

# TOGETHER WE'RE ON A JOURNEY...

Environmental, Social, and  
Governance (ESG) Supplement 2024  
Santander UK Group Holdings plc



 Santander



Contents

HAVE A LOOK AT  
WHAT'S INSIDE



## Executive summary

# A WORD FROM OUR CEO

The scale of the challenge the UK faces if it's to transition successfully to a low-carbon economy is considerable, but it isn't impossible.

Whilst the consensus around the steps we need to take may have frayed recently, it's still the case that many households and businesses across the UK are aware of the need to take action, but they need help.

As the global debate on securing a just transition has become more polarised, it's easy to dismiss the potential impact of decisions taken at personal or local level and the difference these can make to our journey to a more sustainable economy. But I firmly believe that facilitating those decisions should be at the core of what we do.

Research we conducted throughout 2024 confirmed that homeowners, renters and businesses are aware of the benefits of taking steps like improving the energy efficiency of their buildings or becoming a more responsible business in their day-to-day operations. Our research also highlighted the role we can play by supporting consumers and businesses on this journey, alongside government policy interventions.

In a time of ongoing economic uncertainty, people are understandably reluctant to take on additional financial commitments relating to sustainable changes to their property when they are unsure about the long-term benefits that more efficient and warmer buildings will deliver. Small businesses, under pressure from customers to show how they are decarbonising, are looking for Government to provide long-term financial support and policy certainty.

This clearly shows that the solution lies in the financial services sector, industry and Government coming together.

I am excited at the potential for new thinking thanks to the partnerships we started in 2024 with organisations like the Aldersgate Group and Foundation of Education Development. They'll challenge us to go further in terms of what we can offer our customers and support with industry alignment on the policy asks of the UK Government.

The UK is home to world-leading expertise that is helping to develop the innovative products and solutions our customers will need. If we can complement this with the right information to make informed decisions and a clear policy environment that will provide the confidence to invest. Those commitments will make a significant contribution to the UK's progress on both net zero and its growth ambitions.

I am proud of the fact sustainability sits at the heart of Santander's strategy, but only by working with others can we deliver the meaningful outcomes our customers and the communities we serve want both here in the UK and across the wider Santander markets.

A key component of the UK's approach is to support our workforce with the skills the UK economy of the future will need. Giving people the opportunity to improve their skill set has always been part of our DNA.

So, through our Santander Open Academy platform, we launched three new free programmes designed specifically to give people the chance to access content focused on leadership, digital and net zero skills. Through initiatives like this, we are offering people the opportunity to develop these vital, career enhancing skills.

Our Sustainability strategy goes beyond issues relating to the low-carbon economy. For Santander UK, building up financial literacy and strengthening financial resilience have been long-term priorities.

The Numbers Game, our flagship financial education initiative delivered in partnership with Twinkl, has given access to resources on average per year, to an estimated one million 5-to-16-year-olds in the UK since launching in 2022. However, we need to go further.

Speaking at our Annual Reception in November, our Chair, William Vereker, called for financial education to be compulsory for primary schools in England as part of the curriculum.

We have seen through the cost-of-living crisis the value that being financially confident can make when it comes to making decisions on household budgets. This is another example of how we can use our platform to drive interventions that have the potential for long-term, national benefit.

I would like to acknowledge the hard work and dedication of the people across Santander UK and our partners, who spend each day focused on how we can support our customers to take those crucial steps to a more sustainable economy.

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**Mike Regnier,**  
Chief Executive Officer UK



Executive summary continued

# HOW WE REPORT

This ESG Supplement provides a summary of our sustainability performance for 2024 and accompanies our Santander UK Group Holdings plc 2024 Annual Report and Accounts. Our full suite of Environmental, Social and Governance (ESG) reporting and disclosures is shown in the table below.


## Our reporting suite<sup>1</sup>

Information							
Sustainability strategy	✓	✓	✓				✓
Double materiality		✓					✓
EU Corporate Sustainability Reporting Directive (CSRD)							✓
Taskforce on Climate-related Financial Disclosures (TCFD)	✓						
ESG policies	✓	✓	✓				✓
Gender and Ethnicity Pay Gap						✓	✓
Stakeholder engagement	✓	✓	✓				✓
Human rights	✓	✓	✓	✓	✓	✓	✓
Streamlined Energy and Carbon Reporting (SECR)	✓						
Companies Act Section 172 requirement	✓						
International Sustainability Standards Board (ISSB) (voluntary)		✓					✓

<sup>1</sup> Our reporting criteria is driven by regulation and materials topics define in our Double Materiality Assessment.

# OUR SUSTAINABILITY STRATEGY

Our Sustainability strategy sets out our ambition across the three pillars of Environment, Social and Governance. It's a priority of the business and supports our purpose of helping people and businesses prosper. This also responds to the key sustainability topics defined in our Double Materiality Assessment.

ENVIRONMENT 	SOCIAL 	GOVERNANCE 
<p><b>Aim</b></p> <p>We're aligned to Banco Santander's ambition to work towards achieving net zero by 2050. Our Climate strategy aims to support our customers and address key issues, risks and opportunities.</p>	<p><b>Aim</b></p> <p>Support productive inclusive growth across our key stakeholder groups: our customers, our communities, and our people.</p>	<p><b>Aim</b></p> <p>Clear and robust governance with well-defined accountability which promotes the success of Santander UK, its customers, and other stakeholders.</p>
<p><b>Strategic pillars</b></p> <ol style="list-style-type: none"> <li>1. Supporting our customers in the green transition</li> <li>2. Embedding climate in risk management</li> <li>3. Aiming to align our activity with the UN Paris Agreement</li> </ol>	<p><b>Strategic pillars</b></p> <ol style="list-style-type: none"> <li>1. Our Customers: Making their better happen</li> <li>2. Our Communities: Better communities</li> <li>3. Our People: Unleash our people's potential</li> </ol>	<p><b>Strategic pillars</b></p> <ol style="list-style-type: none"> <li>1. Stakeholder engagement</li> <li>2. Effective Board of Directors</li> <li>3. Responsible practices and stakeholder's interests</li> </ol>
<p><b>Material topics<sup>1</sup></b></p> <ul style="list-style-type: none"> <li>Climate change                     <ul style="list-style-type: none"> <li>- Climate change mitigation</li> <li>- Energy.</li> </ul> </li> </ul>	<p><b>Material topics<sup>1</sup></b></p> <ul style="list-style-type: none"> <li>Customers                     <ul style="list-style-type: none"> <li>- Information related impact for customers</li> <li>- Social inclusion.</li> </ul> </li> <li>Affected communities                     <ul style="list-style-type: none"> <li>- Communities' economic, social, and cultural rights.</li> </ul> </li> <li>Own workforce                     <ul style="list-style-type: none"> <li>- Working conditions</li> <li>- Equal treatment and opportunities for all</li> <li>- Other work-related rights.</li> </ul> </li> </ul>	<p><b>Material topics<sup>1</sup></b></p> <ul style="list-style-type: none"> <li>Business conduct                     <ul style="list-style-type: none"> <li>- Corporate culture</li> <li>- Protection of whistleblowers</li> <li>- Corruption and bribery</li> <li>- Management of relationships with suppliers, including payment practices.</li> </ul> </li> </ul>

<sup>1</sup> The material topics are aligned to Banco Santander's double materiality assessment which is in line with the EU Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS).

## Executive summary continued



### TOMORROW'S HOMES



We wanted to understand the challenges faced by our customers in making their homes more energy efficient. Through our Tomorrow's Homes Report we listened to the concerns of over 4,000 homeowners and renters.

With these insights, we created test and learn initiatives to help our customers improve the energy efficiency of their homes. This includes launching incentives to reward customers and improving the customer end to end journey.

Many people want to improve their home's energy efficiency but are held back by gaps in knowledge. We have partnered with trusted experts to offer clear, practical solutions to address this challenge and connect customers with the resources that they need to take action.



### TOMORROW'S SKILLS



We aspire to help people gain the skills they need to thrive. To better understand this opportunity, we surveyed 3,000 adults in the UK. We found out that 86% of people think it is important for adults to have access to professional skills training throughout their lives.

The desire for lifelong learning is sometimes pushed back due to time, cost, and flexibility with their jobs and family.

Our new free education content provided by Santander Open Academy helps people to develop green, digital, and professional leadership skills – the skills needed to power the economy of the future. The courses focus on the following competences: communication, resilience, time management, teamwork, problem-solving, the power of no-code automation tools for content creation, how to lead sustainable initiatives, engaging key stakeholders, and making change in the pursuit of net zero.

Since October 2024, more than 8,000 people have signed up for our new content.



### TOMORROW'S GOVERNANCE



Our Governance Strategy sets out our ambition for clear and robust governance with well-defined accountability which promotes the success of Santander UK, its customers, and other stakeholders'.

The strategy is aligned with the three strategic pillars of Banco Santander's global governance model – shareholder engagement, effective Board of Directors, and responsible practice and stakeholders' interests along with Santander UK specific priorities and actions.

For example, a key activity started in 2024 was to simplify our governance processes, which allows us to make decisions in an efficient yet effective way. This is vital to the success of our business and we'll continue to focus on simplicity in decision making.

The Board Responsible Banking Committee oversees progress against our Governance strategy, and we expect to refresh the actions in the second half of 2025.

# OUR APPROACH TO MATERIALITY

## Identifying our priority sustainability topics

Banco Santander have been conducting materiality assessments since 2021. These assessments underpin our Sustainability strategy.

In 2024, we introduced a new approach for assessing the materiality of Santander's sustainability topics. This is to meet the EU CSRD requirements.

Santander UK is not in scope of EU CSRD, however we actively contribute to Banco Santander's disclosures and therefore much of our reporting methodologies are aligned, including materiality assessments.

Banco Santander led the new double materiality assessment (DMA) process across all Santander entities. As part of this approach, Santander UK identified impacts, risks, and opportunities linked to the sustainability topics identified as most material to our business. Currently, Santander UK is fully aligned with Banco Santander on material topics.

### Our methodology

The impacts, risks, and opportunities relate to the ten European Sustainability Reporting Standards (ESRS) topics using two lenses:

1. Impact materiality: The impact Santander UK has on each sustainability topic e.g. environment, people; and on sustainability in relation to each topic
2. Financial materiality: The financial risks and opportunities for Santander UK, linked to the sustainability topics.

Each sustainability topic was assessed and assigned a score out of five. The threshold for a topic to be considered material was 3.5. Impact materiality and financial materiality were given different weightings toward the overall materiality calculation.

This assessment was conducted across the entire Banco Santander Group, including our UK own operations and our UK value chain, using the available information and tools; and by engaging our UK key stakeholders. The results reflect a short to medium-term time horizon (~1-5 years) for which most of the information is available. However, a qualitative analysis suggests that if we used a long-term horizon, there would be no changes to the results and IROs that are material.

Five topics were identified as material and have been mapped against our UK Sustainability strategy. These are climate change, own workforce, affected communities, consumers and end-users, and business conduct.

Throughout 2024, we have looked to align as much as possible with Banco Santander's ESG data points. As such, many of our methodologies have been updated and are treated as new data points. For this reason, some of these are not equally comparable to previous years. Therefore, comparatives have not been provided in our metric tables. This approach has been taken to enable our stakeholders to understand the UK contribution to the wider Banco Santander Group. In addition to this, we continue to disclose some UK only ESG data points that support our local requirements and commitments. For these, comparatives are recorded.

Sustainability topics	Impact		Financial	
	Positive +	Negative -	Risk	Opp.
Climate change	●	●	●	●
Own workforce	●	●	●	○
Affected communities	●	●	○	●
Consumers and end-users	●	●	●	●
Business conduct	●	●	●	○

**Thresholds:** ● Critical >4.5   ● Significant 4.5 – 3.5   ● Informative 3.5 – 2.5   ○ Minimal <2.5

## Executive summary continued

# OUR IMPACTS, RISKS, AND OPPORTUNITIES

## Key



Positive impact



Negative impact



Risk



Opportunity

Below are the details of the impacts, risks and opportunities under each material sustainability topic identified in the double materiality assessment.

Material topic	Impact, risk, or opportunity	Description	Read more
<b>Climate change</b>		Contribution to protecting the environment by driving an increase in the use of renewable energy and other low-carbon technologies.	
		Santander UK contribution to reducing the Banco Santander's Scope 1 and 2 greenhouse gas emissions.	
		Adverse impact on climate and the environment due to the bank's financing of, or investment in, certain non-sustainable assets and activities.	
		Growth in the financing of renewable energy and other energy transition solutions.	
		Revenue growth from providing our customers with sustainable solutions in sectors such as construction, mobility, agriculture, and water and waste management.	
		Reputational risk from the perception of the bank's progress with climate-related policies and objectives.	
<b>Own workforce</b>		Promote the health, wellbeing, and security of our employees in a safe and inclusive workplace. Facilitate a positive work-life balance through flexible working.	
		Promote a workforce that reflects the society we live in and encourages collaboration and the same opportunities for all our employees, irrespective of gender, disability, or other characteristics.	
		Promote continuous career development and personal growth through learning and development programmes.	
		Promote the general wellbeing of employees and provide appropriate remuneration under equal conditions based on merit and market rates.	
		Harm employees through discriminatory conduct, inadequate working conditions, harassment or corruption.	
		Potential risk of conflict with employees due to excessive working hours, corruption, or infringement of their rights.	



Executive summary continued



Material topic	Impact, risk, or opportunity	Description	Read more
<b>Consumers and end-users</b>	+	Positive impact on customers due to the bank's offer of products and services that adapt to their needs and expectations and promote financial inclusion and health	
	+	Education on, and awareness of, cyber security to understand potential threats and ways to repel them.	
	-	Negative impact on the customer if they do not have access to complaints channels or if, after making a complaint, the bank fails to take the necessary action.	
	-	Negative impact on the customer if the bank fails to provide sufficient information on the product or service they are signing up for.	
	-	Potential infringement of customers', employees', or shareholders' rights due to a lack of appropriate technical or organisational measures to protect their personal data according to law and the practices set by Banco Santander.	
	-	Negative impact on the customer by failing to guarantee access to, or the use of, products and services that may present certain obstacles or weak spots.	
	R	Potential losses due to fines or a reduction in the number of customers because of a failure to detect or respond effectively to breaches of privacy.	
	R	Potential losses due to claims or a reduction in customer numbers because of substandard customer practices throughout their life cycle.	
<b>Affected communities</b>	+	Drive economic growth and job creation in the regions where we operate and provide credit to people and businesses.	
	+	Contribution to sustainable development through financing and investment that promotes sustainable performance in companies, addresses societal challenges, mitigates a specific issue, or pursues positive societal outcomes.	
	+	Contribute to education, employability and entrepreneurship, as well as to community development through support programmes.	
	-	Finance activities (in any customer segment) that breach the bank's policies and jeopardise the wellbeing of present or future generations.	
	-	Potentially negative impact on the environment or society by failing to sufficiently involve stakeholders or use suitable customer identification and management mechanisms when providing finance to a customer or project.	

## Executive summary continued

### Key












+ Positive impact  
 - Negative impact  
 R Risk  
 O Opportunity

Material topic	Impact, risk, or opportunity	Description	Read more
<b>Business conduct</b>	<span style="color: green;">+</span>	Act responsibly and consider investors' interests and the impact on employees, broader society, and the environment. Pay taxes to support the distribution of wealth.	
	<span style="color: green;">+</span>	Protect the confidentiality of users of the bank's ethical channel and have an effective reporting system in place that follows robust principles and procedures.	
	<span style="color: green;">+</span>	Promote responsible practices among suppliers. Engage with them, assess their ESG performance, and give them recommendations and tools to improve.	
	<span style="color: red;">-</span>	Negative impact on the environment or broader society by failing to implement measures to resolve incidents through complaints or reporting channels, or due to a lack of continuous improvement actions.	
	<span style="color: red;">-</span>	Harm broader society through bribery or corruption.	
	<span style="color: teal;">R</span>	Potential risk from failing to ensure the operational resilience of the supply chain, by assessing suppliers' solvency, reputation, and compliance with the law.	
	<span style="color: teal;">R</span>	Risk stemming from improper conduct that makes illicit funds or assets appear legitimate and, therefore, facilitates illegal activity or to benefit from it.	

**Five sustainability topics were identified as less material for Santander UK.** None of the impacts, risks, and opportunities associated with them reached the materiality threshold. The topics that are less material are: pollution, water and marine resources, biodiversity and ecosystems, resource and circular economy, and workers in the value chain.

# OUR CONTRIBUTION TO THE UN SUSTAINABLE DEVELOPMENT GOALS (SDGs)

## THE UN SDGs ON WHICH OUR OPERATIONS HAVE THE GREATEST IMPACT

<p><b>No poverty</b></p>  <p><b>SDGs 1.2, 1.4, 1.5</b></p> <p>We want to help reduce poverty, boost wellbeing, and power economic growth wherever we operate. Our Financial Inclusion strategy and community investment programmes empower millions of people every year.</p>	<p><b>Affordable and clean energy</b></p>  <p><b>SDGs 7.1, 7.b</b></p> <p>We're a global leader in renewable energy financing and a European leader in electric vehicle financing. We also finance initiatives on energy efficiency, sustainable mobility, and cleaner transport solutions.</p>	<p><b>Sustainable cities and communities</b></p>  <p><b>SDGs 11.1, 11.4, 11.6</b></p> <p>We finance sustainable infrastructure, real estate, and mobility solutions. We run community support initiatives to meet the basic needs of the communities we serve.</p>	<p><b>Peace, justice and strong institutions</b></p>  <p><b>SDGs 16.5, 16.6, 16.7</b></p> <p>We promote transparency, fight against corruption, and ensure robust governance across our organisation. Our policies and Codes of Conduct regulate our business and behaviour. They steer our objectives towards a more responsible banking system.</p>
<p><b>Quality education</b></p>  <p><b>SDGs 4.3, 4.4, 4.5, 4.6</b></p> <p>We want to help people and businesses prosper through our education, entrepreneurship, and employability programmes. Santander Open Academy is a training platform that offers scholarships and free courses to boost career opportunities.</p>	<p><b>Decent work and economic growth</b></p>  <p><b>SDGs 8.3, 8.4, 8.5, 8.6, 8.8, 8.10</b></p> <p>As an employer and financier, we aim to help people and businesses. We contribute to economic growth and job creation in the markets where we operate.</p>	<p><b>Responsible consumption and production</b></p>  <p><b>SDGs 12.2, 12.5, 12.6</b></p> <p>We are working towards reducing our environmental footprint. We are implementing energy efficiency plans and cutting consumption of paper, single-use plastics, and other resources.</p>	<p><b>Partnerships for the goals</b></p>  <p><b>SDG 17</b></p> <p>We take part in prominent local and international initiatives and working groups.</p>
<p><b>Gender equality</b></p>  <p><b>SDGs 5.1, 5.5</b></p> <p>We aim to promote an inclusive workplace to ensure equal opportunity and inclusive culture.</p>	<p><b>Reduced inequalities</b></p>  <p><b>SDG 10.2</b></p> <p>We help people access basic banking services. We also aim to promote financial education to teach them the skills they need to manage their finances effectively.</p>	<p><b>Climate action</b></p>  <p><b>SDG 13.1</b></p> <p>We aim to tackle climate change by helping our customers transition to a sustainable economy and reducing our own carbon footprint.</p>	

# ENVIRONMENT



In this section

Find out how we are aligning to the UN SDG's

- 7** AFFORDABLE AND CLEAN ENERGY 
- 11** SUSTAINABLE CITIES AND COMMUNITIES 
- 12** RESPONSIBLE CONSUMPTION AND PRODUCTION 
- 13** CLIMATE ACTION 
- 17** PARTNERSHIPS FOR THE GOALS 

## Environment

# OUR APPROACH TO ENVIRONMENT

### Our progress and targets

**£3.9bn**

Green finance raised and facilitated in 2024

**47,000**

Customers supported with products and services in their transition to net zero in 2024

**£17.2bn**

Green finance raised and facilitated since 2021 with a target of £20bn by the end of 2025

Tackling climate change is a strategic priority for Banco Santander. Our Climate strategy defines our approach to working towards our global ambition of achieving net zero emissions by 2050. Supporting our customers is a key element of our Climate strategy aiming to help them in the transition to a low-carbon economy through the development of green finance propositions.

This year, we continued to evolve our internal climate transition plan which was developed in 2023. We enhanced the plan to reflect progress made within Santander UK and the evolving external environment.

### Highlights

**Tomorrow's Homes**

Report published highlighting the UK's energy efficient buildings challenge

**£382m**

Lending of green finance in 2024 to renewable energy and infrastructure projects

**Six**

Test and learn initiatives trialled to help customers improve the energy efficiency of their homes or reward those living in the most energy efficient ones

**105,884<sup>1</sup>**

Low-carbon vehicles financed

The plan is aligned with the three pillars of our Climate strategy. It aligns to the Transition Plan Taskforce guidelines.




We've enhanced our Mortgage portfolio data and reported emissions from our Commercial Real Estate (CRE) lending for the first time. These data modelling and data quality improvements are an important step in further understanding and addressing the environmental impact of our activities.

<sup>1</sup> These are defined as vehicles that emit less than, or equal to, 50g CO<sub>2</sub>/km travelled.

## SANTANDER UK'S CLIMATE STRATEGY

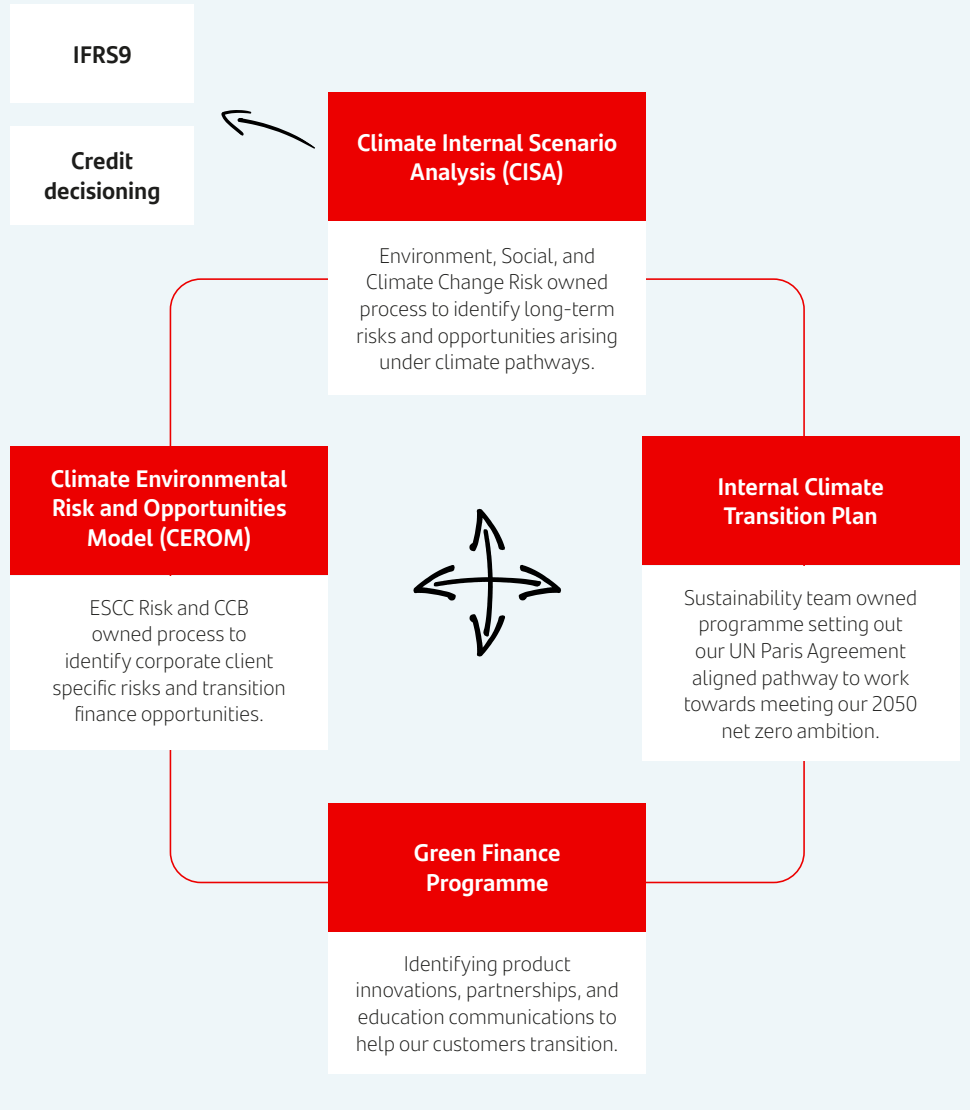


Working towards our ambition of achieving net zero emissions by 2050

Supporting our customers in the green transition 	Embedding climate in risk management 	Aiming to align our activity with the UN Paris Agreement 		
Help our customers transition to a low-carbon economy	Integrate climate-related risks and adhere to regulatory and supervisory expectations	Align key lending portfolios and reduce our own environmental footprint		
Green finance products and propositions	Embedding climate as a transversal risk	Interim goals and addressing our dependencies		
<b>Key Enablers</b>				
Strategic partnerships	Data and disclosures	Stakeholder research and engagement	Policy advocacy	Green skills

Environment continued

Embedding sustainability



**Embedding into financial planning**

There are four key parts to embedding our Climate strategy into our business. Our internal climate transition plan, our risk identification process and scenario analysis to identify areas of higher risk, and our Green Finance Programme across Retail and Business Banking and Corporate and Commercial Banking.

The integration of our transition plan with risk management and green finance has been a priority. This approach supports our environmental ambitions while also addressing our climate-related financial risks.

In 2024, we incorporated our three-year financial plan for our largest portfolio, Mortgages, into our transition planning and scenario analysis.

We also aligned assumptions on external policy across our scenario analysis and our transition plan. This ensures that insights from this analysis are consistent and can be combined. We also updated our transition plan with insights from our green finance test and learn initiatives. These have enhanced our understanding of the impact we can have in supporting our customers in the green transition.

**Resilience of our Climate strategy**

In recent years, we carried out a series of scenario analysis exercises to assess the resilience of our strategy to the impacts of climate change. In 2024, we built our own internal modelling capabilities. Our refined analysis shows that while climate-related risks could intensify other risk factors, we remain resilient within the scenarios examined.

**NATIONAL PARKS**

**National Parks 'Net Zero with Nature' initiative**

Since 2021, we've worked with National Parks to support the delivery of impactful projects that enhance climate and ecological resilience, protect biodiversity, and engage local communities.

We are supporting peatland restoration in the Cairngorms National Park. Peatlands act as a natural carbon sink while also supporting diverse ecosystems.

In the Lake District National Park, we are supporting improvements to the water quality, safeguarding natural habitats, and reducing risks such as flooding and ecosystem degradation.

Our latest project is with the North York Moors National Park. We are supporting the creation of pollination corridors to support biodiversity, and sustain ecosystems that are essential to agriculture and wildlife in this year.

## Environment continued

### Mortgages

#### Supporting our customers in the green transition

We want to be the easiest way to make our customers better happen. We aim to support our customers transition to a low-carbon economy and drive inclusive and sustainable growth.

As one of the largest mortgage providers in the UK, this means supporting customers to improve the energy efficiency of their homes.

#### Tomorrow's Homes report

Significant change to the energy efficiency retrofit market in the UK relies on long-term policy certainty. To support this, we have taken an active role in policy advocacy in this area.

In 2024, we launched the Tomorrow's Homes report drawing on public opinion and customer research to better understand the barriers to improve energy efficiency in homes.

The report explores UK homeowner renter and business owner attitudes towards improving building energy efficiency. It shows that there is wide public understanding of the potential benefits of energy efficiency, but identified significant barriers preventing action including:

- Knowledge gaps around energy efficiency improvements
- High upfront costs, furthered by limited authority for renters to make changes
- Challenges with the energy efficiency improvements in the supply chain
- Shortage of skilled tradespeople required for energy efficiency improvements.

In response to these findings, we have trialled six new test and learn initiatives designed to gain insight into how we can support our customers to improve their homes or reward customers living in the most energy efficient homes:

#### 1. Home energy cashback

To ease the financial burden of upfront costs, Santander UK introduced a cashback scheme of up to £500 for customers taking out a loan for home energy efficiency improvements.

#### 2. Octopus Energy

We partnered with Octopus Energy to provide existing Santander customers with a discount of £500 on solar panel installations to help reduce the upfront cost.

#### 3. Vibrant homes assessment

To bridge the energy efficiency knowledge gap, we partnered with Vibrant Energy Matters. Together, we offer our mortgage and current account holders Energy Performance Certificate (EPC) home assessments and bespoke energy efficiency reports. An optional energy efficiency improvement coordination service is available for comprehensive retrofits.

#### 4. Scottish Power

Through our partnership with Scottish Power, we provide financing for heat pumps and solar power. Our products are part of both partners' customer journeys to streamline the process and reduce barriers to finance.

#### 5. Green mortgages

We have been trialling products that recognise and reward customers living in the most energy efficient homes.

#### 6. EcoFurb

We have supported a successful bid led by Parity Projects/Core Logic under the UK Government's Green Homes Finance Accelerator programme (GHFA). The project has launched EcoFurb, the first free advice national energy efficiency improvement coordination service. Parity Projects/CoreLogic have an established background in whole-house retrofits. They have successfully completed multiple large-scale energy efficiency improvements for local authority housing. Our customers can now access the EcoFurb digital home plan tool and an optional paid for energy efficient improvement coordination service.



### Greener homes

We launched partnerships with EcoFurb, Octopus Energy, Vibrant Energy Matters, and ScottishPower in 2024. Offers include our Home Energy Cashback to support customers.

66

I was actually thinking of having solar panels fitted and was about to start looking. Now I know where to go."

Feedback from Santander customer

## Environment continued

### Mortgages continued

Our ambition is to align our portfolio to the UN Paris Agreement by 2050. We recognise that with evolving methodologies and data sources, external factors may result in changes to our reported numbers. In 2024, we saw a material change in the emissions intensity of our Mortgage portfolio. This was due to three factors:

1. An increase in emissions intensity due to changed assumptions where no floor area is available.
2. A methodology change to use Partnership for Carbon Accounting Financials (PCAF) emission factors rather than emissions values derived from properties EPCs. This is because the PCAF emissions factors better reflect current electricity grid intensity and are refreshed on a more frequent basis.
3. Updated PCAF emissions factors in December 2023.

As part of our internal climate transition planning process, we have developed an understanding of the actions needed to work towards our net zero ambition for this portfolio.

### Aiming to align our activity with the UN Paris Agreement

We have assessed our lending portfolio against three climate pathways:

- Climate Change Committee – Balanced Net Zero
- Carbon Risk Real Estate Monitor – UK
- International Energy Agency – Net Zero by 2050.

Our analysis currently suggests that this sector is not currently aligned to net zero based on the current policy environment and market demand. However, we are proactive in both of these areas and revise our analysis annually to monitor developments and ensure we are focusing efforts appropriately to support portfolio alignment with the UN Paris Agreement.

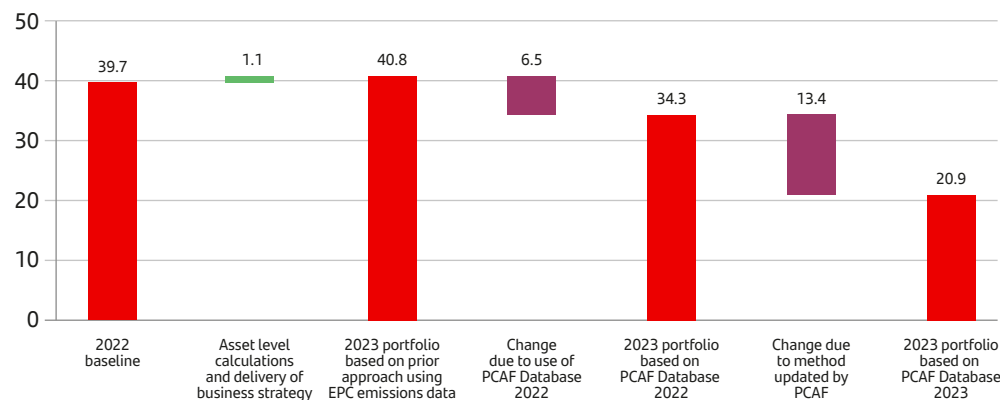
Our internal climate transition plan is built around three key levers that drive our transition: Levers under our direct control; Levers where we can influence change; Levers beyond our control or influence that we monitor.

### Data quality

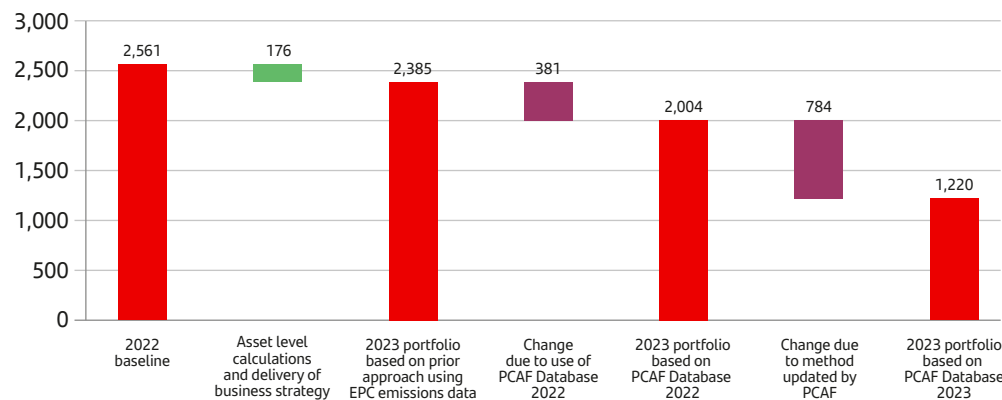
Our emissions data is derived from EPC data and the PCAF database. Where the data does not exist, we have used modelling to create an EPC that results in a PCAF score of 3.2, with one being the highest quality and five the lowest.

Transition Pathway Levers		
Control	Influence	Monitor
Our current strategy, including decisions over the type of properties we will lend to and the impact of our test and learn initiatives within retail banking green finance.	We analysed the key government policies needed to support our customers to transition to net zero.  These include implementation of the Future Homes Standard, and incentives and requirements for owner occupier and buy-to-let properties to reach minimum energy efficiency standards.	The governments Clean Power 2030 Action Plan for the energy grid is a material lever.  We track progress and future trends through the National Grid's Future Energy Scenarios.

### Santander UK Mortgage Book- FY22 to FY23 key changes in financed emissions intensity (kgCO<sub>2</sub>e/m<sup>2</sup>)



### Santander UK Mortgage Book- FY22 to FY23 key changes in absolute financed emissions (kgtCO<sub>2</sub>e)





## Environment continued

### Corporate and Commercial Banking

This year we have completed analysis for our largest portfolios by exposure in Corporate and Commercial Banking (CCB). These are: Commercial Real Estate, Care Homes, Hotels, and Social Housing portfolios. The current financed emissions for these portfolios can be found in the data tables later in this section.

Our analysis includes an assessment of our current emissions and an understanding of what progress would look like under UK and global pathways. It also reviews the material levers to enable alignment with the UN Paris Agreement against these pathways.

Aligned to our analysis for Mortgages, we have categorised these levers in terms of those that we can control, those that we can influence, and those that we can monitor.

