Santander UK Group Holdings plc

Additional Capital and Risk Management Disclosures

June 2026

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Introduction

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 4 to 31 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 32-55 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.

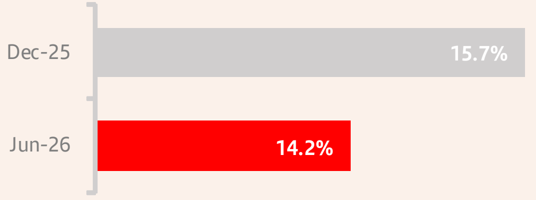
Following the acquisition of TSB Bank plc during the quarter, June 2026 information in this document includes TSB Bank plc within Santander UK Group and RFB Group. Any information relating to a period prior to the acquisition will not include TSB Bank plc data.

Part 1

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

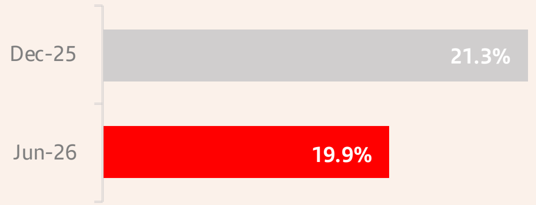
Executive Summary

COMMON EQUITY TIER 1 (CET1) RATIO



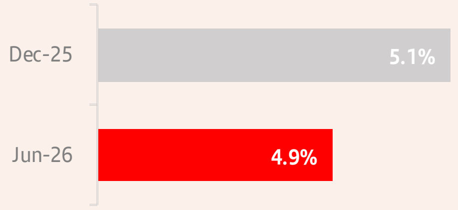
The CET1 capital ratio decreased to 14.2% (Dec-25: 15.7%) following optimisation of capital levels alongside the acquisition of TSB.

TOTAL CAPITAL RATIO



Total capital ratio decreased to 19.9% (Dec-25: 21.3%), mainly due to lower CET1 capital ratio as outlined above

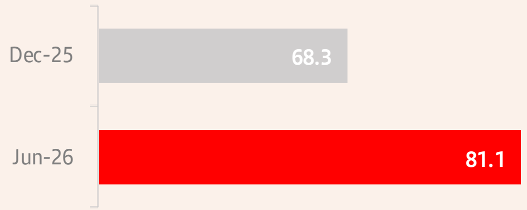
UK LEVERAGE RATIO



UK leverage ratio decreased to 4.9% (Dec-25: 5.1%), following optimisation of capital levels alongside the acquisition of TSB.

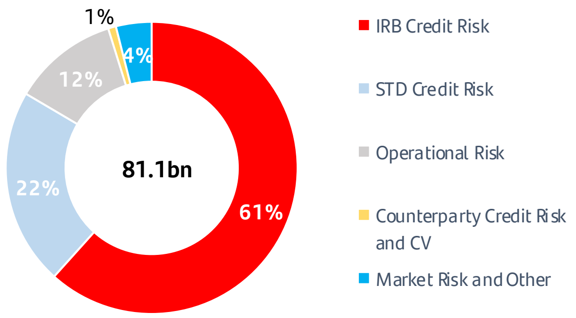
UK leverage exposure increased to £283.2bn (Dec-25: £251.7bn) due to the acquisition of TSB.

RISK-WEIGHTED ASSETS (RWAs) £bn

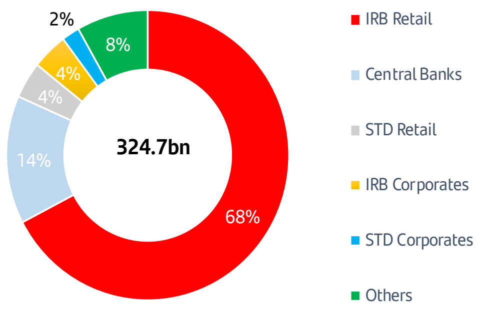


RWAs increased, mainly due to the acquisition of TSB.

RWA by type



EAD by exposure type



Key metrics (KM1)

The following table summarises Santander UK Group Holdings' Own Funds and key risk-based capital ratios at 30 June 2026 together with the previously disclosed quarter end information at 31 March 2026, 31 December 2025, 30 September 2025 and 30 June 2025. Further details on Risk Weighted Assets are included in the subsequent sections of this document.

		30 Jun 2026 £m	31 Mar 2026 £m	31 Dec 2025 £m	30 Sep 2025 £m	30 Jun 2025 £m
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	**11,481**	10,805	10,711	9,923	9,994
2	Tier 1 capital	**13,781**	13,105	12,811	12,023	12,094
3	Total capital	**16,102**	15,363	14,584	13,816	13,900
	Risk-weighted exposure amounts					
4	Total risk-weighted exposure amount	**81,073**	68,803	68,335	69,298	67,119
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	**14.2%**	15.7%	15.7%	14.3%	14.9%
6	Tier 1 ratio (%)	**17.0%**	19.0%	18.7%	17.3%	18.0%
7	Total capital ratio (%)	**19.9%**	22.3%	21.3%	19.9%	20.7%
	Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)					
UK 7a	Additional CET1 SREP requirements (%)	**2.39%**	2.43%	2.43%	2.43%	2.27%
UK 7b	Additional AT1 SREP requirements (%)	**0.80%**	0.81%	0.81%	0.81%	0.76%
UK 7c	Additional T2 SREP requirements (%)	**1.06%**	1.08%	1.08%	1.08%	1.01%
UK 7d	Total SREP own funds requirements (%)	**4.25%**	4.32%	4.33%	4.32%	4.04%
	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%**	1.96%	1.96%	1.96%	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%**	4.46%	4.46%	4.46%	4.46%
UK 11a	Overall capital requirements (%)	**16.71%**	16.78%	16.79%	16.78%	16.50%
12	CET1 available after meeting the total SREP own funds requirements (%)	**3.15%**	5.55%	4.55%	3.15%	4.21%
	Leverage ratio					
13	Total exposure measure excluding claims on central banks	**283,205**	249,895	251,659	254,871	245,522
14	Leverage ratio excluding claims on central banks (%)	**4.9%**	5.1%	5.1%	4.7%	4.9%
	Additional leverage ratio disclosure requirements					
14a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	**4.9%**	5.1%	5.1%	4.7%	4.9%
14b	Leverage ratio including claims on central banks (%)	**4.2%**	4.6%	4.5%	4.2%	4.3%
14c	Average leverage ratio excluding claims on central banks (%)	**5.0%**	5.0%	4.7%	4.8%	4.8%
14d	Average leverage ratio including claims on central banks (%)	**4.4%**	4.5%	4.1%	4.3%	4.3%
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)	**57,186**	52,681	50,394	54,631	51,754
UK 16a	Cash outflows – Total weighted value	**37,023**	34,859	32,105	33,945	33,747
UK 16b	Cash inflows – Total weighted value	**2,522**	2,287	1,806	1,673	1,806
16	Total net cash outflows (adjusted value)	**34,501**	32,572	30,299	32,272	31,941
17	Liquidity coverage ratio (%)	**166%**	162%	166%	169%	162%
	Net Stable Funding Ratio					
18	Total available stable funding	**257,705**	218,542	215,317	211,367	211,005
19	Total required stable funding	**187,498**	160,010	159,497	157,774	155,264
20	NSFR ratio (%)	**137%**	137%	135%	134%	136%

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 Jun 2026 £m	31 Mar 2026 £m	31 Dec 2025 £m	30 Sep 2025 £m	30 Jun 2025 £m
1	Total Own Funds and Eligible Liabilities available	**26,971**	27,008	24,664	24,981	23,678
1a	Fully loaded ECL accounting model Own Funds and Eligible Liabilities available	**26,971**	27,008	24,664	24,981	23,678
2	Total RWA at the level of the resolution group	**81,073**	68,803	68,335	69,298	67,119
3	Total Own Funds and Eligible Liabilities as a percentage of RWA	**33.3%**	39.3%	36.1%	36.0%	35.3%
3a	Fully loaded ECL accounting model Own Funds and Eligible Liabilitie s as a percentage of fully loaded ECL accounting model RWA	**33.3%**	39.3%	36.1%	36.0%	35.3%
4	UK Leverage exposure measure at the level of the resolution group	**283,205**	249,895	251,659	254,871	245,522
5	Total Own Funds and Eligible Liabilities as a percentage of UK leverage exposure measure [1]	**9.5%**	10.8%	9.8%	9.8%	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]	**9.5%**	10.8%	9.8%	9.8%	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 Jun 2026 £bn	31 Dec 2025 £bn	30 Jun 2025 £bn
Regulatory capital elements of TLAC and adjustments				
1	Common Equity Tier 1 capital (CET1)	**11.5**	10.7	9.9
2	Additional Tier 1 capital (AT1) before TLAC adjustments	**2.3**	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	**2.3**	2.1	2.1
6	Tier 2 capital (T2) before TLAC adjustments	**2.3**	1.8	1.8
7	Amortised portion of T2 instruments where remaining maturity > 1 year	**-**	-	-
8	T2 capital ineligible as TLAC as issued out of subsidiaries to third parties	**0.5**	0.5	0.5
9	Other adjustments	**0.0**	-	-
10	T2 instruments eligible under the TLAC framework	**1.8**	1.3	1.3
11	TLAC arising from regulatory capital	**15.6**	14.1	13.4
12	External TLAC instruments issued directly by the bank and subordinated to excluded liabilities	**11.4**	10.6	10.3
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	**11.4**	10.6	10.3
Non-regulatory capital elements of TLAC: adjustments				
18	TLAC before deductions	**27.0**	24.7	23.7
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	**27.0**	24.7	23.7
Risk-weighted assets and leverage exposure measure for TLAC purposes				
23	Total risk-weighted assets adjusted as permitted under the TLAC regime	**81.1**	68.3	67.1
24	Leverage exposure measure	**283.2**	251.7	245.5
TLAC ratios and buffers				
25	TLAC (as a percentage of risk-weighted assets adjusted as permitted under the TLAC regime)	**33.3%**	36.1%	35.3%
26	TLAC (as a percentage of leverage exposure)	**9.5%**	9.8%	9.6%
27	CET1 (as a percentage of risk-weighted assets) available after meeting the resolution group's minimum requirements	**8.7%**	11.4%	11.2%
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:

	£bn	Creditor rating 1 (most junior)	2	3	4	5	6 (most senior)	Sum of 1 to 6
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	4.7	2.1	0.3	1.8	0.7	11.1	**20.7**
4	Subset of row 3 that are excluded liabilities	-	-	-	-	-	-	**-**
5	Total capital and liabilities less excluded liabilities	4.7	2.1	0.3	1.8	0.7	11.1	**20.7**
6	Subset of row 5 that are eligible as TLAC	4.7	2.1	-	1.8	-	11.1	**19.7**
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	-	-	-	-	-	1.4	**1.4**
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	-	-	-	-	-	7.9	**7.9**
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	-	-	-	1.6	-	1.9	**3.5**
10	Subset of row 6 with residual maturity ≥ 10 years, but excluding perpetual securities	-	-	-	0.2	-	-	**0.2**
11	Subset of row 6 that is perpetual securities	4.7	2.1	-	-	-	-	**6.8**

