Lloyds Bank Corporate Markets plc

2026 Half-Year

Pillar 3 Disclosures

19 August 2026

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INTRODUCTION AND BASIS OF PREPARATION

This document presents the half-year Pillar 3 disclosures of Lloyds Bank Corporate Markets plc ('the Bank') as at 30 June 2026 and should be read in conjunction with the Lloyds Bank Corporate Markets plc 2026 Half-Year Results.

Basis of Preparation

The disclosures have been prepared in accordance with the requirements of the Disclosure (CRR) section of the PRA Rulebook. Where specific 'Articles' are referenced these refer to the applicable requirement within the PRA Rulebook or the UK Capital Requirements Regulation ('UK CRR').

The disclosures presented within this document are not required to be, and have not been, subjected to an external audit.

Article 432 on non-material, proprietary or confidential information permits institutions to omit one or more disclosures if the information provided by such a disclosure is not regarded as material. Appendix 1 includes a list of excluded templates and the reason for exclusion.

Where relevant, de minimis monetary amounts (<£0.5 million) are rounded down for reporting purposes and disclosed as a dash ('–') in the table.

Capital Instruments And Eligible Liabilities - Main Features Report (CRR Article 437(b))

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

The following template disclosed by Lloyds Banking Group plc does not fall under the scope of the large subsidiary disclosure requirements relevant to the Bank, but specifically relates 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.

The Lloyds Banking Group plc 2026 Half-Year Pillar 3 Disclosures can be found on the Lloyds Banking Group plc website.

KEY METRICS AND OVERVIEW OF RISK WEIGHTED EXPOSURE AMOUNTS

KM1: Key Metrics[1]

KM1	LR2		**30 Jun 2026**	31 Dec 2025	30 Jun 2025
Ref	**Ref**	**Available own funds (amounts)**			
1		Common Equity Tier 1 (CET1) capital (£m)	**3,260**	3,085	2,971
2		Tier 1 capital (£m)	**7,311**	7,137	6,950
3		Total capital (£m)	**7,311**	7,137	6,950
		Risk-weighted exposure amounts			
4		Total risk-weighted exposure amount (£m)	**24,223**	22,442	22,419
		Capital ratios (as a percentage of risk-weighted exposure amount)			
5		Common Equity Tier 1 ratio (%)	**13.5%**	13.7%	13.3%
6		Tier 1 ratio (%)	**30.2%**	31.8%	31.0%
7		Total capital ratio (%)	**30.2%**	31.8%	31.0%
		Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)			
UK 7a		Additional CET1 SREP requirements (%)	**2.2%**	2.3%	2.4%
UK 7b		Additional AT1 SREP requirements (%)	**0.7%**	0.7%	0.8%
UK 7c		Additional T2 SREP requirements (%)	**1.1%**	1.0%	1.0%
UK 7d		Total SREP own funds requirements (%)	**12.0%**	12.0%	12.2%
		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 (%)	**0.8%**	0.8%	0.9%
11		Combined buffer requirement (%)	**3.3%**	3.3%	3.4%
UK 11a		Overall capital requirements (%)	**15.3%**	15.3%	15.7%
12		CET1 available after meeting minimum SREP own funds requirements (%)[2]	**6.7%**	7.0%	6.4%
		Leverage ratio			
13	UK-24b	Total exposure measure excluding claims on central banks (£m)	**90,922**	84,702	84,779
14	25	Leverage ratio excluding claims on central banks (%)	**8.0%**	8.4%	8.2%
		Additional leverage ratio disclosure requirements			
UK 14b	UK-25c	Leverage ratio including claims on central banks (%)	**6.6%**	6.9%	6.7%
UK 14c	UK-34	Average leverage ratio excluding claims on central banks (%)[3]	**8.1%**	8.1%	5.7%
UK 14d	UK-33	Average leverage ratio including claims on central banks (%)[3]	**6.6%**	6.6%	4.6%
	UK-31	Average total exposure measure including claims on central banks[3]	**109,312**	108,537	104,275
	UK-32	Average total exposure measure excluding claims on central banks[3]	**90,029**	88,057	84,107
	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)	**27,178**	26,830	26,353
UK 16a		Cash outflows - Total weighted value - average (£m)	**25,113**	24,667	24,965
UK 16b		Cash inflows - Total weighted value - average (£m)	**9,401**	8,734	9,112
16		Total net cash outflows (adjusted value - average) (£m)	**15,712**	15,933	15,853
17		Average liquidity coverage ratio (%)	**173%**	169%	167%
		Average Net Stable Funding Ratio[6]			
18		Total available stable funding (Weighted value - average) (£m)	**32,157**	31,298	28,701
19		Total required stable funding (Weighted value - average) (£m)	**24,017**	23,500	21,695
20		Average NSFR ratio (%)	**134%**	133%	132%

[1] Includes extracts of LR2 (Leverage ratio common disclosure) that are required to be disclosed quarterly.
[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.

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

Common Equity Tier 1

The Bank's common equity tier 1 (CET1) capital ratio reduced to 13.5% at 30 June 2026 (31 December 2025: 13.7%). Profit for the half-year after distributions on other equity instruments was more than offset by an increase in risk-weighted assets.

Total Capital

The Bank's total capital ratio reduced to 30.2% at 30 June 2026 (31 December 2025: 31.8%) reflecting the increase in risk-weighted assets. This was partially offset by the increase in CET1 capital.

Risk-Weighted Assets

Risk-weighted assets increased by £1,781 million to £24,223 million at 30 June 2026 (31 December 2025: £22,442 million) largely reflecting an increase in credit risk as a result of lending growth and an increase in market risk.

Leverage

The Bank's UK leverage ratio decreased to 8.0% at 30 June 2026 (31 December 2025: 8.4%) reflecting the increase in the total exposure measure, as a result of balance sheet growth, partially offset by the profit for the period.

Funding and Liquidity

The Bank's average liquidity coverage ratio (LCR) increased to 173% (based on a simple average over the previous 12 months) at 30 June 2026 (31 December 2025: 169%), an increase of 4 percentage points, with a minor increase in the liquid asset buffer and a decrease in the net cash outflows.