#### Supporting our customers in the green transition

We aim to support businesses of all sizes in transitioning to a low-carbon economy. In 2024, we developed a green finance strategy which outlines the key activities needed to achieve our CCB green finance goals.

We offer two types of sustainable loans for our clients: Green and Social loans and Sustainability Linked Lending (SLL) loans. In 2024, CCB has written more than £501m green finance and a further £487m of Sustainability Linked Lending.

We also recognise the challenges that SMEs face in accessing resources to support their green transition. In 2024, we conducted research, which showed the biggest barriers relate to limited financial resources, time constraints, and low awareness of government support. In response, we launched a green loan designed to help SMEs fund energy efficiency projects, and we're also considering other ways in which we can support our clients.

Social housing remains a significant area of focus. Our loans support investment in the safety and efficiency of existing social homes and the development of much needed new ones. In 2024, Santander UK provided £760m of new lending taking total sector funding to c.£7.8bn. Of this, £250m is Sustainability Linked to ESG performance targets.

CCB continues to provide funding to the expanding UK renewables and battery energy storage sectors. We provided funding to borrowers including Octopus Energy, Zenobe, Gore Steet, Statera, Atlantic Green, and TagEnergy among others. This investment aligns with Banco Santander's efforts to fund renewable energy projects globally.

#### Aiming to align our activity with the UN Paris Agreement

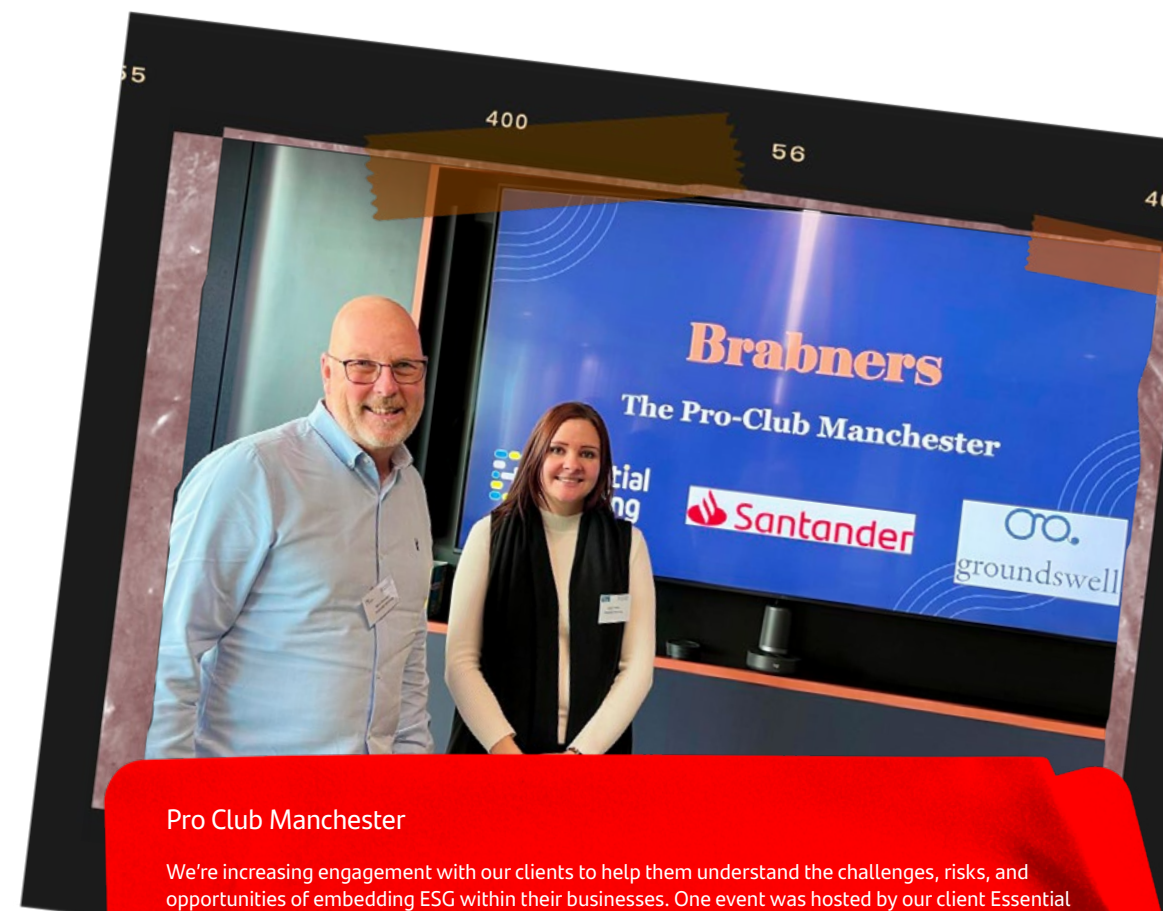
As with our Mortgages portfolio, we have assessed our alignment pathway against three climate scenarios:

- Climate Change Committee – Balanced Net Zero
- Carbon Risk Real Estate Monitor – UK
- International Energy Agency – Net Zero by 2050.

Our analysis currently suggests that this sector is not currently aligned to net zero given the current policy given current market demand and policy environment and, as with Mortgages, we're also active in these spaces in relation to our CCB portfolio.

#### Data quality

As highlighted by our current PCAF data score of 4.0, our analysis is heavily reliant on proxy data. Improving the coverage and accuracy of data for this portfolio is a key priority for us in the coming years. We will review our analysis as data quality improves.



#### Pro Club Manchester

We're increasing engagement with our clients to help them understand the challenges, risks, and opportunities of embedding ESG within their businesses. One event was hosted by our client Essential Sourcing Ltd during their Pro Club ESG Manchester.

# 66

Their interactive materiality assessment, using a three-tier coffee supply chain case study, engaged attendees in exploring the sustainability challenges at each level—retailer, distributor, and producer. This creative approach highlighted the potential conflicts in sustainability measures and fostered valuable discussion.

As our Pro Club is focused on helping procurement professionals drive sustainability strategies, this innovative method sparked practical ideas and perfectly aligned with one of our core messages."

**Mick Ramsden**  
Director at Essential Sourcing Ltd

## Environment continued

### Consumer Finance

In 2024, our Consumer Finance division continued to support the transition to a low-carbon economy through its consumer finance offering. Consumer Finance has achieved its £2bn target for green finance lending by 2025. It has issued £2.97bn of green consumer finance in the UK since 2021. Our lending portfolio now includes more than 105,884 low-carbon vehicles.<sup>1</sup>

#### Supporting our customers in the green transition

We are supporting the UK's transition to a sustainable transport model by offering financing solutions that align with environmental goals. Through collaboration with manufacturers, dealerships, and infrastructure providers, we'll aim to help customers access greener vehicles and make informed choices.

#### Manufacturer

In 2024, six of Consumer Finance's manufacturer partners had a net-zero target. These partners include our joint ventures Hyundai Capital and Volvo Capital, as well as Kia and Genesis. Our other partners BYD and Polestar solely sell electric vehicles (EVs).

#### Dealership

We work with 4,500 dealers across the UK. This year, we surveyed more than 300 members of our dealer network. The survey explored factors influencing EV adoption, the barriers consumers face, and dealers' sustainability strategies. Key findings included:

- The biggest barriers to EV adoption were customer misconceptions and affordability concerns
- Dealers suggested greater access to training and education alongside digital tools could support sales
- Many dealers expressed an interest in finance products to support the installation or improvement of charging facilities, which could help increase EV sales.

<sup>1</sup> These are defined as vehicles that emit less than, or equal to, 50g CO<sub>2</sub>/km travelled.

#### Customers

We recognise that customer demand is the primary driver of EV adoption and we aspire to understand barriers to adoption. Our dealership research reveals that most respondents believe that government should play a central role in supporting the transition to EVs. We'll use insights from our dealer and customer research in 2025 to help develop targeted strategies and advocate for policies that address these barriers.

#### Aiming to align our activity with the UN Paris Agreement

In 2024, we enhanced our capability to report the financed emissions from our automotive portfolio. We now track this monthly as part of a wider suite of regular climate-related governance reporting. We believe our portfolio is on a trajectory to meet our contribution towards Banco Santander Level 2030 interim target.

We understand that achieving Banco Santander level 2030 climate transition ambition will rely on government intervention, the automotive industry's progress towards their targets, and an increase in customer adoption of EVs. We aim to continue to engage with multiple stakeholders to reduce barriers to adoption in addition to adapting our product suite to support the transition.

#### Data quality

In 2024, we have focused on improving our data quality. Our Consumer Finance business has strong coverage of the assets we lend to, which gives us a good PCAF score of 2.1.



#### Financing

**£2.97bn**

in green finance since  
January 2021

#### Number of low-carbon vehicles

**105,884<sup>1</sup>**

or '1 in 10 vehicles financed'  
(11.4% of total portfolio)

#### Total number of EVs financed

**26,770**

in 2024

**Six**

Partners with net-zero ambitions

## Environment continued

### Reducing our own environmental impact

We continue working towards achieving net zero in our Scope 1 and 2 emissions by 2030, using 2019 as our baseline. We are prioritising Scope 1 and 2 emissions in our operational net zero ambition where we can have direct control and implement targeted reduction strategies. For Scope 3 business travel we have implemented a Responsible Traveller programme to influence behavioural change to support carbon reductions.

#### Properties

In 2024, our market-based Scope 1 and 2 emissions decreased by 12% compared to 2023, contributing to a total reduction of 65% from the 2019 baseline. This success was driven by:

- Relocating to our new sustainability-focused, certified BREEAM excellent head office, Unity Place in Milton Keynes
- Ongoing reductions in energy use across our properties
- Enhanced building management systems for improved energy optimisation
- A rationalisation of our head office estate

We are actively developing our property strategy to deliver emissions reductions between 2025 to 2030 as we head to our 2030 goals. Our approach includes a comprehensive review of energy-saving initiatives.

#### Sustainable procurement

We continue to collaborate with our suppliers to reduce the environmental impact of our operations. This focuses on tracking and reducing Scope 3 supply chain emissions and integrating sustainability into our sourcing decisions. In 2024, we introduced a new Code of Supplier Responsibility, which is aligned with our wider sustainability ambitions.

The Code focuses on expectations of third party suppliers around topics such as environmental policy, waste reduction and reporting. It also covers human rights, modern slavery, and inclusive culture. Obtaining agreement from suppliers to comply with our Code forms a core part of deciding which suppliers we work with.

We updated our legal template and sourcing processes to set clear expectations for capturing emissions within our reporting.

Additionally, we're using industry leading technology within our supply chain for heat mapping and impact reporting. This enables us to identify risks areas and target action with our suppliers.

#### Commuting

We made good progress on assessing emissions from employee commuting in 2024. We have enhanced our methodology for mapping employee locations, calculating distances to work, and estimating travel type.

#### Business travel

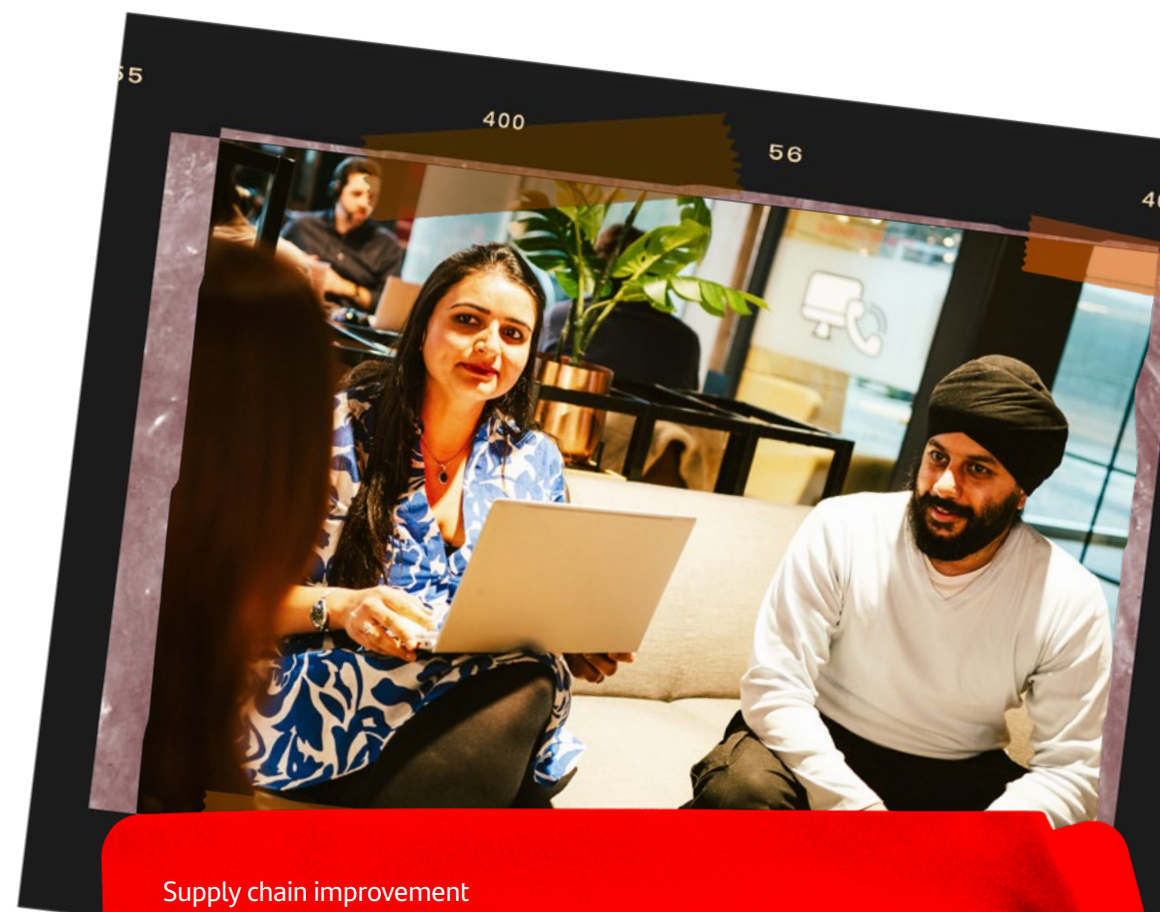
In 2024, we launched the Responsible Travellers campaign to optimise business travel planning with the aim to reduce environmental impact. Key elements included:

- Monthly no travel weeks
- Guidance encouraging sustainable travel choices
- Upgraded systems to assist colleagues in making sustainable travel decisions.

These efforts have promoted better decision making and adoption of greener travel options.

#### Ways of working

In 2024, we made changes to our hybrid work policy requiring staff to come into the office 12 days a month. We anticipate that this will increase our environmental impact, primarily relating to commuting and properties. We are closely monitoring the impact of these changes on a quarterly basis.



### Supply chain improvement

In 2024, our Procurement team focused on upskilling our service managers to support our sustainability ambitions. By building awareness of the environmental impacts of third-party services, we help our teams to engage suppliers in meaningful conversations about sustainability.

As part of this initiative, we delivered training sessions on key topics. These included the significance of supplier's emissions, their role supporting the achievement of our 2050 net zero ambition, and practical ways to align supplier practices with our sustainability goals.

Further support was provided with an Emissions Playbook, a practical guide designed to help teams have informed discussions with suppliers. This guide also supports improvements to data collection and a better understanding of supply chain emissions.

Through consistent training, regular engagement, and tailored resources, we're embedding sustainability into our supplier relationships and driving collective progress towards our climate goals.

## Environment continued

### Engagement and partnerships

We engage in a number of initiatives that are focussed on supporting the transition to a low-carbon economy. We collaborate with our customers, government, regulators, our people, investors, and our peers within industry groups.

#### Customer engagement

As part of our ambition to support customers in the green transition, we provide solutions to help customers make their homes more energy efficient. In 2024, we delivered 1.2 million emails to promote our Greener Homes Hub, our energy efficiency partnerships, and cashback offers. The mailings have received positive feedback.

For CCB, we increased our engagement with clients to help them understand the challenges and opportunities of the sustainability agenda. Throughout the year, we delivered a series of initiatives, including five sustainability roundtables across the UK.

#### Staff engagement

Engagement with our people is crucial for achieving our sustainability goals. In 2024, we developed bespoke training session to help our teams to be better equipped with the knowledge and skills to support our customers in their sustainability journey.

Piloted at our Oxford branch in September, the training increased confidence, as noted by Jamie Scott-Lee, Primary Market Manager, "The training and the support have given me confidence to talk to customers about how we can help them."

Following positive feedback, we'll deliver the session to further branches within Q1 2025. We also developed a new mandatory ESG training for all employees that will be launched in 2025.

#### Investor engagement

Our Sustainability and Investor Relations teams held ESG meetings with debt investors in 2024. We also continue to provide sustainability updates to our credit rating agencies. These discussions focused on our overall Sustainability strategy, our net zero ambitions, and climate risk.

#### Regulator engagement

We continue to engage with regulators as we work towards our sustainability goals and broader sustainability aspirations. In 2024, we provided multiple updates to the Prudential Regulation Authority (PRA), which included follow up to their thematic review. We also prepared to respond to the requirements of the Financial Conduct Authority's (FCA) anti-greenwashing rule. We've integrated throughout the business with communications and marketing guidelines, greenwashing risk appetite, product risk factors, and training and awareness for our staff.

#### Government and policy engagement

Engagement with the UK Government is a key part of our Climate strategy. We depend on timely and appropriate government policies to support our climate ambitions and those of our customers.

The key policies we have identified that support the transition to a low-carbon economy include:

- Minimum EPC requirements for owner occupiers, buy-to-let, commercial properties, and social housing
- The Future Homes Standard
- Internal combustion engine ban.

Throughout the year, we have engaged with the UK Government on net-zero policy through a series of research reports and thought leadership, including:

- Tomorrow's Homes, which looks at consumer barriers to home energy efficiency improvements. The report, identifies key Government interventions in funding, communications, and skills development to stimulate the market

- Tomorrow's Skills, which analyses public attitudes to the skills needed to support the UK's transition to net zero, and how the Government can support re-skilling
- Research into how we can support SMEs on their journey to net zero.

We are also an active member of the All-Party Parliamentary Group for the Environment.

#### Peer collaboration

Collaboration with industry peers is a vital enabler of our Climate strategy. It allows us to share insights and enable collective progress. We actively participate in several key industry groups including, Green Finance Institute (GFI), Aldersgate Group, and UK Finance. Through these partnerships, we work alongside our peers to address shared challenges, influence policy, and support the transition to a low-carbon economy.

### Data and systems

High-quality data is essential for understanding and addressing climate impact. It enables us to track progress, identify opportunities, and deliver transparent and accurate reporting.

We continue to use the Partnership for Carbon Accounting Financials (PCAF) as an indicator of our data reliability. We use the PCAF for our Scope 3 financed emissions calculations.

In 2024, we focused on enhancing data quality. For our Mortgage portfolio, energy usage information is sourced through EPCs, or modelled when unavailable, resulting in a PCAF score of 3.2, which aligns with good practices. In our Commercial Real Estate portfolio, reliance on proxy data resulted in a PCAF score of 4.0, prompting a data enhancement programme to improve EPC coverage. In Consumer Finance, we have strong asset coverage, leading to a PCAF score of 2.1.



LAUNCH EVENT

#### Build Ahead UK Coalition

Santander are a founding partner of the Build Ahead UK Coalition alongside PLP Architecture, and the Accelerating Concrete Decarbonisation Group supported by Derwent Plc.

This initiative is led by Xyneteo, and seeks to create tangible outcomes across the entire value chain for Commercial Real Estate, with workstreams covering materials, design, construction and financing.

## To support our Santander UK Climate strategy we engage with external partners and initiatives

\*Group-led

### Government and public policy

#### \*Global Counsel

ESG-related public policy monitoring.

#### Environment All-Party Parliamentary Group

Strengthens the influence of parliamentarians on public policy. Its activities span three broad themes: climate and energy, waste and resources, and natural environment.

### Regulators

#### Prudential Regulation Authority (PRA)

#### Climate Financial Risk Forum (CFRF)

Shares best practice across the finance industry to advance responses to the financial risks from climate change.

#### Financial Conduct Authority (FCA)

Climate Financial Risk Forum; Scenario Analysis Working Group.

### Industry global

#### World Economic Forum:

Alliance of CEO Climate leaders and International Business Council

#### UNEP Finance Initiative

In 2019, we signed up to the UNEP FI Principles for Responsible Banking

#### UN Global Compact UK Network

Banco Santander has been a member of the Global Network since 2022. In 2024, Santander UK signed up to the UK Network

#### \*Taskforce on Nature-related Financial Disclosures (TNFD) Forum

Contributing to the work of the Taskforce and TNFD framework

#### \*Taskforce for Climate-related Financial Disclosures (TCFD) Forum

Contributing to the work of the Taskforce and TCFD framework.

#### \*Net Zero Banking Alliance (NZBA)

A group of global banks committed to financing the economy to net zero greenhouse gas emissions by 2050.

#### \*Partnership for Carbon Accounting Financials (PCAF)

An industry-led initiative standardising the measurement and disclosure of greenhouse gas emissions from financial activities.

### Industry UK

#### UK Finance

Sustainability Committee; International Sustainability Regulations; UK Sustainability Regulations; Climate disclosure code; Green Finance Strategy; Transition Task Force; Mortgages; SMEs; and Climate Risk.

#### Green Finance Institute (GFI)

TNFD UK National Consulting Group; founding member of Coalition for Energy Efficiency of Buildings (CEEB) and financing for nature group.

#### Build Ahead UK

Partnership to seek the development of the UK's first truly zero carbon buildings – and shape the market for the next 10,000.

#### Aldersgate Group

A politically impartial, multi-stakeholder alliance championing a prosperous, net-zero emissions, environmentally sustainable economy.

#### Chapter Zero

is a group for non-executive directors (NEDs) and chairs who are integrating climate action into business strategy. This includes NEDs from Santander UK.

### Strategic partners

#### National Parks UK

Founding member Net Zero with Nature (nature-based carbon credits).

#### Net Zero Group

Carbon footprint calculator and education tool for our Consumer Finance customers.

#### \*Banking Environment Initiative (BEI)

Coordinated by the Cambridge Institute for Sustainability Leadership (CISL), we continue to take part in the Bank 2030 initiative, which aims to create a roadmap for the banking sector to support broader society's transition to a low-carbon economy.

### Academic partners

#### Sustainability Unlocked

Sustainability education for our people.

#### Carbon Literacy Project and Auto Trader

Auto finance-specific sustainability training for our Consumer Finance people.

## Environment continued

### Embedding climate in risk management

#### Managing climate-related risks

To manage the risks associated with climate change, we have two key policies. Our Environment, Social, and Climate Change Prohibitions and Special Attention Risk Management policy sets out the sectors we consider high-risk from a climate perspective.

Our ESCC Risk policy outlines the steps our risk teams will take to identify, assess, manage, and report on climate-related risks in our business and our primary supply chain.

Our aim is to follow and apply best practices, international standards, treaties, and references, and to make sure our customers adhere to them where relevant. These include:

- The Equator Principles
- The standards for social and environmental performance and the explanatory notes of the International Finance Corporation (IFC)
- The United Nations Global Compact – The Universal Declaration of Human Rights
- The International Labour Organisation Declaration
- The Convention on the Rights of the Child
- The Rio Declaration on Environment
- The United Nations Convention against Corruption.

We also follow standards specific to activities in the oil and gas, power generation, and mining and metals sectors, and those associated with businesses engaged in soft commodities.

#### Our climate risk operating model

Our Sustainability and Environment, Social, and Climate Change (ESCC) Risk teams have the most important role in our climate risk identification and management activities. These teams are responsible for integrating climate change considerations into the business across the first and second lines of our risk defence model.

The Sustainability team leads the ESG Leadership Forum, which is responsible for implementing our Sustainability strategy. The team works with the different business segments on calculating financed emissions and developing our internal climate transition plan.

The ESCC Risk team reviews the impact of our net zero aligned commercial activities and assesses the overall risk position and credit risk. The team feeds the results of our Climate Internal Scenario Analysis (CISA) and Client Environmental Risk and Opportunities Model (CEROM) into our internal climate transition plan. The ESCC Risk team reports risk status through the ESG Leadership Forum, and is informed by our Climate Stress Test Steering Committee and ad hoc Climate Risk Working Groups. Through this governance structure we also embed our ESCC Risk policy and ESCC Prohibitions and Special Attention Risk Management policy. The team also confirms compliance with the PRA's climate-related supervisory statement SS3/19.

#### Our risk management framework

The risks associated with climate and environmental change are key issues for Santander UK and our stakeholders. Embedding climate and environmental considerations in risk management is an integral part of our Climate strategy. Climate-related risks are monitored at the Board Risk Committee and Executive Risk Control Committee.

We incorporate regulatory and strategic ESCC objectives through four key workstreams. These are:

- Climate Internal Scenario Analysis (CISA): Identifies long-term risks and opportunities arising under climate pathways. Owned by ESCC risk team
- Internal Climate Transition Plan: Sets out the UN Paris Agreement aligned pathway to meet our 2050 net zero ambition. Owned by Sustainability team
- Green Finance Programme: Identifies product innovations, partnerships, and education and communications to help our customers meet their net-zero ambitions. Responsibility of our business segments

- Client Environmental Risk and Opportunities Model (CEROM): Process to identify corporate client-specific risks and finance opportunities. Owned by ESCC Risk team and CCB.

These workstreams are supported by our ESG data programme, owned by the Chief Financial Officer, which ensures access to robust and consistent ESCC-related data.

#### Risk appetite

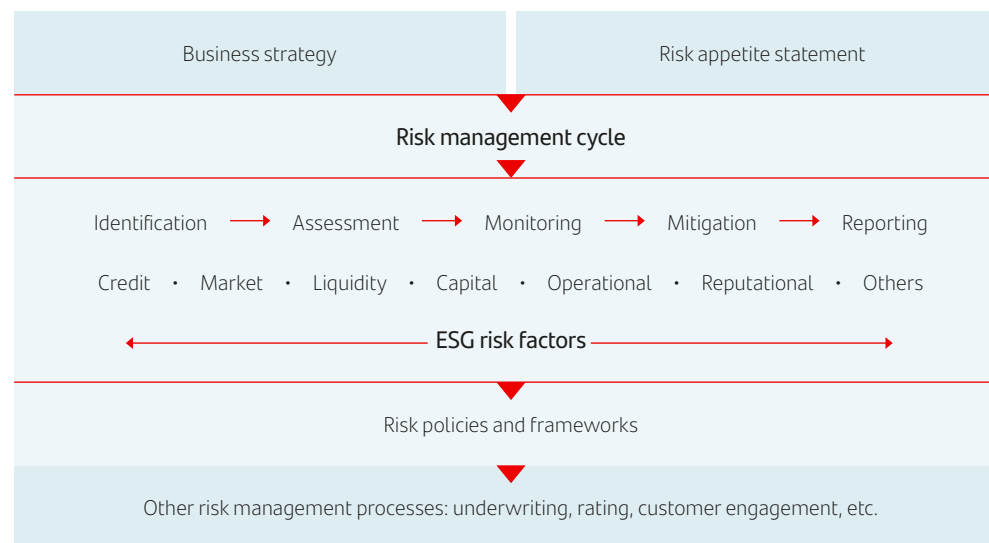
We continue to review our climate change risk appetite. In 2024, we made significant progress in developing a risk appetite statement. According to this, the UK ring-fenced bank will restrict clients or transactions that fail to comply with the ESCC Risk Management policy of the Banco Santander group. This aligns with our ambition to finance environmentally and socially responsible activities and positively contribute to the transition to a low-carbon, climate-resilient economy.

Santander UK supports Banco Santander to work towards our ambition of net zero emissions by 2050. Banco Santander has set a global ambition for Santander UK Consumer Finance lending. Banco Santander continues to assess options for emissions ambitions for other portfolios as progress is made at a global level.

Santander UK has no appetite for breaches of greenwashing regulation. All-customer communications, marketing, and product offerings that have a sustainability or ESG claim must be assessed by the Environmental, Social and Governance Panel Meeting. Any reporting of Green, Social, or Sustainable Finance is required to comply with Santander's internal classification system for sustainable finance.

We'll also use the output of our 2024 CISA in a review of risk appetite across our business lines. For more information on the 2024 Climate Internal Scenario Analysis (CISA) please see the scenario analysis section of this report.

#### Our UK risk management framework



## Environment continued

### Climate, Environment Risk and Opportunity Model

In 2024, we enhanced our Climate Risk Assessment Model (CRAM) to create the Climate, Environment Risk and Opportunity Model (CEROM). This model looks to better understand the needs of our customers and their journey to net zero.

CEROM is owned by the ESCC Risk team and CCB. It aims to identify specific risks and transition finance opportunities linked to corporate clients. The purpose of this development is to expand our understanding of environmental risk across our lending portfolio.

CEROM enables environmental risk to be assessed as part of the credit admissions process, which meets regulatory obligations. It does this by examining our clients' understanding, strategy, and funding for climate-related risks in their own business and their supply chain.

The biggest changes from the previous CRAM are assessing clients' nature and social risk exposures and identifying opportunities for green finance. This enables us to establish a climate risk, nature risk, and social risk rating for each client and confirm that they are aware of the impacts on their business.

#### Climate, Environment Risk and Opportunity Model (CEROM) Sectors

<b>Knowledge and understanding</b>	Does the customer demonstrate good knowledge and/or seem well advised on climate change issues?
<b>Strategy</b>	Does the customer have a climate action strategy, articulating climate change related risks, opportunities and actions planned?
<b>Physical risk</b>	What are the customer-assessed physical risks in the context of its own business including flood, coastal, and other extreme weather events?
<b>Transition risk</b>	Customer self-assessment of own business and their supply chain
<b>Funding risk</b>	Where delivery of the customer's climate change strategy and/or the impact of physical and transition risks are forecast to lead to increased costs (operating and capital), what is envisaged to be the primary source of funding?
<b>Nature risk</b>	Does the customer assess nature and biodiversity risks in the context of its operations and to what extent?
<b>Social risk</b>	To what extent does the customer engage with local communities and stakeholders to understand and address social concerns?
<b>Opportunities</b>	Is the customer interested in securing green finance for environmental improvement projects and how can Santander UK support them?

### Climate risks

Identifying, assessing, and managing our climate risks is a key part of our Climate strategy. The complexity of climate change translates into a diverse range of risks. The second pillar of our Climate strategy addresses these risks. We assess our exposure to climate-related risk and establish processes to manage and respond to them. Our systems provide data inputs for our strategic and financial decision making. We're also building our capability to test the resilience of our business strategy and business against climate risks and their impacts.

#### Physical risks

These result from the direct impacts of climate change such as increasing severity and frequency of extreme weather events. They can be acute (event driven) or chronic. Chronic risks tend to materialise in the medium-to-longer term due to progressive climate shifts.

#### Transitional risks

These relate to the process of adjustment towards a low-carbon economy. They arise from policymaking, technology, market sentiment, and reputation changes in response to climate change.

These risks manifest across many of our existing risk categories:

#### Credit risk

Certain sectors will be affected more than others by climate risk. Some sectors may be affected by transition risks such as transport, and others will be more affected by physical risk. Physical climate risks may give rise to credit losses if weather-related events affect customers' ability to repay their debts. Collateral values could also be affected by damage to physical assets. Transition risks include changes in government policy relating to residential homes and property value. For example, closing the Flood Re Scheme impacts homeowners who have been flooded or are in high flood risk areas, and their ability to get flood insurance.

#### Operational risk and resilience risk

Climate change has a clear impact on operational risk. Extreme weather may force closures or damage to our offices, data centres, and branches. It could damage services provided by our suppliers, which may affect our ability to operate.

#### Reputational risk

Reputational risks linked to climate change may arise from our own business activities, from failing to meet sustainability ambitions, or by failing to deliver for our customers. We are also mindful of the counterparties that we lend to and the need to ensure potential green lending does not undermine positive efforts on climate change elsewhere. Reputational risk may also arise from greenwashing, for example incorrectly classifying and reporting assets as green or sustainable. Similarly, the perception of not meeting, sufficiently progressing with, or providing transparency on climate-related ambitions is a reputational risk.

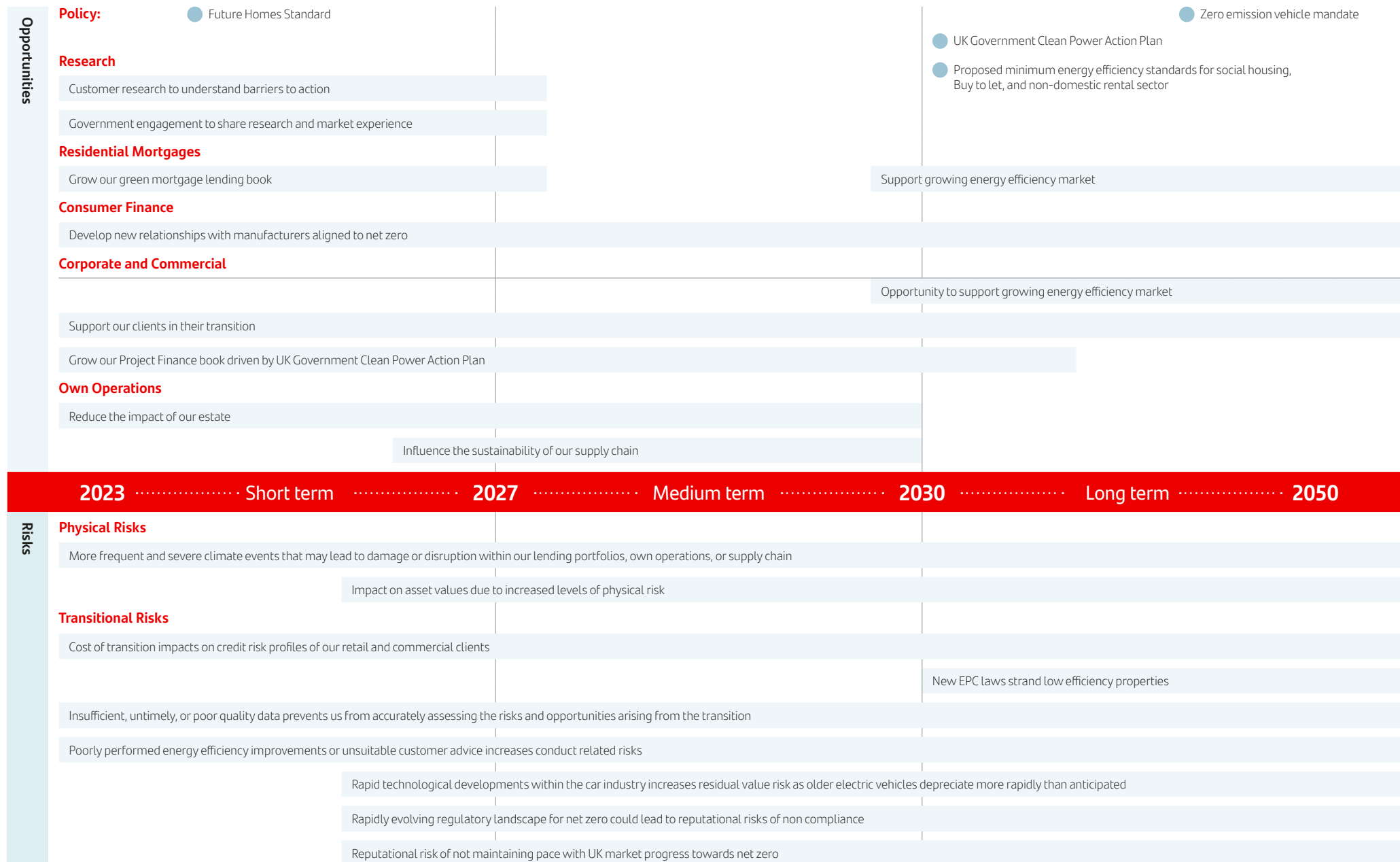
#### Pension risk

Climate change may present long-term risks to the value and security of pension scheme investments. There is a risk that pension fund investments could be made without considering climate-related risks as our schemes are managed by trustees.