TLAC3 – Resolution entity – creditor ranking at legal entity level

Creditor Hierarchy of the Company:

	£bn	Creditor rating 1 (most junior)	2	3	4 (most senior)	Sum of 1 to 4
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	8.7	2.3	1.8	11.3	**24.1**
3	Subset of row 2 that are excluded liabilities	-	-	-	-	**-**
4	Total capital and liabilities less excluded liabilities	8.7	2.3	1.8	11.3	**24.1**
5	Subset of row 4 that are potentially eligible as TLAC	8.7	2.3	1.8	11.2	**24.0**
6	Subset of row 5 with 1 year ≤ residual maturity <2 years	-	-	-	1.5	**1.5**
7	Subset of row 5 with 2 years ≤ residual maturity <5 years	-	-	-	7.9	**7.9**
8	Subset of row 5 with 5 years ≤ residual maturity <10 years	-	-	1.6	1.9	**3.5**
9	Subset of row 5 with residual maturity ≥ 10 years, but excluding perpetual securities	-	-	0.2	-	**0.2**
10	Subset of row 5 that is perpetual securities	8.7	2.3	-	-	**11.0**

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 ALCO - Asset and Liability 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 decreased to 4.9% (Dec-25: 5.1%), following optimisation of capital levels alongside the acquisition of TSB. UK leverage exposure increased to £283.2bn (Dec-25: £251.7bn) due to the acquisition of TSB.

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

		30 Jun 2026 £m
1	**Total assets as per published financial statements**	**318,874**
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	**3,062**
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]	**(41,064)**
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	**(885)**
9	Adjustment for securities financing transactions (SFTs)	**547**
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	**5,595**
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	**(2,924)**
13	**Total exposure measure**	**283,205**

[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 2026 £m	31 Dec 2025 £m
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	**268,468**	225,320
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)	**(3,355)**	(1,635)
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))	**(3,469)**	(2,435)
7	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**261,644**	221,250
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	**3,677**	1,963
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	**1,017**	939
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**	**4,694**	2,902
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	**13,576**	20,967
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	**(2,851)**	(3,289)
16	Counterparty credit risk exposure for SFT assets	**547**	541
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**	**11,272**	18,219
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	**41,838**	38,874
20	(Adjustments for conversion to credit equivalent amounts)	**(36,242)**	(29,586)
21	(General provisions deducted in determining tier 1 capital (leverage) and specific provisions associated with off - balance sheet exposures)	**-**	-
22	**Off-balance sheet exposures**	**5,596**	9,288
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)**	**13,781**	12,756
24	Total exposure measure including claims on central banks	**324,269**	284,930
UK-24a	(-) Claims on central banks excluded	**(41,064)**	(33,271)
UK-24b	**Total exposure measure excluding claims on central banks**	**283,205**	251,659

Leverage ratio			
25	Leverage ratio excluding claims on central banks (%)	**4.9%**	5.1%
UK-25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	**4.9%**	5.1%
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%**	5.1%
UK-25c	Leverage ratio including claims on central banks (%)	**4.2%**	4.5%
26	Regulatory minimum leverage ratio requirement (%)	**3.3%**	3.3%
Additional leverage ratio disclosure requirements -leverage ratio buffers			
27	Leverage ratio buffer (%)	**0.7%**	0.7%
UK-27a	Of which: G-SII or O-SII additional leverage ratio buffer (%)	**-**	-
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	**9,506**	18,004
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	**13,674**	16,255
UK-31	Average total exposure measure including claims on central banks	**311,869**	289,745
UK-32	Average total exposure measure excluding claims on central banks	**273,229**	256,492
UK-33	Average leverage ratio including claims on central banks	**4.4%**	4.1%
UK-34	Average leverage ratio excluding claims on central banks	**5.0%**	4.7%

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

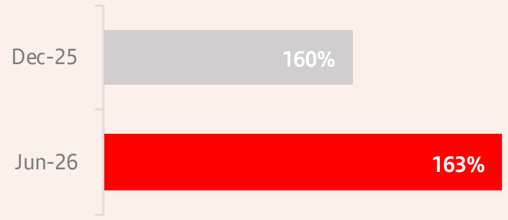
	Leverage ratio exposures	30 Jun 2026 £m
UK-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	**268,468**
UK-2	Trading book exposures	**-**
UK-3	Banking book exposures, of which:	**268,468**
UK-4	Covered bonds	**736**
UK-5	Exposures treated as sovereigns	**7,587**
UK-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	**1,765**
UK-7	Institutions	**3,628**
UK-8	Secured by mortgages of immovable properties	**204,267**
UK-9	Retail exposures	**12,779**
UK-10	Corporates	**15,715**
UK-11	Exposures in default	**2,964**
UK-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	**19,027**

LIQUIDITY METRICS EXECUTIVE SUMMARY

LIQUIDITY COVERAGE RATIO - SPOT

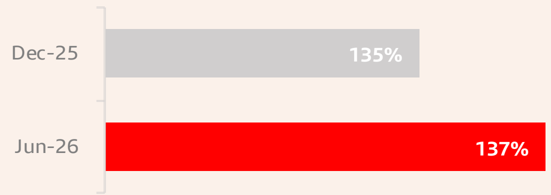
LCR of 166% (Dec-25:166%) remained broadly stable over the period, maintaining a significant surplus above both internal and regulatory requirements.

LIQUIDITY COVERAGE RATIO – AVERAGE



The Average LCR remained broadly consistent over the period at 163% (Dec-25:160%). The ratio continues to maintain a significant surplus above both internal and regulatory requirements.

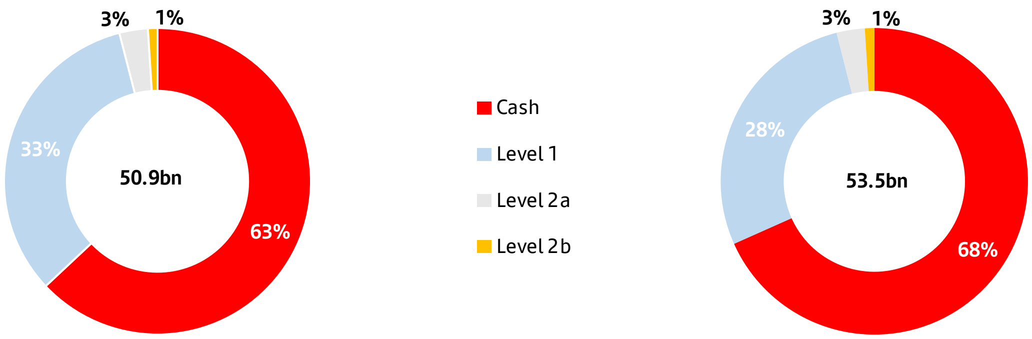
NET STABLE FUNDING RATIO



The NSFR remained broadly stable year on year, with growth in customer deposits largely offset by mortgage book growth. The ratio increased modestly following the consolidation of TSB.

SPLIT OF LIQUIDITY ASSET BUFFER

Q4’ 25 Q2’ 26



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:

UK 1 a	Quarter ending on	Total unweighted value (average)				Total weighted value (average)			
		30 Jun 2026 £m	31 Mar 2026 £m	31 Dec 2025 £m	30 Sep 2025 £m	30 Jun 2026 £m	31 Mar 2026 £m	31 Dec 2025 £m	30 Sep 2025 £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)					**53,462**	52,131	50,942	50,617
	CASH-OUTFLOWS								
2	Retail deposits and deposits from small business customers, of which:	**161,820**	154,138	153,368	152,224	**9,437**	8,990	9,008	8,974
3	Stable deposits	**129,355**	122,590	119,453	118,710	**6,468**	6,130	5,973	5,935
4	Less stable deposits	**24,568**	23,921	25,780	25,927	**2,970**	2,861	3,035	3,039
5	Unsecured wholesale funding	**25,026**	25,163	24,579	24,885	**16,564**	16,704	16,100	16,159
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	**1,596**	1,603	1,605	1,631	**376**	379	381	379
7	Non-operational deposits (all counterparties)	**21,018**	21,049	20,654	20,868	**13,777**	13,815	13,399	13,394
8	Unsecured debt	**2,412**	2,511	2,320	2,386	**2,412**	2,511	2,320	2,386
9	Secured wholesale funding					**75**	72	72	122
10	Additional requirements	**12,967**	12,307	12,439	12,774	**6,059**	6,021	6,101	6,386
11	Outflows related to derivative exposures and other collateral requirements	**4,899**	4,867	4,938	5,110	**4,899**	4,867	4,938	5,110
12	Outflows related to loss of funding on debt products	**-**	-	-	86	**-**	-	-	86
13	Credit and liquidity facilities	**8,068**	7,440	7,501	7,578	**1,160**	1,154	1,163	1,190
14	Other contractual funding obligations	**169**	93	72	61	**99**	35	22	18
15	Other contingent funding obligations	**29,372**	28,774	28,086	27,284	**2,804**	2,646	2,515	2,355
16	**TOTAL CASH OUTFLOWS**					**35,038**	34,468	33,818	34,014
	CASH-INFLOWS								
17	Secured lending (e.g reverse repos)	**13,526**	13,037	12,135	11,646	**82**	51	15	3
18	Inflows from fully performing exposures	**2,482**	2,380	2,323	2,312	**1,687**	1,602	1,557	1,540
19	Other cash inflows	**938**	838	906	1,042	**382**	276	333	381
20	**TOTAL CASH INFLOWS**	**15,190**	**16,255**	**15,364**	**15,000**	**2,151**	1,929	1,905	1,924
UK-20c	Inflows Subject to 75% Cap	**15,190**	16,255	15,364	15,000	**2,151**	1,929	1,905	1,924
	TOTAL ADJUSTED VALUE								
UK-21	**LIQUIDITY BUFFER**					**53,462**	**52,131**	**50,942**	**50,617**
22	**TOTAL NET CASH OUTFLOWS**					**32,887**	**32,539**	**31,913**	**32,090**
23	**LIQUIDITY COVERAGE RATIO**					**163%**	**160%**	**160%**	**158%**

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 increased in H1 as a result of higher customer deposits and Wholesale Funding volumes. 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 163% reflects our continued strong liquidity position.
Explanations on the actual concentration of funding sources Santander UK is largely funded through customer deposits (£227bn), of which c.87% is Retail. We also have c£60.4bn of wholesale funding which includes secured, unsecured term funding as well as c£4.5bn of TFSME Funding.
High-level description of the composition of the institution`s liquidity buffer. The liquidity buffer is predominantly made up of Level 1 assets. Approximately 97% of the weighted liquidity buffer consists 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.
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

