

**SUPPLEMENT DATED 6 NOVEMBER 2018
TO THE PROSPECTUS RELATING TO THE
€35 BILLION GLOBAL COVERED BOND PROGRAMME OF:**



SANTANDER UK PLC

(INCORPORATED IN ENGLAND WITH LIMITED LIABILITY, REGISTERED NUMBER 2294747)

This supplement (the "**Supplement**", which definition shall also include all information incorporated by reference herein) to the prospectus (the "**Prospectus**", which comprises a base prospectus for the purpose of Article 5.4 of Directive 2003/71/EC (the "**Prospectus Directive**") dated 24 April 2018, as supplemented on 25 June 2018, 25 July 2018, 24 August 2018 and 10 September 2018 relating to the €35 billion Global Covered Bond Programme (the "**Programme**"), constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 ("**FSMA**").

Unless otherwise defined herein, capitalised terms used in this Supplement have the meanings given to them in the Prospectus.

This Supplement is supplemental to, and should be read in conjunction with, the Prospectus and any other supplements to the Prospectus prepared by Santander UK plc as issuer (the "**Issuer**") under the Programme.

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 Directive and relevant implementing measures in the United Kingdom for the purpose of giving information with regard to the issue of instruments under the Programme.

The Issuer and Abbey Covered Bonds LLP (each an "**Obligor**") accept responsibility for the information contained in this Supplement. To the best of the knowledge of each Obligor (each 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 (a) incorporating by reference into the Prospectus the unaudited consolidated financial information of the Issuer for the nine months ended 30 September 2018 (the "**Quarterly Financial Information**"), and (b) updating the risk factor relating to the Santander UK Group's exposure to risk of loss and damage from civil litigation and/or criminal legal and regulatory proceedings with certain recent developments, in each case as described in further detail below.

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 Directive 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 FSMA 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.

DOCUMENTS INCORPORATED BY REFERENCE

On 31 October 2018, Santander UK Group Holdings plc, the immediate parent company of the Issuer, published its unaudited quarterly management statement for the nine months ended 30 September 2018.

The content of Appendix 3 appearing on page 18 of such quarterly management statement, which contains the Quarterly Financial Information of the Issuer, is hereby incorporated in, and forms part of, the Prospectus.

A copy of the Quarterly Financial Information has been submitted to the National Storage Mechanism and is available for viewing at: <http://www.morningstar.co.uk/uk/NSM>.

The Quarterly Financial Information is also available for viewing at: <http://www.santander.co.uk/uk/about-santander-uk/investor-relations/santander-uk-plc/>.

UPDATE OF RISK FACTOR

The risk factor entitled “*The Santander UK Group is exposed to risk of loss and damage from civil litigation and/or criminal legal and regulatory proceedings*” shall be supplemented by deleting the second paragraph commencing with the wording “The Santander UK Group is from time to time subject to [...]” and ending with the wording “[...] the Santander UK Group’s level of income for that period” with the following language:

“The Santander UK Group is from time to time subject to certain investigations and claims (civil and criminal) and party to certain legal proceedings brought by private individuals or regulators or governmental authorities in the normal course of the Santander UK Group’s business, including in connection with the Santander UK Group’s lending and payment activities, relationships with the Santander UK Group’s employees and other commercial or tax matters. These can be brought against the Santander UK Group under U.K. regulatory processes or in the U.K. courts, or under regulatory processes in other jurisdictions, such as the EU and the U.S., where some Santander UK Group entities operate. For example, the Santander UK Group is cooperating with an FCA investigation in respect of certain historical issues concerning the operation of deceased customers’ accounts. The Santander UK Group is in an ongoing dialogue with the FCA to resolve the matter. In addition, the Issuer, as well as Abbey National Treasury Services plc and Cater Allen International Limited (both subsidiaries of the Issuer), and three of their former employees are currently under investigation by the Cologne Criminal Prosecution Office and the German Federal Tax Office in relation to historical involvement in German dividend tax arbitrage transactions (known as cum/ex transactions). The Santander UK Group is cooperating with the German authorities and are conducting its own internal investigation into the matters in question. There are factual issues to be resolved in both cases

which may have legal consequences including financial penalties. In view of the inherent difficulty of predicting the outcome of legal matters and regulatory investigations and actions, particularly where the claimants or authorities seek very large or indeterminate damages, or where the cases present novel legal theories, involve a large number of parties or are in the early stages of discovery, the Santander UK Group cannot state with confidence what the eventual outcome of these pending matters will be or what the eventual loss, fines, restrictions and/or penalties related to each pending matter may be and these pending matters are not disclosed by name because they are under assessment. The Santander UK Group believes that it has made adequate provisions related to these various claims, investigations and legal proceedings where it is reasonably able to estimate them. These provisions are reviewed periodically. However, in light of the uncertainties involved in such claims, investigations and proceedings, there can be no assurance that the ultimate resolution of these matters will not exceed the provisions currently accrued by the Santander UK Group. As a result, the outcome of a particular matter may be material to the Santander UK Group's operating results for a particular period, depending upon, among other factors, the size of the loss or liability imposed and the Santander UK Group's level of income for that period."

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>.