, the CMA is developing its role and responsibilities in relation to consumer protection and considering the impact of 'loyalty penalties' on consumers, which could result in changes for firms, including those in the financial services sector. Regulatory changes arising from these initiatives could have a material adverse effect on the Group's operations, financial condition and prospects.

The Group may become subject to the provisions of the Banking Act 2009, including bail-in and write down powers

The special resolution regime set out in the Banking Act 2009 (the "**Banking Act**") provides HM Treasury, the BoE, the PRA and the FCA with a variety of powers for dealing with UK deposit taking institutions (and, in certain circumstances, their holding companies) that are failing or likely to fail, including: (i) to take a bank or bank holding company into temporary public ownership; (ii) to transfer all or part of the business of a bank to a private sector purchaser; or (iii) to transfer all or part of the business of a bank to a 'bridge bank'. The special resolution regime also comprises a separate insolvency procedure and administration procedure each of which is of specific application to banks. These insolvency and administration measures may be invoked prior to the point at which an application for insolvency proceedings with respect to a relevant institution could be made.

If an instrument or order were made under the Banking Act in respect of an entity in the Group, such instrument or order (as the case may be) may, among other things: (i) result in a compulsory transfer of shares or other securities or property of such entity; (ii) have an impact on the rights of the holders of shares or other securities issued by the Group or such entity or result in the nullification or modification of the terms and conditions of such shares or securities; or (iii) result in the de-listing of the shares and/or other securities of such entity. In addition, such an order may affect matters in respect of the Group or such entity and/or other aspects of the shares or other securities of the Group or such entity, which may negatively affect the ability of the Group or such entity to meet its obligations in respect of such shares or securities.

Further, amendments to the Insolvency Act 1986 and secondary legislation have introduced changes to the treatment and ranking of certain debts with the result that certain eligible deposits will rank in priority to the claims of ordinary (i.e. non-preferred) unsecured creditors in the event of an insolvency. This may negatively affect the ability of unsecured creditors to recover sums due to them in an insolvency scenario.

If a "bail-in" order were made under the Banking Act as amended by The Financial Services (Banking Reform) Act 2013 (as to which, see further 'Regulation of the Group – The Banking Act 2009'), such an order would be based on the principle that such creditors should receive no less favourable treatment than they would have received had the bank entered into insolvency immediately before the coming into effect of the bail-in power. The bail-in power includes the power to cancel or write down (in whole or in part) certain liabilities or to modify the terms of certain contracts for the purposes of reducing or deferring the liabilities of a bank under resolution and the power to convert certain liabilities into shares (or other instruments of ownership) of the bank. The bail-in power under the Banking Act may potentially be exercised in respect of any unsecured debt securities issued by a bank under resolution or an entity in the Group, regardless of when they were issued. Accordingly, the bail-in power under the Banking Act could be exercised in respect of the Group's debt securities. Public financial support would only be used as a last resort, if at all, after having assessed and utilised, to the maximum extent practicable, the resolution tools including the bail-in tool and the occurrence of circumstances in which bail-in powers would need to be exercised in respect of the Group or any entity in the Group would have a material adverse effect on the Group's operations, financial condition and prospects.

The PRA also has the power to make rules requiring a parent undertaking of a bank to make arrangements to facilitate the exercise of resolution powers, including a power to require a member of a

banking group to issue debt instruments. The exercise of such powers could have an impact on the liquidity of the Group's debt instruments and could materially increase the Group's cost of funding.

In addition, the BRRD provides for resolution authorities to have the power to require institutions and groups to make structural changes to ensure legal and operational separation of 'critical functions' from other functions where necessary, or to require institutions to limit or cease existing or proposed activities in certain circumstances. As a result of changes to the PRA Rulebook made to implement the BRRD, the Group is now required to identify such 'critical functions' as part of its resolution and recovery planning. If used in respect of the Group, these ex ante powers could have a material adverse effect on the Group's operations, financial condition and prospects.

The Banking Act may be subject to amendment as a result of the recently enacted Directive (EU) 2019/879 ("**BRRD II**") that introduced changes to BRRD, which include (i) a revision of the existing MREL regime to align it with the globally agreed standards (i.e. the total loss absorbing capacity standard for globally systemically important banks set by the Financial Stability Board), (ii) amendments to the requirements on the contractual recognition of bail-in (Article 55 of BRRD), (iii) introduction of new moratorium powers for resolution authorities and (iv) introduction of new requirements in relation to contractual recognition of resolution stay powers. BRRD II is set to be transposed by EU member states into national laws by 28 December 2020. There may be significant revisions (the precise nature of which is currently uncertain) to the Banking Act as a result of the United Kingdom's withdrawal from the European Union.

The Group must comply with anti-money laundering, anti-terrorism, anti-bribery and corruption, sanctions and anti-tax evasion laws and regulations and a failure to prevent or detect any illegal or improper activities fully or on a timely basis could have a material adverse effect on the Group's operations, financial condition or prospects

The Group is required to comply with applicable anti-money laundering ("**AML**"), counter-terrorism financing ("**CTF**"), anti-bribery and corruption, sanctions, anti-tax evasion and other laws and regulations in the jurisdictions in which the Group operates. These laws and regulations require the Group, among other things, to conduct customer due diligence (including in respect of sanctions and politically-exposed person screening), ensure account and transaction information is kept up to date and implement effective financial crime policies and procedures detailing what is required from those responsible in order to counter financial crime risks. The Group is also required to conduct financial crime training for its staff and to report suspicious transactions and activity to appropriate law enforcement.

The policies and procedures require the implementation and embedding of effective controls and monitoring within the businesses of the Group, which requires ongoing changes to systems, technology and operational activities. Comprehensive and risk based financial crime training at a group-wide and business unit level is a key element of this, with the FCA providing guidance on expectations within its Financial Crime Guide. Financial crime is continually evolving. This requires proactive and adaptable responses from the Group so that it is able to deter threats and criminality effectively. Even known threats can never be fully eliminated, and there will be instances where the Group may be used by other parties to engage in money laundering and other illegal or improper activities. In addition, the Group relies heavily on its staff to assist the Group by identifying such activities and reporting them, and the Group's staff have varying degrees of experience in recognising criminal tactics and understanding the level of sophistication of criminal organisations. Where the Group outsources any of its customer due diligence, customer screening or anti-financial crime operations, it remains responsible and accountable for full compliance and any breaches. If the Group is unable to apply the necessary scrutiny and oversight, or if such oversight proves insufficient to detect illegal or improper activities, there remains a risk of regulatory breach and this could have a material adverse effect on its operations, financial condition and prospects.

Over the last decade, financial crime risk has become the subject of enhanced regulatory scrutiny and supervision by regulators globally, and such scrutiny continues to intensify. Consequently, AML, CTF, anti-bribery and corruption and sanctions laws and regulations have become, and may continue to become, increasingly complex and detailed and have become, and may continue to become, the subject of enhanced regulatory supervision, requiring improved systems, sophisticated monitoring and skilled compliance personnel. The complexity in the area of financial crime policy is a significant challenge, involving overlapping requirements between different legislation, and, in some instances, conflicts of laws. The divergence of policy approaches between the EU/UK and U.S. in the area of financial sanctions is exacerbated by the lack of clear guidance from the UK Office of Financial Sanctions Implementation.

The implementation of new UK legislation related to financial crime has required substantial amendments to the Group's AML and CTF procedures and policies, with additional training and guidance required for employees. Further, such amendments will likely be required going forward to reflect changes to UK laws and government policy post-Brexit. Any changes could adversely impact the Group's business by increasing its operational and compliance costs and reducing the value of its assets and operations, which would in turn have a material adverse effect on the Group's operations, financial condition and prospects.

If the Group is unable to fully comply with applicable laws, regulations and expectations, its regulators and relevant law enforcement agencies have the ability and authority to pursue civil and criminal proceedings against it, to impose significant fines and other penalties on it, including requiring a complete review of the Group's business systems, day-to-day supervision by external consultants, imposing restrictions on the conduct of the Group's business and operations and ultimately the revocation of the Group's banking licence. The reputational damage to its business and brand could be severe if the Group were found to have materially breached AML, CTF, anti-bribery and corruption or sanctions requirements. The Group's reputation could also suffer if it were unable to protect its customers or business from being used by criminals for illegal or improper purposes. Any of these outcomes could have a material adverse effect on the Group's operations, financial condition and prospects.

At an operational level, geo-political, economic and social changes can provide opportunities to financial criminals and alter the risks posed to banks. Effective intelligence and monitoring systems within strengthened public/private partnerships to share knowledge on emerging risks are required to help mitigate these risks. However, there can be no guarantee that any intelligence shared by public authorities or other financial institutions will be accurate or effective in helping the Group to combat financial crime, and if, despite such efforts, the Group fails to combat financial crime effectively then this could have a material adverse effect on the Group's operations, financial condition and prospects.

In addition, while the Group reviews its relevant counterparties' internal policies and procedures (for example, under its correspondent banking relationships) with respect to such matters, the Group, to a large degree, relies upon its relevant counterparties to maintain and properly apply their own appropriate anti-financial-crime procedures. Such measures, procedures and compliance may not be completely effective in preventing third parties from using its (and its relevant counterparties') services as a conduit for money laundering (including illegal cash operations) without its (or its relevant counterparties') knowledge. There are also risks that other third parties, such as suppliers, could be involved in financial crime. If the Group is associated with, or even accused of being associated with, financial crime (or a business involved in financial crime), then its reputation could suffer and it could become subject to civil or criminal proceedings that could result in penalties, sanctions and legal enforcement (including being added to "black lists" that would prohibit certain parties from engaging in transactions with it), any one of which could have a material adverse effect on the Group's operations, financial condition and prospects.

The Group is subject to tax-related risks

The Group is subject to the substance and interpretation of UK tax laws and is subject to routine review and audit by tax authorities in relation thereto. The Group's interpretation or application of these tax laws may differ from those of the relevant tax authorities. While the Group provides for potential tax liabilities that may arise on the basis of the amounts expected to be paid to the tax authorities, the amounts ultimately paid may differ materially from the amounts provided depending on the ultimate resolution of such matters. In general, changes to tax laws and tax rates, including as a result of policy changes by governments and/or regulators, and penalties for failing to comply with such changes, could have a material adverse effect on the Group's operations, financial condition and prospects. Some of these changes may be specific to the banking/financial services sectors and therefore result in the Group incurring an additional tax burden when compared to other industry sectors.

The Group is exposed to risk of loss and damage from civil litigation and/or criminal legal and regulatory proceedings

The Group faces various legal and regulatory issues that may give rise to civil or criminal litigation, arbitration, and/or criminal, tax, administrative and/or regulatory investigations, inquiries or proceedings. Failure to adequately manage the risks arising in connection with legal and regulatory issues, including the Group's obligations under existing applicable laws and regulations or its contractual obligations, including arrangements with its customers and suppliers, or failure to properly implement applicable laws and regulations, could result in significant loss or damage including reputational damage, all of which could have a material adverse effect on the Group's operations, financial condition and prospects.

Additionally, the current regulatory environment, with the continuing heightened supervisory focus and associated enforcement activity, combined with uncertainty about the evolution of the regulatory regime, may lead to material operational and compliance costs. Relevant risks include:

- Regulators, agencies and authorities with jurisdiction over the Group, including the BoE, the PRA, the FCA, HM Treasury, HM Revenue & Customs (“**HMRC**”), the CMA, the Commission, the Information Commissioner’s Office, the Financial Ombudsman Service (“**FOS**”), the PSR, the Serious Fraud Office (“**SFO**”), the National Crime Agency (“**NCA**”) or the courts, may determine that certain aspects of the Group’s business have not been or are not being conducted in compliance with applicable laws or regulations (or that policies and procedures are inadequate to ensure compliance), or, in the case of the FOS, with what is fair and reasonable in the FOS’s opinion. Changes in policy, laws and regulations including in relation to SME dispute resolution and liability for authorised push payment fraud and unauthorised payment fraud, may have significant consequences and lead to material implementation, operational and compliance costs.
- An adverse finding by a regulator, agency or authority could result in the need for extensive changes in systems and controls, business policies and practices coupled with suspension of sales, restrictions on conduct of business and operations, withdrawal of services, customer redress, fines and reputational damage.
- The increased focus on competition law in financial services and concurrent competition enforcement powers for the FCA and PSR may increase the likelihood of competition law related inquiries or investigations initiated by either the CMA, FCA or PSR. In addition, the CMA’s widening focus on market outcomes may result in increased reviews by the CMA of the markets in which the Group operates.
- The alleged historical or current misselling of financial products, such as mortgages, arising from causes such as the alleged overcharging of interest and the inappropriate sale of interest-only mortgages and payment protection insurance (“**PPI**”), including as a result of having sales practices and/or rewards structures that are deemed to have been inappropriate, presents a risk of civil litigation (including claims management company driven legal campaigns) and/or enforcement action requiring the Group to amend sales processes, withdraw products or provide restitution to affected customers, any of which may require additional provisions to be recorded in the Group’s financial statements and could adversely impact future revenues from affected products. In the case of PPI claims specifically, there is an increased risk of litigation as a consequence of the FCA time bar which came into force on 30 August 2019.
- The Group may hold bank accounts for entities that might be or are subject to scrutiny from various regulators and authorities, including the SFO, the NCA and regulators in the US and elsewhere, which could lead to the Group’s conduct being reviewed as part of any such scrutiny.
- The Group may be liable for damages to third parties harmed by the Group’s conduct of business. For competition law, there are efforts by governments across Europe to promote private enforcement as a means of obtaining redress for harm suffered as a result of competition law breaches. Under the Consumer Rights Act 2015, there is scope for class actions to be used to allow the claims of a whole class of claimants to be heard in a single action in both follow-on and standalone competition cases.
- The Group is (and will continue from time to time to be) subject to certain legal or regulatory investigations, inquiries and proceedings, both civil and criminal, including in connection with the Group’s lending and payment activities, treatment of customers, relationships with the Group’s employees, financial crime, and other commercial or tax matters. These may be brought against the Group under UK legal or regulatory processes, or under legal or regulatory processes in other jurisdictions, such as the EU and the US, in circumstances where overseas regulators and authorities may have jurisdiction by virtue of its activities or operations.
- In view of the inherent difficulty of predicting the outcome of legal or regulatory proceedings, particularly where opportunistic claimants seek very large or indeterminate damages, cases present novel legal theories, involve a large number of parties or are in the early stages of discovery, or where the approaches of regulators or authorities to legal or regulatory issues and sanctions applied are subject to change, the Group cannot state with confidence what the eventual outcome of any pending matters will be and any such pending matters are not disclosed by name because they are under assessment. The Group’s provisions in respect of any pending

legal or regulatory proceedings are made in accordance with relevant accounting requirements. These provisions are reviewed periodically. However, in light of the uncertainties involved in such legal or regulatory proceedings, there can be no assurance that the ultimate resolution of these matters will not exceed the provisions currently accrued by the Group. As a result, the outcome of a particular matter (whether currently provided or otherwise) could have a material adverse effect on the Group's operations, financial condition and prospects.

- The developing legal and regulatory regime in which the Group operates requires it to be compliant across all aspects of its business, including the training, authorisation and supervision of personnel and the development of systems, processes and documentation. If the Group fails to be compliant with relevant law or regulation, there is a risk of an adverse impact on its business from more proactive regulatory intervention (including by any overseas regulator which establishes jurisdiction), investigation and enforcement activity leading to sanctions, fines, civil or criminal penalties, or other action imposed by or agreed with the regulatory authorities, as well as increased costs associated with responding to regulatory inquiries and defending regulatory actions. Customers of financial services institutions, including the Group's customers, may seek redress if they consider that they have suffered loss for example as a result of the misselling of a particular product, or through incorrect application or enforcement of the terms and conditions of a particular product or in connection with a competition law infringement and the Group's rights under a contract with its customers may in certain circumstances be unenforceable or otherwise impaired.
- The Financial Services and Markets Act 2000 (Designated Consumer Bodies) Order 2013 (the "**Designated Consumer Bodies Order**") was made on 16 December 2013 and came into force on 1 January 2014. The Designated Consumer Bodies Order designates the National Association of Citizens Advice Bureaux, the Consumers' Association, the General Consumer Council for Northern Ireland and the National Federation of Self Employed and Small Businesses as consumer bodies that may submit a 'super-complaint' to the FCA. A 'super-complaint' is a complaint made by any of these designated consumer bodies to the FCA on behalf of consumers of financial services where it considers that a feature, or a combination of features, of the market for financial services in the UK is seriously damaging the interests of these customers. Complaints about damage to the interests of individual consumers will continue to be dealt with by the FOS. If a 'super-complaint' were to be made against a Group entity by a designated consumer body under the Designated Consumer Bodies Order, any response published or action taken by the FCA could have a material adverse effect on the Group's operations, financial condition and prospects.
- Given the: (i) requirement for compliance with an increasing volume of relevant laws and regulations; (ii) more proactive regulatory intervention and enforcement and more punitive sanctions and penalties for infringement; (iii) inherent unpredictability of litigation; (iv) evolution of the jurisdiction of FOS and CMA and related impacts; (v) the development of a voluntary dispute resolution service to oversee the resolution of historic complaints from SMEs that meet the relevant eligibility criteria and new complaints from SMEs that would be outside the FOS's proposed revised jurisdiction; (vi) the introduction of a voluntary code to enhance protection for customers who are victims of authorised push payment fraud; and (vii) the high volume of new regulations or policy changes from multiple regulators and authorities which the Group is mandated to implement within compressed timescales; it is possible that related costs or liabilities could have a material adverse effect on the Group's operations, financial condition and prospects.

Operational Risks

Failure to successfully apply or to improve the Group's credit risk management systems could have a material adverse effect on the Group's operations, financial condition and prospects

As a commercial banking group, one of the main types of risks inherent in the Group's business is credit risk. For example, an important feature of the Group's credit risk management system is to employ the Group's own credit rating system to assess the particular risk profile of a customer. This system is primarily generated internally, but, in the case of counterparties with a global presence, also builds off the credit assessment assigned by other members of the Banco Santander Group. As this process involves detailed analysis of the customer or credit risk, taking into account both quantitative and qualitative factors, it is subject to human and IT systems errors. In exercising their judgement on current or future credit risk behaviour of the Group's customers, the Group's employees may not always be able to assign a correct credit rating, which may result in a larger exposure to higher credit risks than indicated by the

Group's risk rating system. The Group may not be able to detect all possible risks before they occur, or its employees may not be able to effectively apply its credit policies and guidelines due to limited tools available to the Group, which may increase its credit risk.

Any failure to effectively apply, consistently monitor and refine the Group's credit risk management systems may result in an increase in the level of non-performing loans and higher losses than expected, which could have a material adverse effect on the Group's operations, financial condition and prospects.

The Group's data management policies and processes may not be sufficiently robust

Critical business processes across the Group rely on large volumes of data from a number of different systems and sources. If data governance (including data retention and deletion, data quality and data architecture policies and procedures) is not sufficiently robust, manual intervention, adjustments and reconciliations may be required to reduce the risk of error in the Group's external reports or in reporting to senior management or regulators. Inadequate policies and processes may also affect the Group's ability to use data to service customers more effectively or to improve the Group's product offering. The Group must also comply with requirements under laws or regulations which require classification of customers, counterparties, financial transactions or instruments. Financial institutions that fail to comply with in-country (local) and global regulatory and compliance requirements may face supervisory measures, which could in turn have a material adverse effect on the Group's operations, financial condition and prospects.

The Group's business is subject to risks related to cyber-crime

The Group's systems, software and networks may be vulnerable to unauthorised access, misuse, computer viruses or other malicious code and other events that could have a security impact. An interception, misuse or mishandling of personal, confidential or proprietary information sent to or received from a client, vendor, service provider, counterparty or third party could result in legal liability, regulatory action and reputational harm, and therefore have a material adverse effect on the Group's operations, financial condition and prospects.

Furthermore, the Group may be required to expend significant additional resources to modify the Group's protective measures or to investigate and remediate vulnerabilities or other exposures. The Group expects its programmes of change to have an effect on its risk profile, both technological and regulatory. Whether it is the opportunities from adoption of cloud technology, systems to support important regulatory initiatives, or the desire to identify, prioritise and remove obsolete systems from operations, the operational risk associated with systems change is likely to increase and this will therefore remain an area of key focus in the Group's risk management. There can be no assurance that the Group will not suffer material losses from such operational risks in the future, including those relating to any security breaches, which could have a material adverse effect on the Group's operations, financial condition and prospects.

In particular, in recent years the computer systems of companies and organisations have been targeted by cyber criminals, activists and nation-state-sponsored groups. Like other financial institutions, the Group manages and holds confidential personal information of customers in the conduct of its banking operations, as well as a large number of assets. Consequently, the Group has been, and continues to be, subject to a range of cyber-attacks, such as malware, phishing and denial of service.

Cyber-attacks could give rise to the loss of significant amounts of customer data and other sensitive information, as well as significant levels of liquid assets (including cash). In addition, cyber-attacks could give rise to the disablement of the Group's electronic systems used to service its customers. Any material disruption or slowdown of the Group's systems could cause information, including data related to customer requests, to be lost or to be delivered to the Group's clients with delays or errors, which could reduce demand for the Group's services and products. As attempted attacks continue to evolve in scope and sophistication, the Group may incur significant costs in order to modify or enhance its protective measures against such attacks, or to investigate or remediate any vulnerability or resulting breach, or in communicating cyber-attacks to its customers. If the Group fails to effectively manage its cyber security risk, the impact could be significant and may include harm to the Group's reputation and make the Group liable for the payment of customer compensation, regulatory penalties and fines. Factors such as failing to apply critical security patches from its technology providers, to manage out obsolete technology or to update the Group's processes in response to new threats could give rise to these consequences, which, if they occur, could have a material adverse effect on the Group's operations, financial condition and prospects.

In addition, the Group may also be affected by cyber-attacks against national critical infrastructures in the UK or elsewhere, for example, the telecommunications network or cloud computing providers used by the Group. In common with other financial institutions the Group is dependent on such networks and any cyber-attack against these networks could negatively affect its ability to service its customers. As the Group does not operate these networks it has limited ability to protect the Group's business from the adverse effects of cyber-attack against them. Further, the domestic and global financial services industry, including key financial market infrastructure, may be the target of cyber disruption and attack by cyber criminals, activists or governments looking to cause economic instability. The Group has limited ability to protect its business from the adverse effects of cyber disruption or attack against its counterparties and key national and financial market infrastructure. If such a disruption or attack were to occur it could have a material adverse effect on the Group's operations, financial condition and prospects.

The Group is exposed to risk from potential non-compliance with policies, employee misconduct, human error, negligence and fraud

The Group is exposed to risk from potential non-compliance with policies, employee misconduct, human error, negligence and fraud. It is not always possible to deter or prevent such non-compliance, employee misconduct, human error, negligence or fraud and the precautions the Group takes to detect and prevent this activity may not always be effective. Any such matters could result in regulatory sanctions and cause reputational or financial harm, which could have a material adverse effect on the Group's operations, financial condition and prospects.

Any failure to effectively manage changes in the Group's information technology infrastructure and management information systems in a timely manner could have a material adverse effect on the Group's operations, financial condition and prospects

The Group's businesses and its ability to remain competitive depends to a significant extent upon the functionality of its information technology systems and on its ability to upgrade and expand the capacity of its information technology infrastructure on a timely and cost-effective basis. The proper functioning of the Group's financial control, risk management, credit analysis and reporting, accounting, customer service, financial crime, conduct and compliance and other information technology systems, as well as the communication networks between branches and main data processing centres, are critical to its businesses and its ability to compete. Investments and improvements in the Group's information technology infrastructure are regularly required in order to remain competitive. It cannot be certain that in the future the Group will be able to maintain the level of capital expenditure necessary to support the improvement, expansion or upgrading of its information technology infrastructure as effectively as its competitors; this may result in a loss of any competitive advantages that the Group's information technology systems provide. Any failure to effectively improve, expand or upgrade its information technology infrastructure and management information systems in a timely manner could have a material adverse effect on the Group's operations, financial condition and prospects.

From time to time the Group is required to migrate information relating its customers to new information technology systems. Any failure to manage such migration effectively could have a negative impact on the Group's ability to provide services to its customers and could cause reputational damage to the Group which could have a material adverse effect on the Group's operations, financial condition and prospects.

The Group may be exposed to unidentified or unanticipated risks despite its risk management policies, procedures and methods and may be exposed to risk related to errors in the Group's risk modelling

The management of risk is an integral part of the Group's activities. The Group seeks to monitor and manage its risk exposure through a variety of risk reporting systems. While the Group employs a broad and diversified set of risk monitoring and risk mitigation techniques and strategies, they may not be fully effective in mitigating the Group's risk exposure in all economic market environments or against all types of risk, including risks that the Group fails to identify or anticipate.

Some of the Group's tools and metrics for managing risk are based upon its use of observed historical market behaviour. The Group applies statistical and other tools to these observations to arrive at quantifications of its risk exposures. These tools and metrics may fail to predict future risk exposures. These risk exposures could, for example, arise from factors the Group did not anticipate or correctly evaluate in its statistical models. This would limit its ability to manage its risks. The Group's losses thus could be significantly greater than the historical measures indicate. In addition, the Group's quantified modelling does not take all risks into account. The Group's more qualitative approach to managing those

risks could prove insufficient, exposing it to material, unanticipated losses. The Group could face adverse consequences as a result of decisions, which may lead to actions by management, based on models that include errors or are otherwise inadequately developed, implemented or used, or as a result of the modelled outcome being misunderstood. If existing or potential customers or counterparties believe its risk management is inadequate, they could take their business elsewhere or seek to limit their transactions with the Group. These occurrences could have a material adverse effect on the Group's operations, financial condition and prospects.

The Group relies on third parties and affiliates for important infrastructure support, products and services

Third party providers and certain affiliates provide key components of the Group's business infrastructure such as loan and deposit servicing systems, back office and business process support, information technology production and support, internet connections and network access. Relying on these third party providers and affiliates is a source of operational and regulatory risk, including with respect to security breaches affecting such parties and other parties that interact with these parties. As the depth of the Group's relationship with these third parties and affiliates increases, including through the use of cloud based services, the Group increasingly faces the risk of operational failure with respect to their systems. The Group may be required to take steps to protect the integrity of its operational systems, thereby increasing its operational costs. In addition, any problems caused by these third parties or affiliates, including as a result of them not providing the Group their services for any reason, or performing their services poorly, could adversely affect the Group's ability to deliver products and services to customers and otherwise conduct its business, which could lead to reputational damage and regulatory investigations and intervention. Replacing these third party vendors or affiliates could also entail significant delays and expense. Further, the operational and regulatory risk the Group faces as a result of these arrangements may be increased to the extent that it restructures such arrangements. Any restructuring could involve significant expense to the Group and entail significant delivery and execution risk which could have a material adverse effect on the Group's operations, financial condition and prospects.

The Group relies on recruiting, retaining and developing appropriate senior management and skilled personnel

The Group's continued success depends in part on the continued service of key members of its senior executive team and other key employees. The ability to continue to attract, train, motivate and retain highly qualified and talented professionals is a key element of the Group's strategy. The successful implementation of the Group's strategy depends on the availability of skilled and appropriate management, both at the Group's head office and in each of its business units. There is also an increasing demand for the Group to hire individuals with digital skills such as data scientist, engineering and designer skill sets. Such individuals are very sought after by all organisations, not just the banking industry, and thus the Group's ability to attract and hire this talent will determine how quickly the bank is able to respond to technological change. If the Group fails to staff its operations appropriately, or loses one or more of its key senior executives or other key employees and fails to replace them in a satisfactory and timely manner, it could have a material adverse effect on the Group's operations, financial condition and prospects.

In addition, the financial services industry has and may continue to experience more stringent regulation of employee compensation, which could have an adverse effect on the Group's ability to hire or retain the most qualified employees. If the Group fails or is unable to attract and appropriately train, motivate and retain qualified professionals, it could have a material adverse effect on the Group's operations, financial condition and prospects.

Financial Reporting Risk

The Group's financial statements are based in part on judgements and accounting estimates which, if inaccurate, could cause material misstatement of the Group's future financial results and financial condition

The preparation of the consolidated financial statements requires management to make judgements and accounting estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of income and expenses during the reporting period. Management evaluates its judgements and accounting estimates, which are based on historical experience and on various other factors that are believed to be reasonable under the circumstances, on an ongoing basis. Actual amounts may differ from these accounting estimates under different assumptions or conditions.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

As explained in Note 1 to each of the Issuer's audited consolidated annual financial statements for the years ended 31 December 2018 and 31 December 2019 (which are incorporated by reference herein), limited significant judgements have been made in the process of applying the Group's accounting policies. Those accounting estimates, as well as the judgements inherent within them, are considered important to the portrayal of the financial results and financial condition because: (i) they are highly susceptible to change from period to period as assumptions are made to calculate the estimates; and (ii) any significant difference between the estimated amounts and actual amounts could have a material impact on the Group's operations, financial condition and prospects.

Changes in accounting standards could affect reported earnings

The accounting standard setters and other regulatory bodies periodically change the financial accounting and reporting standards that govern the preparation of the Group's consolidated financial statements. These changes can materially affect how the Group records and reports its financial condition and operating results. In some cases, the Group could be required to apply a new or revised standard retroactively, resulting in the restatement of prior period financial statements. Any change in reported earnings as a result of the foregoing could have a material adverse effect on the Group's operations, financial condition and prospects

Risks relating to the Notes

In this context the following specific risks have been identified as areas for focus:

The relevant Issuer cannot assure a trading market for the Notes will ever develop or be maintained

The relevant Issuer may issue Notes in different series with different terms in amounts that are to be determined. Such Notes may be unlisted or listed on a recognised stock exchange and there can be no assurance that an active trading market will develop for any series of Notes. There can also be no assurance regarding the ability of Noteholders to sell their Notes or the price at which such holders may be able to sell their Notes. If a trading market were to develop, the Notes could trade at prices that may be higher or lower than the initial offering price and this may result in a return that is greater or less than the interest rate on the Notes, depending on many factors, including:

- the Group's financial results;
- any change in the relevant Issuer's creditworthiness;
- the market for similar securities;
- the method of calculating the principal, premium and interest in respect of the Notes;
- the time remaining to the majority of the Notes;
- the outstanding amount of the Notes;
- the redemption features of the Notes;
- the creation of short positions in the Notes by market participants; and
- the level, direction and volatility of market interest rates generally.

In addition, certain Notes have a more limited trading market and experience more price volatility because they were designed for specific investment objectives or strategies. There may be a limited number of buyers when an investor decides to sell such Notes. This may affect the price an investor receives for such Notes or the ability of an investor to sell such Notes at all.

Risks associated with redemption of the Notes

If the Notes are redeemable at the option of the relevant Issuer (including, if applicable, following a Loss Absorption Disqualification Event or Regulatory Capital Event (if specified in the applicable Final Terms) or a Tax Event), or are otherwise subject to mandatory redemption, the relevant Issuer may (in the case of optional redemption) or must (in the case of mandatory redemption) choose to redeem such Notes at times when prevailing interest rates may be relatively low. Accordingly, an investor generally will not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes. Furthermore, during any period when the relevant Issuer may elect to redeem Notes, or during which there is an actual or perceived increased likelihood that the relevant Issuer may elect to redeem the Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The yield to maturity of the Notes may be adversely affected by redemptions by the relevant Issuer

The yield to maturity of each class of Notes will depend mostly on: (i) the amount and timing of the repayment of principal on the Notes; and (ii) the price paid by the Noteholders of each class. The yield to maturity of the Notes may be adversely affected by a higher or lower than anticipated rate of redemptions on the Notes (including, if applicable, in the case of redemption following a Loss Absorption Disqualification Event, Regulatory Capital Event or Tax Event).

The Notes are subject to selling and transfer restrictions that may affect the existence and liquidity of any secondary market in the Notes

The Notes have not been, and will not be, registered under the Securities Act or any other securities laws. Accordingly, the Notes are subject to certain restrictions on the resale and other transfer thereof as set forth under “*Subscription and Sale and Transfer and Selling Restrictions*”. As a result of such restrictions, the relevant Issuer cannot be certain of the existence of a secondary market for the Notes or the liquidity of such market if one develops. Consequently, a Noteholder must be able to bear the economic risk of an investment in such Notes for an indefinite period of time.

The relevant Issuer may rely on third parties and the Noteholders may be adversely affected if such third party fails to perform their obligations

The relevant Issuer may be a party to contracts with a number of other third parties that have agreed to perform services in relation to the Notes. For example, a paying agent and the agent bank have agreed to provide payment and calculation services in connection with the Notes; and Euroclear and Clearstream, Luxembourg have in respect of Bearer Global Notes in NGN form, agreed, *inter alia*, to accept such Bearer Global Notes as eligible for settlement and to properly service the same, and to maintain up to date records in respect of the total amount outstanding of such Bearer Global Notes in NGN form. In the event that any relevant third party was to fail to perform its obligations under the respective agreements to which it is a party, the Noteholders may be adversely affected.

Santander UK Group Holdings is a holding company and the Notes issued by it will be structurally subordinated to the claims of the creditors of its subsidiaries

Santander UK Group Holdings is a holding company that currently has no significant assets other than its investment in Santander UK and its other subsidiaries within the Group. As a holder of ordinary shares in such subsidiaries, Santander UK Group Holdings' right to participate in the assets of its subsidiaries in the event of a liquidation of a subsidiary will be subject to the prior claims of such subsidiary's creditors and preference shareholders. Accordingly, if any of Santander UK Group Holdings' subsidiaries were to be wound up, liquidated or dissolved, (i) the holders of the Notes would have no right to proceed against the assets of such a subsidiary, and (ii) the liquidator of the subsidiary would first apply the assets of the subsidiary to settle the claims of the creditors of such subsidiary before Santander UK Group Holdings would be entitled to receive any distributions.

Santander UK Group Holdings' obligation to make payments on the Notes issued by it is solely an obligation of Santander UK Group Holdings and will not be guaranteed by any of its subsidiaries.

In addition, as a holding company, Santander UK Group Holdings' ability to make payments depends entirely upon the receipt of dividends, distributions or advances from or repayment of any amounts lent to its subsidiaries. The ability of each subsidiary to pay dividends or such other amounts will be subject to their profitability, their financial condition, to applicable laws and regulations and to the evolution of their capital adequacy position.

Notes where denominations involve integral multiples: definitive Notes

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

A change in the governing law of the Notes (including, but not limited to, any change in connection with the United Kingdom's withdrawal from the European Union) may adversely affect Noteholders

The "Terms and Conditions of the Notes" are based on English law in effect as at the date of issue of the Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the Notes.

In addition, there is currently no guarantee that United Kingdom law will remain aligned with European Union law beyond the Transition Period. As such, United Kingdom law may diverge from European Union law over time. For example, the Main Market of the London Stock Exchange will cease to be a Regulated Market for the purposes of European Union law after the Transition Period has ended. The Issuers are not

able to predict how the United Kingdom legislative and regulatory environment might develop beyond the Transition Period. Legislative and regulatory uncertainty, including uncertainty stemming from the United Kingdom's withdrawal from the European Union, could affect an investor's ability to accurately value the Notes and, therefore, affect the trading price of the Notes given the extent of any impact on the Notes that one or more regulatory or legislative changes could have.

The Terms and Conditions of the Notes may be modified and certain decisions regarding the Notes may be made without the knowledge and consent of individual Noteholders.

The Trust Deed constituting the Notes contains provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. The Trust Deed constituting the Notes also provides that, subject to the prior consent of the Regulator being obtained (to the extent that such consent is required), the Trustee may (except as set out in the Trust Deed), without the consent of Noteholders, agree to certain modifications of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or to the substitution of another company as principal debtor under the Notes in place of the relevant Issuer in the circumstances described in Condition 14.

Waiver of set-off

The holders of the Dated Subordinated Notes and the Senior Notes of Santander UK Group Holdings waive any rights of set-off, compensation and retention in relation to such Notes insofar as permitted by applicable law.

Risks related to the structure of a particular issue of Floating Rate Notes or Fixed Rate Reset Notes

Investors should be aware that if LIBOR, or any other benchmark, were discontinued or otherwise unavailable, the rate of interest on Floating Rate Notes or Fixed Rate Reset Notes (as applicable) which are linked to or which reference such benchmark will be determined for the relevant period by the fallback provisions applicable to such Notes. The Terms and Conditions of the Notes provide for certain fallback arrangements in the event that a published benchmark, such as LIBOR, (including any page on which such benchmark may be published (or any successor service)) becomes unavailable. These fallback arrangements may require or result in adjustments to the interest calculation provisions of the Terms and Conditions of the Notes by an Independent Adviser or the relevant Issuer (as applicable). See "*The Trustee may agree to certain modifications to the Conditions and the transaction documents without the Noteholders' prior consent following a cessation or material disruption to a benchmark other than USD LIBOR or SOFR*" and "*The Trustee may agree to certain modifications to the Conditions and the transaction documents without the Noteholders' prior consent following a cessation or material disruption to USD LIBOR or SOFR*" below.

Even prior to the implementation of any changes to any benchmark, or to the interest calculation provisions based on such benchmark, uncertainty as to the nature of alternative reference rates and as to potential changes to such benchmark may adversely affect the operation of such benchmark during the term of the relevant Notes, as well as potentially adversely affecting both the return on any Notes which are linked to or which reference such benchmark and the trading market for such Notes.

In certain circumstances, the ultimate fallback for a particular Interest Period or Reset Period (as applicable), including where no alternative rate and/or, in the case of Floating Rate Notes, adjustment spread is determined or, in the case of Dated Subordinated Notes, where the alternative rate is reasonably expected to prejudice the qualification of such Dated Subordinated Notes as Tier 2 capital or, in the case

of Senior Notes issued by Santander UK Group Holdings, where the alternative rate is reasonably expected to prejudice the eligibility of such Senior Notes to qualify in full towards its and/or the Group's minimum requirements for (A) own funds and eligible liabilities and/or (B) loss absorbing capacity instruments, may be that the rate of interest for the last preceding Interest Period or Reset Period (as applicable) is used for the following Interest Period or Reset Period (as applicable). This may result in the effective application of a fixed rate for Floating Rate Notes or Fixed Rate Reset Notes (as applicable) based on the rate of interest that was determined for the last preceding Interest Period or Reset Period (as applicable). In addition, due to the uncertainty concerning the availability of alternative rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the value of and return on any such Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant rate could affect the ability of the Issuer to meet its obligations under the Floating Rate Notes or Fixed Rate Reset Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Notes or Fixed Rate Reset Notes. Investors should note that the Independent Adviser or the relevant Issuer (as applicable) will have discretion to adjust the relevant alternative rate in the circumstances described above. Any such adjustment could have unexpected commercial consequences and there can be no assurance that, due to the particular circumstances of each Noteholder, any such adjustment will be favourable to each Noteholder.

In addition, if an amendment is made to the Notes to change the reference rate/benchmark from LIBOR, or any other benchmark, to an alternative base rate, such amendment could have adverse tax consequences to U.S. holders. In certain circumstances, the ultimate fallback for a particular Interest Period or Reset Period (as applicable) may result in the effective application of a fixed rate for Floating Rate Notes or Fixed Rate Reset Notes (as applicable) based on the rate of interest that was determined for the last preceding Interest Period or Reset Period (as applicable).

Furthermore, if the interest rate applicable to any Floating Rate Notes is determined to be less than zero for any Interest Period, the interest rate applicable to such Floating Rate Notes shall (unless stated otherwise in the Final Terms) be deemed to be zero for that Interest Period.

Investors should consider all of these matters when making their investment decision with respect to the relevant Floating Rate Notes or Fixed Rate Reset Notes. See also "*The Group's financial results are constantly exposed to market risk. The Group is subject to fluctuations in interest rates and other market risks, which could have a material adverse effect on the Group's operations, financial condition and prospects*" above.

The Trustee may agree to certain modifications to the Conditions and the transaction documents without the Noteholders' prior consent following a cessation or material disruption to a benchmark other than USD LIBOR or SOFR

In certain situations, including the relevant benchmark ceasing to be administered, where (i) in the case of relevant Floating Rate Notes, Screen Rate Determination is specified in the applicable Final Terms as the manner in which the rate of interest is to be determined or (ii) in the case of Fixed Rate Reset Notes, a Mid-Swap Rate is specified as the relevant Reset Rate in the applicable Final Terms, the fallback arrangements referenced above will include the possibility that the relevant rate of interest (or, as applicable, component thereof) could be set or, as the case may be, determined by reference to an alternative rate and, in the case of Floating Rate Notes, an adjustment spread determined by an Independent Adviser or, if the relevant Issuer is unable to appoint an Independent Adviser or the Independent Adviser appointed by the relevant Issuer fails to make such determination, the relevant Issuer

acting in good faith and a commercially reasonable manner, and all as more fully described in the Terms and Conditions of the Notes. In the case of Floating Rate Notes, the applicable adjustment spread could be positive, negative or zero and may not be effective in reducing or eliminating any economic prejudice to investors arising out of the replacement of the relevant benchmark with the relevant alternative rate.

No consent of the Noteholders shall be required in connection with effecting any alternative rate and, in the case of Floating Rate Notes, the applicable adjustment spread. In addition, no consent of the Noteholders shall be required in connection with any other related adjustments and/or amendments to the Terms and Conditions of the Notes (or any other document) which are made in order to effect any alternative rate. Any such alternative rate, adjustment spread and/or other related amendments to the Terms and Conditions of the Notes (or any other document), as applicable, shall be binding upon the Noteholders regardless of whether or not they are materially prejudicial to the interests of the Noteholders.

The Trustee may agree to certain modifications to the Conditions and the transaction documents without the Noteholders' prior consent following a cessation or material disruption to USD LIBOR or SOFR

The Trustee shall, without any consent or sanction of the Noteholders, concur with the relevant Issuer in making any modification to the Terms and Conditions of the Notes and/or other relevant transaction documents to which it is a party that the relevant Issuer considers necessary if the relevant Issuer determines that a Benchmark Transition Event has occurred with respect to USD LIBOR or SOFR, for the purpose of making any modification to the Terms and Conditions of the Notes or other transaction documents that the relevant Issuer decides may be appropriate to give effect to the provisions set forth in Condition 4(c)(ii)(B)(VII)(ii) in relation only to all determinations of the rate of interest payable on any U.S. dollar denominated Floating Rate Notes which are calculated by reference to USD LIBOR or SOFR and issued on or after 30 June 2020 and any related swap agreements.

With respect to a Benchmark Transition Event, the Noteholders shall be deemed to have instructed the Trustee to concur with any amendments that the relevant Issuer decides may be appropriate to give effect to the provisions set forth in Condition 4(c)(ii)(B)(VII)(ii), and shall be bound by them regardless of whether or not they are materially prejudicial to the interests of the Noteholders.

The Secured Overnight Financing Rate used to calculate SOFR may be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in the Notes

The Secured Overnight Financing Rate is published by the Federal Reserve Bank of New York (the “**Federal Reserve**”) and is intended to be a broad measure of the cost of borrowing cash overnight collateralised by Treasury securities. The Federal Reserve reports that the Secured Overnight Financing Rate includes all trades in the Broad General Collateral Rate, plus bilateral Treasury repurchase agreement transactions cleared through the delivery-versus-payment service offered by the Fixed Income Clearing Corporation (the “**FICC**”), a subsidiary of the Depository Trust and Clearing Corporation (“**DTCC**”). The Secured Overnight Financing Rate is filtered by the Federal Reserve to remove a portion of the foregoing transactions considered to be “specials”.

The Federal Reserve reports that the Secured Overnight Financing Rate is calculated as a volume-weighted median of transaction-level tri-party repurchase agreement data collected from The Bank of New York Mellon as well as General Collateral Finance repurchase agreement transaction data and data on bilateral Treasury repurchase transactions cleared through the FICC's delivery-versus-payment service. The Federal Reserve notes that it obtains information from DTCC Solutions LLC, an affiliate of DTCC. The Federal Reserve notes on its publication page for the Secured Overnight Financing Rate that use of the Secured Overnight Financing Rate is subject to important limitations and disclaimers, including that the Federal Reserve may alter the methods of calculation, publication schedule, rate revision practices or availability of the Secured Overnight Financing Rate at any time without notice.

Because the Secured Overnight Financing Rate is published by the Federal Reserve based on data received from other sources, the Issuer has no control over its determination, calculation or publication. There can be no guarantee that the Secured Overnight Financing Rate will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Notes linked to SOFR. If the manner in which the Secured Overnight Financing Rate is calculated is changed, that change may result in a reduction of the amount of interest payable on such Notes and their trading prices. If the rate at which interest on Notes linked to SOFR accrues on any day declines to zero or becomes negative, no interest will be payable on such Notes in respect of that day.

The Federal Reserve began to publish the Secured Overnight Financing Rate in April 2018. The Federal Reserve has also begun publishing historical indicative Secured Overnight Financing Rates going back to 2014. Investors should not rely on any historical changes or trends in the Secured Overnight Financing Rate as an indicator of future changes in the Secured Overnight Financing Rate. Also, since the Secured Overnight Financing Rate is a relatively new market index, Notes linked to SOFR will likely have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities indexed to the Secured Overnight Financing Rate, such as the spread over the index reflected in interest rate provisions, may evolve over time, and trading prices of Notes linked to SOFR may be lower than those of later-issued indexed debt securities as a result. Similarly, if the Secured Overnight Financing Rate does not prove to be widely used in securities like the Notes linked to SOFR, the trading price of such Notes may be lower than those of notes linked to indices that are more widely used. Investors in Notes linked to SOFR may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk.

The market continues to develop in relation to risk free rates (including overnight rates) as reference rates for Floating Rate Notes

The market continues to develop in relation to risk free rates, such as the Sterling Overnight Index Average (“**SONIA**”), the Euro Overnight Index Average (“**EONIA**”), the Secured Overnight Financing Rates (“**SOFR**”) and the euro short-term rate (“**€STR**”), as reference rates in the capital markets and their adoption as alternatives to the relevant interbank offered rates.

In particular, market participants and relevant working groups are exploring alternative reference rates based on risk free rates, including term SONIA, EONIA, SOFR and €STR (which seek to measure the market’s forward expectation of an average SONIA, EONIA, SOFR or €STR over a designated term). Market terms for debt securities indexed to SONIA, EONIA, SOFR and €STR such as the spread over the index reflected in interest rate provisions or the applicable Observation Method, may evolve over time, and trading prices of the Floating Rate Notes may be lower than those of later-issued indexed debt securities as a result.

As a result of the evolving nature of risk free rates, the market or a significant part thereof may adopt an application of risk free rates that differs significantly from that set out in the Terms and Conditions of the Notes and used in relation to Floating Rate Notes that reference a risk free rate issued under this Prospectus. In this respect, the Bank of England released a discussion paper in February 2020 entitled “*Supporting Risk-Free Rate transition through the provision of compounded SONIA*” pursuant to which the Bank stated its intention to publish a daily SONIA compounded index and its consideration whether to publish a set of compounded SONIA period averages. This is an approach similar to that already taken by the Federal Reserve Bank of New York in respect of SOFR. In February 2020, the Federal Reserve Bank of New York, announced that it would publish 30-, 90-, and 180-day SOFR averages as well as a SOFR index from March 2020 in order to support a successful transition from USD LIBOR. There is no guarantee

that the Bank of England and/or the Federal Reserve Bank of New York will not withdraw, modify or amend any published SONIA index and/or SOFR averages or index data, or that such index or averages will be widely used in the marketplace. A screen rate based on an observable publicly available average rate or index may evolve over time but there is no guarantee of this. Interest on Floating Rate Notes which reference a backwards-looking risk free rate are only capable of being determined at the end of the relevant observation period and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in such Floating Rate Notes to reliably estimate the amount of interest which will be payable on such Notes. Further, if the Floating Rate Notes become due and payable, the Rate of Interest payable shall be determined on the date such Floating Rate Notes became due and payable and shall not be reset thereafter. Investors should consider these matters when making their investment decision with respect to any such Floating Rate Notes. *Senior Notes*

(i) The Senior Notes may be subject to statutory bail-in or write down powers under the Banking Act and the BRRD

As described in the risk factor entitled “*The Group may become subject to the provisions of the Banking Act 2009, including bail-in and write down powers*” above, the BRRD bail-in power has been implemented in the UK. The UK bail-in power is an additional power available to the UK resolution authorities under the special resolution regime provided for in the Banking Act to enable them to recapitalise a failed institution by allocating losses to such institution’s shareholders and unsecured creditors subject to the rights of such shareholders and unsecured creditors to be compensated under a bail-in compensation order, which is based on the principle that such creditors should receive no less favourable treatment than they would have received had the bank entered into insolvency immediately before the coming into effect of the bail-in power. The bail-in power includes the power to cancel or write down (in whole or in part) certain liabilities or to modify the terms of certain contracts for the purposes of reducing or deferring the liabilities of a relevant institution under resolution and the power to convert certain liabilities into shares (or other instruments of ownership) of the relevant institution.

