

Lloyds Banking Group plc

2024 Half-Year

Pillar 3 Disclosures

16 August 2024

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## Basis of preparation

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

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

PRA reference	Template name	Reason for exclusion
CR2a	Changes in the stock of non-performing loans and advances and related net accumulated recoveries	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
CCR7	RWA flow statements of CCR exposures under the IMM	Not applicable to the Group
SEC2	Securitisation exposures in the trading book	Excluded on materiality basis

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

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

Half-year Pillar 3 disclosures for the Group's ring-fenced bank sub-group (Lloyds Bank plc) and large subsidiaries (Bank of Scotland plc and Lloyds Bank Corporate Markets plc) are published separately on the Group's website, located at [www.lloydsbankinggroup.com/investors/financial-downloads](http://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 metrics<sup>1</sup>

KMI Ref	LR2 Ref		30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023
<b>Available own funds (amounts)</b>							
1		Common Equity Tier 1 (CET1) capital (£m)	31,295	30,942	31,897	31,681	30,604
2		Tier 1 capital (£m)	36,102	36,757	37,712	37,494	36,417
3		Total capital (£m)	41,465	42,412	43,439	43,339	42,453
<b>Risk-weighted exposure amounts</b>							
4		Total risk-weighted exposure amount (£m)	222,019	222,831	219,130	217,712	215,290
<b>Capital ratios (as a percentage of risk-weighted exposure amount)</b>							
5		Common Equity Tier 1 ratio (%)	14.1%	13.9%	14.6%	14.6%	14.2%
6		Tier 1 ratio (%)	16.3%	16.5%	17.2%	17.2%	16.9%
7		Total capital ratio (%)	18.7%	19.0%	19.8%	19.9%	19.7%
<b>Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)</b>							
UK 7a		Additional CET1 SREP requirements (%)	1.5%	1.5%	1.5%	1.5%	1.5%
UK 7b		Additional AT1 SREP requirements (%)	0.5%	0.5%	0.5%	0.5%	0.5%
UK 7c		Additional T2 SREP requirements (%)	0.6%	0.6%	0.6%	0.6%	0.7%
UK 7d		Total SREP own funds requirements (%)	10.6%	10.6%	10.6%	10.6%	10.7%
<b>Combined buffer requirement (as a percentage of risk-weighted exposure amount)</b>							
8		Capital conservation buffer (%)	2.5%	2.5%	2.5%	2.5%	2.5%
9		Institution specific countercyclical capital buffer (%)	1.8%	1.8%	1.8%	1.8%	0.9%
10a		Other Systemically Important Institution buffer (%) <sup>2</sup>	—	—	—	—	—
11		Combined buffer requirement (%)	4.3%	4.3%	4.3%	4.3%	3.4%
UK 11a		Overall capital requirements (%)	15.0%	15.0%	15.0%	14.1%	14.1%
12		CET1 available after meeting minimum SREP own funds requirements (%) <sup>3</sup>	8.1%	7.9%	8.6%	8.6%	8.2%
<b>Leverage ratio</b>							
13	UK-24b	Total exposure measure excluding claims on central banks (£m)	664,936	658,052	647,634	653,546	638,202
14	25	Leverage ratio excluding claims on central banks (%)	5.4%	5.6%	5.8%	5.7%	5.7%
<b>Additional leverage ratio disclosure requirements</b>							
UK 14a	UK-25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	5.4%	5.6%	5.8%	5.7%	5.7%
UK 14b	UK-25c	Leverage ratio including claims on central banks (%)	4.9%	5.0%	5.2%	5.1%	5.0%
UK 14c	UK-34	Average leverage ratio excluding claims on central banks (%) <sup>4</sup>	5.4%	5.7%	5.7%	5.7%	5.6%
UK 14d	UK-33	Average leverage ratio including claims on central banks (%) <sup>4</sup>	4.9%	5.1%	5.1%	5.0%	4.9%
UK 14e	UK-27b	Countercyclical leverage ratio buffer (%) <sup>5</sup>	0.6%	0.6%	0.6%	0.6%	0.3%
<b>Average Liquidity Coverage Ratio (weighted) (LCR)<sup>6</sup></b>							
15		Total high-quality liquid assets (HQLA) (Weighted value - average) (£m)	136,023	136,442	135,997	136,565	138,227
UK 16a		Cash outflows - Total weighted value - average (£m)	110,350	111,277	111,014	112,466	113,412
UK 16b		Cash inflows - Total weighted value - average (£m)	15,880	16,010	15,526	16,162	16,237
16		Total net cash outflows (adjusted value - average) (£m)	94,470	95,267	95,488	96,304	97,175
17		Average liquidity coverage ratio (%)	144%	143%	142%	142%	142%
<b>Average Net Stable Funding Ratio<sup>7</sup></b>							
18		Total available stable funding (Weighted value - average) (£m)	530,557	529,657	530,629	530,063	529,863
19		Total required stable funding (Weighted value - average) (£m)	408,586	407,403	407,452	407,773	408,889
20		Average NSFR ratio (%)	130%	130%	130%	130%	130%

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 £17 million (31 December 2023: £196 million).

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

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 2.6 per cent of risk-weighted assets, of which around 1.5 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 £665,494 million. The average leverage exposure measure (including claims on central banks) for the period from 1 April 2024 to 30 June 2024 amounted to £731,044 million.

5 The Group's total leverage ratio buffer at 30 June 2024 was 1.2 per cent (31 December 2023: 1.2 per cent), of which 0.6 per cent equates to the additional leverage ratio buffer (ALRB) of 0.7 per cent applied to the Ring-Fenced Bank.

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
<b>Available own funds (amounts)</b>					
1 Common Equity Tier 1 (CET1) capital (£m)	<b>31,295</b>	30,942	31,897	31,681	30,604
2 CET1 capital as if IFRS 9 transitional arrangements had not been applied (£m)	<b>31,278</b>	30,844	31,701	31,436	30,331
3 Tier 1 capital (£m)	<b>36,102</b>	36,757	37,712	37,494	36,417
4 Tier 1 capital as if IFRS 9 transitional arrangements had not been applied (£m)	<b>36,085</b>	36,659	37,516	37,249	36,144
5 Total capital (£m)	<b>41,465</b>	42,412	43,439	43,339	42,453
6 Total capital as if IFRS 9 transitional arrangements had not been applied (£m)	<b>41,448</b>	42,393	43,402	43,326	42,414
<b>Risk-weighted exposure (amounts)</b>					
7 Total risk-weighted exposure amount (£m)	<b>222,019</b>	222,831	219,130	217,712	215,290
8 Total risk-weighted exposure amount as if IFRS 9 transitional arrangements had not been applied (£m)	<b>221,996</b>	222,773	219,015	217,601	215,160
<b>Capital ratios (as a percentage of risk-weighted exposure amount)</b>					
9 Common Equity Tier 1 ratio (%)	<b>14.1%</b>	13.9%	14.6%	14.6%	14.2%
10 CET1 ratio as if IFRS 9 transitional arrangements had not been applied (%)	<b>14.1%</b>	13.8%	14.5%	14.4%	14.1%
11 Tier 1 ratio (%)	<b>16.3%</b>	16.5%	17.2%	17.2%	16.9%
12 Tier 1 ratio as if IFRS 9 transitional arrangements had not been applied (%)	<b>16.3%</b>	16.5%	17.1%	17.1%	16.8%
13 Total capital ratio (%)	<b>18.7%</b>	19.0%	19.8%	19.9%	19.7%
14 Total capital ratio as if IFRS 9 transitional arrangements had not been applied (%)	<b>18.7%</b>	19.0%	19.8%	19.9%	19.7%
<b>Leverage ratio</b>					
15 Total exposure measure excluding claims on central banks (£m)	<b>664,936</b>	658,052	647,634	653,546	638,202
16 Leverage ratio excluding claims on central banks (%)	<b>5.4%</b>	5.6%	5.8%	5.7%	5.7%
17 Leverage ratio excluding claims on central banks as if IFRS 9 transitional arrangements had not been applied (%)	<b>5.4%</b>	5.6%	5.8%	5.7%	5.6%

**KM2: Key Metrics – TLAC requirements**

	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023
		<b>Resolution Group<sup>1</sup></b>			
1 Total loss absorbing capacity (TLAC) available (£m)	<b>70,314</b>	71,386	69,905	71,071	66,705
1a Fully loaded ECL accounting model TLAC available (£m)	<b>70,297</b>	71,368	69,868	71,059	66,666
2 Total RWA at the level of the resolution group (£m)	<b>222,019</b>	222,831	219,130	217,712	215,290
3 TLAC as a percentage of RWA (%)	<b>31.7%</b>	32.0%	31.9%	32.6%	31.0%
3a Fully loaded ECL accounting model TLAC as a percentage of fully loaded ECL accounting model RWA (%)	<b>31.7%</b>	32.0%	31.9%	32.7%	31.0%
4 UK leverage ratio exposure measure at the level of the resolution group (£m)	<b>664,936</b>	658,052	647,634	653,546	638,202
5 TLAC as a percentage of UK leverage ratio exposure measure (%)	<b>10.6%</b>	10.8%	10.8%	10.9%	10.5%
5a Fully loaded ECL accounting model TLAC as a percentage of fully loaded ECL accounting model UK leverage ratio exposure measure (%)	<b>10.6%</b>	10.8%	10.8%	10.9%	10.5%
6a Does the subordination exemption in the ante-penultimate paragraph of Section II of the FSB TLAC Term Sheet apply?	<b>No</b>	No	No	No	No
6b Does the subordination exemption in the penultimate paragraph of Section II of the FSB TLAC Term Sheet apply?	<b>No</b>	No	No	No	No
6c If the capped subordination exemption applies, the amount of funding issued that ranks pari passu with excluded liabilities and that is recognised as external TLAC, divided by funding issued that ranks pari passu with excluded liabilities and that would be recognised as external TLAC if no cap was applied (%)	<b>N/A</b>	N/A	N/A	N/A	N/A

<sup>1</sup> The consolidated position of Lloyds Banking Group plc (the resolution entity).

## Key metric and overview of risk weighted exposure amounts continued

### Common Equity Tier 1

The Group's common equity tier 1 (CET1) capital ratio has reduced to 14.1 per cent at 30 June 2024 (31 December 2023: 14.6 per cent). Banking business profits for the first half of the year and the dividends received from the Group's Insurance business in February 2024 and June 2024 were more than offset by the recognition of the full capital impact of the ordinary share buyback programme, the accrual for foreseeable ordinary dividends, the recognition of a foreign exchange translation loss upon the redemption of a US Dollar denominated ATI capital instrument and an increase in risk-weighted assets.

### Total Capital and MREL

The Group's total capital ratio reduced to 18.7 per cent at 30 June 2024 (31 December 2023: 19.8 per cent), reflecting the reduction in CET1 capital, the redemption of the US Dollar ATI capital instrument, a reduction in Tier 2 capital and the increase in risk-weighted assets. The reduction in Tier 2 capital reflected the impact of interest rates and regulatory amortisation on instruments and a reduction in eligible provisions recognised through Tier 2 capital, partially offset by a new issuance. The MREL ratio reduced to 31.7 per cent at 30 June 2024 (31 December 2023: 31.9 per cent) reflecting the reduction in total capital resources and the increase in risk-weighted assets. This was largely offset by an increase in other eligible liabilities driven by new issuances, net of calls, the exclusion of instruments maturing over the next 12 months and the impact of movements in interest and foreign exchange rates.

### Risk-Weighted Assets

Risk-weighted assets increased by £2.9 billion to £222.0 billion at 30 June 2024 (31 December 2023: £219.1 billion). 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 5.4 per cent (31 December 2023: 5.8 per cent) reflecting both the reduction in the total tier 1 capital position and the increase in the leverage exposure measure following increases across securities financing transactions and other assets (excluding central bank claims).

### Liquidity

The Group's liquidity coverage ratio (LCR) increased to 144 per cent (based on a monthly simple average over the previous 12 months) at 30 June 2024 (31 December 2023: 142 per cent), with no material changes in Liquid assets and net cash outflows. The Group's net stable funding ratio (NSFR) remains strong at 130 per cent (based on a quarterly simple average over the previous 4 quarters) as at 30 June 2024 (31 December 2023: 130 per cent).

**OVI: Overview of risk-weighted assets**

		Total RWA		Total own funds requirements
		30 Jun 2024	31 Dec 2023	30 Jun 2024
		£m	£m	£m
<b>1</b>	<b>Credit risk (excluding CCR)</b>	<b>174,911</b>	172,979	<b>13,993</b>
2	Of which the standardised approach	<b>22,155</b>	22,074	<b>1,772</b>
3	Of which the foundation IRB (FIRB) approach	<b>33,476</b>	35,727	<b>2,678</b>
4	Of which slotting approach	<b>9,260</b>	8,778	<b>741</b>
UK 4a	Of which equities under the simple risk weighted approach	<b>14,076</b>	13,973	<b>1,126</b>
5	Of which the advanced IRB (AIRB) approach	<b>88,608</b>	85,459	<b>7,089</b>
	Of which: non-credit obligation assets <sup>1</sup>	<b>7,336</b>	6,968	<b>587</b>
<b>6</b>	<b>Counterparty credit risk (CCR)</b>	<b>6,929</b>	6,535	<b>555</b>
7	Of which the standardised approach	<b>5,460</b>	5,333	<b>437</b>
UK 8a	Of which exposures to a CCP	<b>188</b>	178	<b>15</b>
UK 8b	Of which credit valuation adjustment (CVA)	<b>574</b>	689	<b>46</b>
9	Of which other CCR	<b>707</b>	335	<b>57</b>
<b>16</b>	<b>Securitisation exposures in the non-trading book (after the cap)</b>	<b>9,076</b>	8,958	<b>725</b>
17	Of which SEC-IRBA approach	<b>4,468</b>	4,329	<b>357</b>
18	Of which SEC-ERBA approach (including IAA)	<b>1,491</b>	1,642	<b>119</b>
19	Of which SEC-SA approach	<b>3,117</b>	2,987	<b>249</b>
<b>20</b>	<b>Position, foreign exchange and commodities risks (Market risk)</b>	<b>4,773</b>	4,242	<b>381</b>
21	Of which the standardised approach	<b>631</b>	698	<b>50</b>
22	Of which IMA	<b>4,142</b>	3,544	<b>331</b>
<b>23</b>	<b>Operational risk</b>	<b>26,330</b>	26,416	<b>2,106</b>
UK 23b	Of which standardised approach	<b>26,330</b>	26,416	<b>2,106</b>
24	Memo: Amounts below the thresholds for deduction (subject to 250% risk weight)	<b>10,535</b>	11,028	<b>843</b>
<b>29</b>	<b>Total</b>	<b>222,019</b>	219,130	<b>17,760</b>
	Pillar 2A capital requirement <sup>2</sup>			<b>5,866</b>
	<b>Total capital requirement</b>			<b>23,626</b>

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

2 As at 30 June 2024, the Pillar 2A capital requirement was around 2.6 per cent of risk-weighted assets, of which around 1.5 per cent was to be met with CET1 capital.

Risk-weighted assets increased by £2.9 billion to £222.0 billion at 30 June 2024 (31 December 2023: £219.1 billion). This largely reflected: Credit Risk (including amounts below the thresholds for deduction):

- FIRB RWAs: decreased by £2.2 billion to £33.5 billion principally due to a reduction in exposures following capital efficient securitisation and other optimisation activity.
- Supervisory slotting RWAs: increased by £0.5 billion reflecting growth in lending.
- AIRB RWAs: increased by £3.1 billion to £88.6 billion primarily reflecting growth in Retail lending, partially offset by the securitisation of legacy mortgages.
- Non-credit obligations: increased by £0.4 billion to £7.3 billion predominantly due to further investment through Citra Living.

## 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	131,686	129,964
2 Asset size (+/-)	<b>1,751</b>	<b>3,612</b>
3 Asset quality (+/-)	<b>610</b>	<b>494</b>
5 Methodology and policy (+/-)	<b>(375)</b>	<b>(387)</b>
6 Acquisitions and disposals (+/-)	<b>(474)</b>	<b>(474)</b>
7 Foreign exchange movements (+/-)	<b>(45)</b>	<b>(56)</b>
8 Other (+/-)	<b>(1,809)</b>	<b>(1,809)</b>
<b>9 Risk weighted exposure amount at the end of the reporting period</b>	<b>131,344</b>	<b>131,344</b>

#### 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.
- Acquisitions and Disposals reflect a securitisation of legacy Retail mortgages in the period.
- Other reductions in risk-weighted assets are due to optimisation of the portfolio through securitisation activity.



## Market Risk

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

### MR2-B: Risk-weighted assets flow statements of market risk exposures under the Internal Model Approach

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

31 Mar 2024 to 30 Jun 2024						
	VaR	SVaR	IRC	Other	Total RWA	Total own funds requirements
	£m	£m	£m	£m	£m	£m
<b>1 RWAs at 31 Mar 2024</b>	<b>465</b>	<b>1,542</b>	<b>393</b>	<b>1,319</b>	<b>3,719</b>	<b>298</b>
1a Regulatory adjustment	(359)	(1,001)	–	–	(1,360)	(109)
1b RWAs at the previous quarter-end (end of the day) <sup>1</sup>	106	541	393	1,319	2,359	189
2 Movement in risk levels	24	(20)	10	144	158	12
3 Model updates/changes	–	–	34	(62)	(28)	(2)
8a RWAs at end of the disclosure period (end of the day) <sup>1</sup>	130	521	437	1,401	2,489	199
8b Regulatory adjustment	365	1,288	–	–	1,653	132
<b>8 RWAs at 30 Jun 2024</b>	<b>495</b>	<b>1,809</b>	<b>437</b>	<b>1,401</b>	<b>4,142</b>	<b>331</b>

30 Jun 2024						
	VaR	SVaR	IRC	Other	Total RWA	Total own funds requirements
	£m	£m	£m	£m	£m	£m
<b>1 RWAs at 31 Dec 2023</b>	<b>853</b>	<b>1,009</b>	<b>383</b>	<b>1,299</b>	<b>3,544</b>	<b>284</b>
1a Regulatory adjustment	(713)	(646)	(42)	–	(1,401)	(112)
1b RWAs at end of day <sup>1</sup>	140	363	341	1,299	2,143	172
2 Movement in risk levels	(10)	158	62	165	375	29
3 Model updates/changes	–	–	34	(63)	(29)	(2)
8a RWAs at end of day <sup>1</sup>	130	521	437	1,401	2,489	199
8b Regulatory adjustment	365	1,288	–	–	1,653	132
<b>8 RWAs at 30 Jun 2024</b>	<b>495</b>	<b>1,809</b>	<b>437</b>	<b>1,401</b>	<b>4,142</b>	<b>331</b>

<sup>1</sup> End of day represents spot position

#### Key movements 31 March 2024 to 30 June 2024:

- Moves in VaR and SVaR RWA were driven by portfolio evolution.
- IRC RWA increased mainly due to model enhancements.
- The increase in Other RWA was driven by an RNIV RWA (Risks not in VaR) increase due to portfolio evolution, partially offset by model enhancements.