#### Liquidity risk

Climate risk may result in increased withdrawals of deposits. This could result from acute physical hazards or negative customer sentiment arising from a reputational event.

## Environment continued





## Environment continued

### Climate opportunities

The impacts of climate change pose risks to our business, but also create opportunities for Santander UK, our clients, and the wider economy. To maximise these opportunities, we established a Green Finance function. The function will identify and explore how we can best support our customers in their green transition. Below are key opportunities across our lending products.

#### Mortgages

In the short term, there is an opportunity to develop a green mortgage lending book, driven by increasing regulation on improving energy efficiency. This will enable us to reduce our financed emissions footprint. Insights on attitudes and barriers to energy efficiency improvements from our Tomorrow's Homes report help us to design test and learn initiatives to support our customers.

In the medium term, the need to improve energy efficiency in the UK's housing stock creates the opportunity to offer our customers tailored energy efficiency improvement products aligned with market and policy developments.

#### Corporate and Commercial Banking

CCB understands the importance of providing sustainable finance options to companies in all industries. We currently offer two types of sustainable loans for our clients: Green and Social loans and Sustainability Linked Lending (SLL) loans. In the short term, we will conduct further research to better understand the challenges faced by our clients. This will help us develop pilot products and solutions that can support them in the best way.

The UK Government's Clean Power 2030 Action Plan offers opportunities to increase our financing of renewable energy infrastructure and battery storage solutions. Additionally, our Commercial Real Estate portfolio provides potential to support energy efficiency improvement projects aligned with proposed future government policies.

#### Consumer Finance

The transition to electric vehicles has provided the opportunity for new manufacturers to enter and expand in the UK market. This provides the opportunity to grow our partnerships in this area. Combined with the Zero Emissions Vehicle Mandate, there is a short-to-medium-term opportunity to finance greener hybrid and electric vehicles.

Additionally, the shift to electric vehicles also opens opportunities to expand into complementary products. This includes financing charging and infrastructure, which will enable us to strengthen our position in the wider electric vehicles market.

#### Research

With our ambition of making our customers' better happen, there is a significant opportunity to collaborate on research with our university partners to better understand challenges and potential solutions.

This is particularly relevant for sectors like housing, green skills, and SMEs. In these areas, we aim to identify the necessary actions to inform our engagement with the government. In this way, our findings can help to shape the development of effective policies.

#### Operations

Aligning our own properties to the UN Paris Agreement goals presents a significant opportunity to lead by example. By implementing energy efficient systems, using renewable power, and improving energy efficiency, we can reduce our carbon footprint and operational costs. The transition to net zero will also impact our supply chains, and we are working to support our suppliers' sustainability efforts. Collaborating with suppliers on sustainability initiatives can identify innovative solutions, deliver cost savings, and strengthen partnerships. We can also learn from those already making progress and adopt best practices.



### Renewable and Clean Energy sector

Globally, we are one of the largest lenders to renewable energy and clean technology projects. Banco Santander has been a leader in renewable energy finance for more than 10 years. In 2024, we were among the top banks in number of deals and deal value globally according to Infralogic. In the UK, we continue to support the expanding renewables and battery energy storage sector.

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Working alongside Santander has enable us to secure projects and bring forward pipelines. We hope to play a vital role in helping the UK meets its net-zero ambitions."

**Neil Wood**  
Partner at Bluefield Partners LLP

Environment continued

### Climate risk in our mortgage portfolio

#### Flood risk (physical climate risk)

Flooding represents one of the most significant physical climate risks to our Mortgage portfolio. Using post-code data, we conducted an assessment of flood risk for every Santander UK mortgage. Flood probability is expressed as a ratio, where a 1 in 30-year flood event (1:30) refers to the likelihood of flooding occurring in a given year. Almost 95% of properties in our portfolio fall into the very low or negligible flood risk categories.

As part of our proactive risk management approach, we continuously evaluate the potential impact of physical climate risks on the value and resilience of our portfolio. This includes assessing changes in the flood risk annually, utilising detailed scenario analysis to anticipate the implications of evolving climate conditions. Notably, there were no material changes in flood risk across our portfolio in 2024.

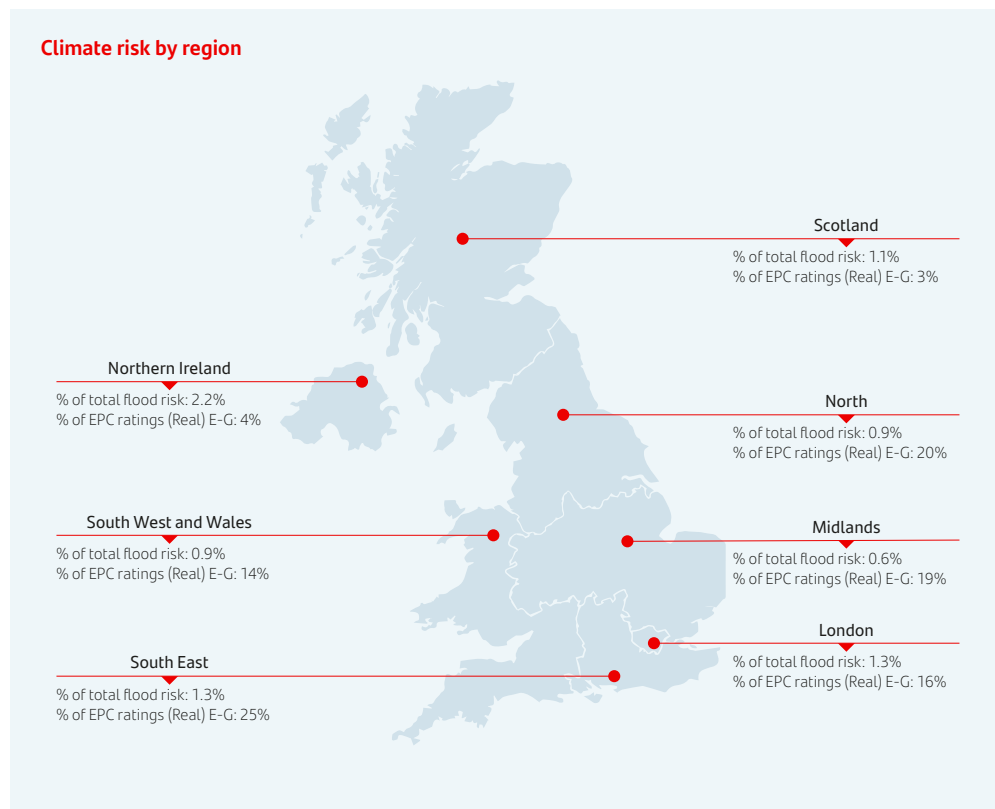
The figures presented in the map show the current annual high and medium flood risk for all mortgage accounts open on 31 December 2024. Flood risk estimates are based on the likelihood of winter precipitation exceeding 6mm per day and consider coastal, river, and pluvial flooding.

#### Energy efficiency risk

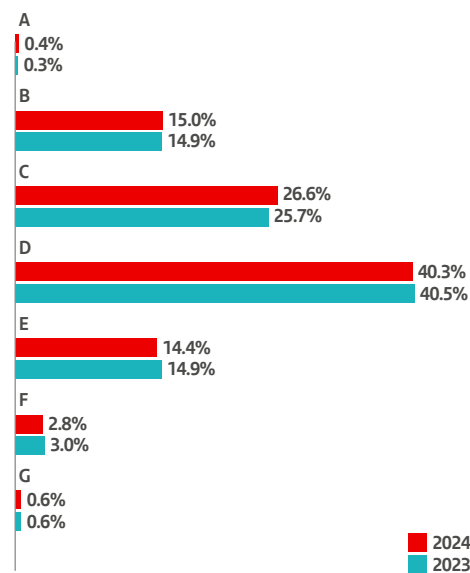
Energy efficiency ratings have been identified as a potential transitional climate risk within our mortgage portfolio, due to UK governments proposals to require minimum EPC ratings. This poses a risk as properties with lower EPC ratings may see a decrease in their asset valuations.

To better understand this risk, we monitor and disclose the energy performance of properties across our mortgage portfolio. In 2024, 42% of properties on our mortgage books had an EPC rating of A to C, from 40.9% in 2023 an increase of 1.1%. This has been driven primarily by an increase in EPC C properties.

To mitigate these risks, we are working on initiatives to support our customers improve the energy efficiency their homes to improve the EPC rating. Additional information on these initiatives and partnerships can be found on page 15.

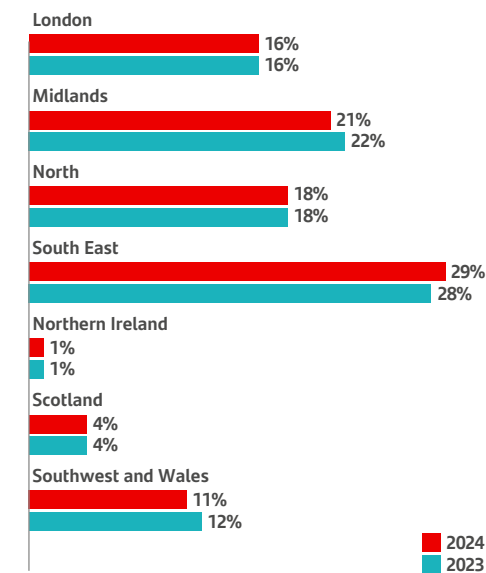


#### EPC ratings (A-G) for residential mortgages as a percentage of the total number of mortgages where an EPC is recorded for 2024 and 2023



Note: Sourced from Landmark. Distribution of registered EPCs. 2024 distribution including modelled EPCs: A:0.3%, B:11.7%, C:24.1%, D:47.7%, E: 13.4%, F:2.3% and G:0.5%

#### Regional distribution of EPC ratings (A-B)



Note: Sourced from Landmark. Distribution of registered EPCs. 2024 distribution including modelled EPCs: LDN:16%, ML:21%, NO:18%, SE:28%, NIRE:2%, SCOT:4%, SW&W:11%

## Environment continued

### Climate stress testing and scenario analysis

Scenario analysis helps us recognise our exposure to climate-related financial risks. It also allows us to explore the actions required to manage these risks.

In 2024, we developed the capability to run internal models and scenarios within our CISA. Our scenarios meet regulatory expectations while also offering multiple use cases for the business.

CISA provides a long-horizon, dynamic balance sheet assessment of transitional and physical risks

The modelling approach for CISA uses Santander UK's existing stress test methodologies and infrastructure. It now also applies assumptions on how climate change may affect the probability of default and collateral values, including:

- Simulation of new business by EPC rating
- Regional HPI to project collateral values
- Collateral and Probability of Default (PD) adjustments based on the likelihood of climate risks, costs, and insurability
- Sectoral Gross Value Added pathway.

Impacts are split between physical risks, specifically flood, subsidence, and coastal erosion, and transitional risks such as changing government policy and reduced affordability through rising energy costs.

In CISA 2023, we performed a desktop physical risk assessment. To build upon this assessment, we chose a delayed transition scenario for CISA 2024, to be run alongside a climate baseline scenario. This enabled us to identify any risks and opportunities that could arise on our balance sheet from transition risk. The table below shows the scenarios we explored.

#### Delayed transition scenario

A delayed transition scenario, could lead to an increase in losses of up to 20% over 30-years against the baseline scenario.

A delayed transition scenario could lead to an increase in losses of 20% over 30-years against the baseline scenario. The largest losses were concentrated in our Retail mortgages book and our Corporate and Commercial Banking portfolio.

Retail mortgage losses were driven by a reduction in customer affordability through the economic impact of the transition. Additional stress arises from mandated minimum EPC policy.

Corporate and Commercial Banking losses were attributed to the impact of policy changes on macroeconomic factors. However, this was mitigated by our portfolio having no sector concentration and low exposure in carbon intensive sectors.

Compared to our five-year delayed transition shock scenario in 2022, peak losses were higher, primarily due to energy price stress.

#### Sensitivity scenario – physical event

To better understand tail risks, we ran a sensitivity scenario. This focused on compounding a real estate price shock, with a material flood event due to the failure of the Thames Barrier. This event would be material because Greater London accounts for around 25% of the exposure of our retail mortgages.

Under this sensitivity scenario, we projected a 5% increase in losses. The results of our scenario analysis show that we are not materially exposed to expected physical climate risks within the 30-year period assessed. The risk is mitigated due to low average loan-to-value ratio across our Mortgage and CCB portfolios and the FloodRe insurance scheme.

Looking ahead we will continue enhancing our modelling capabilities. This includes using more granular data to upgrade the model outputs and improving our understanding of climate-related risks. We'll continue monitoring the industry's best practices and incorporate them in our approach.

We'll also use our new climate modelling capability to explore more severe tail risk events and sensitivities. This will include second-order supply chain impacts.

CISA scenario	Baseline	Delayed transition	Sensitivity
<b>Scenario characteristics</b>	Reflects current landscape and government policies. It is used to provide a basis for other scenarios to compare to. The baseline scenario is aligned to our internal climate transition plan.	Policy is late and disorderly. Stringent government policies implemented in 2030 causing inflationary and financial instability. Sectoral business disruption and consumer affordability are stressed.	Residential and commercial real estate downward price shock (based on 2008) sensitivity combined with Thames Barrier flood event, on the baseline scenario.
<b>Time horizon</b>	30 years	30 years	30 years
<b>Mean Global Warming by 2050</b>	1.9°C	1.6°C	1.9°C
<b>Nature of physical risks</b>	Medium	Low with acceleration over time	Medium
<b>Nature of transition</b>	Partial	Disruptive	Partial
<b>Transition start date</b>	2023 Q4	2030 Q1	2023 Q4

## Environment continued

## ENVIRONMENT



Category	Notes	Units	2024	2023	2022
Total energy consumption (Santander UK Group Holdings plc)	The reduction in our total energy consumption was due to a decrease in natural gas usage and overall rationalisation across the Santander Head Office Estate.	MWh	<b>89,994,215</b>	93,387,392	103,156,234
Total fossil energy consumption (Santander UK Group Holdings plc)	The reduction in our energy consumption from fossil fuels was due to a decrease in natural gas usage, refurbishments, and degasification projects across the estate.	MWh	<b>11,385,917</b>	–	–
Total Renewable energy consumption (Santander UK Group Holdings plc)	Energy consumption from renewable sources increased slightly in 2024, driven by the addition of Unity Place, an all-electric building.	MWh	<b>78,374,651</b>	–	–
Water Consumption (m <sup>3</sup> )(Santander UK plc)	The increase in water consumption can be attributed to a rise in staff returning to offices across the estate.	m <sup>3</sup>	<b>135,907</b>	123,355	107,719
Total waste: (Santander UK plc)	Due to adjustments made to align data points with Banco Santander, in some cases data is not equally comparable to previous years and therefore, for these data points, comparatives are not provided. As part of 'total waste', electronic and hazardous waste are new metrics for 2024. This metric is made up of three types of waste:  1. Hazardous waste: 3,527.5kg 2. Electronic waste: 43,130kg 3. Paper and cardboard waste: 534,426kg	kg	<b>581,084</b>	–	–
Recycled waste: (Santander UK plc)	Due to adjustments made to align data points with Banco Santander, in some cases data is not equally comparable to previous years and therefore, for these data points, comparatives are not provided. Recycled waste is a combination of electronic and paper and cardboard waste:  1. Electronic waste: 43,130kg 2. Paper and cardboard waste: 534,426kg	kg	<b>577,556</b>	–	–
Scope 1 CO <sub>2</sub> e emissions (Santander UK Group Holdings plc)	The reduction in Scope 1 emissions is primarily due to a reduction in natural gas consumption driven by refurbishments and degasification projects across the estate.	tCO <sub>2</sub> e	<b>AS</b> <b>2,473</b>	2,827	4,512
Scope 2 tCO <sub>2</sub> e (Location-based) (Santander UK Group Holdings plc)	The increase in Scope 2 location-based emissions is attributed to the addition of Unity Place, an all-electric building, and a rise in staff returning to offices across the estate.	tCO <sub>2</sub> e	<b>16,259</b>	16,190 <sup>1</sup>	15,595 <sup>1</sup>
Scope 2 CO <sub>2</sub> e emissions (Market-based) (Santander UK Group Holdings plc)	In 2024, a new data source identified for Jersey provides a more accurate reflection of the emissions profile of our operations in this location. As such, 2022 and 2023 emissions have been updated. Therefore, Scope 2 market-based emissions remain broadly unchanged, as Santander UK plc's electricity comes from REGO-backed renewable energy sources. Residual emissions come from the SFS entity as no fully green electricity provider is available for Jersey and the Isle of Man.	tCO <sub>2</sub> e	<b>AS</b> <b>65</b>	63 <sup>1</sup>	24 <sup>1</sup>

**Key:** **AS** 2024 data has been subject to Independent Limited Assurance by PricewaterhouseCoopers LLP, please refer to the Assurance Opinion in this supplement. See our 2020, 2021, 2022, 2023 supplements for the prior performance period and assurance by PricewaterhouseCoopers LLP. Please refer to the Methodologies and data criteria section of this supplement for further details of how we have prepared our 2024 data.

<sup>1</sup> Scope 2 location based figures have been amended from 2023 - 16,211 to 16,190 and 2022 - 15,624 to 15,595. Scope 2 market based figures have been amended from 2023 - 84 to 63 and 2022 - 53 to 24. Both are driven by updated emissions factors for Jersey properties. Please see the basis of reporting for updated methodology details.

## Environment continued

## ENVIRONMENT CONTINUED



Category	Notes	Units		2024	2023	2022
Scope 3 CO <sub>2</sub> e emissions (business travel only) (Santander UK Group Holdings plc)	In 2024, we made changes to our hybrid work policy to encourage more face-to-face meetings. Consequently, business travel and the corresponding emissions have increased. In previous years, business travel data for Santander UK plc excluded employee's who had left the business or were temporarily absent within a given reporting period. It was later determined that this exclusion was incorrect and therefore, a manual uplift was calculated and applied. This data has not been corrected retrospectively, but for 2024 and moving forwards such employees have been, and will remain included in the travel data. The 2022-2023 data has not been updated due to the estimated uplift remaining reasonable based on the assumptions adopted and the movement compared to the 2024 actuals.	tCO <sub>2</sub> e	AS	3,039	2,527	1,398
Total CO <sub>2</sub> e emissions (excluding financed emissions) (Santander UK Group Holdings plc)	Total CO <sub>2</sub> e emissions (excluding financed emissions) have increased in 2024. This increase was primarily driven by a rise in business travel emissions due to both a change in our hybrid working policy and a correction to our reporting methodology (please see business travel note for further details). However, the increase in business travel emissions was offset by a decrease in our Scope 1 emissions due to our degasification efforts.	tCO <sub>2</sub> e	AS	5,577	5,417 <sup>1</sup>	5,934 <sup>1</sup>
CO <sub>2</sub> e emissions per employee (excluding financed emissions) (Santander UK Group Holdings plc)	Emissions per employee have increased, due to the increase in total emissions in addition to a reduction in FTE headcount.	tCO <sub>2</sub> e/Total HoldCo FTE	AS	0.29	0.27	0.32 <sup>2</sup>

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<sup>1</sup> This figure has been amended from 2023 - 5,438 to 5,417 and 2022 - 5,963 to 5,934. These are driven by updated emissions factors for Jersey properties. Please see the basis of reporting for updated methodology details.


<sup>2</sup> This figure has been amended from 2022 - 0.31 to 0.32. This is driven by updated emissions factors for Jersey properties. Please see the basis of reporting for updated methodology details.

## Environment continued

## ENVIRONMENT CONTINUED



Category	Notes	Units	2024	2023	2022
Offsetting carbon emissions Scope 1 and Scope 2 (Santander UK Group Holdings)	In 2024, 2,538 carbon credits were purchased and cancelled from the Climate Action Reserve.	tCO <sub>2</sub> e	<b>2,538</b>	–	–
Carbon credits cancelled from elimination projects (Santander UK Group Holdings)		tCO <sub>2</sub> e	<b>2,538</b>	–	–
Carbon credits cancelled from reduction projects (Santander UK Group Holdings)		tCO <sub>2</sub> e	<b>0</b>	–	–
Carbon credits cancelled from quality standard VCS Verra (Santander UK Group Holdings)		tCO <sub>2</sub> e	<b>0</b>	–	–
Carbon credits cancelled from quality standard Gold Standard GS (Santander UK Group Holdings)		tCO <sub>2</sub> e	<b>0</b>	–	–
Carbon credits cancelled from quality standard American Carbon Registry (Santander UK Group Holdings)		tCO <sub>2</sub> e	<b>0</b>	–	–
Carbon credits cancelled from quality standard Climate Action Reserve (Santander UK Group Holdings)		tCO <sub>2</sub> e	<b>2,538</b>	–	–
Carbon credits cancelled from projects within the EU (Santander UK Group Holdings)		tCO <sub>2</sub> e	<b>0</b>	–	–

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## Environment continued

## ENVIRONMENT CONTINUED



Category	Notes	Sub category	Units		2024	2023	2022
Scope 3 financed emissions (Mortgages)	This year we saw a material change in the emissions intensity of our Mortgage portfolio. This was primarily due to using Partnership for Carbon Accounting Financials (PCAF) emission factors rather than emissions values derived from properties EPC as well as PCAF updating its emissions factor database. We believe this update provides a better representation of current grid emissions factors per EPC band for buildings in the UK. To a lesser extent, this change is also attributed to an improvement in the efficiency and size of our book though the delivery of our mortgage business strategy.	Absolute emissions	thousand tCO <sub>2</sub> e	AS	-	1,221	2,561
		Emissions intensity	kgCO <sub>2</sub> e/m <sup>2</sup>	AS	-	20.9	39.7
		PCAF score	#	AS	-	3.2	3.3
		Lending exposure assessed	£bn	AS	-	175.3	187.1
		Total exposure	£bn		-	176.9	187.5
Scope 3 financed emissions (Consumer Finance)	The reduction in emissions intensity of our Consumer Finance book between 2022 and 2023, is consistent with higher sales of greener vehicles.	Absolute emissions	thousand tCO <sub>2</sub> e	AS	-	1,336	1,366
		Emissions intensity	gCO <sub>2</sub> e/km	AS	-	141.3	142.5
		PCAF score	#	AS	-	2.1	3.1
		Lending exposure assessed	£bn	AS	-	8.6	8.3
		Total exposure	£bn		-	8.8	8.5
Scope 3 financed emissions (Commercial Real Estate)	This year we present our initial assessment of the emissions intensity of our Commercial Real Estate, Social Housing, Care Homes, and Hotels portfolio. The low PCAF data quality score for this book reflects current data challenges.	Absolute emissions	thousand tCO <sub>2</sub> e	AS	-	114	-
		Emissions intensity	kgCO <sub>2</sub> e/m <sup>2</sup>	AS	-	25.4	-
		PCAF score	#	AS	-	4.0	-
		Lending exposure assessed	£bn	AS	-	9.6	-
		Total exposure	£bn		-	9.7	-


**Key:** AS On this page 2023 data has been subject to Independent Limited Assurance by PricewaterhouseCoopers LLP, please refer to the Assurance opinion in this supplement. See our 2020, 2021, 2022, 2023 supplements for the prior performance period and assurance by PricewaterhouseCoopers LLP. Please refer to the Methodologies and data criteria section of this supplement for further details of how we have prepared our 2023 data.

## Environment continued

### ENVIRONMENT CONTINUED



Category	Notes	Units	2024	2023	2022
Green finance raised and facilitated	This was driven primarily by growth in retail mortgages for EPC A and B properties and lending for electric and certain hybrid vehicles, in addition to overall growth in our Commercial Real Estate portfolio.	£bn	AS <b>3.9</b>	2.8	6.5
Green finance raised and facilitated since 2021		£bn	<b>17.2</b>	13.3	10.5
Sustainability Linked Loans	Sustainability Linked Lending Loans has decreased year-on-year due to less demand from our clients.	£m	<b>487</b>	659	–

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# SOCIAL



In this section

Find out how we are aligning to the UN SDG's

 <p>1 NO POVERTY</p>	 <p>4 QUALITY EDUCATION</p>	 <p>5 GENDER EQUALITY</p>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	 <p>10 REDUCED INEQUALITIES</p>	 <p>17 PARTNERSHIPS FOR THE GOALS</p>

Social

# OUR APPROACH TO SOCIAL

## Our progress and targets

**Over £7m**

investment in education, entrepreneurship, employability  
**Ambition:** £8m per year until 2027

**14.7%<sup>1</sup>**

senior Asian, Black, and other Minority Ethnic employees  
**Ambition:** 16% by 2026

**34.1%<sup>1</sup>**

senior female representation  
**Ambition:** 40% by 2030

## Highlights

**Over 2.6 million**

Customers proactively engaged to offer support to those who are showing signs of potential financial difficulty

**Over £10m**

Invested in community support initiatives

**c.670,000**

Five to sixteen year olds were given access to The Numbers Game financial education resources in 2024.





**Top 25**

Ranked in the top 25 in the Social Mobility Foundation Employer Index

**UK Best Bank**

2024 Euromoney Awards for Excellence – UK Best Bank in Diversity and Inclusion

<sup>1</sup> Santander UK's workforce is in the UK and these goals are focused in the UK, and in compliance with relevant UK law. These goals support business performance and all employment decisions are based on merit.

SANTANDER UK'S SOCIAL STRATEGY 			
Support productive inclusive growth across our main stakeholders: Our customers, Our communities and Our People			
Our Customers	Our Communities	Our People	
			
Making their better happen	Better communities	Unleash potential	
Financial health Financial inclusion Social financing (Social housing)	Education, employability, and entrepreneurship Financial education Vulnerable people	Social mobility in the workplace Talent and skills development Inclusive culture	
Key Enablers			
Partnerships and collaborations	Communication	Strategic workforce planning	Data

In 2025, we'll introduce our new Social strategy designed to foster productive and inclusive growth within our customers, communities, and employees.

It aims to strengthen communities by equipping an increasing number of people with the skills necessary to advance their career opportunities.

In partnership with Banco Santander, this strategy will empower our customers to thrive by enhancing their financial health, promoting financial inclusion, and providing access to social finance.

## Social continued

### Our Customers

We're focused on supporting our customers' financial inclusion and financial health. We work to identify products, services, and initiatives to help people who struggle to access financial services or those in financial distress. We also want to support our customers to develop the skills needed to manage their finances.

#### Being ready to support our customers

In January 2024, we developed research that demonstrated:

- 58% of UK adults worried more about their finances in the last 12 months than in the previous 12 months
- Almost half (44%) of UK adults think about their money worries every day
- 56% of UK adults admit their financial worries are affecting their wellbeing.

Considering these worrying statistics, we proactively contacted over 2.6 million customers showing signs of potential difficulty in 2024 to offer support. Our financial support is formed of over 440 Financial Care Specialists. Our specialists are prepared to help in a variety of ways over the phone, from a step-by-step run through of our online budget planner, to simply having that first conversation to put a customer's mind at ease. The team is equipped to listen and understand the individual circumstances of each customer and provide specific support for their situation.

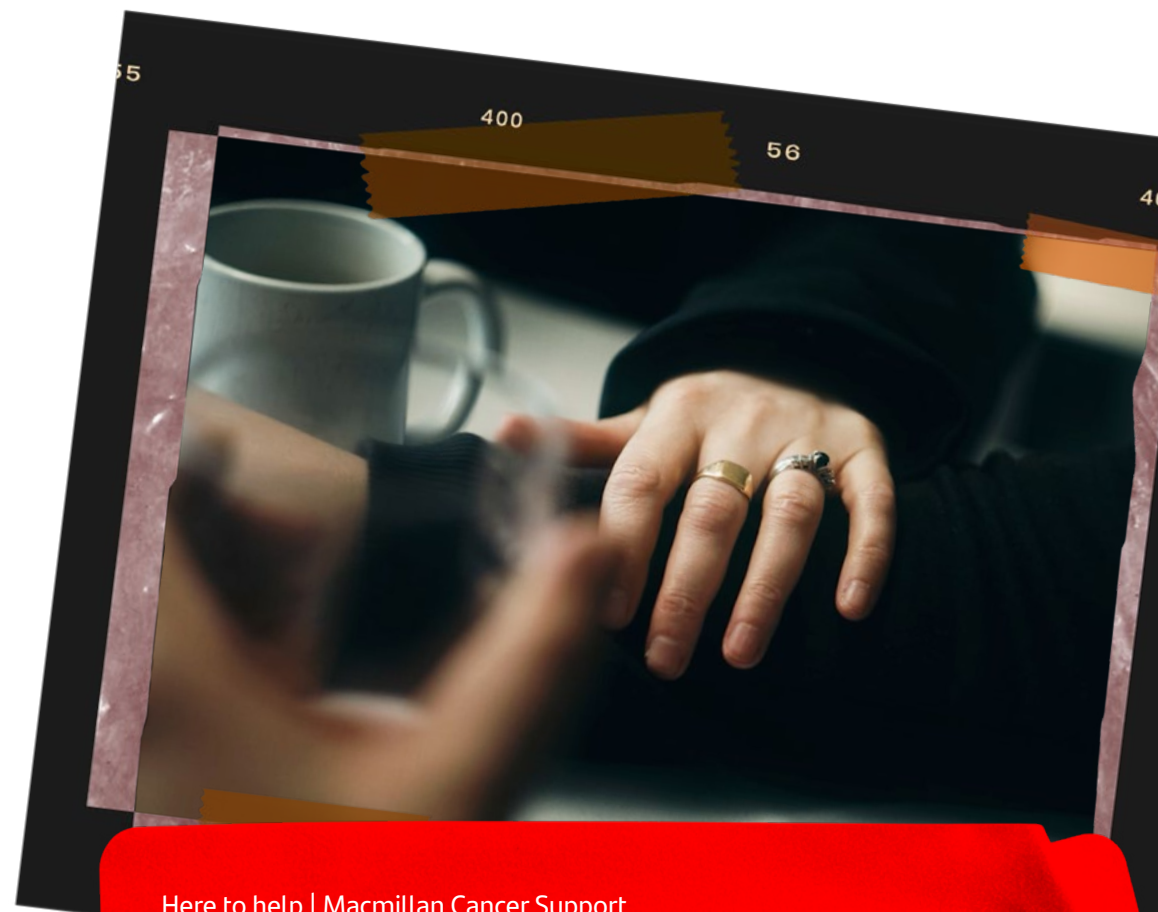
Our mobile banking app also provides tools to help customers looking for support with financial pressures. Within the app, My Money Manager is our well-established free money management tool. It helps our customers understand their financial outlook better by providing regular insights based on their account activity.

#### Vulnerable customers

We've expanded the provision of British Sign Language (BSL) translation services. In 2024, we launched the online tool, Signly, which translates santander.co.uk webpages into BSL. This complements 24/7 BSL interpretation services provided by our partners Sign Video. Sign Video offers a call back service and branch users can get immediate access to an interpreter by connecting their mobile to Sign Video. These services improve access to our website and support face-to-face contact in our branches for deaf customers.

Another focus area is supporting victims of domestic, economic, and financial abuse. We continue to provide Safe Spaces in all our branches. These offer a secure and discreet place for victims to contact friends, family, or specialist support. As part of an industry-led initiative, we have banned profanities and other abusive words in the payment reference when sending faster payments or setting up new standing orders. We took this action to protect customers' wellbeing following a rise in abusive messages and threats sent with payments. We have also adopted the Economic Abuse Evidence Form which helps victims of abuse to tell us about their circumstances.

We continued to develop our support for customers at risk of financial harm through gambling. An improved Gambling strategy helps us to identify more accurately, those customers heading towards or experiencing harmful gambling. Once we identify customers we believe may be at risk, we can contact them to provide support. One of the support options available is to implement a block on gambling transactions, that once activated has a 48-hour time delay for it to be removed. That means that gambling transactions cannot be made for 48 hours after the customer request to remove the gambling block. The decision to gamble can sometimes be an impulsive one, so the time delay will give our customers a little more time to reflect. We are now seeing more customers using our gambling block to help control their gambling spend.



#### Here to help | Macmillan Cancer Support

We trained more than 2,200 frontline staff in 2024 with Macmillan Cancer Support as part of our three year partnership. This provided tailored financial and emotional support to people living with cancer or family members affected by cancer. Our financial support colleagues also referred customers directly to Macmillan for support. This included emotional, clinical, practical, and financial guidance. Watch Sal and Mark's story to understand the importance of supporting our customers affected by cancer.

## Social continued

### Accessibility and inclusion

In 2024, we launched OneApp, our new mobile banking app. Accessibility was a core requirement throughout the app's design, development, and launch. As a result, OneApp has been globally recognised, winning The Digital Banker CX 2024 award for Best Digital Financial Inclusion Initiative.

We received the award for our approach to being an inclusive and accessible bank that is present for significant moments for our customers. This award noted our collaborative design process, which included people with accessibility needs with the aim to have accessibility for all. It also recognised innovative features such as the ability to change the font size, discreet mode to hide balances, and biometric log on.

### Protecting our customers

Preventing fraud and scams remained a top priority in 2024, with fraud continuing to be the most commonly experienced crime in the UK. The social and economic effects are far reaching, and impacts on individual customers can be devastating.

In partnership with the Social Market Foundation (SMF) we developed the first-of-its-kind 'It's a Fraudster's World Report'. Using data from a survey spanning 15 countries and 28,000 respondents, the SMF revealed the global nature of the 'fraudemic', and the action that the UK must take to address it. In the UK, the SMF estimates that 10 million Britons fell victim to fraud between 2021 and 2023, costing the wider economy around £16bn. The average loss for Britons was £907, with a third (33%) reporting suffering a negative emotional impact and 18% an impact to their finances.

To help prevention, we continued to raise awareness of fraud and scams directly with our customers and the general public. Our campaigns aimed to show how sophisticated scammers are, and how consumers can best protect themselves. We considered the risks of seasonal and popular activities, such as sports events as well as developments in technology, including the emergence of deepfakes, to create campaigns to engage consumers through both traditional and social media.

### Romance scams continue to be a critical issue

Our data showed that more than £3.8 million was reported as stolen from customers in the last six months through romance scams. This has affected customers aged from 18 to 93 years old. In 2024, we launched a social media campaign to help raise awareness of this devastating crime. You can see more about this campaign in our case study.

### The risk of artificial intelligence scams

We partnered with 'finfluencer' Mr Money Jar, to raise awareness about the risk of AI scams. This is particularly relevant to AI deepfake technology, an up-and-coming tactic deployed by fraudsters. Deepfake is an image, sound, or video of a real person that has been digitally manipulated through artificial intelligence to convincingly misrepresent an individual or organisation.

Our research shows that over half the UK population (53%) have not heard of deepfakes. Only 17% were confident they could easily identify a deepfake video. To help people protect themselves, we created deepfake videos of Mr Money Jar and Santander fraud lead, Chris Ainsley. These showed just how realistic deepfakes can be.