The Bank's average net stable funding ratio (NSFR) increased to 134% (based on a simple quarterly average over the previous 4 quarters) at 30 June 2026 (31 December 2025: 133%). The 1 percentage point increase was due to growth in customer deposits, partially offset by an increase in requirements for customer lending and securities financing transactions.

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 2026	31 Dec 2025	**30 Jun 2026**
		£m	£m	**£m**
1	**Credit risk (excluding CCR)**	**12,019**	11,261	**962**
2	Of which the standardised approach	**1,536**	1,181	**123**
3	Of which the foundation IRB (FIRB) approach	**9,764**	9,318	**782**
4	Of which slotting approach	**396**	326	**32**
UK 4a	Of which equities under the simple risk weighted approach	**268**	359	**21**
	Of which: non-credit obligation assets[1]	**55**	77	**4**
6	**Counterparty credit risk (CCR)**	**5,710**	5,675	**457**
7	Of which the standardised approach	**5,043**	5,053	**403**
UK 8a	Of which exposures to a CCP	**83**	76	**7**
UK 8b	Of which credit valuation adjustment (CVA)	**231**	228	**19**
9	Of which other CCR	**353**	318	**28**
16	**Securitisation exposures in the non-trading book (after the cap)**	**431**	541	**34**
18	Of which SEC-ERBA approach (including IAA)	**156**	147	**12**
19	Of which SEC-SA approach	**275**	394	**22**
20	**Position, foreign exchange and commodities risks (Market risk)**	**4,765**	3,667	**381**
21	Of which the standardised approach	**513**	430	**41**
22	Of which IMA	**4,252**	3,237	**340**
23	**Operational risk**	**1,298**	1,298	**104**
UK 23b	Of which standardised approach	**1,298**	1,298	**104**
24	Memo: Amounts below the thresholds for deduction (subject to 250% risk weight)	**308**	398	**25**
29	**Total**	**24,223**	22,442	**1,938**
	Pillar 2A capital requirement[2]			**957**
	Total capital requirement			**2,895**

[1] Non-credit obligation assets (IRB approach) includes other balance sheet assets that have no associated credit risk.
[2] As at 30 June 2026, the Bank's Pillar 2A capital requirement was c.4.0% of risk-weighted assets, of which c.2.2% is to be met with CET1 capital.

Risk-weighted assets increased by £1,781 million to £24,223 million at 30 June 2026 (31 December 2025: £22,442 million). This largely reflected:

Credit Risk: RWAs increased by £758 million to £12,019 million principally due to an increase in lending.

Market Risk: RWAs increased by £1,098 million to £4,765 million in line with business strategy to support client demand, combined with increased market volatility.

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 June 2026	Total RWA YTD 30 June 2026
		£m	£m
1	Risk weighted exposure amount as at the end of previous reporting period	**10,062**	**9,644**
2	Asset size (+/-)	**(10)**	**488**
3	Asset quality (+/-)	**28**	**(27)**
7	Foreign exchange movements (+/-)	**80**	**55**
9	**Risk weighted exposure amount as at the end of the reporting period**	**10,160**	**10,160**

Key movements 31 March 2026 to 30 June 2026 and 31 December 2025 to 30 June 2026:

– **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 June 2026					
		VaR	SVaR	IRC	Other	Total RWA	Total own funds requirements
		£m	£m	£m	£m	£m	£m
1	**RWAs at 31 March 2026**	**455**	**1,566**	**360**	**677**	**3,058**	**245**
1a	Regulatory adjustment	**(134)**	**(1,331)**	**(11)**	**—**	**(1,476)**	**(118)**
1b	RWAs at the previous quarter-end (end of the day)[1]	**321**	**235**	**349**	**677**	**1,582**	**127**
2	Movement in risk levels	**(149)**	**364**	**205**	**75**	**495**	**39**
8a	RWAs at end of the disclosure period (end of the day)[1]	**172**	**599**	**554**	**752**	**2,077**	**166**
8b	Regulatory adjustment	**831**	**1,306**	**38**	**—**	**2,175**	**174**
8	**RWAs at 30 June 2026**	**1,003**	**1,905**	**592**	**752**	**4,252**	**340**

		Total RWA YTD to 30 June 2026					
		VaR	SVaR	IRC	Other	Total RWA	Total own funds requirements
		£m	£m	£m	£m	£m	£m
1	**RWAs at 31 December 2025**	**413**	**1,542**	**545**	**737**	**3,237**	**259**
1a	Regulatory adjustment	**(325)**	**(1,158)**	**(231)**	**—**	**(1,714)**	**(137)**
1b	RWAs at end of day[1]	**88**	**384**	**314**	**737**	**1,523**	**122**
2	Movement in risk levels	**84**	**215**	**240**	**15**	**554**	**44**
8a	RWAs at end of day[1]	**172**	**599**	**554**	**752**	**2,077**	**166**
8b	Regulatory adjustment	**831**	**1,306**	**38**	**—**	**2,175**	**174**
8	**RWAs at 30 June 2026**	**1,003**	**1,905**	**592**	**752**	**4,252**	**340**

[1] End of day represents spot position.

Key movements 31 March 2026 to 30 June 2026 and 31 December 2025 to 30 June 2026:

– RWAs increased, in line with business strategy to support client demand, combined with increased market volatility.

