

Santander UK Group Holdings plc and Santander UK plc

March 2025 Additional Capital and Risk Management Disclosures

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Introduction

As a wholly-owned large subsidiary of Banco Santander, S.A., under the retained EU law version of Capital Requirements Regulation (UK CRR) Santander UK Group Holdings plc (the Company) is required to produce and publish annually a specified number of Pillar 3 disclosures. In accordance with the European Banking Authority (EBA) guidelines on disclosure frequency^[1], the Company has assessed the need to publish capital-related disclosures more frequently than annually and the disclosures deemed appropriate for more frequent publication have been included in the additional capital disclosures set out in this document. All disclosures within Part 1 of this document on pages 4 to 12 cover the consolidated Santander UK Group Holdings plc group position.

The Company is the immediate parent company of Santander UK plc, a Ring Fenced Bank (RFB), and associated controlled entities and is the head of the Santander UK group for regulatory capital and leverage purposes. Part 2 of this document on pages 13-19 includes a specified number of Pillar 3 disclosures in accordance with the EBA guidelines on disclosure frequency for the Santander UK plc group, which are similar to those for the Company.

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

EXECUTIVE SUMMARY

COMMON EQUITY TIER 1 (CET1) RATIO



The CET1 capital ratio decreased slightly to 14.7% (Dec-24: 14.8%), driven by higher Risk Weighted Assets attributable to the introduction of new mortgage scorecards and higher car finance volumes. We continue to maintain a robust capital position with substantial headroom above regulatory minimum requirements.

TOTAL CAPITAL RATIO



Total capital ratio decreased to 20.7% (Dec-24: 20.9%), mainly due to lower CET1 capital ratio as outlined above.

UK LEVERAGE RATIO



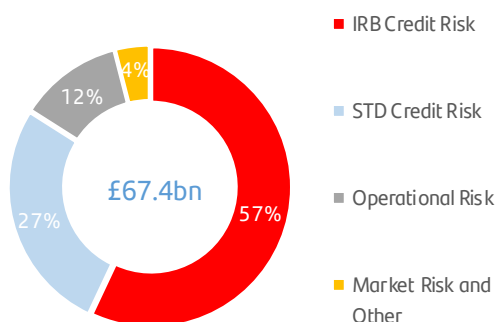
The leverage ratio decreased to 4.8% (Dec-24: 4.9%), reflecting higher leverage exposure at £247.4bn (Dec-24: £242.4bn) due to liquidity management activities.

RISK-WEIGHTED ASSETS (RWAs) £bn

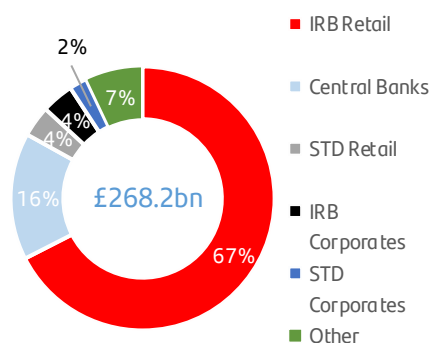


The RWA increase reflects the introduction of new mortgage scorecards and strong growth in Consumer Finance, supported by higher volumes from new car registrations.

RWA BY TYPE



EAD BY EXPOSURE TYPE



Key metrics (KM1)

