Santander UK Group Holdings plc

Investor Update

for the three months ended 31 March 2022

April 2022

Becoming a digital bank with a human touch

Santander

Contents

Prudent and diverse balance sheet

We have a well established UK market position

14 million
active UK customers

3rd
largest retail mortgage provider[1]

450 branches
Across the UK

5th
largest commercial lender[1]

Our customer focused segments

£bn	Loans	Deposits
Retail Banking	188.9	156.0
Consumer Finance	5.1	-
Corporate & Commercial Banking	16.9	25.4
Corporate Centre	2.8	9.3
Total	213.7	190.7

Our strategic priorities

1. Deliver growth through customer loyalty and outstanding customer experience
2. Simplify and digitise the business for improved efficiency and returns
3. Engage, motivate and develop a talented and diverse team
4. Be a responsible and sustainable business

E S G

Santander

1. Santander UK industry analysis of latest available bank and building society reports. Mortgage provider: UK mortgage stock, Retail Banking divisions. Commercial lender: UK commercial lending stock, Corporate and/or Commercial Banking divisions (excludes investment banking).

A clear focus on our communities and being a responsible and sustainable bank

E Environmental: supporting the green transition

Helping customers go green

£4bn
Green Finance

>3,500
EnergyFact reports

Going green ourselves

Carbon Neutral
in our operations

Net Zero with Nature
Founding Partner UK National Parks

Aligning to Paris targets

95%[1] mortgages
negligible/very low flood risk

Net Zero Banking Alliance Partnership

S Social: building a more inclusive society

Talented and diverse team

Top 20 ranking
Social Mobility Index

32% women
Senior female managers[2]

Practical advice and tools for our customers

Financially empowering
>750k people[3]

500k young people
financially educated

Supporting society

>21k other people supported through volunteering

>10k
scholarships and awards granted

G Governance: doing business the right way

A strong culture: Simple, Personal, Fair

73% employees
proud to work for Santander

Remuneration policy
for people and sustainability[4]

An independent, diverse Board[5]

50%
Independent

33%
Female

Climate governance
with Board oversight

At 31 December 2021 (unless stated otherwise). | 1. 2021 assessment of our UK mortgage portfolio, see page 26, 2021 Santander UK Strategic Report. | 2. This includes Senior Managers and those in more senior positions. | 3. Cumulative since 2019. | 4. 10% weighting | 5. At 1 January 2022

Three key pillars and foundation to our Sustainability and Responsible Banking strategy

1 Thriving workplace

Creating a culture of inclusivity and belonging

- Diversity, inclusion and belonging
- Social mobility
- Organisational culture and governance

2 Better communities

Helping customers and communities prosper

- Financial inclusion
- Community engagement and support
- Sustainable / ESG products

3 Healthy environment

Fighting climate change and supporting the green economy

- Reducing emissions in our operations
- Support customer transition to a low carbon economy

Being responsible in everything we do

- Responsible banking practices
- Financial crime
- Human and labour rights

E S G

Our responsible banking commitments

Strategic Pillar	Indicator[1]	2021	Commitments	Target date
Thriving workplace	Female senior managers[2]	32%	50% (+/-10%)	2025
	Ethnic minority senior managers[2]	10%	14% (+/-2%)	2025
	Women on the Board	33%	40-60%	2030
	Top 10 Company to work for	16th	Top 10	2025
	Senior managers from lower socio-economic backgrounds[2]	28%	35%	2030
Better communities	Financially empowered people	>750,000[3]	3m	2025
	Financial education to children and young people	500,000	2.2m	2025
Healthy environment	Green finance[4]	£4bn	£20bn	2025
	Customers helped to improve their homes' efficiency[5]	n.a.	1.3m customers	2025
	Customers supported to become greener with products and services	n.a.	180k customers	2025

E S G

Santander

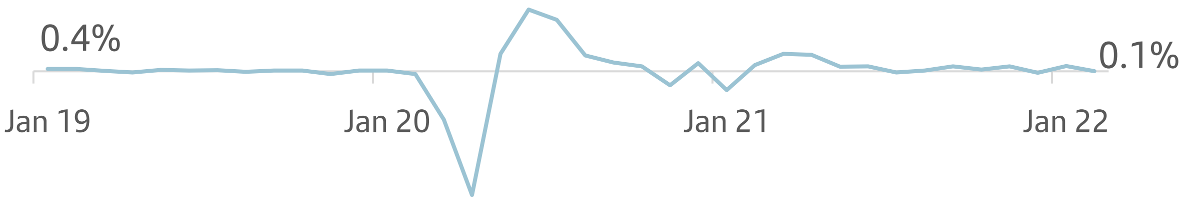
1. See 2021 ESG Supplement for definitions and more information. | 2. This includes Senior Managers and those in more senior positions. | 3. Cumulative since 2019 | 4. Includes lending to finance properties with an EPC rating of A and B, renewable energy and electric vehicles as well as financing raised and facilitated | 5. Customers with properties that have an EPC rating of D or below engaged to improve efficiency of their homes.

Contents

Economic momentum slowed in February with 30-year high inflation and rising cost of living

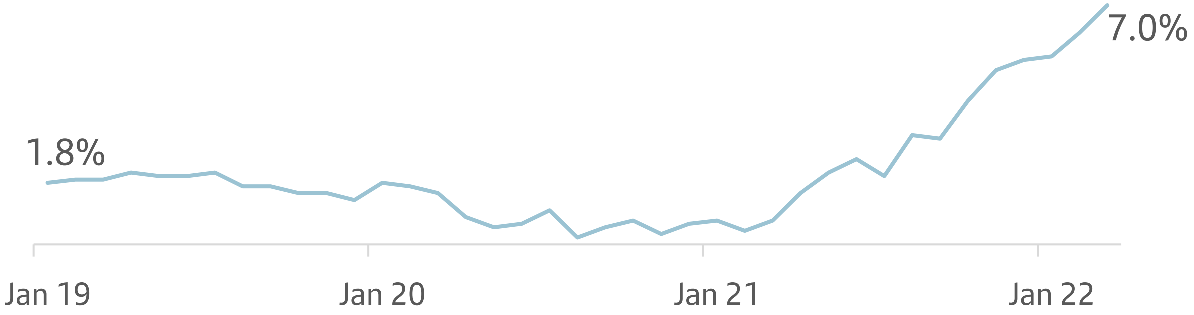
GDP[1]
(% m/m growth)

February impacted by storms hitting construction output and falling health sector activity



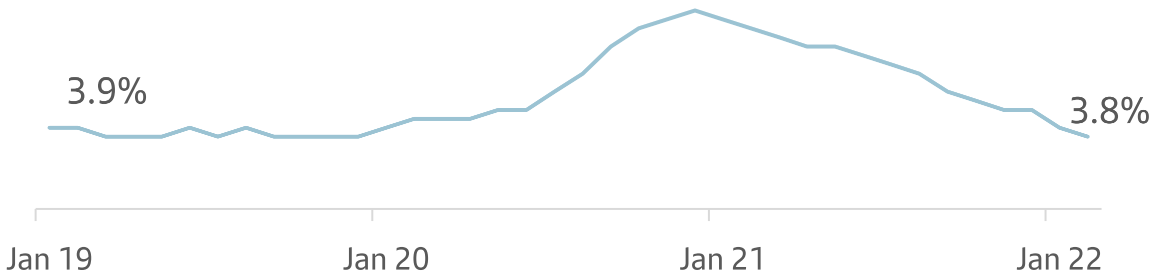
CPI Inflation[1]
(% y/y growth[2])

Reached a 30-year high of 7% as petrol and food prices rose sharply



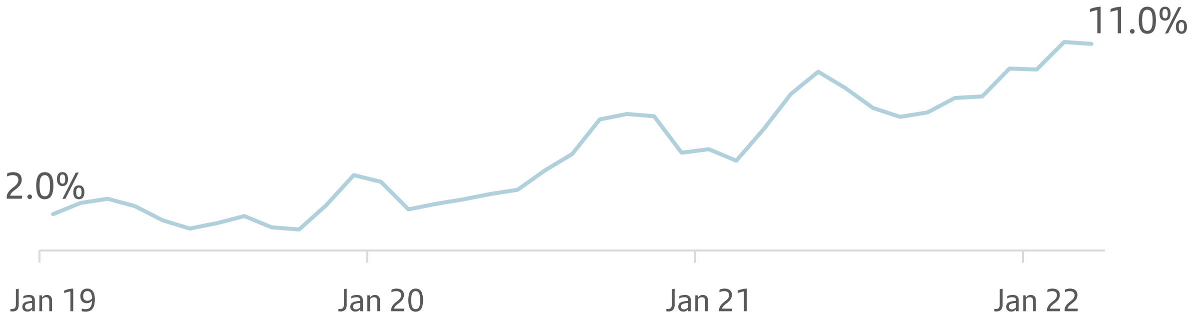
Unemployment[1]
(ILO[3], % Unemployment rate)

Down to pre-pandemic rates with record vacancies and a smaller workforce



HPI
(Halifax House Price Index, % y/y growth)

Strong growth underpinned by robust demand and lack of supply

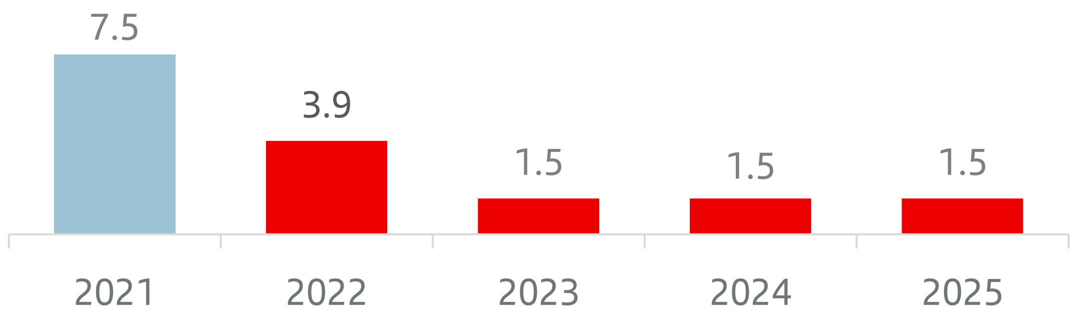


1. Office for National Statistics | 2. Consumer Price Index. Latest data as at Mar 22. | 3. International Labour Organisation. Latest data as at Feb 2022. | 4. Halifax House Price Index, source: IHS Markit (March 2022).

Outlook remains uncertain with different forecasts from analysts and markets

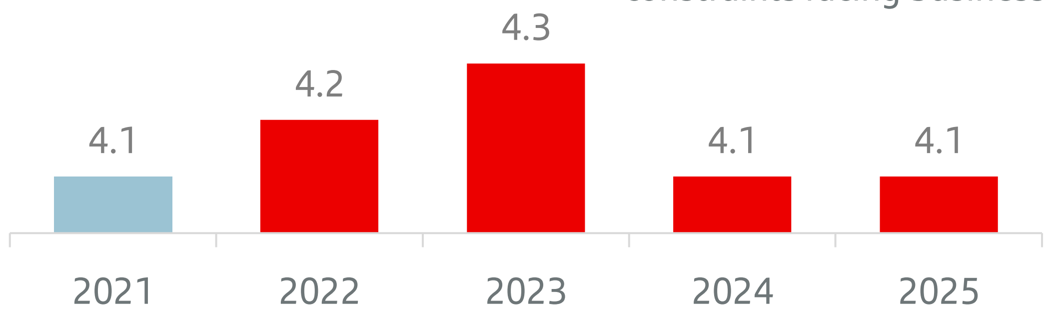
GDP[1]
% Annual average

Slower economic growth due to high inflation and negative real wage growth into 2023



Unemployment[1,2]
% Annual average

Expected to remain tight although cost pressures and rising Bank Rate will add to constraints facing businesses.

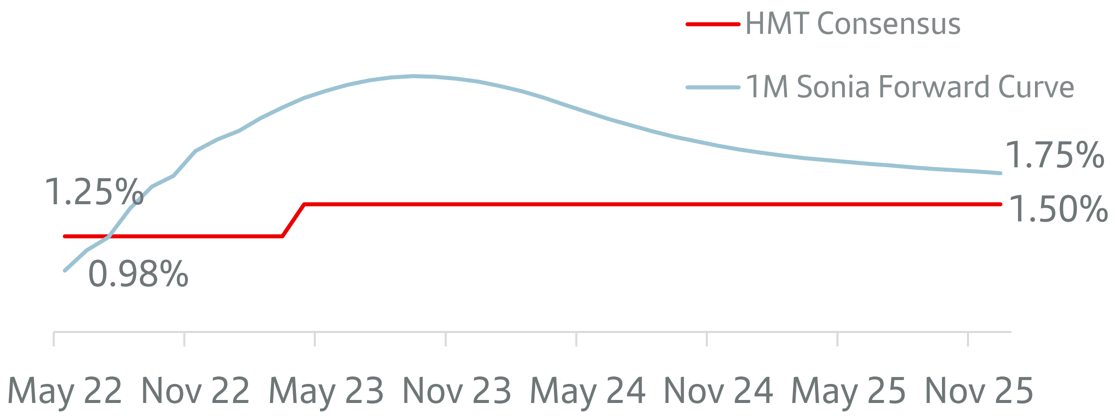


CPI[3]
% Annual average

High inflation expected to remain in 2023, worsened by supply constraints and higher agriculture prices.

