

Santander UK Group Holdings plc and Santander UK plc

June 2025 Additional Capital and Risk Management Disclosures

Table of Contents

Santander UK Group Holdings plc and Santander UK plc	1
June 2025 Additional Capital and Risk Management Disclosures	1
Introduction	2
Retained EU Law disclosures.....	2
Key metrics (KM1).....	4
Key metrics – Minimum Requirement for Own Funds and Eligible Liabilities (MREL) requirements (KM2)	5
TLAC1: Total Loss Absorbing Capacity composition for G-SIBs (at resolution group level)	6
TLAC2 – Material subgroup entity – creditor ranking at legal entity level.....	7
TLAC3 – Resolution entity – creditor ranking at legal entity level.....	7
UK LRA: Disclosure of LR qualitative information.....	8
UK LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures	8
UK LR2 - LRCom: Leverage ratio common disclosure	8
UK LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)	10
LIQUIDITY METRICS EXECUTIVE SUMMARY	11
Liquidity Coverage Ratio (LQ1).....	12
Qualitative information on LCR (LQ1B)	13
Template UK LIQ2: NetStable Funding Ratio.....	14
Overview of risk weighted exposure amounts (OV1).....	15
RWEA flow statements of credit risk exposures under IRB approach (CR8)	16
RWEA flow statements of credit risk exposures under standardised approach	16
Performing and non-performing exposures and related provisions (CR1).....	17
Maturity of exposures (CR1-A).....	18
Changes in the stock of non-performing loans and advances (CR2).....	18
CRM techniques overview: Disclosure of the use of credit risk mitigation techniques (CR3)	18
Standardised approach - Credit risk exposure and credit risk mitigation (CRM) effects (CR4).....	19
IRB approach - Credit risk exposure and credit risk mitigation (CRM) effects	19
Template UK CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques	20
Specialised lending and equity exposures under the simple risk weighted approach (CR10).....	22
Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer (CCyB1)	23
Amount of institution-specific countercyclical capital buffer (CCyB2)	23
Credit quality of forborne exposures (CQ1).....	24
Credit quality of loans and advances to non-financial corporations by industry (CQ5).....	25
Collateral obtained by taking possession and execution processes (CQ7)	25
Own Funds disclosure – balance sheet reconciliation	26
Composition of regulatory own funds (CC1).....	27
Reconciliation of regulatory own funds to balance sheet in the audited financial statements (CC2)	29
Own Funds disclosure – capital instruments main features.....	30
CCA - Main features of regulatory capital instruments and of other TLAC-eligible instruments	30
Part 2	31
June 2025 Additional Capital and Risk Management Disclosures for Santander UK plc Group	31-54
Glossary.....	54-56

Introduction

Santander UK Group Holdings plc's Additional Capital and Risk Management Disclosures for the six months ended 30 June 2025 should be read in conjunction with our 2025 Half Yearly Financial Report.

As a wholly-owned large subsidiary of Banco Santander, S.A., under the retained EU law version of Capital Requirements Regulation (UK CRR) Santander UK Group Holdings plc (the Company) is required to produce and publish annually a specified number of Pillar 3 disclosures. In accordance with the European Banking Authority (EBA) guidelines on disclosure frequency^[1], the Company has assessed the need to publish capital-related disclosures more frequently than annually and the disclosures deemed appropriate for more frequent publication have been included in the additional capital disclosures set out in this document. All disclosures within Part 1 of this document on pages 2 to 30 cover the consolidated Santander UK Group Holdings plc group position.

The Company is the immediate parent company of Santander UK plc, a Ring-Fenced Bank (RFB) and associated controlled entities and is the head of the Santander UK group for regulatory capital and leverage purposes. Part 2 of this document on pages 31-53 includes a specified number of Pillar 3 disclosures in accordance with the EBA guidelines on disclosure frequency for the Santander UK plc group, which are similar to those for the Company.

Retained EU Law disclosures

This document contains disclosures required under UK CRR for the Company as a large subsidiary of an EU parent undertaking, some of which are not disclosed in the 2025 Half Yearly Financial Report. All disclosures cover the 30 June 2025 position or movement during 2025.

^[1] EBA guidelines on materiality, proprietary and confidentiality and on disclosure frequency are under Articles 432(1), 432(20) and 433 of Regulation (EU) No 575/2013.

Part 1

Additional Capital and Risk Management Disclosures for Santander UK Group Holdings plc group

EXECUTIVE SUMMARY

COMMON EQUITY TIER 1 (CET1) RATIO



The CET1 capital ratio increased to 14.9% (Dec-24:14.8%), supported by retained profits, partially offset by RWA growth. The previously declared interim dividend was not paid, and the current intention is to retain earnings rather than distribute dividends, in order to strengthen reserves ahead of the TSB acquisition. Overall, the Group maintains a strong capital position with healthy buffers above regulatory requirements.

TOTAL CAPITAL RATIO



The Total Capital Ratio decreased slightly to 20.7% (Dec 2024: 20.9%), primarily due to the regulatory ineligibility of a Tier 2 instrument in June 2025. The previously declared interim dividend was not paid, and the current intention is to retain earnings rather than distribute dividends, in order to strengthen reserves ahead of the TSB acquisition.

UK LEVERAGE RATIO



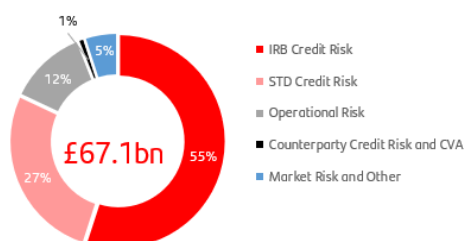
UK leverage ratio remained stable at 4.9% (Dec-24: 4.9%), as increased leverage exposure (£245.5bn, up from £242.4bn) was offset by retained profits. Growth in exposure was driven by higher liquid assets and lending to customers and banks.

RISK-WEIGHTED ASSETS (RWAs) £bn

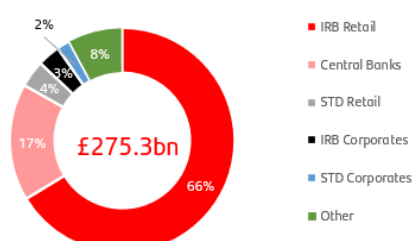


Risk-Weighted Assets increased, mainly due to growth in Consumer Finance and Mortgages, along with scorecard changes across some of the retail portfolios. This was partially offset by securitisation activity.

RWA BY TYPE



EAD BY EXPOSURE TYPE



Key metrics (KM1)

The following table summarises the Company's Own Funds and key risk-based capital ratios at 30 June 2025 together with the previously disclosed quarter end information at 31 March 2025, 31 December 2024, 30 September 2024, and 30 June 2024. Further detail on Risk Weighted Assets are included in the subsequent sections of this document:

		30 June	31 March	31 December	30 September	30 June
		2025	2025	2024	2024	2024
		£m	£m	£m	£m	£m
Available own funds (amounts)						
1	Common Equity Tier 1 (CET1) capital	9,994	9,915	9,857	10,336	10,375
2	Tier 1 capital	12,094	12,015	11,957	12,436	12,475
3	Total capital	13,900	13,976	13,941	14,401	14,510
Risk-weighted exposure amounts						
4	Total risk-weighted exposure amount	67,119	67,367	66,563	67,208	68,270
Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common Equity Tier 1 ratio (%)	14.9%	14.7%	14.8%	15.4%	15.2%
6	Tier 1 ratio (%)	18.0%	17.8%	18.0%	18.5%	18.3%
7	Total capital ratio (%)	20.7%	20.7%	20.9%	21.4%	21.3%
Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)						
UK 7a	Additional CET1 SREP requirements (%)	2.27%	2.27%	2.27%	2.27%	2.33%
UK 7b	Additional AT1 SREP requirements (%)	0.76%	0.76%	0.76%	0.76%	0.78%
UK 7c	Additional T2 SREP requirements (%)	1.01%	1.01%	1.01%	1.01%	1.03%
UK 7d	Total SREP own funds requirements (%)	4.04%	4.04%	4.04%	4.04%	4.14%
Combined buffer requirement (as a percentage of risk-weighted exposure amount)						
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
UK 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-	-	-	-	-
9	Institution specific countercyclical capital buffer (%)	1.96%	1.95%	1.96%	1.95%	1.96%
UK 9a	Systemic risk buffer (%)	-	-	-	-	-
10	Global Systemically Important Institution buffer (%)	-	-	-	-	-
UK 10a	Other Systemically Important Institution buffer	-	-	-	-	-
11	Combined buffer requirement (%)	4.46%	4.45%	4.46%	4.45%	4.46%
UK 11a	Overall capital requirements (%)	16.50%	16.49%	16.50%	16.49%	16.60%
12	CET1 available after meeting the total SREP own funds requirements (%)	4.21%	4.25%	4.44%	4.94%	4.94%
Leverage ratio						
13	Total exposure measure excluding claims on central banks	245,522	247,388	242,403	249,862	251,350
14	Leverage ratio excluding claims on central banks (%)	4.9%	4.8%	4.9%	4.9%	4.9%
Additional leverage ratio disclosure requirements						
14a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	4.9%	4.8%	4.9%	4.9%	4.9%
14b	Leverage ratio including claims on central banks (%)	4.3%	4.3%	4.3%	4.4%	4.4%
14c	Average leverage ratio excluding claims on central banks (%)	4.8%	4.8%	4.9%	5.0%	5.1%
14d	Average leverage ratio including claims on central banks (%)	4.3%	4.3%	4.4%	4.5%	4.5%
14e	Countercyclical leverage ratio buffer (%)	0.7%	0.7%	0.7%	0.7%	0.7%
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA) (Weighted value-average) ¹	51,754	49,723	47,152	50,278	48,551
UK 16a	Cash outflows – Total weighted value ¹	33,747	34,426	32,205	34,068	35,090
UK 16b	Cash inflows – Total weighted value ¹	1,806	1,837	2,017	1,971	2,063
16	Total net cash outflows (adjusted value) ¹	31,941	32,589	30,188	32,097	33,027
17	Liquidity coverage ratio (%) ¹	162%	153%	156%	157%	147%
Net Stable Funding Ratio						
18	Total available stable funding ¹	211,005	213,317	211,975	216,229	216,315
19	Total required stable funding ¹	155,264	154,521	155,549	161,305	161,268
20	NSFR ratio (%) ¹	136%	138%	136%	134%	134%

Key Movements

The CET1 capital ratio rose to 14.9% (Dec 2024: 14.8%), supported by retained profits and offset slightly by RWA growth. The Total Capital Ratio declined to 20.7% (Dec 2024: 20.9%) due to the ineligibility of a Tier 2 instrument. The UK Leverage ratio remained stable at 4.9%, with the impact of increased exposures offset by retained profits. RWA growth was driven by Consumer Finance, Mortgages, and retail scorecard changes, partially offset by securitisation activity. The previously declared interim dividend was not paid, and the current intention is to retain earnings rather than distribute dividends, in order to strengthen reserves ahead of the TSB acquisition.

Key metrics – Minimum Requirement for Own Funds and Eligible Liabilities (MREL) requirements (KM2)

The following table summarises key metrics about Own Funds and Eligible Liabilities available, and MREL requirements applied, for the Santander UK Group Holdings plc group:

		30 June 2025 £m	31 March 2025 £m	31 December 2024 £m	30 September 2024 £m	30 June 2024 £m
1	Total Own Funds and Eligible Liabilities available	23,678	24,492	24,134	24,173	24,133
1a	Fully loaded ECL accounting model Own Funds and Eligible Liabilities available	23,678	24,492	24,122	24,159	24,118
2	Total RWA at the level of the resolution group	67,119	67,367	66,563	67,208	68,270
3	Total Own Funds and Eligible Liabilities as a percentage of RWA	35.3%	36.4%	36.3%	36.0%	35.3%
3a	Fully loaded ECL accounting model Own Funds and Eligible Liabilities as a percentage of fully loaded ECL accounting model RWA	35.3%	36.4%	36.2%	36.0%	35.3%
4	UK Leverage exposure measure at the level of the resolution group	245,522	247,388	242,403	249,862	251,350
5	Total Own Funds and Eligible Liabilities as a percentage of UK leverage exposure measure [1]	9.6%	9.9%	10.0%	9.7%	9.6%
5a	Fully loaded ECL accounting model Own Funds and Eligible Liabilities as a percentage of fully loaded ECL accounting model UK leverage ratio exposure measure [1]	9.6%	9.9%	10.0%	9.7%	9.6%
6a	Does the subordination exemption in the antepenultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply?	No	No	No	No	No
6b	Does the subordination exemption in the penultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply?	No	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 Own Funds and Eligible Liabilities, divided by funding issued that ranks pari passu with Excluded Liabilities and that would be recognised as Own Funds and Eligible Liabilities if no cap was applied (%)	n/a	n/a	n/a	n/a	n/a

[1] The MREL requirement for Santander UK Group Holdings plc, excluding capital buffers, is the higher of 2*(P1+P2A) of RWAs or 6.75% of Leverage Exposure.

TLAC1: Total Loss Absorbing Capacity composition for G-SIBs (at resolution group level)

TLAC position of the Santander UK Group Holdings plc consolidated group (the resolution group):

	30 June 2025 £bn	31 December 2024 £bn	30 June 2024 £bn
Regulatory capital elements of TLAC and adjustments			
1 Common Equity Tier 1 capital (CET1)	9.9	9.9	10.4
2 Additional Tier 1 capital (AT1) before TLAC adjustments	2.1	2.1	2.1
3 AT1 ineligible as TLAC as issued out of subsidiaries to third parties	-	-	-
4 Other adjustments	-	-	-
5 AT1 instruments eligible under the TLAC framework	2.1	2.1	2.1
6 Tier 2 capital (T2) before TLAC adjustments	1.8	1.9	2.0
7 Amortised portion of T2 instruments where remaining maturity > 1 year	-	-	0.2
8 T2 capital ineligible as TLAC as issued out of subsidiaries to third parties	0.5	0.6	0.6
9 Other adjustments	-	-	-
10 T2 instruments eligible under the TLAC framework	1.3	1.3	1.6
11 TLAC arising from regulatory capital	13.4	13.3	14.1
12 External TLAC instruments issued directly by the bank and subordinated to excluded liabilities	10.3	10.8	10.0
13 External TLAC instruments issued directly by the bank which are not subordinated to excluded liabilities	-	-	-
but meet all other TLAC term sheet requirements.			-
14 Of which: amount eligible as TLAC after application of the caps	-	-	-
15 External TLAC instruments issued by funding vehicles prior to 1 January 2022	-	-	-
16 Eligible ex ante commitments to recapitalise a G-SIB in resolution	-	-	-
17 TLAC arising from non-regulatory capital instruments before adjustments	10.3	10.8	10.0
Non-regulatory capital elements of TLAC: adjustments			
18 TLAC before deductions	23.7	24.1	24.1
19 Deductions of exposures between MPE resolution groups that correspond to items eligible for TLAC (not applicable to SPE G-SIBs)	-	-	-
20 Deduction of investments in own other TLAC liabilities	-	-	-
21 Other adjustments to TLAC	-	-	-
22 TLAC after deductions	23.7	24.1	24.1
Risk-weighted assets and leverage exposure measure for TLAC purposes			
23 Total risk-weighted assets adjusted as permitted under the TLAC regime	67.1	66.6	68.3
24 Leverage exposure measure	245.5	242.4	251.4
TLAC ratios and buffers			
25 TLAC (as a percentage of risk-weighted assets adjusted as permitted under the TLAC regime)	35.3%	36.6%	35.3%
26 TLAC (as a percentage of leverage exposure)	9.6%	10.0%	9.6%
27 CET1 (as a percentage of risk-weighted assets) available after meeting the resolution group's minimum requirements	11.2%	12.0%	11.1%
28 Institution-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of risk-weighted assets)	4.5%	4.5%	4.5%
29 Of which: capital conservation buffer requirement	2.5%	2.5%	2.5%
30 Of which: bank specific countercyclical buffer requirement	2.0%	2.0%	2.0%
31 Of which: D-SIB / G-SIB buffer	-	-	-

Santander UK MREL position is in excess of internal and regulatory requirements.

