COVENTRY Building Society

All together, better

Interim Financial Report

for the six month period ended 30 June 2026

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The following terms are used in this report:

The Group	Coventry Building Society and all of its subsidiaries.
Coventry Building Society **the Society**	Coventry Building Society, parent entity of the Group.
The Society sub-group	Coventry Building Society and its subsidiaries, excluding the Bank sub-group.
The Co-operative Bank Holdings p.l.c. **the Bank** **the Bank sub-group**	The entity acquired on 1 January 2025 by Coventry Building Society, including all of its subsidiaries.
The Co-operative Bank	The trading entity which conducts the banking operations within the Bank sub-group.
Underlying profit	Underlying profit excludes all of the accounting impacts of acquiring the Bank, including day one acquisition, accounting and related unwinds, reset of accounting policies on the acquired assets and liabilities and related acquisition and integration costs. Underlying performance is considered to be a better measure of core business performance. Underlying profit to statutory profit is reconciled on page 7.

Group performance summary

Underlying[1] profit before tax	£183m (H1 2025: £200m)	Statutory profit before tax	£125m (H1 2025: £722m)	UK leverage ratio	4.8% (FY 2025: 4.6%)

Excellent delivery on integration as it moves into its final phase, with continued focus on capital accretion

- Underlying[1] profit before tax decreased to £183 million (H1 2025: £200 million) in line with expectations, primarily reflecting base rate reductions over the past 12 months and a very competitive market environment.
- Statutory profit before tax decreased to £125 million (H1 2025: £722 million), due to the inclusion in the prior year of a £584 million one off gain from the acquisition of the Bank and further integration related costs in the period.
- Underlying[1] income of £531 million (H1 2025: £560 million) and net interest margin of 1.19% (H1 2025: 1.24%), with the reduction related mainly to the increasingly competitive trading conditions, particularly on our retail deposits.
- The Group's underlying[1] costs remained stable at £350 million (H1 2025: £351 million) which reflects the delivery of our first phase of efficiencies as we integrate the Society and the Bank, offsetting inflationary pressures.
- We continue to prioritise our leverage ratio, which has improved to 4.8% (FY 2025: 4.6%) and our CET 1 ratio is stable at 19.6% (FY 2025: 19.7%). Both measures are well above regulatory levels.
- Integration remains on track as the programme enters into its final phase, having successfully consolidated support functions, and which has included integrating our finance, people and procurement systems. Plans are progressing to transfer the Bank's assets and liabilities[2] into the Society in early 2027 and bring eligible Bank customers into membership.

Net Promoter Score[3]	+56 (FY 2025: Not applicable[3])	Member value[4]	£157m (H1 2025: £201m)	First time buyers supported	4,323 (H1 2025: 4,266)

Delivering for our members and our personal and business customers

- The mortgage market remained very competitive, with compressed margins. We have prioritised value over volume for new lending resulting in a reduction on our mortgage book of £0.8 billion. Supporting first time buyers is core to our purpose and a key objective, helping over 4,300 members and customers onto the property ladder.
- The Group has 744,000 (FY 2025: 759,000) active personal current accounts. We have recently enhanced our proposition by launching a market-leading switcher offer in June, supported by improvements including fee-free overseas spending and materially improved packaged accounts as we look to deepen relationships across the Group.
- We increased our active business banking customers by almost 2,000 to 82,000 and opened over 7,000 accounts.
- The Society has continued to offer competitive savings products with a £157 million premium[4] above the market average being paid to members. The reduction is as a result of lower bank base rate and the more competitive savings market.
- We have introduced a new unified framework for a Group Net Promoter Score[3] (NPS) in the period, incorporating the transactional banking activities of The Co-operative Bank. To date we have achieved a strong NPS of +56 and continue to deliver high levels of customer service to members, customers and intermediary partners along with improvements to our digital capabilities.

Supporting our colleagues and the communities we serve

- Colleague feedback and engagement remains a priority as we continue to bring both organisations together. Our latest quarterly engagement survey shows that 70% of colleagues believe the Group is a great place to work.
- The Group has once again been named as one of the UK's Best Workplaces™ for Wellbeing[5], recognising our commitment to supporting colleagues' physical, mental, financial and social wellbeing.
- We have invested over £1 million in our communities, supporting youth homelessness, financial inclusion and community resilience, and reaching more than 1,000 young people through careers and skills initiatives.

1. Excluding items that are one off in nature relating to the purchase and integration of the Bank. See page 7 for further details.
2. Through a proposed Part VII business banking transfer under the Financial Services and Markets Act 2000, subject to the necessary legal and regulatory approvals.
3. A measure of customer advocacy that ranges between -100 and +100 which represents how likely a customer is to recommend our products and services. A new unified framework for the Group has been introduced in the period and there is no consistent comparator available for the prior period.
4. Based on the Society's average month end savings rate compared to the CACI market average rate for savings accounts, excluding current accounts and offset savings, for the first five months of the year (H1 2025: five months).
5. by Great Place to Work.

Chief Executive's review

I'm pleased with the progress in the first half of 2026, strengthening the foundations of the combined Group through successful integration and building momentum behind our strategy.

Our Group purpose, powering good with every pound, which launched at the end of last year, defined three clear pillars: the power of family finance; the power of a place to call home and the power of purposeful business.

Over the past 18 months, we have set a clear direction: to build a modern, purpose-led mutual with the scale and capability to meet a broader range of customer needs, something which is meaningfully different. We are now moving into the next phase - translating that strategy into delivery, simplifying the business and integrating the Society and The Co-operative Bank to unlock its full potential over time.

Progressing our strategy

Market conditions remain very competitive, particularly in mortgages and savings, where pricing continues to compress margins. Against this backdrop, we have remained disciplined, prioritising value over volume and focusing on sustainable returns. The strategic rationale for the acquisition of the Bank is therefore even more compelling in light of this.

Our financial performance reflects these conditions, alongside continued investment in integrating the Group and our deliberate choices on growth. Underlying[1] profit before tax for the period was £183 million (H1 2025: £200 million). Net interest margin reduced to 1.19% (H1 2025: 1.24%), driven primarily by competitive pricing in lending and savings markets.

As a result, mortgage balances fell slightly to £72.1 billion (FY 2025: £72.9 billion), with application volumes of £6.4 billion and strong retention at 73%. Savings balances also reduced to £70.2 billion (FY 2025: £71.7 billion), reflecting our measured approach to balancing lending and funding.

Our capital position has improved in line with our plans, with a leverage ratio of 4.8% (31 December 2025: 4.6%), and we continue to maintain strong liquidity. This disciplined approach positions us well to deliver stronger, more sustainable performance as market conditions stabilise.

Integration and building the foundations for the future

We are well progressed in bringing the Society and the Bank together, with strong momentum across integration and delivery against key milestones and outcomes in the first half. We continue to invest in digital, resilience and simplifying systems and reducing complexity across the Group. As integration moves towards conclusion, we turn our focus to building a platform that underpins our strategy and is fit for the future.

We are progressing plans to transfer the Bank into the Society through a Part VII[2] process, subject to legal and regulatory approvals, with completion targeted for early 2027. This will further simplify the Group and support a more efficient operating model.

Alignment across the organisation continues to strengthen, with colleagues working towards a common purpose, shared values and shared goals.

Bringing our propositions to life

Strengthening and broadening our propositions is central to our strategy ensuring relevance to changing customer needs.

In everyday banking, we are building a stronger, more competitive current account proposition, focused on delivering clear value, built on strong digital foundations and supporting growth over time.

Towards the end of the first half, we removed foreign transaction fees for all personal current account customers and reduced the cost of our now market-leading packaged account, strengthening our offer at a time when customers are increasingly focused on value. We expect these changes to improve the competitiveness of our proposition and support increased customer engagement over the summer months and into the second half of the year. Overall, we opened 34,000 current accounts in the first half, supported by our earlier switching incentive.

We have maintained a disciplined approach in mortgages, focusing on retention and supporting key segments including first-time buyers, self employed and buy to let. Our mission to help people have a place to call home has seen us helping over 4,300 people to purchase their first property, an important moment in anyone's life.

Chief Executive's review continued

In savings, we have maintained our focus on delivering competitive products despite the lower bank rate environment, with a member value[3] premium of £157 million above market averages during the period.

In business banking, we have supported customers facing ongoing cost pressures, while continuing to grow our current account base through targeted incentives and a compelling proposition. This has resulted in a £24 million uplift in business current account balances, opening 7,000 new accounts.

Finally in commercial banking, we have focused on disciplined growth in key sectors where we have strong expertise, including social housing, higher education, charities and healthcare. During the period, we delivered £85 million of lending to the social housing sector, supporting the development of new homes and investment in existing housing stock to enable genuinely affordable homes.

Our relationship-led approach remains central to this segment, enabling us to build long-term partnerships and support organisations that play a critical role in communities across the UK.

Service, investment and resilience

Delivering consistently strong service remains central to our strategy. The Society's telephony service remains as strong as ever, with average speed to answer at 80 seconds and following significant improvements, the Bank's speed to answer remains under 5 minutes. This reflects a continued focus on responsiveness and making it easier for members and customers to access support when they need it.

We have strengthened how we manage and measure service across the Group, including introducing a unified Net Promoter Score[4] (NPS) framework. Early results are encouraging, with Group NPS at +56.

We are investing in our digital capability and customer experience, with over 1.5 million active digital users across the Group and growing adoption of mobile services. During the first half, we delivered a number of improvements to our digital customer journeys and to our mobile apps, with further enhancements planned in the second half of the year.

During the first half, we completed a detailed review of our combined branch network to ensure it remains fit for the future. As a result, we have taken steps to simplify and optimise our physical estate, including merging overlapping locations, closing a small number of branches and withdrawing from agency relationships where usage has significantly declined.

At the same time, we are investing in our network, including launching dual-servicing branches. This enables us to serve both Society members and Bank customers in a single location. This capability will continue to expand, with 20 branches expected to offer this service by the end of 2026.

Alongside this, we are progressing the refurbishment of the whole of The Co-operative Bank branch network, improving the consistency and quality of the customer experience, with a further 19 branches refurbished and reopened during the period. Overall, half of the Bank network has now been refurbished to date. It is a clear commitment to the high street and reinforces our mantra of being digital first but human always.

We continue to strengthen resilience and security, including further enhancements to our cyber security, resilience and operational capabilities.

Purpose and impact

Our purpose, powering good with every pound, continues to guide how we invest in our communities and deliver impact.

In the first half, we invested over £1 million in our communities, supporting homelessness, financial inclusion and community resilience, and reaching more than 1,000 young people through careers and skills initiatives. Additionally, our colleagues contributed over 5,000 hours of volunteering to their communities across the country.

Through our Brick by Brick programme with Centrepoint, which creates employment opportunities for young people who have experienced homelessness, we have welcomed our first cohort into full-time roles. We also brought together sector leaders, policymakers and those with lived experience through the National Youth Homelessness Conference to drive further progress.

We are scaling what works, expanding our place-based approach into Greater Manchester and strengthening communities beyond Coventry.

We remain focused on delivering consistent, meaningful impact over the long-term. In the second half, we look forward to opening a refurbished property in Coventry, delivered in partnership with St Basils, Homes England and supported by our £1 million investment last year, providing accommodation for 28 young people who have experienced homelessness.

Our people

As we bring both organisations together, we have made organisational changes to simplify the Group and improve efficiency. These changes are part of building a more focused and effective organisation for the future.

In April, we successfully harmonised terms and conditions across the Group, delivering meaningful benefits for thousands of colleagues, while supporting the development of a unified culture and enabling associated operational efficiencies.

This has been recognised externally, with the Group ranked 21st in the Great Place to Work UK super large category and once again named among the UK’s Best Workplaces for Wellbeing.

Chief Executive's review continued

External recognition

Our progress has also been recognised through a number of independent industry awards. During the period, the Society received Fair Finance Gold Ribbon awards for customer experience in both savings and mortgages and was also recognised by Fairer Finance as the most transparent provider for savings. This reflects our commitment to delivering value, service, and clear communications for members and customers.

The Bank was recognised as the Best Charity Banking Provider in the Business Moneyfacts Awards for the 11th consecutive year.

We were also proud to receive the Better Society Award for carbon reduction programme of the year, recognising the progress we have made in reducing our environmental impact across the Group and our continued commitment to sustainability.

Looking forward

I'm pleased with the strong progress in the first half of 2026, strengthening the foundations of the Group and building momentum behind our strategy.

With integration well advanced and key enablers now in place, we are entering the next phase, focused on strengthening our propositions, continuing to invest in digital and delivering the full benefits of the combined organisation.