## 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	
<b>Common Equity Tier 1 (CET1) capital: instruments and reserves</b>				
1	Capital instruments and the related share premium accounts	24,923	24,926	
	of which: called up share capital	6,252	6,358	a
	of which: share premium	18,671	18,568	b
2	Retained earnings	16,072	19,000	d
3	Accumulated other comprehensive income (and other reserves)	2,829	3,136	d
UK-5a	Independently reviewed interim profits net of any foreseeable charge or dividend <sup>1</sup>	1,155	(1,169)	
<b>6</b>	<b>Common Equity Tier 1 (CET1) capital before regulatory adjustments</b>	<b>44,979</b>	<b>45,893</b>	
<b>Common Equity Tier 1 (CET1) capital: regulatory adjustments</b>				
7	Additional value adjustments	(374)	(417)	
8	Intangible assets (net of related tax liability)	(5,794)	(5,731)	e
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met)	(3,945)	(4,048)	f
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	4,028	3,766	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	(39)	(97)	
15	Defined-benefit pension fund assets	(2,473)	(2,653)	g
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments	(13)	(10)	
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions)	(5,088)	(4,975)	h
27a	Other regulatory adjustments to CET1 capital	14	169	
<b>28</b>	<b>Total regulatory adjustments to Common Equity Tier 1 (CET1)</b>	<b>(13,684)</b>	<b>(13,996)</b>	
<b>29</b>	<b>Common Equity Tier 1 (CET1) capital</b>	<b>31,295</b>	<b>31,897</b>	
<b>Additional Tier 1 (AT1) capital: instruments</b>				
30	Capital instruments and the related share premium accounts	5,907	6,915	c
31	of which: classified as equity under applicable accounting standards	5,907	6,915	
<b>36</b>	<b>Additional Tier 1 (AT1) capital before regulatory adjustments</b>	<b>5,907</b>	<b>6,915</b>	
<b>Additional Tier 1 (AT1) capital: regulatory adjustments</b>				
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions)	(1,100)	(1,100)	h
<b>43</b>	<b>Total regulatory adjustments to Additional Tier 1 (AT1) capital</b>	<b>(1,100)</b>	<b>(1,100)</b>	
<b>44</b>	<b>Additional Tier 1 (AT1) capital</b>	<b>4,807</b>	<b>5,815</b>	
<b>45</b>	<b>Tier 1 capital (T1 = CET1 + AT1)</b>	<b>36,102</b>	<b>37,712</b>	
<b>Tier 2 (T2) capital: instruments</b>				
46	Capital instruments and the related share premium accounts	6,192	6,232	i
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	68	88	i
50	Credit risk adjustments	67	371	
<b>51</b>	<b>Tier 2 (T2) capital before regulatory adjustments</b>	<b>6,327</b>	<b>6,691</b>	
<b>Tier 2 (T2) capital: regulatory adjustments</b>				
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions)	(964)	(964)	
<b>57</b>	<b>Total regulatory adjustments to Tier 2 (T2) capital</b>	<b>(964)</b>	<b>(964)</b>	
<b>58</b>	<b>Tier 2 (T2) capital</b>	<b>5,363</b>	<b>5,727</b>	
<b>59</b>	<b>Total capital</b>	<b>41,465</b>	<b>43,439</b>	
<b>60</b>	<b>Total risk exposure amount</b>	<b>222,019</b>	<b>219,130</b>	

		<b>30 Jun 2024</b>	31 Dec 2023	<b>CC2 Reference</b>
		<b>£m</b>	<b>£m</b>	
<b>Capital ratios and buffers</b>				
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	<b>14.1%</b>	14.6%	
62	Tier 1 (as a percentage of total risk exposure amount)	<b>16.3%</b>	17.2%	
63	Total capital (as a percentage of total risk exposure amount)	<b>18.7%</b>	19.8%	
64	Institution CET1 overall capital requirement (CET1 requirement in accordance with Article 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Article 104(1) CRD, plus combined buffer requirement in accordance with Article 128(6) CRD) expressed as a percentage of risk exposure amount)	<b>10.3%</b>	10.3%	
65	of which: capital conservation buffer requirement	<b>2.5%</b>	2.5%	
66	of which: countercyclical buffer requirement	<b>1.8%</b>	1.8%	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	<b>8.1%</b>	8.6%	
<b>Amounts below the thresholds for deduction (before risk weighting)</b>				
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	<b>253</b>	401	
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	<b>3,638</b>	3,687	
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	<b>575</b>	724	
<b>Applicable caps on the inclusion of provisions in Tier 2</b>				
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	<b>67</b>	371	
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	<b>895</b>	880	

<sup>1</sup> 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 the balance sheet in the financial statements**

The following table compares the Group's consolidated accounting and regulatory balance sheets as at 30 June 2024. The regulatory scope of consolidation, which excludes the Group's insurance undertakings, is the basis for the calculation of the Group's regulatory own funds as presented in table CC1.

	Balance sheet as in published financial statements at 30 Jun 2024	Balance sheet under regulatory scope of consolidation at 30 Jun 2024 <sup>2</sup>	
	£m	£m	Reference <sup>1</sup>
<b>Assets</b>			
1	66,808	66,808	
2	209,139	31,223	
3	18,983	19,929	
4	8,454	8,448	
5	452,408	452,427	
6	49,404	49,404	
7	15,432	15,098	
8	525,698	525,377	
9	27,847	27,847	
10	446	216	
11	—	9,525	h
12	8,315	6,055	e
13	1,152	931	
14	4,995	4,905	f
15	3,379	3,379	g
16	26,165	17,311	
<b>17 Total assets</b>	<b>892,927</b>	<b>713,506</b>	
<b>Liabilities</b>			
1	5,584	5,158	
2	474,693	475,123	
3	37,914	37,914	
4	27,056	27,056	
5	16,647	15,983	
6	1,766	1,766	
7	74,760	73,810	
8	125,007	—	
9	48,280	—	
10	23,544	11,974	
11	130	130	
12	47	46	
13	146	146	f
14	1,788	1,673	
15	10,448	10,035	i
<b>16 Total liabilities</b>	<b>847,810</b>	<b>660,814</b>	
<b>Shareholders' equity</b>			
1	24,923	24,923	
2	6,252	6,252	a
3	18,671	18,671	b
4	5,932	5,932	c
5	14,036	21,610	d
<b>6 Total equity excluding non-controlling interests</b>	<b>44,891</b>	<b>52,465</b>	
7	226	227	
<b>8 Total equity</b>	<b>45,117</b>	<b>52,692</b>	
<b>9 Total equity and liabilities</b>	<b>892,927</b>	<b>713,506</b>	

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

2 The primary difference between the balance sheet published per the financial statements and the balance sheet under the regulatory scope of consolidation relates to the adjustments required to deconsolidate the insurance business headed by Scottish Widows Group Limited and replace this with the Group's investment in the equity and debt instruments issued by the undertaking, in addition to reinstating intragroup balances between the banking and insurance businesses that are otherwise eliminated upon accounting consolidation. The investment in subsidiaries balance of £9,525 million per the regulatory scope above represents the Group's total investment in the equity instruments of Scottish Widows Group Limited. The majority of this investment is deducted from CET1 capital which includes £1,100 million of other equity instruments that are classified by Scottish Widows Group Limited as tier 1 capital and are treated accordingly. Capital regulations require a portion of the share

- capital investment in Scottish Widows Group Limited to be deducted from CET1 capital where this exceeds a threshold limit based upon the underlying CET1 capital base of the Group, with the remaining investment up to this limit becoming subject to risk weight.
- 3 Deferred tax assets that rely on future profitability may be reduced by associated deferred tax liabilities where the conditions specified in Article 38 of the CRR are met. The resultant net deferred tax asset positions are deducted from CET1 capital, except in the case of deferred tax assets that arise from temporary differences which may be risk weighted instead of deducted from capital for the portion of the balance that does not exceed a threshold limit. Deferred tax assets are also adjusted to reflect the application of the IFRS 9 transitional arrangements.
  - 4 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 differs.

# Total Loss Absorbing Capacity

## TLAC1: Total loss absorbing capital composition

	30 Jun 2024	31 Dec 2023	
	Resolution Group	Resolution Group	
	£m	£m	
<b>Regulatory capital elements of TLAC and adjustments</b>			
1	Common equity tier 1 (CET1) capital	31,295	31,897
2	Additional tier 1 (AT1) capital before TLAC adjustments	4,807	5,815
5	<b>AT1 instruments eligible under the TLAC framework</b>	<b>4,807</b>	<b>5,815</b>
6	Tier 2 (T2) capital before TLAC adjustments	5,363	5,727
7	Amortised portion of T2 instruments where remaining maturity > 1 year	1,472	1,242
8	T2 capital ineligible as TLAC as issued out of subsidiaries to third parties	(117)	(139)
9	Other adjustments	(55)	(129)
10	<b>Tier 2 instruments eligible under the TLAC framework</b>	<b>6,663</b>	<b>6,701</b>
11	<b>TLAC arising from regulatory capital</b>	<b>42,765</b>	<b>44,413</b>
<b>Non-regulatory capital elements of TLAC</b>			
12	External TLAC instruments issued directly by the bank and subordinated to excluded liabilities	27,549	25,492
17	<b>TLAC arising from non-regulatory capital instruments before adjustments</b>	<b>27,549</b>	<b>25,492</b>
<b>Non-regulatory capital elements of TLAC: adjustments</b>			
18	<b>TLAC before deductions</b>	<b>70,314</b>	<b>69,905</b>
22	<b>TLAC after deductions</b>	<b>70,314</b>	<b>69,905</b>
<b>Risk-weighted assets (RWA) and leverage exposure measure for TLAC purposes</b>			
23	Total RWA adjusted as permitted under the TLAC regime	222,019	219,130
24	UK leverage exposure measure	664,936	647,634
TLAC ratios and buffers			
25	<b>TLAC (as a percentage of RWA adjusted as permitted under the TLAC regime)</b>	<b>31.7%</b>	<b>31.9%</b>
26	<b>TLAC (as a percentage of UK leverage exposure)</b>	<b>10.6%</b>	<b>10.8%</b>
27	<b>CET1 (as a percentage of RWA) available after meeting the resolution group's minimum total capital and TLAC requirements<sup>1</sup></b>	<b>8.1%</b>	<b>8.6%</b>
28	Institution-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of RWA)	4.3%	4.3%
29	Of which: capital conservation buffer requirement	2.5%	2.5%
30	Of which: bank specific countercyclical buffer requirement	1.8%	1.8%
31	Of which: higher loss absorbency requirement <sup>2</sup>	—	—

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

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

**Total Loss Absorbing Capacity** continued**TLAC2: Material sub-group entity – creditor ranking at the entity level**

The following disclosures provide information on the creditor hierarchy for each material entity within the resolution group, including Lloyds Bank plc, Bank of Scotland plc and Lloyds Bank Corporate Markets plc. The disclosures include information on the nominal value of all own funds instruments and other liabilities to the extent that they are subordinate to or rank pari passu with the most senior MREL claim. Where the instrument is denominated in foreign currency, the nominal value is converted into sterling using the rate as at 30 June 2024. For ordinary shares, this excludes the value of share premium and reserves attributable to ordinary shareholders.

		30 Jun 2024							
				Creditor ranking					
		£m	£m	£m	£m	£m	£m		
<b>Lloyds Bank plc</b>		<b>(Most junior)</b>							
1	Is the resolution entity the creditor/investor?	Y	Y	N	N	Y	N	Y	
2	Description of creditor ranking	Ordinary shares (£1.00 each)	Preference shares, preferred securities and ATI equity instruments		Undated subordinated liabilities	Dated subordinated liabilities	Senior non- preferred liabilities	Total	
3	Total capital and liabilities net of credit risk mitigation	1,574	5,018	—	100	7,269	273	19,537	33,771
5	Total capital and liabilities less excluded liabilities	1,574	5,018	—	100	7,269	273	19,537	33,771
6	Subset of row 5 that are eligible as TLAC	1,574	5,018	—	—	7,269	—	16,905	30,766
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	—	—	—	—	514	—	2,741	3,255
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	—	—	—	—	154	—	8,326	8,480
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	—	—	—	—	3,126	—	4,255	7,381
10	Subset of row 6 with residual maturity ≥ 10 years, but excluding perpetual securities	—	—	—	—	3,475	—	1,583	5,058
11	Subset of row 6 that are perpetual securities	1,574	5,018	—	—	—	—	—	6,592
<b>Bank of Scotland plc</b>									
1	Is the resolution entity the creditor/investor?	N	Y	N	N	Y	N	N	
2	Description of creditor ranking	Ordinary shares (£1.00 each)	Preference shares, preferred securities and ATI equity instruments		Undated subordinated liabilities	Dated subordinated liabilities	Senior non- preferred liabilities	Total	
3	Total capital and liabilities net of credit risk mitigation	5,847	—	2,550	28	—	1,500	5,310	15,235
5	Total capital and liabilities less excluded liabilities	5,847	—	2,550	28	—	1,500	5,310	15,235
6	Subset of row 5 that are eligible as TLAC	5,847	—	2,550	—	—	1,500	5,310	15,207
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	—	—	—	—	—	—	1,100	1,100
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	—	—	—	—	—	—	2,303	2,303
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	—	—	—	—	—	1,500	1,907	3,407
10	Subset of row 6 with residual maturity ≥ 10 years, but excluding perpetual securities	—	—	—	—	—	—	—	—
11	Subset of row 6 that are perpetual securities	5,847	—	2,550	—	—	—	—	8,397

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

		30 Jun 2024							
		Creditor ranking							
		£m	£m	£m	£m	£m	£m	£m	
<b>Lloyds Bank Corporate Markets plc</b>		<b>(Most junior)</b>							
1	Is the resolution entity the creditor/investor?	Y	Y	N	Y	Y	N	Y	
2	Description of creditor ranking	Ordinary shares (£1.00 each)	AT1 equity instruments		Undated subordinated liabilities	Dated subordinated liabilities		Senior non- preferred liabilities	Total
3	Total capital and liabilities net of credit risk mitigation	370	808	—	—	744	—	2,691	4,613
5	Total capital and liabilities less excluded liabilities	370	808	—	—	744	—	2,691	4,613
6	Subset of row 5 that are eligible as TLAC	370	808	—	—	744	—	2,479	4,401
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	—	—	—	—	—	—	554	554
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	—	—	—	—	—	—	1,925	1,925
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	—	—	—	—	744	—	—	744
10	Subset of row 6 with residual maturity ≥ 10 years, but excluding perpetual securities	—	—	—	—	—	—	—	—
11	Subset of row 6 that are perpetual securities	370	808	—	—	—	—	—	1,178

		31 Dec 2023							
		Creditor ranking							
		£m		£m	£m		£m	£m	
<b>Lloyds Bank plc</b>		<b>(Most junior)</b>							
1	Is the resolution entity the creditor/investor?	Y	Y	N	N	Y	N	Y	
2	Description of creditor ranking	Ordinary shares (£1.00 each)	Preference shares, preferred securities and AT1 equity instruments		Undated subordinated liabilities	Dated subordinated liabilities		Senior non- preferred liabilities	Total
3	Total capital and liabilities net of credit risk mitigation	1,574	5,022	—	100	7,272	273	17,834	32,074
5	Total capital and liabilities less excluded liabilities	1,574	5,022	—	100	7,272	273	17,834	32,074
6	Subset of row 5 that are eligible as TLAC	1,574	5,022	—	—	7,272	—	16,528	30,395
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	—	—	—	—	—	—	4,563	4,563
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	—	—	—	—	684	—	6,512	7,196
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	—	—	—	—	3,124	—	5,453	8,577
10	Subset of row 6 with residual maturity ≥ 10 years, but excluding perpetual securities	—	—	—	—	3,464	—	—	3,464
11	Subset of row 6 that are perpetual securities	1,574	5,022	—	—	—	—	—	6,596



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

		31 Dec 2023							
		Creditor ranking							
		£m	£m	£m	£m	£m	£m	£m	
Bank of Scotland plc									
1	Is the resolution entity the creditor/investor?	N	Y	N	N	Y	N	N	
2	Description of creditor ranking	Ordinary shares (£0.25 each)	Preference shares, preferred securities and AT1 equity instruments		Undated subordinated liabilities	Dated subordinated liabilities	Senior non- preferred liabilities	Total	
3	Total capital and liabilities net of credit risk mitigation	5,847	—	2,550	28	—	1,500	5,310	15,236
5	Total capital and liabilities less excluded liabilities	5,847	—	2,550	28	—	1,500	5,310	15,236
6	Subset of row 5 that are eligible as TLAC	5,847	—	2,550	—	—	1,500	5,310	15,207
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years		—	—	—	—	—	—	—
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years		—	—	—	—	—	2,383	2,383
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years		—	—	—	—	1,500	2,927	4,427
10	Subset of row 6 with residual maturity ≥ 10 years, but excluding perpetual securities		—	—	—	—	—	—	—
11	Subset of row 6 that are perpetual securities	5,847	—	2,550	—	—	—	—	8,397
Lloyds Bank Corporate Markets plc									
		Creditor ranking							
		£m	£m	£m	£m	£m	£m	£m	
		(Most junior)							
1	Is the resolution entity the creditor/investor?	Y	Y	N	Y	Y	N	Y	
2	Description of creditor ranking	Ordinary shares (£1.00 each)	AT1 equity instruments		Undated subordinated liabilities	Dated subordinated liabilities	Senior non- preferred liabilities	Total	
3	Total capital and liabilities net of credit risk mitigation	370	806	—	—	744	—	2,700	4,620
5	Total capital and liabilities less excluded liabilities	370	806	—	—	744	—	2,700	4,620
6	Subset of row 5 that are eligible as TLAC	370	806	—	—	744	—	2,482	4,403
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	—	—	—	—	—	—	—	—
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	—	—	—	—	—	—	1,501	1,501
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	—	—	—	—	744	—	981	1,725
10	Subset of row 6 with residual maturity ≥ 10 years, but excluding perpetual securities	—	—	—	—	—	—	—	—
11	Subset of row 6 that are perpetual securities	370	806	—	—	—	—	—	1,176

**Total Loss Absorbing Capacity** continued**TLAC3: Resolution entity – creditor ranking at the legal entity level**

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

The disclosure includes information on the nominal value of all own funds instruments and other liabilities to the extent that they are subordinate to or rank pari passu with the most senior MREL claim. Where the instrument is denominated in foreign currency, the nominal value is converted into sterling using the rate as at 30 June 2024.

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

		30 Jun 2024					
		Creditor ranking					
Lloyds Banking Group plc		£m	£m	£m	£m	£m	£m
		(Most junior)					
	Description of creditor ranking	Ordinary shares (£0.10 each)	Preference shares and AT1 equity instruments	Undated subordinated liabilities	Dated subordinated liabilities	Senior liabilities	Total
1	Description of creditor ranking						
2	Total capital and liabilities net of credit risk mitigation	6,252	6,344	10	10,539	33,702	56,847
3	Subset of row 2 that are excluded liabilities	—	—	—	—	987	987
4	Total capital and liabilities less excluded liabilities	6,252	6,344	10	10,539	32,715	55,860
5	Subset of row 4 that are potentially eligible as TLAC	6,252	6,344	10	9,750	28,291	50,647
6	Subset of row 5 with 1 year ≤ residual maturity < 2 years	—	—	—	2,258	4,451	6,709
7	Subset of row 5 with 2 years ≤ residual maturity < 5 years	—	—	—	—	16,266	16,266
8	Subset of row 5 with 5 years ≤ residual maturity < 10 years	—	—	—	3,415	5,942	9,357
9	Subset of row 5 with residual maturity ≥ 10 years, but excluding perpetual securities	—	—	—	4,078	1,632	5,710
10	Subset of row 5 that are perpetual securities	6,252	6,344	10	—	—	12,606
31 Dec 2023							
2	Total capital and liabilities net of credit risk mitigation	6,358	7,679	10	10,080	29,147	53,273
3	Subset of row 2 that are excluded liabilities	—	—	—	—	429	429
4	Total capital and liabilities less excluded liabilities	6,358	7,679	10	10,080	28,718	52,844
5	Subset of row 4 that are potentially eligible as TLAC	6,358	7,679	10	9,295	26,064	49,405
6	Subset of row 5 with 1 year ≤ residual maturity < 2 years	—	—	—	1,062	4,825	5,887
7	Subset of row 5 with 2 years ≤ residual maturity < 5 years	—	—	—	1,177	15,730	16,907
8	Subset of row 5 with 5 years ≤ residual maturity < 10 years	—	—	—	3,001	5,453	8,454
9	Subset of row 5 with residual maturity ≥ 10 years, but excluding perpetual securities	—	—	—	4,055	55	4,110
10	Subset of row 5 that are perpetual securities	6,358	7,679	—	—	—	14,046

