SKIPTON BUILDING SOCIETY

Since 1853

Pillar 3 Disclosures

30 June 2026

CONTENTS

1 Introduction

This document presents the Pillar 3 disclosures of Skipton Building Society (the Society) and its subsidiaries at prudential group level as at 30 June 2026.

These Pillar 3 disclosures are published on the Society's website Skipton Pillar 3 Disclosures.

1.1 Scope of application

The Society is required to calculate and maintain regulatory capital on both a prudential consolidation group (Group) and a Society only basis. The Group comprises the Society and a small number of subsidiaries, excluding those deemed as immaterial or not core to financial services. No material change has occurred in the scope of prudential consolidation since 31 December 2025.

The basis of consolidation for regulatory and accounting purposes differs. For an overview of the differences between accounting and regulatory scopes of consolidation, see section 4 of the Pillar 3 disclosures as at 31 December 2025.

1.2 Basis of presentation

The disclosures have been prepared in accordance with the Capital Requirements Directive (CRD V), the United Kingdom's Capital Requirements Regulation (UK CRR) and the disclosure requirements set out in the Prudential Regulation Authority's (PRA) Rulebook. No changes have been made to the fixed templates, unless specifically stated above or directly beneath the relevant template.

These Pillar 3 disclosures are presented at the prudential consolidation group level (see section 1.1 above).

All figures and narratives are as at 30 June 2026. Comparative analysis is provided as required in the PRA Rulebook.

Applicable definitions of terms used within these Pillar 3 disclosures are set out in the Glossary on pages 118 – 120 of the 2025 year-end Pillar 3 disclosures on the Society's website: December 2025 Pillar 3 Disclosures.

1.3 Frequency of disclosure

The Society is required to publish Pillar 3 disclosures quarterly in accordance with the requirements set out in Article 433a of the PRA Rulebook.

1.4 Non-material, proprietary or confidential information

The Society is required to publish Pillar 3 disclosures in accordance with Article 432 of the PRA Rulebook which allows an institution to omit disclosures if the information is not considered material or if it is regarded as proprietary or confidential.

In accordance with Article 440 of the PRA Rulebook, the Countercyclical Capital Buffer template UK CCyB1 sets out a geographical breakdown of the obligors for relevant exposure types. For materiality reasons, only those countries where a Countercyclical Buffer rate has been set or which individually have an own funds requirement weighting of equal to or more than one percent are listed. Exposures in countries where these criteria are not met have been presented in aggregate as 'other countries'.

There have been no other omissions based on non-materiality, proprietary or confidentiality.

1.5 Pillar 3 Policy

The Board has adopted a formal policy for the production of the Pillar 3 disclosures. The Pillar 3 Policy (Policy) sets out the principles which ensure that the Pillar 3 disclosures satisfy the regulatory reporting requirements in respect of the basis, frequency, verification and appropriateness of disclosures, and the governance and control framework applied in the preparation of the disclosures. The Policy also ensures that the Group's risk profile is comprehensively disclosed.

1.6 Verification and sign-off

These disclosures have been reviewed and approved by the Board Audit Committee (BAC). These disclosures are not required to be, and have not been, subject to an independent external audit.

Capital and leverage ratios reported as at 30 June 2026 include interim profits for the period to 30 June 2026 that have been independently reviewed by the Group's external auditors, and notified to the PRA in accordance with Article 26 (2) of the UK CRR.

1.7 Regulatory development – UK Basel 3.1

The implementation of UK Basel 3.1 remains ongoing and will introduce enhanced capital and disclosure requirements. The Society continues to prepare for implementation and expects to comply with the revised Pillar 3 disclosure requirements from 2027, in line with UK regulatory timelines.

2 Key metrics and overview of risk-weighted exposure amounts

2.1 UK KM1 - Key metrics template

		a	b	c	d	e
		30 Jun 26 £m	31 Mar 26 £m	31 Dec 25 £m	30 Sep 25 £m	30 Jun 25 £m
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	**2,658.9**	2,571.5	2,575.0	2,462.2	2,465.7
2	Tier 1 capital	**2,658.9**	2,571.5	2,575.0	2,462.2	2,465.7
3	Total capital	**2,674.1**	2,587.0	2,590.0	2,502.2	2,505.7
	Risk-weighted exposure amounts (RWEAs)					
4	Total risk-weighted exposure amount	**9,533.9**	9,333.5	9,141.4	8,802.3	8,559.3
	Capital ratios (as a % of RWEAs)					
5	Common Equity Tier 1 ratio (%)	**27.9**	27.6	28.2	28.0	28.8
6	Tier 1 ratio (%)	**27.9**	27.6	28.2	28.0	28.8
7	Total capital ratio (%)	**28.0**	27.7	28.3	28.4	29.3
	Additional own funds requirements based on SREP (as a % of RWEAs)					
UK 7a	Additional CET1 SREP requirements (%)	**1.5**	1.5	1.5	1.5	1.1
UK 7b	Additional AT1 SREP requirements (%)	**0.5**	0.5	0.5	0.5	0.4
UK 7c	Additional T2 SREP requirements (%)	**0.6**	0.6	0.6	0.6	0.5
UK 7d	Total SREP own funds requirements (%)	**10.6**	10.6	10.6	10.6	10.0
	Combined buffer requirement (as a % of RWEAs) [1]					
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
11	Combined buffer requirement (%)	**4.3**	4.3	4.3	4.3	4.3
UK 11a	Overall capital requirements (%)	**14.9**	14.9	14.9	14.9	14.3
12	CET1 available after meeting the total SREP own funds requirements (%)	**17.5**	17.1	17.7	17.8	19.3
	Leverage ratio [2]					
13	Total exposure measure excluding claims to central banks	**39,635.1**	39,134.7	38,477.2	38,439.9	37,570.0
14	Leverage ratio excluding claims on central banks (%)	**6.7**	6.6	6.7	6.4	6.6
	Liquidity Coverage Ratio [3]					
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	**5,297.1**	5,438.7	5,702.4	5,906.6	6,012.7
UK 16a	Cash outflows - Total weighted value	**3,197.1**	3,240.3	3,272.0	3,311.3	3,407.3
UK 16b	Cash inflows - Total weighted value	**211.0**	212.3	212.4	211.1	252.3
16	Total net cash outflows (adjusted value)	**2,986.1**	3,028.0	3,059.6	3,100.2	3,155.0
17	Liquidity coverage ratio (%)	**177.5**	179.7	186.7	190.8	191.0
	Net Stable Funding Ratio [4]					
18	Total available stable funding	**36,859.0**	36,245.0	35,805.4	35,153.8	34,584.6
19	Total required stable funding	**26,936.0**	26,390.6	25,867.5	25,179.6	24,899.7
20	**Net Stable Funding Ratio** (%)	**136.9**	137.4	138.4	139.6	138.9

Notes

1. The buffer requirement in rows UK 8a, UK 9a to UK10a have been removed from the template as they are not applicable for the Group.
2. The additional leverage ratio disclosure requirements only apply to financial institutions with deposits equal to or greater than £75bn or with non-UK assets equal to or greater than £10bn. The rows UK-14a to UK-14e have been removed from the template as the Group is not currently captured by either threshold.
3. In line with regulatory guidance, values are calculated as the simple average of the 12 month-end observations preceding each quarter. Percentages may not sum precisely due to rounding of quarterly averages.
4. In line with regulatory guidance, the values have been calculated based on a four quarter rolling average of quarter-end positions. Percentages may not sum precisely due to rounding of quarterly averages.

2.2 Qualitative information on key metrics, which complements template UK KM1

Capital

The Group's capital position remains strong with Common Equity Tier 1 (CET1) capital of £2,658.9m (31 March 2026: £2,571.5m). The increase in CET1 capital was driven primarily by retained profits accumulated during the period.

Risk Weighted Assets

Risk Weighted Exposure Amounts (RWEAs), also referred to as Risk Weighted Assets (RWAs), increased by £200.4m during the period to £9,533.9m (31 March 2026: £9,333.5m). The increase during the quarter is principally driven by strong residential mortgage book growth in the period, risk weighted under the IRB approach. An overview of RWAs is set out in Section 3.

The Society continues to engage with the PRA as part of its ongoing enhancement of its IRB system to reflect evolving regulatory standards. Pending PRA approval of the IRB ratings system, a Temporary Model Adjustment (TMA) is applied to the Society's regulator-approved IRB model output at portfolio level. The TMA uplifts the Expected Loss (EL) and RWAs to the level expected in the revised IRB models.

The TMA remains subject to change and may cause variations in the capital metrics. There have not been, and we do not expect there to be, any material changes to the risk profile or strategy of the Society as a result of changes to the TMA.

Capital ratios

CET1 capital increased during the period and more than offset growth in RWAs, resulting in the CET1 ratio increasing to 27.9% (31 March 2026: 27.6%).

Leverage

As at 30 June 2026, the Group's leverage ratio increased marginally to 6.7% (31 March 2026: 6.6%), reflecting growth in CET1 capital, which more than offset the increase in the leverage exposure resulting from continued mortgage book growth.

Liquidity

The Group's Liquidity Coverage Ratio (LCR) as at 30 June 2026 reduced to 177.5% (31 March 2026: 179.7%). Mortgage growth throughout the last quarter has been supported by strong savings growth as well as a £500m covered bond issuance. The detailed NSFR breakdown is disclosed bi-annually in line with regulatory guidance and further detail on the LCR is set out in section 7.

3 Overview of risk weighted assets

3.1 UK OV1 – Overview of risk weighted assets

The template below provides an overview of RWAs and minimum capital requirements under the Pillar 1 capital requirement as at 30 June 2026. Credit risk exposures include off-balance sheet exposures, such as mortgage commitments not yet drawn.

The Pillar 1 own funds requirement under both the IRB and standardised approach is calculated as 8% of the RWAs.

		a	b	c
		Risk weighted exposure amounts (RWEAs)		Total Own Fund Requirements
		30 Jun 26 £m	31 Mar 26 £m	30 Jun 26 £m
1	**Credit risk (excluding CCR)**	**8,496.6**	8,283.0	**679.7**
2	Of which standardised approach	**1,398.6**	1,402.1	**111.9**
3	Of which the foundation IRB (FIRB) approach [1]	-	-	-
4	Of which slotting approach [1]	-	-	-
UK 4a	Of which equities under the simple risk weighted approach	**306.3**	306.7	**24.5**
5	Of which the advanced IRB (AIRB) approach [2]	**6,791.7**	6,574.2	**543.3**
6	**Counterparty credit risk (CCR)**	**102.9**	112.7	**8.2**
7	Of which the standardised approach	**26.8**	29.5	**2.1**
8	Of which internal model method (IMM) [1]	-	-	-
UK 8a	Of which exposures to a CCP	**8.4**	8.9	**0.7**
UK 8b	Of which credit valuation adjustment - CVA	**67.7**	74.3	**5.4**
9	Of which other CCR	-	-	-
15	**Settlement risk**	-	-	-
16	**Securitisation exposures in the non-trading book (after the cap)**	**56.5**	59.9	**4.5**
17	Of which SEC-IRBA approach [1]	-	-	-
18	Of which SEC-ERBA (including IAA) [3]	**56.5**	59.9	**4.5**
19	Of which SEC-SA approach [1]	-	-	-
UK 19a	Of which 1250%/ deduction [1]	-	-	-
20	**Position, foreign exchange and commodities risks (Market risk)** [4]	-	-	-
21	Of which the standardised approach	-	-	-
22	Of which IMA [1]	-	-	-
UK 22a	**Large exposure**	-	-	-
23	**Operational risk**	**877.9**	877.9	**70.2**
UK 23a	Of which basic indicator approach [1]	-	-	-
UK 23b	Of which standardised approach	**877.9**	877.9	**70.2**
UK 23c	Of which advanced measurement approach [1]	-	-	-
24	Amounts below the thresholds for deduction (subject to 250% risk weight) (For information) [5]	**11.8**	11.7	**0.9**
29	**Total**	**9,533.9**	9,333.5	**762.6**

Notes
1. This approach is not applicable to the Group.
2. The advanced IRB approach also includes non-credit obligation assets risk weighted at 100%.
3. The Internal Assessment Approach (IAA) is not applicable to the Group.
4. In accordance with Article 351 of the UK CRR, no capital requirement arises for foreign exchange risk because the Group's overall net foreign exchange position remains below the regulatory threshold.
5. The amount, which includes RWAs related to deferred tax assets and equity exposures subject to a 250% risk weight, is presented for information purposes only, as these exposures are already included in rows 2 and 5.