### Awareness for business and corporate clients

Scams impact businesses too, and we create targeted prevention and awareness information specifically for these customers. This includes targeted outreach via our network of relationship teams, through emails, digital content, and social media. Particular areas of focus in 2024 were on payment redirection scams and impersonation of bank staff.

### Industry collaboration

We've actively collaborated with industry colleagues and closely supported initiatives such as Take Five and Stop Scams UK for wider consumer awareness. As an example, in November we piloted and took part in the BBC Scam Safe week in conjunction with the BBC and Stop Scams UK. This was a week of focused scam information shared with consumers to raise awareness and increase protection.

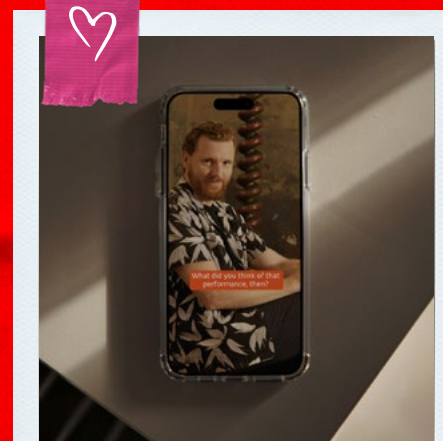
### Looking ahead

We will continue to support our customers' financial inclusion journey. So, they can benefit from our financial products and services, without anyone being left behind. Our priority focus will be on financial health with an aim to defining appropriate metrics to help measure our progress.

We want to help people manage their current financial obligations, be financially resilient, and have confidence in their financial future.

By focusing on practical strategies, we aim to build a stronger, more informed society capable of making sound financial decisions.

We'll also continue to prioritise support for our vulnerable customers and develop campaigns to educate and protect our customers against fraud and scams.



## ROMANCE SCAMS

We teamed up with BBC One's The Traitors star Paul Gorton to expose romance fraud. As part of the campaign, Paul Gorton performed a poem in the style of William Shakespeare to highlight common tactics used by romance fraudsters.

The initiative illustrated that even if someone seems to be saying all the right things, it might still be too good to be true.

The campaign generated over 190 news articles and reached over 23,000 accounts on social media channels.

## Social continued

### Our Communities

Our community support aims to empower a growing number of individuals. We aspire to enhance their career prospects through skills development.

To achieve this, we have global strategy aligned with Banco Santander that emphasises education, employability, and entrepreneurship.

Key components of this strategy include our continuous support for higher education institutions, their students, staff, and academics. We are proud to offer the Santander Open Academy, a dynamic learning platform providing access to educational resources, alongside Santander X, our global entrepreneurship platform that fosters innovation and business growth.

We support financial education to primary and secondary school students through the Santander Numbers Game. This programme gives access to essential financial literacy, equipping young learners with the skills to manage their finances effectively.

Together with the Santander Foundation and our national charity partner, we support vulnerable people through targeted social interventions. We aim for our community efforts to reach those who need them most.

#### Santander Open Academy

#### Our free

online learning platform, providing courses to help people build skills to improve their career prospects

#### Santander X

#### Over £1m

awarded in the last 14 years in equity-free funding to thousands of UK start-ups and small businesses

#### Santander Numbers Game

#### c.670,000

young people given access to our financial education resources in 2024

#### Santander Universities

#### £15m

awarded to our university partners and supported upwards of 10,000 people into and through higher education in the UK since 2023

#### Tomorrow's Skills

Education and skills are critical to powering productivity, financial resilience, and economic growth. Aligned with our purpose to help people and businesses prosper, we want to unlock people's potential.

To understand the risks and opportunities of this ambition, we developed our Tomorrow's Skills report.

It explores the challenges of productivity stagnation, and that fewer workers are taking the opportunity to upskill. This is due to a lack of time, cost, and flexibility to fit learning around jobs and family. The report highlights that employees are unaware of how emerging societal shifts such as artificial intelligence and climate change could affect their job roles.

As a result, we called on the government to use the new National Plan for Skills to tackle these issues. This includes addressing the UK's productivity dilemma and equipping British workers with the right leadership, digital, and net zero skills needed in the future. In partnership with Unlocked,



#### SANTANDER SCHOLAR

# 66

I am incredibly grateful for the Santander Scholars Programme, which has been a pivotal support in my academic journey. The financial assistance has not only alleviated the burden of tuition fees, allowing me to focus on my studies without the stress of financial strain, but it has also empowered me to continue my education and avoid dropping out of university.

**Xhevilta Rizani**  
Santander Scholar  
Cardiff Metropolitan University

Fearless Adventures and House 337, we developed a new education initiative in 2024. Delivered on the Santander Open Academy, it aims to equip young adults with green, digital, and professional leadership skills. The new course content is bite sized, video-led, and accessible on-the-go, led by experts in their field.

#### Santander Universities

We currently partner with 78 universities across the UK to provide scholarships to support students into and through higher education. This includes opportunities for work experience or internships with local SMEs and organisations to help students get job ready. This programme also provides funding for student entrepreneurs to help them take their business ideas to the next level. We also provide a range of bespoke programmes that give students access to the tools they need to gain skills for the future.

#### Santander Scholars Programme

The Santander Universities Scholars Programme is a flagship initiative supporting higher-education students from various backgrounds. Since 2023, we've provided 97 students with £30,000 of funding over three years. Alongside financial support, students are provided with personal and professional development. We hosted a group of Scholars at Santander's head office this summer for a two-week work experience programme. The students experienced various areas of the business and engaged with multiple teams. The participants developed real-life projects which were presented to our employees. The activity helped the students to develop skills like strategic thinking, collaboration, leadership, and problem solving.

## Social continued

### Santander X

One of the priorities of our Social strategy is to support entrepreneurship. According to our research three quarters of Gen Z want to be their own boss and are not planning to work a nine-to-five job. 77% are confident they can launch and run a successful business, and 39% back themselves to do so from their smartphone. To cultivate this opportunity, Santander X, our global programme helps entrepreneurs turn bright ideas into booming businesses. It also supports existing companies to grow and transform. In 2024, we received over 850 businesses applications for support. Gen Z made up two-thirds of applications. The application processes included a series of online pitch workshops where experts helped 100 shortlisted companies with the key elements of a successful business pitch. The programme also offered group and one-to-one coaching.

In November, 12 finalists attended the national final event at Santander UK headquarters. They pitched to a panel of judges, including Gary Neville, Dame Jessica Ennis-Hill, Dragon's Den star, Sam Jones, former Head of Social at Gymshark, Elfried Samba, and Santander's CEO, Mike Regnier. The panel selected six winners to receive equity-free cash prizes between £2,500 and £25,000. The six winners also progress to the Santander X global awards, Santander's international entrepreneurship competition in 2025.

### Santander's The Numbers Game

In 2024, we launched our Financial Education Framework with our partners Twinkl and the Social Market Foundation (SMF). Research from SMF showed that only 1% of primary school teachers think their students have adequate financial skills. We launched the Framework at Parliament along with a call to make financial education compulsory at a primary level. We highlighted the barriers to financial education related to entry at secondary level. We also attended the Education Select Committee and House of Lords' hearings.

On average, an estimated one million 5-to-16-year-olds in the UK have been given access to resources from The Numbers Game programme each year since launching in 2022. We offer free, easy-to-access, curriculum-friendly learning materials. Together with Banco Santander we aim to launch our free resources in Argentina, Brazil, Chile, Mexico, Poland, Portugal, Spain, and the USA.

Together with Twinkl, we also launched the Financial Education Overview of Objectives tool. It helps guide primary school teachers to embed financial education into the school curriculum.

### Our partnership with Macmillan Cancer Support

2024 was the third and final year of our strategic partnership with Macmillan. For three years, we worked to make money one less worry for people affected by cancer. Our employees went above and beyond to raise funds, create awareness, and provide support to those who are affected. In 2024, Santander UK employees and customers raised over £600,000 for Macmillan. This takes the total raised since 2022 to more than £1.8m. Besides fundraising, over 450 employees volunteered their time with the charity.

### Santander Foundation

In 2024, our Foundation distributed over £1.3m to 34 grantees as part of its Financial and Digital Empowerment Fund. The donations helped over 13,600 people to improve their financial and digital literacy capabilities. Highlights include:

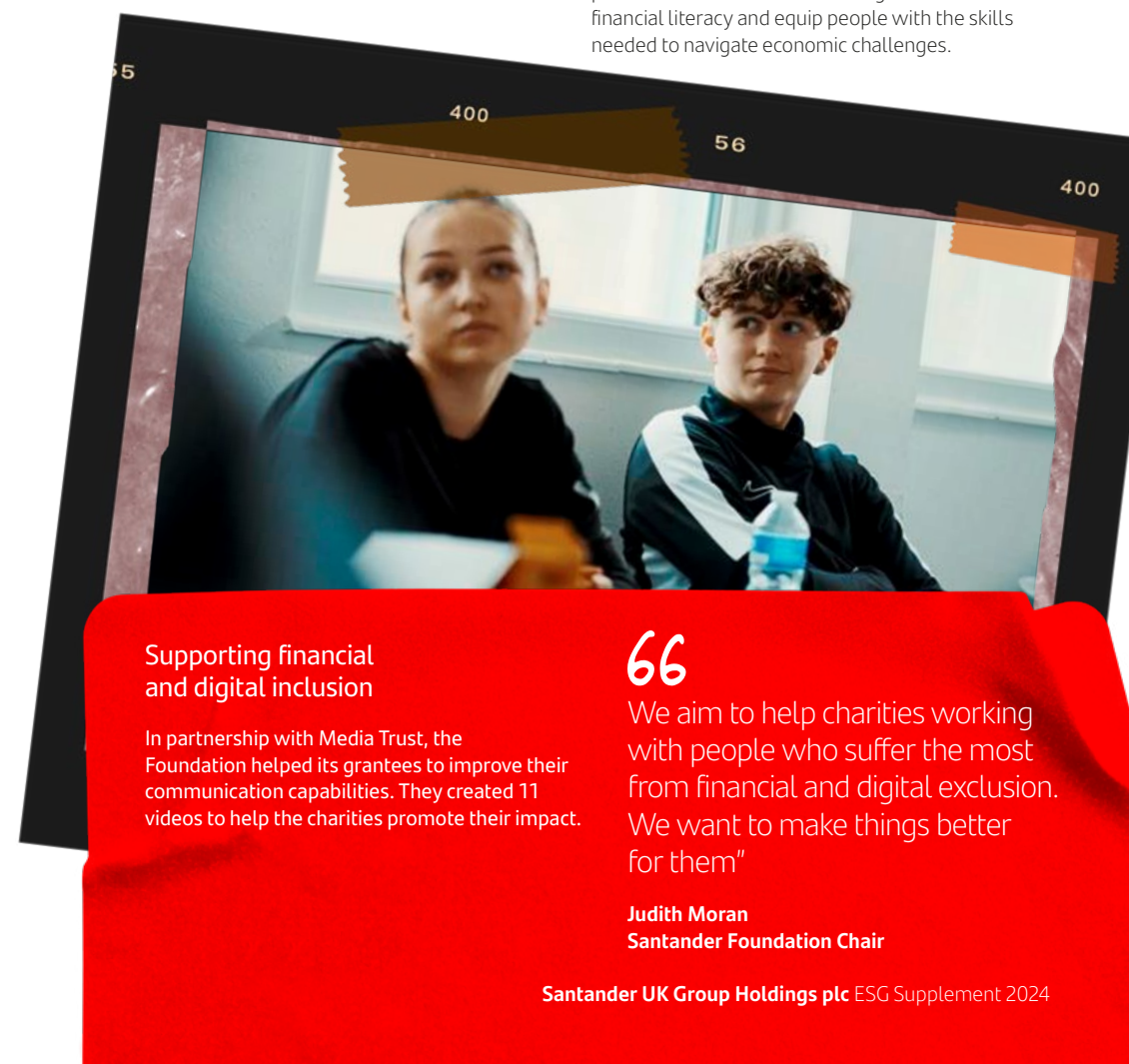
- 80% of funds went to groups most likely to experience digital and financial exclusion. This includes migrants, refugees, asylum seekers, and multiple disability/community groups geographically dispersed across the UK
- 80% reported increased confidence in managing money (financial education).

### Looking ahead

We'll continue to develop support for our communities. In 2025, we will have a new charity partner focused on education and skills development. The ambition is to empower young people from disadvantaged and underrepresented backgrounds from across the UK. In addition, we will launch a new employee volunteering programme to enhance our impact with the support of our colleagues.

To strengthen our focus and help demonstrate the results of our initiatives, we are developing a new social impact framework. The methodology will provide more efficiency and assurance to our community engagement programmes. The goal is to show how we're helping communities to realise their potential through education, employability, and entrepreneurship initiatives.

We'll also launch a new financial education programme for 18-25 year-olds. This initiative will provide educational content designed to enhance financial literacy and equip people with the skills needed to navigate economic challenges.



### Supporting financial and digital inclusion

In partnership with Media Trust, the Foundation helped its grantees to improve their communication capabilities. They created 11 videos to help the charities promote their impact.

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We aim to help charities working with people who suffer the most from financial and digital exclusion. We want to make things better for them"

Judith Moran  
Santander Foundation Chair

## Social continued

### Our People

Our people deal sets out what it means to work for Santander UK. This includes how we support our employees and what we expect in return. It continues to be the compass for how we deliver value for our people. The people deal has six pillars:

#### Unleash your potential

Investing in the skills and development of our people is critical. This year, we have strengthened talent management as part of our People strategy. In March, we launched a new career development hub. The hub is designed to help our people understand the growth opportunities available across Banco Santander and to build development plans. We measure if employees feel they can develop new skills and knowledge on the job at Santander UK. At the end of 2024, employee responses scored 7.9 (out of 10) which is in the top 25% of the external financial services benchmark.

In 2025, we'll enhance our approach with our new global learning platform which includes mandatory training. We'll also focus on developing a skills-based strategic workforce plan (SWP) that will align our workforce with the long-term needs of our business. The SWP will identify the right shape and sized workforce to support sustainable growth and deliver on our strategic ambitions.

We have various programmes to support our talent. 21 high potential talent employees from the UK participated in our Group Young Leaders Programme along with 183 colleagues from across the globe. For nine months, the participants contribute to Banco Santander's strategy, increase their visibility, and grow as a leader through new experiences.

#### Raise the bar

We simplified how we manage employee performance. It's now easier for our people to measure their success and deliver against their objectives. New leadership expectations help our leaders understand how they can support our shared goals and deliver value for our customers. We also updated our performance rating descriptions to provide clear expectations for employee roles and seniority.

Our revised Performance Management policy sets out our performance expectations. It helps to resolve underperformance and defines our approach to support, coaching, and regular reviews.

#### There when it matters

Support for our people is essential to help them thrive. With our four pillars of wellbeing (mental, physical, social, and financial) we help our people to focus on positive wellbeing every day. We encourage our people to take proactive steps to manage their wellbeing have the right support when it's needed.

Our approach to wellbeing has been recognised with various awards. The work we do on menopause is recognised through our Henpicked accreditation. Our support for financial wellbeing was recognised with the best financial initiative at the 2024 Inside Out Awards.

#### Valued for your impact

The CEO Awards is our new recognition programme designed to celebrate passion-driven people and exceptional work. Our people nominate teammates for recognition across nine categories that reflect our strategic ambitions and TEAMS behaviours. The CEO Awards recognises high performance, employees living our TEAMS behaviours, and delivering positive outcomes for customers and communities.

We received more than 1,500 nominations in 2024. After an inspiring and challenging selection process, our Executive Committee selected 100 people to attend the awards ceremony.



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This event is all about celebrating our people and their achievements. As proved in the number of nominations received and the work our people do on a daily basis, they've all gone above and beyond to support our people and make our customers' better happen."

**Mike Regnier, Chief Executive Officer**

## Social continued

### Shape the future

We aim to be a bank that's digital first with a human touch when supporting our customers. The same applies to how we support our people. We improved our support approach with a new chatbot that uses generative AI. The chatbot is connected to our internal knowledge base (AskHR) which hosts our people policies. It's accessible to all employees through Microsoft Teams and provides 24/7 access for HR-related queries.

### The place to be yourself

We aim to be a truly inclusive organisation that prioritises an inclusive culture and reflects the customers and communities we serve. We want to create an environment where everyone can thrive, no matter their background. Our global approach to inclusion is based on the principles of access, fairness and meritocracy.

We know that representation is important. It allows us to have different perspectives in our conversations and decision making, helping us to consistently meet our customers' needs.

In 2024, we achieved our ethnicity senior representation ambitions a year early. On the back of this, we defined new ambitions to increase the representation of people from Ethnic Minority backgrounds at senior levels.

We updated our The Place to be Yourself policy to reflect the new Worker Protection Act duty on sexual harassment. We believe that everyone in our team has the right to be treated with respect

and dignity. We have a zero-tolerance approach to discrimination, bullying, harassment, or victimisation of any kind. Examples of zero-tolerance behaviours are set out in The Place to be Yourself policy.

### Embedding our TEAMS behaviours

We launched our TEAMS behaviours in 2022. We continue to embed them into our daily habits and ways of working. Think Customer is one of the behaviours and aligns closely with the Financial Conduct Authority (FCA) Consumer Duty regulation. We aim to putting good customer outcomes at the heart of everything we do.

Supporting this, we launched the Branch Connect programme. This partners 250 senior leaders with their local branch. The programme allows our leaders to gain deeper insight into the needs of our customers and branch teams through regular visits. Working with their branch, our leaders are helping to solve challenges affecting our customers and teams. These learnings can also be applied to how they develop customer centric focus in their own roles and wider teams.

To support our culture transformation, we launched a new work programme on our risk culture. Aligned to Banco Santander's Risk Pro language (previously I AM Risk), the programme sets out how we need to develop our risk mindset and behaviours. A new mandatory training suite and a decision-check aligned to our TEAMS behaviours have been developed. These guide colleagues to make informed decisions in the best interests of our customers, communities, shareholders, and people.

### Working in partnership with recognised trade unions

We continue to work in partnership with our two recognised trade unions: Advance and the Communication Workers Union. We maintained stable industrial relations during the year. Consultation with union representatives on changes associated with our business transformation have continued.

### Looking ahead to 2025

Our people deal continues to be the way that we create an environment to deliver good outcomes for our customers. Our next focus is to embed and evolve this, meeting the ongoing changing needs and expectations of our people.

We will develop a skills-based strategic workforce plan (SWP) that will align our workforce with the long-term needs of our business. The SWP will identify the right shape and sized workforce to support sustainable growth and deliver our strategy.

We'll also launch a new training programme for all People leaders. This will support new and existing managers with the skills needed to grow and develop high-performing teams.



*DINESH SUBHRA AND  
DESISLAVA ILIEVA*



### Our CEO Awards winners

Dinesh and Desislava won the Move Together category. They led the development of our new business banking mobile app. Despite encountering several obstacles, they built a high-performing and resilient culture across the team. Since launch, mobile usage has doubled, customer feedback has improved, and net promoter scores (NPS) have increased, strengthening our position within the business banking industry.

# 66

It was truly special to represent the business banking mobile team at the CEO Awards and it's just the start for us. Our plan is to continue delivering lots more features in the app this year to help make our customers' better happen."

**Dinesh Subhra and Desislava Ilieva**

## 34.1%<sup>1</sup>

senior female representation (HoldCo)  
New ambition: 40% by 2030

## 14.7%<sup>1</sup>


senior Minority Ethnic representation (HoldCo)  
Ambition: 16% by 2026

<sup>1</sup> Santander UK's workforce is in the UK and these goals are focused in the UK, and in compliance with relevant UK law. These goals support business performance and all employment decisions are based on merit.



## Social continued

<b>SOCIAL</b>					
Category	Notes	Units	2024	2023	2022
Group clients by region, geography and Digital Consumer Bank	The total number of Group clients has remained consistent across all regions, geographies, and within our Digital Consumer Bank.	million	<b>22.5</b>	22.5	22.4
Dialogue by channel: Digital bank – clients	The total number of digital bank clients has remained consistent with previous reporting periods.	units	<b>7.2m</b>	7.2m	7.0m
Dialogue by channel: Number of branches	Branch numbers are validated against monthly reporting within the CFO division and there are no specific exclusions. There were no branch closures in 2024. We remain focused to promoting the use of our digital platforms but are acutely aware of the human touch that branches bring to our service. Our aim is to be a digital bank with a human touch and branches will continue to have a place in this strategy.	#	<b>444</b>	444	449
Ranking of NPS Bank's positioning: Individual Segment	Customer service is integral to our strategy and remains a key area of focus. Our retail NPS remained consistent in 2024, whilst we retained our 1st place in NPS for business banking.	#	<b>4</b>	–	–
Community investment programmes: Investment in education, employability and entrepreneurship programmes in the year	We're on track to meet our 2027 ambition of £8m per year. Due to adjustments made to align data points with Banco Santander, in some cases data is not equally comparable to previous years and therefore, for these data points, comparatives are not provided.	£m	<b>7.8</b>	–	–
People helped through Santander Universities programmes: employability programmes		#	<b>5,790</b>	–	–
People helped through Santander Universities programmes: education programmes	As mentioned in our Executive Summary we have an opportunity to contribute to education, employability, and entrepreneurship, as well as community development through support programmes. Due to adjustments made to align data points with Banco Santander, in some cases data is not equally comparable to previous years and therefore, for these data points, comparatives are not provided.	#	<b>459</b>	–	–
People helped through Santander Universities programmes: entrepreneurship programmes		#	<b>94</b>	–	–
People helped through Santander Universities programmes: total		#	<b>6,343</b>	–	–
Number of universities with agreements as part of Santander Universities	The number of entities that have agreements with Santander Universities remains reasonably consistent with previous years.	#	<b>78</b>	84	75


Key:  2024 data has been subject to Independent Limited Assurance by PricewaterhouseCoopers LLP, please refer to the Assurance opinion in this supplement. See our 2020, 2021, 2022 and 2023 supplements for the prior performance period and assurance by PricewaterhouseCoopers LLP. Please refer to the Methodologies and data criteria section of this supplement for further details of how we have prepared our 2024 data.

## Social continued

## SOCIAL CONTINUED



Category	Notes	Units	2024	2023	2022
Community investment programmes: Investment in education, employability, and entrepreneurship programmes, cumulative 2023-2026	Due to adjustments made to align data points with Banco Santander, in some cases data is not equally comparable to previous years and therefore, for these data points, comparatives are not provided. In this case, the data stated in previous years' reports does not directly align with our new metric scope. See our 'methodologies' section for more detail.	£m	15	–	–
Community support	<p>This a combined figure made up of all contributions paid in 2024 relating to:</p> <ul style="list-style-type: none"> <li>– Santander Foundation – matched donations and grants</li> <li>– Santander Universities – In 2024, the methodology allowed a maximum of 5% of the budget to be allocated to marketing activities</li> <li>– Santander Breakthrough</li> <li>– Donations, sponsorships and, initiatives developed by the Sustainability &amp; Responsible Banking team.</li> </ul> <p>This metric is aligned to the Banco Santander Community Support Methodology. There was an 10% reduction year-on-year in the total figure. The variance is due to the discontinuation of programmes not aligned with the new Social strategy developed in 2024.</p>	£m	AS 10.5	11.7	10.1
People helped through local initiatives supporting the community		#	401,696	–	–
Children and young people given access to financial education resources	Due to adjustments made to align data points with Banco Santander, in some cases data is not equally comparable to previous years and therefore, for these data points, comparatives are not provided. In the case of these metrics, this is the first year we are disclosing this data, and therefore there is no prior year data available to disclose.	#	672,415	–	–
New people financially included since 2023		#	191,772	–	–
New people financially included since the beginning of the year		#	86,422	–	–
Employee engagement score	Towards the end of the year, our employee engagement index reduced by 0.3. The score remains above the financial services benchmark (7.8). This result reflects the transformation across Santander UK plc, including our new approach to hybrid working. We continue our transformation to simplify the bank, digitise processes, build smarter solutions, and strengthen our foundations whilst reducing costs, extending internal capabilities and ensuring a resilient operating model.	#	7.9	8.2	7.8
Headcount (Santander UK Group Holdings plc)	Santander UK Group Holdings plc (HoldCo) employees belong to the following companies: Santander UK plc, Santander UK plc (SGCB), Cater Allen Ltd, Santander Consumer (UK), SPK Santander International, Santander Financial Services. Our Holdco employees also have decreased 2% year on year.	#	19,409	19,988	18,749
Headcount (Santander UK plc)	Our total number of employees decreased by 8% year-on-year. This result reflects the transformation across Santander UK. We continue our transformation to simplify the bank, digitise processes, build smarter solutions, and strengthen our foundations whilst reducing costs, extending internal capabilities and ensuring a resilient operating model.	#	18,329	19,802	18,572

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## Social continued

## SOCIAL CONTINUED



Category	Notes	Units	2024	2023	2022	
Headcount with permanent contract: Total (Santander UK plc)		#	17,407	–	–	
Headcount with temporary contract: Total (Santander UK plc)		#	922	–	–	
Headcount with full time contract: Total (Santander UK plc)	Headcount is different to FTE. Headcount refers to the total number of people employed at the organisation over the given period. We have previously only reported FTE, which is why our headcount figures do not have comparable prior year data stated.	#	14,865	–	–	
Headcount with part-time contract: Total (Santander UK plc)		#	3,464	–	–	
Headcount with non-guaranteed hours contract: Total (Santander UK plc)		#	0	–	–	
Employees FTE (Santander UK Group Holdings plc) <sup>1</sup>		This figure is based on full-time equivalent employees, which is different from overall headcount. Our total number of full time equivalent employees decreased by 9% year-on-year. This result reflects the transformation across the organisation.	#	18,156	19,992	18,750
Employees by sex FTE (Male) (Santander UK Group Holdings plc) <sup>1</sup>		Our total number of employees by gender (Male) decreased by 9% year-on-year. This result reflects the transformation across Santander UK. We continue our transformation to simplify the bank, digitise processes, build smarter solutions, and strengthen our foundations whilst reducing costs, extending internal capabilities and ensuring a resilient operating model.	#	AS 8,507	9,328	8,562
Employees by sex FTE (Female) (Santander UK Group Holdings plc) <sup>1</sup>	Our total number of employees by gender (Female) decreased by 9% year-on-year. This result reflects the transformation across Santander UK. We continue our transformation to simplify the bank, digitise processes, build smarter solutions, and strengthen our foundations whilst reducing costs, extending internal capabilities and ensuring a resilient operating model.	#	AS 9,648	10,660	10,187	
Employees by gender (Male) <sup>1</sup> (Santander UK plc)		#	8,113	–	–	
Employees by gender (Female) <sup>1</sup> (Santander UK plc)	In previous years' reports we have stated 'female' or 'male' employees. These have referred to sex, as disclosed above. This year, we have also disclosed gender as separate metrics. As this is the first year of doing so, there are no comparable data points to disclose. See our 'methodologies' section to understand the difference between our gender and sex metrics.	#	10,216	–	–	
Employees by gender (Not declared) <sup>1</sup> (Santander UK plc)		#	0	–	–	
Employees by gender (Others) <sup>1</sup> (Santander UK plc)		#	0	–	–	

**Key:** AS 2024 data has been subject to Independent Limited Assurance by PricewaterhouseCoopers LLP, please refer to the Assurance opinion in this supplement. See our 2020, 2021, 2022 and 2023 supplements for the prior performance period and assurance by PricewaterhouseCoopers LLP. Please refer to the Methodologies and data criteria section of this supplement for further details of how we have prepared our 2024 data.

<sup>1</sup> Alignment with Financial Conduct Authority (FCA) Consultation Paper CP23/20 that firms in scope must develop an evidence-based D&I strategy with supporting metrics.

## Social continued

## SOCIAL CONTINUED



Category	Notes	Units	2024	2023	2022
Headcount (Executives) (Santander UK plc)		#	177	–	–
Headcount (Managers) (Santander UK plc)	This is the first time we have disclosed these metrics, in line with Banco Santander. Therefore no prior year data is available for comparison.	#	1,839	–	–
Headcount (Other employees) (Santander UK plc)		#	16,313	–	–
Employee turnover (Santander UK Group Holdings plc)		Employee turnover has reduced 4% year-on-year. The decrease in turnover is generally a market factor that has been witnessed across the market.	%	AS 9.41	9.8
Headcount, by age bracket (aged <30) <sup>1</sup> (Santander UK plc)	This is the first time we have disclosed these metrics, in line with Banco Santander. Therefore no prior year data is available for comparison.	#	3,571	–	–
Headcount, by age bracket (aged 30-50) <sup>1</sup> (Santander UK plc)		#	11,037	–	–
Headcount, by age bracket (aged >50) <sup>1</sup>	Our total number headcount, by age bracket (aged >50) decreased by 5% year-on-year. This result reflects the transformation across the organisation. We continue our transformation to simplify the bank, digitise processes, build smarter solutions, and strengthen our foundations whilst reducing costs, extending internal capabilities and ensuring a resilient operating model.	#	3,721	3,913	3,359
FTE of Ethnic Minority employees <sup>1</sup> (Santander UK Group Holdings)	We only include data on colleagues who have decided to disclose their ethnicity. This figure does not include those who have decided 'not to disclose' or 'unspecified'. This is due to this data type being classified as 'sensitive' under GDPR and therefore cannot be captured as a mandatory item of data during onboarding. It requires proactive engagement from colleagues to release this information. Although FTE has reduced in 2024, this is in line with bank-wide FTE reductions and the percentage of ethnic minority employees has increased.	#	AS 4,140	4,294	3,359
FTE of ethnic minority employees <sup>1</sup> (Santander UK plc)		%	23		
Women out of management positions (Executives, Middle Management) <sup>1</sup> (Santander UK plc)		%	36	–	–
Employees with performance reviews (Santander UK plc)	This is the first time we are disclosing these metrics and therefore no prior years' data is available for comparison. Although some metrics have similarities with those previously disclosed, they are not like for like, and therefore comparatives have not been provided to avoid confusion.	#	18,030	–	–
Women in STEM-related positions (of total STEM positions) <sup>1</sup> (Santander UK plc)		%	26	–	–
New hires (Santander UK plc)		#	1,531	–	–

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## Social continued

## SOCIAL CONTINUED



Category	Notes	Units	2024	2023	2022
Number of days lost due to work-related health (accidents and ill health) (Santander UK plc)		#	9,193	–	–
Cases of recordable work-related ill health (occupational illnesses) (Santander UK plc)	In order to align our data points with Banco Santander, this is the first year we are disclosing these metrics. Therefore no data from prior years is available to disclose.	#	225	–	–
Days not worked due to work accidents (Santander UK plc)		#	370	–	–
Number of recordable work-related accidents (Santander UK plc)	In previous years we have reported 3 metrics separately, which combine to create this year's new metric. In previous years these were: – Minor accidents – Accidents resulting in over seven days absence – Major accidents	#	55	87	71
Total employees with disability <sup>1</sup> (Santander UK plc)	This is the first time we are disclosing these metrics and therefore no prior years' data is available for comparison.	#	721	–	–
Total days of learning completed (Santander UK Group Holdings plc)	In 2024, the method used to calculate this metric has changed to align the calculation with Banco Santander's approach. This includes calculating based on the estimated hours a training module is expected to take to complete; and amending the assumptions relating to face to face versus virtual training hours to bring these in line to 7 hours each. This brings us in line with our "Think Global" strategic requirements and enables us to validate centrally produced metrics on the same basis as the Group. We have identified differences between our previous methodology and Banco Santander's but have agreed to proceed as per this new approach. Prior year data has been updated in line with this new methodology. The reduction in training days compared to the updated 2022 and 2023 data can be attributed to the reduction in HoldCo headcount, and therefore the associated training modules these employees would have completed.	#	AS 37,147	53,984 <sup>1</sup>	55,411 <sup>1</sup>
Total of hours of learning completed (Santander UK plc)		#	193,629	–	–
Total attendance to learning sessions (Santander UK plc)	In order to align our data points with Banco Santander, this is the first year we are disclosing these metrics. Therefore no data from prior years is available to disclose. In some cases, similar data has been previously disclosed, but for a different entity, for example HoldCo in stead of Santander UK. In these cases, data is not equally comparable and therefore has not been provided.	#	672,874	–	–
Total expenditures in learning (Santander UK plc)		£m	9.7	–	–
Terminated employees (Santander UK plc)		#	3,349	–	–

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<sup>1</sup> This figure has been amended from 2023 - 120,271 to 53,984 and 2022 - 100,411 to 55,411 due to our updated methodology driven by our "Think Global" strategic alignment with Banco Santander. Please see the basis of reporting for updated methodology details.

# GOVERNANCE



In this section

Find out how we are aligning to the UN SDG's



# OUR APPROACH TO GOVERNANCE

## Targets and progress

At 31 December 2024, 31% of the Board were female. The Board aims to maintain at least two members who are female and aims to have 40% female representation by 2025.

Our Board Diversity and Inclusion Policy ambitions for 2028 are to achieve:

- A gender balance of at least 40% male and female;
- At least one senior Board position (Chair, CEO, CFO, or Senior Independent Director) to be female
- At least one member from a non-White Minority Ethnic background.

The third pillar of our Sustainability strategy focuses on clear and robust governance with well-defined accountability. The aim is to promote the success of our business, customers, and stakeholders. In July 2024, the Board approved our first formal Governance Strategy. It follows the three strategic pillars of Banco Santander's global governance model and includes priorities specific to Santander UK.

## Highlights

### Corporate governance

We uphold the highest standards of governance, including applying the UK Corporate Governance Code.

**10%**

of Santander UK's Variable Pay Scorecard is based on ESG metrics.




### New Governance strategy

approved by Board and Executive Committee accountabilities

A strong governance culture and structure has always been a focus for our business. Yet, there are areas we can strengthen, simplify, or clarify to support more efficient decision making. Our Governance strategy will also help us to capitalise on opportunities more effectively. For more on corporate governance see Santander UK Group Holdings Annual Report.

## SANTANDER UK'S GOVERNANCE STRATEGY

**Clear and robust governance with well-defined accountability which promotes the success of Santander UK, its customers, and other stakeholders**

<p>Shareholder engagement</p> 	<p>Effective Board of Directors</p> 	<p>Responsible practices and stakeholders' interests</p> 
<p>Promote the success of the Santander UK for the benefit of our shareholder in line with S172 Companies Act 2006, including and having due regard to the interests of stakeholders</p>	<p>A balanced, qualified and diverse Board to ensure optimal decision making</p>	<p>Value-led, risk-attuned, effective efficient decision making following robust and constructive challenge</p>
<p>Proactive engagement and alignment with Banco Santander Group, balancing the requirement for independent decision making</p>	<p>Separation of key roles and robust succession planning including for subsidiary boards</p>	<p>Simple and effective legal structure and management governance facilitates agile decision making aligned to SMCR<sup>1)</sup></p>
<p>Leverage Group's scale and capabilities for UK stakeholder interests</p>	<p>Strong and embedded practices in board corporate governance including strong information flows and targeted board training</p>	<p>Strong corporate values to reinforce culture and deliver our Strategic Blueprint</p>

1 Senior Managers and Certification Regime (SMCR)

## Governance continued

### Our governance

#### Shareholder engagement

We have continued to work on enhancing our relationship and understanding of our parent company, Banco Santander. In 2024, this included:

- Board and management teams engaging informally with Banco Santander's counterparts outside of regular Board cycles. This includes Banco Santander Board Chairs being invited to UK Board sessions at least once a year. The Chief Governance Officer has also invited key Banco Santander individuals to attend UK Board and/or Executive Management meetings, as appropriate
- Embedding Banco Santander governance documents and global business operating models within Santander UK. This aims to ensure Banco Santander governance principles are applied consistently while also meeting local regulatory requirements
- Using Banco Santander systems to automate processes where possible, and to provide better outcomes for our customers.

