

**SUPPLEMENT DATED 4 FEBRUARY 2020
TO THE BASE PROSPECTUS DATED 22 MARCH 2019**



Santander UK plc

(incorporated in England and Wales with limited liability, registered number 2294747)

This supplement ("this **Supplement**"), which definition shall also include all information incorporated by reference herein is prepared as a supplement to, and must be read in conjunction with the Base Prospectus dated 22 March 2019, as supplemented by the supplements dated 10 May 2019, 29 July 2019, 16 August 2019 and 5 November 2019 relating to the Structured Note and Certificate Programme (the "**Base Prospectus**").

This Supplement together with the Base Prospectus constitutes a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC, as amended (the "**Prospectus Directive**"). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

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

This Supplement has been approved by the Central Bank of Ireland (the "**Central Bank**"), as Irish competent authority under the Prospectus Directive. The Central Bank only approves this Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to the Securities which are to be admitted to trading on the regulated market of the Irish Stock Exchange plc, trading as Euronext Dublin, or other regulated markets for the purposes of Directive 2014/65/EU, as amended (the "**Markets in Financial Instruments Directive**") or which are to be offered to the public in a Member State of the European Economic Area.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement has been prepared for the purpose of: (i) incorporating by reference into the Base Prospectus the unaudited consolidated financial information of the Issuer for the year ended 31 December 2019 (as described in Schedule 1 hereto); and (ii) updating the Summary of the Programme contained in the Base Prospectus (as described in Schedule 2 hereto).

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference in the Base Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus prior to the date of this Supplement, the statement referred to in (a) above will prevail.

If any documents which are incorporated by reference themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Supplement or the Base Prospectus for the purposes of the Prospectus Directive except where such information or other documents are specifically incorporated by reference or attached to this Supplement.

Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in the Base Prospectus, to which this Supplement relates.

Save as disclosed in this Supplement, no significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus. There has been no significant change in the financial position of Santander UK plc and its subsidiaries since 31 December 2019 (being the date to which the most recent financial information was prepared).

In accordance with Article 16.2 of the Prospectus Directive, investors who have agreed to purchase or subscribe for securities before this Supplement is published have the right, exercisable before the end of the period of two working days beginning with the working day after the date on which this Supplement was published, to withdraw their acceptances by sending a written notice of withdrawal (which must include the full name and address of the person or entity wishing to exercise such statutory withdrawal right and identify the transferable securities to which that statutory withdrawal right relates) by electronic mail to structurednotesafm@santander.co.uk. The final date for any such withdrawal is 6 February 2020.

SCHEDULE 1

DOCUMENTS INCORPORATED BY REFERENCE

Santander UK Group Holdings plc, the immediate parent company of the Issuer, has published its unaudited quarterly management statement for the year ended 31 December 2019 (the “**Quarterly Management Statement**”).

The content of Appendix 2 appearing on page 14 of such Quarterly Management Statement, which contains the unaudited consolidated financial information of the Issuer for the year ended 31 December 2019 is hereby incorporated in, and forms part of the Base Prospectus.

The relevant section of the Quarterly Management Statement listed above is available for viewing at: https://www.santander.co.uk/assets/s3fs-public/documents/santander_uk_qms_q419.pdf

SCHEDULE 2

SUPPLEMENT TO THE SUMMARY

The Summary contained in the Base Prospectus is hereby amended by deletion of Element B.12 and its replacement with the following:

B.12	Selected historical key financial information		
	The audited consolidated balance sheet as at 31 December 2018 and 31 December 2017 for each of the years ended 31 December 2018 and 31 December 2017 have been extracted without any adjustment from, and should be read in conjunction with, the Issuer's consolidated financial statements in respect of those dates and periods:		
	<i>Consolidated Balance Sheet (extracted from the Issuer's annual financial report for the year ended 31 December 2018)</i>		
		31 December 2018 £m	31 December 2017 £m
	Assets		
	Cash and balances at central banks	19,747	32,771
	Trading assets	-	30,555
	Derivative financial instruments	5,259	19,942
	Financial assets designated at fair value	5,617	2,096
	Loans and advances to banks ⁽¹⁾	2,799	3,463
	Loans and advances to customers ⁽¹⁾	201,289	199,340
	Reverse repurchase agreements - non-trading ⁽¹⁾	21,127	2,614
	Other financial assets at amortised cost ⁽²⁾	7,229	-
	Financial assets at fair value through other comprehensive income ⁽²⁾	13,302	-
	Financial investments ⁽²⁾	-	17,611
	Interests in other entities	88	73
	Intangible assets	1,808	1,742
	Property, plant and equipment	1,832	1,598
	Current tax assets	153	-
	Retirement benefit assets	842	449
	Other assets	2,280	2,511
	Total assets	283,372	314,765
	Liabilities		
	Deposits by banks ⁽¹⁾	17,221	12,708
	Deposits by customers	178,090	183,648
	Repurchase agreements – non-trading ⁽²⁾	10,910	1,076
	Trading liabilities	-	31,109
	Derivative financial instruments	1,369	17,613
	Financial liabilities designated at fair value	6,286	2,315
	Debt securities in issue	46,692	42,633
	Subordinated liabilities	3,601	3,793
	Other liabilities	2,448	2,730
	Provisions	509	558
	Current tax liabilities	-	3
	Deferred tax liabilities	223	88
	Retirement benefit obligations	114	286
	Total liabilities	267,463	298,560
	Equity		

