

Lloyds Banking Group plc

2025 Half-Year

Pillar 3 Disclosures

18 August 2025

TABLE OF CONTENTS

Basis of preparation	3
Key metrics and overview of risk weighted exposure amounts	
KM1 Key metrics	4
KM2 Key metrics - TLAC requirements	5
OV1 Overview of risk weighted exposure amounts	7
CR8 RWA flow statements of credit risk exposures under the IRB approach	8
MR2-B RWA flow statements of market risk exposures under the Internal Model Approach	9
Own funds	
CC1 Composition of regulatory own funds	10
CC2 Reconciliation of regulatory own funds to the balance sheet in the financial statements	12
TLAC1 Total loss absorbing capital composition	14
TLAC2 Material sub-group entity - creditor ranking at the entity level	15
TLAC3 Resolution entity - creditor ranking at the legal entity level	18
CCyB1 Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer	19
CCyB2 Amount of institution-specific countercyclical capital buffer	21
Leverage	
LR2 Leverage ratio common disclosure	22
LR1 Summary reconciliation of accounting assets and leverage ratio exposures	23
LR3 Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)	23
Credit risk	
CR1 Performing and non-performing exposures and related provisions	24
CR1-A Maturity of exposures	26
CR2 Changes in the stock of non-performing loans and advances	26
CQ1 Credit quality of forborne exposures	27
CQ4 Quality of non-performing exposures by geography	28
CQ5 Credit quality of loans and advances to non-financial corporations by industry	29
CR3 CRM techniques overview: Disclosure of the use of credit risk mitigation techniques	30
CR4 Standardised approach - Credit risk exposure and CRM effects	31
CR5 Standardised approach - Credit risk exposure and risk weights	32
CR6 IRB approach - Credit risk exposures by portfolio and PD range	33
CR7-A IRB approach - Disclosure of the extent of the use of CRM techniques	44
CR10 Specialised lending and equity exposures under the simple risk-weighted approach	46
Counterparty credit risk	
CCR1 Analysis of CCR exposure by approach	49
CCR2 Transactions subject to own funds requirements for CVA risk	49
CCR3 Standardised approach - CCR exposures by regulatory exposure class and risk weights	50
CCR4 IRB approach - CCR exposures by exposure class and PD scale	51
CCR Corporate exposures subject to supervisory slotting	53
CCR5 Composition of collateral for CCR exposures	54
CCR6 Credit derivatives exposures	55
CCR8 Exposures to CCPs	55
Securitisation	
SEC1 Securitisation exposures in the non-trading book	56
SEC3 Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor	57
SEC4 Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor	58
SEC5 Exposures securitised by the institution - Exposures in default and specific credit risk adjustments	59
Market risk	
MR4 Comparison of VaR estimates with gains/losses	60
MR1 Market risk under the standardised approach	61
MR3 IMA values for trading portfolios	61
MR2-A Market risk under the Internal Model Approach	62
Liquidity	
LIQ1 Liquidity coverage ratio (LCR)	63
LIQB Qualitative information on LCR	64
LIQ2 Net stable funding ratio	65
Interest rate risk in the banking book	
IRRBB1 Quantitative information on IRRBB	66
Forward-looking statements	67
Contacts	68

BASIS OF PREPARATION

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

These 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
CR10.4	Specialised lending: Commodities finance (Slotting approach)	Not applicable to the Group
CCR7	RWA flow statements of CCR exposures under the IMM	Not applicable to the Group
SEC2	Securitisation exposures in the trading book	Excluded on materiality basis

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 common equity tier 1 (CET1), additional tier 1 (AT1) and tier 2 (T2) capital instruments issued by the Group and its large subsidiaries are included in a separate document on the Group's website located at www.lloydsbankinggroup.com/investors/financial-downloads. In addition, the report identifies and provides a description of the main features of debt instruments that are recognised as eligible liabilities in accordance with the Bank of England's MREL framework.

Half-year Pillar 3 disclosures for the Group's ring-fenced bank sub-group (Lloyds Bank plc) and large subsidiaries (Bank of Scotland plc and Lloyds Bank Corporate Markets plc) are published separately on the Group's website, located at www.lloydsbankinggroup.com/investors/financial-downloads.

IRB Disclosures

Changes to the regulations applicable to internal ratings based (IRB) models were implemented by the PRA on 1 January 2022. The Group's models to meet these requirements remain subject to further development and final approval by the PRA. As directed by PRA Supervisory Statement SS 11/13, the Group has applied temporary model adjustments to risk-weighted asset and expected loss amounts reflecting the new modelling requirements.

Under the revised IRB regulations, Residential Mortgage exposures are subject to a 90 day default backstop. The Group's incumbent (pre CRD IV) UK Mortgage models at the reporting date use a 180 day default backstop. As a result, within the published CR6 tables, Defaulted Exposure, Exposure at Default and weighted average risk metrics are disclosed on a pre CRD IV basis (including a 180 day backstop) whilst risk-weighted assets and expected loss amounts include the impact of significant temporary model adjustments which reflect 90 day default backstop and other new modelling requirements. Less material definitional differences also exist for other IRB asset classes where similar temporary model adjustments have been applied.

Standardised approach exposures already use a 90 day default backstop and this is reflected in the CR4 and CR5 tables. Tables CQ1, CQ4 and CQ5 are based on accounting definitions, and therefore also use the current 90 days past due definition.

KEY METRICS AND OVERVIEW OF RISK WEIGHTED EXPOSURE AMOUNTS

KM1: Key metrics¹

KM1	LR2		30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Sep 2024	30 Jun 2024
Ref	Ref	Available own funds (amounts)					
1		Common Equity Tier 1 (CET1) capital (£m)	31,862	31,115	31,979	31,967	31,295
2		Tier 1 capital (£m)	37,360	37,235	37,349	36,774	36,102
3		Total capital (£m)	43,956	42,254	42,751	42,377	41,465
Risk-weighted exposure amounts							
4		Total risk-weighted exposure amount (£m)	231,429	230,122	224,632	223,311	222,019
Capital ratios (as a percentage of risk-weighted exposure amount)							
5		Common Equity Tier 1 ratio (%)	13.8%	13.5%	14.2%	14.3%	14.1%
6		Tier 1 ratio (%)	16.1%	16.2%	16.6%	16.5%	16.3%
7		Total capital ratio (%)	19.0%	18.4%	19.0%	19.0%	18.7%
Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)							
UK 7a		Additional CET1 SREP requirements (%)	1.5%	1.5%	1.5%	1.5%	1.5%
UK 7b		Additional AT1 SREP requirements (%)	0.5%	0.5%	0.5%	0.5%	0.5%
UK 7c		Additional T2 SREP requirements (%)	0.6%	0.6%	0.6%	0.6%	0.6%
UK 7d		Total SREP own funds requirements (%)	10.6%	10.6%	10.6%	10.6%	10.6%
Combined buffer requirement (as a percentage of risk-weighted exposure amount)							
8		Capital conservation buffer (%)	2.5%	2.5%	2.5%	2.5%	2.5%
9		Institution specific countercyclical capital buffer (%)	1.8%	1.8%	1.8%	1.9%	1.8%
10a		Other Systemically Important Institution buffer (%) ²	—	—	—	—	—
11		Combined buffer requirement (%) ²	4.3%	4.3%	4.3%	4.4%	4.3%
UK 11a		Overall capital requirements (%)	15.0%	15.0%	15.0%	15.0%	15.0%
12		CET1 available after meeting minimum SREP own funds requirements (%) ³	7.8%	7.5%	8.2%	8.3%	8.1%
Leverage ratio							
13	UK-24b	Total exposure measure excluding claims on central banks (£m)	690,185	682,019	674,074	673,238	664,936
14	25	Leverage ratio excluding claims on central banks (%)	5.4%	5.5%	5.5%	5.4%	5.6%
Additional leverage ratio disclosure requirements							
UK 14a	UK-25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	5.4%	5.5%	5.5%	5.5%	5.4%
UK 14b	UK-25c	Leverage ratio including claims on central banks (%)	5.0%	5.0%	5.1%	5.0%	4.9%
UK 14c	UK-34	Average leverage ratio excluding claims on central banks (%) ⁴	5.4%	5.4%	5.5%	5.4%	5.4%
UK 14d	UK-33	Average leverage ratio including claims on central banks (%) ⁴	4.9%	5.0%	5.0%	5.0%	4.9%
	UK-31	Average total exposure measure including claims on central banks ⁴	755,763	746,305	751,007	736,490	731,044
	UK-32	Average total exposure measure excluding claims on central banks ⁴	693,242	684,444	689,726	677,322	665,494
	27	Leverage ratio buffer (%) ⁵	1.2%	1.2%	1.2%	1.2%	1.2%
	UK-27a	Of which: G-SII or O-SII additional leverage ratio buffer (%) ²	—	—	—	—	—
UK 14e	UK-27b	Of which: countercyclical leverage ratio buffer (%)	0.6%	0.6%	0.6%	0.6%	0.6%

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

² Although the Group does not have an Other Systemically Important Institution (O-SII) buffer, it is required to hold additional CET1 capital to meet its Ring-Fenced Bank's O-SII buffer of 2.0%, which equates to 1.7% of the Group's total risk-weighted exposure amount.

³ 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 the total Supervisory Review and Evaluation Process (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). The Group's Pillar 2A capital requirement is around 2.6% of risk-weighted assets, of which around 1.5% is to be met with CET1 capital.

⁴ The average leverage ratio is based on the average of the month end tier 1 capital position and average exposure measure over the quarter.

⁵ The Group's total leverage ratio buffer includes an add-on of 0.6% that equates to the additional leverage ratio buffer (ALRB) of 0.7% applied to the Group's Ring-Fenced Bank.

KEY METRICS AND OVERVIEW OF RISK WEIGHTED EXPOSURE AMOUNTS (Continued)**KM1: Key metrics** (continued)

KM1	LR2		30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Sep 2024	30 Jun 2024
Ref	Ref	Average Liquidity Coverage Ratio (weighted) (LCR)⁶					
15		Total high-quality liquid assets (HQLA) (Weighted value -average) (£m)	131,819	133,109	134,370	134,594	136,023
UK 16a		Cash outflows - Total weighted value - average (£m)	105,091	105,693	107,295	109,021	110,350
UK 16b		Cash inflows - Total weighted value - average (£m)	14,077	14,156	15,226	15,715	15,880
16		Total net cash outflows (adjusted value - average) (£m)	91,014	91,537	92,069	93,306	94,470
17		Average liquidity coverage ratio (%)	145%	145%	146%	144%	144%
		Average Net Stable Funding Ratio⁷					
18		Total available stable funding (Weighted value - average) (£m)	524,476	526,229	526,703	529,219	530,557
19		Total required stable funding (Weighted value - average) (£m)	413,913	410,504	409,686	409,954	408,586
20		Average NSFR ratio (%)	127%	128%	129%	129%	130%

⁶ The liquidity balances are calculated as the simple average of month end observations over the previous 12 months.

⁷ The net stable funding balances are calculated as the simple average of month end observations over the previous 4 quarter ends.

KM2: Key Metrics – TLAC requirements

		30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Sep 2024	30 Jun 2024
		Resolution Group ¹				
1	Total loss absorbing capacity (TLAC) available (£m)	72,754	69,997	72,223	71,816	70,314
1a	Fully loaded ECL accounting model TLAC available (£m)	72,754	69,997	72,210	71,799	70,297
2	Total RWA at the level of the resolution group (£m)	231,429	230,122	224,632	223,311	222,019
3	TLAC as a percentage of RWA (%)	31.4%	30.4%	32.2%	32.2%	31.7%
3a	Fully loaded ECL accounting model TLAC as a percentage of fully loaded ECL accounting model RWA (%)	31.4%	30.4%	32.1%	32.2%	31.7%
4	UK leverage ratio exposure measure at the level of the resolution group (£m)	690,185	682,019	674,074	673,238	664,936
5	TLAC as a percentage of UK leverage ratio exposure measure (%)	10.5%	10.3%	10.7%	10.7%	10.6%
5a	Fully loaded ECL accounting model TLAC as a percentage of fully loaded ECL accounting model UK leverage ratio exposure measure (%)	10.5%	10.3%	10.7%	10.7%	10.6%

¹ The consolidated position of Lloyds Banking Group plc (the resolution entity).

KEY METRICS AND OVERVIEW OF RISK WEIGHTED EXPOSURE AMOUNTS (Continued)**Common Equity Tier 1**

The Group's common equity tier 1 (CET1) capital ratio reduced to 13.8% at 30 June 2025 (31 December 2024: 14.2%). Banking business profits for the first half of the year and the dividend received from the Group's Insurance business in February 2025 were more than offset by the recognition of the full capital impact of the announced ordinary share buyback programme in respect of 2024, the accrual for foreseeable ordinary dividends, including the announced interim dividend, distributions on other equity instruments and an increase in risk-weighted assets.

Total Capital and MREL

The Group's total capital ratio remained at 19.0% at 30 June 2025 (31 December 2024: 19.0%). The issuance of new AT1 and tier 2 capital instruments during the period was broadly offset by the reduction in CET1 capital, AT1 and tier 2 instrument calls, other tier 2 movements and the increase in risk-weighted assets. The MREL ratio reduced to 31.4% at 30 June 2025 (31 December 2024: 32.2%) with the increase in MREL resources, reflecting the increase in total capital resources net of other adjustments, more than offset by the increase in risk-weighted assets.

Risk-Weighted Assets

Risk-weighted assets increased by £6.8 billion to £231.4 billion at 30 June 2025 (31 December 2024: £224.6 billion). This reflects the impact of strong lending growth, but also includes a temporary c.£1.2 billion increase related to hedging activity that is expected to reverse in the third quarter. The growth in risk-weighted assets was partly offset by continued optimisation activity.

Leverage

The Group's UK leverage ratio reduced to 5.4% at 30 June 2025 (31 December 2024: 5.5%). The increase in the leverage exposure measure primarily reflects increases across loans and advances and other assets, due in part to strong lending growth, and an increase in off-balance sheet items. This was partially offset by a reduction in the measure for securities financing transactions.

Liquidity

The Group's liquidity coverage ratio (LCR) was 145% (based on a simple average over the previous 12 months) at 30 June 2025 (31 December 2024: 146%). The decrease of 1 percentage point was due to a reduction in liquid assets, primarily from an increase in lending and a reduction in wholesale funding, offset by an increase in customer deposits. The Group's net stable funding ratio (NSFR) reduced by 2 percentage points to 127% (based on a simple average over the previous 4 quarters) at 30 June 2025 (31 December 2024: 129%). The 2 percentage points decrease was primarily due to an increase in lending and a reduction in wholesale funding, partially offset by an increase in customer 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)	183,580	178,343	14,687
2	Of which the standardised approach	23,690	22,532	1,895
3	Of which the foundation IRB (FIRB) approach	36,357	34,253	2,909
4	Of which slotting approach	9,247	9,113	740
UK 4a	Of which equities under the simple risk weighted approach	14,018	14,006	1,121
5	Of which the advanced IRB (AIRB) approach	91,996	90,567	7,360
	Of which: non-credit obligation assets ¹	8,272	7,872	662
6	Counterparty credit risk (CCR)	7,899	7,046	632
7	Of which the standardised approach	6,435	5,605	515
UK 8a	Of which exposures to a CCP	206	212	16
UK 8b	Of which credit valuation adjustment (CVA)	511	485	41
9	Of which other CCR	747	744	60
16	Securitisation exposures in the non-trading book (after the cap)	8,439	8,346	675
17	Of which SEC-IRBA approach	4,090	4,036	327
18	Of which SEC-ERBA approach (including IAA)	1,390	1,361	111
19	Of which SEC-SA approach	2,959	2,949	237
20	Position, foreign exchange and commodities risks (Market risk)	4,328	3,714	346
21	Of which the standardised approach	1,711	708	137
22	Of which IMA	2,617	3,006	209
23	Operational risk	27,183	27,183	2,175
UK 23b	Of which standardised approach	27,183	27,183	2,175
24	Memo: Amounts below the thresholds for deduction (subject to 250% risk weight)	10,571	10,738	846
29	Total	231,429	224,632	18,515
	Pillar 2A capital requirement ²			6,113
	Total capital requirement			24,628

¹ Non-credit obligation assets (IRB approach) predominantly relate to other balance sheet assets that have no associated credit risk, including the residual value of operating leases and investment properties.

² As at 30 June 2025, the Pillar 2A capital requirement was around 2.6% of risk-weighted assets, of which around 1.5% was to be met with CET1 capital.

Risk-weighted assets increased by £6.8 billion to £231.4 billion at 30 June 2025 (31 December 2024: £224.6 billion). This largely reflected:

Credit Risk: RWAs increased by £5.2 billion to £183.6 billion principally due to Retail and Commercial Banking lending growth, partly offset through optimisation activity.

Counterparty Credit Risk: RWAs increased by £0.9 billion to £7.9 billion primarily driven by the impact of foreign exchange.

Market Risk: RWAs increased by £0.6 billion to £4.3 billion which includes a temporary c.£1.2 billion increase related to hedging activity that is expected to reverse in the third quarter.

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, other non-credit obligation assets and equity exposures.

	Total RWA quarter to 30 Jun 2025	Total RWA YTD 30 Jun 2025
	£m	£m
1 Risk weighted exposure amount as at the end of previous reporting period	135,717	133,933
2 Asset size (+/-)	3,773	6,530
3 Asset quality (+/-)	(98)	(659)
4 Model updates (+/-)	—	—
5 Methodology and policy (+/-)	(879)	(1,066)
6 Acquisitions and disposals (+/-)	—	—
7 Foreign exchange movements (+/-)	(400)	(625)
8 Other (+/-)	(513)	(513)
9 Risk weighted exposure amount at the end of the reporting period	137,600	137,600

Key movements 31 March 2025 to 30 June 2025:

- Asset size increase largely driven by Commercial Banking and Retail lending growth.
- Methodology and policy decrease largely driven by optimisation activity and refinements to CRD IV model outcomes for Retail Unsecured.
- Other reductions are due to optimisation of the Commercial Banking portfolio through capital efficient securitisation activity.

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						
	VaR	SVaR	IRC	Other	Total RWA	Total own funds requirements
	£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 30 Jun 2025						
	VaR	SVaR	IRC	Other	Total RWA	Total own funds requirements
	£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

The capital position at 31 December 2024 reflects the application of the transitional arrangements for IFRS 9.

