

# Interim Pillar 3 Disclosures

2023-24

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# 1 Executive summary

## 1.1 Background

Nationwide's Interim Pillar 3 disclosure 2023-24 provides an update on the capital and liquidity position disclosed in Nationwide's annual Pillar 3 disclosure 2023. The information has been prepared in accordance with the UK Prudential Regulatory Authority (PRA) Rulebook (Capital Requirements Regulation (CRR)) with Annex conventions aligned to the 'Disclosure' part of the Rulebook. Capital and leverage ratios reported include profits for the quarter that have been externally verified, less foreseeable dividends. For the basis of preparation and disclosure framework, refer to Nationwide's [Pillar 3 disclosure 2023](#).

## 1.2 Summary of key metrics

The capital resources included in this report are in line with UK Capital Requirements Directive V (UK CRD V) and on an end-point basis with IFRS 9 transitional arrangements applied. In addition, the disclosures are on a consolidated Group basis, including all subsidiary entities, unless otherwise stated.

Nationwide's capital position remains strong, with both the Common Equity Tier 1 (CET1) ratio and leverage ratio comfortably above regulatory capital requirements of 12.5% and 4.3% respectively. The CET1 capital requirement includes a 7.0% minimum Pillar 1 and Pillar 2 requirement and the UK CRD V combined buffer requirements of 5.5% of risk weighted assets (RWAs). The CET1 ratio increased to 27.4% (4 April 2023: 26.5%). The leverage ratio increased to 6.4% (4 April 2023: 6.0%).

The CET1 ratio increase is a result as a result of an increase in CET1 capital of £0.6 billion, partially offset by an increase in RWAs of £0.6 billion. The CET1 capital resources increase was driven by £0.7 billion profit after tax, partially offset by £0.1 billion of capital distributions. RWAs increased, predominantly due to an increase in residential mortgage balances.

Further detail on regulatory capital ratios, resources and risk weighted assets is included in Annex I (Key Metrics) and Annex XXI (IRB approach).

UK CRD V requires firms to calculate a leverage ratio, which is non-risk based, to supplement risk-based capital requirements. Nationwide's leverage ratio is 6.4% (4 April 2023: 6.0%), with Tier 1 capital increasing by £0.6 billion as a result of the CET1 capital movements referenced above. In addition, there was a decrease in leverage exposure of £3.5 billion, with an increase in residential mortgage balances more than offset by a reduction in treasury investments for the period.

The leverage ratio remains in excess of Nationwide's leverage capital requirement of 4.3%, which comprises a minimum Tier 1 capital requirement of 3.25% and buffer requirements of 1.05%. The buffer requirements include a 0.7% UK countercyclical leverage ratio buffer, in force from July 2023, and a 0.35% additional leverage ratio buffer.

Leverage requirements continue to be Nationwide's binding Tier 1 capital constraint, as the combination of minimum and regulatory buffer requirements are in excess of the risk-based equivalent. The risk of excessive leverage is managed through regular monitoring and reporting of the leverage ratio, which forms part of risk appetite.

As part of the Bank Recovery and Resolution Directive, the Bank of England, in its capacity as the UK resolution authority, has published its policy for setting the minimum requirement for own funds and eligible liabilities (MREL). From 1 January 2023, Nationwide's requirement is to hold twice the minimum capital requirements (6.5% of leverage exposure), plus the applicable capital requirement buffers, which amount to 1.05% of leverage exposure. This equals a total loss-absorbing requirement of 7.55%. Nationwide maintains a surplus above overall requirements in respect of any additional buffers.

At 30 September 2023, total MREL resources, which include total regulatory capital and eligible liabilities, were in excess of this requirement at 9.0% (4 April 2023: 8.8%) of leverage exposure.

Nationwide's Liquidity Coverage Ratio (LCR), which ensures that sufficient high-quality liquid assets are held to survive a short-term severe but plausible liquidity stress, averaged 191% over the 12 months ended 30 September 2023 (4 April 2023: 180%). The average Net Stable Funding Ratio (NSFR), which assesses the stability of funding relative to the liquidity of assets, was 149% for the four quarters ended 30 September 2023 (4 April 2023: 147%), which is in excess of the 100% minimum requirement. Nationwide continues to manage its liquidity against internal risk appetite which is more prudent than regulatory requirements. Further detail is included in Annex XIII (Liquidity requirements).

### 1.3 Stress Testing

The Bank of England returned to the Annual Cyclical Scenario (ACS) Stress Test framework in September 2022. This followed two years of Covid-19 pandemic-related stress testing and its decision to postpone the test in March 2022. The 2022 ACS tested the resilience of the UK banking system to deep simultaneous recessions in the UK and global economies, large falls in asset prices and higher global interest rates, and a separate stress of misconduct costs.

Nationwide's low point CET1 ratio through the scenario was 20.3% before strategic management actions. This was in excess of peers, showing Nationwide is well capitalised and positioned to meet stressed economic conditions. The leverage ratio low point was 5.6%, remaining in excess of the 3.6% regulatory requirement at that time.

On 10 October 2023, the Bank of England confirmed it intends to run a desk-based stress test exercise in 2024, rather than an ACS, to support the Financial Policy Committee (FPC) and PRA monitoring and assessment of the resilience of the UK banking system to potential downside risks.

### 1.4 Future regulatory developments

The Basel Committee published its final reforms to the Basel III framework in December 2017, now denoted by the PRA as Basel 3.1. The amendments include changes to the standardised approaches for credit and operational risks, including the introduction of an RWA standardised output floor to restrict the use of internal models. On 30 November 2022, the Bank of England issued CP16/22 'Implementation of the Basel 3.1 standards'. The consultation paper, although materially similar to the original Basel reforms, includes interpretations and some divergences.

The reforms may lead to an increase in Nationwide's RWAs relative to the current position, mainly due to the application of the standardised RWA output floor. The expected implementation date is 1 July 2025, with a phased introduction of the standardised RWA output floor until fully implemented by 2030. Based on Nationwide's latest interpretation of the draft rules, there will not be a material day-one impact on Nationwide's CET1 ratio.

Nationwide's CET1 ratio would reduce to a low-to-mid 20% range compared to the 27.4% reported at 30 September 2023, if the 2030 fully implemented standardised RWA output floor was overlaid. However, final impacts are uncertain as they are subject to future balance sheet size and mix and the rules are not yet final.

Nationwide will remain engaged in the development of the regulatory approach to ensure it is prepared for any resulting change.

In January 2023, the PRA granted Nationwide a one-year general prior permission (GPP) to repurchase CCDS up to the equivalent of 2% of CET1 capital resources. Nationwide has applied to renew the GPP, which subject to approval, will allow Nationwide to offer to repurchase up to 2% of CET1 capital resources (equating to £286 million at 30 September 2023) during 2024, at the Board's discretion. In the six months to 30 September 2023, £76 million of CCDS were repurchased under the current GPP.

## 2 Annex I | Key metrics and overview of risk-weighted exposure amounts

### 2.1 UK KM1 – Key metrics template

UK KM1 - Key metrics template						
<i>£m</i>	a	b	c	d	e	
	30 Sep 23	30 Jun 23	04 Apr 23	31 Dec 22	30 Sep 22	
<b>Available own funds (amounts)</b>						
1	Common Equity Tier 1 (CET1) capital	14,322	13,909	13,733	13,444	12,957
2	Tier 1 capital	15,658	15,245	15,069	14,780	14,293
3	Total capital	17,428	17,030	16,908	16,689	16,349
<b>Risk-weighted exposure amounts</b>						
4	Total risk-weighted exposure amount	52,311	51,806	51,731	51,258	50,791
<b>Capital ratios (as a percentage of risk-weighted exposure amount)</b>						
5	Common Equity Tier 1 ratio (%)	27.4	26.8	26.5	26.2	25.5
6	Tier 1 ratio (%)	29.9	29.4	29.1	28.8	28.1
7	Total capital ratio (%)	33.3	32.9	32.7	32.6	32.2
<b>Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)</b>						
UK 7a	Additional CET1 SREP requirements (%)	2.5	2.5	2.5	3.1	3.1
UK 7b	Additional AT1 SREP requirements (%)	0.8	0.8	0.9	1.0	1.0
UK 7c	Additional T2 SREP requirements (%)	1.1	1.1	1.1	1.4	1.4
UK 7d	Total SREP own funds requirements (%)	12.5	12.5	12.5	13.4	13.5
<b>Combined buffer requirement (as a percentage of risk-weighted exposure amount)</b>						
8	Capital conservation buffer (%)	2.5	2.5	2.5	2.5	2.5
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 (%)	2.0	1.0	1.0	1.0	0.0
UK 9a	Systemic risk buffer (%)	-	-	-	-	-
10	Global Systemically Important Institution buffer (%)	-	-	-	-	-
UK 10a	Other Systemically Important Institution buffer	1.0	1.0	1.0	1.0	1.0
11	Combined buffer requirement (%)	5.5	4.5	4.5	4.5	3.5
UK 11a	Overall capital requirements (%)	18.0	17.0	17.0	17.9	17.0
12	CET1 available after meeting the total SREP own funds requirements (%)	20.4	19.8	19.5	18.6	17.9
<b>Leverage ratio</b>						
13	Total exposure measure excluding claims on central banks	245,767	245,825	249,299	252,663	248,187
14	Leverage ratio excluding claims on central banks (%)	6.4	6.2	6.0	5.8	5.8
<b>Additional leverage ratio disclosure requirements</b>						
14a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	6.4	6.2	6.0	5.8	5.8
14b	Leverage ratio including claims on central banks (%)	5.7	5.2	5.5	4.9	5.1
14c	Average leverage ratio excluding claims on central banks (%)	6.2	6.1	5.8	5.7	5.6
14d	Average leverage ratio including claims on central banks (%)	5.3	5.2	5.0	4.9	4.9
14e	Countercyclical leverage ratio buffer (%)	0.7	0.4	0.4	0.4	-
<b>Liquidity Coverage Ratio<sup>1</sup></b>						
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	56,353	55,171	53,255	52,178	51,616
UK 16a	Cash outflows - Total weighted value	31,614	32,051	31,652	31,805	30,788
UK 16b	Cash inflows - Total weighted value	1,896	1,935	1,843	1,842	1,600
16	Total net cash outflows (adjusted value)	29,718	30,116	29,809	29,962	29,188
17	Liquidity coverage ratio (%)	191	184	180	175	179
<b>Net Stable Funding Ratio<sup>1,2</sup></b>						
18	Total available stable funding	245,053	244,855	242,726		
19	Total required stable funding	163,935	165,278	165,466		
20	NSFR ratio (%)	149	148	147		

Notes:

<sup>1</sup> The Liquidity Coverage and Net Stable Funding Ratios are calculated as a simple average of twelve month and four quarter end observations respectively

<sup>2</sup> In line with PS22/21 'Implementation of Basel Standards...', disclosures for the Net Stable Funding Ratio (NSFR) were not required until reporting reference dates after 1 January 2023

## 2.2 IFRS 9 / Article 468 – Impact of IFRS 9 transitional arrangements & temporary treatment in accordance with CRR Article 468

### IFRS9 - Key metrics template

<i>£m</i>	a	b	c	d	e	
	30 Sep 23	30 Jun 23	04 Apr 23	31 Dec 22	30 Sep 22	
<b>Available own funds (amounts)</b>						
1	CET1 if IFRS 9 transitional arrangements had not been applied	14,322	13,909	13,718	13,428	12,942
2	CET1 capital without applying the temporary treatment of gains and losses measured at fair value through OCI	14,322	13,909	13,733	13,426	12,953
3	Tier 1 if IFRS 9 transitional arrangements had not been applied	15,658	15,245	15,054	14,764	14,278
4	Tier 1 capital without applying the temporary treatment of gains and losses measured at fair value through OCI	15,658	15,245	15,069	14,762	14,289
5	Total capital if IFRS 9 transitional arrangements had not been applied	17,428	17,030	16,903	16,683	16,344
6	Total capital without applying the temporary treatment of gains and losses measured at fair value through OCI	17,428	17,030	16,908	16,671	16,345
<b>Risk-weighted exposure amounts</b>						
7	Total risk weighted assets if IFRS 9 transitional arrangements had not been applied	52,311	51,806	51,735	51,261	50,794
<b>Capital ratios (as a percentage of risk-weighted exposure amount)</b>						
8	CET1 ratio if IFRS 9 transitional arrangements had not been applied (%)	27.4	26.8	26.5	26.2	25.5
9	CET1 ratio without applying the temporary treatment of gains and losses measured at fair value through OCI (%)	27.4	26.8	26.5	26.2	25.5
10	Tier 1 ratio if IFRS 9 transitional arrangements had not been applied (%)	29.9	29.4	29.1	28.8	28.1
11	Tier 1 ratio without applying the temporary treatment of gains and losses measured at fair value through OCI (%)	29.9	29.4	29.1	28.8	28.1
12	Total regulatory capital ratio if IFRS 9 transitional arrangements had not been applied (%)	33.3	32.9	32.7	32.5	32.2
13	Total regulatory capital without applying the temporary treatment of gains and losses measured at fair value through OCI (%)	33.3	32.9	32.7	32.5	32.2
<b>Leverage ratio</b>						
14	Leverage ratio exposure measure if IFRS 9 transitional arrangements had not been applied	245,767	245,825	249,299	252,663	248,171
15	Leverage ratio if IFRS 9 transitional arrangements had not been applied (%)	6.4	6.2	6.0	5.8	5.8
16	Leverage ratio without applying the temporary treatment of gains and losses measured at fair value through OCI (%)	6.4	6.2	6.0	5.8	5.8

## 2.3 UK KM2 – Key metrics template – MREL (at resolution group level)

### UK KM2 - Key metrics template - MREL (at resolution group level)

<i>£m</i>	a	b	c	d	e	
	30 Sep 23	30 Jun 23	04 Apr 23	31 Dec 22	30 Sep 22	
1	Total own funds and eligible liabilities available	22,139	22,039	22,001	22,665	21,916
2	Total risk weighted assets	52,311	51,806	51,731	51,258	50,791
3	Total own funds and eligible liabilities available as a percentage of total risk weighted assets (%)	42.3	42.5	42.5	44.2	43.1
4	UK leverage exposure ratio measure	245,767	245,825	249,299	252,663	248,187
5	Total own funds and eligible liabilities available as a percentage of UK leverage exposure ratio measure (%)	9.0	9.0	8.8	9.0	8.8



## 2.4 Capital Flow

Capital Flow		a
<i>£m</i>		
1	<b>Common equity tier 1 capital as at 04 April 2023</b>	13,733
2	Issuance of CCDS	–
3	Profit for the year	722
4	Other comprehensive income recognised directly in the general reserve	(197)
5	Foreseeable distributions	4
6	Revaluation reserve	(1)
7	FVOCI reserve	4
8	Capital adjustments:	
9	Direct holdings of CET1 instruments	(76)
10	Prudential valuation adjustment	33
11	Own credit valuation adjustments	16
12	Intangible assets (net of deferred tax liabilities)	9
13	Defined-benefit pension fund assets (net of deferred tax liabilities)	95
14	Excess of expected loss over impairment	(4)
15	IFRS 9 transitional arrangements	(16)
16	<b>Common equity tier 1 capital as at 30 September 2023</b>	<b>14,322</b>
17	<b>Additional tier 1 capital as at 04 April 2023</b>	<b>1,336</b>
18	Redemption/Repurchase of AT1	–
19	Issuance of AT1	–
20	<b>Additional tier 1 capital as at 30 September 2023</b>	<b>1,336</b>
21	<b>Tier 2 capital as at 04 April 2023</b>	<b>1,839</b>
22	Redemption/Repurchase of subordinated debt	–
23	Amortisation of subordinated debt	(83)
24	Fair value adjustments of subordinated debt	(15)
25	Excess of impairment provisions over regulatory expected losses	19
26	IFRS 9 transitional arrangements	10
27	<b>Tier 2 capital as at 30 September 2023</b>	<b>1,770</b>
28	<b>Total regulatory capital as at 04 April 2023</b>	<b>16,908</b>
29	<b>Total regulatory capital as at 30 September 2023</b>	<b>17,428</b>

The CET1 capital resources (row 16) increase of £0.6 billion was primarily driven by £0.7 billion profit after tax (row 3), partially offset by £0.1 billion of capital distributions (included in row 4). In addition, £76 million of CCDS were repurchased (row 9).

