Lloyds Banking Group plc

2026 Half-Year

Pillar 3 Disclosures

12 August 2026

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INTRODUCTION AND BASIS OF PREPARATION

This document presents the consolidated half-year Pillar 3 disclosures of Lloyds Banking Group plc ('the Group') as at 30 June 2026 and should be read in conjunction with the Group's 2026 Half-Year Results News Release.

Basis of Preparation

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

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

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

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

Presentation of Credit Risk Exposures

To ensure compliance with the disclosure requirements, credit risk exposures are presented on different bases throughout the document. Information on the exposure basis is given either in column headings or supporting narrative within the Credit Risk section (pages 24 to 48).

Counterparty credit risk exposures are presented on a post CRM basis, unless otherwise stated.

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 CRD IV requirements are subject to review and approval by the PRA. As directed by PRA Supervisory Statement SS 11/13, the Group has applied temporary post 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 and a hybrid-philosophy Probability of Default (PD) model. The Group's incumbent (pre CRD IV) UK Mortgage models at the reporting date use a 180 day default backstop and a less cyclical PD model. 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 post 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 post model adjustments have been applied.

While acknowledging the significant value of these temporary post model adjustments to allow for an appropriate level of capital (aligned to new modelling requirements under CRD IV), PD back testing shows that the incumbent PD models are generally working effectively and prudently against pre CRD IV default definitions.

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.

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

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 Lloyds Banking Group plc 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.

In May 2026, the Group launched a successful consent solicitation in respect of its £750 million Fixed Rate Reset AT1 securities to align their subordination provisions with those of its other AT1 instruments. This facilitates the reclassification of the Group's existing preference shares[1] as Tier 2 capital from 30 July 2026 and strengthens the Group's regulatory total capital position and MREL resources by c.£400 million. As this change is effective from 30 July 2026 it will initially be reflected in the Group's Q3 2026 results.

Ring-fenced Bank Sub-group and Large Subsidiary Disclosures

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.

[1] Includes 9.25% preference shares (ISIN GB00B3KS9W93), 6.413% preference shares (ISIN USG5533WAA56/US539439AC38), 6.657% preference shares (ISIN US539439AE93/US539439AF68) and 9.75% preference shares (ISIN GB00B3KSB238).

KEY METRICS AND OVERVIEW OF RISK WEIGHTED EXPOSURE AMOUNTS

KM1: Key metrics[1]

KM1	LR2		30 Jun 2026	31 Mar 2026	31 Dec 2025	30 Sep 2025	30 Jun 2025
Ref	**Ref**	**Available own funds (amounts)**					
1		Common Equity Tier 1 (CET1) capital (£m)	**32,861**	32,178	32,930	32,135	31,862
2		Tier 1 capital (£m)	**37,587**	37,301	38,053	36,497	37,360
3		Total capital (£m)	**44,597**	43,818	44,579	43,136	43,956
		Risk-weighted exposure amounts					
4		Total risk-weighted exposure amount (£m)	**241,783**	240,787	235,513	232,257	231,429
		Capital ratios (as a percentage of risk-weighted exposure amount)					
5		Common Equity Tier 1 ratio (%)	**13.6%**	13.4%	14.0%	13.8%	13.8%
6		Tier 1 ratio (%)	**15.5%**	15.5%	16.2%	15.7%	16.1%
7		Total capital ratio (%)	**18.4%**	18.2%	18.9%	18.6%	19.0%
		Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)					
UK 7a		Additional CET1 SREP requirements (%)	**1.4%**	1.4%	1.4%	1.4%	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 (%)	**10.5%**	10.5%	10.5%	10.5%	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%	1.8%	1.8%
10a		Other Systemically Important Institution buffer (%)[2]	**—**	—	—	—	—
11		Combined buffer requirement (%)[2]	**4.3%**	4.3%	4.3%	4.3%	4.3%
UK 11a		Overall capital requirements (%)	**14.8%**	14.8%	14.8%	14.8%	15.0%
12		CET1 available after meeting minimum SREP own funds requirements (%)[3]	**7.7%**	7.5%	8.1%	7.9%	7.8%
		Leverage ratio					
13	UK-24b	Total exposure measure excluding claims on central banks (£m)	**738,119**	728,094	708,339	704,957	690,185
14	25	Leverage ratio excluding claims on central banks (%)	**5.1%**	5.1%	5.4%	5.2%	5.4%
		Additional leverage ratio disclosure requirements					
UK 14b	UK-25c	Leverage ratio including claims on central banks (%)	**4.7%**	4.7%	5.0%	4.8%	5.0%
UK 14c	UK-34	Average leverage ratio excluding claims on central banks (%)[4]	**5.1%**	5.1%	5.3%	5.2%	5.4%
UK 14d	UK-33	Average leverage ratio including claims on central banks (%)[4]	**4.7%**	4.7%	4.9%	4.8%	4.9%
	UK-31	Average total exposure measure including claims on central banks[4]	**796,623**	788,378	774,604	768,890	755,763
	UK-32	Average total exposure measure excluding claims on central banks[4]	**736,681**	730,563	713,268	706,423	693,242
	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 quarterly.

[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 1.6% 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 c.2.5% of risk-weighted assets, of which c.1.4% 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 Ref	LR2 Ref		30 Jun 2026	31 Mar 2026	31 Dec 2025	30 Sep 2025	30 Jun 2025
		Average Liquidity Coverage Ratio (weighted) (LCR)[6]					
15		Total high-quality liquid assets (HQLA) (Weighted value - average) (£m)	**131,027**	130,603	131,372	132,368	131,819
UK 16a		Cash outflows - Total weighted value - average (£m)	**106,093**	104,936	104,963	104,705	105,091
UK 16b		Cash inflows - Total weighted value - average (£m)	**15,333**	14,336	14,163	13,362	14,077
16		Total net cash outflows (adjusted value - average) (£m)	**90,760**	90,600	90,800	91,343	91,014
17		Average liquidity coverage ratio (%)	**144%**	144%	145%	145%	145%
		Average Net Stable Funding Ratio[7]					
18		Total available stable funding (Weighted value - average) (£m)	**532,006**	529,101	527,329	524,176	524,476
19		Total required stable funding (Weighted value - average) (£m)	**431,231**	429,300	424,093	417,856	413,913
20		Average NSFR ratio (%)	**123%**	123%	124%	126%	127%

[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 2026	31 Mar 2026	31 Dec 2025	30 Sep 2025	30 Jun 2025
		Resolution Group [1]				
1	Total loss absorbing capacity (TLAC) available (£m)	**77,295**	76,423	75,732	72,435	72,754
2	Total RWA at the level of the resolution group (£m)	**241,783**	240,787	235,513	232,257	231,429
3	TLAC as a percentage of RWA (%)	**32.0%**	31.7%	32.2%	31.2%	31.4%
4	UK leverage ratio exposure measure at the level of the resolution group (£m)	**738,119**	728,094	708,339	704,957	690,185
5	TLAC as a percentage of UK leverage ratio exposure measure (%)	**10.5%**	10.5%	10.7%	10.3%	10.5%

[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 13.6% at 30 June 2026 (31 December 2025: 14.0%). Banking business profits for the first half of the year and the £100 million interim dividend received from the Group's Insurance business in June 2026, were more than offset by the recognition of the full capital impact of the ordinary share buyback programme in respect of 2025 (announced in January 2026), 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 reduced to 18.4% at 30 June 2026 (31 December 2025: 18.9%) predominantly reflecting the decrease in CET1 capital, an AT1 instrument call and the increase in risk-weighted assets. This was partly offset by tier 2 issuance during the period.The MREL ratio reduced to 32.0% at 30 June 2026 (31 December 2025: 32.2%) with the increase in MREL resources, reflecting the increase in other eligible liabilities, more than offset by the increase in risk-weighted assets.

Risk-Weighted Assets

Risk-weighted assets increased by £6.3 billion to £241.8 billion at 30 June 2026 (31 December 2025: £235.5 billion), largely reflecting the impact of strong customer lending growth and other movements, partially offset by continued optimisation, including risk transfer and securitisation activity across Commercial Banking and Retail.

Leverage

The Group's UK leverage ratio reduced to 5.1% at 30 June 2026 (31 December 2025: 5.4%), reflecting the decrease in total tier 1 capital and an increase in the leverage exposure measure. The latter primarily reflects strong customer lending growth, including off-balance sheet commitments, and an increase in holdings of securities within the liquidity portfolio.

Liquidity

The Group's liquidity coverage ratio (LCR) reduced to 144% (based on a simple average over the previous 12 months) at 30 June 2026 (31 December 2025: 145%), a decrease of 1 percentage point with no material changes in the liquid asset buffer or the net cash outflows.

The Group's net stable funding ratio (NSFR) reduced to 123% (based on a simple average over the previous 4 quarters) at 30 June 2026 (31 December 2025: 124%). The 1 percentage point decrease was primarily due to growth in customer lending, partially offset by an increase in customer deposits and wholesale funding activities.

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

OV1: Overview of risk weighted exposure amounts

		Total RWA		Total own funds requirements
		30 Jun 2026	31 Dec 2025	**30 Jun 2026**
		£m	£m	**£m**
1	**Credit risk (excluding CCR)**	**193,330**	188,594	**15,465**
2	Of which the standardised approach	**27,840**	27,166	**2,227**
3	Of which the foundation IRB (FIRB) approach	**38,981**	38,052	**3,118**
4	Of which slotting approach	**8,867**	9,731	**709**
UK 4a	Of which equities under the simple risk weighted approach	**14,327**	14,140	**1,146**
5	Of which the advanced IRB (AIRB) approach	**93,812**	90,354	**7,505**
	Of which: non-credit obligation assets[1]	**9,503**	9,151	**760**
6	**Counterparty credit risk (CCR)**	**6,837**	6,835	**548**
7	Of which the standardised approach	**5,315**	5,416	**425**
UK 8a	Of which exposures to a CCP	**257**	234	**21**
UK 8b	Of which credit valuation adjustment (CVA)	**383**	436	**31**
9	Of which other CCR	**882**	749	**71**
16	**Securitisation exposures in the non-trading book (after the cap)**	**9,013**	8,472	**721**
17	Of which SEC-IRBA approach	**3,802**	3,402	**304**
18	Of which SEC-ERBA approach (including IAA)	**1,716**	1,801	**137**
19	Of which SEC-SA approach	**3,495**	3,269	**280**
20	**Position, foreign exchange and commodities risks (Market risk)**	**4,835**	3,844	**387**
21	Of which the standardised approach	**583**	607	**47**
22	Of which IMA	**4,252**	3,237	**340**
23	**Operational risk**	**27,768**	27,768	**2,221**
UK 23b	Of which standardised approach	**27,768**	27,768	**2,221**
24	Memo: Amounts below the thresholds for deduction (subject to 250% risk weight)	**10,518**	10,672	**841**
29	**Total**	**241,783**	235,513	**19,342**
	Pillar 2A capital requirement[2]			**6,047**
	Total capital requirement			**25,389**

[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 2026, the Group's Pillar 2A capital requirement was c.2.5% of risk-weighted assets, of which c.1.4% is to be met with CET1 capital.

Risk-weighted assets increased by £6.3bn to £241.8bn at 30 June 2026 (31 December 2025: £235.5bn). This largely reflected:

Credit Risk: RWAs increased by £4.7bn to £193.3bn primarily due to strong customer lending growth, partially offset by continued optimisation, including risk transfer and securitisation activity across Retail and Commercial Banking.

Market Risk: RWAs increased by £1.0bn to £4.8bn in line with business strategy to support client demand, combined with increased market volatility.

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

CR8: RWA flow statements of credit risk exposures under the IRB approach

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

		Total RWA quarter to 30 Jun 2026	Total RWA YTD 30 Jun 2026
		£m	£m
1	Risk weighted exposure amount as at the end of previous reporting period	**141,777**	**138,137**
2	Asset size (+/-)	**3,708**	**7,525**
3	Asset quality (+/-)	**(254)**	**(355)**
4	Model updates (+/-)	**(380)**	**(380)**
7	Foreign exchange movements (+/-)	**110**	**93**
8	Other (+/-)	**(3,301)**	**(3,360)**
9	**Risk weighted exposure amount at the end of the reporting period**	**141,660**	**141,660**

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

- **Asset size** increase largely driven by Commercial Banking and Retail lending growth.
- **Other** reductions relate to optimisation activities, including capital efficient securitisations in Commercial Banking.

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

MR2-B: RWA flow statements of market risk exposures under the Internal Model Approach

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

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

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

[1] End of day represents spot position.

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

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

OWN FUNDS

CC1: Composition of regulatory own funds

		30 Jun 2026 £m	31 Dec 2025 £m	CC2 Reference
Common Equity Tier 1 (CET1) capital: instruments and reserves				
1	Capital instruments and the related share premium accounts	**24,682**	24,686	
	of which: called up share capital	**5,827**	5,889	a
	of which: share premium	**18,855**	18,797	b
2	Retained earnings	**18,029**	20,671	d
3	Accumulated other comprehensive income (and other reserves)	**4,186**	4,374	d
UK-5a	Independently reviewed interim profits net of any foreseeable charge or dividend[1]	**1,456**	(1,429)	
	of which: foreseeable dividend	**(1,379)**	(1,429)	
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**48,353**	48,302	
Common Equity Tier 1 (CET1) capital: regulatory adjustments				
7	Additional value adjustments	**(313)**	(343)	
8	Intangible assets (net of related tax liability)	**(5,844)**	(5,996)	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)	**(3,633)**	(3,812)	f
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	**2,470**	2,062	
12	Negative amounts resulting from the calculation of expected loss amounts	**(827)**	(631)	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	**46**	41	
15	Defined-benefit pension fund assets	**(2,089)**	(1,968)	g
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments	**(25)**	(17)	
19	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)	**(5,277)**	(4,708)	h
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**(15,492)**	(15,372)	
29	**Common Equity Tier 1 (CET1) capital**	**32,861**	32,930	
Additional Tier 1 (AT1) capital: instruments				
30	Capital instruments and the related share premium accounts	**5,551**	5,947	c
31	of which: classified as equity under applicable accounting standards	**5,551**	5,947	
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**5,551**	5,947	
Additional Tier 1 (AT1) capital: regulatory adjustments				
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments	**(25)**	(24)	
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**	**(825)**	(824)	
44	**Additional Tier 1 (AT1) capital**	**4,726**	5,123	
45	**Tier 1 capital (T1 = CET1 + AT1)**	**37,587**	38,053	
Tier 2 (T2) capital: instruments				
46	Capital instruments and the related share premium accounts	**7,941**	7,460	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	**82**	79	i
50	Credit risk adjustments	**—**	—	
51	**Tier 2 (T2) capital before regulatory adjustments**	**8,023**	7,539	
Tier 2 (T2) capital: regulatory adjustments				
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans	**(50)**	(50)	
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)**	(963)	
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**(1,013)**	(1,013)	
58	**Tier 2 (T2) capital**	**7,010**	6,526	
59	**Total capital**	**44,597**	44,579	

OWN FUNDS (Continued)

60	**Total risk exposure amount**	**241,783**	235,513
Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	**13.6%**	14.0%
62	Tier 1 (as a percentage of total risk exposure amount)	**15.5%**	16.2%
63	Total capital (as a percentage of total risk exposure amount)	**18.4%**	18.9%
64	Institution CET1 overall capital requirement (CET1 requirement in accordance with Article 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Article 104(1) CRD, plus combined buffer requirement in accordance with Article 128(6) CRD) expressed as a percentage of risk exposure amount)	**10.2%**	10.2%
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)	**7.7%**	8.1%
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)	**407**	328
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)	**3,814**	3,764
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)	**393**	505
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	**969**	946

[1] The reported amount for 30 June 2026 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 2025 reflects the year end foreseeable dividend accrual only as the externally audited profits for the year to 31 December 2025 are included in row 2 (Retained earnings).

OWN FUNDS (Continued)

CC2: Reconciliation of regulatory own funds to the balance sheet in the financial statements

The following table compares the Group's consolidated accounting and regulatory balance sheets as at 30 June 2026. 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 2026	Balance sheet under regulatory scope of consolidation at 30 Jun 2026[2]	
Assets		**£m**	**£m**	**Reference[1]**
1	Cash and balances at central banks	**61,530**	**61,602**	
2	Financial assets at fair value through profit or loss	**258,373**	**35,036**	
3	Derivative financial instruments	**20,731**	**21,170**	
4	Loans and advances to banks	**8,138**	**8,140**	
5	Loans and advances to customers	**491,678**	**491,334**	
6	Reverse repurchase agreements	**54,351**	**54,351**	
7	Debt securities	**16,635**	**16,220**	
8	Financial assets at amortised cost	**570,802**	**570,045**	
9	Financial assets at fair value through other comprehensive income	**40,428**	**40,428**	
10	Investments in joint ventures and associates	**464**	**415**	
11	Investment in subsidiaries[2]	**—**	**9,845**	h
12	Goodwill and other intangible assets	**8,732**	**6,112**	e
13	Current tax recoverable	**1,400**	**1,332**	
14	Deferred tax assets[3]	**3,704**	**3,974**	f
15	Retirement benefit assets	**2,860**	**2,860**	g
16	Other assets	**25,133**	**21,652**	
17	**Total assets**	**994,157**	**774,471**	
Liabilities				
1	Deposits from banks	**8,208**	**8,089**	
2	Customer deposits	**500,859**	**501,302**	
3	Repurchase agreements at amortised cost	**45,400**	**45,401**	
4	Financial liabilities at fair value through profit or loss	**31,310**	**31,304**	
5	Derivative financial instruments	**17,826**	**16,651**	
6	Notes in circulation	**2,177**	**2,177**	
7	Debt securities in issue	**90,853**	**89,483**	
8	Liabilities arising from insurance contracts and participating investment contracts	**143,566**	**—**	
9	Liabilities arising from non-participating investment contracts	**66,639**	**—**	
10	Other liabilities	**27,764**	**12,586**	
11	Retirement benefit obligations	**116**	**116**	
12	Current tax liabilities	**35**	**35**	
13	Deferred tax liabilities[3]	**131**	**131**	f
14	Other provisions	**2,801**	**2,672**	
15	Subordinated liabilities	**9,235**	**8,806**	i
16	**Total liabilities**	**946,920**	**718,753**	
Shareholders' equity				
1	Called up share capital	**24,682**	**24,682**	
2	of which: share capital	**5,827**	**5,827**	a
3	of which: share premium	**18,855**	**18,855**	b
4	Other equity instruments	**5,551**	**5,551**	c
5	Retained earnings, accumulated other comprehensive income and other reserves	**16,779**	**25,260**	d
6	**Total equity excluding non-controlling interests**	**47,012**	**55,493**	
7	Non-controlling interests	**225**	**225**	
8	**Total equity**	**47,237**	**55,718**	
9	**Total equity and liabilities**	**994,157**	**774,471**	

[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.