Bank Rate views[4]

Markets remain more hawkish than analysts.



1. 2021 source: Office for National Statistics. 2022 (f), 2023 (f), 2024 (f) and 2025(f) source: Santander UK forecasts at February 2022 | 2. International Labour Organisation | 3. Consumer Price Index. Santander UK latest estimation of inflation trends. | 4. 2022 (f) and 2023 (f) as at Q4, HMT Consensus, published March 2022. 2024 (f) and 2025 (f) are annual averages from HMT consensus, published February 2022. All figures are rounded to nearest 25bps. One month Sonia forward curve at close of business 07 April 2022.

Strong Q1 2022 results with higher operating income

Q1 2022 vs Q1 2021[1]	Statutory	Adjusted[2]
Net interest income	£1,053m +14%	£1,053m +14%
Non-interest income	£122m +31%	£105m +50%
Operating expenses	£581m -19%	£528m -5%
Credit impairment losses	£52m n.m.	£52m n.m.
Provisions	£47m -63%	£44m +47%
Profit before tax	£495m +183%	£534m +29%

- Net interest income up 14%, following liability repricing actions and the impact of base rate increases.
- Non-interest income up 31% largely due to the cost of wholesale funding liability management in Q1 21 which was not repeated.
- Operating expenses down 19%, largely related to lower transformation spend. Adjusted operating expenses down 5% with efficiency savings.
- Credit impairment losses of £52m, reflecting the potential risk that higher inflation could impact unsecured lending repayments and an uplift applied to mortgage probability of default. Stage 3 ratio was 1.50%.
- Provisions decreased 63%, largely related to lower transformation programme charges following significant restructuring in 2021. Adjusted provisions up 47% including higher fraud charges.

1. See slide 32 for the consolidated income statement for Q122. Operating expenses is before credit impairment (losses)/ write-backs, provisions and charges. Provisions is for other liabilities and charges. | 2. Non-IFRS measures. See Quarterly Management Statement for the three months ended 31 March 2022 for more information.

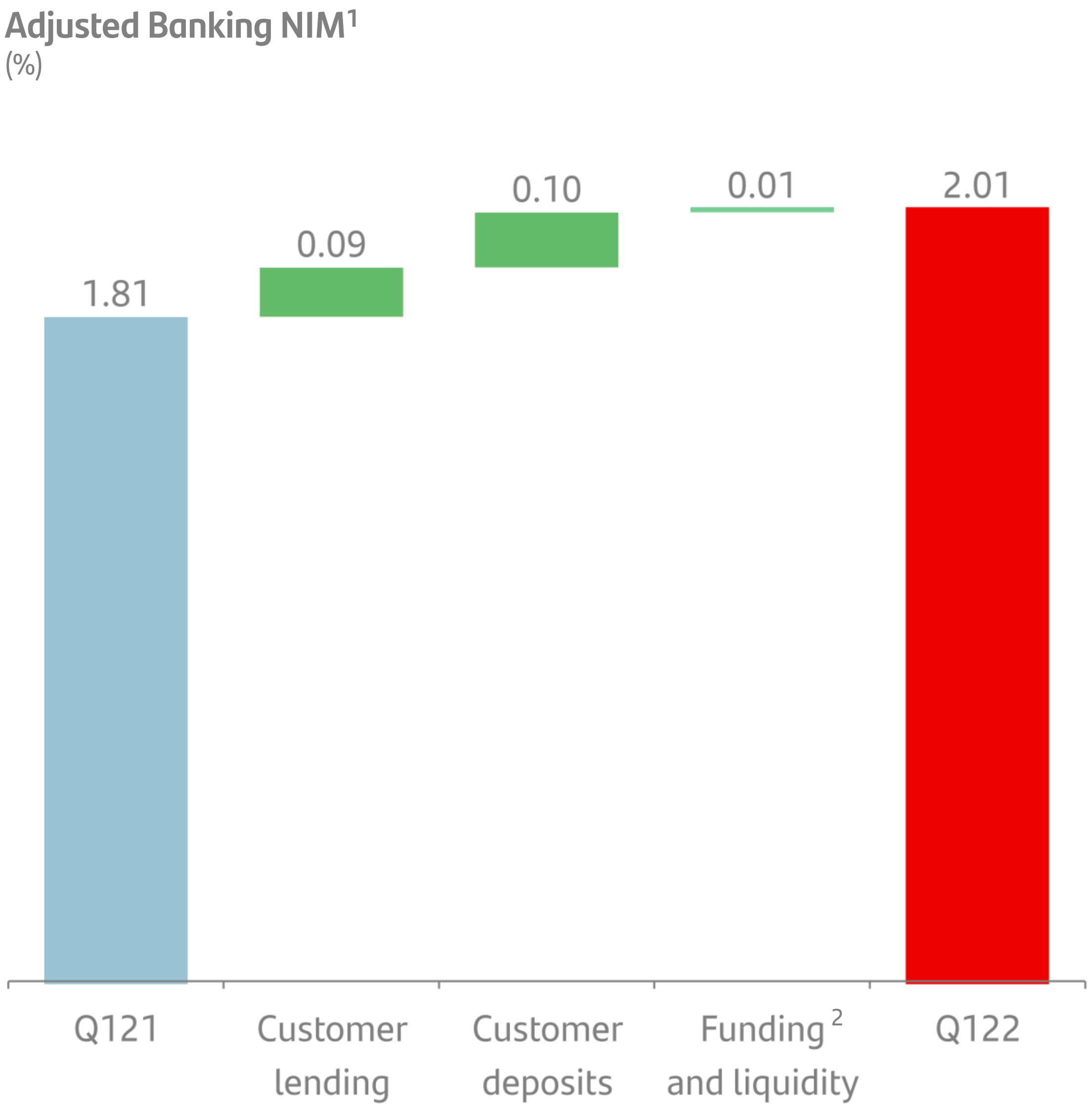
Improving returns with strong capital and liquidity

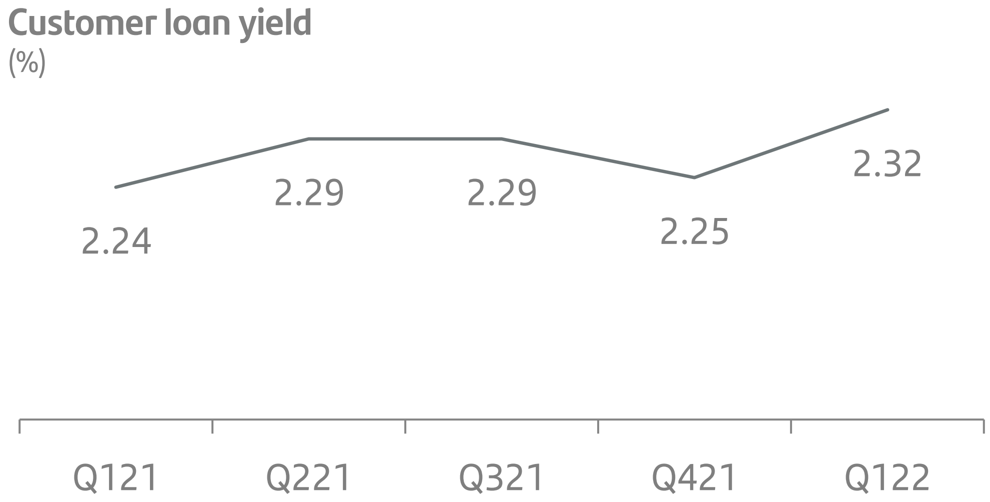
	2018	2019	2020	2021	Q122
CET1 capital ratio (%)	13.2	14.3	15.2	15.9	15.5
Leverage ratio (%)	4.5	4.7	5.1	5.2	5.1
LCR (%)	164	142	150	166	178[5]
Banking NIM (%)[1]	1.80	1.64	1.63	1.92	2.01
Adj. Cost–to-income ratio (%)[2]	54	59	60	50	46
Cost of risk (bps)[3]	8	11	31	-11	-9
Adjusted RoTE (%)[4]	10.2	7.8	4.3	13.2	12.6

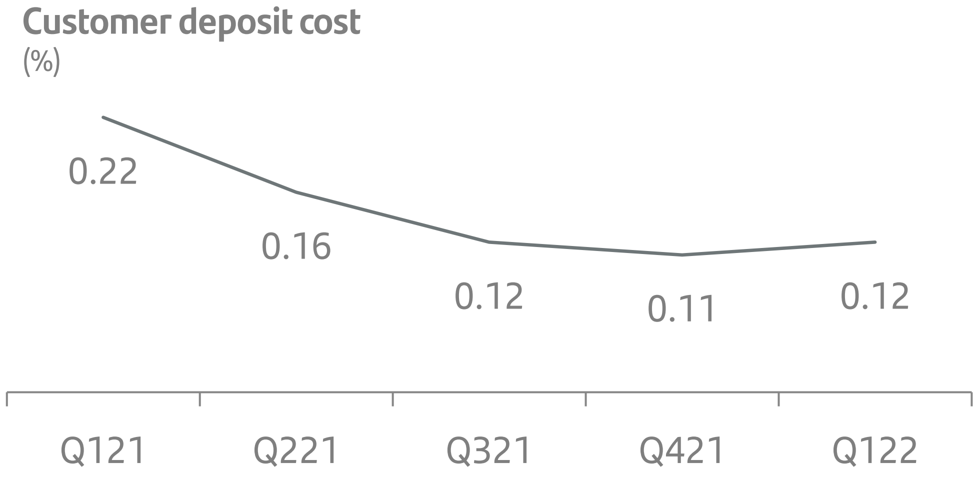
Santander

1. Non- IFRS measure. See Appendix 1 of the Quarterly Management Statement for the three months ended 31 March 2022 for details and a reconciliation of adjusted metrics to the nearest IFRS measure for more information | 2. Banco Santander's UK Efficiency Ratio target for 2022 is ~52%. | 3. Cost of risk (CoR) is rolling 12-month credit impairment losses as a percentage of average customer loans. | 4. Banco Santander's UK 2022 ROTE target is >13%. Adjusted RoTE: adjusted based on Group's deployed capital calculated as contribution of RWAs at 12%. | 5. Liquidity metrics now reported for Santander UK, our Holding Company, from 1 January 2022 following adoption of CRR2 regulation (previously reported for RFB DolSub, now. See Appendix 3 of the Quarterly Management Statement for the three months ended 31 March 2022 for more information.