The Senior Notes are a liability which could be cancelled, written down (in whole or in part) or converted pursuant to the exercise of the bail-in power. The exercise of the bail-in power, or any suggestion of such exercise could, therefore, materially adversely affect the rights of Noteholders, the price or value of their investment in the Senior Notes and/or the ability of the relevant Issuer to satisfy its obligations under the Senior Notes.

(ii) Early redemption of the Senior Notes is at all times at the discretion of the relevant Issuer, and an investor may not be able to reinvest the redemption proceeds at as effective a rate of return as that in respect of the Senior Notes

The Senior Notes may, subject as provided in Condition 6, be redeemed before the Maturity Date at the sole discretion of the relevant Issuer if an optional redemption right is specified in the applicable Final Terms, following a Tax Event or, if so specified in the applicable Final Terms in respect of Senior Notes issued by Santander UK Group Holdings, following a Loss Absorption Disqualification Event.

During any period when the relevant Issuer may elect to redeem the Senior Notes, or during which there is an actual or perceived increased likelihood that the relevant Issuer may elect to redeem the Senior Notes, the market value of the Senior Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

An investor may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Senior Notes being redeemed and may only be able to do so at a significantly

lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

With respect to a Loss Absorption Disqualification Event, as the Loss Absorption Regulations continue to be implemented in the United Kingdom and may be subject to potential future amendments, the Issuers are currently unable to predict whether the Senior Notes issued by Santander UK Group Holdings are likely to be, fully or partially, excluded from Santander UK Group Holdings' or the Group's minimum requirements for (A) own funds and eligible liabilities and/or (B) loss absorbing capacity instruments, in each case as such minimum requirements are applicable to Santander UK Group Holdings or to the Group. If such Senior Notes issued by Santander UK Group Holdings are to be so redeemed or there is a perception that the Senior Notes issued by Santander UK Group Holdings may be so redeemed, this may impact the market price of the Senior Notes issued by Santander UK Group Holdings. Such legislative and regulatory uncertainty could also affect the value the Senior Notes and therefore affect the trading price of the Senior Notes given the extent and impact on the Senior Notes that one or more regulatory or legislative changes could have on the Senior Notes.

(iii) Senior Notes issued by Santander UK Group Holdings will be subject to limited events of default and the remedies available thereunder are limited

In accordance with the Regulator's requirements for MREL and/or TLAC capital, the only events of default under the Terms and Conditions of the Senior Notes issued by Santander UK Group Holdings are (i) where there is a failure to pay principal or interest for a period of 14 days or more when it otherwise becomes due and payable, or (ii) an order is made or a resolution is passed for the winding-up of Santander UK Group Holdings (other than an Approved Winding-up).

The sole remedy against Santander UK Group Holdings available to the Trustee or (where the Trustee has failed to proceed against Santander UK Group Holdings as provided in the "Terms and Conditions of the Notes") any Noteholder for recovery of amounts which have become due in respect of the Senior Notes issued by Santander UK Group Holdings will be the institution of proceedings for the winding-up of Santander UK Group Holdings and/or proving in such winding-up and/or claiming in the liquidation of Santander UK Group Holdings. Otherwise, the Trustee and the Noteholders may not take any further or other action to enforce, prove or claim any such payment, including, in the case of a failure to pay interest, any action to accelerate a repayment of the principal amount of such Senior Notes.

If an order is made by the competent court or resolution passed for the winding-up Santander UK Group Holdings (other than an Approved Winding-up), the Trustee at its discretion may, and if so requested by Noteholders of at least one quarter in principal amount of the Senior Notes issued by Santander UK Group Holdings then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to Condition 9(b)(iv)), give notice to Santander UK Group Holdings (or, as applicable, the liquidator) that such Senior Notes issued by Santander UK Group Holdings are, and they shall accordingly forthwith become, immediately due and repayable at the amount equal to their principal amount and any accrued and unpaid interest.

Dated Subordinated Notes:

(i) The Dated Subordinated Notes are unsecured and subordinated obligations of Santander UK Group Holdings. On a winding-up of Santander UK Group Holdings, investors in the Dated Subordinated Notes may lose their entire investment in the Dated Subordinated Notes

Santander UK Group Holdings' payment obligations under the Dated Subordinated Notes will be unsecured and will be subordinated in the event of the winding-up of Santander UK Group Holdings (other

than an Approved Winding-up) or the appointment of an administrator of Santander UK Group Holdings where the administrator has given notice that it intends to declare and distribute a dividend and, in each case, will rank junior to the claims of creditors of Santander UK Group Holdings (a) who are unsubordinated creditors of Santander UK Group Holdings; or (b) who are subordinated creditors of Santander UK Group Holdings (other than those whose claims constitute, or would but for any applicable limitation on the amount of any such capital constitute, Tier 1 capital or Tier 2 capital or whose claims rank, or are expressed to rank, *pari passu* with, or junior to, the claims of the holders of the Dated Subordinated Notes), and claims in respect of any subordinated indebtedness of Santander UK Group Holdings (other than indebtedness which ranks, or is expressed to rank, *pari passu* with or junior to the Dated Subordinated Notes). Accordingly, the assets of Santander UK Group Holdings would be applied first in satisfying all senior-ranking claims in full, and payments would be made to holders of the Dated Subordinated Notes, *pro rata* and proportionately with payments made to holders of any other *pari passu* instruments (if any), only if and to the extent that there are any assets remaining after satisfaction in full of all such senior-ranking claims. If Santander UK Group Holdings' assets are insufficient to meet all its obligations to senior-ranking and *pari passu* creditors, the holders of the Dated Subordinated Notes will lose all or some of their investment in the Dated Subordinated Notes.

There is no restriction on the amount of securities which Santander UK Group Holdings may issue and which rank senior to, or *pari passu* with, the Dated Subordinated Notes and accordingly, Santander UK Group Holdings may at any time incur, issue further debt or securities which rank senior to, or *pari passu* with, the Dated Subordinated Notes. Consequently there can be no assurance that the current level of senior or *pari passu* debt of Santander UK Group Holdings will not change. The issue of any such securities may reduce the amount (if any) recoverable by Noteholders on a winding-up or administration of Santander UK Group Holdings.

If Santander UK Group Holdings' financial condition deteriorates such that there is an increased risk that Santander UK Group Holdings may be wound up or enter into administration, such circumstances can be expected to have a material adverse effect on the market price of the Dated Subordinated Notes. Investors in the Dated Subordinated Notes may find it difficult to sell their Dated Subordinated Notes in such circumstances, or may only be able to sell their Dated Subordinated Notes at a price which may be significantly lower than the price at which they purchased their Dated Subordinated Notes. In such a sale, investors may lose some or substantially all of their investment in the Dated Subordinated Notes, whether or not Santander UK Group Holdings is wound up or enters into administration.

Although the Dated Subordinated Notes may pay a higher rate of interest than comparable notes which are not subordinated, there is a real risk that an investor in the Dated Subordinated Notes will lose all or some of his investment should Santander UK Group Holdings become insolvent.

(ii) Early redemption of the Dated Subordinated Notes is at all times at the discretion of Santander UK Group Holdings, and an investor may not be able to reinvest the redemption proceeds at as effective a rate of return as that in respect of the Dated Subordinated Notes

The Dated Subordinated Notes may, subject as provided in Condition 6, be redeemed before the Maturity Date at the sole discretion of Santander UK Group Holdings if an optional redemption right is specified in the applicable Final Terms, following a Tax Event or, if so specified in the applicable Final Terms, following a Regulatory Capital Event.

During any period when Santander UK Group Holdings may elect to redeem the Dated Subordinated Notes, the market value of the Dated Subordinated Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

An investor may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Dated Subordinated Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

(iii) The Dated Subordinated Notes contain limited events of default and the remedies available thereunder are limited

In accordance with the Regulator's requirements for Tier 2 capital, the only events of default under the Terms and Conditions of the Dated Subordinated Notes are (i) where there is a failure to pay principal or interest for a period of 14 days or more when it otherwise becomes due and payable or (ii) an order is made or a resolution is passed for the winding-up of Santander UK Group Holdings (other than an Approved Winding-up).

The sole remedy against Santander UK Group Holdings available to the Trustee or (where the Trustee has failed to proceed against Santander UK Group Holdings as provided in the "*Terms and Conditions of the Notes*") any Noteholder for recovery of amounts which have become due in respect of the Dated Subordinated Notes will be the institution of proceedings for the winding-up of Santander UK Group Holdings and/or proving in such winding-up and/or claiming in the liquidation of Santander UK Group Holdings. Otherwise, the Trustee and the Noteholders may not take any further or other action to enforce, prove or claim any such payment, including, in the case of a failure to pay interest, any action to accelerate a repayment of the principal amount of the Dated Subordinated Notes.

If an order is made by the competent court or resolution passed for the winding-up of Santander UK Group Holdings (other than an Approved Winding-up), the Trustee at its discretion may, and if so requested by Noteholders of at least one quarter in principal amount of the Dated Subordinated Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to Condition 9(b)(iv)), give notice to Santander UK Group Holdings (or, as applicable, the liquidator) that the Dated Subordinated Notes are, and they shall accordingly forthwith become, immediately due and repayable at the amount equal to their principal amount and any accrued and unpaid interest, and the claim in respect thereof will be subject to the subordination provided for in Condition 3(b).

(iv) The Dated Subordinated Notes may be subject to statutory bail-in or write down powers under the Banking Act and the BRRD

As described in the risk factor entitled "*The Group may become subject to the provisions of the Banking Act 2009, including bail-in and write down powers*" above, the BRRD bail-in power has been implemented in the UK. The UK bail-in power is an additional power available to the UK resolution authorities under the special resolution regime provided for in the Banking Act to enable them to recapitalise a failed institution by allocating losses to such institution's shareholders and unsecured creditors subject to the rights of such shareholders and unsecured creditors to be compensated under a bail-in compensation order, which is based on the principle that such creditors should receive no less favourable treatment than they would have received had the bank entered into insolvency immediately before the coming into effect of the bail-in power. The bail-in power includes the power to cancel or write down (in whole or in part) certain liabilities or to modify the terms of certain contracts for the purposes of reducing or deferring the liabilities of a relevant institution under resolution and the power to convert certain liabilities into shares (or other instruments of ownership) of the relevant institution.

The Dated Subordinated Notes are a liability which could be cancelled, written down (in whole or in part) or converted pursuant to the exercise of the bail-in power. In accordance with the insolvency treatment principles described in the risk factor entitled "*The Group may become subject to the provisions of the*

Banking Act 2009, including bail-in and write down powers” above, the Dated Subordinated Notes would be amongst the first of Santander UK Group Holdings’ obligations to bear losses through write-down or conversion to equity pursuant to the exercise of the bail-in power because in the event of the insolvency of Santander UK Group Holdings, the claims in respect of the Dated Subordinated Notes would rank behind all other claims other than claims in respect of Junior Securities.

The BRRD also contains a mandatory write down power which requires EU Member States to grant powers to resolution authorities to recapitalise institutions and/or their EEA parent holding companies that are at the point of non-viability by permanently writing down, *inter alia*, capital instruments such as the Dated Subordinated Notes, or converting those capital instruments into shares. The mandatory write down provision has been implemented in the UK through the Banking Act, and would apply to the Dated Subordinated Notes. Before, or simultaneously with, taking any form of resolution action or applying any resolution power set out in the BRRD, the UK resolution authorities have the power (and are obliged when specified conditions are determined to have been met) to write down, or convert capital instruments such as the Dated Subordinated Notes into CET1 capital instruments. These measures could be applied to the Dated Subordinated Notes.

In contrast to the creditor protections afforded in the event of the bail-in powers being exercised, holders of the Dated Subordinated Notes would not be entitled to the “no creditor worse off” protections under the Banking Act in the event that the Dated Subordinated Notes are written down or converted to equity under the mandatory write-down tool (unless the mandatory write-down tool were to be used alongside a bail-in).

Furthermore, if the Dated Subordinated Notes were to be converted into equity securities by application of the mandatory write-down tool, those equity securities may be subjected to the bail-in powers in resolution, resulting in their cancellation, significant dilution or transfer away from the investors therein. The exercise of such bail-in or write down powers, or any suggestion of such exercise could, therefore, materially adversely affect the rights of Noteholders, the price or value of their investment in any Dated Subordinated Notes and/or the ability of Santander UK Group Holdings to satisfy its obligations under the Dated Subordinated Notes.

(v) The gross-up obligation under the Dated Subordinated Notes is limited only to payments of interest and not to payments of principal

Santander UK Group Holdings’ obligation to pay additional amounts in respect of any withholding or deduction in respect of United Kingdom taxes under the terms of the Dated Subordinated Notes applies only to payments of interest due and paid under the Dated Subordinated Notes and not to payments of principal. As such Santander UK Group Holdings would not be required to pay any additional amounts under the terms of the Dated Subordinated Notes to the extent any withholding or deduction applied to payments of principal. Accordingly, if any such withholding or deduction were to apply to any payments of principal under the Dated Subordinated Notes, holders of Dated Subordinated Notes may receive less than the full amount due under the Dated Subordinated Notes, and the market value of the Dated Subordinated Notes may be adversely affected.

Fixed Rate Notes

Investment in Fixed Rate Notes involves the risk that subsequent changes in the market interest rates may adversely affect the value of the Fixed Rate Notes.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate or vice versa. If the rate converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes relating to the same reference rate. In addition, the new floating rate at any time may be lower than the interest rates payable on other Notes. If the rate converts from a floating rate to a fixed rate, the fixed rate may be lower than the then prevailing interest rates payable on the Notes.

Inverse Floating Rate Notes

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as the LIBOR. The market value of Inverse Floating Rate Notes typically is more volatile than the market value of other more conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate payable on the Notes, but may also reflect an increase in prevailing interest rates, which may further adversely affect the market value of these Notes.

Capped Floating Rate Notes

Capped Floating Rate Notes usually have an interest rate equal to the sum of a reference rate such as LIBOR and the specified margin (if any) subject to a maximum specified rate. The maximum amount of interest payable in respect of these Notes will occur when the sum of the reference rate and the specified margin (if any) equals the maximum specified rate. Investors in Capped Floating Rate Notes will therefore not benefit from any increase in the relevant reference rate which, when the specified margin is added to such reference rate, would otherwise cause such interest rate to exceed the maximum specified rate. The market value of these Notes would therefore typically fall the closer the sum of the relevant reference rate and the margin is to the maximum specified rate.

Leveraged Floating Rate Notes

Notes with floating interest rates can be volatile investments. If they are structured to include multipliers, or caps or floors, or any combination of those features, their market value may be more volatile than those for securities that do not include these features.

Variable Interest Notes

The market value of Variable Interest Notes may be more volatile than for securities that do not determine the accrual of interest on the basis of an underlying reference rate. The investor may receive substantially less interest than the rate of accrual interest specified in the applicable Final Terms or no interest at all on such Variable Interest Notes.

Fixed Rate Reset Notes

Fixed Rate Reset Notes will initially bear interest at the Initial Rate of Interest until (but excluding) the First Reset Date. On the First Reset Date, the Second Reset Date (if applicable) and each Subsequent Reset Date (if any) thereafter, the interest rate will be reset to the sum of (i) the applicable Mid-Swap Rate, Benchmark Gilt Rate or Reference Bond Rate and (ii) the First Margin or Subsequent Margin (as applicable) as determined by the Calculation Agent on the relevant Reset Determination Date (each such interest rate, a "**Subsequent Reset Rate**"). The Subsequent Reset Rate for any Reset Period could be

less than the Initial Rate of Interest or the Subsequent Reset Rate for prior Reset Periods and could affect the market value of an investment in the Reset Notes.

Notes issued at a substantial discount or premium

The market value of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

FORM OF THE NOTES

The Notes of each Series will be in either bearer form or registered (or inscribed) form. Bearer Notes will be issued outside the United States in reliance on Regulation S and Registered Notes will be issued both outside the United States in reliance on the exemption from registration provided by Regulation S and within the United States in reliance on Rule 144A.

Bearer Notes

Bearer Notes having an original maturity of more than 365 days are subject to U.S. tax law requirements, and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the Internal Revenue Code of 1986 and the U.S. Treasury regulations promulgated thereunder.

Each Tranche of Bearer Notes will be in bearer form and will initially be represented by either a temporary bearer global note (a “**Temporary Bearer Global Note**”) or a permanent bearer global note (a “**Permanent Bearer Global Note**”) and, together with the Temporary Bearer Global Note, the “**Bearer Global Notes**”) as indicated in the applicable Final Terms, which, in either case, will:

- (i) if the Bearer Global Notes are intended to be issued in new global note (“**NGN**”) form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the “**Common Safekeeper**”) for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream, Luxembourg**”); and
- (ii) if the Bearer Global Notes are not intended to be issued in NGN form, be delivered on or prior to the original issue date of the Tranche to a common depository for Euroclear and Clearstream, Luxembourg.

Where the Bearer Global Notes issued in respect of any Tranche are in NGN form, the applicable Final Terms will also indicate whether or not such Bearer Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Bearer Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The Common Safekeeper for NGNs will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg.

Exchange

In respect of each Tranche of Notes in respect of which a Temporary Bearer Global Note is issued, on and after the date (the “**Exchange Date**”) which is 40 days after the Temporary Bearer Global Note is issued, interests in such Temporary Bearer Global Note will be exchangeable (free of charge) upon a request as described therein for either:

- (i) interests in a Permanent Bearer Global Note of the same Series, or
- (ii) definitive Bearer Notes of the same Series with, where applicable, interest coupons and talons attached (as indicated in the applicable Final Terms).

In each case such exchange shall be made against certification of beneficial ownership as described below, unless such certification has already been given. Purchasers in the United States and certain U.S.

persons will not be able to receive definitive Bearer Notes. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due presentation and certification, exchange of the Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note or for definitive Bearer Notes is improperly withheld or refused.

The applicable Final Terms will specify that a Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Bearer Notes with, where applicable, interest coupons and talons attached upon either:

- (1) not less than 60 days' written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) to the Principal Paying Agent, or
- (2) only upon the occurrence of an Exchange Event (as defined below).

No definitive Bearer Notes will be sent by post or otherwise delivered to any location in the United States or its possessions in connection with such exchange.

The exchange of a Permanent Bearer Global Note for definitive Bearer Notes upon notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) should not be expressed to be applicable in the applicable Final Terms if the Bearer Notes are issued with a minimum Specified Denomination such as €100,000 (or its equivalent in another currency) plus one or more higher integral multiples of another smaller amount such as €1,000 (or its equivalent in another currency). Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Bearer Notes which is to be represented on issue by a Temporary Bearer Global Note exchangeable for definitive Bearer Notes.

For these purposes, "**Exchange Event**" means that:

- (1) an Event of Default (as defined in Condition 9) has occurred and is continuing,
- (2) the relevant Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no alternative clearing system satisfactory to the relevant Issuer, the Principal Paying Agent and the Trustee is available, or
- (3) the relevant Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Bearer Global Note in definitive form.

The relevant Issuer will promptly give notice to the Noteholders in accordance with Condition 13 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) or the Trustee may give notice to the Principal Paying Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (3) above, the relevant Issuer may also give notice to the Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent.

Payments

Whilst any Bearer Note is represented by a Temporary Bearer Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined above) will be made against presentation of the Temporary Bearer Global Note (if the Temporary Bearer Global Note is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Bearer Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent.

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Note will be made through Euroclear and/or Clearstream, Luxembourg against presentation or surrender (as the case may be) of the Permanent Bearer Global Note (if the Permanent Bearer Global Note is not intended to be issued in NGN form) without any requirement for certification.

Legends Concerning United States Persons

The following legend will appear on all Bearer Notes which have an original maturity of more than 365 days and on all Talons and Coupons relating to such Notes:

“ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.”

The sections referred to provide that United States persons, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes, Talons and Coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of such Notes, Talons and Coupons.

The term “United States person”, as used in this paragraph and in the preceding paragraph, has the meaning set forth in the Internal Revenue Code of 1986 and the U.S. Treasury regulations thereunder.

Transfers

Notes which are represented by a Bearer Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Registered Notes

Registered Notes offered and sold in reliance on Regulation S may only be offered and sold to non-U.S. persons outside the United States and will initially be represented by a global note in registered form, without interest coupons or talons (a “**Regulation S Global Note**” and, together with any Notes issued in registered form in exchange or substitution therefore, the “**Regulation S Notes**”) which will be deposited with a common depository, common safekeeper or depository, as the case may be, for, and registered in the name of a common nominee or nominee of, Euroclear and Clearstream, Luxembourg or such other clearing system as may be agreed between the relevant Issuer and the relevant Dealer and specified in the Final Terms, or in the name of a nominee of the common safekeeper. Prior to expiry of the Distribution Compliance Period (as defined in “*Terms and Conditions of the Notes*”) applicable to each Tranche of Notes, beneficial interests in a Regulation S Global Note may not be offered or sold to, or for the account

or benefit of, a U.S. person save as otherwise provided in Condition 2 and may not be held otherwise than through Euroclear or Clearstream, Luxembourg (or such other clearing system as may be agreed between the relevant Issuer and the relevant Dealer and specified in the Final Terms) and such Regulation S Global Note will bear a legend regarding such restrictions on transfer.

Registered Notes offered and sold in reliance on Rule 144A may only be offered and sold in the United States or to U.S. persons in private transactions to “qualified institutional buyers” within the meaning of Rule 144A under the Securities Act (“**QIBs**”) and will be represented by a global note in registered form, without interest coupons or talons (a “**Rule 144A Global Note**” and, together with a Regulation S Global Note, the “**Registered Global Notes**”) which will be deposited with a custodian for, and registered in the name of a nominee of, The Depository Trust Company (“**DTC**”).

Where a Registered Global Note issued in respect of any Tranche is intended to be held under the new safekeeping structure (“**NSS**”), the applicable Final Terms will also indicate whether or not such Registered Global Note is intended to be held in a manner which would allow Eurosystem eligibility. Any indication that a Registered Global Note is to be so held under NSS does not necessarily mean that the Registered Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The common safekeeper for a Registered Global Note held under NSS will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg.

Exchange

Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in registered form.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, “**Exchange Event**” means that:

- (1) an Event of Default (as defined in Condition 9) has occurred and is continuing;
- (2) in the case of Notes represented by a Rule 144A Global Note only, DTC has notified the relevant Issuer that it is unwilling or unable to continue to act as depository for the Notes and no alternative clearing system satisfactory to the relevant Issuer, the Principal Paying Agent, the Registrar and the Trustee is available;
- (3) in the case of Notes represented by a Rule 144A Global Note only, DTC has ceased to constitute a clearing agency registered under the Exchange Act or in the case of Notes represented by a Regulation S Global Note only, the relevant Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no alternative clearing system satisfactory to the relevant Issuer, the Principal Paying Agent, the Registrar and the Trustee is available; or
- (4) the relevant Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Registered Global Note in definitive form.

The relevant Issuer will promptly give notice to the Noteholders in accordance with Condition 13 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, DTC, Euroclear and/or Clearstream, Luxembourg (each acting on the instructions of any holder of an interest in such Registered Global Note) or the Trustee may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (4) above, the relevant Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

Payments

Payments of principal, interest and any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the person(s) shown on the Register on the relevant Record Date (each as defined in Condition 5(d)) as the registered holder(s) of the Registered Global Notes. None of the relevant Issuer, the Trustee, any Paying Agent and the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 5(d)) immediately preceding the due date for payment in the manner provided in that Condition.

Transfers

Interests in a Registered Global Note may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Registered Global Note. The Rule 144A Notes will be subject to certain restrictions on transfer set forth therein and will bear a legend regarding such restrictions. No beneficial owner of an interest in a Registered Global Note will be able to transfer such interest, except in accordance with the applicable procedures of DTC, Euroclear and Clearstream, Luxembourg, in each case to the extent applicable. **Registered Notes are also subject to the restrictions on transfer set forth therein and will bear a legend regarding such restrictions, see “Subscription and Sale and Transfer and Selling Restrictions”.**

All transfers of Registered Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Registered Notes set out in Schedule 4 to the Agency Agreement. The regulations may be changed by the relevant Issuer with the prior written approval of the Trustee, the Registrar and the Transfer Agent. A copy of the current regulations will be made available for inspection during usual business hours and upon reasonable notice at the principal office of the Trustee and at the Specified Office of each of the Paying Agents.

General

Pursuant to the Agency Agreement (as defined under “*Terms and Conditions of the Notes*”), the Principal Paying Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes at a point after the Issue Date of the further Tranche, the Notes of such further Tranche shall be assigned a common code and ISIN and, where applicable, a CUSIP and CINS number which are different from the common code, ISIN, CUSIP and CINS assigned to Notes of any other Tranche of the same Series until such time as the Tranches are consolidated and form a single Series, which shall not be prior to the expiry of the Distribution Compliance Period (as defined in “*Terms and Conditions of the Notes*”) applicable to the Notes of such Tranche.

For so long as any of the Notes is represented by a Bearer Global Note or a Regulation S Global Note held on behalf of or, as the case may be, registered in the name of a common nominee for, Euroclear, and/or Clearstream, Luxembourg (or, as the case may be, a nominee for the common safekeeper), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the relevant Issuer, the Trustee, the Paying Agents, the Transfer Agents and the Registrar as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Regulation S Global Note shall be treated by the relevant Issuer, the Trustee, the Paying Agents, the Transfer Agents and the Registrar as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly.

For so long as any of the Notes is represented by a Rule 144A Global Note registered in the name of DTC or its nominee, each person who is for the time being shown in the records of DTC or such nominee as the holder of a particular nominal amount of such Notes shall be treated by the relevant Issuer, the Trustee, the Paying Agents, the Registrar and the Transfer Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on, or voting, giving consents or making requests in respect of, such nominal amount of such Notes, for which purpose DTC or, in the case of payments only, its nominee shall be treated by the relevant Issuer, the Trustee, the Principal Paying Agent, the Paying Agents, the Registrar and the Transfer Agents as the holder of such nominal amount of such Notes in accordance with and subject to the terms of such Rule 144A Global Note; and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly.

Any reference herein to DTC, Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, except in relation to Notes issued in NGN form or held under the NSS for registered global securities, be deemed to include a reference to any successor operator and/or successor clearing system and/or any additional or alternative clearing system specified in the applicable Final Terms.

Any reference herein to the common depository, depository or, as applicable, common safekeeper shall, whenever the context so permits, be deemed to include references to any successor common depository, depository or, as applicable, common safekeeper or any additional or alternative common depository, depository or, as applicable, common safekeeper as is approved by the relevant Issuer, the Principal Paying Agent, the Registrar and the Trustee.

Any reference herein to the nominee or, as applicable, common nominee shall, whenever the context so permits, be deemed to include references to any successor nominee or, as applicable, common nominee or any additional or alternative nominee or, as applicable, common nominee as is approved by the relevant Issuer, the Principal Paying Agent, the Registrar and the Trustee.

Eurosystem Eligibility

Notes issued under the Programme that are (i) subject to statutory, contractual or structural subordination (including Dated Subordinated Notes issued by Santander UK Group Holdings) and/or (ii) issued by either Issuer after the United Kingdom has withdrawn from the EU will be ineligible as collateral for Eurosystem monetary policy and intra-day credit operations.

FORM OF FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Notes which are not Exempt Notes and which are issued under the Programme with a denomination of at least €100,000 (or its equivalent in another currency) pursuant to this Prospectus.

[Date]

PLEASE CAREFULLY READ THE PROSPECTUS AND THE RISK FACTORS IN THE PROSPECTUS. EACH INVESTOR SHOULD CONSULT ITS OWN FINANCIAL AND LEGAL ADVISORS ABOUT THE RISKS ASSOCIATED WITH AN INVESTMENT IN THE NOTES AND THE SUITABILITY OF AN INVESTMENT IN THE NOTES IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES.

PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”) or in the United Kingdom (the “**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation (where “**Prospectus Regulation**” means Regulation (EU) 2017/1129). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

[MiFID II product governance / Professional investors and eligible counterparties only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s] target market assessment) and determining appropriate distribution channels.]

[Notification under Section 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore (the “**SFA**”) – In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), the Issuer has determined the classification of the Notes to be capital markets products

other than prescribed capital markets products (as defined in the CMP Regulations 2018) and Specified Investment Products (as defined in the Singapore Monetary Authority (the “MAS”) Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]¹

**[SANTANDER UK PLC /
SANTANDER UK GROUP HOLDINGS PLC]**

Legal entity identifier (LEI): []

**Issue of [Nominal Amount of Tranche] [Title of Notes]
under the €30,000,000,000
Euro Medium Term Note Programme**

PART A - CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the “**Conditions**”) set forth in the Prospectus dated [] [and the supplement[s] to it dated []] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation. This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Prospectus[, as supplemented], in order to obtain all the relevant information. The Prospectus [and the supplements] to it] [has / have] been published on the website <http://www.santander.co.uk/uk/about-santander-uk/investor-relations>.]

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the “**Conditions**”) set forth in the Prospectus/[Information Memorandum] dated [] [and the supplement[s] to it dated []] which are incorporated by reference in the Prospectus dated []. This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Prospectus dated [] [and the supplement[s] to it dated []] (which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation) in order to obtain all the relevant information. Copies of such Information Memoranda and Prospectus [and the supplements] to [it] [them] have been published on the website <http://www.santander.co.uk/uk/about-santander-uk/investor-relations>.]

1. Issuer: [Santander UK plc / Santander UK Group Holdings plc]²

¹ Legend to be included if the Notes do not constitute prescribed capital markets products as defined under the CMP Regulations 2018.

² If Dated Subordinated Notes, the Issuer should be Santander UK Group Holdings plc.

2. (i) Series Number: []
- (ii) Tranche Number: []
- (iii) Date on which the Notes will be consolidated and form a single Series: The Notes will be consolidated and form a single with [] on [the Issue Date/exchange of the Series: Temporary Bearer Global Note for interests in the Permanent Bearer Global Note, as referred to in paragraph 25 below, which is expected to occur on or about []][Not Applicable]
3. Specified Currency or Currencies: []
4. Nominal Amount:
- (i) Tranche: []
- (ii) Series: []
5. Issue Price of Tranche: [] per cent. of the Nominal Amount [plus accrued interest from []]
6. (i) Specified Denominations: []
- (ii) Calculation Amount (in relation to calculation of interest in global form, see Conditions): []
7. (i) Issue Date: []
- (ii) Interest Commencement Date: [[]/Issue Date/Not Applicable]
8. Maturity Date³: [[]/[not] subject to adjustment [in accordance with the Business Day Convention set out in paragraph [14(iii)/15(xvii)/16(vi)/17(iii)/18(iii)] below]/[Interest Payment Date falling in or nearest to []]
9. Interest Basis: [[] per cent. Fixed Rate]
[Fixed Rate Reset]

³ The Maturity Date for Dated Subordinated Notes will be at least five (5) years from the specified Issue Date.

[[] month []LIBOR/EURIBOR/HIBOR/SIBOR]
 +/- [] per cent. Floating Rate]
 [[] per cent. minus [[] month []LIBOR/
 EURIBOR/HIBOR/SIBOR] Inverse Floating
 Rate]
 [[] x [] month [[]LIBOR/EURIBOR/HIBOR/
 SIBOR] Leveraged Floating Rate]
 [[] per cent. minus ([[] x [] month [[] LIBOR/
 EURIBOR/HIBOR/SIBOR]) Leveraged Inverse
 Floating Rate]
 [Zero Coupon/Discount]
 [Floating Rate: EONIA Linked Interest]
 [Floating Rate: Compounded Daily SONIA
 Linked Interest]
 [Floating Rate: Average SONIA Linked Interest]
 [Floating Rate: Compounded Daily SOFR
 Linked Interest]
 [Floating Rate: Average SOFR Linked Interest]
 [Floating Rate: Compounded Daily €STR
 Linked Interest]
 [Floating Rate: Average €STR Linked Interest]
 [Floating Rate: CMS Linked Interest]
 [Variable Interest]
 [Convertible Interest Basis]
 [In respect of the period from (and including)
 [the Interest Commencement Date]/[] to (but
 excluding) [], [[] per cent. per annum Fixed
 Rate]/[[] month []
 LIBOR/EURIBOR/HIBOR/SIBOR] +/- [] per
 cent. Floating Rate]/[[] per cent. minus []
 month []LIBOR/EURIBOR/HIBOR/SIBOR]
 Inverse Floating Rate]/[[] x [] month []LIBOR/
 EURIBOR/HIBOR/SIBOR] Leveraged Floating
 Rate]/[[] per cent. minus ([] x [[] month []
]LIBOR/EURIBOR/HIBOR/SIBOR]) Leveraged
 Inverse Floating Rate]/[Floating Rate: EONIA
 Linked Interest]/[Floating Rate: Compounded
 Daily SONIA Linked Interest]/[Floating Rate:
 Average SONIA Linked Interest]/[Floating Rate:
 Compounded Daily SOFR Linked
 Interest]/[Floating Rate: Average SOFR Linked
 Interest]/[Floating Rate: Compounded Daily
 €STR Linked Interest]/[Floating Rate: Average
 €STR Linked Interest]/[Floating Rate: CMS
 Linked Interest]]
 (See paragraph[s] [11/14/15/16/17/18/19]
 below)

10. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [] per cent. of their nominal amount
11. Change of Interest Basis: [Applicable (See paragraphs 9 above and [14/15/16/18/19] below)/[Not Applicable]]
12. Put/Call Options: [Investor Put]
[Issuer Call]
[Regulatory Capital Event Call]
[Loss Absorption Disqualification Event Call]
[(See paragraph[s] [20/21/22/23] below)]
[Not Applicable]
13. (i) Status of the Notes: [Senior/Dated Subordinated⁴]
- (ii) Date of [Board] approval for issuance of Notes obtained: [[]]/[Not Applicable]]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. Fixed Rate Note Provisions [Applicable/Not Applicable] [Applicable in respect of the period from [the Interest Commencement Date]/ []to[]]
- (i) Rate(s) of Interest: [[] per cent. per annum payable [annually/semi- annually/quarterly/[]] in arrear on each Interest Payment Date]
- [In respect of the period from (and including) [the Interest Commencement Date]/[] to (but excluding) [], [] per cent. per annum Fixed Rate]
- (ii) Interest Payment Date(s): [] in each year [commencing on [] and ending on the Maturity Date[, subject to adjustment in accordance with the Business Day Convention specified in paragraph 14(iii) below]]
- [There will be a [short/long] first interest period from, and including, the Interest Commencement Date to, but excluding, [] (the

⁴ Dated Subordinated Notes may only be issued by Santander UK Group Holdings plc.

		“Stub Period”]
		[There will be a [short/long] final interest period from, and including, [] to, but excluding, the Maturity Date (the “Stub Period”).]
(iii)	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
(iv)	Business Day(s): Additional Business Centre(s):	[] []
(v)	Fixed Coupon Amount(s) in respect of definitive Fixed Rate Notes (and in relation to Notes in global form, see Conditions):	[[] per Calculation Amount] [In respect of the period from (and including) [the Interest Commencement Date]/[] to (but excluding) [], [] per Calculation Amount]
(vi)	Broken Amount(s) in respect of definitive Fixed Rate Notes (and in relation to Notes in global form, see Conditions):	[In respect of the Stub Period, [] per Calculation Amount, payable on the Interest Payment Date falling on []/[Not Applicable]
(vii)	Day Count Fraction:	[30/360 Actual/Actual (ICMA) RBA Bond Basis] [adjusted/unadjusted]
(viii)	Determination Date(s):	[[] in each year]/[Not Applicable]
15.	Fixed Rate Reset Note Provisions	[Applicable/Not Applicable] [Applicable in respect of the period from [the Interest Commencement Date]/ [] to []]
(i)	Initial Rate of Interest:	[] per cent. per annum
(ii)	First Margin:	[] per cent. per annum
(iii)	Subsequent Margin:	[] per cent. per annum
(iv)	Interest Payment Date(s):	[] in each year [commencing on [] and ending on the Maturity Date[, subject to adjustment in accordance with the Business Day Convention specified in paragraph 15(xvii) below]]
		[There will be a [short/long] first interest period from, and including, the Interest Commencement Date to, but excluding, [] (the

“Stub Period”]

[There will be a [short/long] final interest period from, and including, [] to, but excluding, the Maturity Date (the **“Stub Period”**).]

- | | | |
|--------|--|--|
| (v) | Fixed Coupon Amount(s) in respect of definitive Fixed Rate Reset Notes in respect of the period from (and including) [the Interest Commencement Date]/[] to (but excluding) the First Reset Date: | [] per Calculation Amount |
| (vi) | Broken Amount(s) in respect of definitive Fixed Rate Reset Notes: | [In respect of the Stub Period, [] per Calculation Amount, payable on the Interest Payment Date falling on []/[Not Applicable] |
| (vii) | First Reset Date: | [] |
| (viii) | Second Reset Date: | []/[Not Applicable] |
| (ix) | Subsequent Reset Date[(s)]: | []/[Not Applicable] |
| (x) | Reset Rate: | [Mid-Swap Rate/Benchmark Gilt Rate/Reference Bond] |
| (xi) | Reset Determination Date: | [Condition 4(b) applies]/[specify other] |
| (xii) | Relevant Screen Page: | []/[Not Applicable] |
| (xiii) | Mid-Swap Rate: | [Single Mid-Swap Rate/Mean Mid-Swap Rate]/[Not Applicable] |
| (xiv) | Mid-Swap Maturity: | [] / [Not Applicable] |
| (xv) | Day Count Fraction: | [Actual/Actual (ISDA)
Actual/Actual (ICMA)
Actual/365 (Fixed)
Actual/360
[30/360]/[360/360]/[Bond Basis]
30E/360
30E/360 (ISDA)
RBA Bond Basis
[adjusted/unadjusted] |
| (xvi) | Determination Time: | []/[Not Applicable] |

	(xvii)	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
	(xviii)	Relevant Currency:	[]/[Not Applicable]
	(xix)	Business Day(s): Additional Business Centre(s):	[] []
16.		Floating Rate Note Provisions	[Applicable/Not Applicable] [Applicable in respect of the period from [the Interest Commencement Date]/ []to[]]
	(i)	Straight Floating Rate:	[Applicable/Not Applicable]
	(ii)	Inverse Floating Rate:	[Applicable/Not Applicable] Set IFRN Rate: [] per cent.
	(iii)	Leveraged Floating Rate:	[Applicable/Not Applicable] Leverage Factor: []
	(iv)	Leveraged Inverse Floating Rate:	[Applicable/Not Applicable] Leverage Factor: [] Set IFRN Rate: [] per cent.
	(v)	Interest Period(s)/ Interest Payment Dates:	[] [There will be a [short/long] first interest period from, and including, the Interest Commencement Date to, but excluding, [] (the “ Stub Period ”)] [There will be a [short/long] last interest period from, and including, [] to, but excluding, the Maturity Date (the “ Stub Period ”)]
	(vi)	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/Floating Rate Convention]
	(vii)	Business Day(s): Additional Business Centre(s):	[] []
	(viii)	Manner in which the Rate of Interest and Interest Amount is to be determined:	[Screen Rate Determination/ISDA Determination]

- (ix) Screen Rate Determination:
- (A) Reference Rate: [[] month [] LIBOR/EURIBOR/HIBOR/SIBOR]/
[EONIA]/[Compounded Daily SONIA]/[Average
SONIA]/[Compounded Daily SOFR]/[Average
SOFR]/[Compounded Daily €STR]/[Average
€STR][where [Compounded Daily
[SONIA/SOFR/€STR]][SONIA_i/SOFR_i/€STR_i]
means []]/[CMS Reference Rate]
- (B) Interest Determination Date(s): [] [The day that is [] [London Business Days][U.S. Government Securities Business Days][TARGET Business Days] prior to the applicable Interest Payment Date in respect of the relevant Interest Period] *(Note that in the case of EONIA/SONIA/SOFR/€STR Linked Interest Notes it is envisaged that the Interest Determination Date shall not be earlier than “p” business days prior to the relevant Interest Payment Date)*
- (C) Relevant Screen Page: []/[Not Applicable]
- (D) Index Determination: [Applicable: []]/[Not Applicable]
- (E) Observation Method: [Lag]/[Lock-out]/[Shift]/[Not Applicable]
- (F) Observation Look-back Period: [Not Applicable]/[Applicable] *[specify number]*[[London Business Day[s]] *(in the case of SONIA Linked Interest Notes)*]/[[U.S. Government Securities Business Day[s]] *(in the case of SOFR Linked Interest Notes)*]/[[TARGET Business Day[s]] *(in the case of EONIA or €STR Linked Interest Notes)*]
- (G) Observation Shift Period: [Not Applicable]/[Applicable] *[specify number]* [[London Business Day[s]] *(in the case of SONIA Linked Interest Notes)*]/[[U.S. Government Securities Business Day[s]] *(in the case of SOFR Linked Interest Notes)*]/[[TARGET Business Day[s]] *(in the case of EONIA or €STR Linked Interest Notes)*]
- (H) Lock-out date: [Not Applicable]/[The day that is [] [London Business Days][U.S. Government Securities Business Days][TARGET Business Days] prior to the Interest Payment Date in respect of the

- relevant Interest Period]
- (I) Interpolation for Stub Period: [Applicable for the Stub Period]/[Not Applicable]
- Reference Rate 1: [] month
[]LIBOR/EURIBOR/HIBOR/SIBOR]/[Not Applicable]
 - Relevant Screen Page 1: []/[Not Applicable]
 - Reference Rate 2: [] month
[]LIBOR/EURIBOR/HIBOR/SIBOR]/[Not Applicable]
 - Relevant Screen Page 2: []/[Not Applicable]
- (J) Reference Currency: [] /Not Applicable]
- (K) Relevant Centre: [] /Not Applicable]
- (L) Designated Maturity: [] /Not Applicable]
- (M) Determination Time: [] [a.m./p.m.] ([] time)]/[Not Applicable]
- (N) CMS Rate Fixing Centre(s): []
- (x) ISDA Determination:
- (A) Floating Rate Option: []
- (B) Designated Maturity: []
- (C) Reset Date: [], subject to adjustment in accordance with the Reset Date Business Day Convention referred to in E) below]
- (D) Interpolation for Stub Period: Applicable for the Stub Period]/[Not Applicable]
- Floating Rate Option 1: []
 - Designated Maturity 1: []

- Reset Date 1: [] [, subject to adjustment in accordance with the Reset Date Business Day Convention referred to in (E) below]
 - Floating Rate Option 2: []
 - Designated Maturity 2: []
 - Reset Date 2: [] [, subject to adjustment in accordance with the Reset Date Business Day Convention referred to in (E) below]
- (E) Reset Date Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/Floating Rate Convention]
- (xi) Margin(s): [[plus/minus] [] per cent. per annum]
[In respect of the period from (and including) [the Interest Commencement Date]/[] to (but excluding) [] , [plus/minus][] per cent. per annum]
- (xii) Minimum Rate of Interest: [] per cent. per annum
- (xiii) Maximum Rate of Interest: [] per cent. per annum
- (xiv) Day Count Fraction: [Actual/Actual (ISDA)
Actual/Actual (ICMA)
Actual/365 (Fixed)
Actual/360
[30/360][360/360][Bond Basis]
30E/360
30E/360 (ISDA)
[adjusted/unadjusted]
- (xv) Determination Date(s): [[] in each year]/[Not Applicable]
17. Zero Coupon/Discount Note Provisions [Applicable/Not Applicable]
- (i) Stated Yield: [] per cent. per annum
- (ii) Issue Price: []
- (iii) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/Preceding

		Business Day Convention]
(iv)	Business Day(s): Additional Business Centre(s):	[] []
(v)	Day Count Fraction in relation to Early Redemption Amounts and late payment:	[Actual/Actual (ICMA) 30/360 Actual/360 Actual/365 (Fixed)] [adjusted/unadjusted]
18.	Variable Interest Note Provisions	[Applicable/Not Applicable]
(i)	Accrual Interest Rate(s):	[[] per cent. Fixed Rate] [[[]LIBOR/EURIBOR/HIBOR/SIBOR] +/- [] per cent. Floating Rate] [In respect of the period from (and including) [the Interest Commencement Date]/[] to (but excluding) [],[]]
(A)	Screen Rate Determination:	[Applicable/Not Applicable]
-	Reference Rate:	[[[] month []LIBOR/EURIBOR/HIBOR/ SIBOR]/Not Applicable]
-	Interest Determination Date(s):	[[]/Not Applicable]
-	Relevant Screen Page:	[[]/Not Applicable]
(B)	ISDA Determination:	[Applicable/Not Applicable]
-	Floating Rate Option:	[]
-	Designated Maturity:	[]
-	Reset Date:	[] [, subject to adjustment in accordance with the Reset Date Business Day Convention referred to below]
-	Reset Date Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/Floating Rate Convention]

- (C) Margin: /[Not Applicable]
- (D) Minimum Rate of Interest: per cent. per annum/Not Applicable]
- (E) Maximum Rate of Interest: per cent. per annum/Not Applicable]
- (ii) Interest Period(s)/Interest Payment Dates:
- (iii) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/Floating Rate Convention]
- (iv) Business Day:
Additional Business Centre(s):
- (v) Day Count Fraction: [Actual/Actual (ISDA)
Actual/Actual (ICMA)
Actual/365 (Fixed)
30/360 30E/360
30E/360 (ISDA)]
[adjusted/unadjusted]
- (vi) Determination Date(s): in each year]/[Not Applicable]
- (vii) Underlying Reference Rate: month [LIBOR/EURIBOR/HIBOR/SIBOR]/
[EONIA]/[SONIA]/[SOFR]/[€STR]/[CMS
Reference Rate]
- Reference Screen Page: /Not Applicable]
 - Reference Currency: /Not Applicable]
 - Relevant Centre: /Not Applicable]
 - Designated Maturity: /Not Applicable]
 - Determination Time: /Not Applicable]
- (viii) Lower Barrier(s):

- (ix) Upper Barrier(s): [In respect of the period from (and including) [the Interest Commencement Date]/[] to (but excluding) [],[]]
- (x) Rate Cut-off Date: [The [] [Fixing Business Day]/[calendar day] prior to the Interest Payment Date falling at the end of the relevant Interest Period]
- (xi) Additional Fixing Business Centre: [[]/Not Applicable]
19. Convertible Interest Basis Provisions: [Applicable/Not Applicable]
- (i) First Interest Basis: [[Fixed Rate/Floating Rate/Variable Interest] in accordance with paragraph [14/16/18] above and Condition 4(d)]
- (ii) Second Interest Basis: [[Fixed Rate/Floating Rate/Variable Interest] [in accordance with paragraph [14/16/18] above and Condition 4(d)]
- (iii) Interest Basis Conversion Date: [] [subject to adjustment in accordance with the Business Day Convention][subject to no adjustment]

PROVISIONS RELATING TO REDEMPTION

20. Issuer Call [Applicable/Not Applicable]
- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount(s): [[[] per cent. of [t]/[T]he outstanding aggregate nominal amount of Notes in [] (if Notes are represented by a Global Note), [] per cent. of the Calculation Amount/[] per Calculation Amount (if Notes are in definitive form)]
- (iii) If redeemable in part: [Applicable/Not Applicable]
- (1) Minimum Redemption Amount: [[] (if Notes are represented by a Global Note), [] per Calculation Amount (if Notes are in definitive form)]
- (2) Maximum Redemption Amount: [[] (if Notes are represented by a Global Note), [] per Calculation Amount (if Notes are in definitive form)]
- (3) Minimum period: [] days

(iv)	Notice periods:	Minimum period: [] [calendar days]/[Business Days] Maximum period: [] [calendar days]/[Business Days]
21.	Regulatory Capital Event Call:	[Applicable/Not Applicable ⁵]
22.	Investor Put	[Applicable/Not Applicable ⁶]
(i)	Optional Redemption Date(s):	[]
(ii)	Optional Redemption Amount(s):	[[[] per cent. of [t]/[T]he outstanding aggregate nominal amount of Notes in []] (if Notes are represented by a Global Note), [] per cent. of the Calculation Amount/[] per Calculation Amount (if Notes are in definitive form)
(iii)	Notice periods:	Minimum period: [] [calendar days]/[Business Days] Maximum period: [] [calendar days]/[Business Days]
23.	Loss Absorption Disqualification Event Call	[Applicable/Not Applicable ⁷]
(i)	Notice periods:	Minimum period: [] [calendar days]/[Business Days] Maximum period: [] [calendar days]/[Business Days]
(ii)	Loss Absorption Disqualification Redemption Amount(s):	[[[] per cent. of [t]/[T]he outstanding aggregate nominal amount of Notes in []] (if Notes are represented by a Global Note), [] per cent. of the Calculation Amount/[] per Calculation Amount (if Notes are in definitive form)

⁵ Regulatory Capital Event will be specified as “Not Applicable” in the case of Senior Notes.