TLAC2 – Material subgroup entity – creditor ranking at legal entity level

Creditor Hierarchy of Material subsidiaries, Santander UK plc:

		Creditor ranking						Sum of 1 to 6
		1 (most junior)	2	3	4	5	6	
£bn								
1	Is the resolution entity the creditor/investor?	Yes	Yes	No	Yes	No	Yes	-
2	Description of creditor ranking	Share Capital	Additional Tier 1 Instruments	Additional Tier 1 Instruments	Subordinated Debt	Subordinated Debt	Bail-in Debt	-
3	Total capital and liabilities net of credit risk mitigation	3.1	1.9	-	1.5		10.0	16.5
4	Subset of row 3 that are excluded liabilities	-	-	-	-	-	-	-
5	Total capital and liabilities less excluded liabilities	3.1	1.9	-	1.5	-	10.0	16.5
6	Subset of row 5 that are eligible as TLAC	3.1	1.9	-	1.2	-	10.0	16.2
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	-	-	-	-	-	2.6	2.6
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	-	-	-	-	-	5.3	5.3
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	-	-	-	1.2	-	2.1	3.3
10	Subset of row 6 with residual maturity ≥ 10 years, but excluding perpetual securities	-	-	-	-	-	-	-
11	Subset of row 6 that is perpetual securities	3.1	1.9	-	-	-	-	5.0

TLAC3 – Resolution entity – creditor ranking at legal entity level

Creditor Hierarchy of the Company:

		Creditor ranking				Sum of
£bn		1	2	3	4	1 to 4
		(most junior)			(most senior)	
1	Description of creditor ranking	Share Capital	Additional Tier 1 Instruments	Subordinated Debt	Bail-in Debt	Total
		Book value	Stated value	Par value	Par value	
2	Total capital and liabilities net of credit risk mitigation	7.1	2.1	1.5	10.1	20.8
3	Subset of row 2 that are excluded liabilities					0.0
4	Total capital and liabilities less excluded liabilities	7.1	2.1	1.5	10.1	20.8
5	Subset of row 4 that are potentially eligible as TLAC	7.1	2.1	1.3	10.1	20.6
6	Subset of row 5 with 1 year ≤ residual maturity <2 years	-	-	-	2.6	2.6
7	Subset of row 5 with 2 years ≤ residual maturity <5 years	-	-	-	5.4	5.4
8	Subset of row 5 with 5 years ≤ residual maturity <10 years	-	-	1.3	2.1	3.4
9	Subset of row 5 with residual maturity ≥ 10 years, but excluding perpetual securities	-	-	-	-	-
10	Subset of row 5 that is perpetual securities	7.1	2.1	-	-	9.2

UK LRA: Disclosure of LR qualitative information

Description of the processes used to manage the risk of excessive leverage The leverage ratio for the UK consolidated group is monitored and reported to Capital Committee and other governance bodies, and is included in the group's Risk Appetite framework. The current level of the Leverage ratio and also forecast levels of the leverage ratio under a range of macroeconomic scenario, including stress scenarios, are considered. Under the Risk Appetite framework, limits and alert levels for the leverage ratio have been set to ensure that leverage is maintained at acceptable levels and in excess of minimum regulatory requirements.
Description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers UK leverage ratio remained stable at 4.9% (Dec-24: 4.9%), as increased leverage exposure (£245.5bn, up from £242.4bn) was offset by retained profits. Growth in exposure was driven by higher liquid assets and lending to customers and banks.

UK LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

	30-Jun-25 £m
Total assets as per published financial statements	272,640
Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	2,507
(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
(Adjustment for exemption of exposures to central banks) ¹	(38,164)
(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) of the CRR)	-
Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
Adjustment for eligible cash pooling transactions	-
Adjustment for derivative financial instruments	387
Adjustment for securities financing transactions (SFTs)	659
Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	9,316
(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced tier 1 capital (leverage))	-
(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) of the CRR)	-
(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) of the CRR)	-
Other adjustments	(1,823)
Total exposure measure	245,522

¹ Adjustment for exemption of exposures to central banks - is inclusive of 100% guaranteed Bounce Back loans.

UK LR2 - LRCom: Leverage ratio common disclosure

Leverage ratio exposures		30-Jun 2025 £m	31-Dec 2024 £m
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	225,300	224,192
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(1,656)	(1,542)
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(General credit risk adjustments to on-balance sheet items)	-	-
6	(Asset amounts deducted in determining tier 1 capital (leverage))	(2,454)	(2,402)
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	221,190	220,248
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	2,052	1,711
UK-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach		
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	901	896
UK-9a	Derogation for derivatives: potential future exposure contribution under the simplified standardised approach		
UK-9b	Exposure determined under the original exposure method		
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)		
UK-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)		
UK-10b	(Exempted CCP leg of client-cleared trade exposures) (original exposure method)		
11	Adjusted effective notional amount of written credit derivatives		
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)		
13	Total derivatives exposures	2,953	2,606
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	18,042	16,176
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(6,637)	(5,837)
16	Counterparty credit risk exposure for SFT assets	659	624
UK-16a	Derogation for SFTs: counterparty credit risk exposure in accordance with Articles 429e(5) and 222 of the CRR	-	-
17	Agent transaction exposures	-	-
UK-17a	(Exempted CCP leg of client-cleared SFT exposures)	-	-
18	Total securities financing transaction exposures	12,064	10,963
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	38,866	35,534
20	(Adjustments for conversion to credit equivalent amounts)	(29,550)	(26,948)
21	(General provisions deducted in determining tier 1 capital (leverage) and specific provisions associated with off-balance sheet exposures)	-	-
22	Off-balance sheet exposures	9,316	8,586
Excluded exposures			
UK-22a	(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) of the CRR)	-	-
UK-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) of the CRR (on- and off-balance sheet))	-	-
UK-22g	(Excluded excess collateral deposited at triparty agents)	-	-
UK-22k	(Total exempted exposures)	-	-
Capital and total exposure measure			
23	Tier 1 capital (leverage)	11,989	11,827
24	Total exposure measure including claims on central banks	283,687	276,657
UK-24a	(-) Claims on central banks excluded	(38,164)	(34,255)
UK-24b	Total exposure measure excluding claims on central banks	245,522	242,403
Leverage ratio			

25	Leverage ratio excluding claims on central banks (%)	4.9%	4.9%
UK-25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	4.9%	4.9%
UK-25b	Leverage ratio excluding central bank reserves as if the temporary treatment of unrealised gains and losses measured at fair value through other comprehensive income had not been applied (%)	4.9%	4.9%
UK-25c	Leverage ratio including claims on central banks (%)	4.3%	4.3%
26	Regulatory minimum leverage ratio requirement (%)	3.3%	3.3%

Additional leverage ratio disclosure requirements - leverage ratio buffers

27	Leverage ratio buffer (%)	1.0%	1.0%
UK-27a	Of which: G-SII or O-SII additional leverage ratio buffer (%)	0.4%	0.4%
UK-27b	Of which: countercyclical leverage ratio buffer (%)	0.7%	0.7%

Additional leverage ratio disclosure requirements - disclosure of mean values

28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	13,370	13,744
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	13,322	15,209
UK-31	Average total exposure measure including claims on central banks	281,104	283,469
UK-32	Average total exposure measure excluding claims on central banks	246,186	249,754
UK-33	Average leverage ratio including claims on central banks	4.2%	4.4%
UK-34	Average leverage ratio excluding claims on central banks	4.8%	4.9%

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

		Leverage ratio exposures 30-Jun-25 £m
UK-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	225,300
UK-2	Trading book exposures	0
UK-3	Banking book exposures, of which:	225,300
UK-4	Covered bonds	2,218
UK-5	Exposures treated as sovereigns	7,779
UK-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	1281
UK-7	Institutions	1410
UK-8	Secured by mortgages of immovable properties	166,332
UK-9	Retail exposures	11,527
UK-10	Corporates	16,512
UK-11	Exposures in default	3,137
UK-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	15,104

LIQUIDITY METRICS EXECUTIVE SUMMARY

LIQUIDITY COVERAGE RATIO - SPOT



Strong LCR of 162% (Dec-24: 156%), increased largely due to increased wholesale funding issued in H1. LCR eligible liquid assets surplus of £19.8bn to regulatory requirements.

LIQUIDITY COVERAGE RATIO – AVERAGE



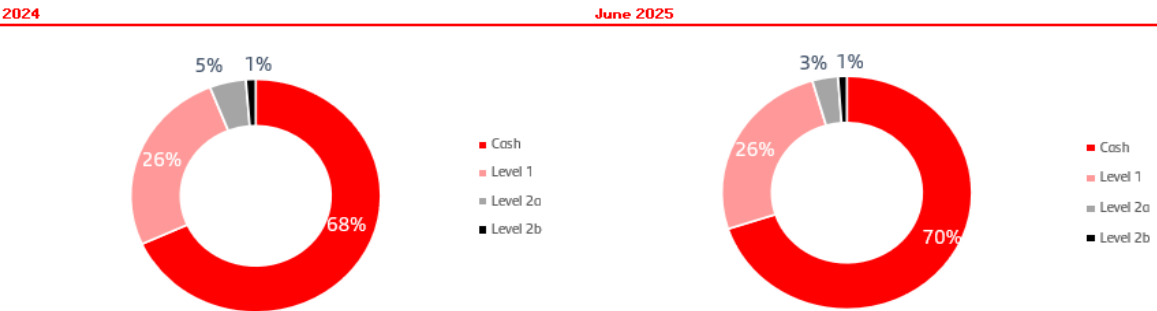
The LCR requirement (weighted) is broadly consistent over time, driven mainly by deposits. Corporate deposits contribute a greater requirement despite Retail deposits being significantly larger in number, as a result of the standardised LCR weightings. HQLA increased marginally as a result of lending reductions offset by reduction of deposits and TFSME repayments. The LCR maintains a significant surplus to both internal and regulatory requirements

NET STABLE FUNDING RATIO



The composition of the balance sheet has remained consistent through 2025, resulting in the NSFR ratio remaining broadly in line with 2024

SPLIT OF LIQUIDITY ASSET BUFFER



The liquidity buffer is largely comprised (>95%) of Level 1 assets, primarily cash held in our Bank of England Reserve Account.

Liquidity Coverage Ratio (LIQ1)

This table shows HoldCo Group's 12-month average LCR. The values presented below are the simple average of the preceding monthly periods ending on the reporting date as specified in the table:

		Total unweighted value (average)				Total weighted value (average)			
UK 1a	Quarter ending on	30 June	31 March	31 December	30 September	30 June	31 March	31 December	30 September
		2025	2025	2024	2024	2025	2025	2024	2024
		£m	£m	£m	£m	£m	£m	£m	£m
UK-1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
	HIGH-QUALITY LIQUID ASSETS								
1	Total high-quality liquid assets (HQLA)					49,542	49,603	50,937	51,476
	CASH-OUTFLOWS								
2	Retail deposits and deposits from small business customers, of which:	151,148	144,247	145,574	146,710	8,901	8,911	8,971	9,045
3	Stable deposits	118,406	118,909	120,242	120,997	5,920	5,945	6,012	6,050
4	Less stable deposits	25,452	25,338	25,332	25,713	2,981	2,966	2,959	2,995
5	Unsecured wholesale funding	25,613	26,363	27,514	27,873	16,077	16,004	16,311	16,141
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	1,675	1,689	1,738	1,744	368	344	330	315
7	Non-operational deposits (all counterparties)	21,649	22,405	23,389	23,916	13,420	13,391	13,594	13,613
8	Unsecured debt	2,289	2,269	2,387	2,213	2,289	2,269	2,387	2,213
9	Secured wholesale funding					165	229	277	286
10	Additional requirements	13,436	14,038	14,466	14,549	6,966	7,529	7,987	8,124
11	Outflows related to derivative exposures and other collateral requirements	5,578	6,007	6,322	6,511	5,578	6,007	6,322	6,511
12	Outflows related to loss of funding on debt products	130	209	297	220	130	209	298	220
13	Credit and liquidity facilities	7,728	7,822	7,847	7,818	1,258	1,313	1,367	1,393
14	Other contractual funding obligations	54	44	36	33	11	6	3	3
15	Other contingent funding obligations	25,866	24,981	24,359	23,723	2,031	1,812	1,645	1,487
16	TOTAL CASH OUTFLOWS					34,151	34,491	35,194	35,086
	CASH-INFLOWS								
17	Secured lending (e.g reverse repos)	11,272	10,749	10,097	9,253	3	13	13	10
18	Inflows from fully performing exposures	2,326	2,294	2,288	2,251	1,547	1,523	1,518	1,489
19	Other cash inflows	1,308	1,601	1,898	2,163	423	495	543	639
UK-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)								
UK-19b	(Excess inflows from a related specialised credit institution)								
20	TOTAL CASH INFLOWS	14,906	14,644	14,283	13,667	1,973	2,031	2,074	2,138
UK-20a	Fully exempt inflows								
UK-20b	Inflows Subject to 90% Cap								
UK-20c	Inflows Subject to 75% Cap	14,906	14,644	14,283	13,667	1,973	2,031	2,074	2,138
	TOTAL ADJUSTED VALUE								
UK-21	LIQUIDITY BUFFER					49,542	49,603	50,937	51,467
22	TOTAL NET CASH OUTFLOWS					32,178	32,460	33,120	32,948
23	LIQUIDITY COVERAGE RATIO					154%	153%	154%	156%

Qualitative information on LCR (LIQB)

Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time The LCR requirement (weighted) is broadly consistent over time, driven mainly by deposits. Corporate deposits contribute a greater requirement despite Retail deposits being significantly larger in number, because of the standardised LCR weightings. The 12 month average HQLA was broadly flat in H1 as a result of lower customer deposits and TFSME repayments were offset with a reduction in the Historic Look Back Approach (HLBA). The LCR maintains a significant surplus to both internal and regulatory requirements.
Explanations on the changes in the LCR over time The 12 month average LCR of 154% reflects our continued strong liquidity position
Explanations on the actual concentration of funding sources Santander UK is largely funded through customer deposits (£184bn), with the significant proportion being Retail. We also have c£59bn of wholesale funding which includes secured, unsecured term funding as well as c£8.6bn of TFSME Funding.
High-level description of the composition of the institution's liquidity buffer. The liquidity buffer is largely comprised (c95%) of Level 1 assets, with c69% of the total held as cash in our Bank of England Reserve Account.
Derivative exposures and potential collateral calls The main drivers of derivative exposures / potential collateral calls are the Historic Look Back Approach (HLBA) to calculating collateral requirements in the LCR and collateral outflows due to counterparties in the event of a deterioration of our own credit quality. These amounts had reduced as TFSME drawing had led to a reduction in secured issuance volumes, as we repay TFSME we expect to see an increase in the potential collateral outflows.
Currency mismatch in the LCR We have no material mismatch in our currency LCRs, with most of the funding raised in currency swapped back to GBP and the remainder being used to fund structural currency assets.
Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile n/a