Our priorities for the second half are clear: to grow our current account franchise, make decisive choices on our future propositions, brands and technology, and continue improving efficiency across the Group.

Whilst the external environment remains competitive, we have a clear strategy, increasing momentum and a business that is better positioned to deliver sustainable performance over time.

I would like to thank our colleagues for their continued focus and commitment, and our members, customers and partners for their trust and support as we define a new era for our Society.

Stephen Hughes

Chief Executive

28 July 2026

1. Excluding items that are one off in nature relating to the purchase and integration of the Bank. See page 7 for further details.
2. A Part VII business banking transfer under the Financial Services and Markets Act 2000.
3. Based on the Society's average month end savings rate compared to the CACI market average rate for savings accounts, excluding current accounts and offset savings, for the first five months of the year (H1 2025: five months).
4. A measure of customer advocacy that ranges between -100 and +100 which represents how likely a customer is to recommend our products and services. A new unified framework for the Group has been introduced in the period and there is no consistent comparator available for the prior period.

Chief Financial Officer's review

The Group has delivered a pleasing performance in the first half of 2026, in a challenging market impacted by the tumultuous events in the Middle East and the knock-on impacts to the global economy, inflation and interest rate expectations.

Our underlying profit has decreased but is in line with our expectations. Importantly, we have strengthened our capital position and continue to make excellent progress integrating the Bank into the Group and building strong foundations to leverage the scale of our combined business.

The Group has taken a disciplined approach to mortgage lending. We have prioritised value over volume as the UK market remains highly competitive with continued low margins and a volatile trading environment. We have focused on delivering long-term value and exceptional service for our members and are making demonstrable improvements in the levels of service given to our Bank customers.

Summary

- The underlying Group profit before tax decreased to £183 million (30 June 2025: £200 million). Whilst a decrease on the same period last year, this is in line with our expectations following the base rate reductions over the past twelve months and the very competitive trading environment.
- Statutory profit before tax decreased to £125 million (30 June 2025: £722 million). The decrease is predominately due to the inclusion in the prior year of a £584 million one-off gain from the acquisition of the Bank and further integration costs in the first half of the year.
- Despite a reduction in income, our careful management of the balance sheet has meant that we have seen a further strengthening in our leverage ratio to 4.8% (31 December 2025: 4.6%) and our Common Equity Tier 1 ratio remained stable at 19.6% (31 December 2025: 19.7%).
- The underlying cost to income ratio has increased to 66% (30 June 2025: 63%), reflecting reduced income as a result of lower bank rate and trading conditions. Our underlying costs have remained stable at £350 million (30 June 2025: £351 million) demonstrating our focus on cost management and the delivery of efficiencies as we integrate the Society and the Bank, offsetting inflationary pressures. Synergies from the integration will increase further in the second half of the year with full year costs expected to be lower than 2025.
- The first half of the year has seen competitive trading conditions. As a result of low margins, the Group has taken a more measured approach in managing new lending and we have seen a small reduction in our mortgage balances by £0.8 billion in the period.
- In line with our strategy to grow market share in the everyday banking market, we successfully launched a market leading packaged current account with a generous switcher offer for existing members at the end of June, in addition to removing foreign usage fees.
- The asset quality of the Group continues to perform very well, with stable arrears and losses remaining very low and at the better end of industry benchmarks.

Lee Raybould

Chief Financial Officer

28 July 2026

Chief Financial Officer's review continued

Financial Review

Income Statement

(Unaudited)	Period to 30 Jun 2026 Group underlying performance	Items related to acquisition & integration[2]	Group statutory performance	Period to 30 Jun 2025[1] Group underlying performance	Items related to acquisition & integration[2]	Group statutory performance
	£m	£m	£m	£m	£m	£m
Interest receivable[3]	**1,760**	**21**	**1,781**	2,033	21	2,054
Interest payable[4]	**(1,244)**	**7**	**(1,237)**	(1,484)	10	(1,474)
Net interest income	**516**	**28**	**544**	549	31	580
Other income and charges	**12**	**—**	**12**	16	–	16
Gains/(losses) from derivative financial instruments[5]	**3**	**(26)**	**(23)**	(5)	(47)	(52)
Total income	**531**	**2**	**533**	560	(16)	544
Administrative expenses[6]	**(318)**	**(46)**	**(364)**	(319)	(23)	(342)
Amortisation and depreciation[7]	**(32)**	**(14)**	**(46)**	(32)	(14)	(46)
Impairment release/ (charge)[8]	**2**	**—**	**2**	(9)	(9)	(18)
Gain on acquisition of a subsidiary[9]	**—**	**—**	**—**	–	584	584
Profit before tax	**183**	**(58)**	**125**	200	522	722

1. £6 million of underlying costs have been reclassed from other income and charges to administrative expenses in the prior period as a result of concluding finance system integration activities post acquisition of the Bank. There is no impact on reported profit before tax.
2. The following footnotes detail the acquisition & integration related items and their exclusion from underlying performance.
3. Relates to the unwind of the day one fair value adjustment recognised against the acquired loans & advances to customers and certain hedged liquidity instruments.
4. Relates to the unwind of the day one fair value adjustment recognised against certain external wholesale funding issuances acquired with the Bank.
5. Represents the impact of acquiring derivative instruments but not acquiring the linked hedge accounting relationships and therefore the resulting restart of hedge relationships on the acquired derivatives.
6. Represents one off costs relating to the bringing together of people, systems and processes.
7. Represents the amortisation against the Core Deposit Intangible asset, which arose on acquisition and acceleration of amortisation and depreciation against assets impacted by integration decisions.
8. Represents the recognition of the reset expected credit loss allowance against Bank acquired loans & advances to customers.
9. Represents the resulting gain calculated as the fair value of the consideration paid less the net assets acquired.

Underlying Group net interest income decreased to £516 million (30 June 2025: £549 million). The reduction is mainly due to a more competitive savings market which has resulted in back book churn into higher rate products and front book variable and fixed rate pricing. In addition, mortgage new business margins continue to be compressed. This is slightly offset by increased income in the Group structural hedge of £24 million. We are not expecting an easing in this competitive environment and do expect some further moderation to income.

The underlying Group net interest margin of 1.19% (30 June 2025: 1.24%) has reduced in line with expectations given current trading conditions.

Throughout the period, the Group continued to pay above average savings rates, returning £157 million (30 June 2025: £201 million) in member value[1] compared to market average rates. The reduction is due to the impact of the lower Bank rate over the last 12 months and more competitive trading conditions.

Other income and charges

The Group also recognises other income relating predominately to fees on lending, credit cards and current account transactional fee income and related expenses.

In the first half, the Group successfully repurchased £0.5 billion of surplus MREL debt and whilst this resulted in a loss of £7 million in the period, this will deliver a lower interest expense in the second half of the year and into 2027.

Losses on derivative financial instruments

The Group uses derivative financial instruments to manage interest rate and currency risks arising from its fixed mortgage and savings activity and from non-sterling and fixed rate wholesale issuances.

The Group applies hedge accounting where possible and its approach continued to be effective throughout the period. The underlying gain in the period of £3 million (30 June 2025: £5 million loss) reflects a small loss from the unwinding of previous gains, as expected due to the nature of hedge accounting, offset by small ineffectiveness gains from downward rate movements in the first half.

The Bank's hedge accounting programme ceased in the prior year as the acquired balance sheet was measured at fair value on acquisition. The Group elected to recommence a hedge accounting programme in 2025 in order to manage the volatility of the acquired portfolio of derivative assets, which allowed for a more controlled run-off. This has resulted in a charge in the period of £26 million (30 June 2025: £47 million) and is shown outside of our underlying performance as this is an item directly related to the acquisition of the Bank.

Underlying Group management expenses including depreciation and amortisation for the period were £350 million (30 June 2025: £351 million). Following the acquisition of the Bank, excellent progress has been made in delivering cost synergies across both our third-party supplier relationships and through integrating support functions. This is offsetting inflationary pressures. As we progress into the second half of the year, the impact of cost efficiencies from integrating the Bank are expected to increase further.

Chief Financial Officer's review continued

The Group statutory management expenses include £60 million of one-off expenses as we continue to integrate the Bank into the Group and build the foundations for us to deliver on our ambitious strategy.

Supported by our robust financial performance, the Group has continued to invest meaningfully to improve services and resilience. The total spend on investment and integration, including capital expenditure, of £97 million (30 June 2025: £64 million) has been focused on activity to modernise our services and integration of the Bank, with good progress on our digital roadmap as demonstrated by a range of new capabilities, in particular around card and transaction controls and the removal of foreign fee charges. This investment also includes continued focus on cyber controls, operational resilience and improvements to our finance, risk and people processes and systems.

The underlying cost to income ratio[2] has increased to 66% (30 June 2025: 63%), reflecting reduced income as a result of lower bank rate and trading conditions.

Provision for expected credit losses (ECL)

The Group ECL provision has decreased to £41 million (31 December 2025: £44 million) and reflects a worsening in economic scenarios as a result of continued volatility in geopolitical and national issues, offset by reduced levels of post model adjustments.

The reduction in ECL provision of £3 million, offset by a £1 million charge for write-off losses predominantly in the Bank unsecured portfolio, has resulted in an overall credit impairment release of £2 million in the period.

The Group ECL provision equates to 0.06% of the overall lending book (31 December 2025: 0.06%), which is reflective of very strong credit quality with very low arrears and losses.

Items relating to acquisition and integration

The prior period statutory Income Statement includes the benefit of the £584 million gain on acquisition as well as other items related to the unwind of fair value adjustments arising on acquisition and the impacts of resetting both the hedge accounting programme expected credit losses.

During the period, the unwinds of the fair value adjustments have continued to be recognised along with the ongoing impact of the hedge accounting programme reset. Costs of continuing our journey to integrate the Bank and settlement of the final consideration have also been incurred in the period.

Chief Financial Officer's review continued

Balance Sheet

	30 Jun 2026 (Unaudited) £m	31 Dec 2025 (Audited) £m
Assets		
Loans and advances to customers	**72,145**	72,936
Liquidity	**12,107**	13,896
Other	**1,146**	1,407
Total assets	**85,398**	88,239
Liabilities		
Retail and business deposits	**70,239**	71,722
Wholesale funding	**10,137**	11,316
Subordinated liabilities and subscribed capital	**285**	290
Other	**400**	622
Total liabilities	**81,061**	83,950
Equity		
General reserve	**3,583**	3,506
Other equity instruments	**665**	665
Other	**89**	118
Total equity	**4,337**	4,289
Total liabilities and equity	**85,398**	88,239

Loans and advances to customers

The Group's lending remains focused on high quality owner-occupied and buy to let lending within the prime residential market, distributed mainly through mortgage intermediaries in a cost-effective way.

The Group manages its growth according to economic conditions, market pricing and funding conditions. The lending book has contracted £0.8 billion to £72.1 billion (31 December 2025: £72.9 billion) in the first six months of the year. The reduction was driven by a conscious decision to reduce new lending given the compressed margins currently being experienced.

During the period, the Group advanced £4.3 billion of mortgages (30 June 2025: £4.0 billion), of which £3.1 billion was owner occupied (H1 2025: £3.0 billion), £0.7 billion standard buy to let (H1 2025: £1.0 billion) and a further £0.5 billion (H1 2025: £nil) related to limited company buy to let following our successful launch in April 2025.

The growth in lending was offset by a higher level of redemptions and other repayments, following the Group's measured approach to participation given the competitive trading environment and impact on acquisition margins.

The balance weighted average indexed loan to value of the mortgage portfolio has seen a small decrease to 54.8%[3] at 30 June 2026 (31 December 2025: 54.9%).

Despite the current economic conditions, the Group continues to have a robust and high quality asset book. This is demonstrated by very low arrears with only 0.39% of mortgages more than three months in arrears (31 December 2025: 0.38%).

The Group's small unsecured credit card portfolio (30 June 2026 and 31 December 2025: £0.2 billion) has remained stable in the first half of the year. Credit quality remains strong with low arrears rates.

In addition, the Group's £1.0 billion portfolio of business and commercial loans was also flat in the period. 60% of this portfolio represents PFI and housing association loans. Credit quality remains strong with a low level of arrears.

Liquidity

Liquid assets have decreased to £12.1 billion (31 December 2025: £13.9 billion) as a result of a lower requirement from reduced mortgage trading and savings product mix changes. The Group liquidity position remains strong as demonstrated by our 12-month rolling average Liquidity Coverage Ratio (LCR) of 232% (31 December 2025: 230%), significantly in excess of the regulatory minimum.