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

		31 March	31 December	30 September	30 June	31 March
		2025	2024	2024	2024	2024
		£m	£m	£m	£m	£m
Available own funds (amounts)						
1	Common Equity Tier 1 (CET1) capital	9,915	9,857	10,336	10,375	10,580
2	Tier 1 capital	12,015	11,957	12,436	12,475	12,776
3	Total capital	13,976	13,941	14,401	14,510	14,840
Risk-weighted exposure amounts						
4	Total risk-weighted exposure amount	67,367	66,563	67,208	68,270	69,529
Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common Equity Tier 1 ratio (%)	14.7%	14.8%	15.4%	15.2%	15.2%
6	Tier 1 ratio (%)	17.8%	18.0%	18.5%	18.3%	18.4%
7	Total capital ratio (%)	20.7%	20.9%	21.4%	21.3%	21.3%
Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)						
UK 7a	Additional CET1 SREP requirements (%)	2.27%	2.27%	2.27%	2.33%	2.32%
UK 7b	Additional AT1 SREP requirements (%)	0.76%	0.76%	0.76%	0.78%	0.77%
UK 7c	Additional T2 SREP requirements (%)	1.01%	1.01%	1.01%	1.03%	1.03%
UK 7d	Total SREP own funds requirements (%)	4.04%	4.04%	4.04%	4.14%	4.12%
Combined buffer requirement (as a percentage of risk-weighted exposure amount)						
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
UK 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-	-	-	-	-
9	Institution specific countercyclical capital buffer (%)	1.95%	1.96%	1.95%	1.96%	1.96%
UK 9a	Systemic risk buffer (%)	-	-	-	-	-
10	Global Systemically Important Institution buffer (%)	-	-	-	-	-
UK 10a	Other Systemically Important Institution buffer	-	-	-	-	-
11	Combined buffer requirement (%)	4.45%	4.46%	4.45%	4.46%	4.46%
UK 11a	Overall capital requirements (%)	16.49%	16.50%	16.49%	16.60%	16.58%
12	CET1 available after meeting the total SREP own funds requirements (%)	4.25%	4.44%	4.94%	4.94%	4.76%
Leverage ratio						
13	Total exposure measure excluding claims on central banks	247,388	242,403	249,862	251,350	247,384
14	Leverage ratio excluding claims on central banks (%)	4.8%	4.9%	4.9%	4.9%	5.1%
Additional leverage ratio disclosure requirements						
14a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	4.8%	4.9%	4.9%	4.9%	5.1%
14b	Leverage ratio including claims on central banks (%)	4.3%	4.3%	4.4%	4.4%	4.4%
14c	Average leverage ratio excluding claims on central banks (%)	4.8%	4.9%	5.0%	5.1%	5.1%
14d	Average leverage ratio including claims on central banks (%)	4.3%	4.4%	4.5%	4.5%	4.4%
14e	Countercyclical leverage ratio buffer (%)	0.7%	0.7%	0.7%	0.7%	0.7%
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA) (Weighted value-average) 1	49,723	47,152	50,278	48,551	54,704
UK 16a	Cash outflows – Total weighted value 1	34,426	32,205	34,068	35,090	34,710
UK 16b	Cash inflows – Total weighted value 1	1,837	2,017	1,971	2,063	1,800
16	Total net cash outflows (adjusted value) 1	32,589	30,188	32,097	33,027	32,910
17	Liquidity coverage ratio (%) 1	153%	156%	157%	147%	166%
Net Stable Funding Ratio						
18	Total available stable funding 1	213,317	211,975	216,229	216,315	223,870
19	Total required stable funding 1	154,521	155,549	161,305	161,268	162,981
20	NSFR ratio (%) 1	138%	136%	134%	134%	137%

Key Movements

The CET1 capital ratio and Total capital ratio decreased to 14.7% and 20.7% respectively, primarily due to increased RWAs following the introduction of new mortgage scorecards and higher Consumer Finance volumes, supported by growth in new car registrations. The UK leverage ratio decreased to 4.8% (Dec-24: 4.9%), reflecting higher leverage exposure at £247.4bn (Dec-24: £242.4bn) due to liquidity management activities.

1] Liquidity metrics is now reported for Santander UK, our Holding Company, from 1 January 2022 following adoption of CRR2 regulation.

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

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

		31 March 2025 £m	31 December 2024 £m	30 September 2024 £m	30 June 2024 £m	31 March 2024 £m
1	Total Own Funds and Eligible Liabilities available	24,492	24,134	24,173	24,133	24,492
1a	Fully loaded ECL accounting model Own Funds and Eligible Liabilities available	24,492	24,122	24,159	24,118	24,476
2	Total RWA at the level of the resolution group	67,367	66,563	67,208	68,270	69,529
3	Total Own Funds and Eligible Liabilities as a percentage of RWA	36.4%	36.3%	36.0%	35.3%	35.2%
3a	Fully loaded ECL accounting model Own Funds and Eligible Liabilities as a percentage of fully loaded ECL accounting model RWA	36.4%	36.2%	36.0%	35.3%	35.2%
4	UK Leverage exposure measure at the level of the resolution group	247,388	242,403	249,862	251,350	247,384
5	Total Own Funds and Eligible Liabilities as a percentage of UK leverage exposure measure [1]	9.9%	10.0%	9.7%	9.6%	9.9%
5a	Fully loaded ECL accounting model Own Funds and Eligible Liabilities as a percentage of fully loaded ECL accounting model UK leverage ratio exposure measure [1]	9.9%	10.0%	9.7%	9.6%	9.9%
6a	Does the subordination exemption in the antepenultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply?	No	No	No	No	No
6b	Does the subordination exemption in the penultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply?	No	No	No	No	No
6c	If the capped subordination exemption applies, the amount of funding issued that ranks pari passu with Excluded Liabilities and that is recognised as Own Funds and Eligible Liabilities, divided by funding issued that ranks pari passu with Excluded Liabilities and that would be recognised as Own Funds and Eligible Liabilities if no cap was applied (%)	n/a	n/a	n/a	n/a	n/a