## 2.5 UK OV1 – Overview of risk weighted exposure amounts<sup>1</sup>

UK OV1 – Overview of risk weighted exposure amounts					
£m		a		b	c
		Risk weighted exposure amounts (RWEAs)		Risk weighted exposure amounts	Total own funds requirements
		30 Sep 23	04 Apr 23		30 Sep 23
1	<b>Credit risk (excluding CCR)</b>	45,471	44,647		3,638
2	Of which the standardised approach	3,675	3,463		295
3	Of which the foundation IRB (FIRB) approach	2,716	2,967		217
4	Of which slotting approach	608	681		49
UK 4a	Of which equities under the simple riskweighted approach	242	211		19
5	Of which the advanced IRB (AIRB) approach	38,230	37,325		3,058
6	<b>Counterparty credit risk - CCR</b>	754	989		61
7	Of which the standardised approach	268	358		22
8	Of which internal model method (IMM)	-	-		-
UK 8a	Of which exposures to a CCP	121	103		10
UK 8b	Of which credit valuation adjustment - CVA	363	517		29
9	Of which other CCR	2	11		-
15	<b>Settlement risk</b>	-	-		-
16	<b>Securitisation exposures in the non-trading book (after the cap)</b>	255	264		20
17	Of which SEC-IRBA approach	-	-		-
18	Of which SEC-ERBA (including IAA)	255	264		20
19	Of which SEC-SA approach	-	-		-
UK 19a	Of which 1250%/ deduction	-	-		-
20	<b>Position, foreign exchange and commodities risks (Market risk)<sup>2</sup></b>	-	-		-
21	Of which the standardised approach	-	-		-
22	Of which IMA	-	-		-
UK 22a	<b>Large exposures</b>	-	-		-
23	<b>Operational risk</b>	5,831	5,831		466
UK 23a	Of which basic indicator approach	-	-		-
UK 23b	Of which standardised approach	5,831	5,831		466
UK 23c	Of which advanced measurement approach	-	-		-
24	<b>Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)</b>	294	305		24
29	<b>Total</b>	52,311	51,731		4,185

Notes:

<sup>1</sup> Specific rows of this table have not been presented as they are not applicable in the UK

<sup>2</sup> Nationwide's Pillar 1 capital requirement for market risk is currently zero (as Nationwide does not have a trading book and FX exposures are below the threshold of 2% of total own funds capital requirements) and hence no figures are disclosed

RWAs increased by £0.6 billion predominantly due to a £0.8 billion increase in credit risk RWAs partially offset by a £0.2 billion reduction in counterparty credit risk RWAs. The credit risk RWA movement was primarily due to an increase in residential mortgage balances, in conjunction with a higher mortgage portfolio average loss given default (LGD) linked to property valuations.

## 3 Annex VII | Own funds

### 3.1 UK CC1 – Composition of regulatory own funds

UK CC1 - Composition of regulatory own funds <sup>6</sup>			
<i>£m</i>	a	b	a
	30 Sep 23	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation	04 Apr 23
	Amounts		Amounts
<b>Common Equity Tier 1 (CET1) capital: instruments and reserves</b>			
1	Capital instruments and the related share premium accounts	(c)	1,334
	of which: core capital deferred shares (CCDS)	(c)	1,334
2	Retained earnings	(e) <sup>1</sup>	12,502
3	<b>Accumulated other comprehensive income (and other reserves)</b>	(f), (g), (h), (i) <sup>2</sup>	171
UK-3a	Funds for general banking risk		–
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1		–
5	Minority interests (amount allowed in consolidated CET1)		–
UK-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	(e) <sup>3</sup>	1,597
6	<b>Common Equity Tier 1 (CET1) capital before regulatory adjustments</b>		15,604
<b>Common Equity Tier 1 (CET1) capital: regulatory adjustments</b>			
7	Additional value adjustments (negative amount)		(119)
8	Intangible assets (net of related tax liability) (negative amount)		(851)
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)		–
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value		(129)
12	Negative amounts resulting from the calculation of expected loss amounts		(45)
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		–
15	Defined-benefit pension fund assets (negative amount)	(a) <sup>4</sup>	(614)
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	(c)	(101)

**UK CC1 - Composition of regulatory own funds (cont.)**

		a	b	a
		30 Sep 23	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation	04 Apr 23
£m		Amounts		Amounts
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-		-
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-		-
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-		-
UK-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-		-
UK-20b	of which: qualifying holdings outside the financial sector (negative amount)	-		-
UK-20c	of which: securitisation positions (negative amount)	-		-
UK-20d	of which: free deliveries (negative amount)	-		-
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	-		-
22	Amount exceeding the 17,65% threshold (negative amount)	-		-
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	-		-
25	of which: deferred tax assets arising from temporary differences	-		-
UK-25a	Losses for the current financial year (negative amount)	-		-
UK-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-		-
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-		-
27a	Other regulatory adjustments to CET1 capital ( <i>including IFRS 9 transitional adjustments when relevant</i> )	(11)		(12)
28	<b>Total regulatory adjustments to Common Equity Tier 1 (CET1)</b>	<b>(1,810)</b>		<b>(1,871)</b>
29	<b>Common Equity Tier 1 (CET1) capital</b>	<b>14,322</b>		<b>13,733</b>

**UK CC1 - Composition of regulatory own funds (cont.)**

	a	b	a
	30 Sep 23	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation	04 Apr 23
<i>£m</i>	Amounts		Amounts
<b>Additional Tier 1 (AT1) capital: instruments</b>			
30	Capital instruments and the related share premium accounts	(d)	1,336
31	of which: classified as equity under applicable accounting standards	(d)	1,336
32	of which: classified as liabilities under applicable accounting standards		-
33	Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1 as described in Article 486(3) CRR		-
UK-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1		-
UK-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1		-
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties		-
35	of which: instruments issued by subsidiaries subject to phase out		-
36	<b>Additional Tier 1 (AT1) capital before regulatory adjustments</b>		<b>1,336</b>
<b>Additional Tier 1 (AT1) capital: regulatory adjustments</b>			
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)		-
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		-
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		-
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)		-
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)		-
42a	Other regulatory adjustments to AT1 capital		-
43	<b>Total regulatory adjustments to Additional Tier 1 (AT1) capital</b>		<b>-</b>
44	<b>Additional Tier 1 (AT1) capital</b>		<b>1,336</b>
45	<b>Tier 1 capital (T1 = CET1 + AT1)</b>		<b>15,069</b>

**UK CC1 - Composition of regulatory own funds (cont.)**

	a	b	a
	30 Sep 23	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation	04 Apr 23
<i>£m</i>	Amounts		Amounts
<b>Tier 2 (T2) capital: instruments</b>			
46	Capital instruments and the related share premium accounts	(b) <sup>5</sup>	1,835
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 rows 5 or 34) issued by subsidiaries and held by third parties	-	-
49	of which: instruments issued by subsidiaries subject to phase out	-	-
50	Credit risk adjustments	33	14
51	<b>Tier 2 (T2) capital before regulatory adjustments</b>	<b>1,770</b>	<b>1,849</b>
<b>Tier 2 (T2) capital: regulatory adjustments</b>			
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	-
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	-
UK-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	-
UK-56b	Other regulatory adjustments to T2 capital	-	(10)
57	<b>Total regulatory adjustments to Tier 2 (T2) capital</b>	<b>-</b>	<b>(10)</b>
58	<b>Tier 2 (T2) capital</b>	<b>1,770</b>	<b>1,839</b>
59	<b>Total capital (TC = T1 + T2)</b>	<b>17,428</b>	<b>16,908</b>
60	<b>Total Risk exposure amount</b>	<b>52,311</b>	<b>51,731</b>

**UK CC1 - Composition of regulatory own funds (cont.)**

		a	b	a
		30 Sep 23	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation	04 Apr 23
<i>£m</i>		Amounts		Amounts
<b>Capital ratios and buffers</b>				
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	27.4		26.5
62	Tier 1 (as a percentage of total risk exposure amount)	29.9		29.1
63	Total capital (as a percentage of total risk exposure amount)	33.3		32.7
64	Institution CET1 overall capital requirement (CET1 requirement in accordance with Article 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Article 104(1) CRD, plus combined buffer requirement in accordance with Article 128(6) CRD) expressed as a percentage of risk exposure amount)	12.5		11.5
65	of which: capital conservation buffer requirement	2.5		2.5
66	of which: countercyclical buffer requirement	2.0		1.0
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		1.0
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	20.4		19.5
<b>Amounts below the thresholds for deduction (before risk weighting)</b>				
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	-		-
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	-		-
75	Deferred tax assets arising from temporary differences (amount below 17,65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	117		122

**UK CC1 - Composition of regulatory own funds (cont.)**

		a	b	a
		30 Sep 23	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation	04 Apr 23
<i>£m</i>		Amounts		Amounts
<b>Applicable caps on the inclusion of provisions in Tier 2</b>				
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 adjustments in T2 under standardised approach	43		40
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	33		14
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	252		249
<b>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)</b>				
80	Current cap on CET1 instruments subject to phase out arrangements	–		–
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	–		–
82	Current cap on AT1 instruments subject to phase out arrangements	–		–
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	–		–
84	Current cap on T2 instruments subject to phase out arrangements	–		–
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	–		–

**Notes:**

<sup>1</sup> Retained earnings include the general reserve, excluding amounts defined as other comprehensive income, as per IFRS9 accounting standards which are included in row 3. In addition, financial year profits are included in row UK-5a

<sup>2</sup> Accumulated other comprehensive income and other reserves comprises the revaluation reserve, cash flow hedge reserve, other hedging reserve, the FVOCI reserve, and other comprehensive income amounts included in the general reserve such as actuarial gains or loss on defined benefit pension plans

<sup>3</sup> The profits included within the general reserve; net of any foreseeable dividends as defined in the UK CRR

<sup>4</sup> The defined-benefit pension asset is equal to retirement benefit assets on the balance sheet net of associated deferred tax liabilities

<sup>5</sup> Includes subordinated notes eligible as Tier 2 capital

<sup>6</sup> Certain rows of this table have not been presented as they are not applicable in the UK

In the six months to 30 September 2023 £76 million of CCDS were repurchased as shown in UK CC1 row 16.



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

#### UK CC2 - reconciliation of regulatory own funds to balance sheet in the audited financial statements - 30 Sep 2023

<i>£m</i>	a	c
	Balance sheet as in published financial statements <sup>1</sup> As at period end	Reference
<b>Assets - Breakdown by asset classes according to the balance sheet in the published financial statements</b>		
1 Cash	28,676	
2 Loans and advances to banks and similar institutions	3,168	
3 Investment securities	26,228	
4 Derivative financial instruments	8,049	
5 Fair value adjustment for portfolio hedged risk	(5,791)	
6 Loans and advances to customers	211,298	
7 Intangible assets	851	
8 Property, plant and equipment	707	
9 Accrued income and expenses prepaid	284	
10 Deferred tax	111	
11 Current tax	–	
12 Other assets	94	
13 Retirement benefit assets	800	(a)
14 <b>Total assets</b>	<b>274,475</b>	

Note:

<sup>1</sup> Nationwide has the same statutory and regulatory scope of consolidation. Therefore, 'column b' has not been disclosed (as it is equal to 'column a')

**UK CC2 - reconciliation of regulatory own funds to balance sheet in the audited financial statements - 30 Sep 2023 (cont.)**

<i>£m</i>	a	c
	Balance sheet as in published financial statements <sup>1</sup> As at period end	Reference
<b>Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements</b>		
1 Shares	191,331	
2 Deposits from banks and similar institutions	20,494	
3 Other deposits	6,263	
4 Fair value adjustment for portfolio hedged risk	56	
5 Debt securities in issue	29,456	
6 Derivative financial instruments	1,660	
7 Other liabilities	789	
8 Provisions for liabilities and charges	47	
9 Accruals and deferred income	235	
10 Subordinated liabilities	6,280	(b)
11 Subscribed capital	169	
12 Deferred tax	337	
13 Current tax liabilities	4	
<b>14 Total liabilities</b>	<b>257,121</b>	
<b>Shareholders' equity</b>		
1 Core capital deferred shares	1,157	(c)
2 Other equity instruments	1,336	(d)
3 General reserve	14,709	(e)
4 Revaluation reserve	37	(f)
5 Cash flow hedge reserve	163	(g)
6 Other hedging reserve	(38)	(h)
7 Fair value through other comprehensive income reserve	(10)	(i)
<b>8 Total shareholders' equity</b>	<b>17,354</b>	

Note:

<sup>1</sup> Nationwide has the same statutory and regulatory scope of consolidation. Therefore, 'column b' has not been disclosed (as it is equal to 'column a')

## 4 Annex IX | Countercyclical capital buffers

### 4.1 UK CCyB1 – Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

The below table shows the geographical distribution of credit exposures relevant to the calculation of the countercyclical buffer. Exposures in the below table are prepared in accordance with the UK CRR and therefore exclude exposures to central governments or banks, regional governments or local authorities, public sector entities, multilateral development banks, international organisations and institutions and therefore the exposure values differ to those found in UK CR4 within section 9.1.