4 Own funds

The templates in this section show the composition of regulatory capital and how the values reconcile from the Group balance sheet to the Group's regulatory capital position as at 30 June 2026. Column 'b' below contains references to column 'c' in template UK CC2. Rows in which there is no data to report, which contain zero values, or are not applicable in the UK have not been presented.

4.1 UK CC1 – Composition of regulatory own funds

		a	b	a
		Amounts 30 Jun 26 £m	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation	Amounts 31 Dec 25 £m
Common Equity Tier 1 (CET1) capital: instruments and reserves				
2	Retained earnings [1]	2,642.8	(c)	2,448.7
3	Accumulated other comprehensive income (and other reserves)	4.6	(d) +(e) + (g) + (h) + (i)	(9.6)
UK-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	84.2	(f)	207.0
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	2,731.6		2,646.1
Common Equity Tier 1 (CET1) capital: regulatory adjustments				
7	Additional value adjustments (negative amount)	(3.9)		(4.6)
8	Intangible assets (net of related tax liability) (negative amount)	(14.7)	(a)	(12.8)
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	(7.0)	(h)	(9.8)
12	Negative amounts resulting from the calculation of expected loss amounts	(47.1)		(43.9)
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	(72.7)		(71.1)
29	**Common Equity Tier 1 (CET1) capital**	2,658.9		2,575.0
Additional Tier 1 (AT1) capital: regulatory adjustments				
45	**Tier 1 capital (T1 = CET1 + AT1)**	2,658.9		2,575.0
Tier 2 (T2) capital: instruments				
46	Capital instruments and the related share premium accounts [2]	15.2	(b)	15.0
51	**Tier 2 (T2) capital before regulatory adjustments**	15.2		15.0
Tier 2 (T2) capital: regulatory adjustments				
58	**Tier 2 (T2) capital**	15.2		15.0
59	**Total capital (TC = T1 + T2)**	2,674.1		2,590.0
60	**Total Risk exposure amount**	9,533.9		9,141.4
Capital ratios and buffers				
61	Common Equity Tier 1 (as a percentage of total risk exposure amount) (%)	27.9		28.2
62	Tier 1 (as a percentage of total risk exposure amount)(%)	27.9		28.2
63	Total capital (as a percentage of total risk exposure amount)(%)	28.0		28.3

		a	b	a
		Amounts 30 Jun 26 £m	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation	Amounts 31 Dec 25 £m
64	Institution CET1 overall capital requirement (CET1 requirement in accordance with Article 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Article 104(1) CRD, plus combined buffer requirement in accordance with Article 128(6) CRD) expressed as a percentage of risk exposure amount) (%)	10.3		10.3
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) (%)**	17.5		17.8
Amounts below the thresholds for deduction (before risk weighting)				
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)	9.9		9.4
Applicable caps on the inclusion of provisions in Tier 2				
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	17.9		18.1
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	42.6		40.0

Notes

1. Retained earnings includes the general reserve and excludes amounts defined as other comprehensive income and independently reviewed interim profits which are included in row 3 and row UK-5a, respectively.
2. Comprises Permanent Interest Bearing Shares (PIBS) eligible as Tier 2 capital including accrued coupon interest from January 2026..

4.2 UK CC2 – Reconciliation of regulatory own funds to balance sheet in the audited financial statements

30 June 2026		a	b	c
		Balance sheet as in published financial statements £m	Under regulatory scope of consolidation £m	Reference
Assets - *Breakdown by asset class according to the balance sheet in the published financial statements*				
1	Cash in hand and balances with the Bank of England	1,962.5	1,962.5	
2	Loans and advances to credit institutions	332.9	296.8	
3	Debt securities	3,662.6	3,662.6	
4	Derivative financial instruments	349.4	349.4	
5	Loans and advances to customers held at amortised cost	34,456.9	34,477.2	
6	Loans and advances to customers held at FVTPL	0.8	0.8	
7	Equity release portfolio held at FVTPL	255.3	255.3	
8	Current tax asset	4.0	4.4	
9	Investments in subsidiary undertakings and joint ventures	13.6	209.8	
10	Assets held for sale	-	-	
11	Property, plant and equipment	77.4	43.0	
12	Right-of-use assets	116.2	12.8	
13	Deferred tax asset	0.4	6.2	
14	Other assets	192.6	30.6	
15	Intangible assets	388.9	14.7	(a)
16	Loan to pension scheme held at FVTPL	11.4	11.4	
17	**Total assets**	41,824.9	41,337.5	
Liabilities - *Breakdown by liability class according to the balance sheet in the published financial statements*				
1	Shares	31,234.5	31,234.5	
2	Amounts owed to credit institutions	324.7	324.7	
3	Amounts owed to other customers	2,649.4	2,674.7	
4	Debt securities in issue	3,807.4	3,807.4	
5	Derivative financial instruments	124.5	124.5	
6	Current tax liability	1.0	1.0	
7	Lease liabilities	120.6	13.5	
8	Other liabilities	97.9	14.1	
9	Accruals and deferred income	107.4	34.4	
10	Provisions for liabilities	34.1	7.0	
11	Deferred tax liability	1.1	0.9	
12	Retirement benefit obligations	5.6	1.6	
13	Subordinated liabilities	352.4	352.4	
14	Subscribed capital	15.2	15.2	
	of which: Permanent interest bearing shares	15.0	15.0	(b)
	of which: Accrued Interest - Subscribed capital	0.2	0.2	
15	**Total liabilities**	38,875.8	38,605.9	
Members' interests				
1	General reserve	2,939.0	2,726.7	
	of which: General reserve brought forward	2,855.0	2,642.8	(c)
	of which: remeasurement gains on defined benefit obligation	0.3	(0.4)	(d)
	of which: Tax	0.1	0.1	(e)
	of which: Profits accrued in the year to date	83.6	84.2	(f)
2	Fair value reserve	(1.6)	(1.6)	(g)
3	Cash flow hedging reserve	7.0	7.0	(h)
4	Cost of hedging reserve	(0.5)	(0.5)	(i)
5	Translation reserve	2.9	-	
6	**Attributable to members of the Society**	2,946.8	2,731.6	
7	Non-controlling interests	2.3	-	
8	**Total members' interests**	2,949.1	2,731.6	
9	**Total liabilities and members' interests**	41,824.9	41,337.5	

5 Countercyclical Capital Buffer

Under the CRD V, institutions are required to hold a Combined Buffer requirement comprising a Capital Conservation Buffer (CCoB) and a Countercyclical Buffer (CCyB) to provide capital that can be utilised to absorb losses in stressed conditions. As at 30 June 2026, the CCoB was 2.5% of RWAs and the CCyB rate was 2.0% of RWAs for exposures in the UK. The Group's specific CCyB was 1.8% of RWAs (31 December 2025: 1.8%) calculated based on the weighted average of the buffer rates in effect for the countries in which the Group has relevant credit exposures.

The template below shows the country of residence of the obligor (borrower) for the Group general credit exposures and securitisation exposures. The diversification of countries in the template below is primarily due to Skipton International Limited (SIL) providing mortgages to expatriates and non-UK citizens. The Group does not offer mortgages on properties outside of the UK or Channel Islands.

5.1 UK CCyB1 – Geographical distribution of credit exposures relevant for the calculation of the Countercyclical Buffer

30 June 2026		a	b	c	d	e	f	g	h	i	j	k	l	m
		General credit exposures		Relevant credit exposures - Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Own fund requirements				Risk-weighted exposure amounts	Own funds requirements weights	Countercyclical buffer rate
		Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short position of trading book exposures for SA	Value of trading book exposure for internal models			Relevant credit exposure - Credit risk	Relevant credit exposure - Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	%	%
Breakdown by Country														
010-010	United Kingdom	1,556.8	34,738.6	-	-	565.2	36,860.6	614.6	-	4.5	619.1	7,739.2	90.6	2.0
010-011	Jersey	464.2	0.5	-	-	-	464.7	13.4	-	-	13.4	167.6	2.0	-
010-012	Hong Kong	322.1	1.3	-	-	-	323.4	9.3	-	-	9.3	116.5	1.5	0.5
010-013	Guernsey	266.6	6.4	-	-	-	273.0	8.3	-	-	8.3	103.5	1.3	-
010-014	Saudi Arabia	28.2	0.8	-	-	-	29.0	0.8	-	-	0.8	10.2	0.1	1.0
010-015	France	26.3	2.7	-	-	-	29.0	0.9	-	-	0.9	10.7	0.1	1.0
010-016	Spain	20.8	0.9	-	-	-	21.7	0.7	-	-	0.7	7.7	0.1	0.5
010-017	Germany	20.6	1.4	-	-	-	22.0	0.6	-	-	0.6	7.7	0.1	0.8
010-018	Ireland	20.6	1.7	-	-	-	22.3	0.6	-	-	0.6	8.0	0.1	1.5
010-019	Netherlands	18.8	0.8	-	-	-	19.6	0.6	-	-	0.6	7.0	0.1	2.0
010-020	South Africa	9.7	0.1	-	-	-	9.8	0.3	-	-	0.3	3.9	-	1.0
010-021	Australia	6.2	9.0	-	-	-	15.2	0.4	-	-	0.4	5.0	0.1	1.0
010-022	Denmark	5.9	0.4	-	-	-	6.3	0.2	-	-	0.2	2.3	-	2.5
010-023	Portugal	5.7	0.4	-	-	-	6.1	0.2	-	-	0.2	2.1	-	0.8
010-024	Belgium	3.9	0.3	-	-	-	4.2	0.1	-	-	0.1	1.4	-	1.0
010-025	Cyprus	3.8	0.6	-	-	-	4.4	0.1	-	-	0.1	1.6	-	1.5