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

Leverage Ratio

The following table summarises the Company's end point Tier 1 UK Leverage ratio as at 31 March 2025 together with the previously disclosed quarter end information at 31 December 2024, 30 September 2024, 30 June 2024 and 31 March 2024. The UK Leverage Ratio is consistent with the Leverage Ratio applied to large UK banks under the framework defined by the Financial Policy Committee's review of the Leverage Ratio.

	31 March 2025	31 December 2024	30 September 2024	30 June 2024	31 March 2024
Common Equity Tier 1 (CET1) capital (£m)	9,915	9,857	10,336	10,375	10,580
End point Additional Tier 1 (AT1) capital (£m)	2,010	1,970	2,030	2,042	2,010
End point Tier 1 capital (£m)	11,925	11,827	12,366	12,417	12,590
Leverage Exposure UK (£bn) (including claims on central banks)	279.9	276.7	285.1	282.9	290.2
Leverage Exposure UK ¹ (£bn) (excluding claims on central banks)	247.4	242.4	249.9	251.4	247.4
End point Tier 1 Leverage Ratio UK (incl. claims on central banks)	4.3%	4.3%	4.4%	4.4%	4.4%
End point Tier 1 Leverage Ratio UK ¹ (excl. claims on central banks)	4.8%	4.9%	4.9%	4.9%	5.1%
Average Tier 1 Leverage Ratio UK ¹ (excl. claims on central banks)	4.8%	4.9%	5.0%	5.1%	5.1%

The leverage ratio decreased to 4.8% (Dec-24: 4.9%), reflecting higher leverage exposure at £247.4bn (Dec-24: £242.4bn) due to liquidity management activities.

[1] Includes the impact of AT1 cap on end point AT1 capital and deductions permitted under the recommendation from the Financial Policy Committee on 25th July 2016.

Liquidity Coverage Ratio (LIQ1)

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

UK 1a	Quarter ending on	Total unweighted value (average)				Total weighted value (average)			
		31 March	31 December	30 September	30 June	31 March	31 December	30 September	30 June
		2025	2024	2024	2024	2025	2024	2024	2024
		£m	£m	£m	£m	£m	£m	£m	£m
UK-1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
	HIGH-QUALITY LIQUID ASSETS								
1	Total high-quality liquid assets (HQLA)					49,603	50,937	51,476	51,238
	CASH-OUTFLOWS								
2	Retail deposits and deposits from small business customers, of which:	144,247	145,574	146,710	147,838	8,911	8,971	9,045	9,127
3	Stable deposits	118,909	120,242	120,997	121,739	5,945	6,012	6,050	6,087
4	Less stable deposits	25,338	25,332	25,713	26,099	2,966	2,959	2,995	3,040
5	Unsecured wholesale funding	26,363	27,514	27,873	27,594	16,004	16,311	16,141	15,856
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	1,689	1,738	1,744	1,753	344	330	315	313
7	Non-operational deposits (all counterparties)	22,405	23,389	23,916	23,728	13,391	13,594	13,613	13,429
8	Unsecured debt	2,269	2,387	2,213	2,113	2,269	2,387	2,213	2,114
9	Secured wholesale funding					229	277	286	300
10	Additional requirements	14,038	14,466	14,549	14,348	7,529	7,987	8,124	7,969
11	Outflows related to derivative exposures and other collateral requirements	6,007	6,322	6,511	6,325	6,007	6,322	6,511	6,325
12	Outflows related to loss of funding on debt products	209	297	220	252	209	298	220	252
13	Credit and liquidity facilities	7,822	7,847	7,818	7,771	1,313	1,367	1,393	1,392
14	Other contractual funding obligations	44	36	33	33	6	3	3	6
15	Other contingent funding obligations	24,981	24,359	23,723	24,118	1,812	1,645	1,487	1,552
16	TOTAL CASH OUTFLOWS					34,491	35,194	35,086	34,810
	CASH-INFLOWS								
17	Secured lending (e.g reverse repos)	10,749	10,097	9,253	8,349	13	13	10	10
18	Inflows from fully performing exposures	2,294	2,288	2,251	2,191	1,523	1,518	1,489	1,441
19	Other cash inflows	1,601	1,898	2,163	2,215	495	543	639	669
UK-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)								
UK-19b	(Excess inflows from a related specialised credit institution)								
20	TOTAL CASH INFLOWS	14,644	14,283	13,667	12,755	2,031	2,074	2,138	2,120
UK-20a	Fully exempt inflows								
UK-20b	Inflows Subject to 90% Cap								
UK-20c	Inflows Subject to 75% Cap	14,644	14,283	13,667	12,755	2,031	2,074	2,138	2,120
	TOTAL ADJUSTED VALUE								
UK-21	LIQUIDITY BUFFER					49,603	50,937	51,467	51,238
22	TOTAL NET CASH OUTFLOWS					32,460	33,120	32,948	32,690
23	LIQUIDITY COVERAGE RATIO					153%	154%	156%	157%

