

Santander UK Group Holdings plc

# Investor Update

for the nine months ended 30 September 2023

October 2023



# Overview

- Supporting our customers with a range of products and initiatives
- Continued investment in our network with ongoing branch refurbishment and new Work Cafés
- Prudent approach to risk delivering good returns through the cycle
- Resilient balance sheet with strong capital, liquidity and funding
- Benefit from synergies being part of a global banking group

Note:  
1. Users who have logged on in last month  
2. BB is Business Banking. Other includes Cater Allen, Investment & Pensions and Corporate Centre

## UK's 5<sup>th</sup> largest retail and commercial bank

**14 million**  
active UK customers

**7 million**  
digital customers<sup>1</sup>

**444 branches**  
across the UK

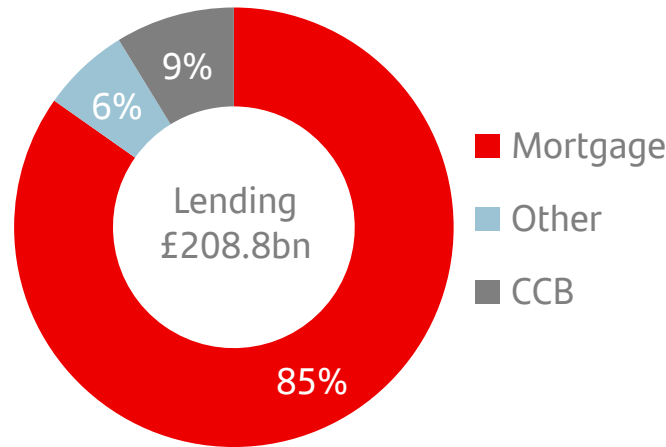
## 9M-23 financial overview

**2.23%**  
Banking NIM  
(9M-22: 2.04%)

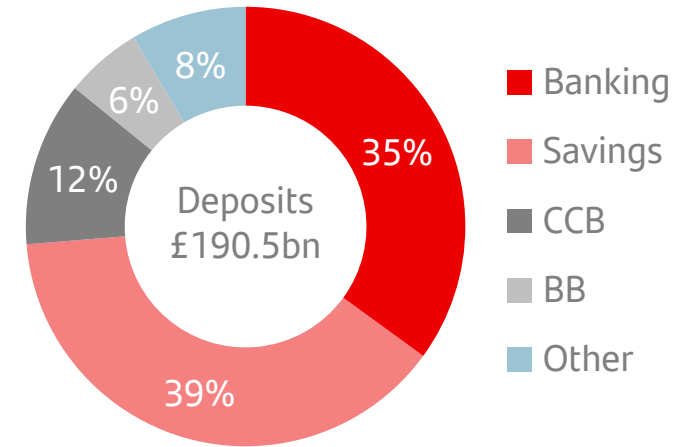
**£1,731m**  
Profit before tax  
(9M-22: £1,489m)

**15.0%**  
Return on Tangible Equity  
(2022: 12.0%)

## Customer lending



## Customer deposits<sup>2</sup>





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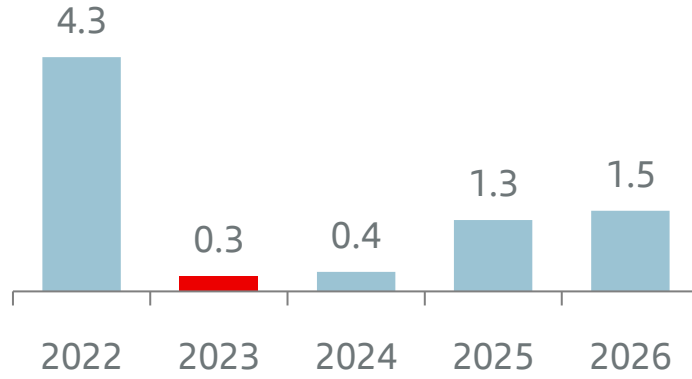


Appendix

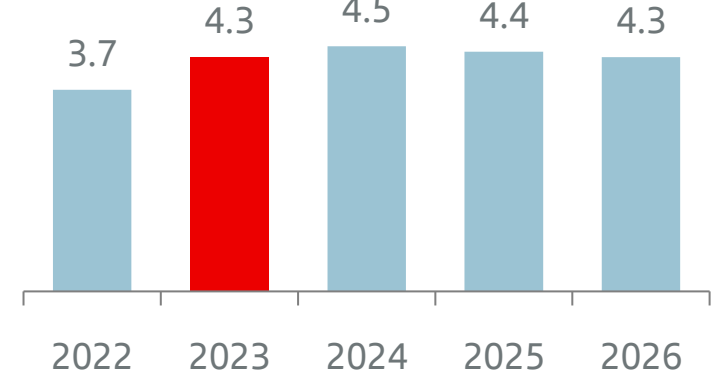
# UK economic outlook continues to be uncertain

- Inflation showing signs of easing in 2023, but expected to remain above target in the medium-term
- Consumer spending continues to be impacted by cost of living pressure and higher mortgage costs

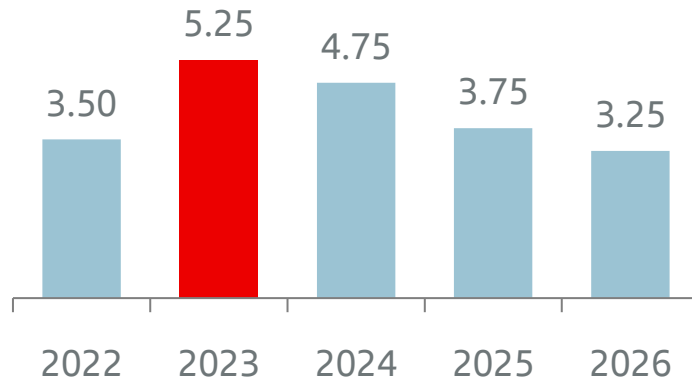
### GDP<sup>1</sup> (%)



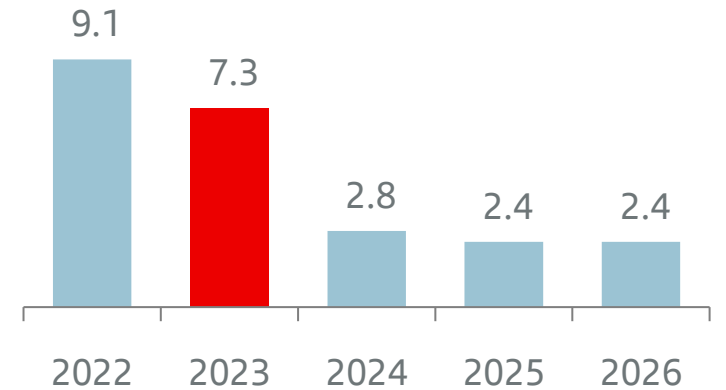
### Unemployment<sup>2</sup> (%)



### Base rate<sup>2</sup> (%)



### CPI<sup>3</sup> (%)

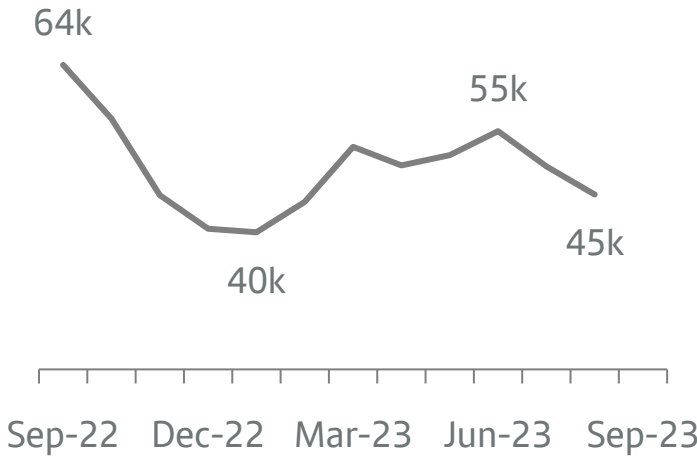


Note:  
1. Calendar year annual growth rate  
2. At 31-Dec for each period  
3. Consumer Price Index annual average  
All forecasts are Santander UK base case.

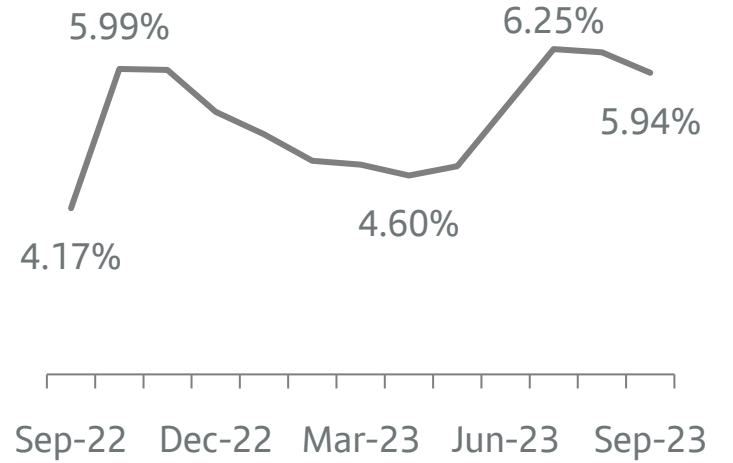
# Housing market update

- Housing market activity has continued to slow through 9M-23, due to rising mortgage rates and cost of living pressures
- Approvals and prices have remained below 2022 levels

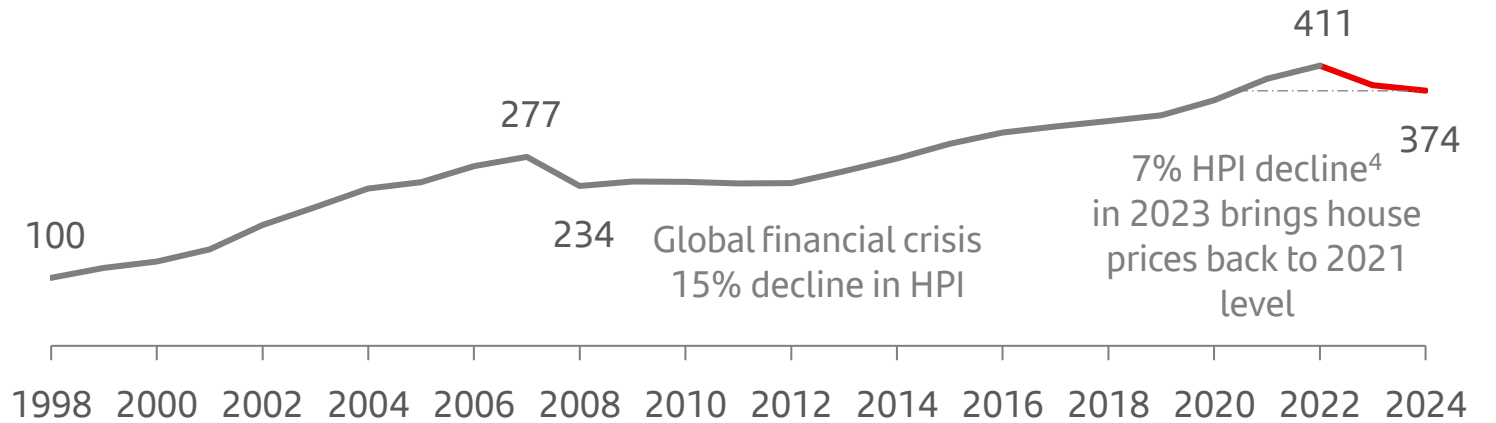
Approvals for house purchases<sup>1</sup> ('000)



Quoted mortgage rates<sup>2</sup> (%)



Halifax HPI<sup>3</sup>



Note:

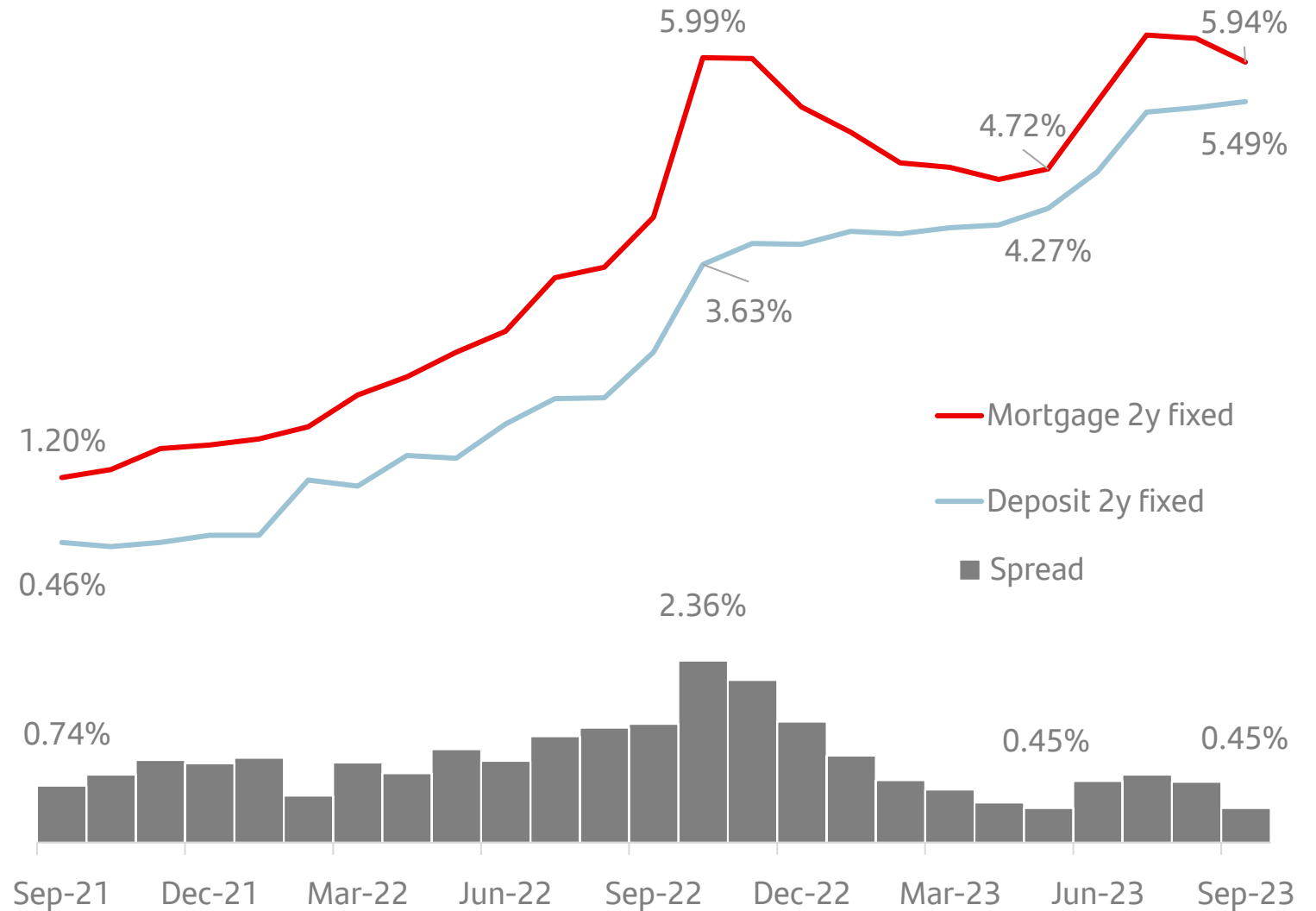
- Number of Total Sterling Approvals for House Purchase to Individuals
- Bank of England quoted 2 Year (75% LTV) Fixed Rate Mortgage
- Halifax HPI Data Rebased at 1998. Santander UK forecast shown in red
- 7% decrease for 2023 is San UK latest HPI forecast

# Compressed new business margins following sharp increase in policy rate

- New business rates for mortgages have started to ease through Q3-23 but margins remain tight
- Term deposit acquisition rates have continued to rise steadily
- Competition for deposits has remained high and funding costs have risen notably this year

Note:  
 1. Source: Bank of England. United Kingdom, Mortgage Lending Rates, Interest Rate of UK Monetary Financial Institutions (Excluding Central Bank) Sterling 2 Year (75% LTV)

Quoted market interest rates and spread<sup>1</sup> (%)





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## Improved returns with strong capital and liquidity

- CET1 capital ratio increased largely due to higher profit
- CoR down, approaching our expected through-the-cycle average
- Adjusted RoTE improved reflecting increased income partly offset by higher costs

Key Metrics	2019	2020	2021	2022	9M-23
CET1 capital ratio (%)	14.3	15.2	15.9	15.2	16.0
Leverage ratio (%)	4.7	5.1	5.2	5.2	5.3
LCR (%) <sup>1</sup>	142	150	166	163	155
Banking NIM (%) <sup>2</sup>	1.64	1.63	1.92	2.06	2.23
Adjusted CIR (%) <sup>2, 3</sup>	60	61	51	44	44
Cost of risk (bps)	11	31	(11)	15	13
Adjusted RoTE (%) <sup>2</sup>	7.8	4.3	13.2	14.1	15.5
Stage 3 ratio (%)	1.15	1.42	1.43	1.24	1.48

Note:

1. Liquidity metrics reported for Santander UK, our Holding Company following adoption of CRR2 regulation from 2022
2. Non IFRS measure. See Appendix 1 of QMS for each year for details
3. Following a change in treatment of operating lease depreciation in the adjusted view the Adjusted CIR has been restated, see QMS for 9 months ending 30 September 2023 for more information



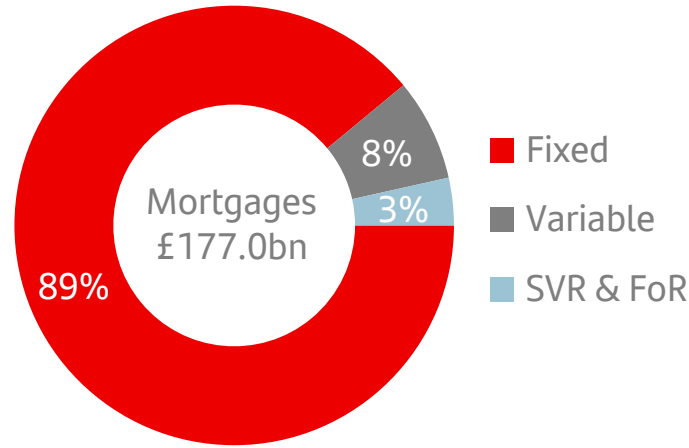
# Prime UK mortgage book

- Stock LTV of 51% and new business LTV of 65%
- Average new loan size: £227k (2022: £237k)
- 77% of mortgages reaching the end of their incentive period were retained<sup>1</sup>
- BTL remains a small portion of the mortgages book at 9% (2022: 9%)

Note:

1. Applied to mortgages four months post maturity and is calculated as a 12-month average of retention rates to Jun-23
2. Borrowers profiled at loan inception
3. New Business includes further advances and drawdown on flexible mortgages

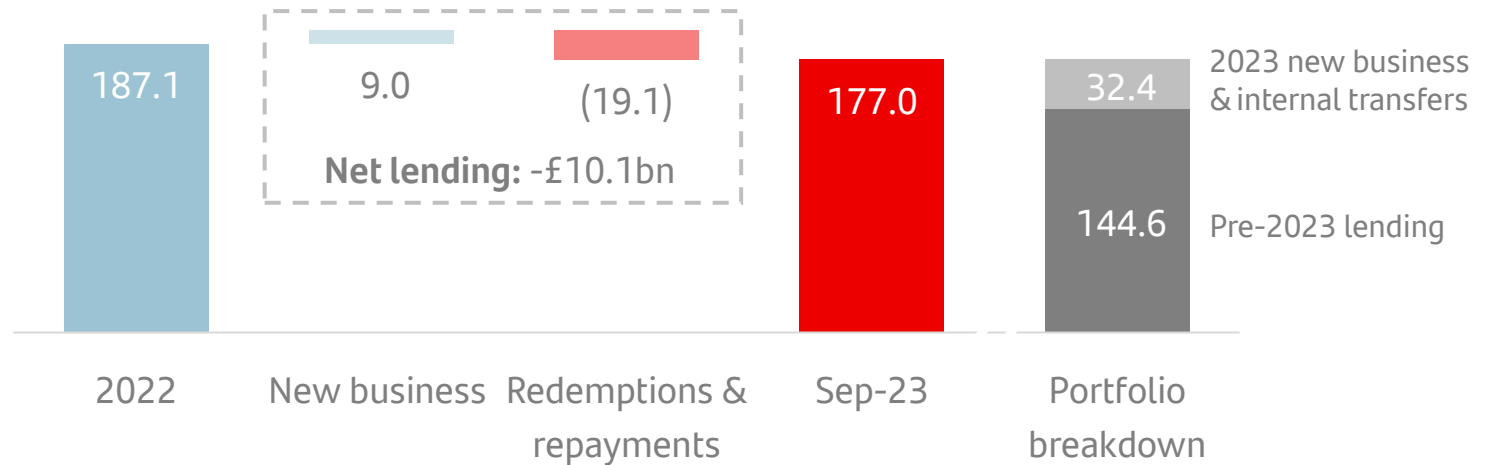
## Interest rate profile (%)



## Borrower profile<sup>2</sup> (£bn)

Home movers	73.7	42%
Re-mortgagers	50.0	28%
First time buyers	37.5	21%
BTL	15.8	9%
<b>Total</b>	<b>177.0</b>	<b>100%</b>

## Mortgage lending breakdown<sup>3</sup> (£bn)



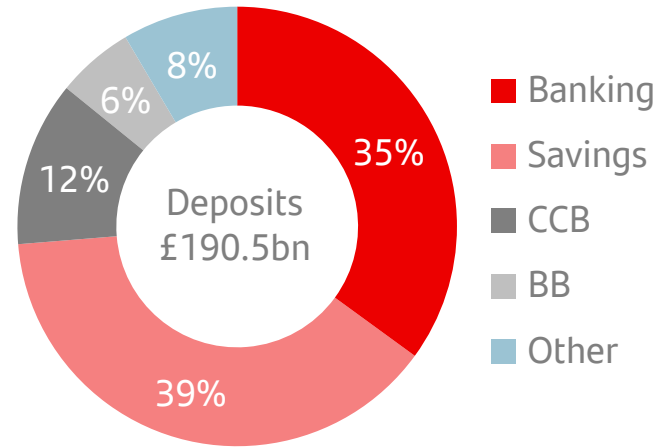
# Diversified deposit base

- 14 million active customers: >95% personal
- Personal savings: average customer balance c£6,000
- Deposits reduced from Dec-22 following market trends and disciplined pricing actions. Only down £0.2bn in Q3-23 following good deposit acquisition in Sep-23

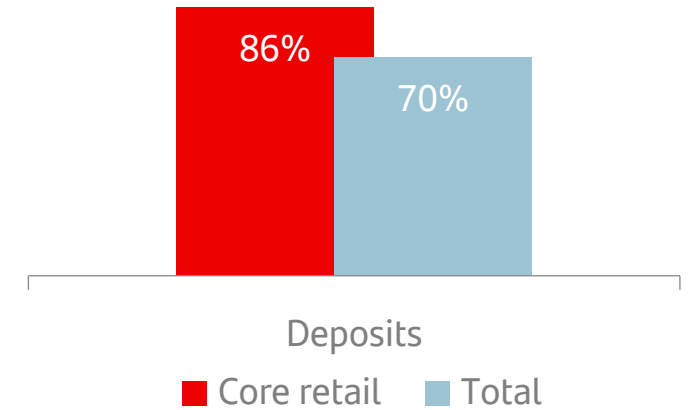
Note:

1. BB is Business Banking. Other includes Cater Allen, Investment & Pensions and Corporate Centre
2. Core retail is Retail Banking excluding Cater Allen and Santander Business Banking. Deposits in the Crown Dependencies aren't eligible for the FSCS

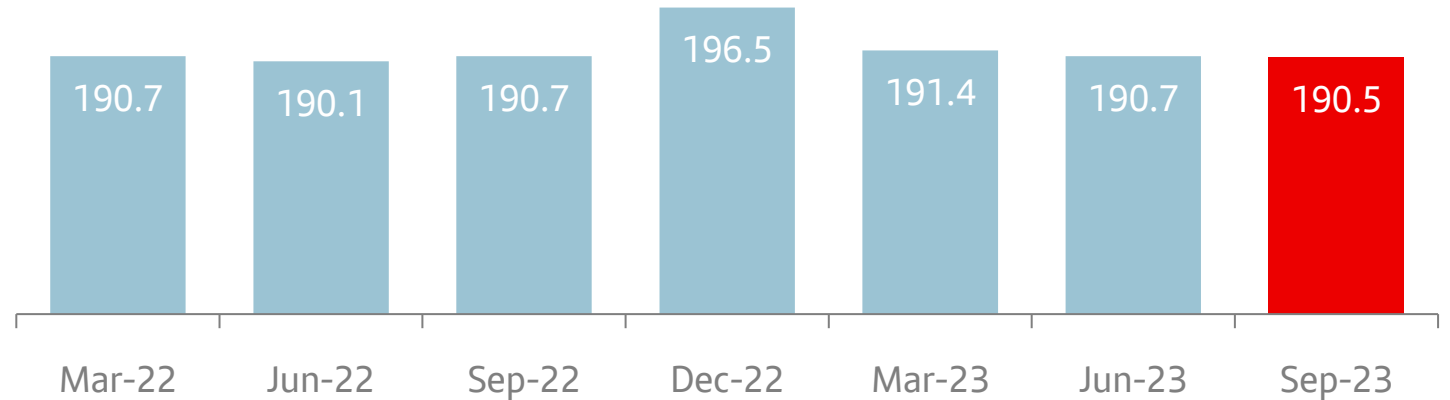
### Customer deposit mix<sup>1</sup> (%)



### Insured customer deposits<sup>2</sup> (%)



### Customer deposits (£bn)



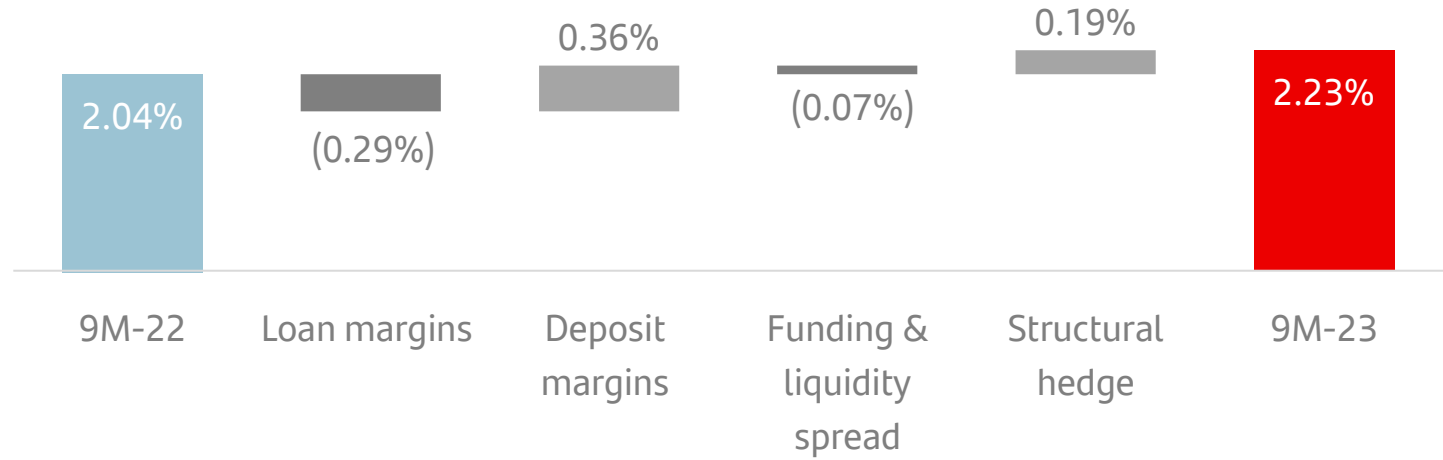
# Higher banking NIM

- Banking NIM up 19bps YoY to 2.23%, reflecting the impact of base rate increases with disciplined deposit pricing, partially offset by a reduction in lending margins
- Our decision to optimise the balance sheet given higher funding costs has seen mortgage lending reduce
- LDR of 111% (2022: 113%)

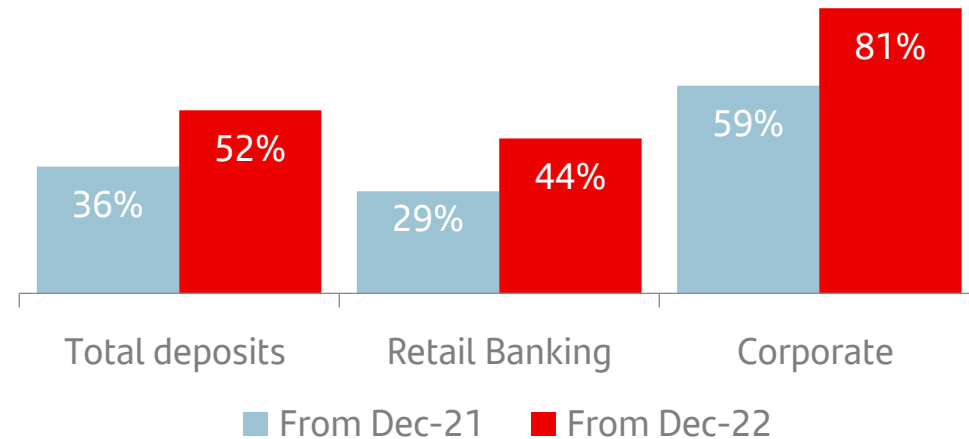
Note:

1. Banking NIM is calculated as adjusted net interest income divided by average customer assets. Loan margins and deposit margins calculated against the relevant risk-free rate. Structural hedge is gross yield only and associated liability costs in deposit margins. Funding and Liquidity includes cost of wholesale funding and income from liquid assets buffer
2. Change in the spot cost of customer deposits in the period divided by change in spot base rate to Sep-23

## Banking NIM<sup>1</sup> (%)



## Deposit betas<sup>2</sup> (%)

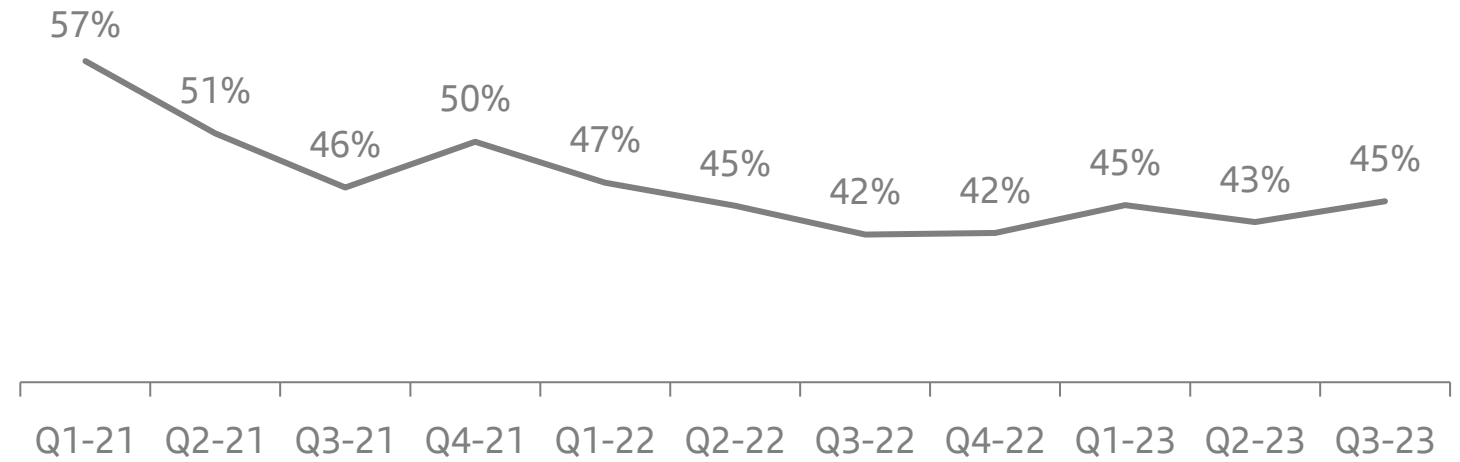


## Transformation programme helping to offset inflationary pressures

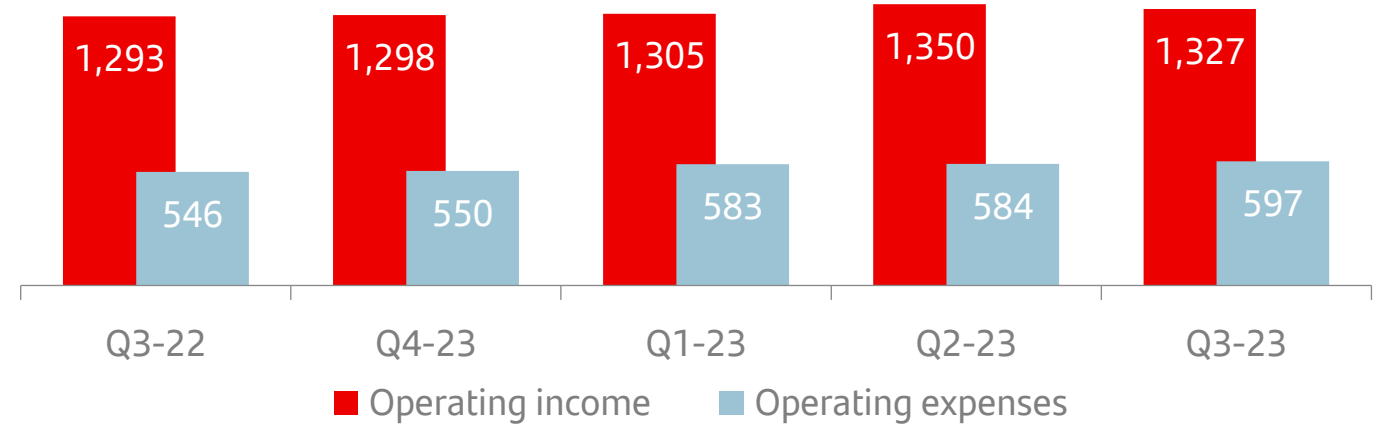
- Income increased largely due to the impact of higher base rates with disciplined pricing
- Transformation programme and ongoing efficiency savings partially offset inflationary pressures on costs
- Transformation programme investment of £122m in 9M-23 (9M-22: £156m)

Note:  
1. Non IFRS measure which excludes transformation costs. See Appendix 1 of QMS for details

Adjusted cost-to-income ratio<sup>1</sup> (%)



Adjusted operating income and expenses<sup>1</sup> (£m)