		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	24,784	24,782	
	of which: called up share capital	6,003	6,062	a
	of which: share premium	18,781	18,720	b
2	Retained earnings	16,826	19,582	d
3	Accumulated other comprehensive income (and other reserves)	3,848	2,786	d
UK-5a	Independently reviewed interim profits net of any foreseeable charge or dividend ¹	1,180	(1,276)	
	of which: foreseeable dividend	(1,094)	(1,276)	
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	46,638	45,874	
Common Equity Tier 1 (CET1) capital: regulatory adjustments				
7	Additional value adjustments	(350)	(354)	
8	Intangible assets (net of related tax liability)	(5,568)	(5,679)	e
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met)	(3,912)	(4,025)	f
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	2,752	3,755	
12	Negative amounts resulting from the calculation of expected loss amounts	(356)	(270)	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	(96)	(46)	
15	Defined-benefit pension fund assets	(2,158)	(2,215)	g
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments	(18)	(47)	
	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions)	(5,070)	(5,024)	h
27a	Other regulatory adjustments to CET1 capital	—	10	
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	(14,776)	(13,895)	
29	Common Equity Tier 1 (CET1) capital	31,862	31,979	
Additional Tier 1 (AT1) capital: instruments				
30	Capital instruments and the related share premium accounts	6,298	6,170	c
31	of which: classified as equity under applicable accounting standards	6,298	6,170	
36	Additional Tier 1 (AT1) capital before regulatory adjustments	6,298	6,170	
Additional Tier 1 (AT1) capital: regulatory adjustments				
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions)	(800)	(800)	h
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	(800)	(800)	
44	Additional Tier 1 (AT1) capital	5,498	5,370	
45	Tier 1 capital (T1 = CET1 + AT1)	37,360	37,349	
Tier 2 (T2) capital: instruments				
46	Capital instruments and the related share premium accounts	7,528	6,322	i
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	31	44	i
50	Credit risk adjustments	—	—	
51	Tier 2 (T2) capital before regulatory adjustments	7,559	6,366	
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)	(963)	(964)	
57	Total regulatory adjustments to Tier 2 (T2) capital	(963)	(964)	
58	Tier 2 (T2) capital	6,596	5,402	
59	Total capital	43,956	42,751	

		30 Jun 2025	31 Dec 2024	CC2 Reference
		£m	£m	
60	Total risk exposure amount	231,429	224,632	
Capital ratios and buffers				
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	13.8%	14.2%	
62	Tier 1 (as a percentage of total risk exposure amount)	16.1%	16.6%	
63	Total capital (as a percentage of total risk exposure amount)	19.0%	19.0%	
	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%	10.3%	
64				
65	of which: capital conservation buffer requirement	2.5%	2.5%	
66	of which: countercyclical buffer requirement	1.8%	1.8%	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	7.8%	8.2%	
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)	234	177	
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)	3,693	3,700	
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)	535	595	
Applicable caps on the inclusion of provisions in Tier 2				
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	—	—	
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	943	914	

¹ The reported amount for 30 June 2025 through row UK-5a reflects the independently reviewed interim profits of the Group attributable to ordinary shareholders as reported per the Consolidated Income Statement, net of the foreseeable dividend accrual. The reported amount for 31 December 2024 reflects the year end foreseeable dividend accrual only as 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 compares the Group's consolidated accounting and regulatory balance sheets as at 30 June 2025. The regulatory scope of consolidation, which excludes the Group's insurance undertakings, is the basis for the calculation of the Group's regulatory own funds as presented in table CC1.

	Balance sheet as in published financial statements at 30 Jun 2025	Balance sheet under regulatory scope of consolidation at 30 Jun 2025 ²	Reference ¹
Assets	£m	£m	
1 Cash and balances at central banks	64,225	64,225	
2 Financial assets at fair value through profit or loss	221,942	34,122	
3 Derivative financial instruments	22,943	23,352	
4 Loans and advances to banks	7,500	7,540	
5 Loans and advances to customers	471,598	471,296	
6 Reverse repurchase agreements	45,964	45,964	
7 Debt securities	13,175	12,750	
8 Financial assets at amortised cost	538,237	537,550	
9 Financial assets at fair value through other comprehensive income	33,888	33,888	
10 Investments in joint ventures and associates	591	363	
11 Investment in subsidiaries ²	—	9,225	h
12 Goodwill and other intangible assets	8,042	5,852	e
13 Current tax recoverable	1,227	1,117	
14 Deferred tax assets ³	4,428	4,423	f
15 Retirement benefit assets	2,953	2,953	g
16 Other assets	20,806	17,511	
17 Total assets	919,282	734,581	
Liabilities			
1 Deposits from banks	7,695	7,194	
2 Customer deposits	493,932	494,305	
3 Repurchase agreements at amortised cost	38,248	38,248	
4 Financial liabilities at fair value through profit or loss	28,754	28,754	
5 Derivative financial instruments	19,879	18,999	
6 Notes in circulation	2,119	2,119	
7 Debt securities in issue	68,301	67,403	
8 Liabilities arising from insurance contracts and participating investment contracts	124,952	—	
9 Liabilities arising from non-participating investment contracts	52,285	—	
10 Other liabilities	23,107	10,334	
11 Retirement benefit obligations	119	119	
12 Current tax liabilities	63	63	
13 Deferred tax liabilities ³	120	132	f
14 Other provisions	2,176	2,064	
15 Subordinated liabilities	10,661	10,212	i
16 Total liabilities	872,411	679,946	
Shareholders' equity			
1 Called up share capital	24,784	24,784	
2 of which: share capital	6,003	6,003	a
3 of which: share premium	18,781	18,781	b
4 Other equity instruments	6,323	6,323	c
5 Retained earnings, accumulated other comprehensive income and other reserves	15,610	23,374	d
6 Total equity excluding non-controlling interests	46,717	54,481	
7 Non-controlling interests	154	154	
8 Total equity	46,871	54,635	
9 Total equity and liabilities	919,282	734,581	

¹ The references (a) to (i) 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.

² The primary difference between the balance sheet published per the financial statements and the balance sheet under the regulatory scope of consolidation relates to the adjustments required to deconsolidate the Insurance business headed by Scottish Widows Group Limited and replace this with the Group's investment in the equity and debt instruments issued by the undertaking, in addition to

reinstating intragroup balances between the banking and insurance businesses that are otherwise eliminated upon accounting consolidation. The investment in subsidiaries balance of £9,225 million per the regulatory scope above represents the Group's total investment in the equity instruments of Scottish Widows Group Limited. The majority of this investment is deducted from CET1 capital. It also includes £800 million of other equity instruments that are classified by Scottish Widows Group Limited as restricted tier 1 capital and are treated accordingly. Capital regulations require a portion of the share capital investment in Scottish Widows Group Limited to be deducted from CET1 capital where this exceeds a threshold limit based upon the underlying CET1 capital base of the Group, with the remaining investment up to this limit becoming subject to risk weight.

- ³ Deferred tax assets that rely on future profitability may be reduced by associated deferred tax liabilities where the conditions specified in Article 38 of the CRR are met. The resultant net deferred tax asset positions are deducted from CET1 capital, except in the case of deferred tax assets that arise from temporary differences which may be risk weighted instead of deducted from capital for the portion of the balance that does not exceed a threshold limit.

OWN FUNDS (Continued)

TLAC1: Total loss absorbing capital composition

	30 Jun 2025	31 Dec 2024
	Resolution Group	Resolution Group
	£m	£m
Regulatory capital elements of TLAC and adjustments		
1 Common equity tier 1 (CET1) capital	31,862	31,979
2 Additional tier 1 (AT1) capital before TLAC adjustments	5,498	5,370
5 AT1 instruments eligible under the TLAC framework	5,498	5,370
6 Tier 2 (T2) capital before TLAC adjustments	6,596	5,402
7 Amortised portion of T2 instruments where remaining maturity > 1 year	—	891
8 T2 capital ineligible as TLAC as issued out of subsidiaries to third parties	(81)	(94)
9 Other adjustments	—	—
10 Tier 2 instruments eligible under the TLAC framework	6,515	6,199
11 TLAC arising from regulatory capital	43,875	43,548
Non-regulatory capital elements of TLAC		
12 External TLAC instruments issued directly by the bank and subordinated to excluded liabilities	28,879	28,675
17 TLAC arising from non-regulatory capital instruments before adjustments	28,879	28,675
Non-regulatory capital elements of TLAC: adjustments		
18 TLAC before deductions	72,754	72,223
22 TLAC after deductions	72,754	72,223
Risk-weighted assets (RWA) and leverage exposure measure for TLAC purposes		
23 Total RWA adjusted as permitted under the TLAC regime	231,429	224,632
24 UK leverage exposure measure	690,185	674,074
TLAC ratios and buffers		
25 TLAC (as a percentage of RWA adjusted as permitted under the TLAC regime)	31.4%	32.2%
26 TLAC (as a percentage of UK leverage exposure)	10.5%	10.7%
CET1 (as a percentage of RWA) available after meeting the resolution group's minimum total capital and TLAC requirements¹		
27	7.8%	8.2%
28 Institution-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of RWA)	4.3%	4.3%
29 Of which: capital conservation buffer requirement	2.5%	2.5%
30 Of which: bank specific countercyclical buffer requirement	1.8%	1.8%
31 Of which: higher loss absorbency requirement ²	—	—

¹ Defined as CET1 remaining after meeting Pillar 1 and Pillar 2A CET1 capital requirements.

² Although the Group does not have an Other Systemically Important Institution (O-SII) buffer, it is required to hold additional CET1 capital to meet its Ring-Fenced Bank's O-SII Buffer of 2.0 per cent, which equates to 1.7 per cent of the Group's total risk-weighted exposure amount.

OWN FUNDS (Continued)

TLAC2: Material sub-group entity - creditor ranking at the entity level

The following disclosures provide information on the creditor hierarchy for each material entity within the resolution group, including Lloyds Bank plc, Bank of Scotland plc and Lloyds Bank Corporate Markets plc. The disclosures include information on the nominal value of all own funds instruments and other liabilities to the extent that they are subordinate to or rank pari passu with the most senior MREL claim. Where the instrument is denominated in foreign currency, the nominal value is converted into sterling using the rate as at 30 June 2025. For ordinary shares, this excludes the value of share premium and reserves attributable to ordinary shareholders.

		30 Jun 2025						
		Creditor ranking						
		£m	£m	£m	£m	£m	£m	£m
Lloyds Bank plc		(Most junior)						
1	Is the resolution entity the creditor/investor?	Y	Y	N	N	Y	N	Y
2	Description of creditor ranking	Ordinary shares (£1.00 each)	Preference shares, preferred securities and AT1 equity instruments	Undated subordinated liabilities	Dated subordinated liabilities		Senior non- preferred liabilities	Total
3	Total capital and liabilities net of credit risk mitigation	1,574	5,640	—	100	8,721	—	16,020
5	Total capital and liabilities less excluded liabilities	1,574	5,640	—	100	8,721	—	16,020
6	Subset of row 5 that are eligible as TLAC	1,574	5,640	—	—	8,247	—	16,020
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	—	—	—	—	—	—	1,992
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	—	—	—	—	158	—	7,278
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	—	—	—	—	3,867	—	6,020
10	Subset of row 6 with residual maturity ≥ 10 years, but excluding perpetual securities	—	—	—	—	4,222	—	729
11	Subset of row 6 that are perpetual securities	1,574	5,640	—	—	—	—	7,214
Bank of Scotland plc		£m	£m	£m	£m	£m	£m	£m
1	Is the resolution entity the creditor/investor?	N	Y	N	N	Y	N	N
2	Description of creditor ranking	Ordinary shares (£0.25 each)	Preference shares, preferred securities and AT1 equity instruments	Undated subordinated liabilities	Dated subordinated liabilities		Senior non- preferred liabilities	Total
3	Total capital and liabilities net of credit risk mitigation	5,847	—	2,600	28	—	1,500	5,410
5	Total capital and liabilities less excluded liabilities	5,847	—	2,600	28	—	1,500	5,410
6	Subset of row 5 that are eligible as TLAC	5,847	—	2,600	—	—	1,500	5,410
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	—	—	—	—	—	—	285
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	—	—	—	—	—	—	3,219
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	—	—	—	—	—	1,500	1,907
10	Subset of row 6 with residual maturity ≥ 10 years, but excluding perpetual securities	—	—	—	—	—	—	—
11	Subset of row 6 that are perpetual securities	5,847	—	2,600	—	—	—	8,447

TLAC2: Material sub-group entity - creditor ranking at the entity level continued

		30 Jun 2025						
		Creditor ranking						
Lloyds Bank Corporate Markets plc ¹		£m	£m	£m	£m	£m	£m	£m
		(Most junior)						
1	Is the resolution entity the creditor/investor?	Y	Y	N	Y	Y	N	Y
2	Description of creditor ranking	Ordinary shares (£1.00 each)	AT1 equity instruments		Undated subordinated liabilities	Dated subordinated liabilities	Senior non- preferred liabilities	Total
3	Total capital and liabilities net of credit risk mitigation	370	4,103	—	—	—	—	4,473
5	Total capital and liabilities less excluded liabilities	370	4,103	—	—	—	—	4,473
6	Subset of row 5 that are eligible as TLAC	370	4,103	—	—	—	—	4,473
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	—	—	—	—	—	—	—
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	—	—	—	—	—	—	—
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	—	—	—	—	—	—	—
10	Subset of row 6 with residual maturity ≥ 10 years, but excluding perpetual securities	—	—	—	—	—	—	—
11	Subset of row 6 that are perpetual securities	370	4,103	—	—	—	—	4,473

¹ A regulatory capital restructuring exercise was undertaken during the period to 30 June 2025. Further detail can be found in the Lloyds Bank Corporate Markets plc 2025 Half-Year Results.

		31 Dec 2024						
		Creditor ranking						
Lloyds Bank plc		£m	£m	£m	£m	£m	£m	£m
		(Most junior)						
1	Is the resolution entity the creditor/investor?	Y	Y	N	N	Y	N	Y
2	Description of creditor ranking	Ordinary shares (£1.00 each)	Preference shares, preferred securities and AT1 equity instruments		Undated subordinated liabilities	Dated subordinated liabilities	Senior non- preferred liabilities	Total
3	Total capital and liabilities net of credit risk mitigation	1,574	5,753	—	100	7,655	273	34,212
5	Total capital and liabilities less excluded liabilities	1,574	5,753	—	100	7,655	273	34,212
6	Subset of row 5 that are eligible as TLAC	1,574	5,753	—	—	7,655	—	33,197
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	—	—	—	—	518	—	3,289
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	—	—	—	—	159	—	8,603
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	—	—	—	—	3,485	—	8,093
10	Subset of row 6 with residual maturity ≥ 10 years, but excluding perpetual securities	—	—	—	—	3,493	—	5,885
11	Subset of row 6 that are perpetual securities	1,574	5,753	—	—	—	—	7,327

TLAC2: Material sub-group entity - creditor ranking at the entity level continued

		31 Dec 2024						
		Creditor ranking						
Bank of Scotland plc		£m	£m	£m	£m	£m	£m	£m
		(Most junior)						
1	Is the resolution entity the creditor/investor?	N	Y	N	N	Y	N	N
2	Description of creditor ranking	Ordinary shares (£0.25 each)	Preference shares, preferred securities and AT1 equity instruments	Undated subordinated liabilities	Dated subordinated liabilities	Senior non- preferred liabilities	Total	
3	Total capital and liabilities net of credit risk mitigation	5,847	— 2,600	28	— 1,500	5,310	15,285	
5	Total capital and liabilities less excluded liabilities	5,847	— 2,600	28	— 1,500	5,310	15,285	
6	Subset of row 5 that are eligible as TLAC	5,847	— 2,600	—	— 1,500	5,310	15,257	
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	—	—	—	—	1,100	1,100	
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	—	—	—	—	2,303	2,303	
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	—	—	—	— 1,500	1,907	3,407	
10	Subset of row 6 with residual maturity ≥ 10 years, but excluding perpetual securities	—	—	—	—	—	—	
11	Subset of row 6 that are perpetual securities	5,847	— 2,600	—	—	—	8,447	

		Creditor ranking						
		£m	£m	£m	£m	£m	£m	£m
		(Most junior)						
1	Is the resolution entity the creditor/investor?	Y	Y	N	Y	Y	N	Y
2	Description of creditor ranking	Ordinary shares (£1.00 each)	AT1 equity instruments	Undated subordinated liabilities	Dated subordinated liabilities	Senior non- preferred liabilities	Total	
3	Total capital and liabilities net of credit risk mitigation	370	805 —	—	743 —	2,725	4,643	
5	Total capital and liabilities less excluded liabilities	370	805 —	—	743 —	2,725	4,643	
6	Subset of row 5 that are eligible as TLAC	370	805 —	—	743 —	2,517	4,435	
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	—	—	—	—	—	—	
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	—	—	—	—	2,517	2,517	
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	—	—	—	743 —	—	743	
10	Subset of row 6 with residual maturity ≥ 10 years, but excluding perpetual securities	—	—	—	—	—	—	
11	Subset of row 6 that are perpetual securities	370	805 —	—	—	—	1,175	

OWN FUNDS (Continued)**TLAC3: Resolution entity - creditor ranking at the legal entity level**

The following disclosure provides information on the creditor hierarchy for the resolution entity (Lloyds Banking Group plc).

The disclosure includes information on the nominal value of all own funds instruments and other liabilities to the extent that they are subordinate to or rank pari passu with the most senior MREL claim. Where the instrument is denominated in foreign currency, the nominal value is converted into sterling using the rate as at 30 June 2025.

For ordinary shares, this excludes the value of share premium and reserves attributable to ordinary shareholders.