Liquid assets are principally held in deposits at the Bank of England, supplemented by UK Government and other high quality debt securities. This means that asset quality remains very high, with 96% of the portfolio rated Aaa-Aa3 (31 December 2025: 97%). 100% of liquid assets are held in UK sovereign or UK financial institutions (31 December 2025: 98%).

Retail and business funding

The Group continues to be predominantly funded by retail and business deposits, with balances of £70.2 billion at 30 June 2026 (31 December 2025: £71.7 billion). Deposit balances reduced by £1.5 billion in the period as a result of the very competitive trading environment and our measured approach to lending. The Group's overall savings market share has remained flat in the period.

The Group has £4.9 billion (31 December 2025: £5.0 billion) of personal current account balances and overall, balances have remained stable in the period. Our longer-term strategy is to increase our market share in the current account market and deepen relationships with our existing member and customer base. To support this, we successfully launched a market leading packaged current account with a generous switcher offer for existing members at the end of June, in addition to removing foreign usage fees.

The Group continues to build business and commercial relationships with savings and current account balances remaining stable in the period (30 June 2026 and 31 December 2025: £3.5 billion).

Wholesale funding

The Group uses wholesale funding to provide diversification of funding by source and term, supporting growth and lowering risk by reducing the overall cost of funding. This benefits retail deposit customers through better savings rates and lending customers by enabling us to offer more competitive long-term rates.

Chief Financial Officer's review continued

Wholesale funding in the period has decreased to £10.1 billion (31 December 2025: £11.3 billion). The Group issued two covered bonds in the period, with €750 million in April and £750 million in May, which was more than offset by repayments in the period.

Repayments included the Group successfully repurchasing £0.5 billion of surplus MREL debt through liquidity management exercises across two outstanding securities (issued by the Society and the Bank respectively) in May. Whilst this resulted in a loss of £7 million recognised in the period, this activity will deliver a lower interest expense in the second half of the year and into 2027 and has simplified our resolvability.

The Society and Bank both previously accessed the Bank of England’s Term Funding Schemes with over £10 billion in combined drawings. The Group is expected to pay the final outstanding repayment of £260 million in December 2026.

Equity

The Group's equity is predominately made up of over 140 years of retained profits in the general reserve and Additional Tier 1 (AT 1) capital of £0.7 billion.

The Group made post tax profits of £106 million in the six months to 30 June 2026, with a further £29 million distribution to AT 1 capital holders from reserves and a small movement in other reserves.

Capital Ratios

(Unaudited)	**End-point 30 Jun 2026 £m**	End-point 31 Dec 2025 £m
Capital resources:		
Common Equity Tier 1 (CET 1) capital	**2,989**	2,907
Total Tier 1 capital	**2,364**	3,572
Total capital	**3,925**	3,847
Risk weighted assets	**15,235**	14,760
CRD V ratios:	%	%
Common Equity Tier 1 (CET 1) ratio	**19.6**	19.7
UK leverage ratio[4]	**4.8**	4.6

The table above provides a summary of the Group’s capital resources and CRD V ratios on an end-point basis (i.e. assuming all CRD V requirements were in force in full with no transitional provisions permitted).

Leverage

We are not bound by regulatory leverage ratios, which measure Tier 1 capital against total exposures, including off-balance sheet items. The UK leverage ratio framework is expected to apply to the Group when its average of retail deposits over the last three years exceeds £75 billion (threshold subject to future review and update) at its annual reporting date.

The Group UK leverage ratio increased to 4.8% in the period (31 December 2025: 4.6%) as a result of the retained profits for the first six months of the year and a reduction in our mortgage exposures. Leverage remains above the current regulatory expectations of 3.25% minima.

Capital

The increase in capital as a result of retained profits in the period has been offset by higher risk weighted assets (RWAs), resulting in a broadly stable CET 1 ratio of 19.6% at 30 June 2026 (31 December 2025: 19.7%). Our CET 1 ratio remains significantly ahead of the Total Capital Requirement for the Group, which was 11.5% of risk weighted assets as at 30 June 2026.

The Society and Bank had both submitted updated models to the PRA in 2023. Our strategy following the acquisition is to move to a single Group IRB model. We have received feedback from the PRA in 2025 on the models which had been submitted and we intend to incorporate this feedback into the build of our new Group model. We currently expect to submit our new Group IRB model at the end of 2027. When approval is granted, the final Group IRB model output RWAs may vary from those calculated currently, thereby impacting capital ratios.

Basel 3.1 RWA floors are currently expected to be phased in from the introduction of the new regulations in 2027 and in time are expected to reduce the Group’s reported CET 1 ratio through increasing RWAs. Applying the Basel 3.1 RWA floors to the 30 June 2026 figures on a full transition pro-forma basis would result in a CET 1 ratio of approximately 18.6%. However, on expected Basel 3.1 implementation in January 2027, the Group estimates a 20.1% pro-forma CET 1 ratio at 30 June 2026 due to the removal of the IRB scalar of 1.06%.

All known future capital requirement changes (including Basel 3.1 impacts) have been embedded into the Group’s financial plans, ensuring we remain appropriately capitalised.

The capital disclosures above are on a Group basis, including all subsidiary entities.

1. Based on the Society’s average month end savings rate compared to the CACI market average rate for savings accounts, excluding current accounts and offset savings, for the first five months of the year (30 June 2025: five months).
2. Administrative expenses, depreciation and amortisation/ Total income.
3. LTV is calculated using the Nationwide Building Society quarterly regional house price index (HPI).
4. The UK leverage ratio includes a restriction on the amount of Additional Tier 1 (AT 1) capital and excludes central bank reserves from the calculation of leverage exposures.

Top and emerging risks

The nature of the Group's business model results in a number of unavoidable or inherent risks, namely principal risks. These risks are closely monitored by the Board through the Risk Management Framework and outlined on pages 34 and 35 of the Risk Management Report of the 2025 Annual Report & Accounts. There are no changes to the principal risks in the reporting period.

Top and emerging risks are those that have the potential to materially impact the Group's strategic delivery and may impact across several principal risks. The Disclosure and Transparency Rules require that a description of these top and emerging risks are given in the Interim Financial Report for the remaining six months of the financial year. The most significant of these are described below, together with a summary of the mitigating controls and actions being taken to reduce our risk profile.

Compared to the emerging risks identified at the last financial year end, as set out on page 24 and 25 of the 2025 Annual Report & Accounts, the risks have been updated to reflect the latest view of the risk environment and to include emerging external developments within the period, specifically the Middle East conflict and impacts from emerging AI capabilities. Other changes include the removal of the regulatory requirements risk, which related to heightened regulatory scrutiny through the initial period following the acquisition of the Bank. Ongoing regulatory compliance risks continue to be managed and overseen in line with the Group's principal risk categories.

Risk	Mitigation
Economic and geopolitical environment	
Global conflicts, lower cooperation and trade between countries may impact the UK economy and the sustainability of its national debt. This could result in higher inflation, interest rates and unemployment, which may impact the value of homes and commercial property. Particularly key are changes that impact the flow and cost of retail deposits or wholesale funding or the size and performance of the UK financial services markets, in particular mortgages, household and business deposits including current accounts.	The Group is actively monitoring risks arising from the Middle East conflict and ongoing conflict in Ukraine. These are monitored by the Executive and Board Risk Committees. The monthly Assets & Liabilities Committee (ALCO) monitor market and interest rate risk and the impact on the Group's capital and liquidity position. Stress testing and sensitivity analysis of key changes in the macroeconomic environment is regularly performed. We continuously review our credit and provisioning policies, actively control our credit exposures and provide support to customers in financial difficulty. Our lending is restricted to UK households and firms.
Competitive market dynamics	
Competition in UK financial services has increased with the entry of Banking Groups from other countries plus competition from investment and digital banking platforms. New competitors are offering loss leading rates and switching incentives to attract market share. This is potentially compounded by the influence of artificial intelligence on consumers' ability and willingness to switch providers more frequently. Whilst increasing choice, this may result in lower market stability and poorer consumer outcomes in the long-term, particularly for more vulnerable or less technology savvy consumers and firms.	The Group closely monitors its pricing and liquidity position and can moderate growth in response to competitive conditions. Regular reviews of the evolving needs and expectations of customers through research inform future plans around business mix, propositions, servicing channels and the impact of competitor behaviour on future strategy. The annual strategic and financial planning process, supported by quarterly financial forecasts, monitor and mitigate the impacts from changing market dynamics.
Technology, digital innovation and artificial intelligence (AI)	
The emergence of artificial intelligence (AI), as well as the continued development of quantum computing and digital currency technologies, creates new risks and opportunities as they are adopted by customers and firms, and potentially abused by malicious organisations or individuals.	The Group's use of AI will be subject to robust control and monitoring. We continue to develop and refine our controls to ensure the capabilities and resilience of technology keeps pace to meet the expectations of members and customers, regulators and other stakeholders, with a focus on the security of members' and customers' money and data. We monitor the external environment for developments in industry best practice, and for potential impacts on households and businesses we lend to.

Top and emerging risks continued

Risk	Mitigation
Cyber	
Cyber attacks are evolving, becoming more sophisticated and presenting risks to the Group and its members and customers. The threat of external parties exploiting vulnerabilities to gain access to data and systems or to disrupt services, cyber remains a top risk.	The Group is monitoring changes to the threat landscape posed by recent AI model developments, working with industry groups, regulators and law enforcement. The Group continues to invest and enhance its cyber capabilities, aligned to the NIST Cybersecurity Framework (CSF) and the Bank of England's requirements.
Fraud and financial crime	
The Group has greater exposure to fraud and financial crime as a result of the acquisition of The Co-operative Bank. This is due to it offering current account services to customers, which have a higher fraud and financial crime risk profile across the financial services industry.	The Group remains close to industry developments and external fraud threats, to manage fraud losses within defined internal tolerances, balanced with customer outcomes. The Group has no appetite for any breach in relevant regulatory requirements. The Group's financial crime policies, standards and supporting systems and controls help us to manage risks effectively and identify, detect and prevent fraud.
Operational resilience	
A severe disruptive event or crisis could impact the ability of the Group to maintain the delivery of its important business services and other support services. Such events could lead to member and customer harm, loss of funds, impact the safety and soundness of the Group, reputational damage or regulatory penalties. Severe disruptive events could include technology failure impacting key IT services, widespread data loss or corruption, a cyber security event, or the failure of a critical third party.	To reduce the likelihood and impact of severe disruption, the Group maintains and invests in operational resilience capabilities. These capabilities enhance the Group's ability to prevent, adapt, respond, recover and learn from disruptive events. This activity is supported by multi layered approach to scenario stress testing and a suite of management information that spans across six resilience pillars (technology, data, cyber security, people, premises and third parties).
Climate change	
The Group is exposed to both physical risk arising from climate change (such as damage to UK housing stock and commercial property) and transitional risks (such as lower economic growth and the impact of regulation on our core markets or property values). These risks continue to evolve as climate change develops, and as government policy and technologies mature.	The Group continues to focus on understanding and planning for the impacts of climate risk as presented in the Group's Sustainability Report and the Climate section of the Annual Report & Accounts. Regular horizon scanning is performed with periodic reporting to the Board Risk Committee, which includes monitoring of emerging risks.
Strategic change	
Following the Group's acquisition of The Co-operative Bank, the Group is now larger with a more complex strategic change agenda. Strategic change risk is the risk that strategic outcomes are not delivered within agreed cost and timescales adversely impacting the Group. This could affect the Group's growth and resilience, and potentially cause reputational damage with members and customers or regulators.	The Group has a robust governance framework, with a dedicated change management office to ensure strategic change is appropriately managed, and portfolio risks are monitored and controlled. This includes deploying established programme risk and governance tools, utilising third party subject matter expertise as required. Strategic change risk is a principal risk category ensuring enhanced oversight by the Board. The Group maintains effective regulatory relationships through proactive engagement.

Condensed Consolidated Income Statement

For the period ended 30 June 2026

(Unaudited)	Notes	Period to 30 Jun 2026 £m	Period to 30 Jun 2025[1] £m
Interest receivable and similar income	4	**1,781**	2,054
Interest payable and similar charges	5	**(1,237)**	(1,474)
Net interest income		**544**	580
Fees and commissions receivable		**41**	36
Fees and commissions payable		**(22)**	(24)
Other operating (expense)/ income		**(7)**	4
Losses from derivative financial instruments	6	**(23)**	(52)
Total income		**533**	544
Administrative expenses	7	**(318)**	(319)
Acquisition & integration related costs	7	**(46)**	(23)
Amortisation of intangible assets		**(35)**	(35)
Depreciation of property, plant and equipment		**(11)**	(11)
Impairment release/ (charge) on loans and advances to customers	11	**2**	(18)
Gain on acquisition of a subsidiary		**–**	584
Profit before tax		**125**	722
Taxation	12	**(19)**	(22)
Profit for the financial period		**106**	700

1. £6 million of underlying costs have been reclassed from fees and commissions payable to administrative expenses in the prior period as a result of concluding finance system integration activities post acquisition of the Bank. There is no impact on reported profit before tax.

