

Lloyds Bank plc

2024 Half-Year

Pillar 3 Disclosures

16 August 2024

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Basis of preparation

This report presents the consolidated half-year Pillar 3 disclosures of Lloyds Bank plc ('the Group') as at 30 June 2024 and should be read in conjunction with the Group's 2024 Half-Year Results.

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

PRA reference	Template name	Reason for exclusion
CR2a	Changes in the stock of non-performing loans and advances and related net accumulated recoveries	Excluded on materiality basis
CQ2	Quality of forbearance	Excluded on materiality basis
CQ7	Collateral obtained by taking possession and execution processes	No collateral taken into possession is recognised on the balance sheet
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
CR10.5	Equity exposures subject to the simple risk weight method	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
MR1	Market risk under the standardised approach	Excluded on materiality basis
MR2-A	Market risk under the internal Model Approach (IMA)	Not applicable to the Group
MR2-B	RWA flow statements of market risk exposures under the IMA	Not applicable to the Group
MR3	IMA values for trading portfolios	Not applicable to the Group
MR4	Comparison of VaR estimates with gains/losses	Not applicable to the Group

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

A description of the main features of common equity tier 1 (CET1), additional tier 1 (AT1) and tier 2 (T2) capital instruments issued by Lloyds Banking Group plc (the ultimate parent company) and its large subsidiaries (including Lloyds Bank plc and Bank of Scotland plc) are included in a separate document on the Lloyds Banking Group 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. Template TLAC 2 is included within the half-year Pillar 3 disclosures for Lloyds Banking Group plc and details the creditor hierarchy and nominal values of instruments issued by Lloyds Bank plc and Bank of Scotland plc. The Lloyds Banking Group plc 2024 Half-Year Pillar 3 Disclosures can be found on the Lloyds Banking Group plc website.

Half-year Pillar 3 disclosures for the Group's large subsidiary (Bank of Scotland plc) are published separately on the Group's website, located at www.lloydsbankinggroup.com/investors/financial-downloads.

CRD IV

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

Under the new regulation, Residential Mortgage exposures are subject to a 90 day default backstop. The Group's incumbent (pre CRD IV) UK Mortgage models at the reporting date use a 180 day default backstop. As a result, within the published CR6 tables, Defaulted Exposure, Exposure at Default and weighted average risk metrics are disclosed on a pre CRD IV basis (including a 180 day backstop) whilst risk-weighted assets and expected loss amounts include the impact of significant temporary model adjustments which reflect 90 day default backstop and other new modelling requirements. Less material definitional differences also exist for other IRB asset classes where similar temporary model adjustments have been applied. Standardised approach exposures already use a 90 day default backstop and this is reflected in the CR4 and CR5 tables. Tables CQ1, CQ4 and CQ5 are based on accounting definitions, and therefore also use the current 90 days past due definition.

Key metric and overview of risk weighted exposure amounts

KMI: Key metrics¹

KMI Ref	LR2 Ref		30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023
Available own funds (amounts)							
1		Common Equity Tier 1 (CET1) capital (£m)	25,038	26,243	26,220	25,709	26,354
2		Tier 1 capital (£m)	30,056	31,261	31,238	30,728	31,372
3		Total capital (£m)	35,681	37,081	37,402	36,967	37,035
Risk-weighted exposure amounts							
4		Total risk-weighted exposure amount (£m)	183,949	184,304	182,560	180,311	178,534
Capital ratios (as a percentage of risk-weighted exposure amount)							
5		Common Equity Tier 1 ratio (%)	13.6%	14.2%	14.4%	14.3%	14.8%
6		Tier 1 ratio (%)	16.3%	17.0%	17.1%	17.0%	17.6%
7		Total capital ratio (%)	19.4%	20.1%	20.5%	20.5%	20.7%
Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)							
UK 7a		Additional CET1 SREP requirements (%)	1.7%	1.7%	1.7%	1.7%	1.7%
UK 7b		Additional AT1 SREP requirements (%)	0.6%	0.6%	0.6%	0.6%	0.6%
UK 7c		Additional T2 SREP requirements (%)	0.7%	0.7%	0.7%	0.7%	0.7%
UK 7d		Total SREP own funds requirements (%)	11.0%	11.0%	11.0%	11.0%	11.0%
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 (%)	1.9%	1.9%	1.9%	1.9%	1.0%
UK 10a		Other Systemically Important Institution buffer (%) ²	2.0%	2.0%	2.0%	2.0%	2.0%
11		Combined buffer requirement (%)	6.4%	6.4%	6.4%	6.4%	5.5%
UK 11a		Overall capital requirements (%)	17.4%	17.4%	17.4%	17.4%	16.5%
12		CET1 available after meeting minimum SREP own funds requirements (%) ³	7.4%	8.1%	8.2%	8.1%	8.6%
Leverage ratio							
13	UK-24b	Total exposure measure excluding claims on central banks (£m)	574,932	569,835	562,153	561,710	551,063
14	25	Leverage ratio excluding claims on central banks (%)	5.2%	5.5%	5.6%	5.5%	5.7%
Additional leverage ratio disclosure requirements							
UK 14a	UK-25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	5.2%	5.5%	5.5%	5.4%	5.7%
UK 14b	UK-25c	Leverage ratio including claims on central banks (%)	4.8%	5.0%	5.0%	4.9%	5.0%
UK 14c	UK-34	Average leverage ratio excluding claims on central banks (%) ⁴	5.4%	5.6%	5.5%	5.5%	5.7%
UK 14d	UK-33	Average leverage ratio including claims on central banks (%) ⁴	5.0%	5.1%	5.0%	5.0%	5.0%
UK 14e	UK-27b	Countercyclical leverage ratio buffer (%) ⁵	0.7%	0.7%	0.7%	0.7%	0.3%
Average Liquidity Coverage Ratio (weighted) (LCR)⁶							
15		Total high-quality liquid assets (HQLA)(Weighted value - average) (£m)	108,413	108,598	108,655	109,895	112,833
UK 16a		Cash outflows - Total weighted value - average (£m)	86,682	87,143	87,371	88,141	89,440
UK 16b		Cash inflows - Total weighted value - average (£m)	5,908	5,721	5,687	5,318	4,610
16		Total net cash outflows (adjusted value - average) (£m)	80,774	81,422	81,684	82,823	84,830
17		Average liquidity coverage ratio (%)	134%	133%	133%	133%	133%
Average Net Stable Funding Ratio⁷							
18		Total available stable funding (Weighted value - average) (£m)	484,745	483,968	483,745	483,227	483,752
19		Total required stable funding (Weighted value - average) (£m)	389,339	387,522	387,305	387,651	388,940
20		Average NSFR ratio (%)	125%	125%	125%	125%	124%

1 The Group applies dynamic relief in accordance with the IFRS9 transitional arrangements for capital as set out under CRR Article 473a (revised). In addition the Group applies a 100 per cent risk weight to the consequential Standardised credit risk exposure add-back as permitted under paragraph 7a of the arrangements. At 30 June 2024 dynamic relief for CET1 capital amounted to £7 million (31 December 2023: £155 million).

2 The Group is subject to an Other Systemically Important Institution (OSII) Buffer of 2.0 per cent of risk-weighted exposure amounts which is designed to hold systemically important banks to higher capital standards so that they can withstand a greater level of stress before requiring resolution.

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 total SREP own funds requirements. The minimum CET1 requirement is equivalent to 4.5 per cent (Pillar 1) plus the additional CET1 SREP requirement (56.25 per cent of Pillar 2A). The Group's Pillar 2A capital requirement is around 3.0 per cent of risk-weighted assets, of which around 1.7 per cent 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. The average leverage exposure measure (excluding claims on central banks) for the period from 1 April 2024 to 30 June 2024 amounted to £576,761 million. The average leverage exposure measure (including claims on central banks) for the period from 1 April 2024 to 30 June 2024 amounted to £624,803 million.

5 The Group's total leverage ratio buffer at 30 June 2024 was 1.4 per cent (31 Dec 2023: 1.4 per cent), of which 0.7 per cent reflects the additional leverage ratio buffer (ALRB) applied to the Group and is based upon the O-SII Buffer.

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.

Key metric and overview of risk weighted exposure amounts continued

IFRS 9-FL: Capital

Comparison of institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs.

	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023
Available own funds (amounts)					
1 Common Equity Tier 1 (CET1) capital (£m)	25,038	26,243	26,220	25,709	26,354
2 CET1 capital as if IFRS 9 transitional arrangements had not been applied (£m)	25,031	26,165	26,065	25,508	26,129
3 Tier 1 capital (£m)	30,056	31,261	31,238	30,728	31,372
4 Tier 1 capital as if IFRS 9 transitional arrangements had not been applied (£m)	30,049	31,183	31,083	30,526	31,148
5 Total capital (£m)	35,681	37,081	37,402	36,967	37,035
6 Total capital as if IFRS 9 transitional arrangements had not been applied (£m)	35,674	37,080	37,398	36,848	36,883
Risk-weighted exposure (amounts)					
7 Total risk-weighted exposure amount (£m)	183,949	184,304	182,560	180,311	178,534
8 Total risk-weighted exposure amount as if IFRS 9 transitional arrangements had not been applied (£m)	183,941	184,279	182,510	180,276	178,502
Capital ratios (as a percentage of risk-weighted exposure amount)					
9 Common Equity Tier 1 ratio (%)	13.6%	14.2%	14.4%	14.3%	14.8%
10 CET1 ratio as if IFRS 9 transitional arrangements had not been applied (%)	13.6%	14.2%	14.3%	14.1%	14.6%
11 Tier 1 ratio (%)	16.3%	17.0%	17.1%	17.0%	17.6%
12 Tier 1 ratio as if IFRS 9 transitional arrangements had not been applied (%)	16.3%	16.9%	17.0%	16.9%	17.4%
13 Total capital ratio (%)	19.4%	20.1%	20.5%	20.5%	20.7%
14 Total capital ratio as if IFRS 9 transitional arrangements had not been applied (%)	19.4%	20.1%	20.5%	20.4%	20.7%
Leverage ratio					
15 Total exposure measure excluding claims on central banks (£m)	574,932	569,835	562,153	561,710	551,063
16 Leverage ratio excluding claims on central banks (%)	5.2%	5.5%	5.6%	5.5%	5.7%
17 Leverage ratio excluding claims on central banks as if IFRS 9 transitional arrangements had not been applied (%)	5.2%	5.5%	5.5%	5.4%	5.7%

Common Equity Tier 1

The Group's common equity tier 1 (CET1) capital ratio reduced to 13.6 per cent at 30 June 2024 (31 December 2023: 14.4 per cent). This largely reflected profit for the period, offset by the payment of ordinary dividends during the first half of the year, the accrual for foreseeable ordinary dividends and an increase in risk-weighted assets.

Total Capital

The Group's total capital ratio reduced to 19.4 per cent (31 December 2023: 20.5 per cent). This reflected the reduction in CET1 capital, the reduction in eligible provisions recognised through Tier 2 capital, the impact of interest rates on Tier 2 capital instruments and the increase in risk-weighted assets.

Risk-Weighted Assets

Risk-weighted assets have increased by £1,389 million to £183,949 million at 30 June 2024 (31 December 2023: £182,560 million). This incorporates the impact of Retail lending growth, offset by optimisation including capital efficient securitisation activity, in addition to other movements.

Leverage

The Group's UK leverage ratio reduced to 5.2 per cent (31 December 2023: 5.6 per cent). This reflected both the reduction in the total tier 1 capital position and the £12.8 billion increase in the leverage exposure measure, principally related to the increase in securities financing transactions and other balance sheet movements.

Liquidity

The Group's liquidity coverage ratio (LCR) increased to 134 per cent (based on a monthly simple average over the previous 12 months) at 30 June 2024 (31 December 2023: 133 per cent), an increase of 1 percentage with no material changes in liquid assets and net cash outflows. The Group's net stable funding ratio (NSFR) remains strong at 125 per cent (based on a quarterly simple average over the previous 4 quarters) as at 30 June 2024 (31 December 2023: 125 per cent).

Key metric and overview of risk weighted exposure amounts continued**OVI: Overview of risk-weighted assets**

	Total RWA		Total own funds requirements
	30 Jun 2024	31 Dec 2023	30 Jun 2024
	£m	£m	£m
1 Credit risk (excluding CCR)	148,632	147,061	11,891
2 Of which the standardised approach	18,827	19,021	1,506
3 Of which the foundation IRB (FIRB) approach	25,935	28,006	2,075
4 Of which slotting approach	9,020	8,472	722
5 Of which the advanced IRB (AIRB) approach	88,587	85,436	7,087
Of which: non-credit obligation assets ¹	6,263	6,126	501
6 Counterparty credit risk (CCR)	1,278	1,329	102
7 Of which the standardised approach	398	510	32
UK 8a Of which exposures to a CCP	127	113	10
UK 8b Of which credit valuation adjustment (CVA)	331	454	26
9 Of which other CCR	422	252	34
16 Securitisation exposures in the non-trading book (after the cap)	8,440	8,246	675
17 Of which SEC-IRBA approach	4,264	4,102	341
18 Of which SEC-ERBA approach (including IAA)	1,335	1,437	107
19 Of which SEC-SA approach	2,841	2,707	227
20 Position, foreign exchange and commodities risks (Market risk)	294	319	24
21 Of which the standardised approach	294	319	24
23 Operational risk	25,305	25,605	2,024
UK 23b Of which standardised approach	25,305	25,605	2,024
24 Memo: Amounts below the thresholds for deduction (subject to 250% risk weight)	1,070	1,424	86
29 Total	183,949	182,560	14,716
Pillar 2A capital requirement ²			5,439
Total capital requirement			20,155

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

2 As at 30 June 2024, the Pillar 2A capital requirement was around 3.0 per cent of risk-weighted assets, of which around 1.7 per cent was to be met with CET1 capital.

Risk-weighted assets have increased by £1,389 million during the year to £183,949 million at 30 June 2024 (31 December 2023: £182,560 million). This predominantly reflects:

Credit risk (including amounts below the thresholds for deduction):

- FIRB RWAs: decreased by £2,071 million to £25,935 million principally due to a reduction in exposures following capital efficient securitisation and other optimisation activity.
- Supervisory Slotting RWAs: increased by £548 million reflecting growth in lending.
- AIRB RWAs: increased by £3,151 million to £88,587 million primarily reflecting growth in Retail lending, partially offset by the securitisation of legacy mortgages.

Credit risk

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.

CR8: Risk-weighted assets flow statements of credit risk exposures

	Total RWA quarter to 30 Jun 2024	Total RWA YTD 30 Jun 2024
	£m	£m
1 Risk weighted exposure amount as at the end of previous reporting period	123,439	121,914
2 Asset size (+/-)	2,185	3,510
3 Asset quality (+/-)	707	637
5 Methodology and policy (+/-)	(477)	(187)
6 Acquisitions and disposals (+/-)	(474)	(474)
7 Foreign exchange movements (+/-)	(29)	(49)
8 Other (+/-)	(1,809)	(1,809)
9 Risk weighted exposure amount at the end of the reporting period	123,542	123,542

Key movements 31 March 2024 to 30 June 2024

- Asset size movement largely driven by Retail lending growth.
- Asset quality movement predominantly driven by a modest uplift in Retail portfolios.
- Methodology and policy movement primarily driven by optimisation activity, partially offset by further CRD IV model updates in the quarter.
- Acquisitions and Disposals reflect the securitisation of legacy Retail mortgages.
- Other reductions in risk-weighted assets are due to optimisation of the portfolio through securitisation activity.