OWN FUNDS (Continued)

[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 £9,845 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.

TLAC1: Total loss absorbing capital composition

		30 Jun 2026 Resolution Group **£m**	31 Dec 2025 Resolution Group £m
	Regulatory capital elements of TLAC and adjustments		
1	Common equity tier 1 (CET1) capital	**32,861**	32,930
2	Additional tier 1 (AT1) capital before TLAC adjustments	**4,726**	5,123
5	**AT1 instruments eligible under the TLAC framework**	**4,726**	5,123
6	Tier 2 (T2) capital before TLAC adjustments	**7,010**	6,526
7	Amortised portion of T2 instruments where remaining maturity > 1 year	**—**	—
8	T2 capital ineligible as TLAC as issued out of subsidiaries to third parties	**(82)**	(79)
9	Other adjustments	**—**	—
10	**Tier 2 instruments eligible under the TLAC framework**	**6,928**	6,447
11	**TLAC arising from regulatory capital**	**44,515**	44,500
	Non-regulatory capital elements of TLAC		
12	External TLAC instruments issued directly by the bank and subordinated to excluded liabilities	**32,780**	31,232
17	**TLAC arising from non-regulatory capital instruments before adjustments**	**32,780**	31,232
	Non-regulatory capital elements of TLAC: adjustments		
18	**TLAC before deductions**	**77,295**	75,732
22	**TLAC after deductions**	**77,295**	75,732
	Risk-weighted assets (RWA) and leverage exposure measure for TLAC purposes		
23	Total RWA adjusted as permitted under the TLAC regime	**241,783**	235,513
24	UK leverage exposure measure	**738,119**	708,339
	TLAC ratios and buffers		
25	**TLAC (as a percentage of RWA adjusted as permitted under the TLAC regime)**	**32.0%**	32.2%
26	**TLAC (as a percentage of UK leverage exposure)**	**10.5%**	10.7%
27	**CET1 (as a percentage of RWA) available after meeting the resolution group's minimum total capital and TLAC requirements**[1]	**7.7%**	8.1%
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 1.6 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 2026. For ordinary shares, this excludes the value of share premium and reserves attributable to ordinary shareholders.

		30 Jun 2026							
		Creditor ranking							
		£m		£m	£m		£m	£m	£m
	Lloyds Bank plc	**(Most junior)**						**(Most senior)**	
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**	**5,171**	**—**	**100**	**8,464**	**—**	**19,181**	**34,490**
5	Total capital and liabilities less excluded liabilities	**1,574**	**5,171**	**—**	**100**	**8,464**	**—**	**19,181**	**34,490**
6	Subset of row 5 that are eligible as TLAC	**1,574**	**5,171**	**—**	**—**	**8,464**	**—**	**17,962**	**33,171**
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	**—**	**—**	**—**	**—**	**145**	**—**	**2,470**	**2,615**
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	**—**	**—**	**—**	**—**	**—**	**—**	**5,954**	**5,954**
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	**—**	**—**	**—**	**—**	**6,257**	**—**	**7,197**	**13,454**
10	Subset of row 6 with residual maturity ≥ 10 years, but excluding perpetual securities	**—**	**—**	**—**	**—**	**2,062**	**—**	**2,341**	**4,403**
11	Subset of row 6 that are perpetual securities	**1,574**	**5,171**	**—**	**—**	**—**	**—**	**—**	**6,745**

	Bank of Scotland plc	**£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**	**—**	**2,850**	**28**	**—**	**500**	**6,504**	**15,729**
5	Total capital and liabilities less excluded liabilities	**5,847**	**—**	**2,850**	**28**	**—**	**500**	**6,504**	**15,729**
6	Subset of row 5 that are eligible as TLAC	**5,847**	**—**	**2,850**	**—**	**—**	**500**	**6,504**	**15,701**
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	**—**	**—**	**—**	**—**	**—**	**—**	**998**	**998**
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	**—**	**—**	**—**	**—**	**—**	**—**	**3,100**	**3,100**
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	**—**	**—**	**—**	**—**	**—**	**500**	**1,675**	**2,175**
10	Subset of row 6 with residual maturity ≥ 10 years, but excluding perpetual securities	**—**	**—**	**—**	**—**	**—**	**—**	**731**	**731**
11	Subset of row 6 that are perpetual securities	**5,847**	**—**	**2,850**	**—**	**—**	**—**	**—**	**8,697**

OWN FUNDS (Continued)

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

		30 Jun 2026							
		Creditor ranking							
	Lloyds Bank Corporate Markets plc	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
		(Most junior)						**(Most senior)**	
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**	**4,121**	**—**	**—**	**—**	**—**	**102**	**4,593**
5	Total capital and liabilities less excluded liabilities	**370**	**4,121**	**—**	**—**	**—**	**—**	**102**	**4,593**
6	Subset of row 5 that are eligible as TLAC	**370**	**4,121**	**—**	**—**	**—**	**—**	**102**	**4,593**
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	**—**	**—**	**—**	**—**	**—**	**—**	**102**	**102**
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**	**4,121**	**—**	**—**	**—**	**—**	**—**	**4,491**

		31 Dec 2025							
		Creditor ranking							
	Lloyds Bank plc	£m	£m		£m	£m		£m	£m
		(Most junior)						(Most senior)	
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	5,317	—	100	8,857	—	17,950	33,798
5	Total capital and liabilities less excluded liabilities	1,574	5,317	—	100	8,857	—	17,950	33,798
6	Subset of row 5 that are eligible as TLAC	1,574	5,317	—	—	8,857	—	17,658	33,406
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	—	—	—	—	—	—	3,042	3,042
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	—	—	—	—	148	—	7,019	7,167
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	—	—	—	—	5,261	—	5,794	11,055
10	Subset of row 6 with residual maturity ≥ 10 years, but excluding perpetual securities	—	—	—	—	2,965	—	1,802	4,767
11	Subset of row 6 that are perpetual securities	1,574	5,317	—	—	—	—	—	6,891

OWN FUNDS (Continued)

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

		31 Dec 2025							
		Creditor ranking							
	Bank of Scotland plc	£m		£m	£m		£m	£m	£m
		(Most junior)						(Most senior)	
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	15,385
5	Total capital and liabilities less excluded liabilities	5,847	—	2,600	28	—	1,500	5,410	15,385
6	Subset of row 5 that are eligible as TLAC	5,847	—	2,600	—	—	1,500	5,410	15,357
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	—	—	—	—	—	—	557	557
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	—	—	—	—	—	—	3,826	3,826
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	—	—	—	—	—	1,500	1,027	2,527
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							
	Lloyds Bank Corporate Markets plc	£m		£m	£m		£m	£m	£m
		(Most junior)						(Most senior)	
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	4,117	—	—	—	—	100	4,587
5	Total capital and liabilities less excluded liabilities	370	4,117	—	—	—	—	100	4,587
6	Subset of row 5 that are eligible as TLAC	370	4,117	—	—	—	—	100	4,587
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	—	—	—	—	—	—	—	—
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	—	—	—	—	—	—	100	100
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	4,117	—	—	—	—	—	4,487

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 2026.

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

		30 Jun 2026					
		Creditor ranking					
		£m	£m	£m	£m	£m	£m
	Lloyds Banking Group plc	**(Most junior)**				**(Most senior)**	
1	Description of creditor ranking	**Ordinary shares (£0.10 each)**	**Preference shares and AT1 equity instruments**	**Undated subordinated liabilities**	**Dated subordinated liabilities**	**Senior liabilities**	**Total**
2	Total capital and liabilities net of credit risk mitigation	**5,827**	**5,810**	**10**	**9,755**	**36,394**	**57,796**
3	Subset of row 2 that are excluded liabilities	**—**	**—**	**—**	**—**	**708**	**708**
4	Total capital and liabilities less excluded liabilities	**5,827**	**5,810**	**10**	**9,755**	**35,685**	**57,087**
5	Subset of row 4 that are potentially eligible as TLAC	**5,827**	**5,810**	**10**	**9,755**	**33,148**	**54,550**
6	Subset of row 5 with 1 year ≤ residual maturity < 2 years	**—**	**—**	**—**	**—**	**6,583**	**6,583**
7	Subset of row 5 with 2 years ≤ residual maturity < 5 years	**—**	**—**	**—**	**—**	**14,124**	**14,124**
8	Subset of row 5 with 5 years ≤ residual maturity < 10 years	**—**	**—**	**—**	**6,619**	**10,054**	**16,673**
9	Subset of row 5 with residual maturity ≥ 10 years, but excluding perpetual securities	**—**	**—**	**—**	**3,137**	**2,387**	**5,524**
10	Subset of row 5 that are perpetual securities	**5,827**	**5,810**	**10**	**—**	**—**	**11,647**
		31 Dec 2025					
2	Total capital and liabilities net of credit risk mitigation	5,889	6,148	10	10,289	31,744	54,080
3	Subset of row 2 that are excluded liabilities	—	—	—	—	109	109
4	Total capital and liabilities less excluded liabilities	5,889	6,148	10	10,289	31,636	53,972
5	Subset of row 4 that are potentially eligible as TLAC	5,889	6,148	10	10,289	31,343	53,679
6	Subset of row 5 with 1 year ≤ residual maturity < 2 years	—	—	—	—	5,216	5,216
7	Subset of row 5 with 2 years ≤ residual maturity < 5 years	—	—	—	—	16,395	16,395
8	Subset of row 5 with 5 years ≤ residual maturity < 10 years	—	—	—	5,646	7,882	13,528
9	Subset of row 5 with residual maturity ≥ 10 years, but excluding perpetual securities	—	—	—	3,530	1,850	5,380
10	Subset of row 5 that are perpetual securities	5,889	6,148	10	—	—	12,047

OWN FUNDS (Continued)

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

	30 Jun 2026												
	General credit exposures[2,3]		Relevant credit exposures - Market risk[2]		Securitisation exposures[3]		Own fund requirements - relevant credit exposures						
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Exposure value for non-trading book	Total exposure value	Credit risk[2,3]	Market risk[2]	Securitisation positions in the non-trading book[3]	Total	Risk-weighted exposure amounts	Own fund requirements weights	Counter-cyclical buffer rate
Breakdown by Country	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	%	%
United Kingdom	32,048	497,418	49	18	38,959	568,492	12,953	6	611	13,570	169,624	86.87	2.00
Australia	17	226	—	—	—	243	4	—	—	4	49	0.02	1.00
Belgium	11	6	3	1	—	21	1	—	—	1	18	0.01	1.00
Cyprus	151	—	—	—	—	151	12	—	—	12	150	0.08	1.50
Czech Republic	72	—	—	—	—	72	6	—	—	6	72	0.04	1.25
Denmark	18	6	—	—	—	24	2	—	—	2	23	0.01	2.50
France	169	584	19	7	254	1,033	35	2	7	44	552	0.28	1.00
Germany	1,316	610	38	15	1,343	3,322	88	5	13	106	1,320	0.68	0.75
Hong Kong	44	50	—	—	—	94	2	—	—	2	28	0.01	0.50
Ireland	245	543	—	—	21	809	42	—	—	42	525	0.27	1.50
South Korea	3	306	—	—	—	309	8	—	—	8	105	0.05	1.00
Luxembourg	36	5,685	4	1	—	5,726	132	—	—	132	1,655	0.85	0.50
Netherlands	1,018	21,220	1	1	132	22,372	281	—	1	282	3,526	1.81	2.00
Norway	19	—	—	—	—	19	1	—	—	1	18	0.01	2.50
South Africa	5	—	—	—	—	5	—	—	—	—	2	0.00	1.00
Spain	30	211	—	—	—	241	10	—	—	10	127	0.06	0.50
Sweden	—	3	—	—	—	3	1	—	—	1	10	0.01	2.00
i) Total[1]	35,202	526,868	114	43	40,709	602,936	13,578	13	632	14,223	177,804	91.06	
United States of America	2,103	20,843	201	76	6,546	29,769	799	24	85	908	11,352	5.81	
ii) Total[1]	2,103	20,843	201	76	6,546	29,769	799	24	85	908	11,352	5.81	
iii) Rest of the World[1]	3,120	10,558	114	41	191	14,024	473	14	4	491	6,117	3.13	
Total	40,425	558,269	429	160	47,446	646,729	14,850	51	721	15,622	195,273	100.00	

OWN FUNDS (Continued)

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

	31 Dec 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	32,099	490,679	121	63	32,931	555,893	12,783	19	564	13,366	167,079	87.83	2.00
Australia	19	402	—	—	—	421	8	—	—	8	101	0.05	1.00
Belgium	28	6	—	—	—	34	1	—	—	1	14	0.01	1.00
Cyprus	114	1	—	—	—	115	9	—	—	9	114	0.06	1.00
Denmark	29	6	—	—	—	35	3	—	—	3	34	0.02	2.50
France	138	495	37	19	264	953	26	6	7	39	486	0.26	1.00
Germany	1,299	545	25	13	1,513	3,395	93	4	15	112	1,395	0.73	0.75
Hong Kong	47	51	—	—	—	98	2	—	—	2	30	0.02	0.50
Ireland	179	461	—	—	39	679	34	—	—	34	431	0.23	1.50
South Korea	3	260	—	—	—	263	8	—	—	8	94	0.05	1.00
Luxembourg	24	5,618	7	4	—	5,653	123	1	—	124	1,552	0.82	0.50
Netherlands	841	20,333	—	—	134	21,308	256	—	1	257	3,216	1.69	2.00
Norway	21	50	—	—	—	71	5	—	—	5	65	0.03	2.50
Spain	108	164	—	—	—	272	16	—	—	16	203	0.11	0.50
Sweden	—	6	—	—	—	6	1	—	—	1	13	0.01	2.00
i) Total[1][1]	34,949	519,077	190	99	34,881	589,196	13,368	30	587	13,985	174,827	91.92	
United States of America	1,823	17,979	116	61	6,581	26,560	660	18	86	764	9,549	5.02	
ii) Total[1]	1,823	17,979	116	61	6,581	26,560	660	18	86	764	9,549	5.02	
iii) Rest of the World[1]	2,784	9,807	76	41	172	12,880	453	11	5	469	5,854	3.06	
Total	39,556	546,863	382	201	41,634	628,636	14,481	59	678	15,218	190,230	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 (IRC).

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

OWN FUNDS (Continued)

CCyB2: Amount of institution-specific countercyclical capital buffer

		30 Jun 2026	31 Dec 2025
1	Total risk exposure amount	**£241,783m**	£235,513m
2	Institution specific countercyclical capital buffer rate	**1.79%**	1.81%
3	Institution specific countercyclical capital buffer requirement	**£4,335m**	£4,263m

LEVERAGE

LR2: Leverage ratio common disclosure

		30 Jun 2026 £m	31 Dec 2025 £m
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)[1]	**665,585**	638,725
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	**2,516**	2,955
3	Deductions of receivables assets for cash variation margin provided in derivatives transactions	**(5,186)**	(5,554)
6	Asset amounts deducted in determining tier 1 capital (leverage)	**(12,583)**	(12,622)
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	**650,332**	623,504
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	**10,827**	11,110
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	**11,827**	11,010
11	Adjusted effective notional amount of written credit derivatives	**429**	157
12	Adjusted effective notional offsets and add-on deductions for written credit derivatives	**(359)**	(77)
13	Total derivatives exposures	**22,724**	22,200
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	**106,966**	106,337
15	Netted amounts of cash payables and cash receivables of gross SFT assets	**(31,609)**	(34,370)
16	Counterparty credit risk exposure for SFT assets	**2,463**	2,489
18	Total securities financing transaction exposures	**77,820**	74,456
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	**173,195**	161,247
20	Adjustments for conversion to credit equivalent amounts	**(124,477)**	(116,672)
21	General provisions deducted in determining tier 1 capital (leverage) and specific provisions associated with off-balance sheet exposures	**(159)**	(165)
22	Off-balance sheet exposures	**48,559**	44,410
Capital and total exposure measure			
23	**Tier 1 capital (leverage)**	**37,587**	38,053
24	Total exposure measure including claims on central banks	**799,435**	764,570
UK-24a	(-) Claims on central banks excluded	**(61,316)**	(56,231)
UK-24b	Total exposure measure excluding claims on central banks	**738,119**	708,339
Leverage ratio			
25	Leverage ratio excluding claims on central banks (%)	**5.1%**	5.4%
UK-25c	Leverage ratio including claims on central banks (%)	**4.7%**	5.0%
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	**81,730**	77,828
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	**75,357**	71,967
UK-31	Average total exposure measure including claims on central banks	**796,623**	774,604
UK-32	Average total exposure measure excluding claims on central banks	**736,681**	713,268
UK-33	Average leverage ratio including claims on central banks	**4.7%**	4.9%
UK-34	Average leverage ratio excluding claims on central banks	**5.1%**	5.3%

[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 2026 was 1.2 per cent (31 December 2025: 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 2026	31 Dec 2025
		£m	£m
1	Total assets as per published financial statements	**994,157**	944,072
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	**(225,802)**	(210,617)
4	Adjustment for exemption of exposures to central banks	**(61,316)**	(56,231)
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	**(4,692)**	(871)
8	Adjustment for derivative financial instruments	**(1,117)**	(283)
9	Adjustment for securities financing transactions (SFTs)	**2,463**	2,489
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)[1]	**48,718**	44,575
11	Adjustment for items and specific and general provisions which have reduced tier 1 capital (leverage)	**(12,742)**	(12,787)
12	Other adjustments[2]	**(1,550)**	(2,008)
13	**Total exposure measure**	**738,119**	708,339

[1] Gross of specific provisions. The amount net of specific provisions at 30 June 2026 is £48,559 million (31 December 2025: £44,410 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 2026	31 Dec 2025
		£m	£m
UK-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	**665,585**	638,725
UK-2	**Trading book exposures**	**7,585**	4,556
UK-3	**Banking book exposures, of which:**	**658,000**	634,169
UK-4	Covered bonds	**4,178**	3,088
UK-5	Exposures treated as sovereigns	**104,172**	95,636
UK-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	**3,807**	3,578
UK-7	Institutions	**6,544**	5,616
UK-8	Secured by mortgages of immovable properties	**362,455**	359,533
UK-9	Retail exposures	**48,918**	46,370
UK-10	Corporates	**61,985**	60,147
UK-11	Exposures in default	**5,093**	5,514
UK-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	**60,848**	54,687