Profit for the financial period arises from continuing operations and is attributable to the members of the Society.

Condensed Consolidated Statement of Comprehensive Income

For the period ended 30 June 2026

(Unaudited)	Notes	Period to 30 Jun 2026 £m	Period to 30 Jun 2025 £m
Profit for the financial period		**106**	700
Other comprehensive (expense)/ income			
Items that will not be transferred to the income statement:			
Remeasurement of defined benefit pension plan		**–**	–
Taxation	12	**–**	–
Items that may be transferred to the income statement			
Fair value through other comprehensive income investments:			
Fair value movements taken to reserves		**(4)**	(21)
Amount transferred to the income statement		**6**	22
Taxation	12	**–**	–
Cash flow hedges:			
Fair value movements taken to reserves		**(24)**	77
Amount transferred to the income statement		**(19)**	(138)
Taxation	12	**12**	17
Other comprehensive expense for the period, net of tax		**(29)**	(43)
Total comprehensive income for the period, net of tax		**77**	657

The notes on pages 17 to 35 form part of this Interim Financial Report.

Condensed Consolidated Balance Sheet

As at 30 June 2026

	Notes	30 Jun 2026 (Unaudited) £m	31 Dec 2025 (Audited) £m
Assets			
Cash in hand and balances with the Bank of England	8	**9,849**	11,948
Loans and advances to credit institutions		**345**	383
Debt securities	9	**1,913**	1,565
Loans and advances to customers	10	**72,145**	72,936
Hedge accounting adjustment		**(163)**	169
Derivative financial instruments		**579**	533
Investment in equity shares		**5**	5
Current tax assets		**13**	12
Deferred tax assets		**215**	205
Intangible assets		**253**	269
Property, plant and equipment		**99**	101
Prepayments and accrued income		**120**	85
Pension benefit surplus		**25**	28
Total assets		**85,398**	88,239
Liabilities			
Shares		**49,250**	50,830
Customer accounts		**20,989**	20,892
Deposits from banks	13	**1,745**	3,009
Debt securities in issue	14	**8,392**	8,307
Hedge accounting adjustment		**(51)**	29
Derivative financial instruments		**208**	320
Accruals and deferred income		**111**	152
Other liabilities		**119**	108
Pension benefit obligation		**13**	13
Subordinated liabilities	15	**243**	248
Subscribed capital	16	**42**	42
Total liabilities		**81,061**	83,950
Equity			
General reserve		**3,583**	3,506
Other equity instruments	17	**665**	665
Fair value through other comprehensive income reserve		**2**	–
Cash flow hedge reserve		**87**	118
Total equity		**4,337**	4,289
Total liabilities and equity		**85,398**	88,239

The notes on pages 17 to 35 form part of this Interim Financial Report.

Condensed Consolidated Statement of Changes in Members' Interests and Equity

For the period ended 30 June 2026

Period to 30 June 2026	Notes	General reserve £m	Other equity instruments £m	Fair value through other comprehensive income reserve £m	Cash flow hedge reserve £m	Total £m
As at 1 January 2026 (Audited)		**3,506**	**665**	**–**	**118**	**4,289**
Profit for the financial period		**106**	**–**	**–**	**–**	**106**
Net remeasurement of defined benefit plan		**–**	**–**	**–**	**–**	**–**
Net movement in fair value through other comprehensive income reserve		**–**	**–**	**2**	**–**	**2**
Net movement in cash flow hedge reserve		**–**	**–**	**–**	**(31)**	**(31)**
Total comprehensive income		**106**	**–**	**2**	**(31)**	**77**
Distribution to Additional Tier 1 capital holders	17	**(29)**	**–**	**–**	**–**	**(29)**
As at 30 June 2026 (Unaudited)		**3,583**	**665**	**2**	**87**	**4,337**

Period to 30 June 2025	Notes	General reserve £m	Other equity instruments £m	Fair value through other comprehensive income reserve £m	Cash flow hedge reserve £m	Total £m
As at 1 January 2025 (Audited)		2,754	665	(1)	210	3,628
Profit for the financial period		700	–	–	–	700
Net remeasurement of defined benefit plan		–	–	–	–	–
Net movement in fair value through other comprehensive income reserve		–	–	1	–	1
Net movement in cash flow hedge reserve		–	–	–	(44)	(44)
Total comprehensive income		700	–	1	(44)	657
Distribution to Additional Tier 1 capital holders	17	(29)	–	–	–	(29)
As at 30 June 2025 (Unaudited)		3,425	665	–	166	4,256

Year to 31 December 2025	Notes	General reserve £m	Other equity instruments £m	Fair value through other comprehensive income reserve £m	Cash flow hedge reserve £m	Total £m
As at 1 January 2025 (Audited)		2,754	665	(1)	210	3,628
Profit for the financial year		812	–	–	–	812
Net remeasurement of defined benefit plan		(2)	–	–	–	(2)
Net movement in fair value through other comprehensive income reserve		–	–	1	–	1
Net movement in cash flow hedge reserve		–	–	–	(92)	(92)
Total comprehensive income		810	–	1	(92)	719
Distribution to Additional Tier 1 capital holders	17	(58)	–	–	–	(58)
As at 31 December 2025 (Audited)		3,506	665	–	118	4,289

The notes on pages 17 to 35 form part of this Interim Financial Report.

Condensed Consolidated Statement of Cash Flows

For the period ended 30 June 2026

(Unaudited)	Notes	Period to 30 Jun 2026 £m	Period to 30 Jun 2025 £m
Cash flows from operating activities:			
Profit before tax		**125**	722
Adjustments for:			
Expected credit loss provisions	11	**(2)**	18
Depreciation and amortisation		**46**	46
Interest on subordinated liabilities and subscribed capital		**10**	5
Changes to fair value adjustment of hedged risk		**57**	66
Gain on acquisition		**–**	(584)
Other non-cash movements		**48**	247
Non-cash items included in profit before tax		**159**	(202)
Loans and advances to credit institutions		**57**	144
Loans and advances to customers		**794**	(121)
Prepayments, accrued income and other assets		**(32)**	697
Changes in operating assets		**819**	720
Shares		**(1,609)**	1,426
Customer accounts, deposits and other borrowings		**(1,134)**	(3,103)
Accruals and deferred income and other liabilities		**(21)**	27
Changes in operating liabilities		**(2,764)**	(1,650)
Interest paid on subordinated liabilities and subscribed capital		**(15)**	(9)
Interest paid on lease liabilities		**(1)**	(1)
Taxation		**(18)**	(43)
Net cash flows from operating activities		**(1,695)**	(463)
Cash flows from investing activities			
Net cash on acquisition of subsidiary		**–**	1,841
Purchase of debt securities and equity shares		**(597)**	(87)
Sale and maturity of debt securities and equity shares		**188**	459
Purchase of property, plant and equipment and intangible assets		**(26)**	(4)
Net cash flows from investing activities		**(435)**	2,209
Cash flows from financing activities			
Distributions paid to Additional Tier 1 capital holders		**(29)**	(29)
Repurchase and repayment of debt securities		**(971)**	(791)
Principal elements of lease payments		**(6)**	(5)
Issue of debt securities		**1,056**	599
Net cash flows from financing activities		**50**	(226)
Net increase in cash		**(2,080)**	1,520
Cash and cash equivalents at start of period		**12,004**	9,893
Cash and cash equivalents at end of period		**9,924**	11,413

Included within cash flow from operating activities, is total interest received of £1,777 million (30 June 2025: £2,039 million) and total interest paid of £1,217 million (30 June 2025: £1,223 million) for the Group.

The notes on pages 17 to 35 form part of this Interim Financial Report.

Notes to the Interim Financial Report

1. Reporting period

These results have been prepared as at 30 June 2026 and show the financial performance for the period from 1 January 2026 to this date.

2. Basis of preparation and changes to the Group's accounting policies

Basis of preparation

These condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority (FCA) and in accordance with UK adopted International Accounting Standards (IAS 34 Interim Financial Reporting). The Interim Financial Report does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Annual Report & Accounts for the year ended 31 December 2025. The Group accounts consolidate the assets, liabilities and results of the Society and all its subsidiary companies.

Terminology used in the Interim Financial Report is consistent with that of the 2025 Annual Report and Accounts which is available on the Society website (www.thecoventry.co.uk) and contains a glossary of terms to aid users.

Going concern statement

Details of the Group's objectives, policies and processes for managing its risk exposure (including its principal risks of credit, market, liquidity and funding, capital, model, operational, strategic change, financial crime and conduct and compliance risks, as well as thematic risks of climate risk and operational resilience) are contained in the Risk Management Report of the 2025 Annual Report & Accounts. An update on top and emerging risks has been provided on pages 11 and 12 and does not identify any material changes to the Group's risk profile.

The directors also include a statement on long-term viability on page 120 of the 2025 Annual Report & Accounts. The current viability assessment has been made over the period to 31 December 2028, in line with the Group's Strategic Plan and capital and liquidity stress testing process.

Taking the Group's objectives, policies and processes into account alongside updates to the Group's strategic plan and stress testing performed incorporating the current economic and regulatory environment, the directors confirm they are satisfied the Group has adequate resources to continue in business for the foreseeable future, determined as at least the next 12 months from the date of approval of the Interim Financial Report. Therefore, it is appropriate to adopt the going concern basis of accounting in preparing this Interim Financial Report.

Accounting Policies

The accounting policies adopted by the Group in its 2026 Interim Financial Report are consistent with those disclosed in the Annual Report & Accounts for the year ended 31 December 2025 with the exception of updates noted in this report.

Changes in accounting standards

During the period, the Group has adopted the following amendment to standards with effect from 1 January 2026.

Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 provides clarification to the derecognition criteria for financial liabilities when using an electronic payment system and the Group is opting to derecognise these liabilities at the point of settlement rather than at the point of payment initiation. Adoption of this amendment does not have a material impact to the Group's balance sheet and there is no restatement of prior period comparatives.

There are no other amendments to standards effective from 1 January 2026 that apply to, or have a material impact to, the Group.

Judgement in applying accounting policies and significant accounting estimates

There are judgements relating to the application of the Group's accounting policies which have had a significant effect on the amounts recognised in the financial statements. The Group has also made significant assumptions and estimates that could affect the reported amount of assets and liabilities both in the accounts and in the following financial periods.

The most significant accounting policy judgements, assumptions and estimates made by the Group are set out below:

Significant accounting policy judgements	Notes
Determining a significant increase in credit risk (SICR) under IFRS 9	11
Significant accounting assumptions and estimates	
Measurement of deferred tax assets in respect of future taxable profits	12

The significant accounting policy judgement is set out in note 1 to the 2025 Annual Report & Accounts.

Notes to the Interim Financial Report continued

3. Segmental reporting

Coventry Building Society and its subsidiaries all operate in the United Kingdom and therefore no further geographical analysis has been presented.

The chief operating decision maker has been identified as the Group Board. The Board reviews the Group's internal reporting in order to assess performance and allocate resources. Operating segments are reported in a manner consistent with the internal reporting provided to the Board.

The Group operates with the following two segments:

Society sub-group: Provides retail financial services across mortgages and savings products to individual members and customers. Includes all income and costs associated with Coventry Building Society, Godiva Mortgages Ltd, ITL Mortgages Ltd and the consolidated Special Purpose Vehicle (SPV) entities (namely Coventry Building Society Covered Bonds LLP, Coventry Godiva Covered Bonds LLP and Economic Master Issuer plc).

Bank sub-group: Provides retail and business banking services across mortgages, savings, current accounts and unsecured lending products to individual, business and commercial customers. Includes all income and costs associated with The Co-operative Bank Holdings p.l.c., The Co-operative Bank p.l.c. and their subsidiaries and the consolidated SPV Moorland Covered Bonds LLP.

In addition to the two segments identified above, certain other financial adjustments arise at a consolidated level as a result of combining the two organisation segments together. These have been classified separately as a consolidation category.

