

Lloyds Bank Corporate Markets plc

2025 Half-Year

Pillar 3 Disclosures

18 August 2025

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BASIS OF PREPARATION

This report presents the half-year Pillar 3 disclosures of Lloyds Bank Corporate Markets plc ('the Bank') as at 30 June 2025 and should be read in conjunction with the Lloyds Bank Corporate Markets plc 2025 Half-Year Results.

The disclosures have been prepared in accordance with the Disclosure section of the PRA Rulebook. Pillar 3 templates required to be disclosed on a semi-annual basis that have not been included in this report are listed in the table below along with the reason for exclusion.

PRA reference	Template name	Reason for exclusion
CR2a	Changes in the stock of non-performing loans and advances and related net accumulated recoveries	Threshold for disclosure not met
CQ2	Quality of forbearance	Threshold for disclosure not met
CQ6	Collateral valuation – loans and advances	Threshold for disclosure not met
CQ7	Collateral obtained by taking possession and execution processes	No collateral taken into possession is recognised on the balance sheet
CQ8	Collateral obtained by taking possession and execution processes – vintage breakdown	No collateral taken into possession is recognised on the balance sheet and threshold for disclosure is not met
CR7	IRB – Effect on the RWAs of credit derivatives used as CRM techniques	Excluded on materiality basis
CR10.3	Specialised lending - Object finance (Slotting approach)	Not applicable to the Bank
CR10.4	Specialised lending - Commodities finance (Slotting approach)	Not applicable to the Bank
CR10.5	Equity exposures subject to the simple risk weight method	Not applicable to the Bank
CCR7	RWA flow statements of CCR exposures under the IMM	Not applicable to the Bank

The information presented in this Pillar 3 report is not required to be, and has not been, subject to external audit.

A description of the main features of capital instruments issued by Lloyds Banking Group plc (the ultimate parent company) and its large subsidiaries (including Lloyds Bank Corporate Markets plc) are included in a separate document on the Lloyds Banking Group website located at www.lloydsbankinggroup.com/investors/financialdownloads.

The following templates disclosed by Lloyds Banking Group plc do not fall under the scope of the large subsidiary disclosure requirements relevant to the Bank, but specifically relate to it:

- Template TLAC 2 (Total Loss Absorbing Capacity: Material sub-group entity - creditor ranking at the entity level) which details the creditor hierarchy and nominal values of instruments issued by the Bank.
- Templates MR2-A (Market risk under the Internal Model Approach), MR3 (IMA values for trading portfolios) and MR4 (Comparison of VaR estimates with gains/losses).

The Lloyds Banking Group plc 2025 Half-Year Pillar 3 Disclosures can be found on the Lloyds Banking Group plc website.

KEY METRICS AND OVERVIEW OF RISK WEIGHTED EXPOSURE AMOUNTS

KMI: Key Metrics¹

KM1	LR2		30 Jun 2025	31 Dec 2024	30 Jun 2024
Ref	Ref	Available own funds (amounts)			
1		Common Equity Tier 1 (CET1) capital (£m)	2,971	2,797	2,908
2		Tier 1 capital (£m)	6,950	3,580	3,691
3		Total capital (£m)	6,950	4,171	4,283
Risk-weighted exposure amounts					
4		Total risk-weighted exposure amount (£m)	22,419	20,605	21,204
Capital ratios (as a percentage of risk-weighted exposure amount)					
5		Common Equity Tier 1 ratio (%)	13.3%	13.6%	13.7%
6		Tier 1 ratio (%)	31.0%	17.4%	17.4%
7		Total capital ratio (%)	31.0%	20.2%	20.2%
Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)					
UK 7a		Additional CET1 SREP requirements (%)	2.4%	2.4%	2.7%
UK 7b		Additional AT1 SREP requirements (%)	0.8%	0.8%	0.9%
UK 7c		Additional T2 SREP requirements (%)	1.0%	1.0%	1.3%
UK 7d		Total SREP own funds requirements (%)	12.2%	12.2%	12.9%
Combined buffer requirement (as a percentage of risk-weighted exposure amount)					
8		Capital conservation buffer (%)	2.5%	2.5%	2.5%
9		Institution specific countercyclical capital buffer (%)	0.9%	1.0%	1.0%
11		Combined buffer requirement (%)	3.4%	3.5%	3.5%
UK 11a		Overall capital requirements (%)	15.7%	15.7%	16.4%
12		CET1 available after meeting minimum SREP own funds requirements (%) ²	6.4%	6.7%	6.5%
Leverage ratio					
13	UK-24b	Total exposure measure excluding claims on central banks (£m)	84,779	79,612	78,930
14	25	Leverage ratio excluding claims on central banks (%)	8.2%	4.5%	4.7%
Additional leverage ratio disclosure requirements					
UK 14a	UK-25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	8.2%	4.5%	4.7%
UK 14b	UK-25c	Leverage ratio including claims on central banks (%)	6.7%	3.6%	3.8%
UK 14c	UK-34	Average leverage ratio excluding claims on central banks (%) ³	5.7%	4.4%	4.6%
UK 14d	UK-33	Average leverage ratio including claims on central banks (%) ³	4.6%	3.5%	3.8%
	UK-31	Average total exposure measure including claims on central banks ³	104,275	101,559	96,536
	UK-32	Average total exposure measure excluding claims on central banks ³	84,107	81,359	79,029
	27	Leverage ratio buffer (%) ⁴	0.3%	0.3%	0.3%
UK 14e	UK-27b	Of which: countercyclical leverage ratio buffer (%)	0.3%	0.3%	0.3%
Average Liquidity Coverage Ratio (weighted) (LCR)⁵					
15		Total high-quality liquid assets (HQLA) (Weighted value - average) (£m)	26,353	26,839	27,569
UK 16a		Cash outflows - Total weighted value - average (£m)	24,965	26,051	26,879
UK 16b		Cash inflows - Total weighted value - average (£m)	9,112	10,042	10,403
16		Total net cash outflows (adjusted value - average) (£m)	15,853	16,009	16,476
17		Average liquidity coverage ratio (%)	167%	168%	168%
Average Net Stable Funding Ratio⁶					
18		Total available stable funding (Weighted value - average) (£m)	28,701	26,344	27,381
19		Total required stable funding (Weighted value - average) (£m)	21,695	19,111	18,957
20		Average NSFR ratio (%)	132%	138%	145%

¹ Includes extracts of LR2 (Leverage ratio common disclosure) that are required to be disclosed on a quarterly basis.

² Represents, as a percentage, the level of CET1 capital left available to meet buffer requirements after subtracting the minimum amount of CET1 capital required to meet total Pillar 1 plus Pillar 2A capital requirements, also referred to as total SREP own funds requirements. The minimum CET1 requirement is equivalent to 4.5% (Pillar 1) plus the additional CET1 SREP requirement (56.25% of Pillar 2A).

³ The average UK leverage ratio is based on the average of the month end tier 1 capital position and average exposure measure over the quarter.

⁴ The additional leverage ratio buffer (ALRB) does not apply for the Bank.

⁵ The liquidity balances are calculated as the simple average of month end observations over the previous 12 months

⁶ The net stable funding balances are calculated as the simple average of month end observations over the previous 4 quarters.

Common Equity Tier 1

The Bank's common equity tier 1 (CET1) capital ratio reduced to 13.3% at 30 June 2025, compared to 13.6% at 31 December 2024. Profit for the period was more than offset by an increase in risk-weighted assets.

Total Capital

The Bank's total capital ratio increased to 31.0% at 30 June 2025 (20.2% at 31 December 2024) primarily reflecting the outcome of a regulatory capital restructuring exercise that involved the issuance of new additional tier 1 capital instruments and the repayment in full of tier 2 capital instruments. This was partially offset by the increase in risk-weighted assets.