⁶ Investor Put will be specified as “Not Applicable” in the case of Notes issued by Santander UK Group Holdings plc.

⁷ Loss Absorption Disqualification Event Call will be specified as “Not Applicable” in the case of Senior Notes issued by Santander UK plc and Dated Subordinated Notes.

(iii) Basis of exclusion on amendment or change in Loss Absorption Regulation: [Fully excluded/Fully or partially excluded]

24. Final Redemption Amount: [[[] per cent. of [t]/[T]he outstanding aggregate nominal amount of Notes in []] (if Notes are represented by a Global Note), [] per cent. of the Calculation Amount/[] per Calculation Amount (if Notes are in definitive form)]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25. Form of Notes: [Bearer Notes:

Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for definitive Bearer Notes [on 60 days' notice given at any time/only upon an Exchange Event at the expense of the Issuer]].

[Temporary Bearer Global Note exchangeable for definitive Bearer Notes on and after the Exchange Date.]

[Permanent Bearer Global Note exchangeable for definitive Bearer Notes [on 60 days' notice given at any time/only upon an Exchange Event at the expense of the Issuer]].

[Registered Notes:

Regulation S Global Note ([] of the Nominal Amount registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg])/Rule 144A Global Note[s] ([] of the Nominal Amount) registered in the name of a nominee for DTC]

26. New Global Note: [Yes/No]

27. Calculation Agent: []/[Not Applicable]

28. Determination Agent: []/[Not Applicable]

29. U.S. Selling Restrictions: [Reg. S. Compliance Category 2; TEFRA D/TEFRA C/TEFRA Not Applicable; Rule

144A]

[THIRD PARTY INFORMATION

[*Relevant third party information*] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By:
Duly authorised for and on behalf of the Issuer

PART B – OTHER INFORMATION

1. LISTING

- | | | |
|------|---|---|
| (i) | Listing and Admission to trading: | Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Regulated Market] and listing on [official list of competent authority of Regulated Market] with effect from [on or about [the Issue Date]]. |
| (ii) | Estimate of total expenses related to admission to trading: | [] |

2. RATINGS

- | | |
|----------|--|
| Ratings: | <p>[The Notes [are expected to] have the following ratings:
 [S & P: []]
 [Moody's: []]
 [[Fitch]: []]
 [Not Applicable]</p> <p>[The short term unsecured obligations of the Issuer are rated [●] by S&P, [●] by Moody's and [●] by Fitch, and the unsecured unsubordinated long-term obligations of the Issuer are rated [●] by S&P, [●] by Moody's and [●] by Fitch.]</p> <p><i>[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]</i></p> |
|----------|--|

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for any fees [of [insert relevant fee disclosure]] payable to [] (the ["Dealer[s]"/["Manager[s]"]), no person involved in the issue of the Notes has an interest material to the offer. The [Manager[s]/Dealer[s]] and [its/their] affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.]

4. YIELD (*Fixed Rate Notes only*)

Indication of yield:	[]
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5. REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS

- (i) Reasons for the offer: [See “*Use of Proceeds*” in the Prospectus]/ [The net proceeds will be used for general corporate purposes of the Issuer [and its subsidiaries]/[and/or the Group] and to strengthen further the capital base of the Issuer [and its subsidiaries]/[and/or the Group]]/ [Give details]
- (ii) Estimated net proceeds: []

6. OPERATIONAL INFORMATION

- (i) ISIN Code: []
- (ii) Common Code: []
- (iii) CUSIP Code: []
- (iv) CFI: [[See/[], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
- (v) FISN: [[See/[], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
- (vi) Any clearing system(s) other than []/ Euroclear Bank SA/NV and Clearstream Banking SA and the relevant identification number(s): []/[Not Applicable]
- (vii) Delivery: Delivery [against/free of] payment []
- (viii) Names and addresses of additional Paying Agent(s) (if any): []

- (ix) Intended to be held in a manner which would allow Eurosystem eligibility:
- [Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is held under the New Safekeeping Structure for registered global securities,] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]/
- [No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is held under the New Safekeeping Structure for registered global securities]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

7. U.S. TAX INFORMATION (144A OFFERINGS ONLY)

- (i) Original Issue Discount: [Yes/No]
- (ii) Contingent Payment Debt Instrument: [Yes/No]
- (iii) Intended U.S. Tax [Debt/equity]

Characterisation:

8. DISTRIBUTION

Prohibition of Sales to Belgium Consumers: [Applicable/Not Applicable]

9. EU BENCHMARKS REGULATION

EU Benchmark Regulation – Article 29(2) statement on benchmarks: [Not Applicable]/[Applicable: Amounts payable under the Notes will be calculated by reference to *[specify benchmark(s) (as this term is defined in the Benchmarks Regulation)]* which [is/are] provided by *[insert legal name(s) of the benchmark administrator(s) – if more than one specify in relation to each relevant benchmark]*.

As at the date of these Final Terms, *[insert legal name(s) of the benchmark administrator(s)]* [is/are] [not] included in the register of administrators established and maintained by the European Securities and Markets Authority pursuant to Article 36 of Regulation (EU) 2016/1011 (the “**Benchmarks Regulation**”).

[As far as the Issuer is aware, *[specify benchmark(s) (as this term is defined in the Benchmarks Regulation)]* [does/do] not fall within the scope of the Benchmarks Regulation/the transitional provisions in Article 51 of the Benchmarks Regulation apply] such that *[insert legal name(s) of the benchmark administrator(s)]* [is/are] not currently required to obtain authorisation or registration (or, if located outside the EU, recognition, endorsement or equivalence).]

FORM OF PRICING SUPPLEMENT

Set out below is the form of Pricing Supplement which will be completed for each Tranche of Exempt Notes issued under the Programme (whatever their denomination) pursuant to this Prospectus.

[Date]

NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH REGULATION (EU) 2017/1129 AS AMENDED OR SUPERSEDED FOR THE ISSUE OF NOTES DESCRIBED BELOW. THE UNITED KINGDOM FINANCIAL CONDUCT AUTHORITY HAS NEITHER APPROVED NOR REVIEWED THIS PRICING SUPPLEMENT AND THIS PRICING SUPPLEMENT SHALL NOT FORM PART OF THE PROSPECTUS APPROVED BY THE UNITED KINGDOM FINANCIAL CONDUCT AUTHORITY.

PLEASE CAREFULLY READ THE PROSPECTUS AND THE RISK FACTORS IN THE PROSPECTUS. EACH INVESTOR SHOULD CONSULT ITS OWN FINANCIAL AND LEGAL ADVISORS ABOUT THE RISKS ASSOCIATED WITH AN INVESTMENT IN THE NOTES AND THE SUITABILITY OF AN INVESTMENT IN THE NOTES IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES.

PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”) or in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation (where “**Prospectus Regulation**” means Regulation (EU) 2017/1129). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIPs Regulation.

[MIFID II product governance / Professional investors and eligible counterparties only target market – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[Notification under Section 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore (the “SFA”) – In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), the Issuer has determined the classification of the Notes to be capital markets products other than prescribed capital markets products (as defined in the CMP Regulations 2018) and Specified Investment Products (as defined in the Singapore Monetary Authority (the “MAS”) Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]¹

**[SANTANDER UK PLC /
SANTANDER UK GROUP HOLDINGS PLC]**

Legal entity identifier (LEI): []

**Issue of [Nominal Amount of Tranche] [Title of Notes]
under the €30,000,000,000
Euro Medium Term Note Programme**

PART A - CONTRACTUAL TERMS

Any person making or intending to make an offer of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or to supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer.

This document constitutes the Pricing Supplement for the Notes described herein. This document must be read in conjunction with the Prospectus dated [] [and the supplement[s] to it dated []] (the “**Prospectus**”). Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Prospectus. Copies of the Prospectus may be obtained from <http://www.santander.co.uk/uk/about-santander-uk/investor-relations>.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Prospectus [dated [] which are incorporated by reference in the Prospectus].

1. Issuer: [Santander UK plc / Santander UK Group Holdings plc]²
2. (i) Series Number: []

¹ Legend to be included if the Notes do not constitute prescribed capital markets products as defined under the CMP Regulations 2018.

² If Dated Subordinated Notes, the Issuer should be Santander UK Group Holdings plc.

- (ii) Tranche Number:
- (iii) Date on which the Notes will be consolidated and form a single Series: The Notes will be consolidated and form a single Series with [] on [the Issue Date/exchange of the Temporary Bearer Global Note for interests in the Permanent Bearer Global Note, as referred to in paragraph 25 below, which is expected to occur on or about []][Not Applicable]
3. Specified Currency or Currencies: []
4. Nominal Amount:
- (i) Tranche: []
- (ii) Series: []
5. Issue Price of Tranche: [] per cent. of the Nominal Amount [plus accrued interest from []]
6. (i) Specified Denominations: []
- (ii) Calculation Amount (in relation to calculation of interest in global form, see Conditions): []
7. (i) Issue Date: []
- (ii) Interest Commencement Date: [[]/Issue Date/Not Applicable]
8. Maturity Date³: [] [not] subject to adjustment [in accordance with the Business Day Convention set out in paragraph 14(iii)/15(xvii)/16(vi)/17(iii)/18(iii)] below]/[Interest Payment Date falling in or nearest to []]
9. Interest Basis: [] per cent. Fixed Rate][Fixed Rate Reset] [[] month [] LIBOR/EURIBOR/HIBOR/SIBOR/specify other] +/- [] per cent. Floating Rate] [] per cent. minus [[] month [] LIBOR/

³ The Maturity Date for Dated Subordinated Notes will be at least five (5) years from the specified Issue Date.

EURIBOR/HIBOR/SIBOR/*specify other*]
 Inverse Floating Rate]
 [] x [] month [[]LIBOR/EURIBOR/HIBOR/
 SIBOR/*specify other*] Leveraged Floating
 Rate]
 [] per cent. minus ([[] x [] month [[] LIBOR/
 EURIBOR/HIBOR/SIBOR/*specify other*)
 Leveraged Inverse Floating Rate]
 [Zero Coupon/Discount]
 [Floating Rate: EONIA Linked Interest]
 [Floating Rate: Compounded Daily SONIA
 Linked Interest]
 [Floating Rate: Average SONIA Linked
 Interest]
 [Floating Rate: Compounded Daily SOFR
 Linked Interest]
 [Floating Rate: Average SOFR Linked
 Interest] [Floating Rate: Compounded Daily
 €STR Linked Interest]
 [Floating Rate: Average €STR Linked Interest]
 [Floating Rate: CMS Linked Interest]
 [Variable Interest]
 [Convertible Interest Basis]
 [*specify other*]
 [In respect of the period from (and including)
 [the Interest Commencement Date]/[] to (but
 excluding)], [[] per cent. per annum Fixed
 Rate]/[[] month [
]LIBOR/EURIBOR/HIBOR/SIBOR/ *specify
 other*] +/- [] per cent. Floating Rate]/[[] per
 cent. minus [] month []LIBOR/EURIBOR/
 HIBOR/SIBOR/*specify other*] Inverse Floating
 Rate]/ [[] x [] month [
]LIBOR/EURIBOR/HIBOR/SIBOR/*specify
 other*] Leveraged Floating Rate]/[[] per cent.
 minus ([] x [[] month []LIBOR/
 EURIBOR/HIBOR/SIBOR/*specify other*)
 Leveraged Inverse Floating Rate]/[Floating
 Rate: EONIA Linked Interest]/[Floating Rate:
 Compounded Daily SONIA Linked Interest]/
 [Floating Rate: Average SONIA Linked
 Interest]/[Floating Rate: Compounded Daily
 SOFR Linked Interest]/[Floating Rate:
 Average SOFR Linked Interest]/[Floating
 Rate: Compounded Daily €STR Linked
 Interest]/[Floating Rate: Average €STR Linked
 Interest]/[Floating Rate: CMS Linked Interest]]
 [*specify other*]
 (See paragraph[s] [11/14/15/16/17/18/19]
 below)

10. Redemption/Payment Basis:

Subject to any purchase and cancellation or
 early redemption, the Notes will be redeemed
 on the Maturity Date at [] per cent. of their
 nominal amount

11. Change of Interest Basis:

[Applicable (See paragraphs 9 above and
 [14/15/16/18/19] below)]/[Not Applicable]]

12. Put/Call Options: [Investor Put]
 [Issuer Call]
 [Regulatory Capital Event Call]
 [Loss Absorption Disqualification Event Call]
 [(See paragraph[s] [20/21/22/23] below)]
 [Not Applicable]

13. (i) Status of the Notes: [Senior/Dated Subordinated⁴]

(ii) Date of [Board] approval for issuance of Notes obtained: [[]]/[Not Applicable]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. Fixed Rate Note Provisions [Applicable/Not Applicable] [Applicable in respect of the period from [the Interest Commencement Date]/ []to[]]

(i) Rate(s) of Interest: [[] per cent. per annum payable [annually/semi-annually/quarterly/[] in arrear on each Interest Payment Date]

[In respect of the period from (and including) [the Interest Commencement Date]/[] to (but excluding) [], [] per cent. per annum Fixed Rate]

(ii) Interest Payment Date(s): [] in each year [commencing on [] and ending on the Maturity Date[, subject to adjustment in accordance with the Business Day Convention specified in paragraph 14(iii) below]]

[There will be a [short/long] first interest period from, and including, the Interest Commencement Date to, but excluding, [] (the "Stub Period")]

[There will be a [short/long] final interest period from, and including, [] to, but excluding, the

⁴ Dated Subordinated Notes may only be issued by Santander UK Group Holdings plc.

- Maturity Date (the “**Stub Period**”).]
- (iii) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/*specify other*]
- (iv) Business Day(s): []
Additional Business Centre(s): []
- (v) Fixed Coupon Amount(s) in respect of definitive Fixed Rate Notes (and in relation to Notes in global form, see Conditions): [[] per Calculation Amount]
[In respect of the period from (and including) [the Interest Commencement Date]/[] to (but excluding) [], [] per Calculation Amount]
- (vi) Broken Amount(s) in respect of definitive Fixed Rate Notes (and in relation to Notes in global form, see Conditions): [In respect of the Stub Period, [] per Calculation Amount, payable on the Interest Payment Date falling on []/[Not Applicable]
- (vii) Day Count Fraction: [30/360
Actual/Actual (ICMA)
RBA Bond Basis/*specify other*
[adjusted/unadjusted]
- (viii) Determination Date(s): [[] in each year]/[Not Applicable]
- (ix) Other terms relating to the method of calculating interest for Fixed Rate Notes which are Exempt Notes: [None/*Give details*]
15. Fixed Rate Reset Note Provisions [Applicable/Not Applicable] [Applicable in respect of the period from [the Interest Commencement Date]/[] to []]
- (i) Initial Rate of Interest: [] per cent. per annum
- (ii) First Margin: [] per cent. per annum
- (iii) Subsequent Margin: [] per cent. per annum
- (iv) Interest Payment Date(s): [] in each year [commencing on [] and ending on the Maturity Date[, subject to adjustment in accordance with the Business Day Convention specified in paragraph 15(xvii) below]]
- [There will be a [short/long] first interest period from, and including, the Interest

Commencement Date to, but excluding, [] (the “**Stub Period**”)]

[There will be a [short/long] final interest period from, and including, [] to, but excluding, the Maturity Date (the “**Stub Period**”).]

- (v) Fixed Coupon Amount(s) in respect of definitive Fixed Rate Reset Notes in respect of the period from (and including) [the Interest Commencement Date]/[] to (but excluding) the First Reset Date: [] per Calculation Amount
- (vi) Broken Amount(s) in respect of definitive Fixed Rate Reset Notes: [In respect of the Stub Period, [] per Calculation Amount, payable on the Interest Payment Date falling on []/[Not Applicable]
- (vii) First Reset Date: []
- (viii) Second Reset Date: []/[Not Applicable]
- (ix) Subsequent Reset Date[(s)]: []/[Not Applicable]
- (x) Reset Rate: [Mid-Swap Rate/Benchmark Gilt Rate/Reference Bond]
- (xi) Reset Determination Date: [Condition 4(b) applies]/[specify other]
- (xii) Relevant Screen Page: []/[Not Applicable]
- (xiii) Mid-Swap Rate: [Single Mid-Swap Rate/Mean Mid-Swap Rate]/[Not Applicable]
- (xiv) Mid-Swap Maturity: [] / [Not Applicable]
- (xv) Day Count Fraction: [Actual/Actual (ISDA)
Actual/Actual (ICMA)
Actual/365 (Fixed)
Actual/360
[30/360]/[360/360]/[Bond Basis]
30E/360
30E/360 (ISDA)
RBA Bond Basis
[adjusted/unadjusted]
- (xvi) Determination Time: []/[Not Applicable]

- (xvii) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- (xviii) Relevant Currency: []/[Not Applicable]
- (xix) Business Day(s): []
Additional Business Centre(s): []
16. Floating Rate Note Provisions [Applicable/Not Applicable] [Applicable in respect of the period from [the Interest Commencement Date]/ []to[]]
- (i) Straight Floating Rate: [Applicable/Not Applicable]
- (ii) Inverse Floating Rate: [Applicable/Not Applicable]
Set IFRN Rate: [] per cent.
- (iii) Leveraged Floating Rate: [Applicable/Not Applicable]
Leverage Factor: []
- (iv) Leveraged Inverse Floating Rate: [Applicable/Not Applicable]

Leverage Factor: []

Set IFRN Rate: [] per cent.
- (v) Interest Period(s)/ Interest Payment Dates: []
[There will be a [short/long] first interest period from, and including, the Interest Commencement Date to, but excluding, [] (the “**Stub Period**”)]

[There will be a [short/long] last interest period from, and including, [] to, but excluding, the Maturity Date (the “**Stub Period**”)]
- (vi) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/Floating Rate Convention/*specify other*]
- (vii) Business Day(s): []
Additional Business Centre(s): []
- (viii) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination/*specify other*]

- (ix) Screen Rate Determination:
- (A) Reference Rate: [[] month [] LIBOR/EURIBOR/HIBOR/SIBOR]/[EONIA]/[Compounded Daily SONIA]/[Average SONIA]/[Compounded Daily SOFR]/[Average SOFR]/[Compounded Daily €STR]/[Average €STR][where [Compounded Daily [SONIA/SOFR/€STR]]/[SONIA/SOFR/€STR;] means []]/[CMS Reference Rate/specify other]
- (B) Interest Determination Date(s): [] [The day that is [] [London Business Days][U.S. Government Securities Business Days][TARGET Business Days] prior to the applicable Interest Payment Date in respect of the relevant Interest Period] *(Note that in the case of EONIA/SONIA/SOFR/€STR Linked Interest Notes it is envisaged that the Interest Determination Date shall not be earlier than “p” business days prior to the relevant Interest Payment Date)*
- (C) Relevant Screen Page: []/[Not Applicable]
- (D) Index Determination: [Applicable: []]/[Not Applicable]
- (E) Observation Method: [Lag]/[Lock-out]/[Shift]/[Not Applicable]
- (F) Observation Look-back Period: [Not Applicable]/[Applicable] [*specify number*][[London Business Day[s]] *(in the case of SONIA Linked Interest Notes)*]/[[U.S. Government Securities Business Day[s]] *(in the case of SOFR Linked Interest Notes)*]/[[TARGET Business Day[s]] *(in the case of EONIA or €STR Linked Interest Notes)*]
- (G) Observation Shift Period: [Not Applicable]/[Applicable] [*specify number*][[London Business Day[s]] *(in the case of SONIA Linked Interest Notes)*]/[[U.S. Government Securities Business Day[s]] *(in the case of SOFR Linked Interest Notes)*]/[[TARGET Business Day[s]] *(in the case of EONIA or €STR Linked Interest Notes)*]
- (H) Lock-out date: [Not Applicable]/[The day that is [] [London Business Days][U.S. Government Securities Business Days][TARGET Business Days] prior to the Interest Payment Date in respect of the

- relevant Interest Period]
- (I) Interpolation for Stub Period: [Applicable for the Stub Period]/[Not Applicable]
- Reference Rate 1: [] month [] LIBOR/EURIBOR/HIBOR/SIBOR/*specify other*]/[Not Applicable]
 - Relevant Screen Page 1: []/[Not Applicable]
 - Reference Rate 2: [] month [] LIBOR/EURIBOR/HIBOR/SIBOR/*specify other*]/[Not Applicable]
 - Relevant Screen Page 2: []/[Not Applicable]]/Not Applicable]
- (J) Reference Currency: []/Not Applicable]
- (K) Relevant Centre: []/Not Applicable]
- (L) Designated Maturity: []/Not Applicable]
- (M) Determination Time: [] [a.m./p.m.] ([] time)]/[Not Applicable]
- (N) CMS Rate Fixing Centre(s): []
- (x) ISDA Determination:
- (A) Floating Rate Option: []
- (B) Designated Maturity: []
- (C) Reset Date: [] [, subject to adjustment in accordance with the Reset Date Business Day Convention referred to in E) below]
- (D) Interpolation for Stub Period: Applicable for the Stub Period]/[Not Applicable]
- Floating Rate Option 1: []
 - Designated Maturity 1: []
 - Reset Date 1: [] [, subject to adjustment in accordance with the Reset Date Business Day Convention referred to in

		(E) below]
		- Floating Rate Option 2: []
		- Designated Maturity 2: []
		- Reset Date 2: [] [], subject to adjustment in accordance with the Reset Date Business Day Convention referred to in (E) below]
	(E) Reset Date Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/Floating Rate Convention/ <i>specify other</i>]
(xi)	Margin(s):	[[plus/minus] [] per cent. per annum] [In respect of the period from (and including) [the Interest Commencement Date]/[] to (but excluding) [], [plus/minus][] per cent. per annum]
(xii)	Minimum Rate of Interest:	[] per cent. per annum
(xiii)	Maximum Rate of Interest:	[] per cent. per annum
(xiv)	Day Count Fraction:	[Actual/Actual (ISDA) Actual/Actual (ICMA) Actual/365 (Fixed) Actual/360 [30/360][360/360][Bond Basis] 30E/360 30E/360 (ISDA) <i>specify other</i> [adjusted/unadjusted]
(xv)	Determination Date(s):	[[] in each year]/[Not Applicable]
(xvi)	Additional fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes which are Exempt Notes, if different from those set out in the Conditions:	[]
17.	Zero Coupon/Discount Note	[Applicable/Not Applicable]

Provisions

- (i) Stated Yield: [] per cent. per annum
- (ii) Issue Price: []
- (iii) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- (iv) Business Day(s): []
Additional Business Centre(s): []
- (v) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Actual/Actual (ICMA) 30/360
Actual/360
Actual/365 (Fixed)
specify other
[adjusted/unadjusted]
- (vi) Any other formula/basis of determining amount payable for Zero Coupon/Discount Notes which are Exempt Notes: []
18. Variable Interest Note Provisions [Applicable/Not Applicable]
- (i) Accrual Interest Rate(s): [[] per cent. Fixed Rate]
[[LIBOR/EURIBOR/HIBOR/SIBOR/*specify other*]
+/- [] per cent. Floating Rate]
[*specify other*]
[In respect of the period from (and including) [the Interest Commencement Date]/[] to (but excluding) [],[]]
- (A) Screen Rate Determination: [Applicable/Not Applicable]
- Reference Rate: [[[] month []LIBOR/EURIBOR/HIBOR/SIBOR/*specify other*]/Not Applicable]
- Interest Determination Date(s): [[]/Not Applicable]
- Relevant Screen Page: [[]/Not Applicable]
- (B) ISDA Determination: [Applicable/Not Applicable]

- Floating Rate Option:
- Designated Maturity:
- Reset Date: [, subject to adjustment in accordance with the Reset Date Business Day Convention referred to below]
- Reset Date Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/Floating Rate Convention/*specify other*]
- (C) Margin: /[Not Applicable]
- (D) Minimum Rate of Interest: per cent. per annum/Not Applicable]
- (E) Maximum Rate of Interest: per cent. per annum/Not Applicable]
- (ii) Interest Period(s)/Interest Payment Dates:
- (iii) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/Floating Rate Convention/*specify other*]
- (iv) Business Day:
Additional Business Centre(s):
- (v) Day Count Fraction:
- (vi) Determination Date(s): [Actual/Actual (ISDA)
Actual/Actual (ICMA)
Actual/365 (Fixed)
30/360
30E/360
30E/360 (ISDA)
specify other]
[adjusted/unadjusted]
- (vii) Underlying Reference Rate: [[] in each year]/[Not Applicable]
 [[] month []
LIBOR/EURIBOR/HIBOR/SIBOR/*specify other*]/[EONIA]/[SONIA]/[SOFR]/[€STR]/[CMS Reference Rate]/[*specify other*]

- Relevant Screen Page: []/Not Applicable]
 - Reference Currency: []/Not Applicable]
 - Relevant Centre: []/Not Applicable]
 - Designated Maturity: []/Not Applicable]
 - Determination Time: []/Not Applicable]
- (viii) Lower Barrier(s): []
- [In respect of the period from (and including) [the Interest Commencement Date]/[] to (but excluding) [],[]
- (ix) Upper Barrier(s): []
- [In respect of the period from (and including) [the Interest Commencement Date]/[] to (but excluding) [],[]
- (x) Rate Cut-off Date: [The [] [Fixing Business Day]/[calendar day] prior to the Interest Payment Date falling at the end of the relevant Interest Period]
- (xi) Additional Fixing Business Centre: []/Not Applicable]
- (xii) Fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Variable Interest Notes which are Exempt Notes, if different from those set out in the Conditions: []
19. Convertible Interest Basis Provisions: [Applicable/Not Applicable]
- (i) First Interest Basis: [[Fixed Rate/Floating Rate/Variable Interest] in accordance with paragraph [14/16/18] above and Condition 4(d)]
- (ii) Second Interest Basis: [[Fixed Rate/Floating Rate/Variable Interest] [in accordance with paragraph [14/16/18] above and Condition 4(d)]

- (iii) Interest Basis Conversion Date: [] [subject to adjustment in accordance with the Business Day Convention][subject to no adjustment]

PROVISIONS RELATING TO REDEMPTION

20. Issuer Call [Applicable/Not Applicable]
- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount(s) and method of calculation of such amount(s) (if applicable): [[] per cent. of [t]/[T]he outstanding aggregate nominal amount of Notes in []] (if Notes are represented by a Global Note), [] per cent. of the Calculation Amount/[] per Calculation Amount (if Notes are in definitive form)/*specify other/see Annex*
- (iii) If redeemable in part: [Applicable/Not Applicable]
- (1) Minimum Redemption Amount: [[] (if Notes are represented by a Global Note), [] per Calculation Amount (if Notes are in definitive form)]
- (2) Maximum Redemption Amount: [[] (if Notes are represented by a Global Note), [] per Calculation Amount (if Notes are in definitive form)]
- (3) Minimum period: [] days
- (iv) Notice periods: Minimum period: [] [calendar days]/[Business Days]
Maximum period: [] [calendar days]/[Business Days]
21. Regulatory Capital Event Call: [Applicable/Not Applicable⁵]
22. Investor Put [Applicable/Not Applicable⁶]
- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount(s) and method of calculation of such amount(s) (if applicable): [[] per cent. of [t]/[T]he outstanding aggregate nominal amount of Notes in []] (if Notes are

⁵ Regulatory Capital Event will be specified as "Not Applicable" in the case of Senior Notes.

⁶ Investor Put will be specified as "Not Applicable" in the case of Notes issued by Santander UK Group Holdings plc.

- calculation of such amount(s) (if applicable): represented by a Global Note), [] per cent. of the Calculation Amount/[] per Calculation Amount (if Notes are in definitive form) *specify other/see Annex*
- (iii) Notice periods: Minimum period: [] [calendar days]/[Business Days]
Maximum period: [] [calendar days]/[Business Days]
23. Loss Absorption Disqualification Event Call [Applicable/Not Applicable⁷]
- (i) Notice periods: Minimum period: [] [calendar days]/[Business Days]
Maximum period: [] [calendar days]/[Business Days]
- (ii) Loss Absorption Disqualification Redemption Amount(s) and method of calculation of such amount(s) (if applicable): [[[] per cent. of [t]/[T]he outstanding aggregate nominal amount of Notes in []] (if Notes are represented by a Global Note), [] per cent. of the Calculation Amount/[] per Calculation Amount (if Notes are in definitive form) *specify other/see Annex*
- (iii) Basis of exclusion on amendment or change in Loss Absorption Regulation: [Fully excluded/Fully or partially excluded]
24. Final Redemption Amount: [[[] per cent. of [t]/[T]he outstanding aggregate nominal amount of Notes in []] (if Notes are represented by a Global Note), [] per cent. of the Calculation Amount/[] per Calculation Amount (if Notes are in definitive form)/specify other/see Annex]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25. Form of Notes: [Bearer Notes:

Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for definitive Bearer Notes [on

⁷ Loss Absorption Disqualification Event Call will be specified as "Not Applicable" in the case of Senior Notes issued by Santander UK plc and Dated Subordinated Notes.

60 days' notice given at any time/only upon an Exchange Event at the expense of the Issuer]].

[Temporary Bearer Global Note exchangeable for definitive Bearer Notes on and after the Exchange Date.]

[Permanent Bearer Global Note exchangeable for definitive Bearer Notes [on 60 days' notice given at any time/only upon an Exchange Event at the expense of the Issuer]].

[Registered Notes:

Regulation S Global Note ([] of the Nominal Amount registered in the name of a nominee for [a common depositary for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg])/Rule 144A Global Note[s] ([] of the Nominal Amount) registered in the name of a nominee for DTC]

- 26. New Global Note: [Yes/No]
- 27. Calculation Agent: []/[Not Applicable]
- 28. Determination Agent: []/[Not Applicable]
- 29. U.S. Selling Restrictions: [Reg. S. Compliance Category 2; TEFRA D/TEFRA C/TEFRA Not Applicable; Rule 144A]
- 30. Other terms or special conditions: [Not Applicable/give details]

Signed on behalf of the Issuer:

By:
Duly authorised for and on behalf of the Issuer

PART B - OTHER INFORMATION**1. LISTING** [Not Applicable/*give details*]

[Not Applicable][Application [has been made/is expected to be made] by the Issuer (or on its behalf) for the Notes to be listed on [*specify market - note this should not be a regulated market*] with effect from [].]

2. RATINGS

Ratings: [The Notes [are expected to] have the following ratings:

[S & P: []]

[Moody's: []]

[[Fitch]: []]

[Not Applicable]

[The short term unsecured obligations of the Issuer are rated [●] by S&P, [●] by Moody's and [●] by Fitch, and the unsecured unsubordinated long-term obligations of the Issuer are rated [●] by S&P, [●] by Moody's and [●] by Fitch.]

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for any fees [of [*insert relevant fee disclosure*]] payable to [] (the ["Dealer[s]"/["Manager[s]"]), no person involved in the issue of the Notes has an interest material to the offer. The [Manager[s]/Dealer[s]] and [its/their] affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.]

4. YIELD (Fixed Rate Notes only)

Indication of yield: []

5. OPERATIONAL INFORMATION

(i) ISIN Code: []

(ii) Common Code: []

(iii) CUSIP Code: []

(iv) CFI: [[See/[], as updated, as set out on] the website of the Association of National

- Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
- (v) FISN: [[See/[], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
- (vi) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking SA and the relevant identification number(s): [[]/Not Applicable]
- (vii) Delivery: Delivery [against/free of] payment []
- (viii) Names and addresses of additional Paying Agent(s) (if any): []
- (ix) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is held under the New Safekeeping Structure for registered global securities,] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]/
- [No. Whilst the designation is specified as “no” at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [and registered in the name of a nominee of one of the ICSDs

acting as common safekeeper, that is held under the New Safekeeping Structure for registered global securities]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

6. DISTRIBUTION

- | | | |
|-------|---|--|
| (i) | Method of distribution: | [Syndicated/Non-syndicated] |
| (ii) | If syndicated, names of Managers: | [Not Applicable/ <i>give names</i>] |
| (iii) | Stabilisation Manager(s) (if any): | [Not Applicable/ <i>give name</i>] |
| (iv) | If non-syndicated, name of relevant Dealer: | [Not Applicable/ <i>give name</i>] |
| (v) | Additional selling restrictions: | [Not Applicable/ <i>give details</i>] |
| (vi) | Prohibition of Sales to Belgian Consumers: | [Applicable/Not Applicable] |

7. U.S. TAX INFORMATION (144A OFFERINGS ONLY)

- | | | |
|-------|-------------------------------------|---------------|
| (i) | Original Issue Discount: | [Yes/No] |
| (ii) | Contingent Payment Debt Instrument: | [Yes/No] |
| (iii) | Intended U.S. Tax Characterisation: | [Debt/equity] |

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the relevant Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Pricing Supplement in relation to any Tranche of Exempt Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to “Form of Final Terms” (or, in the case of a Tranche of Exempt Notes, to “Form of Pricing Supplement”) for a description of the content of the applicable Final Terms (or Pricing Supplement, as applicable) which will specify which of such terms are to apply in relation to the relevant Notes. For the avoidance of doubt, any websites (including the contents thereof and/or any successor source) referred to in these Terms and Conditions of the Notes do not form part of this Prospectus.

This Note is one of a Series (as defined below) of Notes issued by either Santander UK Group Holdings plc (“**Santander UK Group Holdings**” or an “**Issuer**”) or Santander UK plc (“**Santander UK**” or an “**Issuer**” and together with Santander UK Group Holdings the “**Issuers**”) constituted by a Trust Deed (such Trust Deed, as modified and/or supplemented and/or restated from time to time, the “**Trust Deed**”) dated 4 September 2015 and made between Santander UK Group Holdings and Citicorp Trustee Company Limited (the “**Trustee**”, which expression shall include any successor as trustee) as trustee for the holders of the Notes (the “**Noteholders**” or “**holders**”, which expressions shall mean, in relation to Notes in definitive bearer form, the bearers thereof and, in relation to Notes in definitive registered (or inscribed) form, the persons in whose names such Notes are registered and shall, in relation to Notes represented by a Global Note, be construed as provided below). By a Third Supplemental Trust Deed dated 30 August 2017 and made between Santander UK Group Holdings, Santander UK and the Trustee, Santander UK became an Issuer under the Programme (as defined in the Trust Deed).

References herein to “**the Issuer**” shall be to the entity specified as Issuer in the applicable Final Terms (or Pricing Supplement, as applicable) for this Note. Santander UK Group Holdings may issue Dated Subordinated Notes and Senior Notes. Santander UK may issue Senior Notes.

References herein to the “**Notes**” shall be references to the Notes of this Series and shall mean:

1. any global note (a “**Global Note**”) and in relation to any Notes represented by a Global Note, units of the lowest Specified Denomination in the Specified Currency;
2. any definitive Notes in bearer form; and
3. any definitive Notes in registered (or inscribed) form.

The Notes and the Coupons (as defined below) also have the benefit of an Agency Agreement dated 29 August 2018 (such Agency Agreement, as modified and/or supplemented and/or restated from time to time, the “**Agency Agreement**”) whereby the Issuers appoint Citibank,

N.A., London Branch as issuing and principal paying agent, agent bank, exchange agent (the **“Exchange Agent”**, which expression shall include any successor exchange agent) and as a transfer agent, (the **“Principal Paying Agent”**, which expression shall include any successor paying agent, agent bank, exchange agent and transfer agent), Citigroup Global Markets Europe AG as registrar (the **“Registrar”**, which expression shall include any successor registrar), Citibank Europe plc (the **“Additional Paying Agent”**, which expression shall include any successor additional paying agent) and the other paying agents named therein (the Additional Paying Agent and such other paying agents together with the Principal Paying Agent, the **“Paying Agents”**, which expression shall include any additional or successor paying agents), the other transfer agents named therein (together with the Principal Paying Agent in its capacity as a transfer agent, the **“Transfer Agents”**, which expression shall include any additional or successor transfer agents and such Transfer Agents, the Principal Paying Agent, the other Paying Agents and the Registrar being together referred to as the **“Agents”**) and the Trustee.

References to the **“Calculation Agency Agreement”** and **“Determination Agency Agreement”** are to the calculation agency agreement or determination agency agreement (as the case may be) which may be entered into between the Issuers and the calculation agent or, as the case may be, the determination agent to be appointed thereby (the **“Calculation Agent”** and the **“Determination Agent”**, respectively) and the Trustee, the form of which is contained in Schedule 1 to the Agency Agreement.

Interest bearing definitive Bearer Notes (as defined below) have interest coupons (**“Coupons”**) and, in the case of Notes which, when issued in definitive form, have more than 27 interest payments remaining, talons for further Coupons (**“Talons”**) attached on issue. Any reference in these Terms and Conditions to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Registered Notes (as defined below) and Global Notes do not have Coupons or Talons attached on issue.

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note which supplement these Terms and Conditions or, if this Note is a Note which is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Regulation (an **“Exempt Note”**), the final terms (or the relevant provisions thereof) are set out in Part A of the Pricing Supplement and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify the Terms and Conditions for the purposes of this Note. References to the **“applicable Final Terms”** are, unless otherwise stated, to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note. Any reference in the Terms and Conditions to **“applicable Final Terms”** shall be deemed to include a reference to **“applicable Pricing Supplement”** where relevant. The expression **“Prospectus Regulation”** means Regulation (EU) 2017/1129. For the purposes of these Terms and Conditions, and unless stated otherwise, references to the European Economic Area include the United Kingdom.

Any reference in these Terms and Conditions to **“Couponholders”** shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

As used herein, “**Tranche**” means Notes which are identical in all respects (including as to listing) and “**Series**” means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the Trust Deed and the Agency Agreement are available for inspection during normal business hours at the registered office for the time being of the Principal Paying Agent. If the Notes are to be admitted to trading on the Main Market of the London Stock Exchange plc the applicable Final Terms will be published on the website of the London Stock Exchange plc through a regulatory information service. The applicable Final Terms will be obtainable during normal business hours at the specified office of the Principal Paying Agent by a Noteholder upon such Noteholder producing evidence satisfactory to the Trustee and the Principal Paying Agent as to its holding of such Notes and identity. The Noteholders and the Couponholders are deemed to have notice of, are bound by, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement, the applicable Final Terms and any other documents specified in the applicable Final Terms which are applicable to them. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed and the Agency Agreement.

Words and expressions defined in the Trust Deed or the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the Agency Agreement, the Trust Deed shall prevail and, in the event of inconsistency between the Trust Deed, the Agency Agreement and the applicable Final Terms, the applicable Final Terms shall prevail.

1. Form, Denomination and Title

The Notes are in bearer form (“**Bearer Notes**”) or in registered (or inscribed) form (“**Registered Notes**”) as specified in the applicable Final Terms in the currency (the “**Specified Currency**”) and the denomination(s) (the “**Specified Denomination(s)**”) specified in the applicable Final Terms and, in the case of definitive Notes, serially numbered. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and *vice versa*.

This Note may be a Fixed Rate Note, a Floating Rate Note (which term shall include an EONIA Linked Interest Note, a Compounded Daily SONIA Linked Interest Note, an Average SONIA Linked Interest Note, a Compounded Daily SOFR Linked Interest Note, an Average SOFR Linked Interest Note, a Compounded Daily €STR Linked Interest Note, an Average €STR Linked Interest Note or a CMS Linked Interest Note if this Note is specified as such in the applicable Final Terms), a Zero Coupon/Discount Note, a Variable Interest Note, a Convertible Interest Basis Note, a combination of any of the foregoing or a Fixed Rate Reset Note, depending upon the Interest Basis shown in the applicable Final Terms.

Definitive Bearer Notes are issued with Coupons attached, unless they are Zero Coupon/Discount Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable.

Subject as set out below, title to the Bearer Notes and Coupons will pass by delivery, and title to the Registered Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The Issuer, the Trustee and any Agent will (except as otherwise required by law) deem and treat the bearer of any Bearer Note or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes are represented by a Bearer Global Note or a Regulation S Global Note held by or on behalf of or, as the case may be, registered in the name of a common nominee for, Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking SA ("**Clearstream, Luxembourg**") (or, as the case may be, a nominee for the common safekeeper), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Trustee and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or, as the case may be, the registered holder of the relevant Regulation S Global Note shall be treated by the Issuer, the Trustee and the Agents as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions "Noteholder" and "holder of Notes" and related expressions shall be construed accordingly.

For so long as any of the Notes are represented by a Rule 144A Global Note registered in the name of The Depository Trust Company of New York ("**DTC**") or its nominee, each person who is for the time being shown in the records of DTC or such nominee as the holder of a particular nominal amount of such Notes shall be treated by the Issuer, the Trustee and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on, or voting, giving consents or making requests in respect of, such nominal amount of such Notes, for which purpose DTC or, in the case of payments only, its nominee shall be treated by the Issuer, the Trustee and the Agents as the holder of such nominal amount of such Notes in accordance with and subject to the terms of such Registered Global Note, and the expressions "Noteholder" and "holder of Notes" and related expressions shall be construed accordingly.

Interests in a Global Note will be transferable only in accordance with the rules and procedures for the time being of DTC, Euroclear and Clearstream, Luxembourg, as the

case may be. References to DTC, Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any successor operator and/or successor clearing system and/or any additional or alternative clearing system specified in the applicable Final Terms or otherwise approved by the Issuer, the Principal Paying Agent, the Registrar and the Trustee.

2. Transfers of Registered Notes

(a) Transfers of interests in Registered Global Notes

Transfers of beneficial interests in Registered Global Notes will be effected by DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Registered Notes in definitive form or for a beneficial interest in another Registered Global Note only in the Specified Denominations set out in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of DTC, Euroclear or Clearstream, Luxembourg, as the case may be and in accordance with the terms and conditions specified in the Agency Agreement. Transfers of a Rule 144A Global Note shall be limited to transfers of such Rule 144A Global Note, in whole but not in part, to a nominee of DTC or to a successor of DTC or such successor's nominee.

(b) Transfers of Registered Notes in definitive form

Subject as provided in Condition 2(d), (e) and (f) below, upon the terms and subject to the conditions set forth in the Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part in the Specified Denominations set out in the applicable Final Terms. In order to effect any such transfer:

- (i) the holder or holders must:
 - (a) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing, and
 - (b) complete and deposit such other certifications as may be required by the Registrar or, as the case may be, the relevant Transfer Agent, and
- (ii) the Registrar or, as the case may be, the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request.

Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 4 to the Agency Agreement). Subject as provided above, the Registrar or, as

the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations) authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail to such address as the transferee may request, a new Registered Note in definitive form for the same aggregate nominal amount as the Registered Note (or the relevant part of the Registered Note) transferred. In the case of a transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent by uninsured mail to such address as the transferor may request.

Holders of Registered Notes in definitive form may exchange such Notes for interests in a Registered Global Note of the same type at any time.

(c) Registration of transfer upon partial redemption

In the event of a partial redemption of Notes under Condition 6, the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

(d) Costs of registration

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by normal uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

(e) Transfers of interests in Regulation S Notes

Prior to expiry of the applicable Distribution Compliance Period (as defined below), transfers by the holder of, or of a beneficial interest in, a Regulation S Note to a transferee in the United States or who is a U.S. person will only be made:

- (i) upon receipt by the Registrar of a written certification substantially in the form set out in the Agency Agreement, amended as appropriate with the consent of the Issuer (a “**Transfer Certificate**”), copies of which are available from the specified office of the Registrar or any Transfer Agent, from the transferor of the Note or beneficial interest therein to the effect that such transfer is being made to a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A; or
- (ii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such

transfer is in compliance with any applicable securities laws of any State of the United States,

and, in each case, in accordance with any applicable securities laws of any State of the United States or any other jurisdiction.

In the case of paragraph (i) above, such transferee may take delivery through a Rule 144A Note in global or definitive form. After expiry of the applicable Distribution Compliance Period (i) beneficial interests in Regulation S Global Notes may be held through DTC directly, by a participant in DTC, or indirectly through a participant in DTC and (ii) such certification requirements will no longer apply to such transfers.

(f) Transfers of interests in Rule 144A Notes

Transfers of Rule 144A Notes or beneficial interests therein may be made:

- (i) to a transferee who takes delivery of such interest through a Regulation S Note, upon receipt by the Registrar of a duly completed Transfer Certificate from the transferor to the effect that such transfer is being made in accordance with Regulation S; or
- (ii) to a transferee who takes delivery of such interest through a Rule 144A Note where the transferee is a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, without certification; or
- (iii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any State of the United States,

and, in each case, in accordance with any applicable securities laws of any State of the United States or any other jurisdiction.

Upon the transfer, exchange or replacement of Rule 144A Notes, or upon specific request for removal of any United States securities law legend enfacéd on Rule 144A Notes, the Registrar shall deliver only Rule 144A Notes or refuse to remove such legend, as the case may be, unless there is delivered to the Issuer such satisfactory evidence as may reasonably be required by the Issuer, which may include an opinion of U.S. counsel, that neither such legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

(g) Definitions

In this Condition, the following expressions shall have the following meanings:

“Distribution Compliance Period” means the period that ends 40 days after the completion of the distribution of each Tranche of Notes;

“**QIB**” means a “qualified institutional buyer” within the meaning of Rule 144A;

“**Regulation S**” means Regulation S under the Securities Act;

“**Regulation S Global Note**” means a Registered Global Note representing Notes sold outside the United States in reliance on Regulation S;

“**Regulation S Note**” means a Note represented by a Regulation S Global Note or a Note issued in registered form in exchange or substitution therefor;

“**Rule 144A**” means Rule 144A under the Securities Act;

“**Rule 144A Global Note**” means a Registered Global Note representing Notes sold in the United States to QIBs pursuant to Rule 144A;

“**Rule 144A Note**” means a Note represented by a Rule 144A Global Note or a Note issued in registered form in exchange or substitution therefor;

“**Securities Act**” means the United States Securities Act of 1933, as amended; and

“**U.S. person**” has the meaning ascribed to it in Regulation S.

3. **Status of the Notes**

(a) **Status of Senior Notes**

The Senior Notes (being those Notes the Final Terms in respect of which specify their Status as Senior) and the relative Coupons (if any) are direct, unconditional unsubordinated and unsecured obligations of the Issuer ranking *pari passu* and without any preference among themselves and (subject to any applicable statutory provisions) at least equally with all other present and future unsecured and unsubordinated obligations of the Issuer.

(b) **Status of Dated Subordinated Notes**

The Dated Subordinated Notes (being those Notes the Final Terms in respect of which specify their Status as Dated Subordinated and issued by Santander UK Group Holdings) and the relative Coupons (if any) are direct, subordinated and unsecured obligations of the Issuer ranking *pari passu* and without any preference among themselves. In the event of the winding-up of the Issuer (other than an Approved Winding-up) or the appointment of an administrator of the Issuer where the administrator has given notice that it intends to declare and distribute a dividend, the payment obligations of the Issuer under or arising from the Dated Subordinated Notes and the Trust Deed, including any damages awarded for breach of any obligations in respect of the Dated Subordinated Notes, shall be subordinated in the manner provided in the Trust Deed to the claims of all Senior Creditors of the Issuer, but shall rank at least *pari passu* with all other subordinated obligations or preference shares of the Issuer which constitute (or which, upon issue, constituted or were intended to constitute), or would but for any applicable limitation on the amount of such capital

constitute, Tier 2 Capital (“**Pari Passu Securities**”) and shall rank in priority to the claims of holders of: (i) all subordinated obligations of the Issuer the claims in respect of which rank, or are expressed to rank, junior to the Dated Subordinated Notes; (ii) all obligations of the Issuer which constitute (or which, upon issue, constituted or were intended to constitute), or would but for any applicable limitation on the amount of such capital constitute, Tier 1 Capital; and (iii) all classes of share capital of the Issuer other than preference shares which are **Pari Passu Securities** (together, the “**Junior Securities**”).

(c) Set-off, etc. (Dated Subordinated Notes)

This Condition 3(c) is only applicable to Dated Subordinated Notes issued by Santander UK Group Holdings.