Period to 30 Jun 2026 (Unaudited)	**Society sub-group £m**	**Bank sub-group £m**	**Consolidation £m**	**Group £m**
Net interest income[1]	**280**	**231**	**33**	**544**
Other non-interest (expense)/ income	**(16)**	**19**	**(14)**	**(11)**
Total income	**264**	**250**	**19**	**533**
Profit before tax	**76**	**53**	**(4)**	**125**
Total assets	**62,548**	**23,561**	**(711)**	**85,398**
Total liabilities	**58,890**	**22,163**	**8**	**81,061**

Period to 30 Jun 2025 (Unaudited)	Society sub-group £m	Bank sub-group[2] £m	Consolidation £m	Group £m
Net interest income[1]	314	202	64	580
Other non-interest (expense)/ income	(4)	17	(49)	(36)
Total income	310	219	15	544
Profit before tax	128	25	569	722
Total assets	63,706	24,376	(612)	87,470
Total liabilities	60,047	23,091	76	83,214

1. Net interest income of Society sub-group and Bank sub-group includes intercompany interest of £23 million (30 June 2025: £nil) paid by the Bank to the Society, which is eliminated in the Group.
2. £6 million of underlying costs have been reclassed from fees and commissions payable to administrative expenses in the prior period as a result of concluding finance system integration activities post acquisition of the Bank. There is no impact on reported profit before tax.

Notes to the Interim Financial Report continued

4. Interest receivable and similar income

(Unaudited)	Period to 30 Jun 2026 £m	Period to 30 Jun 2025 £m
On financial assets measured at amortised cost:		
On loans and advances to customers	**1,434**	1,370
Interest on other liquid assets	**218**	305
Interest and other income on debt securities measured at FVOCI	**27**	50
Net income on financial instruments in a qualifying hedge relationship	**102**	329
Total interest receivable and similar income	**1,781**	2,054

5. Interest payable and similar charges

(Unaudited)	Period to 30 Jun 2026 £m	Period to 30 Jun 2025 £m
On shares held by individuals	**821**	939
On customer accounts	**189**	204
On subscribed capital	**2**	2
On other deposits and borrowings		
Subordinated liabilities	**8**	3
Debt securities in issue	**161**	159
Other[1]	**46**	117
Net expense from hedging instruments	**11**	52
Foreign currency gains	**(1)**	(2)
Total interest payable and similar charges	**1,237**	1,474

1. Included in other interest payable is £5 million relating to the Bank of England's Term Funding Schemes (30 June 2025: £78 million).

6. Net losses from derivative financial instruments

(Unaudited)	Period to 30 Jun 2026 £m	Period to 30 Jun 2025 £m
Derivatives designated as fair value hedges		
Gains/ (losses) on derivatives designated as fair value hedges	**190**	(564)
Movement in fair value of hedged items attributable to hedged risk	**(263)**	457
Derivatives designated as fair value hedges	**(73)**	(107)
Derivatives designated as cash flow hedges		
Interest rate	**45**	55
Derivatives designated as cash flow hedges	**45**	55
Gains on other derivatives	**5**	–
Total losses from derivative financial instruments	**(23)**	(52)

There have been £5 million gains on other derivatives, where hedge accounting could not be applied, during the period (30 June 2025: £nil).

The gains and losses recognised represent both the impact of early termination of derivative instruments and timing differences, which are expected to reverse over the remaining life of the derivatives although further volatility may also be experienced.

Within losses on derivatives designated as fair value hedges reported in the period, £26 million (30 June 2025: £47 million) is included which arose from the restart of the hedging programme against the acquired Bank's mortgage portfolio and non-interest bearing liabilities as well as liquidity instruments.

7. Administrative expenses

(Unaudited)	Period to 30 Jun 2026 £m	Period to 30 Jun 2025[1] £m
Employee costs		
Wages and salaries	**120**	116
Social security costs	**19**	16
Pension costs	**10**	9
	149	141
Other expenses		
Information systems	**81**	77
Training, recruitment and other employee costs	**8**	4
Premises and facilities	**4**	10
Legal, professional and consultancy	**27**	29
Marketing and communications	**7**	6
Other operating expenses	**42**	52
Total	**318**	319
Acquisition and integration related costs	**46**	23
Total administrative expenses	**364**	342

1. £6 million of underlying costs have been reclassed from fees and commissions payable to administrative expenses in the prior period as a result of concluding finance system integration activities post acquisition of the Bank. There is no impact on reported profit before tax.

Acquisition and integration related costs includes the one off costs relating to the bringing together of people, systems and processes as well as the residual legal, professional and consultancy fees in relation to the purchase of the Bank and settlement of final consideration.

8. Cash and cash equivalents

	30 Jun 2026 (Unaudited) £m	31 Dec 2025 (Audited) £m
Cash and balances at central banks	**9,849**	11,948
Loans and advances to banks and similar institutions repayable in 3 months or less	**75**	56
Total cash and cash equivalents	**9,924**	12,004

Included within loans and advances to credit institutions at 30 June 2026 is £270 million (31 December 2025: £327 million) which relates to collateral pledged as part of the Group's involvement in transactional payment schemes, pension scheme arrangements and derivative clearing that is not classified as cash and cash equivalents due to restrictions to its access.

Notes to the Interim Financial Report continued

9. Debt securities

	30 Jun 2026 (Unaudited) £m	31 Dec 2025 (Audited) £m
Amortised cost		
Mortgage backed securities	**23**	26
Total amortised cost	**23**	26
Fair value through other comprehensive income		
UK Government investment securities	**1,065**	789
Other listed transferable debt securities	**822**	747
Total fair value through other comprehensive income	**1,887**	1,536
Fair value through profit and loss		
Mortgage backed securities	**3**	3
Total fair value through profit and loss	**3**	3
Total debt securities	**1,913**	1,565

	Amortised cost £m	FVOCI £m	FVTPL £m	Total £m
As at 1 January 2026 (Audited)	**26**	**1,536**	**3**	**1,565**
Additions	**–**	**597**	**–**	**597**
Maturities and disposals	**(3)**	**(185)**	**–**	**(188)**
Change in fair value	**–**	**(61)**	**–**	**(61)**
As at 30 June 2026 (Unaudited)	**23**	**1,887**	**3**	**1,913**

	Amortised cost £m	FVOCI £m	FVTPL £m	Total £m
As at 1 January 2025 (Audited)	–	502	–	502
Recognised on acquisition	47	1,587	3	1,637
Additions	–	182	–	182
Maturities and disposals	(21)	(765)	–	(786)
Change in fair value	–	30	–	30
As at 31 December 2025 (Audited)	26	1,536	3	1,565

10. Loans and advances to customers

	30 Jun 2026 (Unaudited) £m	31 Dec 2025 (Audited) £m
Retail		
Secured: owner-occupier	**49,841**	50,758
Secured: buy to let	**21,140**	20,933
Unsecured[1]	**213**	223
Business and commercial	**980**	1,014
Total Gross loans and advances to customers (contractual amounts)	**72,174**	72,928
Impairment	**(41)**	(44)
Total Net loans and advances to customers (contractual amounts)	**72,133**	72,884
EIR, fair value and other adjustments	**12**	52
Total	**72,145**	72,936

1. Unsecured represents credit cards, personal loans and overdraft facilities provided.

Off balance sheet exposures

The Group has off balance sheet exposures to undrawn credit facilities of £3,630 million at 30 June 2026 (31 December 2025: £3,946 million), which includes the mortgage pipeline, credit cards and overdraft facilities. This is in addition to the on balance sheet lending exposures presented above. All expected credit loss provisions are based on the gross exposure rather than the balance drawn, which is recognised on balance sheet.

Notes to the Interim Financial Report continued

11. Impairment on loans and advances to customers

Provisions for expected credit losses (ECLs) have been deducted from Loans and advances to customers in the Condensed Consolidated Balance Sheet.

(Unaudited)	Period to 30 Jun 2026 £m	Period to 30 Jun 2025 £m
Income statement		
Release/ (charge) for the year	**3**	(16)
Net (write offs)/ recoveries of amounts previously written off	**(1)**	(2)
Total release/ (charge) to the Income Statement	**2**	(18)

The tables below show gross loans and advances to customers, ECL provision and resulting coverage ratio split by IFRS 9 stage at 30 June 2026 and 31 December 2025 for the Group. For loans in stages 2 and 3, or those classed as 'Purchased or Originated Credit Impaired' ('POCI'), further analysis of accounts which are past due and not past due is also shown.

	Stage 1 'Performing'	Stage 2 'Deteriorating'		Stage 3 'Default' and POCI 'Acquired defaulted'		Total
As at 30 June 2026 (Unaudited)	**£m**	**Not past due £m**	**Past due £m**	**Not past due £m**	**Past due £m**	**£m**
Gross balances						
Retail secured	**67,466**	**2,670**	**275**	**173**	**397**	**70,981**
Retail unsecured	**201**	**6**	**2**	**1**	**3**	**213**
Business and commercial	**939**	**23**	**—**	**18**	**—**	**980**
Total	**68,606**	**2,699**	**277**	**192**	**400**	**72,174**
ECL						
Retail secured	**6**	**8**	**1**	**3**	**11**	**29**
Retail unsecured	**2**	**1**	**—**	**—**	**2**	**5**
Business and commercial	**2**	**—**	**—**	**5**	**—**	**7**
Total	**10**	**9**	**1**	**8**	**13**	**41**
ECL coverage as a % of total balance						
Retail secured	**0.01**	**0.30**	**0.36**	**1.73**	**2.77**	**0.04**
Retail unsecured	**1.00**	**16.67**	**—**	**—**	**66.67**	**2.35**
Business and commercial	**0.21**	**—**	**—**	**27.78**	**—**	**0.71**
Total	**0.01**	**0.33**	**0.36**	**4.17**	**3.25**	**0.06**

	Stage 1 'Performing'	Stage 2 'Deteriorating'		Stage 3 'Default' and POCI 'Acquired defaulted'		Total
As at 31 December 2025 (Audited)	£m	Not past due £m	Past due £m	Not past due £m	Past due £m	£m
Gross balances						
Retail secured	65,908	4,991	269	155	368	71,691
Retail unsecured	212	5	2	1	3	223
Business and commercial	959	33	—	22	—	1,014
Total	67,079	5,029	271	178	371	72,928
ECL						
Retail secured	6	10	2	4	10	32
Retail unsecured	2	1	—	—	2	5
Business and commercial	2	—	—	5	—	7
Total	10	11	2	9	12	44
ECL coverage as a % of total balance						
Retail secured	0.01	0.20	0.74	2.58	2.72	0.04
Retail unsecured	0.94	20.00	—	—	66.67	2.24
Business and commercial	0.21	—	—	22.73	—	0.69
Total	0.01	0.22	0.74	5.06	3.23	0.06

Notes to the Interim Financial Report continued

11. Impairment on loans and advances to customers continued

The Group's lending strategy is predominately focused on high quality low-risk residential mortgages, reflected in the low loan to value of the mortgage book and low levels of arrears and possessions. The Group has two smaller portfolios of business and commercial and retail unsecured lending, which contribute less than 2% to the overall lending balances. At the reporting date 95% of loans are in stage 1 with 4% in stage 2 and 1% in stage 3 or POCI (31 December 2025: 92%, 7% and 1%).

Cure periods are applied to accounts in stages 2 and 3 which have hit certain quantitative triggers such as arrears. These cure periods delay transition of loans to a lower credit risk classification (i.e. from stage 3 to stage 2 or from stage 2 to stage 1) by requiring 12 months of sustained performance before a loan is reassessed. As a result, loans can be recorded in stage 2 or stage 3 despite otherwise performing at the reporting date.

As at 30 June 2026, the number of properties in possession remained low. A total of £17 million of stage 3 and POCI loans are in possession (31 December 2025: £15 million), representing 75 individual properties (31 December 2025: 67 properties).

Significant accounting judgements – determining criteria for a significant increase in credit risk (SICR)

IFRS 9 requires the Group to categorise its loans into one of four stages at the reporting date. Loans that are performing are shown in stage 1; loans where there has been a SICR since initial recognition are in stage 2; loans that were not credit impaired or in default at origination but have since become so are in stage 3; and loans that were Purchased or Originated Credit Impaired are classed as POCI. The SICR criteria remain unchanged from 31 December 2025 and more information is provided on page 139 of the 2025 Annual Report & Accounts.

Application of judgemental adjustments

Included within the ECL provision of £41 million (31 December 2025: £44 million) is £1 million (31 December 2025: £7 million) relating to judgemental adjustments that have been recognised outside of core modelled ECLs where the Group's models do not fully capture the associated risks of future credit loss.