## 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 <sup>2,3</sup>		Relevant credit exposures - Market risk <sup>2</sup>		Securitisation exposures <sup>3</sup>	Own fund requirements - relevant credit exposures							
	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 <sup>2,3</sup> £m	Market risk <sup>2</sup> £m	Securitisation positions in the non-trading book <sup>3</sup> £m	Total £m	Risk-weighted exposure amounts £m	Own fund requirements weights %	Countercyclical buffer rate %
United Kingdom	23,646	478,996	8	27	33,317	535,994	12,141	11	616	12,768	159,596	90.00%	2.00%
Australia	12	76	3	11	—	102	4	4	—	8	100	0.06%	1.00%
Belgium	—	16	—	—	—	16	1	—	—	1	8	—	0.50%
Cyprus	85	—	—	—	—	85	7	—	—	7	84	0.05%	1.00%
Denmark	20	6	—	—	—	26	2	—	—	2	27	0.02%	2.50%
France	359	28	1	4	275	667	24	2	8	34	428	0.24%	1.00%
Germany	898	470	13	45	582	2,008	69	18	5	92	1,153	0.65%	0.75%
Hong Kong	58	54	—	—	—	112	3	—	—	3	36	0.02%	1.00%
Ireland	94	198	—	1	101	394	17	—	1	18	229	0.13%	1.50%
South Korea	21	260	—	—	—	281	11	—	—	11	134	0.08%	1.00%
Luxembourg	11	4,041	3	12	81	4,148	88	5	1	94	1,178	0.66%	0.50%
Netherlands	823	16,001	1	4	198	17,027	228	1	2	231	2,889	1.63%	2.00%
Norway	2	69	—	—	—	71	5	—	—	5	63	0.04%	2.50%
Sweden	—	2	—	1	—	3	—	1	—	1	8	—	2.00%
<b>i) Total<sup>1</sup></b>	<b>26,029</b>	<b>500,217</b>	<b>29</b>	<b>105</b>	<b>34,554</b>	<b>560,934</b>	<b>12,600</b>	<b>42</b>	<b>633</b>	<b>13,275</b>	<b>165,933</b>	<b>93.58%</b>	
United States of America	1,286	12,527	6	20	7,196	21,035	458	8	92	558	6,975	3.93%	
<b>ii) Total<sup>1</sup></b>	<b>1,286</b>	<b>12,527</b>	<b>6</b>	<b>20</b>	<b>7,196</b>	<b>21,035</b>	<b>458</b>	<b>8</b>	<b>92</b>	<b>558</b>	<b>6,975</b>	<b>3.93%</b>	
<b>iii) Rest of the World<sup>1</sup></b>	<b>2,369</b>	<b>9,009</b>	<b>2</b>	<b>1</b>	<b>166</b>	<b>11,547</b>	<b>351</b>	<b>2</b>	<b>1</b>	<b>354</b>	<b>4,423</b>	<b>2.49%</b>	
<b>Total</b>	<b>29,684</b>	<b>521,753</b>	<b>37</b>	<b>126</b>	<b>41,916</b>	<b>593,516</b>	<b>13,409</b>	<b>52</b>	<b>726</b>	<b>14,187</b>	<b>177,331</b>	<b>100.00%</b>	

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

31 Dec 2023														
Breakdown by Country	General credit exposures <sup>2,3</sup>		Relevant credit exposures - Market risk <sup>2</sup>		Securitisation exposures <sup>3</sup>	Own fund requirements - relevant credit exposures						Risk-weighted exposure amounts	Own fund requirements weights	Countercyclical buffer rate
	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 <sup>2,3</sup>	Market risk <sup>2</sup>	Securitisation positions in the non-trading book <sup>3</sup>	Total				
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	%	%
United Kingdom	22,886	469,052	23	62	31,987	524,010	11,882	18	607	12,507	156,338	89.94%	2.00%	
Australia	12	76	—	1	—	89	2	—	—	2	30	0.02%	1.00%	
Cyprus	116	—	—	—	—	116	9	—	—	9	114	0.07%	0.50%	
Denmark	—	6	—	—	—	6	1	—	—	1	7	—	2.50%	
France	257	189	9	25	254	734	25	7	7	39	489	0.28%	0.50%	
Germany	771	311	17	45	683	1,827	55	13	6	74	925	0.53%	0.75%	
Hong Kong	62	52	—	—	—	114	3	—	—	3	36	0.02%	1.00%	
Ireland	81	347	—	—	41	469	23	—	—	23	286	0.16%	1.00%	
Luxembourg	21	3,921	—	—	484	4,426	93	—	4	97	1,211	0.70%	0.50%	
Netherlands	916	15,498	—	—	196	16,610	227	—	2	229	2,860	1.65%	1.00%	
Norway	2	73	1	3	—	79	5	1	—	6	79	0.05%	2.50%	
Sweden	—	2	—	—	—	2	—	—	—	—	1	—	2.00%	
i) Total <sup>1</sup>	25,124	489,527	50	136	33,645	548,482	12,325	39	626	12,990	162,376	93.42%		
United States of America	1,240	11,540	9	23	6,912	19,724	416	7	90	513	6,411	3.69%		
i) Total <sup>1</sup>	1,240	11,540	9	23	6,912	19,724	416	7	90	513	6,411	3.69%		
iii) Rest of the World <sup>1</sup>	2,469	9,479	6	14	131	12,099	397	5	1	403	5,032	2.89%		
Total	28,833	510,546	65	173	40,688	580,305	13,138	51	717	13,906	173,819	100.00%		

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

i) those countries for which a countercyclical capital buffer rate has been set and the Group holds applicable exposures.

ii) those countries for which a countercyclical capital buffer rate has not been set and have an own funds requirement weighting of greater than or equal to one per cent, the threshold having been determined by the Group in accordance with guidelines on materiality for Pillar 3.

iii) the aggregate of all remaining countries for which a countercyclical buffer rate has not been set and individually have an own funds requirement weighting of less than one per cent.

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

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

**CCyB2: Amount of institution-specific countercyclical capital buffer**

	30 Jun 2024	31 Dec 2023
1 Total risk exposure amount	<b>£222,019m</b>	£219,130m
2 Institution specific countercyclical capital buffer rate	<b>1.85%</b>	1.83%
3 Institution specific countercyclical capital buffer requirement	<b>£4,105m</b>	£4,006m

# Leverage

## LR2: Leverage ratio common disclosure

		30 Jun 2024	31 Dec 2023
		£m	£m
<b>On-balance sheet exposures (excluding derivatives and SFTs)</b>			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral) <sup>1</sup>	611,918	620,348
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	(5,913)	(6,335)
6	Asset amounts deducted in determining tier 1 capital (leverage)	(12,457)	(12,523)
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	597,033	604,763
<b>Derivative exposures</b>			
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	11,714	11,855
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	9,077	9,078
11	Adjusted effective notional amount of written credit derivatives	451	192
12	Adjusted effective notional offsets and add-on deductions for written credit derivatives	(290)	(17)
13	Total derivatives exposures	20,952	21,108
<b>Securities financing transaction (SFT) exposures</b>			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	85,618	75,935
15	Netted amounts of cash payables and cash receivables of gross SFT assets	(16,398)	(19,751)
16	Counterparty credit risk exposure for SFT assets	2,779	2,262
18	Total securities financing transaction exposures	71,999	58,446
<b>Other off-balance sheet exposures</b>			
19	Off-balance sheet exposures at gross notional amount	153,778	149,044
20	Adjustments for conversion to credit equivalent amounts	(112,310)	(107,878)
21	General provisions deducted in determining tier 1 capital (leverage) and specific provisions associated with off-balance sheet exposures	(195)	(224)
22	Off-balance sheet exposures	41,273	40,942
<b>Capital and total exposure measure</b>			
23	Tier 1 capital (leverage)	36,102	37,712
24	Total exposure measure including claims on central banks	731,257	725,259
UK-24a	(-) Claims on central banks excluded	(66,321)	(77,625)
UK-24b	Total exposure measure excluding claims on central banks	664,936	647,634
<b>Leverage ratio</b>			
25	Leverage ratio excluding claims on central banks (%)	5.4%	5.8%
UK-25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	5.4%	5.8%
UK-25c	Leverage ratio including claims on central banks (%)	4.9%	5.2%
26	Regulatory minimum leverage ratio requirement (%)	3.25%	3.25%
<b>Additional leverage ratio disclosure requirements – leverage ratio buffers</b>			
27	Leverage ratio buffer (%) <sup>2</sup>	1.2%	1.2%
UK-27a	Of which: G-SII or O-SII additional leverage ratio buffer (%)	–	–
UK-27b	Of which: countercyclical leverage ratio buffer (%)	0.6%	0.6%
<b>Additional leverage ratio disclosure requirements – disclosure of mean values</b>			
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	74,970	66,097
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	69,220	56,184
UK-31	Average total exposure measure including claims on central banks	731,044	736,725
UK-32	Average total exposure measure excluding claims on central banks	665,494	656,857
UK-33	Average leverage ratio including claims on central banks	4.9%	5.1%
UK-34	Average leverage ratio excluding claims on central banks	5.4%	5.7%

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

2 The Group's total leverage ratio buffer at 30 June 2024 was 1.2 per cent (31 December 2023: 1.2 per cent), of which 0.6 per cent equates to the additional leverage ratio buffer (ALRB) of 0.7 per cent applied to the Ring-Fenced Bank.

**Leverage** continued**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	<b>892,927</b>	881,453
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	<b>(185,608)</b>	(177,967)
4	Adjustment for exemption of exposures to central banks	<b>(66,321)</b>	(77,625)
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	<b>(2,565)</b>	(222)
8	Adjustment for derivative financial instruments	<b>(1,404)</b>	(4,896)
9	Adjustment for securities financing transactions (SFTs)	<b>2,779</b>	2,262
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures) <sup>1</sup>	<b>41,468</b>	41,166
11	Adjustment for items and specific and general provisions which have reduced tier 1 capital (leverage)	<b>(12,652)</b>	(12,747)
12	Other adjustments <sup>2</sup>	<b>(3,688)</b>	(3,790)
<b>13</b>	<b>Total exposure measure</b>	<b>664,936</b>	647,634

1 Gross of specific provisions. The amount net of specific provisions at 30 June 2024 is £41,273 million (31 December 2023: £40,942 million).

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

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

		30 Jun 2024	31 Dec 2023
		£m	£m
<b>UK-1</b>	<b>Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:</b>	<b>611,918</b>	620,348
<b>UK-2</b>	<b>Trading book exposures</b>	<b>4,990</b>	4,225
<b>UK-3</b>	<b>Banking book exposures, of which:</b>	<b>606,928</b>	616,123
UK-4	Covered bonds	<b>4,369</b>	4,123
UK-5	Exposures treated as sovereigns	<b>94,555</b>	106,987
UK-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	<b>3,688</b>	3,188
UK-7	Institutions	<b>7,592</b>	8,807
UK-8	Secured by mortgages of immovable properties	<b>338,762</b>	338,059
UK-9	Retail exposures	<b>42,026</b>	40,019
UK-10	Corporates	<b>56,416</b>	55,317
UK-11	Exposures in default	<b>6,109</b>	5,915
UK-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	<b>53,411</b>	53,708

## 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 <sup>1</sup>						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions <sup>1</sup>						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	£m	
<b>005</b>	<b>Cash balances at central banks and other demand deposits</b>	<b>64,321</b>	<b>64,321</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>010</b>	<b>Loans and advances</b>	<b>505,104</b>	<b>457,154</b>	<b>42,074</b>	<b>11,074</b>	<b>816</b>	<b>7,499</b>	<b>(1,987)</b>	<b>(774)</b>	<b>(1,198)</b>	<b>(1,339)</b>	<b>(53)</b>	<b>(1,076)</b>	<b>(358)</b>	<b>365,288</b>	<b>8,100</b>
020	Central banks	1,471	1,471	–	–	–	–	–	–	–	–	–	–	–	–	–
030	General governments	1,287	1,264	8	–	–	–	(1)	–	(1)	–	–	–	–	1,001	–
040	Credit institutions	16,610	16,610	–	4	4	–	(3)	(3)	–	–	–	–	–	1	–
050	Other financial corporations	66,669	65,792	121	52	1	50	(13)	(10)	(3)	(24)	–	(24)	–	309	3
060	Non-financial corporations	62,896	56,420	6,019	2,428	257	2,171	(484)	(212)	(272)	(380)	–	(380)	(358)	34,702	902
070	Of which SMEs	28,684	25,563	3,121	1,388	257	1,131	(194)	(68)	(126)	(109)	–	(109)	–	19,145	654
080	Households	356,171	315,597	35,926	8,590	554	5,278	(1,486)	(549)	(922)	(935)	(53)	(672)	–	329,275	7,195
<b>090</b>	<b>Debt securities</b>	<b>45,048</b>	<b>42,650</b>	<b>–</b>	<b>1,610</b>	<b>–</b>	<b>2</b>	<b>(10)</b>	<b>(10)</b>	<b>–</b>	<b>(876)</b>	<b>–</b>	<b>(2)</b>	<b>–</b>	<b>–</b>	<b>–</b>
110	General governments	21,142	21,130	–	–	–	–	(1)	(1)	–	–	–	–	–	–	–
120	Credit institutions	10,399	10,399	–	–	–	–	(1)	(1)	–	–	–	–	–	–	–
130	Other financial corporations	12,108	11,003	–	134	–	–	(8)	(8)	–	–	–	–	–	–	–
140	Non-financial corporations	1,335	54	–	1,476	–	2	–	–	–	(876)	–	(2)	–	–	–
<b>150</b>	<b>Off-balance-sheet exposures</b>	<b>152,072</b>	<b>147,279</b>	<b>4,751</b>	<b>370</b>	<b>240</b>	<b>131</b>	<b>(271)</b>	<b>(149)</b>	<b>(122)</b>	<b>(7)</b>	<b>(6)</b>	<b>(1)</b>		<b>9,359</b>	<b>54</b>
170	General governments	715	715	–	–	–	–	–	–	–	–	–	–		67	–
180	Credit institutions	1,821	1,821	–	–	–	–	–	–	–	–	–	–		1,529	–
190	Other financial corporations	25,030	24,943	87	7	7	–	(7)	(5)	(2)	–	–	–		1,886	–
200	Non-financial corporations	39,660	37,685	1,975	139	84	56	(104)	(54)	(50)	(1)	–	(1)		5,877	54
210	Households	84,846	82,115	2,689	224	149	75	(160)	(90)	(70)	(6)	(6)	–		–	–
<b>220</b>	<b>Total</b>	<b>766,545</b>	<b>711,404</b>	<b>46,825</b>	<b>13,054</b>	<b>1,056</b>	<b>7,632</b>	<b>(2,268)</b>	<b>(933)</b>	<b>(1,320)</b>	<b>(2,222)</b>	<b>(59)</b>	<b>(1,079)</b>	<b>(358)</b>	<b>374,647</b>	<b>8,154</b>

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

		31 Dec 2023															
		Gross carrying amount/nominal amount <sup>1</sup>						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions <sup>1</sup>						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 £m	On performing exposures £m	On non-performing exposures £m	
		Of which stage 1	Of which stage 2	Of which stage 3	Of which stage 2	Of which stage 3	Of which stage 1	Of which stage 2	Of which stage 3	Of which stage 2	Of which stage 3	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	75,748	75,748	–	–	–	–	–	–	–	–	–	–	–	–	–	–
010	Loans and advances	494,770	436,297	52,388	10,763	782	7,144	(2,336)	(907)	(1,410)	(1,389)	(57)	(1,137)	(358)	363,610	7,882	
020	Central banks	1,421	1,420	–	–	–	–	–	–	–	–	–	–	–	–	–	
030	General governments	1,147	1,126	6	–	–	–	(1)	–	–	–	–	–	–	1,032	–	
040	Credit institutions	18,702	18,702	–	5	5	–	(8)	(8)	–	–	–	–	–	31	–	
050	Other financial corporations	55,987	55,012	174	44	1	43	(32)	(23)	(9)	(18)	–	(18)	–	288	3	
060	Non-financial corporations	63,478	55,844	7,558	2,287	232	2,055	(577)	(214)	(363)	(418)	–	(418)	(358)	35,669	851	
070	Of which SMEs	29,938	26,006	3,933	1,420	65	1,355	(212)	(74)	(138)	(122)	–	(122)	–	20,617	652	
080	Households	354,035	304,193	44,650	8,427	544	5,046	(1,718)	(662)	(1,038)	(953)	(57)	(701)	–	326,590	7,028	
090	Debt securities	44,835	42,189	81	1,239	–	2	(15)	(13)	(2)	(721)	–	(2)	–	–	–	
110	General governments	18,961	18,911	–	–	–	–	(4)	(4)	–	–	–	–	–	–	–	
120	Credit institutions	11,768	11,768	–	–	–	–	(1)	(1)	–	–	–	–	–	–	–	
130	Other financial corporations	12,600	11,461	81	–	–	–	(10)	(8)	(2)	–	–	–	–	–	–	
140	Non-financial corporations	1,506	49	–	1,239	–	2	–	–	–	(721)	–	(2)	–	–	–	
150	Off-balance-sheet exposures	145,009	139,187	5,764	389	239	149	(314)	(160)	(154)	(8)	(6)	(2)	–	9,094	41	
170	General governments	624	624	–	–	–	–	–	–	–	–	–	–	–	175	–	
180	Credit institutions	2,417	2,417	–	–	–	–	–	–	–	–	–	–	–	1,850	–	
190	Other financial corporations	24,167	23,902	265	11	11	–	(12)	(8)	(5)	–	–	–	–	1,682	–	
200	Non-financial corporations	39,919	37,534	2,385	154	84	70	(130)	(58)	(72)	(2)	–	(2)	–	5,387	41	
210	Households	77,882	74,710	3,114	224	144	79	(172)	(94)	(77)	(6)	(6)	–	–	–	–	
220	Total	760,362	693,421	58,233	12,391	1,021	7,295	(2,665)	(1,080)	(1,566)	(2,118)	(63)	(1,141)	(358)	372,704	7,923	

<sup>1</sup> 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	20,430	81,557	84,765	325,909	190	512,851
2	Debt securities	24	6,421	22,597	16,731	—	45,773
<b>3</b>	<b>Total</b>	<b>20,454</b>	<b>87,978</b>	<b>107,362</b>	<b>342,640</b>	<b>190</b>	<b>558,624</b>

		31 Dec 2023					
		£m	£m	£m	£m	£m	£m
1	Loans and advances <sup>1</sup>	23,799	67,206	85,305	325,323	176	501,809
2	Debt securities	26	3,301	23,313	18,698	—	45,338
3	Total	23,825	70,507	108,618	344,021	176	547,147

**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	10,764
020	Inflows to non-performing portfolios	3,175
030	Outflows from non-performing portfolios	(2,865)
040	Outflows due to write-offs	(624)
050	Outflow due to other situations	(2,241)
<b>060</b>	<b>Final stock of non-performing loans and advances at 30 June 2024</b>	<b>11,074</b>

## 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
<b>010</b>	<b>Loans and advances</b>	<b>1,293</b>	<b>4,975</b>	<b>4,616</b>	<b>4,615</b>	<b>(36)</b>	<b>(684)</b>	<b>3,945</b>	<b>2,936</b>
040	Credit institutions	–	4	–	–	–	–	–	–
050	Other financial corporations	11	49	49	49	–	(23)	3	1
060	Non-financial corporations	203	1,982	1,851	1,850	(4)	(359)	692	608
070	Households	1,079	2,940	2,716	2,716	(32)	(302)	3,250	2,327
<b>080</b>	<b>Debt Securities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>090</b>	<b>Loan commitments given</b>	<b>123</b>	<b>207</b>	<b>77</b>	<b>77</b>	<b>(3)</b>	<b>(5)</b>	<b>–</b>	<b>–</b>
<b>100</b>	<b>Total</b>	<b>1,416</b>	<b>5,182</b>	<b>4,693</b>	<b>4,692</b>	<b>(39)</b>	<b>(689)</b>	<b>3,945</b>	<b>2,936</b>
31 Dec 2023									
		£m	£m	£m	£m	£m	£m	£m	£m
010	Loans and advances	1,516	4,853	4,554	4,554	(39)	(724)	3,913	2,752
040	Credit institutions	–	5	–	–	–	–	–	–
050	Other financial corporations	28	42	42	42	–	(18)	3	1
060	Non-financial corporations	316	1,967	1,868	1,868	(2)	(393)	679	527
070	Households	1,172	2,839	2,644	2,644	(37)	(313)	3,231	2,224
080	Debt Securities	–	–	–	–	–	–	–	–
090	Loan commitments given	146	208	82	82	(3)	(4)	–	–
100	Total	1,662	5,061	4,636	4,636	(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
<b>010</b>	<b>On-balance-sheet exposures</b>	<b>562,836</b>	<b>10,293</b>	<b>(3,338)</b>		<b>(874)</b>
040	Netherlands	15,881	16	(22)		–
050	United Kingdom	479,635	10,144	(3,193)		(874)
060	United States	20,502	–	(18)		–
070	Other countries	46,818	133	(105)		–
<b>080</b>	<b>Off-balance-sheet exposures</b>	<b>152,442</b>	<b>131</b>		<b>(278)</b>	
110	Netherlands	1,996	16		(3)	
120	United Kingdom	127,613	112		(256)	
130	United States	13,038	–		(12)	
140	Other countries	9,795	3		(7)	
<b>150</b>	<b>Total</b>	<b>715,278</b>	<b>10,424</b>	<b>(3,338)</b>	<b>(278)</b>	<b>(874)</b>