The table below represents the breakdown of the key component for the June 2026 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**	**16,570**	**-**	**750**	**2,321**	**19,266**
2	*Own funds*	16,570	-	750	2,321	19,266
3	*Other capital instruments*		-	-	-	-
4	**Retail deposits**		**187,173**	**3,485**	**1,812**	**181,294**
5	*Stable deposits*		155,587	2,221	1,179	151,096
6	*Less stable deposits*		31,586	1,264	633	30,198
7	**Wholesale funding:**		**48,950**	**11,879**	**40,637**	**56,519**
8	*Operational deposits*		1,780	-	-	890
9	*Other wholesale funding*		47,170	11,879	40,637	55,629
10	**Interdependent liabilities**		**-**	**-**	**-**	**-**
11	**Other liabilities:**	**-**	**4,860**	**152**	**549**	**626**
12	*NSFR derivative liabilities*	-				
13	*All other liabilities and capital instruments not included in the above categories*		4,860	152	549	626
14	**Total available stable funding (ASF)**					**257,705**
Required stable funding (RSF) Items						
15	**Total high-quality liquid assets (HQLA)**					**396**
UK-15a	**Assets encumbered for more than 12m in cover pool**		**-**	**-**	**4,242**	**3,605**
16	**Deposits held at other financial institutions for operational purposes**		**-**	**-**	**-**	**-**
17	**Performing loans and securities:**		**25,284**	**9,261**	**217,088**	**168,847**
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		9,970	394	503	700
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		3,876	1,656	3,684	4,823
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		6,582	3,606	19,982	22,078
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		-	-	-	-
22	*Performing residential mortgages, of which:*		4,024	3,585	192,727	140,989
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		4,014	3,577	191,214	139,678
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*		834	21	192	257
25	**Interdependent assets**		**-**	**-**	**-**	**-**
26	**Other assets:**		**2,855**	**149**	**10,102**	**12,577**
27	*Physical traded commodities*				-	-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		0	-	2	178
29	*NSFR derivative assets*		1,466	-	-	1,466
30	*NSFR derivative liabilities before deduction of variation margin posted*		347	-	-	17
31	*All other assets not included in the above categories*		1,042	149	10,100	10,916
32	**Off-balance sheet items**		**32,325**	**375**	**8,248**	**2,073**
33	Total RSF					**187,498**
34	Net Stable Funding Ratio (%)					**137%**

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 Jun 2026 £bn	31 Mar 2026 £bn	30 Jun 2026 £bn
1	**Credit risk (excluding CCR) 1**	**67.7**	56.7	**5.4**
2	Of which the standardised approach	**17.7**	18.0	**1.4**
3	Of which the foundation IRB (FIRB) approach	**2.5**	2.3	**0.2**
4	Of which slotting approach	**2.3**	2.0	**0.2**
UK 4a	Of which equities under the simple risk weighted approach	**0.0**	-	**0.0**
5	Of which the advanced IRB (AIRB) approach	**45.2**	34.4	**3.6**
6	**Counterparty credit risk - CCR 1**	**0.7**	0.7	**0.0**
7	Of which the standardised approach	**0.3**	0.2	**0.0**
8	Of which internal model method (IMM)	**-**	-	**-**
UK 8a	Of which exposures to a CCP	**0.1**	0.1	**0.0**
UK 8b	Of which credit valuation adjustment - CVA	**0.2**	0.3	**0.0**
9	Of which other CCR	**0.1**	0.1	**0.0**
15	**Settlement risk**	**-**	-	**-**
16	**Securitisation exposures in the non-trading book (after the cap) 2**	**3.0**	3.4	**0.3**
17	Of which SEC-IRBA approach	**0.9**	1.1	**0.1**
18	Of which SEC-ERBA (including IAA)	**1.0**	1.0	**0.1**
19	Of which SEC-SA approach	**1.1**	1.3	**0.1**
UK 19a	Of which 1250% / deduction	**-**	-	**-**
20	**Position, foreign exchange and commodities risks (Market risk) 1**	**0.2**	0.2	**0.0**
21	Of which the standardised approach	**0.2**	0.2	**0.0**
22	Of which IMA	**-**	-	**-**
UK 22a	**Large exposures**	**-**	-	**-**
23	**Operational risk1**	**9.5**	7.8	**0.8**
UK 23a	Of which basic indicator approach	**-**	-	**-**
UK 23b	Of which standardised approach	**9.5**	7.8	**0.8**
UK 23c	Of which advanced measurement approach	**-**	-	**-**
24	**Amounts below the thresholds for deduction (subject to 250% risk weight)**	**-**	-	**-**
29	**Total1**	**81.1**	68.8	**6.5**

[1] Balances which are not visible due to rounding have been included in the total.
[2] Includes 12 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 approach[1]

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

		RWEA £bn	Capital requirements
1	**Risk weighted assets as at 31 March 2026**	**40.0**	**3.2**
2	Asset size	0.3	0.0
3	Asset quality	1.5	0.1
4	Model updates	(0.1)	0.0
5	Methodology and policy	-	-
6	Acquisitions and disposals	9.4	0.8
7	Foreign exchange movements	-	-
8	Other	(0.2)	0.0
9	**Risk weighted assets as at 30 June 2026**	**50.9**	**4.1**

RWEA flow statements of credit risk exposures under standardised approach

		RWEA £bn	Capital requirements
1	**Risk weighted assets as at 31 March 2026**	**20.5**	**1.6**
2	Asset size	0.1	0.0
3	Asset quality	(0.2)	0.0
4	Model updates	-	-
5	Methodology and policy	(0.8)	(0.1)
6	Acquisitions and disposals	0.6	0.0
7	Foreign exchange movements	-	-
8	Other	(0.4)	0.0
9	**Risk weighted assets as at 30 June 2026**	**19.8**	**1.5**

The increases in both portfolios from Acquisitions relates to the inclusion of TSB in the quarter. The increase in asset quality in IRB was due to a mortgage asset sale, which affected modelled probabilities of default (PDs). The reduction in standardised RWAs due to methodology relates to updates to residual values in Consumer. The reduction in Other under standardised is reflective of portfolio optimisation through credit insurance 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 2026:

		Gross carrying amount/nominal amount [1]						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**	**40,960**	**40,960**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**17**	**-**
010	**Loans and advances**	**253,799**	**235,538**	**17,953**	**2,964**	**589**	**1,957**	**(443)**	**(174)**	**(269)**	**(400)**	**(18)**	**(383)**	**-**	**238,062**	**2,325**
020	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	General governments	184	184	-	-	-	-	-	-	-	-	-	-	-	-	-
040	Credit institutions	2,216	2,216	-	-	-	-	-	-	-	-	-	-	-	1,481	-
050	Other financial corporations	16,010	15,718	1	3	-	3	0	0	0	0	-	0	-	9,795	0
060	Non-financial corporations	19,147	17,756	1,379	660	64	596	(120)	(57)	(62)	(199)	(3)	(195)	-	17,062	284
070	Of which SMEs	9,237	8,528	696	365	56	309	(67)	(31)	(36)	(104)	(3)	(100)	-	8,174	168
080	Households	216,242	199,664	16,573	2,301	525	1,358	(323)	(117)	(207)	(201)	(15)	(188)	-	209,724	2,041
090	**Debt securities**	**11,319**	**11,298**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**452**	**-**
100	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	General governments	6,823	6,823	-	-	-	-	-	-	-	-	-	-	-	-	-
120	Credit institutions	3,965	3,965	-	-	-	-	-	-	-	-	-	-	-	-	-
130	Loans and advances	524	503	-	-	-	-	-	-	-	-	-	-	-	446	-
140	Non-financial corporations	7	7	-	-	-	-	-	-	-	-	-	-	-	6	-
150	**Off-balance-sheet exposures**	**41,686**	**40,657**	**1,029**	**151**	**45**	**106**	**79**	**37**	**42**	**7**	**0**	**7**	**-**	**215**	**-**
160	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
170	General governments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
180	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
190	Other financial corporations	259	248	11	0	-	0	2	1	1	0	-	0	-	175	-
200	Non-financial corporations	9,749	9,470	279	27	-	27	31	22	9	6	-	6	-	-	-
210	Households	31,678	30,939	739	124	45	79	46	14	32	1	0	1	-	40	-
220	**Total**	**347,764**	**328,453**	**18,982**	**3,115**	**634**	**2,063**	**(364)**	**(137)**	**(227)**	**(393)**	**(18)**	**(376)**	**-**	**238,746**	**2,325**

[1] Staging analysis will exclude those assets and provisions that cannot be allocated to a stage such as those classified as 'purchased or originated credit impaired' (POCI) and those measured at fair value.

Maturity of exposures (CR1-A)

	At 30 June 2026	Net exposure value					
		On demand	<= 1 year	>1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances to customers	1,758	28,926	59,426	154,061	-	**244,171**
2	Debt securities	-	595	3,136	7,589	-	**11,321**
3	**Total**	**1,758**	**29,521**	**62,562**	**161,650**	**-**	**255,492**

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 December 2025**	**2,873**
020	Inflows to non-performing portfolios [1]	1,289
030	Outflows from non-performing portfolios	(1,198)
040	Of which Outflows due to write-offs	(148)
050	Of which Outflows due to other situations [2]	(1,051)
060	**Final stock of non-performing loans and advances as at 30 June 2026**	**2,964**

[1] Inflows include increases as a result of the acquisition of TSB Bank plc
[2] Outflows include reduction as a result of mortgage asset sale

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 the Company's 2025 Annual Report.

