Key Performance Indicators

Tracking our progress

Protect

Keeping it safe

Common Equity Tier 1 capital ratio (%)

2024	12.8
2023	13.3
2022	14.6

Our CET1 capital ratio is significantly above the applicable requirements. We have identified management actions which could strengthen the group's capital position materially and these are in the process of being implemented. Maintaining a strong capital position is a fundamental component of our model.

Net interest margin (%)

2024	7.4
2023	7.7
2022	7.8

Net interest margin is a key measure of profitability and reflects both our pricing discipline on new lending and our funding costs. Prioritising margin over volumes is a key facet of our lending approach.

Bad debt ratio, excluding Novitas[1] (%)

2024	0.9
2023	0.9
2022	0.5

Our bad debt ratio (excluding Novitas) remains below our long-term average of 1.2%[2]. The consistent application of our underwriting and responsible lending criteria at all stages of the economic cycle is fundamental to our long-term approach.

Total funding as a percentage of loan book[3] (%)

2024	128
2023	130
2022	127

We adopt a conservative approach to funding based on the principle of "borrow long, lend short", with a prudent maturity profile. Our funding base is diverse, enabling us to adapt our position through the cycle, based on market conditions and demand.

Banking expense/income ratio (%)

2024	58
2023	55
2022	52

We are focused on achieving positive operating leverage in the 2026 financial year and have mobilised additional cost saving initiatives which are expected to generate annualised savings of c.£20 million, reaching the full run rate by the end of the 2025 financial year.

Liquidity coverage ratio, 12-month average (%)

2024	1,034
2023	1,143
2022	924

Our liquidity coverage ratio is substantially above regulatory requirements, as we continue to adopt a conservative liquidity position and prudently manage our financial resources.

Grow

Delivering disciplined growth

Loan book growth[3] (%)

2024	6
2023	5
2022	5

Loan book growth remains an output of our business model, as we prioritise our margins and credit quality. Whilst we have a strong track record of delivering disciplined growth, we are currently focused on selectively growing our loan book growth to optimise risk weighted assets and strengthen our capital position.

Net inflows (% of opening AuM)

2024	8
2023	9
2022	5

CBAM has a long track record of generating healthy net inflows, with a target range of 6% to 10%.

Return on average tangible equity (%)

2024	8.3
2023	5.9
2022	12.2

Over the medium term, we are focused on delivering for our shareholders and resuming our track record of earnings growth and returns through our focus on disciplined growth, cost efficiency and capital optimisation.

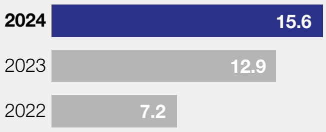
"As we navigate this period of significant uncertainty, our priority is to further strengthen our capital position, while protecting and sustaining our valuable franchise. We acknowledge that this will have an adverse impact on some of our metrics over the short term, and whilst this is disappointing, we remain focused on resuming our track record of earnings growth and attractive returns."

Adrian Sainsbury, Chief Executive

Sustain

Doing it responsibly

WBS assets under administration (£ billion)

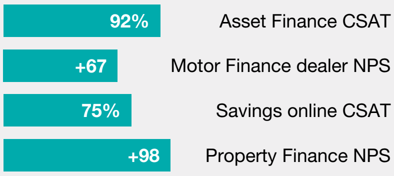


Winterflood Business Services ("WBS") has seen strong growth in recent years, supported by a solid pipeline of clients. The growth of WBS supports the diversification of income streams in Winterflood.

Employee engagement (%)

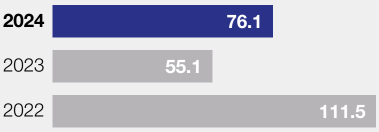
We are committed to fostering a culture that attracts and retains engaged and motivated employees.

Customer sentiment scores



Customers are at the heart of our model, as we focus on delivering high levels of service and sharing our deep industry expertise to meet their needs.

Adjusted basic earnings per share (pence)

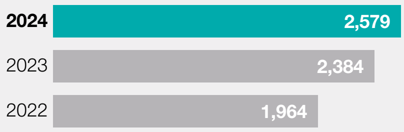


Over the medium term, we are focused on delivering for our shareholders and resuming our track record of earnings growth and increasing our adjusted basic earnings per share growth through our focus on disciplined growth, cost efficiency and capital optimisation.

Dividend per share (pence)

Whilst we have a strong long-term dividend track record, our current priority is to further strengthen the group's capital position, which includes the decision not to pay a dividend on ordinary shares in the 2024 financial year. The reinstatement of dividends in the 2025 financial year and beyond will be reviewed once the FCA has concluded its review of historical motor finance commission arrangements and any financial consequences for the group have been assessed.

Total Scope 1 and 2 emissions (market-based) (tonnes CO_2e)[4]



We have committed to become operationally net zero across our Scope 1 and 2 emissions by 2030. In addition to energy efficiency, our roadmap includes full electrification of both our office buildings and our car fleet and sourcing of renewable energy.

See pages 248 to 251 for the full definitions of these key performance indicators

1. Bad debt ratio including Novitas of 1.0% in 2024, 2.2% in 2023 and 1.2% in 2022.
2. Long-term average bad debt ratio of 1.2% based on the average bad debt ratio for FY08-FY24, excluding Novitas.
3. Loan book including operating lease assets.
4. The total Scope 1 and 2 emissions for 2023 has been restated.