30 June 2026		a	b	c	d	e	f	g	h	i	j	k	l	m
		General credit exposures		Relevant credit exposures - Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Own fund requirements				Risk-weighted exposure amounts	Own funds requirements weights	Countercyclical buffer rate
		Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short position of trading book exposures for SA	Value of trading book exposure for internal models			Relevant credit exposure - Credit risk	Relevant credit exposure - Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	%	%
010-026	Norway	3.8	0.2	-	-	-	4.0	0.1	-	-	0.1	1.4	-	2.5
010-027	Luxembourg	3.6	0.4	-	-	-	4.0	0.1	-	-	0.1	1.3	-	0.5
010-028	Greece	3.3	0.3	-	-	-	3.6	0.1	-	-	0.1	1.2	-	0.3
010-029	Poland	2.8	1.2	-	-	-	4.0	0.1	-	-	0.1	1.4	-	1.0
010-030	Sweden	2.5	0.5	-	-	-	3.0	0.1	-	-	0.1	1.0	-	2.0
010-031	Republic Of Korea	2.3	0.7	-	-	-	3.0	0.1	-	-	0.1	1.0	-	1.0
010-032	Czech Republic	1.9	-	-	-	-	1.9	0.1	-	-	0.1	0.7	-	1.3
010-033	Hungary	0.8	0.2	-	-	-	1.0	-	-	-	-	0.4	-	1.0
010-034	Chile	0.8	-	-	-	-	0.8	-	-	-	-	0.3	-	0.5
010-035	Iceland	0.7	-	-	-	-	0.7	-	-	-	-	0.2	-	2.5
010-036	Lithuania	0.3	0.3	-	-	-	0.6	-	-	-	-	0.2	-	1.0
010-037	Bulgaria	0.2	-	-	-	-	0.2	-	-	-	-	0.1	-	2.0
010-038	Romania	0.1	0.1	-	-	-	0.2	-	-	-	-	0.1	-	1.0
010-039	Croatia	-	0.5	-	-	-	0.5	-	-	-	-	0.1	-	1.5
010-040	Other countries	799.1	28.2	-	-	-	827.3	26.9	-	-	26.9	336.3	-	-
020	**Total**	3,602.4	34,798.5	-	-	565.2	38,966.1	678.7	-	4.5	683.2	8,540.1	96.1	

Note

1. For materiality reasons, only those countries where a countercyclical buffer rate has been set or which individually have an own funds requirement weighting of equal to or more than one percent are listed. Exposures in countries where these criteria are not met have been presented in aggregate as ‘other countries’.

UK CCyB1 – Geographical distribution of credit exposures relevant for the calculation of the Countercyclical Buffer *(continued)*

31 December 2025		a	b	c	d	e	f	g	h	i	j	k	l	m
		General credit exposures		Relevant credit exposures - Market risk				Own fund requirements						
		Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short position of trading book exposures for SA	Value of trading book exposure for internal models	Securitisation exposures Exposure value for non-trading book	Total exposure value	Relevant credit exposure - Credit risk	Relevant credit exposure - Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total	Risk-weighted exposure amounts	Own funds requirements weights	Countercyclical buffer rate
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	%	%
Breakdown by Country														
010-010	United Kingdom	1,629.7	33,249.6	-	-	618.4	35,497.7	581.2	-	4.9	586.2	7,326.2	90.2	2.0
010-011	Jersey	474.6	0.5	-	-	-	475.1	13.6	-	-	13.6	169.8	2.1	-
010-012	Hong Kong	325.3	1.0	-	-	-	326.3	9.3	-	-	9.3	116.7	1.5	0.5
010-013	Guernsey	278.5	6.7	-	-	-	285.2	8.8	-	-	8.8	109.7	1.4	-
010-014	France	25.8	1.8	-	-	-	27.6	0.8	-	-	0.8	10.1	0.1	1.0
010-015	Germany	19.7	1.4	-	-	-	21.1	0.6	-	-	0.6	7.3	0.1	0.8
010-016	Spain	18.9	1.5	-	-	-	20.4	0.6	-	-	0.6	7.3	0.1	0.5
010-017	Ireland	18.3	1.8	-	-	-	20.1	0.6	-	-	0.6	7.0	0.1	1.5
010-018	Netherlands	17.9	1.0	-	-	-	18.9	0.5	-	-	0.5	6.6	0.1	2.0
010-019	Australia	6.5	7.7	-	-	-	14.2	0.4	-	-	0.4	4.7	0.1	1.0
010-020	Denmark	5.6	0.4	-	-	-	6.0	0.2	-	-	0.2	2.1	-	2.5
010-021	Cyprus	3.8	0.2	-	-	-	4.0	0.1	-	-	0.1	1.5	-	1.0
010-022	Luxembourg	3.7	0.4	-	-	-	4.1	0.1	-	-	0.1	1.5	-	0.5
010-023	Belgium	3.7	0.2	-	-	-	3.9	0.1	-	-	0.1	1.3	-	1.0
010-024	Norway	3.4	0.1	-	-	-	3.5	-	-	-	-	1.3	-	2.5
010-025	Poland	2.6	1.3	-	-	-	3.9	-	-	-	-	1.3	-	1.0
010-026	Sweden	2.0	0.5	-	-	-	2.5	-	-	-	-	0.8	-	2.0
010-027	Republic Of Korea	1.9	0.3	-	-	-	2.2	0.1	-	-	0.1	0.7	-	1.0
010-028	Czech Republic	1.9	0.1	-	-	-	2.0	0.1	-	-	0.1	0.7	-	1.3
010-029	Chile	0.8	-	-	-	-	0.8	-	-	-	-	0.3	-	0.5
010-030	Iceland	0.6	-	-	-	-	0.6	-	-	-	-	0.2	-	2.5
010-031	Hungary	0.5	0.2	-	-	-	0.7	-	-	-	-	0.2	-	1.0
010-032	Bulgaria	0.2	-	-	-	-	0.2	0.1	-	-	0.1	0.1	-	2.0
010-033	Romania	0.1	-	-	-	-	0.1	-	-	-	-	0.1	-	1.0
010-034	Lithuania	0.1	-	-	-	-	0.1	-	-	-	-	-	-	1.0
010-035	Croatia	-	0.5	-	-	-	0.5	-	-	-	-	0.1	-	1.5
010-036	Other countries	833.9	30.4	-	-	-	864.3	27.8	-	-	27.8	347.1	-	-
020	Total	3,680.0	33,307.6	-	-	618.4	37,606.0	645.0	-	4.9	650.0	8,124.7	95.8	

Note

1. For materiality reasons, only those countries where a countercyclical buffer rate has been set or which individually have an own funds requirement weighting of equal to or more than one percent are listed. Exposures in countries where these criteria are not met have been presented in aggregate as ‘other countries’.

5.2 UK CCyB2 – Amount of institution-specific Countercyclical Capital Buffer

During the period, the CCyB rate remained at 2% of RWAs for exposures in the UK. The institution specific CCyB reflects the weighted average of countercyclical buffer rates applicable to the jurisdictions in which the Group has relevant credit exposures.

		a	a
		30 Jun 26	31 Dec 25
1	Total risk exposure amount £m	**9,533.9**	9,141.4
2	Institution specific countercyclical capital buffer rate %	**1.8**	1.8
3	Institution specific countercyclical capital buffer requirement £m	**174.4**	166.4

6 Leverage ratio

The template below sets out a reconciliation between the total assets of the published financial statements and the leverage exposure measure.

6.1 UK LR1 – LRSum: summary reconciliation of accounting assets and leverage ratio exposures

		a	a
		Applicable amount	
		30 Jun 26 £m	31 Dec 25 £m
1	Total assets as per published financial statements	**41,824.9**	40,744.2
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	**(487.4)**	(452.3)
4	(Adjustment for exemption of exposures to central banks)	**(2,135.2)**	(2,105.6)
8	Adjustment for derivative financial instruments	**121.5**	133.7
9	Adjustment for securities financing transactions (SFTs) [3]	**2.7**	32.7
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	**527.4**	455.5
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced tier 1 capital (leverage)) [1]	**(72.8)**	(71.1)
12	Other adjustments [2]	**(146.0)**	(259.9)
13	**Total exposure measure**	**39,635.1**	38,477.2

Notes

1. These adjustments primarily relate to excess expected loss over impairment provisions, cash flow hedging reserve, intangible assets, and additional value adjustments (AVA).
2. Other adjustments in row 12 primarily relate to the collateral netting provided for derivative transactions in accordance with regulatory requirements.
3. The SFT exposure decreased from £32.7m at December 2025 to £2.7m at June 2026. This reduction was primarily driven by changes in repo drawings under the Bank of England's Indexed Long-Term Repo (ILTR) funding facility.

6.2 UK LR2 – LRCom: Leverage ratio common disclosure

The template below sets out a breakdown of the total leverage exposure measure used to calculate the leverage ratio for the Group pursuant to the UK CRR.

		a	b
		Leverage ratio exposures	
		30 Jun 26 £m	31 Dec 25 £m
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	**41,100.1**	39,945.7
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	**(257.9)**	(264.5)
6	(Asset amounts deducted in determining tier 1 capital (leverage))	**(72.8)**	(71.1)
7	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**40,769.4**	39,610.1
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	**385.9**	397.0
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	**84.9**	87.5
13	**Total derivatives exposures**	**470.8**	484.5
Securities financing transaction (SFT) exposures			
16	Counterparty credit risk exposure for SFT assets	**0.1**	1.1
UK-16a	Derogation for SFTs: counterparty credit risk exposure in accordance with Articles 429e(5) and 222 of the CRR	**2.6**	31.6
18	**Total securities financing transaction exposures**	**2.7**	32.7
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	**2,654.8**	2,292.8
20	(Adjustments for conversion to credit equivalent amounts)	**(2,127.4)**	(1,837.3)
22	**Off-balance sheet exposures**	**527.4**	455.5
Capital and total exposure measure			
23	**Tier 1 capital (leverage)**	**2,658.9**	2,575.0
24	Total exposure measure including claims on central banks	**41,770.3**	40,582.8
UK-24a	(-) Claims on central banks excluded	**(2,135.2)**	(2,105.6)
UK-24b	**Total exposure measure excluding claims on central banks**	**39,635.1**	38,477.2
Leverage ratio [1]			
25	Leverage ratio excluding claims on central banks (%)	**6.7**	6.7
UK-25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	**6.7**	6.7
UK-25b	Leverage ratio excluding central bank reserves as if the temporary treatment of unrealised gains and losses measured at fair value through other comprehensive income had not been applied (%)	**6.7**	6.7
UK-25c	Leverage ratio including claims on central banks (%)	**6.4**	6.4

Note

1. The additional leverage ratio disclosure requirements only apply to financial institutions with deposits equal to or greater than £75bn or non-UK assets equal to or greater than £10bn. The rows UK-26 to UK-34 have been removed from the template as the Group is not currently captured by either threshold.

