

SANTANDER UK GROUP HOLDINGS plc

and SANTANDER UK plc

(individually “the Company” and collectively “SANTANDER UK”)

ROLE OF THE CHAIR

Purpose of the Role

The Chair’s priority is to maintain, develop and lead the Board and ensure its effectiveness. The Chair does not have any executive responsibility vested in her by the Board for the day-to-day running of the Company’s business.

The Chair of the Board is responsible for chairing, and overseeing the performance of the Board and ensuring that the Board discharges its responsibilities.

Key Accountabilities

The key accountabilities of the Chair are to ensure:

Role of the Board (including running of the Board)

- The Board provides independent oversight of executive decisions such that :
 - the Board meets with sufficient frequency;
 - fosters an open, inclusive discussion which challenges executives where appropriate; and
 - the Board devotes sufficient time and attention to matters within their remit which are relevant to the Company’s safety and soundness;
 - timely, relevant, accurate and high-quality information is provided to directors to enable the Board to make sound decisions, monitor effectively and provide advice to promote the success of the Company; and
 - where appropriate informal meetings be held beforehand to enable thorough preparation for Board discussion.
- There is sufficient time at Board meetings for discussion of audit, risk, remuneration, conduct and cultural issues considered by Board Committees.
- The Board provides appropriate oversight of the development and maintenance of both the firm’s culture and the firm’s business model.
- The Company’s strategy is developed and is communicated effectively both internally and externally.
- Agendas concentrate on strategic and performance matters and contain all relevant issues, with a view to providing effective decision making and constructive debate.
- All directors, both executive and non-executive, play their full part enabling Non-Executive Directors to make effective contributions and foster constructive relations between executive and non-executive directors.
- The style and tone of the Board is set and its discussions promote a culture of openness, genuine open dialogue, effective decision-making and constructive debate, ensuring that all views (especially those that are dissenting) are heard and that the executives are not able to control the board discussion.

Effectiveness

- The effectiveness of the Board in all aspects of its role (including co-ordinating, directing, chairing or attending relevant sub-committees of the Board, as applicable and monitoring the regularity and frequency of meetings).
- The annual evaluation of the performance of the Board, its committees and individual directors (including the CEO's performance) and the monitoring of any action plans (recognising the strengths and addressing any weaknesses of the Board) implemented as a result of the evaluation.
- An externally facilitated board evaluation is conducted at least every three years.

Composition, Succession, Induction and Training

- The appropriate composition of the Board (including diversity of skills, experience and knowledge).
- Properly constructed induction programmes are provided for new directors and the development needs of individual directors and the Board as a whole (in order to maintain the necessary depth and breadth of knowledge and skills), are met, in conjunction with the Company Secretary;
- There is an effective succession planning process, led by the Chair, in conjunction with the Board Nomination Committee.
- There is an effective process (including a succession plan) for recruiting the CEO, when necessary.

Delegation of Authority (to CEO and Board Committees)

- There is appropriate delegation of authority from the Board to the CEO.
- Board Committees are clearly structured with appropriate Terms of Reference.

Corporate Governance

- The highest standards of corporate governance, including seeking to comply with the provisions of the UK Corporate Governance Code, to the extent permissible and possible, are promoted and upheld.
- An effective working relationship is maintained with the CEO, and the Chair will typically discharge this responsibility by providing both a source of counsel and challenge to the CEO on how the Company is being run (e.g. providing feedback to the CEO on senior management performance, development and succession and corporate structure).
- There is effective communication with shareholders and other stakeholders and an appropriate balance is maintained between the interests of shareholders and other stakeholders (employees, customers etc).

Communication

- Meetings are held with Non-Executive Directors without the executive directors present, as appropriate.

Other

- The Chair is properly briefed in the Company's affairs to enable the proper discharge of duties as Chair. In this capacity, the Chair has an unlimited right to consult any employees of the Company and require information on any aspect of the Company's business.

Time commitment

The Chair is expected to devote such time as is necessary for the proper performance of the duties as Chair of the Company and Santander UK plc including preparation for and attendance at Board meetings, Chairing the Board Nomination Committee and attending the Board Audit Committee, the Board Risk Committee, the Board Remuneration Committee and the Board Responsible Banking Committee, as required.