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 2026														
		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					
		£m	Of which stage 1 £m	Of which stage 2 £m	£m	Of which stage 2 £m	Of which stage 3 £m	£m	Of which stage 1 £m	Of which stage 2 £m	£m	Of which stage 2 £m	Of which stage 3 £m	Accumulated partial write-off £m	On performing exposures £m	On non-performing exposures £m
005	**Cash balances at central banks and other demand deposits**	**59,400**	**59,400**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
010	**Loans and advances**	**551,149**	**506,300**	**40,317**	**8,258**	**583**	**6,254**	**(1,723)**	**(740)**	**(975)**	**(1,224)**	**(55)**	**(1,056)**	**(503)**	**388,542**	**5,653**
020	Central banks	**1,780**	**1,780**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
030	General governments	**1,134**	**1,121**	**1**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**859**	**—**
040	Credit institutions	**19,620**	**19,620**	**—**	**—**	**—**	**—**	**(1)**	**(1)**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
050	Other financial corporations	**73,921**	**72,622**	**54**	**27**	**2**	**25**	**(10)**	**(8)**	**(2)**	**(17)**	**—**	**(17)**	**—**	**239**	**1**
060	Non-financial corporations	**65,508**	**59,786**	**5,522**	**1,740**	**121**	**1,619**	**(384)**	**(144)**	**(240)**	**(398)**	**(10)**	**(388)**	**(503)**	**30,591**	**448**
070	Of which SMEs	**25,366**	**22,396**	**2,970**	**971**	**121**	**850**	**(107)**	**(36)**	**(71)**	**(90)**	**(10)**	**(80)**	**—**	**14,392**	**323**
080	Households	**389,186**	**351,371**	**34,740**	**6,491**	**460**	**4,610**	**(1,328)**	**(587)**	**(733)**	**(809)**	**(45)**	**(651)**	**—**	**356,853**	**5,204**
090	**Debt securities**	**59,314**	**56,604**	**—**	**1,223**	**—**	**1**	**(8)**	**(8)**	**—**	**(830)**	**—**	**(1)**	**—**	**—**	**—**
100	Central banks	**180**	**180**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
110	General governments	**36,645**	**36,641**	**—**	**—**	**—**	**—**	**(2)**	**(2)**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
120	Credit institutions	**9,936**	**9,936**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
130	Other financial corporations	**10,963**	**9,842**	**—**	**62**	**—**	**—**	**(6)**	**(6)**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
140	Non-financial corporations	**1,590**	**5**	**—**	**1,161**	**—**	**1**	**—**	**—**	**—**	**(830)**	**—**	**(1)**	**—**	**—**	**—**
150	**Off-balance-sheet exposures**	**170,901**	**167,711**	**3,175**	**352**	**274**	**78**	**(195)**	**(120)**	**(75)**	**(10)**	**(5)**	**(5)**		**11,486**	**2**
170	General governments	**1,078**	**1,078**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**		**311**	**—**
180	Credit institutions	**1,269**	**1,269**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**		**1,013**	**—**
190	Other financial corporations	**30,912**	**30,890**	**22**	**—**	**—**	**—**	**(3)**	**(2)**	**(1)**	**—**	**—**	**—**		**2,824**	**—**
200	Non-financial corporations	**48,710**	**47,331**	**1,379**	**152**	**136**	**16**	**(54)**	**(30)**	**(24)**	**(5)**	**—**	**(5)**		**7,338**	**2**
210	Households	**88,932**	**87,143**	**1,774**	**200**	**138**	**62**	**(138)**	**(88)**	**(50)**	**(5)**	**(5)**	**—**		**—**	**—**
220	**Total**	**840,764**	**790,015**	**43,492**	**9,833**	**857**	**6,333**	**(1,926)**	**(868)**	**(1,050)**	**(2,064)**	**(60)**	**(1,062)**	**(503)**	**400,028**	**5,655**

CREDIT RISK (Continued)

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

		31 Dec 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					
			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	Accumulated partial write-off	On performing exposures	On non-performing exposures
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
005	Cash balances at central banks and other demand deposits	53,869	53,869	—	—	—	—	—	—	—	—	—	—	—	—	—
010	Loans and advances	536,966	489,636	41,947	9,038	735	6,525	(1,776)	(738)	(1,029)	(1,235)	(48)	(1,037)	(443)	385,529	6,196
020	Central banks	1,745	1,745	—	—	—	—	—	—	—	—	—	—	—	—	—
030	General governments	1,050	1,026	11	—	—	—	(1)	—	(1)	—	—	—	—	798	—
040	Credit institutions	16,632	16,628	4	—	—	—	(1)	(1)	—	—	—	—	—	—	—
050	Other financial corporations	71,310	69,552	153	27	1	26	(14)	(11)	(3)	(18)	—	(18)	—	257	1
060	Non-financial corporations	61,959	56,673	4,977	1,974	243	1,731	(443)	(167)	(276)	(372)	—	(372)	(443)	31,146	476
070	Of which SMEs	25,175	22,378	2,797	1,048	179	869	(138)	(45)	(93)	(77)	—	(77)	—	14,842	331
080	Households	384,270	344,012	36,802	7,037	491	4,768	(1,317)	(559)	(749)	(845)	(48)	(647)	—	353,328	5,719
090	Debt securities	52,507	49,769	—	1,239	—	1	(5)	(5)	—	(833)	—	(1)	—	—	—
100	Central banks	142	142	—	—	—	—	—	—	—	—	—	—	—	—	—
110	General governments	32,675	32,664	—	—	—	—	(1)	(1)	—	—	—	—	—	—	—
120	Credit institutions	8,626	8,626	—	—	—	—	—	—	—	—	—	—	—	—	—
130	Other financial corporations	9,450	8,332	—	114	—	—	(4)	(4)	—	—	—	—	—	—	—
140	Non-financial corporations	1,614	5	—	1,125	—	1	—	—	—	(833)	—	(1)	—	—	—
150	Off-balance-sheet exposures	158,626	155,014	3,592	553	492	61	(191)	(113)	(78)	(6)	(5)	(1)		8,189	3
170	General governments	632	565	67	—	—	—	(4)	—	(4)	—	—	—		68	—
180	Credit institutions	1,660	1,660	—	—	—	—	—	—	—	—	—	—		1,518	—
190	Other financial corporations	27,010	26,969	41	—	—	—	(2)	(2)	—	—	—	—		1,836	—
200	Non-financial corporations	44,365	43,274	1,091	364	355	9	(45)	(27)	(18)	(1)	—	(1)		4,767	3
210	Households	84,959	82,546	2,393	189	137	52	(140)	(84)	(56)	(5)	(5)	—		—	—
220	Total	801,968	748,288	45,539	10,830	1,227	6,587	(1,972)	(856)	(1,107)	(2,074)	(53)	(1,039)	(443)	393,718	6,199

[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 2026					
		Net exposure value					
		On demand	**<= 1 year**	**> 1 year <= 5 years**	**> 5 years**	**No stated maturity**	**Total**
		£m	**£m**	**£m**	**£m**	**£m**	**£m**
1	Loans and advances	**26,784**	**75,589**	**104,395**	**349,238**	**454**	**556,460**
2	Debt securities	**—**	**4,066**	**23,969**	**31,663**	**2**	**59,700**
3	**Total**	**26,784**	**79,655**	**128,364**	**380,901**	**456**	**616,160**

		31 Dec 2025					
		£m	£m	£m	£m	£m	£m
1	Loans and advances	23,849	75,229	98,520	344,940	454	542,992
2	Debt securities	3	5,767	22,452	24,684	2	52,908
3	Total	23,852	80,996	120,972	369,624	456	595,900

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

		Gross carrying amount
		£m
010	Initial stock of non-performing loans and advances at 31 December 2025	**9,038**
020	Inflows to non-performing portfolios	**1,946**
030	Outflows from non-performing portfolios	**(2,726)**
040	Outflows due to write-offs	**(743)**
050	Outflow due to other situations	**(1,983)**
060	**Final stock of non-performing loans and advances at 30 June 2026**	**8,258**

CREDIT RISK (Continued)

CQ1: Credit quality of forborne exposures

		30 Jun 2026							
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
			Non-performing forborne						
		Performing forborne		Of which defaulted	Of which impaired	On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
		£m	£m	£m	£m	£m	£m	£m	£m
010	**Loans and advances**	**1,551**	**4,430**	**4,039**	**4,039**	**(26)**	**(701)**	**3,541**	**2,510**
040	Credit institutions	—	—	—	—	—	—	—	—
050	Other financial corporations	**28**	**27**	**25**	**25**	—	**(17)**	**4**	**1**
060	Non-financial corporations	**445**	**1,740**	**1,619**	**1,619**	—	**(385)**	**559**	**448**
070	Households	**1,078**	**2,663**	**2,395**	**2,395**	**(26)**	**(299)**	**2,978**	**2,061**
080	**Debt Securities**	—	—	—	—	—	—	—	—
090	**Loan commitments given**	**154**	**269**	**78**	**78**	**(2)**	**(8)**	**2**	**2**
100	**Total**	**1,705**	**4,699**	**4,117**	**4,117**	**(28)**	**(709)**	**3,543**	**2,512**

		31 Dec 2025							
		£m	£m	£m	£m	£m	£m	£m	£m
010	Loans and advances	1,616	4,623	4,245	4,245	(26)	(660)	3,538	2,528
040	Credit institutions	—	—	—	—	—	—	—	—
050	Other financial corporations	53	26	26	26	—	(18)	5	—
060	Non-financial corporations	543	1,833	1,730	1,730	(2)	(355)	502	361
070	Households	1,020	2,764	2,489	2,489	(24)	(287)	3,031	2,167
080	Debt Securities	—	—	—	—	—	—	—	—
090	Loan commitments given	153	462	54	398	(2)	(4)	—	—
100	Total	1,769	5,085	4,299	4,643	(28)	(664)	3,538	2,528

CREDIT RISK (Continued)

CQ4: Quality of non-performing exposures by geography

		30 Jun 2026[2]				
		Gross carrying/nominal amount				
		Total performing and non-performing	Of which defaulted	Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		£m	£m	£m	£m	£m
010	**On-balance-sheet exposures**	**619,944**	**7,695**	**(2,957)**		**(828)**
020	France	**7,227**	—	—		—
030	Luxembourg	**5,743**	—	**(4)**		—
040	Netherlands	**21,091**	**21**	**(23)**		—
050	Other Countries (MDB)[1]	**9,435**	—	—		—
060	United Kingdom	**512,632**	**7,555**	**(2,818)**		**(828)**
070	United States	**27,744**	**8**	**(26)**		—
080	Other countries	**36,072**	**111**	**(86)**		—
090	**Off-balance-sheet exposures**	**171,253**	**78**		**(206)**	
100	France	**725**	—		—	
110	Luxembourg	**2,197**	—		—	
120	Netherlands	**2,186**	—		**(1)**	
130	Other Countries (MDB)[1]	—	—		—	
140	United Kingdom	**135,172**	**71**		**(193)**	
150	United States	**20,100**	**7**		**(8)**	
160	Other countries	**10,873**	—		**(4)**	
170	**Total**	**791,197**	**7,773**	**(2,957)**	**(206)**	**(828)**

		31 Dec 2025[2]				
		£m	£m	£m	£m	£m
010	On-balance-sheet exposures	599,750	8,358	(3,018)		(832)
030	Netherlands	20,077	22	(19)		—
040	Other Countries (MDB)[1]	8,358	—	—		—
050	United Kingdom	508,586	8,178	(2,875)		(832)
060	United States	22,370	—	(27)		—
070	Other countries	40,359	158	(97)		—
080	Off-balance-sheet exposures	159,179	61		(197)	
100	Netherlands	2,320	—		(1)	
110	Other Countries (MDB)[1]	—	—		—	
120	United Kingdom	129,187	54		(186)	
130	United States	15,692	7		(7)	
140	Other countries	11,980	—		(3)	
150	Total	758,929	8,419	(3,018)	(197)	(832)

[1] Exposures to multilateral development banks.

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

CREDIT RISK (Continued)

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

		30 Jun 2026			
		Gross carrying amount			
			Of which defaulted	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		£m	£m	£m	£m
010	Agriculture, forestry and fishing	**5,753**	**222**	**(46)**	—
020	Mining and quarrying	**272**	**2**	**(12)**	—
030	Manufacturing	**5,761**	**51**	**(53)**	—
040	Electricity, gas, steam and air conditioning supply	**5,935**	**9**	**(22)**	—
050	Water supply	**698**	**2**	**(3)**	—
060	Construction	**3,338**	**166**	**(86)**	—
070	Wholesale and retail trade	**7,122**	**135**	**(78)**	—
080	Transport and storage	**2,064**	**16**	**(14)**	—
090	Accommodation and food service activities	**1,968**	**83**	**(32)**	—
100	Information and communication	**3,748**	**400**	**(165)**	—
110	Financial and insurance activities				
120	Real estate activities	**19,436**	**308**	**(148)**	—
130	Professional, scientific and technical activities	**2,512**	**57**	**(39)**	—
140	Administrative and support service activities	**2,554**	**19**	**(14)**	—
150	Public administration and defence, compulsory social security	**8**	—	—	—
160	Education	**1,014**	**43**	**(20)**	—
170	Human health services and social work activities	**3,511**	**57**	**(26)**	—
180	Arts, entertainment and recreation	**405**	**30**	**(8)**	—
190	Other services	**1,149**	**19**	**(16)**	—
200	**Total**	**67,248**	**1,619**	**(782)**	—

		31 Dec 2025			
		£m	£m	£m	£m
010	Agriculture, forestry and fishing	5,865	230	(50)	—
020	Mining and quarrying	314	8	(17)	—
030	Manufacturing	5,197	101	(44)	—
040	Electricity, gas, steam and air conditioning supply	4,971	2	(20)	—
050	Water supply	661	2	(7)	—
060	Construction	3,248	164	(94)	—
070	Wholesale and retail trade	6,184	158	(75)	—
080	Transport and storage	2,198	23	(20)	—
090	Accommodation and food service activities	1,945	77	(36)	—
100	Information and communication	3,231	399	(150)	—
110	Financial and insurance activities				
120	Real estate activities	19,285	298	(178)	—
130	Professional, scientific and technical activities	2,487	50	(42)	—
140	Administrative and support service activities	2,637	56	(16)	—
150	Public administration and defence, compulsory social security	10	—	—	—
160	Education	1,010	17	(18)	—
170	Human health services and social work activities	3,373	50	(27)	—
180	Arts, entertainment and recreation	320	31	(7)	—
190	Other services	997	64	(14)	—
200	Total	63,933	1,730	(815)	—

CREDIT RISK (Continued)

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

	30 Jun 2026				
	Unsecured carrying amount	**Secured carrying amount**	**Of which secured by collateral**	**Of which secured by financial guarantees**	**Of which secured by credit derivatives**
	£m	**£m**	**£m**	**£m**	**£m**
Loans and advances	**162,265**	**394,195**	**390,106**	**4,089**	**131**
Debt securities	**59,699**	**—**	**—**	**—**	
Total	**221,964**	**394,195**	**390,106**	**4,089**	**131**
Of which non-performing exposures	**1,774**	**5,653**	**5,525**	**128**	**—**
Of which defaulted	**250**	**5,391**			

	31 Dec 2025				
	£m	£m	£m	£m	£m
Loans and advances	151,268	391,724	387,728	3,996	—
Debt securities	52,908	—	—	—	
Total	204,176	391,724	387,728	3,996	—
Of which non-performing exposures	2,013	6,196	6,049	147	—
Of which defaulted	392	5,898			

CREDIT RISK (Continued)

CR4: Standardised approach – Credit risk exposure and CRM effects

		30 Jun 2026					
		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density[1]	
	Exposure classes	On-balance-sheet exposures £m	Off-balance-sheet exposures £m	On-balance-sheet exposures £m	Off-balance-sheet exposures £m	RWAs £m	RWAs density %
1	Central governments or central banks	**82,838**	**407**	**85,547**	**1,259**	**995**	**1**
2	Regional government or local authorities	**1,400**	**—**	**1,400**	**—**	**101**	**7**
3	Public sector entities	**2,407**	**—**	**2,407**	**—**	**9**	**—**
4	Multilateral development banks	**9,435**	**—**	**9,435**	**—**	**—**	**—**
5	International organisations	**1,176**	**—**	**1,176**	**—**	**—**	**—**
6	Institutions	**418**	**1**	**548**	**890**	**188**	**13**
7	Corporates	**5,351**	**8,039**	**5,819**	**2,646**	**6,709**	**79**
8	Retail	**13,536**	**19,542**	**13,454**	**90**	**9,800**	**72**
9	Secured by mortgages on immovable property	**10,982**	**827**	**10,982**	**553**	**4,082**	**35**
10	Exposures in default	**1,156**	**20**	**1,132**	**1**	**1,298**	**115**
13	Institutions and corporates with a short-term credit assessment	**—**	**—**	**—**	**—**	**—**	**—**
14	Collective investment undertakings	**1,769**	**22**	**1,769**	**22**	**1,877**	**105**
16	Other items	**3,292**	**—**	**3,292**	**—**	**2,781**	**84**
17	**Total**	**133,760**	**28,858**	**136,961**	**5,461**	**27,840**	**20**
		31 Dec 2025					
		£m	£m	£m	£m	£m	%
1	Central governments or central banks	76,467	178	79,656	836	1,271	2
2	Regional government or local authorities	708	—	708	—	14	2
3	Public sector entities	2,870	—	2,870	—	181	6
4	Multilateral development banks	8,983	—	8,983	—	—	—
5	International organisations	797	—	797	—	—	—
6	Institutions	457	1	499	79	126	22
7	Corporates	4,188	6,146	4,361	2,090	5,351	83
8	Retail	13,060	19,381	12,926	69	9,474	73
9	Secured by mortgages on immovable property	12,494	881	12,494	546	4,590	35
10	Exposures in default	1,404	270	1,374	24	1,562	112
13	Institutions and corporates with a short-term credit assessment	—	—	—	—	—	—
14	Collective investment undertakings	1,820	11	1,820	11	1,883	103
16	Other items	3,212	—	3,212	—	2,714	84
17	Total	126,460	26,868	129,700	3,655	27,166	20