		30 Jun 2025					
		Creditor ranking					
		£m	£m	£m	£m	£m	£m
Lloyds Banking Group plc		(Most junior)					
		Ordinary shares (£0.10 each)	Preference shares and AT1 equity instruments	Undated subordinated liabilities	Dated subordinated liabilities	Senior liabilities	Total
1	Description of creditor ranking						
2	Total capital and liabilities net of credit risk mitigation	6,003	6,459	10	11,123	30,616	54,211
3	Subset of row 2 that are excluded liabilities		—	—	—	748	748
4	Total capital and liabilities less excluded liabilities	6,003	6,459	10	11,123	29,868	53,463
5	Subset of row 4 that are potentially eligible as TLAC	6,003	6,459	10	9,042	28,957	50,471
6	Subset of row 5 with 1 year ≤ residual maturity < 2 years		—	—	—	2,603	2,603
7	Subset of row 5 with 2 years ≤ residual maturity < 5 years		—	—	—	16,803	16,803
8	Subset of row 5 with 5 years ≤ residual maturity < 10 years		—	—	4,269	7,914	12,183
9	Subset of row 5 with residual maturity ≥ 10 years, but excluding perpetual securities		—	—	4,773	1,637	6,410
10	Subset of row 5 that are perpetual securities	6,003	6,459	10	—	—	12,472
		31 Dec 2024					
2	Total capital and liabilities net of credit risk mitigation	6,062	6,626	10	10,128	33,645	56,471
3	Subset of row 2 that are excluded liabilities		0	0	0	310	310
4	Total capital and liabilities less excluded liabilities	6,062	6,626	10	10,128	33,335	56,161
5	Subset of row 4 that are potentially eligible as TLAC	6,062	6,626	10	9,049	29,099	50,846
6	Subset of row 5 with 1 year ≤ residual maturity < 2 years		0	0	1,196	3,136	4,332
7	Subset of row 5 with 2 years ≤ residual maturity < 5 years		0	0	0	16,801	16,801
8	Subset of row 5 with 5 years ≤ residual maturity < 10 years		0	0	3,754	6,719	10,473
9	Subset of row 5 with residual maturity ≥ 10 years, but excluding perpetual securities		0	0	4,099	2,443	6,542
10	Subset of row 5 that are perpetual securities	6,062	6,626	10	0	0	12,698

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							
	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	Counter-cyclical buffer rate
Breakdown by Country	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	%	%
United Kingdom	24,868	492,230	35	34	32,793	549,960	12,614	7	561	13,182	164,779	88.46%	2.00%
Australia	12	226	3	3	—	244	6	1	—	7	84	0.04%	1.00%
Belgium	3	5	—	—	—	8	—	—	—	—	4	0.00%	1.00%
Cyprus	145	—	—	—	—	145	11	—	—	11	143	0.08%	1.00%
Czech Republic	44	—	—	—	—	44	4	—	—	4	44	0.02%	1.25%
Denmark	21	6	3	2	—	32	2	1	—	3	32	0.02%	2.50%
France	110	484	39	38	259	930	19	8	7	34	423	0.23%	1.00%
Germany	1,140	623	28	27	590	2,408	90	6	5	101	1,257	0.67%	0.75%
Hong Kong	51	52	—	—	—	103	2	—	—	2	30	0.02%	0.50%
Ireland	237	399	3	3	59	701	40	1	—	41	507	0.27%	1.50%
South Korea	21	256	—	—	—	277	9	—	—	9	113	0.06%	1.00%
Luxembourg	15	5,128	8	7	227	5,385	114	2	2	118	1,471	0.79%	0.50%
Netherlands	833	19,118	—	—	211	20,162	247	—	2	249	3,117	1.67%	2.00%
Norway	40	53	—	—	—	93	7	—	—	7	87	0.05%	2.50%
Sweden	—	3	8	7	—	18	—	2	—	2	22	0.01%	2.00%
i) Total¹	27,540	518,583	127	121	34,139	580,510	13,165	28	577	13,770	172,113	92.39 %	
United States of America	1,465	16,620	39	37	7,405	25,566	582	7	95	684	8,544	4.59%	
ii) Total¹	1,465	16,620	39	37	7,405	25,566	582	7	95	684	8,544	4.59%	
iii) Rest of the World¹	2,786	10,061	2	3	169	13,021	446	0	3	449	5,627	3.02%	
Total	31,791	545,264	168	161	41,713	619,097	14,193	35	675	14,903	186,284	100.00%	

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

31 Dec 2024													
Breakdown by Country	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	Counter-cyclical buffer rate
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	%	%
United Kingdom	23,059	480,109	17	24	32,271	535,480	12,327	9	549	12,885	161,067	89.64%	2.00%
Australia	12	130	—	—	—	142	6	—	—	6	70	0.04 %	1.00 %
Belgium	2	15	—	—	—	17	1	—	—	1	8	— %	1.00 %
Cyprus	103	—	—	—	—	103	8	—	—	8	101	0.06 %	1.00 %
Czech Republic	17	—	—	—	—	17	1	—	—	1	17	0.01 %	1.25 %
Denmark	10	6	1	1	—	18	1	—	—	1	18	0.01 %	2.50 %
France	342	150	4	5	251	752	29	2	7	38	477	0.27 %	1.00 %
Germany	957	383	31	45	570	1,986	67	16	5	88	1,098	0.61 %	0.75 %
Hong Kong	55	54	—	—	—	109	3	—	—	3	35	0.02 %	0.50 %
Ireland	211	372	3	4	79	669	37	1	1	39	489	0.27 %	1.50 %
South Korea	21	272	—	—	—	293	10	—	—	10	127	0.07 %	1.00 %
Luxembourg	15	3,987	—	1	219	4,222	83	—	2	85	1,065	0.59 %	0.50 %
Netherlands	751	17,295	—	—	213	18,259	235	—	2	237	2,963	1.65 %	2.00 %
Norway	2	64	—	—	—	66	5	—	—	5	59	0.03 %	2.50 %
Sweden	—	3	4	6	—	13	—	2	—	2	29	0.02 %	2.00 %
i) Total ⁱ	25,557	502,840	60	86	33,603	562,146	12,813	30	566	13,409	167,623	93.29 %	
United States of America	1,429	13,727	27	39	7,505	22,727	486	14	101	601	7,503	4.18 %	
ii) Total ⁱ	1,429	13,727	27	39	7,505	22,727	486	14	101	601	7,503	4.18 %	
iii) Rest of the World ⁱ	2,441	8,516	8	12	164	11,141	360	5	1	366	4,560	2.53 %	
Total	29,427	525,083	95	137	41,272	596,014	13,659	49	668	14,376	179,686	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 Group 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 Group 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	£231,429m	£224,632m
2 Institution specific countercyclical capital buffer rate	1.82%	1.84%
3 Institution specific countercyclical capital buffer requirement	£4,217m	£4,140m

LEVERAGE

LR2: Leverage ratio common disclosure

		30 Jun 2025 £m	31 Dec 2024 £m
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral) ¹	634,236	617,012
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	3,323	2,879
3	Deductions of receivables assets for cash variation margin provided in derivatives transactions	(6,774)	(6,115)
6	Asset amounts deducted in determining tier 1 capital (leverage)	(12,208)	(12,395)
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	618,577	601,381
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	12,976	11,703
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	10,328	9,784
11	Adjusted effective notional amount of written credit derivatives	928	457
12	Adjusted effective notional offsets and add-on deductions for written credit derivatives	(831)	(334)
13	Total derivatives exposures	23,401	21,610
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	85,182	95,745
15	Netted amounts of cash payables and cash receivables of gross SFT assets	(18,563)	(25,803)
16	Counterparty credit risk exposure for SFT assets	2,863	3,351
18	Total securities financing transaction exposures	69,482	73,293
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	157,379	150,904
20	Adjustments for conversion to credit equivalent amounts	(114,394)	(110,529)
21	General provisions deducted in determining tier 1 capital (leverage) and specific provisions associated with off-balance sheet exposures	(181)	(189)
22	Off-balance sheet exposures	42,804	40,186
Capital and total exposure measure			
23	Tier 1 capital (leverage)	37,360	37,349
24	Total exposure measure including claims on central banks	754,264	736,470
UK-24a	(-) Claims on central banks excluded	(64,079)	(62,396)
UK-24b	Total exposure measure excluding claims on central banks	690,185	674,074
Leverage ratio			
25	Leverage ratio excluding claims on central banks (%)	5.4%	5.5%
UK-25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	5.4%	5.5%
UK-25c	Leverage ratio including claims on central banks (%)	5.0%	5.1%
26	Regulatory minimum leverage ratio requirement (%)	3.25%	3.25%
Additional leverage ratio disclosure requirements - leverage ratio buffers			
27	Leverage ratio buffer (%) ²	1.2%	1.2%
UK-27a	Of which: G-SII or O-SII additional leverage ratio buffer (%)	—	—
UK-27b	Of which: countercyclical leverage ratio buffer (%)	0.6%	0.6%
Additional leverage ratio disclosure requirements - disclosure of mean values			
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	75,114	81,496
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	66,619	69,941
UK-31	Average total exposure measure including claims on central banks	755,763	751,007
UK-32	Average total exposure measure excluding claims on central banks	693,242	689,726
UK-33	Average leverage ratio including claims on central banks	4.9%	5.0%
UK-34	Average leverage ratio excluding claims on central banks	5.4%	5.5%

¹ Includes an adjustment to exclude lending under the UK Government's Bounce Back Loan Scheme (BBLS).

² The Group's total leverage ratio buffer at 30 June 2025 was 1.2 per cent (31 December 2024: 1.2 per cent), of which 0.6 per cent equates to the additional leverage ratio buffer (ALRB) of 0.7 per cent applied to the Ring-Fenced Bank.

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 published financial statements	919,282	906,697
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	(190,563)	(190,988)
4	Adjustment for exemption of exposures to central banks	(64,079)	(62,396)
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	(2,007)	(1,061)
8	Adjustment for derivative financial instruments	(3,403)	(6,254)
9	Adjustment for securities financing transactions (SFTs)	2,863	3,351
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures) ¹	42,985	40,375
11	Adjustment for items and specific and general provisions which have reduced tier 1 capital (leverage)	(12,389)	(12,584)
12	Other adjustments ²	(2,504)	(3,066)
13	Total exposure measure	690,185	674,074

¹ Gross of specific provisions. The amount net of specific provisions at 30 June 2025 is £42,804 million (31 December 2024: £40,186 million).

² Includes an adjustment to exclude lending under the UK Government's Bounce Back Loan Scheme (BBLs).

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:	634,236	617,012
UK-2	Trading book exposures	6,075	4,984
UK-3	Banking book exposures, of which:	628,161	612,028
UK-4	Covered bonds	3,065	3,591
UK-5	Exposures treated as sovereigns	98,328	93,043
UK-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	3,700	3,785
UK-7	Institutions	5,143	6,580
UK-8	Secured by mortgages of immovable properties	353,499	344,838
UK-9	Retail exposures	45,362	42,631
UK-10	Corporates	58,027	56,968
UK-11	Exposures in default	5,693	5,724
UK-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	55,344	54,868

CREDIT RISK

The tables in this section reflect FINREP 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 2025														
		Gross carrying amount/nominal amount ¹						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions ¹						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
		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3				
		£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	61,844	61,844	—	—	—	—	—	—	—	—	—	—	—	—	—
010	Loans and advances	521,632	472,917	42,850	9,525	645	6,821	(1,835)	(748)	(1,081)	(1,326)	(53)	(1,119)	(443)	379,094	6,759
020	Central banks	1,656	1,656	—	—	—	—	—	—	—	—	—	—	—	—	—
030	General governments	1,081	1,050	18	—	—	—	(1)	—	(1)	—	—	—	—	842	—
040	Credit institutions	14,733	14,731	2	1	1	—	(1)	(1)	—	—	—	—	—	—	—
050	Other financial corporations	66,921	64,994	73	29	1	28	(14)	(10)	(4)	(19)	—	(19)	—	140	2
060	Non-financial corporations	61,720	57,001	4,593	2,173	161	2,012	(471)	(194)	(277)	(463)	—	(463)	(443)	32,117	690
070	Of which SMEs	25,914	23,713	2,201	1,084	161	923	(165)	(60)	(105)	(83)	—	(83)	—	16,001	367
080	Households	375,521	333,485	38,164	7,322	482	4,781	(1,348)	(543)	(799)	(844)	(53)	(637)	—	345,995	6,067
090	Debt securities	48,677	46,276	—	1,515	—	1	(6)	(6)	—	(874)	—	(1)	—	—	—
100	Central banks	60	60	—	—	—	—	—	—	—	—	—	—	—	—	—
110	General governments	27,621	27,621	—	—	—	—	(1)	(1)	—	—	—	—	—	—	—
120	Credit institutions	9,162	9,162	—	—	—	—	—	—	—	—	—	—	—	—	—
130	Other financial corporations	10,518	9,427	—	115	—	—	(5)	(5)	—	—	—	—	—	—	—
140	Non-financial corporations	1,316	6	—	1,400	—	1	—	—	—	(874)	—	(1)	—	—	—
150	Off-balance-sheet exposures	155,755	151,522	4,205	284	218	66	(214)	(121)	(93)	(7)	(6)	(1)		6,364	11
170	General governments	630	565	65	—	—	—	(2)	—	(2)	—	—	—		66	—
180	Credit institutions	1,851	1,851	—	—	—	—	—	—	—	—	—	—		1,518	—
190	Other financial corporations	26,558	26,458	100	—	—	—	(3)	(2)	(1)	—	—	—		1,470	—
200	Non-financial corporations	40,313	38,952	1,361	95	82	13	(55)	(30)	(25)	(1)	—	(1)		3,310	11
210	Households	86,403	83,696	2,679	189	136	53	(154)	(89)	(65)	(6)	(6)	—		—	—
220	Total	787,908	732,559	47,055	11,324	863	6,888	(2,055)	(875)	(1,174)	(2,207)	(59)	(1,121)	(443)	385,458	6,770

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

		31 December 2024														
		Gross carrying amount/nominal amount ¹						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions ¹						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
		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3				
		£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	60,019	60,019	—	—	—	—	—	—	—	—	—	—	—	—	—
010	Loans and advances	513,588	463,985	44,086	9,624	684	6,715	(1,853)	(736)	(1,107)	(1,339)	(54)	(1,108)	(358)	371,595	6,951
020	Central banks	1,751	1,751	—	—	—	—	—	—	—	—	—	—	—	—	—
030	General governments	1,085	1,063	7	—	—	—	(1)	—	—	—	—	—	—	868	—
040	Credit institutions	14,556	14,556	—	6	6	—	(1)	(1)	—	—	—	—	—	31	—
050	Other financial corporations	69,817	68,464	143	31	1	30	(15)	(9)	(6)	(19)	—	(19)	—	179	2
060	Non-financial corporations	61,680	56,729	4,826	1,998	178	1,820	(460)	(202)	(258)	(409)	—	(409)	(358)	33,740	692
070	Of which SMEs	26,996	24,376	2,620	1,202	178	1,025	(180)	(65)	(115)	(108)	—	(108)	—	16,936	491
080	Households	364,699	321,422	39,110	7,589	499	4,865	(1,376)	(524)	(843)	(911)	(54)	(680)	—	336,777	6,257
090	Debt securities	46,932	44,505	—	1,653	—	1	(7)	(7)	—	(924)	—	(1)	—	—	—
100	Central banks	65	65	—	—	—	—	—	—	—	—	—	—	—	—	—
110	General governments	24,593	24,561	—	—	—	—	(1)	(1)	—	—	—	—	—	—	—
120	Credit institutions	10,107	10,107	—	—	—	—	(1)	(1)	—	—	—	—	—	—	—
130	Other financial corporations	10,810	9,721	—	124	—	—	(5)	(5)	—	—	—	—	—	—	—
140	Non-financial corporations	1,357	51	—	1,529	—	1	—	—	—	(924)	—	(1)	—	—	—
150	Off-balance-sheet exposures	150,100	145,706	4,356	310	209	101	(262)	(142)	(120)	(8)	(6)	(2)		7,031	29
170	General governments	673	673	—	—	—	—	—	—	—	—	—	—		299	—
180	Credit institutions	1,785	1,785	—	—	—	—	—	—	—	—	—	—		1,518	—
190	Other financial corporations	24,384	24,305	79	11	11	—	(6)	(4)	(1)	—	—	—		1,841	—
200	Non-financial corporations	40,190	38,632	1,559	84	54	30	(99)	(48)	(51)	(2)	—	(2)		3,373	29
210	Households	83,068	80,311	2,718	215	144	71	(157)	(90)	(68)	(6)	(6)	—		—	—
220	Total	770,639	714,215	48,442	11,587	893	6,817	(2,122)	(885)	(1,227)	(2,271)	(60)	(1,111)	(358)	378,626	6,980

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
		£m	£m	£m	£m	£m
1	Loans and advances	24,230	69,632	94,310	339,317	507
2	Debt securities	1	5,707	21,476	22,117	11
3	Total	24,231	75,339	115,786	361,434	518

		31 December 2024				
		£m	£m	£m	£m	£m
1	Loans and advances	23,110	73,445	89,846	333,434	184
2	Debt securities	26	4,284	23,343	20,002	—
3	Total	23,136	77,729	113,189	353,436	184

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	9,624
020	Inflows to non-performing portfolios	2,664
030	Outflows from non-performing portfolios	(2,763)
040	Outflows due to write-offs	(667)
050	Outflow due to other situations	(2,096)
060	Final stock of non-performing loans and advances at 30 June 2025	9,525

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	
	Performing forborne	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
		£m	Of which defaulted	Of which impaired				
	£m	£m	£m	£m	£m	£m	£m	£m
010 Loans and advances	1,389	4,779	4,517	4,517	(27)	(747)	3,648	2,721
040 Credit institutions	—	—	—	—	—	—	—	—
050 Other financial corporations	36	28	28	28	—	(19)	1	1
060 Non-financial corporations	388	2,039	2,012	2,012	(2)	(439)	697	581
070 Households	965	2,712	2,477	2,477	(25)	(289)	2,950	2,139
080 Debt Securities	—	—	—	—	—	—	—	—
090 Loan commitments given	147	187	55	55	(3)	(4)	—	—
100 Total	1,536	4,966	4,572	4,572	(30)	(751)	3,648	2,721

31 December 2024								
	£m	£m	£m	£m	£m	£m	£m	£m
010 Loans and advances	1,346	4,534	4,225	4,224	(30)	(719)	3,531	2,608
040 Credit institutions	25	6	—	—	—	—	—	—
050 Other financial corporations	11	30	30	30	—	(18)	2	1
060 Non-financial corporations	350	1,793	1,719	1,719	(4)	(388)	624	505
070 Households	960	2,705	2,476	2,475	(26)	(313)	2,905	2,102
080 Debt Securities	—	—	—	—	—	—	—	—
090 Loan commitments given	152	181	73	73	(3)	(5)	—	—
100 Total	1,498	4,715	4,298	4,297	(33)	(724)	3,531	2,608

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	581,349	8,938	(3,169)		(872)
030	Netherlands	19,202	20	(22)		—
040	Other Countries (MDB) ¹	7,606	—	—		—
050	United Kingdom	494,519	8,802	(3,028)		(872)
060	United States	22,257	—	(26)		—
070	Other countries	37,765	116	(93)		—
080	Off-balance-sheet exposures	156,039	66		(221)	
100	Netherlands	2,016	1		(1)	
110	Other Countries (MDB) ¹	—	—		—	
120	United Kingdom	128,170	64		(210)	
130	United States	14,613	—		(6)	
140	Other countries	11,240	1		(4)	
150	Total	737,388	9,004	(3,169)	(221)	(872)

		31 December 2024				
		£m	£m	£m	£m	£m
010	On-balance-sheet exposures	571,797	9,010	(3,200)		(923)
020	France	6,956	—	—		—
030	Netherlands	17,520	15	(22)		—
040	Other Countries (MDB) ¹	7,758	—	—		—
050	United Kingdom	486,829	8,875	(3,069)		(923)
060	United States	21,431	—	(19)		—
070	Other countries	31,303	120	(90)		—
080	Off-balance-sheet exposures	150,410	101		(270)	
090	France	282	—		—	
100	Netherlands	1,989	16		(2)	
110	Other Countries (MDB) ¹	—	—		—	
120	United Kingdom	123,500	85		(250)	
130	United States	14,964	—		(10)	
140	Other countries	9,675	—		(8)	
150	Total	722,207	9,111	(3,200)	(270)	(923)

¹ Exposures to multilateral development banks.