**UK CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer - 30 Sep 2023**

	a	b	c	d	e	f	g	h	i	j	k	l	m
	General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Own fund requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Counter-cyclical buffer rate (%)
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Exposure value for non-trading book	Total exposure value	Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
£m													
<b>010 Breakdown by country:</b>													
United Kingdom	7,917	227,424	-	-	1,450	236,791	3,548	-	18	3,566	44,577	98.9	2.00
Australia	-	158	-	-	-	158	3	-	-	3	42	0.1	1.00
Canada	-	989	-	-	-	989	23	-	-	23	285	0.6	-
Denmark	-	9	-	-	-	9	-	-	-	-	3	0.0	2.50
Finland	-	23	-	-	-	23	-	-	-	-	3	0.0	-
France	-	137	-	-	-	137	4	-	-	4	47	0.1	0.50
Germany	-	57	-	-	3	60	1	-	-	1	18	0.0	0.75
Jersey	2	6	-	-	-	8	-	-	-	-	2	0.0	-
Netherlands	-	-	-	-	267	267	-	-	2	2	27	0.1	1.00
Norway	-	126	-	-	-	126	4	-	-	4	44	0.1	2.50
Singapore	-	76	-	-	-	76	2	-	-	2	21	0.0	-
Sweden	-	106	-	-	-	106	2	-	-	2	26	0.1	2.00
<b>020 Total</b>	<b>7,919</b>	<b>229,111</b>	<b>-</b>	<b>-</b>	<b>1,720</b>	<b>238,750</b>	<b>3,587</b>	<b>-</b>	<b>20</b>	<b>3,607</b>	<b>45,095</b>	<b>100.0</b>	

**UK CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer - 04 Apr 2023**

	a	b	c		d	e	f	g			h	i	j	k	l	m
	General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Own fund requirements					Risk-weighted exposure amounts	Own fund requirements weights (%)	Counter-cyclical buffer rate (%)		
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total						
<i>£m</i>																
010 Breakdown by country:																
United Kingdom	7,671	227,314	–	–	1,537	236,522	3,479	–	19	3,498	43,735	98.8	1.00			
Australia	–	153	–	–	–	153	4	–	–	4	46	0.1	1.00			
Canada	–	852	–	–	–	852	21	–	–	21	260	0.6	–			
Denmark	–	9	–	–	–	9	–	–	–	–	4	0.0	2.50			
Finland	–	23	–	–	–	23	–	–	–	–	4	0.0	–			
France	–	139	–	–	–	139	4	–	–	4	53	0.1	–			
Germany	–	57	–	–	12	69	2	–	–	2	20	0.0	0.75			
Jersey	3	6	–	–	–	9	–	–	–	–	3	0.0	–			
Netherlands	–	–	–	–	190	190	–	–	2	2	19	0.0	–			
Norway	–	128	–	–	–	128	4	–	–	4	50	0.1	2.50			
Singapore	–	76	–	–	–	76	2	–	–	2	24	0.1	–			
Sweden	–	107	–	–	–	107	3	–	–	3	33	0.1	1.00			
020 Total	7,674	228,864	–	–	1,739	238,277	3,519	–	21	3,540	44,251	100.0				

**4.2 UK CCyB2 – Amount of institution-specific countercyclical capital buffer**

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

	a	a
<i>£m</i>	30 Sep 23	04 Apr 23
1 Total risk exposure amount	52,311	51,731
2 Institution specific countercyclical capital buffer rate (%)	1.98	0.99
3 Institution specific countercyclical capital buffer requirement (£m)	1,037	514

The increase in the institution specific countercyclical buffer rate to 1.98% (4 April 2023: 0.99%) was driven by an increase in the UK countercyclical buffer rate from 1% to 2% on 5 July 2023.

## 5 Annex XI | Leverage ratio

### 5.1 UK LR1 – LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

UK LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures		
<i>£m</i>	a 30 Sep 23	b 04 Apr 23
1 <b>Total assets as per published financial statements</b>	<b>274,475</b>	271,893
2 Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	–	–
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)	<b>(28,547)</b>	(25,241)
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	–	–
7 Adjustment for eligible cash pooling transactions	–	–
8 Adjustment for derivative financial instruments	<b>(6,706)</b>	(5,528)
9 Adjustment for securities financing transactions (SFTs)	<b>4,211</b>	5,870
10 Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	<b>4,169</b>	4,246
11 (Adjustment for prudent valuation adjustments and specific and general provisions which have reduced tier 1 capital (leverage))	<b>(86)</b>	(119)
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	<b>(1,749)</b>	(1,822)
13 <b>Total exposure measure</b>	<b>245,767</b>	249,299

## 5.2 UK LR2 – LRCom: Leverage ratio common disclosure

### UK LR2 - LRCom: Leverage ratio common disclosure

£m		Leverage ratio exposures	
		a 30 Sep 23	b 04 Apr 23
	<b>On-balance sheet exposures (excluding derivatives and SFTs)</b>		
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	267,093	265,596
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)	(703)	(706)
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))	(1,799)	(1,861)
7	<b>Total on-balance sheet exposures (excluding derivatives and SFTs)</b>	<b>264,591</b>	<b>263,029</b>
	<b>Derivative exposures</b>		
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	46	54
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	1,297	1,341
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	<b>Total derivatives exposures</b>	<b>1,343</b>	<b>1,395</b>
	<b>Securities financing transaction (SFT) exposures</b>		
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	-	-
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	Counterparty credit risk exposure for SFT assets	4,211	5,870
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	<b>Total securities financing transaction exposures</b>	<b>4,211</b>	<b>5,870</b>
	<b>Other off-balance sheet exposures</b>		
19	Off-balance sheet exposures at gross notional amount	20,917	20,783
20	(Adjustments for conversion to credit equivalent amounts)	(16,748)	(16,537)
21	(General provisions deducted in determining tier 1 capital (leverage) and specific provisions associated with off-balance sheet exposures)	-	-
22	<b>Off-balance sheet exposures</b>	<b>4,169</b>	<b>4,246</b>

**UK LR2 - LRCom: Leverage ratio common disclosure (cont.)**

£m		a	b
		Leverage ratio exposures	
		30 Sep 23	04 Apr 23
	<b>Excluded exposures</b>		
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	<b>(Total exempted exposures)</b>	–	–
	<b>Capital and total exposure measure</b>		
23	<b>Tier 1 capital (leverage)</b>	<b>15,658</b>	15,069
24	Total exposure measure including claims on central banks	<b>274,314</b>	274,540
UK-24a	(-) Claims on central banks excluded	<b>(28,547)</b>	(25,241)
UK-24b	<b>Total exposure measure excluding claims on central banks</b>	<b>245,767</b>	249,299
	<b>Leverage ratio</b>		
25	Leverage ratio excluding claims on central banks (%) <sup>1</sup>	<b>6.4</b>	6.0
UK-25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks	<b>6.4</b>	6.0
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 (%)	<b>6.4</b>	6.0
UK-25c	Leverage ratio including claims on central banks (%)	<b>5.7</b>	5.5
26	Regulatory minimum leverage ratio requirement (%)	<b>3.25</b>	3.25
	<b>Additional leverage ratio disclosure requirements - leverage ratio buffers</b>		
27	Leverage ratio buffer (%)	<b>1.05</b>	0.75
UK-27a	Of which: G-SII or O-SII additional leverage ratio buffer (%)	<b>0.35</b>	0.35
UK-27b	Of which: countercyclical leverage ratio buffer (%)	<b>0.70</b>	0.40
	<b>Additional leverage ratio disclosure requirements - disclosure of mean values</b>		
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	–	–
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	–	–
UK-31	Average total exposure measure including claims on central banks	<b>287,793</b>	295,213
UK-32	Average total exposure measure excluding claims on central banks	<b>248,538</b>	253,915
UK-33	Average leverage ratio including claims on central banks	<b>5.3</b>	5.0
UK-34	Average leverage ratio excluding claims on central banks	<b>6.2</b>	5.8

Note:

<sup>1</sup>The explanations for changes in the leverage ratio, as disclosed in row 25, are included in section 1.2

### 5.3 UK LR3 - LRSpl: Split-up of on balance sheet exposures

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

<i>£m</i>		a	
		Leverage ratio exposures	
		30 Sep 23	04 Apr 23
UK-1	<b>Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:</b>	<b>266,390</b>	264,890
UK-2	Trading book exposures	–	–
UK-3	Banking book exposures, of which:	<b>266,390</b>	264,890
UK-4	Covered bonds	<b>3,082</b>	2,843
UK-5	Exposures treated as sovereigns	<b>50,954</b>	48,997
UK-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	–	–
UK-7	Institutions	<b>949</b>	1,152
UK-8	Secured by mortgages of immovable properties	<b>196,322</b>	196,605
UK-9	Retail exposures	<b>3,834</b>	3,892
UK-10	Corporates	<b>5,883</b>	5,966
UK-11	Exposures in default	<b>323</b>	118
UK-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	<b>5,043</b>	5,317



## 6 Annex XIII | Liquidity requirements

### 6.1 UK LIQ1 – Quantitative information of LCR

UK LIQ1 - Quantitative information of LCR									
		a	b	c	d	e	f	g	h
<i>£m</i>		Total unweighted value (average)				Total weighted value (average)			
UK 1a	Quarter ending on (DD Month YYYY)	30 Sep 23	30 Jun 23	04 Apr 23	31 Dec 22	30 Sep 23	30 Jun 23	04 Apr 23	31 Dec 22
UK 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
<b>HIGH-QUALITY LIQUID ASSETS</b>									
1	<b>Total high-quality liquid assets (HQLA)</b>	<b>56,353</b>	55,171	53,255	52,178				
<b>CASH - OUTFLOWS</b>									
2	Retail deposits and deposits from small business customers, of which:	<b>189,105</b>	186,324	183,617	181,288	<b>11,711</b>	11,882	11,807	11,684
3	<i>Stable deposits</i>	<b>135,193</b>	137,477	140,280	142,866	<b>6,760</b>	6,874	7,014	7,143
4	<i>Less stable deposits</i>	<b>38,657</b>	38,753	37,515	35,926	<b>4,935</b>	4,993	4,776	4,522
5	Unsecured wholesale funding	<b>9,142</b>	9,215	9,344	9,966	<b>8,457</b>	8,475	8,548	9,097
6	<i>Operational deposits (all counterparties) and deposits in networks of cooperative banks</i>	–	–	–	–	–	–	–	–
7	<i>Non-operational deposits (all counterparties)</i>	<b>2,855</b>	2,954	2,970	3,108	<b>2,170</b>	2,214	2,174	2,240
8	<i>Unsecured debt</i>	<b>6,287</b>	6,261	6,374	6,858	<b>6,287</b>	6,261	6,374	6,858
9	Secured wholesale funding					<b>103</b>	107	110	102
10	Additional requirements	<b>13,006</b>	13,145	12,364	11,549	<b>8,738</b>	8,669	7,835	7,066
11	<i>Outflows related to derivative exposures and other collateral requirements</i>	<b>8,926</b>	8,751	7,842	6,964	<b>8,095</b>	7,862	7,027	6,286
12	<i>Outflows related to loss of funding on debt products</i>	<b>304</b>	456	449	416	<b>304</b>	456	449	416
13	<i>Credit and liquidity facilities</i>	<b>3,776</b>	3,938	4,073	4,169	<b>339</b>	351	359	363
14	Other contractual funding obligations	<b>251</b>	236	197	202	<b>102</b>	93	60	64
15	Other contingent funding obligations	<b>17,606</b>	18,277	19,336	20,522	<b>2,503</b>	2,825	3,292	3,791
16	<b>TOTAL CASH OUTFLOWS</b>	<b>31,614</b>	32,051	31,652	31,805				

**UK LIQ1 - Quantitative information of LCR (cont.)**

£m		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
Quarter ending on (DD Month YYYY)		30 Sep 23	30 Jun 23	04 Apr 23	31 Dec 22	30 Sep 23	30 Jun 23	04 Apr 23	31 Dec 22
<b>CASH - INFLOWS</b>									
17	Secured lending (e.g. reverse repos)	985	773	769	623	131	105	97	70
18	Inflows from fully performing exposures	1,865	1,893	1,858	1,880	1,499	1,516	1,477	1,479
19	Other cash inflows	266	314	269	293	266	314	269	293
UK-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					-	-	-	-
UK-19b	(Excess inflows from a related specialised credit institution)					-	-	-	-
20	<b>TOTAL CASH INFLOWS</b>	<b>3,116</b>	2,980	2,896	2,796	<b>1,896</b>	1,935	1,843	1,842
UK-20a	Fully exempt inflows	-	-	-	-	-	-	-	-
UK-20b	Inflows subject to 90% cap	-	-	-	-	-	-	-	-
UK-20c	Inflows subject to 75% cap	3,116	2,980	2,896	2,796	1,896	1,935	1,843	1,842
<b>TOTAL ADJUSTED VALUE</b>									
UK-21	LIQUIDITY BUFFER					56,353	55,171	53,255	52,178
22	TOTAL NET CASH OUTFLOWS					29,718	30,116	29,809	29,962
23	<b>LIQUIDITY COVERAGE RATIO</b>					<b>191</b>	184	180	175

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

### (a) Main drivers of LCR results

Nationwide's LCR is driven by a combination of the size of the liquid asset buffer, modelled stressed retail net outflows, wholesale funding requirements from upcoming maturities and collateral outflows that could arise in a stress. As Nationwide is predominantly retail funded, retail deposit outflows continue to be the largest contributor to net outflows in the LCR.

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

The 12-month average LCR has increased with growth in high-quality liquid assets compared with broadly unchanged net cash outflow requirements. An increase in requirements for derivative exposures and other collateral outflows was offset by lower requirements for contingent funding obligations, retail deposits and wholesale funding.

### (c) Explanations on the actual concentration of funding sources

Nationwide is predominantly retail deposit funded and also has a wholesale funding platform which comprises a range of secured and unsecured instruments to ensure that a stable and diversified funding base is maintained across a range of instruments, currencies, maturities and investor types.

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

Nationwide's liquid assets, which predominantly comprise reserves held at central banks and highly rated debt securities issued or guaranteed by a restricted range of governments, central banks and supranationals, are held and managed centrally by its Treasury function. The assets held in the liquid asset buffer are primarily Sterling, US dollar and Euro.

### (e) Derivative exposures and potential collateral calls

The Society only uses derivatives to manage and mitigate exposures to market risks, and not for trading or speculative purposes. The LCR net cash outflows related to derivative transactions primarily reflect the risk of potential additional collateral outflows due to adverse market rate changes. Credit ratings downgrades by external credit rating agencies could also lead to collateral outflows which are considered when determining LCR outflows.

### (f) Currency mismatch in the LCR

Liquid assets are primarily denominated in Sterling, US dollar or Euro, with the currency mix of the liquid asset buffer being subject to internal risk limits and policy requirements. This ensures that no undue level of currency mismatch arises between the currency composition of the liquid asset buffer and currency profile of stressed outflows in the LCR.

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

There are no other relevant items.

### 6.3 UK LIQ2 – Net Stable Funding Ratio (NSFR)

#### UK LIQ2: Net Stable Funding Ratio - 30 Sep 2023

£m	a	b			d	e
		Unweighted value by residual maturity				
	No maturity	< 6 months	6 months to < 1yr	≥ 1yr		
<b>Available stable funding (ASF) Items</b>						
1	Capital items and instruments	16,760	–	–	1,831	18,590
2	<i>Own funds</i>	16,760	–	–	1,831	18,590
3	<i>Other capital instruments</i>		–	–	–	–
4	Retail deposits		159,772	16,807	13,377	179,064
5	<i>Stable deposits</i>		125,577	9,751	10,477	139,038
6	<i>Less stable deposits</i>		34,195	7,056	2,900	40,026
7	Wholesale funding:		20,697	2,870	44,251	47,399
8	<i>Operational deposits</i>		–	–	–	–
9	<i>Other wholesale funding</i>		20,697	2,870	44,251	47,399
10	Interdependent liabilities		–	–	–	–
11	Other liabilities:	100	11,320	–	–	–
12	<i>NSFR derivative liabilities</i>	100				–
13	<i>All other liabilities and capital instruments not included in the above categories</i>		11,320	–	–	–
14	<b>Total available stable funding (ASF)</b>					<b>245,053</b>
<b>Required stable funding (RSF) Items</b>						
15	Total high-quality liquid assets (HQLA)					2,254
UK-15a	Assets encumbered for more than 12m in cover pool		–	–	–	–
16	Deposits held at other financial institutions for operational purposes		–	–	–	–
17	Performing loans and securities:		8,093	4,252	200,424	156,505
18	<i>Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut</i>		23	–	–	–
19	<i>Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions</i>		949	–	3	79

**UK LIQ2: Net Stable Funding Ratio (cont.) - 30 Sep 2023**

£m		Unweighted value by residual maturity				Weighted value
		a	b	c	d	
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		2,481	467	1,917	2,857
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		-	-	-	(246)
22	Performing residential mortgages, of which:		4,612	3,759	197,583	152,727
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		4,169	3,384	178,952	136,481
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		28	26	921	842
25	Interdependent assets		-	-	-	-
26	Other assets:		4,313	-	714	4,113
27	Physical traded commodities				-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		1,480	-	-	1,258
29	NSFR derivative assets		-	-	-	-
30	NSFR derivative liabilities before deduction of variation margin posted		576	-	-	29
31	All other assets not included in the above categories		2,257	-	714	2,826
32	Off-balance sheet items		21,272	-	-	1,063
33	<b>Total RSF</b>					<b>163,935</b>
34	<b>Net Stable Funding Ratio (%)</b>					<b>149</b>

**6.4 UK LIQ2 – Net Stable Funding Ratio (NSFR) qualitative information**

**Drivers of NSFR results**

Nationwide is predominately funded by retail deposits and long-term wholesale funding, which receive high Available Stable Funding factors. Nationwide’s assets predominately comprise mortgage lending and liquid assets, which typically receive low Required Stable Funding factors. The combination of the above results in an NSFR in excess of the 100% regulatory minimum.