Risk-Weighted Assets

Risk-weighted assets increased by £1,814 million to £22,419 million at 30 June 2025, compared to £20,605 million at 31 December 2024, largely reflecting lending growth and increases in counterparty credit risk partially offset by a reduction in market risk.

Leverage

The Bank's UK leverage ratio increased to 8.2% at 30 June 2025 (31 December 2024: 4.5%) largely reflecting the increase in additional tier 1 capital following the regulatory capital restructuring exercise. This was partly offset by an increase in the leverage exposure measure, reflecting lending growth, increases in reverse repurchase agreements and off-balance sheet items and an increase in the measure for derivatives.

Funding and Liquidity

The Bank's average liquidity coverage ratio (LCR) was 167% as at 30 June 2025 (31 December 2024 : 168%). The decrease of 1 percentage point was due to a reduction in liquid assets, primarily from an increase in lending and a decrease in wholesale funding, partially offset by growth in customer commercial deposits.

The Bank's average net stable funding ratio (NSFR) was 132% as at 30 June 2025 (31 December 2024: 138%). The decrease of 6 percentage points was due to an increase in requirements for customer lending and securities financing transactions, partially offset by growth in customer commercial deposits.

KEY METRICS AND OVERVIEW OF RISK WEIGHTED EXPOSURE AMOUNTS (Continued)

OV1: Overview of risk weighted exposure amounts

		Total RWA		Total own funds requirements
		30 Jun 2025	31 Dec 2024	30 Jun 2025
		£m	£m	£m
1	Credit risk (excluding CCR)	11,022	9,582	882
2	Of which the standardised approach	1,296	1,190	104
3	Of which the foundation IRB (FIRB) approach	8,887	7,610	711
4	Of which slotting approach	366	272	29
UK 4a	Of which equities under the simple risk weighted approach	419	419	34
	Of which: non-credit obligation assets ¹	54	91	4
6	Counterparty credit risk (CCR)	6,610	5,828	529
7	Of which the standardised approach	6,017	5,189	481
UK 8a	Of which exposures to a CCP	67	72	5
UK 8b	Of which credit valuation adjustment (CVA)	207	243	17
9	Of which other CCR	319	324	26
16	Securitisation exposures in the non-trading book (after the cap)	541	531	44
18	Of which SEC-ERBA approach (including IAA)	162	149	13
19	Of which SEC-SA approach	379	382	31
20	Position, foreign exchange and commodities risks (Market risk)	3,004	3,422	240
21	Of which the standardised approach	387	416	31
22	Of which IMA	2,617	3,006	209
23	Operational risk	1,242	1,242	99
UK 23b	Of which standardised approach	1,242	1,242	99
24	Memo: Amounts below the thresholds for deduction (subject to 250% risk weight)	456	458	36
29	Total	22,419	20,605	1,794
	Pillar 2A capital requirement ²			948
	Total capital requirement			2,742

¹ Non-credit obligation assets (IRB approach) includes other balance sheet assets that have no associated credit risk.

² As at 30 June 2025, the Pillar 2A capital requirement was around 4.2% of risk-weighted assets, of which around 2.4% was to be met with CET1 capital.

Risk-weighted assets increased by £1,814 million to £22,419 million at 30 June 2025, compared to £20,605 million at 31 December 2024. This largely reflected:

- Credit Risk: RWAs increased by £1,440 million to £11,022 million principally due to an increase in lending.
- Counterparty Credit Risk: RWAs increased by £782 million to £6,610 million primarily driven by the impact of foreign exchange.
- Market Risk: RWAs decreased by £418 million to £3,004 million mainly driven by portfolio evolution.

KEY METRICS AND OVERVIEW OF RISK WEIGHTED EXPOSURE AMOUNTS (Continued)**CR8: RWA flow statements of credit risk exposures under the IRB approach**

The table below summarises the movements of risk-weighted assets for credit risk exposures under the Internal Ratings Based (IRB) Approach. The table excludes counterparty credit risk exposures, securitisation exposures and other non-credit obligation assets.

	Total RWA quarter to 30 Jun 2025 £m	Total RWA YTD 30 Jun 2025 £m
1 Risk weighted exposure amount as at the end of previous reporting period	8,684	7,882
2 Asset size (+/-)	693	1,700
3 Asset quality (+/-)	13	(42)
5 Methodology and policy (+/-)	155	155
7 Foreign exchange movements (+/-)	(292)	(442)
9 Risk weighted exposure amount as at the end of the reporting period	9,253	9,253

Key movements 31 March 2025 to 30 June 2025:

– Asset size increase largely driven by lending growth.

KEY METRICS AND OVERVIEW OF RISK WEIGHTED EXPOSURE AMOUNTS (Continued)**MR2-B: RWA flow statements of market risk exposures under the Internal Model Approach**

The table below summarises the movements of risk-weighted assets for market risk exposures under the Internal Model Approach (IMA).

		Total RWA quarter to 30 Jun 2025					Total own funds requirements
		VaR	SVaR	IRC	Other	Total RWA	
		£m	£m	£m	£m	£m	£m
1	RWAs at 31 March 2025	589	1,386	461	860	3,297	264
1a	Regulatory adjustment	(468)	(1,071)	—	—	(1,539)	(123)
1b	RWAs at the previous quarter-end (end of the day) ¹	121	315	461	860	1,758	141
2	Movement in risk levels	(15)	(25)	(196)	72	(165)	(14)
3	Model updates/changes	—	—	—	(35)	(35)	(3)
7	Other	—	—	—	—	—	—
8a	RWAs at end of the disclosure period (end of the day) ¹	106	290	265	897	1,558	124
8b	Regulatory adjustment	240	819	—	—	1,059	85
8	RWAs at 30 June 2025	346	1,109	265	897	2,617	209

		Total RWA YTD to 30 Jun 2025					Total own funds requirements
		VaR	SVaR	IRC	Other	Total RWA	
		£m	£m	£m	£m	£m	£m
1	RWAs at 31 December 2024	572	1,077	426	931	3,006	240
1a	Regulatory adjustment	(264)	(777)	(140)	—	(1,181)	(94)
1b	RWAs at end of day ¹	308	300	286	931	1,825	146
2	Movement in risk levels	(202)	(10)	(21)	(36)	(269)	(22)
3	Model updates/changes	—	—	—	(35)	(35)	(3)
7	Other	—	—	—	37	37	3
8a	RWAs at end of day ¹	106	290	265	897	1,558	124
8b	Regulatory adjustment	240	819	—	—	1,059	85
8	RWAs at 30 June 2025	346	1,109	265	897	2,617	209

¹ End of day represents spot position

Key movements 31 March 2025 to 30 June 2025:

– Decrease in RWA driven by portfolio evolution.