		31 Dec 2023				
		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	551,607	10,065	(3,741)		(720)
030	Luxembourg	6,418	–	(5)		–
040	Netherlands	15,521	16	(24)		–
050	United Kingdom	475,595	9,923	(3,582)		(720)
060	United States	16,972	–	(27)		–
070	Other countries	37,101	126	(103)		–
080	Off-balance-sheet exposures	145,398	146		(322)	
100	Luxembourg	1,993	–		(1)	
110	Netherlands	1,666	15		(4)	
120	United Kingdom	120,560	129		(295)	
130	United States	12,524	–		(14)	
140	Other countries	8,655	2		(8)	
150	Total	697,005	10,211	(3,741)	(322)	(720)

## 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	6,786	293	(60)	—
020	Mining and quarrying	163	2	(1)	—
030	Manufacturing	4,733	100	(46)	—
040	Electricity, gas, steam and air conditioning supply	3,742	—	(16)	—
050	Water supply	974	2	(5)	—
060	Construction	3,466	295	(171)	—
070	Wholesale and retail trade	7,121	215	(99)	—
080	Transport and storage	2,098	81	(22)	—
090	Accommodation and food service activities	2,176	184	(47)	—
100	Information and communication	3,095	75	(20)	—
110	Financial and insurance activities				
120	Real estate activities	20,271	537	(228)	—
130	Professional, scientific and technical activities	2,297	105	(37)	—
140	Administrative and support service activities	2,920	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	3,299	92	(43)	—
180	Arts, entertainment and recreation	412	36	(11)	—
190	Other services	654	36	(18)	—
<b>200</b>	<b>Total</b>	<b>65,324</b>	<b>2,138</b>	<b>(864)</b>	<b>—</b>

		31 Dec 2023			
		£m	£m	£m	£m
010	Agriculture, forestry and fishing	7,142	323	(78)	—
020	Mining and quarrying	363	3	(10)	—
030	Manufacturing	4,744	132	(77)	—
040	Electricity, gas, steam and air conditioning supply	2,970	—	(14)	—
050	Water supply	936	3	(4)	—
060	Construction	3,889	463	(207)	—
070	Wholesale and retail trade	7,041	196	(97)	—
080	Transport and storage	2,295	51	(32)	—
090	Accommodation and food service activities	2,035	191	(39)	—
100	Information and communication	2,605	69	(33)	—
110	Financial and insurance activities				
120	Real estate activities	20,942	293	(251)	—
130	Professional, scientific and technical activities	2,396	75	(38)	—
140	Administrative and support service activities	2,581	55	(27)	—
150	Public administration and defence, compulsory social security	21	—	—	—
160	Education	1,108	37	(13)	—
170	Human health services and social work activities	3,297	107	(50)	—
180	Arts, entertainment and recreation	513	32	(12)	—
190	Other services	887	25	(13)	—
<b>200</b>	<b>Total</b>	<b>65,765</b>	<b>2,055</b>	<b>(995)</b>	<b>—</b>

## 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	139,464	373,388	367,393	5,995	1
Debt securities	45,772	—	—	—	—
<b>Total</b>	<b>185,236</b>	<b>373,388</b>	<b>367,393</b>	<b>5,995</b>	<b>1</b>
Of which non-performing exposures	2,368	8,100	7,749	352	—
Of which defaulted	385	7,693	—	—	—
	31 Dec 2023				
	£m	£m	£m	£m	£m
	£m	£m	£m	£m	£m
Loans and advances	130,317	371,491	364,877	6,615	13
Debt securities	45,338	—	—	—	—
<b>Total</b>	<b>175,655</b>	<b>371,491</b>	<b>364,877</b>	<b>6,615</b>	<b>13</b>
Of which non-performing exposures	2,011	7,882	7,486	396	—
Of which defaulted	449	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 <sup>1</sup>	
	On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density
	£m	£m	£m	£m	£m	%
1 Central governments or central banks	73,072	522	78,400	462	1,453	2%
2 Regional government or local authorities	769	—	769	—	34	4%
3 Public sector entities	2,919	—	2,919	—	—	—
4 Multilateral development banks	8,997	—	8,997	—	—	—
5 International organisations	664	—	663	—	—	—
6 Institutions	315	1	316	203	121	23%
7 Corporates	4,610	5,961	4,243	1,697	4,869	82%
8 Retail	11,831	21,852	11,489	73	8,368	72%
9 Secured by mortgages on immovable property	5,070	66	5,070	12	1,884	37%
10 Exposures in default	707	35	663	8	781	116%
13 Institutions and corporates with a short-term credit assessment	—	—	—	105	52	50%
14 Collective investment undertakings	1,660	7	1,660	7	1,647	99%
16 Other items	3,921	—	3,921	—	2,946	75%
<b>17 Total</b>	<b>114,535</b>	<b>28,444</b>	<b>119,110</b>	<b>2,567</b>	<b>22,155</b>	<b>18%</b>

Exposure classes	31 Dec 2023					
	£m	£m	£m	£m	£m	%
1 Central governments or central banks	87,003	277	93,170	432	1,829	2%
2 Regional government or local authorities	646	—	647	—	32	5%
3 Public sector entities	2,542	—	2,542	—	—	—
4 Multilateral development banks	9,004	—	9,004	—	—	—
5 International organisations	500	—	500	—	—	—
6 Institutions	259	1	263	209	102	22%
7 Corporates	4,841	5,703	4,555	1,623	5,142	83%
8 Retail	11,589	22,088	11,166	90	8,275	74%
9 Secured by mortgages on immovable property	5,191	40	5,191	7	1,921	37%
10 Exposures in default	735	23	685	9	829	119%
13 Institutions and corporates with a short-term credit assessment	74	235	74	135	98	47%
14 Collective investment undertakings	1,594	12	1,594	12	1,505	94%
16 Other items	2,928	—	2,928	—	2,341	80%
<b>17 Total</b>	<b>126,906</b>	<b>28,379</b>	<b>132,319</b>	<b>2,517</b>	<b>22,074</b>	<b>16%</b>

<sup>1</sup> 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																	
Exposure classes	Risk weight															Total £m	Of which unrated £m
	0% £m	2% £m	4% £m	10% £m	20% £m	35% £m	50% £m	70% £m	75% £m	100% £m	150% £m	250% £m	370% £m	1250% £m	Others £m		
1 Central governments or central banks	78,272	—	—	—	—	—	—	—	—	14	—	575	—	—	—	78,862	—
2 Regional government or local authorities	598	—	—	—	171	—	—	—	—	—	—	—	—	—	—	769	—
3 Public sector entities	2,919	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,919	—
4 Multilateral development banks	8,997	—	—	—	—	—	—	—	—	—	—	—	—	—	—	8,997	—
5 International organisations	663	—	—	—	—	—	—	—	—	—	—	—	—	—	—	663	—
6 Institutions	—	—	204	—	223	—	50	—	—	40	2	—	—	—	—	519	41
7 Corporates	—	—	—	—	85	—	1,077	—	—	4,759	20	—	—	—	—	5,940	4,671
8 Retail exposures	—	—	—	—	—	—	—	—	11,562	—	—	—	—	—	—	11,562	11,562
9 Exposures secured by mortgages on immovable property	—	—	—	—	—	4,836	—	—	37	208	—	—	—	—	—	5,082	5,082
10 Exposures in default	—	—	—	—	—	—	—	—	—	452	220	—	—	—	—	671	671
13 Exposures to institutions and corporates with a short-term credit assessment	—	—	—	—	—	—	105	—	—	—	—	—	—	—	—	105	—
14 Units or shares in collective investment undertakings	92	—	—	—	548	—	22	—	—	27	968	—	—	3	7	1,667	1,119
16 Other items	264	—	—	—	889	—	—	—	—	2,768	—	—	—	—	—	3,921	3,921
<b>17 Total</b>	<b>91,805</b>	<b>—</b>	<b>204</b>	<b>—</b>	<b>1,916</b>	<b>4,836</b>	<b>1,254</b>	<b>—</b>	<b>11,599</b>	<b>8,268</b>	<b>1,210</b>	<b>575</b>	<b>—</b>	<b>3</b>	<b>7</b>	<b>121,677</b>	<b>27,067</b>

31 Dec 2023																	
Exposure classes	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1 Central governments or central banks <sup>1</sup>	92,859	—	—	—	—	—	—	—	—	19	—	724	—	—	—	93,602	—
2 Regional government or local authorities	486	—	—	—	160	—	—	—	—	—	—	—	—	—	—	646	—
3 Public sector entities	2,542	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,542	—
4 Multilateral development banks	9,004	—	—	—	—	—	—	—	—	—	—	—	—	—	—	9,004	—
5 International organisations	500	—	—	—	—	—	—	—	—	—	—	—	—	—	—	500	—
6 Institutions	—	—	214	—	188	—	31	—	—	38	2	—	—	—	—	473	40
7 Corporates	—	—	—	—	14	—	1,118	—	—	5,031	14	—	—	1	—	6,177	4,941
8 Retail exposures	—	—	—	—	—	—	—	—	11,255	—	—	—	—	—	—	11,255	11,255
9 Exposures secured by mortgages on immovable property	—	—	—	—	—	4,958	—	—	37	203	—	—	—	—	—	5,199	5,199
10 Exposures in default	—	—	—	—	—	—	—	—	—	425	269	—	—	—	—	694	694
13 Exposures to institutions and corporates with a short-term credit assessment	—	—	—	—	21	—	188	—	—	—	—	—	—	—	—	209	—
14 Units or shares in collective investment undertakings	101	—	—	—	576	—	8	—	—	32	875	—	—	2	13	1,607	1,031
16 Other items	70	—	—	—	646	—	—	—	—	2,212	—	—	—	—	—	2,928	2,928
<b>17 Total</b>	<b>105,562</b>	<b>—</b>	<b>214</b>	<b>—</b>	<b>1,605</b>	<b>4,958</b>	<b>1,345</b>	<b>—</b>	<b>11,292</b>	<b>7,960</b>	<b>1,160</b>	<b>724</b>	<b>—</b>	<b>3</b>	<b>13</b>	<b>134,836</b>	<b>26,088</b>

1. Central Governments or Central Banks '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.



**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	
Central Governments or Central Banks	£m	£m	%	£m	%	No.	%	No.	£m	%	£m	£m	
<b>0.00 to &lt;0.15</b>	<b>9,976</b>	<b>247</b>	<b>74.96%</b>	<b>9,764</b>	<b>0.01%</b>	<b>14</b>	<b>45.00%</b>	<b>0.4</b>	<b>176</b>	<b>1.80%</b>	<b>—</b>	<b>—</b>	
0.00 to <0.10	9,976	247	74.96%	9,764	0.01%	14	45.00%	0.4	176	1.80%	—	—	
<b>0.25 to &lt;0.50</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>0.42%</b>	<b>1</b>	<b>45.00%</b>	<b>5.0</b>	<b>—</b>	<b>97.82%</b>	<b>—</b>	<b>—</b>	
<b>0.75 to &lt;2.50</b>	<b>65</b>	<b>1</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	
0.75 to <1.75	65	1	—	—	—	1	—	—	—	—	—	—	
<b>2.50 to &lt;10.00</b>	<b>38</b>	<b>65</b>	<b>75.00%</b>	<b>—</b>	<b>6.20%</b>	<b>4</b>	<b>45.00%</b>	<b>1.4</b>	<b>1</b>	<b>157.76%</b>	<b>—</b>	<b>—</b>	
2.50 to <5.00	8	65	—	—	—	2	—	—	—	—	—	—	
5.00 to <10.00	30	—	75.00%	—	6.20%	2	45.00%	1.4	1	157.76%	—	—	
<b>10.00 to &lt;100.00</b>	<b>38</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	
10.00 to <20.00	38	—	—	—	—	1	—	—	—	—	—	—	
<b>Subtotal</b>	<b>10,117</b>	<b>313</b>	<b>74.95%</b>	<b>9,764</b>	<b>0.01%</b>	<b>21</b>	<b>45.00%</b>	<b>0.4</b>	<b>177</b>	<b>1.81%</b>	<b>—</b>	<b>—</b>	
31 Dec 2023													
Central Governments or Central Banks	£m	£m	%	£m	%	No.	%	No.	£m	%	£m	£m	
0.00 to <0.15	8,526	224	74.93%	8,264	0.01%	17	45.00%	1.3	384	4.64%	—	—	
0.00 to <0.10	8,526	224	74.93%	8,264	0.01%	17	45.00%	1.3	384	4.64%	—	—	
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	—	—	—	—	—	—	
<b>Subtotal</b>	<b>8,684</b>	<b>292</b>	<b>74.93%</b>	<b>8,268</b>	<b>0.01%</b>	<b>26</b>	<b>45.00%</b>	<b>1.3</b>	<b>388</b>	<b>4.69%</b>	<b>—</b>	<b>—</b>	

## 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	
<b>0.00 to &lt;0.15</b>	<b>11,213</b>	<b>854</b>	<b>19.17%</b>	<b>11,410</b>	<b>0.05%</b>	<b>760</b>	<b>36.59%</b>	<b>1.3</b>	<b>1,672</b>	<b>14.66%</b>	<b>4</b>	<b>—</b>	
0.00 to <0.10	10,016	553	22.24%	10,172	0.04%	637	37.35%	1.3	1,425	14.01%	3	—	
0.10 to <0.15	1,197	301	13.43%	1,238	0.11%	123	30.40%	1.3	247	19.93%	1	—	
<b>0.15 to &lt;0.25</b>	<b>48</b>	<b>108</b>	<b>35.42%</b>	<b>98</b>	<b>0.18%</b>	<b>40</b>	<b>44.92%</b>	<b>2.1</b>	<b>60</b>	<b>60.99%</b>	<b>—</b>	<b>—</b>	
<b>0.25 to &lt;0.50</b>	<b>180</b>	<b>92</b>	<b>75.42%</b>	<b>249</b>	<b>0.33%</b>	<b>61</b>	<b>18.35%</b>	<b>2.6</b>	<b>71</b>	<b>28.36%</b>	<b>—</b>	<b>—</b>	
<b>0.50 to &lt;0.75</b>	<b>50</b>	<b>49</b>	<b>1.63%</b>	<b>51</b>	<b>0.63%</b>	<b>40</b>	<b>42.22%</b>	<b>1.2</b>	<b>47</b>	<b>92.18%</b>	<b>—</b>	<b>—</b>	
<b>0.75 to &lt;2.50</b>	<b>79</b>	<b>25</b>	<b>74.37%</b>	<b>58</b>	<b>1.06%</b>	<b>59</b>	<b>41.16%</b>	<b>1.8</b>	<b>63</b>	<b>108.78%</b>	<b>—</b>	<b>1</b>	
0.75 to <1.75	79	25	74.37%	58	1.06%	56	41.16%	1.8	63	108.78%	—	1	
1.75 to <2.50	—	—	—	—	1.90%	3	40.00%	1.1	—	112.20%	—	—	
<b>2.50 to &lt;10.00</b>	<b>1</b>	<b>1,500</b>	<b>75.00%</b>	<b>1,126</b>	<b>2.60%</b>	<b>21</b>	<b>0.04%</b>	<b>1.0</b>	<b>2</b>	<b>0.15%</b>	<b>—</b>	<b>—</b>	
2.50 to <5.00	1	1,500	75.00%	1,126	2.60%	13	0.03%	1.0	1	0.09%	—	—	
5.00 to <10.00	—	—	75.00%	—	6.20%	8	45.00%	1.1	1	215.15%	—	—	
<b>10.00 to &lt;100.00</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>31.00%</b>	<b>4</b>	<b>45.00%</b>	<b>1.0</b>	<b>1</b>	<b>299.22%</b>	<b>—</b>	<b>—</b>	
10.00 to <20.00	—	—	—	—	12.00%	1	45.00%	—	—	248.60%	—	—	
30.00 to <100.00	—	—	—	—	31.00%	3	45.00%	1.0	1	299.22%	—	—	
<b>100.00 (Default)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	
<b>Subtotal</b>	<b>11,571</b>	<b>2,628</b>	<b>53.75%</b>	<b>12,992</b>	<b>0.29%</b>	<b>985</b>	<b>33.18%</b>	<b>1.3</b>	<b>1,916</b>	<b>14.75%</b>	<b>4</b>	<b>1</b>	

31 Dec 2023													
Institutions	£m	£m	%	£m	%	No.	%	No.	£m	%	£m	£m	
0.00 to <0.15	12,273	1,191	18.18%	12,502	0.06%	858	36.83%	1.2	1,997	15.98%	4	1	
0.00 to <0.10	10,328	829	19.74%	10,504	0.05%	717	36.90%	1.3	1,524	14.51%	3	1	
0.10 to <0.15	1,945	362	14.57%	1,998	0.11%	141	36.46%	0.9	473	23.70%	1	—	
0.15 to <0.25	34	104	29.09%	64	0.18%	43	44.86%	1.8	35	54.62%	—	—	
0.25 to <0.50	238	69	62.26%	280	0.34%	69	26.53%	2.5	120	42.63%	1	—	
0.50 to <0.75	52	30	2.63%	53	0.63%	45	42.42%	1.1	49	92.71%	—	—	
0.75 to <2.50	51	190	27.17%	103	1.03%	63	42.71%	1.4	120	116.72%	1	1	
0.75 to <1.75	51	190	27.17%	103	1.03%	59	42.71%	1.4	120	116.71%	1	1	
1.75 to <2.50	—	—	—	—	1.90%	4	43.02%	1.3	—	123.06%	—	—	
2.50 to <10.00	1	1,500	75.01%	1,127	2.60%	26	0.08%	1.0	3	0.29%	—	—	
2.50 to <5.00	1	1,500	75.01%	1,127	2.60%	16	0.07%	1.0	3	0.23%	—	—	
5.00 to <10.00	—	—	75.00%	—	6.20%	10	45.00%	1.1	—	150.32%	—	—	
10.00 to <100.00	—	—	—	—	30.55%	10	45.00%	1.0	1	292.57%	—	—	
10.00 to <20.00	—	—	—	—	20.00%	2	45.00%	1.0	—	268.31%	—	—	
30.00 to <100.00	—	—	—	—	31.00%	8	45.00%	1.0	1	293.60%	—	—	
<b>100.00 (Default)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>45.00%</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	
<b>Subtotal</b>	<b>12,649</b>	<b>3,084</b>	<b>47.48%</b>	<b>14,129</b>	<b>0.28%</b>	<b>1,114</b>	<b>33.79%</b>	<b>1.2</b>	<b>2,325</b>	<b>16.46%</b>	<b>6</b>	<b>2</b>	