Template UK LIQ2: Net Stable Funding Ratio

In accordance with Article 451a(3) CRR

The table below represents the breakdown of the key component for the June 2025 HoldCo Group's NSFR ratio

(in currency amount)		Unweighted value by residual maturity (average)				Weighted value (average)
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	-	-	210	16,395	16,500
2	Own funds	-	-	210	16,395	16,500
3	Other capital instruments		-	-	-	-
4	Retail deposits		147,879	3,207	1,104	143,112
5	Stable deposits		119,063	1,546	504	115,083
6	Less stable deposits		28,816	1,661	600	28,029
7	Wholesale funding:		52,966	1,761	10,183	20,757
8	Operational deposits		246	-	-	45
9	Other wholesale funding		52,720	1,761	10,183	20,712
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	195	9,292	4,986	28,142	30,636
12	NSFR derivative liabilities	195				
13	All other liabilities and capital instruments not included in the above categories		9,292	4,986	28,142	30,636
14	Total available stable funding (ASF)					211,005
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					414
UK-15a	Assets encumbered for more than 12m in cover pool		-	-	-	-
16	Deposits held at other financial institutions for operational purposes		-	-	-	-
17	Performing loans and securities:		27,133	9,238	183,360	144,656
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		13,767	1,352	-	676
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		-	-	-	-
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		7,414	6,536	178,752	138,110
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		4,951	4,389	164,488	123,533
22	Performing residential mortgages, of which:		3,333	2,988	160,596	-
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		3,333	2,988	160,596	-
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		5,952	1,350	4,608	5,870
25	Interdependent assets		-	-	-	-
26	Other assets:		3,503	172	7,350	8,353
27	Physical traded commodities				-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		-	-	-	216
29	NSFR derivative assets		80	-	-	80
30	NSFR derivative liabilities before deduction of variation margin posted		714	-	-	36
31	All other assets not included in the above categories		2709	172	7,350	8,021
32	Off-balance sheet items		29,554	130	7,138	1,841
33	Total RSF					155,264
34	Net Stable Funding Ratio (%)					136%

RWA and Capital Requirements**Overview of risk weighted exposure amounts (OV1)**

The following table details RWA and equivalent Own Funds Requirements. Own Funds Requirements are calculated as RWA multiplied by 8%:

		Risk Weighted Exposure Amounts (RWEAs)		Total Own Funds Requirements
		30 June	31 March	30 June
		2025	2025	2025
		£bn	£bn	£bn ¹
1	Credit risk (excluding CCR) ¹	55.5	56.5	4.5
2	Of which the standardised approach	18.1	17.9	1.5
3	Of which the foundation IRB (FIRB) approach	2.1	2.3	0.2
4	Of which slotting approach	1.9	2.9	0.1
UK 4a	Of which equities under the simple risk weighted approach		-	
5	Of which the advanced IRB (AIRB) approach	33.4	33.4	2.7
6	Counterparty credit risk - CCR ¹	0.6	0.6	-
7	Of which the standardised approach	0.2	0.2	-
8	Of which internal model method (IMM)	0.2	0.2	-
UK 8a	Of which exposures to a CCP	-	-	
UK 8b	Of which credit valuation adjustment - CVA	0.2	0.2	-
9	Of which other CCR		-	
15	Settlement risk			
16	Securitisation exposures in the non-trading book (after the cap) ²	2.9	2.2	0.3
17	Of which SEC-IRBA approach	0.7	0.3	0.1
18	Of which SEC-ERBA (including IAA)	1.0	0.7	0.1
19	Of which SEC-SA approach	1.2	1.2	0.1
UK 19a	Of which 1250% / deduction			
20	Position, foreign exchange and commodities risks (Market risk) ¹	0.2	0.2	-
21	Of which the standardised approach	0.2	0.2	-
22	Of which IMA			
UK 22a	Large exposures			
23	Operational risk ¹	7.9	7.9	0.6
UK 23a	Of which basic indicator approach			
UK 23b	Of which standardised approach	7.9	7.9	0.6
UK 23c	Of which advanced measurement approach			
24	Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)			
29	Total ¹	67.1	67.4	5.4

[1] Balances which are not visible due to rounding have been included in the total.

[2] Includes 10 Significant Risk Transfer transactions which are subject to re-characterisation risk.

RWEA flow statements of credit risk exposures under the IRB approach (CR8) and RWEA flow statements of credit risk exposures under the standardised approach¹

RWEA flow statements of credit risk exposures under IRB approach (CR8)

	RWEA £bn	Capital requirements
1 Risk weighted exposure amount as at 31 March 2025	39.1	3.2
2 Asset size	1.0	0.1
3 Asset quality	(1.0)	(0.1)
4 Model updates	0.2	-
5 Methodology and policy	-	-
6 Acquisitions and disposals	-	-
7 Foreign exchange movements	-	-
8 Other	(1.0)	-
9 Risk weighted exposure amount as at 30 June 2025	38.3	3.2

RWEA flow statements of credit risk exposures under standardised approach

	RWEA £bn	Capital requirements
1 Risk weighted exposure amount as at 31 March 2025	20.0	1.5
2 Asset size	0.6	0.1
3 Asset quality	0.2	-
4 Model updates	-	-
5 Methodology and policy	-	-
6 Acquisitions and disposals	-	-
7 Foreign exchange movements	-	-
8 Other	(0.3)	-
9 Risk weighted exposure amount as at 30 June 2025	20.5	1.6

The increase in asset size under the IRB approach is primarily driven by growth in mortgage lending, consumer finance, and everyday banking. The asset quality in the IRB approach shows an improvement in the transformation ratio across the Mortgages and Corporates portfolios. IRB model updates reflect scorecard changes for both the Banking and Unsecured Personal Loans portfolios. Additionally, other items in both the Standardised and IRB approaches reflect portfolio optimisation through securitisation activities.

¹ Table excludes CVA

Performing and non-performing exposures and related provisions (CR1)

The following table provides an overview of the credit quality of non-performing exposures and related impairments, provisions and valuation adjustments by portfolio and exposure class at 30 June 2025:

The following table provides an overview of the credit quality of non-performing exposures and related impairments, provisions and valuation adjustments by portfolio and exposure class at 30 June 2023:																
Gross carrying amount/nominal amount							Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated Partial write-off	Collateral and financial guarantees received		
Performing exposures	Non-performing exposures						Performing exposures – accumulated impairment and provisions		Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions					On performing exposures	On non-performing exposures	
		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3				
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	
005	Cash balances at central banks and other demand deposits	37,407	37,407	-	-	-	-	-	-	-	-	-	-	-	-	
010	Loans and advances	214,208	196,539	18,131	3,137	579	2,558	(411)	(108)	(303)	(415)	33	(415)	-	200,158	2,601
020	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	General governments	194	194	-	-	-	-	-	-	-	-	-	-	-	-	-
040	Credit institutions	2,748	2,748	-	-	-	-	-	-	-	-	-	-	-	1,622	-
050	Other financial corporations	17,180	16,639	239	44	-	44	(14)	(6)	(8)	(20)	-	(20)	-	11,634	50
060	Non-financial corporations	16,643	15,014	1,610	699	-	699	(99)	(38)	(61)	(206)	12	(206)	-	15,247	405
070	Of which SMEs	7,221	6,197	1,024	440	-	440	(61)	(18)	(43)	(106)	6	(106)	-	6,562	248
080	Households	177,443	161,944	16,282	2,394	579	1,815	(298)	(64)	(234)	(189)	21	(189)	-	171,655	2,146
090	Debt securities	11,184	11,100	-	-	-	-	-	-	-	-	-	-	-	469	-
100	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	General governments	6,834	6,778	-	-	-	-	-	-	-	-	-	-	-	-	-
120	Credit institutions	3,847	3,847	-	-	-	-	-	-	-	-	-	-	-	-	-
130	Other financial corporations	497	469	-	-	-	-	-	-	-	-	-	-	-	469	-
140	Non-financial corporations	6	6	-	-	-	-	-	-	-	-	-	-	-	-	-
150	Off-balance-sheet exposures	38,779	37,686	1,093	88	-	88	69	29	40	10	-	10	-	2,072	-
160	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
170	General governments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
180	Credit institutions	1,664	1,664	-	-	-	-	-	-	-	-	-	-	-	1,664	-
190	Other financial corporations	1,872	1,804	69	-	-	-	4	3	1	-	-	-	-	408	-
200	Non-financial corporations	7,630	7,350	280	34	-	34	50	26	24	8	-	8	-	-	-
210	Households	27,613	26,868	744	54	-	54	15	-	15	2	-	2	-	-	-
220	Total	301,578	282,732	19,224	3,225	579	2,646	(342)	(79)	(263)	(405)	33	(405)	-	202,699	2,601

Maturity of exposures (CR1-A)

At 30 June 2025	Net exposure value					
	On demand	<= 1 year	>1 year <= 5 years	> 5 years	No stated maturity	Total
1 Loans and advances to customers	860	26,243	52,708	123,829	-	203,640
2 Debt securities	-	2,404	2,884	6,208	-	11,496
3 Total	860	28,647	55,592	130,037	-	215,136

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

	Gross carrying amount
	£m
010 Initial stock of non-performing loans and advances as at 31 Dec 2024	3,237
020 Inflows to non-performing portfolios	809
030 Outflows from non-performing portfolios	(909)
040 Of which Outflows due to write-offs	(134)
050 Of which Outflows due to other situations	(775)
060 Final stock of non-performing loans and advances as at 30 Jun 2025	3,137

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

For more details on the Company's approach to Credit Risk Mitigation refer to the Other Segments – Credit Risk Review section of our 2025 Half Yearly Financial Report.

The following table provides analysis of secured and collateralised exposures at 30 June 2025:

	Unsecured carrying amount	Secured carrying amount			
			Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
	30 June 2025	30 June 2025	30 June 2025	30 June 2025	30 June 2025
	£m	£m	£m	£m	£m
1 Loans and advances	10,617	203,593	202,430	1,163	-
2 Debt securities	8,651	2,533	2,533	-	-
3 Total	19,628	206,126	204,963	1,163	-
4 <i>Of which non-performing exposures</i>	<i>916</i>	<i>2,221</i>	<i>-</i>	<i>-</i>	<i>-</i>
5 <i>Of which defaulted</i>	<i>916</i>	<i>2,221</i>	<i>-</i>	<i>-</i>	<i>-</i>

Standardised approach - Credit risk exposure and credit risk mitigation (CRM) effects (CR4)

	Exposures before CCF and CRM		Exposure post-CCF and CRM		RWAs and RWAs density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWAs	RWAs density (%)
	30 June 2025 £bn	30 June 2025 £bn	30 June 2025 £bn	30 June 2025 £bn	30 June 2025 £bn	30 June 2025 %
1 Central governments or central banks	45.0	-	46.2	-	-	0%
2 Regional government or local authorities	-	-	-	-	-	0%
3 Public sector entities	-	-	-	-	-	20%
4 Multilateral Development Banks	1.2	-	1.2	-	-	0%
5 International Organisations	0.1	-	0.1	-	-	0%
6 Institutions	1.2	-	1.2	-	0.3	23%
7 Corporates	5.8	2.4	4.8	0.2	4.5	92%
8 Retail	10.8	11.7	10.6	0.1	7.9	74%
9 Secured by mortgages on immovable property	1.4	-	1.4	-	0.5	36%
10 Exposures in default	0.5	0.1	0.4	-	0.5	133%
11 Exposures associated with particularly high risk	-	-	-	-	-	150%
12 Covered bonds	2.2	-	2.2	-	0.4	17%
13 Institutions and corporates with a short-term credit assessment	-	-	-	-	-	0%
14 Collective investment undertakings	-	-	-	-	-	0%
15 Equity	-	-	-	-	-	0%
16 Other items	5.9	-	5.9	-	4.1	69%
17 Total	74.1	14.2	74.0	0.3	18.2	24%

IRB approach - Credit risk exposure and credit risk mitigation (CRM) effects

	Exposures before CCF and CRM		Exposure post-CCF and CRM		RWAs and RWAs density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWAs	RWAs density (%)
	30 June 2025 £bn	30 June 2025 £bn	30 June 2025 £bn	30 June 2025 £bn	30 June 2025 £bn	30 June 2025 %
Corporates – Specialised Lending	4.7	0.7	2.7	0.1	1.8	66%
Corporates – SME	0.3	0.1	0.3	-	0.1	19%
Corporates – Other	5.8	4.8	5.6	0.2	2.0	36%
Institutions	0.2	-	0.2	-	-	23%
Retail Immovable Property	167.4	13.3	167.8	8.1	30.5	17%
Retail QRR	0.4	4.0	0.4	5.0	1.7	31%
Retail Other	1.3	-	1.3	-	1.2	98%
Equity	-	-	-	-	-	370%
Total	180.1	22.9	178.3	13.4	37.3	19%

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

A-IRB		Total exposures	Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs	
			Funded credit Protection (FCP)									Unfunded credit Protection (UFCP)		RWEA post all CRM assigned to the obligor exposure class £bn	RWEA with substitution effects £bn
			Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)				Part of exposures covered by Other funded credit protection (%)				Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)		
		Part of exposures covered by Immovable property Collaterals (%)			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 (%)					
1	Central governments and central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Corporates	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.1	Of which Corporates – SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.2	Of which Corporates – Specialised lending	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.3	Of which Corporates – Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Retail	182.6	-	96%	96%	-	-	-	-	-	-	-	-	33.0	33.0
4.1	Of which Retail – Immovable property SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Of which Retail – Immovable property non-SMEs	175.9	-	100%	100%	-	-	-	-	-	-	-	-	30.0	30.0
4.3	Of which Retail – Qualifying revolving	5.4	-	-	-	-	-	-	-	-	-	-	-	2.0	2.0
4.4	Of which Retail – Other SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.5	Of which Retail – Other non-SMEs	1.3	-	-	-	-	-	-	-	-	-	-	-	1.0	1.0
5	Total	182.6	-	96%	96%	-	-	-	-	-	-	-	-	33.0	33.0

F-IRB		Total exposures	Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs	
			Funded credit Protection (FCP)									Unfunded credit Protection (UFCP)		RWEA post all CRM assigned to the obligor exposure class	RWEA with substitution effects
			Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	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 (%)		
		£bn												£bn	£bn
1	Central governments and central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Institutions	1.2	-	-	-	-	-	-	-	-	-	-	-	0.2	0.2
3	Corporates	9.0	-	27%	27%	-	-	2%	2%	-	-	1%	-	4.0	4.0
3.1	Of which Corporates – SMEs	0.3	-	59%	59%	-	-	-	-	-	-	-	-	0.1	0.1
3.2	Of which Corporates – Specialised lending	2.9	-	-	-	-	-	-	-	-	-	1%	-	1.8	1.8
3.3	Of which Corporates – Other	5.8	-	39%	39%	-	-	2%	2%	-	-	1%	-	2.1	2.1
4	Total	10.2	-	24%	24%	-	-	1%	1%	-	-	1%	-	4.2	4.2

Specialised lending and equity exposures under the simple risk weighted approach (CR10)

The following tables outlines the level of exposure assigned to each Specialised Lending Category and maturity.