OWN FUNDS

CC1: Composition of regulatory own funds

	30 Jun 2025	31 Dec 2024	CC2 Reference
	£m	£m	
Common Equity Tier 1 (CET1) capital: instruments and reserves			
1	Capital instruments and the related share premium accounts	370	370
	of which: called up share capital	370	370 a
2	Retained earnings	2,889	2,885 c
3	Accumulated other comprehensive income (and other reserves)	(175)	(236) c
UK-5a	Independently reviewed interim profits net of any foreseeable charge or dividend ¹	160	—
	of which: foreseeable dividend	—	—
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	3,244	3,019
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments	(126)	(130)
8	Intangible assets (net of related tax liability)	(3)	(4) e
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	124	219
12	Negative amounts resulting from the calculation of expected loss amounts	(234)	(279)
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	(34)	(28)
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	(273)	(222)
29	Common Equity Tier 1 (CET1) capital	2,971	2,797
Additional Tier 1 (AT1) capital: instruments			
30	Capital instruments and the related share premium accounts	4,120	783
31	of which: classified as equity under applicable accounting standards	4,120	783 b
Additional Tier 1 (AT1) capital: regulatory adjustments			
42	Qualifying T2 deductions that exceed the T2 items of the institution	(141)	—
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	(141)	—
44	Additional Tier 1 (AT1) capital	3,979	783
45	Tier 1 capital (T1 = CET1 + AT1)	6,950	3,580
Tier 2 (T2) capital: instruments			
46	Capital instruments and the related share premium accounts	—	691 d
51	Tier 2 (T2) capital before regulatory adjustments	—	691
Tier 2 (T2) capital: regulatory adjustments			
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions)	—	(100)
57	Total regulatory adjustments to Tier 2 (T2) capital	—	(100)
58	Tier 2 (T2) capital	—	591
59	Total capital	6,950	4,171
60	Total risk exposure amount	22,419	20,605
Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	13.3%	13.6%
62	Tier 1 (as a percentage of total risk exposure amount)	31.0%	17.4%
63	Total capital (as a percentage of total risk exposure amount)	31.0%	20.2%
64	Institution CET1 overall capital requirement (CET1 requirement in accordance with Article 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Article 104(1) CRD, plus combined buffer requirement in accordance with Article 128(6) CRD) expressed as a percentage of risk exposure amount)	10.3%	10.4%
65	of which: capital conservation buffer requirement	2.5%	2.5%
66	of which: countercyclical buffer requirement	0.9%	1.0%
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	6.4%	6.7%

		30 Jun 2025	31 Dec 2024	CC2 Reference
		£m	£m	
Amounts below the thresholds for deduction (before risk weighting)				
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	97	34	
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	168	168	
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	15	16	
Applicable caps on the inclusion of provisions in Tier 2				
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	90	78	

¹ The reported amount for 30 June 2025 through row UK-5a reflects the independently reviewed interim profits of the Bank attributable to ordinary shareholders. The externally audited profits for the year to 31 December 2024 are included in row 2 (Retained earnings).

OWN FUNDS (Continued)**CC2: Reconciliation of regulatory own funds to the balance sheet in the financial statements**

The following table presents the Bank's accounting balance sheet as at 30 June 2025 which forms the basis for the calculation of the Bank's regulatory own funds as presented in table CC1. There is no difference between the Bank's accounting and regulatory balance sheets.

		Bank balance sheet at 30 Jun 2025	Reference ¹
		£m	
Assets			
1	Cash and balances at central banks	19,122	
2	Financial assets at fair value through profit or loss	27,058	
3	Derivative financial instruments	21,901	
4	Loans and advances to banks	1,590	
5	Loans and advances to customers	18,484	
6	Reverse repurchase agreements	6,100	
7	Debt Securities	347	
8	Due from fellow Lloyds Banking Group undertakings	648	
9	Financial assets at amortised cost	27,169	
10	Financial assets at fair value through other comprehensive income	—	
11	Property, plant and equipment	28	
12	Other intangible assets	3	e
13	Current tax recoverable	5	
14	Deferred tax assets	63	
15	Investment in subsidiary undertakings	168	
16	Other assets	1,962	
17	Total assets	97,479	
Liabilities			
1	Deposits from banks	1,806	
2	Customer deposits	31,653	
3	Repurchase agreements at amortised cost	504	
4	Due to fellow Lloyds Banking Group undertakings	1,253	
5	Financial liabilities at fair value through profit or loss	24,896	
6	Derivative financial instruments	15,641	
7	Debt securities in issue	12,379	
8	Current tax liabilities	37	
9	Other provisions	14	
10	Other liabilities	1,907	
11	Subordinated liabilities	—	d
12	Total liabilities	90,090	
Shareholders' equity			
1	Called up share capital	370	
2	of which: share capital	370	a
3	Other equity instruments	4,145	b
4	Retained earnings, accumulated other comprehensive income and other reserves	2,874	c
5	Total equity excluding non-controlling interests	7,389	
6	Non-controlling interests	—	
7	Total equity	7,389	
8	Total equity and liabilities	97,479	

¹ The references (a) to (e) identify regulatory balance sheet components that link initially to items disclosed in table CC1, prior to the application of regulatory definitions and adjustments per the rules for calculating own funds.

OWN FUNDS (Continued)

CCyB1: Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

	30 Jun 2025													
	General credit exposures ^{2,3}		Relevant credit exposures - Market risk ²		Securitisation exposures ³	Own fund requirements - relevant credit exposures						Risk-weighted exposure amounts	Own fund requirements weights	Countercyclical buffer rate
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Exposure value for non-trading book	Total exposure value	Credit risk ^{2,3}	Market risk ²	Securitisation positions in the non-trading book ³	Total				
£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	%	%	
Breakdown by Country														
United Kingdom	1,105	12,570	35	34	1,926	15,670	512	7	37	556	6,951	41.48%	2.00%	
Australia	—	—	3	3	—	6	—	1	—	1	8	0.05%	1.00%	
Belgium	3	1	—	—	—	4	—	—	—	—	3	0.02%	1.00%	
Cyprus	20	—	—	—	—	20	2	—	—	2	20	0.12%	1.00%	
Czech Republic	41	—	—	—	—	41	3	—	—	3	41	0.25%	1.25%	
Denmark	—	—	3	2	—	5	—	1	—	1	7	0.04%	2.50%	
France	1	31	39	38	—	109	1	8	—	9	113	0.67%	1.00%	
Germany	—	3	28	27	133	191	—	6	1	7	88	0.53%	0.75%	
Hong Kong	—	10	—	—	—	10	—	—	—	—	5	0.03%	0.50%	
Ireland	34	112	3	3	—	152	5	—	—	5	66	0.40%	1.50%	
South Korea	—	256	—	—	—	256	8	—	—	8	102	0.61%	1.00%	
Luxembourg	6	4,894	8	7	145	5,060	105	2	1	108	1,346	8.03%	0.50%	
Netherlands	133	130	—	—	—	263	14	—	—	14	173	1.03%	2.00%	
Sweden	—	—	8	7	—	15	—	2	—	2	20	0.12%	2.00%	
i) Total¹	1,343	18,007	127	121	2,204	21,802	650	27	39	716	8,943	53.38%		
United States of America	270	12,551	39	37	366	13,263	362	8	4	374	4,673	27.89%		
Jersey	719	1,437	—	—	—	2,156	75	—	—	75	941	5.61%		
Guernsey	730	2,565	—	—	—	3,295	80	—	—	80	1,000	5.97%		
Bermuda	71	1,449	—	—	—	1,520	33	—	—	33	408	2.43%		
Cayman Islands	25	675	—	—	—	700	16	—	—	16	199	1.19%		
Isle of Man	365	81	—	—	—	446	16	—	—	16	195	1.17%		
ii) Total¹	2,180	18,758	39	37	366	21,380	582	8	4	594	7,416	44.26%		
iii) Rest of the World¹	243	353	2	3	1	602	31	—	—	31	397	2.36%		
Total	3,766	37,118	168	161	2,571	43,784	1,263	35	43	1,341	16,756	100.00%		

CCyB1: Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer (continued)