## 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
	£m	£m	%	£m	%	No.	%	No.	£m	%	£m	£m
<b>Corporate SME</b>												
<b>0.00 to &lt;0.15</b>	<b>607</b>	<b>509</b>	<b>13.86%</b>	<b>678</b>	<b>0.06%</b>	<b>225</b>	<b>40.07%</b>	<b>3.8</b>	<b>161</b>	<b>23.74%</b>	<b>—</b>	<b>—</b>
0.00 to <0.10	488	290	24.12%	558	0.05%	159	39.81%	3.9	121	21.65%	—	—
0.10 to <0.15	119	219	0.32%	120	0.11%	66	41.31%	3.3	40	33.43%	—	—
<b>0.15 to &lt;0.25</b>	<b>412</b>	<b>82</b>	<b>62.17%</b>	<b>460</b>	<b>0.18%</b>	<b>219</b>	<b>43.92%</b>	<b>2.3</b>	<b>158</b>	<b>34.31%</b>	<b>—</b>	<b>—</b>
<b>0.25 to &lt;0.50</b>	<b>578</b>	<b>308</b>	<b>27.45%</b>	<b>635</b>	<b>0.38%</b>	<b>1,207</b>	<b>41.79%</b>	<b>3.5</b>	<b>349</b>	<b>54.93%</b>	<b>1</b>	<b>1</b>
<b>0.50 to &lt;0.75</b>	<b>883</b>	<b>422</b>	<b>6.54%</b>	<b>855</b>	<b>0.57%</b>	<b>17,805</b>	<b>40.25%</b>	<b>3.5</b>	<b>476</b>	<b>55.67%</b>	<b>2</b>	<b>3</b>
<b>0.75 to &lt;2.50</b>	<b>2,135</b>	<b>861</b>	<b>22.64%</b>	<b>2,209</b>	<b>1.24%</b>	<b>13,383</b>	<b>40.35%</b>	<b>3.2</b>	<b>1,642</b>	<b>74.34%</b>	<b>13</b>	<b>13</b>
0.75 to <1.75	2,130	861	22.64%	2,204	1.24%	13,350	40.34%	3.2	1,639	74.34%	13	13
1.75 to <2.50	5	—	—	5	2.00%	33	44.90%	1.5	3	76.71%	—	—
<b>2.50 to &lt;10.00</b>	<b>1,521</b>	<b>377</b>	<b>23.33%</b>	<b>1,509</b>	<b>4.01%</b>	<b>6,761</b>	<b>38.50%</b>	<b>2.8</b>	<b>1,368</b>	<b>90.63%</b>	<b>27</b>	<b>33</b>
2.50 to <5.00	1,060	301	26.99%	1,067	3.06%	3,636	38.33%	2.8	918	86.02%	14	20
5.00 to <10.00	461	76	8.80%	442	6.30%	3,125	38.90%	2.8	450	101.99%	13	13
<b>10.00 to &lt;100.00</b>	<b>209</b>	<b>27</b>	<b>16.71%</b>	<b>193</b>	<b>19.87%</b>	<b>2,096</b>	<b>39.05%</b>	<b>2.5</b>	<b>282</b>	<b>145.79%</b>	<b>18</b>	<b>11</b>
10.00 to <20.00	138	15	8.92%	132	12.55%	1,750	38.12%	2.3	174	131.74%	8	5
30.00 to <100.00	71	12	26.74%	61	35.69%	346	41.05%	3.0	108	176.19%	10	6
<b>100.00 (Default)</b>	<b>428</b>	<b>23</b>	<b>15.85%</b>	<b>404</b>	<b>100.00%</b>	<b>948</b>	<b>39.97%</b>	<b>2.1</b>	<b>—</b>	<b>—</b>	<b>162</b>	<b>74</b>
<b>Subtotal</b>	<b>6,773</b>	<b>2,609</b>	<b>20.09%</b>	<b>6,943</b>	<b>7.77%</b>	<b>42,644</b>	<b>40.22%</b>	<b>3.1</b>	<b>4,436</b>	<b>63.88%</b>	<b>223</b>	<b>135</b>
31 Dec 2023												
Corporate SME	£m	£m	%	£m	%	No.	%	No.	£m	%	£m	£m
0.00 to <0.15	626	615	24.76%	778	0.07%	232	41.06%	4.1	212	27.24%	—	—
0.00 to <0.10	450	395	21.51%	534	0.05%	166	40.49%	4.1	122	22.82%	—	—
0.10 to <0.15	176	220	30.60%	244	0.11%	66	42.31%	4.0	90	36.92%	—	—
0.15 to <0.25	179	28	36.62%	187	0.19%	219	41.52%	2.9	78	41.61%	—	—
0.25 to <0.50	605	296	13.54%	603	0.39%	1,236	41.35%	3.6	330	54.84%	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
0.75 to <2.50	2,184	850	15.21%	2,151	1.28%	13,552	40.43%	3.1	1,562	72.63%	13	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%	13	17
1.75 to <2.50	4	—	—	4	2.00%	32	45.00%	1.3	3	74.71%	—	—
2.50 to <10.00	1,428	356	25.92%	1,397	3.98%	6,314	39.91%	2.9	1,283	91.80%	24	30
2.50 to <5.00	974	289	28.66%	968	2.98%	3,476	40.34%	2.9	851	87.91%	13	19
5.00 to <10.00	454	67	14.19%	429	6.24%	2,838	38.93%	3.0	432	100.57%	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
10.00 to <20.00	117	10	9.52%	108	13.01%	1,528	37.38%	2.1	142	131.47%	6	4
30.00 to <100.00	73	22	38.60%	66	32.69%	333	41.65%	2.4	119	180.36%	9	8
<b>100.00 (Default)</b>	<b>417</b>	<b>37</b>	<b>24.38%</b>	<b>395</b>	<b>100.00%</b>	<b>913</b>	<b>40.43%</b>	<b>2.4</b>	<b>—</b>	<b>—</b>	<b>160</b>	<b>87</b>
<b>Subtotal</b>	<b>6,569</b>	<b>2,660</b>	<b>18.12%</b>	<b>6,596</b>	<b>7.92%</b>	<b>42,608</b>	<b>40.43%</b>	<b>3.2</b>	<b>4,261</b>	<b>64.60%</b>	<b>215</b>	<b>150</b>

**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
<b>0.00 to &lt;0.15</b>	<b>15,358</b>	<b>21,584</b>	<b>52.47%</b>	<b>27,027</b>	<b>0.09%</b>	<b>656</b>	<b>42.66%</b>	<b>2.2</b>	<b>7,008</b>	<b>25.93%</b>	<b>11</b>	<b>19</b>
0.00 to <0.10	3,926	9,916	47.36%	8,883	0.05%	313	41.38%	2.7	1,936	21.79%	2	7
0.10 to <0.15	11,432	11,668	56.87%	18,144	0.11%	343	43.29%	1.9	5,072	27.95%	9	12
<b>0.15 to &lt;0.25</b>	<b>4,993</b>	<b>4,066</b>	<b>56.75%</b>	<b>7,547</b>	<b>0.18%</b>	<b>2,836</b>	<b>43.63%</b>	<b>2.3</b>	<b>3,241</b>	<b>42.94%</b>	<b>7</b>	<b>10</b>
<b>0.25 to &lt;0.50</b>	<b>5,816</b>	<b>10,094</b>	<b>53.16%</b>	<b>10,605</b>	<b>0.35%</b>	<b>4,295</b>	<b>37.72%</b>	<b>2.1</b>	<b>5,643</b>	<b>53.21%</b>	<b>17</b>	<b>33</b>
<b>0.50 to &lt;0.75</b>	<b>2,304</b>	<b>1,679</b>	<b>27.90%</b>	<b>2,728</b>	<b>0.62%</b>	<b>5,936</b>	<b>41.45%</b>	<b>1.8</b>	<b>2,004</b>	<b>73.48%</b>	<b>8</b>	<b>14</b>
<b>0.75 to &lt;2.50</b>	<b>4,391</b>	<b>4,569</b>	<b>65.91%</b>	<b>7,137</b>	<b>1.18%</b>	<b>7,464</b>	<b>29.14%</b>	<b>1.9</b>	<b>5,049</b>	<b>70.75%</b>	<b>31</b>	<b>57</b>
0.75 to <1.75	4,303	4,557	66.09%	7,049	1.17%	6,214	28.95%	1.9	4,950	70.22%	30	57
1.75 to <2.50	88	12	—	88	1.96%	1,250	44.50%	1.5	99	112.87%	1	—
<b>2.50 to &lt;10.00</b>	<b>1,825</b>	<b>1,657</b>	<b>48.40%</b>	<b>2,476</b>	<b>3.68%</b>	<b>3,011</b>	<b>42.63%</b>	<b>2.3</b>	<b>3,595</b>	<b>145.22%</b>	<b>45</b>	<b>70</b>
2.50 to <5.00	1,511	1,472	47.18%	2,061	3.11%	2,301	42.78%	2.3	2,833	137.43%	32	50
5.00 to <10.00	314	185	58.05%	415	6.51%	710	41.82%	2.1	762	183.55%	13	20
<b>10.00 to &lt;100.00</b>	<b>137</b>	<b>31</b>	<b>48.29%</b>	<b>152</b>	<b>23.35%</b>	<b>221</b>	<b>42.47%</b>	<b>1.7</b>	<b>372</b>	<b>243.74%</b>	<b>17</b>	<b>19</b>
10.00 to <20.00	54	21	40.58%	63	12.31%	149	43.98%	1.3	132	210.74%	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%	13	7
<b>100.00 (Default)</b>	<b>566</b>	<b>78</b>	<b>45.80%</b>	<b>601</b>	<b>100.00%</b>	<b>565</b>	<b>43.91%</b>	<b>1.6</b>	<b>—</b>	<b>—</b>	<b>264</b>	<b>160</b>
<b>Subtotal</b>	<b>35,390</b>	<b>43,758</b>	<b>53.29%</b>	<b>58,273</b>	<b>1.55%</b>	<b>24,984</b>	<b>40.19%</b>	<b>2.1</b>	<b>26,912</b>	<b>46.18%</b>	<b>400</b>	<b>382</b>
31 Dec 2023												
Corporate Main	£m	£m	%	£m	%	No.	%	No.	£m	%	£m	£m
0.00 to <0.15	14,161	21,038	53.04%	25,580	0.09%	650	42.89%	2.4	6,998	27.36%	12	28
0.00 to <0.10	4,078	8,842	48.28%	8,531	0.05%	299	42.01%	3.0	2,062	24.17%	3	9
0.10 to <0.15	10,083	12,196	56.54%	17,049	0.11%	351	43.34%	2.0	4,936	28.95%	9	19
0.15 to <0.25	5,136	6,107	55.81%	8,793	0.18%	2,750	44.08%	2.1	3,582	40.74%	8	17
0.25 to <0.50	7,213	9,905	56.96%	12,583	0.34%	4,201	38.34%	2.2	6,823	54.22%	21	48
0.50 to <0.75	2,141	2,065	42.59%	2,840	0.62%	6,011	40.89%	2.2	2,218	78.10%	10	23
0.75 to <2.50	3,419	4,545	64.46%	6,219	1.17%	7,300	27.54%	2.2	4,208	67.66%	25	65
0.75 to <1.75	3,335	4,534	64.63%	6,136	1.16%	6,012	27.31%	2.2	4,114	67.05%	24	65
1.75 to <2.50	84	11	—	83	1.97%	1,288	44.50%	1.5	94	112.65%	1	—
2.50 to <10.00	2,430	1,897	45.81%	3,018	3.75%	3,244	43.50%	2.2	4,393	145.53%	55	130
2.50 to <5.00	2,090	1,763	46.14%	2,629	3.20%	2,565	43.42%	2.3	3,672	139.63%	41	95
5.00 to <10.00	340	134	41.54%	389	7.44%	679	44.07%	1.5	721	185.41%	14	35
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
<b>100.00 (Default)</b>	<b>630</b>	<b>109</b>	<b>52.30%</b>	<b>686</b>	<b>100.00%</b>	<b>580</b>	<b>41.89%</b>	<b>1.8</b>	<b>—</b>	<b>—</b>	<b>288</b>	<b>191</b>
<b>Subtotal</b>	<b>35,302</b>	<b>45,714</b>	<b>54.64%</b>	<b>59,915</b>	<b>1.70%</b>	<b>24,961</b>	<b>40.44%</b>	<b>2.3</b>	<b>28,719</b>	<b>47.93%</b>	<b>440</b>	<b>529</b>

**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
<b>Residential mortgages (SME)</b>											
<b>0.50 to &lt;0.75</b>	<b>1,472</b>	<b>155</b>	<b>97.32%</b>	<b>1,599</b>	<b>0.54%</b>	<b>12,245</b>	<b>18.21%</b>	<b>197</b>	<b>12.30%</b>	<b>2</b>	<b>31</b>
<b>0.75 to &lt;2.50</b>	<b>1,294</b>	<b>138</b>	<b>98.24%</b>	<b>1,413</b>	<b>1.13%</b>	<b>8,748</b>	<b>16.48%</b>	<b>298</b>	<b>21.08%</b>	<b>4</b>	<b>14</b>
0.75 to <1.75	1,294	138	98.24%	1,413	1.13%	8,748	16.48%	298	21.08%	4	14
<b>2.50 to &lt;10.00</b>	<b>439</b>	<b>20</b>	<b>97.11%</b>	<b>453</b>	<b>4.09%</b>	<b>2,934</b>	<b>17.69%</b>	<b>222</b>	<b>49.00%</b>	<b>5</b>	<b>12</b>
2.50 to <5.00	231	12	97.36%	240	2.62%	1,515	17.53%	93	38.49%	2	6
5.00 to <10.00	208	8	96.74%	213	5.72%	1,419	17.80%	129	60.61%	3	6
<b>10.00 to &lt;100.00</b>	<b>135</b>	<b>4</b>	<b>97.54%</b>	<b>137</b>	<b>22.50%</b>	<b>1,098</b>	<b>18.51%</b>	<b>119</b>	<b>86.47%</b>	<b>8</b>	<b>11</b>
10.00 to <20.00	100	2	96.96%	101	13.04%	852	18.76%	92	90.24%	4	8
30.00 to <100.00	35	2	98.43%	36	49.46%	246	17.79%	27	75.73%	4	3
<b>100.00 (Default)</b>	<b>121</b>	<b>6</b>	<b>98.43%</b>	<b>126</b>	<b>100.00%</b>	<b>422</b>	<b>18.57%</b>	<b>28</b>	<b>21.96%</b>	<b>22</b>	<b>32</b>
<b>Subtotal</b>	<b>3,461</b>	<b>323</b>	<b>97.72%</b>	<b>3,728</b>	<b>5.36%</b>	<b>25,447</b>	<b>17.51%</b>	<b>864</b>	<b>23.16%</b>	<b>41</b>	<b>100</b>
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
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
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
<b>Subtotal</b>	<b>3,763</b>	<b>358</b>	<b>97.79%</b>	<b>4,051</b>	<b>5.30%</b>	<b>26,878</b>	<b>17.32%</b>	<b>915</b>	<b>22.60%</b>	<b>44</b>	<b>108</b>

**CR6: Credit risk exposures by portfolio and PD range** continued

PD range	30 Jun 2024										
	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Residential mortgages (non-SME) <sup>12</sup>	£m	£m	%	£m	%	No.	%	£m	%	£m	£m
<b>0.00 to &lt;0.15</b>	<b>219,730</b>	<b>18,065</b>	<b>104.29%</b>	<b>248,287</b>	<b>0.25%</b>	<b>1,528,855</b>	<b>10.58%</b>	<b>21,724</b>	<b>8.75%</b>	<b>95</b>	<b>103</b>
0.00 to <0.10	171,983	17,919	104.37%	198,302	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
<b>0.15 to &lt;0.25</b>	<b>39,527</b>	<b>991</b>	<b>83.45%</b>	<b>41,866</b>	<b>0.60%</b>	<b>288,629</b>	<b>12.28%</b>	<b>7,477</b>	<b>17.86%</b>	<b>42</b>	<b>49</b>
<b>0.25 to &lt;0.50</b>	<b>31,413</b>	<b>251</b>	<b>59.42%</b>	<b>32,931</b>	<b>1.08%</b>	<b>274,949</b>	<b>9.64%</b>	<b>7,656</b>	<b>23.25%</b>	<b>54</b>	<b>73</b>
<b>0.50 to &lt;0.75</b>	<b>9,404</b>	<b>69</b>	<b>54.69%</b>	<b>9,863</b>	<b>1.60%</b>	<b>81,979</b>	<b>8.41%</b>	<b>2,876</b>	<b>29.16%</b>	<b>23</b>	<b>32</b>
<b>0.75 to &lt;2.50</b>	<b>9,219</b>	<b>131</b>	<b>51.86%</b>	<b>9,700</b>	<b>2.92%</b>	<b>78,704</b>	<b>8.20%</b>	<b>3,753</b>	<b>38.68%</b>	<b>39</b>	<b>59</b>
0.75 to <1.75	8,046	125	51.82%	8,471	2.62%	68,188	8.20%	3,122	36.86%	31	47
1.75 to <2.50	1,173	6	52.69%	1,229	4.99%	10,516	8.20%	631	51.37%	8	12
<b>2.50 to &lt;10.00</b>	<b>3,506</b>	<b>13</b>	<b>61.23%</b>	<b>3,666</b>	<b>15.20%</b>	<b>29,655</b>	<b>8.14%</b>	<b>2,696</b>	<b>73.53%</b>	<b>66</b>	<b>86</b>
2.50 to <5.00	1,732	4	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
<b>10.00 to &lt;100.00</b>	<b>3,905</b>	<b>2</b>	<b>54.20%</b>	<b>4,018</b>	<b>50.84%</b>	<b>30,585</b>	<b>8.04%</b>	<b>2,848</b>	<b>70.89%</b>	<b>273</b>	<b>78</b>
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%	671	42.70%	5,180	7.68%	583	86.78%	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	29
<b>100.00 (Default)</b>	<b>3,188</b>	<b>1</b>	<b>8.09%</b>	<b>3,188</b>	<b>100.00%</b>	<b>21,186</b>	<b>9.87%</b>	<b>10,653</b>	<b>334.13%</b>	<b>330</b>	<b>665</b>
<b>Subtotal</b>	<b>319,892</b>	<b>19,523</b>	<b>102.10%</b>	<b>353,519</b>	<b>2.11%</b>	<b>2,334,542</b>	<b>10.51%</b>	<b>59,683</b>	<b>16.88%</b>	<b>922</b>	<b>1,145</b>

**CR6: Credit risk exposures by portfolio and PD range** continued

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 (%)	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 (non-SME) <sup>2</sup>												
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	6	60.37%	2,118	3.41%	19,262	8.75%	845	39.92%	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 <2.50	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	
2.50 to <5.00	1,468	4	96.05%	1,532	16.98%	12,261	8.42%	1,239	80.84%	32	45	
5.00 to <10.00	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	
10.00 to <20.00	966	—	95.67%	995	39.06%	7,777	8.35%	1,003	100.77%	51	23	
20.00 to <30.00	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%	57,807	16.71%	936	1,319	

<sup>1</sup> 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.