**Interdependent assets and liabilities**

Nationwide has no interdependent assets and liabilities.

# 7 Annex XV | Credit risk quality

## 7.1 UK CR1 - Performing and non-performing exposures and related provisions

UK CR1: Performing and non-performing exposures and related provisions - 30 Sep 2023

£m	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	
	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees		
	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					
005	Cash balances at central banks and other demand deposits	30,977	30,977	-	-	-	-	-	-	-	-	-	-	-	-	
010	Loans and advances	211,024	169,598	41,384	1,675	82	1,593	(443)	(42)	(401)	(331)	(3)	(328)	(3)	205,560	1,299
020	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	General governments	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
040	Credit institutions	324	324	-	-	-	-	-	-	-	-	-	-	-	49	-
050	Other financial corporations	307	307	-	-	-	-	-	-	-	-	-	-	-	1	-
060	Non-financial corporations	9,839	9,331	508	43	3	40	(22)	(9)	(13)	(13)	-	(13)	(3)	9,445	29
070	Of which SMEs	5,134	4,810	324	43	3	40	(15)	(8)	(6)	(13)	-	(13)	(3)	5,096	29
080	Households	200,552	159,636	40,876	1,632	79	1,553	(421)	(33)	(388)	(318)	(3)	(315)	-	196,065	1,270
090	Debt securities	26,165	26,163	-	-	-	-	-	-	-	-	-	-	-	-	-
100	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	General governments	18,773	18,773	-	-	-	-	-	-	-	-	-	-	-	-	-
120	Credit institutions	1,539	1,539	-	-	-	-	-	-	-	-	-	-	-	-	-
130	Other financial corporations	5,851	5,851	-	-	-	-	-	-	-	-	-	-	-	-	-
140	Non-financial corporations	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
150	Off-balance-sheet exposures	20,864	19,982	877	50	2	48	-	-	-	-	-	-	-	-	-
160	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
170	General governments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
180	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
190	Other financial corporations	97	97	-	-	-	-	-	-	-	-	-	-	-	-	-
200	Non-financial corporations	1,283	1,270	8	-	-	-	-	-	-	-	-	-	-	-	-
210	Households	19,484	18,615	869	50	2	48	-	-	-	-	-	-	-	-	-
220	<b>Total</b>	<b>289,030</b>	<b>246,720</b>	<b>42,261</b>	<b>1,725</b>	<b>84</b>	<b>1,641</b>	<b>(443)</b>	<b>(42)</b>	<b>(401)</b>	<b>(331)</b>	<b>(3)</b>	<b>(328)</b>	<b>(3)</b>	<b>205,560</b>	<b>1,299</b>

**UK CR1: Performing and non-performing exposures and related provisions - 04 Apr 2023**

£m	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	
	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received		
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures	
	Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3					
005	Cash balances at central banks and other demand deposits	27,396	27,396	-	-	-	-	-	-	-	-	-	-	-	-	
010	Loans and advances	210,520	173,063	37,394	1,627	83	1,501	(455)	(48)	(407)	(316)	(3)	(307)	(10)	204,895	1,258
020	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	General governments	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
040	Credit institutions	366	366	-	-	-	-	-	-	-	-	-	-	-	-	-
050	Other financial corporations	233	233	-	-	-	-	-	-	-	-	-	-	-	-	-
060	Non-financial corporations	9,369	8,934	420	92	6	44	(33)	(17)	(16)	(13)	-	(7)	(10)	8,911	75
070	Of which SMEs	4,743	4,438	290	92	6	44	(24)	(16)	(8)	(13)	-	(7)	(10)	4,693	75
080	Households	200,550	163,530	36,974	1,535	77	1,457	(422)	(31)	(391)	(303)	(3)	(300)	-	195,984	1,183
090	Debt securities	27,560	27,558	-	-	-	-	-	-	-	-	-	-	-	-	-
100	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	General governments	20,500	20,500	-	-	-	-	-	-	-	-	-	-	-	-	-
120	Credit institutions	1,449	1,449	-	-	-	-	-	-	-	-	-	-	-	-	-
130	Other financial corporations	5,609	5,609	-	-	-	-	-	-	-	-	-	-	-	-	-
140	Non-financial corporations	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
150	Off-balance-sheet exposures	20,736	19,875	860	41	1	40	-	-	-	-	-	-	-	-	-
160	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
170	General governments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
180	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
190	Other financial corporations	97	97	-	-	-	-	-	-	-	-	-	-	-	-	-
200	Non-financial corporations	1,530	1,524	5	-	-	-	-	-	-	-	-	-	-	-	-
210	Households	19,109	18,254	855	41	1	40	-	-	-	-	-	-	-	-	-
220	Total	286,212	247,892	38,254	1,668	84	1,541	(455)	(48)	(407)	(316)	(3)	(307)	(10)	204,895	1,258

## 7.2 UK CR1-A - Maturity of exposures

### UK CR1-A: Maturity of exposures - 30 Sep 2023

		a	b	c	d	e	f
		Net exposure value					
<i>£m</i>		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	483	10,230	30,903	170,214	96	211,926
2	Debt securities	–	1,382	11,877	12,969	–	26,228
3	<b>Total</b>	<b>483</b>	<b>11,612</b>	<b>42,780</b>	<b>183,183</b>	<b>96</b>	<b>238,154</b>

### UK CR1-A: Maturity of exposures - 04 Apr 2023

		a	b	c	d	e	f
		Net exposure value					
<i>£m</i>		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	519	10,411	31,446	168,925	77	211,378
2	Debt securities	–	743	9,652	17,220	–	27,615
3	<b>Total</b>	<b>519</b>	<b>11,154</b>	<b>41,098</b>	<b>186,145</b>	<b>77</b>	<b>238,993</b>

## 7.3 UK CR2 - Changes in the stock of non-performing loans and advances

Disclosures may be omitted if not regarded as material as per Article 432 of the Disclosure (CRR) section within the PRA Rulebook. As non-performing loans and advances comprise less than 5% of total loans and advances, it is deemed that UK CR2 is not a material disclosure and therefore has not been presented.

## 7.4 UK CR2-A - Changes in the stock of non-performing loans and advances and related net accumulated recoveries

This template is subject to the 5% threshold (i.e. non-performing loans and advances divided by total loans and advances) as stated within the Disclosure (CRR) section of the PRA Rulebook. Non-performing loans are below this threshold and therefore UK CR2-A has not been disclosed.



## 7.5 UK CQ1 - Credit quality of forborne exposures

### UK CQ1: Credit quality of forborne exposures - 30 Sep 2023

		a	b	c	d	e		f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures		
		Performing forborne	Non-performing forborne		On performing forborne exposures	On non-performing forborne exposures				
			Of which defaulted	Of which impaired						
£m										
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-	-
010	Loans and advances	486	777	229	709	(13)	(93)	1,106	660	
020	Central banks	-	-	-	-	-	-	-	-	-
030	General governments	-	-	-	-	-	-	-	-	-
040	Credit institutions	-	-	-	-	-	-	-	-	-
050	Other financial corporations	-	-	-	-	-	-	-	-	-
060	Non-financial corporations	80	30	23	26	(6)	(11)	80	18	
070	Households	406	747	206	683	(7)	(82)	1,026	642	
080	Debt securities	-	-	-	-	-	-	-	-	-
090	Loan commitments given	29	20	4	19	-	-	-	-	-
100	<b>Total</b>	<b>515</b>	<b>797</b>	<b>233</b>	<b>728</b>	<b>(13)</b>	<b>(93)</b>	<b>1,106</b>	<b>660</b>	

**UK CQ1: Credit quality of forborne exposures - 04 Apr 2023**

		a	b	c	d	e		f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures		
		Performing forborne	Non-performing forborne		On performing forborne exposures	On non-performing forborne exposures				
			Of which defaulted	Of which impaired						
£m										
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-	-
010	Loans and advances	544	850	267	736	(13)	(86)	1,248	734	
020	Central banks	-	-	-	-	-	-	-	-	
030	General governments	-	-	-	-	-	-	-	-	
040	Credit institutions	-	-	-	-	-	-	-	-	
050	Other financial corporations	-	-	-	-	-	-	-	-	
060	Non-financial corporations	78	86	75	37	(8)	(12)	129	69	
070	Households	466	764	192	699	(5)	(74)	1,119	665	
080	Debt securities	-	-	-	-	-	-	-	-	
090	Loan commitments given	36	11	4	11	-	-	-	-	
100	<b>Total</b>	<b>580</b>	<b>861</b>	<b>271</b>	<b>747</b>	<b>(13)</b>	<b>(86)</b>	<b>1,248</b>	<b>734</b>	

**7.6 UK CQ2 - Quality of forbearance**

This template is subject to the 5% threshold (i.e. non-performing loans and advances divided by total loans and advances) as stated within the Disclosure (CRR) section of the PRA Rulebook. Non-performing loans are below this threshold and therefore UK CQ2 has not been disclosed.

## 7.7 UK CQ4 - Quality of non-performing exposures by geography

This template is subject to a 10% threshold (i.e. non-domestic exposures divided by total exposures) as stated within the Disclosure (CRR) section of the PRA Rulebook. Non-domestic exposures are below this threshold and therefore UKCQ4 has not been disclosed.

## 7.8 UK CQ5 - Credit quality of loans and advances to non-financial corporations by industry

### UK CQ5: Credit quality of loans and advances to non-financial corporations by industry - 30 Sep 2023

£m	a	b	c	d	e	f
	Gross carrying amount			Of which loans and advances subject to impairment	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		Of which non-performing	Of which defaulted			
010	Agriculture, forestry and fishing	-	-	-	-	-
020	Mining and quarrying	-	-	-	-	-
030	Manufacturing	-	-	-	-	-
040	Electricity, gas, steam and air conditioning supply	-	-	-	-	-
050	Water supply	-	-	-	-	-
060	Construction	547	-	-	547	(6)
070	Wholesale and retail trade	1	-	-	1	-
080	Transport and storage	-	-	-	-	-
090	Accommodation and food service activities	4	-	-	4	-
100	Information and communication	-	-	-	-	-
110	Financial and insurance activities	-	-	-	-	-
120	Real estate activities	9,290	43	34	9,290	(29)
130	Professional, scientific and technical activities	-	-	-	-	-
140	Administrative and support service activities	-	-	-	-	-
150	Public administration and defence, compulsory social security	38	-	-	38	-
160	Education	-	-	-	-	-
170	Human health services and social work activities	2	-	-	2	-
180	Arts, entertainment and recreation	-	-	-	-	-
190	Other services	-	-	-	-	-
200	<b>Total</b>	<b>9,882</b>	<b>43</b>	<b>34</b>	<b>9,882</b>	<b>(35)</b>

**UK CQ5: Credit quality of loans and advances to non-financial corporations by industry - 04 Apr 2023**

	a	b	c	d	e	f
	Gross carrying amount			Of which loans and advances subject to impairment	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
	Of which non-performing					
		Of which defaulted				
<i>£m</i>						
010 Agriculture, forestry and fishing	-	-	-	-	-	-
020 Mining and quarrying	-	-	-	-	-	-
030 Manufacturing	-	-	-	-	-	-
040 Electricity, gas, steam and air conditioning supply	-	-	-	-	-	-
050 Water supply	-	-	-	-	-	-
060 Construction	611	-	-	611	(9)	-
070 Wholesale and retail trade	1	-	-	1	-	-
080 Transport and storage	-	-	-	-	-	-
090 Accommodation and food service activities	4	3	-	4	-	-
100 Information and communication	-	-	-	-	-	-
110 Financial and insurance activities	-	-	-	-	-	-
120 Real estate activities	8,842	89	77	8,785	(31)	(6)
130 Professional, scientific and technical activities	1	-	-	1	-	-
140 Administrative and support service activities	-	-	-	-	-	-
150 Public administration and defence, compulsory social security	-	-	-	-	-	-
160 Education	-	-	-	-	-	-
170 Human health services and social work activities	2	-	-	2	-	-
180 Arts, entertainment and recreation	-	-	-	-	-	-
190 Other services	-	-	-	-	-	-
200 Total	9,461	92	77	9,404	(40)	(6)

## **7.9 UK CQ6 - Collateral valuation - loans and advances**

This template is subject to the 5% threshold (i.e. non-performing loans and advances divided by total loans and advances) as stated within the Disclosure (CRR) section of the PRA Rulebook. Non-performing loans are below this threshold and therefore UK CQ6 has not been disclosed.

## **7.10 UK CQ7 - Collateral obtained by taking possession and execution processes**

Repossessed collateral is not disclosed in the statutory balance sheet. Where possession has been taken, the loan amount is reduced to the recoverable amount as appropriate. Template UK CQ7 discloses the value of repossessed collateral – as this is not included on the Group balance sheet, this template has been deemed not applicable.