Subject to applicable law, no holder of the Dated Subordinated Notes and the relative Coupons (if any) may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer arising under or in connection with the Dated Subordinated Notes and each holder of the Dated Subordinated Notes and the relative Coupons (if any) shall, by virtue of being the holder of any Dated Subordinated Note and the relative Coupons (if any), be deemed to have waived all such rights of set-off, compensation or retention. Notwithstanding the preceding sentence, if any of the amounts owing to any holder of the Dated Subordinated Notes and the relative Coupons (if any) by the Issuer is discharged by set-off, such holder shall, unless such payment is prohibited by law, immediately pay an amount equal to the amount of such discharge to the Issuer or, in the event of its winding-up or administration, the liquidator or administrator, as appropriate of the Issuer for payment to the Senior Creditors in respect of amounts owing to them by the Issuer, and, until such time as payment is made, shall hold an amount equal to such amount in trust for the Issuer, or the liquidator or administrator, as appropriate of the Issuer, for payment to the Senior Creditors in respect of amounts owing to them by the Issuer and accordingly any such discharge shall be deemed not to have taken place.

(d) Set-off, etc. (Senior Notes)

This Condition 3(d) is only applicable to Senior Notes issued by Santander UK Group Holdings.

Subject to applicable law, no holder of the Senior Notes issued by Santander UK Group Holdings and the relative Coupons (if any) may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by Santander UK Group Holdings arising under or in connection with the Senior Notes issued by Santander UK Group Holdings and each holder of the Senior Notes issued by Santander UK Group Holdings and the relative Coupons (if any) shall, by virtue of being the holder of any Senior Note issued by Santander UK Group Holdings and the relative Coupons (if any), be deemed to have waived all such rights of set-off, compensation or retention. Notwithstanding the preceding sentence, if any of the amounts owing to any holder of the Senior Notes issued by Santander UK Group Holdings and the relative Coupons (if any) by Santander UK Group Holdings is discharged by set-off, such holder shall, unless such payment is prohibited by law, immediately pay an amount equal to

the amount of such discharge to Santander UK Group Holdings or, in the event of its winding-up or administration, the liquidator or administrator, as appropriate of Santander UK Group Holdings, and, until such time as payment is made, shall hold an amount equal to such amount in trust for Santander UK Group Holdings, or the liquidator or administrator, as appropriate of Santander UK Group Holdings and accordingly any such discharge shall be deemed not to have taken place.

In these Conditions:

“Approved Winding-up” means a solvent winding-up of Santander UK Group Holdings solely for the purposes of a reconstruction or amalgamation or the substitution in place of Santander UK Group Holdings of a successor in business of Santander UK Group Holdings, the terms of which reconstruction, amalgamation or substitution (i) have previously been approved in writing by the Trustee or by an Extraordinary Resolution (as defined in the Trust Deed) and (ii) do not provide that the Dated Subordinated Notes or, where applicable, the Senior Notes issued by Santander UK Group Holdings, shall thereby become payable;

“Capital Rules” means at any time the regulations, requirements, guidelines and policies relating to capital resources requirements or capital adequacy then in effect and applicable to the Group (including, without limitation, any regulations, requirements, guidelines and policies of the Regulator as may from time to time be applicable to the Group);

“Group” means, as the context admits, Santander UK Group Holdings and each other entity which is part of the UK prudential consolidation group (as that term, or its successor, is used in the Capital Rules) or the UK resolution group (as that term, or its successor, is used in the Loss Absorption Regulations) of which Santander UK Group Holdings is part from time to time;

“Regulator” means, as the context admits, the Prudential Regulation Authority of the UK, the Bank of England or such successor or other authority having primary responsibility with respect to prudential or resolution matters concerning the Issuer and/or the Group;

“Senior Creditors” means creditors of Santander UK Group Holdings (a) who are unsubordinated creditors of Santander UK Group Holdings; or (b) who are subordinated creditors of Santander UK Group Holdings (other than those whose claims constitute, or would but for any applicable limitation on the amount of any such capital constitute, Tier 1 Capital or Tier 2 Capital or whose claims rank, or are expressed to rank, *pari passu* with, or junior to, the claims of the holders of the Dated Subordinated Notes);

“Tier 1 Capital” has the meaning given to it in the Capital Rules;

“Tier 2 Capital” has the meaning given to it in the Capital Rules; and

the expression **“obligations”** includes any direct or indirect obligations of the Issuer and whether by way of guarantee, indemnity, other contractual support arrangement or otherwise and regardless of name or designation.

4. Interest

(a) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date (which, unless otherwise specified in the applicable Final Terms, shall be the Issue Date) at the rate(s) per annum equal to the Rate(s) of Interest (in each case for the period(s) specified in the applicable Final Terms) payable in arrear on the Interest Payment Date(s) specified in the applicable Final Terms.

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Interest Period ending on such date will amount to the Fixed Coupon Amount. In the case of any long or short interest period (the “**Stub Period**”), payments of interest on the relevant Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified in respect of such Stub Period.

Except in the case of Notes in definitive form where a Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the applicable Rate of Interest to:

- (A) in the case of Fixed Rate Notes which are (i) represented by a Global Note or (ii) Registered Notes in definitive form, the aggregate outstanding nominal amount of (I) the Fixed Rate Notes represented by such Global Note or (II) such Registered Notes; or
- (B) in the case of Fixed Rate Notes which are Bearer Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note which is a Bearer Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the number by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

“**sub-unit**” means: (a) with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency; and (b) with respect to euro, one cent.

As used in the Conditions, “**Interest Period**” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date, or such other period specified as the “**Interest Period**” in the applicable Final Terms.

(b) Interest on Fixed Rate Reset Notes

- (i) Each Fixed Rate Reset Note bears interest:
- (a) from (and including) the Interest Commencement Date (which unless otherwise specified in the applicable Final Terms shall be the Issue Date) to (but excluding) the First Reset Date at the rate per annum equal to the Initial Rate of Interest;
 - (b) from (and including) the First Reset Date to (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the applicable Final Terms, the Maturity Date, at the rate per annum equal to the First Reset Rate of Interest; and
 - (c) for each Subsequent Reset Period thereafter (if any), at the rate per annum equal to the relevant Subsequent Reset Rate of Interest,

in each case, payable in arrear on the Interest Payment Date(s) specified in the applicable Final Terms.

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of each Interest Period ending on or before the First Reset Date will amount to the Fixed Coupon Amount. In the case of any long or short interest period (the “**Stub Period**”), payments of interest on the relevant Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified in respect of such Stub Period.

Except in the case of Notes in definitive form where a Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the applicable Rate of Interest to:

- (A) in the case of Fixed Rate Reset Notes which are (i) represented by a Global Note or (ii) Registered Notes in definitive form, the aggregate outstanding nominal amount of (I) the Fixed Rate Reset Notes represented by such Global Note or (II) such Registered Notes; or
- (B) in the case of Fixed Rate Reset Notes which are Bearer Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Reset Note which is a Bearer Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Reset Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount

and the number by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

“**sub-unit**” means: (a) with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency; and (b) with respect to euro, one cent.

As used in the Conditions, “**Interest Period**” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date, or such other period specified as the “Interest Period” in the applicable Final Terms.

(ii) Fallbacks

If Mid-Swap Rate is specified as the Reset Rate in the applicable Final Terms and on any Reset Determination Date the Relevant Screen Page is not available or the Mid-Swap Rate does not appear on the Relevant Screen Page, the Calculation Agent shall request each of the Reference Banks (as defined below) to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately 11.00 a.m. in the principal financial centre of the Relevant Currency on the Reset Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant Mid-Market Swap Rate Quotations and the First Margin or Subsequent Margin (as applicable), all as determined by the Calculation Agent. If on any Reset Determination Date only one or none of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this paragraph, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be determined to be the Rate of Interest as at the last preceding Reset Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest.

(iii) Mid-Swap Rate or Mid-Swap Floating Leg Benchmark Rate Replacement

If any Rate of Interest (or component thereof) remains to be determined by reference to the Mid-Swap Rate or Mid-Swap Floating Leg Benchmark Rate of which such Mid-Swap Rate or Mid-Swap Floating Leg Benchmark Rate (as applicable) is a component and:

- (A) the Issuer determines (in consultation with the Calculation Agent, the Principal Paying Agent and/or the Determination Agent) on the basis of factors including, but not limited to, a public statement by the administrator or the supervisor of the administrator of the applicable Mid-Swap Rate or Mid-Swap Floating Leg Benchmark Rate (as applicable), that:

- (i) the Mid-Swap Rate (or the relevant component part(s) thereof) or Mid-Swap Floating Leg Benchmark Rate (as applicable) has ceased (or will cease, prior to the next following Reset Determination Date) to be calculated or administered or published by the relevant administrator (in circumstances where no successor administrator has been appointed that will continue publication of the relevant Mid-Swap Rate (or the relevant component part(s) thereof) or Mid-Swap Floating Leg Benchmark Rate (as applicable)); or
 - (ii) there has otherwise taken place (or will otherwise take place, prior to the next following Reset Determination Date) a change in customary market practice (determined according to factors including, but not limited to, public statements, opinions and publications of industry bodies and organisations) to refer to a base rate other than the Mid-Swap Rate or Mid-Swap Floating Leg Benchmark Rate (as applicable) specified in the applicable Final Terms despite the continued existence of such Mid-Swap Rate or Mid-Swap Floating Leg Benchmark Rate (as applicable); or
- (B) it is unlawful for any of the Principal Paying Agent, the Calculation Agent and/or the Determination Agent, as applicable, and/or the Issuer to determine or use such Mid-Swap Rate or Mid-Swap Floating Leg Benchmark Rate,

then the following provisions shall apply to the relevant series of Notes:

- (a) the Issuer shall use reasonable efforts to appoint an Independent Adviser to determine (in each case in consultation with the Issuer) an Alternative Relevant Rate and such other adjustments (if any) as referred to in this Condition 4(b)(iii) for the purposes of determining the Mid-Swap Rate or Mid-Swap Floating Leg Benchmark Rate (as applicable) for all future Reset Periods (subject to the subsequent operation of this Condition 4(b)(iii) during any other future Reset Period(s)).
- (b) Subject to paragraph (c) of this Condition 4(b)(iii), if:
 - (i) the Independent Adviser acting in good faith and in a commercially reasonable manner (in consultation with the Issuer) determines no later than five Business Days prior to the relevant Reset Determination Date relating to the next Reset Period (the “**IA Mid-Swap Determination Cut-off Date**”) that an Alternative Relevant Rate has succeeded or replaced the Mid-Swap Rate or Mid-Swap Floating Leg Benchmark Rate

(as applicable) in customary market usage in the international debt capital markets for setting rates comparable to the Mid-Swap Rate or Mid-Swap Floating Leg Benchmark Rate (as applicable); or

- (ii) the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by the Issuer in accordance with paragraph (a) of this Condition 4(b)(iii) fails to determine an Alternative Relevant Rate prior to the relevant IA Mid-Swap Determination Cut-off Date, the Issuer determines (acting in good faith and in a commercially reasonable manner) no later than three Business Days prior to the relevant Reset Determination Date relating to the next Reset Period (the “**Issuer Mid-Swap Determination Cut-off Date**”) that an Alternative Relevant Rate has succeeded or replaced the Mid-Swap Rate or Mid-Swap Floating Leg Benchmark Rate (as applicable) in customary market usage in the international debt capital markets for setting rates comparable to the Mid-Swap Rate or Mid-Swap Floating Leg Benchmark Rate (as applicable),

then the Mid-Swap Rate or Mid-Swap Floating Leg Benchmark Rate (as applicable) for all future Reset Periods (subject to the subsequent operation of this Condition 4(b)(iii) during any other future Reset Period(s)) shall be such Alternative Relevant Rate.

Without prejudice to the definition thereof, for the purposes of determining an Alternative Relevant Rate and/or applicable adjustments thereto (if any), the Independent Adviser or the Issuer (as applicable) will take into account relevant and applicable market precedents, as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets and such other materials as the Independent Adviser or the Issuer (as applicable), in its sole discretion, considers appropriate.

- (c) Notwithstanding Condition 4(b)(ii), if:
 - (i) the Independent Adviser appointed by the Issuer in accordance with paragraph (a) of this Condition 4(b)(iii) notifies the Issuer prior to the IA Mid-Swap Determination Cut-off Date that it has determined that no Alternative Relevant Rate exists;
 - (ii) the Independent Adviser appointed by the Issuer in accordance with paragraph (a) of this Condition 4(b)(iii) fails to determine an Alternative Relevant Rate prior to the relevant IA Mid-Swap Determination Cut-off Date, without notifying the Issuer as contemplated in sub-paragraph (c)(i) of this Condition 4(b)(iii)

and the Issuer (acting in good faith and in a commercially reasonable manner) determines prior to the Issuer Mid-Swap Determination Cut-off Date that no Alternative Relevant Rate exists; or

- (iii) an Alternative Relevant Rate is not otherwise determined in accordance with paragraph (b) of this Condition 4(b)(iii) prior to the Issuer Mid-Swap Determination Cut-off Date,

the Subsequent Reset Rate shall be determined as at the last preceding Reset Determination Date or, in the case of the first Reset Determination Date, the Subsequent Reset Rate shall be the Initial Rate of Interest (though substituting, where a different Margin is to be applied to the relevant Reset Period from that which applied to the last preceding Reset Period, the Margin relating to the relevant Reset Period in place of the Margin relating to that last preceding Reset Period).

This paragraph (c) shall apply to the relevant Reset Period only. Any subsequent Reset Period(s) shall be subject to the operation of this Condition 4(b)(iii).

- (d) Promptly following the determination of any Alternative Relevant Rate as described in this Condition 4(b)(iii), the Issuer shall give notice thereof and of any adjustments (and the effective date(s) thereof) pursuant to this Condition 4(b)(iii) to the Trustee, the Principal Paying Agent, any Calculation Agent and, in accordance with Condition 13, the Noteholders.

The Trustee and the Principal Paying Agent shall, at the direction of the Issuer (following consultation with the Principal Paying Agent, the Determination Agent and/or, where applicable, the Calculation Agent), effect such waivers and consequential amendments to the Trust Deed, the Agency Agreement, these Terms and Conditions and any other document as the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable) determines may be required to give effect to any application of this Condition 4(b)(iii). Prior to any such waivers and/or consequential amendments taking effect, the Issuer shall provide a certificate signed by two authorised signatories of the Issuer to the Trustee, the Principal Paying Agent and, where applicable, the Calculation Agent which (i) provides details of such waivers and/or consequential amendments and (ii) certifies that such waivers and/or consequential amendments are required to give effect to any application of this Condition 4(b)(iii), and the Trustee, the Principal Paying Agent and, where applicable, the Calculation Agent shall be entitled to rely on such certificate without further enquiry or liability to any person. For the avoidance of doubt, the Trustee shall not be liable to the Noteholders or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of

any such person. Such changes shall apply to the Notes for all future Reset Periods (subject to the subsequent operation of this Condition 4(b)(iii)). No consent of the Noteholders shall be required in connection with effecting the relevant Alternative Relevant Rate as described in this Condition 4(b)(iii) or such other relevant adjustments pursuant to this Condition 4(b)(iii), including for the execution of, or amendment to, any documents or the taking of other steps by the Issuer or any of the parties to the Trust Deed and/or the Agency Agreement (if required).

Notwithstanding the foregoing, the Trustee shall not be obliged to agree to any modification if in the sole opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce rights and/or the protective provisions afforded to the Trustee in these Terms and Conditions or the Trust Deed.

Notwithstanding any other provision of this Condition 4(b)(iii), no Alternative Relevant Rate will be adopted, and no other amendments to the terms of the Notes will be made pursuant to this Condition 4(b)(iii), if and to the extent that, in the sole determination of the Issuer, the same could reasonably be expected to prejudice (i) the qualification of the Dated Subordinated Notes as Tier 2 Capital of the Issuer or of the Group or (ii) the eligibility of the Senior Notes issued by Santander UK Group Holdings to qualify in full towards the Issuer's and/or the Group's minimum requirements for (A) own funds and eligible liabilities and/or (B) loss absorbing capacity instruments.

- (iv) The Principal Paying Agent or, where specified in these Conditions or the applicable Final Terms, the Calculation Agent will at, or as soon as practicable after, the Determination Time on each Reset Determination Date, determine the applicable Rate of Interest for the relevant Reset Period. The Calculation Agent will notify the Principal Paying Agent of the Rate of Interest for the relevant Reset Period as soon as practicable after calculating the same.
- (v) The Principal Paying Agent will cause the Rate of Interest for each Reset Period to be notified to the Issuer and, if required by applicable law or regulation, any stock exchange or other relevant authority on which the relevant Notes are for the time being listed or by which they have been admitted to listing and, if applicable, notice thereof to be published in accordance with Condition 13 as soon as possible after their determination, but in no event later than the fourth London Business Day thereafter. For the purposes of this paragraph, the expression "**London Business Day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in London.
- (vi) If for any reason at any relevant time the Principal Paying Agent or, as the case may be, the Calculation Agent defaults in its obligation to determine the Rate of Interest, the Trustee shall determine the Rate of Interest at such rate as, in its absolute discretion (having regard to the foregoing provisions of this Condition

4(b)), it shall deem fair and reasonable in all the circumstances. In making any such calculation, the Trustee may at the Issuer's expense appoint and rely without liability on a calculation by a calculation agent (which shall be an investment bank or other suitable entity of international repute). Each such calculation shall be deemed to have been made by the Principal Paying Agent or the Calculation Agent, as applicable.

- (vii) All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(b), whether by the Principal Paying Agent or the Calculation Agent or the Trustee or its agent, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Trustee, the Principal Paying Agent and the Calculation Agent, the other Agents and all Noteholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Principal Paying Agent or the Calculation Agent or the Trustee or its agent in connection with the exercise or non-exercise by it of any of its powers, duties and discretions pursuant to such provisions.
- (viii) For the purposes of this Condition 4(b):

"Alternative Relevant Rate" means the rate which has replaced the Mid-Swap Rate or Mid-Swap Floating Leg Benchmark Rate (as applicable) in customary market usage in the international debt capital markets for the purposes of determining floating rates of interest (or the relevant component part thereof) in respect of notes denominated in the Specified Currency and with an interest period of a comparable duration to the relevant Reset Period, or, if the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable) determines that there is no such rate, such other rate as such Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable) determines in its discretion is most comparable to the Mid-Swap Rate or Mid-Swap Floating Leg Benchmark Rate (as applicable);

"Benchmark Gilt" means, in respect of a Reset Period, such United Kingdom government security having a maturity date on or about the last day of such Reset Period as the Calculation Agent, with the advice of the Reference Banks, may determine to be appropriate;

"Benchmark Gilt Rate" means, in respect of a Reset Period, the gross redemption yield (as calculated by the Calculation Agent in accordance with generally accepted market practice at such time) on a semi-annual compounding basis (converted to an annualised yield and rounded up (if necessary) to four decimal places) of the Benchmark Gilt in respect of that Reset Period, with the price of the Benchmark Gilt for this purpose being the arithmetic average (rounded up (if necessary) to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered prices of such Benchmark Gilt quoted by the Reference Banks at 3.00 p.m. (London time) on the relevant Reset Determination Date on a dealing basis for settlement on the next following dealing day in London. If at least four quotations are provided, the Benchmark Gilt Rate will be the rounded arithmetic mean of the quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event

of equality, one of the lowest). If only two or three quotations are provided, the Benchmark Gilt Rate will be the rounded arithmetic mean of the quotations provided. If only one quotation is provided, the Benchmark Gilt Rate will be the rounded quotation provided. If no quotations are provided, the Benchmark Gilt Rate will be determined by the Calculation Agent in its sole discretion following consultation with the Issuer;

“Calculation Agent” shall have the meaning specified in the applicable Final Terms;

“dealing day” means a day, other than a Saturday or Sunday, on which the London Stock Exchange (or such other stock exchange on which the Benchmark Gilt is at the relevant time listed) is ordinarily open for the trading of securities;

“First Margin” means the margin specified in the applicable Final Terms;

“First Reset Date” means the date specified in the applicable Final Terms;

“First Reset Period” means the period from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the applicable Final Terms, the Maturity Date;

“First Reset Rate of Interest” means, in respect of the First Reset Period and subject to Conditions 4(b)(ii) and (iii) (where applicable), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Reset Rate and the First Margin;

“Independent Adviser” means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case appointed by the Issuer at the Issuer’s expense;

“Initial Rate of Interest” has the meaning specified in the applicable Final Terms;

“Mid-Market Swap Rate” means for any Reset Period the mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (calculated on the day count basis customary for fixed rate payments in the Relevant Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Relevant Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Maturity (calculated on the day count basis customary for floating rate payments in the Relevant Currency as determined by the Calculation Agent);

“Mid-Market Swap Rate Quotation” means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate;

“Mid-Swap Floating Leg Benchmark Rate” means EURIBOR if the Relevant Currency is euro or LIBOR for the Relevant Currency if the Relevant Currency is not euro;

“Mid-Swap Maturity” has the meaning specified in the applicable Final Terms;

“Mid-Swap Rate” means, in relation to a Reset Determination Date and subject to Conditions 4(b)(ii) and (iii), either:

(i) if Single Mid-Swap Rate is specified in the applicable Final Terms, the rate for swaps in the Relevant Currency:

(A) with a term equal to the relevant Reset Period; and

(B) commencing on the relevant Reset Date,

which appears on the Relevant Screen Page; or

(ii) if Mean Mid-Swap Rate is specified in the applicable Final Terms, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Relevant Currency:

(A) with a term equal to the relevant Reset Period; and

(B) commencing on the relevant Reset Date,

which appear on the Relevant Screen Page,

in either case, as at approximately 11.00 a.m. in the principal financial centre of the Relevant Currency on such Reset Determination Date, all as determined by the Calculation Agent;

“Rate of Interest” means the Initial Rate of Interest, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as applicable;

“Reference Banks” means:

(i) for the purposes of Condition 4(b)(ii), five leading swap dealers in the principal interbank market relating to the Relevant Currency selected by the Calculation Agent in its discretion after consultation with the Issuer; or

(ii) in the case of a Benchmark Gilt Rate, five brokers of gilts and/or gilt-edged market makers selected by the Calculation Agent in its discretion after consultation with the Issuer;

“Reference Bond” means for any Reset Period a government security or securities issued by the government of the state responsible for issuing the Relevant Currency (which, if the Relevant Currency is euro, shall be Germany) selected by the Calculation Agent in its discretion after consultation with the Issuer as having an actual or interpolated maturity comparable with the relevant Reset Period and that (in the opinion of the Calculation Agent, after consultation with the Issuer) would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new

issuances of corporate debt securities denominated in the Relevant Currency and of a comparable maturity to the relevant Reset Period;

“Reference Bond Dealer” means each of five banks which are primary government securities dealers or market makers in pricing corporate bond issuances, as selected by the Calculation Agent in its discretion after consultation with the Issuer;

“Reference Bond Dealer Quotations” means, with respect to each Reference Bond Dealer and the Reset Determination Date, the arithmetic mean, as determined by the Calculation Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its nominal amount) as at approximately 11.00 a.m. in the principal financial centre of the Relevant Currency on the Reset Determination Date and quoted in writing to the Calculation Agent by such Reference Bond Dealer;

“Reference Bond Price” means, with respect to a Reset Determination Date, (a) the arithmetic mean of the Reference Bond Dealer Quotations for that Reset Determination Date, after excluding the highest and lowest such Reference Bond Dealer Quotations, or (b) if the Calculation Agent obtains fewer than four such Reference Bond Dealer Quotations, the arithmetic mean of all such quotations or (c) if the Calculation Agent obtains only one Reference Bond Dealer Quotation or if the Calculation Agent obtains no Reference Bond Dealer Quotations, the First Reset Rate of Interest or Subsequent Reset Rate of Interest, as applicable, shall be determined by the Calculation Agent in its sole discretion following consultation with the Issuer;

“Reference Bond Rate” means, in respect of a Reset Period, the annual yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for such Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price;

“Relevant Currency” means the currency specified in the applicable Final Terms or, if none is specified, the currency in which the Notes are denominated;

“Relevant Screen Page” has the meaning specified in the applicable Final Terms;

“Reset Date” means the First Reset Date, the Second Reset Date (if any) and each Subsequent Reset Date (if any), as applicable, in each case as adjusted in accordance with Condition 4(f);

“Reset Determination Date” means, unless otherwise stated in the applicable Final Terms, in respect of the First Reset Period, the second Business Day prior to the First Reset Date, in respect of the first Subsequent Reset Period, the second Business Day prior to the Second Reset Date and, in respect of each Subsequent Reset Period thereafter, the second Business Day prior to the first day of each such Subsequent Reset Period;

“Reset Period” means the First Reset Period or a Subsequent Reset Period, as the case may be;

“Reset Rate” means:

- (i) if Mid-Swap Rate is specified in the applicable Final Terms, the relevant Mid-Swap Rate;
- (ii) if Benchmark Gilt Rate is specified in the applicable Final Terms, the relevant Benchmark Gilt Rate; or
- (iii) if Reference Bond is specified in the applicable Final Terms, the relevant Reference Bond Rate;

“**Second Reset Date**” means the date specified in the applicable Final Terms;

“**Subsequent Margin**” means the margin specified in the applicable Final Terms;

“**Subsequent Reset Date**” means the date or dates specified in the applicable Final Terms;

“**Subsequent Reset Period**” means the period from (and including) the Second Reset Date to (but excluding) the next Subsequent Reset Date (or, if no such Subsequent Reset Date is specified in the applicable Final Terms, the Maturity Date), and each successive period (if any) from (and including) a Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date (or, if no such Subsequent Reset Date is specified in the applicable Final Terms, the Maturity Date); and

“**Subsequent Reset Rate of Interest**” means, in respect of any Subsequent Reset Period and subject to Conditions 4(b)(ii) and (iii) (where applicable), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Reset Rate and the relevant Subsequent Margin.

(c) Interest on Floating Rate Notes and Variable Interest Notes

- (i) Interest Payment Dates

Each Floating Rate Note and Variable Interest Note bears interest from (and including) the Interest Commencement Date (which, unless otherwise specified in the applicable Final Terms, shall be the Issue Date) and such interest will be payable in arrear on either:

- (A) the Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (B) if no express Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Interest Payment Date specified in the applicable Final Terms, an “**Interest Payment Date**”) which falls the number of months or other period specified as the Interest Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. In the Conditions, “**Interest Period**” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date, or such other period specified as the “Interest Period” in the applicable Final Terms.

(ii) Rate of Interest

The Rate of Interest payable from time to time will be determined (i) in respect of Floating Rate Notes, in the manner specified in the applicable Final Terms and (ii) in respect of Variable Interest Notes, in the manner described in sub-paragraph (C).

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be (1) if Straight Floating Rate is specified as being applicable in the applicable Final Terms, the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any), (2) if Inverse Floating Rate is specified as being applicable in the applicable Final Terms, the Set IFRN Rate specified in the applicable Final Terms minus the relevant ISDA Rate, (3) if Leveraged Floating Rate is specified as being applicable in the applicable Final Terms, the product of the Leverage Factor specified in the applicable Final Terms and the relevant ISDA Rate, plus or minus (as indicated in the applicable Final Terms) the Margin (if any), or (4) if Leveraged Inverse Floating Rate is specified as being applicable in the applicable Final Terms, the difference between (i) the Set IFRN Rate specified in the applicable Final Terms and (ii) the product of the Leverage Factor specified in the applicable Final Terms and the relevant ISDA Rate.

For the purposes of this sub-paragraph (A):

“**ISDA Rate**” for an Interest Period (other than a Stub Period) means a rate equal to the Floating Rate that would be determined by the Principal Paying Agent under an interest rate swap transaction if the Principal Paying Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series, (the “**ISDA Definitions**”) and under which:

- (1) the Floating Rate Option is as specified in the applicable Final Terms;

- (2) the Designated Maturity is a period specified in the applicable Final Terms; and
- (3) unless otherwise stated in the applicable Final Terms, the relevant Reset Date is the first day of that Interest Period and, if so specified in the applicable Final Terms, the relevant Reset Date shall be subject to adjustment in accordance with the Reset Date Business Day Convention specified in the applicable Final Terms.

“ISDA Rate” for a Stub Period means a rate calculated by the Principal Paying Agent or (if specified in the applicable Final Terms) the Calculation Agent or Determination Agent, as applicable, by means of linear interpolation of the relevant ISDA Rate 1 and the relevant ISDA Rate 2 in accordance with market convention.

“ISDA Rate 1” and **“ISDA Rate 2”** shall be determined for a Stub Period pursuant to this sub-paragraph (A) on the same basis as the determination of the **“ISDA Rate”** for an Interest Period that is not a Stub Period save that references in this sub-paragraph (A) to the Floating Rate Option, the Designated Maturity and the Reset Date shall be (i) in the case of the ISDA Rate 1, to the Floating Rate Option 1, the Designated Maturity 1 and the Reset Date 1, respectively, and (ii) in the case of the ISDA Rate 2, the Floating Rate Option 2, the Designated Maturity 2 and the Reset Date 2, respectively, in each case as specified in the applicable Final Terms.

“Stub Period” shall have the meaning specified in the applicable Final Terms.

For the purposes of this sub-paragraph (A), **“Floating Rate”**, **“Calculation Agent”**, **“Floating Rate Option”**, **“Designated Maturity”** and **“Reset Date”** have the meanings given to those terms in the ISDA Definitions, and **“Margin”**, **“Set IFRN”** and **“Leverage Factor”** have the meanings given to those terms in the applicable Final Terms.

- (B) Screen Rate Determination for Floating Rate Notes
 - (I) Floating Rate Notes other than EONIA Linked Interest Notes, SONIA Linked Interest Notes, SOFR Linked Interest Notes, €STR Linked Interest Notes and CMS Linked Interest Notes
 - (i) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate is not specified as being EONIA, Compounded Daily SONIA, Average SONIA, Compounded Daily SOFR, Average SOFR, Compounded Daily €STR, Average €STR or CMS Reference Rate, the Rate of Interest for

each Interest Period will, subject as provided below, be (1) if Straight Floating Rate is specified as being applicable in the applicable Final Terms, the relevant Screen Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any), (2) if Inverse Floating Rate is specified as being applicable in the applicable Final Terms, the Set IFRN Rate specified in the applicable Final Terms minus the relevant Screen Rate, (3) if Leveraged Floating Rate is specified as being applicable in the applicable Final Terms, the product of the Leverage Factor specified in the applicable Final Terms and the relevant Screen Rate, plus or minus (as indicated in the applicable Final Terms) the Margin (if any), or (4) if Leveraged Inverse Floating Rate is specified as being applicable in the applicable Final Terms, the difference between (i) the Set IFRN Rate specified in the applicable Final Terms and (ii) the product of the Leverage Factor specified in the applicable Final Terms and the relevant Screen Rate, in each case as determined by the Principal Paying Agent.

“Screen Rate” for an Interest Period (other than a Stub Period) means, subject as provided below, either:

- (1) the offered quotation; or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (Relevant Financial Centre time) on the Interest Determination Date in question, all as determined by the Principal Paying Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Principal Paying Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations. **“Screen Rate”** for a Stub Period means a rate calculated by the Principal Paying Agent or (if specified in the applicable Final Terms) the Calculation Agent or Determination Agent, as applicable, by means of linear interpolation of

the relevant Screen Rate 1 and the relevant Screen Rate 2 in accordance with market convention.

“Screen Rate 1” and **“Screen Rate 2”** shall be determined for a Stub Period pursuant to this sub-paragraph (B)(I) on the same basis as the determination of the “Screen Rate” for an Interest Period that is not a Stub Period save that references in this sub-paragraph (B)(I) to the Reference Rate and the Relevant Screen Page shall be (i) in the case of the Screen Rate 1, to the Reference Rate 1 and the Relevant Screen Page 1, respectively, and (ii) in the case of the Screen Rate 2, to the Reference Rate 2, and the Relevant Screen Page 2, respectively, in each case as specified in the applicable Final Terms.

(ii) Fallbacks

If the Relevant Screen Page is not available or if, in the case of sub-paragraph (1) in the definition of “Screen Rate” for an Interest Period (other than a Stub Period) above, no such offered quotation appears or, in the case of sub-paragraph (2) in the definition of “Screen Rate” for an Interest Period (other than a Stub Period) above, fewer than three such offered quotations appear, in each case as at 11.00 a.m. (Relevant Financial Centre time) on the relevant Interest Determination Date in question, the Principal Paying Agent, the Calculation Agent or the Determination Agent (as applicable) shall request each of the Reference Banks to provide the Principal Paying Agent, the Calculation Agent or the Determination Agent (as applicable) with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately 11.00 a.m. (Relevant Financial Centre time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Principal Paying Agent, the Calculation Agent or the Determination Agent (as applicable) with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Principal Paying Agent, the Calculation Agent or the Determination Agent (as applicable).

(iii) If on any Interest Determination Date one only or none of the Reference Banks provides the Principal Paying

Agent, the Calculation Agent or the Determination Agent (as applicable) with such offered quotations as provided in the preceding sub-paragraph (ii), the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Principal Paying Agent, the Calculation Agent or the Determination Agent (as applicable) determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Principal Paying Agent, the Calculation Agent or the Determination Agent (as applicable) by the Reference Banks or any two or more of them, at which such banks were offered, at approximately 11.00 a.m. (Relevant Financial Centre time) on the Interest Determination Date in question, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in (i) if the Reference Rate is LIBOR, the London inter-bank market, (ii) if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, (iii) if the Reference Rate is HIBOR, the Hong Kong inter-bank market or (iv) if the Reference Rate is SIBOR, the Singapore inter-bank market, as the case may be, plus or minus (as indicated in the applicable Final Terms) the Margin (if any) or, if fewer than two of the Reference Banks provide the Principal Paying Agent, the Calculation Agent or the Determination Agent (as applicable) with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately 11.00 a.m. (Relevant Financial Centre time) on the Interest Determination Date in question, any one or more banks (which bank or banks is or are in the opinion of the relevant Issuer suitable for such purpose) informs the Principal Paying Agent, the Calculation Agent or the Determination Agent (as applicable) it is quoting to leading banks in (A) if the Reference Rate is LIBOR, the London inter-bank market, (B) if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, (C) if the Reference Rate is HIBOR, the Hong Kong inter-bank market or (D) if the Reference Rate is SIBOR, the Singapore inter-bank market, as the case may be, plus or minus (as indicated in the applicable Final Terms) the Margin (if any), provided that, if the Rate of Interest cannot be

determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period).

(iv) For the purposes of this sub-paragraph (B)(I):

“Interest Determination Date” shall have the meaning specified in the applicable Final Terms provided that, if any day specified as an Interest Determination Date in the applicable Final Terms is not a Reference Rate Business Day, the relevant Interest Determination Date shall be the immediately preceding Reference Rate Business Day;

“Leverage Factor” shall have the meaning specified in the applicable Final Terms;

“Margin” shall have the meaning specified in the applicable Final Terms;

“Reference Rate” shall mean (i) the London interbank offered rate (**“LIBOR”**), (ii) the Euro- zone interbank offered rate (**“EURIBOR”**), (iii) the Hong Kong interbank offered rate (**“HIBOR”**) or (iv) the Singapore interbank offered rate (**“SIBOR”**), in each case for the relevant currency and/or period, all as specified in the applicable Final Terms;

“Reference Rate Business Day” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the Relevant Financial Centre;

“Relevant Financial Centre” shall mean (i) London, where the Reference Rate is LIBOR, (ii) Brussels, where the Reference Rate is EURIBOR, (iii) Hong Kong, where the Reference Rate is HIBOR or (iv) Singapore, where the Reference Rate is SIBOR;

“Relevant Screen Page” shall have the meaning specified in the applicable Final Terms;

“**Set IFRN Rate**” shall have the meaning specified in the applicable Final Terms; and

“**Stub Period**” shall have the meaning specified in the applicable Final Terms.

(II) Floating Rate Notes which are EONIA Linked Interest Notes

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate is specified as being EONIA, the Rate of Interest for each Interest Period will, subject as provided below, be Capitalised EONIA plus or minus (as indicated in the applicable Final Terms) the Margin, all as determined by the Calculation Agent or Determination Agent (as applicable).

For the purposes of this sub-paragraph (B)(II):

“**Capitalised EONIA**” means the resultant figure of the following formula (expressed as a percentage per annum rounded to the nearest ten-thousandths of a percentage point, with 0.00005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{EONIA_{i-pTBD} \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

“**d_o**” means, for the relevant Interest Period, the number of TARGET Business Days in such Interest Period;

“**i**” means a series of whole numbers from one to d_o, each representing the relevant TARGET Business Days in chronological order from, and including, the first TARGET Business Day in the relevant Interest Period;

“**p**” means, for any Interest Period, the number of TARGET Business Days included in the Observation Look-back Period specified in the applicable Final Terms;

“**Observation Period**” means, in respect of an Interest Period, the period from, and including, the date which is “p” TARGET Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding the date which is “p” TARGET Business Days prior to the Interest Payment Date for such Interest Period (and the last Interest Period shall end on but exclude the Maturity Date);

“**EONIA_i**” means, in respect of any TARGET Business Day, “i”, in the relevant Observation Period, a reference rate equal to the Euro Overnight Index Average (“**EONIA**”) rate for such TARGET Business Day as calculated by the European Central Bank and appearing on the Relevant Screen Page on the TARGET Business Day immediately following such TARGET Business Day). Therefore EONIA_{i-TBD} is the relevant EONIA fixing in the Observation Period as per the above definition;

“**n_i**” means the number of calendar days in the relevant Interest Period on which the rate is EONIA_i;

“**d**” means the number of calendar days in the relevant Interest Period;

“**Margin**” shall have the meaning specified in the applicable Final Terms;

“**Relevant Screen Page**” shall have the meaning specified in the applicable Final Terms or, if no meaning is so specified, Reuters Screen EONIA Page or any successor; and

“**TARGET Business Day**” or “**TBD**” means a day on which the TARGET2 System is open.

If, in respect of any TARGET Business Day in the relevant Observation Period, the Calculation Agent or the Determination Agent (as applicable) determines that either the Relevant Screen Page is not available or no such overnight rate as referred to in EONIA_i appears for any reason for any day “i” on the TARGET Business Day immediately following such TARGET Business Day as provided above, the Calculation Agent or the Determination Agent (as applicable) shall determine EONIA_i for such day in its sole and absolute discretion on a commercial basis as it shall consider appropriate and in accordance with standard market practice.

(III) Floating Rate Notes which are SONIA Linked Interest Notes

(i) Compounded Daily SONIA

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined for the Notes and the Reference Rate is specified in the applicable Final Terms as being Compounded Daily SONIA, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily SONIA plus or minus (as indicated in the applicable Final Terms) the

Margin (if any), all as determined by the Calculation Agent or Determination Agent (as applicable).

For the purposes of this sub-paragraph (B)(III)(i):

“Compounded Daily SONIA” means the rate of return of a daily compound interest investment (with the daily Sterling Overnight Index Average as the reference rate for the calculation of interest) and will be calculated by the Calculation Agent or Determination Agent (as applicable) on the Interest Determination Date (a) as further specified in the applicable Final Terms; (b) (if "Index Determination" is specified as being applicable in the applicable Final Terms) by reference to the screen rate or index administered by the administrator of the Sterling Overnight Index Average reference rate that is published or displayed by such administrator or other information service from time to time at the relevant time on the Interest Determination Date, as further specified in the applicable Final Terms; or (c) (if "Index Determination" is specified as being not applicable in the applicable Final Terms or "Index Determination" is specified as being applicable in the applicable Final Terms but such screen rate or index is not available at the relevant time on the Interest Determination Date), as follows, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SONIA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“d” means the number of calendar days in:

- (A) where “Lag” or “Lock-out” is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or
- (B) where “Shift” is specified as the Observation Method in the applicable Final Terms, the relevant SONIA Observation Period;

“d_o” means:

- (A) where “Lag” or “Lock-out” is specified as the Observation Method in the applicable Final

Terms, for the relevant Interest Period, the number of London Business Days in such Interest Period; or

- (B) where “Shift” is specified as the Observation Method in the applicable Final Terms, for the relevant SONIA Observation Period, the number of London Business Days in such SONIA Observation Period;

“**i**” means a series of whole numbers from one to d_o , each representing the relevant London Business Day in chronological order from, and including, the first London Business Day in:

- (A) where “Lag” or “Lock-out” is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or
- (B) where “Shift” is specified as the Observation Method in the applicable Final Terms, the relevant SONIA Observation Period;

“**London Business Day**” means any day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

“**Margin**” shall have the meaning specified in the applicable Final Terms;

“ **n_i** ” means, for any London Business Day “**i**”, the number of calendar days from, and including, such London Business Day “**i**” up to, but excluding, the following London Business Day;

“**p**” means:

- (A) where “Lag” or “Lock-out” is specified as the Observation Method in the applicable Final Terms, the number of London Business Days included in the Observation Look-back Period specified in the applicable Final Terms; or
- (B) where “Shift” is specified as the Observation Method in the applicable Final Terms, the number of London Business Days included in the Observation Shift Period in the applicable Final Terms;

“Relevant Screen Page” shall have the meaning specified in the applicable Final Terms or, if no meaning is so specified, Reuters page SONIA 1 or any successor;

“SONIA Observation Period” means, in respect of an Interest Period, the period from, and including, the date which is “p” London Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding the date which is “p” London Business Days prior to (A) the Interest Payment Date for such Interest Period (and the last Interest Period shall end on but exclude the Maturity Date) or (B) such earlier date, if any, on which the Notes become due and payable;

“SONIA reference rate”, in respect of any London Business Day “x”, is a reference rate equal to the daily Sterling Overnight Index Average (“SONIA”) rate for such London Business Day “x” as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors (in each case on the London Business Day immediately following such London Business Day “x”); and

“SONIA_i” means (unless otherwise specified in the applicable Final Terms):

- (A) where “Lag” is specified as the Observation Method in the applicable Final Terms, in respect of any London Business Day “i” falling in the relevant Interest Period, the SONIA reference rate for the London Business Day falling “p” London Business Days prior to such London Business Day “i”;
- (B) where “Lock-out” is specified as the Observation Method in the applicable Final Terms, during each relevant Interest Period, the SONIA reference rate determined in accordance with paragraph (A) above, except that in respect of each London Business Day “i” falling on or after the “Lock-out date” specified in the applicable Final Terms until the end of each relevant Interest Period, “SONIA_i” shall mean the SONIA reference rate determined in

accordance with paragraph (A) above in respect of such “Lock-out date”; or

- (C) where “Shift” is specified as the Observation Method in the applicable Final Terms, in respect of any London Business Day “i” falling in the relevant SONIA Observation Period, the SONIA reference rate for such London Business Day “i”.

(ii) Average SONIA

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate is specified in the applicable Final Terms as being Average SONIA, the Rate of Interest for each Interest Period will, subject as provided below, be Average SONIA plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent or Determination Agent (as applicable).

For the purposes of this sub-paragraph (B)(III)(ii):

“**Average SONIA**”, in relation to any Interest Period, means the arithmetic mean of $SONIA_i$ in effect during such Interest Period and will be calculated by the Calculation Agent or Determination Agent (as applicable) on the Interest Determination Date as follows, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards:

$$\left[\frac{\sum_{i=1}^{d_o} SONIA_i \times n_i}{d} \right] \times \frac{365}{d}$$

where “**d**”, “**d_o**”, “**i**”, “**n_i**” and “**SONIA_i**” have the meanings set out in sub-paragraph (B)(III)(i) above.

(iii) Fallbacks

Subject to sub-paragraph (B)(VII) below, where “Compounded Daily SONIA” or “Average SONIA” is specified as the Reference Rate in the applicable Final

Terms, if, in respect of any London Business Day in the relevant SONIA Observation Period or the relevant Interest Period, as applicable, the Calculation Agent or the Determination Agent (as applicable) determines that the SONIA reference rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA reference rate shall be: (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant London Business Day; plus (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five London Business Days on which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate.

Notwithstanding the paragraph above, in the event the Bank of England publishes guidance as to (i) how the SONIA reference rate is to be determined; or (ii) any rate that is to replace the SONIA reference rate, the Calculation Agent or the Determination Agent (as applicable) shall, subject to receiving written instructions from the Issuer and to the extent that it is reasonably practicable, follow such guidance in order to determine SONIA_i for the purpose of the Notes for so long as the SONIA reference rate is not available or has not been published by the authorised distributors. To the extent that any amendments or modifications to the Conditions or the transaction documents are required in order for the Calculation Agent or the Determination Agent (as applicable) to follow such guidance in order to determine SONIA_i, the Calculation Agent or the Determination Agent (as applicable) shall have no obligation to act until such amendments or modifications have been made in accordance with the Conditions, the Trust Deed, the Agency Agreement and any Calculation Agency Agreement or Determination Agency Agreement.

If the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Calculation Agent or the Determination Agent (as applicable), the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or

Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period); or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such series of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period).

(iv) General

If any Notes in respect of which “Compounded Daily SONIA” or “Average SONIA” is specified as the Reference Rate in the applicable Final Terms become due and payable in accordance with Condition 9 (*Events of Default and Enforcement*), the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

- (IV) Floating Rate Notes which are SOFR Linked Interest Notes
- (i) Compounded Daily SOFR

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined for the Notes and the Reference Rate is specified in the applicable Final Terms as being Compounded Daily SOFR, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily SOFR plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent or Determination Agent (as applicable).