Template UK CR10.1

		Specialised lending : Project finance (Slotting approach)					
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
Category 1	Less than 2.5 years	130.5	93.5	50%	145.5	60.2	-
	Equal to or more than 2.5 years	142.7	129.9	70%	165.9	98.5	0.7
Category 2	Less than 2.5 years	73.2	124.3	70%	85.2	52.2	0.3
	Equal to or more than 2.5 years	330.1	182.4	90%	365.9	290.8	2.9
Category 3	Less than 2.5 years	-	4.5	115%	4.5	3.9	0.1
	Equal to or more than 2.5 years	6.7	33.3	115%	32.9	30.3	0.9
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	-	-	250%	-	-	-
Category 5	Less than 2.5 years	-	-	-	-	-	-
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total	Less than 2.5 years	203.7	222.3	-	235.2	116.3	0.4
	Equal to or more than 2.5 years	479.5	345.6	-	564.7	419.6	4.5

Template UK CR10.2

		Specialised lending : Income-producing real estate and high volatility commercial real estate (Slotting approach)					
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
Category 1	Less than 2.5 years	397.0	42.5	50%	397.0	186.4	-
	Equal to or more than 2.5 years	437.4	39.0	70%	437.4	290.4	1.7
Category 2	Less than 2.5 years	580.3	23.7	70%	580.3	349.4	2.3
	Equal to or more than 2.5 years	446.0	26.8	90%	446.0	356.3	3.6
Category 3	Less than 2.5 years	64.5	-	115%	64.5	61.5	1.8
	Equal to or more than 2.5 years	15.4	-	115%	15.4	15.8	0.4
Category 4	Less than 2.5 years	19.0	-	250%	19.0	47.5	1.5
	Equal to or more than 2.5 years	0.6	-	250%	0.6	1.2	-
Category 5	Less than 2.5 years	50.6	-	-	50.6	-	25.3
	Equal to or more than 2.5 years	6.4	-	-	6.4	-	3.2
Total	Less than 2.5 years	1111.4	66.2	-	1111.4	644.8	30.9
	Equal to or more than 2.5 years	905.8	65.8	-	905.8	663.7	8.9

Template UK CR10.5

		Equity exposures under the simple risk-weighted approach				
Categories		On-balance sheet exposure £m	Off-balance sheet exposure £m	Risk weight %	Exposure value £m	Expected loss amount £m
Private equity exposures		-	-	190%	-	-
Exchange-traded equity exposures		-	-	290%	-	-
Other equity exposures		10.0	-	370%	10.0	0.2
Total		10.0	-	-	10.0	0.2

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

The following table outlines the geographical distribution of credit risk exposures relevant for the calculation of the countercyclical capital buffer at 30 June 2025:

Country	General credit exposures		Relevant credit exposures – Market risk			Own funds requirement							Counter-cyclical buffer rate (%)
	Exposure value under the standardised approach £bn	Exposure value under the IRB approach £bn	Sum of long and short positions of trading book exposures for SA £bn	Value of trading book exposures for internal models £bn	Securitisation exposures value for non-trading book £bn	Total exposure value £bn	Relevant credit risk exposure – Credit Risk £bn	Relevant credit exposures – Market risk £bn	Relevant credit exposures – Securitisation positions in the non-trading book £bn	Total £bn	Risk-weighted exposure amounts £bn	Own funds requirements weights (%)	
United Kingdom	22.4	191.2	-	-	7.7	221.2	4.4	-	0.2	4.6	56.8	97.71%	2.0%
Isle of Man	0.4	-	-	-	-	0.4	-	-	-	-	0.2	0.27%	0.0%
Jersey	1.2	0.1	-	-	-	1.3	-	-	-	-	0.6	1.04%	0.0%
Guernsey	-	-	-	-	-	-	-	-	-	-	-	0.07%	0.0%
United States	-	-	-	-	-	-	-	-	-	-	-	0.06%	0.0%
Spain	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.0%
Australia	0.3	-	-	-	-	0.3	-	-	-	-	0.1	0.12%	1.0%
Luxembourg	-	-	-	-	-	0.1	-	-	-	-	-	0.08%	0.5%
Denmark	-	-	-	-	-	-	-	-	-	-	-	0.01%	2.5%
Canada	0.9	-	-	-	-	0.9	-	-	-	-	0.2	0.29%	0.0%
Netherlands	-	-	-	-	-	-	-	-	-	-	-	0.00%	2.0%
Ireland	-	-	-	-	-	-	-	-	-	-	-	0.00%	1.5%
Norway	0.1	-	-	-	-	0.1	-	-	-	-	-	0.03%	2.5%
Sweden	-	-	-	-	-	-	-	-	-	-	-	0.00%	2.0%
France	0.1	-	-	-	-	0.1	-	-	-	-	-	0.04%	1.0%
Belgium	-	-	-	-	-	-	-	-	-	-	-	0.01%	1.0%
Finland	-	-	-	-	-	-	-	-	-	-	-	0.01%	0.0%
Austria	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.0%
British Virgin Islands	-	-	-	-	-	-	-	-	-	-	-	0.06%	0.0%
Czech Republic	-	-	-	-	-	-	-	-	-	-	-	0.00%	1.3%
Germany	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.8%
Hong Kong	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.5%
Iceland	-	-	-	-	-	-	-	-	-	-	-	0.00%	2.5%
Saudi Arabia	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.0%
Slovakia	-	-	-	-	-	-	-	-	-	-	-	0.00%	1.5%
Croatia	-	-	-	-	-	-	-	-	-	-	-	0.00%	1.5%
Chile	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.5%
Cyprus	-	-	-	-	-	-	-	-	-	-	-	0.00%	1.0%
Korea, Republic of	-	-	-	-	-	-	-	-	-	-	-	0.00%	1.0%
Other	0.1	0.1	-	-	-	0.2	-	-	-	-	0.1	0.10%	0.0%
Total	25.5	191.4	-	-	7.7	224.6	4.4	-	0.2	4.6	58.0	100%	

Exposure value of relevant credit exposures is defined in accordance with Article 140(4) of Directive 2013/36/EU.

Amount of institution-specific countercyclical capital buffer (CCyB2)

The following table shows the amount of institution-specific countercyclical capital buffer:

	£bn
Total risk exposure amount	58.1
Institution specific countercyclical capital buffer rate	1.96%
Institution specific countercyclical capital buffer requirement	1.14

The level of the Countercyclical Capital Buffer for the Company at 30 June 2025 was 1.96%.

Credit quality of forborne exposures (CQ1)

The following table provides an overview of the quality of forborne exposures at 30 June 2025.

		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Non-performing forborne							
		Performing forborne	Of which defaulted		Of which impaired	On performing forborne exposures	On non-performing forborne exposures	Of which collateral and financial guarantees received on non-performing exposures with forbearance measures	
		£m	£m	£m	£m	£m	£m	£m	£m
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010	Loans and advances	817	1,577	1,560	1,249	(17)	(220)	1,992	1,215
020	Central banks	-	-	-	-	-	-	-	-
030	General governments	-	-	-	-	-	-	-	-
040	Credit institutions	-	-	-	-	-	-	-	-
050	Other financial corporations	12	42	42	35	(2)	(18)	37	16
060	Non-financial corporations	127	504	504	422	(5)	(121)	404	298
070	Households	678	1,031	1,014	792	(10)	(81)	1,551	901
080	Debt Securities	-	-	-	-	-	-	-	-
090	Loan commitments given	-	-	-	-	-	-	-	-
100	Total	817	1,577	1,560	1,249	(17)	(220)	1,992	1,215

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

Breakdown of exposures by industry class and Credit Quality:

At 30 June 2025		Gross carrying amount	of which: loans and advances subject to impairment	Of which non-performing		Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
					Of which defaulted		
010	Agriculture, forestry and fishing	80	80	12	12	(6)	-
020	Mining and quarrying	45	45	-	-	-	-
030	Manufacturing	549	549	26	26	(16)	-
	Electricity, gas, steam and air conditioning supply	449	449	-	-	(2)	-
040	Water supply	81	81	7	7	(1)	-
060	Construction	1,075	1,075	91	60	(19)	-
070	Wholesale and retail trade	1,513	1,513	121	121	(81)	-
080	Transport and storage	204	204	5	5	(3)	-
	Accommodation and food service activities	1,000	999	77	77	(39)	-
100	Information and communication	324	320	32	32	(31)	-
110	Financial and insurance activities	34,566	34,245	743	743	(339)	-
120	Real estate activities	8,529	8,530	49	50	(27)	-
	Professional, scientific and technical activities	1,419	1,412	48	48	(26)	-
130	Administrative and support service activities	522	522	114	114	(20)	-
	Public administration and defence, compulsory social security	40	40	-	-	-	-
150	Education	183	175	1	1	(2)	-
160	Human health services and social work activities	712	712	92	92	(26)	-
170	Arts, entertainment and recreation	109	109	1	1	(1)	-
180	Other services	508	508	22	22	(6)	-
190							
200	Total	51,908	51,568	1,441	1,411	(645)	-

Collateral obtained by taking possession and execution processes (CQ7)

Excluded as no collateral taken into possession is recognised on the balance sheet.

Own Funds disclosure – balance sheet reconciliation

The scope of consolidation and method for consolidation of the Company's balance sheet is substantially the same as that used for regulatory purposes.

A reconciliation of regulatory own funds to the relevant balance sheet items for the Company is included in the table below at 30 June 2025. This outlines the impact of the difference in scope of consolidation outlined above:

	Own Funds Type		
	CET1 £m	Additional Tier 1 £m	Tier 2 £m
Santander UK Balance Sheet elements			
Shareholder's equity and Non-controlling interests	12,962	2,100	-
Subordinated Liabilities	-	-	2,348
UK CRR Adjustments			
Additional value adjustments	(13)	-	-
Intangible Assets (net of related tax liability)	(1,447)	-	-
Fair value reserves related to gains or losses on cash flow hedges	(151)	-	-
Negative amounts resulting from the calculation of regulatory expected loss amounts	(688)	-	-
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	(2)	-	-
Deferred tax assets arising from temporary differences	-	-	-
Defined benefit pension fund assets	(381)	-	-
- Dividend accrual	(286)	-	-
- Deduction for minority interests	-	-	-
- NPE Backstop	-	-	-
- Capital Add-on	-	-	-
- IFRS 9 Transitional Adjustments	-	-	-
Amount excluded from Tier 2 due to transitional recognition cap	-	-	(542)
Total	9,994	2,100	1,806

Composition of regulatory own funds (CC1)

The following table provides disclosure of the Company's own funds items. The UK CRR end point position can be derived as the sum of the 30 June 2025 results and the associated end point adjustment. The Common Equity Tier 1 (CET1) Capital before regulatory adjustments below differs from other disclosures in this document as this template requires an alternative treatment of CET1 Minority Interests and foreseeable dividends:

		30 June 2025 Amounts £m	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Common Equity Tier 1 (CET1) capital: instruments and reserves			
1	Capital Instruments and the related share premium accounts	7,060	Share Capital
	of which: Instrument type 1	-	
	of which: Instrument type 2	-	
	of which: Instrument type 3	-	
2	Retained Earnings	5,472	Retained Earnings
3	Accumulated other comprehensive income (and other reserves)	144	Other Reserves
UK-3a	Funds for general banking risk	-	
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1	-	
5	Minority interests (amount allowed in consolidated CET1)	-	
UK-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	-	
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	12,676	
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	(13)	
8	Intangible assets (net of related tax liability) (negative amount)	(1,447)	Intangible Assets
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) are met) (negative amount)	-	Deferred Tax Assets
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	(151)	Other Reserves
12	Negative amounts resulting from the calculation of expected loss amounts	(688)	
13	Any increase in equity that results from securitised assets (negative amount)	-	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	(2)	
15	Defined-benefit pension fund assets (negative amount)	(381)	Retirement Benefit Assets
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	-	
17	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
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) (negative amount)	-	
UK-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-	
UK-20b	of which: qualifying holdings outside the financial sector (negative amount)	-	
UK-20c	of which: securitisation positions (negative amount)	-	
UK-20d	of which: free deliveries (negative amount)	-	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	-	
22	Amount exceeding the 17.65% threshold (negative amount)	-	
23	of which: 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	-	
25	of which: deferred tax assets arising from temporary differences	-	
UK-25a	Losses for the current financial year (negative amount)	-	
UK-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-	
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	
27a	Other regulatory adjustments to CET1 capital (including IFRS 9 transitional adjustments when relevant)	-	
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	(2,682)	
29	Common Equity Tier 1 (CET1) capital	9,994	
Additional Tier 1 (AT1) capital: instruments			
30	Capital instruments and the related share premium accounts	2,100	Other Equity Instruments
31	of which: classified as equity under applicable accounting standards	2,100	Other Equity Instruments
32	of which: classified as liabilities under applicable accounting standards	-	
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1	-	
UK-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1	-	
UK-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1	-	
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	-	
35	of which: instruments issued by subsidiaries subject to phase out	-	
36	Additional Tier 1 (AT1) capital before regulatory adjustments	2,100	
Additional Tier 1 (AT1) capital: regulatory adjustments			
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	-	
38	Direct, indirect and synthetic holdings of AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
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) (negative amount)	-	

		30 June 2025 Amounts £m	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-	
42a	Other regulatory adjustments to AT1 capital	-	
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	-	
44	Additional Tier 1 (AT1) capital	2,100	
45	Tier 1 capital (T1 = CET1 + AT1)	12,094	
-			
46	Capital instruments and the related share premium accounts	1,325	Subordinated Liabilities
47	Amount of qualifying items referred to in Article 484 (5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR	-	
UK-47a	Amount of qualifying items referred to in Article 494a (2) CRR subject to phase out from T2	-	
UK-47b	Amount of qualifying items referred to in Article 494b (2) CRR subject to phase out from T2	-	
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in row 5 or 34) issued by subsidiaries and held by third parties	481	Subordinated Liabilities
49	of which: instruments issued by subsidiaries subject to phase out	-	
50	Credit risk adjustments	-	
51	Tier 2 (T2) capital before regulatory adjustments	1,806	
Tier 2 (T2) capital: regulatory adjustments			
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
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) (negative amount)	-	
UK-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	
UK-56b	Other regulatory adjustments to T2 capital	-	
57	Total regulatory adjustments to Tier 2 (T2) capital	-	
58	Tier 2 (T2) capital	1,806	
59	Total Capital (TC = T1 + T2)	13,900	
60	Total Risk exposure amount	67,119	
Capital ratios and buffer			
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	14.9%	-
62	Tier 1 (as a percentage of total risk exposure amount)	18.0%	-
63	Total capital (as a percentage of total risk exposure amount)	20.7%	-
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)	4.5%	-
65	of which: capital conservation buffer requirement	2.5%	-
66	of which: countercyclical buffer requirement	2.0%	-
67	of which: systemic risk buffer requirement	-	-
UK-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	-	-
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	14.9%	-
Amounts below the thresholds for deduction (before risk weighting)			
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	-	
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)	-	
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)	-	
Applicable caps on the inclusion of provisions in Tier 2			
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	-	
77	Cap on inclusion of credit risk adjustment in T2 under standardised approach	228	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	-	
79	Cap for inclusion of credit risk adjustment in T2 under internal ratings-based approach	226	
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)			
80	Current cap on CET1 instruments subject to phase out arrangements	-	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	
82	Current cap on AT1 instruments subject to phase out arrangements	-	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	
84	Current cap on T2 instruments subject to phase out arrangements	-	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	

Reconciliation of regulatory own funds to balance sheet in the audited financial statements (CC2)

The scope of consolidation and method for consolidation of the Company's balance sheet is substantially the same as that used for regulatory purposes.