Own funds

CCI: Composition of regulatory own funds

The capital positions presented below reflect the application of the transitional arrangements for IFRS 9.

	30 Jun 2024	31 Dec 2023	CC2 Reference
	£m	£m	
Common Equity Tier 1 (CET1) capital: instruments and reserves			
1	2,174	2,174	
of which: called up share capital	1,574	1,574	a
of which: share premium	600	600	b
2	34,164	36,243	d
3	(3,610)	(3,062)	d
UK-5a	574	(490)	
6	33,302	34,865	
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	(103)	(117)	
8	(5,608)	(5,531)	e
10	(3,889)	(3,971)	f
11	3,815	3,554	
14	(12)	(74)	
15	(2,473)	(2,653)	g
27a	6	147	
28	(8,264)	(8,645)	
29	25,038	26,220	
Additional Tier 1 (AT1) capital: instruments			
30	5,018	5,018	c
31	5,018	5,018	
44	5,018	5,018	
45	30,056	31,238	
Tier 2 (T2) capital: instruments			
46	5,506	5,747	h
50	119	417	
51	5,625	6,164	
58	5,625	6,164	
59	35,681	37,402	
60	183,949	182,560	
Capital ratios and buffers			
61	13.6%	14.4%	
62	16.3%	17.1%	
63	19.4%	20.5%	
64	12.6%	12.6%	
65	2.5%	2.5%	
66	1.9%	1.9%	
UK-67a	2.0%	2.0%	
68	7.4%	8.2%	
Amounts below the thresholds for deduction (before risk weighting)			
72	88	256	
75	428	570	
Applicable caps on the inclusion of provisions in Tier 2			
78	119	417	
79	783	772	

1 The reported amount for 30 June 2024 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 2023 reflects the year end foreseeable dividend accrual only as the externally audited profits for the year to 31 December 2023 are included in row 2 (Retained earnings).

Own funds continued

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

The following table presents the Group's regulatory balance sheet as at 30 June 2024. The regulatory scope of consolidation is materially aligned to the accounting scope, with minor adjustments for the deconsolidation of certain Group entities. The regulatory scope of consolidation is the basis for the calculation of the Group's regulatory own funds as presented in table CC1.

		Balance sheet under regulatory scope of consolidation at 30 Jun 2024	
Assets		£m	Reference ¹
1	Cash and balances at central banks	49,154	
3	Financial assets at fair value through profit or loss	1,551	
4	Derivative financial instruments	2,688	
5	Loans and advances to banks	7,067	
6	Loans and advances to customers	434,018	
7	Reverse repurchase agreements	42,273	
8	Debt securities	12,285	
9	Due from fellow Lloyds Banking Group undertakings	2,087	
10	Financial assets at amortised cost	497,730	
11	Financial assets at fair value through other comprehensive income	27,521	
12	Goodwill and other intangible assets	5,870	e
14	Current tax recoverable	846	
15	Deferred tax assets ²	4,622	f
16	Retirement benefit assets	3,379	g
17	Other assets	13,962	
18	Total assets	607,323	
Liabilities			
1	Deposits from banks	2,976	
2	Customer deposits	446,175	
3	Repurchase agreements at amortised cost	37,848	
4	Due to fellow Lloyds Banking Group undertakings	5,168	
6	Financial liabilities at fair value through profit or loss	4,909	
7	Derivative financial instruments	3,985	
8	Notes in circulation	1,766	
9	Debt securities in issue	47,670	
10	Other liabilities	8,465	
11	Retirement benefit obligations	130	
12	Current tax liabilities	28	
13	Deferred tax liabilities ²	146	f
14	Other provisions	1,653	
15	Subordinated liabilities	6,764	h
16	Total liabilities	567,683	
Shareholders' equity			
1	Called up share capital	2,174	
2	of which: share capital	1,574	a
3	of which: share premium	600	b
4	Other equity instruments	5,018	c
5	Retained earnings, accumulated other comprehensive income and other reserves ³	32,379	d
6	Total equity excluding non-controlling interests	39,571	
7	Non-controlling interests	69	
8	Total equity	39,640	
9	Total equity and liabilities	607,323	

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

2. 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. Deferred tax assets are also adjusted to reflect the application of the IFRS 9 transitional arrangements.

3. The regulatory definition of eligible items for inclusion in retained earnings differs from the accounting definition. The aggregate of retained earnings and accumulated other comprehensive income and other reserves is comparable on both bases but the allocation between categories differ.

Countercyclical capital buffers

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

30 Jun 2024													
Breakdown by Country	General credit exposures ^{2,3}		Relevant credit exposures – Market risk ²		Securitisation exposures ³	Own fund requirements – relevant credit exposures							
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Exposure value for non-trading book	Total exposure value	Credit risk ^{2,3}	Market risk ²	Securitisation positions in the non-trading book ²	Total	Risk-weighted exposure amounts	Own fund requirements weights	Countercyclical buffer rate
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	%	%
United Kingdom	21,367	463,274	–	–	31,445	516,086	11,042	–	571	11,613	145,165	94.04%	2.00%
Australia	12	76	–	–	–	88	4	–	–	4	46	0.03%	1.00%
Belgium	–	15	–	–	–	15	–	–	–	–	5	–	0.50%
Cyprus	49	–	–	–	–	49	4	–	–	4	48	0.03%	1.00%
Denmark	20	6	–	–	–	26	2	–	–	2	27	0.02%	2.50%
France	180	2	–	–	275	457	9	–	8	17	221	0.14%	1.00%
Germany	898	311	–	–	453	1,662	67	–	4	71	884	0.57%	0.75%
Hong Kong	58	42	–	–	–	100	2	–	–	2	30	0.02%	1.00%
Ireland	81	129	–	–	101	311	14	–	1	15	192	0.12%	1.50%
South Korea	21	–	–	–	–	21	1	–	–	1	11	0.01%	1.00%
Luxembourg	6	315	–	–	81	402	13	–	1	14	177	0.11%	0.50%
Netherlands	747	15,848	–	–	198	16,793	219	–	2	221	2,761	1.79%	2.00%
Norway	2	69	–	–	–	71	5	–	–	5	63	0.04%	2.50%
Sweden	–	2	–	–	–	2	–	–	–	–	1	–	2.00%
i) Total¹	23,441	480,089	–	–	32,553	536,083	11,382	–	587	11,969	149,631	96.92%	
United States of America	876	2,573	–	–	6,794	10,243	140	–	87	227	2,843	1.84%	
ii) Total¹	876	2,573	–	–	6,794	10,243	140	–	87	227	2,843	1.84%	
iii) Rest of the World¹	450	3,275	–	–	167	3,892	152	–	1	153	1,885	1.24%	
Total	24,767	485,937	–	–	39,514	550,218	11,674	–	675	12,349	154,359	100.00%	

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

31 Dec 2023

Breakdown by Country	General credit exposures ^{2,3}		Relevant credit exposures –Market risk ²		Securitisation exposures ³	Own fund requirements - relevant credit exposures					Risk-weighted exposure amounts £m	Own fund requirements weights %	Countercyclical buffer rate %
	Exposure value under the standardised approach £m	Exposure value under the IRB approach £m	Sum of long and short positions of trading book exposures for SA £m	Value of trading book exposures for internal models £m	Exposure value for non-trading book £m	Total exposure value £m	Credit risk ^{2,3} £m	Market risk ² £m	Securitisation positions in the non-trading book ³ £m	Total £m			
United Kingdom	20,783	453,426	—	—	30,043	504,252	10,861	—	556	11,417	142,706	93.92%	2.00%
Australia	12	75	—	—	—	87	2	—	—	2	25	0.02 %	1.00 %
Cyprus	60	—	—	—	—	60	5	—	—	5	59	0.04 %	0.50 %
Denmark	—	6	—	—	—	6	1	—	—	1	7	—	2.50 %
France	254	107	—	—	254	615	23	—	7	30	372	0.25 %	0.50 %
Germany	771	187	—	—	547	1,505	53	—	5	58	726	0.48 %	0.75 %
Hong Kong	62	40	—	—	—	102	2	—	—	2	29	0.02 %	1.00 %
Ireland	76	235	—	—	41	352	20	—	—	20	248	0.16 %	1.00 %
Luxembourg	16	238	—	—	484	738	13	—	4	17	216	0.14 %	0.50 %
Netherlands	816	15,420	—	—	196	16,432	218	—	2	220	2,740	1.80 %	1.00 %
Norway	2	73	—	—	—	75	5	—	—	5	66	0.05 %	2.50 %
Sweden	—	2	—	—	—	2	—	—	—	—	1	—	2.00 %
i) Total ¹	22,852	469,809	—	—	31,565	524,226	11,203	—	574	11,777	147,195	96.88 %	
United States of America	900	2,347	—	—	6,512	9,759	129	—	85	214	2,678	1.76 %	
ii) Total ¹	900	2,347	—	—	6,512	9,759	129	—	85	214	2,678	1.76 %	
iii) Rest of the World ¹	479	3,350	—	—	130	3,959	164	—	1	165	2,070	1.36 %	
Total	24,231	475,506	—	—	38,207	537,944	11,496	—	660	12,156	151,943	100.00%	

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

- those countries for which a countercyclical capital buffer rate has been set and where the Group holds applicable exposures.
- 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.
- the aggregate of all remaining countries for which a countercyclical buffer rate has not been set and individually have an own funds requirement weighting of less than one per cent.

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

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

CCyB2: Amount of institution-specific countercyclical capital buffer

	30 Jun 2024	31 Dec 2023
1 Total risk exposure amount	£183,949m	£182,560m
2 Institution specific countercyclical capital buffer rate	1.93%	1.91%
3 Institution specific countercyclical capital buffer requirement	£3,545m	£3,478m

Leverage

LR2: Leverage ratio common disclosure

		30 Jun 2024	31 Dec 2023
		£m	£m
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral) ¹	558,043	564,483
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	3,485	3,273
3	Deductions of receivables assets for cash variation margin provided in derivatives transactions	(4,671)	(4,477)
6	Asset amounts deducted in determining tier 1 capital (leverage)	(12,013)	(12,060)
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	544,844	551,219
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	581	779
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	1,921	1,840
11	Adjusted effective notional amount of written credit derivatives	24	24
12	Adjusted effective notional offsets and add-on deductions for written credit derivatives	—	—
13	Total derivatives exposures	2,526	2,643
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	49,800	40,432
15	Netted amounts of cash payables and cash receivables of gross SFT assets	(7,027)	(7,636)
16	Counterparty credit risk exposure for SFT assets	1,519	1,431
18	Total securities financing transaction exposures	44,292	34,227
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	133,509	128,069
20	Adjustments for conversion to credit equivalent amounts	(101,377)	(96,355)
21	General provisions deducted in determining tier 1 capital (leverage) and specific provisions associated with off-balance sheet exposures	(192)	(220)
22	Off-balance sheet exposures	31,940	31,494
Capital and total exposure measure			
23	Tier 1 capital (leverage)	30,056	31,238
24	Total exposure measure including claims on central banks	623,602	619,583
UK-24a	(-) Claims on central banks excluded	(48,670)	(57,430)
UK-24b	Total exposure measure excluding claims on central banks	574,932	562,153
Leverage ratio			
25	Leverage ratio excluding claims on central banks (%)	5.2%	5.6%
UK-25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	5.2%	5.5%
UK-25c	Leverage ratio including claims on central banks (%)	4.8%	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	1.4%	1.4%
UK-27a	Of which: G-SII or O-SII additional leverage ratio buffer (%)	0.7%	0.7%
UK-27b	Of which: countercyclical leverage ratio buffer (%)	0.7%	0.7%
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	47,163	42,232
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	42,773	32,796
UK-31	Average total exposure measure including claims on central banks	624,803	627,191
UK-32	Average total exposure measure excluding claims on central banks	576,761	568,917
UK-33	Average leverage ratio including claims on central banks	5.0%	5.0%
UK-34	Average leverage ratio excluding claims on central banks	5.4%	5.5%

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

2 The Group's additional leverage ratio buffer (ALRB) is based upon the O-SII Buffer.

Leverage continued**LRI: Summary reconciliation of accounting assets and leverage ratio exposures**

		30 Jun 2024	31 Dec 2023
		£m	£m
1	Total assets as per published financial statements	608,362	605,405
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	(1,038)	(1,128)
4	Adjustment for exemption of exposures to central banks	(48,670)	(57,430)
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	(732)	(31)
8	Adjustment for derivative financial instruments	(1,350)	(1,737)
9	Adjustment for securities financing transactions (SFTs)	1,519	1,431
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures) ¹	32,132	31,714
11	Adjustment for items and specific and general provisions which have reduced tier 1 capital (leverage)	(12,205)	(12,280)
12	Other adjustments ²	(3,086)	(3,791)
13	Total exposure measure	574,932	562,153

1 Gross of specific provisions. The amount net of specific provisions at 30 June 2024 is £31,940 million (31 December 2023: £31,494 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 2024	31 Dec 2023
		£m	£m
UK-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	558,043	564,483
UK-2	Trading book exposures	—	1
UK-3	Banking book exposures, of which:	558,043	564,482
UK-4	Covered bonds	4,334	4,123
UK-5	Exposures treated as sovereigns	73,884	83,848
UK-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	3,672	3,173
UK-7	Institutions	7,078	8,320
UK-8	Secured by mortgages of immovable properties	337,268	336,562
UK-9	Retail exposures	41,867	39,864
UK-10	Corporates	42,565	42,438
UK-11	Exposures in default	5,964	5,743
UK-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	41,411	40,411

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.