11. Impairment on loans and advances to customers continued

Movements in gross exposure and ECL provision

A reconciliation of movements in Group's total gross exposures and ECL provision split by IFRS 9 stage from 1 January 2026 to 30 June 2026 and 1 January 2025 to 31 December 2025 is set out below.

	Stage 1		Stage 2		Stage 3 & POCI		Total	
(Unaudited)	Gross balance £m	Provision 12 month ECL £m	Gross balance £m	Provision lifetime ECL £m	Gross balance £m	Provision lifetime ECL £m	Gross balance £m	Provision £m
At 1 January 2026	67,079	10	5,300	13	549	21	72,928	44
Movements with Income Statement impact								
Transfer from Stage 1 to Stage 2	(1,014)	–	1,014	4	–	–	–	4
Transfer from Stage 1 to Stage 3	(47)	–	–	–	47	2	–	2
Transfer from Stage 2 to Stage 3	–	–	(101)	(1)	101	1	–	–
Transfer from Stage 3 to Stage 2	–	–	29	–	(29)	–	–	–
Transfer from Stage 3 to Stage 1	8	–	–	–	(8)	–	–	–
Transfer from Stage 2 to Stage 1	2,973	–	(2,973)	(2)	–	–	–	(2)
Net movement arising from transfer of stages	1,920	–	(2,031)	1	111	3	–	4
New loans originated	4,852	3	12	–	–	–	4,864	3
Remeasurement of ECL due to changes in risk parameters	–	(2)	–	(3)	–	(1)	–	(6)
Loans derecognised in the period	(3,951)	(1)	(266)	(1)	(59)	–	(4,276)	(2)
Net write offs	–	–	–	–	(2)	(2)	(2)	(2)
Income Statement release for the period		–		(3)		–		(3)
Repayments and charges	(1,294)	–	(39)	–	(7)	–	(1,340)	–
At 30 June 2026	68,606	10	2,976	10	592	21	72,174	41

	Stage 1		Stage 2		Stage 3 & POCI		Total	
(Audited)	Gross balance £m	Provision 12 month ECL £m	Gross balance £m	Provision lifetime ECL £m	Gross balance £m	Provision lifetime ECL £m	Gross balance £m	Provision £m
At 1 January 2025	46,203	2	5,243	11	350	11	51,796	24
Loans recognised on acquisition	20,347	9	–	–	120	–	20,467	9
Movements with Income Statement impact								
Transfer from Stage 1 to Stage 2	(2,438)	(1)	2,438	4	–	–	–	3
Transfer from Stage 1 to Stage 3	(133)	–	–	–	133	11	–	11
Transfer from Stage 2 to Stage 3	–	–	(134)	–	134	–	–	–
Transfer from Stage 3 to Stage 2	–	–	46	1	(46)	(1)	–	–
Transfer from Stage 3 to Stage 1	12	–	–	–	(12)	–	–	–
Transfer from Stage 2 to Stage 1	1,753	–	(1,753)	(1)	–	–	–	(1)
Net movement arising from transfer of stages	(806)	(1)	597	4	209	10	–	13
New loans originated	10,529	5	24	–	–	–	10,553	5
Remeasurement of ECL due to changes in risk parameters	–	1	–	(1)	–	5	–	5
Loans derecognised in the period	(6,823)	(3)	(463)	(1)	(118)	(2)	(7,404)	(6)
Net write offs	(2)	(3)	–	–	(3)	(3)	(5)	(6)
Income Statement charge for the period		8		2		10		20
Repayments and charges	(2,369)	–	(101)	–	(9)	–	(2,479)	–
At 31 December 2025	67,079	10	5,300	13	549	21	72,928	44

Notes to the Interim Financial Report continued

11. Impairment on loans and advances to customers continued

Forward-looking information incorporated in the ECL models

Formulation of economic scenarios and governance

The economic scenarios used by the Group reflect management's best estimate of the future economic conditions under a range of scenarios including a weighting reflecting the loss distribution on the occurrence of each scenario. At 30 June 2026 the Group has used alternative economic scenarios to assess ECLs across its lending portfolios.

Scenarios and accompanying weightings are determined following analysis of economic news, forecasts, peer benchmarking and results. By their nature, a significant degree of estimation is involved in determining the scenario weightings.

These scenarios and weightings are developed within the Group's Treasury function and are reviewed and approved quarterly by the Asset and Liability Committee with further approval at reporting periods by the Board Audit Committee.

Current year scenarios and weightings

The assumptions in each of the four (31 December 2025: four) scenarios evolve to reflect latest expectations, with the base scenario representing the most likely outcome, complemented by upside and downside scenarios based on potential economic developments. The weightings used at the half year reflect the Group's view of the range of potential future economic conditions at the Balance Sheet date.

During the period, the weightings for each scenario were reviewed, with due consideration given in light of the escalation of conflict in the Middle East and ongoing resulting uncertainty. The weightings remain consistent with those at 31 December 2025 given the conservative variables within the scenarios. The weightings used at the period end reflect the Group's view of the range of potential future economic conditions at the Balance Sheet date.

An explanation of each scenario and its relative weighting in calculating ECL is set out below.

Scenario	Weighting
Base	
The central scenario used to support the business planning of the Group. Unemployment remains elevated for a while following a restrictive monetary policy, but GDP growth is expected to pick up gradually. Whilst domestic inflationary pressures take longer to unwind than they did to emerge, CPI is expected to return close to the 2% target in the medium term, allowing bank rate to decrease. This easing of conditions supports house prices which return to modest growth.	50%
Downside	
Inflation remains elevated, prompting further Bank rate hikes as the war in the Middle East continues to drive supply shocks. Pressures arising from higher borrowing costs and prices lead to reduced economic output and rising unemployment in the near-term, alongside continued reductions in house prices. The economy begins to recover in 2028/29, in line with reducing inflation.	25%
Severe downside	
Following the Bank of England's Bank Capital Stress Test, in which deep simultaneous recessions in the UK and global economies sees large falls in asset prices and higher global interest rates. GDP contracts 5% as unemployment reaches 8.5%. Bank rate rises to 8% to tackle inflation of 10% and house prices consequently fall 28%.	10%
Upside	
Inflation dissipates and unemployment reduces, underpinning robust economic growth and rising house prices. The Bank of England lowers bank rate in response to the easing inflation environment.	15%

Macroeconomic assumptions

The Group ECL calculation incorporates four key economic assumptions: unemployment rate, house price index (HPI), GCP and the Bank of England Base Rate. While all feed into the economic forecasts and impact the final ECL provision, the models are particularly sensitive to changes in the following assumptions in each scenario:

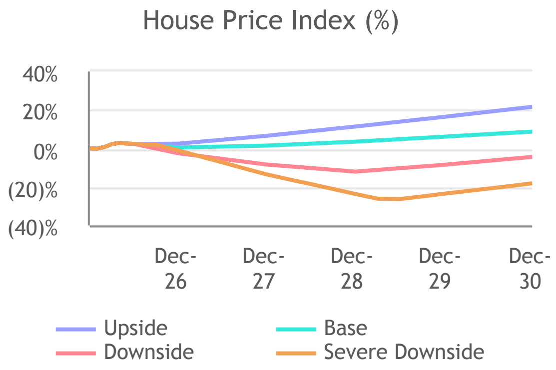
- Unemployment rate, given its impact on borrowers' ability to meet their loan repayments.
- House Price Index (HPI), given the significant impact it has on mortgage collateral valuations.

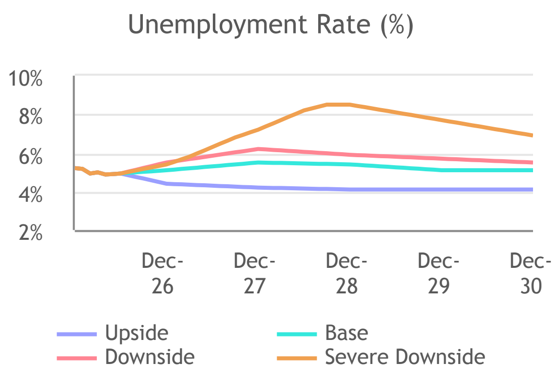
11. Impairment on loans and advances to customers continued

Forward-looking information incorporated in the ECL models continued

Macroeconomic assumptions continued

The following graphs and tables show the key economic assumptions used in the scenarios at 30 June 2026.





Key economic assumptions as at 30 June 2026

While the Group's ECL calculation is particularly sensitive to unemployment and HPI movements, GDP and the Bank of England Bank Rate remain key drivers of the provision calculation and the forward economic outlook. The rates applied to all key measures are shown below for the five year forecast period:

Scenario/ weighting	Assumption[1]	2026 %	2027 %	2028 %	2029 %	2030 %	Peak to trough %	Range %	Average to 31 Dec 2030[2] %
Base 50%	Unemployment	5.1	5.5	5.4	5.1	5.1	0.5	5.0 - 5.5	5.2
	HPI	0.5	1.0	2.0	2.5	2.5	8.3	0.5 - 8.8	1.7
	GDP	0.7	0.8	1.7	1.8	1.8	6.3	0.7 - 7.0	1.4
	Base Rate	3.75	3.25	3.25	3.25	3.25	0.50	3.25 - 3.75	3.42
Downside 25%	Unemployment	5.5	6.2	5.9	5.7	5.5	1.2	5.0 - 6.2	5.7
	HPI	(2.5)	(6.0)	(4.0)	4.0	4.5	13.6	(12.0) - 1.6	(0.9)
	GDP	–	(1.2)	1.3	1.4	1.4	4.1	(1.2) - 2.9	0.6
	Base Rate	4.50	5.25	4.75	4.50	4.50	1.25	4.00 - 5.25	4.59
Severe Downside 10%	Unemployment	5.4	7.2	8.5	7.7	6.9	3.5	5.0 - 8.5	7.0
	HPI	(1.0)	(12.6)	(11.7)	0.1	7.1	28.5	(26.3) - 2.2	(3.9)
	GDP	(0.8)	(3.6)	1.4	1.4	1.4	4.9	(4.4) - 0.5	(0.1)
	Base Rate	7.00	7.50	6.00	4.50	3.25	4.75	3.25 - 8.00	5.66
Upside 15%	Unemployment	4.4	4.2	4.1	4.1	4.1	0.7	4.1 - 4.8	4.3
	HPI	2.5	4.0	4.5	4.5	4.5	19.2	2.4 - 21.6	4.0
	GDP	1.4	1.8	2.5	2.5	2.5	10.4	0.8 - 11.2	2.1
	Base Rate	3.75	3.00	3.00	2.75	2.75	1.00	2.75 - 3.75	3.16

1. Unemployment and Bank Rate are shown at the year-end rate; HPI change and GDP change are for the six months ending 31 December 2026, and 12 months ending 31 December 2027 to 2030.
2. HPI change and GDP change average to 31 December 2030 are shown as the annual compound growth rates.

Notes to the Interim Financial Report continued

11. Impairment on loans and advances to customers continued

Forward-looking information incorporated in the ECL models continued

Key economic assumptions as at 30 June 2026 continued

A significant degree of estimation uncertainty relates to the relative weightings of the scenarios, incorporating different views of the house price index and the unemployment rate as indicated above. In order to demonstrate this sensitivity, the impact of applying 100% of a particular scenario on the reported IFRS 9 ECL provision is shown below. For example, if the provision was wholly calculated on the base scenario, it would decrease by £9 million, or 22% (31 December 2025: £11 million, 25%) compared to the reported provision. If a 100% weighting was attributed to the severe downside scenario, ECLs would increase by £41 million or 100% (31 December 2025: £51 million, 116%).

	30 June 2026 (Unaudited)		31 December 2025 (Audited)	
Scenario	IFRS 9 provision £m	(Decrease)/ Increase %	IFRS 9 provision £m	(Decrease)/ Increase %
IFRS 9 weighted average	**41**	**–**	44	–
Base scenario	**32**	**(22)**	33	(25)
Downside scenario	**50**	**22**	53	21
Severe downside scenario	**82**	**100**	95	116
Upside scenario	**29**	**(29)**	30	(32)

The ECL calculated above for 100% of each scenario multiplied by the scenario probability will not reconcile to the overall provision. This is due to the staging of loans within each scenario varying, but being allocated to a single stage in the overall provision calculation and having a weighted average 12 month or lifetime PD applied taking into account the economic scenarios. The probability weighted ECL is then calculated based on this staging allocation. The estimated ECL provision is determined using an uplift to account for the non-linearity in modelling of unemployment rates beyond 8.5%.