[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 2026																
		Risk weight																
		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others	Total	Of which unrated
	Exposure classes	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
1	Central governments or central banks	**86,402**	—	—	—	—	—	—	—	—	**11**	—	**393**	—	—	—	**86,806**	—
2	Regional government or local authorities	**894**	—	—	—	**506**	—	—	—	—	—	—	—	—	—	—	**1,400**	—
3	Public sector entities	**2,362**	—	—	—	**45**	—	—	—	—	—	—	—	—	—	—	**2,407**	—
4	Multilateral development banks	**9,435**	—	—	—	—	—	—	—	—	—	—	—	—	—	—	**9,435**	—
5	International organisations	**1,176**	—	—	—	—	—	—	—	—	—	—	—	—	—	—	**1,176**	—
6	Institutions	—	—	**879**	—	**423**	—	**135**	—	—	**1**	—	—	—	—	—	**1,438**	—
7	Corporates	—	—	—	—	**943**	—	**1,651**	—	—	**5,811**	**61**	—	—	—	—	**8,465**	**5,802**
8	Retail exposures	—	—	—	—	—	—	—	—	**13,545**	—	—	—	—	—	—	**13,545**	**13,545**
9	Exposures secured by mortgages on immovable property	—	—	—	—	—	**11,392**	—	—	**64**	**79**	—	—	—	—	—	**11,535**	**11,535**
10	Exposures in default	—	—	—	—	—	—	—	—	—	**802**	**331**	—	—	—	—	**1,133**	**1,133**
13	Exposures to institutions and corporates with a short-term credit assessment	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14	Units or shares in collective investment undertakings	**24**	—	—	—	**577**	—	—	—	—	**103**	**1,062**	—	—	**3**	**22**	**1,790**	**1,214**
16	Other items	**85**	—	—	—	**532**	—	—	—	—	**2,675**	—	—	—	—	—	**3,292**	**3,292**
17	**Total**	**100,378**	—	**879**	—	**3,026**	**11,392**	**1,786**	—	**13,609**	**9,482**	**1,454**	**393**	—	**3**	**22**	**142,422**	**36,521**

		31 Dec 2025																
	Exposure classes	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1	Central governments or central banks	79,977	—	—	—	—	—	—	—	—	9	—	505	—	—	—	80,492	—
2	Regional government or local authorities	639	—	—	—	69	—	—	—	—	—	—	—	—	—	—	708	—
3	Public sector entities	1,966	—	—	—	904	—	—	—	—	—	—	—	—	—	—	2,870	—
4	Multilateral development banks	8,983	—	—	—	—	—	—	—	—	—	—	—	—	—	—	8,983	—
5	International organisations	797	—	—	—	—	—	—	—	—	—	—	—	—	—	—	797	—
6	Institutions	—	—	120	—	360	—	97	—	—	—	—	—	—	—	—	578	—
7	Corporates	—	—	—	—	433	—	1,164	—	—	4,818	37	—	—	—	—	6,452	4,652
8	Retail exposures	—	—	—	—	—	—	—	—	12,995	—	—	—	—	—	—	12,995	12,995
9	Exposures secured by mortgages on immovable property	—	—	—	—	—	12,943	—	—	37	60	—	—	—	—	—	13,040	13,040
10	Exposures in default	—	—	—	—	—	—	—	—	—	1,071	327	—	—	—	—	1,398	1,398
13	Exposures to institutions and corporates with a short-term credit assessment	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14	Units or shares in collective investment undertakings	47	—	—	—	574	—	16	—	—	114	1,066	—	—	3	11	1,830	1,241
16	Other items	189	—	—	—	386	—	—	—	—	2,637	—	—	—	—	—	3,212	3,212
17	Total	92,598	—	120	—	2,726	12,943	1,277	—	13,032	8,709	1,430	505	—	3	11	133,355	36,538

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 post 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 pre CRD IV models have not been recalibrated or changed to reflect the desired capital outcome (SS 11/13 191.7(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.

CREDIT RISK (Continued)

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

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
	30 Jun 2026											
	£m	£m	%	£m	%		%		£m	%	£m	£m
0.00 to <0.15	**9,239**	**355**	**75.0**	**9,187**	**0.01**	**15**	**45.0**	**0.9**	**326**	**3.5**	**—**	**—**
0.00 to <0.10	**9,239**	**355**	**75.0**	**9,187**	**0.01**	**15**	**45.0**	**0.9**	**326**	**3.5**	**—**	**—**
0.25 to <0.50	**—**	**—**	**—**	**—**	**0.42**	**1**	**45.0**	**5.0**	**—**	**97.8**	**—**	**—**
2.50 to <10.00	**30**	**109**	**—**	**—**	**—**	**3**	**—**	**—**	**—**	**—**	**—**	**—**
2.50 to <5.00	**15**	**74**	**—**	**—**	**—**	**1**	**—**	**—**	**—**	**—**	**—**	**—**
5.00 to <10.00	**15**	**35**	**—**	**—**	**—**	**2**	**—**	**—**	**—**	**—**	**—**	**—**
10.00 to <100.00	**88**	**213**	**—**	**—**	**—**	**3**	**—**	**—**	**—**	**—**	**—**	**—**
10.00 to <20.00	**88**	**213**	**—**	**—**	**—**	**3**	**—**	**—**	**—**	**—**	**—**	**—**
Subtotal (Exposure Class)	**9,357**	**677**	**75.0**	**9,187**	**0.01**	**22**	**45.0**	**0.9**	**326**	**3.5**	**—**	**—**
	31 Dec 2025											
	£m	£m	%	£m	%		%		£m	%	£m	£m
0.00 to <0.15	7,902	262	74.9	7,764	0.01	16	45.0	0.3	110	1.4	—	—
0.00 to <0.10	7,902	262	74.9	7,764	0.01	16	45.0	0.3	110	1.4	—	—
0.25 to <0.50	—	—	—	—	0.42	1	45.0	5.0	—	97.8	—	—
2.50 to <10.00	17	73	—	—	—	2	—	—	—	—	—	—
2.50 to <5.00	17	73	—	—	—	2	—	—	—	—	—	—
5.00 to <10.00	—	—	—	—	—	—	—	—	—	—	—	—
10.00 to <100.00	66	101	—	—	—	1	—	—	—	—	—	—
10.00 to <20.00	66	101	—	—	—	1	—	—	—	—	—	—
Subtotal (Exposure Class)	7,985	436	74.9	7,764	0.01	20	45.0	0.3	110	1.4	—	—

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

PD range	30 Jun 2026											
	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
	£m	£m	%	£m	%		%		£m	%	£m	£m
0.00 to <0.15	**9,664**	**1,304**	**43.4**	**10,383**	**0.05**	**800**	**35.2**	**1.4**	**1,430**	**13.8**	**2**	**—**
0.00 to <0.10	**8,648**	**1,036**	**48.9**	**9,314**	**0.05**	**668**	**36.3**	**1.3**	**1,239**	**13.3**	**2**	**—**
0.10 to <0.15	**1,016**	**268**	**19.8**	**1,069**	**0.11**	**132**	**26.1**	**1.8**	**191**	**17.9**	**—**	**—**
0.15 to <0.25	**213**	**179**	**23.8**	**255**	**0.18**	**59**	**23.3**	**1.6**	**57**	**22.1**	**—**	**—**
0.25 to <0.50	**64**	**69**	**73.7**	**79**	**0.39**	**91**	**27.0**	**2.3**	**31**	**39.1**	**—**	**—**
0.50 to <0.75	**63**	**37**	**4.2**	**65**	**0.63**	**38**	**42.8**	**1.2**	**63**	**97.1**	**—**	**—**
0.75 to <2.50	**139**	**13**	**24.2**	**96**	**1.10**	**96**	**40.7**	**1.2**	**102**	**106.0**	**1**	**—**
0.75 to <1.75	**139**	**13**	**24.2**	**96**	**1.10**	**90**	**40.7**	**1.2**	**102**	**106.0**	**1**	**—**
1.75 to <2.50	**—**	**—**	**—**	**—**	**1.90**	**6**	**41.9**	**1.4**	**—**	**121.7**	**—**	**—**
2.50 to <10.00	**1**	**1,000**	**75.0**	**751**	**2.60**	**28**	**—**	**1.0**	**1**	**0.2**	**—**	**—**
2.50 to <5.00	**1**	**1,000**	**75.0**	**751**	**2.60**	**22**	**—**	**1.0**	**1**	**0.1**	**—**	**—**
5.00 to <10.00	**—**	**—**	**—**	**—**	**7.60**	**6**	**43.1**	**1.2**	**—**	**230.9**	**—**	**—**
10.00 to <100.00	**—**	**—**	**—**	**—**	**29.74**	**5**	**45.0**	**1.0**	**—**	**335.6**	**—**	**—**
10.00 to <20.00	**—**	**—**	**—**	**—**	**12.00**	**2**	**45.0**	**1.0**	**—**	**290.5**	**—**	**—**
30.00 to <100.00	**—**	**—**	**—**	**—**	**31.00**	**3**	**45.0**	**1.0**	**—**	**338.8**	**—**	**—**
Subtotal (Exposure Class)	**10,144**	**2,602**	**53.9**	**11,629**	**0.23**	**1,117**	**32.7**	**1.3**	**1,684**	**14.5**	**3**	**—**

	31 Dec 2025											
	£m	£m	%	£m	%		%		£m	%	£m	£m
0.00 to <0.15	7,618	1,298	49.3	8,378	0.06	800	34.2	1.2	1,092	13.0	2	—
0.00 to <0.10	6,295	1,082	54.4	7,012	0.05	658	35.0	1.2	828	11.8	1	—
0.10 to <0.15	1,323	216	20.1	1,366	0.11	142	30.1	1.4	264	19.3	1	—
0.15 to <0.25	329	239	21.3	381	0.18	57	30.3	1.6	122	31.9	—	—
0.25 to <0.50	4	79	71.1	60	0.37	88	32.0	1.6	29	47.4	—	—
0.50 to <0.75	2	8	10.2	3	0.63	31	44.8	1.4	2	91.9	—	—
0.75 to <2.50	211	63	37.7	197	1.03	88	42.2	1.0	199	100.7	1	1
0.75 to <1.75	211	63	37.7	197	1.03	80	42.2	1.0	199	100.7	1	1
1.75 to <2.50	—	—	—	—	1.90	8	41.7	1.4	—	120.8	—	—
2.50 to <10.00	16	1,501	75.0	1,141	2.61	32	0.6	1.0	30	2.7	—	—
2.50 to <5.00	16	1,501	75.0	1,141	2.61	28	0.6	1.0	30	2.7	—	—
5.00 to <10.00	—	—	—	—	8.12	4	45.0	1.1	—	235.2	—	—
10.00 to <100.00	—	—	—	—	29.68	6	45.0	1.0	—	325.7	—	—
10.00 to <20.00	—	—	—	—	12.00	3	45.0	1.0	—	260.5	—	—
30.00 to <100.00	—	—	—	—	31.00	3	45.0	1.0	—	330.6	—	—
Subtotal (Exposure Class)	8,180	3,188	59.0	10,160	0.37	1,102	30.4	1.2	1,474	14.5	3	1

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

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
	30 Jun 2026											
	£m	£m	%	£m	%		%		£m	%	£m	£m
0.00 to <0.15	**555**	**407**	**34.4**	**695**	**0.06**	**197**	**40.1**	**3.7**	**183**	**26.3**	**—**	**—**
0.00 to <0.10	**472**	**344**	**34.7**	**591**	**0.05**	**157**	**40.2**	**3.6**	**144**	**24.3**	**—**	**—**
0.10 to <0.15	**83**	**63**	**32.9**	**104**	**0.11**	**40**	**39.4**	**4.3**	**39**	**37.9**	**—**	**—**
0.15 to <0.25	**330**	**23**	**49.4**	**342**	**0.20**	**998**	**44.2**	**2.0**	**108**	**31.6**	**—**	**—**
0.25 to <0.50	**518**	**201**	**18.3**	**553**	**0.38**	**1,925**	**42.5**	**2.6**	**259**	**46.8**	**1**	**—**
0.50 to <0.75	**912**	**237**	**14.2**	**940**	**0.59**	**4,892**	**41.8**	**2.8**	**507**	**53.9**	**3**	**1**
0.75 to <2.50	**2,012**	**564**	**19.5**	**2,100**	**1.29**	**6,576**	**41.5**	**2.6**	**1,470**	**70.0**	**12**	**6**
0.75 to <1.75	**1,975**	**564**	**19.5**	**2,063**	**1.27**	**6,196**	**41.4**	**2.6**	**1,441**	**69.9**	**12**	**6**
1.75 to <2.50	**37**	**—**	**21.2**	**37**	**2.00**	**380**	**45.0**	**1.7**	**29**	**79.2**	**—**	**—**
2.50 to <10.00	**1,639**	**350**	**15.5**	**1,680**	**4.34**	**4,201**	**40.9**	**2.7**	**1,565**	**93.2**	**32**	**24**
2.50 to <5.00	**998**	**241**	**15.7**	**1,028**	**3.00**	**2,445**	**41.5**	**2.5**	**884**	**86.0**	**14**	**9**
5.00 to <10.00	**641**	**109**	**15.3**	**652**	**6.43**	**1,756**	**40.0**	**2.9**	**681**	**104.4**	**18**	**15**
10.00 to <100.00	**261**	**33**	**30.8**	**265**	**18.68**	**654**	**40.3**	**2.4**	**381**	**143.9**	**22**	**15**
10.00 to <20.00	**175**	**21**	**28.8**	**180**	**11.90**	**488**	**39.5**	**2.5**	**225**	**125.1**	**9**	**6**
30.00 to <100.00	**86**	**12**	**34.2**	**85**	**32.97**	**166**	**41.8**	**2.2**	**156**	**183.5**	**13**	**9**
100.00 (Default)	**320**	**20**	**4.1**	**303**	**100.00**	**850**	**40.7**	**2.0**	**—**	**—**	**124**	**71**
Subtotal (Exposure Class)	**6,547**	**1,835**	**21.7**	**6,878**	**6.71**	**20,293**	**41.4**	**2.7**	**4,473**	**65.0**	**194**	**117**
	31 Dec 2025											
	£m	£m	%	£m	%		%		£m	%	£m	£m
0.00 to <0.15	491	380	26.8	593	0.07	207	40.6	3.7	177	29.9	—	—
0.00 to <0.10	379	316	25.9	461	0.05	153	40.3	3.5	122	26.6	—	—
0.10 to <0.15	112	64	31.5	132	0.11	54	41.6	4.2	55	41.5	—	—
0.15 to <0.25	444	25	44.7	455	0.20	1,439	44.8	2.1	155	34.0	1	—
0.25 to <0.50	563	154	10.8	576	0.39	2,343	44.1	2.5	286	49.7	1	—
0.50 to <0.75	1,569	221	17.2	1,591	0.58	6,251	40.4	3.0	859	53.9	4	2
0.75 to <2.50	2,551	556	12.2	2,554	1.27	8,642	40.7	2.9	1,761	69.0	15	7
0.75 to <1.75	2,505	556	12.2	2,508	1.25	8,051	40.7	2.9	1,723	68.7	14	7
1.75 to <2.50	46	—	—	46	2.00	591	45.0	1.5	38	82.9	1	—
2.50 to <10.00	1,972	344	16.2	2,000	4.33	5,364	40.1	2.8	1,861	93.1	37	35
2.50 to <5.00	1,159	238	14.6	1,176	2.98	3,215	40.7	2.8	1,030	87.6	16	14
5.00 to <10.00	813	106	19.8	824	6.25	2,149	39.3	2.9	831	100.9	21	21
10.00 to <100.00	237	24	13.1	233	18.98	903	39.6	2.4	334	143.3	19	14
10.00 to <20.00	157	11	3.9	154	12.50	684	38.1	2.4	185	119.5	8	5
30.00 to <100.00	80	13	22.0	79	31.73	219	42.5	2.4	149	190.2	11	9
100.00 (Default)	267	16	5.3	249	100.00	618	41.4	2.0	—	—	103	61
Subtotal (Exposure Class)	8,094	1,720	17.2	8,251	5.15	25,767	41.0	2.8	5,433	65.8	180	119

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

	30 Jun 2026											
PD range	**On-balance sheet exposures £m**	**Off-balance-sheet exposures pre-CCF £m**	**Exposure weighted average CCF %**	**Exposure post CCF and post CRM £m**	**Exposure weighted average PD %**	**Number of obligors**	**Exposure weighted average LGD %**	**Exposure weighted average maturity (years)**	**Risk weighted exposure amount after supporting factors £m**	**Density of risk weighted exposure amount %**	**Expected loss amount £m**	**Value adjustments and provisions £m**
0.00 to <0.15	**18,733**	**29,803**	**52.5**	**34,110**	**0.09**	**821**	**43.9**	**2.3**	**9,390**	**27.5**	**15**	**14**
0.00 to <0.10	**4,305**	**14,606**	**52.3**	**12,235**	**0.05**	**390**	**42.7**	**2.5**	**2,585**	**21.1**	**3**	**5**
0.10 to <0.15	**14,428**	**15,197**	**52.6**	**21,875**	**0.11**	**431**	**44.6**	**2.1**	**6,805**	**31.1**	**12**	**9**
0.15 to <0.25	**5,862**	**7,406**	**49.2**	**9,275**	**0.18**	**1,723**	**41.5**	**2.4**	**4,093**	**44.1**	**8**	**8**
0.25 to <0.50	**6,610**	**8,604**	**51.8**	**10,516**	**0.34**	**3,364**	**39.4**	**2.4**	**6,170**	**58.7**	**18**	**20**
0.50 to <0.75	**2,980**	**2,503**	**25.7**	**3,290**	**0.62**	**3,026**	**41.3**	**1.9**	**2,513**	**76.4**	**11**	**14**
0.75 to <2.50	**4,070**	**3,101**	**44.4**	**5,315**	**1.22**	**4,816**	**40.4**	**2.5**	**5,481**	**103.1**	**32**	**44**
0.75 to <1.75	**4,024**	**3,092**	**44.5**	**5,269**	**1.21**	**4,113**	**40.4**	**2.5**	**5,430**	**103.1**	**32**	**44**
1.75 to <2.50	**46**	**9**	**—**	**46**	**1.94**	**703**	**44.2**	**1.4**	**51**	**109.8**	**—**	**—**
2.50 to <10.00	**1,992**	**2,198**	**50.6**	**2,808**	**3.65**	**1,704**	**42.5**	**2.6**	**4,139**	**147.4**	**52**	**43**
2.50 to <5.00	**1,671**	**1,926**	**48.8**	**2,318**	**2.97**	**1,409**	**42.9**	**2.7**	**3,321**	**143.3**	**36**	**22**
5.00 to <10.00	**321**	**272**	**62.2**	**490**	**6.83**	**295**	**40.5**	**1.9**	**818**	**167.0**	**16**	**21**
10.00 to <100.00	**210**	**121**	**64.3**	**288**	**17.73**	**185**	**43.1**	**2.3**	**666**	**231.3**	**23**	**32**
10.00 to <20.00	**138**	**99**	**64.7**	**202**	**12.08**	**112**	**43.2**	**2.6**	**448**	**221.8**	**11**	**22**
20.00 to <30.00	**—**	**—**	**—**	**—**	**30.00**	**20**	**43.2**	**1.1**	**—**	**296.0**	**—**	**—**
30.00 to <100.00	**72**	**22**	**62.3**	**86**	**31.00**	**53**	**42.8**	**1.6**	**218**	**253.5**	**12**	**10**
100.00 (Default)	**250**	**8**	**47.7**	**254**	**100.00**	**497**	**44.6**	**1.2**	**—**	**—**	**115**	**87**
Subtotal (Exposure Class)	**40,707**	**53,744**	**50.4**	**65,856**	**0.87**	**16,136**	**42.4**	**2.3**	**32,452**	**49.3**	**274**	**262**