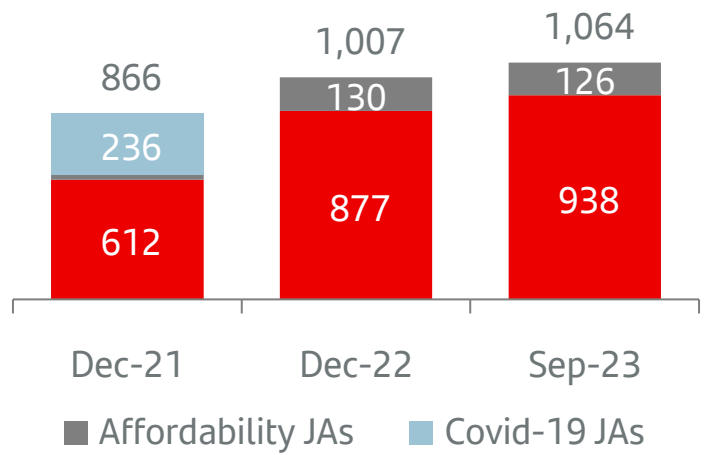


# ECL provision largely driven by economic outlook

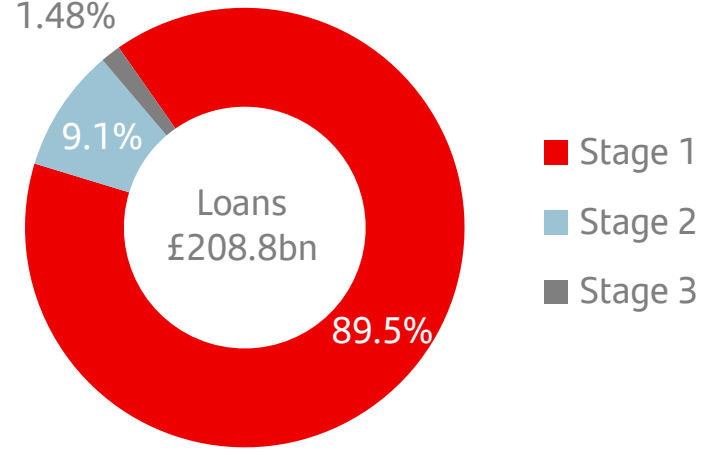
- Stage 3 ratio of 1.48% (Dec-22: 1.24%)
- Increase in mortgage Stage 3 ratio to 1.15% (Dec-22: 0.99%), with a modest increase in customers entering late arrears and a smaller mortgage book
- Increases reflect updated economic assumptions and in CCB from higher single name cases. In the third quarter we incorporated a softening in the UK housing market in our scenarios

Note:  
 1. Affordability JAs include affordability of unsecured lending repayments and corporate sector staging risks

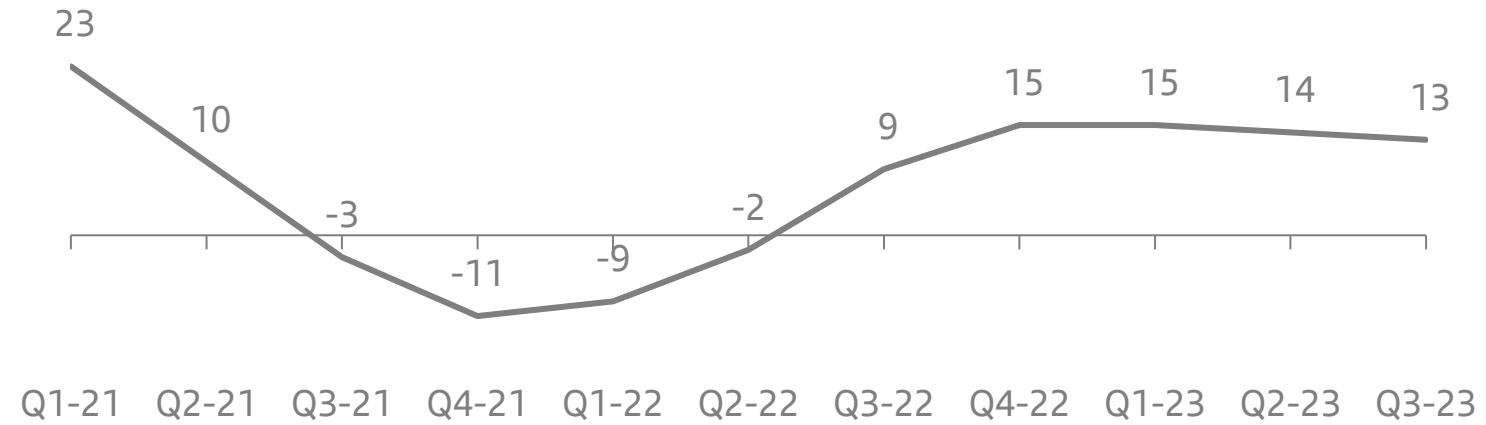
ECL provision<sup>1</sup> (£m)



Customer loans by stage (%)



Cost of risk (bps)



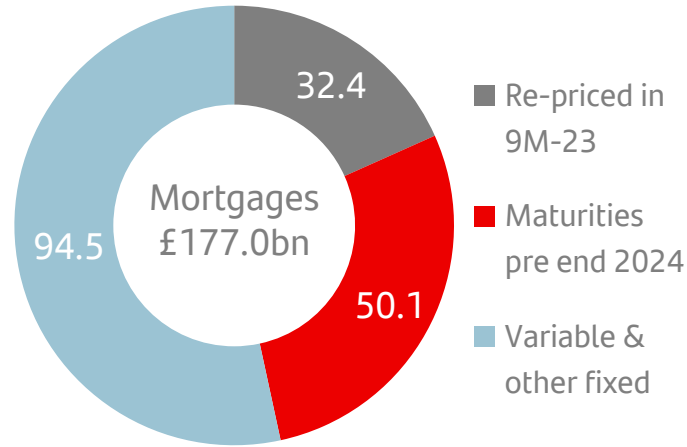
# Mortgage maturity profile

- £32.4bn of new business and internal transfers re-priced in 9M-23
- £50.1bn of fixed rate and tracker mortgages reach end of incentive period before the end of 2024
  - 88% have an LTV below 75%
  - 1% have an LTV above 90%
- Most of the mortgage book was subject to a stressed affordability assessment at origination

Note:

1. Mortgage application stress rate applied prior to Dec-21 only to fixed term below 5-years and excludes remortgages without additional lending
2. Sep-23 Bank of England quoted 2 & 5 Year (75% LTV) Fixed Rate Mortgage

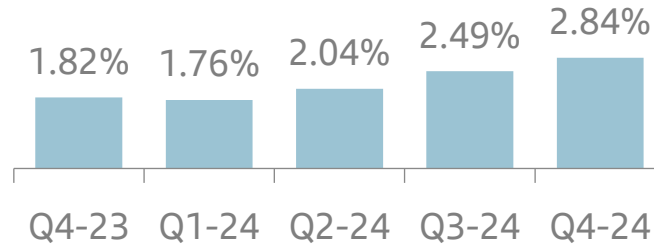
### Mortgage maturity profile (£bn)



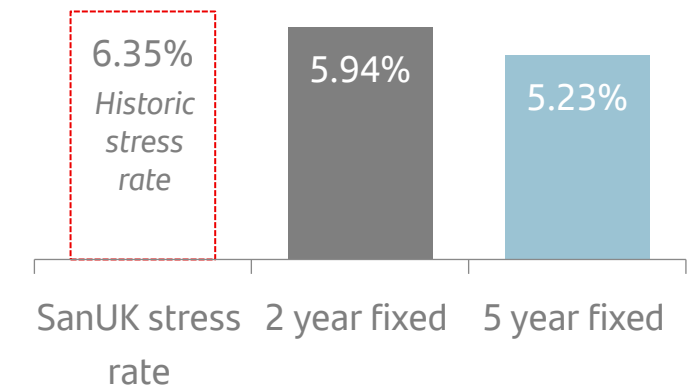
### Mortgage maturities by LTV band (£bn)<sup>14</sup>

LTV <50%	21.7
LTV 50-75%	22.5
LTV 75-90%	5.1
LTV >90%	0.7
<b>Total maturities by end 2024</b>	<b>50.1</b>

### Mortgage maturities customer rate (%)



### Current new business rates<sup>1,2</sup> (%)

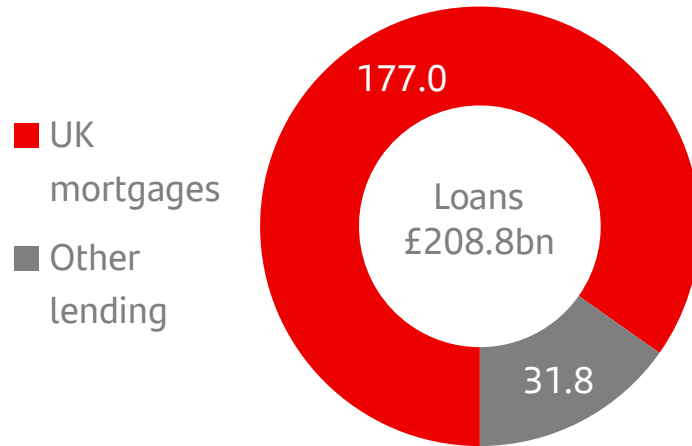


# Resilient customer lending

- Business Banking: includes £1.9bn of BBLs with 100% Government guarantee (Dec-22: £2.4bn)
- Consumer Finance: 89% of lending is collateralised on the vehicle (Dec-22: 84%)
- Early and late arrears remain at low levels across the portfolio. However, we have seen a slight increase in mortgage, UPLs and overdrafts arrears in recent quarters

Note:  
 1. Pre-Covid-19 average mortgages arrears over 90 days past due for 9 years to Dec-19 was 1.31%

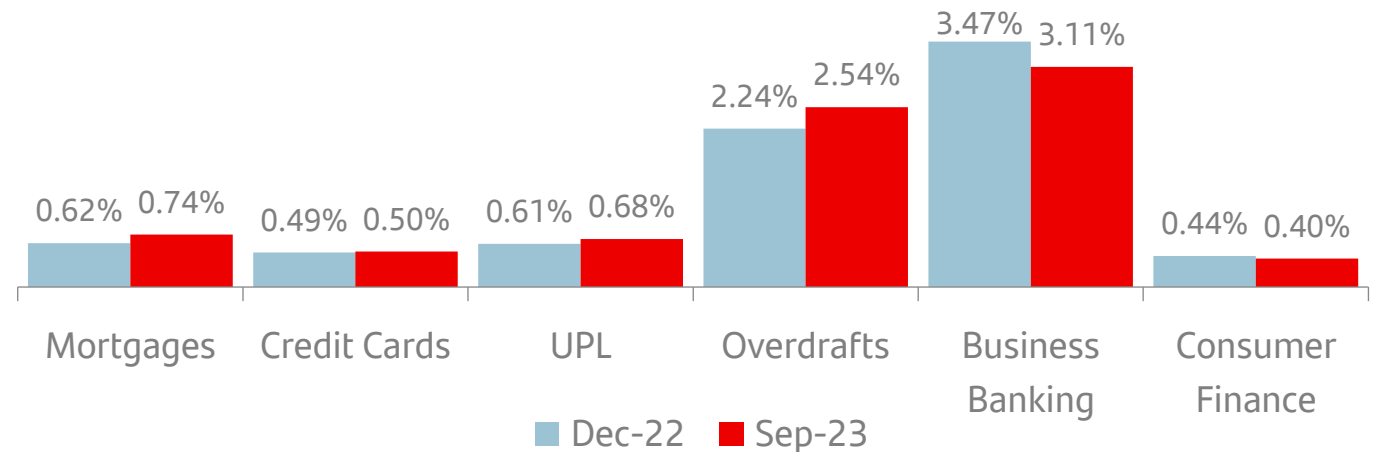
Customer lending split (£bn)



Other lending split (£bn)

CCB	18.3	57%
Unsecured Retail	5.0	16%
Consumer Finance	5.3	17%
Business Banking	2.0	6%
Corporate Centre	1.2	4%
<b>Total</b>	<b>31.8</b>	<b>100%</b>