Qualitative information on LCR (LIQB)

Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time The LCR requirement (weighted) is broadly consistent over time, driven mainly by deposits. Corporate deposits contribute a greater requirement despite Retail deposits being significantly larger in number, because of the standardised LCR weightings. The 12 month average HQLA was broadly flat in Q1 as a result of lower customer deposits and TFSME repayments were offset with a reduction in the Historic Look Back Approach (HLBA). The LCR maintains a significant surplus to both internal and regulatory requirements.
Explanations on the changes in the LCR over time The 12 month average LCR of 153% reflects our continued strong liquidity position
Explanations on the actual concentration of funding sources Santander UK is largely funded through customer deposits (£183bn), with the significant proportion being Retail. We also have c£59bn of wholesale funding which includes secured, unsecured term funding as well as c£9.8bn of TFSME Funding.
High-level description of the composition of the institution's liquidity buffer. The liquidity buffer is largely comprised (c94%) of Level 1 assets, primarily cash held in our Bank of England Reserve Account.
Derivative exposures and potential collateral calls The main drivers of derivative exposures / potential collateral calls are the Historic Look Back Approach (HLBA) to calculating collateral requirements in the LCR and collateral outflows due to counterparties in the event of a deterioration of our own credit quality. These amounts had reduced as TFSME drawing had led to a reduction in secured issuance volumes, as we repay TFSME we expect to see an increase in the potential collateral outflows.
Currency mismatch in the LCR We have no material mismatch in our currency LCRs, with most of the funding raised in currency swapped back to GBP and the remainder being used to fund structural currency assets.
Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile n/a

RWA and Capital Requirements

Overview of risk weighted exposure amounts (OV1)

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

		Risk Weighted Exposure Amounts (RWEAs)		Total Own Funds Requirements
		31 March	31 December	31 March
		2025	2024	2025
		£bn	£bn	£bn ¹
1	Credit risk (excluding CCR) ¹	56.5	55.4	4.5
2	Of which the standardised approach	17.9	17.4	1.4
3	Of which the foundation IRB (FIRB) approach	2.3	2.1	0.2
4	Of which slotting approach	2.9	2.9	0.2
UK 4a	Of which equities under the simple risk weighted approach	-	-	-
5	Of which the advanced IRB (AIRB) approach	33.4	33.0	2.7
6	Counterparty credit risk - CCR ¹	0.6	0.6	
7	Of which the standardised approach	0.2	0.2	
8	Of which internal model method (IMM)	0.2	0.2	
UK 8a	Of which exposures to a CCP	-	-	
UK 8b	Of which credit valuation adjustment - CVA	0.2	0.2	
9	Of which other CCR	-	-	
15	Settlement risk			
16	Securitisation exposures in the non-trading book (after the cap) ²	2.2	2.5	0.2
17	Of which SEC-IRBA approach	0.3	0.4	
18	Of which SEC-ERBA (including IAA)	0.7	0.8	0.1
19	Of which SEC-SA approach	1.2	1.3	0.1
UK 19a	Of which 1250% / deduction			
20	Position, foreign exchange and commodities risks (Market risk) ¹	0.2	0.2	
21	Of which the standardised approach	0.2	0.2	
22	Of which IMA			
UK 22a	Large exposures			
23	Operational risk ¹	7.9	7.9	0.6
UK 23a	Of which basic indicator approach			
UK 23b	Of which standardised approach	7.9	7.9	0.6
UK 23c	Of which advanced measurement approach			
24	Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)			
29	Total ¹	67.4	66.6	5.3

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

[2] Includes 8 Significant Risk Transfer transactions which are subject to re-characterisation risk.