	31 Dec 2025											
	£m	£m	%	£m	%		%		£m	%	£m	£m
0.00 to <0.15	15,928	24,337	54.3	29,438	0.09	709	43.5	2.2	8,103	27.5	14	16
0.00 to <0.10	3,890	12,010	49.6	10,204	0.05	338	42.4	2.6	2,300	22.5	3	5
0.10 to <0.15	12,038	12,327	59.0	19,234	0.11	371	44.0	2.0	5,803	30.2	11	11
0.15 to <0.25	6,882	8,062	56.7	11,332	0.18	1,854	41.4	2.6	5,138	45.3	10	12
0.25 to <0.50	5,858	9,507	50.6	10,261	0.34	3,391	38.3	2.4	5,844	57.0	17	20
0.50 to <0.75	2,570	2,748	28.7	3,069	0.62	3,020	41.8	2.2	2,469	80.4	10	13
0.75 to <2.50	3,725	2,486	42.9	4,567	1.22	5,411	39.9	2.3	4,574	100.2	27	57
0.75 to <1.75	3,649	2,472	43.1	4,491	1.21	4,631	39.8	2.3	4,493	100.1	26	57
1.75 to <2.50	76	14	—	76	1.93	780	43.8	1.4	81	106.8	1	—
2.50 to <10.00	1,891	2,470	47.6	2,895	3.60	2,152	42.7	2.6	4,286	148.1	50	48
2.50 to <5.00	1,569	2,145	46.3	2,407	2.95	1,676	43.0	2.8	3,484	144.8	35	25
5.00 to <10.00	322	325	56.1	488	6.77	476	41.3	1.7	802	164.3	15	23
10.00 to <100.00	238	88	21.9	257	17.79	241	41.9	2.5	598	232.7	21	41
10.00 to <20.00	164	79	19.5	180	12.06	167	42.3	2.9	406	226.3	11	23
20.00 to <30.00	—	—	—	—	30.00	11	43.7	1.1	1	288.8	—	—
30.00 to <100.00	74	9	44.3	77	31.05	63	40.9	1.5	191	247.0	10	18
100.00 (Default)	354	27	51.3	367	100.00	857	43.8	1.2	—	—	162	89
Subtotal (Exposure Class)	37,446	49,725	51.9	62,186	1.08	17,635	41.8	2.3	31,012	49.9	311	296

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

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
	30 Jun 2026										
	£m	**£m**	**%**	**£m**	**%**		**%**	**£m**	**%**	**£m**	**£m**
0.50 to <0.75	**876**	**149**	**96.3**	**1,016**	**0.54**	**11,936**	**17.8**	**123**	**12.1**	**1**	**28**
0.75 to <2.50	**522**	**108**	**97.4**	**626**	**1.16**	**7,322**	**18.7**	**147**	**23.5**	**2**	**8**
0.75 to <1.75	**522**	**108**	**97.4**	**626**	**1.16**	**7,322**	**18.7**	**147**	**23.5**	**2**	**8**
2.50 to <10.00	**327**	**51**	**97.6**	**376**	**4.22**	**3,107**	**16.5**	**164**	**43.5**	**3**	**5**
2.50 to <5.00	**156**	**32**	**98.1**	**187**	**2.62**	**1,656**	**16.5**	**64**	**34.0**	**1**	**3**
5.00 to <10.00	**171**	**19**	**96.8**	**189**	**5.81**	**1,451**	**16.6**	**100**	**53.0**	**2**	**2**
10.00 to <100.00	**82**	**5**	**97.3**	**87**	**20.10**	**887**	**18.0**	**70**	**80.5**	**4**	**4**
10.00 to <20.00	**64**	**5**	**97.7**	**69**	**12.96**	**710**	**17.5**	**54**	**78.7**	**2**	**3**
30.00 to <100.00	**18**	**—**	**93.3**	**18**	**46.92**	**177**	**19.8**	**16**	**87.4**	**2**	**1**
100.00 (Default)	**108**	**6**	**97.8**	**113**	**100.00**	**561**	**17.4**	**28**	**24.6**	**20**	**25**
Subtotal (Exposure Class)	**1,915**	**319**	**97.0**	**2,218**	**7.18**	**23,813**	**17.8**	**532**	**24.0**	**30**	**70**
	31 Dec 2025										
	£m	£m	%	£m	%		%	£m	%	£m	£m
0.50 to <0.75	1,179	168	96.5	1,333	0.54	12,043	18.5	167	12.6	1	32
0.75 to <2.50	817	110	97.2	920	1.16	6,636	18.3	199	21.6	2	9
0.75 to <1.75	817	110	97.2	920	1.16	6,636	18.3	199	21.6	2	9
2.50 to <10.00	497	58	98.4	553	4.05	2,791	14.7	202	36.6	4	8
2.50 to <5.00	265	34	98.4	298	2.62	1,502	14.3	84	28.3	1	4
5.00 to <10.00	232	24	98.3	255	5.72	1,289	15.3	118	46.3	3	4
10.00 to <100.00	100	6	95.5	105	20.13	926	17.5	80	76.5	5	5
10.00 to <20.00	79	6	95.9	84	12.82	750	16.9	62	74.6	3	4
30.00 to <100.00	21	—	88.9	21	48.95	176	19.9	18	83.3	2	1
100.00 (Default)	108	7	98.2	114	100.00	498	17.3	19	16.3	20	22
Subtotal (Exposure Class)	2,701	349	97.1	3,025	5.81	22,894	17.7	667	22.1	32	76

CR6: IRB approach - Credit risk exposures by portfolio and PD range - Residential Mortgages (non-SME)[1, 2]

	30 Jun 2026										
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
	£m	£m	%	£m	%		%	£m	%	£m	£m
0.00 to <0.15	**266,976**	**19,702**	**104.4**	**298,935**	**0.33**	**1,609,188**	**11.7**	**33,118**	**11.1**	**152**	**115**
0.00 to <0.10	**209,681**	**19,400**	**104.4**	**239,218**	**0.29**	**1,246,671**	**11.4**	**23,413**	**9.8**	**103**	**73**
0.10 to <0.15	**57,295**	**302**	**100.3**	**59,717**	**0.49**	**362,517**	**13.1**	**9,705**	**16.3**	**49**	**42**
0.15 to <0.25	**32,739**	**994**	**44.0**	**34,603**	**0.97**	**224,592**	**11.1**	**8,256**	**23.9**	**51**	**27**
0.25 to <0.50	**21,109**	**32**	**93.5**	**22,084**	**1.56**	**155,139**	**10.7**	**7,610**	**34.5**	**57**	**32**
0.50 to <0.75	**4,941**	**4**	**73.6**	**5,165**	**2.66**	**40,741**	**8.5**	**1,922**	**37.2**	**17**	**12**
0.75 to <2.50	**4,510**	**4**	**89.0**	**4,716**	**4.76**	**36,754**	**9.2**	**2,673**	**56.7**	**32**	**18**
0.75 to <1.75	**3,936**	**4**	**89.3**	**4,116**	**4.17**	**31,619**	**9.3**	**2,253**	**54.7**	**25**	**14**
1.75 to <2.50	**574**	—	**85.5**	**600**	**8.82**	**5,135**	**9.0**	**420**	**70.1**	**7**	**4**
2.50 to <10.00	**2,756**	**1**	**89.9**	**2,875**	**19.96**	**21,907**	**8.3**	**2,388**	**83.0**	**66**	**40**
2.50 to <5.00	**1,528**	**1**	**91.5**	**1,597**	**15.45**	**11,795**	**8.5**	**1,268**	**79.4**	**29**	**21**
5.00 to <10.00	**1,228**	—	**84.4**	**1,278**	**25.59**	**10,112**	**8.1**	**1,120**	**87.6**	**37**	**19**
10.00 to <100.00	**2,264**	—	**100.4**	**2,328**	**58.01**	**17,678**	**8.2**	**1,665**	**71.5**	**170**	**28**
10.00 to <20.00	**939**	—	**100.3**	**973**	**41.24**	**7,429**	**8.5**	**875**	**89.9**	**48**	**13**
20.00 to <30.00	**365**	—	—	**376**	**54.23**	**2,917**	**7.9**	**319**	**84.8**	**25**	**5**
30.00 to <100.00	**960**	—	**101.0**	**979**	**76.13**	**7,332**	**8.0**	**471**	**48.2**	**97**	**10**
100.00 (Default)	**1,805**	—	**51.8**	**1,805**	**100.00**	**12,050**	**10.2**	**5,202**	**288.2**	**389**	**377**
Subtotal (Exposure Class)	**337,100**	**20,737**	**101.4**	**372,511**	**1.55**	**2,118,049**	**11.5**	**62,834**	**16.9**	**934**	**649**

[1] The Group's Secured CRD IV models remain subject to review and approval by the PRA. A significant level of temporary post 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 and post CRM are not adjusted for CRD IV and are allocated using underlying Point-in-Time (PiT) PDs from incumbent, pre-CRD IV models. Weighted average PDs are above the reported ranges as they reflect more conservative TTC PDs also from incumbent models. This includes a 180 days past due default backstop. Subject to PRA review, approval and implementation of the revised models, aggregate RWA, expected loss and overall risk weight are expected to remain broadly aligned with currently reported adjusted values. Exposure distribution across PD ranges is expected to change materially driven by the application of CRD IV regulatory estimates under the hybrid methodology. This will align weighted average PDs to the Risk Bandings reported. Defaulted exposures are expected to increase under the revised CRD IV definition of default, with risk weighted asset density for defaulted exposures expected to reduce by approximately 50% as the risk weighted exposure amount already reflects revised CRD IV modelling requirements.

CR6: IRB approach - Credit risk exposures by portfolio and PD range - Residential Mortgages (non-SME)[1, 2] continued

	31 Dec 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 LG	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
	£m	£m	%	£m	%		%	£m	%	£m	£m
0.00 to <0.15	263,028	17,513	104.3	292,551	0.33	1,640,688	11.5	31,847	10.9	142	111
0.00 to <0.10	206,821	17,168	104.4	233,906	0.29	1,266,949	11.2	22,528	9.6	97	69
0.10 to <0.15	56,207	345	100.3	58,645	0.47	373,739	12.7	9,319	15.9	45	42
0.15 to <0.25	32,030	1,181	44.1	33,948	0.96	232,640	10.8	7,953	23.4	47	27
0.25 to <0.50	20,695	38	92.8	21,657	1.52	158,060	10.3	7,235	33.4	52	29
0.50 to <0.75	4,971	4	77.1	5,195	2.58	42,404	8.2	1,889	36.4	16	12
0.75 to <2.50	4,489	2	67.4	4,691	4.66	37,830	8.9	2,625	56.0	30	16
0.75 to <1.75	3,900	2	71.9	4,076	4.08	32,469	9.0	2,187	53.7	23	12
1.75 to <2.50	589	—	52.5	615	8.51	5,361	8.9	438	71.2	7	4
2.50 to <10.00	2,717	2	86.3	2,835	19.72	21,640	8.2	2,368	83.5	63	37
2.50 to <5.00	1,493	2	93.6	1,561	15.28	11,664	8.4	1,267	81.2	28	19
5.00 to <10.00	1,224	—	60.5	1,274	25.17	9,976	7.9	1,101	86.4	35	18
10.00 to <100.00	2,344	—	85.8	2,410	57.67	18,365	8.1	1,757	72.9	173	26
10.00 to <20.00	974	—	99.5	1,009	40.64	7,808	8.4	907	89.9	47	13
20.00 to <30.00	342	—	100.0	352	53.13	2,767	7.6	313	88.8	23	4
30.00 to <100.00	1,028	—	52.4	1,049	75.58	7,790	7.9	537	51.2	103	9
100.00 (Default)	1,918	—	17.9	1,918	100.00	13,236	10.0	5,552	289.5	391	403
Subtotal (Exposure Class)	332,192	18,740	100.5	365,205	1.60	2,164,863	11.2	61,226	16.8	914	661

[1] The Group's Secured CRD IV models remain subject to review and approval by the PRA. A significant level of temporary post 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 and post CRM are not adjusted for CRD IV and are allocated using underlying Point-in-Time (PiT) PDs from incumbent, pre-CRD IV models. Weighted average PDs are above the reported ranges as they reflect more conservative TTC PDs also from incumbent models. This includes a 180 days past due default backstop. Subject to PRA review, approval and implementation of the revised models, aggregate RWA, expected loss and overall risk weight are expected to remain broadly aligned with currently reported adjusted values. Exposure distribution across PD ranges is expected to change materially driven by the application of CRD IV regulatory estimates under the hybrid methodology. This will align weighted average PDs to the Risk Bandings reported. Defaulted exposures are expected to increase under the revised CRD IV definition of default, with risk weighted asset density for defaulted exposures expected to reduce by approximately 50% as the risk weighted exposure amount already reflects revised CRD IV modelling requirements.

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

	30 Jun 2026										
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**
	£m	**£m**	**%**	**£m**	**%**		**%**	**£m**	**%**	**£m**	**£m**
0.00 to <0.15	**1,278**	**16,920**	**64.9**	**12,267**	**0.09**	**9,029,612**	**57.0**	**406**	**3.3**	**8**	**43**
0.00 to <0.10	**809**	**11,660**	**64.7**	**8,356**	**0.07**	**6,010,632**	**56.2**	**218**	**2.6**	**4**	**30**
0.10 to <0.15	**469**	**5,260**	**65.4**	**3,911**	**0.13**	**3,018,980**	**58.7**	**188**	**4.8**	**4**	**13**
0.15 to <0.25	**707**	**6,765**	**66.6**	**5,215**	**0.20**	**4,248,402**	**60.3**	**372**	**7.1**	**8**	**18**
0.25 to <0.50	**1,541**	**10,076**	**65.0**	**8,089**	**0.36**	**6,064,125**	**62.7**	**960**	**11.9**	**24**	**30**
0.50 to <0.75	**1,234**	**4,874**	**66.9**	**4,493**	**0.62**	**3,904,943**	**68.5**	**890**	**19.8**	**25**	**21**
0.75 to <2.50	**4,580**	**8,257**	**66.2**	**10,045**	**1.37**	**7,322,027**	**73.9**	**3,917**	**39.0**	**132**	**100**
0.75 to <1.75	**3,223**	**6,746**	**66.5**	**7,710**	**1.16**	**5,953,662**	**73.4**	**2,634**	**34.2**	**85**	**64**
1.75 to <2.50	**1,357**	**1,511**	**64.8**	**2,335**	**2.09**	**1,368,365**	**75.8**	**1,283**	**55.0**	**47**	**36**
2.50 to <10.00	**3,454**	**1,987**	**69.4**	**4,834**	**4.58**	**2,612,544**	**78.1**	**4,635**	**95.9**	**222**	**160**
2.50 to <5.00	**2,267**	**1,612**	**68.5**	**3,372**	**3.58**	**1,887,209**	**77.5**	**2,756**	**81.7**	**119**	**86**
5.00 to <10.00	**1,187**	**375**	**73.2**	**1,462**	**6.88**	**725,335**	**79.4**	**1,879**	**128.5**	**103**	**74**
10.00 to <100.00	**997**	**167**	**83.9**	**1,156**	**29.22**	**783,072**	**78.6**	**2,399**	**207.5**	**367**	**120**
10.00 to <20.00	**499**	**96**	**85.6**	**582**	**13.51**	**343,212**	**79.6**	**1,096**	**188.3**	**83**	**49**
20.00 to <30.00	**133**	**28**	**84.6**	**159**	**24.39**	**134,887**	**77.8**	**376**	**237.0**	**41**	**18**
30.00 to <100.00	**365**	**43**	**79.6**	**415**	**53.07**	**304,973**	**77.6**	**927**	**223.1**	**243**	**53**
100.00 (Default)	**269**	**47**	**0.1**	**269**	**100.00**	**269,067**	**74.2**	**594**	**221.1**	**152**	**150**
Subtotal (Exposure Class)	**14,060**	**49,093**	**65.8**	**46,368**	**2.25**	**34,233,792**	**66.0**	**14,173**	**30.6**	**938**	**642**