A reconciliation of regulatory own funds to the relevant balance sheet items for the Company is included in the table below 30 June 2025. This outlines the impact of the difference in scope of consolidation outlined above:

		Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference ¹
		As at period end 30 June 2025	As at period end 30 June 2025	
Assets - Breakdown by asset class according to the balance sheet in the published financial statements				
1	Cash and balances at central banks	37,245	37,245	
2	Financial assets at fair value through profit or loss:	-	-	
3	– Trading assets	-	-	
4	– Derivative financial instruments	910	917	
5	– Other financial assets at fair value through profit or loss	415	415	
6	Financial assets at amortised cost:	-	-	
7	– Loans and advances to customers	203,640	204,416	
8	– Loans and advances to banks	1,514	1,704	
9	– Reverse repurchase agreements – non trading	11,405	11,405	
10	– Other financial assets at amortised cost	3,718	3,718	
11	Macro hedge of interest rate risk	(207)	(207)	
12	Financial assets at fair value through other comprehensive income	7,381	7,381	
13	Financial investments	-	-	
14	Interests in other entities	315	-	
15	Intangible assets	1,520	1,520	Table CC1 Row 8
16	Property, plant and equipment	1,528	2,228	
17	Current tax assets	367	378	
18	Deferred tax assets	-	8	Table CC1 Row 10
19	Retirement benefit assets	527	527	
20	Other assets	2,342	2,467	
21	Assets held for sale	20	20	
22	Total assets	272,640	274,142	
Liabilities - Breakdown by liability class according to the balance sheet in the published financial statements				
1	Financial liabilities at fair value through profit or loss:	-	-	
2	– Trading liabilities	-	-	
3	– Derivative financial instruments	1,154	1,161	
4	– Other financial liabilities at fair value through profit or loss	1,061	1,061	
5	Financial liabilities at amortised cost:	-	-	
6	– Deposits by customers	186,517	186,359	
7	– Deposits by banks	12,017	12,184	
8	– Repurchase agreements – non trading	7,590	7,590	
9	– Debt securities in issue	43,677	44,677	
10	– Subordinated liabilities	2,348	2,348	Table CC1 Row 46/48
11	Macro hedge of interest rate risk	76	76	
12	Other liabilities	2,028	2,189	
13	Provisions	645	648	
14	Current tax liabilities	-	3	
15	Deferred tax liabilities	442	448	Table CC1 Row 10
16	Retirement benefit obligations	23	23	
17	Liabilities held for sale	-	-	
18	Total liabilities	257,578	258,767	
Shareholders' Equity				
1	Equity	-	-	
2	Share capital	7,060	7,213	Table CC1 Row 1
3	Share premium	-	-	
4	Other equity instruments	2,100	2,100	Table CC1 Row 30
5	Retained earnings	5,758	5,921	Table CC1 Row 2
6	Other reserves	144	141	Table CC1 Row 3
7	Non-controlling interests	-	-	
	Total shareholders' equity	15,062	15,375	

The main 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 convert the joint ventures in Consumer Finance from the equity method consolidation to full consolidation in addition to eliminating the intragroup balances between the Company and these Joint ventures.

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

Own Funds disclosure – capital instruments main features

Own Funds disclosure – Capital Instruments Main Features table is available on our website as Half Year 2025 ACRMD tables, Appendix I. This includes the main features of the Company's Common Equity Tier 1, Additional Tier 1 and Tier 2 instruments.

CCA - Main features of regulatory capital instruments and of other TLAC-eligible instruments

Own Funds disclosure – Capital Instruments Main Features table is available on our website as Half Year 2025 ACRMD tables, Appendix I. This includes the main features of the Company's Common Equity Tier 1, Additional Tier 1 and Tier 2 instruments. Further details on main features of other TLAC eligible instruments is available as Appendix II from the same location.

Part 2

June 2025 Additional Capital and Risk Management Disclosures for Santander UK plc Group

Introduction

As a wholly-owned large subsidiary under UK CRR, Santander UK plc (the RFB) is required to produce and publish annually a specified number of Pillar 3 disclosures rather than a complete set of Pillar 3 disclosures. In accordance with the EBA guidelines on disclosure frequency¹, the RFB has assessed the need to publish capital-related disclosures more frequently than annually, and the disclosures deemed appropriate for more frequent publication have been included in the additional capital disclosures set out in this document. All disclosures cover the consolidated RFB Group position.

¹ EBA guidelines on materiality, proprietary and confidentiality and on disclosure frequency are under Articles 432(1), 432(20) and 433 of Regulation (EU) No 575/2013.

Key metrics (KM1)

The following table summarises the RFB Group's Own Funds and key risk-based capital ratios at 30 June 2025, together with the previously disclosed quarter end information at 31 March 2025, 31 December 2024, 30 September 2024 and 30 June 2024. Further detail on Risk Weighted Assets are included in the subsequent sections of this document:

		30 June 2025 £m	31 March 2025 £m	31 December 2024 £m	30 September 2024 £m	30 June 2024 £m
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	9,916	9,847	9,791	10,291	10,305
2	Tier 1 capital	11,776	11,707	11,651	12,151	12,165
3	Total capital	13,658	13,771	13,744	14,238	14,312
	Risk-weighted exposure amounts					
4	Total risk-weighted exposure amount	66,041	66,304	65,528	66,047	67,105
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	15.0%	14.9%	14.9%	15.6%	15.4%
6	Tier 1 ratio (%)	17.8%	17.7%	17.8%	18.4%	18.1%
7	Total capital ratio (%)	20.7%	20.8%	21.0%	21.6%	21.3%
	Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)					
UK 7a	Additional CET1 SREP requirements (%)	2.28%	2.28%	2.28%	2.28%	2.31%
UK 7b	Additional AT1 SREP requirements (%)	0.76%	0.76%	0.76%	0.76%	0.77%
UK 7c	Additional T2 SREP requirements (%)	1.01%	1.01%	1.01%	1.01%	1.03%
UK 7d	Total SREP own funds requirements (%)	4.05%	4.05%	4.05%	4.05%	4.11%
	Combined buffer requirement (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
UK 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-	-	-	-	-
9	Institution specific countercyclical capital buffer (%)	1.98%	1.97%	1.97%	1.97%	1.98%
UK 9a	Systemic risk buffer (%)	-	-	-	-	-
10	Global Systemically Important Institution buffer (%)	-	-	-	-	-
UK 10a	Other Systemically Important Institution buffer	1.00%	1.00%	1.00%	1.00%	1.00%
11	Combined buffer requirement (%)	5.48%	5.47%	5.47%	5.47%	5.48%
UK 11a	Overall capital requirements (%)	17.53%	17.50%	17.52%	17.52%	17.59%
12	CET1 available after meeting the total SREP own funds requirements (%)	3.15%	3.24%	3.45%	4.04%	4.04%
	Leverage ratio					
13	Total exposure measure excluding claims on central banks	241,538	243,511	238,445	245,816	247,266
14	Leverage ratio excluding claims on central banks (%)	4.9%	4.8%	4.9%	4.9%	4.9%
	Additional leverage ratio disclosure requirements					
14a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	4.9%	4.8%	4.9%	4.9%	4.9%
14b	Leverage ratio including claims on central banks (%)	4.3%	4.3%	4.3%	4.4%	4.4%
14c	Average leverage ratio excluding claims on central banks (%)	4.8%	4.9%	5.0%	5.0%	5.1%
14d	Average leverage ratio including claims on central banks (%)	4.3%	4.3%	4.5%	4.5%	4.5%
14e	Countercyclical leverage ratio buffer (%)	0.7%	0.7%	0.7%	0.7%	0.7%
	Liquidity Coverage Ratio					
15	Total high-quality liquid assets (HQLA) (Weighted value-average)	48,425	46,125	43,681	47,112	45,106
UK 16a	Cash outflows – Total weighted value	32,308	32,347	30,324	32,285	33,785
UK 16b	Cash inflows – Total weighted value	1,811	1,824	2,001	1,959	2,048
16	Total net cash outflows (adjusted value)	30,497	30,523	28,323	30,326	31,737
17	Liquidity coverage ratio (%)	159%	151%	154%	155%	142%
	Net Stable Funding Ratio					
18	Total available stable funding	207,231	209,430	208,000	212,207	211,932
19	Total required stable funding	152,870	151,822	151,457	157,273	158,565
20	NSFR ratio (%)	136%	138%	137%	135%	134%

Key Movements

The CET1 capital ratio rose to 15.0% (Dec 2024: 14.9%), supported by retained profits and offset slightly by RWA growth. The Total Capital Ratio declined to 20.7% (Dec 2024: 21.0%) due to the ineligibility of a Tier 2 instrument. The UK leverage ratio remained stable at 4.9%, with the impact of increased exposures offset by retained profits. RWA growth was driven by Consumer Finance, Mortgages, and retail scorecard changes, partially offset by securitisation activity. The previously declared interim dividend was not paid, and the current intention is to retain earnings rather than distribute dividends, in order to strengthen reserves ahead of the TSB acquisition. Overall, the Group maintains a strong capital position with healthy buffers above regulatory requirements.

UK LRA: Disclosure of LR qualitative information

Description of the processes used to manage the risk of excessive leverage
Processes used to manage the risk of excessive Leverage are same as those in Company.
Description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers
UK Leverage ratio remained stable at 4.9% (Dec-24: 4.9%), as increased Leverage exposure (£241.6bn, up from £238.4bn) was offset by retained profits. Growth in exposure was driven by higher liquid assets and lending to customers and banks.

UK LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

		30-Jun-25
		£m
1	Total assets as per published financial statements	265,634
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	2,507
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
4	(Adjustment for exemption of exposures to central banks) ¹	(35,120)
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) of the CRR)	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustment for eligible cash pooling transactions	-
8	Adjustment for derivative financial instruments	367
9	Adjustment for securities financing transactions (SFTs)	659
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	9,309
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced tier 1 capital (leverage))	-
UK-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) of the CRR)	-
UK-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) of the CRR)	-
12	Other adjustments	(1,818)
13	Total exposure measure	241,538

¹ Adjustment for exemption of exposures to central banks - is inclusive of 100% guaranteed Bounce Back loans.

UK LR2 - LRCom: Leverage ratio common disclosure

Leverage ratio exposures		30-Jun 2025 £m	31-Dec 2024 £m
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	221,459	220,306
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	0	0
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(1,621)	(1,518)
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	0	0
5	(General credit risk adjustments to on-balance sheet items)	0	0
6	(Asset amounts deducted in determining tier 1 capital (leverage))	(2,449)	(2,397)
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	217,389	216,391
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	1,903	1,641
UK-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	0	0
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	872	868
UK-9a	Derogation for derivatives: potential future exposure contribution under the simplified standardised approach	-	-
UK-9b	Exposure determined under the original exposure method	-	-
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
UK-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
UK-10b	(Exempted CCP leg of client-cleared trade exposures) (original exposure method)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	Total derivatives exposures	2,775	2,509
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	18,042	16,176
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(6,636)	(5,837)
16	Counterparty credit risk exposure for SFT assets	659	624
UK-16a	Derogation for SFTs: counterparty credit risk exposure in accordance with Articles 429e(5) and 222 of the CRR	0	0
17	Agent transaction exposures	0	0
UK-17a	(Exempted CCP leg of client-cleared SFT exposures)	0	0
18	Total securities financing transaction exposures	12,065	10,963
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	38,828	35,512
20	(Adjustments for conversion to credit equivalent amounts)	(29,519)	(26,930)
21	(General provisions deducted in determining tier 1 capital (leverage) and specific provisions associated with off-balance sheet exposures)	0	0
22	Off-balance sheet exposures	9,309	8,582
Excluded exposures			
UK-22a	(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) of the CRR)	-	-
UK-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) of the CRR (on- and off-balance sheet))	-	-
UK-22g	(Excluded excess collateral deposited at triparty agents)	-	-
UK-22k	(Total exempted exposures)	-	-
Capital and total exposure measure			
23	Tier 1 capital (leverage)	11,776	11,651
24	Total exposure measure including claims on central banks	276,659	269,513
UK-24a	(-) Claims on central banks excluded	(35,120)	(31,068)
UK-24b	Total exposure measure excluding claims on central banks	241,538	238,445
Leverage ratio			

25	Leverage ratio excluding claims on central banks (%)	4.9%	4.9%
UK-25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	4.9%	4.9%
UK-25b	Leverage ratio excluding central bank reserves as if the temporary treatment of unrealised gains and losses measured at fair value through other comprehensive income had not been applied (%)	4.9%	4.9%
UK-25c	Leverage ratio including claims on central banks (%)	4.3%	4.3%
26	Regulatory minimum leverage ratio requirement (%)	3.3%	3.3%
Additional leverage ratio disclosure requirements - leverage ratio buffers			
27	Leverage ratio buffer (%)	1.0%	1.0%
UK-27a	Of which: G-SII or O-SII additional leverage ratio buffer (%)	0.4%	0.4%
UK-27b	Of which: countercyclical leverage ratio buffer (%)	0.7%	0.7%
Additional leverage ratio disclosure requirements - disclosure of mean values			
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	13,370	13,744
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	13,322	15,209
UK-31	Average total exposure measure including claims on central banks	273,943	276,540
UK-32	Average total exposure measure excluding claims on central banks	242,311	242,766
UK-33	Average leverage ratio including claims on central banks	4.3%	4.4%
UK-34	Average leverage ratio excluding claims on central banks	4.8%	5.0%

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

		Leverage ratio exposures 30-Jun-25 £m
UK-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	221,459
UK-2	Trading book exposures	0
UK-3	Banking book exposures, of which:	221,459
UK-4	Covered bonds	2,218
UK-5	Exposures treated as sovereigns	7,707
UK-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	1,281
UK-7	Institutions	1,366
UK-8	Secured by mortgages of immovable properties	163,122
UK-9	Retail exposures	11,488
UK-10	Corporates	16,232
UK-11	Exposures in default	3,121
UK-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	14,924

Liquidity Coverage Ratio (LIQ1)

The values presented below are the simple average of the preceding monthly periods ending on the reporting date as specified in the table:

UK 1a	Quarter ending on	Total unweighted value (average)				Total weighted value (average)			
		30 June	31 March	31 December	30 September	30 June	31 March	31 December	30 September
		2025	2025	2024	2024	2025	2025	2024	2024
		£m	£m	£m	£m	£m	£m	£m	£m
UK-1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
	HIGH-QUALITY LIQUID ASSETS								
1	Total high-quality liquid assets (HQLA)					46,142	46,233	47,769	48,527
	CASH-OUTFLOWS								
2	Retail deposits and deposits from small business customers, of which:	148,376	143,025	144,367	145,501	8,717	8,734	8,798	8,872
3	Stable deposits	118,406	118,909	120,242	120,997	5,920	5,945	6,012	6,050
4	Less stable deposits	24,200	24,116	24,125	24,504	2,797	2,789	2,786	2,822
5	Unsecured wholesale funding	23,862	24,592	25,965	26,552	14,808	14,809	15,359	15,403
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	1,676	1,689	1,738	1,744	368	344	330	315
7	Non-operational deposits (all counterparties)	19,930	20,637	21,851	22,705	12,184	12,198	12,654	12,985
8	Unsecured debt	2,256	2,266	2,376	2,103	2,256	2,267	2,375	2,103
9	Secured wholesale funding					165	229	277	286
10	Additional requirements	13,080	13,679	14,098	14,174	6,621	7,180	7,630	7,761
11	Outflows related to derivative exposures and other collateral requirements	5,240	5,666	5,973	6,155	5,240	5,666	5,973	6,155
12	Outflows related to loss of funding on debt products	130	209	297	220	130	209	297	220
13	Credit and liquidity facilities	7,710	7,804	7,828	7,799	1,251	1,305	1,360	1,386
14	Other contractual funding obligations	54	44	36	33	11	5	3	3
15	Other contingent funding obligations	25,866	24,981	24,359	23,723	2,031	1,812	1,645	1,487
16	TOTAL CASH OUTFLOWS					32,353	32,769	33,712	33,812
	CASH-INFLOWS								
17	Secured lending (e.g reverse repos)	11,272	10,749	10,097	9,253	3	13	13	10
18	Inflows from fully performing exposures	2,307	2,271	2,267	2,236	1,537	1,510	1,507	1,487
19	Other cash inflows	1,306	1,599	1,895	2,160	421	493	542	637
UK-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)								
UK-19b	(Excess inflows from a related specialised credit institution)								
20	TOTAL CASH INFLOWS	14,885	14,619	14,259	13,649	1,961	2,016	2,062	2,134
UK-20a	Fully exempt inflows								
UK-20b	Inflows Subject to 90% Cap								
UK-20c	Inflows Subject to 75% Cap	14,885	14,619	14,259	13,649	1,961	2,016	2,062	2,134
	TOTAL ADJUSTED VALUE								
UK-21	LIQUIDITY BUFFER					46,142	46,233	47,969	48,527
22	TOTAL NET CASH OUTFLOWS					30,392	30,753	31,650	31,678
23	LIQUIDITY COVERAGE RATIO					152%	150%	151%	153%

Qualitative information on LCR (LIQB)

Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time The LCR requirement (weighted) is broadly consistent over time, driven mainly by deposits. Corporate deposits contribute a greater requirement despite Retail deposits being significantly larger in number, because of the standardised LCR weightings. The 12 month average HQLA was broadly flat in Q1 as a result of lower customer deposits and TFSME repayments were offset with a reduction in the Historic Look Back Approach (HLBA). The LCR maintains a significant surplus to both internal and regulatory requirements.
Explanations on the changes in the LCR over time The 12 month average LCR of 152% reflects our continued strong liquidity position
Explanations on the actual concentration of funding sources Santander UK is largely funded through customer deposits (£178bn), with the significant proportion being Retail. We also have c£59bn of wholesale funding which includes secured, unsecured term funding as well as c£8.6bn of TFSME Funding.
High-level description of the composition of the institution's liquidity buffer. The liquidity buffer is largely comprised (c92%) of Level 1 assets, primarily cash held in our Bank of England Reserve Account.
Derivative exposures and potential collateral calls The main drivers of derivative exposures / potential collateral calls are the Historic Look Back Approach (HLBA) to calculating collateral requirements in the LCR and collateral outflows due to counterparties in the event of a deterioration of our own credit quality. These amounts had reduced as TFSME drawing had led to a reduction in secured issuance volumes, as we repay TFSME we expect to see an increase in the potential collateral outflows.
Currency mismatch in the LCR We have no material mismatch in our currency LCRs, with most of the funding raised in currency swapped back to GBP and the remainder being used to fund structural currency assets.
Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile n/a

Template UK LIQ2: Net Stable Funding Ratio

In accordance with Article 45 1a(3) CRR

The table below represents the breakdown of the key component for the June 2025 RFB Group's NSFR ratio

(in currency amount)		Unweighted value by residual maturity (average)				Weighted value (average)
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	-	-	210	16,067	16,172
2	Own funds	-	-	210	16,067	16,172
3	Other capital instruments		-	-	-	-
4	Retail deposits		145,547	2,854	998	140,589
5	Stable deposits		119,039	1,546	505	115,061
6	Less stable deposits		26,508	1,308	493	25,528
7	Wholesale funding:		49,663	2,128	10,946	20,897
8	Operational deposits		246	-	-	45
9	Other wholesale funding		49,417	2,128	10,946	20,852
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	195	9,292	4,455	27,346	29,573
12	NSFR derivative liabilities	195				
13	All other liabilities and capital instruments not included in the above categories		9,292	4,455	27,346	29,573
14	Total available stable funding (ASF)					207,231
15	Total high-quality liquid assets (HQLA)					414
UK-15a	Assets encumbered for more than 12m in cover pool		-	-	-	-
16	Deposits held at other financial institutions for operational purposes		-	-	-	-
17	Performing loans and securities:		27,059	9,168	179,952	142,263
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		13,767	1,352	-	676
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		-	-	-	-
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		7,331	6,466	175,637	136,009
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		4,867	4,319	161,373	121,431
22	Performing residential mortgages, of which:		3,249	2,919	157,481	-
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		3,249	2,919	157,481	-
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		5,961	1,350	4,315	5,578
25	Interdependent assets		-	-	-	-
26	Other assets:		3,427	171	7,378	8,354
27	Physical traded commodities				-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		-	-	-	216
29	NSFR derivative assets		32	-	-	32
30	NSFR derivative liabilities before deduction of variation margin posted		710	-	-	36
31	All other assets not included in the above categories		2,685	171	7,378	8,070
32	Off-balance sheet items		29,520	130	7,138	1,839
33	Total RSF					152,870
34	Net Stable Funding Ratio (%)					136%

RWA and Capital Requirements

Overview of risk weighted exposure amounts (OV1)

The following table details RWA and equivalent Own Funds Requirements. Own Funds Requirements are calculated as RWA multiplied by 8%:

		Risk Weighted Exposure Amounts (RWEAs)		Total Own Funds Requirements
		30 June 2025 £bn	31 March 2025 £bn	30 June 2025 £bn ¹
1	Credit risk (excluding CCR) ¹	54.5	55.6	4.4
2	Of which the standardised approach	17.5	17.4	1.4
3	Of which the foundation IRB (FIRB) approach	2.1	2.3	0.2
4	Of which slotting approach	1.8	2.9	0.1
UK 4a	Of which equities under the simple risk weighted approach			
5	Of which the advanced IRB (AIRB) approach	33.1	33.0	2.7
6	Counterparty credit risk - CCR ¹	0.6	0.5	-
7	Of which the standardised approach	0.2	0.2	-
8	Of which internal model method (IMM)	0.2	0.2	-
UK 8a	Of which exposures to a CCP			
UK 8b	Of which credit valuation adjustment - CVA	0.2	0.1	-
9	Of which other CCR			
15	Settlement risk			
16	Securitisation exposures in the non-trading book (after the cap) ²	2.9	2.2	0.3
17	Of which SEC-IRBA approach	0.7	0.3	0.1
18	Of which SEC-ERBA (including IAA)	1.0	0.7	0.1
19	Of which SEC-SA approach	1.2	1.2	0.1
UK 19a	Of which 1250% / deduction			
20	Position, foreign exchange and commodities risks (Market risk) ¹	0.2	0.2	-
21	Of which the standardised approach	0.2	0.2	-
22	Of which IMA			
UK 22a	Large exposures			
23	Operational risk ¹	7.8	7.8	0.6
UK 23a	Of which basic indicator approach			
UK 23b	Of which standardised approach	7.8	7.8	0.6
UK 23c	Of which advanced measurement approach			
24	Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)			
29	Total ¹	66.0	66.3	5.3

[1] Balances which are not visible due to rounding have been included in the total.

[2] Includes 10 Significant Risk Transfer transactions which are subject to re-characterisation risk.

RWEA flow statements of credit risk exposures under the IRB approach (CR8) and RWEA flow statements of credit risk exposures under the standardised approach¹

RWEA flow statements of credit risk exposures under IRB approach (CR8)

	RWEA £bn	Capital requirements
1 Risk weighted exposure amount as at 31 March 2025	38.7	3.2
2 Asset size	1.1	0.1
3 Asset quality	(1.1)	(0.1)
4 Model updates	0.2	-
5 Methodology and policy	-	-
6 Acquisitions and disposals	-	-
7 Foreign exchange movements	-	-
8 Other	(1.0)	(0.1)
9 Risk weighted exposure amount as at 30 June 2025	37.9	3.1

RWEA flow statements of credit risk exposures under standardised approach

	RWEA £bn	Capital requirements
1 Risk weighted exposure amount as at 31 March 2025	19.5	1.6
2 Asset size	0.5	0.1
3 Asset quality	0.2	-
4 Model updates	-	-
5 Methodology and policy	-	-
6 Acquisitions and disposals	-	-
7 Foreign exchange movements	-	-
8 Other	(0.3)	-
9 Risk weighted exposure amount as at 30 June 2025	19.9	1.7

The increase in asset size under the IRB approach is primarily driven by growth in mortgage lending, consumer finance, and everyday banking. The asset quality in the IRB approach shows an improvement in the transformation ratio across the Mortgages and Corporates portfolios. IRB model updates reflect scorecard changes for both the Banking and Unsecured Personal Loans portfolios. Additionally, other items in both the Standardised and IRB approaches reflect portfolio optimisation through securitisation activities.

¹ Table excludes CVA.

Performing and non-performing exposures and related provisions (CR1)

The following table provides an overview of the credit quality of non-performing exposures and related impairments, provisions and valuation adjustments by portfolio and exposure class at 30 June 2025:

		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated Partial write-off	Collateral and financial guarantees received	
		Performing exposures		Non-performing exposures				Performing exposures – accumulated impairment and provisions		Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions					On performing exposures	On non-performing exposures
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3	Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3				
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
005	Cash balances at central banks and other demand deposits	34,202	34,202	-	-	-	-	-	-	-	-	-	-	-	-	-
010	Loans and advances	210,497	193,288	17,956	3,122	580	2,542	(410)	(107)	(303)	(414)	(33)	(414)	-	196,452	2,586
020	<i>Central banks</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	<i>General governments</i>	194	194	-	-	-	-	-	-	-	-	-	-	-	-	-
040	<i>Credit institutions</i>	2,745	2,745	-	-	-	-	-	-	-	-	-	-	-	1,622	-
050	<i>Other financial corporations</i>	16,753	16,495	239	44	-	44	(14)	(6)	(8)	(20)	-	(20)	-	11,186	50
060	<i>Non-financial corporations</i>	16,607	14,978	1,610	699	-	699	(99)	(38)	(61)	(206)	(12)	(206)	-	15,239	405
070	<i>Of which SMEs</i>	7,184	6,161	1,024	440	-	440	(61)	(18)	(43)	(106)	(6)	(106)	-	6,554	248
080	<i>Households</i>	174,198	158,876	16,107	2,379	580	1,799	(297)	(63)	(234)	(188)	(21)	(188)	-	168,405	2,131
090	Debt securities	11,184	11,100	-	-	-	-	-	-	-	-	-	-	-	469	-
100	<i>Central banks</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	<i>General governments</i>	6,834	6,778	-	-	-	-	-	-	-	-	-	-	-	-	-
120	<i>Credit institutions</i>	3,847	3,847	-	-	-	-	-	-	-	-	-	-	-	-	-
130	<i>Other financial corporations</i>	497	469	-	-	-	-	-	-	-	-	-	-	-	469	-
140	<i>Non-financial corporations</i>	6	6	-	-	-	-	-	-	-	-	-	-	-	-	-
150	Off-balance-sheet exposures	38,741	37,648	1,093	88	-	88	69	29	40	10	-	10	-	2,072	-
160	<i>Central banks</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
170	<i>General governments</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
180	<i>Credit institutions</i>	1,664	1,664	-	-	-	-	-	-	-	-	-	-	-	1,664	-
190	<i>Other financial corporations</i>	1,872	1,804	69	-	-	-	4	3	1	-	-	-	-	408	-
200	<i>Non-financial corporations</i>	7,630	7,350	280	34	-	34	50	26	24	8	-	8	-	-	-
210	<i>Households</i>	27,575	26,830	744	54	-	54	15	-	15	2	-	2	-	-	-
220	Total	294,624	276,238	19,049	3,210	580	2,630	(341)	(78)	(263)	(404)	(33)	(404)	-	198,993	2,586

Maturity of exposures (CR1-A)

At 30 June 2025	Net exposure value					
	On demand	<= 1 year	>1 year <= 5 years	> 5 years	No stated maturity	Total
1 Loans and advances to customers	868	26,254	52,654	120,452	-	200,228
2 Debt securities	-	2,409	2,884	5,911	-	11,204
3 Total	868	28,663	55,538	126,363	-	211,432

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

	Gross carrying amount	£m
010 Initial stock of non-performing loans and advances as at 31 Dec 2024		3,223
020 Inflows to non-performing portfolios		803
030 Outflows from non-performing portfolios		(904)
040 Of which Outflows due to write-offs		(134)
050 Of which Outflows due to other situations		(770)
060 Final stock of non-performing loans and advances as at 30 June 2025		3,122

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

For more details on the Company's approach to Credit Risk Mitigation refer to the Other Segments – Credit Risk Review section of our 2024 Half Yearly Financial Report.

The following table provides analysis of secured and collateralised exposures at 30 June 2025.