Banking NIM improvement largely driven by deposit repricing



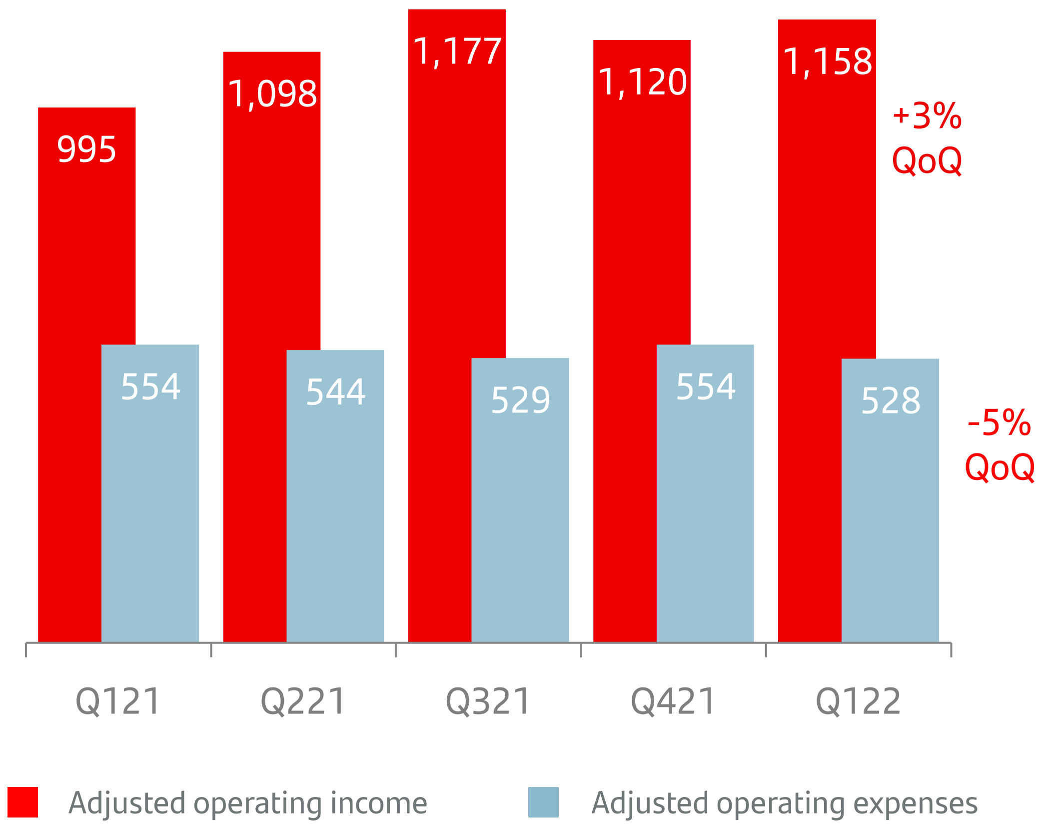




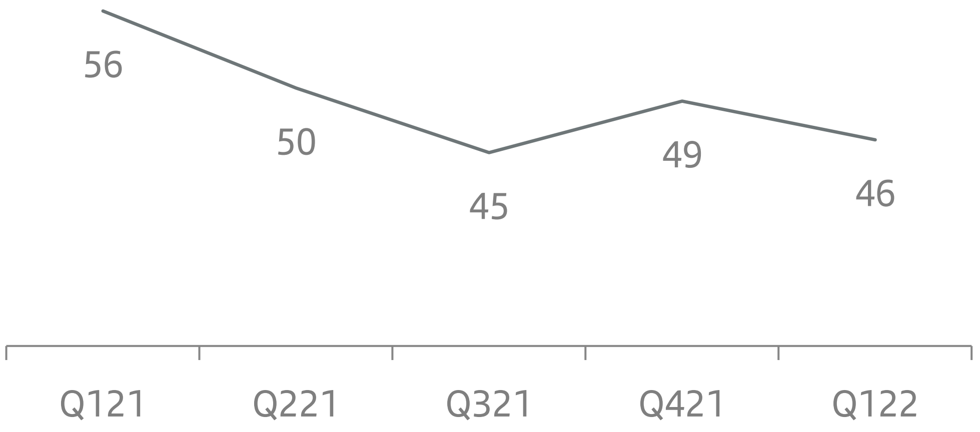
1. Adjusted Banking NIM is calculated as adjusted net interest income divided by average customer assets. | 2. Includes cost of wholesale funding and income from liquid assets (LAB).

Multi-year transformation programme focused on efficiency and customers

Adjusted operating income and expenses[1]
(£m)



Adjusted cost-to-income ratio[1]
(%)

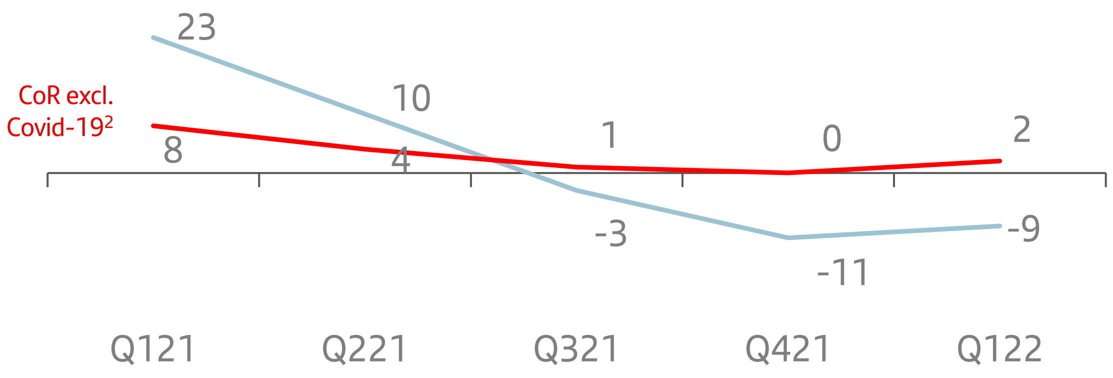


- Strategic focus on efficiency and meeting the changing needs of our customer and people
- Adjusted cost-to-income of 46% in Q122, down 3pp in the quarter due to actions taken to reprice deposits and improved efficiency.
- Since 2019, £778m of transformation programme investment with a customer and digitalisation focus has realised £531m savings.

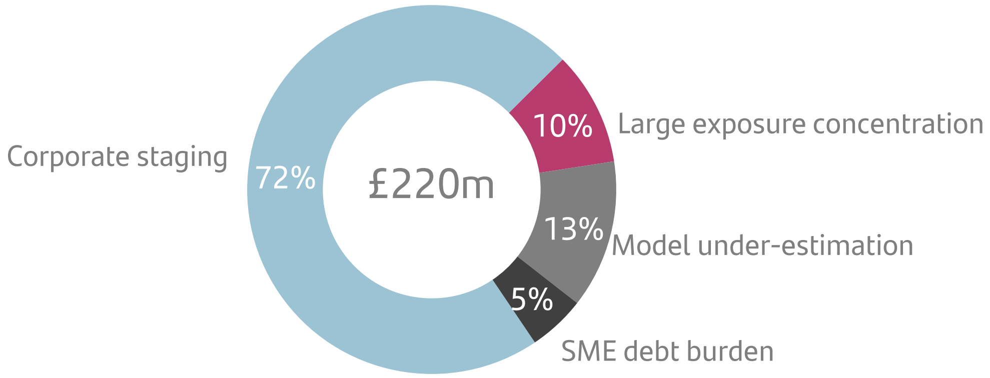
1. Adjusted operating income and expenses from continuing operations. See Quarterly Management Statement for the three months ended 31 March 2022 for further details and a reconciliation of adjusting items.

Credit impairment write-backs with partial release of Covid-19 related provisions

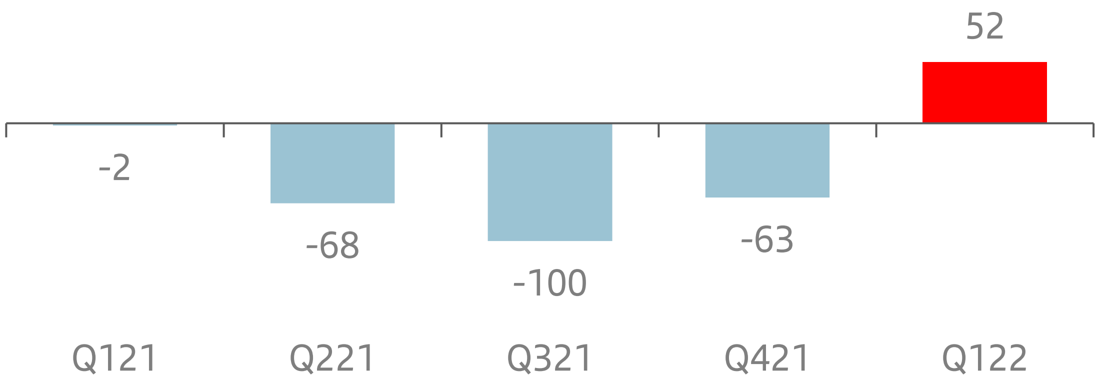
Cost of risk[1]
(bps)



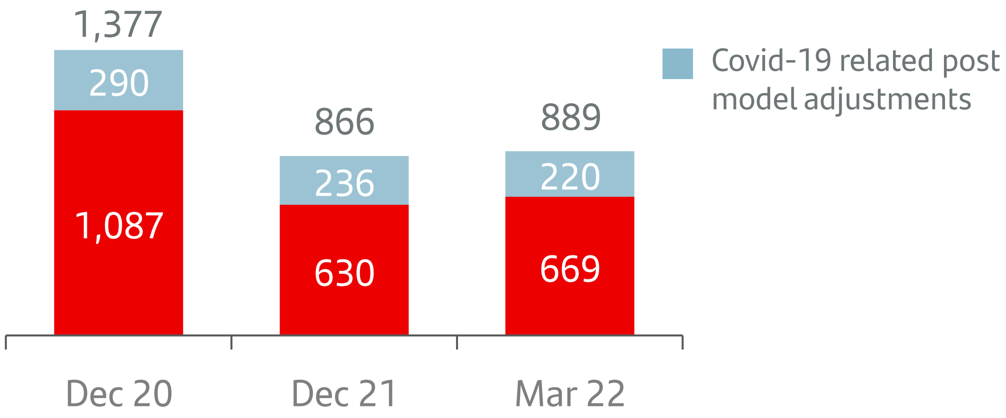
Covid-19 related post model adjustments[3]



Credit impairment losses
(£m)



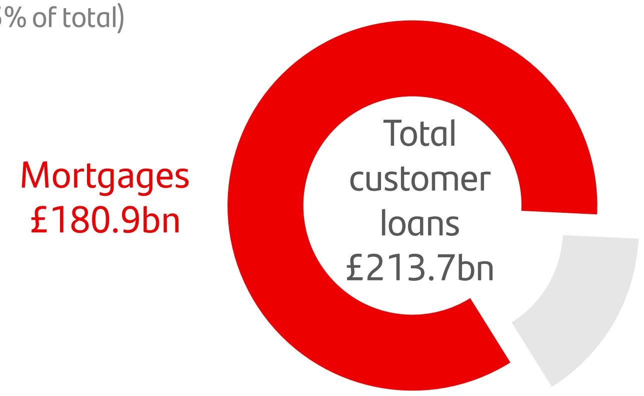
ECL provision
(£m)



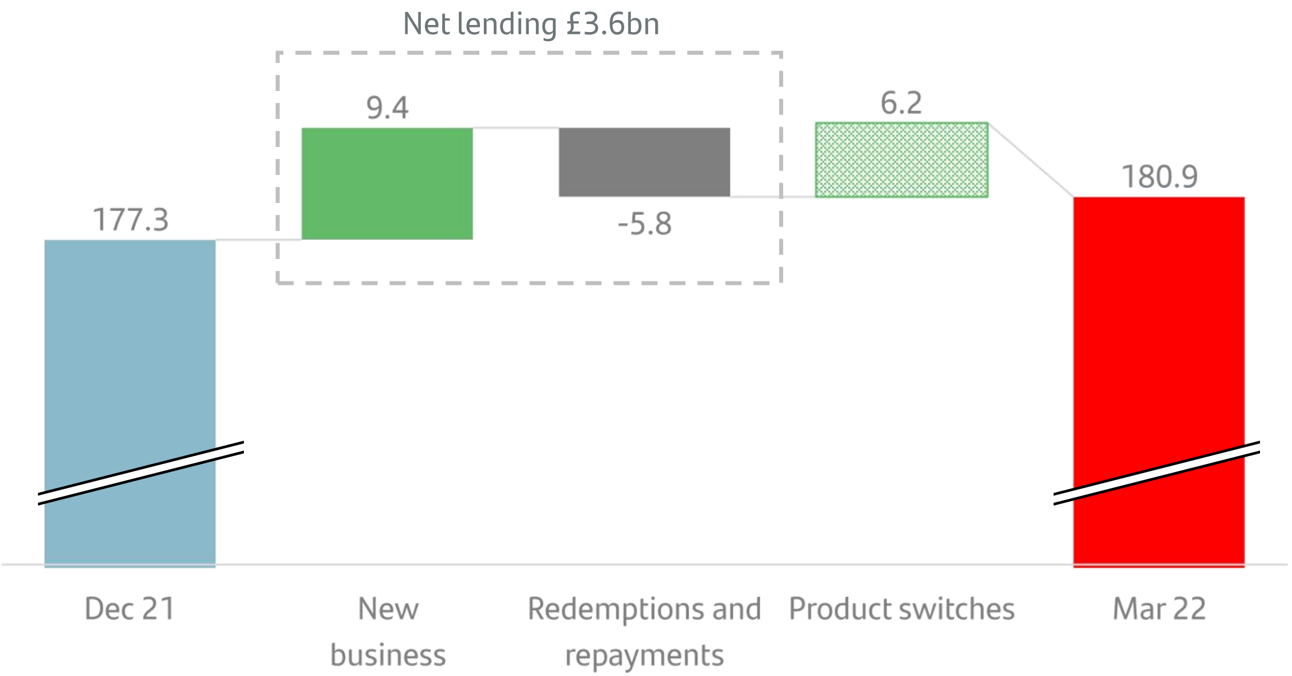
1. Cost of risk (CoR) is rolling 12-month credit impairment losses as a percentage of average customer loans. | 2. CoR excluding Covid-19 related credit impairment losses and economic impacts in 2021 of £223m and £220m in Q122 | 3. Post model adjustments (PMA) to ECL.