	31 Dec 2025										
	£m	£m	%	£m	%		%	£m	%	£m	£m
0.00 to <0.15	1,208	17,045	66.1	12,470	0.08	9,344,914	56.8	405	3.3	7	47
0.00 to <0.10	769	11,814	65.9	8,551	0.06	6,233,546	56.0	219	2.6	4	33
0.10 to <0.15	439	5,231	66.5	3,919	0.13	3,111,368	58.6	186	4.7	3	14
0.15 to <0.25	655	6,587	67.8	5,122	0.20	4,185,489	60.2	361	7.0	8	18
0.25 to <0.50	1,469	9,555	65.9	7,763	0.36	5,954,647	63.1	920	11.9	21	29
0.50 to <0.75	1,124	4,334	68.6	4,096	0.62	3,735,696	69.6	822	20.1	21	20
0.75 to <2.50	4,230	7,285	68.7	9,234	1.38	7,153,096	74.8	3,640	39.4	115	97
0.75 to <1.75	2,912	5,885	69.0	6,973	1.15	5,733,044	74.2	2,394	34.3	72	60
1.75 to <2.50	1,318	1,400	67.3	2,261	2.09	1,420,052	76.3	1,246	55.1	43	37
2.50 to <10.00	3,195	1,739	71.1	4,431	4.59	2,438,660	78.1	4,246	95.8	191	157
2.50 to <5.00	2,086	1,411	69.8	3,071	3.59	1,727,799	77.5	2,504	81.5	102	84
5.00 to <10.00	1,109	328	76.7	1,360	6.87	710,861	79.3	1,742	128.1	89	73
10.00 to <100.00	921	146	88.3	1,067	28.62	744,944	78.0	2,225	208.5	277	119
10.00 to <20.00	470	84	89.5	546	13.50	330,748	79.0	1,024	187.6	69	50
20.00 to <30.00	123	24	90.8	147	24.44	129,638	77.1	349	237.8	32	18
30.00 to <100.00	328	38	84.2	374	52.33	284,558	77.0	852	227.6	176	51
100.00 (Default)	249	44	—	249	100.00	244,105	73.8	559	224.0	142	124
Subtotal (Exposure Class)	13,051	46,735	67.1	44,432	2.16	33,801,551	65.9	13,178	29.7	782	611

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

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
	30 Jun 2026										
	£m	£m	%	£m	%		%	£m	%	£m	£m
0.50 to <0.75	**423**	**387**	**90.7**	**532**	**0.54**	**52,871**	**82.1**	**265**	**49.8**	**2**	**10**
0.75 to <2.50	**580**	**305**	**94.7**	**589**	**1.19**	**55,247**	**82.4**	**499**	**84.6**	**10**	**7**
0.75 to <1.75	**580**	**305**	**94.7**	**589**	**1.19**	**55,245**	**82.4**	**499**	**84.6**	**10**	**7**
2.50 to <10.00	**359**	**113**	**95.5**	**318**	**4.30**	**31,884**	**81.2**	**356**	**112.0**	**19**	**3**
2.50 to <5.00	**165**	**65**	**94.9**	**155**	**2.62**	**15,372**	**82.8**	**169**	**109.3**	**6**	**3**
5.00 to <10.00	**194**	**48**	**96.3**	**163**	**5.88**	**16,512**	**79.7**	**187**	**114.6**	**13**	—
10.00 to <100.00	**120**	**19**	**96.7**	**95**	**24.56**	**29,131**	**85.8**	**147**	**155.7**	**29**	**2**
10.00 to <20.00	**86**	**17**	**97.2**	**70**	**13.11**	**26,217**	**85.4**	**107**	**152.6**	**14**	**1**
30.00 to <100.00	**34**	**2**	**93.1**	**25**	**56.98**	**2,914**	**87.0**	**40**	**163.7**	**15**	**1**
100.00 (Default)	**467**	**4**	**91.3**	**299**	**100.07**	**102,368**	**89.9**	**195**	**65.2**	**261**	**266**
Subtotal (Exposure Class)	**1,949**	**828**	**93.0**	**1,833**	**18.90**	**271,502**	**83.5**	**1,462**	**79.8**	**321**	**288**
	31 Dec 2025										
	£m	£m	%	£m	%		%	£m	%	£m	£m
0.50 to <0.75	619	420	91.1	576	0.54	69,987	81.9	286	49.6	2	11
0.75 to <2.50	715	281	94.5	560	1.16	63,598	80.7	442	78.9	8	7
0.75 to <1.75	715	281	94.5	560	1.16	63,598	80.7	442	78.9	8	7
2.50 to <10.00	362	99	96.1	263	4.32	34,568	80.4	283	107.6	14	3
2.50 to <5.00	164	53	95.3	123	2.62	16,045	82.1	129	104.8	4	3
5.00 to <10.00	198	46	97.1	140	5.81	18,523	78.9	154	110.0	10	—
10.00 to <100.00	133	19	94.9	87	24.86	38,385	85.8	132	152.4	25	3
10.00 to <20.00	94	16	95.4	63	13.05	34,481	85.5	94	148.8	11	2
30.00 to <100.00	39	3	91.7	24	56.66	3,904	86.8	38	162.3	14	1
100.00 (Default)	481	3	92.4	289	100.00	98,608	90.1	102	35.2	252	256
Subtotal (Exposure Class)	2,310	822	93.0	1,775	18.67	305,146	82.8	1,245	70.1	301	280

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

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
	30 Jun 2026										
	£m	£m	%	£m	%		%	£m	%	£m	£m
0.00 to <0.15	**570**	**2**	**30.0**	**571**	**0.08**	**31,998**	**37.1**	**59**	**10.4**	**—**	**1**
0.00 to <0.10	**553**	**—**	**30.0**	**553**	**0.08**	**27,900**	**35.9**	**55**	**9.9**	**—**	**1**
0.10 to <0.15	**17**	**2**	**30.0**	**18**	**0.14**	**4,098**	**74.5**	**4**	**24.5**	**—**	**—**
0.15 to <0.25	**115**	**7**	**30.0**	**120**	**0.22**	**22,268**	**76.4**	**41**	**34.5**	**—**	**1**
0.25 to <0.50	**5,019**	**23**	**30.0**	**5,034**	**0.37**	**392,030**	**39.9**	**1,530**	**30.4**	**7**	**104**
0.50 to <0.75	**3,717**	**21**	**30.0**	**3,730**	**0.72**	**258,629**	**45.2**	**1,772**	**47.5**	**11**	**57**
0.75 to <2.50	**6,909**	**88**	**30.0**	**6,964**	**1.54**	**623,403**	**64.9**	**5,901**	**84.7**	**70**	**117**
0.75 to <1.75	**5,541**	**59**	**30.0**	**5,578**	**1.40**	**478,589**	**60.6**	**4,326**	**77.6**	**45**	**93**
1.75 to <2.50	**1,368**	**29**	**30.0**	**1,386**	**2.10**	**144,814**	**82.1**	**1,575**	**113.6**	**25**	**24**
2.50 to <10.00	**3,823**	**59**	**30.0**	**3,860**	**4.42**	**394,948**	**68.0**	**4,219**	**109.3**	**118**	**99**
2.50 to <5.00	**2,633**	**39**	**30.0**	**2,657**	**3.40**	**273,449**	**69.8**	**2,894**	**108.9**	**65**	**60**
5.00 to <10.00	**1,190**	**20**	**30.0**	**1,203**	**6.69**	**121,499**	**64.0**	**1,325**	**110.2**	**53**	**39**
10.00 to <100.00	**662**	**12**	**30.0**	**670**	**28.08**	**71,509**	**56.2**	**935**	**139.5**	**108**	**61**
10.00 to <20.00	**238**	**7**	**30.0**	**243**	**12.23**	**30,853**	**67.4**	**332**	**136.6**	**21**	**11**
20.00 to <30.00	**159**	**1**	**30.0**	**160**	**21.47**	**14,026**	**45.0**	**206**	**128.6**	**16**	**16**
30.00 to <100.00	**265**	**4**	**30.0**	**267**	**46.43**	**26,630**	**52.7**	**397**	**148.6**	**71**	**34**
100.00 (Default)	**251**	**—**	**—**	**251**	**100.00**	**37,353**	**53.6**	**353**	**140.6**	**122**	**118**
Subtotal (Exposure Class)	**21,066**	**212**	**30.0**	**21,200**	**3.60**	**1,832,138**	**55.0**	**14,810**	**69.9**	**436**	**558**
	31 Dec 2025										
	£m	£m	%	£m	%		%	£m	%	£m	£m
0.00 to <0.15	497	1	30.00	498	0.08	28,678	37.1	52	10.36	—	1
0.00 to <0.10	481	—	30.0	481	0.08	24,436	35.9	48	9.9	—	1
0.10 to <0.15	16	1	30.0	17	0.14	4,242	74.0	4	24.2	—	—
0.15 to <0.25	106	3	30.0	109	0.21	21,545	76.3	37	34.2	—	1
0.25 to <0.50	4,762	10	30.0	4,772	0.37	378,901	39.8	1,443	30.2	7	88
0.50 to <0.75	3,552	9	30.0	3,561	0.72	251,252	44.8	1,679	47.2	11	56
0.75 to <2.50	6,586	39	30.0	6,625	1.54	596,762	64.7	5,582	84.3	65	121
0.75 to <1.75	5,286	26	30.0	5,313	1.40	459,263	60.4	4,097	77.1	42	96
1.75 to <2.50	1,300	13	30.0	1,312	2.10	137,499	82.1	1,485	113.1	23	25
2.50 to <10.00	3,671	27	30.0	3,698	4.42	374,281	67.8	4,018	108.7	110	104
2.50 to <5.00	2,520	17	30.0	2,538	3.40	253,967	69.4	2,738	107.9	60	63
5.00 to <10.00	1,151	10	30.0	1,160	6.65	120,314	64.4	1,280	110.3	50	41
10.00 to <100.00	658	6	30.0	664	27.86	71,569	55.6	915	137.7	103	60
10.00 to <20.00	239	3	30.0	242	12.26	31,715	67.5	331	136.4	21	11
20.00 to <30.00	157	1	30.0	158	21.46	14,274	45.0	202	128.1	16	16
30.00 to <100.00	262	2	30.0	264	45.99	25,580	51.0	382	144.5	66	33
100.00 (Default)	230	—	—	230	100.00	34,891	55.7	311	135.4	122	130
Subtotal (Exposure Class)	20,062	95	30.0	20,157	3.59	1,757,879	54.8	14,037	69.6	418	561

CREDIT RISK (Continued)

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

		30 Jun 2026												
			Credit risk mitigation techniques											
			Funded Credit Protection (FCP)									Unfunded Credit Protection (UFCP)[2]		Credit risk mitigation methods in the calculation of RWAs
					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
A-IRB		£m	%	%	%	%	%	%	%	%	%	%	%	£m
4	**Retail**	**444,130**	**—**	**87.0**	**84.2**	**—**	**2.8**	**—**	**—**	**—**	**—**	**—**	**—**	**93,812**
4.1	Of which Retail – Immovable property SMEs	**2,218**	**—**	**93.8**	**93.7**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**532**
4.2	Of which Retail – Immovable property non-SMEs	**372,511**	**—**	**99.9**	**99.9**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**62,835**
4.3	Of which Retail – Qualifying revolving	**46,368**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**14,173**
4.4	Of which Retail – Other SMEs	**1,833**	**0.1**	**0.3**	**—**	**—**	**0.2**	**—**	**—**	**—**	**—**	**—**	**—**	**1,462**
4.5	Of which Retail – Other non-SMEs	**21,200**	**—**	**57.8**	**—**	**—**	**57.8**	**—**	**—**	**—**	**—**	**—**	**—**	**14,810**
5	**Total**	**444,130**	**—**	**87.0**	**84.2**	**—**	**2.8**	**—**	**—**	**—**	**—**	**—**	**—**	**93,812**
F-IRB														
1	**Central governments and central banks**	**9,187**	**—**	**—**	**—**	**—**	**—**	**—**				**8.5**	**—**	**325**
2	**Institutions**	**11,630**	**48.9**	**1.0**	**—**	**—**	**1.0**	**—**				**1.1**	**—**	**1,685**
3	**Corporates**	**72,779**	**4.1**	**18.5**	**13.9**	**2.6**	**2.0**	**—**				**3.5**	**2.1**	**36,970**
3.1	Of which Corporates – SMEs	**6,878**	**0.5**	**52.6**	**37.3**	**15.3**	**—**	**—**				**1.0**	**—**	**4,473**
3.3	Of which Corporates – Other	**65,901**	**4.4**	**14.9**	**11.5**	**1.3**	**2.2**	**—**				**3.8**	**2.3**	**32,497**
4	**Total**	**93,596**	**9.2**	**14.5**	**10.8**	**2.0**	**1.7**	**—**				**3.7**	**1.6**	**38,980**
Other IRB														
	Specialised lending under the slotting approach[3]	**13,846**												**8,867**
	Equity[4]	**2,396**												**4,793**
	Total	**16,242**												**13,660**

CREDIT RISK (Continued)

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

		31 Dec 2025												
			Credit risk mitigation techniques											
			Funded Credit Protection (FCP)									Unfunded Credit Protection (UFCP)[2]		Credit risk mitigation methods in the calculation of RWAs
					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)
A-IRB		£m	%	%	%	%	%	%	%	%	%	%	%	£m
4	Retail	434,594	—	87.3	84.6	—	2.7	—	—	—	—	—	—	90,354
4.1	Of which Retail – Immovable property SMEs	3,025	—	93.2	93.2	—	—	—	—	—	—	—	—	667
4.2	Of which Retail – Immovable property non-SMEs	365,205	—	99.8	99.8	—	—	—	—	—	—	—	—	61,226
4.3	Of which Retail – Qualifying revolving	44,432	—	—	—	—	—	—	—	—	—	—	—	13,179
4.4	Of which Retail – Other SMEs	1,775	0.1	0.2	—	—	0.2	—	—	—	—	—	—	1,245
4.5	Of which Retail – Other non-SMEs[4]	20,157	—	58.2	—	—	58.2	—	—	—	—	—	—	14,037
5	Total	434,594	—	87.3	84.6	—	2.7	—	—	—	—	—	—	90,354
F-IRB														
1	Central governments and central banks	7,763	—	—	—	—	—	—				7.8	—	110
2	Institutions	10,183	49.1	1.2	—	—	1.1	—				0.4	—	1,497
3	Corporates	70,437	4.8	19.0	15.2	1.9	1.9	—				3.3	0.3	36,445
3.1	Of which Corporates – SMEs	8,251	0.3	54.5	44.7	9.7	—	—				1.8	—	5,433
3.3	Of which Corporates – Other	62,186	5.4	14.3	11.3	0.9	2.2	—				3.5	0.3	31,012
4	Total	88,383	9.5	15.3	12.1	1.5	1.6	—				3.3	0.2	38,052
Other IRB														
	Specialised lending under the slotting approach[3]	14,925												9,731
	Equity[4]	2,372												4,731
	Total	17,297												14,462

[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] Excludes equity exposures subject to the threshold risk weight.

CREDIT RISK (Continued)

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

Regulatory categories	Remaining maturity	30 Jun 2026 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	**1,290**	**996**	**50**	**1,902**	**944**	**—**
	Equal to or more than 2.5 years	**2,700**	**2,240**	**70**	**4,351**	**2,972**	**17**
2) Good	Less than 2.5 years	**129**	**151**	**70**	**262**	**183**	**1**
	Equal to or more than 2.5 years	**459**	**307**	**90**	**691**	**611**	**6**
3) Satisfactory	Less than 2.5 years	**20**	**5**	**115**	**21**	**23**	**1**
	Equal to or more than 2.5 years	**61**	**56**	**115**	**103**	**118**	**3**
4) Weak	Less than 2.5 years	**—**	**32**	**250**	**6**	**16**	**1**
	Equal to or more than 2.5 years	**46**	**25**	**250**	**65**	**163**	**5**
5) Default	Less than 2.5 years	**101**	**16**		**111**	**—**	**55**
	Equal to or more than 2.5 years	**259**	**66**		**308**	**—**	**154**
Total	**Less than 2.5 years**	**1,540**	**1,200**		**2,302**	**1,166**	**58**
	Equal to or more than 2.5 years	**3,525**	**2,694**		**5,518**	**3,864**	**185**

Regulatory categories	Remaining maturity	31 Dec 2025 £m	£m		£m	£m	£m
1) Strong	Less than 2.5 years	1,150	933	50	1,706	846	—
	Equal to or more than 2.5 years	2,406	1,942	70	3,899	2,654	16
2) Good	Less than 2.5 years	118	144	70	247	172	1
	Equal to or more than 2.5 years	376	189	90	519	459	4
3) Satisfactory	Less than 2.5 years	5	—	115	5	5	—
	Equal to or more than 2.5 years	78	76	115	135	155	4
4) Weak	Less than 2.5 years	13	5	250	14	35	1
	Equal to or more than 2.5 years	8	7	250	13	33	1
5) Default	Less than 2.5 years	114	22		128	—	64
	Equal to or more than 2.5 years	305	55		346	—	173
Total	Less than 2.5 years	1,400	1,104		2,100	1,058	66
	Equal to or more than 2.5 years	3,173	2,269		4,912	3,301	198

CREDIT RISK (Continued)

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

		30 Jun 2026					
Regulatory categories	**Remaining maturity**	**On-balance sheet exposure £m**	**Off-balance sheet exposure £m**	**Risk weight**	**Exposure value £m**	**Risk weighted exposure amount £m**	**Expected loss amount £m**
	Less than 2.5 years	**2,000**	**377**	**50**	**2,087**	**1,027**	**—**
1) Strong	Equal to or more than 2.5 years	**1,011**	**72**	**70**	**1,035**	**699**	**4**
	Less than 2.5 years	**912**	**110**	**70**	**977**	**637**	**4**
2) Good	Equal to or more than 2.5 years	**1,383**	**61**	**90**	**1,422**	**1,193**	**11**
	Less than 2.5 years	**115**	**4**	**115**	**117**	**123**	**3**
3) Satisfactory	Equal to or more than 2.5 years	**108**	**3**	**115**	**111**	**123**	**3**
	Less than 2.5 years	**9**	**—**	**250**	**9**	**21**	**1**
4) Weak	Equal to or more than 2.5 years	**7**	**—**	**250**	**7**	**15**	**1**
	Less than 2.5 years	**247**	**7**		**252**	**—**	**126**
5) Default	Equal to or more than 2.5 years	**10**	**—**		**10**	**—**	**5**
Total	**Less than 2.5 years**	**3,283**	**498**		**3,442**	**1,808**	**134**
	Equal to or more than 2.5 years	**2,519**	**136**		**2,585**	**2,030**	**24**

		31 Dec 2025					
Regulatory categories	Remaining maturity	£m	£m		£m	£m	£m
	Less than 2.5 years	2,209	417	50	2,369	1,160	—
1) Strong	Equal to or more than 2.5 years	1,054	60	70	1,057	719	4
	Less than 2.5 years	1,318	103	70	1,376	942	6
2) Good	Equal to or more than 2.5 years	2,341	42	90	2,365	2,023	19
	Less than 2.5 years	97	3	115	99	105	3
3) Satisfactory	Equal to or more than 2.5 years	302	13	115	311	353	9
	Less than 2.5 years	6	—	250	6	13	—
4) Weak	Equal to or more than 2.5 years	5	—	250	5	12	—
	Less than 2.5 years	261	9		267	—	134
5) Default	Equal to or more than 2.5 years	6	—		6	—	3
Total	Less than 2.5 years	3,891	532		4,117	2,220	143
	Equal to or more than 2.5 years	3,708	115		3,744	3,107	35

CREDIT RISK (Continued)

CR10.3: IRB – Specialised lending - Object finance (Slotting approach)

		30 Jun 2026					
Regulatory categories	**Remaining maturity**	**On-balance sheet exposure £m**	**Off-balance sheet exposure £m**	**Risk weight**	**Exposure value £m**	**Risk weighted exposure amount £m**	**Expected loss amount £m**
2) Good	Equal to or more than 2.5 years	—	—	—	—	—	—
Total	**Equal to or more than 2.5 years**	—	—		—	—	—

		31 Dec 2025					
Regulatory categories	Remaining maturity	£m	£m		£m	£m	£m
2) Good	Equal to or more than 2.5 years	50	—	90	50	45	—
Total	Equal to or more than 2.5 years	50	—		50	45	—

CR10.5: Equity exposures under the simple risk-weighted approach[1]

	30 Jun 2026					
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	**2,262**	**—**	**190**	**2,262**	**4,298**	**18**
Other equity exposures	**134**	**—**	**370**	**134**	**495**	**3**
Total	**2,396**	**—**		**2,396**	**4,793**	**21**

	31 Dec 2025					
Categories	£m	£m		£m	£m	£m
Private equity exposures	2,247	—	190	2,247	4,270	18
Other equity exposures	125	—	370	125	461	3
Total	2,372	—		2,372	4,731	21

[1] Excludes threshold risk weighted assets (30 June 2026: £9,535 million; 31 December 2025: £9,409 million).