Arrears over 90 days rate<sup>1</sup> (%)



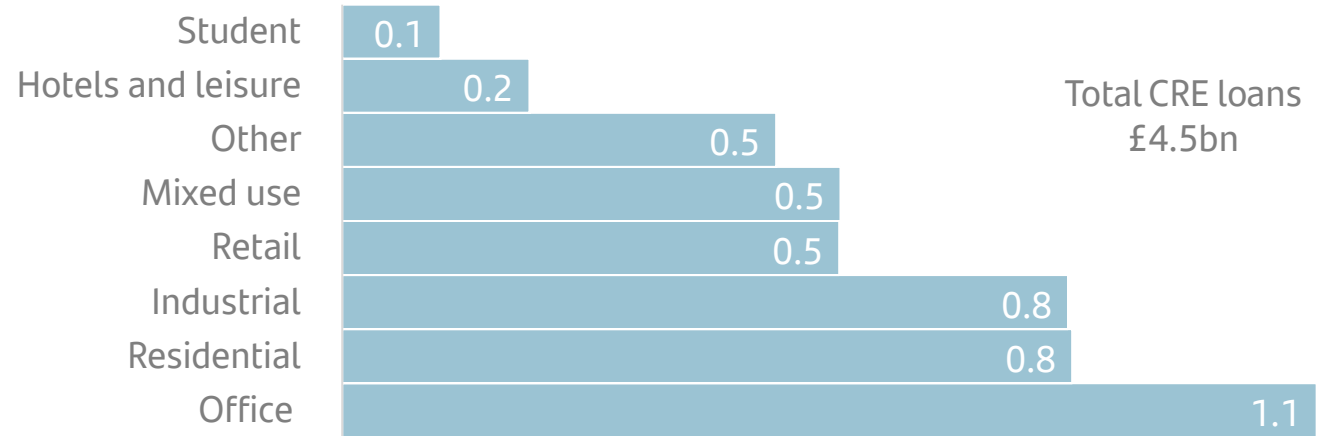
# Diversified CRE portfolio

- The CRE portfolio is well diversified across sectors with no significant regional or single name concentration
- No CRE lending for standalone development purposes
- Well capitalised with almost all new business written at or below 60% LTV

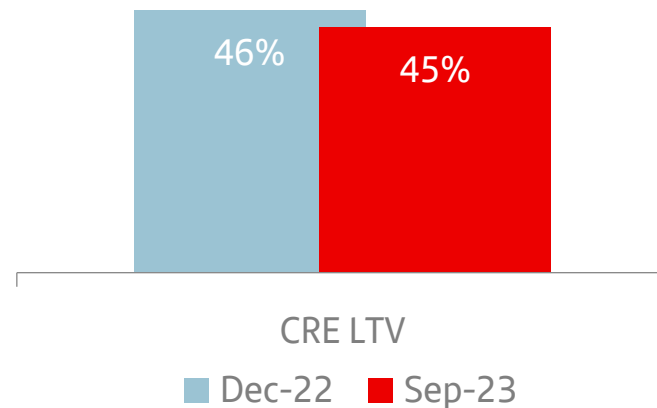
Note:

1. Other is mainly commercial mortgages in small transactions portfolios
2. CRE Stage 3 ratio is as at 30 June 2023
3. Contractual maturities as at 31 December 2022

## CRE sector analysis<sup>1</sup> (£bn)



## CRE LTV (%)



## CRE portfolio features

Average term	3-5 Years
Average loan size	c. £5m
Stage 3 ratio <sup>2</sup>	1.22%
2023 loan maturities <sup>3</sup>	c. £1bn





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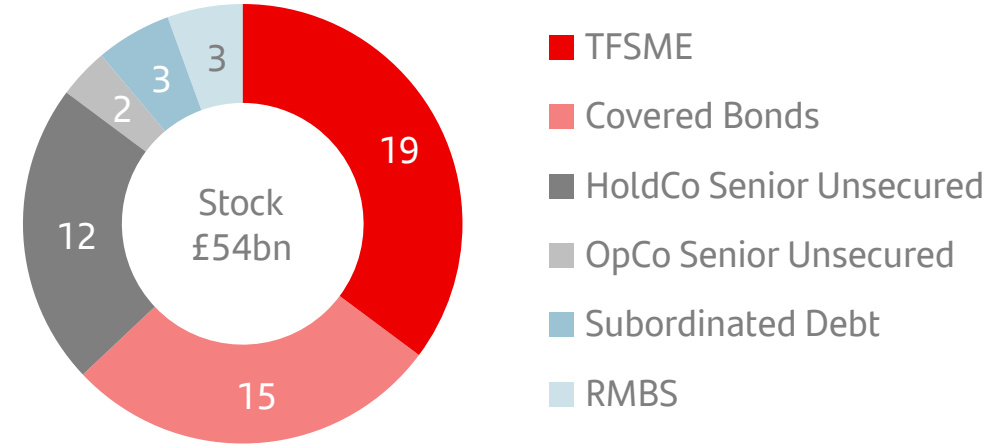
Appendix

# Robust funding to refinance maturities and TFSME

- TFSME repayments to date:
  - 2022: £7bn
  - 9M-23: £6bn
- Expected TFSME repayment profile
  - Q4-23: c.£2bn
  - 2024: c.£8bn
  - 2025: c.£6bn
  - 2027 to 2031: c.£4bn<sup>1</sup>
- Average duration of 3 years
- In addition to the expected 2023 funding requirements, we may begin pre-funding 2024 if market conditions are favourable

Note:  
 1. In line with extended term of BBLs  
 2. AT1 call due in 2024

Term funding stock (£bn)

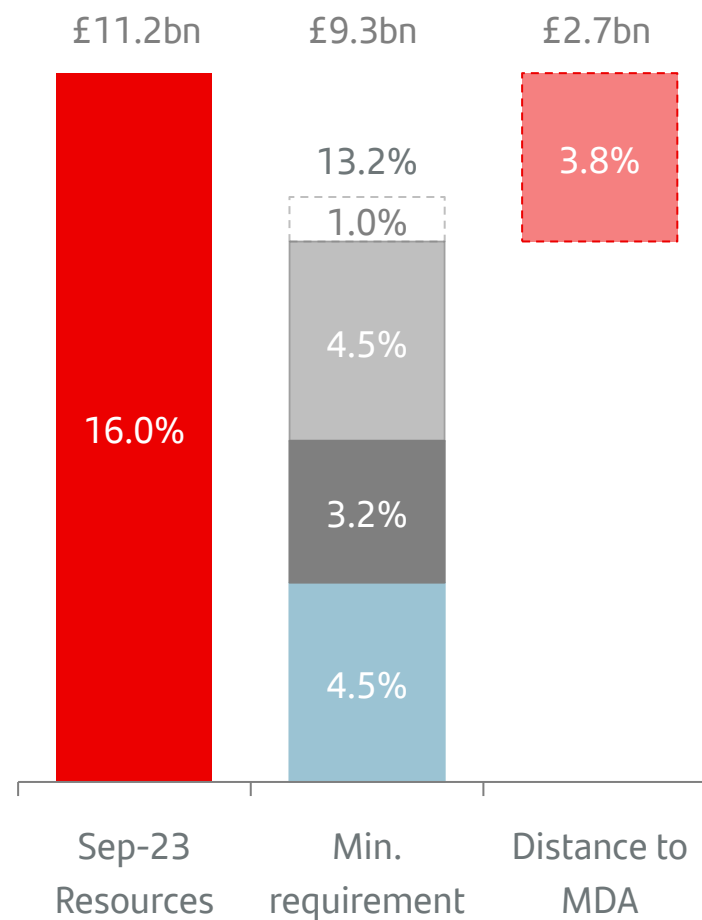


Funding overview <sup>2</sup>	2023 YTD (£bn)	2024 Fct. (£bn)
Tier 2	1.1	Up to 0.5
HoldCo Senior Unsecured	1.5	2.0 to 3.0
OpCo Senior Unsecured	0.2	-
RMBS & ABS	2.1	1.0 to 1.5
Covered Bonds	1.8	3.5 to 5.0

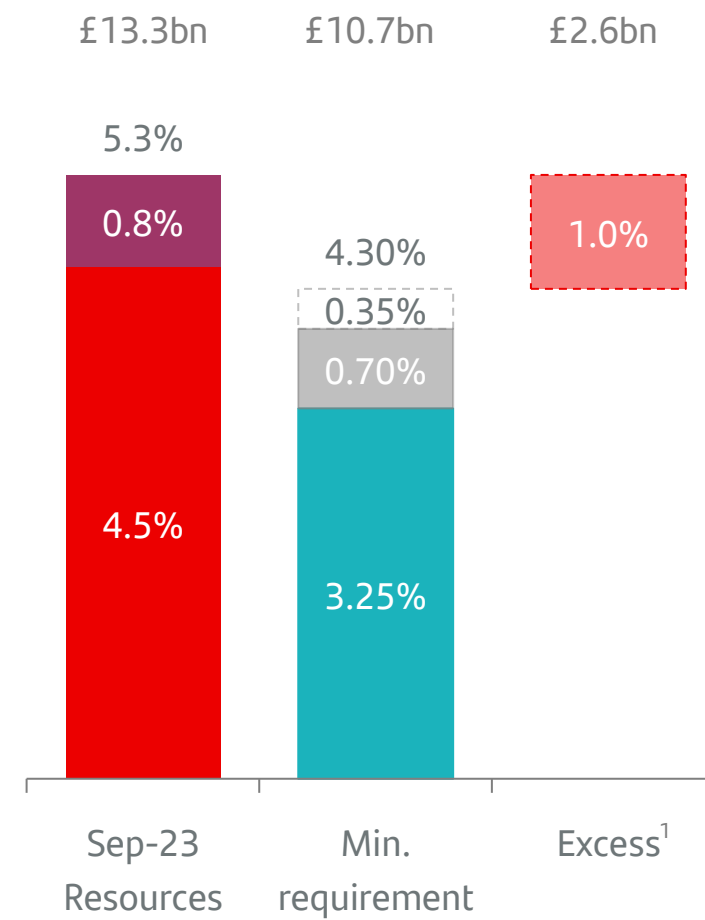
## Capital positioned for dual regulatory requirements

- Remain strongly capitalised with significant headroom to minimum requirements and MDA
- CET1 capital ratio headroom over regulatory minimum of 3.8pp at Sep-23

### CET 1 capital (% RWA)



### UK leverage (% leverage exposure)



■ CET 1 ■ AT1 ■ Pillar 1 ■ Pillar 2A ■ CBR<sup>2</sup> ■ Base Leverage □ Systemic<sup>3</sup>

Note:

1. Headroom on UK Leverage requirement of 1% is sufficient to cover 120bps drawdown from 2023 BoE stress test with additional management buffer
2. Combined Buffer Requirement includes CCB 2.5% and CCyB 2% and will be met exclusively with CET1
3. O-SII requirement from RFB