Retail Banking (Homes): provides prime UK mortgage lending to owner occupiers and buy-to-let landlords with small portfolios

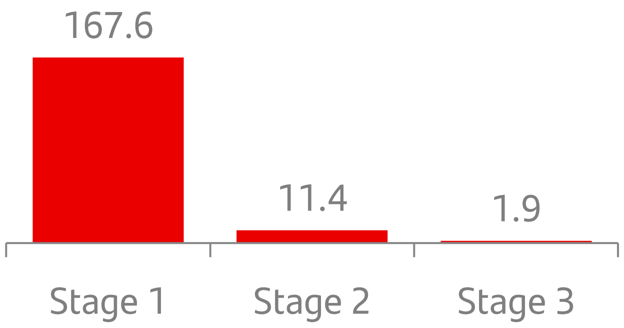
Mortgage customer loans
(85% of total)



Mortgage lending breakdown
(£bn)



Mortgage asset quality
(£bn)



- Prime residential mortgage stock with an average LTV of 40% and an average loan size of £177k[1]. 86% mortgages are fixed.

1. Average loan size of new business £237k.

Mortgage lending profiles

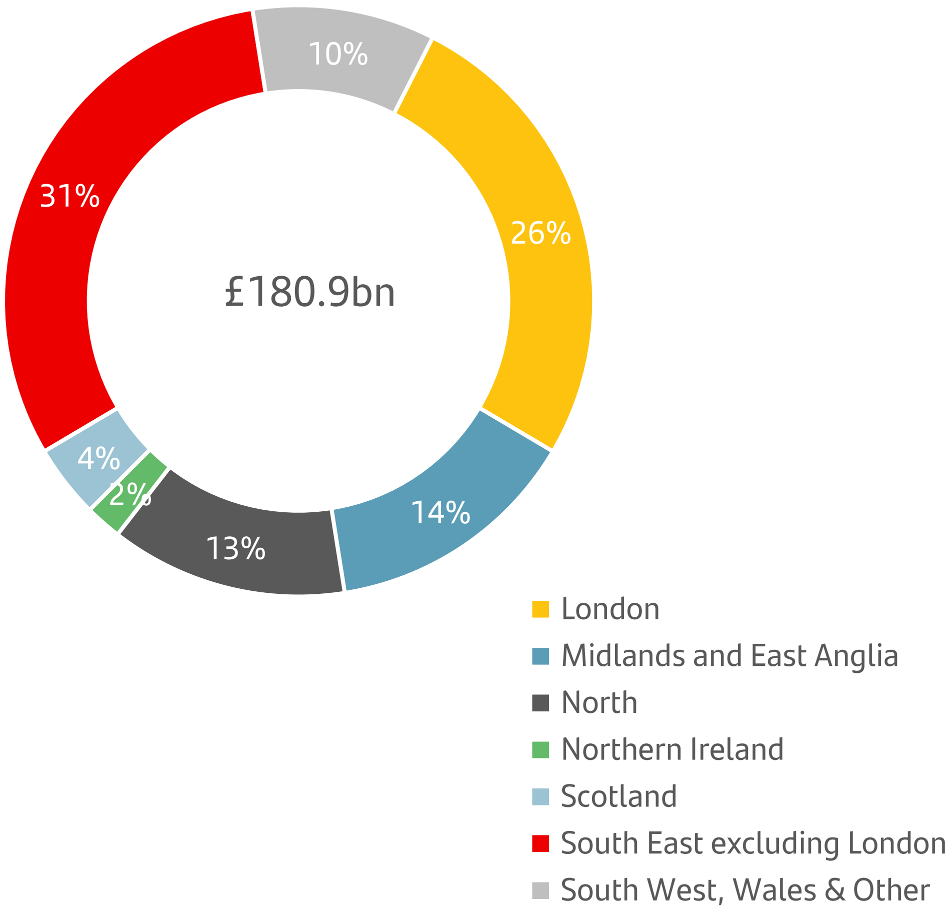
LTV	
New business	
London lending	60%
Buy-to-let	66%
Average stock LTV	40%

Borrower profile	
Home movers	42%
Re-mortgagers	29%
First-time buyers	20%
Buy-to-let	9%
Buy-to-let balance	£15.7bn

Mortgage loan size	
>£1.0m	2%
£0.5m to £1.0m	9%
£0.25m to £0.5m	30%
<£0.25m	59%
Average loan size (stock)[1]	£177k

Interest rate profile	
Fixed rate	86%
Variable rate	9%
Standard variable rate	4%
Follow on Rate	1%
SVR and FoR balance[2]	£10.0bn

Mortgage geographical distribution

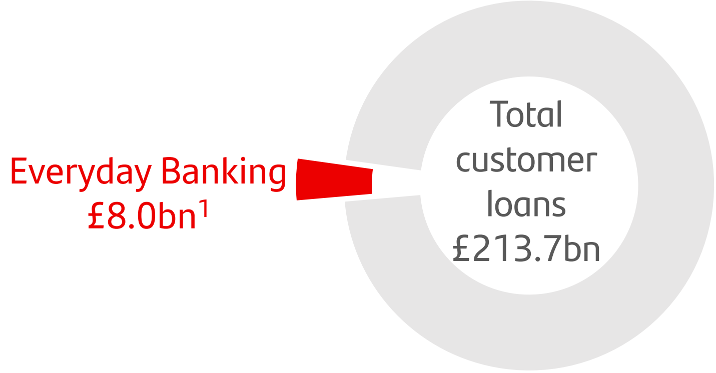


Note: LTV is simple average.
1. Average loan size of new business £237k. | 2. Standard variable rate (SVR) and Follow on Rate (FoR).

Retail Banking (Everyday Banking): provides banking services to individuals and small businesses and wealth management for high net worth clients

Everyday Banking lending

(4% of total)



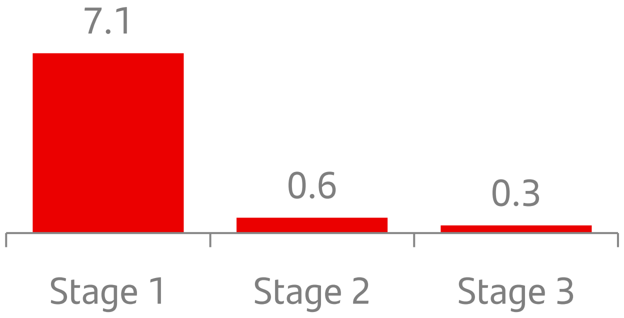
Everyday Banking customer deposits

(£bn)

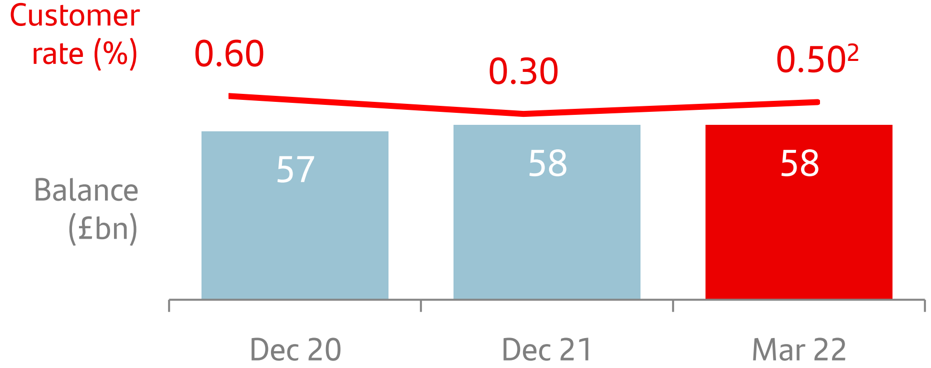
Split by portfolio	Q421	Q122
Current accounts	80.7	80.7
Savings	57.8	57.4
Business Banking	13.1	12.5
Other retail products	5.4	5.4
Total	**157.0**	**156.0**

Everyday Banking lending asset quality

(£bn)



1I2I3 Current Account



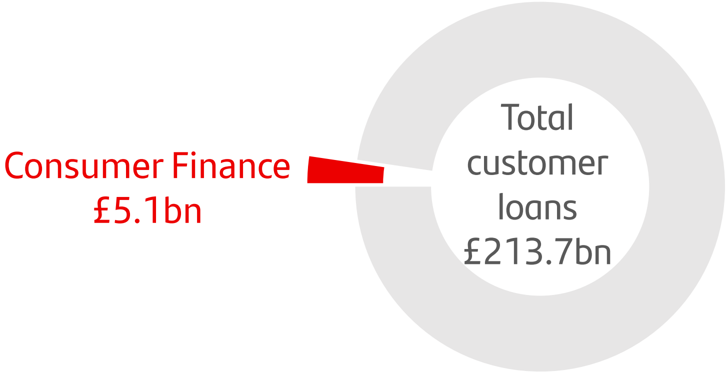
Santander

1. Includes £3.2bn Business Banking (primarily BBLS). | 2. Santander UK increased in-credit interest rate on 123 current accounts to 0.50% AER/gross (variable) on balances up to £20,000 from 28 March 2022.

Consumer Finance: provides prime auto consumer financing for individuals, businesses, and automotive distribution networks

Consumer Finance lending

(2% of total)

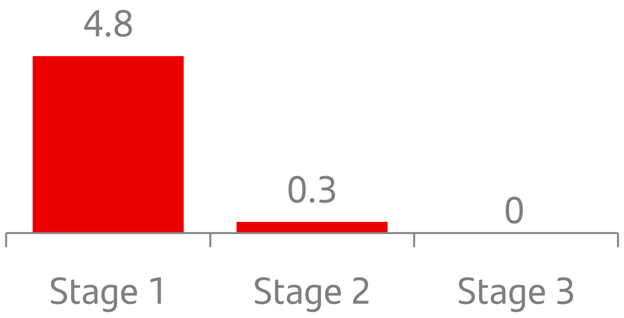


Prudent underwriting criteria

- Prime lending with 82% of the book secured on the vehicle
- Used car values remain strong and are forecast to remain this way until the end of 2022. Therefore, equity in the residual value portfolio is still significant.
- Prime lending portfolio with defaults at historically low levels, when measured by cases or balances.

Consumer Finance asset quality

(£bn)



Partners and relationships

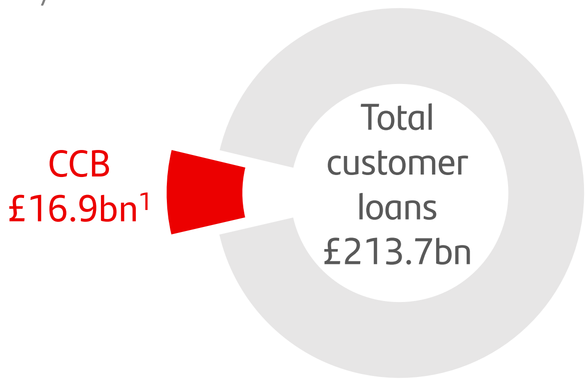
SCUK:

Hyundai Capital JV:

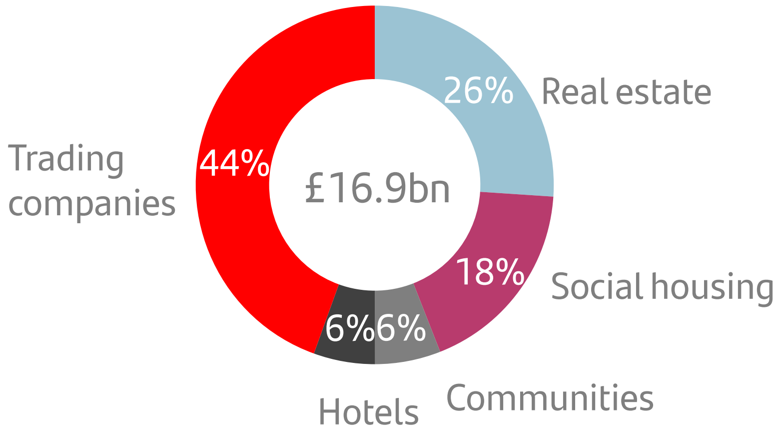
Volvo JV:

CCB: provides banking products and services to SMEs, mid-sized and larger corporates, as well as to Local Authorities and Housing Associations

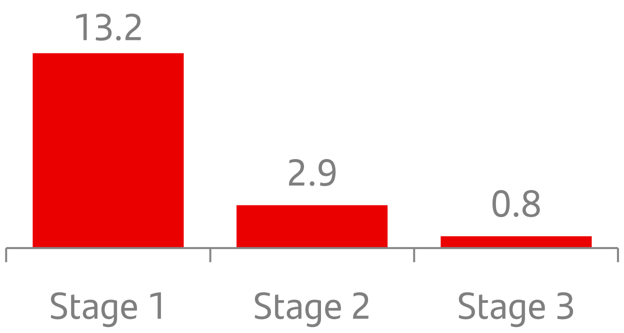
CCB lending
(8% of total)