For the purposes of this sub-paragraph (B)(IV)(i):

“Compounded Daily SOFR” means the rate of return of a daily compound interest investment (with the daily Secured Overnight Financing Rate as the reference rate for the calculation of interest) and will be calculated by the Calculation Agent or Determination Agent (as applicable) on the Interest Determination Date (a) as further specified in the applicable Final Terms; (b) (if "Index Determination" is specified as being applicable in the applicable Final Terms) by reference to the screen rate or index administered by the administrator of the Secured Overnight Financing Rate that is published or displayed by such administrator or other information service from time to time at the relevant time on the Interest Determination Date, as further specified in the applicable Final Terms; or (c) (if "Index Determination" is specified as being not applicable in the applicable Final Terms or "Index Determination" is specified as being applicable in the applicable Final Terms but such screen rate or index is not available at the relevant time on the Interest Determination Date), as follows, and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

“d” means the number of calendar days in:

- (A) where “Lag” or “Lock-out” is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or
- (B) where “Shift” is specified as the Observation Method in the applicable Final Terms, the relevant SOFR Observation Period;

“**d_o**” means:

- (A) where “Lag” or “Lock-out” is specified as the Observation Method in the applicable Final Terms, for the relevant Interest Period, the number of U.S. Government Securities Business Days in such Interest Period; or
- (B) where “Shift” is specified as the Observation Method in the applicable Final Terms, for the relevant SOFR Observation Period, the number of U.S. Government Securities Business Days in such SOFR Observation Period;

“**i**” means a series of whole numbers from one to **d_o**, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in:

- (A) where “Lag” or “Lock-out” is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or
- (B) where “Shift” is specified as the Observation Method in the applicable Final Terms, the relevant SOFR Observation Period;

“**Margin**” shall have the meaning specified in the applicable Final Terms;

“**n_i**” means, for any U.S. Government Securities Business Day “**i**”, the number of calendar days from, and including, such U.S. Government Securities Business Day “**i**” up to, but excluding, the following U.S. Government Securities Business Day;

“**OBFR**” means, on an Interest Payment Date, the Overnight Bank Funding Rate that appears on the Federal Reserve’s website at 5:00 p.m. (New York

time) for trades made on the related Interest Determination Date;

“OBFR Index Cessation Event” means the occurrence of one or more of the following events:

- (A) a public statement by the Federal Reserve Bank of New York (or a successor administrator of the Overnight Bank Funding Rate) announcing that it has ceased or will cease to publish or provide the Overnight Bank Funding Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the Overnight Bank Funding Rate;
- (B) the publication of information which reasonably confirms that the Federal Reserve Bank of New York (or a successor administrator of the Overnight Bank Funding Rate) has ceased or will cease to provide the Overnight Bank Funding Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the Overnight Bank Funding Rate; or
- (C) a public statement by a regulator or other official sector entity prohibiting the use of the Overnight Bank Funding Rate that applies to, but need not be limited to, fixed income securities and derivatives, to the extent that such public statement has been acknowledged in writing by ISDA as an "OBFR index cessation event" under the ISDA Definitions (as defined in subparagraph (B)(VII)(ii)(e) below);

“p” means:

- (A) where “Lag” or “Lock-out” is specified as the Observation Method in the applicable Final Terms, the number of U.S. Government Securities Business Days included in the Observation Look-back Period specified in the applicable Final Terms; or
- (B) where “Shift” is specified as the Observation Method in the applicable Final Terms, the number of U.S. Government Securities Business Days

included in the Observation Shift Period in the applicable Final Terms;

"SOFR", in respect of any U.S. Government Securities Business Day "x", is a rate determined in accordance with the following provisions:

- (A) the Secured Overnight Financing Rate that appears on the Federal Reserve's website at 3:00 p.m. (New York time) on the U.S. Government Securities Business Day immediately following such U.S. Government Securities Business Day "x";
- (B) if the rate specified in paragraph (A) above does not so appear, and a SOFR Index Cessation Event has not occurred, then the Calculation Agent or the Determination Agent (as applicable) shall use the Secured Overnight Financing Rate published on the Federal Reserve's website for the first preceding U.S. Government Securities Business Day on which the Secured Overnight Financing Rate was published on the Federal Reserve's website;
- (C) if a SOFR Index Cessation Date has occurred, the Calculation Agent or the Determination Agent (as applicable) shall calculate SOFR as if references to SOFR were references to the rate that was recommended as (and notified by the Issuer to the Calculation Agent or the Determination Agent (as applicable)) being the replacement for the Secured Overnight Financing Rate by the Federal Reserve Board and/or the Federal Reserve Bank of New York or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York for the purpose of recommending a replacement for the Secured Overnight Financing Rate (which rate may be produced by a Federal Reserve Bank or other designated administrator, and which rate may include any adjustments or spreads). If no such rate has been recommended within one U.S. Government Securities Business Day of the SOFR Index Cessation Date, then the Calculation Agent or the Determination Agent (as applicable) shall for any Interest Payment

Date after the SOFR Index Cessation Date, use OBFR; and

- (D) if the Calculation Agent or the Determination Agent (as applicable) is required to use OBFR in paragraph (C) above and an OBFR Index Cessation Date has occurred, then for any Interest Payment Date after such OBFR Index Cessation Date, the Calculation Agent or the Determination Agent (as applicable) shall use the short-term interest rate target set by the Federal Open Market Committee and published on the Federal Reserve's website, or if the Federal Open Market Committee does not target a single rate, the mid-point of the short-term interest rate target range set by the Federal Open Market Committee and published on the Federal Reserve's website (calculated as the arithmetic average of the upper bound of the target range and the lower bound of the target range);

"SOFR Index Cessation Date" means, following the occurrence of a SOFR Index Cessation Event, the date on which the Federal Reserve Bank of New York (or any successor administrator of the Secured Overnight Financing Rate) ceases to publish the Secured Overnight Financing Rate, or the date as of which the Secured Overnight Financing Rate may no longer be used, in each case as certified in writing by the Issuer to the Calculation Agent or the Determination Agent (as applicable);

"SOFR Index Cessation Event" means the occurrence of one or more of the following events:

- (A) a public statement by the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate) announcing that it has ceased or will cease to publish or provide the Secured Overnight Financing Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the Secured Overnight Financing Rate;
- (B) the publication of information which reasonably confirms that the Federal Reserve Bank of New York (or a successor administrator of the

Secured Overnight Financing Rate) has ceased or will cease to provide the Secured Overnight Financing Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the Secured Overnight Financing Rate; or

- (C) a public statement by a regulator or other official sector entity prohibiting the use of the Secured Overnight Financing Rate that applies to, but need not be limited to, fixed income securities and derivatives, to the extent that such public statement has been acknowledged in writing by ISDA as an "a "SOFR index cessation event" under the ISDA Definitions (as defined in subparagraph (B)(VII)(ii)(e) below);

"SOFR Observation Period" means, in respect of an Interest Period, the period from, and including, the date which is "p" U.S. Government Securities Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding the date which is "p" U.S. Government Securities Business Days prior to (A) the Interest Payment Date for such Interest Period (and the last Interest Period shall end on but exclude the Maturity Date) or (B) such earlier date, if any, on which the Notes become due and payable;

"SOFR," means (unless otherwise specified in the applicable Final Terms), in respect of any U.S. Government Securities Business Day "i":

- (A) where "Lag" is specified as the Observation Method in the applicable Final Terms, the SOFR for the U.S. Government Securities Business Day falling "p" U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day "i";
- (B) where "Lock-out" is specified as the Observation Method in the applicable Final Terms, during each relevant Interest Period, the SOFR determined in accordance with paragraph (A) above, except that in respect of each U.S. Government Securities Business Day "i" falling on or after the "Lock-out date"

specified in the applicable Final Terms until the end of each relevant Interest Period, "SOFR_i" shall mean the SOFR determined in accordance with paragraph (A) above in respect of such "Lock-out date"; or

- (C) where "Shift" is specified as the Observation Method in the applicable Final Terms, the SOFR for such U.S. Government Securities Business Day "i"; and

"U.S. Government Securities Business Day" means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association (or any successor thereto) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

- (ii) Average SOFR

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate is specified in the applicable Final Terms as being Average SOFR, the Rate of Interest for each Interest Period will, subject as provided below, be Average SOFR plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent or Determination Agent (as applicable).

For the purposes of this sub-paragraph (B)(IV)(ii):

"Average SOFR", in relation to any Interest Period, means the arithmetic mean of SOFR_i in effect during such Interest Period and will be calculated by the Calculation Agent or Determination Agent (as applicable) on the Interest Determination Date as follows, and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\frac{\sum_{i=1}^{d_o} SOFR_i \times n_i}{d} \right] \times \frac{360}{d}$$

where “**d**”, “**d_o**”, “**i**”, “**n_i**” and “**SOFR_i**” have the meanings set out in sub-paragraph (B)(IV)(i) above.

- (iii) If any Notes in respect of which “Compounded Daily SOFR” or “Average SOFR” is specified as the Reference Rate in the applicable Final Terms become due and payable in accordance with Condition 9 (*Events of Default and Enforcement*), the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

(V) Floating Rate Notes which are €STR Linked Interest Notes

- (i) Compounded Daily €STR

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined for the Notes and the Reference Rate is specified in the applicable Final Terms as being Compounded Daily €STR, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily €STR plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent or Determination Agent (as applicable).

For the purposes of this sub-paragraph (B)(V)(i):

“**Compounded Daily €STR**” means the rate of return of a daily compound interest investment (with the daily euro short-term rate as the reference rate for the calculation of interest) and will be calculated by the Calculation Agent or Determination Agent (as applicable) on the Interest Determination Date (a) as further specified in the applicable Final Terms; (b) (if “Index Determination” is specified as being applicable in the applicable Final Terms) by reference to the screen

rate or index administered by the administrator of the euro short-term rate that is published or displayed by such administrator or other information service from time to time at the relevant time on the Interest Determination Date, as further specified in the applicable Final Terms; or (c) (if "Index Determination" is specified as being not applicable in the applicable Final Terms or "Index Determination" is specified as being applicable in the applicable Final Terms but such screen rate or index is not available at the relevant time on the Interest Determination Date), as follows, and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{\text{€STR}_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

“€STR” means, in respect of any TARGET Business Day “x”, a reference rate equal to the daily euro short-term rate as provided by the European Central Bank, as the administrator of such rate (or any successor administrator of such rate), on the website of the European Central Bank (or of any successor administrator), in each case at the time specified by, or determined in accordance with, the applicable methodology, policies or guidelines, of the administrator of such rate, on the TARGET Business Day immediately following such TARGET Business Day “x”;

“€STR Observation Period” means, in respect of an Interest Period, the period from, and including, the date which is “p” TARGET Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding the date which is “p” TARGET Business Days prior to (A) the Interest Payment Date for such Interest Period (and the last Interest Period shall end on but exclude the Maturity Date) or (B) such earlier date, if any, on which the Notes become due and payable;

“€STR_i” means (unless otherwise specified in the applicable Final Terms), in respect of any TARGET Business Day “i”:

- (A) where “Lag” is specified as the Observation Method in the applicable Final Terms, the €STR for the TARGET Business Day falling “p” TARGET Business Days prior to the relevant TARGET Business Day “i”;
- (B) where “Lock-out” is specified as the Observation Method in the applicable Final Terms, during each relevant Interest Period, the €STR determined in accordance with paragraph (A) above, except that in respect of each TARGET Business Day “i” falling on or after the “Lock-out date” specified in the applicable Final Terms until the end of each relevant Interest Period, “€STR_i” shall mean the €STR determined in accordance with paragraph (A) above in respect of such “Lock-out date”; or
- (C) where “Shift” is specified as the Observation Method in the applicable Final Terms, the €STR for such TARGET Business Day “i”;

“d” means the number of calendar days in:

- (A) where “Lag” or “Lock-out” is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or
- (B) where “Shift” is specified as the Observation Method in the applicable Final Terms, the relevant €STR Observation Period;

“d_o” means:

- (A) where “Lag” or “Lock-out” is specified as the Observation Method in the applicable Final Terms, for the relevant Interest Period, the number of TARGET Business Days in such Interest Period; or
- (B) where “Shift” is specified as the Observation Method in the applicable Final Terms, for the relevant €STR Observation Period, the number of TARGET Business Days in such €STR Observation Period;

“i” means a series of whole numbers from one to d_o, each representing the relevant TARGET Business Day

in chronological order from, and including, the first TARGET Business Day in:

- (A) where “Lag” or “Lock-out” is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or
- (B) where “Shift” is specified as the Observation Method in the applicable Final Terms, the relevant €STR Observation Period;

“**Margin**” shall have the meaning specified in the applicable Final Terms;

“**n_i**” means, for any TARGET Business Day “i”, the number of calendar days from, and including, such TARGET Business Day “i” up to, but excluding, the following TARGET Business Day;

“**p**” means:

- (A) where “Lag” or “Lock-out” is specified as the Observation Method in the applicable Final Terms, the number of TARGET Business Days included in the Observation Look-back Period specified in the applicable Final Terms; or
- (B) where “Shift” is specified as the Observation Method in the applicable Final Terms, the number of TARGET Business Days included in the Observation Shift Period in the applicable Final Terms; and

“**TARGET Business Day**” means any day on which the TARGET2 System (as defined in Condition 4(f)) is open.

- (ii) Average €STR

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate is specified in the applicable Final Terms as being Average €STR, the Rate of Interest for each Interest Period will, subject as provided below, be Average €STR plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent or Determination Agent (as applicable).

For the purposes of this sub-paragraph (B)(V)(ii):

“**Average €STR**”, in relation to any Interest Period, means the arithmetic mean of €STR_{*i*} in effect during such Interest Period and will be calculated by the Calculation Agent or Determination Agent (as applicable) on the Interest Determination Date as follows, and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\frac{\sum_{i=1}^{d_o} \text{€STR}_i \times n_i}{d} \right] \times \frac{360}{d}$$

where “**€STR_{*i*}**”, “**d**”, “**d_{*o*}**”, “***i***” and “***n_{*i*}***” have the meanings set out in sub-paragraph (B)(V)(i) above.

(iii) Fallback

Subject to sub-paragraph (B)(VII) below, where “Compounded Daily €STR” or “Average €STR” is specified as the Reference Rate in the applicable Final Terms, if, in respect of any TARGET Business Day in the relevant €STR Observation Period or the relevant Interest Period, as applicable, the Calculation Agent or the Determination Agent (as applicable) determines that the €STR is not available, such €STR shall be the €STR for the first preceding TARGET Business Day on which €STR was published by the European Central Bank, and “**€STR**” shall be interpreted accordingly.

(iv) General

If any Notes in respect of which “Compounded Daily €STR” or “Average €STR” is specified as the Reference Rate in the applicable Final Terms become due and payable in accordance with Condition 9 (*Events of Default and Enforcement*), the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

(VI) Floating Rate Notes which are CMS Linked Interest Notes

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate is specified as being the CMS Reference Rate, the Rate of Interest for each Interest Period will, subject as provided below, be the CMS Rate plus or minus (as indicated in the applicable Final Terms) the Margin, as determined by the Calculation Agent or Determination Agent (as applicable).

“**CMS Rate**” for an Interest Period means the Relevant Swap Rate for swap transactions in the Reference Currency with a maturity of the Designated Maturity (expressed as a percentage rate per annum) which appears on the Relevant Screen Page as at (i) the Determination Time specified in the applicable Final Terms or (ii) if no Determination Time is specified in the applicable Final Terms, 11.00 a.m. (Relevant Centre time) on the Interest Determination Date in question, all as determined by the Calculation Agent or Determination Agent (as applicable).

If the Relevant Screen Page is not available, the Calculation Agent or Determination Agent (as applicable) shall request each of the Reference Banks (as defined below) to provide the Calculation Agent or Determination Agent (as applicable) with its quotation for the Relevant Swap Rate (expressed as a percentage rate per annum) at approximately (i) the Determination Time specified in the applicable Final Terms or (ii) if no Determination Time is specified in the applicable Final Terms, 11.00 a.m. (Relevant Centre time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent or Determination Agent (as applicable) such quotations, the CMS Rate for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the quotations, eliminating the highest quotation (or, in the event

of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

If on any Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent or Determination Agent (as applicable) with such quotations as provided in the preceding paragraph, the CMS Rate shall be determined by the Calculation Agent or Determination Agent (as applicable) in its sole and absolute discretion on a commercial basis as it shall consider appropriate and in accordance with standard market practice.

For the purposes of this sub-paragraph (B)(VI):

“Calculation Agent” shall have the meaning specified in the applicable Final Terms;

“CMS Rate Fixing Day” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in each CMS Rate Fixing Centre specified in the applicable Final Terms;

“Designated Maturity” shall have the meaning specified in the applicable Final Terms;

“Determination Agent” shall have the meaning specified in the applicable Final Terms;

“Interest Determination Date” shall have the meaning specified in the applicable Final Terms provided that, if any day specified as an Interest Determination Date in the applicable Final Terms is not a CMS Rate Fixing Day, the relevant Interest Determination Date shall be the immediately preceding CMS Rate Fixing Day;

“Margin” shall have the meaning specified in the applicable Final Terms;

“Reference Banks” means (i) where the Reference Currency is euro, the principal office of five leading swap dealers in the Euro-zone inter-bank market, (ii) where the Reference Currency is Sterling, the principal London office of five leading swap dealers in the London inter-bank market, (iii) where the Reference Currency is U.S. dollars, the principal New York City office of five leading swap dealers in the New York City inter-bank market, or (iv) in the case of any other Reference Currency, the principal Relevant Centre office of five leading swap dealers in the Relevant Centre inter-bank market, in each

case as selected by the Calculation Agent or Determination Agent (as applicable);

“Relevant Centre” shall have the meaning specified in the applicable Final Terms;

“Relevant Screen Page” shall have the meaning specified in the applicable Final Terms;

“Relevant Swap Rate” means:

- (i) where the Reference Currency is euro, the mid-market annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating euro interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/360 day count basis, is equivalent to EUR-EURIBOR-Reuters (as defined in the ISDA Definitions) with a designated maturity determined by the Calculation Agent or Determination Agent (as applicable) by reference to standard market practice and/or the ISDA Definitions;
- (ii) where the Reference Currency is Sterling, the mid-market semi-annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the semi-annual fixed leg, calculated on an Actual/365 (Fixed) day count basis, of a fixed-for-floating Sterling interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/365 (Fixed) day count basis, is equivalent (A) if the Designated Maturity is greater than one year, to GBP-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of six months or (B) if the Designated Maturity is one year or less, to GBP-LIBOR-BBA with a designated maturity of three months;
- (iii) where the Reference Currency is U.S. dollars, the mid-market semi-annual swap rate determined on the basis of the mean of the bid and offered rates for the semi-

annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating U.S. dollar interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to USD-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of three months; and

- (iv) where the Reference Currency is any other currency, the mid-market swap rate as determined by the Calculation Agent or Determination Agent (as applicable) in its sole and absolute discretion on a commercial basis as it shall consider appropriate and in accordance with standard market practice;

“Representative Amount” means an amount that is representative for a single transaction in the relevant market at the relevant time; and

“Stub Period” shall have the meaning specified in the applicable Final Terms.

(VII) Reference Rate Replacement

- (i) If:
 - (1) Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined;
 - (2) the Reference Rate specified in the applicable Final Terms is not any of U.S. dollar LIBOR, Compounded Daily SOFR or Average SOFR; and
 - (3) any Rate of Interest (or component thereof) remains to be determined by reference to the Reference Rate to be calculated or administered or published and:
 - (A) the Issuer determines (in consultation with the Principal Paying Agent, the Calculation Agent and/or the Determination Agent, as applicable) on the basis of factors including, but not limited to, a public statement by the administrator or the supervisor of the administrator of the Reference Rate specified in the applicable Final Terms, that:

- (i) the Reference Rate specified in the applicable Final Terms has ceased (or will cease, prior to the next following Interest Determination Date) to be calculated or administered or published by the relevant administrator (in circumstances where no successor administrator has been appointed that will continue publication of the relevant Reference Rate); or
 - (ii) there has otherwise taken place (or will otherwise take place, prior to the next following Interest Determination Date) a change in customary market practice in the international capital markets applicable generally to floating rate notes denominated in the Specified Currency (determined according to factors including, but not limited to, public statements, opinions and publications of industry bodies and organisations) to refer to a base rate other than the Reference Rate specified in the applicable Final Terms despite the continued existence of such Reference Rate; or
- (B) it is unlawful for any of the Principal Paying Agent, the Calculation Agent and/or the Determination Agent, as applicable, and/or the Issuer to determine or use such Reference Rate,

then the following provisions shall apply to the relevant Notes:

- (a) the Issuer shall use reasonable efforts to appoint an Independent Adviser to determine (in each case in consultation with the Issuer) an Alternative Reference Rate and an Adjustment Spread (in any such case, acting in good faith and in a commercially reasonable manner) for the purposes of determining the Rate of Interest applicable to the Notes for all future Interest Periods (subject to the subsequent operation of this sub-paragraph (B)(VII)(i) during any other future Interest Period(s)).

- (b) Subject to sub-paragraph (B)(VII)(i)(c), if:
- (i) the Independent Adviser acting in good faith and in a commercially reasonable manner (in consultation with the Issuer), no later than five Business Days prior to the Interest Determination Date relating to the next Interest Period (the “**IA Determination Cut-off Date**”), determines an Alternative Reference Rate and an Adjustment Spread (in any such case, acting in good faith and in a commercially reasonable manner) for the purposes of determining the Rate of Interest applicable to the Notes for all future Interest Periods (subject to the subsequent operation of this sub-paragraph (B)(VII)(i) during any other future Interest Period(s)); or
 - (ii) the Issuer is unable to appoint an Independent Adviser, or if the Independent Adviser appointed by the Issuer in accordance with sub-paragraph (B)(VII)(i)(a) fails to determine an Alternative Reference Rate or an Adjustment Spread prior to the relevant IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner), no later than three Business Days prior to the Interest Determination Date relating to the next Interest Period (the “**Issuer Determination Cut-off Date**”), determines an Alternative Reference Rate and an Adjustment Spread (in any such case, acting in good faith and in a commercially reasonable manner) for the purposes of determining the Rate of Interest applicable to the Notes for all future Interest Periods (subject to the subsequent operation of this sub-paragraph (B)(VII)(i) during any other future Interest Period(s)),

then:

- (A) such Alternative Reference Rate shall be the Reference Rate for all future Interest Periods (subject to the subsequent operation of this sub-paragraph (B)(VII)(i) during any other future Interest Period(s)).

Without prejudice to the definition thereof, for the purposes of determining an Alternative Reference Rate, the Independent Adviser or the Issuer (as applicable) will take into account relevant and applicable market precedents, as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets and such other materials as the Independent Adviser or the Issuer (as applicable), in its sole discretion, considers appropriate; and

- (B) such Adjustment Spread (which may be expressed as a specified quantum or a formula or methodology for determining the applicable Adjustment Spread (and, for the avoidance of doubt, an Adjustment Spread may be positive, negative or zero)) shall be applied to such Alternative Reference Rate for all future Interest Periods (subject to the subsequent operation of this sub-paragraph (B)(VII)). Without prejudice to the definition thereof, for the purposes of determining an Adjustment Spread, the Independent Adviser or the Issuer (as applicable) will take into account relevant and applicable market precedents, as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets and such other materials as the Issuer, in its sole discretion, considers appropriate.

- (c) Notwithstanding sub-paragraphs (B)(I)(ii) and (iii), (B)(II), (B)(III)(iii) and (B)(V)(iii) above, if:

- (i) the Independent Adviser appointed by the Issuer in accordance with sub-paragraph (B)(VII)(i)(a) notifies the Issuer prior to the IA Determination Cut-off Date that it has determined that no Alternative Reference Rate exists;

- (ii) the Independent Adviser appointed by the Issuer in accordance with sub-paragraph (B)(VII)(i)(a) fails to determine an Alternative Reference Rate prior to the relevant IA Determination Cut-off Date, without notifying the Issuer as contemplated in sub-paragraph (B)(VII)(i)(c)(i), and the Issuer (acting in good faith and in a commercially reasonable manner) determines prior to the Issuer Determination Cut-off Date that no Alternative Reference Rate exists; or
- (iii) no Alternative Reference Rate and/or applicable Adjustment Spread is otherwise determined in accordance with sub-paragraph (B)(VII)(i)(b) prior to the Issuer Determination Cut-off Date,

the relevant Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

This sub-paragraph (B)(VII)(i)(c) shall apply to the relevant Interest Period only. Any subsequent Interest Period(s) shall be subject to the operation of this sub-paragraph (B)(VII).

- (d) Promptly following the determination of any Alternative Reference Rate as described in this sub-paragraph (B)(VII)(i), the Issuer shall give notice thereof and of any Adjustment Spread (and the effective date(s) thereof) and any Floating Rate Calculation Changes to the Trustee, the Principal Paying Agent, any Calculation Agent, any Determination Agent and, in accordance with Condition 13, the Noteholders, provided that failure to provide such notice will have no impact on the effectiveness of, or otherwise invalidate, any such determination.

- (e) The Trustee and the Principal Paying Agent shall, at the direction of the Issuer (following consultation with the Principal Paying Agent, the Calculation Agent and/or the Determination Agent, as applicable), effect such waivers and consequential amendments (the “**Floating Rate Calculation Changes**”) to the Trust Deed, the Agency Agreement, these Terms and Conditions and any other document as may be required to give effect to any application of this sub-paragraph (B)(VII)(i), including, but not limited to:
- (i) changes to these Terms and Conditions which the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable) determines may be required in order to follow market practice (determined according to factors including, but not limited to, public statements, opinions and publications of industry bodies and organisations) in relation to such Alternative Reference Rate, including, but not limited to (A) the relevant Business Centre(s), Business Day, Business Day Convention, Day Count Fraction, and/or Interest Determination Date applicable to the Notes and (B) the method for determining the fallback to the Rate of Interest in relation to the Notes if such Alternative Reference Rate is not available; and
 - (ii) any other changes which the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable) determines are reasonably necessary to ensure the proper operation and comparability to the relevant Reference Rate of such Alternative Reference Rate.

Prior to any such waivers and/or consequential amendments taking effect, the Issuer shall provide a certificate signed by two authorised signatories of the Issuer to the Trustee, the Principal Paying Agent and, where applicable, the Calculation Agent or the Determination Agent, which (i) provides details of the Floating Rate Calculation Changes and (ii) certifies that the Floating Rate Calculation Changes are required to give effect to any application of this

sub-paragraph (B)(VII)(i), and the Trustee, the Principal Paying Agent and, where applicable, the Calculation Agent or the Determination Agent shall be entitled to rely on such certificate without further enquiry or liability to any person. For the avoidance of doubt, the Trustee shall not be liable to the Noteholders or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person. Such changes shall apply to the Notes for all future Interest Periods (subject to the subsequent operation of this sub-paragraph (B)(VII)(i)).

The Trustee shall not be obliged to agree to any modification if in the sole opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce rights and/or the protective provisions afforded to the Trustee in these Terms and Conditions or the Trust Deed.

No consent of the Noteholders shall be required in connection with effecting the relevant Alternative Reference Rate as described in this sub-paragraph (B)(VII)(i) or such other relevant adjustments pursuant to this sub-paragraph (B)(VII)(i), or any Adjustment Spread, including for the execution of, or amendment to, any documents or the taking of other steps by the Issuer or any of the parties to the Trust Deed and/or the Agency Agreement (if required).

Notwithstanding any other provision of this sub-paragraph (B)(VII)(i) no Alternative Reference Rate will be adopted, and no other amendments to the terms of the Notes will be made pursuant to this sub-paragraph (B)(VII)(i), if and to the extent that, in the sole determination of the Issuer, the same could reasonably be expected to prejudice (i) the qualification of the Dated Subordinated Notes as Tier 2 Capital of the Issuer or of the Group or (ii) the eligibility of the Senior Notes issued by Santander UK Group Holdings to qualify in full towards the Issuer's and/or the Group's minimum requirements for (A) own funds and

eligible liabilities and/or (B) loss absorbing capacity instruments.

- (f) For the purposes of this sub-paragraph (B)(VII)(i):

“Adjustment Spread” means a spread (which may be positive, negative or zero) or formula or methodology for calculating a spread, which is required to be applied to an Alternative Reference Rate and is the spread, formula or methodology which:

- (a) is formally recommended in relation to the replacement of the Reference Rate specified in the applicable Final Terms with such Alternative Reference Rate by any Relevant Nominating Body; or,
- (b) if no such formal recommendation has been made, the Independent Adviser (in consultation with the Issuer) or, failing which, the Issuer, determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the relevant Reference Rate, where such rate has been replaced by such Alternative Reference Rate; or
- (c) if neither (a) nor (b) above applies, the Independent Adviser in its discretion (in consultation with the Issuer), or failing which, the Issuer in its discretion, determines (acting in good faith and in a commercially reasonable manner) to be appropriate in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to Noteholders as a result of the replacement of the relevant Reference Rate with such Alternative Reference Rate;

“Alternative Reference Rate” means the rate that has replaced the relevant Reference Rate in customary market usage in the international debt capital markets for the purposes of determining floating rates of interest (or the relevant component part thereof) in respect of notes denominated in the Specified Currency

and with an interest period of a comparable duration to the relevant Interest Periods, or, if the Independent Adviser (in consultation with the Issuer) or, failing which, the Issuer (in consultation with the Principal Paying Agent, the Calculation Agent and/or the Determination Agent, as applicable, and acting in good faith and a commercially reasonable manner) determines that there is no such rate, such other rate as the Independent Adviser (in consultation with the Issuer) or, failing which, the Issuer (in consultation with the Principal Paying Agent, the Calculation Agent and/or the Determination Agent, as applicable, and acting in good faith and in a commercially reasonable manner) determines in its or the Issuer's sole discretion is most comparable to the relevant Reference Rate;

"Independent Adviser" means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case appointed by the Issuer at the Issuer's expense; and

"Relevant Nominating Body" means, in respect of the Reference Rate specified in the applicable Final Terms:

- (i) the central bank for the currency to which such Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of such Reference Rate; or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which such Reference Rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of such Reference Rate, (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Financial Stability Board or any part thereof.

- (ii) If:
- (1) Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined;
 - (2) the Reference Rate specified in the applicable Final Terms is U.S. dollar LIBOR, Compounded Daily SOFR or Average SOFR; and
 - (3) any Rate of Interest (or component thereof) remains to be determined by reference to the relevant Benchmark,

then the following provisions shall apply instead of the provisions of sub-paragraph (B)(VII)(i) above.

- (a) If the Issuer determines on or prior to the relevant Interest Determination Date that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of the relevant Benchmark, the Benchmark Replacement will replace such Benchmark for all purposes relating to the Notes in respect of such determination on such date and all determinations on all subsequent dates (subject to any subsequent application of this sub-paragraph (B)(VII)(ii) with respect to such Benchmark Replacement).
- (b) In connection with the implementation of a Benchmark Replacement with respect to the Notes, the Issuer has the right to make Benchmark Replacement Conforming Changes from time to time.
- (c) Any determination, decision or election that may be made by the Issuer pursuant to this sub-paragraph (B)(VII)(ii) including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, in each case, solely with respect to any USD LIBOR or SOFR linked Floating Rate Notes, will be conclusive and binding absent manifest error, and may be made in the Issuer's sole discretion.

- (d) Promptly following the determination of any Benchmark Replacement as described in this sub-paragraph (B)(VII)(ii), the Issuer shall give notice thereof and of any Benchmark Replacement Conforming Changes to the Trustee, the Principal Paying Agent, any Calculation Agent, any Determination Agent and, in accordance with Condition 13, the Noteholders, provided that failure to provide such notice will have no impact on the effectiveness of, or otherwise invalidate, any such determination.

- (e) The Trustee and the Principal Paying Agent shall, at the direction of the Issuer (following consultation with the Principal Paying Agent, the Calculation Agent and/or the Determination Agent, as applicable), effect any amendments to the Trust Deed, the Agency Agreement, these Terms and Conditions and any other document as may be required to give effect to any Benchmark Replacement Conforming Changes.

Prior to any such amendments taking effect, the Issuer shall provide a certificate signed by two authorised signatories of the Issuer to the Trustee, the Principal Paying Agent and, where applicable, the Calculation Agent or the Determination Agent, which (I) confirms that a Benchmark Transition Event has occurred, specifies the Benchmark Replacement and provides details of the Benchmark Replacement Conforming Changes (if any) and (II) certifies that the Benchmark Replacement Conforming Changes (if any) are necessary to ensure the proper operation of such Benchmark Replacement, and the Trustee, the Principal Paying Agent and, where applicable, the Calculation Agent or the Determination Agent shall be entitled to rely on such certificate without further enquiry or liability to any person. For the avoidance of doubt, the Trustee shall not be liable to the Noteholders or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person. Such changes shall apply to the Notes for all future Interest Periods (subject to

the subsequent operation of this sub-paragraph (B)(VII)(ii).

The Trustee shall not be obliged to agree to any modification if in the sole opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce rights and/or the protective provisions afforded to the Trustee in these Terms and Conditions or the Trust Deed.

No consent of the Noteholders shall be required in connection with effecting the relevant Benchmark Replacement as described in this sub-paragraph (B)(VII)(ii) or any Benchmark Replacement Conforming Changes pursuant to this sub-paragraph (B)(VII)(ii), including for the execution of, or amendment to, any documents or the taking of other steps by the Issuer or any of the parties to the Trust Deed and/or the Agency Agreement (if required).

Notwithstanding any other provision of this sub-paragraph (B)(VII)(ii) no Benchmark Replacement will be adopted, and no other Benchmark Replacement Conforming Changes will be made pursuant to this sub-paragraph (B)(VII)(ii), if and to the extent that, in the sole determination of the Issuer, the same could reasonably be expected to prejudice (i) the qualification of the Dated Subordinated Notes as Tier 2 Capital of the Issuer or of the Group or (ii) the eligibility of the Senior Notes issued by Santander UK Group Holdings to qualify in full towards the Issuer's and/or the Group's minimum requirements for (A) own funds and eligible liabilities and/or (B) loss absorbing capacity instruments.

- (f) For the purposes of this sub-paragraph (B)(VII)(ii):

“Benchmark” means, initially, U.S. dollar LIBOR or SOFR, as originally specified for the purposes of determining the relevant Rate of Interest (or any relevant component part(s) thereof) on the Notes; provided that if a Benchmark Transition Event and its related

Benchmark Replacement Date have occurred with respect to U.S. dollar LIBOR, SOFR or any Benchmark which has replaced it in accordance with this sub-paragraph (B)(VII)(ii), then "**Benchmark**" means the applicable Benchmark Replacement;

"**Benchmark Replacement**" means (in respect of U.S. dollar LIBOR, if the Issuer can determine the Interpolated Benchmark as of the Benchmark Replacement Date), the Interpolated Benchmark; or (in respect of U.S. dollar LIBOR if the Issuer cannot determine the Interpolated Benchmark as of the Benchmark Replacement Date or in respect of any other Benchmark), the first alternative set forth in the order below that can be determined by the Issuer as of the Benchmark Replacement Date:

- (i) (in respect of U.S. dollar LIBOR) the sum of: (I) Term SOFR and (II) the Benchmark Replacement Adjustment;
- (ii) (in respect of U.S. dollar LIBOR) the sum of: (I) Compounded SOFR and (ii) the applicable Benchmark Replacement Adjustment;
- (iii) the sum of: (I) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (II) the Benchmark Replacement Adjustment;
- (iv) the sum of: (I) the ISDA Fallback Rate and (II) the Benchmark Replacement Adjustment; or
- (v) the sum of: (I) the alternate rate of interest that has been selected by the Issuer as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for any U.S.

dollar LIBOR or SOFR (as applicable) linked floating rate notes at such time and (II) the Benchmark Replacement Adjustment;

If a Benchmark Replacement in respect of U.S. dollar LIBOR is selected pursuant to paragraph (ii) above, then on the first day of each calendar quarter following such selection, if a redetermination of the Benchmark Replacement on such date would result in the selection of a Benchmark Replacement under paragraph (i) above, then (x) the Benchmark Replacement Adjustment shall be re-determined on such date utilising the unadjusted Benchmark Replacement corresponding to the Benchmark Replacement under paragraph (i) above and (y) such re-determined Benchmark Replacement shall become the Benchmark on each Interest Determination Date on or after such date. If redetermination of the Benchmark Replacement in respect of U.S. dollar LIBOR on such date as described in the preceding sentence would not result in the selection of a Benchmark Replacement under paragraph (i) above, then the Benchmark shall remain the Benchmark Replacement as previously determined pursuant to paragraph (ii) above;

“Benchmark Replacement Adjustment”

means the first alternative set forth in the order below that can be determined by the Issuer as of the Benchmark Replacement Date: (i) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected, endorsed or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement; (ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment; or (iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer giving due consideration to any

industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for any U.S. dollar LIBOR or SOFR (as applicable) linked floating rate notes at such time;

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Interest Period", the timing and frequency of determining rates and making payments of interest, changes to the definition of "Corresponding Tenor" solely when such tenor is longer than the interest period and other administrative matters) that the Issuer decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer determines is reasonably necessary);

“Benchmark Replacement Date” means:

- (i) in the case of paragraph (i) or (ii) of the definition of "Benchmark Transition Event," the later of (x) the date of the public statement or publication of information referenced therein and (y) the date on which the administrator of the relevant Benchmark permanently or indefinitely ceases to provide such Benchmark, or
- (ii) in the case of paragraph (ii) of the definition of "Benchmark Transition Event," the date of the public statement or publication of information referenced therein;

provided, however, that on or after the 60th day preceding the date on which such Benchmark Replacement Date would otherwise occur (if applicable), the Issuer may give written notice to holders of any U.S. dollar LIBOR or SOFR linked Notes in which the Issuer designates an earlier date (but not earlier than the 30th day following such notice) and represents that such earlier date will facilitate an orderly transition of any U.S. dollar LIBOR or SOFR linked Notes to the Benchmark Replacement, in which case such earlier date shall be the Benchmark Replacement Date;

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

- (i) a public statement or publication of information by or on behalf of the administrator of the Benchmark

announcing that the administrator has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;

- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the central bank for the currency of the Benchmark, an insolvency official with jurisdiction over the administrator for the Benchmark, a resolution authority with jurisdiction over the administrator for the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark; or
- (iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative.

“Compounded SOFR” means, for purposes of determining a replacement Benchmark for U.S. dollar LIBOR pursuant to this sub-paragraph (B)(VII)(ii), the compounded average of SOFRs for the applicable Corresponding Tenor, with the rate, or methodology for this rate, and conventions for this rate (which, for example, may be compounded in arrears with a look-back and/or suspension period as a mechanism to determine the interest amount payable prior to the end of each interest period or compounded in advance) being established by the Issuer in accordance with:

- (i) the rate, or methodology for this rate, and conventions for this rate selected or recommended by the Relevant Governmental Body for determining Compounded SOFR; or
- (ii) if, and to the extent that, the Issuer determines that Compounded SOFR cannot be determined in accordance with paragraph (i) above, the rate, or methodology for this rate, and conventions for this rate that have been selected by the Issuer giving due consideration to any industry-accepted market practice for similar U.S. dollar denominated floating rate notes at such time;

“Corresponding Tenor” with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Benchmark.

“Federal Reserve Bank of New York’s website” means the website of the Federal Reserve Bank of New York at <http://www.newyorkfed.org>, or any successor source;

“Interpolated Benchmark” with respect to a Benchmark, means the rate determined for the Corresponding Tenor by interpolating on a linear basis between: (i) the Benchmark for the longest period (for which the Benchmark is available) that is shorter than the corresponding tenor and (ii) the Benchmark for the shortest period (for which the Benchmark is available) that is longer than the Corresponding Tenor;

“ISDA Definitions” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

“ISDA Fallback Adjustment” means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor;

“ISDA Fallback Rate” means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

“Reference Time” with respect to any determination of the Benchmark means (i) if the Benchmark is U.S. dollar LIBOR, 11:00 a.m. (London time) on the day that is two London Business Days preceding the date of such determination, (ii) if the Benchmark is SOFR, 2:00 p.m. (London time) on the day that is two London Business Days preceding the date of such determination and (3) if the Benchmark is not U.S. dollar LIBOR or SOFR, the time determined by the Issuer in accordance with the Benchmark Replacement Conforming Changes;

“Relevant Governmental Body” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto;

“SOFR” with respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the Benchmark, (or a successor administrator) on the Federal Reserve Bank of New York's website;

“Term SOFR” means the forward-looking term rate for the applicable Corresponding Tenor based on SOFR that has been selected or recommended by the Relevant Governmental Body; and

“Unadjusted Benchmark Replacement”
means the Benchmark Replacement excluding the applicable Benchmark Replacement Adjustment.

(C) Interest Determination for Variable Interest Notes

In the case of Variable Interest Notes, the Rate of Interest for each Interest Period will, subject as provided below, be the product of (i) the Accrual Interest Rate and (ii)(A) the number of calendar days in an Interest Period where the Underlying Rate is less than or equal to the Upper Barrier (if any) and greater than or equal to the Lower Barrier (if any) divided by (B) the total number of calendar days in such corresponding Interest Period, all as determined by the Calculation Agent or Determination Agent (as applicable).

If the Underlying Reference Rate is specified in the applicable Final Terms as being any of LIBOR, EURIBOR, HIBOR or SIBOR, the Calculation Agent or Determination Agent (as applicable) shall determine the Underlying Rate for a calendar day in accordance with Condition 4(c)(ii)(B)(I) on the basis that:

- (a) references to “Screen Rate” shall be deemed to be to “Underlying Rate”;
- (b) references to “Interest Determination Date” shall be deemed to be to:
 - (i) if the rate determination relates to a calendar day (other than a calendar day that falls in the Rate Cut-off Period) that is a Fixing Business Day, such calendar day;
 - (ii) if the rate determination relates to a calendar day (other than a calendar day that falls in the Rate Cut-off Period) that is not a Fixing Business Day, the Fixing Business Day immediately preceding such calendar day; and
 - (iii) if the rate determination relates to a calendar day that falls in the Rate Cut-off Period, the Rate Cut-Off Date, unless the Rate Cut-Off Date is not a Fixing Business Day, in which case the Fixing Business Day immediately preceding the Rate Cut-Off Date;
- (c) references to “Reference Rate” shall be deemed to be to the “Underlying Reference Rate” specified in the applicable Final Terms; and
- (d) the Calculation Agent or Determination Agent (as applicable) will be the party making all determinations and, notwithstanding the final paragraph of Condition 4(c)(ii)(B)(I), if the Calculation Agent or Determination Agent (as applicable) is unable to determine the Screen Rate in accordance with Condition 4(c)(ii)(B)(I), the Screen Rate will be determined by the Calculation Agent or Determination Agent (as applicable) in its sole and absolute discretion on a commercial basis as it shall consider appropriate and in accordance with standard market practice.

If the Underlying Reference Rate is specified in the applicable Final Terms as being EONIA, the Calculation Agent or Determination Agent (as applicable) shall determine the Underlying Rate for a calendar day on the basis that:

- (a) “**Underlying Rate**” shall, for any calendar day, be deemed to be to a reference rate equal to the overnight rate as calculated by the European Central Bank and appearing on the Relevant Screen Page on the first TARGET Business Day following that day;
- (b) “**Relevant Screen Page**” shall have the meaning specified in the applicable Final Terms or, if no meaning is so specified, Reuters Screen EONIA Page or any successor; and
- (c) “**TARGET Business Day**” means a day on which the TARGET2 System is open.

If the Calculation Agent or the Determination Agent (as applicable) determines that either the Relevant Screen Page is not available or no such overnight rate as referred to in Underlying Rate appears for any reason for the relevant calendar day on the TARGET Business Day following that day as provided above, the Calculation Agent or the Determination Agent (as applicable) shall determine the Underlying Rate for such day in its sole and absolute discretion on a commercial basis as it shall consider appropriate and in accordance with standard market practice.

If the Underlying Reference Rate is specified in the applicable Final Terms as being SONIA, the Calculation Agent or Determination Agent (as applicable) shall determine the Underlying Rate for a calendar day on the basis that:

- (a) “**Underlying Rate**” shall, for any calendar day, be deemed to be to a reference rate equal to the Sterling Overnight Index Average (SONIA) rate as calculated by the Bank of England and appearing on the Relevant Screen Page on the first London Business Day following that day;
- (b) “**Relevant Screen Page**” shall have the meaning specified in the applicable Final Terms or, if no meaning is so specified, Reuters page SONIA 1 or any successor; and
- (c) “**London Business Day**” means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London.

If the Calculation Agent or the Determination Agent (as applicable) determines that either the Relevant Screen Page is not available or no such overnight rate as referred to in Underlying Rate appears for any reason for the relevant calendar day on the London Business Day following that day as provided above, the Calculation Agent or the Determination Agent (as applicable) shall determine the Underlying Rate for such day in its sole and absolute discretion on a commercial basis as it shall consider appropriate and in accordance with standard market practice.

If the Underlying Reference Rate is specified in the applicable Final Terms as being SOFR, the Calculation Agent or Determination Agent (as applicable) shall determine the Underlying Rate for a calendar day on the basis that “**Underlying Rate**” shall, for any calendar day, be deemed to be to a reference rate equal to SOFR (as such term is defined in Condition 4(c)(ii)(B)(IV)(i) above save that, for this purpose only, references in such definition to “U.S. Government Securities Business Day “x”” shall be deemed to be replaced by references to “calendar day “x””).

If the Underlying Reference Rate is specified in the applicable Final Terms as being €STR, the Calculation Agent or Determination Agent (as applicable) shall determine the Underlying Rate for a calendar day on the basis that:

- (a) “**Underlying Rate**” shall, for any calendar day, be deemed to be to a reference rate equal to the euro short-term rate (€STR) as provided by the European Central Bank and appearing on the Relevant Screen Page on the first TARGET Business Day following that day;
- (b) “**Relevant Screen Page**” shall have the meaning specified in the applicable Final Terms; and
- (c) “**TARGET Business Day**” means a day on which the TARGET2 System is open.

If the Calculation Agent or the Determination Agent (as applicable) determines that either the Relevant Screen Page is not available or no such short-term rate as referred to in Underlying Rate appears for any reason for the relevant calendar day on the TARGET Business Day following that day as provided above, the Calculation Agent or the Determination Agent (as applicable) shall determine the Underlying Rate for such day in its sole and absolute discretion on a commercial basis as it shall consider appropriate and in accordance with standard market practice.

If the Underlying Reference Rate is specified in the applicable Final Terms as being CMS Reference Rate, the Calculation Agent or Determination Agent (as applicable) shall determine the Underlying Rate for a calendar day in accordance with Condition 4(c)(ii)(B)(IV) on the basis that:

- (a) references to “CMS Rate” shall be deemed to be to “Underlying Rate”; and
- (b) references to “Interest Determination Date” shall be deemed to be to:
 - (i) if the rate determination relates to a calendar day that is a Fixing Business Day, such calendar day;
 - (ii) if the rate determination relates to a calendar day (other than a calendar day that falls in the Rate Cut-off Period) that is not a Fixing Business Day, the Fixing Business Day immediately preceding such calendar day; and

- (iii) if the rate determination relates to a calendar day (other than a calendar day that falls in the Rate Cut-off Period) that falls in the Rate Cut-off Period, the Fixing Business Day immediately preceding the Rate Cut-off Period.

The applicable Final Terms will specify if the Accrual Interest Rate is a “Fixed Rate” or a “Floating Rate”.

If the Accrual Interest Rate is specified in the applicable Final Terms to be a “Floating Rate” and “Screen Rate Determination” is specified in the applicable Final Terms as being applicable, the Accrual Interest Rate for each Interest Period shall be determined by the Calculation Agent or Determination Agent (as applicable) in accordance with Condition 4(c)(ii)(B)(I) and on the basis that:

- (a) references to “Rate of Interest” shall be deemed to be to “Accrual Interest Rate”;
- (b) “Straight Floating Rate” shall be deemed to be specified as being applicable; and
- (c) the Calculation Agent or Determination Agent (as applicable) will be the party making all determinations and, notwithstanding the final paragraph of Condition 4(c)(ii)(B)(I), if the Calculation Agent or Determination Agent (as applicable) is unable to determine the Screen Rate in accordance with Condition 4(c)(ii)(B)(I), the Screen Rate will be determined by the Calculation Agent or Determination Agent (as applicable) in its sole and absolute discretion on a commercial basis as it shall consider appropriate and in accordance with standard market practice.

If the Accrual Interest Rate is specified in the applicable Final Terms to be a “Floating Rate” and “ISDA Determination” is specified in the applicable Final Terms as being applicable, the Accrual Interest Rate for each Interest Period shall be determined by the Calculation Agent or Determination Agent (as applicable) in accordance with Condition 4(c)(ii)(A) and on the basis that:

- (a) references to “Rate of Interest” shall be deemed to be to “Accrual Interest Rate”;
- (b) “Straight Floating Rate” shall be deemed to be specified as being applicable; and
- (c) the Calculation Agent or Determination Agent (as applicable) will be the party making all determinations.

For the purposes of this sub-paragraph (C):

“**Calculation Agent**” shall have the meaning specified in the applicable Final Terms;

“**Determination Agent**” shall have the meaning specified in the applicable Final Terms;

“Fixing Business Day” means a day which is a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and, where applicable, any Additional Fixing Business Centre specified in the applicable Final Terms and which is:

- (i) if the Underlying Reference Rate is specified in the applicable Final Terms as being CMS Reference Rate, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the Reference Currency; or
- (ii) if the Underlying Reference Rate is specified in the applicable Final Terms as being euro- LIBOR or EURIBOR, a TARGET2 Settlement Day; or
- (iii) if the Underlying Reference Rate is specified in the applicable Final Terms as being any other Reference Rate, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the currency to which such Reference Rate relates.

“Lower Barrier” shall have the meaning specified in the applicable Final Terms;

“Upper Barrier” shall have the meaning specified in the applicable Final Terms;

“Rate Cut-off Date” means, for each Interest Period, the date specified in the applicable Final Terms;

“Rate Cut-Off Period” means, for each Interest Period, the period from (and including) the Rate Cut-off Date to (but excluding) the Interest Payment Date falling at the end of such Interest Period; and

“Underlying Reference Rate” shall have the meaning specified in the applicable Final Terms.

- (iii) Minimum Rate of Interest and/or Maximum Rate of Interest

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specify a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(iv) Determination of Rate of Interest and calculation of Interest Amounts

The Principal Paying Agent or, where specified in these Conditions or the applicable Final Terms, the Calculation Agent or the Determination Agent (as applicable) will at, or as soon as practicable after, each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. In the case of Variable Interest Notes or CMS Linked Interest Notes, the Calculation Agent or Determination Agent (as applicable) will notify the Principal Paying Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Principal Paying Agent or the Calculation Agent or the Determination Agent (as applicable) will calculate the amount of interest (the “**Interest Amount**”) payable on the Floating Rate Notes and Variable Interest Notes for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes or Variable Interest Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or
- (B) in the case of Floating Rate Notes or Variable Interest Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note or an Variable Interest Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount, and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

For the avoidance of doubt, where the Rate of Interest applicable to Floating Rate Notes for any Interest Period is determined to be less than zero, the Rate of Interest for such Interest Period shall (unless otherwise stated in the applicable Final Terms) be zero.

(v) Notification of Rate of Interest and Interest Amounts

The Principal Paying Agent (or, in the case of CMS Linked Interest Notes and Variable Interest Notes, the relevant Calculation Agent or Determination Agent) will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and, if required by applicable law or regulation, any stock exchange or other relevant authority on which the relevant Floating Rate Notes or Variable Interest Notes are for the time being listed or by which they have been admitted to listing and, if applicable, notice thereof to be published in accordance with Condition 13 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event

of an extension or shortening of the Interest Period. Any such amendment will, if required by applicable law or regulation, be promptly notified to each stock exchange or other relevant authority on which the relevant Floating Rate Notes or Variable Interest Notes are for the time being listed or by which they have been admitted to listing and to the Noteholders in accordance with Condition 13. For the purposes of this paragraph, the expression “**London Business Day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in London.