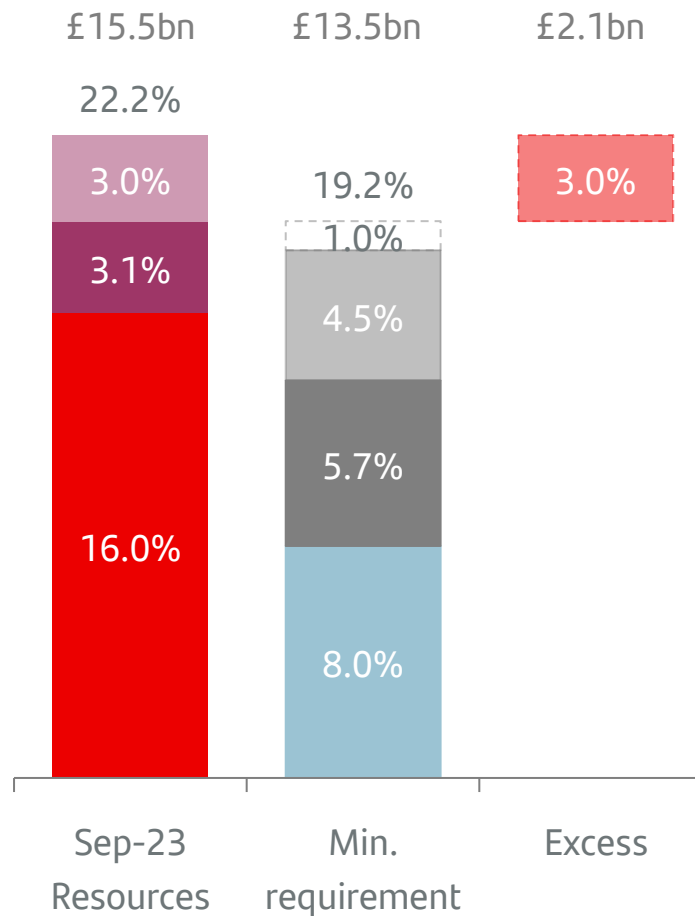
# Total capital and MREL minimum requirements<sup>1,2</sup>

- From RWA perspective part of our T2 requirements are met with CET1 and AT1
- At 30-Sep-23 SanUK's P2A capital requirement remained with RWA percentage-based element
- Fully compliant with end state MREL requirements, being RWA constrained
- Expect to issue between £2-3bn of MREL in 2024. £1.5bn equivalent issued in 2023

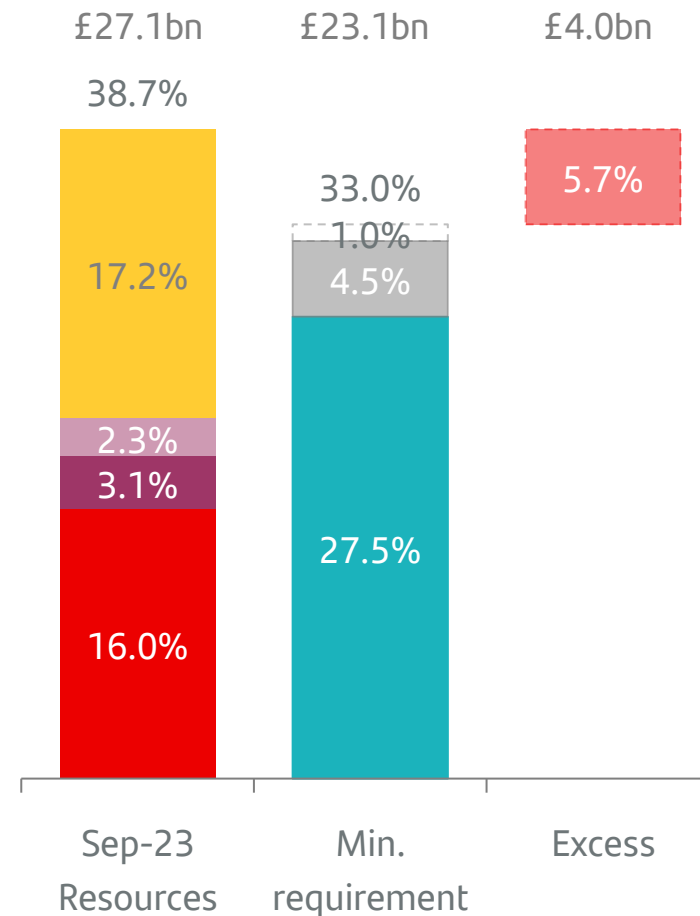
Note:

1. At 30 September 2023 Santander UK Group Holdings Pillar 2A requirements was 5.73%
2. Combined Buffer Requirement includes CCB 2.5% and CCyB 2% and will be met exclusively with CET1
3. O-SII requirement from RFB

## Total capital (% RWA)



## MREL (% RWA)



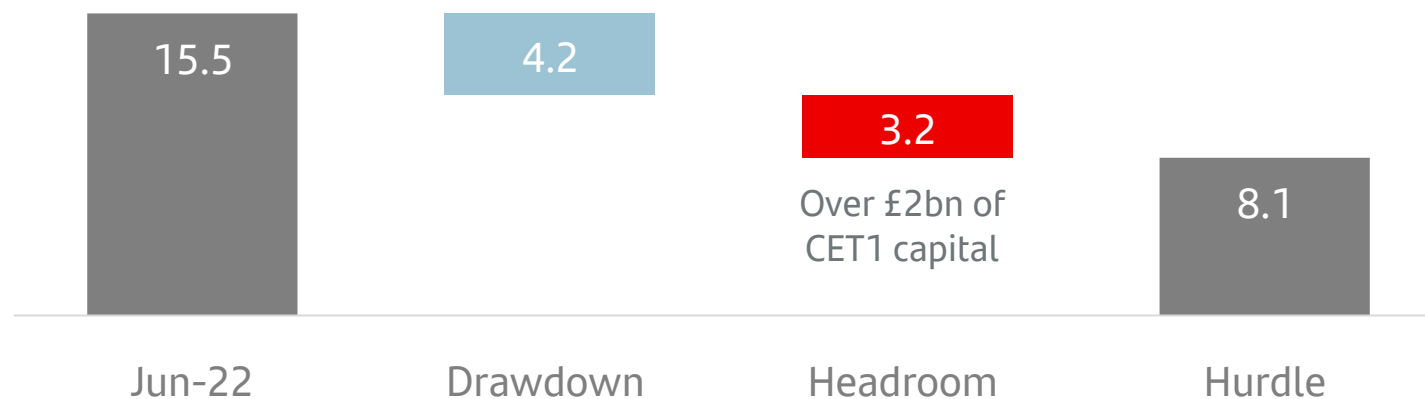
■ CET 1  
 ■ AT1  
 ■ Tier 2  
 ■ Pillar 1  
 ■ Pillar 2A  
 ■ CBR<sup>2</sup>  
 ■ Pillar 1 and 2A  
■ Senior HoldCo  
  Systemic<sup>3</sup>

# 2022/23 Bank of England ACS stress test results

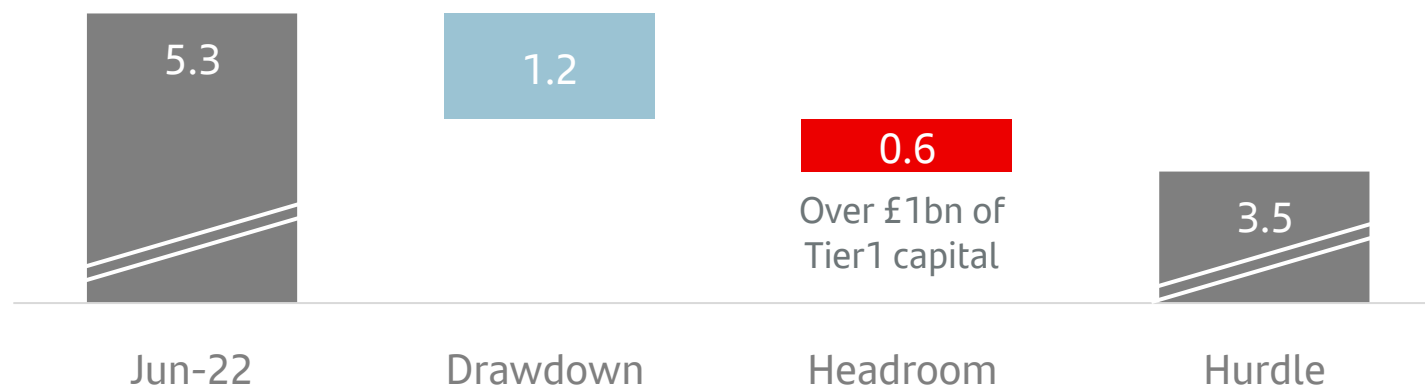
- Passed stress tests without management actions. The test was based on a once in a hundred-year stress event
- 4.2% CET1 drawdown post stress equivalent to current buffer to MDA<sup>1</sup>
- Stress test scenario (%)
  - UK GDP Growth (5.0)
  - Unemployment 8.5
  - HPI (31.0)
  - CPI peak 17.0
  - Base rate 6.00

Note:  
 1. Assuming in a stress test the 1% Counter Cyclical Buffer is set to zero and the 2.5% Capital Conservation Buffer is utilised, MDA headroom rises to 7.5%.

## Impact on CET1 capital ratio (%)



## Impact on leverage ratio (%)



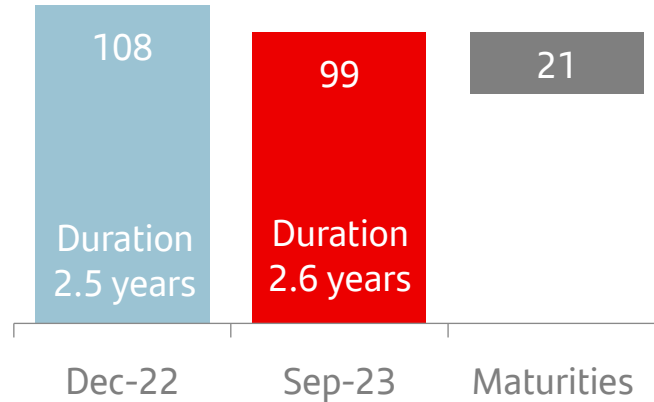
# Structural hedge evolution

- The balance on the structural hedge fell, reflecting lower non-rate sensitive liabilities
- The contribution increased as maturities were replaced with higher yielding term assets
- Going forward we expect structural hedge contribution to increase further
- Re-investment at rates significantly higher than current yield offers a tailwind to bank income

Note:

1. Dec-22 & Sep-23: Period end
2. Maturities: Over the next 12 months
3. Based on modelling assumptions of repricing behaviour with a parallel applied instantaneously to the yield curve
4. Forward rates as of 05-Oct-23

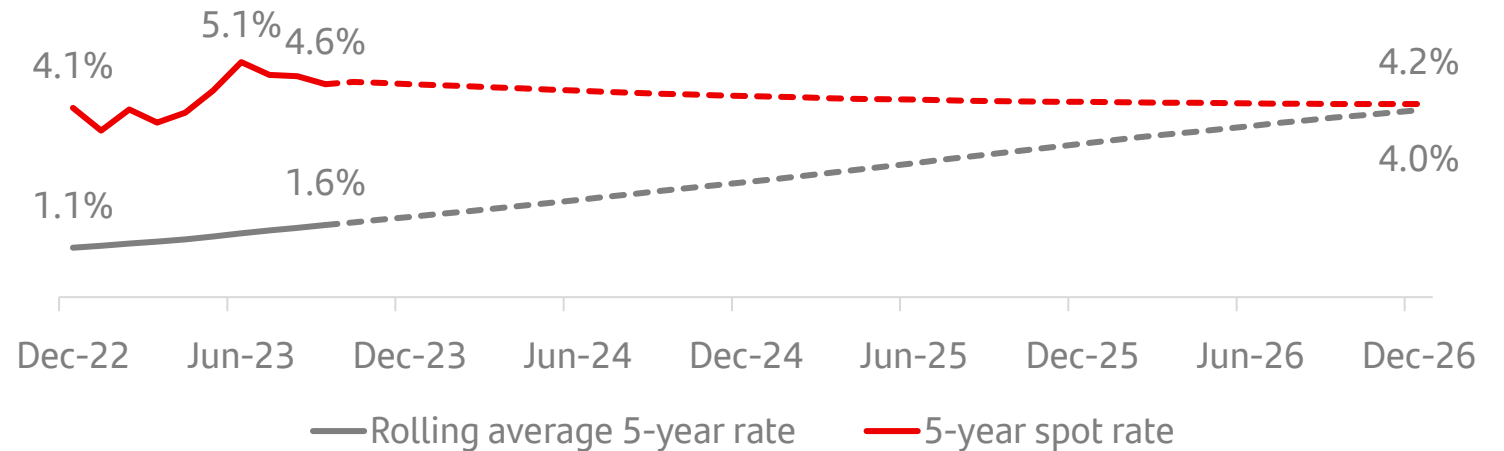
Balance of structural hedge (£bn) <sup>1,2</sup>