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

The template below shows more detail behind the on-balance sheet exposure figures reported in the template UK LR2.

		a	b
		Leverage ratio exposures	
		30 Jun 26 £m	31 Dec 25 £m
UK-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	**41,008.4**	39,945.7
UK-2	Trading book exposures	**-**	-
UK-3	Banking book exposures, of which:	**41,008.4**	39,945.7
UK-4	Covered bonds	**745.7**	813.5
UK-5	Exposures treated as sovereigns	**4,312.2**	4,195.1
UK-7	Institutions	**324.4**	326.1
UK-8	Secured by mortgages of immovable properties	**34,320.4**	33,228.2
UK-9	Retail exposures	**28.8**	18.9
UK-10	Corporates	**343.1**	338.1
UK-11	Exposures in default	**123.6**	104.7
UK-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	**810.2**	921.1

7 Liquidity requirements

7.1 UK LIQ1 – Quantitative information of LCR

The template below shows the Group's breakdown of the components used to calculate the LCR. Percentages may not sum up precisely due to rounding of quarterly averages.

		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
UK 1a	Quarter ending on (DD Month YY)	30 Jun 26	31 Mar 26	31 Dec 25	30 Sep 25	30 Jun 26	31 Mar 26	31 Dec 25	30 Sep 25
UK 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
		£m	£m	£m	£m	£m	£m	£m	£m
HIGH-QUALITY LIQUID ASSETS									
1	Total high-quality liquid assets (HQLA)					5,297.1	5,438.7	5,702.4	5,906.6
CASH - OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	32,079.9	31,674.6	31,239.6	30,677.7	1,829.2	1,856.2	1,883.2	1,919.3
3	*Stable deposits*	19,145.9	18,122.2	17,067.8	16,026.2	957.3	906.1	853.4	801.3
4	*Less stable deposits*	6,556.8	7,139.4	7,648.1	8,127.3	831.7	911.6	988.9	1,078.9
5	Unsecured wholesale funding	238.4	247.8	253.9	278.6	192.4	195.8	196.5	216.6
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	-	-	-	-	-	-	-	-
7	*Non-operational deposits (all counterparties)*	196.8	206.8	213.2	225.5	150.8	154.8	155.8	163.5
8	*Unsecured debt*	41.6	41.0	40.7	53.1	41.6	41.0	40.7	53.1
9	*Secured wholesale funding*					-	-	-	-
10	Additional requirements	456.7	464.4	497.5	510.7	456.7	464.4	497.5	510.7
11	*Outflows related to derivative exposures and other collateral requirements*	361.7	370.2	406.1	428.1	361.7	370.2	406.1	428.1
12	*Outflows related to loss of funding on debt products*	-	-	-	-	-	-	-	-
13	*Credit and liquidity facilities*	95.0	94.2	91.4	82.6	95.0	94.2	91.4	82.6
14	Other contractual funding obligations	31.4	31.1	30.5	27.6	-	-	-	-
15	Other contingent funding obligations	2,179.8	2,068.2	1,985.2	1,899.2	718.8	723.9	694.8	664.7
16	TOTAL CASH OUTFLOWS					3,197.1	3,240.3	3,272.0	3,311.3
CASH - INFLOWS									
17	Secured lending (e.g. reverse repos)	-	-	-	-	-	-	-	-
18	Inflows from fully performing exposures	236.8	234.3	231.5	228.4	195.6	193.6	191.2	188.4
19	Other cash inflows	15.4	18.7	21.2	22.7	15.4	18.7	21.2	22.7
20	TOTAL CASH INFLOWS	252.2	253.0	252.7	251.1	211.0	212.3	212.4	211.1
UK-20a	Fully exempt inflows	-	-	-	-	-	-	-	-
UK-20b	*Inflows subject to 90% cap*	-	-	-	-	-	-	-	-
UK-20c	*Inflows subject to 75% cap*	252.2	253.0	252.7	251.1	211.0	212.3	212.4	211.1
TOTAL ADJUSTED VALUE									
UK-21	LIQUIDITY BUFFER					5,297.1	5,438.7	5,702.4	5,906.6
22	TOTAL NET CASH OUTFLOWS					2,986.1	3,028.0	3,059.6	3,100.2
23	LIQUIDITY COVERAGE RATIO (%)					177.5	179.7	186.7	190.8

7.2 UK LIQB – Qualitative information on LCR, which complements template UK LIQ1

(a) The main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time

The LCR, which is prepared in accordance with the PRA Rulebook, aims to ensure that the Group holds sufficient HQLA to survive a period of liquidity stress lasting 30 calendar days.

The Group LCR is driven by the size of the HQLA buffer, stressed retail outflows, mortgages which have been offered but are yet to complete, wholesale funding maturities and potential stressed collateral outflows. Given the Society is predominantly funded by deposits, withdrawals by retail customers continue to be a main factor affecting net outflow LCR.

(b) Explanations on the changes in the LCR over time

Overall, the LCR has reduced slightly in the quarter, with an average of 177.5% as of 30 June 2026 (31 March 2026: 179.7%). Mortgage growth throughout the last quarter has been supported by strong savings growth as well as a £500m covered bond issuance.

(c) Explanations on the actual concentration of funding sources

The Group's funding position is predominantly supported by its retail customer deposit base, which has historically provided a highly stable source of funding and aligns with the Society's strategy as a mutual organisation.

The Group also raises both unsecured and secured wholesale funding to diversify funding sources and to support the Group's liquidity position. Sources of funding include deposits, certificates of deposits, medium-term notes, capital, drawings from the Bank of England's Sterling Monetary Framework facilities, repos, covered bonds and Residential Mortgage Backed Securities (RMBS).

Funding concentration by counterparty, currency and tenor is monitored on an ongoing basis as part of the Group's internal liquidity and funding risk management frameworks.

(d) High-level description of the composition of the Group's liquidity buffer

The Group's liquidity buffer consists of Level 1 assets. Level 1 assets are primarily held as central bank reserves, UK government bonds and high-quality supranational debt securities, with a smaller holding of Level 1 eligible extremely high-quality covered bonds. The liquidity buffer also includes a portfolio of Level 2B assets, which are high quality UK issued RMBS.

(e) Derivative exposures and potential collateral calls

The Group actively manages its derivative exposures and potential collateral calls, including both due collateral and excess collateral, with derivative outflows under stress captured under the Historical Look Back Approach which considers the impact of an adverse market scenario on derivatives. Potential collateral calls due to a deterioration in the Society's credit rating are also captured.

(f) Currency mismatch in the LCR

The LCR is calculated on a GBP equivalent basis only as this is the Group's only significant currency.

The currency risk appetite of the Group is low and any wholesale funding issuances denominated in foreign currency are immediately swapped into GBP. Currency risk is monitored through the internal liquidity and funding risk management frameworks.

(g) Other items in the LCR calculation that are not captured in the LCR disclosure

We do not consider anything else of material relevance for disclosure.

7.3 UK LIQ2 – Net Stable Funding Ratio

The template below sets out the NSFR calculated as the average of the latest and the previous three quarters.

30 June 2026		a	b	c	d	e
		Unweighted value by residual maturity (average)				Weighted value (average)
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
		£m	£m	£m	£m	£m
Available stable funding (ASF) Items						
1	Capital items and instruments	2,660.5	-	-	-	2,660.5
2	*Own funds*	2,660.5	-	-	-	2,660.5
3	*Other capital instruments*		-	-	-	-
4	Retail deposits		28,370.0	2,143.8	1,655.2	30,226.3
5	*Stable deposits*		20,914.1	1,255.7	1,132.5	22,194.0
6	*Less stable deposits*		7,455.9	888.1	522.7	8,032.3
7	Wholesale funding:		731.1	429.0	3,576.0	3,972.2
8	*Operational deposits*		-	-	-	-
9	*Other wholesale funding*		731.1	429.0	3,576.0	3,972.2
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	15.2	836.6	-	-	-
12	*NSFR derivative liabilities*	15.2				
13	*All other liabilities and capital instruments not included in the above categories*		836.6	-	-	-
14	**Total available stable funding (ASF)**					36,859.0
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					206.6
UK-15a	Assets encumbered for more than 12m in cover pool		67.8	64.4	4,756.6	4,155.5
16	Deposits held at other financial institutions for operational purposes		-	-	-	-
17	Performing loans and securities:		325.7	281.9	28,266.0	20,884.2
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		-	-	-	-
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		39.9	-	8.2	12.2
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		9.4	9.4	251.8	210.4
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		0.6	0.7	65.1	43.0
22	*Performing residential mortgages, of which:*		276.4	272.5	28,006.0	20,661.6
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		204.2	201.2	18,007.7	12,064.8
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*		-	-	-	-
25	Interdependent assets		-	-	-	-
26	Other assets:	283.8	2.4	1.9	905.2	1,131.3
27	*Physical traded commodities*				-	-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*			257.6		219.0
29	*NSFR derivative assets*			1.6		1.6
30	*NSFR derivative liabilities before deduction of variation margin posted*			24.6		1.2
31	*All other assets not included in the above categories*		2.4	1.9	905.2	909.5
32	Off-balance sheet items		2,312.8	-	-	558.4
33	**Total RSF**					26,936.0
34	**Net Stable Funding Ratio (%)**					136.9

UK LIQ2 – Net Stable Funding Ratio (*continued*)

31 December 2025		a	b	c	d	e
		Unweighted value by residual maturity (average)				Weighted value (average)
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
		£m	£m	£m	£m	£m
Available stable funding (ASF) Items						
1	Capital items and instruments	2,571.8	-	-	-	2,571.8
2	*Own funds*	2,571.8	-	-	-	2,571.8
3	*Other capital instruments*		-	-	-	-
4	Retail deposits		27,284.0	2,259.2	1,808.8	29,401.2
5	*Stable deposits*		18,765.1	1,304.5	1,166.4	20,232.5
6	*Less stable deposits*		8,518.9	954.7	642.4	9,168.7
7	Wholesale funding:		825.4	525.3	3,372.2	3,832.4
8	*Operational deposits*		-	-	-	-
9	*Other wholesale funding*		825.4	525.3	3,372.2	3,832.4
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	15.4	903.8	-	-	-
12	*NSFR derivative liabilities*	15.4				
13	*All other liabilities and capital instruments not included in the above categories*		903.8	-	-	-
14	Total available stable funding (ASF)					35,805.4
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					215.0
UK-15a	Assets encumbered for more than 12m in cover pool		61.1	58.2	3,962.0	3,469.2
16	Deposits held at other financial institutions for operational purposes		-	-	-	-
17	Performing loans and securities:		330.3	278.6	27,936.3	20,464.6
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		-	-	-	-
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		46.2	-	6.4	11.0
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		9.0	9.6	273.6	227.2
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		0.6	0.9	73.1	48.3
22	*Performing residential mortgages, of which:*		275.1	269.0	27,656.3	20,226.4
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		212.1	207.8	18,778.1	12,587.5
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*		-	-	-	-
25	Interdependent assets		-	-	-	-
26	Other assets:	283.6	2.0	1.6	1,006.2	1,229.3
27	*Physical traded commodities*				-	-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*			254.5		216.4
29	*NSFR derivative assets*			1.6		1.6
30	*NSFR derivative liabilities before deduction of variation margin posted*			27.5		1.4
31	*All other assets not included in the above categories*		2.0	1.6	1,006.2	1,009.9
32	Off-balance sheet items		2,048.4	-	-	489.4
33	Total RSF					25,867.5
34	Net Stable Funding Ratio (%)					138.4