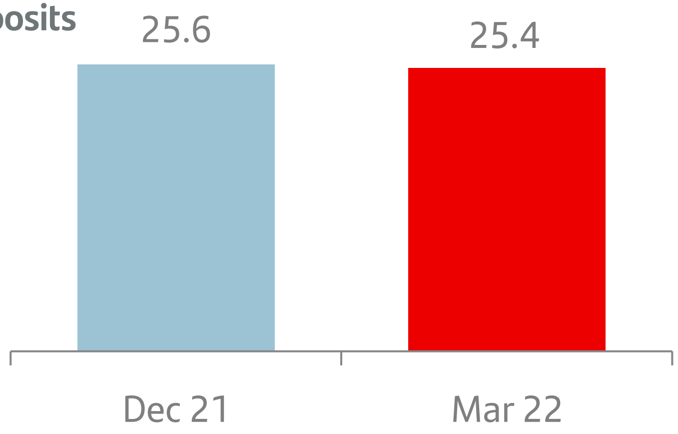
CCB customer loans sector



CCB asset quality
(£bn)



CCB deposits
(£bn)



Santander

1. CCB customer loans includes £4.4bn of CRE loans (2021: £4.4bn).

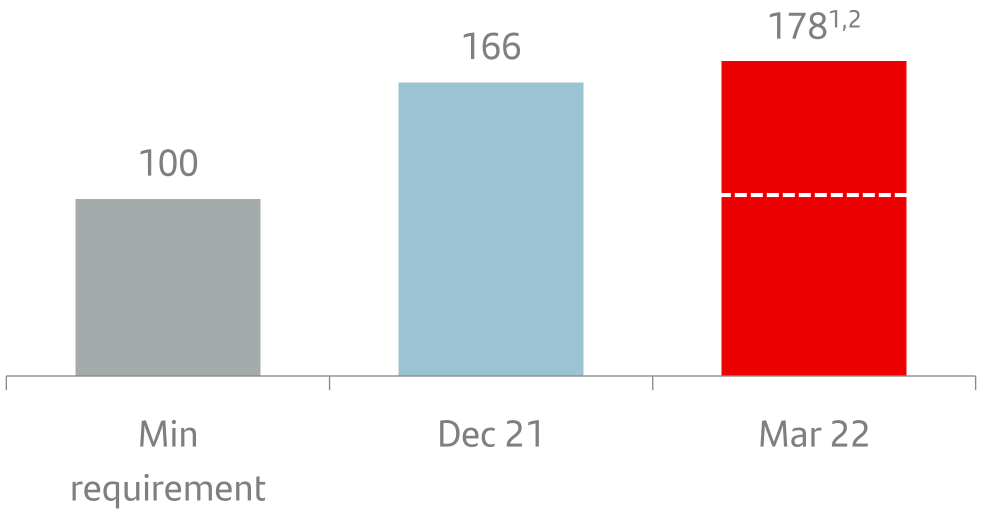
2022 outlook

- We expect Banking NIM to be above 2021 following base rate increases.
- Inflation is likely to impact operating expenses in 2022, however we expect this will be offset by savings from our transformation programme.
- The increased cost of living will affect our customers and could impact affordability of unsecured lending. To date, we have not seen any deterioration of credit quality, our unsecured lending and BTL portfolios are relatively small. 85% of our loans are retail mortgages with an average LTV of 40%.
- We expect our growth in mortgage lending to be broadly in line with the market.

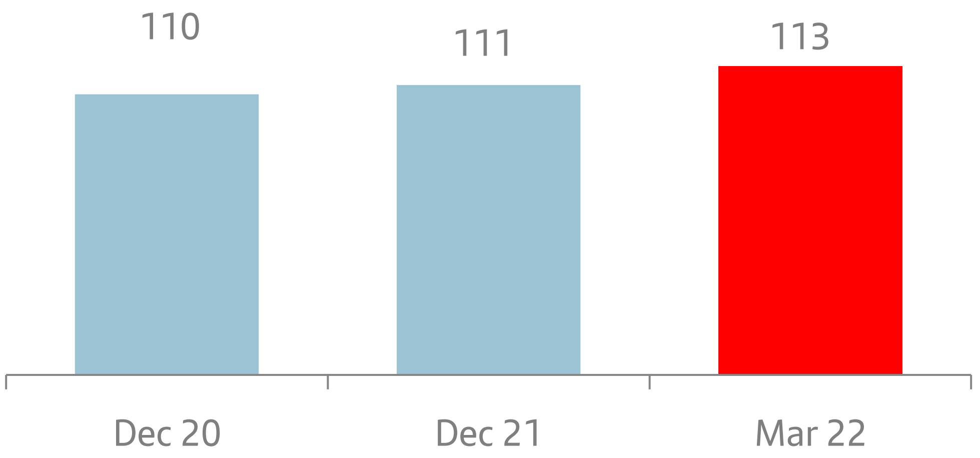
Contents

Robust funding and liquidity position

Liquidity coverage ratio
(%)



Loan to deposit ratio
(%)

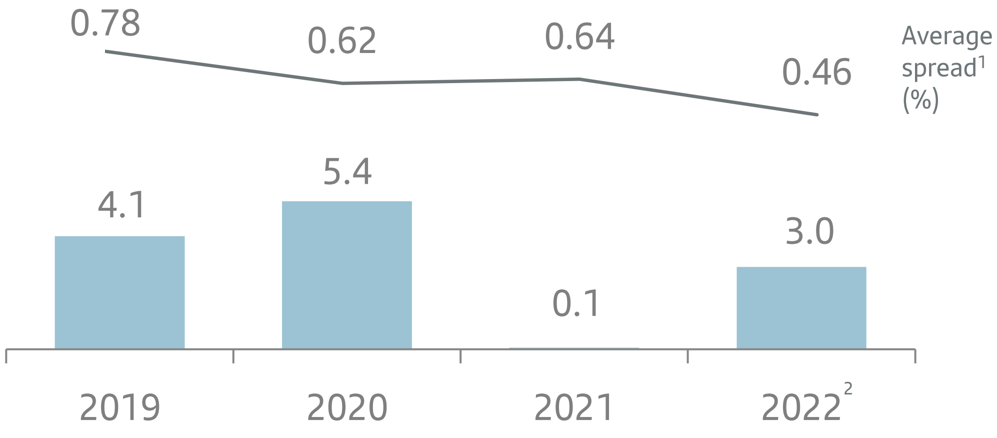


- £31.9bn outstanding drawings under TFSME
- Significant excess TFSME drawings resulting in increased LCR ratio
- £3.9bn of TFSME outstanding balance is 6-10 years in duration in line with lending under the Bounce Back Loan Scheme
- TFSME contractual maturities start in 2025, however it is our intention to start repaying TFSME before the contractual maturity date

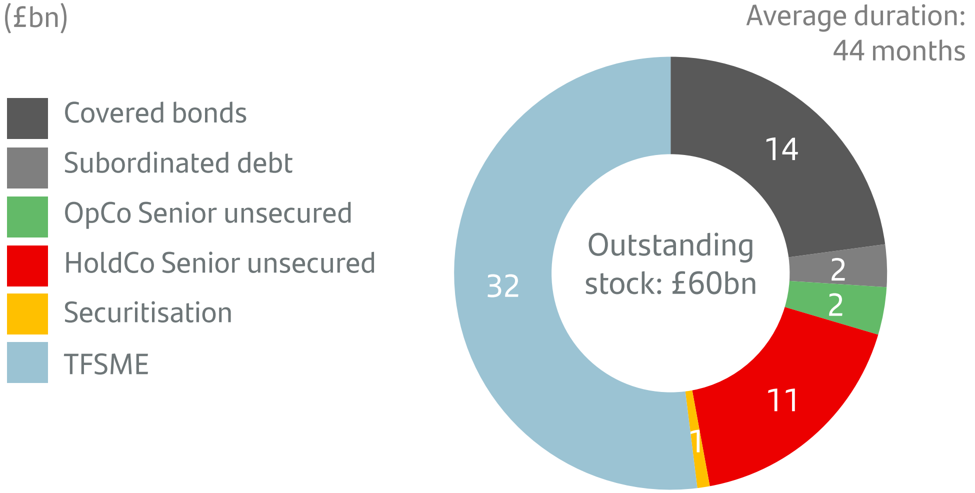
1. £22bn liquidity buffer above the minimum requirement. | 2. Liquidity metrics now reported for Santander UK, our Holding Company, from 1 January 2022 following adoption of CRR2 regulation (previously reported for RFB DolSub, now. See Appendix 3 of Quarterly Management Statement for the three months ended 31 March 2022 for more information.

Strong funding position across a diverse range of products

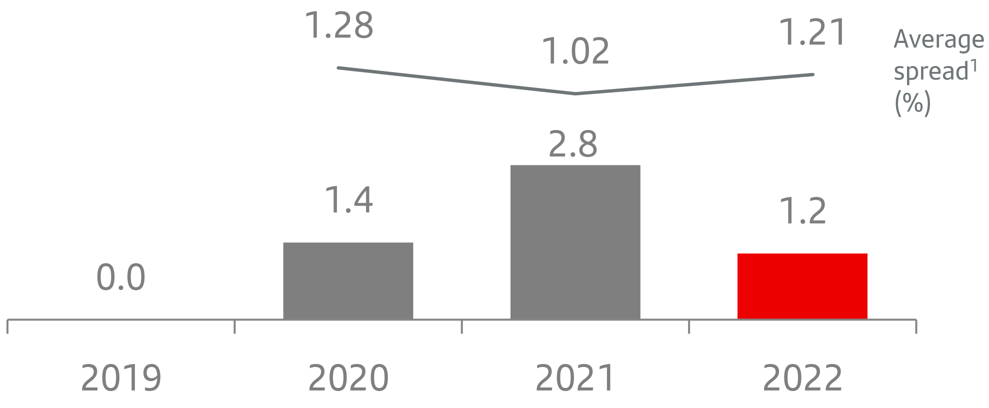
OpCo issuance
(£bn)



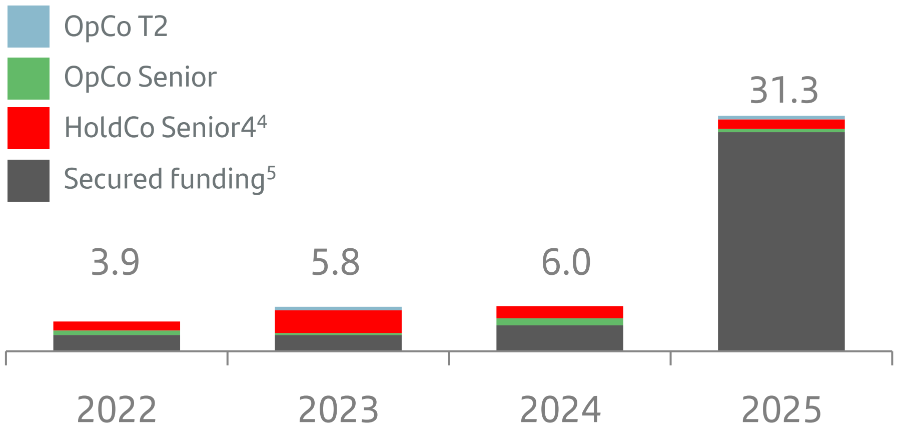
Term funding stock
(£bn)



Senior HoldCo issuance
(£bn)

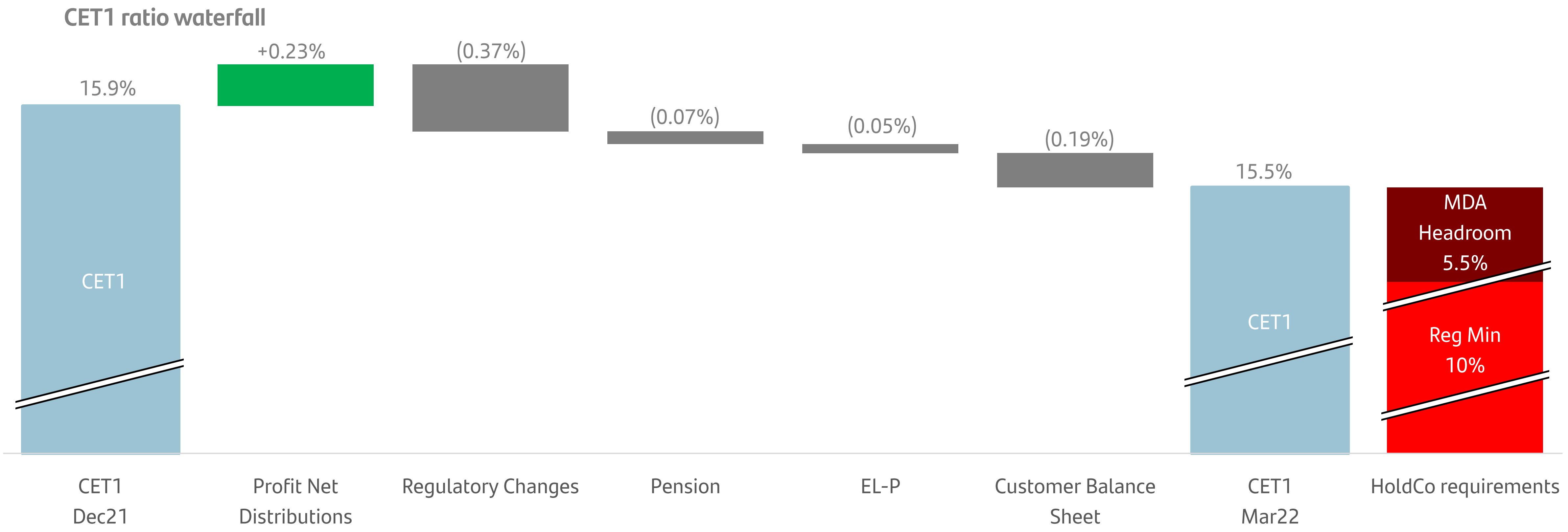


MTF maturities
(£bn)[3]