The following table provides analysis of secured and collateralised exposures at 30 June 2026:

		Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
		30 Jun 2026 £m	30 Jun 2026 £m	30 Jun 2026 £m	30 Jun 2026 £m	30 Jun 2026 £m
1	Loans and advances	59,672	237,208	224,567	12,641	4,121
2	Debt securities	10,867	452	452	-	
3	**Total**	**70,539**	**237,660**	**225,019**	**12,641**	**4,121**
4	Of which non-performing exposures	238	2,326	2,326	-	54
5	Of which defaulted	238	2,326			

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 Jun 2026 £bn	30 Jun 2026 £bn	30 Jun 2026 £bn	30 Jun 2026 £bn	30 Jun 2026 £bn	30 Jun 2026 %
1	Central governments or central banks	48.2	-	49.0	0.0	0.1	0%
2	Regional government or local authorities	-	-	-	-	-	-
3	Public sector entities	0.1	0.0	0.0	-	0.0	20%
4	Multilateral Development Banks	1.5	-	1.5	-	-	-
5	International Organisations	0.1	-	0.1	-	-	-
6	Institutions	3.5	-	3.5	-	0.8	23%
7	Corporates	5.4	2.6	4.7	0.2	4.1	85%
8	Retail	10.5	10.9	10.3	0.0	7.7	74%
9	Secured by mortgages on immovable property	2.0	0.1	2.0	0.0	0.8	38%
10	Exposures in default	0.5	0.1	0.4	0.0	0.5	123%
11	Exposures associated with particularly high risk	0.1	0.0	0.1	0.0	0.1	150%
12	Covered bonds	0.7	-	0.7	-	0.1	10%
13	Institutions and corporates with a shortterm credit assessment	-	-	-	-	-	-
14	Collective investment undertakings	-	-	-	-	-	-
15	Equity	-	-	-	-	-	-
16	Other items	5.4	-	5.4	-	3.5	64%
17	**Total**	**78.0**	**13.7**	**77.7**	**0.2**	**17.7**	**23%**

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 Jun 2026 £bn	30 Jun 2026 £bn	30 Jun 2026 £bn	30 Jun 2026 £bn	30 Jun 2026 £bn	30 Jun 2026 %
Central governments and central banks	-	-	-	-	-	-
Institutions	0.1	0.0	0.1	0.0	0.0	27%
Corporates – SME	0.8	0.5	0.8	-	0.2	21%
Corporates – Specialised Lending	3.7	1.0	3.5	0.1	2.3	64%
Corporates – Other	6.0	4.9	5.9	0.2	2.3	37%
Retail Immovable Property	204.7	14.8	206.1	9.9	39.9	18%
Retail QRR	1.1	7.1	1.0	7.3	2.9	35%
Retail Other	1.9	-	1.9	-	2.1	109%
Equity	0.0	-	0.0	-	0.0	370%
Total	**218.3**	**28.3**	**219.3**	**17.5**	**49.7**	**21%**

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)			
			Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered byn 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 (%)	RWEA post all CRM assigned to the obligor exposure class £bn	RWEA with substitution effects £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**	**226.2**	**-**	**95%**	**95%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**44.9**	**44.9**
4.1	Of which Retail – Immovable property SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Of which Retail – Immovable property non-SMEs	216.0	-	100%	100%	-	-	-	-	-	-	-	-	39.9	39.9
4.3	Of which Retail – Qualifying revolving	8.3	-	-	-	-	-	-	-	-	-	-	-	2.9	2.9
4.4	Of which Retail – Other SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.5	Of which Retail – Other non-SMEs	1.9	-	-	-	-	-	-	-	-	-	-	-	2.1	2.1
5	**Total**	**226.2**	**-**	**95%**	**95%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**44.9**	**44.9**

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 byn 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**	**0.1**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
3	**Corporates**	**10.5**	**-**	**21%**	**21%**	**-**	**-**	**1%**	**1%**	**-**	**-**	**3%**	**-**	**4.8**	**4.8**
3.1	*Of which Corporates – SMEs*	0.8	-	71%	71%	-	-	0%	0%	-	-	-	-	0.2	0.2
3.2	*Of which Corporates – Specialised lending*	3.6	-	-	-	-	-	-	-	-	-	6%	-	2.3	2.3
3.3	*Of which Corporates – Other*	6.1	-	27%	27%	-	-	1%	1%	-	-	1%	-	2.3	2.3
4	**Total**	**10.6**	**-**	**21%**	**21%**	**-**	**-**	**1%**	**1%**	**-**	**-**	**3%**	**-**	**4.8**	**4.8**

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)					
		On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Regulatory categories	Remaining maturity	£m	£m	%	£m	£m	£m
Category 1	Less than 2.5 years	139.5	242.3	50%	160.0	70.9	-
	Equal to or more than 2.5 years	174.7	164.4	70%	202.8	110.0	0.8
Category 2	Less than 2.5 years	129.9	88.1	70%	152.4	94.7	0.6
	Equal to or more than 2.5 years	294.5	323.8	90%	295.3	215.6	2.4
Category 3	Less than 2.5 years	13.2	6.2	115%	17.7	17.4	0.5
	Equal to or more than 2.5 years	25.1	8.3	115%	30.1	33.2	0.8
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	9.6	0.4	250%	9.9	19.9	0.8
Category 5	Less than 2.5 years	-	-	-	-	-	-
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total	**Less than 2.5 years**	**282.6**	**336.6**	**-**	**330.1**	**183.0**	**1.1**
	Equal to or more than 2.5 years	**503.9**	**496.9**	**-**	**538.1**	**378.7**	**4.8**

Template UK CR10.2

		Specialised lending : Income-producing real estate and high volatility commercial real estate (Slotting approach)					
		On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Regulatory categories	Remaining maturity	£m	£m	%	£m	£m	£m
Category 1	Less than 2.5 years	551.3	65.5	50%	555.3	258.5	-
	Equal to or more than 2.5 years	1,154.5	30.0	70%	1,154.5	780.5	4.6
Category 2	Less than 2.5 years	475.2	11.7	70%	475.2	293.6	1.9
	Equal to or more than 2.5 years	449.1	21.5	90%	449.1	364.4	3.6
Category 3	Less than 2.5 years	5.3	-	115%	5.3	4.7	0.1
	Equal to or more than 2.5 years	10.7	-	115%	10.7	9.7	0.3
Category 4	Less than 2.5 years	5.3	-	250%	5.3	13.1	0.4
	Equal to or more than 2.5 years	0.7	-	250%	0.7	1.4	0.1
Category 5	Less than 2.5 years	46.0	-	-	46.0	-	23.0
	Equal to or more than 2.5 years	21.0	-	-	21.0	-	10.5
Total	**Less than 2.5 years**	**1,083.1**	**77.2**	**-**	**1,087.1**	**569.9**	**25.4**
	Equal to or more than 2.5 years	**1,636.0**	**51.5**	**-**	**1,636.0**	**1,156.0**	**19.1**

Template UK CR10.5

	Equity exposures under the simple risk-weighted approach					
	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Categories	£m	£m	%	£m	£m	£m
Private equity exposures	-	-	190%	-	-	-
Exchange-traded equity exposures	-	-	290%	-	-	-
Other equity exposures	5.4	-	370%	5.4	20.1	0.1
Total	**5.4**	**-**		**5.4**	**20.1**	**0.1**

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 2026:

	General credit		Relevant credit				Own funds requirement						
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Securitisation exposures Exposure value for non-trading book	Total exposure value	Relevant credit risk exposure- Credit Risk	Relevant credit exposures – Market risk	Relevant credit exposures- Securitisation positions in the non-trading book	Total	Risk-weighted exposure amounts	Own funds requirements weights	Counter-cyclical buffer rate
Country	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn	%	%
United Kingdom	22.1	236.4	-	-	8.0	-	5.2	-	0.2	5.5	58.7	98.05%	2.00%
Isle of Man	0.4	0.0	-	-	-	-	0.0	-	-	0.0	0.2	0.26%	-
Jersey	1.2	0.4	-	-	-	-	0.1	-	-	0.1	0.8	1.18%	-
Guernsey	0.0	0.1	-	-	-	-	0.0	-	-	0.0	0.1	0.14%	-
United States	0.0	-	-	-	-	-	0.0	-	-	0.0	0.0	0.02%	-
Luxembourg	0.0	0.1	-	-	-	-	0.0	-	-	0.0	0.1	0.15%	0.50%
Denmark	0.0	0.0	-	-	-	-	0.0	-	-	0.0	0.0	0.00%	2.50%
Netherlands	0.0	-	-	-	-	-	0.0	-	-	0.0	0.0	0.00%	2.00%
Ireland	0.0	-	-	-	-	-	0.0	-	-	0.0	0.0	0.00%	1.50%
British Virgin Islands	0.0	0.1	-	-	-	-	0.0	-	-	0.0	0.1	0.11%	-
Korea, Republic of	0.0	-	-	-	-	-	0.0	-	-	0.0	0.0	0.00%	1.00%
Portugal	0.0	-	-	-	-	-	0.0	-	-	0.0	0.0	0.00%	0.75%
Other	0.0	0.1	-	-	-	-	0.0	-	-	0.0	0.1	0.09%	-
Total	**23.7**	**237.2**	**-**	**-**	**8.0**	**-**	**5.3**	**-**	**0.2**	**5.6**	**60.1**	**100.00%**	

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	**81.1**
Institution specific countercyclical capital buffer rate	**1.96%**
Institution specific countercyclical capital buffer requirement	**1.6**

The level of the Countercyclical Capital Buffer for the Company at 30 June 2026 was 1.96%.

Credit quality of forborne exposures (CQ1)

The following table provides an overview of the quality of forborne exposures at 30 June 2026.

		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-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 nonperforming exposures with forbearance
		£m	£m	£m	£m	£m	£m	£m	£m
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010	Loans and advances	981	2,068	2,011	1,824	(20)	(275)	4,337	2,529
020	Central banks	-	-	-	-	-	-	-	-
030	General governments	-	-	-	-	-	-	-	-
040	Credit institutions	-	-	-	-	-	-	-	-
050	Other financial corporations	-	2	2	2	-	0	0	0
060	Non-financial corporations	208	423	423	378	(13)	(136)	665	434
070	Households	773	1,643	1,586	1,444	(7)	(138)	3,673	2,095
080	Debt Securities	-	-	-	-	-	-	-	-
090	Loan commitments given	-	-	-	-	0	4	-	-
100	**Total**	**981**	**2,068**	**2,011**	**1,824**	**(20)**	**(271)**	**4,337**	**2,529**

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 2026					
		Gross carrying amount	Of which non-performing	Of which defaulted	loans and advances subject to impairment	Accumulated impairment	negative changes in fair value due to credit risk on nonperforming
010	Agriculture, forestry and fishing	199	11	11	199	(3)	-
020	Mining and quarrying	52	0	0	52	0	-
030	Manufacturing	662	55	55	662	(27)	-
040	Electricity, gas, steam and air conditioning supply	581	14	14	581	(2)	-
050	Water supply	71	14	14	71	(11)	-
060	Construction	1,033	78	78	1,033	(23)	-
070	Wholesale and retail trade	1,550	97	97	1,550	(65)	-
080	Transport and storage	323	6	6	323	(5)	-
090	Accommodation and food service activities	1,085	57	57	1,083	(38)	-
100	Information and communication	684	33	33	680	(29)	-
110	Financial and insurance actvities	-	-	-	-	-	-
120	Real estate activities	9,714	74	74	9,714	(41)	-
130	Professional, scientific and technical activities	1,722	63	63	1,722	(24)	-
140	Administrative and support service activities	640	83	83	640	(17)	-
150	Public administration and defense, compulsory social security	53	0	0	53	0	-
160	Education	145	1	1	138	(1)	-
170	Human health services and social work activities	750	52	52	750	(24)	-
180	Arts, entertainment and recreation	186	5	5	186	(3)	-
190	Other services	356	18	18	356	(4)	-
200	**Total**	**19,806**	**661**	**661**	**19,793**	**(317)**	**-**

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.