8 Credit risk quality

8.1 UK CR1 – Performing and non-performing exposures and related provisions

30 June 2026		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	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				On performing exposures	On non-performing exposures
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
005	Cash balances at central banks and other demand deposits	2,000.4	2,000.4	-	-	-	-	(0.2)	(0.2)	-	-	-	-	-	-	-
010	**Loans and advances**	35,061.8	34,077.1	717.4	163.8	-	163.8	(15.8)	(9.0)	(6.8)	(11.1)	-	(11.1)	-	34,642.3	152.3
020	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	General governments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
040	Credit institutions	8.4	8.4	-	-	-	-	-	-	-	-	-	-	-	-	-
050	Other financial corporations	260.9	249.5	-	-	-	-	-	-	-	-	-	-	-	-	-
060	Non-financial corporations	423.1	413.2	9.9	10.9	-	10.9	(1.3)	(0.8)	(0.5)	(2.8)	-	(2.8)	-	298.5	7.9
070	Of which SMEs	209.8	209.8	-	1.2	-	1.2	(0.3)	(0.3)	-	(0.5)	-	(0.5)	-	209.7	0.7
080	Households	34,369.4	33,406.0	707.5	152.9	-	152.9	(14.5)	(8.2)	(6.3)	(8.3)	-	(8.3)	-	34,343.8	144.4
090	**Debt securities**	3,662.6	3,662.6	-	-	-	-	-	-	-	-	-	-	-	1,877.3	-
100	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	General governments	812.9	812.9	-	-	-	-	-	-	-	-	-	-	-	-	-
120	Credit institutions	2,283.9	2,283.9	-	-	-	-	-	-	-	-	-	-	-	1,311.5	-
130	Other financial corporations	565.8	565.8	-	-	-	-	-	-	-	-	-	-	-	565.8	-
140	Non-financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
150	**Off-balance-sheet exposures**	2,654.7	2,654.7	-	-	-	-	(0.3)	(0.3)	-	-	-	-		2,606.5	-
160	Central banks	-	-	-	-	-	-	-	-	-	-	-	-		-	-
170	General governments	-	-	-	-	-	-	-	-	-	-	-	-		-	-
180	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-		-	-
190	Other financial corporations	3.2	3.2	-	-	-	-	-	-	-	-	-	-		-	-
200	Non-financial corporations	104.0	104.0	-	-	-	-	-	-	-	-	-	-		59.3	-
210	Households	2,547.5	2,547.5	-	-	-	-	(0.3)	(0.3)	-	-	-	-		2,547.2	-
220	Total	43,379.5	42,394.8	717.4	163.8	-	163.8	(16.3)	(9.5)	(6.8)	(11.1)	-	(11.1)	-	39,126.1	152.3

UK CR1 – Performing and non-performing exposures and related provisions *(continued)*

31 December 2025		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	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				On performing exposures	On non-performing exposures
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
005	Cash balances at central banks and other demand deposits	1,408.3	1,408.3	-	-	-	-	(0.2)	(0.2)	-	-	-	-	-	-	-
010	Loans and advances	33,877.3	32,945.2	657.1	153.2	-	153.2	(15.4)	(9.0)	(6.4)	(9.9)	-	(9.9)	-	33,449.9	144.6
020	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	General governments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
040	Credit institutions	9.9	9.9	-	-	-	-	-	-	-	-	-	-	-	-	-
050	Other financial corporations	265.6	254.6	-	-	-	-	-	-	-	-	-	-	-	-	-
060	Non-financial corporations	426.8	415.6	11.2	8.9	-	8.9	(1.7)	(0.7)	(1.0)	(2.3)	-	(2.3)	-	298.3	8.0
070	Of which SMEs	210.1	208.0	2.1	0.4	-	0.4	(1.0)	(0.3)	(0.7)	(0.4)	-	(0.4)	-	215.2	1.4
080	Households	33,175.0	32,265.1	645.9	144.3	-	144.3	(13.7)	(8.3)	(5.4)	(7.6)	-	(7.6)	-	33,151.6	136.6
090	Debt securities	4,269.4	4,269.4	-	-	-	-	-	-	-	-	-	-	-	2,051.6	-
100	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	General governments	1,273.8	1,273.8	-	-	-	-	-	-	-	-	-	-	-	-	-
120	Credit institutions	2,376.6	2,376.6	-	-	-	-	-	-	-	-	-	-	-	1,432.6	-
130	Other financial corporations	619.0	619.0	-	-	-	-	-	-	-	-	-	-	-	619.0	-
140	Non-financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
150	Off-balance-sheet exposures	2,292.6	2,292.6	-	-	-	-	(0.3)	(0.3)	-	-	-	-		2,197.9	-
160	Central banks	-	-	-	-	-	-	-	-	-	-	-	-		-	-
170	General governments	-	-	-	-	-	-	-	-	-	-	-	-		-	-
180	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-		-	-
190	Other financial corporations	3.1	3.1	-	-	-	-	-	-	-	-	-	-		-	-
200	Non-financial corporations	91.3	91.3	-	-	-	-	-	-	-	-	-	-		-	-
210	Households	2,198.2	2,198.2	-	-	-	-	(0.3)	(0.3)	-	-	-	-		2,197.9	-
220	Total	41,847.6	40,915.5	657.1	153.2	-	153.2	(15.9)	(9.5)	(6.4)	(9.9)	-	(9.9)	-	37,699.4	144.6

8.2 UK CR1-A – Maturity of exposures

The template below sets out the maturity of the Group's credit risk exposures.

30 June 2026		a	b	c	d	e	f
		Net exposure value					
		On demand £m	<= 1 year £m	> 1 year <= 5 years £m	> 5 years £m	No stated maturity £m	Total £m
1	Loans and advances	309.3	270.9	3,698.3	33,316.8	257.9	37,853.2
2	Debt securities	-	491.3	2,546.1	625.2	-	3,662.6
3	**Total**	309.3	762.2	6,244.4	33,942.0	257.9	41,515.8

31 December 2025		a	b	c	d	e	f
		Net exposure value					
		On demand £m	<= 1 year £m	> 1 year <= 5 years £m	> 5 years £m	No stated maturity £m	Total £m
1	Loans and advances	291.1	249.3	3,295.4	32,197.2	264.5	36,297.5
2	Debt securities	-	903.2	2,696.3	669.9	-	4,269.4
3	Total	291.1	1,152.5	5,991.7	32,867.1	264.5	40,566.9

8.3 UK CR2 – Changes in the stock of non-performing loans and advances

The template below sets out the changes in the stock of non-performing loans and advances.

		a	a
		Gross carrying amount	
		30 Jun 26 £m	31 Dec 25 £m
010	**Initial stock of non-performing loans and advances**	153.2	135.1
020	Inflows to non-performing portfolios	51.1	85.3
030	Outflows from non-performing portfolios	(40.5)	(67.2)
040	Outflows due to write-offs	(2.0)	(5.7)
050	Outflow due to other situations	(38.5)	(61.5)
060	**Final stock of non-performing loans and advances**	163.8	153.2

8.4 UK CQ1 – Credit quality of forborne exposure

The template below sets out the analysis of credit quality of forborne exposures.

30 June 2026		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
				Of which defaulted	Of which impaired				
		£m	£m	£m	£m	£m	£m	£m	£m
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010	Loans and advances	173.4	89.2	76.0	89.2	(2.2)	(5.2)	255.1	83.9
020	*Central banks*	-	-	-	-	-	-	-	-
030	*General governments*	-	-	-	-	-	-	-	-
040	*Credit institutions*	-	-	-	-	-	-	-	-
050	*Other financial corporations*	-	-	-	-	-	-	-	-
060	*Non-financial corporations*	6.9	5.2	5.2	5.2	(0.2)	(1.3)	10.5	3.8
070	*Households*	166.5	84.0	70.8	84.0	(2.0)	(3.9)	244.6	80.1
080	Debt Securities	-	-	-	-	-	-	-	-
090	Loan commitments given	-	-	-	-	-	-	-	-
100	**Total**	173.4	89.2	76.0	89.2	(2.2)	(5.2)	255.1	83.9

UK CQ1 – Credit quality of forborne exposure *(continued)*

31 December 2025		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
				Of which defaulted	Of which impaired				
		£m	£m	£m	£m	£m	£m	£m	£m
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010	Loans and advances	160.4	88.7	68.4	88.7	(1.9)	(4.7)	242.5	84.0
020	*Central banks*	-	-	-	-	-	-	-	-
030	*General governments*	-	-	-	-	-	-	-	-
040	*Credit institutions*	-	-	-	-	-	-	-	-
050	*Other financial corporations*	-	-	-	-	-	-	-	-
060	*Non-financial corporations*	3.7	5.1	5.1	5.1	(0.1)	(0.8)	7.9	4.3
070	*Households*	156.7	83.6	63.3	83.6	(1.8)	(3.9)	234.6	79.7
080	Debt Securities	-	-	-	-	-	-	-	-
090	Loan commitments given	-	-	-	-	-	-	-	-
100	Total	160.4	88.7	68.4	88.7	(1.9)	(4.7)	242.5	84.0

8.5 UK CQ4 – Quality of non-performing exposures by geography

In accordance with the PRA Rulebook, this template is subject to a 10% threshold, calculated as non-domestic exposures divided by total exposures. The Group's non-domestic exposures are below this threshold and therefore this template has not been disclosed.

8.6 UK CQ5 – Credit quality of loans and advances to non-financial corporations by industry

The template below sets out the analysis of credit risk exposures by industry.

30 June 2026		a	b	c	d	e	f
		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing		Of which loans and advances subject to impairment		
				Of which defaulted			
		£m	£m	£m	£m	£m	£m
010	Agriculture, forestry and fishing	0.9		-		-	-
020	Mining and quarrying	1.3		-		-	-
030	Manufacturing	47.8		0.4		(0.3)	-
050	Water supply	4.2		-		-	-
060	Construction	4.2		-		-	-
070	Wholesale and retail trade	26.2		0.7		(0.2)	-
080	Transport and storage	38.2		0.1		(0.2)	-
090	Accommodation and food service activities	6.6		-		-	-
100	Information and communication	11.7		-		-	-
120	Real estate activities	208.9		8.6		(2.6)	-
130	Professional, scientific and technical activities	4.7		0.1		-	-
140	Administrative and support service activities	71.4		0.9		(0.7)	-
150	Public administration and defence, compulsory social security	0.9		-		-	-
160	Education	1.6		-		-	-
170	Human health services and social work activities	2.1		0.1		-	-
180	Arts, entertainment and recreation	0.5		-		-	-
190	Other services	2.5		-		-	-
200	**Total**	433.7		10.9		(4.0)	-

Note

1. In accordance with the PRA Rulebook, columns b and d of this template are subject to a 5% threshold, calculated as non-performing loans and advances divided by total loans and advances. The Group’s non-performing loans and advances are below this threshold and therefore data on these columns have not been disclosed.