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
010	Agriculture, forestry and fishing	6,230	278	(42)	—
020	Mining and quarrying	174	82	(26)	—
030	Manufacturing	4,736	44	(55)	—
040	Electricity, gas, steam and air conditioning supply	4,632	—	(21)	—
050	Water supply	711	2	(14)	—
060	Construction	3,222	136	(92)	—
070	Wholesale and retail trade	6,599	190	(88)	—
080	Transport and storage	1,998	17	(21)	—
090	Accommodation and food service activities	2,109	88	(37)	—
100	Information and communication	3,474	534	(187)	—
110	Financial and insurance activities				
120	Real estate activities	19,227	361	(193)	—
130	Professional, scientific and technical activities	2,565	80	(49)	—
140	Administrative and support service activities	2,477	37	(34)	—
150	Public administration and defence, compulsory social security	26	—	—	—
160	Education	1,093	12	(19)	—
170	Human health services and social work activities	3,377	88	(36)	—
180	Arts, entertainment and recreation	371	34	(8)	—
190	Other services	872	29	(12)	—
200	Total	63,893	2,012	(934)	—

		31 December 2024			
		£m	£m	£m	£m
010	Agriculture, forestry and fishing	6,424	298	(57)	—
020	Mining and quarrying	275	1	(2)	—
030	Manufacturing	4,588	90	(47)	—
040	Electricity, gas, steam and air conditioning supply	4,222	78	(25)	—
050	Water supply	688	2	(14)	—
060	Construction	3,479	258	(170)	—
070	Wholesale and retail trade	6,772	233	(100)	—
080	Transport and storage	1,969	32	(22)	—
090	Accommodation and food service activities	2,004	114	(44)	—
100	Information and communication	3,182	75	(20)	—
110	Financial and insurance activities				
120	Real estate activities	19,390	330	(217)	—
130	Professional, scientific and technical activities	2,567	103	(44)	—
140	Administrative and support service activities	2,555	52	(23)	—
150	Public administration and defence, compulsory social security	19	—	—	—
160	Education	1,106	10	(14)	—
170	Human health services and social work activities	3,313	92	(49)	—
180	Arts, entertainment and recreation	351	22	(9)	—
190	Other services	773	30	(12)	—
200	Total	63,677	1,820	(869)	—

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	142,142	385,854	381,617	4,237	19
Debt securities	49,312	—	—	—	—
Total	191,454	385,854	381,617	4,237	19
Of which non-performing exposures	2,080	6,759	6,441	318	—
Of which defaulted	273	6,464	—	—	—

	31 December 2024				
	£m	£m	£m	£m	£m
	£m	£m	£m	£m	£m
Loans and advances	141,474	378,546	372,874	5,672	—
Debt securities	47,654	—	—	—	—
Total	189,128	378,546	372,874	5,672	—
Of which non-performing exposures	2,063	6,951	6,712	239	—
Of which defaulted	123	6,624	—	—	—

CREDIT RISK (Continued)

CR4: Standardised approach – Credit risk exposure and CRM effects

		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 exposures	RWAs	RWAs density
Exposure classes		£m	£m	£m	£m	£m	%
1	Central governments or central banks	74,187	458	77,699	483	1,358	2%
2	Regional government or local authorities	747	—	747	—	20	3%
3	Public sector entities	2,953	—	2,953	—	—	—
4	Multilateral development banks	10,563	—	10,563	—	—	—
5	International organisations	757	—	757	—	—	—
6	Institutions	361	—	363	79	121	27%
7	Corporates	4,522	6,328	4,475	1,900	5,519	87%
8	Retail	12,958	19,579	12,761	97	9,278	72%
9	Secured by mortgages on immovable property	5,608	83	5,608	20	2,013	36%
10	Exposures in default	628	44	600	2	760	126%
13	Institutions and corporates with a short-term credit assessment	5	—	5	—	3	60%
14	Collective investment undertakings	2,152	3	2,152	3	1,910	89%
16	Other items	3,522	—	3,522	—	2,708	77%
17	Total	118,963	26,495	122,205	2,584	23,690	19%

		31 Dec 2024					
		£m	£m	£m	£m	£m	%
1	Central governments or central banks	69,852	575	74,210	544	1,502	2%
2	Regional government or local authorities	679	—	679	—	15	2%
3	Public sector entities	3,106	—	3,106	—	—	—
4	Multilateral development banks	10,587	—	10,587	—	—	—
5	International organisations	653	—	653	—	—	—
6	Institutions	493	—	507	90	155	26%
7	Corporates	5,422	5,640	5,039	1,810	5,609	82%
8	Retail	11,918	20,487	11,653	106	8,504	72%
9	Secured by mortgages on immovable property	4,898	65	4,897	15	1,833	37%
10	Exposures in default	623	36	587	9	728	122%
13	Institutions and corporates with a short-term credit assessment	—	—	80	—	40	50%
14	Collective investment undertakings	1,739	3	1,739	2	1,770	102%
16	Other items	2,947	—	2,947	—	2,376	81%
17	Total	112,917	26,806	116,684	2,576	22,532	19%

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

CREDIT RISK (Continued)

CR5: Standardised approach – Credit risk exposure and risk weights (post CCF and post CRM)

		30 Jun 2025															Total £m	Of which unrated £m
Exposure classes		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others		
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1	Central governments or central banks	77,627	—	—	—	—	—	—	—	—	20	—	535	—	—	—	78,182	—
2	Regional government or local authorities	646	—	—	—	101	—	—	—	—	—	—	—	—	—	—	747	—
3	Public sector entities	2,953	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,953	—
4	Multilateral development banks	10,563	—	—	—	—	—	—	—	—	—	—	—	—	—	—	10,563	—
5	International organisations	757	—	—	—	—	—	—	—	—	—	—	—	—	—	—	757	—
6	Institutions	—	—	80	—	286	—	72	—	—	2	—	—	—	2	—	441	2
7	Corporates	—	—	—	—	66	—	1,054	—	—	5,227	30	—	—	—	—	6,375	5,073
8	Retail exposures	—	—	—	—	—	23	—	—	12,835	—	—	—	—	—	—	12,858	12,858
9	Exposures secured by mortgages on immovable property	—	—	—	—	—	5,409	—	—	39	180	—	—	—	—	—	5,628	5,628
10	Exposures in default	—	—	—	—	—	—	—	—	—	288	314	—	—	—	—	603	603
13	Exposures to institutions and corporates with a short-term credit assessment	—	—	—	—	—	—	5	—	—	—	—	—	—	—	—	5	—
14	Units or shares in collective investment undertakings	49	—	—	—	937	—	9	—	—	121	1,031	—	—	3	3	2,155	1,203
16	Other items	242	—	—	—	715	—	—	—	—	2,565	—	—	—	—	—	3,522	3,522
17	Total	92,837	—	80	—	2,105	5,432	1,140	—	12,874	8,403	1,375	535	—	5	3	124,789	28,889

		31 Dec 2024															Total £m	Of which unrated £m
Exposure classes		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m		
1	Central governments or central banks	74,145	—	—	—	—	—	—	—	—	15	—	595	—	—	—	74,754	—
2	Regional government or local authorities	606	—	—	—	74	—	—	—	—	—	—	—	—	—	—	679	—
3	Public sector entities	3,106	—	—	—	—	—	—	—	—	—	—	—	—	—	—	3,106	—
4	Multilateral development banks	10,587	—	—	—	—	—	—	—	—	—	—	—	—	—	—	10,587	—
5	International organisations	653	—	—	—	—	—	—	—	—	—	—	—	—	—	—	654	—
6	Institutions	—	—	103	—	385	—	74	—	—	33	2	—	—	—	—	596	33
7	Corporates	—	—	—	—	92	—	1,275	—	—	5,462	18	—	—	1	—	6,848	5,318
8	Retail exposures	—	—	—	—	—	—	—	—	11,759	—	—	—	—	—	—	11,759	11,759
9	Exposures secured by mortgages on immovable property	—	—	—	—	—	4,643	—	—	38	230	—	—	—	—	—	4,912	4,912
10	Exposures in default	—	—	—	—	—	—	—	—	—	331	265	—	—	—	—	596	596
13	Exposures to institutions and corporates with a short-term credit assessment	—	—	—	—	—	—	80	—	—	—	—	—	—	—	—	80	—
14	Units or shares in collective investment undertakings	56	—	—	—	580	—	14	—	—	30	1,057	—	—	2	3	1,742	1,162
16	Other items	233	—	—	—	422	—	—	—	—	2,291	—	—	—	—	—	2,947	2,947
17	Total	89,386	—	103	—	1,553	4,643	1,443	—	11,797	8,392	1,342	595	—	3	3	119,260	26,727

CREDIT RISK (Continued)**CR6: IRB approach - Credit risk exposures by portfolio and PD range**

Most of the Group's CRD IV models remain subject to further development and final approval by the PRA. In disclosing the CR6 tables the Group has followed PRA guidance from Supervisory Statement 11/13, with the below factors being particularly relevant:

- The Group has prudently applied temporary model adjustments to risk-weighted asset and expected loss amounts at a portfolio (i.e rating system) level (SS 11/13 19.17(a));
- Incumbent models have not been recalibrated or changed to reflect the desired capital outcome (SS 11/13 19.7(b)); and
- Total risk-weighted asset and expected loss amounts for each PD grade has been increased proportionately (SS 11/13 19.18). Exposure at Default is not adjusted.

This means that whilst risk-weighted assets and expected losses disclosed in these tables reflect the revised CRD IV modelling requirements, the exposure distribution across PD grades and the reported average weighted PDs and LGDs reflect our incumbent models which are not CRD IV compliant.

Where relevant, further information on how this impacts particular asset classes has been included as footnotes to the tables.

CR6: IRB approach - Credit risk exposures by portfolio and PD range - Central Governments and Central Banks

PD range	30 Jun 2025											
	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Central Governments or Central Banks	£m	£m	%	£m	%	No.	%	No.	£m	%	£m	£m
0.00 to <0.15	11,557	208	74.95%	11,383	0.01%	18	45.00%	0.4	200	1.75%	1	—
0.00 to <0.10	11,557	208	74.95%	11,383	0.01%	18	45.00%	0.4	200	1.75%	1	—
0.25 to <0.50	—	—	—	—	0.42%	1	45.00%	5.0	—	97.82%	—	—
0.75 to <2.50	—	—	—	—	—	—	—	—	—	—	—	—
0.75 to <1.75	—	—	—	—	—	—	—	—	—	—	—	—
2.50 to <10.00	36	66	75.00%	—	6.20%	4	45.00%	1.0	—	152.36%	—	—
2.50 to <5.00	17	66	—	—	—	3	—	—	—	—	—	—
5.00 to <10.00	19	—	75.00%	—	6.20%	1	45.00%	1.0	—	152.36%	—	—
10.00 to <100.00	54	—	—	—	—	1	—	—	—	—	—	—
10.00 to <20.00	54	—	—	—	—	1	—	—	—	—	—	—
Subtotal	11,647	274	74.94%	11,383	0.01%	24	45.00%	0.4	200	1.76%	1	—
Central Governments or Central Banks	31 Dec 2024											
	£m	£m	%	£m	%	No.	%	No.	£m	%	£m	£m
0.00 to <0.15	10,420	240	74.92%	10,237	0.01%	19	45.00%	0.3	149	1.45%	1	—
0.00 to <0.10	10,420	240	74.92%	10,237	0.01%	19	45.00%	0.3	149	1.45%	1	—
0.25 to <0.50	—	—	—	—	0.42%	1	45.00%	5.0	—	97.82%	—	—
0.75 to <2.50	—	75	—	—	—	1	—	—	—	—	—	—
0.75 to <1.75	—	75	—	—	—	1	—	—	—	—	—	—
2.50 to <10.00	36	64	75.00%	—	8.70%	4	45.00%	1.0	—	175.73%	—	—
2.50 to <5.00	12	64	—	—	—	2	—	—	—	—	—	—
5.00 to <10.00	24	—	75.00%	—	8.70%	2	45.00%	1.0	—	175.73%	—	—
10.00 to <100.00	39	—	—	—	—	1	—	—	—	—	—	—
10.00 to <20.00	39	—	—	—	—	1	—	—	—	—	—	—
Subtotal	10,495	379	74.91%	10,237	0.01%	26	45.00%	0.3	149	1.46%	1	—

CR6: IRB approach - Credit risk exposures by portfolio and PD range - Institutions

30 Jun 2025												
PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Institutions	£m	£m	%	£m	%	No.	%	No.	£m	%	£m	£m
0.00 to <0.15	7,439	1,249	40.36%	8,068	0.05%	821	34.36%	1.4	1,131	14.02%	2	—
0.00 to <0.10	6,458	1,088	43.12%	7,055	0.05%	684	35.31%	1.3	938	13.30%	1	—
0.10 to <0.15	981	161	19.79%	1,013	0.11%	137	27.78%	1.6	193	19.08%	1	—
0.15 to <0.25	150	114	23.06%	177	0.18%	44	20.44%	2.6	38	21.60%	—	—
0.25 to <0.50	12	80	71.80%	70	0.38%	82	29.08%	1.4	27	38.41%	—	—
0.50 to <0.75	4	6	12.95%	4	0.63%	25	44.81%	2.8	6	132.11%	—	—
0.75 to <2.50	223	22	2.05%	150	1.06%	91	39.64%	1.1	134	89.59%	1	1
0.75 to <1.75	223	22	2.05%	150	1.06%	77	39.64%	1.1	134	89.52%	1	1
1.75 to <2.50	—	—	—	—	1.90%	14	41.22%	1.3	—	118.63%	—	—
2.50 to <10.00	1	1,500	75.00%	1,126	2.60%	34	0.04%	1.0	1	0.13%	—	—
2.50 to <5.00	1	1,500	75.00%	1,126	2.60%	29	0.04%	1.0	1	0.12%	—	—
5.00 to <10.00	—	—	—	—	6.20%	5	45.00%	1.5	—	183.38%	—	—
10.00 to <100.00	1	—	—	—	19.31%	9	44.94%	1.0	1	279.73%	—	—
10.00 to <20.00	1	—	—	—	12.14%	6	44.91%	1.0	1	405.44%	—	—
30.00 to <100.00	—	—	—	—	31.00%	3	45.00%	1.0	—	346.23%	—	—
Subtotal	7,830	2,971	57.06%	9,595	0.37%	1,106	30.13%	1.3	1,338	13.95%	3	1
31 Dec 2024												
Institutions	£m	£m	%	£m	%	No.	%	No.	£m	%	£m	£m
0.00 to <0.15	8,896	1,307	21.62%	9,696	0.05%	822	36.32%	1.5	1,527	15.75%	3	—
0.00 to <0.10	7,762	940	24.00%	8,508	0.05%	685	36.96%	1.5	1,301	15.29%	2	—
0.10 to <0.15	1,134	367	14.52%	1,188	0.11%	137	31.75%	1.4	226	19.06%	1	—
0.15 to <0.25	109	100	22.60%	145	0.18%	45	30.15%	2.1	51	34.85%	—	—
0.25 to <0.50	5	78	75.10%	64	0.41%	65	32.33%	1.5	30	47.26%	—	—
0.50 to <0.75	61	37	2.12%	61	0.63%	43	43.68%	1.1	60	97.36%	—	—
0.75 to <2.50	187	1	66.99%	96	1.15%	70	34.41%	2.5	87	91.26%	—	1
0.75 to <1.75	187	1	66.99%	96	1.15%	63	34.39%	2.5	87	91.23%	—	1
1.75 to <2.50	—	—	—	—	1.90%	7	43.78%	1.3	—	125.21%	—	—
2.50 to <10.00	1	1,500	75.00%	1,126	2.60%	28	0.03%	1.0	1	0.09%	—	—
2.50 to <5.00	1	1,500	75.00%	1,126	2.60%	17	0.02%	1.0	1	0.07%	—	—
5.00 to <10.00	—	—	—	—	6.20%	11	45.00%	1.1	—	179.89%	—	—
10.00 to <100.00	—	—	—	—	31.00%	6	45.00%	1.0	1	292.43%	—	—
10.00 to <20.00	—	—	—	—	—	1	—	—	—	—	—	—
30.00 to <100.00	—	—	—	—	31.00%	5	45.00%	1.0	1	292.43%	—	—
Subtotal	9,259	3,023	47.98%	11,188	0.33%	1,079	32.59%	1.4	1,757	15.71%	3	1

CR6: IRB approach - Credit risk exposures by portfolio and PD range - Corporate SME