	Own Funds Type		
	CET1	Additional Tier 1	Tier 2
	£m	£m	£m
Santander UK Balance Sheet elements			
Shareholder's equity and Non-controlling interests	15,097	2,300	-
Subordinated Liabilities	-	-	2,552
UK CRR Adjustments			
Additional value adjustments	(13)	-	-
Intangible Assets (net of related tax liability)	(2,332)	-	-
Fair value reserves related to gains or losses on cash flow hedges	-	-	-
Negative amounts resulting from the calculation of regulatory expected loss amounts	(792)	-	-
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	4	-	-
Deferred tax assets arising from temporary differences	-	-	-
Defined benefit pension fund assets	(403)	-	-
- Dividend accrual	(80)	-	-
- Deduction for minority interests	-	-	-
- NPE Backstop	-	-	-
- Capital Add-on	-	-	-
- IFRS 9 Transitional Adjustments	-	-	-
Amount excluded from Tier 2 due to transitional recognition cap	-	-	(231)
Total	**11,481**	**2,300**	**2,321**

A reconciliation of regulatory own funds to the relevant balance sheet items for the Company is included in the table below at 30 June 2026. This outlines the impact of the difference in scope of consolidation outlined above:

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 2026 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 2026 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	8,660	Share capital
2	Retained Earnings	6,351	Retained earnings
3	Accumulated other comprehensive income (and other reserves)	6	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 accountssubject 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	15,017	
	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)	(2,331)	Intangible Assets
10	Deferred tax assets that rely on future profitability excluding those arising from temporarydifferences (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	0	Other Reserves
12	Negative amounts resulting from the calculation of expected loss amounts	(793)	
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	4	
15	Defined-benefit pension fund assets (negative amount)	(403)	Retirement Benefit Assets
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)	(3,536)	
29	Common Equity Tier 1 (CET1) capital	11,481	
	Additional Tier 1 (AT1) capital: instruments		
30	Capital instruments and the related share premium accounts	2,300	Other Equity Instruments
31	of which: classified as equity under applicable accounting standards	2,300	Other Equity Instruments
32	of which: classified as liabilities under applicable accounting standards	-	
36	Additional Tier 1 (AT1) capital before regulatory adjustments	2,300	
	Additional Tier 1 (AT1) capital: regulatory adjustments		
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	-	
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	2,300	
45	Tier 1 capital (T1 = CET1 + AT1)	13,781	

46	Capital instruments and the related share premium accounts	1,825	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	496	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	2,321	
	Tier 2 (T2) capital: regulatory adjustments		
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (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	2,321	
59	Total Capital (TC = T1 + T2)	16,102	
60	Total Risk exposure amount	81,073	
	Capital ratios and buffer		
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	14.2%	
62	Tier 1 (as a percentage of total risk exposure amount)	17.0%	
63	Total capital (as a percentage of total risk exposure amount)	19.9%	
64	Institution CET1 overall capital requirement (CET1 requirement in accordance with Article 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Article 104(1) CRD, plus combined buff er 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)	14.2%	
	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 no t 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 ha s 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	224	
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	301	

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 2026. 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 2026	As at period end 30 June 2026	
	Assets - Breakdown by asset class according to the balance sheet in the published financial statements			
1	Cash and balances at central banks	40,534	40,534	
2	Financial assets at fair value through profit or loss:	-	-	
3	Trading assets	-	-	
4	Derivative financial instruments	2,224	2,235	
5	Other financial assets at fair value through profit or loss	328	328	
6	Financial assets at amortised cost:	-	-	
7	Loans and advances to customers	244,171	244,725	
8	Loans and advances to banks	1,395	1,593	
9	Reverse repurchase agreements – non trading	10,725	10,725	
10	Other financial assets at amortised cost	5,738	5,738	
11	Macro hedge of interest rate risk	(385)	(385)	
12	Financial assets at fair value through other comprehensive income	5,561	5,561	
13	Financial investments	-	-	
14	Interests in other entities	311	0	
15	Intangible assets	2,500	2,500	Table CC1 Row 8
16	Property, plant and equipment	1,670	2,387	
17	Current tax assets	494	514	
18	Deferred tax assets	-	14	Table CC1 Row 10
19	Retirement benefit assets	560	560	Table CC1 Row 15
20	Other assets	3,030	3,159	
21	Assets held for sale	18	18	
22	**Total assets**	**318,874**	**320,206**	
	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	1,022	1,035	
4	Other financial liabilities at fair value through profit or loss	1,742	1,742	
5	Financial liabilities at amortised cost:	-	-	
6	Deposits by customers	230,055	228,692	
7	Deposits by banks	8,007	8,164	
8	Repurchase agreements – non trading	5,938	5,938	
9	Debt securities in issue	48,217	50,117	
10	Subordinated liabilities	2,552	2,552	Table CC1 Row 46/48
11	Macro hedge of interest rate risk	18	18	
12	Other liabilities	2,522	2,693	
13	Provisions	955	1,012	
14	Current tax liabilities	-	11	
15	Deferred tax liabilities	428	438	Table CC1 Row 10
16	Retirement benefit obligations	21	21	
17	Liabilities held for sale	-	-	
18	**Total liabilities**	**301,477**	**302,433**	
	Shareholders' Equity			
1	Equity	-	-	
2	Share capital	8,660	8,813	Table CC1 Row 1
3	Share premium	-	-	Table CC1 Row 1
4	Other equity instruments	2,300	2,300	Table CC1 Row 30
5	Retained earnings	6,431	6,654	Table CC1 Row 2
6	Other reserves	6	6	Table CC1 Row 3
7	Non-controlling interests	-	-	
8	**Total shareholders' equity**	**17,397**	**17,773**	

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

Own Funds disclosure – capital instruments main features

Own Funds disclosure – Capital Instruments Main Features table is available on our website as Half Yearly 2026 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 Yearly 2026 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 2026 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 frequency 1 , 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.

Key metrics (KM1)

The following table summarises the RFB Group's Own Funds and key risk-based capital ratios at 30 June 2026 together with the previously disclosed quarter end information at 31 March 2026, 31 December 2025, 30 September 2025 and 30 June 2025.Further details on Risk Weighted Assets are included in the subsequent sections of this document.

		30 Jun 2026 £m	31 Mar 2026 £m	31 Dec 2025 £m	30 Sep 2025 £m	30 Jun 2025 £m
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	**11,370**	10,692	10,601	9,848	9,916
2	Tier 1 capital	**13,430**	12,752	12,461	11,708	11,776
3	Total capital	**15,800**	15,115	14,315	13,549	13,658
	Risk-weighted exposure amounts					
4	Total risk-weighted exposure amount	**79,849**	67,736	67,231	68,216	66,041
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	**14.2%**	15.8%	15.8%	14.4%	15.0%
6	Tier 1 ratio (%)	**16.8%**	18.8%	18.5%	17.2%	17.8%
7	Total capital ratio (%)	**19.8%**	22.3%	21.3%	19.9%	20.7%
	Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)					
UK 7a	Additional CET1 SREP requirements (%)	**2.40%**	2.44%	2.44%	2.44%	2.28%
UK 7b	Additional AT1 SREP requirements (%)	**0.80%**	0.82%	0.81%	0.81%	0.76%
UK 7c	Additional T2 SREP requirements (%)	**1.07%**	1.08%	1.09%	1.08%	1.01%
UK 7d	Total SREP own funds requirements (%)	**4.26%**	4.34%	4.34%	4.34%	4.05%
	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%**	1.98%	1.98%	1.98%	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%**	5.48%	5.48%	5.48%	5.48%
UK 11a	Overall capital requirements (%)	**17.74%**	17.82%	17.82%	17.82%	17.53%
12	CET1 available after meeting the total SREP own funds requirements (%)	**2.04%**	4.50%	3.47%	2.04%	3.15%
	Leverage ratio					
13	Total exposure measure excluding claims on central banks	**278,858**	246,039	247,722	250,880	241,538
14	Leverage ratio excluding claims on central banks (%)	**4.8%**	5.2%	5.0%	4.7%	4.9%
	Additional leverage ratio disclosure requirements					
14a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	**4.8%**	5.2%	5.0%	4.7%	4.9%
14b	Leverage ratio including claims on central banks (%)	**4.2%**	4.6%	4.5%	4.2%	4.3%
14c	Average leverage ratio excluding claims on central banks (%)	**5.0%**	5.0%	4.6%	4.8%	4.8%
14d	Average leverage ratio including claims on central banks (%)	**4.4%**	4.4%	4.1%	4.3%	4.3%
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)	**54,168**	49,564	46,888	51,094	48,425
UK 16a	Cash outflows – Total weighted value	**35,693**	33,641	30,740	32,667	32,308
UK 16b	Cash inflows – Total weighted value	**2,502**	2,254	1,789	1,653	1,811
16	Total net cash outflows (adjusted value)	**33,191**	31,387	28,951	31,014	30,497
17	Liquidity coverage ratio (%)	**163%**	158%	162%	165%	159%
	Net Stable Funding Ratio					
18	Total available stable funding	**253,485**	214,349	211,913	208,440	207,231
19	Total required stable funding	**184,718**	157,216	156,768	155,356	152,870
20	NSFR ratio (%)	**137%**	136%	135%	134%	136%

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 decreased to 4.8% (Dec-25: 5.0%), following optimisation of capital levels alongside the acquisition of TSB. UK leverage exposure increased to £278.9bn (Dec-25: £247.7bn) due to the acquisition of TSB.

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

		30 Jun 2026 £m
1	**Total assets as per published financial statements**	**312,275**
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	**3,062**
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]	**(38,783)**
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	**(913)**
9	Adjustment for securities financing transactions (SFTs)	**547**
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	**5,587**
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	**(2,917)**
13	**Total exposure measure**	**278,858**

[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 2026 £m	31 Dec 2025 £m
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	**264,284**	221,543
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)	**(3,312)**	(1,630)
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))	**(3,462)**	(2,429)
7	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**257,510**	217,484
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	**3,496**	1,834
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	**992**	907
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**	**4,488**	2,741
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	**13,576**	20,967
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	**(2,851)**	(3,288)
16	Counterparty credit risk exposure for SFT assets	**547**	541
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**	**11,272**	18,220
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	**41,797**	38,821
20	(Adjustments for conversion to credit equivalent amounts)	**(36,210)**	(29,544)
21	(General provisions deducted in determining tier 1 capital (leverage) and specific provisions associated with off - balance sheet exposures)	**-**	-
22	**Off-balance sheet exposures**	**5,587**	9,277
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)**	**13,430**	12,461
24	Total exposure measure including claims on central banks	**317,641**	277,770
UK-24a	(-) Claims on central banks excluded	**(38,783)**	(30,048)
UK-24b	**Total exposure measure excluding claims on central banks**	**278,858**	247,722
Leverage ratio			
25	Leverage ratio excluding claims on central banks (%)	**4.8%**	5.0%
UK-25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	**4.8%**	5.0%
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 (%)	**4.8%**	5.0%
UK-25c	Leverage ratio including claims on central banks (%)	**4.2%**	4.5%
26	Regulatory minimum leverage ratio requirement (%)	**3.3%**	3.3%
Additional leverage ratio disclosure requirements -leverage ratio buffers			
27	Leverage ratio buffer (%)	**0.7%**	0.7%
UK-27a	Of which: G-SII or O-SII additional leverage ratio buffer (%)	**-**	-
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	**9,506**	18,004
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	**13,674**	16,255
UK-31	Average total exposure measure including claims on central banks	**305,305**	282,592
UK-32	Average total exposure measure excluding claims on central banks	**269,100**	252,619
UK-33	Average leverage ratio including claims on central banks	**4.4%**	4.1%
UK-34	Average leverage ratio excluding claims on central banks	**5.0%**	4.6%

