

Santander Corporate & Investment Banking (SCIB) Allocation Policy in connection with new Debt Capital Market Offerings

Objectives

We (SCIB) are writing to you in your role as issuer of debt capital markets products to share with you our allocation policy that typically applies when allocating debt security offerings ("securities") on behalf of our clients. This policy ensures:

- the allocation process is transparent and conducted fairly in line with proper standards of market conduct;
- conflicts of interest are appropriately managed;
- an orderly market is maintained; and
- we meet requirements under the Market in Financial Instruments Directive (MIFID II).

We are committed to allocating issuances of securities in a manner that facilitate your objectives and preferences. We will take your preferences into account with respect to price, structure, timing, allocation, investor selection, marketing and other terms of the offering. We will endeavour to achieve an appropriate balance between a stable investor base and liquidity in the aftermarket.

As is customary in offerings of this type, the price and allocations will be determined by means of bookbuilding. The bookbuilding process enables SCIB to build a picture of investor interest and demand for the offering and assists in pricing. We seek to build an appropriate spread of investors including those who are likely to be long-term holders and those whose trading activity will support liquidity. This can help facilitate relative price stability and an active market in the securities after its issue. We will send you any additional detail of the execution and bookbuilding process as necessary and upon request.

General investor allocation criteria

We are available to work with you to develop strategies for targeting specific types or groups of potential investors depending on your requirements. Subject to any parameters agreed with you from time to time when allocating securities, we would normally expect to take into consideration some or all of the following factors:

- Your requirements or preferences with respect to investor profile or geographical distribution.
- Investor type/category, with an appropriate balance between trading and those "non-trading" longer-term investors, such as Central Banks, Insurance Companies, Asset Managers and Funds (e.g. retail fund, pension fund, industry specialist fund, tracker fund).
- Investor relationship with issuer.
- Perceived intentions of the investor, taking into account past conduct (such as "flipping", dealings and long-term positions in other securities of the issuer and/ or sector).
- The quantity(ies) and price(s) at which the investor has expressed interest during the book-building/price-discovery process.
- Concentration (i.e. preferences as to size and number of large holdings, medium and/or smaller one)
- The geographical location of the investor (e.g. taking into account potential selling restrictions or other relevant legal or regulatory restrictions with which the investor is connected).
- The investor's level and timing of its demonstrated interest in the issuer or offering, which may include participation in road-shows, investor update calls and other engagement with management, due diligence, provision of valuation information, timeliness of indication of interest, ("IOI"), other contact with the issuer and the quality of feedback from such investor.

- Whether a particular allocation would be beneficial for the issue, given SCIB's knowledge and experience of the investor's investment strategy and purchasing capacity.
- The investor's speed of response and timeliness of the order
- Investors that are known to be using SRI/ green bond principles or dedicated SRI/green funds.
- Where Liability Management is involved, existing holders who have validly demonstrated their tender intentions or instructions.

Achieving your objectives

Where you provide further instructions as to your objectives and/or any specific allocations, we will record such instructions and make relevant changes to the provisional schedule of allocations in line with previous instructions given.

Normally, no one factor would be determinative in the allocation process and the particular facts and circumstances of the issuer and the investor will ultimately determine the basis of the selection of the investors for each set of allocations. We will provide you with details of the final allocations whereby we will;

- Highlight the top 20% of allocations ranked both: (i) by size of total allocation and (ii) by "fill" (i.e. the allocation as a proportion of the bid/order of the investor);
- Include a statement of or reference to your agreed client objectives, including any other specifically agreed allocation criteria, that have been used in determining allocations to those (top 20%) highlighted investors (taken as a group); and
- Include specific justification for any allocations to any of those highlighted investors which are inconsistent with, or not clearly justifiable by reference to, those criteria or where the relevant firms believe a specific further explanation would be desirable or appropriate.

Managing the pricing and allocation process

The SCIB Debt Syndicate team is responsible for the pricing and allocation process. The team is led by Stuart Montgomerie.

Those within SCIB who will be involved in the production of advice on pricing and allocations may include, but is not limited to:

Stuart Montgomerie	David Loughran	Nihar Rach	Heike Hoehl
Nicolas Espinoza	Imran Mohammed	Smit Acharya	Kerry Horne
Juan Carlos Sanchez	Lorena Ramirez	Cecile Luccioni	Hattie Gibbon

Unless you indicate otherwise, we would expect to provide you with regular updates as to the progress of the bookbuilding process, including any specific investor's IOI. **Please let us know if you have specific requests as to the regularity or content of these updates.**

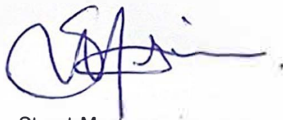
We would like to draw attention to the following specific points relating to allocation:

- For compliance reasons, including "know-your-customer" requirements, our general practice is to only allocate securities to existing investor clients of SCIB. We make considerable efforts to manage effectively and appropriately the conflicts of interest that might arise as a result, e.g. where one particular class of investor and/or where different investors within the same class may not be treated consistently.

- Our conflicts management arrangements seek to ensure that individuals responsible for providing services to those investor clients are not responsible for decisions about recommendations which may be provided to you in relation to pricing and allocations, and our staff are prohibited from basing or conditioning allocations on any quid pro quo or wrongful inducement in respect of past or future business with SCIB.
- Where permissible, our own trading desks and Santander Asset Management entities may indicate interest in participating as investors in the offering. In order to minimise any actual or perceived conflict of interest, our internal policies provide, among other things, that they may be treated no more favourably than other investors with similar characteristics.
- While we endeavour to agree allocation criteria and the application of these criteria with our joint bookrunner(s), there may be occasions upon which we disagree as to the suitability of a particular investor and allocations represent a compromise between us. This might arise, for example, where we are not familiar with a particular client of a joint bookrunner or where we disagree with the joint bookrunner as to the appropriate size of allocation to an investor. Similarly, when we allocate to any co-managers we do not have visibility as to onward allocations to the co-managers' investor clients.
- If you so wish to include a "Friends and Family" or similar element as part of the proposed transaction, please let us know as soon as possible. We will rely on you to identify possible participants in this portion of the offering. Such participants that are not existing clients of ours will need to be allocated directly by you and also may be required to settle directly with you, subject always to applicable offering and regulatory restrictions.
- If you so wish, we will endeavour to agree the list of proposed allocations with you. However, please be aware that for reasons of proper risk management, allocations must be final once we agree a firm price. Once the final schedule of allocations is agreed this will be provided by email to you.

We hope that this overview has been informative regarding the bookbuilding, allocation and marketing process. Please do not hesitate to contact your Santander coverage team at any time with any questions on this document.

Yours sincerely,



Stuart Montgomerie
Global Head of Syndicate