30 Jun 2025												
PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD	Number of obligors ¹	Exposure weighted average LGD	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Corporate SME	£m	£m	%	£m	%	No.	%	No.	£m	%	£m	£m
0.00 to <0.15	573	382	20.18%	650	0.07%	215	39.46%	3.5	195	29.96%	—	—
0.00 to <0.10	398	274	23.49%	462	0.05%	150	39.87%	3.4	117	25.23%	—	—
0.10 to <0.15	175	108	11.79%	188	0.11%	65	38.43%	3.6	78	41.69%	—	—
0.15 to <0.25	426	16	43.59%	433	0.20%	1,567	44.64%	2.0	142	32.85%	—	—
0.25 to <0.50	536	186	20.72%	565	0.40%	2,407	44.02%	2.5	286	50.55%	1	1
0.50 to <0.75	1,581	414	28.75%	1,670	0.58%	19,802	40.89%	3.0	938	56.14%	4	3
0.75 to <2.50	2,803	753	28.94%	2,958	1.24%	17,269	40.21%	2.8	2,101	71.05%	19	11
0.75 to <1.75	2,751	753	28.94%	2,905	1.23%	16,550	40.12%	2.9	2,057	70.81%	18	11
1.75 to <2.50	52	—	—	53	2.00%	719	45.00%	1.5	44	84.48%	1	—
2.50 to <10.00	1,662	424	34.24%	1,760	4.18%	8,283	40.46%	2.7	1,719	97.70%	34	34
2.50 to <5.00	1,086	319	34.40%	1,162	2.97%	4,744	40.74%	2.7	1,065	91.71%	16	15
5.00 to <10.00	576	105	33.76%	598	6.51%	3,539	39.92%	2.8	654	109.31%	18	19
10.00 to <100.00	195	41	29.88%	198	20.84%	2,785	39.53%	2.0	301	151.75%	19	14
10.00 to <20.00	119	12	9.37%	117	12.75%	2,463	37.96%	2.0	148	126.48%	7	4
30.00 to <100.00	76	29	37.99%	81	32.43%	322	41.66%	1.9	153	187.65%	12	10
100.00 (Default)	381	28	43.31%	365	100.00%	976	40.02%	2.0	—	—	146	67
Subtotal	8,157	2,244	28.02%	8,599	6.16%	53,304	40.79%	2.8	5,682	66.08%	223	130
31 Dec 2024												
Corporate SME	£m	£m	%	£m	%	No.	%	No.	£m	%	£m	£m
0.00 to <0.15	592	354	26.03%	684	0.06%	220	39.94%	3.6	188	27.44%	—	—
0.00 to <0.10	511	254	31.13%	590	0.05%	160	39.84%	3.5	145	24.49%	—	—
0.10 to <0.15	81	100	13.06%	94	0.11%	60	40.60%	4.4	43	46.12%	—	—
0.15 to <0.25	157	25	28.40%	163	0.19%	214	42.47%	3.3	68	41.65%	—	—
0.25 to <0.50	448	249	25.18%	490	0.39%	1,215	43.43%	3.1	268	54.59%	1	1
0.50 to <0.75	914	378	22.73%	960	0.57%	17,433	39.38%	3.1	489	50.89%	2	3
0.75 to <2.50	2,469	900	32.90%	2,653	1.23%	14,086	40.28%	3.0	1,955	73.70%	16	12
0.75 to <1.75	2,461	900	32.90%	2,645	1.22%	14,044	40.27%	3.0	1,949	73.69%	16	12
1.75 to <2.50	8	—	—	8	2.00%	42	44.69%	1.4	6	77.66%	—	—
2.50 to <10.00	1,475	508	32.15%	1,570	3.96%	7,048	40.31%	2.7	1,482	94.41%	29	33
2.50 to <5.00	1,024	427	32.01%	1,110	3.01%	3,885	40.76%	2.8	1,009	90.95%	15	19
5.00 to <10.00	451	81	32.87%	460	6.25%	3,163	39.23%	2.5	473	102.75%	14	14
10.00 to <100.00	186	33	20.28%	178	21.07%	2,452	39.43%	2.1	266	149.42%	17	10
10.00 to <20.00	107	14	30.44%	107	12.81%	2,101	37.69%	2.0	135	125.86%	6	3
30.00 to <100.00	79	19	12.61%	71	33.60%	351	42.06%	2.4	131	185.21%	11	7
100.00 (Default)	389	28	38.80%	370	100.00%	986	39.68%	2.1	—	—	147	71
Subtotal	6,630	2,475	29.28%	7,068	7.21%	43,654	40.35%	2.9	4,716	66.71%	212	130

¹ The increase in obligors during the period to 30 June 2025 reflects a reclassification of exposures from Corporate Main.

CR6: IRB approach - Credit risk exposures by portfolio and PD range - Corporate Main

30 Jun 2025												
PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD	Number of obligors ¹	Exposure weighted average LGD	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Corporate Main	£m	£m	%	£m	%	No.	%	No.	£m	%	£m	£m
0.00 to <0.15	14,982	22,687	54.40%	27,814	0.09%	706	43.17%	2.2	7,582	27.26%	13	15
0.00 to <0.10	3,897	10,880	48.70%	9,570	0.05%	328	42.34%	2.6	2,137	22.33%	3	5
0.10 to <0.15	11,085	11,807	59.88%	18,244	0.11%	378	43.61%	2.0	5,445	29.85%	10	10
0.15 to <0.25	6,792	6,856	55.23%	10,565	0.18%	1,428	42.84%	2.5	4,716	44.63%	10	11
0.25 to <0.50	5,105	9,353	50.07%	9,626	0.35%	3,313	38.05%	2.3	5,409	56.19%	18	22
0.50 to <0.75	2,351	2,463	31.22%	2,902	0.62%	2,468	41.53%	2.2	2,270	78.24%	9	14
0.75 to <2.50	4,066	2,593	37.00%	4,919	1.21%	5,997	39.70%	2.1	4,717	95.88%	29	60
0.75 to <1.75	3,980	2,572	37.31%	4,833	1.20%	4,781	39.63%	2.1	4,627	95.74%	28	60
1.75 to <2.50	86	21	—	86	1.92%	1,216	43.60%	1.3	90	103.72%	1	—
2.50 to <10.00	1,538	2,137	58.52%	2,576	4.00%	2,021	43.56%	2.5	3,894	151.16%	50	60
2.50 to <5.00	1,164	1,748	56.38%	1,940	3.08%	1,708	43.78%	2.8	2,835	146.13%	29	34
5.00 to <10.00	374	389	67.65%	636	6.81%	313	42.92%	1.5	1,059	166.47%	21	26
10.00 to <100.00	182	93	35.35%	214	24.98%	202	41.51%	2.4	539	251.92%	23	34
10.00 to <20.00	66	47	6.55%	69	12.25%	117	40.31%	3.7	166	240.77%	4	9
20.00 to <30.00	—	—	—	—	30.00%	10	44.44%	1.1	—	297.23%	—	—
30.00 to <100.00	116	46	64.26%	145	31.01%	75	42.07%	1.9	373	257.17%	19	25
100.00 (Default)	354	28	35.69%	363	100.00%	605	44.06%	1.3	—	—	161	82
Subtotal	35,370	46,210	51.81%	58,979	1.14%	16,740	41.92%	2.2	29,127	49.38%	313	298
31 Dec 2024												
Corporate Main	£m	£m	%	£m	%	No.	%	No.	£m	%	£m	£m
0.00 to <0.15	15,686	21,149	51.64%	27,014	0.09%	680	43.02%	2.2	7,359	27.24%	12	25
0.00 to <0.10	4,051	10,242	44.98%	8,950	0.05%	314	42.46%	2.6	2,092	23.37%	2	9
0.10 to <0.15	11,635	10,907	58.03%	18,064	0.11%	366	43.30%	1.9	5,267	29.16%	10	16
0.15 to <0.25	5,861	5,473	56.40%	9,122	0.18%	2,657	42.84%	2.3	3,953	43.34%	8	15
0.25 to <0.50	5,073	9,373	52.36%	9,490	0.36%	4,342	37.34%	2.1	5,100	53.74%	16	26
0.50 to <0.75	2,274	1,626	24.59%	2,574	0.62%	5,209	41.58%	2.0	1,950	75.77%	8	18
0.75 to <2.50	4,022	3,347	35.28%	4,948	1.22%	7,887	39.37%	2.0	4,692	94.83%	28	57
0.75 to <1.75	3,912	3,329	35.50%	4,838	1.21%	6,452	39.26%	2.0	4,571	94.48%	27	57
1.75 to <2.50	110	18	—	110	1.95%	1,435	44.09%	1.4	121	110.01%	1	—
2.50 to <10.00	2,271	1,970	48.81%	2,654	3.80%	3,089	43.30%	2.5	4,012	151.19%	49	58
2.50 to <5.00	1,912	1,730	47.70%	2,165	3.10%	2,490	43.37%	2.7	3,164	146.11%	33	36
5.00 to <10.00	359	240	56.30%	489	6.91%	599	43.00%	1.8	848	173.65%	16	22
10.00 to <100.00	183	128	31.73%	223	22.97%	226	41.37%	2.4	565	252.65%	22	25
10.00 to <20.00	91	72	6.80%	96	12.17%	137	40.55%	2.9	232	241.52%	5	9
20.00 to <30.00	—	1	—	—	30.00%	26	42.91%	1.2	1	288.25%	—	—
30.00 to <100.00	92	55	65.58%	127	31.12%	63	41.99%	2.1	332	260.97%	17	16
100.00 (Default)	497	92	65.83%	557	100.00%	568	44.17%	1.4	—	—	247	154
Subtotal	35,867	43,158	50.10%	56,582	1.52%	24,658	41.67%	2.2	27,631	48.83%	390	378

¹ The reduction in obligors during the period to 30 June 2025 reflects a reclassification of exposures to Corporate SME.

CR6: IRB approach - Credit risk exposures by portfolio and PD range - Residential Mortgages (SME)

30 Jun 2025											
PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Residential mortgages (SME)	£m	£m	%	£m	%	No.	%	£m	%	£m	£m
0.50 to <0.75	1,246	171	96.78%	1,400	0.54%	11,969	17.41%	165	11.79%	1	32
0.75 to <2.50	942	113	97.66%	1,044	1.13%	7,362	16.97%	232	22.18%	3	11
0.75 to <1.75	942	113	97.66%	1,044	1.13%	7,362	16.97%	232	22.18%	3	11
2.50 to <10.00	316	18	99.16%	331	4.14%	2,403	18.16%	169	50.98%	4	8
2.50 to <5.00	162	9	97.33%	169	2.62%	1,212	18.35%	70	41.11%	1	4
5.00 to <10.00	154	9	101.16%	162	5.74%	1,191	17.98%	99	61.37%	3	4
10.00 to <100.00	79	2	95.44%	81	22.68%	856	20.16%	78	96.34%	5	6
10.00 to <20.00	58	2	95.70%	59	13.24%	680	20.27%	59	99.50%	2	4
30.00 to <100.00	21	—	94.21%	22	48.30%	176	19.84%	19	87.77%	3	2
100.00 (Default)	124	6	98.38%	129	100.00%	421	16.84%	25	19.29%	22	25
Subtotal	2,707	310	97.26%	2,985	6.05%	23,011	17.39%	669	22.39%	35	82
31 Dec 2024											
Residential mortgages (SME)	£m	£m	%	£m	%	No.	%	£m	%	£m	£m
0.50 to <0.75	1,293	171	96.65%	1,441	0.54%	12,530	17.63%	169	11.71%	1	35
0.75 to <2.50	976	127	97.76%	1,089	1.12%	7,909	16.43%	230	21.14%	3	12
0.75 to <1.75	976	127	97.76%	1,089	1.12%	7,909	16.43%	230	21.14%	3	12
2.50 to <10.00	310	23	99.07%	330	4.20%	2,492	17.94%	168	50.85%	4	8
2.50 to <5.00	150	12	97.71%	161	2.62%	1,269	17.51%	63	39.10%	1	4
5.00 to <10.00	160	11	100.63%	169	5.70%	1,223	18.35%	105	62.04%	3	4
10.00 to <100.00	91	5	97.47%	95	21.89%	931	20.66%	92	96.49%	7	6
10.00 to <20.00	66	5	97.85%	70	12.65%	740	20.57%	69	97.72%	3	4
30.00 to <100.00	25	—	93.64%	25	48.38%	191	20.90%	23	91.75%	4	2
100.00 (Default)	123	6	98.32%	128	100.00%	431	17.75%	26	20.70%	23	32
Subtotal	2,793	332	97.29%	3,083	5.92%	24,293	17.34%	685	22.22%	38	93

CR6: IRB approach - Credit risk exposures by portfolio and PD range - Residential Mortgages (non-SME)

PD range	30 Jun 2025										
	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Residential mortgages (non-SME) ¹²	£m	£m	%	£m	%	No.	%	£m	%	£m	£m
0.00 to <0.15	247,602	19,991	104.07%	279,367	0.29%	1,652,883	10.75%	28,552	10.22%	137	114
0.00 to <0.10	201,090	19,597	104.41%	230,469	0.24%	1,303,677	10.87%	20,498	8.89%	92	73
0.10 to <0.15	46,512	394	86.92%	48,898	0.53%	349,206	10.20%	8,054	16.47%	45	41
0.15 to <0.25	41,557	1,263	89.12%	44,198	0.70%	298,048	12.57%	8,499	19.23%	52	36
0.25 to <0.50	23,998	222	67.57%	25,175	1.23%	184,643	10.23%	7,408	29.42%	57	41
0.50 to <0.75	6,303	69	54.29%	6,621	2.18%	54,549	7.76%	2,059	31.10%	19	18
0.75 to <2.50	5,636	52	54.01%	5,917	3.93%	47,318	8.21%	2,877	48.62%	35	24
0.75 to <1.75	4,907	51	53.84%	5,155	3.42%	40,875	8.22%	2,412	46.79%	27	19
1.75 to <2.50	729	1	62.47%	762	7.38%	6,443	8.14%	465	61.04%	8	5
2.50 to <10.00	3,059	6	71.25%	3,196	18.15%	24,837	7.81%	2,574	80.52%	74	38
2.50 to <5.00	1,597	3	89.36%	1,671	14.55%	12,805	8.04%	1,301	77.84%	31	19
5.00 to <10.00	1,462	3	51.32%	1,525	22.10%	12,032	7.55%	1,273	83.46%	43	19
10.00 to <100.00	2,924	2	63.77%	3,007	53.54%	21,979	7.77%	2,215	73.68%	239	30
10.00 to <20.00	1,145	2	65.66%	1,188	35.76%	8890	8.02%	1,015	85.51%	55	14
20.00 to <30.00	453	—	—	467	47.34%	3,514	7.43%	405	86.62%	31	5
30.00 to <100.00	1,326	—	53.55%	1,352	71.29%	9,575	7.67%	795	58.81%	153	11
100.00 (Default)	2,862	—	15.54%	2,862	100.00%	17,794	10.17%	8,787	307.06%	305	530
Subtotal	333,941	21,605	102.52%	370,343	1.86%	2,302,051	10.78%	62,971	17.00%	918	831

CR6: IRB approach - Credit risk exposures by portfolio and PD range - Residential Mortgages (non-SME) continued

31 Dec 2024											
PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LG	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Residential mortgages (non-SME) ¹²	£m	£m	%	£m	%	No.	%	£m	%	£m	£m
0.00 to <0.15	241,028	16,455	103.91%	268,802	0.28%	1,641,893	10.55%	27,179	10.11%	127	141
0.00 to <0.10	195,238	16,057	104.35%	220,658	0.23%	1,283,291	10.66%	19,408	8.80%	85	91
0.10 to <0.15	45,790	398	85.93%	48,144	0.50%	358,602	10.03%	7,771	16.14%	42	50
0.15 to <0.25	39,717	1,252	88.18%	42,307	0.68%	300,868	12.11%	8,185	19.35%	49	45
0.25 to <0.50	23,996	229	65.38%	25,178	1.16%	191,221	9.97%	7,224	28.69%	54	52
0.50 to <0.75	6,538	76	54.74%	6,870	2.05%	58,159	7.81%	2,132	31.03%	19	23
0.75 to <2.50	5,830	63	56.47%	6,126	3.68%	49,730	8.21%	2,939	47.98%	34	30
0.75 to <1.75	5,081	62	56.57%	5,343	3.24%	42,860	8.25%	2,477	46.36%	27	25
1.75 to <2.50	749	1	51.39%	783	6.72%	6,870	7.98%	462	59.07%	7	5
2.50 to <10.00	3,074	6	64.79%	3,211	17.05%	25,176	7.84%	2,633	82.00%	71	45
2.50 to <5.00	1,594	2	90.71%	1,666	13.58%	12,862	8.15%	1,361	81.67%	31	22
5.00 to <10.00	1,480	4	54.30%	1,545	20.79%	12,314	7.50%	1,272	82.37%	40	23
10.00 to <100.00	3,151	2	59.11%	3,242	51.92%	24,132	7.84%	2,518	77.69%	250	37
10.00 to <20.00	1,255	2	63.82%	1,302	33.89%	9,863	8.09%	1,196	91.91%	60	18
20.00 to <30.00	501	—	—	517	45.30%	3,840	7.54%	479	92.64%	33	7
30.00 to <100.00	1,395	—	45.97%	1,423	70.82%	10,429	7.73%	843	59.24%	157	12
100.00 (Default)	2,981	—	55.46%	2,981	100.00%	19,013	9.95%	8,960	300.54%	308	618
Subtotal	326,315	18,083	101.94%	358,717	1.93%	2,310,192	10.54%	61,770	17.22%	912	991

¹ The Group's Secured CRD IV models remain subject to further development and final approval by the PRA. A significant level of temporary model adjustments have been applied separately to the not-in-default and default populations, reflecting the revised CRD IV modelling requirements. These adjustments include a 90-days past due default backstop and other modelling requirements for this asset class. Risk-weighted asset and expected loss for each range within the not in default population has been increased proportionately, in line with PRA guidance (Supervisory Statement 11/13).

² Balance sheet exposures and Exposure post CCF/CRM are not adjusted for CRD IV and are allocated to ranges based on the underlying PiT PD from incumbent (pre CRD IV) models. Weighted and arithmetic average PDs quoted are above the ranges due to the use of more conservative TTC PDs, also from incumbent models. This includes the use of a 180 days past due default backstop within the definition of default. Under CRD IV rules we would expect the distribution of exposures to PD ranges, including the level of defaulted exposures, to be significantly different given the stricter definitions.