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

	Leverage ratio exposures	30 Jun 2026 £m
UK-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	264,284
UK-2	Trading book exposures	-
UK-3	Banking book exposures, of which:	264,284
UK-4	Covered bonds	736
UK-5	Exposures treated as sovereigns	7,496
UK-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	1,765
UK-7	Institutions	3,610
UK-8	Secured by mortgages of immovable properties	200,682
UK-9	Retail exposures	12,779
UK-10	Corporates	15,443
UK-11	Exposures in default	2,935
UK-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	18,838

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 1 a	**Quarter ending on**	**Total unweighted value (average)**				**Total weighted value (average)**			
		30 Jun 2026 £m	**31 Mar 2026 £m**	**31 Dec 2025 £m**	**30 Sep 2025 £m**	**30 Jun 2026 £m**	**31 Mar 2026 £m**	**31 Dec 2025 £m**	**30 Sep 2025 £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)					**50,181**	48,741	47,445	47,160
	CASH-OUTFLOWS								
2	Retail deposits and deposits from small business customers, of which:	**159,130**	151,420	150,626	149,466	**9,248**	8,797	8,814	8,783
3	Stable deposits	**129,355**	122,590	119,453	118,710	**6,468**	6,130	5,973	5,936
4	Less stable deposits	**23,349**	22,670	24,508	24,658	**2,780**	2,668	2,841	2,847
5	Unsecured wholesale funding	**23,850**	23,923	23,147	23,302	**15,770**	15,848	15,077	15,013
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	**1,596**	1,603	1,605	1,631	**376**	379	381	379
7	Non-operational deposits (all counterparties)	**19,886**	19,884	19,278	19,299	**13,027**	13,033	12,432	12,262
8	Unsecured debt	**2,367**	2,436	2,264	2,372	**2,367**	2,436	2,264	2,372
9	Secured wholesale funding					**75**	72	72	122
10	Additional requirements	**12,632**	11,968	12,098	12,433	**5,735**	5,692	5,771	6,055
11	Outflows related to derivative exposures and other collateral requirements	**4,583**	4,546	4,615	4,787	**4,583**	4,546	4,615	4,787
12	Outflows related to loss of funding on debt products	**-**	-	-	86	**-**	-	-	86
13	Credit and liquidity facilities	**8,049**	7,422	7,483	7,560	**1,152**	1,146	1,156	1,182
14	Other contractual funding obligations	**169**	93	71	61	**99**	35	21	17
15	Other contingent funding obligations	**29,372**	28,774	28,085	27,284	**2,804**	2,646	2,515	2,355
16	**TOTAL CASH OUTFLOWS**					**33,731**	33,090	32,270	32,345
	CASH-INFLOWS								
17	Secured lending (e.g reverse repos)	**13,526**	13,037	12,135	11,647	**82**	51	15	3
18	Inflows from fully performing exposures	**2,455**	2,357	2,301	2,291	**1,668**	1,587	1,544	1,528
19	Other cash inflows	**937**	837	905	1,040	**382**	276	332	379
20	**TOTAL CASH INFLOWS**	**15,162**	**16,231**	**15,341**	**14,978**	**2,131**	1,914	1,891	1,910
UK-20c	Inflows Subject to 75% Cap	**15,162**	16,231	15,341	14,978	**2,131**	1,914	1,891	1,910
	TOTAL ADJUSTED VALUE								
UK-21	**LIQUIDITY BUFFER**		-	-	-	**50,181**	**48,741**	**47,445**	**47,160**
22	**TOTAL NET CASH OUTFLOWS**		-	-	-	**31,600**	**31,176**	**30,379**	**30,435**
23	**LIQUIDITY COVERAGE RATIO**		-	-	-	**159%**	**156%**	**156%**	**155%**

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 increased in H1 as a result of higher customer deposits and Wholesale Funding volumes. 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 159% reflects our continued strong liquidity position.
Explanations on the actual concentration of funding sources Santander UK is largely funded through customer deposits (£221bn), of which c.87% is Retail. We also have c£60bn of wholesale funding which includes secured, unsecured term funding as well as c£4.5bn of TFSME Funding.
High-level description of the composition of the institution`s liquidity buffer. The liquidity buffer is predominantly made up of Level 1 assets. Approximately 97% of the weighted liquidity buffer consists 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.
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

The table below represents the breakdown of the key component for the June 2026 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**	**16,192**	**-**	**750**	**2,370**	**18,937**
2	*Own funds*	16,192	-	750	2,370	18,937
3	*Other capital instruments*		-	-	-	-
4	**Retail deposits**		**185,814**	**3,051**	**1,700**	**179,569**
5	*Stable deposits*		155,587	2,221	1,179	151,096
6	*Less stable deposits*		30,227	830	521	28,473
7	**Wholesale funding:**		**46,040**	**11,662**	**39,388**	**54,353**
8	*Operational deposits*		1,780	-	-	890
9	*Other wholesale funding*		44,260	11,662	39,388	53,463
10	**Interdependent liabilities**		**-**	**-**	**-**	**-**
11	**Other liabilities:**	**-**	**5,545**	**152**	**549**	**626**
12	*NSFR derivative liabilities*	-				
13	*All other liabilities and capital instruments not included in the above categories*		5,545	152	549	626
14	**Total available stable funding (ASF)**					**253,485**
Required stable funding (RSF) Items						
15	**Total high-quality liquid assets (HQLA)**					**397**
UK-15a	**Assets encumbered for more than 12m in cover pool**		**-**	**-**	**4,242**	**3,605**
16	**Deposits held at other financial institutions for operational purposes**		**-**	**-**	**-**	**-**
17	**Performing loans and securities:**		**24,672**	**9,196**	**213,280**	**165,992**
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		9,896	394	503	700
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		3,883	1,656	3,684	4,823
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		6,111	3,607	19,767	21,661
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		-	-	-	-
22	*Performing residential mortgages, of which:*		3,949	3,518	189,287	138,680
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		3,938	3,510	187,781	137,375
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*		834	21	39	127
25	**Interdependent assets**		**-**	**-**	**-**	**-**
26	**Other assets:**		**3,370**	**149**	**10,414**	**12,577**
27	*Physical traded commodities*				-	-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		0	-	2	178
29	*NSFR derivative assets*		1,155	-	-	1,155
30	*NSFR derivative liabilities before deduction of variation margin posted*		340	-	-	17
31	*All other assets not included in the above categories*		1,875	149	10,412	11,227
32	**Off-balance sheet items**		**32,325**	**375**	**8,229**	**2,147**
33	Total RSF					**184,718**
34	Net Stable Funding Ratio (%)					**137%**

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 multiplie d by 8%:

		Risk Weighted Exposure Amounts (RWEAs)		Total Own Funds Requirements
		30 Jun 2026 £bn	31 Mar 2026 £bn	30 Jun 2026 £bn
1	**Credit risk (excluding CCR) 1**	**66.7**	55.8	**5.4**
2	Of which the standardised approach	**17.1**	17.4	**1.4**
3	Of which the foundation IRB (FIRB) approach	**2.5**	2.3	**0.2**
4	Of which slotting approach	**2.3**	2.0	**0.2**
UK 4a	Of which equities under the simple risk weighted approach	**0.0**	-	**0.0**
5	Of which the advanced IRB (AIRB) approach	**44.8**	34.1	**3.6**
6	**Counterparty credit risk - CCR 1**	**0.6**	0.6	**0.0**
7	Of which the standardised approach	**0.3**	0.2	**0.0**
8	Of which internal model method (IMM)	**-**	-	**-**
UK 8a	Of which exposures to a CCP	**0.0**	0.1	**0.0**
UK 8b	Of which credit valuation adjustment - CVA	**0.2**	0.2	**0.0**
9	Of which other CCR	**0.1**	0.1	**0.0**
15	**Settlement risk**	**-**	-	**-**
16	**Securitisation exposures in the non-trading book (after the cap) 2**	**3.0**	3.4	**0.3**
17	Of which SEC-IRBA approach	**0.9**	1.1	**0.1**
18	Of which SEC-ERBA (including IAA)	**1.0**	1.0	**0.1**
19	Of which SEC-SA approach	**1.1**	1.3	**0.1**
UK 19a	Of which 1250% / deduction	**-**	-	**-**
20	**Position, foreign exchange and commodities risks (Market risk) 1**	**0.2**	0.2	**0.0**
21	Of which the standardised approach	**0.2**	0.2	**0.0**
22	Of which IMA	**-**	-	**-**
UK 22a	**Large exposures**	**-**	-	**-**
23	**Operational risk1**	**9.4**	7.7	**0.8**
UK 23a	Of which basic indicator approach	**-**	-	**-**
UK 23b	Of which standardised approach	**9.4**	7.7	**0.8**
UK 23c	Of which advanced measurement approach	**-**	-	**-**
24	**Amounts below the thresholds for deduction (subject to 250% risk weight)**	**-**	-	**-**
29	**Total 1**	**79.9**	67.7	**6.5**

[1] Balances which are not visible due to rounding have been included in the total.
[2] Includes 12 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 approach[1]

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

		RWEA £bn	Capital requirements
1	**Risk weighted assets as at 31 March 2026**	**39.7**	**3.2**
2	Asset size	0.2	0.0
3	Asset quality	1.5	0.1
4	Model updates	(0.1)	0.0
5	Methodology and policy	-	-
6	Acquisitions and disposals	9.4	0.8
7	Foreign exchange movements	-	-
8	Other	(0.2)	0.0
9	**Risk weighted assets as at 30 June 2026**	**50.5**	**4.1**

RWEA flow statements of credit risk exposures under standardised approach

		RWEA £bn	Capital requirements
1	**Risk weighted assets as at 31 March 2026**	**19.9**	**1.6**
2	Asset size	0.1	0.0
3	Asset quality	(0.2)	0.0
4	Model updates	-	-
5	Methodology and policy	(0.8)	(0.1)
6	Acquisitions and disposals	0.6	0.0
7	Foreign exchange movements	-	-
8	Other	(0.4)	0.0
9	**Risk weighted assets as at 30 June 2026**	**19.2**	**1.5**