(vi) Determination or Calculation by Trustee

If for any reason at any relevant time the Principal Paying Agent or, as the case may be, the Calculation Agent or the Determination Agent (as applicable) defaults in its obligation to determine the Rate of Interest or the Calculation Agent or the Determination Agent (as applicable) defaults in its obligation to calculate any Interest Amount in accordance with sub-paragraph (ii) above and in accordance with paragraph (iv) above, the Trustee shall determine the Rate of Interest at such rate as, in its absolute discretion (having such regard as it shall think fit to the foregoing provisions of this Condition 4, but subject always to any Minimum Rate of Interest or Maximum Rate of Interest specified in the applicable Final Terms), it shall deem fair and reasonable in all the circumstances or, as the case may be, the Trustee shall calculate the Interest Amount(s) in such manner as it shall deem fair and reasonable in all the circumstances. In making any such determination or calculation, the Trustee may at the Issuer’s expense appoint and rely without liability on a determination or calculation by a calculation agent or a determination agent (which shall be an investment bank or other suitable entity of international repute). Each such determination or calculation shall be deemed to have been made by the Principal Paying Agent or, the Calculation Agent or the Determination Agent, as applicable.

(vii) Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(c), whether by the Principal Paying Agent or, if applicable, the Calculation Agent or the Determination Agent or the Trustee or its agent, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Trustee, the Principal Paying Agent and (as applicable) the Calculation Agent or the Determination Agent, the other Agents and all Noteholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Principal Paying Agent or (as applicable) the Calculation Agent or the Determination Agent or the Trustee or its agent in connection with the exercise or non-exercise by it of any of its powers, duties and discretions pursuant to such provisions.

(d) Interest on Convertible Interest Basis Notes

If the Convertible Interest Basis is specified as being applicable in the applicable Final Terms, each Note bears interest from (and including) the Interest Commencement Date (which unless otherwise specified in the applicable Final Terms shall be the Issue Date) at the applicable Rates of Interest determined in accordance with this Condition 4(d),

and such interest will be payable in arrear on the relevant Interest Payment Date (as defined below).

If the Convertible Interest Basis is specified as being applicable in the applicable Final Terms, the basis upon which interest accrues (and on which the Rate of Interest shall be determined) will (unless the Notes are redeemed or purchased and cancelled prior to the Interest Basis Conversion Date) change from one interest basis (the “**First Interest Basis**”) to another (the “**Second Interest Basis**”). The First Interest Basis shall apply to any Interest Period in the First Interest Basis Period and the Second Interest Basis shall apply to any Interest Period in the Second Interest Basis Period.

The Rate of Interest for any Interest Period, and the amount of interest payable on each Interest Payment Date in respect of such Interest Period, shall be determined by the Principal Paying Agent or (if specified in the applicable Final Terms) the Calculation Agent or Determination Agent, as applicable, in accordance with (i) if the relevant Interest Basis is specified in the applicable Final Terms to be Fixed Rate, Condition 4(a) or (ii) if the relevant Interest Basis is specified in the applicable Final Terms to be Floating Rate or Variable Interest, Condition 4(c). If an Interest Basis for an Interest Basis Period is specified in the applicable Final Terms as being Floating Rate or Variable Interest, the notification and publication requirements of Condition 4(c)(v) shall apply in respect of each Interest Period falling within such Interest Basis Period.

For the purposes of this Condition 4(d):

“**First Interest Basis Period**” means the period from (and including) the Interest Commencement Date to (but excluding) the Interest Basis Conversion Date;

“**Interest Basis**” means the First Interest Basis or the Second Interest Basis, as applicable;

“**Interest Basis Conversion Date**” shall have the meaning specified in the applicable Final Terms;

“**Interest Basis Period**” means the First Interest Basis Period or the Second Interest Basis Period, as applicable;

“**Interest Payment Date(s)**” means, in relation to each Interest Basis:

- (A) the Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (B) if no express Interest Payment Date(s) is/are specified in the applicable Final Terms, each date which falls the number of months or other period specified as the Interest Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date that falls within the First Interest Basis Period, after the Interest Commencement Date; and

“**Second Interest Basis Period**” means the period from (and including) the Interest Basis Conversion Date to (but excluding) the Maturity Date.

(e) Accrual of interest

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date fixed for its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue as provided in Condition 6(k).

(f) Business Day, Business Day Conventions, Day Count Fractions and other adjustments

In these Terms and Conditions, "**Business Day**" means a day which is:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and any Additional Business Centre specified in the applicable Final Terms; and
- (ii) either
 - (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London); or
 - (2) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the "**TARGET2 System**") is operating (a "**TARGET2 Settlement Day**").

If a Business Day Convention (or, in respect of any Reset Date in respect of Floating Rate Notes or Variable Interest Notes, a Reset Date Business Day Convention) is specified in the applicable Final Terms and if any Interest Payment Date, Maturity Date or any other date (as specified in the applicable Final Terms) would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention (or the Reset Date Business Day Convention, as applicable) specified is:

- (1) the Following Business Day Convention, such Interest Payment Date, Maturity Date or any other date (as specified in the applicable Final Terms) shall be postponed to the next day which is a Business Day; or
- (2) the Modified Following Business Day Convention, such Interest Payment Date, Maturity Date or any other date (as specified in the applicable Final Terms) shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date, Maturity Date or any other

date (as specified in the applicable Final Terms) shall be brought forward to the immediately preceding Business Day; or

- (3) the Preceding Business Day Convention, such Interest Payment Date, Maturity Date or any other date (as specified in the applicable Final Terms) shall be brought forward to the immediately preceding Business Day; or
- (4) in any case where Interest Periods are specified in accordance with Condition 4(c)(i)(B) above, the Floating Rate Convention, the Interest Payment Date:
 - (i) shall be postponed to the next day which is a Business Day and (A) each subsequent Interest Payment Date shall be the day that numerically corresponds with such Business Day, in the month which falls the Interest Period after the preceding applicable Interest Payment Date unless (B) such Business Day would thereby fall into the next calendar month, in which event (C) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (D) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Interest Period after the preceding applicable Interest Payment Date; or
 - (ii) in the case where there is no numerically corresponding day in the calendar month on which an Interest Payment Date should occur, shall be the last day that is a Business Day in the relevant month and the provisions of Condition 4(c)(i)(B) above shall apply *mutatis mutandis*.

“Day Count Fraction” means, in respect of the calculation of an amount of interest for any Interest Period:

- (1) if “Actual/Actual (ICMA)” is specified in the applicable Final Terms:
 - (a) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **“Accrual Period”**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
 - (b) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

- (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
 - (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year;
- (2) if "Actual/Actual (ISDA)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
 - (3) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
 - (4) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
 - (5) if "30/360", "360/360" or "Bond Basis" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

- (6) if “30E/360” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D₁” is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D₂ will be 30;

- (7) if “30E/360 (ISDA)” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D₁” is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30.

- (8) if “RBA Bond Basis” is specified in the applicable Final Terms, one divided by the number of Interest Payment Dates in each twelve-month period (or, where the calculation period does not constitute an Interest Period, one divided by the number of Interest Payment Dates in each twelve-month period multiplied by the actual number of days in the calculation period divided by the number of days in the Interest Period ending on the next Interest Payment Date).

“**Determination Period**” means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

“**Interest Period**” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

If “adjusted” is specified in the applicable Final Terms in the Day Count Fraction item, interest in respect of the relevant Interest Period shall be payable in arrear on the relevant Interest Payment Date and calculated from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date, as such Interest Payment Date shall, where applicable, be adjusted in accordance with the Business Day Convention.

If “unadjusted” is specified in the applicable Final Terms in the Day Count Fraction item, interest in respect of the relevant Interest Period shall be payable in arrear on the relevant Interest Payment Date, as adjusted in accordance with the Business Day Convention, but shall be calculated in respect of the period from (and including) a Period End Date (or the Interest Commencement Date) to (but excluding) the next (or first) Period End Date. For the purpose of this paragraph “**Period End Date**” means an Interest Payment Date prior to any modification as result of any Business Day Convention.

5. Payments

(a) Method of payment

Subject as provided below:

- (i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency; and
- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Payments will be subject in all cases to: (A) any fiscal or other laws and regulations applicable thereto in any jurisdiction, but without prejudice to the provisions of Condition 7; and (B) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto, and the Issuer shall not be required to pay any additional amounts under Condition 7 (Taxation) on account of any such deduction or withholding described in this limb (B).

(b) Presentation of definitive Bearer Notes and Coupons

Payments of principal in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Fixed Rate Notes in definitive bearer form (other than Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 7) in respect of such principal (whether or not such

Coupon would otherwise have become void under Condition 8) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Fixed Rate Reset Note, Variable Interest Note or Long Maturity Note in definitive bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A "**Long Maturity Note**" is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against presentation and surrender of the relevant definitive Bearer Note.

(c) Payments in respect of Bearer Global Notes

Payments of principal and interest (if any) in respect of Notes represented by any Bearer Global Note will (subject as provided below) be made in the manner specified above in relation to definitive Bearer Notes or otherwise in the manner specified in the relevant Bearer Global Note, where applicable, against presentation or surrender, as the case may be, of such Bearer Global Note at the specified office of any Paying Agent outside the United States. A record of each payment, distinguishing between any payment of principal and any payment of interest, will be made on such Bearer Global Note either by the Paying Agent to which it was presented, and such record shall be prima facie evidence that the payment in question has been made, or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

No payments of principal, interest or other amounts due in respect of a Bearer Global Note will be made by mail to an address in the United States or by transfer to an account maintained in the United States.

(d) Payments in respect of Registered Notes

Payments of principal in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the

Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar (the “**Register**”) (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg or any other relevant clearing system are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the fifteenth calendar day before the relevant due date (in each case, the “**Record Date**”). Notwithstanding the previous sentence, if (i) a holder does not have a Designated Account or (ii) the nominal amount of the Notes held by a holder is less than U.S.\$100,000 (or its equivalent), payment will instead be made by a cheque in the Specified Currency drawn on a Designated Bank (as defined below). For these purposes, “**Designated Account**” means the account maintained by a holder with a Designated Bank and identified as such in the Register and “**Designated Bank**” means (in the case of payment in a Specified Currency other than euro) a bank in the principal financial centre of the country of such Specified Currency and (in the case of a payment in euro) any bank which processes payments in euro.

Payments of interest in respect of each Registered Note (whether or not in global form) will be made by a cheque in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Registered Note appearing in the Register at the close of business on the Record Date at his address shown in the Register on the Record Date and at his risk. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) in respect of the Registered Notes which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Registered Note on redemption will be made in the same manner as payment of the principal amount of such Registered Note.

Holders of Registered Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Note as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Registered Notes.

All amounts payable to DTC or its nominee as registered holder of a Rule 144A Global Note in respect of Notes denominated in a Specified Currency other than U.S. dollars shall be paid by transfer by the Registrar to an account in the relevant Specified Currency of the Exchange Agent on behalf of DTC or its nominee for payment in such Specified Currency for conversion into U.S. dollars in accordance with the provisions of the Agency Agreement.

None of the Issuer, the Trustee and the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

(e) General provisions applicable to payments

For so long as the Notes of a Series are listed on the Official List and admitted to trading on the London Stock Exchange's market for listed securities and for so long as the rules of the FCA so require, the Issuer shall procure that there is a Paying Agent approved in writing by the Trustee in the City of London for the payment of principal and interest, if any, on the Notes.

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of DTC, Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to DTC, Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due;
- (ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(f) Payment Days

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day and shall not be entitled to any further payment in respect of such delay. "**Payment Day**" means any day which (subject to Condition 8):

- (i) in respect of Notes in definitive form only, is a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the relevant place of presentation; or
- (ii) in the case of any payment in respect of a Rule 144A Global Note denominated in a Specified Currency other than U.S. dollars and registered in the name of DTC or its nominee and in respect of which an accountholder of DTC (with an interest in such Rule 144A Global Note) has elected to receive any part of such payment in U.S. dollars, a day on which commercial banks are not authorised or required by law or regulation to be closed in New York City; and
- (iii) is a Business Day as defined in Condition 4(f).

(g) Interpretation of principal and interest

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 7;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) the Loss Absorption Disqualification Redemption Amount(s) (if any) of the Senior Notes issued by Santander UK Group Holdings;
- (vi) in relation to Zero Coupon/Discount Notes, the Amortised Face Amount (as defined in Condition 6(g)); and
- (vii) any premium and any other amounts which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7.

6. Redemption and Purchase

(a) Redemption at maturity

Unless previously redeemed or purchased and cancelled as specified below or in the applicable Final Terms, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date.

(b) Redemption at the option of the Issuer for tax reasons

If:

- (i) for the purposes of any Notes (whether Senior Notes or Dated Subordinated Notes), as a result of a Tax Law Change:
 - (a) in making any payments on the Notes, the Issuer will or would be required to pay additional amounts on the Notes under Condition 7; or
 - (b) the Issuer will not or would not be entitled to claim a deduction in respect of any payments (other than the repayment of the principal amount of the Notes) in computing its taxation liabilities or the amount of the deduction would be materially reduced; or
- (ii) for the purposes of Dated Subordinated Notes only, as a result of a Tax Law Change:
 - (a) the Dated Subordinated Notes will or would no longer be treated as loan relationships for United Kingdom tax purposes;
 - (b) the Issuer will not or would not, as a result of the Dated Subordinated Notes being in issue, be able to have losses or deductions set against the profits or gains, or profits or gains offset by the losses or deductions, of companies with which the Issuer is or would otherwise be so grouped for applicable United Kingdom tax purposes (whether under the group relief system current as at the date of issue of the Dated Subordinated Notes or any similar system or systems having like effect as may from time to time exist);
 - (c) the Issuer will or would, in the future, have to bring into account a taxable credit, taxable profit or the receipt of taxable income if the principal amount of the Dated Subordinated Notes were written down, on a permanent or temporary basis, or the Dated Subordinated Notes were converted into ordinary shares in the capital of the Issuer, or
 - (d) the Dated Subordinated Notes or any part thereof will or would become treated as a derivative or an embedded derivative for United Kingdom tax purposes,

(each such event, a “**Tax Event**”) then the Issuer may (subject, in the case of Dated Subordinated Notes and Senior Notes issued by Santander UK Group Holdings, to Condition 6(j)), provided that in the case of each Tax Event, the consequences of the Tax Event cannot be avoided by the Issuer taking reasonable measures available to it, having given not less than 30 nor more than 60 days’ notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 13, the Noteholders (which notice shall be irrevocable), redeem all, but not some only, of the Notes at any time (if this Note is neither a Floating Rate Note nor a Variable Interest Note) or on the next Interest

Payment Date (in the case of Floating Rate Notes or Variable Interest Notes). Upon the expiry of such notice the Issuer shall be bound to redeem the Notes accordingly.

Prior to the publication of any notice of redemption pursuant to this Condition 6(b), the Issuer shall deliver to the Trustee a certificate signed by two authorised signatories of the Issuer stating that the relevant requirement or circumstance referred to in this Condition 6(b) applies and the consequences of the relevant Tax Event cannot be avoided by the Issuer taking reasonable measures available to it. Such certificate shall, in the absence of manifest error, be treated and accepted by the Issuer, the Trustee, the Noteholders and all other interested parties as correct, conclusive and sufficient evidence thereof and the Trustee is entitled to rely on such certificate without liability to any person.

In these Conditions:

“Tax Law Change” means a change in, or amendment to, the laws or regulations of the United Kingdom or the taxing jurisdiction of any territory in which the Issuer is incorporated or resident for tax purposes, or any political subdivision or authority therein or thereof having the power to tax, including any treaty to which the UK is a party, or any change in the application of such laws by a decision of any court or tribunal, that provides for a position with respect to such laws or regulations that differs from the previously generally accepted position in relation to similar transactions (in respect of securities similar to the relevant Notes and which, in the case of the Dated Subordinated Notes, are capable of constituting Tier 2 Capital) or which differs from any specific written confirmation given by a tax authority in respect of the relevant Notes, which change or amendment becomes effective or, in the case of a change in law, if such change is enacted by a UK Act of Parliament or by Statutory Instrument, on or after the Issue Date of the first Tranche of Notes of the relevant Series.

Notes redeemed pursuant to this Condition 6(b) will be redeemed at their Early Redemption Amount determined pursuant to Condition 6(g) below.

(c) Redemption at the option of the Issuer (Issuer Call)

If the Issuer Call is specified as being applicable in the applicable Final Terms, the Issuer may (subject, in the case of Dated Subordinated Notes and Senior Notes issued by Santander UK Group Holdings, to Condition 6(j)) having given not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Trustee, the Principal Paying Agent, the Noteholders, and in the case of a redemption of Registered Notes, the Registrar, (which notice shall be irrevocable and shall specify the date fixed for redemption) redeem all or (if so specified in the applicable Final Terms) some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount (if any). In the case of a partial redemption of Notes, the Notes to be redeemed (**“Redeemed Notes”**) will be selected individually by lot, in the case of Redeemed Notes represented

by definitive Notes, and in accordance with the rules of DTC and/or Euroclear and/or Clearstream, Luxembourg, (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) in the case of Redeemed Notes represented by a Global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the “**Selection Date**”). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 13 not less than the minimum period specified in the applicable Final Terms prior to the date fixed for redemption. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 13 at least five days prior to the Selection Date.

(d) Redemption of Dated Subordinated Notes at the option of the Issuer due to Regulatory Capital Event

This Condition 6(d) is only applicable to Dated Subordinated Notes issued by Santander UK Group Holdings.

If the Regulatory Capital Event Call is specified as being applicable in the applicable Final Terms relating to Dated Subordinated Notes and a Regulatory Capital Event has occurred and is continuing, the Issuer may (subject to Condition 6(j)), having given not less than 30 nor more than 60 days’ notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 13, the Noteholders (which notice shall be irrevocable), redeem all, but not some only, of the Dated Subordinated Notes at any time (if this Dated Subordinated Note is neither a Floating Rate Note nor a Variable Interest Note) or on the next Interest Payment Date (in the case of Floating Rate Notes or Variable Interest Notes). Upon the expiry of such notice the Issuer shall be bound to redeem the Dated Subordinated Notes accordingly. Prior to the publication of any notice of redemption pursuant to this Condition 6(d), the Issuer shall deliver to the Trustee a certificate signed by two authorised signatories of the Issuer stating that the relevant requirement or circumstance referred to in this Condition 6(d) applies. Such certificate shall, in the absence of manifest error, be treated and accepted by the Issuer, the Trustee, the Noteholders and all other interested parties as correct, conclusive and sufficient evidence thereof and the Trustee is entitled to rely on such certificate without liability to any person.

Dated Subordinated Notes redeemed pursuant to this Condition 6(d) will be redeemed at their Early Redemption Amount determined pursuant to Condition 6(g) below.

In these Conditions, a “**Regulatory Capital Event**” will occur if at any time there is a change in the regulatory classification of the Dated Subordinated Notes occurring after the Issue Date of the first Tranche of Notes of the relevant Series that does, or will, result in the Dated Subordinated Notes being fully or partially excluded from the Tier 2 Capital of the Group.

(e) Redemption at the option of the Noteholders of Notes issued by Santander UK (Investor Put)

This Condition 6(e) is only applicable to Senior Notes issued by Santander UK.

If Investor Put is specified as being applicable in the applicable Final Terms in respect of any Senior Notes issued by Santander UK, upon the holder of any Senior Note giving to the Issuer in accordance with Condition 13 not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms specified in the applicable Final Terms (which notice shall be irrevocable) the Issuer will, upon the expiry of such notice, redeem in whole (but not, in the case of a Bearer Note in definitive form, in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. Registered Notes may be redeemed under this Condition 6(e) in any multiple of their lowest Specified Denomination.

If this Note is in definitive form, to exercise the right to require redemption of this Note, the holder of this Note must deliver such Note at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar falling within the notice period, accompanied by a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a **“Put Notice”**) and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2(b). Holders of Notes represented by a Global Note or in definitive form and held through DTC, Euroclear and/or Clearstream, Luxembourg must exercise the right to require redemption of their Notes by giving notice (including all information required in the applicable Put Notice) through DTC, Euroclear or Clearstream, Luxembourg, as the case may be (which notice may be in electronic form) in accordance with their standard procedures.

(f) Redemption of Senior Notes issued by Santander UK Group Holdings at the option of the Issuer due to Loss Absorption Disqualification Event (Loss Absorption Disqualification Event Call)

This Condition 6(f) is only applicable to Senior Notes issued by Santander UK Group Holdings.

If the Loss Absorption Disqualification Event Call is specified as being applicable in the applicable Final Terms relating to Senior Notes issued by Santander UK Group Holdings and a Loss Absorption Disqualification Event has occurred and is continuing, the Issuer may (subject to Condition 6(j)), having given not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Trustee, the Principal Paying Agent, the Noteholders and, in the case of a redemption of

Registered Notes, the Registrar, (which notice shall be irrevocable and shall specify the date fixed for redemption (the “**Loss Absorption Disqualification Redemption Date**”)) redeem all, but not some only, of such Senior Notes at any time (if this Senior Note is neither a Floating Rate Note nor a Variable Interest Note) or on the next Interest Payment Date (in the case of Floating Rate Notes or Variable Interest Notes) and at the Loss Absorption Disqualification Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Loss Absorption Disqualification Redemption Date. Upon the expiry of such notice the Issuer shall be bound to redeem such Senior Notes accordingly. Prior to the publication of any notice of redemption pursuant to this Condition 6(f), the Issuer shall deliver to the Trustee a certificate signed by two duly authorised signatories of the Issuer stating that the relevant requirement or circumstance referred to in this Condition 6(f) applies and any preconditions to the exercise of the Loss Absorption Disqualification Event Call specified in any Loss Absorption Regulation are satisfied. Such certificate shall, in the absence of manifest error, be treated and accepted by the Issuer, the Trustee, the Noteholders and all other interested parties as correct, conclusive and sufficient evidence thereof and the Trustee is entitled to rely on such certificate without liability to any person.

In these Conditions, a “**Loss Absorption Disqualification Event**” will occur if:

- (i) at the time that any Loss Absorption Regulation becomes effective after the Issue Date of the Senior Notes issued by Santander UK Group Holdings, and as a result of such Loss Absorption Regulation becoming so effective, in each case with respect to the Issuer and/or the Group, such Senior Notes are not or will not be eligible to qualify in full towards the Issuer’s and/or the Group’s minimum requirements for (A) own funds and eligible liabilities and/or (B) loss absorbing capacity instruments; or
- (ii) as a result of any amendment to, or change in, any Loss Absorption Regulation, or any change in the application or official interpretation of any Loss Absorption Regulation, in any such case becoming effective on or after the Issue Date of the Senior Notes issued by Santander UK Group Holdings, such Senior Notes are or will be either (x) fully excluded or (y) fully or partially excluded (as specified in the applicable Final Terms relating to such Senior Notes) from the Issuer’s and/or the Group’s minimum requirements for (A) own funds and eligible liabilities and/or (B) loss absorbing capacity instruments,

in each case as such minimum requirements are applicable to the Issuer of such Senior Notes and/or the Group and determined in accordance with, and pursuant to, the relevant Loss Absorption Regulations; provided that in the case of (i) and (ii) above, a Loss Absorption Disqualification Event shall not occur where the exclusion of such Senior Notes from the relevant minimum requirement(s) is due to the remaining maturity of such Senior Notes being less than any period prescribed by any applicable eligibility criteria for such minimum requirements under the relevant Loss Absorption Regulations effective with respect to the Issuer and/or the Group on the Issue Date of such Senior Notes.

In these Conditions, “**Loss Absorption Regulations**” means, at any time, the laws, regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments of the United Kingdom, the PRA, the United Kingdom resolution authority, the Financial Stability Board and/or of the European Parliament or of the Council of the European Union then in effect in the United Kingdom including, without limitation to the generality of the foregoing, any delegated or implementing acts (such as regulatory technical standards) adopted by the European Commission which are applicable to the United Kingdom and any regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments adopted by the PRA and/or the United Kingdom resolution authority from time to time (whether or not such regulations, requirements, guidelines, rules, standards or policies are applied generally or specifically to the Issuer or to the Group).

(g) Early Redemption Amounts

For the purpose of Conditions 6(b) and 6(d) above and Condition 9, each Note will be redeemed at its Early Redemption Amount calculated as follows:

- (i) in the case of a Note other than a Zero Coupon/Discount Note and a Variable Interest Note at the outstanding nominal amount together with interest accrued to (but excluding) the date fixed for redemption; or
- (ii) in the case of a Zero Coupon/Discount Note, at an amount (the “**Amortised Face Amount**”) equal to the nominal amount of the Note multiplied by the sum of:
 - (A) the Issue Price; and
 - (B) the product of the Issue Price and the Stated Yield compounded annually from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and payable on the basis of the Day Count Fraction specified in the applicable Final Terms;
- (iii) in the case of a Variable Interest Note, at an amount determined by the Calculation Agent or the Determination Agent (as applicable) that would on the due date for redemption have the effect of preserving for the holder of the Note the economic equivalent of the obligation of the Issuer to make the payment of :
 - (A) the Final Redemption Amount on the Maturity Date; and
 - (B) an amount or amounts representing the interest that is due as at the date of redemption.

For the purpose of Condition 9(b)(ii), references in this Condition 6(g) to the date of “redemption” shall be construed as references to the date of payment of the relevant claim.

(h) Purchases

The Issuer or any Subsidiary of the Issuer may (subject, in the case of Dated Subordinated Notes and Senior Notes issued by Santander UK Group Holdings, to Condition 6(j)) at any time purchase Notes (provided that, in the case of definitive Bearer Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the Issuer or the relevant Subsidiary (as applicable), surrendered to any Paying Agent and/or the Registrar.

For the purposes of this Condition 6(h), a company is a “**Subsidiary**” of another company if that other company:

- (a) holds a majority of the voting rights in it;
- (b) is a member of it and has the right to appoint or remove a majority of its board of directors; or
- (c) is a member of it and controls alone, pursuant to an agreement with other members, a majority of the voting rights in it,

or if it is a Subsidiary of a company that is itself a Subsidiary of that other company.

(i) Cancellation

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and Notes purchased and cancelled pursuant to paragraph (f) above (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold.

(j) Conditions to redemption and purchase of Dated Subordinated Notes and/or Senior Notes issued by Santander UK Group Holdings

Any redemption or purchase of Dated Subordinated Notes (and/or Senior Notes issued by Santander UK Group Holdings, if applicable pursuant to any Loss Absorption Regulations) pursuant to Conditions 6(b), 6(c), 6(d), 6(f) or 6(h) is subject to:

- (i) the Issuer having obtained Regulatory Approval; and
- (ii) the Issuer being in compliance with the Regulatory Preconditions.

For the purposes of this Condition 6:

“Regulatory Approval” means, at any time, such approval, consent or prior permission by, or notification required within prescribed periods to, the Regulator, or such waiver of the then prevailing Capital Rules in the case of Dated Subordinated Notes, or the then prevailing Loss Absorption Regulations in the case of Senior Notes issued by Santander UK Group Holdings, from the Regulator, as is required under the then prevailing Capital Rules in the case of Dated Subordinated Notes, or the then prevailing Loss Absorption Regulations in the case of Senior Notes issued by Santander UK Group Holdings, at such time; and

“Regulatory Preconditions” means:

- (a) if, at the time of such redemption or purchase, the prevailing Capital Rules in the case of Dated Subordinated Notes, or the prevailing Loss Absorption Regulations in the case of Senior Notes issued by Santander UK Group Holdings, permit the redemption or purchase after compliance with any pre-conditions, the Issuer having complied with such pre-conditions; and
- (b) in the case of a redemption pursuant to Conditions 6(b) or 6(d) occurring prior to the fifth anniversary of the Issue Date of the first Tranche of the relevant Series of the Dated Subordinated Notes only,
 - (i) the Regulator being satisfied (such satisfaction to be evidenced by the granting of Regulatory Approval) that the Issuer has demonstrated to the satisfaction of the Regulator that the circumstance that entitles the Issuer to exercise its right of redemption was not reasonably foreseeable, judged at the Issue Date of the first Tranche of the relevant Series of the Dated Subordinated Notes and is (in the case of a redemption pursuant to Condition 6(d)) sufficiently certain or (in the case of a redemption pursuant to Condition 6(b)) material; or
 - (ii) if, at the time of such redemption, the prevailing Capital Rules permit the redemption after compliance with an alternative pre-condition, the Issuer having complied with such other pre-condition.

(k) Late payment

If any amount payable in respect of any Note is improperly withheld or refused upon its becoming due and repayable or is paid after its due date or on or after accelerated maturity following an Event of Default (as defined in Condition 9), the principal amount due and repayable in respect of such Note (the **“Late Payment”**) shall itself accrue (in the case of Zero Coupon Notes only) or continue to accrue (in the case of any other Notes) interest (both before and after any judgment or other order of a court of competent jurisdiction) from (and including) the date on which such payment was improperly withheld or refused or, as the case may be, became due, to (but excluding) the Late Payment Date in accordance with the following provisions:

- (i) in the case of a Note other than a Zero Coupon/Discount Note or a Variable Interest Note, at the rate determined in accordance with Condition 4(a), 4(b) or 4(c), as the case may be;

- (ii) in the case of a Zero Coupon/Discount Note, at a rate equal to the Stated Yield; and
- (iii) in the case of a Variable Interest Note, at a rate calculated by the Calculation Agent so as to reasonably compensate the holder of the Note for the cost of funding the delay in receiving the Late Payment,

in each case on the basis of the Day Count Fraction specified in the applicable Final Terms or, if none is specified, on a 30/360 basis.

For the purpose of this paragraph (h) the “**Late Payment Date**” shall mean the earlier of:

- (A) the date which the Trustee determines to be the date on which, upon further presentation of the relevant Note, payment of the full amount (including interest as aforesaid) in the relevant currency in respect of such Note is to be made; and
- (B) the seventh day after notice is given to the relevant Noteholder(s) (whether individually or in accordance with Condition 13) that the full amount (including interest as aforesaid) in the relevant currency in respect of such Note is available for payment,

provided that in the case of both (A) and (B), upon further presentation thereof being duly made, such payment is made.

7. Taxation

All payments of principal and interest in respect of the Notes and Coupons by or on behalf of the Issuer will be made without withholding of or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatsoever nature imposed or levied by or on behalf of the United Kingdom or the taxing jurisdiction of any territory in which the Issuer is incorporated or resident for taxation purposes, or any political subdivision of either of the same or by any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event (but not in respect of any payment of principal in respect of Dated Subordinated Notes) the Issuer will pay such additional amounts as may be necessary in order that the net amounts receivable by the holders after such withholding or deduction shall equal the respective amounts of principal, and interest, if applicable, which would have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of any requirement to make such withholding or deduction, except that no such additional amounts shall be payable in relation to any payment with respect to any Note or Coupon:

- (i) presented for payment by, or by a third party on behalf of, a holder who (a) would be able to avoid such withholding or deduction by satisfying any statutory requirements or by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority but fails to do so, or (b) is liable to

such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with the above-mentioned taxing jurisdiction of the Issuer other than the mere holding of such Note or Coupon; or

- (ii) where such Note or Coupon is presented for payment in the jurisdiction in which the Issuer is incorporated or resident for tax purposes or in the United Kingdom; or
- (iii) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days, assuming that day had been a Payment Day if that day was not in fact a Payment Day.

The “**Relevant Date**” means the date on which the payment in respect of the Note or Coupon first becomes due and payable but, if the full amount of the moneys payable on such date has not been received by the Principal Paying Agent or the Trustee on or prior to such date, the “**Relevant Date**” means the date on which such moneys shall have been so received and notice to that effect shall have been given to the Noteholders in accordance with Condition 13.

All payments in respect of the Notes will be made subject to any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto, and the Issuer shall not be required to pay any additional amounts under this Condition on account of any such deduction or withholding described in this paragraph.

8. Prescription

The Notes and, if applicable, the Coupons (which for this purpose shall not include Talons) will become void unless claims in respect of principal and/or interest are made within a period of 10 years in the case of principal and five years in the case of interest from the Relevant Date (as defined in Condition 7) relating hereto. The Issuer shall be discharged from its obligation to pay principal on a Registered Note to the extent that the relevant Registered Note certificate has not been surrendered to the Registrar by, or a cheque which has been duly despatched in the Specified Currency remains uncashed at, the end of the period of 10 years from the Relevant Date in respect of such payment. The Issuer shall be discharged from its obligation to pay interest on a Registered Note to the extent that a cheque which has been duly despatched in the Specified Currency remains uncashed at the end of the period of five years from the Relevant Date in respect of such payment. There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 5(b) or any Talon which would be void pursuant to Condition 5(b).

9. Events of Default and Enforcement

(a) Events of Default and enforcement in respect of Senior Notes issued by Santander UK

This Condition 9(a) is only applicable to Senior Notes issued by Santander UK.

In the case of any Series of Senior Notes issued by Santander UK, the Trustee at its discretion may, and if so requested in writing by the holders of at least one-quarter in nominal amount of the Senior Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction), give notice to the Issuer that the Senior Notes are, and they shall accordingly thereby become, immediately due and repayable each at their Early Redemption Amount (determined pursuant to Condition 6(g)) together with accrued interest as provided in the Trust Deed, in any of the following events ("**Events of Default**"):

- (i) if default is made for a period of 14 days or more in the payment of any principal or interest due in respect of the Notes or any of them and such sum has not been duly paid within a further 14 days following written notice from the Trustee to the Issuer requiring the non-payment to be made good, provided that it shall not be such a default if, during the 14 days after the Trustee's notice it satisfies the Trustee that such payment was refused or withheld in order to comply with any fiscal or other law or regulation or with the order of any court of competent jurisdiction. Where there is doubt as to the validity or applicability of any such law, regulation or order, it shall not be such a default to refuse or withhold any such payment in accordance with advice given at any time during the said period of 14 days by independent legal advisers acceptable to the Trustee; or
- (ii) if the Issuer fails to perform or observe any of its other obligations under the Senior Notes or the Trust Deed and (except where the Trustee considers such failure to be incapable of remedy when no such continuation or notice as is hereinafter referred to will be required) such failure continues for the period of 30 days (or such longer period as the Trustee may permit) next following the service by the Trustee on the Issuer of notice requiring the same to be remedied; or
- (iii) if an effective resolution is passed or an order is made for the winding up or dissolution of the Issuer (except for the purposes of a reconstruction or amalgamation the terms of which have previously been approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders),

provided that, in the case of an Event of Default described in paragraph (ii) above, the Trustee shall have certified to the Issuer that such Event of Default is, in its opinion, materially prejudicial to the interests of the Noteholders.

At any time after the Senior Notes or any of them shall have become immediately due and repayable and have not been repaid, the Trustee may, at its discretion and without further notice, institute such steps, actions or proceedings against the Issuer as it may

think fit to enforce repayment thereof together with accrued interest, if any, and to enforce the provisions of the Trust Deed, but it shall not be bound to institute any such steps, actions or proceedings unless (a) it shall have been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by the holders of at least one-quarter of the nominal amount of the Notes then outstanding and (b) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. No Noteholder or Couponholder shall be entitled to proceed against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

(b) Events of Default and enforcement in respect of Dated Subordinated Notes and Senior Notes issued by Santander UK Group Holdings

This Condition 9(b) is only applicable to Notes issued by Santander UK Group Holdings.

In the case of any Series of Dated Subordinated Notes or Senior Notes issued by Santander UK Group Holdings:

- (i) if default is made for a period of 14 days or more in the payment of any principal or interest due in respect of the Dated Subordinated Notes or, if applicable, the Senior Notes issued by Santander UK Group Holdings, or any of them and such sum has not been duly paid within a further 14 days following written notice from the Trustee to the Issuer requiring the non-payment to be made good, the Trustee in its discretion may, and if so requested by Noteholders of at least one-quarter in principal amount of the Dated Subordinated Notes or, if applicable, the Senior Notes issued by Santander UK Group Holdings, then outstanding or if so directed by an Extraordinary Resolution, shall (subject in each case to Condition 9(b)(iv)) institute steps, actions or proceedings for the winding-up of the Issuer, but may take no further or other action to enforce, prove or claim for any such payment (except as provided in Condition 9(b)(ii)), provided that it shall not be such a default to refuse or withhold any such payment in order to comply with any fiscal or other law or regulation or with the order of any court of competent jurisdiction. Where there is doubt as to the validity or applicability of any such law, regulation or order, it shall not be such a default to refuse or withhold any such payment in accordance with advice as to such validity or applicability given at any time during the said period of 14 days after the Trustee's notice by independent legal advisers acceptable to the Trustee;
- (ii) if an order is made by the competent court or resolution passed for the winding-up of the Issuer (other than an Approved Winding-up), the Trustee at its discretion may, and if so requested by Noteholders of at least one quarter in principal amount of the Dated Subordinated Notes or, if applicable, the Senior Notes issued by Santander UK Group Holdings, then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to Condition 9(b)(iv)), give notice to the Issuer (or, as applicable, the liquidator) that the Dated Subordinated Notes or, if applicable, the Senior Notes issued by Santander UK Group Holdings, are, and they shall accordingly forthwith become, immediately due and repayable at the amount equal to their Early Redemption Amount, and, in the case of Dated Subordinated Notes, the claim

in respect thereof will be subject to the subordination provided for in Condition 3(b);

- (iii) without prejudice to Conditions 9(b)(i) and 9(b)(ii) above, the Trustee may at its discretion and without further notice institute such steps, actions or proceedings against the Issuer as it may think fit to enforce any obligation, condition or provision binding on the Issuer under the Trust Deed, these Conditions and the Dated Subordinated Notes or, if applicable, the Senior Notes issued by Santander UK Group Holdings, and the relative Coupons (if any) (other than any payment obligation of the Issuer under or arising from the Dated Subordinated Notes or, if applicable, the Senior Notes issued by Santander UK Group Holdings, and the relative Coupons (if any) or the Trust Deed including, without limitation, payment of any principal or interest in respect of the Dated Subordinated Notes or, if applicable, the Senior Notes issued by Santander UK Group Holdings, and the relative Coupons (if any) and any damages awarded for breach of any obligations) provided that in no event shall the Issuer, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums (in cash or otherwise) sooner than the same would otherwise have been payable by it. Nothing in this Condition 9(b)(iii) shall, subject to Condition 9(b)(i), prevent the Trustee instituting steps, actions or proceedings for the winding-up of the Issuer, proving in any winding-up of the Issuer and/or claiming in any liquidation of the Issuer in respect of any payment obligations of the Issuer arising from the Dated Subordinated Notes or, if applicable, the Senior Notes issued by Santander UK Group Holdings, and the relative Coupons (if any) or the Trust Deed (including without limitation, payment of any principal or interest in respect of the Dated Subordinated Notes or, if applicable, the Senior Notes issued by Santander UK Group Holdings, and the relative Coupons (if any) and any damages awarded for any breach of any obligations);
- (iv) the Trustee shall not be bound to take any of the actions referred to in Condition 9(b)(i), 9(b)(ii) or 9(b)(iii) above to enforce the obligations of the Issuer under the Trust Deed or the Dated Subordinated Notes or, if applicable, the Senior Notes issued by Santander UK Group Holdings, unless (i) it shall have been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by the holders of at least one-quarter in principal amount of the Dated Subordinated Notes or, if applicable, the Senior Notes issued by Santander UK Group Holdings, then outstanding and (ii) provided in each case it has been indemnified and/or secured and/or prefunded to its satisfaction against all costs, charges, liabilities and expenses which may be incurred by it in connection with such action, including the costs of its management's time and/or other internal resources, calculated in accordance with its normal hourly rates in force from time to time;
- (v) no Noteholder or Couponholder shall be entitled to proceed directly against the Issuer or to institute steps, actions or proceedings for the winding-up or claim in the liquidation of the Issuer or to prove in such winding-up unless the Trustee, having become so bound to proceed or being able to prove in such winding-up or claim in such winding-up, fails to do so within a reasonable period and such failure is then continuing, in which case the relevant Noteholder or

Couponholder shall have only such rights against the Issuer as those which the Trustee is entitled to exercise as set out in this Condition 9(b); and

- (vi) no remedy against the Issuer, other than as referred to in this Condition 9(b), shall be available to the Trustee, the Noteholders or the Couponholders, whether for the recovery of amounts owing in respect of the Dated Subordinated Notes or, if applicable, the Senior Notes issued by Santander UK Group Holdings, or under the Trust Deed or in respect of any breach by the Issuer of any of its other obligations under or in respect of the Dated Subordinated Notes or, if applicable, the Senior Notes issued by Santander UK Group Holdings, or under the Trust Deed.

10. Replacement of Notes, Coupons and Talons

Should any Note or, if applicable, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed it may be replaced, in the case of Bearer Notes or Coupons, at the specified office of the Principal Paying Agent or, in the case of Registered Notes, at the specified office of the Registrar (or in any case such other place of which notice shall have been given to the Noteholders in accordance with Condition 13) upon payment in any such case by the claimant of the expenses incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes or, if applicable, Coupons or Talons must be surrendered before replacements will be issued.

11. Agents

The names of the initial Agents and their initial specified offices are set out below. If any additional Paying Agent(s) are appointed in connection with any Series, the names of such Paying Agent(s) will be specified in Part B of the applicable Final Terms.

The Issuer is entitled, subject to the prior written approval of the Trustee, to vary or terminate the appointment of any Agent and/or approve any change in the specified office through which any Agent acts and/or, subject to prior consultation with the Trustee, appoint additional or other Agents, provided that:

- (a) there will at all times be a Principal Paying Agent and a Registrar;
- (b) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent (in the case of Bearer Notes) and a Transfer Agent (in the case of Registered Note) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority;
- (c) there will at all times be a Paying Agent with a specified office in a city approved in writing by the Trustee in continental Europe other than any such jurisdiction in which the Issuer is incorporated or resident for tax purposes; and

- (d) so long as any of the Rule 144A Global Notes payable in a Specified Currency other than U.S. dollars are held through DTC or its nominee, there will at all times be an Exchange Agent with a specified office in London.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 5(e). Notice of any variation, termination, appointment or change in respect of the Agents relating to the Notes will be given to the Noteholders promptly by the Issuer in accordance with Condition 13.

In acting under the Agency Agreement, the Agents act solely as agents or, as the case may be, registrars of the Issuer and, in certain circumstances, of the Trustee and do not assume any obligation to, or relationship of agency or trust with, any Noteholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

12. Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 8.

13. Notices

All notices regarding the Bearer Notes will be deemed to be validly given if published in one leading English language daily newspaper of general circulation in London. It is expected that such publication will be made in the Financial Times in London. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or any other relevant authority on which the Bearer Notes are for the time being listed or by which they have been admitted to listing. Any such notice will be deemed to have been given on the date of the first publication. If publication as provided above is not practicable, notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee shall approve.

All notices regarding the Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Notes are listed on a stock exchange or admitted to listing by any other relevant authority and the rules of that stock exchange or other relevant authority so require, the relevant notice will be published in a daily newspaper of general circulation in the place or places required by the rules of that stock exchange or other relevant authority. Any such notice will be deemed to have been given on the date of such publication. If the giving of notice as provided above is not practicable, notice

will be given in such other manner, and will be deemed to have been given on such date, as the Trustee shall approve.

Until such time as any definitive Notes are issued, notice may be given (so long as any Global Notes representing the Notes are held in their entirety on behalf of DTC, Euroclear and/or Clearstream, Luxembourg (and so long as the rules of any stock exchange on which the Notes are listed, or the rules of any other relevant authority by which the Notes have been admitted to listing, permit)) by delivery of the relevant notice to DTC, Euroclear and/or Clearstream, Luxembourg (instead of by way of publication or mailing) for communication by them to the holders of the Notes provided that, in addition, for so long as any Notes are listed on a stock exchange or admitted to listing by any other relevant authority and the rules of that stock exchange or other relevant authority so require, such notice will be published in a daily newspaper of general circulation in a place or places required by the rules of that stock exchange or other relevant authority. Any such notice shall be deemed to have been given to the holders of the Notes the day after the day on which the said notice was given to DTC, Euroclear and/or Clearstream, Luxembourg, as the case may be.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Principal Paying Agent or the Registrar through DTC, Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Principal Paying Agent, the Registrar and DTC, Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

14. Meetings of Noteholders, Modification, Waiver, Determination and Substitution

The Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of the provisions of these Terms and Conditions, the Notes, the Coupons or any of the provisions of the Trust Deed. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Issuer at the request of Noteholders holding not less than ten per cent. in nominal amount of the Notes for the time being outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of these Terms and Conditions, the Notes, the Coupons or the Trust Deed as detailed in the Trust Deed, the quorum shall be one or more persons holding or representing not less than two-thirds, or at any adjourned such meeting one or more persons holding or representing not less than one-third, in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Couponholders.

The Trustee may agree, without the consent of the Noteholders or Couponholders, to:

- (a) (other than as detailed in the Trust Deed) any modification of, or any waiver or authorisation of any breach or proposed breach of, any of the provisions of these Terms and Conditions, the Notes, the Coupons or the Trust Deed or, in the case of modification, the Agency Agreement which, in the opinion of the Trustee, is not materially prejudicial to the interests of the Noteholders; or
- (b) any modification of any of the provisions of these Terms and Conditions, the Notes, the Coupons or the Trust Deed which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of applicable law.

The Issuer and the Principal Paying Agent may agree, without the consent of the Trustee, the Noteholders or Couponholders, to any modification of any of the provisions of any applicable Final Terms which is of a formal, minor or technical nature or is made to correct a manifest error.

The Trustee may also determine, without the consent of the Noteholders or the Couponholders, that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such if the Trustee is satisfied that so to do will not be materially prejudicial to the interests of the Noteholders. In addition, the Trustee shall, without the consent of the Noteholders or the Couponholders, concur with the Issuer in making modifications to these Terms and Conditions and/or other relevant transaction documents to which it is a party that the Issuer considers necessary in the circumstances set out in Condition 4(c)(ii)(B)(VII)(i) and Condition 4(c)(ii)(B)(VII)(ii). Subject as provided in the Trust Deed, the Trustee, if it is satisfied that so to do would not be materially prejudicial to the interests of the Noteholders, may agree, without the consent of the Noteholders or Couponholders, to the substitution of any other person or persons incorporated in any country in the world in place of the Issuer as principal debtor under the Trust Deed, the Notes and, if applicable, the Coupons. The Trustee may also agree without the consent of the Noteholders or Couponholders to the addition of another company as an issuer of Notes under the Programme and the Trust Deed. Any such addition shall be subject to the relevant provisions of the Trust Deed and to such amendment thereof and such other conditions as the Trustee may require.

In connection with the exercise by it of any of its trusts, powers, authorities or discretions (including, but without limitation, any modification, waiver, authorisation, determination or substitution), the Trustee shall have regard to the general interests of the Noteholders as a class but shall not have regard to any interests arising from circumstances particular to individual Noteholders or Couponholders (whatever their number) and, in particular, but without limitation, shall not have regard to the consequences (including any tax consequences) of such exercise for individual Noteholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders except, in the case of the Issuer

to the extent provided for in Condition 7 and/or any undertaking given in addition to, or in substitution for, Condition 7 pursuant to the Trust Deed.

Any such modification, waiver, authorisation, determination, substitution or addition as aforesaid shall be binding on the Noteholders the Couponholders and, unless the Trustee agrees otherwise, any such modification or substitution shall be notified to the Noteholders in accordance with Condition 13 as soon as practicable thereafter.

No such modification, waiver, authorisation, determination, substitution or addition as aforesaid which relates to any Dated Subordinated Notes (and/or any Senior Notes issued by Santander UK Group Holdings, if applicable pursuant to any Loss Absorption Regulations) shall become effective unless the Issuer shall have received the consent of the Regulator (unless such consent is not then required under the Capital Rules in the case of Dated Subordinated Notes, or the Loss Absorption Regulations in the case of Senior Notes issued by Santander UK Group Holdings).

15. Further Issues

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the issue price and date of issue thereof and the amount and date of the first payment of interest thereon and so as to be consolidated and form a single series with the outstanding Notes; provided, however, that if such further notes are not issued as part of the same "issue", in a "qualified reopening" or with no more than a *de minimis* amount of original issue discount, in each case for U.S. federal income tax purposes, the further notes will have a separate Common Code, ISIN and (where applicable) CUSIP and CINS from such numbers assigned to the previously issued Notes. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of notes of other Series in certain circumstances where the Trustee so decides.

16. Miscellaneous

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured and/or pre-funded to its satisfaction.