OWN FUNDS

CC1: Composition of regulatory own funds

		30 Jun 2026 £m	31 Dec 2025 £m	CC2 Reference
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	**3,175**	3,174	c
3	Accumulated other comprehensive income (and other reserves)	**(160)**	(131)	c
UK-5a	Independently reviewed interim profits net of any foreseeable charge or dividend[1]	**97**	(50)	
	of which: foreseeable dividend	**—**	(50)	
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**3,482**	3,363	
Common Equity Tier 1 (CET1) capital: regulatory adjustments				
7	Additional value adjustments	**(105)**	(127)	
8	Intangible assets (net of related tax liability)	**(3)**	(3)	e
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	**128**	91	
12	Negative amounts resulting from the calculation of expected loss amounts	**(211)**	(208)	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	**(31)**	(31)	
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**(222)**	(278)	
29	**Common Equity Tier 1 (CET1) capital**	**3,260**	3,085	
Additional Tier 1 (AT1) capital: instruments				
30	Capital instruments and the related share premium accounts	**4,145**	4,145	
31	of which: classified as equity under applicable accounting standards	**4,145**	4,145	b
Additional Tier 1 (AT1) capital: regulatory adjustments				
42	Qualifying T2 deductions that exceed the T2 items of the institution	**(94)**	(93)	
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	**(94)**	(93)	
44	**Additional Tier 1 (AT1) capital**	**4,051**	4,052	
45	**Tier 1 capital (T1 = CET1 + AT1)**	**7,311**	7,137	
Tier 2 (T2) capital: instruments				
46	Capital instruments and the related share premium accounts	**—**	—	d
58	**Tier 2 (T2) capital**	**—**	—	
59	**Total capital**	**7,311**	7,137	
60	**Total risk exposure amount**	**24,223**	22,442	
Capital ratios and buffers				
61	**Common Equity Tier 1 (as a percentage of total risk exposure amount)**	**13.5%**	13.7%	
62	**Tier 1 (as a percentage of total risk exposure amount)**	**30.2%**	31.8%	
63	**Total capital (as a percentage of total risk exposure amount)**	**30.2%**	31.8%	
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)	**10.0%**	10.1%	
65	of which: capital conservation buffer requirement	**2.5%**	2.5%	
66	of which: countercyclical buffer requirement	**0.8%**	0.8%	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	**6.7%**	7.0%	
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)	**109**	126	
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)	**107**	143	
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)	**16**	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	**89**	87	

[1] The reported amount for 30 June 2026 through row UK-5a reflects the independently reviewed interim profits of the Bank attributable to ordinary shareholders. The reported amount for 31 December 2025 reflects the year end foreseeable dividend accrual only as the externally audited profits for the year to 31 December 2025 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 2026 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 2026 £m	Reference[1]
Assets			
1	Cash and balances at central banks	**19,496**	
2	Financial assets at fair value through profit or loss	**28,947**	
3	Derivative financial instruments	**19,809**	
4	Loans and advances to banks	**1,087**	
5	Loans and advances to customers	**20,955**	
6	Reverse repurchase agreements	**7,136**	
7	Debt Securities	**398**	
8	Due from fellow Lloyds Banking Group undertakings	**863**	
9	Financial assets at amortised cost	**30,439**	
12	Other intangible assets	**3**	e
13	Current tax recoverable	**14**	
14	Deferred tax assets	**66**	
15	Investment in subsidiary undertakings	**107**	
16	Other assets	**4,329**	
17	**Total assets**	**103,210**	
Liabilities			
1	Deposits from banks	**2,818**	
2	Customer deposits	**33,859**	
3	Repurchase agreements at amortised cost	**800**	
4	Due to fellow Lloyds Banking Group undertakings	**658**	
5	Financial liabilities at fair value through profit or loss	**27,568**	
6	Derivative financial instruments	**13,703**	
7	Debt securities in issue	**11,765**	
8	Current tax liabilities	**20**	
9	Other provisions	**10**	
10	Other liabilities	**4,382**	
11	Subordinated liabilities	—	d
12	**Total liabilities**	**95,583**	
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	**3,112**	c
7	**Total equity**	**7,627**	
8	**Total equity and liabilities**	**103,210**	

[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 2026												
	General credit exposures[2,3]		Relevant credit exposures - Market risk[2]		Securitisation exposures[3]		Own fund requirements - relevant credit exposures						
	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	Risk-weighted exposure amounts	Own fund requirements weights	Countercyclical buffer rate
Breakdown by Country	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	%	%
United Kingdom	1,001	12,618	49	18	1,543	15,229	446	6	30	482	6,031	35.51	2.00
Australia	7	—	—	—	—	7	1	—	—	1	7	0.04	1.00
Belgium	11	1	3	1	—	16	1	—	—	1	16	0.10	1.00
Cyprus	13	—	—	—	—	13	1	—	—	1	13	0.08	1.50
France	58	30	18	7	—	113	13	2	—	15	185	1.09	1.00
Germany	15	58	39	14	347	473	1	5	4	10	119	0.70	0.75
Hong Kong	—	8	—	—	—	8	—	—	—	—	4	0.02	0.50
Ireland	28	240	—	—	—	268	5	—	—	5	65	0.38	1.50
South Korea	—	306	—	—	—	306	8	—	—	8	104	0.61	1.00
Luxembourg	5	5,509	4	—	—	5,518	123	1	—	124	1,548	9.11	0.50
Netherlands	163	135	1	1	—	300	14	—	—	14	181	1.07	2.00
Spain	22	11	—	1	—	34	2	—	—	2	29	0.17	0.50
i) Total[1]	1,323	18,916	114	42	1,890	22,285	615	14	34	663	8,302	48.88	
United States of America	536	13,397	201	75	1	14,210	405	24	—	429	5,364	31.58	
Jersey	675	1,157	—	—	—	1,832	66	—	—	66	824	4.85	
Guernsey	803	2,572	—	—	—	3,375	80	—	—	80	997	5.87	
Bermuda	149	1,722	—	—	—	1,871	43	—	—	43	540	3.18	
Isle of Man	389	114	—	—	—	503	18	—	—	18	225	1.33	
ii) Total[1]	2,552	18,962	201	75	1	21,791	612	24	—	636	7,950	46.81	
iii) Rest of the World[1]	189	1,160	114	43	—	1,506	47	13	—	60	734	4.31	
Total	4,064	39,038	429	160	1,891	45,582	1,274	51	34	1,359	16,986	100.00	

OWN FUNDS (Continued)