Share capital	3,119	3,119
Share premium	5,620	5,620
Other equity instruments	1,991	2,281
Retained earnings	4,744	4,732
Other reserves	284	301
Total shareholders' equity	15,758	16,053
Non-controlling interests	151	152
Total equity	15,909	16,205
Total liabilities and equity	283,372	314,765

(1) From 1 January 2018, the non-trading repurchase agreements and non-trading reverse repurchase agreements that are held at amortised cost are now presented as separate lines in the balance sheet. Comparatives are represented accordingly.

(2) On adoption of IFRS 9, the 'financial investments' balance sheet line item was split between 'other financial assets at amortised cost' and 'financial assets at FVOCI'. This approach aligns the balance sheet line items to the IFRS 9 accounting classifications and provides a clearer understanding of our financial position.

Summary of segmental balance sheet assets and liabilities of the Issuer (extract from the Quarterly Management Statement of Santander UK Group Holdings plc for the year ended 31 December 2019)

	31 December 2019 (unaudited) £m	31 December 2018 (unaudited) £m
Customer loans		
Retail Banking	180.4	172.8
Corporate & Commercial Banking	16.3	17.7
Corporate & Investment Banking	4.1	4.6
Corporate Centre	4.2	4.5
Total customer loans	205.0	199.6
Other assets	76.7	83.8
Total assets	281.7	283.4
Customer deposits		
Retail Banking	145.1	142.1
Corporate & Commercial Banking	18.2	17.6
Corporate & Investment Banking	6.1	4.8
Corporate Centre	2.3	2.8
Total customer deposits	171.7	167.3
Total wholesale funding	65.2	70.8
Other liabilities	28.7	29.3
Total liabilities	265.6	267.4
Shareholders' equity	15.9	15.8
Non-controlling interest	0.2	0.2
Total liabilities and equity	281.7	283.4

Consolidated Income Statement (extracted from the Issuer's annual report for the year ended 31 December 2018)

	31 December 2018 £bn	31 December 2017 £bn
Interest and similar income	6,066	5,905
Interest expense and similar charges	(2,463)	(2,102)
Net interest income	3,603	3,803
Fee and commission income	1,170	1,222
Fee and commission expense	(421)	(415)
Net fee and commission income	749	807
Net trading and other income	182	302
Total operating income	4,534	4,912

operating expenses before impairment losses, provisions and charges	(2,579)	(2,499)
Impairment losses on loans and advances	(153)	(203)
Provisions for other liabilities and charges	(257)	(393)
Total operating impairment losses, provisions and charges	(410)	(596)
Profit before tax	1,545	1,817
Tax on profit	(441)	(561)
Profit after tax for the year	1,104	1,256
Attributable to:		
Equity holders of the parent	1,082	1,235
Non-controlling interests	22	21
Profit after tax	1,104	1,256
<i>Summarised consolidated income statement of the Issuer (extracted from the Quarterly Management Statement of Santander UK Group Holdings plc for the year ended 31 December 2019)</i>		
	Year ended 31 December 2019 (unaudited) £m	Year ended 31 December 2018 (unaudited) £m ⁽¹⁾
Net interest income	3,292	3,603
Non-interest income	881	931
Total operating income	4,173	4,534
Operating expenses before credit impairment losses, provisions and charges	(2,499)	(2,579)
Credit impairment losses	(221)	(153)
Provisions for other liabilities and charges	(441)	(257)
Total operating impairment losses, provisions and charges	(662)	(410)
Profit before tax	1,012	1,545
Tax on profit	(279)	(399)
Profit after tax	733	1,146
(1) Adjusted to reflect the amendment to IAS 12.		
<i>Statements of no significant or material adverse change</i>		
There has been no significant change in the financial position of the Issuer since 31 December 2019 and there has been no material adverse change in the prospects of the Issuer since 31 December 2018.		