Breakdown by Country	31 Dec 2024													
	General credit exposures ^{2,3}		Relevant credit exposures - Market risk ²		Securitisation exposures ³	Own fund requirements						Risk-weighted exposure amounts	Own fund requirements weights	Countercyclical buffer rate
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Exposure value for non-trading book	Total exposure value	Credit risk ^{2,3}	Market risk ²	Securitisation positions in the non-trading book ³	Total				
£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	%	%	
United Kingdom	833	13,146	17	25	1,998	16,019	489	9	35	533	6,667	45.30 %	2.00 %	
Belgium	2	2	—	—	—	4	—	—	—	—	2	0.02 %	1.00 %	
Cyprus	29	—	—	—	—	29	2	—	—	2	29	0.20 %	1.00 %	
Czech Republic	17	—	—	—	—	17	1	—	—	1	17	0.12 %	1.25 %	
Denmark	—	—	—	1	—	1	—	—	—	—	3	0.02 %	2.50 %	
France	174	29	4	6	—	213	15	2	—	17	206	1.40 %	1.00 %	
Germany	—	106	31	45	127	309	1	16	1	18	230	1.56 %	0.75 %	
Hong Kong	—	11	—	—	—	11	—	—	—	—	6	0.04 %	0.50 %	
Ireland	6	78	2	4	—	90	2	1	—	3	40	0.27 %	1.50 %	
South Korea	—	272	—	—	—	272	9	—	—	9	117	0.79 %	1.00 %	
Luxembourg	6	3,765	—	1	140	3,912	75	—	1	76	949	6.45 %	0.50 %	
Netherlands	34	187	—	—	—	221	6	—	—	6	75	0.51 %	2.00 %	
Sweden	—	—	4	6	—	10	—	2	—	2	28	0.19 %	2.00 %	
i) Total ¹	1,101	17,596	58	88	2,265	21,108	600	30	37	667	8,369	56.85 %		
United States of America	453	10,250	27	39	404	11,173	300	14	5	319	3,992	27.12 %		
Jersey	719	734	—	—	—	1,453	60	—	—	60	753	5.12 %		
Guernsey	708	1,996	—	—	—	2,704	61	—	—	61	757	5.14 %		
Bermuda	15	1,493	—	—	—	1,508	23	—	—	23	288	1.96 %		
Cayman Islands	27	578	—	—	—	605	14	—	—	14	173	1.18 %		
Isle of Man	354	51	—	—	—	405	13	—	—	13	167	1.14 %		
ii) Total ¹	2,276	15,102	27	39	404	17,848	471	14	5	490	6,130	41.66 %		
iii) Rest of the World ¹	88	221	11	10	—	330	15	5	—	20	218	1.49 %		
Total	3,465	32,919	96	137	2,669	39,286	1,086	49	42	1,177	14,717	100.00 %		

¹ The breakdown by country is disclosed on the following basis:

- i) those countries for which a countercyclical capital buffer rate has been set and the Bank holds applicable exposures.
- ii) those countries for which a countercyclical capital buffer rate has not been set and have an own funds requirement weighting of greater than or equal to one per cent, the threshold having been determined by the Bank in accordance with guidelines on materiality for Pillar 3.
- iii) the aggregate of all remaining countries for which a countercyclical buffer rate has not been set and individually have an own funds requirement weighting of less than one per cent.

² For the purposes of the calculation of the countercyclical capital buffer, general credit risk and trading book exposures exclude exposures to central governments, central banks, regional governments, local authorities, public sector entities, multilateral development banks, international organisations and institutions. In addition, trading book exposures are limited to those that are subject to the own funds requirement for specific risk or incremental default and migration risk.

³ General credit and securitisation exposures include counterparty credit risk and are stated on a post CRM basis.

OWN FUNDS (Continued)**CCyB2: Amount of institution-specific countercyclical capital buffer**

	30 Jun 2025	31 Dec 2024
1 Total risk exposure amount	£22,419m	£20,605m
2 Institution specific countercyclical capital buffer rate	0.92%	0.99%
3 Institution specific countercyclical capital buffer requirement	£207m	£205m

LEVERAGE

LR2: Leverage ratio common disclosure

	30 Jun 2025	31 Dec 2024	
	£m	£m	
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	46,484	45,688
3	Deductions of receivables assets for cash variation margin provided in derivatives transactions	(1,969)	(1,628)
6	Asset amounts deducted in determining tier 1 capital (leverage)	(249)	(297)
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	44,266	43,763
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	13,015	11,812
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	9,389	8,675
11	Adjusted effective notional amount of written credit derivatives	861	457
12	Adjusted effective notional offsets and add-on deductions for written credit derivatives	(764)	(334)
13	Total derivatives exposures	22,501	20,610
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	43,435	41,011
15	Netted amounts of cash payables and cash receivables of gross SFT assets	(16,680)	(15,214)
16	Counterparty credit risk exposure for SFT assets	1,285	1,459
18	Total securities financing transaction exposures	28,040	27,256
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	22,392	21,205
20	Adjustments for conversion to credit equivalent amounts	(12,007)	(11,897)
21	General provisions deducted in determining tier 1 capital (leverage) and specific provisions associated with off-balance sheet exposures	(2)	(2)
22	Off-balance sheet exposures	10,383	9,306
Excluded exposures			
UK-22a	Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) of the CRR	(1,298)	(1,025)
UK-22k	Total exempted exposures	(1,298)	(1,025)
Capital and total exposure measure			
23	Tier 1 capital (leverage)	6,950	3,580
24	Total exposure measure including claims on central banks	103,892	99,910
UK-24a	(-) Claims on central banks excluded	(19,113)	(20,298)
UK-24b	Total exposure measure excluding claims on central banks	84,779	79,612
Leverage ratio			
25	Leverage ratio excluding claims on central banks (%)	8.2%	4.5%
UK-25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	8.2%	4.5%
UK-25c	Leverage ratio including claims on central banks (%)	6.7%	3.6%
26	Regulatory minimum leverage ratio requirement (%)	3.25%	3.25 %
Additional leverage ratio disclosure requirements - leverage ratio buffers			
27	Leverage ratio buffer (%)	0.3%	0.3 %
UK-27b	Of which: countercyclical leverage ratio buffer (%)	0.3%	0.3 %
Additional leverage ratio disclosure requirements - disclosure of mean values¹			
28	Mean of daily values of gross SFT assets (over the quarter), after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	27,096	27,262
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	26,755	25,798
UK-31	Average total exposure measure including claims on central banks	104,275	101,559
UK-32	Average total exposure measure excluding claims on central banks	84,107	81,359
UK-33	Average leverage ratio including claims on central banks	4.6%	3.5 %
UK-34	Average leverage ratio excluding claims on central banks	5.7%	4.4 %

¹ In reference to the preceding quarter.

LEVERAGE (Continued)**LR1: Summary reconciliation of accounting assets and leverage ratio exposures**

		30 Jun 2025	31 Dec 2024
		£m	£m
1	Total assets as per financial statements	97,479	95,003
4	Adjustment for exemption of exposures to central banks	(19,113)	(20,298)
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	(1,753)	(501)
8	Adjustment for derivative financial instruments	(553)	(2,651)
9	Adjustment for securities financing transactions (SFTs)	1,285	1,459
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures) ¹	10,385	9,308
11	Adjustment for items and specific and general provisions which have reduced tier 1 capital (leverage)	(251)	(299)
UK-11a	Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) of the CRR	(2,114)	(1,810)
12	Other adjustments	(586)	(599)
13	Total exposure measure	84,779	79,612

¹ Gross of specific provisions. The amount net of specific provisions at 30 June 2025 is £10,383 million (31 December 2024: £9,306 million).