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

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

	RWEA £bn	Capital requirements
1 Risk weighted exposure amount as at 31 December 2024	38.6	3.2
2 Asset size	0.3	-
3 Asset quality	(0.2)	-
4 Model updates	0.4	-
5 Methodology and policy	-	-
6 Acquisitions and disposals	-	-
7 Foreign exchange movements	-	-
8 Other	-	-
9 Risk weighted exposure amount as at 31 March 2025	39.1	3.2

RWEA flow statements of credit risk exposures under standardised approach

	RWEA £bn	Capital requirements
1 Risk weighted exposure amount as at 31 December 2024	19.7	1.5
2 Asset size	0.1	-
3 Asset quality	0.2	-
4 Model updates	-	-
5 Methodology and policy	-	-
6 Acquisitions and disposals	-	-
7 Foreign exchange movements	-	-
8 Other	-	-
9 Risk weighted exposure amount as at 31 March 2025	20.0	1.5

IRB model updates reflect changes to mortgage scorecards.

¹ Table excludes CVA

Credit Risk and Counterparty Risk by Risk Class

The following table details Risk Weighted Exposure Amount per risk class. Counterparty Risk and Credit Valuation Adjustment Risk are included in the table.

Standardised Approach credit risk	31 March 2025 £bn	31 December 2024 £bn	30 September 2024 £bn	30 June 2024 £bn	31 March 2024 £bn
Institutions	0.2	0.2	0.2	0.2	0.2
Corporates	5.1	4.9	4.9	4.5	6.0
Standardised Retail	7.6	7.3	7.7	7.4	7.3
Secured by Mortgages on Immovable Property	0.5	0.5	0.5	0.5	0.5
Exposures in Default	0.6	0.6	0.7	0.7	0.6
Higher-risk Categories	-	-	-	-	-
Covered Bonds	0.4	0.4	0.4	0.4	0.4
Equity	-	-	-	-	-
Securitisation Positions	1.9	2.1	1.9	2.0	1.2
Other	3.7	3.7	4.0	4.5	4.4
Total	20.0	19.7	20.3	20.2	20.6

IRB Approach credit risk	31 March 2025 £bn	31 December 2024 £bn	30 September 2024 £bn	30 June 2024 £bn	31 March 2024 £bn
Institutions	0.2	0.2	0.2	0.2	0.2
Corporates	5.2	5.0	4.7	5.1	5.5
IRB Retail Mortgages	30.6	30.3	30.2	30.7	31.1
IRB Qualifying Revolving Retail Exposures	1.7	1.7	1.7	1.8	1.8
Other Retail	1.1	1.0	1.9	1.9	1.9
Securitisation Positions	0.3	0.4	-	-	-
IRB Equity Exposures – 370% Risk Weight	0.0	0.0	0.1	0.1	0.1
Total	39.1	38.6	38.8	39.8	40.6
CVA	0.2	0.2	0.1	0.2	0.2

Part 2

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

Introduction

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

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

Key metrics (KM1)