## **7.11 UK CQ8 - Collateral obtained by taking possession and execution processes – vintage breakdown**

This template is subject to the 5% threshold (i.e. non-performing loans and advances divided by total loans and advances) as stated within the Disclosure (CRR) section of the PRA Rulebook. Non-performing loans are below this threshold and therefore UK CQ8 has not been disclose

## 8 Annex XVII | Credit risk mitigation (CRM) techniques

### 8.1 UK CR3 - CRM techniques overview: Use of credit risk mitigation techniques

#### UK CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques - 30 Sep 2023

		a	b	c	d	e
		Unsecured carrying amount	Secured carrying amount			
			Of which secured by collateral	Of which secured by financial guarantees		
					Of which secured by credit derivatives	
<i>£m</i>						
1	Loans and advances	34,844	208,058	208,058	-	-
2	Debt securities	26,165	-	-	-	-
3	<b>Total</b>	<b>61,009</b>	<b>208,058</b>	<b>208,058</b>	<b>-</b>	<b>-</b>
4	<i>Of which non-performing exposures</i>	44	1,300	1,300	-	-
5	<i>Of which defaulted</i>	38	465			

#### UK CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques - 04 Apr 2023

		a	b	c	d	e
		Unsecured carrying amount	Secured carrying amount			
			Of which secured by collateral	Of which secured by financial guarantees		
					Of which secured by credit derivatives	
<i>£m</i>						
1	Loans and advances	31,335	207,437	207,437	-	-
2	Debt securities	27,560	-	-	-	-
3	<b>Total</b>	<b>58,895</b>	<b>207,437</b>	<b>207,437</b>	<b>-</b>	<b>-</b>
4	<i>Of which non-performing exposures</i>	49	1,262	1,262	-	-
5	<i>Of which defaulted</i>	42	445			

## 9 Annex XIX | Standardised approach

### 9.1 UK CR4 - standardised approach – Credit risk exposure and CRM effects

UK CR4 – standardised approach – Credit risk exposure and CRM effects - 30 Sep 2023												
£m	Exposure classes	a		b		c		d		e		f
		Exposures before CCF and before CRM				Exposures post CCF and post CRM				RWAs and RWAs density		
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet amount	RWAs	RWAs density (%)					
1	Central governments or central banks	45,345	–	45,345	–	760	1.7					
2	Regional government or local authorities	1,559	–	1,559	–	0	0.0					
3	Public sector entities	1,230	–	1,230	–	15	1.2					
4	Multilateral development banks	1,368	–	1,368	–	0	0.0					
5	International organisations	1,452	–	1,452	–	0	0.0					
6	Institutions	373	–	373	–	75	20.0					
7	Corporates	845	97	845	19	174	20.2					
8	Retail	3	57	3	16	14	75.0					
9	Secured by mortgages on immovable property	6,534	230	6,534	62	2,314	35.1					
10	Exposures in default	323	–	323	–	323	100.1					
11	Exposures associated with particularly high risk	–	–	–	–	–	–					
12	Covered bonds	–	–	–	–	–	–					
13	Institutions and corporates with a short-term credit assessment	–	–	–	–	–	–					
14	Collective investment undertakings	–	–	–	–	–	–					
15	Equity	–	–	–	–	–	–					
16	Other items	–	–	–	–	–	–					
17	<b>TOTAL</b>	<b>59,032</b>	<b>384</b>	<b>59,032</b>	<b>97</b>	<b>3,675</b>	<b>6.2</b>					

**UK CR4 – standardised approach – Credit risk exposure and CRM effects - 04 Apr 2023**

£m	Exposure classes	a		b		c		d		e		f
		Exposures before CCF and before CRM		Exposures post CCF and post CRM		Exposures post CCF and post CRM		Exposures post CCF and post CRM		RWAs and RWAs density		
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet amount	On-balance-sheet exposures	Off-balance-sheet amount	RWAs	RWAs density (%)			
1	Central governments or central banks	43,293	-	43,293	-	43,293	-	782		1.8		
2	Regional government or local authorities	1,533	-	1,533	-	1,533	-	0		0.0		
3	Public sector entities	1,503	-	1,503	-	1,503	-	0		0.0		
4	Multilateral development banks	1,280	-	1,280	-	1,280	-	0		0.0		
5	International organisations	1,388	-	1,388	-	1,388	-	0		0.0		
6	Institutions	359	-	359	-	359	-	72		20.0		
7	Corporates	831	97	831	20	831	20	172		20.2		
8	Retail	7	69	7	18	7	18	18		75.0		
9	Secured by mortgages on immovable property	6,486	277	6,486	73	6,486	73	2,301		35.1		
10	Exposures in default	118	-	118	-	118	-	118		100.2		
11	Exposures associated with particularly high risk	-	-	-	-	-	-	-		-		
12	Covered bonds	-	-	-	-	-	-	-		-		
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-		-		
14	Collective investment undertakings	-	-	-	-	-	-	-		-		
15	Equity	-	-	-	-	-	-	-		-		
16	Other items	-	-	-	-	-	-	-		-		
17	<b>TOTAL</b>	<b>56,798</b>	<b>443</b>	<b>56,798</b>	<b>111</b>	<b>56,798</b>	<b>111</b>	<b>3,463</b>		<b>6.1</b>		



## 9.2 UK CR5 - standardised approach

### UK CR5 – standardised approach - 30 Sep 2023

£m	Exposure classes	a	b	c	d	e	f	Risk weight								o	p	q	
		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others	Total	Of which unrated	
1	Central governments or central banks	42,890	-	-	-	2,337	-	-	-	-	-	-	-	118	-	-	-	45,345	-
2	Regional government or local authorities	1,559	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,559	-
3	Public sector entities	1,155	-	-	-	75	-	-	-	-	-	-	-	-	-	-	-	1,230	-
4	Multilateral development banks	1,368	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,368	-
5	International organisations	1,452	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,452	-
6	Institutions	-	-	-	-	373	-	-	-	-	-	-	-	-	-	-	-	373	-
7	Corporates	-	-	-	-	862	-	-	-	-	2	-	-	-	-	-	-	864	2
8	Retail exposures	-	-	-	-	-	-	-	-	19	-	-	-	-	-	-	-	19	19
9	Exposures secured by mortgages on immovable property	-	-	-	-	-	6,589	-	-	-	7	-	-	-	-	-	-	6,596	6,596
10	Exposures in default	-	-	-	-	-	-	-	-	-	323	-	-	-	-	-	-	323	323
11	Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Units or shares in collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Other items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	<b>TOTAL</b>	<b>48,424</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,647</b>	<b>6,589</b>	<b>-</b>	<b>-</b>	<b>19</b>	<b>332</b>	<b>-</b>	<b>118</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>59,129</b>	<b>6,940</b>

**UK CR5 – standardised approach - 04 Apr 2023**

£m	Exposure classes	a	b	c	d	e	f	Risk weight										Total	Of which unrated
		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others			
1	Central governments or central banks	40,788	-	-	-	2,383	-	-	-	-	-	-	122	-	-	-	43,293	-	
2	Regional government or local authorities	1,533	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,533	-	
3	Public sector entities	1,503	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,503	-	
4	Multilateral development banks	1,280	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,280	-	
5	International organisations	1,388	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,388	-	
6	Institutions	-	-	-	-	359	-	-	-	-	-	-	-	-	-	-	359	-	
7	Corporates	-	-	-	-	849	-	-	-	2	-	-	-	-	-	-	851	2	
8	Retail exposures	-	-	-	-	-	-	-	-	25	-	-	-	-	-	-	25	25	
9	Exposures secured by mortgages on immovable property	-	-	-	-	-	6,551	-	-	-	8	-	-	-	-	-	6,559	6,559	
10	Exposures in default	-	-	-	-	-	-	-	-	-	117	1	-	-	-	-	118	118	
11	Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
12	Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
13	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	Units or shares in collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
15	Equity exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
16	Other items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
17	<b>TOTAL</b>	<b>46,492</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,591</b>	<b>6,551</b>	<b>-</b>	<b>-</b>	<b>25</b>	<b>127</b>	<b>1</b>	<b>122</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56,909</b>	<b>6,704</b>	

# 10 Annex XXI | IRB approach to credit risk

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

Retail – Secured by immovable property Non-SME<sup>1</sup>

**UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - A-IRB - Secured by property Non-SME - 30 Sep 2023**

a	b	c	d	e	f	g	h	i	j	k	l	m
A-IRB												
PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
<i>£m</i>												
<b>Exposure Class - Secured by property Non-SME</b>												
0.00 to <0.15	134,807	13,266	49	146,711	0.04	1,090,003	9.8	–	19,906	14	152	(40)
0.00 to <0.10	125,930	12,479	49	136,866	0.04	973,635	9.8	–	18,320	13	140	(31)
0.10 to <0.15	8,877	787	55	9,845	0.14	116,368	10.7	–	1,586	16	12	(9)
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	–
0.25 to <0.50	43,494	965	85	46,290	0.29	328,628	13.0	–	7,734	17	65	(71)
0.50 to <0.75	5,051	200	75	5,416	0.64	41,021	13.9	–	1,308	24	13	(12)
0.75 to <2.50	3,385	131	81	3,636	1.45	29,645	12.3	–	1,216	33	14	(16)
0.75 to <1.75	2,483	79	84	2,660	1.16	20,579	13.4	–	901	34	11	(13)
1.75 to <2.5	902	52	77	976	2.26	9,066	9.2	–	315	32	3	(3)
2.50 to <10.00	2,058	37	89	2,181	5.26	18,299	11.6	–	1,284	59	19	(38)
2.5 to <5	1,445	35	88	1,544	3.76	13,184	12.3	–	845	55	10	(29)
5 to <10	613	2	100	637	8.91	5,115	9.9	–	439	69	9	(9)
10.00 to <100.00	840	7	93	872	37.13	7,351	9.7	–	952	109	17	(29)
10 to <20	137	6	92	147	16.50	1,471	8.2	–	90	61	1	(1)
20 to <30	382	1	100	397	24.27	3,137	10.3	–	391	98	11	(11)
30.00 to <100.00	321	0	100	328	62.00	2,743	9.7	–	471	144	5	(17)
100.00 (Default)	403	1	10	403	100.00	3,593	10.8	–	793	197	11	(44)
<b>Subtotal (exposure class)</b>	<b>190,038</b>	<b>14,607</b>	<b>53</b>	<b>205,509</b>	<b>0.55</b>	<b>1,518,540</b>	<b>10.7</b>	<b>–</b>	<b>33,193</b>	<b>16</b>	<b>291</b>	<b>(250)</b>

Note:

<sup>1</sup> Risk weighted exposure amounts and expected loss amounts include the impact of temporary model adjustments applied to meet revised IRB regulations. All other metrics in the table remain unadjusted and in line with incumbent IRB models

**UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - A-IRB - Secured by property Non-SME - 04 Apr 2023**

a	b	c	d	e	f	g	h	i	j	k	l	m
A-IRB												
PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
<i>£m</i>												
Exposure Class - Secured by property Non-SME												
0.00 to <0.15	140,218	12,632	47	151,721	0.04	1,123,444	9.9	-	20,040	13	152	(33)
0.00 to <0.10	133,090	12,009	47	143,815	0.04	1,019,456	9.8	-	18,740	13	142	(27)
0.10 to <0.15	7,128	623	49	7,906	0.14	103,988	11.9	-	1,300	16	10	(6)
0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	-
0.25 to <0.50	38,718	855	86	41,253	0.29	310,274	12.0	-	6,870	17	58	(62)
0.50 to <0.75	5,031	190	75	5,388	0.64	41,342	14.2	-	1,348	25	13	(20)
0.75 to <2.50	3,285	119	81	3,522	1.45	29,435	12.1	-	1,222	35	14	(12)
0.75 to <1.75	2,415	74	85	2,586	1.16	20,403	13.3	-	914	35	12	(10)
1.75 to <2.5	870	45	74	936	2.26	9,032	8.9	-	308	33	2	(2)
2.50 to <10.00	2,004	40	90	2,128	5.15	18,218	11.8	-	1,278	60	18	(31)
2.5 to <5	1,446	37	89	1,547	3.73	13,452	12.5	-	862	56	11	(24)
5 to <10	558	3	100	581	8.93	4,766	9.7	-	416	72	7	(7)
10.00 to <100.00	741	7	96	771	35.60	6,588	9.7	-	797	103	13	(22)
10 to <20	145	6	95	156	16.50	1,507	8.4	-	96	62	-	(1)
20 to <30	329	1	100	342	24.16	2,738	10.1	-	350	102	8	(8)
30.00 to <100.00	267	-	100	273	60.87	2,343	10.0	-	351	129	5	(13)
100.00 (Default)	350	-	10	350	100.00	3,263	10.3	-	625	179	8	(48)
<b>Subtotal (exposure class)</b>	<b>190,347</b>	<b>13,843</b>	<b>50</b>	<b>205,133</b>	<b>0.49</b>	<b>1,532,564</b>	<b>10.5</b>	<b>-</b>	<b>32,180</b>	<b>16</b>	<b>276</b>	<b>(228)</b>

Note:

<sup>1</sup> Risk weighted exposure amounts and expected loss amounts include the impact of temporary model adjustments applied to meet revised IRB regulations. All other metrics in the table remain unadjusted and in line with incumbent IRB models

Retail – Qualifying Revolving<sup>1</sup>

**UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - A-IRB - Qualifying Revolving - 30 Sep 2023**

a	b	c	d	e	f	g	h	i	j	k	l	m
A-IRB									Risk			
PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
<i>£m</i>												
<b>Exposure Class - Qualifying Revolving</b>												
0.00 to <0.15	334	7,137	64	6,815	0.05	7,194,489	81.1	–	192	3	3	(8)
0.00 to <0.10	331	6,998	62	6,480	0.04	6,203,978	80.9	–	173	3	3	(7)
0.10 to <0.15	3	139	140	335	0.10	990,511	84.7	–	19	6	–	(1)
0.15 to <0.25	149	1,304	69	1,189	0.18	1,096,962	80.8	–	114	10	2	(4)
0.25 to <0.50	188	838	72	955	0.37	1,010,281	81.3	–	164	17	3	(8)
0.50 to <0.75	162	348	67	394	0.69	104,241	79.6	–	117	30	3	(6)
0.75 to <2.50	198	343	89	630	1.26	833,377	81.6	–	275	44	7	(17)
0.75 to <1.75	198	343	89	630	1.26	833,377	81.6	–	275	44	7	(17)
1.75 to <2.5	–	–	–	–	–	–	–	–	–	–	–	–
2.50 to <10.00	426	231	86	652	4.19	322,016	79.6	–	686	105	26	(73)
2.5 to <5	214	141	79	353	2.85	183,054	79.9	–	292	82	9	(23)
5 to <10	212	90	97	299	5.77	138,962	79.3	–	394	132	17	(50)
10.00 to <100.00	258	76	162	327	27.03	193,580	78.9	–	730	223	83	(72)
10 to <20	115	42	94	151	11.45	75,661	79.2	–	295	196	17	(28)
20 to <30	65	21	151	85	23.10	60,687	79.1	–	224	263	18	(20)
30.00 to <100.00	78	13	391	91	56.53	57,232	78.2	–	211	232	48	(24)
100.00 (Default)	144	35	–	144	100.00	126,508	77.2	–	337	234	116	(87)
<b>Subtotal (exposure class)</b>	<b>1,859</b>	<b>10,312</b>	<b>67</b>	<b>11,106</b>	<b>2.51</b>	<b>10,881,454</b>	<b>80.9</b>	<b>–</b>	<b>2,615</b>	<b>24</b>	<b>243</b>	<b>(275)</b>

Note:

<sup>1</sup>Risk weighted exposure amounts and expected loss amounts include the impact of temporary model adjustments applied to meet revised IRB regulations. All other metrics in the table remain unadjusted and in line with incumbent IRB models

**UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - A-IRB - Qualifying Revolving - 04 Apr 2023**

a	b	c	d	e	f	g	h	i	j	k	l	m
A-IRB												
PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
<i>£m</i>												
Exposure Class - Qualifying Revolving												
0.00 to <0.15	331	7,532	61	6,878	0.04	7,027,112	83.0	-	195	3	3	(9)
0.00 to <0.10	328	7,364	60	6,562	0.04	6,216,265	82.8	-	177	3	3	(7)
0.10 to <0.15	3	168	88	316	0.10	810,847	87.6	-	18	6	-	(2)
0.15 to <0.25	133	1,191	68	1,101	0.18	1,069,702	81.9	-	108	10	2	(5)
0.25 to <0.50	180	787	70	887	0.37	949,606	82.8	-	158	18	3	(10)
0.50 to <0.75	154	328	67	374	0.69	99,435	79.6	-	111	30	3	(7)
0.75 to <2.50	198	321	100	624	1.27	967,837	83.8	-	303	49	8	(21)
0.75 to <1.75	198	321	100	624	1.27	967,837	83.8	-	303	49	8	(21)
1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-
2.50 to <10.00	432	204	113	646	4.16	408,292	81.5	-	714	111	27	(65)
2.5 to <5	218	132	100	358	2.87	255,395	81.4	-	309	86	10	(29)
5 to <10	214	72	138	288	5.76	152,897	81.7	-	405	141	17	(36)
10.00 to <100.00	197	42	164	234	22.25	115,646	81.3	-	730	311	78	(76)
10 to <20	104	28	123	128	11.30	60,865	80.9	-	301	234	17	(33)
20 to <30	50	10	174	59	22.55	33,646	81.3	-	234	393	19	(22)
30.00 to <100.00	43	4	405	47	52.11	21,135	82.2	-	195	420	42	(21)
100.00 (Default)	148	34	-	148	100.00	136,639	75.2	-	373	252	117	(95)
Subtotal (exposure class)	1,773	10,439	65	10,892	2.26	10,774,269	82.6	-	2,692	25	241	(288)

Note:

<sup>1</sup>Risk weighted exposure amounts and expected loss amounts include the impact of temporary model adjustments applied to meet revised IRB regulations. All other metrics in the table remain unadjusted and in line with incumbent IRB models

Retail – Other (Personal Loans)<sup>1</sup>

UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - A-IRB - Retail Other - 30 Sep 2023

a	b	c	d	e	f	g	h	i	j	k	l	m
A-IRB									Risk			
PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
<i>£m</i>												
Exposure Class - Retail Other (Personal loans)												
0.00 to <0.15	222	-	-	222	0.08	53,240	72.1	-	93	42	-	-
0.00 to <0.10	222	-	-	222	0.08	53,240	72.1	-	93	42	-	-
0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
0.15 to <0.25	255	0	100	256	0.17	41,307	75.1	-	150	58	1	(1)
0.25 to <0.50	400	5	100	404	0.34	57,902	76.1	-	299	74	2	(1)
0.50 to <0.75	451	7	100	457	0.69	60,769	77.2	-	430	94	6	(4)
0.75 to <2.50	366	8	100	373	1.38	48,871	77.8	-	402	108	7	(6)
0.75 to <1.75	366	8	100	373	1.38	48,871	77.8	-	402	108	7	(6)
1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-
2.50 to <10.00	430	11	100	442	3.88	64,185	77.6	-	562	127	19	(20)
2.5 to <5	254	6	100	261	2.75	37,098	77.6	-	317	122	9	(9)
5 to <10	176	5	100	181	5.50	27,087	77.6	-	245	136	10	(11)
10.00 to <100.00	168	3	100	171	22.32	28,167	77.2	-	291	171	34	(24)
10 to <20	94	3	100	97	11.00	15,546	77.3	-	149	155	10	(3)
20 to <30	41	0	100	41	22.00	6,756	77.2	-	78	189	8	(8)
30.00 to <100.00	33	-	-	33	55.51	5,865	76.8	-	64	192	16	(13)
100.00 (Default)	131	-	-	131	100.00	19,935	81.8	-	195	149	107	(119)
<b>Subtotal (exposure class)</b>	<b>2,423</b>	<b>34</b>	<b>100</b>	<b>2,456</b>	<b>7.99</b>	<b>374,376</b>	<b>76.7</b>	<b>-</b>	<b>2,422</b>	<b>99</b>	<b>176</b>	<b>(175)</b>
<b>Total (all A-IRB exposures classes)</b>	<b>194,320</b>	<b>24,953</b>	<b>59</b>	<b>219,071</b>	<b>0.73</b>	<b>12,774,370</b>	<b>15.0</b>	<b>-</b>	<b>38,230</b>	<b>17</b>	<b>710</b>	<b>(700)</b>

Note:

<sup>1</sup>Risk weighted exposure amounts and expected loss amounts include the impact of temporary model adjustments applied to meet revised IRB regulations. All other metrics in the table remain unadjusted and in line with incumbent IRB models

**UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - A-IRB - Retail Other - 04 Apr 2023**

a	b	c	d	e	f	g	h	i	j	k	l	m
A-IRB												
PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
<i>£m</i>												
Exposure Class - Retail Other (Personal loans)												
0.00 to <0.15	246	-	-	246	0.08	56,364	72.7	-	101	41	1	-
0.00 to <0.10	246	-	-	246	0.08	56,364	72.7	-	101	41	1	-
0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
0.15 to <0.25	329	1	100	331	0.17	49,222	75.9	-	186	56	1	(1)
0.25 to <0.50	426	3	100	429	0.34	59,420	77.0	-	307	72	3	(2)
0.50 to <0.75	516	5	100	520	0.69	64,727	77.9	-	472	91	6	(6)
0.75 to <2.50	342	5	100	347	1.38	46,309	77.8	-	363	105	6	(8)
0.75 to <1.75	342	5	100	347	1.38	46,309	77.8	-	363	105	6	(8)
1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-
2.50 to <10.00	422	10	100	432	3.86	62,004	77.8	-	534	124	18	(23)
2.5 to <5	252	6	100	258	2.75	36,205	77.8	-	304	118	8	(10)
5 to <10	170	4	100	174	5.50	25,799	77.6	-	230	132	10	(13)
10.00 to <100.00	168	4	100	172	22.11	27,840	77.4	-	289	169	33	(25)
10 to <20	96	3	100	99	11.00	15,559	77.6	-	151	153	10	(3)
20 to <30	39	1	100	40	22.00	6,690	77.3	-	76	190	7	(9)
30.00 to <100.00	33	-	-	33	56.00	5,591	76.9	-	62	191	16	(13)
100.00 (Default)	131	-	-	131	100.00	19,718	81.6	-	201	153	107	(115)
Subtotal (exposure class)	2,580	28	100	2,608	7.53	385,604	77.1	-	2,453	94	175	(180)
Total (all A-IRB exposures classes)	194,700	24,310	57	218,633	0.66	12,692,437	14.9	-	37,325	17	692	(696)

Note:

<sup>1</sup>Risk weighted exposure amounts and expected loss amounts include the impact of temporary model adjustments applied to meet revised IRB regulations. All other metrics in the table remain unadjusted and in line with incumbent IRB models



Institutions

UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - F-IRB - Institutions - 30 Sep 2023

a	b	c	d	e	f	g	h	i	j	k	l	m
F-IRB									Risk			
PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
<i>£m</i>												
Exposure Class -Institutions												
0.00 to <0.15	3,657	-	-	3,657	0.05	46	32.1	3	687	19	1	-
0.00 to <0.10	3,440	-	-	3,440	0.05	43	33.4	3	659	19	1	-
0.10 to <0.15	217	-	-	217	0.10	3	11.3	4	28	13	-	-
0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	-
0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-	-
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	-
0.75 to <2.50	-	-	-	-	-	-	-	-	-	-	-	-
0.75 to <1.75	-	-	-	-	-	-	-	-	-	-	-	-
1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-
2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-	-
2.5 to <5	-	-	-	-	-	-	-	-	-	-	-	-
5 to <10	-	-	-	-	-	-	-	-	-	-	-	-
10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	-
10 to <20	-	-	-	-	-	-	-	-	-	-	-	-
20 to <30	-	-	-	-	-	-	-	-	-	-	-	-
30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	-
100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal (exposure class)</b>	<b>3,657</b>	<b>-</b>	<b>-</b>	<b>3,657</b>	<b>0.05</b>	<b>46</b>	<b>32.1</b>	<b>3</b>	<b>687</b>	<b>19</b>	<b>1</b>	<b>-</b>

**UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - F-IRB - Institutions - 04 Apr 2023**

a	b	c	d	e	f	g	h	i	j	k	l	m
F-IRB												
PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
<i>£m</i>												
Exposure Class -Institutions												
0.00 to <0.15	3,579	-	-	3,579	0.06	44	33.3	3	718	20	1	-
0.00 to <0.10	3,202	-	-	3,202	0.05	39	35.7	3	673	21	1	-
0.10 to <0.15	377	-	-	377	0.10	5	12.4	3	45	12	-	-
0.15 to <0.25	56	-	-	56	0.15	1	11.3	4	8	14	-	-
0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-	-
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	-
0.75 to <2.50	-	-	-	-	-	-	-	-	-	-	-	-
0.75 to <1.75	-	-	-	-	-	-	-	-	-	-	-	-
1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-
2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-	-
2.5 to <5	-	-	-	-	-	-	-	-	-	-	-	-
5 to <10	-	-	-	-	-	-	-	-	-	-	-	-
10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	-
10 to <20	-	-	-	-	-	-	-	-	-	-	-	-
20 to <30	-	-	-	-	-	-	-	-	-	-	-	-
30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	-
100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal (exposure class)</b>	<b>3,635</b>	<b>-</b>	<b>-</b>	<b>3,635</b>	<b>0.06</b>	<b>45</b>	<b>32.9</b>	<b>3</b>	<b>726</b>	<b>20</b>	<b>1</b>	<b>-</b>

Corporates SME

UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - F-IRB - Corporates SME - 30 Sep 2023

a	b	c	d	e	f	g	h	i	j	k	l	m
F-IRB									Risk			
PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
<i>£m</i>												
Exposure Class - Corporates SME												
0.00 to <0.15	419	45	75	453	0.04	122	40.1	5	82	18	-	-
0.00 to <0.10	419	45	75	453	0.04	122	40.1	5	82	18	-	-
0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
0.15 to <0.25	15	-	-	15	0.17	5	45.0	5	6	44	-	-
0.25 to <0.50	5	-	-	5	0.43	1	45.0	5	4	65	-	-
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	-
0.75 to <2.50	-	-	-	-	-	-	-	-	-	-	-	-
0.75 to <1.75	-	-	-	-	-	-	-	-	-	-	-	-
1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-
2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-	-
2.5 to <5	-	-	-	-	-	-	-	-	-	-	-	-
5 to <10	-	-	-	-	-	-	-	-	-	-	-	-
10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	-
10 to <20	-	-	-	-	-	-	-	-	-	-	-	-
20 to <30	-	-	-	-	-	-	-	-	-	-	-	-
30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	-
100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal (exposure class)</b>	<b>439</b>	<b>45</b>	<b>75</b>	<b>473</b>	<b>0.05</b>	<b>128</b>	<b>40.3</b>	<b>5</b>	<b>92</b>	<b>19</b>	<b>-</b>	<b>-</b>

**UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - F-IRB - Corporates SME - 04 Apr 2023**

a	b	c	d	e	f	g	h	i	j	k	l	m
F-IRB												
PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
<i>£m</i>												
Exposure Class - Corporates SME												
0.00 to <0.15	441	31	75	464	0.04	125	39.7	5	85	18	-	-
0.00 to <0.10	441	31	75	464	0.04	125	39.7	5	85	18	-	-
0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
0.15 to <0.25	0	-	-	0	0.17	3	45.0	5	0	40	-	-
0.25 to <0.50	6	-	-	7	0.43	1	45.0	5	4	65	-	-
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	-
0.75 to <2.50	-	-	-	-	-	-	-	-	-	-	-	-
0.75 to <1.75	-	-	-	-	-	-	-	-	-	-	-	-
1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-
2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-	-
2.5 to <5	-	-	-	-	-	-	-	-	-	-	-	-
5 to <10	-	-	-	-	-	-	-	-	-	-	-	-
10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	-
10 to <20	-	-	-	-	-	-	-	-	-	-	-	-
20 to <30	-	-	-	-	-	-	-	-	-	-	-	-
30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	-
100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal (exposure class)	447	31	75	471	0.05	129	39.8	5	89	19	-	-

Corporates Other (Non-SME)

UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - F-IRB - Corporates Other - 30 Sep 2023

a	b	c	d	e	f	g	h	i	j	k	l	m
F-IRB									Risk			
PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
<i>£m</i>												
Exposure Class - Corporates Other												
0.00 to <0.15	3,809	960	75	4,529	0.04	85	37.3	5	1,084	24	1	(1)
0.00 to <0.10	3,809	960	75	4,529	0.04	85	37.3	5	1,084	24	1	(1)
0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	-
0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-	-
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	-
0.75 to <2.50	-	-	-	-	-	-	-	-	-	-	-	-
0.75 to <1.75	-	-	-	-	-	-	-	-	-	-	-	-
1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-
2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-	-
2.5 to <5	-	-	-	-	-	-	-	-	-	-	-	-
5 to <10	-	-	-	-	-	-	-	-	-	-	-	-
10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	-
10 to <20	-	-	-	-	-	-	-	-	-	-	-	-
20 to <30	-	-	-	-	-	-	-	-	-	-	-	-
30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	-
100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal (exposure class)</b>	<b>3,809</b>	<b>960</b>	<b>75</b>	<b>4,529</b>	<b>0.04</b>	<b>85</b>	<b>37.3</b>	<b>5</b>	<b>1,084</b>	<b>24</b>	<b>1</b>	<b>(1)</b>
<b>Total (all F-IRB exposures classes)</b>	<b>7,905</b>	<b>1,005</b>	<b>75</b>	<b>8,659</b>	<b>0.04</b>	<b>259</b>	<b>35.3</b>	<b>4</b>	<b>1,863</b>	<b>22</b>	<b>2</b>	<b>(1)</b>

**UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - F-IRB - Corporates Other - 04 Apr 2023**

a	b	c	d	e	f	g	h	i	j	k	l	m
F-IRB												
PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
<i>£m</i>												
Exposure Class - Corporates Other												
0.00 to <0.15	3,768	1,171	75	4,646	0.04	90	36.8	5	1,103	24	1	(1)
0.00 to <0.10	3,768	1,171	75	4,646	0.04	90	36.8	5	1,103	24	1	(1)
0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	-
0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-	-
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	-
0.75 to <2.50	-	-	-	-	-	-	-	-	-	-	-	-
0.75 to <1.75	-	-	-	-	-	-	-	-	-	-	-	-
1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-
2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-	-
2.5 to <5	-	-	-	-	-	-	-	-	-	-	-	-
5 to <10	-	-	-	-	-	-	-	-	-	-	-	-
10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	-
10 to <20	-	-	-	-	-	-	-	-	-	-	-	-
20 to <30	-	-	-	-	-	-	-	-	-	-	-	-
30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	-
100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal (exposure class)	3,768	1,171	75	4,646	0.04	90	36.8	5	1,103	24	1	(1)
Total (all F-IRB exposures classes)	7,850	1,202	75	8,752	0.04	264	35.4	4	1,918	22	2	(1)

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

Nationwide does not use credit derivatives to mitigate credit risk – this template has therefore not been presented.