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

	31 Dec 2025												
	General credit exposures[2,3]		Relevant credit exposures - Market risk[2]		Securitisation exposures[3]		Own fund requirements						
Breakdown by Country	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	Risk-weighted exposure amounts	Own fund requirements weights	Countercyclical buffer rate
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	%	%
United Kingdom	796	11,999	121	63	1,723	14,702	434	19	33	486	6,079	37.27	2.00
Australia	8	—	—	—	—	8	1	—	—	1	7	0.04	1.00
Belgium	8	1	—	—	—	9	1	—	—	1	9	0.05	1.00
Cyprus	20	—	—	—	—	20	2	—	—	2	20	0.12	1.00
France	26	34	37	19	—	116	7	6	—	13	156	0.95	1.00
Germany	15	18	25	13	133	204	1	4	6	11	128	0.79	0.75
Hong Kong	—	9	—	—	—	9	—	—	—	—	4	0.03	0.50
Ireland	20	204	—	—	—	224	5	—	—	5	60	0.37	1.50
South Korea	—	260	—	—	—	260	7	—	—	7	93	0.57	1.00
Luxembourg	5	5,409	7	4	367	5,792	115	1	—	116	1,452	8.90	0.50
Netherlands	159	119	—	—	—	278	13	—	—	13	165	1.01	2.00
Spain	101	14	—	—	—	115	9	—	—	9	109	0.67	0.50
i) Total[1]	1,158	18,067	190	99	2,223	21,737	595	30	39	664	8,282	50.74	
United States of America	317	12,287	116	61	377	13,158	369	18	5	392	4,899	30.03	
Jersey	694	1,134	—	—	—	1,828	72	—	—	72	901	5.53	
Guernsey	755	2,399	—	—	—	3,154	76	—	—	76	954	5.85	
Bermuda	128	1,383	—	—	—	1,511	38	—	—	38	471	2.89	
Cayman Islands	22	659	—	—	—	681	14	—	—	14	175	1.07	
Isle of Man	375	97	—	—	—	472	17	—	—	17	211	1.29	
ii) Total[1]	2,291	17,959	116	61	377	20,804	586	18	5	609	7,611	46.66	
iii) Rest of the World[1]	88	477	76	41	—	682	21	11	—	32	417	2.60	
Total	3,537	36,503	382	201	2,600	43,223	1,202	59	44	1,305	16,310	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 (IRC).

[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 2026	31 Dec 2025
1	Total risk exposure amount	**£24,223m**	£22,442m
2	Institution specific countercyclical capital buffer rate	**0.81%**	0.84%
3	Institution specific countercyclical capital buffer requirement	**£196m**	£189m

LEVERAGE

LR2: Leverage ratio common disclosure

		30 Jun 2026	31 Dec 2025
		£m	£m
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	**50,314**	45,078
3	Deductions of receivables assets for cash variation margin provided in derivatives transactions	**(1,470)**	(1,454)
6	Asset amounts deducted in determining tier 1 capital (leverage)	**(218)**	(232)
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	**48,626**	43,392
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	**10,859**	10,938
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	**10,803**	10,002
11	Adjusted effective notional amount of written credit derivatives	**238**	125
12	Adjusted effective notional offsets and add-on deductions for written credit derivatives	**(167)**	(46)
13	Total derivatives exposures	**21,733**	21,019
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	**47,822**	50,087
15	Netted amounts of cash payables and cash receivables of gross SFT assets	**(19,480)**	(22,083)
16	Counterparty credit risk exposure for SFT assets	**1,040**	1,261
18	Total securities financing transaction exposures	**29,382**	29,265
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	**26,116**	23,950
20	Adjustments for conversion to credit equivalent amounts	**(14,438)**	(13,005)
21	General provisions deducted in determining tier 1 capital (leverage) and specific provisions associated with off-balance sheet exposures	**(4)**	(2)
22	Off-balance sheet exposures	**11,674**	10,943
Excluded exposures			
UK-22a	Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) of the CRR	**(1,006)**	(984)
UK-22k	Total exempted exposures	**(1,006)**	(984)
Capital and total exposure measure			
23	Tier 1 capital (leverage)	**7,311**	7,137
24	Total exposure measure including claims on central banks	**110,409**	103,635
UK-24a	(-) Claims on central banks excluded	**(19,487)**	(18,933)
UK-24b	Total exposure measure excluding claims on central banks	**90,922**	84,702
Leverage ratio			
25	Leverage ratio excluding claims on central banks (%)	**8.0%**	8.4%
UK-25c	Leverage ratio including claims on central banks (%)	**6.6%**	6.9%
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 values[1]			
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	**28,157**	29,155
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	**28,342**	28,005
UK-31	Average total exposure measure including claims on central banks	**109,312**	108,537
UK-32	Average total exposure measure excluding claims on central banks	**90,029**	88,057
UK-33	Average leverage ratio including claims on central banks	**6.6%**	6.6%
UK-34	Average leverage ratio excluding claims on central banks	**8.1%**	8.1%

[1] In reference to the preceding quarter.

LEVERAGE (Continued)

LR1: Summary reconciliation of accounting assets and leverage ratio exposures

		30 Jun 2026	31 Dec 2025
		£m	£m
1	Total assets as per financial statements	**103,210**	92,733
4	Adjustment for exemption of exposures to central banks	**(19,487)**	(18,933)
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	**(4,173)**	(736)
8	Adjustment for derivative financial instruments	**1,002**	1,797
9	Adjustment for securities financing transactions (SFTs)	**1,040**	1,261
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)[1]	**11,677**	10,945
11	Adjustment for items and specific and general provisions which have reduced tier 1 capital (leverage)	**(222)**	(234)
UK-11a	Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) of the CRR	**(1,554)**	(1,531)
12	Other adjustments	**(571)**	(600)
13	**Total exposure measure**	**90,922**	84,702

[1] Gross of specific provisions. The amount net of specific provisions at 30 June 2026 is £11,674 million (31 December 2025: £10,943 million).

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

		30 Jun 2026	31 Dec 2025
		£m	£m
UK-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	**50,156**	44,906
UK-2	**Trading book exposures**	**7,629**	4,587
UK-3	**Banking book exposures, of which:**	**42,527**	40,319
UK-5	Exposures treated as sovereigns	**20,086**	19,501
UK-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	**15**	15
UK-7	Institutions	**783**	514
UK-8	Secured by mortgages of immovable properties	**1,710**	1,651
UK-9	Retail exposures	**44**	41
UK-10	Corporates	**17,780**	15,888
UK-11	Exposures in default	**70**	120
UK-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	**2,039**	2,589

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.