COUNTERPARTY CREDIT RISK

CCR1: Analysis of CCR exposure by approach

		30 Jun 2026							
		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**	**RWA**
		£m	**£m**	**£m**		**£m**	**£m**	**£m**	**£m**
1	SA-CCR (for derivatives)	**3,440**	**6,599**	**—**	**1.4**	**27,322**	**14,055**	**13,971**	**5,315**
4	Financial collateral comprehensive method (for SFTs)					**188,757**	**12,644**	**12,644**	**882**
6	**Total**					**216,079**	**26,699**	**26,615**	**6,196**

		31 Dec 2025							
		£m	£m	£m		£m	£m	£m	£m
1	SA-CCR (for derivatives)	3,752	6,123	—	1.4	25,852	13,824	13,742	5,416
4	Financial collateral comprehensive method (for SFTs)					178,234	9,957	9,957	749
6	Total					204,086	23,781	23,699	6,165

CCR2: Transactions subject to own funds requirements for CVA risk

		30 Jun 2026		31 Dec 2025	
		Exposure value	**RWA**	Exposure value	RWA
		£m	**£m**	£m	£m
4	Transactions subject to the Standardised method	**5,824**	**383**	5,362	436
5	**Total transactions subject to own funds requirements for CVA risk**	**5,824**	**383**	5,362	436

COUNTERPARTY CREDIT RISK (Continued)

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

		30 Jun 2026											
		Risk weight											
		0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	Total exposure value
	Exposure classes	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1	Central governments or central banks	**5,851**	—	—	—	**46**	—	—	—	—	—	—	**5,897**
3	Public sector entities	**12**	—	—	—	—	—	—	—	—	—	—	**12**
4	Multilateral development banks	**620**	—	—	—	—	—	—	—	—	—	—	**620**
5	International organisations	**254**	—	—	—	—	—	—	—	—	—	—	**254**
6	Institutions	—	**1,889**	**285**	—	**62**	—	—	—	—	—	—	**2,236**
7	Corporates	—	—	—	—	—	**134**	—	—	**518**	**13**	—	**665**
11	**Total exposure value**	**6,736**	**1,889**	**285**	—	**109**	**134**	—	—	**518**	**13**	—	**9,683**

		31 Dec 2025											
	Exposure classes	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1	Central governments or central banks	3,595	—	—	—	43	—	—	—	—	—	—	3,638
3	Public sector entities	18	—	—	—	—	—	—	—	—	—	—	18
4	Multilateral development banks	400	—	—	—	—	—	—	—	—	—	—	400
5	International organisations	244	—	—	—	—	—	—	—	—	—	—	244
6	Institutions	—	1,916	246	—	—	—	—	—	—	—	—	2,162
7	Corporates	—	—	—	—	—	172	—	—	451	5	—	627
11	Total exposure value	4,257	1,916	246	—	43	172	—	—	451	5	—	7,089

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 2026						
	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	**6,351**	**0.08**	**859**	**45.0**	**1.8**	**1,511**	**23.8**
2	0.15 to <0.25	**1,532**	**0.18**	**331**	**45.0**	**1.9**	**590**	**38.5**
3	0.25 to <0.50	**1,564**	**0.32**	**675**	**45.0**	**1.4**	**740**	**47.3**
4	0.50 to <0.75	**228**	**0.63**	**204**	**45.0**	**1.1**	**158**	**69.4**
5	0.75 to <2.50	**364**	**1.14**	**197**	**45.0**	**2.0**	**344**	**94.6**
6	2.50 to <10.00	**148**	**2.89**	**105**	**45.0**	**1.5**	**177**	**120.2**
7	10.00 to <100.00	**1**	**29.32**	**10**	**45.0**	**1.3**	**1**	**199.3**
8	100.00 (Default)	**401**	**100.00**	**4**	**45.0**	**5.0**	**—**	**—**
	Sub-total	**10,588**	**4.01**	**2,385**	**45.0**	**1.9**	**3,523**	**33.3**

		31 Dec 2025						
		£m	%	No.	%	No.	£m	%
1	0.00 to <0.15	5,366	0.08	776	45.0	1.5	1,151	21.5
2	0.15 to <0.25	1,894	0.18	339	45.0	2.6	851	44.9
3	0.25 to <0.50	1,900	0.32	636	45.0	1.6	950	50.0
4	0.50 to <0.75	134	0.63	183	45.0	1.2	97	72.0
5	0.75 to <2.50	221	1.25	199	45.0	2.6	230	104.2
6	2.50 to <10.00	184	2.84	102	45.0	1.7	225	122.1
7	10.00 to <100.00	2	30.99	9	45.0	1.4	4	252.0
8	100.00 (Default)	382	100.00	7	45.0	5.0	—	—
	Sub-total	10,083	4.02	2,251	45.0	1.9	3,508	34.8

COUNTERPARTY CREDIT RISK (Continued)

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 2026						
	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	**670**	**0.04**	**11**	**45.0**	**0.0**	**30**	**5.0**
3	0.25 to <0.50	**27**	**0.42**	**3**	**45.0**	**0.1**	**11**	**40.0**
5	0.75 to <2.50	**7**	**1.00**	**1**	**45.0**	**0.0**	**5**	**65.0**
	Sub-total	**705**	**0.10**	**15**	**45.0**	**0.0**	**46**	**7.0**

		31 Dec 2025						
		£m	%	No.	%	No.	£m	%
1	0.00 to <0.15	776	0.03	12	45.0	0.0	23	2.9
3	0.25 to <0.50	34	0.42	2	45.0	0.1	13	39.5
5	0.75 to <2.50	10	1.00	1	45.0	0.1	6	65.9
	Sub-total	820	0.10	15	45.0	0.0	42	5.2

CCR exposures by exposure class and PD scale - Institutions

		30 Jun 2026						
	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	**6,446**	**0.05**	**143**	**45.0**	**1.2**	**1,068**	**16.6**
2	0.15 to <0.25	**179**	**0.18**	**14**	**45.0**	**0.7**	**61**	**34.0**
3	0.25 to <0.50	**55**	**0.30**	**20**	**45.0**	**2.8**	**38**	**69.8**
4	0.50 to <0.75	**12**	**0.63**	**14**	**45.0**	**2.3**	**11**	**91.8**
5	0.75 to <2.50	**30**	**1.00**	**20**	**45.0**	**0.2**	**24**	**79.4**
	Sub-total	**6,722**	**0.06**	**211**	**45.0**	**1.2**	**1,202**	**17.9**

		31 Dec 2025						
		£m	%	No.	%	No.	£m	%
1	0.00 to <0.15	6,534	0.05	136	45.0	1.3	1,156	17.7
2	0.15 to <0.25	168	0.18	14	45.0	0.9	62	37.1
3	0.25 to <0.50	61	0.32	31	45.0	1.0	28	46.2
4	0.50 to <0.75	4	0.63	5	45.0	2.2	3	91.4
5	0.75 to <2.50	23	1.01	14	45.0	0.1	17	73.1
	Sub-total	6,790	0.06	200	45.0	1.2	1,266	18.6

COUNTERPARTY CREDIT RISK (Continued)

CCR Corporate exposures subject to supervisory slotting

		30 Jun 2026					
		On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Regulatory categories	**Remaining maturity**	**£m**	**£m**	**%**	**£m**	**£m**	**£m**
1) Strong	Less than 2.5 years	**142**	**—**	**50**	**141**	**70**	**—**
	Equal to or more than 2.5 years	**707**	**—**	**70**	**683**	**478**	**3**
2) Good	Less than 2.5 years	**16**	**—**	**70**	**16**	**11**	**—**
	Equal to or more than 2.5 years	**188**	**—**	**90**	**184**	**166**	**1**
3) Satisfactory	Less than 2.5 years	**—**	**—**	**115**	**—**	**—**	**—**
	Equal to or more than 2.5 years	**68**	**—**	**115**	**64**	**74**	**2**
4) Weak	Less than 2.5 years	**—**	**—**	**250**	**—**	**—**	**—**
	Equal to or more than 2.5 years	**1**	**—**	**250**	**—**	**1**	**—**
5) Default	Less than 2.5 years	**—**	**—**		**—**	**—**	**—**
	Equal to or more than 2.5 years	**1**	**—**		**1**	**—**	**—**
Total	**Less than 2.5 years**	**159**	**—**		**157**	**82**	**—**
	Equal to or more than 2.5 years	**966**	**—**		**933**	**719**	**6**

		31 Dec 2025					
Regulatory categories	Remaining maturity	£m	£m	%	£m	£m	£m
1) Strong	Less than 2.5 years	111	—	50	110	55	—
	Equal to or more than 2.5 years	748	—	70	724	507	3
2) Good	Less than 2.5 years	10	—	70	10	7	—
	Equal to or more than 2.5 years	163	—	90	159	143	1
3) Satisfactory	Less than 2.5 years	2	—	115	2	2	—
	Equal to or more than 2.5 years	75	—	115	71	82	2
4) Weak	Less than 2.5 years	—	—	250	—	—	—
	Equal to or more than 2.5 years	1	—	250	1	3	—
5) Default	Less than 2.5 years	—	—		—	—	—
	Equal to or more than 2.5 years	—	—		—	—	—
Total	Less than 2.5 years	123	—		122	64	—
	Equal to or more than 2.5 years	987	—		955	735	6

COUNTERPARTY CREDIT RISK (Continued)

CCR5: Composition of collateral for CCR exposures

		30 Jun 2026					
		Collateral used in derivatives transactions				Collateral used in securities financing transactions (SFTs)	
		Fair value of collateral received		Fair value of collateral posted			
	Collateral type	Segregated £m	Unsegregated £m	Segregated £m	Unsegregated £m	Fair value of collateral received £m	Fair value of collateral posted £m
1	Cash	**60**	**3,758**	**60**	**5,346**	**102,649**	**110,187**
2	Debt	**452**	**4,283**	**1,957**	**938**	**113,827**	**88,493**
4	Other	**—**	**—**	**—**	**—**	**414**	**35,634**
5	**Total**	**512**	**8,042**	**2,017**	**6,283**	**216,890**	**234,314**

		31 Dec 2025					
		Collateral used in derivatives transactions				Collateral used in securities financing transactions (SFTs)	
		Fair value of collateral received		Fair value of collateral posted			
	Collateral type	Segregated £m	Unsegregated £m	Segregated £m	Unsegregated £m	Fair value of collateral received £m	Fair value of collateral posted £m
1	Cash	60	3,618	60	5,704	94,143	107,325
2	Debt	330	4,339	2,499	1,196	110,242	83,590
4	Other	—	—	—	—	683	28,515
5	Total	390	7,957	2,559	6,900	205,068	219,430

COUNTERPARTY CREDIT RISK (Continued)

CCR6: Credit derivatives exposures

		30 Jun 2026		31 Dec 2025	
		Protection bought	**Protection sold**	Protection bought	Protection sold
Notionals		**£m**	**£m**	£m	£m
1	Single-name credit default swaps	**3,596**	**198**	1,768	13
2	Index credit default swaps	**1,064**	**131**	950	33
3	Total return swaps	**2,719**	**760**	2,664	1,045
4	Credit options	**—**	**5,443**	—	5,443
6	**Total notionals**	**7,379**	**6,532**	5,382	6,534
Fair values					
7	Positive fair value (asset)	**64**	**13**	47	5
8	Negative fair value (liability)	**(141)**	**(13)**	(116)	(14)

CCR8: Exposures to CCPs

		30 Jun 2026		31 Dec 2025	
		Exposure value	**RWA**	Exposure value	RWA
		£m	**£m**	£m	£m
1	**Exposures to QCCPs (total)**		**257**		234
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	**2,167**	**49**	2,153	48
3	(i) OTC derivatives	**1,103**	**22**	1,259	25
4	(ii) Exchange-traded derivatives	**664**	**19**	488	15
5	(iii) SFTs	**400**	**8**	406	8
8	Non-segregated initial margin	**6**	**—**	9	—
9	Prefunded default fund contributions	**389**	**208**	339	186
11	**Exposures to non-QCCPs (total)**		**—**		—

SECURITISATION

SEC1: Securitisation exposures in the non-trading book

		30 Jun 2026															
		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	Sub-total	STS	Non-STS	Synthetic	Sub-total	STS	Non-STS	Synthetic	Sub-total
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1	**Total exposures**	—	—	**1,690**	—	**17,616**	**17,616**	**19,306**	**794**	**3,802**	—	**4,596**	**11,082**	**12,460**	—	**23,542**
2	**Retail (total)**	—	—	**1,690**	—	—	—	**1,690**	**592**	**2,740**	—	**3,332**	**9,200**	**9,200**	—	**18,400**
3	Residential mortgage	—	—	**1,668**	—	—	—	**1,668**	—	—	—	—	**2,139**	**4,436**	—	**6,575**
4	Credit card	—	—	—	—	—	—	—	—	—	—	—	**113**	**808**	—	**921**
5	Other retail exposures	—	—	**22**	—	—	—	**22**	**592**	**2,740**	—	**3,332**	**6,948**	**3,956**	—	**10,904**
7	**Wholesale (total)**	—	—	—	—	**17,616**	**17,616**	**17,616**	**202**	**1,062**	—	**1,264**	**1,882**	**3,260**	—	**5,142**
8	Loans to corporates	—	—	—	—	**11,438**	**11,438**	**11,438**	—	—	—	—	**101**	**243**	—	**344**
9	Commercial mortgage	—	—	—	—	**2,416**	**2,416**	**2,416**	—	—	—	—	—	**927**	—	**927**
10	Lease and receivables	—	—	—	—	—	—	—	**202**	**459**	—	**661**	**883**	**1,324**	—	**2,207**
11	Other wholesale	—	—	—	—	**3,762**	**3,762**	**3,762**	—	**603**	—	**603**	**898**	**766**	—	**1,664**

		31 Dec 2025														
1	Total exposures	—	—	1,144	—	14,836	14,836	15,980	805	3,411	—	4,216	9,610	11,826	—	21,436
2	Retail (total)	—	—	1,144	—	—	—	1,144	600	2,860	—	3,460	8,269	8,569	—	16,838
3	Residential mortgage	—	—	1,078	—	—	—	1,078	—	153	—	153	2,598	3,376	—	5,974
4	Credit card	—	—	—	—	—	—	—	—	—	—	—	312	1,053	—	1,365
5	Other retail exposures	—	—	66	—	—	—	66	600	2,707	—	3,307	5,359	4,140	—	9,499
7	Wholesale (total)	—	—	—	—	14,836	14,836	14,836	205	551	—	756	1,341	3,257	—	4,598
8	Loans to corporates	—	—	—	—	8,352	8,352	8,352	—	—	—	—	83	264	—	347
9	Commercial mortgage	—	—	—	—	2,564	2,564	2,564	—	—	—	—	—	929	—	929
10	Lease and receivables	—	—	—	—	—	—	—	205	418	—	623	915	1,430	—	2,345
11	Other wholesale	—	—	—	—	3,920	3,920	3,920	—	133	—	133	343	634	—	977

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 2026 was US$2,110m (£1,590m).