### 10.3 UK CR7-A – IRB approach – Extent of the use of CRM techniques

#### A-IRB

#### UK CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques - A-IRB - 30 Sep 2023

		a	b	c	d	e	f	g	h	i	j	k	l	m	n
A-IRB	Total exposures	Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs		
		Funded credit Protection (FCP)									Unfunded credit Protection (UFCP)		RWEA post all CRM assigned to the obligor exposure class	RWEA with substitution effects	
		Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)			
£m															
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	219,071	-	219.1	219.1	-	-	-	-	-	-	-	-	38,230	38,230
4.1	Of which Retail – Immovable property SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Of which Retail – Immovable property non-SMEs	205,509	-	233.5	233.5	-	-	-	-	-	-	-	-	33,193	33,193
4.3	Of which Retail – Qualifying revolving	11,106	-	-	-	-	-	-	-	-	-	-	-	2,615	2,615
4.4	Of which Retail – Other SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.5	Of which Retail – Other non-SMEs	2,456	-	-	-	-	-	-	-	-	-	-	-	2,422	2,422
5	<b>Total</b>	<b>219,071</b>	<b>-</b>	<b>219.1</b>	<b>219.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38,230</b>	<b>38,230</b>

**UK CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques - A-IRB - 04 Apr 2023**

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	
A-IRB	Total exposures	Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs			
		Funded credit Protection (FCP)										Unfunded credit Protection (UFCP)		RWEA post all CRM assigned to the obligor exposure class	RWEA with substitution effects	
		Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)				
£m																
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	218,633	-	219.7	219.7	-	-	-	-	-	-	-	-	37,325	37,325	
4.1	Of which Retail – Immovable property SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Of which Retail – Immovable property non-SMEs	205,133	-	234.1	234.1	-	-	-	-	-	-	-	-	32,180	32,180	
4.3	Of which Retail – Qualifying revolving	10,892	-	-	-	-	-	-	-	-	-	-	-	2,692	2,692	
4.4	Of which Retail – Other SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.5	Of which Retail – Other non-SMEs	2,608	-	-	-	-	-	-	-	-	-	-	-	2,453	2,453	
5	Total	218,633	-	219.7	219.7	-	-	-	-	-	-	-	-	37,325	37,325	



F-IRB

UK CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques - F-IRB - 30 Sep 2023

F-IRB	Total exposures	Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs			
		Funded credit Protection (FCP)							Unfunded credit Protection (UFCP)				RWEA post all CRM assigned to the obligor exposure class	RWEA with substitution effects		
		Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)				
<i>£m</i>																
1	Central governments and central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Institutions	3,657	-	-	-	-	-	-	-	-	-	-	-	-	686	686
3	Corporates	5,852	-	61.9	61.9	-	-	-	-	-	-	-	-	-	1,784	1,784
3.1	<i>Of which Corporates – SMEs</i>	473	-	47.0	47.0	-	-	-	-	-	-	-	-	-	92	92
3.2	<i>Of which Corporates – Specialised lending</i>	850	-	-	-	-	-	-	-	-	-	-	-	-	608	608
3.3	<i>Of which Corporates – Other</i>	4,529	-	75.1	75.1	-	-	-	-	-	-	-	-	-	1,084	1,084
4	<b>Total</b>	<b>9,509</b>	<b>-</b>	<b>38.1</b>	<b>38.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,470</b>	<b>2,470</b>

UK CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques - F-IRB - 04 Apr 2023

F-IRB	Total exposures	Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs				
		Funded credit Protection (FCP)									Unfunded credit Protection (UFCP)		RWEA post all CRM assigned to the obligor exposure class	RWEA with substitution effects			
		Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)					
<i>£m</i>																	
1	Central governments and central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Institutions	3,635	-	-	-	-	-	-	-	-	-	-	-	-	726	726	
3	Corporates	6,092	-	61.7	61.7	-	-	-	-	-	-	-	-	-	1,873	1,873	
3.1	<i>Of which Corporates – SMEs</i>	471	-	52.3	52.3	-	-	-	-	-	-	-	-	-	89	89	
3.2	<i>Of which Corporates – Specialised lending</i>	975	-	-	-	-	-	-	-	-	-	-	-	-	681	681	
3.3	<i>Of which Corporates – Other</i>	4,646	-	75.6	75.6	-	-	-	-	-	-	-	-	-	1,103	1,103	
4	Total	9,727	-	38.6	38.6	-	-	-	-	-	-	-	-	-	2,599	2,599	

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

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

<i>£m</i>	a Risk weighted exposure amount
1 Risk weighted exposure amount at 30 June 2023	41,226
2 Asset size (+/-)	333
3 Asset quality (+/-)	237
4 Model updates (+/-)	–
5 Methodology and policy (+/-)	–
6 Acquisitions and disposals (+/-)	–
7 Foreign exchange movements (+/-)	–
8 Other (+/-)	–
9 Risk weighted exposure amount at 30 September 2023	41,796

RWAs in relation to loans risk weighted under the IRB approach increased in the period due to an increase in asset size and reduction in asset quality. The asset size increase was due to an increase in residential mortgage balances, whilst the asset quality reduction was driven by a higher portfolio average loss given default (LGD) linked to property valuations.

# 11 Annex XXIII | Specialised lending

## 11.1 UK CR10 - Specialised lending and equity exposures under the simple risk weighted approach<sup>1</sup>

Project Finance<sup>2</sup>

UK CR10 – Specialised lending and equity exposures under the simple risk weighted approach - Specialist lending: Project finance - 30 Sep 2023								
Template UK CR10.1		a	b	c	d	e	f	
Specialised lending : Project finance (Slotting approach)								
Regulatory categories	Remaining maturity	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount	
Category 1	Less than 2.5 years	6	1	50%	7	3	–	
	Equal to or more than 2.5 years	432	44	70%	466	244	1	
Category 2	Less than 2.5 years	–	–	70%	–	–	–	
	Equal to or more than 2.5 years	2	–	90%	2	1	–	
Category 3	Less than 2.5 years	–	–	115%	–	–	–	
	Equal to or more than 2.5 years	29	4	115%	31	27	1	
Category 4	Less than 2.5 years	–	–	250%	–	–	–	
	Equal to or more than 2.5 years	53	4	250%	56	106	5	
Category 5	Less than 2.5 years	–	–	0%	–	–	–	
	Equal to or more than 2.5 years	–	–	0%	–	–	–	
Total	Less than 2.5 years	6	1		7	3	–	
	Equal to or more than 2.5 years	516	52		555	378	7	

**UK CR10 – Specialised lending and equity exposures under the simple risk weighted approach - Specialist lending: Project finance - 04 Apr 2023**

Template UK CR10.1		a	b	c	d	e	f
<i>£m</i>		Specialised lending : Project finance (Slotting approach)					
Regulatory categories	Remaining maturity	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Category 1	Less than 2.5 years	6	1	50%	7	3	-
	Equal to or more than 2.5 years	466	44	70%	499	262	2
Category 2	Less than 2.5 years	-	-	70%	-	-	-
	Equal to or more than 2.5 years	2	-	90%	2	1	-
Category 3	Less than 2.5 years	-	-	115%	-	-	-
	Equal to or more than 2.5 years	31	4	115%	34	29	1
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	56	4	250%	59	111	5
Category 5	Less than 2.5 years	-	-	0%	-	-	-
	Equal to or more than 2.5 years	-	-	0%	-	-	-
Total	Less than 2.5 years	6	1		7	3	-
	Equal to or more than 2.5 years	555	52		594	403	8

Income-producing real estate<sup>2</sup>

UK CR10 – Specialised lending and equity exposures under the simple risk weighted approach - Specialist lending: IPRE - 30 Sep 2023								
Template UK CR10.2								
£m								
Specialised lending : Income-producing real estate and high volatility commercial real estate (Slotting approach)								
Regulatory categories	Remaining maturity	a	b	c	d	e	f	
		On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount	
Category 1	Less than 2.5 years	27	–	50%	27	13	–	
	Equal to or more than 2.5 years	152	–	70%	152	107	2	
Category 2	Less than 2.5 years	10	–	70%	10	7	–	
	Equal to or more than 2.5 years	52	–	90%	52	47	–	
Category 3	Less than 2.5 years	1	–	115%	1	1	–	
	Equal to or more than 2.5 years	3	–	115%	3	3	–	
Category 4	Less than 2.5 years	17	–	250%	17	44	1	
	Equal to or more than 2.5 years	2	–	250%	2	5	–	
Category 5	Less than 2.5 years	21	–	0%	21	–	11	
	Equal to or more than 2.5 years	3	–	0%	3	–	1	
<b>Total</b>	<b>Less than 2.5 years</b>	<b>76</b>	<b>–</b>		<b>76</b>	<b>65</b>	<b>12</b>	
	<b>Equal to or more than 2.5 years</b>	<b>212</b>	<b>–</b>		<b>212</b>	<b>162</b>	<b>3</b>	

**UK CR10 – Specialised lending and equity exposures under the simple risk weighted approach - Specialist lending: IPRE - 04 Apr 2023**

Template UK CR10.2		a	b	c	d	e	f
£m		Specialised lending : Income-producing real estate and high volatility commercial real estate (Slotting approach)					
Regulatory categories	Remaining maturity	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Category 1	Less than 2.5 years	9	–	50%	9	5	–
	Equal to or more than 2.5 years	161	–	70%	161	113	1
Category 2	Less than 2.5 years	34	–	70%	34	24	–
	Equal to or more than 2.5 years	59	–	90%	59	53	–
Category 3	Less than 2.5 years	2	–	115%	2	2	–
	Equal to or more than 2.5 years	6	–	115%	6	7	–
Category 4	Less than 2.5 years	27	–	250%	27	68	2
	Equal to or more than 2.5 years	1	–	250%	1	3	–
Category 5	Less than 2.5 years	64	–	0%	64	–	32
	Equal to or more than 2.5 years	10	–	0%	10	–	5
Total	Less than 2.5 years	136	–		136	99	34
	Equal to or more than 2.5 years	237	–		237	176	6

**Equities<sup>3</sup>**

<b>UK CR10 – Specialised lending and equity exposures under the simple risk weighted approach - Equity exposures - 30 Sep 2023</b>						
Template UK CR10.5	a	b	c	d	e	f
<i>£m</i>	Equity exposures under the simple risk-weighted approach					
Categories	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Private equity exposures	–	–	190%	–	–	–
Exchange-traded equity exposures	–	–	290%	–	–	–
Other equity exposures	65	–	370%	65	242	2
<b>Total</b>	<b>65</b>	<b>–</b>		<b>65</b>	<b>242</b>	<b>2</b>

<b>UK CR10 – Specialised lending and equity exposures under the simple risk weighted approach - Equity exposures - 04 Apr 2023</b>						
Template UK CR10.5	a	b	c	d	e	f
<i>£m</i>	Equity exposures under the simple risk-weighted approach					
Categories	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Private equity exposures	–	–	190%	–	–	–
Exchange-traded equity exposures	–	–	290%	–	–	–
Other equity exposures	57	–	370%	57	211	1
<b>Total</b>	<b>57</b>	<b>–</b>		<b>57</b>	<b>211</b>	<b>1</b>

**Notes:**

<sup>1</sup> CR10.3 Specialised lending: Object finance (Slotting approach) and CR10.4 Specialised lending: Commodities finance (Slotting approach) have not been presented as Nationwide does not have any related exposures

<sup>2</sup> Off-balance sheet exposures are applied a credit conversion factor of 75%. Risk weighted exposure amount is post SME and infrastructure factors

<sup>3</sup> Other equity exposures primarily relate to equity investments, within Fintech companies, included within other assets as per the financial statements



## 12 Annex XXV | Counterparty credit risk

### 12.1 UK CCR1 - Analysis of CCR exposure by approach

#### UK CCR1 – Analysis of CCR exposure by approach - 30 Sep 2023

	a	b	c	d	e	f	g	h
	Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
<i>£m</i>								
UK1 Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
UK2 Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
1 SA-CCR (for derivatives)	30	438		1.4	9,903	656	656	267
2 IMM (for derivatives and SFTs)	-	-	-	-	-	-	-	-
2a <i>Of which securities financing transactions netting sets</i>	-	-	-	-	-	-	-	-
2b <i>Of which derivatives and long settlement transactions netting sets</i>	-	-	-	-	-	-	-	-
2c <i>Of which from contractual cross-product netting sets</i>	-	-	-	-	-	-	-	-
3 Financial collateral simple method (for SFTs)	-	-	-	-	-	-	-	-
4 Financial collateral comprehensive method (for SFTs)					19,966	4,244	4,244	3
5 VaR for SFTs					-	-	-	-
6 <b>Total</b>					29,869	4,900	4,900	270

**UK CCR1 – Analysis of CCR exposure by approach - 04 Apr 2023**

	a	b	c	d	e	f	g	h
	Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
£m								
UK1 Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
UK2 Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
1 SA-CCR (for derivatives)	79	512		1.4	8,636	828	828	358
2 IMM (for derivatives and SFTs)	-	-	-	-	-	-	-	-
2a Of which securities financing transactions netting sets	-	-	-	-	-	-	-	-
2b Of which derivatives and long settlement transactions netting sets	-	-	-	-	-	-	-	-
2c Of which from contractual cross-product netting sets	-	-	-	-	-	-	-	-
3 Financial collateral simple method (for SFTs)	-	-	-	-	-	-	-	-
4 Financial collateral comprehensive method (for SFTs)					26,054	5,907	5,907	11
5 VaR for SFTs					-	-	-	-
6 Total					34,690	6,735	6,735	369

**12.2 UK CCR2 - Transactions subject to own funds requirements for CVA risk**

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

	a		b	
	30 September 2023		04 April 2023	
£m	Exposure value	RWEA	Exposure value	RWEA
1 Total transactions subject to the Advanced method	-	-	-	-
2 (i) VaR component (including the 3x multiplier)		-		-
3 (ii) stressed VaR component (including the 3x multiplier)		-		-
4 Transactions subject to the Standardised method	690	363	940	517
UK4 Transactions subject to the Alternative approach (Based on the Original Exposure Method)	-	-	-	-
5 <b>Total transactions subject to own funds requirements for CVA risk</b>	<b>690</b>	<b>363</b>	<b>940</b>	<b>517</b>

### 12.3 UK CCR3 - Standardised approach – CCR exposures by regulatory exposure class and risk weights

#### UK CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights - 30 Sep 2023

Exposure classes	a	b	c	d	e	f	g	h	i	j	k	Total exposure value
	Risk weight											
	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	
1 Central governments or central banks	4,210	-	-	-	-	-	-	-	-	-	-	4,210
2 Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-
3 Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-
4 Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5 International organisations	-	-	-	-	-	-	-	-	-	-	-	-
6 Institutions	-	-	-	-	-	-	-	-	-	-	-	-
7 Corporates	-	-	-	-	-	-	-	-	-	-	-	-
8 Retail	-	-	-	-	-	-	-	-	-	-	-	-
9 Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
10 Other items	-	-	-	-	-	-	-	-	-	-	-	-
11 <b>Total exposure value</b>	<b>4,210</b>	-	-	-	-	-	-	-	-	-	-	<b>4,210</b>

**UK CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights - 04 Apr 2023**

	Exposure classes	a	b	c	d	e	f	g	h	i	j	k	l
		Risk weight											Total exposure value
£m		0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	
1	Central governments or central banks	5,794	-	-	-	-	-	-	-	-	-	-	5,794
2	Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-
3	Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-
4	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5	International organisations	-	-	-	-	-	-	-	-	-	-	-	-
6	Institutions	-	-	-	-	-	-	-	-	-	-	-	-
7	Corporates	-	-	-	-	-	-	-	-	-	-	-	-
8	Retail	-	-	-	-	-	-	-	-	-	-	-	-
9	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
10	Other items	-	-	-	-	-	-	-	-	-	-	-	-
11	<b>Total exposure value</b>	<b>5,794</b>	-	-	-	-	-	-	-	-	-	-	<b>5,794</b>