CRI: Performing and non-performing exposures and related provisions

		30 Jun 2024															
		Gross carrying amount/nominal amount ¹					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions ¹						Collateral and financial guarantees received				
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	On performing exposures	On non-performing exposures	
		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3					
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m				£m
005	Cash balances at central banks and other demand deposits	46,532	46,532	–	–	–	–	–	–	–	–	–	–	–	–	–	–
010	Loans and advances	480,358	432,609	41,940	11,063	816	7,488	(1,977)	(767)	(1,195)	(1,339)	(53)	(1,076)	(358)	363,310	8,100	
020	Central banks	1,471	1,471	–	–	–	–	–	–	–	–	–	–	–	–	–	
030	General governments	1,262	1,240	8	–	–	–	(1)	–	(1)	–	–	–	–	1,001	–	
040	Credit institutions	13,012	13,012	–	4	4	–	(3)	(2)	–	–	–	–	–	1	–	
050	Other financial corporations	48,524	47,726	106	52	2	50	(9)	(7)	(2)	(23)	–	(23)	–	309	3	
060	Non-financial corporations	61,562	55,190	5,916	2,421	257	2,164	(479)	(209)	(270)	(380)	–	(380)	(358)	34,302	902	
070	Of which SMEs	28,684	25,563	3,121	1,387	257	1,131	(194)	(68)	(126)	(109)	–	(109)	–	19,145	654	
080	Households	354,527	313,970	35,910	8,586	553	5,274	(1,485)	(549)	(922)	(936)	(53)	(673)	–	327,697	7,195	
090	Debt securities	39,817	39,814	–	1	–	1	(9)	(9)	–	(1)	–	(1)	–	–	–	
110	General governments	20,012	20,012	–	–	–	–	(1)	(1)	–	–	–	–	–	–	–	
120	Credit institutions	8,962	8,962	–	–	–	–	–	–	–	–	–	–	–	–	–	
130	Other financial corporations	10,731	10,728	–	–	–	–	(8)	(8)	–	–	–	–	–	–	–	
140	Non-financial corporations	48	48	–	1	–	1	–	–	–	(1)	–	(1)	–	–	–	
150	Off-balance-sheet exposures	131,746	127,007	4,696	365	240	125	(266)	(145)	(121)	(7)	(6)	(1)		6,119	49	
170	General governments	542	542	–	–	–	–	–	–	–	–	–	–		68	–	
180	Credit institutions	22	22	–	–	–	–	–	–	–	–	–	–		–	–	
190	Other financial corporations	10,965	10,893	72	7	7	–	(5)	(3)	(2)	–	–	–		218	–	
200	Non-financial corporations	35,413	33,477	1,935	134	84	50	(101)	(52)	(49)	(1)	–	(1)		5,833	49	
210	Households	84,804	82,073	2,689	224	149	75	(160)	(90)	(70)	(6)	(6)	–		–	–	
220	Total	698,453	645,962	46,636	11,429	1,056	7,614	(2,252)	(921)	(1,316)	(1,347)	(59)	(1,078)	(358)	369,429	8,149	

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

		31 Dec 2023														
		Gross carrying amount/nominal amount ¹						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions ¹						Collateral and financial guarantees received		
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	On performing exposures	On non-performing exposures
		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3	Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3					
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
005	Cash balances at central banks and other demand deposits	55,424	55,424	—	—	—	—	—	—	—	—	—	—	—	—	—
010	Loans and advances	470,670	412,397	52,189	10,753	788	7,128	(2,316)	(892)	(1,406)	(1,384)	(57)	(1,133)	(358)	361,754	7,882
020	Central banks	1,421	1,421	—	—	—	—	—	—	—	—	—	—	—	—	—
030	General governments	1,082	1,061	6	—	—	—	(1)	—	(1)	—	—	—	—	1,032	—
040	Credit institutions	15,178	15,178	—	5	5	—	(6)	(6)	—	—	—	—	—	—	—
050	Other financial corporations	38,610	37,670	139	44	2	43	(22)	(14)	(8)	(18)	—	(18)	—	288	3
060	Non-financial corporations	61,985	54,501	7,409	2,281	239	2,042	(569)	(210)	(359)	(414)	—	(414)	(358)	35,417	851
070	Of which SMEs	29,938	26,005	3,933	1,420	65	1,355	(212)	(74)	(138)	(122)	—	(122)	—	20,617	652
080	Households	352,394	302,566	44,635	8,423	542	5,043	(1,718)	(662)	(1,038)	(952)	(57)	(701)	—	325,017	7,028
090	Debt securities	39,436	39,436	—	1	—	1	(13)	(13)	—	(1)	—	(1)	—	—	—
110	General governments	18,287	18,287	—	—	—	—	(4)	(4)	—	—	—	—	—	—	—
120	Credit institutions	9,836	9,836	—	—	—	—	(1)	(1)	—	—	—	—	—	—	—
130	Other financial corporations	11,269	11,269	—	—	—	—	(8)	(8)	—	—	—	—	—	—	—
140	Non-financial corporations	44	44	—	1	—	1	—	—	—	(1)	—	(1)	—	—	—
150	Off-balance-sheet exposures	123,824	118,056	5,710	383	239	144	(306)	(153)	(153)	(8)	(6)	(2)		5,620	40
170	General governments	480	480	—	—	—	—	—	—	—	—	—	—		175	—
180	Credit institutions	348	348	—	—	—	—	—	—	—	—	—	—		—	—
190	Other financial corporations	9,346	9,101	245	11	11	—	(7)	(3)	(4)	—	—	—		98	—
200	Non-financial corporations	35,795	33,443	2,351	148	84	64	(127)	(56)	(72)	(2)	—	(2)		5,347	40
210	Households	77,855	74,684	3,114	224	144	80	(172)	(94)	(77)	(6)	(6)	—		—	—
220	Total	689,354	625,313	57,899	11,137	1,027	7,273	(2,635)	(1,058)	(1,559)	(1,393)	(63)	(1,136)	(358)	367,374	7,922

¹ Staging analysis will exclude those assets and provisions that can not 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**CRI-A: Maturity of exposures**

		30 Jun 2024					
		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	20,133	65,693	78,049	324,040	190	488,105
2	Debt securities	—	5,129	18,940	15,739	—	39,808
3	Total	20,133	70,822	96,989	339,779	190	527,913

		31 Dec 2023					
		£m	£m	£m	£m	£m	£m
1	Loans and advances	22,346	54,863	76,909	323,430	176	477,724
2	Debt securities	—	2,822	18,751	17,849	—	39,422
3	Total	22,346	57,685	95,660	341,279	176	517,146

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 2023	10,753
020	Inflows to non-performing portfolios	3,173
030	Outflows from non-performing portfolios	(2,863)
040	Outflows due to write-offs	(623)
050	Outflow due to other situations	(2,240)
060	Final stock of non-performing loans and advances at 30 June 2024	11,063

Credit risk continued

CQ1: Credit quality of forborne exposures

30 Jun 2024									
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Non-performing forborne						Of which collateral and financial guarantees received on non-performing exposures with forbearance measures	
		Performing forborne	Of which defaulted		Of which impaired	On performing forborne exposures	On non-performing forborne exposures		
		£m	£m	£m	£m	£m	£m	£m	£m
010	Loans and advances	1,292	4,964	4,605	4,605	(36)	(684)	3,945	2,936
040	Credit institutions	—	4	—	—	—	—	—	—
050	Other financial corporations	11	49	49	49	—	(23)	3	1
060	Non-financial corporations	203	1,975	1,844	1,844	(4)	(359)	692	607
070	Households	1,078	2,936	2,712	2,712	(32)	(302)	3,250	2,328
080	Debt Securities	—	—	—	—	—	—	—	—
090	Loan commitments given	123	207	77	77	(3)	(5)	—	—
100	Total	1,415	5,171	4,682	4,682	(39)	(689)	3,945	2,936
31 Dec 2023									
010	Loans and advances	1,515	4,843	4,544	4,544	(39)	(723)	3,913	2,752
040	Credit institutions	—	5	—	—	—	—	—	—
050	Other financial corporations	28	42	42	42	—	(18)	3	1
060	Non-financial corporations	316	1,961	1,863	1,863	(2)	(393)	680	527
070	Households	1,171	2,835	2,639	2,639	(37)	(312)	3,230	2,224
080	Debt Securities	—	—	—	—	—	—	—	—
090	Loan commitments given	147	208	82	82	(3)	(5)	—	—
100	Total	1,662	5,051	4,626	4,626	(42)	(728)	3,913	2,752

Credit risk continued

CQ4: Quality of non-performing exposures by geography

		30 Jun 2024				
		Gross carrying/nominal amount		Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		Total performing and non-performing	Of which defaulted			
		£m	£m	£m	£m	£m
010	On-balance-sheet exposures	531,239	10,147	(3,326)		—
030	Netherlands	15,651	16	(22)		—
040	United Kingdom	469,015	10,006	(3,187)		—
050	United States	13,267	—	(16)		—
070	Other countries	33,306	125	(101)		—
080	Off-balance-sheet exposures	132,111	125		(273)	
100	Netherlands	1,923	16		(3)	
110	United Kingdom	122,935	106		(254)	
120	United States	4,156	—		(9)	
140	Other countries	3,097	3		(7)	
150	Total	663,350	10,272	(3,326)	(273)	—

		31 Dec 2023				
		£m	£m	£m	£m	£m
010	On-balance-sheet exposures	520,860	9,902	(3,713)		—
030	Netherlands	15,386	16	(23)		—
040	United Kingdom	464,520	9,768	(3,566)		—
050	United States	9,776	—	(23)		—
070	Other countries	31,178	118	(101)		—
080	Off-balance-sheet exposures	124,207	136		(314)	
100	Netherlands	1,634	15		(4)	
110	United Kingdom	115,692	119		(292)	
120	United States	3,762	—		(11)	
140	Other countries	3,119	2		(7)	
150	Total	645,067	10,038	(3,713)	(314)	—

Credit risk continued

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

		30 Jun 2024			
		Gross carrying amount		Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		£m	Of which defaulted £m	£m	£m
010	Agriculture, forestry and fishing	6,785	293	(60)	—
020	Mining and quarrying	160	2	(1)	—
030	Manufacturing	4,492	100	(46)	—
040	Electricity, gas, steam and air conditioning supply	3,701	—	(16)	—
050	Water supply	819	2	(5)	—
060	Construction	3,407	295	(171)	—
070	Wholesale and retail trade	7,030	215	(99)	—
080	Transport and storage	2,098	81	(22)	—
090	Accommodation and food service activities	2,174	184	(46)	—
100	Information and communication	2,976	75	(19)	—
110	Financial and insurance activities				
120	Real estate activities	19,695	532	(227)	—
130	Professional, scientific and technical activities	2,276	104	(36)	—
140	Administrative and support service activities	2,891	68	(25)	—
150	Public administration and defence, compulsory social security	19	—	—	—
160	Education	1,098	17	(15)	—
170	Human health services and social work activities	3,296	92	(42)	—
180	Arts, entertainment and recreation	412	37	(11)	—
190	Other services	654	35	(18)	—
200	Total	63,983	2,132	(859)	—

		31 Dec 2023			
		£m	£m	£m	£m
010	Agriculture, forestry and fishing	7,142	323	(78)	—
020	Mining and quarrying	356	3	(10)	—
030	Manufacturing	4,485	132	(76)	—
040	Electricity, gas, steam and air conditioning supply	2,939	—	(14)	—
050	Water supply	775	3	(4)	—
060	Construction	3,837	463	(206)	—
070	Wholesale and retail trade	6,973	196	(96)	—
080	Transport and storage	2,294	51	(32)	—
090	Accommodation and food service activities	2,033	191	(39)	—
100	Information and communication	2,433	69	(33)	—
110	Financial and insurance activities				
120	Real estate activities	20,328	280	(243)	—
130	Professional, scientific and technical activities	2,317	75	(37)	—
140	Administrative and support service activities	2,547	55	(27)	—
150	Public administration and defence, compulsory social security	19	—	—	—
160	Education	1,108	37	(13)	—
170	Human health services and social work activities	3,294	107	(50)	—
180	Arts, entertainment and recreation	513	32	(12)	—
190	Other services	873	25	(13)	—
200	Total	64,266	2,042	(983)	—

Credit risk continued**CR3: CRM techniques – Overview**

	30 Jun 2024				
	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	116,695	371,410	365,416	5,995	—
Debt securities	39,808	—	—	—	—
Total	156,503	371,410	365,416	5,995	—
Of which non-performing exposures	1,624	8,100	7,748	352	—
Of which defaulted	1,115	7,693	—	—	—
	31 Dec 2023				
	£m	£m	£m	£m	£m
Loans and advances	108,087	369,636	363,022	6,614	12
Debt securities	39,423	—	—	—	—
Total	147,510	369,636	363,022	6,614	12
Of which non-performing exposures	1,488	7,882	7,485	396	—
Of which defaulted	1,011	7,506	—	—	—

CR4: Standardised approach – credit risk exposure and Credit Risk Mitigation (CRM) effects

Exposure classes		30 Jun 2024					
		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density ¹	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet amount	RWAs	RWAs density
		£m	£m	£m	£m	£m	%
1	Central governments or central banks	62,829	522	68,156	462	1,071	2%
2	Regional government or local authorities	769	—	769	—	34	4%
3	Public sector entities	2,903	—	2,903	—	—	—
4	Multilateral development banks	6,471	—	6,471	—	—	—
5	International organisations	663	—	663	—	—	—
6	Institutions	188	429	184	346	160	30%
7	Corporates	4,594	4,670	4,227	1,412	4,683	83%
8	Retail	11,737	21,807	11,395	51	8,287	72%
9	Secured by mortgages on immovable property	3,576	66	3,576	12	1,361	38%
10	Exposures in default	698	35	654	8	769	116%
13	Institutions and corporates with a short-term credit assessment	—	—	—	105	52	50%
16	Other items	3,279	—	3,279	—	2,410	74%
17	Total	97,707	27,529	102,277	2,396	18,827	18%

Exposure classes		31 Dec 2023					
		£m	£m	£m	£m	£m	%
1	Central governments or central banks	72,743	277	78,910	432	1,424	2%
2	Regional government or local authorities	647	—	647	—	32	5%
3	Public sector entities	2,526	—	2,526	—	—	—
4	Multilateral development banks	6,502	—	6,502	—	—	—
5	International organisations	500	—	500	—	—	—
6	Institutions	219	381	159	341	142	28%
7	Corporates	4,821	4,783	4,536	1,419	4,954	83%
8	Retail	11,498	22,059	11,075	76	8,200	74%
9	Secured by mortgages on immovable property	3,694	40	3,694	8	1,397	38%
10	Exposures in default	726	23	676	9	817	119%
13	Institutions and corporates with a short-term credit assessment	74	—	74	114	94	50%
16	Other items	2,505	—	2,505	—	1,961	78%
17	Total	106,455	27,563	111,803	2,398	19,021	17%

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

Credit risk continued

CR5: Standardised approach – exposures by asset classes and risk weights (post CCF and post CRM)

		30 Jun 2024																
		Risk weight																
Exposure classes		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others	Total	Of which unrated
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1	Central governments or central banks	68,191	—	—	—	—	—	—	—	—	—	—	428	—	—	—	68,619	—
2	Regional government or local authorities	598	—	—	—	171	—	—	—	—	—	—	—	—	—	—	769	—
3	Public sector entities	2,903	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,903	—
4	Multilateral development banks	6,471	—	—	—	—	—	—	—	—	—	—	—	—	—	—	6,471	—
5	International organisations	663	—	—	—	—	—	—	—	—	—	—	—	—	—	—	663	—
6	Institutions	—	—	177	—	119	—	208	—	—	25	—	—	—	—	—	529	27
7	Corporates	—	—	—	—	14	—	964	—	—	4,640	20	—	—	—	—	5,639	4,552
8	Retail exposures	—	—	—	—	—	—	—	—	11,446	—	—	—	—	—	—	11,446	11,446
	Exposures secured by mortgages on immovable property	—	—	—	—	—	3,342	—	—	38	208	—	—	—	—	—	3,588	3,588
10	Exposures in default	—	—	—	—	—	—	—	—	—	447	215	—	—	—	—	662	662
	Exposures to institutions and corporates with a short-term credit assessment	—	—	—	—	—	—	105	—	—	—	—	—	—	—	—	105	—
16	Other items	159	—	—	—	887	—	—	—	—	2,233	—	—	—	—	—	3,279	3,279
17	Total	78,985	—	177	—	1,191	3,342	1,277	—	11,484	7,553	235	428	—	—	—	104,673	23,554

		31 Dec 2023																
Exposure Classes		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m ¹
1	Central governments or central banks	78,772	—	—	—	—	—	—	—	—	—	—	570	—	—	—	79,342	—
2	Regional government or local authorities	487	—	—	—	160	—	—	—	—	—	—	—	—	—	—	646	—
3	Public sector entities	2,526	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,526	—
4	Multilateral development banks	6,502	—	—	—	—	—	—	—	—	—	—	—	—	—	—	6,502	—
5	International organisations	500	—	—	—	—	—	—	—	—	—	—	—	—	—	—	500	—
6	Institutions	—	—	196	—	79	—	208	—	—	16	—	—	—	—	—	499	21
7	Corporates	—	—	—	—	14	—	1,024	—	—	4,903	14	—	—	—	—	5,955	4,812
8	Retail exposures	—	—	—	—	—	—	—	—	11,151	—	—	—	—	—	—	11,151	11,151
	Exposures secured by mortgages on immovable property	—	—	—	—	—	3,461	—	—	38	203	—	—	—	—	—	3,702	3,702
10	Exposures in default	—	—	—	—	—	—	—	—	—	421	264	—	—	—	—	685	685
	Exposures to institutions and corporates with a short-term credit assessment	—	—	—	—	—	—	188	—	—	—	—	—	—	—	—	188	—
16	Other items	29	—	—	—	644	—	—	—	—	1,832	—	—	—	—	—	2,505	2,505
17	Total	88,816	—	196	—	897	3,461	1,420	—	11,189	7,375	278	570	—	—	—	114,201	22,876

1. 'Of which unrated' for Dec-23 has been restated

Credit risk continued**CR6: 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 our CR6 tables we have followed PRA guidance from Supervisory Statement 11/13, with the below factors being particularly relevant:

- We have prudently applied temporary model adjustments to risk-weighted asset and expected loss amounts at a portfolio (i.e rating system) level (SS 11/13 19.17(a));
- Our incumbent models have not been recalibrated or changed to reflect the desired capital outcome (SS 11/13 19.17(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 current anticipated impact of 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.