12m NII sensitivity (£m) <sup>3</sup>

Rate shifts	Dec-22	Sep-23
+100 bps	238	113
-100 bps	(194)	(122)

5-year swap rate and 5-year rolling average versus spot rate (%) <sup>4</sup>

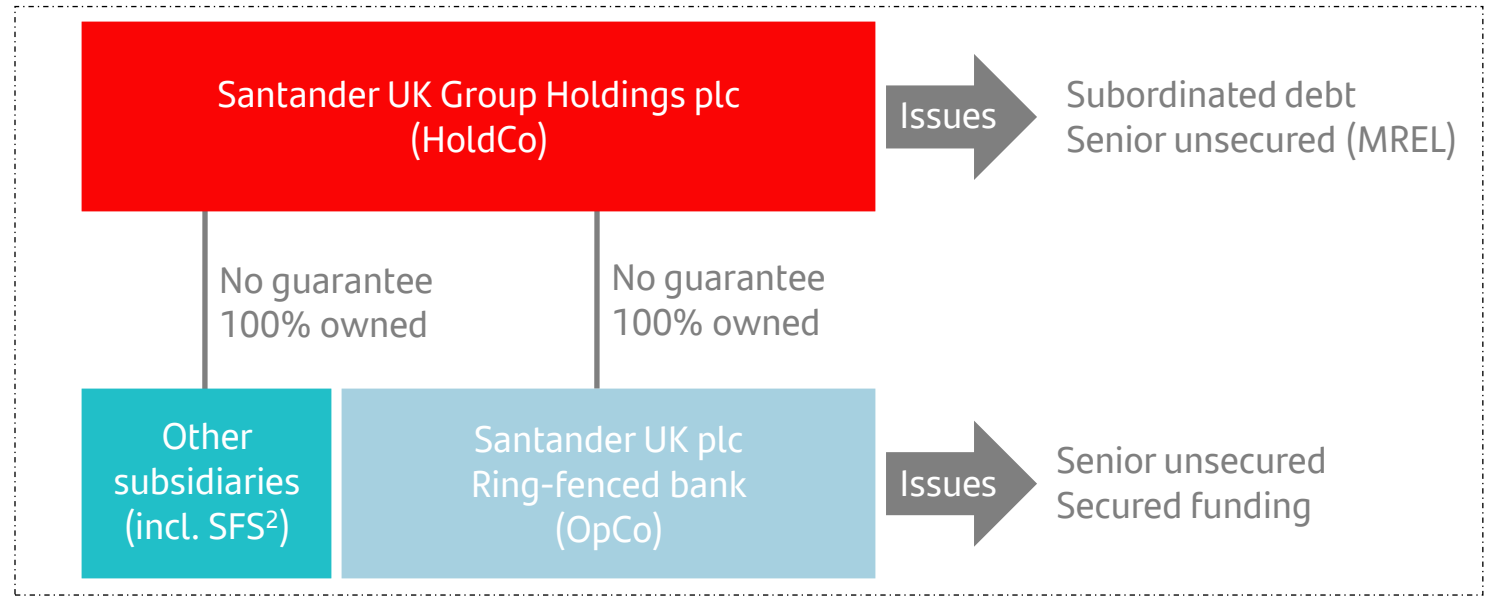


# Santander UK Group down-streaming model

- Banco Santander SA holds a no guarantee 100% ownership over Santander UK Group Holdings plc
- S&P rating A / A-1 / Stable<sup>1</sup>  
Reviewed in Jun-23
- Fitch rating A+ / F1 / Stable<sup>1</sup>  
Reviewed in Jun-23
- Moody's rating A1 / P-1 / Stable<sup>1</sup>  
Reviewed in Oct-23

Note:  
 1. Santander UK plc ratings  
 2. Santander Financial Services

## Wholesale funding model (Single point of entry resolution group)



## Credit ratings

Instrument	Issuer	S&P	Fitch	Moody's
AT1	HoldCo	BB-	BBB-	Ba1
Tier 2	HoldCo	BB+	BBB+	Baa1
Senior Unsecured	HoldCo	BBB	A	Baa1
Senior Unsecured	OpCo	A	A+	A1
Covered Bond	OpCo	AAA	AAA	Aaa



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Appendix



# Sustainability & responsible banking strategy

Three Key Pillars & Foundation

**1** Thriving Workplace

**2** Better Communities

**3** Healthy Environment

Being responsible in everything we do

Note:

1. See [2022 Annual Report](#) and [2022 ESG supplement](#) for definitions and more information on 2022 performance

**Thriving Workplace:**  
**Creating a culture of inclusivity & belonging**

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

**1**

**Better Communities:**  
**Helping customers & communities prosper**

- Financial inclusion
- Community engagement and support
- Sustainable finance

**2**

**Healthy Environment:**  
**Fighting climate change & supporting the green economy**

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

**3**

**Being Responsible in Everything We Do**

- Responsible banking
- Ethics & compliance
- Human & labour rights

# Sustainability & responsible banking strategy

Three Key Pillars & Foundation

**1** Thriving Workplace

**2** Better Communities

**3** Healthy Environment

Being responsible in everything we do

Note:

- See ESG supplement for definitions and more information
- Figures are all cumulative
- As targets are achieved, new targets will be developed and replace them

Category	2022	Sep-23	Target	Date
Female Senior Managers <sup>1</sup>	33.2%	33.5%	50% (+/- 10%)	2025
Ethnic Minority Senior Managers <sup>1</sup>	11.1%	12.6%	14% (+/- 2%)	2025
Female Board Members <sup>2</sup>	25%	30%	40%	2025
Low SocEc Senior Managers <sup>1</sup>	29%	29%	35%	2030
Financially Empowered People	2.1m	3.5m	3.0m	2025
Financial Education to Children & Young People	1.7m	3.0m	2.2m	2025
Green Finance <sup>3</sup>	£10.5bn	£12.6bn	£20.0bn	2025
Customers Supported to Become Greener	32k	100k	180k	2025

Notes:

1. Includes c.1,400 senior managers and those in more senior positions
2. HoldCo is in the process of ensuring an orderly succession plan for key Board positions
3. Includes lending to finance properties with an EPC of A & B, renewable energy and electric vehicles as well as financing raised and facilitated

Clear focus on our communities and being a responsible & sustainable bank

**E** Environmental  
Supporting the green transition

**S** Social  
Building a more inclusive society

**G** Governance  
Doing business the right way

Note:

1. Figures are for the quarter ending 30-Sep-23 unless stated otherwise
2. Detailed definitions can be found in our [2022 ESG Supplement](#)
3. In line with Banco [Santander's Sustainable Finance Classification System](#)
4. In accordance with the Greenhouse Gas Protocol Corporate Standard
5. Includes c. 1,400 senior managers and those in more senior positions

### Helping Customers Go Green

- **>£728m Green Finance** raised & facilitated<sup>3</sup> in Q3-23 (Q2-23: >£555m)
- **>750 EnergyFact Reports** issued in Q3-23 (Q2-23: >1.9k)

### Going Green Ourselves

- **9% Reduction** (from 2021 – 2022) in our scope 1, 2 & 3 business travel emissions<sup>4</sup>
- **New Head Office** to be BREEAM certified

### Managing Climate Risk

- **Climate Financial Risk Forum (CFRF)** proactive participation
- Completed internal **Climate Scenario Analysis**

### Talented & Diverse Team

- **Top 40 ranking** Stonewall's Workplace Equality Index (2021: Top 100)
- **33.5%** female senior manager<sup>5</sup> (Jun-23: 33.3%)

### Advice & Tools for Customers

- Financially empowering **>249,000** people in Q3-23 (Q2-23: >512,000)
- **>232,000 young people** financially educated in Q3-23 (Q2-23: >496,000)

### Supporting Society

- **>1500** people supported through volunteering in Q3-23 (Q2-23: 2,900)
- **>£2m** of donations and grants to higher education in Q3-23 (Q2-23: >£230k)

### A Strong Culture

- **8.2/10** employee engagement (2022: 7.8)
- **10% of remuneration** for people and sustainability KPIs

### An Independent & Diverse Board

- **60%** independent (Jun-23: 60%)
- **30%** female (Jun-23: 30%)
- **ESG Governance** with Board oversight



# Economic scenarios

- The economic outlook remains uncertain
- Inflation is forecast to remain well above the 2% target rate for 2023 putting further pressure on real disposable income
- We expect house prices to decrease by 7% in 2023

Note:

1. Calendar year annual growth rate
2. At 31-Dec for each period
3. Q4 annual growth rate

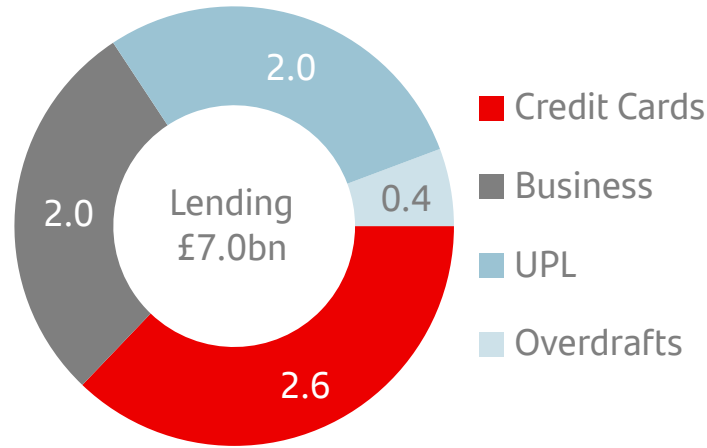
Key metrics (%)		Upside	Base case	Downside 1	Downside 2	Stubborn inflation
GDP <sup>1</sup>	2023	0.4	<b>0.3</b>	0.2	(0.5)	0.0
	2024	1.0	<b>0.4</b>	(0.4)	(3.6)	(2.0)
	2025	2.3	<b>1.3</b>	0.4	(0.3)	(0.3)
Base rate <sup>2</sup>	2023	5.25	<b>5.25</b>	5.75	5.25	6.00
	2024	4.50	<b>4.75</b>	5.25	4.00	6.00
	2025	3.50	<b>3.75</b>	4.00	2.75	4.50
HPI <sup>3</sup>	2023	(2.6)	<b>(7.0)</b>	(3.9)	(6.7)	(5.4)
	2024	(5.2)	<b>(2.0)</b>	(8.0)	(14.1)	(11.2)
	Peak to trough	(12.3)	<b>(11.1)</b>	(17.5)	(28.2)	(23.2)
Unemployment <sup>2</sup>	2023	4.4	<b>4.3</b>	4.5	5.2	4.5
	2024	4.4	<b>4.5</b>	5.0	8.5	5.7
	5-yr peak	4.6	<b>4.5</b>	5.8	8.5	6.1
Weighting		10	<b>50</b>	10	10	20