CR1: Performing and non-performing exposures and related provisions

		30 Jun 2026													
		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					
		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	Accumulated partial write-off	On performing exposures	On non-performing exposures
		£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	19,788	19,788	—	—	—	—	—	—	—	—	—	—	—	—	—
010	Loans and advances	29,998	29,648	100	5	—	5	(7)	(5)	(2)	(1)	—	(1)	—	2,092	4
030	General governments	78	78	—	—	—	—	—	—	—	—	—	—	—	—	—
040	Credit institutions	2,410	2,410	—	—	—	—	—	—	—	—	—	—	—	—	—
050	Other financial corporations	24,337	24,092	—	—	—	—	(4)	(4)	—	—	—	—	—	39	—
060	Non-financial corporations	1,435	1,332	98	2	—	2	(3)	(1)	(2)	(1)	—	(1)	—	322	1
080	Households	1,738	1,736	2	3	—	3	—	—	—	—	—	—	—	1,731	3
090	Debt securities	398	398	—	64	—	—	—	—	—	—	—	—	—	—	—
110	General governments	206	206	—	—	—	—	—	—	—	—	—	—	—	—	—
120	Credit institutions	53	53	—	—	—	—	—	—	—	—	—	—	—	—	—
130	Other financial corporations	139	139	—	64	—	—	—	—	—	—	—	—	—	—	—
150	Off-balance-sheet exposures	25,665	25,578	87	1	1	—	(4)	(3)	(1)	—	—	—		3,185	—
170	General governments	122	122	—	—	—	—	—	—	—	—	—	—		—	—
180	Credit institutions	1,680	1,680	—	—	—	—	—	—	—	—	—	—		1,013	—
190	Other financial corporations	18,511	18,511	—	—	—	—	(1)	(1)	—	—	—	—		1,758	—
200	Non-financial corporations	5,273	5,186	87	1	1	—	(3)	(2)	(1)	—	—	—		414	—
210	Households	79	79	—	—	—	—	—	—	—	—	—	—		—	—
220	Total	75,849	75,412	187	70	1	5	(11)	(8)	(3)	(1)	—	(1)	—	5,277	4

[1] Staging analysis will exclude those assets and provisions that cannot be allocated to a stage such as those measured at fair value.

CREDIT RISK (Continued)

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

		31 Dec 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					
		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	Accumulated partial write-off	On performing exposures	On non-performing exposures
		£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	19,095	19,095	—	—	—	—	—	—	—	—	—	—	—	—	—
010	Loans and advances	28,180	27,835	183	6	—	6	(7)	(6)	(1)	(1)	—	(1)	—	2,022	5
030	General governments	78	78	—	—	—	—	—	—	—	—	—	—	—	—	—
040	Credit institutions	1,847	1,847	—	—	—	—	—	—	—	—	—	—	—	—	—
050	Other financial corporations	23,416	23,138	118	—	—	—	(4)	(4)	—	—	—	—	—	40	—
060	Non-financial corporations	1,164	1,100	62	2	—	2	(3)	(2)	(1)	(1)	—	(1)	—	314	1
080	Households	1,675	1,672	3	4	—	4	—	—	—	—	—	—	—	1,668	4
090	Debt securities	390	380	—	114	—	—	—	—	—	—	—	—	—	—	—
110	General governments	140	140	—	—	—	—	—	—	—	—	—	—	—	—	—
120	Credit institutions	52	52	—	—	—	—	—	—	—	—	—	—	—	—	—
130	Other financial corporations	198	188	—	114	—	—	—	—	—	—	—	—	—	—	—
150	Off-balance-sheet exposures	23,070	23,027	43	—	—	—	(3)	(2)	(1)	—	—	—		3,617	—
170	General governments	134	134	—	—	—	—	—	—	—	—	—	—		—	—
180	Credit institutions	2,068	2,068	—	—	—	—	—	—	—	—	—	—		1,518	—
190	Other financial corporations	16,096	16,096	—	—	—	—	(1)	(1)	—	—	—	—		1,699	—
200	Non-financial corporations	4,709	4,666	43	—	—	—	(2)	(1)	(1)	—	—	—		400	—
210	Households	63	63	—	—	—	—	—	—	—	—	—	—		—	—
220	Total	70,735	70,337	226	120	—	6	(10)	(8)	(2)	(1)	—	(1)	—	5,639	5

[1] Staging analysis will exclude those assets and provisions that cannot be allocated to a stage such as those measured at fair value.

CREDIT RISK (Continued)

CR1-A: Maturity of exposures

		30 Jun 2026					
		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	**45**	**16,608**	**11,096**	**2,141**	**105**	**29,995**
2	Debt securities	**—**	**234**	**187**	**41**	**—**	**462**
3	**Total**	**45**	**16,842**	**11,283**	**2,182**	**105**	**30,457**

		31 Dec 2025					
		£m	£m	£m	£m	£m	£m
1	Loans and advances	1,155	14,337	10,304	2,297	86	28,179
2	Debt securities	—	283	173	47	—	503
3	Total	1,155	14,620	10,477	2,344	86	28,682

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 2025	**6**
020	Inflows to non-performing portfolios	**2**
030	Outflows from non-performing portfolios	**(3)**
040	Outflows due to write-offs	**(2)**
050	Outflow due to other situations	**(1)**
060	**Final stock of non-performing loans and advances at 30 June 2026**	**5**

CREDIT RISK (Continued)

CQ1: Credit quality of forborne exposures

		30 Jun 2026							
		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						Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
		Performing forborne		Of which defaulted	Of which impaired	On performing forborne exposures	On non-performing forborne exposures		
		£m	£m	£m	£m	£m	£m	£m	£m
010	**Loans and advances**	**—**	**5**	**5**	**5**	**—**	**(1)**	**4**	**4**
060	Non-financial corporations	**—**	**2**	**2**	**2**	**—**	**(1)**	**1**	**1**
070	Households	**—**	**3**	**3**	**3**	**—**	**—**	**3**	**3**
090	**Loan commitments given**	**—**	**1**	**—**	**—**	**—**	**—**	**—**	**—**
100	**Total**	**—**	**6**	**5**	**5**	**—**	**(1)**	**4**	**4**

		31 Dec 2025							
		£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
090	Loan commitments given	—	—	—	—	—	—	—	—
100	Total	—	6	6	6	—	(1)	5	5

CREDIT RISK (Continued)