Sensitivity assessment

As at 30 June 2026, a decrease to the annual HPI assumption by 10% combined with an increase in the unemployment rate assumption of 10% throughout the forecast period would have the impact of increasing the core modelled ECL provision by £12 million (31 December 2025: £15 million) to £53 million (31 December 2025: £59 million).

Other credit risk information

Retail

LTV distribution

The LTV distribution of the retail mortgage book has remained broadly stable during the first half of 2026 with 85% of the mortgage book having an LTV of 75% or lower (31 December 2025: 85%). This is shown by IFRS 9 stage below:

As at 30 June 2026 Indexed loan to value (Unaudited)	Stage 1 £m	Stage 2 £m	Stage 3 & POCI £m	Total £m	ECL £m
<50%	**26,115**	**907**	**227**	**27,249**	**1**
50% to 65%	**20,238**	**945**	**166**	**21,349**	**7**
65% to 75%	**11,364**	**609**	**97**	**12,070**	**6**
75% to 85%	**6,476**	**308**	**51**	**6,835**	**6**
85% to 95%	**3,167**	**172**	**20**	**3,359**	**5**
95% to 100%	**92**	**2**	**1**	**95**	**–**
> 100%	**14**	**2**	**8**	**24**	**3**
Retail lending secured on mortgages	**67,466**	**2,945**	**570**	**70,981**	**28**
Unsecured loans	**201**	**8**	**4**	**213**	**5**
Mortgage pipeline	**–**	**–**	**–**	**–**	**1**
Total retail lending	**67,667**	**2,953**	**574**	**71,194**	**34**

Notes to the Interim Financial Report continued

11. Impairment on loans and advances to customers continued

Other credit risk information continued

Retail continued

LTV distribution continued

As at 31 December 2025 Index loan to value (Audited)	Stage 1 £m	Stage 2 £m	Stage 3 & POCI £m	Total £m	ECL £m
<50%	26,208	836	211	27,255	5
50% to 65%	19,734	1,882	158	21,774	6
65% to 75%	10,099	1,734	84	11,917	6
75% to 85%	6,478	614	42	7,134	6
85% to 95%	3,313	189	21	3,523	6
95% to 100%	61	1	—	62	—
> 100%	15	4	7	26	3
Total	65,908	5,260	523	71,691	32
Unsecured loans	212	7	4	223	5
Total retail lending	66,120	5,267	527	71,914	37

Business and Commercial

The tables below shows the business and commercial lending by industry sector, which represents 1.4% of the Group's overall lending balances. The exposure to higher-risk sectors is limited. An ECL allowance of £7 million (31 December 2025: £7 million) is held against this portfolio.

	30 June 2026 (Unaudited)				31 December 2025 (Audited)			
	Balance £m	Undrawn exposure £m	ECL £m	Coverage %	Balance £m	Undrawn exposure £m	ECL £m	Coverage %
Private finance initiative (PFI)	**292**	**21**	**1**	**0.34**	300	21	1	0.25
Housing association	**299**	**127**	**—**	**—**	271	163	—	0.03
Commercial real estate	**243**	**3**	**1**	**0.41**	253	2	1	0.35
Other	**146**	**101**	**5**	**3.42**	190	110	5	5.03
Total	**980**	**252**	**7**	**0.71**	1,014	296	7	0.72

Credit risk mitigations for lending to other business and commercial balances extends beyond property collateral and can include the taking of additional security, such as guarantees and appropriate covenants.

11. Impairment on loans and advances to customers continued

Arrears performance

Retail secured

The Group's longer-term arrears position is broadly stable in the first half of 2026 with £285 million (31 December 2025: £269 million) of accounts being more than three months in arrears. The overall credit quality of the book remains high and arrears levels compare favourably to the UK Finance average. The continued low level of arrears shows the resilience of our borrowers to the ongoing higher inflationary environment and affordability pressures. The Group will only seek repossession of a property when all reasonable efforts have failed or where the mortgage is unsustainable in the longer term. As at 30 June 2026, the Group has 75 properties in possession (31 December 2025: 67).

	30 June 2026		31 December 2025	
	Gross balance (Unaudited) £m	Arrears balance (Unaudited) £m	Gross balance (Audited) £m	Arrears balance (Audited) £m
Greater than three months	**285**	**16**	269	15
Greater than six months	**169**	**13**	159	12
Greater than one year	**68**	**8**	61	7
In possession	**17**	**2**	15	1

The accounts in arrears as a percentage of loans and advances to customers has increased marginally during the period, with the overall level of arrears remaining significantly lower than the UK Finance average, as shown below:

	30 June 2026		31 December 2025	
	Group (Unaudited) %	UK Finance[1] %	Group (Audited) %	UK Finance[1] %
Greater than three months	**0.39**	**0.77**	0.38	0.78
Greater than six months	**0.23**	**0.50**	0.22	0.49
Greater than one year	**0.09**	**0.28**	0.08	0.29
In possession	**0.02**	**0.06**	0.02	0.06

1. Latest available quarterly information from UK Finance is as at 31 March 2026 (2025: 31 December 2025).

12. Taxation

The Group has an effective tax rate of 15.2% (period to 30 June 2025: 3.0%). The effective tax rate is lower than the UK statutory corporation tax rate of 25% in the current year due to a tax credit in relation to distributions made to holders of the Group's AT 1 instrument, as well as utilisation of the Bank's historical trading losses. In the prior period, this, alongside the accounting gain, arising upon acquisition of the Bank, resulted in a lower effective tax rate. The gain was recognised on consolidation and therefore was not a taxable item in any of the individual entities within the Group.

With a UK corporation tax rate of 25% alongside the Bank Corporation Tax Surcharge of 3% (chargeable on banking profits in excess of £100 million and applicable to the Society and Bank), the combined rate of tax on banking profits in excess of £100 million is 28%. The deferred tax assets at 30 June 2026 have been calculated on these rates, reflecting the expected timing of reversal of the related timing differences.

Under the global minimum top-up tax legislation, the Group is liable to pay a domestic top-up tax for the difference between its global anti-base erosion effective tax rate in the UK and the 15% minimum rate. The Group has assessed the impact of the legislation with support from its tax advisers and does not expect to be subject to a top-up tax.

Deferred tax assets for unrealised losses

At 30 June 2026, the Group has recognised deferred tax assets of £243 million (31 December 2025: £243 million) in respect of historical trading losses of £2,332 million (31 December 2025: £2,353 million), which relate wholly to the Bank. Whilst there is no expiry date for the utilisation of tax losses, it is restricted to 50% or 25% of taxable profits depending on when those tax losses were incurred.

12. Taxation continued

Deferred tax assets in respect of historical tax losses are recognised to the extent that the latest approved financial plan supports the expected future profitability. There are inherent risks in estimating future profitability and the time horizon over which the losses may be utilised. As a result, the extent of recognition of such balances is deemed to be both a significant judgement and estimate to the Group.

At 30 June 2026, the latest Board-approved strategic plan remains that used in the December 2025 assessment. The range of plausible scenarios and assessment of future profitability in light of financial performance in the reporting period has been considered and as a result no adjustment to the deferred tax asset recognised has arisen in the period.

Deferred tax assets totalling £358 million (31 December 2025: £364 million) with respect to the Bank's historic trading losses have not been recognised as they have not yet met the assessment level for expected future utilisation.

13. Deposits from banks

	30 Jun 2026 (Unaudited) £m	31 Dec 2025 (Audited) £m
Bank of England - TFSME	**263**	264
Sale and repurchase agreements (repos) in relation to:		
Covered bond programme	**503**	1,358
Debt securities	**575**	1,160
Other[1]	**404**	227
Total deposits from banks	**1,745**	3,009

1. Other deposits from banks includes the collateral received held against derivative financial assets.

14. Debt securities in issue

	Medium term notes £m	**Covered bonds £m**	**Residential Mortgage Backed Securities £m**	**Total £m**
As at 1 January 2026 (Audited)	**2,412**	**4,168**	**1,727**	**8,307**
Cash flows	**(788)**	**953**	**(80)**	**85**
Non-cash flows				
Foreign exchange movements	**(6)**	**(19)**	**–**	**(25)**
Change in accrued interest	**12**	**19**	**1**	**32**
Amortisation	**1**	**1**	**1**	**3**
Unwind of initial fair value on acquisition	**(10)**	**–**	**–**	**(10)**
As at 30 June 2026 (Unaudited)	**1,621**	**5,122**	**1,649**	**8,392**

	Medium term notes £m	Covered bonds £m	Residential Mortgage Backed Securities £m	Total £m
As at 1 January 2025 (Audited)	2,067	2,866	1,610	6,543
Recognised on acquisition	678	499	–	1,177
Cash flows	(345)	697	117	469
Non-cash flows				
Foreign exchange movements	24	104	–	128
Change in accrued interest	(6)	(1)	(1)	(8)
Amortisation	4	3	1	8
Unwind of initial value on acquisition	(10)	–	–	(10)
As at 31 December 2025 (Audited)	2,412	4,168	1,727	8,307

Notes to the Interim Financial Report continued

15. Subordinated liabilities

	Issue date	Call date	Maturity date	30 Jun 2026 (Unaudited) £m	31 Dec 2025 (Audited) £m
Subordinated liabilities owed to note holders are as follows:					
Fixed rate subordinated notes 2032 - 7.54%	Aug 2009	Aug 2027	Aug 2032	**15**	15
Fixed rate subordinated notes 2034 - 11.75%	Nov 2023	May 2029	May 2034	**228**	233
Total				**243**	248

All subordinated liabilities are denominated in sterling and are repayable in the years stated, or earlier in accordance with their terms at the option of the issuer, subject to prior consent of the Prudential Regulation Authority (PRA).

The subordinated notes rank equally with each other and behind all other creditors of the Society and the claims of Shareholding Members, other than holders of Permanent Interest Bearing Shares (PIBS) and Perpetual Capital Securities (PCS), for both principal and interest.

The fixed rate subordinated notes 2032 – 7.54% can be called at the option of the Society in August 2027 in accordance with their terms, subject to prior consent of the PRA.

The fixed rate subordinated notes 2034 – 11.75% can be called at the option of the Society in May 2029 in accordance with their terms, subject to prior consent of the PRA.

16. Subscribed capital

	30 Jun 2026 (Unaudited) £m	31 Dec 2025 (Audited) £m
Subscribed capital owed to permanent interest holding members is as follows:		
Permanent Interest Bearing Shares - 1992 - 12 1/8%	**42**	42
Total subscribed capital	**42**	42

Subscribed capital comprises the Permanent Interest Bearing Shares (PIBS) issued in 1992 that are only repayable in the event of the winding up of the Society. Interest is paid in arrears in half yearly instalments at 12.125% per annum.

PIBS rank equally with each other. They rank behind all other creditors of the Society including subordinated liabilities and the claims of Shareholding Members (other than holders of PCS, which rank behind PIBS) for both principal and interest. The holders of PIBS are not entitled to any share in any final surplus upon a winding up or final dissolution of the Society.

17. Other equity instruments

The Society has issued £665 million of Perpetual Capital Securities (PCS). This is also known as Additional Tier 1 Capital. This 2024 PCS issuance pays a fully discretionary, non-cumulative fixed coupon at an initial rate of 8.750% per annum with optional redemption in December 2029. The rate will reset on 11 December 2029 and every five years thereafter to the prevailing rate on benchmark gilt plus 4.727%. Coupons are paid semi-annually in June and December.

The returns paid to holders of PCS are treated as an appropriation of profit after tax, reflecting their categorisation as equity instruments, distributed directly from the general reserve. During the period to 30 June 2026, coupon payments of £29 million (30 June 2025: £29 million, 31 December 2025: £58 million) have been recognised in the Condensed Consolidated Statement of Change in Members' Interests and Equity.

The 2024 instruments have no maturity date. They are repayable at the option of the Society in 2029 and on every fifth anniversary thereafter, but only with the prior consent of the PRA. If the end-point Common Equity Tier 1 ratio for the Group, on either an individual consolidated or a consolidated basis, falls below 7% they convert to Core Capital Deferred Shares (CCDS) at the rate of one CCDS for every £67 PCS held.

The PCS rank behind all other creditors of the Society including Subordinated liabilities and the claims of Shareholding Members (other than PIBS), for both principal and interest. The holders of PCS are not entitled to any share in any final surplus upon a winding up or final dissolution of the Society.

Notes to the Interim Financial Report continued

18. Financial instruments – fair value of financial assets and liabilities

For the purpose of calculating fair values, fair value is assessed as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal or, in its absence, the most advantageous market to which the Group has access at that date.