We have included, where relevant, further information on how this impacts particular asset classes as footnotes to the tables.

30 Jun 2024													
PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average 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	%	No.	%	No.	£m	%	£m	£m	
Central Governments or Central Banks													
0.00 to <0.15	2,073	3	—	1,679	0.01%	8	44.97%	1.9	101	6.02%	—	—	
0.00 to <0.10	2,073	3	—	1,679	0.01%	8	44.97%	1.9	101	6.02%	—	—	
0.15 to <0.25	—	—	—	—	—	0	45.00%	—	—	—	—	—	
0.25 to <0.50	—	—	—	—	0.42%	1	45.00%	5.0	—	97.82%	—	—	
0.75 to <2.50	65	1	—	—	—	1	—	—	—	—	—	—	
0.75 to <1.75	65	1	—	—	—	1	—	—	—	—	—	—	
2.50 to <10.00	39	65	75.00%	—	6.20%	4	45.00%	1.4	1	157.76%	—	—	
2.50 to <5.00	8	65	—	—	—%	2	—	—	—	—	—	—	
5.00 to <10.00	31	—	75.00%	—	6.20%	2	45.00%	1.4	1	157.76%	—	—	
10.00 to <100.00	38	—	—	—	—	1	—	—	—	—	—	—	
10.00 to <20.00	38	—	—	—	—	1	—	—	—	—	—	—	
Subtotal	2,215	69	47.55%	1,679	0.01%	15	45.00%	1.9	102	6.06%	—	—	
31 Dec 2023													
Central Governments or Central Banks	£m	£m	%	£m	%	No.	%	No.	£m	%	£m	£m	
0.00 to <0.15	2,148	3	—	1,721	0.01%	8	45.00%	2.3	125	7.24%	—	—	
0.00 to <0.10	2,148	3	—	1,721	0.01%	8	45.00%	2.3	125	7.24%	—	—	
0.15 to <0.25	—	—	75.00%	4	0.18%	2	45.00%	5.0	3	84.60%	—	—	
0.25 to <0.50	—	—	—	—	0.42%	1	45.00%	5.0	—	97.82%	—	—	
0.75 to <2.50	74	1	—	—	—	1	—	—	—	—	—	—	
0.75 to <1.75	74	1	—	—	—	1	—	—	—	—	—	—	
2.50 to <10.00	40	66	75.00%	—	6.20%	4	45.00%	1.9	1	163.99%	—	—	
2.50 to <5.00	4	66	—	—	—	2	—	—	—	—	—	—	
5.00 to <10.00	36	—	75.00%	—	6.20%	2	45.00%	1.9	1	163.99%	—	—	
10.00 to <100.00	44	1	—	—	—	1	—	—	—	—	—	—	
10.00 to <20.00	44	1	—	—	—	1	—	—	—	—	—	—	
Subtotal	2,306	71	43.90%	1,725	0.01%	17	45.00%	2.3	129	7.46%	—	—	

CR6: Credit risk exposures by portfolio and PD range continued

30 Jun 2024													
PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions	
Institutions	£m	£m	%	£m	%	No.	%	No.	£m	%	£m	£m	£m
0.00 to <0.15	10,854	318	22.28%	10,958	0.05%	732	36.25%	1.3	1,602	14.62%	3	—	—
0.00 to <0.10	9,658	279	22.57%	9,754	0.04%	614	37.02%	1.3	1,365	14.00%	2	—	—
0.10 to <0.15	1,196	39	20.15%	1,204	0.11%	118	30.02%	1.3	237	19.71%	1	—	—
0.15 to <0.25	23	5	20.06%	36	0.19%	33	44.78%	1.4	19	52.52%	—	—	—
0.25 to <0.50	180	14	31.66%	184	0.30%	54	15.68%	3.1	44	23.69%	—	—	—
0.50 to <0.75	49	49	1.63%	50	0.63%	40	42.15%	1.2	46	92.47%	—	—	—
0.75 to <2.50	49	1	58.58%	10	1.34%	57	21.87%	1.6	5	55.22%	—	—	1
0.75 to <1.75	49	1	58.58%	10	1.34%	54	21.83%	1.6	5	55.10%	—	—	1
1.75 to <2.50	—	—	—	—	1.90%	3	40.00%	1.1	—	112.20%	—	—	—
2.50 to <10.00	1	—	74.30%	1	3.71%	19	44.67%	1.0	2	162.59%	—	—	—
2.50 to <5.00	1	—	43.06%	1	2.76%	11	44.54%	1.0	1	141.31%	—	—	—
5.00 to <10.00	—	—	75.00%	—	6.20%	8	45.00%	1.1	1	218.53%	—	—	—
10.00 to <100.00	—	—	—	—	31.00%	4	45.00%	1.0	—	375.42%	—	—	—
10.00 to <20.00	—	—	—	—	—	1	—	—	—	—	—	—	—
30.00 to <100.00	—	—	—	—	31.00%	3	45.00%	1.0	—	375.42%	—	—	—
100.00 (Default)	—	—	—	—	100.00%	—	45.00%	—	—	—	—	—	—
Subtotal	11,156	387	20.16%	11,239	0.06%	939	35.95%	1.3	1,718	15.29%	3	—	1
31 Dec 2023													
Institutions	£m	£m	%	£m	%	No.	%	No.	£m	%	£m	£m	£m
0.00 to <0.15	11,988	381	18.08%	12,069	0.06%	794	36.53%	1.2	1,922	15.93%	3	—	1
0.00 to <0.10	10,043	251	17.11%	10,098	0.05%	658	36.57%	1.3	1,456	14.42%	2	—	1
0.10 to <0.15	1,945	130	20.03%	1,971	0.11%	136	36.34%	0.9	466	23.66%	1	—	—
0.15 to <0.25	3	5	20.00%	4	0.18%	36	42.94%	1.2	2	50.66%	—	—	—
0.25 to <0.50	207	19	28.20%	212	0.32%	60	20.55%	2.9	71	33.64%	—	—	—
0.50 to <0.75	52	30	2.63%	53	0.63%	41	42.42%	1.1	49	92.72%	—	—	—
0.75 to <2.50	21	166	20.05%	55	1.06%	58	40.70%	0.6	58	106.99%	—	—	—
0.75 to <1.75	21	166	20.05%	55	1.06%	54	40.69%	0.6	58	106.98%	0	—	—
1.75 to <2.50	—	—	—	—	1.90%	4	43.02%	1.3	—	123.06%	0	—	—
2.50 to <10.00	1	—	86.65%	2	3.85%	23	44.87%	0.7	3	156.38%	—	—	—
2.50 to <5.00	1	—	90.43%	2	3.40%	14	44.84%	0.7	2	145.41%	0	—	—
5.00 to <10.00	—	—	75.00%	—	6.20%	9	45.00%	1.1	1	213.36%	0	—	—
10.00 to <100.00	—	—	—	—	29.09%	8	45.00%	1.0	—	339.39%	—	—	—
10.00 to <20.00	—	—	—	—	20.00%	2	45.00%	1.0	—	268.31%	0	—	—
30.00 to <100.00	—	—	—	—	31.00%	6	45.00%	1.0	—	354.31%	0	—	—
100.00 (Default)	—	—	—	—	100.00%	—	45.00%	—	—	—	—	—	—
Subtotal	12,272	601	18.26%	12,395	0.07%	1,020	36.31%	1.3	2,107	17.00%	3	—	1

CR6: Credit risk exposures by portfolio and PD range continued

30 Jun 2024													
PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions	
Corporate SME	£m	£m	%	£m	%	No.	%	No.	£m	%	£m	£m	£m
0.00 to <0.15	574	508	13.84%	644	0.06%	222	39.81%	3.7	150	23.28%	—	—	—
0.00 to <0.10	455	289	24.08%	524	0.05%	156	39.47%	3.8	110	20.96%	—	—	—
0.10 to <0.15	119	219	0.32%	120	0.11%	66	41.31%	3.3	40	33.43%	—	—	—
0.25 to <0.50	578	308	27.45%	635	0.38%	1,207	41.79%	3.5	348	54.91%	1	1	1
0.50 to <0.75	883	422	6.54%	855	0.57%	17,805	40.25%	3.5	476	55.67%	2	3	3
0.75 to <2.50	2,135	861	22.65%	2,209	1.24%	13,381	40.35%	3.2	1,642	74.34%	13	13	13
0.75 to <1.75	2,130	861	22.65%	2,204	1.24%	13,348	40.34%	3.2	1,639	74.34%	13	13	13
1.75 to <2.50	5	—	—	5	2.00%	33	44.90%	1.5	3	76.71%	—	—	—
2.50 to <10.00	1,521	377	23.33%	1,509	4.01%	6,760	38.50%	2.8	1,368	90.69%	27	33	33
2.50 to <5.00	1,060	301	26.99%	1,067	3.06%	3,635	38.33%	2.8	918	86.02%	14	20	20
5.00 to <10.00	461	76	8.80%	442	6.30%	3,125	38.90%	2.8	450	101.99%	13	13	13
10.00 to <100.00	209	27	16.71%	193	19.87%	2,096	39.05%	2.5	282	145.79%	18	11	11
10.00 to <20.00	138	15	8.92%	132	12.55%	1,750	38.12%	2.3	174	131.74%	8	5	5
20.00 to <30.00	—	—	—	—	—	—	—	—	—	—	—	—	—
30.00 to <100.00	71	12	26.74%	61	35.69%	346	41.05%	3.0	108	176.19%	10	6	6
100.00 (Default)	428	23	15.85%	404	100.00%	947	39.97%	2.1	—	—	162	74	74
Subtotal	6,704	2,606	20.05%	6,871	7.85%	42,636	40.22%	3.1	4,407	64.14%	223	135	135
31 Dec 2023													
Corporate SME	£m	£m	%	£m	%	No.	%	No.	£m	%	£m	£m	£m
0.00 to <0.15	591	615	24.75%	743	0.07%	228	40.88%	4.0	200	26.96%	0	—	—
0.00 to <0.10	414	395	21.48%	499	0.05%	162	40.18%	4.0	110	22.09%	0	—	—
0.10 to <0.15	177	220	30.60%	244	0.11%	66	42.31%	4.0	90	36.92%	0	—	—
0.15 to <0.25	127	27	33.82%	134	0.19%	218	44.02%	2.6	58	43.01%	0	—	—
0.25 to <0.50	605	296	13.54%	603	0.39%	1,236	41.35%	3.6	330	54.84%	1	1	1
0.50 to <0.75	940	446	8.82%	911	0.58%	18,280	40.11%	3.7	535	58.73%	2	3	3
0.75 to <2.50	2,184	850	15.21%	2,151	1.28%	13,552	40.43%	3.1	1,562	72.63%	12	17	17
0.75 to <1.75	2,180	850	15.21%	2,147	1.28%	13,520	40.42%	3.1	1,559	72.62%	12	17	17
1.75 to <2.50	4	—	—	4	2.00%	32	45.00%	1.3	3	74.71%	0	—	—
2.50 to <10.00	1,428	356	25.92%	1,397	3.98%	6,313	39.91%	2.9	1,283	91.80%	24	30	30
2.50 to <5.00	974	289	28.66%	968	2.98%	3,475	40.34%	2.9	851	87.91%	13	19	19
5.00 to <10.00	454	67	14.19%	429	6.24%	2,838	38.93%	3.0	432	100.57%	11	11	11
10.00 to <100.00	190	32	29.72%	174	20.43%	1,861	38.95%	2.2	261	149.89%	15	12	12
10.00 to <20.00	117	10	9.52%	108	13.01%	1,528	37.38%	2.1	142	131.47%	6	4	4
20.00 to <30.00	—	—	—	—	—	—	—	—	—	—	0	—	—
30.00 to <100.00	73	22	38.60%	66	32.69%	333	41.65%	2.4	119	180.36%	9	8	8
100.00 (Default)	417	37	24.38%	395	100.00%	911	40.43%	2.4	—	—	160	87	87
Subtotal	6,482	2,659	18.08%	6,508	8.02%	42,599	40.44%	3.2	4,230	64.99%	215	150	150