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

		31 March	31 December	30 September	30 June	31 March
		2025	2024	2024	2024	2024
		£m	£m	£m	£m	£m
Available own funds (amounts)						
1	Common Equity Tier 1 (CET1) capital	9,847	9,791	10,291	10,305	10,500
2	Tier 1 capital	11,707	11,651	12,151	12,165	12,456
3	Total capital	13,771	13,744	14,238	14,312	14,638
Risk-weighted exposure amounts						
4	Total risk-weighted exposure amount	66,304	65,528	66,047	67,105	68,363
Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common Equity Tier 1 ratio (%)	14.9%	14.9%	15.6%	15.4%	15.4%
6	Tier 1 ratio (%)	17.7%	17.8%	18.4%	18.1%	18.2%
7	Total capital ratio (%)	20.8%	21.0%	21.6%	21.3%	21.4%
Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)						
UK 7a	Additional CET1 SREP requirements (%)	2.28%	2.28%	2.28%	2.31%	2.31%
UK 7b	Additional AT1 SREP requirements (%)	0.76%	0.76%	0.76%	0.77%	0.77%
UK 7c	Additional T2 SREP requirements (%)	1.01%	1.01%	1.01%	1.03%	1.03%
UK 7d	Total SREP own funds requirements (%)	4.05%	4.05%	4.05%	4.11%	4.11%
Combined buffer requirement (as a percentage of risk-weighted exposure amount)						
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
UK 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-	-	-	-	-
9	Institution specific countercyclical capital buffer (%)	1.97%	1.97%	1.97%	1.98%	1.97%
UK 9a	Systemic risk buffer (%)	-	-	-	-	-
10	Global Systemically Important Institution buffer (%)	-	-	-	-	-
UK 10a	Other Systemically Important Institution buffer	1.00%	1.00%	1.00%	1.00%	1.00%
11	Combined buffer requirement (%)	5.47%	5.47%	5.47%	5.48%	5.47%
UK 11a	Overall capital requirements (%)	17.50%	17.52%	17.52%	17.59%	17.58%
12	CET1 available after meeting the total SREP own funds requirements (%)	3.24%	3.45%	4.04%	4.04%	3.83%
Leverage ratio						
13	Total exposure measure excluding claims on central banks	243,511	238,445	245,816	247,266	243,176
14	Leverage ratio excluding claims on central banks (%)	4.8%	4.9%	4.9%	4.9%	5.1%
Additional leverage ratio disclosure requirements						
14a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	4.8%	4.9%	4.9%	4.9%	5.1%
14b	Leverage ratio including claims on central banks (%)	4.3%	4.3%	4.4%	4.4%	4.4%
14c	Average leverage ratio excluding claims on central banks (%)	4.9%	5.0%	5.0%	5.1%	5.2%
14d	Average leverage ratio including claims on central banks (%)	4.3%	4.5%	4.5%	4.5%	4.4%
14e	Countercyclical leverage ratio buffer (%)	0.7%	0.7%	0.7%	0.7%	0.7%
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA) (Weighted value-average)	46,125	43,681	47,112	45,106	51,766
UK 16a	Cash outflows – Total weighted value	32,347	30,324	32,285	33,785	33,621
UK 16b	Cash inflows – Total weighted value	1,824	2,001	1,959	2,048	1,790
16	Total net cash outflows (adjusted value)	30,523	28,323	30,326	31,737	31,831
17	Liquidity coverage ratio (%)	151%	154%	155%	142%	163%
Net Stable Funding Ratio						
18	Total available stable funding	209,430	208,000	212,207	211,932	219,517
19	Total required stable funding	151,822	151,457	157,273	158,565	160,193
20	NSFR ratio (%)	138%	137%	135%	134%	137%

Key Movements

The CET1 capital ratio remained flat at 14.9% and Total capital ratio decreased to 20.8%, primarily due to increased RWAs following the introduction of new mortgage scorecards and higher Consumer Finance volumes, supported by growth in new car registrations. The UK Leverage ratio decreased to 4.8% (Dec-24: 4.9%), reflecting higher leverage exposure at £243.5bn (Dec-24: £238.4bn) due to liquidity management activities.

Leverage Ratio

The following table summarises the RFB group's end point Tier 1 UK Leverage ratio at 31 March 2025 together with the previously disclosed quarter end information at 31 December 2024, 30 September 2024, 30 June 2024 and 31 March 2024. This is consistent with the Leverage ratio applied to large UK banks under the framework defined by the Financial Policy Committee's review of the Leverage ratio:

	31 March 2025	31 December 2024	30 September 2024	30 June 2024	31 March 2024
Common Equity Tier 1 (CET1) capital (£m)	9,847	9,791	10,291	10,305	10,500
End point Additional Tier 1 (AT1) capital (£m)	1,860	1,860	1,860	1,861	1,956
End point Tier 1 capital (£m)	11,707	11,651	12,151	12,166	12,456
Leverage Exposure UK (£bn) (including claims on central banks)	272.7	269.5	278.2	275.6	283.4
Leverage Exposure UK ₁ (£bn) (excluding claims on central banks)	243.5	238.4	245.8	247.3	243.2
End point Tier 1 Leverage Ratio UK (incl. claims on central banks)	4.3%	4.3%	4.4%	4.4%	4.4%
End point Tier 1 Leverage Ratio UK ^[1] (excl. claims on central banks)	4.8%	4.9%	4.9%	4.9%	5.1%
Average Tier 1 Leverage Ratio UK ₁ (excl. claims on central banks)	4.9%	5.0%	5.0%	5.1%	5.2%