<sup>2</sup> 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

PD range	30 Jun 2024										
	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
<b>0.00 to &lt;0.15</b>	<b>998</b>	<b>15,298</b>	<b>67.89%</b>	<b>11,384</b>	<b>0.09%</b>	<b>8,704,199</b>	<b>57.74%</b>	<b>405</b>	<b>3.56%</b>	<b>6</b>	<b>48</b>
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
<b>0.15 to &lt;0.25</b>	<b>589</b>	<b>6,542</b>	<b>68.12%</b>	<b>5,045</b>	<b>0.20%</b>	<b>4,103,224</b>	<b>60.90%</b>	<b>375</b>	<b>7.44%</b>	<b>7</b>	<b>19</b>
<b>0.25 to &lt;0.50</b>	<b>1,291</b>	<b>9,588</b>	<b>65.96%</b>	<b>7,615</b>	<b>0.36%</b>	<b>5,875,969</b>	<b>63.52%</b>	<b>962</b>	<b>12.63%</b>	<b>20</b>	<b>31</b>
<b>0.50 to &lt;0.75</b>	<b>928</b>	<b>4,116</b>	<b>72.57%</b>	<b>3,915</b>	<b>0.62%</b>	<b>3,716,681</b>	<b>70.55%</b>	<b>833</b>	<b>21.27%</b>	<b>19</b>	<b>20</b>
<b>0.75 to &lt;2.50</b>	<b>3,632</b>	<b>6,901</b>	<b>74.50%</b>	<b>8,775</b>	<b>1.37%</b>	<b>7,297,048</b>	<b>76.29%</b>	<b>3,665</b>	<b>41.76%</b>	<b>102</b>	<b>101</b>
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	1,270	74.57%	2,053	2.09%	1,419,443	77.36%	1,200	58.43%	37	38
<b>2.50 to &lt;10.00</b>	<b>3,114</b>	<b>1,739</b>	<b>76.79%</b>	<b>4,451</b>	<b>4.60%</b>	<b>2,418,789</b>	<b>78.42%</b>	<b>4,499</b>	<b>101.07%</b>	<b>178</b>	<b>185</b>
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
<b>10.00 to &lt;100.00</b>	<b>903</b>	<b>170</b>	<b>94.06%</b>	<b>1,081</b>	<b>28.92%</b>	<b>694,283</b>	<b>78.27%</b>	<b>2,307</b>	<b>213.52%</b>	<b>268</b>	<b>133</b>
10.00 to <20.00	464	94	96.53%	555	13.50%	310,866	79.06%	1,085	195.44%	65	57
20.00 to <30.00	119	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
<b>100.00 (Default)</b>	<b>247</b>	<b>44</b>	<b>—</b>	<b>247</b>	<b>100.00%</b>	<b>292,178</b>	<b>72.59%</b>	<b>556</b>	<b>225.07%</b>	<b>140</b>	<b>129</b>
<b>Subtotal</b>	<b>11,702</b>	<b>44,398</b>	<b>69.35%</b>	<b>42,513</b>	<b>2.25%</b>	<b>33,102,371</b>	<b>66.93%</b>	<b>13,602</b>	<b>32.00%</b>	<b>740</b>	<b>666</b>

Qualifying revolving retail exposures	31 Dec 2023										
	£m	£m	%	£m	%	No.	%	£m	%	£m	£m
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 <2.5	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
<b>100.00 (Default)</b>	<b>238</b>	<b>—</b>	<b>—</b>	<b>238</b>	<b>100.00%</b>	<b>270,657</b>	<b>72.47%</b>	<b>526</b>	<b>221.11%</b>	<b>134</b>	<b>130</b>
<b>Subtotal</b>	<b>10,921</b>	<b>43,196</b>	<b>65.93%</b>	<b>39,427</b>	<b>2.36%</b>	<b>32,561,650</b>	<b>67.06%</b>	<b>13,087</b>	<b>33.19%</b>	<b>710</b>	<b>739</b>



**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	
<b>Retail Other SME</b>												
<b>0.50 to &lt;0.75</b>	<b>1,236</b>	<b>271</b>	<b>90.80%</b>	<b>455</b>	<b>0.54%</b>	<b>54,350</b>	<b>77.45%</b>	<b>213</b>	<b>46.95%</b>	<b>2</b>	<b>11</b>	
<b>0.75 to &lt;2.50</b>	<b>1,312</b>	<b>207</b>	<b>94.39%</b>	<b>469</b>	<b>1.14%</b>	<b>64,505</b>	<b>77.09%</b>	<b>389</b>	<b>82.82%</b>	<b>8</b>	<b>8</b>	
0.75 to <1.75	1,312	207	94.39%	469	1.14%	64,505	77.09%	389	82.82%	8	8	
<b>2.50 to &lt;10.00</b>	<b>563</b>	<b>60</b>	<b>95.28%</b>	<b>200</b>	<b>4.17%</b>	<b>34,662</b>	<b>79.41%</b>	<b>235</b>	<b>117.46%</b>	<b>13</b>	<b>4</b>	
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	
<b>10.00 to &lt;100.00</b>	<b>229</b>	<b>13</b>	<b>94.01%</b>	<b>81</b>	<b>29.07%</b>	<b>45,349</b>	<b>84.00%</b>	<b>134</b>	<b>165.97%</b>	<b>30</b>	<b>3</b>	
10.00 to <20.00	142	10	94.21%	52	13.44%	39,542	84.30%	86	166.16%	12	2	
30.00 to <100.00	87	3	93.23%	29	56.31%	5,807	82.72%	48	164.17%	18	1	
<b>100.00 (Default)</b>	<b>584</b>	<b>3</b>	<b>93.40%</b>	<b>264</b>	<b>100.00%</b>	<b>78,378</b>	<b>6.26%</b>	<b>101</b>	<b>38.36%</b>	<b>16</b>	<b>21</b>	
<b>Subtotal</b>	<b>3,924</b>	<b>554</b>	<b>92.71%</b>	<b>1,469</b>	<b>20.70%</b>	<b>277,244</b>	<b>65.14%</b>	<b>1,072</b>	<b>72.99%</b>	<b>69</b>	<b>47</b>	
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	
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	
30.00 to <100.00	89	3	91.70%	27	57.25%	5,919	85.75%	53	194.08%	18	1	
<b>100.00 (Default)</b>	<b>677</b>	<b>4</b>	<b>93.12%</b>	<b>259</b>	<b>100.00%</b>	<b>72,453</b>	<b>8.33%</b>	<b>102</b>	<b>39.30%</b>	<b>21</b>	<b>21</b>	
<b>Subtotal</b>	<b>4,636</b>	<b>575</b>	<b>92.54%</b>	<b>1,477</b>	<b>20.09%</b>	<b>280,901</b>	<b>65.68%</b>	<b>1,171</b>	<b>79.24%</b>	<b>74</b>	<b>51</b>	

## 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	
<b>Retail Other non-SME</b>												
<b>0.00 to &lt;0.15</b>	<b>465</b>	<b>1</b>	<b>30.00%</b>	<b>466</b>	<b>0.08%</b>	<b>26,068</b>	<b>35.92%</b>	<b>46</b>	<b>9.88%</b>	<b>—</b>	<b>1</b>	
0.00 to <0.10	458	—	30.00%	459	0.08%	23,957	35.34%	44	9.63%	—	1	
0.10 to <0.15	7	1	30.00%	7	0.14%	2,111	72.97%	2	25.61%	—	—	
<b>0.15 to &lt;0.25</b>	<b>52</b>	<b>3</b>	<b>30.00%</b>	<b>55</b>	<b>0.21%</b>	<b>12,789</b>	<b>75.29%</b>	<b>19</b>	<b>35.55%</b>	<b>—</b>	<b>—</b>	
<b>0.25 to &lt;0.50</b>	<b>4,427</b>	<b>11</b>	<b>30.00%</b>	<b>4,437</b>	<b>0.37%</b>	<b>361,219</b>	<b>38.15%</b>	<b>1,299</b>	<b>29.27%</b>	<b>6</b>	<b>64</b>	
<b>0.50 to &lt;0.75</b>	<b>3,269</b>	<b>9</b>	<b>30.00%</b>	<b>3,277</b>	<b>0.72%</b>	<b>228,102</b>	<b>42.13%</b>	<b>1,499</b>	<b>45.74%</b>	<b>10</b>	<b>55</b>	
<b>0.75 to &lt;2.50</b>	<b>5,615</b>	<b>40</b>	<b>30.00%</b>	<b>5,650</b>	<b>1.57%</b>	<b>515,393</b>	<b>62.11%</b>	<b>4,835</b>	<b>85.58%</b>	<b>57</b>	<b>112</b>	
0.75 to <1.75	4,523	26	30.00%	4,546	1.44%	398,619	57.27%	3,515	77.31%	37	87	
1.75 to <2.50	1,092	14	30.00%	1,104	2.10%	116,774	82.02%	1,320	119.60%	20	25	
<b>2.50 to &lt;10.00</b>	<b>3,743</b>	<b>32</b>	<b>30.00%</b>	<b>3,772</b>	<b>4.55%</b>	<b>377,921</b>	<b>67.67%</b>	<b>4,279</b>	<b>113.44%</b>	<b>123</b>	<b>107</b>	
2.50 to <5.00	2,479	20	30.00%	2,497	3.41%	250,050	69.39%	2,817	112.81%	64	65	
5.00 to <10.00	1,264	12	30.00%	1,275	6.78%	127,871	64.30%	1,462	114.67%	59	42	
<b>10.00 to &lt;100.00</b>	<b>734</b>	<b>8</b>	<b>30.00%</b>	<b>741</b>	<b>26.56%</b>	<b>81,975</b>	<b>57.38%</b>	<b>1,059</b>	<b>142.80%</b>	<b>116</b>	<b>60</b>	
10.00 to <20.00	295	5	30.00%	300	12.34%	39,462	69.80%	439	146.58%	28	13	
20.00 to <30.00	180	1	30.00%	181	21.46%	16,656	46.11%	239	131.75%	19	17	
30.00 to <100.00	259	2	30.00%	260	46.47%	25,857	50.93%	381	146.17%	69	30	
<b>100.00 (Default)</b>	<b>221</b>	<b>—</b>	<b>—</b>	<b>221</b>	<b>100.00%</b>	<b>49,512</b>	<b>54.85%</b>	<b>351</b>	<b>158.79%</b>	<b>123</b>	<b>112</b>	
<b>Subtotal</b>	<b>18,526</b>	<b>104</b>	<b>30.00%</b>	<b>18,619</b>	<b>3.86%</b>	<b>1,652,979</b>	<b>53.12%</b>	<b>13,387</b>	<b>71.90%</b>	<b>435</b>	<b>511</b>	
		31 Dec 2023										
Retail Other non-SME	£m	£m	%	£m	%	No.	%	£m	%	£m	£m	
0.00 to <0.15	411	—	30.00%	412	0.08%	24,083	36.77%	42	10.27%	—	2	
0.00 to <0.10	404	—	30.00%	405	0.08%	21,927	36.13%	40	10.00%	—	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	4,370	6	30.00%	4,378	0.37%	362,577	37.79%	1,287	29.40%	5	62	
0.50 to <0.75	3,222	5	30.00%	3,229	0.73%	225,892	41.62%	1,484	45.94%	9	58	
0.75 to <2.50	5,159	20	30.00%	5,189	1.57%	478,341	59.80%	4,338	83.60%	50	113	
0.75 to <1.75	4,258	13	30.00%	4,278	1.46%	377,754	55.14%	3,248	75.93%	33	88	
1.75 to <2.50	901	7	30.00%	911	2.11%	100,587	81.70%	1,090	119.65%	17	25	
2.50 to <10.00	3,459	15	30.00%	3,481	4.56%	345,029	66.27%	3,905	112.17%	111	104	
2.50 to <5.00	2,286	9	30.00%	2,300	3.42%	225,284	67.78%	2,559	111.26%	57	65	
5.00 to <10.00	1,173	6	30.00%	1,181	6.78%	119,745	63.34%	1,346	113.95%	54	39	
10.00 to <100.00	719	5	30.00%	726	27.12%	82,849	57.03%	1,045	143.98%	116	53	
10.00 to <20.00	282	3	30.00%	286	12.35%	38,752	69.29%	418	146.48%	27	12	
20.00 to <30.00	169	1	30.00%	170	21.54%	16,350	46.85%	230	135.11%	18	13	
30.00 to <100.00	268	1	30.00%	270	46.29%	27,747	50.53%	397	147.12%	71	28	
<b>100.00 (Default)</b>	<b>226</b>	<b>—</b>	<b>30.00%</b>	<b>226</b>	<b>100.00%</b>	<b>51,011</b>	<b>55.57%</b>	<b>357</b>	<b>158.04%</b>	<b>128</b>	<b>115</b>	
<b>Subtotal</b>	<b>17,619</b>	<b>52</b>	<b>30.00%</b>	<b>17,696</b>	<b>3.98%</b>	<b>1,583,295</b>	<b>51.65%</b>	<b>12,478</b>	<b>70.51%</b>	<b>419</b>	<b>507</b>	

## 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 RWAs
Funded credit Protection (FCP)											Unfunded credit Protection (UFCP) <sup>2</sup>		RWA with substitution effects
Total exposure at default	Of which						Part of exposures covered by Other funded credit protection	Of which			Part of exposures covered by Guarantees	Part of exposures covered by Credit Derivatives	
	Part of exposures covered by Financial Collaterals	Part of exposures covered by Other eligible collaterals <sup>1</sup>	Part of exposures covered by Immovable property Collaterals <sup>1</sup>	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				
£m	%	%	%	%	%	%	%	%	%	%	%	%	£m
<b>A-IRB</b>													
<b>4 Retail</b>	<b>419,849</b>	<b>—</b>	<b>84.86%</b>	<b>84.86%</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>88,607</b>
4.1 Of which Retail – Immovable property SMEs	3,729	0.06%	93.30%	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	18,619	—	—	—	—	—	—	—	—	—	—	—	13,387
<b>5 Total</b>	<b>419,849</b>	<b>—</b>	<b>84.86%</b>	<b>84.86%</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>88,607</b>
<b>F-IRB</b>													
<b>1 Central governments and central banks</b>	<b>9,764</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>6.20%</b>	<b>—</b>	<b>177</b>
<b>2 Institutions</b>	<b>13,064</b>	<b>49.04%</b>	<b>1.21%</b>	<b>—</b>	<b>—</b>	<b>1.21%</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>0.54%</b>	<b>—</b>	<b>1,932</b>
<b>3 Corporates</b>	<b>78,889</b>	<b>6.65%</b>	<b>16.79%</b>	<b>13.14%</b>	<b>1.79%</b>	<b>1.86%</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>2.06%</b>	<b>0.41%</b>	<b>40,627</b>
3.1 Of which Corporates – SMEs	6,943	1.42%	57.27%	42.92%	14.31%	0.04%	—	—	—	—	5.27%	—	4,436
3.2 Of which Corporates – Specialised lending <sup>3</sup>	13,654	—	—	—	—	—	—	—	—	—	—	—	9,260
3.3 Of which Corporates – Other	58,292	8.83%	15.91%	12.67%	0.72%	2.52%	—	—	—	—	2.16%	0.55%	26,932
<b>4 Total</b>	<b>101,717</b>	<b>7.16%</b>	<b>13.18%</b>	<b>10.19%</b>	<b>1.39%</b>	<b>1.60%</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>2.26%</b>	<b>0.32%</b>	<b>42,735</b>

## 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 RWAs
		Funded credit Protection (FCP)									Unfunded credit Protection (UFCP) <sup>2</sup>			
		Of which					Of which							
		Part of exposures covered by Financial Collaterals	Part of exposures covered by Other eligible collaterals <sup>1</sup>	Part of exposures covered by Immovable property Collaterals <sup>1</sup>	Part of exposures covered by Receivables	Part of exposures covered by Other physical collateral	Part of exposures covered by Other funded credit protection	Part of exposures covered by Cash on deposit	Part of exposures covered by Life insurance policies	Part of exposures covered by Instruments held by a third party	Part of exposures covered by Guarantees	Part of exposures covered by Credit Derivatives	RWA with substitution effects (both reduction and substitution effects)	
A-IRB	Total exposure at default	£m	%	%	%	%	%	%	%	%	%	%	£m	
4	Retail	408,694	—	79.65%	79.65%	—	—	—	—	—	—	—	85,459	
4.1	Of which Retail – Immovable property SMEs	4,051	0.04%	93.56%	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	17,696	—	—	—	—	—	—	—	—	—	—	12,478	
5	Total	408,694	—	79.65%	79.65%	—	—	—	—	—	—	—	85,459	
F-IRB														
1	Central governments and central banks	8,269	—	—	—	—	—	—	—	—	—	7.92%	—	388
2	Institutions	14,136	43.28%	1.11%	—	—	1.11%	—	—	—	—	—	—	2,329
3	Corporates	79,160	6.59%	15.53%	11.99%	1.79%	1.75%	—	—	—	—	1.77%	0.36%	41,787
3.1	Of which Corporates – SMEs	6,596	1.08%	57.15%	42.69%	14.42%	0.04%	—	—	—	—	6.90%	—	4,261
3.2	Of which Corporates – Specialised lending <sup>3</sup>	12,619	—	—	—	—	—	—	—	—	—	—	—	8,778
3.3	Of which Corporates – Other	59,945	8.59%	14.23%	11.14%	0.78%	2.31%	—	—	—	—	1.58%	0.48%	28,748
4	Total	101,565	11.16%	12.26%	9.35%	1.39%	1.52%	—	—	—	—	2.02%	0.28%	44,504

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 £m	Off-balance sheet exposure £m	Risk weight	Exposure value £m	Risk weighted exposure amount £m	Expected loss amount £m
1) Strong	Less than 2.5 years	829	760	50%	1,346	671	–
	Equal to or more than 2.5 years	2,064	1,190	70%	2,956	1,971	12
2) Good	Less than 2.5 years	95	16	70%	106	75	–
	Equal to or more than 2.5 years	415	94	90%	487	438	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	150	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	83	6		87	–	44
	Equal to or more than 2.5 years	2	2		3	–	2
<b>Total</b>	<b>Less than 2.5 years</b>	<b>1,020</b>	<b>784</b>		<b>1,554</b>	<b>763</b>	<b>44</b>
	<b>Equal to or more than 2.5 years</b>	<b>2,612</b>	<b>1,337</b>		<b>3,616</b>	<b>2,656</b>	<b>25</b>

		31 Dec 2023					
Regulatory categories	Remaining maturity	£m	£m		£m	£m	£m
1) Strong	Less than 2.5 years	718	462	50%	1,016	508	–
	Equal to or more than 2.5 years	1,756	1,051	70%	2,545	1,697	10
2) Good	Less than 2.5 years	127	38	70%	157	110	1
	Equal to or more than 2.5 years	491	255	90%	739	665	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	59	–		59	–	29
	Equal to or more than 2.5 years	1	1		2	–	1
<b>Total</b>	<b>Less than 2.5 years</b>	<b>919</b>	<b>502</b>		<b>1,248</b>	<b>637</b>	<b>30</b>
	<b>Equal to or more than 2.5 years</b>	<b>2,310</b>	<b>1,330</b>		<b>3,366</b>	<b>2,502</b>	<b>21</b>

## 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 £m	Off-balance sheet exposure £m	Risk weight	Exposure value £m	Risk weighted exposure amount £m	Expected loss amount £m
1) Strong	Less than 2.5 years	2,140	344	50%	2,236	1,118	—
	Equal to or more than 2.5 years	1,495	147	70%	1,594	1,113	6
2) Good	Less than 2.5 years	1,811	130	70%	1,894	1,326	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%	124	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
	<b>Less than 2.5 years</b>	<b>4,419</b>	<b>481</b>		<b>4,603</b>	<b>2,626</b>	<b>178</b>
<b>Total</b>	<b>Equal to or more than 2.5 years</b>	<b>3,652</b>	<b>235</b>		<b>3,812</b>	<b>3,153</b>	<b>37</b>

		31 Dec 2023					
Regulatory categories	Remaining maturity	£m	£m		£m	£m	£m
1) Strong	Less than 2.5 years	2,017	477	50%	2,218	1,107	—
	Equal to or more than 2.5 years	953	99	70%	1,007	702	4
2) Good	Less than 2.5 years	1,948	150	70%	2,038	1,426	8
	Equal to or more than 2.5 years	1,700	179	90%	1,830	1,647	15
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	228	6
4) Weak	Less than 2.5 years	56	1	250%	57	141	5
	Equal to or more than 2.5 years	9	—	250%	9	24	1
5) Default	Less than 2.5 years	295	7		299	—	150
	Equal to or more than 2.5 years	16	—		16	—	8
	Less than 2.5 years	4,567	647		4,872	2,973	170
<b>Total</b>	Equal to or more than 2.5 years	<b>2,876</b>	<b>281</b>		<b>3,060</b>	<b>2,601</b>	<b>33</b>

## Credit risk continued

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

		30 Jun 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	–	–	70%	–	–	–
2) Good	Equal to or more than 2.5 years	69	–	90%	69	62	1
	<b>Less than 2.5 years</b>	–	–		–	–	–
<b>Total</b>	<b>Equal to or more than 2.5 years</b>	<b>69</b>	–		<b>69</b>	<b>62</b>	<b>1</b>

		31 Dec 2023					
Regulatory categories	Remaining maturity	£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	–	–		–	–	–
<b>Total</b>	<b>Equal to or more than 2.5 years</b>	<b>73</b>	–		<b>73</b>	<b>66</b>	<b>1</b>

CR10.5: Equity exposures subject to the simple risk weight method<sup>1</sup>

		30 Jun 2024					
Categories		On-balance sheet exposure £m	Off-balance sheet exposure £m	Risk weight	Exposure value £m	Risk weighted exposure amount £m	Expected loss amount £m
Private equity exposures		2,294	6	190%	2,300	4,370	18
Other equity exposures		165	–	370%	165	610	4
<b>Total</b>		<b>2,459</b>	<b>6</b>		<b>2,465</b>	<b>4,980</b>	<b>22</b>

		31 Dec 2023					
Categories		£m	£m		£m	£m	£m
Private equity exposures		2,230	6	190%	2,236	4,248	18
Other equity exposures		137	–	370%	137	507	3
<b>Total</b>		<b>2,367</b>	<b>6</b>		<b>2,373</b>	<b>4,755</b>	<b>21</b>

<sup>1</sup> Excludes threshold risk weighted assets (30 June 2024 £9,096million / 31 Dec 2023 £9,218 million)