A person who is not a Noteholder has no right by virtue of the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Notes, but this does not affect any right or remedy which exists or is available apart from that Act.

17. Governing Law

The Trust Deed, the Agency Agreement, the Notes and the Coupons, and any non-contractual obligations arising out of, or in connection with, the Trust Deed, the Agency Agreement, the Notes and/or the Coupons, are governed by, and shall be construed in accordance with, English law.

USE OF PROCEEDS

The net proceeds from each issue of Notes will be used for general corporate purposes of the relevant Issuer and its subsidiaries and/or the Group, as applicable. If, in respect of an issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

DESCRIPTION OF THE ISSUERS AND THE GROUP

Background

Santander UK Group Holdings plc is a public limited company incorporated and registered in England and Wales under the Companies Act 2006. It was incorporated on 23 September 2013 as a private limited company with registered number 8700698 with the name Nuevo Topco Limited. On 16 December 2013, Santander UK Group Holdings changed its name to Santander UK Group Limited. On 22 January 2014, Santander UK Group Holdings changed its name to Santander UK Group Holdings Limited. On 25 March 2015, Santander UK Group Holdings reregistered as a public limited company. On 10 January 2014, Santander UK Group Holdings became the holding company of Santander UK plc following its acquisition of Santander UK from Banco Santander, S.A. and Santusa Holding, S.L. ("**Santusa Holding**").

The principal executive office and registered office of Santander UK Group Holdings is at 2 Triton Square, Regent's Place, London, NW1 3AN. The telephone number of Santander UK Group Holdings is +44 (0) 800 389 7000.

Santander UK Group Holdings' principal operating subsidiary is Santander UK. Santander UK was originally formed as a building society and was registered in 1944 under the name Abbey National Building Society with registration number 1B. It is now a public limited liability company incorporated and registered in England and Wales under the Companies Act 2006. It was incorporated on 12 September 1988 with registered number 2294747. Santander UK is a wholly-owned subsidiary of Santander UK Group Holdings.

Santander UK Group Holdings is a subsidiary of Banco Santander and Santusa Holding. Banco Santander and its subsidiary Santusa Holding together hold the entire issued share capital of Santander UK Group Holdings.

The principal executive office and registered office of Santander UK is at 2 Triton Square, Regent's Place, London, NW1 3AN. The telephone number of Santander UK is +44 (0) 800 389 7000.

Santander UK is a wholly-owned subsidiary of Santander UK Group Holdings.

Santander UK Group Holdings and Santander UK operate on the basis of a unified business strategy and have common boards, albeit the principal business activities of the Group are carried on by Santander UK and its subsidiaries.

Corporate Purpose

The Group's purpose is to be the best bank for customers, shareholders, people and communities by acting responsibly.

Business and Support Divisions

The Group, headed by Nathan Bostock, Chief Executive Officer, operates four business divisions as follows:

Retail Banking

Retail Banking offers a wide range of products and financial services to individuals and small businesses through a network of branches and automatic transaction machines (ATMs), as well as through telephony, digital and intermediary channels. Retail Banking includes business banking customers, small businesses with an annual turnover of up to £6.5m, and Santander Consumer Finance, predominantly a vehicle finance business.

Corporate and Commercial Banking

Corporate and Commercial Banking covers multi-sector businesses with an annual turnover typically between £6.5m and £500m. It offers a wide range of financial services and solutions provided by relationship teams and product specialists based across the UK and through digital and telephony channels.

Corporate and Investment Banking

Corporate and Investment Banking (“**CIB**”): services corporate clients with an annual turnover of £500m and above. CIB clients require specially tailored solutions and value-added services due to their size, complexity and sophistication. We provide these clients with products to manage currency fluctuations, protect against interest rate risk, and arrange capital markets finance and specialist trade finance solutions, as well as providing support to the rest of Santander UK’s business segments.

Corporate Centre

Corporate Centre: mainly includes the treasury, non-core corporate portfolios and legacy portfolios. Corporate Centre is also responsible for managing capital and funding, balance sheet

composition, structure, pensions and strategic liquidity risk. To enable a more targeted and strategically aligned apportionment of capital and other resources, revenues and costs incurred in Corporate Centre are allocated to the three business segments. The non-core corporate and

legacy portfolios are being run-down and/or managed for value.

Directors of the Issuers

The following table sets forth the directors of Santander UK plc⁸:

<i>Position</i>	<i>Name</i>	<i>Other principal activities</i>
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⁸ Baroness Shriti Vadera and Scott Wheway have both indicated their intention to resign as directors later this year. Tony Prestedge has been appointed deputy Chief Executive Officer and will be appointed to the board later this year once relevant regulatory approvals are received.

Chair	Baroness Shriti Vadera	Chair, Santander UK Group Holdings plc Senior Independent Director, BHP Group plc Independent Non-Executive Director, Prudential Plc
Executive Director and Chief Executive Officer	Nathan Bostock	Chief Executive Officer and Executive Director, Santander UK Group Holdings plc Member of the Financial Services Trade and Investment Board
Executive Director and Chief Financial Officer	Duke Dayal	Chief Financial Officer and Executive Director, Santander UK Group Holdings plc
Executive Director and CEO, Retail and Business Banking	Susan Allen	Director, Cater Allen Limited Director, UK Finance Limited
Independent Non-Executive Director and Senior Independent Director	Scott Wheway	Independent Non-Executive Director, Santander UK Group Holdings plc Chairman, Centrica plc Chairman, AXA UK plc
Independent Non-Executive Director and Employee Designated Director	Annemarie Durbin	Non-Executive Director, WH Smith PLC Chair, Cater Allen Limited Chair, Merryk & Co. EMEA
Independent Non-Executive Director	Ed Giera	Independent Non-Executive Director, Santander UK Group Holdings plc Non-Executive Director, Renshaw Bay Real Estate Finance Fund
Independent Non-Executive Director and Santander UK plc's Whistleblower's Champion	Chris Jones	Independent Non-Executive Director, Santander UK Group Holdings plc Non-Executive Director, Redburn (Europe) Ltd Audit and Risk Committee Member, Wellcome Trust Board member, Audit Committee Chair's Independent Forum

Independent Non-Executive Director	Genevieve Shore	Independent Non-Executive Director, Rugby Football Union
Banco Santander Nominated Non-Executive Director	Ana Botin	Non-Executive Director, Santander UK Group Holdings plc Executive Chair and Director, Banco Santander SA Non-Executive Director, The Coca-Cola Company Vice-Chair, the Empresa y Crecimiento Foundation Member of the MIT's CEO Advisory Board Vice-Chair World Business Council for Sustainable Development
Banco Santander Nominated Non-Executive Director	Gerry Byrne	Chairman of the Supervisory Board, Santander Bank Polska SA Head of Europe, Banco Santander Group
Independent Non-Executive Director	Garrett Curran	Director, Les Trois Rocs SA Senior Adviser, Quant Insight and Cambridge Machines Asset Management
Banco Santander Nominated Non-Executive Director	Bruce Carnegie-Brown	Non-Executive Director, Santander UK Group Holdings plc Vice Chairman and Lead Independent Director, Banco Santander SA Chairman, Lloyd's of London Chairman, Cuvva Limited
Banco Santander Nominated Non-Executive Director	Dirk Marzluf	Chairman, Santander Global Operations SA Chairman, Santander Global Technology SL

The following table sets forth the directors of Santander UK Group Holdings plc⁹:

⁹ Baroness Shriti Vadera and Scott Wheway have both indicated their intention to resign as directors later this year.

Chair	Baroness Shriti Vadera	Chair, Santander UK plc Senior Independent Director, BHP Group plc Independent Non-Executive Director, Prudential Plc
Executive Director and Chief Executive Officer	Nathan Bostock	Chief Executive Officer and Executive Director, Santander UK plc Member of the Financial Services Trade and Investment Board
Executive Director and Chief Financial Officer	Duke Dayal	Chief Financial Officer and Executive Director, Santander UK plc
Independent Non-Executive Director and Senior Independent Director	Scott Wheway	Independent Non-Executive Director, Santander UK plc Interim Chairman, Centrica plc Chairman, AXA UK plc
Independent Non-Executive Director	Ed Giera	Independent Non-Executive Director, Santander UK plc Non-Executive Director, Renshaw Bay Real Estate Finance Fund
Independent Non-Executive Director and Santander UK plc's Whistleblower's Champion	Chris Jones	Independent Non-Executive Director, Santander UK plc Non-Executive Director, Redburn (Europe) Ltd Audit and Risk Committee Member, Wellcome Trust Board member, Audit Committee Chair's Independent Forum
Banco Santander Nominated Non-Executive Director	Ana Botin	Non-Executive Director, Santander UK plc Executive Chair and Director, Banco Santander SA Non-Executive Director, The Coca-Cola Company Vice-Chair, the Empresa y Crecimiento Foundation Member of the MIT's CEO Advisory Board Vice-Chair World Business Council for Sustainable Development

The business address of each of the directors is 2 Triton Square, Regent's Place, London NW1 3AN with telephone number +44 (0) 800 389 7000.

Conflicts of Interest

There are no potential conflicts of interest between the duties to each of the Issuers of the persons listed above and their private interests and/or other duties.

Credit Ratings

As at the date of this Prospectus, the long-term obligations of Santander UK are rated A by S&P, Aa3 by Moody's and A+ by Fitch, and the short-term obligations of Santander UK are rated A-1 by S&P, P-1 by Moody's and F1 by Fitch. As at the date of this Prospectus, the long-term obligations of Santander UK Group Holdings are rated BBB by S&P, Baa1 by Moody's and A by Fitch, and the short-term obligations of Santander UK Group Holdings are rated A-2 by S&P, P-2 by Moody's and F1 by Fitch.

REGULATION OF THE GROUP

As a financial services group, Santander UK is subject to extensive financial services laws, regulations, administrative actions and policies in the UK, the EU and in each other location in which Santander UK operates. This intensive approach to supervision is maintained in the United Kingdom by the PRA and the FCA. As well as being subject to UK regulation, as part of the Banco Santander Group, Santander UK is also affected by other regulators, such as the Banco de España and the ECB, as well as various legal and regulatory regimes (including the U.S.) that have extra-territorial effect. Extensive legislation and implementing regulations affecting the financial services industry have recently been adopted in regions that directly or indirectly affect Santander UK's business, including Spain, the U.S., the EU and other jurisdictions.

Approach of the Financial Conduct Authority (FCA)

As per the FSMA (amended by the Financial Services Act 2012), the FCA has a strategic objective to ensure that the relevant markets function well. In support of this, the FCA has three operational objectives: to secure an appropriate degree of protection for consumers; to protect and enhance the integrity of the UK financial system and to promote effective competition in the interests of consumers.

The FCA Handbook sets out rules and guidance across a range of conduct issues with which financial institutions are required to comply including high level principles of business and detailed conduct of business standards and reporting standards.

Regulatory Approach of the PRA

As per the Financial Services Act 2012, the PRA has two statutory objectives: to promote the safety and soundness of the firms which it supervises and, with respect to insurers, to contribute to the securing of an appropriate degree of protection for policyholders. The PRA has a secondary objective in respect of competition. The PRA's regulatory and supervisory approach incorporates three key characteristics: to take a judgement-based approach, a forward-looking approach, and a focused-approach.

The PRA has largely inherited the prudential aspects of the former FSA Handbook (now within the PRA Rulebook), including regulations and guidance relating to capital adequacy and liquidity among several other things.

U.S. regulation

Within the Dodd-Frank Act, the so-called Volcker Rule prohibits 'banking entities', including the Group, from engaging in certain forms of proprietary trading or from sponsoring or investing in certain covered funds, in each case subject to certain exemptions, including exemptions permitting foreign banking entities to engage in trading and fund activities that take place solely outside of the U.S. The final rules contain exclusions and certain exemptions for market-making, hedging, underwriting, trading in U.S. government and agency obligations as well as certain foreign government obligations, trading solely outside the U.S., and also permit ownership interests in certain types of funds to be retained. The Group was generally required to come into compliance with the Volcker Rule by July 2015. In August 2019, the Federal Reserve and other federal regulators approved certain modifications to the Volcker Rule which included

modifications to the scope of restrictions on proprietary trading and investments in covered funds which generally operated to simplify and reduce compliance requirements. The effective date of these amendments was 1 January 2020 with compliance required by 1 January 2021. These regulators proposed further amendments to the Volcker Rule's covered funds provisions on 30 January 2020, which would, if adopted, provide important new exclusions from the definition of covered fund and flexibility for banking entities to engage in funds activities. The proposal is currently open for comment, and the timeline for finalisation remains uncertain.

The Banking Act 2009

The special resolution regime set out in the Banking Act provides HM Treasury, the BoE, the PRA and the FCA with a variety of powers for dealing with UK deposit taking institutions (and, in certain circumstances, their holding companies) that are failing or likely to fail, including: (i) to take a bank or bank holding company into temporary public ownership; (ii) to transfer all or part of the business of a bank to a private sector purchaser; or (iii) to transfer all or part of the business of a bank to a 'bridge bank'. The special resolution regime also comprises a separate insolvency procedure and administration procedure each of which is of specific application to banks. These insolvency and administration measures may be invoked prior to the point at which an application for insolvency proceedings with respect to a relevant institution could be made.

The Financial Services (Banking Reform) Act 2013 further amended the Banking Act to introduce a UK 'bail-in power' to implement the BRRD, which contains a bail-in power similar to that contained in the Banking Act and requires EU Member States to provide resolution authorities with the power to write down the claims of unsecured creditors of a failing institution and to convert unsecured claims to equity (subject to certain parameters). The UK bail-in power is an additional power available to the UK resolution authorities under the special resolution regime provided for in the Banking Act. This enables them to recapitalise a failed institution by allocating losses to such institution's shareholders and unsecured creditors, subject to the rights of such shareholders and unsecured creditors to be compensated under a bail-in compensation order.

Competition

In the UK and elsewhere, there is continuing political, competitive and regulatory scrutiny of the banking industry. Political involvement in the regulatory process, in the behaviour and governance of the UK banking sector and in the major financial institutions in which the UK Government has a direct financial interest is likely to continue. The CMA is the UK's main competition authority responsible for ensuring that competition and markets work well for consumers. In addition, under the Banking Reform Act, as of 1 April 2015, the FCA has the power to enforce against breaches of the Competition Act 1998 and to refer markets to the CMA for in-depth investigation in the areas of financial services in the UK. As of 1 April 2015, the PSR also has an objective and powers equivalent to those of the FCA to promote competition in the payments industry.

In August 2016, the CMA published the final report in its market investigation into competition in the personal current account and SME retail banking markets, which identified a number of features of the markets for the supply of personal current accounts, business current accounts and SME lending that, in combination, were having an adverse effect on competition. The CMA is currently implementing a comprehensive package of remedies including, among other things,

Open Banking and the introduction of requirements to prompt customers to review the services that they receive from their bank at certain trigger points and to promote customer awareness of account switching.

Payments

Santander UK has been required to make systems changes and update processes to comply with a number of new payments regulations at a European as well as domestic UK Level. Within the UK, the Payment Systems Regulator has mandated Santander UK build systems and processes for both Confirmation of Payee as well as the Contingent Reimbursement Model Code which both aim to reduce the level of customer fraud (particularly through the Group's customer's manipulation into making payments known as "Authorised Push Payment" fraud).

At a European level, the PSD2 is a fundamental piece of payments-related legislation in Europe, the first part of which came into force in January 2018. The regulation aims to harmonise payment processing across Europe, and is being implemented in the UK by the FCA.

In the UK, PSD2 introduced Open Banking, which opened up access to customers' online account and payments data to TPPs. Customers are able to give secure access to certain TPPs authorised by the FCA or other European regulators to access account information and to make payments from current accounts. Following the CMA's retail banking market investigation, the CMA-9 were required to accelerate certain of the PSD2 requirements and implement Open Banking by 13 January 2018.

The access method for customer accounts by TPPs is via an established Application Programme Interface ("**API**") and, as one of the CMA-9, Santander UK has been required to undertake significant technical build to create these APIs and extend them to all categories of customers, account types and currencies.

Open Banking and PSD2 both have the potential to exacerbate a number of existing risks including data loss/data protection, cyber security, fraud and wider financial crime risk, which in turn could give rise to increased costs, litigation risk and risk of regulatory investigation and enforcement activity. Examples of the heightened risk include the risk of fraud relating to activities of a TPP pursuant to which funds are redirected to a third party not chosen by the customer; and the risk of data misuse by a TPP/other third party where the TPP has requested the data from Santander UK and this is provided to the TPP.

Financial Crime

On 30 May 2018, the Council of EU and the European Parliament amended the Fourth Anti-Money Laundering Directive (the "**Directive**"), publishing the amending Directive (EU) No 2018 / 843 ("**5th AMLD**").

The 5th AMLD brought in increased corporate transparency rules, introduced the application of AML rules to firms providing services associated with virtual currencies and further extended enhanced due diligence requirements to all transactions with natural persons or legal entities established in third countries identified as high-risk countries ("**HRTCs**") pursuant to Article 9(2) of the Directive.

Shortly after, the UK Government confirmed their intention to implement the 5th AMLD into UK law by the EU's transposition deadline of 10th January 2020, despite transposition falling within the then expected Brexit transition period. The intention to transpose the Directive was carried out successfully on 20th December 2019, and the Money Laundering and Terrorist Financing (Amendment) Regulations 2019 ("**The Regulations**") came into effect on 10th January 2020.

The Regulations:

- Introduce a requirement to report beneficial ownership discrepancies to Companies House;
- Extend EDD measures in respect of customers resident in a High-Risk Third Country; and
- Treat new types of transactions, such as those related to cultural artefacts or items of archaeological, historical, cultural or religious significance, as potentially high risk.

To ensure regulatory continuity post-Brexit, the UK Sanctions and AML Act received Royal Assent on 23 May 2018. The Act enables the UK to continue to implement United Nations sanctions regimes following Brexit. The Act also gives the UK the ability to impose its own sanctions regime which is likely to follow the approach of the EU but could deviate in some areas. Separately, the Money Laundering and Transfer of Funds (Information) (Amendment) (EU Exit) Regulations 2019 will ensure that the UK's current AML Regime continues to operate effectively once the UK ceases to be a member of the EU.

The UK will continue to follow EU legislation during the implementation period, which is due to end on 31 December 2020, and no immediate divergence is expected either on sanctions or the AML/CTF regime after this date.

As regards sanctions, the current U.S. administration continues to apply these regularly against individuals, entities and countries. The re-introduction of primary and secondary sanctions against Iran occurred in November 2018, following the U.S. withdrawal from the Joint Comprehensive Plan of Action. Sanctions against Iran have since then increased further and are now targeting construction, manufacturing, textiles and mining. In light of Iran's recent announcement that it would no longer abide by the nuclear deal with the EU, the EU too could consider reintroducing sanctions against Iran, although this has not crystallised.

The banking sector continues to be subject to the Suspicious Activity Reporting ("**SAR**") regime laid out in the Proceeds of Crime Act 2002. The regime is one of the key tools to inform law enforcement agencies and the National Crime Agencies of suspicious (potentially money laundering) activity. In 2018, the UK Government asked the Law Commission to conduct a review of the legislation underpinning the regime. The review was completed in July 2019 and concluded that the breadth of the legal framework, including the pressure to submit SARs that is driven by individual criminal liability for failing to submit one when 'suspicious', means that SARs regime suffers from very large SARs volumes.

The UK's SARs Reform Programme, which operates within the confines of the Government's Economic Crime Plan 2019-2022, is exploring how banks could, together with government,

target their joint efforts to produce and act quickly on higher value intelligence, thereby acting on some of the Law Commission's findings.

Separately, the UK Parliament's Treasury Select Committee concluded its inquiry, launched in 2018, into Economic Crime, with the report published in two parts, the first part in March and the second part in November 2019. The first part commented primarily on the fragmented approach to AML supervision in the UK, while the second part focused on the changes required to make banking safer for consumers from a fraud perspective. Both issues will be considered through the public-private work on the Government's Economic Crime Plan 2019-2022 which is looking holistically at the UK and international anti-economic crime efforts.

BOOK-ENTRY CLEARANCE SYSTEMS

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Euroclear or Clearstream, Luxembourg (together, the “Clearing Systems”) currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuers believe to be reliable. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuers, the Trustee, the Dealers and the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records or payments relating to such beneficial ownership interests.

Book-entry Systems

DTC

DTC has advised the Issuers that it is a limited purpose trust company organised under the New York Banking Law, a “banking organisation” within the meaning of the New York Banking Law, a member of the Federal Reserve System a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to Section 17A of the Exchange Act. DTC holds and provides asset servicing for securities that its participants (“**Participants**”) deposit with DTC. DTC also facilitates the post trade settlement among Participants of sales and other securities transactions in deposited securities through electronic computerised book-entry changes between Participants’ accounts, thereby eliminating the need for physical movement of securities certificates. Direct participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations (“**Direct Participants**”). DTC is a wholly-owned subsidiary of the Depository Trust & Clearing Corporation (“**DTCC**”) DTCC, in turn, is owned by a number of Direct Participants and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation and Emerging Markets Clearing Corporation (NSCC, GSCC, MBSCC and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc.. Access to the DTC System is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“**Indirect Participants**”). DTC has S&P’s highest rating: AAA. The DTC Rules applicable to its Direct or Indirect Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Under the rules, regulations and procedures creating and affecting DTC and its operations (the “**Rules**”), DTC makes book-entry transfers of Registered Notes among Direct Participants on whose behalf it acts with respect to Notes accepted into DTC’s book-entry settlement system (“**DTC Notes**”) as described below and receives and transmits distributions of principal and interest on DTC Notes. The Rules are on file with the United States Securities and Exchange Commission. Direct Participants and Indirect Participants with which beneficial owners of DTC Notes (“**Beneficial Owners**”) have accounts with respect to the DTC Notes are required to make book-entry transfers and receive and transmit such payments on behalf of their respective

Owners. Accordingly, although Beneficial Owners who hold DTC Notes through Direct Participants or Indirect Participants will not possess Registered Notes, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants can receive payments and transfer their interest with respect to the DTC Notes.

Purchases of DTC Notes under the DTC System must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC's records. The ownership interest of each actual purchaser of each DTC Note is in turn to be recorded on the Direct and Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Notes, except in the event that use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other nominee as may be requested by an authorised representative of DTC. The deposit of DTC Notes with DTC and their registration in the name of Cede & Co. or such other nominee effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping an account of their holdings of DTC Notes on behalf of their customers.

Delivery of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the DTC Notes of a Series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such Series to be redeemed.

Neither DTC nor Cede & Co. nor such other nominee will consent or vote with respect to DTC Notes. Under its usual procedures, DTC will mail an Omnibus Proxy to the relevant Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the DTC Notes will be made to Cede & Co., or such other nominee as may be requested by an authorised representative of DTC. DTC's practice is to credit Direct Participants' accounts on the due date for payment in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the due date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the

responsibility of such Direct or Indirect Participant and not of DTC or its nominee or the relevant Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co., or such other nominee as may be requested by an authorised representative of DTC is the responsibility of the relevant Issuer, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants. The Issuers do not accept any responsibility or liability for any such payments to be made by DTC or by Direct or Indirect Participants.

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each hold securities for their customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

Book-entry Ownership of and Payments in respect of DTC Notes

The relevant Issuer will apply to DTC in order to have each Tranche of Notes represented by Rule 144A Global Notes accepted in its book-entry settlement system. Upon the issue of any Rule 144A Global Notes, DTC or its custodian will credit, on its internal book-entry system, the respective nominal amounts of the individual beneficial interests represented by such Rule 144A Global Notes to the accounts of DTC Participants. Such accounts initially will be designated by or on behalf of the relevant Dealer. Ownership of beneficial interests in a Rule 144A Global Note will be held through Direct Participants or Indirect Participants of DTC, including the respective depositories of Euroclear and Clearstream, Luxembourg. Ownership of beneficial interests in a Rule 144A Global Note will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. dollars of principal and interest in respect of a Rule 144A Global Note registered in the name of DTC's nominee will be made to the order of such nominee as the registered holder of such Note. In the case of any payment in a currency other than U.S. dollars, payment will be made by the relevant Issuer to the Exchange Agent on behalf of DTC's nominee and the Exchange Agent will (in accordance with instructions received by it) remit all or a portion of such payment for credit directly to the beneficial holders of interests in the Rule 144A Notes in

the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S. dollars and credited to the applicable Participants' account.

Transfers of Notes Represented by Registered Global Notes

Transfers of any interests in Notes represented by a Registered Global Note within DTC, Euroclear and Clearstream, Luxembourg will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. The laws in some States within the United States require that certain persons take physical delivery of securities in definitive form. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Notes represented by a Rule 144A Global Note to pledge such Notes to persons or entities that do not participate in the DTC system or to otherwise take action in respect of such Notes may depend upon the ability to exchange such Notes for Notes in definitive form. The ability of any holder of Notes represented by a Rule 144A Global Note to resell, pledge or otherwise transfer such Notes may be impaired if the proposed transferee of such Notes is not eligible to hold such Notes through a Direct or Indirect Participant in the DTC system.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described under "*Subscription and Sale and Transfer and Selling Restrictions*", cross-market transfers between DTC, on the one hand, and directly or indirectly through Euroclear or Clearstream, Luxembourg accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Registrar, the Principal Paying Agent and any custodian ("**Custodian**") with whom the relevant Registered Global Notes have been deposited.

On or after the Issue Date for any Series, transfers of Notes of such Series between accountholders in Euroclear and Clearstream, Luxembourg and transfers of Notes of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Euroclear or Clearstream, Luxembourg and DTC Participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Euroclear and Clearstream, Luxembourg, on the other, transfers of interests in the relevant Registered Global Notes will be effected through the Registrar, the Principal Paying Agent and the Custodian receiving instructions (and where appropriate certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. In the case of cross-market transfers, settlement between Euroclear or Clearstream, Luxembourg accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a delivery free of payment basis and arrangements for payment must be made separately.

DTC, Euroclear and Clearstream, Luxembourg have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Global Notes among participants and accountholders of DTC, Euroclear and Clearstream, Luxembourg. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuers, the Trustee,

the Agents or any Dealer will be responsible for any performance by DTC, Euroclear or Clearstream, Luxembourg or their respective Direct or Indirect Participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

TAXATION

UK Taxation

The comments below are of a general nature and are based on the Issuers' understanding of current United Kingdom law and HM Revenue & Customs' ("HMRC") published practice as at the date of this Prospectus. They relate only to the position of persons who are the absolute beneficial owners of the Notes. They are not exhaustive. They relate only to the deduction from interest (as that term is understood for United Kingdom tax purposes) on the Notes for or on account of tax in the United Kingdom (and do not deal with any other United Kingdom tax implications of acquiring, holding or disposing of the Notes). The United Kingdom tax treatment of Noteholders depends on their individual circumstances and may be subject to change in the future. Prospective Noteholders who may be unsure of their tax position or who may be subject to tax in a jurisdiction other than the United Kingdom should seek their own professional advice.

1. Payments of interest on Notes issued by the relevant Issuer which are "quoted Eurobonds" within the meaning of Section 987 of the Income Tax Act 2007 (the "**ITA 2007**") may be made without withholding or deduction for or on account of United Kingdom income tax by the relevant Issuer and any Paying Agents. Notes will constitute "quoted Eurobonds" provided that they carry a right to interest and they are and continue to be listed on a "recognised stock exchange" (as defined in section 1005 ITA 2007).
2. In the United Kingdom, the FCA is a competent authority and the London Stock Exchange is a recognised stock exchange. So long as this remains the case, the Notes will constitute "quoted Eurobonds" provided they carry a right to interest and are and continue to be admitted to the Official List (within the meaning of Part 6 of the Financial Services and Markets Act 2000) by the FCA and admitted to trading on the London Stock Exchange's Main Market.
3. Santander UK will be entitled to make payments of interest on the Notes without deduction of or withholding on account of United Kingdom income tax provided that:
 - (a) Santander UK is and continues to be a bank within the meaning of section 991 of the ITA 2007; and
 - (b) the interest on the Notes is and continues to be paid in the ordinary course of Santander UK's business within the meaning of section 878 ITA 2007.
4. In other cases tax may, subject to any other available exemptions or reliefs, have to be withheld from payments of interest on the Notes. Where United Kingdom tax is withheld, the rate is the "basic rate" of income tax (currently 20 per cent.). However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, HMRC can issue a notice to the relevant Issuer to pay interest to the Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

The proposed financial transactions tax (“FTT”)

On 14 February 2013, the European Commission published a proposal (the “**Commission’s Proposal**”) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**participating Member States**”). However, Estonia has since stated that it will not participate.

The Commission’s Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt.

Under the Commission’s Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

U.S. Taxation

The following is a summary of certain U.S. federal income tax considerations that may be relevant to a holder of a Note that is a citizen or resident of the United States, a U.S. domestic corporation or otherwise is subject to U.S. federal income tax on a net income basis in respect of the Note (a “**U.S. holder**”). This summary is based on laws, regulations, rulings and decisions now in effect, all of which are subject to change. This summary deals only with U.S. holders that hold Notes as capital assets. It does not address all aspects of U.S. federal income taxation that may be relevant to particular investors, and does not address tax considerations applicable to investors that may be subject to special tax rules, such as banks, tax-exempt entities, insurance companies, dealers in securities or currencies, traders in securities electing to mark to market, persons that will hold Notes as a position in a “straddle” or conversion transaction or as part of a “synthetic security” or other integrated financial transaction, persons that actually or constructively own 10% or more of the relevant Issuer’s stock (by vote or value), nonresident alien individuals present in the United States for more than 182 days in a taxable year, persons that hold Notes through partnerships or other pass-through entities, persons that hold Notes in bearer form or persons that have a “functional currency” other than the U.S. dollar. This summary also does not address the alternative minimum tax or the Medicare tax on net investment income. Moreover, the summary does not address Notes with a term of over 30 years or other special tax considerations.

Investors should consult their own tax advisors in determining the tax consequences to them of holding Notes, including the application to their particular situation of the U.S. federal income tax considerations discussed below, as well as the application of state, local, foreign or other tax laws.

A U.S. holder that uses the accrual method of accounting for tax purposes (“**accrual method holder**”) generally is required to include certain amounts in income no later than the time such amounts are reflected on certain financial statements (the “**book/tax conformity rule**”). The application of the book/tax conformity rule thus may require the accrual of income earlier than would be the case under the general tax rules described below. It is not clear to what types of income the book/tax conformity rule applies, or, in some cases, how the rule is to be applied if it is applicable. However, proposed regulations generally would exclude, among other items, original issue discount and market discount (in either case, whether or not de minimis) from the applicability of the book/tax conformity rule. Although the proposed regulations generally will not be effective until taxable years beginning after the date on which they are issued in final form, taxpayers generally are permitted to elect to rely on their provisions currently. Accrual method holders should consult their own tax advisors regarding the potential applicability of the book/tax conformity rule to their particular situation.

Characterization of the Dated Subordinated Notes and certain Senior Notes

No statutory, judicial or administrative authority directly addresses the characterization of the Dated Subordinated Notes or Senior Notes of Santander UK Group Holdings, or instruments similar to such Notes for U.S. federal income tax purposes. As a result, significant aspects of the U.S. tax consequences of an investment in the Notes are uncertain. Santander UK Group Holdings expects, however, absent a change in law and depending on the precise terms of any issuance, that it is more likely than not that the Dated Subordinated Notes will be treated as debt instruments for U.S. federal income tax purposes, and that any Senior Notes of Santander UK Group Holdings should be treated as debt instruments for U.S. federal income tax purposes.

The relevant Issuer will indicate in the applicable Final Terms or Pricing Supplement for any Rule 144A Notes the relevant Issuer’s intended characterization of the Notes for U.S. federal income tax purposes. In general, under the U.S. Internal Revenue Code of 1986 (the “**Code**”), the characterization of an instrument for U.S. tax purposes as debt or equity of a corporation by its issuer as of the time of issuance is binding on a holder unless the holder discloses on its tax return that it is taking an inconsistent position. The relevant Issuer’s characterization, however, is not binding on the IRS. The following discussion assumes that the Dated Subordinated Notes will be treated as debt instruments for U.S. federal income tax purposes.

Payments of interest

Payments of “qualified stated interest” (as defined below under “*Original issue discount*”) on a Note will be taxable to a U.S. holder as ordinary interest income at the time that such payments are accrued or are received (in accordance with the U.S. holder’s method of tax accounting). If such payments of interest are made with respect to a Note denominated in a currency other than the U.S. dollar (a “**Foreign Currency Note**”), the amount of interest income realized by a U.S. holder that uses the cash method of tax accounting will be the U.S. dollar value of the foreign currency payment based on the exchange rate in effect on the date of receipt regardless of whether the payment in fact is converted into U.S. dollars. An accrual method holder will

accrue interest income on the Note in the relevant foreign currency and translate the amount accrued into U.S. dollars based on the average exchange rate in effect during the interest accrual period (or portion thereof within the U.S. holder's taxable year), or, at the accrual method holder's election, at the spot rate of exchange on the last day of the accrual period (or the last day of the taxable year within such accrual period if the accrual period spans more than one taxable year), or at the spot rate of exchange on the date of receipt, if such date is within five business days of the last day of the accrual period. A U.S. holder that makes such election must apply it consistently to all debt instruments from year to year and cannot change the election without the consent of the U.S. Internal Revenue Service (the "IRS"). An accrual method holder will recognize foreign currency gain or loss, as the case may be, on the receipt of an interest payment made with respect to a Foreign Currency Note if the exchange rate in effect on the date the payment is received differs from the rate applicable to a previous accrual of that interest income. This foreign currency gain or loss will be treated as ordinary income or loss but generally will not be treated as an adjustment to interest income received on the Note.

Purchase, sale and retirement of Notes

A U.S. holder's tax basis in a Note generally will equal the cost of such Note to such U.S. holder, increased by any amount includible in income by the U.S. holder as original issue discount or market discount and reduced by any amortized premium (each as described below) and any payments other than payments of qualified stated interest made on such Note. In the case of a Foreign Currency Note, the cost of such Note to a U.S. holder will be the U.S. dollar value of the foreign currency purchase price on the date of purchase. In the case of a Foreign Currency Note that is traded on an established securities market, a cash basis U.S. holder (and, if it so elects, an accrual method holder) will determine the U.S. dollar value of such Note by translating the amount paid at the spot rate of exchange on the settlement date of the purchase. The amount of any subsequent adjustments to a U.S. holder's tax basis in a Note in respect of original issue discount, market discount, and premium denominated in a foreign currency will be determined in the manner described under "*Original issue discount*" and "*Premium and market discount*" below. The conversion of U.S. dollars to the relevant foreign currency and the immediate use of the foreign currency to purchase such a Note generally will not result in taxable gain or loss for a U.S. holder.

Upon the sale, exchange or retirement of a Note, a U.S. holder generally will recognize gain or loss equal to the difference between the amount realized on the sale, exchange or retirement (less any accrued qualified stated interest, which will be taxable as such) and the U.S. holder's tax basis in such Note. If a U.S. holder receives a currency other than the U.S. dollar in respect of the sale, exchange or retirement of a Note, the amount realized will be the U.S. dollar value of the foreign currency received calculated at the exchange rate in effect on the date the Note is sold, exchanged or retired. In the case of a Foreign Currency Note that is traded on an established securities market, a cash basis U.S. holder (and, if it so elects, an accrual method holder) will determine the U.S. dollar value of the amount realized by translating such amount at the spot rate on the settlement date of the sale. The election available to accrual method holders in respect of the purchase and sale of Foreign Currency Notes that are traded on an established securities market, discussed above, must be applied consistently to all debt instruments from year to year and cannot be changed without the consent of the IRS.

Except as discussed below with respect to market discount, Short-Term Notes (as defined below) and foreign currency gain or loss, gain or loss recognized by a U.S. holder generally will

be long-term capital gain or loss if the U.S. holder has held the Note for more than one year at the time of disposition. Long-term capital gains recognized by an individual holder generally are subject to tax at a lower rate than short-term capital gains or ordinary income. The ability of U.S. holders to offset capital losses against ordinary income is limited.

Gain or loss recognized by a U.S. holder on the sale, exchange or retirement of a Foreign Currency Note generally will be treated as ordinary income or loss to the extent that the gain or loss is attributable to changes in exchange rates during the period in which the U.S. holder held such Note. This foreign currency gain or loss will not be treated as an adjustment to interest income received on the Notes.

Write-down by the relevant UK resolution authority on the exercise of a UK bail-in power

As discussed above in the risk factor entitled "*The Group may become subject to the provisions of the Banking Act 2009, including bail-in and write down powers*", the relevant UK resolution authority may take certain actions in respect of the Notes, including the write-down and cancellation of some or all of the principal and/or accrued interest on the Notes. No statutory, judicial or administrative authority directly addresses the U.S. federal income tax treatment of such a write-down, including whether a U.S. holder would be entitled to a deduction for loss at the time it occurs. U.S. holders may, for example, be required to wait to take a deduction until there is an actual or deemed sale, exchange or other taxable disposition of the remaining Notes for which recognition of losses is permitted under the Code. U.S. holders of Notes should consult their own tax advisers regarding the tax consequences to them of a write-down of their Notes by the relevant UK resolution authority.

Original issue discount

If the relevant Issuer issues Notes at a discount from their stated redemption price at maturity (as defined below), and the discount is equal to or more than the product of one-fourth of one per cent. (0.25%) of the stated redemption price at maturity of the Notes multiplied by the number of full years to their maturity (the "**de minimis threshold**"), the Notes will be "**Original Issue Discount Notes**." The difference between the issue price and the stated redemption price at maturity of the Notes will be the "original issue discount." The "issue price" of the Notes will be the first price at which a substantial amount of the Notes are sold to the public (that is, excluding sales of Notes to underwriters, placement agents, wholesalers or similar persons). The "stated redemption price at maturity" will include all payments under the Notes other than payments of qualified stated interest. The term "qualified stated interest" generally means stated interest that is unconditionally payable in cash or property (other than debt instruments issued by the relevant Issuer) at least annually during the entire term of a Note at a single fixed interest rate or, subject to certain conditions, based on one or more interest indices.

U.S. holders of Original Issue Discount Notes generally will be subject to the special tax accounting rules for obligations issued with original issue discount ("**OID**") provided by the Code, and certain regulations promulgated thereunder (the "**OID Regulations**"). U.S. holders of Original Issue Discount Notes should be aware that, as described in greater detail below, they generally must include OID in ordinary gross income for U.S. federal income tax purposes as it accrues, in advance of the receipt of cash attributable to that income.

In general, each U.S. holder of an Original Issue Discount Note, whether such holder uses the cash or the accrual method of tax accounting, will be required to include in ordinary gross income the sum of the “daily portions” of OID on the Note for all days during the taxable year that the U.S. holder owns the Note. The daily portions of OID on an Original Issue Discount Note are determined by allocating to each day in any accrual period a ratable portion of the OID allocable to that accrual period. Accrual periods may be any length and may vary in length over the term of an Original Issue Discount Note, provided that no accrual period is longer than one year and each scheduled payment of principal or interest occurs on either the final day or the first day of an accrual period. In the case of an initial holder, the amount of OID on an Original Issue Discount Note allocable to each accrual period is determined by (a) multiplying the “adjusted issue price” (as defined below) of the Original Issue Discount Note at the beginning of the accrual period by the yield to maturity of such Original Issue Discount Note (appropriately adjusted to reflect the length of the accrual period) and (b) subtracting from that product the amount (if any) of qualified stated interest allocable to that accrual period. The yield to maturity of a Note is the discount rate that causes the present value of all payments on the Note as of its original issue date to equal the issue price of such Note. The “adjusted issue price” of an Original Issue Discount Note at the beginning of any accrual period will generally be the sum of its issue price (generally including accrued interest, if any) and the amount of OID allocable to all prior accrual periods, reduced by the amount of all payments other than payments of qualified stated interest (if any) made with respect to such Note in all prior accrual periods. In the case of an Original Issue Discount Note that is a Floating Rate Note, both the “yield to maturity” and “qualified stated interest” will generally be determined for these purposes as though the Original Issue Discount Note will bear interest in all periods at a fixed rate generally equal to the rate that would be applicable to the interest payments on the Note on its date of issue or, in the case of certain Floating Rate Notes, the rate that reflects the yield that is reasonably expected for the Note. (Additional rules may apply if interest on a Floating Rate Note is based on more than one interest index.) As a result of this “constant yield” method of including OID in income, the amounts includible in income by a U.S. holder in respect of an Original Issue Discount Note denominated in U.S. dollars generally are lesser in the early years and greater in the later years than the amounts that would be includible on a straight-line basis.

A U.S. holder generally may make an irrevocable election to include in its income its entire return on a Note (that is, the excess of all remaining payments to be received on the Note, including payments of qualified stated interest, over the amount paid by such U.S. holder for such Note) under the constant-yield method described above. For Notes purchased at a premium or bearing market discount in the hands of the U.S. holder, the U.S. holder making such election will also be deemed to have made the election (discussed below in “*Premium and market discount*”) to amortize premium or to accrue market discount in income currently on a constant-yield basis.

In the case of an Original Issue Discount Note that is also a Foreign Currency Note, a U.S. holder should determine the U.S. dollar amount includible in income as OID for each accrual period by (a) calculating the amount of OID allocable to each accrual period in the relevant foreign currency using the constant-yield method described above, and (b) translating the amount of the foreign currency so derived at the average exchange rate in effect during that accrual period (or portion thereof within a U.S. holder’s taxable year) or, at the U.S. holder’s election (as described above under “*Payments of interest*”), at the spot rate of exchange on the last day of the accrual period (or the last day of the taxable year within such accrual period if the accrual period spans more than one taxable year), or at the spot rate of exchange on the date of

receipt, if such date is within five business days of the last day of the accrual period. Because exchange rates may fluctuate, a U.S. holder of an Original Issue Discount Note that is also a Foreign Currency Note may recognize a different amount of OID income in each accrual period than would the holder of an otherwise similar Original Issue Discount Note denominated in U.S. dollars. All payments on an Original Issue Discount Note (other than payments of qualified stated interest) will generally be viewed first as payments of previously accrued OID (to the extent thereof), with payments attributed first to the earliest-accrued OID, and then as payments of principal. Upon the receipt of an amount attributable to OID (whether in connection with a payment of an amount that is not qualified stated interest or the sale or retirement of the Original Issue Discount Note), a U.S. holder will recognize ordinary income or loss measured by the difference between the amount received (translated into U.S. dollars at the exchange rate in effect on the date of receipt or on the date of disposition of the Original Issue Discount Note, as the case may be) and the amount accrued (using the exchange rate applicable to such previous accrual).

A subsequent U.S. holder of an Original Issue Discount Note that purchases the Note at a cost less than its remaining redemption amount (as defined below), or an initial U.S. holder that purchases an Original Issue Discount Note at a price other than the Note's issue price, also generally will be required to include in gross income the daily portions of OID, calculated as described above. However, if the U.S. holder acquires the Original Issue Discount Note at a price greater than its adjusted issue price, such U.S. holder is required to reduce its periodic inclusions of OID income to reflect the premium paid over the adjusted issue price. The "remaining redemption amount" for a Note is the total of all future payments to be made on the Note other than payments of qualified stated interest.

Floating Rate Notes generally will be treated as "variable rate debt instruments" under the OID Regulations. Accordingly, the stated interest on a Floating Rate Note generally will be treated as qualified stated interest and such a Note will not have OID solely as a result of the fact that it provides for interest at a variable rate. If a Floating Rate Note does not qualify as a "variable rate debt instrument", such Note will be subject to special rules (the "**Contingent Payment Regulations**") that govern the tax treatment of debt obligations that provide for contingent payments. See "*Notes providing for contingent payments*" and "*Foreign Currency CPDI Notes*" below.

If a Note provides for a scheduled accrual period that is longer than one year (for example, as a result of a long initial period on a debt security with interest that is generally paid on an annual basis), then stated interest on the debt security will not qualify as "qualified stated interest" under the applicable Treasury Regulations. As a result, the debt security would be an Original Issue Discount Note. In that event, among other things, cash-method U.S. holders will be required to accrue stated interest on the Note under the rules for OID described above, and all U.S. holders will be required to accrue OID that would otherwise fall under the de minimis threshold.

The relevant Issuer will indicate in the applicable Final Terms or Pricing Supplement whether any Notes are issued with OID.

Premium and market discount

A U.S. holder of a Note that purchases the Note at a cost greater than its remaining redemption amount will be considered to have purchased the Note at a premium, and may elect to amortize such premium (as an offset to interest income), using a constant-yield method, over the remaining term of the Note. Such election, once made, generally applies to all bonds held or subsequently acquired by the U.S. holder on or after the first day of the first taxable year to which the election applies and may not be revoked without the consent of the IRS. A U.S. holder that elects to amortize such premium must reduce its tax basis in a Note by the amount of the premium amortized during its holding period. Original Issue Discount Notes purchased at a premium will not be subject to the OID rules described above. In the case of premium in respect of a Foreign Currency Note, a U.S. holder should calculate the amortization of such premium in the specified currency. Amortization deductions attributable to a period reduce interest payments in respect of that period and therefore are translated into U.S. dollars at the exchange rate used by the U.S. holder for such interest payments. Exchange gain or loss will be realized with respect to amortized bond premium on such a Note based on the difference between the exchange rate on the date or dates such premium is recovered through interest payments on the Note and the exchange rate on the date on which the U.S. holder acquired the Note. With respect to a U.S. holder that does not elect to amortize bond premium, the amount of bond premium will be included in the U.S. holder's tax basis when the Note matures or is disposed of by the U.S. holder. Therefore, a U.S. holder that does not elect to amortize such premium and that holds the Note to maturity generally will be required to treat the premium as capital loss when the Note matures.

If a U.S. holder of a Note purchases the Note at a price that is lower than its remaining redemption amount, or in the case of an Original Issue Discount Note, its adjusted issue price, by at least 0.25% of its remaining redemption amount multiplied by the number of remaining whole years to maturity, the Note will be considered to have "market discount" in the hands of such U.S. holder. In such case, gain realized by the U.S. holder on the disposition of the Note generally will be treated as ordinary income to the extent of the market discount that accrued on the Note while held by such U.S. holder. In addition, the U.S. holder could be required to defer the deduction of a portion of the interest paid on any indebtedness incurred or maintained to purchase or carry the Note. In general terms, market discount on a Note will be treated as accruing ratably over the term of such Note, or, at the election of the holder, under a constant-yield method. Market discount on a Foreign Currency Note will be accrued by a U.S. holder in the relevant foreign currency. The amount includible in income by a U.S. holder in respect of such accrued market discount will be the U.S. dollar value of the amount accrued, generally calculated at the exchange rate in effect on the date that the Note is disposed of by the U.S. holder.

A U.S. holder may elect to include market discount in income on a current basis as it accrues (on either a ratable or constant-yield basis), in lieu of treating a portion of any gain realized on a sale of a Note as ordinary income. If a U.S. holder elects to include market discount on a current basis, the interest deduction deferral rule described above will not apply. Any accrued market discount on a Foreign Currency Note that is currently includible in income will be translated into U.S. dollars at the average exchange rate for the accrual period (or portion thereof within the U.S. holder's taxable year). Any such election, if made, applies to all market discount bonds acquired by the taxpayer on or after the first day of the first taxable year to which such election applies and is revocable only with the consent of the IRS.

Short-Term Notes

The rules set forth above will also generally apply to Notes having maturities of not more than one year (“**Short-Term Notes**”), but with certain modifications.

First, the OID Regulations treat none of the interest on a Short-Term Note as qualified stated interest. Thus, all Short-Term Notes will be Original Issue Discount Notes. OID will be treated as accruing on a Short-Term Note ratably, or at the election of a U.S. holder, under a constant yield method.

Second, a U.S. holder of a Short-Term Note that uses the cash method of tax accounting and is not a bank, securities dealer, regulated investment company or common trust fund, and does not identify the Short-Term Note as part of a hedging transaction, will generally not be required to include OID in income on a current basis. Such a U.S. holder may not be allowed to deduct all of the interest paid or accrued on any indebtedness incurred or maintained to purchase or carry such Note until the maturity of the Note or its earlier disposition in a taxable transaction. In addition, such a U.S. holder will be required to treat any gain realized on a sale, exchange or retirement of the Note as ordinary income to the extent such gain does not exceed the OID accrued with respect to the Note during the period the U.S. holder held the Note. Notwithstanding the foregoing, a cash-basis U.S. holder of a Short-Term Note may elect to accrue OID into income on a current basis or to accrue the “acquisition discount” on the Note under the rules described below. If the U.S. holder elects to accrue OID or acquisition discount, the limitation on the deductibility of interest described above will not apply.