The leverage ratio decreased to 4.8% (Dec-24: 4.9%), reflecting higher Leverage exposure at £243.5bn (Dec-24: £238.4bn) due to liquidity management activities.

^[1] Includes deductions permitted under the recommendation from the Financial Policy Committee on 25th July 2016.

Liquidity Coverage Ratio (LIQ1)

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

UK 1a	Quarter ending on	Total unweighted value (average)				Total weighted value (average)			
		31 March	31 December	30 September	30 June	31 March	31 December	30 September	30 June
		2025	2024	2024	2024	2025	2024	2024	2024
		£m	£m	£m	£m	£m	£m	£m	£m
UK-1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
	HIGH-QUALITY LIQUID ASSETS								
1	Total high-quality liquid assets (HQLA)					46,233	47,769	48,527	48,521
	CASH-OUTFLOWS								
2	Retail deposits and deposits from small business customers, of which:	143,025	144,367	145,501	146,604	8,734	8,798	8,872	8,951
3	Stable deposits	118,909	120,242	120,997	121,738	5,945	6,012	6,050	6,087
4	Less stable deposits	24,116	24,125	24,504	24,866	2,789	2,786	2,822	2,864
5	Unsecured wholesale funding	24,592	25,965	26,552	26,565	14,809	15,359	15,403	15,352
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	1,689	1,738	1,744	1,753	344	330	315	313
7	Non-operational deposits (all counterparties)	20,637	21,851	22,705	22,854	12,198	12,654	12,985	13,081
8	Unsecured debt	2,266	2,376	2,103	1,958	2,267	2,375	2,103	1,958
9	Secured wholesale funding					229	277	286	300
10	Additional requirements	13,679	14,098	14,174	13,983	7,180	7,630	7,761	7,615
11	Outflows related to derivative exposures and other collateral requirements	5,666	5,973	6,155	5,978	5,666	5,973	6,155	5,978
12	Outflows related to loss of funding on debt products	209	297	220	252	209	297	220	252
13	Credit and liquidity facilities	7,804	7,828	7,799	7,753	1,305	1,360	1,386	1,385
14	Other contractual funding obligations	44	36	33	33	5	3	3	6
15	Other contingent funding obligations	24,981	24,359	23,723	24,118	1,812	1,645	1,487	1,552
16	TOTAL CASH OUTFLOWS					32,769	33,712	33,812	33,776
	CASH-INFLOWS								
17	Secured lending (e.g reverse repos)	10,749	10,097	9,253	8,349	13	13	10	10
18	Inflows from fully performing exposures	2,271	2,267	2,236	2,178	1,510	1,507	1,487	1,441
19	Other cash inflows	1,599	1,895	2,160	2,212	493	542	637	667
UK-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)								
UK-19b	(Excess inflows from a related specialised credit institution)								
20	TOTAL CASH INFLOWS	14,619	14,259	13,649	12,739	2,016	2,062	2,134	2,118
UK-20a	Fully exempt inflows								
UK-20b	Inflows Subject to 90% Cap								
UK-20c	Inflows Subject to 75% Cap	14,619	14,259	13,649	12,739	2,016	2,062	2,134	2,118
	TOTAL ADJUSTED VALUE								
UK-21	LIQUIDITY BUFFER					46,233	47,969	48,527	48,521
22	TOTAL NET CASH OUTFLOWS					30,753	31,650	31,678	31,658
23	LIQUIDITY COVERAGE RATIO					150%	151%	153%	153%

Qualitative information on LCR (LIQB)