The increases in both portfolios from Acquisitions relates to the inclusion of TSB in the quarter. The increase in asset quality in IRB was due to a mortgage asset sale, which affected modelled probabilities of default (PDs). The reduction in standardised RWAs due to methodology relates to updates to residual values in Consumer. The reduction in Other under standardised is reflective of portfolio optimisation through credit insurance 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 2026:

		Gross carrying amount/nominal amount [1]						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**	**38,589**	**38,588**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0**	**-**
010	**Loans and advances**	**249,772**	**231,957**	**17,778**	**2,935**	**579**	**1,938**	**(442)**	**(173)**	**(268)**	**(400)**	**(18)**	**(382)**	**-**	**234,036**	**2,297**
020	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	General governments	184	184	-	-	-	-	-	-	-	-	-	-	-	-	-
040	Credit institutions	2,201	2,201	-	-	-	-	-	-	-	-	-	-	-	1,481	-
050	Other financial corporations	15,580	15,561	1	3	-	3	0	0	0	0	-	0	-	9,352	0
060	Non-financial corporations	19,115	17,724	1,379	660	64	596	(120)	(57)	(62)	(199)	(3)	(195)	-	17,030	284
070	Of which SMEs	9,205	8,496	696	365	56	309	(67)	(31)	(36)	(104)	(3)	(100)	-	8,142	168
080	Households	212,692	196,287	16,398	2,272	515	1,339	(322)	(116)	(206)	(201)	(15)	(187)	-	206,173	2,013
090	**Debt securities**	**11,319**	**11,298**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**452**	**-**
100	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	General governments	6,823	6,823	-	-	-	-	-	-	-	-	-	-	-	-	-
120	Credit institutions	3,965	3,965	-	-	-	-	-	-	-	-	-	-	-	-	-
130	Loans and advances	524	503	-	-	-	-	-	-	-	-	-	-	-	446	-
140	Non-financial corporations	7	7	-	-	-	-	-	-	-	-	-	-	-	6	-
150	**Off-balance-sheet exposures**	**41,646**	**40,617**	**1,029**	**151**	**45**	**106**	**79**	**37**	**42**	**7**	**0**	**7**	**-**	**175**	**-**
160	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
170	General governments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
180	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
190	Other financial corporations	259	248	11	0	-	0	2	1	1	0	-	0	-	175	-
200	Non-financial corporations	9,749	9,470	279	27	-	27	31	22	9	6	-	6	-	-	-
210	Households	31,638	30,899	739	124	45	79	46	14	32	1	0	1	-	-	-
220	**Total**	**341,326**	**322,460**	**18,807**	**3,086**	**624**	**2,044**	**(363)**	**(136)**	**(226)**	**(393)**	**(18)**	**(375)**	**-**	**234,663**	**2,297**

[1] Staging analysis will exclude those assets and provisions that cannot be allocated to a stage such as those classified as 'purchased or originated credit impaired' (POCI) and those measured at fair value.

Maturity of exposures (CR1-A)

		Net exposure value					
	At 30 June 2026	On demand	<= 1 year	>1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances to customers	1,757	28,766	58,855	151,027	-	**240,405**
2	Debt securities	-	595	3,136	7,589	-	**11,321**
3	**Total**	**1,757**	**29,361**	**61,991**	**158,616**	**-**	**251,726**

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 December 2025**	**2,853**
020	Inflows to non-performing portfolios [1]	1,278
030	Outflows from non-performing portfolios	(1,196)
040	Of which Outflows due to write-offs	(148)
050	Of which Outflows due to other situations [2]	(1,049)
060	**Final stock of non-performing loans and advances as at 30 June 2026**	**2,935**

[1] Inflows include increases as a result of the acquisition of TSB Bank plc
[2] Outflows include reduction as a result of mortgage asset sale

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 2026 Half Yearly Financial Report.

The following table provides analysis of secured and collateralised exposures at 30 June 2026.

		Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
		30 Jun 2026 £m	30 Jun 2026 £m	30 Jun 2026 £m	30 Jun 2026 £m	30 Jun 2026 £m
1	Loans and advances	57,311	233,144	220,959	12,185	3,676
2	Debt securities	10,867	452	452	-	
3	**Total**	**68,178**	**233,596**	**221,411**	**12,185**	**3,676**
4	Of which non-performing exposures	238	2,297	2,297	-	54
5	Of which defaulted	238	2,297			

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 Jun 2026 £bn	30 Jun 2026 £bn	30 Jun 2026 £bn	30 Jun 2026 £bn	30 Jun 2026 £bn	30 Jun 2026 %
1	Central governments or central banks	45.8	-	46.6	0.0	0.1	0%
2	Regional government or local authorities	-	-	-	-	-	-
3	Public sector entities	0.1	0.0	0.0	-	0.0	20%
4	Multilateral Development Banks	1.5	-	1.5	-	-	-
5	International Organisations	0.1	-	0.1	-	-	-
6	Institutions	3.5	-	3.5	-	0.8	23%
7	Corporates	5.1	2.6	4.7	0.2	4.1	85%
8	Retail	10.5	10.9	10.3	0.0	7.7	74%
9	Secured by mortgages on immovable property	0.5	0.0	0.5	0.0	0.2	37%
10	Exposures in default	0.5	0.1	0.4	0.0	0.5	123%
11	Exposures associated with particularly high risk	0.1	0.0	0.1	0.0	0.1	150%
12	Covered bonds	0.7	-	0.7	-	0.1	10%
13	Institutions and corporates with a shortterm credit assessment	-	-	-	-	-	-
14	Collective investment undertakings	-	-	-	-	-	-
15	Equity	-	-	-	-	-	-
16	Other items	5.3	-	5.3	-	3.5	64%
17	**Total**	**73.7**	**13.6**	**73.7**	**0.2**	**17.1**	**23%**

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 Jun 2026 £bn	30 Jun 2026 £bn	30 Jun 2026 £bn	30 Jun 2026 £bn	30 Jun 2026 £bn	30 Jun 2026 %
Central governments and central banks	-	-	-	-	-	-
Institutions	0.1	0.0	0.1	0.0	0.0	27%
Corporates – SME	0.8	0.5	0.8	-	0.2	21%
Corporates – Specialised Lending	3.7	1.0	3.5	0.1	2.3	64%
Corporates – Other	6.0	4.9	5.9	0.2	2.3	37%
Retail Immovable Property	202.6	14.8	204.0	9.9	39.5	18%
Retail QRR	1.1	7.1	1.0	7.3	2.9	35%
Retail Other	1.9	-	1.9	-	2.1	109%
Equity	0.0	-	0.0	-	0.0	370%
Total	**216.2**	**28.3**	**217.2**	**17.5**	**49.2**	**21%**

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)			
			Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered byn 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 (%)	RWEA post all CRM assigned to the obligor exposure class £bn	RWEA with substitution effects £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**	**224.1**	-	**95%**	**95%**	-	-	-	-	-	-	-	-	**44.5**	**44.5**
4.1	Of which Retail – Immovable property SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Of which Retail – Immovable property non-SMEs	213.9	-	100%	100%	-	-	-	-	-	-	-	-	39.5	39.5
4.3	Of which Retail – Qualifying revolving	8.3	-	-	-	-	-	-	-	-	-	-	-	2.9	2.9
4.4	Of which Retail – Other SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.5	Of which Retail – Other non-SMEs	1.9	-	-	-	-	-	-	-	-	-	-	-	2.1	2.1
5	**Total**	**224.1**	-	**95%**	**95%**	-	-	-	-	-	-	-	-	**44.5**	**44.5**

	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)			
			Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered byn 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 (%)	RWEA post all CRM assigned to the obligor exposure class £bn	RWEA with substitution effects £bn
1	**Central governments and central banks**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2	**Institutions**	**0.1**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
3	**Corporates**	**10.5**	**-**	**21%**	**21%**	**-**	**-**	**1%**	**1%**	**-**	**-**	**3%**	**-**	**4.7**	**4.8**
3.1	*Of which Corporates – SMEs*	0.8	-	71%	71%	-	-	0%	0%	-	-	-	-	0.2	0.2
3.2	*Of which Corporates – Specialised lending*	3.6	-	-	-	-	-	-	-	-	-	6%	-	2.3	2.3
3.3	*Of which Corporates – Other*	6.1	-	27%	27%	-	-	1%	1%	-	-	1%	-	2.2	2.3
4	**Total**	**10.6**	**-**	**21%**	**21%**	**-**	**-**	**1%**	**1%**	**-**	**-**	**3%**	**-**	**4.7**	**4.8**

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:

		Specialised lending : Project finance (Slotting approach)					
		On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Regulatory categories	Remaining maturity	£m	£m	%	£m	£m	£m
Category 1	Less than 2.5 years	139.5	242.3	50%	160.0	70.9	-
	Equal to or more than 2.5 years	174.7	164.4	70%	202.8	110.0	0.8
Category 2	Less than 2.5 years	129.9	88.1	70%	152.4	94.7	0.6
	Equal to or more than 2.5 years	272.4	323.0	90%	273.2	195.7	2.2
Category 3	Less than 2.5 years	13.2	6.2	115%	17.7	17.4	0.5
	Equal to or more than 2.5 years	25.1	8.3	115%	30.1	33.2	0.8
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	9.6	0.4	250%	9.9	19.9	0.8
Category 5	Less than 2.5 years	-	-	-	-	-	-
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total	**Less than 2.5 years**	**282.6**	**336.6**	**-**	**330.1**	**183.0**	**1.1**
	Equal to or more than 2.5 years	**481.8**	**496.1**	**-**	**516.0**	**358.8**	**4.6**

		Specialised lending : Income-producing real estate and high volatility commercial real estate (Slotting approach)					
		On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Regulatory categories	Remaining maturity	£m	£m	%	£m	£m	£m
Category 1	Less than 2.5 years	527.4	65.5	50%	531.4	246.6	-
	Equal to or more than 2.5 years	1,083.2	26.2	70%	1,083.2	730.6	4.3
Category 2	Less than 2.5 years	475.2	11.7	70%	475.2	293.6	1.9
	Equal to or more than 2.5 years	449.1	21.5	90%	449.1	364.4	3.6
Category 3	Less than 2.5 years	5.3	-	115%	5.3	4.7	0.1
	Equal to or more than 2.5 years	10.7	-	115%	10.7	9.7	0.3
Category 4	Less than 2.5 years	5.3	-	250%	5.3	13.1	0.4
	Equal to or more than 2.5 years	0.7	-	250%	0.7	1.4	0.1
Category 5	Less than 2.5 years	46.0	-	-	46.0	-	23.0
	Equal to or more than 2.5 years	21.0	-	-	21.0	-	10.5
Total	**Less than 2.5 years**	**1,059.2**	**77.2**	**-**	**1,063.2**	**558.0**	**25.4**
	Equal to or more than 2.5 years	**1,564.7**	**47.7**	**-**	**1,564.7**	**1,106.1**	**18.8**

	Equity exposures under the simple risk-weighted approach					
	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Categories	£m	£m	%	£m	£m	£m
Private equity exposures	-	-	190%	-	-	-
Exchange-traded equity exposures	-	-	290%	-	-	-
Other equity exposures	0.1	-	370%	0.1	0.3	0.0
Total	**0.1**	**-**		**0.1**	**0.3**	**0.0**

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 2026.