Looking ahead, we're focused on delivering value for Banco Santander by using our unique ownership structure to leverage their knowledge, ideas, capital, resources, and technology.

#### Effective Board of Directors

In 2024, we continued our focus on Board succession planning. Our aim is to maintain the right balance of skills, experience, and inclusive culture on the Board. We also aim to adopt a more distributed approach to succession. This avoids multiple Board Directors retiring around the same time. The Board Nomination and Governance Committee leads the process for Board and Board Committee appointments.

The Board Nomination and Governance Committee also oversees succession planning for the Board and senior management positions. The Committee monitors progress against the ambitions set out in our Board Diversity and Inclusion Policy. For more information, please refer to the Board Nomination & Governance Committee report in the Santander UK Group Holdings Annual Report.

We follow the UK Corporate Governance Code, as far as it is applicable to us, and evaluate the effectiveness of our Board and its Committees annually. In 2024, the evaluation was externally facilitated and confirmed that the Board operates effectively. For more information please refer to the Corporate Governance section of the Santander UK Group Holdings plc 2024 Annual Report.

#### Responsible practices and stakeholder interests

Strong governance is about making sure that the right decisions are taken by the right people, in the right way, at the right time, and on the basis of the right information. In 2024, we have:

- Focused on reviewing and simplifying management-level governance
- Reviewed and simplified delegated authority frameworks. These support effective and efficient decision-making across Santander UK. We've provided guidance on the parameters to consider when sub-delegating authority within the Santander UK Corporate Governance Framework
- Optimised the Santander UK entity structure to reduce, simplify, and gain cost savings. We expect to continue this workstream in 2025.



#### Our Governance strategy

In 2024, we approved our first Santander UK Governance strategy. Our ambition is clear and robust governance with well-defined accountability which promotes the success of Santander, its customers and other stakeholders.

We want the right people making the right decisions in an efficient and effective way.



## Governance continued

### Corporate culture

Santander's corporate culture, The Santander Way, is the bedrock of our success. Our values (Simple, Personal, and Fair), our corporate behaviours (T.E.A.M.S), our leadership principles, and our robust risk culture (Risk Pro) guide us every day.

Our Code of Conduct sets out the behaviours and values that all Santander UK employees must abide by. This includes when engaging with our people, customers, suppliers, and broader society. It promotes a solid risk management and compliance culture and helps mitigate the risks we are exposed to. The Code promotes acting responsibly, an inclusive culture, and non-discrimination, zero tolerance for sexual or work-related harassment, respect for others, work-life balance, human rights, and environmental protection.

### Protection of whistleblowers

We have an anonymous and confidential channel to report unethical conduct. It protects whistleblowers by expressly prohibiting reprisals or any negative consequence against them. Whistleblowers can report their suspicions about professional conduct related to:

- Unlawful acts in the workplace
- Irregularities or breaches of the Code of Conduct and its implementing regulation that may be subject to disciplinary action
- Improper accounting or auditing practices, internal control, or influence on external auditors
- Violations of anti-money laundering and terrorism financing laws or of our internal regulations to comply with those laws, as well as acts of corruption and bribery

- Violations of securities market laws
- Conduct that may involve an act that infringes the law or any other regulation and, in particular, a serious or very serious criminal or administrative offence or applicable UK law
- Acts or conduct that go against the Banco Santander's corporate behaviours.

Santander UK handle all reports received in a diligent, independent, and objective manner for the benefit of the parties involved. This is a protective measure for the people who communicate in good faith through the channel, and anyone else who is part of the related internal investigations.

### Management of relationships with suppliers, including payment practices

Our outsourcing and third-party management model and third-party certification policy provide a methodology to make sure that our suppliers meet the our minimum requirements. They help to avoid risks that stem from substandard operational resilience, solvency, reputational control, and regulatory compliance. Santander UK works with a broad spectrum of suppliers to deliver services that make our customers' better happen.

All suppliers are expected to operate in accordance with relevant legislation and regulations. Most of our suppliers are UK-based and operate under local legislation and regulation. We build effective relationships with our suppliers to minimise risk.

In 2024, we updated our Code of Supplier Responsibility which sets the expectations of how we do business with suppliers. It ensures our supply chain partners operate in an ethical, responsible, and sustainable way. This includes alignment with our stance on topics like financial crime, consumer duty, net zero, human rights, and inclusive culture. The Code is an important part of our supplier onboarding process and annual supplier recertification process. We divide supplier commitments into things we expect and things we encourage across environmental sustainability, human rights, social responsibility, and responsible business practices.

### Anti-bribery and corruption (ABC)

In 2024, we continued to implement our ABC programme. The programme is also subject to continual review and update in line with the rest of our policies. We conduct a risk and control self-assessment (RCSA) to identify residual risk within the organisation. It involves assessing the inherent risks of our business activities in terms of financial crime. We also consider risks of money laundering, terrorism financing, and bribery and corruption.

Our Tax strategy is also consistent with our Business strategy and aligns with our purpose of helping people and businesses prosper. It's also aligned our aim to be the best open financial services platform by acting responsibly and earning the lasting loyalty of our people, customers, shareholders, and communities.

### Sustainability governance

Sustainability and managing sustainability-related impacts is strategically important to our business. Our sustainability governance structure provides clear oversight and ownership of our Sustainability strategy and how we manage sustainability-related risks. Our governance model spans all levels of our business. From Board and Executive level, through our Risk and Sustainability functions, to our business divisions, including Retail and Business Banking (RBB), Consumer Finance, and Corporate and Commercial Banking (CCB).

A three lines of defence risk model is built into the way we run our business. This includes how we manage sustainability risk. For more on the Board's role in assessing and managing risks and opportunities, see the Governance section of the Santander UK Group Holdings Annual Report. Below, we set out how Santander UK's Board, Committees, Forums, meetings, and working groups oversaw sustainability-related risks and opportunities in 2024. In addition, we also outline our overall operating model for sustainability within Santander UK. This includes the role of senior management, remuneration, and training and skills development.

## Governance continued

### Board and Board Committees

The Board is ultimately responsible for reviewing and approving our individual sustainability strategies (e.g. Climate, Social and Governance). The Board Responsible Banking Committee (RBC) provides Board-level oversight of sustainability performance. It reviews and agrees Santander UK's approach to global and national sustainability issues. It also monitors progress towards our goals and ensures alignment with sector ambitions.

The RBC met eight times during 2024 and sustainability-related papers were presented on all occasions. Key sustainability topics discussed were the internal climate transition plan, progress against sustainability ambitions, new regulation, and future sustainability risks and opportunities.

Throughout 2024, the Board Audit Committee maintained oversight of sustainability-related internal controls and disclosure. It also ensured alignment with established processes and standards.

The Board Risk Committee, in coordination with RBC, is responsible for the oversight of identifying environmental and social risks. Together with the RBC it assesses Santander UK's exposure to climate-related risks and other sustainability issues. The Board Risk Committee met eight times and discussed sustainability-related matters on three occasions.

### Senior Management Committee

The Senior Management Committee (SMC) provides management-level oversight of ESG performance. The SMC discussed sustainability-related matters on four occasions. This included ESG remuneration, our internal climate transition plan, and our new Social strategy.

### ESG Leadership Forum

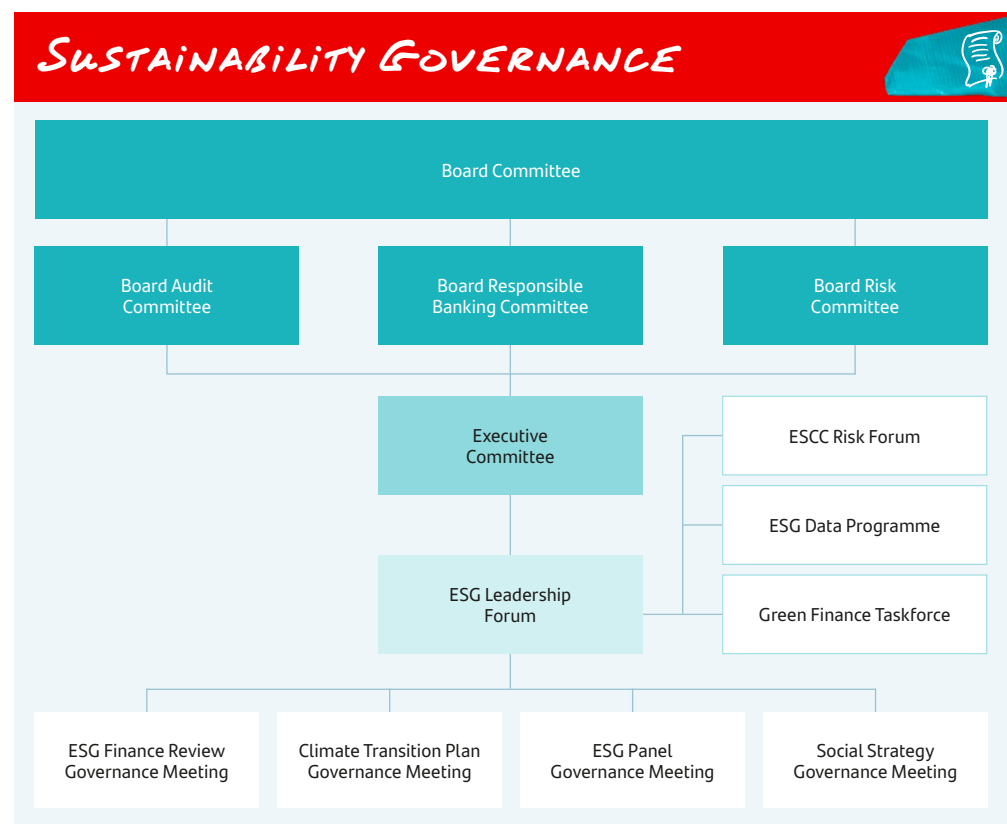
The ESG Leadership Forum plays a key role in ensuring our Sustainability strategy with our business strategy. It monitors progress against ESG ambitions, manages sustainability disclosure risks, and oversees effective communication with our stakeholders.

In 2024, the Forum met 12 times covering sustainability matters in all meetings. Topics included emissions reporting, our internal climate transition plan, our updated Climate strategy, climate change risk, green finance customer propositions, our proposed Social strategy, and the ESG data programme.

### Executive accountabilities

Our CEO holds executive responsibility for overseeing the development and delivery of Santander UK's Sustainability strategy, including alignment with our business strategy:

- The Director of Communications, Marketing and Responsible Banking who is responsible for the overall development and delivery of our Sustainability strategy
- Each of the pillars of our Sustainability strategy is owned and delivered by Executive Committee members accountable for these areas
- Individual business heads (Corporate and Commercial Banking, Retail and Business Banking, and Consumer Finance) are responsible for aligning their portfolios and exploring green finance opportunities
- The Chief Operating Officer is responsible for reducing Santander UK's own operational footprint
- The Chief Risk Officer (CRO) is responsible for integrating climate risks and adhering to regulatory and supervisory expectations.



## Governance continued

### ESG governance meetings

There are several ESG governance meetings that support the work of the ESG Leadership Forum:

- ESG Finance Review Governance Meeting: assists the Director of Financial Reporting's review of all financial and non-financial information published in internal ESG reporting and external ESG disclosures
- ESG Panel Governance Meeting (ESGPGM): reviews, certifies, approves, and monitors the eligibility and consistency components of all proposed green, social, or sustainable (ESG-labelled) transactions, providers, products, and services
- Transition plan Governance Meeting: responsible for co-ordinating Governance of the internal climate transition plan. This includes providing support and advice to business units and functions on alignment with the transition plan. It is also responsible for overseeing the internal climate transition planning, ensuring alignment with Banco Santander and maintaining compliance with relevant legislation at UK and Group levels.
- Green Finance Taskforce: responsible for developing and delivering the retail and corporate commercial green finance strategies for Santander UK, also reporting up into the One Europe Green Finance team.

### Second and third line organisational structure

Environmental, social, and climate change risk is considered a transversal risk for Santander UK. This means these climate-related risks can be present in other risk categories, such as reputational, financial, and legal risk. Our Business Units, Business Support Units, and Risk Control Units consider the impact of these risks on our existing business risks over the medium and long term. Business units are responsible for all relevant risks in their business area. Business Support Units give specialist support to Business Units in risk management.

Risk Control Units report their climate-related risks across key risk types covering Credit, Liquidity, Pension, Capital, Operational, Reputational, Conduct and Regulatory, and Legal risks. Internal Audit also plays a key role in the governance of our Sustainability strategy. It provides assurance across a wide range of sustainability-related topics.

Internal Audit continue to support the agenda by building ESG requirements and bespoke ESG audits into their forward looking plans.

### Remuneration

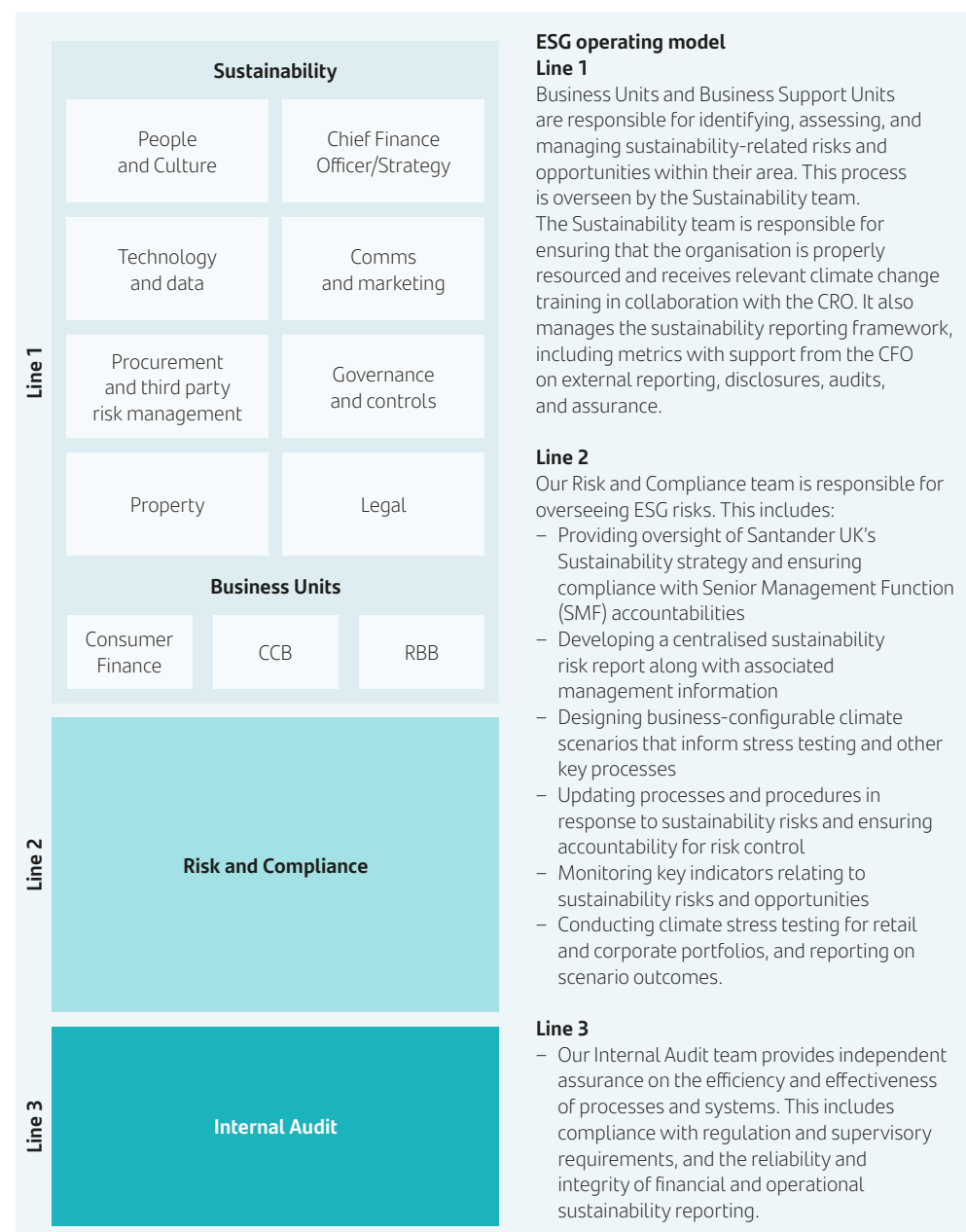
Our annual UK Variable Pay Scorecard includes a weighting related to ESG performance. In 2024, 10% of all employees' variable pay was linked to ESG performance with all metrics linked to the delivery of our Sustainability strategy. Furthermore, an additional 5% of the final bonus pool outcome was based on a qualitative assessment by Banco Santander against globally defined ESG ambitions. Good progress was made against both assessments in 2024 and further stretching goals will be set for 2025.

### Training and skills development

In April 2024, we provided training to members of the Board, RBC, and SMC covering emerging regulations, sustainable reporting, nature and biodiversity, and the circular economy.

Specialist training continues for employees directly involved in our sustainability agenda. This includes external certifications such as Institute of Environmental Management and Assessment, Cambridge Institute for Sustainability Leadership, and Chartered Banker Qualifications in Green Finance.

In 2025, we'll launch a new mandatory sustainability training for all employees. The course will cover our Climate strategy, Social strategy and Governance strategy, the risks of greenwashing, and the importance of reporting and disclosures.



### ESG operating model

#### Line 1

Business Units and Business Support Units are responsible for identifying, assessing, and managing sustainability-related risks and opportunities within their area. This process is overseen by the Sustainability team. The Sustainability team is responsible for ensuring that the organisation is properly resourced and receives relevant climate change training in collaboration with the CRO. It also manages the sustainability reporting framework, including metrics with support from the CFO on external reporting, disclosures, audits, and assurance.

#### Line 2

Our Risk and Compliance team is responsible for overseeing ESG risks. This includes:

- Providing oversight of Santander UK's Sustainability strategy and ensuring compliance with Senior Management Function (SMF) accountabilities
- Developing a centralised sustainability risk report along with associated management information
- Designing business-configurable climate scenarios that inform stress testing and other key processes
- Updating processes and procedures in response to sustainability risks and ensuring accountability for risk control
- Monitoring key indicators relating to sustainability risks and opportunities
- Conducting climate stress testing for retail and corporate portfolios, and reporting on scenario outcomes.


#### Line 3

Our Internal Audit team provides independent assurance on the efficiency and effectiveness of processes and systems. This includes compliance with regulation and supervisory requirements, and the reliability and integrity of financial and operational sustainability reporting.

## Governance continued

# GOVERNANCE


Category	Notes	Units	2024	2023	2022
Sanctions: procedures and amounts (Santander UK plc)		#	0	–	–
Number of ongoing ESG administrative and judicial procedures (Santander UK plc)	Our data shows we had no responsive matters for 2024.	#	0	–	–
Reports from third parties by type (Santander UK Group Holdings plc)	This metric shows the total number of reports received through the ethics channel set up for this purpose from customers and suppliers and managed locally in each unit. As this is a new metric for 2024, as part of our alignment with Banco Santander, there is no prior year data available for disclosure.	#	3	–	–
Complaints by resolution: in favor of the client (Santander UK plc)		%	45	–	–
Total complaints managed or resolved (Santander UK plc)		#	25,265	–	–
Total formal complaints received (Santander UK plc)		#	30,778	–	–
Complaints by type of product: Due to Banking Procedures (Santander UK plc)		%	63.0	–	–
Complaints by type of product: Due to Insurance (Santander UK plc)	In previous years, customers' complaints were reported at an overall level based on the volume of FCA reportable complaints received within the period. The new 2024 metrics show specific complaints by product type aligned to Banco Santander's definition and reporting.	%	0.3	–	–
Complaints by type of product: Due to Investments (Santander UK plc)		%	0.9	–	–
Complaints by type of product: Due to Credit (Santander UK plc)		%	14	–	–
Complaints by type of product: Due to Means of Payment (Santander UK plc)		%	13	–	–
Complaints by type of product: Not related to the product (Santander UK plc)		%	8.4	–	–

**Key:**  2024 data has been subject to Independent Limited Assurance by PricewaterhouseCoopers LLP, please refer to the Assurance opinion in this supplement. See our 2020, 2021, 2022 and 2023 supplements for the prior performance period and assurance by PricewaterhouseCoopers LLP. Please refer to the Methodologies and data criteria section of this supplement for further details of how we have prepared our 2024 data.

## Governance continued

## GOVERNANCE CONTINUED

Category	Notes	Units	2024	2023	2022
Reports through ethical channels received by type: total (Santander UK Group Holdings plc)		#	138	–	–
Reports through ethical channels processed: that pose disciplinary measures: total (Santander UK Group Holdings plc)		#	15	–	–
Reports through ethical channels processed: relative to corruption and bribery that pose disciplinary measures: total (Santander UK Group Holdings plc)		#	0	–	–
Reports through ethical channels processed: relative to discrimination that pose disciplinary measures: Relative to Equal opportunities and non-discrimination (Santander UK Group Holdings plc)	Due to adjustments made to align data points with Banco Santander, we do not have available data here that is equally comparable to previous years. Therefore, comparatives are not provided.	#	0	–	–
Incidents of discrimination (including harassment) (Santander UK Group Holdings plc)		#	37	–	–
Reports through ethical channels closed by type: total (Santander UK Group Holdings plc)		#	145	–	–
Number of communications to authorities regarding Financial Crime Compliance (Santander UK plc)		#	22,324	–	–
Number of Financial Crime Compliance investigations conducted (Santander UK plc)		#	35,346	–	–

Key:  2024 data has been subject to Independent Limited Assurance by PricewaterhouseCoopers LLP, please refer to the Assurance opinion in this supplement. See our 2020, 2021, 2022 and 2023 supplements for the prior performance period and assurance by PricewaterhouseCoopers LLP. Please refer to the Methodologies and data criteria section of this supplement for further details of how we have prepared our 2024 data.

## Methodologies

# OUR PERFORMANCE METRICS – BASIS OF REPORTING



## ENVIRONMENT



Consumption

Carbon emissions

Green/sustainable financing

## Overall reporting principles

### 1. Reporting boundaries

We report on the impact of operations within Santander UK Group Holdings plc unless stated otherwise. We report on our sustainability topics where impacts are material to Santander UK Group Holdings plc and other stakeholders, including Banco Santander and third parties such as suppliers and charities. Santander UK Group Holdings plc (also referred to as HoldCo) is made up of Santander UK plc, Santander Financial Services plc, Cater Allen and Santander Consumer Finance UK.

### 2. Restatement of data

Data may be restated for previous years, for example due to updated billing information. Where this happens, we've made a note alongside the data.



## SOCIAL



Customers

Communities

People



## GOVERNANCE



Sanctions

Complaints

Ethical channels

### 3. Aligning to Banco Santander

Throughout 2024, we have looked to align as much as possible with Banco Santander's ESG data points. As such, many of our methodologies have been updated and are treated as new data points. For this reason, some of these are not equally comparable to previous years. Therefore, comparatives have not been provided in our metric tables. This approach has been taken to enable our stakeholders to understand the UK contribution to the wider Banco Santander Group. In addition to this, we continue to disclose some UK only ESG data points that support our local requirements and commitments. For these, comparatives are recorded.

## Methodologies continued

## ENVIRONMENT



Metric	Definition	Scope	Units	Method	Source
Total energy consumption	Total energy consumption, measured in MWh, derived from all sources of energy consumed by the Santander UK Group Holdings plc in the course of its operations	Santander UK plc estate: Large offices, small offices, Carlton Park data centres, retail branches, business travel emissions via road.	MWh	Electricity: external supplier invoices validated against consumption data gained direct from smart meters (remote dial-up). Gas: external supplier invoices validated against consumption data gained direct from smart meters (remote dial-up). Oil: manual meter readings taken on sites. Business travel: records for the distance travelled by road is extracted from relevant internal systems or provided by the third-party travel admin operator. Km travelled is then converted into energy (MWh).	Supplier invoices and meter readings.
Total fossil energy consumption	Total consumption in Santander UK plc of fuel from fossil fuel sources, for the exercise of its activity, measured in MWh.	Santander UK plc estate: Large offices, small offices, Carlton Park data centres, retail branches, business travel emissions via road.	MWh	Gas: external supplier invoices validated against consumption data gained direct from smart meters (remote dial-up). Oil: manual meter readings taken on sites by facilities team who then send photos of meter readings to the Quality Manager who checks these against a spreadsheet with the meter reading in. Business travel: records for the distance travelled by road is extracted from relevant internal systems or provided by the third-party travel admin operator. Km travelled is then converted into energy (MWh).	Supplier invoices and meter readings for natural gas and meter readings for oil.
Total Renewable energy consumption	Total consumption in Santander UK Group Holdings plc of energy from renewable sources, for the exercise of its activity, measured in MWh.	Santander UK plc estate: Large offices, small offices, Carlton Park data centres, retail branches.	MWh	Electricity: external supplier invoices validated against consumption data gained direct from smart meters (remote dial-up).	Supplier invoices and meter readings.
Water consumption (m <sup>3</sup> )	Water consumption volume from public supply system by Santander UK plc.	Santander UK plc estate: Large offices, small offices, Carlton Park data centres, retail branches.	m <sup>3</sup>	Water suppliers target 1-2 manual meter readings per meter per annum (where a meter is installed and access is provided by site). These meter readings are provided to SMS, (an independent energy infrastructure and solutions provider) within the invoicing only and so there is no second source of meter readings to validate the bills against. As such, any billed consumption based on actual reads gained from the supplier are validated against historical consumption rather than separate meter readings. One exception to the rule is the occupied office estate where the FM (ISS) records monthly meter readings which are then relayed to SMS via e-mail. Please note: the manual meter readings contained within this communication are often incorrect and so are not fit for purpose.	Supplier invoices and meter readings.

## Methodologies continued

## ENVIRONMENT CONTINUED



Metric	Definition	Scope	Units	Method	Source
Total waste	Quantity of paper and cardboard, electronic and hazardous waste generated in facilities and branch networks.	Santander UK plc estate: Large offices, small offices, Carlton Park data centres, retail branches (grouped).	kg	Data is provided by waste suppliers and uploaded to a centralised database. This centralised database is then subject to further processing into the necessary categories for monitoring and reporting purposes.	Supplier reports.
Recycled waste: total	Quantity of paper and cardboard and other waste (electronic and hazardous) generated in facilities and branch networks, and that are later sent for recycling and are certified for this treatment.	Santander UK plc estate: Large offices, small offices, Carlton Park data centres, retail branches (grouped).	kg	Data is provided by waste suppliers and uploaded to a centralised database. This centralised database is then subject to further processing into the necessary categories for monitoring and reporting purposes.	Supplier reports.
Scope 1 CO <sub>2</sub> e emissions	Direct emissions from owned or controlled sources.	GHG emissions include the activities and facilities owned or under the operational control of the Santander UK Group Holdings plc.	tCO <sub>2</sub> e	Our Scope 1 GHG emissions encompasses oil, gas, direct transport, and fugitive gas emissions. Consumption and transport data is extracted from relevant source systems and records. Data is sourced from internal systems, including meter readings, maintenance records, and internal travel systems and external systems such as; bill validation systems and external supplier invoices. Emissions calculated for gas, oil, direct travel, and fugitive gases following the GHG Protocol Corporate Standard using the relevant UK Government Department for Energy Security and Net Zero (DESNZ) conversion factors and collated into a total Scope 1 emissions figure. We use billing invoices, meter readings, mileage claims, and maintenance records to obtain our consumption data.	SMS: Billing invoices, meter readings, mileage claims, maintenance records. Department for Energy Security and Net Zero (DESNZ) and Department for Business, Energy & Industrial Strategy (BEIS): Government conversion factors for company reporting of greenhouse gas emission.
Scope 2 tCO <sub>2</sub> e (Location-based) emissions	Location-based Scope 2 emissions refer to indirect emissions from owned or controlled sources, specifically from the consumption of purchased electricity, heat, or steam. These emissions are calculated based on the average emission factors of the geographic location where the energy is consumed.	GHG emissions include the activities and facilities owned or under the operational control of the Santander UK Group Holdings plc.	tCO <sub>2</sub> e	Scope 2 Location-based GHG emissions encompass purchased electricity (and electric fleet/company cars). The Scope 2 emissions for electricity consumption and our electric vehicle fleet are calculated using the relevant UK Government Department for Energy Security and Net Zero (DESNZ) conversion factors and guidance. The data for electricity consumption and travel data (for electric fleet/cars) are extracted from relevant source systems. This is collated into a total Scope 2 emissions figure. We use billing invoices and mileage claims for our consumption data.	SMS – billing invoices, mileage claims. Department for Energy Security and Net Zero (DESNZ) and Department for Business, Energy & Industrial Strategy (BEIS): Government conversion factors for company reporting of greenhouse gas emissions. Latest available emissions factors from Jersey Government Greenhouse Gas Emissions webpage (gov.je).



## Methodologies continued

## ENVIRONMENT CONTINUED



Metric	Definition	Scope	Units	Method	Source
Scope 2 CO <sub>2</sub> e (market-based)	Market-based Scope 2 emissions reflect the emissions for the electricity we have purchased, specifically from green sources such as solar and wind. These emissions are calculated based on the specific emissions factors associated with the energy contracts or suppliers chosen by the organisation.	GHG emissions include the activities and facilities owned or under the operational control of the Santander UK Group Holdings plc.	tCO <sub>2</sub> e	Scope 2 GHG emissions encompass purchased electricity (and electric fleet/company cars). We use the Market-based approach to quantify our emissions, meaning we use emissions factors provided by our electricity suppliers. For our Scope 2 emissions this reflects the emissions for the electricity we have purchased via our green tariffs which provides electricity generated via renewable sources including biomass and wind generation. Therefore the market-based Scope 2 emissions for electricity consumption are zero for Santander UK plc. However, the disclosed figure for Santander UK Group Holdings plc includes Santander Financial Services electricity consumption, which is not from renewable sources and therefore is captured in its entirety. The emissions from the electric fleet are calculated using the Residual Mix from AIB Fuel Mix Disclosure, as this shows the market share of electricity once all purchased renewables have been removed from the grid. The data for electricity consumption and travel data (for electric fleet/cars) are extracted from relevant source systems. This is collated into a total Scope 2 emissions figure. We use billing invoices and mileage claims for our consumption data. In 2024, a new data source was identified for Jersey, which provides a more accurate reflection of the emissions profile of our operations in this location.	SMS : billing invoices, mileage claims. Latest available emissions factors from Jersey Government Greenhouse Gas Emissions webpage (gov.je)

## Methodologies continued

## ENVIRONMENT CONTINUED



Metric	Definition	Scope	Units	Method	Source
Scope 3 CO <sub>2</sub> e emissions (business travel only)	Indirect emissions in our value chain arising from business travel. Business travel includes all travel by Santander UK Group Holdings plc (HoldCo) employees that HoldCo pays for. This includes train, plane and car travel. Taxi travel is excluded for all HoldCo due to lack of mileage data. Scope 3 GHG emissions are indirect emissions created through our value chain that have not been included in Scope 1 and 2.	<p>Scope 3 business travel includes train, plane and car travel but excludes taxi travel for all Santander UK Group Holdings plc (HoldCo) due to lack of mileage data.</p> <p>The emissions reflect travel undertaken by employees still employed by HoldCo. Employees that had left Santander UK plc or were temporarily absent during each reporting period for 2022-2023 had been excluded from Scope 3 business travel, but should have been included. This excluded population has been included for the related data points in 2024, but 2023 data was not updated due to the estimated uplift remaining reasonable based on the assumptions adopted at the time and the movement compared to the 2024 actuals. In 2023, we made the assumption that the profile of employees and nature of the travel had not materially changed in 2022 compared to the 2023 data. We have used the 2023 estimated uplift to amend 2022 business travel. This estimation also impacted the Total CO<sub>2</sub>e emissions, CO<sub>2</sub>e emissions per employee, and year-on-year percentage for 2022-2023.</p>	tCO <sub>2</sub> e	Our Scope 3 reporting encompasses the emissions caused through business travel (air, road and train). Business travel records extracted from relevant internal systems or provided by the third-party travel admin operator through self-disclosed expenses. Employees are not removed from the business mileage analysis for 2024. To include leavers into the mix we use a monthly refreshed version of our golden source HR file that has the option to include leavers in the data. The distance (kilometres) travelled is then converted into carbon emissions using relevant factors from UK Government Department for Farming and Rural Affairs (DEFRA) and collated into a total Scope 3 emissions figure (involvement from third party SMS). Car figures are based on engine size (using mileage and engine size and relevant emission factor), flight figures are based on average cabin seat class and for rail they are based on average cabin seat class and rail figures are based on national rail conversion factor and are reliant on employee correct disclosure. We source data from mileage claims and third party travel reports. Our Scope 3 emissions exclude emissions incurred through working from home.	<p>Certify (third party) – provides predominantly motor vehicle travel information.</p> <p>Clarity (previously Agiito) (third party) – provides flight and rail information.</p> <p>Microsoft Dynamics GP (third party) – provides travel data for SFS.</p> <p>Invoice data.</p> <p>Department for Farming and Rural Affairs (DEFRA) – conversion factors.</p>
Total CO <sub>2</sub> e emissions (excluding financed emissions)	Total Scope 1, 2 (market-based) and 3 emissions (business travel only).	Santander UK Group Holdings plc.	tCO <sub>2</sub> e	Summation of Scope 1, 2 (market-based) and 3 emissions (business travel only).	Emissions data (as previously stated above).
CO <sub>2</sub> e emissions per employee (excluding financed emissions)	Emissions per full-time equivalent employee (FTE) for Scope 1, 2 (market based), and 3 (business travel) emissions.	Santander UK Group Holdings plc.	tCO <sub>2</sub> e/FTE	Total emissions in 2024 divided by total Santander UK Group Holdings plc employees in Santander UK Group Holdings reported in this ESG Supplement.	Emissions data (as previously stated). Workday.
Offsetting carbon emissions Scope 1 and Scope 2	The total number of carbon credits that are used in the current year, in order to offset emissions (tCO <sub>2</sub> e): Scope 1 – direct emissions; Scope 2 – indirect emissions of purchased energy (market-based, measured in tCO <sub>2</sub> e, according to the guidelines of the current year's GHG Protocol). These credits come from existing stock and/or those acquired in the current year.	Santander UK Group Holdings plc.	tCO <sub>2</sub> e	Credits equal to the calculated scope 1 and 2 emissions are procured through a central Banco Santander process.	Banco Santander offsetting methodology, third-party contracts, and supplier invoices.