The Group measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- **Level 1:** unadjusted quoted prices in active markets for identical instruments.
- **Level 2:** valuation techniques for which all significant inputs are based on observable market data.
- **Level 3:** valuation techniques for which significant inputs are not based on observable market data.

Where applicable, the Group measures fair value using the quoted price in an active market for that instrument. A market is regarded as active if transactions take place with sufficient frequency and volume to provide pricing information on an ongoing basis. Where this is not applicable, the Group determines fair values using other valuation techniques.

The following table summarises the classification of carrying amounts of the Group's financial assets and liabilities at the reporting date.

	30 June 2026 (Unaudited)				31 December 2025 (Audited)			
	Amortised cost £m	Fair value through other comprehensive income £m	Fair value through profit and loss £m	Total £m	Amortised cost £m	Fair value through other comprehensive income £m	Fair value through profit and loss £m	Total £m
Financial assets								
Cash and balances with the Bank of England	9,849	–	–	9,849	11,948	–	–	11,948
Loans and advances to credit institutions	345	–	–	345	383	–	–	383
Debt securities	23	1,887	3	1,913	26	1,536	3	1,565
Loans and advances to customers	72,145	–	–	72,145	72,936	–	–	72,936
Hedge accounting adjustment	(163)	–	–	(163)	169	–	–	169
Derivative financial instruments	–	–	579	579	–	–	533	533
Investment in equity shares	–	–	5	5	–	–	5	5
Total financial assets	82,199	1,887	587	84,673	85,462	1,536	541	87,539
Other non-financial assets	725	–	–	725	700	–	–	700
Total assets	82,924	1,887	587	85,398	86,162	1,536	541	88,239
Financial liabilities								
Shares	49,250	–	–	49,250	50,830	–	–	50,830
Customer accounts	20,989	–	–	20,989	20,892	–	–	20,892
Deposits from banks	1,745	–	–	1,745	3,009	–	–	3,009
Debt securities in issue	8,392	–	–	8,392	8,307	–	–	8,307
Hedge accounting adjustment	(51)	–	–	(51)	29	–	–	29
Derivative financial instruments	–	–	208	208	–	–	320	320
Subordinated liabilities	243	–	–	243	248	–	–	248
Subscribed capital	42	–	–	42	42	–	–	42
Total financial liabilities	80,610	–	208	80,818	83,357	–	320	83,677
Other non-financial liabilities	243	–	–	243	273	–	–	273
Total liabilities	80,853	–	208	81,061	83,630	–	320	83,950

Notes to the Interim Financial Report continued

18. Financial instruments – fair value of financial assets and liabilities continued

Fair value of assets held at amortised cost

The following table summarises the fair value of the Group's financial assets and liabilities measured at amortised cost on the face of the Group's Balance Sheet.

	Carrying amount 30 Jun 2026 (Unaudited) £m	Fair value 30 June 2026 (Unaudited) £m	Carrying amount 31 Dec 2025 (Audited) £m	Fair value 31 Dec 2025 (Audited) £m
Financial assets				
Loans and advances to credit institutions	**345**	**345**	383	383
Loans and advances to customers	**72,145**	**71,726**	72,936	73,266
Debt securities	**23**	**23**	26	27
Financial liabilities				
Shares	**49,250**	**48,864**	50,830	50,480
Customer accounts	**20,989**	**20,976**	20,892	20,883
Deposits from banks	**1,745**	**1,745**	3,009	3,009
Debt securities in issue	**8,392**	**8,363**	8,307	8,301
Subordinated liabilities	**243**	**246**	248	258
Subscribed capital	**42**	**78**	42	79

Loans and advances to credit institutions

The fair value of loans and advances to credit institutions over the longer term is estimated by discounting expected cash flows at a market discount rate. Amounts maturing in the short term are valued at carrying amount.

Loans and advances to customers

The fair value of loans and advances to customers is assessed as the value of the expected future cash flows, projected using contractual interest payments and repayments and the expected prepayment behaviour of borrowers. Assumptions are applied regarding expected levels of customer prepayments and the risk of defaults. The estimated future cash flows are discounted at current market rates for the loan types and adjusted where necessary to reflect any observable market conditions. The majority of the loans and advances to customers are on a fixed rate product, and therefore interest rate swap derivative instruments are in place against these assets. Hedge accounting related fair value adjustments of £163 million decrease (31 December 2025: £169 million increase) are excluded from the carrying value and fair value.

Debt securities

Debt securities for which no market price or executable bid is available at the year end date are valued by one of two methods. Where there are recent market prices or executable bids for the security, these are used as the basis for establishing a valuation. Otherwise, a security is valued based on its relative value to comparable bonds.

Shares and customer accounts

The fair value of shares and customer accounts available on demand approximates to the carrying value. The fair value of fixed term or restricted access deposits is determined from the estimated projected cash flows discounted at the current market rates for those types of deposit. The estimated fair value of deposits with no stated maturity, which includes non-interest bearing deposits, is the amount repayable on demand. Hedge accounting fair value adjustments to the share balance of £15 million decrease (31 December 2025: £25 million increase) are excluded from the carrying value and fair value. Hedge accounting fair value adjustments to customer accounts of £3 million decrease (31 December 2025: £22 million increase) are excluded from the carrying value and fair value.

Deposits from banks

The fair value of deposits taken from wholesale counterparties over the longer term is estimated by discounting expected cash flows at a market discount rate. Amounts maturing in the short term are valued at carrying amount.

Debt securities in issue, subordinated liabilities and subscribed capital

The estimated fair value of longer-dated liabilities is calculated based on quoted market prices where available or using similar issues as a proxy for those liabilities that are not of sufficient size or liquidity to have an active market quote. For those liabilities where quoted market prices are not available, a discounted cash flow model is used based on a current yield curve appropriate to the remaining term to maturity.

Notes to the Interim Financial Report continued

18. Financial instruments – fair value of financial assets and liabilities continued

Fair value of assets held at fair value, and classification within the fair value hierarchy

The following table summarises the fair value of the Group's financial assets and liabilities measured at fair value on the face of the Group's Balance Sheet by fair value hierarchy and product type:

30 June 2026 (Unaudited)	Level 1 £m	Level 2 £m	Level 3 £m	Total fair value £m
Derivative financial instruments - assets	–	579	–	579
Debt securities	1,887	–	3	1,890
Investment in equity shares	–	–	5	5
Derivative financial instruments - liabilities	–	208	–	208

31 December 2025 (Audited)	Level 1 £m	Level 2 £m	Level 3 £m	Total fair value £m
Derivative financial instruments - assets	–	533	–	533
Debt securities	1,536	–	3	1,539
Investment in equity shares	–	–	5	5
Derivative financial instruments - liabilities	–	319	1	320

Level 1 - Debt securities - fair value through other comprehensive income - Listed

Market prices have been used to determine the fair value of listed debt securities.

Level 1 - Investment in equity shares - fair value through profit and loss - Listed

Market prices have been used to determine the fair value of listed equity shares.

Level 2 - Derivatives

Derivative products utilise observable market inputs for interest rate swaps and cross currency swaps. Valuations are generated by swap models which use present value calculations and incorporate assumptions for interest rate curves and foreign exchange spot and forward rates.

Level 2 - Debt securities - fair value through other comprehensive income - Unlisted

Where quoted market prices are not available at the valuation date, valuations of securities are based on their relative value to comparable securities.

Level 2 - Debt securities in issue - fair value through profit and loss - Listed

Market prices have been used to determine the fair value of listed debt securities in issue.

Level 2 - Subordinated liabilities - Listed

Market prices have been used to determine the fair value of listed subordinated liabilities.

Level 3 - Debt securities - Unlisted

Represents a 5% (31 December 2025: 5%) risk retention holding of residual certificates issued by Warwick Finance Residential Mortgages Number Three plc. The remaining 95% (31 December 2025: 95%) is privately held, therefore there are no available market prices. An in-house model is used that sources independent market data for disclosure purposes only.

Level 3 - Investment in equity shares - fair value through profit and loss - Unlisted

The Group has a small balance of investments in equity shares, including a residual holding in Visa Inc. shares. These shares are valued based on future cash consideration which the Group expects to receive on sale of these instruments, or the underlying market value.

Level 3 - Derivatives

The item included within Level 3 was a balance tracking swap which fully unwound during the period. It was valued using present value calculations based on market interest rates curves. The unobservable inputs related to the projection of the swap notional amount, which changed over time to match the balance of the underlying mortgage portfolio. Projected mortgage prepayment amounts were used in the modelling of the mortgage portfolio profile. The changes in the projection of interest and prepayment rates of the underlying mortgage portfolio affect both the balance tracking swap and hedged item so that the net Income Statement and Balance Sheet impact would be minimal.

Transfers between fair value levels

Transfers only occur when either it becomes possible to value a financial instrument using a method that is higher up the valuation hierarchy or it is no longer possible to value it using the current method and therefore it is valued using a method lower down the hierarchy. Transfers are considered to have occurred at the end of the reporting period for the purposes of this disclosure.

Notes to the Interim Financial Report continued

19. Provisions for liabilities and charges

During the normal course of business, the Group receives complaints from customers in relation to past sales and ongoing administration. The Group is also subject to enquiries from and discussions with its regulators, including the Financial Ombudsman Service (FOS), on a range of matters.

The Group continues to monitor ongoing legal cases and makes assessment on potential exposure based on available information and expected outcomes. The Group does not expect the ultimate resolution of any current complaints, threatened or actual legal proceedings, regulatory or other matters to have a material adverse impact on its financial position.

Therefore there are no matters which require disclosure as a contingent liability or provisions recognised at the balance sheet date.

Responsibility Statement

The directors confirm that this Interim Financial Report has been prepared in accordance with IAS 34 Interim Financial Reporting. The Interim Financial Report has been prepared in accordance with the applicable set of accounting standards giving a true and fair view of the assets, liabilities, financial position and profit or loss. This includes a fair review of the important events that have occurred during the first six months of the year and their impact on the Interim Financial Report, in addition to a description of the principal risks and uncertainties for the remaining six months of the year as required by the Disclosure and Transparency Rules (DTR 4.2.7).

A full list of the Board of directors can be found in the 2025 Annual Report & Accounts. Iraj Amiri and Iain Plunkett retired from the Board as Non-Executive Directors on 31 March 2026 and 29 June 2026 respectively. Jen Tippin will join the Board as a Non-Executive Director on 1 September 2026.

Signed on behalf of the Board by

Stephen Hughes
Chief Executive

Lee Raybould
Chief Financial Officer

28 July 2026

Independent review report to Coventry Building Society

Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed Coventry Building Society's condensed consolidated interim financial statements (the "interim financial statements") in the interim financial report of Coventry Building Society for the 6 month period ended 30 June 2026 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim financial statements comprise:

- the Condensed Consolidated Balance Sheet as at 30 June 2026;
- the Condensed Consolidated Income Statement and Condensed Consolidated Statement of Comprehensive Income for the period then ended;
- the Condensed Consolidated Statement of Cash Flows for the period then ended;
- the Condensed Consolidated Statement of Changes in Members' Interests and Equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the interim financial report of Coventry Building Society have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom ("ISRE (UK) 2410"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the interim financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the group to cease to continue as a going concern.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The interim financial report, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the interim financial report in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the interim financial report, including the interim financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the interim financial report based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report.

Use of this report

This report, including the conclusion, has been prepared for and only for the Society for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
Birmingham
28 July 2026

Other information

The Interim Financial Report information set out in this document is unaudited and does not constitute accounts within the meaning of section 73 of the Building Societies Act 1986.

The financial information for the year ended 31 December 2025 has been extracted from the Annual Report & Accounts for that year. The Annual Report & Accounts for the year ended 31 December 2025 have been filed with the Financial Conduct Authority. The Auditors' report on these Annual Report & Accounts was unqualified.

A copy of the Interim Financial Report is placed on the website of Coventry Building Society, at www.thecoventry.co.uk. The directors are responsible for the maintenance and integrity of the information on the Society's website. Information published on the internet is accessible in many countries with different legal requirements. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Forward Looking Statements

Certain statements in this Interim Financial Report are forward looking. The Group, defined in this Interim Financial Report as Coventry Building Society and its subsidiary undertakings, believes that the expectations reflected in these forward looking statements are reasonable based on the information available at the time of the approval of this report. However, we can give no assurance that these expectations will prove to be an accurate reflection of actual results; because these statements involve risks and uncertainties, actual results may differ materially from those expressed or implied by these forward looking statements. We undertake no obligation to update any forward looking statements whether as a result of new information, future events or otherwise.

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