CR6: Credit risk exposures by portfolio and PD range continued

30 Jun 2024													
PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions	
Corporate Main	£m	£m	%	£m	%	No.	%	No.	£m	%	£m	£m	
0.00 to <0.15	6,206	11,956	49.21%	12,433	0.08%	413	40.69%	3.1	3,727	29.97%	4	15	
0.00 to <0.10	3,262	6,889	44.71%	6,603	0.05%	235	40.72%	2.9	1,536	23.26%	2	6	
0.10 to <0.15	2,944	5,067	55.46%	5,830	0.11%	178	40.66%	3.2	2,191	37.58%	2	9	
0.15 to <0.25	2,043	2,905	55.22%	3,895	0.18%	2,766	42.87%	2.3	1,661	42.65%	3	9	
0.25 to <0.50	4,767	5,944	39.79%	6,669	0.36%	4,221	39.19%	2.1	3,737	56.03%	11	30	
0.50 to <0.75	2,179	1,567	24.31%	2,516	0.62%	5,931	42.00%	1.7	1,862	74.02%	8	13	
0.75 to <2.50	4,322	4,530	65.82%	7,038	1.18%	7,459	28.92%	1.9	4,915	69.84%	31	56	
0.75 to <1.75	4,234	4,518	65.99%	6,950	1.17%	6,208	28.72%	1.9	4,816	69.30%	30	56	
1.75 to <2.50	88	12	—	88	1.96%	1,251	44.50%	1.5	99	112.87%	1	—	
2.50 to <10.00	1,767	1,555	48.07%	2,363	3.69%	3,006	42.56%	2.2	3,419	144.72%	42	69	
2.50 to <5.00	1,453	1,371	46.73%	1,948	3.08%	2,296	42.70%	2.3	2,657	136.41%	29	49	
5.00 to <10.00	314	184	57.93%	415	6.51%	710	41.87%	2.1	762	183.79%	13	20	
10.00 to <100.00	137	31	48.29%	152	23.35%	221	42.47%	1.7	373	244.40%	16	19	
10.00 to <20.00	54	21	40.58%	63	12.31%	149	43.98%	1.3	133	210.95%	4	12	
20.00 to <30.00	—	—	—	—	30.00%	20	43.11%	1.3	—	286.03%	—	—	
30.00 to <100.00	83	10	64.26%	89	31.09%	52	41.41%	1.9	240	267.95%	12	7	
100.00 (Default)	431	78	45.80%	466	100.00%	564	43.60%	1.4	—	—	204	160	
Subtotal	21,852	28,566	49.21%	35,532	2.05%	24,581	38.58%	2.4	19,694	55.43%	319	371	
31 Dec 2023													
Corporate Main	£m	£m	%	£m	%	No.	%	No.	£m	%	£m	£m	
0.00 to <0.15	6,377	10,961	50.18%	12,139	0.08%	411	41.34%	3.2	3,712	30.58%	6	21	
0.00 to <0.10	3,409	6,371	46.41%	6,552	0.05%	224	41.72%	3.3	1,695	25.87%	2	9	
0.10 to <0.15	2,968	4,590	55.51%	5,587	0.11%	187	40.89%	3.0	2,017	36.09%	4	12	
0.15 to <0.25	2,248	4,463	56.41%	5,014	0.18%	2,686	43.40%	2.3	2,140	42.68%	5	13	
0.25 to <0.50	5,813	5,887	47.14%	8,348	0.35%	4,124	39.88%	2.3	4,867	58.31%	15	41	
0.50 to <0.75	2,003	1,956	39.94%	2,609	0.62%	6,005	41.16%	2.1	2,035	78.02%	9	21	
0.75 to <2.50	3,358	4,495	64.32%	6,120	1.17%	7,295	27.26%	2.2	4,076	66.60%	25	64	
0.75 to <1.75	3,274	4,483	64.49%	6,037	1.16%	6,008	27.02%	2.2	3,982	65.96%	24	64	
1.75 to <2.50	84	12	—	83	1.97%	1,288	44.50%	1.5	94	112.65%	1	—	
2.50 to <10.00	2,359	1,808	45.60%	2,904	3.79%	3,238	43.46%	2.2	4,212	145.06%	53	128	
2.50 to <5.00	2,019	1,674	45.93%	2,515	3.23%	2,559	43.37%	2.3	3,491	138.82%	39	92	
5.00 to <10.00	340	134	41.54%	389	7.44%	679	44.07%	1.5	721	185.41%	14	36	
10.00 to <100.00	172	48	51.32%	196	24.64%	226	42.40%	1.5	497	253.35%	21	27	
10.00 to <20.00	62	19	32.13%	68	12.35%	136	39.66%	1.5	134	197.75%	3	12	
20.00 to <30.00	5	2	—	5	30.00%	17	44.96%	1.0	15	289.41%	1	—	
30.00 to <100.00	105	27	68.70%	123	31.11%	73	43.72%	1.5	348	282.16%	17	15	
100.00 (Default)	475	108	52.10%	530	100.00%	576	41.01%	1.5	—	—	218	187	
Subtotal	22,804	29,726	51.76%	37,859	2.18%	24,561	39.17%	2.5	21,539	56.89%	352	502	

CR6: Credit risk exposures by portfolio and PD range continued

30 Jun 2024											
PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
	£m	£m	%	£m	%	No.	%	£m	%	£m	£m
Residential Mortgages (SME)											
0.50 to <0.75	1,472	155	97.32%	1,599	0.54%	12,245	18.21%	197	12.30%	2	31
0.75 to <2.50	1,293	138	98.24%	1,413	1.13%	8,748	16.48%	298	21.08%	4	15
0.75 to <1.75	1,293	138	98.24%	1,413	1.13%	8,748	16.48%	298	21.08%	4	15
1.75 to <2.50	—	—	—	—	—	—	—	—	—	—	—
2.50 to <10.00	439	21	97.11%	454	4.08%	2,934	17.66%	222	48.89%	5	12
2.50 to <5.00	231	13	97.36%	241	2.61%	1,515	17.45%	93	38.33%	2	6
5.00 to <10.00	208	8	96.74%	213	5.72%	1,419	17.80%	129	60.61%	3	6
10.00 to <100.00	135	4	97.54%	137	22.50%	1,098	18.51%	119	86.47%	7	11
10.00 to <20.00	100	2	96.96%	101	13.04%	852	18.76%	92	90.24%	3	8
20.00 to <30.00	—	—	—	—	—	—	—	—	—	—	—
30.00 to <100.00	35	2	98.43%	36	49.46%	246	17.79%	27	75.73%	4	3
100.00 (Default)	121	6	98.43%	126	100.00%	422	18.57%	28	21.96%	23	31
Subtotal	3,460	324	97.72%	3,729	5.36%	25,447	17.51%	864	23.16%	41	100
31 Dec 2023											
Residential mortgages (SME)	£m	£m	%	£m	%	No.	%	£m	%	£m	£m
0.50 to <0.75	1,678	164	97.16%	1,806	0.54%	13,246	18.16%	222	12.30%	2	36
0.75 to <2.50	1,386	154	98.25%	1,515	1.13%	9,094	16.03%	316	20.85%	4	16
0.75 to <1.75	1,386	154	98.25%	1,515	1.13%	9,094	16.03%	316	20.85%	4	16
1.75 to <2.50	—	—	—	—	—	—	—	—	—	0	—
2.50 to <10.00	438	25	98.86%	457	4.17%	2,968	17.59%	232	50.88%	5	13
2.50 to <5.00	218	13	100.31%	228	2.62%	1,493	17.67%	93	40.91%	2	6
5.00 to <10.00	220	12	97.28%	229	5.72%	1,475	17.50%	139	60.83%	3	7
10.00 to <100.00	127	8	97.91%	133	22.12%	1,115	18.20%	125	93.76%	8	11
10.00 to <20.00	93	7	98.24%	99	13.32%	882	18.23%	95	95.72%	4	8
20.00 to <30.00	—	—	—	—	—	—	—	—	—	0	—
30.00 to <100.00	34	1	94.53%	34	47.68%	233	18.12%	30	88.06%	4	3
100.00 (Default)	134	7	98.43%	140	100.00%	454	18.58%	20	14.20%	25	32
Subtotal	3,763	358	97.79%	4,051	5.30%	26,878	17.32%	915	22.60%	44	108

CR6: Credit risk exposures by portfolio and PD range continued

30 Jun 2024												
PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD ¹	Number of obligors ¹	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	%	No.	%	£m	%	£m	£m	
Residential Mortgages (non-SME)¹²												
0.00 to <0.15	219,730	18,065	104.29%	248,285	0.25%	1,528,855	10.58%	21,724	8.75%	95	103	
0.00 to <0.10	171,983	17,919	104.37%	198,300	0.21%	1,168,244	10.73%	14,910	7.52%	62	66	
0.10 to <0.15	47,747	146	94.86%	49,985	0.42%	360,611	9.97%	6,814	13.63%	33	37	
0.15 to <0.25	39,527	991	83.45%	41,866	0.60%	288,629	12.28%	7,477	17.86%	42	49	
0.25 to <0.50	31,414	251	59.42%	32,931	1.08%	274,949	9.64%	7,656	23.25%	54	73	
0.50 to <0.75	9,405	69	54.69%	9,863	1.60%	81,979	8.41%	2,876	29.16%	23	32	
0.75 to <2.50	9,219	131	51.86%	9,700	2.92%	78,704	8.20%	3,754	38.69%	39	59	
0.75 to <1.75	8,046	125	51.82%	8,472	2.62%	68,188	8.20%	3,123	36.86%	31	47	
1.75 to <2.50	1,173	6	52.69%	1,228	5.00%	10,516	8.20%	631	51.38%	8	12	
2.50 to <10.00	3,506	12	61.23%	3,666	15.20%	29,655	8.14%	2,696	73.53%	66	86	
2.50 to <5.00	1,732	3	63.44%	1,811	12.00%	14,830	8.26%	1,202	66.37%	25	38	
5.00 to <10.00	1,774	9	60.31%	1,855	18.31%	14,825	8.01%	1,494	80.52%	41	48	
10.00 to <100.00	3,905	2	54.20%	4,019	50.82%	30,585	8.03%	2,847	70.85%	273	77	
10.00 to <20.00	1,425	1	52.94%	1,479	30.53%	11,545	8.23%	1,236	83.56%	54	36	
20.00 to <30.00	650	—	51.58%	672	42.68%	5,180	7.67%	582	86.73%	36	13	
30.00 to <100.00	1,830	1	55.58%	1,868	69.81%	13,860	8.01%	1,029	55.06%	183	28	
100.00 (Default)	3,188	1	8.09%	3,188	100.00%	21,186	9.87%	10,653	334.13%	330	665	
Subtotal	319,894	19,521	102.10%	353,519	2.11%	2,334,542	10.51%	59,683	16.88%	922	1,144	

31 Dec 2023

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 ¹	Number of obligors ¹	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	%	No.	%	£m	%	£m	£m
Residential mortgages (non-SME) ¹²											
0.00 to <0.15	277,583	12,944	101.28%	302,774	0.34%	2,015,050	10.62%	32,510	10.74%	158	287
0.00 to <0.10	251,827	12,685	101.94%	275,871	0.31%	1,822,125	10.50%	27,770	10.07%	131	233
0.10 to <0.15	25,756	259	69.01%	26,903	0.65%	192,925	11.86%	4,740	17.62%	27	54
0.15 to <0.25	16,566	655	88.68%	17,855	1.05%	128,109	10.36%	4,212	23.59%	29	58
0.25 to <0.50	10,878	76	62.90%	11,402	1.82%	89,944	9.06%	3,329	29.20%	29	55
0.50 to <0.75	2,027	7	60.37%	2,118	3.41%	19,262	8.75%	846	39.93%	9	20
0.75 to <2.50	3,359	19	85.20%	3,523	7.37%	29,164	8.43%	2,168	61.52%	34	66
0.75 to <1.75	1,986	16	91.19%	2,087	5.15%	17,867	8.47%	1,029	49.29%	14	25
1.75 to <2.5	1,373	3	53.76%	1,436	10.60%	11,297	8.37%	1,139	79.31%	20	41
2.50 to <10.00	2,525	4	95.64%	2,629	21.15%	20,806	8.41%	2,243	85.33%	69	67
2.5 to <5	1,468	4	96.05%	1,532	16.98%	12,261	8.42%	1,239	80.84%	32	45
5 to <10	1,057	—	83.57%	1,097	26.97%	8,545	8.39%	1,004	91.58%	37	22
10.00 to <100.00	2,699	1	53.38%	2,760	57.02%	21,042	8.31%	2,494	90.36%	262	51
10 to <20	966	—	95.67%	995	39.06%	7,777	8.35%	1,003	100.77%	51	23
20 to <30	462	—	—	474	52.29%	3,710	8.27%	538	113.52%	39	11
30.00 to <100.00	1,271	1	49.75%	1,291	72.61%	9,555	8.30%	953	73.82%	172	17
100.00 (Default)	2,981	—	41.26%	2,981	100.00%	20,235	10.00%	10,006	335.68%	346	715
Subtotal	318,618	13,705	100.42%	346,042	1.99%	2,343,612	10.48%	57,808	16.71%	936	1,319

¹ The Group's Secured CRD IV models remain subject to further development and final approval by the PRA. A significant level of temporary model adjustments have been applied separately to the not-in-default and default populations, reflecting the anticipated impact of the new CRD IV modelling requirements. These adjustments include a 90-days past due default backstop and other new 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). Total risk-weighted assets are considered representative of our current anticipated post CRD IV expectation.

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

CR6: Credit risk exposures by portfolio and PD range continued

30 Jun 2024												
PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions	
Qualifying revolving retail exposures	£m	£m	%	£m	%	No.	%	£m	%	£m	£m	
0.00 to <0.15	998	15,298	67.89%	11,384	0.09%	8,704,199	57.74%	405	3.56%	6	48	
0.00 to <0.10	590	10,185	68.29%	7,546	0.07%	5,650,448	56.90%	212	2.80%	3	32	
0.10 to <0.15	408	5,113	67.08%	3,838	0.13%	3,053,751	59.41%	193	5.04%	3	16	
0.15 to <0.25	589	6,542	68.12%	5,045	0.20%	4,103,224	60.90%	375	7.44%	7	19	
0.25 to <0.50	1,291	9,588	65.96%	7,615	0.36%	5,875,969	63.52%	962	12.63%	20	31	
0.50 to <0.75	928	4,116	72.57%	3,915	0.62%	3,716,681	70.55%	833	21.27%	19	20	
0.75 to <2.50	3,632	6,902	74.50%	8,775	1.37%	7,297,048	76.29%	3,665	41.76%	102	101	
0.75 to <1.75	2,527	5,631	74.48%	6,722	1.15%	5,877,605	75.97%	2,465	36.67%	65	63	
1.75 to <2.50	1,105	1,271	74.57%	2,053	2.09%	1,419,443	77.36%	1,200	58.43%	37	38	
2.50 to <10.00	3,114	1,739	76.79%	4,451	4.60%	2,418,789	78.42%	4,499	101.07%	178	185	
2.50 to <5.00	1,982	1,380	75.14%	3,020	3.54%	1,717,190	78.08%	2,584	85.55%	92	97	
5.00 to <10.00	1,132	359	83.11%	1,431	6.85%	701,599	79.13%	1,915	133.86%	86	88	
10.00 to <100.00	904	169	94.06%	1,081	28.92%	694,283	78.27%	2,307	213.52%	268	133	
10.00 to <20.00	464	93	96.53%	555	13.50%	310,866	79.06%	1,085	195.44%	65	57	
20.00 to <30.00	120	29	93.75%	150	24.37%	121,947	77.24%	365	244.06%	31	20	
30.00 to <100.00	320	47	89.38%	376	53.48%	261,470	77.46%	857	227.95%	172	56	
100.00 (Default)	247	44	—	247	100.00%	292,178	72.59%	556	225.07%	140	129	
Subtotal	11,703	44,398	69.35%	42,513	2.25%	33,102,371	66.93%	13,602	32.00%	740	666	
31 Dec 2023												
0.00 to <0.15	861	14,553	64.35%	10,225	0.09%	8,265,226	57.61%	368	3.60%	6	49	
0.00 to <0.10	493	9,439	64.90%	6,620	0.07%	5,211,559	56.74%	187	2.83%	3	32	
0.10 to <0.15	368	5,114	63.31%	3,605	0.13%	3,053,667	59.22%	181	5.01%	3	17	
0.15 to <0.25	531	6,470	64.40%	4,698	0.20%	4,112,262	60.85%	349	7.43%	6	21	
0.25 to <0.50	1,161	9,468	62.39%	7,069	0.37%	5,868,075	63.51%	895	12.66%	18	34	
0.50 to <0.75	840	4,065	67.08%	3,568	0.62%	3,384,508	69.84%	752	21.07%	17	22	
0.75 to <2.50	3,359	6,785	72.52%	8,285	1.37%	7,551,369	76.63%	3,475	41.95%	95	114	
0.75 to <1.75	2,314	5,539	72.42%	6,330	1.15%	6,089,385	76.38%	2,327	36.76%	60	71	
1.75 to <2.50	1,045	1,246	72.93%	1,955	2.09%	1,461,984	77.46%	1,148	58.72%	35	43	
2.50 to <10.00	3,001	1,671	73.94%	4,238	4.66%	2,403,373	78.42%	4,337	102.33%	170	214	
2.50 to <5.00	1,869	1,310	72.38%	2,818	3.53%	1,686,388	78.16%	2,421	85.91%	85	109	
5.00 to <10.00	1,132	361	79.62%	1,420	6.90%	716,985	78.92%	1,916	134.91%	85	105	
10.00 to <100.00	930	184	87.08%	1,106	28.33%	706,180	78.02%	2,385	215.59%	264	155	
10.00 to <20.00	477	101	90.09%	569	13.57%	317,797	78.81%	1,117	196.49%	66	68	
20.00 to <30.00	126	34	84.21%	157	24.29%	127,825	76.94%	384	244.00%	32	24	
30.00 to <100.00	327	49	82.91%	380	52.06%	260,558	77.25%	884	232.42%	166	63	
100.00 (Default)	238	—	—	238	100.00%	270,657	72.47%	526	221.11%	134	130	
Subtotal	10,921	43,196	65.93%	39,427	2.36%	32,561,650	67.06%	13,087	33.19%	710	739	