## Counterparty credit risk

### CCR1: Analysis of CCR exposure by approach

		30 Jun 2024							
		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWA
		£m	£m	£m		£m	£m	£m	£m
1	SA-CCR (for derivatives)	4,054	4,857	—	1.4	26,174	12,476	12,345	5,460
4	Financial collateral comprehensive method (for SFTs)					168,238	27,650	27,650	707
<b>6</b>	<b>Total</b>					<b>194,412</b>	<b>40,126</b>	<b>39,995</b>	<b>6,167</b>

		31 Dec 2023							
		£m	£m	£m		£m	£m	£m	£m
1	SA-CCR (for derivatives)	4,574	4,855	—	1.4	26,228	13,201	13,027	5,333
4	Financial collateral comprehensive method (for SFTs)					156,122	22,377	22,377	335
6	Total					182,350	35,578	35,404	5,668

### CCR2: Credit valuation adjustment (CVA) capital charge

		30 Jun 2024		31 Dec 2023	
		Exposure value	RWA	Exposure value	RWA
		£m	£m	£m	£m
4	Transactions subject to the Standardised method	4,026	574	4,363	689
<b>5</b>	<b>Total transactions subject to own funds requirements for CVA risk</b>	<b>4,026</b>	<b>574</b>	<b>4,363</b>	<b>689</b>



## Counterparty credit risk continued

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

		30 Jun 2024										
		Risk weight										Total exposure value
Exposure classes	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	£m
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1 Central governments or central banks	23,111	—	—	—	46	—	—	—	—	—	—	23,156
3 Public sector entities	12	—	—	—	—	—	—	—	—	—	—	12
4 Multilateral development banks	182	—	—	—	—	—	—	—	—	—	—	182
5 International organisations	221	—	—	—	—	—	—	—	—	—	—	221
6 Institutions	—	1,675	534	—	—	—	—	—	—	—	—	2,208
7 Corporates	—	—	—	—	—	174	—	—	563	—	—	737
<b>11 Total exposure value</b>	<b>23,526</b>	<b>1,675</b>	<b>534</b>	<b>—</b>	<b>46</b>	<b>174</b>	<b>—</b>	<b>—</b>	<b>563</b>	<b>—</b>	<b>—</b>	<b>26,516</b>
		31 Dec 2023										
Exposure classes	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1 Central governments or central banks	19,433	—	—	—	46	—	—	—	—	—	—	19,478
3 Public sector entities	7	—	—	—	—	—	—	—	—	—	—	7
4 Multilateral development banks	275	—	—	—	—	—	—	—	—	—	—	275
5 International organisations	388	—	—	—	—	—	—	—	—	—	—	388
6 Institutions	—	1,681	545	—	—	—	—	—	—	—	—	2,226
7 Corporates	—	—	—	—	—	324	—	—	440	—	—	763
<b>11 Total exposure value</b>	<b>20,103</b>	<b>1,681</b>	<b>545</b>	<b>—</b>	<b>46</b>	<b>324</b>	<b>—</b>	<b>—</b>	<b>440</b>	<b>—</b>	<b>—</b>	<b>23,139</b>

## 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 <sup>1</sup>	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	4,039	0.09%	694	45.0%	1.8	1,107	27.4%
2	0.15 to <0.25	1,731	0.18%	305	45.0%	2.6	785	45.3%
3	0.25 to <0.50	1,548	0.34%	593	45.0%	1.9	885	57.1%
4	0.50 to <0.75	138	0.63%	154	45.0%	1.1	87	63.1%
5	0.75 to <2.50	587	1.10%	197	45.0%	4.1	712	121.5%
6	2.50 to <10.00	91	3.13%	106	45.0%	1.6	113	124.5%
7	10.00 to <100.00	—	29.81%	3	45.0%	0.1	—	234.7%
8	100.00 (Default)	1	100.00%	10	45.0%	1.2	—	—
<b>Sub-total</b>	<b>8,135</b>	<b>0.29%</b>	<b>2,062</b>	<b>45.0%</b>	<b>2.2</b>	<b>3,689</b>	<b>45.4%</b>	

		31 Dec 2023						
	£m	%	No.	%	No.	£m	%	
1	0.00 to <0.15	4,205	0.09%	977	45.0%	1.7	1,011	24.0%
2	0.15 to <0.25	1,800	0.18%	377	45.0%	2.5	790	43.9%
3	0.25 to <0.50	1,660	0.33%	867	45.0%	2.6	1,035	62.4%
4	0.50 to <0.75	265	0.63%	158	45.3%	1.2	172	65.1%
5	0.75 to <2.50	234	1.28%	214	45.0%	1.3	208	88.9%
6	2.50 to <10.00	77	3.53%	98	45.0%	1.4	97	126.3%
7	10.00 to <100.00	1	30.27%	7	45.0%	1.0	1	244.2%
8	100.00 (Default)	0	100.00%	5	45.0%	4.9	—	—
Sub-total	8,242	0.25%	2,703	45.0%	2.0	3,315	40.2%	

1. From June 2024, Number of obligors reported represents the number of obligors allocated to each range, regardless of the number of different exposures granted.

## CCR4: IRB – CCR exposure by portfolio and PD scale continued

		30 Jun 2024						
PD scale	Exposure value	Exposure weighted average PD	Number of obligors <sup>1</sup>	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	789	0.03%	10	45.0%	0.0	29	3.7%
5	0.75 to <2.50	26	1.02%	2	45.0%	0.1	17	66.4%
6	2.50 to <10.00	—	8.04%	1	45.0%	5.0	1	219.6%
<b>Sub-total</b>	<b>815</b>	<b>0.07%</b>	<b>13</b>	<b>45.0%</b>	<b>0.0</b>	<b>47</b>	<b>5.7%</b>	
		31 Dec 2023						
	£m	%	No.	%	No.	£m	%	
1	0.00 to <0.15	550	0.04%	11	45.0%	0.0	25	4.5%
5	0.75 to <2.50	33	1.60%	3	45.0%	0.2	27	82.9%
6	2.50 to <10.00	—	—	—	—	0.0	—	—
8	100.00 (Default)	0	—	—	—	0.0	0	—
<b>Sub-total</b>	<b>583</b>	<b>0.13%</b>	<b>14</b>	<b>45.0%</b>	<b>0.0</b>	<b>52</b>	<b>8.9%</b>	

1. From June 2024, Number of obligors reported represents the number of obligors allocated to each range, regardless of the number of different exposures granted.

		30 Jun 2024						
PD scale	Exposure value	Exposure weighted average PD	Number of obligors <sup>1</sup>	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	5,176	0.05%	123	45.0%	0.6	675	13.0%
2	0.15 to <0.25	122	0.18%	11	45.0%	0.1	32	26.1%
3	0.25 to <0.50	39	0.30%	34	45.0%	0.1	15	37.3%
4	0.50 to <0.75	6	0.63%	11	45.0%	0.1	3	52.9%
5	0.75 to <2.50	13	1.02%	16	45.0%	0.1	10	77.5%
<b>Sub-total</b>	<b>5,356</b>	<b>0.06%</b>	<b>195</b>	<b>45.0%</b>	<b>0.6</b>	<b>735</b>	<b>13.7%</b>	
		31 Dec 2023						
	£m	%	No.	%	No.	£m	%	
1	0.00 to <0.15	3,981	0.05%	171	45.0%	0.8	519	13.1%
2	0.15 to <0.25	85	0.18%	10	45.0%	0.3	25	29.6%
3	0.25 to <0.50	54	0.29%	35	45.0%	0.2	21	39.6%
4	0.50 to <0.75	3	0.63%	2	45.0%	0.5	2	55.4%
5	0.75 to <2.50	22	1.05%	13	45.0%	0.4	18	80.4%
<b>Sub-total</b>	<b>4,144</b>	<b>0.06%</b>	<b>231</b>	<b>45.0%</b>	<b>0.8</b>	<b>585</b>	<b>14.1%</b>	

1. From June 2024, Number of obligors reported represents the number of obligors allocated to each range, regardless of the number of different exposures granted.

## Counterparty credit risk continued

## CCR Corporate exposures subject to supervisory slotting

		30 Jun 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
1) Strong	Less than 2.5 years	50	—	50 %	49	25	—
	Equal to or more than 2.5 years	1,150	—	70 %	1,082	758	5
2) Good	Less than 2.5 years	5	—	70 %	5	3	—
	Equal to or more than 2.5 years	98	—	90 %	94	84	1
3) Satisfactory	Less than 2.5 years	—	—	115 %	—	—	—
	Equal to or more than 2.5 years	152	—	115 %	145	167	4
4) Weak	Less than 2.5 years	—	—	250 %	—	—	—
	Equal to or more than 2.5 years	2	—	250 %	1	3	—
5) Default	Less than 2.5 years	—	—		—	—	—
	Equal to or more than 2.5 years	9	—		7	—	3
	<b>Less than 2.5 years</b>	<b>55</b>	<b>—</b>		<b>54</b>	<b>28</b>	<b>—</b>
<b>Total</b>	<b>Equal to or more than 2.5 years</b>	<b>1,411</b>	<b>—</b>		<b>1,329</b>	<b>1,012</b>	<b>13</b>
		31 Dec 2023					
Regulatory categories	Remaining maturity	£m	£m	%	£m	£m	£m
1) Strong	Less than 2.5 years	57	—	50%	57	29	—
	Equal to or more than 2.5 years	1,295	—	70%	1,193	835	5
2) Good	Less than 2.5 years	7	—	70%	7	5	—
	Equal to or more than 2.5 years	249	—	90%	233	210	2
3) Satisfactory	Less than 2.5 years	—	—	115%	—	—	—
	Equal to or more than 2.5 years	28	—	115%	24	27	1
4) Weak	Less than 2.5 years	—	—	250%	—	—	—
	Equal to or more than 2.5 years	2	—	250%	1	3	—
5) Default	Less than 2.5 years	—	—		—	—	—
	Equal to or more than 2.5 years	10	—		7	—	3
	Less than 2.5 years	64	—		64	34	—
<b>Total</b>	Equal to or more than 2.5 years	<b>1,584</b>	<b>—</b>		<b>1,458</b>	<b>1,075</b>	<b>11</b>

## Counterparty credit risk continued

## CCR5: Composition of collateral for exposures to CCR

		30 Jun 2024					
		Collateral used in derivatives transactions				Collateral used in securities financing transactions (SFTs)	
		Fair value of collateral received		Fair value of collateral posted		Fair value of collateral received	Fair value of collateral posted
Collateral type		Segregated	Unsegregated	Segregated	Unsegregated	Fair value of collateral received	Fair value of collateral posted
		£m	£m	£m	£m	£m	£m
1	Cash	60	4,034	60	6,224	77,095	88,265
2	Debt	448	4,861	2,507	2,142	93,823	54,425
3	Equity	—	—	—	—	—	—
4	Other	—	—	—	—	785	59,813
<b>5</b>	<b>Total</b>	<b>508</b>	<b>8,895</b>	<b>2,567</b>	<b>8,366</b>	<b>171,703</b>	<b>202,503</b>

		31 Dec 2023					
		Collateral used in derivatives transactions				Collateral used in securities financing transactions (SFTs)	
		Fair value of collateral received		Fair value of collateral posted		Fair value of collateral received	Fair value of collateral posted
Collateral type		Segregated	Unsegregated	Segregated	Unsegregated	Fair value of collateral received	Fair value of collateral posted
		£m	£m	£m	£m	£m	£m
1	Cash	60	3,732	60	6,659	77,644	77,225
2	Debt	449	4,638	2,113	2,724	89,675	57,175
3	Equity	—	—	—	—	—	—
4	Other	—	—	—	—	581	55,449
<b>5</b>	<b>Total</b>	<b>509</b>	<b>8,370</b>	<b>2,173</b>	<b>9,383</b>	<b>167,900</b>	<b>189,849</b>

**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
<b>Notionals</b>				
1 Single-name credit default swaps	1,882	24	1,815	24
2 Index credit default swaps	928	290	682	17
3 Total return swaps	4,184	1,239	5,270	1,065
4 Credit options	—	5,443	—	5,443
5 Other credit derivatives	—	—	—	—
<b>6 Total notionals</b>	<b>6,994</b>	<b>6,996</b>	<b>7,767</b>	<b>6,549</b>
<b>Fair values</b>				
7 Positive fair value (asset)	564	11	1,039	69
8 Negative fair value (liability)	(86)	(32)	(172)	(34)

**CCR8: Exposures to CCPs**

	30 Jun 2024		31 Dec 2023	
	Exposure value	RWA	Exposure value	RWA
	£m	£m	£m	£m
<b>1 Exposures to QCCPs (total)</b>		<b>188</b>		<b>178</b>
2 Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	2,191	54	1,812	47
3 (i) OTC derivatives	958	19	906	18
4 (ii) Exchange-traded derivatives	790	26	671	24
5 (iii) SFTs	443	9	235	5
6 (iv) Netting sets where cross-product netting has been approved				
8 Non-segregated initial margin	18	1	413	8
9 Prefunded default fund contributions	255	133	291	123
<b>11 Exposures to non-QCCPs (total)</b>		<b>—</b>		<b>—</b>

**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	STS	Non-STs	Synthetic	Sub-total
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	
<b>1</b>	<b>Total exposures</b>	—	—	<b>3,138</b>	—	<b>14,299</b>	<b>14,299</b>	<b>17,437</b>	<b>781</b>	<b>3,829</b>	—	<b>4,610</b>	<b>7,263</b>	<b>12,604</b>	—	<b>19,867</b>
<b>2</b>	<b>Retail (total)</b>	—	—	<b>3,138</b>	—	—	—	<b>3,138</b>	<b>582</b>	<b>3,174</b>	—	<b>3,756</b>	<b>6,784</b>	<b>8,752</b>	—	<b>15,536</b>
3	Residential mortgage	—	—	<b>1,641</b>	—	—	—	<b>1,641</b>	—	<b>339</b>	—	<b>339</b>	<b>1,237</b>	<b>3,971</b>	—	<b>5,208</b>
4	Credit card	—	—	—	—	—	—	—	—	—	—	—	—	<b>615</b>	—	<b>615</b>
5	Other retail exposures	—	—	<b>1,497</b>	—	—	—	<b>1,497</b>	<b>582</b>	<b>2,835</b>	—	<b>3,417</b>	<b>5,547</b>	<b>4,166</b>	—	<b>9,713</b>
<b>7</b>	<b>Wholesale (total)</b>	—	—	—	—	<b>14,299</b>	<b>14,299</b>	<b>14,299</b>	<b>199</b>	<b>655</b>	—	<b>854</b>	<b>479</b>	<b>3,852</b>	—	<b>4,331</b>
8	Loans to corporates	—	—	—	—	<b>9,349</b>	<b>9,349</b>	<b>9,349</b>	—	—	—	—	<b>10</b>	<b>352</b>	—	<b>362</b>
9	Commercial mortgage	—	—	—	—	<b>1,612</b>	<b>1,612</b>	<b>1,612</b>	—	—	—	—	—	<b>935</b>	—	<b>935</b>
10	Lease and receivables	—	—	—	—	—	—	—	<b>199</b>	<b>514</b>	—	<b>713</b>	<b>208</b>	<b>2,012</b>	—	<b>2,220</b>
11	Other wholesale	—	—	—	—	<b>3,338</b>	<b>3,338</b>	<b>3,338</b>	—	<b>141</b>	—	<b>141</b>	<b>261</b>	<b>553</b>	—	<b>814</b>
		31 Dec 2023														
1	Total exposures	—	—	4,134	—	12,626	12,626	16,760	928	3,794	—	4,722	6,255	12,950	—	19,205
2	Retail (total)	—	—	4,134	—	—	—	4,134	724	3,154	—	3,878	5,903	9,029	—	14,932
3	Residential mortgage	—	—	1,807	—	—	—	1,807	—	339	—	339	1,068	4,187	—	5,255
4	Credit card	—	—	—	—	—	—	—	—	—	—	—	—	610	—	610
5	Other retail exposures	—	—	2,327	—	—	—	2,327	724	2,815	—	3,539	4,835	4,232	—	9,067
7	Wholesale (total)	—	—	—	—	12,626	12,626	12,626	204	640	—	844	352	3,921	—	4,273
8	Loans to corporates	—	—	—	—	7,559	7,559	7,559	—	—	—	—	12	508	—	520
9	Commercial mortgage	—	—	—	—	1,716	1,716	1,716	—	—	—	—	—	937	—	937
10	Lease and receivables	—	—	—	—	—	—	—	204	521	—	725	80	1,962	—	2,042
11	Other wholesale	—	—	—	—	3,351	3,351	3,351	—	119	—	119	260	514	—	774

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	
<b>1</b>	<b>Total exposures</b>	<b>10,677</b>	<b>9,846</b>	<b>1,400</b>	<b>112</b>	<b>13</b>	<b>15,826</b>	<b>4,707</b>	<b>1,516</b>	<b>—</b>	<b>4,468</b>	<b>996</b>	<b>674</b>	<b>—</b>	<b>357</b>	<b>80</b>	<b>54</b>	<b>—</b>	
<b>2</b>	<b>Traditional transactions</b>	<b>4,984</b>	<b>2,521</b>	<b>190</b>	<b>41</b>	<b>13</b>	<b>3,139</b>	<b>4,611</b>	<b>—</b>	<b>—</b>	<b>1,041</b>	<b>865</b>	<b>—</b>	<b>—</b>	<b>83</b>	<b>70</b>	<b>—</b>	<b>—</b>	
3	Securitisation	4,984	2,521	190	41	13	3,139	4,611	—	—	1,041	865	—	—	83	70	—	—	
4	Retail underlying	4,524	2,266	51	41	13	3,139	3,757	—	—	1,041	657	—	—	83	53	—	—	
5	Of which STS	582	—	—	—	—	—	582	—	—	—	58	—	—	—	5	—	—	
6	Wholesale	460	255	139	—	—	—	854	—	—	—	208	—	—	—	17	—	—	
7	Of which STS	199	—	—	—	—	—	199	—	—	—	20	—	—	—	2	—	—	
<b>9</b>	<b>Synthetic transactions</b>	<b>5,693</b>	<b>7,325</b>	<b>1,210</b>	<b>71</b>	<b>—</b>	<b>12,687</b>	<b>96</b>	<b>1,516</b>	<b>—</b>	<b>3,427</b>	<b>131</b>	<b>674</b>	<b>—</b>	<b>274</b>	<b>10</b>	<b>54</b>	<b>—</b>	
10	Securitisation	5,693	7,325	1,210	71	—	12,687	96	1,516	—	3,427	131	674	—	274	10	54	—	
12	Wholesale	5,693	7,325	1,210	71	—	12,687	96	1,516	—	3,427	131	674	—	274	10	54	—	
		31 Dec 2023																	
1	Total exposures	11,801	8,196	1,352	105	27	15,044	4,818	1,620	—	4,329	1,027	625	—	346	82	50	—	
2	Traditional transactions	5,938	2,648	203	39	27	4,134	4,722	—	—	1,474	888	—	—	118	71	—	—	
3	Securitisation	5,938	2,648	203	39	27	4,134	4,722	—	—	1,474	888	—	—	118	71	—	—	
4	Retail underlying	5,464	2,393	89	39	27	4,134	3,878	—	—	1,474	689	—	—	118	55	—	—	
5	Of which STS	724	—	—	—	—	—	724	—	—	—	72	—	—	—	6	—	—	
6	Wholesale	474	255	114	—	—	—	844	—	—	—	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	—	

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



## 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)				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
<b>1</b>	<b>Total exposures</b>	<b>18,953</b>	<b>852</b>	<b>3</b>	<b>60</b>	<b>—</b>	<b>—</b>	<b>2,836</b>	<b>17,032</b>	<b>—</b>	<b>—</b>	<b>495</b>	<b>2,443</b>	<b>—</b>	<b>—</b>	<b>40</b>	<b>195</b>	<b>—</b>
<b>2</b>	<b>Traditional transactions</b>	<b>18,953</b>	<b>852</b>	<b>3</b>	<b>60</b>	<b>—</b>	<b>—</b>	<b>2,836</b>	<b>17,032</b>	<b>—</b>	<b>—</b>	<b>495</b>	<b>2,443</b>	<b>—</b>	<b>—</b>	<b>40</b>	<b>195</b>	<b>—</b>
3	Securitisation	18,953	852	3	60	—	—	2,836	17,032	—	—	495	2,443	—	—	40	195	—
4	Retail underlying	15,528	9	—	—	—	—	2,604	12,934	—	—	341	1,706	—	—	27	136	—
5	Of which STS	6,785	—	—	—	—	—	1,393	5,391	—	—	139	551	—	—	11	44	—
6	Wholesale	3,425	843	3	60	—	—	232	4,098	—	—	154	737	—	—	12	59	—
7	Of which STS	478	1	—	—	—	—	19	460	—	—	2	46	—	—	4	—	—
<b>9</b>	<b>Synthetic transactions</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
		31 Dec 2023																
1	Total exposures	18,240	762	27	178	—	—	2,680	16,526	—	—	615	2,363	—	—	49	189	—
2	Traditional transactions	18,240	762	27	178	—	—	2,680	16,526	—	—	615	2,363	—	—	49	189	—
3	Securitisation	18,240	762	27	178	—	—	2,680	16,526	—	—	615	2,363	—	—	49	189	—
4	Retail underlying	14,842	91	—	—	—	—	2,449	12,483	—	—	328	1,674	—	—	26	134	—
5	Of which STS	5,903	—	—	—	—	—	1,352	4,551	—	—	135	467	—	—	11	37	—
6	Wholesale	3,398	671	27	178	—	—	231	4,043	—	—	287	689	—	—	23	55	—
7	Of which STS	350	3	—	—	—	—	26	326	—	—	4	33	—	—	3	—	—
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
<b>1</b>	<b>Total exposures</b>	<b>21,265</b>	<b>268</b>	—	19,282	75	—
<b>2</b>	<b>Retail (total)</b>	<b>5,165</b>	<b>173</b>	—	5,026	24	—
3	Residential mortgage	<b>3,073</b>	<b>142</b>	—	2,219	23	—
4	Credit card	—	—	—	—	—	—
5	Other retail exposures	<b>2,092</b>	<b>31</b>	—	2,807	1	—
6	Re-securitisation	—	—	—	—	—	—
<b>7</b>	<b>Wholesale (total)</b>	<b>16,100</b>	<b>95</b>	—	14,256	51	—
8	Loans to corporates	<b>10,732</b>	<b>64</b>	—	8,771	29	1
9	Commercial mortgage	<b>1,884</b>	<b>31</b>	—	1,988	22	—
10	Lease and receivables	—	—	—	—	—	—
11	Other wholesale	<b>3,484</b>	—	—	3,497	—	(i)
12	Re-securitisation	—	—	—	—	—	—

**Market Risk**

The following chart provides comparisons of VaR (1-day 99 per cent confidence level) to the hypothetical and actual profit and loss on a daily basis over the twelve months to 30 Jun 2024 for Lloyds Bank Corporate Markets.