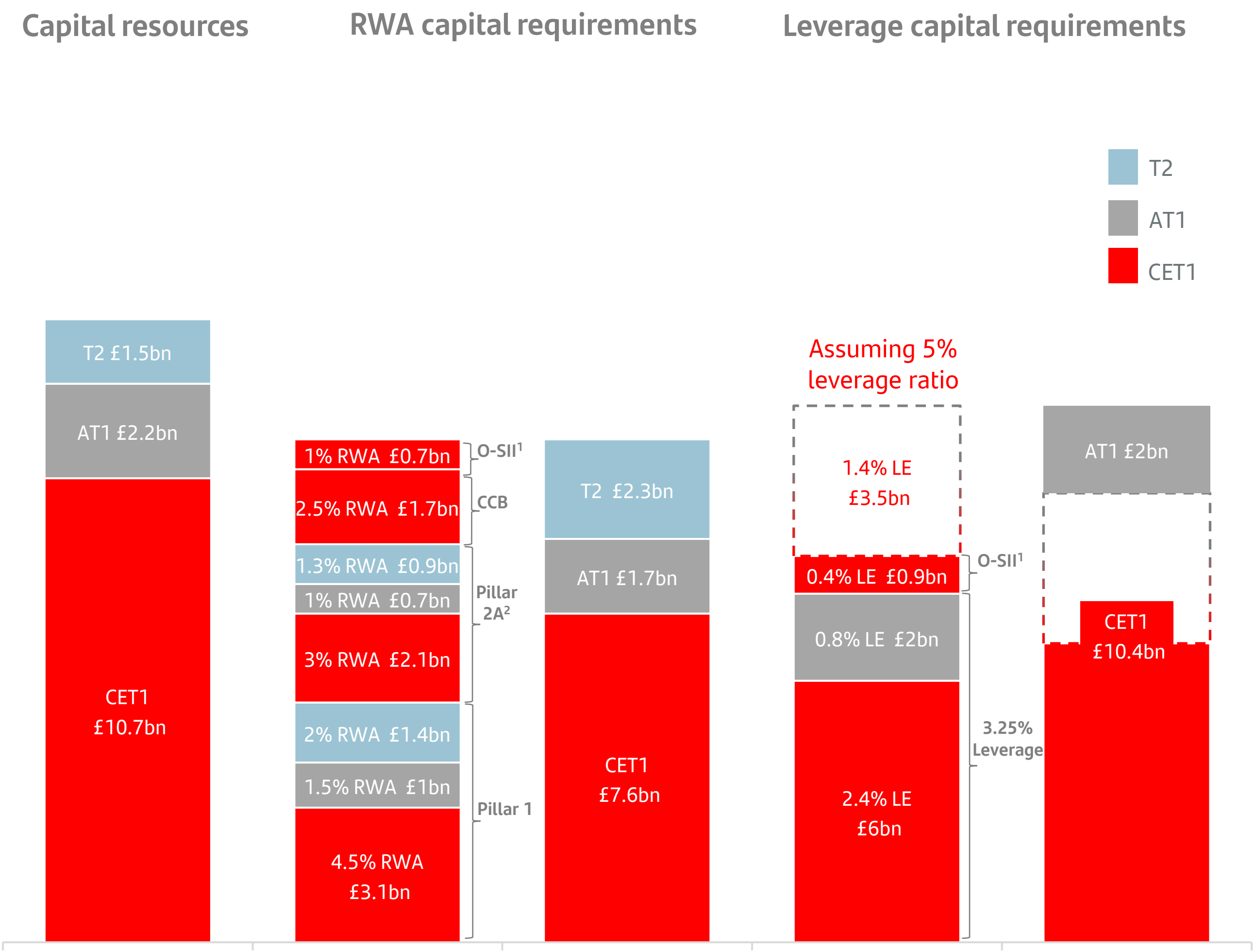
1. Average spread is the weighted margin above SONIA for issuance in that calendar year. | 2. Includes €1.75bn CB which settles in April. | 3. Includes issuances from Santander Consumer Finance UK. | 4. Earliest between first call date and maturity date. | 5. Including TFSME.

Continued resilience through strong capital position



- The CET1 capital ratio decreased 40bps to 15.5%, this was largely as a result of regulatory changes that took effect from January 2022, which included the reintroduction of the full CET1 deduction for software assets and the implementation of the new regulatory guidance related to definition of default. Without these one-off regulatory changes, the CET1 capital ratio would have remained broadly flat in the period.

Capital positioning against dual regulatory requirements



- Our AT1 and CET1 outstanding amounts are driven by leverage
- From an RWA perspective part of our T2 requirements are met with CET1 and AT1
- At 31 March 2022 SanUK's P2A capital requirement remained with an RWA percentage based element

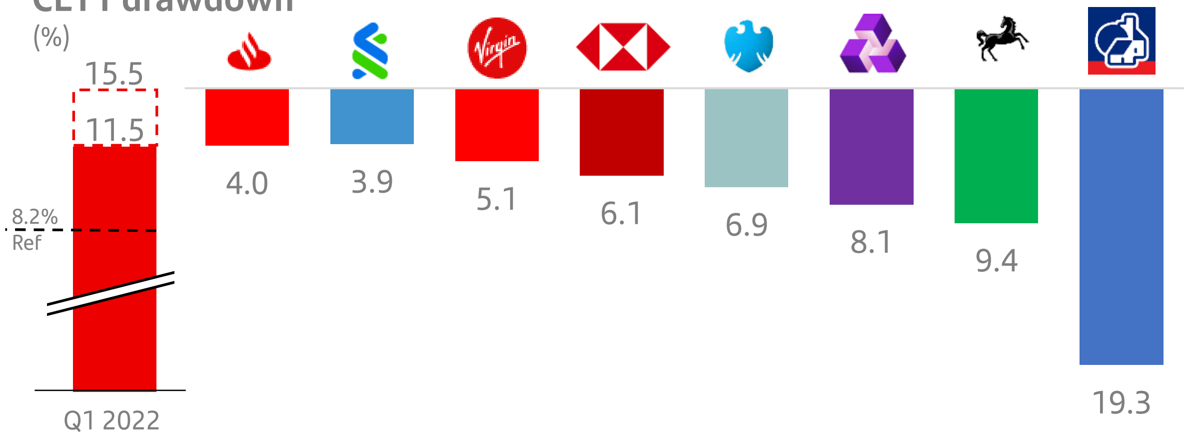
Capital and leverage	Dec 19	Dec 20	Dec 21	Mar 22
CET1 ratio (%)	14.3	15.2	15.9	15.5
RWAs (£bn)	73.2	72.9	68.1	69.4
UK leverage ratio (%)	4.7	5.1	5.2	5.1
Leverage exposure (£bn)	269.2	259.0	246.3	248.1

1. Distribution restrictions expected to apply if Santander UK's CET1 ratio fell between current Regulatory Minimum Capital level, equal to CRD IV 4.5% minimum plus Pillar 2A and the CRD IV buffers. | 2. At 31 March 2022, Santander UK Group Holdings plc and Santander UK plc Pillar 2A requirements were 5.27% (2.97% CET1).

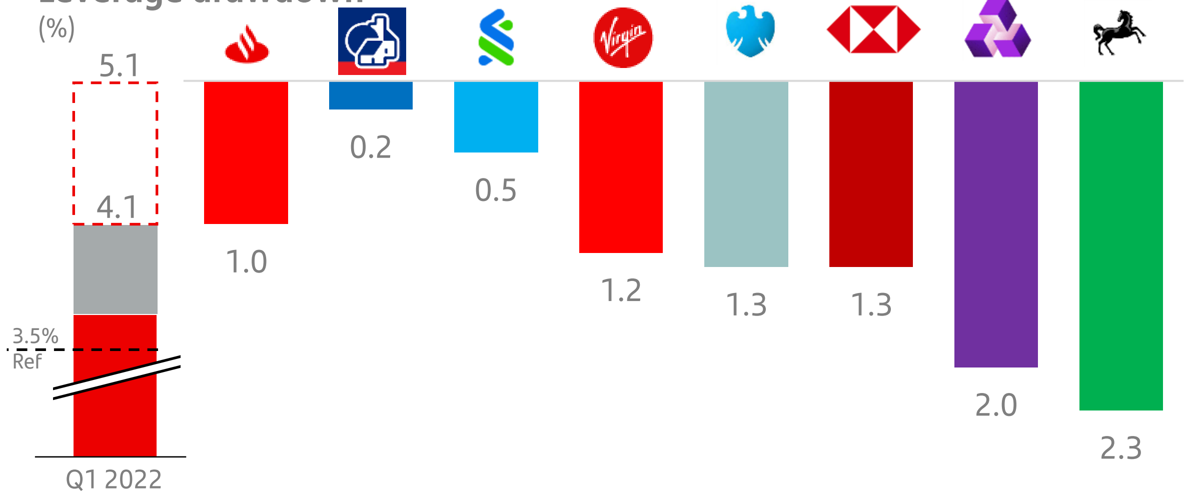
Successfully passed Bank of England stress tests

Draw down at the BoE 2021 SST

CET1 drawdown



Leverage drawdown



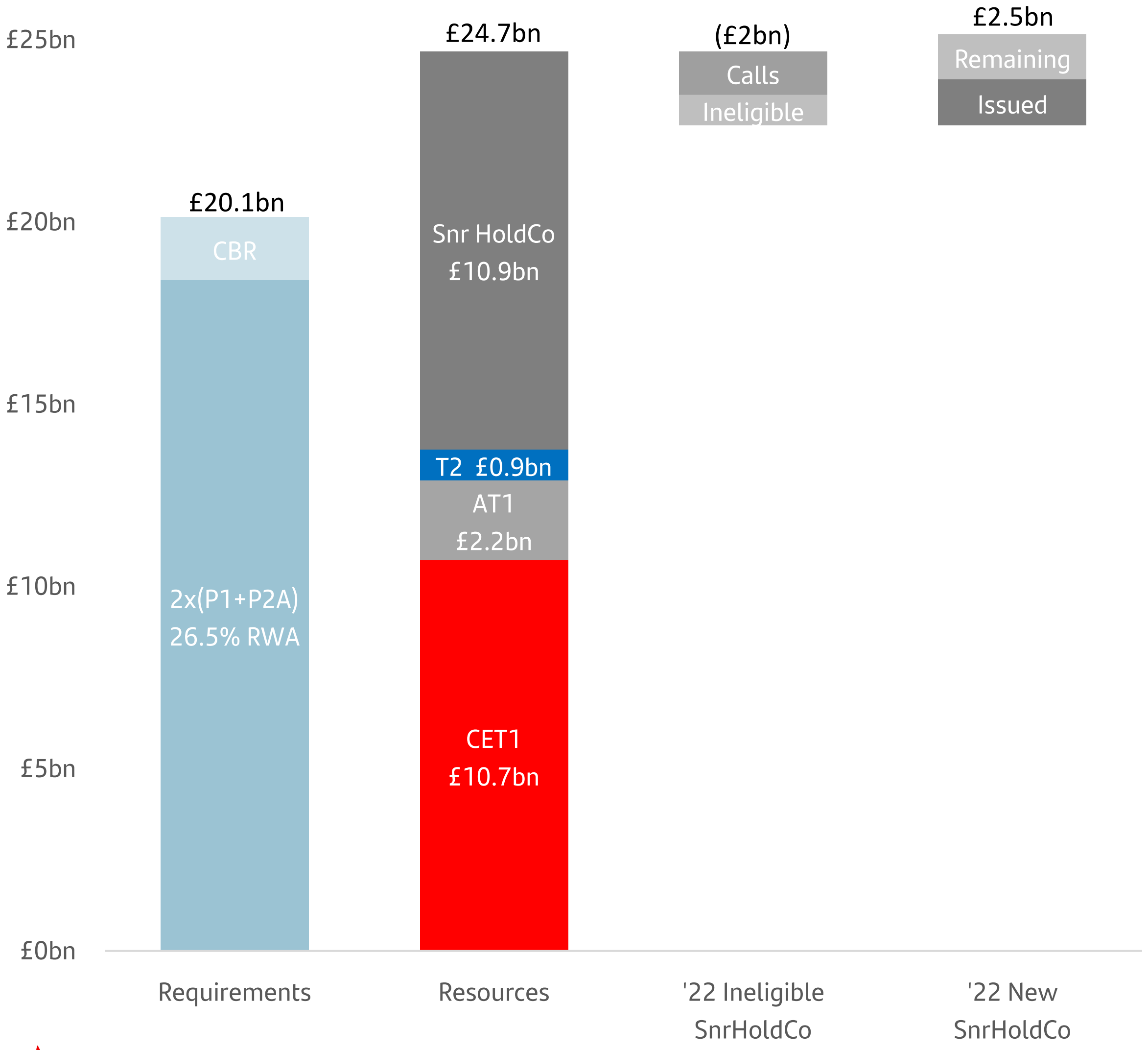
Bank of England scenarios

%	BoE SST 2021[1]	Global financial crisis	2022(f)[2]	2023(f)[2]
UK GDP Growth	(9.0)	(6.25)	3.9	1.5
Unemployment	11.9	8.4	4.2	4.3
House Price Inflation	(33.0)	(17.0)	5.0	3.2
Base rate	(0.10)	2.00	1.00	1.25