CR6: Credit risk exposures by portfolio and PD range continued

30 Jun 2024												
PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions	
	£m	£m	%	£m	%	No.	%	£m	%	£m	£m	
Retail Other SME												
0.50 to <0.75	1,236	271	90.80%	455	0.54%	54,350	77.45%	213	46.95%	2	11	
0.75 to <2.50	1,312	207	94.39%	469	1.14%	64,505	77.09%	389	82.82%	8	8	
0.75 to <1.75	1,312	207	94.39%	469	1.14%	64,505	77.09%	389	82.82%	8	8	
1.75 to <2.50	—	—	—	—	—	—	—	—	—	—	—	
2.50 to <10.00	563	60	95.28%	200	4.17%	34,662	79.41%	235	117.46%	13	4	
2.50 to <5.00	283	34	95.34%	102	2.62%	16,500	78.60%	113	111.08%	4	3	
5.00 to <10.00	280	26	95.20%	98	5.79%	18,162	80.26%	122	124.15%	9	1	
10.00 to <100.00	229	13	94.01%	81	29.07%	45,349	84.00%	134	165.97%	30	3	
10.00 to <20.00	142	10	94.21%	52	13.44%	39,542	84.26%	86	166.09%	12	2	
20.00 to <30.00	—	—	—	—	—	—	—	—	—	—	—	
30.00 to <100.00	87	3	93.23%	29	56.31%	5,807	82.72%	48	164.17%	18	1	
100.00 (Default)	584	3	93.40%	264	100.00%	78,378	6.26%	101	38.36%	16	21	
Subtotal	3,924	554	92.71%	1,469	20.70%	277,244	65.14%	1,072	72.99%	69	47	
31 Dec 2023												
Retail Other SME	£m	£m	%	£m	%	No.	%	£m	%	£m	£m	
0.50 to <0.75	1,537	287	90.65%	474	0.54%	57,928	77.45%	222	46.93%	2	13	
0.75 to <2.50	1,561	213	94.43%	479	1.15%	65,104	76.50%	442	92.36%	8	9	
0.75 to <1.75	1,561	213	94.43%	479	1.15%	65,104	76.50%	442	92.36%	8	9	
1.75 to <2.50	—	—	—	—	—	—	—	—	—	0	—	
2.50 to <10.00	610	59	94.89%	188	4.19%	34,291	79.42%	255	135.09%	13	4	
2.50 to <5.00	295	34	95.01%	93	2.62%	16,488	79.83%	121	129.63%	4	3	
5.00 to <10.00	315	25	94.74%	95	5.73%	17,803	79.02%	134	140.46%	9	1	
10.00 to <100.00	251	12	92.33%	77	28.67%	51,127	84.94%	150	193.29%	30	4	
10.00 to <20.00	162	9	92.51%	50	13.12%	45,208	84.17%	97	192.09%	12	3	
20.00 to <30.00	—	—	—	—	—	—	—	—	—	0	—	
30.00 to <100.00	89	3	91.70%	27	57.25%	5,919	85.75%	53	194.08%	18	1	
100.00 (Default)	677	4	93.12%	259	100.00%	72,453	8.33%	102	39.30%	21	21	
Subtotal	4,636	575	92.54%	1,477	20.09%	280,901	65.68%	1,171	79.24%	74	51	

CR6: Credit risk exposures by portfolio and PD range continued

30 Jun 2024											
PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Retail other non-SME	£m	£m	%	£m	%	No.	%	£m	%	£m	£m
0.00 to <0.15	432	1	30.00%	432	0.08%	22,455	35.77%	43	9.84%	—	1
0.00 to <0.10	425	—	30.00%	425	0.08%	20,344	35.13%	41	9.57%	—	1
0.10 to <0.15	7	1	30.00%	7	0.14%	2,111	72.97%	2	25.61%	—	—
0.15 to <0.25	52	3	30.00%	55	0.21%	12,789	75.29%	20	35.63%	—	—
0.25 to <0.50	4,409	10	30.00%	4,419	0.37%	359,821	38.14%	1,293	29.27%	6	64
0.50 to <0.75	3,265	9	30.00%	3,273	0.72%	227,834	42.14%	1,497	45.74%	9	55
0.75 to <2.50	5,610	40	30.00%	5,646	1.57%	515,038	62.13%	4,833	85.60%	57	112
0.75 to <1.75	4,518	26	30.00%	4,542	1.44%	398,264	57.29%	3,512	77.33%	37	87
1.75 to <2.50	1,092	14	30.00%	1,104	2.10%	116,774	82.02%	1,321	119.61%	20	25
2.50 to <10.00	3,741	33	30.00%	3,770	4.55%	377,759	67.69%	4,277	113.46%	123	107
2.50 to <5.00	2,478	21	30.00%	2,496	3.41%	249,960	69.41%	2,816	112.83%	64	65
5.00 to <10.00	1,263	12	30.00%	1,274	6.78%	127,799	64.32%	1,461	114.70%	59	42
10.00 to <100.00	731	8	30.00%	739	26.57%	81,721	57.33%	1,053	142.56%	116	59
10.00 to <20.00	295	5	30.00%	300	12.34%	39,445	69.81%	439	146.61%	29	13
20.00 to <30.00	178	1	30.00%	179	21.47%	16,465	45.71%	234	130.52%	18	16
30.00 to <100.00	258	2	30.00%	260	46.47%	25,811	50.94%	380	146.17%	69	30
100.00 (Default)	221	—	—	220	100.08%	49,499	54.89%	350	158.91%	123	112
Subtotal	18,461	104	30.00%	18,554	3.87%	1,646,916	53.17%	13,366	72.04%	434	510
31 Dec 2023											
0.00 to <0.15	378	—	30.00%	379	0.08%	20,381	36.68%	39	10.25%	—	2
0.00 to <0.10	371	—	30.00%	372	0.08%	18,225	35.97%	37	9.95%	—	2
0.10 to <0.15	7	—	30.00%	7	0.14%	2,156	72.48%	2	25.60%	—	—
0.15 to <0.25	53	1	30.00%	55	0.21%	13,513	74.70%	20	35.34%	—	—
0.25 to <0.50	4,352	6	30.00%	4,361	0.37%	361,187	37.78%	1,282	29.39%	5	62
0.50 to <0.75	3,218	5	30.00%	3,226	0.73%	225,616	41.62%	1,482	45.94%	9	58
0.75 to <2.50	5,154	20	30.00%	5,184	1.57%	477,976	59.82%	4,334	83.62%	50	113
0.75 to <1.75	4,253	13	30.00%	4,273	1.46%	377,389	55.15%	3,245	75.94%	33	88
1.75 to <2.50	901	7	30.00%	911	2.11%	100,587	81.70%	1,089	119.64%	17	25
2.50 to <10.00	3,456	15	30.00%	3,479	4.56%	344,889	66.29%	3,903	112.19%	111	104
2.50 to <5.00	2,285	9	30.00%	2,299	3.42%	225,209	67.79%	2,558	111.28%	57	65
5.00 to <10.00	1,171	6	30.00%	1,180	6.78%	119,680	63.35%	1,345	113.97%	54	39
10.00 to <100.00	716	5	30.00%	723	27.13%	82,530	56.96%	1,038	143.65%	115	53
10.00 to <20.00	282	3	30.00%	286	12.35%	38,729	69.27%	418	146.42%	27	13
20.00 to <30.00	167	1	30.00%	168	21.55%	16,116	46.28%	224	133.33%	17	12
30.00 to <100.00	267	1	30.00%	269	46.31%	27,685	50.55%	396	147.14%	71	28
100.00 (Default)	226	—	—	226	100.00%	51,000	55.57%	357	158.07%	128	115
Subtotal	17,554	52	30.00%	17,631	3.98%	1,577,092	51.69%	12,455	70.64%	418	507

Credit risk continued

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

30 Jun 2024

		Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs
		Funded credit Protection (FCP)									Unfunded credit Protection (UFCP) ²		
		Of which					Of which						
		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	RWEA with substitution effects (both reduction and substitution effects)
A-IRB		£m	%	%	%	%	%	%	%	%	%	%	£m
4	Retail	419,784	—	84.87%	84.87%	—	—	—	—	—	—	—	88,586
4.1	Of which Retail – Immovable property SMEs	3,729	0.06%	93.29%	93.27%	—	0.03%	—	—	—	—	—	864
4.2	Of which Retail – Immovable property non-SMEs	353,519	—	99.79%	99.79%	—	—	—	—	—	—	—	59,683
4.3	Of which Retail – Qualifying revolving	42,513	—	—	—	—	—	—	—	—	—	—	13,602
4.4	Of which Retail – Other SMEs	1,469	0.18%	0.28%	—	—	0.28%	—	—	—	—	—	1,072
4.5	Of which Retail – Other non-SMEs	18,554	—	—	—	—	—	—	—	—	—	—	13,366
5	Total	419,784	—	84.87%	84.87%	—	—	—	—	—	—	—	88,586
F-IRB													
1	Central governments and central banks	1,678	—	—	—	—	—	—	—	—	36.06%	—	102
2	Institutions	11,308	43.14%	1.40%	—	—	1.40%	—	—	—	0.62%	—	1,732
3	Corporates	55,654	7.13%	23.24%	18.06%	2.54%	2.64%	—	—	—	2.92%	0.48%	33,121
3.1	Of which Corporates – SMEs	6,872	1.43%	57.12%	42.62%	14.46%	0.04%	—	—	—	5.32%	—	4,407
3.2	Of which Corporates – Specialised lending ³	13,250	—	—	—	—	—	—	—	—	—	—	9,020
3.3	Of which Corporates – Other	35,532	10.90%	25.35%	20.05%	1.17%	4.13%	—	—	—	3.55%	0.76%	19,694
4	Total	68,640	6.52%	19.07%	14.64%	2.06%	2.37%	—	—	—	3.36%	0.39%	34,955

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

31 Dec 2023

		Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs	
		Funded credit Protection (FCP)							Unfunded credit Protection (UFCP) ²					
		Of which					Part of exposures covered by Other funded credit protection		Of which					
		Part of exposures covered by Financial Collaterals	Part of exposures covered by Other eligible collaterals ¹	Part of exposures covered by Immovable property Collaterals ¹	Part of exposures covered by Receivables	Part of exposures covered by Other physical collateral		Part of exposures covered by Cash on deposit	Part of exposures covered by Life insurance policies	Part of exposures covered by Instruments held by a third party	Part of exposures covered by Guarantees	Part of exposures covered by Credit Derivatives	RWEA with substitution effects (both reduction and substitution effects)	
A-IRB	Total exposures at default	£m	%	%	%	%	%	%	%	%	%	%	£m	
4	Retail	408,629	—	79.67%	79.67%	—	—	—	—	—	—	—	85,436	
4.1	Of which Retail – Immovable property SMEs	4,051	0.04%	93.57%	93.54%	—	0.02%	—	—	—	—	—	915	
4.2	Of which Retail – Immovable property non-SMEs	346,042	—	92.98%	92.98%	—	—	—	—	—	—	—	57,808	
4.3	Of which Retail – Qualifying revolving	39,427	—	—	—	—	—	—	—	—	—	—	13,087	
4.4	Of which Retail – Other SMEs	1,477	0.23%	0.28%	—	—	0.28%	—	—	—	—	—	1,171	
4.5	Of which Retail – Other non-SMEs	17,631	—	—	—	—	—	—	—	—	—	—	12,455	
5	Total	408,629	—	79.67%	79.67%	—	—	—	—	—	—	—	85,436	
F-IRB														
1	Central governments and central banks	1,726	—	—	—	—	—	—	—	—	—	37.97%	—	129
2	Institutions	12,396	37.26%	1.26%	—	—	1.26%	—	—	—	—	—	—	2,107
3	Corporates	56,550	7.00%	21.15%	16.19%	2.50%	2.45%	—	—	—	—	2.48%	0.45%	34,241
3.1	Of which Corporates – SMEs	6,508	1.09%	56.80%	42.14%	14.61%	0.04%	—	—	—	—	6.99%	—	4,230
3.2	Of which Corporates – Specialised lending ³	12,182	—	—	—	—	—	—	—	—	—	—	—	8,471
3.3	Of which Corporates – Other	37,859	10.26%	21.83%	16.94%	1.23%	3.65%	—	—	—	—	2.50%	0.67%	21,540
4	Total	70,671	12.13%	17.15%	12.96%	2.00%	2.18%	—	—	—	—	2.91%	0.36%	36,477

1 For AIRB the value of eligible collateral has been capped at individual exposure amount. The percentage immovable property collateral for Retail immovable property non-SMEs without capping collateral is 231 per cent. 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. 100% of the exposures disclosed in the 'Of which Corporates - Specialised lending' row, use the Slotting approach.