CQ4: Quality of non-performing exposures by geography

		30 Jun 2026[1]				
		Gross carrying/nominal amount				
		Total performing and non-performing	Of which defaulted	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
		£m	£m	£m	£m	£m
010	**On-balance-sheet exposures**	**30,465**	**69**	**(8)**		—
020	Bermuda	**250**	—	—		—
030	Cayman Islands	**1,338**	—	—		—
040	France	**1,490**	—	—		—
050	Guernsey	**2,741**	**1**	**(1)**		—
060	Italy	**684**	—	—		—
070	Jersey	**1,356**	**1**	**(1)**		—
080	Luxembourg	**3,020**	—	**(1)**		—
090	South Africa	**23**	—	—		—
100	United Kingdom	**8,343**	**64**	**(2)**		—
110	United States	**8,619**	—	**(2)**		—
120	Other countries	**2,601**	**3**	**(1)**		—
130	**Off-balance-sheet exposures**	**25,666**	—		**(4)**	
140	Bermuda	**1,989**	—		**(1)**	
150	Cayman Islands	**231**	—		—	
160	France	—	—		—	
170	Guernsey	**585**	—		—	
180	Italy	—	—		—	
190	Jersey	**489**	—		—	
200	Luxembourg	**2,174**	—		—	
210	South Africa	**1,137**	—		—	
220	United Kingdom	**5,070**	—		**(1)**	
230	United States	**12,876**	—		**(2)**	
240	Other countries	**1,115**	—		—	
250	**Total**	**56,131**	**69**	**(8)**	**(4)**	—

[1] Geographical exposures are presented individually by country where the total exposure to that country exceeds 1% of the Bank's total exposure. All other geographical exposures are presented in aggregate within other countries.

CREDIT RISK (Continued)

CQ4: Quality of non-performing exposures by geography continued

		31 Dec 2025[1]				
		Gross carrying/nominal amount				
		Total performing and non-performing	Of which defaulted	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
		£m	£m	£m	£m	£m
010	On-balance-sheet exposures	28,690	120	(8)		—
020	Bermuda	96	—	—		—
030	Canada	69	—	—		—
040	Cayman Islands	1,435	—	—		—
050	France	2,697	—	—		—
060	Guernsey	2,608	1	(1)		—
070	Isle of Man	466	3	(1)		—
080	Jersey	1,232	2	(1)		—
090	Luxembourg	3,020	—	(1)		—
100	South Africa	21	—	—		—
110	United Kingdom	8,096	114	(2)		—
120	United States	7,798	—	(2)		—
130	Other countries	1,152	—	—		—
140	Off-balance-sheet exposures	23,070	—		(3)	
150	Bermuda	1,593	—		—	
160	Canada	534	—		—	
170	Cayman Islands	116	—		—	
180	France	—	—		—	
190	Guernsey	531	—		—	
200	Isle of Man	86	—		—	
210	Jersey	517	—		—	
220	Luxembourg	1,902	—		—	
230	South Africa	1,536	—		—	
240	United Kingdom	4,778	—		(1)	
250	United States	10,769	—		(2)	
260	Other countries	708	—		—	
270	Total	51,760	120	(8)	(3)	—

[1] Geographical exposures are presented individually by country where the total exposure to that country exceeds 1% of the Group's total exposure. All other geographical exposures are presented in aggregate within other countries.

CREDIT RISK (Continued)

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

		30 Jun 2026			
		Gross carrying amount		Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which defaulted		
		£m	£m	£m	£m
030	Manufacturing	**376**	—	—	—
040	Electricity, gas, steam and air conditioning supply	**31**	—	—	—
050	Water supply	**26**	—	—	—
060	Construction	**17**	—	—	—
070	Wholesale and retail trade	**199**	—	—	—
090	Accommodation and food service activities	—	—	—	—
100	Information and communication	**246**	—	**(1)**	—
120	Real estate activities	**486**	**2**	**(2)**	—
130	Professional, scientific and technical activities	**27**	—	—	—
140	Administrative and support service activities	**26**	—	**(1)**	—
170	Human health services and social work activities	**3**	—	—	—
200	**Total**	**1,437**	**2**	**(4)**	—

		31 Dec 2025			
		£m	£m	£m	£m
030	Manufacturing	274	—	—	—
040	Electricity, gas, steam and air conditioning supply	41	—	—	—
050	Water supply	27	—	—	—
060	Construction	22	—	—	—
070	Wholesale and retail trade	82	—	—	—
090	Accommodation and food service activities	2	—	—	—
100	Information and communication	159	—	(1)	—
120	Real estate activities	511	2	(2)	—
130	Professional, scientific and technical activities	37	—	(1)	—
140	Administrative and support service activities	8	—	—	—
170	Human health services and social work activities	3	—	—	—
200	Total	1,166	2	(4)	—

CREDIT RISK (Continued)

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

	30 Jun 2026				
	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	**27,899**	**2,096**	**2,036**	**60**	**6**
Debt securities	**462**	**—**	**—**	**—**	
Total	**28,361**	**2,096**	**2,036**	**60**	**6**
Of which non-performing exposures	**64**	**4**	**4**	**—**	**—**
Of which defaulted	**64**	**4**			

	31 Dec 2025				
	£m	£m	£m	£m	£m
Loans and advances	26,151	2,027	1,972	55	—
Debt securities	504	—	—	—	
Total	26,655	2,027	1,972	55	—
Of which non-performing exposures	114	5	5	—	—
Of which defaulted	114	5			

CREDIT RISK (Continued)

CR4: Standardised approach – Credit risk exposure and CRM effects

		30 Jun 2026					
		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density[1]	
	Exposure classes	**On-balance-sheet exposures £m**	**Off-balance-sheet exposures £m**	**On-balance-sheet exposures £m**	**Off-balance-sheet amount £m**	**RWAs £m**	**RWAs density %**
1	Central governments or central banks	**12,730**	**—**	**12,730**	**—**	**40**	**—**
3	Public sector entities	**15**	**—**	**15**	**—**	**—**	**—**
4	Multilateral development banks	**71**	**—**	**71**	**—**	**—**	**—**
6	Institutions	**293**	**423**	**298**	**27**	**146**	**45**
7	Corporates	**446**	**2,593**	**461**	**617**	**657**	**61**
8	Retail	**44**	**14**	**44**	**5**	**36**	**73**
9	Secured by mortgages on immovable property	**1,710**	**68**	**1,710**	**34**	**613**	**35**
10	Exposures in default	**3**	**—**	**3**	**—**	**3**	**105**
13	Institutions and corporates with a short-term credit assessment	**—**	**—**	**—**	**—**	**—**	**—**
16	Other items	**52**	**—**	**52**	**—**	**41**	**79**
17	**Total**	**15,364**	**3,098**	**15,384**	**683**	**1,536**	**10**