<p>Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time</p> <p>The LCR requirement (weighted) is broadly consistent over time, driven mainly by deposits. Corporate deposits contribute a greater requirement despite Retail deposits being significantly larger in number, because of the standardised LCR weightings. The 12 month average HQLA was broadly flat in Q1 as a result of lower customer deposits and TFSME repayments were offset with a reduction in the Historic Look Back Approach (HLBA). The LCR maintains a significant surplus to both internal and regulatory requirements.</p>
<p>Explanations on the changes in the LCR over time</p> <p>The 12 month average LCR of 150% reflects our continued strong liquidity position</p>
<p>Explanations on the actual concentration of funding sources</p> <p>Santander UK is largely funded through customer deposits (£176bn), with the significant proportion being Retail. We also have c£59bn of wholesale funding which includes secured, unsecured term funding as well as c£9.8bn of TFSME Funding.</p>
<p>High-level description of the composition of the institution's liquidity buffer.</p> <p>The liquidity buffer is largely comprised (c94%) of Level 1 assets, primarily cash held in our Bank of England Reserve Account.</p>
<p>Derivative exposures and potential collateral calls</p> <p>The main drivers of derivative exposures / potential collateral calls are the Historic Look Back Approach (HLBA) to calculating collateral requirements in the LCR and collateral outflows due to counterparties in the event of a deterioration of our own credit quality. These amounts had reduced as TFSME drawing had led to a reduction in secured issuance volumes, as we repay TFSME we expect to see an increase in the potential collateral outflows.</p>
<p>Currency mismatch in the LCR</p> <p>We have no material mismatch in our currency LCRs, with most of the funding raised in currency swapped back to GBP and the remainder being used to fund structural currency assets.</p>
<p>Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile</p> <p>n/a</p>

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

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

		Risk Weighted Exposure Amounts (RWEAs)		Total Own Funds Requirements
		31 March 2025 £bn	31 December 2024 £bn	31 March 2025 £bn ¹
1	Credit risk (excluding CCR) ¹	55.6	54.7	4.4
2	Of which the standardised approach	17.4	16.9	1.4
3	Of which the foundation IRB (FIRB) approach	2.3	2.2	0.2
4	Of which slotting approach	2.9	2.9	0.2
UK 4a	Of which equities under the simple risk weighted approach			
5	Of which the advanced IRB (AIRB) approach	33.0	32.7	2.6
6	Counterparty credit risk - CCR ¹	0.5	0.4	
7	Of which the standardised approach	0.2	0.2	
8	Of which internal model method (IMM)	0.2	0.1	
UK 8a	Of which exposures to a CCP		-	
UK 8b	Of which credit valuation adjustment - CVA	0.1	0.1	
9	Of which other CCR			
15	Settlement risk			
16	Securitisation exposures in the non-trading book (after the cap) ²	2.2	2.5	0.2
17	Of which SEC-IRBA approach	0.3	0.4	
18	Of which SEC-ERBA (including IAA)	0.7	0.8	0.1
19	Of which SEC-SA approach	1.2	1.3	0.1
UK 19a	Of which 1250% / deduction			
20	Position, foreign exchange and commodities risks (Market risk) ¹	0.2	0.2	
21	Of which the standardised approach	0.2	0.2	
22	Of which IMA			
UK 22a	Large exposures			
23	Operational risk ¹	7.8	7.8	0.6
UK 23a	Of which basic indicator approach			
UK 23b	Of which standardised approach	7.8	7.8	0.6
UK 23c	Of which advanced measurement approach			
24	Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)			
29	Total ¹	66.3	65.6	5.2

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

[2] Includes 8 Significant Risk Transfer transactions which are subject to re-characterisation risk.

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

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

	RWEA £bn	Capital requirements
1 Risk weighted exposure amount as at 31 December 2024	38.3	3.2
2 Asset size	0.2	-
3 Asset quality	(0.2)	-
4 Model updates	0.4	-
5 Methodology and policy	-	-
6 Acquisitions and disposals	-	-
7 Foreign exchange movements	-	-
8 Other	-	-
9 Risk weighted exposure amount as at 31 March 2025	38.7	3.2

RWEA flow statements of credit risk exposures under standardised approach

	RWEA £bn	Capital requirements
1 Risk weighted exposure amount as at 31 December 2024	19.2	1.6
2 Asset size	0.1	-
3 Asset quality	0.2	-
4 Model updates	-	-
5 Methodology and policy	-	-
6 Acquisitions and disposals	-	-
7 Foreign exchange movements	-	-
8 Other	-	-
9 Risk weighted exposure amount as at 31 March 2025	19.5	1.6

IRB model updates reflect changes to mortgage scorecards.

¹ Table excludes CVA.