Credit risk continued

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

		30 Jun 2024					
Regulatory categories	Remaining maturity	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
		£m	£m		£m	£m	£m
1) Strong	Less than 2.5 years	723	713	50%	1,209	602	—
	Equal to or more than 2.5 years	2,004	1,158	70%	2,874	1,914	11
2) Good	Less than 2.5 years	95	16	70%	106	75	—
	Equal to or more than 2.5 years	387	88	90%	454	408	4
3) Satisfactory	Less than 2.5 years	13	2	115%	15	17	—
	Equal to or more than 2.5 years	119	15	115%	131	151	4
4) Weak	Less than 2.5 years	—	—	250%	—	—	—
	Equal to or more than 2.5 years	12	36	250%	39	97	3
5) Default	Less than 2.5 years	82	6		87	—	44
	Equal to or more than 2.5 years	2	2		3	—	2
Total	Less than 2.5 years	913	737		1,417	694	44
	Equal to or more than 2.5 years	2,524	1,299		3,501	2,570	24

		31 Dec 2023					
Regulatory categories	Remaining maturity	£m	£m		£m	£m	£m
1) Strong	Less than 2.5 years	595	432	50%	875	437	—
	Equal to or more than 2.5 years	1,668	1,047	70%	2,455	1,633	10
2) Good	Less than 2.5 years	127	38	70%	157	110	1
	Equal to or more than 2.5 years	462	249	90%	705	635	6
3) Satisfactory	Less than 2.5 years	15	2	115%	16	19	—
	Equal to or more than 2.5 years	39	6	115%	44	50	1
4) Weak	Less than 2.5 years	—	—	250%	—	—	—
	Equal to or more than 2.5 years	23	17	250%	36	90	3
5) Default	Less than 2.5 years	58	—		58	—	29
	Equal to or more than 2.5 years	1	1		2	—	1
Total	Less than 2.5 years	796	472		1,107	566	30
	Equal to or more than 2.5 years	2,194	1,319		3,242	2,408	21

Credit risk continued

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

		30 Jun 2024					
Regulatory categories	Remaining maturity	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
		£m	£m		£m	£m	£m
1) Strong	Less than 2.5 years	2,032	342	50%	2,127	1,063	—
	Equal to or more than 2.5 years	1,484	147	70%	1,583	1,105	6
2) Good	Less than 2.5 years	1,780	130	70%	1,863	1,304	8
	Equal to or more than 2.5 years	1,958	87	90%	2,018	1,816	16
3) Satisfactory	Less than 2.5 years	121	3	115%	123	142	3
	Equal to or more than 2.5 years	170	1	115%	171	197	5
4) Weak	Less than 2.5 years	16	—	250%	16	40	1
	Equal to or more than 2.5 years	11	—	250%	11	27	1
5) Default	Less than 2.5 years	331	3		333	—	166
	Equal to or more than 2.5 years	18	—		18	—	9
	Less than 2.5 years	4,280	478		4,462	2,549	178
Total	Equal to or more than 2.5 years	3,641	235		3,801	3,145	37

		31 Dec 2023					
Regulatory categories	Remaining maturity	£m	£m		£m	£m	£m
1) Strong	Less than 2.5 years	1,907	474	50%	2,107	1,051	—
	Equal to or more than 2.5 years	950	99	70%	1,004	700	4
2) Good	Less than 2.5 years	1,916	150	70%	2,006	1,404	8
	Equal to or more than 2.5 years	1,700	179	90%	1,830	1,647	14
3) Satisfactory	Less than 2.5 years	252	12	115%	260	299	7
	Equal to or more than 2.5 years	197	2	115%	198	227	6
4) Weak	Less than 2.5 years	31	1	250%	32	79	2
	Equal to or more than 2.5 years	10	—	250%	9	24	1
5) Default	Less than 2.5 years	295	7		299	—	150
	Equal to or more than 2.5 years	16	1		16	—	8
	Less than 2.5 years	4,401	644		4,704	2,833	167
Total	Equal to or more than 2.5 years	2,873	281		3,057	2,598	33

Credit risk continued

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

		30 Jun 2024						
Regulatory categories	Remaining maturity	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount	
		£m	£m		£m	£m	£m	£m
	Less than 2.5 years	–	–	70%	–	–	–	–
2) Good	Equal to or more than 2.5 years	69	–	90%	69	62	1	
	Less than 2.5 years	–	–		–	–	–	–
Total	Equal to or more than 2.5 years	69	–		69	62	1	
		31 Dec 2023						
Regulatory categories	Remaining maturity	£m	£m		£m	£m	£m	£m
	Less than 2.5 years	–	–	70%	–	–	–	–
2) Good	Equal to or more than 2.5 years	73	–	90%	73	66	1	
	Less than 2.5 years	–	–		–	–	–	–
Total	Equal to or more than 2.5 years	73	–		73	66	1	

Counterparty credit risk

CCRI: Analysis of CCR exposure by approach

		30 Jun 2024							
		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWA
		£m	£m	£m		£m	£m	£m	£m
UK1	Original Exposure Method (for derivatives)	—	—	—	1.4	—	—	—	—
UK2	Simplified SA-CCR (for derivatives)	—	—	—	1.4	—	—	—	—
1	SA-CCR (for derivatives)	155	770	—	1.4	3,621	1,295	1,278	398
4	Financial collateral comprehensive method (for SFTs)					104,706	22,083	22,083	422
5	VaR for SFTs					—	—	—	—
6	Total					108,327	23,378	23,362	820

		31 Dec 2023							
		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
UK1	Original Exposure Method (for derivatives)	—	—	—	1.4	—	—	—	—
UK2	Simplified SA-CCR (for derivatives)	—	—	—	1.4	—	—	—	—
1	SA-CCR (for derivatives)	289	767	—	1.4	4,669	1,478	1,448	510
4	Financial collateral comprehensive method (for SFTs)					101,681	21,467	21,467	252
5	VaR for SFTs					—	—	—	—
6	Total					106,349	22,945	22,914	762

Counterparty credit risk continued

CCR2: Credit valuation adjustment (CVA) capital charge

		30 Jun 2024		31 Dec 2023	
		Exposure value	RWA	Exposure value	RWA
		£m	£m	£m	£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	998	331	993	454
UK4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)	—	—	—	—
5	Total transactions subject to own funds requirements for CVA risk	998	331	993	454

CCR3: Standardised approach – CCR exposures by regulatory portfolio and risk

		30 Jun 2024											
		Risk weight											
Exposure classes		0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	Total exposure value
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1	Central governments or central banks	19,288	—	—	—	41	—	—	—	—	—	—	19,329
4	Multilateral development banks	133	—	—	—	—	—	—	—	—	—	—	133
5	International organisations	—	—	—	—	—	—	—	—	—	—	—	—
6	Institutions	—	874	55	—	—	242	—	—	—	—	—	1,170
7	Corporates	—	—	—	—	—	23	—	—	26	—	—	49
11	Total exposure value	19,421	874	55	—	41	265	—	—	26	—	—	20,681

		31 Dec 2023											
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1	Central governments or central banks	19,355	—	—	—	42	—	—	—	—	—	—	19,397
4	Multilateral development banks	141	—	—	—	—	—	—	—	—	—	—	141
5	International organisations	—	—	—	—	—	—	—	—	—	—	—	—
6	Institutions	—	761	64	—	—	148	—	—	—	—	—	973
7	Corporates	—	—	—	—	—	23	—	—	22	—	—	45
11	Total exposure value	19,496	761	64	—	42	171	—	—	22	—	—	20,556

Counterparty credit risk continued

CCR4: IRB – CCR exposure by portfolio and PD scale

30 Jun 2024								
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	283	0.07%	90	45.0%	0.7	36	12.7%
2	0.15 to <0.25	71	0.18%	36	45.0%	0.5	18	24.8%
3	0.25 to <0.50	115	0.29%	179	45.0%	0.2	35	30.8%
4	0.50 to <0.75	9	0.62%	105	45.0%	1.7	6	60.8%
5	0.75 to <2.50	14	1.44%	134	45.0%	1.9	13	94.0%
6	2.50 to <10.00	2	3.63%	63	45.0%	1.0	2	90.4%
7	10.00 to <100.00	—	12.00%	2	45.0%	1.0	—	124.3%
8	100.00 (Default)	1	100.00%	7	45.0%	1.0	—	—
Sub-total	495	0.39%	616	45.0%	0.6	110	22.1%	

31 Dec 2023								
PD scale	£m	%	No.	%	No.	£m	%	
1	0.00 to <0.15	390	0.09%	150	45.0%	1.0	74	18.7%
2	0.15 to <0.25	64	0.18%	56	45.0%	0.0	13	20.5%
3	0.25 to <0.50	91	0.29%	223	45.0%	0.1	35	38.4%
4	0.50 to <0.75	11	0.63%	97	45.0%	2.1	7	64.5%
5	0.75 to <2.50	12	1.40%	148	45.0%	1.3	9	79.6%
6	2.50 to <10.00	6	5.92%	55	45.0%	1.0	9	137.0%
7	10.00 to <100.00	1	30.20%	6	45.0%	1.0	1	244.3%
8	100.00 (Default)	—	100.00%	4	45.0%	4.9	—	—
Sub-total	575	0.27%	739	45.0%	0.8	148	25.7%	

Counterparty credit risk – CCR4 continued

30 Jun 2024								
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	461	0.04%	1	45.0%	0.0	21	4.6%
Sub-total		461	0.04	1	45.0%	0.0	21	4.6%
31 Dec 2023								
PD scale	£m	%	No.	%	No.	£m	%	
1	0.00 to <0.15	349	0.04%	1	45.0%	0.0	17	4.9%
Sub-total		349	0.04%	1	45.0%	0.0	17	4.9%

30 Jun 2024								
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	2,427	0.05%	52	45.0%	0.9	376	15.5%
2	0.15 to <0.25	45	0.18%	4	45.0%	0.1	12	27.3%
3	0.25 to <0.50	8	0.28%	6	45.0%	0.0	3	38.4%
4	0.50 to <0.75	—	—	3	—	0.0	—	—
5	0.75 to <2.50	—	—	3	—	0.0	—	—
Sub-total		2,480	0.06%	72	45.0%	0.9	391	15.7%
31 Dec 2023								
PD scale	£m	%	No.	%	No.	£m	%	
1	0.00 to <0.15	1,963	0.05%	75	45.0%	0.8	275	14.0%
2	0.15 to <0.25	32	0.18%	3	45.0%	0.1	9	27.8%
3	0.25 to <0.50	9	0.28%	5	45.0%	0.0	3	38.9%
4	0.50 to <0.75	—	—	—	—	0.0	—	—
Sub-total		2,004	0.05%	83	45.0%	0.8	287	14.3%

Counterparty credit risk continued

CCR Corporate exposures subject to supervisory slotting

		30 June 2024					
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	—	—	50 %	—	—	—
1) Strong	Equal to or more than 2.5 years	159	—	70 %	149	104	1
	Less than 2.5 years	—	—	70 %	—	—	—
2) Good	Equal to or more than 2.5 years	4	—	90 %	4	3	—
	Less than 2.5 years	—	—	115 %	—	—	—
3) Satisfactory	Equal to or more than 2.5 years	20	—	115 %	19	21	—
	Less than 2.5 years	—	—	250 %	—	—	—
4) Weak	Equal to or more than 2.5 years	2	—	250 %	1	3	—
	Less than 2.5 years	—	—		—	—	—
5) Default	Equal to or more than 2.5 years	—	—		—	—	—
	Less than 2.5 years	—	—		—	—	—
Total	Equal to or more than 2.5 years	185	—		173	131	1
		31 Dec 2023					
Regulatory categories	Remaining maturity	£m	£m	%	£m	£m	£m
	Less than 2.5 years	—	—	50%	1	—	—
1) Strong	Equal to or more than 2.5 years	241	—	70%	221	155	1
	Less than 2.5 years	—	—	70%	—	—	—
2) Good	Equal to or more than 2.5 years	23	—	90%	22	19	—
	Less than 2.5 years	—	—	115%	—	—	—
3) Satisfactory	Equal to or more than 2.5 years	13	—	115%	11	13	1
	Less than 2.5 years	—	—		—	—	—
5) Default	Equal to or more than 2.5 years	1	—		—	—	—
	Less than 2.5 years	—	—		1	—	—
Total	Equal to or more than 2.5 years	280	—		255	190	2

Counterparty credit risk continued

CCR5: Composition of collateral for exposures to CCR

		30 Jun 2024				Collateral used in securities financing transactions (SFTs)	
		Collateral used in derivatives transactions					
		Fair value of collateral received		Fair value of collateral posted		Fair value of collateral received	Fair value of collateral posted
		Segregated	Unsegregated	Segregated	Unsegregated		
Collateral type		£m	£m	£m	£m	£m	£m
1	Cash	60	1,256	60	4,765	44,667	49,126
2	Debt	148	661	2,619	878	55,614	17,891
3	Equity	—	—	—	—	—	—
4	Other	153	—	588	—	454	55,269
5	Total	361	1,917	3,267	5,643	100,735	122,286

		31 Dec 2023				Collateral used in securities financing transactions (SFTs)	
		Collateral used in derivatives transactions					
		Fair value of collateral received		Fair value of collateral posted		Fair value of collateral received	Fair value of collateral posted
		Segregated	Unsegregated	Segregated	Unsegregated		
Collateral type		£m	£m	£m	£m	£m	£m
1	Cash	60	1,235	60	4,569	44,882	37,821
2	Debt	267	974	1,963	1,001	48,112	20,181
3	Equity	—	—	—	—	—	—
4	Other	106	—	588	—	455	54,527
5	Total	433	2,209	2,611	5,570	93,449	112,529

Counterparty credit risk continued

CCR6: Credit derivatives exposures

	30 Jun 2024		31 Dec 2023	
	Protection bought	Protection sold	Protection bought	Protection sold
	£m	£m	£m	£m
Notionals				
1 Single-name credit default swaps	672	24	716	24
2 Index credit default swaps	147	—	162	—
3 Total return swaps	1,171	—	2,102	—
4 Credit options	—	—	—	—
5 Other credit derivatives	—	—	—	—
6 Total notionals	1,990	24	2,980	24
Fair values				
7 Positive fair value (asset)	516	—	876	—
8 Negative fair value (liability)	(15)	—	(30)	—

CCR8: Exposures to CCPs

	30 Jun 2024		31 Dec 2023	
	Exposure value	RWA	Exposure value	RWA
	£m	£m	£m	£m
I Exposures to QCCPs (total)		127		113
2 Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	921	19	719	15
3 (i) OTC derivatives	679	13	651	13
4 (ii) Exchange-traded derivatives	51	2	57	2
5 (iii) SFTs	191	4	11	—
8 Non-segregated initial margin	8	—	106	2
9 Prefunded default fund contributions	176	107	182	96
II Exposures to non-QCCPs (total)		—		—

Securitisation

SECI: Securitisation exposures in the non-trading book

		30 Jun 2024															
		Institution acts as originator						Institution acts as sponsor				Institution acts as investor					
		Traditional		Synthetic				Traditional				Traditional					
		STS		Non-STS		of which SRT		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	—	—	3,039	—	14,299	14,299	17,337	781	3,828	—	4,609	6,601	10,966	—	17,567	
2	Retail (total)	—	—	3,039	—	—	—	3,038	582	3,174	—	3,756	6,208	7,937	—	14,145	
3	Residential mortgage	—	—	1,541	—	—	—	1,541	—	339	—	339	1,238	3,853	—	5,091	
4	Credit card	—	—	—	—	—	—	—	—	—	—	—	—	218	—	218	
5	Other retail exposures	—	—	1,497	—	—	—	1,497	582	2,835	—	3,417	4,970	3,866	—	8,836	
7	Wholesale (total)	—	—	—	—	14,299	14,299	14,299	199	654	—	853	393	3,029	—	3,422	
8	Loans to corporates	—	—	—	—	9,349	9,349	9,349	—	—	—	—	10	134	—	144	
9	Commercial mortgage	—	—	—	—	1,612	1,612	1,612	—	—	—	—	—	407	—	407	
10	Lease and receivables	—	—	—	—	—	—	—	199	514	—	713	208	2,012	—	2,220	
11	Other wholesale	—	—	—	—	3,338	3,338	3,338	—	140	—	140	175	476	—	651	
		31 Dec 2023															
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	
1	Total exposures	—	—	4,024	—	12,626	12,626	16,650	928	3,789	—	4,717	5,590	11,250	—	16,840	
2	Retail (total)	—	—	4,024	—	—	—	4,024	724	3,154	—	3,878	5,322	8,214	—	13,536	
3	Residential mortgage	—	—	1,696	—	—	—	1,696	—	339	—	339	1,068	4,066	—	5,133	
4	Credit card	—	—	—	—	—	—	—	—	—	—	—	—	216	—	216	
5	Other retail exposures	—	—	2,327	—	—	—	2,327	724	2,815	—	3,539	4,254	3,933	—	8,187	
7	Wholesale (total)	—	—	—	—	12,626	12,626	12,626	204	635	—	839	268	3,036	—	3,304	
8	Loans to corporates	—	—	—	—	7,559	7,559	7,559	—	—	—	—	12	279	—	292	
9	Commercial mortgage	—	—	—	—	1,716	1,716	1,716	—	—	—	—	—	407	—	407	
10	Lease and receivables	—	—	—	—	—	—	—	204	521	—	725	80	1,962	—	2,042	
11	Other wholesale	—	—	—	—	3,351	3,351	3,351	—	114	—	114	175	388	—	563	

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 June 2024 was US\$1,642m (£1,299m).