		31 Dec 2025					
	Exposure classes	£m	£m	£m	£m	£m	%
1	Central governments or central banks	12,774	—	12,774	—	40	—
3	Public sector entities	15	—	15	—	—	—
4	Multilateral development banks	70	—	70	—	—	—
6	Institutions	163	417	139	30	69	41
7	Corporates	425	1,489	440	220	394	60
8	Retail	41	14	41	5	34	73
9	Secured by mortgages on immovable property	1,651	62	1,651	31	593	35
10	Exposures in default	4	—	4	—	4	105
13	Institutions and corporates with a short-term credit assessment	—	—	—	—	—	—
16	Other items	90	—	90	—	47	52
17	Total	15,233	1,982	15,224	286	1,181	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 2026									
			Credit risk mitigation techniques								Credit risk mitigation methods in the calculation of RWAs
			Funded Credit Protection (FCP)						Unfunded Credit Protection (UFCP)		
		Total exposure at default	Part of exposures covered by financial collaterals	Part of exposures covered by other eligible collaterals	Part of exposures covered by immovable property collaterals	Part of exposures covered by receivables	Part of exposures covered by other physical collateral	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)
F-IRB		**£m**	**%**	**%**	**%**	**%**	**%**	**%**	**%**	**%**	**£m**
1	**Central governments and central banks**	**7,469**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**79**
2	**Institutions**	**1,872**	**54.1**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**227**
3	**Corporates**	**28,135**	**4.5**	**0.9**	**0.9**	**—**	**—**	**—**	**0.1**	**0.2**	**9,458**
3.1	Of which Corporates – SMEs	**71**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**21**
3.3	Of which Corporates – Other	**28,064**	**4.5**	**0.9**	**0.9**	**—**	**—**	**—**	**0.1**	**0.2**	**9,437**
4	**Total**	**37,476**	**6.1**	**0.7**	**0.7**	**—**	**—**	**—**	**0.1**	**0.2**	**9,764**
Other IRB											
	Specialised lending under the slotting approach[1]	**689**									**396**
	Total	**689**									**396**

		31 Dec 2025									
F-IRB		£m	%	%	%	%	%	%	%	%	£m
1	Central governments and central banks	6,815	—	—	—	—	—	—	—	—	78
2	Institutions	2,228	68.1	—	—	—	—	—	—	—	276
3	Corporates	25,960	5.2	1.0	1.0	—	—	—	0.2	0.2	8,964
3.1	Of which Corporates – SMEs	36	—	—	—	—	—	—	—	—	27
3.3	Of which Corporates – Other	25,924	5.2	1.0	1.0	—	—	—	0.2	0.2	8,937
4	Total	35,003	8.2	0.7	0.7	—	—	—	0.1	0.2	9,318
Other IRB											
	Specialised lending under the slotting approach[1]	597									326
	Total	597									326

[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 2026					
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	**217**	**173**	**50**	**325**	**163**	**—**
	Equal to or more than 2.5 years	**36**	**51**	**70**	**62**	**43**	**—**
2) Good	Less than 2.5 years	**57**	**11**	**70**	**66**	**46**	**—**
	Equal to or more than 2.5 years	**—**	**—**	**90**	**—**	**—**	**—**
3) Satisfactory	Less than 2.5 years	**—**	**5**	**115**	**1**	**1**	**—**
	Equal to or more than 2.5 years	**—**	**—**	**115**	**—**	**—**	**—**
4) Weak	Less than 2.5 years	**—**	**32**	**250**	**6**	**16**	**1**
	Equal to or more than 2.5 years	**—**	**—**	**250**	**—**	**—**	**—**
5) Default	Less than 2.5 years	**1**	**2**	**—**	**2**	**—**	**1**
	Equal to or more than 2.5 years	**—**	**1**	**—**	**—**	**—**	**—**
Total	**Less than 2.5 years**	**275**	**223**		**400**	**226**	**2**
	Equal to or more than 2.5 years	**36**	**52**		**62**	**43**	**—**

		31 Dec 2025					
Regulatory categories	Remaining maturity	£m	£m	%	£m	£m	£m
1) Strong	Less than 2.5 years	233	136	50	299	150	—
	Equal to or more than 2.5 years	—	21	70	5	3	—
2) Good	Less than 2.5 years	59	10	70	66	46	—
	Equal to or more than 2.5 years	—	—	90	—	—	—
4) Weak	Less than 2.5 years	—	4	250	1	2	—
	Equal to or more than 2.5 years	—	—	250	—	1	—
5) Default	Less than 2.5 years	1	2	—	2	—	1
	Equal to or more than 2.5 years	—	2	—	1	—	—
Total	Less than 2.5 years	293	152		368	198	1
	Equal to or more than 2.5 years	—	23		6	4	—

CREDIT RISK (Continued)

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

		30 Jun 2026					
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	**150**	**4**	**50**	**153**	**76**	**—**
	Equal to or more than 2.5 years	**—**	**—**	**70**	**—**	**—**	**—**
2) Good	Less than 2.5 years	**69**	**—**	**70**	**69**	**48**	**—**
	Equal to or more than 2.5 years	**3**	**—**	**90**	**3**	**3**	**—**
5) Default	Less than 2.5 years	**2**	**—**		**2**	**—**	**1**
	Equal to or more than 2.5 years	**—**	**—**		**—**	**—**	**—**
Total	**Less than 2.5 years**	**221**	**4**		**224**	**124**	**1**
	Equal to or more than 2.5 years	**3**	**—**		**3**	**3**	**—**

		31 Dec 2025					
Regulatory categories	Remaining maturity	£m	£m	%	£m	£m	£m
1) Strong	Less than 2.5 years	149	4	50	153	75	—
	Equal to or more than 2.5 years	—	—	70	—	—	—
2) Good	Less than 2.5 years	69	—	70	69	49	—
	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	220	4		224	124	1
	Equal to or more than 2.5 years	—	—		—	—	—