## Methodologies continued

## ENVIRONMENT CONTINUED



Metric	Definition	Scope	Units	Method	Source
Carbon credits cancelled from elimination projects	Number of carbon credits from phase-out projects cancelled to offset the current year's carbon footprint	Santander UK Group Holdings plc.	tCO <sub>2</sub> e	Credits are purchased through Banco Santander process where individual projects are selected aligned to Banco Santander policy for carbon credits. Individual standard compliance, geography, and type of credits are subject to the specific schemes chosen, and confirmed at point of selection.	Banco Santander offsetting methodology, third-party contracts and supplier invoices.
Carbon credits cancelled from reduction projects	Number of carbon credits from reduction projects cancelled to offset the carbon footprint for the current year	Santander UK Group Holdings plc.	tCO <sub>2</sub> e	Credits are purchased through Banco Santander process where individual projects are selected aligned to Banco Santander policy for carbon credits. Individual standard compliance, geography, and type of credits are subject to the specific schemes chosen, and confirmed at point of selection.	Banco Santander offsetting methodology, third-party contracts and supplier invoices.
Carbon credits cancelled from quality standard: VCS Verra	Number of carbon credits from projects of recognized quality standard: VCS Verra, cancelled to offset the carbon footprint of the current year.	Santander UK Group Holdings plc.	tCO <sub>2</sub> e	Credits are purchased through Banco Santander process where individual projects are selected aligned to Banco Santander policy for carbon credits. Individual standard compliance, geography, and type of credits are subject to the specific schemes chosen, and confirmed at point of selection.	Banco Santander offsetting methodology, third-party contracts and supplier invoices.
Carbon credits cancelled from quality standard: Gold Standard GS	Number of carbon credits from projects of recognized quality standard: Gold Standard GS, cancelled to offset the carbon footprint of the current year.	Santander UK Group Holdings plc.	tCO <sub>2</sub> e	Credits are purchased through Banco Santander process where individual projects are selected aligned to Banco Santander policy for carbon credits. Individual standard compliance, geography, and type of credits are subject to the specific schemes chosen, and confirmed at point of selection.	Banco Santander offsetting methodology, third-party contracts and supplier invoices.
Carbon credits cancelled from quality standard: American Carbon Registry	Number of carbon credits from projects of recognized quality standard: American Carbon Registry, cancelled to offset the carbon footprint of the current year.	Santander UK Group Holdings plc.	tCO <sub>2</sub> e	Credits are purchased through Banco Santander process where individual projects are selected aligned to Banco Santander policy for carbon credits. Individual standard compliance, geography, and type of credits are subject to the specific schemes chosen, and confirmed at point of selection.	Banco Santander offsetting methodology, third-party contracts and supplier invoices.
Carbon credits cancelled from quality standard: Climate Action Reserve	Number of carbon credits from projects of recognized quality standard: Climate Action Reserve, cancelled to offset the Carbon Footprint of the current year.	Santander UK Group Holdings plc.	tCO <sub>2</sub> e	Credits are purchased through Banco Santander process where individual projects are selected aligned to Banco Santander policy for carbon credits. Individual standard compliance, geography and type of credits are subject to the specific schemes chosen and are confirmed at point of selection.	Banco Santander offsetting methodology, third-party contracts and supplier invoices.

## Methodologies continued

## ENVIRONMENT CONTINUED



Metric	Definition	Scope	Units	Method	Source
Carbon credits cancelled from projects within the EU	Number of carbon credits from projects within the European Union, cancelled to offset the carbon footprint of the current year.	Santander UK Group Holdings plc.	tCO <sub>2</sub> e	Credits are purchased through Banco Santander process where individual projects are selected aligned to Banco Santander policy for carbon credits. Individual standard compliance, geography, and type of credits are subject to the specific schemes chosen, and confirmed at point of selection.	Banco Santander offsetting methodology. Third-party contracts and supplier invoices.
Scope 3 financed emissions (Mortgages)	Financed emissions link the financing we provide to our customers for their mortgage activities in the real economy to greenhouse gas emissions. These emissions are attributed to the Santander UK Group Holdings plc based on proportion of the financial support provided to properties.	This metric covers the Scope 3 (cat 15) emissions for Santander UK Group Holdings plc from lending on residential mortgages. A small number of mortgages located in the crown dependencies (channel islands) have been excluded from the mortgage book analysis due to data availability, however these are not deemed material to the overall assessment. Additionally, these will not tie directly to the total mortgages balance as per financial statements for Santander UK Group Holdings.	thousand tCO <sub>2</sub> e kgCO <sub>2</sub> e/ m <sup>2</sup> PCAF score £bn	We align to the PCAF methodology for the assessment of mortgages loans. For residential mortgages under the PCAF guidance we account for Scope 1 and Scope 2 emissions of the buildings being financed. The attribution factor is the outstanding amount of the loan as per the reporting year for each mortgage, divided by the total property value at origination for each building (where this is unavailable, latest valuation is used). We calculate the emissions for each property, with PCAF derived factors. Building emissions are calculated using the EPC label and floor area at a property level provided to Santander UK by the external data provider, Landmark. Where EPC data is not available, Landmark uses modelled data. Buildings emissions are then modelled using PCAF emissions factors mapped by property type, location, and EPC band. These building emissions are multiplied by the emissions factor before being aggregated to provide portfolio-level emissions. Within the calculation of emissions, attribution is capped at 100%, this is to prevent cases where historic valuations would generate an LTV in excess of 100% which would lead to greater than the total amount of emissions being applied to the property. In addition where no valuation is available we conservatively apply 100% of emissions.	Landmark – provides EPC data. Internal data ERM assists with the financed emissions calculations and additional support from commercial clients. PCAF Database.

## Methodologies continued

## ENVIRONMENT CONTINUED



Metric	Definition	Scope	Units	Method	Source
Scope 3 financed emissions (Consumer Finance)	Financed emissions link the financing we provide to our clients for their consumer finance activities in the real economy to greenhouse gas emissions.	This metric covers the Scope 3 (cat 15) emissions for Santander UK Group Holdings plc from consumer finance provided by Santander Consumer Finance UK (SCUK) entity. This metric only includes emissions from passenger cars.	gCO <sub>2</sub> e/km, thousand tCO <sub>2</sub> e, PCAF score £bn	In calculating our financed emissions metrics, we account for Scope 1 and Scope 2 emissions of the vehicles being financed in line with PCAF guidance. In the calculation, the attribution factor is defined as the outstanding amount of each loan as per the reporting year for each vehicle, divided by the total asset value for each vehicle. Vehicle emissions are calculated through multiplying the vehicle-specific emission intensity values (measured in kgCO <sub>2</sub> e/km) by the expected vehicle distance travelled. In the case of leases a 100% attribution factor is used. Where available, the vehicle-specific emission intensity is based on the Worldwide Harmonised Light Vehicle Test Procedure (WLTP), in line with PCAF guidance. No further adjustments were made to this value to account for real driving conditions, which may result in a potential underestimation of emissions. Where the emission intensity was not available in the WLTP standard, this was converted to a WLTP emission intensity. For those passenger car entries with missing emission intensities, UK government data for appropriate UK grid emissions factors was used. The remaining vehicles were excluded from the analysis due to insufficient data availability. Scope 2 emission intensity was calculated by using appropriate UK grid emissions factors (kgCO <sub>2</sub> e/km), and, if relevant, added to the Scope 1 emission intensity figures associated with fuel consumed. Scope 1 emission intensity values were converted from CO <sub>2</sub> to CO <sub>2</sub> e using an appropriate conversion factor. The distance travelled used was based on contract values, or the average of all other cars in the dataset when contract values were not available. The data quality score has been calculated in line with guidance provided in PCAF's Standard Part A – Financed Emissions, with consideration of the data sources used for distance and emissions values. Where both mileage and emission intensity values were estimated, a PCAF score of 4 was applied. Where mileage is known (as per the contract/source system) and known emission intensity from the vehicle type, a PCAF score of 2 was applied. Where mileage is unknown but emissions intensity is known, a PCAF score of 3 was used.	Internal data in relation to the cars financed. Department for Energy Security and Net Zero emissions factors and modelled values obtained from third-party service providers. PCAF Database.

## Methodologies continued

## ENVIRONMENT CONTINUED



Metric	Definition	Scope	Units	Method	Source
Scope 3 financed emissions (Corporate Real Estate)	Financed emissions link the financing we provide to our Commercial Real Estate, Social Housing, Care Homes, and Hotels and their activities in the real economy to greenhouse gas emissions.	This metric covers the Scope 3 (cat 15) emissions for Santander UK Group Holdings from Commercial Real Estate, Social Housing, Care Homes, and Hotels.	kgCO <sub>2</sub> e/ m <sup>2</sup> , thousand tCO <sub>2</sub> e, PCAF Score £bn	Calculations for Commercial Real Estate include the attribution factor. This is the outstanding amount of the loan at 31 December divided by the total property value at origination for each building, as per PCAF's methodology. The CRE population is identified using the individual asset sectoral designation from our internal collateral database. Building emissions are calculated by using EPC rating at a property level provided to Santander UK by external data providers, Gloval Es and Landmark. Buildings emissions are then modelled using PCAF emissions factors based on mapping the asset to a specific building type and EPC rating. Where an EPC rating was not available, the UK PCAF emissions factor for building type was used. These building emissions are then multiplied by the attribution factor, before being aggregated to provide portfolio-level emissions. The data quality score has been calculated in line with PCAF's score requirements with consideration of the data sources used for EPC ratings and square footage. Where the most recent EPC rating and real floor area where available a PCAF score of 3.0 was applied. Where the latest EPC rating wasn't available but the floor area was, a PCAF score of 4.0 was applied. Finally where neither the latest EPC rating nor the floor area was available, a PCAF score of 5.0 was applied. The final average Score of 4.0 reflects that our analysis is heavily reliant on proxy data.	Landmark (third party) – provides EPC data for social housing Gloval Es (third party) – provides EPC data for Commercial Real Estate ERM assists with the financed emissions calculations and additional support from commercial clients PCAF Database

## Methodologies continued

## ENVIRONMENT CONTINUED



Metric	Definition	Scope	Units	Method	Source
Green finance raised and facilitated	Includes Santander UK plc's contribution to green finance facilitated to customers by three segments of Santander UK plc: Mortgages, Corporate and Commercial Banking, and Santander UK Consumer Finance. This metric measures our progress towards our strategic goal to help customers transition to a low-carbon economy.	<p>This metric is made up of green finance raised and facilitated across three segments of Santander UK plc: Mortgages, CCB, and Consumer Finance.</p> <p>Mortgages – covering new business mortgage finance to properties with an EPC rating of A and B for Santander UK plc.</p> <p>Corporate and Commercial Banking – structured project financing for renewable energy installations, other green energy and infrastructure solutions such as real estate and transport (including lending and other facilities such as potential future exposure) within CCB.</p> <p>Consumer Finance – electric vehicles and other green vehicles including bicycles and e-bikes. Green finance to vehicles includes financing vehicles that emit less than 50g CO<sub>2</sub> per km, any bicycles and any EVs, for Santander UK Consumer Finance (SCUK).</p>	£bn	<p>Mortgages: Completions data comes direct from our core mortgage platform (SANMF) and in some cases legacy platforms. Landmark (third party) data is used to match EPC data to mortgage completions. Landmark data is dependent on when the updated data is available from the relevant UK Government website. Although it is possible that EPC ratings have changed in the period they relate to (higher or lower) this is likely to only impact new build properties where no previous EPCs are available.</p> <p>CCB: Financial data that has been classified as green, as determined by the ESGPGM (Environmental, Social, Governance, Panel Governance Meeting), is reported, and governed through CCB internal accounting systems which is supplemented by additional oversight in accordance with the Green Finance Reporting Governance Framework.</p> <p>Consumer Finance (SCUK): CAP HPI automotive industry data is gathered for all cars (electric, hybrid and internal combustion engine) and is used to identify green vehicles. For motorbike emissions the dealerships determine what fuel type they each have and then only fully electric motorbikes will be considered.</p> <p>In the context of CCB additional analysis is conducted with all deals having to be approved through ESGPGM to ensure that the deals and/or products fit within the specific definition and can therefore contribute to this metric.</p> <p>This method is utilised to calculate the green finance raised and facilitated for the reporting period. Data for multiple reporting periods is then combined to state a cumulative figure.</p>	<p>SANMF.</p> <p>Internal legacy platforms.</p> <p>Landmark (third party).</p> <p>CCB internal accounting systems.</p> <p>CAP HPI automotive industry data.</p>
Sustainability Linked Loans according to Santander's internal classification system (total)	Includes Santander UK plc's provision of SLLs either facilitated to customers (e.g. lending and facilitating through capital markets) or raised (e.g. bond issuance). This metric measures our activity towards our strategic goal to help customers transition to a low-carbon economy. To identify business and transactions that can contribute to this metric, we follow the LMA (Loan Markets Association) Sustainability Loan Linked (SLL) Principles and guidance.	Santander UK plc; Corporate and Commercial Banking (CCB); Any loan that is documented in accordance with the LMA SLL Principles and guidance.	£m	<p>We use lending platforms to report against this metric (primarily nCino). Analysis is conducted by our ESG &amp; Climate Change (ESG&amp;CC) team and challenged through ESG PGM (Environmental-Social-Governance Panel Governance Meeting) to ensure that the facility components meet the LMA SLL Principles and Guidance. Reporting through nCino and Alfa, supplemented by internal data (via ESG&amp;CC Team) and then submitted in one document to Head of ESG Reporting.</p>	<p>nCino.</p> <p>Alfa.</p> <p>Internal systems.</p>

## Methodologies continued

## SOCIAL



Metric	Definition	Scope	Units	Method	Source
Group clients by region, geography and Digital Consumer Bank	Any natural or legal person who has a contractual relationship with any Banco Santander company.	Santander UK plc	#	Data produced from multiple reports collected from internal systems.	Internal systems.
Dialogue by channel: Digital bank – clients	Any natural or legal person who, as a customer of a Banco Santander company, has logged on to their personal internet or mobile banking area or both in the last 30 days.	Santander UK plc	#	Data produced from multiple reports collected from internal systems.	Internal systems.
Dialogue by channel: # of branches	Any office at street level and freely accessible for the attention of the customers of any segment, and/or the attention of non-customers.	There are no specific exclusions to the data provided and all open operational branches are included in the year-end figure.	#	Data is validated against existing monthly reporting within the Retail Finance and Analytics department.	SAS.
Ranking of NPS Bank's positioning: Individual Segment	NPS measures customer advocacy and predicts business growth. This metric is our core measure for customer experience.	Main Retail Banking customers for Santander UK plc and key competitors.	#	We measure the main banking NPS of 16,954 consumers on a six-monthly basis using an 11-point scale (%Top2 – %Bottom 7). The latest reported data is based on the six months ending 30/09/2024. The competitor set we monitor to benchmark ourselves against includes Barclays, Halifax, HSBC, Lloyds Bank, Nationwide, NatWest Group, and TSB. Our customer experience research is independently audited by Stiga.	Ipsos.
Community investment programmes: Investment in education, employability and entrepreneurship programmes in the year	Includes contributions to Santander Universities.	Santander UK plc. Includes contributions to Santander Universities.	£m	On a monthly basis we will export and save the Finance Management Report (FMR) into local systems. It is filtered to only include spend against particular spend codes. The three codes used are Marketing, Donations and Travel. We filter out forecast spend so that only actuals remains. This is then transferred from the FMR report in to the Budget Tracker. Where necessary, VAT is deducted from invoice data. The budget tracker is approved by the Universities Manager. Banco Santander provides a template in which the total figure for community investment is broken down into its individual payments. Data is manually uploaded to Salesforce on a quarterly basis	Internal systems. Finance Management Report (FMR) Salesforce



## Methodologies continued

## SOCIAL CONTINUED



Metric	Definition	Scope	Units	Method	Source
People helped through Santander Universities programmes: Employability programmes	Number of people helped in employability programmes (financing upskilling, reskilling of people). Reskilling consists of learning new skills and knowledge for the same functions that the employee performs on a regular basis. It's therefore considered a system of additional training and education aimed at increasing the effectiveness of the tasks performed by the professional.	Santander UK plc.	#		Salesforce. Santander Open Academy. PowerBI.
People helped through Santander Universities programmes: Education programmes	Number of people helped in education programmes (the purpose is to finance access to education for individuals or their resources to complete their studies; traditionally this has been done through scholarships). A scholarship is defined as a distinction or recognition granted to a student, teacher or researcher to facilitate his or her academic, personal or professional official development.	Santander UK plc. Santander Scholarships: Santander Tech, Santander Language, Santander Skills Santander Internship, Santander Women, Santander Research, Santander Studies or Santander Sustainability.	#	Programmes are manually entered into OpenAcademy or Santander X when an a programme is approved to go live. OpenAcademy users manually apply to programmes using a specific application form. OpenAcademy stores all applicants for all programmes. Successful applicants are selected via either random generator or go through a selection process. Some universities operate their own selection criteria and our scholars programme has a specific selection criteria, this is created for each programme.	Salesforce. Santander Open Academy. PowerBI.
People helped through Santander Universities programmes: entrepreneurship programmes	Number of people helped in entrepreneurship programmes (number of businesses supported by Santander Universities is quantified). Entrepreneurship projects: programmes related to the promotion of entrepreneurship such as training for the project development; incubation or acceleration of companies; investment or financing of university-based companies, prizes and challenges addressed to entrepreneurial projects.	Santander UK plc.	#	All programmes have deadlines set up in OpenAcademy that don't allow applicants to apply after this date. Frequency depends upon each programme. Data is automatically fed in to PowerBI on a daily basis. Data in PowerBI allows users to apply filters on dates, country, courses etc.	Salesforce. Santander Open Academy. PowerBI.
People helped through Santander Universities programmes: Total	Total number of people helped for all Santander Universities programmes (employability, education and entrepreneurship). A 'person helped' is the person who receives a personal benefit, economic or otherwise, as a consequence of the ultimate purpose of a programme, service or product, financed by the bank, its employees or clients.	Santander UK plc.	#	Metrics are calculated using the PowerBI and manually input in to Salesforce on an annual basis.	Salesforce. Santander Open Academy. PowerBI.
Entities with agreements: Santander Universities (management criteria)	Total number of unique entities related to higher education with agreements with Santander Universities. Calculation is based on the last 12 months. The concept 'entities' includes both higher education institutions (universities).	Santander UK plc.	#	Entity enters and signs agreement with Santander UK, going through normal procurement and Third Party Risk Management channels and registered in internal procurement systems. Agreements are entered and saved into Salesforce. Metric is calculated using all agreements entered into Salesforce for a certain time period.	Salesforce. Internal systems.

## Methodologies continued

## SOCIAL CONTINUED



Metric	Definition	Scope	Units	Method	Source
Community investment programmes: Investment in education, employability, and entrepreneurship programmes, cumulative 2023-2026	Cumulative community investment (GBP) for the period 2023-2026.	Santander UK plc. Includes contributions to Santander Universities.	£	On a monthly basis the we will export and save the Finance Management Report (FMR) into local systems. It is filtered to only include spend against particular spend codes. The three codes used are Marketing, Donations and Travel. We filter out forecast spend so that only actuals remains. This is then transferred from the FMR report in to the Budget Tracker. Where necessary, VAT is deducted from invoice data. The budget tracker is approved by the Universities Manager. Banco Santander provides a template in which the total figure for community investment is broken down into its individual payments. Data is manually uploaded to Salesforce on a quarterly basis	Internal systems.
Community support	Economic quantification of contributions made during the period (year) that have a positive impact on the society. The metric includes the contributions made through local initiatives supporting the community, and the contributions made through Santander Universities (education, employability and entrepreneurship).	Total spend across the following: 1. Santander Foundation (all of Santander Foundation's 2024 matched donations and Grants) 2. Universities (total donations made in 2024 to Santander UK's university partners) 3. Breakthrough (all 2024 Breakthrough & additional SME investment) 4. Sustainability spend from Santander UK plc Bank (2024 community support programmes and memberships spend). Excluded: internal, operational spend improving internal processes, hosting and security for website.  This metric only considers direct community impact amounts and, therefore, excludes payments in respect of memberships, sponsorship of events or services provided (such as setting up volunteering opportunities for colleagues across Santander UK) by charitable partners. Figures reported are exclusive of VAT.	£m	Spend across the highlighted programmes is calculated and totalled to give one overall community support figure. 1. The Santander Foundation amounts are calculated as spend budgeted and committed from 2024 budgets. 2. University spend is calculated as payments made in 2024. The methodology allowed a maximum of 5% of community investment linked to Santander Universities' sponsorship budget to be allocated to marketing activities. 3. Breakthrough amounts are calculated as spend budgeted and committed from 2024 budgets. 4. Sustainability amounts are calculated as spend budgeted and committed from 2024 budgets.  All donations are approved by the Anti-Bribery and Corruption Department, and any donations that are 50,000 Euros and above, are approved by Banco Santander. Non-donations, such as membership spend or Breakthrough investment are agreed with Finance Business Partners and the Executive Committee at the start of each calendar year. Figures reported are exclusive of VAT.	<ul style="list-style-type: none"> <li>- Santander Foundation matched donations and grants are sourced from Santander Foundation reports;</li> <li>- Sustainability Spend is extracted from the bank's payments system and manual reconciliation aligned to Finance's report;</li> <li>- Universities donations are extracted from internal systems.</li> </ul>

## Methodologies continued

## SOCIAL CONTINUED



Metric	Definition	Scope	Units	Method	Source
People helped through local initiatives supporting the community	A person helped is any person receiving a benefit of personal, economic, or any other nature as the ultimate result of a programme, service or product with a social and/or environmental focus financed by the bank, its employees or its customers. Excludes people unbanked, underbanked or in financial distress that benefit from access and financial solutions from the bank (as this is covered in 'People Financially Included' metric), beneficiaries from Santander Universities programmes (as this is covered in their own metric) and beneficiaries from financial education programmes (as this is covered in the 'Financial Education').	Santander UK plc. This metric is people supported by multiple initiatives across the organisation: Santander Breakthrough, Go Digital Programme with Age UK, Santander Foundation Matched Donations and Financial and Digital Empowerment, Twinkl STEM activity and volunteering initiatives (including through our partnership with National Parks and our national charity partner, Macmillan Cancer Support).	#	Considering the methodology from Banco Santander implemented in 2023, there is a 30% deduction to all figures to avoid double counting (excluding Twinkl STEM and Santander Foundation – Financial and Digital Empowerment grants).	Internal data systems. Third party data systems (including Macmillan, AgeUK, Twinkl).
Number of children and young people given access to financial education resources	Number of children and young people who have been given access to financial education resources that help improve financial literacy to enable them to make informed decisions and that ultimately aim to increase financial well-being. Individuals given access to various programmes are included in the quantification process only once in the entire period (year).	Santander UK plc. This metric is supported by initiatives, including: – Financial education provided by The Numbers Game in partnership with Twinkl. – Financial education provided by Santander UK plc colleagues through MoneyWise sessions to students and young people.	#	1. MoneyWise data is taken from an internal data system and collated after applying a 30% deduction, as per Banco Santander methodology. 2. The Numbers Game data is shared by Twinkl who deduplicate and apply reductions at source.	Internal data systems. Third party data systems (e.g. Twinkl).
New people financially included since 2023	Cumulative number of new people who are unbanked, underbanked, in financial difficulty, or with difficulties in accessing credit who, through the Banco Santander's products and services, are able to access the financial system and/or receive tailored finance. Financially underserved groups are defined as people who do not have a bank account, or who have an account but obtained alternative (non-bank) financial services in the last 12 months. The beneficiaries of these initiatives are included in the quantification process only once in the entire period (2023-2025).	Santander UK plc: Unbanked groups – Underbanked groups – Other targeted groups – People with financial difficulties. Each geography takes into account its local situation.	#	Business areas share data for their respective initiatives. The data is collated and updated after applying a 30% deduction.	Internal databases.
New people financially included since the beginning of the year	Number of NEW people who are unbanked, underbanked, in financial difficulty, or with difficulties in accessing credit who, through the Banco Santander's products and services, are able to access the financial system and/or receive tailored finance. Financially underserved groups are defined as people who do not have a bank account, or who have an account but obtained alternative (non-bank) financial services in the last 12 months. The beneficiaries of these initiatives are included in the quantification process only once in the entire period (year).	Santander UK plc: Unbanked groups – Underbanked groups – Other targeted groups – People with financial difficulties. Each geography takes into account its local situation.	#	Business areas share data for their respective initiatives. The data is collated and updated after applying a 30% deduction.	Internal databases.

## Methodologies continued

## SOCIAL CONTINUED



Metric	Definition	Scope	Units	Method	Source
Employee engagement score	An overall employee engagement score demonstrating the extent to which our employees feel committed to working at Santander UK, are enthusiastic about their work and the organisation, and whether they would speak highly of us externally. The engagement score represents the average of Santander UK plc employees' scores in response to engagement questions from our continuous listening survey, Your Say, which all employees are asked to take part in every month.	Santander UK plc.	Score out of 10	Your Voice, is Santander UK's continuous listening survey which is hosted by the Workday Peakon platform. It gathers employees' feedback on our culture in real time through monthly surveys. Employees are asked to provide a score out of ten in response to a range of questions about their experience working for Santander (0 = Not at all, 10 = Absolutely). The engagement score is the average score given by employees in response to four questions relating to their working experience.	Workday Peakon.
Headcount	The number of people employed by Santander UK plc at any given time. All active employees in the company, included part or full time, either hired indefinitely or temporarily. Any employees inactive due to long term leave of absence are not included in headcount.	Santander UK plc	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Headcount	The number of people employed by Santander UK Group Holdings plc at any given time. All active employees in the company, including part or full time, either hired indefinitely or temporarily. Any Inactive employee due to long term leave of absence are not included in headcount.	Santander UK Group Holdings plc.	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Headcount with permanent contract: Total	The number of people employed permanently by Santander UK plc at any given time, by employee type (temporary, seasonal, fixed term). All active employees in the company, full time.	Santander UK plc employees that work full time contract hours or Santander UK employees that work less than full time contract hours (excludes UK offshore employees), excludes fixed term contract employees.	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Headcount with temporary contract: Total	The number of people employed temporarily by Santander UK plc at any given time, by employee type (temporary, seasonal, fixed term). All active employees in the company, including part or full time.	Santander UK plc employees that are on a fixed term contract (FTC).	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Headcount with full time contract: Total	Number of full time employees.	Santander UK plc full-time employees that work full time contract hours (excludes UK offshore employees).	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Headcount with part-time contract: Total	Number of part time employees.	Santander UK plc employees that work less than full time contract hours (excludes UK offshore employees).	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.

## Methodologies continued

## SOCIAL CONTINUED



Metric	Definition	Scope	Units	Method	Source
Headcount with non-guaranteed hours contract: Total	The number of people employed with non-guaranteed hours by Santander UK plc at any given time, by employee type (workshift). All active employees in the company.	Santander UK plc.	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Employees by sex (Male) FTE	FTE of each company distributed by sex. Possible values are (male, female).	Santander UK Group Holdings plc.	#	Employees' sexes are extracted from Workday records containing the sex they are defined as under UK law on their legal identification documents.	Workday.
Employees by sex (Female) FTE	FTE of each company distributed by sex. Possible values are (male, female).	Santander UK Group Holdings plc.	#	Employees' sexes are extracted from Workday records containing the sex they are defined as under UK law on their legal identification documents.	Workday.
Full time equivalent (FTE) employees	Number of full time equivalent employees	Santander UK Group Holdings plc.	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Employees by gender (Male)	Headcount of each company distributed by gender. Possible values are (male, female, non-binary, not declared (incl. Blank)).	Santander UK plc employees that work full time contract hours or Santander UK employees that work less than full time contract hours (excludes UK offshore employees).	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Employees by gender (Female)	Headcount of each company distributed by gender. Possible values are (male, female, non-binary, not declared (incl. Blank)).		#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Employees by gender (Not declared)	Headcount of each company distributed by gender. Possible values are (male, female, non-binary, not declared (incl. Blank)).		#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Employees by gender (Others)	Headcount of each company distributed by gender. Possible values are (male, female, non-binary, not declared (incl. Blank)).		#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Headcount (# Executives)	Total headcount, specific to executives.	Santander UK plc.	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.

## Methodologies continued

## SOCIAL CONTINUED



Metric	Definition	Scope	Units	Method	Source
Headcount (# Managers)	Total headcount, specific to managers.	Santander UK plc.	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Headcount (# Other employees)	Total headcount, all except for managers or executives.	Santander UK plc	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Employee turnover	Total attrition/turnover percentage for permanent contract staff.	Santander UK Group Holdings.	%	Attrition/turnover calculation is the total number of permanent contract voluntary leavers in the rolling 12-month period to the end of the previous month, divided by the average permanent contract headcount in the same period (exclusions include: end of fixed-term contract, transfers, severance and redundancy/early retirement).	Workday.
Headcount, by age bracket (aged <30)	Total headcount distributed by age bracket: Under 30, Between 30-50, Over 50.	Santander UK plc.	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Headcount, by age bracket (aged 30-50)	Total headcount distributed by age bracket: Under 30, Between 30-50, Over 50.	Santander UK plc.	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Headcount, by age bracket (aged >50)	Total headcount distributed by age bracket: Under 30, Between 30-50, Over 50.	Santander UK plc.	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
FTE of ethnic minority employees	Number of employees declared as belonging to an ethnic or racial minority (Black, Asian, Mixed or Other Minority Ethnic Groups). Based on voluntary disclosures, with exclusions of 'prefer not to say' and 'unspecified'. Self-reported. All employees can update their ethnicity at any point. Santander does not validate employee claims of their ethnicity.	Santander UK Group Holdings plc.	#	Ethnicity information extracted from Workday employee records. The total number of employees who have disclosed ethnicity in a non-white category (Asian, Black, other, and mixed) are added together to provide the total number. Non-disclosed or Prefer not to disclose are excluded from this calculation.	Workday.

## Methodologies continued

## SOCIAL CONTINUED



Metric	Definition	Scope	Units	Method	Source
Headcount of ethnic minority employees	Number of employees declared as belonging to an ethnic or racial minority (Black, Asian, Mixed, or Other Minority Ethnic Groups). Based on voluntary disclosures, with exclusions of 'prefer not to say' and 'unspecified'. Self-reported. All employees can update their ethnicity at any point. Santander does not validate employee claims of their ethnicity.	Santander UK plc.	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Headcount of ethnic minority employees	Number of employees declared as belonging to an ethnic or racial minority (Black, Asian, Mixed or Other Minority Ethnic Groups). Based on voluntary disclosures, with exclusions of 'prefer not to say' and 'unspecified'. Self-reported. All employees can update their ethnicity at any point. Santander does not validate employee claims of their ethnicity.	Santander UK plc.	%	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Women in management positions (Executives, Middle Management)	Percentage of women within management group of either 'executive' or 'middle management', out of the full population of active executive and middle management employees.	Santander UK plc.	%	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Employees with performance reviews	Number of employees who had a performance review within the last 12 months.	Santander UK plc.	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Women in STEM-related positions (of total STEM positions)	Headcount, with gender = female, and with job family groups = Service Support, IT-Delivery, Product and IT Project Management, IT Enterprise, or Data. Then divided by the total headcount of the positions within those job family groups.	Santander UK plc.	%	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday
New hires by gender	All new joiners during the calendar year 2024, distributed by gender.	Santander UK plc.	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Number of days lost due to work-related health (accidents and ill health)	Sum of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health, and fatalities from ill health	Santander UK plc.	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.

## Methodologies continued

## SOCIAL CONTINUED



Metric	Definition	Scope	Units	Method	Source
Cases of recordable work-related ill health (occupational illnesses)	How many incidents of work-related ill health we had during the year.	Santander UK plc.	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Days not worked due to work accidents	Number of days on leave due to occupational accidents.	Santander UK plc.	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Number of recordable work-related accidents	Number of occupational accidents/injuries with leave.	Santander UK plc.	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Total Employees with disability	Number of active employees self identified with some disability within the UK.	Santander UK plc.	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.
Total days of learning completed	Time of each session in status 'completed' multiplied by active employees only. Time is based on the estimated hours a learning session is stated to require, rather than the actual hours taken by the employee.	Santander UK Group Holdings plc. Contractors are not included. Employees who have left the business during the reporting period are not included.	Days	Learning completion data for the required period is extracted from Cornerstone. This is combined with Workday employee records, to identify the entities to include (HoldCo). The total sum of training hours is calculated in a pivot table. This total is then divided by 7 (standard working day), to get the total number of days. Note, this methodology is different to previous years in that calculations are based on estimated hours (rather than actual hours) and assumptions relating to face to face versus virtual training hours have been amended to bring these in line to 7 hours each. This brings us in line with our "Think Global" strategic requirements and enables us to validate centrally produced metrics on the same basis as the Group. With this in mind, prior year data has been updated in line with this new methodology.	Cornerstone. Workday.
Total hours of learning completed	Time of each session in status 'completed' multiplied by active employees.	Santander UK plc.	Hours	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Cornerstone. Workday.



## Methodologies continued

## SOCIAL CONTINUED



Metric	Definition	Scope	Units	Method	Source
Total attendance to learning sessions	Any training session completed by an active employee (as defined in Headcount) during the calendar year 2024.	Santander UK plc.	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Cornerstone. Workday.
Total expenditures on learning	Sum of all expenditures accrued in learning activities, during the period, expressed in GBP. External suppliers / vendors expenses paid and budgeted by the Learning department (for any type of service (training design, training sessions delivery, communications, consulting), logistic and facilities costs (accommodation and travel, materials), expenditures in Marketing and Communications paid and budgeted by the Learning department; other expenses.	Santander UK plc.	£	Report run from ESSBASE (cost reporting tool) to establish spend on training account codes. All fields covered in Excel producing total calculation.	ESSBASE (Oracle).
Terminated employees	All employees who are inactive as a consequence of a termination business process. Distributed by gender.	Santander UK plc.	#	Data extracted from the source, loaded into an Excel spreadsheet where additional calculations are done and pivot tables produced to provide the requested metric.	Workday.

## Methodologies continued

## GOVERNANCE



Metric	Definition	Scope	Units	Method	Source
Sanctions: procedures and amounts	Administrative or regulatory procedures and claims that conclude with a sanction or fine for Santander UK plc and that meet the following criteria: <ol style="list-style-type: none"> <li>Relevant reputational or material impact for the Santander UK plc.</li> <li>Aligned with the following subjects or areas of action: <ul style="list-style-type: none"> <li>Products and services</li> <li>Social and environmental aspects that are relevant to Santander UK plc.</li> </ul> </li> <li>Sanctions and fines when final in the reporting period, as well as resolutions.</li> </ol>	Santander UK plc. Mass litigations will not be reported.	#	The source of information to be used will be the information reported through the various local areas of the general secretariat and the Santander UK plc operational events database, supplemented by any other sanctions of which the other support areas may have become aware.	Internal Systems.
Ongoing ESG administrative and judicial procedures	Administrative or regulatory procedures and claims that conclude with a sanction or fine for Santander UK plc and that meet the following criteria: <ol style="list-style-type: none"> <li>Relevant reputational or material impact for the Santander UK plc.</li> <li>That they are aligned with the following matters or areas of action: <ul style="list-style-type: none"> <li>Products and services</li> <li>Social and environmental aspects that are relevant to Santander UK plc.</li> </ul> </li> <li>Sanctions and fines when final in the reporting period, as well as resolutions.</li> </ol>	Santander UK plc. Mass litigations will not be reported.	#	The source of information to be used will be the information reported through the various local areas of the general secretariat and the Santander UK plc operational events database, supplemented by any other sanctions of which the other support areas may have become aware.	Internal Systems.
Reports from third parties	Total number of reports received from customers or suppliers through the ethics channel set up for this purpose and managed locally in each unit.	Santander UK Group Holdings plc. Concerns which were received during 2024 and qualified as whistleblowing which were reported by a customer or a supplier. Claims and inquiries are excluded.	#	The Whistleblowing team uses a spreadsheet to log all cases to manually calculate the volumes. All concerns are categorised as either being from staff, customer, or supplier.	EthicsPoint. Various: email, letter, phone, and any other method.
Complaints by resolution: in favour of the client	Percentage of complaints for which there has been a resolution favourable to the client out of the total number of complaints handled/resolved.	Santander UK plc. Complaints received during 2024.	%	Data taken from source system to identify complaints received and closed during the reporting period, segmenting complaints found in favour of the client.	Complaints system data.
Total complaints managed or resolved	Total number of complaints handled/resolved.	Total number of complaints handled/resolved. NB: Customers complaints were previously reported at an overall level based on volume of FCA reportable complaints received within the period. The new 2024 metrics are specific categories of dissatisfaction aligned to group definition and reporting.	#	Data taken from source system to identify complaints received and closed during the reporting period.	Complaints system data.