	General credit		Relevant credit				Own funds requirement						
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Securitisation exposures Exposure value for non-trading book	Total exposure value	Relevant credit risk exposure-Credit Risk	Relevant credit exposures – Market risk	Relevant credit exposures-Securitisation positions in the non-trading book	Total	Risk-weighted exposure amounts	Own funds requirements weights	Counter-cyclical buffer rate
Country	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn	%	%
United Kingdom	22.0	234.3	-	-	8.0	-	5.2	-	0.2	5.4	58.2	98.88%	2.00%
Isle of Man	0.0	0.0	-	-	-	-	0.0	-	-	0.0	0.0	0.05%	-
Jersey	0.1	0.4	-	-	-	-	0.0	-	-	0.0	0.4	0.58%	-
Guernsey	0.0	0.1	-	-	-	-	0.0	-	-	0.0	0.1	0.14%	-
United States	0.0	-	-	-	-	-	0.0	-	-	0.0	0.0	-	-
Luxembourg	0.0	0.1	-	-	-	-	0.0	-	-	0.0	0.1	0.15%	0.50%
Denmark	0.0	0.0	-	-	-	-	0.0	-	-	0.0	0.0	0.00%	2.50%
Netherlands	0.0	-	-	-	-	-	0.0	-	-	0.0	0.0	0.00%	2.00%
Ireland	0.0	-	-	-	-	-	0.0	-	-	0.0	0.0	0.00%	1.50%
British Virgin Islands	0.0	0.1	-	-	-	-	0.0	-	-	0.0	0.1	0.11%	-
Korea, Republic of	0.0	-	-	-	-	-	0.0	-	-	0.0	0.0	0.00%	1.00%
Portugal	0.0	-	-	-	-	-	0.0	-	-	0.0	0.0	0.00%	0.75%
Other	0.0	0.1	-	-	-	-	0.0	-	-	0.0	0.1	0.09%	-
Total	**22.1**	**235.1**	**-**	**-**	**8.0**	**-**	**5.2**	**-**	**0.2**	**5.4**	**59.0**	**100.00%**	

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	**79.9**
Institution specific countercyclical capital buffer rate	**1.98%**
Institution specific countercyclical capital buffer requirement	**1.6**

The level of the Countercyclical Capital Buffer for the Company at 30 June 2026 was 1.98%.

Credit quality of forborne exposures (CQ1)

The following table provides an overview of the quality of forborne exposures at 30 June 2026.

		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-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 nonperforming 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	973	2,053	1,996	1,812	(20)	(274)	2,113	1,241
020	Central banks	-	-	-	-	-	-	-	-
030	General governments	-	-	-	-	-	-	-	-
040	Credit institutions	-	-	-	-	-	-	-	-
050	Other financial corporations	-	2	2	2	-	0	0	0
060	Non-financial corporations	208	423	423	378	(13)	(136)	324	197
070	Households	765	1,628	1,571	1,432	(7)	(138)	1,790	1,044
080	Debt Securities	-	-	-	-	-	-	-	-
090	Loan commitments given	-	-	-	-	0	4	-	-
100	**Total**	**973**	**2,053**	**1,996**	**1,812**	**(20)**	**(270)**	**2,113**	**1,241**

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 2026					
		Gross carrying amount	Of which non-performing	Of which defaulted	loans and advances subject to impairment	Accumulated impairment	negative changes in fair value due to credit risk on nonperforming
010	Agriculture, forestry and fishing	199	11	11	199	(3)	-
020	Mining and quarrying	52	0	0	52	0	-
030	Manufacturing	662	55	55	662	(27)	-
040	Electricity, gas, steam and air conditioning supply	581	14	14	581	(2)	-
050	Water supply	71	14	14	71	(11)	-
060	Construction	1,033	78	78	1,033	(23)	-
070	Wholesale and retail trade	1,550	97	97	1,550	(65)	-
080	Transport and storage	323	6	6	323	(5)	-
090	Accommodation and food service activities	1,085	57	57	1,083	(38)	-
100	Information and communication	684	33	33	680	(29)	-
110	Financial and insurance actvities	-	-	-	-	-	-
120	Real estate activities	9,714	74	74	9,714	(41)	-
130	Professional, scientific and technical activities	1,722	63	63	1,722	(24)	-
140	Administrative and support service activities	640	83	83	640	(17)	-
150	Public administration and defense, compulsory social security	53	0	0	53	0	-
160	Education	145	1	1	138	(1)	-
170	Human health services and social work activities	750	52	52	750	(24)	-
180	Arts, entertainment and recreation	186	5	5	186	(3)	-
190	Other services	324	18	18	324	(4)	-
200	**Total**	**19,774**	**661**	**661**	**19,761**	**(317)**	**-**

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 2026. This outlines the impact of the difference in scope of consolidation outlined above:

	Own Funds Type		
	CET1	Additional Tier 1	Tier 2
	£m	£m	£m
Santander UK Balance Sheet elements			
Shareholder's equity and Non-controlling interests	14,957	2,060	-
Subordinated Liabilities	-	-	2,552
UK CRR Adjustments			
Additional value adjustments	(13)	-	-
Intangible Assets (net of related tax liability)	(2,329)	-	-
Fair value reserves related to gains or losses on cash flow hedges	19	-	-
Negative amounts resulting from the calculation of regulatory expected loss amounts	(785)	-	-
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	4	-	-
Deferred tax assets arising from temporary differences	-	-	-
Defined benefit pension fund assets	(403)	-	-
- Dividend accrual	(80)	-	-
- Deduction for minority interests	-	-	-
- NPE Backstop	-	-	-
- Capital Add-on	-	-	-
- IFRS 9 Transitional Adjustments	-	-	-
Amount excluded from Tier 2 due to transitional recognition cap	-	-	(182)
Total	**11,370**	**2,060**	**2,370**

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 2026 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 2026 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	5,825	Share capital
2	Retained Earnings	9,067	Retained earnings
3	Accumulated other comprehensive income (and other reserves)	(15)	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 accountssubject 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	14,877	
	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)	(2,329)	Intangible Assets
10	Deferred tax assets that rely on future profitability excluding those arising from temporarydifferences (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	19	Other Reserves
12	Negative amounts resulting from the calculation of expected loss amounts	(785)	
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	4	
15	Defined-benefit pension fund assets (negative amount)	(403)	Retirement Benefit Assets
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)	(3,507)	
29	Common Equity Tier 1 (CET1) capital	11,370	
	Additional Tier 1 (AT1) capital: instruments		
30	Capital instruments and the related share premium accounts	2,060	Other Equity Instruments
31	of which: classified as equity under applicable accounting standards	2,060	Other Equity Instruments
32	of which: classified as liabilities under applicable accounting standards	-	
36	Additional Tier 1 (AT1) capital before regulatory adjustments	2,060	
	Additional Tier 1 (AT1) capital: regulatory adjustments		
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	-	
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	2,060	
45	Tier 1 capital (T1 = CET1 + AT1)	13,430	

46	Capital instruments and the related share premium accounts	-	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	2,370	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	2,370	
	Tier 2 (T2) capital: regulatory adjustments		
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (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	2,370	
59	Total Capital (TC = T1 + T2)	15,800	
60	Total Risk exposure amount	79,849	
	Capital ratios and buffer		
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	14.2%	
62	Tier 1 (as a percentage of total risk exposure amount)	16.8%	
63	Total capital (as a percentage of total risk exposure amount)	19.8%	
64	Institution CET1 overall capital requirement (CET1 requirement in accordance with Article 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Article 104(1) CRD, plus combined buff er 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	-	
UK-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	1.0%	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	14.2%	
	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 no t 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 ha s 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)	2	
	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	216	
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	299	

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 2026. 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 2026	As at period end 30 June 2026	
	Assets - Breakdown by asset class according to the balance sheet in the published financial statements			
1	Cash and balances at central banks	38,253	38,253	
2	Financial assets at fair value through profit or loss:	-	-	
3	Trading assets	-	-	
4	Derivative financial instruments	2,089	2,100	
5	Other financial assets at fair value through profit or loss	53	53	
6	Financial assets at amortised cost:	-	-	
7	Loans and advances to customers	240,406	240,960	
8	Loans and advances to banks	1,290	1,488	
9	Reverse repurchase agreements – non trading	10,725	10,725	
10	Other financial assets at amortised cost	5,738	5,738	
11	Macro hedge of interest rate risk	(385)	(385)	
12	Financial assets at fair value through other comprehensive income	5,561	5,561	
13	Financial investments	-	-	
14	Interests in other entities	311	0	
15	Intangible assets	2,500	2,500	Table CC1 Row 8
16	Property, plant and equipment	1,648	2,365	
17	Current tax assets	477	497	
18	Deferred tax assets	-	14	Table CC1 Row 10
19	Retirement benefit assets	560	560	Table CC1 Row 15
20	Other assets	3,031	3,160	
21	Assets held for sale	18	18	
22	**Total assets**	**312,275**	**313,607**	
	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	1,012	1,025	
4	Other financial liabilities at fair value through profit or loss	1,742	1,742	
5	Financial liabilities at amortised cost:	-	-	
6	Deposits by customers	224,589	223,226	
7	Deposits by banks	7,865	8,022	
8	Repurchase agreements – non trading	6,394	6,394	
9	Debt securities in issue	47,255	49,155	
10	Subordinated liabilities	2,552	2,552	Table CC1 Row 46/48
11	Macro hedge of interest rate risk	18	18	
12	Other liabilities	2,444	2,615	
13	Provisions	950	1,007	
14	Current tax liabilities	-	11	
15	Deferred tax liabilities	417	427	Table CC1 Row 10
16	Retirement benefit obligations	21	21	
17	Liabilities held for sale	-	-	
18	**Total liabilities**	**295,259**	**296,215**	
	Shareholders' Equity			
1	Equity	-	-	
2	Share capital	4,705	4,858	Table CC1 Row 1
3	Share premium	1,119	1,119	Table CC1 Row 1
4	Other equity instruments	2,060	2,060	Table CC1 Row 30
5	Retained earnings	9,147	9,370	Table CC1 Row 2
6	Other reserves	(15)	(15)	Table CC1 Row 3
7	Non-controlling interests	-	-	
8	**Total shareholders' equity**	**17,016**	**17,392**	

The main difference between the balance sheet published per the financial statements and the balance sheet under the regulato ry scope of consolidation relates to the adjustments required to convert the joint ventures in Consumer Finance from the equity met hod consolidation to full consolidation in addition to eliminating the intragroup balances between the Company and these Joint ventures

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 Systematically 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 bank 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 borrow lending 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.