

BOARD DIVERSITY & INCLUSION POLICY

Santander UK Group Holdings plc and Santander UK plc's (together "Santander UK¹") success is integrally linked to the diverse composition of our people and the promotion of an inclusive culture. The basis of this premise applies to our Boards as much as it does to any other area of our business. The Santander Diversity & Inclusion Policy applies to diversity in respect of employees of Santander UK or its subsidiaries.

Board appointments are made on merit by assessing candidates against measurable objective criteria. We recognise that a diverse and inclusive Board should result in a broad strategic perspective. Therefore, we strive to maintain a Board in which a diverse range of skills, knowledge and experiences are combined in an environment which values the input of every director and due regard will be given to this when identifying and selecting candidates for Board appointments. We want a Board that reflects diversity in the broadest sense to embrace different perspectives and dynamics such as gender, race, age, disability, sexual orientation, and socio-economic background. We believe that such an environment is vital in ensuring we achieve our goals as a business.

Aspirational Targets

Our Board aims to have a minimum 33% female representation and an overall aim of 50% female representation by 2030. It is recognised that periods of change in Board composition may result in temporary periods when this balance is not achieved. Our commitment to the HM Treasury Women in Finance Charter continues with the aim to create gender balance by setting a target of 50% (+/-10%) women in senior roles (excluding Board members) by the end of 2021. Our Board aims to have at least one member from an ethnic minority background by 2022². We have set a target to increase ethnic minority representation in senior roles (excluding Board members) to 14% (+/- 2%) by 2025 alongside an ambition to double our senior level Black population by 2023.

The Board is committed to zero tolerance of harassment and bullying, driving inclusion and increasing diversity overall. Santander UK is taking a progressive approach to promoting diversity throughout its organisation and is actively considering diversity when attracting and securing talented individuals to help us deliver our objectives, particularly at the most senior management and leadership levels. It is vital for us to nurture high-potential and high-performing candidates in less senior management roles, to ensure progression occurs. In this regard, the Board is committed to increasing the pipeline of diverse talent within the organisation.

The Board Nomination Committee ('the Committee') regularly reviews and assesses Board composition on behalf of the Board and recommends appointments of new Directors. The

¹Whilst, the Board Diversity and Inclusion Policy applies to the Boards of both Santander UK Group Holdings plc and Santander UK plc, it is recognised that the Board of Santander UK plc is significantly larger than the Board of Santander UK Group Holdings plc, reflecting the size of the business of the company. As a result, a small change in the composition of the board of Santander UK Group Holdings plc has a greater impact on the diversity of that Board and flexibility to achieving targets should be considered when reviewing the diversity of the Board, in comparison with Santander UK plc. The Boards of the two companies are run largely simultaneously for efficiency.

² This term refers to ethnicity backgrounds that are in a minority in the population. In the UK, this covers all ethnicity backgrounds except White British.

Committee also oversees the evaluation of the performance and effectiveness of the Board. As part of this evaluation, the Committee considers the balance of skills, experience, independence and knowledge of the Board and its diverse composition. The Committee reports annually, in the corporate governance section of Santander UK's Annual Report, on the progress made in meeting our diversity targets.