UK CQ5 – Credit quality of loans and advances to non-financial corporations by industry *(continued)*

31 December 2025		a	b	c	d	e	f
		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing		Of which loans and advances subject to impairment		
				Of which defaulted			
		£m	£m	£m	£m	£m	£m
010	Agriculture, forestry and fishing	0.7		-		-	-
020	Mining and quarrying	1.1		-		-	-
030	Manufacturing	44.8		-		(0.5)	-
050	Water supply	4.5		-		-	-
060	Construction	3.9		-		-	-
070	Wholesale and retail trade	25.1		0.2		(0.2)	-
080	Transport and storage	36.6		-		(0.1)	-
090	Accommodation and food service activities	6.8		-		-	-
100	Information and communication	11.9		-		-	-
110	Financial and insurance activities	0.4		-		-	-
120	Real estate activities	214.5		8.2		(2.5)	-
130	Professional, scientific and technical activities	4.3		-		-	-
140	Administrative and support service activities	73.3		-		(0.7)	-
150	Public administration and defence, compulsory social security	1.2		-		-	-
160	Education	0.8		-		-	-
170	Human health services and social work activities	2.4		-		-	-
180	Arts, entertainment and recreation	0.5		-		-	-
190	Other services	2.9		-		-	-
200	Total	435.7		8.4		(4.0)	-

8.7 UK CQ7 – Collateral obtained by taking possession and execution processes

The template below sets out the information on the collateral obtained by taking possession.

		a	b	a	b
		Collateral obtained by taking possession			
		Value at initial recognition 30 Jun 26 £m	Accumulated negative changes 30 Jun 26 £m	Value at initial recognition 31 Dec 25 £m	Accumulated negative changes 31 Dec 25 £m
010	Property, plant and equipment (PP&E)	-	-	-	-
020	Other than PP&E	4.9	-	2.9	-
030	*Residential immovable property*	4.9	-	2.8	-
040	*Commercial Immovable property*	-	-	0.1	-
050	*Movable property (auto, shipping, etc.)*	-	-	-	-
060	*Equity and debt instruments*	-	-	-	-
070	*Other collateral*	-	-	-	-
080	**Total**	4.9	-	2.9	-

9 Credit risk mitigation techniques

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

The template below shows the use of credit risk mitigation (CRM) techniques, broken down by loans and advances, and debt securities.

30 June 2026		a	b	c	d	e
		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
1	Loans and advances	269.4	34,929.4	34,794.7	-	-
2	Debt securities	2,351.1	1,311.5	1,311.5	-	
3	**Total**	2,620.5	36,240.9	36,106.2	-	-
4	*Of which non-performing exposures*	-	152.6	152.4	-	-
5	*Of which defaulted*	-	123.6			

31 December 2025		a	b	c	d	e
		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
1	Loans and advances	275.4	33,729.7	33,594.5	-	-
2	Debt securities	2,836.8	1,432.6	1,432.6	-	
3	Total	3,112.2	35,162.3	35,027.1	-	-
4	*Of which non-performing exposures*	-	143.3	143.3	-	-
5	*Of which defaulted*	-	104.7			

10 Standardised approach

10.1 UK CR4 – Standardised approach – Credit risk exposure and CRM effects

The template below sets out on- and off-balance sheet exposures and related RWAs.

30 June 2026		a	b	c	d	e	f
	Exposure classes	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
		On-balance-sheet exposures £m	Off-balance-sheet exposures £m	On-balance-sheet exposures £m	Off-balance-sheet amount £m	RWAs £m	RWAs density (%)
1	Central governments or central banks	3,237.3	-	3,237.4	-	-	-
2	Regional government or local authorities	-	-	-	-	-	-
3	Public sector entities	-	-	-	-	-	-
4	Multilateral development banks	1,072.6	-	1,072.6	-	-	-
5	International organisations	-	-	-	-	-	-
6	Institutions	49.6	-	49.6	-	13.1	26.4
7	Corporates	343.0	107.2	343.0	13.4	309.3	86.8
8	Retail	28.8	0.4	28.8	0.1	21.4	74.0
9	Secured by mortgages on immovable property	2,405.8	55.0	2,405.8	11.0	909.1	37.6
10	Exposures in default	7.9	-	7.9	-	9.0	113.3
11	Exposures associated with particularly high risk	-	-	-	-	-	-
12	Covered bonds	745.0	-	745.0	-	74.5	10.0
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
14	Collective investment undertakings	-	-	-	-	-	-
15	Equity	-	-	-	-	-	-
16	Other items	47.4	-	47.4	-	62.2	131.5
17	**TOTAL**	7,937.4	162.6	7,937.5	24.5	1,398.6	17.6

UK CR4 – Standardised approach – Credit risk exposure and CRM effects *(continued)*

31 December 2025		a	b	c	d	e	f
		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
	Exposure classes	On-balance-sheet exposures £m	Off-balance-sheet exposures £m	On-balance-sheet exposures £m	Off-balance-sheet amount £m	RWAs £m	RWAs density (%)
1	Central governments or central banks	3,096.9	-	3,097.1	-	-	-
2	Regional government or local authorities	-	-	-	-	-	-
3	Public sector entities	-	-	-	-	-	-
4	Multilateral development banks	1,095.2	-	1,095.2	-	-	-
5	International organisations	-	-	-	-	-	-
6	Institutions	61.6	-	61.6	-	15.9	25.8
7	Corporates	338.1	93.9	337.9	11.7	305.2	87.3
8	Retail	18.9	1.3	18.9	0.3	13.9	72.4
9	Secured by mortgages on immovable property	2,438.6	42.2	2,438.6	8.4	923.8	37.8
10	Exposures in default	8.0	-	8.0	-	9.1	115.6
11	Exposures associated with particularly high risk	-	-	-	-	-	-
12	Covered bonds	812.7	-	812.7	-	81.3	10.0
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
14	Collective investment undertakings	-	-	-	-	-	-
15	Equity	-	-	-	-	-	-
16	Other items	43.6	-	43.6	-	57.8	132.4
17	TOTAL	7,913.6	137.4	7,913.6	20.4	1,407.0	17.7

10.2 UK CR5 – Standardised approach

The template below sets out the analysis of credit risk exposures by risk weight.

30 June 2026		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Risk weight																
	Exposure classes	0% £m	2% £m	4% £m	10% £m	20% £m	35% £m	50% £m	70% £m	75% £m	100% £m	150% £m	250% £m	370% £m	1250% £m	Others £m	Total £m	Of which unrated £m
1	Central governments or central banks	3,237.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,237.4	-
2	Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Multilateral development banks	1,072.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,072.6	-
5	International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Institutions	-	-	-	-	39.0	-	10.6	-	-	-	-	-	-	-	-	49.6	10.6
7	Corporates	-	-	-	-	-	-	-	-	-	356.4	-	-	-	-	-	356.4	356.4
8	Retail exposures	-	-	-	-	-	-	-	-	28.9	-	-	-	-	-	-	28.9	28.9
9	Exposures secured by mortgages on immovable property	-	-	-	-	-	2,308.3	-	-	29.3	79.2	-	-	-	-	-	2,416.8	2,416.8
10	Exposures in default	-	-	-	-	-	-	-	-	-	5.8	2.1	-	-	-	-	7.9	7.9
11	Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Covered bonds	-	-	-	745.0	-	-	-	-	-	-	-	-	-	-	-	745.0	-
13	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Units or shares in collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Other items	-	-	-	-	-	-	-	-	-	37.5	-	9.9	-	-	-	47.4	47.4
17	TOTAL	4,310.0	-	-	745.0	39.0	2,308.3	10.6	-	58.2	478.9	2.1	9.9	-	-	-	7,962.0	2,868.0

UK CR5 – Standardised approach *(continued)*

31 December 2025		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Risk weight																
	Exposure classes	0% £m	2% £m	4% £m	10% £m	20% £m	35% £m	50% £m	70% £m	75% £m	100% £m	150% £m	250% £m	370% £m	1250% £m	Others £m	Total £m	Of which unrated £m
1	Central governments or central banks	3,097.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,097.1	-
2	Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Multilateral development banks	1,095.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,095.2	-
5	International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Institutions	-	-	-	-	49.7	-	11.9	-	-	-	-	-	-	-	-	61.6	11.9
7	Corporates	-	-	-	-	-	-	-	-	-	349.6	-	-	-	-	-	349.6	349.6
8	Retail exposures	-	-	-	-	-	-	-	-	19.2	-	-	-	-	-	-	19.2	19.2
9	Exposures secured by mortgages on immovable property	-	-	-	-	-	2,331.7	-	-	30.1	85.2	-	-	-	-	-	2,447.0	2,447.0
10	Exposures in default	-	-	-	-	-	-	-	-	-	5.5	2.5	-	-	-	-	8.0	8.0
11	Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Covered bonds	-	-	-	812.7	-	-	-	-	-	-	-	-	-	-	-	812.7	-
13	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Units or shares in collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Other items	-	-	-	-	0.1	-	-	-	-	34.2	-	9.3	-	-	-	43.6	43.6
17	TOTAL	4,192.3	-	-	812.7	49.8	2,331.7	11.9	-	49.3	474.5	2.5	9.3	-	-	-	7,934.0	2,879.3

11 IRB approach to credit risk

11.1 Scope of permission of Internal Ratings-Based (IRB) approach

The Society has PRA permission to apply the Advanced IRB approach to certain credit risk exposures. The IRB rating system uses internally developed models for Probability of Default (PD), Loss Given Default (LGD), and Exposure at Default (EAD). This contrasts with the Foundation IRB (FIRB) approach, which uses internal PD models but regulator prescribed calculations for LGD and EAD.

The Society calculates the regulatory capital requirement for credit risk using internally developed models for its retail mortgage exposures. The IRB approach is also applied to certain equity exposures as per Articles 155, and non-credit obligation assets including cash in hand as per Article 156.

The Society continues to work with the PRA to update its IRB rating system to meet the latest regulatory requirements. Until the new IRB ratings system is approved a temporary model adjustment (TMA) is applied to the Society's regulator-approved IRB model output at portfolio level. The TMA uplifts the expected loss (EL) and RWAs to the level expected in the revised IRB models. The TMA is designed to ensure regulatory capital remains appropriately prudent while model enhancements are reviewed by the PRA.

The TMA remains subject to change and may cause variations in the capital metrics. The TMA has not resulted in, and is not expected to result in, any material change to the Society's risk profile or strategy.

11.2 UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range

The template below sets out the credit exposures by exposure class and PD range under the IRB approach.