# Retail & Business Banking<sup>1</sup>

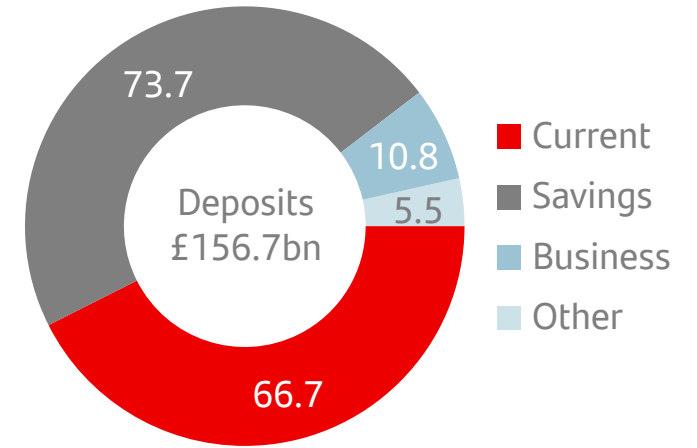
- Serves c.14m active customers in branch or through remote and digital channels
- Increased interest rates across our savings product range, offering market leading rates for customers
- Launched new Edge Up current account and made improvements to our mobile app, helping customers with their personal budget

Note:  
 1. Everyday Banking & Homes teams were combined to create a new business unit called Retail & Business Banking  
 2. Business includes £1.9bn of BBLs (100% government guaranteed)

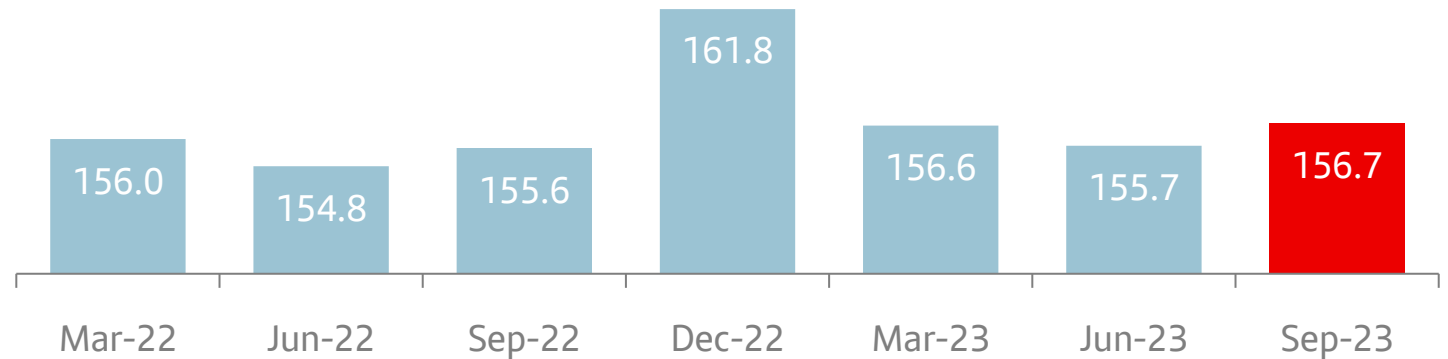
Retail banking lending<sup>2</sup> (£bn)



Retail banking deposits<sup>2</sup> (£bn)



Retail banking deposits (£bn)

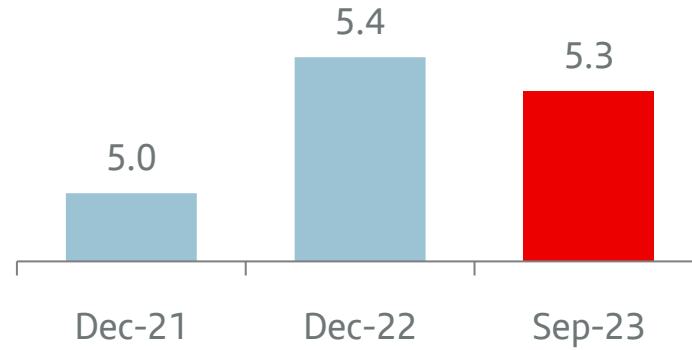


# Consumer finance

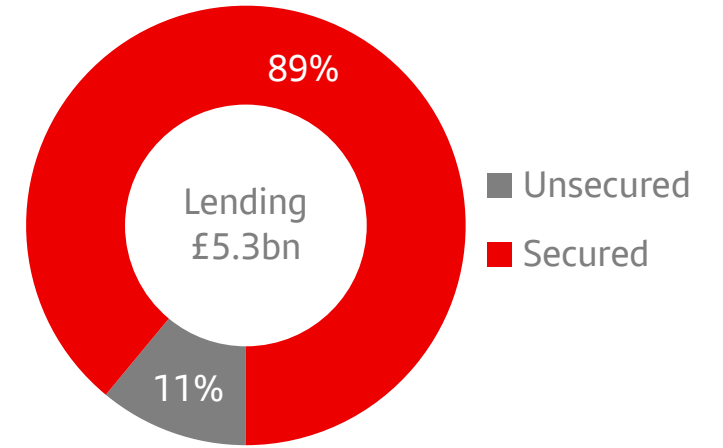
- Prime lending portfolio
- 93% of assets in Stage 1, negligible Stage 3
- Significant customer equity in residual values
- 17% of new business was green assets such as electric vehicles<sup>1</sup>

Note:  
1. Vehicles that produce less than 50g/co2 per km and includes Electric vehicles, hybrids etc.

### Consumer finance lending (£bn)



### Collateral held on loans (%)



### Partnerships & relationships

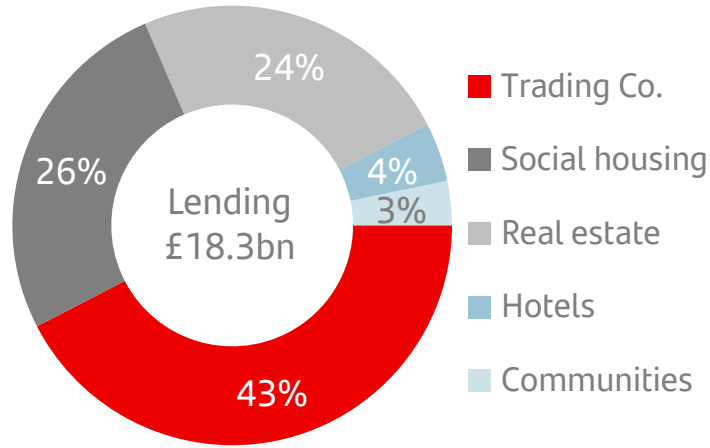


# Corporate & commercial banking

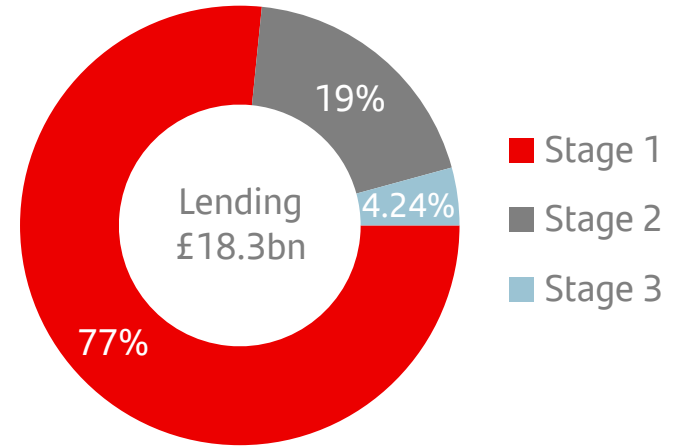
- Focused strategy and decisive action on capital and costs since 2018
- Resilient portfolio and asset quality
- Focus on clients' international needs, connecting >1,000 companies to our global network to support their international growth in 2023

Note:  
1. 'Trading Co.' covers multi-sector trading companies

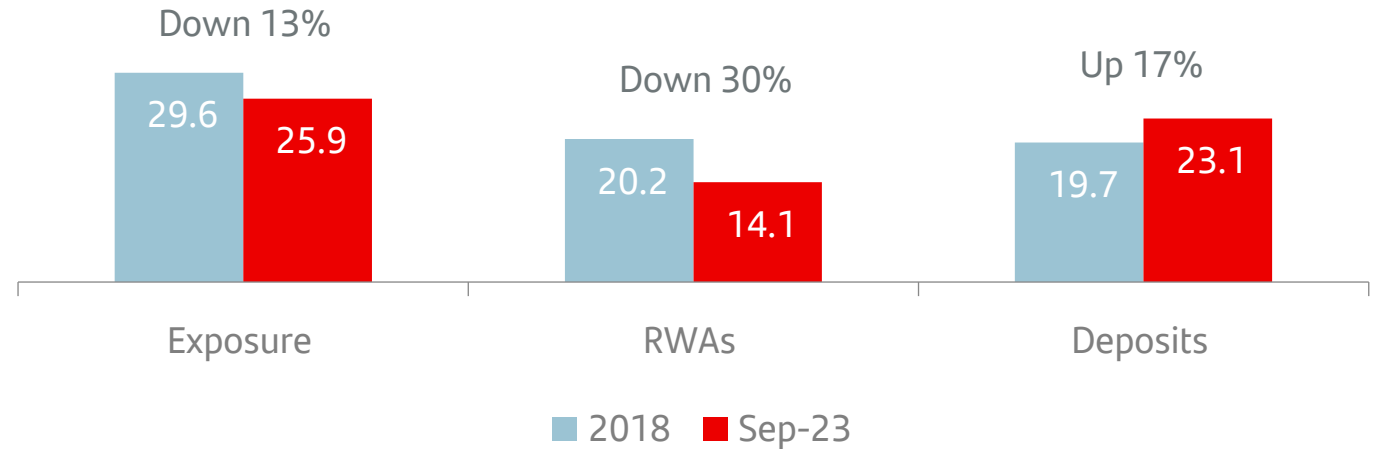
CCB customer lending by sector<sup>1</sup> (%)



CCB asset quality (%)



CCB track record of improved balance sheet utilisation (£bn)





# Abbreviations

ABS	Asset Backed Securities
ACS	Annual cyclical scenario
AT1	Additional Tier 1
Banco Santander	Banco Santander SA
Banking NIM	Banking Net Interest Margin
BBLS	Bounce Back Loan Scheme
BoE	Bank of England
BTL	Buy-To-Let
BB	Business Banking
CBR	Combined Buffer Requirement
CCB	Corporate & Commercial Banking
CCyB	Countercyclical Capital Buffer
CET1	Common Equity Tier 1
CIR	Cost-To-Income Ratio
CoR	Cost of risk
CPI	Consumer Price Index
CRE	Commercial Real Estate
ECL	Expected Credit Losses
EPC	Energy Performance Certificate
ESG	Environmental, Social and Governance
FSCS	Financial Service Compensation Scheme
FoR	Follow on Rate
GDP	Gross Domestic Product
HoldCo	Holding Company (Santander UK Group Holdings plc)
HPI	House Price Index

IFRS	International Financial Reporting Standard
JA	Judgemental Adjustments (previously Post Model Adjustments)
KPI	Key Performance Indicator
LCR	Liquidity Coverage Ratio
LDR	Loan-to-Deposit Ratio
LTV	Loan-To-Value
MDA	Maximum Distributable Amount
MREL	Minimum Requirement for own funds and Eligible Liabilities
NII	Net interest income
OpCo	Santander UK plc Ring-fenced bank
O-SII	Other Systematically Important Institutions
QMS	Quarterly Management Statement
RFB	Ring-Fenced Bank (Santander UK plc)
RMBS	Residential Mortgage-Backed Securities
RoTE	Return on Tangible Equity
RWA	Risk-Weighted Assets
Santander UK (San UK)	Santander UK Group Holdings plc
SFS	Santander Financial Services plc
SocEc	Socio-economic
SVR	Standard Variable Rate
TFSME	Term Funding Scheme with additional incentives for SMEs
UK	United Kingdom
UPL	Unsecured Personal Loans
YoY	Year-on-Year

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This presentation provides a summary of the unaudited business and financial trends for the nine months ended 30 September 2023 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 2022.

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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 nine months ended 30 September 2023.

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### Key dates

**Q4-23:** 31 Jan 2024

**Q1-24:** 30 Apr 2024

**Q2-24:** 24 Jul 2024



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