LR3: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

		30 Jun 2025	31 Dec 2024
		£m	£m
UK-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	46,342	45,523
UK-2	Trading book exposures	6,091	4,984
UK-3	Banking book exposures, of which:	40,251	40,539
UK-5	Exposures treated as sovereigns	19,586	20,582
UK-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	15	16
UK-7	Institutions	698	562
UK-8	Secured by mortgages of immovable properties	1,611	1,559
UK-9	Retail exposures	42	36
UK-10	Corporates	15,081	14,051
UK-11	Exposures in default	121	131
UK-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	3,097	3,602

CREDIT RISK

The tables in this section reflect FINREP regulatory reporting categories and definitions. The reported values for defaulted exposure reflect a definition of default backstop of 90 days.

CRI: Performing and non-performing exposures and related provisions

		30 Jun 2025																	
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Collateral and financial guarantees received					
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	On performing exposures	On non-performing exposures			
		Total	Of which stage 1 ¹	Of which stage 2 ¹	Total	Of which stage 2 ¹	Of which stage 3 ¹	Total	Of which stage 1 ¹	Of which stage 2 ¹	Total	Of which stage 2	Of which stage 3				£m	£m	£m
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m				£m	£m	£m
	Cash balances at central banks and other demand deposits	19,414	19,414	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
005		19,414	19,414	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
010	Loans and advances	26,715	26,430	97	6	—	6	(8)	(6)	(2)	(1)	—	(1)	—	2,144	5			
030	General governments	68	68	—	—	—	—	—	—	—	—	—	—	—	—	—			
040	Credit institutions	2,439	2,439	—	—	—	—	—	—	—	—	—	—	—	—	—			
050	Other financial corporations	21,385	21,190	9	—	—	—	(3)	(3)	—	—	—	—	—	—	—			
060	Non-financial corporations	1,189	1,103	84	2	—	2	(5)	(3)	(2)	(1)	—	(1)	—	517	1			
080	Households	1,634	1,630	4	4	—	4	—	—	—	—	—	—	—	1,627	4			
090	Debt securities	357	348	—	115	—	—	—	—	—	—	—	—	—	—	—			
110	General governments	76	76	—	—	—	—	—	—	—	—	—	—	—	—	—			
120	Credit institutions	51	51	—	—	—	—	—	—	—	—	—	—	—	—	—			
130	Other financial corporations	230	221	—	115	—	—	—	—	—	—	—	—	—	—	—			
150	Off-balance-sheet exposures	21,320	21,254	66	1	1	—	(3)	(2)	(1)	—	—	—	—	3,360	—			
170	General governments	133	133	—	—	—	—	—	—	—	—	—	—	—	—	—			
180	Credit institutions	2,234	2,234	—	—	—	—	—	—	—	—	—	—	—	1,518	—			
190	Other financial corporations	14,948	14,911	37	—	—	—	(1)	(1)	—	—	—	—	—	1,462	—			
200	Non-financial corporations	3,949	3,920	29	1	1	—	(2)	(1)	(1)	—	—	—	—	380	—			
210	Households	56	56	—	—	—	—	—	—	—	—	—	—	—	—	—			
220	Total	67,806	67,446	163	122	1	6	(11)	(8)	(3)	(1)	—	(1)	—	5,504	5			

¹ Staging analysis will exclude those assets and provisions that cannot be allocated to a stage such as those classified as 'purchased or originated credit impaired' (POCI) and those measured at fair value.

CR1: Performing and non-performing exposures and related provisions (continued)

		31 Dec 2024															
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Collateral and financial guarantees received			
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	On performing exposures	On non-performing exposures	
		Total	Of which stage 1 ¹	Of which stage 2 ¹	Total	Of which stage 2 ¹	Of which stage 3 ¹	Total	Of which stage 1 ¹	Of which stage 2 ¹	Total	Of which stage 2	Of which stage 3				£m
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
005	Cash balances at central banks and other demand deposits	20,512	20,512	—	—	—	—	—	—	—	—	—	—	—	—	—	—
010	Loans and advances	24,514	24,417	95	8	—	8	(8)	(7)	(1)	—	—	—	—	—	1,964	1
030	General governments	33	33	—	—	—	—	—	—	—	—	—	—	—	—	—	—
040	Credit institutions	1,701	1,701	—	—	—	—	—	—	—	—	—	—	—	—	—	—
050	Other financial corporations	19,869	19,857	12	—	—	—	(3)	(3)	—	—	—	—	—	—	—	—
060	Non-financial corporations	1,335	1,254	79	4	—	4	(4)	(3)	(1)	—	—	—	—	—	395	1
080	Households	1,576	1,572	4	4	—	4	(1)	(1)	—	—	—	—	—	—	1,569	—
090	Debt securities	344	336	—	123	—	—	—	—	—	—	—	—	—	—	—	—
110	General governments	35	35	—	—	—	—	—	—	—	—	—	—	—	—	—	—
120	Credit institutions	95	95	—	—	—	—	—	—	—	—	—	—	—	—	—	—
130	Other financial corporations	214	206	—	123	—	—	—	—	—	—	—	—	—	—	—	—
150	Off-balance-sheet exposures	20,712	20,653	59	1	1	—	(4)	(3)	(1)	—	—	—	—	—	3,493	—
170	General governments	160	160	—	—	—	—	—	—	—	—	—	—	—	—	160	—
180	Credit institutions	2,206	2,206	—	—	—	—	—	—	—	—	—	—	—	—	1,518	—
190	Other financial corporations	14,030	14,008	22	—	—	—	(1)	(1)	—	—	—	—	—	—	1,629	—
200	Non-financial corporations	4,269	4,232	37	1	1	—	(3)	(2)	(1)	—	—	—	—	—	186	—
210	Households	47	47	—	—	—	—	—	—	—	—	—	—	—	—	—	—
220	Total	66,082	65,918	154	132	1	8	(12)	(10)	(2)	—	—	—	—	—	5,457	1

¹ Staging analysis will exclude those assets and provisions that cannot be allocated to a stage such as those classified as 'purchased or originated credit impaired' (POCI) and those measured at fair value.

CREDIT RISK (Continued)**CR1-A: Maturity of exposures**

		30 Jun 2025					
		Net exposure value					
		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
		£m	£m	£m	£m	£m	£m
1	Loans and advances	2,261	12,642	9,438	2,223	148	26,712
2	Debt securities	—	180	236	56	—	472
3	Total	2,261	12,822	9,674	2,279	148	27,184

		31 Dec 2024					
		£m	£m	£m	£m	£m	£m
1	Loans and advances	2,103	12,661	7,632	2,119	—	24,515
2	Debt securities	—	104	301	62	—	467
3	Total	2,103	12,765	7,933	2,181	—	24,982

CR2: Changes in the stock of non-performing loans and advances

		Gross carrying amount
		£m
010	Initial stock of non-performing loans and advances at 31 December 2024	8
020	Inflows to non-performing portfolios	1
030	Outflows from non-performing portfolios	(3)
040	Outflows due to write-offs	(1)
050	Outflow due to other situations	(2)
060	Final stock of non-performing loans and advances at 30 June 2025	6

CREDIT RISK (Continued)

CQ1: Credit quality of forborne exposures

30 Jun 2025									
Gross carrying amount/nominal amount of exposures with forbearance measures					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Collateral received and financial guarantees received on forborne exposures	
Non-performing forborne					On performing forborne exposures	On non-performing forborne exposures	Of which collateral and financial guarantees received on non-performing exposures with forbearance measures		
Performing forborne	Of which defaulted		Of which impaired				£m	£m	
£m	£m	£m	£m	£m	£m	£m	£m	£m	
010 Loans and advances	—	6	6	6	—	(1)	5	5	
060 Non-financial corporations	—	2	2	2	—	(1)	1	1	
070 Households	—	4	4	4	—	—	4	4	
080 Debt Securities	—	—	—	—	—	—	—	—	
090 Loan commitments given	—	1	—	—	—	—	—	—	
100 Total	—	7	6	6	—	(1)	5	5	
31 Dec 2024									
010 Loans and advances	2	8	8	8	—	—	3	1	
060 Non-financial corporations	2	4	4	4	—	—	3	1	
070 Households	—	4	4	4	—	—	—	—	
080 Debt Securities	—	—	—	—	—	—	—	—	
090 Loan commitments given	—	1	—	—	—	—	—	—	
100 Total	2	9	8	8	—	—	3	1	