Securitisation continued

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

30 Jun 2024																	
	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	10,676	9,767	1,401	97	7	15,725	4,705	1,516	—	4,264	996	674	—	341	80	54	—
2 Traditional transactions	4,982	2,442	191	26	7	3,038	4,609	—	—	837	865	—	—	67	70	—	—
3 Securitisation	4,982	2,442	191	26	7	3,038	4,609	—	—	837	865	—	—	67	70	—	—
4 Retail underlying	4,524	2,187	51	26	7	3,038	3,757	—	—	837	657	—	—	67	53	—	—
5 Of which STS	582	—	—	—	—	—	582	—	—	—	58	—	—	—	5	—	—
6 Wholesale	458	255	140	—	—	—	852	—	—	—	208	—	—	—	17	—	—
7 Of which STS	199	—	—	—	—	—	199	—	—	—	20	—	—	—	2	—	—
9 Synthetic transactions	5,694	7,325	1,210	71	—	12,687	96	1,516	—	3,427	131	674	—	274	10	54	—
10 Securitisation	5,694	7,325	1,210	71	—	12,687	96	1,516	—	3,427	131	674	—	274	10	54	—
12 Wholesale	5,694	7,325	1,210	71	—	12,687	96	1,516	—	3,427	131	674	—	274	10	54	—
31 Dec 2023																	
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1 Total exposures	11,797	8,196	1,263	91	20	14,933	4,813	1,620	—	4,102	1,026	625	—	328	82	50	—
2 Traditional transactions	5,934	2,648	114	25	20	4,023	4,717	—	—	1,247	887	—	—	100	71	—	—
3 Securitisation	5,934	2,648	114	25	20	4,023	4,717	—	—	1,247	887	—	—	100	71	—	—
4 Retail underlying	5,464	2,393	—	25	20	4,023	3,878	—	—	1,247	688	—	—	100	55	—	—
5 Of which STS	724	—	—	—	—	—	724	—	—	—	72	—	—	—	6	—	—
6 Wholesale	470	255	114	—	—	—	839	—	—	—	199	—	—	—	16	—	—
7 Of which STS	204	—	—	—	—	—	204	—	—	—	20	—	—	—	2	—	—
9 Synthetic transactions	5,863	5,548	1,149	66	—	10,910	96	1,620	—	2,855	139	625	—	228	11	50	—
10 Securitisation	5,863	5,548	1,149	66	—	10,910	96	1,620	—	2,855	139	625	—	228	11	50	—
12 Wholesale	5,863	5,548	1,149	66	—	10,910	96	1,620	—	2,855	139	625	—	228	11	50	—

Securitisation continued

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

		30 Jun 2024																
		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	16,718	849	—	—	—	—	2,521	15,046	—	—	339	2,167	—	—	27	173	—
2	Traditional transactions	16,718	849	—	—	—	—	2,521	15,046	—	—	339	2,167	—	—	27	173	—
3	Securitisation	16,718	849	—	—	—	—	2,521	15,046	—	—	339	2,167	—	—	27	173	—
4	Retail underlying	14,135	9	—	—	—	—	2,387	11,757	—	—	312	1,548	—	—	25	124	—
5	Of which STS	6,207	—	—	—	—	—	1,243	4,964	—	—	124	508	—	—	10	41	—
6	Wholesale	2,583	840	—	—	—	—	134	3,289	—	—	27	619	—	—	2	49	—
7	Of which STS	393	—	—	—	—	—	—	393	—	—	—	39	—	—	3	—	—
9	Synthetic transactions	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
		31 Dec 2023																
1	Total exposures	16,033	688	24	95	—	—	2,348	14,492	—	—	411	2,082	—	—	33	167	—
2	Traditional transactions	16,033	688	24	95	—	—	2,348	14,492	—	—	411	2,082	—	—	33	167	—
3	Securitisation	16,033	688	24	95	—	—	2,348	14,492	—	—	411	2,082	—	—	33	167	—
4	Retail underlying	13,516	20	—	—	—	—	2,229	11,307	—	—	292	1,519	—	—	23	122	—
5	Of which STS	5,322	—	—	—	—	—	1,202	4,120	—	—	120	424	—	—	10	34	—
6	Wholesale	2,517	668	24	95	—	—	119	3,185	—	—	119	563	—	—	10	45	—
7	Of which STS	268	—	—	—	—	—	—	268	—	—	—	27	—	—	2	—	—
9	Synthetic transactions	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

Securitisation continued

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

		30 Jun 2024			31 Dec 2023		
		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	21,265	268	—	19,282	75	—
2	Retail (total)	5,165	173	—	5,026	24	—
3	Residential mortgage	3,073	142	—	2,219	23	—
4	Credit card	—	—	—	—	—	—
5	Other retail exposures	2,092	31	—	2,807	1	—
6	Re-securitisation	—	—	—	—	—	—
7	Wholesale (total)	16,100	95	—	14,256	51	—
8	Loans to corporates	10,732	64	—	8,771	29	1
9	Commercial mortgage	1,884	31	—	1,988	22	—
10	Lease and receivables	—	—	—	—	—	—
11	Other wholesale	3,484	—	—	3,497	—	(i)
12	Re-securitisation	—	—	—	—	—	—

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

		Total unweighted value (average)				Total weighted value (average)			
		30 Jun 2024	31 Mar 2024	31 Dec 2023	31 Sep 2023	30 Jun 2024	31 Mar 2024	31 Dec 2023	31 Sep 2023
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)					108,413	108,598	108,655	109,895
Cash - outflows (£m)									
2	Retail deposits and deposits from small business customers, of which:	338,047	337,049	337,323	338,339	22,209	22,206	22,339	22,518
3	Stable deposits	262,145	261,145	260,876	261,108	13,107	13,057	13,044	13,056
4	Less stable deposits	75,902	75,904	76,447	77,231	9,102	9,149	9,295	9,462
5	Unsecured wholesale funding	88,438	89,653	90,862	92,583	45,032	45,721	45,792	46,010
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	20,060	19,279	21,777	25,847	5,015	4,820	5,444	6,462
7	Non-operational deposits (all counterparties)	65,445	67,213	65,754	63,137	37,084	37,740	37,017	35,949
8	Unsecured debt	2,933	3,161	3,331	3,599	2,933	3,161	3,331	3,599
9	Secured wholesale funding					87	98	105	76
10	Additional requirements	48,145	47,859	47,957	47,856	15,483	15,237	15,240	15,270
11	Outflows related to derivative exposures and other collateral requirements	8,570	8,486	8,328	8,279	8,570	8,486	8,328	8,279
12	Outflows related to loss of funding on debt products	614	558	751	855	614	558	751	856
13	Credit and liquidity facilities	38,961	38,815	38,878	38,722	6,299	6,193	6,161	6,135
14	Other contractual funding obligations	521	543	499	463	141	166	134	107
15	Other contingent funding obligations	85,254	84,704	85,029	87,394	3,730	3,715	3,761	4,160
16	Total cash outflows					86,682	87,143	87,371	88,141
Cash - inflows (£m)									
17	Secured lending (e.g. reverse repos)	12,966	12,880	13,726	14,803	252	290	297	299
18	Inflows from fully performing exposures	6,464	6,429	6,076	5,761	4,678	4,566	4,188	3,881
19	Other cash inflows	1,031	914	1,317	1,353	978	865	1,202	1,138
20	Total cash inflows	20,461	20,223	21,119	21,917	5,908	5,721	5,687	5,318
UK-20c	Inflows subject to 75% cap	20,155	19,745	20,598	21,543	5,908	5,721	5,687	5,318
Total adjusted value									
UK-21	Liquidity buffer (£m)					108,413	108,598	108,655	109,895
22	Total net cash outflows (£m)					80,774	81,422	81,684	82,823
23	Liquidity coverage ratio (%)					134%	133%	133%	133%

Liquidity continued**LIQB: Qualitative information on LCR**

The Group's LCR disclosure (calculated as the simple average of month end observations over the previous 12 months) was 134 per cent as of 30 June 2024, an increase of 1 percentage point from the prior quarter with no material changes in Liquid assets and net cash outflows.

The Group's funding and liquidity position is underpinned by its significant customer deposit base and is supported by strong relationships across customer segments. Funding concentration by counterparty, currency and tenor is monitored on an ongoing basis and where concentrations do exist, these are managed as part of the planning process and limited by the internal funding and liquidity risk monitoring framework, with analysis regularly provided to senior management.

The Group's liquidity buffer consists almost entirely of Level 1 assets. Level 1 assets are primarily held as central bank reserves and UK government bonds.

The Group's outflows related to derivative exposures and other collateral requirements include outflows for potential deterioration in credit rating and for the impact of an adverse market scenario on derivatives transactions.

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

Liquidity continued

LIQ2: Net Stable Funding Ratio

		Unweighted value by residual maturity				Weighted value £m
		No maturity £m	< 6 months £m	6 months to < 1yr £m	≥ 1yr £m	
Available stable funding (ASF) Items						
1	Capital items and instruments:	33,894	124	799	10,900	44,793
2	Own funds	33,894	124	619	10,464	44,357
3	Other capital instruments		—	180	436	436
4	Retail deposits:		340,745	—	—	319,882
5	Stable deposits		264,218	—	—	251,007
6	Less stable deposits		76,527	—	—	68,875
7	Wholesale funding:		128,374	11,456	66,755	111,223
8	Operational deposits		19,543	—	—	9,771
9	Other wholesale funding		108,831	11,456	66,755	101,452
10	Interdependent liabilities		—	—	—	—
11	Other liabilities:	—	2,289	—	8,847	8,847
12	NSFR derivative liabilities	—				
13	All other liabilities and capital instruments not included in the above categories		2,289	—	8,847	8,847
14	Total available stable funding (ASF)					484,745
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					4,500
UK-15a	Assets encumbered for more than 12m in cover pool		489	415	15,670	14,088
16	Deposits held at other financial institutions for operational purposes		—	—	—	—
17	Performing loans and securities:		50,367	25,464	400,628	330,084
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		24,366	7,065	4,767	8,300
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		4,453	3,281	6,455	8,433
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		10,226	7,537	91,122	87,574
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:		6,001	4,754	288,600	214,415
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		5,552	4,381	265,259	193,974
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		5,321	2,827	9,684	11,362
25	Interdependent assets		—	—	—	—
26	Other assets:	8,481	687	231	30,605	38,124
27	Physical traded commodities				—	—
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs			3,123		2,655
29	NSFR derivative assets			4,148		4,148
30	NSFR derivative liabilities before deduction of variation margin posted			1,210		60
31	All other assets not included in the above categories		687	231	30,605	31,261
32	Off-balance sheet items		125,667	—	—	2,543
33	Total RSF					389,339
34	Net Stable Funding Ratio (%)					125%

IRRBI: Quantitative information on IRRBB

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

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

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

Longest repricing maturity assigned to NMDs.

The longest repricing maturity assigned to NMDs is 9 years.

		ΔEVE		ΔNII		Tier 1 capital	
		30 Jun 2024	31 Dec 2023	30 Jun 2024	31 Dec 2023	30 Jun 2024	31 Dec 2023
		£m	£m	£m	£m	£m	£m
010	Parallel shock up	(3,090)	(1,658)	1,135	1,218		
020	Parallel shock down	1,114	(13)	(1,447)	(1,527)		
030	Steepener shock	(306)	252				
040	Flattener shock	(112)	(617)				
050	Short rates shock up	(1,188)	(1,095)				
060	Short rates shock down	392	324				
070	Maximum	(3,090)	(1,658)	(1,447)	(1,527)		
080	Tier 1 capital					30,056	31,238

Forward-looking statements

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and section 27A of the US Securities Act of 1933, as amended, with respect to the business, strategy, plans and/or results of Lloyds Bank plc together with its subsidiaries (the Lloyds Bank Group) and its current goals and expectations. Statements that are not historical or current facts, including statements about the Lloyds Bank 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 Lloyds Bank 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 Lloyds Bank Group's future financial performance; the level and extent of future impairments and write-downs; the Lloyds Bank Group's ESG targets and/or commitments; statements of plans, objectives or goals of the Lloyds Bank 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; acts of hostility or terrorism and responses to those acts, or other such events; geopolitical unpredictability; the war between Russia and Ukraine; the 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 Lloyds Bank Group's or Lloyds Banking Group plc's credit ratings; fluctuations in interest rates, inflation, exchange rates, stock markets and currencies; volatility in credit markets; volatility in the price of the Lloyds Bank Group's securities; tightening of monetary policy in jurisdictions in which the Lloyds Bank Group operates; natural pandemic and other disasters; risks concerning borrower and counterparty credit quality; risks affecting defined benefit pension schemes; changes in laws, regulations, practices and accounting standards or taxation; changes to regulatory capital or liquidity requirements and similar contingencies; the policies and actions of governmental or regulatory authorities or courts together with any resulting impact on the future structure of the Lloyds Bank Group; risks associated with the Lloyds Bank 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 Lloyds Bank Group or Lloyds Banking Group failure; exposure to legal, regulatory or competition proceedings, investigations or complaints; failure to comply with anti-money laundering, counter terrorist financing, anti-bribery and sanctions regulations; failure to prevent or detect any illegal or improper activities; operational risks including risks as a result of the failure of third party suppliers; conduct risk; technological changes and risks to the security of IT and operational infrastructure, systems, data and information resulting from increased threat of cyber and other attacks; technological failure; inadequate or failed internal or external processes or systems; risks relating to ESG matters, such as climate change (and achieving climate change ambitions) and decarbonisation, including the Lloyds Bank Group's or the Lloyds Banking Group's ability along with the government and other stakeholders to measure, manage and mitigate the impacts of climate change effectively, and human rights issues; the impact of competitive conditions; failure to attract, retain and develop high calibre talent; the ability to achieve strategic objectives; the ability to derive cost savings and other benefits including, but without limitation, as a result of any acquisitions, disposals and other strategic transactions; inability to capture accurately the expected value from acquisitions; and assumptions and estimates that form the basis of the Lloyds Bank Group's financial statements. A number of these influences and factors are beyond the Lloyds Bank Group's control. Please refer to the latest Annual Report on Form 20-F filed by Lloyds Bank 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 Bank 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 Bank 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 Lloyds Bank 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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