CR6: IRB approach - Credit risk exposures by portfolio and PD range - Qualifying revolving retail exposures

30 Jun 2025											
PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Qualifying revolving retail exposures	£m	£m	%	£m	%	No.	%	£m	%	£m	£m
0.00 to <0.15	1,199	16,776	63.96%	11,930	0.09%	9,157,112	57.04%	422	3.54%	7	53
0.00 to <0.10	756	11,620	63.83%	8,173	0.07%	6,124,051	56.26%	228	2.80%	4	37
0.10 to <0.15	443	5,156	64.27%	3,757	0.13%	3,033,061	58.74%	194	5.16%	3	16
0.15 to <0.25	654	6,486	66.07%	4,939	0.20%	4,211,259	60.35%	378	7.66%	7	20
0.25 to <0.50	1,450	9,250	63.99%	7,370	0.36%	5,777,438	63.21%	947	12.85%	19	32
0.50 to <0.75	1,087	4,090	67.71%	3,856	0.62%	3,699,606	69.91%	844	21.87%	19	22
0.75 to <2.50	4,046	6,760	69.12%	8,720	1.38%	7,276,432	75.25%	3,737	42.85%	103	109
0.75 to <1.75	2,788	5,464	69.35%	6,578	1.15%	5,822,292	74.82%	2,459	37.38%	64	67
1.75 to <2.50	1,258	1,296	68.15%	2,142	2.09%	1,454,140	76.59%	1,278	59.67%	39	42
2.50 to <10.00	3,093	1,632	72.26%	4,273	4.60%	2,487,424	78.28%	4,430	103.68%	174	181
2.50 to <5.00	2,020	1,306	70.74%	2,945	3.58%	1,758,125	77.84%	2,596	88.15%	92	96
5.00 to <10.00	1,073	326	78.33%	1,328	6.87%	729,299	79.26%	1,834	138.13%	82	85
10.00 to <100.00	888	146	89.81%	1,036	29.12%	735,672	77.99%	2,334	225.34%	268	138
10.00 to <20.00	443	86	89.66%	521	13.51%	318,204	78.96%	1,054	202.41%	63	56
20.00 to <30.00	120	24	91.47%	144	24.34%	126,138	77.30%	369	256.85%	31	21
30.00 to <100.00	325	36	89.09%	371	52.86%	291,330	76.89%	911	245.32%	174	61
100.00 (Default)	244	43	0.01%	244	100.00%	262,598	72.32%	561	230.18%	147	134
Subtotal	12,661	45,183	65.70%	42,368	2.20%	33,607,541	66.16%	13,653	32.23%	744	689

31 Dec 2024											
Qualifying revolving retail exposures	£m	£m	%	£m	%	No.	%	£m	%	£m	£m
0.00 to <0.15	1,026	15,729	64.64%	11,194	0.09%	8,761,967	56.51%	395	3.53%	6	52
0.00 to <0.10	631	10,720	64.82%	7,581	0.07%	5,858,020	55.75%	212	2.80%	3	36
0.10 to <0.15	395	5,009	64.24%	3,613	0.13%	2,903,947	58.11%	183	5.07%	3	16
0.15 to <0.25	606	6,648	66.16%	5,004	0.20%	4,150,232	59.53%	377	7.53%	7	21
0.25 to <0.50	1,304	9,291	65.28%	7,369	0.36%	5,941,124	62.45%	941	12.77%	19	32
0.50 to <0.75	931	3,902	67.91%	3,580	0.62%	3,417,468	69.01%	773	21.58%	17	20
0.75 to <2.50	3,720	6,665	70.63%	8,429	1.37%	7,590,419	75.17%	3,600	42.71%	99	104
0.75 to <1.75	2,588	5,442	71.01%	6,453	1.15%	6,164,026	74.81%	2,418	37.48%	63	65
1.75 to <2.50	1,132	1,223	68.90%	1,976	2.09%	1,426,393	76.36%	1,182	59.78%	36	39
2.50 to <10.00	3,077	1,623	71.92%	4,246	4.62%	2,509,902	77.92%	4,406	103.78%	174	183
2.50 to <5.00	1,969	1,291	70.64%	2,883	3.54%	1,764,676	77.51%	2,526	87.63%	90	96
5.00 to <10.00	1,108	332	76.90%	1,363	6.88%	745,226	78.80%	1,880	137.94%	84	87
10.00 to <100.00	911	145	89.14%	1,059	29.17%	752,307	77.63%	2,398	226.52%	274	140
10.00 to <20.00	448	86	88.57%	525	13.60%	325,796	78.67%	1,066	203.08%	64	56
20.00 to <30.00	123	23	91.72%	146	24.36%	128,953	76.87%	374	256.52%	31	21
30.00 to <100.00	340	36	88.84%	388	52.05%	297,558	76.53%	958	246.99%	179	63
100.00 (Default)	236	40	0.08%	236	100.00%	248,607	73.16%	544	229.89%	146	136
Subtotal	11,811	44,043	66.49%	41,117	2.25%	33,372,026	65.71%	13,434	32.67%	742	688

CR6: IRB approach - Credit risk exposures by portfolio and PD range - Retail Other SME

30 Jun 2025											
PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Retail Other SME	£m	£m	%	£m	%	No.	%	£m	%	£m	£m
0.50 to <0.75	749	298	88.41%	436	0.54%	50,348	79.93%	211	48.46%	2	11
0.75 to <2.50	885	228	93.15%	468	1.15%	59,105	79.21%	387	82.63%	7	8
0.75 to <1.75	885	228	93.15%	468	1.15%	59,105	79.21%	387	82.63%	7	8
2.50 to <10.00	410	68	94.39%	206	4.24%	34,362	82.47%	242	117.31%	12	3
2.50 to <5.00	195	38	94.26%	100	2.62%	15,936	83.42%	114	113.39%	4	3
5.00 to <10.00	215	30	94.56%	106	5.78%	18,426	81.58%	128	121.01%	8	—
10.00 to <100.00	162	13	93.03%	78	26.72%	48,465	85.81%	124	159.88%	25	3
10.00 to <20.00	111	11	93.46%	54	13.06%	43,521	86.17%	85	159.27%	11	2
30.00 to <100.00	51	2	90.92%	24	58.14%	4,944	86.11%	39	163.38%	14	1
100.00 (Default)	457	3	90.98%	277	100.00%	90,313	6.55%	100	36.09%	18	15
Subtotal	2,663	610	90.96%	1,465	21.45%	282,593	66.49%	1,064	72.62%	64	40

31 Dec 2024											
Retail Other SME	£m	£m	%	£m	%	No.	%	£m	%	£m	£m
0.50 to <0.75	966	303	88.77%	433	0.54%	55,327	80.14%	210	48.58%	2	12
0.75 to <2.50	1,006	221	93.32%	423	1.15%	61,144	80.12%	358	84.56%	7	8
0.75 to <1.75	1,006	221	93.32%	423	1.15%	61,144	80.12%	358	84.56%	7	8
2.50 to <10.00	492	66	94.65%	196	4.22%	35,700	81.32%	229	116.73%	13	4
2.50 to <5.00	242	37	94.53%	98	2.62%	16,619	81.16%	109	111.33%	4	4
5.00 to <10.00	250	29	94.82%	98	5.81%	19,081	81.47%	120	122.13%	9	—
10.00 to <100.00	192	14	92.03%	75	27.23%	43,787	85.62%	122	160.99%	26	3
10.00 to <20.00	129	11	92.09%	51	12.96%	38,751	85.70%	82	159.07%	11	2
30.00 to <100.00	63	3	91.80%	24	57.34%	5,036	85.26%	40	164.73%	15	1
100.00 (Default)	510	2	89.91%	271	100.00%	83,888	5.97%	100	37.11%	16	21
Subtotal	3,166	606	91.15%	1,398	21.93%	279,846	66.24%	1,019	72.88%	64	48

CR6: IRB approach - Credit risk exposures by portfolio and PD range - Retail Other non-SME

PD range	30 Jun 2025										
	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Retail Other non-SME	£m	£m	%	£m	%	No.	%	£m	%	£m	£m
0.00 to <0.15	526	1	30.00%	527	0.08%	31,472	37.67%	55	10.38%	—	1
0.00 to <0.10	510	—	30.00%	510	0.08%	27,212	36.48%	51	9.92%	—	1
0.10 to <0.15	16	1	30.00%	17	0.14%	4,260	74.10%	4	24.17%	—	—
0.15 to <0.25	104	4	30.00%	108	0.21%	21,475	76.34%	37	34.29%	—	1
0.25 to <0.50	4,732	12	30.00%	4,742	0.37%	379,980	39.82%	1,421	29.97%	7	78
0.50 to <0.75	3,505	11	30.00%	3,515	0.72%	247,853	44.86%	1,644	46.77%	10	55
0.75 to <2.50	6,461	45	30.00%	6,501	1.54%	585,981	64.96%	5,478	84.26%	63	123
0.75 to <1.75	5,194	30	30.00%	5,221	1.40%	452,761	60.74%	4,029	77.16%	41	96
1.75 to <2.50	1,267	15	30.00%	1,280	2.10%	133,220	82.13%	1,449	113.20%	22	27
2.50 to <10.00	3,512	30	30.00%	3,539	4.42%	358,910	67.31%	3,812	107.72%	104	103
2.50 to <5.00	2,400	19	30.00%	2,417	3.39%	243,661	69.19%	2,596	107.43%	57	62
5.00 to <10.00	1,112	11	30.00%	1,122	6.63%	115,249	63.27%	1,216	108.35%	47	41
10.00 to <100.00	623	7	30.00%	630	27.91%	68,197	55.35%	860	136.57%	98	59
10.00 to <20.00	222	4	30.00%	226	12.16%	29,441	66.01%	301	133.32%	19	11
20.00 to <30.00	159	1	30.00%	160	21.40%	14,380	44.42%	202	125.90%	15	16
30.00 to <100.00	242	2	30.00%	244	46.74%	24,376	52.67%	357	146.56%	64	32
100.00 (Default)	231	—	—	231	100.00%	39,184	55.32%	332	143.74%	123	126
Subtotal	19,694	110	30.00%	19,793	3.57%	1,733,052	54.70%	13,639	68.91%	405	546
Retail Other non-SME	31 Dec 2024										
	£m	£m	%	£m	%	No.	%	£m	%	£m	£m
0.00 to <0.10	372	—	30.00%	372	0.08%	20,287	36.30%	36	9.82%	—	1
0.10 to <0.15	8	—	30.00%	9	0.14%	2,542	73.18%	2	25.12%	—	—
0.15 to <0.25	71	2	30.00%	74	0.21%	16,003	75.70%	26	35.15%	—	—
0.25 to <0.50	4,470	7	30.00%	4,479	0.37%	361,683	38.85%	1,319	29.45%	6	61
0.50 to <0.75	3,367	7	30.00%	3,375	0.72%	235,461	43.33%	1,558	46.14%	10	49
0.75 to <2.50	6,076	30	30.00%	6,110	1.56%	553,246	63.77%	5,266	86.19%	63	112
0.75 to <1.75	4,844	20	30.00%	4,867	1.42%	423,927	59.10%	3,795	77.98%	40	86
1.75 to <2.50	1,232	10	30.00%	1,243	2.11%	129,319	82.03%	1,471	118.32%	23	26
2.50 to <10.00	3,685	22	30.00%	3,710	4.51%	370,788	67.61%	4,158	112.06%	118	99
2.50 to <5.00	2,456	14	30.00%	2,472	3.42%	243,866	69.27%	2,755	111.41%	62	60
5.00 to <10.00	1,229	8	30.00%	1,238	6.70%	126,922	64.30%	1,403	113.34%	56	39
10.00 to <100.00	692	5	30.00%	697	27.00%	76,058	55.72%	977	140.06%	106	56
10.00 to <20.00	261	3	30.00%	264	12.39%	35,139	68.58%	378	143.22%	25	11
20.00 to <30.00	169	1	30.00%	170	21.47%	15,678	45.65%	221	129.66%	17	15
30.00 to <100.00	262	1	30.00%	263	45.21%	25,241	49.34%	378	143.73%	64	30
100.00 (Default)	218	—	—	218	100.00%	36,226	55.38%	317	145.47%	118	118
Subtotal	18,959	73	30.00%	19,044	3.73%	1,672,294	54.16%	13,659	71.72%	421	496

CREDIT RISK (Continued)

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

		30 Jun 2025												
		Credit risk mitigation techniques										Unfunded Credit Protection (UFCP) ²		Credit risk mitigation methods in the calculation of RWAs
		Funded Credit Protection (FCP)												
		Of which					Part of exposures covered by other funded credit protection	Of which						
		Total exposure at default	Part of exposures covered by financial collaterals	Part of exposures covered by other eligible collaterals ¹	Part of exposures covered by immovable property collaterals ¹	Part of exposures covered by receivables	Part of exposures covered by other physical collateral		Part of exposures covered by cash on deposit	Part of exposures covered by life insurance policies	Part of exposures covered by instruments held by a third party	Part of exposures covered by guarantees	Part of exposures covered by credit derivatives	RWA with substitution effects
A-IRB		£m	%	%	%	%	%	%	%	%	%	%	%	£m
4	Retail	436,953	—	87.88%	85.23%	—	2.65%	—	—	—	—	—	—	91,996
4.1	Of which Retail – Immovable property SMEs	2,985	0.03%	93.57%	93.55%	—	0.02%	—	—	—	—	—	—	669
4.2	Of which Retail – Immovable property non-SMEs	370,342	—	99.81%	99.81%	—	—	—	—	—	—	—	—	62,971
4.3	Of which Retail – Qualifying revolving	42,368	—	—	—	—	—	—	—	—	—	—	—	13,653
4.4	Of which Retail – Other SMEs	1,465	0.14%	0.27%	—	—	0.27%	—	—	—	—	—	—	1,064
4.5	Of which Retail – Other non-SMEs	19,793	—	58.53%	—	—	58.53%	—	—	—	—	—	—	13,639
5	Total	436,953	—	87.88%	85.23%	—	2.65%	—	—	—	—	—	—	91,996
F-IRB														
1	Central governments and central banks	11,382	—	—	—	—	—	—				4.32%	—	200
2	Institutions	9,605	52.69%	1.63%	—	—	1.63%	—				0.76%	—	1,345
3	Corporates	67,582	4.40%	20.48%	16.20%	2.16%	2.12%	—				2.00%	0.22%	34,812
3.1	Of which Corporates – SMEs	8,599	0.32%	56.26%	43.91%	12.34%	0.01%	—				2.17%	—	5,682
3.3	Of which Corporates – Other	58,983	5.00%	15.24%	12.15%	0.67%	2.42%	—				1.97%	0.26%	29,130
4	Total	88,569	9.07%	15.80%	12.36%	1.65%	1.79%	—				2.16%	0.17%	36,357
Other IRB														
	Specialised lending under the slotting approach ³	13,852	—	—	—	—	—	—	—	—	—	—	—	9,247
	Equity ⁵	2,401	—	—	—	—	—	—	—	—	—	—	—	4,785
	Total	16,253	—	—	—	—	—	—	—	—	—	—	—	14,032

CR7-A: IRB approach – Disclosure of the extent of the use of CRM techniques continued

		31 Dec 2024												
		Credit risk mitigation techniques												Credit risk mitigation methods in the calculation of RWAs
		Funded Credit Protection (FCP)										Unfunded Credit Protection (UFCP) ²		
		Of which						Of which						
		Total exposure at default	Part of exposures covered by financial collaterals	Part of exposures covered by other eligible collaterals ¹	Part of exposures covered by immovable property collaterals ¹	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 cash on deposit	Part of exposures covered by life insurance policies	Part of exposures covered by instruments held by a third party	Part of exposures covered by guarantees	Part of exposures covered by credit derivatives	RWA with substitution effects (both reduction and substitution effects)
		£m	%	%	%	%	%	%	%	%	%	%	%	£m
A-IRB														
4	Retail	423,359	—	87.93%	85.25%	—	2.68%	—	—	—	—	—	—	90,567
4.1	Of which Retail – Immovable property SMEs	3,083	0.02%	94.27%	94.25%	—	0.02%	—	—	—	—	—	—	685
4.2	Of which Retail – Immovable property non-SMEs	358,717	—	99.80%	99.80%	—	—	—	—	—	—	—	—	61,770
4.3	Of which Retail – Qualifying revolving	41,117	—	—	—	—	—	—	—	—	—	—	—	13,434
4.4	Of which Retail – Other SMEs	1,398	0.12%	0.28%	—	—	0.28%	—	—	—	—	—	—	1,019
4.5	Of which Retail – Other non-SMEs ⁴	19,044	—	59.66%	—	—	59.66%	—	—	—	—	—	—	13,659
5	Total	423,359	—	87.93%	85.25%	—	2.68%	—	—	—	—	—	—	90,567
F-IRB														
1	Central governments and central banks	10,237	—	—	—	—	—	—				5.64%	—	149
2	Institutions	11,188	48.96%	1.23%	—	—	1.23%	—				1.07%	—	1,757
3	Corporates	63,651	4.19%	16.53%	12.98%	1.78%	1.77%	—				3.19%	0.20%	32,346
3.1	Of which Corporates – SMEs	7,068	0.62%	60.73%	47.34%	13.38%	0.01%	—				4.05%	—	4,716
3.3	Of which Corporates – Other	56,582	5.64%	14.98%	11.80%	0.76%	2.42%	—				3.84%	0.27%	27,631
4	Total	85,076	8.83%	13.09%	10.16%	1.40%	1.53%	—				3.20%	0.16%	34,253
Other IRB														
	Specialised lending under the slotting approach ³	13,548	—	—	—	—	—	—	—	—	—	—	—	9,113
	Equity ⁵	2,392	—	—	—	—	—	—	—	—	—	—	—	4,755
	Total	15,940	—	—	—	—	—	—	—	—	—	—	—	13,868

¹ For AIRB the value of eligible collateral has been capped at the individual exposure amount. For FIRB the amount is capped at the value used in determining the LGD.

² For AIRB the unfunded credit protection includes only cases where unfunded credit protection is taken into account in own estimates of LGD. For FIRB it relates to unfunded credit protection which has substitution effect.

³ 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.

⁴ Proportion of exposures covered by other physical collateral has been restated.

⁵ Excludes equity exposures subject to the threshold risk weight.