	Unsecured carrying amount	Secured carrying amount			
			Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
	30 June 2025	30 June 2025	30 June 2025	30 June 2025	30 June 2025
	£m	£m	£m	£m	£m
1 Loans and advances	10,628	200,153	189,991	1,163	-
2 Debt securities	8,651	2,533	2,533	-	-
3 Total	19,279	202,686	201,524	1,163	-
4 <i>Of which non-performing exposures</i>	916	2,205	-	-	-
5 <i>Of which defaulted</i>	916	2,205	-	-	-

Standardised approach - Credit risk exposure and credit risk mitigation (CRM) effects (CR4)

	Exposures before CCF and CRM		Exposure post-CCF and CRM		RWAs and RWAs density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWAs	RWAs density (%)
	30 June 2025	30 June 2025	30 June 2025	30 June 2025	30 June 2025	30 June 2025
	£bn	£bn	£bn	£bn	£bn	%
1 Central governments or central banks	41.9	-	43.1	-	-	0%
2 Regional government or local authorities	-	-	-	-	-	0%
3 Public sector entities	-	-	-	-	-	20%
4 Multilateral Development Banks	1.2	-	1.2	-	-	0%
5 International Organisations	0.1	-	0.1	-	-	0%
6 Institutions	1.2	-	1.2	-	0.3	23%
7 Corporates	5.6	2.4	4.8	0.2	4.3	87%
8 Retail	10.7	11.6	10.5	0.1	7.9	74%
9 Secured by mortgages on immovable property	-	-	-	-	-	61%
10 Exposures in default	0.5	0.1	0.4	-	0.5	133%
11 Exposures associated with particularly high risk	-	-	-	-	-	150%
12 Covered bonds	2.2	-	2.2	-	0.4	17%
13 Institutions and corporates with a short-term credit assessment	-	-	-	-	-	0%
14 Collective investment undertakings	-	-	-	-	-	0%
15 Equity	-	-	-	-	-	0%
16 Other items	5.9	-	5.9	-	4.1	69%
17 Total	69.3	14.1	69.4	0.3	17.5	25%

IRB approach -Credit risk exposure and credit risk mitigation (CRM) effects

	Exposures before CCF and CRM		Exposure post-CCF and CRM		RWAs and RWAs density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWAs	RWAs density (%)
	30 June 2025	30 June 2025	30 June 2025	30 June 2025	30 June 2025	30 June 2025
	£bn	£bn	£bn	£bn	£bn	%
Corporates – Specialised Lending	4.7	0.7	2.7	0.1	1.8	66%
Corporates – SME	0.3	0.1	0.3	-	0.1	19%
Corporates – Other	5.8	4.8	5.6	0.2	2.0	36%
Institutions	0.2	-	0.2	-	-	23%
Retail Immovable Property	165.5	13.3	165.9	8.1	30.2	17%
Retail QRR	0.4	4.0	0.4	5.0	1.7	31%
Retail Other	1.3	-	1.3	-	1.2	98%
Equity	-	-	-	-	-	370%
Total	178.2	22.9	176.4	13.4	37.0	19%

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

A-IRB		Total exposures	Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs	
			Funded credit Protection (FCP)								Unfunded credit Protection (UFCP)			RWEA post all CRM assigned to the obligor exposure class	RWEA with substitution effects
		£bn	Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	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 (%)	£bn	£bn
1	Central governments and central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Corporates	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.1	Of which Corporates – SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.2	Of which Corporates – Specialised lending	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.3	Of which Corporates – Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Retail	180.7	-	96%	96%	-	-	-	-	-	-	-	-	33.0	33.0
4.1	Of which Retail – Immovable property SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Of which Retail – Immovable property non-SMEs	174.0	-	100%	100%	-	-	-	-	-	-	-	-	30.0	30.0
4.3	Of which Retail – Qualifying revolving	5.4	-	-	-	-	-	-	-	-	-	-	-	2.0	2.0
4.4	Of which Retail – Other SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.5	Of which Retail – Other non-SMEs	1.3	-	-	-	-	-	-	-	-	-	-	-	1.0	1.0
5	Total	180.7	-	96%	96%	-	-	-	-	-	-	-	-	33.0	33.0

F-IRB		Total exposures	Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs	
			Funded credit Protection (FCP)									Unfunded credit Protection (UFCP)		RWEA post all CRM assigned to the obligor exposure class £bn	RWEA with substitution effects £bn
		£bn	Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	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 (%)		
1	Central governments and central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Institutions	1.1	-	-	-	-	-	-	-	-	-	-	-	0.2	0.2
3	Corporates	9.0	-	27%	27%	-	-	2%	2%	-	-	1%	-	4.0	4.0
3.1	Of which Corporates – SMEs	0.3	-	59%	59%	-	-	-	-	-	-	-	-	0.1	0.1
3.2	Of which Corporates – Specialised lending	2.9	-	-	-	-	-	-	-	-	-	1%	-	1.8	1.8
3.3	Of which Corporates – Other	5.8	-	39%	39%	-	-	2%	2%	-	-	1%	-	2.1	2.1
4	Total	10.1	-	24%	24%	-	-	1%	1%	-	-	1%	-	4.2	4.2

Specialised lending and equity exposures under the simple risk weighted approach (CR10)

The following tables outlines the level of exposure assigned to each Specialised Lending Category and maturity.

Template UK CR10.1

Regulatory categories	Remaining maturity	Specialised lending : Project finance (Slotting approach)					
		On-balance sheet exposure £m	Off-balance sheet exposure £m	Risk weight %	Exposure value £m	Risk weighted exposure amount £m	Expected loss amount £m
Category 1	Less than 2.5 years	130.5	93.5	50%	145.5	60.2	-
	Equal to or more than 2.5 years	142.7	129.9	70%	165.9	98.5	0.7
Category 2	Less than 2.5 years	73.2	124.3	70%	85.2	52.2	0.3
	Equal to or more than 2.5 years	330.1	182.4	90%	365.9	290.8	2.9
Category 3	Less than 2.5 years	-	4.5	115%	4.5	3.9	0.1
	Equal to or more than 2.5 years	6.7	33.3	115%	32.9	30.3	0.9
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	-	-	250%	-	-	-
Category 5	Less than 2.5 years	-	-	-	-	-	-
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total	Less than 2.5 years	203.7	222.3	-	235.2	116.3	0.4
	Equal to or more than 2.5 years	479.5	345.6	-	564.7	419.6	4.5

Template UK CR10.2

Regulatory categories	Remaining maturity	Specialised lending : Income-producing real estate and high volatility commercial real estate (Slotting approach)					
		On-balance sheet exposure £m	Off-balance sheet exposure £m	Risk weight %	Exposure value £m	Risk weighted exposure amount £m	Expected loss amount £m
Category 1	Less than 2.5 years	397.0	42.5	50%	397.0	186.4	-
	Equal to or more than 2.5 years	437.4	39.0	70%	437.4	290.4	1.7
Category 2	Less than 2.5 years	580.3	23.7	70%	580.3	349.4	2.3
	Equal to or more than 2.5 years	446.0	26.8	90%	446.0	356.3	3.6
Category 3	Less than 2.5 years	64.5	-	115%	64.5	61.5	1.8
	Equal to or more than 2.5 years	15.4	-	115%	15.4	15.8	0.4
Category 4	Less than 2.5 years	19.0	-	250%	19.0	47.5	1.5
	Equal to or more than 2.5 years	0.6	-	250%	0.6	1.2	-
Category 5	Less than 2.5 years	50.6	-	-	50.6	-	25.3
	Equal to or more than 2.5 years	6.4	-	-	6.4	-	3.2
Total	Less than 2.5 years	1111.4	66.2	-	1111.4	644.8	30.9
	Equal to or more than 2.5 years	905.8	65.8	-	905.8	663.7	8.9

Template UK CR10.5

Categories	Equity exposures under the simple risk-weighted approach					
	On-balance sheet exposure £m	Off-balance sheet exposure £m	Risk weight %	Exposure value £m	Risk weighted exposure amount £m	Expected loss amount £m
Private equity exposures	-	-	190%	-	-	-
Exchange-traded equity exposures	-	-	290%	-	-	-
Other equity exposures	0.1	-	370%	0.1	0.3	-
Total	0.1	-	-	0.1	0.3	-

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

The following table outlines the geographical distribution of credit risk exposures relevant for the calculation of the countercyclical capital buffer at 30 June 2025.

Country	General credit exposures		Relevant credit exposures – Market risk		Own funds requirement									Countercyclical buffer rate (%)
	Exposure value under the standardised approach £bn	Exposure value under the IRB approach £bn	Sum of long and short positions of trading book exposures for SA £bn	Value of trading book exposures for internal models £bn	Securitisation exposures for non-trading book £bn	Total exposure value £bn	Relevant credit risk exposure- Credit Risk £bn	Relevant credit exposures- Market risk £bn	Relevant credit exposures- Securitisation positions in the non-trading book £bn	Risk-weighted exposure amounts £bn	Own funds requirements weights (%)			
United Kingdom	22.5	189.3	-	-	7.7	219.4	4.3	-	0.2	4.6	56.5	98.61%	2.00%	
Isle of Man	-	-	-	-	-	-	-	-	-	-	-	0.07%	0.00%	
Jersey	0.1	0.1	-	-	-	0.2	-	-	-	-	0.2	0.39%	0.00%	
Guernsey	-	-	-	-	-	-	-	-	-	-	-	0.07%	0.00%	
United States	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	
Spain	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	
Australia	0.3	-	-	-	-	0.3	-	-	-	-	0.1	0.12%	1.00%	
Luxembourg	-	-	-	-	-	0.1	-	-	-	-	-	0.08%	0.50%	
Denmark	-	-	-	-	-	-	-	-	-	-	-	0.01%	2.50%	
Canada	0.9	-	-	-	-	0.9	-	-	-	-	0.2	0.30%	0.00%	
Netherlands	-	-	-	-	-	-	-	-	-	-	-	0.00%	2.00%	
Ireland	-	-	-	-	-	-	-	-	-	-	-	0.00%	1.50%	
Norway	0.1	-	-	-	-	0.1	-	-	-	-	-	0.03%	2.50%	
Sweden	-	-	-	-	-	-	-	-	-	-	-	0.00%	2.00%	
France	0.1	-	-	-	-	0.1	-	-	-	-	-	0.04%	1.00%	
Belgium	-	-	-	-	-	-	-	-	-	-	-	0.01%	1.00%	
Finland	-	-	-	-	-	-	-	-	-	-	-	0.01%	0.00%	
Austria	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	
British Virgin Islands	-	-	-	-	-	-	-	-	-	-	-	0.06%	0.00%	
Czech Republic	-	-	-	-	-	-	-	-	-	-	-	0.00%	1.25%	
Germany	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.75%	
Hong Kong	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.50%	
Iceland	-	-	-	-	-	-	-	-	-	-	-	0.00%	2.50%	
Saudi Arabia	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	
Slovakia	-	-	-	-	-	-	-	-	-	-	-	0.00%	1.50%	
Croatia	-	-	-	-	-	-	-	-	-	-	-	0.00%	1.50%	
Chile	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.50%	
Cyprus	-	-	-	-	-	-	-	-	-	-	-	0.00%	1.00%	
Korea, Republic of	-	-	-	-	-	-	-	-	-	-	-	0.00%	1.00%	
Other	0.1	0.1	-	-	-	0.2	-	-	-	-	0.1	0.10%	0.00%	
Total	24.1	189.5	-	-	7.7	221.3	4.3	-	0.2	4.6	57.1	100%		

Exposure value of the relevant credit exposures is defined in accordance with Article 140(4) of Directive 2013/36/EU.

Amount of institution-specific countercyclical capital buffer (CCyB2)

The following table shows the amount of institution-specific countercyclical capital buffer:

	£bn
Total risk exposure amount	57.2
Institution specific countercyclical capital buffer rate	1.98%
Institution specific countercyclical capital buffer requirement	1.13

The level of the Countercyclical Capital Buffer for the Company at 30 June 2025 was 1.98%.

Credit quality of forborne exposures (CQ1)

The following table provides an overview of the quality of forborne exposures at 30 June 2025.

		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Non-performing forborne							
		Performing forborne	Of which defaulted		Of which impaired	On performing forborne exposures	On non-performing forborne exposures	Of which collateral and financial guarantees received on non-performing exposures with forbearance measures	
		£m	£m	£m	£m	£m	£m	£m	£m
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010	Loans and advances	813	1,567	1,550	1,240	(17)	(220)	1,978	1,206
020	Central banks	-	-	-	-	-	-	-	-
030	General governments	-	-	-	-	-	-	-	-
040	Credit institutions	-	-	-	-	-	-	-	-
050	Other financial corporations	12	42	42	35	(2)	(18)	37	16
060	Non-financial corporations	127	504	504	422	(5)	(121)	404	298
070	Households	674	1,021	1,004	783	(10)	(81)	1,537	892
080	Debt Securities	-	-	-	-	-	-	-	-
090	Loan commitments given	-	-	-	-	-	-	-	-
100	Total	813	1,567	1,550	1,240	(17)	(220)	1,978	1,206

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

Breakdown of exposures by industry class and Credit Quality:

At 31 December 2024		Gross carrying amount	of which: loans and advances subject to impairment	Of which non-performing	Of which defaulted	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
010	Agriculture, forestry and fishing	80	80	12	12	(6)	-
020	Mining and quarrying	45	45	-	-	-	-
030	Manufacturing	549	549	26	26	(16)	-
	Electricity, gas, steam and air conditioning supply	449	449	-	-	(2)	-
040	Water supply	81	81	7	7	(1)	-
050	Construction	1,047	1,047	91	91	(19)	-
060	Wholesale and retail trade	1,513	1,513	121	121	(81)	-
070	Transport and storage	204	204	5	5	(3)	-
080	Accommodation and food service activities	1,000	999	77	77	(39)	-
090	Information and communication	324	320	32	32	(31)	-
100	Financial and insurance activities	34,103	34,064	743	743	(339)	-
110	Real estate activities	8,529	8,530	49	49	(27)	-
120	Professional, scientific and technical activities	1,419	1,412	48	48	(26)	-
130	Administrative and support service activities	522	522	114	114	(20)	-
140	Public administration and defence, compulsory social security	40	40	-	-	-	-
150	Education	183	175	1	1	(2)	-
160	Human health services and social work activities	712	712	92	92	(26)	-
170	Arts, entertainment and recreation	109	109	1	1	(1)	-
180	Other services	500	500	22	22	(6)	-
190							
200	Total	51,409	51,351	1,441	1,441	(645)	-

Collateral obtained by taking possession and execution processes (CQ7)

Excluded as no collateral taken into possession is recognised on the balance sheet.

Own Funds disclosure – balance sheet reconciliation

The scope of consolidation and method for consolidation of the Company's balance sheet is substantially the same as that used for regulatory purposes.

A reconciliation of regulatory own funds to the relevant balance sheet items for the Company is included in the table below at 30 June 2025. This outlines the impact of the difference in scope of consolidation outlined above:

	Own Funds Type		
	CET1 £m	Additional Tier 1 £m	Tier 2 £m
Santander UK Balance Sheet elements			
Shareholder's equity and Non-controlling interests	12,857	1,860	-
Subordinated Liabilities	-	-	2,349
UK CRR Adjustments			
Additional value adjustments	(13)	-	-
Intangible Assets (net of related tax liability)	(1,444)	-	-
Fair value reserves related to gains or losses on cash flow hedges	(133)	-	-
Negative amounts resulting from the calculation of regulatory expected loss amounts	(682)	-	-
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	(2)	-	-
Deferred tax assets arising from temporary differences	-	-	-
Defined benefit pension fund assets	(381)	-	-
- Dividend accrual	(286)	-	-
- Deduction for minority interests	-	-	-
- NPE Backstop	-	-	-
- Capital Add-on	-	-	-
- IFRS 9 Transitional Adjustments	-	-	-
Amount excluded from Tier 2 due to transitional recognition cap	-	-	(467)
Total	9,916	1,860	1,882

Composition of regulatory own funds (CC1)

The following table provides disclosure of the Company's own funds items. The UK CRR end point position can be derived as the sum of the 30 June 2025 results and the associated end point adjustment. The Common Equity Tier 1 (CET1) Capital before regulatory adjustments below differs from other disclosures in this document as this template requires an alternative treatment of CET1 Minority Interests and foreseeable dividends:

		30 June 2025 Amounts £m	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Common Equity Tier 1 (CET1) capital: instruments and reserves			
1	Capital Instruments and the related share premium accounts	8,725	Share Capital
	of which: Instrument type 1	-	
	of which: Instrument type 2	-	
	of which: Instrument type 3	-	
2	Retained Earnings	3,723	Retained Earnings
3	Accumulated other comprehensive income (and other reserves)	123	Other Reserves
UK-3a	Funds for general banking risk	-	
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1	-	
5	Minority interests (amount allowed in consolidated CET1)	-	
UK-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	-	
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	12,571	
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	(13)	
8	Intangible assets (net of related tax liability) (negative amount)	(1,444)	Intangible Assets
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) are met) (negative amount)	-	Deferred Tax Assets
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	(133)	Other Reserves
12	Negative amounts resulting from the calculation of expected loss amounts	(682)	
13	Any increase in equity that results from securitised assets (negative amount)	-	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	(2)	
15	Defined-benefit pension fund assets (negative amount)	(381)	Retirement Benefit Assets
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	-	
17	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
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) (negative amount)	-	
UK-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-	
UK-20b	of which: qualifying holdings outside the financial sector (negative amount)	-	
UK-20c	of which: securitisation positions (negative amount)	-	
UK-20d	of which: free deliveries (negative amount)	-	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	-	
22	Amount exceeding the 17.65% threshold (negative amount)	-	
23	of which: 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	-	
25	of which: deferred tax assets arising from temporary differences	-	
UK-25a	Losses for the current financial year (negative amount)	-	
UK-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-	
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	
27a	Other regulatory adjustments to CET1 capital (including IFRS 9 transitional adjustments when relevant)	-	
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	(2,655)	
29	Common Equity Tier 1 (CET1) capital	9,916	
Additional Tier 1 (AT1) capital: instruments			
30	Capital instruments and the related share premium accounts	1,860	Other Equity Instruments
31	of which: classified as equity under applicable accounting standards	1,860	Other Equity Instruments
32	of which: classified as liabilities under applicable accounting standards	-	
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1	-	
UK-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1	-	
UK-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1	-	
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	-	
35	of which: instruments issued by subsidiaries subject to phase out	-	
36	Additional Tier 1 (AT1) capital before regulatory adjustments	1,860	
Additional Tier 1 (AT1) capital: regulatory adjustments			
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	-	
38	Direct, indirect and synthetic holdings of AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
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) (negative amount)	-	
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-	
42a	Other regulatory adjustments to AT1 capital	-	

		30 June 2025 Amounts £m	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	-	
44	Additional Tier 1 (AT1) capital	1,860	
45	Tier 1 capital (T1 = CET1 + AT1)	11,776	
-			
46	Capital instruments and the related share premium accounts	1,882	Subordinated Liabilities
47	Amount of qualifying items referred to in Article 484 (5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR	-	
UK-47a	Amount of qualifying items referred to in Article 494a (2) CRR subject to phase out from T2	-	
UK-47b	Amount of qualifying items referred to in Article 494b (2) CRR subject to phase out from T2	-	
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in row 5 or 34) issued by subsidiaries and held by third parties	-	
49	of which: instruments issued by subsidiaries subject to phase out	-	
50	Credit risk adjustments	-	
51	Tier 2 (T2) capital before regulatory adjustments	1,882	
Tier 2 (T2) capital: regulatory adjustments			
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
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) (negative amount)	-	
UK-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	
UK-56b	Other regulatory adjustments to T2 capital	-	
57	Total regulatory adjustments to Tier 2 (T2) capital	-	
58	Tier 2 (T2) capital	1,882	
59	Total Capital (TC = T1 + T2)	13,658	
60	Total Risk exposure amount	66,041	
Capital ratios and buffer			
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	15.0%	-
62	Tier 1 (as a percentage of total risk exposure amount)	17.8%	-
63	Total capital (as a percentage of total risk exposure amount)	20.7%	-
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)	5.5%	-
65	of which: capital conservation buffer requirement	2.5%	-
66	of which: countercyclical buffer requirement	2.0%	-
67	of which: systemic risk buffer requirement	1.0%	-
UK-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	-	-
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	15.0%	-
Amounts below the thresholds for deduction (before risk weighting)			
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	-	
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)	-	
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)	-	
Applicable caps on the inclusion of provisions in Tier 2			
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	-	
77	Cap on inclusion of credit risk adjustment in T2 under standardised approach	221	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	-	
79	Cap for inclusion of credit risk adjustment in T2 under internal ratings-based approach	223	
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)			
80	Current cap on CET1 instruments subject to phase out arrangements	-	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	
82	Current cap on AT1 instruments subject to phase out arrangements	-	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	
84	Current cap on T2 instruments subject to phase out arrangements	-	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	

Reconciliation of regulatory own funds to balance sheet in the audited financial statements (CC2)

The scope of consolidation and method for consolidation of the RFB Group balance sheet is substantially the same as that used for regulatory purposes.

A reconciliation of regulatory own funds to the relevant balance sheet items for the RFB Group is included in the table below at 30 June 2025. This outlines the impact of the difference in scope of consolidation outlined above:

		Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference ¹
		As at period end 30 June 2025	As at period end 30 June 2025	
Assets - Breakdown by asset class according to the balance sheet in the published financial statements				
1	Cash and balances at central banks	34,201	34,201	
2	Financial assets at fair value through profit or loss:	-	-	
3	– Trading assets	-	-	
4	– Derivative financial instruments	787	794	
5	– Other financial assets at fair value through profit or loss	124	124	
6	Financial assets at amortised cost:	-	-	
7	– Loans and advances to customers	200,228	201,004	
8	– Loans and advances to banks	1,411	1,601	
9	– Reverse repurchase agreements – non trading	11,405	11,405	
10	– Other financial assets at amortised cost	3,718	3,718	
11	Macro hedge of interest rate risk	(208)	(208)	
12	Financial assets at fair value through other comprehensive income	7,381	7,381	
13	Financial investments	-	-	
14	Interests in other entities	315	-	
15	Intangible assets	1,520	1,520	Table CC1 Row 8
16	Property, plant and equipment	1,508	2,208	
17	Current tax assets	354	365	
18	Deferred tax assets	-	8	Table CC1 Row 10
19	Retirement benefit assets	527	527	
20	Other assets	2,343	2,468	
21	Assets held for sale	20	20	
22	Total assets	265,634	267,136	
Liabilities - Breakdown by liability class according to the balance sheet in the published financial statements				
1	Financial liabilities at fair value through profit or loss:	-	-	
2	– Trading liabilities	-	-	
3	– Derivative financial instruments	1,133	1,140	
4	– Other financial liabilities at fair value through profit or loss	1,061	1,061	
5	Financial liabilities at amortised cost:	-	-	
6	– Deposits by customers	181,546	181,388	
7	– Deposits by banks	11,907	12,074	
8	– Repurchase agreements – non trading	7,590	7,590	
9	– Debt securities in issue	42,202	43,202	
10	– Subordinated liabilities	2,348	2,348	Table CC1 Row 46/48
11	Macro hedge of interest rate risk	76	76	
12	Other liabilities	1,959	2,120	
13	Provisions	639	642	
14	Current tax liabilities	-	3	
15	Deferred tax liabilities	433	439	
16	Retirement benefit obligations	23	23	
17	Liabilities held for sale	-	-	
18	Total liabilities	250,917	252,106	
Shareholders' Equity				
1	Equity	-	-	
2	Share capital	3,105	3,258	Table CC1 Row 1
3	Share premium	5,620	5,620	Table CC1 Row 1
4	Other equity instruments	1,860	1,860	Table CC1 Row 30
5	Retained earnings	4,009	4,172	Table CC1 Row 2
6	Other reserves	123	120	Table CC1 Row 3
7	Non-controlling interests	-	-	
	Total shareholders' equity	14,717	15,030	

The main 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 convert the joint ventures in Consumer Finance from the equity method consolidation to full consolidation in addition to eliminating the intragroup balances between the Company and these Joint ventures.

¹ The references describe 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.

Glossary

Advanced Internal Ratings Based Approach (AIRB)	A method of calculation using internal estimates for all risk components.
Basel III	In December 2010, the Basel Committee on Banking Supervision issued the Basel III rules text, which presents the details of strengthened global regulatory standards on bank capital adequacy and liquidity. The standards were implemented in the EU in January 2014.
Capital Conservation Buffer	A capital buffer required under Basel III to ensure banks build up capital buffers outside of periods of stress.
Common Equity Tier 1 (CET1) capital	The called-up share capital and eligible reserves less deductions calculated in accordance with the UK CRR implementation rules as per the PRA Policy Statement PS7/13. CET1 capital ratio is CET1 capital as a percentage of risk-weighted assets.
Common Equity Tier 1 ratio	CET1 capital as a percentage of risk weighted assets.
Countercyclical capital buffer (CCyB)	A capital buffer required under Basel III to ensure that capital requirements take account of the macro-financial environment in which banks operate.
Counterparty credit risk	A subset of credit risk and is the risk that a counterparty defaults.
UK CRR	An EU legislative package covering prudential rules for banks, building societies and investment firms.
Credit Conversion Factor (CCF)	An estimate of the amount Santander expects a customer to have drawn further on a facility limit at the point of default.
Credit Risk	The risk that a counterparty will default and will be unable to fulfil the obligations of their contract.
Credit Valuation Adjustment (CVA)	Adjustments to the fair values of derivative assets to reflect the creditworthiness of the counterparty.
EU Banking Group	Banco Santander group, a leading and commercial bank headquartered in Spain.
Expected Loss (EL)	The Santander UK Group Holdings plc group measure of anticipated loss for exposures captured under an internal ratings-based credit risk approach for capital adequacy calculations. It is measured as the Santander UK Group Holdings plc group-modelled view of anticipated loss based on Probability of Default, Loss Given Default and Exposure at Default, with a one-year time horizon.
Exposure	The maximum loss that a financial institution might suffer if a borrower, counterparty or group fails to meet their obligations or assets and off-balance sheet positions have to be realised.
Exposure at Default (EAD)	The estimation of the extent to which the Santander UK Group Holdings plc group may be exposed to a customer or counterparty in the event of, and at the time of, that counterparty's default. At default, the customer may not have drawn the loan fully or may already have repaid some of the principal, so that exposure is typically less than the approved loan limit.
Fair Value	The value of an asset or liability when the transaction is on an arm's length basis.
Financial Policy Committee	An independent committee at the Bank of England with the objective of overseeing and taking action to remove or reduce systemic risks to protect and enhance the resilience of the UK financial system.
Foundation Internal Ratings Based Approach (FIRB)	A method of calculation for credit risk capital requirements using internal estimate of PD with supervisory estimates for LGD and supervisory calculations for EAD.
Global Systemically Important Bank (G-SIB)	G-SIBs are subject to higher capital buffer requirements, total loss-absorbing capacity requirements, resolvability requirements and higher supervisory expectations and have been phased in from 1 January 2016.
Institution	An investment firm or credit institution.
Internal Models Approach (IMA)	Approved by the PRA this model is used to calculate market risk capital and RWA.
Internal Ratings-Based Approach (IRB)	The Santander UK Group Holdings plc group's method, under the UK CRR framework, for calculating credit risk capital requirements using the Santander UK Group Holdings plc group's internal Probability of Default models but with supervisory estimates of Loss Given Default and conversion factors for the calculation of Exposure at Default.
Leverage Ratio	UK CRR end-point Tier 1 capital divided by exposures as defined by the European Commission Delegated Regulation 2015/62 of October 2014. In July 2016, the definition was amended to exclude from the calculation for total exposure those assets held against central banks that are matched by deposits in the same currency and of equal or longer maturity.
Loss Given Default (LGD)	The fraction of Exposure at Default that will not be recovered following default. LGD comprises the actual loss (the part that is not recovered), together with the economic costs associated with the recovery process.
Mark-to-Market Approach	An approach available to banks to calculate the exposure value associated with derivative transactions.
Market Risk	The risk of loss of earnings or economic value due to adverse changes in the financial market.
Maturity or Residual Maturity (for RWAs)	Remaining time until a transaction expires.
Minimum Capital Requirement	Minimum capital required for credit, market and operational risk.
Multilateral Development Banks	An institution created by a group of countries to provide financing for the purpose of development.
Operational Risk	The risk of loss due to the failure of people, process or technology.
Pillar 1	The first pillar of the Basel III approach which provides the approach to the calculation of the minimum capital requirements. This is 8% of the banks risk-weighted assets.
Pillar 3	The part of the UK CRR Accord which sets out the disclosure requirements for firms to publish details of their risks, capital and risk management. The aims are greater transparency and strengthening market discipline.
Probability of Default (PD)	The degree of likelihood that the counterparty fails to meet their financial obligation, within a period of one year.
Prudential Regulation Authority (PRA)	The UK financial services regulator formed as one of the successors to the FSA. The PRA is part of the Bank of England and is responsible for the prudential regulation and supervision of banks, building societies, credit unions, insurers and major investment firms. It sets standards and supervises financial institutions at the level of the individual firm.
Prudential Valuation Adjustment (PVA)	These are adjustments to the tier 1 capital where the prudent value of the position in the trading book is seen by the banks as being below the fair value recognised in the financial statements.
Regulatory Capital	The amount of capital that the Santander UK Group Holdings plc group holds, determined in accordance with rules established by the UK PRA for the consolidated Santander UK Group Holdings plc group and by local regulators for individual Santander UK Group Holdings plc group companies.
Repurchase Agreement (repo)/Reverse Repurchase Agreement (reverse repo)	In a sale and repurchase agreement one party, the seller, sells a financial asset to another party, the buyer, under commitments to reacquire the asset at a later date. The buyer at the same time agrees to resell the asset at the same later date. From the seller's perspective such agreements are securities sold under repurchase agreements (repos) and from the buyer's securities purchased under commitments to resell (reverse repos).
Retail Internal Ratings Based Approach (Retail IRB)	The Santander UK Group Holdings plc group's internal method of calculating credit risk capital requirements for its key retail portfolios. The FSA approved the Santander UK Group Holdings plc group's application of the Retail IRB approach to the Santander UK Group Holdings plc group's credit portfolios with effect from 1 January 2008.
Risk-Weighted Assets (RWAs)	A measure of a bank's assets adjusted for their associated risks. Risk weightings are established in accordance with the Basel Capital Accord as implemented by the PRA.
RWA Density	The risk-weighted asset divided by exposure at default.
Securities Financing Transactions (SFT)	Transactions involving repurchase agreements and reverse repurchase agreements, stock borrowing and other securities.
Securitisation Positions	The position assumed by the bank following the purchase of certain structured securities.

Specialised Lending	An exposure to an entity which was created specifically to finance and/or operate physical assets, where the contractual arrangements given the lender a substantial degree of control over the assets and the income that they generate and the primary source of repayment of the obligation is the income generated by the assets being financed.
Standardised Approach	In relation to credit risk, a method for calculating credit risk capital requirements under UK CRR, using External Credit Assessment Institutions ratings and supervisory risk weights. The Standardised approach is less risk-sensitive than IRB (see 'IRB' above). In relation to operational risk, a method of calculating the operational capital requirement under UK CRR, by the application of a supervisory defined percentage charge to the gross income of eight specified business lines.
Tier 1 Capital	A measure of a bank's financial strength defined by the PRA. It captures Core Tier 1 capital plus other Tier 1 securities in issue but is subject to a deduction in respect of material holdings in financial companies.
Tier 1 Capital ratio	The ratio expresses Tier 1 capital as a percentage of risk weighted assets.
Tier 2 Capital	Defined by the PRA. Broadly, it includes qualifying subordinated debt and other Tier 2 securities in issue, eligible collective impairment allowances, unrealised available for sale equity gains and revaluation reserves. It is subject to deductions relating to the excess of expected loss over regulatory impairment allowance, securitisation positions and material holdings in financial companies.
Trading Book	Positions in financial instruments held either with trading intent or in order to hedge other elements of the trading book, which must be free of restrictive covenants on their tradability or ability to be hedged.
Value at Risk (VaR)	An estimate of the potential loss which might arise from market movements under normal market conditions, if the current positions were to be held unchanged for one business day, measured to a confidence level.