CREDIT RISK (Continued)

CQ4: Quality of non-performing exposures by geography

	30 Jun 2025				
	Gross carrying/nominal amount		Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
	Total performing and non-performing	Of which defaulted			
	£m	£m	£m	£m	£m
010 On-balance-sheet exposures	27,193	121	(9)		—
020 Bermuda	118	—	—		—
030 Cayman Islands	1,101	—	—		—
040 France	2,578	—	—		—
050 Guernsey	2,615	1	(1)		—
060 Jersey	1,268	2	(1)		—
070 Luxembourg	2,239	—	—		—
080 South Africa	35	—	—		—
090 Switzerland	256	—	—		—
100 United Kingdom	7,864	115	(2)		—
110 United States	7,410	—	(4)		—
120 Other countries	1,709	3	(1)		—
130 Off-balance-sheet exposures	21,321	—		(3)	
140 Bermuda	1,671	—		—	
150 Cayman Islands	95	—		—	
160 France	—	—		—	
170 Guernsey	750	—		—	
180 Jersey	432	—		—	
190 Luxembourg	1,573	—		—	
200 South Africa	1,715	—		—	
210 Switzerland	273	—		—	
220 United Kingdom	4,450	—		(2)	
230 United States	9,799	—		(1)	
240 Other countries	563	—		—	
250 Total	48,514	121	(9)	(3)	—

CQ4: Quality of non-performing exposures by geography continued

		31 Dec 2024				
		Gross carrying/nominal amount		Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		Total performing and non-performing	Of which defaulted			
		£m	£m	£m	£m	£m
010	On-balance-sheet exposures	24,989	131	(8)		—
020	Bermuda	72	—	—		—
030	Cayman Islands	827	—	—		—
040	France	3,601	—	—		—
050	Guernsey	2,259	1	(1)		—
060	Isle of Man	449	4	(1)		—
070	Jersey	1,131	1	(1)		—
080	Luxembourg	1,710	—	—		—
090	South Africa	51	—	—		—
100	United Kingdom	6,751	125	(2)		—
110	United States	6,982	—	(2)		—
120	Other countries	1,156	—	(1)		—
130	Off-balance-sheet exposures	20,713	—		(4)	
140	Bermuda	1,807	—			
150	Cayman Islands	129	—			
160	France	—	—			
170	Guernsey	865	—			
180	Isle of Man	36	—			
190	Jersey	328	—			
200	Luxembourg	1,270	—			
210	South Africa	1,549	—			
220	United Kingdom	4,340	—		(2)	
230	United States	10,018	—		(2)	
240	Other countries	371	—			
250	Total	45,702	131	(8)	(4)	—

CREDIT RISK (Continued)

CQ5: Credit quality of loans and advances to non-financial corporations by industry

		30 Jun 2025			
		Gross carrying amount		Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		£m	Of which defaulted £m	£m	£m
030	Manufacturing	156	—	—	—
040	Electricity, gas, steam and air conditioning supply	38	—	—	—
050	Water supply	24	—	—	—
060	Construction	24	—	—	—
070	Wholesale and retail trade	211	—	(1)	—
090	Accommodation and food service activities	2	—	—	—
100	Information and communication	124	—	—	—
120	Real estate activities	574	2	(2)	—
130	Professional, scientific and technical activities	27	—	(1)	—
140	Administrative and support service activities	8	—	(2)	—
170	Human health services and social work activities	3	—	—	—
200	Total	1,191	2	(6)	—

		31 Dec 2024			
		£m	£m	£m	£m
030	Manufacturing	321	—	—	—
040	Electricity, gas, steam and air conditioning supply	39	—	—	—
050	Water supply	21	—	—	—
060	Construction	23	—	—	—
070	Wholesale and retail trade	279	—	—	—
090	Accommodation and food service activities	2	—	—	—
100	Information and communication	101	—	—	—
120	Real estate activities	470	3	(2)	—
130	Professional, scientific and technical activities	70	1	(2)	—
140	Administrative and support service activities	9	—	—	—
170	Human health services and social work activities	4	—	—	—
200	Total	1,339	4	(4)	—

CREDIT RISK (Continued)

CR3: CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

	30 Jun 2025				
	Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
	£m	£m	£m	£m	£m
Loans and advances	24,563	2,149	2,149	—	—
Debt securities	472	—	—	—	—
Total	25,035	2,149	2,149	—	—
Of which non-performing exposures	116	5	5	—	—
Of which defaulted	119	1	—	—	—

	31 Dec 2024				
	£m	£m	£m	£m	£m
	Loans and advances	22,549	1,965	1,965	—
Debt securities	467	—	—	—	—
Total	23,016	1,965	1,965	—	—
Of which non-performing exposures	131	1	1	—	—
Of which defaulted	130	1	—	—	—

CREDIT RISK (Continued)

CR4: Standardised approach – Credit risk exposure and CRM effects

Exposure classes	30 Jun 2025					
	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density ¹	
	On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet amount	RWAs	RWAs density
	£m	£m	£m	£m	£m	%
1 Central governments or central banks	10,064	3	10,064	1	37	—%
3 Public sector entities	15	—	15	—	—	—
4 Multilateral development banks	68	—	68	—	—	—
6 Institutions	285	411	292	28	167	52%
7 Corporates	377	1,611	377	252	423	67%
8 Retail	42	58	42	28	42	61%
9 Secured by mortgages on immovable property	1,611	—	1,611	—	568	35%
10 Exposures in default	4	—	4	—	4	102%
13 Institutions and corporates with a short-term credit assessment	—	—	—	—	—	—
16 Other items	124	—	124	—	55	44%
17 Total	12,590	2,083	12,597	309	1,296	10%

Exposure classes	31 Dec 2024					
	£m	£m	£m	£m	£m	%
1 Central governments or central banks	11,898	—	11,898	—	39	—%
3 Public sector entities	16	—	16	—	—	—
4 Multilateral development banks	74	—	74	—	—	—
6 Institutions	227	450	230	29	133	51%
7 Corporates	561	757	561	159	382	53%
8 Retail	36	50	36	24	44	73%
9 Secured by mortgages on immovable property	1,560	—	1,560	—	550	35%
10 Exposures in default	10	—	10	—	11	109%
13 Institutions and corporates with a short-term credit assessment	—	—	—	—	—	—
16 Other items	32	—	32	—	31	97%
17 Total	14,416	1,257	14,419	212	1,190	8%

¹ Risk-weighted assets and density reported in this table are disclosed after application of supporting factors.