## 12.4 UK CCR4 - IRB approach – CCR exposures by exposure class and PD scale

Institutions<sup>1</sup>

UK CCR4 – IRB approach – CCR exposures by exposure class and PD scale - 30 Sep 2023								
		a	b	c	d	e	f	g
	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amounts
<i>£m</i>								
	<b>Institutions</b>							
1	0.00 to <0.15	690	0.05	43	45.0	4	270	39.3
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	-	-	-	-	-	-	-
4	0.50 to <0.75	-	-	-	-	-	-	-
5	0.75 to <2.50	-	-	-	-	-	-	-
6	2.50 to <10.00	-	-	-	-	-	-	-
7	10.00 to <100.00	-	-	-	-	-	-	-
8	100.00 (Default)	-	-	-	-	-	-	-
x	<b>Sub-total (Institutions)</b>	<b>690</b>	<b>0.05</b>	<b>43</b>	<b>45.0</b>	<b>4</b>	<b>270</b>	<b>39.3</b>
y	<b>Total (all CCR relevant exposure classes)</b>	<b>690</b>	<b>0.05</b>	<b>43</b>	<b>45.0</b>	<b>4</b>	<b>270</b>	<b>39.3</b>

**UK CCR4 – IRB approach – CCR exposures by exposure class and PD scale - 04 Apr 2023**

		a	b	c	d	e	f	g
	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amounts
<i>£m</i>								
	Institutions							
1	0.00 to <0.15	940	0.05	54	45.0	4	369	39.3
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	-	-	-	-	-	-	-
4	0.50 to <0.75	-	-	-	-	-	-	-
5	0.75 to <2.50	-	-	-	-	-	-	-
6	2.50 to <10.00	-	-	-	-	-	-	-
7	10.00 to <100.00	-	-	-	-	-	-	-
8	100.00 (Default)	-	-	-	-	-	-	-
x	Sub-total (Institutions)	940	0.05	54	45.0	4	369	39.3
y	Total (all CCR relevant exposure classes)	940	0.05	54	45.0	4	369	39.3

Note:

<sup>1</sup> Nationwide only has counterparty credit risk exposures to institutions, risk weighted under the IRB approach

## 12.5 UK CCR5 - Composition of collateral for CCR exposures

### UK CCR5 - Composition of collateral for CCR exposures - 30 Sep 2023

£m	Collateral type	Collateral used in derivatives transactions				Collateral used in securities financing transactions (SFTs)	
		Fair value of collateral received		Fair value of collateral posted		Fair value of collateral received	Fair value of collateral posted
		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash	-	9,702	-	1,037	1,266	1,471
2	Debt	-	26	-	1,304	1,257	1,250
3	Equity	-	-	-	-	-	-
4	Other	-	-	-	-	-	-
5	<b>Total</b>	-	<b>9,728</b>	-	<b>2,341</b>	<b>2,523</b>	<b>2,721</b>

### UK CCR5 - Composition of collateral for CCR exposures - 04 Apr 2023

£m	Collateral type	Collateral used in derivatives transactions				Collateral used in securities financing transactions (SFTs)	
		Fair value of collateral received		Fair value of collateral posted		Fair value of collateral received	Fair value of collateral posted
		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash	-	7,529	-	1,062	2,867	1,156
2	Debt	-	43	-	1,454	966	2,851
3	Equity	-	-	-	-	-	-
4	Other	-	-	-	-	-	-
5	<b>Total</b>	-	<b>7,572</b>	-	<b>2,516</b>	<b>3,833</b>	<b>4,007</b>

## 12.6 UK CCR6 - Credit derivatives exposures

Nationwide does not use credit derivatives to mitigate credit risk - therefore this template has not been presented.

## 12.7 UK CCR7 - RWEA flow statements of CCR exposures under the IMM

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

## 12.8 UK CCR8 - Exposures to CCPs

### UK CCR8 – Exposures to CCPs

£m	a		b		a		b	
	30 September 2023				04 April 2023			
	Exposure value	RWEA	Exposure value	RWEA	Exposure value	RWEA	Exposure value	RWEA
1	<b>Exposures to QCCPs (total)</b>			121				103
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which							
3	(i) OTC derivatives							
4	(ii) Exchange-traded derivatives							
5	(iii) SFTs							
6	(iv) Netting sets where cross-product netting has been approved							
7	Segregated initial margin							
8	Non-segregated initial margin							
9	Prefunded default fund contributions							
10	Unfunded default fund contributions							
11	<b>Exposures to non-QCCPs (total)</b>							
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which							
13	(i) OTC derivatives							
14	(ii) Exchange-traded derivatives							
15	(iii) SFTs							
16	(iv) Netting sets where cross-product netting has been approved							
17	Segregated initial margin							
18	Non-segregated initial margin							
19	Prefunded default fund contributions							
20	Unfunded default fund contributions							



# 13 Annex XXVII | Securitisation positions

## 13.1 UK-SEC1 - Securitisation exposures in the non-trading book

### UK-SEC1 - Securitisation exposures in the non-trading book - 30 Sep 2023

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Institution acts as originator <sup>1</sup>						Institution acts as sponsor				Institution acts as investor				
	Traditional		Synthetic		Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total		
	STS	Non-STS	of which SRT	of which SRT		STS	Non-STS			STS	Non-STS				
<i>£m</i>	of which SRT	of which SRT	of which SRT	of which SRT	of which SRT	of which SRT	of which SRT	of which SRT	of which SRT	of which SRT	of which SRT	of which SRT	of which SRT		
1 Total exposures	-	-	-	-	-	-	-	-	-	-	-	893	827	-	1,720
2 Retail (total)	-	-	-	-	-	-	-	-	-	-	-	893	827	-	1,720
3 residential mortgage	-	-	-	-	-	-	-	-	-	-	-	725	827	-	1,552
4 credit card	-	-	-	-	-	-	-	-	-	-	-	28	-	-	28
5 other retail exposures	-	-	-	-	-	-	-	-	-	-	-	140	-	-	140
6 re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 Wholesale (total)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 loans to corporates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 lease and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11 other wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**UK-SEC1 - Securitisation exposures in the non-trading book - 04 Apr 2023**

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Institution acts as originator <sup>1</sup>						Institution acts as sponsor				Institution acts as investor				
	Traditional			Synthetic			Traditional		Synthetic		Traditional			Synthetic	
	STS		Non-STS	of which SRT		Sub-total	STS	Non-STS	Sub-total	Sub-total	STS	Non-STS	Sub-total	Sub-total	Sub-total
£m	of which SRT		of which SRT		of which SRT										
1 Total exposures	-	-	-	-	-	-	-	-	-	-	-	837	902	-	1,739
2 Retail (total)	-	-	-	-	-	-	-	-	-	-	-	837	902	-	1,739
3 residential mortgage	-	-	-	-	-	-	-	-	-	-	-	643	902	-	1,545
4 credit card	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 other retail exposures	-	-	-	-	-	-	-	-	-	-	-	194	-	-	194
6 re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 Wholesale (total)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 loans to corporates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 lease and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11 other wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note:  
<sup>1</sup> Nationwide acts as originator for a number of securitisations as part of its Silverstone programme. However, all securitisations are not subject to own fund requirements and therefore nil values are disclosed

**13.2 UK-SEC2 - Securitisation exposures in the trading book**

Nationwide does not have a trading book - therefore this template has not been presented.

**13.3 UK-SEC3 - Securitisation exposures in the non-trading book - Nationwide acting as originator or as sponsor**

UK SEC3 discloses securitisation exposures where the institution acts as originator or sponsor. Nationwide originates a number of securitisations as part of the Silverstone programme. There are no capital requirements for these securitisations due to no significant risk transfer. Therefore, this template has not been presented.

### 13.4 UK-SEC4 - Securitisation exposures in the non-trading book – Nationwide acting as investor

#### UK-SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor - 30 Sep 2023

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions
<i>£m</i>																	
<b>1 Total exposures</b>	<b>1,720</b>	-	-	-	-	-	<b>1,720</b>	-	-	-	<b>255</b>	-	-	-	<b>20</b>	-	-
2 Traditional securitisation	1,720	-	-	-	-	-	1,720	-	-	-	255	-	-	-	20	-	-
3 Securitisation	1,720	-	-	-	-	-	1,720	-	-	-	255	-	-	-	20	-	-
4 Retail underlying	1,720	-	-	-	-	-	1,720	-	-	-	255	-	-	-	20	-	-
5 Of which STS	893	-	-	-	-	-	893	-	-	-	89	-	-	-	7	-	-
6 Wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Synthetic securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 Securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11 Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 Wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**UK-SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor - 04 Apr 2023**

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions
<i>£m</i>																	
1 Total exposures	1,739	-	-	-	-	-	1,739	-	-	-	264	-	-	-	21	-	-
2 Traditional securitisation	1,739	-	-	-	-	-	1,739	-	-	-	264	-	-	-	21	-	-
3 Securitisation	1,739	-	-	-	-	-	1,739	-	-	-	264	-	-	-	21	-	-
4 Retail underlying	1,739	-	-	-	-	-	1,739	-	-	-	264	-	-	-	21	-	-
5 Of which STS	837	-	-	-	-	-	837	-	-	-	84	-	-	-	7	-	-
6 Wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Synthetic securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 Securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11 Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 Wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

### 13.5 UK-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments

#### UK-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments - 30 Sep 2023

£m		a		b	c
		Exposures securitised by the institution - Institution acts as originator or as sponsor			
		Total outstanding nominal amount		Total amount of specific credit risk adjustments made during the period	
		Of which exposures in default			
1	<b>Total exposures</b>	<b>7,997</b>		<b>32</b>	<b>-</b>
2	Retail (total)	7,997		32	-
3	residential mortgage	7,997		32	-
4	credit card	-		-	-
5	other retail exposures	-		-	-
6	re-securitisation	-		-	-
7	Wholesale (total)	-		-	-
8	loans to corporates	-		-	-
9	commercial mortgage	-		-	-
10	lease and receivables	-		-	-
11	other wholesale	-		-	-
12	re-securitisation	-		-	-

**UK-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments - 04 Apr 2023**

<i>£m</i>		a	b	c
		Exposures securitised by the institution - Institution acts as originator or as sponsor		
		Total outstanding nominal amount	Of which exposures in default	Total amount of specific credit risk adjustments made during the period
1	Total exposures	8,758	28	-
2	Retail (total)	8,758	28	-
3	residential mortgage	8,758	28	-
4	credit card	-	-	-
5	other retail exposures	-	-	-
6	re-securitisation	-	-	-
7	Wholesale (total)	-	-	-
8	loans to corporates	-	-	-
9	commercial mortgage	-	-	-
10	lease and receivables	-	-	-
11	other wholesale	-	-	-
12	re-securitisation	-	-	-

## 14 Annex XXIX | Standardised approach and internal model for market risk

### 14.1 UK MR1 - Market risk under the standardised approach

The 2% threshold as set out in the UK CRR has not been met; therefore, the values have been set to nil and the template has not been presented.

### 14.2 UK MR2-A - Market risk under the internal Model Approach (IMA)

Nationwide does not use the Internal Model Approach for market risk - therefore this template has not been presented.

### 14.3 UK MR2-B - RWA flow statements of market risk exposures under the IMA

Nationwide does not use the Internal Model Approach for market risk - therefore this template has not been presented.

### 14.4 UK MR3 - IMA values for trading portfolios

Nationwide does not use the Internal Model Approach for market risk - therefore this template has not been presented.

### 14.5 UK MR4 - Comparison of VaR estimates with gains/losses

Nationwide does not use the Internal Model Approach for market risk - therefore this template has not been presented.

# 15 Annex XXXVII | Interest rate risk in the banking book (IRRBB)

## 15.1 UK IRRBB1 - Quantitative information on IRRBB

UK IRRBB1 - Quantitative information on IRRBB		a		b		c		d		e		f
In reporting currency		ΔEVE				ΔNII				Tier 1 capital		
£m	Period	30 Sep 23	04 Apr 23	30 Sep 23	04 Apr 23	30 Sep 23	04 Apr 23	30 Sep 23	04 Apr 23	30 Sep 23	04 Apr 23	
010	Parallel shock up	(949)	(834)	(117)	(100)							
020	Parallel shock down	457	259	(212)	(197)							
030	Steeper shock	(96)	(103)									
040	Flattener shock	147	122									
050	Short rates shock up	(103)	(76)									
060	Short rates shock down	267	195									
070	<b>Maximum</b>	<b>(949)</b>	<b>(834)</b>	<b>(212)</b>	<b>(197)</b>							
080	<b>Tier 1 capital</b>							<b>15,658</b>			<b>15,069</b>	

### Economic Value of Equity (EVE) sensitivity

EVE sensitivity measures the change in the value of Nationwide's assets and liabilities, excluding equity, arising from a change in interest rates.

Nationwide's most severe EVE sensitivity is the parallel shock up, with a decline in EVE of £949 million (4 April 2023: £834 million). This represents a Supervisory Outlier Test (ΔEVE as a percentage of Tier 1 capital) result of 6.1% (4 April 2023: 5.5%), which is within the 15% regulatory threshold.

The most material driver of the sensitivity relates to CCDS and reserves structural hedging, with a decline in EVE of £805 million (4 April 2023: £795 million) arising from this due to the exclusion of Nationwide's own equity. Whilst CCDS and reserves structural hedging can have a significant impact in EVE sensitivity, it does reduce volatility in net interest margin which arises when interest rates change. This includes providing a positive contribution to income should rates fall over a short period of time, which is the case in the NII sensitivity parallel shock down scenario as described in the next section.

The remainder of the sensitivity primarily relates to the estimated change in customer behaviour and the extent to which they are assumed to use product optionality in the scenario and the impact of short-term timing mismatches which may arise from the hedging of fixed-rate retail products on a macro-portfolio level.

Most of Nationwide's EVE sensitivity arises in GBP due to Nationwide's hedging policy and strategy for non-GBP exposures.

Note that whilst treasury investments, which are subject to swap spread risk, are included in EVE sensitivity calculations, Nationwide's primary measurement of swap spread risk is through a VaR metric against which risk limits are set.



## Net Interest Income (NII) sensitivity

NII sensitivity, which is monitored monthly, measures the extent to which NII is affected by changes in interest rates. NII sensitivities will vary over time due to several factors, such as the timing of maturing assets and liabilities, product pricing, market conditions, and strategic changes to the balance mix. As such, they should not be considered as a guide to future performance.

The parallel shock down, which assumes a 250-basis point reduction in GBP interest rates, is Nationwide's most severe NII sensitivity with a reduction in NII of £212 million (4 April 2023: £197 million). This is driven by the change in NII arising from various on-balance sheet items and a change in customer mortgage take-up behaviour. It also includes the mitigation which arises when rates fall from structural hedging, and other balance sheet hedging strategies.

The result is also influenced by the assumption that the rate change is fully passed through to managed rate retail mortgage and savings balances and fixed-rate mortgages and savings which reinvest during the one-year horizon. If a customer rate floor of 0 basis points were applied, the reduction in NII in this scenario would be £228 million (4 April 2023: £724 million).