- SanUK passed the BoE stress tests without the need for management actions
- In the BoE 2021 SST, SanUK had one of the lowest CET1 drawdown across UK banks, the 4.0% drawdown compares favourably to our current 5.5% buffer to MDA and 7.3% buffer to reference rate

 1. Source: BoE, Key elements of the 2021 stress test, Jan21. | 2. Santander UK base case scenario see slide 33.

RWA Loss Absorbing Capacity HoldCo requirements[1,2]

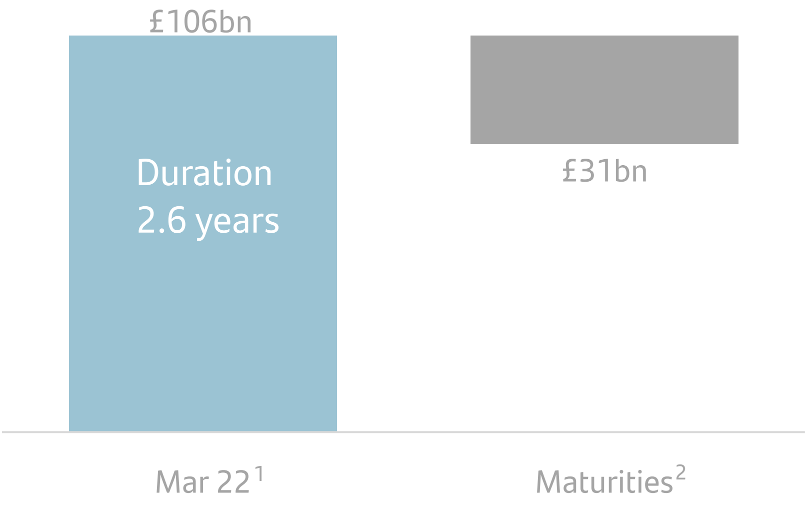


- Santander UK is fully compliant with end state MREL requirements, being RWA constrained
- In January 2022, we issued c.£1.25bn equivalent of new senior HoldCo. We have issued the call notice for an existing €500m MREL security with a call date of 18th May 2022 and called a $1bn existing MREL security back in January
- We expect to issue between £2bn - £3bn of MREL in 2022, of which we have already issued £1.25bn equivalent. £1.2bn has been called in 2022 and c£0.8bn of existing Santander UK senior unsecured debt will also become ineligible.
- MREL recapitalisation management buffer is sized by the value of HoldCo senior unsecured securities due to become MREL ineligible during the following 6 months plus a buffer for FX movements

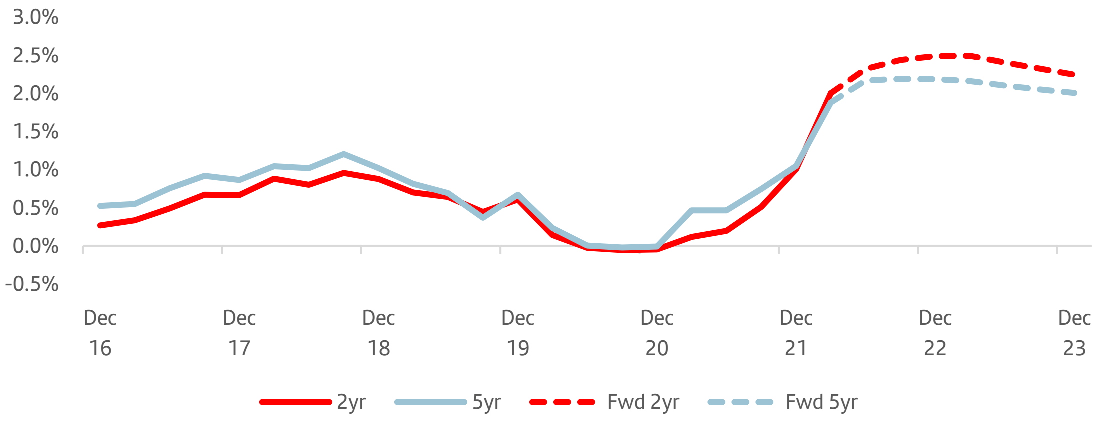
1. At 31 March 2021, Santander UK Group Holdings Pillar 2A requirements was 5.27%. | 2. Combined Buffer Requirement includes CCB 2.5% and CCyB 0% and will be met exclusively with CET1.

Structural hedge evolution

Balance of structural hedge



Yield from Sonia historic and forward[3] swap rates



- Our structural hedge reduces the economic impact of the volatility of short-term interest rate movements on the balance sheet
- Structural hedge consists primarily of fixed rate mortgages, yield is therefore driven from swap rates that would have swapped fixed rate mortgages to floating assets

12 month NII sensitivity[4] to parallel rate shifts	Dec 21 £m	Mar 22 £m
+50bps	167	158
+25bps	89	80
-25bps	(94)	(85)
-50bps	(205)	(171)

1. Average of last 12 months. | 2. Over the next 12 months | 3. Forward Rates as of Mid April 2022. | 4. Based on modelling assumptions of repricing behaviour.

Credit ratings

S&P		A / A-1 / Stable
AAA	OpCo	Covered Bond
AA+		
AA		
AA-		
A+		
A	OpCo	Senior Unsecured
A-		
BBB+		
BBB	HoldCo	Senior Unsecured
BBB-		
BB+	HoldCo	Tier 2
BB		
BB-		
B+	HoldCo	AT1

All ratings affirmed Jan 2022

Moody's		A1 / P-1 / Stable
Aaa	OpCo	Covered Bond
Aa1		
Aa2		
Aa3		
A1	OpCo	Senior Unsecured
A2		
A3		
Baa1	HoldCo	Senior Unsecured Tier 2
Baa2		
Baa3		
Ba1	HoldCo	AT1
Ba2		
Ba3		
B1		

Fitch		A+ / F1 / Stable
AAA	OpCo	Covered Bond
AA+		
AA		
AA-		
A+	OpCo	Senior Unsecured
A	HoldCo	Senior Unsecured
A-		
BBB+	HoldCo	Tier 2
BBB		
BBB-	HoldCo	AT1
BB+		
BB		
BB-		
B+		

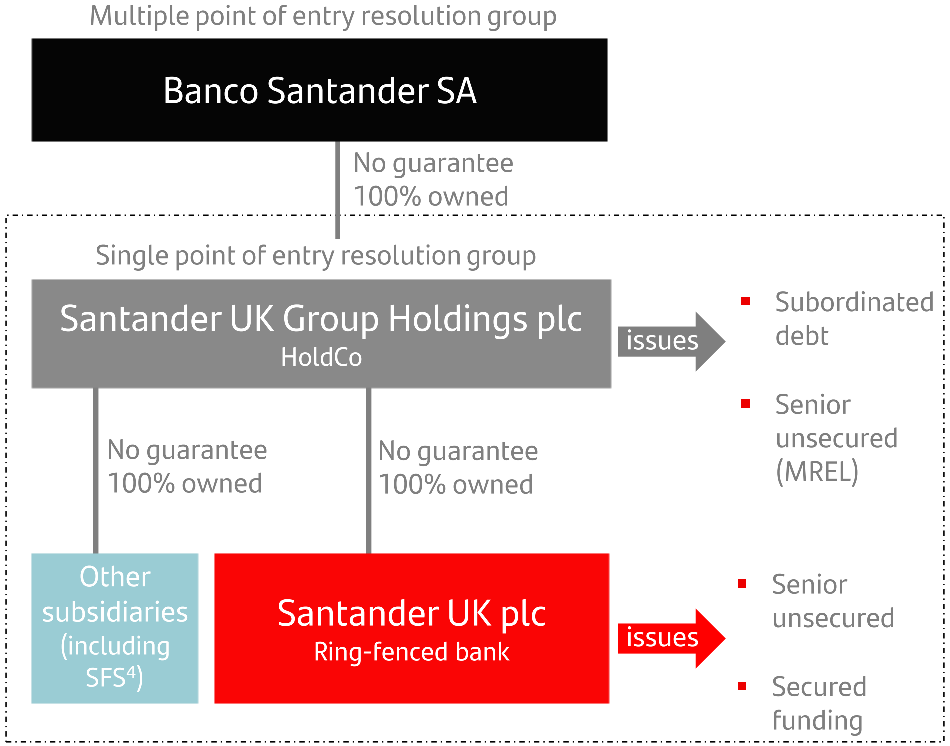
All ratings affirmed Jan 2022

Santander

OpCo - Santander UK plc
HoldCo - Santander UK Group Holdings plc

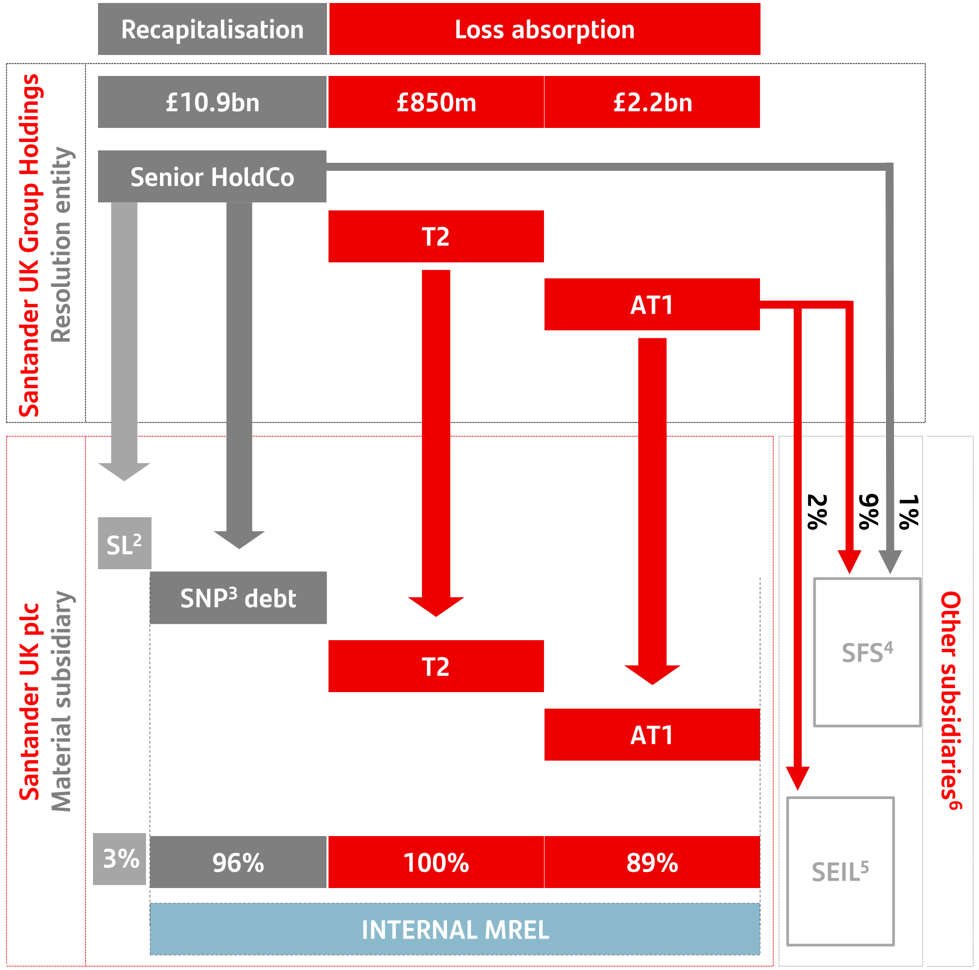
Santander UK group down-streaming model

Wholesale funding model



- The PRA regulates capital, liquidity (including dividends) and large exposures
- Requirement to satisfy the PRA that we can withstand capital and liquidity stresses on a standalone basis

Current down-streaming of HoldCo issuance[1]



1. Meeting MREL eligibility criteria and exchange rates at 31 March 2022. | 2. Senior loan. | 3. Secondary non-preferential. | 4. Santander Financial Services formerly ANTS. |5. Santander Equity Investments Limited. | 6. Santander UK other subsidiaries will have limited on-going funding requirements.