CREDIT RISK (Continued)

CR7-A: IRB Approach - Disclosure of the extent of the use of CRM techniques

30 Jun 2025										
F-IRB	Total exposure at default £m	Credit risk mitigation techniques						Unfunded Credit Protection (UFCP)		Credit risk mitigation methods in the calculation of RWAs
		Part of exposures covered by financial collaterals %	Part of exposures covered by other eligible collaterals %	Funded Credit Protection (FCP)			Part of exposures covered by other funded credit protection %	Part of exposures covered by guarantees %	Part of exposures covered by credit derivatives %	RWA with substitution effects (both reduction and substitution effects) £m
				Part of exposures covered by immovable property collaterals %	Part of exposures covered by receivables %	Part of exposures covered by other physical collateral %				
1 Central governments and central banks	9,609	—	—	—	—	—	—	—	—	71
2 Institutions	2,072	73.25%	—	—	—	—	—	—	—	214
3 Corporates	24,968	4.43%	0.99%	0.99%	—	—	—	—	0.25%	8,602
3.1 Of which Corporates – SMEs	36	—	85.89%	85.89%	—	—	—	—	—	24
3.3 Of which Corporates – Other	24,932	4.44%	0.87%	0.87%	—	—	—	—	0.25%	8,578
4 Total	36,649	7.16%	0.68%	0.68%	—	—	—	—	0.17%	8,887
Other IRB										
Specialised lending under the slotting approach ¹	600	—	—	—	—	—	—	—	—	366
Total	600	—	—	—	—	—	—	—	—	366
31 Dec 2024										
F-IRB	£m	%	%	%	%	%	%	%	%	£m
1 Central governments and central banks	8,785	—	—	—	—	—	—	—	—	75
2 Institutions	1,726	87.96%	—	—	—	—	—	—	—	172
3 Corporates	22,799	5.38%	1.34%	1.34%	—	—	—	—	0.25%	7,363
3.1 Of which Corporates – SMEs	67	—	77.26%	77.26%	—	—	—	—	—	34
3.3 Of which Corporates – Other	22,732	5.50%	1.15%	1.15%	—	—	—	—	0.26%	7,329
4 Total	33,311	8.20%	0.92%	0.92%	—	—	—	—	0.17%	7,610
Other IRB										
Specialised lending under the slotting approach ¹	438	—	—	—	—	—	—	—	—	272
Total	438	—	—	—	—	—	—	—	—	272

¹ The exposures disclosed in the 'Specialised lending under the slotting approach' row are fully secured, however the collateral is not used directly in the calculation of RWA.

CREDIT RISK (Continued)

CR10.1: Specialised lending - Project Finance (Slotting approach)

		30 Jun 2025					
Regulatory categories	Remaining maturity	On-balance sheet exposure £m	Off-balance sheet exposure £m	Risk weight %	Exposure value £m	Risk weighted exposure amount £m	Expected loss amount £m
1) Strong	Less than 2.5 years	59	52	50%	79	40	—
	Equal to or more than 2.5 years	195	62	70%	227	159	1
2) Good	Less than 2.5 years	29	6	70%	33	23	—
	Equal to or more than 2.5 years	—	3	90%	1	1	—
	Less than 2.5 years	90	58		114	63	1
Total	Equal to or more than 2.5 years	195	65		228	160	1

		31 Dec 2024					
Regulatory categories	Remaining maturity	£m	£m	%	£m	£m	£m
1) Strong	Less than 2.5 years	97	33	50%	117	58	—
	Equal to or more than 2.5 years	81	86	70%	137	96	1
2) Good	Less than 2.5 years	—	—	70%	—	—	—
	Equal to or more than 2.5 years	29	6	90%	33	30	—
	Less than 2.5 years	97	33		117	58	—
Total	Equal to or more than 2.5 years	110	92		170	126	1

CREDIT RISK (Continued)

CR10.2: Specialised lending - Income-producing real estate and high volatility commercial real estate (Slotting approach)

		30 Jun 2025					
Regulatory categories	Remaining maturity	On-balance sheet exposure £m	Off-balance sheet exposure £m	Risk weight %	Exposure value £m	Risk weighted exposure amount £m	Expected loss amount £m
1) Strong	Less than 2.5 years	178	2	50%	179	90	—
	Equal to or more than 2.5 years	67	—	70%	67	47	—
2) Good	Less than 2.5 years	10	—	70%	10	7	—
	Equal to or more than 2.5 years	—	—	90%	—	—	—
5) Default	Less than 2.5 years	2	—		2	—	1
	Equal to or more than 2.5 years	—	—		—	—	—
Total	Less than 2.5 years	190	2		191	97	1
	Equal to or more than 2.5 years	67	—		67	47	—

		31 Dec 2024					
Regulatory categories	Remaining maturity	£m	£m	%	£m	£m	£m
1) Strong	Less than 2.5 years	88	2	50%	89	44	—
	Equal to or more than 2.5 years	30	—	70%	30	22	—
2) Good	Less than 2.5 years	31	—	70%	31	22	—
	Equal to or more than 2.5 years	—	—	90%	—	—	—
5) Default	Less than 2.5 years	—	—		—	—	—
	Equal to or more than 2.5 years	—	—		—	—	—
Total	Less than 2.5 years	119	2		120	66	—
	Equal to or more than 2.5 years	30	—		30	22	—

LIQUIDITY

The table below presents the breakdown of the Bank's cash outflows and cash inflows, as well as its available high quality liquid assets, calculated as the simple averages of month end observations over the 12 months preceding the end of each quarter.

LIQ1: Liquidity Coverage Ratio (LCR)

	Total unweighted value (average)				Total weighted value (average)			
	30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Sep 2024	30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Sep 2024
Number of data points used in calculation of averages	12	12	12	12	12	12	12	12
High-quality liquid assets (£m)								
1 Total high-quality liquid assets (HQLA)					26,353	26,227	26,839	27,054
Cash - outflows (£m)								
2 Retail deposits and deposits from small business customers, of which:	7,787	7,786	7,764	7,696	1,026	1,022	1,016	1,002
4 Less stable deposits	7,787	7,786	7,764	7,696	1,026	1,022	1,016	1,002
5 Unsecured wholesale funding	9,045	8,445	8,058	7,841	5,688	5,446	5,258	5,195
6 Operational deposits (all counterparties) and deposits in networks of cooperative banks	105	100	76	47	26	25	19	12
7 Non-operational deposits (all counterparties)	7,911	7,296	6,997	6,811	4,633	4,372	4,254	4,200
8 Unsecured debt	1,029	1,049	985	983	1,029	1,049	985	983
9 Secured wholesale funding					435	258	146	149
10 Additional requirements	24,568	24,880	26,185	26,924	16,920	17,382	18,808	19,567
11 Outflows related to derivative exposures and other collateral requirements	11,109	11,634	13,089	13,765	11,109	11,634	13,089	13,765
13 Credit and liquidity facilities	13,459	13,246	13,096	13,159	5,811	5,748	5,719	5,802
14 Other contractual funding obligations	3,721	2,621	1,771	1,158	696	640	600	707
15 Other contingent funding obligations	6,803	6,747	6,822	6,788	200	207	223	230
16 Total cash outflows					24,965	24,955	26,051	26,850
Cash - inflows (£m)								
17 Secured lending (e.g. reverse repos)	20,878	20,930	21,130	21,650	126	131	122	119
18 Inflows from fully performing exposures	971	933	880	879	918	872	816	817
19 Other cash inflows	8,068	8,140	9,104	9,511	8,068	8,140	9,104	9,511
20 Total cash inflows	29,917	30,003	31,114	32,040	9,112	9,143	10,042	10,447
UK-20c Inflows subject to 75% cap	28,478	28,427	29,422	30,345	9,112	9,143	10,042	10,447
Total adjusted value								
UK-21 Liquidity buffer (£m)					26,353	26,227	26,839	27,054
22 Total net cash outflows (£m)					15,853	15,812	16,009	16,403
23 Liquidity coverage ratio (%)					167%	166%	168%	165%

LIQUIDITY (Continued)**LIQB: Qualitative information on LCR**

The Bank's LCR disclosure (based on a simple average over the previous 12 months) was 167% as of 30 June 2025. The increase of 1 percentage point from the prior quarter was driven by an increase in liquid assets, primarily from an increase in customer commercial deposits.