A U.S. holder using the accrual method of tax accounting and certain cash-basis U.S. holders (including banks, securities dealers, regulated investment companies and common trust funds) generally will be required to include original issue discount on a Short-Term Note in income on a current basis. Alternatively, a U.S. holder of a Short-Term Note can elect to accrue the “acquisition discount”, if any, with respect to the Note on a current basis. If such an election is made, the OID rules will not apply to the Note. Acquisition discount is the excess of the Short-Term Note’s stated redemption price at maturity (that is, all amounts payable on the Short-Term Note) over the purchase price. Acquisition discount will be treated as accruing ratably or, at the election of the U.S. holder, under a constant-yield method based on daily compounding.

Finally, the market discount rules will not apply to a Short-Term Note.

Notes providing for contingent payments

Fixed Rate Reset Notes, Convertible Interest Basis Notes, Floating Rate Notes that do not qualify as “variable rate debt instruments”, and any other Notes that provide for contingent payments (including pursuant to an Issuer Call option) may (depending on their terms) be treated as contingent payment debt instruments for U.S. federal income tax purposes (any Notes that are contingent payment debt instruments, “**CPDI Notes**”). CPDI Notes will be subject to the OID Regulations and a U.S. holder will be required to accrue income on the CPDI Notes as set forth below, provided that the Note has a term of more than one year and does not provide for payments in a foreign currency or determined by reference to a foreign currency or any debt obligation denominated in a foreign currency. For CPDI Notes denominated in a foreign currency, see below under “*Foreign Currency CPDI Notes*”.

At the time the CPDI Notes are issued, the relevant Issuer will be required to determine a “comparable yield” for the CPDI Notes that takes into account the yield at which the relevant Issuer could issue a fixed rate debt instrument with terms similar to those of the CPDI Notes (including the level of subordination, term, timing of payments and general market conditions, but excluding any adjustments for liquidity or the riskiness of the contingencies with respect to the CPDI Notes). The comparable yield may be greater than or less than the stated interest rate, if any, with respect to the CPDI Notes.

Solely for purposes of determining the amount of interest income that a U.S. holder will be required to accrue, the relevant Issuer will be required to construct a “projected payment schedule” in respect of the CPDI Notes representing a series of payments the amount and timing of which would produce a yield to maturity on the CPDI Notes equal to the comparable yield. NEITHER THE COMPARABLE YIELD NOR THE PROJECTED PAYMENT SCHEDULE CONSTITUTES A REPRESENTATION BY THE RELEVANT ISSUER REGARDING THE ACTUAL AMOUNT THAT THE CPDI NOTES WILL PAY. For U.S. federal income tax purposes, a U.S. holder is required to use the comparable yield and the projected payment schedule established by the relevant Issuer in determining interest accruals and adjustments in respect of a CPDI Note, unless such U.S. holder timely discloses and justifies the use of other accruals and adjustments to the IRS.

Based on the comparable yield and the issue price of the CPDI Notes, a U.S. holder of a CPDI Note (regardless of accounting method) will be required to accrue as OID the sum of the daily portions of interest on the CPDI Note for each day in the taxable year on which the holder held the CPDI Note, adjusted upward or downward to reflect the difference, if any, between the actual and the projected amount of any contingent payments on the CPDI Note (as set forth below). The daily portions of interest in respect of a CPDI Note are determined by allocating to each day in an accrual period the taxable portion of interest on the CPDI Note that accrues in the accrual period. The amount of interest on a CPDI Note that accrues in an accrual period is the product of the comparable yield on the CPDI Note (adjusted to reflect the length of the accrual period) and the adjusted issue price of a CPDI Note. The adjusted issue price of a CPDI Note at the beginning of the first accrual period will equal its issue price and for any accrual period thereafter will be (x) the sum of the issue price of such CPDI Note and any interest previously accrued thereon by a holder (disregarding any positive or negative adjustments) minus (y) the amount of any projected payments on the CPDI Note for previous accrual periods.

A U.S. holder will be required to recognize interest income equal to the amount of any positive adjustment (*i.e.*, the excess of actual payments over projected payments) in respect of a CPDI Note for a taxable year. A negative adjustment (*i.e.*, the excess of projected payments over actual payments) in respect of a CPDI Note for a taxable year (i) will first reduce the amount of interest in respect of the CPDI Note that a U.S. holder would otherwise be required to include in income in the taxable year and (ii) to the extent that the negative adjustment exceeds the amount described in (i), will give rise to an ordinary loss, up to the amount by which the holder’s total interest inclusions on the debt instrument in prior taxable years exceed the total amount of the holder’s net negative adjustments treated as ordinary loss on the debt instrument in prior taxable years. Deductions in respect of a net negative adjustment may be subject to limitations under the Code. Any negative adjustment in excess of the amounts described above in (i) and (ii) will be carried forward to offset future interest income in respect of the CPDI Note or to reduce the amount realized on a sale, exchange or retirement of the CPDI Note.

If a U.S. holder purchases a CPDI Note for an amount that differs from its adjusted issue price, the general rules discussed above under “*Premium and market discount*” will not apply. Instead, the U.S. holder must reasonably determine the extent to which the difference between the price the holder paid for the CPDI Note and its adjusted issue price is attributable to a change in expectations as to the projected contingent payments, a change in interest rates, or both, and make certain adjustments. U.S. holders should consult their tax advisors regarding these adjustments.

Upon a sale, exchange or retirement of a CPDI Note (including a repurchase or redemption of the CPDI Note at the option of the relevant Issuer or the holder), a U.S. holder generally will recognize taxable gain or loss equal to the difference between the amount realized on the sale, exchange or retirement and such holder’s tax basis in the CPDI Note. A U.S. holder’s tax basis in a CPDI Note will equal the cost thereof, increased by the amount of interest income previously accrued by the holder in respect of the CPDI Note (disregarding any positive or negative adjustment) and decreased by the amount of all prior projected payments in respect of the CPDI Note. A U.S. holder generally will treat any gain as interest income, and any loss as ordinary loss to the extent of the excess of previous interest inclusions over the total negative adjustments previously taken into account as ordinary losses, and the balance as capital loss. If there are no remaining contingent payments under the projected payment schedule at the time of the sale, exchange or retirement of the CPDI Note, any gain or loss recognized by the holder generally will be capital gain or loss.

The tax consequences to a U.S. holder of a Short-Term Note that provides for contingent payments are not clear. Under the special rules applicable to Short-Term Notes, a U.S. holder using an accrual method of accounting generally is required to accrue OID with respect to a Note, as described above. However, the rules applicable to Short-Term Notes do not address how to accrue income with respect to a future contingent payment. Moreover, the Contingent Payment Regulations that require U.S. holders to accrue interest income regardless of their method of accounting do not apply to Short-Term Notes. Taxpayers using an accrual method of accounting generally are not required to include amounts in income until all the events have occurred that fix the right to receive the income and the amount of the income can be determined with reasonable accuracy. Accordingly, although no assurances can be provided in this regard, it appears that in the case of contingent payment Short-Term Notes, a U.S. holder using the accrual method of accounting should not be required to include amounts in income prior to the date on which the amount of such payment becomes fixed, while a U.S. holder using the cash method of accounting generally should include such amounts in income at the time that such payment is received.

The relevant Issuer will indicate in the applicable Final Terms or Pricing Supplement whether any Fixed Rate Reset Notes, Convertible Interest Basis Notes, Floating Rate Notes or any other Notes that provide for contingent payments are CPDI Notes. If the Final Terms or Pricing Supplement indicate that any Notes are CPDI Notes, please contact Nigel Smith (Senior Functional Specialist) at Santander UK Plc, 2 Triton Square, Regent's Place, London NW1 3AN (Direct Tel: +44 (0) 800 389 7000) to obtain the comparable yield and projected payment schedule for the Notes.

Foreign Currency CPDI Notes

Special rules apply to debt instruments held by U.S. persons that would be subject to the CPDI rules but for the fact that payments are denominated in, or determined by reference to, a currency other than the U.S. dollar (such notes, "**Foreign Currency CPDI Notes**"). The general method applicable under the Contingent Payment Regulations is applied, with the calculations (including the determination of the comparable yield) performed in the currency in which the instrument is denominated. The amount of interest accrued for each period then generally is translated into U.S. dollars at the average exchange rate for the period. Positive adjustments generally are translated at the spot rate on the last day of the relevant period. Negative adjustments are translated either at the rate used to translate the interest income that the adjustment offsets or the spot rate on the date that the instrument was issued or acquired.

Foreign currency gain or loss (that is, gain or loss attributable to fluctuations in the value of the foreign currency) will not be recognized with respect to a net positive or negative adjustment. Foreign currency gain or loss with respect to accrued interest will be (a) the amount of interest paid, translated into U.S. dollars at the spot rate on the date of payment, minus (2) the amount of interest paid, translated into U.S. dollars at the spot rate on the date the interest was accrued. Foreign currency gain or loss with respect to payments of principal will equal (1) the amount of principal paid, translated into U.S. dollars at the spot rate on the date of payment, minus (2) the amount of principal paid, translated into U.S. dollars at the spot rate on the date the Note was issued (or, if later, acquired). Complex ordering rules apply to determine whether a particular payment with respect to a Foreign Currency CPDI Note represents interest or principal, U.S. holders should consult their tax advisors regarding the application of these rules.

Foreign Account Tax Compliance Act

As a result of Sections 1471 through 1474 of the Code and related Treasury regulations (collectively, "**FATCA**") and related intergovernmental agreements, investors in the Notes may be required to provide information and tax documentation regarding their tax identities as well as that of their direct and indirect owners. It is also possible that payments on Notes may be subject to a withholding tax of 30% in the future, subject to the grandfather rule described below. The relevant Issuer will not pay additional amounts on account of any withholding tax imposed by FATCA.

The United States and the UK have entered into an agreement for the implementation of FATCA (the "**U.S.-UK IGA**"). Pursuant to the U.S.-UK IGA (as defined above) and applicable UK regulations implementing the U.S.-UK IGA, the relevant Issuer may be required to comply with certain reporting requirements. Investors in the Notes may therefore be required to provide information and tax documentation regarding their identities as well as that of their direct and indirect owners and this information may be reported to the Commissioners for Her Majesty's

Revenue & Customs, any relevant taxing authorities, and ultimately to the IRS. Assuming the Notes are treated as debt for U.S. federal income tax purposes and are not materially modified after the applicable “grandfathering date”, payments on the Notes will not be subject to FATCA withholding. The applicable “grandfathering date” is the date that is six months after the date on which final United States Treasury regulations defining the term “foreign passthru payment” are filed with the Federal Register.

FATCA is particularly complex. Each prospective investor should consult its own tax adviser to obtain a more detailed explanation of FATCA and to learn how this legislation might affect such investor in its particular circumstances.

Information reporting and backup withholding

Information returns may need to be filed with the IRS with respect to payments made to, and the proceeds of disposition of Notes effected by, certain U.S. holders of Notes. In addition, certain U.S. holders may be subject to backup withholding tax in respect of such amounts if they do not provide their taxpayer identification numbers and certify that they are not subject to backup withholding or otherwise establish an exception from backup withholding to the person from whom they receive payments. Persons holding Notes who are not U.S. holders may be required to comply with applicable certification procedures to establish that they are not U.S. holders in order to avoid the application of such information reporting requirements and backup withholding tax. Any amounts withheld under the backup withholding rules will be allowed as a credit against a U.S. holder’s U.S. federal income tax liability, if any, and may entitle the holder to a refund, provided the required information is timely furnished to the IRS.

Foreign financial asset reporting

Certain U.S. holders that own “specified foreign financial assets” with an aggregate value in excess of U.S.\$50,000 on the last day of the taxable year or \$75,000 at any time during the taxable year are generally required to file an information statement along with their tax returns, currently on Form 8938, with respect to such assets. “Specified foreign financial assets” include any financial accounts held at a non-U.S. financial institution, as well as securities issued by a non-U.S. issuer (which would include the Notes) that are not held in accounts maintained by financial institutions. Higher reporting thresholds apply to certain individuals living abroad and to certain married individuals. Regulations extend this reporting requirement to certain entities that are treated as formed or availed of to hold direct or indirect interests in specified foreign financial assets based on certain objective criteria. U.S. holders who fail to report the required information could be subject to substantial penalties. In addition, the statute of limitations for assessment of tax would be suspended, in whole or part. Persons considering the purchase of Notes are encouraged to consult with their own tax advisors regarding the possible application of these rules to their investment in the Notes, including the application of the rules to their particular circumstances.

Reportable transactions

A U.S. taxpayer that participates in a “reportable transaction” is required to disclose its participation to the IRS. The scope and application of these rules is not entirely clear. Under the relevant rules, a U.S. holder may be required to treat a foreign currency exchange loss from Foreign Currency Notes as a reportable transaction if this loss exceeds the relevant threshold in

the regulations (U.S.\$50,000 in a single taxable year, if the U.S. holder is an individual or trust, or higher amounts for other non-individual U.S. holders), and to disclose its investment by filing Form 8886 with the IRS. A penalty in the amount of U.S.\$10,000 in the case of a natural person and U.S.\$50,000 in all other cases is generally imposed on any taxpayer that fails to timely file an information return with the IRS with respect to a transaction resulting in a loss that is treated as a reportable transaction. Prospective purchasers are urged to consult their tax advisors regarding the application of these rules.

PROSPECTIVE NOTEHOLDERS WHO ARE IN ANY DOUBT AS TO THEIR TAX POSITION OR WHO MAY BE SUBJECT TO TAX IN A JURISDICTION OTHER THAN THE UNITED KINGDOM OR THE UNITED STATES SHOULD SEEK INDEPENDENT PROFESSIONAL ADVICE.

SUBSCRIPTION AND SALE AND TRANSFER AND SELLING RESTRICTIONS

The Dealers have in a programme agreement (such programme agreement as modified and/or supplemented and/or restated from time to time, the “**Programme Agreement**”) dated 30 June 2020 agreed with the relevant Issuer a basis upon which the relevant Issuer may from time to time agree to issue Notes. Any such agreement will extend to those matters stated under “*Form of the Notes*” and “*Terms and Conditions of the Notes*”. In the Programme Agreement, the relevant Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

In connection with the issue of any Tranche of Notes, one or more relevant Dealers acting as Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

Selling Restrictions

United States

Each Dealer has acknowledged, and each further Dealer appointed under the Programme Agreement will be required to acknowledge, that the Notes have not been and will not be registered under the Securities Act or the securities laws of any state of the United States or other relevant jurisdiction within the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from or in a transaction not subject to, the registration requirements of the Securities Act. Terms used in the preceding sentence have the meanings given to them by Regulation S under the Securities Act.

Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to U.S. persons, except in certain transactions permitted by U.S. tax regulations. Terms used in the preceding sentence have the meanings given to them by the United States Internal Revenue Code of 1986 and regulations thereunder. The applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

Each Dealer has agreed, and each further Dealer appointed under the Programme Agreement will be required to agree, that except as permitted by the Programme Agreement, it has not offered, sold or delivered Notes and it will not offer, sell or deliver Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of all Notes of the relevant Tranche, within the United States or to, or for the account or benefit of U.S.

persons and only in accordance with Rule 903 of Regulation S or, if applicable, Rule 144A under the Securities Act and it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it or through it during the distribution compliance period a confirmation or notice setting forth the restrictions on offers and sales of the Notes within the United States or to or for the account or benefit of U.S. persons.

The Notes are being offered and sold only (a) outside the United States to persons other than U.S. persons ("**foreign purchasers**", which term includes dealers or other professional fiduciaries in the United States acting on a discretionary basis for foreign beneficial owners, other than an estate or trust) in reliance upon Regulation S and (b) to a limited number of QIBs in compliance with Rule 144A.

Terms used in this section of "*Selling Restrictions*" have the meanings given to them by Regulation S.

In addition, until 40 days after the completion of the distribution of all Notes comprising any Tranche, any offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act unless made pursuant to Rule 144A or another exemption from the registration requirements of the Securities Act.

Each purchaser of Notes will be deemed to have represented and agreed as follows:

- (1) It is purchasing the Notes for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is either (A) a QIB and is aware that the sale to it is being made in reliance on Rule 144A, or (B) a foreign purchaser that is outside the United States (or a foreign purchaser that is a dealer or other fiduciary as referred to above).
- (2) It acknowledges that the Notes have not been registered under the Securities Act or any other applicable U.S. State securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below.
- (3) It agrees that the relevant Issuer has no obligation to register the Notes under the Securities Act.
- (4) It will not resell or otherwise transfer any Notes except (A) in accordance with Rule 144A to a person whom the seller reasonably believes is a QIB purchasing for its own account or for the account of a QIB, (B) outside the United States in compliance with Rule 903 or Rule 904 of Regulation S under the Securities Act, (C) pursuant to the exemption from registration provided by Rule 144 under the Securities Act (if available) or (D) pursuant to an effective registration statement under the Securities Act in each case, in accordance with all applicable U.S. State securities laws.
- (5) It will give to each person to whom it transfers Notes notice of any restrictions on transfer of those Notes.

- (6) It acknowledges that transfers by the holder of, or of a beneficial interest in, a Rule 144A Note to a transferee taking delivery of such interest through a Regulation S Note; or, prior to the expiry of the Distribution Compliance Period, transfers by the holder of, or of a beneficial interest in, a Regulation S Note to a transferee taking delivery of such interest through a Rule 144A Note are conditioned on the requirement that the transferor provide the Registrar and the Transfer Agent with a written certification (the form of which certification can be obtained from the Trustee) as to compliance with the transfer restrictions referred to above.
- (7) It understands that the Notes will bear the legends in the forms set out below.
- (8) It acknowledges that the relevant Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the relevant Issuer; and if it is acquiring any Notes as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Each Rule 144A Note will bear a legend to the following effect:

"THE NOTES REPRESENTED BY THIS [GLOBAL][DEFINITIVE] NOTE HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND, MAY BE TRANSFERRED ONLY PURSUANT TO THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF SUCH ACT AS SET FORTH BELOW.

[THE HOLDER HEREOF - include for Rule 144A Global Notes][THE REGISTERED OWNER HEREOF - include for definitive notes], BY PURCHASING OR OTHERWISE ACQUIRING THE NOTES IN RESPECT OF WHICH THIS [GLOBAL][DEFINITIVE] NOTE IS ISSUED [(OR ANY BENEFICIAL INTEREST OR PARTICIPATION HEREIN) ON ITS OWN BEHALF AND ON BEHALF OF ANY ACCOUNT FOR WHICH IT IS PURCHASING THIS GLOBAL NOTE OR ANY BENEFICIAL INTEREST OR PARTICIPATION HEREIN - include for Rule 144A Global Notes], (1) REPRESENTS FOR THE BENEFIT OF THE ISSUER AND FOR ANY AGENT OR SELLER WITH RESPECT TO SUCH NOTES THAT IT IS THE SOLE BENEFICIAL OWNER OF THE NOTES REPRESENTED HEREBY OR IS PURCHASING SUCH NOTES FOR ONE OR MORE ACCOUNTS MAINTAINED BY IT OR OVER WHICH IT EXERCISES SOLE INVESTMENT DISCRETION AND THAT EITHER (A) IT AND ANY SUCH ACCOUNT ARE NOT U.S. PERSONS (AS DEFINED IN REGULATION S OF THE SECURITIES ACT) AND ARE NOT PURCHASING SUCH NOTES FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON, OR (B) IT AND ANY SUCH ACCOUNT ARE (OR ARE HOLDING SUCH NOTES FOR THE BENEFIT OF) QUALIFIED INSTITUTIONAL BUYERS ("QIBS") AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"), (2) ACKNOWLEDGES THAT SUCH NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT AND MAY NOT BE OFFERED, SOLD, RESOLD OR DELIVERED IN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM THE SECURITIES ACT IN ACCORDANCE WITH THE TERMS HEREOF, (3) AGREES TO NOTIFY ANY SUBSEQUENT TRANSFEREE OF THE TRANSFER

RESTRICTIONS SET OUT HEREIN AND THAT IT WILL BE A CONDITION TO SUCH TRANSFER THAT THE TRANSFEREE WILL BE DEEMED TO MAKE THE REPRESENTATIONS SET OUT HEREIN, AND (4) AGREES, FOR THE BENEFIT OF THE ISSUER, THAT SUCH NOTES MAY ONLY BE OFFERED, SOLD, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED OR DELIVERED (A) TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH THE PROVISIONS OF REGULATION S UNDER THE SECURITIES ACT, OR (B) TO A PERSON WHO THE SELLER REASONABLY BELIEVES TO BE A QIB IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A OR ANOTHER EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT; PROVIDED THAT, IN THE CASE OF A TRANSFER PURSUANT TO CLAUSE (A), A TRANSFEROR OF THE NOTES WILL BE REQUIRED [(1)] TO EXECUTE AND DELIVER TO THE ISSUER AND THE REGISTRAR AND THE TRANSFER AGENT A TRANSFER CERTIFICATE (THE FORM OF WHICH IS ATTACHED TO THE AGENCY AGREEMENT AND CAN BE OBTAINED FROM THE REGISTRAR AND THE TRANSFER AGENT), [AND (2) TO EXCHANGE THE PORTION OF THIS GLOBAL NOTE TO BE SO TRANSFERRED FOR AN INTEREST IN A REGULATION S GLOBAL NOTE OR A DEFINITIVE NOTE TO BE REGISTERED IN THE NAME OF THE TRANSFEREE - include for Rule 144A Global Notes].

PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT THE SELLERS OF THE NOTES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A.

EACH HOLDER OF THIS [GLOBAL][DEFINITIVE] NOTE [OR AN INTEREST HEREIN - include for Rule 144A Global Notes] AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS NOTE [OR AN INTEREST HEREIN - include for Rule 144A Global Notes] IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

FOR THE PURPOSES HEREOF, "OFFSHORE TRANSACTION" AND "U.S. PERSON" SHALL HAVE THE MEANINGS GIVEN TO THEM IN RULE 902 OF REGULATION S UNDER THE SECURITIES ACT."

Each Regulation S Note will bear a legend to the following effect:

"THE NOTES REPRESENTED BY THIS [GLOBAL][DEFINITIVE] NOTE HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. [THE OFFER, SALE, PLEDGE OR TRANSFER OF THE NOTES REPRESENTED BY THIS GLOBAL NOTE IS SUBJECT TO CERTAIN CONDITIONS AND RESTRICTIONS. - include for Regulation S Global Notes] [BY PURCHASING OR OTHERWISE ACQUIRING THE NOTES REPRESENTED BY THIS GLOBAL NOTE, THE HOLDER - include for Regulation S Global Notes][THE OWNER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS DEFINITIVE NOTE IS ISSUED, - include for definitive notes] AGREES FOR THE BENEFIT OF THE ISSUER THAT, IF IT SHOULD DECIDE TO DISPOSE OF THE NOTES REPRESENTED BY THIS NOTE PRIOR TO THE DATE WHICH IS 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF THE NOTES REPRESENTED BY THIS [GLOBAL][DEFINITIVE] NOTE, THE NOTES REPRESENTED BY THIS [GLOBAL][DEFINITIVE] NOTE MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED OR DELIVERED ONLY IN COMPLIANCE WITH THE SECURITIES ACT AND

ONLY (A) TO PERSONS WHOM THE SELLER REASONABLY BELIEVES TO BE QUALIFIED INSTITUTIONAL BUYERS (“QIBS”), AS DEFINED IN RULE 144A (“RULE 144A”) UNDER THE SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A OR ANOTHER EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT, OR (B) OTHERWISE TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATIONS UNDER THE SECURITIES ACT; PROVIDED THAT, IN THE CASE OF A TRANSFER PURSUANT TO CLAUSE (A), A TRANSFEROR OF THE NOTES WILL BE REQUIRED [(1)] TO EXECUTE AND DELIVER TO THE ISSUER AND THE REGISTRAR AND THE TRANSFER AGENT A TRANSFER CERTIFICATE (THE FORM OF WHICH IS ATTACHED TO THE AGENCY AGREEMENT AND CAN BE OBTAINED FROM THE REGISTRAR AND THE TRANSFER AGENT), [AND (2) TO EXCHANGE THE PORTION OF THIS GLOBAL NOTE TO BE SO TRANSFERRED FOR AN INTEREST IN A RULE 144A GLOBAL NOTE OR A DEFINITIVE NOTE TO BE REGISTERED IN THE NAME OF THE TRANSFEREE - include for Regulation S Global Notes].

EACH HOLDER OF THIS NOTE OR AN INTEREST HEREIN AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS NOTE OR AN INTEREST HEREIN IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

FOR THE PURPOSES HEREOF, “OFFSHORE TRANSACTION” AND “U.S. PERSON” HAVE THE MEANINGS GIVEN TO THEM BY RULE 902 OF REGULATIONS UNDER THE SECURITIES ACT.”

In the case of a Registered Global Note registered in the name of Cede & Co. as nominee (or another nominee) of The Depository Trust Company, the following paragraph shall also appear in the legend:

“UNLESS THIS GLOBAL NOTE IS PRESENTED BY AN AUTHORISED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY REGISTERED NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUIRED BY AN AUTHORISED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUIRED BY ANY AUTHORISED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL IN AS MUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.”

Prohibition of Sales to EEA and UK Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme Agreement will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms (or, in the case of Exempt Notes, the Pricing Supplement) in relation thereto to any retail investor in the European Economic Area or in the United Kingdom (the “UK”). For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:

- (ii) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or
 - (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in the Prospectus Regulation (where "**Prospectus Regulation**" means Regulation (EU) 2017/1129); and
- (b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Instruments to be offered so as to enable an investor to decide to purchase or subscribe for the Instruments.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of FSMA does not, or in the case of Santander UK would not if it were not an authorised person, apply to the relevant Issuer; and
- (b) it has complied and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of the Commonwealth of Australia (the "**Corporations Act**")) in relation to the Programme or the Notes has been, or will be, lodged with the Australian Securities and Investments Commission ("**ASIC**"). Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that (unless the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) or another supplement to this Prospectus otherwise provides) it:

- (a) has not (directly or indirectly) offered, and will not offer for issue or sale and has not made or invited, and will not make or invite, applications for issue, or offers to purchase, the Notes in or to the Commonwealth of Australia (including an offer or invitation which is received by a person in the Commonwealth of Australia); and

- (b) has not distributed or published, and will not distribute or publish, this Prospectus or any other offering material or advertisement relating to any Notes in the Commonwealth of Australia,

unless:

- (i) the aggregate consideration payable by each offeree or invitee is at least A\$500,000 (or its equivalent in other currencies, in either case disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Part 7.9 of the Corporations Act;
- (ii) the offer or invitation is not made to a “retail client” as defined for the purposes of section 761G of the Corporations Act;
- (iii) such action complies with all applicable laws, regulations and directives; and
- (iv) such action does not require any document to be lodged with ASIC or any other regulatory authority.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the “**FIEA**”) and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of and otherwise in compliance with the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

1. it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning that Ordinance; and
2. it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere,

any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;

- (4) pursuant to Section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Unless otherwise stated in the applicable Final Terms (or Pricing Supplement, in the case of Exempt Notes), all Notes shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and the MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Canada

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) the sale and delivery of any Notes to any purchaser who is a resident of Canada or otherwise subject to the laws of Canada or who is purchasing for a principal who is a resident of Canada or otherwise subject to the laws of Canada (each such purchaser or principal a “**Canadian Purchaser**”) by such Dealer shall be made so as to be exempt from the prospectus filing requirements in Canada, and exempt from or in compliance with the dealer registration requirements, of all applicable securities laws and regulations of Canada, rulings and orders made thereunder and rules, instruments and policy statements issued and adopted by the relevant securities regulator or regulatory authority in Canada, including those applicable in each of the provinces and territories of Canada (the “**Canadian Securities Laws**”);
- (b) where required under applicable Canadian Securities Laws:
 - (i) it is appropriately registered under the applicable Canadian Securities Laws in each province and territory to sell and deliver the Notes to each Canadian Purchaser that is a resident of, or otherwise subject to the Canadian Securities Laws of, such province or territory, and to whom it sells or delivers any Notes;
 - (ii) such sale and delivery will be made through an affiliate of it that is so registered if the affiliate is registered in a category that permits such sale and has agreed to make such sale and delivery in compliance with the representations, warranties and agreements set out herein; or
 - (iii) any sale and delivery of Notes in Canada will be made by a Dealer that is permitted to rely on the “international dealer exemption” contained in section 8.18 of NI 31-103 - Registration Requirements, Exemptions and Ongoing Registrant Obligations (“**NI 31-103**”), has complied with all requirements of that exemption and has provided notice to such investor, as required by NI 31-103, provided that a statement to such

effect in any Canadian Offering Memorandum delivered to such Canadian Purchaser by the Dealer shall constitute such notice;

- (c) it will comply with all relevant Canadian Securities Laws concerning any resale of the Notes by it and will prepare, execute, deliver and file all documentation required by the applicable Canadian Securities Laws to permit each resale by it of Notes to a Canadian Purchaser;
- (d) it will ensure that each Canadian Purchaser purchasing from it: (i) has represented to it that such Canadian Purchaser is a resident in, and subject to the Canadian Securities Laws of, a province or territory of Canada, or is a corporation, partnership, or other entity, resident and created in or organised under the laws of Canada or any province or territory thereof; (ii) has represented to it that (a) such Canadian Purchaser is an “accredited investor” as defined in section 73.3(1) of the Securities Act (Ontario) or 1.1 of National Instrument 45-106-Prospectus Exemptions (“**NI 45-106**”) and which categories set forth in the relevant definition of “accredited investor” in NI 45-106 correctly describe such Canadian Purchaser and that it is not a person created or used solely to purchase or hold the Notes as an accredited investor as described in Section 2.3(5) of NI 45-106, and (b) where the sale and delivery of the Notes will be made by a Dealer that is permitted to rely on the “international dealer exemption”, that such Canadian Purchaser is a “permitted client” as defined in section 1.1 of NI 31-103 and which categories set forth in the definition of permitted client in NI 31-103 correctly describe such Canadian Purchaser; and (iii) consents to disclosure of all required information about the purchase to the relevant Canadian securities regulatory authorities;
- (e) the offer and sale of the Notes by the Dealer was not made through or accompanied by any advertisement of the Notes, including, without limitation, in printed media of general and regular paid circulation, radio, television, or telecommunications, including electronic display or any other form of advertising or as part of a general solicitation in Canada by the Dealer;
- (f) it has not provided and will not provide to any Canadian Purchaser any document or other material that would constitute an offering memorandum, other than (i) pursuant to, and in compliance with an exemption from additional disclosure requirements under applicable Canadian Securities Laws or (ii) any Canadian Offering Memorandum prepared in connection with the issue of the relevant Notes to be prepared by the relevant Issuer, in form and content satisfactory to the Dealer, acting reasonably, and provided to the Dealer (the “**Canadian Offering Memorandum**”);
- (g) it will ensure that each Canadian Purchaser purchasing from it is advised that no securities commission, stock exchange or other similar regulatory authority in Canada has reviewed or in any way passed upon the Canadian Offering Memorandum or the merits of the Notes described therein, nor has any such securities commission, stock exchange or other similar regulatory authority in Canada made any recommendation or endorsement with respect to the Notes, provided that a statement to such effect in any Canadian Offering Memorandum

delivered to such Canadian Purchaser by the Dealer shall constitute such disclosure;

- (h) it has not made and it will not make any written or oral representations to any Canadian Purchaser (i) that it or any person will resell or repurchase the Notes purchased by such Canadian Purchaser; (ii) that the Notes will be freely tradeable by the Canadian Purchaser without any restrictions or hold periods; (iii) that any person will refund the purchase price of the Notes; or (iv) as to the future price or value of the Notes; and
- (i) it will inform each Canadian Purchaser purchasing from it (i) that the relevant Issuer is not a “reporting issuer” (as defined under applicable Canadian Securities Laws) and is not, and may never be, a reporting issuer in any province or territory of Canada and there currently is no public market in Canada for any of the Notes, and one may never develop; (ii) that the Notes will be subject to resale restrictions under applicable Canadian Securities Laws; and (iii) such Canadian Purchaser’s name and other specified information will be disclosed to the relevant Canadian securities regulators or regulatory authorities and may become available to the public in accordance with applicable laws, provided that a statement to such effect in any Canadian Offering Memorandum delivered to such Canadian Purchaser by the Dealer shall constitute such disclosure.

Poland

No permit has been obtained from the Polish Financial Supervisory Authority (“**Polish FSA**”) in relation to the issue of the Notes nor has the issue of the Notes been notified to the Polish FSA in accordance with applicable procedures. Accordingly, the Notes may not be offered or sold in the Republic of Poland (“**Poland**”) by way of Public Offer (as defined below), unless it is done in compliance with Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”), the Act on Public Offering and on the Conditions Governing the Introduction of Financial Instruments to an Organised Trading System and Public Companies dated 29 July 2005 (as amended) and any other applicable laws and regulations enacted under these acts or in substitution thereof from time to time. Under the Prospectus Regulation, an ‘offer of securities to the public’ means a communication to persons in any form and by any means, presenting sufficient information on the terms of the offer and the securities to be offered, so as to enable an investor to decide to purchase or subscribe for those securities (“**Public Offering**”). Each Dealer has confirmed, and each further Dealer appointed under the Programme will be required to confirm, that it is aware that no such permit has been obtained nor such notification made and has represented that it has not offered, sold or delivered and will not offer, sell or deliver the Notes in Poland in the manner defined as Public Offering as part of their initial distribution or otherwise to residents of Poland or on the territory of Poland. Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that the sale to or acquisition and holding of the Notes by residents of Poland may be subject to additional requirements and restrictions imposed by Polish law beyond the restrictions and requirements provided by generally applicable provisions of EU law (including under foreign exchange regulations) and that the offers and sales of the Notes to Polish residents or within Poland in secondary trading may also be subject to restrictions.

United Arab Emirates (excluding the Dubai International Financial Centre)

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes to be issued under the Programme have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering and sale of securities.

The Dubai International Financial Centre

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered and will not offer the Notes to be issued under the Programme to any person in the Dubai International Financial Centre unless such offer is:

- (a) an Exempt Offer in accordance with the Markets Rules (MKT) Module of the Dubai Financial Services Authority (the “**DFSA**”) Rulebook; and
- (b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the DFSA Conduct of Business Module of the DFSA Rulebook.

Indonesia

The Notes have not been offered or sold and will not be offered or sold in Indonesia or to Indonesian nationals, corporations or to Indonesian citizens, wherever they are domiciled or to Indonesian residents, including by way of invitation, offering or advertisement, and neither the Prospectus nor any other offering materials relating to the Notes have been distributed, or will be distributed, in Indonesia or to Indonesian nationals, corporations or residents in a manner which constitutes a public offering of the Notes under the laws or regulations of the Republic of Indonesia.

Malaysia

The Notes may not be offered, sold, transferred or otherwise disposed directly or indirectly, nor may any document or other material in connection therewith be distributed, other than to a person to whom an offer or invitation to subscribe or purchase the Notes and to whom the Notes are issued would fall within:

- (a) Part 1 of Schedule 6 or Section 229(1)(b) and Part 1 of Schedule 7 or Section 230(1)(b) of The Capital Market and Services Act 2007 (“**CMSA**”); read together with
- (b) Schedule 8 or Section 257(3) of the CMSA,

as may be amended and/or varied from time to time and subject to any amendments to the applicable laws from time to time.

Belgium

Other than in respect of Notes for which "Prohibition of Sales to Belgian Consumers" is specified as "Not Applicable" in the applicable Final Terms (or in the case of Exempt Notes, the Pricing Supplement), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that an offering of Notes may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article I.1 of the Belgian Code of Economic Law, as amended from time to time (a "**Belgian Consumer**") and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Notes, and that it has not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Notes, directly or indirectly, to any Belgian Consumer.

Switzerland

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Prospectus is not intended to constitute an offer or solicitation to purchase or invest in the Notes and the Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**") and no application has or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Prospectus nor any other offering or marketing material relating to the Notes constitutes a prospectus pursuant to the FinSA, and neither this Prospectus nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

General

Each Dealer has severally agreed, and each further Dealer appointed under the Programme will be required to agree, with the relevant Issuer that it will observe all applicable laws and regulations in any jurisdiction in which it may offer, sell or deliver Notes and that it will not, directly or indirectly, offer, sell or deliver Notes or distribute or publish this document, any prospectus, circular, advertisement or other offering material (including, without limitation, any supplement to this document) in relation to the Notes in or from any country of jurisdiction except under circumstances that will to be the best of its knowledge and belief result in compliance with any applicable laws and regulations, and all offers, sales and deliveries of Notes by it will be made on the foregoing terms.

The restrictions on offerings may be modified by the agreement of the relevant Issuer and the Dealers following a change in a relevant law, regulation or directive.

GENERAL INFORMATION

1. Incorporation

Santander UK plc was incorporated in England and Wales on 12 September, 1988 with registered number 2294747. Santander UK Group Holdings plc was incorporated in England and Wales on 23 September 2013 with registered number 8700698.

2. Authorisation

The commencement of the Programme and the issue of Notes (with maturities not exceeding 30 years) was duly confirmed and authorised by (i) resolutions of the Board of Directors of Santander UK plc dated 24 July 2017 and by resolutions a committee of the Board of Directors approved on 4 August 2017 and (ii) resolutions of the Board of Directors of Santander UK Group Holdings plc dated 24 July 2017 and by resolutions a committee of the Board of Directors approved on 4 August 2017. Pursuant to such resolutions, authority was delegated to the relevant CEO, the relevant CFO, a committee formed of any two directors of the relevant Issuer or a committee formed of two persons authorised by the relevant Board of Directors. Pursuant to such delegated authorities, a committee formed of two persons authorised by the Board of Directors of (i) Santander UK plc and (ii) Santander UK Group Holdings plc duly confirmed and authorised the continuation of the Programme pursuant to resolutions each dated 25 June 2020.

3. Listing of Notes on the Official List

The listing of Notes on the Official List will be expressed as a percentage of their nominal amount (excluding accrued interest). It is expected that each Tranche of Notes which is to be admitted to listing on the Official List and to trading on the London Stock Exchange's Main Market will be admitted separately as and when issued, subject only to the issue of a Global Note or Notes initially representing the Notes of such Tranche. The acceptance of the Programme on the Official List in respect of Notes is expected to be granted on or around 6 July 2020.

4. Documents Available

So long as Notes are capable of being issued under the Programme, copies of the following documents will, when published, be available for inspection on the website of the Issuers: <https://www.santander.co.uk/about-santander/investor-relations/euro-medium-term-note-programme>:

- (i) the articles of association of each Issuer;
- (iii) the Agency Agreement and the Trust Deed (which contains the forms of Global Notes, Notes in definitive form, Coupons and Talons);
- (iv) this Prospectus;

- (v) any future information memoranda, offering circulars, prospectuses and supplements to this Prospectus and any other documents incorporated herein or therein by reference; and
- (vi) Final Terms and Pricing Supplements (save that Final Terms and Pricing Supplements relating to a Note will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the relevant Issuer and the Paying Agent as to its holding of Notes and identity).

5. Clearing Systems

The Notes in bearer and registered form have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate Common Code and ISIN for each Tranche of Bearer Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement). In addition, the relevant Issuer may make an application for any Notes in registered form to be accepted for trading in book-entry form by DTC. The CUSIP and/or CINS numbers for each Tranche of Registered Notes, together with the relevant ISIN and Common Code, will be specified in the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement). If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement).

The address of Euroclear is 3 Boulevard du Roi Albert II, B.1210 Brussels, Belgium and the address of Clearstream, Luxembourg is Avenue J. F. Kennedy, L-1855 Luxembourg.

The address of DTC is 55 Water Street, 25th Floor, New York, NY 10041-0099, United States of America.

6. Significant or Material Change

There has been no significant change in the financial position of each of the Issuers and their respective subsidiaries since 31 December 2019, being the date of each Issuer's last published audited consolidated annual financial statements.

There has been no significant change in the financial performance of each of the Issuers and their respective subsidiaries since 31 March 2020, being the date of each Issuer's last published financial information.

There has been no material adverse change in the prospects of each of the Issuers and their respective subsidiaries since 31 December 2019, being the date of each Issuer's last published audited consolidated annual financial statements.

7. Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuers are aware) which may have or had, in the 12 months prior to the date hereof, a significant effect on the

financial position or profitability of the Santander UK Group or each of the Issuers and its subsidiaries.

8. Auditors

The consolidated annual financial statements of the Issuers and the Group for the years ended 31 December 2019 and 31 December 2018 incorporated by reference in this Prospectus have been audited by PricewaterhouseCoopers LLP, chartered accountants and registered auditors, as stated in the report appearing therein.

The auditors of the Issuers and the Group have no material interest in the Issuers or the Group.

9. Legend for Bearer Notes, Coupons and Talons in respect of certain limitations under United States income tax laws

Bearer Notes and the relevant Coupons or Talons will bear a legend to the effect that any U.S. person holding the same will be subject to limitations under the United States income tax laws, including those under Section 165(j) and 1287(a) of the United States Internal Revenue Code of 1986, as amended.

10. Programme Ratings

As at the date of this Prospectus, in respect of Santander UK the Programme has been rated (i) (P)Aa3 (senior unsecured) and (P)P-1 (short-term) by Moody's, (ii) A (senior unsecured notes with a maturity of one year or more) and A-1 (senior unsecured notes with a maturity of less than one year) by S&P and (iii) A+ (long-term senior unsecured) and F1 (short-term senior unsecured) by Fitch.

As at the date of this Prospectus, in respect of Santander UK Group Holdings the Programme has been rated (i) (P)Baa1 (senior unsecured), (P)P-2 (short-term) and (P)Baa1 (subordinated) by Moody's, (ii) BBB (senior unsecured notes with a maturity of one year or more), A-2 (senior unsecured notes with a maturity of less than one year) and BB+ (subordinated notes) by S&P and (iii) A (long-term senior unsecured) and F1 (short-term senior unsecured) by Fitch.

11. Contracts (Rights of Third Parties) Act 1999

The Contracts (Rights of Third Parties) Act 1999 (the "**Act**") provides, *inter alia*, that persons who are not parties to a contract governed by the laws of England and Wales may be given enforceable rights under such contract. This Programme expressly excludes the application of the Act to any issue of Notes under the Programme.

12. Post Issuance Information

The Issuers do not intend to provide any post-issuance information in relation to any issue of Notes.

13. Indicative Yield for Fixed Rate Notes

In relation to any Tranche of Fixed Rate Notes, an indication of the yield in respect of such Notes will be specified in the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement). The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.

REGISTERED OFFICE OF THE ISSUERS

2 Triton Square
Regent's Place
London NW1 3AN

THE TRUSTEE

Citicorp Trustee Company Limited

13th Floor, Citigroup Centre
Canada Square
London E14 5LB

PRINCIPAL PAYING AGENT, TRANSFER AGENT AND EXCHANGE AGENT

Citibank, N.A., London Branch

13th Floor, Citigroup Centre
Canada Square
London E14 5LB

PAYING AGENT AND TRANSFER AGENT

Citibank Europe plc

1 North Wall Quay
Dublin 1

REGISTRAR

Citigroup Global Markets Europe AG

5th Floor, Reuterweg 16
60323 Frankfurt

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as to English law*

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*To the Issuers
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*To the Dealers as to English law
and United States law*

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To the Trustee as to English law

Linklaters LLP
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AUDITORS*To the Issuers*

PricewaterhouseCoopers LLP
 1 Embankment Place,
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DEALERS**Banco Santander, S.A.**

Ciudad Grupo Santander
 Avda de Cantabria s/n
 Edificio Encinar
 28660 Boadilla del Monte
 Madrid, Spain

Barclays Bank Ireland PLC

One Molesworth Street
 Dublin 2
 D02RF29
 Ireland

Barclays Bank PLC

5 The North Colonnade
 Canary Wharf
 London E14 4BB

BNP Paribas

16, boulevard des Italiens
 75009 Paris
 France

Citigroup Global Markets Limited

Citigroup Centre
 Canada Square
 Canary Wharf
 London E14 5LB

Credit Suisse Securities (Europe) Limited

One Cabot Square
 London E14 4QJ

Deutsche Bank AG, London Branch

Winchester House
 1 Great Winchester Street
 London EC2N 2DB

Goldman Sachs International

Plumtree Court
 25 Shoe Lane
 London EC4A 4AU

HSBC Bank plc

8 Canada Square
 London E14 5HQ

J.P. Morgan Securities plc

25 Bank Street
 Canary Wharf
 London E14 5JP

Merrill Lynch International

2 King Edward Street
 London EC1A 1HQ

Mizuho International plc

Mizuho House
 30 Old Bailey
 London EC4M 7AU

Morgan Stanley & Co. International plc

25 Cabot Square
 Canary Wharf
 London E14 4QA

NatWest Markets Plc

250 Bishopsgate
 London EC2M 4AA

Nomura International plc

1 Angel Lane
 London EC4R 3AB

UBS AG London Branch

5 Broadgate
 London EC2M 2QS

SUPPLEMENT DATED 29 JULY 2020
TO THE PROSPECTUS RELATING TO THE €30,000,000,000 EURO MEDIUM TERM NOTE
PROGRAMME OF:



SANTANDER UK PLC

(INCORPORATED IN ENGLAND WITH LIMITED LIABILITY, REGISTERED NUMBER 2294747)
(AS ISSUER OF SENIOR NOTES)

and

SANTANDER UK GROUP HOLDINGS PLC

(INCORPORATED IN ENGLAND WITH LIMITED LIABILITY, REGISTERED NUMBER 08700698)
(AS ISSUER OF SENIOR NOTES AND DATED SUBORDINATED NOTES)

€30,000,000,000

EURO MEDIUM TERM NOTE PROGRAMME

This supplement (the "**Supplement**", which definition shall also include all information incorporated by reference herein) is supplemental to, forms part of and must be read in conjunction with, to the prospectus dated 30 June 2020 relating to the €30,000,000,000 Euro Medium Term Note Programme of the Issuers (the "**EMTN Programme**"), (the "**Prospectus**") and comprises a supplementary prospectus for the purpose of Article 23 of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**").

Unless otherwise defined herein, capitalised terms used in this Supplement have the meanings given to them in the Prospectus.

This Supplement has been approved by the United Kingdom Financial Conduct Authority (the "**FCA**"), which is the United Kingdom competent authority for the purposes of the Prospectus Regulation and relevant implementing measures in the United Kingdom for the purpose of giving information with regard to the issue of instruments under the EMTN Programme.

The Issuers accept responsibility for the information contained in this Supplement. To the best of the knowledge of each Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement has been prepared for the purposes of incorporating by reference into the Prospectus the unaudited consolidated financial information of Santander UK Group Holdings plc for the six months ended 30 June 2020 (the "**Quarterly Management Statement**").

Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in the Prospectus, to which this Supplement relates.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference in the Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Prospectus prior to the date of this Supplement, the statement in (a) above will prevail.

If any document which is incorporated by reference itself incorporates any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Supplement or the Prospectus for the purposes of the Prospectus Regulation except where such information or other documents are specifically incorporated by reference or attached to this Supplement.

Any information in the documents incorporated by reference which is not incorporated in and does not form part of this Supplement is not relevant for investors or is contained elsewhere in the Prospectus to which this Supplement relates.

Save as disclosed in this Supplement and the Prospectus, no significant new factor, material mistake or inaccuracy relating to information included in the Prospectus has arisen or been noted, as the case may be, since the publication of the Prospectus.

In circumstances where Sections 87Q(4) – (6) of the Financial Services and Markets Act 2000 apply, investors who have agreed to purchase or subscribe for securities before this Supplement is published have the right, exercisable before the end of the period of two working days beginning with the working day after the date on which this Supplement was published, to withdraw their acceptances by sending a written notice of withdrawal (which must include the full name and address of the person or entity wishing to exercise such statutory withdrawal right and identify the transferable securities to which that statutory withdrawal right relates) by electronic mail to treasurylegal@santander.co.uk.

PUBLICATION OF QUARTERLY MANAGEMENT STATEMENT

On 29 July 2020, Santander UK Group Holdings plc published its Quarterly Management Statement.

Such Quarterly Management Statement is hereby incorporated in, and forms part of, the Prospectus.

A copy of the Quarterly Management Statement has been submitted to the National Storage Mechanism (available for viewing at: <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>).

The Quarterly Management Statement is available for viewing at: <http://www.santander.co.uk/uk/about-santander-uk/investor-relations/santander-uk-plc/>.

GENERAL

This Supplement will be published on the website of the London Stock Exchange at the following link: <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.