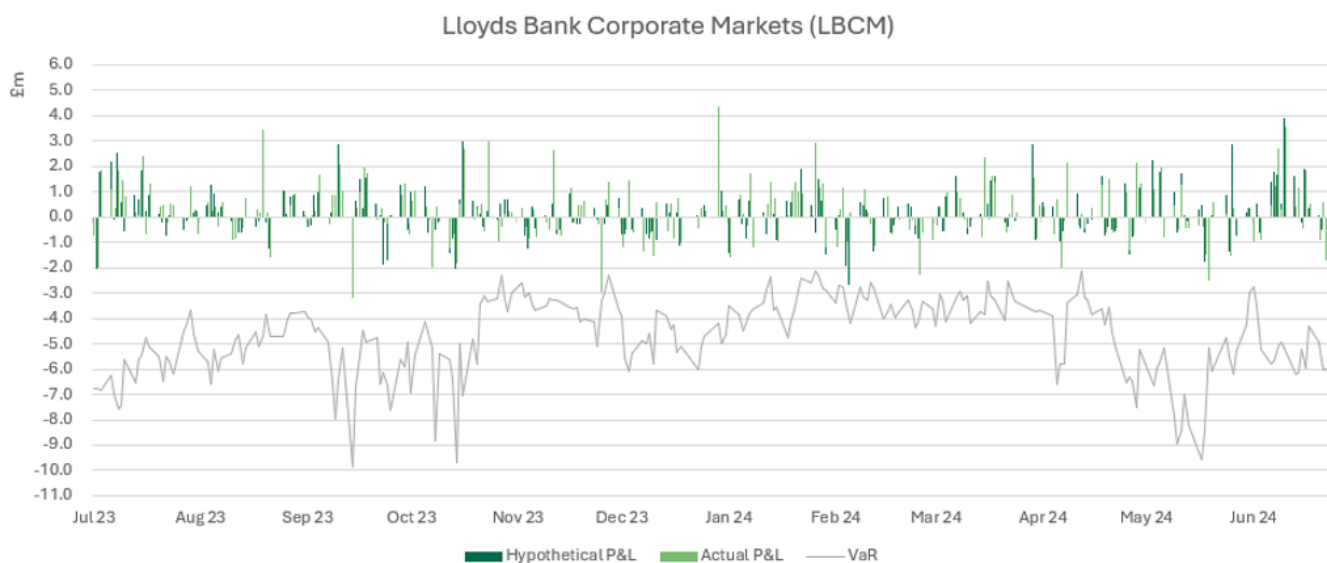
Note that the profit and loss used in back-testing represents gains and losses based on the change in valuation of the portfolio due to market moves and is not reflective of the total profit and loss from the business.

There were no actual or hypothetical profit and loss overshoots reported for the twelve months to 30 Jun 2024 for Lloyds Bank Corporate Markets.

Lloyds Bank Group plc (the Ring Fenced Bank) moved from Internal Model Approach to Standardised Approach for own funds requirements in 2023.

**MR4: Comparison of VaR estimates with gains/losses**

**LLOYDS BANK CORPORATE MARKETS (LBCM)**



**Market Risk** continued**MRI: Market risk under Standardised Approach**

	30 Jun 2024	31 Dec 2023
	RWAs	RWAs
	£m	£m
<b>Outright products</b>		
1 Interest rate risk (general and specific)	565	608
3 Foreign exchange risk <sup>1</sup>	—	—
4 Commodity risk	28	57
<b>Options</b>		
6 Delta-plus approach	11	22
8 Securitisation (specific risk)	27	11
9 <b>Total</b>	<b>631</b>	<b>698</b>

<sup>1</sup> As permitted by the CRR, the Group has elected to set this to zero, with exposure below the 2 per cent De Minimis threshold of own funds.

**MR3: IMA values for trading portfolios**

The table below provides relevant statistics for the Group's 10-day 99 per cent confidence level VaR and Stressed VaR over 12 months to half year 2024 and year end 2023. Also included are statistics for the Incremental Risk Charge over 1 year to half year 2024 and year end 2023.

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

Lloyds Bank Group plc (Ring Fenced Bank) moved from Internal Model Approach to Standardised Approach for own funds requirements in 2023.

<b>Lloyds Bank Corporate Markets plc</b>		
	30 Jun 2024	31 Dec 2023
	£m	£m
<b>VaR (10 day 99%)</b>		
1 Maximum value	86	86
2 Average value	19	25
3 Minimum value	4	4
4 Period end	10	11
<b>SVaR (10 day 99%)</b>		
5 Maximum value	48	31
6 Average value	29	18
7 Minimum value	13	10
8 Period end	42	29
<b>IRC (99.9%)</b>		
9 Maximum value	47	44
10 Average value	27	19
11 Minimum value	11	8
12 Period end	35	27
<b>Comprehensive risk measure (99.9%)</b>		
13 Maximum value	—	—
14 Average value	—	—
15 Minimum value	—	—
16 Period end	—	—

**Market Risk** continued**MR2-A: Market risk under Internal Model Approach**

		<b>Lloyds Bank Corporate Markets plc</b>			
		<b>30 Jun 2024</b>		<b>31 Dec 2023</b>	
		<b>RWAs</b>	<b>Own funds requirements</b>	<b>RWAs</b>	<b>Own funds requirements</b>
		<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>1</b>	<b>VaR (higher of values a and b)</b>	<b>495</b>	<b>39</b>	853	68
(a)	Previous day's VaR (VaRt-1)		<b>10</b>		11
(b)	Multiplication factor (mc) x average of previous 60 working days (VaRavg)		<b>39</b>		68
<b>2</b>	<b>SVaR (higher of values a and b)</b>	<b>1,809</b>	<b>145</b>	1,009	81
(a)	Latest available SVaR (SVaRt-1)		<b>42</b>		29
(b)	Multiplication factor (ms) x average of previous 60 working days (sVaRavg)		<b>145</b>		81
<b>3</b>	<b>IRC (higher of values a and b)</b>	<b>437</b>	<b>35</b>	383	31
(a)	Most recent IRC measure		<b>35</b>		27
(b)	12 weeks average IRC measure		<b>33</b>		31
<b>4</b>	<b>Comprehensive risk measure (higher of values a, b and c)</b>	–	–	–	–
(a)	Most recent risk measure of comprehensive risk measure		–		–
(b)	12 weeks average of comprehensive risk measure		–		–
(c)	Comprehensive risk measure Floor		–		–
<b>5</b>	<b>Other</b>	<b>1,401</b>	<b>112</b>	1,299	104
<b>6</b>	<b>Total</b>	<b>4,142</b>	<b>331</b>	3,544	284

## 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	30 Sep 2023	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
Number of data points used in the calculation of averages		12	12	12	12	12	12	12	12
<b>High-quality liquid assets (£m)</b>									
1	Total high-quality liquid assets (HQLA)					<b>136,023</b>	136,442	135,997	136,565
<b>Cash - outflows (£m)</b>									
2	Retail deposits and deposits from small business customers, of which:	<b>345,646</b>	344,618	344,964	346,114	<b>23,193</b>	23,183	23,324	23,522
3	Stable deposits	<b>262,145</b>	261,144	260,875	261,108	<b>13,107</b>	13,057	13,044	13,055
4	Less stable deposits	<b>83,501</b>	83,474	84,089	85,006	<b>10,086</b>	10,126	10,280	10,467
5	Unsecured wholesale funding	<b>93,693</b>	95,274	96,585	98,303	<b>47,603</b>	48,485	48,599	48,807
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	<b>20,083</b>	19,279	21,777	25,847	<b>5,021</b>	4,820	5,444	6,462
7	Non-operational deposits (all counterparties)	<b>69,532</b>	71,772	70,397	67,805	<b>38,504</b>	39,442	38,744	37,694
8	Unsecured debt	<b>4,078</b>	4,223	4,411	4,651	<b>4,078</b>	4,223	4,411	4,651
9	Secured wholesale funding					<b>253</b>	291	286	211
10	Additional requirements	<b>74,450</b>	74,347	73,970	74,455	<b>34,457</b>	34,394	33,944	34,712
11	Outflows related to derivative exposures and other collateral requirements	<b>21,779</b>	21,927	21,551	22,595	<b>21,779</b>	21,927	21,551	22,595
12	Outflows related to loss of funding on debt products	<b>614</b>	558	751	856	<b>614</b>	558	751	856
13	Credit and liquidity facilities	<b>52,057</b>	51,862	51,668	51,004	<b>12,064</b>	11,909	11,642	11,261
14	Other contractual funding obligations	<b>1,433</b>	1,524	1,404	1,350	<b>1,013</b>	1,110	1,003	958
15	Other contingent funding obligations	<b>91,953</b>	91,361	91,681	94,074	<b>3,831</b>	3,814	3,858	4,256
16	Total cash outflows					<b>110,350</b>	111,277	111,014	112,466
<b>Cash - inflows (£m)</b>									
17	Secured lending (e.g. reverse repos)	<b>33,549</b>	34,008	35,056	35,559	<b>391</b>	460	457	470
18	Inflows from fully performing exposures	<b>7,186</b>	7,137	6,746	6,434	<b>5,338</b>	5,211	4,788	4,467
19	Other cash inflows	<b>10,204</b>	10,388	10,396	11,441	<b>10,151</b>	10,339	10,281	11,225
20	Total cash inflows	<b>50,939</b>	51,533	52,198	53,434	<b>15,880</b>	16,010	15,526	16,162
UK-20c	Inflows subject to 75% cap	<b>48,967</b>	49,284	49,736	50,710	<b>15,880</b>	16,010	15,526	16,162
<b>Total adjusted value</b>									
UK-21	Liquidity buffer (£m)					<b>136,023</b>	136,442	135,997	136,565
22	Total net cash outflows (£m)					<b>94,470</b>	95,267	95,488	96,304
23	Liquidity coverage ratio (%)					<b>144%</b>	143%	142%	142%

**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 144 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. Also included are outflows on derivative contracts that have offsetting inflows recorded in 'other cash inflows'.

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

## Liquidity continued

## LIQ2: Net Stable Funding Ratio

		Unweighted value by residual maturity				Weighted value £m
		No maturity £m	< 6 months £m	6 months to < 1yr £m	≥ 1yr £m	
<b>Available stable funding (ASF) Items</b>						
<b>1</b>	<b>Capital items and instruments:</b>	<b>44,970</b>	<b>724</b>	<b>1,164</b>	<b>14,568</b>	<b>59,538</b>
2	Own funds	44,970	701	961	13,701	58,671
3	Other capital instruments		23	203	867	867
<b>4</b>	<b>Retail deposits:</b>		<b>348,351</b>	<b>—</b>	<b>—</b>	<b>326,728</b>
5	Stable deposits		264,217	—	—	251,007
6	Less stable deposits		84,134	—	—	75,721
<b>7</b>	<b>Wholesale funding:</b>		<b>167,987</b>	<b>21,102</b>	<b>79,655</b>	<b>135,346</b>
8	Operational deposits		19,566	—	—	9,783
9	Other wholesale funding		148,421	21,102	79,655	125,563
<b>10</b>	<b>Interdependent liabilities</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>11</b>	<b>Other liabilities:</b>	<b>—</b>	<b>5,852</b>	<b>—</b>	<b>8,945</b>	<b>8,945</b>
12	NSFR derivative liabilities	—				
13	All other liabilities and capital instruments not included in the above categories		5,852	—	8,945	8,945
<b>14</b>	<b>Total available stable funding (ASF)</b>					<b>530,557</b>
<b>Required stable funding (RSF) Items</b>						
<b>15</b>	<b>Total high-quality liquid assets (HQLA)</b>					<b>5,170</b>
<b>UK-15a</b>	<b>Assets encumbered for more than 12m in cover pool</b>		<b>489</b>	<b>415</b>	<b>15,670</b>	<b>14,088</b>
<b>16</b>	<b>Deposits held at other financial institutions for operational purposes</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>17</b>	<b>Performing loans and securities:</b>		<b>75,931</b>	<b>32,461</b>	<b>411,261</b>	<b>344,445</b>
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		44,956	9,332	5,550	10,216
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		8,851	7,835	13,696	18,340
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		10,489	7,676	91,901	88,438
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		—	—	—	—
22	Performing residential mortgages, of which:		6,002	4,754	289,972	215,582
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		5,633	2,864	10,142	11,869
<b>25</b>	<b>Interdependent assets</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>26</b>	<b>Other assets:</b>	<b>20,102</b>	<b>2,344</b>	<b>231</b>	<b>32,116</b>	<b>41,560</b>
27	Physical traded commodities				—	—
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs			4,202		3,571
29	NSFR derivative assets			4,655		4,655
30	NSFR derivative liabilities before deduction of variation margin posted			11,245		562
31	All other assets not included in the above categories		2,344	231	32,116	32,772
<b>32</b>	<b>Off-balance sheet items</b>		<b>145,467</b>	<b>—</b>	<b>—</b>	<b>3,323</b>
<b>33</b>	<b>Total RSF</b>					<b>408,586</b>
<b>34</b>	<b>Net Stable Funding Ratio (%)</b>					<b>130%</b>



**IRRBB: 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.

		<b>ΔEVE</b>		<b>ΔNII</b>		<b>Tier 1 capital</b>	
		<b>30 Jun 2024</b>	<b>31 Dec 2023</b>	<b>30 Jun 2024</b>	<b>31 Dec 2023</b>	<b>30 Jun 2024</b>	<b>31 Dec 2023</b>
		<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
010	Parallel shock up	<b>(2,779)</b>	(1,507)	<b>1,135</b>	1,184		
020	Parallel shock down	<b>850</b>	(205)	<b>(1,481)</b>	(1,524)		
030	Steeper shock	<b>(259)</b>	286				
040	Flattener shock	<b>(113)</b>	(647)				
050	Short rates shock up	<b>(1,067)</b>	(1,050)				
060	Short rates shock down	<b>314</b>	287				
070	Maximum	<b>(2,779)</b>	(1,507)	<b>(1,481)</b>	(1,524)		
080	Tier 1 capital					<b>36,102</b>	36,036

## Forward-looking statements

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and section 27A of the US Securities Act of 1933, as amended, with respect to the business, strategy, plans and/or results of Lloyds Banking Group plc together with its subsidiaries (the Group) and its current goals and expectations. Statements that are not historical or current facts, including statements about the Group's or its directors' and/or management's beliefs and expectations, are forward-looking statements. Words such as, without limitation, 'believes', 'achieves', 'anticipates', 'estimates', 'expects', 'targets', 'should', 'intends', 'aims', 'projects', 'plans', 'potential', 'will', 'would', 'could', 'considered', 'likely', 'may', 'seek', 'estimate', 'probability', 'goal', 'objective', 'deliver', 'endeavour', 'prospects', 'optimistic' and similar expressions or variations on these expressions are intended to identify forward-looking statements. These statements concern or may affect future matters, including but not limited to: projections or expectations of the Group's future financial position, including profit attributable to shareholders, provisions, economic profit, dividends, capital structure, portfolios, net interest margin, capital ratios, liquidity, risk-weighted assets (RWAs), expenditures or any other financial items or ratios; litigation, regulatory and governmental investigations; the Group's future financial performance; the level and extent of future impairments and write-downs; the Group's ESG targets and/or commitments; statements of plans, objectives or goals of the Group or its management and other statements that are not historical fact and statements of assumptions underlying such statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend upon circumstances that will or may occur in the future. Factors that could cause actual business, strategy, targets, plans and/or results (including but not limited to the payment of dividends) to differ materially from forward-looking statements include, but are not limited to: general economic and business conditions in the UK and internationally; 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 Group's credit ratings; fluctuations in interest rates, inflation, exchange rates, stock markets and currencies; volatility in credit markets; volatility in the price of the Group's securities; tightening of monetary policy in jurisdictions in which the Group operates; natural pandemic and other disasters; risks concerning borrower and counterparty credit quality; risks affecting insurance business and defined benefit pension schemes; changes in laws, regulations, practices and accounting standards or taxation; changes to regulatory capital or liquidity requirements and similar contingencies; the policies and actions of governmental or regulatory authorities or courts together with any resulting impact on the future structure of the Group; risks associated with the Group's compliance with a wide range of laws and regulations; assessment related to resolution planning requirements; risks related to regulatory actions which may be taken in the event of a bank or Group failure; exposure to legal, regulatory or competition proceedings, investigations or complaints; failure to comply with anti-money laundering, counter terrorist financing, anti-bribery and sanctions regulations; failure to prevent or detect any illegal or improper activities; operational risks including risks as a result of the failure of third party suppliers; conduct risk; technological changes and risks to the security of IT and operational infrastructure, systems, data and information resulting from increased threat of cyber and other attacks; technological failure; inadequate or failed internal or external processes or systems; risks relating to ESG matters, such as climate change (and achieving climate change ambitions) and decarbonisation, including the Group's ability along with the government and other stakeholders to measure, manage and mitigate the impacts of climate change effectively, and human rights issues; the impact of competitive conditions; failure to attract, retain and develop high calibre talent; the ability to achieve strategic objectives; the ability to derive cost savings and other benefits including, but without limitation, as a result of any acquisitions, disposals and other strategic transactions; inability to capture accurately the expected value from acquisitions; assumptions and estimates that form the basis of the Group's financial statements; and potential changes in dividend policy. A number of these influences and factors are beyond the Group's control. Please refer to the latest Annual Report on Form 20-F filed by Lloyds Banking Group plc with the US Securities and Exchange Commission (the SEC), which is available on the SEC's website at [www.sec.gov](http://www.sec.gov), for a discussion of certain factors and risks. Lloyds Banking Group plc may also make or disclose written and/or oral forward-looking statements in other written materials and in oral statements made by the directors, officers or employees of Lloyds Banking Group plc to third parties, including financial analysts. Except as required by any applicable law or regulation, the forward-looking statements contained in this document are made as of today's date, and the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document whether as a result of new information, future events or otherwise. 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