## Methodologies continued

## GOVERNANCE CONTINUED



Metric	Definition	Scope	Units	Method	Source
Total formal complaints received	Number of formal complaints received from clients in official services: customer service, senior management, regulators/official agencies.	Santander UK plc. Expressions of dissatisfaction/complaints received during 2024.	#	Data taken from source system to identify total dissatisfactions received during the reporting period, segmenting by complaint type.	Complaints system data.
Complaints by type of product	Formal complaints received from clients at official services (customer service, senior management, regulators/official agencies) by type of product / service category, out of the total number of formal complaints received from clients.	Santander UK plc. Expressions of dissatisfaction/complaints received during 2024.	%	Data taken from source system to identify dissatisfactions received during the reporting period, segmenting by product type.	Complaints system data.
Reports through ethical channels received by type: total	Total number of reports received through the ethics channel set up for this purpose and managed locally in each unit. Claims and inquiries are excluded.	Santander UK Group Holdings plc. Concerns which were received during 2024 and qualified as whistleblowing.	#	The Whistleblowing team uses an excel spreadsheet to log all cases to manually calculate the volumes received.	EthicsPoint. Various: email, letter, phone, and any other method.
Reports through ethical channels processed that pose disciplinary measures: total	Total number of complaints leading to disciplinary actions, received through the ethical channel or our whistleblowing channel enabled for this purpose and managed locally in each unit.  Disciplinary measures includes dismissals (employee leaves at the initiative of the company) and other disciplinary measures (sanctions in the employee's personnel file), and total number of complaints resulting in dismissals, received through the ethical channel or our whistleblowing channel enabled for this purpose.	Santander UK Group Holdings plc. Qualifying whistleblowing concerns where the final outcome was known in 2024 and resulted in a colleague being dismissed following the conclusion of the disciplinary process. Claims and inquiries are excluded.	#	The final outcome of each whistleblowing report received is captured on the whistleblowing spreadsheet to manually calculate the volumes.	Internal systems.

## Methodologies continued

## GOVERNANCE CONTINUED



Metric	Definition	Scope	Units	Method	Source
Reports through ethical channels processed relative to corruption and bribery that pose disciplinary measures: total	<p>Total number of allegations of corruption leading to disciplinary actions and total reports related to corruption that suppose dismissal, received through the ethical channel or our whistleblowing channel enabled for this purpose and managed locally in each unit.</p> <p>Dismissal is understood as terminations of employees at the initiative of the company.</p> <p>Acts of corruption may arise when individuals abuse their position of power or responsibility for personal gain.</p> <p>Disciplinary measures includes dismissals (employee leaves at the initiative of the company) and rest disciplinary measures (sanctions in the employee's personnel file).</p> <p>Soliciting a bribe is the act of offering, giving, receiving, or requesting something of value in exchange for a personal or business benefit. The object of value may consist of money, gifts, services, or other benefits, and the benefit sought may include obtaining or retaining business, or obtaining some other undue benefit.</p> <p>The offering of bribes relates to acts whereby a person receives a financial or other benefit to encourage them to perform their duties or activities improperly or a person receives a reward for having already done so. This would include an attempt to influence a decision-maker by granting some additional benefit to the decision-maker, beyond that which can be legitimately offered.</p>	<p>Santander UK Group Holdings plc.</p> <p>Qualifying whistleblowing concerns categorised as corruption and bribery where the final outcome was known in 2024 and resulted in a colleague receiving a disciplinary sanction following the conclusion of the disciplinary process. Claims and inquiries are excluded.</p>	#	The final outcome of each whistleblowing report received is captured on the whistleblowing spreadsheet to manually calculate the volumes.	Internal systems.
Reports through ethical channels processed relative to discrimination that pose disciplinary measures: Equal opportunities and non-discrimination	<p>Total number of equal opportunities and non-discrimination complaints resulting in disciplinary actions, received through the ethical channel or our whistleblowing channel enabled for this purpose and managed locally in each unit.</p> <p>Reports related to equal opportunities and non-discrimination and those related to behaviours that are not aligned with the basic principle of action in Santander (providing the same opportunities in access to work and professional promotion, ensuring at all times the absence of discrimination by reason of sex or sexual orientation, race, religion, disability, origin, marital status, age, or social status.)</p> <p>Disciplinary measures includes dismissals (employee leaves at the initiative of the company) and rest disciplinary measures (sanctions in the employee's personnel file).</p>	<p>Santander UK Group Holdings plc.</p> <p>Qualifying whistleblowing concerns categorised as equal opportunities/non discrimination where the final outcome was known in 2024 and resulted in a colleague receiving a disciplinary sanction following the conclusion of the disciplinary process. Claims and inquiries are excluded.</p>	#	The final outcome of each whistleblowing report received is captured on the whistleblowing spreadsheet to manually calculate the volumes.	Internal systems.

## Methodologies continued

## GOVERNANCE CONTINUED



Metric	Definition	Scope	Units	Method	Source
Incidents of discrimination (including harassment)	<p>Total reports related to equal opportunities and non-discrimination, sexual harassment, or gender-based harassment received through the ethical channel or our whistleblowing channel enabled for this purpose and managed locally in each unit.</p> <p>Discrimination-related reports are understood as those related to behaviours that are not aligned with the basic principle of action in Santander (providing the same opportunities in access to work and professional promotion, ensuring at all times the absence of discrimination by reason of sex or sexual orientation, race, religion, disability, origin, marital status, age, or social status).</p> <p>Sexual harassment related reports are understood as disrespectful behaviours or undesired conducts of a sexual nature that are bothersome and generate an intimidatory, offensive, or hostile working environment.</p>	Santander UK Group Holdings plc. Concerns which were received during 2024 and qualified as whistleblowing and categorised as sexual harassment or equal opportunities/non discrimination. Claims and inquiries are excluded.	#	The Whistleblowing team uses an excel spreadsheet to manually log all cases to calculate the volumes. All concerns are categorised using one of the Group taxonomy categories and this is recorded on the spreadsheet.	EthicsPoint. Various: email, letter, phone, and any other method.
Reports through ethical channels closed by type: total	Total closed reports deemed well-founded for investigation, received through the ethical channel enabled for this purpose and managed locally in each unit. It includes claims that have been closed.	Santander UK Group Holdings plc. Qualifying whistleblowing concerns which were closed during 2024. Claims and inquiries are excluded.	#	The Whistleblowing team uses an excel spreadsheet to manually log all cases to calculate the volumes. All concerns are categorised using one of the Banco Santander taxonomy categories and this is recorded on the spreadsheet.	EthicsPoint. Various: email, letter, phone, and any other method.
Number of communications to authorities regarding FCC (Financial Crime Compliance)	Number of official reports sent to regulatory authorities concerning Financial Crime Compliance matters.	Santander UK plc	#	Data is extracted from an internal system at the end of each month via an SQL query and transferred to a central spreadsheet. The volumes are then calculated via automated Excel formulas.	Internal System.
Number of FCC investigations conducted (Financial Crime Compliance)	Total number of internal investigations conducted regarding potential non-compliance or breaches related to FCC.	Santander UK plc	#	Data is extracted from an internal system at the end of each month via an SQL query and transferred to a central spreadsheet. The volumes are then calculated via automated Excel formulas.	Internal System.

## Methodologies continued

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### Non-financial information disclaimer

This report contains environmental, social, and governance-related (ESG) metrics, statements, goals, commitments, and opinions. ESG information is prepared following various external and internal frameworks, reporting guidelines, and measurement, collection, and verification methods and practices. Many of these are materially different from those applicable to financial information, and are in many cases emerging and evolving.

The methodologies used to prepare our ESG metrics and an independent assurance of selected metrics can be found in this 2024 ESG Supplement. The ESG metrics are based on various materiality thresholds, estimates, assumptions, judgments, and underlying data derived internally and from third parties.

The ESG metrics are thus subject to significant measurement uncertainties, may not be comparable to ESG metrics of other companies, or over time or across periods. Its inclusion is not meant to imply that the information is fit for any particular purpose or that it is material to us under mandatory reporting standards. The ESG data is for informational purposes only, without any liability being accepted in connection with it except where such liability cannot be limited under overriding provisions of applicable law.

### Restatement policy

The measuring and reporting of ESG metrics involves a degree of estimation. In certain circumstances restatements of information reported in prior periods may be necessary. Restatements are considered where there is a change in calculation methodology, an error carrying out the methodology, or an error in our data that will have a 5% or greater impact on the total previously reported. Where this happens, a disclosure is made alongside the restated data.

## Methodologies continued

### Regulatory cross-referencing table

In the table we also outline our compliance with a range of ESG disclosure requirements and where this information can be located. In order to improve our ESG disclosures, this year we have voluntarily aligned where possible with the International Sustainability Standards Board (ISSB) IFRS framework. Note: As ISSB S2 focuses solely on Climate (E), ISSB S1 focuses only on Social and Governance compliance, not environmental. This is split into the 4 non-climate material areas for the bank (A) Own Workforce (B) Affected Communities (C) Consumers and End-Users (D) Business Conduct.

Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
<b>IFRS ISSB S1</b>				
IFRS ISSB S1	General			
IFRS ISSB S1		An entity shall identify the financial statements to which the sustainability-related financial disclosures relate.	Not currently compliant	Not currently compliant
IFRS ISSB S1		Data and assumptions used in preparing the sustainability-related financial disclosures shall be consistent with the corresponding data and assumptions used in preparing the related financial statements.	Not currently compliant	Not currently compliant
IFRS ISSB S1		A complete set of sustainability-related financial disclosures shall present fairly material information about all sustainability-related risks and opportunities that could reasonably be expected to affect an entity's prospects.  In the context of sustainability-related financial disclosures, information is material if omitting, misstating or obscuring that information could reasonably be expected to influence decisions that primary users of general purpose financial reports make on the basis of those reports, which include financial statements and sustainability-related financial disclosures and which provide information about a specific reporting entity.	Not currently compliant	Not currently compliant
IFRS ISSB S1	<b>Governance</b> The governance processes, controls and procedures the entity uses to monitor, manage and oversee sustainability-related risks and opportunities			
IFRS ISSB S1	(a)	(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of sustainability-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about:		Our Governance: A) page 50 B) page 50 C) page 50 D) page 50
IFRS ISSB S1		(ai) how responsibilities for sustainability-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s)	Not currently compliant	Not currently compliant

## Methodologies continued

Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
IFRS ISSB S1		(aii) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to sustainability-related risks and opportunities	Not currently compliant.	Not currently compliant.
IFRS ISSB S1		(aiii) how and how often the body(s) or individual(s) is informed about sustainability-related risks and opportunities		Our Governance: A) page 50 B) page 50 C) page 50 D) page 50
IFRS ISSB S1		(aiv) how the body(s) or individual(s) takes into account sustainability-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities		Our Governance: A) page 7, 49 B) page 7, 49 C) page 7, 49 D) page 7, 49
IFRS ISSB S1		(av) how the body(s) or individual(s) oversees the setting of targets related to sustainability-related risks and opportunities, and monitors progress towards those targets (see paragraph 51), including whether and how related performance metrics are included in remuneration policies.	Not currently compliant.	Not currently compliant.
IFRS ISSB S1	(b)	(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee sustainability-related risks and opportunities, including information about		Our Governance: A) page 49, 50 B) page 49, 50 C) page 49, 50 D) page 49, 50
IFRS ISSB S1		(bi) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee		Our Governance: A) page 50, 51 B) page 50, 51 C) page 50, 51 D) page 50, 51
IFRS ISSB S1		(bii) whether management uses controls and procedures to support the oversight of sustainability-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.		Our Governance: A) page 51 B) page 51 C) page 51 D) page 51
IFRS ISSB S1	<b>Strategy</b> The entity's strategy for managing sustainability-related risks and opportunities.			



## Methodologies continued

Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
IFRS ISSB S1	Strategy	an entity shall disclose information to enable users of general purpose financial reports to understand: (a) the sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects (see paragraphs 30-31)		Our impacts, risks and opportunities: A) page 8 B) page 9 C) page 9 D) page 10
IFRS ISSB S1		(b) the current and anticipated effects of those sustainability-related risks and opportunities on the entity's business model and value chain (see paragraph 32);	Not currently compliant	Not currently compliant
IFRS ISSB S1		(c) the effects of those sustainability-related risks and opportunities on the entity's strategy and decision-making (see paragraph 33);	Not currently compliant	Not currently compliant
IFRS ISSB S1		(d) the effects of those sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those sustainability-related risks and opportunities have been factored into the entity's financial planning (see paragraphs 34-40)	Not currently compliant	Not currently compliant
IFRS ISSB S1		(e) the resilience of the entity's strategy and its business model to those sustainability-related risks (see paragraphs 41-42).	Not currently compliant	Not currently compliant
IFRS ISSB S1	Sustainability-related risks and opportunities	An entity shall disclose information that enables users of general purpose financial reports to understand the sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects. Specifically, the entity shall:		
IFRS ISSB S1		(a) describe sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects;		Our impacts, risks and opportunities: A) page 8 B) page 9 C) page 9 D) page 10
IFRS ISSB S1		(b) specify the time horizons – short, medium or long term – over which the effects of each of those sustainability-related risks and opportunities could reasonably be expected to occur	Not currently compliant	Not currently compliant
IFRS ISSB S1		(c) explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	Not currently compliant	Not currently compliant

## Methodologies continued

Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
IFRS ISSB S1	Business model and value chain	An entity shall disclose information that enables users of general purpose financial reports to understand the current and anticipated effects of sustainability-related risks and opportunities on the entity's business model and value chain. Specifically, the entity shall disclose:	Not currently compliant	Not currently compliant
IFRS ISSB S1		(a) a description of the current and anticipated effects of sustainability-related risks and opportunities on the entity's business model and value chain	Not currently compliant	Not currently compliant
IFRS ISSB S1		(b) a description of where in the entity's business model and value chain sustainability-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	Not currently compliant	Not currently compliant
IFRS ISSB S1	Strategy and decision-making An entity shall disclose information that enables users of general purpose financial reports to understand the effects of sustainability-related risks and opportunities on its strategy and decision-making. Specifically, the entity shall disclose information about:	(a) how the entity has responded to, and plans to respond to, sustainability-related risks and opportunities in its strategy and decision-making	Not currently compliant	Not currently compliant
IFRS ISSB S1		(b) the progress against plans the entity has disclosed in previous reporting periods, including quantitative and qualitative information	Medium term scorecard, page 24	A) Targets & Progress, page 42-45 B) Targets & Progress, page 41-42 C) Targets & Progress, page 41 D) Targets & Progress, page 52-53
IFRS ISSB S1		(c) trade-offs between sustainability-related risks and opportunities that the entity considered (for example, in making a decision on the location of new operations, an entity might have considered the environmental impacts of those operations and the employment opportunities they would create in a community).	Not currently compliant	Not currently compliant
IFRS ISSB S1	<b>Financial position, financial performance and cash flows</b> An entity does not need to provide quantitative information about the current or anticipated financial effects of a sustainability-related risk or opportunity if effects are not separately identifiable; or the level of measurement uncertainty involved in estimating those effects is so high that the resulting quantitative information would not be useful (see paragraphs 77-82); or the entity does not have the skills, capabilities or resources to provide that quantitative information.	(a) the effects of sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects); and	Not currently compliant	Not currently compliant

## Methodologies continued

Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
IFRS ISSB S1	If an entity does not provide quantitative information, the entity shall: (a) explain why it has not provided quantitative information; (b) provide qualitative information about those financial effects, including identifying line items, totals and subtotals within the related financial statements that are likely to be affected, or have been affected, by that sustainability-related risk or opportunity; and (c) provide quantitative information about the combined financial effects of that sustainability-related risk or opportunity with other sustainability-related risks or opportunities and other factors unless the entity determines that quantitative information about the combined financial effects would not be useful.	(b) the anticipated effects of sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how sustainability-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).	Not currently compliant	Not currently compliant
IFRS ISSB S1		(a) quantitative and qualitative information about how sustainability-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;	Not currently compliant	Not currently compliant
IFRS ISSB S1		(b) quantitative and qualitative information about the sustainability-related risks and opportunities identified in paragraph 35(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements	Not currently compliant	Not currently compliant
IFRS ISSB S1		(c) quantitative and qualitative information about how the entity expects its financial position to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities, taking into consideration	Not currently compliant	Not currently compliant
IFRS ISSB S1		(ci) its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to	Not currently compliant	Not currently compliant
IFRS ISSB S1		(cii) its planned sources of funding to implement its strategy	Not currently compliant	Not currently compliant
IFRS ISSB S1		(d) quantitative and qualitative information about how the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities.	Not currently compliant	Not currently compliant
IFRS ISSB S1	Resilience	An entity shall disclose a qualitative and, if applicable, quantitative assessment of the resilience of its strategy and business model in relation to its sustainability-related risks, including information about how the assessment was carried out and its time horizon. When providing quantitative information, an entity may disclose a single amount or a range.	Not currently compliant	Not currently compliant
IFRS ISSB S1	<b>Risk Management</b> The processes the entity uses to identify, assess, prioritise and monitor sustainability-related risks and opportunities.			

## Methodologies continued

Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
IFRS ISSB S1	<b>Risk management</b> (a) enable readers to understand an entity's processes to identify, assess, prioritise and monitor sustainability-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process (b) enable readers to assess the entity's overall risk profile and its overall risk management process.	disclose information about: (a) the processes and related policies the entity uses to identify, assess, prioritise and monitor sustainability-related risks, including information about:	Not currently compliant	Not currently compliant
IFRS ISSB S1		(i) the inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes);	Not currently compliant	Not currently compliant
IFRS ISSB S1		(ii) whether and how the entity uses scenario analysis to inform its identification of sustainability-related risks;	Not currently compliant	Not currently compliant
IFRS ISSB S1		(iii) how the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria)		Our approach to materiality: A) page 7 B) page 7 C) page 7 D) page 7
IFRS ISSB S1		(iv) whether and how the entity prioritises sustainability-related risks relative to other types of risk	Not currently compliant	Not currently compliant
IFRS ISSB S1		(v) how the entity monitors sustainability-related risks	Risk review: A) Page 31, 36, 85 B) Page 31, 36, 85 C) Page 31, 36, 85 D) not yet compliant.	Embedding climate in risk management A) page 22, 26 B) page 22, 26 C) page 22, 26 D) page 22, 26
IFRS ISSB S1		(vi) whether and how the entity has changed the processes it uses compared with the previous reporting period	Not currently compliant	Not currently compliant
IFRS ISSB S1		(b) the processes the entity uses to identify, assess, prioritise and monitor sustainability-related opportunities		A) page 22, 26 B) page 22, 26 C) page 22, 26 D) page 22, 26

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Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
IFRS ISSB S1		(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring sustainability-related risks and opportunities are integrated into and inform the entity's overall risk management process.	Risk review: A) page 85 B) page 85 C) page 85 D) Not currently compliant	Sustainability Governance & ESG Operating Model A) page 51 B) page 51 C) page 51 D) page 51
IFRS ISSB S1	<b>Performance/ Metrics and Targets</b> The entity's performance in relation to sustainability-related risks and opportunities, including progress towards any targets the entity has set or is required to meet by law or regulation.			
IFRS ISSB S1	<b>Metrics</b>	(a) An entity shall disclose, for each sustainability-related risk and opportunity that could reasonably be expected to affect the entity's prospects: metrics required by an applicable IFRS Sustainability Disclosure Standard.  This shall include metrics associated with particular business models, activities or other common features that characterise participation in an industry.	Not currently compliant	Not currently compliant
IFRS ISSB S1		(b) An entity shall disclose, for each sustainability-related risk and opportunity that could reasonably be expected to affect the entity's prospects: metrics the entity uses to measure and monitor: (bi) that sustainability-related risk or opportunity; and	Not currently compliant	Not currently compliant
IFRS ISSB S1		(bii) its performance in relation to that sustainability-related risk or opportunity, including progress towards any targets the entity has set, and any targets it is required to meet by law or regulation.	Not currently compliant	Not currently compliant
IFRS ISSB S1		If a metric has been developed by an entity, the entity shall disclose information about: (a) how the metric is defined, including whether it is derived by adjusting a metric taken from a source other than IFRS Sustainability Disclosure Standards and, if so, which source and how the metric disclosed by the entity differs from the metric specified in that source;		Methodologies A) page 68-73 B) page 64-67 C) page 64 D) page 74-77

## Methodologies continued

Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
IFRS ISSB S1		(b) whether the metric is an absolute measure, a measure expressed in relation to another metric or a qualitative measure (such as a red, amber, green – or RAG – status);		Methodologies A) page 68-73 B) page 64-67 C) page 64 D) page 74-77
IFRS ISSB S1		(c) whether the metric is validated by a third party and, if so, which party; and		A) page 42-45, 107-110 B) page 41-42, 107-110 C) page 41, 107-110 D) page 52-53, 107-110
IFRS ISSB S1		(d) the method used to calculate the metric and the inputs to the calculation, including the limitations of the method used and the significant assumptions made.		Methodologies A) page 68-73 B) page 64-67 C) page 64 D) page 74-77
IFRS ISSB S1	<b>Targets</b>	An entity shall disclose information about the targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation. For each target, the entity shall disclose: (a) the metric used to set the target and to monitor progress towards reaching the target;		Our social approach: A) page 34 B) page 34 C) Not currently compliant D) page 47
IFRS ISSB S1		(b) the specific quantitative or qualitative target the entity has set or is required to meet;	Medium term scorecard: A) page 24 B) page 24 C) page 24 D) page 24	Our social approach: A) page 34 B) page 34 C) Not currently compliant D) page 47
IFRS ISSB S1		(c) the period over which the target applies;	Medium term scorecard: A) page 24 B) page 24 C) page 24 D) page 24	Our social approach: A) page 34 B) page 34 C) Not currently compliant D) page 47

## Methodologies continued

Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
IFRS ISSB S1		(d) the base period from which progress is measured;	Not currently compliant	Not currently compliant
IFRS ISSB S1		(e) any milestones and interim targets;	Not currently compliant	Not currently compliant
IFRS ISSB S1		(f) performance against each target and an analysis of trends or changes in the entity's performance; and	Medium term scorecard: A) page 24 B) page 24 C) page 24 D) page 24	
IFRS ISSB S1		(g) any revisions to the target and an explanation for those revisions.	Not currently compliant	Not currently compliant
IFRS ISSB S1		An entity shall label and define metrics and targets using meaningful, clear and precise names and descriptions.	Medium term scorecard: A) page 24 B) page 24 C) page 24 D) page 24	A) page 42-45 B) page 41-42 C) page 41 D) page 52-53
<b>IFRS ISSB S2</b>				
IFRS ISSB S2	<b>Governance</b> The objective of climate-related financial disclosures on governance is to enable users of general purpose financial reports to understand the governance processes, controls and procedures an entity uses to monitor, manage and oversee climate-related risks and opportunities. To achieve this objective, an entity shall disclose information about:			
IFRS ISSB S2	(a)	(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about:	Sustainability: TCFD, page 31	Page 50

## Methodologies continued

Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
IFRS ISSB S2		(i) how responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s);	Sustainability: TCFD, page 31	
IFRS ISSB S2		(ii) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate related risks and opportunities;	Not currently compliant	Not currently compliant
IFRS ISSB S2		(iii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;		page 50
IFRS ISSB S2		(iv) how the body(s) or individual(s) takes into account climate related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; and		page 7, 49
IFRS ISSB S2		(v) how the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets (see paragraphs 33–36), including whether and how related performance metrics are included in remuneration policies (see paragraph 29(g)).	Not currently compliant	Not currently compliant
IFRS ISSB S2	(b)	(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:		page 22, 50, 51
IFRS ISSB S2		(i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and		page 22, 50, 52
IFRS ISSB S2		(ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Not currently compliant	Not currently compliant
IFRS ISSB S2	<b>Strategy</b>	The objective of climate-related financial disclosures on strategy is to enable users of general purpose financial reports to understand an entity's strategy for managing climate-related risks and opportunities Specifically, an entity shall disclose information to enable users of general purpose financial reports to understand:		



## Methodologies continued

Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
IFRS ISSB S2		(a) the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects (see paragraphs 10–12);	page 33	page 8, 23, 25, 26
IFRS ISSB S2		(b) the current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain (see paragraph 13);	page 32	
IFRS ISSB S2		(c) the effects of those climate-related risks and opportunities on the entity's strategy and decision-making, including information about its climate-related transition plan (see paragraph 14);	Not currently compliant	Not currently compliant
IFRS ISSB S2		(d) the effects of those climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity's financial planning (see paragraphs 15–21); and	Not currently compliant	Not currently compliant
IFRS ISSB S2		(e) the climate resilience of the entity's strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities (see paragraph 22).	Page 32, 34	Page 14
IFRS ISSB S2	<b>Climate-related risks and opportunities</b> An entity shall disclose information that enables users of general purpose financial reports to understand the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects. Specifically, the entity shall:	(a) describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects;	Page 33	page 7, 8, 23-26
IFRS ISSB S2		(b) explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk;	Page 33	
IFRS ISSB S2		(c) specify, for each climate-related risk and opportunity the entity has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	Page 33	
IFRS ISSB S2		(d) explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	Page 33	

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Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
IFRS ISSB S2	<b>Business model and value chain</b> An entity shall disclose information that enables users of general purpose financial reports to understand the current and anticipated effects of climate related risks and opportunities on the entity's business model and value chain. Specifically, the entity shall disclose:	(a) a description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain; and	Page 33	
IFRS ISSB S2		(b) a description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	Page 35	
IFRS ISSB S2	<b>Strategy and decision-making</b> An entity shall disclose information that enables users of general purpose financial reports to understand the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the entity shall disclose:	(a) information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about:	page 33, 35	
IFRS ISSB S2		(i) current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities (for example, these changes could include plans to manage or decommission carbon-, energy- or water-intensive operations; resource allocations resulting from demand or supply-chain changes; resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments);	Not currently compliant	Not currently compliant
IFRS ISSB S2		(ii) current and anticipated direct mitigation and adaptation efforts (for example, through changes in production processes or equipment, relocation of facilities, workforce adjustments, and changes in product specifications);	Not currently compliant	Not currently compliant
IFRS ISSB S2		(iii) current and anticipated indirect mitigation and adaptation efforts (for example, through working with customers and supply chains);		Page 19, 26
IFRS ISSB S2		(iv) any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies; and	Not currently compliant	Not currently compliant
IFRS ISSB S2		(v) how the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets, described in accordance with paragraphs 33–36.	Sustainability: climate risks and opportunities, page 33 Metrics and targets, page 36	Page 13, 17, 19, 20, 25
IFRS ISSB S2		(b) information about how the entity is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 14(a).	Not currently compliant	Not currently compliant
IFRS ISSB S2		(c) quantitative and qualitative information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 14(a).	Sustainability: Metrics and targets, page 36	Environment: metrics, page 28-32

## Methodologies continued

Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
IFRS ISSB S2	<b>Financial position, financial performance and cash flows</b> An entity does not need to provide quantitative information about the current or anticipated financial effects of a sustainability-related risk or opportunity if effects are not separately identifiable; or the level of measurement uncertainty involved in estimating those effects is so high that the resulting quantitative information would not be useful (see paragraphs 77–82); or the entity does not have the skills, capabilities or resources to provide that quantitative information.	(a) the effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects); and	Not currently compliant	Not currently compliant
IFRS ISSB S2	If an entity does not provide quantitative information, the entity shall: (a) explain why it has not provided quantitative information; (b) provide qualitative information about those financial effects, including identifying line items, totals and subtotals within the related financial statements that are likely to be affected, or have been affected, by that sustainability-related risk or opportunity; and (c) provide quantitative information about the combined financial effects of that sustainability-related risk or opportunity with other sustainability-related risks or opportunities and other factors unless the entity determines that quantitative information about the combined financial effects would not be useful.	(b) the anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).	Not currently compliant	Not currently compliant
IFRS ISSB S2		Specifically, an entity shall disclose quantitative and qualitative information about: (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;	Not currently compliant	Not currently compliant
IFRS ISSB S2		(b) the climate-related risks and opportunities identified in paragraph 16(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements;	Not currently compliant	Not currently compliant
IFRS ISSB S2		(c) how the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	Sustainability: Strategy: Climate risks and opportunities page 33	
IFRS ISSB S2		(i) its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to; and	Not currently compliant	Not currently compliant
IFRS ISSB S2		(ii) its planned sources of funding to implement its strategy; and	Not currently compliant	Not currently compliant
IFRS ISSB S2		(d) how the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities (for example, increased revenue from products and services aligned with a lower-carbon economy; costs arising from physical damage to assets from climate events; and expenses associated with climate adaptation or mitigation).	Sustainability: Strategy: Climate risks and opportunities page 33	

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Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
IFRS ISSB S2	<b>Climate resilience</b> An entity shall disclose information that enables users of general purpose financial reports to understand the resilience of the entity's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities. The entity shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with the entity's circumstances (see paragraphs B1–B18). In providing quantitative information, the entity may disclose a single amount or a range. Specifically, the entity shall disclose:	(a) the entity's assessment of its climate resilience as at the reporting date, which shall enable users of general purpose financial reports to understand:	Sustainability: climate stress testing, page 34 Sustainability: TCFD, page 33	Environment: resilience strategy, page 14
IFRS ISSB S2		(i) the implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis;	Sustainability: climate stress testing, page 34	
IFRS ISSB S2		(ii) the significant areas of uncertainty considered in the entity's assessment of its climate resilience;	Sustainability: climate stress testing, page 34	Climate stress testing and scenario analysis page 27
IFRS ISSB S2		(iii) the entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including;	Not currently compliant	Not currently compliant
IFRS ISSB S2		(iii1) the availability of, and flexibility in, the entity's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities;	Not currently compliant	Not currently compliant
IFRS ISSB S2		(iii2) the entity's ability to redeploy, repurpose, upgrade or decommission existing assets; and	Not currently compliant	Not currently compliant
IFRS ISSB S2		(iii3) the effect of the entity's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience	Not currently compliant	Not currently compliant
IFRS ISSB S2		(b) how and when the climate-related scenario analysis was carried out, including:	Sustainability: climate stress testing, page 34	Climate stress testing and scenario analysis page 27
IFRS ISSB S2		(i) information about the inputs the entity used, including: (1) which climate-related scenarios the entity used for the analysis and the sources of those scenarios;	Sustainability: climate stress testing, page 34	Climate stress testing and scenario analysis page 27
IFRS ISSB S2		(2) whether the analysis included a diverse range of climate-related scenarios;	Sustainability: climate stress testing, page 34 Sustainability: flood risk, page 36	Page 27
IFRS ISSB S2		(3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks;	Sustainability: climate stress testing, page 34	Climate stress testing and scenario analysis page 27
IFRS ISSB S2		(4) whether the entity used, among its scenarios, a climate related scenario aligned with the latest international agreement on climate change;	Sustainability: climate stress testing, page 34	

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Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
IFRS ISSB S2		(5) why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties;	Not currently compliant	Not currently compliant
IFRS ISSB S2		(6) the time horizons the entity used in the analysis; and	Sustainability: climate stress testing, page 34	Page 27
IFRS ISSB S2		(7) what scope of operations the entity used in the analysis (for example, the operating locations and business units used in the analysis);	Sustainability: climate stress testing, page 34	
IFRS ISSB S2		(ii) the key assumptions the entity made in the analysis, including assumptions about: (1) climate-related policies in the jurisdictions in which the entity operates;	Sustainability: climate stress testing, page 34	Page 27
IFRS ISSB S2		(2) macroeconomic trends;	Sustainability: climate stress testing, page 34	Page 27
IFRS ISSB S2		(3) national- or regional-level variables (for example, local, weather patterns, demographics, land use, infrastructure and availability of natural resources);	Sustainability: climate stress testing, page 34	Page 27
IFRS ISSB S2		(4) energy usage and mix; and	Not currently compliant	Not currently compliant
IFRS ISSB S2		(5) developments in technology	Not currently compliant	Not currently compliant
IFRS ISSB S2		(iii) the reporting period in which the climate-related scenario analysis was carried out (see paragraph B18).	Sustainability: climate stress testing, page 34	Page 27
IFRS ISSB S2	<b>Risk management</b> The objective of climate-related financial disclosures on risk management is to enable users of general purpose financial reports to understand an entity's processes to identify, assess, prioritise and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process. To achieve this objective, an entity shall disclose information about:			
IFRS ISSB S2		(a) the processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks, including information about:	Sustainability: climate stress testing, page 34	Page 7, 22, 27, 50, 51
IFRS ISSB S2		(i) the inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes);	Sustainability: climate stress testing, page 34	page 26, 27

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			Annual Report & Accounts	ESG Supplement
IFRS ISSB S2		(ii) whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks;	Sustainability: climate stress testing, page 34	page 14, 26, 27
IFRS ISSB S2		(iii) how the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria);	Sustainability: climate stress testing, page 34	page 27
IFRS ISSB S2		(iv) whether and how the entity prioritises climate-related risks relative to other types of risk;	Not currently compliant	Not currently compliant
IFRS ISSB S2		(v) how the entity monitors climate-related risks; and	Sustainability: TCFD, page 32 Sustainability: embedding climate in risk management, page 35-36	Page 22, 26
IFRS ISSB S2		(vi) whether and how the entity has changed the processes it uses compared with the previous reporting period;	Sustainability: TCFD, page 32 Sustainability: embedding climate in risk management, page 35-36	page 16, 20
IFRS ISSB S2		(b) the processes the entity uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities; and	Not currently compliant	Not currently compliant
IFRS ISSB S2		(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.	Sustainability: TCFD, page 32 Sustainability: embedding climate in risk management, page 35-36	page 22, 23, 51
IFRS ISSB S2	<b>Performance/ Metrics and targets</b> The objective of climate-related financial disclosures on metrics and targets is to enable users of general purpose financial reports to understand an entity's performance in relation to its climate-related risks and opportunities, including progress towards any climate-related targets it has set, and any targets it is required to meet by law or regulation. To achieve this objective, an entity shall disclose:			
IFRS ISSB S2		(a) information relevant to the cross-industry metric categories (see paragraphs 29-31);	Sustainability: Metrics and targets, page 35	Environment: metrics, page 28-32
IFRS ISSB S2		(b) industry-based metrics that are associated with particular business models, activities or other common features that characterise participation in an industry (see paragraph 32); and	Sustainability: Metrics and targets, page 35	Environment: metrics, page 28-33

