Semi-annual Pillar 3 disclosures

30 June 2025

Introduction

This document sets out the consolidated Vanquis Banking Group plc (the Company) semi-annual Pillar 3 disclosures (together with its subsidiaries "the Group") at 30 June 2025 in accordance with the requirements of the UK Capital Requirements Regulation (CRR).

The Group and Bank are classified as a Small Domestic Deposit Taker (SDDT) Consolidation Entity and SDDT respectively. The Group's disclosure requirements are therefore set out in Article 433b of the Rulebook. This requires that the Group produces an annual Pillar 3 Report and discloses key metrics on a half yearly basis.

The Group

On 30 June 2025, the Group had two principal trading entities – Vanquis Bank Limited (the Bank) and Moneybarn No.1 Limited (Moneybarn).

The Group is the subject of consolidated supervision by the PRA by virtue of Vanquis Banking Group plc being the parent company of Vanquis Bank Limited (the Bank). The PRA sets requirements for the consolidated Group and the Bank in respect of capital and liquidity adequacy and large exposures.

The core products of the Group comprise:

- Credit Cards – via the Vanquis brand;
- Vehicle Finance – via the Moneybarn brand;
- Second Charge Mortgages – via forward flow agreements;
- savings – fixed-term products, notice accounts, cash ISAs and easy-access accounts; and
- budgeting and money management – via Snoop.

Disclosure framework

The Group is regulated for prudential capital purposes under the Basel 3 regime, the international regime governing capital maintenance in banks, which is supervised by the Basel Committee on Banking Supervision (BCBS). In the UK, this regime is enforced through the PRA Rulebook (the Rulebook), following the implementation of the Financial Services Act 2021 on 1 January 2022.

The Group has adopted the standardised approach (SA) for credit risk and the alternative standardised approach (ASA) for operational risk.

Basis of preparation and review

These disclosures have been subject to internal verification and have been reviewed by the Board Risk Committee. These disclosures have not been externally audited and do not constitute any part of the Group's financial statements.

Article 432 of the CRR states that institutions may omit one or more of the Pillar 3 disclosures if the information is not regarded as material. Information in disclosures shall be regarded as not material if the Group does not expect that its omission or misstatement would change or influence the assessment or decision of a user relying on that information for the purpose of making economic decisions. No disclosures required by Article 433b have been omitted on the grounds of materiality from this document.

The Group has no Additional Tier 1 capital and as such there is no difference between the CET1 capital ratio and the Tier 1 capital ratio reported in this document. A reconciliation between regulatory own funds to the balance sheet in the audited financial statements is not required by Article 433b. Under Annex II to the Disclosure (CRR) part of the Rulebook, information on the result of the Group's internal capital adequacy assessment process (Article 438(a) CRR) shall only be disclosed by institutions when required by the relevant competent authority. This has not been requested from the Group.

Key metrics

This section sets out the Group's key capital and liquidity metrics.

UK KM1 – Key metrics template

		a	c	e
£m		30 Jun 25	31 Dec 24	30 Jun 24
	Available own funds (amounts)[1]			
1	Common Equity Tier 1 (CET1) capital	348.0	344.3	359.2
2	Tier 1 capital	348.0	344.3	359.2
3	Total capital	548.0	544.3	559.2
	Risk-weighted exposure amounts			
4	Total risk-weighted exposure amount	1,882.7	1,834.8	1,813.4
	Capital ratios (as a percentage of risk-weighted exposure amount)			
5	Common Equity Tier 1 ratio (%)	18.5	18.8	19.8
6	Tier 1 ratio (%)	18.5	18.8	19.8
7	Total capital ratio (%)	29.1	29.7	30.8
	Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)			
UK 7a	Additional CET1 SREP requirements (%)	2.2	2.2	2.2
UK 7b	Additional AT1 SREP requirements (%)	0.7	0.7	0.7
UK 7c	Additional T2 SREP requirements (%)	1.0	1.0	1.0
UK 7d	Total SREP own funds requirements (%)	11.9	11.9	11.9
	Combined buffer requirement (as a percentage of risk-weighted exposure amount)			
8	Capital conservation buffer (%)	2.5	2.5	2.5
UK 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a member state (%)	-	-	-
9	Institution specific countercyclical capital buffer (%)	2.0	2.0	2.0
UK 9a	Systemic risk buffer (%)	-	-	-
10	Global systemically important Institution buffer (%)	-	-	-
UK 10a	Other systemically important Institution buffer	-	-	-
11	Combined buffer requirement (%)	4.5	4.5	4.5
UK 11a	Overall capital requirements (%)	16.4	16.4	16.4
12	CET1 available after meeting the total SREP own funds requirements (%)	11.8	12.1	13.1
	Leverage ratio			
13	Total exposure measure excluding claims on central banks	2,779.1	2,482.6	2,338.9
14	Leverage ratio excluding claims on central banks (%)	12.5	13.9	15.4
	Additional leverage ratio disclosure requirements[2]	n/a	n/a	n/a
	Liquidity coverage ratio			
15	Total high-quality liquid assets (HQLA) (weighted value - average)	879.6	802.0	642.1
UK 16a	Cash outflows – total weighted value	249.1	194.8	155.4
UK 16b	Cash inflows – total weighted value	71.0	78.3	80.3
16	Total net cash outflows (adjusted value)	178.1	116.4	74.7
17	Liquidity coverage ratio (%)[2]	563.8	1,001.2	1,085.9
	Net stable funding ratio[3]	n/a	n/a	n/a

1 Own funds amounts are stated on an accrued basis, including any gains not yet verified (net of any foreseeable dividend, if applicable).

2 In line with the UK KM1 template instructions only LREQ firms shall disclose values in rows 14a to 14e – as neither the Group nor Bank are subject to LREQ, these rows have not been included.

2 These measures are based on a 12-month rolling average of month-end positions; therefore, it cannot be directly calculated from the values given above.

3 In March 2024, the Group received confirmation that it is now a Small Domestic Deposit Taker consolidation entity. As a result, the Group is not required to report the NSFR from the 30 June 2024 reporting date onwards – no average metrics are therefore provided.

This is a PRA fixed format template; therefore, cells not required have been left blank or indicated as not applicable above.