CREDIT RISK (Continued)

CR10.1: IRB – 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	903	665	50%	1,343	657	—
	Equal to or more than 2.5 years	2,111	1,560	70%	3,280	2,198	13
2) Good	Less than 2.5 years	103	141	70%	230	157	1
	Equal to or more than 2.5 years	223	136	90%	325	287	3
3) Satisfactory	Less than 2.5 years	8	1	115%	9	10	—
	Equal to or more than 2.5 years	88	11	115%	97	111	3
4) Weak	Less than 2.5 years	47	2	250%	49	123	4
	Equal to or more than 2.5 years	38	16	250%	49	124	4
5) Default	Less than 2.5 years	126	12		134	—	67
	Equal to or more than 2.5 years	261	3		263	—	132
Total	Less than 2.5 years	1,187	821		1,765	947	72
	Equal to or more than 2.5 years	2,721	1,726		4,014	2,720	155

		31 Dec 2024					
Regulatory categories	Remaining maturity	£m	£m		£m	£m	£m
1) Strong	Less than 2.5 years	970	803	50%	1,523	760	—
	Equal to or more than 2.5 years	2,205	1,464	70%	3,307	2,221	13
2) Good	Less than 2.5 years	49	145	70%	177	124	1
	Equal to or more than 2.5 years	294	139	90%	400	360	3
3) Satisfactory	Less than 2.5 years	48	4	115%	50	57	1
	Equal to or more than 2.5 years	310	12	115%	319	367	9
4) Weak	Less than 2.5 years	—	—	250%	—	—	—
	Equal to or more than 2.5 years	35	35	250%	62	154	5
5) Default	Less than 2.5 years	84	6		88	—	44
	Equal to or more than 2.5 years	69	6		74	—	37
Total	Less than 2.5 years	1,151	958		1,838	941	46
	Equal to or more than 2.5 years	2,913	1,656		4,162	3,102	67

CREDIT RISK (Continued)

CR10.2: IRB – 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	2,282	271	50%	2,349	1,143	—
	Equal to or more than 2.5 years	1,235	213	70%	1,329	915	5
2) Good	Less than 2.5 years	1,166	127	70%	1,251	848	5
	Equal to or more than 2.5 years	2,363	61	90%	2,397	2,082	19
3) Satisfactory	Less than 2.5 years	102	5	115%	106	119	3
	Equal to or more than 2.5 years	286	10	115%	293	333	8
4) Weak	Less than 2.5 years	27	—	250%	27	66	2
	Equal to or more than 2.5 years	12	—	250%	12	27	1
5) Default	Less than 2.5 years	245	6		249	—	124
	Equal to or more than 2.5 years	6	—		7	—	3
Total	Less than 2.5 years	3,822	409		3,982	2,176	134
	Equal to or more than 2.5 years	3,902	284		4,038	3,357	36

		31 Dec 2024					
Regulatory categories	Remaining maturity	£m	£m		£m	£m	£m
1) Strong	Less than 2.5 years	2,261	183	50%	2,322	1,133	—
	Equal to or more than 2.5 years	1,012	141	70%	1,030	695	4
2) Good	Less than 2.5 years	1,343	82	70%	1,400	962	6
	Equal to or more than 2.5 years	2,089	139	90%	2,186	1,903	17
3) Satisfactory	Less than 2.5 years	65	1	115%	66	73	2
	Equal to or more than 2.5 years	154	1	115%	154	174	4
4) Weak	Less than 2.5 years	17	—	250%	17	41	1
	Equal to or more than 2.5 years	13	—	250%	13	30	1
5) Default	Less than 2.5 years	283	3		284	—	142
	Equal to or more than 2.5 years	9	—		10	—	5
Total	Less than 2.5 years	3,969	269		4,089	2,209	151
	Equal to or more than 2.5 years	3,277	281		3,393	2,802	31

CREDIT RISK (Continued)**CR10.3: IRB – Specialised lending - Object 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
2) Good	Less than 2.5 years	—	—	70%	—	—	—
	Equal to or more than 2.5 years	53	—	90%	53	48	—
Total	Less than 2.5 years	—	—		—	—	—
	Equal to or more than 2.5 years	53	—		53	48	—

		31 Dec 2024					
Regulatory categories	Remaining maturity	£m	£m		£m	£m	£m
2) Good	Less than 2.5 years	—	—	70%	—	—	—
	Equal to or more than 2.5 years	64	—	90%	64	58	1
Total	Less than 2.5 years	—	—		—	—	—
	Equal to or more than 2.5 years	64	—		64	58	1

CR10.5: Equity exposures under the simple risk-weighted approach¹

		30 Jun 2025					
Categories		On-balance sheet exposure £m	Off-balance sheet exposure £m	Risk weight	Exposure value £m	Risk weighted exposure amount £m	Expected loss amount £m
Private equity exposures		2,271	6	190%	2,277	4,326	18
Other equity exposures		124	—	370%	124	459	3
Total		2,395	6		2,401	4,785	21

		31 Dec 2024					
Categories		£m	£m		£m	£m	£m
Private equity exposures		2,269	6	190%	2,275	4,323	18
Other equity exposures		117	—	370%	117	432	3
Total		2,386	6		2,392	4,755	21

¹ Excludes threshold risk weighted assets (30 June 2025: £9,233 million / 31 December 2024: £9,251 million).

COUNTERPARTY CREDIT RISK**CCR1: Analysis of CCR exposure by approach**

		30 Jun 2025						
		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value
		£m	£m	£m		£m	£m	£m
1	SA-CCR (for derivatives)	5,107	5,530	—	1.4	26,875	14,893	14,797
4	Financial collateral comprehensive method (for SFTs)					177,139	23,765	23,765
6	Total					204,014	38,658	38,562

		31 Dec 2024						
		£m	£m	£m		£m	£m	£m
1	SA-CCR (for derivatives)	4,169	5,137	—	1.4	27,169	13,029	12,915
4	Financial collateral comprehensive method (for SFTs)					177,232	22,077	22,077
6	Total					204,401	35,106	34,992

CCR2: Transactions subject to own funds requirements for CVA risk

		30 Jun 2025		31 Dec 2024	
		Exposure value	RWA	Exposure value	RWA
		£m	£m	£m	£m
4	Transactions subject to the Standardised method	5,320	511	4,664	485
5	Total transactions subject to own funds requirements for CVA risk	5,320	511	4,664	485

COUNTERPARTY CREDIT RISK (Continued)

CCR3: Standardised approach – CCR exposures by regulatory exposure class and risk weights

		30 Jun 2025											
		Risk weight										Total exposure value	
Exposure classes		0%	2%	4%	10%	20%	50%	70%	75%	100%	150%		Others
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1	Central governments or central banks	17,346	—	—	—	41	—	—	—	—	—	—	17,387
3	Public sector entities	11	—	—	—	—	—	—	—	—	—	—	11
4	Multilateral development banks	696	—	—	—	—	—	—	—	—	—	—	696
5	International organisations	327	—	—	—	—	—	—	—	—	—	—	327
6	Institutions	—	1,846	218	—	—	—	—	—	—	—	—	2,064
7	Corporates	—	—	—	—	—	125	—	—	509	11	—	644
11	Total exposure value	18,380	1,846	218	—	41	125	—	—	509	11	—	21,129

		31 Dec 2024											
Exposure classes		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1	Central governments or central banks	16,818	—	—	—	49	—	—	—	—	—	—	16,866
3	Public sector entities	9	—	—	—	—	—	—	—	—	—	—	9
4	Multilateral development banks	164	—	—	—	—	—	—	—	—	—	—	164
5	International organisations	306	—	—	—	—	—	—	—	—	—	—	307
6	Institutions	—	1,826	268	—	—	—	—	—	—	—	—	2,094
7	Corporates	—	—	—	—	—	91	—	—	452	—	—	543
11	Total exposure value	17,297	1,826	268	—	49	91	—	—	452	—	—	19,983

COUNTERPARTY CREDIT RISK (Continued)**CCR4: IRB approach – CCR exposures by portfolio and PD scale****CCR exposures by exposure class and PD scale - Corporate**

30 Jun 2025								
PD scale	Exposure value	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Exposure weighted average maturity (years)	RWA	Density of risk weighted exposure amounts	
Corporate	£m	%	No.	%	No.	£m		
1 0.00 to <0.15	5,904	0.08%	803	45.0%	1.7	1,365	23.1%	
2 0.15 to <0.25	2,086	0.18%	351	45.0%	2.6	950	45.5%	
3 0.25 to <0.50	2,115	0.32%	635	45.0%	1.5	1,026	48.5%	
4 0.50 to <0.75	92	0.63%	178	45.0%	1.1	85	93.1%	
5 0.75 to <2.50	226	1.33%	220	45.0%	1.9	219	97.0%	
6 2.50 to <10.00	461	6.20%	104	45.0%	3.7	838	181.9%	
7 10.00 to <100.00	5	12.64%	10	45.0%	4.9	13	246.9%	
8 100.00 (Default)	398	100.00%	7	45.0%	5.0	—	—	
Sub-total	11,287	3.95%	2,308	45.0%	2.0	4,496	39.8%	

31 Dec 2024								
	£m	%	No.	%	No.	£m		
1 0.00 to <0.15	4,616	0.09%	747	45.0%	2.0	1,200	26.0%	
2 0.15 to <0.25	1,689	0.18%	353	45.0%	2.4	732	43.3%	
3 0.25 to <0.50	1,622	0.32%	640	45.0%	1.8	840	51.8%	
4 0.50 to <0.75	85	0.63%	147	45.0%	1.1	54	63.0%	
5 0.75 to <2.50	163	1.14%	185	45.0%	1.7	146	90.0%	
6 2.50 to <10.00	411	6.72%	104	45.0%	4.0	791	192.3%	
7 10.00 to <100.00	—	16.15%	8	45.0%	1.0	—	154.7%	
8 100.00 (Default)	402	100.00%	10	45.0%	5.0	—	—	
Sub-total	8,988	4.95%	2,194	45.0%	2.3	3,763	41.9%	

CCR4: IRB approach – CCR exposures by portfolio and PD scale continued

CCR exposures by exposure class and PD scale - Central governments or central banks

30 Jun 2025								
PD scale	Exposure value	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Exposure weighted average maturity (years)	RWA	Density of risk weighted exposure amounts	
Central governments or central banks	£m	%	No.	%	No.	£m		
1 0.00 to <0.15	616	0.03%	8	45.0%	0.0	20	3.3%	
3 0.25 to <0.50	6	0.42%	1	45.0%	0.2	3	40.6%	
5 0.75 to <2.50	39	1.62%	2	45.0%	0.0	32	81.2%	
Sub-total	661	0.10%	11	45.0%	0.0	55	8.3%	

31 Dec 2024								
	£m	%	No.	%	No.	£m		
1 0.00 to <0.15	537	0.04%	10	45.0%	0.0	25	4.7%	
3 0.25 to <0.50	—	—	—	—	0.0	—	—	
5 0.75 to <2.50	47	1.00%	1	45.0%	0.1	31	65.3%	
Sub-total	584	0.12%	11	45.0%	0.0	56	9.5%	

CCR exposures by exposure class and PD scale - Institutions

30 Jun 2025								
PD scale	Exposure value	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Exposure weighted average maturity (years)	RWA	Density of risk weighted exposure amounts	
Institutions	£m	%	No.	%	No.	£m		
1 0.00 to <0.15	6,236	0.05%	141	45.0%	1.3	1,094	17.5%	
2 0.15 to <0.25	120	0.18%	18	45.0%	1.2	49	40.7%	
3 0.25 to <0.50	30	0.37%	33	45.0%	1.5	18	59.9%	
4 0.50 to <0.75	2	0.63%	5	45.0%	2.5	2	95.1%	
5 0.75 to <2.50	16	1.02%	12	45.0%	0.2	11	72.9%	
Sub-total	6,404	0.05%	209	45.0%	1.3	1,174	18.3%	

31 Dec 2024								
	£m	%	No.	%	No.	£m		
1 0.00 to <0.15	6,126	0.06%	134	45.0%	1.5	1,152	18.8%	
2 0.15 to <0.25	143	0.18%	14	45.0%	0.9	54	37.4%	
3 0.25 to <0.50	31	0.32%	31	45.0%	1.0	14	46.8%	
4 0.50 to <0.75	3	0.63%	3	45.0%	0.2	1	52.6%	
5 0.75 to <2.50	10	1.02%	12	45.0%	0.2	9	81.4%	
Sub-total	6,313	0.05%	194	45.0%	1.5	1,230	19.5%	

COUNTERPARTY CREDIT RISK (Continued)

CCR Corporate exposures subject to supervisory slotting

		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	121	—	50 %	120	60	—
	Equal to or more than 2.5 years	829	—	70 %	801	561	3
	Less than 2.5 years	7	—	70 %	7	5	—
2) Good	Equal to or more than 2.5 years	47	—	90 %	45	40	—
	Less than 2.5 years	2	—	115 %	2	3	—
3) Satisfactory	Equal to or more than 2.5 years	173	—	115 %	167	192	5
	Less than 2.5 years	—	—	250 %	—	—	—
4) Weak	Equal to or more than 2.5 years	2	—	250 %	1	3	—
	Less than 2.5 years	1	—		1	—	—
5) Default	Equal to or more than 2.5 years	1	—		1	—	1
Less than 2.5 years		131	—		130	68	—
Total	Equal to or more than 2.5 years	1,052	—		1,015	796	9
		31 Dec 2024					
Regulatory categories	Remaining maturity	£m	£m	%	£m	£m	£m
1) Strong	Less than 2.5 years	96	—	50%	95	48	—
	Equal to or more than 2.5 years	926	—	70%	888	622	3
	Less than 2.5 years	4	—	70%	4	2	—
2) Good	Equal to or more than 2.5 years	97	—	90%	93	83	1
	Less than 2.5 years	1	—	115%	1	2	—
3) Satisfactory	Equal to or more than 2.5 years	36	—	115%	32	38	1
	Less than 2.5 years	—	—	250%	—	—	—
4) Weak	Equal to or more than 2.5 years	2	—	250%	1	3	—
	Less than 2.5 years	—	—		—	—	—
5) Default	Equal to or more than 2.5 years	112	—		104	—	52
Less than 2.5 years		101	—		100	52	—
Total	Equal to or more than 2.5 years	1,173	—		1,118	746	57

COUNTERPARTY CREDIT RISK (Continued)**CCR5: Composition of collateral for CCR exposures**

		30 Jun 2025					
		Collateral used in derivatives transactions				Collateral used in securities financing transactions (SFTs)	
		Fair value of collateral received		Fair value of collateral posted		Fair value of collateral received	Fair value of collateral posted
Collateral type		Segregated	Unsegregated	Segregated	Unsegregated		
		£m	£m	£m	£m	£m	£m
1	Cash	60	3,347	60	6,969	87,483	95,539
2	Debt	320	4,506	2,626	1,435	100,704	63,127
3	Equity	—	—	—	—	—	—
4	Other	—	—	—	—	538	57,710
5	Total	380	7,853	2,686	8,404	188,725	216,376

		31 Dec 2024					
		Collateral used in derivatives transactions				Collateral used in securities financing transactions (SFTs)	
		Fair value of collateral received		Fair value of collateral posted		Fair value of collateral received	Fair value of collateral posted
Collateral type		Segregated	Unsegregated	Segregated	Unsegregated		
		£m	£m	£m	£m	£m	£m
1	Cash	60	4,424	60	6,328	85,303	96,646
2	Debt	331	5,045	2,556	1,740	102,733	68,617
3	Equity	—	—	—	—	—	—
4	Other	—	—	—	—	816	47,490
5	Total	391	9,469	2,616	8,068	188,852	212,753

COUNTERPARTY CREDIT RISK (Continued)**CCR6: Credit derivatives exposures**

		30 Jun 2025		31 Dec 2024	
		Protection bought	Protection sold	Protection bought	Protection sold
		£m	£m	£m	£m
Notionals					
1	Single-name credit default swaps	1,842	19	1,852	—
2	Index credit default swaps	1,663	812	1,119	334
3	Total return swaps	2,917	774	3,417	1,142
4	Credit options	—	5,443	—	5,443
5	Other credit derivatives	—	—	—	—
6	Total notionals	6,422	7,048	6,388	6,919
Fair values					
7	Positive fair value (asset)	179	20	541	8
8	Negative fair value (liability)	(116)	(15)	(89)	(70)

CCR8: Exposures to CCPs

		30 Jun 2025		31 Dec 2024	
		Exposure value	RWA	Exposure value	RWA
		£m	£m	£m	£m
1	Exposures to QCCPs (total)		206		212
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	2,040	44	2,074	47
3	(i) OTC derivatives	1,171	22	890	18
4	(ii) Exchange-traded derivatives	572	16	815	22
5	(iii) SFTs	297	6	369	7
6	(iv) Netting sets where cross-product netting has been approved				
8	Non-segregated initial margin	24	1	21	—
9	Prefunded default fund contributions	358	161	357	165
11	Exposures to non-QCCPs (total)		—		—

SECURITISATION

SEC1: Securitisation exposures in the non-trading book

30 Jun 2025															
Institution acts as originator								Institution acts as sponsor				Institution acts as investor			
Traditional				Synthetic				Traditional				Traditional			
STS		Non-STS													
of which SRT		of which SRT		of which SRT											
£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1 Total exposures	—	—	1,671	—	14,046	14,046	15,717	790	3,406	—	4,196	8,979	12,819	—	21,798
2 Retail (total)	—	—	1,671	—	—	—	1,671	589	2,816	—	3,405	7,687	9,691	—	17,378
3 Residential mortgage	—	—	1,242	—	—	—	1,242	—	153	—	153	1,745	3,757	—	5,502
4 Credit card	—	—	—	—	—	—	—	—	—	—	—	200	817	—	1,017
5 Other retail exposures	—	—	429	—	—	—	429	589	2,663	—	3,252	5,742	5,117	—	10,859
7 Wholesale (total)	—	—	—	—	14,046	14,046	14,046	201	590	—	791	1,292	3,128	—	4,420
8 Loans to corporates	—	—	—	—	8,897	8,897	8,897	—	—	—	—	76	292	—	368
9 Commercial mortgage	—	—	—	—	1,117	1,117	1,117	—	—	—	—	—	931	—	931
10 Lease and receivables	—	—	—	—	—	—	—	201	466	—	667	915	1,312	—	2,227
11 Other wholesale	—	—	—	—	4,032	4,032	4,032	—	124	—	124	301	593	—	894

31 Dec 2024															
1 Total exposures	—	—	2,347	—	14,207	14,207	16,554	765	3,682	—	4,447	7,693	12,580	—	20,273
2 Retail (total)	—	—	2,347	—	—	—	2,347	570	3,095	—	3,665	7,227	8,699	—	15,926
3 Residential mortgage	—	—	1,445	—	—	—	1,445	—	217	—	217	1,389	3,536	—	4,925
4 Credit card	—	—	—	—	—	—	—	—	—	—	—	200	619	—	819
5 Other retail exposures	—	—	902	—	—	—	902	570	2,878	—	3,448	5,638	4,544	—	10,182
7 Wholesale (total)	—	—	—	—	14,207	14,207	14,207	195	587	—	782	466	3,881	—	4,347
8 Loans to corporates	—	—	—	—	9,741	9,741	9,741	—	—	—	—	23	302	—	325
9 Commercial mortgage	—	—	—	—	1,168	1,168	1,168	—	—	—	—	—	933	—	933
10 Lease and receivables	—	—	—	—	—	—	—	195	467	—	662	188	2,143	—	2,331
11 Other wholesale	—	—	—	—	3,298	3,298	3,298	—	120	—	120	255	503	—	758

As a sponsor the Group manages and supports, through the provision of liquidity facilities, Cancara Asset Securitisation Limited, a fully supported ABCP conduit that invests in client assets. The volume of funded ABCP transactions at 30 June 2025 was US\$1,520m (£1,107m).