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Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
IFRS ISSB S2		(c) targets set by the entity, and any targets it is required to meet by law or regulation, to mitigate or adapt to climate-related risks or take advantage of climate-related opportunities, including metrics used by the governance body or management to measure progress towards these targets (see paragraphs 33–37).	Sustainability: Metrics and targets, page 35	page 13, 18
IFRS ISSB S2	<b>Climate-related metrics</b> An entity shall disclose information relevant to the cross-industry metric categories of:	(a) greenhouse gases – the entity shall: (i) disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO <sub>2</sub> equivalent (see paragraphs B19–B22), classified as: (1) Scope 1 greenhouse gas emissions;	page 37	page 28
IFRS ISSB S2		(2) Scope 2 greenhouse gas emissions; and	page 37	page 28
IFRS ISSB S2		(3) Scope 3 greenhouse gas emissions;	page 37	page 29
IFRS ISSB S2		(ii) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions (see paragraphs B23–B25);	page 38	Page 56, 58
IFRS ISSB S2		(iii) disclose the approach it uses to measure its greenhouse gas emissions (see paragraphs B26–B29) including:	page 38	Page 56-58
IFRS ISSB S2		(1) the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions;	Page 38	Page 56-58
IFRS ISSB S2		(2) the reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions	page 38	
IFRS ISSB S2		(3) any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes	page 38	Page 58
IFRS ISSB S2		(iv) for Scope 1 and Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(1)–(2), disaggregate emissions between: (1) the consolidated accounting group (for example, for an entity applying IFRS Accounting Standards, this group would comprise the parent and its consolidated subsidiaries);	page 38	Page 28
IFRS ISSB S2		(2) other investees excluded from paragraph 29(a)(iv)(1) (for example, for an entity applying IFRS Accounting Standards, these investees would include associates, joint ventures and unconsolidated subsidiaries);	Not currently compliant	Not currently compliant

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Framework	Topics	Sub topics	Page reference	
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IFRS ISSB S2		(v) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(2), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions (see paragraphs B30–B31); and	page 37, 38	Environment: metrics, page 28
IFRS ISSB S2		(vi) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(3), and with reference to paragraphs B32–B57, disclose: (1) the categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011); and	page 37, 38	Environment: metrics, page 29, 31
IFRS ISSB S2		(2) additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management, commercial banking or insurance (see paragraphs B58–B63);	page 37, 38	Environment: metrics, page 31
IFRS ISSB S2		(b) climate-related transition risks – the amount and percentage of assets or business activities vulnerable to climate-related transition risks;	Sustainability: embedding climate in risk management, pages 35, 36	
IFRS ISSB S2		(c) climate-related physical risks – the amount and percentage of assets or business activities vulnerable to climate-related physical risks;	Sustainability: embedding climate in risk management, pages 35, 36	
IFRS ISSB S2		(d) climate-related opportunities – the amount and percentage of assets or business activities aligned with climate-related opportunities;	Not currently compliant	Not currently compliant
IFRS ISSB S2		(e) capital deployment – the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities;	Not currently compliant	Not currently compliant
IFRS ISSB S2		(f) internal carbon prices – the entity shall disclose: (i) an explanation of whether and how the entity is applying a carbon price in decision-making (for example, investment decisions, transfer pricing and scenario analysis); and	Not currently compliant	Not currently compliant
IFRS ISSB S2		(ii) the price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions;	Not currently compliant	Not currently compliant
IFRS ISSB S2		(g) remuneration – the entity shall disclose: (i) a description of whether and how climate-related considerations are factored into executive remuneration (see also paragraph 6(a)(v)); and	Sustainability: governance highlights, page 41 Governance: remuneration implementation report, page 68	Page 50, 51
IFRS ISSB S2		(ii) the percentage of executive management remuneration recognised in the current period that is linked to climate related considerations.	Sustainability: governance highlights, page 45	Page 51



## Methodologies continued

Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
IFRS ISSB S2	<b>Climate-related targets</b> An entity shall disclose the quantitative and qualitative climate-related targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the entity shall disclose:	(a) the metric used to set the target (see paragraphs B66–B67);	Sustainability; metrics and targets, page 35	Environment: our progress & targets, page 13
IFRS ISSB S2		(b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);	Sustainability; metrics and targets, page 35	
IFRS ISSB S2		(c) the part of the entity to which the target applies (for example, whether the target applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific geographical region);	Sustainability; metrics and targets, page 35	
IFRS ISSB S2		(d) the period over which the target applies;	Sustainability; metrics and targets, page 35	Environment: our progress & targets, page 13
IFRS ISSB S2		(e) the base period from which progress is measured;	Sustainability; metrics and targets, page 35	Page 13, 19
IFRS ISSB S2		(f) any milestones and interim targets;	Not currently compliant	Not currently compliant
IFRS ISSB S2		(g) if the target is quantitative, whether it is an absolute target or an intensity target	Sustainability; metrics and targets, page 35	Page 13
IFRS ISSB S2		(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	Sustainability; metrics and targets, page 35	
IFRS ISSB S2		An entity shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including: (a) whether the target and the methodology for setting the target has been validated by a third party;	Sustainability; metrics and targets, page 35	
IFRS ISSB S2		(b) the entity's processes for reviewing the target;	Not currently compliant	Not currently compliant

## Methodologies continued

Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
IFRS ISSB S2		(c) the metrics used to monitor progress towards reaching the target	Sustainability; metrics and targets, page 35	Page 13
IFRS ISSB S2		(d) any revisions to the target and an explanation for those revisions.	Not currently compliant	Not currently compliant
IFRS ISSB S2		An entity shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity's performance.	Sustainability; metrics and targets, page 35	Page 13, 32
IFRS ISSB S2		For each greenhouse gas emissions target disclosed in accordance with paragraphs 33–35, an entity shall disclose: (a) which greenhouse gases are covered by the target.	Sustainability; metrics and targets, page 35	
IFRS ISSB S2		(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.	page 35	
IFRS ISSB S2		(c) whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target (see paragraphs B68–B69).	page 35	
IFRS ISSB S2		(d) whether the target was derived using a sectoral decarbonisation approach.	Not compliant	Not compliant
IFRS ISSB S2		(e) the entity's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits the entity shall disclose information including, and with reference to paragraphs B70–B71:	Not compliant	Not compliant
IFRS ISSB S2		(i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;	Not compliant	Not compliant
IFRS ISSB S2		(ii) which third-party scheme(s) will verify or certify the carbon credits;	Not compliant	Not compliant
IFRS ISSB S2		(iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal	Not compliant	Not compliant
IFRS ISSB S2		(iv) any other factors necessary for users of general purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use (for example, assumptions regarding the permanence of the carbon offset).	Not compliant	Not compliant
<b>IFRS SASB (SanUK only report SASB materiality and indicators where appropriate)</b>				
IFRS SASB	<b>Mortgage finance</b>			
IFRS SASB	Environmental Risk to Mortgaged Properties	(1) Number and (2) value of mortgage loans in 100-year flood zones	Sustainability review, page 36	

## Methodologies continued

Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
IFRS SASB		(1) Total expected loss and (2) Loss Given Default (LGD) attributable to mortgage loan default and delinquency because of weather-related natural catastrophes, by geographical region	Scenario analysis, page 34	Scenario analysis page 27
IFRS SASB		Loss Given Default (LGD) attributable to mortgage loan default and delinquency due to weather-related natural catastrophes, by geographic region	Scenario analysis, page 34	Scenario analysis page 27
IFRS SASB		Description of how climate change and other environmental risks are incorporated into mortgage origination and underwriting	Risk review, climate change, page 97 Financial statements, Accounting policies, page 171	
IFRS SASB	Lending practices	(1) Number and (2) value of residential mortgages of the following types: (a) combined fixed- and variable-rate, (b) prepayment penalty, and (c) total	Not currently compliant	Not currently compliant
IFRS SASB		(1) Number and (2) value of (a) residential mortgage modifications, (b) foreclosures, and (c) short sales or deeds in lieu of foreclosure	Not currently compliant	Not currently compliant
IFRS SASB		Total amount of monetary losses as a result of legal proceedings associated with communications to customers or remuneration of loan originators	Not currently compliant	Not currently compliant
IFRS SASB		Description of remuneration structure of mortgage loan originators	Not currently compliant	Not currently compliant
IFRS SASB	consumer finance			
IFRS SASB	Selling practices	Percentage of total remuneration for covered employees that is variable and linked to the amount of products and services sold	Governance, Remuneration implementation report, page 68	
IFRS SASB		Approval rate for (1) credit and (2) prepaid products for applicants	Not currently compliant	Not currently compliant
IFRS SASB		(1) Average fees from add-on products, (2) average APR of credit products, (3) average age of credit products, (4) average number of credit accounts, and (5) average annual fees for pre-paid products	Not currently compliant	Not currently compliant
IFRS SASB		(1) Number of customer complaints filed, (2) percentage with monetary or nonmonetary relief	Not currently compliant	Not currently compliant
IFRS SASB		Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products	Not currently compliant	Not currently compliant
IFRS SASB	Customer privacy	Number of account holders whose information is used for secondary purposes	Not currently compliant	Not currently compliant
IFRS SASB		Total amount of monetary losses as a result of legal proceedings associated with customer privacy	Not currently compliant	Not currently compliant
IFRS SASB	Data security	(1) Number of data breaches, (2) percentage that are personal data breaches, (3) number of account holders affected	Not currently compliant	Not currently compliant
IFRS SASB		Card-related fraud losses from (1) card not-present fraud and (2) card-present and other fraud	Operation risk review, page 151	

## Methodologies continued

Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
IFRS SASB		Description of approach to identifying and addressing data security risks	Risk review, Data management, page 148 Strategic report, top risk, data quality, page 16 Chair's report, data risk, page 53	
IFRS SASB	commercial banks			
IFRS SASB	Data security	(1) Number of data breaches, (2) percentage that are personal data breaches, (3) number of account holders affected	Not currently compliant	Not currently compliant
IFRS SASB		Description of approach to identifying and addressing data security risks	Risk review, Data management, page 148 Strategic report, top risk, data quality, page 16 Chair's report, data risk, page 53	
IFRS SASB	Systemic Risk Management	Global Systemically Important Bank (GSIB) score, by category	Not currently compliant.	Not currently compliant.
IFRS SASB		Description of approach to integrate results of mandatory and voluntary stress tests into capital adequacy planning, longterm corporate strategy, and other business activities	Risk review, capital risk, page 136 (Sustainability review, page 34)	Embedding climate in risk management, page 27
IFRS SASB	Incorporation of ESG Factors in Credit Analysis	Description of approach to incorporation of environmental, social and governance (ESG) factors in credit analysis	Risk review, credit risk, page 84 Sustainability, credit exposure, page 36	Embedding climate in risk management, page 22
IFRS SASB	Financial Inclusion & Capacity Building	(1) Number and (2) amount of loans outstanding that qualify for programmes designed to promote small business and community development	Not currently compliant.	Not currently compliant.
IFRS SASB		(1) Number and (2) amount of past due and nonaccrual loans or loans subject to forbearance that qualify for programmes designed to promote small business and community development	Not currently compliant.	Not currently compliant.
IFRS SASB		Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	Strategic report: ESG medium term scorecard, page 24	Social, metrics, page 41-42
IFRS SASB		Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	Strategic report: ESG medium term scorecard, page 24 Sustainability review, page 39-40	Social, Santander Foundation, page 38

## Methodologies continued

Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
IFRS SASB	Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, antitrust, anticompetitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations	Not currently compliant	Not currently compliant
IFRS SASB		Description of whistleblower policies and procedures	Governance: chair's report, page 57	
SECR	Annual global GHG emissions from activities for which the company is responsible, including combustion of fuel and operation of any facility, and the annual emissions from the purchase of electricity, heat, steam or cooling by the company for its own use.		Sustainability review: Streamlined Energy and Carbon Reporting, page 37-38	Environment Metrics, page 28-29
SECR	Underlying global energy use		Sustainability review: Streamlined Energy and Carbon Reporting, page 37-38	Environment Metrics, page 28
SECR	Energy use and GHG emissions figures from previous year (exempt in 1st year)		Sustainability review: Streamlined Energy and Carbon Reporting, page 37-38	Environment Metrics, page 28-29
SECR	At least one emissions intensity ratio		Sustainability review: Streamlined Energy and Carbon Reporting, page 37-38	Environment Metrics, page 28-29
SECR	Narrative on energy efficiency measures		Sustainability review: Streamlined Energy and Carbon Reporting, page 37-38	Environment: reducing our own environmental impact, properties, page 19
SECR	Details of methodology used		Sustainability review: Streamlined Energy and Carbon Reporting, page 37-38	Methodologies, Environment, page 55-58
<b>Companies Act</b>				
Companies Act	<b>414CA</b> Non-financial and sustainability information statement			
Companies Act		A strategic report of a company to which this subsection applies must include a non-financial and sustainability information statement.	Strategic report: sustainability highlights, page 27	
Companies Act		the group strategic report relates to undertakings that include the company and its subsidiary undertakings (if any),	N/A	N/A
Companies Act		the report is prepared for a financial year of the parent undertaking that ends at the same time as, or before the end of, the company's financial year	N/A	N/A
Companies Act		the report includes a group non-financial and sustainability information statement in respect of all the undertakings included in the consolidation.	Strategic report: sustainability highlights, page 27	Further information, page 4

## Methodologies continued

Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
Companies Act	<b>414CB</b> Contents of non-financial and sustainability information statement			
Companies Act	The non-financial and sustainability information statement must contain the climate-related financial disclosures of the company.	(a) a description of the company's governance arrangements in relation to assessing and managing climate-related risks and opportunities;	Risk Management Overview: Top Risk, page 16 TCFD, page 31-32	Embedding climate in risk management, page 22-27
Companies Act		(b) a description of how the company identifies, assesses, and manages climate-related risks and opportunities;	Climate stress testing and scenario analysis, page 34 TCFD, page 31-32	Embedding Climate in Risk Management, page 22-27
Companies Act		(c) a description of how processes for identifying, assessing, and managing climate-related risks are integrated into the company's overall risk management process;	Climate stress testing and scenario analysis, page 34 Embedding climate in risk management, page 35-36 TCFD, page 31-32	Embedding Climate in Risk Management, page 22-27
Companies Act		(d) a description of – (i) the principal climate-related risks and opportunities arising in connection with the company's operations, and	Risks & Opportunities, page 33 TCFD, page 31-32	Environment: Embedding climate in risk management, page 22-27
Companies Act		(ii) the time periods by reference to which those risks and opportunities are assessed;	Sustainability review: risk, opportunities and scenario analysis, page 34 TCFD, page 31-32	Environment: Embedding climate in risk management, page 22-27
Companies Act		(e) a description of the actual and potential impacts of the principal climate-related risks and opportunities on the company's business model and strategy;	Climate stress testing and scenario analysis, page 34 TCFD, page 31-32	Environment: Embedding climate in risk management, page 22-27
Companies Act		(f) an analysis of the resilience of the company's business model and strategy, taking into consideration different climate-related scenarios;	Climate stress testing and scenario analysis, page 34 TCFD, page 31-32	Strategy & Progress: Resilience strategy, page 14
Companies Act		(g) a description of the targets used by the company to manage climate-related risks and to realise climate-related opportunities and of performance against those targets; and	Sustainability review: Metrics & targets, page 35 TCFD, page 31-32	Strategy & Progress, page 13
Companies Act		(h) a description of the key performance indicators used to assess progress against targets used to manage climate-related risks and realise climate-related opportunities and of the calculations on which those key performance indicators are based.]	Sustainability review: Metrics & targets, page 35-38 TCFD, page 31-32	Page 28-32

## Methodologies continued

Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
Companies Act	Contain information, to the extent necessary for an understanding of the company's development, performance and position and the impact of its activity, relating to, as a minimum –	(a) environmental matters (including the impact of the company's business on the environment),	Environment, page 30-38	Environment, page 13-32
Companies Act		(b) the company's employees,	Social: people, page 40 Board Audit Committee Chair's report: Whistleblowing, page 57 Directors' report: Ethical Code of Conduct, page 75	Social: People, page 39-40
Companies Act		(c) social matters,	Social: communities, page 39-40	Social: Communities, page 37-38
Companies Act		(d) respect for human rights, and	Governance, page 44	
Companies Act		(e) anti-corruption and anti-bribery matters.	Risk review: Financial crime risk, page 151 Board Audit Committee Chair's report: Whistleblowing, page 57 Top and emerging risks, page 77 Directors' report: Ethical Code of Conduct, page 75	Our risks and opportunities, page 10
Companies Act	The information must include	(a) a brief description of the company's business model,	Business Model, page 3-5	
Companies Act		(b) a description of the policies pursued by the company in relation to the matters mentioned in subsection (1)(a) to (e) and any due diligence processes implemented by the company in pursuance of those policies,	NFIS Statement page 27	
Companies Act		(c) a description of the outcome of those policies,	NFIS Statement page 27	
Companies Act		(d) a description of the principal risks relating to the matters mentioned in subsection (1)(a) to (e) arising in connection with the company's operations and, where relevant and proportionate –	Risk review , page 75 Effectiveness of risk management system and internal controls, page 53	Risks and opportunities (env), page 24 Our impacts, risks and opps (all ESG), page 8-10

## Methodologies continued

Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
Companies Act		(i) a description of its business relationships, products and services which are likely to cause adverse impacts in those areas of risk, and	Risk review, page 75 Effectiveness of risk management system and internal controls, page 53	Risks and opportunities (env), page 24 Our impacts, risks and opps (all ESG), page 8-10
Companies Act		(ii) a description of how it manages the principal risks, and	Risk review, page 75 Effectiveness of risk management system and internal controls, page 53	Environment: embedding climate in risk management, page 22-27 Governance: second and third line risk, page 51 Sustainability governance, page 49-51 ESG Op model, page 51
Companies Act		(e) a description of the non-financial key performance indicators relevant to the company's business.	Our performance and KPIs, page 13-14	Metrics, page 54-77
<b>TCFD</b>				
TCFD	Governance			
TCFD		(a) Describe the board's oversight of climate-related risks and opportunities.	TCFD, page 31	Pages 50-51
TCFD		(b) Describe management's role in assessing and managing climate-related risks and opportunities.	TCFD, page 31	Pages 50-51
TCFD	Strategy			
TCFD		(a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Sustainability review, page 30 TCFD, page 31-33	Environment, page 24
TCFD		(b) Describe the impact of climate related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Climate stress testing and scenario analysis, page 34 TCFD, page 31-2	Environment: Embedding climate in risk management, page 22-27
TCFD		(c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Climate stress testing and scenario analysis, page 37 TCFD, page 31-33	Strategy & Progress: Resilience strategy, page 14
TCFD	Risk Management			



## Methodologies continued

Framework	Topics	Sub topics	Page reference	
			Annual Report & Accounts	ESG Supplement
TCFD		(a) Describe the organisation's processes for identifying and assessing climate-related risks.	TCFD, page 31-33	Environment: Embedding climate in risk management, page 22-27
TCFD		(b) Describe the organisation's processes for managing climate-related risks.	TCFD, page 31-33	Environment: Embedding climate in risk management, page 22-27
TCFD		(c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	Embedding climate in risk management, page 35-36 TCFD, page 31-33	Environment: Embedding climate in risk management, page 22-27
TCFD	Metrics and targets			
TCFD		(a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	TCFD, page 32 TCFD Metrics and Target, page 35-38	Environment Metrics, page 28-32
TCFD		(b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	TCFD, page 32 TCFD Metrics and Target, page 35-38	Environment Metrics, page 28-32
TCFD		(c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	TCFD Metrics and Target, page 35-38 TCFD, page 32-33	Strategy & Progress, page 13

## Directors' statement

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### Directors' Statement on Santander UK Group Holdings plc's selected Subject Matter Information within the Annual Report and Accounts ("ARA") and the Environment, Social and Governance ("ESG") Supplement for the year ended 31 December 2024

As the Directors of Santander UK Group Holdings plc ("Santander") we confirm that we are solely responsible for the preparation of selected Subject Matter Information within the ARA and ESG Supplement for the year ended 31 December 2024 including this Directors' Statement and for reporting the Selected Subject Matter Information in accordance with the reporting criteria set out on pages 54 to 77 and ensuring that the reported information is supported by appropriate books and records.

We confirm, to the best of our knowledge and belief, that we have:

- designed, implemented and maintained internal controls and processes over information relevant to the measurement, evaluation and preparation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error;
- established objective reporting criteria that is appropriate for preparing and presenting the Subject Matter Information, including clear definition of the entity's organisational boundaries, and applied them consistently;
- presented information, including the reporting criteria, in a manner that provides relevant, complete, reliable, unbiased/neutral, comparable and understandable information;
- reported the Subject Matter Information in accordance with the reporting criteria.

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#### Director of Financial Reporting

For and on behalf of the Board of Directors of Santander UK Group Holdings plc

7 March 2025

## Assurance opinion

### Independent Limited Assurance Report to the Directors of Santander UK Group Holdings on selected Subject Matter Information within the Environment, Social and Governance Supplement and the Annual Report and Accounts for the year ended 31 December 2024

#### Our limited assurance conclusion

Based on the procedures we have performed, as described under the "Summary of work performed" and the "Areas of Assurance Focus" sections below, and the evidence we have obtained, nothing has come to our attention that causes us to believe that the selected Subject Matter Information marked with the symbol 'AS' in the Santander UK Group Holdings plc ("Santander") Environment, Social and Governance Supplement ("ESG Supplement") and the Annual Report and Accounts ("Annual Report") for the year ended 31 December 2024 and summarised in Appendix A (together, the "Subject Matter Information"), has not been prepared, in all material respects, in accordance with Santander's Reporting Criteria (the "Reporting Criteria") set out on pages 54 to 77 of Santander's ESG Supplement available on Santander's website<sup>i</sup>.

#### What we were engaged to assure

The Subject Matter Information subject to our limited assurance is set out in Appendix A. The Subject Matter Information needs to be read and understood together with the Reporting Criteria which Santander's Directors are solely responsible for selecting and applying. The Reporting Criteria are as set out on pages 54 to 77 of Santander's ESG Supplement. The scope of our work did not extend to information in respect of earlier periods or to any other information included in, or linked from, the ESG Supplement or the Annual Report.

#### Our work

##### Professional standards applied

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' and, in respect of the greenhouse gas (GHG) emissions, in accordance with International Standard on Assurance Engagements 3410 'Assurance Engagements on Greenhouse Gas Statements', issued by the International Auditing and Assurance Standards Board.

##### Our independence and quality control

We have complied with the Institute of Chartered Accountants in England and Wales Code of Ethics, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, that are at least as demanding as the applicable provisions of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code).

We apply International Standard on Quality Management (UK) 1 and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

##### Summary of work performed

We performed a limited assurance engagement. Because the level of assurance obtained in a limited assurance can vary, we give more detail about the procedures performed, so that the intended users of the Subject Matter Information can understand the nature, timing and extent of procedures we performed as context for our conclusion. The procedures performed vary in nature and timing from, and are less in extent than for, a reasonable

assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

In performing our assurance procedures, which were based on our professional judgement, we performed the following:

- Obtained an understanding of the Reporting Criteria and assessed whether they are consistent with relevant industry guidance for the Subject Matter Information;
- Obtained an understanding of the control environment, processes and systems relevant to the preparation of the Subject Matter Information;
- Compared year on year movements in the Subject Matter Information and made inquiries with management to obtain explanations for any significant differences identified;
- Performed limited substantive testing on a selective basis on the Subject Matter Information including:

##### All selected Subject Matter Information

- Agreeing arithmetical accuracy of calculations, and comparing data points to, or from, source information and assessing whether the underlying subject matter had been appropriately evaluated or measured, recorded, collated and reported.

##### Environment

- Comparing records maintained by Santander on energy/fuel consumption and business travel to underlying information used to prepare the Scope 1, 2 and 3 (business travel) emissions related Subject Matter Information, which included invoice data for the use of energy/fuel, renewable energy supply contracts, employee travel records, emissions conversion rates and data prepared by third parties;
- Comparing information on the underlying green finance transactions to relevant internal

and external evidence and assessing whether their classification is consistent with the Reporting Criteria, and whether the financing values are consistent to those recorded in Santander's loan management systems;

- Inspecting supporting evidence to determine whether Santander's mortgage, auto-finance and corporate real estate exposures and transactions are consistent with the Reporting Criteria for the financed emissions related Subject Matter Information;
- Inspecting input data for the calculation of the financed emissions related Subject Matter Information, including outstanding loan amounts, value of the underlying assets, floor area of properties financed, vehicle mileage, GHG emissions, emissions factors, and Santander's data quality scores against internal records and external data;
- Inspecting the calculated values for the financed emissions related Subject Matter information to assess whether the calculations are consistent with the Reporting Criteria, and making inquiries of management and their third party service providers to obtain explanations for any significant differences identified;

##### Social

- Comparing records maintained in Santander's human resources and training systems to data used to prepare the people related Subject Matter Information and assessing whether their classification and aggregation are consistent with the Reporting Criteria;
- Comparing records maintained in Santander's internal systems to data used to prepare the community support related Subject Matter Information, including payments made to beneficiary organisations.
- Evaluated the disclosures and overall presentation of the Subject Matter Information.

<sup>i</sup> The maintenance and integrity of Santander's websites (<http://www.santander.co.uk/about-santander/investor-relations> and <http://www.santandersustainability.co.uk>) is the responsibility of the Directors; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Subject Matter Information or Reporting Criteria when presented on Santander's website.

## Assurance opinion continued

### Our limited assurance procedures specifically did not include:

- Evaluating the suitability of design or the operating effectiveness of control activities over the preparation of the subject matter information;
- Testing the accuracy of employee self-disclosed information on ethnicity; and
- Testing the completeness and accuracy of information supplied to Santander by third parties related to financed emissions (EPC ratings, floor area and vehicle emissions) and on the use of funds paid by Santander in relation to community support initiatives.

### Materiality

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Subject Matter Information is likely to arise. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our procedures in support of our conclusion. We believe that it is important that the intended users have the information they need to understand the concept and the level of materiality to place our conclusion in context. Based on our professional judgement, we determined materiality for the Subject Matter Information as follows:

### Overall materiality

Materiality may differ depending upon the nature of the Subject Matter Information. We apply professional judgement to consider the most appropriate materiality benchmark for each aspect of the Subject Matter Information, having considered how the intended users may use the information.

The benchmark approach for each aspect of the selected Subject Matter Information is indicated in the table in Appendix A by one of the following numbers:

1. This metric is an absolute number. A benchmark materiality of 5% has been applied.
2. This metric is a percentage. A benchmark materiality of 5% has been applied to both the numerator and denominator used in the percentage calculation.
3. This metric is a ratio or intensity measure, each of which is calculated as a ratio between 2 different numbers. A benchmark of 5% has been applied to both the numerator and denominator used in the calculation; and
4. This PCAF data quality score metric is a weighted average. A benchmark of 0.2 has been applied.

We also agreed to report to the Directors misstatements ("reportable misstatements") identified during our work at a level below overall materiality, as well as misstatements below that lower level that in our view warranted reporting for qualitative reasons. The Directors are responsible for deciding whether adjustments should be made to the Subject Matter Information in respect of those items.

### Areas of Assurance Focus

The Areas of Assurance Focus are those areas of our work that, in our professional judgement, require additional procedures. In the case of limited assurance, that means our procedures may be towards the upper end of those that might be expected for limited assurance. These areas were identified as part of our risk assessment and result of the assurance procedures performed, and include those areas of significant risk, areas

that involved significant judgement, or other areas where significant assurance effort was needed. This approach provides transparency about where we deemed it necessary to perform extra work. However, this does not imply - for limited assurance - the same level of assurance as would have been obtained under a reasonable assurance engagement.

We considered the following to be Areas of Assurance Focus and discussed these with Santander's management.

### Calculation of financed emissions metrics and the use of estimated data for residential mortgages, auto finance and commercial real estate

<p><b>Nature of the issue</b></p>	<p>Santander prepares the metrics for financed emissions using data from internal management information systems, supplemented by data from third party providers. The preparation of the metrics is dependent on the nature of the available information, including the preparation and use of estimates when actual data is not available, such as EPC ratings, floor area, building emissions, vehicle emissions and vehicle mileage. We identified a heightened level of judgement in relation to the calculation and use of estimated values due to the complexity of the methodology and calculation processes.</p>
<p><b>How our work addressed the areas of assurance focus</b></p>	<p>The following procedures were performed in addition to those set out above:</p> <ul style="list-style-type: none"> <li>- Assessed the consistency of Santander's methodology for the calculation of financed emissions with the guidance from Partnership for Carbon Accounting Financial ('PCAF') - Part A, 2nd Edition, 2022;</li> <li>- Recalculated financed emissions, estimated values and weighted data quality scores for residential mortgages, auto finance and commercial real estate using Santander's documented methodology and independently sourced inputs for the estimated values when actuals were not available, including EPC ratings and EPC floor areas (residential mortgages and commercial real estate), asset type, fuel type and distance (auto finance); and</li> <li>- Compared the recalculated values with those prepared by Santander and made inquiries of management to obtain explanations and supporting analysis for any significant differences identified, including in relation to changes in the calculation methodologies in the current period.</li> </ul>
<p><b>Element(s) of the Subject Matter Information most significantly impacted</b></p>	<ul style="list-style-type: none"> <li>- Residential Mortgages Portfolio financed emissions 2023 metrics;</li> <li>- Auto finance Portfolio financed emissions 2023 metrics; and</li> <li>- Commercial Real Estate Portfolio financed emissions 2023 metrics.</li> </ul>

## Assurance opinion continued

### Challenges of non-financial information

The absence of a significant body of established practice upon which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities, and over time.

Non-financial information is subject to more inherent limitations than financial information, given the characteristics of the underlying subject matter and the methods used for measuring or evaluating it. The precision of different measurement techniques may also vary.

Furthermore, it is generally acknowledged by stakeholders globally, including regulators, that there are significant limitations in the availability and quality of company specific information, including GHG emissions data from third parties, resulting in reliance on proxy data. These limitations are reflected in the assigned PCAF data quality categories for reported Subject Matter Information. It is anticipated that the principles and methodologies used to measure and report the Subject Matter Information will develop over time and may be subject to change in line with market practice and regulation, impacting comparability year-on-year.

### Reporting on Other Information

The other information comprises all of the information in the ESG Supplement other than the Subject Matter Information and our assurance report. The Directors are responsible for the other information. As explained above, our conclusion does not extend to the other information and, accordingly, we do not express any form of assurance thereon. In connection with our assurance of the Subject Matter Information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the Subject Matter Information, or our knowledge obtained during the assurance engagement, or otherwise appears to contain a material misstatement of fact. If we identify an apparent material inconsistency or material misstatement of fact, we are required to perform procedures to conclude whether there is a material misstatement of the Subject Matter Information or a material misstatement of the other information, and to take appropriate actions in the circumstances.

### Responsibilities of the Directors

The Directors of Santander are responsible for:

- determining appropriate reporting topics and selecting or establishing suitable criteria for measuring or evaluating the underlying subject matter;
- ensuring that those criteria are relevant and appropriate to Santander and the intended users of the ESG Supplement and the Annual Report;
- the preparation of the Subject Matter Information in accordance with the Reporting Criteria including designing, implementing and maintaining systems, processes and internal controls over the evaluation or measurement of the underlying subject matter to result in Subject Matter Information that is free from material misstatement, whether due to fraud or error;
- documenting and retaining underlying data and records to support the Subject Matter Information;
- producing the ESG Supplement and Annual Report that provides a balanced reflection of Santander's performance in this area and discloses, with supporting rationale, matters relevant to the intended users of the ESG Supplement and Annual Report; and
- producing a statement of Santander's responsibility, as set out on page 106 of the ESG Supplement.

### Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Subject Matter Information is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Directors of Santander

### Use of our report

Our report, including our conclusion, has been prepared solely for the Directors of Santander in accordance with the agreement between us dated 15 January 2025 (the "agreement"). To the fullest extent permitted by law, we do not accept or assume responsibility or liability to anyone other than the Board of Directors and Santander for our work or our report except where terms are expressly agreed between us in writing.

PricewaterhouseCoopers LLP  
Chartered Accountants  
London  
7 March 2025

## Assurance opinion continued

### Appendix A – Subject Matter Information

Reporting Criteria for the selected Subject Matter Information are set out on pages 54 to 77 of Santander's ESG Supplement for the year ended 31 December 2024, which can be found on the following website: <http://www.santandersustainability.co.uk>

Subject Matter Information	Unit/Measure	Performance in 2024
<b>Environment</b>		
Scope 1 CO <sub>2</sub> e emissions (Santander UK Group Holdings plc) <sup>1</sup>	tCO <sub>2</sub> e	2,473
Scope 2 CO <sub>2</sub> e emissions (Market-based) (Santander UK Group Holdings plc) <sup>1</sup>	tCO <sub>2</sub> e	65
Scope 3 CO <sub>2</sub> e emissions (business travel only) (Santander UK Group Holdings plc) <sup>1</sup>	tCO <sub>2</sub> e	3,039
Total CO <sub>2</sub> e emissions (excluding financed emissions) (Santander UK Group Holdings plc) <sup>1</sup>	tCO <sub>2</sub> e	5,577
CO <sub>2</sub> e emissions per employee (excluding financed emissions) (Santander UK Group Holdings plc) <sup>3</sup>	tCO <sub>2</sub> e/ Total HoldCo FTE	0.29
Green finance raised and facilitated <sup>1</sup>	£bn	3.9
<b>Scope 3 financed emissions (Mortgages)</b>		<b>2023</b>
Lending exposure assessed <sup>1</sup>	£bn	175.3
Absolute emissions <sup>1</sup>	mtCO <sub>2</sub> e	1,221
Emissions intensity <sup>3</sup>	kgCO <sub>2</sub> e/ m <sup>2</sup>	20.9
PCAF score <sup>4</sup>	#	3.2
<b>Scope 3 financed emissions (Consumer Finance)</b>		<b>2023</b>
Lending exposure assessed <sup>1</sup>	£bn	8.6
Absolute emissions <sup>1</sup>	mtCO <sub>2</sub> e	1,336
Emissions intensity <sup>3</sup>	gCO <sub>2</sub> e/ km	141.3
PCAF score <sup>4</sup>	#	2.1
<b>Scope 3 financed emissions (Commercial Real Estate)</b>		<b>2023</b>
Lending exposure assessed <sup>1</sup>	£bn	9.6
Absolute emissions <sup>1</sup>	mtCO <sub>2</sub> e	114
Emissions intensity <sup>3</sup>	kgCO <sub>2</sub> e/ m <sup>2</sup>	25.4
PCAF score <sup>4</sup>	#	4.0
<b>Social</b>		
Community Support <sup>1</sup>	£m	10.5
Employees by sex FTE (Male) (Santander UK Group Holdings plc) <sup>1</sup>	#	8,507
Employees by sex FTE (Female) (Santander UK Group Holdings plc) <sup>1</sup>	#	9,648
Employee turnover (Santander UK Group Holdings plc) <sup>2</sup>	%	9.41
FTE of ethnic minority employees (Santander UK Group Holdings plc) <sup>1</sup>	#	4,140
Total days of learning completed (Santander UK Group Holdings plc) <sup>1</sup>	#	37,147

1, 2, 3 and 4 Please refer to "Overall materiality" table for materiality thresholds.

[Read more](#)

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Annual Report 2024

Diversity

Taxation Strategy

Modern Slavery Statement

Environment Policy Statement