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 2026	31 Mar 2026	31 Dec 2025	30 Sep 2025	**30 Jun 2026**	31 Mar 2026	31 Dec 2025	30 Sep 2025
	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)					**27,178**	26,993	26,830	26,787
Cash - outflows (£m)									
2	Retail deposits and deposits from small business customers, of which:	**7,808**	7,826	7,814	7,798	**972**	987	1,000	1,013
4	Less stable deposits	**7,137**	7,313	7,466	7,628	**972**	987	1,000	1,013
5	Unsecured wholesale funding	**10,105**	10,087	9,975	9,790	**5,898**	5,996	5,979	6,000
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	**134**	92	98	105	**33**	23	25	26
7	Non-operational deposits (all counterparties)	**9,144**	9,075	9,006	8,665	**5,038**	5,053	5,082	4,953
8	Unsecured debt	**827**	920	871	1,020	**827**	920	872	1,021
9	Secured wholesale funding					**976**	865	751	625
10	Additional requirements	**24,520**	23,707	23,996	23,816	**16,139**	15,451	15,826	15,830
11	Outflows related to derivative exposures and other collateral requirements	**10,169**	9,497	9,805	9,883	**10,169**	9,497	9,805	9,883
13	Credit and liquidity facilities	**14,351**	14,210	14,191	13,933	**5,970**	5,954	6,021	5,947
14	Other contractual funding obligations	**5,699**	5,607	5,350	4,612	**884**	870	910	753
15	Other contingent funding obligations	**9,053**	8,139	7,455	7,050	**244**	215	201	197
16	Total cash outflows					**25,113**	24,384	24,667	24,418
Cash - inflows (£m)									
17	Secured lending (e.g. reverse repos)	**23,624**	23,475	22,521	21,568	**202**	198	162	158
18	Inflows from fully performing exposures	**854**	855	946	936	**793**	798	896	886
19	Other cash inflows	**8,406**	7,526	7,675	7,392	**8,406**	7,526	7,676	7,391
20	Total cash inflows	**32,884**	31,856	31,142	29,896	**9,401**	8,522	8,734	8,435
UK-20c	Inflows subject to 75% cap	**32,023**	30,916	30,042	28,650	**9,401**	8,522	8,734	8,435
Total adjusted value									
UK-21	Liquidity buffer (£m)					**27,178**	26,993	26,830	26,787
22	Total net cash outflows (£m)					**15,712**	15,862	15,933	15,983
23	Liquidity coverage ratio (%)					**173%**	170%	169%	168%

LIQUIDITY (Continued)

LIQB: Qualitative information on LCR

The Bank's average liquidity coverage ratio (LCR) increased to 173% (based on a simple average over the previous 12 months) at 30 June 2026 (31 March 2026: 170%; 31 December 2025: 169%), driven by a minor increase in the liquid asset buffer and a decrease in the net cash outflows compared to 31 March 2026 and 31 December 2025.

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 liquid asset buffer consists almost entirely of Level 1 assets. 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				
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	Weighted value
Available stable funding (ASF) Items		£m	£m	£m	£m	£m
1	**Capital items and instruments**	**3,351**	**—**	**—**	**4,145**	**7,496**
2	Own funds	**3,351**	**—**	**—**	**4,145**	**7,496**
3	Other capital instruments		**—**	**—**	**—**	**—**
4	**Retail deposits**		**7,596**	**192**	**26**	**7,035**
5	Stable deposits		**—**	**—**	**—**	**—**
6	Less stable deposits		**7,596**	**192**	**26**	**7,035**
7	**Wholesale funding:**		**53,342**	**8,584**	**4,103**	**17,493**
8	Operational deposits		**235**	**—**	**—**	**117**
9	Other wholesale funding		**53,107**	**8,584**	**4,103**	**17,376**
10	**Interdependent liabilities**		**—**	**—**	**—**	**—**
11	**Other liabilities:**	**—**	**5,209**	**—**	**133**	**133**
12	NSFR derivative liabilities	**—**				
13	All other liabilities and capital instruments not included in the above categories		**5,209**	**—**	**133**	**133**
14	**Total available stable funding (ASF)**					**32,157**
Required stable funding (RSF) Items						
15	**Total high-quality liquid assets (HQLA)**					**804**
UK-15a	**Assets encumbered for more than 12m in cover pool**		**—**	**—**	**—**	**—**
16	**Deposits held at other financial institutions for operational purposes**		**—**	**—**	**—**	**—**
17	**Performing loans and securities:**		**31,114**	**7,056**	**13,762**	**17,879**
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		**23,499**	**1,968**	**1,176**	**2,160**
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		**6,599**	**4,873**	**9,845**	**12,824**
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		**699**	**74**	**1,369**	**1,550**
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:		**—**	**—**	**1,035**	**880**
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		**317**	**141**	**337**	**465**
25	**Interdependent assets**		**—**	**—**	**—**	**—**
26	**Other assets:**	**13,068**	**3,124**	**—**	**191**	**4,348**
27	Physical traded commodities				**—**	**—**
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs			**2,138**		**1,818**
29	NSFR derivative assets			**1,886**		**1,886**
30	NSFR derivative liabilities before deduction of variation margin posted			**9,044**		**452**
31	All other assets not included in the above categories		**3,124**	**—**	**191**	**192**
32	**Off-balance sheet items**		**23,635**	**—**	**—**	**986**
33	**Total RSF**					**24,017**
34	**Net Stable Funding Ratio (%)**					**134%**

APPENDIX 1: EXCLUDED TEMPLATES

Pillar 3 templates that are required to be disclosed semi-annually but have not been included in this document 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

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; 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; tightening of monetary policy in jurisdictions in which the Group operates; natural pandemic and other disasters; risks concerning borrower and counterparty credit quality; 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; risks related to new and emerging technologies, including artificial intelligence; 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; assumptions and estimates that form the basis of the Group's financial statements; and potential changes in dividend policy. A number of these influences and factors are beyond the control of the Group or Lloyds Banking Group plc. Please refer to the 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 or revisions to any forward-looking statements contained in this document whether as a result of new information, future events or otherwise. The information, statements and opinions contained in this document do not constitute a public offer under any applicable law or an offer to sell any securities or financial instruments or any advice or recommendation with respect to such securities or financial instruments.

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