30 June 2026	a	b	c	d	e	f	g	h	i	j	k	l	m
A-IRB	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 £m	Expected loss amount £m	Value adjustments and provisions £m
Secured by immovable property Non-SME													
	0.00 to <0.15	9,085.8	2,484.0	85.0	11,197.2	0.1	54,658	24.8	-	1,484.7	13.3	7.6	(2.4)
	0.00 to <0.10	4,296.2	2,475.5	85.0	6,400.4	0.1	29,539	25.9	-	889.9	13.9	5.2	(1.2)
	0.10 to <0.15	4,789.6	8.5	85.0	4,796.8	0.1	25,119	23.4	-	594.8	12.4	2.4	(1.2)
	0.15 to <0.25	12,110.1	4.9	85.0	12,114.3	0.2	71,569	20.4	-	1,841.5	15.2	8.2	(3.0)
	0.25 to <0.50	8,821.2	2.8	85.0	8,823.6	0.3	60,575	18.7	-	1,734.0	19.7	8.8	(2.7)
	0.50 to <0.75	986.4	0.5	85.0	986.9	0.6	7,170	18.6	-	293.8	29.8	1.8	(0.4)
	0.75 to <2.50	605.6	-	-	605.6	1.2	4,682	17.8	-	276.0	45.6	2.1	(0.7)
	0.75 to <1.75	517.5	-	-	517.5	1.1	4,027	17.9	-	219.6	42.4	1.6	(0.5)
	1.75 to <2.5	88.1	-	-	88.1	2.1	655	17.2	-	56.4	64.0	0.5	(0.2)
	2.50 to <10.00	191.2	-	-	191.2	5.1	1,250	18.9	-	214.8	112.3	3.0	(1.3)
	2.5 to <5	108.2	-	-	108.2	3.5	738	18.6	-	99.6	92.1	1.1	(0.6)
	5 to <10	83.0	-	-	83.0	7.2	512	19.2	-	115.2	138.7	1.9	(0.7)
	10.00 to <100.00	201.8	-	-	201.8	35.4	1,339	19.3	-	355.1	176.0	22.4	(4.3)
	10 to <20	73.0	-	-	73.0	14.4	462	19.6	-	135.0	184.9	3.4	(1.0)
	20 to <30	31.9	-	-	31.9	24.6	206	18.4	-	62.3	195.5	2.3	(0.6)
	30.00 to <100.00	96.9	-	-	96.9	54.7	671	19.4	-	157.8	162.8	16.7	(2.7)
	100.00 (Default)	123.0	-	-	123.0	100.0	699	24.7	-	493.7	401.5	13.3	(7.3)
Total (exposure class)		32,125.1	2,492.2	85.0	34,243.6	0.8	201,942	21.4	-	6,693.6	19.5	67.2	(22.1)

The Society continues to work with the PRA to update its IRB rating system to meet the latest regulatory requirements. Until the new IRB ratings system is approved a temporary model adjustment (TMA) is applied to the Society's regulator-approved IRB model output at portfolio level. The TMA uplifts the expected loss (EL) and RWAs to the level expected in the revised IRB models.

UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range *(continued)*

31 December 2025	a	b	c	d	e	f	g	h	i	j	k	l	m
A-IRB	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 £m	Expected loss amount £m	Value adjustments and provisions £m
Secured by immovable property Non-SME													
	0.00 to <0.15	8,767.3	2,151.3	85.0	10,595.8	0.1	52,508	24.7	-	1,389.9	13.1	7.2	(2.5)
	0.00 to <0.10	4,208.5	2,144.9	85.0	6,031.6	0.1	27,997	26.2	-	833.3	13.8	4.9	(1.3)
	0.10 to <0.15	4,558.8	6.4	85.0	4,564.2	0.1	24,511	22.8	-	556.6	12.2	2.3	(1.2)
	0.15 to <0.25	11,668.7	1.9	85.0	11,670.3	0.2	70,828	19.7	-	1,738.7	14.9	8.0	(2.9)
	0.25 to <0.50	8,492.4	2.1	85.0	8,494.1	0.3	59,586	18.1	-	1,626.9	19.2	8.5	(2.6)
	0.50 to <0.75	930.0	0.1	85.0	930.1	0.6	6,988	18.2	-	273.3	29.4	1.7	(0.4)
	0.75 to <2.50	592.8	-	-	592.9	1.2	4,715	17.0	-	258.3	43.6	2.0	(0.6)
	0.75 to <1.75	516.0	-	-	516.1	1.1	4,086	17.2	-	211.7	41.0	1.6	(0.5)
	1.75 to <2.5	76.8	-	-	76.8	2.1	629	16.1	-	46.6	60.7	0.4	(0.1)
	2.50 to <10.00	169.4	-	-	169.3	5.1	1,155	19.0	-	193.9	114.4	2.8	(1.2)
	2.5 to <5	95.4	-	-	95.4	3.5	665	18.9	-	91.1	95.4	1.1	(0.5)
	5 to <10	74.0	-	-	73.9	7.2	490	19.1	-	102.8	139.0	1.7	(0.7)
	10.00 to <100.00	184.9	-	-	184.9	36.6	1,278	18.6	-	316.9	171.4	21.7	(3.6)
	10 to <20	58.9	-	-	58.9	14.5	420	18.1	-	102.1	173.4	2.7	(0.8)
	20 to <30	33.0	-	-	33.0	24.9	227	19.0	-	67.6	205.0	2.7	(0.6)
	30.00 to <100.00	93.0	-	-	93.0	54.7	631	18.8	-	147.2	158.3	16.3	(2.2)
	100.00 (Default)	103.7	-	-	103.7	100.0	640	23.6	-	407.2	392.6	10.8	(7.0)
Total (exposure class)		30,909.2	2,155.4	85.0	32,741.1	0.8	197,698	20.8	-	6,205.1	19.0	62.7	(20.8)

11.3 UK CR7 IRB approach – Effect on the RWEAs of credit derivatives used as CRM techniques

The Group does not use credit derivatives under the IRB approach to mitigate credit risk therefore this template has not been presented.

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

The Group does not use credit risk mitigation techniques under the IRB approach therefore this template has not been presented.

11.5 UK CR8 – RWEA flow statements of credit risk exposures under the IRB approach

The template below sets out the flow statement of credit risk RWAs under the IRB approach for retail mortgage exposures, as prescribed by the PRA, over the period from 31 March 2026 to 30 June 2026. The RWAs do not match with the amounts presented in row 5 of template UK OV1 for the credit risk exposures measured under the IRB approach as this also includes RWAs for non-credit obligation assets of £98.1m (31 March 2026: £98.5m).

	a Risk weighted exposure amount quarter to 30 June 2026 £m
Risk weighted exposure amount as at the end of the previous reporting period	6,475.7
Asset size (+/-)	106.2
Asset quality (+/-)	111.7
Model updates (+/-)	-
Methodology and policy (+/-)	-
Acquisitions and disposals (+/-)	-
Foreign exchange movements (+/-)	-
Other (+/-)	-
Risk weighted exposure amount as at the end of the reporting period	6,693.6

The credit risk RWAs under the IRB approach for retail mortgage exposures increased by £217.9m in the quarter to £6,693.6m (31 March 2026: £6,475.7m).

12 Specialised lending and equity exposures

12.1 Specialised lending

The Group does not use the slotting approach to specialised lending therefore the following templates are not presented:

- UK CR10.1 Specialised lending: Project finance (Slotting approach);
- UK CR10.2 Specialised lending: Income-producing real estate and high volatility commercial real estate (Slotting approach);
- UK CR10.3 Specialised lending: Object finance (Slotting approach); and
- UK CR10.4 Specialised lending: Commodities finance (Slotting approach).

12.2 UK CR10.5 – Equity exposures under the simple risk-weighted approach

The template below sets out the Group's equity exposures under the simple risk-weighted approach as at 30 June 2026. The Group's equity exposures relate to the cost of investment in the entities which are outside the regulatory group as reported in section 4.4 (a) of the Pillar 3 disclosures as at 31 December 2025.

30 June 2026	a	b	c	d	e	f
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	-	-	190%	-	-	-
Exchange-traded equity exposures	-	-	290%	-	-	-
Other equity exposures	82.3	-	370%	82.3	304.5	2.0
Other equity exposures	-	0.7	250%	0.7	1.8	
Total	82.3	0.7		83.0	306.3	2.0

31 December 2025	a	b	c	d	e	f
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	-	-	190%	-	-	-
Exchange-traded equity exposures	-	-	290%	-	-	-
Other equity exposures	82.3	-	370%	82.3	304.5	2.0
Other equity exposures	-	0.9	250%	0.9	2.3	
Total	82.3	0.9		83.2	306.8	2.0

13 Counterparty Credit Risk

Counterparty credit risk (CCR) resulting from derivatives and repurchase transactions is calculated under the standardised approach.

The Group holds regulatory capital in order to cover potential losses which could arise if the counterparties to its derivative contracts or repurchase transactions fail to meet their financial obligations before the maturity date; this is known as CCR. This assessment places a valuation on the risk that the counterparty will default on its obligations before the maturity of the contract. In addition to this, the CRD V requires additional regulatory capital to be held to protect the Group from exposure to potential mark-to-market losses that could arise if the creditworthiness of those same counterparties were to deteriorate; this is known as a credit valuation adjustment (CVA) risk.

13.1 UK CCR1 – Analysis of CCR exposure by approach

The template below sets out the methods and parameters used to calculate the CCR regulatory requirements.

30 June 2026		a	b	c	d	e	f	g	h
		Replacement cost (RC) £m	Potential future exposure (PFE) £m	EEPE £m	Alpha used for computing regulatory exposure value α	Exposure value pre-CRM £m	Exposure value post-CRM £m	Exposure value £m	RWEA £m
UK1	Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
UK2	Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
1	SA-CCR (for derivatives)	25.7	12.2		1.4	61.6	52.6	52.6	26.3
2	IMM (for derivatives and SFTs)			-	-	-	-	-	-
2a	*Of which securities financing transactions netting sets*			-		-	-	-	-
2b	*Of which derivatives and long settlement transactions netting sets*			-		-	-	-	-
2c	*Of which from contractual cross-product netting sets*			-		-	-	-	-
3	Financial collateral simple method (for SFTs) [1]			-		2.7	2.7	2.7	0.5
4	Financial collateral comprehensive method (for SFTs)					-	-	-	-
5	VaR for SFTs					-	-	-	-
6	**Total**					64.3	55.3	55.3	26.8

Note

1. The SFT exposure decreased from £32.7m at December 2025 to £2.7m at June 2026. This reduction was primarily driven by changes in repo drawings under the Bank of England's Indexed Long-Term Repo (ILTR) funding facility.

UK CCR1 – Analysis of CCR exposure by approach *(continued)*

31 December 2025		a	b	c	d	e	f	g	h
		Replacement cost (RC) £m	Potential future exposure (PFE) £m	EEPE £m	Alpha used for computing regulatory exposure value α	Exposure value pre-CRM £m	Exposure value post-CRM £m	Exposure value £m	RWEA £m
UK1	Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
UK2	Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
1	SA-CCR (for derivatives)	28.9	12.2		1.4	86.7	57.2	57.2	28.6
2	IMM (for derivatives and SFTs)			-	-	-	-	-	-
2a	*Of which securities financing transactions netting sets*			-		-	-	-	-
2b	*Of which derivatives and long settlement transactions netting sets*			-		-	-	-	-
2c	*Of which from contractual cross-product netting sets*			-		-	-	-	-
3	Financial collateral simple method (for SFTs)			-		32.7	32.7	32.7	0.1
4	Financial collateral comprehensive method (for SFTs)					-	-	-	-
5	VaR for SFTs					-	-	-	-
6	Total					119.4	89.9	89.9	28.7

13.2 UK CCR2 – Transactions subject to own funds requirements for CVA risk

The template below sets out the capital charge which is calculated from CCR exposure.

		a	b	a	b
		Exposure value 30 Jun 26 £m	**RWEA 30 Jun 26 £m**	Exposure value 31 Dec 25 £m	RWEA 31 Dec 25 £m
1	Total transactions subject to the Advanced method	-	-	-	-
2	(i) VaR component (including the 3× multiplier)		-		-
3	(ii) stressed VaR component (including the 3× multiplier)		-		-
4	Transactions subject to the Standardised method	52.6	67.7	57.2	85.7
UK4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)	-	-	-	-
5	**Total transactions subject to own funds requirements for CVA risk**	**52.6**	**67.7**	57.2	85.7

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

The template below shows an analysis of counterparty credit risk exposures by exposure class.