SECURITISATION (Continued)**SEC3: Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor**

30 Jun 2025																		
		Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWA (by regulatory approach)				Capital charge after cap			
		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to ≤1250% RW	1250% RW/ deductions ¹	SEC- IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC- IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC- IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1	Total exposures	10,483	7,808	1,534	79	9	14,600	4,261	1,053	—	4,092	893	376	—	328	71	30	—
2	Traditional transactions	4,952	561	322	23	9	1,671	4,197	—	—	545	827	—	—	44	66	—	—
3	Securitisation	4,952	561	322	23	9	1,671	4,197	—	—	545	827	—	—	44	66	—	—
4	Retail underlying	4,488	357	198	23	9	1,671	3,405	—	—	545	628	—	—	44	50	—	—
5	of which STS	589	—	—	—	—	—	589	—	—	—	59	—	—	—	5	—	—
6	Wholesale	464	204	124	—	—	—	792	—	—	—	199	—	—	—	16	—	—
7	of which STS	201	—	—	—	—	—	201	—	—	—	20	—	—	—	2	—	—
9	Synthetic transactions	5,531	7,247	1,212	56	—	12,929	64	1,053	—	3,547	66	376	—	284	5	30	—
10	Securitisation	5,531	7,247	1,212	56	—	12,929	64	1,053	—	3,547	66	376	—	284	5	30	—
12	Wholesale	5,531	7,247	1,212	56	—	12,929	64	1,053	—	3,547	66	376	—	284	5	30	—
31 Dec 2024																		
1	Total exposures	11,465	8,050	1,369	104	11	15,386	4,510	1,104	—	4,036	906	380	—	323	72	30	—
2	Traditional transactions	4,422	2,163	163	33	11	2,347	4,446	—	—	767	819	—	—	61	65	—	—
3	Securitisation	4,422	2,163	163	33	11	2,347	4,446	—	—	767	819	—	—	61	65	—	—
4	Retail underlying	3,972	1,950	45	33	11	2,347	3,665	—	—	767	641	—	—	61	51	—	—
5	of which STS	570	—	—	—	—	—	570	—	—	—	57	—	—	—	5	—	—
6	Wholesale	450	213	118	—	—	—	781	—	—	—	178	—	—	—	14	—	—
7	of which STS	195	—	—	—	—	—	195	—	—	—	19	—	—	—	2	—	—
9	Synthetic transactions	7,043	5,887	1,206	71	—	13,039	64	1,104	—	3,269	87	380	—	262	7	30	—
10	Securitisation	7,043	5,887	1,206	71	—	13,039	64	1,104	—	3,269	87	380	—	262	7	30	—
12	Wholesale	7,043	5,887	1,206	71	—	13,039	64	1,104	—	3,269	87	380	—	262	7	30	—

¹ Exposure values (by RW bands/deductions) in the 1250% RW/deductions column include exposures risk weighted at 1250% under the SEC-IRBA approach. These exposures are disclosed as SEC-IRBA in the subsequent columns.

SECURITISATION (Continued)**SEC4: Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor**

30 Jun 2025																		
		Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWA (by regulatory approach)				Capital charge after cap			
		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC- IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC- IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC- IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1	Total exposures	21,458	274	3	64	—	—	2,813	18,986	—	—	497	2,582	—	—	40	207	—
2	Traditional transactions	21,458	274	3	64	—	—	2,813	18,986	—	—	497	2,582	—	—	40	207	—
3	Securitisation	21,458	274	3	64	—	—	2,813	18,986	—	—	497	2,582	—	—	40	207	—
4	Retail underlying	17,278	101	—	—	—	—	2,629	14,750	—	—	350	1,986	—	—	28	159	—
5	of which STS	7,687	—	—	—	—	—	1,410	6,277	—	—	141	641	—	—	11	51	—
6	Wholesale	4,180	173	3	64	—	—	184	4,236	—	—	147	596	—	—	12	48	—
7	of which STS	1,292	—	—	—	—	—	10	1,281	—	—	1	128	—	—	—	10	—
9	Synthetic transactions	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
31 Dec 2024																		
1	Total exposures	18,793	1,419	3	58	—	—	2,611	17,662	—	—	456	2,569	—	—	36	206	—
2	Traditional transactions	18,793	1,419	3	58	—	—	2,611	17,662	—	—	456	2,569	—	—	36	206	—
3	Securitisation	18,793	1,419	3	58	—	—	2,611	17,662	—	—	456	2,569	—	—	36	206	—
4	Retail underlying	15,324	602	—	—	—	—	2,423	13,503	—	—	316	1,825	—	—	25	146	—
5	of which STS	7,226	—	—	—	—	—	1,416	5,810	—	—	142	593	—	—	11	47	—
6	Wholesale	3,469	817	3	58	—	—	188	4,159	—	—	140	744	—	—	11	60	—
7	of which STS	465	—	—	—	—	—	9	456	—	—	1	46	—	—	—	4	—
9	Synthetic transactions	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

SECURITISATION (Continued)

SEC5: Exposures securitised by the institution - Exposures in default and specific credit risk adjustments

		30 Jun 2025			31 Dec 2024		
		Exposures securitised by the institution - Institution acts as originator or as sponsor			Exposures securitised by the institution - Institution acts as originator or as sponsor		
		Total outstanding nominal amount	Of which exposures in default	Total amount of specific credit risk adjustments made during the period	Total outstanding nominal amount	Of which exposures in default	Total amount of specific credit risk adjustments made during the period
		£m			£m		
1	Total exposures	20,196	932	—	21,229	616	—
2	Retail (total)	4,500	669	—	5,324	512	—
3	Residential mortgage	3,420	651	—	3,796	488	—
4	Credit card	—	—	—	—	—	—
5	Other retail exposures	1,080	18	—	1,528	24	—
6	Re-securitisation	—	—	—	—	—	—
7	Wholesale (total)	15,696	263	—	15,905	104	—
8	Loans to corporates	10,178	181	—	11,127	72	1
9	Commercial mortgage	1,281	47	—	1,334	32	—
10	Lease and receivables	—	—	—	—	—	—
11	Other wholesale	4,237	35	—	3,444	—	(1)
12	Re-securitisation	—	—	—	—	—	—

MARKET RISK

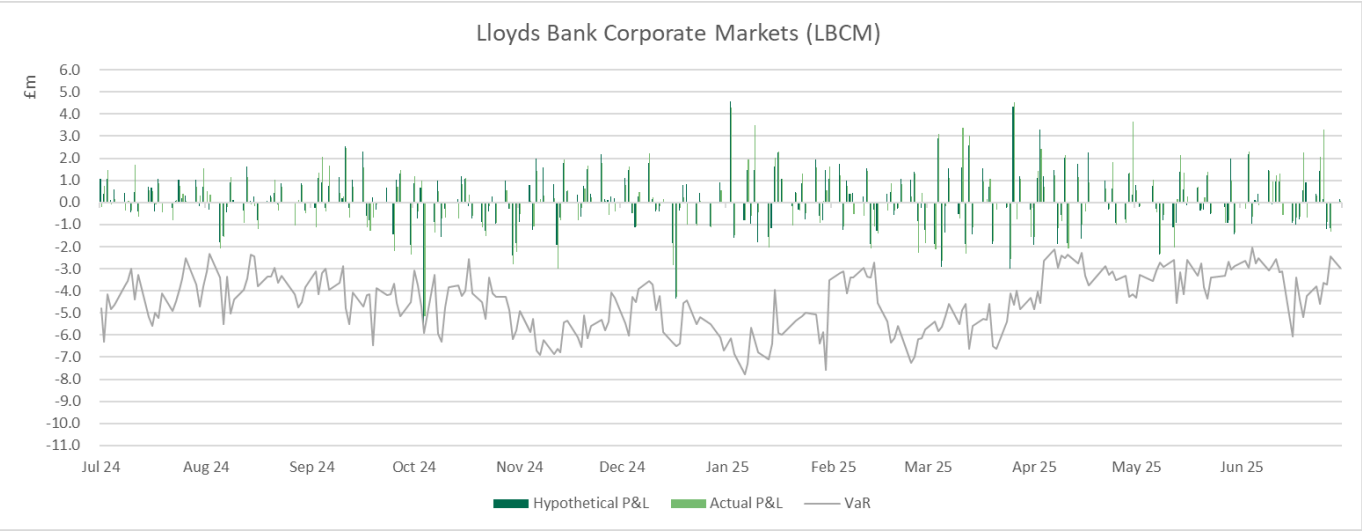
The following chart provides comparisons of VaR (1-day 99 per cent confidence level) to the hypothetical and actual profit and loss on a daily basis over the twelve months to 30 June 2025 for Lloyds Bank Corporate Markets.

Note that the profit and loss used in back-testing represents gains and losses based on the change in valuation of the portfolio due to market moves and is not reflective of the total profit and loss from the business.

There were no actual or hypothetical profit and loss overshoots reported for the twelve months to 30 June 2025 for Lloyds Bank Corporate Markets.

MR4: Comparison of VaR estimates with gains/losses

LLOYDS BANK CORPORATE MARKETS (LBCM)



MARKET RISK (Continued)**MR1: Market risk under the standardised approach**

	30 Jun 2025	31 Dec 2024
	RWAs	RWAs
	£m	£m
Outright products		
1 Interest rate risk (general and specific)	539	669
3 Foreign exchange risk ¹	1,136	—
4 Commodity risk	3	5
Options		
6 Delta-plus approach	9	12
8 Securitisation (specific risk)	24	22
9 Total	1,711	708

¹ Foreign exchange risk RWAs total £1.1 billion, mainly reflecting a temporary increase related to hedging activity that is expected to reverse in the third quarter.

MR3: IMA values for trading portfolios

The table below provides relevant statistics for the Group's 10-day 99 per cent confidence level VaR and Stressed VaR over 12 months to June 2025 and year end 2024. Also included are statistics for the Incremental Risk Charge over one year to June 2025 and year end 2024.

The risk of loss measured by the VaR model is the minimum expected loss in earnings given a 99 per cent confidence. The total and average trading VaR numbers reported below have been obtained after the application of the diversification benefits across the different risk types: interest rate, foreign exchange, credit spread and inflation risk.

	Lloyds Bank Corporate Markets	
	30 Jun 2025	31 Dec 2024
	£m	£m
VaR (10 day 99%)		
1 Maximum value	25	25
2 Average value	11	11
3 Minimum value	5	6
4 Period end	8	23
SVaR (10 day 99%)		
5 Maximum value	73	73
6 Average value	34	39
7 Minimum value	14	14
8 Period end	23	24
IRC (99.9%)		
9 Maximum value	47	47
10 Average value	27	33
11 Minimum value	8	21
12 Period end	21	23
Comprehensive risk measure (99.9%)		
13 Maximum value	—	—
14 Average value	—	—
15 Minimum value	—	—
16 Period end	—	—

MARKET RISK (Continued)**MR2-A: Market risk under the Internal Model Approach**

		Lloyds Bank Corporate Markets			
		30 Jun 2025		31 Dec 2024	
		RWAs	Own funds requirements	RWAs	Own funds requirements
		£m	£m	£m	£m
1	VaR (higher of values a and b)	346	28	572	46
(a)	Previous day's VaR (VaRt-1)		8		25
(b)	Multiplication factor (mc) x average of previous 60 working days (VaRavg)		28		46
2	SVaR (higher of values a and b)	1,109	88	1,077	86
(a)	Latest available SVaR (SVaRt-1)		23		24
(b)	Multiplication factor (ms) x average of previous 60 working days (sVaRavg)		89		86
3	IRC (higher of values a and b)	265	21	426	34
(a)	Most recent IRC measure		21		23
(b)	12 weeks average IRC measure		17		34
4	Comprehensive risk measure (higher of values a, b and c)	—	—	—	—
(a)	Most recent risk measure of comprehensive risk measure		—		—
(b)	12 weeks average of comprehensive risk measure		—		—
(c)	Comprehensive risk measure Floor		—		—
5	Other	897	72	931	74
6	Total	2,617	209	3,006	240

LIQUIDITY

The table below presents the breakdown of the Group'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 the calculation of averages		12	12	12	12	12	12	12	12
High-quality liquid assets (£m)									
1	Total high-quality liquid assets (HQLA)					131,819	133,109	134,370	134,594
Cash - outflows (£m)									
2	Retail deposits and deposits from small business customers, of which:	358,428	355,140	351,223	348,045	24,144	23,860	23,538	23,321
3	Stable deposits	270,322	268,601	266,224	263,972	13,516	13,430	13,311	13,198
4	Less stable deposits	88,106	86,539	84,999	84,073	10,628	10,430	10,227	10,123
5	Unsecured wholesale funding	91,134	90,913	90,855	91,937	45,195	45,235	45,463	46,362
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	24,216	23,857	22,329	20,871	6,054	5,964	5,582	5,218
7	Non-operational deposits (all counterparties)	63,924	63,877	65,371	67,745	36,147	36,092	36,726	37,823
8	Unsecured debt	2,994	3,179	3,155	3,321	2,994	3,179	3,155	3,321
9	Secured wholesale funding					488	298	178	209
10	Additional requirements	71,222	71,654	72,915	73,985	29,777	31,016	32,881	34,057
11	Outflows related to derivative exposures and other collateral requirements	16,792	18,136	20,265	21,466	16,792	18,136	20,265	21,466
12	Outflows related to loss of funding on debt products	582	672	587	595	582	672	587	595
13	Credit and liquidity facilities	53,848	52,846	52,063	51,924	12,403	12,208	12,029	11,996
14	Other contractual funding obligations	4,757	3,541	2,741	2,033	1,313	1,161	1,182	1,198
15	Other contingent funding obligations	94,482	94,751	94,154	92,903	4,174	4,123	4,053	3,874
16	Total cash outflows					105,091	105,693	107,295	109,021
Cash - inflows (£m)									
17	Secured lending (e.g. reverse repos)	34,618	35,197	34,672	34,866	283	317	329	342
18	Inflows from fully performing exposures	7,061	6,954	7,090	7,126	5,277	5,171	5,310	5,319
19	Other cash inflows	8,573	8,726	9,647	10,110	8,517	8,668	9,587	10,054
20	Total cash inflows	50,252	50,877	51,409	52,102	14,077	14,156	15,226	15,715
UK-20c	Inflows subject to 75% cap	48,633	49,123	49,496	50,075	14,077	14,156	15,226	15,715
Total adjusted value									
UK-21	Liquidity buffer (£m)					131,819	133,109	134,370	134,594
22	Total net cash outflows (£m)					91,014	91,537	92,069	93,306
23	Liquidity coverage ratio (%)					145%	145%	146%	144%

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

The Group's LCR disclosure (based on a monthly simple average over the previous 12 months) was 145% at 30 June 2025, unchanged from the prior quarter with no material changes in liquid assets and net cash outflows.

The Group's funding and liquidity position is underpinned by its significant customer deposit base and is supported by strong relationships across customer segments. Other sources of funding include a range of wholesale unsecured and secured 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 Group's liquidity buffer consists almost entirely of Level 1 assets. Level 1 assets are primarily held as central bank reserves and UK government bonds.

The Group'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 Group'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 Group 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:	46,078	1,893	1,979	12,232	58,309
2	Own funds	46,078	1,706	1,975	11,565	57,643
3	Other capital instruments		187	4	667	666
4	Retail deposits:		359,010	—	—	336,622
5	Stable deposits		270,248	—	—	256,736
6	Less stable deposits		88,762	—	—	79,886
7	Wholesale funding:		181,437	22,288	63,787	120,660
8	Operational deposits		24,273	—	—	12,136
9	Other wholesale funding		157,164	22,288	63,787	108,524
10	Interdependent liabilities		—	—	—	—
11	Other liabilities:	—	7,418	—	8,885	8,885
12	NSFR derivative liabilities	—				
13	All other liabilities and capital instruments not included in the above categories		7,418	—	8,885	8,885
14	Total available stable funding (ASF)					524,476
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					4,815
UK-15a	Assets encumbered for more than 12m in cover pool		433	374	14,032	12,613
16	Deposits held at other financial institutions for operational purposes		—	—	—	—
17	Performing loans and securities:		79,195	33,559	427,620	349,228
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		47,108	9,998	9,940	14,939
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		11,011	8,207	14,362	19,354
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		10,901	7,970	92,974	89,009
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:		6,002	4,832	302,293	216,198
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		5,591	4,455	277,661	194,665
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		4,173	2,552	8,051	9,728
25	Interdependent assets		—	—	—	—
26	Other assets:	22,237	3,318	178	29,939	41,239
27	Physical traded commodities				—	—
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs			4,448		3,781
29	NSFR derivative assets			6,575		6,575
30	NSFR derivative liabilities before deduction of variation margin posted			11,214		561
31	All other assets not included in the above categories		3,318	178	29,939	30,322
32	Off-balance sheet items		149,683	—	—	6,018
33	Total RSF					413,913
34	Net Stable Funding Ratio (%)					127%

INTEREST RATE RISK IN THE BANKING BOOK**IRRBB1: Quantitative information on IRRBB**

The table below shows the Group's exposure to movements in interest rates based on the 6 prescribed scenarios defined by rule 9.7 of the ICAAP part of the PRA Rulebook.

Average repricing maturity assigned to non-maturing deposits (NMDs).

The average repricing maturity of the Group's NMDs is 1.9 years. The calculation includes both profiled balances and those that are assumed to reprice overnight.

Longest repricing maturity assigned to NMDs.

The longest repricing maturity assigned to NMDs is 10 years.

		Δ EVE		Δ NI		Tier 1 capital	
		30 Jun 2025	31 Dec 2024	30 Jun 2025	31 Dec 2024	30 Jun 2025	31 Dec 2024
		£m	£m	£m	£m	£m	£m
010	Parallel shock up	(3,363)	(3,348)	802	1,082		
020	Parallel shock down	916	1,100	(1,194)	(1,472)		
030	Steepener shock	(453)	(304)				
040	Flattener shock	(75)	(197)				
050	Short rates shock up	(1,240)	(1,330)				
060	Short rates shock down	249	409				
070	Maximum	(3,363)	(3,348)	(1,194)	(1,472)		
080	Tier 1 capital					37,360	37,349

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 Banking Group 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 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 insurance business and 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; 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 Group's control. Please refer to 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. 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