Contents

SanUK summarised consolidated income statement Q122 vs Q121

	Q122	Q121[1]	Change	Adjusted[3] Q122	Adjusted[3] Q121	Adjusted[3] Change
	£m	£m	%	£m	£m	%
Net interest income	1,053	925	14	1,053	925	14
Non-interest income[2]	122	93	31	105	70	50
Total operating income	**1,175**	**1,018**	**15**	**1,158**	**995**	**16**
Operating expenses before credit impairment losses, provisions and charges	(581)	(719)	(19)	(528)	(554)	(5)
Credit impairment losses / (write-backs)	(52)	2	n.m.	(52)	2	n.m.
Provisions for other liabilities and charges	(47)	(126)	(63)	(44)	(30)	47
Profit from continuing operations before tax	**495**	**175**	**183**	**534**	**413**	**29**
Tax on profit from continuing operations	(105)	(46)	128			
Profit from continuing operations after tax	**390**	**129**	**202**			
Profit / (loss) from discontinued operations after tax	-	7	nm.			
Profit after tax	**390**	**136**	**187**			

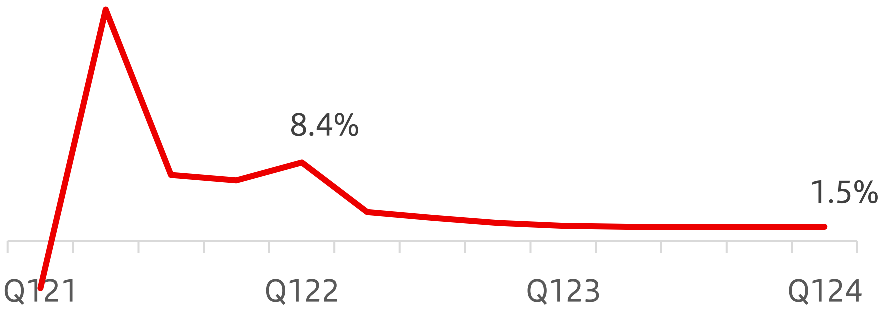
Santander

1. Q1 21 has been restated to include the CIB segment as a discontinued operation to reflect its transfer to SLB under a Part VII banking business transfer scheme. | 2. Comprises 'Net fee and commission income' and 'Other operating income'. | 3. Non-IFRS measures. See QMS for the three months ended 31 March 2022, Appendix 1 for details and reconciliation to the nearest IFRS measure.

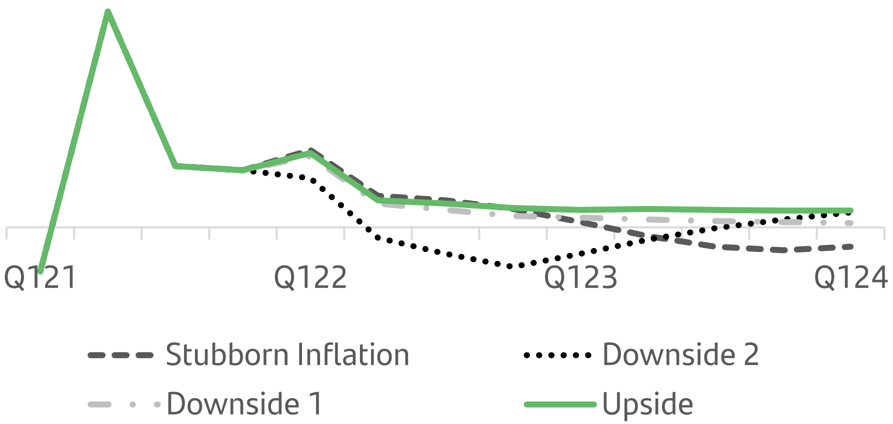
Economic scenarios

%		Upside 1	Base Case	Downside 1	Downside 2	Stubborn Inflation
GDP[1]	2021	7.5	7.5	7.5	7.5	7.5
	2022	4.1	3.9	3.4	(0.9)	4.3
	2023	2.0	1.5	0.8	(0.9)	(1.3)
Base rate[2]	2021	0.25	0.25	0.25	0.25	0.25
	2022	1.00	1.00	1.00	1.50	2.50
	2023	1.25	1.25	1.25	2.50	4.50
House price inflation[3] (HPI)	2021	8.7	8.7	8.7	8.7	8.7
	2022	5.5	5.0	5.2	2.1	5.6
	5-yr CAGR[2]	1.7	3.2	(1.3)	(1.3)	(2.9)
Unemployment (ILO)[2]	2021	4.1	4.1	4.1	4.1	4.1
	2022	4.0	4.2	4.2	5.4	4.0
	5-yr peak	4.1	4.3	5.8	6.0	6.5
Weighting		5	40	15	20	20

Base case GDP
(%)



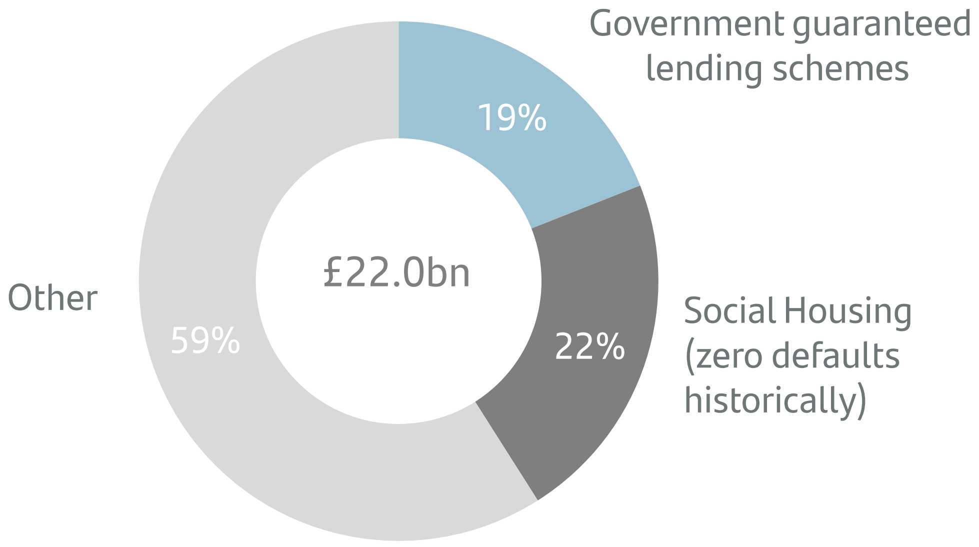
GDP scenarios
(%)



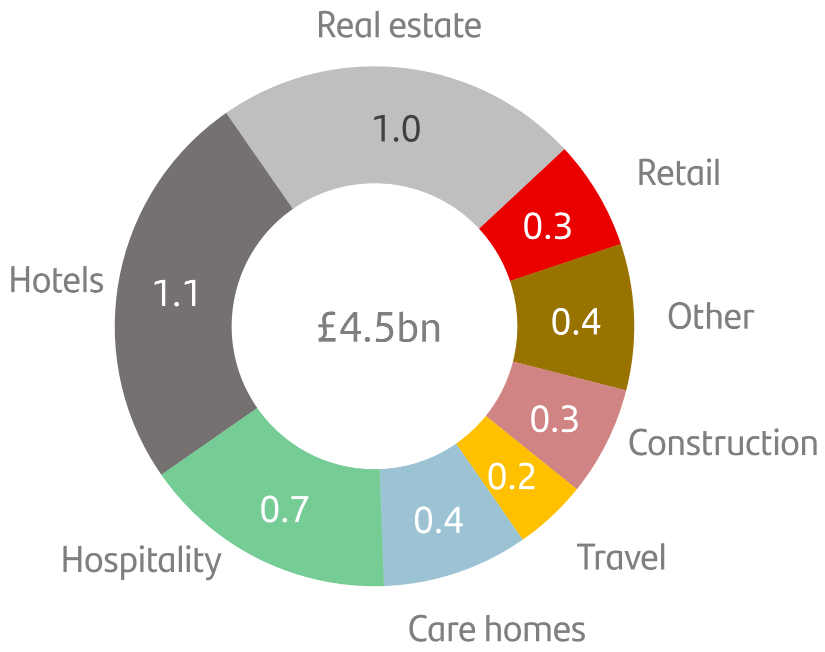
 1. Calendar year annual growth rate | 2. At 31 December | 3. Q4 annual growth rate.

Corporate: supplementary information

Corporate loans customer sector split[1]



Exposure to most-at-risk Covid-19 sectors[2]



1. Corporate loans includes CCB £16.9bn, Business Banking and other unsecured lending (primarily BBLS) £3.2bn and Corporate Centre (primarily Social Housing) £1.9bn. |2. Exposure includes drawn and undrawn amounts, excludes lending through BBLS.

Disclaimer

Santander UK Group Holdings plc (Santander UK) is a subsidiary of Banco Santander SA (Santander).

This presentation provides a summary of the unaudited business and financial trends for the three months ended 31 March 2022 for Santander UK Group Holdings plc and its subsidiaries (Santander UK), including its principal subsidiary, Santander UK plc. Unless otherwise stated, references to results in previous periods and other general statements regarding past performance refer to the business results for the same period in 2020.

Alternative Performance Measures (APMs)
In addition to the financial information prepared under IFRS, this presentation includes financial measures that constitute APMs, as defined in European Securities and Markets Authority (ESMA) guidelines. These measures are defined and reconciliations to the nearest IFRS measures are available in the appendix to the Santander UK Group Holdings plc Quarterly Management Statement for the three months ended 31 March 2022.

This presentation was prepared for information and update purposes only and it does not constitute a prospectus or offering memorandum. In particular, this presentation shall not constitute or imply any offer or commitment to sell or a solicitation of an offer, invitation, recommendation or commitment to buy or subscribe for any security or to enter into any transaction, nor does this presentation constitute any advice or a recommendation to buy, sell or otherwise deal in any securities of Santander UK, Santander UK plc or Santander or any other securities and should not be relied on for the purposes of any investment decision. This presentation has not been filed, reviewed or approved by any regulator, governmental regulatory body or securities exchange in any jurisdiction or territory.

Santander UK and Santander caution that this presentation may contain forward-looking 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. 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. Santander UK and Santander also caution recipients of this presentation 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 are identified on page 297 of the Santander UK plc Annual Report 2021. Investors and recipients of this presentation should carefully consider such risk factors and other uncertainties and events. Undue reliance should not be placed on forward-looking statements when making decisions with respect to Santander UK, Santander UK plc and/or their securities. Nothing in this presentation should be construed as a profit forecast.

Statements as to historical performance, historical share price or financial accretion are not intended to indicate or mean that future performance, future share price or future earnings (including earnings per share) for any period will necessarily match or exceed those of any prior year or period. This presentation reflects prevailing conditions at the indicated date, all of which are subject to change or amendment without notice. The future delivery of any amended information neither implies that the information (whether amended or not) contained in this presentation is correct as of any time subsequent to its date nor that Santander UK or Santander are under an obligation to provide such amended information.

No representation or warranty of any kind is made with respect to the accuracy, reliability or completeness of any information, opinion or forward-looking statement, any assumptions underlying them, the description of future operations or the amount of any future income or loss contained in this presentation or in any other written or oral information made or to be made available to any interested party or its advisers by Santander UK or Santander's advisers, officers, employees or agents. It does not purport to be comprehensive and has not been independently verified. Any prospective investor should conduct their own due diligence on the accuracy of the information contained in this presentation.

Santander UK is a frequent issuer in the debt capital markets and regularly meets with investors via formal roadshows and other ad hoc meetings. In line with Santander UK's usual practice, over the coming quarter it expects to meet with investors globally to discuss the updates and results contained in this presentation as well as other matters relating to Santander UK.

To the fullest extent permitted by law, neither Santander UK nor Santander, nor any of their respective affiliates, officers, agents, employees or advisors, accept any liability whatsoever for any loss arising from any use of, or reliance on, this presentation.

By attending / reading the presentation you agree to be bound by these provisions.

Source: Santander UK Q1 2022 results 'Quarterly Management Statement for the three months ended 31 March 2022 or Santander UK Group Holdings Management Information (MI), unless otherwise stated. Santander has a standard listing of its ordinary shares on the London Stock Exchange and Santander UK plc continues to have its preference shares listed on the London Stock Exchange. Further information in relation to Santander UK can be found at: www.santander.co.uk/uk/about-santander-uk. Neither the content of Santander UK's website nor any website accessible by hyperlinks on Santander UK's website is incorporated in, or forms part of, this presentation.

Contact details

Paul Sharratt

Head of Investor Relations

+44 (0)7715 087 829

ir@santander.co.uk

Chris Heath

Head of Wholesale Funding

+44 (0) 7715 802 609

mtf@santander.co.uk

Key dates

Q1'22 results: 26 April 2022
Q2'22 results: 28 July 2022
Q3'22 results: 26 October 2022

santander.co.uk/about-santander/investor-relations