30 June 2026		a	b	c	d	e	f	g	h	i	j	k	l
		Risk weight											Total exposure value
	Exposure classes	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1	Central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-
2	Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-
3	Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-
4	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5	International organisations	-	-	-	-	-	-	-	-	-	-	-	-
6	Institutions	-	417.8	-	-	2.7	52.6	-	-	-	-	-	473.1
7	Corporates	-	-	-	-	-	-	-	-	-	-	-	-
8	Retail	-	-	-	-	-	-	-	-	-	-	-	-
9	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
10	Other items	-	-	-	-	-	-	-	-	-	-	-	-
11	**Total exposure value**	-	417.8	-	-	2.7	52.6	-	-	-	-	-	473.1

UK CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights *(continued)*

31 December 2025		a	b	c	d	e	f	g	h	i	j	k	l
	Exposure classes	Risk weight											Total exposure value
		0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1	Central governments or central banks	32.0	-	-	-	-	-	-	-	-	-	-	32.0
2	Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-
3	Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-
4	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5	International organisations	-	-	-	-	-	-	-	-	-	-	-	-
6	Institutions	-	426.8	-	-	0.7	57.2	-	-	-	-	-	484.7
7	Corporates	-	-	-	-	-	-	-	-	-	-	-	-
8	Retail	-	-	-	-	-	-	-	-	-	-	-	-
9	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
10	Other items	-	-	-	-	-	-	-	-	-	-	-	-
11	Total exposure value	32.0	426.8	-	-	0.7	57.2	-	-	-	-	-	516.7

13.4 UK CCR4 – IRB approach – CCR exposures by exposure class and PD scale

The Group does not have counterparty credit risk exposures under the IRB approach therefore this template has not been presented.

13.5 UK CCR5 – Composition of collateral for CCR exposures

Template UK CCR5 disclosure is only required under Article 439 (e) of the PRA Rulebook if both the fair value of collateral posted in the form of debt securities and the fair value of collateral received in that form exceed £125.0 billion. The Group does not exceed this threshold and therefore this template has not been presented.

13.6 UK CCR6 – Credit derivatives exposures

The Group does not use credit derivatives to mitigate credit risk therefore this template has not been presented.

13.7 UK CCR7 – RWEA flow statements of CCR exposures under the IMM

The Group does not use the Internal Model Method for CCR exposures therefore this template has not been presented.

13.8 UK CCR8 – Exposures to CCPs

The template below sets out the exposures by qualifying central counterparty (QCCP) and related capital requirements.

30 June 2026		a	b
		Exposure value £m	RWEA £m
1	**Exposures to QCCPs (total)**		8.4
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	417.8	8.4
3	(i) OTC derivatives	417.8	8.4
4	(ii) Exchange-traded derivatives	-	-
5	(iii) SFTs	-	-
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	-	
8	Non-segregated initial margin	249.5	-
9	Prefunded default fund contributions	-	-
10	Unfunded default fund contributions	-	-
11	**Exposures to non-QCCPs (total)**		-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
13	(i) OTC derivatives	-	-
14	(ii) Exchange-traded derivatives	-	-
15	(iii) SFTs	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	
18	Non-segregated initial margin	-	-
19	Prefunded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

UK CCR8 – Exposures to CCPs *(continued)*

31 December 2025		a	b
		Exposure value	RWEA
		£m	£m
1	Exposures to QCCPs (total)		8.5
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	426.8	8.5
3	(i) OTC derivatives	426.8	8.5
4	(ii) Exchange-traded derivatives	-	-
5	(iii) SFTs	-	-
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	-	
8	Non-segregated initial margin	254.6	-
9	Prefunded default fund contributions	-	-
10	Unfunded default fund contributions	-	-
11	Exposures to non-QCCPs (total)		-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
13	(i) OTC derivatives	-	-
14	(ii) Exchange-traded derivatives	-	-
15	(iii) SFTs	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	
18	Non-segregated initial margin	-	-
19	Prefunded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

14 Securitisation Positions

Access to wholesale funding allows the Group to diversify its funding sources and increase the term of funding to assist in managing its basis and refinance risk. The Group carries out securitisation transactions using its own mortgage assets as well as acquiring RMBS from other third parties.

14.1 UK SEC1 – Securitisation exposures in the non-trading book

30 June 2026		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
		Traditional				Synthetic		Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
		STS		Non-STS			of which SRT		STS	Non-STS			STS	Non-STS		
			of which SRT		of which SRT											
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1	**Total exposures**	219.6	-	-	-	-	-	219.6	-	-	-	-	565.2	-	-	565.2
2	Retail (total)	219.6	-	-	-	-	-	219.6	-	-	-	-	565.2	-	-	565.2
3	residential mortgage	219.6	-	-	-	-	-	219.6	-	-	-	-	565.2	-	-	565.2
4	credit card	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	other retail exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Wholesale (total)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	loans to corporates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	lease and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	other wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

UK SEC1 – Securitisation exposures in the non-trading book *(continued)*

	31 December 2025	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
		Traditional				Synthetic		Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
		STS		Non-STS			of which SRT		STS	Non-STS			STS	Non-STS		
			of which SRT		of which SRT											
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1	Total exposures	233.9	-	-	-	-	-	233.9	-	-	-	-	618.4	-	-	618.4
2	Retail (total)	233.9	-	-	-	-	-	233.9	-	-	-	-	618.4	-	-	618.4
3	residential mortgage	233.9	-	-	-	-	-	233.9	-	-	-	-	618.4	-	-	618.4
4	credit card	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	other retail exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Wholesale (total)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	loans to corporates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	lease and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	other wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

14.2 UK SEC2 – Securitisation exposures in the trading book

The Group does not have a trading book therefore this template has not been presented.

14.3 UK SEC3 – Securitisation exposures in the non-trading book and associated regulatory capital requirements – The Group acting as originator or as sponsor

The Group has one securitisation outstanding as at 30 June 2026, originated through Darrowby No. 6 plc. There are no capital requirements for this securitisation due to no significant risk transfer. Therefore, this template has not been presented.

14.4 UK SEC4 – Securitisation exposures in the non-trading book and associated regulatory capital requirements – The Group acting as investor

30 June 2026	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA(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**	565.2	-	-	-	-	-	565.2	-	-	-	56.5	-	-	-	4.5	-	-
2 Traditional securitisation	565.2	-	-	-	-	-	565.2	-	-	-	56.5	-	-	-	4.5	-	-
3 Securitisation	565.2	-	-	-	-	-	565.2	-	-	-	56.5	-	-	-	4.5	-	-
4 Retail underlying	565.2	-	-	-	-	-	565.2	-	-	-	56.5	-	-	-	4.5	-	-
5 Of which STS	565.2	-	-	-	-	-	565.2	-	-	-	-	-	-	-	-	-	-
6 Wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Synthetic securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 Securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11 Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 Wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

31 December 2025	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA(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	618.4	-	-	-	-	-	618.4	-	-	-	61.8	-	-	-	4.9	-	-
2 Traditional securitisation	618.4	-	-	-	-	-	618.4	-	-	-	61.8	-	-	-	4.9	-	-
3 Securitisation	618.4	-	-	-	-	-	618.4	-	-	-	61.8	-	-	-	4.9	-	-
4 Retail underlying	618.4	-	-	-	-	-	618.4	-	-	-	61.8	-	-	-	4.9	-	-
5 Of which STS	618.4	-	-	-	-	-	618.4	-	-	-	61.8	-	-	-	4.9	-	-
6 Wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Synthetic securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 Securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11 Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 Wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

14.5 UK SEC5 – Exposures securitised by the institution - Exposures in default and specific credit risk adjustments

The template below sets out the exposures securitised by the Group acting as originator.

30 June 2026		a	b	c
		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
			Of which exposures in default	
		£m	£m	£m
1	**Total exposures**	575.8	0.3	-
2	Retail (total)	575.8	0.3	-
3	residential mortgage	575.8	0.3	-
4	credit card	-	-	-
5	other retail exposures	-	-	-
6	re-securitisation	-	-	-
7	Wholesale (total)	-	-	-
8	loans to corporates	-	-	-
9	commercial mortgage	-	-	-
10	lease and receivables	-	-	-
11	other wholesale	-	-	-
12	re-securitisation	-	-	-

31 December 2025		a	b	c
		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
			Of which exposures in default	
		£m	£m	£m
1	Total exposures	627.1	-	-
2	Retail (total)	627.1	-	-
3	residential mortgage	627.1	-	-
4	credit card	-	-	-
5	other retail exposures	-	-	-
6	re-securitisation	-	-	-
7	Wholesale (total)	-	-	-
8	loans to corporates	-	-	-
9	commercial mortgage	-	-	-
10	lease and receivables	-	-	-
11	other wholesale	-	-	-
12	re-securitisation	-	-	-

15 Standardised approach and internal model for market risk

This section sets out the Group's market risk approach.

15.1 UK MR1 – Market risk under the standardised approach

The Group's exposure to foreign currency risk is calculated in accordance with Article 83 of the CRD V and is below the 2% de minimis limit (2% of total own funds) in accordance with Article 351 of the UK CRR, therefore the values have been set to nil and template UK MR1 has not been presented.

15.2 Information on the internal Market Risk Models

The Group does not use the Internal Model Approach for market risk and therefore the following templates have not been presented:

- UK MR2-A – Market risk under the Internal Model Approach (IMA);
- UK MR2-B – RWEA flow statements of market risk exposures under the IMA;
- UK MR3 – IMA values for trading portfolios; and
- UK MR4 – Comparison of VaR estimates with gains/losses.

16 Exposures to Interest Rate Risk on Positions Not Held in the Trading Book (IRRBB)

The main market risk faced by the Group is interest rate risk which is the risk of loss arising from adverse movements in market interest rates.

16.1 UK IRRBB1 – Quantitative information on IRRBB

The template below sets out the Group's changes in economic value of equity (ΔEVE) and net interest income (ΔNII) under each of the prescribed interest rates shock scenarios.

		a	b	c	d	e	f
	In reporting currency	ΔEVE		ΔNII		Tier 1 capital	
	Period	30 Jun 26 £m	31 Dec 25 £m	30 Jun 26 £m	31 Dec 25 £m	30 Jun 26 £m	31 Dec 25 £m
010	Parallel shock up	**(181.8)**	(175.6)	**(17.9)**	(29.9)		
020	Parallel shock down	**202.0**	175.0	**36.8**	52.2		
030	Steepener shock	**(37.3)**	(35.8)				
040	Flattener shock	**37.1**	20.5				
050	Short rates shock up	**(74.3)**	(80.9)				
060	Short rates shock down	**96.0**	85.9				
070	**Maximum**	**(181.8)**	(175.6)	**(17.9)**	(29.9)		
080	**Tier 1 capital**					**2,658.9**	2,575.0

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