The Bank manages and monitors funding and liquidity risks in accordance with internal risk appetite, strategy and regulatory requirements, including maintaining diversified funding sources. The Bank's funding sources include a range of wholesale unsecured funding, across a diverse range of products and counterparties. Funding concentration by counterparty, currency and tenor is monitored on an ongoing basis and where concentrations do exist, these are managed as part of the planning process and limited by the internal funding and liquidity risk monitoring framework, with analysis regularly provided to senior management.

The liquidity buffer consists almost entirely of Level 1 items. The majority of Level 1 assets are held as central bank reserves, with the remaining balance of Level 1 assets primarily held as government bonds.

The Bank's outflows related to derivative exposures and other collateral requirements include outflows for potential deterioration in credit rating and for the impact of an adverse market scenario on derivatives transactions. Also included are outflows on derivative contracts that have offsetting inflows recorded in 'other cash inflows'.

The Bank's liquidity risk management framework covers currency liquidity risk and ensures the currency denomination of LCR liquid assets is consistent with the distribution of net currency liquidity outflows. Granular LCR risk appetites by significant currency are set and monitored across tenors at Bank committee level.

LIQUIDITY (Continued)

LIQ2: Net stable funding ratio

		Unweighted value by residual maturity				Weighted value £m
		No maturity £m	< 6 months £m	6 months to < 1yr £m	≥ 1yr £m	
Available stable funding (ASF) Items						
1	Capital items and instruments	3,024	309	150	1,740	4,764
2	Own funds	3,024	309	150	1,740	4,764
3	Other capital instruments		—	—	—	—
4	Retail deposits		7,790	—	—	7,011
5	Stable deposits		—	—	—	—
6	Less stable deposits		7,790	—	—	7,011
7	Wholesale funding:		47,893	8,168	5,350	16,753
8	Operational deposits		105	—	—	52
9	Other wholesale funding		47,788	8,168	5,350	16,701
10	Interdependent liabilities		—	—	—	—
11	Other liabilities:	—	3,809	—	173	173
12	NSFR derivative liabilities	—				
13	All other liabilities and capital instruments not included in the above categories		3,809	—	173	173
14	Total available stable funding (ASF)					28,701
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					1,090
a	Assets encumbered for more than 12m in cover pool		—	—	—	—
16	Deposits held at other financial institutions for operational purposes		—	—	—	—
17	Performing loans and securities:		27,985	7,700	11,431	15,819
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		20,745	2,762	1,370	2,751
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		6,273	4,689	7,175	10,057
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		699	188	1,011	1,303
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		—	—	—	—
22	Performing residential mortgages, of which:		1	—	1,271	1,081
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		—	—	—	—
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		267	61	604	627
25	Interdependent assets		—	—	—	—
26	Other assets:	13,793	1,668	—	214	3,910
27	Physical traded commodities				—	—
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs			2,561		2,177
29	NSFR derivative assets			1,008		1,008
30	NSFR derivative liabilities before deduction of variation margin posted			10,224		511
31	All other assets not included in the above categories		1,668	—	214	214
32	Off-balance sheet items		20,249	—	—	876
33	Total RSF					21,695
34	Net Stable Funding Ratio (%)					132%

FORWARD-LOOKING STATEMENTS

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and section 27A of the US Securities Act of 1933, as amended, with respect to the business, strategy, plans and/or results of Lloyds Bank Corporate Markets plc together with its subsidiaries (the Group) and its current goals and expectations. Statements that are not historical or current facts, including statements about the Group's or its directors' and/or management's beliefs and expectations, are forward-looking statements.

Words such as, without limitation, 'believes', 'achieves', 'anticipates', 'estimates', 'expects', 'targets', 'should', 'intends', 'aims', 'projects', 'plans', 'potential', 'will', 'would', 'could', 'considered', 'likely', 'may', 'seek', 'estimate', 'probability', 'goal', 'objective', 'deliver', 'endeavour', 'prospects', 'optimistic' and similar expressions or variations on these expressions are intended to identify forward-looking statements.

These statements concern or may affect future matters, including but not limited to: projections or expectations of the Group's future financial position, including profit attributable to shareholders, provisions, economic profit, dividends, capital structure, portfolios, net interest margin, capital ratios, liquidity, risk-weighted assets (RWAs), expenditures or any other financial items or ratios; litigation, regulatory and governmental investigations; the Group's future financial performance; the level and extent of future impairments and write-downs; the Group's ESG targets and/or commitments; statements of plans, objectives or goals of the Group or its management and other statements that are not historical fact and statements of assumptions underlying such statements.

By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend upon circumstances that will or may occur in the future.

Factors that could cause actual business, strategy, targets, plans and/or results (including but not limited to the payment of dividends) to differ materially from forward-looking statements include, but are not limited to: general economic and business conditions in the UK and internationally (including in relation to tariffs); imposed and threatened tariffs and changes to global trade policies; acts of hostility or terrorism and responses to those acts, or other such events; geopolitical unpredictability; the war between Russia and Ukraine; the escalation of conflicts in the Middle East; the tensions between China and Taiwan; political instability including as a result of any UK general election; market related risks, trends and developments; changes in client and consumer behaviour and demand; exposure to counterparty risk; the impact of any regulatory and/or legislative divergence between the UK and EU as a result of the exit by the UK from the European Union (EU) and the effects of the EU-UK Trade and Cooperation Agreement; the ability to access sufficient sources of capital, liquidity and funding when required; changes to the Group's credit ratings; fluctuations in interest rates, inflation, exchange rates, stock markets and currencies; volatility in credit markets; volatility in the price of the Group's securities; natural pandemic and other disasters; risks concerning borrower and counterparty credit quality; risks affecting defined benefit pension schemes; changes in laws, regulations, practices and accounting standards or taxation; changes to regulatory capital or liquidity requirements and similar contingencies; the policies and actions of governmental or regulatory authorities or courts together with any resulting impact on the future structure of the Group; risks associated with the Group's compliance with a wide range of laws and regulations; assessment related to resolution planning requirements; risks related to regulatory actions which may be taken in the event of a bank or Group failure; exposure to legal, regulatory or competition proceedings, investigations or complaints; failure to comply with anti-money laundering, counter terrorist financing, anti-bribery and sanctions regulations; failure to prevent or detect any illegal or improper activities; operational risks including risks as a result of the failure of third party suppliers; conduct risk; technological changes and risks to the security of IT and operational infrastructure, systems, data and information resulting from increased threat of cyber and other attacks; technological failure; inadequate or failed internal or external processes or systems; risks relating to ESG matters, such as climate change (and achieving climate change ambitions) and decarbonisation, including the Group's ability along with the government and other stakeholders to measure, manage and mitigate the impacts of climate change effectively, and human rights issues; the impact of competitive conditions; failure to attract, retain and develop high calibre talent; the ability to achieve strategic objectives; the ability to derive cost savings and other benefits including, but without limitation, as a result of any acquisitions, disposals and other strategic transactions; inability to capture accurately the expected value from acquisitions; and assumptions and estimates that form the basis of the Group's financial statements. A number of these influences and factors are beyond the Group's control. Please refer to Base Prospectus for the Group's Euro Medium-Term Note Programme and the latest Annual Report on Form 20-F filed by Lloyds Banking Group plc with the US Securities and Exchange Commission (the SEC), which is available on the SEC's website at www.sec.gov, for a discussion of certain factors and risks. Lloyds Banking Group plc may also make or disclose written and/or oral forward-looking statements in other written materials and in oral statements made by the directors, officers or employees of Lloyds Banking Group plc to third parties, including financial analysts.

Except as required by any applicable law or regulation, the forward-looking statements contained in this document are made as of today's date, and the Group expressly disclaims any obligation or undertaking to release publicly any updates

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