SECURITISATION (Continued)

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

		30 Jun 2026															
		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**	**14,402**	**8,011**	**1,114**	**376**	**—**	**15,222**	**6,325**	**2,355**	**—**	**3,801**	**1,255**	**739**	**—**	**304**	**101**	**59**	**—**
2	**Traditional transactions**	**5,531**	**597**	**144**	**14**	**—**	**22**	**6,261**	**3**	**—**	**39**	**1,206**	**14**	**—**	**3**	**97**	**1**	**—**
3	Securitisation	**5,531**	**597**	**144**	**14**	**—**	**22**	**6,261**	**3**	**—**	**39**	**1,206**	**14**	**—**	**3**	**97**	**1**	**—**
4	Retail underlying	**4,612**	**393**	**3**	**14**	**—**	**22**	**4,997**	**3**	**—**	**39**	**924**	**14**	**—**	**3**	**74**	**1**	**—**
5	of which STS	**592**	**—**	**—**	**—**	**—**	**—**	**592**	**—**	**—**	**—**	**59**	**—**	**—**	**—**	**5**	**—**	**—**
6	Wholesale	**919**	**204**	**141**	**—**	**—**	**—**	**1,264**	**—**	**—**	**—**	**282**	**—**	**—**	**—**	**23**	**—**	**—**
7	of which STS	**202**	**—**	**—**	**—**	**—**	**—**	**202**	**—**	**—**	**—**	**20**	**—**	**—**	**—**	**2**	**—**	**—**
9	**Synthetic transactions**	**8,871**	**7,414**	**970**	**362**	**—**	**15,200**	**64**	**2,352**	**—**	**3,762**	**49**	**725**	**—**	**301**	**4**	**58**	**—**
10	Securitisation	**8,871**	**7,414**	**970**	**362**	**—**	**15,200**	**64**	**2,352**	**—**	**3,762**	**49**	**725**	**—**	**301**	**4**	**58**	**—**
12	Wholesale	**8,871**	**7,414**	**970**	**362**	**—**	**15,200**	**64**	**2,352**	**—**	**3,762**	**49**	**725**	**—**	**301**	**4**	**58**	**—**

		31 Dec 2025															
1	Total exposures	11,714	7,246	1,195	32	9	12,338	5,351	2,506	—	3,402	1,336	739	—	272	107	59	—
2	Traditional transactions	3,430	1,616	282	22	9	66	5,287	6	—	51	1,278	78	—	4	102	6	—
3	Securitisation	3,430	1,616	282	22	9	66	5,287	6	—	51	1,278	78	—	4	102	6	—
4	Retail underlying	3,008	1,412	153	22	9	66	4,532	6	—	51	1,091	78	—	4	87	6	—
5	of which STS	600	—	—	—	—	—	600	—	—	—	60	—	—	—	5	—	—
6	Wholesale	422	204	129	—	—	—	755	—	—	—	187	—	—	—	15	—	—
7	of which STS	205	—	—	—	—	—	205	—	—	—	20	—	—	—	2	—	—
9	Synthetic transactions	8,284	5,630	913	10	—	12,272	64	2,500	—	3,351	58	661	—	268	5	53	—
10	Securitisation	8,284	5,630	913	10	—	12,272	64	2,500	—	3,351	58	661	—	268	5	53	—
12	Wholesale	8,284	5,630	913	10	—	12,272	64	2,500	—	3,351	58	661	—	268	5	53	—

SECURITISATION (Continued)

SEC4: Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor

		30 Jun 2026																	
		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**	**23,204**	**280**	**3**	**57**	**—**	**—**	**2,629**	**20,914**	**—**	**—**	**461**	**2,756**	**—**	**—**	**37**	**220**	**—**	
2	**Traditional transactions**	**23,204**	**280**	**3**	**57**	**—**	**—**	**2,629**	**20,914**	**—**	**—**	**461**	**2,756**	**—**	**—**	**37**	**220**	**—**	
3	Securitisation	**23,204**	**280**	**3**	**57**	**—**	**—**	**2,629**	**20,914**	**—**	**—**	**461**	**2,756**	**—**	**—**	**37**	**220**	**—**	
4	Retail underlying	**18,229**	**172**	**—**	**—**	**—**	**—**	**2,379**	**16,022**	**—**	**—**	**298**	**2,085**	**—**	**—**	**24**	**167**	**—**	
5	of which STS	**9,200**	**—**	**—**	**—**	**—**	**—**	**1,555**	**7,645**	**—**	**—**	**156**	**787**	**—**	**—**	**12**	**63**	**—**	
6	Wholesale	**4,975**	**108**	**3**	**57**	**—**	**—**	**250**	**4,892**	**—**	**—**	**163**	**671**	**—**	**—**	**13**	**54**	**—**	
7	of which STS	**1,882**	**—**	**—**	**—**	**—**	**—**	**136**	**1,746**	**—**	**—**	**14**	**175**	**—**	**—**	**1**	**14**	**—**	
9	**Synthetic transactions**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	
		31 Dec 2025																	
1	Total exposures	20,836	538	3	62	—	—	2,684	18,753	—	—	465	2,531	—	—	37	202	—	
2	Traditional transactions	20,836	538	3	62	—	—	2,684	18,753	—	—	465	2,531	—	—	37	202	—	
3	Securitisation	20,836	538	3	62	—	—	2,684	18,753	—	—	465	2,531	—	—	37	202	—	
4	Retail underlying	16,643	197	—	—	—	—	2,523	14,316	—	—	326	1,891	—	—	26	151	—	
5	of which STS	8,269	—	—	—	—	—	1,546	6,724	—	—	155	705	—	—	12	56	—	
6	Wholesale	4,193	341	3	62	—	—	161	4,437	—	—	139	640	—	—	11	51	—	
7	of which STS	1,341	—	—	—	—	—	11	1,330	—	—	1	133	—	—	—	11	—	
9	Synthetic transactions	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	

SECURITISATION (Continued)

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

		30 Jun 2026			31 Dec 2025		
		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		Total amount of specific credit risk adjustments made during the period	Total outstanding nominal amount		Total amount of specific credit risk adjustments made during the period
			Of which exposures in default			Of which exposures in default	
		£m	£m	£m	£m	£m	£m
1	**Total exposures**	**24,660**	**1,011**	**—**	20,289	833	—
2	**Retail (total)**	**4,939**	**814**	**—**	3,699	643	—
3	Residential mortgage	**4,468**	**806**	**—**	2,966	630	—
5	Other retail exposures	**471**	**8**	**—**	733	13	—
7	**Wholesale (total)**	**19,721**	**197**	**—**	16,590	190	—
8	Loans to corporates	**13,007**	**125**	**(1)**	9,560	110	—
9	Commercial mortgage	**2,746**	**38**	**—**	2,904	45	—
11	Other wholesale	**3,968**	**34**	**1**	4,126	35	—

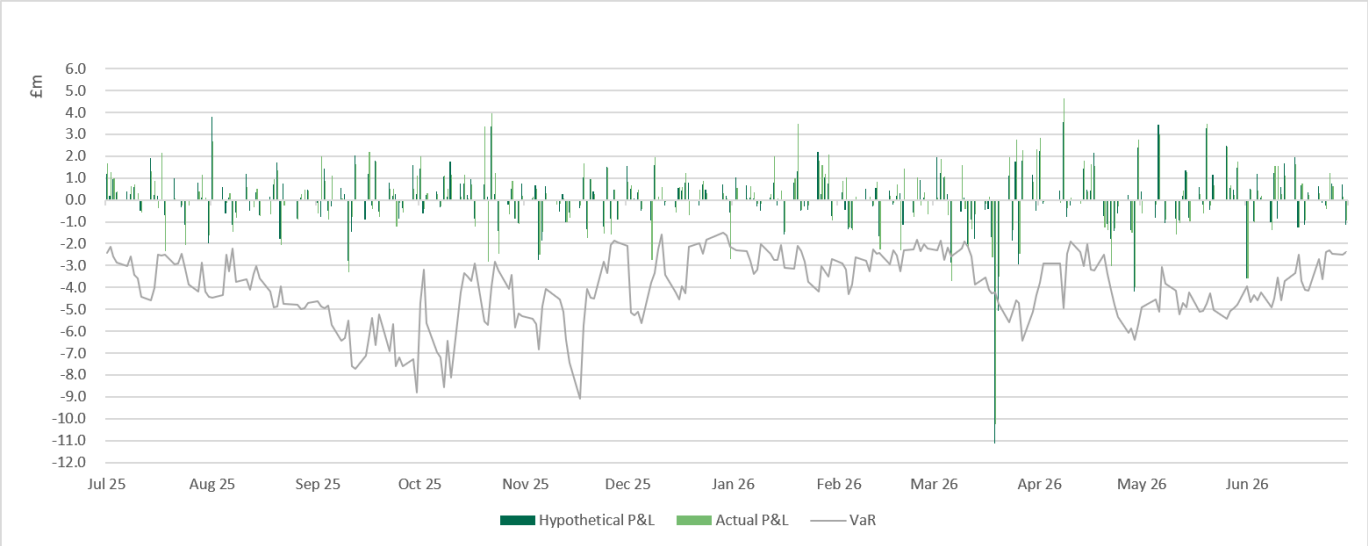
MARKET RISK

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 12 months to 30 June 2026.

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 4 actual loss overshoots and 3 hypothetical loss overshoots reported for the 12 months to 30 June 2026.

MR4: Comparison of VaR estimates with gains/losses



MARKET RISK (Continued)

MR1: Market risk under the standardised approach

		30 Jun 2026 RWAs £m	31 Dec 2025 RWAs £m
	Outright products		
1	Interest rate risk (general and specific)	**531**	572
4	Commodity risk	**2**	3
	Options		
6	Delta-plus approach	**17**	7
8	Securitisation (specific risk)	**33**	25
9	**Total**	**583**	607

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 the 12 months to June 2026 and December 2025. Also included are statistics for the Incremental Risk Charge over the 12 months to June 2026 and December 2025.

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.

		30 Jun 2026 £m	31 Dec 2025 £m
VaR (10 day 99%)			
1	Maximum value	**37**	25
2	Average value	**13**	10
3	Minimum value	**3**	3
4	Period end	**13**	8
SVaR (10 day 99%)			
5	Maximum value	**80**	48
6	Average value	**37**	32
7	Minimum value	**13**	15
8	Period end	**48**	31
IRC (99.9%)			
9	Maximum value	**78**	66
10	Average value	**36**	27
11	Minimum value	**10**	8
12	Period end	**44**	25
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

		30 Jun 2026		31 Dec 2025	
		RWAs	**Own funds requirements**	RWAs	Own funds requirements
		£m	**£m**	£m	£m
1	**VaR (higher of values a and b)**	**1,003**	**80**	413	33
(a)	Previous day's VaR (VaRt-1)		**14**		7
(b)	Multiplication factor (mc) x average of previous 60 working days (VaRavg)		**80**		33
2	**SVaR (higher of values a and b)**	**1,905**	**152**	1,542	123
(a)	Latest available SVaR (SVaRt-1))		**48**		31
(b)	Multiplication factor (ms) x average of previous 60 working days (sVaRavg)		**152**		123
3	**IRC (higher of values a and b)**	**592**	**47**	545	44
(a)	Most recent IRC measure		**44**		25
(b)	12 weeks average IRC measure		**47**		44
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**	**752**	**61**	737	59
6	Total	**4,252**	**340**	3,237	259

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 2026	31 Mar 2026	31 Dec 2025	30 Sep 2025	**30 Jun 2026**	31 Mar 2026	31 Dec 2025	30 Sep 2025
	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
High-quality liquid assets (£m)									
1	Total high-quality liquid assets (HQLA)					**131,027**	130,603	131,372	132,368
Cash - outflows (£m)									
2	Retail deposits and deposits from small business customers, of which:	**362,815**	363,308	362,663	360,858	**21,227**	22,201	23,074	23,753
3	Stable deposits	**240,761**	248,265	254,612	263,154	**12,038**	12,413	12,731	13,158
4	Less stable deposits	**73,115**	79,162	84,786	87,481	**9,185**	9,788	10,343	10,595
5	Unsecured wholesale funding	**96,201**	94,790	94,117	92,894	**48,552**	47,660	47,078	46,347
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	**24,582**	24,209	24,514	24,580	**6,145**	6,052	6,128	6,145
7	Non-operational deposits (all counterparties)	**67,972**	67,330	66,701	65,263	**38,760**	38,357	38,048	37,151
8	Unsecured debt	**3,647**	3,251	2,902	3,051	**3,647**	3,251	2,902	3,051
9	Secured wholesale funding					**1,064**	930	831	683
10	Additional requirements	**73,667**	72,132	71,589	70,831	**28,596**	27,666	28,039	28,194
11	Outflows related to derivative exposures and other collateral requirements	**15,290**	14,406	14,650	14,921	**15,290**	14,406	14,650	14,921
12	Outflows related to loss of funding on debt products	**467**	384	470	578	**467**	384	470	578
13	Credit and liquidity facilities	**57,910**	57,342	56,469	55,332	**12,839**	12,876	12,919	12,695
14	Other contractual funding obligations	**7,088**	7,028	6,343	5,680	**1,834**	1,841	1,468	1,390
15	Other contingent funding obligations	**99,329**	96,935	95,604	94,830	**4,820**	4,638	4,473	4,338
16	Total cash outflows					**106,093**	104,936	104,963	104,705
Cash - inflows (£m)									
17	Secured lending (e.g. reverse repos)	**39,313**	37,643	36,733	35,600	**281**	273	249	276
18	Inflows from fully performing exposures	**7,160**	7,014	6,978	6,926	**5,284**	5,221	5,198	5,175
19	Other cash inflows	**9,816**	8,891	8,767	7,964	**9,768**	8,842	8,716	7,911
20	Total cash inflows	**56,289**	53,548	52,478	50,490	**15,333**	14,336	14,163	13,362
UK-20c	Inflows subject to 75% cap	**55,363**	52,574	51,361	49,189	**15,333**	14,336	14,163	13,362
Total adjusted value									
UK-21	Liquidity buffer (£m)					**131,027**	130,603	131,372	132,368
22	Total net cash outflows (£m)					**90,760**	90,600	90,800	91,343
23	Liquidity coverage ratio (%)					**144%**	144%	145%	145%

LIQUIDITY (Continued)

LIQB: Qualitative information on LCR

The Group's liquidity coverage ratio (LCR) was 144% (based on a simple average over the previous 12 months) at 30 June 2026 (31 March 2026: 144%; 31 December 2025: 145%), with no material changes in the liquid asset buffer or the net cash outflows compared to 31 March 2026 and 31 December 2025.

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 liquid asset 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				
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	Weighted value
		£m	£m	£m	£m	£m
Available stable funding (ASF) Items						
1	**Capital items and instruments:**	**47,834**	**1,263**	**350**	**13,288**	**61,122**
2	Own funds	**47,834**	**1,261**	**350**	**12,631**	**60,465**
3	Other capital instruments		**2**	—	**657**	**657**
4	**Retail deposits:**		**336,673**	**18,293**	**7,737**	**341,155**
5	Stable deposits		**262,923**	**16,058**	**6,874**	**271,906**
6	Less stable deposits		**73,750**	**2,235**	**863**	**69,249**
7	**Wholesale funding:**		**216,584**	**22,375**	**59,950**	**120,302**
8	Operational deposits		**26,055**	—	—	**13,028**
9	Other wholesale funding		**190,529**	**22,375**	**59,950**	**107,274**
10	**Interdependent liabilities**		—	—	—	—
11	**Other liabilities:**	—	**8,037**	—	**9,427**	**9,427**
12	NSFR derivative liabilities	—				
13	All other liabilities and capital instruments not included in the above categories		**8,037**	—	**9,427**	**9,427**
14	**Total available stable funding (ASF)**					**532,006**
Required stable funding (RSF) Items						
15	**Total high-quality liquid assets (HQLA)**					**4,034**
UK-15a	**Assets encumbered for more than 12m in cover pool**		**453**	**404**	**15,023**	**13,499**
16	**Deposits held at other financial institutions for operational purposes**		—	—	—	—
17	**Performing loans and securities:**		**85,083**	**32,620**	**450,391**	**366,978**
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		**50,300**	**7,642**	**13,307**	**17,127**
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		**11,859**	**7,854**	**19,481**	**25,084**
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		**12,347**	**9,132**	**96,260**	**93,856**
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:		**6,157**	**5,008**	**313,822**	**221,355**
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		**5,755**	**4,607**	**288,285**	**198,951**
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		**4,420**	**2,984**	**7,521**	**9,556**
25	**Interdependent assets**		—	—	—	—
26	**Other assets:**	**19,481**	**3,672**	**178**	**28,202**	**37,286**
27	Physical traded commodities				—	—
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs			**3,579**		**3,042**
29	NSFR derivative assets			**5,052**		**5,052**
30	NSFR derivative liabilities before deduction of variation margin posted			**10,850**		**543**
31	All other assets not included in the above categories		**3,672**	**178**	**28,202**	**28,649**
32	**Off-balance sheet items**		**160,532**	—	—	**9,434**
33	**Total RSF**					**431,231**
34	**Net Stable Funding Ratio (%)**					**123%**

INTEREST RATE RISK IN THE BANKING BOOK (IRRBB)

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 2.0 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.

		ΔEVE		ΔNII		Tier 1 capital	
		30 Jun 2026	31 Dec 2025	**30 Jun 2026**	31 Dec 2025	**30 Jun 2026**	31 Dec 2025
		£m	£m	**£m**	£m	**£m**	£m
010	Parallel shock up	**(4,437)**	(4,071)	**783**	1,035		
020	Parallel shock down	**1,960**	1,411	**(1,544)**	(1,569)		
030	Steepener shock	**(921)**	(1,048)				
040	Flattener shock	**76**	154				
050	Short rates shock up	**(1,403)**	(1,122)				
060	Short rates shock down	**448**	182				
070	Maximum	**(4,437)**	(4,071)	**(1,544)**	(1,569)		
080	Tier 1 capital					**37,587**	38,053

APPENDIX 1: EXCLUDED TEMPLATES

Pillar 3 templates that are required to be disclosed semi-annually but have not been included in this document are listed in the table below along with the reason for exclusion.

PRA reference	Template name	Reason for exclusion
CR2a	Changes in the stock of non-performing loans and advances and related net accumulated recoveries	Threshold for disclosure not met
CQ2	Quality of forbearance	Threshold for disclosure not met
CQ6	Collateral valuation – loans and advances	Threshold for disclosure not met
CQ7	Collateral obtained by taking possession and execution processes	No collateral taken into possession is recognised on the balance sheet
CQ8	Collateral obtained by taking possession and execution processes – vintage breakdown	No collateral taken into possession is recognised on the balance sheet and threshold for disclosure is not met
CR7	IRB – Effect on the RWAs of credit derivatives used as CRM techniques	Excluded on materiality basis
CR10.4	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

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; risks related to new and emerging technologies, including artificial intelligence; technological changes and risks to the security of IT and operational infrastructure, systems, data and information resulting from increased threat of cyber and other attacks; technological failure; inadequate or failed internal or external processes or systems; risks relating to ESG matters, such as climate change (and achieving climate change ambitions) and decarbonisation, including the Group's ability along with the government and other stakeholders to measure, manage and mitigate the impacts of climate change effectively, and human rights issues; the impact of competitive conditions; failure to attract, retain and develop high calibre talent; the ability to achieve strategic objectives; the ability to derive cost savings and other benefits including, but without limitation, as a result of any acquisitions, disposals and other strategic transactions; inability to capture accurately the expected value from acquisitions; assumptions and estimates that form the basis of the Group's financial statements; and potential changes in dividend policy. A number of these influences and factors are beyond the 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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